TCA S.p.A.
2023 Integrated Annual Report

PRECIOUS METALS REFINING

TCA

Trattamenti Ceneri Auroargentifere S.p.A.

2023 Integrated Annual Report

LETTER TO STAKEHOLDERS

Dear Stakeholders,

We are pleased to present our 2023 Integrated Annual Report. This report uses qualitative and quantitative indicators to illustrate T.C.A. S.p.A.'s business and financial performance for the year as well as its environmental and social impacts, of which TCA is increasingly mindful and to which it has dedicated additional efforts.

We realize that the path toward sustainability is particularly demanding and complex, and requires perseverance and steadfastness of purpose.

Our business remains firmly oriented toward sustainable development and raising the awareness and transparency of our impacts. The process of obtaining these goals has been undertaken on two fronts. On one hand, we have given greater care to promote and support cultural and social activities and, in partnership with the main local actors, to keep up and enhance the sense of community, taking as a benchmark the fundamental values professed in the Italian Constitution. On the other, we have acted responsibly toward the environment, the resources and the local area, raising the level of consideration and awareness of our impacts without slowing down production, which actually had a qualitative and quantitative boost in the second half of the year.

In 2023, the Company's turnover rose significantly from that of 2022 to exceed the Euro 1.5 billion mark, whereas margins, slightly higher than in 2022, were adversely affected by higher interest rates. Since the production cycle requires constant financial support, the effect of the higher interest rates on the bottom line outweighed benefit represented by lower energy costs. Meanwhile, the decline in value of some metals (rhodium, platinum and palladium) accelerated. We are stepping up our investments in innovation and research with an eye toward sustainable development in an increasingly dynamic global scenario.

In fact, we carried out a Life Cycle Assessment with the University of Bologna on the impact deriving from our metals, which will be completed in 2024. The initial results are excellent set against the market averages and literature for primary metals.

In 2023 we finished i) installing an extensive system for monitoring energy and water consumption, which will be useful for implementing energy efficiency projects; ii) purchasing adjoining properties. As soon as we obtain the Integrated Environmental Authorization, expected in 2024, we will submit to the authorities a request to enlarge the perimeter so that we can improve all the parameters of the production process (health and safety, the environment, efficiency) by putting to good use the greater space available.

We obtained the environmental authorization for expanding the Vicenza plant with full approval, and we began the process of obtaining the construction authorization (which requires the approval of a *Piano di Edilizia Convenzionata* - a construction arrangement with the municipality - and a subsequent Construction Permit). The work should be completed in 2025 and will include many sustainable features: from solar panels for energy production to Best Available Techniques for cutting emissions to below half the legal limits.

In keeping with the reports of previous years, the general purpose of this Integrated Annual Report is to supply information that could have a significant impact on TCA S.p.A.'s capacity to create value in the short, medium and long term, for itself and for its stakeholders. The Board of Directors reiterates the message of past years that the Integrated Annual Report explains to stakeholders how TCA S.p.A. creates value over time and takes into consideration the Company's impact on itself, its stakeholders and the environment in which it operates.

Yours faithfully,

Marco Manneschi
TCA Chairman

METHODOLOGY

TCA S.p.A.'s Integrated Annual Report describes its financial and sustainability performance, business model, corporate governance, risk management, regulatory compliance, strategy, and capitals implemented during 2023.

The document represents the tool with which TCA S.p.A. (also referred to herein as "TCA" or the "Company") communicates with its stakeholders, and is an important occasion for illustrating the tie between business strategies, relationship management and the main activities carried out during the year.

The Integrated Annual Report explains TCA's relationship with the local and international community in terms of human resources, worker health and safety, customer relations, supply relations and environmental impact.

TCA continues to prepare this Report on a voluntary basis, as it is aware of the significance that such matters have for its stakeholders. The sustainability reporting experience gained up to now will prove particularly useful given that, as of the reporting period beginning January 1, 2025, TCA will have to comply with the new Corporate Sustainability Reporting Directive (CSRD): Directive (EU) 2022/2464, transposed into Legislative Decree 125/2024, replacing Legislative Decree 254/2016. To this end, the Company will map out the reporting requirements of the CSRD and of the European Sustainability Reporting Standards (ESRS) to identify the additional information needed and formulate an action plan to ensure compliance with the new regulations.

The layout of this report is based on the guiding principles of the International Integrated Reporting Framework <IR>, published in December 2013 and updated in 2021 by the International Integrated Reporting Council (IIRC), in conformity with the Global Sustainability Reporting Standards published in 2016 and updated in 2021 by the Global Reporting Initiative (GRI), under the "In Accordance" option. The GRI Content Index is included at the end of this report; it sets forth the sustainability topics reported on by the organization.

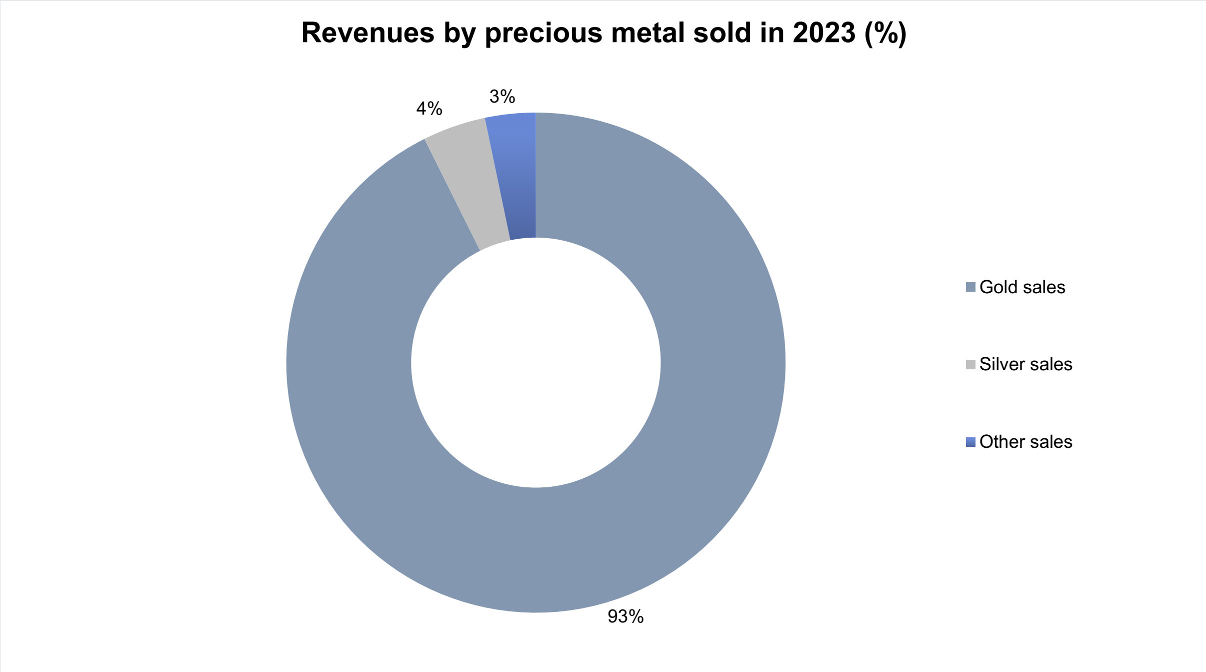
The contents of this Report refer to the year ended December 31, 2023. Data referring to the previous year is provided solely for comparative purposes, to enable an assessment of the Company's business performance over a more extended period of time.

The information herein refers to matters deemed material regarding TCA's three operational facilities, located in Arezzo (headquarters), Vicenza and Valenza.

In order to provide a fair view of the services and ensure reliable information, directly measurable quantities were included while the use of estimates was limited as much as possible.

HIGHLIGHTS

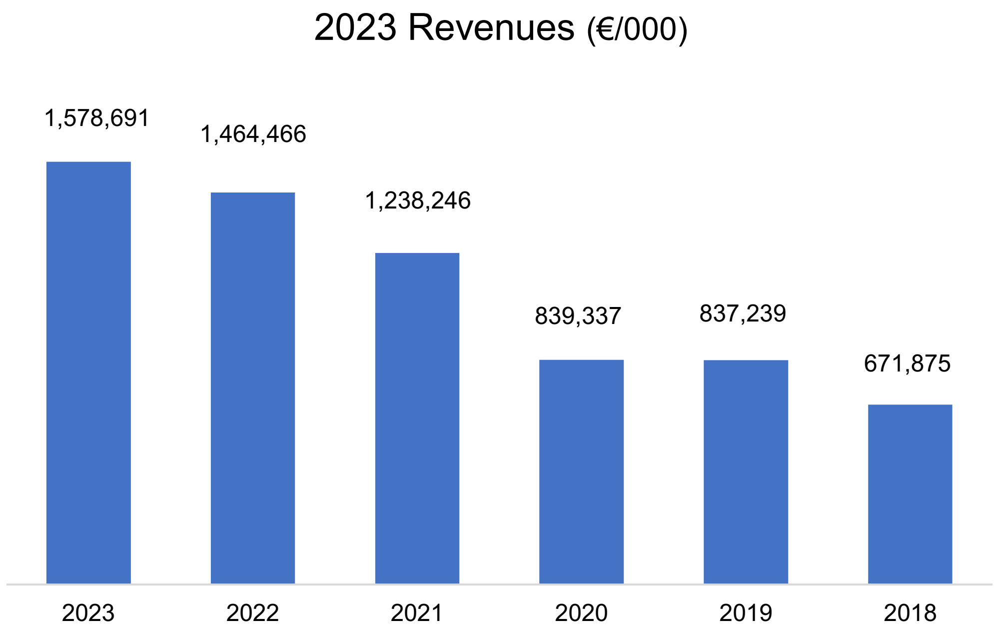
Sales



Balance Sheet Indicators

	2023	2022	2021
Total fixed assets (€/000)	30,184	28,823	28,183
Net working capital (€/000)	20,272	18,423	22,137
Equity (€/000)	44,487	42,189	46,528
Capital assets (€/000)	14,303	13,365	18,345

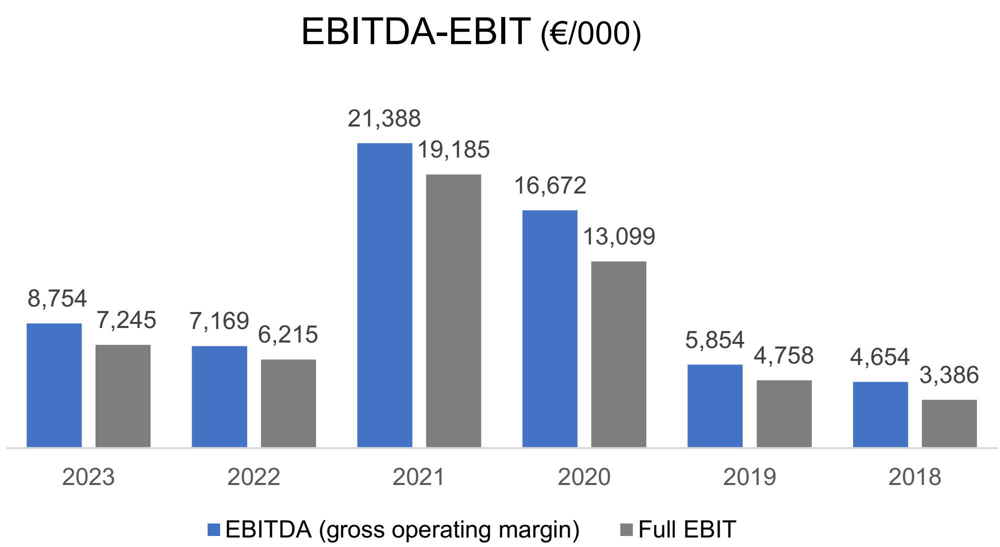
Revenues



In 2023 the Company's sales and service revenues were higher than those of 2022.

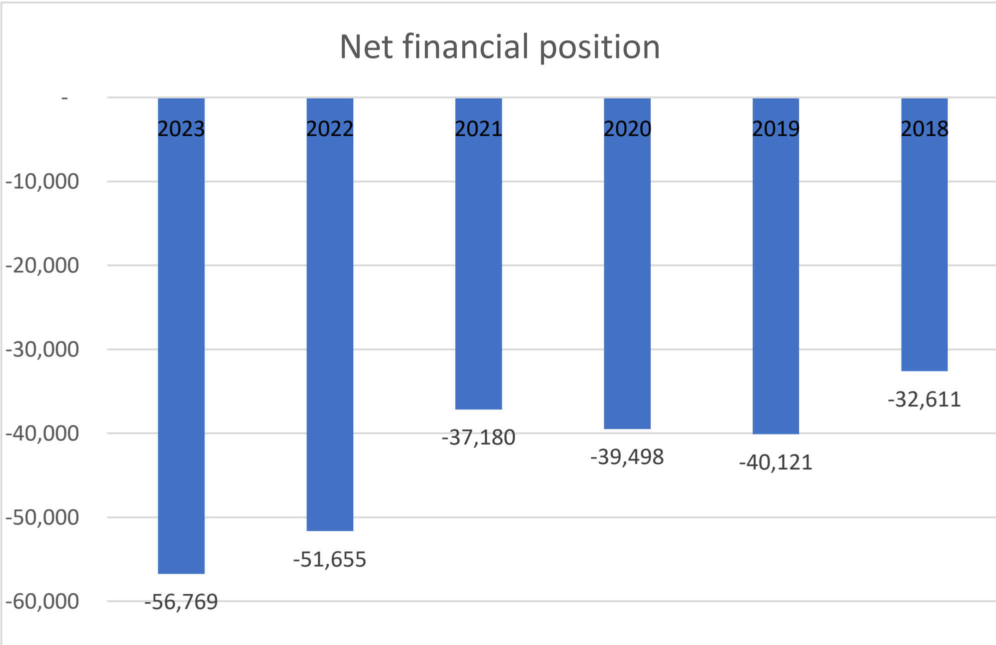
EBITDA

The 2023 EBITDA is € 8.7 million, up by 22% from that of 2022. The full EBIT is up by 17% from that of 2022.



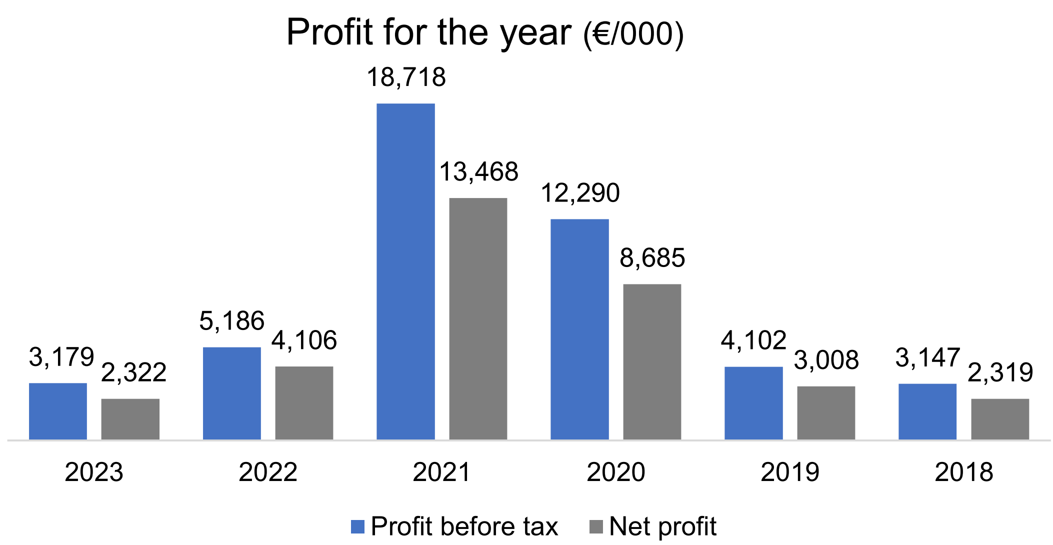
NET FINANCIAL INDEBTEDNESS

In 2023 the total net financial indebtedness rose by € 5 million (10%).



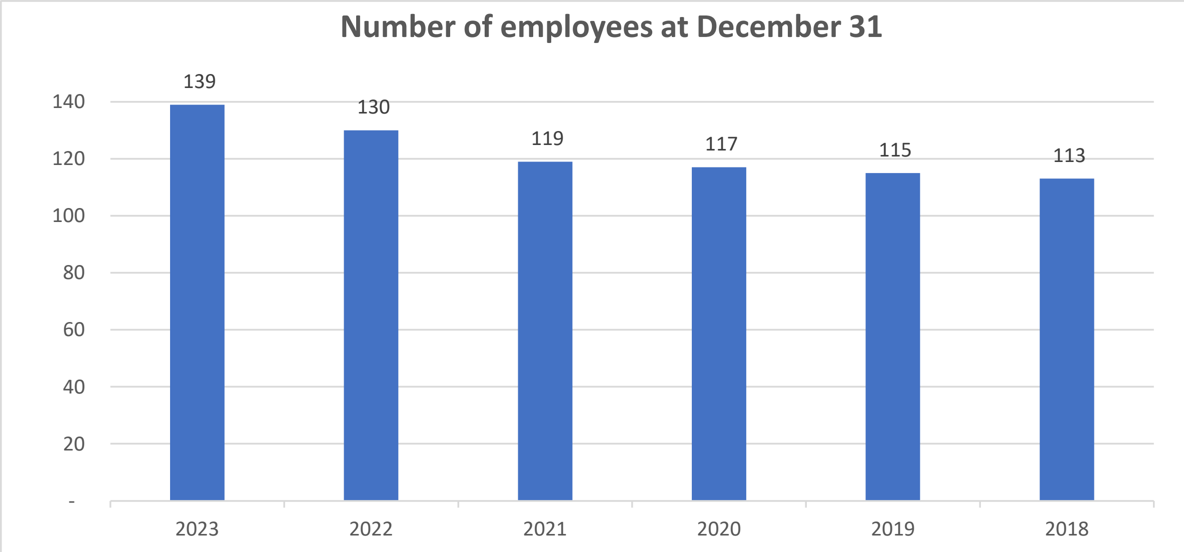
Net Profit

The net profit fell by 43% compared with the prior year.



Total Work Force

TCA's total work force has remained stable on average over the past three years.



Certifications and Other Numbers

3 Plants

18 Furnaces at the main plant

18% Incoming turnover

309 Suppliers

€ 14,000,000 Share capital

INTEGRATED REPORT ON OPERATIONS

TCA TRATTAMENTI CENERI AUROARGENTIFERE S.P.A.

Vision, Mission and Values

Resources are not infinite, but recovering and recycling can make them so. Increasing the recovery rate of precious metals means reducing mining costs and the environmental impact: recovery costs less than mining, both financially and in terms of carbon dioxide emissions. Precious metals are present in numerous industrial sectors and, consequently, in many waste materials. Europe produces 8.7 million tons of electronic waste per year and recycles just over 2 million; in the United States less than 20% of electronic scrap and only 10% of personal computers is recycled. Considering that one ton of hardware scrap contains approximately 16 grams of precious metal, obviously the rates of gold and silver recovery could be much higher than they are now. Moreover, 50% to 90% of palladium could be brought back into circulation, whereas currently only 5% to 10% is recycled. Low recovery rates are also found in the jewelry-making, medical and chemical industries. Every day TCA, like a modern Alicanto, the mythological creature that fed exclusively on gold and other precious metals, faces enthusiastically and competently its challenge for a world richer in resources.

Services offered:

- Refining
- Laboratory and research
- Metals Bank
- Galvanic Technology
- Investments

Our History

TCA started out in Tuscany, in the pulsating heart of the Italian gold and silver district. Founded in 1977 in Arezzo, where it is headquartered, TCA has two other branches, located in Vicenza and Valenza, for a total of more than 100 employees and three plants. Its partners deliver to TCA their extensive experience and in-depth knowledge of the sector acquired in the Tuscan company, a global industry leader. From its initial specialization of treating ashes containing gold and silver, TCA's expertise has grown to encompass platinum, palladium and rhodium recovery as well.

Plants:

The main plant is situated in Capolona, just outside Arezzo. It occupies an area of approximately 10,000 covered square meters and 20,000 uncovered square meters, with 13 incineration furnaces and 4 smelting furnaces. The plant has an annual production capacity of 2,000 tons of ashes, 220 tons of pure gold, more than 400 tons of silver, and more than 5 tons of platinum group metals (PGMs).

The Vicenza and Valenza plants are important for distribution and serve as collection and preliminary treatment centers for the materials subsequently handled in Arezzo.

Professional competence, concern for safety and care for the environment are the distinctive strengths of our plants, which have become excellent production centers thanks to the investment plan for acquiring new technology and updating professional skills. Our experts are in constant contact with international research institutes and are up to date on the current state of the art.

Governance

T.C.A. has had a traditional governance model since 2004 when, pursuant to the corporate law reform, it transitioned from the previous structure headed by a Sole Director to that of a Board of Directors consisting of four members, three of whom owned 90% of the share capital. With this governance model the Company created a single, integrated body to represent and identify its ownership and governance.

Corporate data	
Name:	TCA S.p.A.
Registered office:	Zona Industriale, 11 - 52010 Capolona Arezzo
Share capital (€):	14,000,000
Share capital fully paid in:	Yes
Chamber of Commerce number:	00279290514
VAT number:	00279290514
Tax identification number:	00279290514
Legal status:	Joint stock company (S.p.A.)
Classification of economic activity (ATECO):	24.41.00
Company in liquidation:	No
Single-Member Company:	No
Company subject to management and coordination by others:	No

The current Board of Directors consists of 6 men and 2 women, totaling 8 members.
It includes the Chairman, Marco Manneschi, as well as Giacomo Rossi and Tommaso Chiarini, who have been with TCA for years, currently work in the sales department, and are full members of the new governance structure. The other Board members are Sara Magnani, Serena Tavanti, Lorenzo Tavanti, Francesco Rossi and Andrea Chiarini.

Board of Directors

Name	**Role**
Marco Manneschi	Chairman
Sara Magnani	Director
Serena Tavanti	Director
Lorenzo Tavanti	Director
Francesco Rossi	Director
Andrea Chiarini	Director

Tommaso Chiarini	Director
Giacomo Rossi	Director

The two women, accounting for 25% of the total, are both (100%) between 30 and 50 years of age.
The five men, representing 62% of the total, are comprised of 4 members (80%) between 30 and 50 years of age and one member over 50.

As per the by-laws, the General Meeting appoints the Board of Directors, whose Chairman is a lawyer, thus an external party and not an executive of TCA. The Board members reflect the shareholders' decisions, and they are elected on the basis of the expertise acquired during their professional life at the Company. With the appointment of the new Board of Directors and the addition of members who have been directly and continuously involved in TCA's business, the shareholders marked a turning point in certain decision-making processes. Their active participation in TCA's daily activities shortens considerably the time needed to make decisions: specific demands in terms of investments, strategies, and decisions regarding ordinary and extraordinary administration are perceived and discussed quickly, and execution is practically immediate. The Board monitors continuously the Company's business, financial and production performance and, assisted by the Integrated Management System for Quality, the Environment, Health and Safety, is able to identify and deal with the impacts on the economy, the environment and the people, of the guidelines and strategies planned and adopted.
To this end, the new Board of Director structure has implemented governance policies that include more frequent discussions and meetings (often weekly) than those required by law. During such meetings, the Board members report the needs emerging from new investments in tangible or intangible assets, decisions regarding routine and extraordinary business operations, and the strategic guidelines listed in the agenda. The decision-making process involves analyzing the matters raised and reported, discussing them on the basis of the documentation produced or (in the case of new investments planned) supporting feasibility studies, and passing unanimous resolutions with or without assigning proxies to Board members, as needed to complete all activities directed toward the attainment of the predetermined purpose. During 2023, revenues from refining for third parties rose significantly. Thanks in part to moving around the company positions, the full implementation of the new metallurgical plant enabled the Company to finally reach its expected targets in the last four months of the year.
TCA's business is diversified, with activities that complement each other or are related to each other. Its largest volume is achieved with industrial companies, as well as gold jewelry companies operating in the Arezzo and Vicenza markets. It also works substantially with businesses in other countries both within and outside the European Union.
In addition, the Board of Directors is directly involved and actively participates in interdisciplinary meetings aimed to raise awareness about sustainable development.
In order to extensively and arduously identify and manage the impacts of the organization on the economy, on the environment and on individuals, the Board appointed members with specific mandates and delegated senior managers and employees to the functional areas concerning such sectors/areas, assigning to them the responsibility of managing such impacts. They report at least monthly, or with the frequency deemed most appropriate, to the highest governing body on the various matters and issues that emerge.

The verification, approval, review and ultimate reporting of the information communicated, including the materiality topics and assessment, are the responsibility of the top management: the process entails gathering qualitative and quantitative information by the responsible delegates, managers and employees, processing it and then sharing it with the top management, which will confirm and approve the information collected and processed.
The policies drawn up and formalized by TCA are strictly interrelated and integrated with each other. This aims to generate responsible business conduct through its activities and business relationships. The integration of the various policies establishes an underlying guidance that starts with the responsible sourcing of materials containing precious metals or pure metals, and finishes with the various end markets for precious metal refining and sales, naturally passing through the more strictly operational areas and those with the related connections with institutional stakeholders.
All TCA's employees are informed about and trained on the commitments described in the policies so that the latter may be implemented. In 2023, TCA had five policies in place:

- the Responsible Metals Policy, specific to its core business;

- the Environmental Policy, regarding the Company's commitment to the environment, in line with the UNI EN ISO 14001:2015 standard;
- the Quality Policy regarding the quality objectives adhering to the UNI EN ISO 9001:2015 standard;
- the Occupational Health and Safety Policy, in line with the UNI ISO 45001:2018 standard;
- the Due Diligence Policy, concerning the investigation methods used when entering into new business relationships and periodically when reviewing existing relationships.

More details on the policies are posted on TCA's website. Following regulatory changes regarding precious metals, in the initials months of 2023, TCA decided to update its Responsible Metals Policy.

The Company monitors the performance of the highest governing body, although there are no specific assessment procedures. TCA does not have a formal procedure for the remuneration of Board of Director members and executive managers. The remuneration of the highest governing body is established for the three-year period at a fixed amount and is determined with the same resolution with which the related powers are assigned.[1]

In accordance with the fairness and transparency principles, and to ensure the trust of its investors and customers, the Company checks to ensure that the employees and contractors do not find themselves in a conflict of interest[2]. All employees and contractors shall avoid any situation that could generate a conflict of interest with the Company; in particular, any conflict of interest between personal and family economic activities and the roles covered in the Company must be avoided. All the decisions and actions taken by the employees and contractors must be geared toward the greatest advantage possible for the Company, which accordingly sets the following rules:
• the directors and General Manager who have a competing interest, even if partial, with that of the Company may not perform or work on transactions (or participate in the related decisions) involving goods belonging to or managed by the Company;m,
• the Company's employees and contractors may not carry out any business or other professional activity that competes even partly or indirectly with the Company's interests.
Moreover, the Company requires the following obligations:
• to comply with the laws and with the Company's internal regulations in all personal and business relationships outside the Company;
• to refrain from activities or relationships that could be or appear to be in conflict with the obligations deriving from each function of the Company or with the Company's interests;
• to evaluate the advantages and disadvantages that could result to TCA when accepting any engagement in another organization.
The Company's employees and contractors may not, in any way, directly or indirectly participate in or collaborate on any transaction, financial operation or investment of the Company from which they could obtain a profit or other type of personal benefit not provided for under contract, unless expressly approved by the Company. Whoever should become aware even of the possibility of a conflict of interest must immediately inform their superior and the Supervisory Board.
Employees responsible for supplier relations must select the suppliers and manage the supplier relations in accordance with the criteria of impartiality and fairness, avoiding conflicts of interest (even potential ones) with them and reporting to the Company the existence or emergence of such situations.
The Company undertakes to provide immediate and exhaustive disclosure to the various stakeholders if conflicts of interest should regard:

- o membership in different Boards of Directors;
- o title to shares in the same organization in which they are shareholders, suppliers or other stakeholders;
- o the presence of controlling shareholders;
- o related parties and the related transactions.

Any issues, whether they refer to the production process, organizational structure or business and financial areas, are communicated promptly by the Managers in charge of such areas to the Board of Directors.

[1] No specific regulations exist for the remuneration of Board of Directors members and executive managers associated with the achievement of targets and results relating to the management of the impacts that TCA could have on the economy, the environment and individuals.

[2] A conflict of interest is any situation, occasion or relationship in which, even if only partially, personal interests or those of other associated persons (relatives, friends, acquaintances) or of organizations of which they are directors or managers are involved that could undermine the duty of impartiality.

No particular critical concerns emerged during the reporting period, only events whose nature and type qualify them as part of usual and normal Company activities.

In addition to the Board of Directors, the Financial Management Committee consists of Governance members (Finance, Production, Marketing, R&D), Managers and staff directly involved in such areas. It meets on a weekly basis to share and review the information provided by the various business departments and to manage and plan the production processes in line with the sales and financial demands.

TCA's Board of Statutory Auditors is composed of the following members:

Board of Statutory Auditors	
Name	**Role**
Giovanni Grazzini	Chairman of the Board of Statutory Auditors
Fabrizio Cavallini	Standing Statutory Auditor
Pietro Benedetti	Standing Statutory Auditor
Maria Cristina Biondini	Alternate Statutory Auditor
Marco Rossi	Alternate Statutory Auditor

TCA S.p.A. has assigned the external audit of its financial statements to Deloitte & Touche S.p.A.

Organizational Model pursuant to Legislative Decree 231/01

Dealings with public entities and institutions are characterized by transparency, ethics and collaboration. As additional assurance of fair conduct toward institutions and all parties involved in its business, in 2014 TCA initiated procedures to comply with Italian **Legislative Decree 231 of June 8, 2001**, which regulates the administrative liability of legal entities.

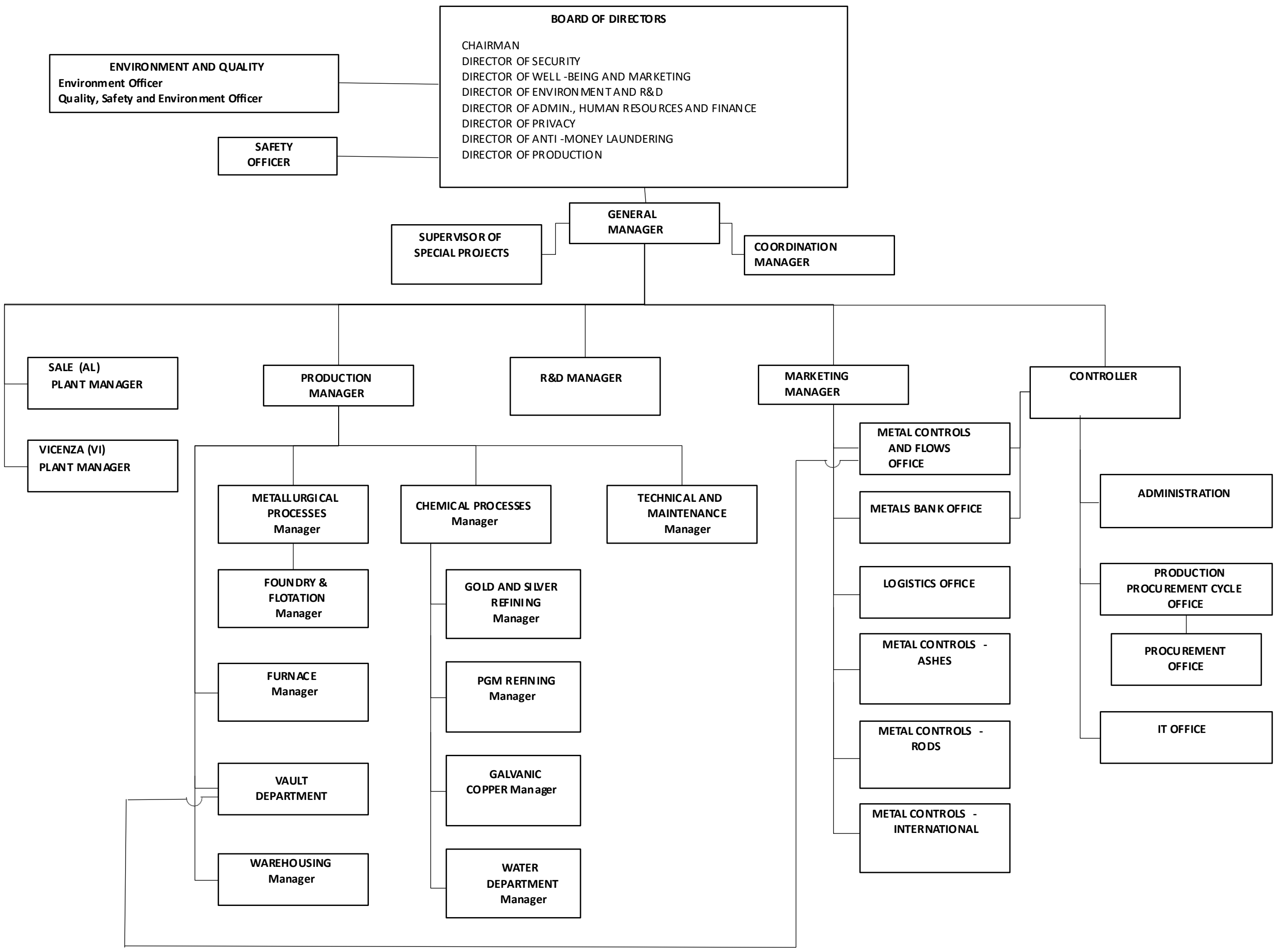
A Board of Directors' resolution adopted the Organizational Model pursuant to Legislative Decree 231/01 and appointed the Supervisory Board. The purpose of the model is to identify the crimes for which TCA could be held responsible (mainly corporate crime, crimes relating to violation of occupational health and safety regulations, and fraud damaging public entities) and to prevent them from being committed. The model is monitored periodically by the Supervisory Board, which is responsible for supervising the model's effectiveness and observance and for updating the model.

In recent years a Code of Ethics was adopted that sets forth the rights, duties and responsibilities of the Company toward all the stakeholders (employees, suppliers, customers, public entities, shareholders, financial markets).

In the final months 2022, the Company drew up a Due Diligence policy explaining the methods of investigating and analyzing both new potential counterparties and existing counterparties, and describing the rules and criteria for assigning risk levels to such customers.

Finally, TCA has implemented a Whistleblowing policy to enable any employee or external stakeholder to report their concerns or any other risk identified. A complaint identified or reported, whether confidentially (through the whistleblowing policy) or directly, is immediately processed, analyzed and investigated by the Company's senior management responsible for the area involved: this process aims to identify the remediation of negative effects that TCA might have caused or to which it may have contributed. In this context, the stakeholders are also actively involved, as users included in the complaint procedures and as parties involved in the planning, review, operation and improvement of such procedures.

TCA S.p.A. Organizational Structure

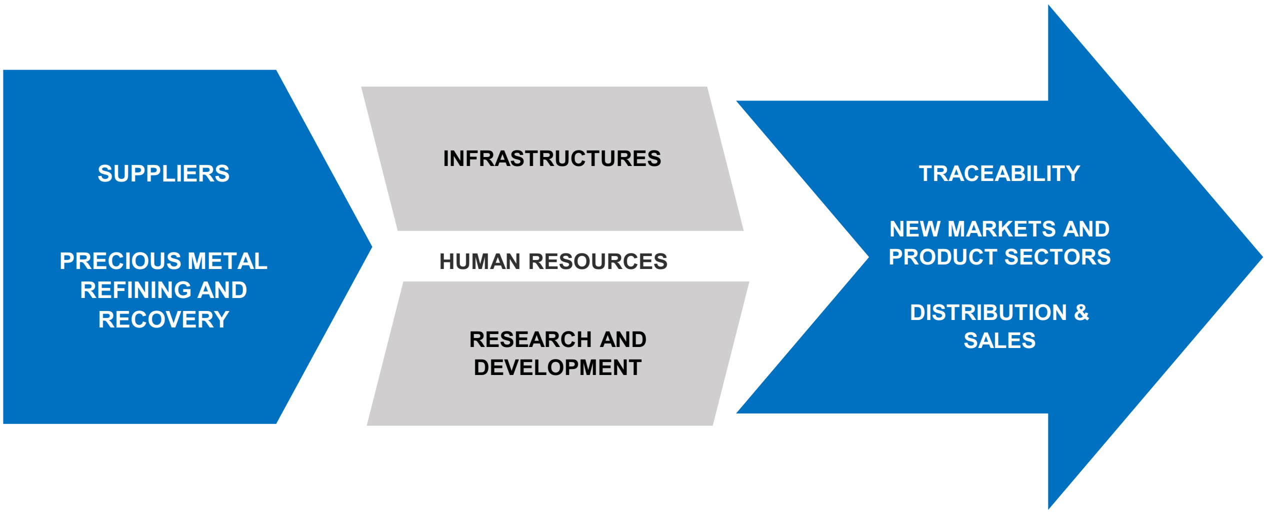


Business Model and Value Chain

TCA was founded as a company serving exclusively the gold jewelry industry in Arezzo: at the beginning of the gold supply chain as a supplier of precious metals, and at the end as a refiner and recoverer of precious metals for jewelry manufacturers.

The Company's business grew over the following decades, but the industry crisis that emerged at the beginning of the 2000s called for a serious, thoughtful revision of its business model. TCA has fixed assets, human resources and a production capacity that greatly exceed the requirement of the local and domestic jewelry market. The know-how and experience acquired over decades of business in the metallurgical and chemical sectors, used for precious metal recovery, are behind TCA's diversification and growth. This means diversification of the business model, in terms of the pursuit of new markets, especially abroad, where TCA can make full use of its potential, adding value. It also means new markets and new product sectors, from the manufacturing industry to electronics, the raw chemicals industry to the petrochemical and pharmaceutical industries. The common denominator is the presence of precious metals, even in small quantities, but enough to justify their refining and recovery.

More evidence of the continuous development of the business model is the recent focus on sectors with a substantial use of PGMs: this called for reorganizing and developing the already high capacity for treating and refining platinum, palladium and rhodium, metals used prevalently in industrial applications and characterized by very different cycles and processes from those of the more "traditional" gold and silver ones. In this respect, TCA invested in plant and equipment, thereby increasing considerably its capacity for refining and producing PGMs per unit of time, and invested in scientific and technological research, whereby it obtained very important results that were applied to the processes of treating and recovering precious metals. In this manner the processing time, raw material consumption and environmental impact in terms of waste produced per finished product unit were greatly reduced.



Risk management

TCA operates within a significant, strict regulatory framework, especially concerning environmental and occupational health and safety matters. For the purpose of full compliance with the compulsory regulations, the Company has adopted an Integrated Management System regarding Quality, Environment, and Health and Safety, through which it intends to monitor and manage risks and critical factors that could arise or occur in its usual, standard production processes or in the performance of any unusual or emergency activities.

The main risks associated with such topics, identified during the business activities as most significant for TCA, are described hereunder:

Safety:

TCA seeks to constantly improve its health and safety measures, and implements and monitors the handling of the regulatory aspects of Legislative Decree 81/2008 (Occupational Safety Code) and related laws. The risk assessment documents were updated, and in 2023 brought about changes and improvements in working conditions. More than 1,150 hours of health and safety training were provided to the employees during the year.
With respect to key data, the accident rate decreased, and no claims for occupational disease were filed.
In 2023 the Occupational Health & Safety (OHS) management system certification was renewed, through a maintenance check and for a three-year period ending in May 2025, by accredited certification body DNV under the UNI EN ISO 45001: 2018 standard.

Environment:

TCA continues to pursue environmental improvement: it has been certified since 2009 by DNV under the UNI EN ISO 14001:2015 standard. Waste sorting at the offices and the installation of water fountains to replace the use of plastic bottles are among the environmental projects carried out in 2023.
During 2023, the waste treatment permit was extended until 2024, and the information requested by the authorities for the issuance of the Integrated Environmental Authorization was submitted.

Privacy:

TCA has duly complied with the compulsory privacy code, although it does not retain or process internally any sensitive personal data (except data relating to the legal management of the employee).
The Company has implemented a specific management system to comply with the General Data Privacy Regulation (GDPR), which became effective on May 25, 2018.

Adequate Structure Protocol and CCI:

On November 16, 2023, the Board of Directors approved the definitive version of the Adequate Organizational, Administrative and Accounting Structure Protocol, including the detailed Checklist. Both documents, attached hereto, are the result of the revisions and additions requested by the Board of Statutory Auditors, and they were prepared with the assistance and support of Edoardo Rivola of Compliance Network.

Whistleblowing:

In compliance with the obligation introduced with Legislative Decree 24 of March 10, 2023, the Company revised the whistleblowing policy. A regulation was drawn up and approved, a portal was activated through a software platform (Zucchetti), and Edoardo Rivola, Partner of Studio Compliance Network, was appointed as the whistleblowing manager.

Quality:

The quality management system was integrated with the environmental management system and the safety management system, and regulated with an Integrated Management Manual. The certification under the UNI EN ISO 9001:2015 standard by DNV will expire in February 2025.

Responsible Jewellery Council (RJC):

Given the high demand emerging from the gold and silver jewelry markets for precious metals certified with such standards, the Company obtained accreditation as a Member of the Responsible Jewellery Council (RJC) of London based on the Code of Practice (2019) standard and the Chain of-Custody ("CoC") (2017) standard issued by the RJC.
The Responsible Jewellery Council is a standard setter that oversees the entire jewelry supply chain, from mine to retail. Each supply chain participant contributes with a commitment toward affirmation and observance of responsible sourcing and implementation of responsible business practices.
Thanks to this certification, the RJC-quality precious metal volumes arriving from gold and silver dealers, both Italian and international, continue to increase.

Financial risk management:

In accordance with Civil Code Article 2428, paragraph 2, point 6-bis, the following information is provided concerning the use of financial instruments, which is important for assessing the Company's financial position and performance.
Management's objectives were to mitigate the following risks:

- Market risk: this is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices, interest rates, foreign exchange rates and/or precious metal prices, whether the changes arise from factors specific to the individual instrument or its issuer, or from factors that influence all market-traded instruments. The Company hedges the risk of precious metal price volatility by using hedging instruments such as forward contracts, gold forward sales, metal-denominated bank accounts, and by balancing as much as possible purchases and sales conducted in the same currency. Nevertheless, foreign exchange fluctuations could adversely impact the Company's financial position, performance and cash flows;
- Cash flow risk: this is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In the case of a variable-rate debt instrument, for example, those fluctuations would cause a change in the effective interest rate of the financial instrument. Much of TCA's debt is structured with variable interest rates. The Company manages its cash flow risk by continuously monitoring its various sources of funding and by fixing the interest rate for short-term credit lines through Interest Rate Swaps ("IRS"). This hedging instrument converts the variable interest rate of an underlying financial liability into a fixed interest rate. The fair value of this instrument was a negative € 48,847 at the reporting date.
- Credit risk: This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. TCA manages insolvency risk on receivables by evaluating its customers' creditworthiness and setting credit limits. In addition, the Company has been insured against insolvency risk on its Metals Bank and Outsourced Processing units for many years. The insurance covers 95% of sales; all credit lines granted and guaranteed by the insurance company are constantly monitored by the latter; each new sales account is checked by performing due diligence using efficient and updated information sources;
- Liquidity risk: This is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk may emerge from difficulties in obtaining funding for operating activities in time to meet its commitments.

TCA believes that it can meet its commitments associated with loan repayments and budgeted investments by way of cash flows from operating activities, cash on hand, renewed or refinanced bank loans and capital markets as necessary.
The Company's policy is to have adequate funding by way of sufficient credit lines. Its cash flows, funding requirements and cash requirements are monitored and managed so as to ensure effective and efficient management of financial resources.

General Business Risks:

TCA has mapped the crime risks to identify business activities where crimes could be committed, in compliance with Legislative Decree 231/2001.
Mapping is fundamental for identifying the risks and determining policies (preventive protocols) to mitigate them.
A Management System designed to monitor and manage the risks associated with the sourcing of gold-containing materials was expanded; in fact, in 2023 TCA stepped up its use of the World-Check One database information and entered into a contract with the CERVED Group for the supply of trade

information: the contract provides for access to the VISIUS platform which assists the due diligence activity performed in the Compliance Area, supplying information related to the customer due diligence procedures, in compliance with the recent anti-money laundering regulations of Italian Legislative Decree 90/2017, amending Legislative Decree 231/2007, enacting the European Union Fourth Anti-Money Laundering Directive (Directive (EU) 2015/859). The database provides information concerning the criminal records of individuals and criminal sanctions imposed on legal entities regarding financial crimes, money laundering, terrorism, and the financing of militant groups or criminal organizations, and it identifies PEPs (Politically Exposed Persons).The Company obtained another research tool to complete and supplement the information needed to conduct due diligence on new counterparties and stakeholders: it consists of information provided by White List Warranty, an Italian firm whose goal is to supply qualified information for anti-money laundering control and reputational risk purposes, integrating in a relational manner data obtained from Italian public databases (through links based on tax i.d. numbers, VAT i.d. numbers, first and last names and birth dates) and a wide range of third-party databases (Acuris Risk Intelligence). In addition, in accordance with the anti-money laundering legislation and in continuance with the prior year's activity, in 2023 the Company organized another training course followed by a new anti-money laundering audit by the external firm IPQ Tecnologie.
The aforementioned management system was developed according to the Responsible Gold Guidance and Responsible Silver Guidance issued by the London Bullion Market Association (LBMA), the entity from which TCA obtained the status of Good Delivery Refiner of Gold on August 12, 2014 and Good Delivery Refiner of Silver on October 3, 2017, and the Responsible Platinum and Palladium Guidance issued by the London Platinum and Palladium Market (LPPM), the entity from which TCA obtained Good Delivery Refiner status for platinum and palladium on July 12, 2022. In 2023, pursuant to a special review, auditing firm Deloitte & Touche S.p.A. provided assurance that the management system is compliant with the LMBA and LPPM requisites and issued the related certifications. In addition, after Deloitte's audit of the activities carried out in 2022, in 2023 TCA implemented a specific Due Diligence & Risk Assessment procedure. The procedure, carried out on a dedicated internal business platform that supplements the criteria and requisites issued by LBMA and LPPM guidance, is used before entering into any new business relationship and to continuously monitor existing ones.

Reputational risk

Due to the nature of its business and the context in which it operates, TCA has given much consideration to its reputation in recent years. Through careful analysis, it has identified the impacts that could potentially generate reputational risk and that cause the greatest concern for the business as: I) harm to existing business relationships; II) loss of earnings; III) negative media coverage; IV) limited capacity to develop new business relationships; V) legal disputes; VI) negative brand perception.
Possible causes could be: a) industrial espionage; b) significant legal disputes; c) boycotting of products and services; d) hacking of information systems; e) criminal proceedings; f) factory damages; g) environmental damages.
TCA has appropriate, adequate insurance coverage to meet the crisis management costs and the associated potential financial losses that could ensue from damages and/or incidents that could occur.
Since TCA operates in both the trading and the refining and recovery of precious metals, it deals with recurring transactions and long-standing counterparties on a daily basis, and also with new business opportunities. The compliance standards for the Italian and international financial, legal, currency, tax and money-laundering rules and regulations are increasingly stringent. Therefore, TCA has adopted due diligence and Know Your Customer policies in line with such principles, in order to properly qualify and assess the level of risk for each new business relationship and for ongoing business relationships.

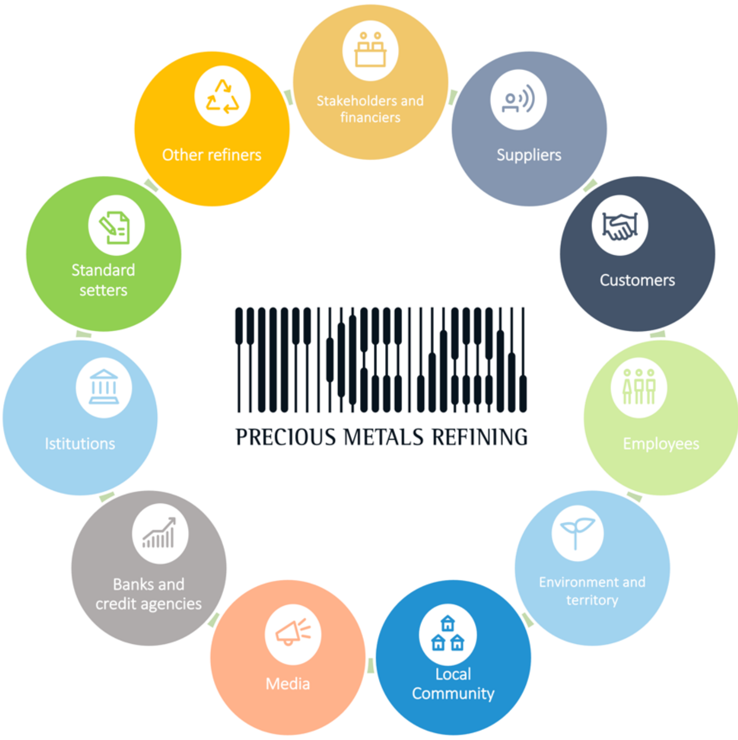
TCA Stakeholders and material topics

The Stakeholders

TC believes in the importance of building and maintaining a transparent, ongoing relationship with its stakeholders, and the Integrated Annual Report represents TCA's commitment to constantly strengthening such relationship. It encompasses the reporting process that, in addition to the financial statements, describes to stakeholders the steps and progress made and the objectives set with respect to sustainability.

Since 2016 TCA has defined and implemented a process to identify the main categories of stakeholders, which maps out the key stakeholders.

The results of such analysis are provided below, indicating TCA's key stakeholders:



Stakeholders are all those individuals or groups of individuals who influence - or are influenced by - the Company, its activities, its products or services and the related performance.

Due to this broader definition, TCA did not limit itself to including only employees, clients, suppliers, shareholders and lenders, but also added institutions, other refiners, standard setters (LBMA, RJC, etc.), banks, the media, local communities, the environment and the local area.

After identifying the stakeholders, and to strengthen the relationship with them, TCA mapped out the needs and expectations from each one, and the main systems used to maintain a constant, transparent dialogue with them.

This situation is constantly evolving due to the developments of the main business activities and the changes therein. The results of such analysis are provided below; they are also constantly evolving and therefore need to be updated annually.

Stakeholders	Needs and expectations	Main dialogue tools
Employees	- Good company climate - Attention to health and safety in the workplace - Adequate collective bargaining - Implementation of rewarding remuneration policies	- Training on organizational values and conduct - Corporate web portal - Periodic communication (email-newsletters) - Communications from top management - Collective bargaining
Environment and local community	- Attention to emissions and water use in areas with water stress - Biodiversity protection	- Environmental plans - Corporate website
Customers	- Quality services - Compliance with contractual terms - Compliance with compulsory regulations	- Corporate website - Customer satisfaction assessment - Handling of complaints - Marketing communications - On-site visits
Local community	- Less pollution and more respect for the environment - Integration of the community into company activities - Involvement in company initiatives - Employment opportunities	- Corporate website - Meetings and events in local area - Press releases - Activities supporting artistic and cultural heritage in sites of public interest - Sponsorships of cultural and sports activities
Suppliers	- Trust-based relationships - Clear and transparent communication - Constant communication	- Corporate website - Constant direct contact - Contractual relationships - Follow-up activities - On-site visits - Trade events and fairs
Shareholders and Financiers	- Financial performance - Publication of financial and other reports	- Corporate website - Financial reports - Shareholder Meetings - Press releases
Media	- Transparent communications	- Publication of certifications obtained - Advertising - Press releases - Corporate website
Banks and credit institutions	- Contractual compliance - Financial performance - Publication of financial and other reports	- Financial statements - Business meetings
Institutions	- Regulatory compliance - Attention to waste disposal	- Financial and other reports - Mandatory disclosures - Information upon request - Sponsorships
Standard setters	- Compliance with applicable rules and guidelines - Compliance with contracts stipulated	- Audits - On-site visits - Corporate website
Other refiners	- Transparent communications - Anti-competitive practices	- Start-up activities and process set-up - Meetings - Business dealings

Material topics and materiality assessment

Aware that the process embarked on in 2016 is increasingly important for the organization, and in order to expand its reporting process, TCA conducts materiality assessment in compliance with the Global Sustainability Standard Board of the Global Reporting Initiative (GRI) and with the Integrated Reporting (<IR>) Framework.

In line with the demands of the new "GRI Standards 2021", TCA confirmed the results of the materiality assessment carried out in 2022, intended to identify the materiality topics that reflect economic, environmental and social impacts, including the Company's significant impacts on human rights and that influence stakeholders' valuations and decisions, and the aspects to be included in the 2023 Integrated Annual Report.

In more detail, the 2022 materiality assessment was confirmed because the significant impacts for TCA identified last year, starting from an **assessment of the context** and in consideration of the previous material topics, the activities carried out, and the sustainability context in which it operates, are still relevant and thus are significant for the 2023 reporting year as well.

The positive, negative, actual and potential **impacts** were associated with potentially material topics, and a map of significant topics-impacts was designed and submitted to an assessment process considering Scale, Scope and Probability, by TCA's top management. An analysis of the assessment results led to the definition of the most significant impacts for TCA's situation and thus the identification of TCA's new materiality topics.

List of TCA's prioritized impacts and material topics

TCA's significant positive and negative impacts and the 2023 material topics associated with them are listed below:

MATERIAL TOPIC	Prioritized positive impacts
Occupational health and safety	Employees' awareness that they can work in a healthy and safe place
Reputation, quality and counterparty satisfaction	Counterparties' loyalty and appreciation thanks to service efficiency and reliability
Creation and distribution of economic value	Increase in financial and economic performance as a result of greater involvement and participation of the human resources of the different departments (weekly meetings) in monitoring, managing and coordinating the various processes
Relationships with local community and territory	Local socioeconomic development (e.g., higher employment rate)
Business ethics	Employees', counterparties' and other parties' greater awareness and knowledge about ethics and human rights
Responsible consumption and fight against climate change	Resilience to risks associated with climate change (e.g., extreme weather events)
Personal development and well-being	Higher productivity due to the well-being and professional growth of the employees
Sustainable and transparent procurement	Reduction of ESG impacts due to responsible sourcing of materials
Water resources management	Reuse/recycling of water resources in the internal cycle of the production process

MATERIAL TOPIC	Prioritized negative impacts
Occupational health and safety	Occurrence of work-related injuries and illnesses of employees and third parties
Reputation, quality and counterparty satisfaction	Infringement of counterparties' privacy with consequent complaints and dissemination/loss of their sensitive data
Sustainable and transparent procurement	Human rights violations in the value chain (e.g., child labor, forced labor, abuses or violence, etc.)with repercussions on human dignity and on the community's development
Responsible consumption and fight against climate change	Increase in carbon footprint
Personal development and well-being	Employee dissatisfaction and low sense of belonging
Relationships with local community and territory	Greater exposure to complaints from the community for the lack of management of the impacts produced by the Company
Business ethics	Conflicts of interest, incidents of corruption and ESG non-compliance
Waste management	Pollution caused by improper waste disposal
Diversity, inclusion and equal opportunity	Creation of a non-inclusive, discriminatory workplace

KEY

- Social and Relational Capital
- Human Capital
- Natural Capital
- Financial Capital
- Intellectual Capital

Each material topic was assigned to a capital, in accordance with the <IR> Framework.

The “protection of human rights” topic was not deemed material because, in line with the GRI Standards 2021 and in consideration of the industry in which TCA operates, it is considered a cross-cutting theme within the entire document. The “innovation, research and development” topic resulted immaterial in the materiality assessment, but it is still covered in the Report.

As is evident in the list of prioritized impacts, the positive and negative impacts associated with “worker health and safety” and “reputation, quality and counterparty satisfaction” were deemed significant for TCA. This demonstrates the extreme importance and attention that TCA dedicates to people, both internally to its employees and externally to its counterparties. The work done up to now in terms of the assessment of material impacts and topics represents an excellent starting point for future reporting regulatory compliance: in fact, consistently with the important changes present in the Corporate Sustainability Reporting Directive (CSRD) – Directive (EU) 2022/2464, transposed into Legislative Decree 125/2024 – and in the European Sustainability Reporting Standards (ESRS) concerning Double Materiality, in the upcoming months TCA will begin to update the materiality assessment and contents of this document, with a view to complying with the Directive in 2025.

PERFORMANCE AND CAPITAL ANALYSIS

TCA's value creation is based on various forms of Capital, understood as inputs that the Company increases, changes, consumes and uses during the value creation process.

Pursuant to an internal evaluation of the Company, five "Capitals", or key priority areas, have been identified.

Financial Capital: the pool of funds that is available to an organization for use in its activity, by type of source (debt / equity).

Intellectual Capital: organizational capital such as all processes, systems, procedures useful for business management, plus the set of intangibles (trademarks, patents, etc.) and the organization's know-how.

Human Capital: the set of competencies, capabilities and knowledge of the human resources who work for the organization.

Social and Relational Capital: the intangible resources attributable to the organization's relationships with external parties (suppliers and customers) needed to enhance TCA's image and reputation and to satisfy the customers.

Natural Capital: all renewable and non-renewable environmental resources and processes that provide goods or services that support the organization's activity. The information regards the following topics: energy and water consumption, use of resources and waste management.

The Five Capitals

The following boxes summarize the main inputs identified for each Capital, how TCA produces flows from the various Capitals to meet future demand, and how the Capitals interact with and influence each other to create value.

Financial Capital

Key Inputs

- Diversified business activities
- Complementary business activities
- Industrial production growth
- Structurally high precious metal prices, especially for PGMs

Outputs

- € 1.580 bn in revenues from sales of precious metals and refining for third parties
- net profit up by 18% year-on-year
- Substantial investments: € 14 mln in new plants

Goals

- Continuous investments to meet logistical demands
- Purchase of more efficient specialized equipment

Trade-offs

- The new metallurgical plant has contributed to a large expansion of the production capacity, acceleration of the production cycle, improvement in the supply of previous metals, self-funding and greater independence from banks with consequentially less finance costs. The Company keeps itself updated constantly in order to uphold high quality standards, boost productivity and reduce environmental risks.

Intellectual Capital

Key Inputs

- Collaboration with universities and research entities
- Continuous technological research
- Continuous contacts and comparisons with international laboratories
- Laboratory compliant with industry standards
- Certified (UNI EN ISO) managements systems; LBMA, LPPM and RJC accreditation

Outputs

- Updating various assaying protocols to obtain greater assaying precision and speed
- Development of innovative R&D projects
- Reduction of matte quantity
- Development of new methods to produce LPPM certified palladium and platinum bars
- Optimization of nitrate uptake against changes in grain quality

Goals

- Development of (new) and improvement of (in use) assaying techniques
- Preparation of new recovery and refinement treatments
- Optimization of existing recovery and refinement treatments

Trade-offs

- TCA, being accredited by the RJC and LBMA, has consolidated its reputation with its suppliers and customers in the market. This has strengthened partnerships, reduced commercial risks, and increased turnover volumes
- The technological environment affects TCA's capacity to deliver the results expected

Human Capital

Key Inputs

- Stable employment offer
- Employee health and safety protection
- Enhancement of human resources
- Development of specific training programs
- Fair remuneration policies

Outputs

- Workforce expansion to 139 employees (+ 9 versus 2022)
- 88% of employees hired with open-ended contract
- Corporate welfare granted in excess of collective bargaining agreement requirement
- More than 1,000 hours of training provided to employees
- Lower accident rates than in previous years

Goals

- Increase the preparation and qualification levels of the human resources through continuous training of the work force and the addition of highly specialized key personnel
- Set annual targets for ongoing improvement in occupational health, safety and hygiene, and check the results obtained

Trade-offs

- In 2023, TCA invested in research and development, generating economic outcomes in terms of saving time and manufacturing costs, improving the Company and its market competitiveness, expanding know-how, developing innovative processes, increasing technological and production efficiency, and reducing the environmental impact.

Social and Relational Capital

Key Inputs

- Customer satisfaction evaluation system
- Complaint management system
- Constant communication with customers
- Participation in trade fairs
- Certified (UNI ISO 9001) management system
  Collaboration with local entities and associations

Outputs

- € 175 k in grants paid to local community in 2023
- Renewal of RJC (CoC and CoP) accreditation
- 88% of suppliers based in Italy, of which 42% in Tuscany

Goals

- Increase customer loyalty
- Improve timeliness and quality of customer service
- Increase level of customer service
- Strengthen ties with the local community

Trade-offs

- The product and service quality and related customer loyalty contribute to higher sales revenues and maintaining business continuity

Natural Capital

Key Inputs

- Certified (UNI EN ISO 14001:2015) environmental management system
- Continued investments in waste and emission management

Outputs

- Energy consumed: 105,839 Gj
- Scope 1 emissions: 5,882 tCO_2eq
- Scope 2 (market-based) emissions: 2,946 tC02eq
- Water withdrawal: 19 mega liters
- Waste produced: 12,761 t
- Chemicals used to refine precious metals: 6,438 t

Goals

- Timely monitoring of incoming waste
- Identification of preventative measures to avert natural disasters and ensure worker safety
- Implementation of supplier controls

Trade-offs

- TCA uses processes and technologies that respect the environmental resources so it can reduce as much as possible the impact of its production and economic activities
- Environmental management is supported by environmental training provided to employees
- In recent years, a greater quantity of metals to be refined has led to greater use of chemicals in the metal refining process

The following sections provide detailed information on the resources used and the relationships with which TCA generates influence (the "Capitals"). They describe, for each Capital, the methods with which TCA interacts with the external environment and the trends, i.e. the increases, decreases or transformations of the Capitals caused by TCA's activities and the related output.

Financial Capital

Business performance

TCA has held Good Delivery Refiner accreditation for its gold bars since 2014, for its silver bars since 2017, and for platinum and palladium since 2022. It now ranks among the world's top 34 players in the precious metal refining industry.
TCA's 2023 revenues from sales and services are 7.8% higher than those of 2022.
However, the mere sale of precious metals (which absolutely generates the most value) does not create significant profits, as metal trading is used to support the industrial services business, which still accounts for nearly all the employment and physical space at the three locations.
In terms of figures:
a) Sales revenues amount to € 1.46 billion;
b) Refining fees reached € 5.4 million.
Bank borrowings increased by 17%, whereas the trade payables fell by 12%. Net finance costs grew by 292%.
The total indebtedness increased by 14%.
The year was characterized by the following factors:

- steady improvement, beginning in August, in the performance of the new metallurgical plant;
- a higher price of gold and lower prices of other precious metals;
- an interest rate spike;
- a rising cost of sales, except as regards energy costs, which fell.

The Company's characteristics and branch locations

Revenues from precious metal trading were affected by the average official prices, particularly of gold (the metal most handled), which climbed to record highs in 2023. Revenues from refining for third parties rose significantly. Thanks in part to staff reorganization, the full implementation of the new metallurgical plant enabled the Company to finally reach its expected targets in the last four months of the year.
TCA's business is diversified, with activities that complement each other or are related to each other. Its largest volume is achieved with industrial companies, was well as gold jewelry companies operating in the Arezzo and Vicenza markets. It also works substantially with businesses in other countries both within and outside the European Union.

Capital expenditures

The capital expenditures exceeded € 3.6 million in 2023 and regarded, as in previous years, technological upgrading and acquisitions, in the Capolona (Arezzo) area, of property where the industrial area can be enlarged in the future, with the required permits. The capital expenditures involved primarily plant maintenance, especially plant modernization.
The purchases of 2023 were focused on the expansion and creation of new manufacturing plants. € 489,482 was capitalized.
TCA continues to keep itself updated constantly in order to uphold high quality standards, boost productivity and reduce environmental risks.

Research and development ("R&D") expenditure

The value of production does not include the income generated by the tax credit deriving from incurring research and development expenditure.
The Company conducted the following research in 2023:
PROJECT 1. Screening of alternative gold precipitation techniques deriving from foundry grains;
PROJECT 2. Optimization of rhodium refining;
PROJECT 3. New processing line for PGM precipitation after gold precipitation;
PROJECT 4. Determination of factors that influence the quality of the exhaust solution deriving from flotation leaching.

Related parties

The Company did not own any investments in subsidiaries or associates during the year.

Related-party transactions

The Company did not conduct any transactions with related parties that were not carried out on an arm's length basis.

Profit for the year

The following reclassified financial statements, shown against the figures of the prior year, provide a clear view of the 2023 performance.

PROFITABILITY RATIOS	**2023**	**2022**
Net R.O.E.	5.2%	9.7%
Gross R.O.E.	7.1%	12.3%
R.O.I. (Operating income / invested capital)	4.3%	4.1%
R.O.S.	0.4%	0.3%
COVERAGE INDICATORS		
Equity coverage margin	14,303,213	13,365,535
Equity coverage ratio	1.5	1.5
Invested capital coverage margin	20,706,319	19,355,836
Invested capital coverage ratio	1.7	1.7
Capital assets	14,303,213	13,365,535
GEARING RATIOS		
Debt-to-equity ratio	2.0	1.8
Financial debt ratio	1.8	1.6
SOLVENCY INDICATORS		
Net working capital	20,271,973	18,423,553
Current ratio	1.2	1.3
Treasury margin	-51,791,737	-47,523,634
Acid-test ratio	0.4	0.3
TURNOVER INDICATORS		
Invested capital turnover ratio	11.8	12.3
Receivables turnover ratio	467.3	558.3
Inventory turnover ratio	21.9	22.2
DEBT RATIOS		
Net debt/EBITDA	6.5	7.2
Net debt/equity	127.6%	122.4%
OTHER INDICATORS		
Quick ratio	0.4	0.3
Leverage ratio	3.0	2.8
Finance costs / sales	0.3%	0.1%

At December 31, 2023, the Company had precious metals on loan for use or unallocated gold, as reported in the notes to the financial statements.
This specification is necessary because the amounts shown in the financial statements and in the summary above exclude (from the current assets) the value of the metal held on loan for use, and the corresponding amount is excluded from total indebtedness.
The financial indicators regarding TCA's net assets and performance also exclude the value of the metal held under loan-for-use contracts.

The ratios are similar to those of the prior year. The decline in net profitability caused some profitability ratios to fall. The net debt/EBITDA improved thanks to the greater EBITDA. The increase in debt is strictly related to higher gold prices and the delay with which the new foundry began to perform as expected.
In order to provide readers with meaningful information on TCA's financial position and performance, some significant margins and financial ratios are set forth below (these alternative performance measures are not defined as accounting measures by the applicative accounting standards. The accounting method used by the Company could differ from that adopted by other businesses, so the ratios may not be comparable).
Below, both for 2023 and 2022, income statement items “A5) non-operating income” and “B14) sundry operating expenses” were reclassified by allocating the components regarding operating activity to the operating income and expenses, whereas items regarding non-operating activity (such as grants for operating expenses or for equipment) and extraordinary or ancillary activities (such as rent income) have been allocated to “non-operating income/(expenses)”. The recalculated EBITDA was used to formulate the above ratios. The more precise reclassification slightly changes the table present in the 2022 Report on Operations.

FINANCIAL SUMMARY	**2023**	**2022**	**Change**	**in %**
	(euro/1000)	(euro/1000)	(euro/1000)	
ASSETS				
Receivables due from shareholders	0	0	0	--
Intangible assets	154	131	23	17.6%
Property, plant and equipment	29,901	28,555	1,346	4.7%
Non-current financial assets	129	139	-10	-7.2%
Inventories	72,064	65,947	6,117	9.3%
Receivables	9,685	8,437	1,248	14.8%
Current financial assets	0	0	0	--
Cash and bank balances	21,784	15,318	6,466	42.2%
Accrued income and prepaid expenses	434	932	-498	-53.4%
Total assets	134,151	119,459	14,692	12.3%
LIABILITIES and EQUITY				
Share capital	14,000	14,000	0	0.0%
Reserves	28,166	24,083	4,083	17.0%
Net profit/(loss)	2,321	4,106	-1,785	-43.5%
Total equity	44,487	42,189	2,298	5.4%
Provisions for risks and charges	3,028	3,101	-73	-2.4%
Post-employment benefits	299	308	-9	-2.9%
Payables due after 12 months	3,076	2,581	495	19.2%
Payables due within 12 months	81,012	70,934	10,078	14.2%
Accrued expenses and deferred income	2,249	344	1,905	553.8%
Total liabilities	89,664	77,268	12,396	16.0%
Total balance	134,151	119,457	14,694	12.3%

INCOME STATEMENT	**2023**	**2022**	**Change**	**in %**
Revenues	1,579,889	1,464,923	114,966	7.8%
Internal production	-87	606	-693	-114.4%
Value of operating production	**1,579,802**	**1,465,529**	**114,273**	7.8%
External operating expenses	1,563,707	1,451,885	111,822	7.7%
Value added	**16,095**	**13,644**	**2,451**	18.0%
Cost of personnel	7,341	6,475	866	13.4%
EBITDA	**8,754**	**7,169**	**1,585**	22.1%
Depreciation, amortization, impairment losses and provisions	2,226	2,246	-20	-0.9%

	EBIT	**6,528**	**4,923**	**1,605**	32.6%
Non-operating income /(expenses)		717	1,301	-584	-44.9%
	Full EBIT	**7,245**	**6,224**	**1,021**	16.4%
Finance costs		4,066	1,038	3,028	291.7%
	Profit/(loss) before tax	**3,179**	**5,186**	**-2,007**	-38.7%
Income tax		857	1,080	-223	-20.6%
	Net profit/(loss)	**2,322**	**4,106**	**-1,784**	-43.4%

A comparison with the prior year shows substantial improvement for the operating activities, with higher revenues (same for refining); the value of production is up by 18%, EBITDA by 22% and EBIT by 32.6%.
In contrast, the second part of the income statement shows a decrease in non-operating income and a substantial increase in finance costs due to higher interest rates and gold prices (the metal most treated and sold by the Company).

Financial indebtedness is shown below against that of the prior year:

NET FINANCIAL INDEBTEDNESS	**2023**	**2022**
Short-term bank borrowings	75,495,295	64,401,356
Short-term portion of loans	0	0
Short-term financial payables (+)	75,495,295	64,401,356
Bank deposits	21,780,394	15,315,652
Cash and cash equivalents on hand	3,780	2,724
Cash and bank balances and treasury shares (-)	-21,784,174	-15,318,376
Short-term net financial indebtedness (payables - cash and bank balances)	**53,711,121**	**49,082,980**
Long-term portion of loans	3,058,313	2,572,252
Financial receivables	0	0
Medium/long-term net financial indebtedness	**3,058,313**	**2,572,252**
Total net financial indebtedness	**56,769,434**	**51,655,232**

The table above should be interpreted considering that the Company's current assets consist almost entirely of easily liquidable precious metals with an official market price, and which can be realized immediately in the market, similar to coins.
The financial indebtedness presented above takes into account the nominal values but not the precious metals owned by the Company. By calculating the fine precious metals that at December 31 were already refined and thus could be sold in the market at any time, the net financial position would improve by € 7.421 million (average prices of the last four months of 2023): Specifically:
2023 NFP = 49.3 million;
2022 NFP = 44.5 million;
Since refined precious metals listed with currencies are fungible, the above table includes the indexes generated by the recalculated net financial indebtedness.

DEBT RATIOS	**2023**	**2022**
Net debt/EBITDA	5.64	6.21
Net debt/equity	110.9%	105.6%

Additional information

- The Company did not enter into any significant transactions with non-independent entities;
- no notices for lack of legal or regulatory compliance were received from authorities.

Subsequent events

TCA continues to pursue diversification of operations, products, services and markets, in keeping with previous years.
The Company intends to proceed with the business policies that have characterized the past two years, seeking to seize the opportunities generated by the high value of precious metals, despite the decline of PGM prices.
The complicated evolution of international markets makes achieving results and meeting targets certainly more complex and difficult.
During 2024, the validity of the Environmental Impact Assessment is being extended, and the process for obtaining the Integrated Environmental Authorization for the Arezzo plant is being completed. On February 13, 2024, the Agreed Construction Plan for the enlargement of the Valenza (AL) plant was approved, after receiving on October 23, 2023 the environmental permit to expand the quantities. The New Foundry Division, which began running at full capacity in 2023, contributed substantially to an increase in production capacity, more efficient metallurgical processes, sizable energy savings and a reduction of lead time.
This has enabled the Company to speed up the production cycle and thus facilitate the supply of precious metals to be refined: it means creating financial support by "liquidating" the working capital, an essential and extremely useful element, especially in view of the uncertain future monetary and credit scenarios.
The global crisis, which has led to higher costs of raw materials, especially energy (both natural gas and electricity), caused a rapid spike in interest rates. These events are impacting TCA's expenses substantially, but the current margins, deriving from the increase in the quantity of precious metals sold and materials refined, are making the situation sustainable.
It is important to mention the considerable increase in gold and silver prices reported in the initial months of 2024, indicating growing macroeconomic and geopolitical uncertainty: while on the Trading side these increases are cooling down the silver and gold market activity, on the Refining side they are supporting the demand for precious metal refining and recovery from Italian and international operators.
As reported in the notes to the financial statements, Regional Administrative Court for Tuscany Ruling n. 409 dated April 10, 2024 accepted T.C.A.'s appeal and revoked the Region of Tuscany's measures alleging that TCA and other entities were involved in waste characterization and removal activities as “jointly responsible” parties for the alleged pollution by Lerose S.r.l. The Regional Administrative Court ruling states that “From an analysis of the above-described documents and legislative texts, in the Committee's opinion, it appears evident that in the contamination found at the Bucine site no responsibility emerges for TCA S.p.a., to which indeed Legislative Decree 152/2006, Art. 188, paragraph 4, letter ‘b’ applies”.

Business outlook

Additional gains should be realized in 2024, in part from the operation at full capacity of the new foundry.
The accreditation as a Good Delivery Refiner for gold and silver from the London Bullion Market Association and for platinum and palladium from the London Platinum and Palladium Market facilitates the Company's business in institutional and international markets. The volumes of materials assigned by third parties for refining purposes have grown considerably, and TCA has been able to refine its own materials to obtain precious metals sold at remunerative prices.
In 2023 the business regarding the treatment of materials aimed at recovering Platinum Group Metals (PGMs) continued to grow strongly, and the Company seized the new opportunities on the market immediately by putting its excellent refining skills to use.
As noted, in the Trading division, the supply of metal for investment purposes, in various forms and sizes, to Italian and foreign banks, has increased; those banks are currently among the key end markets for the gold produced by the Company.
For 2023, the decline in value of some PGMs (especially rhodium, but also palladium) was counterbalanced by the increases in the value of gold and silver, benefiting both the trading volumes and the precious metal refining volumes. The prices affect favorably the value of the metals owned, which is magnified by the use of the LIFO valuation method.
The complicated global market trend certainly makes it more complex and difficult to obtain results and meet targets. However, up to now the Company has been capable of maintaining a high standing and rating, especially with banks. It has successfully improved its credit score and diversified its financial leverage very well, as is essential for sustaining its business.

TCA continues to diversity its services and target markets, a strategy that has underpinned its growth strategy in the past. The excellent performance of the New Foundry division in the last four months of 2023 is expected to stabilize in 2024, with a considerable expansion of production capacity, more efficient metallurgical processes, significant energy savings and a large reduction of lead time.
All this has enabled the Company to speed up the production cycle and thus facilitate the supply of precious metals to be refined: it means creating financial support by "liquidating" the working capital, an essential and extremely useful element, especially in view of the uncertain future monetary and credit scenarios.

Direct economic value generated and distributed

TCA uses the parameter of direct economic value generated and distributed to express the economic value that its business activities generated and distributed to certain important stakeholder categories.

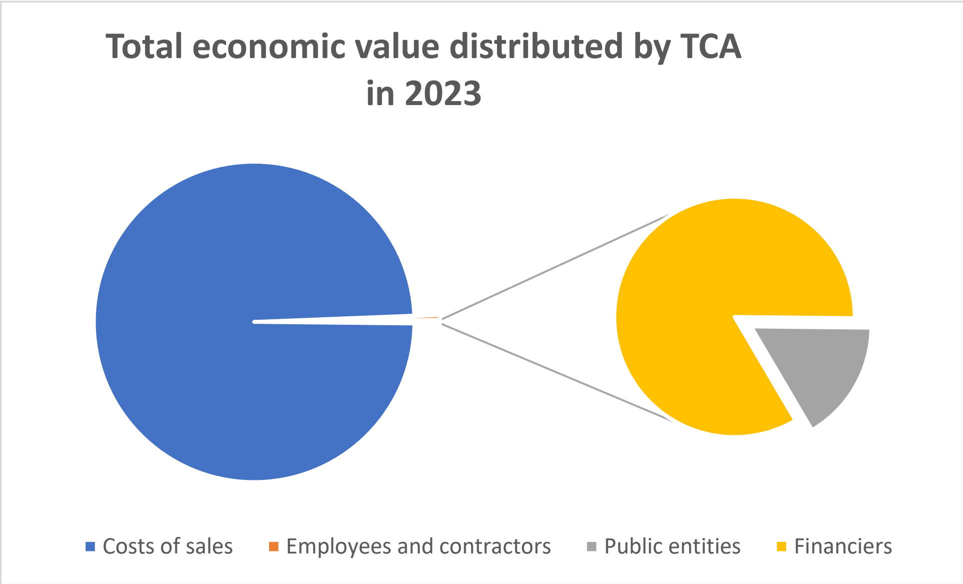
The value represents the wealth produced by the Company and distributed to its stakeholders: a reclassified income statement shows how its creation and distribution by TCA created wealth for stakeholders, by presenting the financial effects produced by the business on the main stakeholder categories.

The economic value generated by the Company in 2023 was € 1,580.61 million, versus € 1,466.93 million in 2022. The economic value distributed rose from € 1,452.23 million to € 1,576.18 million in 2023.
The manner in which TCA distributed the economic value is described hereunder.

Distribution of economic value (€/000)	2023	2022
Reclassified cost of sales	1,563,795 €	1,451,986 €
Remuneration of employees and contractors	7,341 €	6,475 €
Remuneration of public entities	827 €	1,216 €
Remuneration of Shareholders	0 €	8,470 €
Remuneration of financiers	4,220 €	1,030 €
Total economic value distributed	**1,576,182 €**	**1,452,238 €**
Economic value retained	**4,577 €**	**14,685 €**

According to an analysis of the economic value generated and distributed by TCA S.p.A. in 2023:

- More than € 1,563.79 million was distributed to the **cost of sales**, i.e. 99% of the economic value generated by the Company in 2023, in line with the type of business performed by TCA. The cost of sales includes all operating costs, including those for procuring raw materials and services.
- The value distributed to **personnel** is € 7.34 million.
- Some € 4.58 million of the economic value generated was invested **in the Company**, and represents depreciation, amortization and the annual allocation to the reserves.
- No dividends were distributed to **shareholders.**
- The value distributed to **public entities** was € 0.83 million, being the sum of the duties and taxes for the period.
- The value allocated to **banks and other financiers** was € 4.07 million, resulting from interest paid on loans.



Investments and manufacture capital

The capital expenditures totaled more than € 3.5 million in 2023 and regarded, as in previous years, technological upgrading and the enlargement of the Capolona (Arezzo) industrial area, involving primarily plant maintenance and especially plant modernization.
In-house construction work was undertaken in 2023 to expand and create new manufacturing plants. € 221,313 was capitalized.
TCA continues to keep itself updated constantly in order to uphold high quality standards, boost productivity and reduce environmental risks.

Intellectual Capital

Intangible assets and research and development activities

Laboratory and research investments

TCA is a research-based company that puts innovation at the heart of all its development projects. In fact, TCA recognizes that innovative processes are the key to success. Operating in highly technological sectors, TCA can perceive the new trends of progress and is ready to embrace them. For this reason, among others, TCA has established strong ties with universities to study solutions to problems relating to precious metal chemicals and metallurgy.

A fundamental factor influencing the Company's targets and its capacity to achieve the results expected is technology: therefore, it is the organization's policy, while safeguarding of worker health and safety, to continually pursue technological innovation and tools to manage and control processes and impacts, in the awareness that technological competitiveness is essential to improving its capacity and results.

In keeping with its internal policies, the TCA laboratory performs assays safely, with automated methods implemented with the best technologies available on the market and monitored by 11 specialized technicians; it is in constant contact with other international laboratories of business counterparties or of international assayers certified for the sampling and assaying of materials treated for refining. It participates regularly in inter-laboratory circuit programs to compare assaying procedures and methods and, naturally, assaying results regarding samples purposely prepared and distributed by higher entities, such as the LBMA (Proficiency Testing Scheme) and the International Precious Metals Institute (IPMI) in the United States, in order to monitor proactively the laboratory results, specifically for the determination of gold and silver. In this context, TCA's Laboratory has always been able to confirm quality levels absolutely in line with those of the other participants and with the standards set by the organizer's regulators. TCA's laboratory is at the forefront

PGM assaying as a result of adopting specific procedures to determine the content of PGM alloys and the purity of spongy palladium and platinum produced internally, with the additional possibility of determining the L.O.I. (Loss On Ignition) and L.O.R. (Loss On Reduction). Such protocols enable to verify in relatively adequate time the concentration of PGMs in raw materials at the beginning of the production process and in the finished product at the end of the refining phases.

The continuous pursuit of excellent assaying performance is demonstrated by the development and improvement of methods that in 2023 resulted in:

- the updating of various assaying protocols to obtain greater precision and speed.

In order to safeguard mutual interests, it is possible to use an independent laboratory, which up to now has confirmed the assay results of TCA's laboratory tests in most cases.

The chemical laboratory selects and applies the most appropriate assay methods for the type of material in order to determine the precious metal content. The laboratory can carry out both gravimetric analysis (cupellation) and instrumental analysis (ICP and WD-XRF) with the utmost precision.

Research and development ("R&D") expenditure

The Company conducted the following research in 2023:

PROJECT 1. Screening of alternative gold precipitation techniques deriving from foundry grains;

PROJECT 2. Optimization of rhodium refining;

PROJECT 3. New processing line for PGM precipitation after gold precipitation;

PROJECT 4. Determination of factors that influence the quality of the exhaust solution deriving from flotation leaching.

Sustainability management systems

TCA complies with the international standards for quality, environmental and safety management systems. The Company has obtained UNI EN ISO 9001:2015 certification for the recovery, refining and sale of precious metals. The ISO 9001:2015 standard sets quality standards and ensures production supervision through controls that optimize the efficiency of business processes and ensure high-quality products and services. TCA voluntarily chose to adopt the UNI EN ISO 14001:2015 standard that sets the requirements for an environmental management system to prevent pollution and keep the impact of its activities under control by systematically improving its production performance in a sustainable manner. The Company obtained certification of its safety management system under the UNI EN ISO 45001:2018 standard, which sets the requirements of occupational health and safety systems.

STANDARD	SUBJECT	CERTIFICATION BODY	INITIAL ISSUANCE	LATEST RENEWAL	EXPIRATION
UNI EN ISO 9001	Quality management system	DNV	Feb. 14, 2004	Feb. 12, 2022	Feb. 11, 2025
UNI EN ISO 14001	Environmental management system	DNV	Aug. 3, 2009	Aug. 4, 2021	Aug. 3, 2027
UNI EN ISO 45001	Occupational health and safety management system	DNV	May 5, 2013[3]	May 5, 2022	May 4, 2025

Below are additional qualifying aspects of the business management:

- TCA INVESTMENT bars are created with the most advanced and qualified technologies in the industry. The 999.9 purity of gold is certified;
- TCA is an Associate Member of the London Bullion Market Association (LBMA) and Patron Member of the International Precious Metals Institute (IPMI);
- TCA undertook the process for London Platinum & Palladium Market (LPPM) accreditation to become one of those metal refineries capable of satisfying the requisites of the Good Delivery standard for Platinum and Palladium (accredited in July 2022);
- TAMPER-PROOF PACKAGING - TCA INVESTMENT bars are preserved and delivered to the customer in a resistant tamper-resistant blister pack containing a guarantee certificate.

Responsible metals policy

TCA S.p.A. recognizes the risks and potential adverse impacts that may be associated with extracting, trading, handling and exporting minerals from conflict-affected and high-risk areas, and recognizes the responsibility to respect human rights and not contribute to conflict. For this reason, it has formalized the adoption of a policy for responsible precious metal sourcing from conflict-affected and high-risk areas. The Responsible Metals Policy may be downloaded and consulted from the corporate website.

LBMA/LPPM accreditation

The London Bullion Market Association ("LBMA") sets and oversees the highest standards for refining gold and silver bars in order to ensure that products of exceptional quality and reliability circulate in the precious metals market.

The LBMA produces and publishes Good Delivery Lists presenting refiners whose gold and/or silver meets the acceptability requisites established by the physical/metal precious metals market of London. TCA has officially been listed since 2014. Some of these criteria are:

- at least three years of refining experience;

[3] ISO 45001 certification was obtained to replace OHSAS 18001, with the first certification on May 5, 2019.

- annual refined production of at least 10 tons of gold and 30 tons of silver;
- net assets equivalent to at least 15 million pounds sterling;
- proof of ownership and management structures.

The producers submit to periodic quality controls over gold and silver bars: TCA satisfied the LBMA criteria thanks to its ownership, history, production capacity, responsible management and financial standing, and passed the LBMA's strict tests with flying colors, which included examination and assays of gold bars and the analysis of the Company's assaying capabilities by independent referees.

Since 2017 TCA S.p.A. has been officially included in the Silver Good Delivery List. The adopted version of LMBA Responsible Silver Guidance ("RSG"), published in September 2017 and updated in November 2023, is based on the OECD Due Diligence Guidance on the subjects of anti-corruption, anti-money laundering and combating terrorist financing.

The Good Delivery List of accredited gold and silver refiners is managed directly by the London Bullion Market Association. The List presents refiners whose gold and/or silver, produced in the form of bars or grain, meets the required standards for acceptance set by the London physical/metallic precious metals market. The List currently includes 65 Gold Refiners and 80 Silver Refiners.

The LPPM compiles and publishes Good Delivery lists, on which are entered refiners whose platinum and/or palladium meets the required standards for acceptance set by the London physical/metallic precious metals market.

For 2023, TCA obtained LBMA certification and LPPM certification, having adopted *Responsible Gold Guidance V.9*, *Responsible Silver Guidance V.2* and *Responsible Platinum and Palladium Guidance V.*4, and resulting compliant with them during the annual audit.

About the London Bullion Market Association

The London Bullion Market Association is an international trade association that represents the global over-the-counter market for gold and silver bullion in the form of standard bars. The LPPM undertakes many activities for its members, including setting Good Delivery and Refining standards and criteria, organizing conferences and other events, and acting as a point of contact for other regulatory agencies.

About the London Platinum & Palladium Market Association

The London Platinum & Palladium Market Association is an international trade association that represents the global over-the-counter market for platinum and palladium. The LPPM undertakes many activities for its members, including setting Good Delivery and Refining standards and criteria, organizing conferences and other events, and acting as a point of contact for other regulatory agencies.

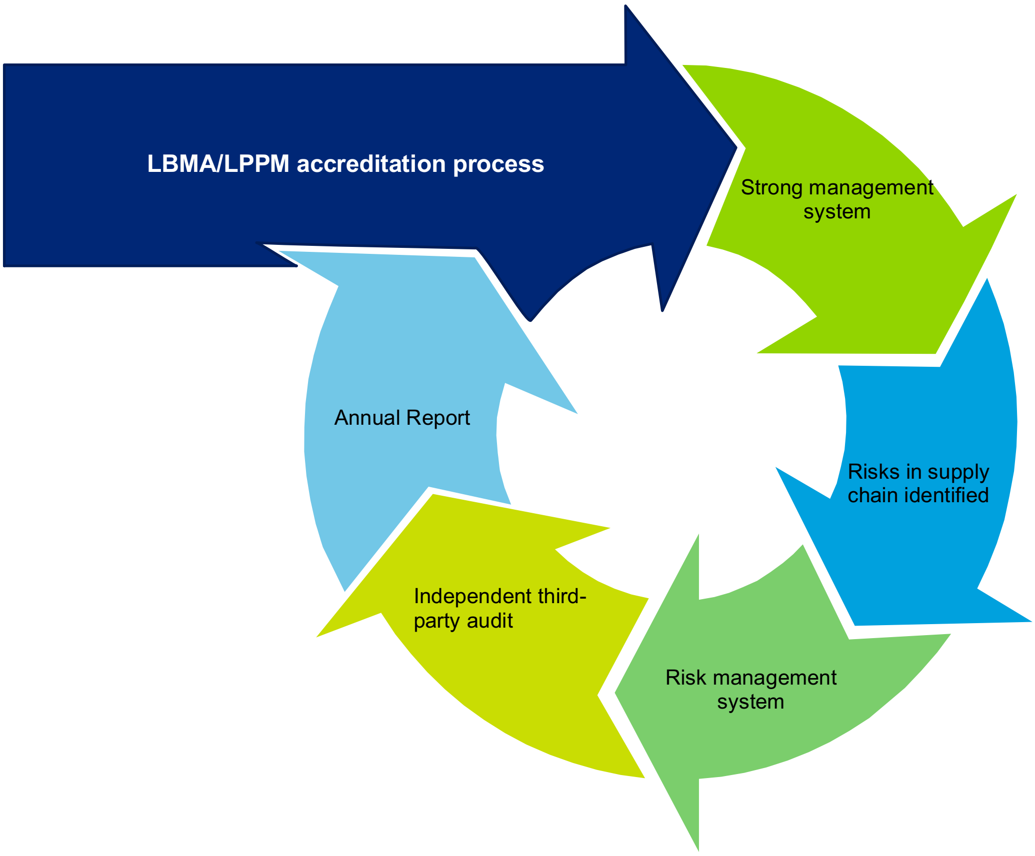
Responsible Gold & Silver Guidance

The LBMA set up the Responsible Gold Guidance and the Responsible Silver Guidance for gold and silver refiners in order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict, and to comply with high standards of anti-money laundering and combating the financing of terrorism. This guidance formalizes and consolidates existing high standards of due diligence among all LBMA Good Delivery Refiners.

Responsible Platinum & Palladium Guidance

The LPPM set up the Responsible Platinum & Palladium Guidance for platinum and palladium refiners in order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict, and to comply with high standards of anti-money laundering and combating the financing of terrorism. This guidance formalizes and consolidates existing high standards of due diligence among all LPPM Good Delivery Refiners.

The following steps were implemented by TCA to obtain LBMA accreditation for gold and silver and LPPM accreditation for platinum and palladium:



TCA voluntarily implemented a responsible gold and silver management system that includes the objectives and policies for the gold and silver supply chains. The Company undertakes to:

- perform adequate diligence that takes into account counterparty risk before initiating any business relationship, continuously monitor the transactions in order to assess the risk of contributing to conflict, money laundering, terrorist financing or serious abuses of human rights, and implement a strategy to respond to the risks identified;

- maintain the documentation regarding the counterparties and the gold and silver transactions in order to demonstrate that appropriate due diligence has been followed;

- develop an ongoing training program for all staff involved in the gold and silver supply chains.

TCA stipulated an agreement with Thomson Reuters for access to the international World-Check One database in order to implement an updated, effective and timely Risk Assessment procedure. This tool is used constantly with unquestionable success, both in the preliminary risk assessment phase and in the subsequent phases of the rating or reassessment of risks associated with business counterparties. In 2023, consistently with previous years, a continuous monitoring service was performed on counterparties selected specifically by the Company for which, due to the transaction and processed metal volumes involved, constant and recurring risk assessment is deemed essential.

During 2023, TCA updated its Due Diligence Policy, formalizing the Risk Assessment procedure to adhere more closely to the LBMA and LPPM guidelines.

This document is based on the OECD Guidance, the latest available versions of the LBMA and LPPM Responsible Sourcing Guidance (RGG v.9, RSG v.2 and RPPG v.4, respectively), the EU's Conflicts Minerals Regulation, and national and international anti-money laundering laws.

Moreover, TCA implemented a new due diligence management IT system where documentation is collected from all active counterparties and evaluated by the Compliance Team, which then assigns the risk rating and monitors the overall status of each counterparty.

The system is up and running, and the migration of all active counterparties' documents will be completed in 2024.

Responsible Jewellery Council (RJC) Certification

In view of the current end markets for gold jewelry production, which require supply chain players to comply with ever-stricter anti-money laundering regulations (such as the American Dodd-Frank Act) and to be accredited by international bodies, TCA renewed its Responsible Jewellery Council (RJC) certification in February 2022. TCA obtained accreditation as a Member of the Responsible Jewellery Council (RJC) in London based on the Code of Practice (COP) issued by the RJC in 2013 and updated in 2019, and the Chain-of-Custody (CoC) standards of 2017. Pursuant to the audit conducted on December 14, 2022, TCA obtained the renewal of the RJC Chain of Custody (CoC) certification based on the 2017 standards.

The Code-of-Practice standard promotes and defines responsible ethical, human rights, social, and environmental practices, applicable to all RJC Members throughout the precious metals supply chain. The main topics dealt with and audited regard respect for human rights, employee rights and dignified working conditions, metal and diamond provenance claims, compliance with occupational health and safety regulations, and compliance with and safeguarding of environmental regulations.

The Chain-of-Custody standard supports responsibly sourced products in jewelry supply chains. Accordingly, the main topics dealt with and audited regard the management system and responsibilities, internal material controls, controls over independent contractors and service companies, eligible recycled/existing materials, eligible material declarations, Chain-of-Custody (CoC) initiation and transfer documents and conflict-sensitive sourcing.

About the Responsible Jewellery Council

The Responsible Jewellery Council (RJC) is a not-for-profit organization whose mission is to promote responsible ethical, human rights, social, and environmental practices in the gold jewelry and diamond industries, from mine to retail. The organization proposes to reinforce consumer confidence in the precious metals industry by advancing responsible ethical, human rights, social, and environmental practices throughout the jewelry supply chain. RJC's goal is to encourage as many businesses and organizations as possible to implement responsible practices: participants in the RJC system demonstrate that their business practices meet the ordinary responsible practice standards and benefit from international certification. RJC certification helps Members enhance their reputation, as well as the reputations of their suppliers and customers. This undertaking contributes to the creation and reinforcement of business partnerships, reduction of trade risks, and establishment of a solid, secure basis for sustainable growth.

Key RJC concepts:

Chain of Custody

Chain of Custody occurs when **CoC Material** is created on basis of Eligible Material Declaration, and **transferred** from one Entity to another by issuance of a CoC Transfer Document

Segregation

Compulsory or voluntary **isolation** of the **material** from contact with other materials considered ineligible.

Eligible material

Material with **Eligible Material Declaration** from Certified CoC entity, which is transferred under the RJC Chain-of-Custody standard. Eligible Material may be one or more **Mined Material, Recycled Material** (sourced from suppliers with RJC certification or screened according to Know-Your-Customer requirements) or **Grandfathered** (stocks of Material that existed before the CoC standard came into effect, with a reliable record demonstrating its date of ownership, extraction and/or manufacture).

Know Your Customer

Principles that require businesses to establish the identity of organizations with which they deal, to **know** their business relationships and to **react** to situations that appear **suspicious**.

1 Self-Assessment
- Conducted by the Member in accordance with the certification scope
- Preparation for Certification Audit by independent third-party RJC accredited auditors

2 Audit
- Conducted by independent third-party RJC accredited auditors
- Selects a representative sample to review from certification scope
- Evidence-based assessment of conformance

3 Reporting
- Auditor prepares Audit Report including Statement of Conformance for the RJC
- Additional Report for the Member
- Member implements corrective action plan, where required

4 Certification decision
- RJC reviews Audit Report for clarity and completeness, and issues Certification based on the Report
- Certification details posted on website
- Members can use RJC Certification logo

5 Periodic reviews
- Mid-term review may be required.
- Re-certification audit is required at end of certification period
- Conducted to confirm continuing conformance and to address changes

Human Capital

Employment stability and continuity, human resource and skill enhancement, and health and safety protection are TCA's top priorities with respect to its employees. TCA contributes to the preservation and development of local human capital in the local area by way of job creation; in fact, 80% of the employees reside in or around the Arezzo headquarters.

Human resource management policies

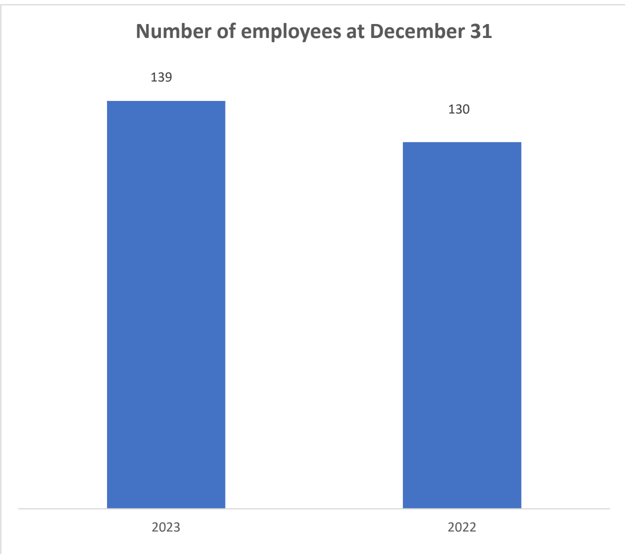
Personal enhancement and professional development, key factors to evolve and grow the business, are an integral part of TCA's cultural heritage and value system. The Company emphasizes the promotion of a corporate climate marked by mutual respect and trust among the employees and between them and the Company itself. Human resource management and development are based on a precise definition of roles and responsibilities, on training as a tool for building knowledge, skills and capabilities, on effective communication of the Company's policies and strategies, and on keeping dialogue open and constructive with workers' representatives and labor unions.

Work force composition and characteristics

The work force grew during the year; at December 31, 2023 there were 139 employees, 7 more than at the end of the previous year.
Considering the personnel composition per category, TCA has achieved an excellent structural level and a good balance among the various professional areas.

Total number of employees by employee category and gender as at December 31

	2023			2022		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Upper management	5	-	**5**	5	-	**5**
Lower management	7	2	**9**	7	1	**8**
White-collar and blue-collar	104	21	**125**	97	20	**117**
Total	**116**	**23**	**139**	**109**	**21**	**130**



In 2023, 88% of the employees were employed under an open-ended contract, down slightly from the prior year; 96% of the employees work full-time, the same as last year. In detail:

Total number of employees by gender and type of contract as at December 31

	2023			2022		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Open-ended contract	104	19	**123**	98	19	**111**
Fixed-term contact	12	4	**16**	1	4	**5**
Total	**116**	**23**	**139**	**109**	**21**	**130**

Total number of employees by gender and full-time/part-time contract as at December 31

	2023			2022		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Full-time contract	114	19	**133**	108	17	**125**
Part-time contract	2	4	**6**	1	4	**5**
Total	**116**	**23**	**139**	**109**	**21**	**130**

In observance of equal opportunity, TCA's work force includes 7 employees of protected categories.

In 2023, most employees (62%) were aged 31 to 50, and 20% were below 30 years of age (up from the 16% of the prior year). All of TCA S.p.A.'s employees are covered by national bargaining agreements.

Total number of employees by employee category and age range as at December 31

	2023				2022			
	< 30	**31-50**	**> 50**	**Total**	**< 30**	**31-50**	**> 50**	**Total**
Upper management	-	3	**2**	**5**	-	3	2	**5**
Lower management	-	8	**1**	**9**	-	8	-	**8**
White-collar and blue-collar	28	75	**22**	**125**	21	71	25	**117**
Total	**28**	**86**	**25**	**139**	**21**	**82**	**27**	**130**

For 2023, the ratio of the highest remuneration within the Company to the median value of all employees' remuneration (excluding the person with the highest remuneration) is 6.9, and in terms of the annual percentage change for the two types of remuneration, the ratio is 0.14%[4].

Corporate welfare

Accountability at all levels, teamwork and constant improvement are the key success factors for achieving new goals.

TCA seeks to develop and motivate its entire work force through:

- the communication and sharing of corporate, individual and team objectives;
- control over the results obtained and related feedback;
- teamwork and knowledge of business processes;
- the development of specific training programs to build up professional skills at all levels;

[4] The increase in the total remuneration of the person with the highest remuneration is 0.3%, whereas the median increase in annual remuneration for all employees, excluding that person, is 2%.

- the implementation of remuneration policies that ensure internal fairness, competition with the market and recognition of the results achieved.

Moreover, TCA offers additional benefits to its employees, such as life insurance for managers and supplementary insurance policies for certain employees, and since June 2020, a corporate welfare platform can be accessed by TCA's upper management, lower management, white-collar and blue-collar employees.

In December 2023, TCA replaced the welfare platform with the new Banca Intesa San Paolo Welfare Hub platform. This new platform gives the possibility of accessing a larger number of services than the previous one, and can be used for 12 months instead of the previous 11 months.

The corporate welfare platform consists of several sections that employees can choose from to spend their welfare allowance.

Some of the services available on the platform are:

- Healthcare services;
- Education (daycare centers, primary and secondary schools, universities / summer and winter camps / textbooks);
- Public transport passes;
- Supplementary retirement funds;
- Shopping or gas vouchers;
- Recreation and sports;
- Long-term care.

The Company continued to promote responsibility and inclusion within the organization among the decision makers and persons in charge of coordination and development. Each contract was reviewed, and the work contribution was awarded with bonuses. Under Company policy, salary increases are used to increase the involved professionals' dedication to the business mission and to develop a greater propensity to improving business processes.

In keeping with such approach, TCA is evaluating the possibility of adopting remuneration policies, structured on the basis of specific performance indicators by area/division, that include well-being benefits.

After the draft agreement stipulated in May 2017 and the green light from the union meetings, the new Italian collective bargaining agreement (CCNL) applicable to goldsmiths, silversmiths and jewelers was signed. The most important news regards the introduction of an amount allocated to corporate well-being that will grow over the years. The amounts will be made available as well-being benefits, which can be allocated to pensions, healthcare, the reimbursement of school fees or expenses, assistance to dependents and other care services.

The new agreement provides for additional well-being initiatives. First, the supplementary pension fund was expanded by increasing the Company's contribution to the Cometa Fund (industry pension fund) from 1.2% to 1.6% of the salary, whereas the employee's contribution remained the same (1.2%). Second, concerning healthcare, the new collective bargaining agreement extended the access to the Metasalute healthcare fund to family members of employees. In addition, the amount charged to Company more than doubled: from € 72 for the year to € 156.

Consistently with previous years, no cases of discrimination emerged regarding any of the Company's employees in 2023, demonstrating TCA's care for the merits of each one of its employees.

Sixteen people left TCA in 2023, resulting in an outgoing rate of 12%, down slightly from that of the prior year. Twenty-five people were hired, representing an incoming rate of 18% of the total employees, down from that of the prior year.

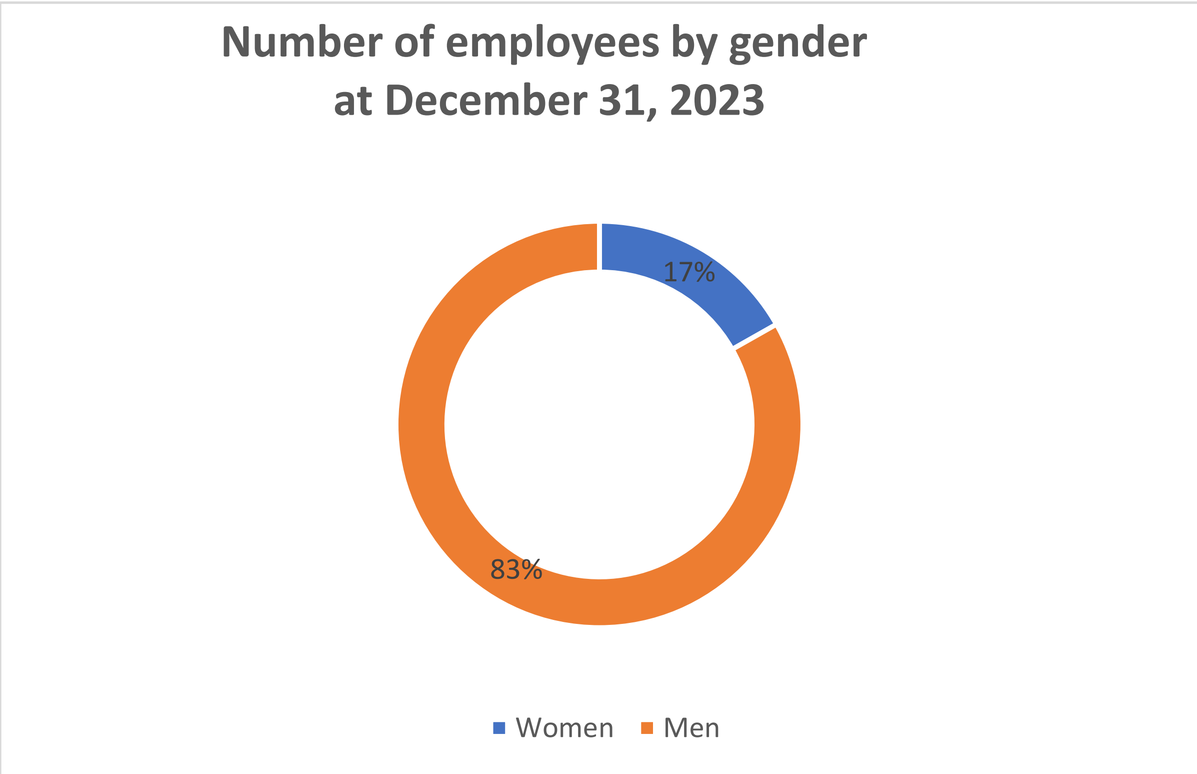
Incoming employees by gender and age range

	2023			2022[5]		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Age <30 years	11	2	**13**	10	3	**13**
Age 31-50 years	9	2	**11**	11	-	**11**
Age >50 years	1	-	**1**	2	-	**2**
Total	**21**	**4**	**25**	**23**	**3**	**26**
Incoming rate (%)	**15%**	**3%**	**18%**	**18%**	**2%**	**20%**

Outgoing employees by gender and age range

	2023			2022[6]		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Age <30 years	2	-	**2**	8	1	**9**
Age 31-50 years	8	1	**9**	5	-	**5**
Age >50 years	4	1	**5**	3	-	**3**
Total	**14**	**2**	**16**	**16**	**1**	**17**
Outgoing rate (%)	**10%**	**1%**	**11%**	**12%**	**0.7%**	**13%**

17% of TCA's employees is female, mainly white-collar employees (women account for 17% of white-collar employees). The rate is not high, but it reflects an industry (manufacturing) in which women's participation is typically low for historical and cultural reasons. The gender gap is in line with that of recent years.



[5] The 2022 turnover rate was restated using a better calculation method.
[6] The 2022 turnover rate was restated using a better calculation method.

Training and human resource enhancement

TCA considers staff training and staying up-to-date on specific topics essential to the business.

Its human resource management handles training and refresher programs for all employees, making them responsible for the continuous improvement of their conduct in keeping with the Company's objectives, and to hone the skills necessary for ensuring high-quality products and services.

TCA is constantly involved in numerous activities that qualify it for prevention and protection purposes. Training plays an essential role for safety in the workplace. The Company's management continuously promotes improvement measures for its workers' health and safety, including through training programs that go beyond the legal requirements. Training is provided by external parties as well as by qualified experts within the Company. In addition to ordinary methods (in-person lectures), training and information are also given using innovative techniques of brief, daily and informal meetings, or visual and immediate methodologies (bulletin boards, graphs, reports and photographs).

The Company draws up a training plan, a document in which training activities for all the Company's employees are described and scheduled.

The 2023 training investment to promote TCA's industrial activities and the professional development of the work force is summarized in the following data:

- approximately 1,300 total training hours (including mandatory training), involving 139 employees;
- specialized training for the LBMA audit, on Responsible Gold Guidance and Responsible Silver Guidance, analysis of the principles of the Responsible Gold Policy, the topics of traceability and monitoring with a focus on the new trade information collection service, monitoring money laundering risk, and adequate checks over customers based on current regulations, on the Responsible Jewellery Council's guidelines and procedures for managing Chain-of-Custody flows, and a course about the LPPM in which the Responsible Sourcing Programme regarding platinum and palladium was explained.

General training hours (on quality, health and safety, the environment)

	2022					
	Men		**Women**		**Total**	
	n. hours	**Average per person**	**n. hours**	**Average per person**	**n. hours**	**Average per person**
Upper management	-	-	-	-	-	-
Lower management	-	-	-	-	-	-
White-collar and blue-collar	1,024	10.56	49	2.45	1,073	9.17
Total	**1,024**	**9.4**	**49**	**2.33**	**1,073**	**8.25**

	2023					
	Men		**Women**		**Total**	
	n. hours	**Average per person**	**n. hours**	**Average per person**	**n. hours**	**Average per person**
Upper management	12	3	-	-	12	3
Lower management	14	3	3	3	17	3
White-collar and blue-collar	1,307	18.7	71	4.2	1,378	15.83
Total	**1,333**	**16.9**	**74**	**4.11**	**1,407**	**14.5**

Training hours for LMBA Compliance Audit

2022						
	Men		Women		Total	
	n. hours	**Average per person**	**n. hours**	**Average per person**	**n. hours**	**Average per person**
Upper management	6	1.20	-	-	6	1.20
Lower management	-	-		-	-	-
White-collar and blue-collar	14	0.14	16	0.8	30	0.25
Total	**20**	**0.18**	**16**	**0.76**	**36**	**0.27**

2023						
	Men		Women		Total	
	n. hours	**Average per person**	**n. hours**	**Average per person**	**n. hours**	**Average per person**
Upper management	6	1.20	-	-	6	1.20
Lower management	-	-	-	-	-	-
White-collar and blue-collar	14	0.13	14	0.67	28	0.22
Total	**20**	**0.17**	**14**	**0.61**	**34**	**0.24**

TCA continued to invest in research and development in 2023 and decided to retain highly qualified persons responsible solely for research. The investment in know-how is necessary to guarantee the Company's market competitiveness over the long term.
In 2023 all the employees and Board of Director members received information and training on the anti-corruption policies and procedures.

During the year, TCA also continued to offer flexible on-site hours, as introduced during the Covid-19 pandemic, to meet the needs of its employees.

Health and safety

TCA has always believed in and invested in the improvement of the health and safety conditions of both its employees and others, going beyond the legal requirements, in order to reduce and possibly eliminate the risk of accidents occurring. TCA maintained its compliance with the requirements of Legislative Decree 81/2008 (Occupational Safety Code) while updating and fully supplementing the risk assessment and guaranteeing the mandatory training to all employees. On May 9 and 10, TCA was audited by the external entity responsible for regularly verifying the certification of the occupational health and safety system, under the ISO 45001: 2018 standard.
The safety management system includes the following offices and factories: TCA S.p.A. and the plants in Arezzo, Valenza and Vicenza. The management system is designed to reduce the possibility of accidents, risk factors and liability for any accidents that do occur: the system has enhanced safety management in the work environment, with accountability assigned to the individuals in charge of work activities especially in the areas most exposed to risk. The risk assessment document is constantly updated and is monitored on a monthly basis. The specialized training is satisfactory and up to date on the new safety and environmental regulations. The employer, assisted by the person in charge of the Prevention and Protection Service, the Company's Physician, and the Employees' Safety Representative, assesses the risks and implements prevention and protection measures to eliminate and reduce risks, and provide for the ongoing improvement in workers' health and safety conditions. The managers, persons in charge of safety and workers collaborate with the structure, organized along the lines of the department and the organization to ensure an accurate and dynamic flow of information.
The results are constantly monitored and analyzed to pursue continuous improvement through the analysis of indicators (monitoring of near misses, accidents, and accident severity and frequency).

In 2023 one injury occurred [7], classifiable as a "cut", a much better result than the previously year in which 4 injuries were reported. Accordingly, the 2023 injury rate is 4.99%.
The analysis and assessment of health and safety risks involve all the input and output processes, and the customers and contractors that interact directly with TCA are included in the boundary.
The activities to promote employee health include TCA's stipulation of an agreement with a health insurer that offers health services in addition to those of the occupational health surveillance and provides for supplying medical examinations, screenings, diagnostic tests, and additional healthcare services not covered by the national healthcare system to all its employees. This is part of a welfare package that the Company has made available to its employees.
The 2023 indicators of employee health and safety are summarized in the table below:

TCA employee injuries at the workplace

Number of injuries	**2023**	**2022**
Number of fatalities as a result of work-related injury	-	-
Number of high-consequence work-related injuries (excluding fatalities)	-	-
Number of recordable work-related injuries[8]	1	4
Rate of fatalities as a result of work-related injury	-	-
Rate of high-consequence work-related injuries (excluding fatalities)	-	-
Rate of recordable work-related injuries (%)[9]	4.99	20.08

Main types of injuries

Types of injuries	**2023**	**2022**
Sprained or bruised limb		
Cut	1	1
Acid burn		
Allergic reaction		
Bruising trauma		2
Musculoskeletal trauma		1
Total	**1**	**4**

[7] The injury occurred at the end of December 2022 with a prognosis extended to January 2023.
[8] A high-consequence work-related injury is one that results in an injury from which the worker cannot, does not, or is not realistically expected to recover fully to pre-injury health status within 6 months.
[9] The injury rate was calculated by dividing the total number of injuries by the total number of hours worked (200,224 in 2023 and 199,159 in 2022), using a multiplication factor of 1,000,000.

Social and Relational Capital

Customer relationships

In TCA, focus on the customer is very important because it is possible to obtain new special requests or requirements from customers that can identify demand for new types of products. Indeed, TCA's goal is for its products to meet the market demands. Different communication methods may be used with its customers, but TCA aims to maintain active, continuous communication for each relationship in order to guarantee trustworthiness and reliability to the customer. For this reason, ways to improve communication management are continuously proposed.

Trade fairs and conferences in which TCA participated:

- Vicenza Oro, January 2023
- OroArezzo, May 2023
- London Platinum Week, May 2023
- Asia Pacific Precious Metals Conference (APPMC) in Singapore, June 2023
- Platinum Week in New York, September 2023
- LBMA Conference in Barcelona, October 2023
- CPHI Conference in Barcelona, October 2023
- IPMI European Chapter in Vienna, November 2023

For years TCA has participated in the most important trade fairs of the industry, including Oro Arezzo, the trade fair for Italian-made gold jewelry where prestigious buyers meet in Arezzo and which was held in January and in September, VicenzaOro, and Platinum Week, where events and seminars are organized on precious metal use in recovery, refining and trading, and trends are analyzed, including stock market prices and banking and financial implications.

In September 2023, we spent a week in New York to attend New York Platinum Week, an opportunity to meet many players in the precious metal recovery industry as well as various banks and financial institutions. For TCA, it was also an occasion to see many North American customers again, and to meet new counterparties with whom we could discuss our core business and describe our new plant enlargements and improvements of 2023.

We were also present in Singapore for the APPMC and in Bologna for the LBMA conference, two events that attract all LBMA counterparties and where the most important refineries dealing with high-grade materials meet. In addition, in mid-November, TCA participated in the International Precious Metals Institute (IPMI), the largest international association of refiners, bankers and financial institutions, merchants, private and public sector groups, and the general precious metals community, in order to exchange information on activities deriving from precious metal recovery and on technology use.

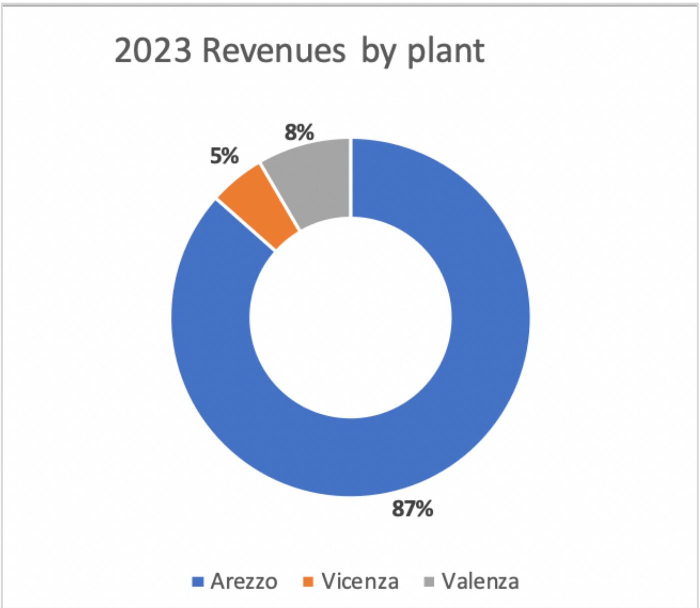
With a view to broadening its scope, since 2021 the marketing strategy has aimed to strengthen TCA's market position with respect to recycling spent catalysts containing platinum, palladium and rhodium originating from the domestic and international pharmaceutical industry. For this reason, the Company decided to participate in the most important international trade fair, the CPhI (Chemical Pharmaceutical Ingredients) event, held in October 2023 in Barcelona. The conference highlighted the important appeal of such industry given the high profitability of potential pharmaceutical scrap containing large quantities of recoverable PGMs.

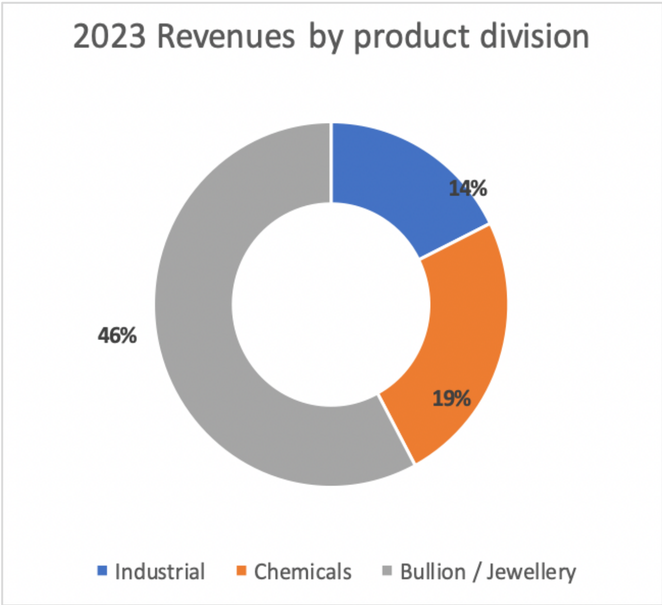
Due to the good five-year performance of the Italian and European pharmaceutical industry, and aware of the important need for PGMs in the production cycle to develop active principles, TCA put forth greater marketing efforts in the local and European pharmaceutical market, cementing its existing market positions with major players, and launched marketing campaigns.

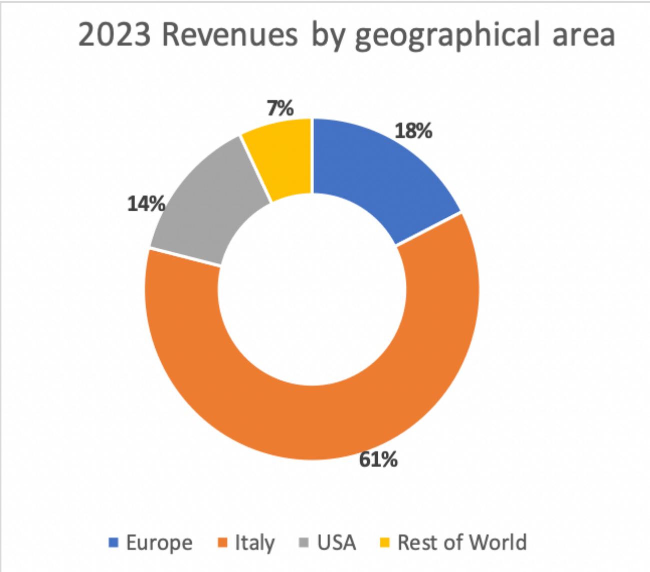
The new foundry, completed in mid-2022, made it possible for TCA to be more competitive on the market than in the past, offering a powder melting rate 3 times higher than in 2022 and with much less time involved.

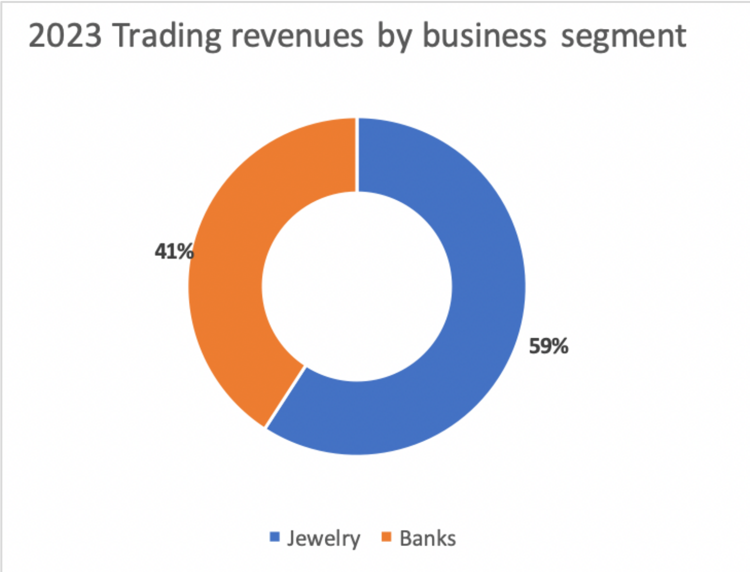
The outstanding performance of the new melting plant contributed to a significant increase in revenues in the second half of the year, and excellent prospects are projected for 2024.

With respect to the three areas, 2023 was characterized by important increases for rod refining (+ 26 %), pharmaceutical catalysts (+ 31 %) and pure metal sales (+ 8 %), resulting in record-high total revenues exceeding € 1,578,000,000.


2023 Revenues by plant
8%
5%
87%
Arezzo
Vicenza
Valenza


2023 Revenues by product division
14%
46%
19%
Industrial
Chemicals
Bullion / Jewellery


2023 Revenues by geographical area
7%
18%
14%
61%
Europe
Italy
USA
Rest of World


2023 Trading revenues by business segment
41%
59%
Jewelry
Banks

Quality system and customer satisfaction

TCA complies with the international standards for quality, environmental and safety management systems. The Company has obtained UNI EN ISO 9001:2015 certification for the recovery, refining and sale of precious metals. The standard sets quality requisites and ensures production supervision through controls that optimize the efficiency of business processes and ensure high-quality products and services.

Certified quality: audits conducted and received

During 2023, external audits of the quality management system (ISO 9001) were performed by the certification body, DNV. Internal audits were also conducted, with positive results.

The audits received and conducted were organized by/at some companies certified by the RJC and LBMA, and in many cases they were organized by TCA's and the counterparty's Environmental, Health and Safety Managers.

TCA deduces the customer satisfaction level from day-to-day contacts for sales purposes, but often these assessments cannot be documented, so it has set up a system to collect and document information to create a customer satisfaction record. With this system, reports of customer satisfaction or dissatisfaction are received and processed, and areas that can be improved are identified. In all cases where customer dissatisfaction is shown from the reports, TCA evaluates opportune improvement measures (corrective and/or preventive actions) in order to adopt the right measures to achieve customer satisfaction.

In the event of a customer compliant, the handing of the account is assigned to the Quality, Environment and Safety Manager, who determines the actions to be taken and the management to involve within 15 days from receiving the claim.

Customer complaints are forwarded immediately to the Quality, Environment and Safety Manager, who contacts the customer, helps the customer find a solution to the problem, and investigates whether any nonconformity is attributable to TCA.

If nonconformity is found, the Manager determines the corrective actions to be applied to the internal procedures in order to reduce or eliminate the future possibility of repeating the error that enabled non-compliant products or services to be offered to the customer and agrees on the implementation of such actions with the respective persons in charge.

As in previous years, in 2023 no episodes of nonconformity occurred regarding consumer privacy violations or health and safety impacts of the products supplied to customers.

TCA has always been motivated by the satisfaction of its customers and the other parties involved, conscious that only the performance of a consistently reliable, punctual and efficient service may improve its market position.

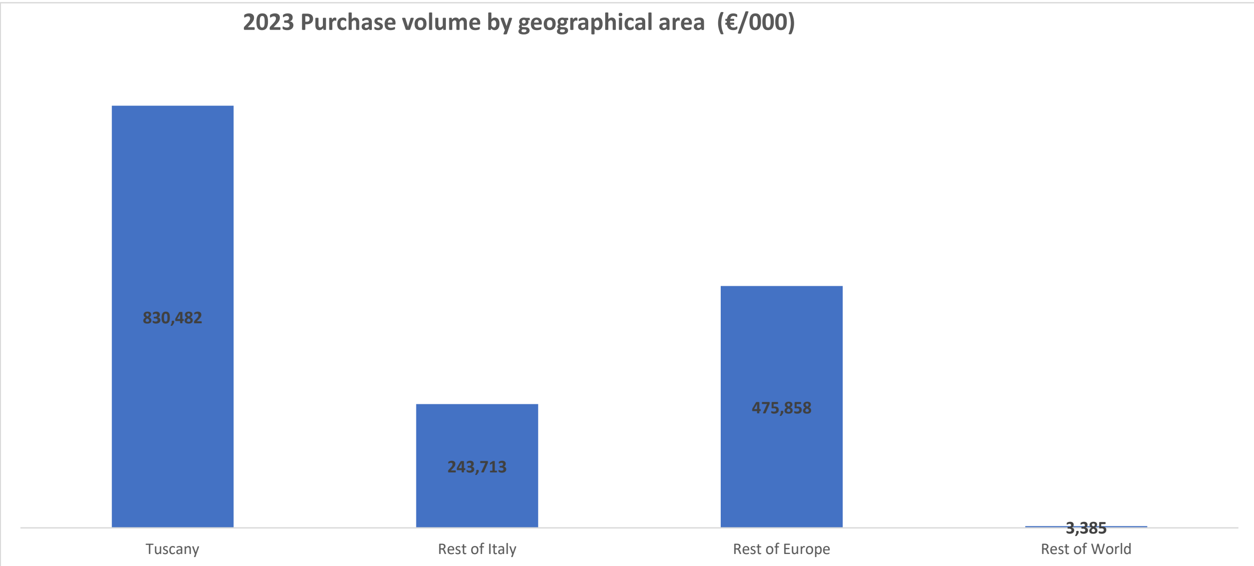
Management recognizes that a quality system compliant with the UNI EN ISO 9001:2015 standard can contribute effectively to the achievement of such results. Therefore, they are committed to meeting the applicable requisites and improving continuously through the constant application of the system. Since the system must always best represent the Company, it is constantly updated.

To achieve this, the Company works toward increasing customer loyalty, improving the time needed to carry out the service requested by customers, and expanding the level of assistance offered to customers.

Complaints	2023	2022
n. of complaints received in the year	-	-
n. of complaints resolved by December 31	-	-

Supplier and business partner relationships

In TCA, procurement is regulated by procedures set up to ensure that the products purchased to process orders and the consumables, vehicles, equipment and services procured externally that influence product and service quality meet the quality, environmental and safety requirements specified by contract and the Company's standards. Such features are communicated clearly by TCA to its suppliers, since it is responsible for ensuring that the supplies purchased correspond to the specifications defined in the sale to the customer.



The number of suppliers and respective monetary values involved in the supply of precious metals (the Company's core business) were considered; in 2023 they amounted to € 1.553 billion.

90% of the volumes were purchased from suppliers in Italy, and 42% of those refer to suppliers in Tuscany.

The suppliers selected must have systems capable of assuring:

- the prevention of manufacturing nonconformity;
- timely activation of necessary corrective actions;
- the supply of only products compliant to the specified requirements.

To this end, TCA has developed an internal methodology to evaluate the supplier's ability to meet the specified requirements and has set up procedures to activate and expand information channels. The procurement process begins with the Company's identification of the need for certain supplies.

Supplier selection and evaluation entails the evaluation of all aspects of the supplier relationship, including the technical, logistical, environmental, safety, administrative and commercial aspects, and the evaluation results are used to establish whether the potential supplier should be selected and, if so, the type and extent of control that should be put into place in relation to the reliability identified and the characteristics of the supplies.

TCA holds quality and environmental management system certifications under the UNI EN ISO 9001:2015 and UNI EN ISO 14001:2015 standards, is accredited as a Good Delivery Refiner by the LBMA and LPPM (the latter for platinum and palladium), and is certified by the Responsible Jewellery Council of London according to the Code of Practice – CoP criteria updated in 2019 and based on the 2017 Chain-of-Custody (CoC) standards for gold, silver, platinum and palladium.
Potential suppliers having the same management system certifications or accreditation are considered better qualified.

SUMMARY OF RELATIONSHIP WITH SUPPLIERS:

- Seek, evaluate and select suppliers according to the need for a specific type of product or service
- File the technical/business documentation regarding the supplier in the supplier register
- Evaluate, monitor and review suppliers over the course of the supplier relationship (value for money, quality of product/service supplied, meeting of deadlines, certifications held)

Qualified suppliers are listed in a register, managed and kept on file by the Purchasing Manager, who is also responsible for checking that the qualification is maintained, during the course of each supplier relationship, through a periodic review of the supply quality. The evaluation methods include examining specific requisites, based on the type of supplier and commodity sector of the products and services supplied.

Good Delivery Refiner

Only refiners whose bars have been accredited by the LBMA as meeting the minimum standards for trading on the London market appear in the Good Delivery List.

The LBMA produces Good Delivery Lists for gold and silver bars specifying the names of the accredited refiners, their listing date and the marking details of their bars. Because of the stringent assaying and bar quality criteria that applicants must meet to attain accreditation, the Lists are universally recognized as the *de facto* standard for the quality of gold and silver bars.

The specifications for Good Delivery gold and silver bars include acceptable weight in troy ounces, fineness, physical appearance (including marks and surface quality).

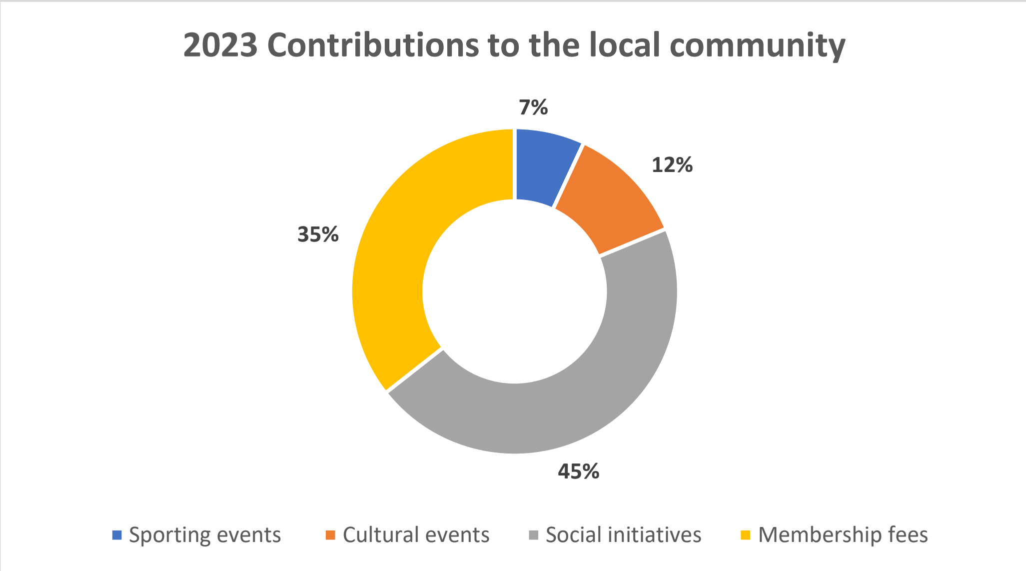
Relationships with the Community and Institutions

TCA is sensitive to the needs of the area in which it operates. It has activated constructive dialogue and solid collaboration with the local community and institutions, and has supported various types of charity, cultural and social events. This focus aims to share with the local community an awareness of the Company's activities, in order to strengthen a climate of mutual trust and appreciation. In addition, TCA has directly supported numerous sporting, social and cultural events through donations and sponsorships totaling € 111,624; including membership fees paid during the year, the total contribution to the community exceeded € 175 thousand, up from the € 159 thousand of 2022.

The increase in contributions to the community underscores the growing commitment already demonstrated by the Company over the years to initiatives involving the community where it operates.

The monetary values of support to the community are as follows:

Support to community €	2023	2022
Sporting events	12,008	8,586
Cultural events	20,500	6,500
Social initiatives	79,116	42,517
Membership fees	61,749	100,039
Total	**175,395**	**159,664**



The Company's initiatives regard support for the various cultural and social areas of interest of the local community through sponsorships for local events and cultural shows, contributions to charitable initiatives and volunteer work.

TCA is evaluating the designation of the school building in Castelluccio purchased in 2015, as it is still being used by the Castelluccio public administration.

TCA is a member of the General Confederation of Italian Industry, "Confindustria", Toscana Sud section, within which the Arezzo Energy Consortium was established in recent years. The Consortium handles purchases of electricity by parties operating in the free market at particularly advantageous rates, which are available to many businesses that are and are not Confindustria members. TCA's CFO, Andrea Susi, is a member of the Consortium's Management Committee, the governing body of the consortium group.

TCA communications

During 2023, TCA put into motion many activities designed to communicate externally its values, principles, and contribution to raising the awareness of sustainability issues.

- Launch of our new **corporate website**, in Italian and English, in May 2023. The new website represents a true business and information tool complete with useful

documents, detailed content and unceremonious information, with special care to avoid greenwashing. The website launch was followed by search engine optimization (SEO).
Following this initiative, TCA became the fourth ranking search engine results page (SERP) for the keywords ‘recupero metalli preziosi’ (precious metal recovery), and first for the keywords ‘quotazione metalli preziosi al grammo’ (precious metal prices per gram). After the website went live, TCA also appeared in SERPs from unbranded searches (those not containing the word "TCA").

- **Social media:** TCA had not been present on social media. After a meticulous selection of the most appropriate type for its audience and considering the efforts needed to run it, TCA activated a LinkedIn account and managed the personal profile of then General Manager Tommaso Chiarini as part of a restyling and publishing plan.
  The corporate profile, created in Italian and English, intends to enhance relations between TCA and its stakeholders, and properly position its narrative. Its profile is managed entirely by editing both the TCA page and that of the General Manager with weekly postings of tailored content. Since each stakeholder has a place in the brand's proper representation, and since social media enables contact and other sales functions, a large part of the Company's workforce was provided with cross-functional training, and the related certificates were given.

- For the first time, TCA was an exhibitor at **Ecomondo**, an important event that is well attended at a national and international level by all those who work toward achieving a circular economy. TCA was present with a personalized stand in a high-traffic area, and with the speech given by Iacopo Ciabatti, R&D Manager in the “Creation and monitoring of innovative solutions for circular management of materials and energy” panel organized by the Ecomondo Scientific Technical Committee. The event was attended by nearly 100,000 persons, 10% of whom came from abroad. The digital attendance showed 600 thousand views of the exhibitors' profiles. The event garnered important media coverage: +10%, with 500 million contacts, demonstrating a growing impact on the Italian and international public opinion.

- A **corporate video** was made of TCA, in Italian and English. A narrative tool to talk about what the Company is and what is does, viewable in various circumstances and moments of the marketing funnel. Two versions of the video were produced: an extended one and a short one, in order to provide content suitable for the different channels available. The video is narrated by someone very active in the Italian advertising world, who worked for a preferential fee thanks to direct contacts.
  The entire project was carried out to obtain the highest quality from costs previously allocated for other services and to prioritize professional collaboration with the local community. The videos were filmed at various Company divisions, and staff participation was essential, especially in helping identify the most significant shots, for each theme.

- **Cards:** whenever possible, TCA chooses not to print. This has led to significant savings compared to the previous budget for printing bulky supports in four colors, which had also been detrimental to the environment. For all events and for all occasions, light supports were chosen and dedicated to specific themes (certifications, Gold and Silver, factories and offices, sponge, the company profile QR code, guided tours).

- **InTeam:** Teletruria has come up with a television format to promote a new success story: no longer just executive management models, but also achievements within each function as a place to express one's talent. In fact, for the circular economy to work, a new success model based on collaboration must gain appeal. TCA personnel was directly involved in one episode.

- **Park rehabilitation:** the idea to rehabilitate the play area of the town where TCA's headquarters are located moved forward with the approval of the municipality of Capolona (Arezzo), and the related work was accomplished in 2023. The rehabilitated area was inaugurated with an afternoon celebration dedicated to children and their families, who came out in large numbers.

- **Local community and third sector organizations (ETS):** projects highly appreciated by the local community, targeted to families, were carried out. One was the EcoClub summer camp, which ran in September at the Casa del Pietro teaching farm, offering an experience with experts from Legambiente, Sinergyca, Lastilla, etc., a very useful service before the youths went back to school.
In collaboration with Associazione Crescere, the RELAZIONE2024 calendar was produced with the intention of stimulating the capacity to recognize value in one's self and others for the purpose of working together to unleash creativity and circular economy.

- **Sponsorships:** important sporting, ETS, cultural, church-related, artistic, musical, and youth events and activities were financed and co-planned. Of particular significance was the Arezzo Science Lab project, for which prominent scientists and Nobel Prize laureates stepped onto the podiums of the city.

- **Recognition:** The communication strategy drawn up and agreed upon, and the marketing plans that are implementing it, along with the network of contacts with all stakeholders, have the purpose of forming in the public imagination a consistent and unequivocal idea of TCA that is correct and backed up by information. It should also contrast the scandalous headlines that sometimes have to be reckoned with due to the nature of the business and the growing attention toward environmental issues. During 2023, a partnership was initiated with the University of Bologna on sustainability issues, regarding particularly the Life Cycle Assessment and the related calculation of the environmental impact.
In addition, TCA continues to position itself using *ad hoc* content on subjects of interest to the market and to stakeholders, attend the most important industry events (IPMI, IeG, EcoMondo, CPHI, LBMA and LPPM), and advertise on local and national channels (that can also satisfy the Valenza plant's demands of visibility) and well as those abroad.

Natural Capital

TCA is run by management that combines conducting business with sustainability. Two key factors are an integral part of our mission, constituting a driving force for our business growth: continuous innovation and respect for the environment. TCA pursues its growth objectives responsibly and sustainably, upholding extremely high professional and managerial standards and deploying the most eco-friendly procedures and technologies so as to reduce the impact of its manufacturing and business activities.
Always seeking to attain the highest quality standards, TCA has successfully undertaken a strong internationalization strategy and has built new, important business relationships with the largest global players in the precious metal refining and trading business.

Environmental policy and management system

Environmental policies and certification

TCA's primary activity is the recovery of precious metals (gold, silver, platinum, palladium, rhodium) from special solid, liquid, and muddy waste and from scrap deriving from jewelry and similar production. The Company's secondary activity is the recovery and electrolytic refining of copper from materials generated by the primary activity. TCA carries out waste disposal and recovery in accordance with the specific authorization issued by the Region of Tuscany. These are production processes with important environmental considerations: TCA deals with them comprehensively, systematically, consistently and with integrity, as part of the continual improvement of its production processes. Periodic audits assess the compliance of the environmental management system with the current UNI EN ISO 14001:2015 standard.

As mentioned previously, the Company registered the substances and materials subject to the European REACH regulations, both as a manufacturer and as a downstream user. The substances registered/notified as producers are copper, silver, gold, palladium, platinum and rhodium in the massive form.

To comply with the above policies, the Company engages in the following environmental activities:

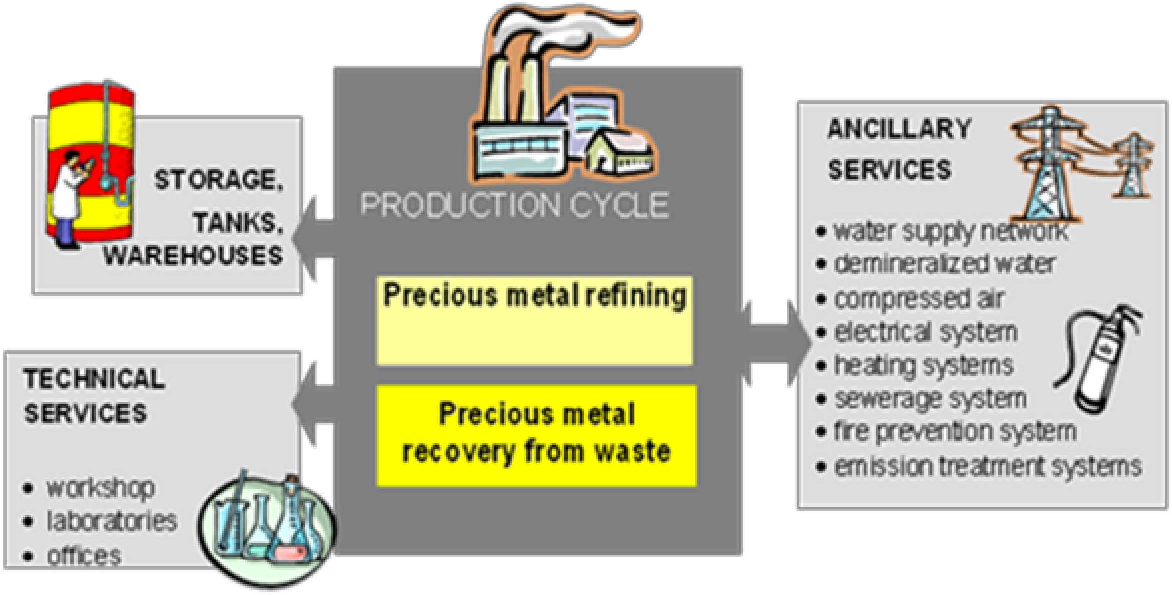
- Pursuit of improvement in internal processing technologies in order to reduce the environmental impact and better safeguard worker health and safety;
- Monitoring of all significant environmental aspects to assess their effects;
- Confronting of risks and opportunities for the Company, including those relating to environmental matters;
- Identification of preventive actions to avoid natural disasters and worker safety crises;
- Introduction to Life Cycle Thinking which will lead, in the long term, to the formulation of a Life Cycle Assessment process to evaluate the number of impacts produced by the organization;
- Energy mapping and setting of the consumption baseline by division/utility.

TCA environmental impacts

The 2023 environmental assessment revealed TCA's significant environmental aspects: atmospheric emissions, energy consumption, waste generation, and soil and subsoil monitoring.

TCA is awaiting the issuance of the new Integrated Environmental Authorization for the Arezzo plant, which envisions greater quantities of authorized manageable waste, and which will soon result in an amendment to the authorization procedures, including them all within the Single Authorization.

TCA's production activities are briefly illustrated below. They also include technical, ancillary and storage services assisting the main activities carried out on site.



Emissions and abatement systems

During 2023, all the amounts found during the atmospheric emission controls were below the legal limits and no events occurred that resulted in fines.

TCA constantly monitors all the emissions deriving from its refining equipment. To avoid diffusing externally the substances used in the production cycle, significant emissions have appropriate abatement systems. The systems are maintained in full working order and are checked continuously to ensure their proper operation. Qualified independent laboratories regularly monitor all authorized emissions at predetermined intervals.

Average Emissions in mg/Nm3	**2023**	**2022**	**%**
Nitrogen oxides	67.38	43.30	+56%
Sulfur oxides	23.15	19.04	+22%
Hydrogen chloride	4.11	7.22	-43%
Carbon monoxide	0.63	0.63	-
Heavy metals	0.22	0.066	+236%
Particulate matter (PM)	0.58	0.65	-11%

Since 2022, the data has reflected the average of all the significant emissions. The consumption and emissions rose in 2023 as a result of the production increase.

Energy management

The energy sources used in TCA are electricity (to power the equipment), natural gas (used for incineration, post-combustion, smelting furnaces, boilers to produce steam and heating), and diesel oil (used only to power the generator/fire pump motors and to propel the internal handling of merchandise). The Company is licensed to produce electricity with its generator, capable of producing 276 kWh to keep some preferential utilities working.

Energy consumption within the organization

Description	Unit of measurement	2023	GJ	2022	GJ	% change
Electricity	kWh	6,446,702	23,208	6,976,029	25,114	-8%
Natural gas	m^3	2,314,025	81,692	2,120,389	74,856	+9%
Diesel oil	liters	25,900	938	24,590	891	+5%
Total	**-**		**105,838**		**100,861**	**+5%**

TCA performed the energy diagnosis at the Arezzo plant to comply with Italian Legislative Decree 102/2014. The energy diagnosis aimed to provide information on the energy consumption of the plant and identify the presence and technical-economic feasibility of interventions to reduce energy consumption.

Italian Legislative Decree 102/2014 on energy efficiency requires some types of companies (large companies and energy-intensive companies), including TCA, to make an energy diagnosis.

The direct and indirect carbon dioxide emissions associated with TCA's activity are divided into two scopes:

- Direct emissions (Scope 1): direct greenhouse gas (GHG) emissions due to the Company's direct consumption of fuel (e.g., natural gas, diesel oil and gasoline);
- Indirect emissions (Scope 2): GHG emissions deriving from the consumption of electricity, heat and steam obtained and consumed by the Company.

Scope 1 emissions[10]	Unit of measurement	2023	2022	% change
Natural gas	tCO_2eq	5,813	4,307.7	+34.94%
Diesel oil	tCO_2eq	68.9	66.4	+3.79%
Incineration emissions	tCO_2eq	325	-	-
Total Scope 1 emissions	**tCO2eq**	**6,207**	**4,374**	**+ 41.91%**

The emissions produced by the Company in 2023 were generated by the consumption referred to above. Direct emissions include those related to the use of natural gas for the heating system and diesel oil for the generator and for the transportation and internal handling of merchandise. At the end of 2023, Scope 1 emissions were 41.91% higher than those of the prior year due to the production increase. In 2023, in order to improve and enhance the data collection and provide more thorough and transparent disclosure, incineration emissions were included for the first time in direct Scope 1 emissions.

Scope 2 emissions	Unit of measurement	2023	2022	% change
Electricity (market-based)[11]	tCO_2eq	2,946.1	3,188.0	-7.59%
Electricity (location-based)[12]	tCO_2	2,030.7	2,197.4[13]	-7.59%

[10] The emission factor used to calculate Scope 1 emissions for natural gas and diesel oil is: DEFRA - UK Government GHG Conversion Factors for Company Reporting (2023).
[11] The emission factor used to calculate Scope 2 market-based emissions is: AIB_Residual Mix (2023).
[12] The emission factor used to calculate Scope 2 location-based emissions is: TERNA - International comparison table (2019). The data is expressed in non-equivalent carbon dioxide.
[13] The amount of the 2022 Scope 2 location-based emissions was restated due to an updating of the related emission factor.

The Scope 2 emissions were calculated with two distinct methods: market-based and location-based. The first value is based on the location of the company (location-based); it is the result of the calculation of GHG emissions deriving from the production of electricity in the area where the energy is consumed. The second value is based on the market in which the company operates (market-based). According to the market-based method, the Scope 2 emissions of 2023 were 7.59% lower than those of the prior year. According to the location-based method, the Scope 2 emissions of 2023 were 7% lower than in the prior year.

Water requirement

In 2023 the total water withdrawal was 19,160 m^3 [14]. Most water was sourced from waterworks, and the remainder from rainwater and groundwater harvesting.

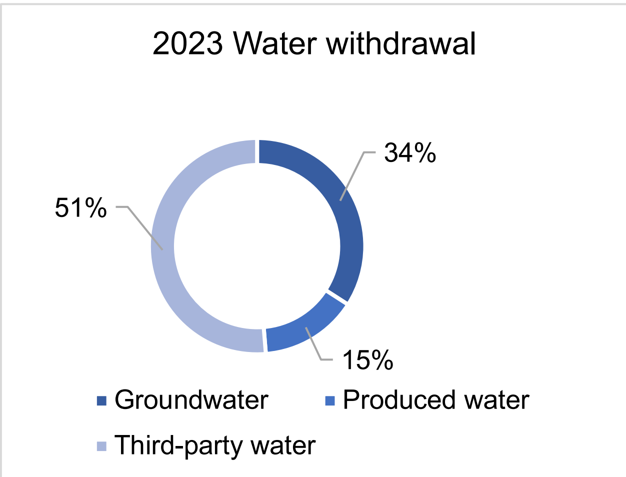
For their operations, all the local units source their water from the municipal water distribution network, wells and rainwater. The annual requirement is approximately 17,000 m^3, and the variable factors are initial rainwater treatment and extraction from piezometers.

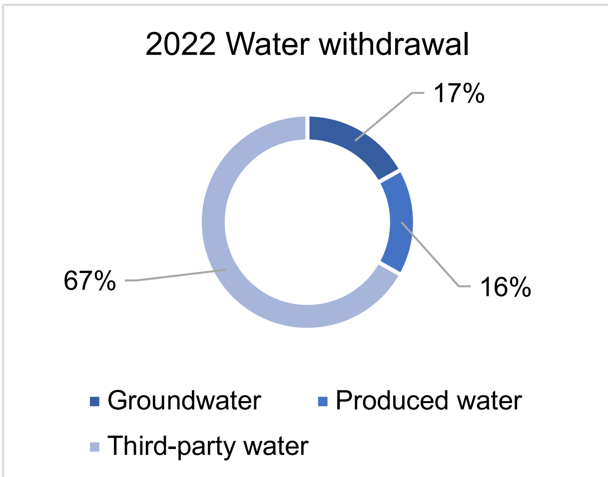
Each environmental aspect is assessed by assigned a score for each ratio and combining the scores achieved, in order to obtain different levels of materiality.

The approach on which the environmental management system adopted by TCA is based is consistent with a life cycle prospect. Based on the context of the organization and considering the significant environmental aspects, compliance obligations and associated risks, the organization determined and assessed the level of control and influence it can apply to the various elements of the life cycle (as explained in the previous paragraph, such controls are attributable exclusively to the waste production phase and research and development of the optimal product process).

With such process, TCA aims to recover incoming water in its production cycles as much as possible, concentrating the outgoing effluents and discharging liquid waste only at authorized facilities.

TCA also has the possibility of effectively checking the aspect of waste and liquid production; in fact, it has specific indicators and actions adopted to intervene materially.





With respect to water withdrawal, a significant portion of the plant's water consumption is met through recycling, from both rainwater runoff, harvested by the plant's drainage surfaces, and by the use in industrial processes of water taken from wells relating to the Operational Safety Enhancement procedure present at the plant. In 2023, water from recycling sources accounted for 49.1% of the total, whereas in 2022 it was 33.1%: water taken from secondary sources increased by 16%.

[14] The water withdrawal refers solely to the Capolona (Arezzo) site because the consumption for the other locations is exclusively for sanitary use and the quantities are immaterial.

Water withdrawal [15]

	2023		2022	
Withdrawal source (Ml)	All areas	Areas with water stress	All areas	Areas with water stress
Groundwater	**6.6**	**6.6**	**2.9**	**2.9**
Freshwater	-	-	2.9	2.9
Other water	-	-	-	-
Produced water	**2.8**	**2.8**	**2.8**	**2.8**
Freshwater	2.8	2.8	2.8	2.8
Other water	-	-	-	-
Third-party water	**9.8**	**9.8**	**11.5**	**11.5**
Freshwater	9.8	9.8	11.5	11.5
Other water	-	-	-	-
of which produced water	-	-	-	-
Total	**19.1**	**19.1**	**17.2**	**17.2**

The wastewater generated by the TCA plant is emptied into the public sewer system (domestic wastewater, rainwater after what is harvested), or disposed of as waste (wastewater from processes and abatement systems). No industrial waste is discharged from the local units.

Wastewater discharge

	2023		2022		%	
	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress
Produced water	3.2	3.2	3.2	3.2	-	-
Other water	3.5	3.5	3.3	3.3	+6%	+6%
Total	6.7	6.7	6.5	6.5	+3%	+3%

Waste management

In accordance with the Environmental Management System adopted, TCA monitors waste generation data continuously, ensures proper waste disposal, promotes the separation of waste and favors recycling. Waste is sent for treatment, disposal and/or recycling using authorized transporters.

In 2023 the review of the waste management system initiated in 2021 with waste acceptance procedures went on to cover the waste manual, operating procedures, operating instructions and operations modules. The process is still underway.

The due diligence performed on waste service providers has increased the levels of observation and control in a potentially risky area. All outgoing waste was screened, and now the waste transporters and disposal firms that work with TCA and the associated costs are tracked.

[15] Water stress is the ability, or lack thereof, to meet the human and ecological demand for water; it can refer to the availability, quality, or accessibility of water; it is based on subjective elements and is assessed differently depending on societal values, such as the suitability of water for drinking or the requirements to be afforded to ecosystems (this definition comes from the “CEO Water Mandate, Corporate Water Disclosure Guidelines, 2014”). In order to assess its impact in sensitive locations, TCA identified the plants located in areas with water stress based on the water stress indicator provided by the Aqueduct Water Risk Atlas of the World Resources Institute. The Capolona (Arezzo) plant is the only one located in an area with water stress.

In 2022 an operations module was added to the management system to audit the equipment of third parties that handle our outgoing waste. The checklist covers legislative, approval and organizational aspects. The first plant inspections took place in 2022, and in 2023 two audits were performed.

TCA deals with precious metal recovery, and the main inputs for the recovery process are the residues and waste emerging from all production activities that generate scrap containing precious metals, particularly in the jewelry, chemical and pharmaceutical sectors. The waste is sent to the R4 and R8 recovery operations, rendering high-purity precious metals that can be reused in production. In this manner, TCA promotes circularity, as it produces raw materials from waste. To minimize its environmental footprint, TCA prefers sending the waste produced to authorized external recycling (R) facilities. Only when it is not possible to find facilities able to recycle the type of waste is the waste sent to disposal (D) operations.

2023 waste by disposal method

Disposal method[16]	Unit of measurement	Hazardous on-site	Hazardous off-site	Non-hazardous on-site	Non-hazardous off-site	Total	% total	2023/2022 % change
D9	t		542.1		7,929.1	8,471.16	66.4%	-16.5%
D15	t		228.8		1,592.1	1,820.9	14.3%	+5.5%
D8	t							
R4	t		2,201.5		78.5	2280	17.9%	+120%
R13	t		10.3		174.7	185	1.4%	-4.3%
D14	t		0.2			0.2	0.002%	-90.5%
R12	t				3.9	3.9	0.03%	-64.1%
TOTAL	**t**		**2,982.9**		**9,778.2**	**12,761**	**100.0%**	**-2.7%**

2022 waste by disposal method

Disposal method[7]	Unit of measurement	Hazardous on-site	Hazardous off-site	Non-hazardous on-site	Non-hazardous off-site	Total	% total
D9	t		507.5		9,635.9	10,143.4	77.4%
D15	t		749.5		977.1	1,726.6	13.2%
D8	t					0	0.0%
R4	t		915.2		121.2	1,036.4	7.9%
R13	t		11.9		181.4	193.3	1.5%
D14	t		2.1			2.1	0.0%
R12	t				10.8	10.8	0.1%
TOTAL	**t**		**2,186.2**		**10,926.4**	**13,113**	**100.0%**

As indicated in the tables, waste production fell slightly, by 2.7%, in 2023. Hazardous waste, which accounts for a small share of the total waste produced, increased by 36.4%, whereas non-hazardous waste decreased

[16] The waste disposal method codes are those listed in Annex B, "Disposal Operations", and Annex C, "Recycling Operations", in Section IV of Italian Legislative Decree 152/2006.

by 10.5% compared with 2022. The substantial percentage increase in the hazardous waste produced is attributable to the assignment to an authorized external facility of a large quantity of intermediate materials whose recovery could not be completed. The percentage of waste generated by TCA that was assigned to landfills in 2023 dropped by 13% compared to 2022; consequently, the percentage of waste sent for recycling rose by 99% from the previous year.

Materials consumed

TCA pays close attention to the consumption of raw materials processed and the chemicals used in production because it is aware of how important they are for obtaining high-quality products on one hand, and of their environmental impact on the other. Chemical consumption is particularly significant for the Company, and for this reason it is monitored continuously in order to reduce the use of chemicals and keep production processes as efficient as possible. The use of chemicals in the production process tended to be stable in 2023, since technological and industrial progress means less intensive use of precious metals than in the past: a necessary consequence of this is the acquisition and treatment of increasingly different raw materials that have progressively lower precious metal concentrations. The chemicals used to refine gold and silver (the two most important metals in terms of quantities processed) are hydrochloric acid and nitric acid. Another important substance is sodium hydroxide, needed to neutralize the acid solutions produced by the chemical reactions and to reduce the potentially harmful substances released. Other substances are used to refine other metals, such as platinum and palladium.

The materials consumed by the Company are listed hereunder, specifically considering the chemicals used to process raw materials.

Secondary materials			
Type of material	**Unit of measurement**	**2023**	**2022**
Hydrochloric acid	t	402	338
Nitric acid	t	427	401
Other acids	t	79	43
Sodium carbonate	t	677	455
Liquid oxygen	t	4853	4272
Total	**t**	**6,438**	**5,509**

There were no particular imbalances in 2023 compared with the 2022 data. The trend of improvement continued for all data and indicators, especially as regards the consumption of raw materials and energy per product unit.

Balance Sheet

Balance Sheet		
	Dec. 31, 2023	**Dec. 31, 2022**
Assets		
B) Non-current assets		
I - Intangible assets		
3) industrial patent and intellectual property rights	320	220
4) concessions, licenses, trademarks, and similar rights	153,556	129,417
7) other intangible assets	520	1,040
Total intangible assets	154,396	130,677
II - Property, plant and equipment		
1) land and buildings	13,840,049	12,353,802
2) plant and machinery	14,509,391	14,821,813
3) industrial and commercial equipment	271,952	271,197
4) other tangible assets	653,342	605,458
5) tangible assets under construction and advances	625,977	502,415
Total property, plant and equipment	29,900,711	28,554,686
III - Non-current financial assets		
1) investments in		
d-bis) other undertakings	102,991	102,991
Total equity investments	102,991	102,991
2) non-current receivables		
d-bis) other receivables		
due within next year	0	-
due after next year	25,623	16,342
Total other receivables	25,623	16,342
Total receivables	25,623	16,342
4) derivative assets	0	19,290
Total non-current financial assets	128,614	138,623
Total non-current assets (B)	30,183,721	28,823,985
C) Current assets		
I - Inventories		
1) raw and ancillary materials and consumables	71,765,722	65,471,946
2) work in progress and semi-finished products	297,835	469,941
4) finished products and goods	153	175
5) advances	0	5,126
Total inventories	72,063,710	65,947,187
II - Current receivables		
1) trade receivables		
due within next year	3,378,548	2,623,287
Total trade receivables	3,378,548	2,623,287
5-bis) tax credits		
due within next year	4,653,128	4,906,313
due after next year	846,533	83,924
Total tax credits	5,499,661	4,990,237
5-ter) deferred tax assets	746,918	765,217

5-quater) other receivables		
due within next year	60,008	57,796
Total other receivables	60,008	57,796

Total receivables	9,685,136	8,436,537
IV - Cash and bank balances		
1) bank and postal deposits	21,780,394	15,315,652
3) cash and cash equivalents on hand	3,780	2,724
Total cash and bank balances	21,784,174	15,318,375
Total current assets (C)	103,533,020	89,702,100
D) Accrued income and prepaid expenses	434,346	932,283
Total assets	134,151,087	119,458,368
Liabilities		
A) Equity		
I - Share capital	14,000,000	14,000,000
III - Revaluation reserves	3,646,075	3,646,075
IV - Legal reserve	2,897,302	2,897,302
VI - Other reserves, disclosed separately		
Extraordinary reserve	21,630,583	17,524,116
Reserve for unrealized gains on currency exchange	898	898
Other sundry reserves	2	2
Total other reserves	21,631,484	17,525,017
VII - Cash flow hedge reserve	(9,180)	14,659
IX - Profit/(loss) for the year	2,321,253	4,106,467
Total equity	44,486,934	42,189,520
B) Provisions for risks and charges		
2) for taxes, including deferred tax	10,823	4,905
3) derivative liabilities	48,848	1
4) other provisions	2,968,430	3,095,738
Total provisions for risks and charges	3,028,101	3,100,644
C) Provision for post-employment benefits	299,401	308,494
D) Payables		
4) bank borrowings		
due within next year	75,495,295	64,401,356
due after next year	3,058,313	2,572,252
Total bank borrowings	78,553,608	66,973,608
7) trade payables		
due within next year	3,561,838	4,045,952
Total trade payables	3,561,838	4,045,952
12) current tax liabilities		
due within next year	224,100	912,233
Total current tax liabilities	224,100	912,233
13) social security		
due within next year	503,968	419,045
due after next year	17,290	8,911
Total social security	521,258	427,956
14) other payables		
due within next year	1,226,923	1,155,640

Total other payables	1,226,923	1,155,640
Total payables	84,087,728	73,515,389
E) Accrued expenses and deferred income	2,248,923	344,321
Total liabilities	134,151,087	119,458,368

Income statement

	Dec. 31, 2023	Dec. 31, 2022
Income statement		
A) Value of production		
1) revenues from sales and services	1,578,690,941	1,464,466,287
2) change in inventories of work in progress, semi-finished products and finished products	(172,281)	469,709
4) increases in fixed assets due to internally produced work	85,123	136,189
5) non-operating income		
grants for operating expenses	387,656	1,125,502
other	1,614,709	733,583
Total non-operating income	2,002,366	1,859,085
Total value of production	1,580,606,149	1,466,931,271
B) Cost of sales		
6) raw and ancillary materials, consumables and goods	1,553,594,396	1,443,052,262
7) services	13,783,512	11,636,870
8) leases and rentals	2,226,530	1,890,201
9) personnel		
a) wages and salaries	5,194,639	4,532,608
b) social security costs	1,561,968	1,395,397
c) provision for post-employment benefits	335,237	322,622
e) other costs	248,755	224,444
Total cost of personnel	7,340,600	6,475,071
10) depreciation, amortization and impairment losses		
a) amortization of intangible assets	141,357	117,555
b) depreciation of property, plant and equipment	2,074,715	1,700,354
d) writedowns of current receivables and liquid assets	10,307	7,285
Total depreciation, amortization and impairment losses	2,226,379	1,825,194
11) change in inventories of raw and ancillary materials, consumables and goods	(6,293,929)	(5,101,674)
12) risk allowances	0	420,310
14) sundry operating expenses	484,346	509,006
Total cost of sales	1,573,361,833	1,460,707,239
Difference between value of production and cost of sales (A-B)	7,244,316	6,224,032
C) Financial income and costs		
16) other financial income		
d) income from other sources		
other	249,145	46,075
Total income from other sources	249,145	46,075
Total other financial income	249,145	46,075
17) interest expense and other finance costs		
other	4,220,273	1,030,353
Total interest expense and other finance costs	4,220,273	1,030,353
17- bis) gains /(losses) on currency exchange	(95,425)	(53,681)
Total financial income and costs (15 + 16 - 17 + - 17-bis)	(4,066,553)	(1,037,959)
Income before taxes (A - B + - C + - D)	3,177,763	5,186,073
20) Income tax		
current taxes	826,754	1,216,242
deferred tax expense and income	29,756	(136,636)

Total income taxes	856,510	1,079,606
21) Profit/(loss) for the year	2,321,253	4,106,467

Cash Flow Statement, indirect method

	Dec. 31, 2023	Dec. 31, 2022
Cash Flow Statement, indirect method		
A) Cash flow from operating activities (indirect method)		
Profit/(loss) for the year	2,321,253	4,106,467
Income tax	856,510	1,079,606
Interest expense/(income)	4,066,553	1,037,959
(Gains)/losses on disposals of assets	0	(4,775)
1) Profit/(loss) for the year before income taxes, interest, dividends and gains/losses on disposals	7,244,316	6,219,257
Adjustments for non-cash items not recognized in working capital		
Allocations to provisions	345,544	750,217
Depreciation and amortization	2,216,072	1,817,909
Other increases/(decreases) for non-cash items	23,839	(7,597)
Total adjustments for non-cash items not recognized in working capital	2,585,455	2,560,529
2) Cash flow before changes in working capital	9,829,771	8,779,786
Changes in working capital		
Decrease/(increase) in inventories	(6,116,523)	(5,576,508)
Decrease/(increase) in trade receivables	(765,568)	634,743
Increase/(decrease) in trade payables	(484,114)	483,540
Decrease/(increase) in accrued income and prepaid expenses	497,937	(402,438)
Increase/(decrease) in accrued expenses and deferred income	1,904,602	26,550
Other decreases/(other increases) in working capital	(1,015,717)	(4,998,054)
Total changes in working capital	(5,979,383)	(9,832,167)
3) Cash flow after changes in working capital	3,850,388	(1,052,381)
Other adjustments		
Interest received/(paid)	(4,066,553)	(1,037,959)
(Income tax paid)	(856,510)	(1,079,606)
(Use of provisions)	(465,720)	(400,430)
Total other adjustments	(5,388,783)	(2,517,995)
Net cash from/(used in) operating activities (A)	(1,538,395)	(3,570,376)
B) Cash flow from investing activities		
Property, plant and equipment		
(Investments)	(3,508,208)	(2,472,309)
Divestments	87,468	169,260
Intangible assets		
(Investments)	(165,077)	(130,354)
Divestments	1	(1)
Non-current financial assets		
Divestments	10,009	(900)
Net cash (used in) investing activities (B)	(3,575,807)	(2,434,304)
C) Cash flow from financing activities		
External funding		
Increase/(decrease) in short-term bank borrowings	11,093,939	17,720,021
Loans raised	4,000,000	2,900,000
(Repayments of loans)	(3,513,939)	(1,528,648)
Own funding		

(Dividends and advances on dividends paid)	0	(8,470,000)
Net cash from/(used in) financing activities (C)	11,580,000	10,621,373
Net increase/(decrease) in cash and cash equivalents (A ± B ± C)	6,465,798	4,616,693
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	15,315,652	10,698,780
Cash and cash equivalents on hand	2,724	2,902
Total cash and cash equivalents at the beginning of the year	15,318,376	10,701,682
Cash and cash equivalents at the end of the year		
Bank and postal deposits	21,780,394	15,315,652
Cash and cash equivalents on hand	3,780	2,724
Total cash and cash equivalents at the end of the year	21,784,174	15,318,375

Notes to the Financial Statements - Introduction

The financial statements for the year ended December 31, 2023, consisting of the balance sheet, income statement, cash flow statement and these notes to the financial statements, were drawn up in compliance with the regulations currently in force (Italian Civil Code Article 2423 *et seq*). The legislation on which the financial statement preparation was based was interpreted and supplemented by the accounting standards established by the Organismo Italiano di Contabilità (Italian Accounting Board), using the most updated versions thereof pursuant to Legislative Decree 139/2015, implementing EU Directive n. 34/2013.

Where lacking, the standards issued by the International Accounting Standards Board (IASB) were applied, insofar as they are consistent with Italian regulations.

The following is specified:

The financial statements correspond to the accounting records, which are duly kept;

The financial statements have been prepared with transparency and present a true and fair view of TCA's financial position, financial performance, cash flows and net profit as at and for the year ended December 31, 2023;

No exceptional events required using the derogations allowed by Civil Code Articles 2423, paragraph 4 and 2423 bis, paragraph 2;

The balance sheet and income statement layouts correspond to the prescribed layouts; no balance sheet or income statement headings have been aggregated;

no assets or liabilities fall under multiple headings of the balance sheet layout provided by Civil Code Article 2425;

items required to be stated separately by the Italian Civil Code are included in the balance sheet and income statement, only when such items are present. In the same manner, items preceded by Arabic numerals and lowercase letters are omitted when their amounts are zero;

These notes to the financial statements contain the disclosures, information and statements required by Italian Civil Code Article 2427;

In compliance with Civil Code Article 2423, paragraph 5, the amounts of the balance sheet and income statement are denominated in whole euros, without the use of decimals.

Accounting policies

The same accounting policies used in the prior year were followed to prepare the financial statements.

Basis of preparation

With respect to the financial statement items, in compliance with Civil Code Articles 2423, 2423 bis and 2426:

the financial statements were prepared in accordance with the prudence principle, on a going concern basis and considering the economic function of the assets and liabilities concerned (with substance prevailing over form);

only profits realized within the reporting period were recognized;

income and expenses were recognized on an accrual basis, when earned and incurred, irrespective of their collection or payment date;

risks and losses pertaining to the reporting period were recognized even if discovered afterward;

dissimilar items grouped into a single entry were measured separately;

the accounting policies adopted were the same as those used for the previous financial year;

income and expenses were classified pursuant to Interpretive Document 1 of the "Interpretazioni" Series of Italian Accounting Standard 12 of the Italian National Council of Accountants and the Italian Accounting Standards

Commission, in the revised version of the Italian Accounting Board.

The Company did not conduct any transactions with related parties that were not carried out on an arm's length basis.

In accordance with Civil Code Article 2427 (§22 ter), TCA is not party to any agreements that are not represented in the balance sheet that could generate significant risks and/or benefits, which should be described for a better understanding of the financial statements.

The Report on Operations provides information regarding TCA’s business activity and significant events occurring after the reporting date.

Transactions in foreign currency are translated into the presentation currency (Euro) at the exchange rate prevailing on the transaction dates and the difference between such values and the amounts effectively paid or received is recognized in the income statement under item 17 bis, “gains and losses on currency exchange”.

Receivables and payables in foreign currency that are outstanding on the reporting date are translated at the end-of-period exchange rates. The resulting gains and losses realized on currency translation are recognized in the income statement under item 17 bis, “gains and losses on currency exchange”.

Accordingly, the current receivables and payables include items deriving from such transformation, and any subsequent differences emerging on the settlement date of the items will be recognized in the subsequent reporting period.

When the net balance is a gain, a corresponding part of equity is allocated to an undistributable reserve.

Derogation from accounting standards

No exceptional events occurred requiring derogation from Civil Code Article 2423. Any exceptions or peculiarities associated with the specific industry in which TCA operates are reported herein.

The significant accounting policies used to prepare the financial statements are described hereunder.

Going concern assumption

The financial statement items of the reporting period and those of the prior year were measured on a going concern basis, in accordance with Italian accounting standard (OIC) 11, § 21.

With respect to the events described in the “provisions for risks and charges” section, the stated actions were intended to ensure the maximum level of protection and suitability of TCA's responses to the investigations underway and their possible developments. Therefore, the Directors, supported by the opinion expressed by their lawyers, believe that the Company will be able to maintain business continuity in the foreseeable future.

Non-current assets:

Intangible assets

Intangible assets are recognized with the agreement of the Board of Statutory Auditors, as necessary, at their original purchase price net of the amortization calculated over the remaining useful life of the asset.

Intangible assets are amortized annually on a straight-line basis using the following rates: 33.3% for software;

20% for unamortized capitalized costs.

If an impairment loss is identified in addition to amortization, the asset is written down accordingly; the original value is reinstated in future periods, adjusted solely by depreciation, if the reasons for the writedowns cease to apply.

Property, plant and equipment

Property, plant and equipment are stated at their historical cost, which includes their installation costs and the revaluations performed pursuant to Laws 342/2000 and 72/1983, Decree-Law 185/2008, enacted into Law 2/2009, and Decree Law 104/2020.

Improvements are capitalized, as are all other expenses that prolong the lives of assets.

As in previous reporting periods, depreciation is calculated over the estimated useful life of the asset. The depreciation rates have not changed from the previous reporting period.

Most depreciable assets were depreciated using the rates established by the Ministerial Decrees of October 29, 1974 and December 31, 1988, which are considered to adequately account for normal wear and tear in the specific industry in which TCA operates. Other assets, whose useful life was measured on the basis of past experience, were assigned specific depreciation rates in order to more faithfully represent the financial performance and financial position, and to apply correctly the accounting policy that has always been used. The depreciation rates for assets that began to be used during the reporting period were reduced to half for the individual assets, under the assumption that such rates represent a reasonable approximation of the purchases of such assets in the year.

The annual depreciation rates applied are summarized in the table below, the numeration of which corresponds to the sub-item numbers in the financial statements:

1 Buildings 3.0%

1 Lightweight structures 10.0%

2 Special-purpose plant and machinery 6.67-12.5%

2 General-purpose plant and machinery 6.67-10.0%

2 Security and control equipment 30%

3 Equipment 25.0%

4 Furniture 12.0%

4 Electronic office machines 20.0%

4 Motor vehicles 20-25%

The current market values and economic values associated with the future production capacity of the assets are no less than the carrying values of the assets.

As described subsequently, in 2020 TCA revalued some tangible assets using the benefit available under Law Decree 104/2020, Article 110.

The revaluation amount was determined with a sworn professional estimate drawn up by a specialized independent firm.

If an impairment loss is identified in addition to depreciation, the asset is written down accordingly; the original value is reinstated in future periods, adjusted solely by depreciation, if the reasons for the writedowns cease to apply.

No writedowns were necessary under Civil Code Article 2426 § 1 and § 3 because no potential impairment losses were identified, as per Italian accounting standard 9.

Financial assets

The (other) equity investments are valued according to the general criteria of acquisition cost plus any additional consideration paid, less any impairment losses.

There are no financial receivables maturing after one year for which the amortized cost method needed to be used.

Inventories

As noted subsequently, consistently with previous reporting periods, inventories are stated by grouping together all the metals owned into raw materials and measuring them as a whole.

Inventories are stated at the lower of purchase cost (for raw materials) or production cost (for work in progress and finished goods) and market value.

The following criteria was adopted to measure purchase cost or production cost:

raw materials consisting of precious and base metals are measured with the LIFO method on an annual basis;

other raw and ancillary materials and consumables are stated at their average purchase price;

work in progress and finished products are measured on the basis of their production costs (generally consisting strictly of the related processing costs).

Consistently with previous reporting periods, raw materials, specifically precious and non-precious metals that were not in a pure state at the end of the period, were measured by taking into account the average standard costs that will be incurred for refining them. This activity is always necessary so that metals included in inventories can be sold or used in production. The net value resulting from the algebraic sum of the foregoing amounts corresponds to the value of materials in stock containing precious metals.

Receivables

Receivables are measured at their estimated realizable value. The nominal value of trade receivables is adjusted to estimated realizable value by means of a provision for doubtful accounts taking into consideration the debtor's solvency, the period in which the receivable falls due, any litigation in progress, general economic conditions, the business segment and country risk of each customer and all enforceable guarantees.

The amortized cost method was not used because the effects were deemed immaterial, since the transaction costs, commissions paid between the parties and all other differences between the initial value and the maturity value are of little significance, and the receivables are short-term.

Cash and bank balances

Cash and bank balances are recorded at their nominal value. Balances denominated in foreign currency are translated at the end-of-period exchange rate.

Accrued income, prepaid expenses, accrued expenses and deferred income

The items represent portions of income and expenses that pertain to the period, but are receivable/payable in future periods, and portions of income and expenses received/paid within the period, but that pertain to future periods, in observance of the accrual basis of accounting and the matching principle.

The conditions that resulted in the initial recognition of long-term prepayments, accruals and deferrals were verified, and adjustments were made as necessary.

Provisions for risks and charges

Provisions for risks and charges are appropriated to cover determinate losses whose timing and/or amount were uncertain at the reporting date. The provisions reflect the best possible estimate based on the information available.

The provisions were estimated in observance of the prudence principle and the accrual basis, and no general risk provisions were set up without economic justification.

Contingent liabilities were recognized in the financial statements and accounted for in the provisions insofar as they are deemed probable and the related cost can be estimated reasonably.

Derivatives designated to hedge future cash flows are stated at their related market value, as required by Italian accounting standard 32. A specific (negative) reserve has been entered as a contra-entry in equity.

Provision for post-employment benefits

The provision for post-employment benefits represents the obligation accrued as at the reporting date toward all TCA's employees, calculated according to the law and the employment contracts currently in force.

This provision is subject to indexed revaluation and corresponds to the total indemnities accrued to the employees at the reporting date, net of any advances paid. It shows the amount that would be payable to the employees if their employment service period should terminate on that date.

Pursuant to Leg. Decree 252 of December 5, 2005 and subsequent legislation, post-employment benefit obligations that have accrued since 2007 were classified based on the following considerations:

the decision of employees to assign their accrued post-employment benefits to a pension fund (private or set up by trade unions); the decision of employees to keep their accrued post-employment benefits with the employer; since TCA has more than 50 employees, this entails paying the benefits into the Treasury Fund set up at the Italian social security institute ("INPS"). At the reporting date, the accrued amounts for the pension funds and those for the INPS Treasury Fund were classified as "social security payables" in the balance sheet under liabilities sub-item D.

Hence, the provision allocated represents TCA's actual obligation toward the employees on the Company's payroll at the end of the reporting period, net of any advances paid.

It was used for advances, severance pay, substitute tax and additional payments made to social security authorities and the INPS Treasury Fund.

Payables

Payables are stated at their nominal value, adjusted for any returns or billing adjustments, which is considered to represent their estimated settlement value. Trade payables are discounted to their present value only if the nominal value of the payables exceeds materially the market price of the goods purchased with short-term payment, and if the payment extension granted is considerably beyond the subsequent period. Payables for employees' accrued vacation time and deferred compensation, including social security, are stated on the basis of the amount that would be payable if the related employment should terminate on the reporting date.

The amortized cost method was not used for payables because the effects were deemed immaterial, since the transaction costs, commissions paid between the parties and all other differences between the initial value and the maturity value are of little significance.

Derivative instruments

Derivative instruments are financial assets recognized at their fair value.

Derivatives are designated as hedging instruments when, at the beginning of the hedging relationship, a close correlation exists between the characteristics of the item hedged and those of the hedging instrument, and the hedge effectiveness, verified regularly, is high.

When derivatives cover the risk of variability in the future cash flows of the instruments hedged (cash flow hedge), the effective portion of the gains and losses on the derivative instrument is recognized in equity. Gains and losses associated with the ineffective portion of the hedge are recognized in the income statement. When the related transaction is realized, the accumulated gains and losses recognized in equity up to that point are recognized in the income statement.

Therefore, changes in the fair value of the derivatives are recognized in a specific equity reserve (item AVII, "cash flow hedge reserve") whereby the effects of the cash flow hedged may be offset; any ineffective portion is recognized in items D18 and D19. The cash flow hedge reserve is recognized net of the related deferred tax assets/liabilities.

Income and expenses

All income and expenses were calculated in accordance with the prudence principle and the accrual basis of accounting.

Revenues from sales of products are recognized at the time of transfer of ownership.

Financial income and revenues from services are recognized on an accrual basis.

Grants for operating expenses are accounted for in observance of the matching principle, when it is certain that the grant will be received.

Income taxes

Income taxes are calculated on the basis of a prudent interpretation of the tax legislation currently in force, and are recognized both in the income statement and in the balance sheet under "current tax liabilities", net of any taxes paid in advance during the year. If the balance of taxes due is less than the advances paid, the resulting receivable is recognized among the balance sheet assets as "tax credits".

Deferred tax assets and liabilities, if any, derive from temporary differences between the carrying amounts of assets and liabilities and their tax base. Deferred tax assets and liabilities are calculated at the rates expected to apply in the period in which the liability is settled or the asset realized, considering the rates currently in force or those expected to be issued in the future.

Deferred tax assets and liabilities are offset when a legal right to offset the current tax assets and liabilities exists, and when they refer to taxes due to the same tax authority; otherwise, the deferred tax liabilities are recognized as "provisions for risks and charges" and the deferred tax assets are recognized as "tax credits". Permanent tax differences raise the overall rate of taxation on the annual income.

In accordance with the prudence principle, deferred tax assets are recognized only if reasonable certainty exists that future taxable income will be sufficient to allow absorbing costs that will be deductible in the future based on current tax legislation.

Deferred tax assets and liabilities are calculated on all cumulative temporary differences of the year at the tax rates that will apply when the temporary differences reverse, as enacted by the tax legislation in force at the reporting date.

Use of estimates

The preparation of financial statements under Italian GAAP requires management to use estimates and assumptions that affect the values of the assets and liabilities reported in the balance sheet and disclosures concerning contingent assets and liabilities at the reporting date. The estimates and assumptions are based on past experience and other relevant factors. Therefore, it is possible that in the future the actual results may differ from the current estimates, requiring significant adjustments to be made to asset values, which are obviously unforeseeable and cannot be estimated at this time. Estimates were used primarily for allocations to the provision for doubtful accounts, the valuation of inventories, amortization, depreciation, asset impairment and other allowances and provisions. The estimates and assumptions are reviewed periodically and the effects of any changes thereof are reflected immediately in the income statement.

COVID-19

TCA has never opted to use the exceptions to the accounting principles or policies allowed under the "Covid-19" regulations.

Derogations and special situations

The financial statements were drawn up using the extended time limit of 180 days, as decided by the Board of Directors.

Notes to the Financial Statements - Assets

Non-current assets

<u>Intangible assets</u>

Changes in intangible assets

The balance sheet values result from the movements and transactions presented in the table below.

Any changes that are not accounted for in the tables, such as impairment and reclassifications, did not occur.

The fully amortized intangible assets at the beginning of the year are eliminated from the costs and accumulated amortization. For this reason, the final balances (cost and accumulated amortization) might differ from the amounts recalculated manually, but the balances remain unchanged.

	Industrial patent and intellectual property rights	Concessions, licenses, trademarks, and similar rights	Other intangible assets	Total intangible assets
Amount at beginning of the year				
Cost	310	413,549	132,447	546,306
Accumulated amortization	(90)	(284,132)	(131,408)	(415,630)
Carrying amount	220	129,417	1,040	130,677
Annual changes				
Increases due to purchases	202	164,875	-	165,077
Annual amortization	102	140,735	520	141,357
Total changes	100	24,140	(520)	23,720
Amount at end of the year				
Cost	512	578,424	132,447	711,383
Accumulated amortization	(192)	(424,867)	(131,928)	(556,987)
Carrying amount	320	153,556	520	154,396

No internally generated development costs were capitalized in the year.

Item B) I. 4 consists of licenses to use software, some of which is owned, and item B) I 7 consists of remaining expenses incurred for the Vicenza facility and deferred charges capitalized in previous years.

<u>Property, plant and equipment</u>

Changes in property, plant and equipment

The balance sheet values result from the movements and transactions presented in the table below:

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Tangible assets under construction and advances	Total property, plant and equipment
Amount at beginning of the year						
Cost	13,667,795	27,237,401	1,036,867	2,495,490	502,415	44,939,968
Revaluations	1,505,642	1,730,630	86,541	218,186	0	3,540,999
Accumulated depreciation	(2,819,636)	(14,086,277)	(852,210)	(2,108,217)	0	(19,866,340)
Impairment	0	(59,942)	0	0	0	(59,942)

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Tangible assets under construction and advances	Total property, plant and equipment
Carrying amount	12,353,802	14,821,813	271,197	605,458	502,415	28,554,686
Annual changes						
Increases due to purchases	1,843,558	901,808	118,860	154,500	489,482	3,508,208
Reclassifications (of carrying amount)	39,357	225,242	-	13,852	-	278,451
Decreases due to disposals (of carrying amount)	-	-	-	-	365,919	365,919
Annual depreciation	396,669	1,439,474	118,105	120,468	-	2,074,716
Total changes	1,486,246	(312,424)	755	47,884	123,563	1,346,024
Amount at end of the year						
Cost	15,550,711	28,395,645	1,155,726	2,521,866	625,978	48,249,926
Revaluations	1,505,642	1,730,630	86,541	218,186	-	3,540,999
Accumulated depreciation	(3,216,304)	(15,556,943)	(970,315)	(2,086,710)	-	(21,830,272)
Impairment	-	(59,942)	-	-	-	(59,942)
Carrying amount	13,840,049	14,509,391	271,952	653,342	625,977	29,900,711

Change in property, plant and equipment:
Capital expenditures were made to upgrade and renovate production plants in order to restructure and renovate the industrial area.

The capitalization of assets built in-house does not include interest and finance costs, nor has it in previous periods. Capital expenditures on property, plant and equipment, which reached € 3,508,208 in 2023, were invested in technological upgrading and the enlargement of the Capolona (Arezzo) industrial area, as in previous years, involving primarily plant maintenance and especially plant modernization.

In-house construction work was undertaken in 2023 to expand and create new manufacturing plants. The amount capitalized as tangible assets under construction is € 221,313.By the end of the year, the "New Metallurgical Division" had begun to function in a satisfactory manner. Due to the complexity and scale of the work, a long time was required for the division to run productively.

Revaluations:
As noted, in **2008** TCA chose to revalue its buildings under Law Decree 185/2008. The revaluation was performed on the basis of an appraisal drawn up by independent professionals engaged specifically for such purpose, who used the criteria of the most probable market value. The net carrying amount of the assets at the reporting date was € 3,973,904 and the appraisal value reported was € 5,158,922; the amount of the revaluation is € 1,185,018.

TCA accounted for the revaluation by using the hybrid method (elimination of accumulated depreciation and revaluation of the residual cost) considering that the buildings would be maintained and updated constantly and regularly in the future, and that the actual loss in value would still be less than the depreciation calculated on the basis of the technical depreciation process; in other words, it was believed that the buildings would retain significant residual value even at the end of their use and depreciation process.

The revaluation reserve, entered net of the revaluation tax originally classified as a tax liability and by now paid in full, was increased to reflect this.

According to the Board of Directors, the higher values reported in 2008 still exist, so the revalued amounts were maintained.

In **2014**, the value of the buildings purchased in 2011 and 2013, which included the land on which the buildings stand, was reclassified. The value of the buildings was separated and accounted for on the basis of internal estimates made by TCA, and the value of the land was calculated as the residual amount.

At the same time a provision was prudently entered at liability item B.3 for estimated environmental reclamation costs, considering that the area was purchased recently and TCA does not know what production activities had previously been performed there.

In **2020**, in accordance with Decree Law 104/2021, after conducting a careful review of the values of the buildings and plants used for its operating activities, TCA revalued some assets with the assistance of a specific appraisal requested of a specialized, independent firm (which reported the future usability of such assets).

Higher economic values were prudently assigned, which however do not exceed the current values. Taking into account the estimated remaining useful life, which appears longer than what was estimated when the assets were purchased or constructed, TCA decided to apply the method of reducing the accumulated depreciation, deemed more consistent with the values and the estimated duration of the single assets revalued.

The accounting methodology applied (reduction of accumulated depreciation and, for the difference, increase in depreciable cost) required revising the depreciation schedules of the capital assets revalued.

The derogation was expressly established by Decree Law 104/2021, Article 110, and entails the payment of a 3% substitute tax recognized directly among payables. Although not required to do so, the Company also commissioned a sworn estimate to a specialized firm (ROUX Italia) to perform an "independent" review of the fairness of the values assigned and the remaining useful life. The provision, entered under liabilities, is net of the substitute tax allocated to the payables.

In detail, the 2020 revaluations are as follows:

	Buildings	**Plants**
Decrease in accumulated depreciation	2,087,177.26	1,516,919.25
Increase in depreciable cost	55,000.00	108,699.10

Impairment:

The impairment noted in the table refers to a 2015 writedown.

Finance leases

TCA did not stipulate any finance leases.

Non-current financial assets

The non-current receivables refer to deposits paid for services.

Changes in equity investments, investment securities and non-current derivative assets

The equity investments recognized among the non-current financial assets refer to a non-controlling interest in Genergy spa.

	Investments in other undertakings	Total equity investments	Derivative assets
Amount at beginning of the year			
Cost	132,742	132,742	0
Impairment	29,751	29,751	19,290
Carrying amount	102,991	102,991	19,290
Annual changes			
Increases due to purchases	0	0	0
Other changes	-	-	(19,290)
Total changes	0	0	(19,290)
Amount at end of the year			
Cost	102,991	102,991	0
Carrying amount	102,991	102,991	0

Genergy s.p.a. is a company promoted by the Arezzo Industrial Association that produces electricity from renewable energy sources.

It has photovoltaic power plants and hydropower plants whose total capacity is 1.6 megawatts (MW).

Genergy SpA is an investor of Genergypt (Egyptian company), which currently has no value, and has a stake in BCC Anghiari e Stia amounting to € 20,735. It also has a stake in Confidi Imprese Toscane amounting to € 516.

Genergy is not currently a supplier of TCA spa.

Changes and maturities of non-current receivables

The non-current receivables refer to guarantee deposits paid under contracts and, in acknowledgment of TCA's intention to continue using the related services in the future, they are considered due after the next year, consistently with previous reporting periods.

	Amount at beginning of the year	Annual changes	Amount at end of the year	Due within the year	Due after the year	Due after 5 years
Other non-current receivables	16,342	9,281	25,623	0	25,623	0
Total non-current receivables	16,342	9,281	25,623	0	25,623	0

Asset item B.III does not include any receivables due after five years.

All the receivables are due from Italian parties.

Non-current receivables by geographical area

Geographical area	Other non-current receivables	Total non-current receivables
Italy	25,623	25,623
Total	25,623	25,623

Current assets

Inventories

	Amount at beginning of the year	Annual change	Amount at end of the year
Raw and ancillary materials and consumables	65,471,946	6,293,776	71,765,722
Work in progress and semi-finished products	469,941	(172,106)	297,835
Finished products and goods	175	(22)	153
Advances	5,126	(5,126)	0
Total inventories	65,947,187	6,116,522	72,063,710

Inventories consist mainly of precious metals that TCA accounts for as raw materials since they are used for all TCA's activities (industrial processing for metal refining and the metals bank).

In accordance with the accounting standards adopted, the lower of the purchase or production cost and the realizable value based on market prices was used.

In line with previous years, the annual LIFO method was used for all metals in stock on December 31, 2023.

With relatively constant goods in stock, this enables to limit the effects of metal price fluctuations on profit and loss. On the other hand, accounting values differ considerably from recent market values, especially when precious metals prices are constantly rising, as they have been in the past two years, reaching record levels.

The LIFO reserve, calculated as the difference between the accounting values and the average prices of the last four months of 2023, exceeds the carrying amount by € 24,771.419. The LIFO reserve recognized in the 2022 financial statements was € 73,691,555, that of 2021 was € 65,225,443, and that of 2020 was € 84,312,836.

The value of the metals in stock also takes into account the average refining costs for metals not in a pure state as at December 31, 2023. With the calculation of those costs, the value is aligned with the market value.

The work in progress and finished products consist of processing work and are measured at the average production cost on the basis of the factors used.

Current receivables

Changes and maturities of current receivables

	Amount at beginning of the year	Annual change	Amount at end of the year	Due within the year	Due after the year
Current trade receivables	2,623,287	755,261	3,378,548	3,378,548	-
Tax credits	4,990,237	509,424	5,499,661	4,653,128	846,533
Current tax assets	765,217	(18,299)	746,918		
Other current receivables	57,796	2,212	60,008	60,008	-
Total current receivables	8,436,537	1,248,598	9,685,136	8,091,684	846,533

TCA insures its trade receivables with a leading firm in the business and seeks to keep the credit lines within the limits granted by the firm. Any exceptions are authorized by the Board of Directors.

The provision for doubtful debts, which reduces the amount of the receivables recognized in the financial statements, had the following changes:

	Beginning of year	Use	Allocations	End of year
Provision for doubtful debts	7,285	88	10,307	17,504

Current receivables by geographical area

Geographical area	Italy	Rest of Europe	USA	Other	Total
Current trade receivables	2,099,043	1,197,371	69,968	12,166	3,378,548
Tax credits	5,499,661	-	-	-	5,499,661
Current tax assets	746,918	-	-	-	746,918
Other current receivables	60,008	-	-	-	60,008
Total current receivables	8,405,630	1,197,371	69,968	12,166	9,685,136

Cash and bank balances

The item includes cash on hand, bank deposits, cash funds and demand deposits that are readily convertible into cash and are not exposed to material fluctuation risk.

The composition of the item and the changes for the period are summarized in the table below:

	Amount at beginning of the year	**Annual change**	**Amount at end of the year**
Bank and postal deposits	15,315,652	6,464,742	21,780,394
Cash and cash equivalents on hand	2,724	1,056	3,780
Total cash and bank balances	15,318,375	6,465,798	21,784,174

Accrued income and prepaid expenses

	Amount at beginning of the year	Annual change	Amount at end of the year
Accrued income	2,852	(2,611)	241
Prepaid expenses	929,431	(495,326)	434,105
Total accrued income and prepaid expenses	932,283	(497,937)	434,346

The prepaid expenses include prepaid insurance of € 51,393 and prepaid automobile tax of € 119.

Long-term prepaid expenses	**Euro**
MAINTENANCE FEES	207
NEGATIVE IRS/CAP SPREADS	221,596
PROMOTIONAL, ADVERTISING AND PUBLICITY EXPENSES.	6,500
FREIGHT AND CUSTOMS EXPENSES	638
Total	**228,941**

Prepaid expenses for sundry services	**Euro**
NEWSPAPER AND MAGAZINE SUBSCRIPTIONS	263
METHANE/PROPANE GAS PURCHASES	4
RENT EXPENSE	145
INFORMATION AGENCIES	26,051
SUNDRY RENTAL AND SERVICE FEES	6,212
MAINTENANCE FEES	6,261
LICENSES	10,805
CAR RENTALS	1,551
CAR RENTALS AS EMPLOYEE BENEFITS	1,893
EQUIPMENT RENTALS	1,811
PC RENTALS	897
INSURANCE EXPENSES	1,161
BANK FEES AND COMMISSIONS	56,121
PROFESSIONAL CONSULTING EXPENSES	2,630
CAR RENTAL SERVICES AS EMPLOYEE BENEFITS	262
CAR RENTAL SERVICES	2,601
PROMOTIONAL, ADVERTISING AND PUBLICITY EXPENSES	8,578
MEMBERSHIP FEES	25,631
SUNDRY MINOR EXPENSES	663
Total	**153.54**

Notes to the Financial Statements - Liabilities and Equity
Equity

The changes in the equity of the past year are set forth in the table below:

Changes in equity

	Amount at beginning of the year	Allocation of prior period profit/(loss)		Other changes		Profit/ (loss) for the year	Amount at end of the year
		Assignment of dividends	Other allocations	Increases	Decreases		
Share capital	14,000,000	-	-	-	-		14,000,000
Revaluation reserves	3,646,075	-	-	-	-		3,646,075
Legal reserve	2,897,302	-	-	-	-		2,897,302
Other reserves							
Extraordinary reserve	17,524,116	-	-	4,106,467	-		21,630,583
Reserve for unrealized gains on currency exchange	898	-	-	-	-		898
Other sundry reserves	2	-	-	-	-		2
Total other reserves	17,525,017	0	-	4,106,467	-		21,631,484
Cash flow hedge reserve	14,659	-	-	-	(23,840)		(9,180)
Profit/(loss) for the year	4,106,467	0	(4,106,467)	-	-	2,321,253	2,321,253
Total equity	42,189,520	0	(4,106,467)	4,106,467	(23,840)	2,321,253	44,486,934

Other sundry reserves

Description	Amount
Rounding off to euro	2
Total	2

The increases in the legal reserve and extraordinary reserve are attributable to the allocation of the previous year's profit (5% and 95%, respectively).

No dividends were distributed in 2023.

Availability and use of equity

	Amount	Source / nature	Use possibilities	Available portion	Use in previous three years for other reasons
Share capital	14,000,000			-	-
Revaluation reserves	3,646,075	profits	ABC	3,646,075	(8,687)
Legal reserve	2,897,302	profits	B	-	-
Other reserves					
Extraordinary reserve	21,630,583	profits	ABC	21,630,583	(16,726,920)
Reserve for unrealized gains on currency exchange	898	profits	AB	898	-
Other sundry reserves	2			2	-
Total other reserves	21,631,484			21,631,483	(16,726,920)

	Amount	Source / nature	Use possibilities	Available portion	Use in previous three years for other reasons
Cash flow hedge reserve	(9,180)	profits		-	-
Total	42,165,681			25,277,558	(16,735,607)
Undistributable portion				900	
Distributable portion				25,276,658	

Key: A: for capital increase B: for loss coverage C: for distribution to shareholders D: for other statutory obligations E: other

Source, use and distribution of other sundry reserves

Description	Amount	Source / nature	Use possibility	Available portion
Rounding off to euro	2	profits	ABC	2
Total	2			

Key: A: for capital increase B: for loss coverage C: for distribution to shareholders D: for other statutory obligations E: other

Letters A, B and C have the following meanings: A = reserves that can be distributed to shareholders;

B= reserves that can be used for loss coverage;

C= reserves that can be used to increase share capital.

TCA has no additional statutory restraints (table item E).

The reserves for which no letter is shown cannot be distributed or used to cover losses or to increase share capital.

By law, the legal reserve may be used solely to cover losses. Share capital consists of 14,000 ordinary shares with a par value of € 1,000 per share.

TCA did not issue any dividend-paying shares or convertible bonds, or any other securities or similar items.

Changes in cash flow hedge reserve

	Cash flow hedge reserve
Amount at beginning of the year	14,659
Annual changes	
Increase due to change in fair value	27,945
Decrease due to change in fair value	51,785
Amount at end of the year	(9,180)

Pursuant to the adoption of the accounting standards, the fair value of derivatives must be recognized by TCA in the balance sheet.

The difference between the change in the reserve and the amount recognized in equity is the result of the change in the deferred tax assets or deferred tax liabilities.

The derivatives regard an interest rate swap (IRS) and a technical derivative related to the purchase of silver.

Provisions for risks and charges

The provision for taxes refers to potential deferred tax liabilities of € 118 thousand calculated on the temporary differences between the taxable income and the related income that will be absorbed in the following period.

The other risks and charges consist of estimated future costs for restoring / cleaning up the land on which the buildings purchased in 2011 and 2013 are located, which has been separated from the value of the buildings, and costs regarding a work-related accident involving two employees in 2016, the liability for which has not been requested yet but has been determined under Legislative Decree 231/2001.

In 2020 a provision of € 2,000,000 was set up, and then increased by € 474,042 in 2021 and by € 420,310 in 2022, for a dispute against TCA regarding the management and handling of materials stocked at the industrial site: the provision serves as an amount restricted to ensure compliance with any penalty and/or restitution measures in the Registro Generale Notizie di Reato (General Registry of Crime Reports or "R.G.N.R.") Criminal Proceedings Case 1322/2020. The additional amount was computed on the basis of the Public Prosecutor's recalculation of unjust enrichment included in the notice of the conclusion of the investigations sent to the Company at the end of 2022. For a more in-depth analysis of the matter, see the information reported after the table hereunder.

In this regard, TCA believes that it has acted appropriately and has complied with the applicative legal obligations. TCA also has dedicated personnel, and for years has undergone controls by the Supervisory Body pursuant to Legislative Decree 231 and obtained the environmental certification.

During the year, part of the provision for cyclical maintenance was used, calculated with a time period of ten years and referring to precious metal production equipment, recognized on an accrual basis in accordance with Italian accounting standard (OIC) 31.

	Provision for taxes, including deferred tax	Derivative liabilities	Other provisions	Total provisions for risks and charges
Amount at beginning of the year	4,905	1	3,095,738	3,100,644
Annual changes				
Allocation for the year	10,823	48,847	-	59,670
Use in the year	4,905	-	127,308	132,213
Other changes	-	-	-	0
Total changes	5,918	48,847	(127,308)	(72,543)
Amount at end of the year	10,823	48,848	2,968,430	3,028,101

The risk provision refers to environmental disputes.

Court of Florence R.G.N.R. Case 962/2018 - STATUS: Preliminary hearing
TCA maintains and can demonstrate to have fully complied with the current regulations, as confirmed by the recent Regional Administrative Court for Tuscany Ruling n. 409 dated April 10, 2024, which accepted T.C.A.'s appeal and revoked the Region of Tuscany's measures alleging that TCA and other entities were involved in waste characterization and removal activities as “jointly responsible” parties for the alleged pollution by Lerose S.r.l. The Regional Administrative Court ruling states that “From an analysis of the above-described documents and legislative texts, in the Committee's opinion, it appears evident that in the contamination found at the Bucine site no responsibility emerges for TCA S.p.a., to which indeed Legislative Decree 152/2006, Art. 188, paragraph 4, letter ‘b’ applies”.

In any event, the position of the current Chairman of the Board was withdrawn with the request to dismiss it by the Public Prosecutor on June 19, 2023, accepted by the Florence Preliminary Investigating Judge (GIP) with a measure of August 22, 2023, whereas the position of the former Chairman was likewise withdrawn with an acquittal on May 10, 2024 by the Florence Preliminary Hearing Judge (GUP), Mr. Mancuso. The outgoing waste had been classified as non-hazardous for more than 15 years, during which the Company was repeatedly inspected by the control bodies (including the Environmental Unit of the Carabinieri, which in 2014 formally acknowledged the waste classification without disputing it in any way). The non-hazardous waste code was stated by TCA SpA in all the documents accompanying the Integrated Environmental Authorization (IEA) application, submitted in 2010, for which none of the entities involved during the various Service Conferences put forth any doubts about its correctness. In all these years, TCA has never received, even merely hypothetically, any objection to the classification. The 2022 financial statements provide information about the preventive and corrective actions implemented by TCA, including setting aside € 2,895,000.00 for the judicial authorities as an extremely prudent measure and obtaining expert opinions from lawyers and chemists confirming the appropriate classification of the waste.

The case is still at the stage of the preliminary hearing. Expected outcome: acquittal

R.G.N.R. Case 4628/2020
Following the outcome of the events described in the notes to the 2021 financial statements and the second seizure of the heap of slag (occurring within the scope of the additional case referred to in the following paragraph), the Company, although convinced of the lawfulness of its formation and presence in the slag treatment process, acted to eliminate the heap of slag and did so in May 2023. On February 14, 2024, the Public Prosecutor filed a notice pursuant to Code of Criminal Procedure Article 415 bis in which it insists on the claim concerning the creation of an illegal dump identified as the heap of slag seized twice and released twice by the Preliminary Investigating Judge. The Public Prosecutor added to the claim a reference to the change in the authorized layout and the removal of slag from the flotation process, since it was deemed uneconomical by its Consultant; the Public Prosecutor also added the theory that with such conduct the Company caused impairment to the surface water in the Company's area over the entire Castelluccio plain. Both of the favorable measures issued by the Preliminary Investigating Judge examined the claim about the creation of an illegal dump and the violation of the authorization regarding the layout and the cost efficiency of the slag treatment process, arriving at the conclusion that the Public Prosecutor's claim was groundless. Although the judge's ruling in the interlocutory stage does not bind the judge regarding merit, it is assumed that the logical arguments underlying the measures in the

interlocutory stage could easily be confirmed in further proceedings. With respect to the alleged impairment of the surface water, since 2011 TCA has conducted environmental remediation with controls by the authorities for the presence of boron (with amounts that are returning to the legal limits), whereas there is currently no confirmation of an extensive presence of other substances attributable to TCA. The Company hired the Polytechnic University of Milan to analyze the possible dispersion of substances in the soil and subsoil, with the result that the consultancy of Professors Menduni, Grosso and Camera “excluded the existence of spills”. With respect to this additional claim, the Company is convinced that it is uninvolved in any type of crime.

Some investigated parties have submitted statements demonstrating the obvious non-involvement in the events claimed.

The Company is still awaiting the Public Prosecutor's decisions. Expected outcome: dismissal / acquittal

R.G.N.R. Case 4778/2021

Concerning the events reported in the previous report, the case is still at an investigative stage.

In the meantime, TCA has asked for and obtained from the Public Prosecutor authorization to remove the Eternit (cement-asbestos) roofing of the second warehouse still under preventive seizure, located on plot 382, and to demolish it. The removal and demolition began on May 20.

For this case as well, the Company is confident that the interim ruling regarding the heap of slag and the groundlessness of the charges will be confirmed while expecting the Public Prosecutor conducting the seizure to acknowledge that no waste was found in the areas outside the Company's perimeter, but just consumable and spare part materials.

Expected outcome: dismissal / acquittal.

Provision for post-employment benefits

The provision represents TCA’s obligation as at December 31, 2023 toward the employees on the Company's payroll at that date, net of any advances paid.

It was used for advances, severance pay, substitute tax and additional payments made to social security authorities and the INPS Treasury Fund.

The difference between the provision changes and the expenditure recognized in the income statement is attributable to the payments made directly into pension funds and does not generate an increase in the provision. In other words, the payments made to INPS are not part of the provision because that liability remains with the social security authorities.

	Provision for post-employment benefits
Amount at beginning of the year	308,494
Annual changes	
Allocation for the year	6,269
Use in the year	15,362
Total changes	(9,093)
Amount at end of the year	299,401

Payables

Changes and maturities of payables

Trade payables are shown net of trade discounts;

cash discounts are accounted for at the time of payment. The nominal value was adjusted for returns or rebates (billing adjustments) to the extent of the amount stipulated with the counterparty.

The current tax liabilities include income taxes and withholding taxes due on employee and free-lance salaries and charges paid in December.

The following information is provided on the payable items.

"Other payables" consists primarily of amounts due to employees for accrued compensation and accumulated vacation pay.

No payables are secured by collateral consisting of Company assets.

All the other payables refer to obligations contracted with Italian parties.

	Amount at beginning of the year	Annual change	Amount at end of the year	Due within the year	Due after the year
Bank borrowings	66,973,608	11,580,000	78,553,608	75,495,295	3,058,313
Trade payables	4,045,952	(484,114)	3,561,838	3,561,838	-
Current tax liabilities	912,233	(688,133)	224,100	224,100	-
Social security	427,956	93,302	521,258	503,968	17,290
Other payables	1,155,640	71,283	1,226,923	1,226,923	-
Total payables	73,515,389	10,572,338	84,087,728	81,012,124	3,075,603

The following new unsecured loans were taken out during the year:

€ 2,000,000 from Banca Intesa on June 20, 2023, repayable in 24 months.

€ 2,000,000 from Banca Intesa on June 20, 2023, repayable in 60 months.

The bank borrowings were € 78,553,608 at December 31, 2023, compared with the € 66,973,608 of 2022 and € 47,882,235 of 2021.

They include principal, interest and transaction costs accrued and due. Some short-term credit lines are backed by Interest Rate Swap agreements whose terms are reported later in these notes.

Such transactions were designated solely to hedge cash flows, and were conducted to protect short-term indebtedness from the risk of interest rate fluctuations.

Payables by geographical area

Geographical area	Italy	Rest of Europe	USA	Other	Total
Bank borrowings	78,553,608	0	0	0	78,553,608
Trade payables	3,449,273	34,037	0	78,528	3,561,838
Current tax liabilities	224,100	-	-	-	224,100
Social security	521,258	-	-	-	521,258
Other payables	1,226,923	-	-	-	1,226,923
Payables	83,975,162	34,037	0	78,528	84,087,728

Payables secured by collateral

TCA has no payables secured by mortgages, pledges, liens or guarantees.

	Payables secured by collateral				Payables not secured by collateral	Total
	Payables secured by mortgages	Payables secured by pledges	Payables secured by special liens	Total payables secured by collateral		
Bank borrowings	-	-	-	-	78,553,608	78,553,608
Trade payables	-	-	-	-	3,561,838	3,561,838
Current tax liabilities	-	-	-	-	224,100	224,100

	Payables secured by collateral				Payables not secured by collateral	Total
	Payables secured by mortgages	Payables secured by pledges	Payables secured by special liens	Total payables secured by collateral		
Social security	-	-	-	-	521,258	521,258
Other payables	-	-	-	-	1,226,923	1,226,923
Total payables	0	0	0	0	84,087,727	84,087,728

Accrued expenses and deferred income

	Amount at beginning of the year	Annual change	Amount at end of the year
Accrued expenses	105,464	67,338	172,802
Deferred income	238,857	1,837,264	2,076,121
Total accrued expenses and deferred income	344,321	1,904,602	2,248,923

The accrued expenses include:

Description	Euro
SUNDRY INTEREST EXPENSE ON UNALLOCATED METAL	92,169
INTEREST EXPENSE ON ADVANCES IN EUROS	56,672
INSURANCE EXPENSES	8,913
LOAN INTEREST	6,742
ELECTRICITY AND LIGHTING	3,215
FREIGHT AND CUSTOMS EXPENSES	1,723
CONSUMABLES PURCHASED	1,102
EQUIPMENT RENTALS	935
OTHER	1,331
Total	172,802

The deferred income refers to the grant for equipment in the form of a tax credit obtained to purchase new capital goods, which was deferred in parallel with the payment schedules.

Notes to the Income Statement

All income and expenses were calculated in accordance with the prudence principle and the accrual basis of accounting.

Revenues from sales of products are recognized at the time of transfer of ownership.

Financial income and revenues from services are recognized on an accrual basis.

Grants for operating expenses are accounted for in observance of the matching principle, when it is certain that the grant will be received.

Use of estimates: The preparation of financial statements under Italian GAAP requires management to use estimates and assumptions that affect the values of the assets and liabilities reported in the balance sheet and disclosures concerning contingent assets and liabilities at the reporting date. The estimates and assumptions are based on past experience and other relevant factors. Therefore, it is possible that in the future the actual results may differ from the current estimates, requiring significant adjustments to be made to asset values, which are obviously unforeseeable and cannot be estimated at this time. Estimates were used primarily for allocations to the provision for doubtful accounts, the valuation of inventories, amortization, depreciation, asset impairment and other allowances and provisions. The estimates and assumptions are reviewed periodically and the effects of any changes thereof are reflected immediately in the income statement.

Value of production

The value of production had the following changes in the year:

Value of production	2022	Change	2023	% change
1) revenues from sales and services	1,464,466,287	114,224,654	1,578,690,941	7.8%
2) change in inventories of work in progress, semi-finished products and finished products	469,709	-641,990	-172,281	-136.7%
4) increases in fixed assets due to internally produced work	136,189	-51,066	85,123	-37.5%
5) grants for operating expenses	1,125,502	-737,846	387,656	-65.6%
5) other	733,583	881,126	1,614,709	120.1%
Total value of production	1,466,931,271	113,674,878	1,580,606,149	7.7%

Revenues from sales and services by business segment

The revenues are reported below by the main business segments.

Business segment	2023
Gold sales	1,462,324,595
Silver sales	64,539,775
Other income	51,826,571
Total	1,578,690,941

The total revenue from refining rose from € 4,705,933 to € 5,440,390.

Revenues from sales and services by geographical area

The revenues from sales and services are reported below by geographical area.

Geographical area	2023
Italy	1,280,591,456
Rest of Europe	30,962,526
USA	61,786,372
Other	205,350,587
Total	1,578,690,941

Cost of sales

The cost of sales had the following changes:

Cost of sales	2022	Change	2023	% change
6) raw and ancillary materials, consumables and goods	1,443,052,262	110,542,134	1,553,594,396	7.7%
7) services	11,636,870	2,146,642	13,783,512	18.4%
8) leases and rentals	1,890,201	336,329	2,226,530	17.8%
9) personnel	6,475,071	865,529	7,340,600	13.4%
10) depreciation, amortization and impairment losses	1,825,194	401,185	2,226,379	22.0%
11) change in inventories of raw and ancillary materials, consumables and goods	-5,101,674	-1,192,255	-6,293,929	23.4%
12) risk allowances	420,310	-420,310	0	-100.0%
14) sundry operating expenses	509,006	-24,660	484,346	-4.8%
Total cost of sales	1,460,707,239	112,654,594	1,573,361,833	7.7%

Financial income and costs

The financial items had the following changes for the year:

Financial income and costs	2022	Change	2023	% change
16) other financial income	46,075	203,070	249,145	440.7%
17) interest expense and other finance costs	1,030,353	3,189,920	4,220,273	309.6%
17- bis) gains /(losses) on currency exchange	-53,681	-41,744	-95,425	77.8%
Total financial income and costs (15 + 16 - 17 + - 17-bis)	-1,037,959	-3,028,594	-4,066,553	291.8%

Item C) 17 bis is broken down below:

E) C.17.bis - Gains/(losses) on currency exchange (+ gains, - losses)	**2023**	*of which unrealized*
Gains on currency exchange	155,718	*38,660*
Losses on currency exchange	251,143	*239,199*
17- bis) Gains /(losses) on currency exchange	-95,425	*-200,539*

Interest expense and other finance costs by type of debt

	Interest expense and other finance costs
Bonds issued	0
Bank borrowings	3,627,875
Other	592,398
Total	4,220,273

"Other" comprises the interest related to precious metal purchases from suppliers and margin trading.

Income tax

Current taxes are calculated on the basis of a prudent interpretation of the tax legislation currently in force.

TCA accounted for the income taxes for the year on an accrual basis, so prepaid taxes are recognized in balance sheet asset item C.II.4 as "deferred tax assets" and deferred tax in liabilities are recognized in item B.2 as "provisions for taxes, including deferred tax", with income taxes as the contra account.

Taking into account the assumptions on which the accountancy of temporary differences between the net profit and the taxable income is based, and in accordance with the prudence principle, the Directors accounted for deferred tax assets only to the extent that reasonable certainty exists for their future recovery on the basis of current tax legislation. Deferred tax assets and liabilities are calculated at the rates expected to apply in the period in which the tax effect will materialize.

Accordingly, income statement item 20 consists of deferred tax (expense and income), calculated as shown in the attachment to these notes, and current taxes, calculated as described in this section.

The taxes had the following changes:

Income taxes	2022	Change	2023	% change
Current taxes	1,216,242	-389,488	826,754	-32.0%
Deferred tax expense and income	-136,636	166,392	29,756	-121.8%
Total income taxes	1,079,606	-223,096	856,510	-20.7%

The following reconciliation statement presents information on the tax differences between the theoretical (pre-tax) taxable income and the actual taxable income:

Tax reconciliation	**IRES**	**IRAP**
Pre-tax financial statement result	3,177,763	3,177,763
Income statement item B9		7,340,600
Income statement items B10 c) and d)		10,307
Income statement item B16		-249,145
Income statement item B17		4,220,273
Income statement item B17bis		95,424
IMU IMI IMIS property taxes	97,326	
Non-deductible taxes	938	
Vehicle costs	27,007	
Non-deductible depreciation	555	
Losses on currency exchange	3,652	
Other non-deductible costs	65,417	
Prior period taxable currency exchange gains	1,146	
Gains on currency exchange	-35	
Supplementary forms of post-employment benefits	-13,159	
Super-depreciation and leases 40%	-46,709	
Super-depreciation and leases 30%	-31,329	
Other non-deductible income	-670,676	
Use of provision for expenses and risks	-127,308	

Deduction of prior period currency exchange losses	-1,438	
10% IRAP deductible from IRES (on interest)	-33,582	
Aid to Economic Growth (ACE) deduction	-404,020	
Directors and independent contractors in B7/14		561,245
Credit losses in B14		462,349
IMU IMI IMIS property taxes		97,326
Non-deductible taxes		938
Other non-deductible costs		123,368
Collected receivables previously recognized as losses		-41,227
Other non-deductible income		-629,449
IRAP tax wedge		-6,558,928
Income subject to IRES and IRAP if >0	2,045,547	8,610,845
Tax rates	24.0%	3.9%
Taxes	490,931	335,823
Tax deductions or rebates	0	0
Net taxes	490,931	335,823

In the Balance Sheet, the income tax payables due to the tax authorities are stated net of advances and of the tax credits used to offset them. The following table presents the netting.

Netting of income tax with advances and withholding tax	**IRES**	**IRAP**
Taxes due	490,931	335.82
Advances paid	0	
Withholding taxes paid	-49,114	
Previous period tax credits	-441,817	-335.82
Total net taxes to be paid	**0**	

The deferred tax assets and liabilities are as follows:

Changes in deferred tax assets and liabilities	**Euro**
Decrease/(increase) in deferred tax assets (I/S item 20)	6,576
Increase/(decrease) in deferred tax liabilities (I/S item 20)	12,101
Adjustment to deferred tax assets not recognized in I/S	11,723
Adjustment to deferred tax liabilities not recognized in I/S	-6,184
Total change in deferred tax assets	-18,299
Total change in deferred tax liabilities	-5,917

Deferred tax assets and liabilities and effects thereof

	IRES	IRAP
A) Temporary differences		
Total deductible temporary differences	3,089,053	142,202
Total taxable temporary differences	38,794	38,759
Net temporary differences	(3,050,259)	(103,443)
B) Tax effects		
Deferred tax liabilities/(assets) at the beginning of the year	(754,767)	(5,546)
Deferred tax liabilities/(assets) of the year	22,705	1,512
Deferred tax liabilities/(assets) at the end of the year	(732,062)	(4,034)

Deductible temporary differences

Description	Amount at end of prior period	Annual change	Amount at end of reporting period	IRES rate	IRES tax effect	IRAP rate	IRAP tax effect
Losses on currency translation	1,438	2,213	3,652	24.00%	876	0.00%	0
Building revaluation	142,204	0	142,204	24.00%	34,129	3.90%	5,546
Risk provision allocations	3,021,660	(127,308)	284,352	24.00%	694,644	0.00%	0
Deferred tax on IRS derivative	0	48,847	48,847	24.00%	11,723	0.00%	0

Taxable temporary differences

Description	Amount at end of prior period	Annual change	Amount at end of reporting period	IRES rate	IRES tax effect	IRAP rate	IRAP tax effect
Gains on currency translation	1,146	(1,111)	35	24.00%	8	0.00%	0
Silver derivatives	0	38,759	38,759	24.00%	9,302	3.90%	1,512
IRS derivatives	19,290	(19,290)	0	24.00%	0	0.00%	0

The average tax rate for the year was 26.02%, versus 23.36% for the previous year. The overall tax rate is calculated from the corporate income tax ("IRES") and the regional business tax ("IRAP") applied to the income before taxes.

Notes to the Financial Statements - Additional information

TCA does not own any investments in entities other than those disclosed as financial assets.

TCA did not capitalize any finance costs as assets presented in the balance sheet or in these notes to the financial statements.

TCA has no commitments other than those reported at the bottom of the balance sheet and described in these notes to the financial statements.

TCA did not receive income of any kind from equity investments.

In compliance with the disclosure requirements of the Italian Civil Code, the following information is reported:

- TCA did not issue any financial instruments;
- Liability item D does not include any amounts due to shareholders;
- TCA does not own any investments in partnerships;
- TCA is not subject to direction and coordination by any other company or entity;
- TCA did not conduct any transactions with related parties for material amounts or that were not carried out on an arm's length basis.

Regulations on transparency of government grants
This information is provided in the section containing the disclosures required by Law 124, Article 1, paragraph 125 of August 4, 2017.

Work force

	Average number
Upper management	5
Lower management	9
White-collar employees	42
Blue-collar employees	79
Other employees	2
Total personnel	137

The Report on Operations provides more detailed information on this subject.

Remuneration, advances and loans granted to Directors and Statutory Auditors and commitments undertaken on their behalf

	Directors	Statutory Auditors
Remuneration	502,472	54,964

The contractual fees for the independent auditing firm amount to € 33,000.

Categories of shares issued by the Company

Description	Opening number	Opening nominal value	Number of shares subscribed during the year	Nominal value of shares subscribed during the year
Ordinary shares	14,000	14,000,000	0	0

Off-balance sheet commitments, guarantees and contingent liabilities

TCA held third-party metals at the end of the year, specifically:

	Gold	Silver	Palladium	Platinum	Rhodium
Loan for use	0.00	0.00	0.00	0.00	0.00
Mitsubishi Corp. export advance	-92,784.44	-2,857,150.11	0.00	0.62	-0.97
Standard Bank export advance	-48,904.92	-13,582,162.15	237,881.02	-114,082.41	0.00
SCMI Ltd. export advance	-218,742.86	-6,802,006.44	-0.14	-0.09	-363.46
Banca Cambiano export advance	0.23	0.00	0.00	0.00	0.00
UniCredit AG export advance	-71,538.04				
Total Quantity	**-431,970.03**	**-23,241,318.70**	**237,880.88**	**-114,081.88**	**-364.43**

Metal	Quantity	€/gr.	Value €
Gold	-431,970.03	59.912	-25,880,188.44
Silver	-23,241,318.70	0.7067	-16,424,639.93
Palladium	237,880.88	32.072	7,629,315.58
Platinum	-114,081.88	28.222	-3,219,618.82
Rhodium	-364.43	131.836	-48,044.99
Total			**-37,943,176.59**

Subsequent events

TCA continues to pursue diversification of operations, products, services and markets, in keeping with previous years.

The Company intends to proceed with the business policies that have characterized the past two years, seeking to seize the opportunities generated by the high value of precious metals, despite the decline of PGM prices.

The complicated evolution of international markets makes achieving results and meeting targets certainly more complex and difficult.

Additional improvements and corrective measures are planned for the new Foundry division in 2024: the investment became fully operational in 2023, contributing substantially to an increase in production capacity, more efficient metallurgical processes, sizable energy savings and a reduction of lead time.

This has enabled the Company to speed up the production cycle and thus facilitate the supply of precious metals to be refined: it means creating financial support by "liquidating" the working capital, an essential and extremely useful element, especially in view of the uncertain future monetary and credit scenarios.

The global crisis, which has led to higher costs of raw materials, especially energy (both natural gas and electricity), has caused a rapid spike in interest rates. These events are impacting TCA's expenses substantially, but the current margins, deriving from the increase in the quantity of precious metals sold and materials refined, are making the situation sustainable.

It is important to mention the considerable increase in gold and silver prices reported in the initial months of 2024, indicating growing macroeconomic and geopolitical uncertainty: while on the Trading side these increases are cooling down the silver and gold market, on the Refining side they are supporting the demand for precious metal refining and recovery from Italian and international operators.

Information on derivative instruments required by Italian Civil Code Article 2427-bis

During 2023, TCA stipulated two long-term loans backed by Interest Rate Swap agreements whose terms are set forth below:

Notional principal amount: € 2,000,000

Starting date: June 20, 2023

Ending date: June 20, 2028

Variable-rate payer: BancaIntesa;

Variable rate: 1-month Euribor act/360

Fixed-rate payer: T.C.A S.p.A.

Fixed rate: 3.48%

Liability hedged: Medium/long-term loan

Fair value at December 31, 2023: € -42,485.

Notional principal amount: € 2,000,000

Starting date: June 20, 2023

Ending date: June 20, 2025

Variable-rate payer: BancaIntesa

Variable rate: 1-month Euribor act/360

Fixed-rate payer: T.C.A S.p.A.

Fixed rate: 3.82%

Liability hedged: Medium/long-term loan

Fair value at December 31, 2023: € -6,362.

Information required by Law 124, Article 1, paragraph 125 of August 4, 2017

In accordance with Law 124/2017, Article 1, paragraph 125, we inform you that: "the government aid and *de minimis* aid received are listed in the State Aid Register" (RNA), which should be referred to for the related information.

TCA received government benefits in the form of tax credits (on investments in capital goods and research and development) and guarantees from Mediocredito Centrale on the loans obtained.

The extract from the State Aid Register is reported below:

FROM	TO	REF	GRANTED
TEMPORARY FRAMEWORK			
March 19, 2020	Jan. 27, 2021	3.1	73,986.19
Jan. 1, 2022	Dec. 31, 2022	3.1	25,985.34
ORDINARY DE MINIMIS			
Jan. 1, 2020	Dec. 31, 2020	demin	0.00
Jan. 1, 2021	Dec. 31, 2021	demin	5,000.00
Jan. 1, 2022	Dec. 31, 2022	demin	0.00
3.2 (guaranteed financing) amounts			
March 19, 2020	Jan. 27, 2021	3.2	5,500,000.00
Jan. 1, 2022	Dec. 31, 2022	3.2	18,900,000.00

The above amounts represent the initial gross amounts and not - for item 3.2 - the remaining amount payable.

Section 3.2 refers to guaranteed loans due to the Ukraine crisis. No government grants or aid were obtained during the year.

Proposal for allocation of profit or settlement of loss

The Board of Directors proposes that the shareholders allocate the entire annual profit of € 2,321,253.00 to the extraordinary reserve.

Notes to the Financial Statements - Final section

These financial statements, which consist of the Balance Sheet, Income Statement and Notes to the Financial Statements, present a true and fair view of TCA's financial position, financial performance and cash flows for the reporting period, and correspond to the accounting records.

Statement of financial statement compliance

Pursuant to Law 340/2000, Article 31, paragraph 2-quinquies, I, Carlo Marmorini, as intermediary, hereby state that this document corresponds to the original one filed at the Company.

REPORTS

Board of Statutory Auditors' Report

Board of Statutory Auditors' Report for the General Meeting Held to Approve the Financial Statements for the Year Ended December 31, 2023, prepared pursuant to Civil Code Article 2429, paragraph 2

For the Shareholders of TCA S.p.A.
During the year ended December 31, 2023, the activity of the Board of Statutory Auditors followed the law and the standards of conduct established for Boards of Statutory Auditors of unlisted companies by the Italian National Councils of Accountants and Accounting Experts.

This report informs you about such activity and the results achieved.

The December 31, 2023 financial statements of TCA S.p.A., drawn up in compliance with the Italian regulations governing their preparation and which show a profit of € 2,321,253.00, have been submitted to your review.

The financial statements were submitted to us within the time limit established by law, given that their approval was expected by the Company's Board of Directors within the maximum time limit permitted by the law and the by-laws.

We waited for the firm responsible for the external audit of the accounts, Deloitte & Touche spa, to deliver to us its report dated June 12, 2024, which occurred, and the report contained an unqualified opinion.

As stated in the Independent Auditors' Report, the December 31, 2023 financial statements give a true and fair view of the Company's financial position, financial performance and cash flows and were drawn up in accordance with the Italian laws that govern their preparation.

Although the Board of Statutory Auditors is not responsible for the external audit, it performed the supervisory activities on the financial statements contemplated by Regulation 3.8 of the Standards of Conduct for Boards of Statutory Auditors of unlisted companies, consisting of a concise overall control intended to verify that the financial statements have been prepared correctly.

The aforementioned independent auditors are responsible for verifying the correspondence to the accounting records.

1) Oversight activity pursuant to Civil Code Article 2403 *et seq.*

The Board of Statutory Auditors (also referred to herein as simply the "Board") supervised the observance of the law and the Company's by-laws and, in particular, the adequacy of the organizational structures and of the administrative and accounting systems and their proper operation.

The Board attended the general meetings of the shareholders and meetings of the Board of Directors and, based on the information available, it has no issues to report.

The Board obtained, sufficiently in advance and also during the meetings held, information concerning the general business performance and the expected business developments, as well as on the most significant transactions, in terms of size or characteristics, carried out by the Company and, based on the information obtained, it has no issues to report thereon.

We promptly exchanged with the external auditors information relevant for the performance of our oversight activity.

The Board met with and obtained information from the Supervisory Body. No issues emerged from the meetings regarding the proper implementation of the Organizational Model and information flows that should be mentioned in this report.

The Board gathered information on and monitored the adequacy and functioning of the Company's organizational, administrative and accounting structure, including through information obtained from department heads, and have no issues to report thereon.

As within our competence, we gathered information on and monitored the adequacy and functioning of the Company's administrative and accounting structure, and the reliability of it to present a true view of the results of operations, through information obtained from department heads and the examination of company documents, and we have no issues to report thereon.

No claims contemplated by Italian Civil Code Articles 2408 and 2409 were received from the shareholders.

No legal opinions were issued by the Board of Statutory Auditors during the year.

We did not report to the Board of Directors any matters contemplated by Legislative Decree 14, Article 25-*octies* of January 12, 2019.

We did not receive any reports from public creditors about matters contemplated by Legislative Decree 14, Article 25-*novies* of January 12, 2019.

During our supervisory controls, as described above, no additional material issues emerged that should be mentioned in this report, except for the current legal matter pending concerning the General Registry of Crime Report ("R.G.N.R.") Case numbers 962/2018, 4628/2020 and 4778/2021, for which the notes to the financial statements provide adequate, detailed information, as in the prior year, and the developments of which are being monitored constantly by the Board of Directors, the Supervisory Board and this Board.

On July 11, 2023, the Board of Directors met to define the individual proxies for the individual members of the Board of Directors and their remuneration within the limit established at the General Meeting.

2. Observations on the financial statements

As noted, the report of the independent auditors, Deloitte & Touche, states that: "the financial statements give a true and fair view of the financial position of TCA S.p.A. as at December 31, 2023 and of its financial performance and its cash flows for the year then ended in accordance with the Italian laws governing financial statements."

To the best of our knowledge, in preparing the financial statements the Directors did not deviate from regulatory law as per Civil Code Article 2423, paragraph 5.

As mentioned, pursuant to the resolution passed by the Board of Directors on March 28, 2024, the ordinary General Meeting for the approval of the financial statements has been called to take place within the maximum term of 180 days from the end of the reporting period.

3. Observations and proposals on financial statement approval

Considering the results of our activity and the opinion stated in the Auditors' Report issued by the independent auditors, we ask that the shareholders approve the financial statements for the year ended December 31, 2023, as they have been drawn up by the Directors.

The Board of Statutory Auditors agrees with the proposal for the full allocation of profit as presented by the Directors in the notes to the financial statements.

Capolona; June 13, 2024

Board of Statutory Auditors

Giovanni Grazzini (Chairman)

Pietro Benedetti (Statutory Auditor)

Fabrizio Cavallini (Statutory Auditor)

Deloitte.

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INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Shareholders of
T.C.A. S.p.A.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of T.C.A. S.p.A. (the "Company"), which comprise the balance sheet as at December 31, 2023, the statement of income and statement of cash flows for the year then ended and the explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with the Italian law governing financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian law governing financial statements, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion pursuant to art. 14, paragraph 2 (e) of Legislative Decree 39/10

The Directors of T.C.A. S.p.A. are responsible for the preparation of the report on operations of T.C.A. S.p.A. as at December 31, 2023, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations with the financial statements of T.C.A. S.p.A. as at December 31, 2023 and on its compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the report on operations is consistent with the financial statements of T.C.A. S.p.A. as at December 31, 2023 and is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Gianni Massini
Partner

Florence, Italy
June 12, 2024

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

ATTACHMENTS

Description of material topics

KEY

- Social and Relational Capital
- Human Capital
- Natural Capital
- Financial Capital
- Intellectual Capital

MATERIAL TOPIC	Prioritized positive impacts
Occupational health and safety	Employees' awareness that they can work in a healthy and safe place
Reputation, quality and counterparty satisfaction	Counterparties' loyalty and appreciation thanks to service efficiency and reliability
Creation and distribution of economic value	Increase in financial and economic performance as a result of greater involvement and participation of the human resources of the Company's different departments (weekly meetings) in monitoring, managing and coordinating the various processes
Relationships with local community and territory	Local socioeconomic development (e.g., higher employment rate)
Business ethics	Employees', counterparties' and other parties' greater awareness and knowledge about ethics and human rights

Responsible consumption and fight against climate change	Resilience to risks associated with climate change (e.g., extreme weather events)
Personal development and well-being	Higher productivity due to the well-being and professional growth of the employees
Sustainable and transparent procurement	Reduction of ESG impacts due to responsible sourcing of materials
Water resources management	Reuse/recycling of water resources in the internal cycle of the production process

MATERIAL TOPIC	**Prioritized negative impacts**
Occupational health and safety	Occurrence of work-related injuries and illnesses of employees and third parties
Reputation, quality and counterparty satisfaction	Infringement of counterparties' privacy with consequent complaints and dissemination/loss of their sensitive data
Sustainable and transparent procurement	Human rights violations in the value chain (e.g., child labor, forced labor, abuses or violence, etc.) with repercussions on human dignity and on the community's development
Responsible consumption and fight against climate change	Increase in carbon footprint

Personal development and well-being	Employee dissatisfaction and low sense of belonging
Relationships with local community and territory	Greater exposure to complaints from the community for the lack of management of the impacts produced by the Company
Business ethics	Conflicts of interest, incidents of corruption and ESG non-compliance
Waste management	Pollution caused by improper waste disposal
Diversity, inclusion and equal opportunity	Creation of a non-inclusive, discriminatory workplace

Correlation of <IR> framework, material topics and GRI aspects

Capitals	Material topics	GRI Aspects[17]
Financial Capital	Creation and distribution of economic value	GRI 201
Social and Relational Capital	Sustainable and transparent procurement	GRI 204, 301
Social and Relational Capital	Reputation, quality and counterparty satisfaction	NA
Social and Relational Capital	Relationships with local community and territory	GRI 413
Intellectual Capital	Business ethics	GRI 205, 206
Natural Capital	Responsible consumption and fight against climate change	GRI 302, 305
Natural Capital	Waste management	GRI 306
Natural Capital	Water resources management	GRI 303
Human Capital	Diversity, inclusion and equal opportunity	GRI 405, 406
Human Capital	Personal development and well-being	GRI 401, 404
Human Capital	Occupational health and safety	GRI 403

[17] Material topics that are not attributable to a specific aspect of the GRI are shown as "not applicable" (NA)

Boundary and impact of material topics

Material topics	Boundary		GRI Topic Reconciliation
	Where impact occurs	Type of impact	
Business ethics	TCA S.p.A.	Caused by the organization	Anti-corruption
	TCA S.p.A.	Caused by the organization	Socioeconomic compliance
	TCA S.p.A.	Caused by the organization	Environmental compliance
	TCA S.p.A.	Caused by the organization	Anti-competitive practices
Relationships with local community and territory	TCA S.p.A.	Caused by the organization	Local community
Creation and distribution of economic value	TCA S.p.A.	Caused by the organization	Economic performance
Personal development and well-being	TCA S.p.A.	Caused by the organization	Training Employment
Occupational health and safety	TCA S.p.A.	Caused by the organization	Occupational health and safety
Sustainable and transparent procurement	TCA S.p.A.	Caused by the organization and directly associated through a business relationship	Procurement practices
Responsible consumption and fight against climate change	TCA S.p.A.	Caused by the organization and directly associated through a business relationship	Emissions
Water resources management	TCA S.p.A.	Caused by the organization and directly associated through a business relationship	Water
Waste management	TCA S.p.A.	Caused by the organization and directly associated through a business relationship	Waste
Reputation, quality and counterparty satisfaction	TCA S.p.A.	Caused by the organization	N.A.
Diversity, inclusion and equal opportunity	TCA S.p.A.	Caused by the organization	Diversity and equal opportunity Non-discrimination

GRI Content Index

TCA's 2023 Integrated Annual Report has been prepared in accordance with the *GRI Standards: In accordance*. The following list reports TCA's information based on the GRI Standards referring to the materiality analysis conducted. The information includes the page that may be referred to in the document.

Statement of use	TCA S.p.A. has reported the information listed in the following GRI Content Index Table, for the period from January 1, 2023 to December 31, 2023, in accordance with the GRI Standards (In Accordance approach).
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	**Disclosure**	**Location**	**Omission**		
			REQUIREMENT(S) OMITTED	**REASON**	**EXPLANATION**
GRI 2: General disclosures (2021)					
Organization and reporting practices					
2-1	Organizational details	Page 12			
2-2	Entities included in the organization's sustainability reporting	Page 6			
2-3	Reporting period, frequency and contact points	Page 6			
2-4	Restatements of information	Page 46; 60			
2-5	External assurance	The sustainability information contained in TCA's Integrated Report is not subjected to a limited assurance engagement			
Activities and workers					
2-6	Activities, value chain and other business relationships	Pages 20-22; 50-55			
2-7	Employees	Pages 43-49			

2-8	Workers who are not employees	No external workers are reported for 2023			
Governance					
2-9	Governance structure and composition	Pages 12-15			
2-10	Nomination and selection of the highest governance body	Pages 12-13			
2-11	Chair of the highest governance body	Pages 12-13			
2-12	Role of the highest governance body in overseeing the management of impacts	Pages 13-15			
2-13	Delegation of responsibility for managing impacts	Page 13			
2-14	Role of the highest governance body in sustainability reporting	Pages 13-15			
2-15	Conflicts of interest	Page 14			
2-16	Communication of critical concerns	Pages 14-16			
2-17	Collective knowledge of the highest governance body	Pages 13-15			
2-18	Evaluation of the performance of the highest governance body	Page 14			
2-19	Remuneration policies	Page 14			
2-20	Process to determine remuneration	Page 14			
2-21	Annual total compensation ratio	Page 44			
Strategy, politics and practices					
2-22	Statement on sustainable	Pages 4-5			

	development strategy				
2-23	Policy commitments	Pages 13-14			
2-24	Embedding policy commitments	Pages 13-14			
2-25	Processes to remediate negative impacts	Pages 13-14			
2-26	Mechanisms for seeking advice and raising concerns	Page 15			
2-27	Compliance with laws and regulations	During 2023, no cases of non-compliance with laws and regulations were found			
2-28	Membership associations	Page 55			
Stakeholder engagement					
2-29	Approach to stakeholder engagement	Pages 20-22			
2-30	Collective bargaining agreements	Page 44			
MATERIAL TOPICS					
GRI 3: Management of material topics (2021)					
3-1	Process to determine material topics	Pages 20-23			
3-2	List of material topics	Page 23			
3-3	Management of material topics	Pages 20-23			
MATERIAL TOPIC: Creation and distribution of economic value					
GRI 201 Economic performance (2016)					
3-3	Management of material topics	Pages 30-36			
201-1	Direct economic value generated and distributed	Pages 35-36			
MATERIAL TOPIC: Sustainable and transparent procurement					
GRI 204 Procurement practices (2016)					

3-3	Management of material topics	Pages 53-54			
204-1	Proportion of spending on local suppliers	Page 53			
MATERIAL TOPIC: Business ethics					
GRI 205 Anti-corruption (2016)					
3-3	Management of material topics	Pages 46-48			
205-2	Communication and training about anti-corruption policies and procedures	Pages 46-48			
205-3	Confirmed incidents of corruption and actions taken	During 2023, no incidents of corruption were reported			
GRI 206 Anti-competitive behavior (2016)					
3-3	Management of material topics	Pages 12-16			
206-1	Legal actions for anti-competitive behavior, and anti-trust and monopoly practices	During 2023, no legal action was taken for anti-competitive behavior or anti-trust or monopoly practices			
MATERIAL TOPIC: Responsible consumption and fight against climate change					
GRI 301 Materials (2021)					
3-3	Management of material topics	Page 64			
301-1	Materials used by weight and volume	Page 64			
GRI 302 Energy (2016)					
3-3	Management of material topics	Pages 59-60			
302-1	Energy consumption within the organization	Pages 59-60			
GRI 305 Emissions (2016)					
3-3	Management of material topics	Pages 59-60			
305-1	Direct (Scope 1) GHG emissions	Page 60			

305-2	Energy indirect (Scope 2) GHG emissions	Page 60			
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Page 59			
MATERIAL TOPIC: Water resources management					
GRI 303 Water and effluents (2018)					
3-3	Management of material topics	Pages 61-62			
303-1	Interactions with water as a shared resource	Pages 61-62			
303-2	Management of water discharge-related impacts	Pages 61-62			
303-3	Water withdrawal by source	Pages 61-62			
303-4	Water discharge	Pages 62			
MATERIAL TOPIC: Waste management					
GRI 306 Waste (2020)					
3-3	Management of material topics	Pages 62-64			
306-1	Waste generation and significant waste-related impacts	Pages 62-64			
306-2	Management of significant waste-related impacts	Pages 62-64			
306-3	Waste generated	Pages 63-64			
306-4	Waste diverted from disposal	Pages 63-64			
306-5	Waste directed to disposal	Pages 63-64			
MATERIAL TOPIC: Personal development and well-being					
GRI 401 Employment (2016)					
3-3	Management of material topics	Pages 44-46			
401-1	New employee hires and employee turnover	Pages 45-46			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-	Pages 44-45			

	time employees				
GRI 404 Training and Education (2016)					
3-3	Management of material topics	Pages 46-48			
404-1	Average hours of training per year per employee	Pages 47-48			
MATERIAL TOPIC: Diversity, inclusion and equal opportunity					
GRI 405 Diversity and equal opportunity (2016)					
3-3	Management of material topics	Pages 12-15; 43-50			
405-1	Diversity of governance bodies and employees	Pages 12-13; 43-44			
GRI 406 Non-discrimination (2016)					
3-3	Management of material topics	Pages 43-50			
406-1	Incidents of discrimination and corrective actions taken	Page 45			
MATERIAL TOPIC: Occupational health and safety					
GRI 403 Occupational Health and Safety (2018)					
3-3	Management of material topics	Pages 48-49			
403-1	Occupational health and safety management system	Pages 48-49			
403-2	Hazard identification, risk assessment, and incident investigation	Pages 48-49			
403-3	Occupational health services	Pages 48-49			
403-4	Worker participation, consultation, and communication on occupational health and safety	Pages 48-49			
403-5	Worker training on occupational health	Pages 48-49			

	and safety				
403-6	Promotion of worker health	Pages 48-49			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pages 48-49			
403-9	Work-related injuries	Page 49			
MATERIAL TOPIC: Relationships with local community and territory					
GRI 413 Local Communities (2016)					
3-3	Management of material topics	Pages 55-57			
413-1	Operations with local community engagement, impact assessments, and development programs	Pages 55-57			

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AREZZO I VICENZA I VALENZA

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