

2022

Sustainability Report

CALZEDONIA
GROUP

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Letter from the Chairman

The Calzedonia Group has always based its business on certain principles and core values that have guided its path and development over the years: first and foremost, we aim to 'do the things we do well' a simple but valuable concept.

"Doing things well" means taking care to build something lasting and with a long-term focus on a daily basis, respecting the surrounding social and natural environment, ensuring continuity in quality by taking care of customers, striving constantly for improvement.

Our Group has always placed its customers at the very heart of its business, creating a solid relationship of trust: the commitment to guarantee quality products at affordable prices, always bearing in mind that the economic goal cannot disregard ethical and environmental impacts, has allowed this relationship to be consolidated even in today's context, in which these aspects are becoming increasingly important for consumers.

Indeed, our production and commercial choices relate to care and attention for our customers, for the communities in which they live, for the people working in our companies and, last but by no means least, for the environment that surrounds us.

The Group's intention is to invest its energies across the board, paying equal attention to both within and outside the company: we firmly believe that 'doing things well' always pays off in the long run, aware that the initial investment required, if one aims for the long term, is often higher.

For us, doing things well is synonymous with care, respect, innovative spirit and passion.

This approach then translates into the search for constant improvement in our production processes, the design of products with an ever lesser environmental impact, the search for raw materials that can guarantee a controlled origin and, last but not least, the collaboration with suppliers who work according to the same ethical principles as we do.

We strive to create added value in the communities in which we are located, actively engaging to meet the needs of people and companies that, in some way, cross our path.

An example of this is the support we have given to employees and communities affected during 2021 and early 2022 by wars and pandemics in some areas where we operate.

A central role in our reality is played by the people who are part of it. We are aware of how important work is in the lives of our employees and how it is not only a means of livelihood, but also a powerful tool for personal growth and fulfilment; this is why we promote, within our reality, the building of strong and positive human relationships, based on the optimisation of each person's individual skills and diversity.

Our wish is that everyone should feel an active part of the company, aware that they are doing something useful and important on a daily basis.

We also believe that it is essential to invest in the development and growth of our employees. It is on this basis that we choose to hire young men and women who have just completed their training and assist them to quickly take on roles of great responsibility.

Through our C-Evolution project, we have continued to expand business sustainability milestones: we have extended the number of countries where we use renewable energy and built new plants for self-generation of electricity, our brands are increasing the use of low-impact textiles, and we are decreasing the volume of our packaging while maintaining its functionality and using materials that are less harmful to biodiversity.

Amidst this evolving framework, the certainty remains of the centrality of the person, whether employee, customer or part of the neighbouring communities, and this is also why we are making a concrete commitment to make our reality as coherent and proactive as possible in the field of sustainability, knowing that we are operating in a period in which every action and every choice made will have important repercussions on everyone's future.

Finally, we are aware that the value of ideas lies in putting them into practice with a long-term vision and attention to context; that is why our goal is not only to confirm ourselves as a reference point in our sector, but also to strive to do things "ever better" by continuing to create value in and around our reality.

Sandro Veronesi - Presidente of the Calzedonia Group

The Calzedonia Group

It was founded in Verona in 1986. Its founder, Sandro Veronesi, is still the Chairman and major shareholder of the Group today.

For more than thirty years, the Calzedonia Group has experienced both commercial growth and an according increase in turnover, gaining significant international standing in retail fashion. Thanks to the verticalised strategy adopted, the entire product life cycle takes place within the Group; all stages are carefully monitored, from conception to production in proprietary factories and worldwide distribution.

The collections are only available from the direct or franchised¹ flagship stores branded Calzedonia, Intimissimi, Tezenis, Falconeri, Intimissimi Uomo, Atelier Emé across the globe. In 2022, the Group continued its diversification process in the clothing sector by entering the ready-to-wear fashion business through the acquisition of the Antonio Marras brand. However, the Group is not limited to the fashion sector as part of it is also the Signorvino brand, a chain of shops specialising in the sale of Italian wines.

The Group invests a great deal of energy in international growth. Expansion and consolidation of the European market are strategic points, along with commercial development towards the Far East and United States, always with a firm eye on the challenges offered by emerging markets.

As a company attentive to contemporary dynamics, another very present lever in the Group is the strengthening of the omnichannel business model translated into the development of an effective e-commerce channel.

¹ -Franchise stores are included in this chapter to provide a complete overview of the Calzedonia Group. However, for these stores, the following chapters provide no disclosure regarding environmental, social and staff-related topics and respect for human rights insofar as the Group does not control them directly.

Il Gruppo Calzedonia in numeri

3,047
MLN

turnover in 2022

22%
GROWTH

on 2021 turnover

58
COUNTRIES

in which we operate

5,328
STORES

in the world

27
PRODUCTION
PLANTS

in the world

8
LOGISTIC
HUBS

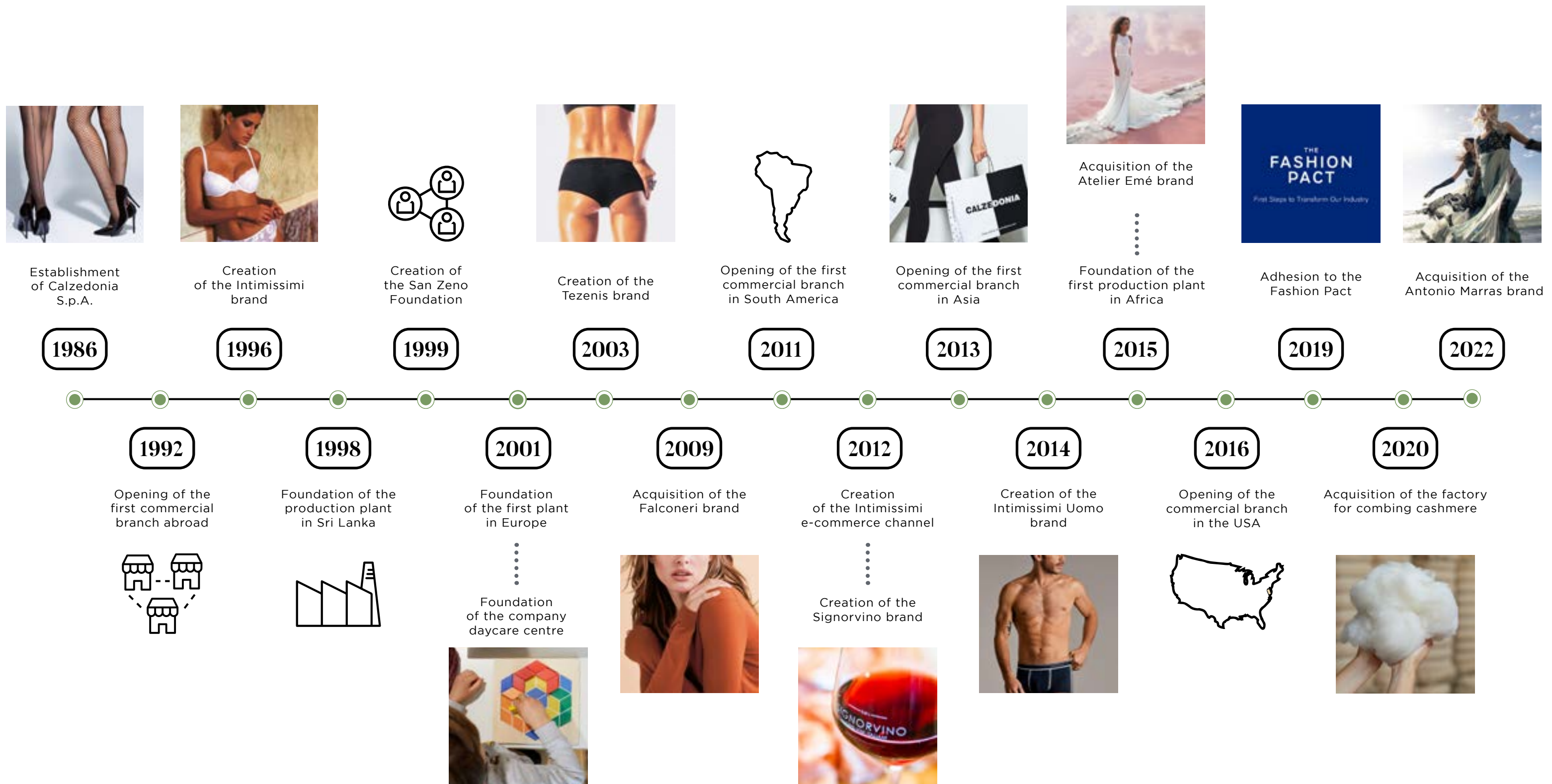
in the world

8
GROUP
BRAND

77%
OF CLOTHING
ITEMS

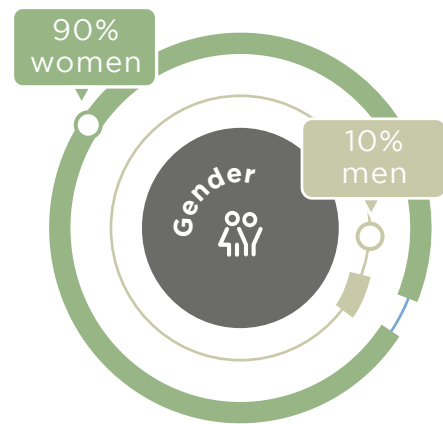
produced internally

Our history

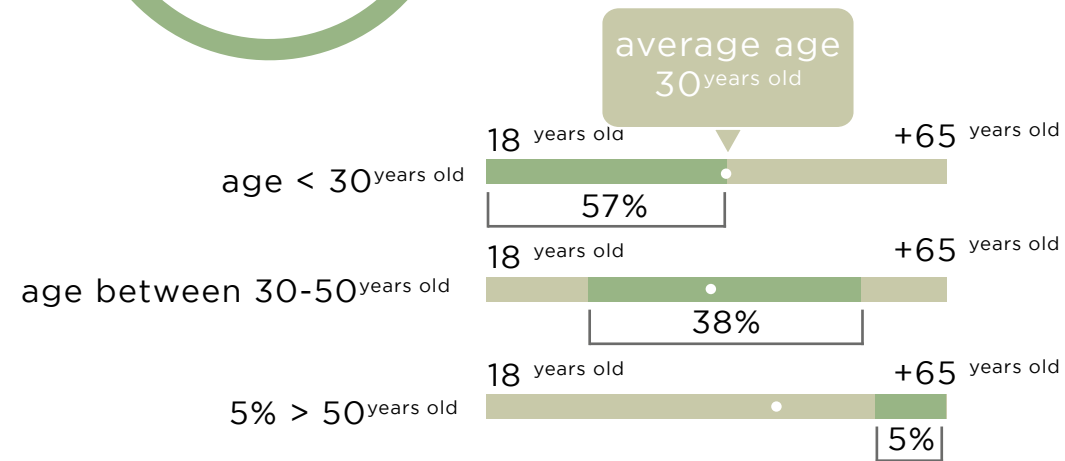


Group profile

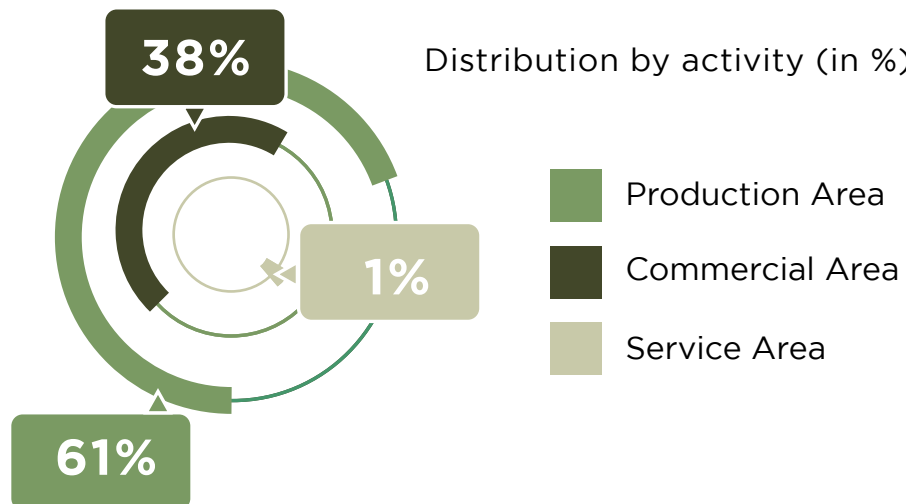
Distribution by gender (in %)



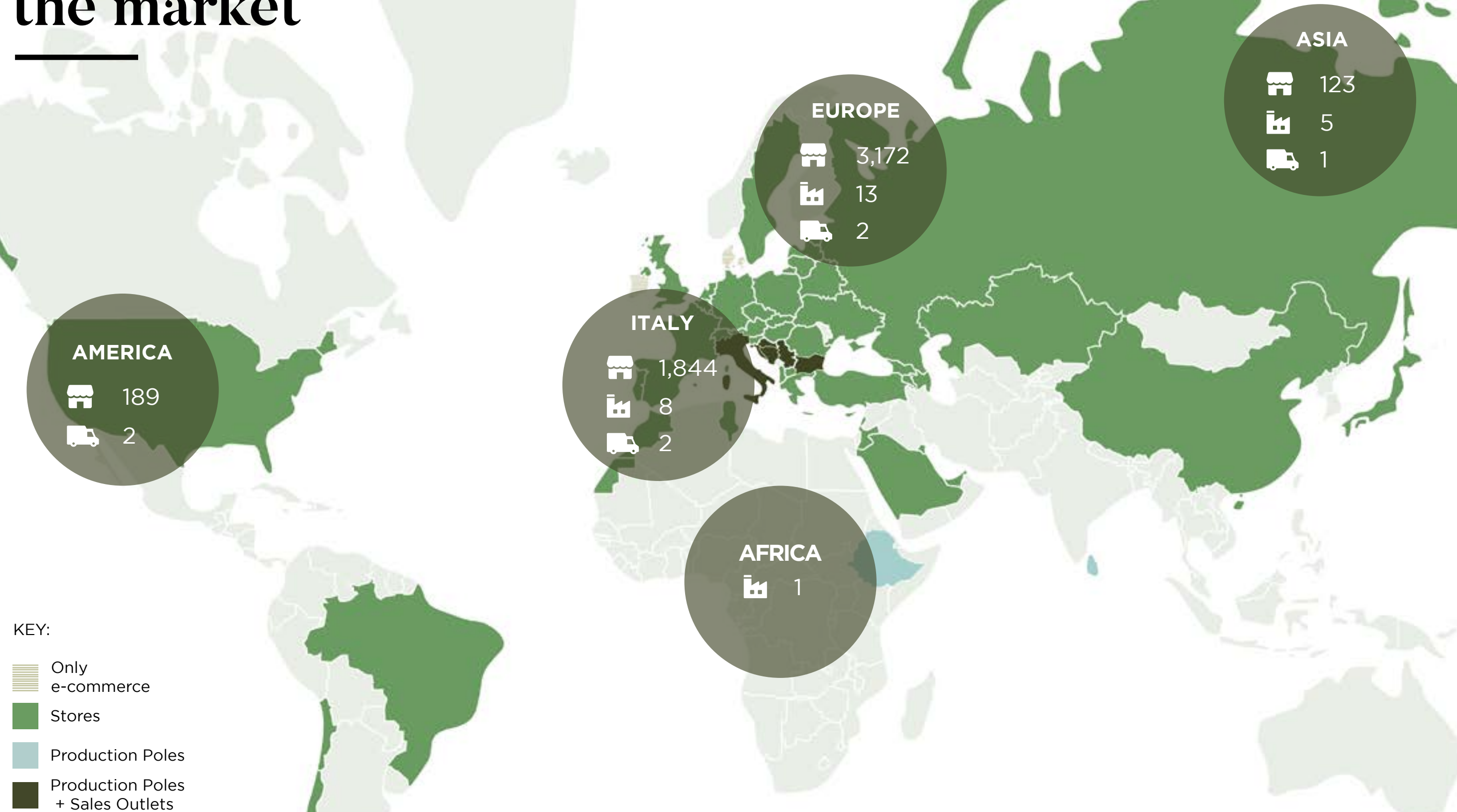
Distribution by age (in %)



Distribution by activity (in %)



Presence on the market



Our brands

From heritage fashion to experimenting in new fields, from Italy to worldwide.

1986

Date of birth

Calzedonia is the long-standing brand that gives the Group its name and represents the very essence of the business heritage. Since 1986, it has successfully expressed the most innovative trends in each and every hosiery and beachwear collection, combining quality of manufacture with style and accessible prices.

CALZEDONIA



53

Countries Worldwide

2,189

Stores

573

Italy Stores

38

Online Shop

64%

Items of clothing produced internally

4,3 mln

Follower on instagram

calzedonia.com

Our brands

From heritage fashion to experimenting in new fields, from Italy to worldwide.

1996

Date of birth

Calzedonia is the long-standing brand that gives the Group its name and represents the very essence of the business heritage. Since 1986, it has successfully expressed the most innovative trends in each and every hosiery and beachwear collection, combining quality of manufacture with style and accessible prices.

intimissimi

Italian lingerie



51

Countries Worldwide

1,654

Stores

484

Italy Stores

37

Online Shop

83%

Items of clothing produced internally

4 mln

Follower on instagram

intimissimi.com

Our brands



From heritage fashion to experimenting in new fields, from Italy to worldwide.

2014

Date of birth

Intimissimi Uomo, a new underwear brand created specifically for our male customers.



17
Countries Worldwide

342
Stores

205
Italy Stores

36
Online Shop

83%
Items of clothing
produced internally

110 k
Follower on instagram

intimissimi.com/uomo

Our brands



From heritage fashion to experimenting in new fields, from Italy to worldwide.

2003

Date of birth

Tezenis is an innovative brand that is constantly evolving. Collections renew every four months in a bid to keep up with changing styles and intercept industry trends.



35

Countries Worldwide

827

Stores

379

Italy Stores

29

Online Shop

66%

Items of clothing produced internally

2,2 mln

Follower on instagram

tezenis.com

Our brands

From heritage fashion to experimenting in new fields, from Italy to worldwide.

2009

Date of acquisition

The combination of valuable natural fibres, of Italian artisan workmanship and innovative production methods are what makes Falconeri unique as a brand specialised in the creation of extremely high quality cashmere knitwear. From the pastures of Mongolia to the stores: Falconeri selects the very best raw materials, taking care of every detail, without intermediaries, in respect for the environment and people.

FALCONERI SUPERIOR CASHMERE



18

Countries Worldwide

175

Stores

91

Italy Stores

22

Online Shop

68%

Items of clothing produced internally

278 k

Follower on instagram

falconeri.com

Our brands

ATELIER EMÉ

Dall'heritage fashion alla sperimentazione nei nuovi settori, dall'Italia al mondo.

2015

Anno di Acquisizione

Atelier Emé creates and manufactures wedding dresses and clothes for ceremonies. An example of tailored excellence in sought-after fabrics, hand embroidery and delicate lace, the brand uses the very best materials to create unique, valuable items for the most important day of all.



atelier-eme.com

1

Countries Worldwide

59

Italy Stores

5

Online Shop

76%

Items of clothing produced internally

521 k

Follower on instagram

Our brands

From heritage fashion to experimenting in new fields, from Italy to worldwide.

2012

Date of birth

Signorvino was created with the aim of optimising the excellence of Italian wines, particularly those perhaps less well-known, through modern marketing and a distribution chain that is as direct as possible between the manufacturer and the consumer. Stores have an internal catering service based on dishes from Italian regional traditions.

SIGNORVINO



2,000
Labels

100%
Made in Italy

28
Stores

1
Online Shop

117 k
Follower on instagram

signorvino.com

Our brands

From heritage fashion to experimenting in new fields, from Italy to worldwide.

2022

Date of birth

Antonio Marras was acquired by the Calzedonia Group in 2022. The brand remains unique, fostering a dialogue between Haute Couture and Ready-to-wear. Since its very beginnings, the brand has always been recognised for its ability to narrate the different realities surrounding it by creating blends of art, music, dance, theatre and cinema. Strongly attached to Sardinia, his homeland, Antonio Marras makes it his unquenchable source of inspiration.

antonio marras



antoniomarras.com

1

Countries Worldwide

2

Italy Stores

100%

Sardinian heritage

23

Anni di creatività

100+

Collections of women, men and accessories

71,5 k

Follower on instagram

Business strategy

Business strategy

For over 25 years, Calzedonia has been a vertically integrated Group.

This strategic organisational choice requires the Group to oversee all the stages of the supply chain (from design and production to sales to the end consumer), allowing us to better control and shorten the distribution chain with a consequent reduction in the final price, but above all to realise our desire to provide our customers with a specialised store with a clear image and well-defined product categories also offering excellent value for money.

The Calzedonia Group relies on production facilities that are at the forefront of technology and knowledge, and this enables it to reduce costs while continuing to offer garments of high quality and uniformity in its stores.

The Group is well aware that the ownership and control of factories simultaneously implies a great opportunity, but also a significant responsibility.

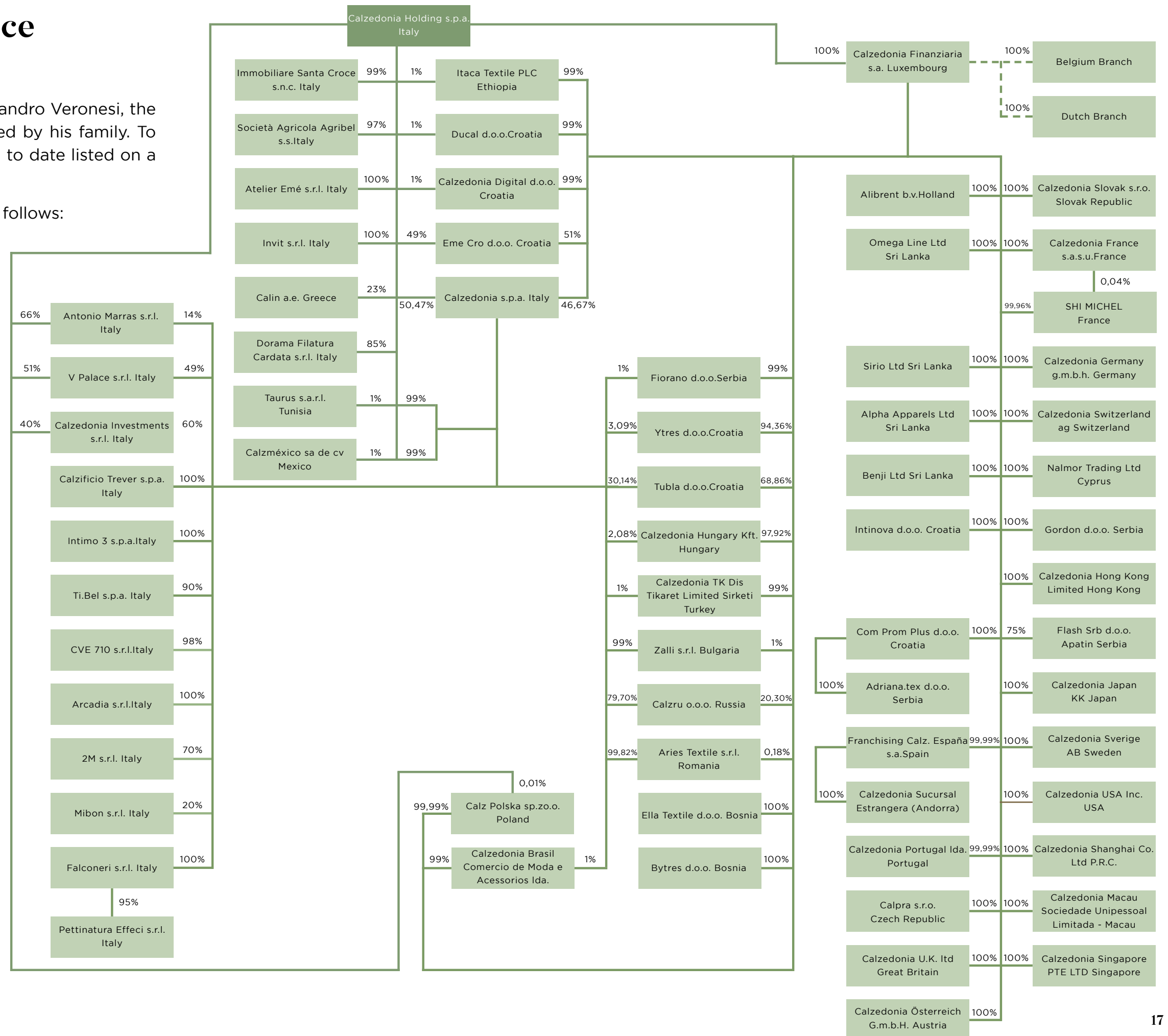
Responsibility because the investments are considerable and permanent, employing a large workforce. Differently to many other groups in the industry, the Calzedonia Group manages the conditions of employment and services supplied to employees and collaborators directly, as well as taking full responsibility for compliance with environmental and work safety standards, the control of energy sources and the use of raw materials.

Opportunity because ownership of the plants makes it possible to coordinate manufacture with other phases of the chain ensuring total devotion to the Group's needs and a more in-depth knowledge of the social fabric in which the companies operate and any possible critical issues.

Corporate governance

The Calzedonia Group is headed by Sandro Veronesi, the Group’s founder and Chairman, flanked by his family. To date, none of the Group companies is to date listed on a regulated market.

The Calzedonia Group is organised as follows:



Calzedonia Holding SpA manages and coordinates the Group companies, to which it also supplies miscellaneous services. Amongst others, it controls Calzedonia Finanziaria s.a., a company incorporated under the laws of Luxembourg, which in turn controls and coordinates most of the equity investments held in non-Italian companies.

The controlling shareholder of Calzedonia Holding SpA is the single-member company De la Costa S.r.l. owned by Sandro Veronesi, the Group's founder and Chairman.

Calzedonia Holding SpA has adopted a traditional governance system comprising the following corporate bodies: the Shareholders' Meeting, the Board of Directors, the Board of Auditors and the Supervisory Body.

The **Shareholders' Meeting** resolves on the matters submitted to it by the law or the Articles of Association.

The **Board of Directors** has full powers for the ordinary and extraordinary management of the company, with the faculty to resolve on all deeds considered appropriate to achieve the corporate object, with the exclusion of those assigned mandatorily to the Shareholders' Meeting, by the Law and Articles of Association. The Board of Directors of Calzedonia Holding SpA currently in office consists of the following directors: Sandro Veronesi - Chairman, Marco Carletto - Chief Executive Officer, Marcello Veronesi - Director, Matteo Veronesi - Director, Federico Veronesi - Director.

The **Board of Auditors** has the legal task of monitoring compliance with the law and articles of association, standards of correct administration and the adequacy of the Company's organisational structure. The Board of Auditors in office numbers three auditors: Marco Bronzato - Chairman, Alessandro Lai and Gianluca Cristofori - Regular Auditors.

The **Supervisory Body** has the task of monitoring application of the control protocols envisaged by the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001. It is appointed by the Board of Directors and has operating autonomy in terms of controls and initiatives. The SB currently numbers two members external to the company and one internal member: Riccardo Borsari - independent director and Chairman, Alessandra Cerreta - independent director and Rita Civarelli, internal director, member of the Group's Legal Office.

The independent auditing firm is appointed by the Shareholders' Meeting. For the three-year period 2021 - 2023, the appointment has been conferred upon EY SpA.

Internal Control and Risk Management System

The Calzedonia Group risk management model considers the main risks that may lead to failure to achieve the strategic objectives and prejudice the value of the corporate brands.

The directors periodically assess the adequacy of the structure and monitor the risks according to the analyses ensuing from information flows relative to the inside and outside environment. The creation of an adequate Internal Control and Risk Management System allows for the identification, measurement, management and monitoring of the main risks with appropriate instruments, as well as the management of business in line with the corporate objectives, the safeguarding of corporate assets, the efficiency and effectiveness of the business processes, the reliability and timeliness of the financial disclosure and compliance with laws and regulations and with the Articles of Association and the internal procedures.

In order to ensure the monitoring of conduct within the company, extensive periodic reports are prepared on the risks (operational, injury, environmental, insurance, privacy and IT) to monitor the general corporate performance, the

identification of areas for improvement and the correlated interventions, with the involvement of the controlling players, namely the Board of Auditors, the Independent Auditors, the members of the Board of Directors with delegation and specific competences and the Supervisory Body pursuant to Italian Legislative Decree no. 231/2001 for companies with Organisational Models.

Under the scope of the adjustments required to comply with specific regulations (e.g. Italian Legislative Decree 231/01), the Calzedonia Group has identified specific risks and the related control measures, including where non-financial in nature (environmental, social, staff-related, respect for human rights and diversity, concerning the fight against corruption, etc.). These includes: risks relating to active and passive corruption, environmental risks, health and safety risks, etc. For some risks considered to be significant, such as, for example, those relating to worker health and safety, customer health and safety and product safety, reference is made to the subsequent chapters of this document for more details. For information on the additional financial and other risks to which the Group is exposed, reference is made to the 2022 Consolidated Financial Statements and the Report on Operations.

Economic performance: creation of value for stakeholders

The economic value generated and distributed represents the capacity of the organisation to create wealth and divide it up amongst its stakeholders. In 2022, the Calzedonia Group generated economic value of 3,077,774 thousand euros. The economic value distributed by the Group came to 2,468,425 thousand euros. More than 80% of the economic value produced by the Group was distributed to internal and external stakeholders.

For more information about the Group's economic performance and its statement of financial position, please refer to the 2022 Consolidated Financial Statements and Report on Operations.

Economic value generated by the Group ()	3.077,774,462
Revenue	3,047,116,945
Other income	46,098,239
Net financial income	23,098,723
Financial asset write-backs	(13,111,702)
Impairment of receivables	(3,083,370)
Exchange differences	(10,241,171)
Income/expenses from the sale of tangible and intangible assets	1,019,762
Value adjustments of tangible and intangible assets	(13,122,964)
Economic value distributed by the Group	(2468,424,521)
Operating costs	(1,668,859,228)
Remuneration of employees and collaborators	(616,728,824)
Remuneration of lenders	(31,774,614)
Remuneration of investors	-
Remuneration of the public administration	(149,452,171)
External donations	(1,609,684)
Economic value withheld by the Group	609,349,941
Amortisation/Depreciation	(417,595,577)
Prepaid and deferred tax	6,548,736
Allocations	(173,000)
Other reserves	(198,130,100)

C-Evolution Project

Why Evolution

The commitment made by the Calzedonia Group to sustainability topics is the result of a path that has been pursued since the company was first established.

Attention to all people (employees, customers and suppliers) and the environment is an inescapable part of the Group's DNA. In the long-term, the interests coincide. This is the principle that guides the Group's activities, always focussed on the medium/long-term. The Group relies on a sound and efficient global environmental management standard and is committed to complying with the environmental laws and regulations that apply to its activities, in addition to any future obligations. It also makes a special effort to prevent pollution and to reduce, as far as possible, the potential environmental impact generated by its supply chain, both in terms of natural and human resources. Similarly, the Group is committed to protecting the environment, implementing measures aimed at continuous improvement in terms of reducing direct and indirect greenhouse gas emissions and resource consumption, minimising the use of components that are potentially harmful both to the environment and to people, and in general, as part of the Group's entire environmental management system. In this regard, the Calzedonia Group recognises the importance of the First Universal Legally Binding Agreement on the World Climate, ratified by 195 countries in December 2015 at the Paris Climate Change Conference (COP21).

The construction of companies hinged on personal well-being, the services supplied to collaborators for a better quality of life, the installation of modern, environmentally-friendly structures, the installation of energy saving plants, the financing of the San Zeno Foundation (which has financed more than 1400 study, training and work projects worldwide since 1999), attention to the local communities, the creation of the first nursery schools in

SDG - the Calzedonia Group's contribution



On 25 October 2019, the Calzedonia Group joined the Fashion Pact, a coalition of 75 major fashion companies, with the aim of guiding the sector towards a reduction of the environmental impact, the restoration of biodiversity and the protection of the oceans.

2001 and the recycling campaigns launched in the sales outlets starting 2009, to mention just a few, all bear out the Group's commitment.

Today, in the context of the Evolution project, which translates into continuous improvement, evolution and growth in respect of the founding values and ethics of the Group, this route finds new energy and confirmed awareness.

The cornerstone of the project is the desire to give an organic approach, continuity and visibility to the choices the Group has decided to make since its inception.

Evolution represents a development in the pragmatic definition of sustainable objectives, such as attention to people's growth, support of the communities with which we work, rationalisation of the consumption of energy and materials, the design of products with a lesser environmental impact and technological innovation, all framed by the strategic and operative structuring of the route which will lead to their achievement.

Calzedonia Group values

Open mind

Intended as the capacity to interpret future challenges, including and considering how the evolution of the work of their department will impact corporate dynamics.

Passion

Expressed in the enthusiasm, participation and involvement towards the activities required of their role.

Pragmatism

This is considered as the pragmatic attitude adopted in the approach to everyday work and the solving of practical

and strategic problems.

Team work

Intended as the capacity to interact actively and positively with colleagues, in order to improve the Group's results.

Goal orientation

Attention to achieving individual, team and corporate objectives with the awareness that they must involve the optimisation and realisation of each and every person's full potential.

The Values of the Calzedonia Group represent not only its essence but also the identity shared by the people who work in it and the modus operandi that it seeks to promote and transmit to all its employees and collaborators.

Ethics and integrity in business management

The values promoted by the Calzedonia Group are set out in the Code of Ethics and guarantee that all corporate business is conducted in compliance with laws, integrity, honesty and correctness of business management; indeed, these are essential conditions for the creation of long-term value and to pursue sustainable success.

The Code of Ethics, updated in the course of 2022 and duly approved by the Holding Company's Board of Directors, represents the main ethical compass on how to do business for all Group companies and constitutes the assumption of guarantees and responsibilities in regard to consumers and the market, along with the rules of conduct that are binding on all Company bodies, on all employees/ collaborators, suppliers and business partners and, more generally, all Group stakeholders.

The Group's Code of Ethics is inspired by national and

international best practices, rules, regulations and guidelines governing corporate social responsibility, corporate governance, human rights and the environment, such as the United Nations Universal Declaration of Human Rights, the European Union Charter of Fundamental Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, the Ten Principles of the United Nations Global Compact and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. Last but not least, through the Code of Ethics, the Calzedonia Group underlines its responsibility towards sustainability and the protection of Human Rights, actively committing to contribute to the 17 United Nations Sustainable Development Goals, as part of the 2030 Agenda for Sustainable Development.

The Code of Ethics is the subject, through various communication strategies, of appropriate dissemination, training and awareness-raising procedures within the entire organisation.

The Code of Ethics is flanked by the Supplier Code of Conduct, in which the Group sets out the principles and provisions required of its suppliers in order to guarantee fair, equitable and favourable working conditions for all their employees. Both of these documents must be viewed and accepted in order to obtain authorisation in the supplier portal used by the parent company.

Their existence and contents are referred to in the supply contracts concluded. To make them available to employees in their own language, they have been published on the Calzedonia Group website (www.calzedoniagroup.com/organizzazione/corporate-governance).

The Code of Ethics and the Model pursuant to Italian Legislative Decree no. 231/01 (hereinafter the "Model pursuant to Italian Legislative Decree no. 231/01") are the main tools through which the Group prevents and fights

corruption. The Code of Ethics in fact envisages that, in order to ensure compliance with principles of integrity, transparency and observance of fair competition in business management, the Group undertakes to fight direct and indirect corruption, including extortion and concussion and corruption in regard to the public administration, as well as between private individuals, in compliance with Principle 10 of UN Global Compact, in all countries in which it operates.

The Code, in fact, constitutes an integral part of the Model pursuant to Italian Legislative Decree no. 231/01 adopted by the Parent Company and the Group's main Italian companies in order to:

- make all stakeholders aware of the principles inspiring the Group;
- assure transparency and correctness in the management of its business;
- provide a guide to conduct for the Group's employees and collaborators;
- prevent the risk of the perpetration of the offences considered under Italian Legislative Decree no. 231/2001 as subsequently supplemented.

The Model pursuant to Italian Legislative Decree no. 231/01 and the Code of Ethics are revised and updated periodically, where specific circumstances so require, involving the organisation or new legislation.

Control of the observance and function of the Model pursuant to Italian Legislative Decree no. 231/01 and the Code of Ethics is assured by the Supervisory Body, which verifies its effectiveness and efficiency.

In the Calzedonia Group, the Supervisory Body has three members: two independent professionals who are experts in criminal law and corporate risk and an internal member from the Legal Area. The members of the Supervisory Body meet the necessary requirements of integrity, professionalism, autonomy and independence and

perform the duties assigned, guaranteeing the necessary continuity of action.

In this context, the Group promotes the prevention and verification of all unlawful conduct or conduct that is in conflict with the Code of Ethics and encourages its employees and third parties to promptly report any episodes of which they may become aware as a result of their relations with the Group. To this end, a whistleblowing system has been established, with the aim of managing and ascertaining any reports of irregularities or breaches of current legislation, regulations and internal procedures and taking all appropriate steps, always guaranteeing the confidentiality and anonymity of the whistleblower.

Dedicated training was provided prior to 2019 and is addressed to the staff of all Italian companies with a Model pursuant to Legislative Decree no. 231/01 that have procedures in place relating to the prevention of offences against the Public Administration. This training

is periodically repeated to cover staff turnover, as well as updated with regulatory changes that may have taken place in the meantime.

With regard to laws and/or regulations in social and economic matters, fines in the amount of 325 thousand euros were received, of which approximately 10,000 resulted from the handling of improper advertising practices in shops of various foreign subsidiaries, 230,000 due to errors in the tax accounting of the Austrian and Chinese sales subsidiaries, and 97,000 as a result of problems in customs declarations in Russia.

The ethical values required of management are in line with the principles of sustainability, but to date, no managers or executives receive rewards for achieving environmental or social sustainability goals (0%).



The Calzedonia and human right

Based on a review of its business model and the expectations of its Stakeholders, the Calzedonia Group has identified the Human Rights (working and otherwise) that are directly linked to its value chain, reaffirming its commitment to the respect and promotion of all internationally recognised Human Rights:

- Minority and community rights
- Right to privacy
- Right to health
- Right to freedom of opinion, information and expression
- Right to individual safety
- Contribution to the fight against corruption
- Right to the environment and water

Calzedonia Group material topics

Since 2017, thanks to the materiality analysis, the Calzedonia Group has been committed to integrating the relevant economic, social and environmental aspects into its report that (could) significantly influence stakeholder decisions. This activity makes it possible to identify the key aspects on which to focus sustainability efforts, constantly comparing performance with the best practices of major companies in the industry, both nationally and internationally. The definition of the list of material topics also allows the contents of this Report to be defined in line

with the GRI Reporting Standards (the “GRI Standards”), drawn up by the Global Reporting Initiative (GRI).

The entry into force of the new GRI 2021 Universal Standards entailed revising the process of determining material topics, focusing the analysis carried out on the positive and negative, actual and potential impacts of the Calzedonia Group’s activities.

In this regard, in the course of 2022, in view of the regulatory developments of GRI Standard 3 “Material topics 2021”, the Sustainability Department led the activities to update the materiality analysis by involving through discussions and specific surveys management representatives.

The process that led to the formalisation of the Calzedonia Group’s list of material topics consisted of the following steps:

Context analysis and identification of impacts related to the Group’s activities

During the set-up phase of the activities, discussions were held between the Sustainability Department and a number of key management representatives to identify the figures to be involved and the most appropriate methods of engagement. With respect to the research and identification of relevant topics (i.e. those of potential interest to the Group and its stakeholders), the Group’s value documents, such as the Code of Ethics, were consulted and a benchmark analysis carried out. The Group’s business relations and the industry-specific sustainability context were also assessed.

This activity made it possible to identify the possible impacts: positive or negative, actual or potential and direct or indirect, related to the Group’s activities.

Impact assessment

The impacts identified were assessed by Group representatives from the various departments (the

“internal stakeholders”) through the administration of a dedicated questionnaire.

The ratings expressed, on a scale of 1 to 4, focused on the relevance and likelihood of occurrence of the main impacts (actual and potential) resulting from the Group’s activities. The data obtained was subsequently consolidated and analysed.

Definition of the List of Material Topics

Considering the considerations expressed by the stakeholders involved, it was possible to define the list of the Group’s material topics, which were instrumental in drafting this 2022 Sustainability Report.

The list of material topics

The topics found to be material testify to the Group’s renewed focus not only on areas that traditionally characterise it such as its ties with the territory and its attention to its products and customers but also on topics that are becoming increasingly important in the current context of sustainability (such as those concerning environmental performance, business continuity and human rights).

Given the changes that have affected and indeed continue to affect the reference sustainability and regulatory context, in order to strengthen its awareness of sustainability reporting, the Calzedonia Group is working on a gradual approach to the provisions of the Corporate Sustainability Reporting Directive (CSRD) and the relative standards drawn up by the European Financial Reporting Advisory Group (EFRAG), as well as the gradual engagement of additional categories of stakeholders.

TOPIC	REPORTING AREA
Use of the planet's resources and climate change	Environment
Contribution towards the social well-being of the reference territory	Community
Cybersecurity and data protection	Governance and Customers
Use of water resources	Environment and Supply Chain
Customer satisfaction, nearness to the customer, an omnichannel approach and digitisation	Customers
Human rights, diversity and inclusion	People
Packaging and waste	Environment
Talent attraction	People
Staff training and development	People
Brand Reputation	Reputation
Corporate welfare and incentive systems	People
Responsible supply chain management	Supply Chain
Biodiversity	Environment
Product sustainability	Product
Traceability of the chain and labelling	Supply Chain e Product
Product quality and safety	Product
Ethics and integrity in business management	Governance
Worker health and safety	People

2022 sustainability initiatives

The Calzedonia Group is very much aware that, even in the light of the evolutions that characterise the reference context, the consideration and promotion of sustainability aspects in its activities is an essential element to guarantee sustainable and lasting success, capable of creating shared value. This is why there is an increasing focus on ensuring that corporate decision-making processes reflect and include ESG aspects, making them a fundamental part of corporate strategy.

In 2022, the Group invested a total of 2,355,500 in research projects, collaborations and operating activities linked to sustainability topics. The main expenditures concerned investments in renewable energy plants and textile recycling plants, and collaborations aimed at involving customers and employees in the sustainability programmes developed by the individual brands.

Also during the reporting year, the Group initiated a project to disseminate ESG best practices along the supply chain.

Our milestones

ENVIRONMENT AND ENERGY

76% of the electricity we use comes from renewable sources.

51,656 tonnes of CO_{2e} saved thanks to interventions to increase energy efficiency and the use of renewable energy.

PEOPLE AND THE ENVIRONMENT

Approximately **2,000 trees** planted by employees in team building projects in the areas around our sites.

More than **100 days spent** cleaning beaches with employees and volunteers.

OUR STORES

Almost 2,000 Calzedonia and Intimissimi stores in 8 countries collected and donated used garments for the production of recycled yarns.

Through the sale of **61 MLN** shoppers in stores from all over the world we have supported projects by planting in Uruguay and India and the construction of renewable energy plants in Sri Lanka.

TRACEABILITY AND TRANSPARENCY

15 of our factories can be visited in **5 different countries** through the product sheets of our e-commerce sites. Customers can find out where their items were manufactured, who worked on them, the benefits and the commitment to the environment.

TRANSPORT AND PEOPLE

Creation of a new ESG performance evaluation program for group suppliers.

20 suppliers involved and 14 scheduled audits.

PRODUCTS

28% of our collections' products and 28% of the fabrics contain reduced environmental impact materials.

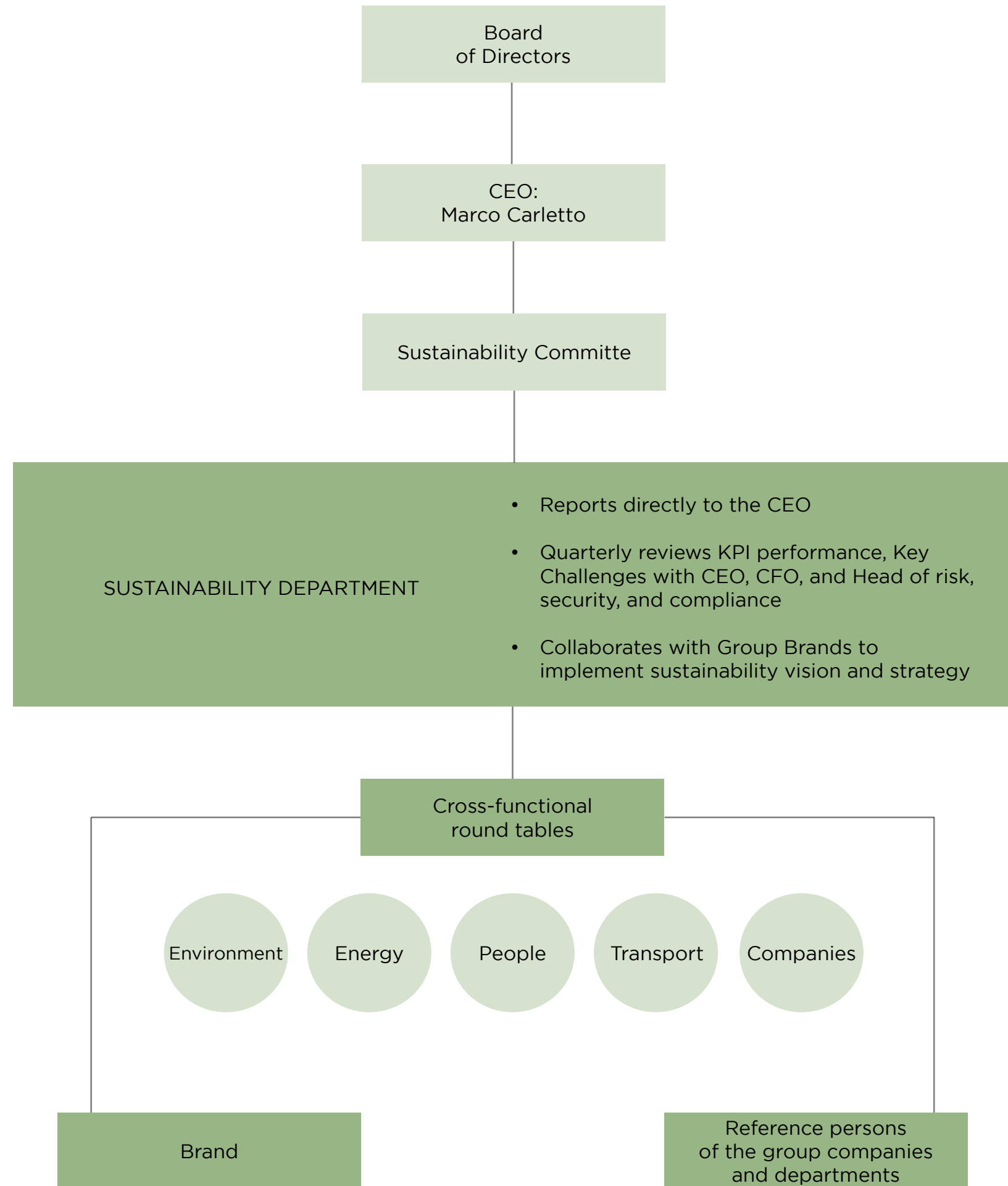
We have exceeded the Fashion Pact goal (25%) **3 years in advanced**. In fact, the amount of products with these features has doubled since last year!

The Sustainability Department

The Sustainability Department reports directly to the CEO, who supervises and assesses projects in respect of human rights, social and environmental interventions. In general, the department is responsible for promoting the commitment to the Sustainable Development Goals and relations with stakeholders in the sustainability area.

In 2022, the Sustainability Committee was formed, consisting of the CEO, the Head of Sustainability at Calzedonia and Prof. Federico Testa, a professor at the University of Verona and an expert in energy topics. The purpose of the committee is to bring the Group's sustainability practices into line with international best practices, to open an outward confrontation that can improve innovation and stimulate the Group's evolution.

In 2022, regular discussions took place between the Sustainability Department, the CEO and the management team. On these occasions, the main sustainability topics for the Group, such as environment, energy, people, transport and society were discussed. These opportunities for dialogue involved the department and production plant managers, with a view to guiding and aligning efforts in respect of the matters considered most urgent and important.



The Fashion Pact

The Fashion Pact is a coalition that was created back in 2019 with the aim of bringing together some of the most important fashion and textile companies, sharing the aim of reducing the industry's negative impact on the environment. The Fashion Pact has identified three macro areas of reference on which it focusses its efforts: stopping global warming, restoring biodiversity and protecting the oceans. Quantifiable and ambitious targets have been set for each of these.

Today, the Fashion Pact brings together more than 200 brands representing one third of the volumes of the entire fashion industry thus accelerating the efforts of individual companies through the sharing of best practices.

CLIMATE

The Fashion Pact objectives

- To implement Science Based Targets (SBTs) and achieve net-zero carbon footprint by 2050
- By 2025, 25% of key raw materials must have a reduced environmental impact
- By 2030, 100% of directly consumed energy must come from renewable sources

The Fashion Pact actions

1. CVPPAs (Collective Virtual Power Purchasing Agreements): joint investment for the production of new renewable electricity to be placed on the European market.
2. Unlock: collective procurement platform to train farmers and help in the transition to climate-friendly cotton.

The Calzedonia milestones

The Group avoided approximately 48,000 tCO₂e, 1,256 tCO₂e through electricity generation by its own photovoltaic plants and 2,867 tCO₂e through ongoing efficiency programmes. Overall, it consumed 76% electricity from renewable sources in 2022. The goal is to reach 100% by 2025.

Clothing collections increasingly use low environmental impact fabrics. In 2022, environmentally friendly raw materials account for 28% of the total, an increase of 11% over 2021 and exceeding the target set by the Fashion Pact by three years.

dell'11% rispetto al 2021 e superando con 3 anni di anticipo l'obiettivo fissato dal Fashion Pact.

BIODIVERSITY

The Fashion Pact objectives

- To develop and implement strategies and Science Based Targets for Nature (SBTN)
- To develop biodiversity strategies by 2020
- To support "zero deforestation" targets and sustainable forest management practices by 2025.

The Fashion Pact actions

For a globalised, heterogeneous segment as is the fashion and textile industry, understanding impact on biodiversity calls for highly specific and very technical competences. This is why the coalition has supported the adhering companies by organising theoretical webinars to increase understanding of the topic. In addition to this, the Fashion Pact has outlined tools to map the supply chain to support the creation of an intervention strategy to eliminate (or limit) actions that are harmful to biodiversity or at least to help its restoration. In 2022, pathways to support the biodiversity of leather, gold and cashmere supply chains were activated.

The Calzedonia milestones

The Group is acting in two different ways regarding biodiversity. On the one hand, we have collaborated with various associations in reforestation projects, planting more than 900,000 trees in various countries around the world and about 20,000 on Group-owned land. This has benefited biodiversity, the support of local communities and the absorption of CO₂ into the atmosphere. The second direction taken was that of using paper and cardboard obtained from controlled chains, so as to discourage deforestation. In 2022, 80% of these materials, used in packing and packaging, came from certified supply chains, and 74% of packaging from renewable sources.

OCEANS

The Fashion Pact objectives

- To reduce the negative impact of the fashion industry on the oceans
- By 2025, to eliminate unnecessary plastic in end-customer packaging (by 2030 for B2B packaging)
- By 2025, to ensure that at least half of the plastic used in B2C packaging is of 100% recycled origin (by 2030 for B2B packaging)

The Fashion Pact actions

The Fashion Pact supports the companies by creating points of contact with the very best innovators on the market in a bid to reduce the environmental impact of packaging dispersed in nature and, consequently, also in the oceans. The strategy seeks to replace virgin plastic packaging with paper packaging or with new technology plastic with a guaranteed end-of-life, or alternatively creating closed loops in which to recycle the packaging.

The Calzedonia milestones

In 2022, the Calzedonia Group reduced the use of disposable plastic in its industrial processes, in the packaging of the finished product and in the materials featured in sales outlets for an estimated quantity of 422,000 kg plastic.

Analyses are also in progress of the limitation to the dispersion of microfibres when dyeing synthetic fabrics and using and washing items of clothing.

Relations with stakeholders

The Calzedonia Group has always been attentive to understanding the expectations of internal and external stakeholders alike in order to anticipate their interests and requests, as it is firmly convinced that an attitude of collaboration and respect towards all stakeholders is the basis for long-term economic and sustainable success, as expressed in the Code of Ethics.

The opportunities for interaction with the various stakeholders serve both the dissemination of the principles of the Code of Ethics and mutual growth.

The Calzedonia Group adheres to and takes part in multiple tables and organisations on both a national and international level. Below are the main entities/associations in which the Group takes part:

- The Fashion Pact
- ILO
- Industrial Associations (Confindustria)
- Sistema Moda Italia
- Sustainable Fiber Alliance (SFA)
- Cashmere & Camel Hair Manufacturers Institute (CCMI)
- Sri Lanka Apparel
- Cluster Made in Italy (association promoting research into Design and Circularity)

The table below shows the stakeholders held to be most significant to the definition of the Group's strategy and the related method defined, by which each is involved.



The table below illustrates the stakeholders considered most significant in defining the Group’s strategy and the related methods of involvement defined for each of them.

Tool and methods of interaction with the main stakeholders					
STAKEHOLDER	EXEMPLES OF STAKEHOLDER	MEANS OF COMMUNICATION	FREQUENCY	OBJECTIVES	COMMITMENT
OUR PEOPLE	<ul style="list-style-type: none"> • Store Staff • Factory Staff • Office Staff 	<ul style="list-style-type: none"> • Training • Internal communication • Meetings 	<ul style="list-style-type: none"> • Constant • Constant • Constant 	<ul style="list-style-type: none"> • Motivation • Sharing of principles and strategies • Training 	<ul style="list-style-type: none"> • Respect for rights and equal opportunities • Adequate remuneration • Services to improve life
OUR COSTUMERS	<ul style="list-style-type: none"> • Store customers • Online customers • Potential customers 	<ul style="list-style-type: none"> • Customer service • Physical and on-line stores • Social networks 	<ul style="list-style-type: none"> • Constant • Constant • Constant 	<ul style="list-style-type: none"> • Loyalty satisfaction • Understanding requests and assistance • Rapid response to market demands 	<ul style="list-style-type: none"> • Customer satisfaction • Switch to a fully integrated omnichannel system
SUPPLIERS	<ul style="list-style-type: none"> • Companies in contact with the Group supply chain • Supplier employees • Third party manufacturers 	<ul style="list-style-type: none"> • Meetings • Visits to suppliers • Accreditation 	<ul style="list-style-type: none"> • Constant • Occasional • On request 	<ul style="list-style-type: none"> • Supplies of adequate products at fair prices • Sharing of the Code of Ethics 	<ul style="list-style-type: none"> • Promotion of advanced quality and environmental standard • Respect for human rights and international standards in terms of quality of work
COMMUNITY	<ul style="list-style-type: none"> • Non-profit entities or foundations • Public administrations • Universities • Civil society 	<ul style="list-style-type: none"> • Meetings with the heads of local communities • San Zeno Foundation • Meetings for sponsorships or contributions 	<ul style="list-style-type: none"> • Constant • Constant • On request 	<ul style="list-style-type: none"> • Optimise the capacity to intervene 	<ul style="list-style-type: none"> • Contribute towards promoting social and economic development • Support activities for the young
ENVIRONMENT	<ul style="list-style-type: none"> • Ecosystems of the areas in which we operate • Government • Environmental protection organisations 	<ul style="list-style-type: none"> • Technical engineering offices • Board of Directors 	<ul style="list-style-type: none"> • Constant • Periodic 	<ul style="list-style-type: none"> • Constantly improve environmental practices • Identify adequate KPIs 	<ul style="list-style-type: none"> • Quality in respect for the environment • Reduction of the impact of our business • Recycling • Waste reduction

Our attention to the clients

SDG - The Calzedonia Group contribution



Our sustainability process can only be effective if it is implemented by the company as a whole. This is why the Calzedonia Group has for years taken a forefront role in the organisation and implementation of initiatives in its stores, like the recycling campaigns, that encourage consumers to adopt sustainable, ethical behaviour.

Nearness to the customer, an omnichannel approach and digitisation

Nearness to the customer

Nearness to the customer has always been a close focus of the Calzedonia Group. It was initially delegated to physical stores, both through a capillary presence on the territory and thanks to the capacity to supply products of excellent value for money and which are therefore accessible to an extremely large section of the public.

Today, this same accessibility is being transformed, re-thought thanks to 24-hour, 365 days a year digital windows, with the aim of proposing and conveying the value of the products and business culture, not only in the more than 5,000 physical sales outlets but also on all the virtual ones, conveying emotions in a mediated web-based experience.

In order to enjoy direct relations with customers, the Calzedonia Group has adopted an integrated development strategy of the physical and digital channels.

An omnichannel approach

The Group's brands are geared towards offering a pleasant, easy and comfortable shopping experience, and this is also made possible by integrating physical and on-line sales channels, so that there is no competition between them, but rather they complement each other, with the aim of improving the overall customer shopping experience¹. The combination of these channels allows for not only a better use of resources by the customer and the Group, but also the reduction of environmental impact due to transport

² - It is important to stress that in sales where e-commerce interacts with physical stores, the franchisee is also involved in the profit.

and waste production.

Currently, e-commerce services are available in 39 countries for the Calzedonia brand, 37 for Intimissimi, 29 for Tezenis, 22 for Falconeri, 1 for Signorvino and 5 for Atelier Emé.

The Calzedonia Group's websites are reached by a total of over 1 million visitors per day, confirming the desire to stay in touch with the looks offered and renewed weekly. The Calzedonia Group has always viewed e-commerce as a way to improve the shopping experience with an all-encompassing approach that allows customers to look at and evaluate products regardless of how they intend to buy.

One clear example of this approach is the "Product locator" function, which makes it possible for the customer to find the nearest physical store with the desired product available for purchase.

Other examples are the "Pay on-line and Pick up in-store" service, available in 26 countries, which allows customers to choose one of the physical shops as a pick-up point, the "Order on-line in the store" option, now available in 11 countries, with which the Group has accelerated its digital services, and the "Simplified Return", operative in more than 3,600 shops, which allows customers to return their orders, regardless of the channel used to make the first purchase, with a completely paper-free service. In order to dispatch these orders, the same logistics corridors are used as for retail and this successfully reduces the environmental impact of goods transport. The Group promotes this type of delivery, offering it to its customers free of charge. The same logistics corridor can also be used in a reverse logistics system, through which the customers can return on-line orders to physical stores, without having to send them back to the central warehouse. Additionally, in respect of the omnichannel approach, simplified returns were also made available in 2022 in Switzerland, the Czech Republic and the USA for Intimissimi and Calzedonia, and in the USA and the Czech Republic for Falconeri, aligning

the level of service between on-line and off-line channels also in terms of after-sales (thanks to a 30-day right of withdrawal and cash refund).

In 2022, the new "Infinite shelving" service was also launched, that makes it possible to use stocks already present in physical stores to dispatch on-line orders, thereby minimising stock and increasing order dispatch

DELIVERY METHOD WITH A LESSER ENVIRONMENT IMPACT

In order to reduce CO₂e emissions, the Group analysed the most virtuous delivery method to understand the impact of pick-up and drop-off. The brands involved were Calzedonia, Intimissimi, Falconeri and Tezenis, in Italy and Germany. The aim is to suggest to the customer which service is best according to the distance from the nearest sales outlet. The analysis performed has revealed that in-store collection is the solution with the least environmental impact if the customer is within a 15-minute walk of the sales outlet or if the trip to the store is not the only purpose of travel.

speed.

The CRM team also aimed to spread the customer-centric view among all people in the organisation, using customer feedback to improve specific business areas such as product and visuals.

Digitalization

The presence of an advanced technological structure is, as the Group's sees it, the real basis for proper information

CALZEDONIA AND THE "CLEAN BEACHES" MISSION

After the success of the first edition, Calzedonia and WWF Italy have renewed their collaboration in 2022 as part of the #together4thecoasts (#missionespiaggepulite) project with the aim of reducing the dispersion of plastic in nature.

The second edition saw important growth, both in the number of people and the European countries involved (in fact, the project reached hundreds of Calzedonia employees and customers and volunteers, both in Italy and in several other European countries), and with respect to the type of activities proposed, aimed not only at collecting plastic, but also at raising awareness and training on the topic. Through the "Citizen Science" initiative, important WWF data collection was supported to monitor microplastic pollution of Italian beaches.

This year, the project became yet more ambitious and extensive, leading to significant innovations; no longer limited to the collection of plastic, it has shifted into the direct production of the garments: the Indonesia bikini, one of the best-sellers in the beach collection, was made from fabric containing recycled yarn, which came from plastic bottles.

To complement the Calzedonia project, a major study on microplastics was launched in collaboration with the Marche Polytechnic University with the aim of analysing three different topics:

- 1) to assess the release of microplastics during the delicate phase of fabric dyeing (analysing the data of a Group dye factory);
- 2) to analyse the quantity of microplastics released by swimsuits when used and washed (by assessing both garments made from recycled and virgin yarn); and

3) to assess the effectiveness of the bags designed to withhold the microplastics released by the garments when washed in the washing machine. Such research is essential because, based on the result, it will concretely influence the brand's choices to minimise its impact on the environment.



management and allows it to best meet future omnichannel challenges.

In this context, the digital business, which is transversal to the whole company, plays an important role. Sales made via the e-commerce channel are constantly on the rise and, during the year, the Group has invested in technological and digital infrastructures in order to offer customers a wide range of purchase alternatives to fit with the various local contexts.

The Group aims to improve its relations with the customers by activating services to monitor customer satisfaction on- and off-line after purchase.

In 2022, the loyalty programme was completely digitised, eliminating the need for a physical card to register from the retail channel. When the loyalty cards already produced have run out, all new programme members will receive a digital card.

Data security and protection

INCREASINGLY INFORMED CUSTOMERS

Aware of the large volume of products brought to market by our business, we consider it vital to develop solutions that support circular business models, increasingly informed purchasing decisions and a sustainable and transparent supply chain.

Seizing the opportunity provided to us by the French government with Decree-Law 2022-748 “on consumer information on the qualities and environmental characteristics of waste-generating products”, we set out to develop a digital platform that allows the customer to access a wide range of product information by framing a QR code on the item itself.

The platform aims to inform the customer at the time of purchase by communicating information related to the following topics:

- the traceability of the garment and its materials;
- the recycled material content;
- the recyclability of packaging;
- the possibilities of product and packaging reuse;
- the release of plastic microfibres during washing.

We are convinced that an informed consumer is the only way to allow us ensuring a proper product management at all stages of its life, from its conception in our style offices, during our entire supply chain and through to its use and disposal.

Respecting customers' right to privacy is of the utmost importance to the Group, which is precisely why we are committed to protecting and making appropriate use of all personal data collected.

This attention stems from an awareness of possible consequences of potential breaches of customer data confidentiality. Personal data collected is limited to identification and purchasing data. To date, in the performance of its activities or as a result of its business relations, the Group is not directly involved in the generation of any negative impacts.

The Group takes concrete steps to ensure high security standards in the selection and use of information technology systems intended for the processing of confidential information by taking all the necessary technical and organisational measures to protect customers' personal data collected during business activities.

In processing customers' personal data, informed consent is requested each time this is necessary and only for the purposes involved. Employees are also required to report any cases of which they become aware of violations concerning the confidentiality of sensitive information.

The Calzedonia Group continuously strives to improve its security and personal data protection measures to prevent potential data breaches, in line with the objectives arising from the entry into force of the General Data Protection Regulation (GDPR).

In 2022, cyber security projects mainly focused on the following areas:

- identity and access management: the aim was to improve the maturity of the process and the technologies supporting user life cycle management. To this end, external resources and internal interdepartmental teams were involved;
- security monitoring and incident response: the current objective is to improve the ability to detect

and respond to a computer security incident. Regular operations are carried out to monitor security with the support of internal interdepartmental teams and external resources.

As concerns data protection, efforts focused mainly on the following activities:

- handling of data subjects' requests;
- assessment of data protection compliance of new business initiatives.

Objectives and targets are defined annually in the strategies of each competent department and the effectiveness of the measures implemented is regularly monitored.

In 2022, in regard to data protection matters, the effectiveness of data protection rights has been strengthened on the basis of the GDPR. To this end, within the Group's customer services (situated in Zagreb, Croatia), a dedicated team has been established to process consumer data protection requests. This team is coordinated by the Data Protection Department in the Group's headquarters and, in 2022, handled a total of 2,974 requests.

A project is also in progress aiming to improve the capacity to detect and respond to cybersecurity incidents, thanks to preventive analyses and training services.

In 2021, one privacy breach and customer data loss was recorded. Following the report, considering the type and quantity of data involved in the data breach, the Italian Data Protection Authority was notified, in accordance with the provisions of the GDPR.

Highlights of cybersecurity and data protection activities and projects are periodically reported to top management. In addition, top management is regularly informed of relevant facts and figures relating to the

Group's information security and data protection projects and activities.

Customer satisfaction and excellence of service

The customers are at the very heart of the Calzedonia Group activities as they are the final beneficiaries of our work. Their views are taken into account in every decision involved in order to anticipate their needs and to respond quickly to any requests and expectations.

The Calzedonia Group considers the measurement of the satisfaction of its most loyal customers very important as qualitative thermometer of its work

and for this reason it is committed to offering customers a high standard of excellence and quality, guaranteeing excellent value for money, which has always been part of the company's DNA.

In our relations with customers we are committed to acting in accordance with the principles of respect, dignity and justice, taking into consideration the different cultural background of each individual, without allowing any form of discrimination.

In going about their professional activities, the sales force communicates clearly and transparently with customers, to ensure a complete, gratifying purchasing experience. The Group's products are promoted on the basis of objective standards, without distorting their description or characteristics.

A tool to increase customer engagement and satisfaction is definitely the Tezenis app, developed by the CRM, IT and E-commerce resources.

Customer satisfaction

In order to continuously improve the service, customer satisfaction is also constantly monitored through the collection of feedback gathered in the many occasions for dialogue.

The Calzedonia Group Customer Service, which operates from 08:00 to 20:00, 6 days out of 7, helps its customers over the telephone, by e-mail, via web forms and on-line chat and can interact directly with them on the Group's Facebook, Instagram and Twitter pages.

Customer satisfaction is currently monitored through e-mail communication, chats and chatbots and quantified through the evaluation of various KPIs (Key Performance Indicators).

Customer Service is organised in different teams and levels:

- the Team Leader, whose responsibility is to ensure that KPIs are followed and adhered to, achieving the target set and shared at Group level. Each team within Customer Service is monitored and coordinated by a Team Leader;
- Quality Assurance, which focuses on making front-line agents understand procedures and activities through training courses and one-to-one meetings. The new projects and procedures are approved by headquarters and then transferred not only to the team of project specialists, but also to the Quality Assurance team (trainers) who will transfer the knowledge to the 1st and 2nd level agents accordingly;
- Agents, tasked with following the shared procedures and meeting the deadlines set by their Team Leaders.

Customer Service has different service targets depending on the channel supported and agreed with Group headquarters and is managed by a local Customer Service Manager and a Global Manager at the headquarters. In specific situations, focus groups are organised with all the agents to share a specific problem and create an opportunity to discuss possible solutions or new procedures to be applied.

Response target

Channel	u.m.	Target	Tot. (average)
Mail	hours	<5	8
Chat	seconds	<8	5
Social	hours	<2	1,3
Phone	ABN%	<8%	4,4%

Below is a brief overview of the most significant indicators:

Starting June 2020, a new method has been introduced to assess interaction with customers: this latter, in fact, is requested a feedback, score from 0 to 10, after each contact.

The table below shows the objectives set by the Group, and the assessments effectively achieved.

	Objective	2020 result	2021 result	2022 result
Chat	8	7.7	8.5	8.7
Webmail	8	6	6.7	6.6
Chatbot	6	3.7	4.1	4.6

Compared to the previous year, there was an improvement in chat and chatbot interaction modes, while there was a slight deterioration with regard to webmail.

The results testify to the constant effort to improve the services offered.

The discrepancy in the score of the chat and that of webmail is due to the response time to customers; immediate for chat and a few hours for webmail. As regards the chatbot system, on the other hand, 60% of dissatisfied customers do not appreciate the conversation with the bot. In addition to this, following research carried out on all markets and a sample of 1000 dissatisfied customers, only 30 failed to appreciate the assistance service.

The remainder criticised the delivery service and return and refund practices.

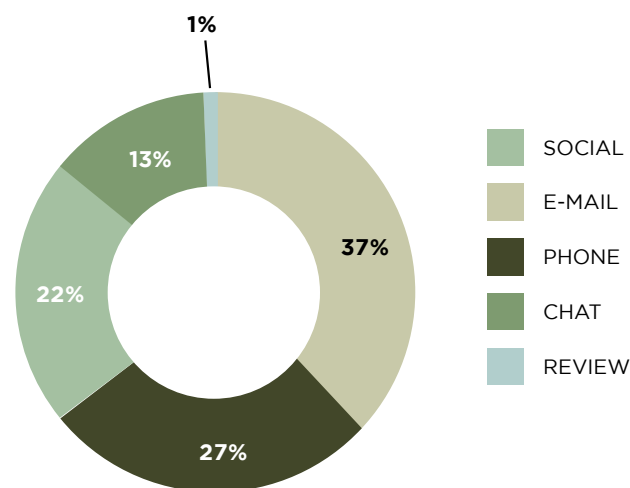
Furthermore, with regard to the “contact rate”, i.e. the ratio between the number of orders and the number of open tickets, the result for 2022 is 9% (with a target set at below 10%).

Requests are mainly in the following areas:

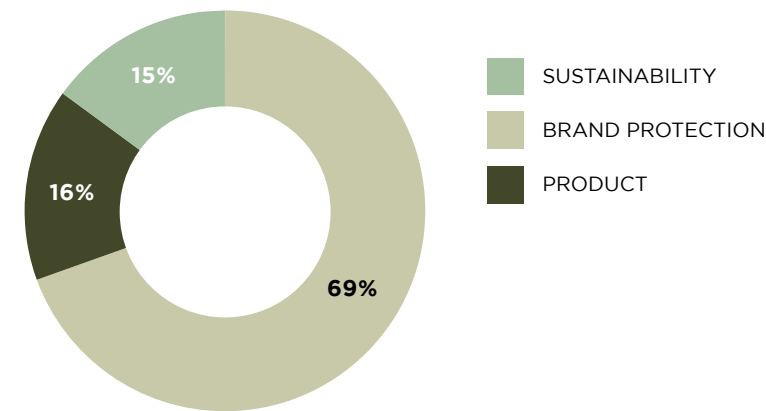
- orders (order confirmation, modification, cancellation, too much time in processing, partially dispatched applications);
- return (how to return, questions on return label);
- refund (refund history, postage refund);
- product (size and measurements, product colour).

This is followed by the percentage distribution of Customer Service interactions by brand, channel used and reporting category.

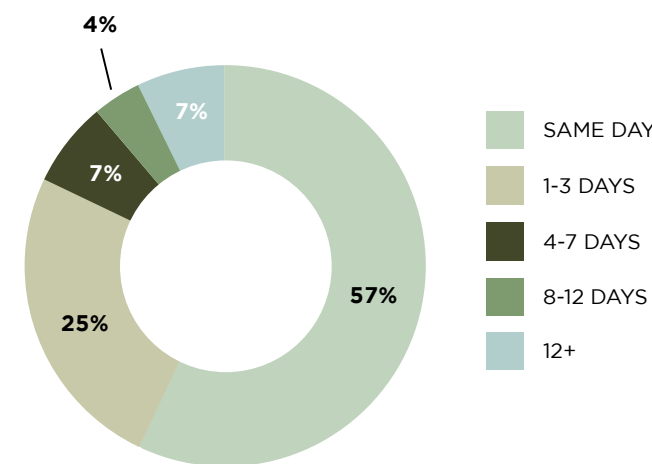
Reporting channels



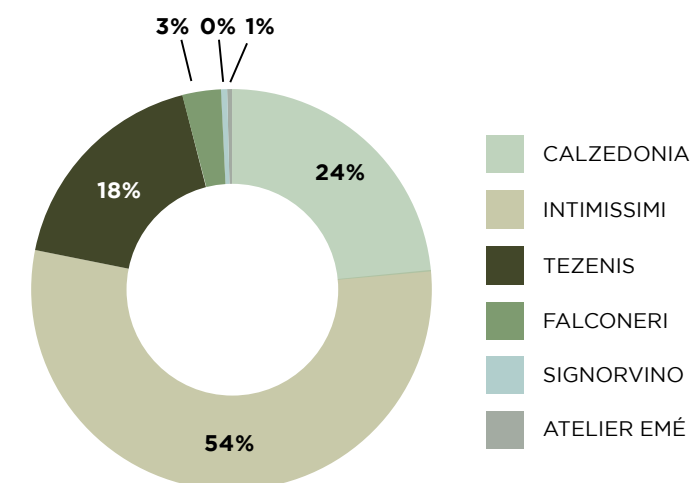
Macro categories of reports



Answer time



Reports by brand



The Group invests a great deal of effort and energy in trying to offer an excellent service to its customers. This course of action is confirmed by the application processing rates. In spite of the large numbers, 57% of the requests received are dealt with within the same day, a percentage that rises to 82% considering a three-day time window.

In a customer-centred vision (given the aim of approaching customers and improving mainly through their contribution), the Group decided to increase the methods of interaction, satisfaction monitoring and feedback gathering, positioning several strategic moments along the entire customer experience.

The metric used is the Net Promoter Score (NPS), which measures (with a value from -100 to +100) how many users would promote or recommend the product or shopping experience. Based on market studies, the Group’s goal is to have an NPS of more than +50.

In 2022, the use of forms for collecting feedback continued:

- Always on-line: always accessible to the customer who can provide spontaneous feedback on their level of digital satisfaction;
- General Intercept: randomly requests feedback while browsing the site;
- On-line thank you page: randomly requesting feedback following the completion of an on-line purchase on the thank you page;
- On-line and omnichannel post-delivery survey: intended for customers who purchased on-line or used the O2O (On-line to Off-line) service in the store. Its purpose is to monitor customer satisfaction after a purchase, regardless of the type of payment or shipping method.

These forms have also been implemented for the Signorvino brand.

ALWAYS ON-LINE / GENERAL INTERCEPT / ON-LINE THANK YOU PAGE

BRAND	# FEEDBACKS 2022	NPS 2020	NPS 2021	NPS 2022
Calzedonia	106,625	57.2	63.3	65.6
Intimissimi	79,563	60	62.3	66.9
Tezenis	51,334	51.1	54.6	58
Falconeri	10,607	-	58.5	63.3
Signorvino	439	-	-	45.6

As can be seen from the table, the Group has achieved its objective of an NPS in excess of +50 in all four brands in which it has implemented these feedback forms. The exception is Signorvino for which, however, the figure only refers to a few months of 2022.

For the Intimissimi brand, a survey (Loyalty Post Purchase) has remained active in Italy, as well as in all other countries with the Fidelity system, in order to collect the opinion of customers holding the loyalty card, who have made purchases in physical stores, about the level of service received in our stores. Since June 2022, this survey has now also been made available for Calzedonia and

Signorvino. The purpose of this survey is to understand the level of satisfaction through store-specific data and KPIs. The anonymised data is available to store staff who can monitor the indicators.

The result denotes an improvement of 0.5 points on last year. As can be seen, compared with 2021, the number of feedback entries received has also increased. This growth causes the score to stabilise that, although below that of last year, is still a very good result. An NPS of 71.5 denotes a high level of customer loyalty and reflects the customers associated with those registered for the loyalty programmes.

LOYALTY POST PURCHASE

BRAND	2020	2021	2022
Intimissimi	# feedback: 66,700 NPS: 75.7	# feedback: 213,680 NPS: 71	# feedback: 267,687 NPS: 71.5
Calzedonia	-	-	# feedback: 136,402 NPS: 72.4
Signorvino	-	-	# feedback: 3,773 NPS: 64.1

OPEN FEEDBACK - THE CX PROGRAMME

In order to better understand the needs of customers, a text analysis tool is used that classifies each comment on the basis of topic and evaluates the general sentiment. Specific surveys are then prepared to investigate and better understand customers' opinions and needs and to help and provide useful insights to different offices or departments (e.g. survey for the Intimissimi product office to understand preferences on product colours and materials and survey for Calzedonia to enrich the cluster analysis).

Customers who provide feedback and consent to be contacted are called back to collect further details regarding their feedback. The communication received from the customer could also just contain a message of thanks as we recognise the importance of every consumer who chooses to rely on our products.

The results of the CX programme are made available as follows:

- Voice of Customer (VOC) at on-line touch points: e-commerce teams at HQ and local level can access the platform and view feedback, as well as extract aggregated data for analysis;
- Voice of Customer (VOC) at the retail touch point: the sales force has a dedicated app to check customer feedback per store/area and country;
- the CRM team provides monthly or on request aggregated data on the VOC programme;
- the Customer Service team classifies all feedback and makes the categorisation visible to all teams in order to have a better overview of the main topics provided by customers.

Complaint management

Every complaint that arrives at the ticketing portal is cross Brand and cross Country. End customers, who can be both on-line and off-line users, can send their request from our official websites, via e-mail, via chat, via telephone or via social platforms (Facebook and Instagram via comments or messages).

Operators are the first line of response to those messages: they are therefore trained in advance on all procedures related to requests they might encounter during their daily activities. If some procedures or requests are not mapped or are difficult to solve, first-line agents can transfer them to a second level with operators with specific training and knowledge. As anticipated, each team member (first and second level) participates in periodic 'refresher training' to be prepared for as many scenarios as possible. If some procedures do not cover specific cases, the Quality Assurance team proposes a new flow to be validated by the HQ team.

There are more than 13 languages in which complaints can be made and the end consumer can make complaints from Monday to Saturday from 8:00 to 20:00. Each month, the team leaders share the results with the headquarters or branches in order to identify possible solutions or points for improvement for specific cases. When a complaint arriving via e-mail and chat is resolved, the end user is asked to fill in a satisfaction questionnaire evaluating the service provided. In 2022, the satisfaction rating via e-mail was 6.6/10, 8.7/10 via chat and 4.6/10 via chatbot. Based on these results, various follow-ups are carried out throughout the year, with the aim of achieving maximum customer satisfaction.

With regard to compliance with laws and regulations in the area of consumer communication, while not perceiving a high risk in reputational and economic terms, there is an increase in reports on the topics of transparency in commercial communications, inclusiveness and greenwashing. In this respect, the Group is committed to

increasing staff awareness of these topics, also through specific training activities.

The reputation of Calzedonia Group brands

To protect the brand reputation and effectively and efficiently respond to customer demands on multiple matters relating to corporate social responsibility, to which the Group pays close attention, in 2019 an internal flow was launched, dedicated to managing reports regarding: discriminatory comments made on social media or other channels, body-shaming, sexism, discrimination against the LGBT community or racism, animal products (furs, leather, cashmere, etc.), environmental responsibility and working conditions.

The Group is aware that - also in the light of the increased number of reports received - the following activities may have negative impacts on both brands and people and the environment:

- misleading or opaque communications;
- greenwashing;
- not very inclusive communications;
- unfair competition or counterfeiting of third-party products and brands.

In 2022, 2,891 complaints were made regarding: product quality, social topics such as inclusivity and diversity, working conditions of employees, as well as matters relating to the use of furs and testing on animals.

The Group's customers are clearly paying increasing attention to social and environmental sustainability topics. Other complaints regarded promotions and the spread of fake news.

Of the 2,891 complaints that were made during the year, 2,881 were resolved during the course of the year by means of interventions towards individual customers or through

communications on the Group's social channels. These latter were intended to refute any fake news and stress the commitment towards responsible communication of the corporate business, in line with the provisions of the Code of Ethics.

Marketing and communication strategy

The Group's marketing strategy is hinged on the firm belief that a more informed customer can interact more simply, transparently and frequently with the brand, through all the various contact points.

This is why communication with customers is always in line with the business values and products are promoted responsibly, on the basis of objective standards.

The Group also confirms its close attention paid to the digital work and millennials thanks to its increased presence on the main social media, like Instagram, Facebook and YouTube offering ever original digital contents that can make the most of the full potential offered up by this new media and involve customers.

More specifically, the Tezenis brand has made digital its main means of communication in order to create a one- to-one relationship with consumers and make the language of the new generations with whom it shares a passion for fashion and music its own. In this regard, the brand has always supported artists in the music industry by sponsoring famous competitions and actively participating in festivals worldwide, such as Coachella, Sónar and NOS Alive.

Atelier Emé has also chosen to opt for digital communication, with a major presence on the main social networks, putting itself forward as the favourite brand of Italian "it-girls" and celebrity brides.

Intimissimi is the brand that specialises in creating and producing underwear, pyjamas and knitwear. The collections are conceived and designed to make every woman feel beautiful in her own way, combining sophisticated Italian style with high-quality fabrics. Exclusive design and a strong Italian character have been

part of the brand's own communication language for years, together with female empowerment.

In its storytelling, Intimissimi has over time involved female personalities capable of engaging and inspiring, such as its ambassadors, including Jennifer Lopez, Chiara Ferragni, Irina Shayk, Sarah Jessica Parker, Gisele Bündchen and Dakota Johnson.

In addition, unforgettable events such as "Intimissimi On Ice" and the "Intimissimi Show" have helped the global consolidation of brand awareness over the years.

Another aspect of major interest to the promotion of our brands is that linked to sport and athletes. This topic concerns a considerable portion of the promotional activities and sponsorships for both Intimissimi Uomo



and Falconeri. This latter in particular has always stayed close to sports with a strong link to nature, supporting international talent mainly in skiing, golf and sailing.

It does not end with sport since music is also involved. That's been the occasion for Tezenis to discover its genuine relationship with the music industry whose talents it supports.

With the aim of allowing each personality to express themselves freely and feel identified with and by the brand, Tezenis gives voice to everyone's style by becoming a reference point through different faces and occasions.

With an extensive presence in more than 50 countries across the globe, Calzedonia confirms its international vocation also in terms of communication: from the talent involved to television commercials, from newspaper pages to social media schedules, there are many channels through which the brand keeps its communities engaged.

Chiara Ferragni, Laetitia Casta, Pamela Reif and Sara Carbonero are just some of the testimonials who represent the brand worldwide and who recently took part in the "Calzedomania - A Legs Celebration" event, an unforgettable celebration of tights at the opening of Paris Fashion Week. A prestigious context that has helped to position Calzedonia as a leader in the sector.

Signorvino, on the other hand, combines a multi-channel strategy, seeking to make the most of on-line and off-line. From the beginning of 2018 to date, a strategic social communication plan has been implemented to improve its visibility, with the aim of promoting the format generically. Besides activities and promotions, collaborations have also been launched with important influencers in both the industry and other segments (such as lifestyle, travel and fashion). The industry press is an inevitable point of reference for the food & wine sector: prestigious collaborations have been sought with Gambero Rosso and La Cucina Italiana, key partners and interlocutors for focussed communication with a target of sector experts.

In 2022, the Group received three reports of non-conformities relating to communications and marketing, one of which, relating to a partial communication on the timing of the start of a promotional campaign, resulted in the payment of a penalty. The others concerned the accessibility of information on brands' e-commerce websites.

Customer engagement and responsible marketing initiatives

Customer loyalty is assured through involvement in a loyalty programme that allows those subscribing to cards to benefit from numerous discounts, promotional operations, premium operations and dedicated special initiatives, which are adequately publicised and communicated specifically.

These promotional initiatives implemented by the Calzedonia, Intimissimi, Falconeri, Tezenis and Signorvino brands consist of loyalty programmes involving card-based point collection through which cardholders can enjoy exclusive benefits.

NEW REGISTRATIONS 2022					
YEAR	CALZEDONIA LOVER	MY INTIMISSIMI	TEZENIS TALENT	FALCONERI CLUB	SIGNORVINO WINE LOVER
2019	1,585,878	1,284,305	-	54,071	6,466
2020	2,118,583	1,370,430	-	91,043	16,632
2021	3,391,181	2,371,482	489,807	167,172	48,014
2022	3,216,941	2,685,394	1,942,883	238,887	130,529

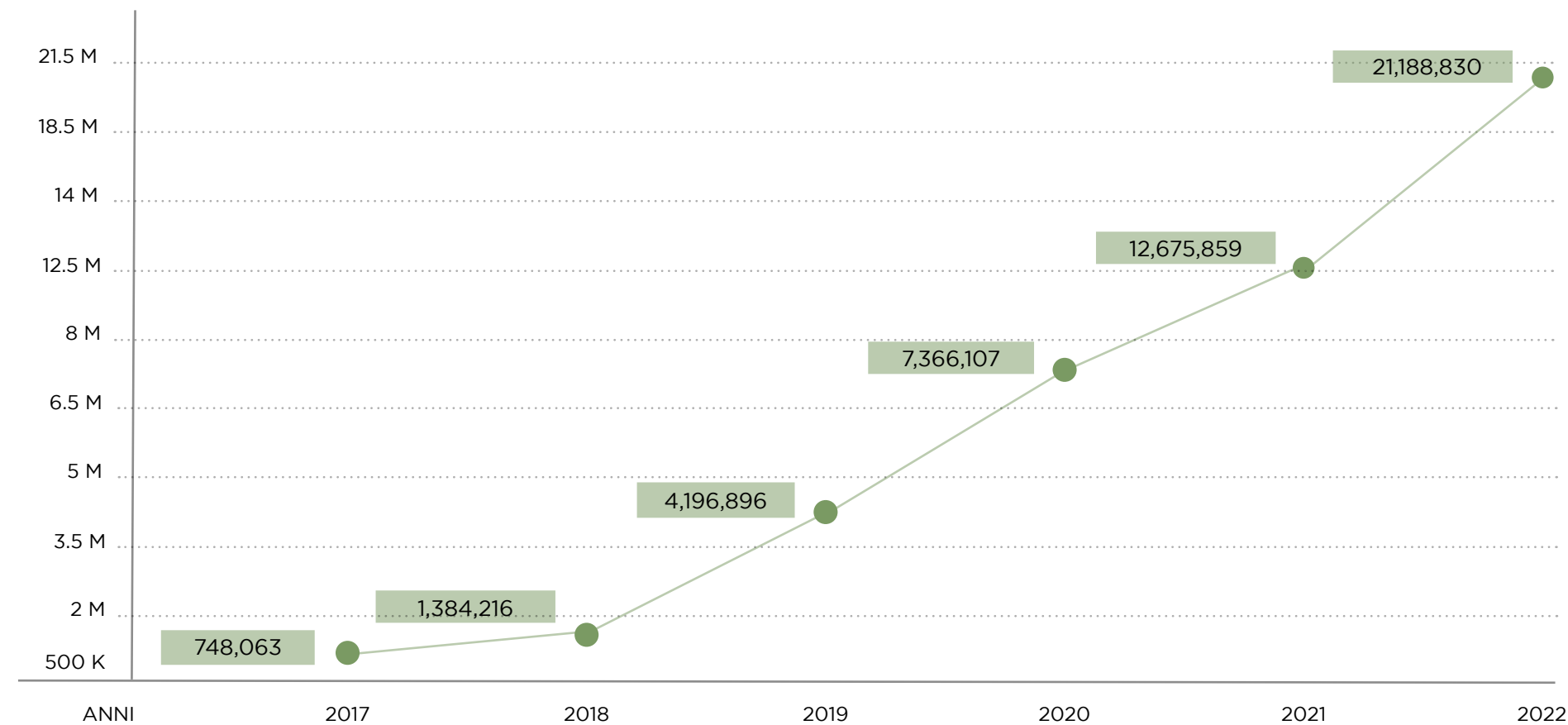
NATAL A MEIAS



For the sixth year running, the Calzedonia brand has chosen to promote a social solidarity campaign in November and December, linked to the Christmas period: “Natal a Meias”. The campaign’s name is a play on words in Portuguese, where the word “Meias” has a double meaning of “stockings” and “halfway” and therefore: “Christmas with stockings” and “Half-way Christmas”.

For each Christmas-themed sock sold, half of the price was donated to buy ambulances and personal protection uniforms. An approximate total of 293,000 euros was donated.

Totale iscritti ai canali loyalty



Italian customers holding loyalty cards can also collect points through purchases made from the sales outlets in certain selected foreign countries; additionally, they can also benefit from discounts depending on the status the customers have achieved in the relevant country.

Holding a loyalty card is in some cases a requirement to adhere to some of our campaigns where we seek to foster recycling of clothing.

Recycling has, in fact, always been a part of our culture. Throwing things away has always been in conflict with our philosophy and wastage goes against our every fibre, as well as improving business results.

Since 2011, recycling has been encouraged in Group stores, pursued with greatest continuity in the Intimissimi brand

stores but also promoted by Falconeri, Calzedonia and Tezenis. Each project is adapted for the brand proposing it, but as a rule it envisages the delivery to a store of at least 5 items of clothing of any brand (tops, pyjamas, briefs and bras) for recycling or reuse. In exchange, for each item delivered, a voucher is given to be spent on in-store purchases.

RECYCLING PROJECT

Also in 2022, the Calzedonia Group has initiated the “RECYCLING PROJECT” and is committed to promoting take-back programmes in its stores. These are initiatives that allow customers to bring in used and discarded clothing, thereby creating value from what would otherwise have been considered as waste.

Specifically, during the summer, the Calzedonia brand launched a swimwear collection campaign in all of the brand’s stores in Italy, Spain, Portugal, Switzerland, Austria, Germany, France and Poland.

During the autumn season, it was the turn of Intimissimi, which invited its customers to donate unused underwear.

In total, over 200,000 items of clothing were collected during the year. The aim is to recycle by working with a partner to create recycled cotton, polyester and polyamide yarn from discarded garments. These materials can be reused to produce new garments with less environmental impact.



SDG - The Calzedonia Group contribution



The physical and mental health of our people is at the heart of our attention. The Calzedonia Group strives to ensure that all its employees, from whatever their geographic origin and social extraction, have access to basic healthcare. In the poorest countries in which we operate, this is supplied directly by the Group through the presence of the healthcare staff in our offices and the creation of agreements stipulated with local hospitals and clinics.



The Group recognises the social and economic value of education and continuous training and, to do so, actively invests in training courses dedicated to the professional and human growth of its people.



The Calzedonia Group is a firm believer of female potential and works to enable its professional and economic growth and development in the company. Special attention is paid to the empowerment and emancipation of our employees in the countries where women are most discriminated against.



Each production pole becomes a centre of competence making an active contribution towards the Group's innovation and growth. In this sense, the Group has always paid particularly close attention to the quality of the workplace present in our commercial and production sites and has always striven to respect maximum health and safety levels in the workplace, offering optimal conditions and paying adequate salaries.



The Calzedonia Group works hard to reduce social inequalities: we are aware that a fairer, longer-lasting social and economic development also involves the sharing of operative and technological know-how and this is why we work to make sure that it becomes the heritage of our people and the communities in which they live, not only of our companies.

Breakdown of staff

The Calzedonia Group's most important resource are the people who work with us.

Corporate values, the expression of work ethics, govern activities and relationships within the company.

As at 31/12/2021, the number of workers employed in Group companies was 44,305, up 8.8% on 2021. The rising figure refers to the further development of the Group in both the production and sales area.

Blue collar workers (60%) are the most represented professional category, followed by store staff (30%). The majority of the workforce is confirmed as being female (90%).

It should be noted that the number of employees analyzed in the following tables is 44,252 units; the difference is attributable to a different reporting perimeter considered of the companies of the Calzedonia Group.

Employees by employee category and gender (no.)

	2020			2021			2022			
	Men	Women	Tot.	Men	Women	Tot.	Men	Women	Unknown	Tot.
Top-level managers	75	44	119	75	56	131	83	57	0	140
Managers reporting to the top level	210	306	516	196	290	486	212	272	0	484
White-collar	676	1,516	2,192	557	1,736	2,293	705	1,873	2	2,580
Sales staff	106	857	963	136	945	1,081	142	1,040	0	1,182
Store staff	376	11,011	11,387	540	12,312	12,852	571	12,695	24	13,290
Blue-collar	2,370	20,463	22,833	2,372	20,021	22,393	2,569	24,007	0	26,576
Total	3,813	34,197	38,010	3,876	35,360	39,236	4,282	39,944	26	44,252

“Top-level managers” are managers who report directly to the board of directors or the CEO, production plant managers, and country sales managers.

The average age of the employees is approximately 30 years old (35 for men, 29 for women and 28 for people who did not share their gender).

In 2022, the majority of store staff and blue-collar workers was in the under-30 age group. Managerial roles, on the other hand, are mostly held by figures over 30.

It should be noted that the table also refers to the employees of the factories, which make up the bulk of the Group’s supply chain.

Employees by employee category and age bracket (%)

	2020			2021			2022		
	<30	≥30	Total	<30	≥30	Total	<30	≥30	Total
Top-level managers	-	0.3%	0.3%	-	0.3%	0.3%	0.0%	0.3%	0.3%
Managers reporting to the top level	0.1%	1.3%	1.4%	0.1%	1.2%	1.3%	0.1%	1.0%	1.1%
White-collar	2.3%	3.5%	5.8%	2.0%	3.8%	5.8%	2.1%	3.8%	5.9%
Sales staff	1.1%	1.5%	2.5%	1.0%	1.8%	2.8%	0.9%	1.8%	2.7%
Store staff	21.3%	8.6%	30.0%	22.7%	10.0%	32.7%	21.0%	9.1%	30.1%
Blue-collar	33.7%	26.3%	60.1%	29.8%	27.3%	57.1%	33.3%	26.7%	60%
Total	58%	42%	100%	55.6%	44.4%	100%	57.4%	42.6%	100%

The Group is committed to establishing stable and lasting relationships with its people. As proof of this, for 2022

again, 85% of employees have a permanent contract, a figure that has remained constant over the last two years.

The use of temporary staff, such as trainees and temporary workers, decreased in 2022. Six trainees were employed during the year.

As at 31/12/2022, the number of Calzedonia Group employees with disabilities was 461.



2022 employees by contract type, gender and geographic origin (no.)

	Permanent contract (PERM.)				Fixed-term contract (F-T)				Total
	Men	Women	Other	Total	Men	Women	Other	Total	Total
Italy	1,006	2,747	0	3,753	238	952	0	1,190	4,943
Europe	1,162	14,931	4	16,097	227	4,453	0	4,680	20,777
America	52	651	22	725	3	59	0	62	787
Asia	1,370	14,302	0	15,672	40	427	0	467	16,139
Africa	178	1,404	0	1,582	6	18	0	24	1,606
Total	3,768	34,035	26	37,829	514	5,909	0	6,423	44,252

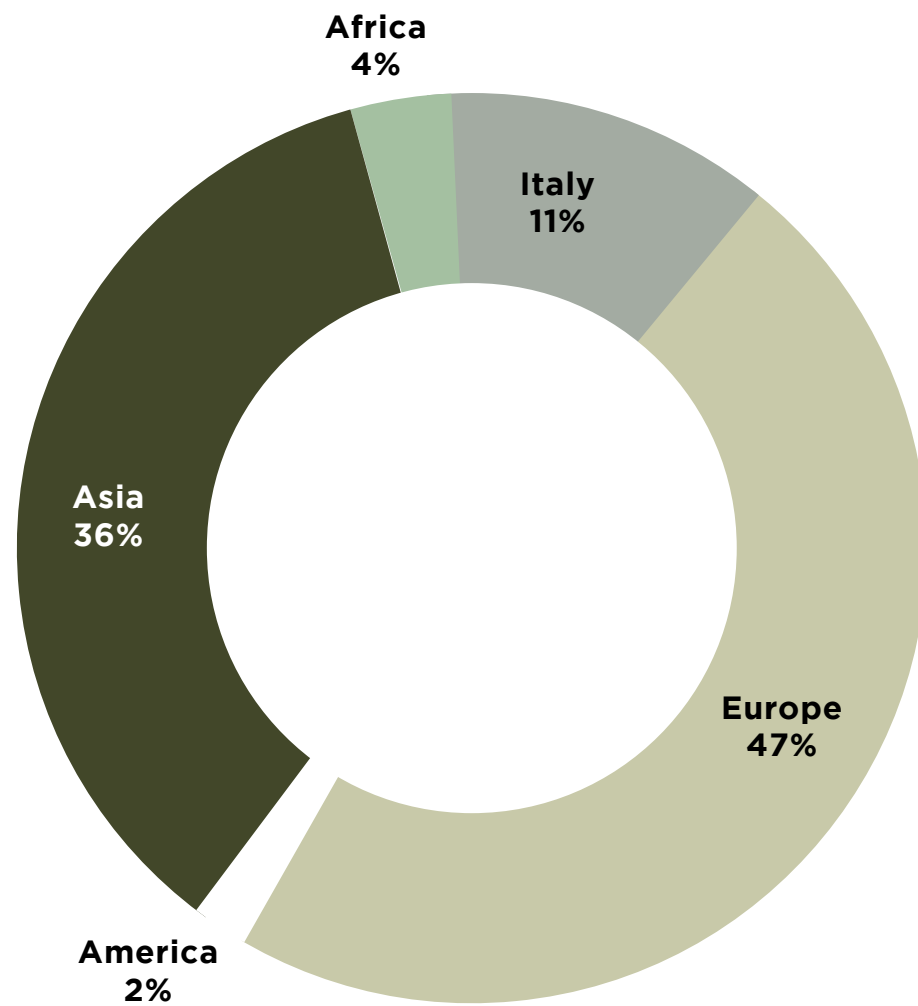
Upon conclusion of the contract, each employee is informed of all conditions relating to their employment relationship with the Group (duration, grounds for dismissal, method of dismissal and internal rules) and is given a copy of the contract in a language they understand.

The Calzedonia Group is present with its own offices, production and sales branches in 58 countries. The table shows the geographic origin of employees, revealing that the majority of the workforce is concentrated in Europe (46.95%, excluding Italy), followed by Asia (36.47%) and Italy (11.17%). By contrast, Africa (3.36%) and America (1.78%) were residual.

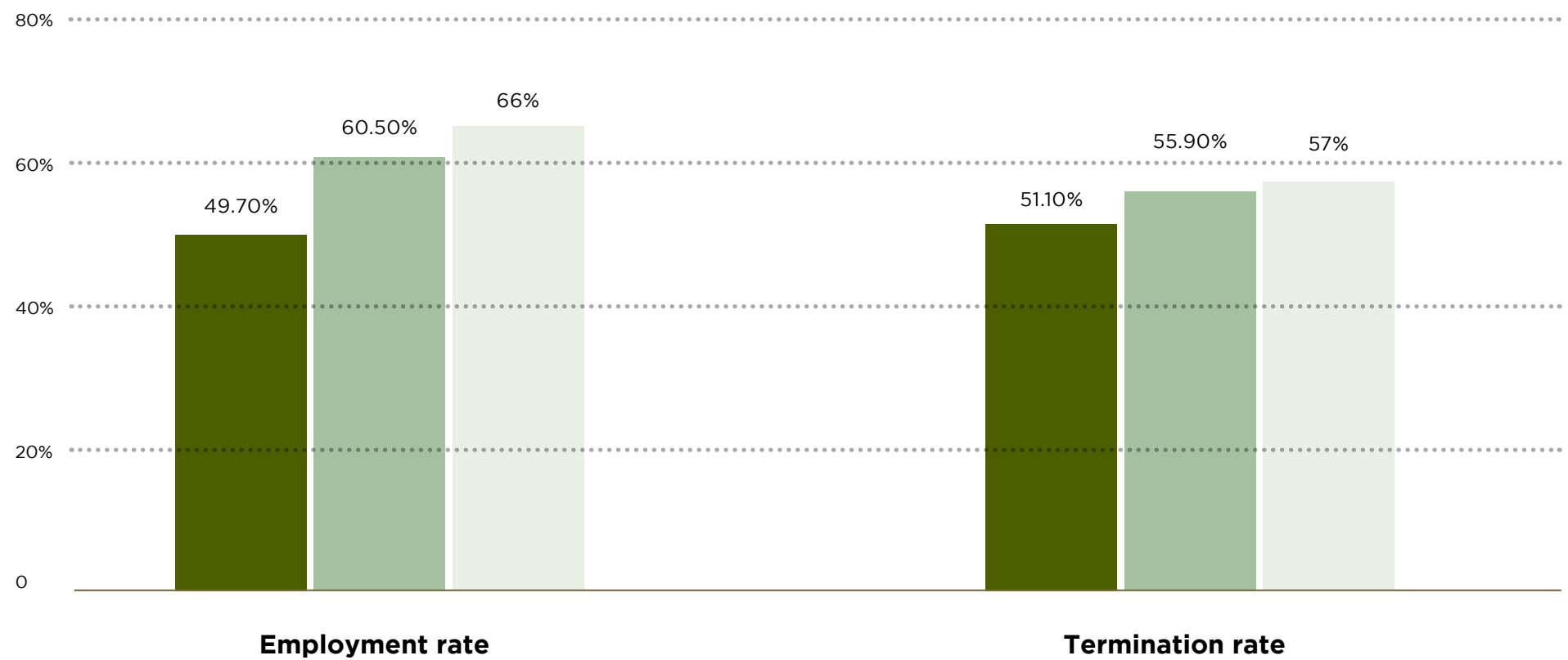
Breakdown of employees by region

	Africa	America	Asia	Europe	Italy	Total
Top-level managers	0	0	2	26	112	140
Managers reporting to the top level	9	17	64	189	205	484
White-collar	100	80	242	1,026	1,132	2,580
Sales staff	2	50	35	719	376	1,182
Store staff	75	615	621	10,056	1,923	13,290
Blue-collar	1,420	25	15,175	8,761	1,195	26,576
Total	1,606	787	16,139	20,777	4,943	44,252

2022 employees by geographical area

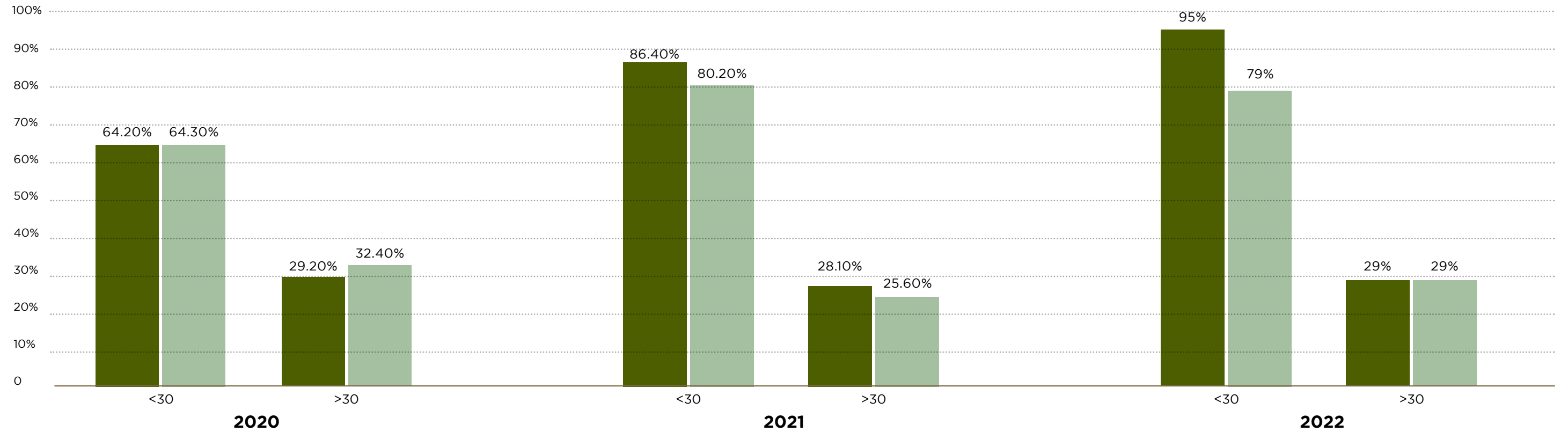


Turnover

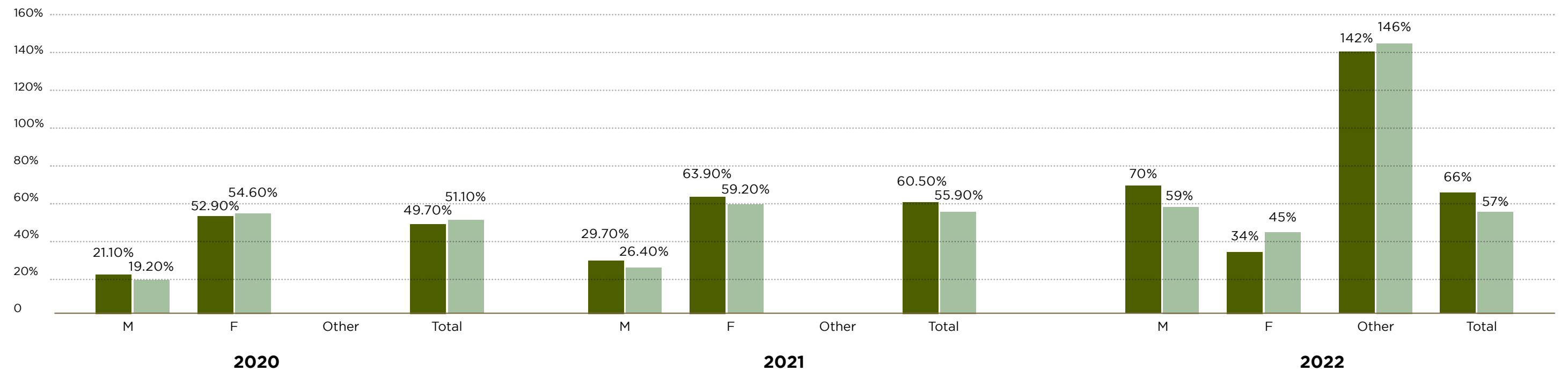


2020 2021 2022

Turnover by age bracket



Turnover by gender



■ Employment rate ■ Termination rate

Turnover by gender and age bracket (%)

	Gender				Age bracket	
	Men	Women	Other	Total	<30	≥30
2020						
Employment rate	21.1%	52.9%	-	49.7%	64.2%	29.2%
Termination rate	19.2%	54.6%	-	51.1%	64.3%	32.4%
2021						
Employment rate	29.7%	63.9%	-	60.5%	86.4%	28.1%
Termination rate	26.4%	59.2%	-	55.9%	80.2%	25.6%
2022						
Employment rate	70%	34%	142%	66%	95%	29%
Termination rate	59%	45%	146%	57%	79%	29%

Turnover by geographic area (%)

	Italy	Europe	America	Asia	Africa
2020					
Employment rate	25.2%	59.3%	79.2%	47.8%	-
Termination rate	27.2%	59.8%	75.6%	50.5%	-
2021					
Employment rate	34.2%	67.1%	88.9%	58.1%	-
Termination rate	29.5%	60.4%	86.2%	56.7%	-
2022					
Employment rate	46%	70%	114%	72%	-
Termination rate	40%	66%	87%	55%	-

The Group believes in the value generated by the new generations and their employment. In 2022, more than 28,300 people were recruited, 95% of whom are aged under 30. At the same time, 24,690 employees in the same age group left the Group during the year, representing 79% of the total turnover.

A low turnover rate indicates a good level of staff satisfaction and the organisation’s ability to retain its talent in-house.

In 2022, the termination rate increased compared to 2021 by 2%. This is an insignificant change, especially in light of the exogenous events that have characterised recent years (such as the war that broke out in Europe) and considering that the recruitment rate increased by 9%.

Outgoing turnover management is periodically controlled using KPIs broken down by business area and population type. This survey is accompanied by the monitoring of the underlying motivations, which are collected systematically, e.g. through the completion of exit questionnaires and interviews. What emerges from these moments of dialogue makes it possible to implement and intensify projects and activities aimed at adopting a leadership style that is effective and in line with the company’s key values (e.g. training courses, coaching, etc.), as well as actions aimed at increasing staff retention, loyalty and engagement (e.g. team building, contests and prizes, company gathering events, etc.).

In some specific business areas there are exit turnover rates that, although they are to be considered physiological, are nevertheless subject to periodic monitoring by the Human Resources Department in order to detect significant deviations.

Employees by type of employment (no.)

	2020			2021			2022			
	Men	Women	Total	Men	Women	Total	Men	Women	Other	Total
Full-time	3,634	29,943	33,577	3,724	31,138	34,862	34,286	4,114	25	38,425
Part-time	179	4,254	4,433	152	4,222	4,374	5,658	168	1	5,827
Total	3,813	34,197	38,010	3,876	35,360	39,236	39,944	4,282	26	44,252

The Calzedonia Group pays particular attention to a fair work-life balance and, consequently, to trends in employee termination rates. Attention to these key aspects takes the form of social inclusion, expatriate staff integration, remuneration and professional classification policies, as well as the organisation of work, the protection of maternity and the promotion, in general, of family support policies, aiming to guarantee employees solutions that can best satisfy their personal needs.

In 2022, part-time contracts accounted for approximately 13% of the total workforce, in 90% of cases by female staff, confirming the trend of recent years.

Our Group is made up of people, and to protect them, we strive to ensure proper working hours and ensure proper breaks so that our employees have adequate physical and mental rest through:

- daily breaks to be taken in dedicated refreshment corners;
- canteen services;
- access to national holidays. Employees are given the opportunity to use additional days off to take extended rest periods by combining holidays and weekends;

- other days not included in the national public holiday calendar may be scheduled by the different business locations;
- annual leave, daily and hourly permits.

In addition, we provide our employees with tools, digital (HR - ERM Portal) in most cases or analogue alternatives in some, which allow the individual employee to monitor the entries and exits from the workplace and have access to the history of this information.

Through these tools, our workers can check how many hours and days of leave are left at their disposal, what they have already used, and proceed to submit new requests for leave/holidays to their supervisors.

In cases where the employee is in a position for which maternity or parental leave may be required, the employee is given the opportunity to view all information and policies related to this topic and to view the remaining hours, days and weeks and what has already been taken.

23% of employees are covered by a collective bargaining agreement, which becomes 7% when considering only the Group's supply chain. The figure is influenced by the

fact that the company works in many countries where collective bargaining agreements do not yet exist.

The attraction of talent and career development in the Calzedonia Group

The Central Management of the Human Resources Department, within the Calzedonia Group, plays a supervisory and coordinating role aiming to:

- ensure leadership and respect for the corporate value system, recognised and equally shared in all countries of operation (with respect for local specificities),
- ensure effective business support with fast and efficient solutions,
- support and advise managers and employees in the management of different processes (Recruitment, Onboarding, Performance & Goals, Development, Team building, Offboarding, etc.), Learning, Compensation, Internal
- listen to and support employees in solving any problems, providing them with channels so as to be as informed as possible and, consequently, to be more aware and perform better,
- ensure the proper management and disbursement to employees of salaries, benefits and initiatives supporting family-work reconciliation,
- support Group Management in identifying and adopting solutions to contain staff costs.

In a broader sense, the purpose of the Department is to provide support and direction from the centre, encouraging local development, autonomy and independence.

The People macro-area teams, each with their own areas of expertise, work alongside the business both to define strategies and to make the most relevant decisions.

The Calzedonia Group HR Area

The HR Area includes the Human Resources, Staff Administration and Training Departments and is organised in teams dedicated to the individual business areas with structures defined on an ad hoc basis for specific needs. The organisation provides a central management for the Group with macro objectives, with an HR Director above the HR macro area and HR Admin. The HR area is in turn structured into teams dedicated to supporting the corporate population belonging to the different business areas and/or brand divisions. Within this area, a team entirely dedicated to Talent Acquisition has recently been set up, offering a unique and transversal service to HR Business Partners and the business divisions.

Foreign subsidiaries have different structures for human resources management depending on their size:

- in production branches, there is a Local HR, which is essential in fostering the cultural integration of the branch with the colleagues of different countries;
- in commercial sites, there is a Regional HR, which, in dividing up the countries in which the Group operates, supervises the work of the branch Local HR.

The HR Admin area consists of dedicated offices and resources in each company/branch of the Group, in Italy and abroad. They share the guidelines and policies for staff management emanating from headquarters, but can structure them on the basis of local needs and regulatory specificities.

The policies and the set of operational rules for the administrative management of human resources and the corporate benefits available to them are approved by the Central Management, which, in doing so, takes into account corporate needs, market developments, local and employee requests and suggestions. Each policy is valid and operational until revised. Possible exceptions are assessed by the relevant HR, which makes decisions in agreement with the business, after discussion with HR

Admin.

The drafting of policies, their dissemination and application is delegated to the HR Admin in cooperation with the HR team. Should cases of non-compliance occur, the Department is involved from the very first report.

During board meetings, objectives and general direction are set with respect to human resources management, which are then shared and disseminated by the HR teams to the various managers.

The HR Department remains constantly in support of the business in staff management and strategic decision-making.

CORPORATE BRANDING STRATEGY

The Calzedonia Group corporate branding strategy has the aim of constructing a solid corporate reputation to attract new talent - employer branding - and engaging its community of employees - internal branding.

Every action, content and communication of employer and internal branding is agreed between the HR Department and the Corporate Communication Department. The main institutional channels used so far for communication are the Group website, LinkedIn and the corporate newsletter. Internal and external communication are very much interconnected and envisage the involvement of employees as the protagonists.

The newsletter is the main internal communication tool of the Calzedonia Group, designed to provide all collaborators with periodic updates on the company, its main milestones and news.

Activities and events organised by the various brands increasingly aim to directly involve their employees and, at the same time, to strengthen the sense of belonging with the Group. Locally, too, team-building events are planned in the various country locations, with the aim of making relations between employees and the Group stronger.



Talent attraction

People selection and management is carefully monitored through the local HR department, in compliance with current privacy regulations and with a view to transparency, pragmatism and professional respect for the candidate.

Although the search for profiles also takes place through external resources, whenever possible preference is given to the training and development of internal Group resources.

In each country where the Group operates, the relevant subsidiary is given the opportunity to cooperate with local recruitment web channels. Those who wish to apply for a job position for one of Calzedonia's brands can do so via the brands' e-commerce pages and on the site, by accessing the careers section, where there is an overview of the company, its business areas and the relevant open positions in the various geographical regions.

The Calzedonia Group considers its corporate values - Vision, Passion, Concreteness, Collaboration, Focus on results - as a parameter for the selection of its staff and as a virtue to be passed on to each individual during their time with the company.

Recruitment is also carried out by directly contacting academic contexts. Indeed, this is why collaborations are in place with universities, schools and further education institutes, where the Group's professional opportunities are presented, in all its functional areas, both in Italy and in the numerous countries where the branches are based. For areas of particular corporate interest, special projects are run with a view to identifying the best talents. The "Vision to come" initiative, for example, has been promoted in Italy by Calzedonia to identify and support tomorrow's creative fashion talents. The "Call for ideas" initiative, on the other hand, has involved the management engineers of three Italian universities, stimulating creativity in topics that link production and sustainability.

The Calzedonia Group's recruitment policies are mainly aimed at young people in the broadest sense and recent graduates who are embarking on their first work experience. The company's policies are constantly supported and aligned with the situation in the relevant sector through specific surveys on salaries (fixed and variable) and contractual solutions that can be adopted.

Remuneration packages are also supported and enriched by benefits (see the paragraph on Benefits and corporate welfare initiatives) that may vary from country to country. They include, for example, the company nursery, flexible working hours and working from home, free flu vaccinations, additional insurance cover, discount card, company canteen, meal vouchers, company agreements with third-party companies with discounts for various services, company welfare programme and home/work transport facilities.

VERONA TEAM BUILDING

The Calzedonia Group has tried to keep a close eye on sustainability not only in its core business activities, but also in other situations that are as collateral as they are important, such as the Team Building activities dedicated to the company's sales force.

This was precisely the case at Tezenis, which chose to dedicate a day of corporate volunteering to cleaning the banks of the river Adige, which runs through the city of Verona where the Group's headquarters are located.

Cleaning by day was coordinated and supervised by Legambiente, which divided the participants into five working groups, each of which was engaged in cleaning a different section of the banks, covering a total distance of more than 10 km.

At the end of the initiative, before handing them over to the municipal waste disposal company, the participants weighed the bags of waste collected, thus being able to see for themselves the tangible results of joint efforts and teamwork.

In actual fact, the initiative was not only intended to regenerate an important area of the peri-urban environment (by providing concrete support to local associations engaged in these activities), but also to raise awareness among participants on the topic of plastic waste in the environment.

And last but by no means least, this activity created a valuable opportunity to consolidate team working in a different context than usual within the corporate environment.

We consider activities like this to be extremely important as they bring multiple and significant environmental and social achievements.



Career development

The approach to talent management is meritocratic: by fostering and encouraging the growth of its employees, the Calzedonia Group offers in-house career advancement paths, designed to allow the most deserving to access positions of greater responsibility also in the sales, production and service branches abroad.

These paths are developed through constant monitoring and support of the business by the HR area and through the use of dedicated tools for performance appraisal systems: in addition to the performance assessment, employee central and training compensation modules, the on-boarding module was also added.

The percentage of employees who received a periodic performance appraisal during 2022 is in line with the trends of the previous two years.

As regards the “Workers” category, there has been a drastic drop in the percentages reported since 2020 due to

specific contingencies (such as covid 19 and the turnover of activity managers) which led to an interruption of the performance evaluation process which is currently under renovation.

A meritocracy process is operative in some of the Group companies and provides for an individual assessment, also thanks to two formal meetings (held on a six-monthly basis) between the collaborator and their manager. During these feedback meetings, employees establish, by agreement with their managers, the objectives for the next six months.

With store staff a similar, but not identical process is realised thanks to the close cooperation that characterises the relationship between employees in the sales force and their managers. This frequent provision of feedback is intended to provide tools to promote performance improvement and staff growth.

Employees receiving periodic assessment of their performance and professional development (%)

	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Top-level managers	97%	97%	100%	98%	100%	100%
Managers reporting to the top level	100%	100%	100%	93%	100%	100%
White-collar	97%	96%	90%	99%	100%	100%
Sales staff	100%	97%	87%	91%	100%	100%
Store staff	-	-	-	-	99%	88%
Blue-collar	76%	64%	48%	18%	6%	9%

Staff training

In order to achieve its objectives, the Calzedonia Group considers it essential that each employee can feel properly valued and fulfilled. The training provided ensures the professional development and improved performance of employees by enhancing the skills needed to be effective and efficient within the Group.

Training therefore plays an essential, strategic role for the development not only of people but of the business itself. Accordingly, a culture of continuous learning is encouraged and promoted. In addition, staff are supported in their professional development at all stages through continuous and targeted training with in-depth focus.

From 2020, due to the lock-down conditions caused by Covid-19, employee training processes were redesigned using the digital channel. The digital channel in the post-pandemic period continues to be important, but it is complemented by the provision of training courses held in person at the headquarters.

The Group develops its training activities in three areas, explained below. In a parallel fashion, institutional training is also delivered, which is regulated by applicable laws and provided at certain times in the employee’s corporate life. Examples of this include, for new recruits, training on safety at work, risk prevention and related to Italian Legislative Decree no. 231/01 and anti-corruption. The first area is technical training, which is divided into technical-commercial training for sales staff, business training for employees in the corporate area and production training for factory staff.

As regards commercial training, there are brand-dedicated training offices, which aim to train and prepare store staff on matters relating to products and customer management.

Technical training for corporate employees involves the delivery of language courses as well as specific courses aimed at improving the competences necessary to cover strategic roles (for example, courses on the use of particular technical instruments).

The technical training intended for factories is organised in a capillary manner, by each plant, and delivered to employees by specialised staff. The aim of these courses is to guarantee cover of all skills necessary to maintain excellent quality levels, efficiency and safety in factory operations.

The second area, on the other hand, is dedicated to basic training on organisational conduct and is mainly intended for employees of the headquarters. Specific training projects are also envisaged during the initiation period in the company, such as “welcome on board” and “kick off retail”, designed to increase knowledge of the basics of the core business and corporate values.

These training periods also offer opportunities for shadowing, both of retail staff and staff of other business areas, with a view to improving the overall understanding of the corporate activities and internal communication.

The third area of training is aimed at key head office, retail, product and production managers and covers topics on improving leadership style, team management, communication techniques and conflict management. Being the category closest to company decisions, it is the most exposed to possible corruption, which is why special training courses are set up to prevent the problem.

The group collects indications from the HR Department or other Department managers and uses them as a stimulus to propose specific paths.

In order to monitor the effectiveness of the actions taken, in-store visits are carried out, feedback from stakeholders is collected and evaluation forms are administered.

Course objectives and targets with focus are set through continuous discussion with the Training Department and participation in training courses.

In 2022, the staff of sales branches, Italian companies and production plants benefited from over 489,166 hours of training in the areas of retail, health and safety, compulsory training³ linked to employment contracts, management training, technical-specialist training and language courses. Training was delivered through classroom courses and on-line, according to the breakdowns given in the graph below (with an average training of 11 hours per employee).

For management engineers set to hold responsible positions in production abroad, a one-year talent programme is in place, giving all-round training on the various areas for the management of a production plant and including a visit to at least three different plants.

Starting 2017, for new economics, computing and engineering graduates, a full-time training path is offered called “SAP Consultant Academy”, prior to training profiles for the SAP teams of the IT Area. In 2021, two new academies were created for communication and style. These training projects aim to connect the academic world with the practical world of work, immersing participants right from the outset in the company atmosphere. On the other hand, Calzedonia Digital offers on-line courses to improve IT skills and to learn how to use new tools, also for developers. These include, for example, Udemy on-line courses, Web API JavaScript Fetch, Robot Framework, MuleSoft certification, Salesforce courses and SEO courses.

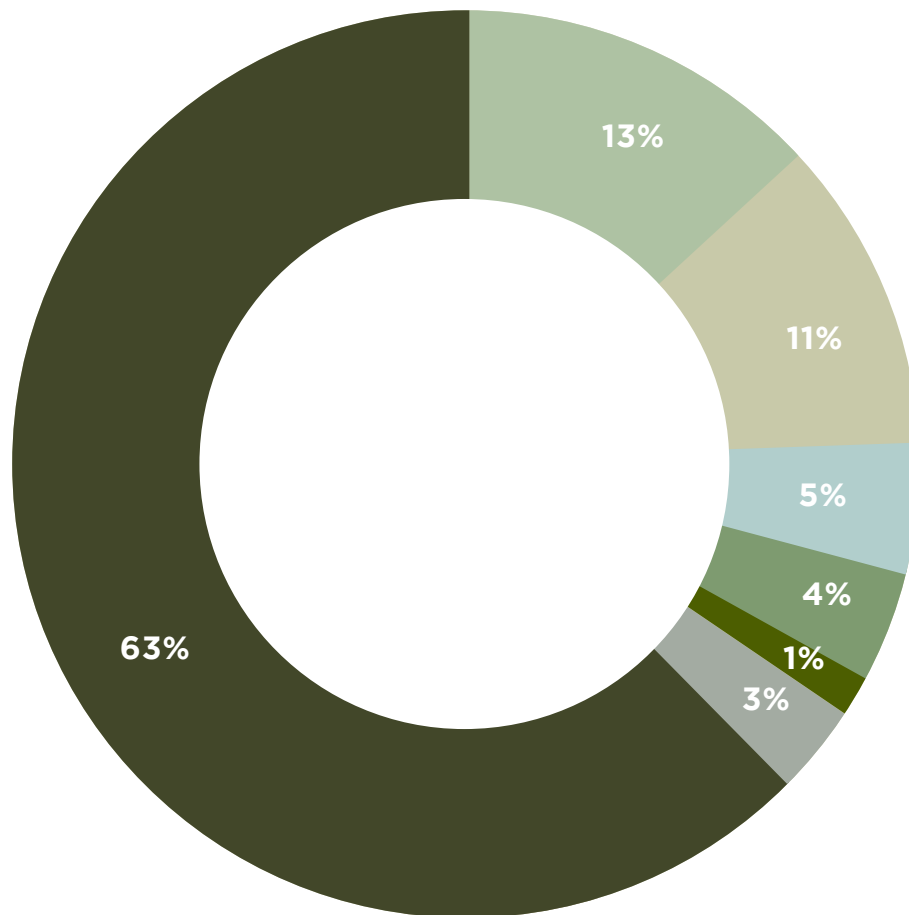
Through the training described above, the Group shares the

³ - For Italy staff only.

various processes with its employees, helping to keep their motivation high and to increase their sense of belonging. The Group constantly monitors the effectiveness of its training processes by collecting feedback from employees who have benefited from the training provided. In general, the final opinions are more than positive, and it is frequently the employees themselves who ask for any topics to be deepened or new topics to be introduced.



2022 hours of training by type



- TECHNICAL - RETAIL
- TECHNICAL - PLANT
- TECHNICAL - CORPORATE
- MANAGERIAL
- MANDATORY
- STARTING
- HEALTHCARE AND SECURITY

Training needs in each department are assessed with the relevant heads of department and sent to institutions qualified to deliver different training programmes.

Training programmes enable all employees to develop new skills that positively influence their professional development within the company, as well as increase the competitiveness of the Calzedonia Group in its business activities.

Production branches hire even unqualified employees and provide them with basic training through qualified trainers and on-the-job training. At the end of the path, these people are able to complete the preparation of a garment, with career prospects that can reach managerial level. Operators participate in evaluation sessions throughout the year.

COLLABORATION WITH SEGUENDOUNFILO

The Calzedonia Group supports the training of teachers and educators with the “Seguendounfilo” sustainability education project of the “What if” association by making available the by-products of the production cycle (fabrics, yarns, buttons, hooks, etc.), which are then used for the production of educational material and for the creation of paths aimed at recovering artistic and craft skills. In 2022, 18 schools and other educational institutions were involved.

Attention to salaries and incentives

The Calzedonia Group treats its employees with respect and undertakes to guarantee fair, correct working conditions.

The Group believes that remuneration should reflect not only the employee’s position, experience and customary levels of remuneration in the country, but should to a significant extent reflect the results achieved at both company and personal level. In addition, it respects applicable provisions of law in terms of minimum salaries, overtime and benefits.

For employees of the headquarters and offices located in Italy, premiums are usually received that are connected both to the Group consolidated results and the results obtained during the year under the scope of their activities. Additionally, at some foreign sales branches too, premiums are paid for seniority in the company every 10 - 20 - 25 years, also with a view to stimulating employee retention.

Employees involved in the commercial side of business can receive bonuses in connection with the achievement of targets, the maintenance of the results achieved during previous years or other premiums if budgets are surpassed.

Finally, for employees at production sites, bonuses may be paid on the basis of proven perseverance and achievements and, in part, in relation to brand or consolidated Group results.

With the aim of reviewing its model, promoting diversity/equal opportunities and eliminating gender discrimination, the Group has calculated the male/female remuneration ratio for each employee category.

Gender gap salary indicators⁴

	2020		2021		2022	
	Remuneration	Salary	Remuneration	Salary	Remuneration	Salary
Managers	93%	123%	118%	122%	110%	110%
Top-level managers (without managers above them)	79%	83%	78%	86%	85%	110%
Managers reporting to the top level	81%	85%	70%	84%	77%	79%
Other employees - office employees	77%	87%	77%	85%	78%	87%
Other employees - sales staff	90%	98%	86%	98%	79%	93%
In-store employees	88%	102%	97%	104%	90%	104%
Blue-collar	76%	83%	79%	83%	79%	84%

Equal opportunity and remuneration policies committed to bridging gender differences are pursued in all areas. The changes shown in the table therefore mainly depend on contingent situations.

The table above shows a higher average executive salary for the female gender (confirmation of a three-year trend). Favourable deviations for the male gender appear in “managers reporting to the top level”, “sales staff”, “office employees” and “blue-collar workers”.

The categories of “Office employees” and “Managers reporting to the top level” show a high degree of heterogeneity of roles within them, which makes a precise comparison of salary levels difficult, but the gender pay gap is caused by a higher male presence in the highest hierarchies.

In the “Blue-collar” category, the difference is due to a different gender representation in the jobs: in the Group’s factories, given the type of products, maintenance and mechanics are roles generally held by men, while tailoring tasks and unskilled labour are activities that predominantly employ women.

⁴ - All employees of the Group’s Italian companies are included, excluding expatriates. In order to calculate the ratio, the basic salary gives the theoretical remuneration considering FT equivalent for PT, whereas for remuneration only FTs are considered (and not PTs) and the remuneration effectively received during the year, is reported. The salary is calculated by the ratio of the average salary of men and women; if the average is less than 100%, women receive lower salaries. Instead, analysis by remuneration also takes into account a monetary assessment of employee benefits.

WOMEN'S EMPOWERMENT

The Calzedonia Group has always been considered a female business with 90% of its employees being women, a percentage that is also confirmed in production.

This is not a “given” in the social and cultural fabric of the countries in which our business is developed and this is what has led the Group to organise its first “Women’s Empowerment event” for production.

Ten colleagues from Sri Lanka, chosen for their corporate history, achievements and above all the link and passion towards the Group, were sent to Italy for a unique, motivational experience.

The journey

During this journey, the colleagues visited Venice, Milan and Verona and took part in their very first Intimissimi Fashion Show.

They also spent two days in the central office of

Verona, receiving training on the Group’s history and achievements, discovering the headquarters and getting to know the offices with which they dialogue constantly, more closely.

The project’s main focus was the “Women’s Empowerment” meeting organised with the aim of strengthening the role of the woman in everyday life. During this event, various different contexts intervened connected with the Group, from the San Zeno Foundation to the Progetto Quid and the company departments, inspiring and motivating colleagues through their speeches.

The objective underlying this initiative is not only to reinforce the sense of belonging to the Group, but also the sharing of a single, strong message:

Across the globe, the Calzedonia Group believes in women and reinforces their value.

Benefits and corporate welfare initiatives

The Calzedonia Group is committed to making life easier and safer for its employees. It is in these terms that a corporate welfare plan has been implemented, allowing them to make use of a series of goods and services supplied at special conditions.

More specifically, staff of the headquarters enjoy a series of advantages ranging from economic benefits to initiatives relative to health, the family or free time. More specifically, headquarters staff benefits include:

- ATM in the company usable outside working hours;
- company nursery and play schools with means-tested prices;
- counselling services;
- free flu vaccines;
- additional insurance cover for permanent invalidity or death;
- supplementary insurance cover for business travel abroad in the event of injury, illness, medical emergency and luggage theft or damage;
- delivery of steel water bottles to reduce the use of disposable plastic as much as possible;
- 30% discount off all products of the Calzedonia Group brands;
- lunch at the Hotel Veronesi La Torre restaurant with a token cost (2.60);
- company canteen for Falconeri employees in Avio;
- personal on-line purchases collection and distribution service;



- free charging of electric cars to encourage the transition towards low emission vehicles;
- corporate benefits portal allowing discounts on a wide range of products and services;
- reserved discounts in various commercial establishments (children's stores, swimming pools, hairdressers, etc.);
- preferential rates for access to the gym, swimming pool and wellness centre at Hotel Veronesi La Torre;
- ski courses and ski trips at reduced rates (Falconeri Ski Team);
- tickets to attend Tezenis Basket and Calzedonia Volleyball matches;
- free tickets for events sponsored by the Calzedonia Group;
- booking travel and hotels for personal holidays at preferential rates;
- extraordinary economic support measures to cope with general inflation and rising energy prices through the provision of 200 euros in fuel vouchers and 1,000 euros in welfare credit spendable in fuel coupons and shopping vouchers.

In addition, the "Calzedonia Group For You" welfare programme offers Calzedonia employees an annual amount of 500 euros for medical check-ups at authorised facilities, reimbursements to families for nurseries and schools fees, books, summer schools and public transport subscriptions, additional payments to the welfare provision, wellness (gymnasium voucher, swimming pool, wellness centre), free time and travel (weekend vouchers, cinema tickets, theme parks).

Last but not least, the "At your side" project provides counselling and guidance in dealing with family problems and orientation to the network of public assistance

services. With a view to improving the work-life balance, employees at headquarters can benefit from time flexibility for entry, lunch break and exit, as well as one day a week of working from home.

Those travelling for work and who find themselves spending a long time abroad, are guaranteed an assistance package that includes, for example, indemnities for the cost of living and environmental difficulties of the country of destination, housing, travel and transfer of the expatriated worker and their family and supplementary medical insurance for the expatriated worker and their family.

In almost all foreign production units, a range of services are guaranteed: free or token-cost canteen, in-company health care, sports facilities available, socialisation and team-building events, 30% discount card, Christmas presents for children, Christmas and Easter contributions for workers, multi-sport card, gifts for new births, travel allowance, bonus for work performance, financial support in the event of the death of a close family member, additional holidays based on seniority in the company, flu vaccination organised directly in the factory. In some cases, the Group also finances technical schools for the training of young people; in others, it commits itself through the payment of school fees for the children of single employees working in the company.

Company welfare and incentive policies are communicated to employees through specially prepared newsletters.

Commercial branches also recognise various benefits for their employees: gifts for employees' newborn babies, performance-related bonuses, additional holiday days based on seniority in the company, scholarships for the children of single parents, Christmas and Easter gifts for children and employees, multi-sport cards and cards giving access to various discounts, as well as food allowances.

Quality of the workplace and respect for human rights and diversity

Respect for human rights and diversity

It is the Group's objective to promote and protect the dignity and psychophysical integrity of its staff and to support initiatives in the social and political fields.

The Calzedonia Group condemns all forms of discrimination based on race, origin, ethnicity, disability, illness, religion, marital status, sexual orientation, political opinion, age, citizenship, gender or any other reason.

Manufacturers and suppliers reject any discriminatory practices at the stage of recruitment, with respect to pay, access to training, promotion and possible termination of employment or retirement.

The Calzedonia Group recognises the right of its employees to establish, participate in or join trade unions and/or organisations aimed at the protection and promotion of their interests, adopting an attitude of openness and collaboration towards the activities of trade unions. It also guarantees its workers respect for collective bargaining, freedom of opinion and the protection of workers' representatives. In 2022, 23%⁵ of the Group's employees were covered by collective bargaining agreements, a percentage affected by all the production countries in which the Group operates and in which such agreements do not exist. This percentage considers employees of the owned factories, which account for the manufacture of 74% of the items sent to stores.

The right to freedom of association and trade union

⁵ - Some of the countries in which the Calzedonia Group operates make no provision for national collective bargaining agreements.

freedoms is guaranteed along the supply chain directly controlled by the Group and is demanded from all suppliers. The control system currently in place provides for the sustainability assessment of suppliers (including compliance with the above-mentioned rights). Indeed, a major project has been launched to evaluate the suppliers involved in the business with the aim of promoting the improvement of all actors in the supply chain. This system involves the collection of all data and aspects considered relevant by the Group (following the ESG Rating) with a view to a final score, the starting point for continuous mutual growth and improvement. To date, this evaluation does not present itself as a discriminating factor, but is becoming increasingly important especially when considering new suppliers.

Finally, the Calzedonia Group rejects any form of forced or compulsory labour. This refusal extends to both its own employees and to its distribution chain in its entirety, and to any natural and/or legal person linked to the Calzedonia Group. The Calzedonia Group adheres to the UN Global Compact principles, according to which companies are required to support the elimination of all forms of forced or compulsory labour or any work carried out under coercion. The Calzedonia Group respects the rights of children and rejects child labour, respecting the minimum age established for access to employment by the relevant national laws of each country⁶.

At the production sites in Sri Lanka, Ethiopia, Serbia, Bulgaria, Croatia, Bosnia and Italy, the evolution of the main KPIs aimed at assessing the level of employee satisfaction and company climate is monitored.

In Italy, reports are received by the Legal Department after being filtered by the HR Department, while for foreign sales and production branches, management is autonomous and based on internal organisation.

When the report arrives, we proceed with an initial analysis and documentary study of the file, followed by a meeting to involve the departments concerned and coordination

with them to assess the approach and appropriate action to be taken.



In 2022, the Group received 36 work-related complaints, of which 23 were solved within the year and 13 are still being analysed.

Following the reports, the Legal Office involves the board and Personnel office and, together with the managers, agrees on how to answer and what action to take.

The Calzedonia Group is committed to making sure

that not only is legislation complied with, but also best practices in force in respect to working conditions and health and safety at work.

SELF LOVE IS FIRST LOVE

In November 2021, Intimissimi celebrated the uniqueness of feminine beauty with the special event “SELF LOVE IS FIRST LOVE”. A mantra of self-love that brought women with different attitudes and professions on stage, involved in a talk dedicated to current topics such as body positivity, empowerment and self-esteem.

On stage, as an exceptional moderator, TV presenter, actress, singer and podcaster Lodovica Comello, who led a dialogue featuring digital entrepreneur, Italian fashion icon Chiara Ferragni, Digital Ambassador Intimissimi. But also the histrionic business woman Cristina Fogazzi (alias “L’Estetista Cinica”, the “Cynical Beautician”), TV presenter, radio speaker, influencer and writer Daniela Collu, the young American content creator Tia Taylor, book blogger Francesca Crescentini, mental coach Nicoletta Romanazzi, TV and radio presenter Katia Follesa, Olympic champion Carlotta Ferlito and psychotherapist Sara Doni.

⁶ - See the following links for more details:

https://www.calzedoniagroup.com/mediaObject/images/Calzedonia_Corporate/MENU/B---ORGANIZZAZIONE/Corporate-Governance/Code-of-Ethics-Calzedonia-Group/original/Code-of-Ethics-Calzedonia-Group.pdf

Quality of the workplace and health and safety of our staff

The Group is committed to providing a safe working environment for its employees by complying with the prescribed procedures and regulations, and by fulfilling all obligations imposed in this respect by the national laws and regulations of the countries in which it operates.

In this context, the adequacy of the workplace, equipment, teaching and training of employees on the matter, is essential. Aware of this, in 2014, the “Franchisee Project” was created, with the aim of applying the same safety standards and the same know-how of the direct stores to franchised sales outlets so requesting.

There are multiple potential risk factors that can compromise worker health and safety in the workplace: mechanical risks, electrical risks and thermal risks connected with the use of machines and various items of equipment or chemical and environmental risks linked to travel in countries at risk. As far as factories are concerned, the Group is aware of the critical issues associated with repetitive manual work and therefore conducts constant research into industrialisation and mechanisation in all work phases, with the aim of improving work quality and production efficiencies.

In all the Group’s Italian companies, a safety management system has been implemented on the basis of national and international regulations, like the UNI INAIL Guidelines or the UNI ISO 45001 standard.

Management of the Prevention and Protection Service in Italy is divided up into two areas: the first is devoted to sales outlets and the second to logistics, administrative and industrial sites, for the management of all aspects connected with health and safety at work. Abroad, the

individual branches are managed autonomously.

The Protection and Prevention Service carries out periodic inspections in all Italian branches to control and improve processes. In the case of any critical issues encountered, resolution requires collaboration between the Service and the offices involved.

In line with Health and Safety at Work standards, controls are carried out on suppliers and contract workers when they go about their activities in the company’s premises. An assessment document shared between the Group company and the supplier/contractor is prepared for interference risks.

The control processes form an integral part of the Management System implemented in the Group’s companies, and the procedures summarised below define how the principles, general provisions and related control processes are to be verified:

- system structure and organisation;
- information, training and communication management;
- documentation management;
- system monitoring;
- management of incidents, accidents, non-conformities, Corrective and Preventive Actions;
- system review and improvement;
- health and safety risk assessment;
- plant, equipment and workplaces;
- adoption and management of personal protection equipment;
- safety in contracted works;
- emergency management;
- safety signs;

- material and substance management;
- health surveillance;
- safety of staff abroad.

The employer, the Prevention and Protection Service Manager (RSPP), the Workers’ Safety Representative (RLS) and the Appointed Physician carry out continuous monitoring activities through inspections. Awareness-raising and sharing training meetings are also organised in which material is provided (also intranet) useful for employees to report dangerous situations.

The report may reach the Prevention and Protection Service, the competent Workers’ Safety Representative and the Supervisory Board, named or anonymously.

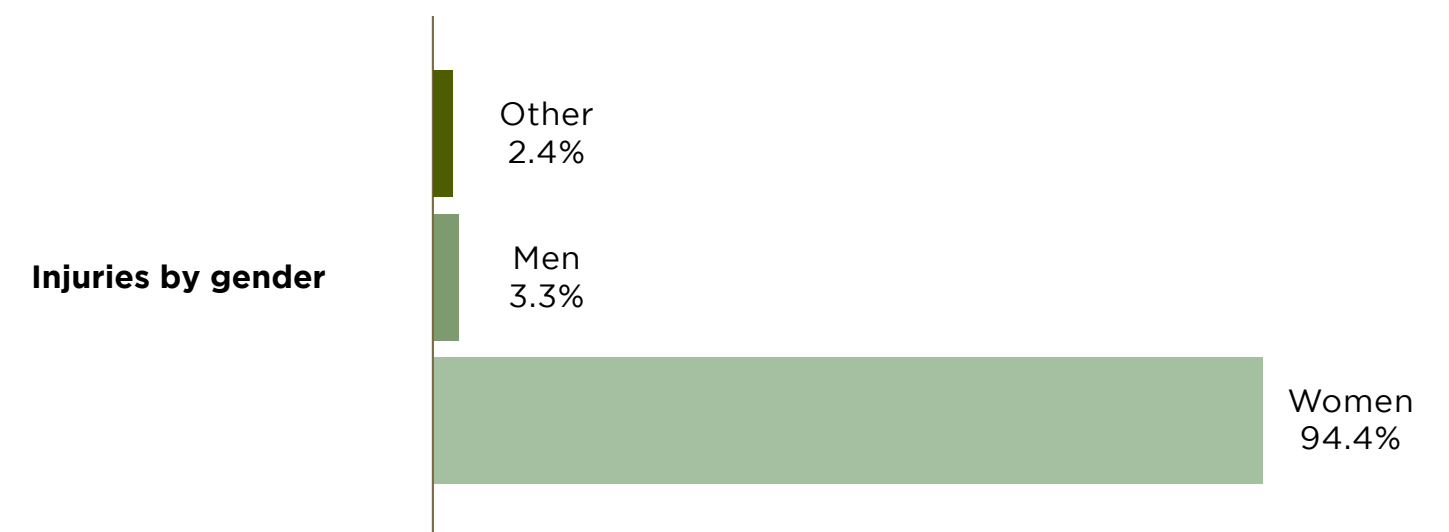
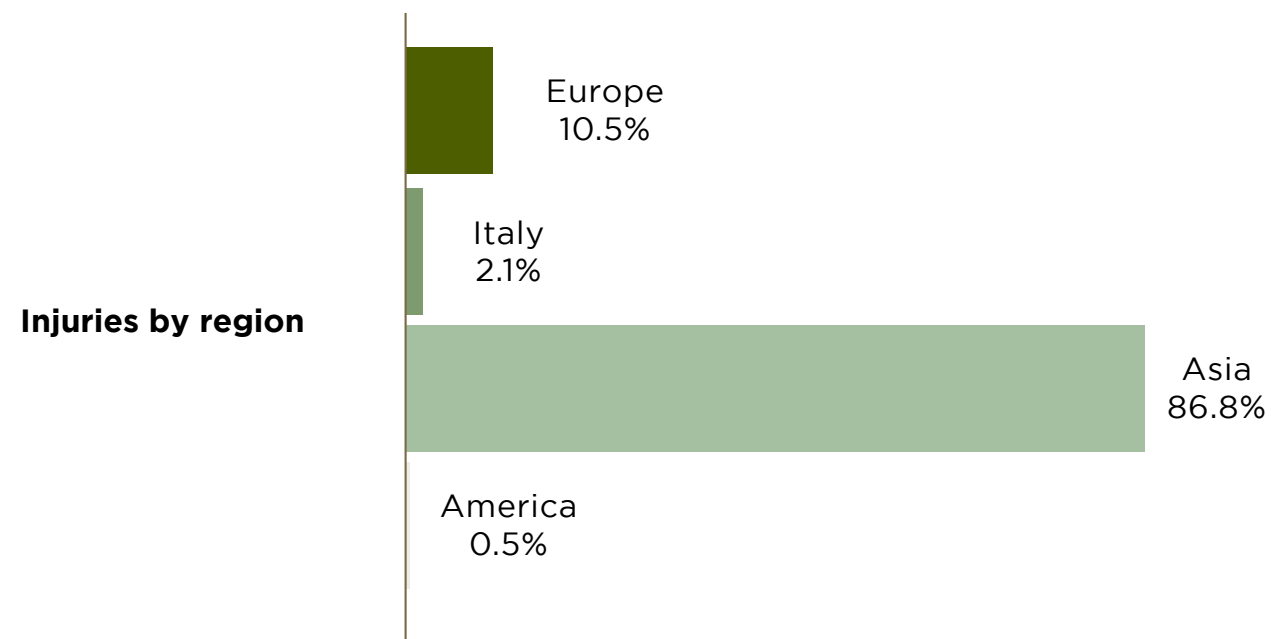
Each Group company also prepares a training plan that covers both general and more specific training in connection with work-related risks and risks intrinsic to the activities carried out and potentially dangerous situations.

In the factories in Italy, Croatia and Ethiopia, a safety at work monitoring system has been developed, integrated by software for system management and maintenance. In the other countries where the Group plants operate, implementation is currently in progress of the INFOR safety and maintenance system.

The table below shows the accidents recorded at all Group locations. It reveals that 92% of accidents occur in production plants and include minor injuries (e.g. needle sticks).

Injuries and employee indices

	2020		2021		2022	
	N°	Index ⁷ (%)	N°	Index ⁷ (%)	N°	Index ⁷ (%)
Injuries recorded at work ⁸	2,319	42.33	2,327	35.72	2,250	33
Deaths caused by injury at work	0	0	0	0	0	0
Injuries with serious consequences (excluding death)	26	0.47	14	0.21	15	0.22



7 - The rate calculates how many injuries occurred as per the GRI standard. The indicator is calculated by dividing the number of injuries by the number of hours worked during the year (if not available, the hours worked are estimated) and multiplied by 1,000,000 hours.

8 - These include injuries in the workplace and while travelling to and from work, both where transport is organised by the organisation and for autonomous transport.

In 2022, a total of 2,250 injuries occurred at work (99%) and while commuting (1.4%); these cases involve 34% of our employees. There are 15 cases of serious injuries. This figure is stable compared to last year.

The number of injuries in 2022 decreases compared to 2021: the index is lower with a four-year trend of registered accidents dropping steadily.

The Safety Management System includes a procedure for the management of investigations in the event of accidents, incidents, near-misses and non-conformities. Specifically, it consists of a report that contains all the information needed to frame the event, the hazardous situation, its possible causes, and the adequacy of the safeguards (e.g. training, PPE) and the improvement actions with their implementers.

The investigations have revealed that the main causes can be traced back to carelessness on the part of the operators or to random events. There are no organisational or similar shortcomings attributable to the Group.

In relation to interference risks, the legislation provides for the drafting of a risk assessment document shared between the Group company and the supplier or contractor. This document is always the result of an inspection - carried out by the Group Prevention Service - at the workplace where the supplier will perform the activity, followed by random inspections.

The interference risk assessment reveals both the description and quantification of the risks themselves and the improvement measures planned to eliminate or at least mitigate the risks.

In order to guarantee the quality of the processes carried out by the supplier and to precisely verify the competence of the persons performing them, for certain types of work, the verification of training certificates carried out in relation to the use of equipment for working at heights, the use of goods handling equipment, electrical work, etc. is foreseen.

As a general rule, during the training meetings, and in the documentation provided to the workers of the Group companies, it is also described how they can address various figures including:

- the Prevention and Protection Service directly, including during periodic inspections at the workplace;
- the Workers' Safety Representative present at the various locations or at territorial level (Workers' Safety Representative representing sales outlets);
- the Supervisory Board, also in anonymous form.

In line with applicable legislation, participation and consultation processes are implemented for employees. Within the companies of the Group, this is done through annual meetings to raise awareness and share corporate results, as well as through the dissemination of documentation also via company intranets.

Contribution towards social well-being and the community

SDG - The Calzedonia Group contribution



The Calzedonia group has always offered its contribution to the communities in which it operates, driven by the commitment to improve the quality of life of those in difficult conditions, driven by the desire to do good and also to strengthen external relations.

Our contributions to local communities

Through the use of corporate resources, the Group offers its contribution towards the support of social, sports, cultural and welfare activities, as well as minor public works, in a reliable, transparent manner.

In the social sphere, the Calzedonia Group has been supporting the San Zeno Foundation since its creation in 1999, which allocates funds to organisations and associations for educational projects, employment projects and community development in Italy and around the world.

Over these last twenty-four years, the Foundation has supported approximately 1500 initiatives, collaborating with more than 550 entities for a total amount in excess of 80 million euros.

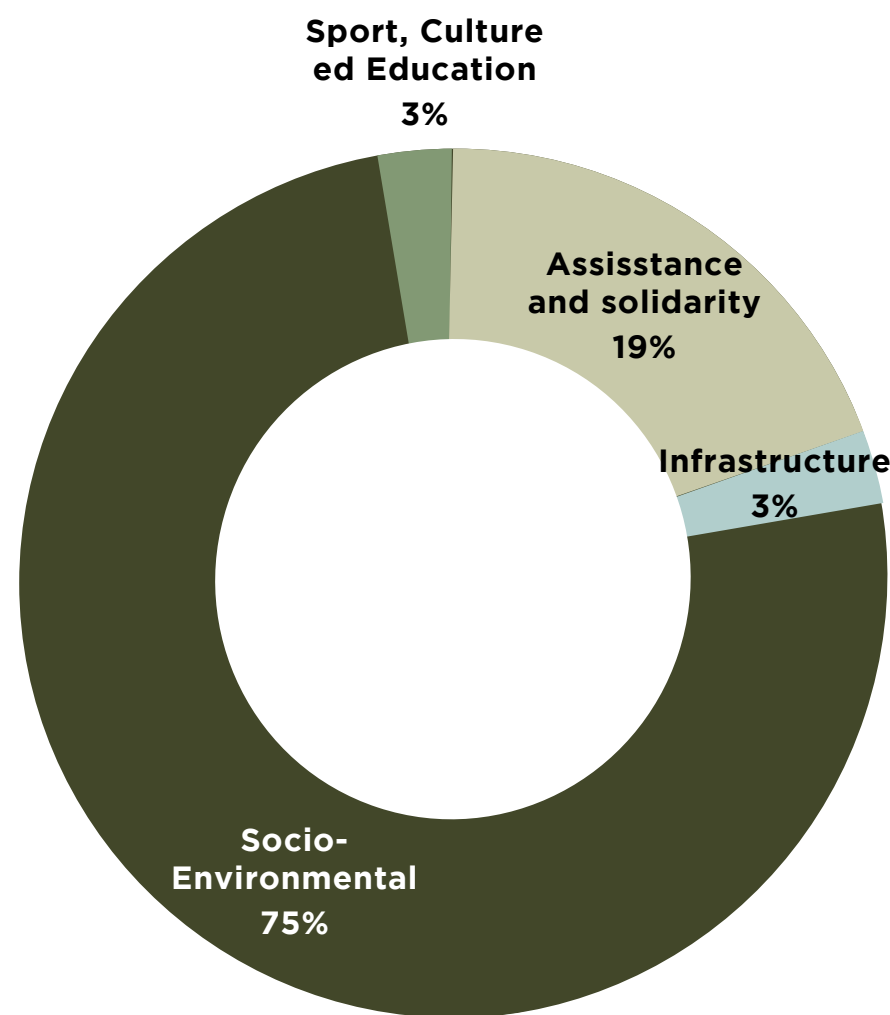
To support the Foundation, in October and November, all Calzedonia and Intimissimi sales outlets in Italy organise a fund-raising campaign whereby, if the customer adheres, 3% of what they spend is transferred to the San Zeno Foundation.

In addition to this, in 2022 the various Group companies donated substantial amounts (in actual fact 4,202,142

euros) to social welfare, education, cultural and sports initiatives.

As can be seen from the graph below, most of the interventions involved the social-environmental sphere. Most of the donations in economic terms were made in Italy and Europe, followed by the Group companies located in Asia. More specifically, the companies operating in the territory of Sri Lanka made donations and interventions during the year for a total in excess of 150,000 euros.

2022 donations by area of intervention



Welfare and solidarity

In 2022, the Group also promoted a number of assistance and solidarity initiatives, supporting projects to protect people’s health. From the Group’s headquarters, the “Ospedali Aperti” (“Open Hospitals”) project, assisting hospital facilities in Syria, was supported, and the UN project to help the Ukrainian people following the invasion

of their country was funded. Some commercial branches and foreign sales subsidiaries also promoted projects to raise awareness of breast cancer.

Below are some of the most important welfare and solidarity initiatives pursued in 2022.

BENEFICIARY	DESCRIPTION OF INITIATIVE
AVSI FOUNDATION	Ospedali Aperti in Siria (300.000)
Associations from various countries for the fight against cancer	Ottobre Rosa (Pink October) (250,000)
UNHCR	Support and assistance for the emergency in Ukraine (200,000)

Social-environmental

As far as social initiatives are concerned, the Calzedonia Group, both in Italy and abroad, supports various contexts working in favour of the community and the environment, such as the activity created by the French sales subsidiary called “Initiative Océane”: a day of recruitment and team building, all while cleaning beaches.

Some of the most significant donations made in the social area include:

BENEFICIARY	DESCRIPTION OF INITIATIVE
National Association of Portuguese Fire Brigades	Donation in kind of vehicles and equipment (293,000)
WWF Spagna	Donation of 1 per swimsuit sold on 8 June for “World Oceans Day” (23,800)

Sport, culture and education

The Group has confirmed, again for 2022, sponsorships with sports teams and events that promote the ethical principles of sharing and social aggregation that create value for the territory and local communities.

The Falconeri brand is committed to supporting the Italian Winter Sports Federation and the Italian Sailing Federation, as well as the related national teams. With regard to golf, a sport with a strong connection to nature, the brand sponsored two competitions in Italy.

The Tezenis brand has supported Scaligera Basket, Verona’s main basketball team, and the Calzedonia brand has sponsored Verona Volley, the Verona volleyball team.

In addition to investing in sports and nature, the Calzedonia Group allocates resources to education, promoting culture in the communities where it operates by supporting universities, foundations and institutes of higher education, also with the aim of facilitating the entry of young people into the world of work.

BENEFICIARY	DESCRIPTION OF INITIATIVE
Group-sponsored sports associations	Sports sponsorships (3,349,313)
Arena Foundation	Support of artistic activities (100,000)

Infrastructure

In 2022, the Calzedonia Group took part in various infrastructural projects intended to enhance the territory, improve hospital structures and contributed through donations to restoring certain churches, schools and other places of high historical, cultural and social gathering value.

BENEFICIARY	DESCRIPTION OF INITIATIVE
Brentino City Council	Urban regeneration project donation (200,000)



CLEANING OF BEACHES IN SRI LANKA

In June 2021, the cargo ship X-Press Pearl sank off the coast of Sri Lanka, causing terrible environmental damage by spilling more than 300 tonnes of fuel oil and 25 tonnes of nitric acid into the sea, along with other chemicals toxic to both humans and the environment.

The Calzedonia Group was active both in 2021 and, later in 2022, in an attempt to alleviate the consequences of the environmental disaster, by concretely supporting the activities of Parley (a private company that coordinated the cleaning activities), contributing economically and physically to the cleaning of Sri Lanka west coast.

The results of this activity were significant: with the contribution of the Calzedonia Group: Parley conducted 12 beach cleaning events, involving a total of 214 volunteers and cleaning an area of 31,824 m2. The clean-up focused on collecting plastic material and debris (a combined total of 713 kg of plastic removed and 1100 kg of debris), as well as cleaning the sand from 455,000 plastic microbeads released into the sea from the wrecked ship.

San Zeno Foundation



The San Zeno Foundation supports projects aimed at providing support and ensuring the development of educational activities in Italy and in countries in difficulty, involving the most disadvantaged sections of the population.



Thanks to the work of the San Zeno Foundation, through the financing of projects with a direct impact on the social-economic prospects of the female component of the communities in which they come to life, the integration of women into the employment market is fostered. The important projects founded are aimed at increasing educational opportunities and independence.



Professional development is the main route to a dignified, independent and economically stable life. This is why the Foundation supports projects dedicated to training, job placement and improving the living conditions of the poorest and most marginalised sections of the population.



Work is not only a source of income but it also becomes a tool for social inclusion, by which to overcome the obstacles to integration and affirm one's identity. The projects supported by the San Zeno Foundation, through professional development, have the ultimate aim of fostering social inclusion and reducing inequalities, helping assure social dignity and economic solidity, reducing the plague of poverty in difficult contexts.



Thanks to the support of concrete projects implemented by the San Zeno Foundation, fair and sustainable access to food systems is ensured for more and more people, the adoption of sustainable agricultural practices, the reduction of food losses and waste, and the support of small farms.



The projects supported by the Foundation are not an end in themselves, but rather aim to create an environment conducive to sustainable development through collaboration, partnership and the sharing of knowledge, resources and technology between different actors, in order to achieve all the above in an effective and sustainable manner.

Established in 1999 on the wishes of Sandro Veronesi, the Chairman of the Calzedonia Group, the San Zeno Foundation raises and allocates funds to entities and associations that choose to embark on projects and initiatives in the area of education and employment, fostering social development and generating a positive change.

The main objective that drives its choices is to offer concrete possibilities to people who find themselves in situations of hardship, uncertainty and difficulty, towards achieving their own economic and intellectual autonomy, as an engine of personal growth and enrichment for the community.

The San Zeno Foundation is a firm believer in people as the real protagonists of change and of growth towards freedom. It focusses on tailored job placement of people with fragilities, young boys and girls who have “lost their way” at school and inmates. It believes in the school as a place of well-being for teachers and students, a nursery growing passion and talent and training the citizens of tomorrow.

KEY MOMENTS

1999

The San Zeno Foundation is established and has a clear aim: to encourage those experiencing difficulty and discomfort to create their own economic and general autonomy, particularly of thinking.

2000

Seventeen projects have been supported worldwide over the first two years: Sri Lanka, Brazil, Ecuador, Republic of Chad, Democratic Republic of Congo, Republic of Guinea-Bissau, Albania, Italy.

2003

The fund-raising campaign involves all Calzedonia and Intimissimi stores across Italy, offering 3% of takings in study, training and employment projects.

2005

Travel begins: Ecuador, Brazil, Sri Lanka, Tanzania. To get to know. To understand. Listening to the needs of the beneficiaries becomes a precise point of reference.

2007

More than 10 million has been fund-raised. 186 initiatives supported. Teaching material, schools, study bursaries. Human and professional training. Small working activities, also supported through micro credit.

2013

The commitment grows and with it, support for projects in Italy. In 2013, more than 150 projects were supported in our territory. We look to encourage those with good ideas and want to walk together.

2012

Something more to make the difference. A business project stems from an idea: recovering discontinued fabrics and creating employment opportunities for women with a fragile past. This is the Quid Project.

2011

Almost 500 projects have been supported to date for a commitment of close to 30 million euros. Fund-raising that through the Italian sales outlets exceeds 5 million for the first time.

2009

Thinking about what is happening around us. In Verona, Veneto, Italy. The economic situation puts everything in doubt: work, the house and everything else around it. A new chapter starts. That of "new poverty".

2016

In prison with industrial production, textile laboratories and sweet production. Because work gives a sensation of freedom and importance.

2019

The San Zeno Foundation turns 20. Only by going beyond one's own confines can ideas become actions. Effective, concrete, long lasting.

2020

We have taken time out to listen, to give voice to projects. In a year that was far from ordinary, listening has been our trip around the world.

2021

We look to the future, because it is the only place we can go. To learn and understand, to share ideas, to offer resources and energy, to imagine new opportunities. At school and at work.

2022

We started travelling again in Italy and abroad, to walk alongside reality that we already knew or to meet new ones, always open to dialogue, al comparison, listening.

EDUCATION PROJECT

CESTIM

Italy - Verona

First, learn the language properly

Cestim was founded in Verona in 1990 as an association of social and cultural workers dealing with immigrants and their problems in various fields. Since 2002, the San Zeno Foundation has been supporting the programme of language interventions, carried out in synergy with schools, local administrations and associations in the area, which aim at the educational and social inclusion of immigrants and children of immigrants. The project, called “Primo, imparare bene la lingua!” (“First, learn the language properly!”) includes Italian L2 courses, volunteer and after-school activities, summer training and language tutoring.

The words of Matteo Danese, director of CESTIM

“Only language can makes equals. Equal is he who can express himself and understands the expression of others: wealthy or poor is of little matter. He just needs to talk. These are words by Don Milani written over fifty years ago, in a very different context from today, and yet they say well the meaning of the project “Primo, imparare bene la lingua!”. For the children of immigrants, the Italian language is the necessary means by which they can obtain the same opportunities enjoyed by their peers and free themselves from the disadvantaged status that often penalises their parents. Teaching the Italian language at Cestim means offering a common ground for meeting and exchange where our children’s skills can be better recognised and their stories heard and told. Language as an indispensable tool for full citizenship and for building a sense of belonging and a desire to participate, in diversity, in the same community.

School, the educational agency par excellence, is the place where the foundations are laid for a more equitable and cohesive society. This is why, since the early 2000s Cestim has built an alliance with more than seventy schools in the province of Verona for the implementation of projects for the teaching of Italian as language of the early communication and study. It has done so by calling together, organising and training thousands of citizens (retired volunteer teachers, young teaching-oriented graduates, students) characterised by very different ages, skills and experiences but united by the desire to contribute to the creation of a fairer society. The professionals trained and developed within the project have been and still are a stimulating and enriching element for the entire school system. This long path has led to the creation in the province of Verona of a structured system, based on the collaboration between public and private social organisations, which every year manages to offer a response to the linguistic needs of over two thousand pupils from migratory backgrounds”.

DISCOVER THE PROJECT



WORK

RULLI FRULLI

Finale Emilia (MO), Italy

Come on, let's cook together!

An abandoned bus station in Finale Emilia that becomes an open multifunctional space, where people can “find a home” and create a network of services for young and very young, people in difficulty and the entire community. The project “Dai vieni, cuciniamo insieme!” (“Come on, let's cook together!”), will create a café with job placement opportunities for frail individuals: to start them off at work, increasing their technical skills but above all accompanying them on a path to autonomy and sociality. A place for everyone, a place that belongs to everyone. the words of Federico Alberghini, director and founder of the Rulli Frulli band

“We started out 10 years ago with the creation of the Rulli Frulli band. Each of our projects started from a cornerstone: creating contexts capable of welcoming anyone with the will and desire to invest in themselves and the community, with its own capabilities, within limits and resources.

In 2021, we decided it was time to take another big step: to realise a social hub that would be home to both existing and new projects, “everyone's home”.

In May 2022, we opened the Rulli Frulli Station. It was an extremely exciting experience, with the official ribbon cut by our President of the Republic, with everything that had taken place up to that moment and at the thought of everything that would happen afterwards. Inside the station we immediately started a new project: “La Stazione Bar e Cucina” (“The Station Bar and Kitchen”), a social bar and restaurant with a cook, bartender and educator.

A public, free-access and user-friendly venue with a special feature that distinguishes it from others. You enter the restaurant, sit down and it is the person you least expect, the one you think is in need, who is there and brings you your order with absolute pride. Behind this gesture is a path made up of self-experimentation, made up of practice and new knowledge, made up of meeting people, clashing and meeting oneself.

“La Stazione Bar e Cucina” is now a real bar-restaurant where we welcome young people, with and without disabilities, and young people attending alternating school-work routes in local high schools offering them paths to assist them as they start work. It is frequented by loyal clientèle and promotes events with catering - even reaching 300 covers - thanks to the great commitment and participation of a large number of people who, even if they come for a short time, have felt at home here and continue to come because it feels good here and makes others feel good”.

DISCOVER THE PROJECT



COMMUNITY DEVELOPMENT

CINI

India - Calcutta

Fighting school abandonment

In India, for almost fifty years now, CINI has been helping ensure a more balanced distribution of resources to improve living conditions and respect for the fundamental rights of women and children. With the school abandonment prevention programme, it is engaged in setting up Learning Centres to ensure education up to the upper secondary level of vulnerable adolescents, providing teacher training and activating all community actors to raise awareness and make them accountable on topics such as the protection of children's rights, combating child labour and early marriage. the words of Samir Chaudhuri, founder of CINI India

“Here nobody comes. Many of us do not even dare to tread the path leading towards a child, a woman or an elderly person in need, as we often grow blinded to marginalisation. In the Kolkata megalopolis and beyond, across the four Indian states where Child in Need Institute (CINI) works for and with vulnerable children, excluded people are everywhere. We can see them but, often, we just do not look at them. And when we respond, we may take shortcuts. We may build an orphanage or a home for the destitute but rarely we try to go down all the way to the cause of the problem to root out the triggers of poverty and marginalisation.

When CINI initiated its journey in 1974, we started by treating severely malnourished and sick children at a paediatric hospital in Kolkata. It did not take long before we realised that children we had rehabilitated were returning quickly back to us with a relapse as bad as before. Medical treatment was not enough: we needed

to look for the root causes. We went to their homes in village and slum communities, spoke to people and found families in debt, illiterate, utterly powerless. Ultimately, as we dug deeper, we saw citizens of a democratic country who were systematically denied their rights. As we built trust, we were able to take duty-bearers -family members, service providers and elected representatives- with us to build Child Friendly Communities together. To do this, we need to “go there” where nobody

goes. Working together with empowered women's and children's groups, we could find local, low-cost, sustainable solutions that helped prevent malnutrition, disease, illiteracy before the rights of children to health, nutrition, education and protection were violated -not after.

Lifting people out of poverty and returning them to their dignity is not a quick fix. It requires time, commitment and vision. It has taken us the past 50 years to develop the “CINI Method”, a rights-based approach that gives a voice to the voiceless. We have been able to equip children with the most powerful of tools: education. We do not simply implement a project to respond to the immediate need. We seek to achieve education as a fundamental right, which makes the fulfilment of all other rights possible. Where an educated person stands by his/her rights, everybody comes here».

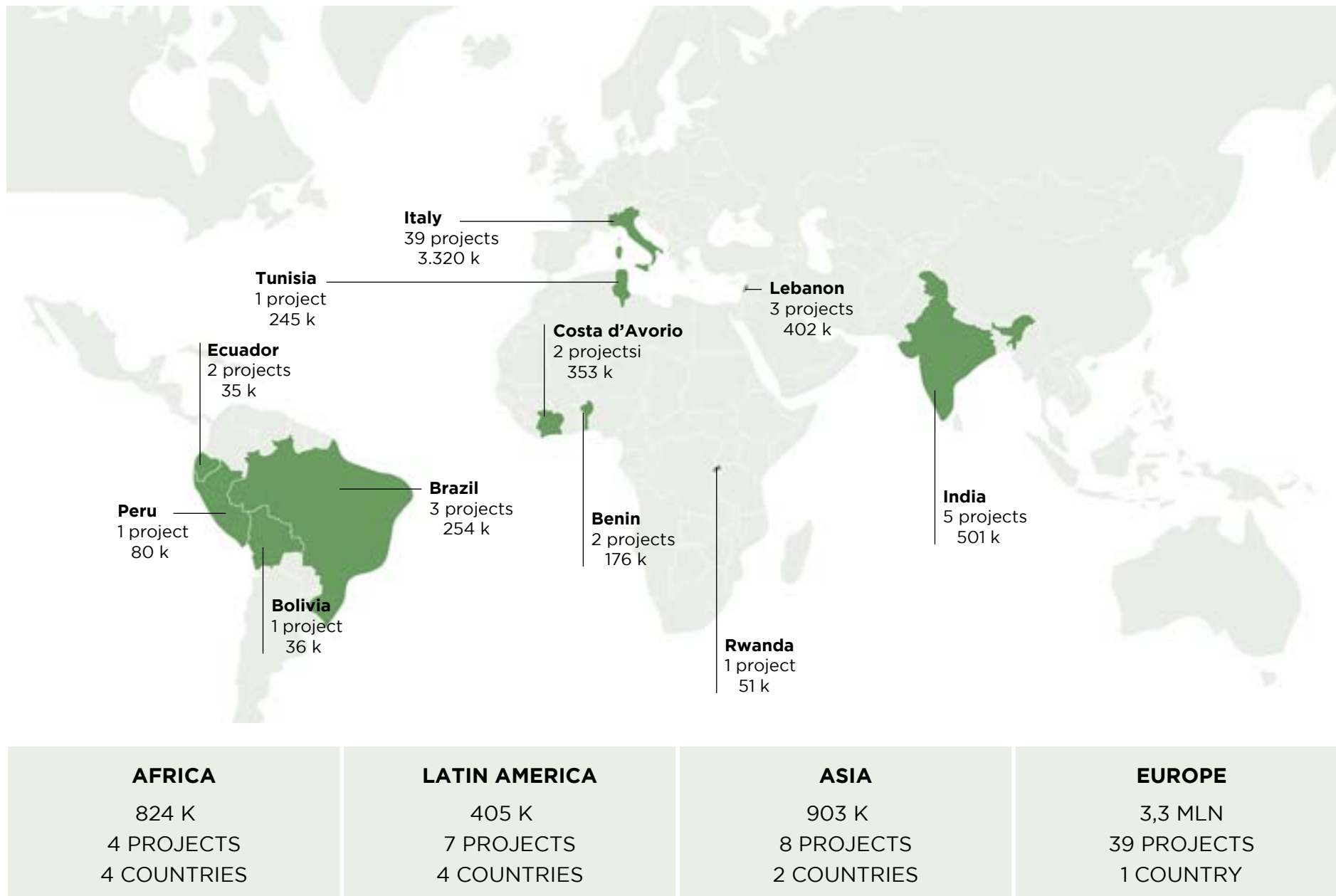
DISCOVER THE PROJECT



The contribution in numbers

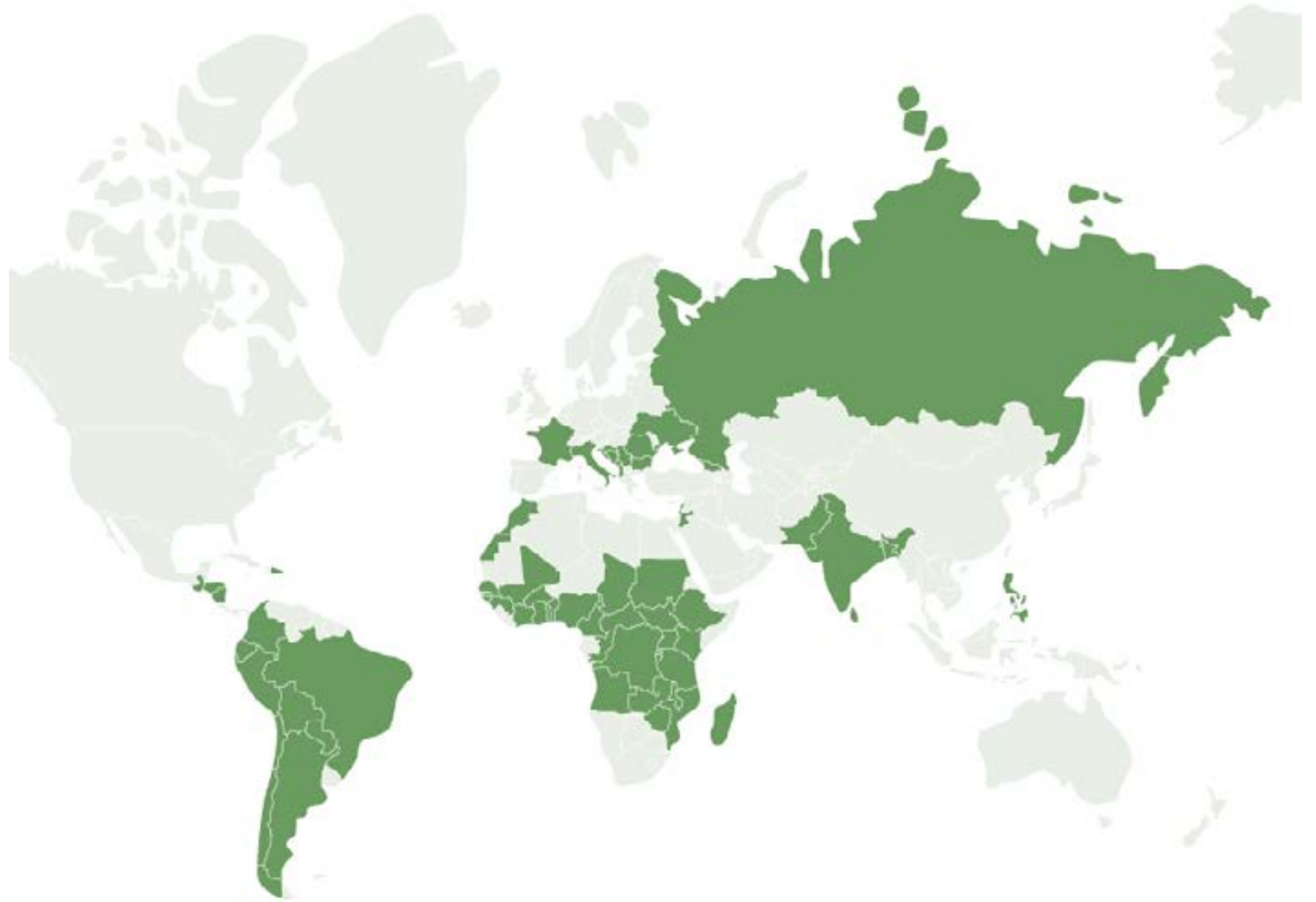
REPORT 1999 - 2022				
	ECONOMIC COMMITMENT	PROJECTS	NO. COUNTRIES	ENTITIES
TOTAL	80,100,000	1,467	74	547

Projects approved 2022





Projects approved 1999 - 2022



<p>AFRICA 16,3 MLN 270 PROJECTS 35 COUNTRIES</p>	<p>LATIN AMERICA 15,5 MLN 331 PROJECTS 14 COUNTRIES</p>	<p>ASIA 11 MLN 190 PROJECTS 17 COUNTRIES</p>	<p>EUROPE 37 MLN 667 PROJECTS 8 COUNTRIES</p>
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Our responsible management of the production chain

SDG - the Calzedonia Group's contribution



We know just how vital a resource water is; for years, the company has been implementing practices to limit the impact of production activities on it as far as possible and developed systems by which to distribute it to employees as drinking water, free of charge, in particular in the geographic areas where access to water is impacted by situations of water scarcity or infrastructural deficiencies.



The direct management of the production chain assures the dissemination of ethical practices typical of our culture, encouraging a safe, orderly environment and complete respect of the rights of all our workers. The Calzedonia Group works hard to reduce social inequalities: we are aware that a fairer, longer-lasting social and economic development also involves the sharing of operative and technological know-how and this is why we work to make sure that it becomes the heritage of our people and the communities in which they live.



The Group's investments in production and logistics plants aim to have them evolve technologically, so as to make it possible to develop more sustainable production models: all plants are characterised by cutting-edge machinery, which guarantees safer working conditions, reducing waste, obtaining high productivity and conferring greater value on the raw materials.



The Calzedonia Group factories

The Calzedonia Group integrated management model calls for commitment, investment and specific competences. Through this model, the quality of the garments can be controlled directly and thoroughly, maximising scale economies and synergies. It also allows for the control of respect for the human and social rights of those working there. In terms of the environment and health and safety, the Group adopts the highest, strictest standards in respect of the principle of transparency with its stakeholders.

Our production involves many countries where the textile industry is one of the main drivers of local growth and offers thousands of people employment opportunities.

The Calzedonia Group is aware that one of the greatest risks in the clothing industry supply chain is the lack of visibility of the entire supply chain. This is why the commitment is required of all players of the production and distribution chain towards a responsible route of cooperation, aimed at creating a business model that is sustainable in the long-term. To this end, foreign subsidiaries strive to create relationships with suppliers based on transparency and a proper understanding of working conditions, respect for human rights and investment in a progressive reduction of environmental impacts. These aspects are pursued by proposing long-term cooperation.

In 2022, the Calzedonia Group produced 351 million items of clothing in-house and using service providers. Of these, 35.80% were produced by Calzedonia, 27.10% by Intimissimi, 36.60% by Tezenis, 0.48% by Falconeri and 0.02% by Atelier Emé.

By building our factories, we chose to put our face on them. To date, they produce approximately 77% of the goods offered in our stores thus guaranteeing close control of the chain.


Much of the Calzedonia supply chain consists of businesses belonging to the Group, for whose management we are exclusively responsible. The Group's factories are located in: Italy (Avio, Brentino Belluno, Biella, Castiglione delle Stiviere, Castel Goffredo, Gissi and Grole), Croatia, Serbia, Bulgaria, Bosnia, Sri Lanka and Ethiopia.

For the Calzedonia Group, production means construction and production standards aligned with Italian and European requirements for all plants, regardless of their location. The Group undertakes to align the plants with the best available technologies, choosing the most cutting-edge systems and machines that can minimise repetitive manual labour and guarantee employees optimal working conditions and compliance with the highest standards of quality, health and safety.


Aware of the critical nature of supply chain issues for its industry, the Group has embarked on a path that, starting from the objectives already achieved in the ESG area, aims at continuous improvement and consolidation of the sustainable development process. Concrete examples of our social responsibility actions include the empowerment of women in the reference community, the energy efficiency of plants and the sharing of an industrial model that limits waste and fosters respect.


Group's production plants



 x8 IN ITALY

 x13 IN EUROPE

 x1 IN AFRICA

 x5 IN ASIA

CIVIL WAR IN ETHIOPIA

The Calzedonia Group’s decision to verticalise its business model by investing in production structures gives rise to a whole series of responsibilities that the Group has decided to shoulder, including respect for its employees and reciprocal help with the communities surrounding the plants.

In November 2020, a violent civil war broke out in Ethiopia. The epicentre of the clash was in the region of Tigray, where Itaca Textile is located, one of our factories. The Calzedonia Group reacted promptly, by providing support to locals (e.g. through continuous monthly salary payments) and repatriating expats through a combined intervention with the United Nations.

2022 saw a gradual normalisation of relations between the Ethiopian central government and the Tigray party, which will hopefully lead to a lasting peace. During the course of the year, there was a slight upturn in operations, starting with air transport to Mekelle, where the plant is located, and the resumption of banking. As a result of these signs, but with due caution to ensure the safety of its employees, the Group is taking steps to reactivate the plant founded in 2018.

Supply chain management

In balancing its make-or-buy strategy, Calzedonia has chosen, as a general rule, to maintain production of its products within the Group, mainly using external suppliers for the purchase of raw materials.

The Group seeks lasting, loyal collaborations with its suppliers, in order to enjoy a profitable relationship inspired by the sharing of quality policies.

In selecting suppliers, the criteria adopted are the quality and price of materials, with equal importance given to respect for human rights and the health and safety of workers. Finished product suppliers are only chosen once Group technicians have verified the condition of their production plants, which are monitored during production, including through line inspections.

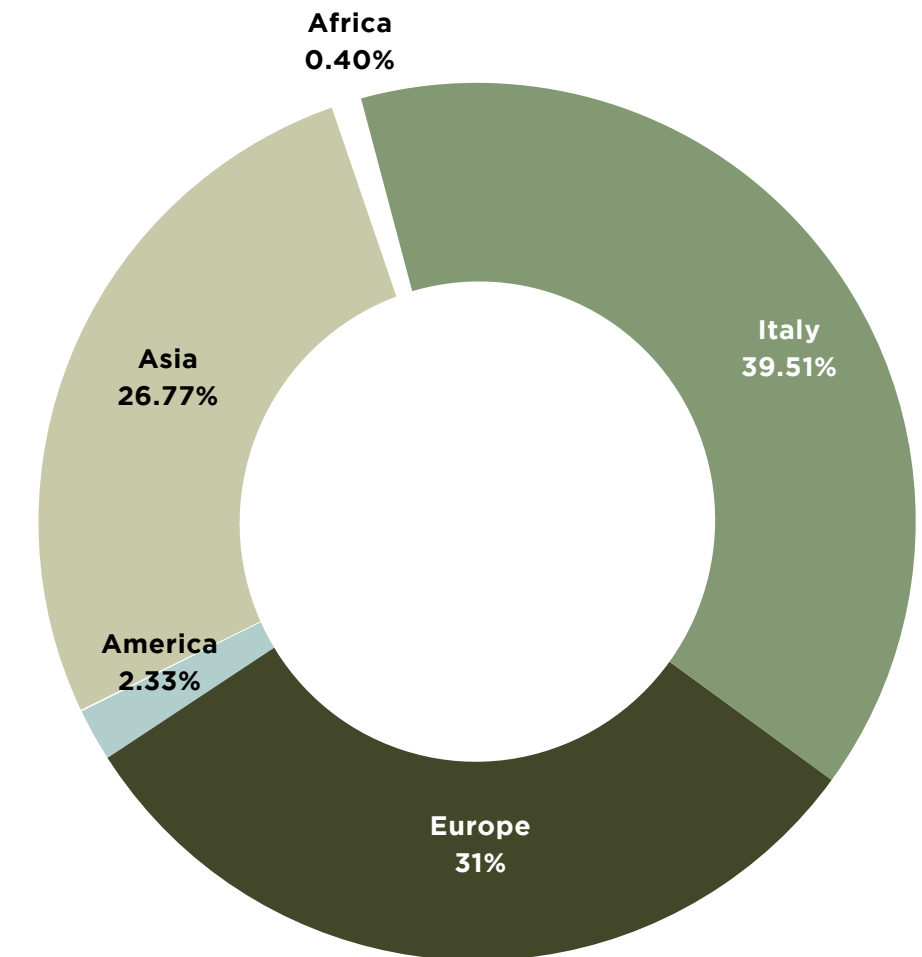
Adhesion to the company Code of Ethics is an essential condition for all suppliers, along with acceptance of the Technical Specifications of Conformity and the specifications for animal origin parts (where necessary). On the request of the Group, suppliers are also required to show the effective application of what they have declared.

Once the Group’s Technical Specifications have been sent to suppliers, a constant relationship is maintained by communicating seasonal purchasing objectives and strategies (where the selection of materials is followed by the Purchasing department) together with the scheduling of visits to the suppliers themselves (also in order to maintain an adequate information flow).

The Code of Ethics and the Suppliers’ Code of Conduct (both available for download from the corporate website) aim to spread awareness of the Group’s principles of respect for human rights, workers’ health and safety and environmental protection to suppliers.

In line with the above principles, starting 2021, the Group

2022 value of orders by geographic area



began to trace the sustainability policies implemented by suppliers. This data represents a first step towards creating an assessment process not based purely on operating performance. The information collected is available in a specific section of the corporate website or on the Open Apparel Registry.

At the end of 2022, the Group began a long process of assessing its suppliers based on ESG issues, at the same time environmental assessment criteria were introduced for the selection of our suppliers. During 2022, this verification was carried out for 4% of new suppliers.

In order to maintain respectful partnerships, the Group is very careful to respect supply orders (which are never changed

SUSTAINABILITY IN THE SUPPLY CHAIN

The Calzedonia Group produces in its own factories more than 75% of the garments offered in its stores. This approach has made it possible to constantly maintain detailed, thorough and scrupulous control over the working conditions within the production facilities and the way they operate in respect of the environment in which they are located.

In 2022, the Group's commitment to the topic grew further by initiating a major project to map, assess and audit suppliers throughout the supply chain. The quality of suppliers was assessed with reference to the main areas of concern in terms of work ethics and compliance with national and international laws.

The areas that were particularly focused on were: the level of health and safety experienced in the workplace by employees, attention to compliance with regulations aimed at protecting the environment, and the presence of particularly socially committed practices put in place to support local communities.

The project took the form of an initial screening assessment hinged around these factors; the result of this assessment, subsequently cross-referenced with risk indices of the relevant production activity and the legislative maturity of the country in which it is conducted, flows into a specific risk assessment.

A "high risk" index sparks an increased focus by the Group, which engages in the evaluation of the supplier's activities through a physical audit during which any areas of non-compliance are observed and suggestions are made for better management of the areas analysed. Indeed, the aim of the project is not to punish suppliers who present a "high risk", but rather to create a positive collaboration by amplifying the focus on higher risk situations and supporting supplier development in line with the Group's ethics. The Calzedonia Group has always favoured lasting

partnerships in which the win-win relationship also benefits the communities in which it works.

However, the project also pays particularly close attention to relations with those suppliers who otherwise chose not to cooperate in risk mapping. Seeing transparency as a key value in the sustainable development of strong relationships, the Group will be increasingly inclined to review its relationships with companies that demonstrate that they do not share its approach.

retrospectively) and to always release payments on time with what was agreed upon. For the 2022 supply orders, 25% were paid within 30 days of the order, 42% within 60 days, 74% within 90 days, 97% within 120 days and only 3% between 120 and 150 days.

Where possible, the Group opts for the procurement from local suppliers in the various contexts in which it works, in order to benefit from logistics advantages, generate satellite activities and create employment opportunities in the communities in which it works.

The Calzedonia Group splits its purchasing turnover from the various suppliers of the countries in which it operates, also in order to avoid any dependency of procurement that could represent a business risk. The Group's main suppliers are in Italy, Europe and Asia, as per the main areas of operative business interest, as shown in the graph below⁹.

In its purchasing decisions from third-party suppliers, the Group draws a distinction between raw materials and finished products on the one hand and what are termed "non-core" materials on the other. "Non-core" materials are those not directly related to the production of the garments that are sold in the stores.

Raw materials and finished products

Suppliers of raw materials mainly supply fabrics, yarns and accessories (elastic, buttons, zips, etc.). The fabrics mainly come from Italy, China, Serbia and Sri Lanka. The Group is oriented towards leading companies in the industry, with the main quality certifications (for weaving and dye mills) and environmental certifications, as this has long been a crucial topic in the textile production and dyeing market. The production process, in fact, requires a considerable use of water as well as chemicals, which can be harmful to human health and pollute the environment.

⁹ - The Group's significant operating offices are located in Italy, Europe, America, Asia and Africa are also referred to for the definition of supplier local.

In addition to these inherent risks of the industry, there is the risk of not being able to control the entire chain and of subcontractors not meeting these requirements.

This is why it is essential to conduct a careful selection of suppliers according to specific requirements, such as:

- the **Technical Specifications of Conformity**, which contain the Calzedonia Group requirements regarding mechanical, chemical and physical aspects and which are aligned to the strictest regulations of those in force in the countries in which the Group operates;
- the **Group Code of Ethics and the Supplier Code of Conduct**, which suppliers are required to expressly endorse, committing to ensure compliance with the principles and standards indicated. In addition to recalling the need to respect current laws and regulations, the Codes also describe the standards regarding the areas relative to people, the environment and transparency, being inspired by reference international standards, such as ILO conventions, and paying close attention in particular to respect for human rights under the scope of the UN Guiding Principles on Business and Human Rights, as well as other industry best practices. The Group set itself the aim of extending to all suppliers the obligation to accept the Code of Ethics and the Supplier Code of Conduct as a condition for being able to work with Calzedonia. Both documents are constantly updated in a bid to respect the best standards with a view to continuous evolution.

Following the choice of the collection and definition of volumes, the Logistics and Procurement Office proceeds with the procurement of the materials defined during development.

The supply of processes is therefore entrusted to the production plants of the Calzedonia Group.

Suppliers of finished products are instead only selected once the Materials Research & Development Office

has verified. More specifically, the Materials Research & Development Office agrees with the supplier on a “get-to-know-you” visit to assess reliability, production capacity and technical requirements. Only if feedback is positive, will the supplier be asked to accept the Technical Specifications of Conformity, the Code of Ethics, the Supplier Code of Conduct and the operating procedures. In this introductory phase, suppliers also procure evidence and any certifications of their responsible, traced production.

Supplier monitoring is a continuous process that involves constant dialogue, with a view to periodically verifying compliance with the Codes throughout the supply chain. The Group presently strives to visit suppliers with which it processes considerable volumes or particular projects. It also seeks to periodically visit production sites to verify that the required quality and management standards are met. Constant and transparent discussion and dialogue have over time enabled a relationship of cooperation and sharing, including on the topic of sustainability. The Group, sharing its quality and control policies, frequently monitors the entities involved in order to maintain constant product standards.



NEW LIFE FOR GARMENTS THANKS TO OUTLETS

The management of the disposal of raw materials remaining in factory warehouses as obsolete materials is handled by the Outlet office. These goods, in fact, if not used to prepare garments for sale in outlet stores, would be destined for destruction. Returned items and “seconds” are also put back on the market through the outlet in order to avoid having to destroy garments that can no longer be sent to the stores of first-rate brands.

Below are two examples of projects promoting the reuse of disused raw materials:

- covered cups project, which involves covering cups in colours no longer used by brands with microfibre in basic colours;
- production of offcuts with obsolete fabrics or with insufficient square footage for garment production.

In the outlet stores, the goods distributed are the result of commercial agreements of the first-line brands, produced by Calzedonia Group factories or by third-party suppliers. Outlet stores therefore handle garments returned by brands from previous collections, seconds, and items produced from factory remainders. Sales of obsolete inventories to third parties (wholesalers) outside the Group are also carried out.

Non-core materials

Suppliers of non-core materials mainly supply furnishings and lighting systems for Group stores.

The choice of materials used in the Calzedonia Group’s stores (and consequently the selection of suppliers), is made consciously and also takes into account product environmental compatibility aspects. For more details, please refer to the chapter on “Responsible procurement and consumption of materials”.

Stores are designed to guarantee employee and customer safety, with quality elements that last over time, thanks to a vast use of certified suppliers.

METAL FURNISHINGS

Many of the suppliers are certified EN1090 to guarantee the release to the market of safe, structural carpentries, compliant with standard UNI ENISO 3834, which governs welding metal materials.

FLOORS

All floor suppliers are certified ISO14001/14021/9001 with Ecolabel certification, the European regulation that establishes environmental and industrial policy criteria.

They are also members of the Green Building Council Italia, a voluntary adhesion system for businesses that enables a precise corporate policy of sustainable development to be implemented.

LIGHTING MATERIAL AND TECHNOLOGY

LED lighting has been used in our stores for some time now, with controlled processes and high energy efficiency materials, in respect of the Ecodesign Directive 2009/125/EC for energy saving.

Starting 2016, the Group has embarked on a route for perfecting its selection of the suppliers involved in the production process, through the validation of partners, namely assigning them a dynamic rating that can vary over time according to their positioning in respect of standards.

In 2021, the first two Falconeri stores were certified BREEAM with “very good” result recorded in the design sustainability assessment. This certification is essential to setting out design guidelines for all the forthcoming Group stores.

Product quality and safety

Clothing textile products are articles with which the consumer comes into direct contact every day; it is therefore essential that the materials are selected very carefully when developing the collections. The Style and Product offices choose the materials to be used on the basis of strategic, qualitative and stylistic considerations with respect to costs and production capacity. Indeed, informed choices need to be made in approving raw materials and products that meet the technical demands and satisfy the taste of consumers: these products must not only be beautiful, they must be safe for those wearing them and come from transparent chains.

Technical Specifications of Conformity

The Calzedonia Group has chosen to be transparent and respectful in regard to the health and safety of its customers, equipping itself, as mentioned in the previous paragraph, with rigorous, solid, complete Technical Specifications of Conformity. The latter were defined by the Group as a tool to set out the main safety requirements needed to work with the various brands, which must be shared and subscribed by all parties involved in the design, supply of raw materials and manufacture of products. These requirements express the Group's commitment to ensuring that every product circulating on the market is safe.

Exporting to more than 50 countries, products must meet specific quality and safety standards that customs and national regulations impose in each country.

With pragmatism, the Group compared the most frequent risk categories in the operating segment and the relevant technical standards related to the fabrics and materials involved in the activities. This study was activated both in countries where the Group is already present and where it could be in the near future.

As mentioned, the document takes into account three main risk types - chemical, mechanical and physical - laid out into additional specific risks and referring to two classes of application:

- the first concerns children aged under 36 months (with a few exceptions for some EU and non-EU regulations, in which the category is extended to 14 years old);
- the second concerns all end users of the product.

Within said classes, the three risk types are structured differently, according to the specific needs for protection taken into account. Additionally, in risk management, it is specified which of the relative obligations are laid down by applicable regulations and which are instead more severely regulated on a voluntary level.

The criteria for assessing individual risks are based on the

actual presence of anomalies in the various materials used. Although textiles are the most common, leather, plastics and, finally, metal materials are also considered.

Depending on the case, tests may be performed on the supplier's raw materials and production batches (which are shared with the Quality Department before shipment), or on the finished product (systematically linked to licences). Alternatively, they are carried out on items defined as complex in a random manner.

With reference to the chemical safety of the garments and products offered, the Calzedonia Group is aware that production in some cases requires the use of substances which, if not properly managed, can have a negative impact on people and the environment.

CHEMICAL ANALYSIS

In the part of the Technical Specifications devoted to chemical materials, the harmful and allergenic substances are listed that are considered by the various safety rules in the countries where the Group operates. The supplier is asked to accept and respect the limits set forth in the Specifications. On a discretionary basis and in the face of certain situations, compliance with the safety requirements for materials is verified.

PHYSICAL ANALYSIS

In some countries where the focus on consumer safety is very high, there are mandatory regulations for the flammability of products. Since all fabrics, with very few exceptions, are flammable, a physical risk analysis is essential. Their flammability depends on their chemical (nature of the constituent fibres) and physical (e.g. ratio of mass/surface area) characteristics.

MECHANICAL ANALYSIS

Mechanical analyses aim to prevent any dangers to the physical safety of the user. This principle is borne in mind right from when articles are first designed. In normal conditions of use, it is checked that the parts making up the article do not cause punctures, lacerations, strangulation and suffocation. These problems are in fact limited to children's clothing, for which the problem stems mainly from the presence of elements (buttons, laces, drawstrings, but also sequins or decorative elements) that can cause adverse effects, including choking, strangulation or skin lesions.

It constantly sets itself the objective of reducing the presence of harmful or potentially harmful substances in its production and maintaining high quality standards, through the use of appropriate tests to verify that the values found are within the limits permitted by current regulations, thus guaranteeing the safety of the products offered.

Chemical science, in fact, should be considered a supporting tool in the pursuit of sustainability routes that include the selection of safe chemical substances and the design of new environmentally-friendly products and processes. In this context, the Calzedonia Group looks to the REACH Regulation to achieve these objectives.

Action taken to prevent potential negative impacts are mainly taken upstream in the supply chain, in agreement with suppliers of raw materials and marketed finished products where, at the Group's discretion, laboratory tests are requested on materials/articles deemed potentially problematic.

If, during the course of the checks carried out, non-compliance should be found in connection with product

quality and safety, the Calzedonia Group takes prompt action to isolate the potentially harmful garment in order to contain the potential consequences. A procedure is then launched to analyse the causes, going back up the supply chain, with the aim of verifying and remedying the non-conformity that has emerged.

When, last but by no means least, good practices are found, an attempt is made to optimise them and to bring these experiences back to similar materials.

Quality and process controls

In order to prevent and mitigate the physical risks, all technical parameters are tested, such as, merely by way of example, the dimensional stability of materials at washing, their elasticity, the solidity of colour in respect of washing and sweat and abrasion resistance. This is done before the production materials are delivered, whilst suppliers send samples representing production lots. These samples are examined in the site laboratory and the production plants. In order to carry out more complex analyses, in which specific tools are required, certified independent laboratories are used (e.g. routine tests envisaged by standard GB 18401, flammability tests envisaged for clothing by the standards 16 CFR 1610 and ASTM D1230, etc.).

The tests released are archived and kept available for subsequent analysis with a view to assuring further improvement. This can happen if there should be disputes involving the finished product or in cases where the customs authorities or other entities may so request (for example, US authorities for flammability tests and other child safety tests).

Non-conformities reported by customers are forwarded on to the Customer Satisfaction Office. For example, if a customer should report a skin rash or abrasion caused by an article, where the Legal Office specifically so requests, once the disputed item has been returned to the office,

it would be sent to one of the equipped laboratories to check for any presence of allergenic substances over and above the permitted limits.

In 2022, no cases of non-conformities occurred with impacts on health and safety. 148 reports were, however, received from customers relating to allergic reactions or skin abrasion; in no case where the articles were analysed was any evidence found of elements able to cause skin allergies.

Having received several reports from Customer Satisfaction in 2022 concerning articles AI549 (Intimissimi Body Tape) and 1AC107 (Tezenis Body Tape), the Group carried out prior lab tests to verify the dermatological goodness of the articles in question in case there was a need to prove it. The tests were positive, confirming the dermatological harmlessness of the products tested beforehand.

Tests can be carried out, as applicable, on the raw materials indicated as samples and/or production advances thereafter repeated subsequently during production. Additionally, during this phase, quality and process controls are carried out to monitor operation performance, which in addition to optimising resources, also aim to reduce seconds and, consequently, material wastage.

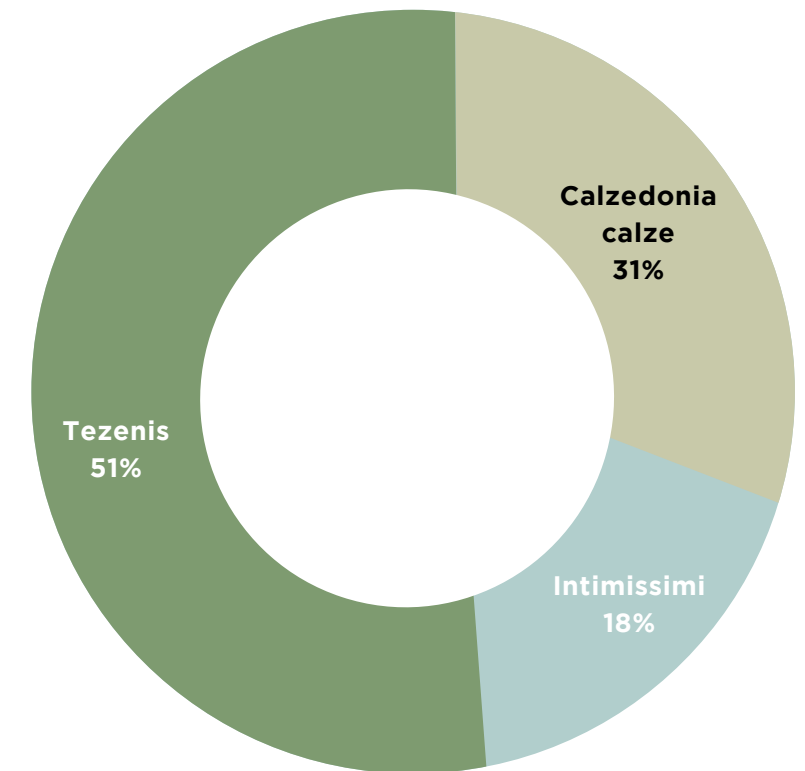
The selection of products to be tested with respect to the potential effects on customer health and safety, is made taking into account the critical nature of the materials and accessories making up the articles, as well as the age bracket for which they are intended.

In 2022, certified external laboratories carried out 2,427 tests on different product types, of which 71% on adult articles and 29% of children’s articles. The Group does not presently have the tools necessary to carry out these tests in-house, except for colour solidity. Clearly, the number of tests can vary according to the new materials introduced.

Should these tests reveal values exceeding the Group’s technical specifications, the Quality office would terminate

the purchase order and also the relationship with the supplier should it be unwilling or unable to cooperate in resolving the anomaly.

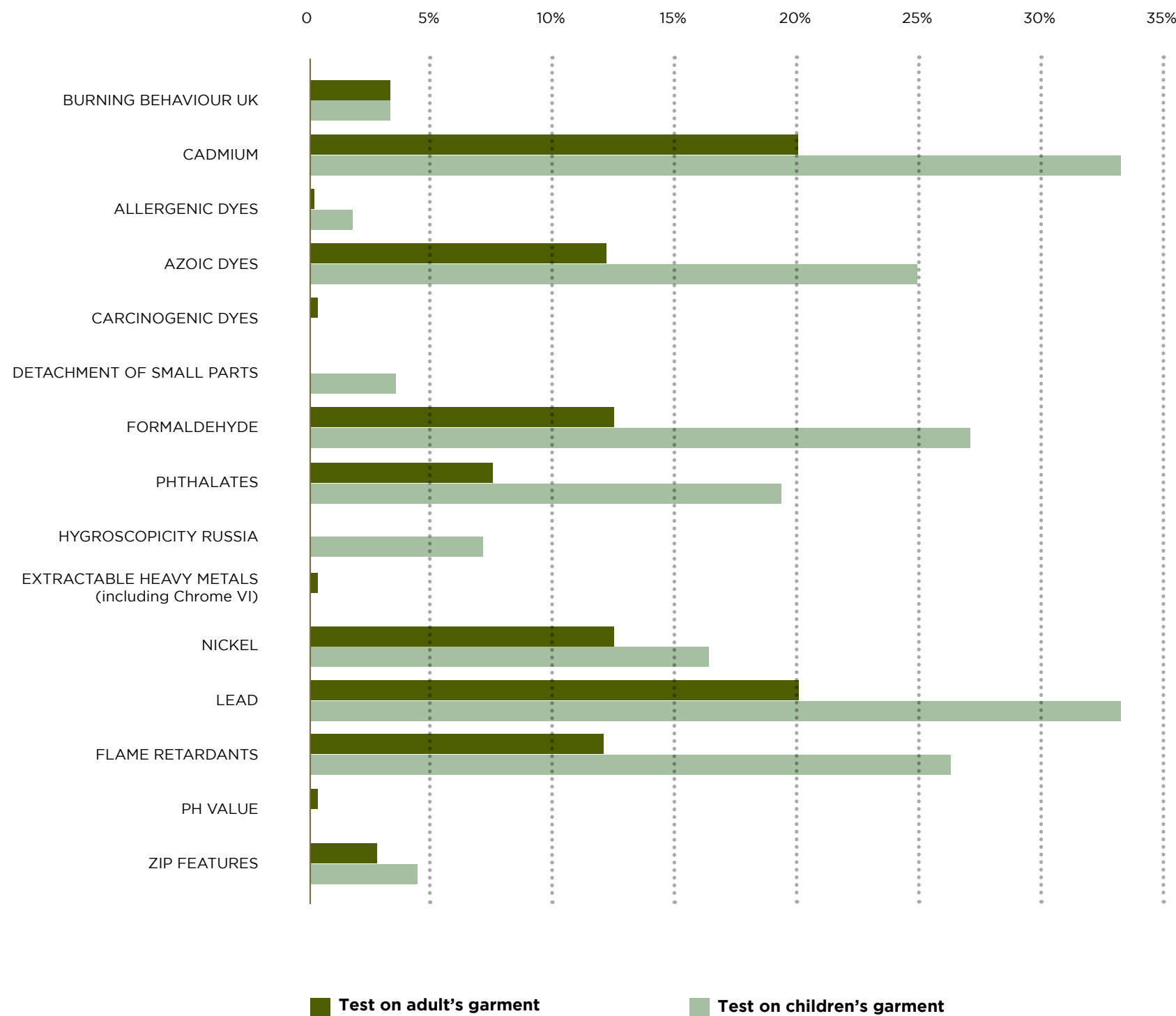
2022 tests by brand



The graphs below show the health and safety tests of products carried out during 2022 for the “Adult” and “Child” categories.

The examinations were essential to assess the parameters required by the Technical Compliance Specifications against the presence of hazardous substances or other potentially harmful components.

The application of this verification method made it possible to confirm the absence of substances present in greater quantities than required.



Labelling

In the context of responsible communication and consumer protection, product labelling is of considerable importance for conveying clear, transparent and accurate information. This phase takes place according to a structured process aimed at ensuring the traceability of the same, but also of the value chain that led to its realisation.

The sewn-on label, or the label on the packaging, is essentially the product’s very own “identity card”, which contains the information required by the country’s regulations, together with the elements that make it possible to trace the product back through the entire supply chain involved.

Whenever the Group undertakes the opening of a physical or virtual store with one of its brands in a new country, the Compliance & Regulation Department takes steps to gather all the necessary information preparatory to the verification of the local safety compliance of the products and the indications required by the relevant regulations. In regard to this latter aspect, the relevant office finds out if there are any linguistic needs or specific information that must be included on the label. For some countries, customised labels with specific information are created and applied to the products before shipment (at the post-collection stage).

For articles made up of valuable materials or materials that have undergone particular processes or those requiring specific care in use and maintenance, in addition to the label, tags are applied giving the most appropriate warnings and notices for taking care of the item so as to keep its characteristics unchanged over time and extending its useful life (e.g. domestic maintenance, reaction to detergents during washing, etc.).

Comprehensive information on the label and tag can increase customer awareness when choosing and

purchasing a product.

The information that is held in the highest regard by consumers, include the size, product composition, origin and mode of maintenance. In recent years, the presence of recycled material in the composition of an article has

also become a decision-making leverage in purchasing, hence the importance of declaring it.

The presence on the label of the Triman symbols (concerning the correct disposal of garments) and the QR code (an element that the Group is implementing in its

products, especially those sold on the French market), add important information for traceability and the declaration of the article's characteristics.

The labels used by the Calzedonia Group are, to a large extent, certified Oeko-Tex: an independent system of textile product tests and certifications for all types through the textile control chain.

The fabric label, which follows the Oeko-Tex 100 Standard, indicates that the manufacturer is certified as environmentally friendly both in its processes and in its own factories, and attests to the absence of harmful substances in its composition.

As regards the printing of variable information on the back of the tags, alternative technologies to thermal transfer are currently being studied and tested to eliminate use of the printing foils in the tape.

In 2022, the Group did not receive any reports of label anomalies from consumer control bodies, thanks partly to the practice of retrieving and verifying mandatory label information well in advance of the first shipment of articles to the new country.

Checks are also carried out at later stages; for example, 0.012% of the garments were re-labelled for incorrect information on the labels before dispatch to the stores.



TRACEABILITY PROJECT

Since its foundation, the Calzedonia Group has always stood out for its close control over the production chain. 77% of articles present in the Group stores, in fact, are produced in owned factories in Italy and abroad. This decision makes it possible to coordinate manufacture with other phases of the chain ensuring total devotion to the brands' needs and the elimination of intermediaries. This means that high quality can be maintained at accessible prices. This business model entails major investments and the possibility of offering jobs to a large number of employees, to the benefit of the communities hosting the companies. This guarantees an excellent working environment in the factories and respect for the human rights of the people who work there.



In 2021, the Group decided to also allow customers to visit the plants through the "Traceability" project. On the product sheets of the on-line shops, users can find out where their article was created, exploring the factories and getting to know the employees who work there. The history and sustainable initiatives are told, together with a gallery of images that show the different production processes. Finally, employees were given a voice, allowing them to tell their stories and talk about their work themselves.



"I have been working at Benji for thirteen years and I have never regretted it of my decision. In my view Benji has always created a safe and pleasant working environment, while maintaining a good level of wages. I also really appreciate the plant's participation in the community life, through funding for schools, hospitals, temples or helping our country in situations emergency such as natural disasters or as in the case of this pandemic."

Dammika - modeler in Benji, Sri Lanka



Product and process sustainability

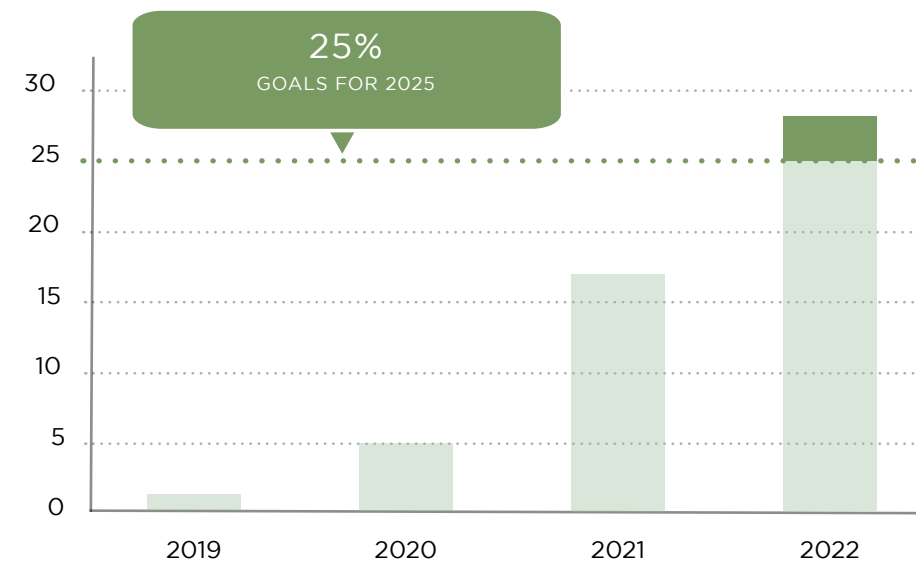
As mentioned at the start of the chapter, the way materials are sourced is defined during the development stages of the collection: the Style and Product offices select the materials to be used in the collection based on stylistic considerations, but also on quality and production capacities. The whole process of designing the collections takes place within the Group.

Over time, the Group has reduced and selected a short-list of suppliers with whom it has long collaborated, most of whom have certifications and offices dedicated to developing and supporting environmental and social sustainability aspects.

The Group is focussed on the selection and use of raw materials, where possible, from transparent supply chains, thus being able to guarantee a lower environmental impact than traditional alternatives. As can be seen from the graph, starting 2019, the number of materials of reduced environmental impact¹⁰ has increased constantly, to date reaching 28% of the total. This result comes three years ahead of the Fashion Pact's commitment to use at least 25% low-impact raw materials by 2025 and testifies to the Group's commitment to fulfilling its commitments, as well as its desire to reduce the climate footprint of its products so that it can offer customers increasingly responsible alternatives.

In 2022, once again, **Calzedonia** continued to offer a collection of **tights** developed using the Q-NOVA fibre, a recycled yarn according to a system that is traced and certified by the Global Recycle Standard (GRS)¹¹ which successfully reduces waste and resources used. The tights, which are available in two different dens (40 and 60 den) are obtained starting from waste scrap, which is re-blended through a mechanical regeneration process

Graph showing progression over the years of the % of items produced with low environmental impact materials



performed on-site, which allows for the reduction of CO2 emissions by up to 80%, lesser water consumption (-90%) and use of energy from renewable sources. The same yarn was introduced in 2020 to produce other items of the fashion collection. In 2022, moreover, the collections have also included tights produced using organic cotton that is traced and certified GOTS. All Calzedonia brand articles with Micromodal, Modal and Viscose yarns (including the leggings of a capsule collection to be launched in 2022) are created using the Tencel® modal by the company Lenzing.

In the 2022 **Beachwear** collection, the use of recycled polyester continued in almost all colours in all product categories for the basic collections and partially in fashion collections.

For the S/S 2022 2023 and A/W 2023 fashion collection, the **Intimissimi** brand has retained the serial number with sustainability features labelled with the #intimissimicares tag, translated into the eponymous collection through a line of underwear, pyjamas and knitwear made from

certified fibres with a lower environmental impact. The fibres used include Q-NOVA pre-consumer recycled polyamide by Fulgar, silk certified Bluesign¹², attesting to the lesser impact of the chemical substances used in the dyes, and Tencel modal¹³ by Lenzing, which guarantees not only sustainable management of the wood from which the cellulose is extracted, but also a closed cycle management of the chemical agents used to extract the fibre from the cellulose. The brand also continues to use sustainable fibres such as degradable polyamide used for lace, Seacell, a material made from fibre obtained from seaweed, Bluesign-certified silk and modal Lenzing in the basic line (which has enjoyed an increase in volumes).

In the **Intimissimi Uomo** beachwear collection, new packaging is being tested that will replace the current polybags with adhesive paper strips. For accessories, however, standard boxes were converted into new ones made of FSC recycled paper and, where possible, plastic inner supports were eliminated or recycled plastic was used.

Tezenis has adopted new fibres for the articles in the “Be the change” collection, including certified organic cotton (GOTS and OCS) which guarantees less water use, no harmful pesticides for humans and the environment, and fair treatment of all workers. Another fibre worth mentioning is the recycled polyamide Econyl¹⁴ by Aquafil and the viscose Ecovero¹⁵ by Lenzing, which guarantees a sustainable supply of the wood from which the cellulose

10 - The “preferred materials” defined by the Textile Exchange (<https://textileexchange.org/knowledge-center/reports/preferred-fiber-and-materials/>) are considered to be environmentally friendly.

11 - The Global Recycle Standard (GRS) certifies products obtained from recycled materials and manufacturing activities in respect of social and environmental criteria extended to all phases of the production chain. produttiva.

12 - [bluesign® - solutions and services for a sustainable textile industry](#)

13 - [TENCEL™ - Lenzing - innovative by nature](#)

14 - [Aquafil - Il filo ECONYL®](#)

15 - [LENZING™ ECOVERO™: Sustainable Viscose... | LENZING™ ECOVERO™](#)

is made, less water usage and lower greenhouse gas emissions into the atmosphere. Last but not least, lace from GRS-certified recycled polyamide and recycled polyester was used.

Falconeri seeks to prioritise the use of natural fibres in manufacturing its clothing, compatibly with the technical limits for their development. There are, in fact, specific productions focussed on sustainability and regenerated materials; in these cases, suppliers are sought out according to criteria based on sustainability certifications.

In particular, two cashmere fabrics were used to make GRS-certified men's and women's coats. Once the staple, purchased without intermediaries in Mongolia or China, reaches Biella is managed entirely throughout the whole of its production cycle: from combing to spinning, the process is constantly monitored. This is essential in order to maintain the high quality standard of the garments. The down used in outerwear is purchased from suppliers certified according to Responsible Down Standard. In 2022, 7,728 kg of feathers were purchased. In addition, the silk satin used for both basic and fashion collections has Bluesign certification, testifying to a lower impact of chemicals used in dyeing.

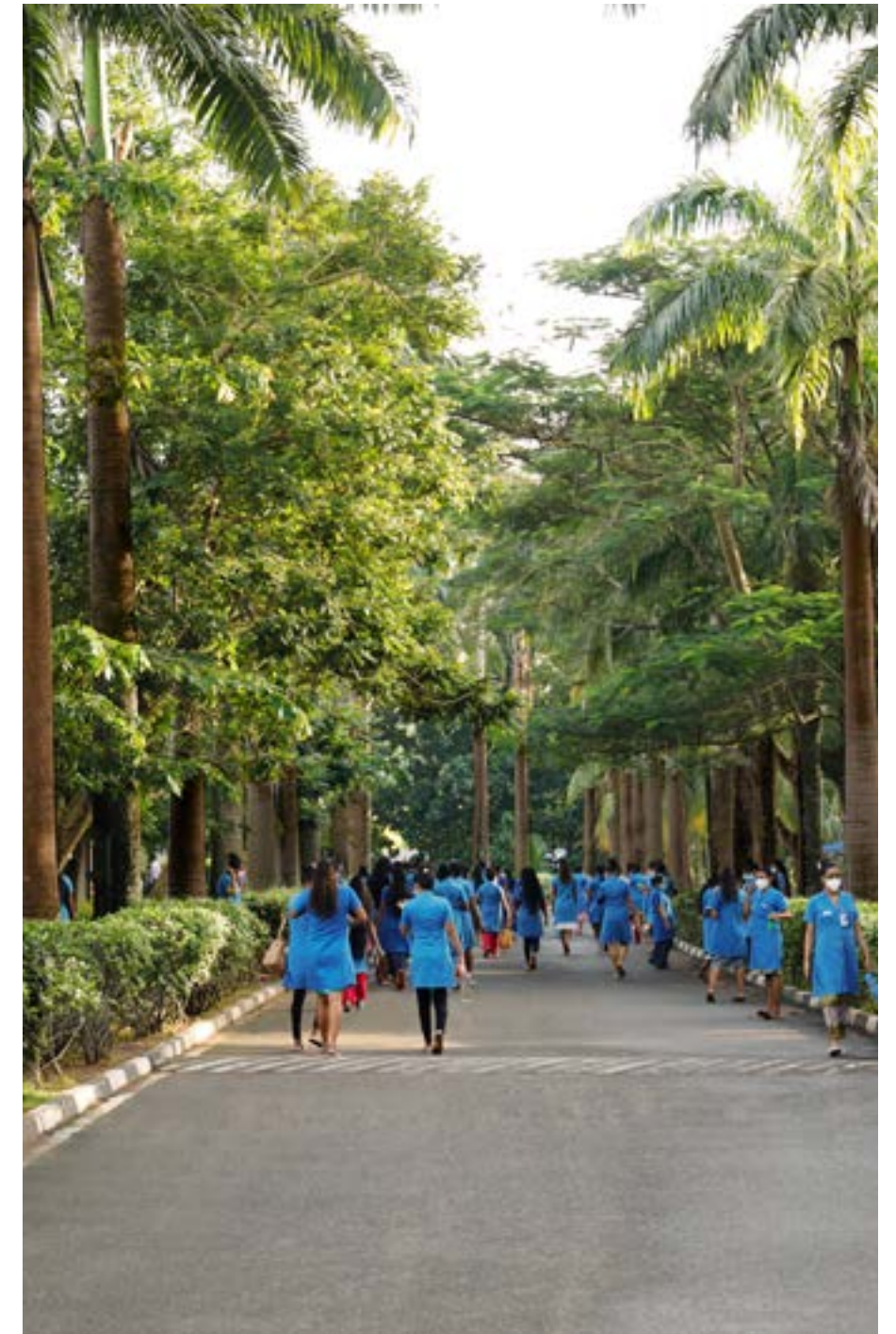
Early 2022, Falconeri introduced a wool into the collection, used for garment production, which is RWS-certified and for the most part mulesing free (i.e. it does not employ the cruel practice of skinning specific areas of the animal instead carried out by some breeders).

Starting 2019, Falconeri - in order to contribute towards the sustainable cashmere chain used for an average annual purchasing volume of approximately 120 tonnes of staple per year - joined the Sustainable Fibre Alliance (SFA), an international non-profit organisation whose objective is to guarantee that the cashmere marketed internationally is produced using sustainable practices, with a consequent reduction of the environmental footprint and guarantee of the adequacy of the economic return for participants throughout the supply chain.

Falconeri is also a member of the Cashmere and Camel hair Manufacturers Institute (CCMI), founded in 1984 to protect the integrity of cashmere and camel fleece products.

In November 2021, **Atelier Emé** collaborated with Mending for Good, a consultancy firm specialised in design-driven upcycling solutions for the creation of the "Re-Love" collection. The clothes were deconstructed and reconstructed within the brand's laboratories, whilst Mending for Good was entrusted with the decoration, through painting on fabric, embroidery and hand decoration techniques. The Re-love collection is also the result of training that involved two social cooperative companies of the Mending for Good network: the artisan laboratories of San Patrignano and Manusa, which use painting on fabric and hand embroidery. The cooperative companies benefited from workshops held directly by the artisans involved in the project, to gain further insight in specific technical aspects.

Furthermore, over the years, the commitment to reduce the use of materials with a high environmental impact has been pursued including the packaging phase. In particular, for a large part of the products, the packaging is made using recycled plastic and FSC-certified paper.



Our commitment to environmental protection

SDG - the Calzedonia Group's contribution



The company controls its production activities directly as these, coupled with logistics, are the main aspects responsible for the Group's environmental impact. Therefore the Group is committed to an attentive management of its material footprint, which goes from the proactive management of the water resources in our processes to an efficient management of waste, implemented through its prevention, reduction and recycling, also involving the sensitisation of employees towards such matters.



In a bid to reduce the impact of its business on the earth's resources, the Calzedonia Group is acting on various fronts: self-production of energy, procurement from renewable sources and enhancing the efficiency of its civil and industrial plants.



The Group has integrated measures to mitigate climate change into its policies, strategies and planning in order to minimise its impact on the environment.

Everyday commitment to sustainability

Attraverso Through its Code of Ethics, applied to all Group companies and all staff members regardless of their activity and role, the Group makes it clear that its efforts are aimed at minimising the environmental impact of the activities throughout the entire life cycle of its products (from the purchase of the raw materials through to the disposal of finished products), implementing, in each phase -design, production, distribution, retail sale and final use- a series of measures aimed at reducing that impact.

The Engineering Department is entrusted with the management of the development of new plants and substantial changes in existing plants, both for production needs and for energy and environmental efficiency. With regard to the latter, the company's strategic choices are agreed and decided together with the Board of Directors, which directly approves the objectives set by the Calzedonia Group.

The principles regulating the Group's environmental procedures are as follows:

- observance of applicable environmental laws and regulations and any other relevant obligations, paying particularly close attention to the prevention of pollution and, where possible, minimising the potential environmental impact generated by its production line, both in regard to natural resources and people;
- environmental protection and implementation of measures for continuous improvement in terms of lessening direct and/or indirect greenhouse gas emissions, reducing consumption of natural resources, controlling leakages of potentially harmful chemical substances and implementing our environmental management system as a whole;
- assessment of the consequences of climate change, water management and the protection of biodiversity in the planning and implementation of activities and those of its business partners, manufacturers and suppliers, encouraging sensitisation towards environmental matters.

The Calzedonia Group's efforts in the environmental field emphasise its intention to actively participate in the transition to an increasingly sustainable textile industry, through responsible management of natural resources, plant efficiency, the use of technologies with low environmental impact and the conscious and controlled use of water resources.

These commitments became even more important following the Group's adherence to the Fashion Pact in 2019, which involved setting targets such as halting global warming, restoring biodiversity and protecting the oceans. Since signing the pact, the Group has been actively engaged in their implementation.

The Group has defined guidelines on the subject to implement strategic choices following the analysis of the main environmental risks generated and that may be

generated by the Group.

As regards energy consumption, in 2020 a five-year investment plan for a total of around 7 million euros, was launched. Expenses mainly focus on two objectives: to self-produce renewable energy on the one hand, and increase the efficiency of consumption, on the other.

Furthermore, by 2022, 75% of the electricity purchased globally will come from renewable sources, a percentage set to reach 100% by 2030.

For water consumption too, the aim is to increase the efficiency of use through the renewal of technologies and the use of materials requiring lesser consumption. In addition to this, we also need to increase purification plants and identify new projects for reusing waste.

In addition to resources, the Group is aware of the need to pay attention to the by-products of its activities. The aim, in fact, is to first reduce waste and optimise the waste produced that cannot be avoided, so that it can become a new resource for another industry. In these terms, it is essential to identify the best options that enable the reuse of materials, like in the case of plastic pallets or boxes for intercompany operations that are reused up to 10 times. Consequently, closer attention must be paid to the separation of materials, so that recycling is simpler and more effective. The Group is working on developing different technologies that make it possible to obtain new raw materials starting from recycling of what is presently defined as waste.

The Group is shifting towards the elimination of superfluous packaging so as to reduce the quantity of single-use materials. Where this is not possible, we aim to replace plastic packaging with more degradable products, like paper and cardboard, which already account for 90% of the total.

In particular, the Group has set itself objectives based on plant efficiency, the use of technologies with low environmental impact, and the conscious and controlled

use of water resources, specifically considering the following topics:

- rational use of water, trying to reuse process water to a greater extent while minimising water replenishing;
- construction of groundwater wells for industrial purposes, especially for new factories;
- purchase of certified energy produced from renewable sources (in markets where this is possible);
- development of additional plants for generating electricity from renewable sources, in this case photovoltaic plants;
- implementation of efficient, state-of-the-art facilities, also considering the replacement of outdated and inefficient facilities;
- reduction of direct and indirect emissions of pollutant gases and greenhouse gases;
- reduction of the consumption, and consequently the waste, of plastic.

Calzedonia's constant commitment and attention towards the environment is borne out by the absence, again for 2022, of significant fines and non-monetary sanctions due to failure to comply with environmental laws and regulations.

All preventive measures to protect the environment and workplaces were also implemented in the foreign subsidiaries; confirming this commitment, the control processes by the competent institutions did not result in any measures in the form of sanctions or removal of irregularities in 2022.

Responsible procurement and consumption of materials

Responsibility towards the environment starts with the choice of suppliers who are as closely as possible aligned with the Group's high standards of quality and efficiency and the minimisation of impacts, focussed on innovation and able to optimise the use of raw materials, reducing production waste, simplifying processing and perfecting packaging.

The Group is aware just how much the design of a product affects its environmental impact, both in terms of the materials used and with respect to its end-of-life management and this is precisely why we pay increasingly close attention to the materials to be used in the collections and accompanying packaging components. Already in 2022, 28% of the materials used have a reduced environmental impact¹⁶, 3 years ahead of the target set.

16 - In 2020, a breakdown was introduced of raw materials into conventional, recycled and low environmental impact (fibres with a lesser consumption of resources than conventional equivalents, or with a guaranteed end-of-life) with the aim of simplifying the Group's efforts in the transition towards raw materials that reduce the environmental impact of the finished products on the environment.

17 - Natural yarns/fabrics include materials made from, for example, cotton, linen, wool, cashmere, silk, etc.

18 - Artificial yarns/fabrics include materials made from, for example, modal/micromodal, viscose, etc.

19 - Synthetic yarns/fabrics include materials made from, for example, polyester, polyamide, polyurethane, acrylic, etc.

Raw materials (t)

Unprocessed materials [ton]			
	2020	2021	2022
Natural yarn ¹⁷	3,71	4,194	4,478
Artificial Yarn ¹⁸	1,44	1,466	1,875
Synthetic yarn ¹⁹	3,04	2,862	3,489
Other	-	-	-
Total raw yarn	8.19	8.522	9.842
Natural ¹⁷	43	1,169	1,639
Artificial ¹⁸	79	797	1,106
Synthetic fabric/lace ¹⁹	1,238	1,074	896
Total unprocessed fabric	1,360	3,040	3,641
Total unprocessed materials	9,551	11,562	13,483

Finished materials [ton]			
	2020	2021	2022
Natural ¹⁷	4,427	3,849	4,721
Artificial ¹⁸	1,219	864	926
Synthetic fabric/lace ¹⁹	5,568	6,759	8,227
Other	-	-	-
Total unprocessed materials	11,213	11,472	13,874

Raw materials

The main raw materials used by the Calzedonia Group are: fabrics, yarns and laces, as well as various types of accessories (such as hooks, laces, belts, elastic, etc.).

To date, the percentage of natural/renewable fibres used to manufacture the items stands at 45% for unprocessed materials, and 34% for finished materials. Below is information on the consumptions of unprocessed and finished materials purchased by the Group in 2022, compared with the data collected in the previous years.

In 2022, 28% of the total weighting of yarns and fabric used by the Group was made up of low impact materials. Specifically, the categories with the highest incidences of recycled/sustainable fabrics are the artificial yarn, in which 63% is made up of recycled fibres, and finished fabrics, in which 71% is made up of low environmental impact fibres (fibres obtained from FSC certified wood cellulose and managed using closed cycle chemical processes).

2022 saw a full recovery of production, which is why material consumption has definitely increased compared to the previous two years, which were still affected by the consequences of the Covid-19 pandemic.

These numbers, which to a certain extent relate to the very nature of the products offered by the Group, are constantly under examination by Calzedonia, which, also in response to customer demands, is already directing its efforts towards the use of recycled materials of lesser environmental impact, which come from traceable chains and meet the highest ethical standards.

As part of the production process, for the processing of fabrics and yarns purchased, dyes and inks are also used (228 t), along with various chemical products (4,101 t).

Packaging

The Calzedonia Group also channels its commitment to reduce the environmental impact linked to packaging use, focussing on both the number of units used and the

type of material, with particular attention paid to plastic, even more so if it is virgin plastic, and to non FSC-certified paper.

The Group is in fact shifting towards the elimination of superfluous packaging so as to reduce the quantity of single-use materials. Where this is not possible, we aim to replace plastic packaging with more degradable products, like paper and cardboard, which already account for 90% of total packaging.

In choosing its packing and packaging, the Group strives to optimise the use of paper and cardboard and maximise the use of recycled paper in tags, shopping bags and technical paper. Wherever possible, the Group opts for reusable products rather than disposable ones, developing the necessary packaging locally with a view to reducing the impact of transport and supporting local economies. It also gives customers the opportunity to purchase an organic, non-disposable cotton bag as an alternative to the recycled FSC paper bag. This has, in 2022 too, resulted in a reduction in the consumption of bags for articles purchased (-22% vs 2021).

The bags purchased by the Packaging, Real Estate & Visual Department for promotional activities are also developed according to sustainability criteria: Tezenis’s 2022 summer bags were made from PET recycled from PET bottles and the Calzedonia ones in recycled cotton and FSC paper.

In 2022, moreover, recyclable plastic mannequins were chosen over fibreglass ones and the shift was made to PLA²⁰ for 3D pre-production samples.

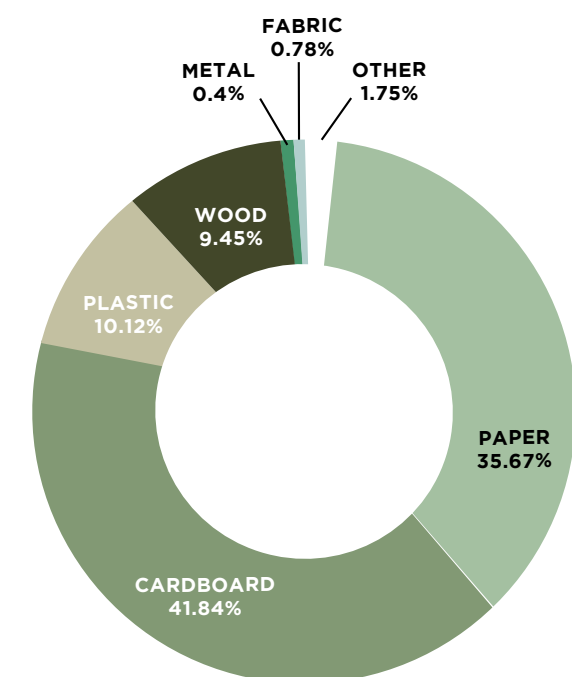
For 2022 projects, particular importance was assigned to decorative paper materials, for the creation of Calzedonia’s and Tezenis’s summer display windows and the initiative is set to continue for 2023 too..

In 2022, the Group adopted the following solutions:

- Replacement of plastic hosiery and clothes bags with more ecological alternatives
- New invisible and no-show socks packaging to remove the plastic hook
- Elimination of the polypropylene film, introducing a new 100% paper packaging on the Tights Premium Collection
- Extensive consumption of FSC paper in paper and cardboard bases and tags
- Complete elimination of thermal film in the Ducal and Gissi warehouses

Below is a representation of the packing and packaging by material type.

Type of materials used for packing and packaging - 2022



20 - Thermoplastic polymer derived from natural sugars such as maize starch and sugar cane represents a valid sustainable alternative to plastic, in particular disposable plastic, as it is completely biodegradable.

As of 2018, most of the paper used to make the tags, technical paper and shopping bags, replacing plastic bags, is FSC-certified²¹.

Where possible, technical paper does not have plastic accessories (such as hangers) to simplify recycling.

In 2022, the paper and cardboard packaging materials used in sales outlets and e-commerce channels totalled 12,688 tonnes, of which 75% coming from FSC certified sources and 10% from recycled materials.

The consumption of paper and cardboard for packing and packaging is also flanked by that of paper used for normal activities in the offices, factories and stores²², which is carefully monitored by the Group particularly as regards origin and composition. Total paper consumption came to approximately 356 tonnes, of which 15% consisted of recycled/FSC certified materials.

The Group privileges water-based paints for printing some of the technical paper and some processes (such as paper coupling) are carried out using bio-based materials, like glue deriving from maize or potato starch.

Thanks to the analyses performed on paper quality (a large amount of which is recycled) and its composition, for some specific intercompany transport activities, boxes are employed that can be reused up to 10 times before recycling. This procedure has allowed us to avoid the purchase of 317,8 tonnes of cardboard in 2022, not to mention the related waste production.

Most of the intercompany logistics transport by road, between the various Group companies, except for that using specific boxes, is carried out on high quality plastic

pallets that last, used on a closed cycle, for several years. A procedure has also been introduced by which to recondition broken wooden pallets and the Group is ensuring the recovery and recycling of “disposable” pallets.

As part of the Group’s commitment to the gradual reduction of single-use materials, during 2021, customers in stores were offered reusable cotton bags as an alternative to shopping bags made from FSC paper.

In 2021, the Group replaced much of the virgin plastic in its packaging with recycled plastic alternatives; however, due to the lengthy procurement time required for the material, the effects of this choice will only be seen in 2022 with an increase in the use of recycled plastic that

will go from 0% in 2021 to 29% in 2022.

All cardboard packaging, emptied in the Group’s warehouses, is recycled by specialised operators. The Calzedonia Group aims to maximise the use of renewable materials and to foster recycling of those that are not.

Supplies are developed in such a way as to avoid irreversible gluing and assembly of different materials, instead encouraging differentiation and recycling at the end of their useful life.



21 - Forest Stewardship Council, the body responsible for ensuring compliance with strict environmental, social and economic standards in forest management.

22 - The figures on paper consumption given in this paragraph refer to the Group’s foreign companies, apart from the foreign commercial branches present in Japan, Holland, Portugal and Sweden. This data is not material. Office paper consumption for Italian companies is included in the quantities of paper specified in the tables on packing and packaging.

Below are the quantities of packaging broken down by type, used in the Group during the reporting period.

Packaging (t)

	2020	2021	2022
Paper	4,829	5,339	5,838
Of which FSC/recycled	52%	70%	76%
Cardboard	4,856	5,941	6,850
Of which FSC/recycled	39%	87%	93%
Wool	962	1,475	1,547
Plastic	1,327	1,528	1,657
Of which FSC/recycled	0%	1%	29%
Metal	58	71	65
Fabric	22	52	127
Other	155	170	286
Total	12,209	14,576	16,370

For some time now, the organisation has reduced the thickness of the plastic bags used to carry the items of clothing by 35% and by 20% that of film used to protect packs during delivery, as well as the gram weight of the paper for printing.

The following activities are being assessed for 2023:

- new packaging for Calzedonia invisible and no-show socks to remove the plastic hook;
- use of a paper strip for Intimissimi garments instead of the plastic bag;
- polythene paper for making Calzedonia and Tezenis stockings and tights as a replacement for PP polybag;
- elimination of thermal film in the Castagnaro and Vallese warehouses.

Furniture and accessories

As part of the process for the design and development of the furnishing formats, the Group, for preference, opts for furnishing accessories with a reduced environmental impact. Already during the design phase, Calzedonia considers the entire life cycle of the various accessories - from manufacture to disposal - seeking to foster virtuous processes.

Moreover, the Group pays increasing attention to looking for materials that can be sourced near its stores, thereby supporting the local community and also minimising the environmental impact connected with transport. For example, starting 2018, stores on the Asian market, previously procured from European suppliers, are now for preference furnished using furniture made in China,

thereby reducing the emissions linked to deliveries.

The Group is making increasing use of FSC certified panels, adhesives that are both formaldehyde-free and contain no heavy metals and varnishes that are almost exclusively water-based. Additionally, non-toxic, water-based paints are preferred, which do not contain lead and powder recovery systems.

Ceramic **component** suppliers adopt the environmental management system in line with the standard UNI ISO 140001. They are also certified according to the standards LEED, ECOLABEL and ISPM-15 FAO²³.

Metal elements are mainly purchased from suppliers with ISO14001 and OHSAS 18001 certifications, guaranteeing that they are sourced from highly recycled and lead-free sources. Process waste materials can thus in turn be assigned to complete recycling.

The materials used to develop the **architectonic** parts are also handled in respect of the highest safety and environmental compatibility standards, as well as disposed of in accordance with the same sustainability principles, at adequate structures. By way of example, as already mentioned in the previous section, the wall paints used are exclusively water-based.

All **flooring** suppliers are certified ISO 14001, ISO 14021, ISO 9001 with the Ecolabel ecological quality mark - the European Regulation that establishes the environmental and industrial policy criteria - and are members of the Green Building Council Italia, a voluntary adhesion system for businesses that enables a precise corporate policy of sustainable development to be implemented.

Wood suppliers declare that all panels and materials used in the production of their articles comply with the UNI EN 13986 standard and respect the formaldehyde threshold specified therein.

²³ - Only one supplier is excluded, which is currently not certified but which is in any case working on the reduction of its CO_{2e} emissions.

As can be seen from the table below, the furnishing materials used in 2022 for store furnishings consist of ceramic flooring (36%), metal (25%), wood (24%) and plastic (10%).

All production waste linked to the furnishings is disposed of by entities specialised in separate waste treatment or, in cases such as solid wood with no glue, used to heat production warehouses during the winter. Indeed, supplies are developed in such a way as to avoid irreversible gluing and assembly of different materials, instead encouraging differentiation and recycling at the end of their useful life.

As can be seen from the table below, the furnishing materials used in 2022 for store furnishings consist of ceramic flooring (36%), metal (25%), wood (24%) and plastic (10%).

All production waste linked to the furnishings is disposed of by entities specialised in separate waste treatment or, in cases such as solid wood with no glue, used to heat production warehouses during the winter. Indeed, supplies are developed in such a way as to avoid irreversible gluing

Type of furnishing materials (t)

	2020	2021	2022
Ceramic flooring	853	1,346	1,723
Metal	630	1,054	1,199
Wood	454	805	1,156
Plastic	236	328	460
Mixed materials	60	99	128
Paper	45	69	98
Glass	24	59	17
Totale	2,302	3,760	4,781

24 - BREEAM is one of the world's most popular construction design standards for the environmental impact assessment of buildings.

and assembly of different materials, instead encouraging differentiation and recycling at the end of their useful life.

In some cases, furniture and furnishings are reused to renew some sales outlets or handed over to entities and associations. This is the case with the fittings of the QUID Project stores, a social promotion association, with which the Group has been collaborating for several years supporting projects for the reintegration into the world of work of people in fragile situations.

In 2021, the Group started certifying its stores for sustainability. Two Falconeri brand stores are certified BREEAM²⁴, with a “very good” assessment. This initial result has made it possible on the one hand to verify and confirm the good practices adopted by the Group in its store design, and on the other, it has offered new ideas for improving both store design and management. In the wake of this experience, the Calzedonia Group has decided to create sustainability manuals for its stores, which can gather together all the best practices on store creation and management in order to share them with managers and franchisees.



Respect for the environment in the stores and factories²⁵

The Calzedonia Group pays attention to the care and functionality of its stores in order to guarantee a pleasant shopping experience for its customers and a decent workplace for its employees.

This is precisely why the Group pays such close attention to the design, construction and renovation phases of the stores. There is always a firm focus on improving the sustainability logic present in order to increase the effectiveness of the action lines taken.

The design of the stores is entrusted to in-house departments, which integrate energy, architectural, plant and administrative requirements, as well as considering the correct distribution of space (sales area, warehouse and staff room) through special processes. Stores are also designed with the help of qualified self-employed professionals to best adhere to regulations in force in the various countries on town planning, energy and health and safety in the workplace.

For the Group's factories around the world, the commitment is to identify the best building technology available on the market in order to guarantee optimal working conditions for employees, choosing machines and plants that are efficient in terms of performance in the broadest (and energy) sense.

The Calzedonia Group strives (for all its factories in Italy and elsewhere) to have construction standards in line with Italian and European requirements. The more dated establishments, for example, are currently having updates planned, along with energy efficiency improvements.

Some of the Group's production companies, in support of what has been stated so far, have voluntarily joined the process to obtain ISO 14001 certification by implementing

a specific Environmental Management System. In 2022, the Falconeri brand also obtained ISO 14001 environmental certification for the Avio factory representing an important portion of its supply chain.

Water consumption

The activities of the Calzedonia Group, in line with the industry, require significant quantities of water resources. Aware of this, we have been committed for years to rationalising consumption in production processes and ancillary services at our sites.

There are two types of water consumption related to the Group's activities: that resulting from industrial processes (such as dyeing, washing and ironing) and sanitary water.

In most of our plants, where there is not significant water consumption for production and where local water systems are available, water is taken from the aqueducts, mainly used for hygienic-sanitary purposes, and disposed of in the sewage system.

On the other hand, in factories where there is significant water consumption linked to industrial processes, such as dyeing sites and production sites with washing and finishing, the water is taken from underground wells and finally purified in treatment plants (if necessary) before being released into the sewage system.

In all cases, the wastewater is released in compliance with the chemical and physical parameters envisaged by local laws. More specifically, in plants where water treatment systems are present, every day our specialised staff analyse the main chemical and physical parameters of the wastewater using specific tools. Additionally, once every three months we send wastewater samples to independent certified laboratories for analysis.

If there is discharge into surface water (such as rivers) - as permitted by local law - the benchmarks are the most restrictive.

In the plants with the highest water consumption, the

Group seeks new solutions to reduce water use and improve waste water parameters. To achieve these objectives, the Calzedonia Group involves all players in the industrial process, for example dyeing designers who develop new programmes and recipes for using dyes and products with less water.

In addition to internal projects, the Calzedonia Group cooperates with manufacturers of dyes and auxiliaries to research new solutions regarding chemical parameters and the water used.

To improve the management of water resources, the Group is working on renewing technologies, improving water consumption for material use, increasing purification plants and identifying new projects for reusing waste.

In 2022, the Group collected a total of 2,357 megalitres. Factories account for 98% of collections with the remainder for offices and commercial branches.

The increase observed in collections between 2020 and 2022 is mainly attributable to the production mix of our dye factories, as well as an increase in the volumes of items produced.

Aware that dye factories are amongst those with the greatest environmental impact, the Group is committed to limiting and containing their negative effects on the environment, in particular:

- involving the key people of the industrial process, starting with the dye designers that develop new dye recipes and programmes to use colours and products requiring lesser quantities of water;

²⁵ - The environmental data reported in this chapter does not include that relating to the production plant in Ethiopia, which, due to the current geopolitical instability, is temporarily closed and it has therefore not been possible to organise data collection.

Water collection by source (Megaliters)²⁶

Source	2020		2021		2022	
	All areas	Areas under water stress	All areas	Areas under water stress	All areas	Areas under water stress
Surface water	3	-	4	-	37	-
Fresh water	-	-	0,3	-	37	-
Other water	3	-	3,7	-	-	-
Underground water	1,329	77	1,425	316	1,824	93
Fresh water	558	-	512	-	678	-
Other water	771	76	913	316	1,146	93
Water produced	48	1	6	-	1	7
Fresh water	-	1	-	-	-	-
Other water	48	-	6	-	1	7
Water from aqueduct	268	9	289	13	328	55
Fresh water	233	9	235	13	282	55
Other water	35	-	54	-	46	-
Other sources	-	-	1	-	12	-
Fresh water	-	-	-	-	12	-
Other water	-	-	1	-	-	-
Total	1,648	86	1,725	329	2,202	155

- treating process wastewater before release into the environment;
- reusing wastewater heat from the dyeing cycle for subsequent production processes through recovery systems;
- recovering the heater fumes containing CO₂ to regulate the pH of the water in the purifier, without using chemical acids;
- drying and de-oiling the sludge from the biological purification plant to reduce the amount to be disposed of. These procedures avoid disposing of approximately 259 tonnes of sludge a year. The dried remains are then reused in a specific plant for the asphalt production process.

Moreover, at one of our plants, a study is in progress aimed at identifying possible systems for the reuse of process water after purification that enable the reuse of up to 90% of incoming water volumes.

²⁶ - The term "freshwater" is used to mean water with a concentration of total suspended solids (TSS) ≤1.000 mg/L; other water (TSS>1.000 mg/L). To identify the structures in areas of water stress, the World Resources Institute "Aqueduct Water Risk Atlas" tool was used. Store water is excluded for which no consumption data is available because billing takes place indirectly through the rental charges or if the store is managed, by the host shopping centres.

Responsible waste management

The Calzedonia Group is aware of the need to pay attention not only to the consumption of natural resources but also to the by-products of its activity.

The attention paid by all Group companies to their environmental impact is high hence a close focus is also assured on correct waste management, which is fully compliant with the law.

Each production unit is equipped, for example, with special containers (containers, press-containers, bins, etc.) and undertakes to differentiate the collection of waste produced as much as possible, dividing it by type: industrial waste from domestic waste, ordinary waste from waste resulting from work or maintenance activities and, above all, hazardous waste from non-hazardous waste.

This allows a more precise classification of the waste, which is especially useful in the disposal phase entrusted to different specialised suppliers, who guarantee its correct treatment, reducing the risk of pollution to the environment and people. In most cases, the waste produced is prepared for recovery or recycling operations and, only when this is not possible, is disposed of in landfills.

Total waste generated by the Group's business consists mainly of sludge and wastewater, fabric waste and packaging materials, 61% of which is from the production chains.

The total waste produced in 2022 is about 21.9 thousand tonnes and almost all of it can be classified as non-hazardous.

PARTNERSHIPS FOR CIRCULARITY

In 2022, in the units producing the largest amount of textile waste, a new project named "Pre and Post Use" aimed at the reuse of textile waste was initiated with the collaboration of a third company, IGERS, in full compliance with local regulations. In particular, with a view to the circular economy, the Calzedonia Group is working to launch a series of tests to verify the recovery and reuse capacity of materials derived from textile waste.

Furthermore, with the cooperation of the specialised company ESO, the Group is considering the possibility

of further sorting the municipal waste collection at its sites in order to extract specific materials to be reused for uses other than those for which they were created. For example, by collecting old trainers, it is possible to make a synthetic rubberised track surface for athletics.

Waste produced (t)²⁷

	2020	2021	2022
Hazardous waste	108	189	237
Waste water and sludge	7	8	61
Textile waste	12	10	22
Waste from fume treatment	-	-	60
Chemical product containers	8	7	8
Oil	27	98	18
Waste electric material	17	27	6
Toner and cartridges	4	5	5
Other	40	34	57
Non-hazardous waste	16,517	20,723	21,938
Waste water and sludge	1,977	2,203	2,165
Paper and cardboard	8,032	8,126	9,141
Textile waste	4,432	2,059	5,772
Plastic	616	248	597
Packaging	689	585	431
Waste from fume treatment	140	9	-
Metal	105	346	200
Organic waste	685	1,275	787
Demolition and construction waste	88	169	469
Multi-material waste	686	485	520
Other	1,044	1,789	1,856
Total	16,623	20,912	21,938

As regards disposal methods, 54% of waste produced is sent for recycling and reuse, whilst 43% is disposed of in a landfill. Also worthy of note is the improvement seen in traceability and data reporting: compared with previous years, the Group has managed to trace 97%²⁸ of waste produced through to the end of its life.

The table below shows the method by which waste not sent for disposal, is recovered²⁹. The table below shows that 41% is recycled, 25% is prepared for new use and 33% is handled otherwise. Thanks to various collaborations with universities and specialised companies, the percentage of waste going for recycling and reuse remains at 67% in 2022, up from 2020 (45%).

²⁷ - he data does not include waste managed directly by the local municipal companies. "Other" includes special hazardous and non-hazardous waste not directly able to be classified under the other categories of the table insofar as encoded with a different EWC code. The waste categories "Waste water and sludge", following the change in GRI standards, should not longer be counted in the category, but have in any case been included in the table to allow for comparison with the 2019 data.

²⁸ - The remainder was entrusted to authorised suppliers for which the final disposal method is unknown.

²⁹ - The difference between total waste not sent for disposal in the table on "Waste produced" and the total of the table on "Waste not sent for disposal by means of recovery (t)" is due to the fact that recovery is carried out mainly at external sites for which the organisation is not always able to obtain data.

With a view to reducing waste and making best use of the waste still produced, it is essential to identify the best strategies for reusing materials. One concrete example concerns plastic pallets or cartons for intercompany transactions, which are reused up to 10 times. Thanks to this latest initiative, the Group managed to avoid 318 tonnes of cardboard waste.

In addition, the Group is working on the development of different technologies to obtain new resources from the recycling of what would otherwise become waste.

The table below shows the method by which waste sent for disposal, is managed³⁰. For this category of waste, the Group uses a landfill for 34% of the weight and incineration for 19%.

Waste not sent for disposal by means of recovery (t)

2022			
	In site	At an external site	Total
Hazardous waste	3	86	89
Preparation for reuse	-	17	17
Recycling	3	3	6
Other operations	-	66	66
Non-hazardous waste	1,086	10,759	11,845
Preparation for reuse	-	3,011	3,011
Recycling	1,086	3,870	4,956
Other operations	-	3,878	3,878
Total	1,089	10,845	11,934

³⁰ - The difference between total waste sent for disposal in the table on “Waste produced” and the total of the table on “Waste sent for disposal by means of disposal” is due to the fact that disposal is carried out mainly at external sites for which the organisation is not always able to obtain data.

In 2022, the waste reduction policy in all production units, which had been suspended for hygiene and safety reasons during the 2020/2021 pandemic period, was reactivated. Specifically, the following initiatives and actions are planned:

- introduction of water dispensers to reduce the consumption of disposable plastic bottles, providing employees with bottles for their personal use;
- replacement of plastic tableware with environmentally-sustainable compostable tableware in canteens;
- elimination of plastic bottles, cups and spoons inside vending machines, replaced with alternatives made from environmentally sustainable materials;
- replacement of plastic strips for packaging with paper ones;
- reuse of cardboard boxes used in shipping, archiving and storage of goods in the warehouse;
- reuse of print sheets for notepads and/or prints on both sides of the same sheet.

Waste sent for disposal by means of recovery (t)

2022			
	In site	At an external site	Total
Hazardous waste	-	733	733
Incineration (with energy recovery)	-	-	-
Incineration (without energy recovery)	-	-	-
Conferral to landfill	-	648	648
Other operations	-	85	85
Non-hazardous waste	591	7,965	8,556
Incineration (with energy recovery)	480	1,250	1,730
Incineration (without energy recovery)	-	-	-
Conferral to landfill	-	2,438	2,438
Other operations	111	4,277	4,388
Total	591	8,698	9,289

Energy consumption and emissions

The Group's energy consumptions mainly derive from the production plants, lighting, heating and cooling the workplace. Added to these consumptions are the fuel costs of company-owned vehicles and logistics vehicles, which carry out intercompany transport between the Group's various plants.

With reference to energy consumption only, whether electricity or thermal energy, for all plants, remote management and monitoring systems are operative. In this way, the Group manages to control the operating procedures and plans interventions if anomalies are noted. Once the consumption histories of energy monitoring systems have been analysed, feasibility studies are carried out in order to evaluate efficiencies and new installations of renewable energy power plants.

In 2020, a five-year investment plan worth a total of around 7 million euros began, involving self-production of energy from renewable sources on the one hand, and energy consumption efficiency on the other. The list of proposals for energy and environmental efficiency measures is continuously updated. In this way, the Central Management is able to determine the methods, investments and time frames to achieve the objectives set according to priorities.

Once a year, the Group prepares an energy analysis report based on energy measurement data to verify the plant efficiencies of the various production plants. After an improvement has been made, be it only of a managerial nature or extraordinary maintenance such as the replacement of equipment, the effectiveness of the intervention is always verified by means of energy measurements.

To evaluate the result, pre- and post-intervention energy indicators such as outdoor temperatures, kg of yarn, square metres or hours of operation are used.

Interventions that have produced good results can then

be replicated in other plants in order to increase their positive impact. Each and every improvement is carried out through collaboration between external suppliers and the internal maintenance or management staff of the specific plant.

The pillars of proper energy management are certainly compliance with regulations on the maintenance of buildings and their systems, verification of correct operation and proper use by the end user, such as in the case of indoor climate control.

According to the operative needs and the different geographic areas in which the Group's production sites are located, the energy sources available also vary.

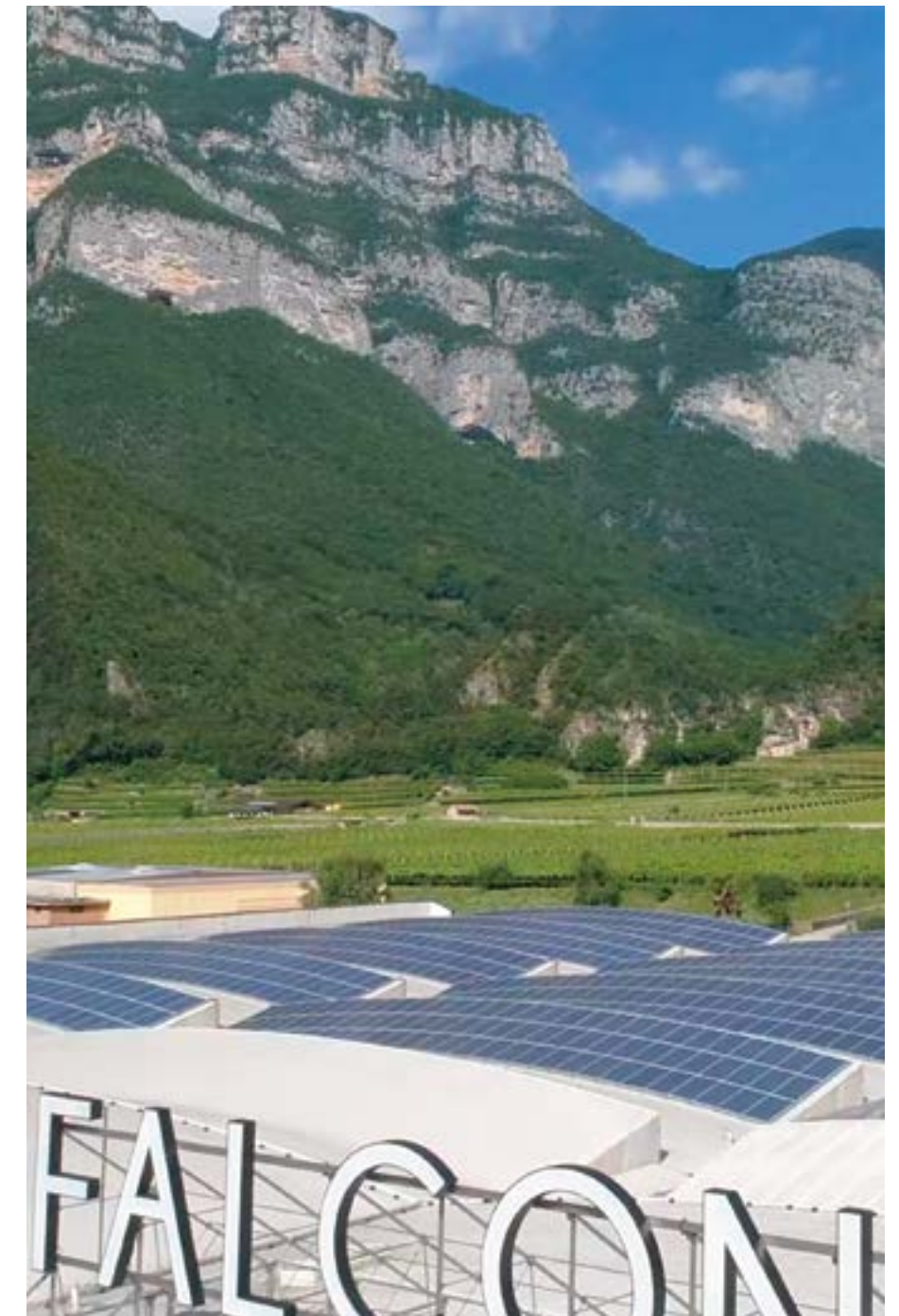
As a general rule, the Calzedonia Group tries to use fossil fuel technologies only when there is no alternative. The non-renewable source is in fact used not only for the movement of a large part of the company fleet, but also for the operation of thermal plants, the production of steam for industrial use and the production of hot water for heating.

In establishments where fossil combustion heat plants are present, periodic maintenance is carried out to ensure their proper functioning, and measurements are made of the combustion characteristics of the burners (according to local regulations or preventive controls).

64% of direct energy consumption is related to production activities, which involve 61% of the Group's employees.

In 2022, self-consumption from solar-photovoltaic power came to 10,092 GJ and made it possible to avoid approximately 883 tonnes of CO₂e. Projects are being studied aimed at extending the portion of self-produced energy from renewable sources, in particular in countries where access to energy is compromised by infrastructural deficiencies (e.g. Sri Lanka).

ENERGIA AUTOPRODOTTA 10.092 Gj



Renewable electricity consumption of the Calzedonia Group

The Group has been trying for years to redirect its energy choices towards supplies from renewable sources. In 2022, the Group used certified green electricity, the origin of which is guaranteed at purchase in all countries where it operates. To date, this is the case for approximately 17 countries³¹ worldwide, in 14³² of which a complete transition has been made. In general, the Group's electricity consumption comes 76% from renewable sources.

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In 2022, 76% of the electricity purchased globally came from renewable sources, and the Group has set itself the target of reaching 100% by 2030.

In general, the Group's electricity consumption comes 76% from renewable sources.



31 - Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, France, Germany, United Kingdom, Italy, Netherlands, Poland, Portugal, Serbia, Spain, Sri Lanka, Sweden, USA.
 32 - Austria, Belgium, Bosnia Herzegovina, Brazil, Bulgaria, China, Croatia, France, Germany, United Kingdom, Netherlands, Poland, Sweden, Turkey.

INTEGRAL USE
 PARTIAL USE

Direct and indirect energy consumption (Gj)

	2020	2021	2022
Direct energy consumption	704,024	783,109	831,127
From non-renewable sources³³:	498,141	571,629	607,430
Natural gas	470,175	535,626	515,586
Diesel	14,447	22,480	71,936
LPG	13,519	13,523	19,908
From company vehicles	196,610	202,165	213,605
Petrol-driven cars	13,051	22,993	36,937
Diesel cars	47,136	44,459	38,971
Methane-powered cars	10	17,98	4,57
Petrol-driven vans	33	-	-
Diesel vans	79,512	67,009	57,729
Diesel buses	49,806	54,679	60,263
Aircraft	7,062	13,008	18,715
Other industrial vehicles	-	-	985
From renewable sources:	9,273	9,315	10,092
Photovoltaic solar energy	9,273	9,315	10,092
Indirect energy consumption	583,561	657,501	713,489
Electricity	581,008	653,330	709,716
of which from non-renewable sources	301,036	268,617	173,528
of which for electric cars	-	-	0.45
of which from renewable sources	279,972	384,713	536,188
Thermal energy	2,553	4,171	3,773
of which from non-renewable sources	2,265	3,088	3,003
of which from renewable sources	288	1,083	770
Total consumption	1,287,585	1,440,610	1,544,617

As can be seen from the table, energy consumption is trending upwards, justified by the continuous expansion of the Group and the increase in garment production. The trend also affects diesel consumption, which increased by 220% in 2022 compared to the previous year. This increase is motivated by the severe state crisis that broke out in Sri Lanka and the severe electricity shortage in the public grids, which forced the Group to use diesel generators to keep the five factories in the country running.

As far as the Group’s direct emissions are concerned, these derive for the most part from the consumption of non-renewable fuels used in thermal plants for the production of industrial use steam and hot water for heating (70% of the total). This is then followed by emissions due to movement of the company fleet, which accounts for the remaining 30%.

In striving to reduce its environmental impact, the Calzedonia Group is increasing the percentage of electricity obtained from renewable sources and used in its supply chain. Specifically, in 2022, 76% of the electricity used in all the Group’s production plants came from renewable sources (linked to the production of 77% of the garments produced in the year).

To calculate indirect emissions, the Group used the Location-based and Market-based Methods. The first considers the contribution made by average emission factors of the distribution network used by the organisation for its electricity consumption. The second instead considers the contribution of emission factors that an organisation has intentionally chosen contractually for its electricity consumption and, in the case of purchasing energy certified as renewable, the emission factor is zero.

³³ - Store electricity and natural gas for heating is excluded, for which no consumption data is available because billing takes place indirectly through the rental charges or if the store is managed, by the host shopping centres.

The table below shows the Group's direct and indirect (Scope 1 and 2³⁴) emissions of 67,289 t CO_{2e} in 2022.

CARBON NEUTRALITY		
EMISSIONI (tCO _{2e}) Scope 1 e 2 ³⁵		
Prodotte	Compensate	Finali
67,289	70,000	-2,711

The box above clearly shows one of our important achievements: carbon neutrality. Being carbon-neutral means that we have reached an equilibrium situation in which the carbon emissions released into the atmosphere from activities under our direct control have been fully offset through multiple parallel projects (reforestation, renewable energy, etc.).

Direct and indirect emissions - Scope 1 and 2 (t CO_{2e})

	2020	2021	2022 ³⁵
Direct emissions (Scope 1)	37,451	44,424	46,287
From non-renewable sources:	24,758	29,770	32,148
Natural gas	22,969	27,524	26,143
Diesel	965,4	1,494	4,819
LPG	822,77	751,28	1,186
From company vehicles	13,134	13,587³⁶	14,139
Petrol-driven cars	831	1,538	2,331
Diesel cars	3,147	2,960	2,611
Methane-powered cars	1	1	0
Petrol-driven vans	2	-	-
Diesel vans	5,313	4,478	3,867
Diesel buses	3,328	3,664	4,037
Aircraft	512	942	1,290
Other means	0	3	3
Indirect emissions³⁶ (Scope 2)	43,343	34,740	21,001
Electricity - Location-based	60,231	63,800	68,728
Electricity - Market-based	43,234	35,949	20,859
Thermal energy - Location-based	122	200	179
Thermal energy - Market-based	109	148	142
Final emissions (Scope 1 and 2) Market-based	80,794	79,164	67,289

34 - According to the Market-based Method.

35 - The factors used to calculate emissions were published by TERNA (International Comparisons 2019), European residual mix 2021 (AIB 2022) and DEFRA (Department for Environment, Food & Rural Affairs - 2022).

36 - The 2021 data relative to the emissions of the company vehicles and fleet has been restated.

With regard to direct emissions, the total increase of about 4% is due, as mentioned above, to the need to use diesel to run uninterruptible power supplies in factories in Sri Lanka due to the lack of electricity in the public power grid (as a result of the economic and political crisis that broke out in 2022).

On the other hand, it can be seen that indirect emissions decreased by 40%, in line with the trend of recent years, due to the increasing purchase of electricity from renewable sources certified through guarantee of origin certificates. In actual fact, the Calzedonia Group uses around 76% renewable electricity, avoiding the emission of over 47,900 tonnes of CO₂e.

REFORESTATION PROJECTS

In 2022, the Calzedonia Group successfully managed, as it had declared it wished to in 2021, to offset all direct and indirect greenhouse gas emissions (Scopes 1 and 2) produced by the Group. The result was achieved through financing reforestation projects and projects to produce renewable energy, which offset 70,000 tonnes of CO₂.

An important contribution to achieving this objective was made by the choice of investing in this project all profits deriving from the sale of paper shoppers (all manufactured from FSC-certified paper, namely paper deriving from sustainably managed forests) in the Group's Calzedonia, Intimissimi and Tezenis brand stores and outlets. The more than 61 million pieces sold helped to fund two different reforestation projects:

- the "Guanaré" forest plantation, where an area of 21,291 hectares was reforested, offsetting 8,000 tonnes of CO₂;

- reforestation of approximately 14,969 hectares through Mangalam Timber Products Limited (MTPL) of some degraded areas, offsetting 26,000 tonnes of CO₂.

Finally, the implementation of a renewable electricity generation plant in Sri Lanka was supported, through the construction and operation of seven 1.5 MW turbines for a total site capacity of 10.5 MW. This latter production of wind and photovoltaic renewable energy offset 36,000 tonnes of CO₂. Through this virtuous circle, therefore, the Calzedonia Group has not only helped to sequester CO₂ from the atmosphere, but has also supported the creation of jobs for local populations and the reduction of dependence on fossil fuels.



In order to calculate its energy and carbon footprint, the Group has compared its consumption and emissions with the number of items produced in-house.

The energy intensity of each item produced dropped by 21% compared with 2021 following a great many initiatives linked to the efficiency drive (also driven by an exceptional increase in energy costs) and a generalised increase in production, which was able to feed into scale economies. Emissions intensity has instead reduced by 34%, mainly thanks to the purchase of renewable electricity.

	2020	2021	2022
ENERGY INTENSITY (KWH/PC)	1.41	1.51	1.19
EMISSIONS INTENSITY ³⁷ (KGCO _{2e} /PC)	0.32	0.29	0.19



Finally, the Group has also calculated the environmental impacts in terms of emissions from employee travel for professional reasons: business travel generated around 8.5 thousand tonnes CO_{2e} in 2022, 91% of which was from air travel. These results clearly show that the increase in emissions can be attributed to the resumption, at full capacity, of business travel, readjusting values to pre-pandemic levels, which had massively limited employee travel between the various Calzedonia Group locations.

³⁷ - The emissions intensity considers Market-based direct and indirect emissions.

Emissions deriving from employee travel - Scope 3 (t of CO₂e)³⁸

	2020	2021	2022
Emissions deriving from air travel	2,882	2,732	7,832
Short-haul	384	387	229
Medium-haul	805	1,144	1,969
Long-haul	1,693	1,201	5,634
Emissions deriving from the use of hire cars	270	516	594
Large size	8	2	2
Medium size	174	274	295
Small size	88	163	227
Emissions deriving from travel with car rental with driver	486	77	69
Emissions deriving from train travel	81	197	143
National railway line	81	196	142
International railway line	-	1	0.33
Total emissions	3,719	3,446	8,569

In order to reduce the emissions caused by employee travel, starting 2020, a travel policy called the “Green Travel Policy” has been drafted.

The main aspects of this corporate policy are:

- Sensitisation of employees in regard to the emissions caused by air travel when choosing flights

- Precedence assigned to the booking of direct flights, which cause less in the way of emissions than those with stopovers

- Use of trains instead of aeroplanes for national travel

- Hire of electric cars for business trips

- Booking of hotels attentive to sustainability practices and the reduction in consumptions

- Sensitisation of employees as to the alternatives to be preferred when travelling

Energy efficiency

Every year, the Calzedonia Group makes major investments in modernising its installations, which thanks to cutting-edge technology contribute to optimise performance and reduce energy consumption in the plants.

With the aim of pursuing precisely this latter objective, the Calzedonia Group has begun a path of implementing, by way of example and not exhaustively, the following solutions:

- replacement of fossil fuel (natural gas or oil) heating plants with heat pump-fired plants, where technically possible. In particular, in 2022, a programme was launched to replace the gas heaters used to heat two logistics poles with heat pump systems;
- replacement of current lighting fixtures with LED technology (an activity already carried out for almost all production plants);
- evaluation of the possibility of installing systems for generating electricity from renewable sources. In Italy, several plants are equipped with photovoltaic systems, for example. Feasibility analyses are underway regarding the possibility of installation in other countries such as Croatia and Sri Lanka.

In addition, in agreement with the company’s fleet management department, an electric mobility project

³⁸ - The factors used to calculate emissions are updated annually and published by DEFRA (Department for Environment, Food & Rural Affairs - 2022).

is being developed between the Group's industrial sites, involving the replacement of petrol cars with hybrid and, where possible, full-electric cars and the installation of on-site charging stations.

For some time now, the Group has been installing LED lighting, with controlled processes and high energy efficiency materials, in respect of the Ecodesign Directive 2009/125/EC for energy saving. Growing use of low consumption, high performance LED technology in stores, offices and plants, successfully rationalises the inclusion of light sources, making for concrete energy savings and lesser dispersion of heat into the environment. All this results in reduced use of air conditioning systems and reduced technical lighting maintenance, guaranteeing optimal visual comfort for customers and employees alike. To date, around 82% of our stores only use LED technology lighting.

The goal of equipping all of the Group's production and logistics facilities with energy-efficient LED lamps was achieved in 2021. Today, the DALI intelligent lighting system is being installed, where possible, to control brightness.

	COMMERCIAL AREA	PRODUCTION AREA
OBJECTIVE	100% LED by 2024	100% LED by 2023
2022 STATUS	82%	100%

Instead, with the aim of reducing its greenhouse gas emissions, the Group evaluated the replacement of old fossil fuel plants with modern plants or technologies that exclude the use of fossil fuels (such as heat pumps).

In our stores, the technical choices involve a limited use of air barriers installed near entrances, privileging door

closure in periods having the greatest temperature difference, so as to guarantee a stable temperature in the sales outlet and consequently lesser energy consumption.

All technically obsolete air conditioning systems have been replaced by high energy efficiency systems, the use of low environmental impact coolant gases and lesser acoustic impact. Water-powered air-conditioning systems, installed in a few cases, have been further reduced with the aim of eliminating them entirely over the next few years.

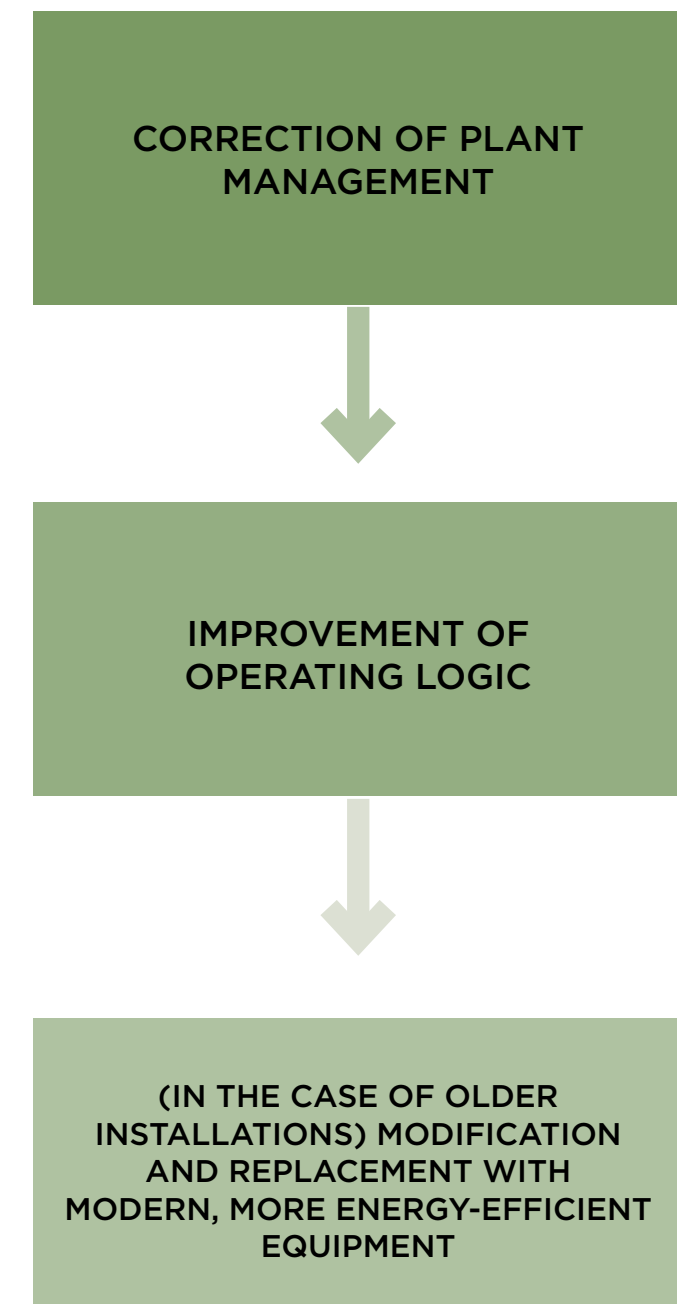
As mentioned in the section on consumption, in order to assess the most energy-consuming sectors and the state of efficiency of the plants, the Group has started an energy monitoring process that will be applied in all its factories and stores.

Through the use of energy monitoring, it is possible to detect any anomalies or inefficiencies, which, once identified, follow the scheme below for their resolution (the steps involved may vary depending on the severity of the case):

In addition, an algorithm is being implemented to determine the inefficient use of electricity consumption in plants where energy monitoring is present.

Finally, some Group companies carry out voluntary certifications on energy and environmental aspects, such as ISO 50001.

The efficiency interventions implemented in 2022 enabled the Group to save a total of 21,200 GJ of energy, and thanks to the interventions described, the organisation enjoyed multiple benefits not only in terms of energy efficiency, but also in terms of avoided emissions.



Reduction of energy consumption and emissions

Type of intervention	2020		2021		2022	
	Estimated savings (GJ)	Emissions avoided (tCO ₂ e)	Estimated savings (GJ)	Emissions avoided (tCO ₂ e)	Estimated savings (GJ)	Emissions avoided (tCO ₂ e)
Replacement of lighting systems with LED technology	6,406	141	1,812	109	2,181	314
Renewal of thermal plants	4	64	7,866	30	4,860	613
Installation of photovoltaic plants	324	0	8,388	4	14,159	1,940
Total	16,157	206	18,066	143	21,200	2,867

Group energy efficiency targets for 2023:

- Production of electricity from renewable sources for several plants totalling more than 6 MW by October 2023;
- Complete re-lamping with LED technology of one plant by July 2023;
- ISO 50001 energy certification for three factories (including two Falconeri factories) by November 2023;
- Plant efficiency in Sri Lanka through regulation logic with new BMS (Building Management Systems) and replacement of ageing equipment by December 2023.

This reduction in consumption stems mainly from efficiencies in the Group’s production plants (both garment and fabric production), which account for a large part of the entire supply chain.

MORE TRAINING FOR LESS IMPACT

In 2022, as a result of a general shortage of gas and the consequent sharp rise in the cost of the raw material used for heating buildings, the Calzedonia Group has accelerated the already started project for energy efficiency in its stores and premises.

Following an in-depth study conducted on a sample of stores located in northern and central Italy, a policy was studied and issued with the aim of reducing the environmental impact mainly of stores, as they are more complex and less centralised in their management.

The measures on which the line of action was differentiated were mainly three: structural, managerial and directional. For all three areas, several possible types of intervention were identified. Following this, the energy impact was then quantified, an approximate schedule calculated within which to make the identified

changes and the project feasibility assessed.

With regard to structural measures, the elimination of resistance in air curtains, the installation of even more efficient lighting fixtures and the time-controlled switching off of window signs at night were analysed.

Managerial measures, on the other hand, included those that can be implemented by the stores through conscious behaviour of store personnel. Minimum and maximum temperature set points to be maintained in the workplace were therefore defined. In addition, in order to ensure greater energy efficiency of the stores, the Group has taken steps to provide precise instructions to all stores regarding the correct use of opening and closing doors according to specific outside temperature thresholds.

Directional measures are instead those which influence the image of brands, and which start with a new and more conscious structuring of stores. These measures have to

start with the initial design of the store, such as the limited use of LED walls and the reduction of door widths. At the end of the project, it was realised that the measures studied, in their entirety, would have a 30% impact on potential annual energy consumption.

This project was hinged on the shared idea that the difference is realised and made possible by adequate training, but above all by the contribution and commitment of each individual employee to carry out their daily activities with care and attention, aware that the sum of many ‘small’ actions leads in the long run to important changes.

Responsible logistics management

Logistics is not only a strategic element of the Group's business, but also one of the main impacts generated on the environment. Indeed, the transport of raw materials and finished garments is responsible for a large part of the greenhouse gas emissions generated and released into the atmosphere.

The Group's distribution centres (built in compliance with up-to-date earthquake regulations) are located in:

- Vallese di Oppeano (ITALY)
- Castagnaro (ITALY)
- Varazdin (CROATIA)
- San Paolo (BRAZIL)
- Shanghai (CHINA)
- Warsaw (POLAND)
- New York (USA)

The Group is committed to locating its distribution platforms in strategic points, bringing the sales outlet and production plant closer together wherever possible. This choice allows shorter distances, and consequently shorter transfer times, reflected in a lower logistics impact. Secondly, this allows packaging to be returned to factories (with up to 10 times reuse), and garments to be shipped without the use of hangers, thus reducing the annual consumption of plastic hangers.

The distribution centres prepare daily orders with basic and fashion products, which are shipped to stores in Italy and abroad in order to replenish stocks.

Most of the Group's stores may also need daily deliveries, which is why the store replenishment process is supported by a strong integration between the different information systems: from the issuing of the order at the point of sale, to checking the availability of goods in the distribution centres, to the physical handling in the warehouse.

The Transport Office handles shipping to and from stores, private customers, factories and suppliers.

Transport is in fact entrusted to external companies, connected by computer to the Calzedonia Group companies. The company's in-house customer service department is constantly monitoring the quality of the service provided by the hauliers, checking transport times and analysing any inefficiencies.

The Group's logistics adheres to guidelines that help ensure the efficiency of the system, simplifying and standardising warehouse activities as much as possible and assuring the constant collaboration with business partners in order to always guarantee a high level of plant quality/efficiency.



Packaging sizes for the finished product are designed in such a way as to optimise space within the vehicles, thereby minimising partial loads.

The Calzedonia Group manages the organisation of the transport of the goods we purchase (fabrics, yarns, finished garments) in-house, and bears the related transport costs, so as not to penalise suppliers for any cost increases and with the additional objective of increasing control over the value chain. In the few situations where the transport payment is borne by the supplier, we take into account average variations in transport costs. This year, we saw a 7% cost increase in air freight (20% of total volume) and an 11% increase in average FOB prices by ship.

For on-line customers, the collect and return service is activated at our stores, which allows logistics corridors used for stores to also be used for e-commerce sales. In 2022, this saved around 864 thousand deliveries.

At the end of the season, all unsold items from the fashion collection are collected from the stores and these are then sorted, inspected and repackaged for sale in outlet chains and shops.

INSTALLATION OF CARDBOARD VOLUME REDUCTION MACHINES

In 2021, two new machines were installed in the logistics centres of Vallese and Ducal to reduce the volume of boxes shipped for B2B business. Through the use of these machines, the cardboard box, as it is not completely pre-folded, is formed and closed according to the quantity of goods inside it. Again in 2022, the use of these machines will reduce the number of transport vehicles by approximately 10% for the same quantity of goods shipped, resulting in reduced transport costs and environmental impacts.

Together with unsold returns, items with minor imperfections are also taken back; these items, which are considered seconds, are put back on sale in the outlets or given to charity after careful inspection and appropriate reporting.

In collaboration with the suppliers of logistics services, the Calzedonia Group has started to monitor CO₂ emissions deriving from the transport of its finished products and raw materials used.

In 2022, it was estimated that these emissions totalled approximately 3,13 million tonnes CO₂e. The highest impact transport types are by air (86%) and by sea (12%). Reported emissions cover about 70% of the turnover spent on transport in 2022; a figure that has been growing steadily in recent years thanks to continuous dialogue and work with transport providers. A partial reason for the different balance between emissions from road and sea transport stems from a change in the indices used to estimate emissions that are not directly known.

Despite the high technological complexity required to reduce logistics transport emissions, especially when not under direct control, the Group works with a number of transport companies to encourage the use of low greenhouse gas emission transport modes.

For example, with the shipping company CMA-CGM, a first transport operation was carried out in 2021 using biofuel (fuel produced from recycled used oils), which allowed the Group to avoid more than 30 tonnes of CO₂e. Indeed, the adoption of this fuel has the considerable advantage of producing 85% fewer emissions than conventional fuels while allowing the same infrastructure and technology to be used as is currently in use. Following this first experiment, the Group's Transport Department also continued to select transport providers on their ability and commitment to reduce emissions from their activities.

It should be noted that emissions from transport activities

Indirect transport emissions - Scope 3³⁹

Type of transport	2020	2021	2022
Road	747,573	1,373,374	71,065
Air	719,387	932,141	2,476,680
Sea	159,714	58,050	346,236
Combined	77,872	-	-
Total	2,821,779	1,626,674	2,893,981

are the only indirect Scope 3 emissions, i.e. emissions not under the direct control of the company, but nevertheless reported by the Calzedonia Group. This is why they are considerably higher than other emissions reported to date, exceeding 96% of the total declared in this Sustainability Report. The Group, however, expects to also start reporting Scope 3 emissions of production of the supply chain starting 2023, so as to improve understanding of the environmental impact of the Group's activities and choices.

³⁹ - The estimate of CO₂e emissions relative to air, sea and road transport (excluding km relative to "combined" transport, i.e. carried out using different means of transport, for which it is not possible to distinguish the km travelled on road from the other types), has been prepared using an average emissions factor annually published by the DEFRA (Department for Business, Energy & Industrial Strategy) or, where available, on the basis of certified reports supplied by the logistics partners.

Collaborators by professional category and gender (%)

	2020			2021			2022			
	Men	Women	Total	Men	Women	Total	Men	Women	Unknown	Total
Country Manager/ Plant Manager	0.2%	0.1%	0.3%	0.2%	0.1%	0.3%	0.2%	0.1%	0.0%	0.3%
Managers reporting to Country Managers/ Plant Managers	0.6%	0.8%	1.4%	0.5%	0.7%	1.2%	0.5%	0.6%	0.0%	1.1%
White-collar	1.8%	4.0%	5.8%	1.4%	4.4%	5.8%	1.6%	4.2%	0.0%	5.8%
Sales staff	0.3%	2.3%	2.5%	0.3%	2.4%	2.8%	0.3%	2.4%	0.0%	2.7%
Store staff	1.0%	29.0%	30.0%	1.4%	31.4%	32.8%	1.3%	28.7%	0.1%	30.0%
Blue-collar	6.2%	53.8%	60.1%	6.0%	51.0%	57.1%	5.8%	54.2%	0.0%	60.1%
Total	10.0%	90.0%	100%	10.0%	90.0%	100%	9.7%	90.2%	0.1%	100%

Average number of training hours received by employees divided by gender and by category

	2021				2022			
	Men	Women	Unknown	Total	Men	Women	Unknown	Total
Country Manager/ Plant Manager	4.38	3.96	0.00	4.20	4.16	3.69	0.00	3.97
Managers reporting to Country Managers/Plant Managers	261.42	6.83	0.00	109.50	15.81	7.42	0.00	11.09
Other white-collar - office employees	142.87	52.23	0.00	75.10	19.52	23.68	2,206.50	25.94
Other white-collar - sales employees	127.50	59.80	0.00	75.16	183.59	94.69	0.00	120.14
Store employees	4.78	5.74	0.00	9.60	15.87	12.03	2,034.21	15.85
Blue-collar	14.51	19.51	0.00	19.22	5.28	1.70	0.00	2.29
Total	47.90	17.74	0.00	22.38	15.57	8.47	3,231.46	11.05

Turnover by gender and age bracket (no.)

	Gender			Total	Age brackets	
	Men	Women	Unknown		<30	≥ 30
2020						
Employees hired	804	18,077	-	18,881	14,272	4,609
Employees left	732	18,673	-	19,405	14,298	5,107
2021						
Employees hired	1,153	22,596	-	23,749	18,856	4,894
Employees left	1,014	20,937	-	21,951	17,498	4,453
2022						
Employees hired	1,443	27,932	37	29,412	24,045	5,367
Employees left	1,939	23,435	38	25,412	19,948	5,464

Turnover by geographic area (no.)

	Italy	Europe	America	Asia	Africa
	2020				
Employees hired	1,015	11,105	347	6,412	2
Employees left	1,093	11,196	331	6,783	2
2021					
Employees hired	1,534	13,649	496	8,001	70
Employees left	1,325	12,280	481	7,816	49
2022					
Employees hired	2,278	14,550	895	11,579	110
Employees left	1,989	13,720	688	8,919	96

Injuries involving collaborators (no.)

	2020				2021				2022			
	Men	Women	Unknown	Total	Men	Women	Unknown	Total	Men	Women	Unknown	Total
Injuries recorded at work	89	2,214	16	2,319	95	2,221	11	2,327	74	2,123	53	2,250
In the workplace	85	2,190	10	2,285	89	2,186	11	2,286	73	2,107	38	2,218
Italy	13	21	-	34	22	26	-	48	-	-	33	33
Europe	26	259	10	295	22	231	11	264	21	195	5	221
America	-	-	4	4	-	7	-	7	-	11	-	11
Asia	46	1,906	-	1,952	45	1,922	-	1,967	52	1,901	-	1,953
Africa	-	-	-	-	-	-	-	-	-	-	-	-
During commute	4	24	6	34	6	35	-	41	1	16	15	32
Italy	4	22	-	26	4	20	-	24	-	-	15	15
Europe	-	2	6	8	2	15	-	17	1	15	-	16
America	-	-	-	-	-	-	-	-	-	-	-	-
Asia	-	-	-	-	-	-	-	-	-	1	-	1
Africa	-	-	-	-	-	-	-	-	-	-	-	-
Injuries with severe consequences that occurred at work (excluding deaths)	8	18	-	26	4	10	-	14	1	7	7	15

Waste by composition (t)

	2020			2021			2022		
	WASTE GENERATED	WASTE NON SENT FOR DISPOSAL	WASTE SENT FOR DISPOSAL	WASTE GENERATED	WASTE NON SENT FOR DISPOSAL	WASTE SENT FOR DISPOSAL	WASTE GENERATED	WASTE NON SENT FOR DISPOSAL	WASTE SENT FOR DISPOSAL
Hazardous waste	108	35	73	189	35	73	237	88	133
Textile waste	7	-	7	8	-	7	61	0	61
Waste water and sludge	12	-	12	10	-	10	22	19	12
Waste from fume treatment	-	-	-	-	-	-	60	60	0
Chemical product containers	8	1	7	7	-	7	8	1	3
Oil	27	9	18	97	69	29	18	8	8
Waste electric material	17	12	5	27	21	5	6	3	2
Toner and cartridges	4	3	1	5	2	1	5	3	1
Other	40	10	30	34	10	30	57	4	46
Non-hazardous waste	16,517	8,187	7,156	20,723	9,939	8,829	21,938	11,390	8,756
Waste water and sludge	1,977	67	1,910	2,203	1	2,200	2,165	1	1,190
Paper and cardboard	8,032	4,257	3,139	8,126	5,184	1,568	9,140	6,688	2,102
Textile waste	4,432	2,234	2,193	5,392	2,059	3,324	5,771	2,263	3,139
Plastic	616	167	152	585	248	78	596	451	109
Packaging	689	305	335	343	91	201	430	145	213
Waste from fume treatment	140	-	140	9	-	9	0	0	0
Metals	105	75	30	346	327	18	200	142	56
Organic waste	685	673	11	1,275	1,273	2	788	776	21
Demolition and construction waste	88	32	1	169	33	1	469	413	58
Multi-material waste	686	315	243	485	228	176	523	338	174
Other	1,044	129	912	1,789	496	1,252	1,856	183	1,694
Total	16,625	8,222	7,229	20,912	9,974	8,902	22,175	11,478	8,889

Employees/workers paid digitally (%)

	2021	2022
Italy	100%	100%
Europe	100%	100%
America	98%	100%
Asia	94%	99%
Africa	-	-
Total	98%	100%

Employees/workers paid above or equal to the minimum wage (%)

	2021		2022	
	Above	Equal	Above	Equal
Italy	85%	15%	89%	11%
Europe	85%	15%	90%	10%
America	100%	-	100%	-
Asia	100%	-	100%	-
Africa	-	-	-	-
Total	90%	10%	95%	5%

Electricity source by country (Calzedonia Group Supply Chain) (kWh)

	2021			2022		
	Renewable electricity source	Non-renewable electricity source	Renewable electricity source %	Renewable electricity source	Non-renewable electricity source	Renewable electricity source %
Italy	45,001,314	258,343	99%	52,433,504	2,938,667	95%
Serbia	17,325,207	-	100%	17,459,693	275,433	98%
Bosnia-Erzegovina	3,754	-	100%	4,391,646	-	100%
Bulgaria	2,224,263	-	100%	2,235,614	-	100%
Croatia	25,798,541	-	100%	28,594,405	-	100%
Sri Lanka	-	39,864,173	0%	20,000,000	18,999,635	51%
Total	94,103,325	40,122,516	70%	125,114,862	22,213,735	85%

Direct and indirect emissions - Scope 1 e 2 (t CO_{2e})

	2020	2021	2022 ³⁵
Direct emissions (Scope 1)	37,451	44,424	46,287
From non-renewable sources:	24,758	29,770	32,148
Natural gas	22,969	27,524	26,143
Diesel	965,4	1,494	4,819
LPG	822,77	751,28	1,186
From company vehicles	13,134	13,587³⁶	14,139
Petrol-driven cars	831	1,538	2,331
Diesel cars	3,147	2,960	2,611
Methane-powered cars	1	1	0
Petrol-driven vans	2	-	-
Diesel vans	5,313	4,478	3,867
Diesel buses	3,328	3,664	4,037
Aircraft	512	942	1,290
Other means	0	3	3
Indirect emissions³⁶ (Scope 2)	43,343	34,740	21,001
Electricity - Location based	60,231	63,800	68,728
Electricity - Market based	43,234	35,949	20,859
Thermal electricity - Location based	122	200	179
Thermal electricity - Market based	109	148	142
Final emissions (Scope 1 e 2) Market based	80,794	79,164	67,289
Final emissions (Scope 1 e 2) Location based	97,804	108,424	115,194

Methodological note

Reporting standards applied

The Calzedonia Group Sustainability Report is the tool through which the organisation discloses information about social-environmental and staff-related topics, as well as respect for human rights and the fight against corruption, serving to ensure a proper understanding of the activities carried out and their impact, as well as the Group performance and results.

This Report is published on an annual basis and has been prepared in “with reference” mode in accordance with the GRI Standards updated in 2021 by the Global Reporting Initiative (GRI). The GRI is an independent international organisation whose standards represent the reference framework worldwide in terms of reporting on economic, environmental and social impacts. To make it easier for the reader to find the information within this document, the following chapters will include the GRI Content Index, an index that summarises and brings together in one place all the content reported within the Report.

The Report has been prepared following the principle of materiality, in its version updated to 2021, as stipulated in “GRI 3: Material topics 2021”. The topics covered in the Report are those that, following a materiality analysis and assessment described in pages 23-24 of this document, are considered relevant insofar as able to reflect the social and environmental impacts of the Group’s business or influence the decisions of its stakeholders. In order to facilitate comparability of data over time, trends for previous years have been proposed where possible, and where changes have been made to what has been stated

in previous publications, this has been clearly indicated within the text.

Reporting scope

The qualitative and quantitative information and data given in the 2022 Sustainability Report refer to the Calzedonia Group performance for the financial year ended 31 December 2022.

The Report includes data from the parent company (Calzedonia Holding SpA), the agricultural and real estate companies⁴⁰, other service companies⁴¹ and its fully consolidated subsidiaries, with the exception of the company Aries Textile s.r.l. as it is being liquidated. These companies have, however, non-material, non-financial impacts. For more details on the companies that make up the group, refer to the diagram on page 17.

Any further limits to this scope have been duly indicated in the document.

Reporting process

The preparation of the Sustainability Report is based on a structured reporting process that involves the various corporate departments that contributed towards the identification and assessment of the material topics, projects and significant initiatives to be considered in the document and data collection, analysis and consolidation phase, with the task of verifying and validating all the information given in the Report, each insofar as under their remit.

The Sustainability Report will be published on the corporate

website so as to make it accessible transparently to all stakeholders.

Reporting principles

The identification and reporting of the contents of this Sustainability Report took into account the GRI principles of relevance, inclusivity, sustainability context and completeness. In order to define the information quality criteria and reporting scope, the GRI principles of balance between positive and negative aspects were also applied, with comparability, accuracy, timeliness, clarity and reliability.

40 - Cep s.r.l., Tekstil Nova d.o.o., Iris 2004 s.r.l., Nalmor Trading Ltd, Corso 26 Immobiliare s.r.l., Cve 710 s.r.l., Immobiliare Santa Croce s.n.c., Vittem s.r.l., Verona Immobiliare s.r.l., VPalace srl and Società Agricola Agribel s.s.
41 - Enosocial s.r.l., Calzedonia Investments s.r.l.

Table linking the material topics and the GRI standards

REPORTING AREAS	MATERIAL TOPICS	GRI REFERENCE STANDARDS	SCOPE OF IMPACTS	
			IMPACTS WITHIN THE GROUP	IMPACTS EXTERNAL TO THE GROUP
ENVIRONMENT	Use of water resources	Water and effluents (GRI 303)	Whole Group	Environment, Suppliers
	Packaging and waste	Waste (GRI 306)	Whole Group	Environment, Suppliers
	Circular economy	Material topic for which, in the document, only the management method adopted is reported insofar as it is not directly traced to a topic-specific GRI standard	Whole Group	Environment
	Use of the planet's resources and climate change	Energy (GRI 302) Emissions (GRI 305)	Whole Group	Environment, Suppliers
	Biodiversity	Biodiversity (304)	Whole Group	Environment
CUSTOMER	Cybersecurity and data protection	Customer privacy (GRI 418)	Whole Group	Customers
	Customer satisfaction, nearness to the customer, an omnichannel approach and digitisation	Material topic for which, in the document, only the management method adopted is reported insofar as it is not directly traced to a topic-specific GRI standard	Whole Group	Customers
COMMUNITIES	Contribution towards the social well-being of the reference territory	Economic performance (GRI 201) Indirect economic impacts (GRI 203) Local communities (GRI 413)	Whole Group	Communities

REPORTING AREAS	MATERIAL TOPICS	GRI REFERENCE STANDARDS	SCOPE OF IMPACTS	
			IMPACTS WITHIN THE GROUP	IMPACTS EXTERNAL TO THE GROUP
COMMUNITIES	Human rights, diversity and inclusion	General disclosures (GRI 2) Diversity and equal opportunity (GRI 405) Non-discrimination (GRI 406) Freedom of association and collective bargaining (GRI 407)	Whole Group	Customers, Communities, Suppliers
	Brand Reputation	Material topic for which, in the document, only the management method adopted is reported insofar as it is not directly traced to a topic-specific GRI standard	Whole Group	Customers, Communities
SUPPLIERS	Responsible supply chain management	Procurement practices (GRI 204) Supplier environmental assessment (GRI 308)	Whole Group	Suppliers, Communities
	Traceability of the chain and labelling	Marketing and labelling (GRI 417)	Whole Group	Customers, Suppliers
GOVERNANCE	Ethics and integrity in business management	General disclosures (GRI 2) Anti-corruption (GRI 205)	Whole Group	Environment, Suppliers, Customers, Communities
	ESG Governance	General disclosures (GRI 2)	Whole Group	Communities, Suppliers
PEOPLE	Talent attraction	Employment (GRI 401)	Whole Group	Communities
	Staff training and development	Training and education (GRI 404)	Whole Group	Customers
	Corporate welfare and incentive systems	Material topic for which, in the document, only the management method adopted is reported insofar as it is not directly traced to a topic-specific GRI standard	Whole Group	Customers, Communities
	Worker health and safety	Occupational health and safety (GRI 403)	Whole Group	Communities, Suppliers, Customers

REPORTING AREAS	MATERIAL TOPICS	GRI REFERENCE STANDARDS	SCOPE OF IMPACTS	
			IMPACTS WITHIN THE GROUP	IMPACTS EXTERNAL TO THE GROUP
PRODUCT	Product sustainability	Materials (301)	Whole Group	Environment, Suppliers, Customers
	Product quality and safety	Customer health and safety (GRI 416)	Whole Group	Suppliers, Customers

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DISCLOSURE	DESCRIPTION OF INDICATOR	PAGE/PARAGRAPH	NOTES
GRI 2: GENERAL INFORMATION 2016			
2-1	Organisational Details	p. 17-18; 129	
2-2	Entities included in the organization's sustainability reporting	p. 116	
2-3	Reporting period, frequency and contact point	p. 116; 129	
2-4	Restatements of information	p. 101	
2-6	Activities, value chain and other business relationships	p. 4; 7-15; 72-77	
2-7	Employees	p. 41-45; 48	
2-8	Workers who are not employees	p. 43	
2-9	Governance structure and composition	p. 17-18	
2-11	Chair of the highest governance body	p. 17-19	
2-22	Statement on sustainable development strategy	p. 3	
2-23	Policy commitments	p. 21; 23; 48-49; 58; 104;106	
2-25	Processes to remediate negative impacts		In 2022, the Group received 36 work-related complaints, of which 23 were solved within the year and 13 are still being analysed
2-26	Mechanisms for seeking advice and raising concerns	p. 22; 35; 37.	
2-27	Compliance with laws and regulations	p. 22; 33.	

DISCLOSURE	DESCRIPTION OF INDICATOR	PAGE/PARAGRAPH	NOTES
2-28	Membership of associations	p. 28	
2-29	Approach to stakeholder engagement	p. 28-29	
2-30	Collective bargaining agreements	p. 48; 57-58	
GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics	p. 23	
3-2	List of material topics	p. 24	
MATERIAL TOPICS REPORTED			
USE OF THE PLANET'S RESOURCES AND CLIMATE CHANGE			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 85-93; 102; 106-107	
GRI 302: ENERGY 2016			
302-1	Energy consumption within the organization	p. 98-100	
302-3	Energy intensity	p. 103	
302-4	Reduction of energy consumption	p. 106	
GRI 305: EMISSIONS 2016			
305-1	Direct (Scope 2) GHG emissions	p. 100-102	
305-2	Indirect (Scope 2) GHG emissions	p. 101-102	
305-3	Other indirect (Scope 3) GHG emissions	p. 104; 108	
305-4	GHG emissions intensity	p. 103	
305-5	Reduction of greenhouse gas (GHG) emissions	p. 101; 106	

DISCLOSURE	DESCRIPTION OF INDICATOR	PAGE/PARAGRAPH	NOTES
CONTRIBUTION TOWARDS THE SOCIAL WELL-BEING OF THE REFERENCE TERRITORY			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 62-71	
GRI 201: ECONOMIC PERFORMANCE 2016			
201-1	Direct economic value generated and distributed	p. 19	
GRI 203: INDIRECT ECONOMIC IMPACTS 2016			
203-1	Investments in infrastructure and supported services	p. 63-64	
203-2	Significant indirect economic impacts	p. 31; 39-40; 54; 56; 58; 64-71; 82;	
GRI 413: LOCAL COMMUNITIES 2016			
413-2	Operations with significant actual and potential negative impacts on local communities	p. 65-71	
CYBERSECURITY AND DATA PROTECTION			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 33	
GRI 418: CUSTOMER PRIVACY 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 33	
USE OF WATER RESOURCES			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 92-93	
GRI 303: WATER AND EFFLUENTS 2018			
303-1	Interactions with water as a shared resource	p. 92-93	
303-2	Management of water discharge-related impacts	p. 92-93	
303-3	Water withdrawal	p. 93	

DISCLOSURE	DESCRIPTION OF INDICATOR	PAGE/PARAGRAPH	NOTES
CUSTOMER SATISFACTION, NEARNESS TO THE CUSTOMER, AN OMNICHANNEL APPROACH AND DIGITISATION			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 34-37	
DIRITTI UMANI, DIVERSITÀ E INCLUSIONE			
GRI 3: TEMI MATERIALI 2021			
3-3	Management of material topics	p. 23; 57-58	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES 2016			
405-1	Diversity of governance bodies and employees	p. 41-45; 47-48	
405-2	Ratio of basic salary and remuneration of women to men	p. 54-55	
GRI 406: NON-DISCRIMINATION 2016			
406-1	Incidents of discrimination and corrective measures taken		In 2022, two reports were made of incidents of discrimination by Calzedonia U.S.A. linked to alleged barriers encountered by customers in the Calzedonia Group site. Promptly addressed with the support of the Legal Office, the reports were settled successfully during the year
GRI 407: FREEDOM OF ASSOCIATION AND RIGHT TO COLLECTIVE BARGAINING 2016			
407-1	Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be at risk	p. 57-58	
PACKAGING AND WASTE			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 94-97	
GRI 306: WASTE 2020			
306-1	Waste generation and significant waste-related impacts	p. 94	

DISCLOSURE	DESCRIPTION OF INDICATOR	PAGE/PARAGRAPH	NOTES
306-2	Management of significant waste-related impacts	p. 95-97	
306-3	Waste generated	p. 95	
306-4	Waste not sent to landfill	p. 96	
306-5	Waste sent to landfill	p. 97	
TALENT ATTRACTION			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 49-52	
GRI 401: EMPLOYMENT 2016			
401-1	New employee hires and employee turnover	p. 45-47; 111	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 48; 56-57	
STAFF TRAINING AND DEVELOPMENT			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 52-54	
GRI 404: TRAINING AND EDUCATION 2016			
404-1	Average hours of training per year per employee	Impact ma non impaginato	
404-2	Programs for upgrading employee skills and transition assistance programs	p. 52-54	The Group did not consider it necessary to develop programmes to assist employees with the management of the final stage of the career in the near future, insofar as 55% of employees are aged under 30.
404-3	Percentage of employees receiving regular performance and career development reviews	p. 52	

DISCLOSURE	DESCRIPTION OF INDICATOR	PAGE/PARAGRAPH	NOTES
BRAND REPUTATION			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 37; 50	
CORPORATE WELFARE AND INCENTIVE SYSTEMS			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 56-57	
RESPONSIBLE SUPPLY CHAIN MANAGEMENT			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 72-82	
GRI 204: PROCUREMENT PRACTICES 2016			
204-1	Proportion of spending on local suppliers	Impact ma non impaginato	
GRI 308: ENVIRONMENTAL ASSESSMENT OF SUPPLIERS 2016			
308-1	New suppliers that were selected using environmental criteria	Impact ma non impaginato	
BIODIVERSITY			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 27; 85-86; 102	
GRI 304: BIODIVERSITY 2016			
304-2	Significant impacts of activities, products, and services on biodiversity	p. 85-108	
PRODUCT SUSTAINABILITY			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 83-84	

DISCLOSURE	DESCRIPTION OF INDICATOR	PAGE/PARAGRAPH	NOTES
GRI 301: MATERIALS 2016			
301-1	Materials used by weight or volume	p. 87-88; 90-91	
301-2	Recycled input materials used	p. 88-89	
TRACEABILITY OF THE CHAIN AND LABELLING			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 80-82	
GRI 417: MARKETING AND LABELLING 2016			
417-1	Requirements for product and service information and labelling	p. 32; 80-83	
417-2	Incidents of non-compliance concerning product and service information and labelling	p. 81	
417-3	Incidents of non-compliance concerning marketing communications	p. 39	
PRODUCT QUALITY AND SAFETY			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 77-80	
GRI 416: HEALTH AND SAFETY OF CUSTOMERS 2016			
416-1	Assessment of the health and safety impacts of product and service categories	p. 78-79	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	p. 79	
ETHICS AND INTEGRITY IN BUSINESS MANAGEMENT			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 21-22	
GRI 205: ANTICORRUPTION 2016			
205-3	Confirmed incidents of corruption and actions taken		In 2022, no episodes of corruption were documented within the Group.

DISCLOSURE	DESCRIPTION OF INDICATOR	PAGE/PARAGRAPH	NOTES
WORKER HEALTH AND SAFETY			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 59-61	
GRI 403: HEALTH AND SAFETY AT WORK 2018			
403-1	Occupational health and safety management system	p. 59; 61	
403-2	Hazard identification, risk assessment, and accident investigation	p. 18; 59	
403-3	Occupational health services	p. 59; 61	
403-4	Worker participation, consultation, and communication on occupational health and safety	p. 59; 61	
403-5	Worker training on occupational health and safety	p. 54; 59; 61	
403-6	Promotion of worker health	p. 59; 61	
403-7	Prevention and mitigation of occupational health and safety impacts within business relationships		To date, in terms of occupational safety, the Group does not carry out any activities involving workers who are not employees and whose work and workplace are not controlled by the organisation.
403-9	Work-related injuries	p. 60	
NON MATERIAL TOPICS REPORTED			
ESG GOVERNANCE			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 26	
CIRCULAR ECONOMY			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics	p. 94	

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