CORNELIANI

Elegance takes shape through every choice.
Sustainability and masterful tailoring.

SUSTAINABILITY REPORT **2024**

Methodological note

With its third Sustainability Report, the Corneliani Group, consisting of Corneliani SpA (Parent Company) and its subsidiaries Sogema Srl, Corneliani (Shanghai) Commercial Co. Ltd, Corneliani Suisse Sagl and Corneliani USA Inc. intends to communicate to stakeholders the company's environmental, social and governance sustainability performance in recent years, with particular reference to fiscal year 2024.

The document was prepared on a voluntary basis in accordance with the Global Reporting Initiative (GRI Standards), updated to 2023 under the "with reference to" option. However, the approach taken in the processes of studying ESG impacts, materiality analysis, and stakeholder engagement was set up to comply with the guidelines dictated by the new European Union directive, namely the CSRD (Corporate Sustainability Reporting Directive), and related ESRS standards. In addition, the disclosure of metrics related to its workforce and business conduct was made in accordance with ESRS S1 and ESRS G1 standards, with a view to CSRD compliance.

The actual and potential positive and negative impacts generated by the company, as well as financial risks and opportunities , were then identified, based on a dual perspective of materiality. These analyses identified ESG issues relevant to the organisation, which were then explored within the relevant chapters and associated with the Sustainable Development Goals.
The principles adopted in drafting are those of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability.

Individual topics are presented with reference to the reporting period from January 1, 2024 to December 31, 2024. Information for the three-year period 2022-2024 are available within the document.

This document, having been presented and shared during the meeting of the Board of Directors on 30/10/2025, was prepared with the technical-methodological support of Fedabo Spa SB.

[1] In this first exercise of double materiality and identification of Impacts, Risks and Opportunities (IRO), the company adopted a qualitative approach to the assessment of financial risks and opportunities related to sustainability, with particular reference to the outside-in perspective (financial materiality). This choice and in line with the provisions of the Delegated Regulation supplementing Directive 2013/34/EU, particularly in Appendix C - List of gradually introduced disclosure requirements, which allows the company, in the first year of reporting, to omit the quantitative disclosure required by ESRS 2 SBM-3, para. 48(e). The standard also provides that if reliable quantitative data cannot yet be provided, the company may limit itself to providing qualitative information for up to three years, thus making the approach transitional and voluntary. In light of ongoing regulatory developments, including the possible entry into force of CSRD postponed to 2028 with regard to the Corneliani Group's perimeter, the current choice falls fully within the framework of voluntary adherence to reporting according to European standards.

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Who we are

A story of refinement and craftsmanship born in Mantua in the 1930s

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CH. **01.1**

Letter to stakeholders

Dear Stakeholders,

I am delighted to share Corneliani's 2024 Sustainability Report with you.

This document marks an important milestone in our commitment to transparency and dialogue with you all, providing an opportunity to report on our achievements and renew our dedication to a more sustainable, inclusive and responsible future.

2024 was a year of progress, during which we took concrete action to reduce our environmental impact and strengthen our corporate culture.

A first significant project was the purchase of Guarantees of Origin covering 75% of Corneliani Spa's energy needs, thus promoting the use of energy from renewable sources. We also calculated for the first time our corporate carbon footprint, in accordance with the ISO 14064-1:2018 standard. This will enable us to set increasingly clear and measurable decarbonisation targets.

For us, sustainability also means personal growth. In 2024, we enhanced our training programmes for employees, offering courses in cyber security, sustainability, and Diversity & Inclusion. We believe that training drives our organisational culture, turning values such as inclusion, safety and awareness into shared corporate actions.

We have also renewed our smart working agreement, a concrete tool for improving work-life balance with a focus on employee wellbeing and organisational flexibility.

At the same time, we have begun an important process of analysing our supply chain, starting with mapping the Group's core suppliers according to ESG criteria. This project will allow us to evaluate risks and opportunities more thoroughly, fostering stronger partnerships and encouraging responsible and sustainable practices with our partners.

We have also chosen to support the local area by sponsoring major cultural events such as Festivaletteratura and Mantova Scienza, thereby contributing to the growth of the community in which we operate.

Looking ahead, we reaffirm our conviction that sustainability should be at the heart of our corporate strategy as a driver of long-term growth.

This commitment informs our daily actions, investments, and relationships with people and the local community.

I would like to thank all our employees, partners and stakeholders who made this year's results possible. Together, we will continue this journey to create value for a more sustainable future.

Giorgio Mario Brandazza
Corneliani CEO

Vision

We stay true to our roots by relentlessly upholding our passion for Italian sophistication and lifestyle.

Through Italian craftsmanship and *savoir-faire*, Corneliani provides men around the world with the opportunity to effortlessly add style to their lives and enjoy the finest Italian culture and elegance in every detail. Corneliani offers much more than a product: a lifestyle, a service, and the best experience of Italian sophistication and excellence.

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Mission

We cultivate, enhance, and celebrate Italian culture and style for those who aspire to timeless elegance and sophistication.

Through its *savoir-faire*, the Group embodies the art of living and promotes a lifestyle that embraces life to the fullest.

Highlights

75%

OF THE ELECTRICITY COMES FROM THE GRID (CORNELIANI S.P.A.), WHICH IS BACKED BY GUARANTEES OF ORIGIN

CALCULATION OF THE
Carbon Footprint
ACCORDING TO ISO 14061-1:2018

MORE THAN
90%
OF WASTE IS DESTINED FOR RECOVERY

652

EMPLOYEES, OVER 75% OF WHOM ARE WOMEN

97%

OF EMPLOYEES HAVE PERMANENT CONTRACTS

100%

OF EMPLOYEES HAVE ACCESS TO VARIOUS FORMS OF WELFARE

DONATION OF
25 CC
COLLECTION SUITS TO ASSOCIAZIONE AMICI (ONLUS ASSOCIATION)

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PARTICIPATION IN THE
Quid Project
AND PURCHASE OF SOLIDARITY
Solidarity Panettoni by AISM
(ITALIAN MULTIPLE SCLEROSIS ASSOCIATION)

MAINTENANCE OF
ISO 14001 AND *ISO 45001*
CERTIFICATIONS

+300

HOURS OF CYBERSECURITY TRAINING

ESG mapping

OF THE SUPPLY CHAIN (TIER 1)

+280

HOURS OF COMPLIANCE TRAINING (DATA PRIVACY, MOG 231, CODE OF CONDUCT AND CODE OF ETHICS)

ESG GOVERNANCE WITH
Sustainability Management Committee
DEDICATED CONTACT PERSON AND INTERNAL NETWORK INVOLVING DIFFERENT BUSINESS FUNCTIONS

Who we are

The Corneliani Group embodies excellence in Italian men's fashion by combining sartorial tradition, innovation, and quality.

The brand is recognised for its meticulous attention to detail, selection of high-quality materials, and deep respect for the Italian sartorial tradition. Founded on an artisanal heritage that has been handed down for generations, Corneliani is a symbol of timeless elegance. Its offerings include tailored suits, jackets, shirts, pants, accessories, and leather goods designed for the modern man seeking a versatile, elegant wardrobe.
The Group's business model is based on the excellence and value of its brand portfolio, which includes Corneliani and CC Collection. Garments are produced at its own production sites in Italy (Mantua) and Romania, as well as by third-party suppliers specialising in product categories and concentrated mainly in Italy, Europe, and Turkey.

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Corneliani distributes its products in more than 60 countries through a global network that includes the following:

SINGLE-BRAND STORES FRANCHISED
or managed by specialised franchisees or third-party distributors, specialised multi-brand stores and department stores, in the latter case mainly through corners and shop-in-shops (wholesale channel);

A NETWORK OF DIRECTLY OPERATED CORNELIANI SINGLE-BRAND STORES
(outlet and retail channels);

AN E-COMMERCE WEBSITE
(retail channel).

The group also has two commercial offices, in Shanghai and New York, which are dedicated to marketing and sales support activities in their respective markets. The group has three showrooms located in Milan, Shanghai, and New York.

As of 2021, Corneliani S.p.A., the parent company, is controlled by Corneliani Holding (UK) Ltd (51.85%) and Agenzia Nazionale per l'Attrazione degli Investimenti e lo Sviluppo d'Impresa SpA - Invitalia (48.15%). Corneliani Holding is part of the Investcorp Group, a global leader in alternative investments that has successfully grown iconic brands such as Gucci and Tiffany & Co. Invitalia is a wholly owned subsidiary of the Ministry of Economy and Finance that manages national business incentives and supports startups and large groups with innovative, high-value projects.

In addition to preserving its traditions, Corneliani emphasises sustainability and social responsibility. The company pursues the goals of reducing its environmental impact and promoting ethical working conditions. This commitment, coupled with the brand's ability to innovate while staying true to its sartorial roots, establishes Corneliani as a leader in the luxury men's fashion industry.

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CH. **01.6**

Our story

Anni '30

Alfredo Corneliani, an Italian pioneer in men's fashion, begins producing raincoats and outerwear by hand in Mantua and quickly achieves success.

1958

Alfredo's **sons, Claudio** and **Carlalberto**, founded **Corneliani S.p.A.**, establishing the company's identity and laying the groundwork for its recognition as an Italian leader in menswear.

1974

The company moves to a larger production facility to support expansion and increase production capacity.

1985

Corneliani establishes a presence in the **North American market** by opening an office in the United States.

2005

The President of the Italian Republic awards Corneliani the **Leonardo Quality Award (Premio Qualità Leonardo)** in recognition of the excellence of **Made in Italy.**

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Our story

2010

Corneliani participates as a **special guest at Pitti Uomo**, one of the most important international men's fashion events, further solidifying its reputation in the industry.

2016

Investcorp, a private equity firm with over 30 years of experience, **acquires a majority stake** in Corneliani with the aim of accelerating its international development.

Today

Corneliani continues to **innovate** in men's fashion while keeping its roots firmly in the Italian sartorial tradition and strengthening its **global presence.**

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CH. **01.7**

Our product lines

Suit pants and vests are produced in external factories and undergo a careful manual and visual testing process to ensure excellence at every stage of production.

At the operating headquarters in Mantua, the Group's creative center, production focuses exclusively on **outerwear**. This includes single jackets, **suit jackets**, and coats made from fine fabrics such as wool, cotton, linen, and silk. Suit jackets, with their refined cuts and distinctive details that blend sartorial tradition with a commitment to innovation, are a mainstay of Corneliani's production. They ensure a perfect fit and timeless elegance.

Each jacket is the result of approximately **140 processing steps** that require highly specialised skills and meticulous attention to detail. On average, the production process takes **300 minutes per suit jacket, 15% of which is done entirely by hand** to preserve the brand's tradition of craftsmanship and excellence.

140
PROCESSING STEPS

300
MINUTES PER SUIT JACKET

15%
OF WHICH IS DONE ENTIRELY BY HAND

Other items, such as jackets, shirts, shoes, and belts, only transit the shipping area for logistical needs, without direct intervention in production. However, they strictly align with the brand's quality and compliance standards.

Corneliani is particularly sensitive to **sustainability** issues and recognises that they have become unavoidable, even in the fashion industry. In this context, the company took a first concrete step toward a more sustainable future with the **Corneliani Circle** project. This collection, created for Spring-Summer 2020, was designed to promote a corporate culture linked to eco-sustainability and respond to global market trends.

By 2024, these values had been integrated into the company, and the same collection logic had been expanded to the Corneliani line.

Recent collections, such as the **Fall/ Winter 2024 collection** presented during Milano Fashion Week, reflect another step in enhancing the concept of timeless elegance with a modern interpretation of classic lines, focusing on functionality and comfort.

The color palette draws inspiration from earth tones, incorporating shades of black, brown, and camel, interspersed with the delicate intensity of mauve and brandy. Outerwear shapes shorten and expand to accentuate the body through cozy, voluminous lines. Pants are either tight at the bottom or lengthen into wide, flowing hems. Overshirts easily fit into any look.

The distinguishing and defining elements of the unlined constructions are the stitching, topstitching, and precision detailing. They are designed with layering in mind, even beyond the specific season.

Values and principles

The Corneliani Group is founded on sound ethical principles of transparency, fairness, and professionalism.

The Corneliani Group is founded on sound ethical principles of transparency, fairness, and professionalism. These values are more than just guidelines; they constitute the heart of every business decision and interaction with stakeholders. Commitment to these principles, formalised within the **Code of Ethics**, is constantly demonstrated through responsible choices and concrete actions, both within the organisation and along the entire value chain.

Professionalism, transparency, and fairness are core values for Corneliani. The company is committed to promoting these values within the group and in its relationships with suppliers, customers, and partners. Upon accreditation with the company, suppliers are asked to sign the Code of Ethics, thereby sharing and applying a set of values that includes **respect for human rights, environmental protection, and the fight against all forms of exploitation**. This approach aims to create a sustainable and responsible supply chain, a key element in ensuring the distinctive quality and excellence of Corneliani products.

Integrity is another indispensable value that guides every aspect of the company's business. Corneliani is committed to fostering an environment of **trust, collaboration**, and **mutual respect**. The company rejects all forms of discrimination, harassment, and bullying. Corneliani guarantees equal opportunities for all employees and ensures that evaluations are conducted fairly and based on objective criteria.

Corneliani strongly reaffirms its commitment to **social and environmental responsibility**, recognising the importance of its role in the communities in which it operates. This vision extends beyond economic aspects to include environmental and social issues, as well as worker health and safety. The Parent Company has certifications attesting to the effectiveness of its environmental and occupational health and safety management systems in accordance with the international standards **UNI EN ISO 14001:2015 and UNI EN ISO 45001:2018**, respectively. Corneliani is committed to preserving and strengthening these standards in 2025, confirming its role as a socially, environmentally, and sustainably responsible player.

Finally, **respect for the law** is a core principle of Corneliani's operations. The company ensures that all activities are carried out in accordance with applicable laws and regulations and prohibits all forms of corruption, whether public or private.

In 2022, the parent company reinforced this commitment by introducing the **Organization, Management, and Control Model** pursuant to Legislative Decree 231/01 ("MOG 231") and simultaneously appointing a collegial Supervisory Board. As part of adopting the MOG 231, Corneliani S.p.A. implemented a system to manage **whistleblowing**[1] in accordance with current whistleblowing legislation.

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[1] Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law.

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CH. **01.9**

Sustainability strategy

The Corneliani Group recognises sustainability as a key strategic factor capable of generating growth opportunities and creating economic, environmental, and social value.

Therefore, sustainability has become an integral part of the company's overall strategy in recent years. The company has embarked on a path of monitoring, improving, and communicating its ESG performance.

In this vein, the Group published its first **Sustainability Report** in 2022 and its second in 2023. The second report updated sustainability metrics in accordance with GRI (Global Reporting Initiative) standards. These documents were not disclosed externally but constituted an important first exercise in internal reporting and analysis. This process was useful for consolidating the monitoring and improvement of ESG performance before proceeding with external communication. These initial reports enabled the company to refine its sustainability metrics and solidify its commitment in a structured manner.

The Corneliani Group took another step forward by defining a **sustainability plan** with a time horizon of 2023-2025. The plan was approved by the Board of Directors on December 12, 2023. The plan is divided into three pillars: Climate Change, Taking Care, and Cultivating Quality. Goals and actions have been associated with each pillar. The plan demonstrates Corneliani's commitment to taking concrete measures and initiatives for a more sustainable future. These measures will ensure the well-being of current and future generations and transform the fashion industry.

The company also launched an initial **stakeholder engagement activity** involving **core suppliers** selected by product category based on their relevance to the production cycle and the volumes purchased in 2023, as well as top customers identified according to the volumes ordered in the same year. In 2024, Corneliani made significant progress in tracking and monitoring the ESG performance of its direct suppliers (Tier 1) by initiating a structured stakeholder engagement activity.

Following an initial targeted engagement in 2023, the company expanded the analysis to **include all of its suppliers in 2024 (approximately 120)**, categorising them by product type (fabrics, accessories, traded garments, façonnier, and small parts). This enabled the company to assess the suppliers' level of maturity regarding ESG issues and conduct a comprehensive mapping of the direct supply network. The company recognised the importance of increasing traceability to identify critical risks, impacts, and dependencies. To this end, the company sent out a questionnaire consisting of closed-ended questions with the option to attach supporting documentation. The questionnaire was divided into four sections: a master data section to gather general information; an environmental section to analyse natural resource and emissions management; a social section to evaluate respect for workers' rights, occupational health and safety, and inclusion policies; and a governance section to assess ethical strategies and ESG management systems.

Recognising the importance of anticipating regulatory scenarios and strengthening its commitment to sustainability, the Corneliani Group began a strategic initiative in 2024 to align with the **Corporate Sustainability Reporting Directive** (CSRD) requirements for sustainability reporting. To this end, Corneliani has adopted a **multi-step approach**, some of which has already been completed, while other steps are in progress or planned for the future.

To achieve the objectives outlined in the 2023-2025 Sustainability Plan, particularly regarding Climate Change, Corneliani will conduct the first **Corporate Carbon Footprint** analysis in 2025 according to the UNI EN ISO 14064-1:2018 standard. Based on the results, the Group will outline a structured plan of actions to reduce greenhouse gas emissions and formalise its commitment to mitigation by drafting a **transition plan** containing validated and prioritised interventions according to the identified strategy, along with a timetable for their implementation.

Additionally, a three-step ad hoc process has been initiated. The first phase is an assessment of the organization's sustainability performance **(ESG assessment).** The second phase is a verification of the progress of the actions outlined in the Sustainability Plan 2023-2025. Alongside these two phases, the Corneliani Group is preparing its **Sustainability Report** to communicate useful information about the organization to all its stakeholders.

The first step provided an accurate and comprehensive picture of the company's environmental, social, and governance performance. This enabled the company to identify areas of strength and areas in need of improvement on which to act strategically. An action plan was then drafted and approved by management. The plan contains specific objectives, the responsible parties, and the expected timelines for implementation. Some of these initiatives are already underway, with expected target achievement by 2025. Examples include the drafting of an ad hoc policy on diversity, equity, and inclusion; an initial assessment of local water stress at Corneliani Italia; and the purchase of Guarantees of Origin to cover a portion of Corneliani SpA's energy needs.

The sustainable development goals

The Sustainable Development Goals (SDGs) were proposed and endorsed by 193 UN member countries in 2015 as the basis for the 2030 Agenda, a common plan for sustainable development. The SDGs consist of 17 targets, and institutions, governments, companies, organizations, and individuals are invited to actively participate in achieving them. These targets are also used as international guidelines to evaluate businesses' commitment to sustainability.

The relationship between the SDGs and Corneliani's positive contributions to achieving the targets is presented below.

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SDGs	Topics	Actions
7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	Energy efficiency Climate change mitigation and adaptation	› Purchase of Guarantees of Origin to cover 50% of Corneliani S.p.A.'s energy requirements in 2023 (extended to 75% in 2024) › ISO 14001 certification for Corneliani Italia › First Local Water Stress Assessment (Mantova Production Plant) › Replacement of fluorescent lamps with LED lamps › Calculation of the carbon footprint for the entire organization › Establishment of an emission reduction plan
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Resource use and circular economy	› Recycled and FSC-certified paper and cardboard packaging › "Progetto Carta": recovering 500 kg of fabric offcuts to produce six tons of paper containing 5% Corneliani wool. This paper will be sold in 2025 to suppliers for use in color folders and pendants, which encourages the reuse of textile scraps and reduces excess inventory. › Program to reduce printing and stationery use in Corneliani Italia offices (e.g., Paperless Challenge)
3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 10 REDUCED INEQUALITIES	Personnel Management and Welfare Diversity, Equity and Inclusion	› Welfare and benefits for employees › Targeted training to support the development of sartorial know-how › ISO 45001 (Corneliani Spa) › Training on hard and soft skills, such as ESG compliance, fashion on demand, mentorship coaching, and cyber awareness › Gap analysis for implementing the health and safety management system (ISO 45001) at the production plant in Romania. › Development of a group-wide Diversity & Inclusion policy
4 QUALITY EDUCATION 11 SUSTAINABLE CITIES AND COMMUNITIES	Collaboration with schools and research entities Relationship with the community	› Collaboration with Istituto Bonomi Mazzolari to replace profiles close to retirement age › Support for science education projects in Mantua-area schools, in collaboration with Alkemika Cooperativa Sociale Onlus. › Progetto QUID: surplus textiles available to a type B cooperative, which used them to make more than 900 uniforms for Corneliani production staff and garment bags. › Donations: purchase of Christmas cakes for Mantua site employees through the Italian Multiple Sclerosis Association (Associazione Italiana Sclerosi Multipla) and sponsorships (Literature Festival and Mantova Scienza)
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Business culture	› Code of Ethics › Appointment of an external Data Protection Officer (DPO) for data processing and privacy policy › MOG 231 and Whistleblowing channel › Definition of a 2023-2025 Sustainability Plan and establishment of an ESG Committee and Sustainability Contact Person › Mapping the ESG performance of suppliers and establishing purchasing procedures that integrate environmental and social sustainability criteria

› Actions already implemented › Planned actions underway to be completed during 2025

The material topics and impact of Corneliani

A sustainability pathway that starts with a deep understanding of the company's ecosystem and its interdependencies

02

CH. **02.1**

The concept of materiality and the assessment on impacts

For the analysis of its material impacts and topics, the Corneliani Group, while not currently among the obligated entities, adopted the methodology provided by the new European Corporate Sustainability Reporting Directive (CSRD)[1], and the ESRS standards[2]. These will be the main guidelines for sustainability reporting and disclosures (starting from FY2024 for the first companies subjected to the norm).

Before proceeding to describe each step of the analysis and their results for Corneliani, it is appropriate to define what the concept of materiality according to the ESRS consists of.

Materiality analysis aims at identifying those **environmental, social and governance issues** that are considered relevant (material) for the company.

The materiality of a certain issue can derive from:

IMPACTS GENERATED BY THE COMPANY

on the world, employees and/or the community. These impacts can be **positive or negative** (with special attention paid to the latter, as also reiterated by due diligence or corporate responsibility practices) and can be **actual** (if they have occurred) or **potential** (if there is a possibility that they will occur).

FINANCIAL RISKS OR OPPORTUNITIES

related to ESG aspects, to which the company is exposed for various reasons, whether related to impacts generated by the company itself or exogenous factors (such as the market, regulations, natural and/or geopolitical events).

This dual perspective is called **double materiality**, as it encompasses the two dimensions:

INSIDE-OUT

(or **impact materiality**, which identifies the company's effects on the outside world)

OUTSIDE-IN

(or **financial materiality**, which identifies risks and opportunities to which the company is exposed)

As stated by the CSRD and the ESRS, a given ESG issue can be considered material according to only one of these two perspectives or according to both.

[1] CSRD Corporate Sustainability Reporting Directive (2022/2464).

[2] ESRS European Sustainability Reporting Standard, included in the delegated act published by the European Commission on July 31st, 2023.

CH. **02.2**

The steps of the analysis

The process that led to the identification of impacts and thus to the most strategic sustainability issues for Corneliani followed a path composed of several stages.

1 Understanding the business environment through interviews with ESG Committee representatives and analysis of data and documents.

2 Together with the company's strategic figures, ESG issues relevant to the company's business were identified.

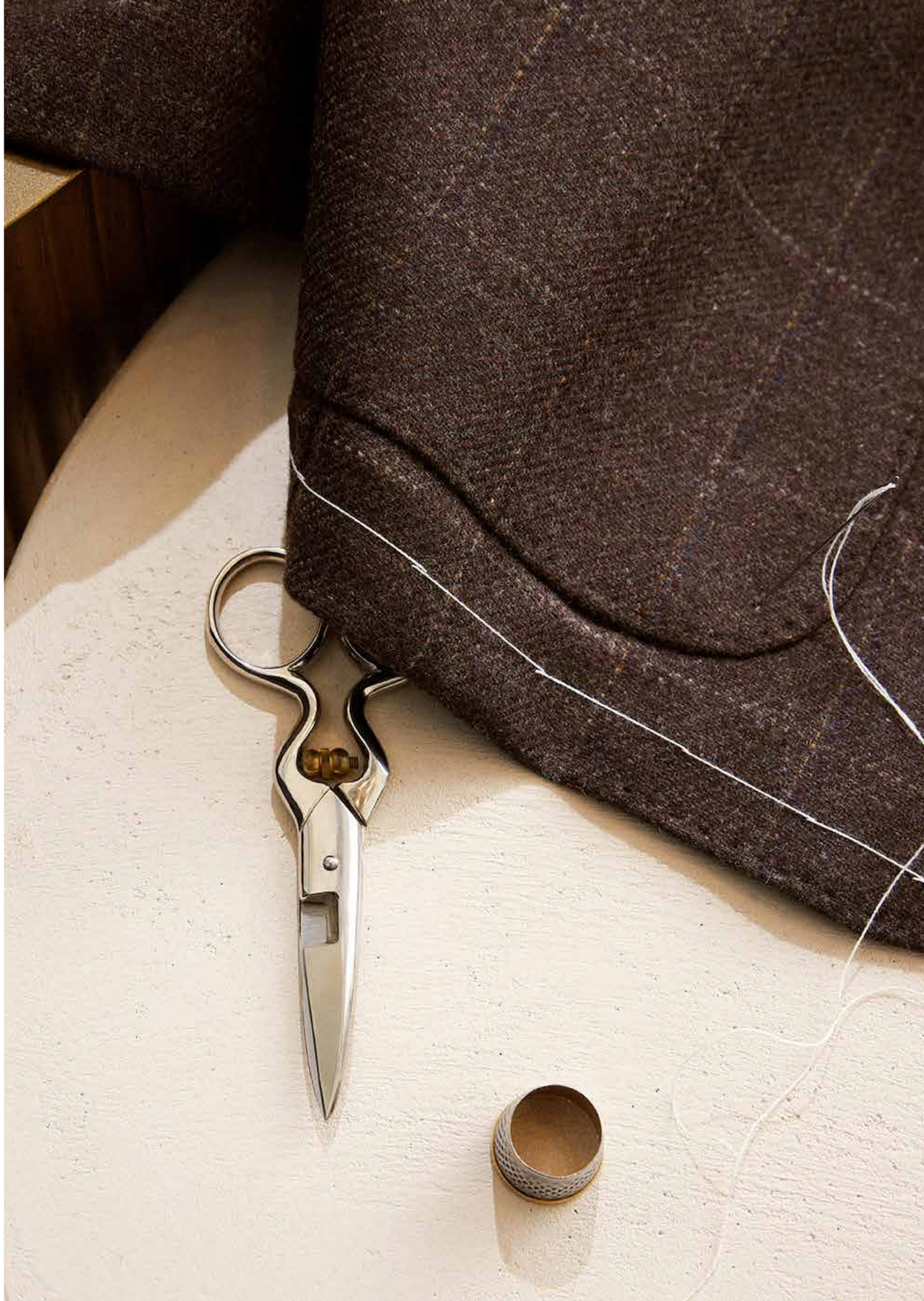
3 Assessment of significant impacts, risks and opportunities (IROs) according to the criteria established by CSRD.

4 Prioritization of risk and opportunity impacts through scoring and normalization.

5 Mapping of relevant stakeholders (divided into categories) to be involved to validate IROs.

6 Stakeholder engagement by administering questionnaires with relevant questions for each category.

7 Reproportioning the prioritization of impacts by stakeholder scores.



Identification of Impact, Risks and Opportunities (IROs)

The process of identifying impacts, risks, and opportunities for Corneliani began with an in-depth analysis of the business environment and its interdependencies, conducted through several modalities.

First, discussions were initiated between the working group and such top figures as the Style and Product Director, The Head of Environment and Safety, The Director of Human Resources, Supply Chain, Legal & Compliance Area, and Administration and Finance Area.

Each **IRO (Impact, Risk, Opportunity)** identified through this analysis was then attributed numerical values (scale 1-to-4) according to the criteria required by the CSRD[3]. Both the IROs and their respective values were reviewed and approved by key figures in the company and by the management, to ensure the most objective, informed and accurate scores possible.

Actual impacts were evaluated in their severity, which is the average of three different values regarding the impact itself: **scale** (relevance of the generated damage/benefit), **scope** (extension) and, only for negative impacts, **irremediable character** (whether is possible to remediate the effect and restore the previous situation).

The weight of **potential impacts** is assessed as the multiplication of severity (calculated through the just mentioned values) and **likelihood** of the event.

While analysing generated impacts (actual and potential), the level of **causality** was also considered, i.e. the distinction between impacts **directly caused, contributed to causing** (if Corneliani is not the sole contributor to the impact) or **related to the company** (i.e. linked to business relationships with the upstream or downstream value chain, but not related to the company's own activity).

Finally, **risks and opportunities** were assessed for their **potential magnitude** (how severe the damage/advantage may be for the company's activity) and their **likelihood** of occurring.

For potential impacts, risks and opportunities, a time horizon aligned with the reference standards was also identified, between short (within one year from the reporting period), medium (within five years) and long (beyond five years).

[3] The reporting standards, both in the official version and in the implementation guidance made available by Efrag (the body that drew up the standards) leave the company complete freedom as to how materiality is assessed. To make the assessment comparable and objective, it was decided to use a homogeneous scale that would give a data as objective as possible. According to the scale, a value of 4 indicates the maximum weight of each value listed below (e.g. very serious/beneficial, very extensive, very difficult to remedy, very likely) while a value of 1 indicates the minimum weight of that same value (e.g. not very serious/beneficial, not extensive, not difficult to remedy, not very likely).

CH. **02.4**

Conclusion of the first step of the analysis (pre-validation IROs)

In order to effectively compare the relevance of each impact, risk or opportunity for the company's business, the attributed numerical values were normalised in percentage form, providing a prioritisation of the various issues. Three bar charts were then generated, respectively for actual impacts (positive and negative), potential impacts (positive and negative) and risks and opportunities.

Subsequently, the second phase of analysis was undertaken, namely the validation of potential impacts, risks and opportunities by the various categories of internal and external stakeholders. Actual impacts, as they occurred and were therefore already verified, were not investigated with stakeholders.

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CH. **02.5**

Stakeholder engagement

The ESRS and their implementation guides (issued in 2024) require the reporting company to involve its stakeholders, i.e. those who are impacted by the company's activities, but also the 'users of sustainability reporting' (such as existing and potential investors, banks, partners, governments and NGOs).

Stakeholder engagement brings multiple benefits to the IRO analysis performed, including the possibility for the company to understand how different categories of stakeholders perceive the IROs themselves, and what priorities they see with reference to the company's activity and context.

The method selected by Corneliani to collect the opinions of the various stakeholders was the administration of **dedicated questionnaires**, aimed at identifying which issues are perceived as the most strategic for Corneliani and its value chain.

The company then proceeded to identify and select its stakeholders, ending with a total of 8 macro-categories, namely:

- *Workforce*
- *United Trade Union Representatives (RSUs)*
- *Clients*
- *Representatives and Agents*
- *Trade associations and industry partners*
- *Banks and financial institutions*
- *Suppliers*
- *Board of Directors and investors*

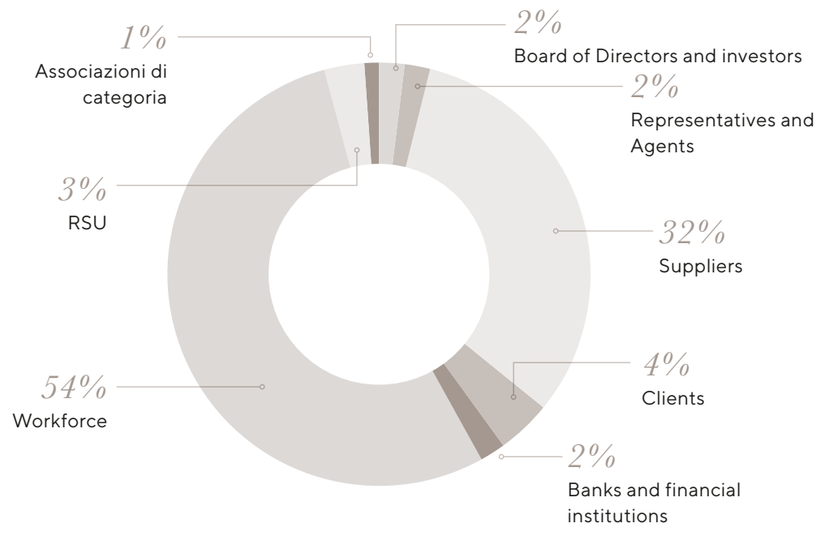
As also mentioned in the implementation guidance for the materiality analysis issued by EFRAG[4], it was deemed not significant and appropriate to ask all questions to each stakeholder involved, given the different degrees of each actor's interest and knowledge towards the different issues.

A targeted questionnaire was administered to each stakeholder category involved, with content calibrated according to areas of interest and specific expertise, in order to obtain informed and relevant responses and to direct the analysis toward issues of actual relevance to each stakeholder.

In the questionnaire, stakeholders were asked to attribute different levels of relevance to each issue investigated, using a scale of 1 to 4. To gather as much input as possible, space was also left for additional ideas and comments.

The questionnaires were sent to different categories of stakeholders in a two-month time window, reaching an audience of 370 subjects. Of these, 236 participated in the survey, divided into categories as shown in the chart below.

Breakdown of responses by stakeholder category



[4] EFRAG IG 1 – Materiality assessment implementation guidance. Par. 201 https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment_final.pdf

Conclusion of the second step of the analysis (post-validation IROs)

The results of the questionnaires were used to reprioritise the potential impacts, risks and opportunities previously identified. In addition, stakeholders were asked to prioritise the ESRS topics identified as material by the company (thus including actual impacts), in order to assess the perspectives of each stakeholder category involved.

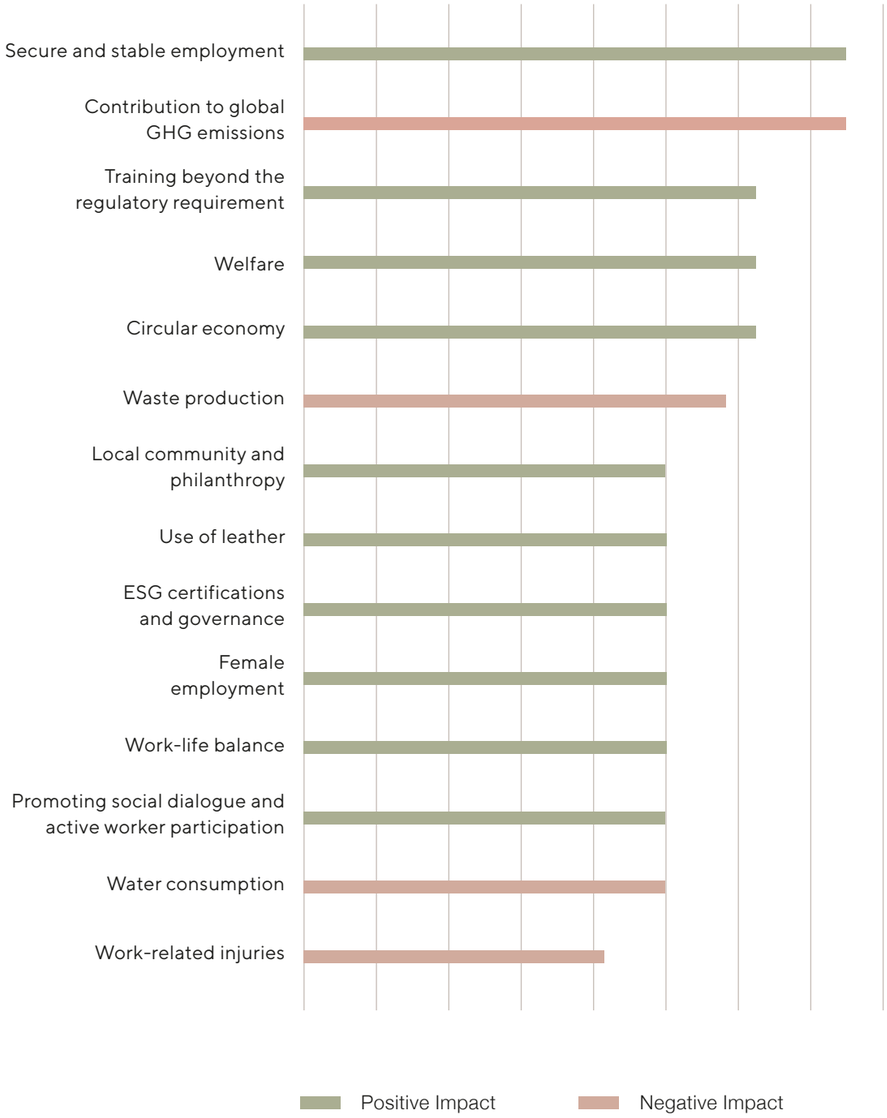
This tool then allowed the company to assess the priorities of the various stakeholder categories and to reason about the extent of the deviation between the stakeholder perspective and the analysis carried out with internal key figures.

Below are the final results obtained following the stakeholder validation phase. Negative impacts or risks are indicated in red, while positive impacts or opportunities are in green.

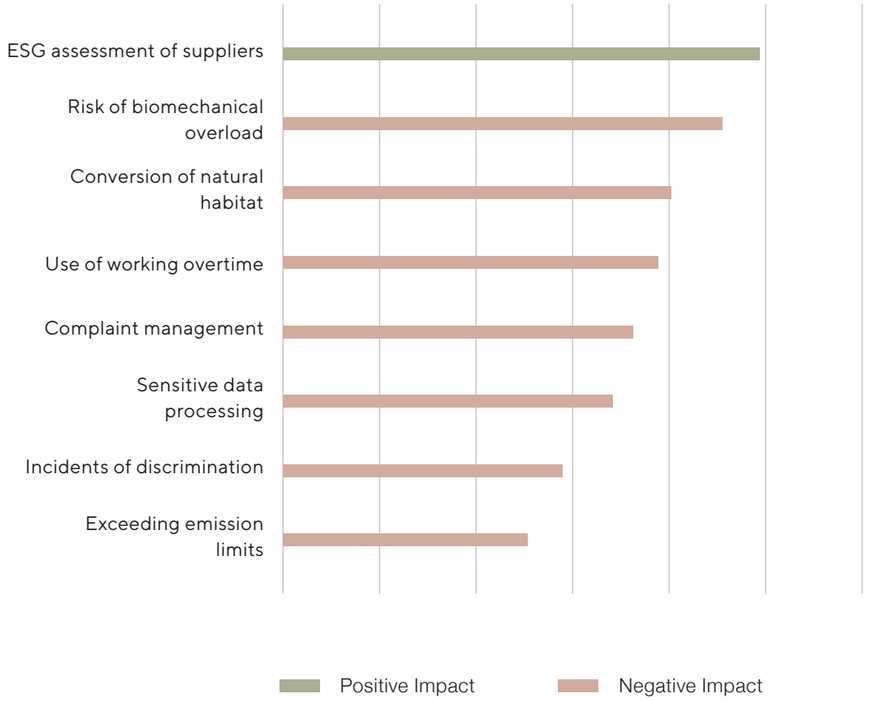
The bar charts show the prioritisation of the various types of IROs: actual impacts (as assessed internally), potential impacts, and risks and opportunities (in their post-validation version).

For details of each IRO, including the various strategies implemented by the company to mitigate its negative effects or enhance its benefits, please refer to the following chapters on related environmental, social and governance issues. A summary in tabular form of the numerical values attributed can be found in the appendix.

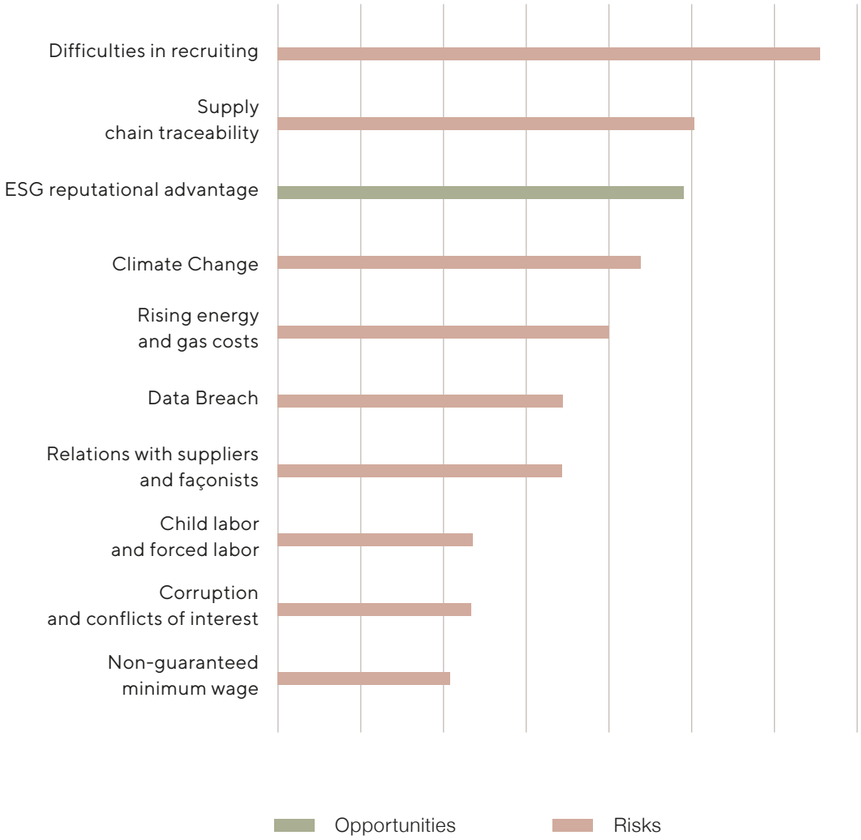
Actual impacts



Potential impacts



Risks and opportunities



Material topics of Corneliani

Thus, this analysis allowed Corneliani Group to identify its material ESG topics, that represent the contents on which this Sustainability Report is focused[5]. Listed below are the different topics and sub-topics (divided in Environmental, Social and Governance spheres) that will then be disclosed in the related chapters.

Environment Sphere

- **CLIMATE CHANGE**
- **POLLUTION**
- **WATER RESOURCES**
- **BIODIVERSITY AND ECOSYSTEMS**
- **RESOURCE USE AND CIRCULAR ECONOMY**

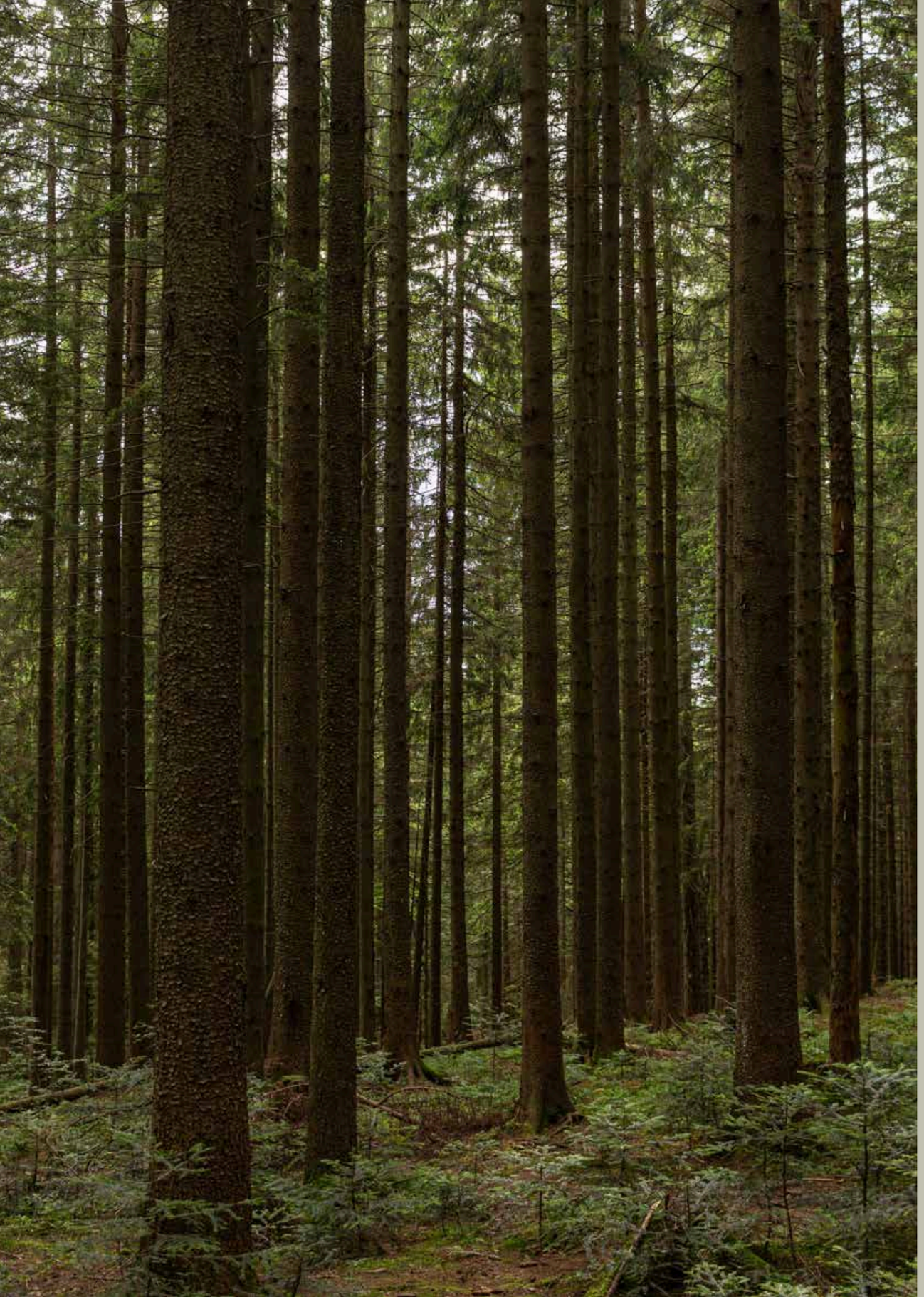
Social Sphere

- **OWN WORKFORCE**
- **WORKERS IN THE VALUE CHAIN**
- **AFFECTED COMMUNITIES**
- **CLIENTS AND END-USERS**

Governance Sphere

- **BUSINESS CONDUCT**

[5] EFRAG IG 1 – Materiality assessment implementation guidance. Par.3 https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment_final.pdf



Environment Sphere

We embrace a sustainability mindset grounded in respect for the environment

03

The Corneliani Group faces significant environmental sustainability challenges related to energy and emissions, which are common to many manufacturing companies.

The company's **production processes** require a **high consumption of electricity and gas**, which has a significant impact on energy usage. The Group's operational activities directly and indirectly affect other important environmental factors. These include the **emission of pollutants into the atmosphere**, which is regulated by specific environmental permits. Additionally, **sourcing textile raw materials**, such as natural and synthetic fibers, can negatively impact the upstream value chain by contributing to the conversion of natural habitats into farmland or pastureland. This results in the **loss of biodiversity** and related **ecosystem services. Purchasing virgin textiles**, such as wool and cotton, results in the significant **consumption of natural resources** in the upstream value chain. For instance, cotton cultivation requires large quantities of **water**, which puts negative pressure on available water resources. Finally, **end-of-life management of garments** in the downstream value chain carries the risk of synthetic fibers decomposing into microplastics that contaminate waterways and damage the aquatic ecosystem.

In response to these challenges, Corneliani is committed to finding solutions that reduce environmental impact. One such solution is the introduction of **natural and organic fibers** that are certified as sustainably sourced. The company also enhances the **value of fabric scraps** through circular economy projects, transforming them into paper. Attention to environmental impact is also extended to packaging, which uses only **recycled and FSC®-certified** materials to promote responsible forest resource management. Corneliani S.p.A.'s UNI EN ISO 14001:2015 certification demonstrates the Corneliani Group's commitment to managing the environmental impacts it generates and suffers. Finally, regarding energy, the parent company purchases **guarantees of origin** for approximately 75% of the electricity withdrawn from the grid, which is further evidence of an integrated approach to sustainability.

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CH. **03.1**

Environmental highlights 2024

75%

OF ELECTRICITY FROM RENEWABLE SOURCES (PURCHASED WITH GUARANTEES OF ORIGIN)

Corporate carbon footprint

IN ACCORDANCE WITH ISO 14064-1:2018 STANDARD

39%

REDUCTION IN WATER WITHDRAWAL COMPARED TO 2023

> 90%

OF WASTE PRODUCED IS DESTINED FOR RECOVERY

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CH. **03.2**

Climate change

CH. **03.2.1**

Energy

The first key environmental aspect of Corneliani's business is energy consumption. This includes the energy used for production activities and the fuel used for the company's fleet.

For several years, the company has paid special attention to **energy efficiency** in order to reduce consumption and associated costs while mitigating the **risks of possible market price increases[1].** In 2024, the Mantua plant implemented **energy efficiency measures.**

These measures included **replacing the steam generator** to ensure greater reliability and operational flexibility. The new generator serves as a back-up to the previous one, which is obsolete and essentially unused. At the same time, the air compressor was replaced. The old model, which was already equipped with an inverter, was replaced with a more efficient, optimally sized version that aligns with actual production needs.

The Parent Company's **total energy consumption**, expressed in toe[2], decreased slightly in 2024 (-5.8% compared to 2023) due to fewer production hours (-16.5%) compared to the previous year. Specifically, there was a decrease in **electricity** withdrawal (-7.3%) and **natural gas** consumption (-4.5%), while consumption of fuels for internal use and to power the company fleet increased by 4.8%.

Corneliani S.p.A.'s two primary energy sources are electricity and natural gas. The 3,098,733 kWh of electricity consumed in 2024[3] was used for air conditioning workplaces, powering indoor lighting, operating production equipment, and running vacuum and ventilation systems. Of this amount, 2,350,000 kWh (**about 75% of the energy needs** in 2024) were accompanied by **Guarantees of Origin**. These official certifications confirm that the energy taken from the public grid comes exclusively from renewable sources. This system ensures the traceability and transparency of the renewable origin of the energy consumed. It allows the company to demonstrate its commitment to environmental sustainability and actively promote a more responsible and environmentally friendly energy model. As for natural gas, in 2024, the main users of the 429,946 Sm3 of gas consumed were steam generation and heating[4].

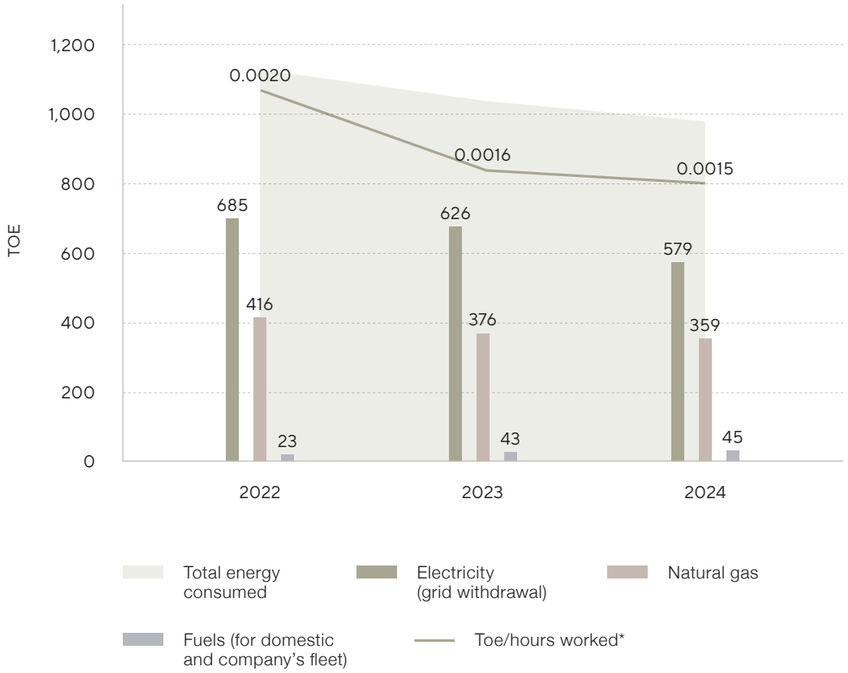
[1] § Risk: Rising energy and gas costs.

[2] The toe (ton of oil equivalent) is a unit of energy measurement that allows for the comparison of different energy carriers through the use of appropriate conversion factors. It represents the amount of energy released by burning one ton of crude oil.

[3] In the energy consumptions of Corneliani S.p.A. (2024), are included, respectively, the following consumptions:
- Mantua production site (factory, store, canteen): 2.697.883 kWh
- Sales offices in Italy: 372.622 kWh
- Outlet Corneliani (Austria): 27.343 kWh
- Outlet Corneliani (Germania): 8.475 kWh for the months of actual opening during 2024 (August-December).

[4] The computation of Corneliani S.p.A.'s natural gas consumption includes, respectively:
- Mantua production site (factory, store, canteen): 429.639 Sm^3.
- Outlet Corneliani (Austria): 307 Sm^3.

Energy consumption - Corneliani S.p.A.



* The indicator used is highly dependent on the temperature outside the Mantua plant for methane consumption (heating in the winter) and electricity consumption (cooling in the summer)".

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There was also a **slight decrease in overall energy consumption** at the Group's plant in Romania, **Sogema S.r.l.**, with a **3% decrease** compared to 2023. This is primarily due to a 8% reduction in natural gas consumption, decreasing from 82,403 Sm^3 to **75,628 Sm^3** in 2024.

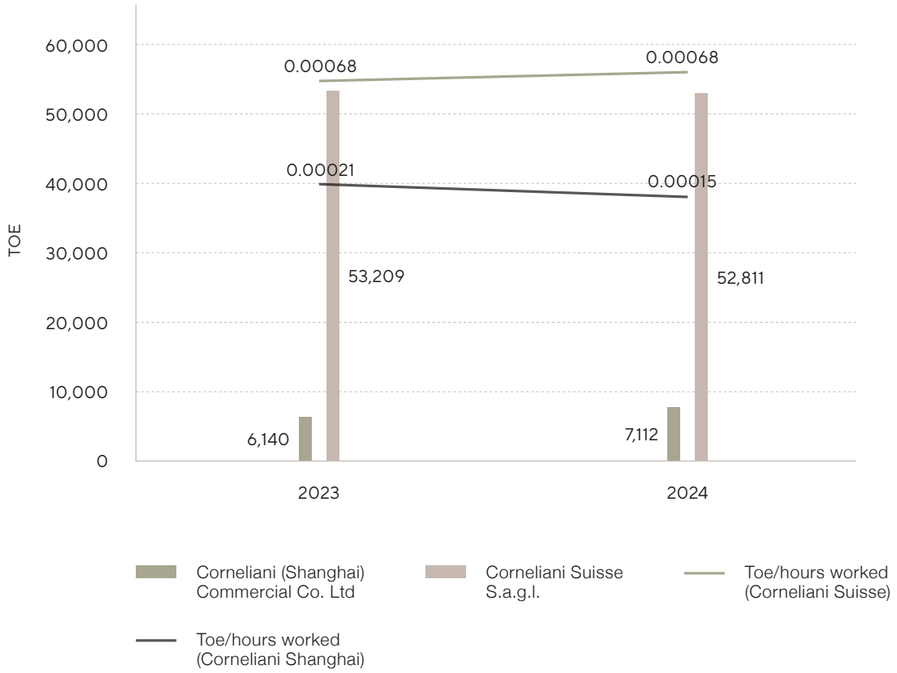
Meanwhile, electricity usage remained stable at **492,056 kWh** in 2024, a 1% decrease from 2023.

Energy consumption - Sogema S.r.l.

In addition to consumption at the production plants in Mantua (Corneliani S.p.A.) and Romania (Sogema S.r.l.), consumption at the **sales offices** (Corneliani Suisse S.a.g.l. and Corneliani Shanghai Commercial Co., Ltd.)[5] must also be considered. This consumption mainly includes **electricity** for lighting, air conditioning, and operating commercial activities.

In detail, the business office in **Switzerland** has maintained a relatively stable electricity consumption of around **52,810 kWh** over the past two years. In contrast, the **Shanghai office** recorded a 16% increase compared to 2023, reaching **7,112 kWh** of consumption. This increase is primarily due to the growth in the number of employees, which rose from three in 2023 to ten in 2024, as well as an increase in hours worked, which rose from 5,728 to 8,840.

Electricity consumption - Commercial entities



[5] The Corneliani USA headquarters are excluded from the calculation because the activity falls within a multi-site building where direct energy consumption detection does not take place.

Climate change mitigation and adaptation

Energy consumption is closely linked to **greenhouse gas** (GHG)[6] emissions because each energy carrier generates a certain amount of CO_2, which contributes to global greenhouse gas emissions[7].

In this scenario, Corneliani, like any company operating in the textile and apparel industry, faces the **risk of climate transition**: extreme weather conditions can **reduce the availability of plant-based** (e.g., linen and cotton) **and animal-based** (e.g., cashmere and wool) raw materials, causing price fluctuations. The intensification of natural disasters increases the **risk of supply chain disruptions**, resulting in delivery delays and increased logistics costs. Additionally, increasingly unpredictable climate variations and rising temperatures are **profoundly altering consumption behaviors and seasonal needs.** Consequently, fashion companies must **re-evaluate traditional production cycles** and develop more flexible and sustainable models to effectively address these new challenges[8].

[6] Greenhouse gases are substances in the atmosphere that trap heat and contribute to global warming. The main greenhouse gases (GHGs) are carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O).

[7] § Actual Negative Impact: Contribution to global GHG emissions.

[8] § Risk: Climate Change.

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Recognising the critical importance of climate change and its role in reducing greenhouse gas emissions, the Corneliani Group is taking concrete steps to analyse, monitor, and reduce its emissions. In 2024, the Group calculated the **Corporate Carbon Footprint** for the first time. The results are presented below, divided into the three main categories:

Scope 1

Direct emissions generated from sources owned or controlled by the company, such as the combustion of fuels for heating or for the company fleet and any industrial processes;

Scope 2

Indirect emissions from the production of electricity, heat or steam purchased and used by the company;

Scope 3

All other indirect emissions attributable to the value chain, including upstream emissions (e.g., extraction and transport of raw materials, extraction and distribution of natural gas, fuels, and electricity) and downstream emissions (e.g., transport of finished products and waste treatment).

This methodical approach enables the transparent and reliable quantification of direct and indirect greenhouse gas (GHG) emissions. This provides a solid basis for setting concrete reduction targets and reporting progress over time. In line with this commitment, Corneliani plans to **define** and **develop** a **decarbonization plan in 2025**. This plan will include a structured set of **short-, medium-, and long-term GHG emission reduction actions related to direct (Scope 1) and indirect (Scope 2 and 3) emission sources.**

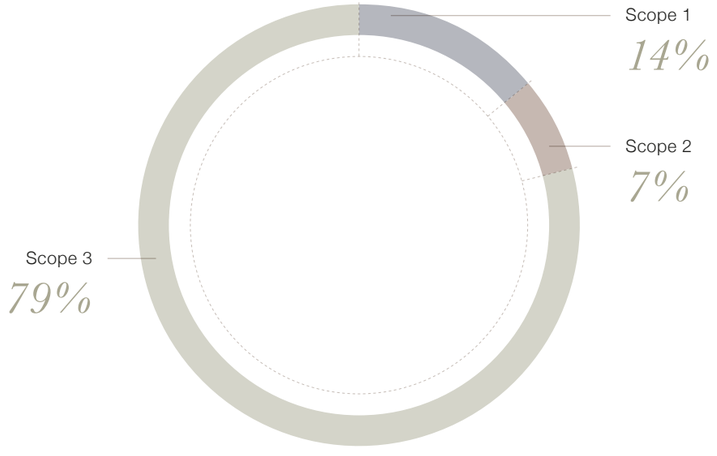
The Corneliani Group's total GHG emissions for 2024 amount to **13,211.5 tCO_2e[9].** Of these emissions, **1,768.1 tCO_2e** (approximately 13% of the total) are **direct (Scope 1) emissions** from the **use of natural gas and diesel fuel** for production processes and office heating and from **fuel consumption by the corporate fleet.** The Scope 1 calculation also includes 552 tCO_2e of emissions from **refrigerant gas (F-gas) leaks**, mainly from the air conditioning and refrigeration systems at the Mantua plant.

[9] A ton of carbon dioxide equivalent (tCO_2e) is a unit of measurement that expresses the global warming impact of various greenhouse gases, such as methane (CH_4) and nitrous oxide (N_2O), in terms of the amount of carbon dioxide (CO_2) that would have the same effect. Carbon dioxide is the reference because it is the most common and widespread greenhouse gas. This allows emissions of various gases to be compared and summed using their global warming potential (GWP), which represents each gas's global warming potential relative to CO_2 over a specific time frame (usually 100 years).

Electricity withdrawal from the grid (Scope 2) generated **966.4 tCO_2e**[10], accounting for approximately 7% of the total.

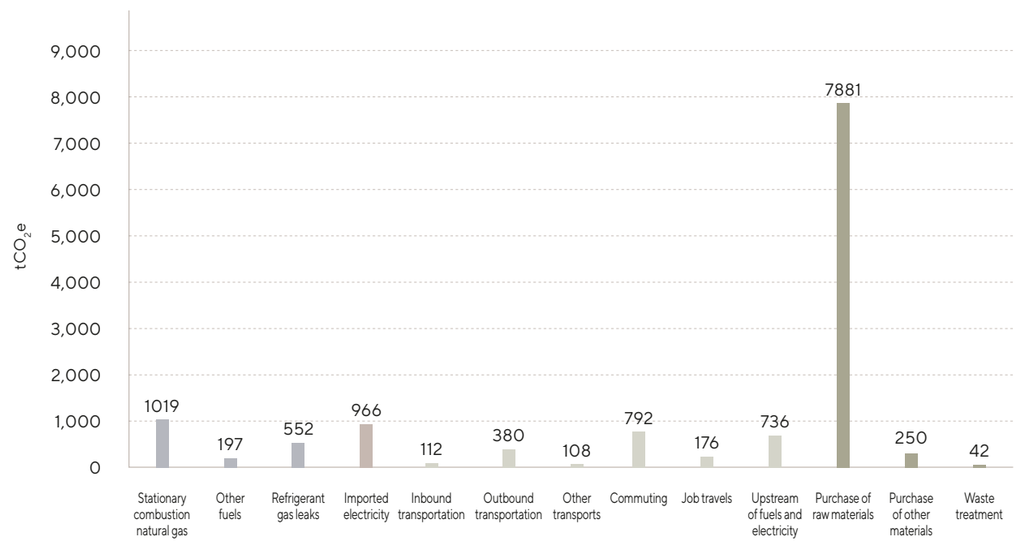
The largest share of Corneliani's emissions (80%) are attributable to **Scope 3**. In particular, **2,304.6 tCO_2e** come from inbound **transport** of textiles, accessories, and finished products; transport to and from subcontractors; outbound transport of finished products; **internal travel** between plants; **transport of waste** generated by production activities; **employee travel; home-work trips**; and ultimately, the upstream phase of fuels and electricity. The remaining **8,172.4 tCO_2e** is attributable to **materials used and processed** by Corneliani for garment production, **packaging, waste production and treatment, and meals** consumed at the company cafeteria at the Mantua site.

GHG emissions (2024) – Corneliani Group



[10] Calculation made based on a location-based scenario. The emission factor used in the analysis considers the national energy mix for each Corneliani Group location.

GHG emissions inventory (2024) - Corneliani Group



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The Impact of Guarantees of Origin in the Market-Based Scenario

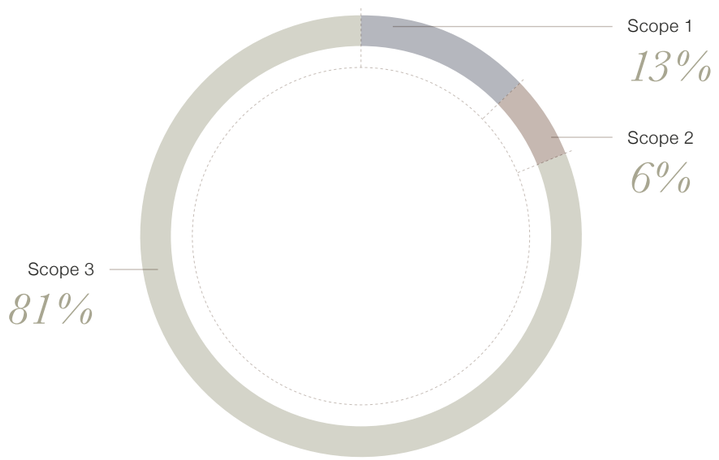
When calculating indirect emissions from electricity consumption (Scope 2), the standard (ISO 14064-1:2018) requires using the location-based scenario, which is based on the average emission factor of the national energy mix. However, possible approaches for calculating Scope 2 greenhouse gas (GHG) emissions also include the market-based scenario, which reflects an organisation's contractual choices, such as purchasing energy from renewable sources certified through Guarantees of Origin (GO).

In this case, 87.1% of the electricity consumed at the Mantua site was covered by GOs. In the market-based scenario, this results in an overall Scope 2 emission value of 375.1 tons of CO_2 equivalent, compared to 968.4 tons in the location-based scenario. Relatively speaking, the share of Scope 2 emissions in the total business would fall from over 7% in the location-based scenario to 3% in the market-based scenario. This concretely highlights the benefit of a certified energy supply from renewable sources in terms of GHG emission contribution.

The distribution of emissions among the group's entities is as follows: the **Mantua** factory (including Italian commercial locations) accounts for nearly all of the GHG emission impact with **12,816.5 tCO_2e**, or **96.9% of the total**. The Romanian factory (**Sogema**) contributes **378.2 tCO_2e, or 2.8%**, while the **outlets** in Austria and Germany and the Corneliani Suisse and Corneliani Shanghai **sales offices** have a marginal impact, accounting for only **0.15%** of the total with **19.6 tCO_2e.**

As the graph below shows, the **Mantua** factory's GHG emissions breakdown for 2024 clearly shows the predominance of **indirect value chain emissions (Scope 3)**, which account for 81% of the total. Specifically, **7,880.7 tons of CO_2 equivalent (61.5%)** are due to the **purchase and processing of raw materials for garment production**. More than a third of these emissions (41.5%) are due to the purchase of **wool**, followed by **cashmere** (24.6%), **cotton** (11%), and **silk** (9.5%). **Direct GHG emissions (Scope 1)**, generated mainly by fuel consumption and refrigerant gas leakage, account for 13%. **Indirect emissions** related to purchased electricity **(Scope 2)** account for **6%**[11].

GHG emissions breakdown (2024) – Mantua + Italian sites



In terms of **emission intensity**, the ratio of total emissions to garment production was **298.7 $kgCO_2e$ per garment produced**. Considering the hours worked in the Mantua production department instead, the emission intensity was **62.3 $kgCO_2e$ per hour.**

[11] The calculation of indirect emissions from energy imported (scope 2) includes:
- Production headquarter (Mantua): 715,4 tCO_2e
- Sales locations (Italy): 98,8 tCO_2e

Pollution

Emission pollutants

Corneliani S.p.A., limited to the Mantua site, is subject to annual monitoring of pollutant emissions and industrial discharges.

This happens in accordance with the provisions of the Single Environmental Authorisation (AUA) and current regulations (Legislative Decree 152/2006 and subsequent amendments).
The monitoring specifically concerns the emissions of **dust, carbon monoxide, nitrogen oxides, and volatile organic compounds (VOCs)** generated by ironing activities and thermal units.

Exceeding legally mandated limits poses a potential negative environmental impact and could result in penalties for the company[12]. However, over the past few years, this eventuality has never occurred. Periodic checks have consistently confirmed **compliance with threshold values** without ever recording exceedances of permitted pollutant concentrations.

[12] § Potential Negative Impact: Exceeding emission limits.

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Water

Water withdrawal

Water withdrawal is not a particularly critical topic for Corneliani.

This can be stated by considering the nature of the production process and the volumes of water used, which are low compared to industrial sectors characterised by more intensive water consumption. In 2024, the total annual withdrawal was approximately **17,800 m³**, which is a **significant reduction compared to previous years** (-39% compared to 2023 and -45% compared to 2022). Of this total, **15,844 m³** (89% of the total withdrawal) was related to the **Mantua plant**, split between aqueduct water (85%) and well water (15%). The remaining **1,955 m³** was consumed by **Sogema S.r.l.**, 93% of which came from **aqueduct** sources and 7% from wells. At both sites, water withdrawn from the aqueduct is mainly used for civil purposes, such as sanitation. In Mantua, it is also used for the company cafeteria. Water withdrawn from **wells** is used for steam generation plant operation and firefighting[13].

[13] § Actual Negative Impact: Water consumption.

CH. **03.4.1**

Water withdrawal Corneliani S.p.A. (Mantua)

Water withdrawal Sogema S.r.l.

CH. **03.5**

Biodiversity and ecosystems

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CH. **03.5.1**

Soil degradation and loss of biodiversity

The production and sourcing of raw materials used by Corneliani, such as cotton and wool, can significantly impact **biodiversity**, especially when **natural habitats are converted to farmland or pasture** to meet the demand for these resources. This process can lead to the loss of valuable ecosystems and diminish key ecosystem services, contributing to soil degradation and reduced environmental quality[14].

Recognising the environmental challenges associated with textile production, Corneliani adopts mitigation strategies that favor suppliers committed to sustainable practices. By selecting suppliers who promote the **use of raw materials from certified, responsible supply chains**, Corneliani reduces its environmental impact and protects biodiversity.

Certifications such as **LWG for leather accessories and ZDHC for collection fabrics** guarantee Corneliani's commitment to sustainability and animal welfare.

[14] § Potential Negative Impact: Conversion of natural habitat.

CH. **03.5.2**

Animal welfare

At the Mantua factory, Corneliani specialises in producing outerwear made from natural fabrics, such as wool, cotton, linen, and silk. While the primary production does not include leather items, such as jackets, shoes, or belts, which are made externally and later marketed, it is important to note that leather is used for fine details, such as undercollars or piping. This leather is sourced from the same suppliers and tanneries that supply the marketed products. While Corneliani is not directly involved in leather production, the company recognises that using these materials carries indirect responsibilities related to leather breeding and processing practices, which can affect **animal health and welfare[15].**

Corneliani ceased using exotic leathers more than a year ago and now focuses primarily on materials sourced from certified tanneries and farms[16] that meet strict animal welfare standards.

[15] § Actual Negative Impact: Use of leather.

[16] The Leather Working Group (LWG) certifies the entire range of leather jackets and footwear.

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CH. **03.6**

Resource use and circular economy

CH. **03.6.1**

Resource inflows

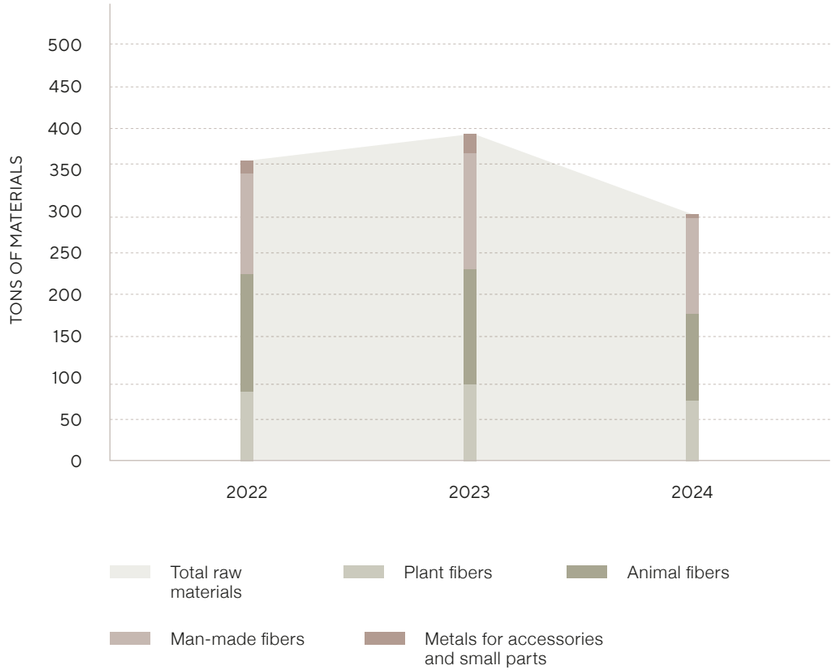
A key issue for Corneliani is the purchase of substantial quantities of virgin raw materials, particularly textile fibers of renewable, animal, and chemical origin.

These materials are necessary to ensure the high quality and style of Corneliani's products. While these materials are essential for maintaining the brand's standards of excellence, they also have an environmental impact due to the **consumption of virgin resources and the production of textile and packaging waste.**

With this in mind, Corneliani has committed to a circular economy and waste reduction. In 2024, Corneliani launched the **"Progetto Carta"** (paper project): a specialised supplier was given **about 500 kilograms of fabric offcuts** from the warehouse to produce about **6 tons of paper** containing 5% Corneliani wool. This paper will be sold during 2025 to suppliers of color charts and garment hangers, extending the life of textile scraps and reducing stockpiling[17].

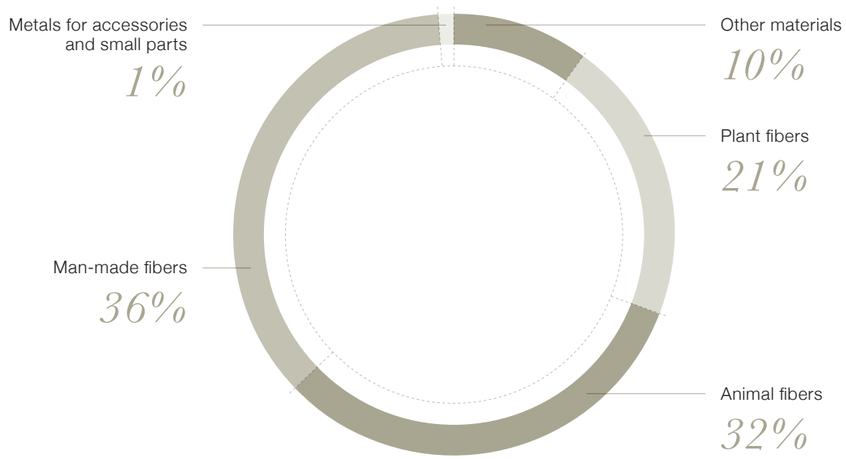
In 2024, total material consumption decreased compared to the previous year, shifting from 391 tons to 339 tons, in line with the 20.4% reduction in production volumes compared to 2023.

Resource inflows



Analysis of the composition of raw materials shows that **man-made fibers** account for the largest share, totaling about **120 tons in 2024 and accounting for 36%** of the total input materials. This category includes man-made fibers, such as viscose, cupro, modal, and lyocell, as well as synthetic fibers, such as polyester, polyamide, polypropylene, polystyrene, polyvinyl chloride, and elastane. **Animal fibers** follow, including wool (in its various types), cashmere, silk, leather, alpaca, and camel. These amount to about **110 tons, or 32%** of the total. **Plant fibers**—mainly cotton, cellulose, and linen—account for approximately 70 tons, or 21% of the materials used. In addition to these main categories are **mother-of-pearl and metal accessories** (such as zamak and brass), which are used for producing small parts, accessories, and buttons. **Supporting materials** (such as synthetic and cotton linings, paper, cardboard, hand soap, garbage bags, and stretch film) account for **10%** of the total weight. About 170 tons (50% of the total) of the materials used for production can be considered **renewable**[18].

Resource inflows by type and weight (2024)

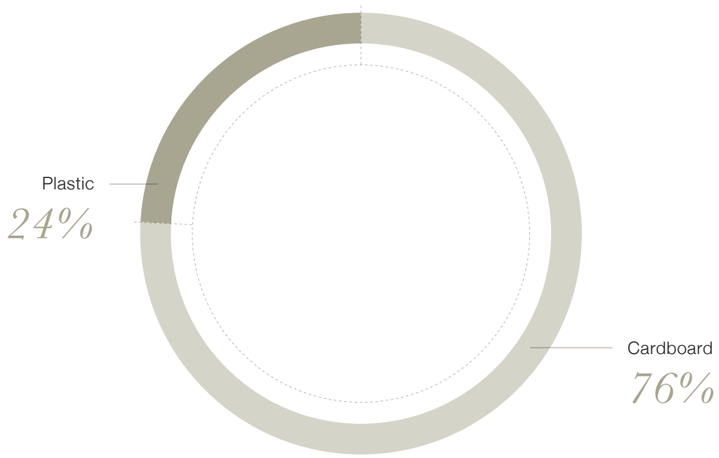


[17] § Actual Positive Impact: Circular economy.

[18] Renewable material is material derived from resources that are rapidly replenished through ecological cycles or agricultural processes. This ensures that the services provided by these resources, as well as related ones, remain available for future generations.

In terms of **packaging**, the total amount used for products has decreased by about 10% since 2023. As shown in the graph below, the most commonly used types of packaging are **cardboard (76%)** and **plastic (24%)**. In response to the high volume of packaging required to distribute the garments produced, the company implemented a sustainable packaging policy starting in 2022. This strategy involves using only materials that are **certified and designed for complete recyclability**, with a focus on select cardboard and polymer solutions.

Packaging (2024)



Corneliani is exposed to significant financial and reputational risks due to the difficulty of ensuring **complete traceability of direct and indirect suppliers**. Specifically, a lack of visibility throughout the supply chain can lead to unexpected disruptions, resulting in delays in production and distribution[19].

To address these critical issues and strengthen responsible supply chain management, Corneliani launched a **structured stakeholder engagement process in 2024 with a focus on direct suppliers (Tier 1)**. Following an initial phase of selective engagement in 2023 involving five strategic suppliers and six key customers based on their economic relevance and critical role in the production process, the company in 2024 extended the analysis to approximately **120 suppliers** in the main product categories: fabrics, accessories, trade garments, façonnier, and small parts. The initiative included **sending a questionnaire** divided into thematic areas (environmental, social, and governance sustainability) to improve supplier traceability and sustainability performance.

[19] § Risk: Supply chain traceability.

Waste

The production and management of industrial waste inevitably has an environmental impact. In the case of Corneliani, however, the impact is relatively small[20].

Due to the nature of the production process, the amount of waste generated is relatively small at around **100 tons per year** over the three-year period in question. The company primarily generates **paper waste and fabric scraps, the latter of which are recovered**. To reduce the amount of materials used, Corneliani relies on innovative technologies that **minimise textile waste during cutting**, such as the Lectra Virga system.

As shown in the graph, the trend in waste production decreased in line with the decrease in production volumes from 2022 to 2024, with the total amount of waste produced and delivered decreasing from 133.8 to 102.5 tons.

Most of the waste produced is **non-hazardous**: the share of hazardous waste is very small, varying slightly with the higher or lower annual use of certain products, such as oily water, neon waste, and WEEE.

In 2024, this percentage was 5%, higher than in 2023 (1%), but lower than in 2022 (6%).

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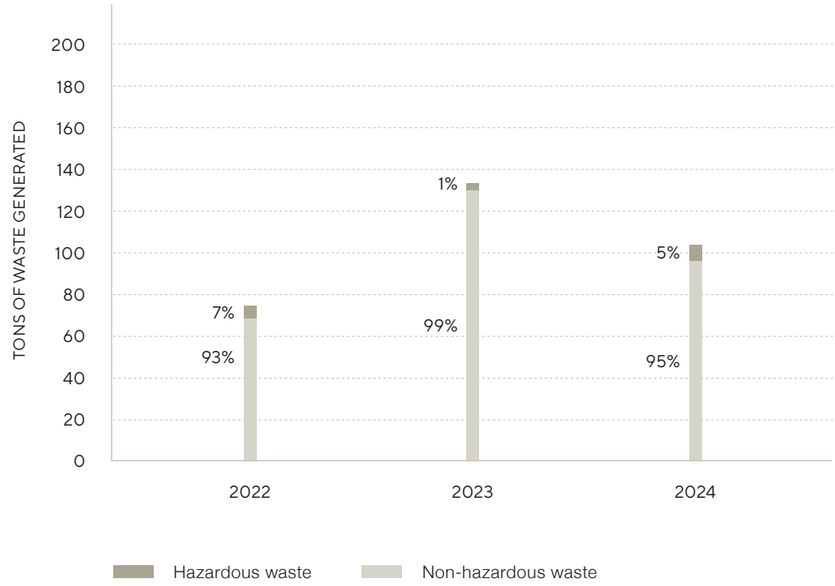
Waste generation

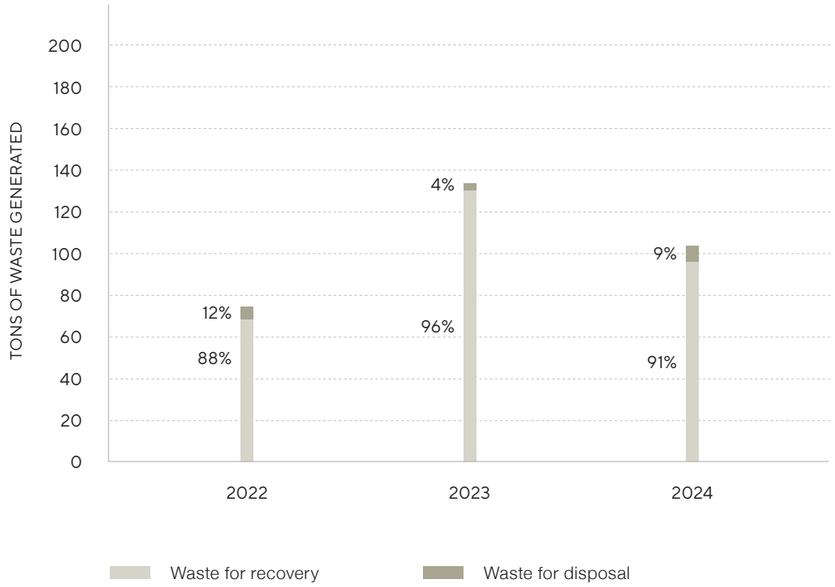


[20] § Actual Negative Impact: Waste production.

An important strength of Corneliani in this field is the high percentage of **waste sent for recovery: 91.4%** in 2024, down slightly from 95.8% in 2023.

The remaining waste is sent **for disposal: 8.6%** in 2024, up from 4.1% in 2023.

Waste treatment



EU Taxonomy

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On June 22, 2020, Regulation (EU) 2020/852 of the European Parliament and of the Council was published in the Official Journal of the European Union. It came into force on July 12 of the same year. The regulation establishes a classification that provides businesses, investors, and public institutions with shared and reliable criteria and tools for recognising environmentally sustainable economic activities.

The regulations allow businesses to estimate their contribution to a set of objectives, providing greater transparency for all stakeholders. These objectives are defined in Article 9 of the Regulations:

- *Climate change mitigation*
- *Climate change adaptation*
- *Sustainable use and protection of water and marine resources*
- *Transition to a circular economy*
- *Pollution prevention and control*
- *Protection and restoration of biodiversity and ecosystems*

The Regulation applies to all companies that are required to prepare and publish a Non-Financial Declaration (DNF) or a Consolidated Non-Financial Declaration (CNF) in accordance with Directive 2014/95/EU. While the **Corneliani Group is not obligated to do so**, the company has decided to approach the issue by assessing its activities and analysing its degree of approximation to the technical criteria established by the Taxonomy regulations.

The share of **turnover, capital expenditure, and operating expenditure** related to economic activities eligible[21] for or aligned[22] with Taxonomy must be reported in accordance with Regulation (EU) 2020/852 and all associated delegated acts[23].

An economic activity is considered environmentally sustainable if it meets the following criteria:

- *It complies with the Technical Screening Criteria (TSC),*

which are listed in the various Delegated Acts. These criteria state when an activity makes a **substantial contribution** to at least one of the six environmental objectives defined in the Regulation. The activity must also **not cause significant harm** to any of the remaining five **objectives (the DNSH principle: Do No Significant Harm).**

- *It is carried out in compliance with minimum social safeguards*[24]

with respect to human and labor rights.

[21] Economic activity that can positively contribute to the environmental objectives of the EU Taxonomy.

[22] Economic activity that, in addition to being eligible, fully meets the specific technical criteria to be considered compatible with the environmental objectives of the EU Taxonomy.

[23] Regulation 2021/2178 "EU Taxonomy Delegated Act", Regulation 2021/2139 "Climate Delegated Act", Regulation 2022/1214 "Complementary Delegated Act", Regulation 2023/2485 and Regulation 2023/2486 "Environmental Delegated Act".

[24] Minimum human and labour rights standards: OECD Guidelines, UN Guiding Principles on Business and United Nations Guiding Principles on Business and Human Rights and rights laid down in the fundamental ILO conventions and the International Charter of Human Rights.

Assessment of Compliance with the Taxonomy

Corneliani's study of the eligibility and alignment of its economic activities with the Taxonomy in 2024 was conducted in several stages.

The first analysis focused on identifying whether the company's primary economic activity was among those considered implicitly eligible for the Taxonomy by their nature. After converting Corneliani's ATECO code to NACE code[25], a search was conducted for the aforementioned code among those covered by the European Union. This search produced a negative result.

[25] The Statistical Classification of Economic Activities in the European Community is a system adopted by the European Union to standardise the collection and analysis of statistical data on enterprises in its member states.

After this phase was completed, mapping was carried out for individual secondary and ancillary economic activities that could be considered potentially **eligible**. Regarding the climate change mitigation objective, the following activities were identified:

6.5 - Transport by motorbikes, passenger cars and light commercial vehicles,
with reference to the replacement of company fleet vehicles;

7.3 - Installation, maintenance and repair of energy efficiency equipment:
replacement of a steam generator and a compressor to generate compressed air;

7.5 - Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings:
the installation of methane and steam consumption meters on related equipment.

No potentially eligible activities that could be traced back to those considered in the Delegated Acts were identified for the remaining environmental objectives.

Subsequently, the **alignment** of eligible economic activities with the climate change mitigation objective was assessed by checking their compliance with the criteria set out in Annex 1 of Regulation 2021/2139, Climate Delegated Act.

6.5 - Transport by motorbikes, passenger cars and light commercial vehicles

The analysis shows that the purchase and replacement activity of corporate fleet vehicles in categories M1[26] and N1[27] is not aligned with the substantial contribution criterion. The emission intensity of these vehicles exceeds the 50 gCO_2/km maximum threshold established in the Delegated Act.

[26] These are vehicles intended for passenger transport with a maximum capacity of eight seats.

[27] These are vehicles intended for transporting goods with a maximum mass of 3.5 tons.

7.3 - Installation, maintenance and repair of energy efficiency equipment

In 2024, a new compressor model was installed at an existing plant to replace the previous one. This action aimed to improve the energy efficiency of the compressed air production process.

SUBSTANTIAL CONTRIBUTION

The intervention substantially contributes to climate change mitigation. It involves installing high-efficiency equipment in existing buildings or industrial facilities, resulting in measurable improvements in energy efficiency.

DNSH

According to Annex I of Delegated Regulation (EU) 2021/2139, item 7.3 of the EU Environmental Taxonomy requires compliance with two specific DNSH criteria:

1. DNSH – Climate change adaptation (Appendix A):
The activity must comply with a climate-related physical risk assessment process. In this case, the equipment is installed in an existing facility in a protected room with no direct exposure to climate hazards (e.g., floods or extreme weather events). The technical documentation ensures these requirements are met under standard industrial conditions.

Therefore, it is concluded that the physical climate risk is not relevant, and the DNSH requirement is met.

2. DNSH – Pollution prevention and control (Appendix C):
This criterion requires ensuring the absence or management of asbestos and compliance with non-polluting materials when working on building components.

However, in the present intervention:

- No structural changes to the building are planned;
- No installation of building materials or thermal insulation;
- No drilling, removal, or remediation involving asbestos-containing materials is planned.

Therefore, the DNSH criterion is met.

As a final step, the CapEx component was then formalised for the intervention carried out and aligned to the taxonomy, shown in the tables in the Appendix.

Also in the Appendix is the disclosure of the turnover and OpEx KPIs, although there are no taxonomy-aligned or taxonomy-eligible activities with reference to these two KPIs.

7.5 - Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings

There are no activities in line with this category for 2024. Please note that steam and methane consumption meters were installed in December 2024, and monitoring will begin in 2025.

Climate change adaptation

Although Activity 7.3 is included under the Climate Change Adaptation Objective, the company determined that it should not be considered eligible for this objective because it is not part of a mitigation plan for identified climate risks (Climate Risk Assessment).

Minimum social safeguards

Corneliani S.p.A. has verified its compliance with the minimum social safeguards, which are protective measures designed to ensure that economic activities are carried out in accordance with human and labor rights, as outlined in the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. These principles include the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the eight fundamental ILO conventions of the International Bill of Human Rights.

The company operates in accordance with its Code of Ethics and requires its employees, external collaborators, and business partners to do the same. The Code of Ethics defines the set of rules of conduct, principles, and values that guide the company's operations to ensure the proper functioning, integrity, and reputation of business activities.

Corneliani is committed to ensuring that its raw material suppliers and façonists respect the rules of conduct contained within the Code of Ethics. The company is implementing a process to map suppliers and façonists, with the aim of assessing and mitigating risks related to ethical, social, and environmental issues within the supply chain.

However, the company is taking a conservative and prudent approach. While the current practices within the organisation and along the supply chain are adequate and consistent with corporate and market expectations, they are not sufficient to certify full compliance with all requirements necessary to recognise the alignment of activities identified as eligible. In particular, it does not believe that it currently has complete and verifiable information to ensure that current supply chain management practices ensure suppliers' full alignment with the requirements of Article 8 of the Regulation.

Social Sphere

We value and actively contribute to the community in which we operate

04

Within the scope of social sustainability, the workforce stands at the core of Corneliani's strategies and actions.

The company places the highest priority not only on human resources management, but also on **ensuring safe employment conditions, protecting health and safety, supporting work-life balance, promoting continuous training and skills development.** Key pillars also include **diversity, equity, and inclusion**, along with the **safeguarding** of overall **employee well-being.**

Employee engagement in the value chain is recognized as fundamental. Corneliani relies on a network of raw material suppliers and outsourced services, including façonists and subcontractors for garment manufacturing. The presence of direct suppliers—such as fabric producers, tanneries, and other subcontractors located in countries with less stringent labor regulations—can entail risks related to exploitation, economic insecurity, and instability within the supply chain, with potential economic repercussions for Corneliani. For this reason, the company pays special attention to **monitoring its supply chain** to prevent any indirect associations with child or forced labor practices, requiring its suppliers to sign an Ethical Contract fully aligned with ILO Conventions.

The commitment of the company also extends to the **well-being of local communities**, through projects dedicated to social and occupational inclusion, as well as to maintaining a **transparent and responsible relationship with clients and consumers**. This relationship is based not only on post-sale support but also on the development of a comprehensive network of services and values that guide the customer throughout the entire process, from garment selection and fitting to purchase.

CH. **04.1**

Social highlights 2024

76%
OF THE WORKFORCE ARE WOMEN

652
EMPLOYEES, INCLUDING 64 UNDER 30 (+64% COMPARED TO UNDER 30S IN 2022)

97%
OF EMPLOYEES HIRED ON PERMANENT CONTRACTS

Turnover rate decreased
COMPARED TO 2023 AND BELOW NATIONAL AND INDUSTRY BENCHMARKS

1 only
MINOR WORK-RELATED INJURY RECORDED (-70% DAYS OF ABSENCE DUE TO WORK-RELATED INJURIES COMPARED TO 2023)

Training
ON STRATEGIC TOPICS SUCH AS SUSTAINABILITY, DIVERSITY, EQUITY & INCLUSION, CYBERSECURITY

100%
OF CORNELIANI GROUP EMPLOYEES HAVE ACCESS TO VARIOUS WELFARE BENEFITS

"Quid" project
AND PURCHASE OF SOLIDARITY PANETTONE FROM AISM (ITALIAN MULTIPLE SCLEROSIS ASSOCIATION)

Donation
OF 25 CC COLLECTION GARMENTS TO THE AMICI DI WELCOMED ONLUS ASSOCIATION

CH. **04.2**

Own workforce

CH. **04.2.1**

Distribution of labour resources

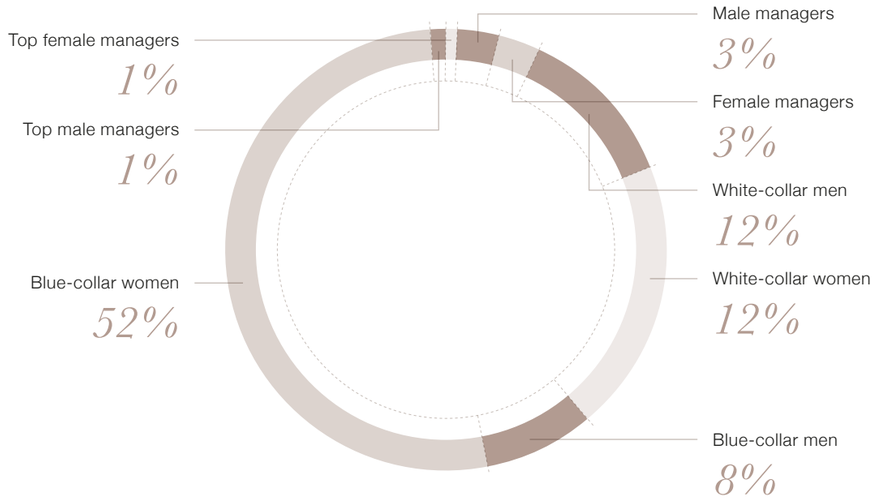
As of 31st December 2024, the Corneliani Group's workforce comprises 652 employees, divided into 159 men and 493 women.

This figure is substantially stable compared to the end of the previous year (31/12/2023), with an **increase of 0.9%** (+6 units, of which 1 man and 5 women). As detailed in the tables in the Appendix, the workforce is mainly distributed across the Group's two operational entities: **Corneliani S.p.A.**[1] (67%) and **Sogema S.r.l.** (29%). The remaining 4% is distributed across three commercial entities: **Corneliani Suisse Sagl** (10 employees, including 4 men and 6 women), Corneliani USA Inc. CO. (2 employees, both women), and **Corneliani Shanghai CO**. (10 employees, including 2 men and 8 women).

[1] Corneliani S.p.A.'s workforce includes the employees of the production plant in Mantua, the head office in Milan and the following outlets: Noventa di Piave, Serravalle Scrivia, Leccio di Reggello, Mantua, Castel Romano, Bagnolo San Vito, Ingolstadt (Germany), Barcelona (Spain) and Pandorf (Austria).

Most of the staff are employed in **operational roles** at the Group's two plants, accounting for **60%** of employees, divided between **female workers (52%) and male workers (8%). White-collar jobs** involve **32%** of employees, with women (20%) outnumbering men (13%). **Top management positions** make up **8%** of the workforce, divided between **managers** (6%) and **top managers** (2%), with a balanced distribution between men and women.

Staff breakdown by job classification (2024)



The **workforce** is **predominantly made up of women**, who make up 76% of the Corneliani Group's staff. **Female representation is evenly distributed** across different job qualifications: just under 90% of blue-collar workers, 61% of white-collar workers, 52% of managers and 50% of top managers.

While it is true that the apparel and textile sector has historically been characterised by a strong female presence in operational roles, such representation is less common in senior positions. In Italy, between 2022 and 2023, the female presence in the fashion industry averaged 27-45% among middle managers and 18-32% among top managers, with even lower percentages in larger companies, where top management remains predominantly male[2]. In this context, Corneliani's figure stands out positively: **women represent 50% of managers and top managers**, marking a substantial achievement of gender parity even at the highest organisational levels[3].

Although the data show a significant female presence even at the top levels of the organisation, the **lack of a structured Diversity, Equity & Inclusion (DEI) policy and procedure** could leave the company less prepared to effectively detect or respond to any potential episodes of discrimination[4]. To prevent such issues, the Corneliani Group is committed to drafting and implementing a **DEI policy by 2025**. In the meantime, a number of **listening and reporting tools** are already in place, such as the possibility for blue-collars to leave written notes in the changing rooms to report discriminatory incidents and the presence of a whistleblowing mailbox, which is accessible not only to company personnel but also to suppliers for reporting any improper practices. To **date, no incidents of discrimination have been reported**, and the adoption of a structured DEI policy will be a further step forward in protecting and enhancing diversity within the company.

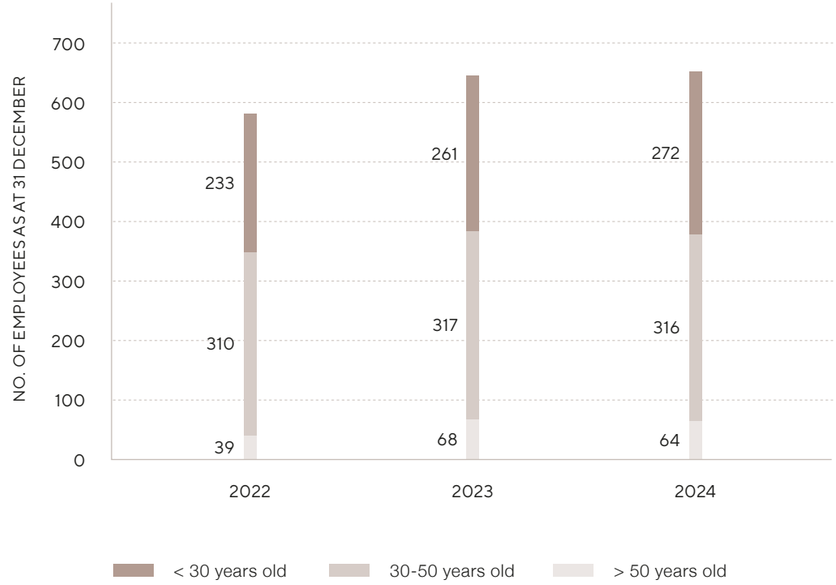
Regarding the average age of employees, the chart below shows an **increase in younger workers (under 30)** over the three-year period analysed, both in absolute terms (rising from 39 people in 2022 to 64 in 2024) and in percentage terms (from 6.7% of the total workforce in 2022 to 9.8% in 2024). **The intermediate age group (30-50 years)** continues to represent the largest share of the workforce (48.5% in 2024), with figures remaining fairly stable over time. The **over-50s** category, which accounts for approximately 42% of the workforce in 2024, increased in absolute terms (from 233 units in 2022 to 272 in 2024), while in percentage terms it remained stable at around 40% of the total workforce. Overall, against a **12% growth** in the workforce as of 31/12/2024 compared to 31/12/2022, **under-30** employees **increased by 64%**, the **30-50 age group** grew **by 2%, and the over-50s rose by 16%.**

To **strengthen the retention of new generations**, Corneliani has developed a robust **talent acquisition programme** with particular focus on generational renewal and the enhancement of emerging skills. These initiatives are essential for the company and its future growth because they enable the **transfer of technical know-how** within the company to new resources, aiming to maintain the **high-quality excellence** that has always distinguished the Corneliani product.

A concrete example of this commitment is the **collaboration with the "Bonomi Mazzolari" Higher Education Institute** in Mantua. In 2024, the approximately four-month **training programme**, launched in November 2023 and involving five recent high school graduates, was successfully completed. During the internship, the participants learned basic tailoring techniques and, according to their aptitudes, specialised in specific stages of the production cycle of outerwear at the Mantua plant. The theoretical lessons were supported by a dedicated external instructor. **At the end of the training, all the students were hired under apprenticeship contracts**, thereby strengthening the link between education and employment.

At the same time, Corneliani maintains **collaborations with universities** by participating in **open days,** organising **company visits**, and **networking initiatives[5]**. Starting in 2023, Corneliani established a partnership with students from the **Master's in International Business and Global Management (CUNEF Madrid)**, hosting them at the Milan showroom for a session aimed at understanding and exploring operational business dynamics. In 2024, a **workshop** was held at the Milan showroom with **students from the Master in Fashion, Experience & Design Management (MAFED) at Bocconi University**, concluding a programme that featured the Corneliani Group CEO as a lecturer.

Employees by age group



[2] For further details, see DONNE E LAVORO SETTORE MODA, TESSILE, ARTIGIANTO, MANIFATTURIERO - SALP SISTEMA UNICO: SINDACATO, PATRONATO, CAF, pwc-donne-e-moda.pdf, Moda: oltre metà della manodopera è donna, ma nei cda sono solo il 30% | Corriere.it.

[3] § Actual Positive Impact: Female employment.

[4] § Potential Negative Impact: Incidents of discrimination.

[5] § Risk: Difficulties in recruiting.

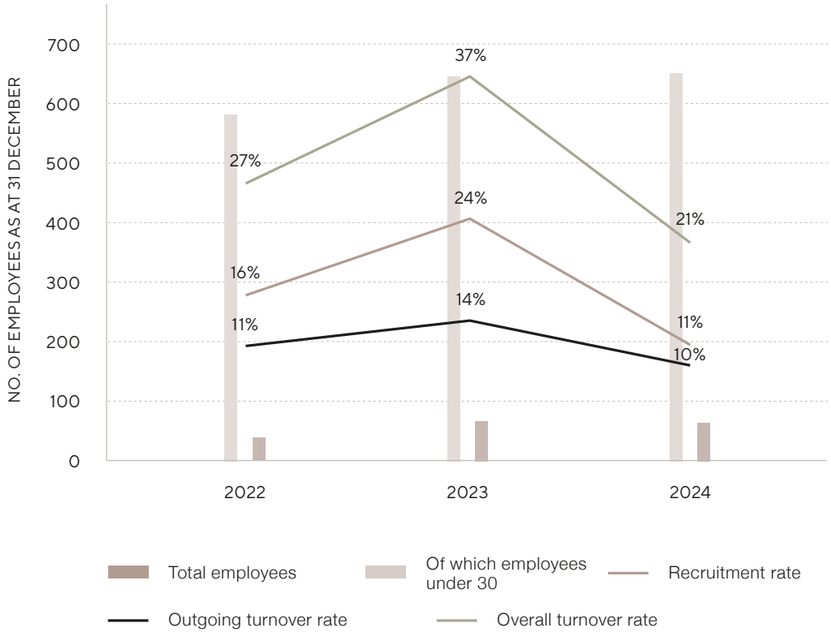
Secure employment

In 2024, the company's overall turnover rate[6] stood at 21%, down from 37% in 2023 due to a decrease in both hirings (-53%) and departures (-25%), mainly due to retirements and early retirements.

During the year, 72 new employees joined the company, including 26 young people under the age of 30, while the total number of exits was 66, of which 16 involved workers under 30. **Voluntary resignations** accounted for more than half of the departures, notably affecting younger workers as well. The **outgoing turnover rate**[7] stands at 10%, a value that, although symptomatic of a certain degree of internal mobility, is decreasing compared to 2023 and is still lower than the national average rate of 16.2%.

Similarly, the overall turnover rate of 21% is **lower than the national benchmark for manufacturing companies (25.7%)**[8].

Employees and turnover rate



According to analyses carried out by the Economic Studies Office of Confindustria Moda, which are based on internal sample surveys and the trends of the macroeconomic reference framework, the Italian men's fashion market closed 2024 with 11.4 billion euro, down 3.6% compared to 2023, after three consecutive years of growth[9].

In this context, the **Corneliani Group** recorded positive results over the last three financial years. The favourable trend has enabled the Group to strengthen its workforce, with 48 new employees joining Corneliani S.p.A. in 2024, 16 at Sogema S.r.l. and 8 at its foreign commercial offices (7 at Corneliani Shanghai CO. and 1 at Corneliani Suisse Sagl).

[6] Overall turnover rate calculated as the ratio between total hires and departures in year n, divided by employees as of 31/12 of year n, expressed as a percentage.

[7] Outgoing turnover rate calculated as the ratio between total departures in year n and employees as of 31/12 of year n, expressed as a percentage.

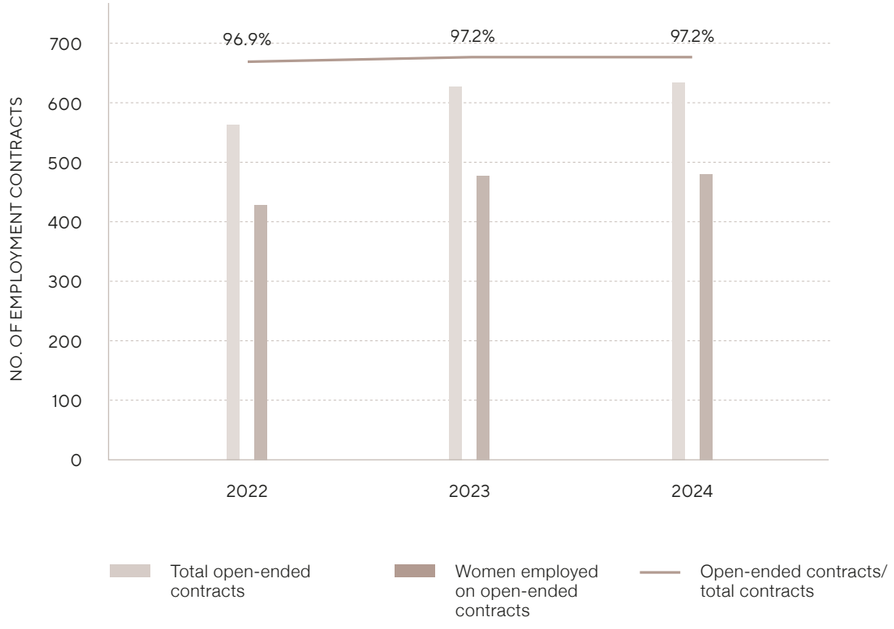
[8] Benchmarks from Confindustria's 2024 Labour Analysis: https://www.confindustria.it/home/centro-studi/temi-di-ricerca/valutazione-delle-politiche-pubbliche/dettaglio/indagine-lavoro-2024.

[9] For more details, see ECONOMICO_2025_01_PittiUomo.doc. Within this study, "Italian men's fashion" refers to "tailoring, outer knitwear, shirts, ties, and leather clothing".

In the context of company growth, such as that experienced by the Corneliani Group in 2023, the **use of overtime work** was necessary to cope with an increase in production volumes and the difficulty in sourcing already qualified personnel. Although this dynamic is indicative of the company's positive performance and has allowed for the consolidation of financial results and workforce strengthening in 2024, it must be acknowledged that even limited and temporary recourse to overtime can affect **employee well-being**, exposing them to a **higher risk of stress and reducing work-life balance**[10]. Although these effects are tempered by their temporary nature—evidenced by a significant reduction in overtime hours at the Mantua plant in 2024—they underscore the importance of careful planning and management strategies to safeguard organisational sustainability and maintain a positive workplace environment.

The Group's economic strength is reflected in its **employment stability**: in the three-year period 2022-2024, the proportion of **permanent contracts** remained around **97%**. The female presence among employees on permanent contracts is particularly significant, representing **98% of women** within the company. These figures confirm Corneliani's commitment to promoting **stable and lasting forms of employment**, with particular attention to the protection and continuity of the workforce[11].

Types of employment contracts



At the same time, the company fosters **social dialogue and employee engagement** through **ongoing dialogue with the Unitary Trade Union Representatives** (RSU) present at the Mantua operative site. Twice a year, the company management, represented by the CEO and HR director, meets with the RSUs to discuss the company's economic performance and future initiatives, sharing presentations and expected results in terms of employment and economic benefits. The RSUs, in turn, report back to the workers on what has emerged, thereby promoting **transparent and bidirectional communication**. In this way, Corneliani facilitates **round tables** dedicated to topics such as customised training courses and production issues, demonstrating a concrete commitment **to the active participation and consultation of employees**[12].

[10] § Potential Negative Impact: Use of working overtime.

[11] § Actual Positive Impact: Secure and stable employment.

[12] § Actual Positive Impact: Promoting social dialogue and active worker participation.

Health and safety

The protection of workers' health and safety is a fundamental priority for Corneliani, especially in the production areas where risks are inherently higher compared to administrative tasks.

In particular, employees engaged in production processes and maintenance activities are more exposed to potential hazards, including mechanical risks (such as punctures, abrasions, cuts) arising from work equipment, and ergonomic risks due to biomechanical overload of the upper limbs, caused by the high level of manual dexterity required in the manufacturing of high-end tailored garments[13].

[13] § Potential Negative Impact: Risk of biomechanical overload.

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The company is distinguished by its ongoing commitment to risk prevention and management, which has enabled it to maintain a particularly low rate of injuries and near misses over recent years. This result is the outcome of a widespread **safety culture**, supported by **awareness initiatives** aimed at all staff and by **specific preventive measures** calibrated to the type of risk and operational characteristics.

Corneliani S.p.A. has implemented a **health and safety management system** throughout all its Italian sites in compliance with the **international ISO 45001:2018 standard**, while its foreign subsidiaries apply local occupational health and safety regulations. To further protect employees who travel for work, the company provides **comprehensive insurance** coverage against **work-related injuries and illnesses during business trips.**

Risk assessments are periodically updated according to legal deadlines or in the event of organisational changes, significant work-related injuries, or following the results of internal audits and inspections. Periodic health, safety, and environmental audits are documented in annual reports, enabling constant monitoring of the effectiveness of the measures adopted.

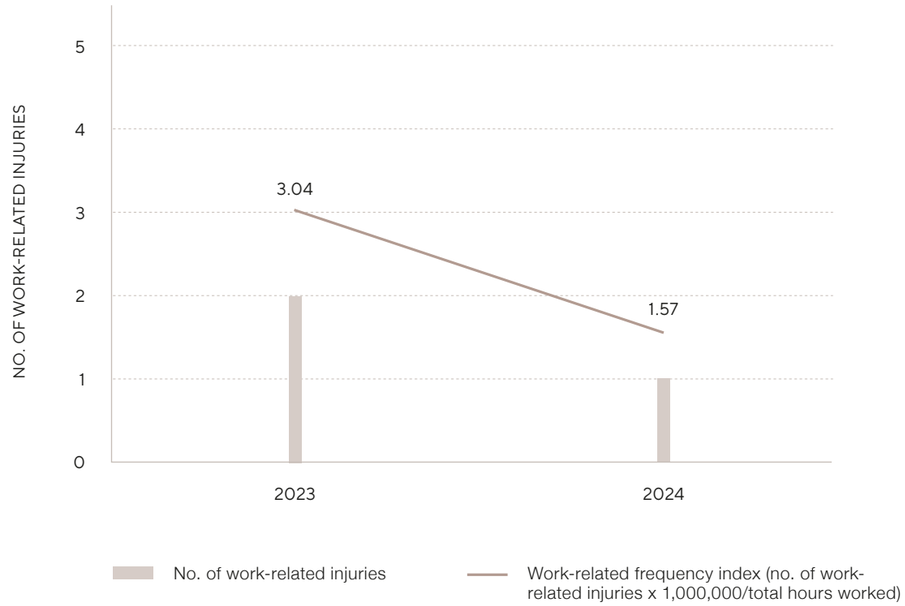
The **occupational health service** is tailored according to the nature and seriousness of occupational risks and is carried out in compliance with the regulations in force in each country where the Group operates. All workers, with the exception of point-of-sale personnel, undergo **periodic medical surveillance.**

Thanks to an integrated and proactive approach to workplace safety, Corneliani records very low work-related injuries rates overall. In fact, in **2024**, only one non-serious injury occurred, resulting in an **absence of 11 days**. Compared to 2023, the number of injuries decreased from 2 to 1, accompanied by a reduction in days of absence from 37 to 11[14].

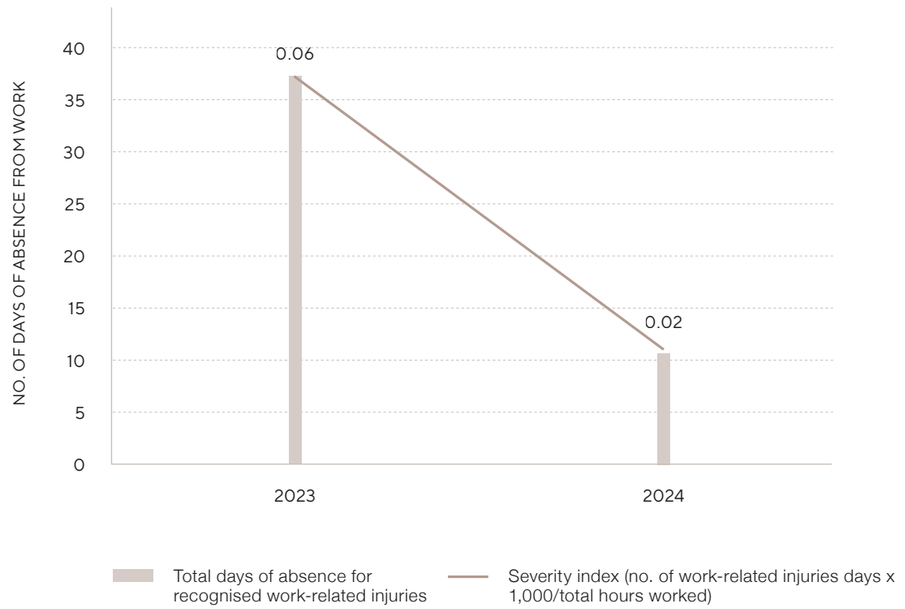
It should be noted that accident reporting refers exclusively to Corneliani S.p.A., as the health and safety management system only covers the Parent Company. In the three-year period 2022-2024, Sogema S.r.l. and the foreign commercial offices (Shanghai, Switzerland, USA) recorded no injuries.

[14] § Actual Negative Impact: Work-related injuries.

Work-related injuries and frequency index - Corneliani S.p.A.



Days of absence from work and severity index - Corneliani S.p.A.



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Training and skills development

Among the areas of greatest interest and relevance for the company is training, both mandatory and voluntary.

Starting in 2022, Corneliani has energetically resumed training and learning activities, offering **courses dedicated** to current and strategic topics such as **Cybersecurity, Sustainability, Diversity, Equity & Inclusion**, as well as training programs on Compliance (Data Privacy, MOG 231, Code of Conduct)[15].

Towards the end of 2023, the parent company launched important projects, including a **managerial training program** aimed at **11 Heads of Production Sections**, designed to provide them with the soft skills necessary to support them in personnel management. As already mentioned, an **internship project** was also launched in collaboration with the **Bonomi Mazzolari Professional Institute of Mantua**, dedicated to recent graduates interested in the tailoring profession. In 2024, the company consolidated and expanded these initiatives, also offering **training modules dedicated to sustainability**, with a particular focus on the theme of **Diversity, Equity & Inclusion.**

[15] § Actual Positive Impact: Training beyond the regulatory requirement.

Training hours are recorded both by **Corneliani S.p.A.** and by **Sogema**, the latter limited to training activities aimed at the personnel of the production departments. Regarding Corneliani's commercial sites in Switzerland, the United States, and China, no training programs were delivered, mainly due to the small size of these entities in terms of number of employees. In 2024, a **total of 43,378 training hours** were conducted. Of these, **82%** involved employees of **Corneliani S.p.A.**, totaling **35,370 hours** (**+6.6%** compared to 2023), while **18%** refer to training hours provided to **Sogema** operational staff, down by **36%** compared to 2023.

About **93%** of the training delivered by Corneliani S.p.A. in 2024 concerned **job-specific knowledge**, followed by training on **health and safety** topics (3.5%, equal to 1,250 hours, of which 1,170 were mandatory and 80 optional) and the **managerial training pathway** supporting the role of **Heads of Sections** in the production departments, which began in 2023 and continued through 2024.

L'azienda sta gradualmente cominciando ad inserire anche qualche corso specifico, su temi quali **cybersecurity** (318 ore nel 2024), **etica aziendale e compliance normativa** (288 ore), **sostenibilità e DEI** (164 ore). Relativamente a quest'ultimo tema, è stato istituito un Comitato Manageriale di Sostenibilità, un Referente Sostenibilità ed una Rete ESG che coinvolge le diverse funzioni aziendali. Durante gli incontri del Comitato ESG, i membri vengono costantemente informati in merito alle attività svolte dal gruppo di lavoro attraverso deck e presentazioni di dettaglio.

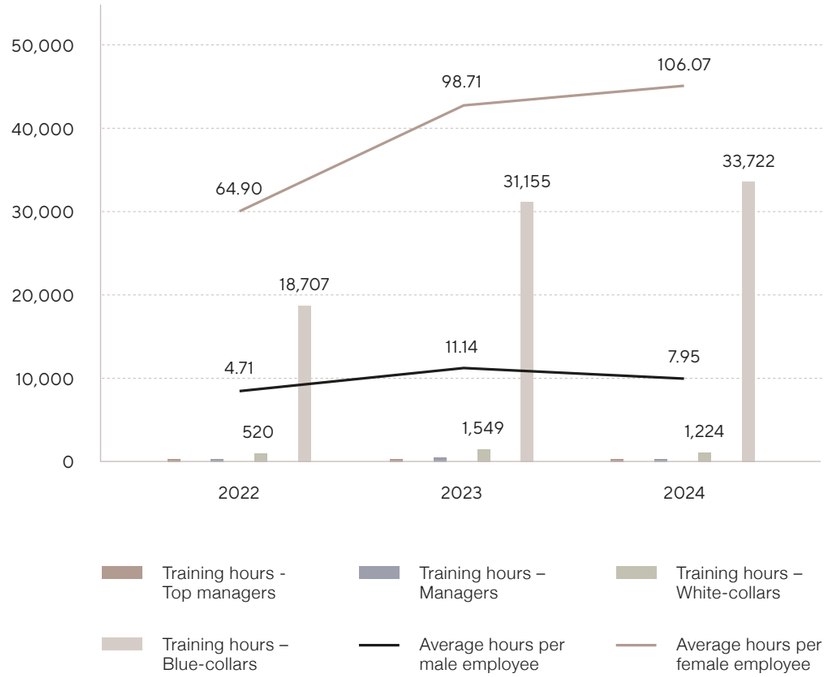
The company is gradually beginning to introduce some specific courses on topics such as **cybersecurity** (318 hours in 2024), **corporate ethics and regulatory compliance** (288 hours), **sustainability** and **DEI** (164 hours). Regarding the latter topic, a Sustainability Management Committee, a Sustainability Officer, and an ESG Network involving various company functions have been established. During ESG Committee meetings, members are constantly informed about the activities carried out by the working group through decks and detailed presentations.

As for the breakdown of **training hours by employee category, almost all** (on average 95% over the 2022-2024 period) **was assigned to the blue-collar category**, followed by training delivered to **white-collar employees** (on average 4%), and marginally to **managers** (0.7% in 2024) and **top managers** (0.5% in 2024). In all three years considered, **women received on average a greater number of training hours than men**. This gap is mainly attributable to **workforce composition**: women represent 93% of the blue-collar category, which, as data show, is the group benefiting from the largest share of training provided annually.

In general terms, the **average training hours per employee**, amounting to **80.75** hours in 2024, are **significantly higher than the national average** (21 hours per employee)[16].

[16] ISTAT (2015), La formazione nelle imprese in Italia - https://www.istat.it/comunicato-stampa/la-formazione-nelle-imprese-in-italia

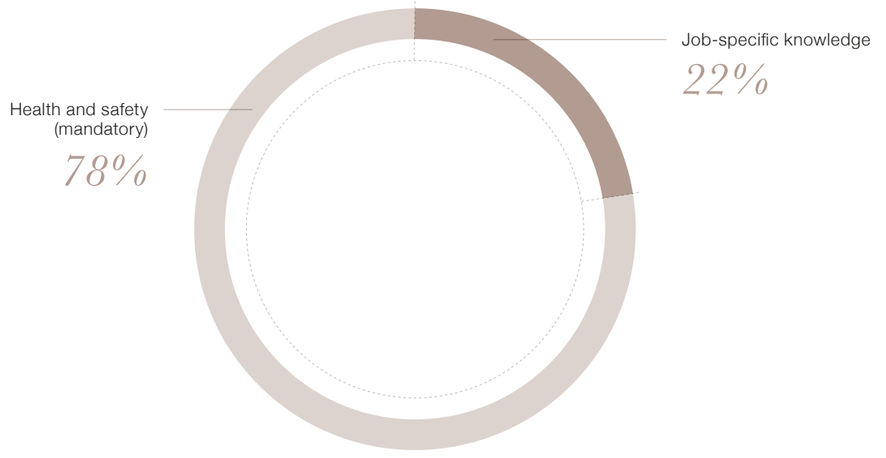
Training hours by job classification - Corneliani S.p.A.



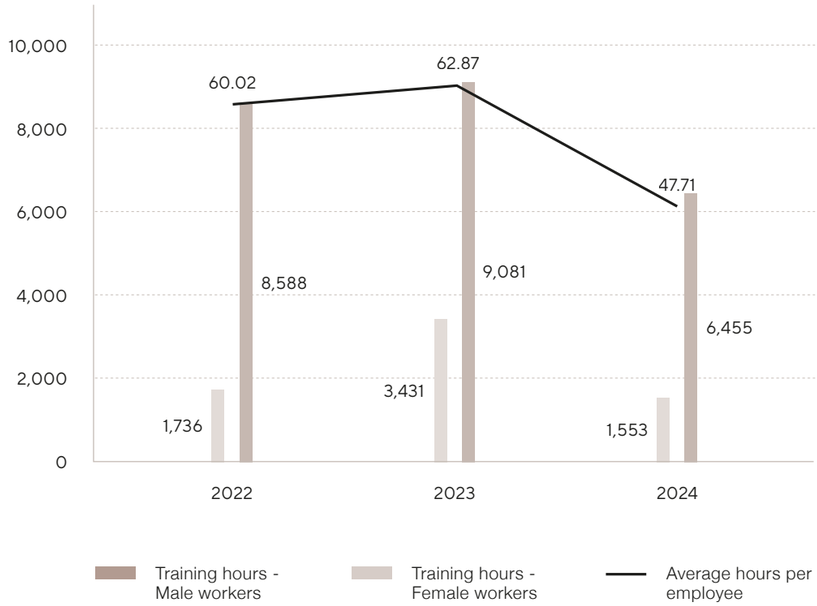
In 2024, **Sogema S.r.l.** provided a total of **8,008 hours of training**, divided as follows: **78%** (6,208 hours) focused on **health and safety**, and **22%** (1,800 hours) on **job-specific knowledge**. These activities involved **male and female blue-collar workers**, with 1,553 and 6,455 hours of training respectively. Despite a 36% absolute reduction compared to 2023, the distribution of hours between men and women remained largely unchanged, holding steady at around **20%** for men and **80% for women.**

Overall, the **average training hours per employee** were **41.71** in 2024, representing a decrease of about 30% compared to the previous year. This contraction was mainly due to the lower number of new hires recorded in 2024 compared to 2023, resulting in a corresponding reduction in the total training hours dedicated to new personnel.

Training hours by topic - Sogema S.r.l.



Training hours by job classification – Sogema S.r.l.



In the three-year period 2022-2024, **all employees of Corneliani S.p.A. received regular performance appraisals**, confirming a structured and inclusive system that involves all professional categories, from top managers to blue collar workers.

With regard to **foreign commercial sites**, the performance evaluation system varies by country: in **Sogema**, an attendance-based bonus is recognised; in the **United States**, both MBOs and other performance evaluation systems are adopted; in **China**, sales office personnel are involved through MBOs, while shop personnel receive a bonus linked to the economic results obtained. A similar form of economic result-based bonus is also recognised at the **German office.**

The frequency of evaluations varies according to role and job classification: for example, for participants in the MBO and PQG (General Quality Award) incentive systems, the performance review is annual; for sales staff in shops, performance evaluations instead follow a monthly or six-monthly frequency depending on the policies adopted by the company.

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Corporate welfare

Corneliani promotes the well-being of its employees.

. In addition to providing the **contribution** of 200 euros per year for the three-year period 2024-2026, in accordance with the National Collective Labour Agreement (CCNL), a **canteen service** is active for the staff at the Mantua plant, offering daily balanced meals with particular attention to reducing food waste. The facility also provides a **relaxation room** equipped with games such as foosball and ping-pong tables to encourage social interaction among colleagues.

The staff of the Milan showroom, Corneliani shops and Sogema, on the other hand, benefit from meal vouchers (**ticket restaurant**). In Sogema, employee transport is also paid for as welfare (by reimbursing the transport card), while supplementary medical care and an annual medical check-up are provided in China.

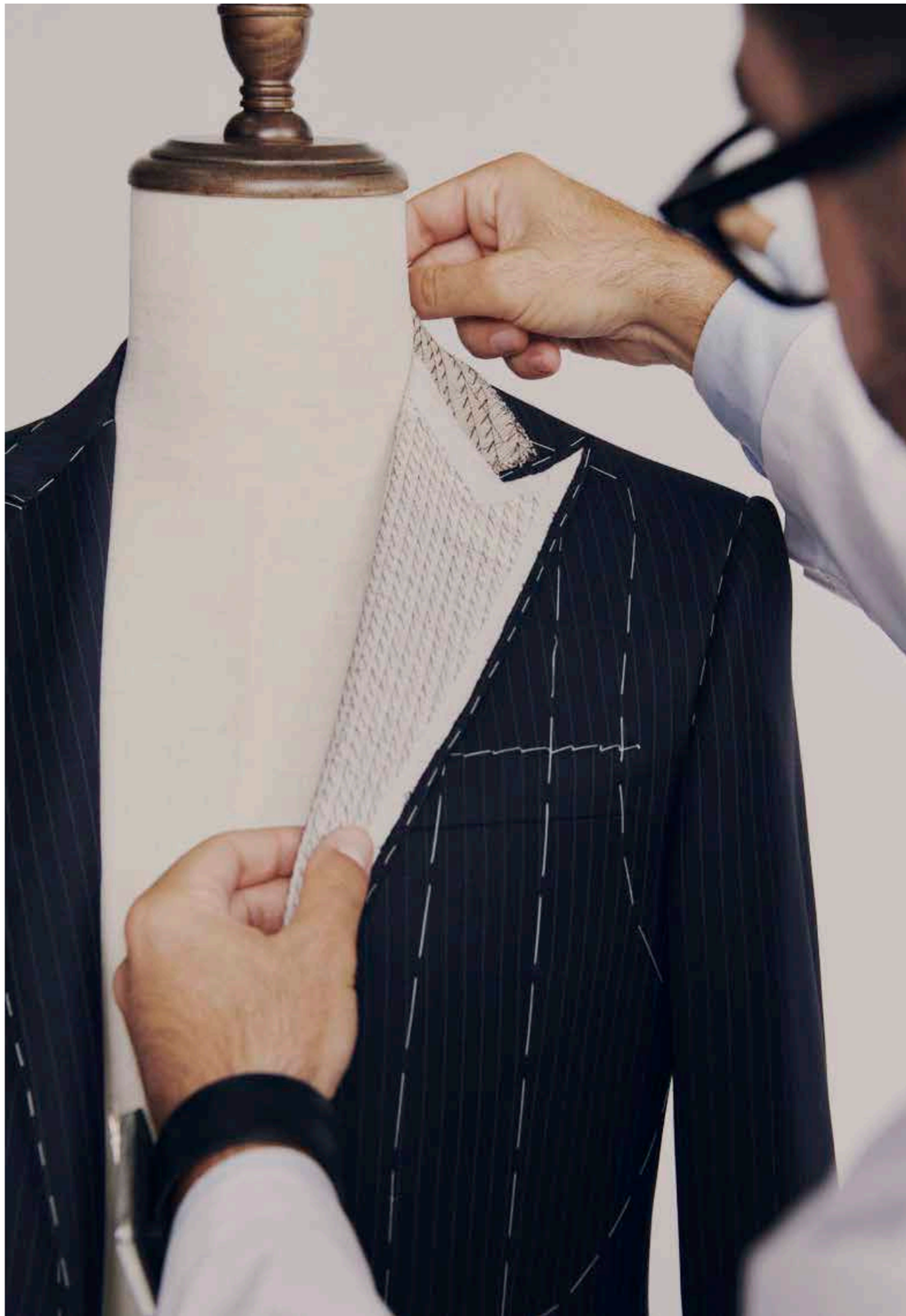
Furthermore, to support employees' families, the company grants an annual **contribution** of 250 euros **for children who successfully attend schools offering courses in textiles, fashion, style, and design**, covering enrollment and transportation expenses. This package of initiatives reflects Corneliani's commitment to creating a favourable working environment that is attentive to the needs of its employees[17].

[17] § Actual Positive Impact: Welfare.

CH. **04.2.5**

Corneliani is committed to creating favorable working conditions, with particular attention to achieving a **positive balance between professional and private life**. Since 2018, the company has introduced a **remote work policy** designed to meet the organizational and personal needs of employees, including vulnerable workers. In January 2023, this policy was updated through an agreement with the unions, expanding the possibility to work remotely up to 15 working days per month, depending on the role performed and the specific needs of each department. Furthermore, Corneliani promotes **initiatives supporting maternity**, offering new mothers the opportunity to convert their contract to part-time until the child's third year of life and to flexibly use vacation and leave days, even in derogation of the provisions of the Collective Bargaining Agreement[18].

In 2024, the total expenditure for employee benefits amounted to **€319,702**, divided between **welfare vouchers** as per the CCNL renewal (**€73,950**) and various other **benefits (€245,752)**, including the canteen service (€150,103)[19], meal vouchers (€41,979[20], the clothing allowance (€59,872) service[21] and the company car fleet at the disposal of managers and sales managers[22]. This expenditure corresponds to approximately **0.4% of the Corneliani Group's total turnover**, plus the **annual production bonus** based on achieving quality, absenteeism and EBITDA targets, as provided by the Company Supplementary Agreement to the National Collective Bargaining Agreement.



[18] § Actual Positive Impact: Work-life balance.

[19] The monetary valuation refers to the total value of the meals distributed during the year 2024 at Corneliani S.p.A's headquarters in Via Mario Panizza, 5 (MN).

[20] The monetary valuation refers to the total value of the meal vouchers distributed during the year 2024 to the employees of the shops, the Milan Showroom and the employees of Sogema S.r.l.

[21] The monetary valuation refers to the discount recognised against the sell-in value of the product.

[22] It was not possible to quantify in monetary terms, on an annual basis, the value of the fringe benefit related to company cars. It should be noted that Corneliani S.p.A. has 25 vehicles available for managers and commercial staff.

Community well-being

Corneliani is a company deeply rooted in the territory of Mantua since its founding in 1958.

The company has always recognized that the true value lies in the people who are part of it, considering them the beating heart of the organization. For this reason, it actively commits to **giving back value and support to the local community**, aware of the importance of maintaining and strengthening its ties with the territory[23].

In this regard, during 2024, Corneliani **sponsored local initiatives** such as the **"Festival della Letteratura di Mantova"** and the **"Mantova Scienza"** meeting series, in collaboration with **Alkémica Cooperativa Sociale Onlus**. While its support for the first initiative took the form of sponsoring an event during the festival days, the commitment to "Mantova Scienza", as a Golden Sponsor, allowed the company to sponsor five conferences on climate change and circular economy topics.

[23] § Actual Positive Impact: Local community and philanthropy.

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Furthermore, Corneliani participated in the **call for the creation of an integrated training supply chain in the fashion sector**, thus joining the national project promoted by the Ministry of Education and Merit. This project, launched in the 2024-2025 school year, aims to combat school dropout by offering experimental four-year technical and vocational education courses integrated with school-work alternation activities, apprenticeships, and programs for transversal skills and guidance (PCTO). Together with other local companies, Corneliani will support the "Bonomi Mazzolari" Institute by **providing company tutors and external teachers, contributing to the practical training of students** in production processes and garment manufacturing. This initiative, currently under development, **represents an important step toward building an integrated educational ecosystem oriented to the needs of Made in Italy and the labor market.**

Demonstrating a concrete commitment to the community, in 2024 Corneliani donated 25 garments from the CC Collection to the **MiLove project**. The garments were donated to the **Amici di Welcomed ONLUS Association**, which directly manages the MiLove campaign: a charitable boutique now in its thirteenth edition, serving as a reference point for solidarity in Milan. All proceeds from the sale of the garments, offered at special prices, are used to support the **Visita Sospesa®** project, which provides **free medical, psychological, and rehabilitation visits to children and families in need**. Thanks to the contribution of over 70 fashion brands, the initiative enabled the provision of **more than 12,000 free medical, psychological, and rehabilitation visits** in 2024.

The Group also confirms its commitment to **corporate social responsibility** through concrete initiatives aimed at promoting inclusion, sustainability, and solidarity. In 2023, the company joined the **Quid Project**, a type B social cooperative that since 2013 has offered **work opportunities to people with a history of vulnerability and violence**, producing clothing and accessories from leftover fabrics. In collaboration with Quid, **Corneliani provided excess fabrics for the production of 952 uniforms for production staff and washable garment bags**, thus helping to reduce waste and support a circular economy model. Continuing the tradition from the previous year, in December Corneliani purchased the **Solidarity Panettones from AISM, the Italian Multiple Sclerosis Association**, to gift to its employees at Christmas. Through this "solidarity gift" initiative, the company **supported the outstanding research projects** selected and funded by the **AISM Foundation** at the national level.

Aligned with its values of **inclusion and social responsibility**, the Group promotes the employment of people with disabilities. In 2024, **Corneliani S.p.A.** employed **16 people with disabilities, including 13 women**, representing a 33% increase compared to the previous year and accounting for **3.6%** of the total workforce. **Sogema S.r.l.** also employs **6 people with disabilities**, including 4 women, representing **3.1%** of the workforce, with a slight change compared to 2023.

Workers in the value chain

Corneliani is committed to establishing collaborative relationships with suppliers who share its values and ethical principles, aiming to build lasting partnerships based on mutual trust and transparency.

Supplier selection is conducted solely on the basis of **objective criteria of impartiality, fairness, and quality**, favoring partners who adopt **policies respectful of workers' rights, human rights, animal welfare, and environmental protection.**

All suppliers engaged with Corneliani are required to sign, in addition to the company's Code of Ethics, the **"Code of Conduct for Corneliani Group Suppliers,"** which outlines fundamental behavioral principles to be observed, extending these obligations to any subcontractors involved in the supply chain.

Among these principles, a strong **rejection of child labor exploitation** stands out[24], as well as the prohibition of any work that could jeopardize or interfere with children's education, health, and psycho-physical development. If Corneliani becomes aware, through reports or other sources, of instances of child labor exploitation within its supply chain, it commits to promptly inform the competent authorities to ensure appropriate and lawful intervention.

To prevent and combat such practices, Corneliani adopts a **proactive and collaborative approach with suppliers**, promoting ongoing dialogue aimed at improving working conditions and ensuring respect for human rights. In 2024, moreover, the operations and supply chain teams conducted several on-site visits to supplier premises.

Should any behavior be found to be non-compliant with the company's ethical standards, Corneliani takes action to urge the supplier to promptly correct the situation, always keeping in mind the primary interest of the children and the social and economic context in which they live. Only if no concrete progress is observed or repeated violations occur does Corneliani **consider taking legal action or terminating the commercial relationship**, thereby confirming its commitment to maintaining a **responsible supply chain that respects the rights of all workers**[25].

Another issue explicitly addressed in the Code of Conduct concerns the **economic treatment of workers** operating within the **company's value chain**. The company considers it essential that **wages paid by suppliers fully comply with the laws in force in the countries where they operate**, thus ensuring adequate compensation that allows workers to meet their basic needs. Likewise, **working hours must comply with national laws**, guaranteeing fair working conditions that respect employees' rights[26].

On the supply chain management front, Corneliani depends on the **punctuality** and **quality** of **raw materials, components, and outsourced services**, such as those provided by **subcontractors responsible for garment manufacturing**. Since direct operational control over all production phases is not always possible, **delays or non-compliance** may expose the company to financial risks[27]. To mitigate these risks, the company has implemented a rigorous **quality control procedure** on both raw materials and finished products, including the possibility of returns in case of non-compliance. Supplier selection is thorough and includes **regular monitoring, on-site visits, and inspections of prototypes and production runs**. Additionally, purchasing planning and efficient internal logistics help reduce the impact of any interruptions or delays in the production chain.

[24] In view of the variability of the definition of 'child', applied to countries with different laws and customs, Corneliani refers to the definition in Article 1 of the United Nations Convention on the Rights of the Child, which defines a child as 'any person under the age of 18 years unless, according to the law applicable to the child, majority is attained at a younger age'.

[25] § Risk: Child labor and forced labor.

[26] § Risk: Non-guaranteed minimum wage.

[27] § Risk: Relations with suppliers and façonists.

Customer and consumer relationship

Corneliani sells its products through distribution to third-party customers (**wholesale channel**), such as single-brand franchising shops, specialised multi-brand shops and through directly operated single-brand shops (**retail outlet channel**) and through points of sale inside department stores. In the latter case, sales take place mainly through **corners and shop-in-shops**, i.e. dedicated retail spaces. In addition, the company is also active in the **e-commerce channel**, further expanding its range of action and responding to the needs of an increasingly digital consumer.

Relations with customers, both end customers and wholesale, are a central element in the company's strategy. Corneliani adopts a strongly **consumer-oriented approach**, based on the conviction that every product, every action and decision must aim to satisfy a customer who is increasingly attentive to the **quality** and **excellence** of the production process. This orientation enables the brand to establish a **deep and lasting bond** with its public, going beyond mere sales to build a **valuable experience** that reflects the principles and expectations of those who choose Corneliani.

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The company encourages a direct and continuous dialogue with the end consumer through various communication channels, including customer service, the agency network, dedicated newsletters, customised offers, as well as social networks and the official website, which allow customers to fully explore the Corneliani world.

In addition, in 2024, **19 customers in the wholesale channel** were involved, through the sending of an ad hoc questionnaire, in the **stakeholder engagement** activity that led to the identification, validation and prioritisation of sustainability issues defined as material according to a dual perspective (impact materiality and financial materiality), in compliance with the requirements of EU Directive 2022/2464 (Corporate Sustainability Reporting Directive – CSRD)[28].

By interfacing with both customers (B2B) and consumers (B2C), a company has to **manage a large amount of sensitive data**, ranging from personal information of end users to commercial data of its customers. Failure to take adequate measures to protect and properly handle this information exposes the company to significant risks, such as **breaches of privacy laws, potential cyber-attacks and unauthorised access**[29]. Aware of the importance of protecting personal data, Corneliani voluntarily appointed its **Data Protection Officer (DPO)** in April 2022. By the end of the same year, the revision of the **company's Privacy Model** was completed, covering appointments, governance, procedures and security measures, aligning with industry best practices, recent indications from the Privacy Guarantor and current legislation. In addition, **all personnel** were adequately **trained and informed on the new initiatives and responsibilities related to data protection.**

[28] For more, see Chapter 2 – The material topics and impact of Corneliani - of this document.

[29] § Potential Negative Impact: Sensitive data processing.

Furthermore, the absence of a quality management system that complies with recognised standards (such as ISO 9001:2015) could lead to a risk of **operational inefficiencies, an increase in unmanaged complaints and customer dissatisfaction**[30]. In this regard, in order to minimise the potential negative externalities caused by the absence of these controls, Corneliani offers a **dedicated service to its customers**, attentive to listening and responding to their needs and requests throughout the purchasing process. The main support activities include:

Assistance during the purchase phase

providing detailed information on the products, including materials and garment care methods.

Support in managing online orders

and resolving any delivery issues.

Handling of returns and refunds

a key aspect of ensuring high quality after-sales service and protecting customer satisfaction. Although no standardised procedures are currently formalised, the process is managed with great care and flexibility.

After-sales service

which includes the management of repairs and refurbishment of garments, even many years after purchase.

In the event of a **complaint**, Corneliani conducts a **detailed analysis of the reported defects to assess their validity**. If actual anomalies are found, the company proceeds with **replacing the garment** or, alternatively, **reimbursing the amount paid**. For defective garments originating from non-EU countries, in addition to replacement, customers are offered the possibility of a **discount on subsequent orders**. Special attention is given to **made-to-measure products**: if defects cannot be resolved, the garment may be **reintegrated into the company's stock**, provided it does not have a level of customization that prevents its sale. **In such cases, the garment is generally donated**, thus helping to avoid waste and promote sustainable practices. It should also be emphasized that **returns due to complaints represent a minimal percentage of the total** and are mostly related to the natural wear of garments over time rather than to manufacturing defects. **During 2024, no significant complaints were recorded**, confirming the consistent quality of the products and the effectiveness of Corneliani's customer service.

[30] § Potential negative impact: Complaint management.

Governance Sphere

The company emphasizes conducting business according to ethical standards

05

The Corneliani Group is distinguished by a business model based on integrity, transparency and professionalism, fundamental principles that guide every strategic and operational choice.

The company considers stakeholders a fundamental resource for its development, adopting a responsible approach aimed at creating shared value in the short and long term.

For Corneliani, **solid and structured governance** is an indispensable element in ensuring sustainable growth.

In every market in which it operates, the company is committed to strict compliance with current regulations, ensuring that all activities are conducted in full compliance with the laws, regulations and ethical principles that inspire its actions.

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CH. **05.1**

Governance highlights 2024

Certifications

ISO 14001 (ENVIRONMENTAL MANAGEMENT SYSTEM) AND ISO 45001 (HEALTH AND SAFETY MANAGEMENT SYSTEM)

Code of Ethics

AND ZERO TOLERANCE POLICY TOWARD CORRUPTION AND DISCRIMINATION

MOG 231

AND

Whistleblowing mechanism

MORE THAN *300*

HOURS OF CYBERSECURITY TRAINING AND

MORE THAN *280*

HOURS OF COMPLIANCE TRAINING (DATA PRIVACY, MOG 231, CODE OF CONDUCT AND CODE OF ETHICS)

ESG mapping

OF CORNELIANI'S SUPPLY CHAIN (TIER 1)

Structured ESG governance

SUSTAINABILITY MANAGEMENT COMMITTEE, ESG CONTACT PERSON, AND ESG NETWORK INVOLVING VARIOUS BUSINESS FUNCTIONS TO INTEGRATE SUSTAINABILITY INTO DAILY OPERATIONS.

CH. **05.2**

Business conduct

Corneliani S.p.A., as the holding company of the Corneliani Group, adopts a **traditional governance model** consisting of:

- *Shareholders' Meeting*
- *Board of Directors*
- *Board of Statutory Auditors*

Each Group entity has its own Board of Directors (hereinafter also referred to as the "BoD" for short).

The Board of Directors of the holding company is composed of five members, expiring on the date of the shareholders' meeting called to approve the 2026 financial statements, including Chairman **Silvio Salini** and CEO **Giorgio Mario Brandazza**, joined by directors **Andrea Jayne Davis, Valeria Mangani and Paolo Montironi.**

The composition of the BoD was defined considering the perspectives of shareholders, promoting diversity-including gender representation-and enhancing strategic competencies in line with the challenges and opportunities of the sectors, products, and markets in which the company operates. Specifically, the holding company's BoD includes professionals with proven experience in business, product development, economics, law and sustainability, ensuring a balanced and multidisciplinary approach to governance.

In compliance with the provisions of Legislative Decree 231/01, the Company has appointed a **Supervisory Board**, establishing the office for three renewable fiscal years, with the limit for external members only being three terms, expiring on the date of the shareholders' meeting convened to approve the 2026 financial statements. Finally, the Company has appointed a **Data Protection Officer (DPO)**, who has been assigned the task of providing the necessary advice to design, verify and maintain an organized system of personal data management, assisting the Data Controller in adopting a system of measures and safeguards appropriate to the context in which it is called upon to operate.

To reinforce its commitment to sustainability, Corneliani S.p.A. has established a **structured ESG governance** framework, that is fully integrated into the company's strategy. The **Board of Directors** holds a pivotal role in defining strategic directions and setting medium- to long-term objectives, adopting an approach focused on the creation of sustainable value. In this regard, the Board of Directors has approved the **2023-2025 Sustainability Plan**, which is disclosed annually through the **Sustainability Report.**

In order to ensure effective management of ESG topics, the Board of Directors has established a dedicated sustainability governance model. This model is tasked with **proposing ESG strategies and objectives, overseeing ESG performance reporting, and fostering active engagement with stakeholders.**

To support these functions, the Chief Executive Officer, who chairs the Sustainability Management Committee, leverages this body to develop the Sustainability Plan, monitor progress towards ESG targets, and initiate the materiality assessment process, thereby ensuring continuous alignment between the Company and its stakeholders.

Complementing the ESG governance framework, Corneliani has appointed a Sustainability Contact Person responsible for coordinating the implementation of environmental, social, and governance initiatives. Additionally, an ESG network has been established, involving multiple business functions to embed sustainability into daily operations[1].

This structured commitment to sustainability not only embodies Corneliani's corporate values but also yields tangible competitive and reputational advantages. A clearly defined and transparent sustainability pathway enhances corporate reputation, attracts investors and talent, and fosters trust among customers and other stakeholders. Moreover, the integration of sustainability into business strategies and corporate culture drives financial benefits through increased operational efficiency, enhanced risk management, and access to new market opportunities[2].

Board Members – Corneliani Group (Holding Company)

	2022	2023	2024
Total BoD members	**5**	**5**	**5**
Of which women	2	2	2
Of which employees	1	1	1
< 30 years old	-	-	-
30-50 years old	-	-	-
> 50 years old	5	5	5

Board Members – Sogema S.r.l.

	2022	2023	2024
Total BoD members	**3**	**3**	**3**
Of which women	1	1	1
Of which employees	-	-	-
< 30 years old	-	-	-
30-50 years old	-	-	-
> 50 years old	3	3	3

Board Members – Corneliani USA Inc.

	2022	2023	2024
Total BoD members	**3**	**3**	**3**
Of which women	-	-	-
Of which employees	1	-	-
< 30 years old	-	-	-
30-50 years old	-	-	-
> 50 years old	3	3	3

[1] § Actual Positive Impact: ESG certifications and governance.

[2] § Opportunity: ESG reputational advantage.

Board Members – Corneliani SHANGHAI Co.			
	2022	**2023**	**2024**
Total BoD members	**3**	**3**	**3**
Of which women	-	-	-
Of which employees	1	1	-
< 30 years old	-	-	-
30-50 years old	-	-	1
> 50 years old	3	3	2

Board Members – Corneliani SUISSE S.a.g.l.			
	2022	**2023**	**2024**
Total BoD members	**1**	**1**	**2**
Of which women	-	-	1
Of which employees	-	-	-
< 30 years old	-	-	-
30-50 years old	-	-	-
> 50 years old	1	1	2

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Ethics & Compliance

Corneliani bases its operations on the principles of fairness, transparency and professionalism, fostering a work environment based on integrity, mutual respect and equal opportunities.

The company conducts its business in full compliance with applicable laws and regulations, expressly rejecting all forms of corruption, discrimination and exploitation, and actively engaging all stakeholders in sharing these values.

In order to safeguard legality and sound corporate governance, Corneliani S.p.A. has adopted the **Organization, Management and Control Model** pursuant to Legislative Decree no. 231/2001 (the "**MOG 231**"), appointed a Supervisory Board, and implemented a **whistleblowing system** that guarantees confidentiality and protection for whistleblowers.

The **Code of Ethics**, adopted by the Parent Company in 2022 and revised in 2023, constitutes a fundamental guide for the conduct of the Company and its collaborators. It defines the values and principles that inspire every decision and behavior, with the objective of ensuring responsible, transparent operations aimed at creating value for all stakeholders. The general principles contained therein are as follows:

Ethics, Transparency, Fairness, Professionalism

Corneliani bases its decisions on the utmost transparency, aiming to build trust and value for stakeholders, who are considered essential for the achievement of both short- and long-term objectives.

Integrity and Consistency

All members of the Company are required to conduct themselves in accordance with corporate values, contributing with loyalty, transparency, honesty, and compliance with the law. Corneliani is committed to respecting its commitments, promoting integrity, collaboration, trust, and mutual respect in order to safeguard and enhance the corporate climate and the Company's reputation.

Corporate Responsibility

Each employee must contribute to achieving results with a proactive attitude, careful planning, and continuous monitoring. Corneliani undertakes to operate as a responsible entity within local communities, engaging transparently and collaborating to foster territorial development, while valuing ongoing dialogue with stakeholders.

Legality and Honesty

Corneliani complies with all laws and regulations in every country in which it operates, basing its activities on applicable legislation as well as established principles and procedures. The Company prohibits unlawful acts and unethical conduct, ensuring that any disputes are managed with transparency, legality, and fairness.

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Environmental Protection

Corneliani pursues balanced and sustainable development by efficiently utilizing resources and complying with environmental laws and international guidelines. The Company is committed to reducing both direct and indirect environmental impacts, promoting responsible practices, and investing in management and monitoring systems.

Racism and Xenophobia

Corneliani firmly condemns all forms of racism and xenophobia, preventing any propaganda or incitement to hatred and promptly notifying the competent authorities of any such occurrences.

Ultimately, the Code of Ethics guides every decision and relationship with stakeholders by establishing clear rules to prevent situations of conflict of interest that could compromise the impartiality and transparency of the Company's activities. To reinforce this commitment, each year **the members of the Board of Directors** are required to sign a **declaration confirming the absence of conflicts of interest** and to promptly notify the relevant corporate bodies of any material situations, in accordance with Article 2391 of the Italian Civil Code. Concurrently, Corneliani adopts rigorous control protocols to ensure the integrity of transactions and commercial relationships, also aimed at mitigating instances of both public and private corruption[3].

In its ongoing commitment to safeguarding the health and safety of employees and in response to the increasing focus on sustainability, the Parent Company obtained **certification** of its **environmental management system** in 2023 in accordance with the international standard **UNI EN ISO 14001:2015**. Concurrently, it has implemented all necessary measures to ensure the **maintenance of the UNI EN ISO 45001:2018 certification**, thereby reaffirming its dedication to **upholding high standards of occupational health and safety**[4].

[3] § Risk: Corruption and conflict of interest.

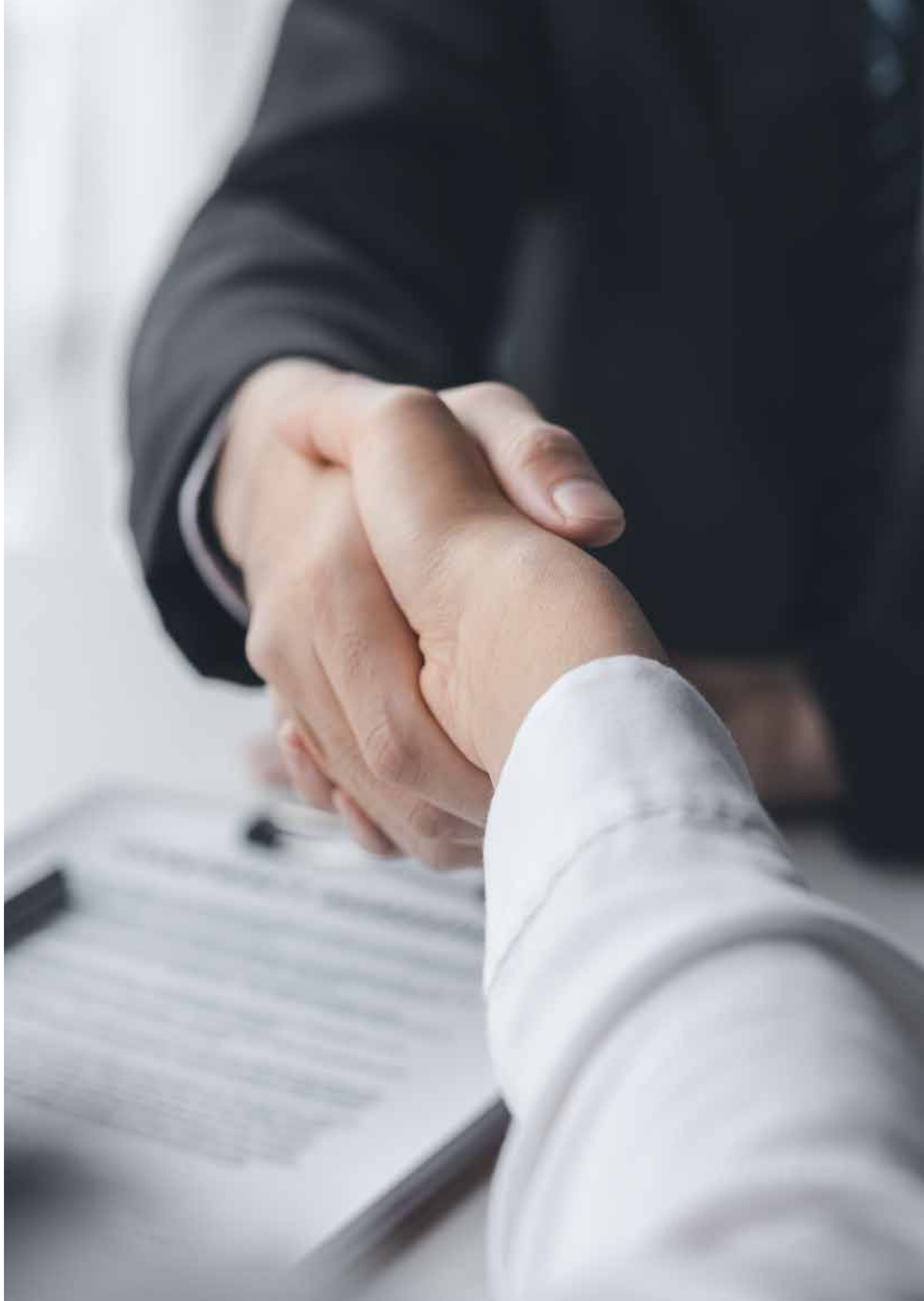
[4] § Actual Positive Impact: ESG certifications and governance.

CH. **05.4**

Supplier relationship management

Corneliani places significant emphasis on the management of its supply chain, implementing various measures to ensure operational continuity and safeguard its suppliers.

In compliance with the provisions of the Organization, Management and Control Model pursuant to Legislative Decree 231/2001, Corneliani S.p.A. has adopted an "**Ethical Supplier Agreement**", which incorporates the general codes of conduct set forth in the Company's Code of Ethics, together with a corresponding letter of commitment.



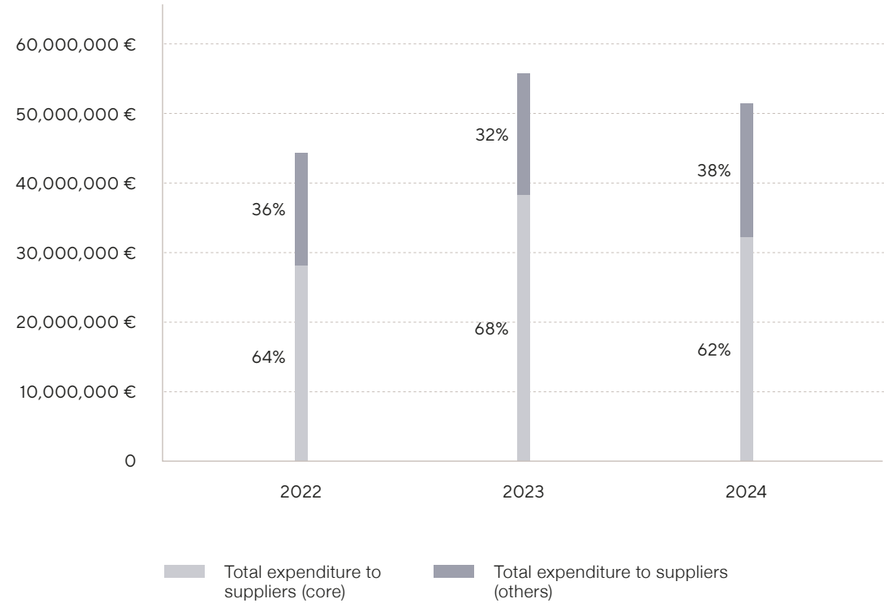
The Company closely monitors supplier performance through **on-site visits conducted both during the pre-contractual phase and throughout the execution of orders**, with expected performance criteria clearly specified in the supply contracts. Although there is no dedicated Audit department, internal personnel assigned to supplier oversight ensure that suppliers' organizational practices comply with the provisions set forth in the Ethical Supplier Agreement.

In 2024, Corneliani strengthened its commitment to sustainability by initiating a **structured stakeholder engagement process**, with particular focus on **direct suppliers** (Tier 1). Following an initial **selective engagement phase** in 2023, which involved **five strategic suppliers, and six key clients** selected based on economic significance and criticality to the production process, the Company **expanded the analysis in 2024 to approximately 120 suppliers across the main product categories** (fabrics, accessories, garments, façon and small components). The initiative **included the distribution of a questionnaire[5] divided into four thematic areas**: general information, environmental management (natural resources and emissions), social aspects (workers' rights, health and safety, inclusion), and governance (ethical strategies and ESG management systems)[6] .

Over the past three years, total expenditure towards suppliers has consistently reflected a predominance of the share allocated to "core" suppliers, who are involved in the aforementioned engagement activities, representing on average 65% of total spend. Concurrently, the portion allocated to other suppliers has remained between 32% and 38%.

Payment terms vary according to the supplier category, with an average of approximately 90 days for raw material suppliers and 68 days for commercialized products. There are no ongoing legal proceedings related to payment delays.

Total expenditure to suppliers



[5] The questionnaire was prepared following the guidelines of ISO 20400 - Sustainable Sourcing - and according to UNI/PdR 134:2022.

[6] § Potential Positive Impact: ESG Assessment of suppliers.

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CH. **05.5**

Research and Development

Innovation and research have always been strategic pillars for Corneliani, distinguishing the Company through its ability to combine creativity, craftsmanship, and contemporary vision.

Driven by a culture of exploration, the Company continuously invests in the experimentation of new fabrics, the development of advanced tailoring constructions, and the adoption of cutting-edge technologies.

This approach enables Corneliani to anticipate market trends, meet the demands of an increasingly discerning clientele, and proactively address challenges related to sustainability and the quality of the customer experience. Through collaboration with industry experts, designers, and esteemed partners, the **research and development activities** result in collections that embody a perfect balance between timeless elegance and contemporary functionality, thereby reinforcing the Company's position as a benchmark in the high-end menswear fashion sector.

During 2024, Corneliani celebrated the **twentieth anniversary** of its iconic **Identity Jacket** through a research and development project that led to the creation of an **exclusive fabric**, resulting from a collaboration with the Biella-based mill TG di Fabio. The new fabric, named **Cashcover**, represents an evolution of the traditional "cover" structure, reinterpreted in mouliné shades of grey, blue, and cachà, which enhance its three-dimensionality. The weave is enriched with combed cashmere, providing softness and luster, while the technical component is ensured by the integration of Primaloft®, a hollow thermal insulating fiber that improves thermal insulation performance by 30% compared to fabrics of equivalent weight. The inclusion of an ultrafine polyamide polymer in the weft adds elasticity, making the garment extremely comfortable and versatile, suitable both as a jacket and as outerwear. The project was carried out in collaboration with an external consultant, with the aim of combining sartorial elegance, technical innovation, and sustainability, in line with the founding values of the Corneliani brand.

In parallel with its commitment to research and product development, Corneliani devotes great attention to the protection and enhancement of its **brand identity**, a strategic element for the consolidation of its positioning in the luxury market. **The safeguarding of the brand portfolio and other intellectual property rights constitutes a critical asset for the Group**. Aligned with its strategic plan, Corneliani diligently manages, consolidates, and expands its rights in trademarks, designs, domain names, and copyrights, carefully assessing protection opportunities across the various jurisdictions in which it operates. he Company continuously monitors its intellectual property holdings and undertakes targeted enforcement actions against counterfeiting attempts or unauthorized registrations, including through proactive surveillance of major marketplaces, e-commerce platforms, and web domains. Furthermore, the negotiation and execution of contracts pertaining to intellectual property rights are meticulously managed to ensure adequate and up-to-date territorial coverage.

This comprehensive and integrated approach enables Corneliani to preserve the distinctiveness of its brand and protect the value it has cultivated over time through quality, authenticity, and innovation.

Cybersecurity

In today's global context, cybersecurity has become an indispensable priority for every organization, regardless of size or industry.

With the increasing digitization of operations and the growing interconnection of systems, cyber threats have multiplied and become more sophisticated, posing a tangible risk to business continuity, reputation, and financial stability.

A particularly significant aspect affecting all entities is cybersecurity itself, specifically **the risk of cyberattacks or data breaches**, which can result in financial losses averaging close to 5 million dollars[7], with a substantial economic impact on the affected companies[8].

[7] IBM (2024), "Cost of a Data Breach Report 2024" https://www.ibm.com/reports/data-breach

[8] § Risk: Data Breach.

The Company places strong emphasis on cybersecurity and has implemented various strategies over the years to reduce the likelihood of such incidents. In 2023, an outsourced **Security Operations Center** (SOC) was activated, serving as a critical asset for real-time monitoring of cyber threats given their rapid evolution. Concurrently, **public domain monitoring** was initiated using the continuous monitoring platform "Bitsight" to identify areas for improvement, implement corrective actions, and strengthen overall corporate security.

During 2024, the **Multi-Factor Authentication (MFA)** project for VPN access to the corporate infrastructure was completed, aiming to further elevate security standards. Additionally, **over 300 hours of cybersecurity training** were delivered via the KnowBe4 platform to all Parent Company employees with domain credentials, complemented by an in-person course specifically designed for frontline management. This session, conducted in collaboration with the Data Protection Officer (DPO), aimed to raise awareness within the Executive Committee about reputational, legal, and financial risks associated with potential adverse cyber events such as data breaches.

GRI Content Index

06

Appendix

Impacts, Risks and Opportunities

NEGATIVE ACTUAL IMPACTS					
			Magnitude		
Topic	**IRO Title**	**Contribute to the impact**	**Scale**	**Scope**	**Irrimediable caracter**
E1 - Climate Change Mitigation and Adaptation	Contribution to global GHG emissions	DIRECTLY CAUSED	4	2	3
E3 - Water consumption and withdrawal	Water consumption	DIRECTLY CAUSED	2	2	2
E5 - Waste	Waste production	DIRECTLY CAUSED	2	2	3
S1 - Health and safety	Work-related injuries	DIRECTLY CAUSED	2	2	1
G1 - Animal Welfare	Use of leather	CONTRIBUTED TO CAUSING	2	2	2

POSITIVE ACTUAL IMPACTS				
			Magnitude	
Topic	**IRO Title**	**Contribute to the impact**	**Scale**	**Scope**
E5 - Inflows of resources, including use of resources	Circular economy	DIRECTLY CAUSED	3	2
S1 - Safe employment	Safe and stable deployment	DIRECTLY CAUSED	3	3
S1 - Social dialogue, freedom of association, collective bargaining agreements and worker consultation/participation	Promotion of social dialogue and active employee participation	DIRECTLY CAUSED	2	2
S1 - Work-life balance	Work-life balance	DIRECTLY CAUSED	2	2
S1 - Corporate welfare	Welfare	DIRECTLY CAUSED	2	3
S1 - Gender equality and equal pay for work of equal value	Female employment	DIRECTLY CAUSED	2	2
S1 - Training and skills development	Training beyond the regulatory obligation	DIRECTLY CAUSED	3	2
S3 - Impacts related to community well-being	Local community and philanthropy	DIRECTLY CAUSED	2	2
G1 - Business Conduct	ESG certifications and governance	DIRECTLY CAUSED	2	2

NEGATIVE POTENTIAL IMPACTS

			Magnitude				
Topic	**IRO Title**	**Contribute to the impact**	**Scale**	**Scope**	**Irrimediable character**	**Likelihood**	**Time horizon**
E2 - Pollution (of air, water, soil, living organisms and food resources)	Superamento limiti emissioni	DIRECTLY CAUSED	2	2	3	1	MEDIUM PERIOD
E4 - Factors of direct impact on biodiversity loss such as climate change, land or water use change, exploitation, invasive alien species and pollution	Conversione habitat naturali	RELATED TO CORPORATE ACTIVITY	3	2	4	2	LONG PERIOD
S1 - Working hours	Ricorso a straordinari	DIRECTLY CAUSED	2	2	2	3	SHORT PERIOD
S1 - Health and safety	Rischio di sovraccarico biomeccanico legato alla mansione specifica	RELATED TO CORPORATE ACTIVITY	3	2	3	2	MEDIUM PERIOD
S1 - Measures against violence and harassment in the workplace	Episodi di discriminazione	DIRECTLY CAUSED	4	2	2	1	SHORT PERIOD
S4 - Confidentiality	Trattamento dati sensibili	CONTRIBUTED TO CAUSING	3	2	3	2	SHORT PERIOD
S4 - Responsible business practices	Gestione dei reclami	DIRECTLY CAUSED	2	2	3	2	SHORT PERIOD

POSITIVE POTENTIAL IMPACTS

			Magnitude			
Topic	**IRO Title**	**Contribute to the impact**	**Scale**	**Scope**	**Likelihood**	**Time horizon**
G1 - Management of relations with suppliers, including payment practices	ESG qualification of suppliers/supply chain mapping	DIRECTLY CAUSED	3	3	3	MEDIUM PERIOD

RISKS

Topic	**IRO Title**	**Contribute to the impact**	**Likelihood**	**Time horizon**
E1 - Climate Change Mitigation and Adaptation	Climate change	3	3	LONG PERIOD
E1 - Energy	Increased energy costs	2	4	MEDIUM PERIOD
E5 - Inflows of resources, including use of resources	Supply chain traceability	3	3	SHORT PERIOD
S1 - Safe employment	Difficulties in recruiting	4	3	MEDIUM PERIOD
S2 - Safe Employment	Relationship with suppliers and façonists	2	3	SHORT PERIOD
S2 - Adequate wages	Non-guaranteed minimum wage	4	1	SHORT PERIOD
S2 - Child and forced labour	Child labour and forced labour	4	1	SHORT PERIOD
G1 - Corruption: Incidents and Prevention and Detection, including Training	Corruption and conflicts of interest	4	1	SHORT PERIOD
G1 - Cybersecurity	Data breach	3	2	SHORT PERIOD

OPPORTUNITIES

Topic	**IRO Title**	**Contribute to the impact**	**Likelihood**	**Time horizon**
G1 - Business Conduct	Vantaggio reputazionale ESG	3	3	MEDIUM PERIOD

Key Performance Indicator (KPI)

Sfera Environment

ENERGY CONSUMPTION - CORNELIANI S.P.A.				
GRI 302-1	**UoM**	**2022**	**2023**	**2024**
Electricity	kWh	3,664,200.00	3,349,318.00	3,098,733.27
Of which drawn from the grid	kWh	3,664,200.00	3,349,318.00	3,098,733.27
Of which self-produced	kWh	-	-	-
Electricity	toe	685.21	626.32	579.46
Natural Gas	Sm^3	498,075.00	450,309.00	429,946.00
Natural Gas	toe	416.39	376.46	359.43
Diesel	l	26,694.00	45,239.87	47,298.08
Diesel	toe	22.91	38.83	40.60
Petrol	l	-	5,462.42	5,900.81
Petrol	toe	-	4.18	4.51
LPG	l	-	44.05	-
LPG	toe	-	0.03	-
Total consumption	**toe**	**1,124.51**	**1,045.82**	**984.01**

ENERGY CONSUMPTION SOGEMA S.R.L.				
GRI 302-1	**UoM**	**2022**	**2023**	**2024**
Electricity	kWh	432,998.00	486,061.00	492,056.00
Of which drawn from the grid	kWh	432,998.00	486,061.00	492,056.00
Ofwhich self-produced	kWh	-	-	-
Electricity	toe	80.97	90.89	92.01
Natural Gas	Sm^3	84,911.00	82,403.00	75,628.00
Natural Gas	toe	70.99	68.89	63.23
Total consumption	**toe**	**151.96**	**159.78**	**155.24**

ENERGY CONSUMPTION COMMERCIAL OFFICES (CORNELIANI SUISSE SAGL, CORNELIANI SHANGHAI COMMERCIAL CO. LTD)				
GRI 302-1	**UoM**	**2022**	**2023**	**2024**
Electricity	kWh	n.a.	59,348.90	59,922.60
Of which drawn from the grid	kWh	n.a.	59,348.90	59,922.60
Of which self-produced	kWh	-	-	-
Electricity	toe	n.a.	11.10	11.21
Total consumption	**toe**	**n.a.**	**11.10**	**11.21**

GREENHOUSE GAS EMISSIONS - CORNELIANI GROUP				
GRI 305-1,2	**UoM**	**2022**	**2023**	**2024**
Diesel	tCO_2e	1,165.73	1,072.32	1,019.30
Petrol	tCO_2e	71.63	121.19	125.20
LPG	tCO_2e	-	12.83	13.90
LPG	tCO_2e	-	0.07	-
AdBlue	tCO_2e	n.a.	n.a.	57.80
F-gas leaks	tCO_2e	157.74	551.90	
Total scope 1 emissions	**tCO_2e**	**1,237.36**	**1,364.15**	**1,768.10**
Electricity drawn from grid (location-based)	tCO_2e	1,127.80	1,085.31	966.40
Total scope 2 emissions	**tCO_2e**	**1,127.80**	**1,085.31**	**966.40**
Other indirect emissions (Scope 3)	**tCO_2e**	**n.a.**	**n.a.**	**10,477.00**

WATER CONSUMPTION - CORNELIANI S.P.A.				
GRI 303-3,5	**UoM**	**2022**	**2023**	**2024**
Total water consumption	**m^3**	**30,252.00**	**27,061.00**	**15,844.00**
Of which drawn from public water supply	m^3	17,380.00	16,425.00	13,541.00
Of which drawn from well	m^3	12,872.00	10,636.00	2,303.00

WATER CONSUMPTION - SOGEMA S.R.L.				
GRI 303-3,5	**UoM**	**2022**	**2023**	**2024**
Total water consumption	**m^3**	**2,057.00**	**1,956.00**	**1,955.00**
Of which drawn from public water supply	m^3	563.00	1,593.00	1,818.00
Of which drawn from well	m^3	1,494.00	363.00	137.00

WATER DISCHARGES - CORNELIANI S.P.A.				
GRI 303-4	**UoM**	**2022**	**2023**	**2024**
Water discharges	m^3	n.a.	1,084.00	1,022.00
Of which industrial wastewater	m^3	n.a.	1,084.00	1,022.00
Of which stormwater runoff	m^3	-	-	-

WATER DISCHARGES - SOGEMA S.R.L.				
GRI 303-4	**UoM**	**2022**	**2023**	**2024**
Water discharges	m^3	979.00	1,141.00	1,316.00
Of which industrial wastewater	m^3	979.00	1,141.00	1,316.00
Of which stormwater runoff	m^3	-	-	-

INPUT MATERIALS - CORNELIANI S.P.A.				
GRI 301-1,2	**UoM**	**2022**	**2023**	**2024**
Raw materials	**ton**	**341.52**	**369.37**	**302.60**
Of which plant-based fibers[1]	ton	89.09	101.34	71.06
Of which animal-based fibers[2]	ton	136.76	130.18	110.44
Of which man-made fibers[3]	ton	115.67	137.86	121.09
Materials for accessories and small parts[4]	**ton**	**11.75**	**21.57**	**2.19**
Support materials[5]	**ton**	**n.a.**	**n.a**	**34.18**
Purchased packaging (used for outgoing products)	**ton**	**49.20**	**60.00**	**54.00**
Of which paper	ton	37.00	44.00	41.20
Of which cardboard	ton	12.20	16.00	12.80

[1] The computation of plant fibers includes the following materials: cellulose, cotton and linen.

[2] The computation of animal fibers includes the following materials: alpaca, camel, cashmere, wool (virgin wool, mohair wool), leather (lamb, cow, goat), and silk.

[3] The computation of man-made fibers includes the following materials: cupro, elastane, rubber, lyocell, modal, polyamide, polyester, polystyrene, polypropylene, polyvinyl chloride, and viscose.

[4] The computation of materials for accessories and small parts includes the following materials: mother of pearl, metal, brass, zamak.

[5] The computation of supporting materials includes the following materials: synthetic and cotton press-liners, paper, hand-paper and cardboard, soap, garbage bags, stretch film.

WASTE - CORNELIANI S.P.A.				
GRI 306-3,4,5,6	**UoM**	**2022**	**2023**	**2024**
Waste produced	**ton**	**42.89**	**106.48**	**71.00**
Of which hazardous	ton	5.07	1.65	5.10
Of which non-hazardous	ton	37.82	104.83	65.89
Of which sent for reuse	ton	-	-	-
Of which sent for recovery	ton	38.73	105.28	66.20
Of which sent for disposal	ton	4.16	1.20	4.80

WASTE - SOGEMA S.R.L.				
GRI 306-3,4,5,6	**UoM**	**2022**	**2023**	**2024**
Waste produced	**ton**	**30.67**	**27.35**	**31.53**
Of which hazardous	ton	-	-	0.03
Of which non-hazardous	ton	30.67	27.35	31.50
Of which sent for reuse	ton	-	-	-
Of which sent for recovery	ton	25.99	23.03	27.57
Of which sent for disposal	ton	4.68	4.32	3.96

Social Sphere

WORK STAFF - CORNELIANI S.P.A.				
GRI 401-1	**UoM**	**2022**	**2023**	**2024**
Number of employees	**-**	**397**	**432**	**438**
Number of hires	-	45	79	48
Number of exits	-	48	44	42
Overall turnover rate	%	23%	28%	21%
Number of hires under 30	-	11	31	20
Number of exits under 30	-	3	12	12

WORK STAFF - SOGEMA S.R.L.				
GRI 401-1	**UoM**	**2022**	**2023**	**2024**
Number of employees	**-**	**172**	**199**	**192**
Number of hires	-	42	67	16
Number of exits	-	15	40	23
Overall turnover rate	%	33%	54%	20%
Number of hires under 30	-	8	18	3
Number of exits under 30	-	6	18	4

WORK STAFF - CORNELIANI SUISSE SAGL				
GRI 401-1	**UoM**	**2022**	**2023**	**2024**
Number of employees	**-**	**9**	**10**	**10**
Number of hires	-	4	4	1
Number of exits	-	0	3	1
Overall turnover rate	%	44%	70%	20%
Number of hires under 30	-	0	1	2
Number of exits under 30	-	0	0	0

WORK STAFF - CORNELIANI SHANGHAI COMMERCIAL CO. LTD				
GRI 401-1	**UoM**	**2022**	**2023**	**2024**
Number of employees	**-**	**3**	**3**	**10**
Number of hires	-	0	1	7
Number of exits	-	0	1	0
Overall turnover rate	%	0%	67%	70%
Number of hires under 30	-	0	0	1
Number of exits under 30	-	0	0	0

WORK STAFF - CORNELIANI USA INC. CO.				
GRI 401-1	**UoM**	**2022**	**2023**	**2024**
Number of employees	**-**	**2**	**2**	**2**
Number of hires	-	1	1	0
Number of exits	-	1	0	0
Overall turnover rate	%	200%	50%	0%
Number of hires under 30	-	0	0	0
Number of exits under 30	-	0	0	0

CONTRACTS - CORNELIANI S.P.A.				
GRI 2-7	**UoM**	**2022**	**2023**	**2024**
Open-ended	-	**386**	**418**	**428**
Of which women	-	287	316	321
Fixed-term	-	**11**	**13**	**8**
Of which women	-	3	8	3
On call/hourly	-	**0**	**1**	**2**
Of which women	-	0	0	1
Full-time	-	**322**	**359**	**367**
Of which women	-	218	255	261
Part-time	-	**75**	**73**	**71**
Of which women	-	72	69	64

CONTRACTS - SOGEMA S.R.L.				
GRI 2-7	**UoM**	**2022**	**2023**	**2024**
Open-ended	-	**165**	**195**	**190**
Of which women	-	135	152	150
Fixed-term	-	**7**	**4**	**2**
Of which women	-	5	3	2
On call/hourly	-	**0**	**0**	**0**
Of which women	-	0	0	0
Full-time	-	**157**	**183**	**180**
Of which women	-	130	143	143
Part-time	-	**15**	**16**	**12**
Of which women	-	10	12	9

CONTRACTS - CORNELIANI SHANGHAI COMMERCIAL CO. LTD				
GRI 2-7	**UoM**	**2022**	**2023**	**2024**
Open-ended	-	**9**	**10**	**10**
Of which women	-	6	6	6
Fixed-term	-	**0**	**0**	**0**
Of which women	-	0	0	0
On call/hourly	-	**0**	**0**	**0**
Of which women	-	0	0	0
Full-time	-	**6**	**3**	**4**
Of which women	-	4	1	1
Part-time	-	**3**	**7**	**6**
Of which women	-	2	5	5

CONTRACT - CORNELIANI USA INC. CO.				
GRI 2-7	**UoM**	**2022**	**2023**	**2024**
Open-ended	-	**1**	**2**	**2**
Of which women	-	1	2	2
Fixed-term	-	**0**	**0**	**0**
Of which women	-	0	0	0
On call/hourly	-	**0**	**0**	**0**
Of which women	-	0	0	0
Full-time	-	**1**	**2**	**2**
Of which women	-	1	2	2
Part-time	-	**0**	**0**	**0**
Of which women	-	0	0	0

LABOR FORCE CLASSIFICATION - CORNELIANI S.P.A				
GRI 401-1 | GRI 2-7	**UoM**	**2022**	**2023**	**2024**
By age group				
Employees < 30 years	-	28	41	41
Employees between 30 and 50 years old	-	204	206	206
Employees > 50 years old	-	166	187	191
By gender				
Women	-	108	108	113
Men	-	290	326	325
By job classification				
Top manager	-	7	7	7
Manager	-	39	44	24
White collar employees	-	145	156	192
Blue collar employees	-	206	225	215

LABOR FORCE CLASSIFICATION - SOGEMA S.R.L.				
GRI 401-1 | GRI 2-7	**UoM**	**2022**	**2023**	**2024**
By age group				
Employees < 30 years	-	16	25	20
Employees between 30 and 50 years old	-	89	102	94
Employees > 50 years old	-	67	72	78
By gender				
Women	-	32	44	40
Men	-	140	155	152
By job classification				
Top manager	-	1	0	1
Manager	-	11	15	14
White collar employees	-	2	2	2
Blue collar employees	-	158	182	175

LABOR FORCE CLASSIFICATION - CORNELIANI SUISSE SAGL				
GRI 401-1 | GRI 2-7	**UoM**	**2022**	**2023**	**2024**
By age group				
Employees < 30 years	-	0	1	2
Employees between 30 and 50 years old	-	9	7	7
Employees > 50 years old	-	0	2	1
By gender				
Women	-	3	4	4
Men	-	6	6	6
By job classification				
Top manager	-	0	0	0
Manager	-	0	0	0
White collar employees	-	9	10	10
Blue collar employees	-	0	0	0

LABOR FORCE CLASSIFICATION - CORNELIANI SHANGHAI COMMERCIAL CO. LTD				
GRI 401-1 | GRI 2-7	**UoM**	**2022**	**2023**	**2024**
By age group				
Employees < 30 years	-	1	1	1
Employees between 30 and 50 years old	-	1	2	8
Employees > 50 years old	-	1	0	1
By gender				
Women	-	2	2	2
Men	-	1	1	8
By job classification				
Top manager	-	1	1	1
Manager	-	0	0	4
White collar employees	-	2	2	5
Blue collar employees	-	0	0	0

LABOR FORCE CLASSIFICATION - CORNELIANI USA INC. CO.				
GRI 401-1 | GRI 2-7	**UoM**	**2022**	**2023**	**2024**
By age group				
Employees < 30 years	-	0	0	0
Employees between 30 and 50 years old	-	1	1	1
Employees > 50 years old	-	0	1	1
By gender				
Women	-	0	0	0
Men	-	1	2	2
By job classification				
Top manager	-	1	1	1
Manager	-	0	0	0
White collar employees	-	0	1	1
Blue collar employees	-	0	0	0

WORK-RELATED INJURIES - CORNELIANI S.P.A.				
GRI 403-9	**UoM**	**2022**	**2023**	**2024**
Hours worked	Hours	553,413	656,920	637,722
Number of work-related injuries	-	0	2	1
Number of commuting accidents	-	0	0	0
Days of injury	Days	0	37	11
Frequency index	**-**	**0.00**	**3.04**	**1.57**
Severity index	**-**	**0.00**	**0.06**	**0.02**
Serious injury rate	**-**	**0.00**	**0.00**	**0.00**

TRAINING - CORNELIANI S.P.A.				
GRI 404-1,2,3	**UoM**	**2022**	**2023**	**2024**
Total training hours	**Hours**	**19,324**	**33,186**	**35,370**
Hours per employee	Hours/emp	48.7	76.8	80.8
By topic				
Job-specific	Hours	17,731	31,819	32,965
Soft skills (Capo Sezioni)	Hours	-	33	385
Health and Safety (mandatory)	Hours	1,435	616	1,170
Health and Safety (optional)	Hours	-	36	80
Cybersecurity	Hours	43	565	318
Compliance (Data privacy, MOG 231, Code of Conduct)	Hours	115	102	288
Diversity + Sustainability	Hours	-	15	164
By level				
Top manager	Hours	7	84	189
Manager	Hours	90	398	235
White collar employees	Hours	520	1,549	1,224
Blue collar employees	Hours	18,707	31,155	33,722

TRAINING - SOGEMA S.R.L.				
GRI 404-1,2,3	**UoM**	**2022**	**2023**	**2024**
Total training hours	**Hours**	**10,324**	**12,512**	**8,008**
Hours per employee	Hours/emp	60.0	62.9	41.7
By topic				
Job-specific	Hours	4,430	5,360	1,800
Health and Safety (mandatory)	Hours	5,984	7,152	6,208
By level				
Top manager	Hours	-	-	-
Manager	Hours	-	-	-
White collar employees	Hours	1,736	3,431	1,553
Blue collar employees	Hours	8,588	9,081	6,455

WELFARE & BENEFIT- CORNELIANI S.P.A				
GRI 401-2	**UoM**	**2022**	**2023**	**2024**
Welfare	€	n.d	n.d	73,950 €
Benefit	€	n.d	n.d	251,954 €

INTERNSHIPS				
	UoM	**2022**	**2023**	**2024**
Number of curricular internships	-	1	2	1
Number of extra-curricular internships	-	0	9	6
ASC/PCTO projects	-	0	1	1
Total internships	**-**	**1**	**12**	**8**
Number of trainees hired	-	0	9	6

Governance Sphere

BOARD MEMBERS - CORNELIANI S.P.A.				
GRI 2-9	**UoM**	**2022**	**2023**	**2024**
Total	**-**	**5**	**5**	**5**
Of which women	-	2	2	2
Of which employees	-	1	1	1
< 30 years old	-	0	0	0
30 - 50 years old	-	0	0	0
> 50 years old	-	5	5	5

BOARD MEMBERS - SOGEMA S.R.L				
GRI 2-9	**UoM**	**2022**	**2023**	**2024**
Total	**-**	**3**	**3**	**3**
Of which women	-	1	1	1
Of which employees	-	0	0	0
< 30 years old	-	0	0	0
30 - 50 years old	-	0	0	0
> 50 years old	-	3	3	3

BOARD MEMBERS – CORNELIANI SUISSE SAGL				
GRI 2-9	**UoM**	**2022**	**2023**	**2024**
Total	**-**	**1**	**1**	**2**
Of which women	-	0	0	1
Of which employees	-	0	0	0
< 30 years old	-	0	0	0
30 - 50 years old	-	0	0	0
> 50 years old	-	1	1	2

BOARD MEMBERS - CORNELIANI SHANGHAI Co.				
GRI 2-9	**UoM**	**2022**	**2023**	**2024**
Total	**-**	**3**	**3**	**3**
Of which women	-	0	0	0
Of which employees	-	1	1	0
< 30 years old	-	0	0	0
30 - 50 years old	-	0	0	1
> 50 years old	-	3	3	2

BOARD MEMBERS - CORNELIANI USA Inc.				
GRI 2-9	**UoM**	**2022**	**2023**	**2024**
Total	**-**	**3**	**3**	**3**
Of which women	-	0	0	0
Of which employees	-	1	0	0
< 30 years old	-	0	0	0
30 - 50 years old	-	0	0	0
> 50 years old	-	3	3	3

SUPPLIER				
GRI 204-1	**UoM**	**2022**	**2023**	**2024**
Total spending vs. suppliers (core)	€	28,070,550	37,730,420	31,997,245
Total spending vs. suppliers (others)	€	15,755,733	18,055,186	19,451,690

ANTICORRUPTION				
GRI 205-1	**UoM**	**2022**	**2023**	**2024**
Tot. transactions assessed for corruption-related risks	-	0	0	0
Tot. transactions	-	0	0	0

ANTICOMPETITIVE BEHAVIOR				
GRI 205-1	**UoM**	**2022**	**2023**	**2024**
Ongoing or completed legal actions	-	0	0	0
Results of legal actions	-	0	0	0

PRIVACY				
GRI 205-1	**UoM**	**2022**	**2023**	**2024**
Complaints for violation of customer privacy	-	0	0	0
Complaints received from external parties	-	0	0	0
Complaints received from regulatory agencies	-	0	0	0
Number of data losses	-	0	0	0

EU Taxonomy

Share of turnover derived from products or services associated with economic activities Taxonomy-aligned – 2024 disclosure

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities	**Code**	**Turnover**	**Proportion of Turnover 2024**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity and ecosystems**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Minimum Safeguards**	**Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2023**	**Category (enabling activity)**	**"Category (transitional activity)"**
		k€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy aligned) (A.1)		**-**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**-**	**0%**														**0%**		
Turnover of Taxonomy-eligible activities (A.1+A.2)		**-**	**0%**														**0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**74,774.00**	**100%**																
Total (A+B)		**74,774.00**	**100%**																

Share of capital expenditure from products or services associated with economic Taxonomy-aligned activities – 2024 disclosure

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')								
Economic Activities	**Code**	**Absolute CapEx**	**Proportion of CapEx 2024**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity and ecosystems**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Minimum Safeguards**	**Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year 2023**	**Category (enabling activity)**	**Category (transitional activity)**
		€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			**1%**																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficiency equipment (CapEx A)	CCM 7.3	23,347.00	1%	1%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y		E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**23,347.00**	**1%**	**1%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0%**		
Of which enabling		23,374.00	1%	1%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		0.00															0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.00**	**0%**														0%		
CapEx of Taxonomy-eligible activities (A.1+A.2)		**23,347.00**	**1%**														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		**1,.885,626.00**	**99%**																
Total (A+B)		**1,908,973.00**	**100%**																

Share of Capex/Total Capex		
	Taxonomy-aligned by objective	**Taxonomy-eligible by objective**
CCM	1%	1%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Share of operating expenses arising from products or services associated with economic Taxonomy-aligned activities – 2024 disclosure

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities	**Code**	**Absolute OpEx 2024**	**Proportion of OpEx**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity and ecosystems**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Minimum Safeguards**	**Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx, year 2023**	**Category (enabling activity)**	**Category (transitional activity)**
		k€	%	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
Of which enabling		-	**0%**														0%	E	
Of which transitional		-	**0%**														0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**-**	**0%**														0%		
OpEx of Taxonomy-eligible activities (A.1+A.2)		**-**	**0%**														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**27,491.00**	**100%**																
Total (A+B)		**27,491.00**	**100%**																

GRI Content Index

Declaration of use	Corneliani Group has reported the information mentioned in this GRI content index for the period between 01/01/2024 and 12/31/2024 following the *"with reference to"* option of the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI 2: General Disclosure 2021	2-1 Organisational Details	Who we are
	2-2 Entities included in the organisation's sustainability reporting	Methodological note
	2-3 Reporting Period, Frequency and point of contact	Methodological note
	2-4 Review of Information	All revisions are indicated in the text
	2-6 Activities, Value Chain and Others business relationships	Who we are
	2-7 Employees	Social - Own workforce
	2-9 Structure and Composition of the governance	Governance – Business Conduct
	2-10 Appointment and selection of the highest governing body	Governance – Business Conduct
	2-11 President of the highest organ of governing body	Governance – Business Conduct
	2-12 Role of the highest governing body in the control of impact management	Governance – Business Conduct
	2-13 Delegation of Responsibility for the management of impacts	Governance – Business Conduct
	2-22 Statement on the sustainable development	Sustainability strategy
	2-25 Processes to remedy impacts negative impacts	In the text, under each impact (identified with §)
	2-26 Meccanismi per richiedere chiarimenti	Sfera Governance - Etica e Compliance
	2-27 Compliance with laws and regulations	Governance – Ethics and Compliance
	2-28 Membership in associations	Social - Community Wellbeing
	2-29 Approach to the involvement of stakeholders	Material topics and impacts of Corneliani – Stakeholder engagement

GRI 3: Material Topics 2021	3-1 Process for determining material topics	Material topics and impacts of Corneliani
	3-2 List of material topics	Material topics and impacts of Corneliani
	3-3 Managing material topics	Material topics and impacts of Corneliani. References to the management of material topics in each thematic chapter.
GRI 101: Biodiversity 2024	101-2 Management of biodiversity-related impacts.	Environment - Biodiversity and ecosystems - Land degradation and biodiversity loss.
	101-4 Identification of biodiversity-related impacts.	Environment - Biodiversity and ecosystems - Land degradation and biodiversity loss.
GRI 201: Economic performance 2016	201-2 Financial implications and other risks and opportunities resulting from climate change	Environment - Climate Change Mitigation and Adaptation.
GRI 204: Procurement Practices 2016	204-1 Proportion of expenditure made to local suppliers	Governance - Supplier Relationship Management
GRI 301: Materials 2016	301-1 Materials used by weight and volume	Environment - Resource use and circular economy
	301-2 Recycled input materials used	Environment - Resource use and circular economy
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Environment - Climate Change - Energy
	302-3 Energy intensity	Environment - Climate Change - Energy

GRI 303: Water and effluents 2018	303-2 Management of water discharge impacts	Environment – Water resources
	303-3 Water withdrawal	Environment – Water resources
	303-4 Water drainage	Environment – Water resources
	303-5 Water consumption	Environment – Water resources
GRI 305: Emissions 2016	305-1 Direct greenhouse gas (GHG) emissions (Scope 1)	Environment - Climate change mitigation and adaptation
	305-2 Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	Environment - Climate change mitigation and adaptation
	305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3)	Environment - Climate change mitigation and adaptation (with reference to F.Y. 2024)
	305-4 Intensity of greenhouse gas (GHG) emissions.	Environment - Climate change mitigation and adaptation
GRI 306: Waste 2020	306-1 Waste generation and impacts significant waste-related impacts	Environment - Waste
	306-2 Managing significant impacts related to waste	Environment - Waste
	306-3 Waste generated	Environment - Waste
	306-4 Waste not landfilled	Environment - Waste
	306-5 Waste sent to landfills	Environment - Waste
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and measures taken	Social - Workers in the value chain

GRI 401: Employment 2016	401-1 Recruitment of new employees and turnover of employees	Social - Own workforce - Distribution of resources
	401-2 Benefits for full-time employees that are not available to fixed term or part-time employees	Social - Own Workforce - Corporate Wellness
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Social - Own workforce - Health and safety
	403-2 Risk identification, risk assessment and accident investigation	Social - Own workforce - Health and safety
	403-3 Occupational health services	Social - Own workforce - Health and safety
	403-4 Participation and consultation of workers on occupational health and safety programmes and their communication	Social - Own workforce - Health and safety
	403-5 Worker training on the health and safety at work	Social - Own workforce - Health and safety; Social – Own workforce – Training and skills develpoment
	403-6 Workers' Health Promotion	Social - Own workforce - Health and safety
	403-8 Workers covered by an occupational health and safety management system	Social - Own workforce - Health and safety
	403-9 Work-related injuries	Social - Own workforce - Health and safety
GRI 404: Training and Education 2016	404-1 Average number of training hours per year per employee	Social - Own Workforce - Training and skills development
	404-3 Percentage of employees who receive periodic evaluations of their performance and professional development	Social - Own Workforce - Training and skills development
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity in governance bodies and among employees	Social - Own workforce - Distribution of employees
	405-2 Ratio of basic wages to women's wages in relation to men	Social - Own workforce - Distribution of employees
GRI 408: Child labour 2016	408-1 Activities and suppliers presenting a significant risk of child labour incidents	Governance - Management of relations with suppliers
GRI 409: Forced or compulsory labor 2016	409-1 Activities and suppliers presenting a significant risk of incidents of forced or compulsory labour	Social - Workers in the value chain
GRI 413: Local Communities 2016	413-1 Operations with local community involvement, impact assessments and development programmes	Social - Community wellbeing
	413-2 Operations with significant actual and potential impacts on local communities	Social - Community wellbeing
GRI 418: Customer privacy 2016	418-1 Founded complaints regarding breaches of customer privacy and loss of customer data	Social - Relationship with customers and consumers

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