

# Gruppo Diadora

# Sustainability Report

EN

2023





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# The Diadora Group

# 1.1 Letter from the President

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GRI 2-22

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Dear readers,

in 2023, our Group recorded another year of growth as regards its economic performance and, as we will set forth in this third edition of the sustainability report, in our social and environmental performance also.

This year we have faced a context affected by persistent geopolitical and macroeconomic instability and climate change, which manifested through increasingly extreme and devastating weather events that have hit our communities locally and globally.

Maintaining our growth has been a substantial challenge and it is thanks to the commitment and professionalism of all the people who work at Diadora that we have succeeded. In this context, and in keeping with our company values, our priority has been focused on our people and on helping to foster physical and mental well-being, so that our communities may grow healthy and prosperous and have a wealth of opportunities to express their talents.

Our “Life at Diadora” program, which was launched this year, demonstrates this commitment. Through this program, we have transformed the work place into a tool of well-being by organising sports and social events for our employees and improving the menu in our canteen following an awareness-raising campaign on the impacts that food has on the environment and health.

Sustainability is the most important marathon that we are undertaking. That is why measuring our results is of strategic importance and lays the foundation for continuous improvement, which every athlete strives for.

In the coming pages, you will discover how we have made Diadora even more environmentally conscious in 2023, increasing our supplier audits and keeping our direct emissions low, also thanks to our ongoing efforts to reduce the environmental impact of our sites, with the expansion of our photovoltaic system and energy efficiency interventions.

Thus, we will continue to carry out our research and development work and create innovative products in keeping with the principles of responsibility and transparency, while taking care of our communities and our environment.

This edition of the Sustainability Report also covers the entire Diadora Group, with the aim of maximising transparency and the opportunities we can seize from a comprehensive analysis of our sustainability profile.

Our sporting spirit drives us to courageously face the challenge of building the future we aspire to. A sustainable and inclusive future based on a virtuous business model and governance that respects the social, economic and environmental dimensions of the contexts in which we work.

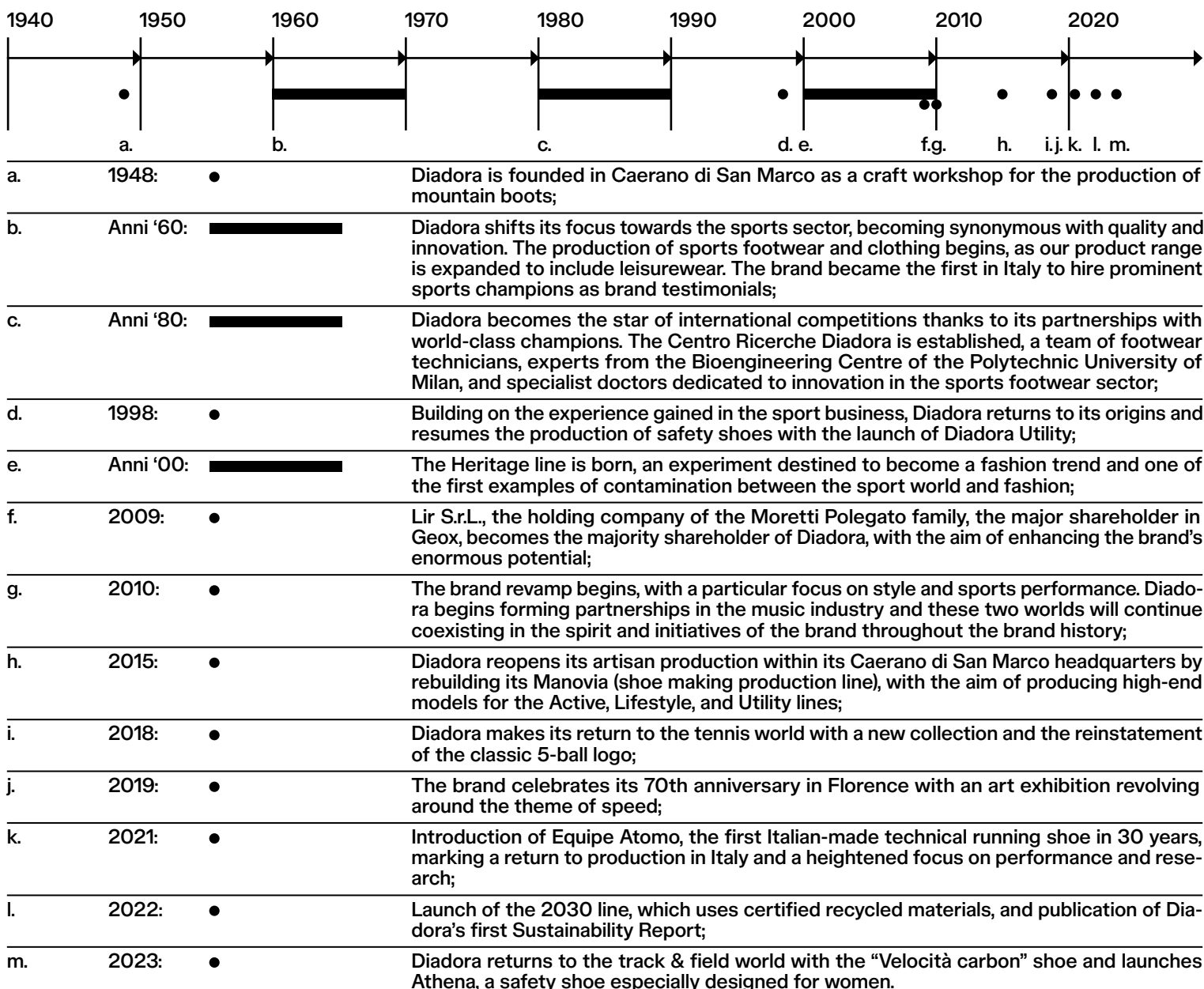
The President,  
Enrico Moretti Polegato

## 1.2 Our History

Diadora was founded in Caerano di San Marco, in the heart of the sports footwear district, in the province of Treviso, in 1948.

While in the beginning the company was focused on the production of handmade mountain boots crafted from high-quality materials, we quickly gained a reputation for excellence thanks to our innovative patented technologies and collaborations with world-class athletes. The visibility we achieved and the expansion of our manufacturing allowed our brand to spread worldwide. Today, we are one of the leading global sports brands, with a presence in over 60 countries.

We design, manufacture and sell sports footwear and clothing under the Diadora brand (running, tennis, football and lifestyle shoes), as well as safety equipment under the "Utility" brand.



## 1.3 Business model and structure of the Group

GRI 2-1; 2-9; 2-11; 2-12; 2-13; 2-14; 2-17

Diadora is one of the most important Italian sports brands and can count on a wide distribution network. Our core business is centred on creative design, product research and development (R&D) within the Centro Ricerche Diadora (CRD), and footwear and clothing production and sales coordination, in the B2B and B2C channels. We design, produce, and distribute clothing and footwear for sports such as running, tennis, and football, as well as our lifestyle line and iconic footwear models under the Diadora Heritage brand and work shoes under the Diadora Utility brand.

In 2023, together with our suppliers, we produced 5,307,168 pieces of footwear, clothing, and accessories.

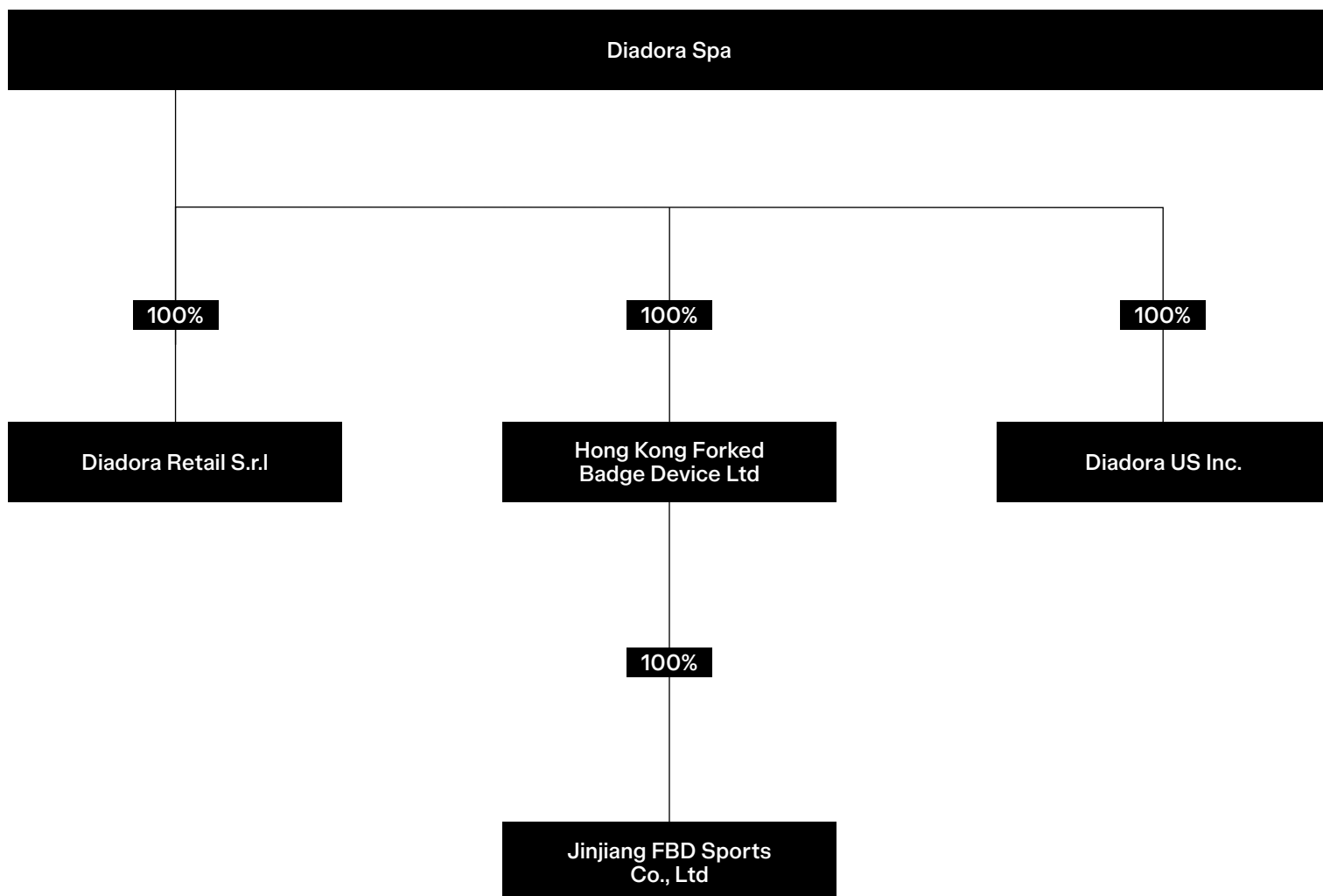
Product innovation is central to our way of doing business and involves various departments. Our team at the Centro Ricerche Diadora (CRD) identifies and develops innovative solutions, the Design and Development team integrates these solutions into our products, and the Sports Marketing team gets athletes involved in testing and refining the products. Afterwards, our Operations team transforms prototypes into large-scale products, leveraging the expertise of our in-house factory and our connections with a network of suppliers, and then distributes them to retail stores. The innovations and products we create and develop in collaboration with professional athletes in the Montebelluna District, our "Run Valley", as articulated in our vision, are then made available to sports enthusiasts of every discipline, at every level, and in every place.

For more details, please see the "Product" section of this Report.

Our Group is comprised of the parent company Diadora S.p.A., a company incorporated under Italian law on 4 June 2009 and wholly owned by LIR S.r.l., and by:

- the retail subsidiary Diadora Retail S.r.l., which sells to the end customer through 9 proprietary sales stores;
- the US trading subsidiary Diadora US Inc., incorporated under US law and wholly-owned by Diadora S.p.A., incorporated with a view to developing Diadora in the United States;
- The Hong Kong holding company Forked Badge Device Ltd, which in turn wholly controls the Chinese-registered company Jinjiang FBD Sports Co., which is involved in supply chain services;
- In 2023 the Shanghai branch has been deregistered as part of an efficiency-driven reorganization of the group. The branch was serving a wholesale client and providing a sales network coordination service for Diadora s.p.a. The activities have been fully absorbed internally.

Below you can find a graphic representation of the Group's structure:



We sell our products through distributors, licensees and a dense network of domestic and foreign retailers. Furthermore, we directly manage nine mono-brand stores through our subsidiary Diadora Retail. Part of the distribution in markets where we are not directly present, as well as some brand extensions, are managed through licenses. Our in-house e-commerce platform in Italy and the United States plays a strategic role as it enables direct purchases by our final customers wherever they are, increasing access to our products and offering an additional service.

For further details on the Group structure please refer to the 2023 Management and Financial Report

## 1.4 Production system and supply chain

GRI 2-6; 3-3

We directly control and coordinate all phases of our production system to ensure high-quality standards, constantly optimise flexibility and time to market, increase our productivity, and efficiency.

Our first priority is to enhance the Italian manufacturing sector, consolidating the key factors of Italian craftsmanship and the expertise of the Montebelluna district. Therefore, we have enhanced the expertise we have developed in Caerano and in the district by using our in-house factory for experimental projects and flagship models. Currently, 45% of our footwear, which represents the majority of our total production, is made in Europe. Overall, 70% of our direct suppliers are based in Europe and 57% operates in Italy. Our finished products are gathered in our distribution centres located in Italy, in New Jersey and in Hong Kong

We ensure high quality and attention to detail in both our Italian and foreign manufacturing. Dedication to perfection in products and processes represents a fundamental pillar for us, especially considering the high standards required in the “Utility” and “Sport” sectors.

To ensure the creation of outstanding quality products that reflect our brand values, it is essential for us to proactively manage our supply chain. We use a supplier relationship methodology based on three pillars: Alignment, Monitoring, and Improvement. This methodology is inspired by our experience in sports and in managing relationships with athletes and supports and accompanies our suppliers from the beginning of the relationship throughout the entire duration of the collaboration. For more details, please see the relevant section dedicated to supplier assessment.

## 1.5 Economic highlights

GRI 201-1

A focus on our economic and financial sustainability is crucial. The careful and responsible management of this issue is the essential condition for pursuing the company’s strategic objectives and for consolidating stakeholder trust in the Group. Sustainable economic and financial performance also has a consequent positive impact on the local area, which, in turn, helps to generate value in the productive and social ecosystem which the Company is an integral part of.

- In 2023 our consolidated net income was equal to 184.41 million euros, with an approximately, 9.7 million (5.25%) EBITDA and consolidated net profits at approximately 1.45 million euros;
- In line with the previous reporting year, 95% of the economic value generated by our Group, calculated according to GRI reporting standard 201-1, was distributed to internal and external stakeholders with whom we promote active listening, considering them as being fundamental in the pursuit of the company’s economic success;
- The economic value retained in 2023 stands at 5% of the economic value directly generated by the Group, in line with the 2022 figure of 4%;
- In 2023, we produced 5,307,168 million units.

Thanks to our sound economic and financial performance, we are able to continue to implement our strategy. This starts from our brand vision in service of athletes and our positioning as an Italian brand that makes innovation its essential feature and leverages the following primary drivers for growth: expanding our sports mission, the uniqueness of the Montebelluna footwear district, the uniqueness and excellence of the Centro Ricerche Diadora, and the heritage constituted by our historic in-house factory.



# Building Better Communities: the vision of sustainability

“Building Better Communities” is the vision that guides Diadora’s commitment to sustainability and it stems from our very DNA. We are a company that is at the service of athletes, and for them and with them we design, plan, and create innovative and high-performance footwear and clothing that meet the needs of great champions in every discipline.

The innovations and products we provide to professional athletes we collaborate with are created in a unique place and in a unique way in the world. That place is the Montebelluna (TV) district, which we call “Run Valley”, where the most relevant craftsmanship expertise in the production of sports footwear is found. Here, we have developed a way to innovate that can be enclosed in just 100 steps: the number of steps that separate the Centro Ricerche Diadora, the Product Design Office, and our historic factory. The products that are borne from the needs of professional athletes and are designed and developed in the “Run Valley” are then made available to sports enthusiasts of every level and in every location.

This long history of collaboration with athletes and the local community has led us to acquire the ability to listen, innovate, and continuously improve, by maximising talents and taking care of the resources at our disposal. And we now apply the same ability to care for athletes and the local area in our daily operations towards our employees, customers, those who work in our supply chains, and the environment.

## 2.1 The pillars of our Vision:

# Planet<sup>a.</sup> People<sup>b.</sup> Product<sup>c.</sup> Governance<sup>d.</sup>

- 
- a. Continuously reducing the environmental impact of our activities, protecting the natural resources that make life on the planet possible, and aiming to share the global commitment to counteracting the effects of climate change.
- 
- b. Protecting and raising awareness among the working men and women who design, produce, and distribute Diadora products. Creating opportunities for the areas in which we operate. Supporting people and athletes with technical assistance and contributing to social and sports initiatives.
- 
- c. Guaranteeing the quality and safety of all our products. Investing in the research of new materials with a reduced environmental impact. Designing innovative products that can ensure the best performance, with athletes also.
- 
- d. Acting in an ethical, transparent, and responsible manner, respecting the laws and a specific code of conduct, and ensuring that all decisions are clearly communicated to stakeholders.
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## 2.2 The key projects representing our commitment

The projects we have carried out in 2023 are the tangible evidence of how we work daily to apply what we have learned from the world of sports and “build better communities”.

For us, athletes are a source of learning. We know that in them we can find models of inclusion, respect, and collaboration. That is the reason that in 2023 we supported the visually impaired athlete Alessandro Cannata and his guide Samir Ahmed, an immigrant who arrived in Italy 10 years ago on a boat, and won the Italian indoor 200m and 400m titles together. With our coordination and support, the Squadra di Corsa, the running crew that was established thanks to Diadora has continued to develop also, it has not only got its members involved in running, but also makes the diversity of the group an essential value. Our support for the Ragazze nel Pallone, Maradonne and Padova Mixed Ability Rugby associations has instead led us to confront stereotypes in the world of sports and consider how to overcome them so that sports, any sport, are truly accessible to everyone. The Passo dopo Passo initiative has also continued, which was created to make running accessible to everyone and turn training into a social opportunity. In 2023, our collaboration with the Bodo/Glimt football team also continued, a team that inspires us with their ability to mobilise communities on environmental sustainability issues.

Listening to professional athletes is key for us when it comes to understanding how to create products that meet not only their needs, but also the needs of athletes at every level, allowing anyone to engage in sports in a high-performance, comfortable, and safe manner. Our relationship with athletes is built on a deep personal understanding and open and ongoing exchange that goes well beyond the product. We follow the athletes at every stage in their training and ensure that the Centro Ricerche Diadora (CRD) is also their home. Samuele Ceccarelli has been a regular guest of ours and it is also thanks to him that we have been able to create not just the most high-performance carbon products, but also safer products for both amateur and professional athletes.

The progress of our CRD would not be possible without our key scientific partner, IBV. Together we challenge ourselves to constantly improve, finding ever safer and more comfortable solutions to meet even the needs that may be less visible. Atena, the first safety footwear designed for women and their physiology, was created from this reflection and learning process. If partnership and collaboration are the key to continuous improvement from a technical perspective, with Colville, we have also found that collaboration is essential for improving our environmental impacts.

Just as we have learned to take care of the well-being of athletes at every level, we also pay attention to the well-being of the Diadora community. In 2023, Life at Diadora was born, the program that demonstrates our constant commitment to improving the work place and corporate climate, also by listening to and collecting suggestions from our employees. This was accompanied by a constant drive to improve our buildings to reduce their environmental impact, which saw us investing in expanding our photovoltaic system in 2023. Our commitment to improving our social and environmental impacts has also been recognised by the Ecovadis Gold medal.

Sporting activities are a key tool for us when it comes to “creating better communities”, and that is why in 2023 we leveraged our local relationships to support access to sports, also in contexts where it is more than ever a tool for inclusion, education, and empowerment. Our support went to the under-18s women’s rugby team of Rugby Magoanine in Maputo, with whom we were put in touch by a volunteer from the Province of Treviso, and to the completion of the construction of the Invincible Sports Park in Monrovia, created at the behest of the President of Liberia, George Weah, a former Diadora athlete, in collaboration with our President Enrico Moretti Polegato.

## 2.3 Stakeholders and double materiality assessment

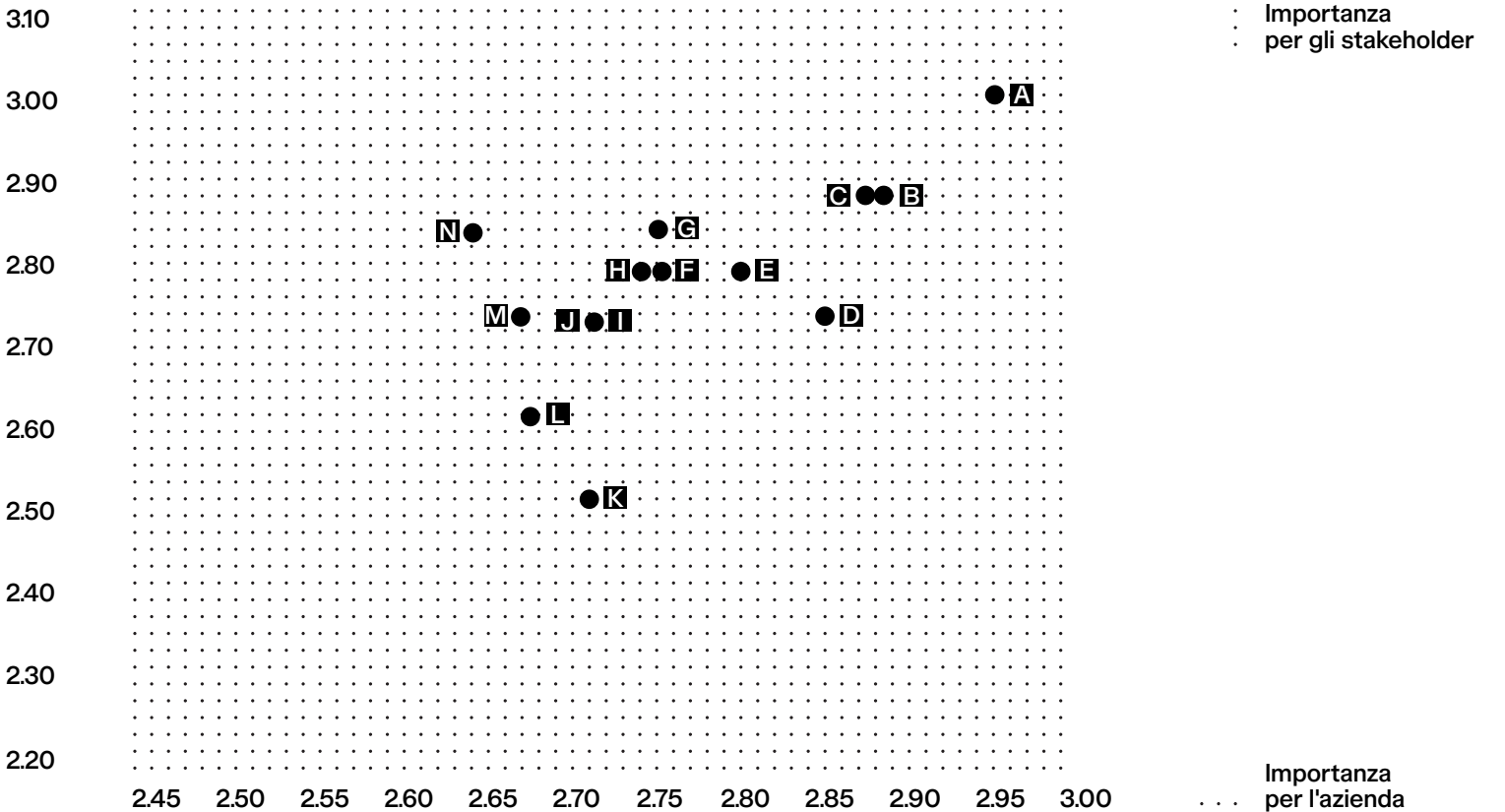
GRI 2-26; 2-29; 3-1; 3-2

In keeping with our “Building Better Communities” approach, we have drafted this report with a stakeholder-oriented perspective, in order to allow key stakeholders to easily understand and get more information on our ethical, social, and environmental commitment. For the creation of content, we have initiated an open and transparent dialogue on sustainable development issues, which has seen the active involvement of key stakeholders in the territory to gather insights and suggestions on our business activities and our approach to governance, environmental protection and human rights protection.

We have mapped our key stakeholders and identified specific ways and time frames for engaging with each stakeholder. For 2023, we have decided to consult with the stakeholders with whom we have a more direct and long-lasting relationship, namely our employees, our sales network, athletes and business partners. We plan to expand this consultation in 2024.

To assess internal perception on environmental, social, and governance issues, we conducted individual interviews with the company’s top management, one-to-one interviews with key department heads, and an anonymous survey of all employees. We also conducted a survey to assess the perception of selected external stakeholders and carried out an analysis of the main sustainability trends in the sector, via the benchmarking of our direct and indirect competitors.

The information gathered from internal stakeholders was compared with the information gathered from external stakeholders so as to identify the most relevant issues for the company and our stakeholders. This process has led to the creation of a materiality matrix that includes the following issues:



A	Respect for human rights	2,95-3
B	Employee health and safety, welfare	2,88-2,84
C	Chemicals	2,87-2,84
D	Product safety	2,85-2,74
E	Waste management	2,8-2,79
F	Water consumption	2,76-2,79
G	Innovation and product design	2,75-2,84
H	Compliance with laws and regulations	2,74-2,79
I	Privacy protection	2,72-2,74
J	Consumption and emissions	2,72-2,74
K	Supplier social and environmental evaluation	2,71-2,53
L	Supply chain management	2,67-2,63
M	Transparency and clarity of communication to customers	2,66-2,74
N	Materials and raw materials	2,64-2,84

For each relevant topic that emerged, we have identified the main positive and negative impacts, along with the related financial risks, through a specific workshop that engaged the company departments mainly involved – directly and indirectly – in sustainability activities. For further details, please see the tables in each thematic macro-area.

Furthermore, to start a process of adaptation to the Corporate Sustainability Reporting Directive, we have collaborated with the Finance team to develop an initial exercise to quantify the intensity of the financial risk related to material issues and to begin planning the work for the next year.



# Governance

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GRI 2-10; 2-19; 2-20

*"I prefer action than words. When it comes to sustainability, we rather take concrete actions and set realistic targets than implement "catchy" initiatives just to attract the consumer. This is a marathon and as such we aim at 4h 30 minutes, but accept 4h 40 minutes. What matters is commitment and continuous improvement." (Claudio Bora, CEO)*

## – Table - Material topics, SDGs, impacts and risks

Material topic	SDGs	Topic description	Impact	Impact description	Impact extent	Risk
Compliance with laws and regulations	16	Adherence and compliance with relevant regulations and laws for business activities.	Positive	Contribution to compliance with sustainability-related regulations; transmission of compliance culture to the supply chain	Relevant	Risk of non-compliance and related sanction; risk of compensation for damages and loss of turnover; reputational risk
			Negative	More stringent parameters		
Privacy protection	16	Respect for and responsible and transparent management of personal information, which ensures the protection of the personal data of employees, customers and other stakeholders through privacy management policies and practices.	Positive	Contributo alla tutela dei dati sensibili e personali relativi a dipendenti e clienti e aumento della sicurezza online	Informative	Risk of non-compliance (e.g. GDPR* for the European market) and the related penalty for data loss/violation; reputational risk; risk of fraud and phishing in case of online security weakness; risk of compensation for damages
			Negative	Contribution to data loss and privacy breach		
Transparency and clarity of communication to customers	12	Accurate and understandable disclosure of information relevant to the organisation's activities and impacts on sustainability.	Positive	Contribution to implementing clear, effective, and transparent communication with customers; increased consumer awareness of environmental and social issues and challenges	Informative	Risk of non-compliance (EU Green claims Directive*) and related penalty; risk of compensation for damages; risk of loss of customers due to lack of clarity; risk of market loss; reputational risk; risk of fraud in the event of untimely communication on environmental and social aspects
			Negative	Misleading consumers by pushing them to make purchases that are not truly sustainable through green-washing practices		



## 3.1 Risk management

For the 2023/2024 reporting period, we have decided to initiate a specific process for mapping the risks related to each environmental, social, or governance topic that results from the materiality analysis.

Over the next two years, we will also assess how to formally integrate sustainability-related risks into our risk management system. In this Report, the risks associated with each material issue follow the mapping of the impacts, as shown in specific tables at the beginning of each section.

## 3.2 Code of Ethics and Organisation, Management and Control Model

GRI 2-2; 2-15; 2-16; 2-23; 3-3; 205-1; 205-2; 205-3

In 2014, we adopted a Code of Ethics that establishes the principles and values that the Company's business should conform to. Any violation or potential violation of this Code of Ethics is brought to the attention of the Supervisory Board, which is the monitoring body responsible for overseeing the application of the principles contained in the Code of Ethics and ensuring that the sanctioning process is activated.

The Code is published both on our website [www.diadora.com](http://www.diadora.com), which can be accessed by customers and interested parties, and in the relevant section of the company intranet. A copy of the document is handed over to each employee or external collaborator when they are appointed, hired or enter into a working relationship with us.

Our voluntary adherence to the "Organisation, Management and Control Model" pursuant to Italian Legislative Decree 231/2001 represents a tangible commitment to corporate integrity. This model, which is subjected to regular audits, allows us to identify and mitigate the risks related to corruption and other violations.

Thanks to our commitment, in 2023 we were awarded with the EcoVadis Gold Medal, officially ranking us in the top 5% of the best companies evaluated on environmental, social, and governance performance.

We continue to keep our stringent focus on the fight against corruption, and in the last year we have intensified training, reaching 100% of our governing bodies and 31% of employees, compared to the previous 0% and 10% respectively. No reported or confirmed cases of corruption were found for 2023 either.

Furthermore, all persons who enter into significant business relationships are required to report possible conflicts of interest by filling out a standard form. Any conflicts of interest are reported to our Supervisory Board and to our management team so that the required precautionary can be taken.

## 3.3 Compliance with laws and regulations and whistleblowing

GRI 2-16; 2-25; 2-26; 2-27; 3-3;

Our fundamental values of Integrity, Respect, and Commitment are an integral part of our sporting DNA. They are defined in our Code of Ethics, underlie our every decision and guide the way we do business every day.

For us, it is crucial that we "play by the rules" and over the past year we have made significant progress in consolidating our processes aimed at ensuring regulatory compliance. At the end of 2023, a Compliance Committee was established (comprising representatives from the most relevant departments including Legal, Sustainability, Quality Control, Operations, Customer Service, and Finance) to provide meticulous, ongoing oversight of our compliance with laws and regulations, ensuring that all activities adhere to at least the current regulations. This body meets quarterly and is responsible for identifying, monitoring, and agreeing on the actions to be taken in response to regulatory developments that may affect Diadora's global business. Furthermore, the Committee is supported by an external legal firm that provides additional technical advice.

In 2023, our whistleblowing platform was implemented, a process that was initiated in 2021 in compliance with current regulations. This will be available to all our stakeholders from 2024. This initiative is part of our commitment to promoting integrity and transparency, allowing employees, business partners and customers to report incidents related to the protection of corporate assets in a confidential and anonymous manner. Although not required by law, we have also decided to extend the use of the platform to report potential cases of discrimination and harassment in the workplace, so as to maximise the well-being of our corporate community.

## 3.4 Privacy protection

GRI 3-3; 418-1

Personal data security and the protection of privacy are fundamental requirements to consolidate the relationship of trust we have with our customers, employees, and key stakeholders.

In 2023, in compliance with EU Regulation 679/16, we have implemented a GDPR Procedure to regulate in detail the processing of data and to outline the measures to be adopted in the company for the protection of privacy. The procedure also indicates the methods for submitting any complaints and reports.

Since 2019, we have also adopted a Data Breach Procedure to outline the rules of conduct that must be observed in the event of a personal data breach.

This procedure ensures a systematic and responsible approach that is divided into 6 macro-phases:

- 1 A complete privacy assessment has been carried out on Diadora SpA. For Retail, the analysis focused on employees and customers, and an update is scheduled for 2024. We will also consider revisions to our US and China subsidiaries.

1. Training and awareness-raising activities: all our employees, collaborators, and external partners receive adequate training on privacy regulations and company procedures. The procedure is communicated through training sessions, internal information notes published on the company intranet, emails, and company noticeboards. This ensures that every individual involved in personal data processing understands the importance of data protection and their own responsibilities.
2. Data definition and classification: we have clearly defined the various categories of personal data, including sensitive and legal data. A strict distinction is maintained between the types of data to ensure appropriate treatment based on their nature and criticality.
3. Breach monitoring and registration: we have a Breach Register that thoroughly documents any security incident involving the destruction, loss, alteration, unauthorised disclosure, or access to personal data. This register is managed by the Legal Area Representative, with the support of the IT Manager and the HR Area Representative. The register includes information, such as the date of the event, the nature of the breach, the consequences, and the corrective measures taken.
4. Breach reporting and management: anyone who detects a breach must immediately report it to the Legal Area Representative. The report can be made via email (privacy@diadora.com) or other suitable means. Once the report has been received, the Legal Area Representative will assess the severity and nature of the breach in collaboration with our IT and HR teams, and then proceed to notify the Supervisory Authority and the data subjects, if necessary, within 72 hours.
5. Corrective and improvement measures: in the event of a breach, we adopt corrective measures to mitigate the effects and prevent future incidents. The Legal Area Representative, together with the IT Manager and the HR Area Representative, monitors the implementation and effectiveness of these measures to ensure normality is restored.
6. Review and continuous improvement: the privacy management procedure is subject to periodic review to ensure that it remains up to date and compliant with current regulations.

Since 2020, we have also had a specific regulation for the use of IT systems and tools with the aim of promoting the ethical, correct, and healthy use of every work device. The website is also protected by specific security measures that prevent data loss, misuse, or unauthorised access. In 2023, the specific Privacy Policy governing cybersecurity was updated to provide more information on the methods of data retention for each user.

No complaints regarding privacy violations and data protection have been recorded in the past year.

## 3.5 Transparency and clarity of communication to customers

GRI 3-3; 417-1; 417-2

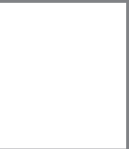
The transparent communication of the characteristics of our products and the projects undertaken is a cornerstone of our business approach. Our Sustainability Report, which is prepared annually according to the most distinguished reporting standards, is evidence of this, as is the choice to implement disclosure on certain environmental, social, and governance aspects, such as impact and risk mapping, ahead of the deadlines set by European reporting regulations.

Our transparent communication also extends to our products: we are committed to providing accurate, substantiated and timely information to enable consumers to make informed and conscious purchasing decisions. An example of this approach is the fine-tuning of our e-commerce website that was carried out in 2023, which now includes a more detailed product description section, including material composition and specific attributes for reducing our environmental impact. We are also certified under the Global Recycled Standard (GRS) and Recycled Claim Standard (RCS) for products made from recycled materials, and the Global Organic Textile Standard (GOTS) and Organic Content Standard (OCS) for products made from organic materials, to ensure the possibility of marketing certified finished products and to guarantee that our environmental claims regarding the products are verifiable. Shipping, cost, and return information for online purchases are also complete and transparent.

In 2023, no instances of non-compliance related to our marketing activities and the manner in which we communicated our services to our customers were identified.



# People



## – Table - Material topics, SDGs, impacts and risks

Material topic	SDGs	Topic description	Impact	Impact description	Impact extent	Risk
Employee health and safety, welfare	3;8	Safe, healthy, and dignified working conditions ensured for all employees, guaranteeing a work environment that protects the health and well-being of workers.	Positive	Contribution to worker safety and accident reduction through increased awareness of machinery usage and devices to be kept in the workplace; improvement of employee well-being through the establishment of a series of company benefits with a corresponding reduction in healthcare expenses	Informative	Risk of reduced competitiveness due to productivity constraints caused by absences related to injuries; Risk of potential legal actions related to injuries; risk of dissuading top talent from joining the company due to safety issues
			Negative	Increase in the number of injuries due to inadequate management of workplace safety aspects		
Human rights	5; 8; 10	Fundamental rights intrinsic to every individual, regardless of their origin, status, or condition, including civil, political, economic, social, and cultural rights, which must be respected in an organisation's activities, operations, and business relationships.	Positive	Contribution to improving the quality of life of suppliers' employees through responsible and fair business relationships	Significant	Reputational risk and the related risk of consumer boycott; risk of potential sanctions; risk of positioning considering that some competitors may fall within the CSDDD and national due diligence obligations of certain countries (France; Germany) and therefore extend this approach to the entire company globally
			Negative	Exploitation of workers along the supply chain via, for example, working hours, wages, inadequate working conditions and violations of freedom of association		
Supply chain management	8;12	Consideration of the social, environmental and economic impacts along the entire supply chain of an organisation.	Positive	Promotion of environmental protection principles and respect for human rights through constant dialogue with suppliers, partners, and the supply chain	Relevant	Reputational risk and the related risk of consumer boycott; risk of potential sanctions;
			Negative	Violation of workers' rights and environmental damage due to the lack of or incomplete monitoring by Diadora		
Supplier social and environmental evaluation	8;12	Analysis of the impact of procurement practices on the environment and society of suppliers.	Positive	Encouragement of suppliers to improve their social and environmental performance in order to be eligible as Diadora partners	Significant	Risk of non-compliance and related sanction; reputational risk
			Negative	Violations of rights due to inaccurate or incomplete supplier selection		

## 4.1 Management model and policy

GRI 3-3;

People lie at the heart of every community and we strive to create a setting that promotes virtuous behaviours and opportunities for the development of individual potential so that the entire community may thrive. We take care of our employees, our supply chain partners, the athletes we support, and everyone who come into contact with our activities.

We promote respect for work and workers throughout our value chain and ensure equal treatment in employment matters, also based on the UN Guiding Principles on Business and Human Rights and the main international guidelines on corporate conduct. Our Code of Ethics, which is signed by all Diadora suppliers and employees, governs the policies and values underlying staff management and the protection of diversity.

We are committed to ensuring a comfortable and safe workplace, including by identifying and assessing the risks to which workers and stakeholders may be exposed, and identifying suitable prevention measures. To ensure that we align with the best standards, we have voluntarily decided to adopt the ISO 45001:2018 occupational health and safety management system.

89% of our employees are covered by collective bargaining agreements (4% executives, 69% footwear industry and 16% commerce). For non-covered employees, the conditions of employment comply with local law.

## 4.2 Well-being, safety and inclusion: our mission inside and outside the company

GRI 2-7; 2-8; 401-1

*"I have always wished the company could be one of the best places for people to meet. There is one simple reason behind it: we spend a lot of time at work and I want people to feel good here. If this were my home, I would have designed and decorated it in this exact same way. (Claudio Bora, CEO)*

The well-being of our employees is of primary importance to us. We know that this involves respectful and stable employment relationships, a focus on safety, diversity, and continuous skills development, and the creation of opportunities and services inside and outside the workplace.

That is why we seek to build lasting employment relationships and why 95% of our employees have permanent contracts, compared to a national average of 84%. We create employment opportunities for young people, as demonstrated by the fact that 75% of our employees are under 50 years old, compared to a national average of 62%. We also offer work-life balance opportunities and 17% of our employees benefit from part-time contracts, in addition to the additional support measures described below.

Our commitment also extends to local communities, where we promote inclusion and diversity through various initiatives. We support excellence in paralympic sports, encourage inclusive participation in sports activities, and celebrate women's sports. These initiatives not only value people but also contribute to creating social ties and improving collective well-being.

We invest in social projects and collaborate with organisations to expand our impact, going beyond company boundaries to build a more inclusive and supportive community.

The "Appendix" contains data on the composition of our workforce, respective distribution by contract type, country, age, and turnover.

2 <http://dati.istat.it/Index.aspx?QueryId=26887>

3 <http://dati.istat.it/Index.aspx?QueryId=26887#>

### 4.2.1 Focus on employee health and safety

GRI 3-3; 403-1; 403-9

Thanks to the world of sport, we have gained great awareness that there is no performance without safety, a value that we promote every day through our Utility brand as well. We apply the same attention to the health and safety of our employees. We are committed to promoting their physical, mental, and social well-being, reflecting our constant focus on creating a healthy and protected work community.

#### Regulatory compliance

Through the appointment of key figures such as the Prevention and Protection Service Officer (PPSO) and the company doctor, we have guaranteed proactive risk management and constant monitoring, ensuring a safe working environment for all. Every employee undergoes regular medical check-ups to assess their health status in relation to the work environment and associated occupational risks. We also provide, where required, Personal Protective Equipment (PPE).

In 2023, 3 accidents were recorded: 2 during the commute to and from work, and one in the workplace. Following the internal accident, an analysis of the main causes was carried out and a new prevention procedure was adopted.

#### Beyond compliance: ISO 45001, listening and training

Since 2018, we have been ISO 45001:2018 certified, a voluntary international standard for occupational health and safety management systems. This standard provides a framework for improving worker safety, reducing workplace risks, and creating safer working conditions.

This approach has allowed us to establish a solid Occupational Health and Safety Management System (OHSMS), which is aligned with the relevant INAIL standards for safety. In 2023, 100% of our employees were covered by the OHSMS certification.

In 2023 we invested in employee training with 68 hours of mandatory training, customising courses based on specific job roles to ensure that each worker was adequately prepared to safely and efficiently handle the challenges of their role.

We also promote the active participation and constant consultation of employees because we firmly believe that actively involving our employees in managing health and safety at work improves the quality of decisions and helps create a sense of trust in our organisation. Through direct access to the Environment & Safety area via the company intranet and the establishment of company notice boards, we promote open and transparent dialogue, thus conveying the message that the health and safety of every employee are an absolute priority for Diadora. In the first half of 2023 alone, our employees accessed it 209 times.

For 2023, in compliance with current health and safety regulations, we have updated the risk assessment document and revised road surface markings. In order to improve the microclimate, we have also installed a new heat pump air conditioning system in one of the office areas.

## 4.2.2. Enhancing diversity

GRI 405-1; 406-1

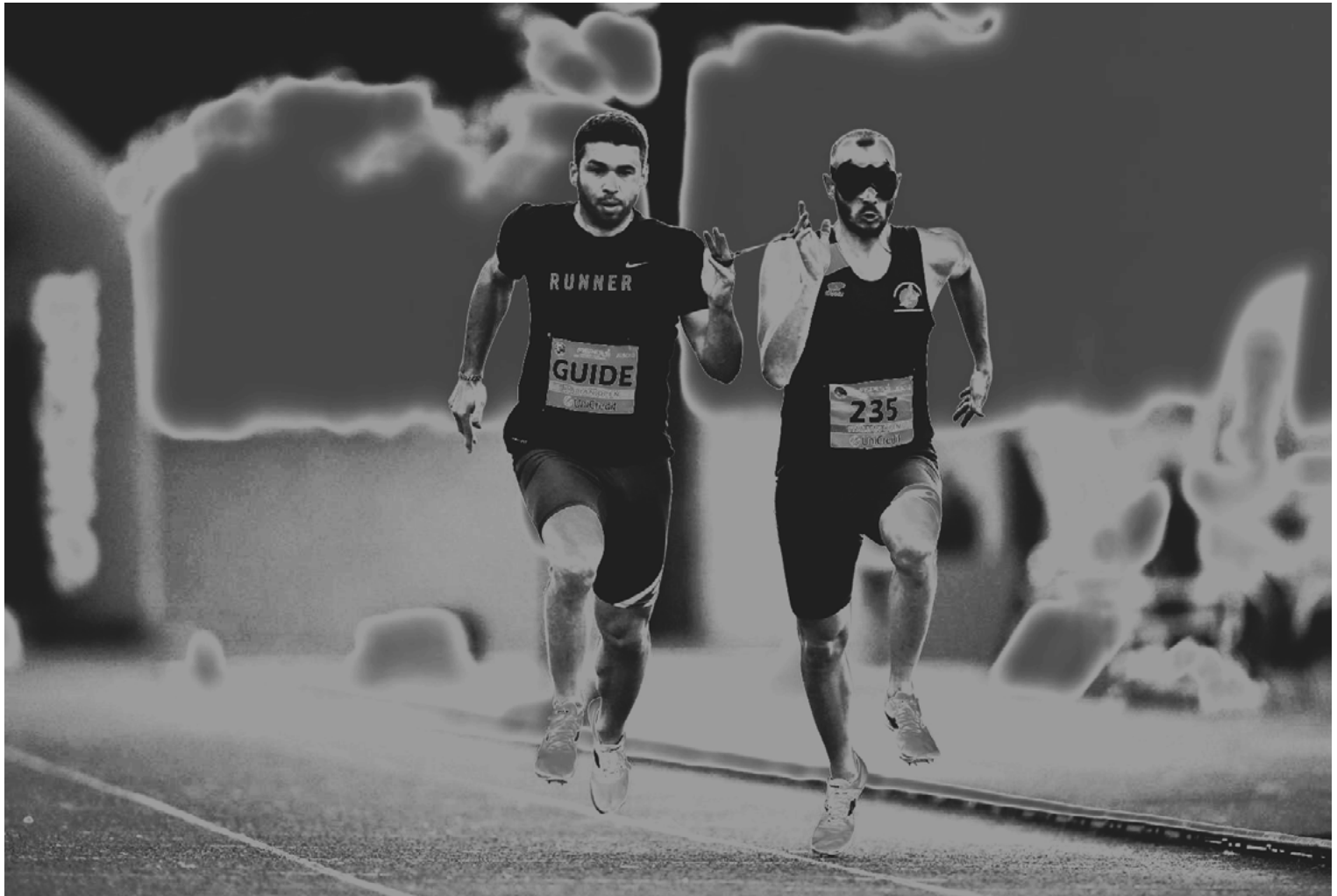
Drawing on our sporting DNA, we value diversity and inclusion, opposing any form of discrimination based on gender, skin colour, ethnic or social origin, age, nationality, culture, religious beliefs, sexual orientation, gender identity or disability.

Our support for initiatives promoting diversity in sports, such as the Squadra di Corsa, Ragazze nel Pallone, Maradonne, Padova Mixed Ability Rugby and the partnership with Alessandro Cannata, allows us to learn and provide models to promote a cooperative work environment, where valuing the unique characteristics of each individual is essential to ensuring a healthy and inclusive work environment.

### Promoting excellence in paralympic sports: partnership with Alessandro Cannata

In 2023, we initiated a partnership with Alessandro Cannata, a paralympic athlete in track & field. Alessandro, born with a severe genetic retinal disease, has a great passion for running, which has led him to excel nationally in various competitions. In 2023, he won the Italian indoor title in the 200 and 400 metres in the T11 category, reserved for the visually impaired.

During his training and competitions, Alessandro is accompanied by his guide, Samir Ahmed, a 21-year-old Egyptian athlete who arrived in Italy on a boat at the age of 14.



### Protected categories and employment inclusion

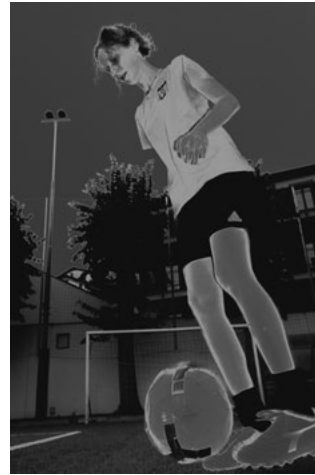
Promoting the empowerment of people in vulnerable conditions is a key value for us. We respect the percentage requirement for protected categories as provided by Italian Law 68/1999. Inspired by the Hiring Chain project, we have entered into an agreement with the Province of Treviso for the integration of young people with Down syndrome within our Caerano headquarter and Diadora's stores.

As part of our commitment to promote inclusion and empowerment, on March 8th we celebrated International Women's Day by supporting the project "A new life for Linda", developed by the Tina Anselmi Association. Our contribution allowed to set up a dedicated psychological support service, even at home, for a young woman from Montebelluna, our district, with a psychic and psychosomatic condition developed at an adult age. Thanks to this project, Linda (pseudonym) could benefit of several activities that allowed her to train her cognitive capabilities and regain her psychophysical balance, with the objective of taking again ownership of her life.

### Gender equality in the company and in sports activities

We promote a culture of gender equality, striving to keep the percentage of women constant, which was 56% in 2023, +10% compared to the national average. We are aware of the importance of ensuring diversity in the company's governing bodies (Board of Directors and Board of Statutory Auditors) at Diadora. Currently, women make up 29% of our governing bodies in the 30-50 age group and 10% above 50 years old. In the coming years, we will strengthen our commitment by embarking on the path to Uni PdR 125 Gender Equality Certification, to which diversity implementation plans for the following years will be linked, and by setting up dedicated training programmes on diversity and equal opportunities, with the aim of creating an increasingly inclusive work environment.

In this context, we have also supported initiatives such as the "Ragazze nel Pallone" Festival, the largest female sports event in Italy. This event, which was created to enhance women's skills and abilities in sports, increase the visibility of women's sports, and provide space for new talents, represents an important moment for celebrating and promoting the female sports scene. In this case too, Diadora has used sports as a tool to counter gender disparity and promote women's empowerment, actively supporting the July 2023 edition and taking part with the "Maradonne" women's team.



## "Ragazze nel Pallone" Festival: Diadora celebrates women's sports in Padua with the Maradonne

The "Ragazze nel Pallone" Festival represents the largest female sports event in Italy. Created to enhance women's skills and abilities in sports, increase the visibility of women's sports, and provide space for new talents, this event represents an important moment for celebrating and promoting the female sports scene.

Diadora contributed to the success of the July 2023 edition held in Padua by actively supporting the event. In particular, the women's 7-a-side football team, the "Maradonne", formed by a group of friends in Milan in 2020 and sponsored by Diadora, also participated. This team, formed by a group of friends, has quickly established itself as a reference point in the popular women's football scene in Milan, along with other teams from the surrounding neighbourhoods. The weekly training sessions, held every Wednesday in Via Corsico, provide an opportunity to promote a healthy and active lifestyle, as well as to foster social inclusion and create bonds among the participants.

[https://www.instagram.com/\\_maradonne](https://www.instagram.com/_maradonne)  
<https://www.ragazzenelpallone.it>

### Combating violence against women

We give voice and financial support to the ISIDE Cooperative, a domestic violence centre operating in the Veneto region. The cooperative supports women and children who are leaving abusive relationships by listening and providing accommodation and psychological support. In 2023, for the International Day for the Elimination of Violence against Women, our employees got the opportunity to listen to the stories of two psychologists from the Cooperative and to participate in a debate session on the topic. A particular focus was placed on the importance of raising awareness about the different ways in which violence against women manifests and cultivating the ability to recognise even those that are less easily identifiable, especially through self-awareness work by men. In 2023, no reports of discrimination were recorded.

## 4.2.3. Training and continuous performance improvement

GRI 2-19; 2-20; 404-1; 404-3

At Diadora, we believe that every employee is a key player, just like in a sports team. The daily commitment to self-improvement and team improvement is the foundation of our success.

Thanks to structured training and a regular evaluation system, we aim to recognise and develop the potential of each individual, so as to offer them continuous opportunities to grow and achieve excellence.

### Continuous training

In addition to the mandatory training courses required by law, we hone our employees' talents via pathways that enhance their specific skills, both in terms of soft and hard skills. All members of our team take part in mandatory courses on privacy and workplace safety, as well as in dedicated programs to improve their expertise in sustainability and to create a conscious and responsible work environment.

Through the "The Learning Breaks" training program, we invest in improving our employees' language, technical, and IT skills, as well as their personal development (from public speaking to change management and emotional intelligence). In 2023, we reached a total of 4,629 training hours (+29% compared to 2022), 95% of which were voluntary training on topics of interest.

### Performance monitoring

We have put in place individual performance and development plans for 34% of our employees. Objectives are partly determined at company level, assigned by function, and partly agreed between the Line Manager and each employee, based on the specific role and job content. Each objective is weighted to reflect the complexity of the task. This weight, together with individual performance, contributes to defining the overall performance.

Twice a year, through individual interviews and using a dedicated performance matrix, we evaluate individual progress and the achievement of set objectives. Objectives are defined in the first quarter of the year and the performance evaluation, along with the distribution of individual bonuses, takes place in the first quarter of the following year. Our remuneration policies, including bonus-awarding mechanisms, are defined by the Chief Executive Officer in collaboration with the Human Resources Department in order to attract and retain talents.

## 4.2.4. Welfare and care for the corporate community

GRI 2-19; 2-20; 404-1; 404-3

The goal of creating a work environment where people feel at home has led us to adopt strategies and practices aimed at fostering a rewarding work environment, in our pursuit of continuous improvement.

In 2023, we launched the "Life at Diadora" initiative to cultivate the well-being of our employees' communities and to make all our employees part of the company's values and mission through a healthier and more responsible lifestyle towards the planet.

## Life at Diadora: promoting wellness through sports, nutrition and the work environment

In 2023, the “Life at Diadora” project was created, which is focused on three areas: sports, nutrition and work environments. A total of 14 different sports activities were organised during the year, some lasting one day, others developed over several months. In addition to encouraging sports practice and providing opportunities for lesser-known sports, these activities allowed the more than 100 participants to spend time together, have fun and get to know each other better.

The menu of the company canteen was also revised as part of the “Life at Diadora” program. By collaborating with a nutritionist, we reworked the menu to be even more complete and balanced. The Canteen Committee, a working group involving a representative sample of employees, was also established to provide suggestions for the continuous improvement of the company’s canteen options. To encourage our employees to eat a diet that is richer in vegetables that have less of an impact on the planet, one day a week the meals in the canteen are exclusively vegan. Indicatively, we have estimated that this initiative has prevented the emission of approximately 17 tonnes of CO<sub>2</sub>e compared to an omnivorous menu. Within our environmental focus, we also eliminated disposable cups from the canteen in 2023, thereby preventing the emission of approximately 100 kg of c.

Finally, the well-being of all of us also occurs via the creation of workplaces that are welcoming, well-maintained and designed with our needs in mind. That is why one of the focus areas of our “Life at Diadora” program is “La nostra casa - Our Home”. As part of this, we are committed to keeping our focus solidly on space improvement opportunities and identifying interventions each year to make our workplaces more pleasant and comfortable. During 2023, also at the suggestion of our employee community, we decorated certain company areas with graphics and images from Diadora’s history, products, and innovations. This project not only made the spaces more welcoming, but also highlighted the unique wealth of knowledge, experience and collaborations that still fuel our work today, making us the quintessential Italian sports brand when it comes to innovation and performance.

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### Work-life balance

To support work-life balance, in 2023 we increased the number of monthly remote working days from 5 to 8 and kept flexible hours so that employees could independently manage when they come into work and when they leave depending on their needs.

In addition to the initiatives planned for the “Life at Diadora” project, we have also guaranteed the following welfare services for 2023:

- supplementary health insurance starting in 2019, guaranteeing employees access to affiliated health facilities;
- a company gym for more than ten years, offering classes and activities at subsidised prices for our employees;
- rent-free apartments for certain categories of employees to help attract talent and contribute to their well-being;
- a welcome kit, including a water bottle and coffee mug;
- additional in-house services such as laundry, a corporate butler for handling parcels and personal correspondence, and provision of fuel vouchers;
- discounts at affiliated outlets and external services, such as pharmacies, hairdressers, beauty salons, swimming pools and mechanics;
- convention with the Gran Teatro Geox in Padua for shows and cultural initiatives and with personal care and wellness centres;
- discounts on Diadora products.

As part of the welfare package, there is also an agreement with the “Mondo Piccino” nursery that is shared with Geox, which guarantees employees a place at the nursery for their children at affordable prices.

In Italy we have also introduced a procedure to encourage part-time employment. This initiative not only applies to new parents regardless of their gender, but also to those who need to reschedule their working hours for personal reasons. As of 2023, 17% of employees have benefited from reduced hours.

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### A healthy and balanced diet

As mentioned in the “Life at Diadora” box, the well-being of our employees also depends on a healthy and balanced diet. Thanks to the Canteen Committee, we guarantee a service that is adapted to the needs of our employees, including take-aways for dinner. In 2023, we also reorganised our offerings with the support of a nutritionist, thereby increasing the nutritional balance of the dishes and the presence of seasonal vegetables and fruits. We have also established “Vegan Wednesdays”, one day a week with an exclusively vegan menu with the aim of raising awareness around the environmental impact of food and encouraging employees to reflect on their food choices. Since the introduction of the initiative in March 2023 and through the end of the year, 4,438 completely vegan meals were distributed, which are in addition to the vegan and vegetarian dishes found on the daily menu.

## 4.3 Supply chain and local community

*“We decided to undertake the challenge of bringing the manufacturing of our technical performance products back to Italy”.*  
(Antonio Gnocchini, CMO)

### 4.3.1 Investments in our District

“Building better communities” and also rebuilding: this is the challenge we accepted when we decided to bring a portion of our manufacturing back to our Headquarter in Caerano di San Marco.

Our commitment to enhancing high-level technical skills and making products distinguished for their quality and attention to detail led us to reopen our in-house factory in 2015 at our headquarters in Caerano di San Marco, in what is a unique manufacturing district which we call “Run Valley”. This space allows us to maintain and cultivate expertise in the production of high-performance sports shoes. The proximity of our in-house factory to our Centro Ricerche Diadora (CRD) and product team allows for synergies with an environment rich in experience and expertise, fostering innovation and immediate experimentation with new product and process solutions. It is from here that we develop solutions that can then be proposed to suppliers for mass production, making our products accessible worldwide to athletes of all levels and disciplines.

As part of this journey, in 2021 we launched “Equipe Atomo”, the first Performance Running footwear to be produced in Italy in over 30 years.. This project marked our return to the production of high-performance running shoes within Italy, a unique achievement that sets us apart in the market place and the starting point of an innovation plan on high performance products that is still ongoing.

### 4.3.2. Protection of human rights and the social and environmental assessment of suppliers

GRI 3-3; 414-1; 414-2; 308-1

Our manufacturing partners are like athletes: with the right support and two-way communication, they can express their full potential. That is why our system for monitoring the social, environmental, and governance performance of direct and indirect suppliers of our finished products and services follows a collaborative approach that is founded on three pillars: Alignment, Monitoring, and Improvement.

#### Alignment

The first step in selecting our suppliers is an inspection of their production sites by a team that verifies that the production and quality standards meet our expectations.

Once the selection phase has been completed, we share the goals we aim to achieve and the values we wish to pursue with the suppliers during the onboarding process. Specifically:

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We promote the values of Integrity, Respect, and Commitment contained in our Code of Ethics;

We ensure they are in alignment with our Supplier Code of Conduct standards, which provide more detailed guidance on the social and environmental requirements we expect from our suppliers;

We require that they comply with our Restricted Substances List (RSL), which in many cases is more stringent than the limits set by law;

We enter into agreements that take into account the economic sustainability needs of the supplier, aware of our responsibilities as the client.

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### Monitoring

Following this initial alignment process, our suppliers are put into our continuous monitoring system, which includes:

- Annual EcoVadis document audit;
- Based on the results obtained, a potential on-site audit.

In 2023, document audits increased by 5% compared to the previous year, rising from 77 to 81 suppliers. In addition, there were 2 on-site audits and 7 suppliers evaluated with both document and on-site audits. Overall, 90 monitoring activities were carried out in 2023, compared to the 86 in 2022 (+5%).

Socio-environmental performance contributes to the overall evaluation of the supplier and this is carried out regularly by a cross-functional committee that examines the supplier's results from a financial, legal, technical, quality and sustainability perspective.

### Improvement

Following the results obtained during the audits, we engage with our suppliers in order to improve their performance and increase awareness of environmental and social issues. This ongoing dialogue allows us to build stable relationships founded on exchange, trust, and flexibility.

Our suppliers are also required to implement a Corrective Action Plan (CAP) after each audit, whether it be a document or on-site audit. Specifically, CAPs based on EcoVadis evaluations are defined and implemented with the support of Diadora's Sustainability Department, which provides suppliers with detailed feedback and specific guidelines, while CAPs based on audits are defined by third-party auditors.

CAP results are verified in subsequent document and/or on-site audits.

In 2023, we enhanced support for suppliers to improve the robustness of their social and environmental management systems and to foster understanding of the EcoVadis questionnaire. Our Sustainability team has established regular contact with supply chain partners so as to facilitate the exchange of information and identify specific solutions. This ongoing dialogue allows us to build strong relationships, which thereby promotes improvements in performance along the entire supply chain.

## 4.3.3. Beyond the supply chain: our active presence in the local area

In 2023, we supported several philanthropic initiatives aimed at aiding the communities in which we operate and also renewed some important partnerships in the social and environmental fields.

The practice of sports is recognised to be a key factor for a healthy life. That is why Diadora is constantly striving to promote and facilitate access to sports at all levels. As we are well aware that practising sports in groups and creating collective sports activities are effective tools for getting people involved in running, in 2023 Diadora promoted 131 group running evenings aimed at beginners and amateurs in 11 cities in the Triveneto area.

The "Passo Dopo Passo" project is a key initiative in this area. This program aims to involve an increasing number of people in sports, by promoting physical and mental well-being through running. Group running evenings not only make it easier to access sports, but also strengthen the participants' feeling of community and belonging.

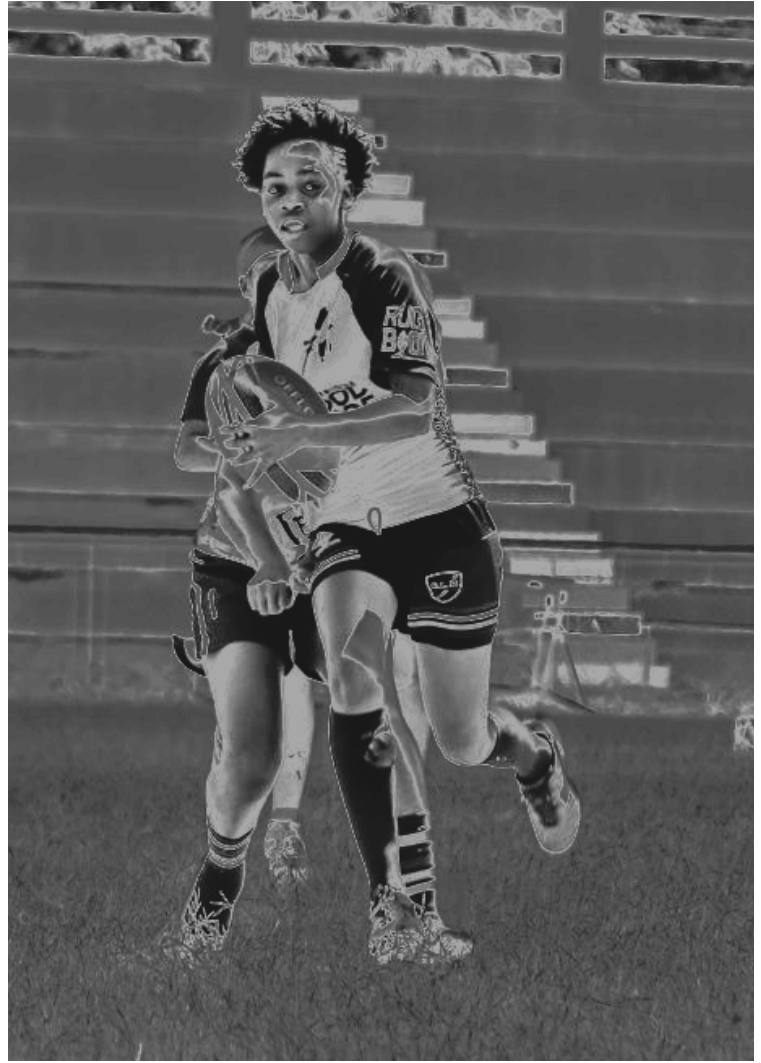
In this context, collaboration with our sales network is essential for the success of these initiatives. Working closely with retailers, we are able to promote sports and get ever more people involved in sports. Our synergy with our business partners allows us to raise awareness regarding the importance of sports and support active participation at the local level.

Another example of our commitment to supporting global communities is our collaboration with Rugby Magoanine, a Mozambican sports association that promotes rugby as a means of fostering social cohesion and development for young people. This project demonstrates our efforts to support sports initiatives, even in complex international contexts.

## Promoting growth and inclusion through sport: the initiatives with Rugby Magoanine and Invincible Park

Rugby Magoanine is a Mozambican sports association that was founded in 2018 with the aim of promoting rugby as a means of fostering social cohesion and creating spaces for the development of young people. In particular, the association's women's team, set within a context that is unfavourable to women's sports, has achieved good sports results and has been an important means of empowerment. The collaboration with Diadora came about thanks to a volunteer from Treviso, when the Under-18s women's rugby team got the opportunity to participate in the "Hermanus International 7s" tournament in Cape Town. Diadora provided the necessary rugby boots, allowing the athletes to have a unique experience.

Simultaneously, on 17 June 2023, George Weah, President of Liberia and a legendary Diadora athlete, and Enrico Moretti Polegato, Diadora President, inaugurated Invincible Park in Monrovia. This project comes from the collaboration between Weah and Diadora and it offers young athletes the opportunity to practice various sports, such as basketball, football, volleyball, and tennis. Diadora supports the project by providing technical clothing to the athletes and staff. Invincible Park is not merely a sports facility, but a symbol of unity, cooperation and personal development and reflects Diadora's commitment to supporting communities through sport.



## The philanthropic initiatives in support of local and global communities

We have developed and supported several projects that aim to improve the quality of life in the communities in which we operate, by promoting inclusion, safety and solidarity.

Below are some of the main philanthropic initiatives that Diadora supported in 2023:

**Hope Ukraine: solidarity for integration and humanitarian aid**

Hope Ukraine is a foundation that was established in the aftermath of the outbreak of the war in Ukraine to provide support to the Ukrainian people in both Ukraine and Italy. Since 2022, the Foundation has been able to coordinate the search for and provision of housing for 10,000 people throughout Italy, providing support and assistance to facilitate social and linguistic integration and help people find jobs. Thanks to its many partners, Hope Ukraine is able to provide basic humanitarian goods throughout Ukraine by sending humanitarian aid trucks and establishing hubs in both Italy and Ukraine. By coordinating volunteers in both countries, the Foundation carries out numerous humanitarian projects in various fields: from health to rehabilitation and support for children. Our relationship with Hope Ukraine was fostered by Diadora's Presidency, who responded to the call to donate clothing and footwear to the war-strewn population. Involving our Utility Sales unit, we selected useful products able to cope with Ukraine's harsh climates. Support for Hope Ukraine came in the form of two donations: one in 2022 and another in 2023. The latter donation consisted of 605 pieces, mainly garments with high thermal resistance.

**San Carlo Cooperation: workplace safety and inclusion**

The San Carlo Cooperation was founded on 17 December 1984. Present in the area for over 38 years, it was one of the first type B social cooperatives in Lombardy and it continues to uphold its role as a social enterprise with ties to the world of work and diversity, both personally and professionally. Its statutory principles are designed to ensure that "disadvantaged" people under Italian Law 381 are able to enter the workforce, with a special emphasis on people with psychiatric illnesses. The facility is currently staffed by around 45 people, including 35 employees and 10 people who are doing internships or employment start-up workshops. Assembly and packaging are carried out within an industrial building that is owned by the company.

We were contacted by the manager of the cooperative for support in providing safety clothing for the 38 young men who work in the cooperative. Once again, our Utility Sales unit team got involved. They identified the products best suited to the needs of the cooperative's workers, taking into consideration the different jobs they hold. This partnership came about through the job placement of disadvantaged people, particularly those with mental and physical problems. Through our donation, the employees can work in comfortable clothing that adheres to a high safety standard.

**Caritas: clothing donations for the needy**

In 2023, Diadora donated 324 pieces of clothing and footwear to the Treviso Caritas. These items could no longer be sold due to defects or because they were from previous seasons and so were given to the needy. This initiative reflects our commitment to supporting local communities and contributing to the well-being of people in need.

In addition to these major initiatives, we have made several smaller donations to schools and cultural associations. We are also members of several local organisations that promote discussion and mutual support amongst companies:

- Confindustria Veneto East, with the aim of helping to support the local territorial system;
- Assosport, which protects and enhances the companies that produce and/or distribute sportswear, sports footwear and sports equipment in Italy;
- Assosistema, for the continuous improvement of the activities of protective device manufacturers and distributors;
- Ecolietilene, a consortium for the recycling of waste from polyethylene goods.



# Planet

*"We have never tried to promote sustainability to drive consumer purchases, but because thinking about the future means thinking 30 years ahead, when I will no longer be here but Diadora will". (Claudio Bora, CEO)*

## – Table - Material topics, SDGs, impacts and risks

Material topic	SDGs	Theme Description	Impact	Impact description	Impact relevance
Chemicals	3	Substances that can negatively affect human health or the environment if not handled correctly.	Positive	Environmental impact reduction due to the decrease/removal of specific chemicals from production processes	Significant
			Negative	Environmental pollution and damage to humans due to improper handling and disposal of chemicals (e.g. glues and adhesives, crosslinkers and cleaners)	
Waste management	12	Process of identification, control, reduction, and responsible disposal of waste generated by an organisation	Positive	Reduction of environmental impact through optimisation, recycling and waste reuse	Relevant
			Negative	Environmental pollution due to inadequate waste disposal	
Water consumption	6	Total amount of water withdrawn for use in business operations.	Positive	Monitoring and maintenance of low impact on water resources	Informative
			Negative	Contribution to the waste of water resources	
Consumption and Emissions	12;13	Quantity of resources used and releases into the environment resulting from a company's operations, including energy, water and greenhouse gas emissions.	Positive	Contribution to combating climate change through the implementation of actions to reduce emissions and energy consumption; Reduction in emissions through energy efficiency and use of renewable sources	Relevant
			Negative	Contribution to climate change	

## 5.1 Management model and policy

GRI 3-3;

Consciously managing activities that have an environmental impact means doing our part to create a healthy and welcoming place for the communities we want to take care of.

Just as discipline and great commitment contribute to the well-being of athletes in sports, we also follow industry regulations and strive to implement small and large additional actions that can contribute to the well-being of the planet and consequently the people who inhabit it.

As outlined in our Code of Ethics, we adopt a holistic and proactive approach to safeguarding the environment, both within our company and along the supply chain and in product design (for further information on the latter, please see the Products section).

Within our company, the responsible management of energy resources is crucial. Since 2014, we have been ISO 14001 certified and have adopted measures to reduce our energy consumption and increase sourcing from renewable sources.

Another pillar of our environmental policy is the responsible management of chemicals: we strictly adhere to European regulations, including the obligations of the REACH regulation, and go beyond the minimum requirements: indeed, we require Tier 1 suppliers to adhere to the Diadora Restricted Substance List (RSL), a list of chemicals that are subject to restrictions, which includes additional requirements beyond REACH.

In addition to monitoring our suppliers' chemical management, we evaluate their environmental performance through EcoVadis, as described in the section related to the environmental and social evaluation of suppliers.

In order to raise awareness regarding the importance of protecting the environment and preserving natural resources, we support sports projects that promote a responsible attitude towards the environment. A significant example of this is our sponsorship of Bodø/Glimt, a Norwegian football team that has stood out in the football scene for its commitment to reducing environmental impact.



### Bodø/Glimt: promoting environmental awareness in football

Our sponsorship of Bodø/Glimt, a Norwegian football team that has distinguished itself for the part it has played in raising public awareness of environmental issues, continued in 2023. Our commitment to the sponsorship of this team also included the creation of a team kit made from recycled materials and featuring prints that highlight the importance of protecting the planet.

Bodø/Glimt is an example of how sports and the major events associated with them can help increase attention and awareness. Thanks to the promotion of this team, we have the opportunity to raise awareness about environmental protection among the football community.

## 5.2 Investments in reducing energy consumption and emissions

GRI 3-3; 302-1; 305-1; 305-2

As part of our work to build ever better communities, the reduction of our direct emissions is one of the top priorities. In fact, thanks to targeted actions in this area, we can impact the quantity of greenhouse gases emitted, contributing both to limiting climate change and to improving the environment around us where our communities live. Our investments in photovoltaics, electric vehicles and energy consumption reduction are part of our tangible commitment to reducing our direct emissions. Since 2014, we have adopted an ISO 14001-certified Environmental Management System to systematically monitor and reduce our environmental impacts. We collect data on our energy consumption on a monthly basis and analyse consumption trends, also in comparison to the corresponding period of the previous year. Thanks to our ongoing analysis, in 2023 we have reduced our energy consumption in Diadora's premises, with the aim of achieving a 50% reduction in scope 1 and 2 emissions by 2025 and annually reducing energy consumption within our owned sites by 10%.

### Energy efficiency and energy source selection

Starting from 2021, Diadora S.p.A. has invested in the self-production of energy through the installation of photovoltaic panels and the use of certified renewable sources to cover our remaining energy needs. In 2023, approximately 32% of the energy consumed by our offices was generated by the photovoltaic panels installed in 2021. The remaining energy demand was covered by certified renewable sources, bringing us to source 100% of our electricity from renewable sources.

In 2023, we implemented heat pump systems, expanded our photovoltaic system and installed a storage system. The latter will be operational from 2024, allowing us to increase the quantity of self-produced energy for next year's consumption. Furthermore, we have also begun the process to carry out energy diagnostics, with the aim of obtaining ISO 5001 certification by 2025. During the year, we have already reduced our total electricity consumption by 5% at Diadora S.p.A. headquarters, also thanks to LED lighting and home automation systems in our offices that regulate brightness based on natural light.

### Low-impact environmental mobility

To encourage the adoption of electric and plug-in vehicles in our fleet, thereby reducing emissions related to corporate mobility, we have planned the installation of new electric vehicle charging stations, both inside and outside the company, adding them to the two already installed in 2022.

### Emissions reduction results

In 2023 our total Scope 1 emissions amounted to 471 tCO<sub>2</sub>e. Indirect emissions linked to electricity purchase (Scope 2) were equal to 154 tCO<sub>2</sub>e if calculated on a market-based methodology and 367 tCO<sub>2</sub>e if calculated on a location-based methodology.

When comparing a homogeneous perimeter that includes our Italy sites only, our Scope 1 emissions declined by 6.6% and Scope 2 market-based emissions decreased by close to 24% in 2023 versus 2022.

In the current reporting period we also expanded our data perimeter to include not only our Italy sites but also our US and China sites, in line with the most recognised international guidelines on emissions reporting. This broadened scope allows us to better track, monitor and manage our direct global emissions.

### The Diadora flagship store in Cortina: a combination of energy efficiency, proximity, and innovation

Another tangible example of our commitment to reducing our environmental impact is our Cortina flagship store, which has been designed and built following the principle of proximity. We selected the suppliers and materials based on proximity to the area and energy efficiency, prioritising the use of local materials, such as larch wood and technologies with a low environmental impact, such as LED lighting systems.

## 5.2.1 Advanced chemical monitoring

GRI 3-3; 301-1

The creation of footwear and garments that meet the highest technical and performance requirements requires the use of chemicals. That is why it is crucial to systematically manage the use of these substances so that they do not prove to be a danger to the end consumer and the environment.

### Regulatory compliance

For some time now, we have been committed to complying with European regulations on chemical substances, operating in line with the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulation. To ensure full compliance with these requirements, we have established a sample testing plan to assess the chemical-physical compliance of our materials and products, with regular sampling and in-depth analysis at our affiliated.

Our responsible management of chemicals is also reflected in our focus on the health and safety of workers: to protect our employees from potential harmful exposure to the chemicals we use during the production of our footwear, particularly in our historic factory, we have installed extraction benches in the work areas to capture these substances. This measure has been integrated with the use of personal protective equipment (PPE) to ensure a safe and healthy work environment.

### Beyond compliance: RSL and certifications

In addition to REACH compliance, we've developed a Restricted Substance List (RSL), a set of chemical substances subject to more stringent requirements than REACH. This list is part of our standard contract package.

Last but not least, our GRS and GOTS certifications ensure even stricter controls on the management of chemicals for certified products, in accordance with their specific standards.

## 5.2.2 The shared approach to waste management

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GRI 3-3; 306-3; 306-5

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Given the nature of our business, our ordinary business does not produce hazardous waste. The majority of the waste we produce – such as paper, cardboard, wooden pallets and other materials – comes from the packaging of incoming products and their disposal is carried out in accordance with local regulations on separate collection.

The detailed tables on the waste produced can be found in the appendix. Please note that the reporting refers to Diadora S.p.A. only; from next year we will undertake to report this data for our subsidiaries, even though they have little significance on the total waste produced.

In regard to the waste produced in our offices, we follow two fundamental principles: the reduction of waste and the responsible management of what cannot be eliminated.

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### Waste reduction

In previous years, we have adopted various practices to drastically reduce the use of single-use plastic in our company headquarters, such as removing plastic bottles from beverage dispensers. Throughout 2023, we continued to pursue the goal of reducing single-use items, including doing away with paper cups from the company's canteen. As part of our company policy, every employee is provided with a water bottle and a personal mug. Furthermore, we have replaced plastic with biodegradable materials in the coffee machines and vending machines.

In line with our efforts to reduce our waste, we have also set the goal of launching an initiative to reduce food waste in the canteen by 2024.

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### Responsible waste management

We are committed to the responsible management of waste and ensure effective separate waste collection. Our facilities are equipped with common areas with recycling containers, while specific paper bins have been distributed in our offices. Via the company intranet and the display of graphic materials in public areas, we have also raised awareness among our employees so that each one can make their own contribution.

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## 5.2.3 Water resource management

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GRI 3-3; 303-5

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Our activities do not involve the significant use of water resources. However, as part of our ongoing commitment to reducing our environmental impact, we recognise the importance of preventing water wastage at our company headquarters and believe that the monitoring and transparency of our consumption are essential to maintaining high standards of environmental responsibility in all our activities. Compared to 2022, we have reduced our water consumption by 11% at our headquarters.



# Product

*"We have built our foundations on two fundamental pillars. The first is technological innovation, which is the backbone to ensure the longevity of our company and which sustainability has always been an integral part of. The second pillar is represented by the value of craftsmanship, quality and attention to details, which reflect Diadora's continuous commitment to innovation and sustainability". (Claudio Bora, CEO)*

## – Table - Material topics, SDGs, impacts and risks

Material topic	SDGs	Topic description	Impact	Impact description	Impact extent	Risk
Product safety	12	The ability of a product to do no harm to human health during its lifecycle, ensuring that products are designed, manufactured, and distributed in compliance with safety standards and regulations.	Positive	Improvement in the quality and safety of products to protect consumer health; for Utility: accident reduction	Relevant	Risk of non-compliance with national safety laws and related sanctions; reputational risk and the related risk of consumer boycott of products; risk of damages compensation and loss of competitiveness for Utility products
			Negative	Deterioration in the level of product safety and quality, due to limited monitoring of these aspects; increase in accidents		
Materials and raw materials	12;15	Natural resources used to produce goods, while materials are substances or components used in the manufacturing process or in the provision of services.	Positive	Reduction of pollution and environmental protection through the use of raw materials with less environmental impact and/or recycled and/or renewable materials	Relevant	Risk of loss of competitiveness; risk of non-compliance with related sanctions and market exclusion
			Negative	Increased pollution and environmental damage due to the use of irresponsible materials		
Innovation/ Product Design	9;12; 13	Creating new products or improving existing ones to meet customer needs and sustainability, encouraging the adoption of innovative practices that reduce the environmental and social impact of products.	Positive	Contribution to the development and dissemination of new eco-design solutions in the textile/footwear sector through investments in R&D	Significant	Risk of lack of competitiveness in the sector and the consequent inability to attract talent; risk of missing out on economic bonus opportunities related to the circular economy; risk of loss of production efficiency; risk of missing out on economies of scale opportunities
			Negative	Lack of contribution to the development and dissemination of new eco-design solutions in the textile/footwear sector through investments in R&D		

## 6.1 Management model and policy

GRI 3-3;

Aware of the value of promoting the practice of sports and the culture surrounding it as tools for individual and collective growth, we are committed to providing high-performance and high-quality products, with a growing focus on reducing their environmental impact. Our company philosophy is based on the belief that sporting excellence and sustainability can go hand in hand, which drives us to invest in the research of innovative materials with a reduced environmental impact.

In this context, it is essential to ensure not only the quality and safety of our products, but also the reduction of their environmental impact throughout the entire production chain. The above-mentioned product certifications that Diadora has obtained, in addition to attesting to the transparency and traceability of our items, ensure the reduction of our environmental impact in production compared to conventional materials. In this way, we can ensure that our production chain is based on environmental and social responsibility, in line with the principles outlined in our Code of Ethics.

Lastly, for the Utility line, we have adopted a Quality Management System (QMS) that is compliant with ISO 9001:2015. This system includes all connected and interdependent activities that influence the quality of our products, ensuring that they not only meet the highest quality standards, but are also safe throughout the production cycle.

## 6.2 Materials with lower environmental impact

We are conscious that the materials used to make our products represent one of the main drivers of environmental impacts. This is why for several years we have been working to replace conventional materials with reduced environmental impact materials. Our commitment spans from using preferred materials and consolidated solutions widely available on the market to innovative and experimental materials. According to each product specificities, the required technical and sensory properties and solutions available on the market, we select a mix of alternative materials. This approach, based on continuous piloting and learning, is giving us the opportunity to acquire new essential competences and knowledge to scale up our efforts in the future.

To further encourage the incremental adoption of lower impact materials, in 2023 we established a virtual Material Library, a shared archive of innovative materials, primarily intended for our Product Development and Innovation teams and which is being constantly refreshed and expanded. In addition to information on evaluated materials and components, as well as their certifications and credentials for reducing environmental and social impacts, the Library provides a wide range of readings – industry magazines, reports, studies, scientific papers, conference proceedings, and more – in order to offer a comprehensive selection of updated sources related to the many aspects that contribute to defining the potential impact of a material or semi-finished product. Simultaneously, specific training sessions have been organised for the different company functions reaching over 150 participants, focusing on various types of recycled content and organic textile fibres.

Our goal is to reduce the emissions generated during the manufacturing of our products by 30% by 2030, using the knowledge gained over the years and scaling up the adoption of lower impact materials while maintaining the performance that distinguishes Diadora products.

We understand that in order to achieve the set target for reducing the emissions produced during the manufacturing of our materials, it is crucial that we adopt a holistic and comprehensive approach that considers all the experience and expertise we have acquired so far. That is why we are developing a framework to identify preferred materials for Diadora, with a particular focus on integrating lower impact materials widely available on the market, such as recycled or organic materials, and innovative materials such as fabric with heat-regulating capabilities that are obtained not through chemical treatments, but solely through the fabric structure. The framework also takes into account crucial aspects, such as the design, durability and recyclability of the product.

In our pursuit of continuous improvement, in 2023 we integrated the ability to track and monitor the use of preferred materials by our suppliers within the PLM software. This tool, which we are continuing to refine, has provided a key contribution to the clearer and more effective management of data related to our products and to the monitoring of our progress in the increasing adoption of preferred materials within our collections.

4 Materials Terminology Guide 2020 - Textile Exchange

### 6.2.1 Recycled materials

GRI 301-1

In line with the EU Strategy for Sustainable and Circular Textiles, which predicts that by 2030 a large proportion of textiles placed on the EU market will consist of recycled fibres, we are gradually refining the selection of our materials to test and increase those derived from recycling.

We have made progress in using recycled materials in our Utility line, such as the aluminium used for the toe caps, which constitutes a significant part of the weight of the footwear in this range. While in 2022 only 30% of the aluminium used for the toe caps was recycled, in 2023 we have doubled this percentage to reach on average 60%.

Furthermore, starting from the AW23 collection, we introduced the first Active clothing pieces with GRS-certified recycled content, mainly consisting of post-consumer recycled polyester, and additional certified technical garments made with recycled polyester and polyamide will follow in both the 2024 seasons.

## 6.2.2. Product warranties given to customers

Following our approach that is focused on honest and transparent communication, and aware of the importance of demonstrating reliability to our customers, we have invested in product certifications that guarantee the presence of recycled or organic materials. This ensures that our environmental statements regarding the products can be verified.

In addition to involving suppliers in independent certification processes for the raw materials used, the certifications held by Diadora (GRS, RCS, GOTS, and OCS) guarantee the possibility of marketing certified finished products.

## 6.2.3. Commitment to the future: innovative materials

In addition to the use of preferred and recycled materials and in keeping with our innovation focus, in 2023 we have intensified our research on innovative materials with reduced environmental impacts. Thanks to this work, we have been able to introduce in our collection a new material for the upper of one of our football shoes. The material, especially developed with and for Diadora, responds to the need of maintaining high performance and quality standards while reducing environmental impact. In addition to several components containing recycled content, such as the sole, in-lining, midsole and laces, the upper is made partially from recycled materials and partially from materials from renewable sources. Our strong collaboration with the supplier has allowed us to pilot and fine-tune this innovative solution to be applied on a larger scale.

In the coming years, we will continue concentrating our efforts on this workstream, with a special focus on non-fossil derived materials.

## 6.2.4. Reducing packaging and involving the supply chain

We have intensified our efforts to reduce the environmental impact of our product packaging. The key principles we follow are reducing the impact of raw materials, reducing quantities, and involving the supply chain.

### Reduction of the impact of raw materials

Currently, 99% of our paper packaging (which constitutes 98% of the packaging used by Diadora) is certified according to the Forest Stewardship Council® (FSC®) Standard. As a result, almost all of our packaging is preferred. Furthermore, starting from the next production season, we have set the goal of replacing all polyethylene bags for the Utility clothing line with a material with a lower environmental impact than the current one. Additionally, almost all of the packaging used for our footwear (99.5%) is recyclable.

### Reduction of quantities

In 2023, compared to 2022, we managed to reduce the quantity of packaging used for direct production by 43% and we will continue in this direction in the coming years. By 2026, we also intend to completely do away with primary and secondary packaging made from single-use plastic for our sports and lifestyle clothing and footwear products.

### Involving the supply chain

Paper packaging suppliers, like clothing and footwear suppliers, undergo regular EcoVadis assessments to monitor and improve their environmental performance. Furthermore, we direct our main clothing suppliers towards our designated packaging suppliers, thus ensuring greater compliance with our preferred packaging policies.

Please note that all packaging graphics have been updated with the environmental disposal information as stipulated by Italian and French regulations.

## 6.3 Safe products for protected communities

GRI 416-2

At Diadora, product safety is our priority. Once again in 2023, we strove to ensure high safety standards throughout the production chain, supported by our ISO 9001-certified Quality Management System for the Diadora Utility line.

We also continued our quality and product safety control activities, with a particular focus on products in the children's line. In order to mitigate risks related to these products, we carry out specific tests and directly involve our suppliers in material analyses, product design and the selection of suitable raw materials.

Although our manufacturing partners are responsible for the safety of the products they provide us, we also ensure that their production methods comply with current laws and regulations. Our Quality department carefully monitors the materials and products purchased through various activities, including:

- Laboratory analysis and further tests to check their safety;
- Certification of Utility and Sport PPE products with the support of leading European and global accredited bodies to comply with the industry's reference standards.

Our Product Lifecycle Management (PLM) system also contributes to more effective supply chain tracking, particularly regarding product safety.

Finally, we have pursued six research projects, some new and others that have been carried forward from previous years, in collaboration with the Biomechanics Institute of Valencia and the University of Washington School of Medicine. These collaborations aim to continuously improve the safety of our products through the development and validation of new technologies.



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## Athena: the first safety shoe for women

Diadora Utility has become the promoter of true innovation within the safety market by reinforcing the indissoluble relationship between safety and technology: for the first time, the study of female foot morphology has been combined with scientific laboratory tests to create a product exclusively for women.

Athena is the first safety shoe designed to meet the specific needs of female workers. This project, established within our Centro Ricerche Diadora, is supported by our prestigious collaboration with the Biomechanics Institute of Valencia (IBV).

We focused on the shape, lacing and fit to ensure the best fit and support the female foot, while ensuring maximum safety. Each and every shoe element has been developed by choosing specific, high-performance materials, with the aim of improving female worker well-being:

- the open-cell double-density polyurethane foam footbed with activated carbons has been designed to ensure optimal plantar pressure distribution between the metatarsal heads and the heel;
- the D-light polyurethane foam midsole provides unparalleled cushioning and maximum foot stability;
- The tread features a new design and shape and is made from compact polyurethane, with round-shaped lugs that ensure excellent slip resistance. The reinforced toe and heel areas provide surface run-off protection to quickly clean the tread and a flex zone that facilitates and accompanies the natural direction of the foot when walking;
- the soft-lined sole has been designed to enhance the female foot.

Our Athena safety shoes are also certified according to the new EN ISO 20345: 2022.

In 2023, Diadora Utility also wanted to promote the importance of workplace safety by supporting the Primo Maggio concert on May Day. Diadora Utility products helped the staff working behind the scenes of the Primo Maggio concert to carry out their work safely. In particular, this year Diadora has put its technology and innovation capabilities at the service of women, who until now did not have dedicated products designed around their physiology. The females working at the concert wore Athena and the rest of the uniform was made with stretchy, ergonomic fabrics that follow the movements of the body, enhance the female workers, offer maximum comfort and the best possible functionality. To continue promoting the importance of health and safety in the workplace, Diadora Utility has entered into a partnership with Equaly – the first Italian organisation dedicated to gender equality within the music business – to start safety training courses for industry professionals from the second half of 2023.

## 6.4 Product tests as guarantee of our excellence

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GRI 416-1

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Throughout 2023, 627 physical and mechanical tests were conducted in our lab to verify products quality. 89% of these tests were focused on our footwear, while 11% concerned clothing, marking a 22% increase compared to the previous year. Out of all the tests conducted, a particular emphasis was placed on the materials used for the upper of the footwear, which was subject to 95% of the tests conducted in the footwear category overall.

## 6.5 Innovation and collaboration with athletes as the key to our success

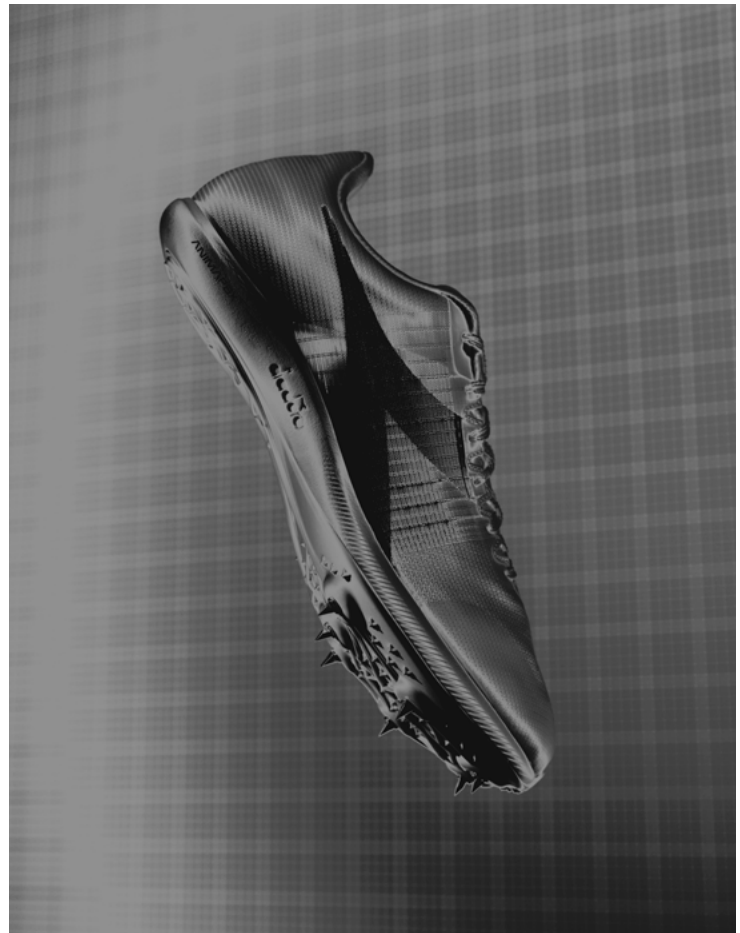
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GRI 3-3; 301-1

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The success of athletes also depends on what they wear. That is why innovation is a key pillar of what we do every day. We work closely with the best athletes to design, develop, produce and distribute innovative and high-performance sportswear and footwear. A classic example of how working with athletes allows us to create items that combine high performance and technological innovation are the projects we developed in 2023 in collaboration with Samuele Ceccarelli, which led to the creation of the Velocità Carbon shoes, which marked our return to the athletics track, and Gara Carbon, with which we made high-performance shoes with carbon plates available to the running community.





## Innovation and performance: the success of the collaboration between Diadora and the athlete Samuele Ceccarelli

In 2023, Diadora strengthened its partnership with competitive athletes, expanding its “athletes community” and creating relationships that go beyond technical support. Three new athletes joined the team, which was already composed of nine professionals in athletics, fencing, beach volleyball and tennis.

This commitment is part of the broader context of the company’s mission to provide the best possible support to athletes. This support includes injury prevention, the identification of cutting-edge products and technologies and the execution of specific field tests. A key part of this process is the initial phase of getting to know the athletes and their specific needs, in order to develop personalised products. The experience that results from the collaboration with professional athletes allows us to extend this knowledge to products intended for athletes at lower competitive level and amateur sports enthusiasts.

In this perspective, the collaboration we began in 2023 with the sprinter Samuele Ceccarelli, European indoor champion in the 60 metres event, is a prime example. The “Velocità Carbon” shoe grew out of this relationship, a new high-performance spike shoe that marks Diadora’s return to the world of track and field competitions.

In parallel with this collaboration, the “Gara Carbon”, the first Diadora shoe with a carbon plate, was created. Developed with the commitment of the Centro Ricerche Diadora technicians, it is the most high-performance shoe designed for athletes who want to celebrate speed. The carbon plate in the Gara Carbon, developed with cutting-edge technology, is designed to optimise the curvature of the sole and maximise the energy transferred from the athlete to the ground. The combination of advanced materials, such as Anima PBX and Matrix Mesh with carbon fibres, guarantees lightness, resistance and unprecedented performance.

## 6.6 Research and Development: the heart of Diadora’s innovation

Over the course of the year, we intensified dialogue with our suppliers and research institutions to acquire high-performance materials and technologies, without overlooking their environmental impact.

The partnership with the Biomechanics Institute of Valencia has allowed us to develop new testing methodologies and collect data on athletic movement, which allow us to improve our products to make them even more effective in supporting and sustaining athletic movements.

## Il Centro Ricerche Diadora – Diadora Research Centre

The Centro Ricerche Diadora (CRD), our research and development centre, is at the heart of Diadora innovation. Established in the 1980s as a multidisciplinary hub, today it is the place where shoe technicians, developers and designers meet and exchange with doctors and biological technicians to study the interaction between the shoe and human body. Athletes and coaches take part in the tests to contribute with their technical experience, but also to provide their feedback from a user-experience point of view.

The CRD was recently revamped thanks also to the partnership with the Valencia Bio-mechanical Institute (IBV). Every year, Diadora and IBV jointly design new projects for to develop innovative technologies or stress-test products. In 2023 we introduced in the CRD Diadora Lab a new markerless system to track and assess athletes' movement cinematic. Thanks to artificial intelligence this system can provide accurate and advanced reports in just a few minutes. The objective is to help athletes to analyse in details their movements and deepen the understanding of the interaction between body and footwear. We have also introduced Gara Carbon, our high performance running shoe with a carbon plate, together with Velocità Carbon and Frequenza (Anima N2), which incorporate a SCF (supercritical foaming) compound, EVA-based (Anima N2) or Pebax-based (Anima PBX).





## 6.7 Collaborations and innovative capsule collections

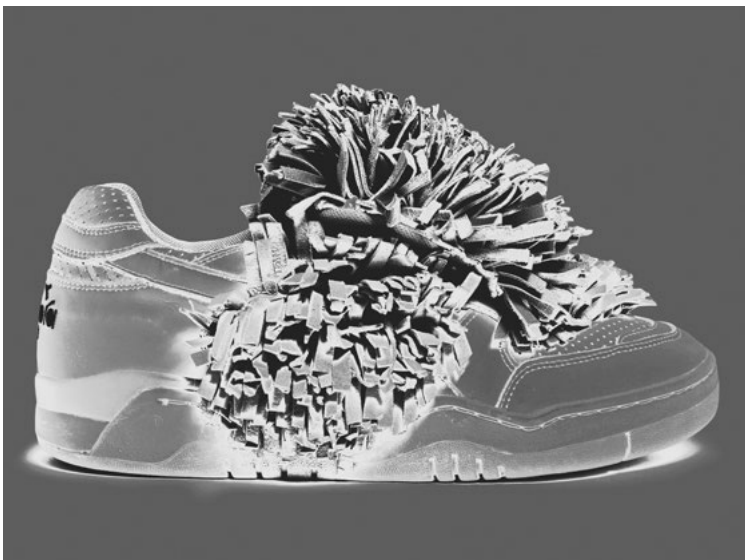
In addition to the use of recycled materials, in 2023 we began experimenting with upcycling initiatives. We launched an experimental project involving around 1,450 Italian-made pieces. Left-over taslan fabrics that we had in stock for many years were used as inserts on clothing items made from recycled cotton, such as sweatshirts, T-shirts, shirts, and trousers. The project involved different types of items to allow our Design and Product Development teams to experiment creatively with various garment types.

In 2023, we also experienced the importance of partnerships and the sharing of knowledge and skills to reduce environmental impacts. Thanks to the collaboration with Colville, a company that designs unique, artisanal, long-lasting, and inclusive fashion pieces, some of our defective footwear found a new life.

Over the next year, we will continue to work on experimentation and the development of skills in eco-design and circularity and we have planned a training program to develop our team's skills and knowledge in this area.

## Colville & Diadora: upcycling and Made in Italy creativity

Sustainability and sports: these are the key words of our collaboration with Colville, a company committed to reusing waste from the fashion and interior design industry. The project has allowed some “flawed” Diadora pieces to be given new value through careful study and excellent craftsmanship and Made in Italy expertise. Thus in 2023, the B.560 Colville was presented, which predominantly uses leftover stock to give a new design to the iconic B.560. By combining the craftsmanship we have honed over time with a responsible approach to the modern ideals that respect people and the environment, the collection celebrates material innovation and enduring style in fashion.



## 6.8 Methodological note

GRI 2-2; 2-3; 2-4

Here at Diadora, we have chosen to deepen our ethical, social and environmental commitment by drafting our 2023 Sustainability Report (also referred to in this document as the “Report”) to account for the social and environmental impacts and initiatives related to our activities.

The reporting scope coincides with our 2023 Management Report and includes all the company’s activities. Any exceptions to the reporting are indicated in the individual sections or with a specific footnote. The above-mentioned scope is consistent with the indications of the Global Reporting Initiative (GRI Standards) guidelines.

This report has been prepared in accordance with the “GRI Sustainability Reporting Standards”, taking into consideration the updates provided by the 2021 GRI Universal Standards.

In order to standardise the reporting, each thematic macro-section (governance, people, planet, and product) begins with a table of relevant sustainability themes and their respective impacts, risks, and related SDGs; followed by:

- management models and policies;
- detailed description of actions, initiatives and projects related to sustainability themes held during the year;
- GRI tables indicating quantitative KPIs.

The above-mentioned information was collected through special forms and interviews with department contact persons, in line with reporting best practices.

Furthermore, as the reporting obligations of the Corporate Sustainability Reporting Directive (CSRD) will come into effect from the 2025 fiscal year, in 2023 our management team decided to engage in a workshop where the theoretical basis of reporting and the subsequent developments leading to the introduction of new regulatory obligations were shared. A particular focus was placed on double materiality and the inside-out and outside-in concepts. That is to say, the following were mapped: the main positive and negative impacts for each material topic and the economic risks, and we began to hypothesise how to quantify the extent of the risks. Starting from next year, we will evaluate how to involve key stakeholders not only in the materiality analysis – as reported in section 2.1 – but also in the identification of impacts and risks. We will also define how to prepare our departments for in-depth disclosure regarding the valuation of financial risks.

For each material topic we have assessed the impact materiality by combining three criteria: scale, scope and irremediability. At the end of the workshop mentioned in the Report main body, participants have assigned a 0 to 5 score to each criteria and for each topic. Scores have been summed up and each topic has been assigned a rating based on the overall score: above 12 Critical; 10 – 12 Significant; 8 – 9: Relevant; 5 – 7 Informative; <5 Minor. The opening of each macro-section includes the following tables: SDGs, impact, extent, and risk for each material topic in this Report.

This Report will not be subject to verification by an independent third party, however, the contents of this Report have undergone a validation and approval process that included:

- The validation of the structure and contents by the Sustainability Team;
- Final approval of the contents by the Board of Directors by the end of June.



# Appendix

## – GRI 205-1 Disclosure - Communication and training on anti-corruption policies and procedures

Operations assessed for corruption-related risks	2021	2022	2023
total no.	--	2117	1400
% on total assessed operations	--	1%	1%

## – GRI 205-2 Disclosure - Communication and training on anti-corruption policies and procedures

a.

Communications to the members of the governing bodies	2021	2022	2023
total no. of members of governing bodies	--	6	6
percentage	--	100%	100%

b.

Communication to employees		2021	2022	2023
Executives	Total no. of employees	--	16	16
	percentage	--	100%	100%
Managers	Total no. of employees	--	6	10
	percentage	--	17%	19%
Employees	Total no. of employees	--	20	50
	percentage	--	14%	35%
Workers	Total no. of employees	--	0	0
	percentage	--	0%	0%
Operational employees	Total no. of employees	--	0	0
	percentage	--	0%	0%

c.

Training for the members of the governing bodies	2021	2022	2023
Total no. of employees	--	0	6
percentage	--	0%	100%

d.

Employee training	2021	2022	2023
Total no. of employees	--	28	84
percentage	--	10%	31%

## – GRI 205-3 Disclosure - Confirmed incidents of corruption and actions taken

	2021	2022	2023
Incidents resulting in dismissal	0	0	0
Incidents with measures taken against the employee	0	0	0
Incidents with business partners/suppliers	0	0	0
Public legal cases	0	0	0
Total confirmed incidents	0	0	0

## – GRI 2-7 Disclosure Employee Information

### Total number of permanent/fixed-term employees, with a breakdown by gender and region

	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
no. of employees per employment contract									
Permanent	88	98	186	117	146	263	112	144	256
Temporary	1	7	8	6	5	11	8	6	14
Total	89	105	194 <sup>7</sup>	123	151	274	120	150	270

7 Si rileva un perimetro differente nel corso dell'ultimo triennio

no. of employees per employment contract	2021								2022								2023							
	IT		EU no IT		Extra EU		Tot	IT		EU no IT		Extra EU		Tot	IT		EU no IT		Extra EU		Tot			
	M	W	M	W	M	W		M	W	M	W	M	W		M	W	M	W	M	W				
Permanent	86	87	1	7	1	4	186	97	133	4	1	16	12	263	93	132	4	1	15	11	256			
Temporary	1	7	0	0	0	0	8	2	5	0	0	4	0	11	6	6	0	0	2	0	14			
Total	87	94	1	7	1	4	194	99	138	4	1	20	12	274	99	138	4	1	17	11	270			

### Total number of full-time/part-time employees, with a breakdown by gender and region

	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
no. of employees by type of job									
Full time	89	95	184	118	110	228	115	110	225
Part time	0	10	10	5	41	46	5	40	45
Total	89	105	194	123	151	274	120	150	270

no. of employees per employment contract	2021								2022								2023							
	IT		EU no IT		Extra EU		Tot	IT		EU no IT		Extra EU		Tot	IT		EU no IT		Extra EU		Tot			
	M	W	M	W	M	W		M	W	M	W	M	W		M	W	M	W	M	W				
Full-time	84	94	4	1	1	0	184	94	97	4	1	20	12	228	94	98	4	1	17	11	225			
Part-time	0	10	0	0	0	0	10	5	41	0	0	0	0	46	5	40	0	0	0	0	45			
Total	84	104	4	1	1	0	194	99	138	4	1	20	12	274	99	138	4	1	17	11	270			

### Total number of employees by employment category

	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
no. of employees by employment category									
Executives	10	3	13	12	2	14	14	3	17
Managers	22	10	32	34	11	45	31	11	42
Employees	49	90	139	71	134	205	67	132	199
Workers	8	2	10	6	4	10	8	4	12
Total	89	105	194	123	151	274	120	150	270

## - GRI 2-8 Disclosure Information on workers who are not employees

Total number of other workers by employment category (interns, temporary workers, collaborators), by gender

no. of other workers by employment category	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Interns	1	0	1	3	3	6	4	2	6
Temporary staff	1	2	3	4	7	11	3	11	14
Contractors	0	0	0	1	0	1	1	0	1
Other (specify)	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>8</b>	<b>10</b>	<b>18</b>	<b>8</b>	<b>13</b>	<b>21</b>

## - GRI 401-1 Disclosure - New employee hires and employee turnover

a. Total number and rate of new employee hires during the reporting period, by age group, gender and region

no. new hires	New hires								
	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
< 30	5	3	8	7	14	21	5	5	10
30 - 50	7	10	17	20	15	35	13	10	23
> 50	0	1	1	3	1	4	1	1	2
<b>Total</b>	<b>12</b>	<b>14</b>	<b>26</b>	<b>30</b>	<b>30</b>	<b>60</b>	<b>19</b>	<b>16</b>	<b>35</b>

b. Total number and rate of employee turnover during the reporting period, by age group, gender and region

no. of outgoing employees (1)	Outgoing employees								
	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
< 30	3	5	8	8	11	19	5	5	10
30 - 50	17	8	25	17	21	38	16	11	27
> 50	3	3	6	5	4	9	1	1	2
<b>Total</b>	<b>23</b>	<b>16</b>	<b>16</b>	<b>30</b>	<b>36</b>	<b>66</b>	<b>22</b>	<b>17</b>	<b>39</b>

no. reasons for exit

	Outgoing employees								
	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Resignation	20	11	31	22	22	44	17	14	31
Retirements	1	2	3	3	1	4	1	0	1
Redundancies	1	1	2	0	0	0	2	2	4
Other reasons (end of contract, mutually agreed termination, etc.)	1	2	3	5	13	18	2	1	3
<b>Total</b>	<b>23</b>	<b>16</b>	<b>39</b>	<b>30</b>	<b>36</b>	<b>66</b>	<b>22</b>	<b>17</b>	<b>39</b>

No. of employees by age group and gender

	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
< 30	8	10	18	15	28	43	15	24	39
30 - 50	50	72	122	73	97	170	68	97	165
> 50	31	23	54	35	26	61	37	29	66
<b>Total</b>	<b>89</b>	<b>105</b>	<b>194</b>	<b>123</b>	<b>151</b>	<b>274</b>	<b>120</b>	<b>150</b>	<b>270</b>

Turnover %	Turnover*								
	2021 <sup>8</sup>			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
< 30	--	--	--	--	--	--	33,33%	17,86%	23,26%
30 - 50	--	--	--	--	--	--	21,92%	11,34%	15,88%
> 50	--	--	--	--	--	--	2,86%	3,85%	3,28%
Total	--	--	--	--	--	--	17,89%	11,26%	14,23%

no. new hires	2021								2022								2023							
	IT		EU no IT		Extra EU		Tot	IT		EU no IT		Extra EU		Tot	IT		EU no IT		Extra EU		Tot			
	M	W	M	W	M	W		M	W	M	W	M	W		M	W	M	W	M	W				
< 30	5	3	0	0	0	0	8	6	10	1	0	1	2	20	5	6	0	0	0	0	10			
30 - 50	7	10	0	0	0	0	17	13	13	1	0	3	1	31	10	10	2	0	1	0	23			
> 50	0	1	0	0	0	0	1	4	2	1	0	0	0	7	1	1	0	0	0	0	2			
Total	12	14	0	0	0	0	26	23	25	3	0	4	3	58	16	16	2	0	1	0	35			

no. of outgoing employees	2021 <sup>9</sup>								2022								2023							
	IT		EU no IT		Extra EU		Tot	IT		EU no IT		Extra EU		Tot	IT		EU no IT		Extra EU		Tot			
	M	W	M	W	M	W		M	W	M	W	M	W		M	W	M	W	M	W				
< 30	3	5	0	0	0	0	8	8	10	0	0	0	1	19	5	6	0	0	0	0	10			
30 - 50	16	8	0	0	1	0	25	14	20	1	0	2	1	38	10	10	2	0	4	0	27			
> 50	2	3	0	0	1	0	6	4	4	1	0	0	0	9	1	1	0	0	0	0	2			
Total	21	16	0	0	2	0	39	26	34	2	0	2	2	66	16	16	2	0	4	1	39			

– GRI 403-1 Disclosure - Occupational health and safety management system

	2021	2022	2023
% of employees covered by certified Occupational Health and Safety Management System (OHSMS)	--	100%	100%
% of employees not covered by certified Occupational Health and Safety Management System (OHSMS)	--	0%	0%

## – GRI 403-9 Disclosure - Work-related injuries

### a. Work-related injuries for all employees

	2021		2022		2023	
	No.	Rate	No.	Rate	No.	Rate
Number and rate of deaths following workplace accidents	0	0	0	0	0	0%
Number and rate of work-related injuries with serious consequences (excluding fatalities)	0	0	0	0	0	0%
Number and rate of other work-related injuries	0	0	0	0	3	100%
The main types of work-related injuries (brief description)	--	--	--	--	Commute to and from home; at work	--
Number of hours worked	346.096	--	--	--	318.661	--
Number of working days lost due to accidents at work	0	0%	0	0%	34	0,08%

### b. Work-related injuries for all workers who are not employees, but whose work and/or workplace are under the control of the organisation (if applicable)

	2021		2022		2023	
	No.	Rate	No.	Rate	No.	Rate
Number and rate of deaths following workplace accidents	0	0%	0	0%	0	0%
Number and rate of work-related injuries with serious consequences (excluding fatalities)	0	0%	0	0%	0	0%
Number and rate of work-related injuries	0	0%	0	0%	0	0%
The main types of work-related injuries	--	--	--	--	--	--
Number of hours worked	--	--	--	--	--	--
Number of working days lost due to accidents at work	0	0%	0	0%	N.A.	0%

## - GRI 405-1 Disclosure

### - Diversity of governance bodies and employees

a. Percentage of members of the organisation's governing bodies by gender, age group and other diversity indicators, where relevant (such as minorities or vulnerable groups)

Age groups									
2023	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of governing bodies (No.)	0	0	0	5	2	7	9	1	10

Age groups									
2022	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of governing bodies (No.)	0	0	0	5	1	6	7	1	8

Age groups									
2021	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of governing bodies (No.)	0	0	0	6	1	7	4	2	6

Age groups									
2023 (%)	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of governing bodies (%)	-	-	-	71%	29%	100%	90%	10%	100%

Age groups									
2022 (%)	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of governing bodies (%)	-	-	-	83%	17%	100%	88%	13%	100%

Age groups									
2021 (%)	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of governing bodies (%)	-	-	-	86%	14%	100%	67%	33%	100%

**b Percentage of employees by gender, age group and other diversity indicators, if relevant (such as minorities or vulnerable groups)**

**Age groups**

2023	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	0	0	0	5	2	7	9	1	10
Managers	0	0	0	19	8	27	12	3	15
Employees	14	23	37	41	85	126	12	24	36
Workers	1	1	2	3	2	5	4	1	5
Total	15	24	39	68	97	165	37	29	66

**Age groups**

2022	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	0	0	0	5	1	6	7	1	8
Managers	0	0	0	21	9	30	13	2	15
Employees	15	27	42	45	85	130	10	22	32
Workers	1	1	2	1	2	5	5	1	6
Total	16	28	44	72	97	35	35	26	61

**Age groups**

2021	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	0	0	0	6	1	7	4	2	6
Managers	0	0	0	12	8	20	10	2	12
Employees	7	10	17	31	61	92	11	19	30
Workers	1	0	1	1	2	3	6	0	6
Total	8	10	18	50	72	122	31	23	54

Age groups

2023 (%)	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	-	-	-	71%	29%	100%	90%	10%	100%
Managers	-	-	-	70%	30%	100%	80%	20%	100%
Employees	38%	62%	100%	33%	67%	100%	33%	67%	100%
Workers	50%	50%	100%	60%	40%	100%	80%	20%	100%
Total	38%	62%	100%	41%	59%	100%	56%	44%	100%

Age groups

2022 (%)	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	-	-	-	83%	17%	100%	88%	13%	100%
Managers	-	-	-	70%	30%	100%	87%	13%	100%
Employees	36%	64%	100%	35%	65%	100%	31%	69%	100%
Workers	50%	50%	100%	33%	67%	100%	83%	17%	100%
Total	36%	64%	100%	41%	57%	100%	57%	43%	100%

Age groups

2021 (%)	< 30			30 - 50			> 50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	-	-	-	86%	14%	100%	67%	33%	100%
Managers	-	-	-	60%	40%	100%	83%	17%	100%
Employees	41%	59%	100%	34%	66%	100%	37%	63%	100%
Workers	100%	0%	100%	33%	67%	100%	100%	0%	100%
Total	44,4%	55,6%	100%	41%	59%	100%	57,4%	42,6%	100%

- GRI Disclosure 406 - 1  
- Incidents of discrimination and corrective actions taken

a. Total number of incidents of discrimination during the reporting period	2021	2022	2023
Total number			
Recorded incidents of discrimination	0	0	0

## - GRI 404-1 Disclosure - Total and average hours of training per year per employee

		2020			2021			2022			2023		
		M	W	Tot	M	W	Tot	M	W	Tot	M	W	Tot
Total training hours by gender and category	Executives	30	30	60	59	23	82	48	12	60	333	65	398
	Managers	520	38	558	52	14	66	201	72	272	566	244	809
	Employees	405	472	877	160	151	311	441	1003	1444	985	2229	3214
	Workers	0	0	0	8	5	12	21	22	43	83	37	120
	To all employees	0	0	0	788	929	1717	654	1122	1776	44	43	88
	Total	955	540	1495	1066	1122	2188	1365	2230	3595	2011	2618	4629

		2020			2021			2022			2023		
Average hours of training by gender and category		M	W	Tot	M	W	Tot	M	W	Tot	M	W	Tot
average hours of training per employee													
Executives		2,73	7,50	4,62	5,36	5,75	5,86	3,43	4,00	3,53	23,79	21,67	23,41
Managers		20,00	3,80	17,44	1,98	1,43	1,46	6,47	6,50	6,48	18,25	22,14	19,27
Employees		7,64	5,24	6,31	3,01	1,68	1,52	6,58	7,60	7,26	14,70	16,89	16,15
Workers		0,00	0,00	0,00	0,75	1,50	1,20	2,63	5,38	3,54	10,38	9,13	9,96
To all employees		0,00	0,00	0,00	7,88	8,69	6,27	-	-	6,58	0,37	0,29	0,32
Total		10,73	5,14	7,70	8,66	7,43	7,99	11,37	14,87	13,31	16,76	17,45	17,14

### No. of training hours provided to employees during the reporting period, by topic and legal obligation

C = Compulsory

V = Voluntary

		2021			2022			2023		
		C	V	Tot	C	V	Tot	C	V	Tot
Total training hours per topic	IT	0	80	80	0	1065	1065	0	1452	1452
	Foreign Languages	0	40	40	0	20	20	0	155	155
	Privacy Policy	0	65	65	0	0	0	164	0	164
	Security	0	0	0	399	0	399	68	0	68
	Sustainability	0	0	0	0	4	4	0	123	123
	Technology	8	188	196	0	331	331	0	773	773
	Soft Skills	0	1807	1807	0	1776	1776	0	1894	1894
	Total per category	8	2180	2188	399	3196	3595	232	4397	4629

## - GRI 404-3 Disclosure - Number of employees receiving regular performance and career development reviews

		2021			2022			2023		
		M	W	Tot	M	W	Tot	M	W	Tot
Number of employees receiving regular performance and career development reviews	Executives	10	3	13	12	2	14	14	3	17
	Managers	23	9	34	32	11	43	29	10	39
	Employees	23	30	53	21	15	36	20	16	36
	Workers	0	0	0	0	0	0	0	0	0
	Other workers (specify)	0	0	0	0	0	0	0	0	0
	Total	56	42	98	65	28	93	63	29	92

# – GRI 401-3 Disclosure - Parental Leave

## a. Total number of employees that were entitled to parental leave, by gender

	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Employees entitled to parental leave	89	105	194	162	112	274	120	150	270
<b>Total</b>	<b>89</b>	<b>105</b>	<b>194</b>	<b>162</b>	<b>112</b>	<b>274</b>	<b>120</b>	<b>150</b>	<b>270</b>

## b. Total number of employees that took parental leave, by gender

	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Employees that took parental leave	0	10	10	0	13	13	0	14	14
<b>Total</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>14</b>	<b>14</b>

## – GRI 302-1 Disclosure - Energy consumption within the organisation Energy consumption Diadora spa, Diadora Retail, Diadora FBS Sports Ltd, Diadora US Inc.

Energy used	Unit	2021	2022	2023	Notes
Electricity	kwh				
Electricity purchased from the grid - Italy		-	402.279	354.087	Electricity purchased by Diadora Retail
Electricity purchased from the grid - China		-	-	17.382	Electricity purchased by Diadora FBS Sports Ltd
Electricity purchased from the grid - US		-	-	15.098	Electricity purchased by Diadora US Inc
Electricity purchased through Guarantee of Origins (GO) contracts		961.692	954.539	929.691	Electricity purchased by Diadora s.p.a.
Self-produced electricity from photovoltaic		573.468	575.549	518.200	Energia prodotta da fotovoltaico Diadora s.p.a.
Self-produced electricity from other sources		-	-	-	
<b>TOTAL</b>	<b>kWh</b>	<b>1.535.160</b>	<b>1.932.367</b>	<b>1.834.458</b>	
Self-produced electricity sold back to the grid		(142.612)	(101.210)	(86.908)	
Energia prodotta internamente da impianto diverso da fotovoltaico		-	-	-	
<b>TOTAL ELECTRICITY CONSUMPTION</b>	<b>Kwh</b>	<b>1.392.548</b>	<b>1.831.157</b>	<b>1.747.550</b>	
Out of which from renewable sources		1.392.548	1.428.878	1.360.983	
% from renewable sources		100%	78%	78%	In 2022 Diadora Retail was added to the reporting perimeter and in 2023 Diadora's US and China sites were further included
<b>Fuels</b>	<b>liters</b>				
Diesel		103.831	98.025	92.172	For vehicles and heating
Petrol		8.977	33.996	35.723	
GPL		-	-	-	
<b>TOTAL FUEL CONSUMPTION</b>	<b>liters</b>	<b>112.808</b>	<b>132.021</b>	<b>127.895</b>	
<b>Natural gas (heating and other)</b>	<b>smc</b>				
Natural gas		56.211	81.100	75.926	
<b>TOTAL GAS CONSUMPTION</b>	<b>smc</b>	<b>56.211</b>	<b>81.100</b>	<b>75.926</b>	
<b>Other sources</b>	<b>kWh</b>				
District heating		-	3.006	2.908	
<b>TOTAL OTHER SOURCES</b>	<b>kWh</b>		<b>3.006</b>	<b>2.908</b>	
Out of which from renewable sources		-	2.705	-	

## – Disclosure 305-1 e 305-2 - Emissioni dirette (Scope 1) e emissioni indirette (Scope 2)

		2021	2022	2023	2023 vs 2022
Scope 1 (ITA)	t CO2eq	392	485	453	-6,6%
Scope 1 TOTAL				471	
Scope 2 location-based (ITA)	t CO2eq	246	348	352	1,2%
Scope 2 location based TOTAL	t CO2eq	--	--	367	
Scope 2 market-based (ITA)	t CO2eq	--	184	140	-23,9%
Scope 2 market-based TOTAL	t CO2eq	--	--	154	

## – GRI 306-3 Disclosure - Waste

Waste									
Waste by composition, in tonnes (t)	2021			2022			2023		
	Units of measurement	Hazardous waste	Non-hazardous waste	Units of measurement	Hazardous waste	Non-hazardous waste	Units of measurement	Hazardous waste	Non-hazardous waste
Paper and cardboard packaging (150101)	t	0	207.95	t	0	209.56	t	0	215.75
Mixed material packaging (150106)	t	0	22.79	t	0	10.01	t	0	14.8
Clothing (200110)	t	0	11.81	t	0	10.83	t	0	10.32
Composite material waste (040209)	t	0	12.34	t	0	3.77	t	0	6.59
Wooden packaging (150103)	t	0	11.62	t	0	13.47	t	0	7.57
Biodegradable waste (200201)	t	0	4.80	t	0	0	t	0	0
Non-differentiated urban waste (200301)	t	0	2.27	t	0	0	t	0	0
Textile products (200111)		0	0		0	0		0	0
Bulky waste (200307)	t	0	0	t	0	0	t	0	9.86
If hazardous waste is present, specify the category	t	na	na	t	na	na	t	na	na
Total	t	0	273.58	t	0	247.640	t	0	264.89

## - GRI 303-5 Disclosure - Water consumption

Water consumption (cubic metres) in all areas	UOM	2021	2022	2023	% change between 2022 and 2023
Diadora s.p.a.	mc	2560	4270	3790	-11%
Diadora Retail	mc	--	100	190	+90%
Total	mc	2560	4370	3980	-9%

## - GRI 301-1 Disclosure - Materials used by weight or volume

Raw materials						
Materials used	*Renewable/ non-renewable	Units of measu- rement	Quantity used 2021	Quantity used 2022	Quantity used 2023	Of which quantity of recycled material used in 2023
<b>FOOTWEAR</b>						
leather (LH)	yes	sqm	468.530	515.106	413.144	11.894
ethylene vinyl acetate (EVA)	no	kg	306.230	185.257	215.845	5.607
thermoplastic rubber (TPR)	no	kg	257.974	219.067	153.881	114.260
rubber (SR)	no	kg	854.848	701.091	637.935	63.458
polyester (PL) - mesh	no	sqm	414.044	414.427	298.390	52.316
cotton (CO)	yes	sqm	73.503	64.961	57.741	5.584
polyurethane (PU) - upper materials	no	sqm	816.071	753.166	645.803	18.094
polyurethane (PU) - outsoles	no	kg	463.078	304.953	457.823	2.111
aluminium	no	kg	103.072	122.997	119.000	67.759
steel	no	kg	54.788	71.177	59.305	-
glass fibre	no	kg	4.639	4.669	12.265	-
epoxy resin - fibre-reinforced composites	no	kg	292	-	-	-
vinyl resin - fibre-reinforced composites	no	kg	2.205	2.514	6.119	-
MISCELLANEOUS (foam)	no	kg	54.243	141.433	99.179	17.752
MISCELLANEOUS (insider counter)	no	kg	142.237	131.520	83.815	2.977
MISCELLANEOUS (laces)	no	pairs	224.438	316.018	409.737	7.996
MISCELLANEOUS (lasting board)	no	kg	185.929	297.600	336.419	61.504
<b>CLOTHING</b>						
acrylic (PC)	no	m	2.000	570	-	-
cotton (CO)	yes	kg	754.081	582.139	462.177	15.964
elastane (EA)	no	m	5.304	18.929	12.746	-
polyamide/nylon (PA)	no	m	379.215	61.338	64.728	14.000
polyester (PL)	no	m	258.192	115.045	211.788	36.523
polypropylene (PP)	no	kg	3.865	3.940	3.470	-
viscose (VI)	yes	m	833	3.839	522	-

**Packaging - GRI 301-1**

Materials used	Renewable/ non-renewable	Units of measu- rement	Quantity used 2021	Quantity used 2022	Quantity used 2023
Paper		kg	1.993.320	2.369.973	1.347.273
Of which certified (specify if FSC or PEFC)		kg	78% scatole, bindelli, veline, paperbag, master carton	99% FSC scatole, bindelli, veline, paperbag, master carton	99% FSC scatole, bindelli, veline, paperbag, master carton
Plastic		kg	31.573	37.011	31.188
Cotton (laces)		kg			232
<b>Total</b>		<b>kg</b>	<b>2.024.893</b>	<b>2.406.984</b>	<b>1.378.693</b>

**Recyclable materials**

Footwear	2021		2022		2023	
	% recycled sources	% recyclable	% recycled sources	% recyclable	% recycled sources	% recyclable
-						
Paper	0	99,5%	0	99,5%	0	99,5%
Plastic	0	99,5%	0	99,5%	0	99,5%
Wood	0	99,5%	0	99,5%	0	99,5%

**- Use of chemicals at in-house factory (Kg)  
- Quantitative reference to GRI 301-1**

UOM: Kg	2021	2022	2023
Glues/Adhesives	633	586	870
Cross-linking agents	16	4	12
Cleaners	184	112	144
Water-based glues	312	116	0
<b>Total</b>	<b>1145</b>	<b>818</b>	<b>1026</b>

Number of product safety tests and results obtained	2021	2022	2023
Footwear tests	435	590	555
Of which on the upper materials	429	568	528
Of which on the sole materials	4	13	8
Of which on the components	1	9	19
Clothing tests	34	59	72
<b>Total laboratory tests</b>	<b>469</b>	<b>649</b>	<b>627</b>

Chemical compliance tests	2020		2021		2022		2023	
	Pass	Fail	Pass	Fail	Pass	Fail	Pass	Fail
Footwear	26	12	30	9	36	11	23	7
Clothing	1	1	12	3	18	0	37	3
<b>Total per result</b>	<b>27</b>	<b>13</b>	<b>42</b>	<b>12</b>	<b>54</b>	<b>11</b>	<b>60</b>	<b>10</b>
<b>Total tests</b>	<b>40</b>		<b>54</b>		<b>65</b>		<b>70</b>	

# – GRI Correlation Table

The GRI Content Index can be found below, where the GRI indicators associated with each relevant sustainability issue are reported.

Usage Statement	The Diadora group has submitted a report in accordance with the GRI Sustainability Reporting Standards for the period from 01/01/2023 to 31/12/2023.		
GRI 1 Used	GRI 1 - Main Principles - 2021 version		
GRI STANDARD TITLE	GRI DISCLOSURE	SECTIONS	NOTES/OMISSIONS
GRI 2: General disclosures (2021)	2-1 Organisational details	The business model and Structure of the Group	
	2-2 Entities included in the organisation's sustainability reporting	Methodological Note	
	2-3 Reporting period, frequency and contact point	Methodological note	
	2-4 Restatements of information	Methodological note	
	2-5 External assurance	N/A	This report is not subject to assurance
	2-6 Activities, value chain and other business relationships	The production system and the supply chain	
	2-7 Employees	Well-being, safety and inclusion: our mission inside and outside the company	
	2-8 Workers who are not employees	Well-being, safety and inclusion: our mission inside and outside the company	
	2-9 Governance structure and composition	The business model and structure of the Group	
	2-10 Nomination and selection of highest governance body	Governance	
	2-11 Chair of the highest governance body	The business model and structure of the Group	
	2-12 Role of the highest governance body in overseeing the management of impacts	The business model and structure of the Group	
	2-13 Delegation of responsibility for managing impacts	The business model and structure of the Group	
	2-14 Ruolo del più alto organo di governo nella rendicontazione di sostenibilità	The business model and structure of the Group	
	2-15 Conflicts of interest	The Code of Ethics and the Organisation, Management and Control Model	
	2-16 Communication of critical concerns	The Code of Ethics and the Organisation, Management and Control Model; Compliance with laws and regulations and whistleblowing	
	2-17 Collective knowledge of the highest governance body	The business model and structure of the Group	
	2-18 Evaluation of the performance of the highest governance body		Confidential information
	2-19 Remuneration policies	Governance; Training and continuous performance improvement	
	2-20 Process to determine remuneration	Governance; Training and continuous performance improvement	
	2-21 Annual total compensation ratio		Confidential information
	2-22 Statement on sustainable development strategy	- Letter from the President - The Code of Ethics and the Organisation, Management and Control Model	

	2-23 Policy commitments	The Code of Ethics and the Organisation, Management and Control Model	
	2-24 Embedding policy commitments	People. Management model and policy; Planet. Management model and policy; Product. Management model and policy;	
	2-25 Processes to remediate negative impacts	Compliance with laws and regulations and whistleblowing	
	2-26 Mechanisms for seeking advice and raising concerns	Stakeholders and double materiality assessment; Compliance with laws and regulations and whistleblowing	
	2-27 Compliance with laws and regulations	Compliance with laws and regulations and whistleblowing	
	2-28 Membership associations	The philanthropic initiatives in support of local and global communities	
	2-29 Approach to stakeholder engagement	Stakeholders and double materiality assessment;	
	2-30 Collective bargaining agreements	People: management model and policy	
<b>MATERIAL TOPICS</b>			
GRI 3: Management of material topics (2021)	3-1 Process to determine material topics	Stakeholders and double materiality assessment;	
	3-2 Identify actual and potential impacts	Stakeholders and double materiality assessment;	
<b>COMPLIANCE WITH LAWS AND REGULATIONS</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	Compliance with laws and regulations and whistleblowing	
GRI 205: Anti-corruption (2016)	205-1 Communication on anti-bribery policies and procedures;	Compliance with laws and regulations and whistleblowing; Appendix	
	205-2 Communication on anti-bribery policies and procedures;	Compliance with laws and regulations and whistleblowing; Appendix	
	205-3 Confirmed incidents of corruption and actions taken	Compliance with laws and regulations and whistleblowing; Appendix	There were no incidents of corruption
<b>PRIVACY PROTECTION</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	Privacy protection	
GRI 418: Privacy dei clienti (2016)	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy protection; Appendix	There are no complaints regarding privacy violations or loss of data
<b>TRANSPARENCY AND CLARITY OF INFORMATION</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	Transparency and clarity of information to customers	
GRI 417: Marketing and Labelling (2016)	417-1 Requirements for product and service information and labelling	Transparency and clarity of information to customers	
	417-2 Incidents of non-compliance concerning product and service information and labelling	Transparency and clarity of information to customers; Appendix	No incidents of non-compliance were found
<b>EMPLOYEE HEALTH AND SAFETY, WELFARE</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	People. Management model and policy	

GRI 403: Health and safety at work (2018)	403-1 Occupational health and safety management system	Focus on employee health and safety	
	403-9 Work-related injuries	Focus on employee health and safety; Appendix	
GRI 401: Employment (2016)	401-3 Parental Leave	Welfare and care for the corporate community; Appendix	
<b>HUMAN RIGHTS</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	People. Management model and policy	
GRI 405: Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees	Enhancing diversity; Appendix	
GRI 406: Non-Discrimination (2016)	406-1 Incidents of discrimination and corrective actions taken	Enhancing diversity; Appendix	No incidents of discrimination were reported
<b>SUPPLY CHAINMANAGEMENT</b>			
GRI 2: General disclosures (2021)	2-6 Activities, value chain and other business relationships	The production system and the supply chain	
GRI 3: Management of material topics (2021)	3-3 Management of material topics	People. Management model and policy	
<b>SUPPLIER SOCIAL AND ENVIRONMENTAL EVALUATION</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	People. Management model and policy	
GRI 308: Supplier environmental assessment (2016)	308- 1 New suppliers that were screened using environmental criteria	Protection of human rights and the social and environmental assessment of suppliers	
GRI 414: Supplier social assessment (2016)	414-1 New suppliers that were screened using social criteria	Protection of human rights and the social and environmental assessment of suppliers	
	414-2 Negative social impacts in the supply chain and actions taken	People. Management model and policy	
<b>CONSUMPTION AND EMISSIONS</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	Planet: Management model and policy	
GRI 302: Energy (2016)	302-1 Energy consumption within the organisation	Investments in reducing energy consumption and emissions	
GRI 305: Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	Investments in reducing energy consumption and emissions	
	305-2 Energy indirect (Scope 2) GHG emissions	Investments in reducing energy consumption and emissions	
<b>CHEMICALS</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	Advanced chemical monitoring	
GRI 301: Materials (2016)	301-1 Materials used by weight or volume	Advanced chemical monitoring; Recycled materials; Reducing packaging and involving the supply chain; Appendix	
<b>WASTE MANAGEMENT</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	Planet: Management model and policy	
GRI 306: Waste (2020)	306-3 Waste generated	The shared approach to the issue of waste	
	306-5 Waste directed to disposal	The shared approach to the issue of waste	
<b>WATER RESOURCES</b>			
GRI 3: Management of material topics (2021)	3-3 Management of material topics	Planet: Management model and policy	
GRI 303: Water and effluents (2018)	303-5 Water consumption	Water resource management	

**RAW MATERIALS AND MATERIALS**

<b>GRI 3: Management of material topics (2021)</b>	<b>3-3 Management of material topics</b>	<b>Product: Management model and policy</b>
<b>GRI 301: Materials (2016)</b>	<b>301-1 Materials used by weight or volume</b>	<b>Recycled materials; Appendix</b>

**PRODUCT SAFETY**

<b>GRI 3: Management of material topics (2021)</b>	<b>3-3 Management of material topics</b>	<b>Product: Management model and policy</b>
<b>GRI 416: Customer health and safety (2016)</b>	<b>416-1 Assessment of the health and safety impacts of product and service categories</b>	<b>Product tests as guarantee of our excellence</b>
	<b>416-2 Incidents of non-compliance concerning the health and safety impacts of products and services</b>	<b>Safe products for protected communities</b>

**INNOVATION AND PRODUCT DESIGN**

<b>GRI 3: Management of material topics (2021)</b>	<b>3-3 Management of material topics</b>	<b>Product: Management model and policy</b>
<b>GRI 301: Materials (2016)</b>	<b>301-1 Materials used by weight or volume</b>	<b>Innovation and collaboration with athletes as the key to our success; Appendix</b>

**EMPLOYEE MANAGEMENT - NON-MATERIAL TOPIC**

<b>GRI 3: Management of material topics (2021)</b>	<b>3-3 Management of material topics</b>	<b>People: Management model and policy</b>
<b>GRI 401: Employment (2016)</b>	<b>401-1 New employee hires and employee turnover</b>	<b>Well-being, safety and inclusion: our mission inside and outside the company; Appendix</b>
	<b>401-3 Parental Leave</b>	<b>Welfare and care for the corporate community; Appendix</b>
<b>GRI 404: Training and education (2016)</b>	<b>404-1 Average annual training hours per employee</b>	<b>Training and continuous performance improvement; Appendix</b>
	<b>404-3 Percentage of employees receiving regular performance and career development reviews</b>	<b>Training and continuous performance improvement; Appendix</b>

**ECONOMIC PERFORMANCE**

<b>GRI 201 Economic Performance (2016)</b>	<b>201-1 Direct economic value generated and distributed</b>	<b>Economic highlights</b>
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# - Gri 201-1 Disclosure - Reclassified balance sheet

EUR/000

ID	Disclosure 201-1	Item details	31.12.2020	31.12.2021	31.12.2022	31.12.2023
<b>A</b>	<b>DIRECTLY GENERATED ECONOMIC VALUE</b>	<b>A= 1+2+3+4</b>	<b>148.961</b>	<b>172.136</b>	<b>192.226</b>	<b>184.575</b>
1	Net sales		138.433	165.439	182.080	174.784
2	Royalties		9.982	7.084	9.178	9.660
3	Earnings from goods sale		1	1	1	3
4	Currency exchange management		545	(387)	968	128
<b>B</b>	<b>SHARED ECONOMIC VALUE</b>	<b>B= 5+9+12+15+16</b>	<b>(141.063)</b>	<b>(166.934)</b>	<b>(184.946)</b>	<b>(175.882)</b>
<b>5</b>	<b>OPERATIONAL COSTS</b>	<b>5= 6+7+8</b>	<b>(124.125)</b>	<b>(147.383)</b>	<b>(162.868)</b>	<b>(153.048)</b>
6	Operational costs for goods and service		(123.611)	(146.990)	(162.594)	(152.720)
7	Training costs		(40)	(23)	(43)	(53)
8	Wages – Collaborators/ Self-employed/Employment Agencies		(474)	(370)	(230)	(275)
<b>9</b>	<b>WAGES AND BENEFITS</b>	<b>9= 10+11</b>	<b>(15.746)</b>	<b>(18.218)</b>	<b>(20.011)</b>	<b>(20.030)</b>
10	Wages – directly employed personnel		(15.746)	(18.218)	(20.011)	(20.030)
<b>12</b>	<b>PAYMENTS TO INVESTORS</b>	<b>12= 13+14</b>	<b>(1.001)</b>	<b>(1.185)</b>	<b>(1.136)</b>	<b>(1.812)</b>
13	Shareholders payments		-	-	0	0
14	Financial institutions payments		(1.001)	(1.185)	(1.136)	(1.812)
<b>15</b>	<b>PUBLIC ADMINISTRATION PAYMENTS</b>		<b>(162)</b>	<b>(145)</b>	<b>(924)</b>	<b>(982)</b>
<b>16</b>	<b>COMMUNITY INVESTMENTS</b>		<b>(29)</b>	<b>(3)</b>	<b>(7)</b>	<b>(10)</b>
<b>C</b>	<b>WITHHELD ECONOMIC VALUE</b>	<b>C= (A-B) = 17+18+19</b>	<b>7.898</b>	<b>5.202</b>	<b>7.280</b>	<b>8.692</b>
17	Funds provisions	5.346	(4.234)	(2.474)	1.331	
18	Depreciation	5.643	5.757	5.682	5.909	
19	Operating profit	(3.091)	3.678	4.072	1.451	

