

Sustainability Report 2023



Mirabello
CARRARA

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Letter to the Stakeholders

Sustainability is an indispensable prerogative in the company's development strategy, an element of value creation and a competitive lever of differentiation on the market, due to the effects on the Company's image and brand.

The protection of the environment, biodiversity and ecosystems has been included among the fundamental principles of our Constitutional Charter, which stipulates that private economic initiative may not be carried out in such a way as to damage health and the environment. We are experiencing an in-depth process of technological and social transformation, whose effects are cascading spreading all throughout space and time, across generations and borders. A process that is changing not only the production structures of countries, but the whole of society and people's lifestyles.

After the worst economic crisis of all times, recorded in 2020, and the best recovery ever (in 2021 Italy has grown more than the other European economies, with a leap forward in GDP, driven by exports and by the digital conversion of its manufacturing), our country concluded 2023 with a growth of 0.7%, set against a broader European backdrop that just narrowly sidestepped a technical recession in the last quarter of 2023.

The economic landscape reflects a gradual reduction of the inflationary peaks of the preceding two years (8.1% in '22 and 5.7% in '23), with the current situation being significantly shaped by ongoing military engagements: not only does the prolonged Russian-Ukrainian conflict at the Union's

edge bear weight, but so do the emerging conflict hotspots in the Middle East, spanning both Palestine and the Red Sea, with the potential to sway pricing levels through their impacts on Eastern logistics. Inflationary tendencies on consumer costs, a downturn across multiple industries, and a myriad of corporate predicaments have culminated in a downturn of the consumer confidence indicator. Economic vigour is on the wane in all the key Eurozone economies, especially Germany, whose economy relying on manufacturing industry and export takes a considerable hit from heightened energy costs and a decline in demand from China, a significant trade partner. Following the pandemic's end, now relegated to an unpleasant recollection, a near-complete resurgence to familiar lifestyle patterns is observable, yet the 'new normal' now entails an ethos (values system) increasingly inclusive of ecological values and social strategies focused on environmental conservation and the sustainability of industry and consumption practices.


In 2023, the Caleffi Group achieved a turnover of Euro 59 million, with an EBITDA of 5.3 and an operating profit amounting to 2.9 million euro, results that we consider to be of great value, since they were achieved in a year that was still extremely difficult due to the international economic situation.

On the subject of the environment, we continue to face challenges mainly related to the search for increasingly sustainable materials, to production and logistical processes that can have less and less impact on the environment, and to the almost total use of energy from green sources. We are activating solutions to mitigate the environmental impacts of the product through measures to streamline activities and circular economy processes through the reuse of materials and processing waste.

The combination of all these elements will allow us to continue to create excellence products, while respecting the environment as well as enhancing people and the local economic structure.

Guido Ferretti
Managing Director

Indicators

		2021	2022	2023
Value generation and distribution				
Economic value generated	mil Euro	16.1	15.0	14.3
Economic value distributed	mil Euro	15.0	14.3	14.1
Incidence of services and works from local suppliers	% of the total	82%	84%	90%
Processes and materials				
Product certification				
Oeko-tex® Confidence in Textiles-Standard 100 (since 2014)				
Integrated quality, health and safety certification ISO 9001- ISO 45001		-	✓	✓
Certification of products purchased from suppliers		✓	✓	✓
Oeko-Tex® Confidence in Textiles-Standard 100 (90% of purchases)				
Suppliers subjected to social/environmental audit	% by value	75%	75%	71%

		2021	2022	2023
Environment				
Total energy consumption	GJoule	1.184	1.208	927
% from renewable sources	% of the total	0%	39%	46%
Indirect energy consumption (electricity)	GJoule	481	470	422
% from renewable sources	% of the total	0	100%	100%
Direct GHG emissions Scope 1 + indirect Scope 2	tCO ₂ e	107	49	34
Waste				
Waste generated	Ton	17.7	13.1	27.3
Waste intended for recovery (%)	% of the total	100%	100%	47.6%
Human resources				
Employees	No.	25	23	27
Diversity - Female employees	%	68%	65%	74%
Permanent employees	%	100%	100%	96%
Occupational health and safety: Accidents (not serious)	No.	-	-	-

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Identity and strategy

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Mirabello Carrara: sophistication and elegance Made in Italy

Mirabello Carrara S.p.A. is the luxury division of the Caleffi Group, born from the merger of two historic fashion houses active in the marketing of Home Fashion products: Mirabello and Carrara. Luxury, beauty and comfort are the key words that express the brand experience Mirabello Carrara offers the consumer. An intimate and unforgettable experience, made so by the use of top-quality materials and timeless elegance. A thread that weaves different textures, times, places and essences to tell the story of a Made in Italy of excellence.

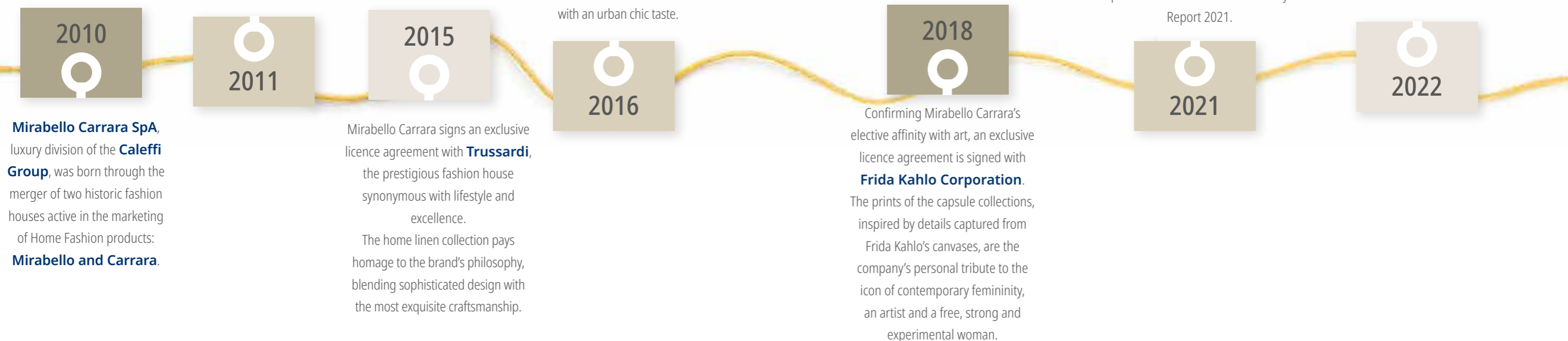
Mirabello Carrara offers bedding sets, soft terrycloth for the bathroom and soft furnishing

Mirabello Carrara becomes the exclusive worldwide licensee of **Roberto Cavalli**, the celebrated Italian brand among the most popular with a cosmopolitan public. The explosive creativity of the Florentine designer, who dresses international celebrities, becomes the stylistic signature of the eponymous home collection, distributed in the most exclusive department stores worldwide.

Mirabello Carrara acquires a further exclusive licence for the iconic brand **Diesel Living Home Linen**: textured fabrics and a resolutely industrial inspiration for collections with an urban chic taste.

Mirabello Carrara starts work on the publication of its first Sustainability Report 2021.

Mirabello Carrara holds a licence for the **Bellora** brand.



I Identity and strategy

accessories under its own brands and under licence from authoritative fashion brands, distributed in major international department stores and retailers. As recorded on the 31 December 2023, the network boasts 858 clients across Italy and internationally.

Mirabello Carrara has its registered office in Meda (Monza Brianza), with executive offices and an outlet in Via Einstein, 9/11 in Meda (MB).

As of 7 February 2023, Caleffi S.p.A. became the sole shareholder of Mirabello Carrara S.p.A..

History in a thread of twists and turns

The history of the Mirabello brand is closely linked to its first store, opened in 1978 in Brera, Milan's artistic quarter par excellence.

Its collections represent the perfect balance between contemporary design and the renowned tailoring of the Como district.

Carrara was founded in 1948 and has been known ever since for its sophisticated terrycloth collections with strong aesthetics, capable of adding a touch of glamour even to the residences and yachts of the most discerning customers.

Vision and Mission

Vision

Luxury, beauty, comfort: these are the words that express the vision and brand experience Mirabello Carrara intends to offer the consumer. An intimate and unforgettable experience, made so by the search for top-quality materials and timeless elegance. A thread that interweaves different textures, times, places and essences to tell the same vibrant story.

Mission

Delighting lovers of fine living with refined collections of linens, capable of seducing body and soul, making home environments ever more elegant and comfortable, while pursuing a model of sustainable development, respecting gender equality, work ethics, local growth and environmental protection.

*An intimate and
unforgettable experience,
made possible by the
search for top quality
materials*

1 Identity and strategy

Core market

The core market is the home linen market, which in 2023 in Italy has recorded a total value of EUR 1.3 billion, up 0.9% from 2022 (data source: Sita Ricerche). After the worst economic crisis of all times, recorded in 2020, the best recovery ever (in 2021, Italy has grown more than the other European economies and almost as much as the global one in 2022, with a leap forward in GDP, driven by exports, which exceeded pre-Covid levels, and by the digital conversion of its manufacturing): our country concluded 2023 with a growth of 0.7% (data source: ISTAT), set against a broader European backdrop that just narrowly sidestepped a technical recession in the last quarter of 2023.

The economic landscape reflects a gradual reduction of the inflationary peaks of the preceding two years (8.1% in '22 and 5.7% in '23 – data source: ISTAT), with the current situation being significantly shaped by ongoing military engagements: not only does the prolonged Russian-Ukrainian conflict at the Union's edge bear weight, but so do the emerging conflict hotspots in the Middle East, spanning both Palestine and the Red Sea, with the potential to sway pricing levels through their impacts on Eastern logistics.

Inflationary tendencies on consumer costs, a downturn across multiple industries, and a myriad of corporate predicaments have culminated in a downturn of the consumer confidence indicator. Economic vigour is on the wane in all the key Eurozone economies, especially Germany, whose economy relying on manufacturing industry and export takes a considerable hit from heightened energy costs and a decline in demand from China, a significant trade partner.

Following the pandemic's end, now relegated to an unpleasant recollection, a near-complete resurgence to familiar lifestyle patterns is observable, yet the 'new normal' now entails an ethos increasingly inclusive of ecological values and social strategies focused on environmental conservation and the sustainability of industry and consumption practices.

Thus, the probable regulatory consequences concerning the circular economy, alongside the manufacture and deployment of materials that are ever more eco-friendly and sustainable, must also be diligently contemplated within the Italian System.

Strategy and Sustainability

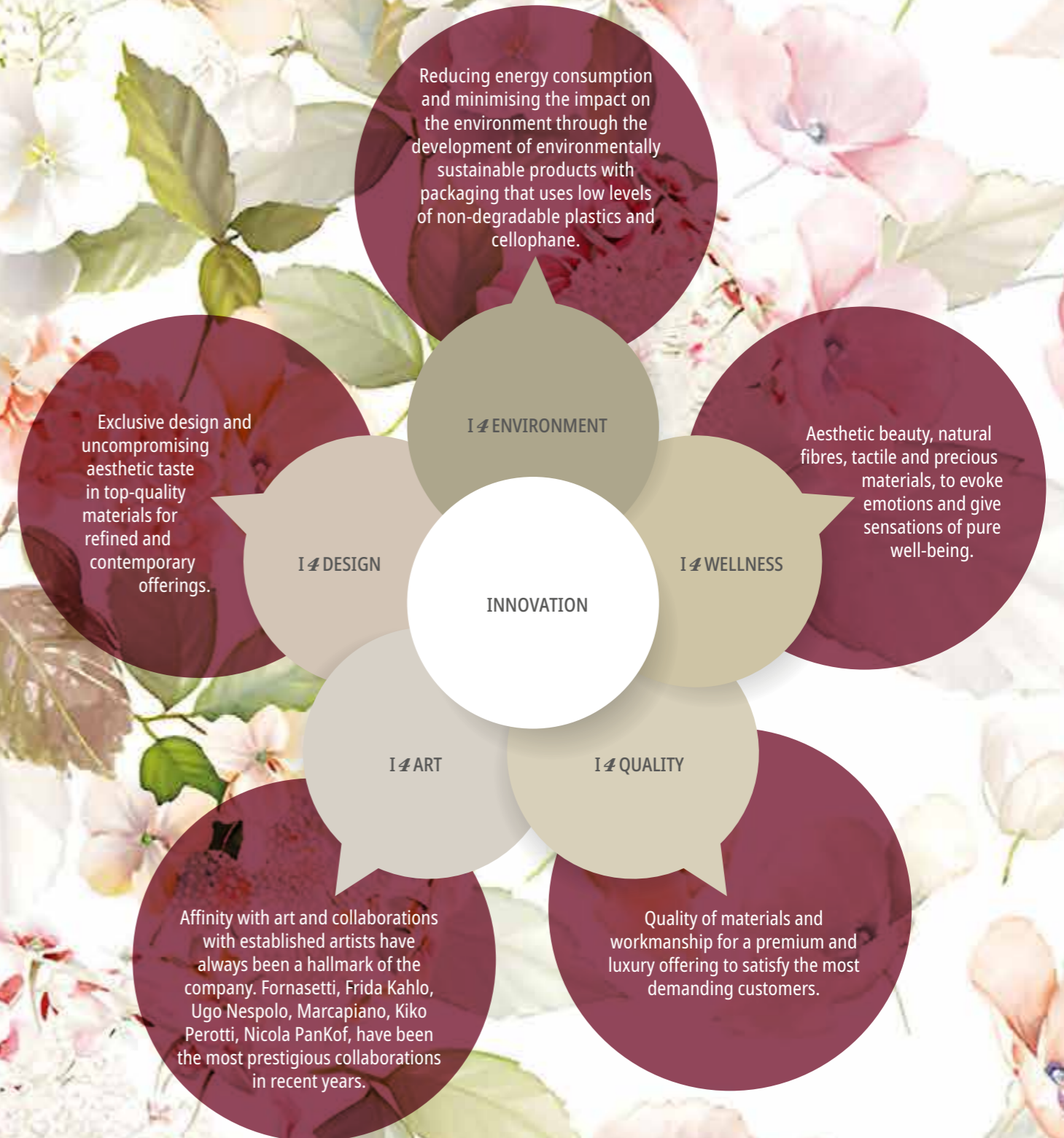
The strategic lines of development

The Company's strategy to create **sustainable value over time** is focused on developing **projects and products** that ensure adequate economic and financial performance and meet environmental and social needs. The Company therefore considers it essential to pursue its objectives according to a business model that integrates sustainability into its development plans.

The drivers of Mirabello Carrara's strategy

For Mirabello Carrara, **innovation** has always been the beating heart around which ideas, projects, products, design and development processes revolve.

Starting precisely from innovation, Mirabello Carrara identifies a path of sustainability that aims to pursue the company's objectives through the following **DRIVERS**:



Sustainable development goals

Mirabello Carrara has always pursued a development model that embraces the principles of sustainability, transparency and quality, making commitments and adopting specific management and organisational structures, with the aim of creating shared value for all its stakeholders.

In particular, Mirabello Carrara bases its strategic approach in line with the sustainability path undertaken at the Group level from 2020, which envisages a progressive integration of the Sustainable Development Goals (SDGs), part of the United Nations 2030 Agenda.

The current context and megatrends require companies to be committed to pursuing economic goals that can also generate positive environmental and social impacts. The implementation of a sustainable development policy by companies, as part of the Group's core business, is a lever for achieving the SDGs, and is complemented by specific projects and initiatives.

In this context, Mirabello Carrara has carried out an analysis of the consistency of its business model and strategic objectives with respect to the SDGs. This analysis has made it possible to highlight a number of SDGs considered to be priorities, to which the Company's business activities are able to make a significant contribution.

The drivers of the Business Plan and Mirabello Carrara's commitment to the Sustainable Development Goals find their integration in the company's activities, projects and actions, according to the diagram below.

Mirabello Carrara's Sustainability Plan 2024 includes targets to reduce environmental impact through reduced energy consumption and emissions, elimination of single-use plastic, traceability of raw materials and continuous improvement of social and environmental standards along the supply chain through close cooperation with production partners. The Plan is updated annually in order to report on the status of project implementation and to set new targets with a view to continuous improvement.



I 4 ENVIRONMENT

FIGHTING CLIMATE CHANGE

Reducing consumption and emissions (SDGs 7; 13)



Material topic	Objective	Year	Action Plan	Objective attainment
Energy efficiency Fighting climate change	100% Renewable energy	2022	Signing a contract for the purchase of energy solely from renewable sources with certificate of origin	100%
	100% LED lighting	2022	Replacement of light fittings from traditional to LED	100%
	Low-impact logistics solutions	2024	Annual comparison and verification with logistics partner on emission reduction achievements	Using carbon neutral logistics carriers

I 4 QUALITY

CIRCULAR ECONOMY

Creating more sustainable products for the environment (SDGs 12; 14)



Material topic	Objective	Year	Action Plan	Objective attainment
Raw materials and materials	Product end-of-life management of the EPR product	2024	Consortium selection for the end-of-life management of the product	ongoing
Product quality, safety and reliability	Sustainable packaging in bioplastics	2023	Introduction of packaging obtained from the pressing of sugar cane	ongoing
Raw materials and materials	Sustainable raw materials	2023	BCI Better Cotton Initiative membership	Association for more sustainable cotton cultivation
Raw materials and materials	Environmental certification	2024	Pathway to ISO 14001 started	ongoing
Energy efficiency				

I 4 DESIGN

RESPONSIBLE SUPPLY CHAIN PROMOTION



Supply chain and raw material traceability (SDGs 8)

Material topic	Objective	Year	Action Plan	Objective attainment
Responsible supply chain management	Supplier Code of Conduct	2022	Drafting, approval and signature	100%
Transparency of product information	Sustainable procurement	2024	Implementation of software for material and supply chain traceability	ongoing
	Supply Chain evaluation	2024	Ecovadis rating implementation	71%

I 4 WELLNESS

PERSONAL HEALTH AND WELL-BEING



Valuing people, equal opportunities and diversity (SDGs 5; 8; 10)

Material topic	Objective	Year	Action Plan	Objective attainment
Occupational health and safety	ISO 45001 certification	2022	Started and completed procedure to obtain the Health and Safety certification	100%
Respect for human rights and the protection of workers	Valuing people and diversity	2024	Constant commitment to: a) agreed solution to business issues; b) gender equality and fairness also in pay packages; c) management system for gender equality according to the UNI PDR 125: 2022 reference practice.	ongoing
Diversity and equal opportunities				
Corporate welfare and work-life balance				
Training and career development	Increased hours of training	2024	Commitment to education and training. Career plans for the junior staff	ongoing

I 4 ART

SOCIAL AND ECONOMIC DEVELOPMENT OF THE COMMUNITY



Create value for the local community (SDGs 8)

Material topic	Objective	Year	Action Plan	Objective attainment
Creation and distribution of generated wealth	Creating value for the Local Community	2023-2024	Entrust most of the outside work to the local community	89.6%
	Supporting the local territory	2023-2024	FMS Onlus association Associazione Libellule FAI Supporter Donor	

The business model: Made in Italy design and craftsmanship for a cosmopolitan audience

Mirabello Carrara manufactures and distributes high-end bed and bath sets and furnishing accessories under its own brands and under licence from authoritative luxury brands, distributed in leading international department stores and retailers, 858 clients across Italy and internationally.

The products offered by the Company are designed and manufactured through a production and commercial model characterised by constant monitoring of the value chain.

Mirabello Carrara's production process is entirely outsourced and, in order to maintain the quality and craftsmanship character of "Made in Italy" workmanship, the phases with the highest added value are carried out by workshops located in Italy, particularly in the Monza-Brianza area.

The digital world has taken on great importance in the relationship with its target audience, becoming a virtual place of interaction with the brand system and making it possible, among other things, to offer the Company's vast range of products and collections in one place.



Our collections: luxury, beauty and comfort



Mirabello

Art, a passion for flowers, attention to detail and Italian painting techniques are the stylistic features of a collection in which the precious materials create a luxury that can evoke emotions and give sensations of pure well-being.



CARRARA LUXURY LINENS SINCE 1948

Soft terrycloth, dynamic geometries, intense colours and finishes with tailoring appeal make up a collection of pure hedonism whose absolute protagonist is the pleasure of time to oneself.



BRERA

Minimalist elegance and a tailored cut identify this collection characterised by a whispery and restful colour palette inspired by metropolitan atmospheres.



A Mirabello project created to promote the talent and creativity of young designers. A strongly modern and cosmopolitan collection for lovers of the most contemporary design.



roberto cavalli
HOME
LINEN

Sensual and seductive home linen in the name of glamour. Spotted and animal prints, iconic elements of the brand interpreted on fine fabrics, and Italian craftsmanship: the Cavalli world is the embodiment of a dream.



TRUSSARDI
CASA

The home linen collection pays homage to Trussardi brand's philosophy blending sophisticated design with the most exquisite craftsmanship.



Textured fabrics and a resolutely industrial inspiration for collections with an urban chic taste.



Bellora®
SINCE 1883

Since 1883, the Bellora brand has been in Italian homes and in the world's most exclusive department stores. Refined details and decorative elements, always reinterpreted by Bellora with a contemporary style that combines the desire for greater simplicity and comfort with a look to tradition and luxury living.

Materiality analysis

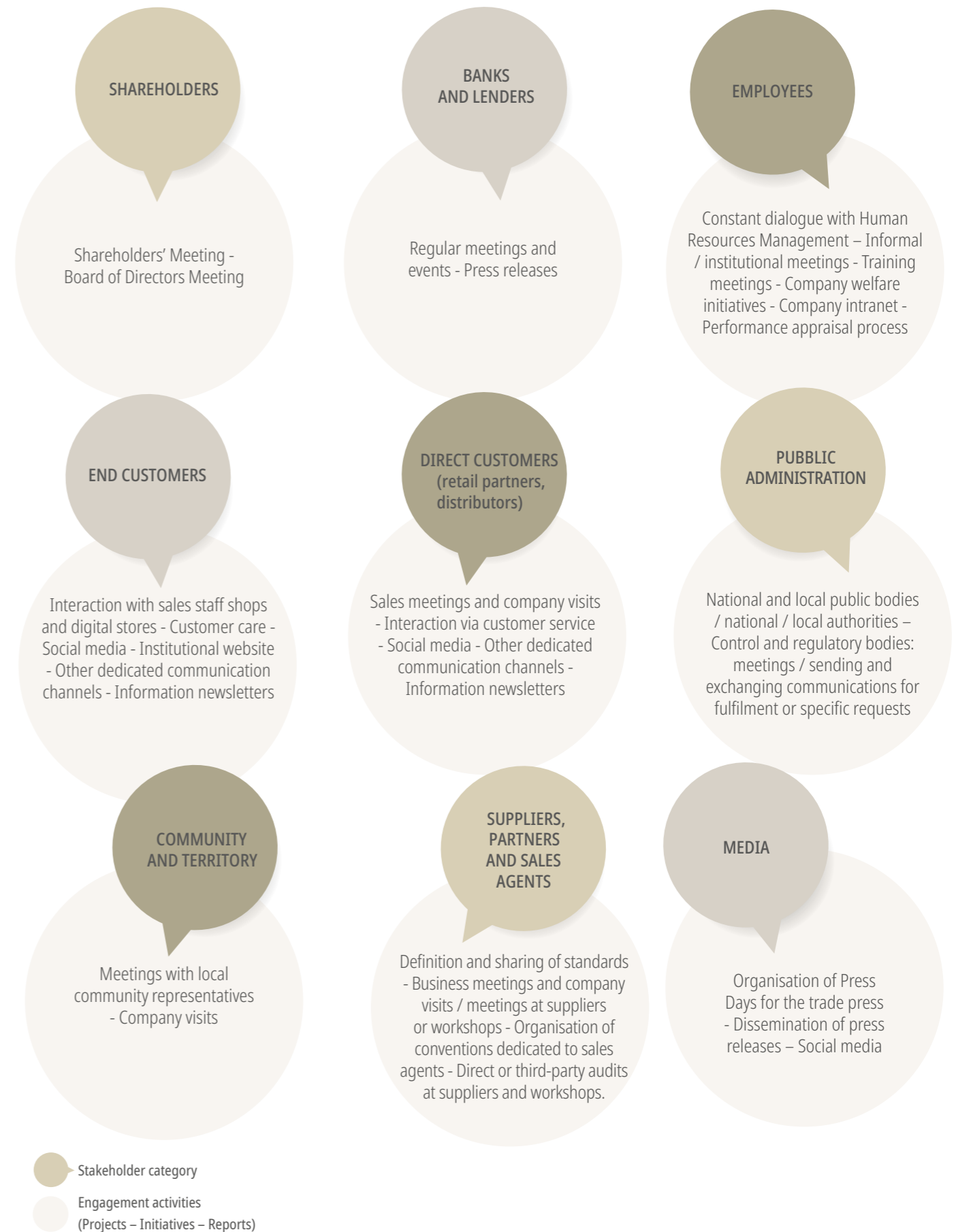
The role of stakeholders

Stakeholders are the parties (individuals or groups) expressing different interests, expectations and evaluations towards a company, with whom the company maintains constant relations in the course of its business.

Involvement and discussion with stakeholders (stakeholder engagement) allows not only to understand their needs, expectations and evaluations, but also to define a better business strategy and objectives, assessing change, risks and opportunities.

Mirabella Carrara's system of relations with its stakeholders provides for differentiated tools and channels of dialogue for the different categories of stakeholders, consistent with the level of interdependence and influence over the organisation.

Identity and strategy



Material topics

The relevant aspects to be reported in the Sustainability Report in accordance with the GRI Standards are those that reflect the organisation's significant economic, environmental and social impact. The first step in non-financial reporting is to identify, through the so-called "materiality analysis", the sustainability issues of prime interest to the Organisation.

These issues are defined as "material" because they are associated with the most significant impacts (positive or negative, actual or potential, short or long term) that the company's activities are (or could be) capable of generating on the economy, the environment, and people, including impacts on their human rights.

According to the European Union's approach, set out in the European Commission's Communication published in June 2019 containing guidelines on climate change reporting under the NFRD / Non-Financial Reporting Directive - Directive 95/2014, material topics are those areas of sustainability that can have significant impacts on a company's development, performance and value. At the same time, a material topic is defined in relation to the social and environmental areas and topics on which the company, through its activities, can have a significant impact. The two "directions" of materiality are interconnected.

Considering that Mirabello Carrara and the core market have not undergone any substantial changes, for 2023 the Company decided to confirm the material themes of the 2022 sustainability report that had been identified following a thorough analysis summarised below. The material ESG aspects for Mirabello Carrara were identified from a structured investigation in the following steps:

- analysis of existing company documentation;
- analysis of public documents, articles, statistics and findings of observatories on the type of international standards and frameworks adopted in sustainability reporting;
- analysis of the characteristics of the sector to which it belongs, in order to identify the main issues on which competitor and comparable companies also tend to focus.

With regard to this last point, considering the absence of the GRI Sector Standard for Mirabello Carrara's reference sector, a preliminary benchmark analysis was carried out in which the websites and public documents of companies identified as "best-in-class" or "comparable" in the field of non-financial reporting were examined.

This analysis considered elements such as:

- the presence of non-financial documentation/reports;
- the type of published documentation (e.g.: Sustainability Report, Non-Financial Statement, Integrated Report, Corporate Social Responsibility Report, etc.);
- the reporting standards used and their levels of application;

Material topics are those areas of sustainability that can have significant impacts on the development, performance and value of a business.

I Identity and strategy

- the presence of a materiality matrix or list of material topics;
- the type of topics that were material for these companies.

This analysis identified sustainability issues that can be traced back to four different macro-areas: Governance, Economic and Service Responsibility, Social Responsibility, Environmental Responsibility.

The identified impacts were clustered according to their mutual level of affinity in order to obtain a more limited list of 27 ESG issues to be quantitatively assessed by Senior Management and a representative sample of the company's main stakeholder categories.

A questionnaire was used to evaluate the themes, asking to prioritise each theme according to its level of significance.

In particular, the assessment of the level of "materiality" of ESG impacts related to each issue took into account the following elements:

- scale: extent (in a positive or negative sense, as the case may be) of the impact generated directly or indirectly by the company's activities
- scope: spread of impact in geographical terms (e.g. local, national, etc.), considering the number of stakeholders involved, etc.
- character of remediability: extent to which it is possible to mitigate or remedy the impact once it has occurred (to be considered only for negative impacts)
- probability: probability that such an impact could occur in the short, medium and long term (to be considered only for potential impacts).

In order to identify the truly "material" ESG themes and impacts for Mirabello Carrara, a so-called "materiality threshold" was defined, considering as such, for each macro area, 50% of themes that obtained a higher prioritisation.

At the end of the entire process, the results were submitted for discussion and validation by Mirabello Carrara's Board of Directors on 22/03/2023.

For each material topic identified, the following table shows the reasons for the relevance of the topic (impacts generated on the economy, environment and people), the related KPIs that were reported, and the monitoring processes adopted.

A questionnaire was used to evaluate the themes, asking to prioritise each of them

Material topic	Impacts and relevance of the topic	KPI/GRI Standards	Activity generating the impact	Commitment, policies and monitoring tools
Governance				
Ethics and integrity in the conduct of business	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting the financial resource management for the benefit of the company and of the economic ecosystem in which it operates • Possibility of positively or negatively impacting the maintenance of relations with key stakeholders with which the Organisation interacts 	GRI 2-27 GRI 205-1 GRI 205-2 GRI 205-3 GRI 206-1 GRI 207-1	Verification processes regarding the alignment with regulations and standards on business ethics and integrity (see section <i>"Responsible business management"</i>)	Code of ethics Organization, Management and Control Model 231/01 Sustainability Plan
Transparent governance and sustainability risk management	<ul style="list-style-type: none"> • Possibility of having a positive or negative impact on the protection of legality and the prevention of unlawful conduct 	GRI 2-27 GRI 205-1 GRI 205-2 GRI 205-3 GRI 206-1 GRI 207-1	Processes for monitoring and updating the system for managing risks with addition of ESG risks (see section <i>"Risk Management"</i>)	Code of ethics Organization, Management and Control Model 231/01 Risk management system (ERM)
Brand protection and reputation	<ul style="list-style-type: none"> • Possibility of positively or negatively influencing customer and market awareness and sensitivity to sustainability • Possibility of positively or negatively affecting the availability of products and services with high environmental/social performance 	GRI 2-6	Process of constant updating and monitoring of registered brands (see section <i>"The brand: image and reputation"</i>)	Adoption of measures aimed at strengthening the company's reputation, increasing customer appreciation and enhancing the value of the Group's brands
Economic capital				
Creation and distribution of generated wealth	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting the financial resource management for the benefit of the company and of the economic ecosystem in which it operates • Possibility of positively or negatively impacting the maintenance of relations with key stakeholders with which the Organisation interacts • Possibility of positively or negatively affecting retention and attraction and employment stability of human resources 	GRI 201-1 GRI 203-1	Developing and strengthening relations with stakeholders and the related distribution of the wealth generated (see section <i>"Economic value generated and distributed"</i>)	Budgeting and reporting Stakeholder Engagement Adoption of measures to ensure business continuity, financial stability and profitability
Transparent tax approach	<ul style="list-style-type: none"> • Possibility of having a positive or negative impact on the protection of legality and the prevention of unlawful conduct in areas such as the reutilisation of profits from illegal activities, bribery incidents, anti-competitive behaviour, etc. 	GRI 201-1 GRI 207-1	Processes for verifying alignment with tax regulations and standards (see section <i>"Tax approach"</i>)	Constant analysis and verification of current tax legislation

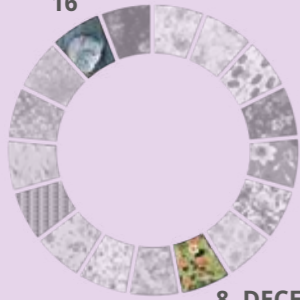
Material topic	Impacts and relevance of the topic	KPI/GRI Standards	Activity generating the impact	Commitment, policies and monitoring tools
Productive capital				
Product quality, safety and reliability	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting customer well-being, in terms of the absence of toxic materials/substances in the products offered by the company 	GRI 416-1 GRI 416-2 GRI 417-1	Periodic quality controls on marketed products (see section <i>"Product quality and safety"</i>)	Spot checks of marketed products Quality certifications on products (Oekotex)
Data security and privacy	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting the protection of the security and fundamental rights of customers and all those with whom the Organisation interfaces 	GRI 418-1	Process for analysing and controlling privacy and data security in accordance with current regulations (GDPR) (see section <i>"Data Security and Privacy"</i>)	Organisational model of privacy protection
Human capital				
Respect for human rights and the protection of workers	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting the protection of the fundamental rights of company personnel and all collaborators with whom the Company interfaces 	GRI 401-1 GRI 406-1	Processes for monitoring and reporting the breach of human rights (see section <i>"Personnel policies"</i>)	Code of ethics Supplier Code of Conduct Whistleblowing Monitoring episodes of discrimination
Occupational health and safety	<ul style="list-style-type: none"> • Possibility of having a positive or negative impact on ensuring staff health and safety by reducing accident rates within the Company and levels of work-related stress experienced by company staff 	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-8 GRI 403-9	Prevention of occupational accidents and illnesses, in compliance with current regulations in the area of health and safety (see section <i>"Occupational health and safety"</i>)	Monitoring efforts regarding accident cases, including by updating the RAR [Risk Assessment Report] ISO 9001- ISO 45001 Integrated quality, health and safety certification
Diversity and equal opportunities	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting the protection of the fundamental rights of company personnel and all collaborators with whom the Company interfaces • Possibility of positively or negatively affecting employment stability for company staff and opportunity for each employee to realise their full potential 	GRI 2-7 GRI 2-8 GRI 405-1	Personnel selection processes, performance management and career advancement with respect for gender equality and diversity (see section <i>"Diversity, equal opportunities and welfare"</i>)	Monitoring compliance with diversity and equal opportunities in people selection and career development

Material topic	Impacts and relevance of the topic	KPI/GRI Standards	Activity generating the impact	Commitment, policies and monitoring tools
Corporate welfare and work-life balance	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting the level of psycho-physical well-being of employees, with resulting impact on the actual opportunity for each employee to realise his/her full potential, through the provision of a positive working environment, and characterised by a set of programmes aimed at improving the work-life balance of employees 	GRI 401-2 GRI 401-3	Development of welfare plans to improve employee welfare and work-life balance (see section “Diversity, equal opportunities and welfare”)	Welfare Moda
Training and career development	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting each employee’s opportunities to engage in professional growth and realise their full potential • Possibility of positively or negatively affecting the availability of pathways aimed at strengthening and developing professional skills and competences 	GRI 404-1 GRI 404-2	Development of compulsory and specialised training plans for the professional development of employees (see section “Training and skills”)	Commitment to education and training Career plans for the junior staff
Relational capital				
Responsible supply chain management	<ul style="list-style-type: none"> • Possibility of positively or negatively influencing the management of environmental and social impacts along the entire supply chain • Possibility of positively or negatively affecting the availability of products/services with sustainability characteristics • Possibility of influencing positively or negatively the quality of work and compliance with human rights along the supply chain 	GRI 2-6 GRI 204-1 GRI 308-1 GRI 414-1	Processes of selection, evaluation and monitoring of suppliers through ESG ratings (see section “Suppliers: managing the supply chain”)	Supplier Code of Conduct Sustainable procurement: software for traceability of materials and of the supply chain ESG assessment of the supply chain (EcoVadis Rating)
Transparency of product information	<ul style="list-style-type: none"> • Possibility of positively or negatively influencing customer awareness when purchasing • Possibility of positively or negatively affecting the degree of trust of customers and stakeholders towards the Company and its reputation • Possibility of positively or negatively affecting the availability of information on the characteristics of the offered products and services 	GRI 417-1 GRI 417-2 GRI 417-3	Availability to customers of information on the characteristics of the offered products Transparency in labelling marketed products (see section “Product quality and safety”)	Spot checks on materials used in products and consistency with label claims Made in OekoTex product labelling

Material topic	Impacts and relevance of the topic	KPI/GRI Standards	Activity generating the impact	Commitment, policies and monitoring tools
Environmental capital				
Fighting climate change	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting the protection of ecosystems and safeguard biodiversity • Possibility of positively or negatively affecting the protection of local communities and territory in terms of exposure to extreme weather events (e.g., floods, flooding, hurricanes, desertification, etc.) 	GRI 305-1 GRI 305-2 GRI 305-4	Processes for constant monitoring of impacts on the environment resulting from the activity (see section “Emissions”)	Annual comparison and verification of emission reduction achievements Using carbon-neutral logistics carriers
Energy efficiency	<ul style="list-style-type: none"> • Possibility of positively or negatively affecting energy costs through energy efficiency actions and projects • Possibility of positively or negatively affecting the protection of local communities and territory with respect to exposure to extreme weather events (e.g., floods, flooding, hurricanes, desertification, etc.) 	GRI 302-1 GRI 302-3	Monitoring energy consumption with a view to energy efficiency (see section “Energy consumption”)	Signing a contract for the purchase of energy from renewable sources only with certificate of origin Replacement of light fittings from traditional to LED

PEACE, JUSTICE
AND STRONG
STITUTIONS

16



8 DECENT WORK
AND ECONOMIC
GROWTH

2 Governance

33%

women on the Board of Directors

Identification,
assessment and
monitoring of ESG and
financial risks

Adoption of a
Code of Ethics
and Organisation,
Management and
Control Model
(Legislative Decree
231/01)

Ordinary member
of Assolombarda



Contents

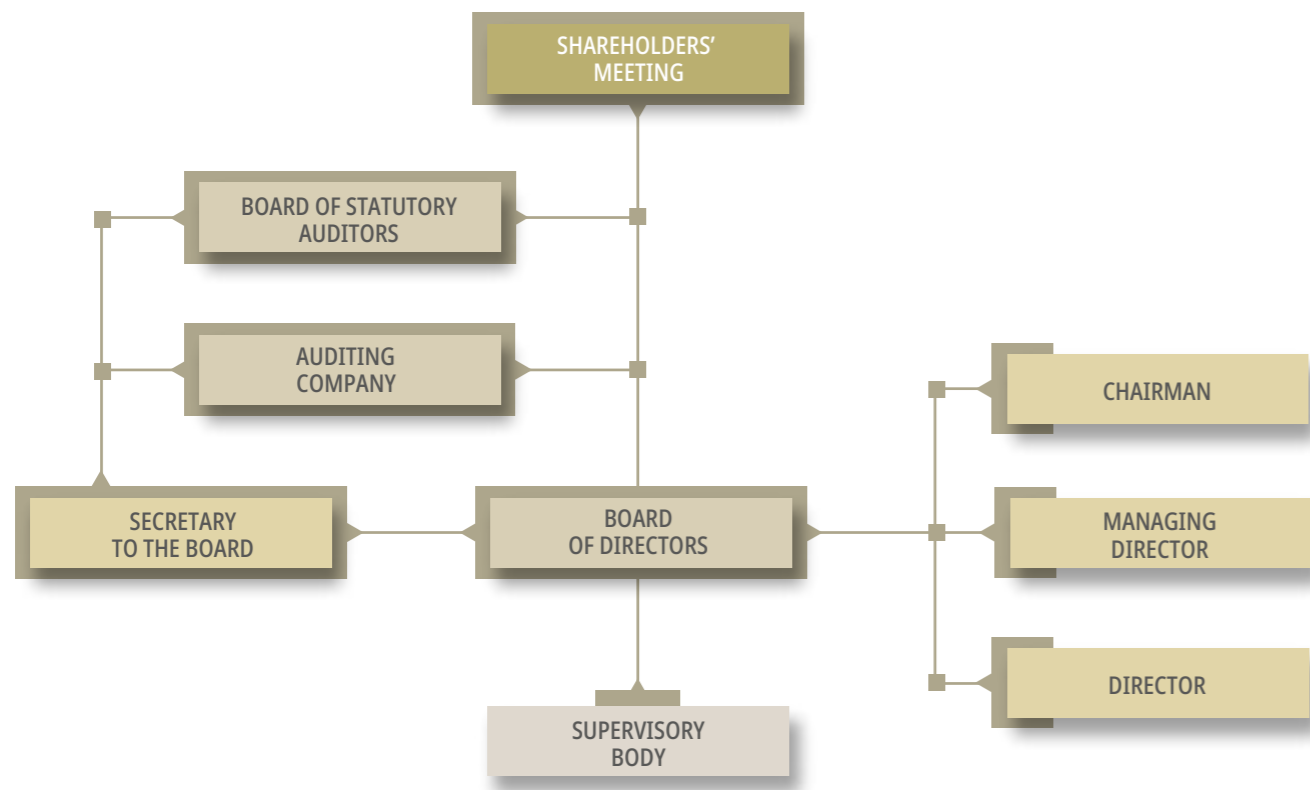
- 1 Identity and strategy
- 2 Governance
- 3 Infrastructural capital
- 4 Relational capital
- 5 Economic and financial capital
- 6 Human capital
- 7 Environmental capital



Corporate governance

Mirabello Carrara S.p.A. is a joint-stock company with Sole Shareholder, wholly owned by Caleffi S.p.A. as of 7 February 2023.

Mirabello Carrara has defined a system of corporate governance rules that focuses on communication with shareholders and stakeholders, according to criteria of transparency and completeness.



The governance adopted by Mirabello Carrara, according to the traditional organisational model of administration and control, includes the following corporate bodies:

- **Shareholders' Meeting** - matters provided for by law and the Articles of Association;
- **Board of Directors** - management of the Company;
- **Board of Statutory Auditors** - supervision.

To date, the Company does not yet have any internal Committees.

Mirabello Carrara's Financial Statements are audited by the same auditing firm as the parent company Caleffi S.p.A., namely BDO iTA.

The Shareholders' Meeting held on 21.04.2023 resolved to appoint BDO Italia S.p.A. as legal auditor, pursuant to Legislative Decree no. 39 of 27 January 2010, for the period 1 January 2023 - 31 December 2025.

2 Governance

Since 2016 Mirabello Carrara has adopted the Organisation, Management and Control Model in accordance with Legislative Decree 231/2001 (MOG 231/01) and, at the same time, has appointed the specific body, called the Supervisory Board, to which it has entrusted the tasks of supervising the proper functioning of the Model and monitoring its updating. On 27 April 2022, the Board of Directors resolved to entrust this function to a Supervisory Board with a single-member composition, appointing for this purpose an external consultant with specific skills and experience in matters of compliance with Legislative Decree 231/01.

Corporate bodies

The three-member Board of Directors was appointed by the Shareholders' Meeting on 27 April 2022 and re-elected Giuliana Caleffi as Chairman.

Pursuant to the Articles of Association, the Board consists of a minimum of 2 and a maximum of 7 members. Directors may not be appointed for more than three financial years and may also be non-shareholders. The appointment, removal, termination, replacement and disqualification of Directors are governed by law, and if for some reason the majority of the Directors cease to hold office, the entire Board is deemed to be disqualified (*simul stabunt simul cadent* clause) and an urgent Shareholders' Meeting must be convened to appoint a new Board.

There are no members of the Mirabello Carrara who qualify as independent.

Board of Directors	Giuliana Caleffi	Guido Ferretti	Raffaello Favagrossa
Function	Chairman	Managing Director	Director
Executive / Non-executive	Non-executive	Executive	Non-executive
Other positions held in the Caleffi Group and/or externally	Chairman of Caleffi S.p.A. Board of Directors – Sole Director of Giuliana Caleffi s.r.l.	Managing Director Corporate Supply Chain Caleffi S.p.A.	Managing Director Market and Products Caleffi S.p.A.

The Chairman of the Board of Directors also holds the position of Chairman of the Board of Directors of Caleffi S.p.A., Mirabello Carrara's sole shareholder.

Board of Statutory Auditors	Andrea Romersa	Carlo Alberto Marchi	Fabio Ambrosiani
Function	Chairman	Statutory Auditor	Statutory Auditor
Executive / Non-executive	-	-	-
Other positions held in the Caleffi Group and/or externally	No other assignments within the Group	No other assignments within the Group	No other assignments within the Group

The management of the company is the exclusive responsibility of the administrative body, which carries out all operations necessary for the implementation of the corporate purpose, without prejudice to the need for specific authorisation in cases required by law.

Managing Director Guido Ferretti: management, superintendence and coordination of all corporate functions. Employer pursuant to and for the purposes of Legislative Decree 81/08 as amended.

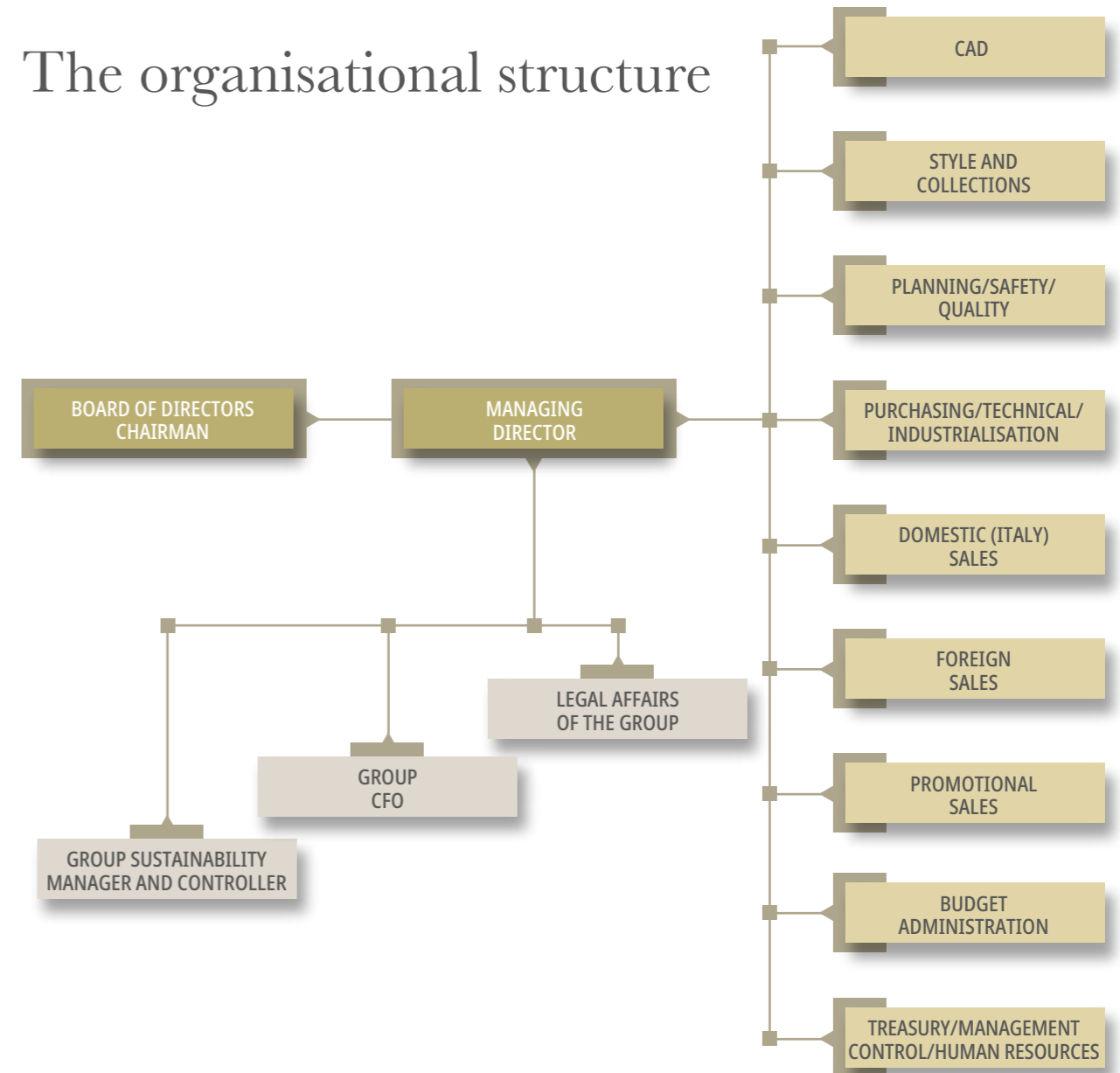
The management and identification of strategies and objectives relating to sustainable development and the responsibility for managing the Organisation's impact on the economy, the environment and people are the responsibility of the Managing Director. In addition, the latter has the task of reporting on the initiatives undertaken in the area of sustainability when presenting the figures for the period and the operating performance.

Board of Directors – Diversity (gender - age groups)		
Women	Men	Total
1 33%	2 67%	3 100%
Under 30 years of age	Between 30 and 50 years of age	Over 50 years of age
0 0%	1 34%	2 66%
Director in charge of the internal control and risk management system		
Guido Ferretti	Managing Director	

The contents of the Sustainability Report are presented to the Board of Directors for their approval, and the inspiring principles and results are shared; in addition, during the year, the undertaken initiatives are illustrated and the achieved progress is reported.

2 Governance

The organisational structure



The organisational structure expresses the system of functions, powers, delegations, decision-making processes and company procedures and provides a clear identification of the tasks and responsibilities of each with respect to company activities.

Traditionally, the organisational structure of a company is adequate if it is able to detect business risk factors and assess the impact of individual events on the financial equilibrium.

Ongoing regulatory developments in support of sustainable development are reshaping this corporate governance, highlighting the need to also identify and manage sustainability risks alongside usual economic and financial risks.

To date, therefore, corporate structures are adequate when they also provide for governance and control structures addressing the ESG sphere and the impact of sustainability risks.

The management and identification of strategies and objectives relating to sustainable development are delegated to Managing Director Guido Ferretti.

Responsible business management

The internal control system is designed to ensure the efficiency and effectiveness of company operations, the reliability of financial information, compliance with laws and regulations, and the safeguarding of company assets. The heads of the operational areas are in charge of internal control.

The Board of Directors is assigned the tasks of policy-making, guidance and supervision and ultimate responsibility for the internal control system.

The Board also periodically assesses the adequacy and effectiveness of the internal control system, ensuring that the main business risks are identified, measured, managed and monitored. The Managing Director, Mr Guido Ferretti, is the Director in charge of the internal control and risk management system.

Mirabello Carrara's governance structure does not currently provide for a specific internal audit function. The current configuration of the internal control system can guarantee appropriate risk management.

Conflicts of interest are disclosed to the parties concerned, and Mirabello Carrara complies with the principles and provisions set out in the RPT [Related Party Transaction] Procedure, approved by the parent company Caleffi S.p.A.

Any critical issues relating to the Organisation's potential and actual negative impacts on stakeholders are reported to the Board by the Managing Director, who also proposes to the management body the identified remediation measures. No critical issues emerged during 2023.

Mirabello Carrara incorporates its commitments for responsible business conduct within the policies that are applied in all its activities and business relations, promoting their knowledge and dissemination within its organisation, at all levels. Particular attention is given to identifying and dealing with external suppliers, who are required to respect and share the principles adopted by the Company.

Organisation, management and control model D.lgs. 231/2001

The "Organisation, Management and Control Model" (Model 231) pursuant to Italian Legislative Decree 231/01, the legislation that introduced the administrative liability of entities into the Italian legal system, adopted in an initial version by the Board of Directors of Mirabello Carrara S.p.A. on 26 February 2016 is prepared with due consideration for the company's corporate and organisational structure and is periodically updated. The Supervisory Body required by this legislation is responsible for supervising the operation of and compliance with the Model 231 and for ensuring that it is updated.

2 Governance

The Code of Ethics, which identifies the guidelines for corporate conduct, is an integral part of the model itself.

Mirabello Carrara considered it indispensable to adopt such "tools" in order to ensure ethical conduct and to pursue compliance with the principles of legitimacy, fairness and transparency in conducting company business, as well as for the purpose of preventing the commission of the offences referred to in Decree 231.

In fact, the Company has also based its corporate management on these values in order to obtain important repercussions in terms of image, i.e., the ability to be publicly recognised as a reliable, fair and socially responsible company.

The introduction of a control system for entrepreneurial action, together with the establishment and dissemination of ethical principles, improves the already high standards of conduct adopted by the Company, increases the trust and reputation that Mirabello enjoys with third parties and, above all, fulfils a regulatory function in that it regulates the conduct and decisions of those who are called upon to work for the Company on a daily basis in accordance with the aforementioned ethical principles.

In particular, through the adoption of Model 231, the Company intends to pursue the following aims:

- prohibit conduct that may constitute offences under the Decree;
- spread awareness that the commission of certain types of offence may result in the application of penalties (monetary and prohibitory) also against the Company;
- disseminate a corporate culture marked by legality, in the awareness that the Company expressly disapproves of any conduct contrary to the law, regulations, internal provisions and, in particular, the provisions contained in Model 231;
- provide clear, simple and effective rules that enable everyone to perform their functions and/or work assignments, behaving and operating in full compliance with the relevant laws;
- enable the Company, by means of a system of control measures and constant monitoring of the proper implementation of that system, to prevent and/or counteract in a timely manner the commission of offences covered by the Decree.

The current version of the Model 231 (Organization, Management and Control Model) is structured in a General Section and a Special Section. The General Section briefly sets out the contents of the Decree, defines the Supervisory Board, the functions and powers attributed to it, and outlines the relevant periodic information flow and the reporting of violations (so-called whistleblowing channel). The Disciplinary System adopted by the Company in the event of violation thereof by the recipients is also reported. The Special Section describes more specifically the identified Sensitive Processes and the measures and safeguards envisaged by the Company in order to prevent the risk of commission of the offences covered by the Decree and by Model 231 itself.

The methodological approach adopted at the time of the first adoption and for subsequent updates of Model 231, to be carried out in order to take into account the changes in the

relevant legislation and the changes that may occur in the Company's corporate organisational structure, provides for the implementation of a so-called Risk Assessment.

More specifically, the Risk Assessment is conducted as described below:

- identification of the Business Processes that represent Areas potentially at Risk of commission of Offences covered by Legislative Decree 231/2001 or that have undergone significant changes following changes in the corporate organisational structure;
- identification, within the framework of such Processes, (i) of the company activities exposed to the risk of commission of the aforementioned offences pursuant to Legislative Decree 231/2001 (so-called Sensitive Activities), (ii) of the types of offences that may be abstractly committed in relation to each Sensitive Activity with an illustrative description of the possible ways in which such offences may be committed, (iii) of the company roles responsible for such Sensitive Activities (so-called Key Officers) and (iv) of the company control tools aimed at preventing the commission of the offences analysed and any gaps/ areas for improvement (Gap Analysis);
- assessment of the risk relating to individual Sensitive Activities, by evaluating the so-called potential risk, the level of adequacy of existing control measures and, finally, the so-called residual risk;
- delineation of improvement actions (so-called Action Plan) in order to strengthen the internal control system; these actions will then be subject to periodic monitoring in order to assess their actual implementation (so-called Follow up).

As far as Mirabello Carrara S.p.A. is concerned, in light of the assessments carried out from the date of the first adoption of Model 231 until today, certain offences falling within the following categories have been considered potentially relevant:

- A.** Offences committed in relations with the Public Administration (art. 24 and 25);
- B.** Computer crimes and illegal use of data (art. 24-bis);
- C.** Crimes against industry and commerce (art. 25-bis.1);
- D.** Corporate offences, including the offence of corruption between private individuals and incitement to corruption between private individuals (art. 25-ter);
- E.** Crimes against the individual (art. 25-quinquies);
- F.** Market abuse (art. 25-sexies);
- G.** Manslaughter and grievous or very grievous bodily harm, committed in violation of occupational health and safety regulations (art. 25-septies);
- H.** Receiving, laundering and using money, goods or benefits of illicit origin and self-laundering (art. 25-octies);
- I.** Offences involving copyright infringement (art. 25-novies);
- J.** Inducement to not make statements or to make false statements to the Court (art. 25-decies);
- K.** Environmental offences (art. 25-undecies);
- L.** Tax offences (art. 25-quinquiesdecies);
- M.** Smuggling (art. 25-sexiesdecies).

On 27 April 2022, the Board of Directors resolved to make some changes to the Model, in order to bring it into line with the decision taken during the meeting by the Board itself, to provide for a change in the composition of the Supervisory Body from collegiate to monocratic, in order to make it more in line with the level of organisational complexity of the Company, while guaranteeing the same level of supervision.

It should be noted that most recently, with a decision adopted on 12 December 2023, the Board resolved to approve a new, and currently applicable, version of Model 231, in order to incorporate the adjustments required by Legislative Decree 24/2023 ("Whistleblowing Decree").

An extract of Model 231 is available on the Company's website at: www.mirabellocarrara.it.

Whistleblowing

The Caleffi Group is aware of the fact that, in order to encourage reports of offences or violations, it is necessary to set up a special system for handling such reports. Through appropriate technical and organisational measures, this protects the confidentiality of the identity of the whistleblower, the person involved and the person mentioned in the report, as well as the content of the report and the relevant documentation.

Pursuant to Article 6, paragraph 2-bis of Legislative Decree 231/2001, as amended by Legislative Decree 24/2023 ("Whistleblowing Decree"), the Group has therefore set up its own internal channel through the adoption of a **dedicated IT platform**, which can be reached at the link: gruppocaleffi.whistleblowing.wallbreakers.it, which allows the possibility of making written or oral reports, or of requesting a direct meeting with the Whistleblowing Manager.

Although the system is the same for both Group companies, the IT platform that was adopted is structured in two separate environments, accessible through separate access screens (one specific for Caleffi and one for Mirabello Carrara). In line with regulatory provisions, it features different types of reportable violations, depending on the different number of employees.

With reference to Mirabello Carrara, the 'Reports', provided for in the system in question, relate to unlawful conduct relevant under Legislative Decree 231/2001 or to violations of the Model.

The same company that designed and provides the IT platform was identified as the Whistleblowing Manager, a subject expressly authorised to process the data pursuant to Articles 29 and 32 of the GDPR and Article 2-quaterdecies of the Privacy Code, as well as specially trained in the discipline of whistleblowing and personal data protection.

The Whistleblowing system adopted by the Company guarantees the full protection – in terms of both confidentiality and protection from retaliation – of Whistleblowers, in order to facilitate the emergence and, consequently, the prevention of risks and situations prejudicial to the organisation.

Supervisory Body

With regard to the composition of the Supervisory Body, as already noted above, the Board of Directors of 27 April 2022 resolved to entrust these functions to a Supervisory Body in monocratic composition, appointing for this purpose an external consultant with specific skills and experience in the field of compliance with Legislative Decree 231/01.

For the effective performance of its functions, the Supervisory Body is entrusted with the following tasks and powers:

- periodically check the map of Risk Areas to ensure that it is adapted to changes in the company's activity and/or structure;
- collect, process and store information relevant to Model 231;
- periodically verify the effective application of the company's control procedures in the areas of activity at risk and their effectiveness;
- verify the adoption of actions to address critical issues in terms of internal control systems identified in the risk assessment;
- carry out periodic checks on specific transactions or acts performed within the Sensitive Processes;
- coordinate with the other corporate functions, as well as with the other control bodies (first and foremost, the Auditing Firm and the Board of Statutory Auditors), also through specific meetings, to better monitor the activities related to the procedures established by the Model, or identify new Risk Areas, as well as, in general, assess the various aspects pertaining to the implementation of the Model;
- coordinate with the Heads of the corporate functions in order to promote initiatives for the dissemination of knowledge (also with specific reference to the organisation of training courses) and understanding of the principles of the Model and to ensure the preparation of the internal organisational documentation necessary for its operation, containing instructions, clarifications or updates;
- define the criteria, parameters and frequency of transmission by the identified corporate officers of the information to be transmitted to the Body to ensure an adequate flow of information.

With specific reference to the reporting system (so-called Whistleblowing), pursuant to Article 6, paragraph 2-bis, of Legislative Decree no. 231/01, the Supervisory Board is entrusted with the following tasks:

- monitor the timely adoption of the internal reporting channel and its compliance with the requirements of Legislative Decree 24/2023;
- verify the adoption of the internal Whistleblowing procedure;
- supervise the training, information and dissemination of the above-mentioned Whistleblowing procedure;
- verify the effectiveness and accessibility of the reporting channel;
- carry out the appropriate checks to ascertain compliance with the Whistleblowing

procedure, the operation of the system, compliance with the deadlines laid down in Legislative Decree 24/2023, the possible application of the disciplinary system, the effectiveness of the measures taken to ensure compliance with confidentiality obligations and the prohibition of retaliation.

In addition, the Supervisory Board shall receive from the Whistleblowing Manager, specifically identified by the Company, timely information flows in this regard:

- the receipt of Reports concerning violations attributable to unlawful conduct relevant under Legislative Decree 231/2001 or violations of the Model;
- the progressive development of the follow-up to these Reports;
- the outcome of the investigations and assessments carried out with respect to the Reports that proved to be well-founded.

During the financial year 2023, as in the previous reporting years, there were no cases of reporting violations to the Supervisory Board and no episodes of active or passive corruption involving directors or employees of Mirabello Carrara were ascertained.

Code of Ethics

Mirabello Carrara's primary objective is to create value in the interest of its stakeholders, including shareholders, employees, customers, suppliers and local communities. To this end, industrial and financial strategies and the resulting operational conduct are oriented towards the efficient use of resources. Innovation, quality, creativity, customer focus and human resources are the pillars of Mirabello Carrara's competitive strength. Mirabello Carrara considers it essential to combine the company's success with ethics in doing business.

Based on these principles, Mirabello Carrara has defined specific policies for responsible business conduct.

With a Board resolution on 13 December 2023, Mirabello Carrara adopted and incorporated the Code of Ethics, drawn up by the Parent company Caleffi to replace the previous Code of Conduct.

The regulatory changes that have taken place and the increasing attention given to the areas of social responsibility and sustainability have led Group Companies to consider it appropriate to revise the Code previously adopted in 2011, with a view to bringing it more in line with current best practices.

By means of the Code of Ethics, the Caleffi Group intends to reaffirm and share a set of principles and duties of conduct that it considers indispensable for the proper management of its activities, and which represent the reference guidelines for every choice and action.

The Code highlights the values that inspire the Group's Companies, recognising as fundamental the principles of sustainability and environmental protection, areas to which both Companies are strongly committed.

The Code of Ethics constitutes an integral part and fundamental component of the Organisational, Management and Control Models adopted by the Group Companies pursuant to Legislative Decree No. 231 of 8 June 2001 and, by making rules of conduct binding for all levels of the organisation, which are an expression of the culture and values in which the Group Companies believe, it represents the basis on which the internal control and crime prevention system is founded.

The Code of Ethics contains express references:

- **the Human Resources Policy**, which defines the minimum standard requirements that Companies undertake to adhere to and addresses topics such as recruitment policy, promotions, professional development, remuneration, diversity and inclusion, freedom of association, and employee health and safety;
- the **Supplier Code of Conduct**, which contains the Guidelines that the Company's suppliers and their collaborators must follow, committing to behave in a manner consistent with the values and principles outlined therein and to continuously improve their sustainability performance by behaving appropriately.

The adopted Codes encapsulate the set of values that Mirabello recognises, shares and promotes, in the knowledge that conduct inspired by the principles of diligence, fairness and loyalty is an important driver for economic and social development.

Employees and collaborators are required to act with honesty, passion and integrity and to build relationships with stakeholders based on mutual trust, so that growth is guided by the principle of shared value.

All business relationships must be based on integrity and loyalty, and must be conducted without any conflict between corporate and personal interests. Specifically, at all Company levels Mirabello Carrara promotes and disseminates to its Employees rules of conduct that comply with the principles of legality, loyalty, fairness and professional rigour, aimed at preserving the integrity of the Company's tangible and intangible assets and safeguarding its respectability and image, as well as maintaining clear and transparent relations with its shareholders and with economic entities in general. To achieve this goal, Mirabello Carrara requires that in performing their duties, its employees adhere to the strictest standards of business conduct, as set forth in this Code of Ethics and the Policies that it refers to. To this end, the Code represents a guide and a support for each employee, enabling them to pursue the company's mission in the most effective way.

Mirabello Carrara has also required all its Employees to act with diligence, thoroughness, impartiality and honesty, not only in the performance of their duties, but also in inter-company relations and relations with external partners. The Company condemns any form of discrimination and/or abuse in both internal and external relations. Furthermore, it aligns with the principle of responsibility, which says that all individual Employees, based on their position/level in the organisational chart, assessed mainly with meritocratic criteria, are competent

and responsible for their actions and omissions. In particular, Mirabello Carrara is committed to adopting policies aimed at respecting human rights, drawing inspiration from the main existing national and international laws and regulations on corporate social responsibility, corporate governance, human rights and the environment, such as the United Nations Charter of Rights, the European Union Charter of Rights, the decent work standards enshrined in the ILO (International Labour Organisation) conventions and the OECD (Organisation for Economic Cooperation and Development) Guidelines for Multinational Enterprises.

The Company pays particular attention to the satisfaction of its customers, both current and potential, drawing inspiration from models of excellence. The Company endeavours to ensure that the principles of the Code of Ethics are shared by consultants, suppliers and any other party with whom it has an ongoing business relationship. The Company does not establish or continue business relationships with anyone who expressly refuses to comply with the principles of the Code of Ethics.

The Code of Ethics and, more generally, all the policies adopted by Mirabello are available on the Company's website at: www.mirabellocarrara.it.

Supplier Code of Conduct

In March 2022, the Caleffi Group adopted the Supplier Code of Conduct to ensure that all Group suppliers comply with high standards of safe working conditions, provide fair and respectful treatment of employees and observe the principles of ethical practices.

Aware that, within the ESG growth path undertaken, the 'Supplier' assumes a strategic role, the Caleffi Group, through the Code of Conduct, involves its suppliers in the construction of an ethical and sustainable procurement cycle from a social, environmental and economic point of view.

The Supplier Code of Conduct therefore becomes a fundamental element in achieving the objective of promoting the logic of sustainable development along the entire supply chain, extending its application and monitoring compliance with the principles also by Suppliers.

Risk Management

The control system is one of the crucial junctions in Mirabello Carrara's governance.

It encourages informed decision-making and contributes to the management of the company in line with the strategic objectives defined by the Board of Directors.

The modern concept of controls revolves around the notion of business risks, their identification, assessment and monitoring. The correct mapping of risks is the fundamental aspect of the control process and consists in identifying the type of risks to be monitored.

The Managing Director is responsible for implementing the system and identifying the main risks; the Board of Directors is assigned the role of providing guidance and assessing

the adequacy of the system. In addition to the members of the Board of Directors, the risk management system involves other corporate roles such as Treasury/Control/Human Resources Management; Planning/Safety/Quality Control; Purchasing/Technical Area/Industrialisation; as well as some peoples from outside the Parent Company Caleffi, such as the Responsible Manager, Planning and Control Manager and Legal Affairs, which Mirabello Carrara uses under specific intercompany service contracts.

Risk identification, monitoring and assessment

The set of risks to which a company may be exposed consists of multiple elements, which can be classified according to the perimeter in which they emerge (internal or external to the company) or the context to which they relate (strategic, financial, operational, compliance, planning and reporting).

In identifying risk, an important aspect is the ability to identify the causal link of a potential hazard, i.e., the occurrence of an event and the consequences that may result from it, considering all the logical implications (necessary and/or sufficient) for a risk scenario to occur or not to occur (as well as possible propagating and/or reducing factors).

Due to the evolution of the company and the context in which it operates, the survey methodology envisages that, once the initial mapping of risks has been carried out, they are iteratively re-mapped. The identified risks are analysed by logical category and prioritised within the category according to the combination of probability of occurrence and potential impact of the risk itself.

The monitoring phase completes the risk analysis process, giving validity to actions aimed at preventing or mitigating the effects of risks. This takes the form of continuous supervision, periodic evaluations, or a combination of the two. The process takes place in a day-to-day management framework and includes normal control activities carried out by management and other initiatives taken by staff in the performance of their duties. These policies and procedures ensure that the necessary steps are taken to address risks that could jeopardise the achievement of the organisation's objectives. Consistent with the requirements of the ISO standards referring to the integrated management system, an analysis of the context (internal and external) and risk was conducted and documented.

Risks management process

Mirabello Carrara carries out an assessment of the risk areas, summarised below.

The identified risks may be internal or external to the Group. In particular, these are linked to the industry and market context, as well as the perception of all stakeholders of the way the Group operates. The risks have been classified into four categories:

Strategic Risks may refer to business changes or inadequate response to changes in the competitive environment and the Company's business development activities. This can also include sustainability risks.

Business Risks are those related to the Group's industry, business operations, organisational structure, information systems, and control and reporting processes.

Compliance Risks, in general, are those related to the failure to comply, while conducting business, with laws and regulations, both national and international, applicable to the company's activities, as well as with the Code of Ethics and internal procedures.

Financial Risks are those related to the Group's financial management, specifically related to liquidity, currency, interest rate and financial counterparty risk for any financial and commercial transactions.

The information provided includes how to manage the identified risks, including by means of references to other sections of this document and/or documentation available on Caleffi website. The main risks identified are divided into macro-areas and all have a direct or indirect, current or potential relevance/impact related to ESG (Environmental – Social – Governance) areas.

Area-category / Risk description	Underlying material topic	Management method
Strategic		
<p>Geopolitical risks</p> <p>The global geopolitical and economic scenario is heavily influenced by the conflicts in Russia-Ukraine and Israel-Palestine. These have had broad implications globally, not just due to the ensuing humanitarian distress but also because of their significant economic impact on worldwide markets. This has quickly translated into heightened expenses for raw materials, energy, and logistics infrastructure.</p> <p>Over the forthcoming three to five years, projections from the World Economic Forum suggest that one significant risk which is external and non-operational yet could influence trade is the possible rise in conflicts among nations. Competition in economic, political, and technological arenas may intensify, potentially escalating tensions and risking diplomatic relations. Such a hazard presents a notable threat, with probable repercussions for the import and export of merchandise, trade duties, and product marketing strategies.</p> <p>Ultimately, the dynamics associated with migratory movements — stemming from diverse causes such as worldwide demographic expansion, ongoing conflicts, and variable economic and political stability — must be acknowledged. The present count of international migrants has surpassed the forecasts for 2050 and is anticipated to keep rising, given that the root problems prompting migration are yet to be addressed.</p> <p>Potential repercussions on confidence and domestic demand and significant negative impacts on the area's economic outlook.</p> <p>Risks relate to potential loss of opportunities, procurement difficulties, price and currency fluctuations, investment restraint, and legal risks.</p>	<p>Ethics and integrity in the conduct of business</p> <p>Creation and distribution of generated wealth</p> <p>Product quality, safety and reliability</p> <p>Brand protection and reputation</p> <p>Responsible supply chain management</p>	
<p>Market and competitive positioning risks</p> <p>Mirabello Carrara operates in the production and marketing of textiles and home furnishings, mostly in Italy. The core market is a mature market with a high level of competition between operators, a high degree of correlation with the propensity to spend and the disposable income of households, subject to competitive pressures from foreign producers, including from countries with low production costs.</p>	<p>Creation and distribution of generated wealth</p> <p>Product quality, safety and reliability</p> <p>Brand protection and reputation</p> <p>Responsible supply chain management</p>	<p>The configuration of the market and consumption post Covid-19 has changed habits, with shifts in priorities and more attention given to the home, which becomes a central element for life, work, study and also a real channel for purchases, thanks to e-commerce.</p> <p>The focus is on enhancing the brands through increased investments in communication, omnichannel marketing, trade marketing activities and coverage of new market segments.</p>

Area-category / Risk description	Underlying material topic	Management method
<p>Environmental risks related to climate and catastrophic events</p> <p>Climate change poses a multifaceted challenge with significant anticipated effects on global ecosystems and human societies. Extended periods of heat waves, severe drought, intense hail, tornadoes, widespread flooding, and violent sea storms represent a fraction of the extreme weather events increasingly impacting our nation and the globe. Projections suggest a grim outlook, with the severity and frequency of such events likely to escalate as the climate crisis persists. These events are expected to prompt major economic and social shifts and financial burdens, such as rising costs for various raw materials and the enactment of legislation aimed at mitigating climate change, which may also influence consumer spending patterns. Beyond these direct impacts, Mirabello Carrara points out environmental risks including non-compliance or partial compliance with environmental regulations, potentially resulting in sanctions or financial penalties. Moreover, climate change is seen as a source of substantial economic risks worldwide, manifesting as heightened physical threats and disruptions to business operations.</p>	<p>Creation and distribution of generated wealth</p> <p>Fighting climate change</p> <p>Energy efficiency</p>	<p>Sustainability is a fundamental prerogative of the company's development strategy.</p> <p>Particular attention is paid to the implementation of specific projects, aimed at capturing the purchasing choices of consumers looking for transparent and sustainable solutions with respect to environmental and social topics (origin of materials, impact on health, environmental and social responsibility of the company).</p> <p>Mirabello Carrara has adopted a procurement strategy aimed at diversifying its supply chain as much as possible, both in geographical terms and in terms of independence from individual suppliers.</p> <p>Mirabello Carrara manages the risks arising from temporary interruption of operations due to external events or natural occurrences also through insurance policies covering the loss of integrity of company assets and damages resulting from business interruption.</p>
<p>Risks for over-reliance on the "Loyalty Program" channel</p> <p>A significant part of turnover and margins is attributable to 'Loyalty Programmes' (catalogues and short collections), which by their very nature are short-term, exclusive in nature and with a discontinuous trend over the years.</p>	<p>Creation and distribution of generated wealth</p>	<p>Transactions with significant impacts in terms of both revenues and margins, short-term, exclusive in the period under consideration, and non-continuous in nature. Mirabello Carrara's aim is to limit its percentage impact on sales.</p>
Business		
<p>Increase in the cost of raw materials</p> <p>Mirabello Carrara's business is subject to fluctuations in the prices of raw materials (such as, for example, cotton) that are beyond the Company's control. Significant increases in the prices of these raw materials generate increases in the average production cost of individual products, with possible negative effects on the Company's business and profitability.</p>	<p>Ethics and integrity in the conduct of business</p> <p>Creation and distribution of generated wealth</p> <p>Responsible supply chain management</p>	<p>Mirabello Carrara has for years adopted a strategy of diversifying its supply chain so that it can effectively manage any fluctuations in the price of raw materials, while at the same time establishing mutually profitable business relationships.</p> <p>Mirabello Carrara is always looking for new and innovative solutions in terms of materials.</p>

Area-category / Risk description	Underlying material topic	Management method
<p>Risks associated with the procurement of raw materials, semi-finished and finished products</p> <p>Mirabello Carrara purchases raw materials, semi-finished and finished products from suppliers and manufacturing companies located in various geographical areas, including outside the EU.</p>	<p>Creation and distribution of generated wealth</p> <p>Responsible supply chain management</p>	<p>In order to minimise the risks associated with the potential unavailability of raw materials in the time required for production, Mirabello Carrara adopts a multi-sourcing strategy of supplier diversification and schedules purchases with a medium-term time horizon.</p> <p>Suppliers of raw materials and services are contractually obliged to comply with precise quality constraints, respect for applicable laws on the protection of workers, working conditions and compliance with labour laws, full compliance with, among others, labour, worker safety and environmental laws, as well as the principles of their own Code of Ethics and Supplier Code of Conduct.</p> <p>Mirabello Carrara includes the following among the supplier qualification criteria</p> <ol style="list-style-type: none"> 1) obtaining ESG ratings; 2) obtaining STeP by Oeko-tex certification; 3) adherence to quality standards and appropriate measures in order to operate in full compliance with restrictive regulations concerning hazardous or partly hazardous chemicals.
<p>Organisational and Human Resources Risks</p> <p>Risk of dependency and/or permanence of key figures and difficulty in developing/retaining talent.</p>	<p>Respect for human rights and the protection of workers</p> <p>Occupational health and safety</p> <p>Diversity and equal opportunities</p> <p>Corporate welfare and work-life balance</p> <p>Training and career development</p>	<p>Strengthened the organisational set-up with the addition of new management roles and skills.</p> <p>Mirabello Carrara's results depend on a number of key figures who have been instrumental in achieving them. In any case, Mirabello Carrara believes that it has adopted an operational and managerial structure capable of ensuring, as always, continuity in the management of social affairs.</p> <p>To this end, the company promotes: dialogue at all levels of the organisation and with social partners (trade unions), and constant monitoring of the implementation of the Code of Ethics.</p>

Area-category / Risk description	Underlying material topic	Management method
Financial		
<p>Risks related to the economic situation</p> <p>An already weak international scenario further weakened by inflation and restrictive monetary policies.</p>	<p>Creation and distribution of generated wealth</p> <p>Transparent tax approach</p>	<p>Positive effects of the pandemic on the home: the forced domestic confinement imposed by the lockdowns revitalised home textile consumption, gaining positions in consumers' spending priorities.</p>
<p>Risks related to existing loan agreements, debt level and compliance with financial parameters</p> <p>At the moment there are no reported difficulties for Mirabello Carrara in obtaining credit lines and financing, but it cannot be ruled out that a significant worsening of the general macroeconomic environment and/or financial tensions on international markets could lead to difficulties in accessing credit.</p>	<p>Creation and distribution of generated wealth</p> <p>Transparent tax approach</p>	<p>Mirabello Carrara constantly assesses risks in order to estimate their potential effects and take appropriate corrective actions. Within the Financial Statements (to which we refer), ample space is devoted to the analysis of financial management and related risks.</p>
<p>Risks related to income dynamics</p>	<p>Creation and distribution of generated wealth</p> <p>Transparent tax approach</p>	<p>Mirabello Carrara constantly assesses risks in order to estimate their potential negative effects and take appropriate corrective and mitigating actions. See the information notice in the Financial Statements.</p>
<p>Liquidity risk</p>	<p>Creation and distribution of generated wealth</p> <p>Transparent tax approach</p>	<p>Mirabello Carrara constantly assesses risks in order to estimate their potential effects and take appropriate corrective actions. Within the Financial Statements (to which we refer), ample space is devoted to the analysis of financial management and related risks.</p>
<p>Credit risk</p> <p>The Group operates in compliance with credit control policies aimed at reducing the risks arising from its customers not being solvent.</p>	<p>Creation and distribution of generated wealth</p>	<p>Mirabello Carrara applies policies that are based on thorough preliminary analyses of customer solvency and/or secured payment methods. Furthermore, the Company has no significant credit concentrations.</p>

Area-category / Risk description	Underlying material topic	Management method
Compliance		
Licence risks Renewal of Licences and minimum guarantee coverage	Creation and distribution of generated wealth	Mirabello Carrara mitigates licensing risk by entering into multi-year contracts and focusing on own brands.
Cyber risk Data security and privacy	Data security and privacy	In order to tackle these risks and limit their impact, risk sources have been identified, prevention and protection measures have been introduced, abnormal activity alerts have been set up, staff training has been implemented, access with external devices has been eliminated, and second-level controls for remote access have been introduced. The Information Security Plan and the Emergency Plan are being defined, to implement business continuity strategies and recovery plans in the event of a cyber-attack.
Social risks Among the main risks referring to the area of human resources management, the risk of human rights violations to the detriment of the Company's collaborators is considered exclusively at a theoretical risk level, by virtue of the protections provided for by the various laws and/or collective labour contracts and the labour standards set out in the Code of Ethics. The diversity of the partners and the geographical areas in which Mirabello Carrara operates have led to the investment of resources to monitor the existence of any risks of human rights violations along the supply chain, with a particular focus on façonists and specialised laboratories.	Respect for human rights and the protection of workers Occupational health and safety Responsible supply chain management	To deal with these risks and limit their impact Mirabello Carrara applies a Group Code of Ethics, a Supplier Code of Conduct and a Human Resources Policy, which must be shared and signed by all the Company's stakeholders. Concerning its supply chain management, the Company mandates compliance with relevant laws and values outlined in the Code of Ethics and Supplier Code of Conduct through contractual agreements. Specifically, the Supplier Code of Conduct and the Code of Ethics stipulate the behaviour expected of suppliers, non-adherence to which could lead to the cessation of the partnership. In the realm of human rights, Mirabello Carrara includes in its supplier qualification process the acquisition of ESG evaluations from accredited, globally recognized entities and the attainment of STeP by Oekotex certification, which, among various aspects, ensures adherence to equitable working conditions. The Company plans to extend its diligence process by engaging specialized, certified firms to conduct in-person audits of suppliers shortly to perform the required verifications.

Area-category / Risk description	Underlying material topic	Management method
Risks related to compliance, legal disputes, litigation Mirabello Carrara works in a multifaceted international framework, adhering to a wide array of laws and regulations that are rigorously tracked, particularly those concerning workers' health and safety, environmental safeguards, regulations on product manufacturing and components, consumer rights, data privacy, intellectual and industrial property, competition rules, and compliance with fiscal and customs rules, amongst other pertinent legislative criteria. Additionally, it is imperative to recognize the liability risk stemming from potential breaches of prescribed norms or codes, such as those established by the GDPR regarding personal data protection, which imposes stringent penalties for violations concerning personal data management and security, as well as risks associated with regulations intended to penalize misleading environmental claims used for marketing, known as greenwashing. These regulations target claims that misrepresent environmental practices or are based on unsubstantiated scientific claims.	Data security and privacy Transparent tax approach Respect for human rights and the protection of workers Occupational health and safety Creation and distribution of generated wealth	Mirabello Carrara invests more and more resources to cope with continuous regulatory changes and devotes more and more time and effort to the control, risk and compliance functions.

Regulatory compliance

During 2023, as in the previous year, there were no events that gave rise to penalties and/or litigation for non-compliance with environmental laws, standards, or regulations. Similarly, as of the date of this Sustainability Report, there are no outstanding environmental disputes.

To date, the Company has not received any objections, complaints from external parties or regulatory bodies for non-compliance with social and economic laws and regulations, nor has it been sanctioned for violations of product safety, industrial and intellectual property laws, marketing activities, or anti-competitive behaviour.

Joining external initiatives and Memberships

Assolombarda is the association of companies operating in the Metropolitan City of Milan and the provinces of Lodi, Monza and Brianza, Pavia.

In terms of size and representativeness, Assolombarda is the most important association of the entire Confindustria system. It expresses and protects the interests of **7,078 enterprises** of all sizes, both national and international, producing goods and services in all product sectors and **employs approximately 428,768 people**.

The association safeguards the interests of its member enterprises in their relations with institutional and local stakeholders active in various fields: training, environment, culture, economy, labour, civil society. It also offers specialised consultancy services in all areas of business interest.

Mirabello Carrara is an ordinary member of Assolombarda Milano.

Data Security and Privacy

In 2018, Mirabello Carrara completed the adaptation to the legal framework on the protection of personal data (EU Regulation 2016/679 and Italian implementing legislation - GDPR), equipping itself with a set of internal provisions and self-regulatory rules, including the Model for the protection of personal data, operating procedures for the management of the various fulfilments, legal documentation, processing register, setting up computer risk analysis.

The Model, which intends to comply with the provisions of the GDPR and, more generally, with the self-regulatory rules the Company has adopted, pursues the following objectives:

- guarantee the compliance of Mirabello Carrara S.p.A. with the requirements defined by national and Community regulations on the protection and processing of personal data;
- establish an organisational model for privacy ("Organisational Model"), assigning roles and

2 Governance

responsibilities relating to the fulfilment of obligations in connection with the processing of personal data;

- minimise the risks to the rights and freedoms of data subjects associated with the processing of personal data carried out by, and on behalf of, the Company;
- ensure the ability to prove one's privacy compliance (principle of accountability);
- enable the integration of privacy processes and controls with existing processes and controls within the company, considering the rights and freedoms of data subjects and the legitimate interests of the Company;
- foster cooperation with the Supervisory Authorities and the management of the relationship and rights of the Data Subject.

To date, the Company has received no objections, complaints from external parties or regulatory bodies concerning violations of the law, of data subjects' rights, and of personal data of which the Company is the Data Controller.

Mirabello Carrara did not record any substantiated complaints received concerning breaches of customer privacy.



3

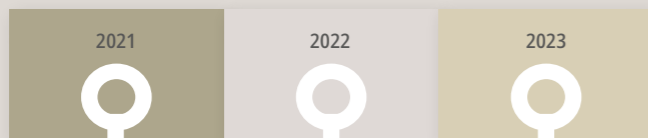
Infrastructural capital



8 DECENT WORK AND ECONOMIC GROWTH

37
registered trademarks

43
Countries in the world where we are present

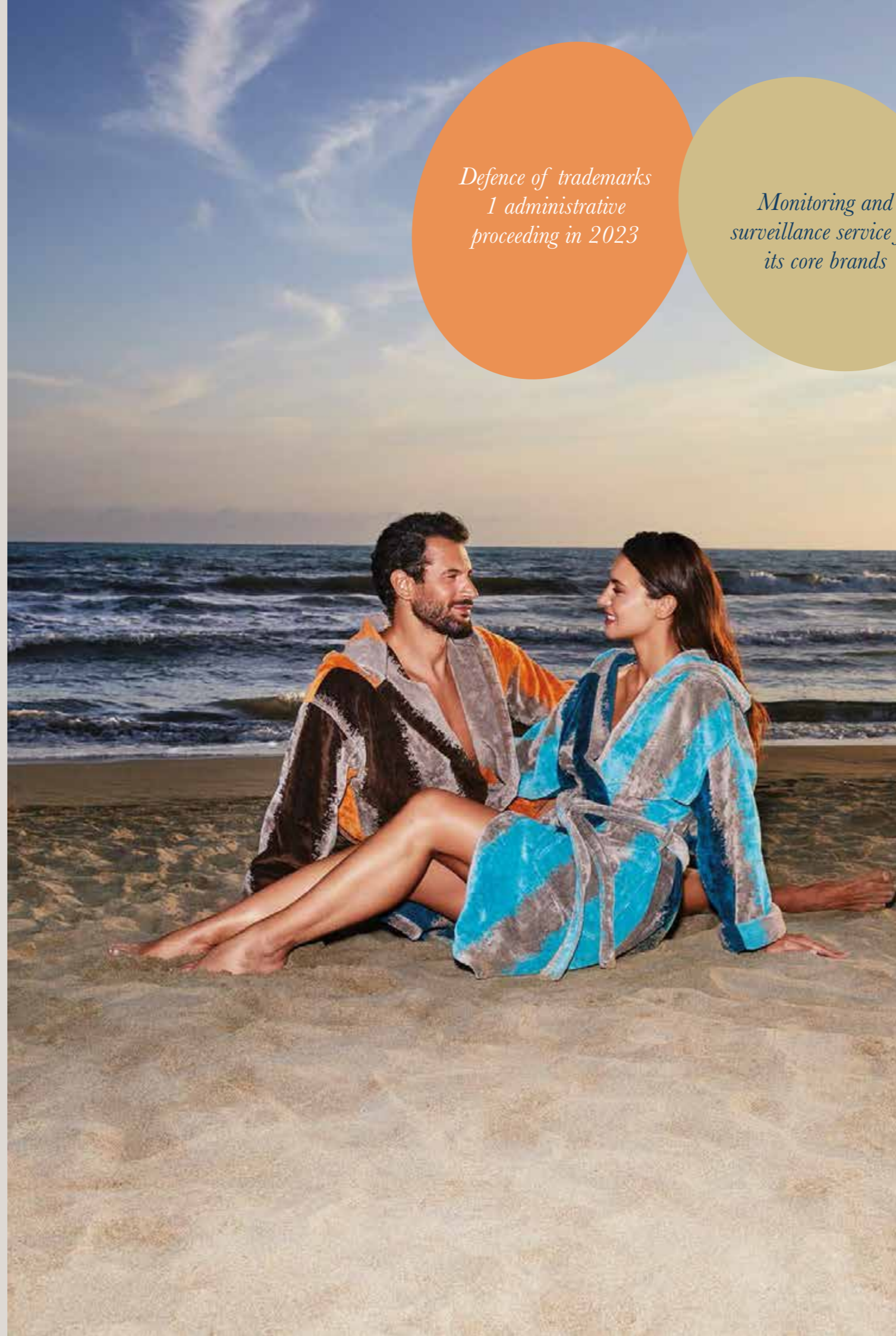


Warnings

Oppositions

Defence of trademarks
1 administrative proceeding in 2023

Monitoring and surveillance service for its core brands



Mirabello

CARRARA
LUXURY LINENS SINCE 1948

BRERA



roberto cavalli
HOME LINEN



TRUSSARDI
CASA

Bellora
SINCE 1883

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- 1 Identity and strategy
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- 4 Relational capital
- 5 Economic and financial capital
- 6 Human capital
- 7 Environmental capital



The brand: image and reputation

Mirabello Carrara is aware that the company distinctive marks are valuable business intangible assets. A correct investment strategy on these assets involves the prior search for the availability of the trademark, its registration, and the necessary monitoring to avoid misuse by third parties of the acquired rights.

The Company pursues these objectives by relying on a partner of excellence in carrying out prior art searches, administrative filing of registration applications, and monitoring services. The activities carried out for the protection of brand reputation are aimed at ensuring the complete protection of companies' intellectual property rights, from the trademark registration phase to the anti-counterfeiting phase.

Mirabello Carrara SpA - Own brands

Mirabello

Art, a passion for flowers, attention to detail and Italian painting techniques are the stylistic features of a collection in which the precious materials create a luxury evoking emotions and giving sensations of pure well-being.

CARRARA
LUXURY LINENS SINCE 1948

Soft terrycloth, dynamic geometries, intense colours and finishes with tailoring appeal make up a collection of pure hedonism whose absolute protagonist is the pleasure of time to oneself.

BRERA

Minimalist elegance and a tailored cut identify this collection characterised by a whispery and restful colour palette inspired by metropolitan atmospheres.



MLab: a Mirabello project created to promote the talent and creativity of young designers. A strongly modern and cosmopolitan collection for lovers of the most contemporary design.

3 Infrastructural capital

Mirabello Carrara SpA - "Luxury" licences

roberto cavalli
HOME
LINEN

Sensual and seductive home linen in the name of glamour, in keeping with Cavalli fashion house eccentric and exclusive style. Spotted and animal prints, iconic elements of the brand interpreted on fine fabrics, and Italian craftsmanship: the Cavalli world is the embodiment of a dream.



Textured fabrics and a resolutely industrial inspiration for collections with an urban chic taste. Design meets informality with impeccable balance.

TRUSSARDI
CASA

High-quality materials and handcrafted workmanship made in Italy: the discreet luxury and elegance typical of Trussardi enter all rooms in the home.

Bellora
SINCE 1883

Since 1883, the Bellora brand has been in Italian homes and in the world's most exclusive department stores. Refined details and decorative elements, which belong to the history of textiles, have always been reinterpreted by Bellora with a contemporary style that combines the desire for greater simplicity and comfort with a look to tradition and luxury living. Italian identity, quality, elegance, tradition and refined style are the hallmarks of highly coordinated, timeless collections that blend sobriety and hedonism.

Brand protection actions

The protection of a trademark through registration, an administrative procedure that allows obtaining an exclusive right to a certain distinctive mark in a certain territory and for a category of goods or services, is a prerequisite for the growth and development of the trademark's reputation.

Mirabello Carrara holds 37 trademark registrations, with a worldwide presence in 43 countries.

Registration of trademarks and indicators		
	No.	Countries
Mirabello Carrara	37	43

In order to strengthen trademark protection actions, Mirabello Carrara supplements registrations with activities to maintain its exclusivity. The Company has set up a monitoring and surveillance service for its main trademarks, **“MIRABELLO”**, **“CARRARA”** and **“BESANA”**, aimed at preventing any third parties from registering trademarks identical or similar to its own, by monitoring the world’s trademark registers and verifying the publication of trademarks identical or similar to the one monitored, being registered in the same classes of goods or services.

In the case of attempts to register or use trademarks identical or similar to Mirabello Carrara’s, the protection policies provide for cease-and-desist letters, an effective tool to guarantee and reinforce the exclusivity of trademarks in the market. A web monitoring and surveillance service is also active, aimed at detecting counterfeits and, more generally, illicit uses of proprietary trademarks by third parties. Verification and monitoring activities are paired with the adoption of initiatives aimed at countering the detected unlawful acts, mostly out of court, by sending warning letters to sellers and managers of e-commerce sites, with requests to cease unauthorised uses of Mirabello Carrara’s distinctive marks and to remove from their web content any undue reference to Mirabello Carrara’s trademarks. Mirabello Carrara’s focus on defending the reputation of trademarks is evidenced by the 2 warning letters that were sent to third parties in the three-year period 2021-2023.

Mirabello Carrara also acts in court to defend trademarks, through actions aimed at obtaining an injunction against use or an assessment of infringement by third parties and through filing administrative oppositions against third parties with trademark applications that can be confused with Mirabello Carrara’s. The following administrative proceedings were initiated in 2021/2023:

Administrative proceedings and warnings			
	2021	2022	2023
Warnings	2	-	-
Administrative proceedings	2	5	1

The search for sustainable collections

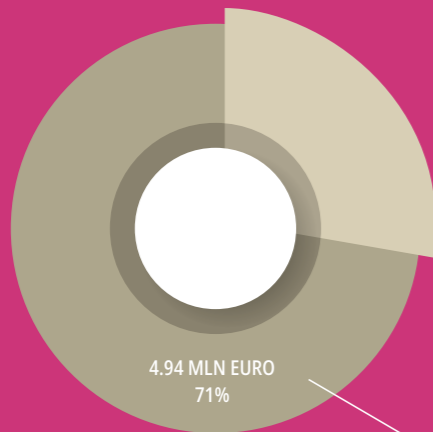
A **new line under** licence from **Bellora** was presented in 2023, which features **sustainable packaging** made from bioplastic.

Bioplastic is produced during the third pressing stage of sugar cane, which, being a plant source, absorbs carbon dioxide from the atmosphere, which is then converted through photosynthesis into glucose.

During the production of bioplastic, sugar cane is converted into ethanol and then into polyethylene, generating energy in the process. In this way, for every kilogram of bioplastic produced, a saving of approximately 3.09 kg of carbon dioxide emissions into the atmosphere can be achieved.



8 DECENT WORK
AND ECONOMIC
GROWTH



PURCHASES FROM SUPPLIERS
SUBJECT TO ASSESSMENT

Mirabello Carrara is
Oeko-Tex certified®
since December 2014

OEKO-TEX®
INSPIRING CONFIDENCE

Create value for the
local community



Qualification and
selection of the supply
chain based on criteria
of compliance with
the Galeffi Code of
Conduct (environmental
and social criteria)

Sustainable
procurement:
transparency and
traceability of
materials and of
the supply chain

4 Relational capital

89.6%

outsourced work carried out in
Lombardy

100%

Suppliers who have signed the
Supplier Code of Conduct

71%

Suppliers assessed on the basis of
environmental and social criteria

2022

Integrated quality, health
and safety certification
(ISO 9001- ISO 45001)

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Customer relations

Responsible marketing

In the belief that acting ethically and responsibly is the basis for the company's success, Mirabello Carrara's activities are inspired by a constant and ambitious quest for uncompromising quality. Relations with Customers are therefore geared towards fully satisfying their needs, with the aim of creating a solid relationship inspired by the values of fairness, transparency and trust.

The company therefore undertakes to

- guarantee the highest quality standards of the products it sells;
- provide true and comprehensive information so that the Customer can make an informed choice;
- condemn the use of any means of communication that may mislead the Customer about the quantity, quality, origin and provenance of the products/services offered;
- ensure maximum attention and suggestions, and any complaints from Customers;
- certify that the products comply with market requirements in accordance with the laws in force in the countries where they are marketed, including in terms of safety;
- inspire the advertising messages aimed at Customers with criteria of clarity and transparency, prohibiting the use of any misleading, elusive or unfair practices.

Finally, it should be noted that Mirabello Carrara, during 2023, was not subject to any dispute or sanction with regard to the non-compliance of its marketing communications and/or other initiatives of a commercial nature.

Communication and interaction with the customer

Communication

Mirabello Carrara opts for a multi-channel campaign across print, web and social channels, marking a further step forward in the company's communication path to guarantee its target audience an increasingly exclusive and satisfying experience. By virtue of their luxury positioning, the brands confirm first and foremost print media as the medium of choice, intrinsically more suitable to **"sell a dream"**: through a careful selection of premium media, with high-profile editorial formulas, Mirabello and Carrara, skilfully narrated in exceptional settings, emotionally involve a qualified and receptive audience, inspiring their constant search for beauty, dreams and escapism. The same hedonistic aesthetic also applies to digital, so that the synergy between creativity and technology guarantees a *wow effect*.





Maximum attention is therefore given to the e-commerce site, providing a premium experience from purchase to after-sales service. Lastly, the presence on social channels is confirmed, Facebook and Instagram both on behalf of Mirabello Carrara and the Bellora1883 brand – introduced in the second half of 2023 - where professional expertise is mixed with the everyday life of micro and middle influencers, profiled according to precise characteristics in line with the brand's identity and values.

Interaction with the customer

The customer has always been at the centre of Mirabello Carrara's attention: customer satisfaction, together with a high level of product quality, are the pillars supporting its growth strategies. Aware that at the root of successful **Customer Care** there is the ability to listen and respond promptly and effectively, creating engagement both offline and online, the Company is progressively expanding its range of support services. Alongside the traditional telephone call centre and the well-established newsletter, there is now social media customer care: a consumer assistance service via social media profiles on Facebook and Instagram, providing an immediate response and, at the same time, a more empathetic approach. In a market increasingly saturated with offerings, the challenge is to establish an exclusive relationship with the customer: Mirabello Carrara chooses to enhance its social media channels with the aim of creating an authentic relationship with the public and strengthening their trust. Even the traditional newsletter becomes an effective retention tool: the DEM campaign, in perfect synergy with the social media campaign, enables lead generation, retention and conversion actions.

- DEM campaigns have proven to be particularly useful both for building consumer loyalty and, of course, for promoting online purchases.
- What has often been noted is that the purchase is not always strictly linked to the current promotion; therefore, DEM is often an important vehicle to bring to the site the user who then chooses to buy regardless of the active promotions.
- Throughout 2023, DEMs also stood out as a means of listening to customers, understanding their purchasing needs and desires revolving around the group's products.
- They also allowed us to understand which commercial strategies are more appealing and which are less so, in order to evaluate which type of promo to invest in.

Combined with DEMs in 2023, we also saw some sporadic Newsletter mailings, which, with its purely informational purposes, aims to keep customers updated about, for example, the release of new collections or the first television appearance on the programme 'Come La Vorrei' hosted by Paola Marella. In 2023, a Direct E-mail Marketing (DEM) activity was developed to Mirabello Carrara's customers in connection with civil holidays such as Mother's Day or Father's Day, in connection with the Black Friday period and the summer and winter sales and pre-sales periods. In addition, specific promotional DEMs were sent out in relation to common events such as back-to-school or Blackbird Days.

Product quality and safety

The design and development of the Company's products focuses mainly on aesthetic and quality aspects of the products as well as, for new products, on shape, size and processing technology. Design and Development activities are planned in relation to the seasonal characteristics of the product, unless there are particular market or customer requirements. Following its planning, a review of design and development activities is carried out in order to assess whether the activities performed lead to a result that conforms to the expected requirements, essentially in terms of the ability of the company's production system to produce a product that conforms to the model in the stipulated manner and in the quantities and at the expected costs. The Company produces and distributes home linen and accessories of the highest quality. The capacity for technological and stylistic innovation, quality monitoring processes and product safety are essential prerequisites for maintaining and strengthening the competitive position and reputation of the brand.

On 15 December 2023, *Audit Surveillance 1* was successfully concluded, confirming the **Integrated Management System**, certified to ISO 9001:2015 quality and ISO 45001:2018 safety.

Furthermore, during 2023, there were no incidents of non-compliance concerning impacts on the health and safety of products.

Following the evaluation of the **MADE IN GREEN by OEKO-TEX®** labelling, as per the plan, it was decided to integrate it into a broader project covering the entire value chain, from producer to consumer. MADE IN GREEN by OEKO-TEX® is a traceable product label for all types of textile products (such as garments, home textiles) and leather products (such as garments, finished and semi-finished leather), including non-textile/leather components (such as accessories). The MADE IN GREEN label verifies that an article has been tested for harmful substances. This is achieved through certification according to STANDARD 100 by OEKO-TEX® or LEATHER STANDARD by OEKO-TEX®. Furthermore, it guarantees that the textile or leather product has been manufactured using sustainable processes under environmentally friendly and socially responsible working conditions. This is done through certification according to STeP by OEKO-TEX®, so that there is a unique identification of the product on the label to trace the countries and production facilities where the labelled item was produced.

Every year, Mirabello Carrara carries out tests to assess the health and safety of products, without ever detecting any incidents of non-compliance. 99.5% of Mirabello Carrara's strategic suppliers (corresponding to 71% of the turnover assessed with Ecovadis) are OEKO-TEX 100 STD certified (independent and internationally uniform control and certification system for raw materials, semi-finished and finished products in the textile sector at every level of processing, as well as for the accessory materials used).

44% of the suppliers are OEKO-TEX® STeP certified and 34% are qualified for the Made in Green labelling.

Assessment of health and safety impacts			
	2021	2022	2023
Terrycloth products	YES	YES	YES
Towels	YES	YES	YES

All Mirabello Carrara textile products are covered by the **REACH¹ Regulation**.

Mirabello Carrara joined the BCI platform in 2023 operating on quotas interchange basis as an End Product Manufacturer.

Better Cotton Initiative is the world's largest **NPO** (no profit organization) aiming to establish a **globally valid standard** for **more sustainable cotton cultivation**.

To achieve this mission, BCI-licensed farmers (i.e. 2.3 million from 23 countries on five continents) are trained to implement more environmentally, socially and economically sustainable production practices.

This means using water more efficiently, minimising the use of chemicals and the negative effects of pesticides, and improving the living conditions and economic development of cotton farmers.

¹ REACH is a European Union regulation adopted to improve the protection of human health and the environment from the risks that can be posed by chemicals.

4 Relational capital

The cultivation of BCI cotton takes place separately from that of conventional cotton.

After harvesting and ginning, so-called **'Better Cotton'** bales are obtained, **which are taken on the market by BCI members and can be traced via a system that calculates the mass balance along the production and supply chain.**

Traceability and labelling of products

Mirabello Carrara has always paid attention to the transparency of information to the end consumer and to communicating the origin of materials. This is ensured through the traceability of raw materials and the continuous improvement of social and environmental standards along the entire production chain. The company has provided for a broad and diverse traceability protocol: from the procurement of materials to distribution, the commitment is to "keep track" of the origins and all stages of the process leading to the finished product, taking care to communicate and record along the entire supply chain information concerning the raw materials, the production facilities, the operators who worked on them, the passed quality tests, and the completed transfers.

The implementation of such a rigorous traceability system expresses the company's vision of an increasingly sustainable economy for everyone.

A first phase of traceability was initiated in 2023, which identifies the product batch through a label marking on the product pack.

To make information to the end consumer even more transparent, Mirabello Carrara is studying a project to detail all information by adding a QRCode to the label that will lead to an Internet page with all the specific details on the chain of origin and the relevant certifications. The traceability project will be completed in 2024.

During 2023, no incidents of non-compliance were detected by the Chamber of Commerce and the Financial Police, which carry out spot checks on products placed on the Italian market, with regard to information and labelling of products marketed by Mirabello Carrara.

Product and service labelling information			
	2021	2022	2023
Procurement of product components or services	YES	YES	YES
Content of products or services, with particular reference to the presence of substances that may generate an environmental or social impact	YES	YES	YES
Disposal of products and the resulting environmental or social impacts	NO	NO	NO

The labels sewn onto the item must absolutely state:

- the details of the importer or producer with full address (consumer code)
- composition and washing symbols, complying with Reg. 1007/2011 about the Country of manufacture/components.

Product disposal information is information that will become a mandatory part of labelling following the transposition of Directive 2018/851/EU, which recognises extended producer responsibility schemes for end-of-life management of textile products.

Oeko-Tex® Standard 100 and GOTS product certifications

Almost all Mirabello's suppliers are certified **Oeko-Tex® Confidence in Textiles-Standard 100** and to a lesser extent **GOTS (Global Organic Textile Standard)** for the products they distribute. In particular, about 70.8% of Mirabello Carrara's purchases are certified **Oeko-Tex®**.



The **Standard 100 by Oeko-Tex®** is an independent and internationally uniform control and certification system with scientifically based verification criteria, limit values and test methods for the human ecological requirements of raw materials, semi-finished and finished products in the textile industry at every processing level, as well as for the accessory materials used. For articles consisting of several parts, the prerequisite for certification is that all components meet the required criteria. The adoption of Standard 100 by Oeko-Tex® requires stringent, internationally recognised

parameters, allowing a responsible marketing campaign to be developed, which also reminds us of the importance of ensuring high safety, responding to a consumer need. The company that adopts this standard must therefore ask for and obtain greater control of its supply chain, for a responsible use of chemicals and, more generally, guarantee an improvement of the internal and external processes of its quality control perimeter. Mirabello Carrara is certified Oeko-Tex® since December 2014.

The **GOTS** has been developed by leading international organisations in organic agriculture, in order to assure the consumer that organic textile products are obtained in compliance with stringent environmental and social criteria applied at all levels of production, from the field harvesting of natural fibres to the subsequent manufacturing stages, down to the labelling of the finished product.

Responding to the strong demand for common production criteria by the industry and distribution of textile and clothing products, the GOTS has obtained broad international recognition that allows those who produce and sell organic textiles to have a certification accepted in all major markets.



4 Relational capital

Suppliers: managing the supply chain

A quality product is the result of shared standards, joint efforts, stable, trust-based relationships with suppliers, partners in the value creation process. A quality product must be made with attention to health, safety, respect for human rights, the environment and animal welfare.

Mirabello Carrara believes in the importance of developing synergies and in the close collaboration and involvement of its suppliers who not only guarantee reliable production performance, but who also share the Company's values and expectations in terms of ethical, environmental and social standards. Mirabello Carrara's 118 suppliers fall into three main categories:

“Creating value through supplier relationship management, fundamental in the ethical and sustainable path.”



The **raw materials suppliers** mainly supply fabrics and production accessories. The fabrics come mainly from Pakistan, Turkey and China. The manufacturers of accessories are mainly Italian.

The **façonists** are those suppliers with high technical know-how to whom the Company entrusts production phases/cycles, providing them with all the necessary raw materials and/or semi-finished products. Production processes are monitored by in-house technicians, who constantly check that the required standards are met. This method is mainly used to produce complete sheets and duvet covers from the luxury collections, where the quality of the made-in-Italy workmanship is almost indispensable and where Mirabello Carrara relies on the local community.

The **suppliers of marketed products** are those who, having received the prototype and technical specifications from Mirabello Carrara, take care of the production of the finished product, including the raw material procurement phase, according to internal standards. During the production of the product there is continuous interaction with the supplier, also with visits on site, to verify that the finished product meets the expected quality standards.



4 Relational capital

Year 2023			
	Asia	Europe	Total
Accessories	0%	100%	9.4%
Raw material	77.5%	22.5%	15.9%
Finished product	47.8%	52.2%	44.2%
Outsourced production processes	0%	100.0%	30.5%
Total	33.5%	66.5%	100.0%

In 2023, purchases broke down as follows:

- Asia - 33.5% of total purchases and consist mainly of raw materials in raw fabric and finished cotton products
- Europe – 66.5% of total purchases and refer to work for outsourced production processes and the purchase of finished products.

The qualification and selection process

The Supplier selection system plays a key role in the competitiveness of Mirabello Carrara's offerings in the market. Suppliers are selected on the basis of a qualification process (so-called vendor rating) aimed at guaranteeing quality, compliance with programmes, safety and environmental protection, customer satisfaction, company image and achievement of economic objectives. The evaluation parameters therefore relate to technical production and service capabilities, financial soundness, company quality systems, and safety management. For strategic and new suppliers, the process also includes an on-site inspection.

The purchasing process is based on the values of Mirabello Carrara's Code of Ethics, including the principles of legality, fairness and loyalty, transparency of procedures and behaviour, and respect for roles in contractual relations. The proper remuneration of activities compared to market levels and compliance with payment terms are also guaranteed. The general and technical criteria include those of good repute/reliability, compliance with community and other regulations on product origin and quality of the products.

Procurement activities include the following criteria:

- professional, fair and transparent behaviour in the purchasing process
- rejection and reporting of unfair commercial practices to the appropriate bodies
- respect for individual and cultural diversity
- confidentiality of information
- preservation of know-how and intellectual property
- involvement of suppliers in the development of innovative products.

The declaration required from suppliers - Environmental and social criteria

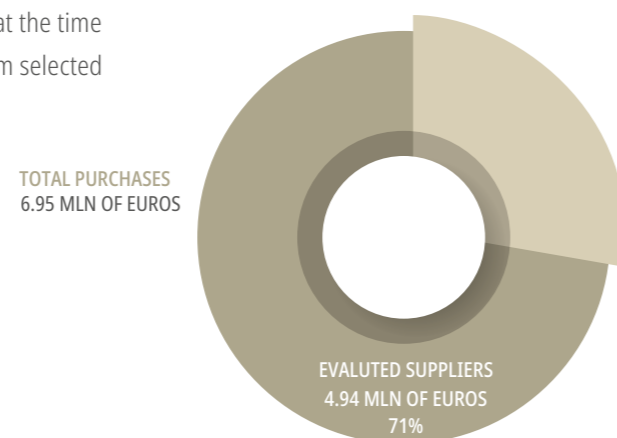
By signing the Supplier Code of Conduct, suppliers declare that they

Do not use or support child labour
Do not use or support compulsory labour
Ensure healthy workplace - takes appropriate measures to prevent accidents / harm to health at work or as a consequence thereof - minimises causes of workplace hazards
Do not engage in or support discrimination in hiring, remuneration, access to training, promotion, retirement, on the basis of race, class, origin, religion, disability, gender, sexual orientation, union membership, political affiliation
Do not engage in or support the use of corporal punishment , mental or physical coercion, verbal abuse
Comply with applicable laws and standards on working hours
Ensure that wages paid correspond to minimum standards or legal standards and are sufficient to meet the basic needs of staff
Safeguard the environmental impact
Run a responsible business

In general, when suppliers sign the Code of Conduct, they are required to respect human rights and the environment. Mirabello Carrara subjects strategic suppliers to ESG ratings and is arranging to conduct physical audits of its suppliers through an independent third-party organisation.

Monitoring the production chain

Suppliers are constantly monitored, through a vendor rating system and, subsequently, according to a defined plan, through site visits, aimed at ascertaining compliance with the requirements specified by Mirabello Carrara and declared at the time of qualification. 71% of the total value of purchases are from selected suppliers who adhere to the general principles of the SA8000 international standard on social responsibility and are part of a multi-level assessment process - environmental, social, ethical and sustainable.



% and value in millions of euros of suppliers evaluated in relation to total purchases.

4 Relational capital

Number of suppliers	2021		2022		2023 ²	
	No.	% of total	No.	% of total	No.	% of total
Number of LOCAL ³ suppliers	44	51.8%	35	49.3%	72	61.0%
Number of suppliers located in ITALY	17	20.0%	16	22.5%	25	21.2%
Number of suppliers located in EUROPE	11	12.9%	6	8.5%	11	9.3%
Number of suppliers located in ASIA	13	15.3%	14	19.7%	10	8.5%
Suppliers total	85	100.0%	71	100.0%	118	100.0%

Budget spent on suppliers	2021		2022		2023	
	€	% of total	€	% of total	€	% of total
Budget spent on LOCAL ³ suppliers	3,589,676	33.3%	2,865,703	35.1%	2,947,269	42.4%
Budget spent on suppliers located in ITALY	425,912	4.0%	811,194	9.9%	134,683	1.9%
Budget spent on suppliers located in EUROPE	4,279,734	39.8%	1,935,646	23.7%	1,544,701	22.2%
Budget spent on suppliers located in ASIA	2,469,828	22.9%	2,555,518	31.3%	2,326,587	33.5%
Suppliers total	10,765,150	100.0%	8,168,062	100.0%	6,953,240	100.0%

Type of goods / materials / raw materials / semi-finished products / components / purchases in €	2021	2022	2023
Finished products	5,153,505 €	3,170,361 €	3,075,293 €
Raw materials	1,668,112 €	1,379,525 €	1,106,677 €
Semi-finished products	281,904 €	288,429 €	0 €
Services	2,842,972 €	2,398,841 €	2,119,481 €
Other (Accessories)	818,657 €	930,905 €	651,789 €
Total purchases	10,765,150 €	8,168,062 €	6,953,239 €

The 15% drop in purchasing compared to 2022 is due to a decrease in turnover and a higher use of goods in stock.

² In 2023, the supplier data were updated according to an accounting extraction, so compared to previous years, the category 'semi-finished products' was merged into finished products.

³ Local suppliers are defined as those based in the Lombardy region.

Number of suppliers			
	2021	2022 ⁴	2023
Suppliers total (no.)	85	71	118
of which NEW SUPPLIERS TOTAL (No.)	5	4	16
Number of suppliers assessed according to ENVIRONMENTAL CRITERIA	11	20	21
of which Number of new suppliers evaluated according to ENVIRONMENTAL CRITERIA	-	1	3
Number of suppliers assessed according to SOCIAL CRITERIA	11	20	21
of which Number of new suppliers evaluated according to SOCIAL CRITERIA	-	1	3
Percentage of suppliers evaluated according to ENVIRONMENTAL CRITERIA	13%	28%	18%
Percentage of new suppliers evaluated according to ENVIRONMENTAL CRITERIA	0%	25%	14%
Percentage of suppliers evaluated according to SOCIAL CRITERIA	13%	28%	18%
Percentage of new suppliers evaluated according to SOCIAL CRITERIA	0%	25%	14%

The evaluation is based on the analysis of environmental, social and ethical performance and governance, these are the principles underpinning the EcoVadis provider evaluation on which the company relies for the evaluation of its supply chain.

No incidents of child labour or exposure to high risks were found. Suppliers are strongly structured at the organisational level.

The countries considered to be at risk are those in the Middle East, particularly Turkey.

The supplier companies are, however, structured and continuously monitored.

The measures taken by the organisation during the reporting period to improve the sustainability performance of the supply chain consist in activating improvement plans through corrective actions on issues and/or problems identified during the evaluation.

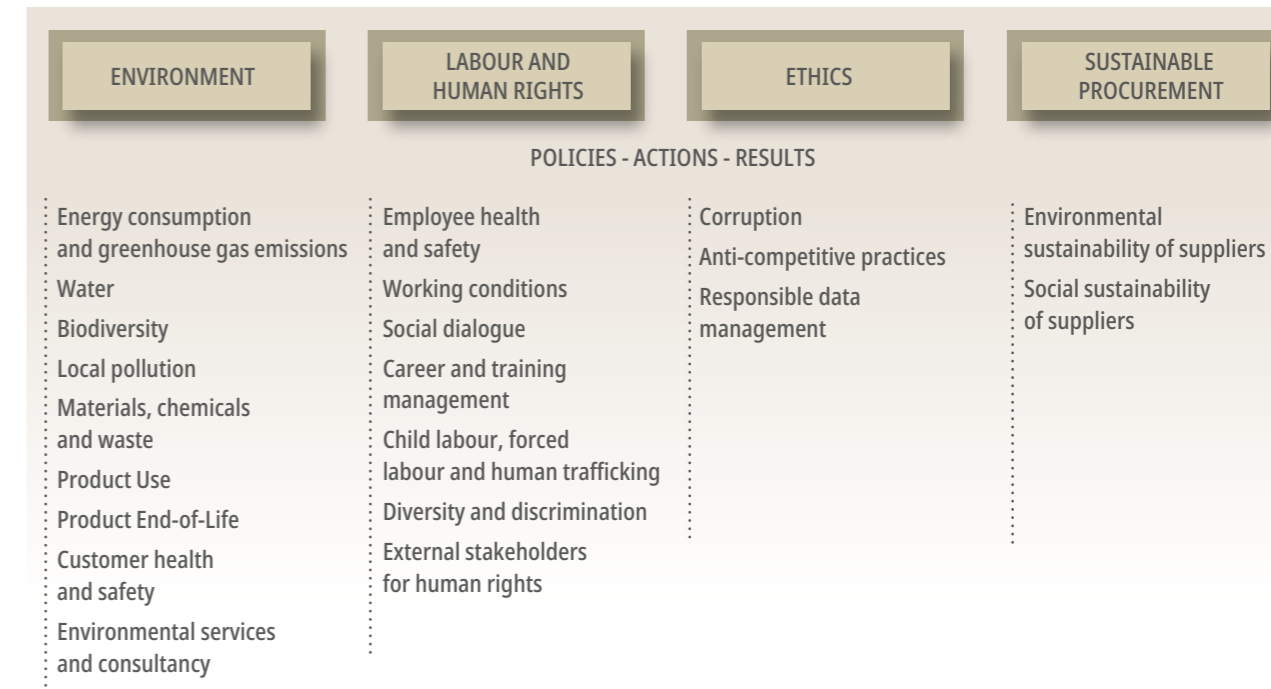
4 Relational capital

Mapping and assessing the sustainability of the supply chain

Consistent with Mirabello Carrara's strategy and objectives, in 2021 a specific supplier sustainability profile assessment process was initiated, aimed at actions to strengthen the sustainability of the entire value chain, including through improvement plans and actions. The end result was a rating for each individual supplier and an overall rating of the supply chain under evaluation.

The project involved mapping the sustainability of the entire supply chain in order to assess corporate social responsibility and sustainable procurement, using a methodology comprising 21 sustainability criteria grouped into four themes. The criteria are based on international standards such as the UN Global Compact and ISO standards. The supply chain evaluation project continued throughout 2023; 21 strategic suppliers have been evaluated to date. Currently, 18% of the total suppliers have been evaluated with ESG criteria, accounting for 71% of the purchases in terms of volume⁵.

The Company's Supply Chain achieved an overall score above the average of the global assessments made by the EcoVadis platform.



⁵ Compared to 2021, the calculation basis has changed, and the volumes achieved with the façonists have been added to the purchases, thus keeping the evaluation percentage unchanged.

The development of the territory: the appreciation of Made in Italy products

The economic impact on the territory

In 2023, 89.6% of outsourced production processes was carried out in Lombardy, increasing by 6.4% compared to 2022. The link with the territory has grown and strengthened over time. With a view to sustainable development, Mirabello Carrara considers the involvement and enhancement of local skills that help create the conditions for growth and innovation in the area.

(Amounts in million Euro)	2021	2022	2023
Total of services and outsourced production processes	2,843	2,399	2,120
Lombardy (Territory)	2,324	2,018	1,899
Incidence of services and processing in Lombardy	81.8%	84.1%	89.6%

Supporting the local Community

The Caleffi Group has always made a contribution to support local charitable initiatives, in particular by donating its own products to local schools and non-profit associations operating in the third sector.

Since 2021, Caleffi Group has been providing support to **FAI** – *Fondo per l'Ambiente Italiano* (i.e., Italian Environmental Fund), through the Corporate Golden Donor membership programme. Together with FAI, the Caleffi Group wants to create a great protection project that is also an ambitious cultural challenge: to make Italy a better place to live, work and raise children. The landscape and cultural heritage, which FAI safeguards and promotes, is a unique capital in the world and the fundamental resource in which to invest in order to revive, develop and enhance our country.

Through the donation of products, **Mirabello Carrara** supports the **Associazione Libellule Onlus** (an association established to support women, both physically and psychologically, when they are faced with breast or genital surgery following a cancer diagnosis). In 2023, thanks to its supporters' donations, the Association successfully acquired a Mammotome, a state-of-the-art device that allows for needle biopsies to be conducted under full computer guidance. This technology ensures enhanced accuracy in the evaluation of tumours.



4 Relational capital

The Caleffi Group supports **FMS Onlus - Fondazione malattie del sangue Onlus** [i.e., Blood Diseases Foundation] - by collecting and donating plastic caps. *Fondazione Malattie del Sangue* supports the haematology patients of the Niguarda Hospital in Milan by providing the professional figures and technologies needed to promote excellence in care, progress in research, and the most adequate information for people and families facing a blood disease.

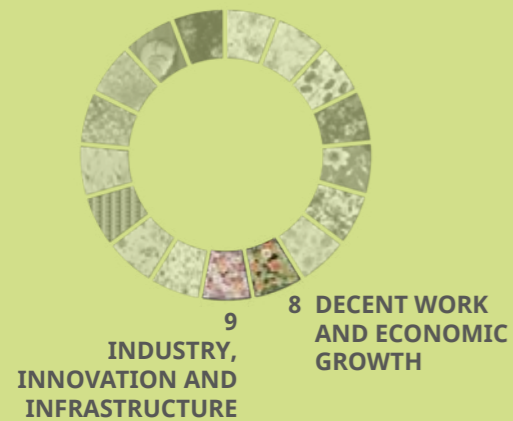
In particular, the 'Collection of Caps' is a fundraising campaign that has been active for more than a decade. The money raised from the recycling of the collected material contributes to the financing of an annual scholarship for a genetic biologist engaged in research projects on certain haematological diseases.

In view of Mirabello Carrara's activities to date, there are no areas of operation with significant current or potential negative impacts on local communities.



5

Economic and financial capital



14.3 mln euro
of economic value generated in 2023

14.1 mln euro
of economic value distributed to stakeholders in 2023 (88% of capital distributed to suppliers)



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- 2 Governance
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- 4 Relational capital
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- 6 Human capital
- 7 Environmental capital

Operating performance

Mirabello Carrara realised revenue of 13.63 million euro in 2023 and employed 27 employees at the Meda (Monza Brianza) site as at 31 December 2023.

As at 31 December 2023, the share capital of Mirabello Carrara S.p.A. was 1.17 million euro. The Company's shareholders' equity as at 31 December 2023 was 5.76 million euro.

Revenues by geographical areas (Euro/000)						
	2021		2022		2023	
	Revenues	%	Revenues	%	Revenues	%
Italy	10,746	66.9%	10,383	72.8%	9,862	72.4%
EU	2,596	16.1%	1,980	13.9%	1,634	12.0%
Non-EU countries	2,736	17.0%	1,899	13.3%	2,131	15.6%
Total	16,078	100.0%	14,262	100%	13,627	100%

The economic value generated and distributed

The statement showing the value generated and distributed is prepared on the basis of the Profit and Loss Account in the annual financial statements, with the aim of providing evidence of the economic value directly generated by Mirabello Carrara and its distribution to internal and external stakeholders. The **Economic Value Distributed** calculation shows the economic value directly generated by a company during the period and its distribution to the various internal and external Stakeholders.

Economic value			
	2021	2022	2023
Economic value generated	16,102	14,971	14,324
Suppliers - Operating costs	(12,988)	(12,489)	(12,411)
Human resources - Staff cost	(1,568)	(1,534)	(1,547)
Banks and other lenders - Financial charges	(117)	(121)	(141)
Public Administration	(301)	(178)	(11)
Dividends distributed - Shareholders	-	-	-
Economic value distributed	(14,974)	(14,321)	(14,110)
Economic value retained	1,128	650	214

5 Economic and financial capital

The **Economic Value Generated** refers to the Value of production as stated in the Financial Statements (Revenues and Other Operating Revenues), net of losses on receivables and including financial income. The Economic Value Retained, which for 2023 is 0.21 million euro, relates to the difference between Economic Value Generated and Distributed and includes depreciation of tangible and intangible assets as well as deferred taxation.

Investments and projects

During the financial year 2023, Mirabello Carrara developed pre-competitive activities of an innovative nature, focusing its efforts in particular on study, analysis, research and development activities for the creation of the new autumn/winter 2023 and spring/summer 2024 collections. For the development of the aforementioned projects, the Company incurred eligible costs of 370,019 euro during the financial year, on which it intends to access the benefits provided by the tax credit for research, development, technological innovation, design and aesthetic conception activities pursuant to Art. 1, paragraphs 198 - 209 of Law no. 27 December 2019, no. 160 as amended.

Tax approach

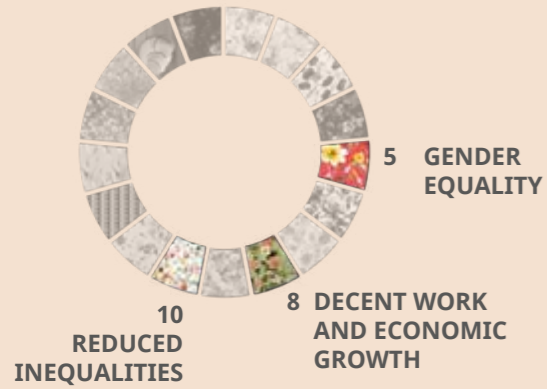
Mirabello Carrara undertakes to apply the tax legislation in force, ensuring that the spirit and purpose that the rule and tax code provide for the subject matter being interpreted are observed. In cases where the tax regulations give rise to interpretation doubts or application difficulties, a reasonable line of interpretation is pursued, taking advice from qualified external professionals.

The company's tax domicile is in Italy, where all taxes are paid. Mirabello Carrara does not hold any shareholdings in foreign companies, and consequently there are no prerequisites for the possible definition of an international tax planning policy and/or aimed at shifting taxation to countries that offer conditions to reduce the burden of taxation.

Mirabello Carrara's approach to taxation is characterised by transparency and total adherence to local regulations, handling compliance and intercepting all regulatory changes in order to comply on time.

The governance of tax control is delegated to the Administration and Budget Department which, also with the support of external consultants, monitors the correctness of transactions and applies the correct regulations.

All requests made by the tax authorities are handled within the correct information flow with an approach of total transparency and constructive dialogue by the Company. In 2023, there were no significant tax disputes and, as at the date of this document, no significant tax disputes are pending.



6

Human capital

96.3%
permanent employees

0
injuries in 2023

74%
female staff

Commitment to agreed solutions to business problems

Valuing people, diversity and equal opportunities

Increased training hours and skills development

Obtained ISO 45001 certification

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Personnel policies

The Caleffi Group, incorporating Mirabello Carrara, places high importance on the value of human resources by safeguarding their physical and moral integrity and promoting the ongoing enhancement of technical and professional expertise within a supportive and motivating work atmosphere.

The company is committed to fostering a working environment which guarantees:

- **Respect for Human Rights;**
- **Protection of safety, health and integrity;**
- **Prevention from all kinds of discrimination;**
- **Equal opportunities and meritocracy.**

In order to pursue/protect these rights, the Board of Directors approved the Human Resources

Policy in 2023. This policy defines the minimum standard requirements that the company is committed to upholding and addresses topics such as recruitment policy, promotions, professional development, remuneration, diversity and inclusion, freedom of association, and employee health and safety.

The Human Resources Management Policy outlines the fundamental principles and is closely coordinated with other policies and codes that have an impact on personnel management, in particular the Code of Ethics.

People are the fundamental asset, as well as the indispensable prerequisite, for a company's competitiveness, which is why the Group's Human Resources Management Policy is based on a series of indispensable general principles.

(For more details, please refer to the Human Resources Policy at the following link: www.mirabellocarrara.it/media/documents/Politica_Gestione_Risorse_Umane_Gruppo_Caleffi.)

The Human Resources function is active in disseminating to the entire structure the application of the company's policy in terms of human resources to ensure the achievement of the approved objectives. The activities carried out by the Human Resources function correspond to various objectives and can be distinguished as follows:

- **Search, selection and recruitment:** the objective is to guarantee constant coverage of the workforce as defined in the budget, with personnel whose quality, considered in relation to cost and both immediate and potential performance, is in line with the company development plans.
- **Personnel coaching:** the objective is to supplement the knowledge, skills and attitudes of personnel at all levels in order to ensure their skills meet what is required by their current tasks, also responding to the personnel's reasonable aspirations and anticipating the company's future needs.
- **Personnel training:** the goal is to include the consideration of overall personal

*Mirabello Carrara
acknowledges the value
of human resources,
through the protection of
their physical and moral
integrity*

6 Human capital

improvement as a component of staff development, to help maintain levels of understanding of the reality outside and inside the company, in a manner that is appropriate to the changes that occur and the problems that arise.

- **Management of qualifications and salaries:** the goal is to enable the company to permanently cover the defined workforce positions with persons with the most suitable qualifications, remunerated in a way that is equitable compared to company and non-company situations.
- **Personnel management and career plans:** the goal is to provide the means to ensure the best possible match between company needs and well-founded personal ambitions in terms of career development, using staff assessments to identify those resources potentially eligible for promotion. Mirabello Carrara is committed to defining sustainable career plans, objectives and bonuses to incentivize the personnel and to dissuade any activities contrary to the corporate principles and values enshrined in this Code of Ethics of the Group.
- **Communication with staff:** the goal of the activity is to:
 - disseminate to and receive from all personnel the information, data and opinions on company situations and problems needed to facilitate mutual understanding between management and personnel and the mature integration of the latter in the company context;
 - develop a culture of discussion between the RSU [i.e., Unitary Workplace Union Structure] and the company aimed at bringing the mutual positions closer, improving mutual understanding and creating a balance in interpersonal relations that prevents any tensions.

Remuneration policies and industrial relations

According to current legislation, all employees are covered by collective bargaining (national textile sector contract). Mirabello Carrara recognises and respects the right of workers to be represented by trade union organisations and maintains relations with such representatives based on mutual recognition, dialogue and cooperation. Relations and negotiations with trade unions are managed in accordance with the highest principles of fairness and transparency and in strict compliance with current legislation.

Remuneration policy⁶

Corporate remuneration is essentially aimed at attracting, motivating and retaining those resources endowed with the personal and professional qualities that are indispensable to successfully manage the company's business, favouring and seeking - consequently - an alignment of management interests with shareholder expectations in terms of financial performance.

⁶ In order to ensure compliance with the principle of comparability of the data reported over the three years, the values of the ratio 'basic salary woman/man for each occupational category' and the ratio 'salary woman/man for each occupational category' were recalculated without taking into account social security contributions and severance pay provision.

The remuneration policy for the first lines provides for a fixed component and a variable component, which take into account the strategic objectives and related business risks assumed by Mirabello Carrara; the variable component has a maximum limit and is strictly linked to gross profit, while the fixed component is sufficient to remunerate the performance of the person concerned should the variable component not be paid out due to the failure to achieve the defined objectives. Mirabello Carrara, according to the remuneration policies adopted when determining annual compensation, considers: base salary, total cash remuneration and direct remuneration.

Female/Male Base Salary Ratio for each professional category			
	2021	2022	2023
Senior managers	-	-	-
Middle managers	1.01	0.93	0.55
Office employees	1.12	1.03	0.91
Factory workers	-	-	-

Female/Male Remuneration Ratio for each professional category			
	2021	2022	2023
Senior managers	-	-	-
Middle managers	0.99	0.84	0.52
Office employees	1.05	0.97	0.92
Factory workers	-	-	-

The ratio of the increase between the annual total remuneration of the highest paid person in the Organisation and the average annual total remuneration of all employees (excluding the aforementioned person) is 0.046 for 2023: while a slight increase is noticed in the annual total remuneration of the highest paid person in the Organisation (+1% compared to 2022), there is a decrease in the average annual total remuneration of employees (-3%).

Diversity, equal opportunities and welfare

Mirabello Carrara considers people as fundamental and irreplaceable elements for achieving the company's objectives and therefore attaches the utmost importance to those who work within the company. Its resources allow the Company to develop and guarantee products and services and create value.

In accordance with the standards and principles established by the Universal Declaration of Human Rights and by the ILO (International Labour Organization), which Mirabello Carrara is inspired by, as well as with the provisions of the applicable legislation on labour law, it is in the primary interest of the company to foster the development of the potential of each resource and its professional growth through:

- respect, also during the selection, for the personality and dignity of each individual, preventing the creation of situations in which people may find themselves uncomfortable;
- the prevention of discrimination, harassment and abuse of every kind;
- training appropriate to each individual's position;
- the definition of roles, responsibilities, proxies and availability of information that enables each person to take the decisions under their responsibility in the interest of the company;
- a prudent, balanced and objective exercise of the powers associated with the powers granted to the managers in charge of specific activities or organisational units;
- the enhancement of the spirit of innovation, while respecting the limits of everyone's responsibilities;
- clear, precise and truthful internal communication about the company's policies and strategies;
- workplaces adapted to the safety and health of those who use them.

Mirabello Carrara also believes that creating a work environment that meets these principles

requires the active involvement of every resource. In particular, in their relations with colleagues, all resources must behave according to the principles of civil coexistence and in a spirit of full cooperation.

Situations and decisions that may involve actual or apparent conflicts of interest with the Company must also be avoided. Any situation that may constitute or lead to a conflict of interest must be promptly communicated to the competent Management.

In 2024, Mirabello Carrara will implement the **Management System for Gender Equality** according to the UNI PdR 125/2022 reference practice.

The Practice provides for the measurement, reporting and evaluation of gender-related data in organisations with the aim of bridging the gaps that currently exist, as well as incorporating the new gender equality paradigm into the DNA of organisations and producing sustainable and lasting change over time.

In 2024, Mirabello Carrara will implement the Gender Equality Management System according to UNI PdR 125/2022 reference practice

Employees⁷

Number of employees								
2021			2022			2023		
Women	Men	Total	Women	Men	Total	Women	Men	Total
17	8	25	15	8	23	20	7	27

Employee figures refer to the headcount at the end of the period ("Head-Count").

The changes between 2022 and 2023 mainly concern leaving due to retirement and voluntary resignations and the filling of vacant positions.

Forms of employment

Number of employees by type of contract /by gender									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Permanent	17	8	25	15	8	23	20	6	26
Fixed-term	-	-	-	-	-	-	-	1	1
Total	17	8	25	15	8	23	20	7	27

During 2023, three employees left through retirement (2 women and 1 man) and three employees left through voluntary resignation (2 women and 1 man). During the same period, ten new resources (9 women and 1 man⁸) were hired to replace vacancies caused by retirements and resignations that occurred in 2022 and 2023. In addition, one person was hired but dismissed as he / she did not pass the probationary period.

Number of employees by type of contract /by gender									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Full-time	15	8	23	12	8	20	18	7	25
Part-time	2	-	2	3	-	3	2	-	2
Totale	17	8	25	15	8	23	20	7	27

⁷ With reference to GRI 2-7, the figures for the classification of personnel in the categories "Other" and "Undisclosed" are "0" and therefore the columns for these two categories have not been included in all tables in this chapter.

⁸ The person in question was re-employed on a fixed-term basis, following termination of employment due to retirement.

6 Human capital

The workforce as at 31 December 2023 was 96.3% employed under permanent contracts and 3.7% under fixed-term contracts.

92.6% of employees as at 31 December 2023 are employed on full-time contracts.

The employment of part-time staff is mainly due to the specific needs of the shop (Emporio) and to the employee's request.

The collective bargaining agreements in place at Mirabello Carrara are the CCNLs referring to the TEXTILE INDUSTRY SMI [i.e., Italian Textile and Fashion Federation]. All employees are covered by collective bargaining agreements.

The senior managers hired from the local community (80%), i.e., the Lombardy region where Mirabello Carrara is headquartered, have management functions and are hired as middle managers. Please note that the place of business coincides with the registered office.

Senior Managers hired from the local community			
	2021	2022	2023
No. of Senior Managers at significant operational sites recruited from the local community	4	4	4
Total No. of Senior managers	6	6	5
% of Senior Managers at significant operational sites recruited from the local community	66.7%	66.7%	80.0%

Other types of workers (non-employee workers)

The figures for temporary employees are shown in the following table (average annual figure). This staff works in the Company's direct shops and offices.

Other workers									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Interns and trainees	1	-	1	-	-	-	-	-	-
Temporary employees	2	-	2	3	-	3	2	-	2
Self-employed workers	1	15	16	2	15	17	-	21	21
Contractors ⁹	-	-	-	-	-	-	-	11	11
Total	4	15	19	5	15	20	2	32	34

⁹ Contractors have been the subject of reporting since 2023

The most common type of activity is the multi-firm agent with an agency contract, who is coordinated by the Italian sales manager.

Contractors, on the other hand, mainly carry out scheduled (e.g. gardening, cleaning) and mandatory maintenance services (e.g. grounding check, fire-fighting check, forklift truck maintenance, fire door and fire extinguisher check, disabled lift check), or on-call maintenance (e.g. building work, trade fair fitter). DUVRI documentation is available for all contractors.

Mirabello Carrara hires temporary employees through recruitment agencies, while agents and contractors are recruited through internal selection and search.

Remuneration policies for members of the highest governing body are managed by Mirabello Carrara through an incentive system to remunerate and enhance the work performed by key figures in management roles. The highest governing bodies receive a fixed remuneration for the office held. Therefore, the directors receive a fixed remuneration, which is determined by the shareholders' meeting. The Managing Director also receives additional remuneration for the executive office of MD; in addition, he participates in the group incentive system as a percentage of the total profit achieved. Furthermore, the company has an incentive system to remunerate and enhance the work performed by key figures with management roles.

There is a variable bonus depending on the achievement of area results.

There are no clawback clauses.

With regard to pension benefits, the company is enrolled in the Previmoda pension supplement fund.

Directors receive a fixed remuneration that is determined by the shareholders' meeting.

All other managers (manager and key figures) receive a fixed remuneration plus a variable one linked to the achievement of annual targets that may have financial and ESG effects.

Diversity and equal opportunities

Employees by category/by gender									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers	-	-	-	-	-	-	-	-	-
Middle managers	1	5	6	1	5	6	1	4	5
Office employees	16	3	19	14	3	17	18	3	21
Factory workers	-	-	-	-	-	-	1	-	1
Total	17	8	25	15	8	23	20	7	27

6 Human capital

Employees by category/by gender %									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers	-	-	-	-	-	-	-	-	-
Middle managers	4.0%	20.0%	24.0%	4.0%	22.0%	26.0%	4.0%	15.0%	19.0%
Office employees	64.0%	12.0%	76.0%	64.0%	13.0%	77.0%	66.0%	11.0%	77.0%
Factory workers	-	-	-	-	-	-	4.0%	-	4.0%
Total	68.0%	32.0%	100.0%	65.0%	35.0%	100.0%	74.0%	26.0%	100.0%

The sector in which Mirabello Carrara operates has historically seen the predominance of female staff, which stands at 74% in 2023, a slight increase compared to 2022.

Employees by category/age group												
	2021				2022				2023			
	Up to 29 years of age	30 to 50 years of age	Over 50 years of age	Total	Up to 29 years of age	30 to 50 years of age	Over 50 years of age	Total	Up to 29 years of age	30 to 50 years of age	Over 50 years of age	Total
Senior managers	-	-	-	-	-	-	-	-	-	-	-	-
Middle managers	-	2	4	6	-	1	5	6	-	-	5	5
Office employees	1	7	11	19	1	7	9	17	2	7	12	21
Factory workers	-	-	-	-	-	-	-	-	-	-	1	1
Total	1	9	15	25	1	8	14	23	2	7	18	27

Employees by category/age group %												
	2021				2022				2023			
	Up to 29 years of age	30 to 50 years of age	Over 50 years of age	Total	Up to 29 years of age	30 to 50 years of age	Over 50 years of age	Total	Up to 29 years of age	30 to 50 years of age	Over 50 years of age	Total
Senior managers	-	-	-	-	-	-	-	-	-	-	-	-
Middle managers	-	8.0%	16.0%	24.0%	-	4.0%	22.0%	26.0%	-	-	19.0%	19.0%
Office employees	4.0%	28.0%	44.0%	76.0%	4.0%	31.0%	39.0%	74.0%	7.0%	26.0%	44.0%	77.0%
Factory workers	-	-	-	-	-	-	-	-	-	-	4.0%	4.0%
Total	4.0%	36.0%	60.0%	100.0%	4.0%	35.0%	61.0%	100.0%	7.0%	26.0%	67.0%	100.0%

During the three-year period, there is only one male member of staff belonging to the protected categories classified as an office employee.

Turnover

Recruitment									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Up to 29 years of age	-	-	-	1	-	1	2	-	2
30 to 50 years of age	1	-	1	-	-	-	2	-	2
Over 50 years of age	-	-	-	-	-	-	5	1	6
Total	1	-	1	1	-	1	9	1	10

Terminations									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Up to 29 years of age	-	-	-	-	-	-	1	0	1
30 to 50 years of age	-	-	-	-	-	-	1	1	2
Over 50 years of age	1	-	1	3	-	3	2	1	3
Total	1	-	1	3	-	3	4	2	6

Reason for termination									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Voluntary exits	-	-	-	1	-	1	2	1	3
Retirement	1	-	1	1	-	1	2	1	3
Dismissal	-	-	-	1	-	1	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	1	-	1	3	-	3	4	2	6

Turnover									
	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Positive turnover - recruitment	6%	0%	4%	7%	0%	4%	45%	14%	37%
Negative turnover - termination	6%	0%	4%	20%	0%	13%	20%	29%	22%
Overall turnover	-	-	-	-13%	-	-13%	33%	-13%	17%

6 Human capital

In 2023 there was a more significant turnover than previous years, as there were people leaving due to resignations and retirements and related recruitment for vacant positions also generated by previous years.

Benefits for full-time employees

	2021	2022	2023
Health insurance	23	20	25
Pension contributions	23	20	25

Training and skills

Training plays a key role in the process of valuing people. It is an important tool to develop and consolidate individual skills while supporting growth and cultural and organisational evolution. Training involves training programmes aimed at strengthening and disseminating the culture of personal health and safety in order to create awareness of risks in the workplace and provide the necessary information for their correct identification and management. Shadowing activities are also carried out for new employees to train them in their assigned tasks in order to make them fully autonomous in carrying out their work.

Technical specialist skills

There are no assistance programmes to facilitate work continuity at the end of the career path.

Average training hours			
	2021	2022	2023
Total number of training hours provided to staff	324.00	72.00	69.00
Total number of staff	25.00	23.00	27.00
Average training hours per staff member	12.96	3.13	2.56
Total number of training hours provided to female employees	198.00	34.00	69.00
Total number of female employees	17.00	15.00	20.00
Average training hours per female employee	11.65	2.27	3.45
Total number of training hours provided to male employees	126.00	38.00	-
Total number of male employees	8.00	8.00	7.00
Average training hours per male employee	15.75	4.75	-
Total number of training hours provided to Middle managers	93.00	38.00	-
Total number of Middle managers	6.00	6.00	5.00
Average training hours per Middle manager	15.50	6.33	-
Total number of training hours provided to office Employees	231.00	34.00	69.00
Total number of office Employees	19.00	17.00	21.00
Average training hours per office Employees	12.16	2.00	3.29

During 2023, mainly technical training was provided.

Out of the total company population, only the professional category of Middle managers receives a periodic performance evaluation. 100% of Middle managers received at least one evaluation in 2023.

Welfare moda

The *Welfare Moda* system aims to support members with *Sanimoda*, guaranteeing supplementary benefits to the National Health Service, and to protect their future with *Previmoda* by building a pension that is supplementary to that of INPS.



Welfare Moda is a set of **services** dedicated to fashion workers governed by the National Labour Contract. Mirabello Carrara's National Labour Contract is the SMI Textile Clothing CCNL (National Collective Bargaining Agreement) consisting of:

- Previmoda industry pension fund, established in 1998 and launched in 2000;
- The insurance policy in the event of death and permanent disability paid for by the company, active since 2014 only for members of Previmoda, who pay their own contribution in addition to the severance pay;
- Sanimoda, the health fund, which was established in 2017 with benefits starting in 2018.

Since May 2018, a campaign has been launched to raise awareness on the importance of these welfare tools. The project includes:

- training meetings in companies, trade union organisations and Confindustria
- the Welfare Moda newsletter, which is sent by email to all subscribers, delving into varying topics
- Promotional materials



Sanimoda is the supplementary health care fund for workers in the fashion industry. Sanimoda stems from the agreement signed on 28 July 2017 between business and workers' organisations.

It is equal in nature, i.e., composed in equal parts of workers' and companies' representatives, and is characterised by being non-profit: each subscriber is a member and supports the proper management of the Fund.

The objective of the Fund is to support the needs and requirements of workers by providing health care services supplementary to those of the National Health System (SSN). Workers' membership in Sanimoda is compulsory and automatic, paid for by a monthly contribution from the company. Companies that apply the Textile Clothing Industry CCNL, among others, can register for the fund.



Previmoda is the complementary capitalised Pension Fund for workers in the Fashion industry. Previmoda's objective is to build a social security pension to supplement the public pension provided by INPS.

Occupational health and safety

With respect for the individual as an indispensable element for the achievement of the company's objectives, Mirabello Carrara undertakes to ensure that its activities and services are compatible with the best prevention and protection objective for workers' safety and health, with a view to minimizing the risks arising from normal work activities, special situations or emergencies.

The Company is committed to disseminating and consolidating a culture of safety, developing risk awareness and compliance with current prevention and protection regulations, and promoting responsible behaviour by everyone. It also works to preserve and improve, especially through preventive actions, the working conditions, health and safety of employees. The Company therefore undertakes to:

- minimise to the minimum the risks in relation to knowledge acquired as a result of technical progress, giving priority to actions at the source;
- for its production activities, adopt equipment, machinery and plants that meet the essential safety requirements;
- for the products it uses, replace what is hazardous with what is not hazardous or is less hazardous;
- limit to a minimum the number of workers who are, or may be, exposed to risks;
- adopt appropriate management systems to ensure and maintain a high level of prevention of and protection against the risks of occupational accidents and diseases;
- provide appropriate information, awareness, training and coaching on health and safety to all workers.

For the purpose of prevention, the Company ensures not only the simple compliance with the laws and regulations of the sector, but, through appropriate planning, it adopts specific objectives, and ensures the preparation of programmes and means to achieve them, verify them and periodically review them, in order to obtain a continuous improvement of the conditions of hygiene and safety, also on the basis of technical standards, directives or proposals of international bodies.

To ensure the application and effectiveness of occupational health and safety measures, Mirabello Carrara:

- adopts a preventive approach to the management of safety topics;
- periodically reviews the effectiveness of the management system adopted by verifying the achievement of the objectives and targets set for this purpose;
- promotes staff knowledge of objectives, awareness of the results to be achieved, acceptance of responsibility, motivation and individual commitment to the implementation of the system; encourages participation and consultation at all levels;

Mirabello Carrara undertakes to ensure that its activities and services are compatible with the best prevention and protection objective for workers' safety and health

6 Human capital

- communicates its health and safety policy to all concerned parties and those who request it;
- employs the human and financial resources necessary to achieve the objectives and implement the improvement programmes.

Mirabello Carrara has implemented an **Occupational Health and Safety Management System** based on the following standards and guidelines:

- 1) ISO 45001:2018** Occupational Health and Safety Management Systems. The Management System has been certified by Intertek Italia S.p.a. Certification Body - Certificate No. 2217282, currently valid
- 2) UNI-INAIL** Guidelines for an occupational health and safety management system (SGSL) 2001.

The following table summarises the staff activities and workplaces covered by the SGSL management system:

Employees	Departments	Activity
Office employee in charge of Purchasing dptm.	offices	Purchasing and work account management, supplier visits
Office employee in charge of Technical dptm.	offices	Design
Office employee in charge of Administrative dptm.	offices	Administrative management
Office employee in charge of Sales dptm.	offices	Sales management - customer visits
Logistics	Warehouse	Receipt of incoming goods from suppliers, storage in warehouse. Goods preparation and packaging for shipment to the final customer
Quality control / sample preparation	sample room	Control of material produced by external suppliers - preparation of samples for display to customers
Sales	Emporio [i.e., Emporium / store]	Product display - stocking shelves - sales to the public

The company also facilitates staff access to non-work-related medical and health care services through membership in the **SANIMODA health care fund**, which provides a supplementary benefit to the National Health Service. Membership is paid for by the company in the form of a monthly contribution. In addition, all staff have access to the convention directly from the SANIMODA portal and can find health services and examination packages for proper prevention. Mirabello Carrara does not have access to the personal health information of staff on the Sanimoda portal. Mirabello Carrara uses active monitoring of the health of employees depending on the task.

Hazard identification, risk assessment and accident investigation

Mirabello Carrara, through its prevention and protection service, has implemented processes to verify and maintain the prevention and protection measures put in place to eliminate or reduce structural risks and risks arising from work activities. These internal checks take place through internal audits, monitoring by supervisors and managers, and reports by staff. The internal communication system adopts both a horizontal and a vertical system for monitoring non-conformities and assessing and eliminating them. The Company promotes a safety culture in the workplace through training, which is carried out in accordance with legal requirements together with information and training of workers.

As part of the health and safety policy, a **DVR [RAR, Risk Assessment Report]** was drawn up, where the specific potential risk factors related to these operational reference areas were identified, and the **DUVRI [Document for the Assessment of Interfering Risks]**, where the “interfering risks” in relation to contracts were assessed.

A document containing the work plan and improvement measures (**Improvement Plan**) is also periodically drawn up and updated.

Mirabello Carrara has adopted an Organisation, Management and Control Model pursuant to Legislative Decree 231/01. The measures adopted by the Organisation to prevent predicate offences include one known as “Whistleblowing”, which allows the reporting, by anyone, of any conduct relating to the set of predicate offences referred to in Legislative Decree 231/01, including those relating to Occupational Health and Safety. Protection from possible retaliation is guaranteed by the anonymity of the report and by sending it to a “third” (Supervisory Body), which monitors the application of the Model and the Organisation in order to avoid retaliation against the person who made the report (Whistleblower).

The ISO 9001:2015 and ISO 45001:2018 compliant Integrated Management System has been described in the MC-03 Integrated Manual and MC-03 Annex 1 - Process Mapping rev. 1.

The Management System documents include the following procedures:

- PR 02 - Risk assessment and prevention and protection measures, which describes the methodologies adopted for hazard identification and risk assessment. This procedure is supplemented by the methodologies and criteria directly shown in the company DVR [RAR, Risk Assessment Report];
- PR 04 - Human Resources Management reporting methodologies and forms used to define and assess staff skills with a view to planning the training needed to achieve the Management System objectives;
- PR 11 - Performance Measurement and Monitoring which describes the methods and forms adopted for monitoring the performance of the Management System;
- PR 13 - Management of Non-Compliances, Complaints, Hazardous Incidents and Corrective, Preventive and Improvement Actions, which describes the methods and forms adopted to initiate improvement actions in the Management System.

Occupational medicine and health promotion services for staff

As provided for in Legislative Decree 81/08, a health monitoring service (occupational health physician) is set up with the aim of monitoring the state of health of employees and expressing the judgement of suitability for the specific task to which the employee is assigned.

With regards to the safety policy and health monitoring, Mirabello Carrara requires the visit of an **occupational health physician** to protect workers from work situations that may lead to occupational injuries or illnesses. The occupational health physician carries out inspections within the working environment every six months - he / she is involved in risk assessment processes. In relation to the physician, Mirabello Carrara verifies that the regulatory requirements for performing the function of occupational health physician are maintained.

The occupational health physician makes himself / herself available to contact staff members if they so request. Mirabello Carrara’s personnel department directly turns the staff member’s request over to the occupational health physician and the RSPP (*i.e.*, prevention and protection service manager) verifies that the staff member has received a reply from the physician. Employees’ health records are kept at the company site in a safe, and the records are sealed.

The organisation has trade union representatives and the employees have elected their own safety representative, to whom any situations of differing treatment can be reported.

Finally, a Committee was created for the management of the Covid-19 emergency with responsibility for the application of protocols within the company and the management of cases of infection. Meetings are held at least every six months and in any case depending on the need to update the protocol.

Employees’ health records are kept sealed at the company site in a safe

Staff participation and consultation and communication on occupational health and safety

In application of Legislative Decree 81/2008, Mirabello Carrara’s Employer appointed an external person as **Prevention and Protection Service Manager (RSPP)**. This figure, who coordinates the prevention and protection service, visits the company on a regular basis and is in charge of managing safety in the workplace and relations with the various control and certification bodies and organisations, and coordinates with the workers’ safety representatives and Administrators.

The Board of Directors, following a proposal drawn up at the Management review meeting, establishes objectives in the short and medium term, which are made known and shared at all levels of the organisation. Health and safety topics are referred to in the company’s

supplementary agreements and meetings are periodically organised by the RSPP, whose minutes are shared and signed with the Workers' Safety Representative. The company has also identified and formalised a Safety Delegate, with power of attorney signed by both.

Staff training in occupational health and safety

In 2023, staff training in occupational safety was completed using the Fondimpresa ceiling, which approved the relevant submitted company training plans.

Employees or temporary staff receive the following training:

- General and specific training for new employees
- Specific training or supplementary training in the event of a change of task - update of specific training every five years
- Manager and Officer training
- Fire prevention and first aid emergency management training
- Forklift truck driver training
- Equipment training.

Non-employee personnel are provided with information on the risks in the company area where they will be working.

Within the Management System adopted by Mirabello Carrara, these activities are managed by procedure PR 04 - Human Resources Management. All the activities within the organisation are managed in accordance with the specific procedure for the management of contracted activities. The organisation provides for the verification of technical/professional suitability and the drafting of the DUVRI [i.e., Single Interference Risk Assessment Document].

Type of training	2021		2022		2023 ¹⁰	
	Hours	Participants	Hours	Participants	Hours	Participants
General training	60	15	20	5	16	4
Specific training	72	17	26	6	20	4
Other Fire Fighting training course	44	7	-	-	5	1
Other First Aid training and refresher courses	36	6	12	1	-	-
Other forklift truck driver refresher course	8	2	-	-	-	-
Other Officer training course	40	5	-	-	8	1
Other Manager training course	-	-	6	1	-	-
Other WHSR course	-	-	32	1	32	1
Total	260	52	96	14	81	11

¹⁰ Temporary employees were also considered in the count

Prevention and mitigation of occupational health and safety impacts within business relationships

Potentially critical occupational health and safety aspects affecting business relationships are addressed by Mirabello Carrara using the following approach:

- Monitoring and awareness-raising of the supply chain;
- Monitoring of the supply chain regarding quality and possible non-conformity of products;
- Assessment of health and safety impacts associated with the supply chain;
- Promoting to interested parties the actions that the organisation undertakes and the results it achieves in the area of occupational health and safety.

Accidents

During 2023, as in the previous years 2021 and 2022, there were no accidents at work, either for employees or non-employees.

Accident data	2021	2022	2023
Number of deaths as a result of accidents at work	-	-	-
Number of work-related accidents with serious consequences (excluding deaths)	-	-	-
Number of recordable occupational accidents	-	-	-
Total hours worked	42,169	37,906	44,163
Total number of accidents at work	-	-	-



100%

use of recyclable plastic

0

no toxic and/or harmful substances
in marketed products

100%

green energy use in 2023

100%

use of recycled paper/cardboard in
packaging

7 Environmental capital

*Use of renewable
energy and reduction
energy consumption*

*Substantial reduction
of waste through
prevention, recycling and
reuse of materials*

*Use of sustainable
packaging in logistics
processes*

*Elimination of
single-use plastics*

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- 2 Governance
- 3 Infrastructural capital
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Mirabello Carrara is aware of the challenges and opportunities that the market imposes and of the need to make choices in line with the principles of sustainable development and protection of the safety of its staff. It is therefore considered of fundamental importance to adopt an integrated environmental and safety management system that allows for continuous process improvement in terms of environmental performance and pollution prevention, staff health and safety protection, and the fulfilment of the expectations of all stakeholders.

Environmental responsibility

The Caleffi Group implements its Environmental Policy by adopting specific measures aimed at protecting the environment, which take into account the provisions of the ISO 14001 management system. The Group is committed to regularly monitoring its environmental performance in order to ensure the protection of the environment and plan any improvement actions. The Environmental Policy applies to all Group companies and to all employees, as well as to anyone acting on behalf of the companies.

Mirabello Carrara prepared the activities for the implementation, application and certification of the Environmental Management System, in accordance with UNI EN ISO 14001:2015 integrated with the ISO 9001 and ISO 45001 Management System, with a target to be achieved by December 2024.

Compliance with applicable regulations - Compliance with applicable laws, voluntary agreements and environmental standards defined by the Company.

Environmental impact minimisation - Commitment to minimise its environmental impact, to contribute to the fight against climate change and to preserve the natural heritage and biodiversity through the reduction of energy and water consumption, the non-use of toxic raw materials and/or potentially hazardous substances, the reduction of waste production and emissions of greenhouse gases and other pollutants, the promotion of the use of renewable energy sources; the use of more sustainable packaging.

Environmental risk management - Commitment to keep production processes constantly under control in order to monitor and reduce their impact on the environment.

Shared responsibility - Active involvement of all employees and collaborators in the implementation of the Environmental Policy, providing them with the training and knowledge necessary to promote conscious and responsible behaviour at all levels.

Involvement of the supply chain - Commitment to make the Environmental Policy known to all suppliers of goods and services as well as logistics partners, in order to jointly contribute to reducing environmental impact.

Transparency towards stakeholders - Making its economic and environmental performance public in a transparent manner, highlighting the improvements achieved or explaining any results that are lower than expected.

Materials

		2021			2022			2023		
		Non-renewable	Renewable	Total	Non-renewable	Renewable	Total	Non-renewable	Renewable	Total
RAW MATERIALS										
Raw fabrics	m	-	1,058,891	1,058,891	-	580,441	580,441	0	368,854	368,854
Printed fabrics	m	1,151	17,585	18,736	717	12,216	12,932	0	0	0
SEMI-FINISHED PRODUCTS										
Processed fabrics	m	27,848	11,524	39,371	121	11,213	11,334	25,545	11,370	36,915
	no.	16,918	21,500	38,418	-	-	-	656	24,199	24,855
FINISHED PRODUCTS										
Bed linen, bathroom, lounge, kitchen, table accessories, room fragrances	kg	4,301	-	4,301	6,451	-	6,451	0	909	909
	m	-	4,078	4,078	217,770	254,687	472,457	0	0	0
	no.	15,084	718,453	733,537	105,225	406,428	511,653	1,659	462,240	463,899
PACKAGING MATERIALS										
Accessories (enveloppes, boxes, cartons, photos)	no.	2,140,800	1,212,880	3,353,680	2,195,897	128,438	2,234,335	1,098,436	659,969	1,758,405
	m	33,271	1,215,325	1,248,596	131,741	316,690	448,431	18,568	402,530	421,098

Purchasing dynamics over the three-year period were strongly influenced by the performance of the different channels in the years under review. In terms of turnover, 2023 closed slightly lower than in 2022, and this, together with the fact that the focus was on reducing inventories, led to a contraction in purchase volumes, both of raw materials and finished products and accessories.

Energy consumption

The European Union and the recommendations of the TFCF

Climate-related disclosures are reported below on the basis of the template provided by the recommendations of the Financial Stability Board's TCFD - Task Force on Climate-related Financial Disclosures. This disclosure referenced the European Commission's Communication Guidelines on non-financial disclosure: Supplement concerning climate-related reporting (2019/C 209/01), which is a supplement to the guidelines issued by the Commission itself for non-financial reporting under EU Directive 95/2014 and contains (non-binding) guidelines for climate-related reporting by companies.

Energy consumption data are presented in Giga Joules, a measure provided for by the GRI Standards that allows for comparison. The Joule is a unit of measurement of work and energy and is "equal to the work done by the force of 1 newton to move a body by 1 m along its line of action; it is identified with the energy that is dissipated in 1 second in the form of heat" (Oxford Languages).

Direct and indirect energy consumption (GJ)			
	2021	2022	2023
Consumption from non-renewable sources			
Direct consumption			
Fuel	487	492	345
Diesel	487	492	305
Petrol	-	-	40
Natural gas	216	246	160
Total direct energy consumption	703	738	505
Indirect consumption			
Electricity purchased from non-renewable sources	481	-	-
Electricity purchased from renewable sources	-	470	422
Total indirect energy consumption	481	470	422
Total energy consumption	1,184	1,208	927
% incidence of energy from renewable sources	0%	38.9%	45.5%

Intensity of energy consumption

Energy intensity				
	Unit	2021	2022	2023
Energy consumption	GJ	1,184	1,208	927
Hours worked	h	42,169	37,906	44,163
Intensity index		28.08	31.87	20.99

The main effect in 2023 on energy consumption was partly due to the benefits of the 100% LED lighting system and climatic factors that led to less use of the gas boiler for heating.

Emissions¹¹

The emission figure is reported in tons of carbon dioxide equivalent (t CO₂e) and refers to direct emissions (Scope 1 GHG – Greenhouse Gas), together with indirect emissions associated with the consumption of electricity purchased from the grid (GHG Scope2).

Until the end of 2021, Mirabello Carrara had not entered into specific power purchase agreements guaranteeing a specific mix of primary energy sources for the production of electricity, or supply contracts with Guarantee of Origin (GO), that is an electronic certification attesting to the renewable origin of the sources used to produce electricity.

Direct CO ₂ emissions (tCO ₂)				
	2021	2022	2023	
Scope 1				
Fuel	34	35	25	
Diesel	34	35	22	
Petrol	-	-	3	
Natural gas	12	14	9	
Total GHG direct emissions (Scope 1)	46	49	34	

¹¹ The emission factors used for the calculation of 2023 greenhouse gas emissions, with reference to Scope 1 emissions, were taken from DEFRA [Department for Environment, Food & Rural Affairs] database for the respective year.

The emission factors used for the calculation of Scope 2 emissions are taken, respectively, from Report 386/2023 published by ISPRA, as far as the Location Based calculation method is concerned, and from AIB's European Residual Mixes of the respective years as far as the Market Based calculation method is concerned.

To ensure compliance with the principle of comparability of the data reported for the three years, the emissions for the years 2021 and 2022 were recalculated using the same sources as those used for the calculation for 2023.

7 Environmental capital

In November 2021, a contract was signed for the supply of electricity exclusively from renewable sources with a guarantee of origin, and from 1 January 2022 Mirabello will only use energy from renewable sources.

Indirect CO ₂ emissions (tCO ₂)			
	2021	2022	2023
Scope 2			
Location-based: Electricity	36	40	36
Market-based: Electricity	61	-	-

Indirect CO ₂ emissions (tCO ₂)			
	2021	2022	2023
Total emissions Scope 1 + 2 (Location Based)	82	89	70
Total emissions Scope 1 + 2 (Market Based)	107	49	34

Trends in emissions and related indices are consistent with those of energy consumption.

Emission intensity				
	Unit	2021	2022	2023
Total GHG emissions Scope 1 + Scope 2 (Location Based)	t CO ₂ e	82	89	70
Total GHG emissions Scope 1 + Scope 2 (Market Based)	t CO ₂ e	107	49	34
Hours worked	h	42,169	37,906	44,163
Intensity index (LB)		1.94	2.35	1.59
Intensity index (MB)		2.54	1.29	0.77

It should be noted that Mirabello Carrara has not yet defined when and how it will collect data on indirect energy consumption and, consequently, the possibility of calculating the GHG Scope 3 emissions figure. Due to the nature of the business, the areas of analysis mainly concern those related to outsourcing/façonists processing cycles and the distribution and logistics network.

In particular, the company to which Mirabello Carrara entrusts logistics has communicated the achievement of certain environmental improvement targets including their carbon neutrality on 31/1/2023.

Responsible use of natural resources

Water withdrawals

Mirabello Carrara's water withdrawals are from the aqueduct network. These withdrawals relate mainly to hygiene needs. There are no industrial processes involving significant water withdrawals.

Water stress - Water stress refers to the ability or inability to meet the demand for water, both from humans and from ecosystems as a whole. Water stress can refer to the availability, quality or accessibility of water. The World Resources Institute's Aqueduct Water Risk Atlas wri.org/aqueduct was used as a tool to assess water stress areas. Mirabello Carrara's reference territory is classified as a low water stress area (Low 0-1).

Water withdrawals / by withdrawal source (Megalitres)			
	2021	2022	2023
Third-party water resources (aqueduct)			
Fresh water (≤ 1.000 mg/L Total Dissolved Solids)	0.5	0.5	0.3 ¹²
Other types of water (> 1.000 mg/L Total Dissolved Solids)	-	-	-
Total in Megalitres	0.5	0.5	0.3

Discharges are managed according to current regulations and are only used for hygiene services.

Waste management

The total waste generated directly by Mirabello Carrara, packaging destined for recovery (paper and plastic), is substantially in line with last year. There was a **decrease in plastic of 32% and an increase in paper of 6%**. Mixed material was generated by the disposal of ruined (wet) articles caused by natural events (hailstorms and rainwater overflows) that occurred at the Meda warehouse and the Columbus logistics warehouse in Lainate in July 2023.

The percentage destined for recovery of waste produced directly by Mirabello Carrara was 47.6%. This drop in the figure is entirely due to the weather event that hit the Meda and Lainate warehouses in the summer of 2023.

The products for disposal are to be considered an extraordinary event that cannot be compared or repeated. There was no hazardous waste in the three-year period.

¹² The estimate was made on actual consumption

7 Environmental capital

Waste by category (t)									
	2021			2022			2023		
	Recovery	Disposal	Total	Recovery	Disposal	Total	Recovery	Disposal	Total
HAZARDOUS WASTE	-	-	-	-	-	-	-	-	-
NON-HAZARDOUS WASTE	17.7	-	17.7	13.1	-	13.1	13.0	14.3	27.3
Paper and cardboard packaging (EWC 150101)	15.9	-	15.9	11.5	-	11.5	11.9	-	11.9
Plastic packaging (EWC 150102)	1.8	-	1.8	1.6	-	1.6	1.1	-	1.1
Mixed packaging (EWC 150106)	-	-	-	-	-	-	-	14.3	14.3
Total	17.7	-	17.7	13.1	-	13.1	13.0	14.3	27.3
Waste to recovery %	100%			100%			47.6%		

Waste / Recovery (t) - Total by year									
	2021			2022			2023		
	On site	External site	Total	On site	External site	Total	On site	External site	Total
HAZARDOUS WASTE	-	-	-	-	-	-	-	-	-
NON-HAZARDOUS WASTE	17.7	-	17.7	13.1	-	13.1	-	-	-
Recycling									
Paper and cardboard packaging (EWC 150101)	-	15.9	15.9	-	11.5	11.5	-	11.9	11.9
Plastic packaging (EWC 150102)	-	1.8	1.8	-	1.6	1.6	-	1.1	1.1
Mixed packaging (EWC 150106)	-	-	-	-	-	-	-	14.30	14.30
Total	-	17.7	17.7	-	13.1	13.1	-	27.3	27.3

The waste generated by Mirabello Carrara concerns consumables used at the in-house warehouse at Meda. This activity relates to the procurement of materials for subcontracting manufacturing, the management of items for quality control and the preparation for dispatching special orders abroad or in Italy.

Mirabello Carrara's production process is outsourced to multiple suppliers. Waste management is addressed directly by the supplier.

Methodological note

This document is the third Sustainability Report of Mirabello Carrara S.p.A. Drawn up on an annual basis, this document contains information on economic, environmental, and social topics, which is useful to ensure an understanding of the Company's activities, performance, results and impact.

The Sustainability Report has been prepared in accordance with the methodologies and principles laid down in the 2021 GRI Standards ("In accordance" option), defined by the Global Reporting Initiative (GRI).

Mirabello Carrara does not fall within the scope of Legislative Decree no. 254 of 30 December 2016, which, in implementation of Directive 2014/95/EU, provides for the obligation to prepare a Non-Financial Statement ("DNF") for public interest entities exceeding certain quantitative thresholds. This Sustainability Report has therefore been drawn up on a voluntary basis and does not represent a DNF.

The general principles applied in preparing the Sustainability Report are those defined by the GRI Standards: relevance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability, clarity.

The performance indicators selected are those envisaged in the adopted Reporting Standard, representative of the specific areas of sustainability analysed and consistent with the activity carried out by Mirabello and the impacts produced by it.

These indicators were selected on the basis of an analysis of their relevance ("materiality"), as described in the section "Materiality analysis". The various sections of the Annual Report specify the quantitative information for which estimates had to be used.

The Sustainability Report contains an appendix with an index summarising the information on the various areas covered ("GRI Content Index"), so that the indicators and other quantitative and qualitative information presented within the document can be traced.

The reporting scope of qualitative and quantitative data and information refers only to the performance of Mirabello Carrara S.p.A. as at 31 December 2023.

In order to allow the comparison of data over time and the evaluation of the Company's business performance, the figures for the two previous financial years are presented for comparative purposes.

The process of drafting the sustainability report involved the heads of the various Mirabello Carrara's functions. This Sustainability Report was submitted for approval by Mirabello Carrara's Board of Directors on 20/03/2024.

This Sustainability Report is subject to *Limited Assurance Engagement* in accordance with the criteria of the International Standard on Assurance

Engagements (ISAE 3000 Revised) by an independent auditor, BDO Italia S.p.A.

The Financial Statements is published on the Company's institutional website at the following address:

www.mirabellocarrara/sostenibilita.

For more information, please contact us at esg@mirabellocarrara.it.

GRI Index

Statement of use	Mirabello Carrara SpA has prepared this non-financial disclosure in accordance with the GRI Standards for the period 1 January 2023 - 31 December 2023.
GRI 1	GRI 1: Foundation 2021
GRI Sector Standard(s) applicable	N/A

GRI Sustainability Reporting Standard	Chapter / paragraph references	Standard application notes / omissions	Page
2	GENERAL DISCLOSURES		
	GRI 2: General Disclosures 2021		
2-1	Organisational details	1. Identity and strategy/ Mirabello Carrara: sophistication and elegance Made in Italy	10
2-2	Entities included in the organisation's sustainability reporting	Methodological note	116
2-3	Reporting period, frequency and point of contact	Methodological note	116
2-4	Information review	Methodological note The values for 2021 and 2022 for the ratio 'basic salary woman/man for each occupational category' and the ratio 'salary woman/man for each occupational category' were recalculated without taking into account social security contributions and severance pay provision. The 2021 and 2022 data for the calculation of GHG Scope 2 emissions (Location Based approach) were recalculated in order to comply with the principle of comparability of the reported data.	116
2-5	External assurance	Methodological note	116
2-6	Activities, value chain and other business relationships	1. Identity and strategy/ The business model: Made in Italy design and craftsmanship for a cosmopolitan audience	20
2-7	Employees	6. Human capital/ Employees	92
2-8	Non-employee workers	6. Human capital/ Employees	91
2-9	Governance structure and composition	2. Governance/ Corporate governance	36
2-10	Appointment and selection of the highest governing body	2. Governance/ Corporate governance	36

GRI Index

GRI Sustainability Reporting Standard	Chapter / paragraph references	Standard application notes / omissions	Page
2-11	Chairman of the highest governing body	2. Governance/ Corporate governance	36
2-12	Role of the highest governing body in impact management control	2. Governance/ The organisational structure	38
2-13	Delegation of responsibility for impact management	2. Governance/ The organisational structure	38
2-14	Role of the highest governing body in sustainability reporting	Methodological note	116
2-15	Conflicts of interest	2. Governance/ Responsible business management	40
2-16	Communication of critical issues	2. Governance/ Corporate governance No critical concerns were communicated to the highest governing body as none were found during the reporting period	38
2-17	Collective knowledge of the highest governing body	2. Governance/ Corporate governance	38
2-18	Performance evaluation of the highest governing body	For the present reporting year, the information is not available due to confidentiality constraints. For future exercises, the organisation will provide more	
2-19	Rules concerning remuneration	6. Human capital/ Diversity, equal opportunities and welfare	88
2-20	Procedure for determining remuneration	6. Human capital/ Diversity, equal opportunities and welfare	88
2-21	Annual total remuneration ratio	6. Human capital/ Diversity, equal opportunities and welfare	88
2-22	Sustainable development strategy statement	Letter to the Stakeholders	4
2-23	Policy commitment	2. Governance/ Responsible business management	40
2-24	Additions to policy commitments	2. Governance/ Responsible business management	40
2-25	Processes to remedy negative impacts	1. Identity and strategy/ Materiality analysis Falls within the management approach of material issues	26
2-26	Mechanisms for requesting clarifications and raising concerns	2. Governance/ Responsible business management	40
2-27	Compliance with laws and regulations	2. Governance/ Regulatory compliance During 2023, there were no events that gave rise to sanctions and/or litigation for non-compliance with laws, environmental, social and economic regulations.	56

GRI Sustainability Reporting Standard	Chapter / paragraph references	Standard application notes / omissions	Page
2-28	Membership in associations	4. Relational capital/ The development of the territory: the appreciation of Made in Italy products	80
2-29	Approach to stakeholder engagement	1. Identity and strategy/ Materiality analysis	26
2-30	Collective agreements	6. Human capital/ Employees	92
Material topics			
GRI 3: 2021 material topics			
3-1	Process for determining material topics	1. Identity and strategy/ Materiality analysis	26
3-2	List of material topics	1. Identity and strategy/ Materiality analysis	26
ETHICS AND INTEGRITY IN THE CONDUCT OF BUSINESS			
GRI 3: 2021 material topics			
3-3	Management of material topics	2. Governance	36
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for corruption risks	2. Governance/ Responsible business management	40
205-2	Communication and training on anti-corruption policies and procedures	2. Governance/ Responsible business management	40
205-3	Established incidents of corruption and actions taken	2. Governance/ Responsible business management	40
GRI 206: Anti-competitive behaviour 2016			
206-1	Legal actions for anti-competitive behaviour, antitrust and monopolistic practices	2. Governance/ Regulatory compliance	56
GRI 207: Taxes 2019			
207-1	Approach to taxation	5. Economic and financial capital/ Tax approach	85
TRANSPARENT GOVERNANCE AND SUSTAINABILITY RISK MANAGEMENT			
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for corruption risks	2. Governance/ Responsible business management	40
205-2	Communication and training on anti-corruption policies and procedures	2. Governance/ Responsible business management	40
205-3	Established incidents of corruption and actions taken	2. Governance/ Responsible business management	40

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GRI Sustainability Reporting Standard	Chapter / paragraph references	Standard application notes / omissions	Page
GRI 206: Anti-competitive behaviour 2016			
206-1	Legal actions for anti-competitive behaviour, antitrust and monopolistic practices	2. Governance/ Regulatory compliance	56
GRI 207: Taxes 2019			
207-1	Approach to taxation	5. Economic and financial capital/ Tax approach	85
BRAND PROTECTION AND REPUTATION			
GRI 3: 2021 material topics			
3-3	Management of material topics	3. Infrastructural capital	60
CREATION AND DISTRIBUTION OF GENERATED WEALTH			
GRI 3: 2021 material topics			
3-3	Management of material topics	5. Economic and financial capital	84
GRI 201: Economic performance 2016			
201-1	Economic value directly generated and distributed	5. Economic and financial capital/ Economic value generated and distributed	84
GRI 203: Indirect economic impacts 2016			
203-1	Infrastructure investments and funded services	5. Economic and financial capital/ Investments and projects	85
TRANSPARENT TAX APPROACH			
GRI 3: 2021 material topics			
3-3	Management of material topics	5. Economic and financial capital	85
GRI 201: Economic performance 2016			
201-1	Economic value directly generated and distributed	5. Economic and financial capital/ Economic value generated and distributed	84
GRI 207: Taxes 2019			
207-1	Approach to taxation	5. Economic and financial capital/ Tax approach	85
PRODUCT QUALITY, SAFETY AND RELIABILITY			
GRI 3: 2021 material topics			
3-3	Management of material topics	4. Relational capital	66
GRI 416: Customer health and safety 2016			
416-1	Assessment of health and safety impacts by product and service categories	4. Relational capital/ Product quality and safety	69
416-2	Incidents of non-compliance concerning health and safety impacts of products and services	4. Relational capital/ Product quality and safety	69

GRI Sustainability Reporting Standard	Chapter / paragraph references	Standard application notes / omissions	Page
GRI 417: Marketing and labelling 2016			
417-1	Information and labelling requirements for products and services	3. Infrastructural capital/ The brand: image and reputation	71
DATA SECURITY AND PRIVACY PROTECTION			
GRI 3: 2021 material topics			
3-3	Management of material topics	2. Governance	36
GRI 418: Customer privacy 2016			
418-1	Proven complaints regarding breaches of customer privacy and loss of customer data	2. Governance/ Data Security and Privacy	56
FIGHTING CLIMATE CHANGE			
GRI 3: 2021 material topics			
3-3	Management of material topics	7. Environmental capital	109
GRI 305: 2016 emissions			
305-1	Direct GHG emissions (Scope 1)	7. Environmental capital/ Emissions	112
305-2	Indirect GHG emissions from energy consumption (Scope 2)	7. Environmental capital/ Emissions	113
305-4	Intensity of GHG emissions	7. Environmental capital/ Emissions	113
ENERGY EFFICIENCY			
GRI 3: 2021 material topics			
3-3	Management of material topics	7. Environmental capital	109
GRI 302: Energy 2016			
302-1	Energy consumed within the organisation	7. Environmental capital/ Energy consumption	111
302-3	Energy intensity	7. Environmental capital/ Energy consumption	113
RESPECT FOR HUMAN RIGHTS AND THE PROTECTION OF WORKERS			
GRI 3: 2021 material topics			
3-3	Management of material topics	6. Human capital	88
GRI 401: Employment 2016			
401-1	Recruitments and turnover	6. Human capital/ Employees	92
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective measures taken	6. Human capital/ Diversity, equal opportunities and welfare	No incidents of discrimination occurred in 2023 91

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GRI Sustainability Reporting Standard	Chapter / paragraph references	Standard application notes / omissions	Page
OCCUPATIONAL HEALTH AND SAFETY			
GRI 3: 2021 material topics			
3-3	Management of material topics	6. Human capital	88
GRI 403: Occupational health and safety 2018			
403-1	Occupational health and safety management system	6. Human capital/ Occupational health and safety	100
403-2	Hazard identification, risk assessment and accident investigation	6. Human capital/ Occupational health and safety	100
403-3	Occupational health services	6. Human capital/ Occupational health and safety	100
403-4	Staff participation and consultation and communication on occupational health and safety	6. Human capital/ Occupational health and safety	100
403-5	Staff training in occupational health and safety	6. Human capital/ Occupational health and safety	100
403-6	Promotion of staff health	6. Human capital/ Occupational health and safety	100
403-7	Prevention and mitigation of occupational health and safety impacts within business relationships	6. Human capital/ Occupational health and safety	100
403-8	Staff covered by an occupational health and safety management system	6. Human capital/ Occupational health and safety	100
403-9	Occupational accidents	6. Human capital/ Occupational health and safety	100
DIVERSITY AND EQUAL OPPORTUNITIES			
GRI 3: 2021 material topics			
3-3	Management of material topics	6. Human capital	88
GRI 405: Diversity and equal opportunities 2016			
405-1	Diversity in governing bodies and among employees	6. Human capital/ Diversity, equal opportunities and welfare	92
405-2	Ratio of base salary and pay of women compared to men	6. Human capital/ Diversity, equal opportunities and welfare	92
CORPORATE WELFARE AND WORK-LIFE BALANCE			
GRI 3: 2021 material topics			
3-3	Management of material topics	6. Human capital	88
GRI 401: Employment 2016			
401-2	Benefits for full-time employees that are not available to fixed-term or part-time employees	6. Human capital/ Diversity, equal opportunities and welfare	92

GRI Sustainability Reporting Standard	Chapter / paragraph references	Standard application notes / omissions	Page
401-3	Parental leave	6. Human capital/ Diversity, equal opportunities and welfare	92
TRAINING AND EDUCATION			
GRI 3: 2021 material topics			
3-3	Management of material topics	6. Human capital	88
GRI 404: Training and education 2016			
404-1	Average annual training hours per employee	6. Human capital/ Training and Skills	98
404-2	Employee skills upgrading and transition assistance programmes	6. Human capital/ Training and Skills	98
404-3	Percentage of employees receiving regular performance and career development evaluations	6. Human capital/ Training and Skills	98
TRANSPARENCY OF PRODUCT INFORMATION			
GRI 3: 2021 material topics			
3-3	Management of material topics	4. Relational capital	66
GRI 417: Marketing and labelling 2016			
417-1	Information and labelling requirements for products and services	3. Infrastructural capital/ The brand: image and reputation	69
417-2	Incidents of non-compliance with regard to information and labelling of products and services	3. Infrastructural capital/ The brand: image and reputation	69
417-3	Cases of non-compliance concerning marketing communications	3. Infrastructural capital/ The brand: image and reputation	69
RESPONSIBLE SUPPLY CHAIN MANAGEMENT			
GRI 3: 2021 material topics			
3-3	Management of material topics	4. Relational capital	66
GRI 204: Procurement practices 2016			
204-1	Proportion of spending on local suppliers	4. Relational capital/ Suppliers: managing the supply chain	73
GRI 308: Supplier environmental assessment 2016			
308-1	New suppliers assessed using environmental criteria	4. Relational capital/ Suppliers: managing the supply chain	73
GRI 414: Supplier social assessment 2016			
414-1	New suppliers assessed using social criteria	4. Relational capital/ Suppliers: managing the supply chain	73

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GRI Sustainability Reporting Standard	Chapter / paragraph references	Standard application notes / omissions	Page
OTHER REPORTED INDICATORS			
MARKET PRESENCE			
GRI 202: Market presence 2016			
202-1	Ratios of the standard salary of a new employee by gender to the local minimum salary	6. Human capital/ Diversity, equal opportunities and welfare	92
202-2	Proportion of senior managers hired from the local community	6. Human capital/ Employees	93
MATERIALS			
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	7. Environmental capital/ Materials	110
301-2	Materials used that come from recycling	7. Environmental capital/ Materials	110
WATER AND WASTE WATER			
GRI 303: Water and waste water 2018			
303-1	Interaction with water as a shared resource	7. Environmental capital/ Responsible use of natural resources	114
303-2	Management of impacts related to water discharge	7. Environmental capital/ Responsible use of natural resources	114
303-3	Water withdrawal	7. Environmental capital/ Responsible use of natural resources	114
WASTE			
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	7. Environmental capital/ Responsible use of natural resources	114
306-2	Management of significant waste-related impacts	7. Environmental capital/ Responsible use of natural resources	114
306-3	Waste generated	7. Environmental capital/ Responsible use of natural resources	114
306-4	Waste not intended for disposal	7. Environmental capital/ Responsible use of natural resources	114
306-5	Waste for disposal	7. Environmental capital/ Responsible use of natural resources	114
LOCAL COMMUNITIES			
GRI 413: Local communities 2016			
413-1	Activities that include local community involvement, impact assessments and development programmes	4. Relational capital/ The development of the territory: the appreciation of Made in Italy products	80

Mirabello Carrara S.p.A.

Independent Auditors' Report
on the Sustainability Report

As at December 31st, 2023

This report has been translated into English from the original, which was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.

Independent Auditors' Report on the Sustainability Report 2023

To the Board of Directors of
Mirabello Carrara S.p.A.

We have been engaged to perform a limited assurance engagement on the Sustainability Report of Mirabello Carrara S.p.A. for the year ended on December 31st, 2023.

Directors' responsibility for the Sustainability Report

The Directors of Mirabello Carrara S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "GRI Sustainability Reporting Standards (GRI Standards)" issued by the GRI - Global Reporting Initiative, as described in the paragraph "Methodological Note" of the Sustainability Report identified by them as reporting standards.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Sustainability Report that is free from material misstatements, whether due to frauds or errors.

The Directors are also responsible for the definition of the objectives regarding the sustainability performance and the reporting of the achieved results, as well as for the identification of the stakeholders and the significant matters to report.

Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behaviour.

Our audit firm applies the *International Standard on Quality Management 1* on the basis of which it is required to establish, implement and maintain a quality control system that includes policies and procedures, regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditors' responsibility

Our responsibility is to express, based on the procedures performed, our conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established in the *International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised")*, issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with *ISAE 3000 Revised*, and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgement and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the Sustainability Report, document analysis, recalculations and other procedures in order to obtain evidence considered appropriate.

Specifically, we carried out the following procedures:

- analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the criteria applied to identify priorities for the different stakeholder categories and to the internal validation of the process results;
- comparison of economic and financial data included in the specific paragraph of the Sustainability Report with those included in the Financial Statements of Mirabello Carrara S.p.A. as at December 31st, 2023;
- analysis of processes that support the generation, collection and management of data and information to the department responsible for the preparation of the Sustainability Report.

In particular, we performed interviews and discussions with the management of Mirabello Carrara S.p.A. and limited analysis of documentary evidence in order to gather information on the processes and procedures supporting the collection, aggregation, processing and transmission of non-financial data and information to the department responsible for the preparation of the Sustainability Report.

In addition, with respect to significant information, taken into consideration the Company's business and characteristics:

- with regards to qualitative information included in the Sustainability Report, we carried out interviews and we gathered supporting documentation to check for consistency with the available evidence;
- with regards to quantitative information, we carried out both analytical and limited procedures to ensure, on a sample basis, the correct aggregation of data.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Mirabello Carrara S.p.A. for the period ended on December 31st, 2023 is not prepared, in all material respects, in accordance with the GRI Standards, as stated in the paragraph "Methodological Note" of the Sustainability Report.

Verona, April 3rd, 2024

BDO Italia S.p.A.

Signed by:
Carlo Boyancé
Partner

