Sustainability Report
2024

CANALI

CONTENTS

LETTER TO THE STAKEHOLDERS

LETTER FROM THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

Stefano Canali
President and CEO Canali Group

Dear Stakeholder,

We renew our commitment for the responsibility and respect of the environment and of the people who present our second Sustainability Report: an instrument of transparency, an occasion to share and a concrete support in our journey of continuous improvement that accompanies our sustainability growth.

During 2024, the Group has consolidated a path of growth and progressive structuring of its ESG - Environmental, Social e Governance - policies. The year represented an important stage, marked by the publication of the first sustainability report following the GRI Standards, referring to the year 2023: a significant step towards a greater understanding and transparency of the actions taken.

In parallel, the Plan for Sustainability was created, thanks to the union of internal performance analysis with a structured study of the regulatory and competitive context. It speaks of an operational guide founded on technical and economic feasibility criteria, supported by a medium-run strategic vision. Presented on the 22 of April 2025, in occasion with Earth Day, the Plan defines with clarity the objectives the Group intends to reach by 2030. The approach is born with the intent to combine concreteness and vision, in coherence with the guidelines on company growth, the context priorities and the expectations of the stakeholders.

Overall, 2024 is a testament to a tangible continuation of our path, both through start of new projects and a more complete reporting framework than the previous year.
In the environmental field, we have consolidated energy efficiency interventions and activated a centralized system of consumption monitoring. At the same time, the projects on the digitalization of productive, logistic and management processes turned out to be strategic also from the perspective of ESG, creating concrete benefits in terms of the reduction of waste and optimization of resources.
The projects for social impact have found full structure and unified the directions already declared in the previous report. The growing understanding of the topic translated into a greater effort towards paths of cultural transformation, strengthening the social presence along the supply-chain and within the organization.

By looking at the past year, a path of continuity and determination emerges, in line with the strategic commitment that defines us: a proposal founded on product excellence, on the consistency between identity and global presence, and on a vision of work, attentive to the people and collaboration. With this framework, sustainability is increasingly confirmed as a lens through which to reread and refine each choice, process, relation.

This second report will be published in a setting that has profoundly changed compared to a year ago. The growing geopolitical complexity, together with the tensions that cross the sector and the repositioning on the debate on ESG issues, imposes a continuous effort to balance ambition and realism.

We will follow an approach able to combine vision and concreteness, ready to listen and welcome the changes in the context in which the Group operates, recalibrating our priorities with flexibility without ever losing consistency with our values. We will continue to operate with seriousness and passion, strengthening our commitment and maintaining high-quality work and products, ready to evolve without misrepresenting our identity.

In this way, we ask all of you to actively participate in the vision that guides us, and we sincerely thank you for the continued support and for the trust you place in us.

METHODOLOGY

This is the second Sustainability Report (hereinafter, also the "Report") of CANALI HOLDING S.p.A. and its subsidiaries ("CANALI Group"), hereinafter also referred to as "Canali", "Group" or "the Organisation". It has been prepared voluntarily with the aim of providing a transparent description of the initiatives taken and the main results achieved by the Group in terms of sustainability performance during the 2024 reporting period (from 1 January to 31 December), in line with the fiscal year.

This Sustainability Report reports on the environmental, social, governance and human rights issues that are material considering the Group's activities and characteristics, and the positive, negative, current and potential impacts generated by the Organisation and associated with the list of material topics contained in the report. It has been prepared with reference to the "Global Reporting Initiative Sustainability Reporting Standards" defined by the Global Reporting Initiative (GRI) and will be published annually. Please refer to the "GRI Content Index" for details of the GRI indicators selected for reporting purposes and to the materiality assessment section for further information.

The materiality assessment process involved an internal working group during the materiality assessment phase, as described in the relevant section of this document. We ensured that the data and information needed to compile the report were collected in compliance with the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability laid down by the GRI guidelines.

The scope of the information and data contained in this Report corresponds with that of the 2023 Consolidated Financial Statements, except for Canali India Private Ltd which has been excluded from the reporting scope. With regard to information on economic performance, the full scope of the Group has been considered, in line with the Consolidated Financial Statements.

A comparison with the 2023 reporting period has been provided to allow for the comparability of data, information and an assessment of the company's business over a period of time. In each chapter, any use of estimates when reporting quantitative information have been fully disclosed, contextualised and conducted based on the best available information with the aim of not affecting its reliability. In addition, any changes to the information presented in the previous Sustainability Report have been outlined in the relevant chapters.

The Board of Directors of Canali Holding S.p.A. approved this Sustainability Report on 21 July 2024. It should be noted that this report has not been subject to external assurance.

The Sustainability Report is also available on the Canali website in the section dedicated to CAre, the project within which the company has decided to carry out all its sustainability initiatives (https://gb.canali.com/care).

For further information on Canali's social responsibility policies and on the contents of the Sustainability Report, please write to the following email address: canalicare@canali.it.

1. The Canali Group

For 90 years, Canali has been synonymous with luxury men's tailoring. It embodies and represents Italian craftsmanship and excellence in men's fashion and is based in the heart of the Brianza area of Italy.

As a family-owned brand, Canali has consistently influenced the evolution of men's stye since 1934 with a sartorial approach that celebrates the experience of Italian artisans, infusing heritage and innovation into every garment.

Canali represents a whispered luxury lifestyle that transcends trends, generations and borders with sober confidence. Rooted in high quality, research and innovative designs, the Canali collections embody a contemporary sensitivity in menswear.

The Canali collection is meticulously crafted in Italy, embracing a timeless aesthetic and guaranteeing unalterable quality and responsibility towards the planet and people.

Today, the Canali Group is led by the family's third generation. It boasts five production centres strategically located in Italy and a global workforce of more than 1,300 employees. The global presence of the manufacturing and design group extends beyond 190 boutiques, a number that continues to grow, and is present in more than 1,000 retail stores in over 100 countries around the world.

1.1 HISTORY

The Canali company was officially founded in 1934 when Giovanni Canali joined his brother Giacomo's tailor's shop in Triuggio, Brianza, greatly expanding the business.

Despite the challenges imposed by the Second World War, the second-generation Canali brothers, Giuseppe, Genesio and Eugenio, showed determination and resilience, restarting the business after the war. By responding to the needs of the society, the company focused exclusively on overcoats and raincoats, testifying to the brothers' entrepreneurial intuition.

The brothers later strategically redefined their production to focus on formal wear with distinctive sartorial characteristics. This proved to be a fundamental change which allowed Canali to establish itself on the men's fashion market in the Seventies before conquering the United States in the Eighties. The global expansion continued into the Nineties and later where it reached new markets in Europe, Asia and the Middle East.

The third generation ushered in a new era of innovation with an emphasis on commitment to garment quality, technical research, sustainability and the continuous training and development of the workforce. This period witnessed the evolution of the brand's style and offering which adapted to the changing landscape of men's fashion with the rise of social media and digital sales channels.

At the heart of Canali's success is a unique blend of work culture and a profound sense of belonging, testifying to the distinctive dynamics of a family-owned company and its values. Today, Canali is not only a renowned name in the men's clothing sector but also a story that intertwines family, heritage and a constant commitment to the creation of garments that harmonise tradition with contemporary spirit.

90TH ANNIVERSARY

In 2024 Canali celebrated ninety years since its foundation. This was a significant milestone — not only symbolic, but also an opportunity to consolidate

the company's identity and renew its commitment to the future.

The initiatives linked to the anniversary — from the opening event in Milan, during Milano Moda Uomo, to the international celebrations in key cities for the brand, such as New York, Beijing and Mumbai — became moments of sharing and openness. They highlighted the company's deep-rooted connection to its territory, to Italian sartorial culture, and to a product vision grounded in the balance between innovation and continuity. Among these, the company gathering in Cervia (RA, Italy) represented a particularly significant moment, bringing together the Canali family and collaborators from across Italy — individuals who, over time, have contributed to the company's growth and the shaping of its identity. It was an opportunity to reconnect, retrace a shared journey, and renew a genuine sense of belonging.

In this context, the *90th Anniversary* capsule collection was launched — a synthesis of memory and vision that narrates and celebrates the identity and evolution of a company in constant transformation. The garments, reinterpretations of iconic pieces such as the overcoat and the suit, were crafted using bespoke fabrics and enhanced by a colour palette that reflects the brand's identity codes.

LETTER FROM THE CANALI FAMILY FOR THE 90th ANNIVERSARY

Many ask us what it feels like to have 90 years of entrepreneurial history; the answer is simple: a sense of sincere pride for everything that has been accomplished in the past, paired with the desire to build a future that continues to truly reflect our ethos.

The journey that began in 1934 has navigated through times of profound social, economic, and cultural change, reaffirming the importance of staying true to ourselves and our values.

Respect and a sense of responsibility, along with dedication and sacrifice, have enabled us to face unforeseen adversities, overcome them, and continue a path of healthy and thoughtful growth.

From left
Nicoletta, Maurizio, Maria Grazia, Paolo, Stefano, Giorgio, Elisabetta, Giovanni

The overcoat, raincoat, and tailored suit embody our original identity, and continue to define a sophisticated collection that has evolved stylistically, crafted for consumers who appreciate the essence of a whispered, tangible luxury—he hallmark of excellence made in Italy, which we have always passionately advocated and supported.

Alongside the pride for our 90 years, we feel immense gratitude towards everyone who has played a part in the creation of our entrepreneurial project: our artisans, who have shaped the tailoring of our collections with mastery and dedication; our teams, who embody and promote the company's values within their areas of expertise; our suppliers, whose excellence has contributed to the creative and qualitative development of our collections; our retail clients, with whom we share strong business relationships which have often become long-lasting friendships; and our customers, who have supported us even during times of global challenges.

A heartfelt and due thanks also goes to the preceding Canali family members: the founders Giovanni and Giacomo, and our parents Giuseppe, Genesio, and Eugenio, who have instilled in us the significance of family entrepreneurship, daily.

Overcoat

REINTERPRETATION OF AN ICON

The overcoat, a symbol of Canali's origins, is back with its soft lines and specially developed fabrics. It is a dialogue between formal elegance and contemporary comfort.

Suit

HERITAGE AND ESSENTIAL SHAPES

The suit evolves through updated volumes and flexible fabrics, while maintaining the natural elegance that defines the Canali style.

Fabrics

TEXTILE TRADITION AND INNOVATION

Combed wool, lightweight yarns, exclusive processes: the materials in the capsule evoke sartorial heritage with a contemporary sensibility.

Colour palette

A BALANCE OF IDENTITY TONES

Grey, a symbol of understated and timeless elegance, meets "Brianza" green: a subtle tribute to the company's local roots.

Logo

A REDISCOVERED SYMBOL

Drawn from the historical archive, the swan carrying an overcoat in its beak is a symbol of grace and transformation. Its naturally waterproof feathers evoke outer protection and inner harmony.

Finishes

EXCELLENCE IN DETAIL

Custom selvedges, fine tailoring, refined textures: every detail reflects the pursuit of the highest quality.

TIMELINE

1934	Founded by brothers Giovanni and Giacomo, the first Canali family business is born in Triuggio, a tailoring workshop for the production of men's clothing items.
1953-1968	Giovanni's sons – Giuseppe, Genesio and Eugenio – take the reins of the company which, under **second generation** Canali control, is experiencing a crucial moment in its history. The company *Ditta Fratelli Canali S.p.A.* is founded and the Cafra brand is launched, embracing a diverse range of materials for both technical and formal overcoats, ranging from traditional cotton, wool and silk to experimental and state-of-the-art fabrics. As Made in Italy products gain ground internationally and become synonymous with excellence, Canali begins to produce its own **men's outerwear**, prioritising quality and design.
1969-1971	In the years in which the Italian fashion industry is taking shape, the company makes an important strategic change and specialises in the production of **tailored suits**, demonstrating its propensity for innovation and laying the groundwork for an exciting evolution of the Canali heritage around the world.
1974	Canali is the first company in Italy to purchase and install an **automatic cutting system**. This enables it to increase the quality of the cut and reduce the time taken, supporting an even more precise and exclusive sartorial output.
1980	**The third generation** of the Canali family joins the company. Canali takes its first steps abroad, opening showrooms in Paris, New York and London. The company inaugurates the Canali brand and launches its first communications campaign.
1990	The company expands into Russia, China and Oceania.
1999	The opening of the **Milan flagship store in via Verri** marks the beginning of the company's retail experience.
2003	Canali receives the Pitti Immagine Uomo award.
2007	The iconic *KEI* jacket is born.
2013	The **Fondazione Canali Onlus** (FCO) is established, a non-profit organisation to actively transmit the ethical and social values of the Canali family and company.
2014	The new Milan offices in the Porta Nuova district are inaugurated.

2015

The company launches its own e-commerce platform.

2020

Canali inaugurates its Virtual Showroom and publishes the Anthology communications project.

2021-2023

The brand embarks upon a new direction that brings with it many innovations:

- A renewed visual identity, a new website, a revised approach to the collection and a new communications campaign centred on the concept of **Inner Beauty**.
- An **innovative store concept** that is first realised in the Madison NY and IFC Shanghai stores.
- The company launches its digital flagship stores inside the Tmall Luxury Pavilion and JD

In 2023, Canali also launches **CAre**, the global project under which the company decides to bring all of its sustainability initiatives.

Double workmanship is introduced with the FW23 and immediately becomes an icon of the Canali wardrobe, making the company sector leader in the use of this technique.

The first **Canali Caffé opens in Beijing**, immediately followed by a second one in Shanghai.

2024

The historic Milan boutique in Via Verri reopens after a complete renovation, in line with the brand's new *lifestyle* store concept. This is followed by new openings and strategic restyling in Asia, including Wuhan (SKP), Jinan (Guihe Shopping Centre), Macau (Wynn Palace) and Mumbai (Jio World Plaza).

To mark the **90th Anniversary** of its foundation, the company launched an extensive programme of international celebrations and a dedicated capsule collection, which became the focus of a global communication campaign.

Canali becomes the Official Formal Wear Partner of **FC Internazionale Milano**, dressing the players of the first team, the coach and the club's management for official engagements.

1. 2 CANALI DNA

VALUES

The values of the Canali Group represent the heart of its identity and the foundation on which its reputation is built. These principles guide every aspect of the company's business, from design to production, ensuring that each garment is not just a product, but an expression of excellence and tradition.

Inner Beauty

Inner Beauty is a way of being and a guiding principle firmly founded on empathy, kindness, care and respect. This concept goes beyond individual actions, embodying the brand's ethos and values that have inspired and guided the Canali family over the years: common identity traits such as courtesy, moral integrity, collaborative work ethic and profound respect for people and the territory.

Through Inner Beauty, Canali aims to foster and promote a renewed masculinity, characterised by calm, determination and self-awareness, which prioritises composure and listening over chaos and prevarication. A man who embodies Inner Beauty exudes positivity, empathy and elegance, reflecting respect for himself, other people and the environment.

Excellence

Canali is a harbinger of know-how, research and innovation, representing excellence in men's clothing. The fine quality of Canali garments comes from authentic craftsmanship, custodian of rare skills and delicate processes, and is the result of meticulous study that harmonises exclusive design, research into fine materials and manufacturing experience.

Canali Excellence is a continuous, dynamic commitment to the highest standards of design, quality and durability. It is a driving force that meets the desires of the most demanding consumers,

Inner Beauty

Self confidence
Authenticity
Integrity
Kindness
Empathy
Respect
Passion
CAre

Excellence

Made in Italy
Durability
Craftsmanship
Quality
Research

Whispered Luxury

Delicate perfection
Italian elegance
Effortless style
Sophistication
Connoisseurship
Design

Italian Heritage

Family
Since 1934
Independent company
Know how
Italian sartorial skills
Italian Culture

representing a brand that not only excels in its craft but also in its conscientious approach to the world.

Whispered Luxury

Whispered Luxury is a nuanced expression of sophistication and poise, in which Italian style and meticulous craftsmanship converge and which embodies a subtle, yet profound, commitment to quality and timeless appeal.
Whispered Luxury resonates with the discerning individual, who appreciates understated elegance and the skill and craftsmanship behind each item in his wardrobe. It is a narrative that speaks in subdued tones, celebrating attention to detail and the pursuit of delicate perfection in both style and fit.
Canali luxury is subtle and is expressed with a sophisticated language that whispers a story of authenticity, self-assurance and enduring elegance.

Italian Heritage

Canali's heritage is a tapestry that spans 90 years of sartorial experience, reflecting the beauty inherited from Italian culture.
At the heart of this heritage lies the perfect integration of family values, handed down through generations, with Italy's history, style, taste and manufacturing know-how.
Our success is created by an ability to integrate territorial tradition with international innovation. This balance has driven Canali to evolve over time, developing its skills without ever compromising on excellence.
The Canali legacy acts as a bridge between a rich past and a forward-looking approach, describing a history of resilience and constant pursuit of perfection.

1.3 GOVERNANCE OF THE GROUP

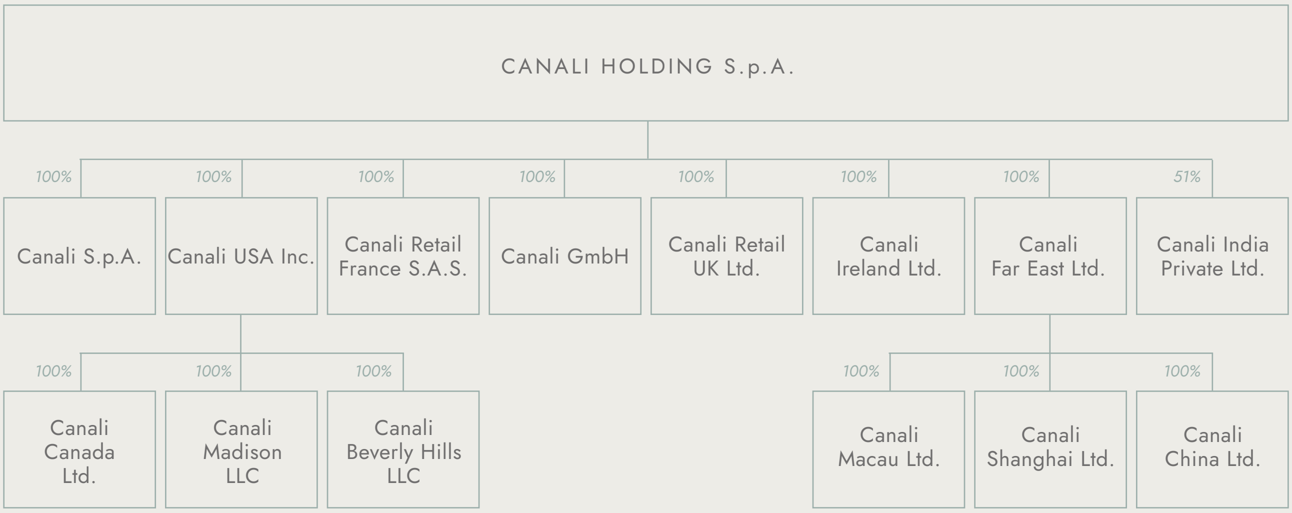
The Canali Group is made up of Italian and foreign companies, under the management and coordination of Canali Holding S.p.A.
The organisational structure of the Canali Group is designed to support production of men's luxury formal wear, suits and accessories – strategically located in Italy at proprietary sites in Lombardy, Marche and Abruzzo – and an international sales network covering Europe, America and Asia. This configuration allows the Group to maintain a strong territorial identity while being present and competitive on global markets and guaranteeing control designed to ensure that Canali quality standards are met.

STRUCTURE AND PRESENCE IN THE WORLD

Holding company **Canali Holding S.p.A.** carries out financial activities only, specifically centralised treasury management and the acquisition/holding of equity investments. In this context, it also grants loans, carries out foreign exchange brokerage and performs the technical, administrative and financial coordination of investee companies and/or companies belonging to the Group.

The Board of Directors (BoD) of Canali Holding S.p.A., chaired by Stefano Canali, has between 5 and 9 members and is appointed by the Shareholders' Meeting based on lists of candidates who must be shareholders of the company - or shareholders of shareholder companies – and who are not older than 70 years of age as regulated by Article 19 of the Company's Articles of Association. The Board of Directors, renewed on 26 June 2024, has seven members – five men and two women – and a three-year term of office that will expire upon approval of the financial statements for the year ended 31 December 2027. Three of the directors in office are also members of the Boards of Directors of other

ORGANISATION CHART AT 31/12/2024



EUROPE AND UK

- **Canali Holding S.p.A.** carries out financial activities related to treasury management and equity investments.
- **Canali S.p.A.** is the Group's main operating company: it manufactures and markets men's luxury clothing and accessories, and coordinates sales and distribution activities across retail, wholesale, and e-commerce channels, both in Italy and abroad.
- **Canali GmbH** is the agent of Canali S.p.A. for German-speaking countries.
- **Canali Ireland Ltd.** owns all Canali brands.
- **Canali Retail France S.A.S.** operates the Canali boutique in Paris.
- **Canali Retail UK Ltd.** operates the Canali boutique in London.

USA AND CANADA

- **Canali USA Inc.** (owns 100% of Canali Canada Ltd, Canali Madison LLC, Canali Beverly Hills LLC) directly manages B2B sales and marketing activities in the USA and Latin America, as well as Canali boutiques, outlets and B2C e-commerce activities in the USA.
- **Canali Beverly Hills LLC** operates the Canali boutique in Beverly Hills.
- **Canali Canada Ltd.** manages B2B sales and marketing activities in Canada.
- **Canali Madison LLC** operates the Canali boutique in New York.

ASIA AND PACIFIC

- **Canali Far East Ltd.** (owns 100% of Canali China LTD, Canali Shanghai LTD and Canali Macau LTD): is the agent of Canali S.p.A. in the Asia and Pacific area and operates the Canali boutique in Hong Kong.
- **Canali China Ltd.** manages cross-border cash pooling activities for China.
- **Canali Macau Ltd.** operates the Canali boutique in Macau.
- **Canali Shanghai Ltd.** operates the Canali boutiques and outlets in China, B2C e-commerce activities through marketplaces for China and the Canali Caffés in Beijing and Shanghai.
- **Canali India Private Ltd.** operates the Canali boutiques in India and B2C e-commerce activities in India.

Group companies. Stefano Canali, President and Chief Executive Officer of Canali Holding S.p.A., is also the Sole Director of Canali S.p.A.

Headquartered in Sovico (Monza and Brianza), **Canali S.p.A.** is the Group's main operating company. The company manufactures and markets men's luxury clothing and accessories.
Internal production is carried out in Italy at five production facilities situated in Lombardy (Sovico, MB), Marche (S. Maria Nuova, Filottrano, AN), and Abruzzo (Gissi, CH). The remaining product requirements are outsourced to third party suppliers, also located in Italy.
The Sovico headquarters carries out coordination activities and acts as the distribution centre for all the Group's sales activities, through the retail, wholesale and e-commerce channels, both in Italy and abroad.

ECONOMIC PERFORMANCE

The Group constantly monitors key economic performance indicators, as well as the economic value directly generated and distributed, to ensure the economic sustainability of the business in the medium and long-term.

In this context, in 2024, the Group distributed 93% of the value generated (92% in 2023).
The economic value generated directly by the Group amounted to around Euro 215 million (+0,8% compared to Euro 214 million in 2023). The main beneficiary of the distribution of economic value was suppliers and other operating costs which represented 62% of the total value distributed in 2024.

Operating costs - including raw materials, services, lease and rental costs, changes in inventories, internal construction and other operating expenses

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (€)	2023	2024
ECONOMIC VALUE GENERATED	**214,190,057**	**215,954,459**
ECONOMIC VALUE DISTRIBUTED	**196,449,277**	**200,264,351**
Of which distributed to suppliers (operating costs)	125,812,365	123,969,500
Of which remuneration of employees	62,819,444	64,560,934
Of which remuneration of lenders	1,326,131	810,722
Of which remuneration of shareholders	-	1,020,000
Of which investment in the community	239,423	1,441,982
Of which remuneration of the public administration (current taxes)	6,251,914	8,461,213
ECONOMIC VALUE RETAINED	**17,740,780**	**15,690,108**

DISTRIBUTION OF THE DIRECT ECONOMIC VALUE (%)	2023	2024
ECONOMIC VALUE DISTRIBUTED	**92%**	**93%**
Of which distributed to suppliers (operating costs)	64%	62%
Of which remuneration of employees	32%	32%
Of which remuneration of lenders	1%	0,4%
Of which remuneration of the shareholders	-	0,5%
Of which investment in the community	0,1%	0,7%
Of which remuneration of the public administration (current taxes)	3%	4%
ECONOMIC VALUE RETAINED	**8%**	**7%**

— were the most significant item of expenditure. Employee remuneration - including wages, salaries, social security contributions, employee severance indemnity/TFR and other personnel costs - accounted for 32%, in line with 2023.
Finally, donations increased from € 239,423 in 2023 to € 1,441,982 in 2024.

These figures highlight the Canali Group's commitment to distributing the economic value generated, with particular attention to suppliers and employees, while ensuring the economic sustainability of the business through careful, strategic management of financial resources.

BUSINESS ETHICS AND INTEGRITY

The Organisation seeks to stand out for its ability to create value through transparent, ethical relationships with customers and ongoing, formative dialogue with employees. Its business ethics are also reflected in environmental protection and social responsibility, taking the form of the implementation of production facilities that guarantee careful management of the environmental impacts of activities, and in the constant attention to the interests of employees and the local community in which the Organisation operates.

In accordance with Legislative Decree no 231/2001, Canali S.p.A. has voluntarily adopted an Organisation, Management and Control Model ("231 Model") and a Code of Ethics and monitors the main risk factors related to the occurrence of crimes and offences.

Canali S.p.A. has appointed a Supervisory Board with the task of monitoring compliance with the principles of the Model and handling reports of unlawful and improper conduct. Canali Holding S.p.A. has also appointed a Supervisory Board. The Code of Ethics documents the values that guide the Group's daily operations, first and foremost the ethics which are a key and essential feature of the business activities. The Code is applicable both internally – defining and communicating rules of conduct to employees – and externally – involving Canali's main stakeholders with whom the Code is shared.

Through the adoption of the Code of Ethics and the appointment of a Supervisory Board, the Group formalises and implements the measures necessary for the prevention of unlawful and unethical conduct in the workplace and in dealings with third parties. Compliance with corporate values and applicable laws and regulations is safeguarded by means of a system of sanctions that provides for consequences proportionate to the seriousness of any proven violations.

In accordance with Italian legislation on Whistleblowing (Legislative Decree no. 24/2023), employees and collaborators may report any violation or suspected violation of the Code of Ethics and 231 Model to the Supervisory Board. Violations can be reported through specific whistleblowing channels such as a dedicated online platform, traditional mail or e-mail to the address of the Supervisory Board.

Regarding this topic, during the two years covered by the Report, no cases of corruption were identified and the checks carried out confirmed that there were no irregularities or unlawful conduct that could compromise the integrity and transparency of the Organisation.

Furthermore, no data breaches requiring notification to the Italian Data Protection Authority were detected. Constant attention to information security and the protection of sensitive information has made it possible to prevent any incidents that could compromise customer privacy and trust. The Group remains committed to maintaining and further improving its security standards to guarantee maximum data protection in the future.

2. The path to sustainability

“CAre

This word has a special meaning for us
because it combines the first two letters of our name - Canali - with RE,
a simple but tenacious syllable that recurs in our core values
and in our present and future commitments. ”

Stefano Canali

Canali takes a holistic, rigorous approach to sustainability, linked to its values and identity, involving the entire organisation and the business as a whole.

The project under which the company has decided to bring all its environmental and social sustainability initiatives is called CAre.

The core values of the CAre project are the same ones that have guided the actions of the Canali family and their method of business for 90 years. The project is a current one, which sums up what the company has been and perfectly reflects the direction that it wants to take.

2.1 CANALI CARE

The Group is committed to promoting and adopting a model of sustainable and inclusive development, aimed at creating lasting value for itself and its stakeholders.

In terms of the environment, this commitment took shape seriously in 2019 when, for the first time, the performance of the organisation and its products throughout their life cycle was measured. In order to calculate the actual impact of its activities and its supply chain, Canali chose to adopt the best certified methodologies available i.e. the Organization Environmental Footprint (OEF) and the Product Environmental Footprint (PEF), demonstrating seriousness, transparency and responsibility towards environmental issues. The objective of these studies is to implement targeted, effective improvement measures for sustainable operations compatible with the competitiveness of the product and the organisation[1].

Since 1934, Canali has been designing and manufacturing its garments in Italy, promoting a local manufacturing heritage built on specialised skills and supply chains rooted in traditional production districts. Made in Italy is a fundamental asset for the company, as it enables close and continuous collaboration with suppliers, supported by shared regulatory frameworks, market contexts, and operating models[2].

The same attention is reflected in a path of social sustainability that is gradually expanding, thanks to increasingly shared and cross-cutting commitments. This commitment is rooted in the long-term action of the non-profit Fondazione Canali Onlus, which generates positive impacts in the local areas and communities through health and social projects, as well as employment and education initiatives[3]. At the same time, the company implements a structured programme focused on people's wellbeing, human resource development, responsible governance, and the strengthening of dialogue with both internal and external stakeholders[4].

CORE PRINCIPLES

REspect

When it concerns people, the respect that guides every Canali action translates into a Code of Ethics to protect moral integrity and the human factor. When it concerns the Plant, it translates into an Action Plan aimed at reducing consumption and emissions.

REsponsibility

The desire to be "Made in Italy" goes beyond the traditional need for quality and evolves into a broader sense of responsibility towards the environment and people. It means responding to the need to protect the territory, preserve manufacturing know-how, and monitor working conditions across the supply chain. Producing a garment in Italy, using excellent raw materials and processes, extends its lifespan and reduces its overall impact.

REliability

The reliability that distinguishes our business ethics is naturally reflected in our approach to sustainability. Therefore, it is essential for the company to base its commitment on an objective framework, outlined by reliable information, including on ESG issues. Measurement of the environmental footprint – both at the organisational level (OEF) and at the product level (PEF) – considering not only operations but also the supply chain, raw materials and logistics, provides a solid base for CAre. This approach ensures consistency in determining lines of action and strengthens the company's credibility on the market.

REcycle and REuse

Awareness of the importance of a circular economy for environmental sustainability also drives the company to take care of the final stages of the life cycle of its

[1] For further details, see Chapter *3. Environmental responsibility* of this document.
[2] For further details, see Chapter *2.2 Made in Italy quality and craftsmanship* of this document.
[3] For further details, see Chapter *5. Community engagement. Social and Health solidarity* of this document.
[4] For further details, see Chapter *4. Social responsibility* of this document.

REspect

REspect is the value which guides our every action towards people and planet.

REsponsibility

Being Made in Italy, is about our sense of belonging to the territory and representing the people who work with us.

REliability

Canali has decided to measure its own environmental footprint, both at an organizational (OEF) and product (PEF) level.

REcycle and REuse

Recognise the importance of the circular economy to manage and recycle pre- and post-consumer waste.

REpair and REstore

REpair and REstore are the services that Canali provides to ensure maximum durability to the garments.

REward

In accordance with the ethical principles that guide the family and the Group, Canali is committed to returning value to society.

products. This commitment takes form through Retex. Green, the consortium launched by *Sistema Moda Italia* and the *Fondazione del Tessile Italiano* – of which Canali is a founding member and Stefano Canali a member of the Board of Directors – for the management, recovery and recycling of pre- and post-consumer waste from the textile, clothing, footwear and leather goods sectors.

REpair and Restore

Canali offers its customers garment care, repair and restoration services to ensure maximum durability, extending product life cycle and reducing their environmental impact. These services marry perfectly with the intrinsic characteristics of Canali's design which ensures repairability and adaptability thanks to the quality of the materials and the sartorial construction of the garments.

REward

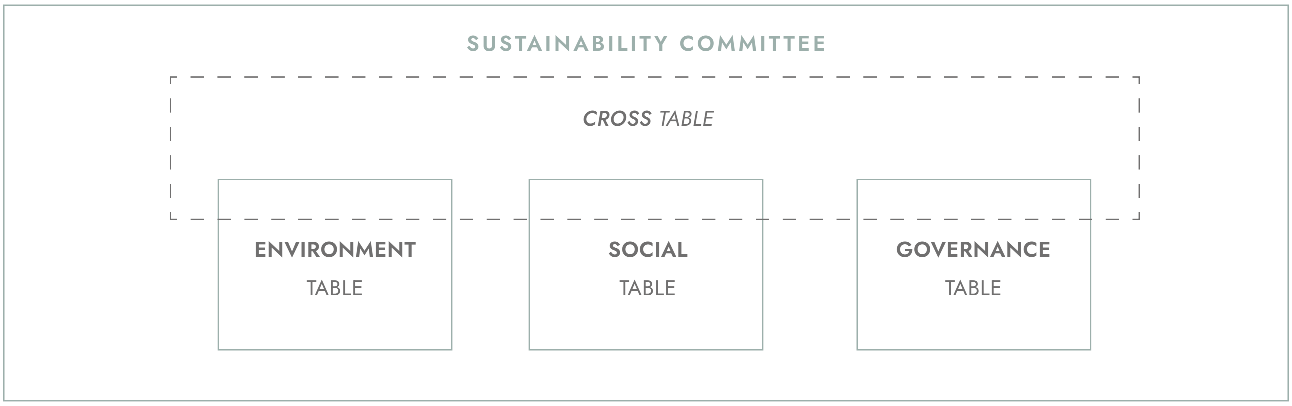
Canali is committed to sharing the value generated through its activities with civil society. This commitment takes shape through the projects of the Canali Onlus Foundation, a non-profit institution of social utility which, since 2013, has been expressing and transmitting the values that are at the heart of the ethics of the Canali family and the Canali Group.

ESG GOVERNANCE

As the company that carries out management and coordination activities, Canali Holding S.p.A. also determines strategic guidelines on ESG issues which are then operationally implemented by Canali S.p.A. and by the other Group companies.

A **Sustainability Committee** has been set up to conduct ESG activities. Its members include senior representatives of Canali S.p.A. and they are constantly supported by technical and strategic advisors. The Committee's objective is to identify and manage the Group's impacts on the economy,

MANAGEMENT OF ESG ACTIVITIES



the environment and people. Since the launch of CAre in 2022, the Committee has worked constantly to develop strategies to reduce consumption and emissions, implement initiatives for the welfare and protection of all people who encounter Canali, and structure solid corporate governance.

Stefano Canali, CAre's main promoter and value custodian, plays a key role in supervising the Committee's work and defining the Strategic Plan. A company individual specifically dedicated to the operational coordination of the Committee reports to him periodically, ensuring that the results of ESG processes are the direct responsibility of the Group's highest governance body.

The Committee's participation in ESG activities is sub-divided into three Strategic Tables. Each is dedicated to an ESG topic and involves Directors and technical advisors depending on the skills required, providing input and specialist insight to define themes, KPIs and objectives. The work organised in this manner is regularly shared and discussed by a Cross Table which supervises and approves proposals to ensure compatibility with CAre's values. The decisions and strategies of the Sustainability Committee have an impact on the entire Group.

For the **materiality processes** regarding the identification of environmental impacts, internal stakeholders are periodically involved in the collection of date to measure the Organisation Environmental Footprint (OEF) and Product Environmental Footprint (PEF). With the same objectives, direct relationships with the supply chain are established through the relevant internal departments and individuals. For processes regarding the identification of social impacts, qualitative questionnaires are used to gain awareness of the culture, perception and opinion of employees and end customers on sustainability topics.

The Sustainability Committee is responsible for reviewing the effectiveness of these processes with the frequency of its reviews based on the timing of each ESG project. The Canali S.p.A. Sustainability Committee examines all ESG policies, and they are then submitted for final approval by the highest governance body, the Board of Directors of Canali Holding S.p.A. Once approved, the commitments made through policies are applied to the organisation's business activities and relationships through the design and adoption of specific projects. These projects are carried out and supervised by the respective ESG Tables and are constantly monitored by the Cross Table.

Internal **communications** are as multi-directional as possible and rely on corporate media depending on the objective: official statements are used to inform – as distributed via intranet, the company's internal communication portal, and company email – as are notices on bulletin boards; training and internal messaging apps are used to engage with people, through dedicated thematic channels. Official communications with external stakeholders take place by means of this Report, interviews and interventions of the CEO, press releases, the web site, official corporate social media pages and trade/general media.

Events are a fundamental means of communication for both external and internal stakeholders: a time to tell and share, they are the ideal occasion to provide a concrete demonstration of the company's commitment to sustainability.

COMMITMENTS AND ACTIONS

In accordance with the principles of the CAre Project, since 2023 Canali has adopted an Action Plan aimed at mitigating the negative impacts of its activities and generating positive value, based on the material issues that emerged from the analysis of environmental impacts and the dialogue with internal stakeholders[5].

In 2024, this path converged into a **Strategic Sustainability Plan**, designed to transparently outline the ESG objectives that the Group intends to achieve by 31 December 2030, as approved by the Board of Directors of Canali Holding on 17 March 2025.

The Plan was officially announced on 22 April 2025, on Earth Day, through the publication of an Inception Report that builds on previous initiatives and outlines a renewed future vision[6]. It will be periodically updated to ensure measurable progress and will be made available on the company website, in the section dedicated to the Canali CAre.

The ESG objectives of the Plan have been defined and structured into three thematic areas of intervention, organised in a way that

supports the company's internal framework. This classification reflects not only the main areas of impact — environmental, social, and governance — but also the concrete distribution of roles and responsibilities within the organisation, thus facilitating the effective implementation of projects.

[5] OEF (Organisation Environmental Footprint) and PEF (Product Environmental Footprint) analysis 2023; *CAre My Voice* survey addressed to the Italian corporate population.
[6] See https://canali.vteximg.com.br/arquivos/CANALI-piano~sostenibilita.pdf?=target_blank.

The first area — "Environmental performance and climate transition" — encompasses initiatives aimed at adopting environmental standards across the entire life cycle of products and operational activities. It primarily involves the teams responsible for space and infrastructure management, procurement, production, and logistics. The second area — "Business governance and regulatory compliance" — brings together projects designed to strengthen business processes, transparency, and organisational soundness, with a specific focus on compliance with the national and international ESG regulations. This area mainly involves the legal and financial departments. The third area — "Value proposition and social impact" — focuses on enhancing the sustainable features of the business model, with the aim of generating positive impacts across the entire value chain. These impacts are expressed through the synergies promoted by the Human Resources department — benefiting both the corporate population and related employment — as well as through product development and customer-facing initiatives. They also include the work of the Fondazione Canali Onlus, a key partner for local communities and territories.

To ensure alignment with the international context, each objective was mapped against the Sustainable Development Goals (SDGs) of the 2030 Agenda, enabling Canali's commitments to be interpreted and compared within a shared framework, and aligning the internal trajectory with the global accountability horizon set by the United Nations for the end of the programme.

Lastly, the feasibility analysis and resource planning phase made it possible to prioritise actions based on the impact and materiality of ESG issues along the value chain. The approach adopted by the Sustainability Committee follows a four-phase progression: beginning with initial assessment, proceeding through regulatory compliance and ongoing process improvement, and culminating in the development of ambitious, forward-looking strategies for the sector.

PRIORITY SCALE

- **ASSESSMENT** — Analysis of the current state and the development of a shared corporate culture around key topics.
- **COMPLIANCE** — Implementation of the actions required to ensure and monitor regulatory compliance.
- **OPTIMISATION** — Continuous improvement aimed at streamlining processes and going beyond basic compliance requirements.
- **LEADERSHIP** — Definition and development of ambitious, forward-looking strategies that position the company as a benchmark for sustainability within the industry.

Environmental performance and climate transition

PRODUCT SUSTAINABILITY

ENSURE THE SUSTAINABILITY OF CANALI PRODUCTS THROUGHOUT THEIR ENTIRE LIFECYCLE BY ADOPTING A LIFE CYCLE ASSESSMENT (LCA) APPROACH.

12 CONSUMO E PRODUZIONE RESPONSABILI
13 LOTTA CONTRO IL CAMBIAMENTO CLIMATICO
17 PARTNERSHIP PER GLI OBIETTIVI

This will be achieved by implementing projects to improve efficiency and reduce environmental impact at every stage of the product lifecycle. The initiatives were identified based on the results of the 2023 Organisation Environmental Footprint (OEF) and Product Environmental Footprint (PEF), which revealed that wool jackets and suits were the main contributors to Canali's production-related impact. By focusing on these priority garments, the aim is to generate a positive influence on the overall product range.

ACTION PLAN	EXPECTED RESULTS	PROGRESS	
Sourcing Strengthen the responsible selection of raw materials and supply chain partners: • Select raw materials and suppliers based on ESG criteria. • Systematically monitor the supply chain through audits, qualification and evaluation procedures. • Promote supplier commitment through the signing of the Code of Conduct and participation in joint improvement projects.	• 100% of offer-relevant suppliers selected and monitored according to ESG criteria.	Done	ASSESSMENT
		Work in progress	COMPLIANCE
			OPTIMISATION
			LEADERSHIP
Production Promoting production models focused on product durability and the circular management of residual materials through: • The adoption of environmental and social standards that enhance the quality and durability of Made in Italy. • The activation of upcycling projects to transform residual materials into reusable by-products or valorisation initiatives (e.g., sustainable gifts). • Membership in authorised consortia (Retex. Green) to ensure compliance with regulatory obligations under the Extended Producer Responsibility (EPR) regulation.	• Maintaining product durability values under PEF above the European average • Establishing virtuous and ongoing collaborations to transform production waste from waste into reusable textile by-products	Done	ASSESSMENT
		Done	COMPLIANCE
		Done	OPTIMISATION
		Work in progress	LEADERSHIP

ACTION PLAN	EXPECTED RESULTS	PROGRESS
Logistics • Optimizing internal flows and supplier coordination through the implementation of a Transportation Management System (TMS). • Improving the efficiency of single-use packaging by evaluating solutions that mitigate environmental impacts while balancing costs and performance.	• Activation of all TMS system modules and definition of corrective actions or areas for improvement. • Maintaining and potentially increasing the use of recycled materials in finished product	Done – ASSESSMENT Done – COMPLIANCE Work in progress – OPTIMISATION LEADERSHIP
Use phase Strengthening the transparency of communications and accessibility to ESG information and services directed at the end customer, through: • Developing content aimed at facilitating the understanding of services related to product durability and sustainability, thereby improving the overall brand experience. • Ensuring compliance with relevant regulations, including Regulation (EU) 2024/1781 on ecodesign (Digital Product Passport) and the Green Claims Directive.	• Increase in the Net Promoter Score related to the perception of Canali's commitment to sustainability, measured through an annual dedicated survey. • Stable introduction of digital media (e.g., QR codes) to provide access to product ESG information.	Done – ASSESSMENT Work in progress – COMPLIANCE OPTIMISATION LEADERSHIP
End-of-life • Development of initiatives to promote the circular and responsible management of end-of-life garments, including awareness-raising activities and engagement of customers and employees. • Membership in authorised consortia (Retex. Green) to ensure compliance with regulatory obligations under the Extended Producer Responsibility (EPR) regulation.	• Activation or consolidation of after-sales services and initiatives for the reuse or repurposing of end-of-life garments.	Done – ASSESSMENT Work in progress – COMPLIANCE Work in progress – OPTIMISATION LEADERSHIP

Environmental performance and climate transition

ORGANISATIONAL SUSTAINABILITY

MANAGE THE ORGANISATION'S ENVIRONMENTAL IMPACTS BY MEETING INTERNATIONAL REDUCTION TARGETS.

The objective will be pursued through the definition of specific targets for each category of greenhouse gas emissions (Scope 1, 2, and 3). These targets are aimed at reducing environmental impacts, and the implementation of mitigation actions will be carried out across the entire value chain.
The starting point for the development of efficiency and reduction projects is represented by the results of the 2023 OEF study, while target-setting will be carried out in alignment with the Science Based Targets initiative (SBTi) methodology.

ACTION PLAN	EXPECTED RESULTS	PROGRESS
Scope 1: Direct emissions Building on the actions already launched in previous years, natural gas consumption in internal production has been identified as a new area for potential improvement, to be addressed through targeted optimisation measures.	• Estimated reduction of approximately 10% in direct organisational emissions contributing to Climate Change impact in Category 1. • Estimated reduction of approximately 4% in indirect emissions related to the upstream of energy carriers (electricity and natural gas).	Done – ASSESSMENT COMPLIANCE Work in progress – OPTIMISATION LEADERSHIP
Scope 2: Indirect emissions from energy consumption • Strengthen the self-production of energy from renewable sources by expanding existing photovoltaic systems. • Monitor and assess alternative energy supply solutions that ensure a sustainable balance between environmental impact and operating costs[7].	• Increasing the share of self-produced energy from renewable sources. • Identification of potential innovative solutions to be integrated in the medium term to reduce indirect emissions associated with energy consumption.	Done – ASSESSMENT COMPLIANCE Work in progress – OPTIMISATION LEADERSHIP
Scope 3: Other indirect emissions • Improve the representativeness and quality of environmental data across the supply chain by engaging key suppliers. • Collaborate with trade associations and industry stakeholders to strengthen supply chain traceability and encourage the selection of high-performance products.	• Engagement of approximately 30% of wool fabric suppliers, representing around 70% of the total input volume, to obtain primary data with improved performance (Class A versus current Class B, according to the RCP for Wool – Made Green in Italy). This would result in an estimated 3% reduction in the Climate Change impact of incoming fabrics and a 2% of the entire OEF's.	Done – ASSESSMENT COMPLIANCE Work in progress – OPTIMISATION LEADERSHIP

[7] Available options – such as Guarantees of Origin, electronic certificates that certify the renewable origin of purchased electricity – do not yet fully align with the company's vision of balancing environmental and economic sustainability, and are therefore not currently deemed suitable to justify an investment.

Business governance and regulatory compliance

GOVERNANCE SYSTEM

STRENGTHEN AND DEVELOP THE GOVERNANCE SYSTEM TO ENSURE SYSTEMATIC AND TRANSPARENT MANAGEMENT OF BUSINESS PROCESSES, WITH EFFECTIVE MONITORING OF MATERIAL ESG ISSUES AND MITIGATION OF OPERATIONAL RISKS.

The objective will be pursued through the implementation of priority policies and procedures, based on the material ESG topics identified, ensuring compliance with the applicable regulations under Legislative Decree no 231/2001[8].

ACTION PLAN	EXPECTED RESULTS		PROGRESS
• Implement policies and procedures to ensure fair, effective, and efficient management of business processes involving internal and external stakeholders, as well as environmental and financial operations.	• No cases of non-compliance recorded.	Done	ASSESSMENT
		Done	COMPLIANCE
		Work in progress	OPTIMISATION
			LEADERSHIP
• Adopt an environmental management model that reduces the environmental impact of business activities, optimises the use of natural resources and ensures compliance with relevant environmental legislation.	• Achievement of UNI EN ISO 14001:2015 certification.	Done	ASSESSMENT
		Done	COMPLIANCE
		Work in progress	OPTIMISATION
			LEADERSHIP
• Adopt a health and safety management model that protects people, reduces the risk of accidents and ensures compliance with applicable regulations.	• Achievement of UNI EN ISO 45001:2023 certification.	Done	ASSESSMENT
		Done	COMPLIANCE
		Work in progress	OPTIMISATION
			LEADERSHIP

[8] The procedures will initially be developed for Canali Holding, as around 8% of them will also be applicable to Canali S.p.A. The plan for the other companies is to adapt what has already been defined for Canali Holding, making only minor variations.

Value proposition and social impact

CORPORATE TRAINING

TRAIN AND RAISE AWARENESS ON ESG ISSUES, FOSTERING INDIVIDUAL RESPONSIBILITY FOR SUSTAINABILITY AMONG ALL EMPLOYEES AND SUPPORTING THE INTEGRATION OF ESG PRINCIPLES INTO DAILY OPERATIONS.

The objective will be achieved through the delivery of training, both through classroom sessions and digital tools.

ACTION PLAN	EXPECTED RESULTS	PROGRESS	
• Develop a multi-year training programme on sustainability and ESG competencies, tailored by role and business area, with progressive delivery based on priorities. • Integrate specific sustainability training content into the company's Learning Management System.	• Achieve 100% staff trained on ESG topics.	Done	ASSESSMENT
			COMPLIANCE
		Work in progress	OPTIMISATION
			LEADERSHIP

Value proposition and social impact

YOUTH EMPLOYMENT

TRAIN YOUNG TECHNICAL PROFESSIONALS IN THE FASHION SECTOR BY INVESTING IN THE TRANSFER OF SPECIALISED SKILLS AND OFFERING CONCRETE CAREER OPPORTUNITIES WITHIN THE LOCAL AREA.

4 ISTRUZIONE DI QUALITÀ

8 LAVORO DIGNITOSO E CRESCITA ECONOMICA

9 IMPRESE, INNOVAZIONE E INFRASTRUTTURE

17 PARTNERSHIPS FOR THE GOALS

The objective will be achieved through the implementation of specific training projects, developed in collaboration with educational institutions and industry partners.

ACTION PLAN[9]	EXPECTED RESULTS	PROGRESS
• Development of a professional training course for fashion operators: launch in 2025–2026 of a three-year educational programme at an accredited Salesian Vocational Training Centre, conducted in collaboration with partner companies providing equipment, technical support, and employment opportunities for participants. • Participation in the "Adopt a School" project run by the Altagamma Foundation: creation of a dedicated training pathway for a class at a secondary school, including classroom lessons, company visits, and practical activities led by our staff, aimed at enhancing the educational and manufacturing excellence of Made in Italy. • Development and delivery of a professional training course for prototypists: continuation of the partnership with the Istituto Secoli of Novara to deliver a high-quality training programme, including merit-based scholarships and internship selection.	• 70% of young trainees annually find employment in manufacturing companies within the local fashion production districts.	Done – ASSESSMENT COMPLIANCE Work in progress – OPTIMISATION LEADERSHIP

[9] For further details, see Chapter *5. Community engagement, Transmission of manufacturing culture and higher education* of this document.

Value proposition and social impact

CORPORATE CULTURE OF SUSTAINABILITY

FACILITATE AND ENCOURAGE SUSTAINABLE BEHAVIOURS WITHIN THE ORGANISATION, PROMOTING A SHARED CULTURE OF THE CANALI CAre PROJECT.

The objective will be achieved through initiatives that promote sustainable behaviours and improve employee well-being and engagement. These initiatives will contribute to reducing ESG impacts and enhancing quality of life within the company.

ACTION PLAN	EXPECTED RESULTS		PROGRESS
Integrate initiatives into daily work routines to foster a sustainable, fair and inclusive work environment, promoting: • environmental sustainability in everyday actions; • well-being and quality of corporate life; • work-life balance; • respect and inclusion of diversity.	• Maintain scores above the Italian benchmark in the Company ESG and Engagement dimensions of the "CAre My Voice" survey. • Obtain the Workplace Health Promotion (WHP) certification.	Done	ASSESSMENT
			COMPLIANCE
		Work in progress	OPTIMISATION
			LEADERSHIP

Value proposition and social impact

CONSUMER CULTURE OF SUSTAINABILITY

PROMOTE A SHARED PROJECT CARE CULTURE WITH CANALI'S CUSTOMERS, RAISING AWARENESS OF SUSTAINABILITY ISSUES IN THE INDUSTRY AND ENCOURAGING RESPONSIBLE PURCHASING BEHAVIOUR.

12 CONSUMO E PRODUZIONE RESPONSABILI

17 PARTNERSHIP PER GLI OBIETTIVI

The objective will be achieved by implementing engagement initiatives and reward programmes to raise customer awareness of Canali's sustainability initiatives and increase their sensitivity to sustainability issues. Progress towards the goal will be monitored via an annual survey, conducted through a questionnaire, which will be distributed to the customer network on 22 April (Earth Day) every year, to assess interest in and perception of Canali's commitment to ESG.

ACTION PLAN	EXPECTED RESULTS		PROGRESS
Develop sustainability-focused initiatives and services to raise customer awareness through: • communication and gift items that highlight the CAre project; • dedicated initiatives, such as REpair & REstore services available in boutiques.	• An increase in the Net Promoter Score related to the perception of Canali's commitment to sustainability, as measured by an annual dedicated survey.	Done	ASSESSMENT
			COMPLIANCE
		Work in progress	OPTIMISATION
			LEADERSHIP

Value proposition and social impact

LOCAL COMMUNITIES AND TERRITORIES

ENCOURAGE PARTICIPATION IN EXTRA-WORK ACTIVITIES THAT GENERATE A POSITIVE IMPACT ON EMPLOYEES, LOCAL COMMUNITIES, AND THE ENVIRONMENT.

8 LAVORO DIGNITOSO E CRESCITA ECONOMICA

11 CITTÀ E COMUNITÀ SOSTENIBILI

17 PARTNERSHIP PER GLI OBIETTIVI

The objective will be achieved by encouraging, supporting and organising the voluntary and active participation of staff in extracurricular initiatives that aim to reduce local ESG impacts.

ACTION PLAN	EXPECTED RESULTS		PROGRESS
• Implement corporate volunteering programmes that enable employees to dedicate working hours to local social and environmental projects supported by the company. • Promote and communicate employees' extracurricular charitable initiatives.	• Launch and consolidate the volunteering programme, then expand it progressively across multiple Group locations and territories. • Maintain scores above the Italian benchmark in the Company ESG and Engagement dimensions of the "CAre My Voice" survey.	Done	ASSESSMENT
			COMPLIANCE
		Work in progress	OPTIMISATION
			LEADERSHIP

2.2 MADE IN ITALY QUALITY AND CRAFTSMANSHIP

Canali's Made in Italy is a commitment that goes beyond the limits of a label and becomes a promise of quality and responsibility. Thanks to sartorial construction and the quality of the raw materials, Canali garments are designed to be long-lasting, coming into line with the principles of circular fashion and contributing to a reduction in environmental impact. This approach, taken from the tradition of craftsmanship and rooted in ninety years of business ethics and values, reflects the brand's dedication to respecting People and the Planet, preserving the essence of Italian tailoring.

QUALITY AND TAILORING: THE INTERNAL PRODUCTION

The in-house production of outerwear and formal garments represents the core of Canali's offering. Within our facilities, garments are designed and crafted to combine technical precision, artisanal care, and attention to detail, ensuring consistent quality and the capacity for innovation.

Direct oversight enables precise control of goods and processes, greater responsiveness to market demands, and a constant alignment between stylistic research and manufacturing capability. In this sense, Italian know-how is a source of richness and a fundamental asset for the company, as it guarantees, on one hand, executional excellence based on methods and skills intrinsic to the national manufacturing sector, and, on the other hand, it ensures the preservation of tailoring techniques, the cultural heritage of the Italian artisanal tradition.

The careful selection of materials is the first step in achieving the company's aspiration of excellence. Canali sources its **raw materials** in collaboration

> *"Made in Italy is no longer only synonymous with beautiful, well-made products, it has become an expression of a production system that is responsible towards the plant and people."*
>
> *Stefano Canali*

with qualified, highly experienced suppliers, with whom it has long-standing relationships, contributing to the continuity and quality of the supply chain. Chief among them, the Biella district plays a key role, supplying 99% of the fabrics destined for its formal collections. Each fabric and material that enters the supply chain is then carefully analysed in the Cutting Room at the Sovico Headquarters, where checks are carried out on colour, handle, weight, alterations and specific studies for patterned fabrics.

These choices are perfectly reflected in the **sartorial construction** of the finished garments where industrial technology meets sophisticated manual skills and craftsmanship. The result is garments that are not only of high quality, but also durable—suitable for repair and modifications over time—thus ensuring a lower environmental impact in the long run.

TERRITORY AND SUPPLY CHAIN: SOCIAL RESPONSIBILITY

Canali operates through **a short, verticalized, integrated supply chain**, based on a model that aligns with its vision and ensures logistical efficiency.

Suppliers, for the part of the collection produced externally, are selected from within established industrial districts, where they benefit from unique artisanal know-how. Exclusive collaborations have been estab-

lished with these partners in terms of both design and material innovation.

Trust in the strength of the Italian manufacturing system goes hand in hand with **active oversight and a shared** commitment along the entire value chain. Even commonly adopted practices—such as subcontracting, which is regulated by contractual clauses—may offer room for improvement in terms of transparency and control.

In this context, Canali has chosen to strengthen its supply chain responsibility practices, including participation in sectoral and inter-institutional initiatives aimed at promoting environmental and social safeguards.

INNOVATION IN BUSINESS PROCESSES

For Canali, the values and experience built up over the years are perfectly integrated with the study of new production processes and product research. The challenge lies in evolving one's own tradition with rigour and an innovative mindset, combining efficiency, quality and sustainability without reinventing everything from scratch. This approach enables a business to respond to a changing market without compromising its core principles.

The management of ESG issues is closely linked to **digital transformation processes**, as these enable integrated and accurate data management, facilitating both reporting and the implementation of impact mitigation strategies. Investing in innovation means more than just improving the efficiency and quality of activities, from production to operations; it also safeguards the long-term resilience of the business. A lack of innovation can lead to negative consequences on multiple levels: misalignment of products with market developments, a decline in brand competitiveness, and difficulties in meeting regulatory requirements, increasing the risk of sanctions. Ultimately, technological inertia can undermine a company's ability to generate economic and social value, thereby jeopardising workforce growth and employment stability. Conversely, a business model driven by innovation can generate positive knock-on effects on profitability, the environment and people, contributing – indirectly

but concretely – to the creation of sustainable value.

Improving the efficiency across production, logistics and management processes – from material traceability in procurement to the digitalisation of product development and global distribution – leads to tangible benefits in terms of waste reduction,

resource optimisation and cost control.
In the reporting period, in line with the priorities identified along the product life cycle, preliminary analyses were conducted on a set of modular, multi-year projects. In the **production area** (LCS2), the introduction of a Product Lifecycle Management (PLM) system was evaluated to ensure timely access to product information. This strategic infrastructure will, in the future, support the adoption of the Digital Product Passport required by EU Regulation 2024/1781 on Ecodesign for Sustainable Products (ESPR), providing additional benefits during the product's use phase (LCS4). In the **logistics area** (LCS3), studies and planning were carried out for the adoption of a Transportation Management System (TMS), designed to improve supplier relationships, streamline internal processes and strengthen management control, with expected benefits in terms of operational efficiency and environmental impact.

On the social front, digitalisation enables more timely monitoring of dynamic indicators, strengthening the organisation's ability to anticipate potential issues – such as turnover, engagement levels or uneven distribution of skills – and to promptly activate corrective actions. In 2024, in the **organisational area**, the company completed the implementation of a centralised Human Resources Information System (HRIS) for consolidating people-related data on a global scale. This has significantly improved the monitoring of internal social impacts, greater consistency in HR processes, and increased the reliability of data overall.

Lastly, strengthening ESG performance, supported by these tools, improves transparency with stakeholders and increases corporate credibility. Each initiative is assessed from the design phase onwards based on specific indicators linked to the ESG objectives it aims to support. Progress is then monitored using corporate reporting tools and communicated to stakeholders via official channels or, where appropriate, through direct updates.

Cutting system

The Cutting Room at the Sovico Headquarters uses a technique that is unique on the market. It was designed in-house, co-developed thanks to valuable partnerships and perfected in ten years of research and development. The process begins with quality control of incoming goods. Thanks to an innovative system of analysis and control, fabric defects are pinpointed and managed without resulting in the rejection of the entire piece, as would occur in a traditional system. In this way, the cutting matric is designed to avoid defects or make them insignificant, thus drastically reducing the amount of rejected goods.

Particular attention is paid to the qualitative study of checked and striped fabrics, where any imprecision in the pattern can cause visible defects in the finished product. The system is designed to anticipate and manage such errors, avoiding manufacturing defects that would make the product unsuitable for sale and providing suppliers with tools to improve the quality of their fabrics, thus reinforcing the mutual collaboration relationship. In terms of outgain waste, the cutting technique optimises utilisation of the useful surface of the fabric, reducing the volume of remnants. The system makes it possible to use almost 80% of plain fabric and 60% of striped or checked fabric, minimising waste.

Finally, this process management system allows only the fabric to be cut, thus reducing the need for consumables like paper and cellophane which are necessary with traditional multi-layer cutting. This also avoids the generation of mixed non-separable and/or non-recyclable waste, further increasing the efficiency and sustainability of the process.

By optimising fabric cutting and minimising production waste, the model has led to a substantial improvement in terms of quality, efficiency and impact, achieving important sustainability milestones for Canali production. The unique, state-of-the-art nature of the Canali Cutting Room makes it a destination for educational guided tours, aimed at both internal personnel and external stakeholders such as customers, students, institutions and the media.

IMPLEMENTATION RESULTS

Maximisation of marker efficiency thanks to average use of **70%** of the fabric surface.

Avoided on average the wasting of **940 metres** of defective fabric.

3% reduction in kilogrammes of fabric scrap.

Recovery of more than **1,100 km** of paper and cellophane used during the cutting process.

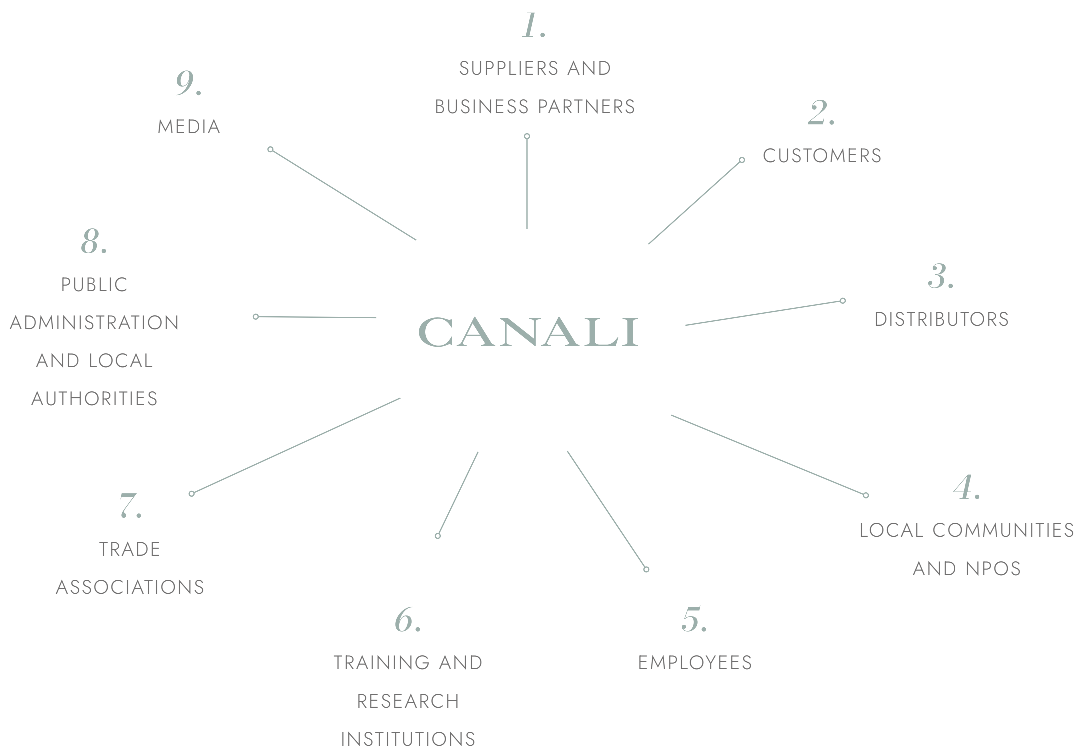
2.3 OUR STAKEHOLDERS

In accordance with the GRI Standards and the main industry frameworks, **Stakeholders** are defined as all those entities or individuals who may be influenced by the organisation's activities, products and services or whose actions can reasonably affect the organisation's ability to successfully implement its strategies and achieve its objectives.

In 2023, Canali performed a context analysis of the main peers and competitors in the sector. This was the starting point from which to proceed with identification of its Stakeholders. In this way, it was possible to map the entities and individuals that can influence or be influenced by the organisation, whether directly or indirectly. In 2024, the reference conditions remained unchanged, and the previous analysis was deemed adequate to reflect the company's stakeholder landscape as no significant changes had occurred in the operational or strategic context.

Engagement with Stakeholders, both internal and external to the Company, and identification of their expectations is a critical success factor, especially regarding the definition of the Group's development strategies.

Alongside the overall objective of dialogue aimed at identifying, measuring and mitigating ESG impacts, the following table lists the specific engagement objectives and the main dedicated communication channels, through which the Group interacts with its Stakeholders.



STAKEHOLDER	ENGAGEMENT OBJECTIVE	METHOD OF DIALOGUE AND ENGAGEMENT
1. SUPPLIERS AND BUSINESS PARTNERS	• Build lasting relationships based on trust, transparency and cooperation. • Ensure compliance with ESG-related rights and regulations throughout the value chain.	• Ongoing relationships managed by company representatives entrusted with supplier relations. • Mutual exchange of data and information on ESG impacts through technical documentation and questionnaires.
2. CUSTOMERS	• Increase *brand awareness* of Canali's ESG performance, commitments and activities. • Enable customers to make informed, responsible purchases. • Highlight the importance of durability and life cycle, Made in Italy and a short, integrated supply chain in reducing the ESG impact of the sector.	• Sustainability communications dedicated to customers through official channels (website, press office) and specific channels (newsletters, customer satisfaction questionnaires). • REpair & REstore: garment care, repair and restoration services; sharing of good practices for day-to-day maintenance.
3. DISTRIBUTORS	• Build lasting relationships based on trust, transparency and cooperation. • Ensure consistency with corporate identity and strategies during distribution.	• Sharing of information, materials and data on products and on sales performance. • Cooperation with mutual materiality assessment. • Specific training for sales personnel.
4. LOCAL COMMUNITIES AND NPOS	• Return value to the community.	• Direct support – economic, organisational, communications – to the Fondazione Canali Onlus and indirect support to the recipients of its services. • Welfare services to individuals and to the families of Canali employees.
5. EMPLOYEES	• Increase internal culture and awareness of sustainability issues. • Improve the work experience. • Attract and retain resources more in line with corporate values and objectives • Recognition and reward for contributions to business well-being.	• Questionnaires aimed at internal materiality assessment. • Company intranet to share, for example, projects, events, invitations, news and training pills. • CRM App aimed at retail colleagues. • Annual feedback talks. • Technical and general training through face-to-face courses and e-learning platform. • Regular in-house and external events to share main results, macro-strategies and projects.
6. TRAINING AND RESEARCH INSTITUTIONS	• Maintain, convey and develop the manufacturing tradition in the area. • Encourage dialogue and growth of specialist know-how of the industry.	• Opening of premises for guided tours of production areas and offices. • Collaboration with universities and schools of specialised higher education for educational purposes and entry into the world of work.

STAKEHOLDER	ENGAGEMENT OBJECTIVE	METHOD OF DIALOGUE AND ENGAGEMENT
7. TRADE ASSOCIATIONS	• Constant updating on market dynamics and on the international situation in the industry. • Analysis and improvement of ESG performances of the Company and the industry.	• Active involvement and collaboration in activities and projects reserved for members. • Discussion and sharing of experiences and strategic thoughts and considerations. • Participation and collaboration in activities dedicated to members.
8. PUBLIC ADMINISTRATION AND LOCAL AUTHORITIES	• Management of ordinary activities: e.g. events organisation, coordination of logistics, health and safety, establishment of conventions, and relations with INPS and INAIL. • Management of extraordinary business: e.g. arrangement of loans and concessions of use.	• Ongoing relationships handled by company representatives delegated to take care of relations with these authorities. • Formal correspondence via dedicated e-mail accounts, institutional website, press conferences, official documents.
9. MEDIA	• Raise *brand awareness* in relation to Canal's ESG performance, commitments and activities. • Improve culture and awareness on sustainability topics relevant to the industry.	• PR activities with a specific focus on sustainability: drafting of press releases and release of specific interviews, both to trade general publications. • Participation in working groups, events and con-ferences.

2.4 MATERIALITY ASSESSMENT

In 2023, the Group performed a materiality assessment in accordance with the guidelines laid down by GRI Standards (latest version updated in 2021) to identify the most relevant sustainability topics for Canali. These material topics are the result of a grouping together of the organisation's most significant impacts on the economy, the environment and people, including impacts on human rights. They have also been confirmed as material topics for 2024.

The preliminary step was to carry out a benchmarking analysis to identify the most important categories of Stakeholder for Canali. The benchmarking analysis, enriched by analysis of industry trends, also made it possible to identify the most significant environmental, social and economic impacts generated by the luxury and clothing sector. Grouping them together made it possible to determine the sustainability topics potentially relevant to the Group and their impacts.

The definition of material topics for the company is the result of a structured process that began with the integration of data from sector benchmarking and the prioritisation of ESG impacts along the product life cycle.

In particular, the Life Cycle Assessment (LCA), conducted according to the Organisation Environmental Footprint (OEF) methodology, served as a key tool for prioritising environmental impacts across 16 indicators related to climate change, human health, ecosystems, and water and natural resource use.

This study provided the foundation for a systemic reconstruction of business processes, which also enabled the assessment of social and governance impacts associated with each stage of the product life cycle (Life Cycle Stage). The activity was carried out by the company's ESG function through interviews with process owners, culminating in a dedicated workshop with the involvement of Top Management. During this session, sustainability topics were discussed and prioritised based on their strategic relevance and observed operational impacts.

In parallel, the Group considered the growing importance of certain topics emerging from the evolving European and international regulatory landscape, which require design and operational adjustments. To effectively respond to these developments, topics for 2024 were prioritised through a well-informed evaluation, supported by industry research, information sharing among supply chain actors, and coordination with trade associations and regulatory bodies. This analysis essentially confirmed the previously identified topics, while reinforcing their relevance considering new compliance requirements.

The qualitative information and quantitative data relating to the material topics form the content basis of this sustainability report. The Group must commit to these topics to ensure that its business activities are carried out in an increasingly sustainable manner[10].

Environment
- Climate change, air pollution and energy consumption
- Product life cycle management

Social
- Well-being and development of human resources
- Diversity, equity and inclusion
- Occupational health and safety
- Supply chain management
- Customer satisfaction and loyalty

Governance
- Business ethics and integrity
- Made in Italy craftsmanship and quality
- Innovation in business processes

[10] See Chapter *6.1 Link between material topics, impacts generated and action plan* for further details.

3. Environmental responsibility

Recognising the urgent need to address the environmental emergency, CAre reflects the Group's commitment to ensuring the environmental sustainability of its business. Canali is dedicated to making its entire production process responsible, with the aim of minimising the environmental impact of its products during their lifecycle. This objective is pursued through an approach that orients all stages of production towards excellence, innovation and sustainability and by carrying out production in Italy.

Canali deals with environmental issues in a scientific and rigorous manner so that its statements are reliable, comparable, transparent and far from any possible form of greenwashing. In this sense, the measures adopted to reduce impacts in the lifecycle and in the supply-chain are based on careful measurement of the carbon emissions of the organisation as a whole and of its garments.

3.1 CLIMATE CHANGE, AIR POLLUTION AND ENERGY CONSUMPTION

The starting point of CAre's path towards a sustainable business model is the measurement of the environmental footprint. It is essential to become aware of the consequences of your actions in order to be able to take concrete measures.

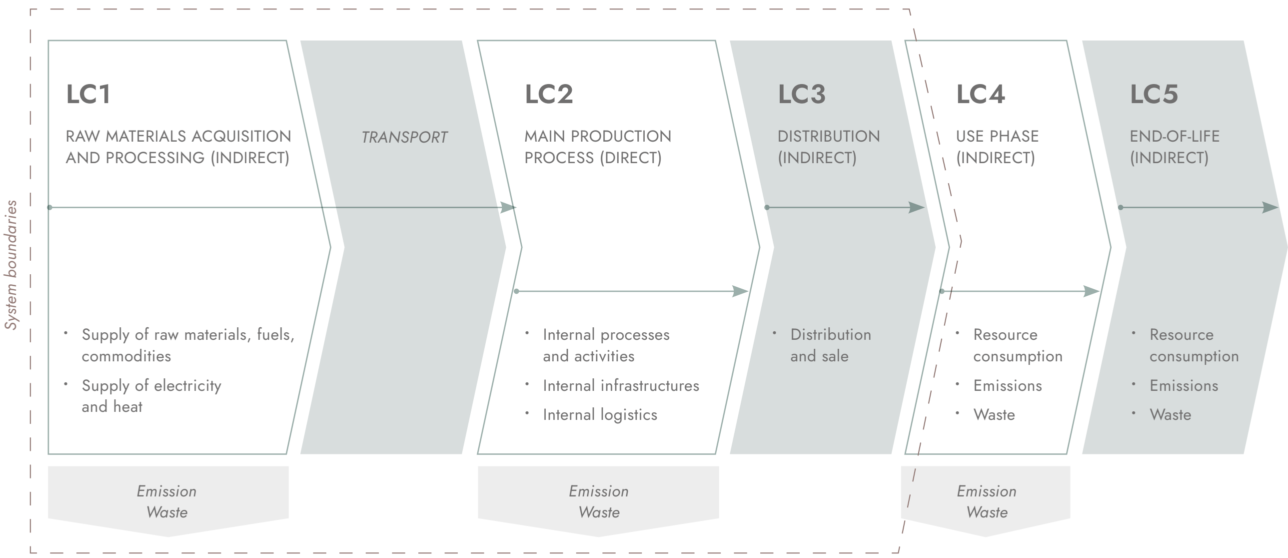
Climate change is one of the most pressing global environmental challenges. In this context, measuring the greenhouse gas emissions generated by production activities is key to understanding their impact and guiding mitigation strategies. The carbon footprint, expressed in tonnes of CO_2 equivalent, quantifies emissions associated with the use of raw materials, energy and processes throughout an organisation's life cycle.
In 2024, Canali calculated its organisational Carbon Footprint with the aim of monitoring its overall environmental impact and maintaining consistency in its analysis and reporting strategy.

ORGANISATION CARBON FOOTPRINT

This study presents the calculation of the climate change indicator in accordance with UNI EN ISO 14064-1:2019. Specifically, the results are categorised in line with the standard and mapped to the GHG Protocol categories. This is consistent with the classification set out by the GRI Standards, which is the reporting framework adopted for this year's Sustainability Report.

This study was carried out through successive phases of data collection, analysis and calculation, following **a life cycle approach (LCA)** and including all direct and indirect emissions associated with the company's activities.
The system's boundaries include all direct (*core processes*) and upstream indirect activities. These

LCA SYSTEM BOUNDARIES OF CANALI[11]



[11] LC=Life Cycle stage.

cover the production and transport of incoming material and energy flows, as well as the transport of finished products to customers during the reference year. All emissions and waste generated within these boundaries are included.
Use-phase and end-of-life scenarios have not been considered as these rely on assumptions that are not supported by sufficiently robust experimental data. Therefore, the study is defined as *cradle-to-customer gate*, limited to the products' distribution phase.

An **inventory analysis** was carried out for all material and energy flows entering and leaving the analysed site, as well as for emissions to air, water and soil, using—where available—primary data specific to the facility. In particular, data was collected on fibre sourcing, with attention to provenance, combing processes, and the production of finished fabric.
Non-elementary flows were modelled for conversion into elementary flows. For background processes for which primary data was unavailable, updated generic data from official databases (Ecoinvent v. 3.11, EF 3.1 database) representative of the Italian and Central European context were used.
Purchased electricity was modelled according to the two approaches defined by UNI EN ISO 14064-1:2019:

- *location-based*, using the Italian national average electricity mix for the reference year;
- *market-based*, using the Italian residual grid mix for the reference year, in cases where electricity was not covered by guarantees of origin[12].

Modelling was performed using SimaPro 10.2 software, applying the Environmental Footprint 3.1 (adapted) calculation method. The method includes normalisation and weighting factors published in 2022. For the Climate Change indicator, the characterisation factors from the 2021 IPCC (Intergovernmental Panel on Climate Change) method were adopted.

Further analysis of Canali OEF[13]

THE CANALI ENVIRONMENTAL FOOTPRINT

To gain a structured understanding of the environmental impacts associated with its activities, Canali has adopted the Life Cycle Assessment (LCA) approach. In particular, the Organisation Environmental Footprint (OEF) and Product Environmental Footprint (PEF) methodologies—outlined in the European Commission Recommendation No. 2279/2021—were selected, considering not only the organisation but also the entire product life cycle.

Initially conducted for the 2019 activities, the OEF and PEF studies were updated in 2023 to provide an up-to-date overview in terms of modelling, broader Scope 3 coverage, and improved data quality. This update, completed in 2024, enabled the definition of new environmental objectives and the development of ESG strategies, while also establishing the baseline for the Sustainability Strategic Plan.

Canali's business impact was assessed across 15 life cycle stages, monitored using the 16 indicators defined by the European Recommendation. The results obtained for each impact category were interpreted, normalised and weighted to identify the most significant ones[14].

[12] European Residual Mixes - Results of the calculation of Residual Mixes for the calendar year 2024 - Version 1.0, 2025-05-30 (European Association of Issuing Bodies); GSE FUEL MIX Energy Mix Attachments Year 2024.
[13] For each part of the "Further analysis of Canali OEF 2023" see ICA Società di Ingegneria Chimica per l'Ambiente (2024), *Organisation Environmental Footprint (OEF) 2023, Relazione, Canali S.p.A.*
[14] The normalisation process involves dividing the environmental impact figures by "reference amount" or "normal effect" so that their relative magnitude in this study can be determined i.e. the

Although the data refers to 2023, the scope and level of detail provide robust, cross-referenced information for interpreting the 2024 results more accurately. The study therefore represents a long-term analytical and comparative tool that is useful for guiding mitigation strategies and future operational decisions. For instance, it remains valid that the most significant impact categories—highlighted in red in the matrix below **"Hotspot Analysis of Canali OEF study"**—largely correspond to the production of raw materials.

OEF CANALI 2023	UNITY	BUTTONS/ZIPS	PACKAGING	RAW MATERIALS	TRANSPORT IN	INTERNAL LOGISTICS	OUTSOURCED PRODUCTION	ELECTRICITY (EE)	THERMAL ENERGY (ET)	WATER CONSUMPTION	WASTE	OWNED MOTOR VEHICLE	DISTRIBUTION OF FINISHED PRODUCTS	STORES	EMPLOYEE COMMUTING	BUSINESS TRAVEL
ACIDIFICATION	mol H+ eq	0.18%	0.10%	94.71%	0.01%	0.09%	0.19%	1.76%	0.19%	0.01%	0.00%	0.05%	1.26%	0.82%	0.46%	0.16%
CLIMATE CHANGE	kg $CO_{2\,eq}$	0.10%	0.35%	76.93%	0.06%	0.43%	0.69%	6.49%	4.50%	0.02%	0.00%	0.20%	4.39%	3.31%	1.96%	0.58%
ECOTOX., FW	CTUe	0.22%	0.34%	95.86%	0.02%	0.16%	0.10%	0.93%	0.32%	0.00%	0.00%	0.11%	0.34%	0.62%	0.93%	0.05%
PARTICULATE MATTER	disease inc.	0.11%	0.09%	96.47%	0.03%	0.18%	0.12%	0.60%	0.12%	0.00%	0.00%	0.10%	0.35%	1.00%	0.77%	0.05%
EUTROPHICATION, MARINE	kg N eq	0.21%	0.15%	94.08%	0.02%	0.12%	0.16%	1.27%	0.29%	0.00%	0.00%	0.06%	2.14%	0.74%	0.50%	0.27%
EUTROPHICATION, FW	kg P eq	0.44%	0.69%	87.98%	0.02%	0.15%	0.55%	5.80%	0.21%	0.01%	0.00%	0.12%	0.29%	2.62%	1.05%	0.07%
EUTROPHICATION, TERRESTRIAL	mol N eq	0.12%	0.07%	96.35%	0.01%	0.07%	0.09%	0.77%	0.18%	0.00%	0.00%	0.04%	1.36%	0.45%	0.32%	0.17%
HUMAN TOXICITY, CANCER	CTUh	0.55%	0.93%	66.13%	0.27%	2.22%	0.76%	7.77%	4.03%	0.04%	0.00%	1.16%	3.16%	2.84%	9.66%	0.48%
HUMAN TOXICITY, NON-CANCER	CTUh	1.28%	0.53%	85.65%	0.05%	0.34%	0.28%	2.82%	0.51%	0.01%	0.00%	0.22%	4.20%	1.92%	1.63%	0.54%
IONISING RADIATION	kBq U-235 eq	0.15%	2.09%	61.97%	0.07%	0.54%	1.64%	16.10%	0.58%	0.07%	0.00%	0.26%	0.81%	13.51%	1.95%	0.26%
LAND USE	Pt	0.30%	0.63%	96.68%	0.03%	0.18%	0.05%	0.53%	0.07%	0.01%	0.00%	0.07%	0.31%	0.44%	0.65%	0.06%
OZONE DEPLETION	kg CFC11 eq	0.05%	1.02%	61.76%	0.11%	0.79%	0.95%	10.00%	10.83%	0.04%	0.00%	0.39%	6.22%	3.63%	3.39%	0.83%
PHOTOCHEMICAL OZONE FORMATION	kg NMVOC eq	0.15%	0.66%	67.76%	0.11%	0.77%	0.78%	7.13%	3.59%	0.02%	0.00%	0.36%	10.36%	3.64%	3.35%	1.33%
RESOURCE USE, FOSSILS	MJ	0.08%	0.86%	59.44%	0.10%	0.75%	1.17%	11.65%	8.73%	0.04%	0.00%	0.33%	7.27%	5.44%	3.18%	0.96%
RESOURCE USE, MINERALS AND METALS	kg Sb eq	6.40%	3.25%	71.72%	0.08%	0.75%	0.26%	3.25%	0.42%	0.05%	0.00%	0.90%	0.57%	4.74%	7.45%	0.16%
WATER USE	m^3 depriv.	0.03%	0.18%	95.30%	0.00%	0.02%	0.27%	1.18%	0.07%	2.37%	0.00%	0.01%	0.07%	0.36%	0.13%	0.02%

LEGEND

1% < x < 5% | 5% < x < 10% | 10% < x < 50% | 50% < x < 80% | > 80%

emissions of one person in the world in a year. Weighting then multiplies the normalised results by a range of factors that enables them to be compared and evaluated.

CLIMATE CHANGE

Further analysis of Canali OEF

***CLIMATE CHANGE* IMPACT CATEGORY**	The Climate Change impact[15] regards the ability of a greenhouse gas to influence changes in the average air temperature at ground level and subsequent changes in various climate parameters and their effects over a specific period of time (100 years). Canali's OEF analysis shows that the company's climate footprint is predominantly concentrated in the upstream phases of the value chain. The **material** sourcing stage, particularly the procurement of fabrics, represents by far the most significant component (77% of the total footprint). This is followed by **in-house production activities** (11%) and **logistics-related operations** (5%), which have a considerably lower environmental impact. Lastly, **packaging** generates a negligible environmental impact compared to the other contributions (<1%).

Canali recognises that the fashion, luxury and lifestyle sector in which it operates contributes significantly to climate change. As the headquarters and production are located in Italy, it is important to consider that, within the European Union, consumption of textile products is the fourth largest pressure factor on the environment and climate change, after housing, food and mobility, in accordance with a global lifecycle perspective and in terms of measurable pressure factors[16].

The Group's awareness is reflected in the inclusion of environmental and ecosystem production in the Code of Ethics, as a pillar of both its daily operations and its strategic guidelines. Business decisions and work activities must respect the principles of balance between economic initiatives and environmental needs, in full compliance with current legislation on environmental and ecosystem protection.

Canali's environmental impact reduction strategies are rooted in its long-term entrepreneurial vision. The use of high-quality materials and the bespoke construction of garments — hallmarks of the brand — have always enhanced product durability and, consequently, the sustainability of its offerings. Over time, these elements have been complemented with the use of renewable energy in production processes, the adoption of more energy-efficient practices and a commitment to encouraging more responsible consumption. Following the OEF and PEF studies, the company's climate strategy reached full maturity, and, in 2024, it was defined as a Sustainability Plan structured around two complementary pillars[17]:

- reducing the environmental impacts of products through targeted initiatives at each stage of the life cycle. This approach, starting with the most impactful product categories, will be progressively extended to the entire offering;
- setting ambitious targets for reducing greenhouse gas emissions through a Group-level transition plan. This step aims to align Canali CAre with international best practices, ensuring that actions taken are consistent with global sustainability standards and the principles of the Paris Agreement—namely, limiting global warming to well below 2°C and pursuing efforts to cap it at 1.5°C, to prevent the most severe consequences of climate change.

[15] Full wording: Climate Change - GWP (100), Global Warming Potential. This impact is generally associated with combustion processes.
[16] According to some estimates by the European Environment Agency (EEA)in one year, the average consumption of textile products per person in the EU requires 400 square metres of land, 9m3 of water, 391 kg of raw materials and causes a carbon footprint of around 270 kg. See. Topics | European Parliament (Date of publication: 29-12-2020. Latest update: 27-03-2024), The impact of textile production and waste on the environment, https://www.europarl.europa.eu/topics/en/article/20201208STO93327/the-impact-of-textile-production-and-waste-on-the-environment-infographics (last consultation: July 2025).

ENERGY

Further analysis of Canali OEF

***RESOURCE USE, FOSSIL* IMPACT CATEGORY**	The *Resource use, Fossil* indicator quantifies the demand for energy throughout the life cycle of Canali products. In line with the findings for the climate change indicator, the highest consumption of fossil-based energy occurs during the procurement of raw materials, followed by in-house production activities and transportation. The most significant contributions are generally distributed as follows in percentage terms: · **Production of raw materials:** about 60% of total Canali footprint · **Internal production:** about 20-25% · **Logistics and transport:** about 10-15% The actual distribution may vary from year to year, depending on production choices, changes in the energy mix, and the composition of the product portfolio.

Canali's 2024 carbon footprint confirms the significant contribution of internal production, especially in relation to energy consumption. Accordingly, and in line with the previous year, the mitigation approach remains two-pronged:

- self-generation of electricity from renewable sources;
- optimisation of energy consumption during internal production with measures to increase efficiency in the use of natural gas.

In 2024, the environmental impact associated with electricity drawn from the grid decreased by approximately 6%, in line with a **reduction in consumption** (from 4,810,115 kWh to 4,515,780 kWh). This outcome is partly attributable to the increased share of self-generated electricity from **photovoltaic systems**, which rose from 141,453 kWh to 756,222 kWh thanks to the full activation of the plants installed at the G site, Pantalonificio delle Marche, and the Sovico headquarters. This increase — which fully confirmed the estimates outlined in the 2023 analysis — also contributed to the reduction of impacts associated with category 2. Moreover, a total of 109,566 kWh of electricity was sold in 2024.

The possibility of adopting further measures to reduce the environmental impact of electricity consumption by procuring certified renewable energy sources is under evaluation.

The results achieved in 2024 also benefited from energy efficiency measures implemented in previous years, including replacing inefficient machinery and installing LED lighting systems in all production facilities. Additionally, the installation of **new metering devices** at the Lombardy sites, which are connected to a centralised Energy Management System (EMS), marked the beginning of a systematic monitoring process to identify inefficiencies and plan future improvement actions.

[17] For further details, see Chapter *2.1 Canali CAre, Commitments and Actions.*

GRI 302-1 ENERGY CONSUMPTION WITHIN THE ORGANISATION[18]

FUEL CONSUMPTION	Unit of measurement	2023		2024	
		TOTAL	TOTAL GJ	TOTAL	TOTAL GJ
Natural gas	Sm^3	820,134	29,079.49	815,359	29,013.73
Diesel (for vehicles owned by the Company or held under long-term leases/rentals)	l	17,462	625.12	68,385	2,448.12
Petrol/gas (for vehicles owned by the Company or held under long-term leases/rentals)	l	1,950	63.92	N.D.	N.D.
TOTAL	**GJ**	**29,768.53**		**31,461.85**	

ELECTRICITY CONSUMPTION	Unit of measurement	2023		2024	
		TOTAL	TOTAL GJ	TOTAL	TOTAL GJ
Electricity purchased	kWh	4,810,115.00	17,316.41	4,515,780	16,256.81
Of which from renewable sources	kWh	-	-	-	-
Self-generated electricity	kWh	141,453	509.23	756,222	2,722.40
Of which from renewable sources (photovoltaic)	kWh	141,453	509.23	756,222	2,722.40
Electricity sold	kWh			109,566	394.44
Of which from renewable sources	kWh			109,566	394.44
TOTAL	**GJ**	**17,825.64**		**18,584.77**	
TOTAL ENERGY CONSUMED WITHIN THE ORGANISATION	**GJ**	**47,594.17**		**50,046.62**	

[18] The following conversion factors were used to calculate energy consumption in GJ. (i) For electricity, the UNFCCC standard national parameters (0.0036) were used. (ii) For diesel fuel, PCI from national standard parameter tables were used; and density 0.835 kg/l. (iii) For unleaded petrol/gas for transport (experimental data), national standard parameters (0.0328) were used: PCI 43.128 GJ/t; average petrol density 0.76 kg/l. It should be noted that the data reported refer only to Canali S.p.A. In addition to company-owned vehicles, the fuel consumption data for 2024 includes rental cars used during the reporting period. This expanded scope means that the figure is not directly comparable with that for 2023. In the absence of precise data on the litres of fuel used, the estimate was based on the actual kilometres driven, with total consumption attributed to diesel fuel according to a conservative approach aimed at avoiding underestimating the environmental impact in terms of emissions.

Energy intensity is an indicator that defines energy consumption in the context of an organisation-specific metric. This ratio expresses a normalised environmental impact figure and indicates the energy required for an organisation-specific parameter which, in the case of Canali, is the number of garments produced internally in the year in question.

GRI 302-3 ENERGY INTENSITY

ENERGY INTENSITY	Unit of measurement	2023	2024
Energy consumed	GJ	47.594,17	50,046.62
Energy intensity	**GJ/ no. of garments produced**	**0.18**	**0.18**

EMISSIONS AND AIR POLLUTION

The Canali Group is committed to controlling and reducing emissions and the commitment takes the form of careful monitoring of direct and indirect emissions. The commitment in this sense also stems from the desire to satisfy growing stakeholder expectations and to ensure their well-being.

In line with its commitment to the environment, since 2022, the Group has decided to calculate direct greenhouse gas emissions (Scope 1; Category 1, according to ISO 14064 standard), indirect greenhouse gas emissions from energy consumption (Scope 2; (Category 2, according to ISO 14064 standard)) and indirect emissions from the value chain (Scope 3; Category 3 and 4, according to ISO 14064 standard)) based on the methodology established by the GHG Protocol (Greenhouse Gas Protocol), an international standard for the calculation and management of organisations' greenhouse gas (GHG) emissions developed in collaboration by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The GHG Protocol provides a standardised framework for companies and organisations around the world to measure and manage their GHG emissions, facilitating transparent reporting.

Scope 1 emissions are direct greenhouse gas (GHG) emissions from sources that are owned or controlled by the organisation (e.g. emissions resulting from the combustion of fuel in company machinery and vehicles or emissions of refrigerant gases from cooling and air conditioning equipment).
Scope 2 emissions are the indirect greenhouse gas emissions associated with the generation of electricity, steam, heat or cooling purchased and

consumed by the organisation.
Scope 3 emissions are all other direct greenhouse gas emissions that occur in the organisation's value chain, both upstream and downstream. These include, for example, emissions from the production of purchased goods or services, business travel, transport and distribution, the use and disposal of products sold. And other activities not directly controlled by the organisation but related to its operations.

GRI 305-1 DIRECT GHG EMISSIONS[19]

SCOPE 1 (CATEGORY 1, ISO 14064) COMBUSTION	Unit of measurement	2023	2024
Natural gas	tCO_2 eq	1,646.74	1,646.74
Diesel (for vehicles owned by the company or held under long-term leases/rentals)	tCO_2 eq	42.64	166.97
Petrol/Gas (for vehicles owned by the company or held under long-term leases/rentals)	tCO_2 eq	4.70	n.a.
TOTAL	**tCO_2 eq**	**1,694.08**	**1,816.36**

[19] The following emission factors were used to calculate Scope 1 emissions. (i) For natural gas, the factor per national standard parameters was used with the emission factor per ISPRA for emissions of CO_2 eq, CH4 and N2O (2.02). (ii) For diesel, the factor per national standard parameters (2.44): density 0.76 kg/l and ISPRA data on the circulating vehicle fleet 2022 was used. (iii) For petrol, the factor per national standard parameters was used and the emission factor per DEPRA 2023 – UK Government GHG Conversion Factors for Company Reporting – for CH4 and N2O (2.41): density 0.76 kg/l.

GRI 305-2 INDIRECT GHG EMISSIONS FROM ENERGY CONSUMPTION[20]

SCOPE 2 (CATEGORY 2, ISO 14064) INDIRECT EMISSIONS	Unit of measure-ment	2023		2024	
		Location Based	Market Based	Location Based	Market Based
Electricity purchased	tCO_2 eq	1,359.93	2,487.81	910.74	2,069.63
TOTAL	**tCO_2 eq**	**1,359.93**	**2,487.81**	**910.74**	**2,069.63**

[20] Both calculation methods i.e. Market Based and Location Based were used to calculate Scope 2 emissions, in line with the GRI Sustainability Reporting Standards. The MB method is based on the CO2 emissions of the electricity suppliers from which the organisation purchases electricity under a contract and can be calculated considering: certificate of origin guarantees and direct contracts with the suppliers, supplier-specific emission factors, emission factor relating to the "residual mix". Given the lack of specific contractual agreements between the Group companies and the electricity supplier (e.g. purchase of guarantees of origin), the emission factor relating to the national "residual mix" (Source AIB European Residual Mix, GSE 2024) was used for this approach.

GRI 305-3 OTHER INDIRECT GHG EMISSIONS

SCOPE 3 INDIRECT EMISSIONS (tCO_2 eq)	ISO 14064 Categories	2023		2024	
		Location Based	Market Based	Location Based	Market Based
1. Purchased goods and services	Category 4	40,299,13	40,299,13	34,335.26	34,335.26
2. Capital goods	Category 4	0	0	n.a.	n.a.
3. Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Category 4	1,203.25	1,361.31	1,221.21	1,215.27
4. Upstream transportation and distribution	Category 3	243.14	243.14	291.71	291.71
5. Waste generated in operations	Category 4	0.43	0.43	0.38	0.38
6. Business travel	Category 3	285.18	285.18	571.13	571.13
7. Employee commuting	Category 3	968.75	968.75	1,746.65	1,746.65
8. Upstream leased assets Other upstream	Category 4	n.a.	n.a.	n.a.	n.a.
9. Downstream transportation and distribution	Category 3	2,172.09	2,172.09	2,104.47	2,104.47
10. Processing of sold products	Category 5	n.a.	n.a.	n.a.	n.a.
11. Use of sold products	Category 5	n.a.	n.a.	n.a.	n.a.
12. End-of-life treatment of sold products	Category 5	n.a.	n.a.	n.a.	n.a.
13. Downstream leased assets	Category 5	n.a.	n.a.	n.a.	n.a.
14. Franchises	Category 5	n.a.	n.a.	n.a.	n.a.
15. Investments	Category 5	n.a.	n.a.	n.a.	n.a.
TOTALE (tCO_2 eq)		**45,171.97**	**45,330.03**	**40,270.81**	**40,264.87**

GRI 305-1 DIRECT GHG EMISSIONS (SCOPE 1, CATEGORY 1)
GRI 305-2 INDIRECT GHG EMISSIONS FROM ENERGY CONSUMPTION (SCOPE 2, CATEGORY 2)
GRI 305-3 OTHER INDIRECT GHG EMISSIONS (SCOPE 3, CATEGORY 3 AND 4)

GHG EMISSIONS	Unit of measurement	2023		2024	
		Location Based	Market Based	Location Based	Market Based
Scope 1	tCO_2 eq	1,694.08	1,694.08	1,816.36	1,816.36
Scope 2	tCO_2 eq	1,359.93	2,487.81	910.74	2,069.63
Scope 3	tCO_2 eq	45,171.97	45,330.03	40,270.81	40,264.87
TOTAL	**tCO_2 eq**	**48,225.98**	**49,511.92**	**42,997.91**	**44,150.86**

As with energy intensity, the emissions intensity ratio defines the size of greenhouse gas emissions in the context of the specific metric chosen by the organisation which, in the specific case of Canali, is the number of garments produced internally in the year in question.

GRI 305-4 GHG EMISSIONS INTENSITY

EMISSIONS INTENSITY	Unit of measurement	2023		2024	
		Location Based	Market Based	Location Based	Market Based
Emissions (Scope 1 + Scope 2)	tCO_2 eq	3,054.01	4,181.89	2,727.10	3,885.99
GHG emissions intensity (Scope 1 + Scope 2)	**tCO_2 eq / no. of garments produced**	**0.01**	**0.02**	**0.01**	**0.01**

Additional significant emissions (i.e. air emissions regulated by international conventions and/or national standards or regulations) are shown in the table below:

GRI 305-7: NITROGEN OXIDES (NO_x), SULPHUR OXIDES (SO_x) AND OTHER SIGNIFICANT AIR EMISSIONS[21]

AIR EMISSIONS	Unit of measurement	2023	2024
NO_x	t	0.25	0.25
SO_x	t	0.01	0.01
Volatile organic compounds (VOC)	t	0.07	0.07
TOTAL	**t**	**0.33**	**0.33**

[21] Calculation based on ISPRA 2023 emission factors for stationary combustion plants and on the basis of fuel consumption.

Further analysis of Canali OEF

PARTICULATE MATTER IMPACT CATEGORY

The *Particulate Matter* impact measures the negative effects on human health caused by emissions of fine particles and the gases that contribute to their formation, such as nitrogen oxides (NO_x), ammonia (NH_3) and sulphur oxides (SO_x).

Sources of atmospheric particulate matter typically relate to combustion processes and the most significant percentage for Canali's environmental impact is associated with incoming Raw Materials, especially wool and cotton fabrics which account for over 90% of the total footprint (unit of measurement: Disease incidences).

The data collected in 2024 confirms that **Scope 3 emissions** remain the predominant component of Canali's overall carbon footprint, as observed across the fashion and clothing industry. Once again, incoming fabrics account for the largest share, at around 90% of the total impact. This highlights the important role of the supply chain and product life cycle in mitigation efforts.

Canali recognises that only through a collective commitment will it be possible to contribute effectively to climate change mitigation. For this reason, it is committed to making primary data more representative through the involvement of its key suppliers, with the aim of enhancing the traceability of the supply chain and choosing the most sustainable products. In this way, as confirmed by calculations based on the average data of the RCP Wool Made Green in Italy (Benchmark), a reduction of up to 20% in the *Climate Change* of incoming fabrics is estimated[22].

Direct emissions (Scope 1) increased by 7%

[22] Estimates derived from critical analysis of Canali OEF 2023, if 100% of suppliers are involved.

compared to 2023. This variation is mainly due to emissions generated by company vehicles for mixed business and personal use being included in the 2024 reporting, whereas they had previously been excluded.

Emissions from this source increased from 42 tCO_2eq to 166 tCO_2eq. As for natural **gas combustion**, consumption remained stable (820,134 Sm^3 in 2023 vs. 815,359 Sm^3 in 2024) with a slight increase in related emissions (from 1,646 tCO_2eq to 1,649 tCO_2eq, +1%), driven not by volume changes but by an update to the national emission factor, which rose from 2.004 to 2.019 $kgCO_2/Sm^3$.

BIODIVERSITY

Further analysis of Canali OEF

BIODIVERSITY IMPACT CATEGORIES

The OEF method includes at least eight impact categories that influence biodiversity and allow for an adequate representation of the related impacts: climate change, eutrophication of fresh and marine waters, terrestrial eutrophication, acidification, water and land use and ecotoxicity for fresh water.
In this case, too, the most impactful phase regards the production of **Raw Materials,** as shown by the following indicators:

- ***WATER USE:*** as the impact depends on local water scarcity, it is strongly determined by where the consumption occurs; in the case of Canali, it is mainly associated with the growing of cotton and the production of raw wool.
- ***ACIDIFICATION:*** mainly concerns emissions that cause acidification of soil and water, largely due to combustion processes and to ammonia emissions during livestock farming.
- ***EUTROPHICATION:*** stems from the deterioration of organic material and the consumption of oxygen, caused by nutrients deriving from sewage discharges and agricultural fertilisation. The production of fabrics and livestock farming are the phases with the greatest impact in this area.

In contrast, the impact indicators for consumption related to **Internal Production** and **Services for Third Parties** are generally less than 2%.

In relation to the great attention paid to its Made in Italy, the Group adopts an informed, proactive approach to biodiversity, given the positioning of its operating and production sites in areas of significant ecological value.

The mapping carried out has provided a detailed picture of the company's production sites. Apart from the Sovico headquarters and the Valle del Lambro Regional Park, no **production site** is located inside a protected area with high biodiversity, as defined by Regional Law no 82 of 16 September 198. However, given the proximity of several facilities to areas of significant natural value, for the sake of transparency, a summary of the main sites identified in relation to biodiversity is provided below.

- In **Lombardy** Region, the Canali headquarters and distribution centre in Sovico and the Canali Factory Store in Triuggio are situated in residential areas and both are located around 2 km from the protected natural area of the Valle del Lambro Regional Park. The park covers 8,107 hectares, in 36 municipalities in the provinces of Como, Lecco and Monza and Brianza, and extends for about 25 kilometres along the river Lambro, offering a great variety of ecosystems, architectural assets and landscapes of cultural importance, including the Park of Monza and the gardens of the Royal Villa of Monza.
- In the **Marche** Region, the Canali factories in S. Maria Nuova and Filottrano, where jackets, overcoats and waistcoats are produced, are situated 10 and 20 km from the Ripa Bianca di Jesi Regional Nature Reserve. The reserve was created from the redevelopment of a former landfill site and gravel quarry and is now one

of the most important wetlands in the Marche region, home to some 150 species of birds thanks to the river Esino which runs through it.

- In **Abruzzo** Region, the Canali factory in Gissi, where jackets are produced, is situated in a sparsely populated residential area. Several important regional nature reserves can be found within 40 km of the site, including the Abetina di Selva Grande Natural Oasis, the Lago di Serranella Controlled Regional Nature Reserve, the Bosco di Don Venanzio Regional Nature Reserve and the Marina di Vasto Controlled Regional Nature Reserve.

To complete the analysis, a macro-level overview is provided focusing on the main cities where the company directly manages boutiques, company stores, and offices, which are considered strategic nodes of its global commercial and operational presence[23].

- **London and Paris** – locations of two boutiques – are historical and highly urbanised centres, where natural areas are limited, and biodiversity is mainly confined to urban parks and small green spaces. Although biodiversity tends to be more significant in the surrounding peri-urban and rural areas, the risk of biodiversity loss within the cities themselves is low due to limited direct connection to large, protected areas integrated into the urban fabric.

- The **Asian landscape** is far more diverse, encompassing the company's locations in Hong Kong, Macau, Shanghai, Beijing, as well as a broader retail network spanning various Chinese cities. These range from highly urbanised and industrialised areas, such as Shanghai and Beijing, to regions with significant natural reserves and high biodiversity, such as Chengdu and Nanning. Urban areas, which are subject to intense anthropogenic pressure, generally present a medium-to-low risk, while neighbouring or regional zones, which are often home to unique habitats and endemic species, are characterised by higher risks and more intense environmental pressures. Some cities, such as Hong Kong, benefit from extensive protected areas integrated into the urban territory.

- Cities in the **United States and Canada**, including Las Vegas, Dallas, Beverly Hills, New York and Toronto, display varied risk profiles largely shaped by their surroundings. Las Vegas, for example, is located within a fragile desert ecosystem and faces high risk due to water stress and limited natural resources. In contrast, highly

[23] Analysis of urban and peri-urban areas was carried out using data available on the "Explore Protected Areas and OECMs" portal (IUCN & UNEP-WCMC, 2023), which allows for the assessment of the environmental context and biodiversity risk levels in the listed territories.

urbanised metropolises such as New York and Toronto are surrounded by substantial green spaces and lacustrine habitats, which help to mitigate risks to urban and regional biodiversity. Overall, anthropogenic pressures remain high, though these are often counterbalanced by established environmental protection and management programmes.

3.2 PRODUCT LIFE CYCLE MANAGEMENT

The Group has chosen to conduct product life cycle assessments using the Product Environmental Footprint (PEF), focusing on the environmental performance of a cluster of representative products. The Canali PEF analyses two emblematic models, as selected for their importance in terms of production volumes and their symbolic value to the Canali collection: a pure wool men's jacket and suit, lined and including packaging, in relation to one day's use and one year's use of the garments[24]. The cradle-to-grave analysis considered all activities carried out directly by Canali, as well as all activities carried out upstream in the production of the garments, including processes related to the supply chain. An inventory analysis of all incoming and outgoing material and energy flows was performed, as well as analysis of all air, water and soil emissions for each facility assessed.

The analysis performed in 2019 assessed the excellence of the management and traceability of each phase of the production process, as confirmed and validated by a third party, highlighting their role in the creation of durable products. The 2023 study benefited from an important methodological update thanks to the introduction of the EF 3.1 dataset which provides much more comprehensive coverage than previous versions for the modelling of impacts related to fabric production. This improvement enabled a more precise calculation in 2023, as well as an update of the previous study, because the dataset includes in the assessments a wide range of textile production processes, for both yarns (such as cashmere, modal, lyocell, wool) and processes (such as spinning, weaving and dying, according to average European processes)[25].

The PEF study is intended to provide valuable support in identifying opportunities for improvement of the environmental performance of products at different stages of their life cycle. It provides essential information for strategic planning, facilitating decisions based on objective priorities regarding the choice of environmental performance indicators and related measurement techniques, product design and the development of marketing strategies. Furthermore, also considering stages downstream of the organisation itself e.g. the use and end-of-life of garments, the PEF study is essential for measuring the circularity of processes. In Canali's case, it has helped highlight the reduction of impacts along the entire production chain, thanks to the intensive durability and repairability of the garments.

Finally, the PEF is a tool that demonstrates the constant commitment to guaranteeing the quality of the product offering and a transparent approach. Results are shared directly with stakeholders involved in the study and are also made accessible to all stakeholders through the joint publication of the PEF and the OEF on the Group web site[26].

[24] A use is defined as a period of 24 hours, regardless of how many hours the item of clothing is worn in the period.
[25] For further information on the database used for the modelling of incoming fabrics, compare *APPENDIX I – COMPARISION WITH THE YEAR 2019* in ICA Società di Ingegneria Chimica per l'Ambiente (2024), *Organisation Environmental Footprint (OEF) 2023, Report, Canali S.p.A.*, pages 65-68.
[26] VALIDATION STATEMENT, ORGANISATION ENVIRONMENTAL FOOTPRINT (OEF): Recommendation (EU) 2021/2279 Annex III Certificate No. OEF017/24 and VALIDATION STATEMENT, PRODUCT ENVIRONMENTAL FOOTPRINT (PEF): Recommendation (EU) 2021/2279 Annex I No. Certificate PEF017/24 issued by Certiquality S.r.l. (Accreditation No. 00027 Rev 001).

Further analysis of Canali PEF[27]

THE ENVIRONMENTAL FOOTPRINT OF CANALI JACKETS AND SUITS

The Product Environmental Footprint (PEF) measured the impact of activities to produce a Canali jacket and suit throughout the life cycle of the products[28]. The analysis showed that these garments – which generally account for 50-60% of total production – are durable thanks to the quality of the materials and their sartorial construction, which facilitate repairability and adaptability. Specific tests (resistance, pilling, tearing, wash resistance, duration, colour fastness, etc.) confirmed high durability, with the *benchmark* reaching the maximum value on the PEF scale.

In line with the OEF results, the most significant impact categories are climate change and the use of energy resources, mainly in relation to the production and transportation of Raw Materials (LCS1) and the energy used at production facilities (LCS2). Water consumption during controlled production phases also contributes significantly to the overall environmental impact.

RAW MATERIALS AND PACKAGING

As in previous years, the most widely used materials[29] are wool and cashmere which totalled around 175 tonnes in 2024, or 35% of the total renewable materials consumed. They are followed by cotton (26%) for raw materials and by cardboard in terms of packaging (20%) .

The non-renewable materials used represent around 13% of all materials consumed and mainly consists of packaging materials (79%). According to a Life Cycle approach, packaging materials account for around 1% of total climate change. This contribution mainly relates to cardboard boxes followed by cellophane for bags, sacks and film, based on choices specifically intended to maintain maximum production quality during transportation. The other initiatives to reduce impacts relating to packaging have included a rationalisation effort: labels, hangers, tissue paper, cellophane bags and shopping bags, 70% made of recycled materials, reducing the use of paper by about 3,000 kg per year.

The impact associated with raw materials was around 15% lower than in 2023. This is primarily due to a

[27] For each part of the "Further analysis of Canali PEF 2023" see ICA Società di Ingegneria Chimica per l'Ambiente (2024), *Organisation Environmental Footprint (OEF) 2023, Relazione, Canali S.p.A.*

[28] Products analysed by the PEF: a 100% wool jacket, lined/unlined, solid colour, striped or checked, worn in good conditions. A 100% wool suit (jacket and trousers) lined, solid colour, striped or checked, worn in good conditions. The stages of the life cycle analysed are: LCS1 – Purchase and transportation of raw materials; LCS2 - Production: Internal logistics and production/packaging; LCS3 - Distribution: Shipment of finished products and transportation to the customer; LCS4 - Use; LCS5 – End-of-life.

[29] Consumption is calculated based on production and average weight per garment made during the relevant year.

roughly 10% decrease in raw material consumption for both in-house/industrialised production and traded goods. Notably, there was a substantial reduction in wool consumption (-23%), which was partially offset by an increase of around 8% in cotton. These trends reflect an overall reduction in the company's production volumes during the reporting period.

GRI 301-1: MATERIALS USED BY WEIGHT OR VOLUME

WEIGHT OR VOLUME OF RENEWABLE RAW MATERIALS	Unit of measurement	2023	2024
Wool and cashmere	Kg	226,717	175,350
Cotton	Kg	122,537	132,160
Cupro	Kg	36,438	37,530
Silk	Kg	15,972	14,580
Linen	Kg	11,946	1,910
Leather	Kg	17,814	20,460
Cardboard	Kg	108,883	100,730
Other (e.g. lyocell, modal, viscose)	Kg	20,996	15,620
TOTAL	**Kg**	**561,302**	**507,340**

WEIGHT OR VOLUME OF NON-RENEWABLE RAW MATERIALS	Unit of measurement	2023	2024
Polyester	Kg	17,555	13,680
Polyamine	Kg	1,941	1,080
Polyethylene	Kg	21,845	19,340
ABS/PS (hangers)[30]	Kg	41,682	38,663
Other (e.g. cupro)	Kg	2,008	540
TOTAL	**Kg**	**85,032**	**73,303**

[30] The figure was estimated based on the annual requirement, determined according to the seasonal breakdown defined for the 2023 periods (Spring/Summer 2024 and Fall/Winter 2023) and 2024 (Fall/Winter 2024 and Spring/Summer 2025).

PRODUCTION PROCESSES AND LOGISTICS

The Sovico site is the fulcrum of Canali's **production activities**. As well as housing the fabric cutting stage, it also acts as logistics centre, representing both the beginning and the end of the production cycle. Raw materials – including the fabrics and all the components and accessories that make up the suit – are transported from the headquarters to the various production sites, depending on the specific processing required.

To mitigate the impacts of production, the Group takes concrete measures aimed at the specific needs of each plant, increasing emerging efficiency, installing photovoltaic systems and optimising product life cycle management, thus reducing overall consumption of resources.

The meagre data on water withdrawals – a total of around 29,2 Megalitres in 2024 of which 17.3 Megalitres in water-stressed areas – are in line with the previous analyses. In fact, water withdrawal at the Canali plants is limited to civil purposes and, accordingly, the water withdrawn is entirely charged and in no part consumed. Water discharges are also of a civil nature and, as such, are not subject to mandatory monitoring. Therefore, there is currently no specific indicators for these discharges. This applies both to plans situated in areas not subject to water stress (mainly Lombardy) and to sites in water-stressed areas in the Marche and Abruzzo regions.

Transportation phases are completely traced: from transportation of raw materials, accessories and packaging between suppliers and the Canali headquarters in Sovico, to internal logistics between the various production sites, and onto global distribution. The impacts of these phases are monitored considering the quantities handled during the year in question and the distances travelled.

Category 4: Upstream transport and distribution , encompasses the inbound transportation of raw materials, as well as internal logistics between production sites. Regarding the former, a 10% overall reduction was recorded in line with the lower volume of raw materials procured compared to the previous year. However, the increase in the number of fabrics processed in-house — from 232,771 kg to 365,068 kg (+57%) — following the expansion of production capacity in the casual trousers category led to a proportional increase in impacts related to internal logistics.

Overall, the environmental impacts of logistics processes related to raw materials flows in the supply chain remain minimal compared to the other stages analysed. Meanwhile, the impact generated by the transportation of finished products to customers and stores remains a more significant contributor (Category *9. Downstream transportation and distribution*)[31]. On

[31] ICA Società di Ingegneria Chimica per l'Ambiente (2024), *Organisation Environmental Footprint (OEF) 2023, Report, Canali S.p.A.*, Chap. *6 Interpretation of results of Organisation Environmental Footprint*, pages 33-48.

GRI 303-3: WATER WITHDRAWAL

SOURCE OF WITHDRAWAL	Unit of measurement	2023		2024	
		All areas	Water-stressed areas	All areas	Water-stressed areas
THIRD PARTY WATER RESOURCES (TOTAL)	**ML**	**34.0**	**19.6**	**29.2**	**17.3**
Underground freshwater (≤ 1000 mg/L total dissolved solids)	ML	34.0	19.6	29.2	17.3
Other types of water (> 1000 mg/L total dissolved solids)	ML	0	0	0	0

the logistics front, Canali has confirmed measures to reduce CO_2eq. emissions. These include the efficiency of air shipments from Europe to Asia and America and the use of liquid methane gas vehicles for road transport.

USE, REPAIR AND END-OF-LIFE

A durable product is a product with a low environmental impact, as it reduces impacts related to production and the procurement of raw materials. **Durability** stems from the inherent quality of the product and its materials, the product's potential for repairability, design and other non-physical attributes. With the aim of maximising the durability of its garments, Canali is committed to providing customers with all the tools they need to understand the characteristics of the products purchased and use them in the best way possible to ensure long-lasting performance and quality. Moreover, thanks to product analysis, Canali has implemented initiatives like the REpair & REstore service, available at its main flagship stores. This service helps customers take care of their garments, extending life cycle and reducing environmental impact. REpair & REstore includes the modification of garments to improve their fit and the repair of damaged or worn garments, restoring them to their original condition or making them wearable again.

With regard to **end-of-life management**, the Group has taken steps to comply with EPR (Extended Producer Responsibility) obligations. Accordingly, it has taken part in the establishment of Retex. Green – a consortium created by Sistema Moda Italia and the Italian Textile Foundation – with the aim of making its contrition to the management, recovery and recycling of waste, both pre-consumer and post-consumer. Membership of Retex.Green offers numerous advantages, including the approval of consortium members and efficient management of industrial waste, unsold waste and refuse. Retex. Green uses only selected facilities to ensure legality, traceability and brand protection.

The quantity of **waste generated** is calculated using the Single Environmental Declaration (MUD) for the

Further analysis of Canali PEF[32]

PRODUCT DURABILITY ACCORDING TO THE PEF METHOD

In the PEF method, **product durability** refers to how long a garment retains its functionality. This parameter is fundamental because it enables the product's overall environmental impact to be calculated based on the number of days it is worn, thereby influencing the sustainability assessment.

Durability is expressed as the average number of uses, corresponding to the number of days the garment is actually worn. For instance, jackets can be worn on average 100 times, whereas trousers can be worn approximately 70 times. One use does not always coincide with a wash, which may not occur until after several uses have taken place. This affects the impact during the use phase of the life cycle.

Canali's garments are expected to last for **151 uses on average for jackets and 129 uses on average for suits**. These values are higher than average thanks to the quality of the fabrics, the tailoring and the repairability services offered (calculated considering the maximum percentage increases allowed by the draft PEFCR v.2.1).

This analysis makes a significant contribution to the potential development of a specific model for Made in Italy products and similar markets, helping to establish a competitive advantage for an industrial system based on quality and sustainability (see the Ministry of Ecological Transition - Environmental certification scheme, 'Made Green in Italy').

Italian production sites and similar waste generation forms/returns for other countries. In 2023, the vast majority of the waste generated and tracked was non-hazardous – 255.9 tonnes out of a total of 257.6 tonnes. As evidence of Canali's commitment to the circular management of incoming and outgoing materials, it should be noted that all this waste was sent to recycling plants and not to landfills.

32 For each part of the "Further analysis of Canali PEF 2023" see ICA Società di Ingegneria Chimica per l'Ambiente (2024), *Organisation Environmental Footprint (OEF) 2023, Relazione, Canali S.p.A.*

GRI 306-3: WASTE GENERATED

TYPE OF WASTE	Unit of measurement	2023	2024
Waste from processed textile fibres	t	104.5	105.1
Packaging	t	120.6	139.2
Waste from production/maintenance activities	t	36.2	13.4
TOTAL	**t**	**261.3**	**257.6**

GRI 306-4: WASTE DIVERTED FROM DISPOSAL

TYPE OF WASTE	Unit of measurement	2023	2024
Non-hazardous waste for recovery (recycling)	t	260.3	255.9
Hazardous waste for recovery (recycling)	t	1.0	1.7
TOTAL	**t**	**261.3**	**257.6**

GRI 306-5: WASTE DIRECTED TO DISPOSAL

TYPE OF WASTE	Unit of measurement	2023	2024
Non-hazardous waste for disposal	t	0	0
Hazardous waste for disposal	t	0	0
TOTAL	t	**0**	**0**

4. Social responsibility

Canali is a family-owned company that defines its growth strategy with careful consideration of its impact on the organization, paying particular attention to the sustainability of its choices regarding employment, skills, and well-being. Human resource management aims to foster an inclusive and collaborative environment that nurtures a sense of responsibility and belonging.

This approach is reflected in the daily work of those operating within Canali, as well as in the company's relationships with its many external stakeholders, who contribute to the supply chain, services and product development. This is a broad, interdependent network of expertise that works in synergy and plays an essential role in bringing the company's project to life.

4.1 WELL-BEING AND DEVELOPMENT OF HUMAN RESOURCES[33]

On 31 December 2024, the Group workforce included 1,349 **employees**, of whom 88% were hired under a permanent contract and 12% had a fixed-term contract. The vast majority (93%) are full-time employees. The Group provides the same benefits to full-time, fixed-term and part-time employees in all the countries in which it operates[34].
82% of Group employees are covered by National Collective Agreements (CCNL), specifically all employees of Canali S.p.A. and Canali Retail France. The CCNL applied in Italy are: the Textile, Clothing and Fashion Contract, the Tertiary Contract for Distribution and Services, and the Contract for Executives of Companies Producing Goods and Services.

In 2024, the number of **workers who are not employees** in the Group was 14 — mainly assigned to Canali S.p.A. — representing a 30% decrease compared to 2023, confirming a reduction trend that had already begun in 2022.

GRI 2-7: NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (PERMANENT AND FIXED TERM), BY GENDER

CONTRACT TYPE	2023			2024		
	Men	Women	Total	Men	Women	Total
Permanent	265	899	**1.164**	272	918	**1.190**
Fixed term	35	138	**173**	37	122	**159**
TOTAL	**300**	**1,037**	**1,337**	**309**	**1,040**	**1,349**

GRI 2-7 NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT (FULL-TIME AND PART-TIME), BY GENDER

FULL-TIME / PART-TIME	2023			2024		
	Men	Women	Total	Men	Women	Total
Full-time	296	962	**1,258**	301	958	**1,259**
Part-time	4	75	**79**	8	82	**90**
TOTAL	**300**	**1,037**	**1,337**	**309**	**1,040**	**1,349**

[33] The employee categories were harmonised across Group companies in 2024; therefore, the performance appraisal and training data by classification and gender from 2023 were restated for consistency.
[34] It should be noted that in Canali USA Inc. and its subsidiaries, medical benefits are more extensive for employees (97% of the total workforce) than for external personnel.

GRI 2-8 TOTAL NUMBER OF WORKERS WHO ARE NOT EMPLOYEES BY GENDER

TYPE OF CONTRACT	2023			2024		
	Men	Women	Total	Men	Women	Total
Supplied by labour agencies	6	2	**8**	2	3	**5**
Self-employed	3	2	**5**	4	1	**5**
Interns	3	4	**7**	0	4	**4**
TOTAL WORKERS WHO ARE NOT EMPLOYEES	**12**	**8**	**20**	**6**	**8**	**14**

The headcount data shows an overall increase of 12 employees in 2024 compared to 2023, along with a reduction of 6 non-employees over the same period. Therefore, overall, the workforce remains stable, with consistent signs of strengthening long-term employment relationships. The increase in permanent contracts and national collective labour agreement (CCNL) coverage, alongside the gradual reduction in external collaborations, suggests an approach to management that prioritises employment stabilisation and the development of internal resources. The main workforce changes occurred in the retail network, partly due to the closure of stores no longer in line with the Group's commercial strategy, and partly as a result of common staff turnover in retail.

GRI 401-1 NUMBER AND RATE OF NEW HIRES

NUMBER OF NEW HIRES	2023				2024			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Men	13	24	6	**43**	13	31	4	**48**
Women	29	62	20	**111**	37	59	18	**114**
TOTAL	**42**	**86**	**26**	**154**	**50**	**90**	**22**	**162**
INCOMING TURNOVER RATE (%)	**58%**	**11%**	**5%**	**12%**	**58%**	**12%**	**4%**	**12%**

GRI 401-1 NUMBER AND RATE OF EMPLOYEE TURNOVER

OUTGOING WORKERS	2023				2024			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Men	7	30	12	**49**	7	23	9	**39**
Women	17	63	38	**118**	23	46	42	**111**
TOTAL	**24**	**93**	**50**	**167**	**30**	**69**	**51**	**150**
OUTGOING TURNOVER RATE (%)	**33%**	**12%**	**10%**	**12%**	**35%**	**9%**	**10%**	**11%**

It is also worth highlighting the dynamism observed in the under-30 age group, which has significantly higher turnover rates than the other groups. In particular, the number of new hires in this age group (50) clearly exceeds the number of those who have left (30). While, on one hand, the higher rate of leavers is in line with labour market trends for the younger generations, on the other hand, the high rate of new hires highlights the Company's attention to the generational turnover and to the recruitment of talent, also consistent with the trend in the over-50 age group.

ESG CULTURE

In 2024, the social responsibility path that began the previous year continued and further consolidated, with the aim of strengthening internal dialogue and fostering an increasingly aware and sustainability-oriented working environment.

At the core of this process, the **CAre My Voice Survey** conducted in 2023 marked a significant milestone, both in terms of participation — with a

CAre MY VOICE

JUNE 2023	JULY-OCTOBER 2023	JANUARY 2024	FEBRUARY 2024	JULY – OCTOBER 2024	MAY 2025
Launch of the first Survey issued to all employees of Canali S.p.A.	Analysis and sharing of results with the CEO, Front-Line Management and Ambassadors; communication of results to employees.	Presentation of initiatives to CEO and Front-Line Management and collection of additional inputs.	Launch of the Plan's initiatives, structured around four thematic areas.	Definition of the Strategic Sustainability Plan, integrating part of the goals and guidelines emerged from the survey.	Second edition of the CAre My Voice Survey, including updates and thematic focus areas.

70% response rate among all Italian employees, including those in production departments – and in terms of the insights gathered.
The responses revealed a strong interest in ESG topics shared across roles and functions, as well as a high willingness to actively contribute to the company's sustainability journey. 94% of respondents believe it is important for companies to act ethically and sustainably and 86% declared their interest in making a greater contribution to the sustainability path undertaken. The survey also revealed that Canali is recognised by its employees as an environmentally and ethically responsible company.

Starting from these elements and through structured dialogue with first-line management, an action plan was defined to clearly and concretely respond to employees' expectations while enhancing the positive aspects already in place. The definition of the **CAre My Voice Action Plan** marked the beginning of a long-term process of listening and responding, structured around four thematic areas: internal communication, listening and discussion, training and development, and welfare and services.

In 2024, a part of these focus areas was translated into formal objectives of the Sustainability Plan, confirming the central role of the social dimension within the broader ESG strategy. These included the development of a training programme on ESG topics, tailored by role and function, designed to strengthen individual awareness and support the integration of sustainability principles into daily activities, as well as the promotion of a more sustainable work culture that is attentive to people's well-being, work-life balance and respect for diversity.

Internal communication

Canali sees internal communication as a key tool in promoting transparency, a sense of belonging, the sharing of strategy and a feeling of community. Constantly updating employees and making them feel part of a bigger team not only provides motivation, but also makes the company more productive and cohesive, reducing employee retention issues and creating a pleasant, collaborative work environment.

With the aim of providing a thorough, transparent and user-friendly internal communication service, the company launched the ONECANALI **intranet** in November 2023, during informal, interactive events for employees. The intranet is operational in all Group companies and is available in Italian, English and Chinese; it centralises all useful information under a single portal and is perfectly integrated with existing systems to ensure the tool is used effectively.

The *user-friendly* interface guarantees accessibility and inclusion, while promoting effective employee engagement. A notification system makes it possible to reach all users in real time while interaction and the exchange of opinions are facilitated by the social media-style interface and by the dedicated onecanali@canali.it e-mail address.

In terms of **engagement**, since 2023, as well as the traditional corporate events linked to national holidays, the organisation of Seasonal Meetings continues in 2024: meetings dedicated to the launch of sales campaigns and the sharing of key results, macro-strategies and projects. These seasonal events are attended by the main commercial stakeholders and a selection of employees representing the various company departments. With a view to transparency and alignment with management, a summary of the contents of the events is provided to all people in the Group via Intranet.
In 2024, the celebration of the Group's 90° Anniversary provided an important opportunity to engage with the persons of Canali S.p.A., the operational heart of the company and a symbol of its deep ties to the local area and traditions.
The company event was held at the historic Darsena del Sale site in Cervia (RA, Italy), chosen for both the elegance of its setting and its location halfway between the main operational sites. Over 800 employees from across Italy gathered for a celebration that brought everyone together, strengthening team spirit and the sense of belonging. The event not only marked an important milestone but also recognised the culture and values that have shaped the company's growth, making everyone feel part of a shared journey.

Listening and discussion
For Canali, taking care of people means looking after their professional growth and expectations, providing feedback on their work, listening to their needs and identifying effective ways to make the most of talent and develop skills.

After its introduction in 2023, the **Annual Feedback Talk** and **Performance Appraisal** process was refined and systematically extended on a global scale in 2024. The process involves all Canali managers and employees, except for people in the Canali S.p.A. production departments who are subject to a specific appraisal system.
Performance evaluation is carried out via a centralised digital platform, following a dedicated procedure with defined phases and timelines, supported by specific training. The issues covered by the feedback process include self-assessment of projects, activities and objectives achieved during the appraisal period, appraisal of and comments on one's professional role and definition and prioritisation of areas for improvement. Specific attention is paid to the CAre project, so the individual is asked to reflect on their personal contribution and alignment with the project's

GRI 404-3: PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS[35]

EMPLOYEE CATEGORY[36]	2023			2024		
	Men	Women	Total	Men	Women	Total
Executives/Senior Managers	95%	50%	**81%**	95%	88%	**93%**
Managers	94%	109%	**100%**	80%	105%	**91%**
White collars	88%	96%	**94%**	97%	97%	**97%**
Blue collars	9%	0%	**2%**	9%	1%	**2%**
TOTAL	**56%**	**29%**	**35%**	**57%**	**30%**	**37%**

[35] In 2023, regular performance reviews involved all employees active until December 2022, also including those no longer in the workforce at 31 December 2023. This explains the percentages in excess of 100%.
[36] The split into employee categories has been applied in all Group companies. Where the classification shown is not used, employees have been split into four categories based on their roles and responsibilities in order to obtain comparable data. The figures in the table for the "blue collar" employee category refer to employees of the Group companies excluding Canali S.p.A.

values.
When commenting on the figures showing an overall increase on the percentage of the employees who underwent the performance evaluation – from 35% in 2023 to 37% in 2024 – it is worth noting that, excluding blue-collar workers, whose evaluation follows a separate process, the coverage is virtually complete. This confirms the consolidation and full adoption of the process within the target population.

Canali also operates a **Management by Objectives (MBOs)** system to define corporate objectives and align them with the employees' individual objectives. The process is regulated and monitored by a specific internal procedure and has been formally documented through HR management and extended globally in 2024.

Training

The development and consolidation of skills are a strategic lever for the Group's growth and sustainability. In 2024, training programmes launched in previous years continued, with new editions targeting different sections of the workforce. These initiatives covered various areas in line with evolving organisational needs.

Technical and health and safety training sessions have been held at the **production facilities**, as well as sessions on issues of governance and ethics with a more detailed look at the 231 Model.

In the **corporate offices**, support for managers involved in the Feedback Talk process was further strengthened by offering coaching sessions with external experts organised on request by managers to prepare feedback and improve their skills in managing difficult situations and large teams.
The internal **training** programme dedicated to the product also continued, led by area managers and open, on a voluntary basis, to colleagues from various functions. The initiative provided an

opportunity to explore technical and design-related aspects of Canali products — including features and specificities, materials, product types, and manufacturing processes.
In 2024, a module focusing on the fabric category was delivered. Initially developed to meet an internal functional need, it was subsequently extended to include different departments. The programme covered key elements of the textile supply chain, from natural and synthetic fibres to spinning and weaving processes. It also included technical analysis and basic knowledge of accessories. Visual materials and fabric samples were used to enhance the training and make the content directly applicable to day-to-day work.

In parallel, a global internal communication programme was launched to raise awareness and deepen understanding of the key ESG topics relevant to Canali. The initiative includes the regular publication of **training pills on sustainability**, made available on the ONECANALI intranet — concise, accessible content designed to clearly explain sustainability-related concepts, actions, and company values. The capsules are organised into thematic clusters and integrated into an ongoing editorial plan, with the aim of fostering a more informed and widely shared corporate culture.

In 2024, the training programme for retail staff, **"Canali LAB sales ceremony"**, was further consolidated with the aim of strengthening skills related to customer relations, product storytelling and communicating the company's philosophy. The programme comprises classroom sessions for all staff at each participating store, combined with engagement activities and an introduction to the CAre project. Retail personnel have access to the "Digital Canali LAB" platform to support the initiative, which offers training modules focused on sales techniques and customer relationship management. The content is enhanced with gamification elements and final tests, and a reward system recognises the best-performing retailers and stores.
Following its launch in Italy in 2023, where all store employees received sustainability training, the in-

GRI 404-1: AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE

EMPLOYEE CATEGORY	2023			2024		
	Men	Women	Total	Men	Women	Total
Executives/Senior Managers	17.5	3.9	**13.5**	8.1	3.7	**6.9**
Managers	33.4	50.0	**40.2**	20.5	43.0	**31.0**
White collar	9.0	6.9	**7.5**	50.3	46.4	**47.5**
Blue collar	7.2	3.9	**4.4**	5.2	2.9	**3.3**
TOTAL	**12.7**	**6.1**	**7.6**	**23.6**	**15.7**	**17.5**

person sessions were extended to the United States and the London and Paris boutiques in 2024. The programme was also enriched by the introduction of in-store coaching activities. While the launch of the digital platform in China is scheduled for 2025, the project has so far been delivered through in-person

sessions involving around 120 staff members from 20 stores.

The analysis of average training hours delivered in 2024 presents a complex picture, shaped both by the cyclical nature of many training programmes and by the varying levels of participation among different job categories. While the overall aggregate figure shows a substantial increase, significant differences emerge by job level. Average hours for executives and middle managers decreased (by 49% and 23% respectively), while a sharp increase was recorded for office staff (+534%), driven by the launch of targeted training initiatives. The involvement of production staff showed a slight decline (–25%), mainly due to the concentration of training sessions in specific periods, in line with their scheduled frequency.

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Employee well-being

In line with the ESG objective of promoting a sustainable corporate culture Canali continued to implement its action plan in 2024, which is aimed at strengthening employee engagement and improving quality of life in the workplace.

Previously launched initiatives were further reinforced and incorporated into a more structured approach through the company's participation in the **Workplace Health Promotion (WHP) programme**. Developed at the European level and adopted by Member States, the programme encourages the adoption of healthy and sustainable practices to improve wellbeing in the workplace.

The WHP programme was first adopted by the company's Lombardy offices and, in 2024, resulted in the implementation of several 'good practices', including promoting balanced eating habits and supporting an active lifestyle during working hours. The initiative is already being expanded, with new practices planned for the Lombardy sites and a broader extension to other national locations.

This broader framework also includes initiatives to **protect physical**, psychological and organisational health.

Every Canali S.p.A. employee is entitled to request an appointment with the medical officer at any time, regardless of the reason. In addition, the company is part of the Sanimoda healthcare fund, which, via Unisalute, provides access to an extensive network of affiliated medical facilities, including specialist consultations and reimbursement services.

To support **mental wellbeing**, the company has partnered with Serenis, a psychological support service provider. Employees can access individual therapy sessions and dedicated support programmes. This initiative was well received, with 42 employees enrolling in the programme during the reporting period, and it is therefore expected to continue.

In terms of overall **wellbeing and daily work-life balance**, during the year, a series of initiatives and activities are organised to encourage the full involvement of Canali people in company life. These include the pilates and yoga courses which began in May 2024 at the Sovico (MB, Italy) headquarters and Milan offices with the future aim of extending the initiative to other sites. Since then, nine courses have been held, with a total of 112 participants. The initiative was monitored through satisfaction surveys, which confirmed positive feedback and the company's intention to continue.

Lastly, in order to support a healthy work-life balance, Canali has chosen to accept their stated desire to do part of their work remotely. In fact, the company recognises that, as well as facilitating the right balance between private life and work, "agile" working increases competitiveness and productivity, while effectively safeguarding personal and collective relationships and promoting training, professional growth, information and participation in the work environment. For this reason, the Group has introduced an agile working policy, allowing employees to work remotely to ensure flexibility and increase their satisfaction.

Welfare Plan

Canali S.p.A. has introduced a Welfare Plan for all employees with a view to adopting a remuneration policy that not only seeks to remunerate work done but, also, to respond in good time to non-economic needs expressed by employees — such as improving the company climate and work environment or care of the family and health. Through the introduction of the Plan, the Group is showing its attention to the family and social needs of its employees, thanks to the arrangement of insurance, social security and welfare coverage to provide employees and their loved ones with concrete support, especially in times of difficulty.

The Plan is generated by the possibility of converting the personal Performance Bonus into Welfare Credit, thus accessing the right to use certain goods, services and utilities. Within the limits of the amount established by Canali S.p.A., participants can choose the combination of **Welfare Services** that best meets their personal and family needs[37]. The Services made available to participants can be accessed through the CAre My Welfare IT platform and are among those provided for by Italian legislation[38]. For example, they include:

- payment of contributions to supplementary pension schemes;
- payment of healthcare contributions;
- reimbursement of cost of season tickets for local, regional and inter-regional public transport for employees and their family members;
- reimbursement of expenses incurred by employees for the use — by their family members — of education and training services, as well as attendance of play centres and summer/winter camps, or the payment of scholarships to family members;
- reimbursement of expenses incurred by employees to use care services or elderly or non-self-sufficient family members;
- access to goods and services for a pre-determined amount e.g. shopping vouchers and fuel vouchers.

Plan participants can use the Welfare Services in various ways, as regulated by internal guidelines, depending on whether they are used directly or reimbursed.

[37] The amount of the Performance Bonus is determined based on a combination of performance-related parameters linked to turnover, production and production efficiency.
[38] The *Welfare* Services (goods, services and utilities, hereinafter, also "Benefits") are governed by Article 51 (2), (3) and (4) of the Consolidated Income Tax. Pursuant to Presidential Decree no 917 of 22 December 1986 (hereinafter, also "T.U.I.R.").

Some of the services offered are purchased by Canali S.p.A. and made available to employees and their families. Another possibility is to use all or part of one's Welfare Credit to make payments for specific social, health or welfare purposes. Finally, to encourage use of the Services, Canali increases the amount of Credit available in return for converting the entire Performance Bonus.

Since the implementation of the Welfare Plan in January 2023, the number of employees choosing to convert their performance bonus into welfare credit has grown steadily. While 52% of eligible employees opted for this option in 2023, this figure rose to 62% in 2024, confirming the platform's popularity and the value of its services.

4.2 VERSITY, FAIRNESS AND INCLUSION[39]

The value placed on the uniqueness and individuality of each person, together with the promotion of a sense of belonging, are expressed in the "REspect" principle of the CAre Project and formally documented in the Code of Ethics.

The Code of Ethics adopted by Canali recognises and promotes values and principles such as respect for human rights and the protection of personal dignity and moral integrity through action to prevent and suppress all forms of discrimination. It also ensures that any violations of these principles can be duly reported and sanctioned.

In 2024, of Canali's 1,349 employees, 56% were in the 30-50 years age group. Young people under 30 make up 6% of the workforce and are mainly employed as white collar (11%) and blue collar (5%) workers. On 31 December 2024, men made up 23% of the total workforce with women accounting for 77%. Women account for 27% of the total number of executives/senior managers and 47% of managers while they represent 71% of white collar employees and 85% of blue collar employees.

[39] The employee categories were harmonised across Group companies in 2024; therefore, the employee data by classification and gender from 2023 was restated for consistency.

GRI 405-1 PERCENTAGE OF EMPLOYEES BY EMPLOYEE CATEGORY AND GENDER

EMPLOYEE CATEGORY	2023		2024	
	Men	Women	Men	Women
Executives/Senior Managers	70%	30%	73%	27%
Managers	59%	41%	53%	47%
White collar	28%	72%	29%	71%
Blue collar	15%	85%	15%	85%
TOTAL	**22%**	**78%**	**23%**	**77%**

GRI 405-1 PERCENTAGE OF EMPLOYEES BY EMPLOYEE CATEGORY AND AGE GROUP

EMPLOYEE CATEGORY	2023			2024		
	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years
Executives/Senior Managers	0%	37%	63%	0%	33%	67%
Managers	0%	67%	33%	0%	73%	27%
White collar	10%	69%	21%	11%	67%	22%
Blue collar	4%	54%	42%	5%	50%	45%
TOTAL	**5%**	**59%**	**36%**	**6%**	**56%**	**38%**

Canali promotes a healthy and inclusive work environment that protects people's psychophysical well-being and respects the expression of each personality. Consequently, it expressly prohibits all discriminatory practices in the selection, hiring, training, management, development and remuneration of personnel. This approach is designed to ensure fairness in each HR process that does not discriminate on factors such as gender identity, age, sexual orientation, pregnancy or maternity, physical or mental disability and state of health, physical appearance, ethnicity, nationality, socio-economic conditions, education, philosophical or religious beliefs, political opinions or trade union membership, marital or family status, and personal history. Moreover, aware that the importance and legal recognition of these categories may vary from one country, or one culture, to another, guidelines on diversity and inclusion are implemented through specific Internal Rules (Company Handbook) developed by each Group company thanks to local Human Resources teams. It should be noted that no cases of discrimination were detected or reported in 2023 or 2024.

Adopting this perspective, the company conducted an in-depth analysis in 2024, aimed at defining a specific objective in the area of **gender equality**. The work focused on shaping the project through a sector benchmarking exercise, a review of the regulatory framework, and an objective assessment of the internal context. This process led to the identification of a targeted sustainability objective: the adoption of a third-party certified gender equality management system in accordance with the UNI/PdR 125:2022 guideline. The year under review therefore marked the preparatory phase, dedicated to defining the implementation plan and developing the necessary tools for future deployment.

Canali has integrated employees, belonging to **protected categories**, into its workforce in compliance with applicable laws and regulations and with the aim of promoting social inclusion. Drawing on the value of diversity and the unique abilities of these employees can improve the work environment, increase productivity, and foster social cohesion. The table below shows a percentage breakdown of employees belonging to protected categories, by gender, in the various employee categories[40].

With regard to the diversity of governance bodies, the Board of Directors of Canali Holding S.p.A. has seven members all above 50 years of age, including two women (29%). The Board of Statutory Auditors of Canali Holding S.p.A. has five members all above 50 years of age, including three women (60%).

GRI 405-1 PERCENTAGE OF EMPLOYEES BELONGING TO PROTECTED CATEGORIES BY EMPLOYEE CATEGORY

EMPLOYEE CATEGORY	2023		2024	
	Men	Women	Men	Women
Executives/Senior Managers	-	-	-	-
Managers	63%	38%	-	-
White collar	29%	71%	-	100%
Blue collar	45%	55%	33%	67%
TOTAL	**43%**	**57%**	**27%**	**73%**

[40] In Italian labour law, the term "protected category" refers to all persons (typically suffering from psycho-physical disability) who, in the context of the labour market, enjoy special protections for inclusion in the world of work pursuant to Law no 68 of 12 March 1999 which provides that a certain number of jobs must be set aside for them. The definition is not the same as the Italian one in all of the countries where the Group operates. In detail, it should be noted that, under the definition that applies in China, the number of persons belonging to protected categories in that country includes: pregnant women, women in the breastfeeding period, and people suffering from chronic diseases. Meanwhile, at present, it does not include people suffering from any form of psycho-physical disability. For the Group entities situated in the United States, the data included refer to the US definition (ethnicity, gender, religion) while data on "protected categories" and

4.3 OCCUPATIONAL HEALTH AND SAFETY

The Group undertakes precautions daily to guarantee safe working conditions in all its production plants and operational locations. The prevention of work-related injuries and illnesses is not only a priority but a responsibility that is faced with seriousness and determination. This helps create a calm, productive work environment, that puts people to the forefront.

Canali S.p.A. is the Italian Group company that manages production activities and pursues its health and safety objectives through the adoption of the tools described below. In 2024, Canali launched a project to implement an **occupational health and safety management system** in compliance with ISO 45001. The project aimed to strengthen internal oversight of these matters and achieve the relevant certification. The system is designed to improve worker safety, reduce risks and promote a healthy, safe working environment. The project involves a series of structured actions, including identifying risks, adopting preventive measures and continuously monitoring performance, with the goal of meeting the international standards set out by ISO, which is globally recognised as the leading authority on occupational health and safety management.

The other Group companies also adopt ad hoc measures to ensure compliance with local health and safety regulations and to prevent work-related injuries resulting from the activities carried out at the various sites. The *Company Handbook* of each company also includes guidelines on how to manage occupational health and safety issues.

RISK ASSESSMENT DOCUMENT

To assess potential work-related accidents, Canali S.p.A. adopts a structured approach based on a Risk Assessment Document (RAD), drawn up pursuant to Articles 17, 28 and 29 of Legislative Decree 81/08 as subsequently amended, and on risk management.

This process includes carrying out regular audits, aimed at assessing the need for updating/improvement of the provisions of the RAD, thus ensuring a safer, better controlled work environment.

The risk assessment process begins with the *identification* of potential hazards in the workplace and a detailed analysis of all activities, equipment and substances used in the work environment to pinpoint any sources of risk to the health and safety of workers. The risks associated with each hazard identified are then assessed. This assessment considers the likelihood of harmful events occurring and the potential consequences for employees and the company.
Once the risks are identified, appropriate measures are taken to mitigate them using a control hierarchy. This means implementing preventive measures that can eliminate or minimise the risk at source, rather than relying on worker protection measures.
Finally, as mentioned above, through a regular auditing process, the necessary *improvements* to be implemented are identified.

MANAGEMENT SYSTEM AND PREVENTION SERVICES

Canali S.p.A. has implemented an occupational health and safety management system in accordance with legislative requirements (Legislative Decree 81/08. It is based on a specific organisation of roles and responsibilities, as shown in the Safety Organisation Chart and divided by production, commercial, logistics and office units. In addition to the figures required by law (e.g. the Head of Prevention and Protection Services), the following have been identified:

- an Employer's Representative, pursuant to Article

information regarding psychic-physical disability are not available for reasons of confidentiality. The table below includes employees belonging to protected categories per the Italian definition, for the sake of uniformity.

16 of Legislative Decree 81/08;
- external advisors with a management consultancy role.

Also, in order to comply with applicable regulatory requirements, Canali operates in such a way as to ensure an adequate audit trail: safety courses, the issue of personal protective equipment, visual and information communications, distributions via the company intranet, as well as the provisions of the National Collective Agreement and handling of the obligations of the medical officer also to deal with specific individual situations.

Furthermore, careful evaluation of available information, accident/incident reports and employee opinions make it possible to identify areas where hazards and risks to occupational health and safety may occur. This activity is considered as part of the internal audits mentioned above. The participation and consultation of Canali S.p.A. employees in the development, implementation and evaluation of the occupational health and safety management system are guaranteed by the presence of two key figures elected by the employees to represent their health and safety interests.

- Workers' Safety Representatives (RLS): by way of example, workers' safety representatives intervene on behalf of employees during meetings to report work-related hazards and dangerous situations.
- Trade Union Representatives (RSU), who are present in each production department and represent unions in the department.

Various forms of communication are used to provide access to information on occupational health and safety, including on-site posters, notices on information boards, internal management platforms and the company intranet.

REGULAR PREVENTION AND PROTECTION MEETINGS

Ongoing monitoring and improvements are implemented also through the regular meetings organised in accordance with Article 35 of Legislative Decree 81/01 and in response to any special needs.

The Regular Meetings are attended by the Workers' Safety Representative (RLS); the medical officer; the legal advisor; the Employer's Representative; and the Head of the Prevention and Protection Service (RSPP). The topics discussed include risk assessment and the risk assessment document (RAD/DVR); monitoring the trend of injuries, work-related illnesses, and health supervision; analysis of personal pro-

tective devices in terms of selection criteria, technical specifications and effectiveness; the design of information and training programs and the setting of improvement targets.

Furthermore, the most significant aspects of management of workplace health and safety requirements are sent to the Supervisory Board, through the processes for reporting to the Board required by the Organisational Model (Legislative Decree 231/01) adopted by the Company. Specifically, accident reports and the minutes of regular meetings are sent to the Supervisory Board. Also, in accordance with the timetable set out in its plan of work, the Board regularly interviews the Employer's Representative and the RSPP.

In the two-year period under review there were **no injuries** among external workers, despite the 12,475 hours worked in 2023 and the 14,226 hours worked in 2024. On the other hand, eight injuries among employees were recorded in 2023 and five in 2023. The injuries recorded do not include those on the way to and from work and were deduced from the wording used in the related medical reports. In line with the type of work carried out in the Canali S.p.A. production departments, the injuries reported include the following types: cuts, traumas, bruises, sprains and dislocations.

In terms of recordable **work-related illness**, the type of work carried out in Canali involves risks regarding the repetitive movement of the upper limbs, including carpal tunnel syndrome, epicondylitis and tendinopathy. These conditions are monitored through health monitoring and measurement of the OCRA index at all workstations. Canali S.p.A. reported seven cases of work-related illness among its employees in 2023 and four cases in 2024. During the same period, no cases were reported among external workers.

GRI 403-9: WORK-RELATED INJURIES[41]

WORK-RELATED INJURIES	2023	2024
Total number of serious work-related injuries (excluding deaths)	0	0
Total number of recordable work-related injuries	8	5
Hours worked	**2,186,796**	**2,241,808**
RATE OF SERIOUS WORK-RELATED INJURIES (EXCLUDING DEATHS)	**0.00**	**0.00**
RATE OF RECORDABLE WORK-RELATED INJURIES	**3.66**	**2.23**

[41] Injury rates are calculated as follows: ((number of injuries per category / total hours worked) x 1,000,000). The coefficient used to calculate the rate (i.e. 1,000,000) is recommended by GRI Standards, disclosure GRI 403.
Following the refinement of data collection on hours worked, the 2023 figures have been restated compared to those published in the previous Sustainability Report.

TRAINING

Canali S.p.A. regularly organises general and specific training courses on health and safety for all employees, depending on the tasks assigned to individual workers (e.g. fire prevention officer, first aid officer, forklift operators) and on the basis of their role (e.g., senior managers/executives). As well as complying with training requirements pursuant to Legislative Decree 81/08 and Legislative Decree 231/2001, Canali S.p.A. also provides additional training to ensure a high standard of safety at work. The knowledge and awareness acquired through training courses are fundamental for the purposes of **prevention**. They enable workers to predict and prevent situations they believe may cause injury or illness, promoting an even safer work environment.

CONSUMER

The types of products marketed by Canali do not involve any particular health and safety risks for the consumer. In any case, Canali S.p.A. devotes the utmost attention to the prevention of any possible risks. For example, this commitment includes careful regulation of chemical substances by having all suppliers sign a P-SRL (Product Restricted Substances List). The purpose of this document is to identify and manage the presence of regulated **chemical substances,** as identified by the toughest legislation. In particular, the document lists restricted substances as well as detailing the test method to be applied to check the conformity of materials and products, the applicable legislation and Canali's tolerance limits (sometimes stricter than the legislation itself). Canali's objective is to ensure that the materials and products are safe and compliant with the highest applicable standards.

Following the adoption of Regulation (EU) 2023/988 on general product safety (General Product Safety Regulation – GPSR), the organisation established a dedicated working group within the Sustainability Committee. The group's objective is to strengthen oversight of product compliance, in line with the regulation's requirements and the company's existing compliance processes. Given the nature of the company's products, the focus is primarily on chemical risks, but it also considers mechanical, thermal and fire reaction risks for completeness.

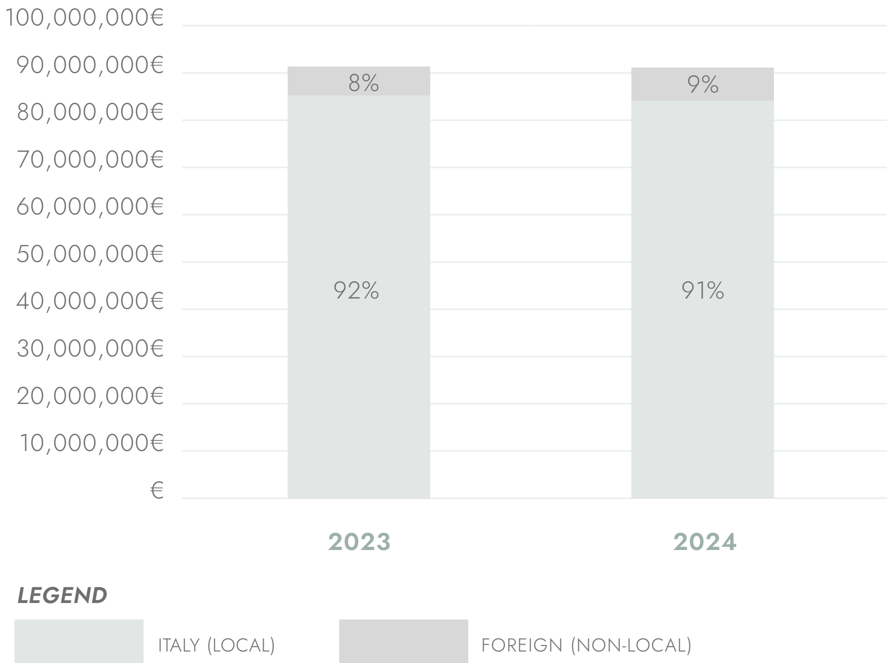
4.4 SUPPLY CHAIN MANAGEMENT

In its supply chain management, Canali recognises and values the principles of legality, integrity, loyalty, transparency, collaboration and social responsibility, as indicated in its Code of Ethics. "Made in Italy" is a core value that is also reflected in procurement management, characterised by the choice of a short, integrated supply chain that allows direct control over the quality of raw materials, processing and business relationships.

GEOGRAPHICAL BREAKDOWN OF SOURCING COSTS

The Canali supply chain lies in Italy's manufacturing districts, as chosen for their distinctive manufacturing traditions[42]. This approach supports a stable local economy and strengthens relations with communities which benefit from both job creation and the preservation and passing on of territorial know-how. The graph below shows how the Group has maintained business relationships primarily with suppliers located in Italy, the area considered as "local". In 2024, Canali S.p.A. – the Group company responsible for procurement related to production – spent a total of 91,202,642 Euros on purchases, with a slight decrease of 0.7% on the previous year's total. Some 92% of total expenditure on purchases (-0,8% compared to 2023) was destined for local suppliers with the remainder going to non-Italian suppliers.

GRI 204-1 PROPORTION OF SPENDING ON LOCAL SUPPLIERS



[42] For further details, see Chapter *2.2 Made in Italy quality and craftsmanship* of this document.

TRACEABILITY AND DATA COLLECTION

Ensuring accurate traceability of sourcing stages is essential in the textile and apparel sector, where most environmental and social impacts are concentrated in the upstream phases of the supply chain, such as raw material production and transport. This capability enables it to monitor compliance with applicable laws and regulations and with environmental standards, thus contributing to the quality, safety and sustainability of the value chain.

The collection of qualitative and quantitative data along the supply chain is essential in applying a Life Cycle approach and calculating the environmental footprint of the entire business process. Indeed, adoption of the OEF (Organisation Environmental Footprint) model has enabled the Group to deepen its direct knowledge of all stages of the life cycle of Canali products, actively engaging with key stakeholders along the supply chain and collecting primary data of importance in measuring the OEF. The OEF study is not limited to analysis of the organisation's internal activities but also includes processes related to the production and transportation of raw materials, including energy and water consumption, emissions and related waste[43].

The environmental footprint for 2024 was calculated mainly using data from Canali S.p.A's internal management information system, as obtained from the recording of purchases of fabrics, accessories and products. In order to ensure accuracy and relevance for footprint measurement purposes, the most significant stakeholders were involved directly, complementing the internal perspective with additional primary data. The impact of the transportation of raw materials from suppliers to the Canali headquarters in Sovico was also examined – it was calculated taking account of the actual quantities of goods purchased in 2024, the type of transport and the specific distances from the suppliers[44].

Its direct experience with the value of OEF has made Canali a spokesperson and ambassador for this method of studying the supply chain, both among partner companies in the Biella district and within the Brianza business community. Canali has also been actively involved in supporting and talking about these issues in the media. It has participated in conferences and interviews and promoted a scientific approach to environmental issues based on analysis of the product life cycle.

ESG CRITERIA FOR SUPPLY CHAIN GOVERNANCE

In 2024, the organisation continued to strengthen its monitoring of the first- and second-tier supply

[43] ICA Società di Ingegneria Chimica per l'Ambiente (2024), *Organisation Environmental Footprint (OEF) 2023, Report, Canali S.p.A.*, chap. *3.2 Definition of system boundaries*, pages 11-16.
[44] Above report, Chap. *4.1.1 Raw Materials and their transportation*, pages 20-22.

chains, paying particular attention to compliance with occupational health and safety regulations, labour and tax laws, and the principles set out in the Canali's Code of Ethics.

As part of this process, ESG criteria were integrated into the internal procedures for selecting, qualifying, and monitoring suppliers within the production chain, alongside traditional parameters such as quality, cost, and delivery times. These ESG criteria were also assigned significant weight in the overall score used to evaluate both potential suppliers during qualification and existing suppliers during performance reviews (the so-called "rating").

During the reporting year, through the Suppliers' Compliance Committee and with the support of specialised consulting firms, the company conducted a due diligence assessment of its first- and second-tier production supply chain. Based on the results of this process, an audit plan — including on-site visits — has been developed for 2025.
The company is also considering adopting a Supplier Code of Conduct, building on the existing principles of its Code of Ethics and adapting them to the context of the supply chain. This document will formally set out the ESG commitments and requirements expected of suppliers. In parallel, the company is implementing a digital tool to manage the supplier register and related qualification, selection and monitoring activities.

Ongoing dialogue with industry stakeholders, from suppliers to institutions, remains a key pillar of this strategy as it is essential for promoting responsible behaviour and preventing or mitigating potential risks.

4.5 CUSTOMER SATISFACTION AND LOYALTY

Canali is committed to customer satisfaction and puts product quality and service excellence at the centre of its activities.

The quality of Canali's **products** is the result of the business decisions already described in detail and including the purchase of excellent raw materials, the management of a short, integrated supply chain and the adoption of thorough, traditional production processes. In this way, Canali offers a product with a lasting fit and style. This is fundamental in gaining loyalty as the product keeps its value and maintains a high level of customer satisfaction over time[45].

The message of quality and timeless elegance conveyed by the products is supported and completed by an engaging, extensive and customised **service** and communications strategy, capable of offering a full brand experience. A team wholly dedicated to Customer Relationship Management (CRM) works constantly with the marketing and communications departments to develop bespoke projects and communications, with the aim of building relationships based on trust and mutual satisfaction. In this way, Canali invites customers to try out an experience that goes beyond a mere purchase, helping – with the values, history and culture of the Group – to define their aesthetic, identity and *lifestyle*.

Canali is committed to detailed, **transparent** communication of its activities regarding ESG topics. This approach is key to maintaining the trust of customers who are essential to the sustainable balance and who deserve to be informed about the Group's overall impacts. Moreover, in line with its global presence, Canali recognises its educational responsibility and helps customers to make informed, sustainable decisions for their health and the proper use of products. This not only improves the

[45] For durability statements see ICA Società di Ingegneria Chimica per l'Ambiente (2024), *Product Environmental Footprint (OEF) 2023, Relazione, Canali S.p.A.*, chap. *3.2.1 Durata del prodotto,* page 14.

relationship with the community, but also helps raise industry standards and positively influence direct and indirect competitors.

PRODUCT INFORMATION AND LABELLING

Canali is committed to ensuring that its business services and activities are conducted in compliance with laws and regulations in force in the countries where it produces and distributes and are communicated in accordance with both directives and regulations and ethical principles of transparency and traceability.
Internal **traceability** systems allow the company to manage information flows completely, from the purchase of raw materials to the distribution of finished products. On the one hand, they facilitate regulatory compliance regarding "Made in Italy" and fabric composition while, on the other hand, they provide marketing with all the information needed for their communications strategies. Overall, this commitment externally reduces the negative impacts on end customers and, internally, ensures that processes are carried out sustainably in an increasingly complex business environment.

The attention demonstrated by Canali in this area was substantiated by the absence, in the reporting period, of non-compliance with legislation and self-regulatory codes regarding information, labelling and impacts on health and safety of products and services. Furthermore, no instances of non-compliance with marketing-related activity regulations and/or voluntary codes were reported during the two-year review period. In both 2023 and 2024, twenty significant categories of products and services were evaluated in this way, including formal wear, sportswear and accessories.

CUSTOMER KNOWLEDGE AND SATISFACTION

In order to maintain its product offering at the highest quality levels and respond effectively to the needs and desires of consumers, the Group not only opens contact channels and provides customer service tools but implements a structured strategy for active listening.

The integration of the Net Promoter Score (NPS) methodology was completed in 2024. After being initially tested in 2023 through a qualitative **survey** of the global *community*, NPS was adopted as a key performance indicator (KPI) for evaluating the customer experience[46].

It is currently applied systematically to measure satisfaction levels at various stages of the purchasing journey, including boutiques, company stores, the web channel, customer service and the "Me by Canali" personalisation project.

In parallel, the close-the-loop process has been refined: customers are contacted directly to explore the feedback received further and propose concrete solutions. The collected data are also analysed to identify recurring issues and implement systemic corrective actions.

These results are regularly shared with internal working groups and supported by the development of digital tools dedicated to the ongoing monitoring of satisfaction indices and main trends over time. This fosters continuous improvement in the customer experience.

A NEW LIFESTYLE EXPERIENCE

The extension of the Canali's **Lifestyle Store Concept** across the retail network continued, as launched for the first time on Madison Avenue, New York and later rolled out successfully in all new boutiques world-

[46] The NPS is a widely recognised standard for use in measuring long-term customer loyalty and monitor customer satisfaction. Reflecting the prevalence of loyal customers over detractors, the NPS focuses on the customer's experience and provides information of use in nurturing long-term relationships and creating new ones.

wide. Conceived as a cross between a boutique and an elegant Milanese home, the design of the space creates a welcoming, sophisticated atmosphere that reflects the elegance of the brand through a meticulous architectural equilibrium. The materials, craftsmanship and high-quality workmanship reflect the sartorial character of Canali's luxury garments.

In 2024, the concept reached its fullest expression with the reopening of the boutique on Via Verri in Milan. Spread over two floors and covering 580 m^2 in total, the space was designed to reflect the brand's identity in every detail. Materials such as Cipollino marble, wood and worked metal are combined with bespoke furnishings to create a refined, welcoming and visually harmonious atmosphere throughout.

At the heart of the space lies the new *VIP Lounge*, conceived to welcome clients and guests in a private setting, encouraging personal interaction and an immersive experience of the brand's lifestyle. The presence of a visible garden further enhances the experience, strengthening the connection between hospitality, design, and lifestyle.

By redefining the shopping experience and placing the customer at the centre, this new store concept offers access to exclusive services such as **Me by Canali**, which allows them to create custom-tailored garments. Born from the desire to put customers at the centre, Me by Canali offers a singular experience

that satisfies the need for uniqueness by allowing each customer to interpret individually the timeless elegance of the brand. Customers are guided in the creation of their garments by Canali specialists and can choose from a vast range of fabrics, details and finishes so that the product reflects their style and personal preferences. Initially focused on tailored suits, the service now includes a full selection of formal and casual wear.
The Me by Canali service combines the excellence of Italian craftsmanship with CAre principles. In fact, the tailor-made production represents a sustainable, ethical model that respects the environment. Made-to-measure production uses only the necessary amount of fabric, minimising the waste typical of mass production and promoting more conscious and lasting consumption.

The brand transformation process and the expansion of the new lifestyle store concept find their perfect evolution in the **Caffè Canali**, which opened at the end of 2023 in Beijing and later in Shanghai. Combining a café and a restaurant, Caffè Canali offers an elegant, upscale dining experience, from breakfast to dinner, with dishes rooted in the Italian culinary tradition. The concept and design reflect the brand's style and distinctive values, authentically conveying the brand's Italian spirit and generating engagement, emotional bonding and lasting trust with customers.

5. Community engagement

Throughout its history, Canali has developed a deep bond with the communities in which it operates, realising the REward principle of the CAre project by sharing the value generated by its activities with the community.

The projects and initiatives of social utility and cultural value promoted by the company encourage a constant, fruitful dialogue with local communities, allowing the Group to express the ethical values of human and social responsibilities that are at the heart of its identity.

SOCIAL AND HEALTH SOLIDARITY

Fondazione Canali Onlus was founded in 2013 from the desire of the family and the Group to create an organised structure to manage the numerous social and health solidarity initiatives that are actively supported on an ongoing basis. Led by its President, Maria Grazia Canali, the Foundation is a non-profit organisation that reflects the values of human and collective responsibility, the cornerstone of our family and business ethics.

With a concrete, immediate approach, the Foundation promotes and supports projects regarding social and health care, charity, medical research, education, training and professional employment.

As a donor Foundation, it supports these initiatives – though not exclusively – through contributions to approved bodies, pursuing the guiding principle of "Make a difference and make it now" with the aim of providing timely, practical support to initiatives that fall within the scope of its mission.

To date, Fondazione Canali has supported numerous projects of different sizes, both in Italy and abroad, through continuous interventions or by supporting one-off initiatives. It focuses mainly on small/ medium-sized ventures where its contribution makes a tangible difference. The entities/ventures supported in 2024 are listed below. For details of projects supported in the past and the most recent initiatives, please refer to the dedicated section on the Canali website[47].

- Since 2014, Fondazione Canali Onlus has been supporting the **Cerchi d'Acqua Anti-Violence Centre**, which combats gender violence, offering shelter and psychological support to women, as well as to their indirectly involved relational network, guaranteeing confidentiality, anonymity and a non-judgmental approach. The Centre also organises training initiatives to stimulate social and cultural change, with particular attention to prevention and raising the awareness of young people in schools on signs and forms of violence.

- Fondazione Canali Onlus renewed its support for **Association Spazio 3R Recycle, Re-stitch, Reuse - Social Enterprise**, an organisation based in Milan and active in the field of artisanal tailoring for women in vulnerable situations. Spazio 3R was established to provide a space where participants can develop technical and interpersonal skills, and to promote pathways to autonomy, social inclusion, and professional integration. Since 2016, Spazio 3R has supported over 200 women from more than 35 countries through training courses and internships, carried

[47] Confronta https://it.canali.com/fondazione.

out in collaboration with local institutions and organisations.
Since opening its first workshop in Viale Lazio, the association has grown to become a recognised point of reference. In 2024, it opened a second location in the Naviglio Pavese area dedicated to hosting increasingly specialised training courses.
In addition to the provision of fabrics and materials by Canali, support during the reporting year contributed to the launch of the first course held in the new workshop: an intensive three-month programme in industrial garment making, including visits to the company's offices and production facilities.

- Fondazione Canali continues to support the **Maria Letizia Verga Foundation ETS in Monza** (Italy), an organisation dedicated to improving the care and quality of life of children and young people affected by haematological cancers and complex therapeutic conditions. This organisation is supported by a broad alliance of families, volunteers, supporters, researchers, doctors and healthcare professionals.
In 2015, the Foundation established the Maria Letizia Verga Centre, a centre of excellence for research, treatment and care integrated within the San Gerardo dei Tintori IRCCS Foundation. The Group has already supported the creation of two themed hospital rooms within the facility: the "Tailoring Room" and the "Golf Room". These rooms are designed to provide a more welcoming and visually reassuring environment for young patients.
Construction of the adjacent Torre della Ricerca (*Research Tower*) began in 2024, with the aim of expanding spaces dedicated to research laboratories, clinical trial offices, and administrative activities. The new facility will also include training classrooms and areas for postdoctoral researchers, PhD students, and fellows, as well as a biobank for the cryopreservation of biological samples.
The Group is contributing to the construction of the *Research Tower*, specifically supporting the creation of a laboratory named in memory of Dr. Eugenio Canali.
The new building, which covers a total area of 3,730 sqm, is expected to be completed by the end of 2025.

- Fondazione Canali supports the *Arte che Cura* (*Healing Art*) project at **Il Paese Ritrovato**, Italy's first Alzheimer's village, which was established by the Monza-based association **La Meridiana**. Since 2018, the facility has provided accommodation for people with Alzheimer's or other forms of dementia. Designed to foster autonomy and safety, the model replicates a small village complete with shared spaces and services, including a theatre, café, mini market, chapel, hairdresser, gym and workshops. Residents can lead lives that are as consistent as possible with their daily habits, in an environment intended to slow cognitive decline and minimise daily limitations. This innovative care model aims to reduce stress, aggressive behaviour and reliance on pharmacological treatments.
Arte che Cura is based on the understanding that even when memory fades, emotions remain accessible, comprehensible and responsive to stimulation. From this perspective, activities such as art and drama have proven particularly effective as they provide meaningful experiences, support self-expression and foster interpersonal connections, which are often impaired by the disease.
As part of the project, the Foundation supported the implementation of art therapy sessions, which use artistic languages and techniques as therapeutic tools. These sessions take place in the Bottega, a visually and sensorially rich space designed to feel familiar and reassuring.

The Foundation also contributed to the development of a drama therapy programme aimed at encouraging new forms of communication, social interaction and relational engagement. Through improvisation and theatrical play, the programme stimulates imagination, expressiveness and cognitive function while integrating physical movement. This shared activity serves to strengthen self-esteem and a sense of belonging within the group.

- In 2024, funding allocated to **L'abilità Associazione Onlus** enabled the launch of Le piccole case (The small houses), a new service dedicated to children with autism spectrum disorder (ASD). The project involves creating a Territorial Semi-Residential Rehabilitation Centre (C.T.R.S.) for children aged 2 to 11 with ASD requiring specialist treatment at various stages.
  The initiative emphasises the importance of early diagnosis and a multidisciplinary approach to care that is continuous and coordinated, integrating psychoeducational, cognitive behavioural, rehabilitative and social methods. These principles underpin the methodological framework and planning of all proposed interventions.
  The multidisciplinary team at Le piccole case comprises various professionals who support each child's development journey based on their individual rehabilitation plan, including a psychologist, professional educator, developmental neuro and psychomotor therapist (TNPEE), speech therapist, and occupational therapist.

- Fondazione Canali onlus supported the launch of the world's first clinical trial of Mirtazapine to treat Rett syndrome, contributing to a major non-profit clinical research project coordinated by the **University of Trieste**.
  Rett syndrome is a rare genetic disorder that almost exclusively affects girls, representing the second leading cause of intellectual disability worldwide. In 95% of cases, it is associated with a mutation of the MeCP2 gene, which is located on the X chromosome.
  The disease usually becomes apparent in the second year of life, following an initial phase of seemingly normal development. It is characterised by a rapid deterioration in language and motor skills, alongside epileptic seizures and severe respiratory difficulties.
  To date, there is no definitive cure. While some medications can help to manage symptoms, none can alter the course of the disease.
  This trial, conducted across four Italian hospitals

in Milan, Genoa, Siena and Messina, involves administering the drug to three different age groups over a period of six months. The aim is to evaluate the effectiveness of mirtazapine in alleviating some of the most debilitating symptoms, with the potential to pave the way for new therapeutic approaches.

TRANSMISSION OF MANUFACTURING CULTURE AND HIGHER EDUCATION

Canali sees the opening up of its operating facilities to the younger generations as an excellent opportunity to maintain and develop the manufacturing tradition in the areas where it operates. Through guided tours of production departments and offices, students can get a close-up view of how work is carried out and learn about the opportunities offered by the business world by directly meeting professionals in the sector and taking advantage of guided tours of company premises located throughout Italy.

This topic is especially relevant to the Group that it has been included among the Sustainable Development Goals outlined in the ESG Strategic Plan. The goal is to train young technical professionals in the fashion sector by investing in the transfer of specialist skills and offering them concrete employment opportunities in the local area.

- Starting from the 2024–2025 school year, the Group has begun supporting **"Adotta una Scuola" (Adopt a School)** project promoted by **Fondazione Altagamma** – of which Canali is a member – aimed at enhancing education and craftsmanship in Italy's high-end manufacturing sector. The initiative fosters educational cooperation between technical-vocational schools and the high-end manufacturing industry. As part of this first edition, a training programme was developed for a class at the Istituto di Istruzione Superiore "Marconi Pieralisi" in Jesi (AN, Italy), combining classroom lessons, company visits and practical activities led by Canali's professionals.

- For 20 years or so, Canali has been collaborating with the Federazione Nazionale dei Maestri del Lavoro, an organisation that pursues humanitarian and social objectives through a wide range of initiatives and volunteering activities, especially in schools. In particular, Canali works with the Federation through the **Work and School Project**, an initiative that seeks to educate the new generations about professional activities and facilitate their transition into the world of work through company visits and other training activities.

- **The Project PCTO** – Percorsi per le Competenze Trasversali e l'Orientamento ("Paths for General Skills and Orientation") – continues in 2024, with several schools in the Marche Region and the Brianza area: through projects lasting two or three weeks, students attending year four of upper secondary school had the opportunity to acquire practical and general skills and to gain knowledge useful to them in preparation for the future world of work.

To encourage dialogue and increased knowhow in the sector, Canali actively collaborates with universities and specialist higher education institutes. These initiatives enable a constant exchange of knowledge and skills: on the one hand, they enrich the training given to students with Canali offering them an excellent opportunity to test themselves in the world of work and, on the other hand, they contribute towards the growth of Canali, stimulated by innovative inputs from the world of academia and specialist training.

- In 2024, a new educational project was launched, creating a three-year course for

"Fashion Operator". This vocational education and training programme will be held at a **Salesian Vocational Training Centre** in Ancona, accredited by the Marche Region. In preparation for the course starting in the 2025–26 academic year, Canali contributed to designing the project in all its components, from defining the educational structure to formalising commitments and coordinating collaboration with the other stakeholders involved.
The project is being carried out in partnership with Lardini S.p.A., an apparel company, and Juki Italia S.p.A., a machinery supplier. Together with Canali, they will help to set up the laboratories by providing sewing machines and equipment, as well as supporting classroom teaching and workshop activities through their own specialists. Upon completion of the training programme, a set number of students will be hired by the partner companies for roles in their production departments.

- The partnership with **Istituto Secoli of Novara** continues for the organisation of a training course of excellence dedicated to the specialist professional role of prototypist. As a member of the Technical Committee, together with other companies in the clothing and luxury sector, Canali helps design the training course, works with students as they discover the profession and provides them with educational support through practical classroom-based lessons. With the aim of making the course accessible to all and ensuring that students have the chance to apply what they have learned in a work environment, Canali finances merit-based scholarships and undertakes to select at least three interns from each course.
  In 2024, the selected interns participated in a multi-phase programme comprising fabric training, quality control and operational placement at the company's sites in Lombardy and Marche. After gaining comprehensive experience of the production process, the interns were assigned to the Prototyping Department at the Sovico facility to focus on prototyping activities.

- From the 2024/2025 academic year, Canali is collaborating with the **University of Palermo** in relation to the organisation of internships for students from the new English language "Legal Studies" course of the five-year degree in Law. The objectives of the internships will include looking at legislative updates on the sustainability of products and packaging, as well as the implementation of contractual clauses in the contracts most widely used in the industry.

- For several years, Canali has been collaborating with several **Milanese Universities and Fashion Schools** – including Polimoda, Marangoni, Milano Fashion Institute, NABA - Nuova Accademia di Belle Arti and IED - Istituto Europeo di Design – taking part in the professional orientation days organised by the various schools and universities. The aim is to get to know young undergraduates in the various disciplines of the Fashion and Luxury sector, offer them internship opportunities that can further enrich the specialist skills acquired during their studies and map out growth and development paths for them with a view to their continuing professional collaboration within the Company.

PROMOTION OF ART AND CULTURE

Canali for Art is the project with which the company supports and promotes artistic languages, contributing towards cultural enhancement and the growth of artistic heritage on the international scene. This initiative marks an expanded vision of the brand, exploring the ancient union between art and fashion through collaborations with contemporary artists who share the brand's value. The works of art – selected for their affinity with Canali's elegance, contemporary style and material and formal care - are exhibited at important events, such as the opening of concept stores, creating an immersive path that guides visitors from the outside to the inside of the space. This format generates a cultural dialogue with the brand, offering visitors – whether potential buyers or mere passers-by – an experience that transcends shopping.

- To celebrate the reopening of the historic Milanese boutique on Via Verri, Canali has collaborated with **Linda Carrara**, an artist from Villa d'Adda (BG, Italy), who is a well-established figure in the international contemporary art scene. This project stems from the union of two like-minded visions, united by a shared pursuit of authenticity, quality and experimentation – values that have always defined the brand's identity.
Conceived specifically for the Quadrilatero della Moda space, creates "Nella Soglia", a work that reinterprets the *frottage* technique – traditionally executed with pencil on paper placed over a textured surface – by experimenting with its expressive potential through painting. Her technique, which is both physical and conceptual, serves as a metaphor for fashion,

exploring reality to grasp its invisible essence and merging tradition and experimentation in a continuous process of transformation.
The result is an immersive and dynamic landscape where reality, imprinted directly onto the surface, gives rise to a novel and imaginative visual dimension of layers, traces and vibrations. Carrara's works offer boutique visitors a sensory experience in which art, fashion and culture converge to form a profound and personal aesthetic language.

- To celebrate the 90° Anniversary, Canali initiated a collaboration with the Visual Arts and Fashion Design courses at **NABA, Nuova Accademia di Belle Arti di Milano**, aiming to gain an original and forward-looking perspective on its own history.
At the heart of this initiative is a creative dialogue between Canali and NABA, as well as between different artistic forms and media. Starting with the garments from the *90th Anniversary* capsule collection, the students developed two projects that combined the value of the heritage built up over ninety years of company history with the Academy's interdisciplinary and experimental approach.

The first project consists of a series of sculptural installations inspired by the concept

of dwelling. The young artists conducted linguistic and visual research, reinterpreting concepts related to home, architecture and landscape through the brand's identity and the use of fabrics from the collection. Designed as dismantlable and reconfigurable structures, the works evoke the mobile dwellings of nomadic cultures.
The second project, titled "Canali Horizons: A Journey from Heritage to Tomorrow", is an audiovisual piece created with the support of artificial intelligence. The video takes viewers on an abstract journey through the past, present and future, telling the story of the brand's evolution and its connection to its territories, from natural to urban landscapes. Even the soundtrack was co-created with AI, further reinforcing the immersive nature of the narrative.

The installations and video were showcased during the Anniversary events and further highlighted through international dissemination in boutiques and on the brand's digital channels.

6. GRI Content Index

6.1 LINK BETWEEN MATERIAL TOPICS, IMPACTS GENERATED AND ACTION PLAN

ENVIRONMENTAL AREA

Topic	Impact	Nature of impact	GRI Standard	Development goals[48]
PRODUCT LIFE CYCLE MANAGEMENT	Textile waste generation, resulting in more waste accumulation at disposal sites and/or increased pollution due to incineration of waste.	Negative, actual Direct and indirect	GRI 3-3 GRI 301-1 GRI 303-3 GRI 306-1 GRI 306-2 GRI 306-3 GRI 306-4 GRI 306-5	• Product Sustainability • Organisational Sustainability • Governance System • Consumer Culture of Sustainability
	Environmental damage caused by the use of highly impactful and/or non-recyclable materials subject to possible dispersion in the environment.	Negative, actual Direct		
	Contribution to pollution (air, water and soil) and to loss of biodiversity in the territories where the supply chain operates e.g. due to production of textile fibres, livestock activities and improper disposal of resulting waste.	Negative, potential Indirect		
	Traceability of the origin and production conditions of raw materials and own products and greater transparency towards customers.	Positive, potential Direct and indirect		
CLIMATE CHANGE, AIR POLLUTION AND ENERGY CONSUMPTION	Contribution to climate change through direct and indirect GHG emissions.	Negative, actual Direct and indirect	GRI 3-3 GRI 302-1 GRI 302-3 GRI 304-1 GRI 305-1 GRI 305-2 GRI 305-4 GRI 305-7	• Product Sustainability • Organisational Sustainability • Governance System
	Depletion of available resources caused by consumption of non-renewable energy (fossil fuels) for business operations.	Negative, actual Direct and indirect		
	Impact on health and well-being of the neighbouring community due to air pollution caused by production activities.	Negative, actual Direct		
	Contribution to air pollution (greenhouse gas emissions) due to road and air transport and handling of products.	Negative, actual Direct and indirect		

[48] For further details, see Chapter *2.1 Canali CAre, Commitments and Actions* of this document.

SOCIAL AREA

Topic	Impact	Nature of impact	GRI Standard	Development goals
DIVERSITY, EQUITY AND INCLUSION	Cases of discrimination and non-application of principles of diversity and inclusion.	Negative, potential Direct	GRI 3-3 GRI 405-1 GRI 406-1	• Product Sustainability • Governance System • Corporate Culture of Sustainability
	Increased awareness of human rights by all those involved in the company's activities and business partners.	Positive, actual Direct and indirect		
WELL-BEING AND DEVELOPMENT OF HUMAN RESOURCES	Improvement of workers' skills through training and professional development, also linked to growth objectives.	Positive, actual Direct	GRI 3-3 GRI 401-1 GRI 401-2 GRI 404-1 GRI 404-3	• Governance System • Corporate Training • Corporate Culture of Sustainability • Local Communities and Territories
	Loss of business know-how due to inadequate management, retention and ability to attract resources.	Negative, potential Direct		
	Promotion of employee well-being through implementation of wellness activities and dedicated benefits, as part of a healthy and stimulating work environment.	Positive, actual Direct		
	Contribution to employee satisfaction and cohesion through engagement initiatives and team building activities.	Positive, actual Direct		
OCCUPATIONAL HEALTH AND SAFETY	Accidents at work and professional diseases with negative consequences on the health of workers and external collaborators.	Negative, potential Direct	GRI 3-3 GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-9 GRI 403-10	• Governance System
SUPPLY CHAIN MANAGEMENT	Contribution to the improvement of suppliers' ESG performances and of the social and environmental impact in the communities in which they operate, also thanks to approval and selection policies that incorporate social and environmental sustainability criteria.	Positive, actual Direct	GRI 3-3 GRI 204-1	• Product Sustainability • Organisational Sustainability • Governance System
	Potential human rights violations along the supply chain, such as the right to freedom of association and collective bargaining, child labour, forced or compulsory labour.	Negative, potential Indirect		
CUSTOMER SATISFACTION AND LOYALTY	Customer satisfaction through transparent communications in terms of product labelling and quality.	Positive, actual Direct	GRI 3-3 GRI 416-2 GRI 417-1 GRI 417-2 GRI 417-3	• Product Sustainability • Corporate Training • Consumer Culture of Sustainability

GOVERNANCE AREA

Topic	Impact	Nature of impact	GRI Standard	Development goals
BUSINESS ETHICS AND INTEGRITY	Awareness and dissemination of culture, ethics, fairness and inclusion, respect for human rights by management, employees, business partners and other stakeholders.	Positive, actual Direct	GRI 3-3 GRI 205-3 GRI 418-1	• Governance System • Corporate Training
	Anti-competitive behaviour and episodes of corruption with negative impacts on the economy and markets.	Negative, potential Direct		
	Security breach regarding privacy of customer data and associated loss of sensitive information.	Negative, potential Direct		
MADE IN ITALY CRAFTSMANSHIP AND QUALITY	Increased brand awareness with positive impacts on stakeholders in terms of creating shared value.	Positive, actual Direct	GRI 3-3 GRI 201-1	• Product Sustainability • Organisational Sustainability • Youth Employment • Consumer Culture of Sustainability • Local Communities and Territories
	Contribution to the social development of the areas in which the Group operates, thanks to activities and initiatives for social inclusion and assistance to communities.	Positive, actual Direct		
	Positive impacts on positioning of Italian industry and textile sector on the global market.	Positive, actual Direct		
	Impact on the local economy and social fabric with the creation of highly specialised jobs.	Positive, actual Direct		
	Preservation of technical know-how and cultural factors related to artisanal production methods handed down from generation to generation.	Positive, actual Direct		
INNOVATION IN BUSINESS PROCESSES	Research and development of production processes that fulfil the highest quality and safety criteria, while also promoting lower consumption of resources.	Positive, actual Direct and indirect	GRI 3-3	• Product Sustainability • Organisational Sustainability

6.2 GRI CONTENT INDEX

Statement of use	The Canali Group has reported the disclosures listed in this GRI index of contents for the period 1 January 2024 – 31 December 2024 with reference to the GRI Standards.
GRI 1 Used	GRI 1 – Foundation – 2021 Version

GENERAL DISCLOSURES

GRI Standard	Disclosure		Location
GRI 2: General Disclosures (2021)	**THE ORGANISATION AND ITS REPORTING PRACTICES**		
	2-1	Organisational details	p. 5 pp. 15-19
	2-2	Entities included in the organisation's sustainability reporting	p. 5
	2-3	Reporting period, frequency and contact point	p. 5
	2-4	Restatements of information	p. 64 (GRI 301-1) p. 76 (GRI 404-3) p. 77 (GRI 404-1) pp. 82-83 (GRI 405-1) p. 86 (GRI 403-9)
	ACTIVITIES AND WORKERS		
	2-6	Activities, value chain and other business relationships	pp. 6-19 pp. 36-40
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CLIMATE CHANGE, AIR POLLUTION AND ENERGY CONSUMPTION			
GRI 3: Material Topics (2021)	3-3	Management of material topics	pp. 48-62
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GRI Standard	Disclosure		Location
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WELL-BEING AND DEVELOPMENT OF HUMAN RESOURCES			
GRI 3: Material Topics (2021)	3-3	Gestione dei temi materiali	pp. 71-80
GRI 401: Employment (2016)	401-1	New employee hires and employee turnover	pp. 71-73
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	
GRI 404: Training and Education (2016)	404-1	Average hours of training per year per employee	pp. 73-80
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DIVERSITY, EQUITY AND INCLUSION			
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GRI 403: Occupational health and safety (2018)	403-1	Occupational health and safety management system	pp. 84-87
	403-2	Hazard identification, risk assessment and incident investigation	
	403-3	Occupational health services	
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GRI Standard	Disclosure		Location
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	403-9	Work-related injuries	
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GRI 416: Customer health and safety (2016)	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	p. 87 (No cases of non-compliance recorded)
GRI 417: Marketing and labelling (2016)	417-1	Requirements for product and service information and labelling	p. 87 pp. 90-93 (No cases of non-compliance recorded)
	417-2	Incidents of non-compliance concerning product and service information and labelling	
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MADE IN ITALY CRAFTSMANSHIP AND QUALITY			
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