

# A CULTURE OF SUSTAINABILITY

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TAMBURI INVESTMENT PARTNERS S.P.A.

WE SHOULD ALL FEEL NOTHING BUT SHAME FOR THE REPUTATION THAT FINANCE HAS EARNED ITSELF IN THE LAST FEW YEARS, BUT IF YOU MANAGE TO GUIDE HEALTHY CAPITAL FROM SUCCESSFUL BUSINESSES AND THE ASSETS OF FAMILIES THAT WISH TO INVEST THEM INTELLIGENTLY IN COMPANIES THAT WANT TO GROW, YOU ARE DOING ONE OF THE MOST BENEFICIAL JOBS IN THE WORLD.

ISSUER: TAMBURI INVESTMENT PARTNERS S.P.A.

WEBSITE: [WWW.TIPSPA.IT](http://WWW.TIPSPA.IT)

DATE OF APPROVAL OF THE REPORT BY THE BOARD OF DIRECTORS: MARCH 15, 2022

TIP DOES NOT QUALIFY AS A “LARGE GROUP” AND THEREFORE IS NOT REQUIRED TO PREPARE A NON-FINANCIAL STATEMENT PURSUANT TO DIRECTIVE 2014/95/EU, TRANSCRIBED INTO ITALIAN LAW BY LEGISLATIVE DECREE No. 254/2016. THIS DOCUMENT DOES NOT THEREFORE CONSTITUTE A NON-FINANCIAL STATEMENT.

"DEAR SHAREHOLDERS,

CORPORATE SOCIAL  
RESPONSIBILITY HAS ALWAYS  
BEEN PARTICULARLY IMPORTANT  
TO TIP AND PLAYS A KEY ROLE IN  
BUILDING A BETTER WORKPLACE  
AND AN INCREASINGLY  
RESPONSIBLE COMMUNITY THAT  
CAN PROTECT THE ENVIRONMENT AND DEVELOP PEOPLE'S SKILLS ACCORDING TO AN  
ETHICAL APPROACH THAT ENSURES ALL ENDEAVOURS FLOURISH. DOING SO  
PROMOTES EMPLOYMENT AND INNOVATION AND CREATES NEW ENTERPRISES THAT  
DO HEALTHY, SOUND, AND SUSTAINABLE BUSINESS IN THE MEDIUM TERM AND, WHERE  
POSSIBLE, ALSO IN THE LONG TERM.



THE FOLLOWING STATEMENT HAS BEEN WRITTEN ON THE TITLE PAGE OF TIP  
DOCUMENTS FOR MORE THAN TEN YEARS:

"WE SHOULD ALL FEEL NOTHING BUT SHAME FOR THE REPUTATION THAT FINANCE  
HAS EARNED ITSELF IN THE LAST FEW YEARS, BUT IF YOU MANAGE TO GUIDE HEALTHY  
CAPITAL FROM SUCCESSFUL BUSINESSES AND THE ASSETS OF FAMILIES THAT WISH  
TO INVEST THEM INTELLIGENTLY IN COMPANIES THAT WANT TO GROW, YOU ARE  
DOING ONE OF THE MOST BENEFICIAL JOBS IN THE WORLD".

THIS IS THE TIP GROUP'S MISSION. INDEED, THE MOST IMPORTANT IMPACT WE CAN  
HOPE TO HAVE ON THE LOCAL COMMUNITY AND THE ENVIRONMENT AROUND US IS TO  
PROMOTE THE SOUND, BALANCED, AND ECONOMIC GROWTH OF COMPANIES AND  
THEIR EMPLOYEES THROUGH OUR WORK.

IN FACT, TIP BELIEVES THAT COMPANIES NEED TO BE PROPERLY EQUIPPED WITH THE  
HUMAN AND CAPITAL RESOURCES THEY REQUIRE IN THE SHORT, MEDIUM AND LONG-  
TERM IN ORDER TO ADEQUATELY TACKLE ISSUES RELATING TO THE ENVIRONMENT,  
SUSTAINABILITY, AND CORPORATE GOVERNANCE. TIP CONTRIBUTES IN THIS REGARD  
BY DOING EVERYTHING IN ITS POWER TO EQUIP THE GROUP WITH THESE RESOURCES.

TIP IS THUS FULLY AWARE THAT, IN ITS CAPACITY AS INVESTOR AND SHAREHOLDER,  
IN ADDITION TO OCCUPYING IMPORTANT SEATS ON THE BOARDS OF DIRECTORS OF  
MAJOR LISTED AND UNLISTED ITALIAN COMPANIES, IT HAS EXTREMELY IMPORTANT  
WORK TO DO IN DEVELOPING INITIATIVES IN SUPPORT OF SOCIAL RESPONSIBILITY  
AND SUSTAINABILITY.

THE ASSESSMENT OF ENVIRONMENTAL, SOCIAL, ETHICAL, AND GOVERNANCE CRITERIA IS THEREFORE AN INTEGRAL PART OF THE INVESTMENT PROCESS, AND THIS FOCUS HAS MEANT THAT TIP HAS ALWAYS INVESTED IN COMPANIES THAT MAKE A POSITIVE CONTRIBUTION TO SOCIETY AND THE ENVIRONMENT, WHILE AVOIDING COMPANIES THAT ADOPT HARMFUL OR UNSUSTAINABLE BUSINESS MODELS. TIP USES ITS INFLUENCE AS AN INVESTOR TO ENCOURAGE GOOD PRACTICES IN THE MANAGEMENT OF ENVIRONMENTAL, SOCIAL, ETHICAL, AND GOVERNANCE TOPICS THROUGH A CONSTANT AND PROACTIVE CONTRIBUTION.

GIVEN TIP'S CORE BUSINESS AND ITS TRACK RECORD OF 30 YEARS OF INVOLVEMENT IN BOTH FAMILY-RUN BUSINESSES AND COMPANIES CREATED THROUGH PRIVATE-EQUITY PROCESSES, THE FOCAL POINT OF ITS SUSTAINABILITY EFFORTS HAVE BEEN GOVERNANCE AND ETHICS ISSUES, VIEWED AS A MEANS OF MEETING THE MARKET'S NEEDS ACCORDING TO A MARKET-FRIENDLY APPROACH. OVER THE YEARS, THIS FOCUS HAS GRADUALLY BEEN EXPANDED TO INCLUDE ENVIRONMENTAL AND SOCIAL ISSUES, BROADLY CONSTRUED.

THE PRESENCE OF TIP'S SENIOR EXECUTIVES ON THE BOARDS OF DIRECTORS OF MAJOR LISTED COMPANIES IN ITALY FACILITATES THE CONTINUOUS EXCHANGE OF EXPERTISE AND GOOD PRACTICES, INCLUDING AT INTERNATIONAL LEVEL. AS A CONSEQUENCE, TIP'S PORTFOLIO ALREADY INCLUDES COMPANIES THAT ATTRIBUTE SIGNIFICANT VALUE TO ESG TOPICS IN THEIR MBO PLANS.

THIS DOCUMENT SEEKS TO DEMONSTRATE THAT SUSTAINABLE GROWTH IS KEY TO TIP'S CORE BUSINESS ACTIVITIES AND CORPORATE CONDUCT, DEMONSTRATING THE GROUP'S COMMITMENT TO THIS INCREDIBLY IMPORTANT TOPIC.

TIP'S SHAREHOLDERS, INVESTORS, EMPLOYEES, CUSTOMERS, AND SUPPLIERS ARE DEVELOPING A GROWING INTEREST IN THE TOPIC OF SUSTAINABILITY, AND THIS DOCUMENT SEEKS TO PROVIDE MAXIMUM TRANSPARENCY ON THE ACTIVITIES AND INITIATIVES CARRIED OUT BY TIP AND ITS EMPLOYEES OVER THE YEARS.

FINALLY, THIS STATEMENT PROVIDES US WITH AN OPPORTUNITY TO SET OBJECTIVES ON SUSTAINABILITY, INVESTMENT POLICIES, AND CORPORATE GOVERNANCE TO HELP TIP AND ITS INVESTEE COMPANIES MAKE PROGRESS. THIS DOCUMENT ALSO REFLECTS THE GROUP'S CORE VALUES AND BELIEFS ON THE NEED TO RESPECT AND CARE FOR PEOPLE (PRIMARILY COMMUNITIES AND EMPLOYEES) AND THE ENVIRONMENT, WHILE ALSO PURSUING GROWTH THAT IS SUSTAINABLE IN THE SHORT TERM, AND EVEN MORE SO IN THE LONG TERM.

GIOVANNI TAMBURI

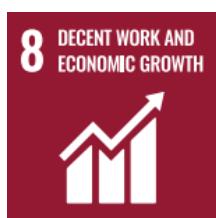
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## HIGHLIGHTS

### TIP

#### SUSTAINABLE DEVELOPMENT GOALS



#### INTERNATIONAL SUSTAINABILITY CERTIFICATION: INVESTMENT GRADE



#### SUPPORTING EDUCATION AND TRAINING



#### UPDATES TO THE CODE OF ETHICS AND LAUNCH OF A "SUSTAINABILITY" SECTION ON THE TIP WEBSITE



#### INVESTMENTS: LIMONTA CASE STUDY



#### MEMBER OF THE ISTITUTO VALORI DI IMPRESA



### RECEIPT OF INVESTMENT GRADE FROM STANDARD ETHICS



STANDARD ETHICS — AN INDEPENDENT AGENCY THAT ANALYSES CORPORATE SUSTAINABILITY POLICIES — ASSIGNED AN EE- INVESTMENT GRADE TO TIP, STATING THAT THE COMPANY "HAS IN RECENT YEARS BEGUN THE CREDIBLE PROCESS OF IMPLEMENTING INTERNATIONAL SUSTAINABILITY GUIDELINES AND ADAPTING THEM TO ITS OWN CONTEXT".

THIS IMPORTANT RECOGNITION PROVES THAT TIP IS ON THE RIGHT PATH, ONE THAT IS WELL ESTABLISHED IN TERMS OF ITS SUSTAINABLE APPROACH TO BUSINESS, THUS ALLOWING THE COMPANY TO ACHIEVE ITS GOAL OF HAVING ITS SUSTAINABILITY PLAN APPROVED.

### SUPPORTING EDUCATION AND TRAINING



WITH REGARD TO TIP'S EDUCATION AND TRAINING COMMITMENTS, WE NOTE THAT TWO MASTER'S COURSES IN DIGITAL MARKETING AND UX DESIGN RAN FROM SEPTEMBER TO DECEMBER 2021. THE COURSES WERE ORGANISED BY TALENT GARDEN IN PARTNERSHIP WITH TIP, WHICH FULLY FUNDED 10 SCHOLARSHIPS.

THIS PARTNERSHIP WILL CONTINUE INTO THE CURRENT YEAR.

### UPDATES TO THE CODE OF ETHICS

THE TIP BOARD OF DIRECTORS HAS RECENTLY APPROVED UPDATES TO ITS CODE OF ETHICS TO INCORPORATE SPECIFIC AND RELEVANT REFERENCES TO SUSTAINABILITY POLICIES, AS SUGGESTED BY THE COMPETENT INTERNATIONAL BODIES (OECD).

### LAUNCH OF A "SUSTAINABILITY" SECTION ON THE TIP WEBSITE

TO ENSURE PEOPLE CAN QUICKLY AND EASILY ACCESS INFORMATION ON TIP'S SUSTAINABILITY ACTIVITIES, WE HAVE CREATED A PAGE ON OUR COMPANY WEBSITE THAT CONTAINS ALL USEFUL INFORMATION ON THE TOPIC (INCLUDING THIS DOCUMENT AND OTHERS CONCERNING TIP GROUP INVESTEES).

## 2021 INVESTMENTS: LIMONTA CASE STUDY



CONFIRMING THE COMMITMENTS MADE IN ITS MARCH 2021 SUSTAINABILITY PLAN, TIP PAID SPECIAL ATTENTION TO ESG TOPICS IN ITS MOST RECENT INVESTMENT TRANSACTION, NAMELY THE ACQUISITION OF A HOLDING IN THE LIMONTA GROUP (OCTOBER 15, 2021).

LIMONTA IS A COMPANY THAT BOASTS A STRONG, CONSOLIDATED FOCUS ON ESG ISSUES, WHICH HAS PROVED TO BE FUNDAMENTAL OVER TIME IN ORDER TO BE ONE OF THE STRATEGIC SUPPLIERS OF THE LEADING FASHION HOUSES. AS PART OF THESE EFFORTS, LIMONTA HAS LONG BEEN INSPIRED BY PRINCIPLES OF SUSTAINABLE DEVELOPMENT AND IS COMMITTED TO CONTRIBUTING TO THE ACHIEVEMENT OF MULTIPLE OBJECTIVES, WHETHER IN THE RESPECT AND PROTECTION OF THE ENVIRONMENT, THE MANAGEMENT OF QUALITY AND OF INDUSTRIAL PROCESSES, SOCIAL INITIATIVES FOR EMPLOYEES, INCLUDING CORPORATE WELFARE SERVICES AND PARTNERSHIPS WITH VARIOUS CULTURAL BODIES AND INSTITUTIONS, OR EVEN AT THE LEVEL OF GOVERNANCE, WITH AN INTERNAL TEAM DEDICATED TO ESG ISSUES, DIRECTLY COORDINATED BY THE CHIEF EXECUTIVE OFFICER AND RESPONSIBLE MANAGEMENT OF THE SUPPLY CHAIN BY ADOPTING SPECIFIC PROCEDURES.

## MEMBERSHIP OF THE ISTITUTO PER I VALORI DI IMPRESA (ISVI)



TIP HAS JOINED ISVI AS A SUPPORTING MEMBER. THE INSTITUTE WAS FOUNDED IN 1989 TO PROMOTE RESPONSIBLE BUSINESS PRACTICES

AND AN OPENNESS TO INNOVATION AMONG COMPANIES AND PRODUCTION ORGANISATIONS IN GENERAL.

ISVI'S MISSION IS TO CONDUCT RESEARCH AND TRAINING ACTIVITIES IN THE WORLD OF PRODUCTION. THE INSTITUTE ALSO COLLABORATES WITH HIGH SCHOOL AND UNIVERSITY STUDENTS.

THE INSTITUTE'S RESEARCH ACTIVITIES SEEK TO ANALYSE THE VALUES THAT UNDERPIN GOOD MANAGEMENT, I.E., HOW THEY ARE FORMED, HOW THEY CONTRIBUTE TO THE ECONOMIC AND SOCIAL FABRIC, HOW THEY ARE CIRCULATED, AND HOW THEY ARE PERPETUATED IN ORGANISATIONS THAT HAVE EMBRACED THEM. IT IS IMPORTANT TO FOLLOW THESE DEVELOPMENTS, ESPECIALLY AT A TIME MARKED BY DISRUPTIVE CHANGE THAT IS DRIVEN BY VERY RAPID TECHNOLOGICAL PROGRESS

AND THE TURBULENCE CAUSED BY THE PROBLEMATIC (SOCIAL, ENVIRONMENTAL, ECONOMIC, POLITICAL, AND INSTITUTIONAL) NATURE OF CURRENT DEVELOPMENT MODELS.

## TIP GROUP COMPANIES

MOST OF TIP'S INVESTEE COMPANIES HAVE ALREADY STARTED TO INTEGRATE THE PRINCIPLES OF SUSTAINABILITY INTO THEIR STRATEGIC CORPORATE OBJECTIVES.

THIS CONSISTENT COMMITMENT HAS RESULTED IN MANY COMPANIES BECOMING CERTIFIED OR BEING INCLUDED IN THE MOST RELEVANT AND REPRESENTATIVE MARKET SUSTAINABILITY INDICES. THE FOLLOWING PAGES AND THE SUSTAINABILITY FOR TIP GROUP INVESTEE COMPANIES SECTION, IN PARTICULAR, LIST THE MAIN INITIATIVES IMPLEMENTED BY TIP INVESTEE COMPANIES IN TERMS OF ENVIRONMENTAL, COMMUNITY, AND GOVERNANCE TOPICS.



- 10 ITALIAN COMPANIES ARE GLOBAL SUSTAINABLE TOURISM COUNCIL (GSTC) CERTIFIED - A CERTIFICATION THAT IS SUPPORTED BY THE UN AND UNWTO
- 2021: TENTH PLACE IN THE "ITALY'S BEST EMPLOYERS" RANKING FOR 2021.



- INCLUDED IN THE MIB-ESG INDEX;
- 2021: TOP EMPLOYER 2022 CERTIFICATION FOR THE WHOLE OF EUROPE
- AA RATING IN THE MSCI-ESG INDEX (FROM 2016 TO TODAY)

### BENDING SPOONS



- 2021: #1 SPOT IN THE GREAT PLACE TO WORK IN ITALY FOR MILLENNIALS RANKING



Performance,  
Credibility,  
Transparency

- ECO-MANAGEMENT AND AUDIT SCHEME (EMAS) CERTIFIED SINCE 2015. CHIORINO IS THE ONLY COMPANY TO POSSESS THIS CERTIFICATION IN ITS BUSINESS SECTOR



▪ EATALY HAS PARTNERED WITH SLOW FOOD SINCE ITS FOUNDATION.



- 2020: CONFIRMED AS A **TOP EMPLOYER**;
- MEMBER OF THE WORLD CLASS MANUFACTURING (WCM) ASSOCIATION SINCE 2009.

H U G O   B O S S



- INCLUDED IN THE **DJSI WORLD INDEX** FOR THE TEXTILES, APPAREL & LUXURY GOODS SECTOR (FOR THE FOURTH CONSECUTIVE TIME) AND IN THE **DJSI EUROPE INDEX** FOR THE FIRST TIME;
- CONFIRMED AS A MEMBER OF THE **FTSE4GOOD INDEX**.

LIMONTA | 1893



Ø ZDHC



- SINCE 2017: **GLOBAL RECYCLED STANDARD** CERTIFIED
- **BETTER COTTON INITIATIVE**: A PLATFORM THAT PROMOTES THE SUSTAINABILITY OF COTTON
- LIMONTA HAS BEEN **OEKO-TEX CONFIDENCE IN TEXTILE** CERTIFIED SINCE 2019.
- ADHERENCE TO **ZERO DISCHARGE HAZARDOUS CHEMICALS** INITIATIVE
- PAPER ACQUIRED BY LIMONTA'S WALL DIVISION IS FSC-CERTIFIED
- VEGAN (ICEA – LAV) AND RECYCLABLE PRODUCTS IN COMPLIANCE WITH THE CSI RECYCLABLE PLASTIC STANDARD

# OVS



- THE OVS #WECARE PROGRAMME IS BASED ON THE SUSTAINABILITY PRINCIPLES DEFINED BY THE NATURAL STEP (A NON-GOVERNMENTAL ASSOCIATION FOUNDED IN SWEDEN IN 1989).
- OVS HAS USED THE B IMPACT ASSESSMENT TOOL TO DETERMINE THE IMPACT OF ITS INITIATIVES ON THE ORGANISATION SINCE 2016.
- OVS IS THE FIRST ITALIAN COMPANY TO PARTICIPATE IN THE ECAP (EUROPEAN CLOTHING ACTION PLAN), A EUROPEAN PROJECT THAT SEEKS TO DEVELOP A SUSTAINABLE MODEL FOR THE FASHION INDUSTRY.
- OVS COMPLIES WITH STANDARD 100 BY OEKO-TEX, AN INDEPENDENT CERTIFICATION FOR MATERIALS.
- 2019: INCLUDED FOR THE FIRST TIME IN THE DOW JONES SUSTAINABILITY INDEXES (DJSI) - WORLD AND EUROPE, AND AWARDED BEST COMPANY IN THE TEXTILES, APPAREL & LUXURY GOODS SECTOR
- 2021: A- RATING IN THE CDP CLIMATE CHANGE QUESTIONNAIRE.
- 2021: A RATING FROM MSCI ESG RESEARCH
- 2021: AWARDED THE SUSTAINALYTICS 2022 INDUSTRY TOP-RATED BADGE AND THE REGIONAL TOP-RATED BADGE

## Prysmian Group

50 SUSTAINABILITY & CLIMATE LEADERS

A RACE WE CAN WIN



FTSE4Good



vianova

WELFARE INDEX PMI



- 2021: INCLUDED FOR THE THIRD YEAR RUNNING IN THE **DOW JONES SUSTAINABILITY INDEXES (DJSI) WORLD AND EUROPE** IN THE ELECTRICAL COMPONENTS & EQUIPMENT SECTOR;
- 2021: REACHED "PLATINUM LEVEL" IN THE **ECOVADIS INDEX**.
- 2021: INCLUDED IN THE **MIB-ESG INDEX** FOR THE FIRST TIME;
- **A RATING IN THE MSCI-ESG INDEX (FROM 2019 TO TODAY)**
- 2021: INCLUDED IN OTHER STOCK MARKET INDICES LINKED TO SUSTAINABILITY, SUCH AS THE **FTSE4GOOD GLOBAL INDEX**, THE **STOXX ITALY 45 ESG-X** AND THE **STOXX EUROPE 600 ESG-X**. ALSO FEATURED IN THE **CARBON CLEAN 200 REPORT** PUBLISHED BY AS YOU SOW (US NON-PROFIT ORGANISATION).

- Roche Bobois has developed its own qualitative assessment tool called **Eco8** in collaboration with **FCBA** (Forest Cellulose Wood-Building Furnishings).

- 2020: STARTED THE PROCESS OF OBTAINING "**B CORP INTERNATIONAL**" CERTIFICATION
- 2021: MEMBER OF THE UNITED NATIONS GLOBAL COMPACT AND SA 8000 CERTIFIED ON CORPORATE SOCIAL RESPONSIBILITY.

- 2021: RECEIVED AN AWARD AT THE FIFTH EDITION OF THE **PMI WELFARE INDEX**, A GENERALI PRIZE AWARDED TO SMEs THAT STAND OUT THANKS TO THE QUALITY OF THEIR EMPLOYEE WELFARE
- 2021: INCLUDED IN THE **BEST PLACE TO WORK RANKINGS**

## 30 YEARS IN THE MADE-IN-ITALY BUSINESS

TIP WAS INCORPORATED ON FEBRUARY 2, 1993 IN THE FORM OF A LIMITED LIABILITY COMPANY, WITH THE NAME G. TAMBURI S.R.L. ON MAY 16, 2003, TIP CHANGED ITS NAME TO TAMBURI INVESTMENT PARTNERS S.P.A..

GIOVANNI TAMBURI HAS BEEN THE MAJORITY SHAREHOLDER OF TAMBURI & ASSOCIATI — FINANZA E PRIVATIZZAZIONI S.P.A. SINCE 1994. THE COMPANY PROVIDES CONSULTANCY SERVICES TO MEDIUM-SIZED ITALIAN COMPANIES ON CORPORATE FINANCE TRANSACTIONS. IN 1995, ALESSANDRA GRITTI BECAME PARTNER AND THE COMPANY WAS SUBSEQUENTLY INCORPORATED INTO TIP.

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### THE FOUNDERS



#### GIOVANNI TAMBURI

BORN IN ROME, TAMBURI HAS WORKED IN BUSINESS FINANCE SINCE 1975, AFTER GRADUATING CUM LAUDE FROM LA SAPIENZA UNIVERSITY OF ROME. TAMBURI ACCEPTED HIS FIRST POSITION AT S.O.M.E.A. S.P.A., BEFORE JOINING THE BASTOGI GROUP AND LATER THE EUROMOBILIARE GROUP IN 1980, WHERE HE TOOK ON ROLES OF INCREASING IMPORTANCE IN THE SENIOR MANAGEMENT TEAM IN THE INVESTMENT AND MERCHANT BANKING SECTORS.

HE WAS A MEMBER OF THE COMMISSION FOR LAW 35/92 IN 1992, CREATED BY THE ACCOUNTS & ECONOMIC PROGRAMMING MINISTER (“CAPPUGI” COMMISSION FOR PRIVATISATION), AND A MEMBER OF THE ADVISORY BOARD FOR PRIVATISATIONS IN THE MUNICIPALITY OF MILAN FROM 1992 TO 1993.

IN 1991, HE STARTED HIS OWN BUSINESS, WHICH LATER MERGED INTO TIP S.P.A. AS WE KNOW IT TODAY.

HE SITS ON THE BOARDS OF DIRECTORS OF THE FOLLOWING MAJOR COMPANIES (OUTSIDE OF THE TIP GROUP’S INVESTMENT PORTFOLIO): ALPITOUR S.P.A., AZIMUT BENETTI S.P.A., AMPLIFON S.P.A., BETA UTENSILI S.P.A., EATALY S.P.A., FONDAZIONE ALTAGAMMA, INTERPUMP GROUP S.P.A., NEOS S.P.A., OVS S.P.A., AND ON THE SUPERVISORY BOARD OF ROCHE BOBOIS GROUPE SA.

TAMBURI WAS ALSO APPOINTED PROFESSOR OF BUSINESS FINANCE AT LIUC — UNIVERSITY OF CASTELLANZA, FOR NORMAL UNIVERSITY COURSES AND MASTER’S DEGREES FROM 1992 TO 2004 AND PROFESSOR OF EXTRAORDINARY FINANCE FOR THE LUISS GUIDO CARLI MASTER’S DEGREE PROGRAMME IN ROME.

AUTHOR OR CO-AUTHOR OF NUMEROUS PUBLICATIONS ON COMPANY FINANCE, AMONG WHICH: "PREZZI & VALORI - L'ENTERPRISE VALUE NELL'ERA DIGITALE", "ASSET ITALIA", "COMPRARE UN'AZIENDA, COME E PERCHÉ"; "PRIVATIZZARE, SCELTE, IMPLICAZIONI E MIRAGGI", "METODI E TECNICHE DI PRIVATIZZAZIONE", "PRIVATIZZAZIONE E DISOCCUPAZIONE, I POLI DI SVILUPPO LOCALE", "PRIVATIZZARE CON IL PROJECT FINANCING", "AZIONARIATO DEI DIPENDENTI E STOCK OPTION"; "FINANZA D'IMPRESA" AND "CORPORATE GOVERNANCE". HE IS A COLUMNIST FOR SEVERAL OUTLETS.



### ALESSANDRA GRITTI

GRITTI HAS WORKED IN BUSINESS FINANCE SINCE 1984, AFTER GRADUATING *CUM LAUDE* FROM BOCCONI UNIVERSITY IN MILAN. SHE JOINED THE SOPAF GROUP FOLLOWED BY MEDIOCREDITO LOMBARDO BEFORE MOVING TO EUROMOBILIARE MONTAGU S.P.A. IN 1986, WHERE SHE BECAME DIRECTOR OF M&AS IN 1991.

SHE HAS BEEN THE VICE-CHAIRPERSON AND CHIEF EXECUTIVE OFFICER OF TIP SINCE 1994, A GROUP SHE HELPED FOUND.

SHE SITS ON THE BOARD OF DIRECTORS OF THE FOLLOWING COMPANIES (OUTSIDE OF THE TIP GROUP'S INVESTMENT PORTFOLIO): ALPITOUR S.P.A., BETA UTENSILI S.P.A., CHIORINO S.P.A., EATALY S.P.A., MONCLER S.P.A., OVS S.P.A, AND OTHER LESSER KNOWN COMPANIES.

SHE ALSO SITS ON THE ALTAGAMMA SUSTAINABILITY ADVISORY BOARD.

COLLABORATION WITH INSTITUTIONS AND SPECIALISED FINANCIAL JOURNALS. AUTHOR OF NUMEROUS ARTICLES AND PUBLICATIONS ON FINANCE.

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### GENERAL MANAGER



### CLAUDIO BERRETTI

BORN IN FLORENCE, BERRETTI JOINED THE TIP GROUP IN 1995 AFTER GRADUATING *CUM LAUDE* FROM CARLO CATTANEO UNIVERSITY IN CASTELLANZA (VA).

HE HAS BEEN THE GENERAL MANAGER SINCE 2007.

HE HAS PREVIOUSLY WORKED FOR MAGNETI MARELLI UK (CANNOCK, STAFFORDSHIRE (UK)) AND FIAT UK (LONDON).

HE SITS ON THE BOARD OF DIRECTORS OF THE FOLLOWING COMPANIES (OUTSIDE OF THE TIP GROUP'S INVESTMENT PORTFOLIO): ALPITOUR S.P.A., VOIHOTELS S.P.A., BE-SHAPING THE FUTURE S.P.A., CHIORINO S.P.A., DIGITAL MAGICS S.P.A., MONRIF S.P.A., NEOS S.P.A., SESA S.P.A., TALENT GARDEN S.P.A., AND OTHER LESSER KNOWN COMPANIES.

AUTHOR OF NUMEROUS SPECIALISED PAPERS INCLUDING: ACTIVITIES, TIME AND COSTS FOR QUOTATION PROCESS IN COLLABORATION WITH BORSA ITALIANA S.P.A.

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TIP WAS BORN FROM ITS SENIOR MANAGEMENT TEAM'S DESIRE TO ESTABLISH A CORPORATE-FINANCIAL COMPANY THAT COULD PROMOTE THE PATIENT AND SUSTAINABLE DEVELOPMENT OF DYNAMIC MEDIUM-SIZED COMPANIES INTERESTED IN GROWING IN THE MEDIUM AND LONG-TERM BY ACQUIRING MINORITY SHAREHOLDINGS IN THEM.

TO THIS END, IN 2003, THE SHAREHOLDERS' MEETING RESOLVED TO INCREASE TIP'S SHARE CAPITAL BY THE MAXIMUM OF EURO 6,630,000, TO BE OFFERED IN SUBSCRIPTION TO SHAREHOLDERS, AS WELL AS BY A FURTHER EURO 13,000,000, TO BE OFFERED IN SUBSCRIPTION TO NEW INVESTORS. A NUMBER OF LARGE FAMILY-RUN COMPANIES IN ITALY SUBSEQUENTLY UNDERTOOK A HOLDING IN TIP.

IN ORDER TO PROCEED WITH THE REQUEST AND OBTAIN ADMISSION FOR TRADING OF ITS SHARES ON THE EXPANDI MARKET MANAGED BY BORSA ITALIANA, ON JUNE 29, 2005, THE EXTRAORDINARY SHAREHOLDERS' MEETING RESOLVED TO INCREASE THE DIVISIBLE PAID-IN SHARE CAPITAL, WITH EXCLUSION OF THE OPTION RIGHT, UP TO A MAXIMUM NOMINAL VALUE OF EURO 26,000,000, BY ISSUING A MAXIMUM OF 50,000,000 NEW ORDINARY SHARES IN TIP WITH A PAR VALUE OF EURO 0.52 EACH. ON AUGUST 4, 2005, TIP SUBMITTED A REQUEST TO BORSA ITALIANA TO ADMIT ITS SHARES FOR TRADING ON THE EXPANDI MARKET. ON OCTOBER 20, 2005, BORSA ITALIANA APPROVED THE ADMISSION OF TIP ORDINARY SHARES FOR TRADING ON THE ABOVE MARKET, AND TRADING COMMENCED ON NOVEMBER 9, 2005. ON OCTOBER 4, 2010, THE BOARD OF DIRECTORS RESOLVED TO START THE PROCESS OF REQUESTING ADMISSION TO THE STAR SEGMENT OF THE ITALIAN STOCK EXCHANGE FROM BORSA ITALIANA, WHICH RESULTED IN ADMISSION FOR TRADING ON THIS SEGMENT ON OCTOBER 20, 2005.

WITH A VIEW TO EXPANDING ITS INVESTMENT ACTIVITIES TO THE SECONDARY PRIVATE EQUITY MARKET, TIP FOUNDED SECONTIP S.P.A. WITH A FEW INVESTORS IN EARLY 2006, IN WHICH IT INITIALLY HELD 39.433% OF THE SHARE CAPITAL. ON JANUARY 14, 2010, TIP'S BOARD OF DIRECTORS APPROVED A PROPOSAL TO: (I) CONCENTRATE THE SECONTIP EQUITY INVESTMENTS OF ALL OR SOME OF ITS SHAREHOLDERS INTO TIP IN A FIRST PHASE, THUS FOCUSING ITS CORPORATE ASSETS IN THE FINANCIAL ADVISORY, DEVELOPMENT EQUITY, AND SECONDARY PRIVATE EQUITY SECTORS; AND TO (II) IMPLEMENT A CAPITAL STRENGTHENING PLAN THROUGH NEW CASH CONTRIBUTIONS AND THE RELEASE OF PARTIALLY CONVERTIBLE BONDS IN A SECOND PHASE.

DURING 2014, TIP MADE THE DECISION TO DIVERSIFY ITS INVESTMENT ACTIVITIES BY LAUNCHING A PROJECT DEDICATED TO MEDIUM-SIZED COMPANIES ASPIRING TO LIST ON THE STOCK EXCHANGE IN THE MEDIUM TERM. A SPECIAL PURPOSE VEHICLE CALLED TIPO S.P.A. WAS FOUNDED FOR IPOs, TO WHICH PRIMARILY FAMILY-RUN BUSINESSES NOW BELONG, FOR A TOTAL ENDOWMENT CAPITAL OF EURO 140 MILLION. TIP PRE-IPO (“TIPO”) FOCUSES ON INVESTMENTS IN COMPANIES WITH A TURNOVER OF UP TO EURO 200 MILLION AND WITH AN INVESTMENT OBJECTIVE OF BETWEEN EURO 20 AND 50 MILLION PER TRANSACTION.

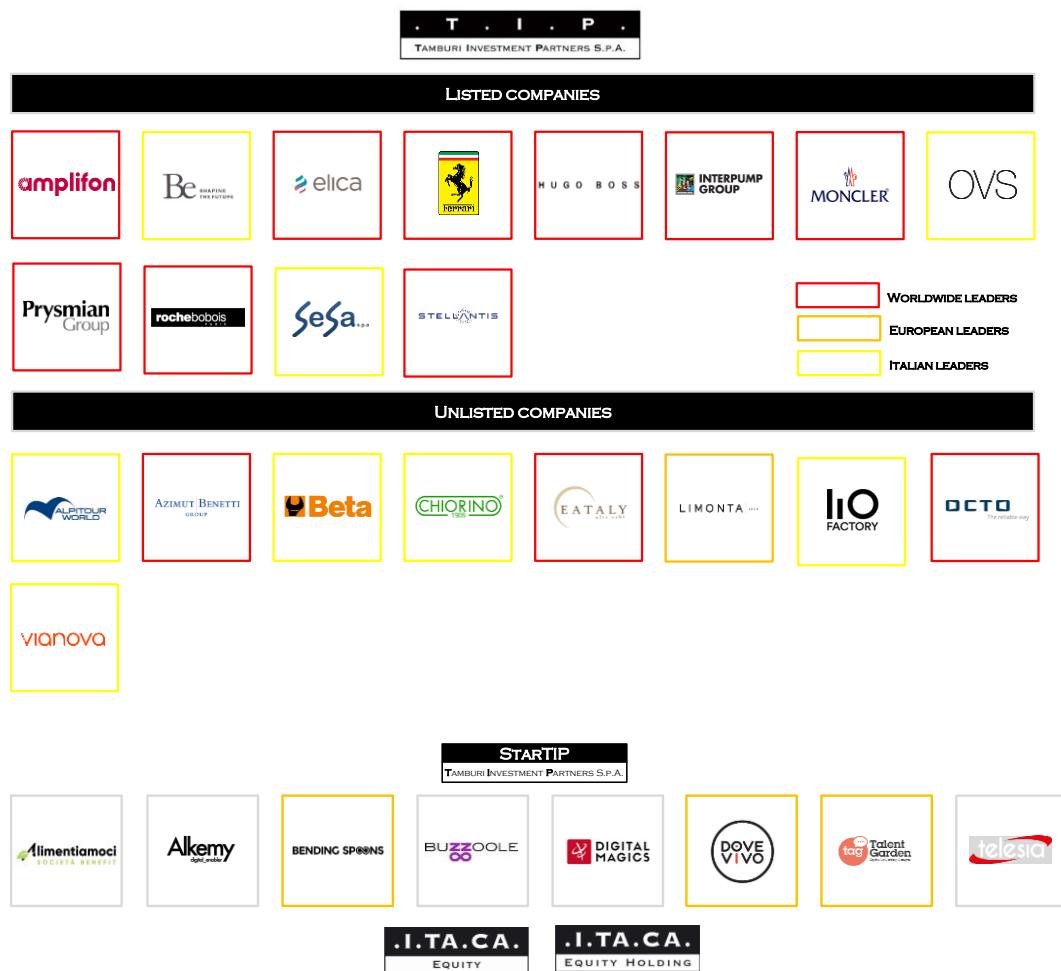
IN 2016, THE GROUP’S INVESTMENT ACTIVITIES WERE EXPANDED THROUGH THE CREATION OF THE ASSET ITALIA INVESTMENT PROJECT, WHICH IS DEDICATED TO COMPANIES WITH A TURNOVER OF OVER EURO 200 MILLION AND INDIVIDUAL HOLDINGS OF OVER EURO 30 MILLION. ASSET ITALIA SAW THE CONTRIBUTION OF APPROX. 30 FAMILY OFFICES, FOR A TOTAL ENDOWMENT CAPITAL OF EURO 550 MILLION. THIS PROJECT ALLOWS SHAREHOLDERS TO ASSESS THE POSSIBILITY OF PARTICIPATING IN NEW INVESTMENTS THROUGH THE FORM OF A CLUB DEAL.

IN 2017, TIP SOLIDIFIED ITS INTENTION TO INVEST IN THE INNOVATION AND START-UP SEGMENT — WHICH HAD BEEN OF INTEREST FOR SOME TIME — BY FOUNDING STARTIP, A “MADE IN ITALY” DIGITAL AND TECHNOLOGICAL INNOVATION HUB, INTO WHICH TIP’S HOLDINGS IN DIGITAL MAGICS (ITALY’S LEADING START-UP INCUBATOR) AND TALENT GARDEN (THE FIRST EUROPEAN CO-WORKING NETWORK FOR DIGITAL START-UPS) WERE CONFERRED. WITH A TOTAL BUDGET OF EURO 100 MILLION AND ACCESS TO TIP’S NETWORK, STARTIP AIMS TO SUPPORT THE ACCELERATED DEVELOPMENT OF INNOVATIVE DIGITAL ITALIAN COMPANIES.

IN JANUARY 2021, TIP LAUNCHED THE ITACA EQUITY PROJECT TO SUPPORT COMPANIES TACKLING TURNAROUND PHASES, HELPING THEM TO SOLVE PROBLEMS RELATING TO STRATEGIC CHOICES AND CAPITALISATION LEVELS AS COMPREHENSIVELY AND FLEXIBLY AS POSSIBLE, WITH A VIEW TO STRIKING A BALANCE AT AN EQUITY AND FINANCIAL LEVEL THROUGH THE ENTRY OF AN EQUITY PARTNER.

THE TIP GROUP TODAY:

## MORE THAN EURO 5 BILLION INVESTED DIRECTLY AND THROUGH CLUB DEALS



TIP IS KNOWN FOR:

- I. **GUIDING MADE-IN-ITALY COMPANIES AND ENTREPRENEURS THROUGH THEIR LONG-TERM DEVELOPMENT.** TIP HAS PURSUED THIS OBJECTIVE IN A VARIETY OF INNOVATIVE, CREATIVE WAYS: FROM ASSISTING GENERATIONAL HAND-OVERS AT FAMILY-RUN BUSINESSES, TO OFFERING FINANCIAL SUPPORT FOR GROWTH THROUGH BUSINESS COMBINATIONS OR MERGERS, TO ESTABLISHING INVESTMENT COMPANIES OWNED BY ENTREPRENEURIAL FAMILIES IN ORDER TO COMBINE SKILLS AND INDUSTRIAL EXPERTISE WITH AN

INTEREST IN INVESTING PROFITABLY IN COMPANIES THAT ARE LOOKING FOR NEW WAYS TO GROW AND EXPAND.

- II. **BEING A LONG-TERM INVESTOR.** TIP IS A MINORITY INVESTOR HOPING TO BUILD VALUE OVER TIME WITHOUT IMPOSING SPECIFIC CONDITIONS OR EXIT GUARANTEES, WHICH CAN HEAVILY IMPACT THE PERFORMANCE AND STRUCTURAL SUSTAINABILITY OF COMPANIES. THIS SCHEME — WHICH WAS INITIALLY RATHER UNUSUAL AND IS NOW WIDELY IMITATED — WAS CREATED AFTER CLOSELY ANALYSING COMPANIES IN EUROPE AND ITALY THAT WERE UNIQUE AND REQUIRED ADDITIONAL SUPPORT RATHER THAN REPLACEMENTS, GIVEN THAT EUROPE SUFFERS FROM LESS SUSTAINED GROWTH RATES COMPARED TO US AND ASIAN MARKETS, WHICH ARE OFTEN MORE DYNAMIC AND COMPETITIVE. IT TAKES LONGER FOR COMPANIES AND WORLD-LEADING BUSINESSES WITH A EUROPEAN HQ TO GROW IN EUROPE COMPARED TO OTHER CONTINENTS.
- III. **BEING AN EQUITY INVESTOR.** TIP'S INVESTMENTS PRIMARILY TAKE THE FORM OF HIRING NEW TALENT, WITHOUT EVER PLACING A FINANCIAL BURDEN ON COMPANIES, REGARDLESS OF THEIR MARGINS AND LEVELS OF CASH FLOW GENERATION. BY REFUSING TO EXPLOIT ITS FINANCIAL LEVERAGE TO MAXIMISE RETURNS, TIP ALLOWS COMPANIES TO TRANSLATE NEW TALENT AND PROFITS INTO FURTHER GROWTH, THUS ALLOWING THEM TO FINANCE AMBITIOUS DEVELOPMENT AND INNOVATION PROJECTS.
- IV. **ITS INDEPENDENCE FROM BANKING AND FINANCIAL INSTITUTIONS.** TIP HAS ALWAYS BEEN WELL-CAPITALISED AND CONTINUES TO COUNT FAMILY-RUN BUSINESSES AND INSTITUTIONAL INVESTORS FROM ALL OVER THE WORLD AMONG ITS MAJOR SHAREHOLDERS.
- V. **MAXIMUM TRANSPARENCY TOWARDS SHAREHOLDERS AND STAKEHOLDERS.** TIP AND ALL OF THE INVESTMENT COMPANIES IT PROMOTES ARE JOINT STOCK COMPANIES WITH REGISTERED OFFICES AND TAX RESIDENCY IN ITALY. TIP'S FINANCIAL STATEMENTS ARE PUBLISHED ON A QUARTERLY BASIS TOGETHER WITH ALL RELEVANT INFORMATION ON [WWW.TIPSPA.IT](http://WWW.TIPSPA.IT)

## INVESTMENT POLICY

TIP'S INVESTMENT POLICY IS ENTIRELY UNIQUE IN ITALY AND HAS BEEN FOR MANY YEARS. TIP IS:

- **A MINORITY INVESTOR.** TIP OPERATES AS A SHAREHOLDER ALONGSIDE THE ENTREPRENEUR OR MANAGEMENT TEAM (IN THE CASE OF PUBLIC COMPANIES), WHICH MAINTAINS OPERATIONAL LEADERSHIP OF THE COMPANY.
- **AN INVESTOR IN LEADING COMPANIES.** OF THE 29 COMPANIES IN TIP'S PORTFOLIO, 10 COMPANIES HAVE GLOBALLY RECOGNISED LEADERS AND 12 OF THESE HOLD LEADERSHIP POSITIONS AT EUROPEAN OR NATIONAL LEVEL.
- **AN INVESTOR IN HEALTHY COMPANIES.** TIP INVESTS IN COMPANIES THAT CAN GENERATE HIGH MARGINS, ARE NOT CHARACTERISED BY HIGH DEBT, AND POSSESS AN ADEQUATE LEVEL OF CAPITALISATION.
- **AN INVESTOR IN FAST-GROWING COMPANIES.** THE RESOURCES TIP MAKES AVAILABLE TO COMPANIES ARE ALMOST ALWAYS USED TO ACCELERATE GROWTH BY MEANS OF CORPORATE FINANCE TRANSACTIONS, EXPANSION INTO NEW GEOGRAPHIC MARKETS, THE LAUNCH OF NEW PRODUCTS OR SERVICES, AND OTHER STRATEGIC LEVERS, WITH A VIEW TO ACCELERATING DEVELOPMENT. IN FACT, GROWTH IS OFTEN ACHIEVED THROUGH ACQUISITIONS OR THE OPENING OF NEW OFFICES. BETWEEN 2002 AND 2021, COMPANIES BELONGING TO THE TIP GROUP WERE INVOLVED IN OVER 140 BUSINESS ACQUISITIONS, MERGERS, AND COMBINATIONS FOR A TOTAL DISBURSEMENT OF NEARLY EURO 7 BILLION, GENERATING ANNUAL REVENUES, WHEN FULLY OPERATIONAL, OF OVER EURO 27 BILLION, AN EBITDA OF OVER EURO 3.3 BILLION, AND EMPLOYING OVER 100,000 PEOPLE.

THESE ARE THE MAIN CHARACTERISING FEATURES OF TIP'S INVESTMENT PORTFOLIO. WITH THIS IN MIND, TIP HAS ALWAYS FACTORED ESG ISSUES INTO ITS ANALYSIS OF POTENTIAL INVESTEE COMPANIES, AND INTO ITS RELATIONSHIP WITH THE MANAGERS AND ENTREPRENEURS OF SAID INVESTEE COMPANIES.

## THE INVESTMENT PROCESS

IN ADDITION TO CONDUCTING FINANCIAL, LEGAL, AND TAX ANALYSIS, DURING THE INVESTMENT PROCESS, TIP CHECKS THAT ITS POTENTIAL INVESTEE COMPANIES ARE COMPLIANT ON ESG TOPICS.

THE FIRST STEP IS TO ANALYSE THE COMPANY'S CORE BUSINESS. TIP IS A "GENERALIST" INVESTOR THAT TENDS NOT TO INVEST IN THE FOLLOWING SECTORS:

- FINANCE (BANKS, INSURANCE COMPANIES AND OTHER FINANCIAL INSTITUTIONS)
- REAL ESTATE
- REGULATED BUSINESSES (SUCH AS UTILITIES) OR THOSE DERIVING FROM GOVERNMENT CONCESSIONS
- OTHER NON-SOCIALLY RESPONSIBLE SECTORS SUCH AS: CIVILIAN FIREARMS AND ARMAMENTS, PORNOGRAPHY, TOBACCO, ANIMAL TESTING, GAMBLING AND BETTING, NUCLEAR ENERGY, PESTICIDES, AND COMPANIES THAT USE GMOS
- COMPANIES BELONGING TO THE "CATHOLIC EXCLUSION" SECTOR, SUCH AS ABORTION, CONTRACEPTIVES, STEM CELLS, DISCRIMINATION, AND LOAN-SHARKING.

WHILE PREPARING ITS SUSTAINABILITY PLAN (REFERRED TO IN SUBSEQUENT CHAPTERS), TIP MADE THE DECISION TO INTEGRATE A FEW CHECKS INTO ITS STANDARD PROCESS OF DUE DILIGENCE.

IN PARTICULAR, A TIMELY CHECK ON MATERIALITY WILL BE CARRIED OUT WITH REGARD TO ESG ISSUES WHERE APPLICABLE. THE PURPOSE OF THESE CHECKS VARIES DEPENDING ON THE TARGET COMPANY'S CORE BUSINESS, IN ADDITION TO ITS SIZE AND OTHER VARIABLES. NEVERTHELESS, THE FOLLOWING ACTIVITIES WILL ALWAYS BE PERFORMED:

- ASSESSMENT OF A SOLID BALANCE SHEET, WITH A VIEW TO REAL FINANCIAL SUSTAINABILITY IN THE MEDIUM TERM;
- CHECKS TO ENSURE THAT THE CORE BUSINESS ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES ARE NOT INCLUDED IN THE LIST OF SECTORS IN WHICH TIP HAS DECIDED NOT TO INVEST, AS MENTIONED ABOVE;

- AN ASSESSMENT OF THE STATE OF THE INITIATIVES AND ACTIVITIES THE COMPANY INTENDS TO UNDERTAKE TO IMPROVE ITS RELATIONS WITH REFERENCE TO THE ENVIRONMENT, COMMUNITIES, AND MATTERS OF GOVERNANCE;
- A DISCUSSION OF THE STRATEGIC PLAN UNDERPINNING THE INVESTMENT AND AN OVERVIEW OF THE ESG INITIATIVES TO BE IMPLEMENTED TO ENSURE THAT APPROPRIATE INVESTMENTS ARE ADEQUATELY INCORPORATED INTO THE BUSINESS PLAN WHERE NECESSARY;
- IF POTENTIAL RISKS ASSOCIATED WITH ESG ISSUES ARE IDENTIFIED, A REMEDY PLAN WILL BE DRAWN UP IN FULL AGREEMENT WITH THE SENIOR MANAGEMENT TEAM AND THE MAJORITY SHAREHOLDERS
- A STANDARD FORMAT FOR REPORTING ON ESG ISSUES WILL BE SHARED AND DEFINED ON A CASE-BY-CASE BASIS

## YOUNG PEOPLE, INNOVATION, AND TRAINING

HUMAN CAPITAL IS VITAL TO THE PERFORMANCE OF ALL BUSINESS ACTIVITIES AND THE EFFECTIVE ACHIEVEMENT OF TIP'S OBJECTIVES. BY VIRTUE OF THIS RECOGNITION, WE HAVE ADOPTED A ROBUST APPROACH TO MANAGING THE PEOPLE WHO WORK FOR OUR ORGANISATION. THIS APPROACH TAKES SHAPE IN OUR (RECENTLY AMENDED AND UPDATED) CODE OF ETHICS, AND VARIOUS GROUP POLICIES.

TIP'S WORKING RELATIONSHIPS ARE BASED ON THE VALUES OF FAIRNESS, TRANSPARENCY, FREEDOM, LOYALTY AND TRUST. TIP HAS ALWAYS BEEN COMMITTED TO PROVIDING WORKING CONDITIONS THAT RESPECT PERSONAL DIGNITY, HUMAN RIGHTS, EQUAL OPPORTUNITIES, AND A PROFESSIONAL AND PARTICIPATORY WORKING ENVIRONMENT.

TIP ALSO PROMOTES THE APPLICATION OF THESE PRACTICES BY ITS STAKEHOLDERS, WITH WHOM IT COLLABORATES ON AN ONGOING BASIS.

TIP HIRES EMPLOYEES IN FULL RESPECT OF EQUAL OPPORTUNITIES, DIVERSITY, AND NON-DISCRIMINATION, AVOIDING FAVOURITISM OR FACILITATIONS OF ANY KIND.

DEDICATING ATTENTION TO OUR EMPLOYEES ALSO REQUIRES US TO FOSTER THEIR PERSONAL GROWTH, BEYOND THEIR CAREER GOALS.

TIP FULFILS ITS LEGAL HEALTH AND SAFETY OBLIGATIONS AND IS COMMITTED TO ENSURING THE WELL-BEING OF ITS EMPLOYEES AND TO MAINTAINING A HEALTHY WORK-LIFE BALANCE.

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SINCE ITS FOUNDING, TIP HAS ACTIVELY SOUGHT TO INVOLVE YOUNG PEOPLE IN ITS ORGANISATION, WHO ARE OCCASIONALLY HIRED FOLLOWING INTERNSHIPS TO COMPLEMENT THE SENIOR MANAGEMENT TEAM'S EXPERIENCE WITH A FRESH AND INTELLECTUAL OUTLOOK. MEMBERS OF THE TIP TEAM COLLABORATE WITH YOUNG PEOPLE TO MAINTAIN A LOW TURNOVER RATE AND TO ENSURE PEOPLE STAY MOTIVATED.

THE AVERAGE AGE OF OUR EXECUTIVE TEAM (EXCLUDING SENIOR MANAGEMENT) IS 37 AND PEOPLE TEND TO STAY IN THE GROUP FOR APPROXIMATELY 8 YEARS. CLAUDIO BERRETTI, TIP'S CURRENT GENERAL MANAGER, JOINED THE COMPANY IN 1995.

EMPLOYEES	2019			2020			2021		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
<b>EXECUTIVES</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
≤ 30									
30- 50	3	3	3	3	3	3	3	3	3
> 50	1	1	1	1	1	1	1	1	1
<b>MANAGERS</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
≤ 30									
30- 50	1	1	1	1	1	1	1	1	1
> 50									
<b>EMPLOYEES</b>	<b>5</b>	<b>4</b>	<b>9</b>	<b>5</b>	<b>4</b>	<b>9</b>	<b>4</b>	<b>3</b>	<b>7</b>
≤ 30	2	2	4	2	1	3	1	1	1
30- 50	3	2	5	3	3	6	3	3	6
> 50									
<b>TOTAL</b>	<b>9</b>	<b>5</b>	<b>14</b>	<b>9</b>	<b>5</b>	<b>14</b>	<b>8</b>	<b>4</b>	<b>12</b>
≤ 30	2	2	4	2	2	3	1	1	1
30- 50	6	3	9	6	3	10	6	4	10
> 50	1	1	1	1	1	1	1	1	1
<b>% TOTAL</b>	<b>64%</b>	<b>36%</b>	<b>100%</b>	<b>64%</b>	<b>36%</b>	<b>100%</b>	<b>67%</b>	<b>33%</b>	<b>100%</b>

GIVEN THE NATURE OF TIP'S BUSINESS ACTIVITIES, MOTIVATING INCENTIVES ARE PROVIDED BY MEANS OF SIGNIFICANT VARIABLE REMUNERATION, STOCK OPTIONS, AND/OR PERFORMANCE SHARE PLANS.

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TIP SUPPORTS THE COMMUNITY IN A NUMBER OF DIFFERENT WAYS AND STRIVES IN PARTICULAR TO SUPPORT YOUNG PEOPLE, THE WORLD OF INNOVATION, AND THE TRAINING OF SPECIALISED PROFESSIONALS.

THE COMPANY'S FOCUS ON INNOVATION IS EXPRESSED BY OFFERING FINANCIAL AND OTHER MEANS OF SUPPORT TO COMPANIES THAT VIEW CONTINUOUS INVESTMENT IN INNOVATION AS THE MAIN ROUTE TO SUCCESS IN INCREASINGLY GLOBAL MARKETS.

TIP'S INTEREST IS ALSO REFLECTED IN ITS INVOLVEMENT IN THE STARTUP SEGMENT THROUGH A DEDICATED COMPANY, ENDOWED WITH EURO 100 MILLION TO INVEST IN THE DIGITAL AND INNOVATION SECTOR.

THE COMPANY ORGANISES NUMEROUS MEETINGS WITH YOUNG START-UPPERS, ALLOWING THE GROUP TO BETTER UNDERSTAND THE IMPORTANCE OF HELPING YOUNG PEOPLE DEVELOP THE SKILLS AND ABILITIES THEY NEED TO ENTER THE MODERN WORKING WORLD. TIP HAS ALSO DECIDED TO FINANCIALLY SUPPORT THE STUDIES OF DESERVING STUDENTS ENROLLED ON COURSES RUN BY THE TALENT INNOVATION SCHOOL.

#### STARTIP IS FOUNDED

IN 2017, STARTIP S.R.L. WAS FOUNDED AS A CORPORATE VEHICLE WHOLLY OWNED BY TIP. STARTIP HOPES TO INVEST EURO 100 MILLION IN THE INNOVATION AND DIGITAL SECTOR, THUS EXPANDING TIP'S TARGET TO INCLUDE COMPANIES THAT ARE TOO SMALL TO MEET ITS STANDARD INVESTMENT OBJECTIVES.

TIP'S DECISION TO INVEST SIGNIFICANT SUMS OF MONEY IN THE INNOVATION SECTOR IS MOTIVATED BY ITS OBSERVATIONS AT LARGE, MATURE INDUSTRIAL COMPANIES. IT HAS BECOME APPARENT THAT GROUPS NEED TO LEARN ABOUT GLOBAL INNOVATION IN TODAY'S CLIMATE, EVEN IF ONLY TO MAINTAIN THEIR CURRENT MARKET POSITIONING, AND TO INVEST MORE RESOURCES IN R&D, INNOVATION, AND DIGITALISATION.

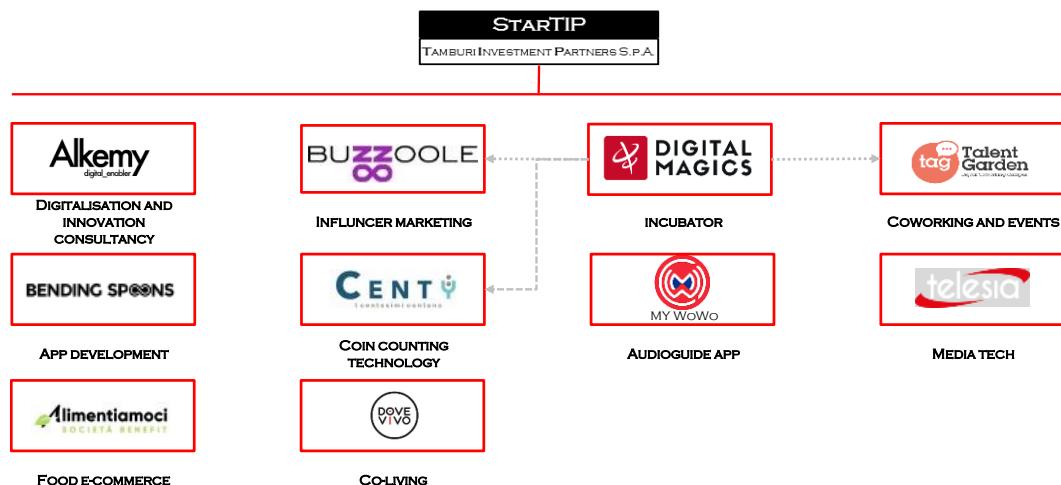
YEARS BEFORE FOUNDING STARTIP, THIS BELIEF INSPIRED TIP TO INVEST IN DIGITAL MAGICS S.P.A., ITALY'S LEADING LISTED INCUBATOR. TIP FIRST INVESTED IN DIGITAL MAGICS IN 2015, WHEN THE COMPANY WAS NOT YET LISTED AND WAS SEEKING FUNDING, BOTH TO FINANCE ITS INVESTMENTS AND TO CONSOLIDATE ITS PARTNERSHIP WITH TALENT GARDEN, ITALY'S LEADING CO-WORKING PROVIDER, WITH A FOCUS ON THE DIGITAL SECTOR. FROM THE OUTSET TIP WAS READY TO DIP A TOE INTO THE WORLD OF INNOVATION IN ORDER TO BUILD A NETWORK AND AN ECO-SYSTEM CAPABLE OF BRINGING TOGETHER IDEAS, CAPITAL, AND COMPANIES BELONGING TO VARIOUS SECTORS.

THIS RELATIONSHIP, SECURED BY A SIGNIFICANT INVESTMENT, ALLOWED TIP TO ANALYSE THE MARKET SEGMENT "MORE CLOSELY" AND TO FILL A LARGE GAP IN THE ITALIAN MARKET, GIVEN THE LACK OF FINANCIAL OPERATORS ABLE TO OFFER RESOURCES AND EXPERTISE TO STARTUPS BETWEEN THE LOAN SEED PHASE (TYPICALLY PROVIDED BY INCUBATORS) AND THE FIRST ROUND OF CAPITAL

RESEARCH (TYPICALLY PROVIDED BY VENTURE CAPITAL FUNDS). OVER THE YEARS, THIS GAP HAS PREVENTED INCUBATORS FROM EVOLVING STARTUPS INTO MATURE ENTITIES, AND HAS CONFINED THEM TO THE EARLY STAGES OF GROWTH. IN ADDITION, VARIOUS VENTURE CAPITALISTS AND SPECIALISED FUNDS HAVE DEDICATED THEIR TIME AND EFFORT TO SELECTING, SCOUTING, MENTORING, AND STRUCTURING TEAMS RATHER THAN ATTEMPTING TO CONSOLIDATE THEM.

TO DATE, STARTIP HAS INVESTED AROUND EURO 55 MILLION DIRECTLY AND AROUND EURO 120 MILLION THROUGH RELATED CLUB DEALS, A RARE SUM FOR THIS SEGMENT OVER SUCH A SHORT SPACE OF TIME.

THE AGGREGATE TURNOVER OF STARTIP'S INVESTEE COMPANIES CURRENTLY STANDS AT AROUND EURO 200 MILLION, WHILE DIGITAL MAGICS, TIP'S LARGEST SHAREHOLDER, CURRENTLY HAS 70 COMPANIES IN ITS PORTFOLIO.



#### SUPPORTING THE EDUCATION OF YOUNG PEOPLE

TO HELP YOUNG PEOPLE GAIN SPECIALISED EXPERTISE IN THE DIGITAL AND INNOVATION SECTOR, AND TO INTRODUCE THEM TO THE WORLD OF WORK, TIP HAS ALLOCATED EURO 50,000 TO FINANCE SCHOLARSHIPS FOR DESERVING STUDENTS ENROLLED ON MASTER'S DEGREE COURSES AT THE TALENT INNOVATION SCHOOL.

92% OF ALL STUDENTS ENROLLED ON TALENT INNOVATION SCHOOL COURSES FIND WORK BEFORE THE END OF THE STUDIES.

## FINANCIAL INFORMATION AND TRAINING ACTIVITIES

TIP HAS ALWAYS CONSIDERED IT USEFUL TO CONTRIBUTE TO THE DEBATE ON CORPORATE FINANCE ISSUES THROUGH DEDICATED ACTIVITIES FOCUSED ON COMMUNICATING INFORMATION TO THIRD PARTIES THROUGH EDITORIALS AND INTERVIEWS PUBLISHED IN MAJOR ITALIAN AND, IN SOME CASES, INTERNATIONAL MEDIA.

AS PART OF THE CLEAR SENSE OF RESPONSIBILITY THAT TIP'S SENIOR MANAGEMENT TEAM HAS ALWAYS FELT IN THE EDUCATIONAL AREA, SINCE THE EARLY 1990S IT HAS PUBLISHED ITS VIEWS (IN THE "PRIVATISATION AND CORPORATE GOVERNANCE BULLETIN") ON THE SUBJECT OF PRIVATISATION AND CORPORATE GOVERNANCE IN ITALY. THESE TOPICS WERE, AT THE TIME, TOTALLY OUTSIDE THE SCOPE OF DISCUSSION, INCLUDING AMONG HIGH-LEVEL FINANCE AND CORPORATE LAW PROFESSIONALS, AND THEREFORE TIP HAS BOTH INNOVATED AND IMPORTED A UNIQUE ECONOMIC, CORPORATE, AND FINANCIAL CULTURE.

THE COMPANY'S FOUNDERS HAVE ALSO WRITTEN BOOKS ON CORPORATE FINANCE ISSUES SUCH AS M&A OPERATIONS, IPOS AND BRAND AND ASSET VALUATIONS.

IN THE LATE 1980S, GIOVANNI TAMBURI PUBLISHED THE VERY FIRST MANUAL ON ACQUISITIONS IN ITALY, WHICH FOCUSED ON COMPANY ACQUISITIONS, THE HOW AND WHY, METHODS AND TECHNIQUES, AND THE PSYCHOLOGY OF ACQUISITIONS.

GIOVANNI TAMBURI PUBLISHED NUMEROUS BOOKS, MANUALS, ESSAYS AND ARTICLES ON THE TOPIC OF PRIVATISATION AND CORPORATE FINANCE IN GENERAL DURING THE 1990S.

IN 2014 TIP PUBLISHED THE VOLUME *ASSET ITALIA — PROPRIETÀ, VALORI E PREZZI (PAGATI E NON) DELLE AZIENDE ITALIANE* (ASSET ITALY — OWNERSHIP, VALUES AND PRICES (PAID AND UNPAID) OF ITALIAN COMPANIES) CONTAINING AN ANALYSIS (THE ONLY ONE OF ITS KIND IN ITALY) OF THE FINANCIAL OUTLOOK FOR ITALIAN ENTREPRENEURS, WITH A VIEW TO PROGRESSIVE CAPITAL STRENGTHENING AND EFFICIENCY GAINS IN THE INDUSTRIAL SYSTEM.

IN 2016 TIP PUBLISHED THE VOLUME *PREZZI & VALORI — L'ENTERPRISE VALUE NELL'ERA DIGITALE* (PRICES AND VALUES — ENTERPRISE VALUE IN THE DIGITAL AGE), WHICH CONTAINS VERY DETAILED AND THOROUGH ANALYSES AND STUDIES OF THE VALUATION DYNAMICS OF ENTERPRISES IN A WORLD THAT WAS SHIFTING MANY OF ITS MAIN PARADIGMS.

TIP'S SENIOR MANAGEMENT TEAM COLLABORATES WITH UNIVERSITIES AND ASSOCIATIONS ON A PRO BONO BASIS IN ORDER TO SHARE THEIR EXPERIENCE IN CORPORATE FINANCE.

#### **TIP'S ANTI-COVID MEASURES**

TO MANAGE THE EFFECTS OF THE PANDEMIC, TIP PROMPTLY SUPPORTED ITS EMPLOYEES BY ENSURING THEY COULD WORK IN SAFE AND ADEQUATE CONDITIONS, AND IN PARTICULAR:

- ALL EMPLOYEES WERE PERMITTED TO WORK FROM HOME, WITH THE EXCEPTION OF A SKELETON SECRETARIAL TEAM. COMPUTERS AND DEVICES WERE PROVIDED TO GUARANTEE EFFECTIVE PERFORMANCE FROM HOME. OFFICE SHIFTS WERE INTRODUCED DURING A SECOND PHASE.
- INFORMATION NOTICES WERE DISTRIBUTED IN RELATION TO COVID-19 AND PUBLIC AND PRIVATE LIFE.
- EMPLOYEES WERE GIVEN THE OPPORTUNITY TO TAKE THE THARSOS-RUN COURSE "CORONAVIRUS: WHAT YOU NEED TO KNOW", IN ADDITION TO A COURSE ENTITLED "COVID-19: SPECIFIC TRAINING AND THE USE OF PPE"
- NEW PROCEDURES WERE ADOPTED IN THE OFFICE AS PER THE GROUP'S "RETURN TO OFFICE PROTOCOL".
- COVID HEALTH COVERAGE WAS ARRANGED WITH A LEADING INSURANCE PROVIDER
- DEDICATED SIGNS WERE INSTALLED AT TIP'S OFFICES AND IN SHARED AREAS, AND A BODY TEMPERATURE SCANNER WAS INSTALLED AT THE ENTRANCE
- THE COMPANY REIMBURSED MEDICAL EXPENSES FOR COVID-19 TESTS TAKEN BY EMPLOYEES
- MASKS AND GLOVES WERE PROVIDED AND REMAIN AVAILABLE FOR EMPLOYEES AND VISITORS.
- ALL EMPLOYEES WERE GIVEN HAND GEL, AND SANITISING DEVICES WERE INSTALLED AROUND THE OFFICE
- A MORE RIGOROUS CLEANING SCHEDULE WAS IMPLEMENTED AT TIP'S OFFICES

ONCE THE SITUATION HAD IMPROVED, TIP ORGANISED A GRADUAL RETURN TO THE OFFICE WHILE ENSURING ITS EMPLOYEES COULD WORK IN SAFE CONDITIONS BY INTRODUCING CERTAIN RULES AND PAYING CLOSE ATTENTION TO RAPPORT AMONG COLLEAGUES.

## GOVERNANCE MODEL

TIP BELIEVES THAT PROPER GOVERNANCE IS KEY TO CREATING SUSTAINABLE VALUE FOR SHAREHOLDERS AND STAKEHOLDERS OVER TIME, PROVIDING GUARANTEED PROTECTION FOR THEM ALL. FOR THIS TO HAPPEN, TIP NEEDS TO COMPETE EVEN MORE EFFICIENTLY IN RELEVANT MARKETS BY BEING ABLE TO PREVENT, IDENTIFY, AND MANAGE THE RISKS ASSOCIATED WITH ITS BUSINESS.

IN THIS RESPECT, AT TIP, GOVERNANCE IS UNDERSTOOD ON TWO LEVELS:

- THE GOVERNANCE OF TIP: DESCRIPTION OF THE GOVERNANCE STRUCTURE ADOPTED TO BEST MANAGE THE COMPANY
- TIP'S ROLE AS AN INVESTOR: THE ACTIVITIES TIP CARRIES OUT IN INVESTEE COMPANIES AS PART OF ITS ROLE IN CORPORATE BOARDS

### THE GOVERNANCE OF TIP

TIP ADOPTS A GOVERNANCE SYSTEM THAT IS DESIGNED TO MAXIMISE SHAREHOLDER VALUE, MITIGATE BUSINESS RISKS, GUARANTEE TRANSPARENCY TOWARDS THE MARKET, AND BALANCE THE INTERESTS OF ALL SHAREHOLDERS.

TIP FULLY COMPLIES WITH THE LAWS AND REGULATIONS IN FORCE IN THE COUNTRIES IN WHICH IT OPERATES, IN ADDITION TO THE PRINCIPLES DEFINED IN ITS CODE OF ETHICS AND THE PROCEDURES CONTAINED IN INTERNAL REGULATIONS. IN ADDITION, TIP ABIDES BY A SET OF ETHICAL PRINCIPLES WHEN CONDUCTING BUSINESS, WHICH TAKE THE FORM OF A STEADFAST MANTRA THAT GUIDES ALL GROUP DECISIONS.

TIP CONDEMNS ANY FORM OF CORRUPTION, EXTORTION, OR UNDUE INFLUENCE TO GIVE OR PROMISE BENEFITS AND ADOPTS ALL THE APPROPRIATE MEASURES TO PREVENT AND AVOID SUCH CRIMES.

TIP STRONGLY BELIEVES THAT ESG CRITERIA SHOULD BE IMPLEMENTED IN COMPANY DEPARTMENTS AT ALL LEVELS. AS SUCH, GOVERNANCE IS BAKED INTO ITS ORGANISATIONAL STRUCTURE, AND ITS CONTROL, RISKS, RELATED PARTIES AND SUSTAINABILITY COMMITTEE IS RESPONSIBLE FOR OVERSEEING THE GROUP'S SUSTAINABILITY STRATEGY AND ALL ACTIVITIES CARRIED OUT IN THIS AREA, SO THAT CONSTANT OVERSIGHT CAN BE GUARANTEED.

CONFIRMING ITS COMMITMENT TO GOVERNANCE AND ESG TOPICS, FROM MARCH 12, 2021, THE CONTROL, RISKS AND RELATED PARTIES COMMITTEE HAS ALSO BEEN ASSIGNED TASKS RELATING TO SUSTAINABILITY BY CARRYING OUT SUPPORT AND ADVISORY FUNCTIONS FOR THE BOARD OF DIRECTORS.

#### TIP'S ROLE AS AN INVESTOR

IT'S IMPORTANT TO TAKE TIP'S INVESTMENT STRATEGY INTO CONSIDERATION WHEN ANALYSING ITS ROLE AS AN INVESTOR. TIP MAKES INVESTMENTS IN COMPANIES LISTED ON REGULATED MARKETS AND IN COMPANIES THAT ARE UNLISTED OR LISTED ON UNREGULATED MARKETS.

ALL TIP COMPANIES LISTED ON REGULATED MARKETS ADOPT THE HIGHEST STANDARDS OF GOVERNANCE AND COMPLIANCE WITH ESG REGULATIONS. COMPANIES SUCH AS AMPLIFON, MONCLER AND PRYSMIAN ARE CONSIDERED PIONEERS ON ESG TOPICS IN ITALY.

GIVEN TIP'S RECOGNISED EXPERIENCE IN MATTERS RELATING TO GOVERNANCE AND SUSTAINABILITY, ITS DIRECTORS ARE OFTEN APPOINTED TO SIT ON CORPORATE COMMITTEES.

TO ASSESS THE ROLE PLAYED BY ACTIVE INVESTORS AND MEMBERS APPOINTED TO THE BOARDS OF THE MAJORITY OF COMPANIES IN WHICH TIP HAS INVESTED, THE FOLLOWING FACTORS MUST BE TAKEN INTO CONSIDERATION FOR UNLISTED COMPANIES (OR THOSE LISTED ON UNREGULATED MARKETS):

- AS A MINORITY INVESTOR, TIP CANNOT IMPOSE ITS OWN STRATEGIC VIEWS ON INVESTEE COMPANIES. THE RELATIONSHIP BETWEEN TIP AND THE SENIOR MANAGEMENT TEAMS AND ENTREPRENEURS OF ITS INVESTEE COMPANIES ALLOWS FOR AN OPEN AND FRUITFUL DISCUSSION ON FUNDAMENTAL CORPORATE ISSUES, INCLUDING THE PURSUIT OF SUSTAINABLE GROWTH.
- TIP OFTEN INVESTS IN FAMILY-RUN BUSINESSES OF VARYING SIZES. ASIDE FROM LISTED LARGE-CAP SUBSIDIARIES OR ENTITIES LISTED ON REGULATED MARKETS, WHICH ARE REQUIRED TO COMPLY WITH SPECIFIC OBLIGATIONS, TIP'S INVESTEE PORTFOLIO INCLUDES MEDIUM-SIZED ITALIAN BUSINESSES WITH PREDOMINANTLY FAMILY SHAREHOLDERS.

WITH THIS IN MIND, TIP'S MAIN OBJECTIVE IS TO INTRODUCE OPEN, TRANSPARENT AND APPROPRIATELY REGULATED GOVERNANCE SYSTEMS TO ITS INVESTEE COMPANIES, IN LINE WITH THE EXPECTATIONS FOR COMPANIES LISTED ON REGULATED MARKETS. THIS COMMITMENT IS MAINLY EXPRESSED BY:

- INTRODUCING PROPER GOVERNANCE POLICIES THROUGH THE BOARD OF DIRECTORS AND SHAREHOLDERS' MEETING, IN LINE WITH BEST MARKET PRACTICES
- SUPPORTING BUSINESSPEOPLE LOOKING FOR A PROFESSIONAL SENIOR MANAGEMENT TEAM WITH AN IMPRESSIVE TRACK RECORD;
- CREATING AN ORGANISATION CHART THAT CLEARLY STATES ROLES AND RESPONSIBILITIES
- ADEQUATELY ORGANISING THE DUTIES OF THE BOARD OF DIRECTORS
- APPOINTING INDEPENDENT MEMBERS TO THE BOARDS OF DIRECTORS

ONE OF THE AREAS IN WHICH TIP HAS ASSUMED A GROWING AND INCREASINGLY IMPORTANT ROLE IN ITALY OVER THE YEARS IS THE MANAGEMENT OF GENERATIONAL HAND-OVERS, AS WELL AS THE CORRECT IDENTIFICATION OF (SHAREHOLDER-DIRECTOR-MANAGER) ROLES. GIVEN THAT MEDIUM-SIZED FAMILY ENTITIES ARE FAIRLY WIDESPREAD, THIS FACTOR IS OF FUNDAMENTAL IMPORTANCE FOR THE FUTURE OF EVERY BUSINESS.

MANY FAMILY-RUN BUSINESSES HAVE ACKNOWLEDGED TIP AS A "PARTNER" WITH SHARED INTERESTS, ABLE TO GUIDE THEM THROUGH IMPORTANT MILESTONES FOR THEIR COMPANIES, EMPLOYEES, STAKEHOLDERS, AND SHAREHOLDERS. MANAGING GENERATIONAL HAND-OVERS IN A BALANCED AND PROFITABLE WAY CAN LEAD TO PROMISING NEW HORIZONS FOR COMPANY DEVELOPMENT.

TIP IS ALSO COMMITTED – BOTH IN TERMS OF ITS CONSULTANCY SERVICES AND AS A DIRECT INVESTOR – TO HELPING COMPANIES OPEN UP CAPITAL THROUGH STOCK EXCHANGE LISTINGS, FINANCIAL AND INDUSTRIAL PARTNERSHIPS, BUSINESS COMBINATIONS, AND JOINT VENTURES, ETC.

ALTHOUGH ITALY'S ENTREPRENEURIAL LANDSCAPE HAS SOMEWHAT RESISTED OPENING UP CAPITAL TO ASSIST LONG-TERM DEVELOPMENT, TIP HAS DEMONSTRATED THAT IT ALLOWS COMPANIES TO GROW IN A HEALTHIER AND MORE TRANSPARENT WAY, WITH CLEAR BENEFITS FOR COMPANY VALUE, THE ATTRACTION OF AN INDEPENDENT AND PROFESSIONAL MANAGEMENT TEAM, AND SHAREHOLDER RETURNS. THESE CONSIDERATIONS ALSO POSSESS STRATEGIC VALUE GIVEN THE CURRENT CONTEXT.

IN ORDER TO BEST SUPPORT ENTREPRENEURS AND COMPANIES IN THEIR SUSTAINABLE LONG-TERM GROWTH, TIP ENSURES THE FOLLOWING:

- NO FINANCIAL LEVERAGE REQUIREMENTS TIP INVESTS THROUGH EQUITY CONTRIBUTIONS WITHOUT BURDENING THE FINANCIAL SITUATION OF ITS INVESTEE COMPANIES
- NO GUARANTEED EXIT REQUIREMENTS TIP IS A LONG-TERM INVESTOR, AND AS SUCH, IT PROVIDES PATIENT AND/OR PERMANENT CAPITAL TO HELP COMPANIES GROW WITHOUT DEMANDING GUARANTEED EXITS. ONE OF TIP'S VERY FIRST (AND MOST FULFILLING) INVESTMENTS WAS IN THE INTERPUMP GROUP, AND IT REMAINS AN IMPORTANT SHAREHOLDER TO THIS DAY, 18 YEARS LATER, ALONGSIDE FULVIO MONTIPÒ (FOUNDER, MAJORITY SHAREHOLDER, CHAIRPERSON AND CEO OF THE GROUP). TIP HAS ALSO BOOSTED ITS INVESTMENT IN THE GROUP ON MULTIPLE OCCASIONS, INCLUDING AFTER THE DEPARTURE OF OTHER INVESTORS INVITED INTO THE INITIAL CLUB DEAL. OTHER EXAMPLES INCLUDE BE-SHAPING THE FUTURE S.P.A., IN WHICH TIP HAS BEEN A SHAREHOLDER SINCE 2007, AMPLIFON S.P.A. AND PRYSMIAN S.P.A. (SINCE 2010), MONCLER S.P.A. (SINCE 2013), AND EATALY S.P.A., AND ROCHE BOBOIS S.A. (SINCE 2014).

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TIP'S CORPORATE GOVERNANCE STRUCTURE PROVIDES COMPANIES WITH A SIGNIFICANT DEGREE OF INDEPENDENCE IN THEIR DECISION-MAKING PROCESSES AND IS BASED ON THE PROPER DIVISION OF POWERS AND ASSIGNMENT OF ROLES.

TIP HAS ADOPTED A TRADITIONAL GOVERNANCE MODEL (IN LINE WITH ARTICLE 2380-BIS ET SEQ. OF THE CIVIL CODE), CHARACTERISED BY THE PRESENCE OF A BOARD OF DIRECTORS AND A BOARD OF STATUTORY AUDITORS, BOTH APPOINTED BY THE SHAREHOLDERS' MEETING.

TIP CONSIDERS THIS GOVERNANCE MODEL TO BE THE MOST SUITABLE FOR COMBINING "MANAGEMENT EFFICIENCY" WITH "CONTROL EFFICACY" IN ORDER TO FULFIL ITS COMPANY MISSION AND IMPLEMENT ITS INVESTMENT STRATEGY.

TIP HAS ADOPTED THE PROVISIONS OF THE SELF-GOVERNANCE CODE PUBLISHED BY BORSA ITALIANA AND HAS ADHERED TO THE CORPORATE GOVERNANCE CODE SINCE 2021. TIP'S GOVERNANCE SYSTEM IS FURTHER DEFINED IN THE FOLLOWING DOCUMENTS (AVAILABLE ON [WWW.TIPSPA.IT](http://WWW.TIPSPA.IT)):

- COMPANY BY-LAWS
- CODE OF ETHICS
- INTERNAL DEALING CODE
- ORGANISATION, MANAGEMENT AND CONTROL MODEL
- RELATED PARTY TRANSACTIONS
- PROCEDURE FOR THE MANAGEMENT OF “PERSONS WITH ACCESS TO INSIDE INFORMATION”
- MARKET ABUSE PROCEDURE

TIP IS A TRUE PUBLIC COMPANY AND AS SUCH, ANALYSIS OF ITS GOVERNANCE SYSTEM MUST ACCOUNT FOR THE LACK OF MAJORITY SHAREHOLDERS CAPABLE OF INDEPENDENTLY APPROVING CERTAIN RESOLUTIONS.

THE BOARD OF DIRECTORS, IN OFFICE UNTIL THE APPROVAL OF THE FINANCIAL STATEMENTS AT DECEMBER 31, 2021, IS COMPOSED AS FOLLOWS:

NAME	OFFICE	EXECUTIVE	INDEPENDENT
Giovanni Tamburi	CHAIRPERSON AND CEO	YES	NO
Alessandra Gritti	VICE-CHAIRPERSON AND CEO	YES	NO
Cesare D'Amico	VICE-CHAIRPERSON	NO	NO
Claudio Berretti	EXECUTIVE DIRECTOR & GENERAL MANAGER	YES	NO
Alberto Capponi	DIRECTOR	NO	YES
Giuseppe Ferrero	DIRECTOR	NO	YES
Manuela Mezzetti	DIRECTOR	NO	YES
Daniela Anna Palestra	DIRECTOR	NO	YES
Paul Simon Schapira	DIRECTOR	NO	YES

THE BOARD OF DIRECTORS IS CHARGED WITH SETTING OUT THE COMPANY AND GROUP STRATEGIC GUIDELINES AND IS RESPONSIBLE FOR MANAGEMENT OVERSIGHT.

IT IS INVESTED WITH ALL POWERS FOR ORDINARY AND EXTRAORDINARY MANAGEMENT, SINCE IT IS RESPONSIBLE FOR EVERYTHING THAT IS NOT EXPRESSLY RESERVED TO THE SHAREHOLDERS' MEETING BY LAW OR BY THE BY-LAWS. THE BOARD OF DIRECTORS IS ALSO RESPONSIBLE FOR DECISIONS ON SUSTAINABILITY MATTERS.

TIP HAS APPLIED DIVERSITY CRITERIA, INCLUDING GENDER CRITERIA, TO THE COMPOSITION OF ITS BOARD OF DIRECTORS, IN LINE WITH THE PRIORITY OBJECTIVE OF ENSURING ITS DIRECTORS POSSESS SUFFICIENT EXPERTISE AND PROFESSIONALISM. A THIRD OF THE BOARD OF DIRECTORS CURRENTLY COMPRISSES DIRECTORS FROM THE UNDER-REPRESENTED GENDER.

THE BY-LAWS ARE CONSIDERED TO BE THE BEST MEANS OF PURSUING THIS OBJECTIVE, WHILE ALSO TAKING INTO ACCOUNT TIP'S OWNERSHIP STRUCTURE. THE BY-LAWS PROVIDE FOR AN APPOINTMENT MECHANISM THAT ENSURES THE PERCENTAGE OF DIRECTORS FROM THE UNDER-REPRESENTED GENDER COMPLIES WITH LEGAL AND REGULATORY REQUIREMENTS AT THE VERY LEAST.

AS REGARDS DIVERSITY POLICIES ON MANAGERIAL AND PROFESSIONAL EXPERTISE (INCLUDING OF AN INTERNATIONAL NATURE), AGE, AND SENIORITY OF OFFICE, GIVEN THE COMPANY'S SPECIFIC BUSINESS ACTIVITIES AND THE MORE GENERALLY EXPECTED IMPLEMENTATION OF THE NEW CORPORATE GOVERNANCE CODE, NO FURTHER POLICIES WERE INTRODUCED DURING THE YEAR AND POTENTIAL DECISIONS ON THIS MATTER HAVE BEEN POSTPONED UNTIL NEXT YEAR. THE COMPANY WILL APPLY THE NEW CORPORATE GOVERNANCE CODE FROM 2021, REPORTING TO THE MARKET IN THE CORPORATE GOVERNANCE REPORT TO BE PUBLISHED DURING 2022.

THE BOARD OF DIRECTORS IS COMPOSED AS FOLLOWS:

- ONE-THIRD - UNDER-REPRESENTED GENDER
- TWO-THIRDS - NON-EXECUTIVE DIRECTORS
- 55% - INDEPENDENT DIRECTORS

THE BOARD HAS THE FOLLOWING COMMITTEES:

- THE APPOINTMENTS AND REMUNERATION COMMITTEE (COMPOSED OF THREE INDEPENDENT DIRECTORS)
- THE CONTROL, RISKS, RELATED PARTIES AND SUSTAINABILITY COMMITTEE (COMPOSED OF THREE INDEPENDENT DIRECTORS) IN COMPLIANCE WITH THE PROVISIONS OF THE SELF-GOVERNANCE CODE, THE BOARD OF DIRECTORS OF MAY 2, 2019 APPOINTED THE INDEPENDENT AND NON-EXECUTIVE

DIRECTOR MR. ALBERTO CAPPONI AS THE LEAD INDEPENDENT DIRECTOR PURSUANT TO THE SELF-GOVERNANCE CODE, ATTRIBUTING TO HIM THE RESPONSIBILITIES AND DUTIES CONTAINED THEREIN. THE LEAD INDEPENDENT DIRECTOR WORKS WITH THE CHAIRPERSON IN ORDER TO GUARANTEE THAT THE DIRECTORS BE FULLY AND IMMEDIATELY INFORMED. THE LEAD INDEPENDENT DIRECTOR CALLS AT LEAST ONCE A YEAR A MEETING OF ONLY INDEPENDENT DIRECTORS FOR A DISCUSSION ON ISSUES RELATED TO THE FUNCTIONING OF THE BOARD OR BUSINESS OPERATIONS.

FOR FURTHER INFORMATION ON THE RESPONSIBILITIES AND DUTIES OF THE COMMITTEES, REFERENCE SHOULD BE MADE TO THE CORPORATE GOVERNANCE REPORT, AVAILABLE ON THE COMPANY WEBSITE [WWW.TIPSPA.IT](http://WWW.TIPSPA.IT).

THE BOARD OF STATUTORY AUDITORS IS COMPOSED AS FOLLOWS:

MYRIAM AMATO (CHAIRPERSON)

FABIO PASQUINI (STATUTORY AUDITOR)

ALESSANDRA TRONCONI (STATUTORY AUDITOR)

#### FOCUS ON THE CODE OF ETHICS

DRIVEN BY A CONVICTION THAT AN ETHICAL APPROACH TO DOING BUSINESS IS NOT ONLY AN END UNTO ITSELF, BUT IS ALSO INTEGRAL TO THE SUCCESS OF THE COMPANY AND THE REDUCTION OF ITS RISK, SINCE THE EARLY 2000S IN ITS INTERNAL AND EXTERNAL ACTIVITIES, TIP HAS FOCUSED ON COMPLYING WITH THE PRINCIPLES OF ITS CODE OF ETHICS, WHICH IDENTIFIES THE SHARED VALUES, PRINCIPLES AND DUTIES IN MANAGEMENT OF THE BUSINESS, WORKING STANDARDS, RESPECT FOR HUMAN RIGHTS AND RESPECT FOR THE ENVIRONMENT BY WHICH ALL THOSE WHO ACT ON BEHALF OF GROUP COMPANIES ARE REQUIRED TO ABIDE.

IN PARTICULAR, OBSERVANCE OF THE CODE OF ETHICS SEEKS TO MINIMISE RISKS WITH A SOCIAL IMPACT, INCLUDING THOSE AFFECTING PERSONNEL, THROUGH A RESPECT FOR THE LAW, DIGNITY, EQUALITY, AND INTEGRITY. THE CODE OF ETHICS ALSO APPLIES TO RELATIONS WITH THE PUBLIC SECTOR, SUPERVISORY AUTHORITIES, POLITICAL PARTIES, TRADE UNIONS, SUPPLIERS OF GOODS AND SERVICES, AND CUSTOMERS. CLOSE ATTENTION IS PAID TO HEALTH AND SAFETY IN THE WORKPLACE. FULL CONFIDENTIALITY ON THE ACTIVITIES CARRIED OUT IS ALSO ENSURED THROUGH DEDICATED PROCEDURES.

AS PREVIOUSLY MENTIONED, THE CODE OF ETHICS HAS BEEN UPDATED TO BRING IT FURTHER INTO LINE WITH THE COMPANY'S SUSTAINABILITY POLICIES AND OBJECTIVES.

#### MANAGING THE RISKS RELATING TO TIP'S CORE BUSINESS

PURSUANT TO LEGISLATIVE DECREE No. 231/2001, THE TIP GROUP HAS ADOPTED AN ORGANISATION, MANAGEMENT AND CONTROL MODEL TO PREVENT THE OCCURRENCE OF RISKS ASSOCIATED WITH UNLAWFUL BEHAVIOUR AND TO ENSURE THAT THE STANDARDS AND CONDITIONS OF FAIRNESS AND TRANSPARENCY ARE RESPECTED WHEN CONDUCTING BUSINESS.

THE MODEL HAS BEEN UPDATED FOLLOWING THE LATEST CHANGES TO REGULATIONS AND INCORPORATES THE INDICATIONS CONTAINED IN THE CONFININDUSTRIA GUIDELINES ISSUED IN JUNE 2021.

THE DOCUMENT FIRST ANALYSES THE RISKS LINKED TO INDIVIDUAL OFFENCES THAT APPLY TO THE COMPANY, IT THEN IDENTIFIES THE PROCESSES AND ORGANISATIONAL MEASURES THAT TIP HAS IMPLEMENTED TO ENSURE RISKS REMAIN WITHIN "ACCEPTABLE" LIMITS. THIS CONCEPT IS KEY TO CREATING A PREVENTION SYSTEM THAT CAN ONLY BE CIRCUMVENTED FRAUDULENTLY.

THE CODE OF ETHICS ADOPTED BY TIP AND MENTIONED IN THE PREVIOUS CHAPTER IMPLEMENTS THE PROVISIONS OF DECREE 231/01 AS A VALID WAY OF RAISING THE AWARENESS OF EVERYONE WHO WORKS IN THE NAME AND ON BEHALF OF THE COMPANY. THE CODE OF ETHICS PROMOTES AND/OR PROHIBITS CERTAIN BEHAVIOURS IN COMPLIANCE WITH REGULATORY PROVISIONS, WHICH HAVE BECOME INCREASINGLY RELEVANT IN RECENT TIMES.

KEY TO THE MODEL'S CONSTRUCTION IS THE CREATION OF AN APPROPRIATE PENALTY SYSTEM. THIS SYSTEM ALSO GOVERNS VIOLATIONS OF THE CODE OF ETHICS, WHICH EXPLAINS THE IMPACT VIOLATIONS HAVE ON STAFF AS A MEANS OF CORPORATE SELF-GOVERNANCE.

COMBINING THE MODEL AND THE CODE OF ETHICS — WHICH ARE TWO DISTINCT TOOLS THAT ARE INHERENTLY CONNECTED — ALLOWS TIP TO SHAPE ITS BUSINESS ACTIVITIES TO ENSURE THEY COMPLY WITH THE PENALTY SYSTEM IN PLACE FOR THE OFFENCES LISTED IN THE AFOREMENTIONED DECREE "CATALOGUE".

TIP HAS SET UP A COLLECTIVE SUPERVISORY BOARD WHOSE DUTIES, AMONG OTHERS, INCLUDE (i) VERIFYING THE EFFECTIVENESS AND EFFICIENCY OF THE

ORGANISATIONAL MODEL ADOPTED TO PREVENT THE OFFENCES GOVERNED BY LEGISLATIVE DECREE No. 231/2001; (ii) VERIFYING COMPLIANCE WITH THE METHODS AND PROCEDURES CONTAINED IN THE ORGANISATIONAL MODEL, REPORTING ANY UNUSUAL CONDUCT WHEN ANALYSING INFORMATION FLOWS, WHICH THE VARIOUS HEADS OF DEPARTMENT ARE REQUIRED TO REPORT; AND (iii) SUGGESTING DISCIPLINARY MEASURES TO THE BOARD OF DIRECTORS, WHICH MUST BE IMPLEMENTED IF A VIOLATION OF THE ORGANISATIONAL MODEL IS DETECTED.

THE NATURE OF THE TIP GROUP's BUSINESS ALSO NECESSITATES THAT INFORMATION PROCESSED WITH REGARD TO LISTED AND UNLISTED COMPANIES — BE THEY INVESTEES, INVESTMENT TARGETS OR SLATED FOR DIVESTMENT — BE REGARDED AS PRIVATE AND CONFIDENTIAL. THE EXPECTED LEVEL OF PROTECTION OF INFORMATION IS THEREFORE EXTREMELY HIGH IN VIEW OF THE RISKS THAT INFORMATION LEAKS MAY ENTAIL IN ECONOMIC AND REPUTATIONAL TERMS, FOR BOTH CLIENTS (OR TARGET COMPANIES) AND FOR TIP ITSELF. TIP THEREFORE DEVOTES PARTICULAR ATTENTION TO PROTECTING DATA AND HAS IMPLEMENTED A PROGRAMME FOR UPDATING AND DEVELOPING ITS SYSTEMS, INFRASTRUCTURE, AND SECURITY PROCEDURES, INCLUDING TO COMPLY WITH NEW REGULATORY OBLIGATIONS.

EMPLOYEE RESTRICTIONS ON SELF-DEALING AND ACCEPTING GIFTS OF SIGNIFICANT VALUE, INCLUDING ON BEHALF OF THE COMPANY, HAVE ALWAYS BEEN CRUCIAL.

## RESPECT FOR THE ENVIRONMENT

TIP'S DEDICATION TO SOCIAL RESPONSIBILITY ALSO SPANS ITS COMMITMENT TO THE ENVIRONMENT, THROUGH WHICH IT SEEKS TO MINIMISE AND OPTIMISE THE DIRECT AND INDIRECT IMPACT OF ITS BUSINESS ACTIVITIES ON THE ENVIRONMENT IN THE SHORT AND LONG TERM. TIP ALSO UNDERTAKES TO MONITOR RISK FACTORS RELATING TO THE ENVIRONMENT ON AN ONGOING BASIS.

ALTHOUGH THE COMPANY'S SIZE AND THE NATURE OF ITS BUSINESS MEAN THAT IT DOES NOT HAVE A PARTICULARLY LARGE ENVIRONMENTAL FOOTPRINT — GIVEN THAT ITS EMISSIONS ARE IN LINE WITH DOMESTIC LEVELS — WE HAVE IDENTIFIED A NUMBER OF MEASURES THAT WILL ALLOW US TO HELP PROTECT THE ENVIRONMENT.

BY MAKING ITS EMPLOYEES AWARE OF A CULTURE OF SUSTAINABILITY, TIP SEEKS TO EFFICIENTLY MANAGE RESOURCES, ENSURING THAT ENERGY AND MATERIALS ARE CONSUMED CONSCIENTIOUSLY TO AVOID THE UNNECESSARY CREATION OF WASTE. THIS IS ACCCOMPANIED BY AN ADEQUATE WASTE MANAGEMENT SYSTEM.

BUSINESS INVOLVES ALMOST EXCLUSIVE USE OF MATERIALS SUCH AS PAPER AND ELECTRONIC DEVICES (PCs, PRINTERS, ETC.) THAT FOCUS ON COST-EFFECTIVENESS, RESPECT FOR THE ENVIRONMENT AND QUALITY OF THE PRODUCTS OFFERED BY THE BEST MAJOR SUPPLIERS, WHICH ARE ASKED TO ENSURE FULL COMPLIANCE WITH THE HIGHEST MARKET STANDARDS IN TERMS OF ENVIRONMENTAL IMPACT, TRACEABILITY AND WORKING PRACTICES. FOR THIS LATTER ISSUE, A CUSTOMER AND SUPPLIER ETHICS CODE WAS ADOPTED ON MARCH 9, 2018 AS A VALID MEANS OF RAISING AWARENESS AMONG INDIVIDUALS WHO WORK IN THE NAME AND ON BEHALF OF TIP. THE ETHICS CODE WAS SUBSEQUENTLY UPDATED FOLLOWING A BOARD OF DIRECTORS' MOTION ON MARCH 14, 2019. THE CODE HAS A DUAL PURPOSE: (I) TO DISSEMINATE HOMOGENEOUS AND TRANSPARENT CRITERIA WHEN PERFORMING THE TASKS ENTRUSTED TO THESE OPERATORS, AND (II) TO CREATE A SYSTEM CAPABLE OF CONTRIBUTING TO THE IMPLEMENTATION OF A PREVENTION MODEL PURSUANT TO LEGISLATIVE DECREE No. 231/2001 ON THE ADMINISTRATIVE LIABILITY OF ENTITIES.

THE TIP GROUP PRESENTS TWO MAIN TYPES OF ACTIVITIES WITH AN ENVIRONMENTAL IMPACT: (I) ADMINISTRATIVE AND GENERIC OFFICE ACTIVITIES, WHICH INVOLVE THE CONSUMPTION OF PAPER AND ENERGY, AND (II) TRAVEL BY PERSONNEL TO REACH PLACES OF BUSINESS AND CUSTOMERS, WHICH GIVES RISE TO CO<sub>2</sub> EMISSIONS. IT SHOULD ALSO BE NOTED THAT:

- THE GROUP'S CORE AND SUPPORTING ACTIVITIES DO NOT INVOLVE INDUSTRIAL TRANSFORMATION PROCESSES, AND ITS ENVIRONMENTAL IMPACTS ARE THEREFORE ESSENTIALLY ATTRIBUTABLE TO THE DOMESTIC UTILITIES TYPICALLY SEEN IN URBAN AREAS, I.E. WASTE, ELECTRICITY AND WATER;
- THE IMPACTS OF ACTIVITIES PERFORMED ON THE PREMISES OF CUSTOMERS AND INVESTEES ARE NOT CONSIDERED BECAUSE THEY ARE INDIRECT FROM THE GROUP'S PERSPECTIVE AND CANNOT BE MEASURED.

TIP IS ALSO COMMITTED TO ADOPTING SOLUTIONS TO IMPROVE ITS CONSUMPTION OF MATERIALS. THE COMPANY'S MOST CONSUMED RESOURCE IS PAPER AS IT IS USED DURING EVERYDAY OFFICE ACTIVITIES AND, AS SUCH, WE ENCOURAGE EMPLOYEES TO USE DIGITAL MEDIA WHEREVER POSSIBLE, INCLUDING WHEN OUR OFFICES ARE FULLY OPERATIONAL. SIMILARLY, WE HAVE INTRODUCED INITIATIVES TO REDUCE PLASTIC CONSUMPTION IN OUR OFFICES. WE HAVE INSTALLED WATER FOUNTAINS AND HAVE DISTRIBUTED WATER BOTTLES TO EMPLOYEES, WHICH ARE TO BE USED INSTEAD OF PLASTIC BOTTLES. PLASTIC BOTTLES, GLASSES, AND CUTLERY WERE REMOVED FROM OUR OFFICES SOME TIME AGO, AND THE USE OF PLASTIC IS INCREASINGLY LIMITED TO WHAT IS STRICTLY NECESSARY. WE HAVE REPLACED PLASTIC WITH ENVIRONMENTALLY SUSTAINABLE PRODUCTS, WHERE POSSIBLE.

THANKS TO OUR EFFORTS AND IN VIEW OF OUR REDUCED OFFICE OPERATIONS DUE TO COVID-19 RESTRICTIONS, OUR LEVELS OF CONSUMPTION WERE CONSIDERABLY LOWER THAN LAST YEAR.

WITHIN THIS CONTEXT, THE TIP GROUP IS NOT EXPOSED TO ANY SIGNIFICANT ENVIRONMENTAL RISKS, AND IN ANY EVENT, IT ADOPTS BEHAVIOUR INTENDED TO REDUCE ITS IMPACT ON THE ENVIRONMENT BY IMPLEMENTING OPERATING OBJECTIVES SUCH AS:

- THE ADOPTION OF ECO-FRIENDLY TECHNOLOGIES, MATERIALS AND SYSTEMS, WHERE SUSTAINABLE;
- ENGAGEMENT AND AWARENESS-RAISING AMONG PERSONNEL WHO IN THEIR WORK ARE DIRECTLY INVOLVED IN MANAGING THE IMPACTS GENERATED;
- THE REPLACEMENT OF BUSINESS TRIPS WITH INNOVATIVE REMOTE AND DIGITAL COMMUNICATIONS AND AGILE WORKING METHODS;
- OPTIMISATION OF ENERGY AND MATERIAL CONSUMPTION.

IN FEBRUARY 2013, THE COMPANY ADOPTED AN INTERNAL PROCEDURE TO MANAGE CORPORATE WASTE, WHICH WAS UPDATED IN MARCH 2015. THE PROCEDURE SEEKS TO DEFINE THE METHODS FOR CORRECTLY HANDLING WASTE PRODUCED DURING TO WORK ACTIVITIES AND THUS TO ESTABLISH HOW WASTE SHOULD BE CLASSIFIED, TEMPORARILY STORED, RECORDED, AND DISPOSED OF IN COMPLIANCE WITH THE LAWS AND REGULATIONS IN FORCE. THE PROCEDURE ALSO PROVIDES FOR THE SEPARATE COLLECTION AND PROPER DISPOSAL OF WASTE CLASSIFIED AS HAZARDOUS, INCLUDING WITH A VIEW TO PROMOTING A CIRCULAR ECONOMY.

THE MAIN MATERIAL USED IN THE SERVICES PROVIDED BY THE GROUP'S EMPLOYEES IS PAPER. ACCORDINGLY, REDUCING SUCH CONSUMPTION HAS BEEN AND REMAINS A PRIORITY IN FORGING A HEALTHIER ENVIRONMENTAL CULTURE AT THE COMPANYWIDE LEVEL. THIS GOAL HAS BEEN PURSUED THROUGH INITIATIVES DESIGNED TO INSTIL SENSITIVITY AND ACCOUNTABILITY IN PAPER USE, WHERE NECESSARY, DEMATERIALISE PROCESSES, WHERE POSSIBLE, AND LAUNCH CONSTANT USAGE MONITORING.

## A BREAKDOWN OF THE TIP GROUP'S SUSTAINABLE DEVELOPMENT OBJECTIVES

IN SEPTEMBER 2015, MORE THAN 150 WORLD LEADERS MET AT THE UNITED NATIONS TO CONTRIBUTE TO GLOBAL DEVELOPMENT, PROMOTE HUMAN WELL-BEING AND PROTECT THE ENVIRONMENT.

THE COMMONWEALTH OF INDEPENDENT STATES APPROVED THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT, THE ESSENTIAL ELEMENTS OF WHICH ARE 17 SUSTAINABLE DEVELOPMENT GOALS AND 169 SUB-GOALS, WHICH SEEK TO END POVERTY, FIGHT INEQUALITY, AND TO FOSTER SOCIAL AND ECONOMIC DEVELOPMENT.

THE GOALS ALSO COVER TOPICS THAT ARE VITAL TO SUSTAINABLE DEVELOPMENT, SUCH AS TACKLING CLIMATE CHANGE AND BUILDING PEACEFUL SOCIETIES BY THE YEAR 2030.

TIP'S CORE BUSINESS ACTIVITIES RELATE TO THE ACHIEVEMENT OF SEVERAL SUSTAINABLE DEVELOPMENT GOALS (SDGs).

WHEN DEFINING ITS SUSTAINABLE APPROACH, TIP IDENTIFIED THE MOST RELEVANT SUSTAINABILITY AREAS IN WHICH TO DEFINE APPROPRIATE MANAGEMENT METHODS THAT CREATE SHARED VALUE FOR STAKEHOLDERS AND MITIGATE THE COMPANY'S NEGATIVE EFFECT ON ITS EXTERNAL ENVIRONMENT.

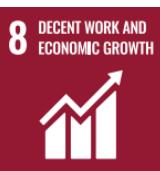
IN PARTICULAR, THE COMPANY CONTRIBUTES TO THE ACHIEVEMENT OF THE FOLLOWING GOALS:



**ENSURING INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTING LIFELONG LEARNING OPPORTUNITIES FOR ALL**  
TIP CONTINUES TO INVEST A LOT OF TIME AND RESOURCES IN THE PROMOTION OF AN ECONOMIC CULTURE AND AWARENESS OF HEALTHY BUSINESS GROWTH THROUGH PUBLICATIONS, ARTICLES, AND PARTICIPATION IN CONFERENCES. TIP HAS ALSO INVESTED IN TALENT GARDEN S.P.A., A COMPANY THAT PROMOTES HIGH-QUALITY, INCLUSIVE EDUCATION BY OFFERING SHORT VERTICAL TRAINING COURSES ON TECHNOLOGY AND THE DIGITAL SPHERE IN PARTICULAR, TARGETING BOTH YOUNG PEOPLE AGES 18 TO 29 AND COMPANIES WITH REGARD TO UPSKILLING AND RESKILLING PROCESSES.

TIP HAS ALLOCATED EURO 50,000 TO SCHOLARSHIPS FOR STUDENTS ENROLLED ON COURSES RUN BY THE TALENT GARDEN INNOVATION SCHOOL FOR THE SECOND CONSECUTIVE YEAR.

ALL MAJOR TIP INVESTEES INVEST HEAVILY IN TRAINING.



**PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL.**

IN ITS CAPACITY AS AN INVESTOR, TIP PROVIDES COMPANIES WITH NEW HIRES TO CONTRIBUTE TO LONG-TERM SUSTAINABLE DEVELOPMENT, THUS RENDERING THIS SUSTAINABILITY OBJECTIVE THE CORNERSTONE OF ITS BUSINESS. IN PARTICULAR, THE SUB-GOAL ENVISAGING THE “PROMOTION OF DEVELOPMENT-ORIENTED POLICIES THAT SUPPORT PRODUCTIVE ACTIVITIES, THE CREATION OF DECENT JOBS, ENTREPRENEURSHIP, CREATIVITY AND INNOVATION, AND THAT ENCOURAGE THE TRAINING AND GROWTH OF SMEs, INCLUDING THROUGH ACCESS TO FINANCIAL SERVICES” SUMMARISES TIP’S ONGOING COMMITMENT TO SUPPORTING THE COMPANIES IN WHICH IT HAS INVESTED OR ASSISTED.

TIP ALSO ACTIVELY CONTRIBUTES NEW CAPITAL AND NEVER RELIES ON FINANCIAL LEVERAGE. THIS IS AN IMPORTANT COMPONENT OF TIP’S *MODUS OPERANDI* IN COMPARISON TO TRADITIONAL PRIVATE EQUITY OPERATORS, AND IT ALLOWS COMPANIES TO ACHIEVE SUSTAINABLE GROWTH IN A MORE STRUCTURED WAY.



**BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION AND FOSTER INNOVATION.**

TIP HAS ALWAYS HELPED COMPANIES TO GROW WHILE MAKING USE OF TECHNOLOGICAL INNOVATION AS A STRATEGIC LEVER, WHICH HAS RESULTED IN THE DIGITISATION OF SERVICES AND ACTIVITIES IN RECENT YEARS. IN ADDITION, AS PREVIOUSLY MENTIONED, IN 2017 TIP LAUNCHED AN INVESTMENT COMPANY DEDICATED TO STARTUPS AND INNOVATION (STARTIP S.R.L.), WHICH IS 100%-OWNED BY TIP. DURING ITS FIRST FOUR YEARS, STARTIP INVESTED OVER EURO 75 MILLION BOTH DIRECTLY



AND THROUGH THE VARIOUS CLUB DEALS IT ORGANISED AND PROMOTED.

**GUARANTEE SUSTAINABLE MODELS OF CONSUMPTION AND PRODUCTION**

TIP IS COMMITTED TO PROMOTING A CULTURE OF RESPONSIBLE MATERIAL MANAGEMENT, DEVISING SPECIFIC INITIATIVES AND PROJECTS TO MINIMISE PAPER CONSUMPTION. WHERE POSSIBLE, TIP CHOOSES SUPPLIERS OF SERVICES AND CONSUMABLES THAT OFFER PRODUCTS WITH A REDUCED ENVIRONMENTAL IMPACT.

## SUSTAINABILITY PLAN

FURTHER CONFIRMING ITS INTEREST IN ESG TOPICS, TIP HAS DECIDED TO PURSUE ONGOING IMPROVEMENT IN TERMS OF ITS COMMITMENT AS A HOLDING COMPANY AND TOWARDS ITS SHAREHOLDERS, EMPLOYEES, AND STAKEHOLDERS IN ITS CAPACITY AS AN INVESTOR.

TIP'S COMMITMENT TO THE DEFINITION OF A SUSTAINABILITY STRATEGY IS DETAILED IN THE A CULTURE OF SUSTAINABILITY DOCUMENT PUBLISHED IN MARCH 2021, WHICH IDENTIFIES KEY AREAS IN WHICH TIP CAN FURTHER STRENGTHEN ITS APPROACH, INCLUDING THE ADOPTION OF A SET OF MEASURES THAT CAN ACT AS BEST PRACTICES AND REPRESENT A POINT OF REFERENCE FOR THE ITALIAN MARKET.

### PROGRESS OF THE SUSTAINABILITY PLAN

TIP'S OBJECTIVES ARE RELEVANT TO THE MEDIUM TERM AND CONCERN:

- **TIP'S COMMITMENT TO SUSTAINABILITY:** THE ACTIVITIES AND INITIATIVES THAT TIP, AS A HOLDING COMPANY, UNDERTAKES TO IMPLEMENT WITH REFERENCE TO ITS CORPORATE OR GOVERNANCE STRUCTURE
- **INVESTMENT POLICY:** THE ACTIVITIES TIP UNDERTAKES TO FORMALISE WITH REFERENCE TO SCREENING AND EVALUATING THE COMPANIES IN WHICH TO INVEST
- **GOVERNANCE:** THE COMMITMENT TIP UNDERTAKES TO PROMOTE WITHIN THE CORPORATE BOARDS OF ITS INVESTEE COMPANIES AS A DIRECT INVESTOR IN THEM THESE OBJECTIVES VARY DEPENDING ON WHETHER THE COMPANY IS LISTED OR UNLISTED.

THE GROUP'S SITUATION WAS RECENTLY ANALYSED TO COMPARE PROGRESS WITH THE OBJECTIVES SET.

## OBJECTIVE

## PROGRESS

### TIP'S COMMITMENT TO SUSTAINABILITY

#### 1 - IMPLEMENT A PLAN FOR SHARING INFORMATION ON THE INITIATIVES IMPLEMENTED BY THE COMPANY

CREATING A NEW SECTION OF THE TIP WEBSITE DEDICATED TO SUSTAINABILITY ISSUES, ALLOWING FOR EASIER IDENTIFICATION OF RELEVANT DOCUMENTS

A NEW "SUSTAINABILITY" SECTION HAS BEEN CREATED, WHICH CONTAINS ALL OF THE GROUP'S PRESS RELEASES ON THE TOPIC, IN ADDITION TO ITS ANNUAL REPORT



MONITORING AND SHARING THE OBJECTIVES OF THE COMPANIES IN TIP'S PORTFOLIO FOR THE VARIOUS FINANCIAL YEARS

TIP HAS ASKED ITS INVESTEES TO COMPLETE A SURVEY TO AUDIT THEIR IMPLEMENTATION OF ESG PLANS.



PREPARING AN ANNUAL SUSTAINABILITY REPORT THAT HIGHLIGHTS ALL THE ACTIVITIES CARRIED OUT BY TIP OVER THE YEAR

TIP HAS PUBLISHED AN ANNUAL "A CULTURE OF SUSTAINABILITY" REPORT SINCE MARCH 2021, WHICH IS DRAFTED ON A VOLUNTARY BASIS AND UPDATED ANNUALLY



INTEGRATING EXISTING POLICIES AND INCLUDING TIP'S COMMITMENT ON VARIOUS ESG ISSUES IN NEW POLICIES

TIP UPDATED ITS CODE OF ETHICS DURING THE YEAR, WHICH IS THE GROUP'S MOST IMPORTANT POLICY DOCUMENT.



#### 2 - WORK WITH THE SUSTAINABILITY COMMITTEE SO THAT IT CAN MONITOR THE PROGRESS OF MEDIUM-TERM GOALS

HELP THE BOARD TO DEFINE ESG POLICIES AND STRATEGIES  
OVERSEE DIALOGUE WITH STAKEHOLDERS ON SPECIFIC ISSUES  
DEFINE THE GUIDELINES ON SOCIAL AND ENVIRONMENTAL MATTERS BY DEVELOPING MULTI-YEAR ACTION PLANS WITH THE ENTITIES CONCERNED AND BY MONITORING THEIR IMPLEMENTATION

CHIEF EXECUTIVE OFFICER ALESSANDRA GRITTI PERSONALLY OVERSEES ALL ACTIVITIES CONCERNING THE IMPLEMENTATION AND MONITORING OF THE SUSTAINABILITY PLAN.



THIS ALLOWS FOR COLLECTIVE BODIES TO UPDATE ESG POLICIES AND STRATEGIES.

STIMULATE AND SUPPORT TRAINING AND COMMUNICATION ACTIVITIES ON SOCIAL AND ENVIRONMENTAL ISSUES MONITOR THE CORRECT IMPLEMENTATION OF COMPANY POLICIES AND SUGGEST IMPROVEMENTS AND UPDATES WHERE NECESSARY MONITOR PROGRESS TOWARDS ACHIEVING THE PRE-DEFINED GOALS OF THE SUSTAINABILITY PLAN IMPLEMENT FURTHER INITIATIVES AIMED AT RAISING AWARENESS AMONG EMPLOYEES ON ESG ISSUES, PROVIDING INFORMATIVE MATERIAL AND USEFUL DOCUMENTATION WHERE APPROPRIATE

### **3 - OBTAIN CERTIFICATION ATTESTING TO THE COMPANY'S COMMITMENT TO SUSTAINABILITY**

TIP HAS RECEIVED AN INVESTMENT GRADE FROM STANDARD ETHICS (SEE HIGHLIGHTS SECTION)

### **INVESTMENT POLICY**

**4 - INCORPORATE THE ANALYSIS OF ESG ACTIVITIES INTO THE INVESTMENT PROCESS**  
DURING 2021 AND IN EARLY 2022, TIP PERFORMED AN IN-DEPTH REVIEW OF THE SUSTAINABILITY POLICIES OF ITS TARGET COMPANIES AS PART OF ITS DUE DILIGENCE ANALYSIS ON PROSPECTIVE INVESTMENTS. TIP'S INVESTMENT IN LIMONTA, A COMPANY THAT IS CHARACTERISED BY ITS DEDICATION TO THIS TOPIC, CLEARLY DEMONSTRATES THE COMPANY'S INTENTIONS IN THIS AREA.

### **5 - PRODUCE A SUSTAINABILITY REPORT FOR AT LEAST 60% OF THE COMPANIES IN THE TIP GROUP**

CURRENTLY, AROUND 55% OF THE COMPANIES IN THE TIP GROUP PRODUCE A SUSTAINABILITY REPORT

## 6 - RECEIVE ONGOING UPDATES FROM ALL COMPANIES ON THE IMPLEMENTATION OF THEIR ESG PLANS

TIP MAINTAINS RELATIONS WITH ITS INVESTEE COMPANIES TO RAISE AWARENESS AMONG SENIOR MANAGEMENT TEAMS AND TO HELP THEM DEFINE OBJECTIVES AND SUSTAINABILITY INITIATIVES.



IN TERMS OF "**GOVERNANCE**", TIP HAS COMMITTED ITSELF TO THE FOLLOWING OBJECTIVES FOR ITS MOST RELEVANT SHAREHOLDINGS:

- A THIRD OF DIRECTORS ON THE BoDs OF A THIRD OF TIP UNLISTED INVESTEE COMPANIES MUST BELONG TO THE UNDER-REPRESENTED GENDER;
- AT LEAST 90% OF UNLISTED COMPANIES IN THE TIP GROUP MUST ENSURE THAT AT LEAST 20% OF THE MEMBERS IF ITS BoDs ARE INDEPENDENT;
- ALL UNLISTED COMPANIES MUST DEFINE EMPLOYEE PROFIT-SHARING PLANS INCLUDING, BY WAY OF EXAMPLE: MBO PLANS, STOCK OPTIONS, OR STOCK GRANT PLANS;
- 100% OF INDUSTRIAL COMPANIES WILL HAVE TO ADOPT MEASURES TO CONTAIN EMISSIONS.

TIP POSSESSES 18 SIGNIFICANT HOLDINGS:

- 10 (56%) IN LISTED COMPANIES AND 8 (44%) IN UNLISTED COMPANIES
- 10 COMPANIES (56%) ALREADY PREPARE A SUSTAINABILITY REPORT WITH ADEQUATE CONTENT;
- AT LEAST ONE FIFTH OF THE MEMBERS OF ALL BOARDS OF DIRECTORS (100%) ARE INDEPENDENT;
- IN 10 BOARDS OF DIRECTORS (56%), AT LEAST ONE THIRD OF THE MEMBERS BELONG TO THE UNDER-REPRESENTED GENDER
- TIP HAS A MEMBER ON THE BOARDS OF DIRECTORS OF 15 COMPANIES (83%).

THE PROGRESS OF GOVERNANCE GOALS IS SUMMARISED HERE:

	<b>BOD WITH AT LEAST 1/3 WOMEN</b>	<b>TARGET</b>	<b>% CURRENT</b>
LISTED	10	BEST PRACTICE	100%
UNLISTED	0	33%	0%
<b>TOT TIP GROUP</b>	<b>10</b>		<b>56%</b>

	<b>BOD WITH AT LEAST 1/5 INDEPENDENT MEMBERS</b>	<b>TARGET</b>	<b>% CURRENT</b>
LISTED	10	BEST PRACTICE	100%
UNLISTED	8	90%	100%
<b>TOT TIP GROUP</b>	<b>18</b>		<b>100%</b>

	<b>PROFIT-SHARING PLANS</b>	<b>TARGET</b>	<b>% CURRENT</b>
LISTED	10	BEST PRACTICE	100%
UNLISTED	8	100%	100%
<b>TOT TIP GROUP</b>	<b>18</b>		<b>100%</b>

WITH REGARD TO THE ADOPTION OF MEASURES TO LIMIT EMISSIONS, REFERENCE SHOULD BE MADE TO THE FOLLOWING PAGES, WHICH LIST THE ACTIVITIES CARRIED OUT BY EACH INVESTEE COMPANY ON THIS MATTER.

## **SUSTAINABILITY AMONG THE TIP GROUP'S INVESTEE COMPANIES**

THE FOLLOWING PAGES LIST THE MAIN MEASURES, INITIATIVES AND ACTIVITIES CARRIED OUT BY THE TIP GROUP'S LEADING COMPANIES IN RELATION TO RESPECTING AND PROTECTING THE ENVIRONMENT, SOCIAL AND EMPLOYEE INITIATIVES, AND GOVERNANCE.

THE FOLLOWING FACT SHEETS COVER 21 COMPANIES, DESPITE THE REFERENCE SAMPLE FOR SUSTAINABILITY PLANS ONLY COMPRISING 18 COMPANIES. THIS IS BECAUSE WE HAVE ALSO INCLUDED THE INVESTMENTS WE HAVE MADE IN ALKEMY, BENDING SPOONS, AND DIGITAL MAGICS IN THIS DOCUMENT, AS THESE COMPANIES PAY SIGNIFICANT ATTENTION TO ESG TOPICS.



### **RESPECTING AND PROTECTING THE ENVIRONMENT**

- ADOPTION OF A TRAVEL POLICY TO ENCOURAGE THE USE OF PUBLIC TRANSPORT IN CITIES OVER PRIVATE CARS OR TAXIS AND, WHERE POSSIBLE, THE USE OF TRAINS OVER PLANES

### **SOCIAL AND EMPLOYEE INITIATIVES**

- LAUNCH OF PARTNERSHIPS WITH UNIVERSITIES AND RESEARCH CENTRES, INCUBATORS, STARTUPS AND THE R&D DEPARTMENTS OF LARGE COMPANIES
- NEW EMPLOYEE WELFARE INITIATIVES ARE BEING PLANNED FOR 2020, IN ADDITION TO A SUBSIDISED SHARE PURCHASE PLAN FOR COMPANY EMPLOYEES
- THE ALKEMY ACADEMY FOR EMPLOYEE TRAINING (OVER 4,000 HOURS OF TRAINING WERE PROVIDED IN 2019 ALONE)
- LAUNCH OF THE FIRST TALENT MANAGEMENT PROGRAM TO IDENTIFY TALENT AT THE ALKEMY ACADEMY AND TO CONTRIBUTE TO THEIR TRAINING, DEVELOPMENT AND GROWTH WITHIN THE GROUP

### **GOVERNANCE**

- ALKEMY HAS A CONTROL, RISKS AND SUSTAINABILITY COMMITTEE WHICH EXAMINES INITIATIVES AND POLICIES RELATING TO SUSTAINABILITY
- WOMEN REPRESENT 33% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 44% OF THE BOARD OF DIRECTORS



## RESPECTING AND PROTECTING THE ENVIRONMENT

- A NUMBER OF ENVIRONMENTAL PROJECTS HAVE BEEN DEVISED, INCLUDING: (1) IN HOSPITALITY: THE ELIMINATION OF DISPOSABLE PLASTIC FROM FACILITIES, A PREFERENCE FOR ZERO-MILE PRODUCE, THE USE OF NATURAL SOAPS WITH MINIMUM PACKAGING, A PARTNERSHIP WITH WORLD RISE TO RAISE AWARENESS OF ENVIRONMENTAL PROTECTION AMONG HOLIDAY-GOERS; (2) IN AVIATION: THE NEOS FLEET IS LEVEL-4 CERTIFIED ON "NOISE ABATEMENT", WHICH IS THE STRICTEST NOISE CONTROL CATEGORY IN THE COMMERCIAL AIR TRANSPORT SECTOR, WHILE THE ENTIRE 737-800 FLEET IS ALSO STAGE-4 CERTIFIED THANKS TO THE INSTALLATION OF WINGLETS, INCLUDING ON THE B767-300ER (RESULTING IN NO LESS THAN AN APPROX. 5% REDUCTION IN CO<sub>2</sub> EMISSIONS), A REDUCTION IN THE USE OF DISPOSABLE MATERIALS DURING ON-BOARD SERVICES, AND THE SALE OF NATURAL BEVERAGES; (3) IN TOUR OPERATING, VARIOUS PARTNERSHIPS HAVE BEEN AGREED TO PROMOTE A CULTURE THAT IS CONSIDERATE OF THE ENVIRONMENT
- THE HOTEL DIVISION (VOIHOTELS) HAS ACHIEVED GSTC (GLOBAL SUSTAINABLE TOURISM COUNCIL) CERTIFICATION

## SOCIAL AND EMPLOYEE INITIATIVES

- A NEW GROUP OFFICE HAS BEEN DESIGNED TO PRODUCE GREEN ELECTRICITY (OPENING EARLY 2022) USING PHOTOVOLTAIC PANELS
- TENTH PLACE ACHIEVED IN ITALY'S BEST EMPLOYERS RANKING IN 2020, WHICH LISTS THE BEST COMPANIES TO WORK FOR FROM A POOL OF 400 COMPANIES ACROSS 20 SECTORS
- THE COMPANY CRAL OFFERS LOW-COST HOLIDAYS TO GROUP EMPLOYEES AND PENSIONERS
- SMART WEEK: AN INNOVATIVE INITIATIVE THAT ALLOWS EMPLOYEES TO COMBINE HOLIDAYS WITH REMOTE WORKING, IN LINE WITH CURRENT NEEDS

## GOVERNANCE

- ESTABLISHMENT OF THE CONTROL, RISKS AND SUSTAINABILITY COMMITTEE DURING THE YEAR
- WOMEN REPRESENT 33% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 44% OF THE BOARD OF DIRECTORS



## RESPECTING AND PROTECTING THE ENVIRONMENT

- ANNUAL DONATIONS MADE TOWARD THE PURCHASE OF HEARING AIDS FOR CHILDREN SINCE 2002
- PROMOTION OF LOCAL INITIATIVES TO REDUCE FOOD WASTE AND THE USE OF SINGLE-USE PLASTICS
- IN 2020, 28% OF THE ENERGY USED AT OUR MAIN OFFICE WAS CERTIFIED AS COMING FROM RENEWABLE ENERGY SOURCES

## SOCIAL AND EMPLOYEE INITIATIVES

- SIX SCHOLARSHIPS WORTH EURO 7,000 EACH HAVE BEEN AWARDED TO ENT SPECIALISTS IN ITALY AND FRANCE
- OVER 2,000 CHILDREN AND ADULTS HAVE BEEN SUPPORTED THROUGH THE DONATION OF OVER 4,000 HEARING SOLUTIONS IN THE US THROUGH THE MIRACLE-EAR FOUNDATION
- PARTNERSHIPS WITH ITALIAN UNIVERSITIES AND PARTICIPATION AT CAREER FAIRS TO ATTRACT NEW TALENT
- LAUNCH OF THE AMPLIFON FOUNDATION "FOR THE COMMUNITY"
- THE PEOPLE EMPOWERMENT INITIATIVE PROVIDED APPROXIMATELY 265,000 HOURS OF TRAINING TO EMPLOYEES IN 2020

## GOVERNANCE

- THE CORPORATE GOVERNANCE STRUCTURE ADOPTED BY THE COMPANY IS BASED ON THE PRINCIPLES OF THE SELF-GOVERNANCE CODE, TO WHICH AMPLIFON ADHERES BOTH IN ITS ORIGINAL 2001 VERSION AND IN SUBSEQUENT VERSIONS
- WOMEN REPRESENT 33% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 67% OF THE BOARD OF DIRECTORS

## 6 SDGs ADOPTED

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# AZIMUT | BENETTI

## RESPECTING AND PROTECTING THE ENVIRONMENT

- THE GROUP PROTECTS THE ENVIRONMENT THROUGH SUSTAINABLE INDUSTRIAL DEVELOPMENT, WHICH INVOLVES THE MANAGEMENT OF PRODUCTION CYCLES APPLYING ADVANCED SAFEGUARDING CRITERIA, CARRYING OUT ALL ACTIVITIES IN COMPLIANCE WITH CURRENT LEGISLATION, AND OPERATING IN A WAY THAT KEEPS POLLUTION TO A MINIMUM

## SOCIAL AND EMPLOYEE INITIATIVES

- PROFESSIONAL AND MANAGERIAL TRAINING INITIATIVES ARE PROMOTED TO IMPROVE SKILLS AND TO MONITOR PERFORMANCE LEVELS AND POTENTIAL. ACTIONS ARE TAKEN TO SUPPORT PERSONAL GROWTH, WORK FLEXIBILITY, AND A BETTER WORK-LIFE BALANCE IN THE NAME OF FOSTERING INCLUSION
- DEVELOPMENT OF AN INCLUSIVE REMOTE WORKING SYSTEM WITH THE PROVISION OF EQUAL OPPORTUNITIES, INSURANCE COVER, AND INCOME AND WORK PROTECTION SYSTEMS IN CASE OF SERIOUS ILLNESS AND THE NEED FOR LONG-TERM TREATMENT ("SOLIDARITY TIME BANK"), THE OPTION TO CONVERT WAGES INTO EMPLOYEE BENEFITS. THE COMPANY ALSO PROMOTES THE USE OF CAR SHARING AND BICYCLES AND PUBLIC TRANSPORT SEASON TICKETS ARE MANAGED BY THE COMPANY, WHICH COVERS 30% OF THE COST OF TICKETS

## GOVERNANCE

- WOMEN REPRESENT 13% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 38% OF THE BOARD OF DIRECTORS

## SDGs ADOPTED



### RESPECTING AND PROTECTING THE ENVIRONMENT

- ADOPTION OF A TRAVEL POLICY TO PROMOTE SUSTAINABLE MOBILITY, INCLUDING THE USE OF PUBLIC TRANSPORT IN CITIES, THE REPLACEMENT OF BUSINESS TRAVEL WITH REMOTE COMMUNICATIONS, AND THE FAVOURING OF TRAIN TRAVEL OVER FLIGHTS
- RENEWAL PROGRAMME FOR THE COMPANY CAR FLEET TO REPLACE THE MOST POLLUTING VEHICLES WITH NEW MODELS WITH A LOWER ENVIRONMENTAL IMPACT AVERAGE EMISSIONS PER CAR FELL BY 8% IN 2019 AGAINST A 42% INCREASE IN THE CAR FLEET. AT THE END OF 2019, 3% OF THE CAR FLEET IN ITALY CONSISTED OF ELECTRIC AND PLUG-IN HYBRID CARS

### SOCIAL AND EMPLOYEE INITIATIVES:

- LAUNCH OF PARTNERSHIPS WITH LEADING UNIVERSITIES AND RESEARCH CENTRES BE PARTICIPATED, AS FOUNDER AND SUPPORTER, IN THE ESTABLISHMENT OF A DATA SCIENCE UNIVERSITY RESEARCH CENTRE AND RELATED MASTER'S DEGREE PROGRAMME. IN ADDITION, THE COMPANY PROMOTED AN ADVANCED ANALYTICS COURSE AT A LEADING ITALIAN UNIVERSITY RUN BY GROUP EXECUTIVES
- PROMOTION OF VARIOUS SOCIAL INITIATIVES, INCLUDING CONTRIBUTION TO A FUNDRAISING CAMPAIGN TO PROMOTE THE PER MILANO ONLUS SOCIAL PROMOTION ASSOCIATION IN 2018
- AT THE END OF 2019, BE FINANCED FREE PLACEMENTS FOR CHILDREN AND YOUNG PEOPLE WITH DISABILITIES OR IN CONDITIONS OF POVERTY
- MORE THAN 19,800 HOURS OF EMPLOYEE TRAINING WERE DELIVERED

### GOVERNANCE:

- IN 2020, THE BOARD OF DIRECTORS ASSIGNED SPECIFIC SUSTAINABILITY DUTIES TO A COMMITTEE IN ORDER TO SUPPORT ITS ACTIVITIES
- WOMEN REPRESENT 44% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 67% OF THE BOARD OF DIRECTORS

# BENDING SPOONS

## RESPECTING AND PROTECTING THE ENVIRONMENT

- THE NEW OFFICE BUILDING HAS BEEN AWARDED A WELL GOLD SUSTAINABILITY CERTIFICATION ACCORDING TO THE WELL FOR CORE AND SHELL RATING SYSTEM DEVISED BY THE INTERNATIONAL WELL BUILDING INSTITUTE
- THE SAME BUILDING HAS ALSO OBTAINED A SUSTAINABILITY CERTIFICATION ACCORDING TO THE LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN RATING SYSTEM DEVISED BY THE U.S. GREEN BUILDING COUNCIL. THE BUILDING'S ENVIRONMENTAL SUSTAINABILITY WILL BE GUARANTEED BY THE INTERNATIONAL NEARLY ZERO ENERGY BUILDING STANDARD. THE OFFICE WILL BE BUILT IN COMPLIANCE WITH CIRCULAR ECONOMY CRITERIA, WHICH APPLY TO THE CHOICE OF MATERIALS AND THE USE OF PROCESSES GUARANTEED BY THE CRADLE-TO-CRADLE AGREEMENT. SIGNIFICANT ENERGY AND WATER SAVINGS ARE ALSO EXPECTED

## SOCIAL AND EMPLOYEE INITIATIVES

- DONATIONS ARE MADE TO ORGANISATIONS IN DIFFERENT SECTORS THROUGHOUT THE YEAR, AND EMPLOYEES ARE OFTEN INVOLVED IN INITIATIVES. SOME RECENT EXAMPLES INCLUDE PROTEZIONE CIVILE, MEDICI SENZA FRONTIERE, SHETECH, OPERA SAN FRANCESCO, AND THE CLIMATE EMERGENCY FUND
- BENDING SPOONS PROMOTES THE BENDING SPOONS SCHOLARSHIP FOR WOMEN IN COMPUTER SCIENCE, AWARDING 10 SCHOLARSHIPS TO YOUNG WOMEN WHO INTEND TO STUDY COMPUTER ENGINEERING AT THE POLITECNICO DI MILANO
- WORKSHOPS AND SEMINARS ON SUSTAINABILITY, HEALTH, AND WELL-BEING ARE HELD REGULARLY, WITH THE PARTICIPATION OF EXTERNAL EXPERTS

## GOVERNANCE

- A GOVERNANCE SYSTEM BASED ON THE PRINCIPLES OF CORRECT AND TRANSPARENT BUSINESS MANAGEMENT

## SDGs ADOPTED





## RESPECTING AND PROTECTING THE ENVIRONMENT

- ENERGY EFFICIENCY PLAN: CONSTANT MONITORING OF PRODUCTION PLANT CONSUMPTION. ELECTRICITY PURCHASED IS 100% RENEWABLE, AND ITS ORIGIN IS TRACKED AND GUARANTEED BY THE GSE THROUGH GUARANTEE OF ORIGIN CERTIFICATES
- ENERGY TRANSITION PROJECT: PHOTOVOLTAIC SYSTEMS HAVE BEEN INSTALLED IN OFFICES AND FACTORIES TO SELF-PRODUCE ELECTRICITY THAT CAN POWER OFFICES AND PRODUCTION FACILITIES
- CONVERSION IN THE NEXT FOUR YEARS OF ALL COMPANY FLEETS TO FULL ELECTRIC OR HYBRID PLUG IN
- ONGOING ACTIONS ARE BEING TAKEN TO FURTHER LIMIT THE ENVIRONMENTAL IMPACT OF PRODUCTION PROCESSES, INCLUDING: (i) A REDUCTION IN THE DISPOSAL OF WASTE LUBRICATING OILS; (ii) THE USE OF FULLY RECYCLABLE PACKAGING; (iii) THE APPLICATION OF ENVIRONMENTAL LABELS TO PACKAGING; (iv) THE ELIMINATION OF HEXAVALENT CHROMIUM FROM SOME PROCESSES
- RECEIPT OF CONSOLIDATED ENVIRONMENTAL AUTHORISATIONS FOR FULL COMPLIANCE WITH LOCAL LEGISLATION ON THE PROCUREMENT, PURIFICATION, AND RELEASE OF WATER AND EMISSIONS INTO THE ATMOSPHERE

## SOCIAL AND EMPLOYEE INITIATIVES

- PROMOTION OF NUMEROUS EMPLOYEE INITIATIVES, SUCH AS:
  - TAX ADVICE FOR COMPLETING FORM 730
  - CONTRIBUTION TO THE PURCHASE OF SCHOOL BOOKS FOR THE CHILDREN OF EMPLOYEES ATTENDING MIDDLE SCHOOL, HIGH SCHOOL, AND UNIVERSITY

## GOVERNANCE

- WOMEN REPRESENT 14% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 43% OF THE BOARD OF DIRECTORS

## SDGs ADOPTED





## RESPECTING AND PROTECTING THE ENVIRONMENT

- THE COMPANY HAS BEEN CERTIFIED ACCORDING TO THE EMAS (ECO-MANAGEMENT AND AUDIT SCHEME) SCHEME SINCE 2005, WHICH IS A VOLUNTARY TOOL CREATED BY THE EU TO ASSESS AND IMPROVE ENVIRONMENTAL PERFORMANCE AND PROVIDE INFORMATION ON ENVIRONMENTAL MANAGEMENT (IT IS THE ONLY COMPANY IN ITS SECTOR TO HAVE THIS CERTIFICATION)
- IN 2019, DUST REDUCTION SYSTEMS WERE REPLACED WITH A SINGLE, MORE EFFICIENT SYSTEM, ENERGY METRES WERE REPLACED, AND INDOOR AND OUTDOOR LIGHTING WAS OPTIMISED (85% OF BULBS WERE REPLACED WITH ENERGY SAVING BULBS)
- A PHOTOVOLTAIC SYSTEM WILL BE INSTALLED AT A PRODUCTION PLANT IN THE NEAR FUTURE AND A HEAT RECOVERY SYSTEM WILL BE CONNECTED TO BIELLA'S DISTRICT HEATING NETWORK

## SOCIAL AND EMPLOYEE INITIATIVES:

- MORE THAN 8,600 HOURS OF EMPLOYEE TRAINING WERE DELIVERED IN 2021;
- VARIOUS INITIATIVES TO IMPROVE EMPLOYEE WELFARE, INCLUDING TRADE AGREEMENTS WITH VARIOUS LOCAL ENTITIES, ADDITIONAL PAID LEAVE (PATERNITY OR FAMILY SUPPORT LEAVE), LEGAL AND TAX ASSISTANCE, WORK-LIFE BALANCE INITIATIVES, AND LANGUAGE LEARNING COURSES
- VARIOUS CHARITY INITIATIVES, INCLUDING EMPLOYEE INVOLVEMENT, AND SOCIAL AND CHARITY WORK, SUCH AS PARTICIPATION IN THE FRÀ GALDINO PROJECT TO HELP FAMILIES IN NEED IN THE CITY BY COLLECTING FOOD AND SUPPLIES

## GOVERNANCE

- WOMEN REPRESENT 29% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 29% OF THE BOARD OF DIRECTORS

## SDGs ADOPTED





### **RESPECTING AND PROTECTING THE ENVIRONMENT**

- DEFINITION OF A SERIES OF SUSTAINABILITY OBJECTIVES, DRAWN UP IN COMPLIANCE WITH THE SDG PRINCIPLES: (1) TO ENCOURAGE INDUSTRIAL INNOVATION; (2) TO PROMOTE GENDER EQUALITY; (3) TO GUARANTEE DIGNIFIED WORK AND ECONOMIC GROWTH; AND (4) TO RESPECT AND PROTECT ENVIRONMENTAL RESOURCES
- DESPITE ITS LIMITED RAW MATERIAL CONSUMPTION, Owing TO THE CHARACTERISTICS OF ITS BUSINESS, THE COMPANY HAS LONG ADOPTED A RESPONSIBLE APPROACH TOWARDS ENERGY USE (100% RENEWABLE ENERGY), REDUCING ITS CONSUMPTION AND EMISSIONS AND MONITORING THE DISPOSAL OF WASTE AND ITS CORRECT RECYCLING

### **SOCIAL AND EMPLOYEE INITIATIVES:**

- LAUNCH OF THE Miss in Action (MIA) PROGRAMME TO SUPPORT FEMALE ENTREPRENEURSHIP, IN COLLABORATION WITH BNP PARIBAS
- LAUNCH OF THE MAGIC WAND SUSTAINABILITY PROGRAMME TO SUPPORT DIGITAL START-UPS COMMITTED TO SUSTAINABILITY, IN COLLABORATION WITH LAZIOINNOVA
- THE GROUP SEEKS TO PROVIDE A DIGNIFIED PLACE TO WORK, AS WELL AS TO OFFER HOSTED STARTUPS A HEALTHY AND MODERN WORKING ENVIRONMENT, WITH ADVANCED TECHNOLOGICAL INFRASTRUCTURES

### **GOVERNANCE**

- WOMEN REPRESENT 8% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 8% OF THE BOARD OF DIRECTORS



## RESPECTING AND PROTECTING THE ENVIRONMENT

- SINCE ITS FOUNDATION, THE THEME OF SUSTAINABILITY HAS BEEN ONE OF EATALY'S KEY MESSAGES. THE MAIN INITIATIVES PROMOTED IN THE FIELD OF ENVIRONMENTAL SUSTAINABILITY, MANY OF WHICH ARE IMPLEMENTED IN PARTNERSHIP WITH OTHER ORGANISATIONS IN THE SECTOR, INCLUDE: (1) "SEMINIAMO LA BIODIVERSITÀ" TO ENCOURAGE THE GROWTH OF HISTORIC VEGETABLE VARIETIES; (2) "BEE THE FUTURE", A PROJECT AIMED AT REPOPULATING BEES (WITH THE HOPE OF REPOPULATING 100 HECTARES IN ITALY IN 3 YEARS); (3) "10.000 ORTI IN AFRICA", A PROJECT TO PLANT VEGETABLE GARDENS AND PROVIDE AGRICULTURAL TRAINING ACROSS AFRICA; (4) "VERSO RIFIUTI ZERO", A PROGRAMME AIMED AT REDUCING WASTE PRODUCED IN-HOUSE (100% OF PLASTIC FILM IS REUSED)
- LAUNCH OF THE "SENTIERI SOSTENIBILI PER UNA NUOVA ENERGIA" INITIATIVE WITH ENI GAS AND LUCE TO PROMOTE ENERGY EFFICIENCY IN STORE AND WITH SUPPLIERS
- IN 2020, GREEN PEA – THE FIRST ECO-FRIENDLY RETAIL PARK DEDICATED TO SUSTAINABLE CONSUMPTION, RECYCLING, AND A RESPECT FOR THE ENVIRONMENT – WAS OFFICIALLY OPENED BY ITS PRIMARY SHAREHOLDERS

## SOCIAL AND EMPLOYEE INITIATIVES

- THE LIBELLULA PROJECT LAUNCHED IN 2019 AT EATALY SMERALDO, ON THE THEME OF VIOLENCE AGAINST WOMEN AND GENDER DISCRIMINATION
- EMPLOYEE WELFARE PROGRAMME, WHICH WAS BOOSTED DURING THE PANDEMIC AND PROVIDES VIRTUAL TRAINING COURSES AND DISCOUNT VOUCHERS
- EURO 30,000 WAS DONATED TO SACCO HOSPITAL IN MILAN TO PURCHASE A PORTABLE ULTRASOUND SYSTEM DURING THE COVID-19 EMERGENCY

## GOVERNANCE

- WOMEN REPRESENT 15% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 38% OF THE BOARD OF DIRECTORS



## RESPECTING AND PROTECTING THE ENVIRONMENT

- INSTALLATION OF PHOTOVOLTAIC SYSTEMS AT THE GROUP'S PRODUCTION PLANTS TO REDUCE CO<sub>2</sub> EMISSIONS
- IN 2009 ELICA JOINED THE WORLD CLASS MANUFACTURING ASSOCIATION (WCMA), AN INTERNATIONAL NON-PROFIT ORGANISATION BRINGING TOGETHER COMPANIES FROM VARIOUS SECTORS INVOLVED IN THE INTRODUCTION AND THE DEVELOPMENT OF THIS PRODUCTION METHOD WHICH TARGETS ONGOING AND SUSTAINABLE IMPROVEMENT
- ADOPTION OF A TRAVEL POLICY TO PROMOTE SUSTAINABLE MOBILITY

## SOCIAL AND EMPLOYEE INITIATIVES

- WE ARE INITIATIVE AIMED AT OFFERING THE CHILDREN OF EMPLOYEES AGED BETWEEN 12 AND 16 THE OPPORTUNITY TO PARTICIPATE IN A STUDY HOLIDAY, DEEPEN THEIR KNOWLEDGE OF THE ENGLISH LANGUAGE, AND PARTICIPATE IN EXTRA-CURRICULAR ACTIVITIES
- AWARD OF ISO 45001: 20181 CERTIFICATION AT THE CASTELFIDARDO PLANT, THE GROUP'S FIRST SITE TO ACHIEVE CERTIFICATION IN VIEW OF PROTECTING PEOPLE'S HEALTH AND SAFETY
- FOUNDED IN 2007, THE ERMANNO CASOLI FOUNDATION WAS FEATURED IN THE *GLOBAL CORPORATE COLLECTIONS* VOLUME IN 2015, WHICH IS DEDICATED TO THE WORLD'S ONE HUNDRED MOST BEAUTIFUL CORPORATE ART COLLECTIONS
- MORE THAN 35,000 HOURS OF EMPLOYEE TRAINING WERE DELIVERED

## GOVERNANCE

- THE CONTROL, RISKS AND SUSTAINABILITY COMMITTEE EXAMINES AND EVALUATES INITIATIVES AND POLICIES RELATING TO SUSTAINABILITY IN ORDER TO CREATE MEDIUM-TO-LONG-TERM VALUE
- WOMEN REPRESENT 43% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 71% OF THE BOARD OF DIRECTORS

# HUGO BOSS

## RESPECTING AND PROTECTING THE ENVIRONMENT

- GOAL TO REDUCE CO<sub>2</sub> EMISSIONS BY AT LEAST 50% BY 2030 AND CLIMATE NEUTRALITY BY 2050
- APPROVAL OF THE HUGO BOSS SOCIAL STANDARDS FOR CONDUCTING RESPONSIBLE BUSINESS ACTIVITIES. IN 2021, 96% OF PRODUCTS ORIGINATED FROM SELECTED AND CERTIFIED SUPPLIERS, 86% OF COTTON CAME FROM RENEWABLE SOURCES (ALREADY EXCEEDING THE 2020 TARGET OF 50%), AND 59% OF LEATHER WAS PURCHASED FROM CERTIFIED SOURCES

## SOCIAL AND EMPLOYEE INITIATIVES

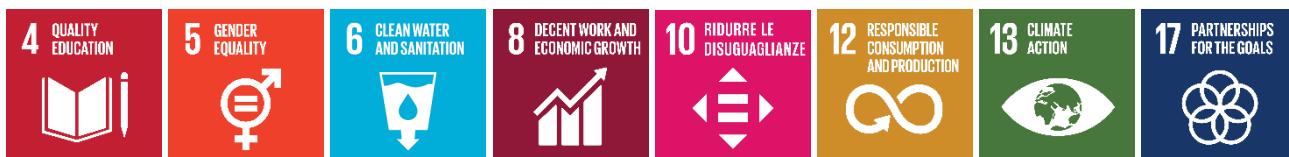
- WINNER OF THE GERMAN STEVIE AWARDS FOR THE COMPANY'S INVOLVEMENT DURING THE COVID-19 PANDEMIC. IN ADDITION TO THE MEASURES TAKEN TO PROTECT AND ENSURE EMPLOYEE SAFETY, THE COMPANY'S SOCIAL COMMITMENT WAS ALSO RECOGNISED
- 2020: OVER 19,400 HOURS OF TRAINING PROVIDED TO EMPLOYEES AS PART OF THE EMPLOYEE DEVELOPMENT PROGRAMME
- IN 2020, OVER 1,140 SCHOLARSHIPS WERE AWARDED TO YOUNG STUDENTS THROUGH THE HUGO BOSS EDUCATION FOUNDATION, OVER 3,000 ITEMS WERE DONATED TO REFUGEES IN VENEZUELA AND ECUADOR, 45 WOMEN BENEFITED FROM THE BACK TO WORK SCHEME AT OUR PLANT IN TURKEY, AND OVER EURO 450,000 WAS DONATED TO INITIATIVES AND ACTIVITIES IN THE SOCIAL AND PHILANTHROPIC FIELDS

## GOVERNANCE

- WOMEN REPRESENT 42% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 100% OF THE SUPERVISORY BOARD

## SDGs ADOPTED

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**INTERPUMP  
GROUP**

### **RESPECTING AND PROTECTING THE ENVIRONMENT**

- IN 2020, 77% OF WASTE WAS RECYCLED AND RECOVERED, AND THE AMOUNT OF WASTE GENERATED DECREASED BY 7%
- INSTALLATION OF PHOTOVOLTAIC PANELS TO PRODUCE ELECTRICITY, PARTLY SELF-CONSUMED DURING PRODUCTION ACTIVITIES (58% OF TOTAL) AND PARTLY FED INTO THE GRID
- A 13.7% REDUCTION IN WATER CONSUMPTION HAS BEEN ACHIEVED SINCE 2018 AFTER THE COMPANY REVIEWED ITS INTERNAL INDUSTRIAL PROCESSES AND CONDUCTED EMPLOYEE AWARENESS ACTIVITIES

### **SOCIAL AND EMPLOYEE INITIATIVES**

- PROVISION OF OVER 53,400 HOURS OF TRAINING TO EMPLOYEES (WHICH CORRESPONDS TO AN AVERAGE OF APPROXIMATELY 7.2 HOURS PER EMPLOYEE)
- VARIOUS DONATIONS MADE TO THE HEALTH SECTOR, BOTH TO HELP MANAGE THE COVID-19 EMERGENCY (OVER EURO 250,000 DONATED DURING THE MARCH LOCKDOWN) AND TO FINANCE NEW EQUIPMENT
- EURO 45,000 DONATED TO THE CARDIOLOGY DEPARTMENT AT SANTA MARIA NUOVA HOSPITAL IN REGGIO EMILIA

### **GOVERNANCE**

- ADOPTION OF A GLOBAL COMPLIANCE PROGRAMME THAT ESTABLISHES A MANAGEMENT AND ORGANISATIONAL MODEL FOR ACTIVITIES IN LINE WITH INTERNATIONAL BEST PRACTICES IN ORDER TO PREVENT MISCONDUCT RELATING TO THE ENVIRONMENTAL, SOCIAL, AND EMPLOYEE FIELDS
- WOMEN REPRESENT 40% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 60% OF THE BOARD OF DIRECTORS

## RESPECTING AND PROTECTING THE ENVIRONMENT

- ALL PRODUCTION PROCESSES ARE INSPIRED BY A CIRCULAR ECONOMY, WHICH IS BASED ON THE CONCEPT OF OPTIMISING WASTE RECOVERY, SAVING ENERGY, REUSING INDUSTRIAL WATER, INSTALLING TRIGENERATION PLANTS AND PHOTOVOLTAIC PANELS, REMOVING SOLVENTS, CREATING RECOVERY SYSTEMS, AND USING RECYCLED AND SUSTAINABLE FIBRES.
- VARIOUS ISO CERTIFICATIONS: 9001, 14001, 45001

## SOCIAL AND EMPLOYEE INITIATIVES

- WORKPLACE HEALTH PROMOTION PROGRAMME, WHICH IS BASED ON THE PRINCIPLES OF PROMOTING HEALTH IN THE WORKPLACE (WHO)
- BENEFIT PROJECTS FOR SCHOOLS, ACADEMIES, AND UNIVERSITIES IN THE FASHION AND DESIGN SECTOR
- VARIOUS SPONSORSHIPS AND DONATIONS TO SOCIAL AND CULTURAL CAUSES.
- THINK GLOBAL, ACT LOCAL: THIS SPIRIT UNDERPINS OUR CREATIVE AND PRODUCTION ACTIVITIES. OUR APPROACH TO SOCIAL RESPONSIBILITY CANNOT BE SEPARATED FROM THIS WAY OF THINKING. WE HELP PROMOTE THE MADE IN ITALY INITIATIVE, SUPPORT LOCAL COMMUNITIES, AND CONTRIBUTE TO THE DEVELOPMENT OF THE LOCAL AREAS IN WHICH WE OPERATE
- THE COMPANY CONSTANTLY INVESTS IN ENERGY-EFFICIENT PRODUCTION TECHNOLOGIES, CONTRIBUTING TO THE REDUCTION OF CO<sub>2</sub> EMISSIONS INTO THE ATMOSPHERE

## GOVERNANCE

- ALTHOUGH THE COMPANY IS NOT REQUIRED TO DO SO, IT MAKES ITS SUSTAINABILITY REPORT PUBLICLY AVAILABLE ON ITS WEBSITE
- WOMEN REPRESENT 17% OF THE BOARD OF DIRECTORS

## SDGs ADOPTED





## RESPECTING AND PROTECTING THE ENVIRONMENT

- 2022: THE COMPANY WILL STOP BUYING FUR AND THE LAST COLLECTION FEATURING FUR GARMENTS WILL BE THE AW2023 SEASON
- 2021: DOWN CERTIFIED ACCORDING TO THE DIST PROTOCOL IS RECYCLED FROM JACKETS USING AN INNOVATIVE MECHANICAL PROCESS, WHICH SAVES ABOUT 70% WATER
- 2019: (i) LAUNCH OF THE NEW BORN TO PROTECT SUSTAINABILITY PLAN WITH TARGETS FOR 2021 AND 2023, DRAWN UP IN ACCORDANCE WITH THE SDGs; (ii) LAUNCH OF THE FIRST BIO-BASED AND CARBON-NEUTRAL DOWN JACKET, MADE FROM NATURAL AND PLANT-DERIVED MATERIALS, AS WELL AS AN ENTIRE RANGE OF RECYCLED AND SUSTAINABLE GARMENTS; (iii) SIGNING OF THE FASHION PACT BETWEEN LEADING GLOBAL FASHION COMPANIES TO MEET A SERIES OF SUSTAINABILITY GOALS
- 100% OF THE ELECTRICITY USED IN ITALY COMES FROM RENEWABLE SOURCES

## SOCIAL AND EMPLOYEE INITIATIVES

- 3,600 DEVICES AND ACCESSORIES DONATED TO PRIMARY AND SECONDARY SCHOOLS IN MILAN (ITALY), AND 100 HOURS OF TRAINING OFFERED TO 80 TEACHERS (WORTH AROUND EURO 2.1 MILLION)
- SUPPORT FOR THE EXPERIMENTAL HOME HEALTH CARE PROGRAMME FOR COVID-19 PATIENTS IN THE CITY OF MILAN (VALUE APPROXIMATELY EURO 2 MILLION)
- 2020: OVER 121,000 HOURS OF TRAINING PROVIDED TO EMPLOYEES

## GOVERNANCE

- THE 2020 PERFORMANCE SHARE PLAN INCLUDES AN ESG PERFORMANCE INDICATOR
- WOMEN REPRESENT 33% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 67% OF THE BOARD OF DIRECTORS

## SDGs ADOPTED



# OVS

## RESPECTING AND PROTECTING THE ENVIRONMENT

- RANKED AT THE TOP OF THE FASHION TRANSPARENCY INDEX IN 2021
- FIRST ITALIAN COMPANY TO JOIN THE BETTER COTTON INITIATIVE PROGRAMME TO PROMOTE SUSTAINABLE COTTON FARMING
- WE CARE MANIFESTO, AN SDG-COMPLIANT INITIATIVE FOCUSED ON SUSTAINABILITY ACTIVITIES
- (i) 100% OF COTTON USED COMES FROM SUSTAINABLE AND CERTIFIED SOURCES; (ii) 65% OF GARMENTS ARE MADE FROM MATERIALS WITH A REDUCED ENVIRONMENTAL IMPACT; (iii) 40% OF DENIM IS PRODUCED USING WATERLESS TECHNOLOGY
- THE ONLY ITALIAN COMPANY TO PARTICIPATE IN THE GLOBAL FASHION AGENDA

## SOCIAL AND EMPLOYEE INITIATIVES

- PROVISION OF A CARPOOLING PLATFORM FOR EMPLOYEES TO REDUCE GHG EMISSIONS ASSOCIATED WITH COMMUTING
- LAUNCH OF VARIOUS SOCIAL AND ENVIRONMENTAL PROGRAMMES AND INITIATIVES IN THE COMMUNITY, INCLUDING PROGETTO QUID MODA ETICA MADE IN ITALY, KIDS CREATIVE LAB, BULLISNO, HEALTHY SEAS, THE SUSTAINABLE APPAREL COALITION, AND MANY MORE

## GOVERNANCE

- THE CONTROL, RISKS AND SUSTAINABILITY COMMITTEE EXAMINES SUSTAINABILITY INITIATIVES AND POLICIES TO CREATE MEDIUM-TO-LONG-TERM VALUE
- WOMEN REPRESENT 44% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 56% OF THE BOARD OF DIRECTORS

## SDGs ADOPTED



# Prysmian Group

## RESPECTING AND PROTECTING THE ENVIRONMENT

- IN 2020, IT BEGAN THE PROCESS OF FULLY IMPLEMENTING THE STRUCTURE RECOMMENDED BY THE FINANCIAL STABILITY BOARD (FSB) TASK FORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES
- 2020: 48% OF REVENUES GENERATED BY LOW CARBON ENABLING PRODUCTS
- DEFINITION OF A SUSTAINABILITY SCORECARD PLAN (2022 TARGET), SUB-DIVIDED INTO 14 GOALS BASED ON THREE SETS OF GUIDELINES: (1) THE 17 SDGS DEFINED WITHIN THE 2030 AGENDA (2) THE REQUESTS OF THE MAIN INTERNATIONAL SUSTAINABILITY INDICES, AND (3) THE NEEDS AND EXPECTATIONS OF STAKEHOLDERS

## SOCIAL AND EMPLOYEE INITIATIVES

- 2020: ALLOCATION OF 29% OF INVESTMENTS TO OCCUPATIONAL HEALTH AND SAFETY: ONGOING TESTING, DISTRIBUTION OF HEALTH CARE MATERIALS AND PERSONAL PROTECTIVE EQUIPMENT, PROMOTION OF REMOTE WORKING AND ITS EXTENSION TO ALL EMPLOYEES
- 2019: MORE THAN 10,000 EMPLOYEES PARTICIPATED IN THE YES PLAN, A PROGRAMME LAUNCHED IN 2013 WHEREBY GROUP EMPLOYEES CAN BUY PRYSMIAN SHARES
- OVER 50 PARTNERSHIPS WITH UNIVERSITIES AND RESEARCH CENTRES TO ALLOW FOR ONGOING RESEARCH FOR INNOVATION
- A CORPORATE CITIZENSHIP AND PHILANTHROPY POLICY HAS BEEN IMPLEMENTED TO SUPPORT COMMUNITY INITIATIVES

## GOVERNANCE

- 2020: ADOPTION OF A MANAGEMENT INCENTIVE SCHEME LINKED TO THE ACHIEVEMENT OF TARGETS TO IMPROVE ESG PARAMETERS
- WOMEN REPRESENT 42% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 75% OF THE BOARD OF DIRECTORS

## SDGs ADOPTED





## RESPECTING AND PROTECTING THE ENVIRONMENT

- 2020: 96 PRODUCTS DESIGNED ACCORDING TO SUSTAINABLE STANDARDS
- USE OF TIMBER FROM FORESTS MANAGED SUSTAINABLY AND CERTIFIED BY THE FSC (FOREST STEWARDSHIP COUNCIL) OR PEFC (PROGRAM FOR THE ENDORSEMENT OF FOREST CERTIFICATION) – THE TWO MAIN CERTIFICATION AUTHORITIES IN THIS AREA (GOAL TO USE 100% OF WOOD FROM CERTIFIED SOURCES BY THE END OF 2026)
- VOLUNTARY PARTICIPATION IN A CIRCULAR ECONOMY PROGRAMME AIMED AT COLLECTING AND REUSING WASTE (SUCH AS PACKAGING USED IN LOGISTICS) AND SECOND-HAND FURNITURE
- ADHERENCE TO THE CARB P2 REGULATION AIMED AT REDUCING AND MONITORING FORMALDEHYDE EMISSIONS FROM WOOD-BASED MATERIALS (AROUND 77% OF PRODUCTS ARE CARB-P2 CERTIFIED)
- DEVELOPMENT, IN COLLABORATION WITH THE TECHNOLOGICAL INSTITUTE FCBA OF THE ECO-8 PROGRAMME TO ASSESS A PRODUCT'S DEGREE OF ENVIRONMENTAL SUSTAINABILITY
- ACTIVE, TARGETED MONITORING OF THE ENERGY CONSUMPTION OF STORES AND WAREHOUSES, IMPLEMENTING A SERIES OF INITIATIVES TO CUT CONSUMPTION, SUCH AS INTRODUCING AN LED LIGHTING SYSTEM AND TURNING OFF STORE LIGHTING AT NIGHT
- THE EXCLUSIVE USE OF EXTERNAL VEHICLES COMPLIANT WITH THE EURO VI STANDARD IN ORDER TO REDUCE CO<sub>2</sub> EMISSIONS IN THE LOGISTICS SECTOR

## SOCIAL AND EMPLOYEE INITIATIVES

- MORE THAN 8,540 HOURS OF EMPLOYEE TRAINING WERE DELIVERED BETWEEN 2018 AND 2020
- 2020: LAUNCH OF A FREE SHARE ALLOCATION (AGA) PLAN COVERING AROUND FIVE THOUSAND SHARES FOR ALL EMPLOYEES IN FRANCE
- 2020: WOMEN REPRESENT 52% OF EMPLOYEES IN 2020

## GOVERNANCE

- WOMEN REPRESENT 33% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 33% OF THE BOARD OF DIRECTORS



## RESPECTING AND PROTECTING THE ENVIRONMENT

- START OF ACTIVITIES TO OBTAIN B CORP CERTIFICATION
- INSTALLATION OF ELECTRIC CAR CHARGING STATIONS ON THE PREMISES AND ADOPTION OF A TRAVEL POLICY THAT PROMOTES SUSTAINABLE MOBILITY
- INTRODUCTION OF A PROGRAMME TO REDUCE THE USE OF PLASTIC BY INSTALLING WATER DISPENSERS AND DISTRIBUTING ALUMINIUM BOTTLES

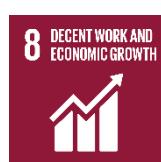
## SOCIAL AND EMPLOYEE INITIATIVES

- SESA FOUNDATION TO PROMOTE SOCIAL SOLIDARITY ACTIVITIES IN THE FIELDS OF EDUCATION, SCIENTIFIC RESEARCH, SOCIAL ASSISTANCE AND HEALTH
- LAUNCH OF PARTNERSHIPS AND PARTICIPATION IN EVENTS WITH VARIOUS ITALIAN UNIVERSITIES TO ATTRACT TALENT
- EXECUTIVE MASTER'S COURSE IN MANAGEMENT & INNOVATION DESIGN AT THE UNIVERSITY OF PISA TO HELP DEVELOP DIGITAL SKILLS
- OVER 26,000 HOURS OF TRAINING PROVIDED TO EMPLOYEES
- BOOSTING DURING THE PANDEMIC OF THE MAIN MEASURES IN PLACE TO PROVIDE EMPLOYEES WITH FINANCIAL SUPPORT AND TO HELP HOME SCHOOL CHILDREN

## GOVERNANCE

- AT THE BEGINNING OF 2021, THE COMPANY BY-LAWS WERE AMENDED TO ORIENT GROUP GOVERNANCE TOWARDS SUSTAINABLE DEVELOPMENT AND THE CREATION OF MEDIUM-TO-LONG-TERM VALUE
- WOMEN REPRESENT 40% OF THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 40% OF THE BOARD OF DIRECTORS

## SDGs ADOPTED





## RESPECTING AND PROTECTING THE ENVIRONMENT

- THE OPENING OF CAMPUSES ACROSS EUROPE IN AREAS SUBJECT TO “GENTRIFICATION”, CONTRIBUTING TO THE ECONOMIC DEVELOPMENT OF NEIGHBOURHOODS
- 2019: GRAND OPENING OF THE MILANO ISOLA CAMPUS, THE FIRST SPACE DEDICATED ENTIRELY TO FOODTECH AND SUSTAINABILITY; ORGANISATION OF REGULAR EVENTS RELATED TO SUSTAINABILITY
- INITIATIVE TO ELIMINATE PLASTIC BOTTLES ON CAMPUS THANKS TO A PARTNERSHIP WITH WAMI

## SOCIAL AND EMPLOYEE INITIATIVES

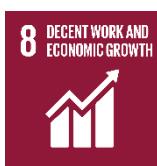
- CREATION OF THE TAG ACADEMY TO SUPPORT EMPLOYEE TRAINING, INCLUDING ON SUSTAINABILITY ISSUES
- A PARTNERSHIP WITH GOOGLE FOR STARTUPS TO LAUNCH A FREE MENTORSHIP PROGRAMME FOR COMMUNITY STARTUPS TO FOSTER THEIR SUSTAINABLE GROWTH
- DESIGN AND DELIVERY OF AN IN-HOUSE MASTER'S DEGREE DEDICATED TO DIGITAL TRANSFORMATION LINKED TO FOOD TECH AND THE CULTURE OF SUSTAINABILITY
- EMPLOYEE WELFARE PLAN TO ENSURE MAXIMUM PRODUCTIVITY AND ONGOING TRAINING

## GOVERNANCE

- WOMEN REPRESENT 58% OF THE WORKFORCE AND 47% OF LEADERSHIP POSITIONS
- PRESENCE OF AN ADVISORY BOARD COMPOSED OF THE MANAGERS OF PARTNER COMPANIES ON THE TALENT GARDEN ISOLA CAMPUS (MILAN) DEDICATED TO THE MAIN TRENDS RELATED TO FOOD TECH AND SUSTAINABILITY
- INDEPENDENT DIRECTORS REPRESENT 67% OF THE BOARD OF DIRECTORS

## SDGs ADOPTED

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## RESPECTING AND PROTECTING THE ENVIRONMENT

- ADOPTION OF A POLICY TO REDUCE THE ENVIRONMENTAL IMPACT OF BUSINESS ACTIVITIES, THE CONSUMPTION OF RESOURCES, AND CO<sub>2</sub> AND WASTE EMISSIONS
- ADOPTION OF A TRAVEL POLICY TO PROMOTE SUSTAINABLE MOBILITY
- DISTRIBUTION OF FREE WATER BOTTLES TO EMPLOYEES AND INSTALLATION OF WATER DISPENSERS TO REDUCE THE USE OF PLASTIC
- REDUCTION OF THE ENVIRONMENTAL IMPACT OF THE USE AND DISPOSAL OF ELECTRONIC EQUIPMENT BY PROMOTING THE ONGOING REUSE OF WORKING ELECTRONIC EQUIPMENT (ROUTERS, GATEWAYS, ETC.) THROUGH A REFURBISHING PROCESS

## SOCIAL AND EMPLOYEE INITIATIVES

- IN 2021, THE COMPANY WAS RECOGNISED AS AN ITALIAN BESTWORKPLACE (14<sup>TH</sup> IN THE GREAT PLACE TO WORK RANKINGS)
- IN 2021, THE COMPANY WAS AWARDED THE WELFARE CHAMPIONS AWARD FOR THE THIRD YEAR RUNNING BY THE SME WELFARE INDEX
- THE FIRST VIANOVA ACADEMY COURSE WAS LAUNCHED WITH THE AIM OF CONTRIBUTING TO COMMUNITY DEVELOPMENT BY TRAINING UP LOCAL YOUNG PEOPLE. IN 2021, 5,111 HOURS OF TRAINING WERE DELIVERED AS PART OF THE VIANOVA NETWORK TECHNICIAN COURSE
- THE BUILD YOUR FUTURE INITIATIVE HAS BEEN LAUNCHED, WHICH IS A FREE COURSE FOR YOUNG PEOPLE AGED BETWEEN 18 AND 26 YEARS OLD. IT SEEKS TO HELP PARTICIPANTS REACH THEIR POTENTIAL AND PROVIDES USEFUL WAYS TO REFLECT ON KEY ASPECTS OF PERSONAL AND PROFESSIONAL DEVELOPMENT

## GOVERNANCE

- ALTHOUGH IT IS NOT REQUIRED TO DO SO, THE COMPANY PUBLISHES ITS FINANCIAL STATEMENTS ON ITS WEBSITE, THUS MAKING THEM PUBLICLY AVAILABLE
- THERE ARE NO WOMEN ON THE BOARD OF DIRECTORS
- INDEPENDENT DIRECTORS REPRESENT 29% OF THE BOARD OF DIRECTORS