



SUSTAINABILITY REPORTING 2023

MINICONF

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Highlights

		2021	2022	2023
Economic Results and Distributed Value				
Sales revenue	Euro mil	60,0	72,1	69,3
Distributed economic value	Euro mil	60,1	78,9	67,9
Governance				
Management systems	ISO 14001-certified environmental management system			
Product sustainability and innovation				
Product and material certifications	BCI – Better Cotton Initiative GOTS – Global Organic Textile Standard			
Packaging	Carta FSC – Forest Stewardship Council			
Customer health and safety				
Cases of non-compliance with product health and safety standards	No.	None	None	None
Human Resources				
U.L.A. Employees (Work Units per Year)	No.	269	293	286
Gender equality: % female employees	%	78,6%	76,8%	78,5%
Serious injuries	No.	None	None	None
The environment				
Direct consumption (heat, transport, electricity)	GJ	6.597,7	8.304,6	7.260,9
CO ₂ eq emissions (Scope1 + Scope 2 Location Based)	t CO ₂ e	712,0	775,4	728,0
Waste for material recovery or recycling	%	96,3%	97,8%	96,6%

The letter to stakeholder

To all our stakeholders, It is with great pleasure that we present to you the first Miniconf Sustainability Report: a document that chronicles our commitment and progress in sustainability. The Report reflects our journey towards greater environmental and social responsibility, which is essential to build a better future for generations to come.

In 2023, the year we celebrated our 50th anniversary, we worked to optimise our use of resources and reduce the environmental impact of our operations. The adoption of the Global Reporting Initiative (GRI) Standards has improved our ability to measure and understand the effects of our operations, identifying priority areas for effective action.

We are aware of the textile industry's significant impacts on the environment, particularly with regard to resource consumption and waste generation, as well as the CO₂ emissions associated with them. Our approach focuses on increasing the durability of products, optimising the use of resources and constantly dialoguing with our supply chain to keep their attention on environmental and social impacts.

Our commitment to sustainability is in continuous development. We plan to further reduce our environmental impacts and improve social conditions in the communities we interact with, with specific targets and actions that respond to the SDGs of the United Nations 2030 Agenda.

Thank you all - customers, employees, suppliers, institutions and partners - for your continued support and cooperation. It is only with your commitment that we can really make a difference as we celebrate our first 50 years and look forward to the next ones.

With gratitude,
Giovanni Basagni
 Miniconf S.p.A.



Children
inspire us,
Values guide us



The scenarios for the textile and clothing sectors



The textile sector has long been the subject of particular attention and regulation by the European Union, due to its numerous impacts on sustainability issues. Consequently, the sector that represents the largest outlet for textile products, i.e. the clothing sector, is also affected. The clothing industry, in fact, consumes more than 80% of EU textile products.

In terms of environmental impacts, the main concerns include raw material consumption and waste generation, to which significant water consumption and greenhouse gas emissions are added. EU consumers generate 5.8 million tonnes of textile waste annually, equivalent to approximately 26 billion garments, with 1.7 million tonnes exported to non-OECD countries - a fivefold increase from twenty years ago. These quantities of waste imply an unjustifiable consumption of raw materials and energy, generating considerable impacts, such as CO₂ emissions, and raising questions of social equity.

The central issue for the industry is therefore the sustainability profile of raw materials and increasing the durability of garments. It is crucial to recognise that there is no such

thing as an inherently sustainable fibre. Different categories of fibres - artificial, natural, synthetic - have different impacts along the value chains. In this context, certification systems, which have rapidly evolved in the textile sector, play a crucial role in monitoring supply chains, providing specifications adapted to each type of fibre.

On the durability front, the focus of European legislation, in particular the European Strategy for Circular and Sustainable Textiles, is highest. Ensuring high durability of garments is essential to reduce waste and limit the consumption of new raw materials, a goal that aligns perfectly with the EU Ecodesign Regulation.

Finally, social issues cannot be overlooked. In the global textile supply chain, cases of exploitation and inadequate wages are unfortunately still widespread. More effective control of the supply chain, also from a social point of view, is demanded by consumers as well as by regulatory instruments, such as the EU Corporate Sustainability Due Diligence Directive, to ensure fair working conditions along the entire chain.

Our sustainability journey

Environmental and social protection is the cornerstone of our sustainability journey. We have chosen to report to all stakeholders on the work we have developed in this area, with the aim of accurately assessing our impacts on the environment and society and pursuing continuous improvement.

To this end, **we adopt the Global Reporting Initiative (GRI) Standards**, international socio-environmental reporting parameters used by most companies (in the Universal Standard 2021 version).

We operate daily guided by the principles of fair competition, honesty, integrity, fairness and good faith. We are committed to developing a well-structured, step-by-step sustainability path. We started with a thorough mid-term reflection on our business activities, resulting in effective, accurate and valuable reporting on **environmental, social and governance (ESG) aspects**. This process allows us to identify priority areas for action, starting with the mapping of existing initiatives and the analysis of critical issues.

The Miniconf sustainability journey

Our sustainability journey is structured in four main stages:

- Awareness-raising and internal assessment
- Materiality analysis with stakeholder involvement
- Materiality analysis with stakeholder involvement
- Drafting the Sustainability Report 2023
- Defining the Strategic Plan

The materiality analysis

The first phase of our work on the Sustainability Report involved an internal materiality analysis. This fundamental step makes it possible to identify the **main impacts generated by the company on the environment and society**, thus guiding the reporting process.

The dishes

We define 'impacts' as the effects, both actual and potential, that a company may have on the environment and society, including effects on human rights. These impacts arise from business operations, the value chain, both upstream and downstream, and may manifest themselves through products, services and business relationships. Impacts may be both negative and positive, intentional or unintentional, and may be reversible or irreversible.

The materiality analysis was developed through several steps. The first step involved the organisation in a meeting with the heads of the main corporate functions, aimed at presenting the principle of 'materiality' according to the **GRI Standards** in their new 2021 version, with analysis of (social and environmental) and financial impacts.

By means of a context and benchmarking analysis, we identified a number of impacts related to the main sustainability issues, on which the company front lines assessed the relevance in order to determine the information to be included in the document.

Subsequently, a representative sample of key stakeholders, consisting of 9 trade customers, 7 store managers and 7 suppliers, was interviewed to identify the most relevant sustainability issues for the fashion industry. This survey made use of a questionnaire based on data from the benchmark analysis and GRI Standards, suitably modified and integrated to suit Miniconf's activity.




The process led to the identification of **18 major sustainability themes, which was** followed by a phase of aggregation of related themes, as shown in the table below.

Initial material themes	Themes aggregation
Human rights and labour practices along the supply chain	Responsible supply chain
Environmental impacts of suppliers	
Inclusion and equal opportunities	Employee welfare and equal opportunities
Logistics and packaging materials	Textile materials, logistics and packaging
Materials for textiles	
Energy consumption	Energy and emissions
Emissions and climate change	
Waste Management	Circular Economy and Waste
Circular economy and eco-design	
Support for community and territory	Supporting local employment and the territory
Local employment	






This process led to the definition of 12 sustainability topics of relevance to Miniconf and its stakeholders, which were considered to be significant in terms of social and environmental impacts as well as financial impacts.



Material themes by type		
Social	Environmental	Economic - Management
Product durability and safety	Materials for textiles and packaging	Computer security
Employee welfare and equal opportunities	Energy and climate change	Ethics and legality
Training and skills development	Circular Economy and Waste	Supporting local employment and the territory
Worker health and safety		
Transparent communication and labelling		
Responsible supply chain		




Finally, each material theme was associated with ESG-related actions undertaken by Miniconf, in line with the Sustainable Development Goals (SDGs) of the UN 2030 Agenda.

Sustainability plan objectives				SDGs Sustainable Development Goals - UN Agenda 2023	
Description		Action	Arc temp.	#	Target
ENVIRONMENTAL MATERIAL THEME	Materials for textiles and packaging	Reducing and monitoring material consumption	<ul style="list-style-type: none"> Unification of formats and characteristics of consumer shopping bags to support sales Limitation of the printing of communication catalogues Enhancing the consumption of used materials through support and co-operation of suppliers via web portal Improved colour approval without sending physical proof (time and cost savings) 	2024 - 2025	 12.2 - Achieving sustainable management and efficient use of natural resources by 2030
	Circular Economy and Waste	Minimisation of the amount of waste generated	<ul style="list-style-type: none"> Print only customs bills relating to the import of garments from countries for which duty is payable (paper savings) 	2024	 12.5 - Substantially reducing waste generation through prevention, reduction, recycling and reuse
	Energy and climate change	Calculation efforts, monitoring and reduction of greenhouse gas emissions	<ul style="list-style-type: none"> Verification of the possible use of diffuse energy produced by the Ferrantina 3 warehouse photovoltaic system for the needs of the Ferrantina 1 warehouse and the Ortignano site Evaluation and possible implementation of a photovoltaic system for the Ferrantina 1 warehouse Certification of the organisation's Carbon Footprint calculation by 2025 	2024 - 2025 Data from 2023*	 13.2 - Integrating climate change measures into national policies, strategies and planning

*Descrizione tipologia	u.m.	2023
Output (used + input)	kWh	257.495,75
Worn out (need all locations)	kWh	497.953,75
Produced against Miniconf consumption	%	51,71%

Sustainability plan objectives				SDGs Sustainable Development Goals - Agenda 2023 ONU		
Description		Action	Arc temp.	#	Target	
SOCIAL MATERIAL THEME	Product durability and safety	Improvement of profiles quality and safety of products and services	<ul style="list-style-type: none"> Increasing the number of checks, particularly on metal accessories Scheduling of ad hoc training for sales staff of the company's direct shops with the aim of improving the shopping experience and customer service 	2024 - 2025		12.1 - Implementing the 10-year framework of programmes on sustainable consumption and production
	Employee welfare and equal opportunities	Improving the working environment and fully guaranteeing all rights in the workplace	<ul style="list-style-type: none"> Achievement of Gender Equality Certification Creation of post-maternity reintegration/upgrading programmes to facilitate the resumption of employment Use of webinars for a continuing and growing percentage of employees aware of equal opportunities issues Inclusion of volumes on diversity, equal opportunities and non-discrimination in the Miniconf Library to raise awareness among colleagues 	2024 - 2024		8.3 - Promoting development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation
	Training and skills development	Increasing the skills of employees, with a focus on younger staff	<ul style="list-style-type: none"> New proposal and activation of a mentoring programme for younger employees: 6 new paths to be completed by July 2024 New training for in-house mentors New sector training with Coaching and Cross Coaching Programmes for 2 company sectors (Design and Merchandising, Production) Retail Team Training (Store Managers) Specialised A&O Customs Training - creation of Managers and Contact Persons Specialised Patternmaking Technical Training for Patternmaking and Production Youth Project: 4 groups to stimulate the organisational insertion of new company projects, related to working wellbeing and improving relations 	2024 - 2025	 	10.2 - Strengthening and promoting the social, economic and political inclusion of all, regardless of age, gender, disability, race, ethnicity, origin, religion, economic or other status
					4.4 - Increase substantially by 2030 the number of young people and adults with specific skills - including technical and vocational skills - for employment, decent jobs and entrepreneurship	

Sustainability plan objectives				SDGs Sustainable Development Goals - UN Agenda 2023	
Description		Action	Arc temp.	#	Target
SOCIAL MATERIAL THEME	Worker health and safety	<ul style="list-style-type: none"> • Purchase of 2 wearable upper limb exoskeletons for multi-stage testing • Purchase of scissor lift trucks/platforms equipped with photocells to handle packages at appropriate heights • Evaluation, together with the competent doctor, of the purchase of lumbar straps for use during container unloading • Reducing the average weight of packages received in production through massive intervention directly with suppliers and reducing the weight of packages made in Miniconf • Drawing up specific procedures for handling packages, with the aim of enforcing the limit of weights that can be lifted by the various categories and working at suitable heights • Installation of 12 ceiling fans in the sewing, quality control and statistical control departments to improve the microclimate in the summer season • Installation of pulley poles on ironing stations to reduce the effort when handling the iron 	2024 - 2025		8.8 - Protecting the right to work and promoting a healthy and safe working environment for all workers
	Transparent communication and labelling	<ul style="list-style-type: none"> • Extension of BCI labelling to Ducati and Roy Roger's licences • BCI, iDOzero and Animal Friendly items in the onlineMiniconfShop outletonline 	2024		12.8 - By 2030, make sure that all people everywhere have the relevant information and awareness about sustainable development and a lifestyle in harmony with nature

Sustainability plan objectives				SDGs Sustainable Development Goals - UN Agenda 2023		
Description		Action	Arc temp.	#	Target	
MATERIAL GOVERNANCE THEME	Computer security	Minimisation of cyber security risks	<ul style="list-style-type: none"> Implementation of a new security policy to prevent the use of unauthorised external storage drives (e.g. USB sticks) via Windows GPO and/or Sophos Endpoint Reduction of the company's policy of deactivating unused accounts from 6 to 3 months. Reduction of the company password change policy from 6 to 3 months Evaluation centralised administration tool for corporate mobile devices Evaluating the adoption of a different data encryption configuration by extending it to the disks of all company laptops 	2024 - 2025		16.10 - Protecting fundamental freedoms in accordance with national legislation and international agreements
	Ethics and legality	Associate regulatory compliance by working with suppliers to share the same principles and strategic objectives	<ul style="list-style-type: none"> Implementation of Organisational Model 231 Update Code of Code of Conduct and certification procedures in progress 	2024		16.5 - Reducing corruption and bribery in all their forms
	Supporting local employment and the territory	Promotion of job opportunities for community members and development of projects for the area	<ul style="list-style-type: none"> Training on sustainability in the textile sector in local secondary schools 	2024		11.4 - Strengthening Commitments to Protect and Preserve Cultural and Natural Heritage



CAP 01

Our Identity

1.1 - The business model

Miniconf S.p.A. is a company that has been active for fifty years in the **production and distribution of clothing for children and young people in the 0-16 age bracket**. We started out in the Seventies as a small workshop and today, keeping our roots firmly planted in Ortignano Raggiolo, in the province of Arezzo, we are a **multi-brand and multi-channel reality** present in several foreign markets, from Spain to the United Kingdom, from Russia to France and the Balkan area.

Garments made each year (average)	Store, shop and corner (media)	Commercial branches abroad
6 million	2.500	3

We produce and distribute around 6 million garments per year. At the origin of our work is a **design** activity. This is followed by **product sampling**, carried out externally but supervised by in-house resources, **sample sales** and the subsequent **production** of the garments ordered during the sales campaign.

At the Ortignano (AR) site, we also carry out the activities that close the production cycle: **quality control, garment repair** (which may include practices such as sewing and spotting), **ironing**, bagging and, finally, preparing **orders for customers**.

The garment processing cycle ends with the storage of the finished products at the company's warehouses located in La Ferrantina, a location close to the head office, followed by the subsequent shipment to the points of sale by our logistics partners.

Within the headquarters are the design, production, administrative, commercial, marketing, IT and HR functions, together with the management.

In our portfolio, we have several proprietary brands - **Sarabanda, Minibanda** and **iDO**, differentiated according to stylistic identity - and others under licence, realised in collaboration with brands such as Superga and Ducati, which have relied on our decades of know-how to preside over the children's clothing market.



The Brands



sarabanda

Sarabanda – “Every day is a special moment” is a brand with a strong stylistic identity, characterised by garments with attention to detail, safety and comfort. The label’s focus is on fashion and current trends. All items are easily coordinated and designed for every occasion of use: from school, to play, to ceremony..



minibanda

Minibanda – “Style that excites” is our brand that dresses the little ones, with collections from 0 to 24 months.



iDO

iDO – “Everyday Style” is a brand with a modern and cosmopolitan taste, designed for lively children who are always on the move. Durable, quality garments are designed by an in-house team of stylists who study and interpret international fashion trends, adapting them to the needs of the little ones. The very youngest, from 0 to 24 months, can count on the **iDOmini** line.



dodipetto

Dodipetto – “Fashion Forward” produces versatile garments, suitable for every moment of the day, with an excellent quality/price ratio and a focus on production methods and processes. The collections, based on the total look concept, are enriched by the **Mignolo** baby proposal.



SUPERGA® KIDSWEAR

Superga Kidswear – our 1st licence: an agreement that allowed the historical Piedmontese brand to make its debut in the childrenswear sector. The label develops boy and girl collections from 3 to 14 years and consists of iconic garments, which translate the essence of the Superga brand according to kidswear codes.



DUCATI

Ducati – For boys who will lead the way’ becomes part of our brand portfolio from the autumn/winter 2022 collection. It is a line with a comfortable and sporty spirit, consisting of pieces dedicated to boys aged 3 to 16, as well as a newborn proposal.

Miniconf is a multi-channel reality. The mono-brand **shops** have a proprietary brand name and can be either franchised or directly controlled; the latter include both outlets, which offer collections from previous seasons, and traditional mono-brand stores, which display garments from current collections.

We also work with a wide range of **multi-brand customers**, including wholesale outlets, retail shops and department stores. In addition to physical shops, we work with **digital channels**, both marketplaces of other operators and the digital stores of our own labels.

Both our direct physical presence and our digital presence have enabled us to define a **primary target** clientele: **parents** (especially mothers) **between 30 and 45 years of age, with a good propensity to purchase children's clothing** - classifiable as medium-high spenders - **who pay particular attention to style and quality, as well as durability and comfort of the garments**. The gift function is also particularly important in the purchase of our brands.

1.2 - 50 years of growth and innovation

Miniconf was founded in 1973 from an intuition of Giovanni Basagni. The group's founder decided to seize the opportunity offered by a commission order of **Trentamila camicie a mille Lire** and left his previous job. In just a few years, what was a small artisan workshop became an important production reality, so much so that in the 1980s it exceeded 100 employees.

In the 1990s, when globalisation was still in its infancy, Miniconf projected itself towards Asia by starting a manufacturing de-localisation in China. Turnover exceeds 20 million and continues to grow in the new millennium when the company, still betting on innovation, invests in digital, embarking on a multi-channel strategy.



30,000 shirts for 1,000 lire: the opportunity from which Miniconf was born



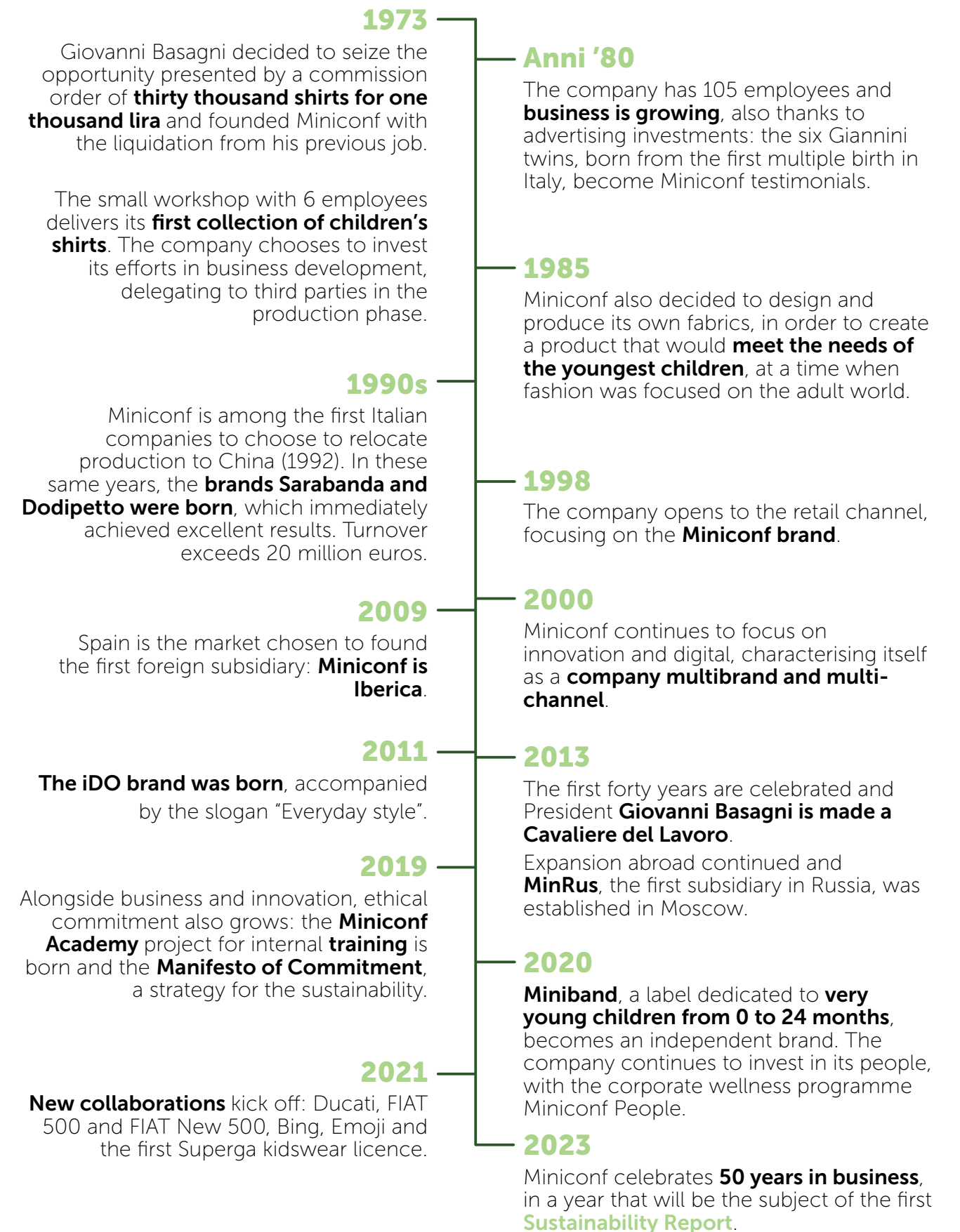
Advertising campaign '6 shirts for 6 twins' for 1984

In 2009 the first foreign branch was opened in Spain, in 2013 a second in Russia. In the same year, on the occasion of the 40th anniversary of Miniconf's foundation, **President Giovanni Basagni is knighted**.

The expansion into new markets, the birth of new brands and collaborations lead Miniconf to start a dedicated licensing path. The company's growth continues without losing sight of its commitment to collaborators and partners: in 2019, the **Miniconf Academy** project dedicated to employee training is born and, in the same year, the **Manifesto d'Impegno (Commitment Manifesto)** is drawn up, a path to reducing environmental impact supported by concrete actions. Both these initiatives represent the formalisation of a decades-long commitment to the growth of people and sustainability. Important steps that confirmed the company's willingness to embark on a sustainable path, which led to the drafting of the Sustainability Report 2023.

We are now **celebrating 50 years in business** with the will to invest in **sustainable growth**, thanks to a team of 357 people working between the company- owned stores, the Miniconf S.p.A. headquarters, all employees including seasonal resources and the subsidiaries Miniconf Iberica (Spain), MinRus (Russia), Minstyle (UK) and Miniconf Shanghai (China).

Timeline



1.3 - Values and people at the centre



The future of Miniconf, as well as that of a country, are the children. Not believing in children means not believing in the future

Giovanni Basagni
Miniconf President

Our mission

We want to make every child's day as beautiful and comfortable as possible: as a child, you already have a lot to do to grow up. That is why what one wears must enhance one's personality, adapting to different occasions and, above all, to every personal and growth need. We choose safe materials and manufacturing processes. Although our brands differ, they share the same policies and commitment to reducing their environmental impact.

Our vision

We aim to be among the favourites in every child's wardrobe from birth: we want to consolidate and develop our role as a reference point for kidswear, giving each of our brands the strength of a lovemark: offering emotions and creating ever closer and truer relationships with People. We will continue to be inspired by the little ones, listening to the market, partners and employees with the utmost care.



Respect, Loyalty and Transparency

In its 50 years of activity, Miniconf has been guided by a clear vision and mission, supported by solid values built around three cornerstones: **respect, loyalty, transparency, which generate the strong sense of belonging that distinguishes our reality.**

We have created a business model that is based on the constant search for a **balance between ethics and the market.** At the centre of the model are people and the environment in which they live, work and raise their families.



Our values represent ideals, the company culture represents the way in which these values are lived and translated into concrete behaviour

Our roots are in the Casentino valley, among hills covered with dense vegetation and woods that nurture respect for nature and the land. Most of our employees come from this area, and from these roots we have been sharing the same heritage of values for decades.

Putting people at the centre means working to increase their well-being, enhance their talent and pay the utmost attention to the safety of everyone who comes into contact with us, such as employees, suppliers and all those who buy and especially wear our garments.



Stakeholder involvement

Dialogue and attention to the stakeholders who participate in our activities every day are translated into **concrete practices for their involvement.**

The **relationship with employees** is nurtured through the company portal, which keeps them constantly informed about what is happening in the company. As far as **trade customers** (points of sale and distributors) are **concerned, we are** committed to understanding the evolution of their needs, studying together a strategy to improve the competitiveness of the supply chain. In this respect, our **BtoB portal, PartnerLab**, plays an important role, through which we dialogue with trade customers, offering services, including re-assortments, sell-out monitoring, shipment and documentation control, training and marketing services.



Partnering with retailers is also crucial to exchange information on which sustainability issues end customers consider most relevant and how these should be addressed.

Another channel of information and discussion concerns **credit institutions.** The General Director of Finance, HR, IT shares the results and policies of the various institutions with the contact persons of the various institutions, receiving from the banks the general market trends, best practices (including in the area of sustainability) and the evolution of the importance of the various key indicators (KPIs) by which the companies are evaluated. Further stakeholder dialogue activities concern **the territory in which Miniconf was born** and continues to operate. We collaborate, in fact, with **Prospettiva Casentino**, an association of local entrepreneurs whose objective is the sustainable development of the Casentino territory, with particular reference to schools.



We also support the Municipality and the School of Ortignano Raggiolo (AR), to give concrete support to schools and local communities, while supporting numerous associations, with a particular focus on activities dedicated to children and the promotion of the territory.

Our business model is based on **innovation and dialogue**, according to the principle of **listen well and respond better.** Listening to the suggestions made by employees and the opinion of customers and consumers has enabled us to pick up on market signals, grow and improve, thanks to our propensity for change and innovation.

In order to achieve this result, it was necessary to have a solid supervision of the supply chain from upstream to downstream. We have the expertise to liaise with suppliers on activities carried out externally, overseeing the process steps and accompanying each garment from design to the hands of the end customer.



The ability to read weak signals is crucial

Giovanni Basagni
Miniconf President

Attention to 'how' a garment is produced at every stage becomes an essential tool in the service of sustainability. **Creating quality clothes** that resist use and do not wear out in a few washes means **limiting waste and, therefore, pollution**. Our garments can be reused for more than one season, passed on between brothers, sisters and friends, reducing the impact linked to the 'end of life' of products.

1.4 - Governance



Our governance is based on the action and interaction of 3 bodies: the **Board of Directors (BoD)**, the **Strategic Committee** and the **Management Committee**.

The Strategy Committee was introduced in 2022, while the Management Committee has always been active in the company. Both were formalised by the Board of Directors in 2024.

The Board of Directors is the governing body and approves, with corrections where necessary, the strategic guidelines presented by the Strategic Committee, which is the policy-making body. The latter is responsible for drafting the strategic guidelines, which form the basis of the three-year Development Plan, updated annually. The implementation of the Plan (outlined in detail in the box below) is the responsibility of the Steering Committee.

The Board of Directors oversees the decisions and actions of the Steering Committee and the Sustainability Group - as far as they are concerned - regarding the economic, environmental and social impacts of the company.

The Development and Sustainability Plan

Every decision taken at Miniconf is based on the Corporate Development Plan, approved by the Board, which is also called upon to propose any changes. The Board also includes external consultants whose role is to test the soundness and consistency of the Plan. In parallel, a 'rolling' of the Plan is conducted: the Board of Directors analyses any deviations and identifies corrective actions for the various projects. In addition to outlining the future development of the business, the Development Plan also contains a section explicitly dedicated to sustainability - which takes the form of a Sustainability Plan - the coordination of which is entrusted to the **Sustainability Group**. This meets about 6/8 times a year, coordinating the implementation of the Sustainability Plan guidelines and formally reporting to the Board of Directors twice a year. The Group consists of several key figures in corporate life: Chief Executive Officer (CEO), Environmental Manager, Marketing Manager, Trade Marketing Specialist, together with an external consultant specialising in compliance, quality, safety and sustainability.

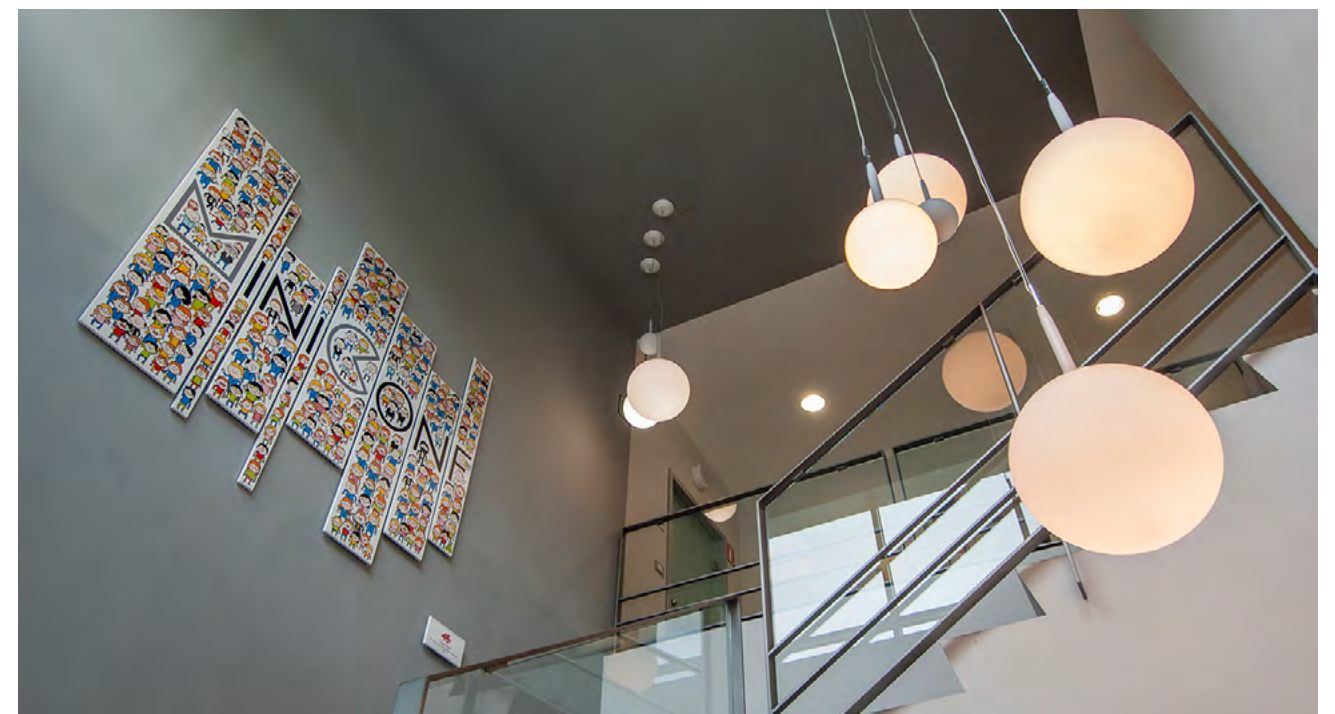
By approving and monitoring the implementation of the Sustainability Plan, the Board of Directors delegates responsibility for managing environmental, social and governance (ESG) sustainability impacts to the Sustainability Group. There is no specific training on sustainability issues within the Board of Directors; however, this takes place in practice through the continuous exchange of training/information in the Sustainability Group, of which the CEO and Chairman of the Board of Directors are also members.

Looking in detail at the functioning of internal governance, the **Board of Directors**, as stipulated in the company statute, is elected every three years by the shareholders' meeting.

The Board of Directors consists of **4 voting members** and **2 external**, independent and chosen on the basis of their expertise and knowledge of the company, who participate in the Board but do not have voting rights.

These figures were introduced as of 2015, following Borsa Italiana's Elite path (aimed at training companies for their approach to the garment market), with the aim of ensuring an independent presence within the Board.

There are 3 executive and **3 non-executive members** of the Board of Directors, i.e. not engaged in activities within the company. The 4 voting members are also shareholders of the company and 3 of them hold corporate positions - specifically, the CEO, the General Manager Finance, HR, IT and the Safety Manager delegated by the Employer. The 2 external consultants, on the other hand, are independent and have the role of testing and verifying the effectiveness of the company's strategies.



The chairman of the Board of Directors and founder of the company also holds the role of **Chief Executive Officer**, as well as chairing the Strategy Committee. The Board of Directors delegates the monitoring and implementation of the Development Plan - and the related Sustainability Plan - to the Steering Committee.

Control over the Board of Directors is exercised by a **Board of Auditors** consisting of three auditors, who have no other relationship with the company.

The **Strategic Committee** meets approximately once a month and is composed of the CEO and the 2 General Managers. The CEO is the chairman of this committee, which makes use of external consultants (other than those who make up the Board of Directors) or the support of company employees for specific issues.

The **Steering Committee** is chaired by the two General Managers, who together with the CEO and the Chief Operating Officer (COO) are the permanent members of the body: in this way, all company departments are represented. The Steering Committee meets approximately every 2 weeks, at which time other staff members are often convened to discuss and make decisions on specific topics.

Among the other bodies that contribute to company life, it is important to point out the presence of an RSU (or Unitary Trade Union Representative), composed of 6 people elected by all workers, both union members and non-members. The Prevention and Protection Service Manager is 1, appointed by the Employer to coordinate, under company responsibility, the prevention and protection service.

Remuneration policies



Miniconf's Board of Directors has **no variable remuneration** or other remuneration linked to specific objectives and therefore has no performance evaluation system. The 2 members serving as president and vice-president have the remuneration of directors. The other 2 members with voting rights have a fixed remuneration for this role, as do those without voting rights.

At company level, **remuneration policies are defined by the General Manager Finance, HR, IT together with the Head of Human Resources**. Only in the case of Area Managers does the procedure provide for consultation with the Managing Director and the Board of Directors.

Remuneration policies are based on the role/level held in the company and the strategic nature of that role. Every year, the company organises a **people development process (PDP)**: this involves the compilation of annual evaluation forms relating to the performance of resources. Thanks to this tool, the Management assesses, together with the Human Resources Manager, any changes on its own initiative and at the prompting of the Director or Area Manager. For new additions to the company, on the other hand, the HR Manager consults various consultants who can be commissioned to research the 'market' salary of the desired profile.

In our focus on combining business and ethics, we work daily to maintain transparency and maximum **compliance with laws and regulations**.

With regard to all stakeholders, we are determined to maintain a **transparent attitude** by providing them with the elements to assess possible conflicts of interest. Within the company, however, critical issues are reported directly to the Management Committee without a formalised procedure. The members of the RSU, the Workers' Safety Representative (RLS) and the Human Resources Manager are the contacts through whom employees can raise critical issues.

In December 2023, the procedures provided for in the **Whistleblowing** legislation were activated, aimed at reporting wrongdoing of general interest in a work context. In parallel, we are working on formalising our commitment to administrative responsibility and have been considering the introduction of the **231 Organisational Model** by calling in expert consultants on the subject.



We have an **Environmental Policy** by which we concretise our commitment to seeking the best solutions in terms of eco- design of garments, compliance with environmental regulations and efforts to limit the impacts of products throughout their life cycle. We have **been 14001 certified since 2003**. In addition to this, we have a **Code of Conduct** for suppliers and employees.

Our efforts enabled us to limit the number of significant cases of non-compliance with laws and regulations to 2 in 2023. No cases resulted in non-monetary penalties, while the 2 above-mentioned proceedings by the Customs Agency resulted in fines totalling EUR 5,000. These were administrative violations relating to incomplete information on goods at customs and a mismatch of invoice values.

We promptly reviewed our processes in order to prevent such errors from recurring.



CAP 02

People

2.1 - People at the centre

People are an essential ingredient of Miniconf's success. For this reason, we are determined to create opportunities for **professional growth**, in a working environment that promotes equal opportunities and fosters an inclusive and engaging culture based on skills development. We ask every employee and collaborator to behave with loyalty, respect and transparency to ensure effective and lasting collaboration.



No man is an island

John Women

At the heart of the relationship between Miniconf and its people is a **transparent dialogue and communication**: all business and human resources are disseminated via the **company portal** and are shared with each new resource in the organisation. In the same portal, it is also possible to find other important work-related information daily, such as the company organisational chart, the

Environmental Management System (EMS), the **ISO 14001 management system** procedures and **the Environmental Policy**.

The rest of the communications - together with the management of receipts, holidays, travel and welfare - are located within the **HR Infinity Zucchetti** application.

Our focus on the people who work with us starts with the **recruitment** phase. When recruiting a new resource, we first draw up a **job profile** of the candidate and launch a direct search campaign via headhunting channels and/or internal databases, using other tools such as LinkedIn in parallel.



During the first selection step, if candidates are not from neighbouring areas, the interview takes place remotely with HR, together with the area manager. If candidates are resident in the area, the interview takes place in person. The second step, which analyses the shortlist of candidates most in line with the selection, consists of a meeting in the company.

The choice of the candidate is based on technical and relational skills and proximity to company values. New hires are accompanied by an **onboarding process** of about one and a half months, which includes getting to know the company (sectors and processes) and being introduced to the specific role.

Miniconf believes in the need to establish long-term relationships and mutual trust with all its partners.

We also try to establish a **relationship of continuity** with our seasonal resources, who are mainly employed in internal goods crossing and shipping activities, by reactivating seasonal contracts mainly with the same resources.

Given the peculiarities of our region and the experience of the last few years in recruiting, the company has decided to undertake **paths for the growth of internal resources**, in order to also fill positions of responsibility.

Wooden work donated by employees on the occasion of the 50th anniversary

If no internal resources can be found, a broader search is undertaken in the territory, and then recruiting outside the territory.

Our **commitment to the enhancement of the territory and its community** is reflected in our numbers.

Positions with a position of responsibility held by local resources (Casentino) are 81%, while those held by external resources, i.e. from outside the valley, are 19%.

97% of the workers hired in the year 2023 are from the neighbouring territory (this figure is significantly influenced by the hiring of seasonal staff).

For the year 2023, 3 per cent of the recruitments with the qualification of clerk are from the territory.

In the 2023 figures, there are 37 new hires, which refer to clerical staff (shop assistants), hired in the company's sales outlets located throughout the country and thus far away from the head office.

50th anniversary of Miniconf

In 2023, our 50th anniversary year, we had the opportunity to launch initiatives and projects aimed at increasing the well-being of our people and consolidating our corporate culture based on collaboration and internal and external dialogue.

In particular, we provided:

- a new **outdoor refreshment** area for employees of the Ferrantina warehouses at Ferrantina 3;
- new tents throughout the company canteen area;
- the installation of a **photographic exhibition**, in collaboration with FIAF (**Federazione Italiana Associazioni Fotografiche**) of Bibbiena (AR), in the company's indoor and outdoor spaces;
- the installation of **historical sewing machines** in the various business sectors;
- the organisation of the **Miniconf Open Day**, (17 June 2023), opening the company to the local area and employees' families (we welcomed around 600 external guests);
- the '6 Shirts Tell Our Story' project, in collaboration with Polimoda students. Six children's shirts were made that tell the different decades of our history: 1 shirt per decade, starting from the 1970s, to which a sixth shirt is added, dedicated to the future. The 6 shirts, designed by Polimoda design students and made by Miniconf seamstresses, are inspired by the shirts that dressed the 6 Giannini twins in the 1980s, in a communication campaign that marked the beginnings of our history. Following the initiative, a crowdfunding operation was launched in favour of the Meyer paediatric hospital, of which Miniconf has the status of Friendly Company, since it has been supplying first aid kits to children and their families for many years;
- the 'Let's celebrate 50 years together' project, which materialised on 22 September 2023 with a 50th anniversary Miniconf event attended by all employees, pensioners, the sales network and partners.



Alongside the careful valorisation of resources at the recruitment stage and the creation of opportunities for the professional growth of employees, an important part of our focus is on **welfare**. In fact, we have a welfare plan, active for all employees who contractually fall within the parameters established according to the 2nd level bargaining agreements. We illustrate in the box below the services offered through the company platform:

The welfare platform and benefits

The services offered include:

- Reimbursement for the education of family members
- Fuel, shopping and other vouchers
- Reimbursement of school canteen fees
- Travel, fun and wellness packages
- Reimbursement for baby-sitting and elderly care
- Health, visits, examinations and services
- Subscriptions to gyms, swimming pools and other sports activities
- Leisure, cinema, museums and more (admission vouchers).

An amount of 450 euro is recognised for employees with seniority of at least 12 months; 350 euro for those with seniority between 6 and 12 months; 250 euro for those with seniority between 4 and 6 months.

The renewal of the 2nd level bargaining in December 2023 led to the introduction of two bonuses for the year 2024: a retirement bonus for employees (permanent and seasonal) leaving and a birth bonus for employees (permanent and seasonal) who are new parents.



We support the pre-and after-school costs of the neighbouring school in order to make it easier for parents to manage their children

Another important element for the company is the **work-life balance of employees**. In fact, Miniconf offers the possibility of **working part-time** where required, for particular family needs and in relation to the impact that such a request has on the area of reference and the company organisation.

For new mothers, this facility is granted until their children are one year old. At the end of the part-time period, the possibility is granted to vary the entry and exit times from 08:00 to 16:30, in order to improve childcare (until the end of primary school).

In line with this objective, we support **school complex in San Piero in Frassino** (Ortignano Raggiolo AR), to cover the costs of running the daily before and after school service (7.30-8.00 a.m. entry time, 4.30-5.00 p.m. exit time).

We then provided for employees whose job can also be performed remotely the possibility of **smart working**, consistent with our company policy, by extending the possibility of up to two days of smart working per week in the case of sickness of children (within 13 years of age) for mothers and fathers.

According to the HR company policy, it is possible for office staff to be **flexible on entry for** 30 minutes, with daily recuperation on exit.

We wanted to measure the effectiveness of our initiatives by conducting a **stress-work-related analysis** in 2023, which did not document any particular critical issues and showed that **employees were satisfied** with their working environment and did not perceive excessive strain or pressure.

The analysis also revealed a number of factors that contribute to the well-being of Miniconf's employees, which we will continue to invest in in the future. These are in particular the **quality of internal relations** and the **climate of cooperation** within the company. Indeed, working at Miniconf means being part of a cohesive and motivated team, where one can express one's potential, make proposals and receive feedback. For us, being a company that values people and accompanies them on their professional and personal path means continuing to offer them opportunities to grow and be listened to.

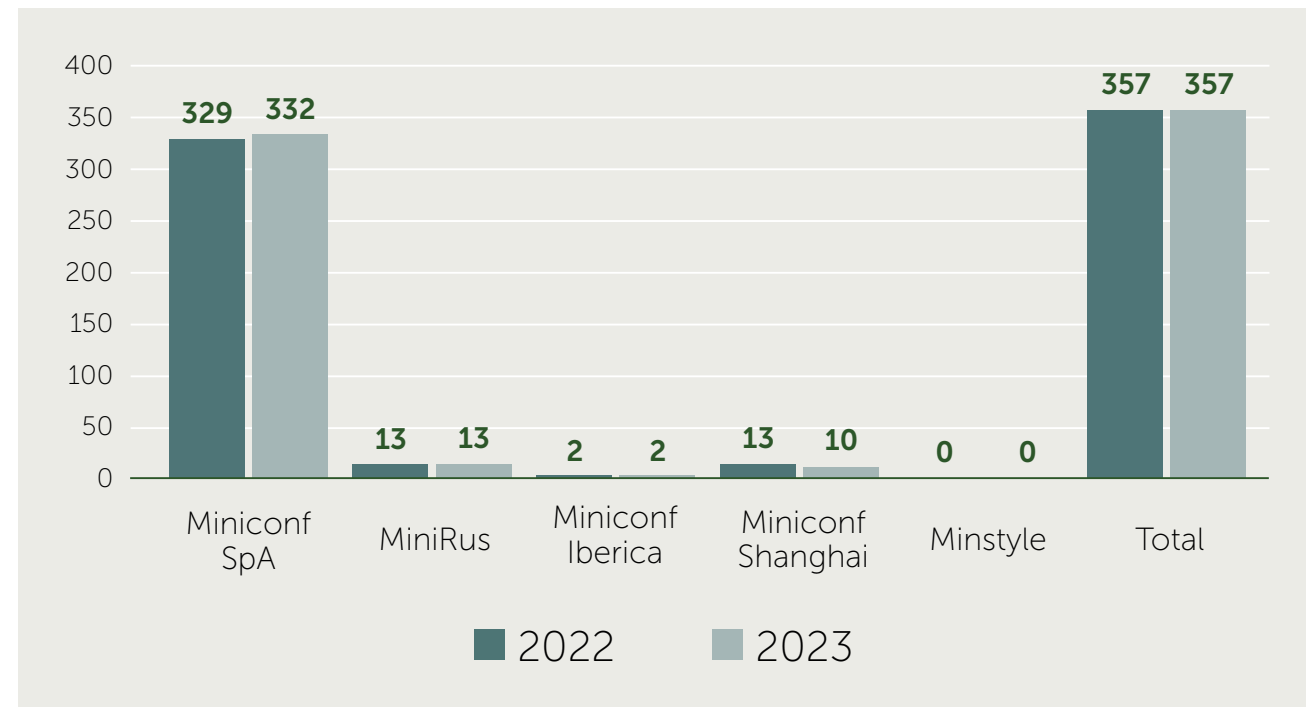
Miniconf for Culture

We have planned initiatives to promote culture with a **company library**. In fact, a library dedicated entirely to employees has been set up at headquarters, with the aim of making available volumes of interest, either purchased by Miniconf (at the suggestion of employees) or shared directly by employees. In 2023, the library has about 60 volumes covering technical, soft skills and current topics.

Another important focus for employees and for the growth of skills in the area concerns the possibility of access to **scholarships for the children of employees in collaboration with Intercultura**, in order to support the experience of studying abroad. The initiative dedicated to young people and reserved for the children of our employees, provides for participation in a 4-week summer language study programme abroad, characterised by a stay with families or colleges.

In 2023, Miniconf could count on the employment of 357 people: in detail, there are 332 people employed by Miniconf S.p.A., 13 by MinRus, 2 by Miniconf Iberica and 10 by Miniconf Shanghai (Fig.1)..

Fig. 1 - Total aggregate U.L.A. employees per branch



The gender composition shows a predominance of women (77% compared to 23% men) (Fig. 2-3), slightly increasing in 2023 compared to the previous year.

Fig. 2 - Total number of employees, excluding vials, in 2022-2023, broken down by gender

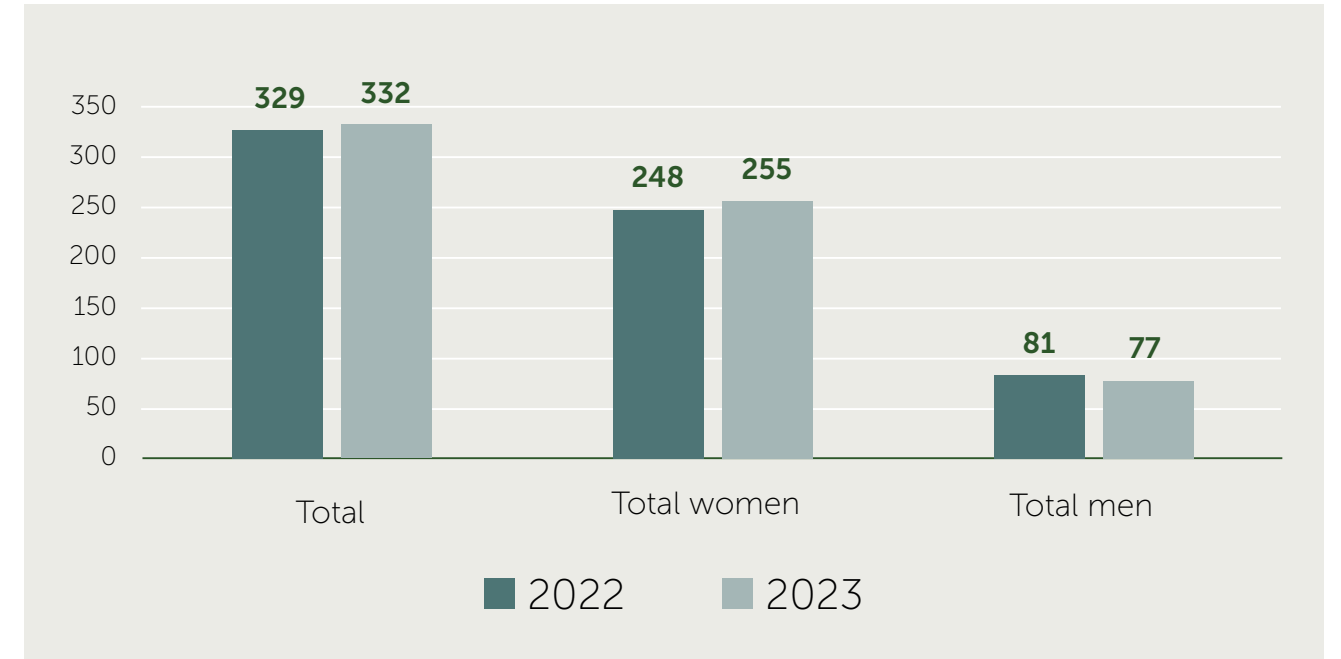
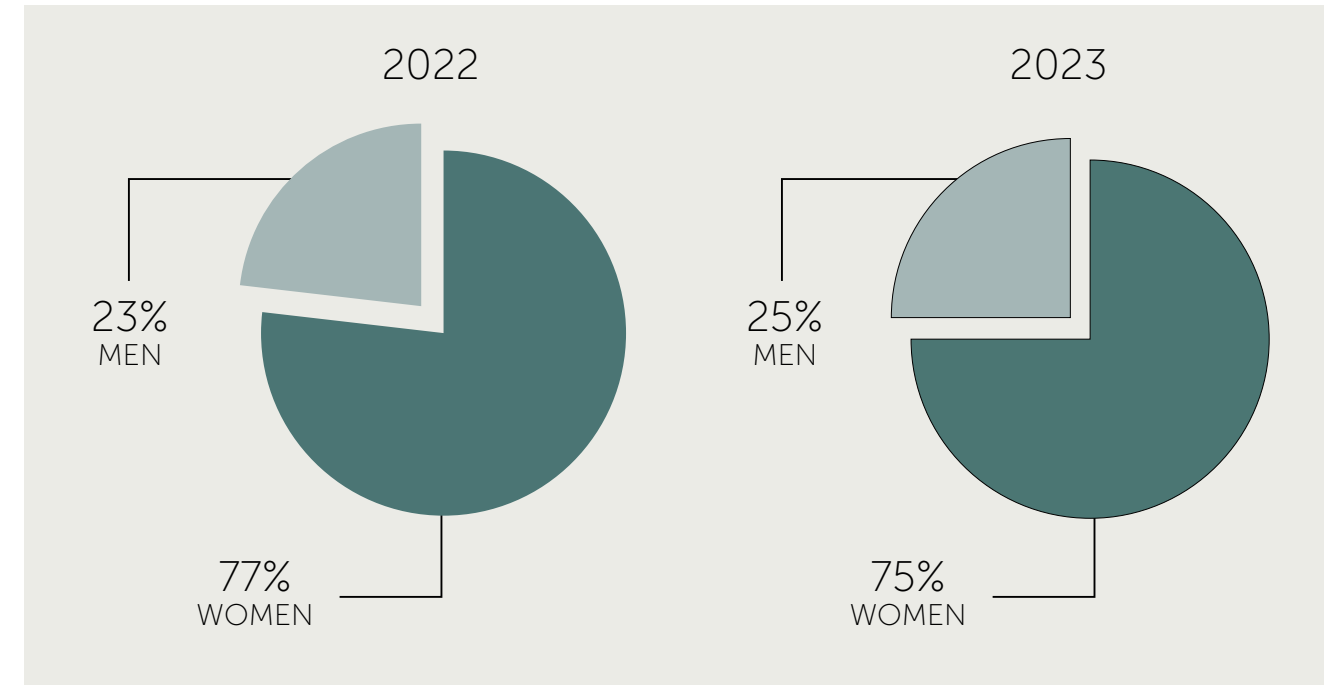


Fig. 3 - Distribution by gender in 2022-2023



Contracts are mainly of three types: open-ended, fixed-term and seasonal. Resources with seasonal contracts are essentially employed during the periods of greatest work activity resulting from internal production crossings, which are concentrated in about eight months of the year. In 2023, there were 191 people with permanent contracts, 125 people with fixed-term contracts and 79 seasonal resources (Fig. 4)..

Fig. 4 - Percentage of permanent, fixed-term and seasonal contracts

Among the Miniconf people, the age group with the highest number of employees is between 30 and 50, followed by the over-50s and finally the under-30s (Fig. 5). The dominant occupational position is that of office workers (Fig. 6).

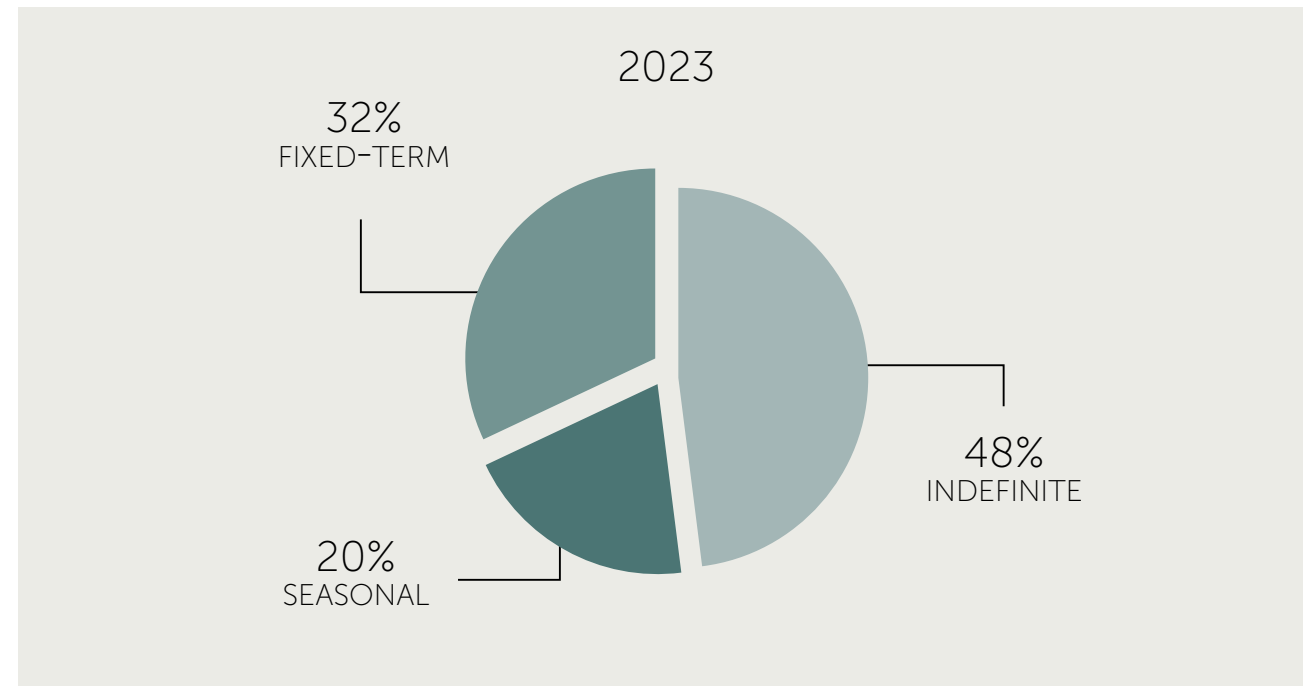


Fig. 5 - Employees, excluding branches, by age group in 2022-2023

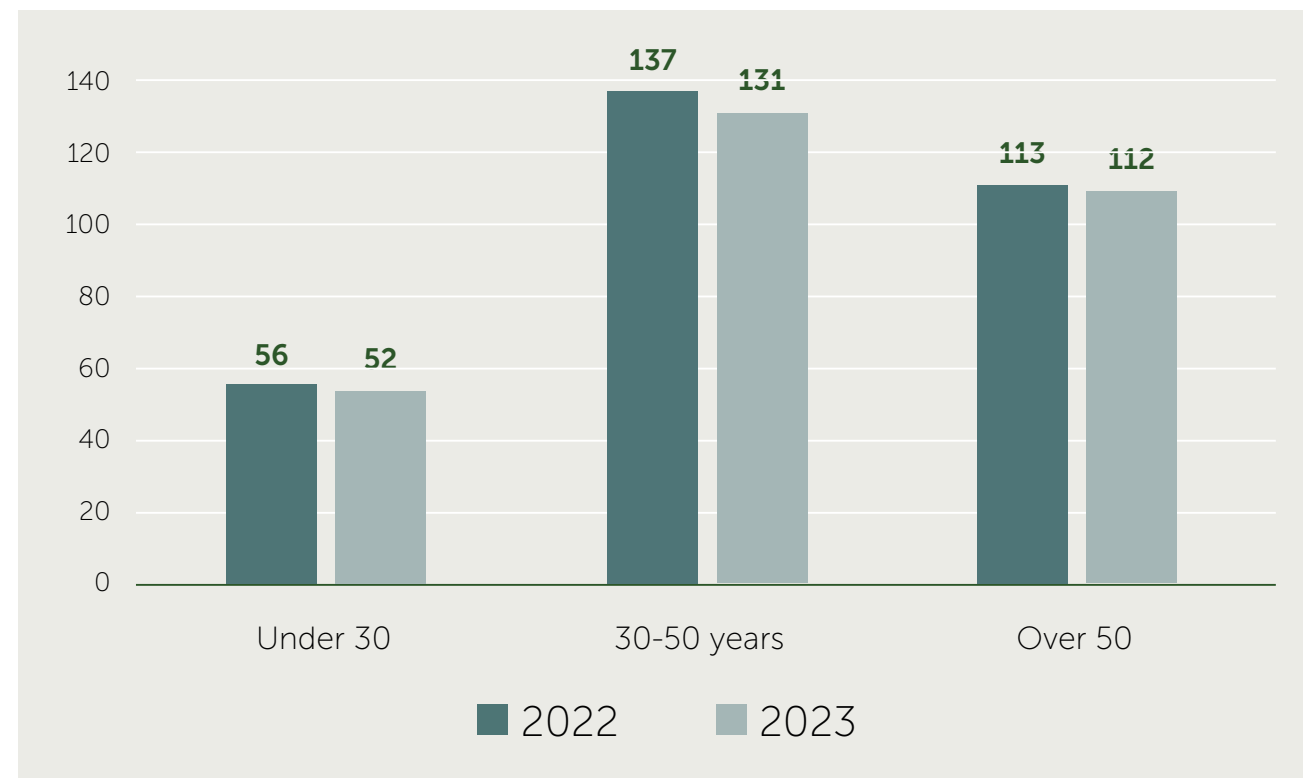
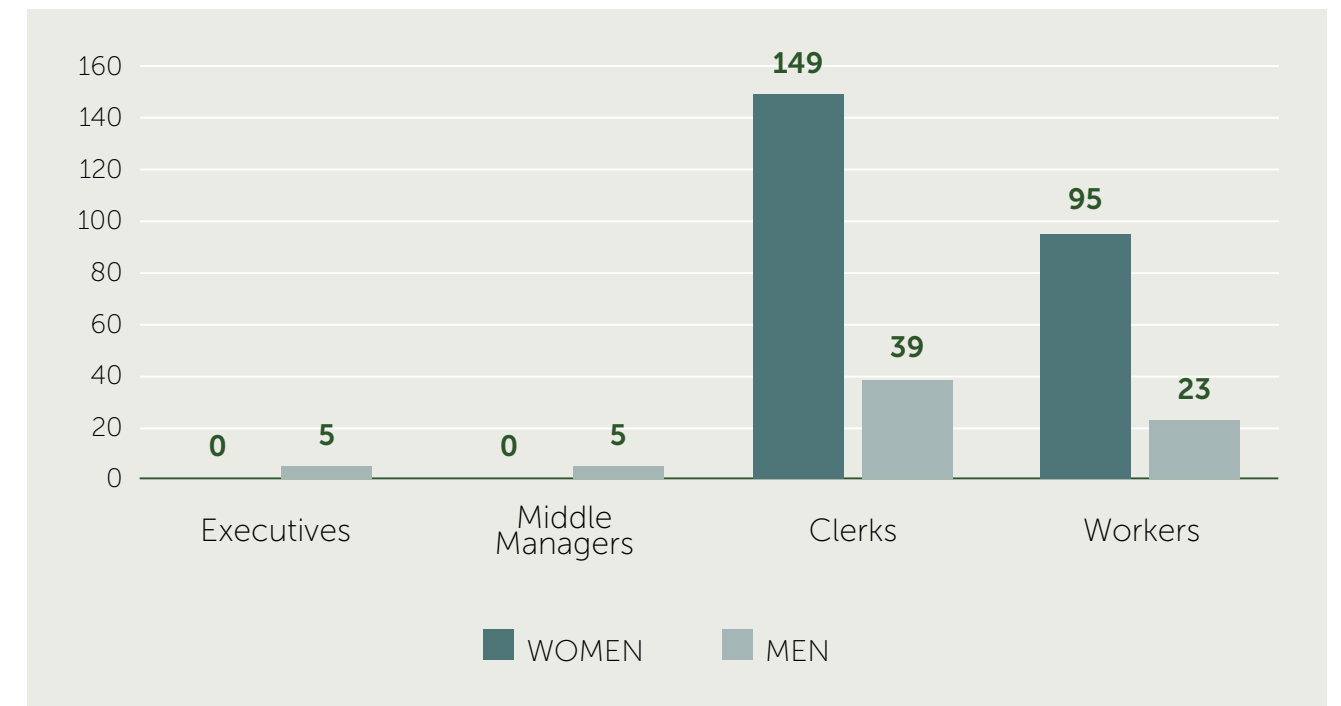


Fig. 6 - Employees, excluding branches, including seasonal workers, by gender and category in 2023 (as at 31/12/2023)



The **Board of Directors** is the main corporate governance body that dictates **strategic organisational and business guidelines**: it consists of four members, 75% of whom are men and 25% women. The main age group is over 50.

For Miniconf, hiring new employees of different ages and genders is an ethical commitment and an opportunity to increase **the company's strength, wealth and competitiveness** in the market. In 2023, there were 45 new hires between headquarters and shops, and 162 temporary seasonal employees, in both cases, mostly women.

Terminations of employment are part of a natural/market process in the life of any company, large or small. Miniconf's figure is strongly impacted by the expiry of seasonal contracts during the year (for some resources the expiry may occur twice within the year). **The Company's actual turnover figure is low** at around 6% in the year 2023, excluding seasonal staff from the calculation. If, on the other hand, we include seasonal staff in the calculation, this figure rises to 186.1 per cent, still down on the previous year.

Incoming turnover was 93.4 per cent, in line with past figures, while outgoing turnover decreased to 92.7 per cent.



A project involving young people under 35 aimed at fostering integration between departments and generations, the quality of relations, the ability to make ourselves interpreters of our values

At a general level, it is important to specify again that turnover is affected by the company's need to employ **seasonal workers during work peaks**. Another turnover factor relates mainly to staff employed at points of sale where we detect a change in post covid retention related to the type of work they do. The factors that impact critically are: extended daily opening hours, weekend and holiday shifts (especially shopping centres and outlets). To foster retention and membership, the company is working on a project involving mainly young people in Miniconf.

Specifically, 35 under-35 resources were identified, with whom the company is working on projects aimed at fostering organisational integration, quality of work and strengthening relationships, while promoting exchange and interaction between different generations.

“
*The young man walks faster,
 but the old man knows the way*”

Giovanni Basagni
 Miniconf President

2.2 - Training



Training is a lever for growth and contributes to creating an inclusive and stimulating climate

For us, training is a key lever to create opportunities for professional growth and to develop an inclusive and stimulating climate based on skills development.

In addition to compulsory training, as provided for by Legislative Decree 81/2008, the Company schedules an **important annual training plan**, following a formalised procedure, which starts with the detection of training needs, through the mapping of areas and the evidence emerging from the performance evaluations drawn up by the Managers of each sector. These are flanked by the needs Training 2023 and 2024 highlighted

by the company **development plan** and the subsequent comparison with the necessary and already existing skills. The next step involves the setting up of the annual budget, with monthly monitoring and a final balance at the end of the year, and the inclusion of training projects relating to job changes and/or new placements. The final step concerns the final account of the initiatives carried out during the year.



Training activities relate to **technical professional development** (e.g. language courses, Excel, updates on customs and administrative regulations, etc.) and **soft and professionalising topics** such as development in the areas of people management, leadership and managerial skills (proactivity, problem solving, etc.)

Training 2023 and 2024

In 2023, Miniconf promoted several training initiatives:

- Training for the Graphics Area on the use of **Adobe Illustrator**
- Training for young people in **project management** skills
- **Soft Skills** Training for Area Department Managers and Coordinators
- **Coaching** for Commercial Area Managers
- Environmental training on emissions and **ESG issues** for the Sustainability and Environment Working Group
- Activation of the **mentoring** programme **for young people**, in cooperation with the company 'Pack', with 6 new courses. Within the mentoring project, for the growth of young people, we continued our collaboration with the start-up company Pack (a tech company specialising in corporate mentoring services). Through the latter, it was possible to set up mentoring paths for six under-35s in 2023 and plan as many for 2024.



These initiatives will be flanked by training to create internal mentors. In 2024, Miniconf will engage in further training projects:

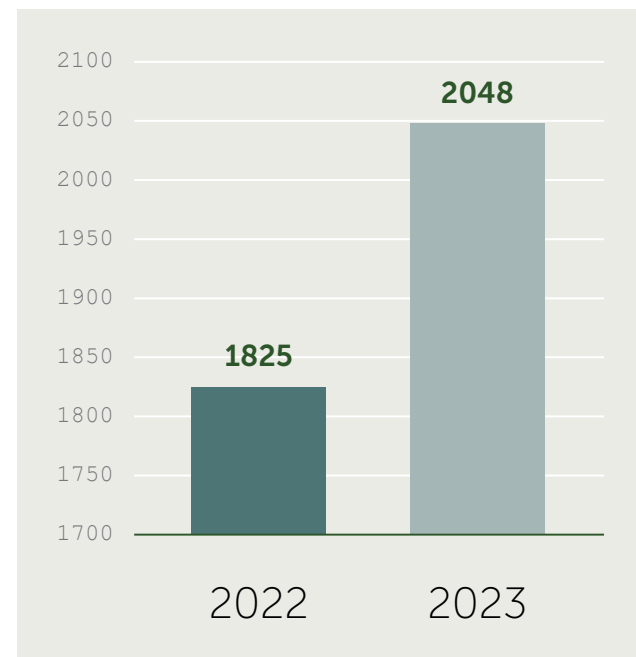
- New industry training, with coaching and cross coaching programmes, dedicated to the areas of Design, Merchandising and Production.
- Specific training for the retail team, and in particular for Store Managers.
- Technical training for specialised Modelling and Production area
- Professional and digital training, with a focus on Artificial Intelligence
- Corporate training and awareness-raising on gender equality issues

In 2023, we provided a total of 2,048 hours of training, up 12% from 1,825 hours in 2022 (Fig. 7). Most of these hours were provided to white and blue collar workers, 1,569 to women (6.43 average hours) and 479 to men (6.65 average hours). Overall, the average training hours for employees were 6.48.



In 2023 we increased training hours by 12% compared to 2022

Fig. 7 - Total training hours in 2022-2023

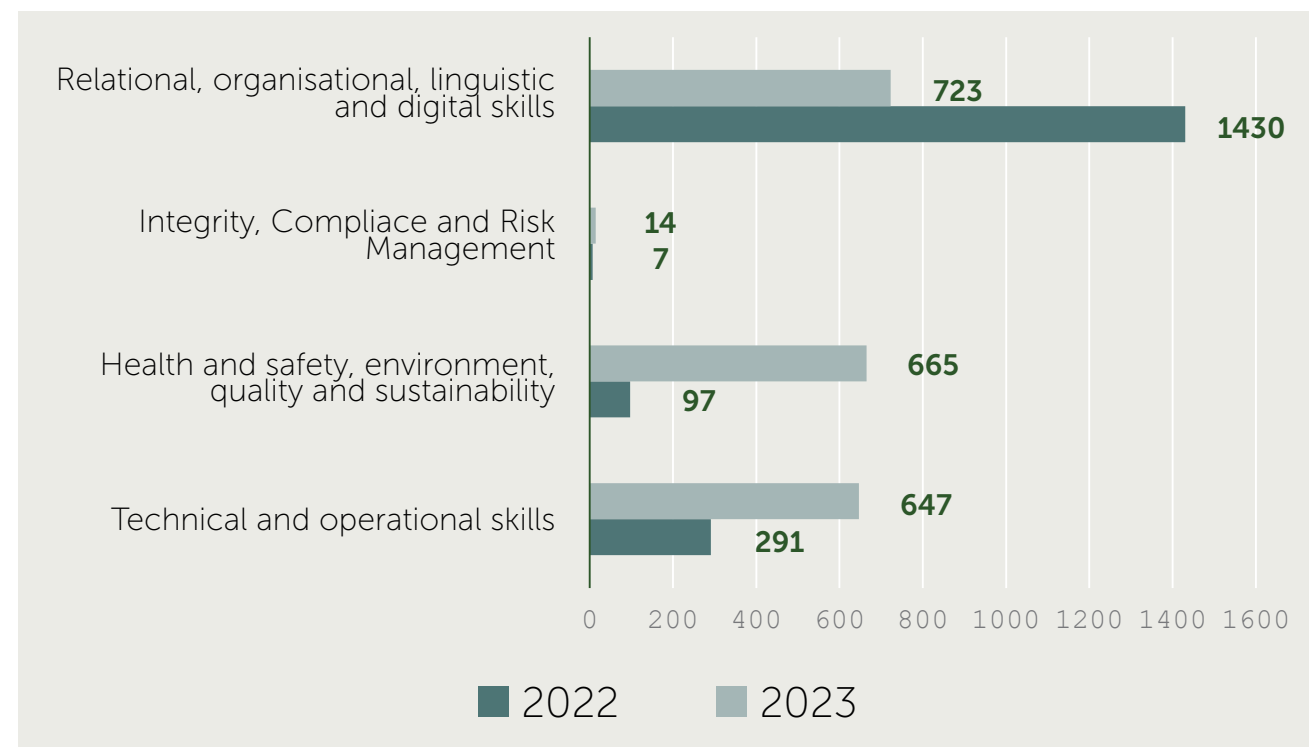


In the educational sphere:

- 646 hours covered technical and operational skills;
- 665 hours health and safety, environment, quality and sustainability;
- 14 hours integrity, compliance and risk management;
- 722 hours skills relational, organisational, linguistic and digital skills.

The categories that experienced the largest increase between 2022 and 2023 were health and safety, along with technical and operational skills (Fig. 8).

Fig. 8 - Training hours in 2022-2023, by topic



2.3 - Diversity and equal opportunities

With a focus on maintaining an **inclusive climate**, we recognise the **value of diversity** and **equal opportunities** in the world of work and are committed to promoting a corporate culture that is open and respectful of every person. Miniconf is committed to **combating all forms**



of discrimination and to ensuring that the professional growth of employees is not hindered by barriers arising from gender, ethnic origin, creed (opinion, faith, religion) sexual orientation, age, physical disability and/or any other factor that has no relevance to professional purposes.

It also guarantees employees and candidates the same opportunities for access, development and professional growth, based on merit, skills and performance. At the same time, we are committed to **raising awareness and training our employees** on diversity and equal opportunities issues, in order to prevent and combat any situations of discomfort, harassment or violence in the workplace.

To follow up on these goals, we are in the process of formalising our processes on **diversity and inclusion**. This step is made possible by the start of the process to obtain **gender equality certification**, which is scheduled for completion in June 2024. Meanwhile, in 2023, despite the lack of formalised procedures, Miniconf has been working on the career paths of new hires and younger people.

Another objective of Miniconf is to monitor and work on the gender pay **gap**, i.e. the difference in average pay between men and women performing the same task or role. For this reason, we are committed to **monitoring our employees' salaries** transparently and periodically, checking for any disparities, with the aim of creating a step-by-step path to ensure that all employees will receive the same pay for the same job or role in the future.

Monitoring is carried out using the parameters and KPIs set out in PdR practice 125:2022 (monitoring foreseen in the practice of **Gender Equality Certification**).

At the same time, we want to make it possible for women to participate in decision-making processes and leadership roles, enhancing their skills and potential. This is also why 2024 will see the launch of several projects aimed at **improving conditions for female employees within** the company.



Miniconf is committed to counter all forms of discrimination and to ensure that the growth employees are not hindered by barriers arising from gender, ethnic origin, creed, sexual orientation, age, physical disability

The main measures will concern new procedures and actions related to Gender Equality Certification, such as post-maternity reintegration/upgrading programmes to facilitate recovery of work, **webinars and training**, on the topic of equal opportunities and the inclusion in the company library of volumes dealing with diversity, equal opportunities and non-discrimination, with the aim of **promoting awareness and sharing of common values** and the formalisation of a procedure for the prevention, reporting and management of harassment in the workplace.

2.4 - Health and safety

Miniconf recognises the value of human resources and is committed to ensuring the **physical and psychological well-being** of its workers. In the company, workers' health and safety are fundamental aspects that are protected through the adoption of **preventive measures, continuous training and dialogue with stakeholders**.



Health and safety protection is based on a system of procedures in compliance with Legislative Decree 81/2008

The protection of health and safety is based on a system of internal procedures for all employees of Miniconf S.p.A. in compliance with the reference legislation D.lgs. 81/2008.

In detail, in the security job description there are ten homogeneous groups of workers: when hired and in cases of job changes, each worker is associated with one or more groups and is subject to the relevant provisions. In addition to safety-related regulatory obligations - such as the use of personal protective equipment (PPE) - the job description also provides for training and health surveillance, with 196 medical examinations carried out during 2023.

Health protection is enhanced by the possibility for employees to access the **supplementary health care fund - Sanimoda** - specific to the fashion industry. Thanks to this platform, which in turn connects to the UniSalute health insurance portal, employees can request **reimbursements for health services, book visits and examinations**, and take advantage of dedicated services.

Risk Assessment Documents (DVR)

An important tool for safety and the prevention of accidents at work is the **Risk Assessment Document (DVR)** which Miniconf draws up for each establishment where employees go to carry out work operations (even if only occasionally), as well as for each shop it owns. The document is subject to periodic renewal and revision if working conditions change. In addition, individual DVRs are drawn up for activities and situations that require them, as per the regulations.

These include:

- DVR Gestants
- Noise DVR
- Vibration DVR
- Stress-Related Work DVR
- Biomechanical Overload DVR
- DVR Electromagnetic Fields
- Mechanical DVR
- Chemical Exposure DVR
- DVR Videotherminals

Miniconf provides employees with a portal where the main documents relating to safety, the organisational chart and relevant news can be consulted.

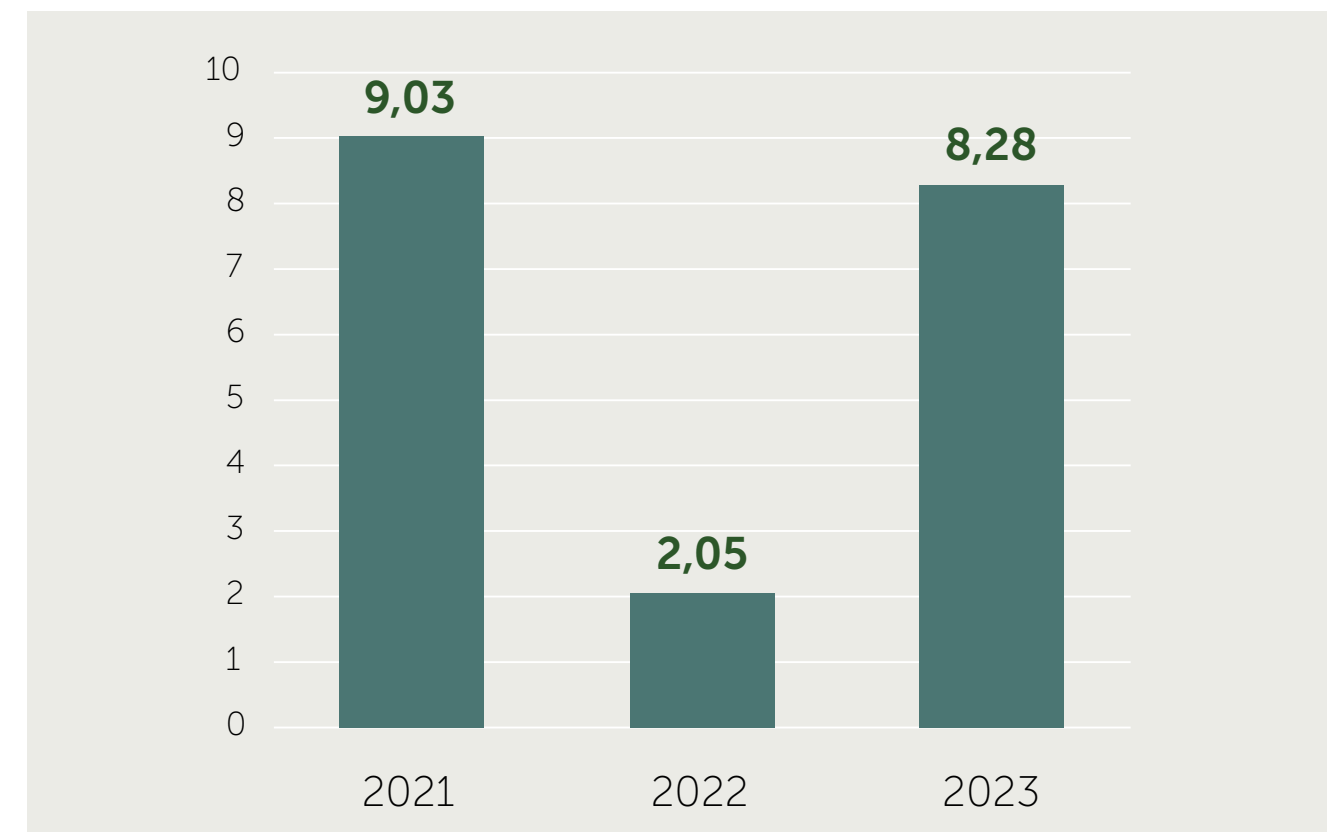
This is complemented by the company notice boards, where the composition of the emergency teams of the respective plant is made known and where the most important news is reported.



Together with the drafting of Risk Assessment Documents, much attention is paid to **accident prevention**. **Safety officers** - a company figure envisaged by Legislative Decree 81/2008 - play a key role in accident prevention and in monitoring compliance with the rules. In addition, reports of anomalies by employees, proposals for improvement, near misses and, last but not least, accidents that have actually occurred, are subject to immediate evaluation.

In 2023, 4 accidents were recorded, up from 2022, but in line with those that had occurred in 2021. The accident frequency index (which measures events occurring per million hours worked) follows a similar trend, reaching 8.28 in 2023 compared with 2.05 in 2022 and 9.03 in 2021 (Fig. 9).

Fig. 9 - Accident frequency index over the three-year period 2021-2022-2023



The occupational diseases to which we believe our workers may be exposed - with one case registered in 2023 - are mainly due to repetitive movements, incorrect postures, incorrect handling of load.

To minimise its incidence, we perform periodic checks on workstations with video display screens, providing the appropriate instrumentation. We rotate warehouse resources as far as possible and, to prevent dangerous situations in the most wearing jobs, we have tried over the years to implement automatic or auxiliary systems, with solutions that can lighten the workload on the skeleton and limbs. In particular, in 2023 - at the same time as updating the DVR for Manual Handling of Loads, which will be ready at the beginning of 2024 - we carried out an in- depth study on all those situations that could lead, over time, to joint and musculoskeletal problems. This work will result in 2024 in the drafting of special procedures, significant interventions on the weight of packages and the way they are handled, as well as the purchase of specific aids to reduce the risks and efforts of warehouse operators.

In 2023, we also intervened in offices by replacing mice, distributing anti-fatigue mats, installing protective barriers and soundproofing fume hoods.

This activity will continue in 2024 with measures such as:

- Continuation of the replacement of all conventional mice with upright mice, with the aim of counteracting the development of tendon and muscle disorders in the forearm
- Evaluation of the introduction of wearable exoskeletons for upper limbs to be tested in multiple stages
- Purchase of scissor lift trucks/platforms equipped with photocells to handle packages at appropriate heights
- Evaluation together with the competent doctor of the purchase of lumbar straps for use during container unloading
- Reducing the average weight of packages received in production through massive intervention directly with suppliers and reducing the weight of customer packages made in-house
- Drawing up specific procedures for handling packages, with the aim of enforcing the limit of weights that can be lifted by the various categories and working at suitable heights
- Installation of 12 ceiling fans in the sewing, quality control and statistical control departments to improve the microclimate in the summer season
- Installation of pulley rods on ironing stations to reduce the effort when handling the iron



CAP 03

Product and Process

3.1 - Quality and durability

We believe that the **durability of garments** is a key element in guaranteeing quality garments and sustainability-conscious production. We have always been committed to ensuring that our garments meet high standards of safety and quality throughout their life cycle, which we strive to extend to include siblings. We are aware that in order to have durable and reusable garments, it is necessary to strive for high quality in both materials and product packaging. We have thus embarked on a product evaluation process that led to the **Life Cycle Standard (SLC)** in 2011.

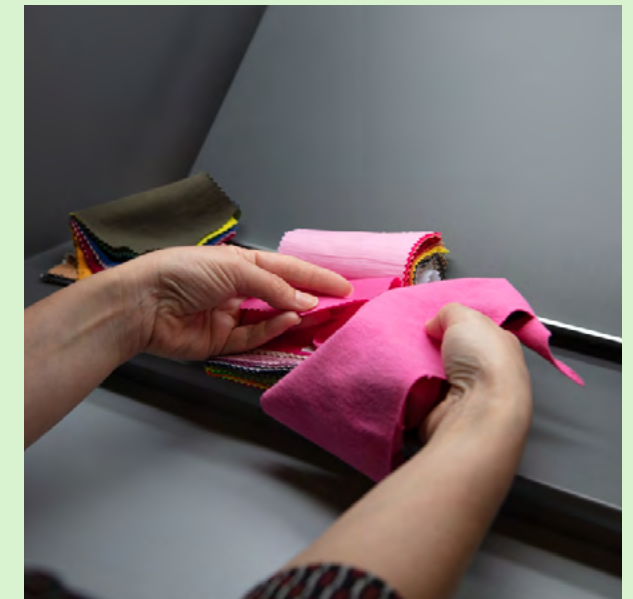
Lo Standard Life Cycle

As a first step towards the introduction of the Standard Life Cycle (SLC), we defined the concept of 'durability' of garments by taking the available guidelines as a reference. In this way, we were able to identify a process capable of **simulating, in an internationally accredited laboratory, the use of the garment** by the child. The tests carried out made it possible to assess whether the product could be considered **durable**, based on its state of alteration after a certain number of 'uses', in relation to the characteristics of the target group which, due to growth needs, has different timescales to those of adult clothing.



Once the process had been defined, we moved on to estimating the number of uses, i.e. the number of repetitions of the process to which the garments should be subjected in order to simulate their life cycle.

The definition of the SLC was made by evaluating the frequency, durability, wearing pattern and maintenance of each garment. Elements that depend on the type and appeal of the garment: the durability of a tracksuit, for example, is to be evaluated differently than that of a jumper. We have therefore arrived at the **number of cycles (SLC)** that a garment would have to pass, without altering the safety and quality aspects, in order to be defined as **durable**.



With the aim of achieving a greater degree of objectivity, we took a further step: having the durability of garments assessed not only by technicians, but also through the participation of consumers, organising a heterogeneous panel of parents with various social backgrounds, professionalism, spending power, etc.

Thus, the Monitoring Programme was launched in 2019 and will be repeated in 2021. The panel was presented with a selection of garments after SLC treatments in the laboratory, asking for **aesthetic evaluations** and asking questions on how they would be used, via a questionnaire. The questions were also related to the future use of the garment (e.g. prediction of passing on to siblings). In this way, we were able to gather useful information to adapt the SLC process to the **second life** concept and sustainability best practices.



The panel of 2019 and 2021 was joined in 2022 by an additional panel of parents with the aim of assessing the daily use of clothes as well.

This new panel was asked to have their children wear the same garments assessed in the Monitoring Programme for a period of about 3 months - the average time for wearing a seasonal garment - without taking any more precautions than those related to the normal care of their children's clothing. By comparing the judgments from the different panels - the one that evaluated the garments at the end of the SLC and the one that tested the garments at home - we were able to validate the laboratory treatment and extend its application into the company's quality control processes.

It is a path that will continue, guaranteeing quality and durability.

In 2023, we doubled the number of models submitted for panel evaluation (to 41), setting targets based on the rating given by the evaluation panels. In 2023, these panels rated **the garments submitted to the Monitoring Programme as durable.**

Our focus on ensuring the quality of our products finds concrete application in the **rapid and transparent handling of complaints**, with different methods depending on the channel.

In the **retail channel**, 95 per cent of product complaints are reported by the end customer directly to the shops. The shop handles the complaint, usually by offering an exchange of the defective product or a merchandise voucher of corresponding value, redeemable within 30 days. The remaining 5% of product or service complaints are reported via the company's e-mail boxes.

At company level, the Retail Department collects and handles complaints from the end customer both through our e-mail channels and through the appropriate forms sent by each point of sale. These forms are passed directly to the Quality Sales Representatives who, after separating quality and safety complaints, file them.

At present, we do not have a register that allows for structured reports on the monitoring of complaints. The policy of our retail channel is to achieve full customer satisfaction. In fact, customer response times are usually within 24/48 working hours and virtually all complaints are resolved.

In 2023, we have worked with the aim of increasing the presidium of the sales outlets and providing more support to the network stores; we have increased the number of Area Managers to four resources who preside over as many sales areas.



With this structure, we want to ensure greater proximity to the point of sale, offering additional training and support, and thus generate a positive impact on the service offered to the end customer. Our commitment in this field will continue in 2024 with ad-hoc training for the sales staff of direct shops.

The **wholesale channel** is supported by the **multi-brand backoffice** that monitors orders, from the moment they are received in the company, until the delivery of the goods to the trade customer. In addition, the multi-brand backoffice processes and registers, on a special Excel, all disputes relating to any delivery delays, packages and/or garments lost by couriers, discrepancies of goods with respect to the basic order, etc.

With regard to any **product quality** problems, the multi-brand back office collects the complaints, checks them with the **quality control department** and proceeds to reply to the customer. This procedure is based on an active search for the problem: the same garments available in the warehouse are taken to test the criticalities highlighted, in particular for problems such as fit or fabric or discolouration issues. The process ends with the eventual return of the goods by courier. Company procedures such as entering the authorisation number of the file, checking the issue of credit notes and reading the incoming return from the warehouse are activated.

Although we do not currently have a register in which to enter objections, we do monitor flows through the input registers in the warehouse: credit notes report from 2022 to 2023 an appreciable reduction of 22% of returned products from 1,767 to 1,377.



For **back-office** and **e-commerce**, we handle complaints via e-mail and the customer service telephone number. For problems related to warehouse or labelling errors, we replace the garment. In the case of quality-related problems, a check of other back-office, multi-brand and retail reports is requested, followed by the sending of a discount code or replacement garment.

For problems involving safety aspects, a specific procedure is activated that includes collecting the garment, by courier, from the customer. Subsequently, the garment undergoes laboratory tests to verify the problem and any corrective actions are implemented.

3.2 - Security

Our focus on product quality cannot be separated from a careful assessment of their safety, which in a children's garment consists of **design, mechanical and chemical safety**.

Design safety is linked to a number of **international standards** and we are determined to ensure compliance with them, first and foremost, through specific training for personnel involved in garment design and planning.

Our technical specialists have the opportunity to make corrections and suggest changes, right from the design phase. In addition, our technical staff subjects the prototypes of all collections to a **Risk Assessment** process. The results of this process make it possible to quantify risk levels and modify production aspects in order to reduce these levels and make them tolerable, while at the same time setting up appropriate production control plans.

In **mechanical safety**, we pay the utmost attention to quality and the correct application of decorative elements (such as rhinestones or beads).



The technical staff is in charge of risk assessment of the prototypes of all collections

Technical staff specialised in mechanical safety aspects assist designers from the design stage, to correct and suggest any changes already at this stage.

Finally, we manage **chemical safety** by demanding that our suppliers comply with **safety requirements** based on international regulations, starting with the **Restricted Substance List (RSL)**, which indicates prohibited substances in the manufacture of textiles.

The main reference is the **Quality Manual** with which Miniconf has defined mandatory,

quality requirements and general internal guidelines.

Chemical safety control plans are carried out in sourcing countries (e.g. China, Bangladesh, Turkey) at **accredited laboratories belonging to international networks**: Bureau Veritas, Intertek and Tuv Sud.



We demand compliance with safety requirements based on international standards from our suppliers, starting with from the Restricted Substance List

All activities are carried out with the support of an external consultant specialised in Children's Clothing **Safety** and **Compliance** in general.

To complete the control plans and in compliance with the regulations in force, a **Due Diligence plan** is in place, carried out by an external company that selects the models to be audited and provides for the execution of tests and checks.

The results provide us with confirmation of the effectiveness of the overall control plans and allow us to identify any critical issues in the supply chain and intervene in a more timely manner.

Our commitment to compliance assurance and careful and thorough safety monitoring has led to important results: in 2023, detected non-conformities were handled before they were placed on the market.

Cybersecurity

Privacy and data management issues are considered critical aspects of security. The **cybersecurity** strategies employed depend on the type of data to be protected and include **encryption, access controls, identity management and implementation of computer security protocols**. The intent of these measures is to safeguard information deemed sensitive (e.g. personal identification data) by preventing illicit access, improper disclosure or unauthorised alteration.



CyberCNS

We carry out **cyber risk assessments** using periodic reports automatically generated by the firewall (Fortinet Fortigate 200E), specific reports provided by the antivirus (as detailed in Actions 2022) and through the use of a **vulnerability assessment platform** (CyberCNS).

During 2023, there were no complaints about breaches of customer privacy or data loss, nor were there any information security incidents. The objectives for the improvement of information security concern:

- Implementation of a new **security policy** to prevent the use of unauthorised external storage drives (e.g. USB sticks) via Windows GPO and/or Sophos Endpoint
- Reduction of the company's policy of **deactivating unused accounts** from 6 to 3 months
- Reduction of the company **password change** policy from 6 to 3 months
- Evaluation of a **centralised administration tool** for corporate mobile devices
- Evaluation of the adoption of a different **data encryption** configuration by extending it to the disks of all company laptops

3.3 - The supply chain



As already explained in the presentation of the business model, as far as the **production** of finished garments is concerned.

We source from specialist baby **suppliers (direct suppliers)** with production sites in several countries: China and Bangladesh cover 75% of production, while other supplies come from Laos, Turkey, Pakistan and Myanmar. Few orders are placed with Italian partners. As far as transport is concerned, we rely on both Italian and foreign suppliers.

Indirect suppliers relate to products and services other than garments and transport and are mainly Italian. Technical quality control consultancy and employee travel services are outsourced to foreign companies.

The relationship with suppliers



*Not where it is produced,
but how it is produced*

Giovanni Basagni
Miniconf President

We do not currently have a formalised approach to selecting and managing suppliers. Our partners, in most cases, are historical suppliers, with whom we have had established relationships for many years.

The priority criteria guiding the choice of supplies concern the alignment of the proposed prices with what is available

on the market and the supplier's check ratings through evaluation and verification of quality and reliability.

In addition to these criteria, there are other no less important ones, including specialisation in a product category and the production chain within the same country (production independence of the geographical area of reference). In the selection process, we pay particular attention to respect for human rights and labour rights, as well as to the health and safety practices of workers as set out in the Code of Conduct (see in this regard the box "Evaluation of suppliers' social and environmental performance").

Supplies must comply with what is specifically described in our **Quality Manual** and are subjected to special checks (already explained with regard to design, mechanical and chemical safety in the previous section).

In the years prior to 2023, we kept track of the verification activity with reports that were sent out for each individual model, but without a summary of the number of suppliers tested. As of the financial year 2023, we started mapping and keeping track of this data to get a more complete picture of the situation. It turns out that, during the year 2023, **41 active suppliers** were tested on the topics 'harmfulness' and 'product safety', **6 of which were newly acquired during the year**.



Evaluation of suppliers' social and environmental performance

In addition to monitoring the quality and safety of supplies, we are also active in assessing the **social and environmental performance of partner companies**. The basis of the assessment is the company's **Quality Manual**, in which there are two sections dedicated to the 'qualification of suppliers' and the 'auditing' of suppliers against the contents of the Code of Conduct.

At the end of 2022, we formalised a contract to carry out a series of **social and environmental audits on suppliers producing garments**, starting in 2023. The issues observed during the audits are many: **social, health and safety**, as well as **environment and biodiversity**, climate change, business ethics and responsible sourcing.

With regard to the social sphere, child labour, working environment conditions (state of cleanliness and maintenance of premises, lighting, safety, state of machinery) and work loads are investigated. The main environmental aspects on which attention is focused are water recirculation and waste disposal, both production and standard. The audits cover all new suppliers in the category 'Children's Garment Manufacturers' in the qualification phase, leading to a termination of the business relationship if the companies do not meet certain standards. Other social audits concern companies that are already partners.

In 2023, we used an **internationally certified external company, Bureau Veritas**, for this activity, which integrated the parameters, dictates and procedures of our Quality Manual. This led to 6 audits at our suppliers during the year, and by 2024 we would like to increase the number of social and environmental audits to around 10.

Our auditing programme involves the use of different tools. Some of these are managed autonomously, such as the **desktop Factory Assessment**, which consists of an electronic questionnaire to collect, directly from the supplier, basic social and environmental information related to its activity; others are carried out with Bureau Veritas' own support, such as the **Factory Audit in the field**, which involves a schedule of plant visits planned by us. Bureau Veritas also makes available the **Clarity web platform** on which the **audit activity reports are archived** (in parallel with the archiving carried out by the internal department in charge) and on which, in addition to the details of the audit reports, there is also an analysis of the non-conformities found.

We are working out the compliance levels that our suppliers must achieve as part of an overall reasoning related to sourcing dynamics. The results are discussed internally with the functions involved and the **suppliers are stimulated to improve through appropriate communications and through inclusion in the auditing plan for the following year**, in order to verify the effective implementation of the improvements necessary to raise the level of compliance.

As soon as production, another crucial aspect **for the supply chain and its sustainability is logistics**, inbound and outbound, a field in which we use a service provider such as Movimoda Logistic Evolution.

As far as inbound logistics are concerned, it is important to note that the largest volume of goods, between **85 and 90%, comes from the Far East**, mainly from Bangladesh and China, smaller shares from Pakistan, Myanmar, India and Laos. Transport is organised by sea - via the international FOB (Free on Board) standard - and arrival is mainly at the ports of La Spezia, Genoa and Civitavecchia. From there, transport by road to our warehouses in Ortignano starts. Only exceptionally and in order to cope with production delays or special customer requirements do we ship by air. This channel, for goods from the Far East, has a volume of only 3% of the total produced in the region.

In addition to imports from East Asia, we also have **production sites in Turkey** that develop a volume of 9%-13% of the total. Delivery is made according to the CPT (Carriage Paid To) standard and the supplier organises the transport to the warehouses in Ortignano. The goods are moved for the first part of the journey by road, using trailers (LTL - Less than Truck Load) that share the load between several producers, so as to optimise transport. The trailers are then loaded onto ferries (called roll-on/roll-off or Ro-Ro for fast loading and unloading) that shuttle between Turkey and the ports of Trieste and Bari; from there, the cargo reaches our warehouses by road.

Finally, we purchase a small portion of supply (about 1% or 2%) from Italian companies that also produce in the Far East, or Eastern Europe, and take care of delivery at the Ortignano warehouses.

On the other hand, with regard to **outgoing products (outbound logistics)**, the goods received at our Ortignano site are processed and then transferred via a shuttle service, using our own vehicles, to the nearby storage warehouses. These are located approximately 7 km from the head office in Ferrantina, where the products remain awaiting shipment to the customer.

Outgoing shipments can be divided into two groups: **those destined for Italy**, which cover 85% of the total volume, **and those destined for foreign countries** (with a share of around 15%). The former are mainly carried out with BRT and FERCAM couriers, which deliver within 72 hours, while a small part, destined for the most difficult to reach areas, is sent with DHL couriers, which use smaller vehicles. To these are added deliveries occasional trips made with our own vehicles that are limited only to destinations within the province of Arezzo or in the case of new shop openings.

Almost all shipments to foreign countries are made by express couriers by road, and only a few destinations outside Europe (such as Japan, India or the Emirates) are served by express by air.

In addition to product shipment, there is also inbound and outbound logistics involving low-value goods and samples to and from suppliers. We carry out these transports almost exclusively by express courier or dedicated shipments, using aeroplanes for the main routes.

We are, in any case, committed to improving **the efficiency and sustainability** of logistics. For imports (inbound) we are studying the **optimisation of container loading** at shippers' warehouses (as well as at the sites of our partner Movimoda). For both inbound and outbound, we are also conducting an initial survey and polling of suppliers for **CO₂ emissions data**.

With regard to fixed costs, i.e. those inputs that do not vary with the volume of quantities produced or sold, we use **indirect suppliers**. The latter provide us with products and services, as opposed to garments and transport). These are mostly Italian with minor exceptions relating, for example, to the aforementioned quality control consultancy or the purchase of certain accessories.

Looking at total fixed costs (net of personnel costs), most (21% of the total) are **consultancy contracts**, mainly in the areas of style, technical, administrative and legal, quality control and debt collection. This is followed by **location management costs** (19%), which include rental costs, service and maintenance fees, utilities and miscellaneous administrative expenses. Of similar weight are **marketing and communication** costs (18%), which include the costs of

public relations, advertising, the creation of collection shoots and various communication material for the stores, and **general services** (18%), whose most significant items include insurance, vehicle costs, management of the office in China (representative office) and employee travel. **Direct shop management costs** have a weight of 16% and include rental costs, utilities and miscellaneous shop expenses. Finally, we spend 7% of the total on IT costs, including both hardware and software costs.



3.4 - Transparent communication and listening to the consumer

One of our founding values is transparency. That is why correct communication through marketing channels is a vital factor in building customer relationships and business development.

Our sustainability-related **communication strategy** is defined by the **Sustainability Group**,



Fair and transparent communication is a central factor in building customer relationships

together with the Marketing Department, within the framework of the Development Plans and three-year sustainability targets. An important part of this work is the creation of sustainability communication materials, such as garment tags, point-of-sale displays, social and digital material. To this end, our marketing department is engaged in dialogue with external partners and consultants in order to realise creativity that correctly communicates our quality and commitment to the end consumer. In parallel, the Sustainability Group, together the Marketing Department, defines and shares the rules for the application of tags on the finished products (hangtag) with the

Import/Production Office. The latter verifies the correct application by suppliers.

The labelling related to sustainability aspects (e.g. **BCI, Animal Friendly and iDO zero**) is then subject to further spot checks when the garments arrive at Miniconf, aimed at verifying the correct application of the rules.

The verification process is well structured, although not formalised: the garments to which the tags are to be applied are identified at origin. As they arrive at the company, the statistical control department verifies that the articles conform to the sample garment and, among other things, makes sure that the correct tag has been applied. Based on the number of garments in the order, the acceptable quality limit (AQL) table determines the number of garments to be subjected to a sample check.

Transparent communication is key to highlighting our concrete actions and sustainability goals. In 2023, we reported on all of our brand websites (ido.co.uk, sarabanda.co.uk and minibanda.co.uk) the items participating in the programme. **Better Cotton Initiative** or which are part of the **Animal Friendly** and **iDO zero** collections (both animal welfare oriented) using the same graphic/logo on the hangtags. The commitment will also be extended in 2024 to the digital outlet miniconfshop.co.uk.



Concern for the environment was also reflected in the design of the collections. In some iDO spring/summer 2024 proposals (launched in May/June 2023) intended for newborns, we envisaged the **use of viscose derived from bamboo**. This plant grows fast and requires less water than trees, from which the cellulose and consequently the viscose used in the production process is derived. Here too, the clothes are marked with a special tag, the icon of which will also be introduced on the web.

Certifications and Actions for Sustainability

Below we summarise our main sustainability initiatives:



BCI – We have been a member since 2020 of the Better Cotton Initiative, a global non-profit organisation that promotes the sustainability of cotton by combating the negative impacts of growing and processing this material. The BCI regulation stipulates that, once a purchase quota of BCI cotton of at least 10% of the total (fa the previous year's purchase volume), the initiative's logo tag can be placed on the **product in proportion to the volume of Better Cotton purchased**. The rules for the application of the BCI label also stipulate that it can be used on all models in which cotton is the predominant fibre.

In 2023, we purchased BCI cotton for a share of 23% of the total cotton, with a target of 50% by 2024. From the spring/summer 2023 season (launch in May 2022), the BCI label will be introduced on the Minibanda and iDOmini collections, which account for 15% of our production. From 2024, the BCI tag will also be placed on Roy Roger's and Ducati garments. We decided to apply the BCI label starting with the lines dedicated to newborn babies, because we are aware of the attention that consumers, particularly in this age group, pay to the quality and sustainability of textile fibres.



GOTS ORGANIC COTTON – Similar attention has been paid to the quality of the materials used, starting with the spring/summer 2023 season, in the production of Minibanda garments with organic cotton. In addition to the label indicating the use of this fibre, we have added the GOTS label for organic cotton garments made by suppliers in

possession of the **Global Organic Textile Standard**. This is a certification promoted by the leading organic farming organisations in order to guarantee responsible and sustainable development of the textile sector.

We have extended the use of certified organic cotton, with a special label, to the **iDO collection of denim trousers** from the autumn/winter 2023 season.



FOR AN ANIMAL FRIENDLY FASHION – We have long been on a path towards Animal Friendly fashion. In 2013 we joined the international **fur free standard coordinated in Italy by the LAV (Anti-Vivisection League)**: a step which formalised the decision, already made in practice all along, not to use animal fur. In 2018 we abandoned animal skin and in 2021 goose down.

With this decision we have achieved the **VVV level, the 2nd best Animal Free Fashion ethical rating of LAV**; an achievement we celebrated with a joint press release together with the Anti-Vivisection League.

Starting from the spring/summer collection of 2023, we have therefore introduced the label "Animal Free", LAV's brand, in all Sarabanda and Minibanda products that have padding (e.g. jackets, blankets, thermal onesies, doudou, etc.); in garments where the basic or predominant fabric is faux leather or faux fur, e.g. accessories such as belts, bags, etc. We send LAV, on an annual basis, photographic documentation of each type of product bearing this label.

Also in the field of Animal Friendly fashion, we have introduced from spring/summer 2023 the **iDO Zero tag: zero down, zero cold, zero stress** for all padded jackets of the iDO brand.



We also work on **internal communication**, promoting sustainability in the company. In February 2022, we decided to start a collaboration with the company **Treedom S.r.l.** for the planting of 470 trees in Kenya and the creation of the **Miniconf Forest**, with the trees being named after our employees and their children.

The trees were donated on their birthdays to each employee and their children of ages between 3 and 14. The forest can be seen on the miniconf.it website (www.miniconf.it/miniconf-con-treedom), as well as on the dedicated page of the treedom.net website (www.treedom.net/en/organisation/miniconf-spa).



Treedom: In cooperation with Treedom we created the Miniconf Forest: each tree was donated to Miniconf employees and their children

To measure effectiveness in promotion of products and values, we include an evaluation of the **communication methods and tools**. This is carried out with the cooperation of store managers, franchisees and area managers by means of a questionnaire measuring their satisfaction. As a result of the valuable feedback received, we decided to improve the readability of the graphics of some in-store signs.

During 2023, **we found no instances of non-compliance** with respect to marketing and communication issues nor cases of which formalised the decision, already made in practice all along, not to use animal fur. In

2018 we abandoned animal skin and in 2021 goose down. non-compliance with regulations. However, we want to continue to work on improving our commitment to sustainability promotion and communication, with a number of specific initiatives for 2024, illustrated in the box below.

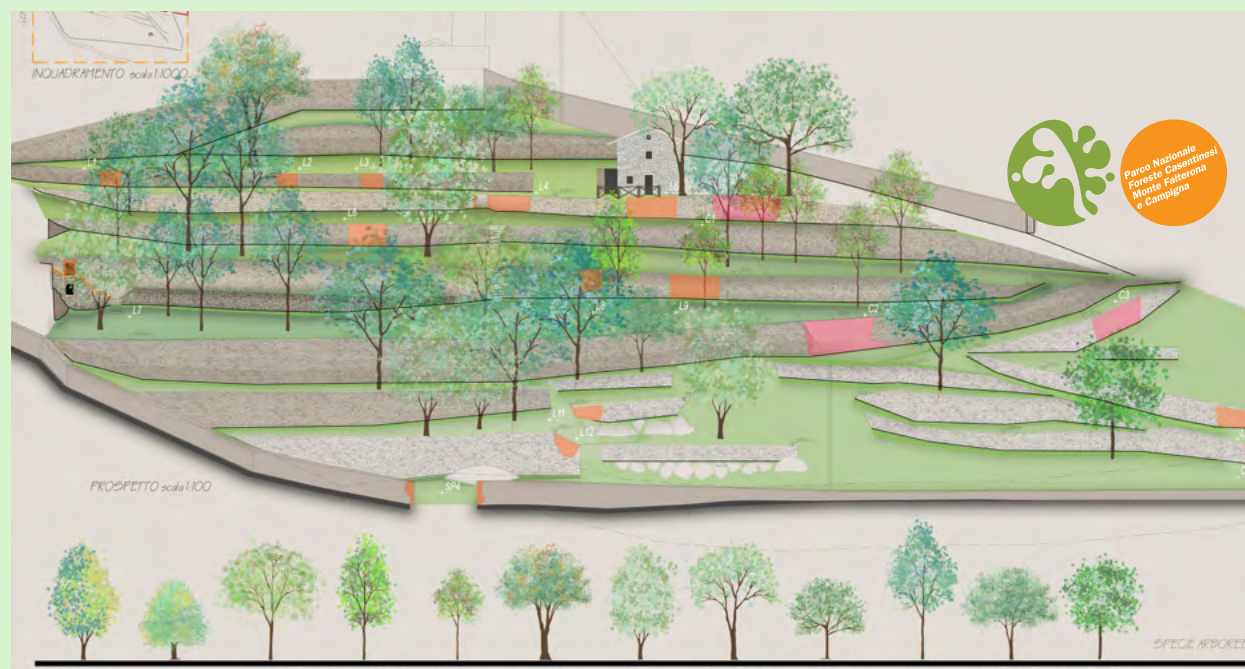
The 2024 Targets

Our commitment to the key issues of environment and transparency will lead us in 2024 to work on the definition of a **structured communication path** for the Sustainability Project. With regard to internal communication, we introduced a **whistleblowing channel**, the activation of which was communicated to both employees and trade customers active on our B2B PartnerLab channel. In parallel, we updated our **Code of Business Conduct**, which was communicated to all stakeholders.

In the area of stakeholders, we want to continue working with schools in the area through training on sustainability in the textile sector involving classes IV of the scientific high school in Poppi (AR).

In collaboration with the National Park of the Casentinesi Forests, Monte Falterona and Campigna, we launched the MiniOrto project, as part of the renovation and restoration of the ancient Orto dei Frati Francescani at **the Verna Sanctuary**.

In this context, we have decided to support the Park in the realisation of an initiative specifically designed for children: in fact, inside the ancient Orchard, there will also be a Mini-Orchard for the youngest children, designed to bring them closer to nature, teaching them how to take care of the plants and the land around them. The space will also offer children the chance to consolidate theory with practice, thanks to **experiential and engaging activities** that can be carried out independently or through guided tours.



As regards product commitment, having increased the share of BCI cotton in our collections, we will extend BCI labelling to the Ducati and Roy Roger's licences from autumn/winter 2024. Lastly, we will also be committed to pointing out, both on the online outlet MiniconfShop and on the B2B portal PartnerLab, garments displaying BCI, iDOzero and Animal Friendly labels.



CAP 04

Environment

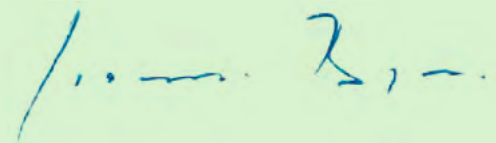
Miniconf Commitment Manifesto

In 2019, Miniconf unveiled the **Commitment Manifesto**: a path to reducing **environmental impact**, with concrete medium- and long-term goals. Protecting children, people, and the environment is the core principle of Miniconf's approach to business. The Commitment Manifesto is a blueprint that guides and energizes our efforts to create a positive impact in society and a greener future. Our commitment focuses on:

- **Reducing sample garments**, alternatively making use of computer tools and modern graphic design techniques;
- Reducing the use of **plastic** in all packaging (bags, boxes, hangers and the like);
- **Replace all neon lights** with LED systems in all our locations and owned and franchised single-brand stores;
- **Promote communication and education initiatives** to help raise awareness, particularly among the younger generations, of issues related to the environment and the adoption of environmentally sustainable behavior;
- Consolidate the **durability of garments** by maintaining a high technical quality level of supply;
- To present within our collections **special capsules** made of certified eco-sustainable fabric;
- Increase year by year the **share of BCI cotton** used in our collections. We want to reach 100% BCI cotton in 2027;
- Promote **animal-friendly fashion**;
- Constantly monitor and dialogue with our supply chain to promote the spread of a **sustainable culture**.

Giovanni Basagni

President Miniconf S.p.A.



An Environmental Management System certified **according to UNI EN ISO 14001** has been in place since 2003. Over these 20 years, consideration and care for the environment have been transformed into a corporate value, recognized and declared in our **Manifesto of Commitment, launched in 2019**, and today the driving force behind a differentiation strategy we call Sustainability. Through our manual, procedures and instructions, the most significant impacts of our business processes, in terms of air emissions, waste management and all resources used, are identified, **measured** and, when possible, continuously **improved**. Annually, we prepare the **Environmental Report**, which, starting from an examination of the context in which the Company operates and its production cycle, reports an analysis of the trend of data on the products made, the type and quantity of waste produced, and the consumption of resources (energy, methane, diesel fuel, water) for the last of the three years, offering important suggestions for improvement.



We are ISO 14001 certified since 2003

cycle, reports an analysis of the trend of data on the products made, the type and quantity of waste produced, and the consumption of resources (energy, methane, diesel fuel, water) for the last of the three years, offering important suggestions for improvement.



Miniconf Headquarters - Ortignano (AR)



These suggestions are collected in the **goal plan**, shared with the Executive Board and in accordance with the business plan, and allow the system to materialize the Company's commitment to sustainable behavior.

4.1 - Energy resources and atmospheric emissions

Commitment to the environment is substantiated primarily through efficiency and careful use of resources. At the headquarters located in the **municipality of Ortignano**, the main energy sources are **electricity** for production-related activities and office activities, **diesel** as fuel used for heating the premises and for ironing activities for part of the products made, and **LPG** for activities related to the canteen service.



Efficiency and careful use of resources underpin our commitment to the environment



The photovoltaic system will provide half of the energy needed by the headquarters when fully operational

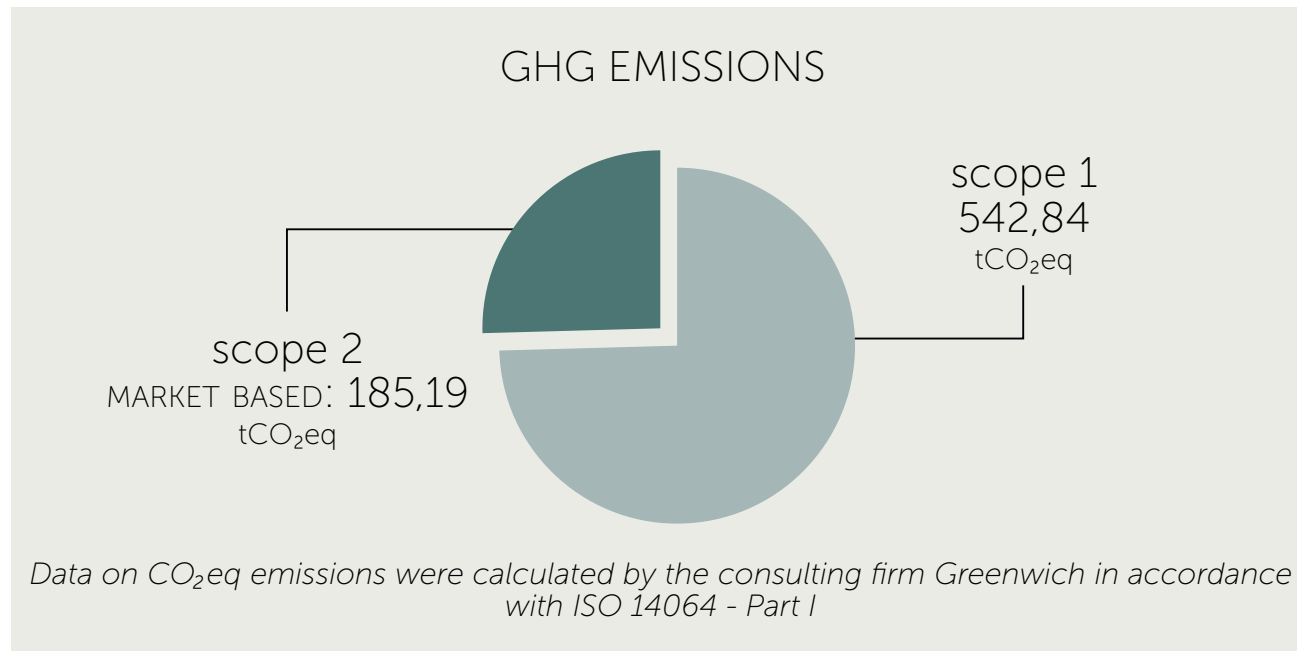


In 2023, the ratio of energy consumed at all locations to renewable energy produced was 51.7 percent

generation (Scope 2), shown in detail in the graph below. **In the future, the calculation of Scope 3 emissions**, i.e., the CO₂ emitted along the company's value chain, will be evaluated. This calculation will be made after a mapping of the most impactful links in the value chain.

Since August 31, 2023, a **photovoltaic system** has been in operation, which will provide **half of the energy needed** by the headquarters annually. In 2023, the ratio of energy consumed at all company locations to renewable energy produced stood **at 51.7%**. In October 2023, the **replacement of neon lights** with LED lighting fixtures was completed. In Ferrantina 1, Ferrantina 2 and Ferrantina 3, where the activities of storing packages with products ordered by customers and subsequent shipments take place, the main energy sources are; **methane**, used for heating Ferrantina 1 and Ferrantina 2 warehouses, and **electricity**, used for production activities, office operations, warehouses and heating of Ferrantina 3. Since 2012, a photovoltaic system has been operating at the Ferrantina 3 site, which is able to meet the needs of the Ferrantina 2 and Ferrantina 3 sites, which are physically located very close to each other. In 2023, a feasibility study was initiated regarding the implementation of a photovoltaic plant for the Ferrantina 1 site. Thus, the focus on the environment is on the future and on finding ways to **mitigate or contain climate change** related to the impacts of the activities carried out by Miniconf. As a first step, it was considered appropriate to proceed with the **measurement of emissions directly attributable to the company** (Scope 1 and Scope 2) according to ISO 14064-1:2019 with respect to the years 2023, 2024, and 2025.

The available data on the detail of CO₂-equivalent emissions for 2023 therefore focus on direct emissions generated within the organization's boundaries (defined as Scope 1 and attributable to the use of fuels for heating and powering the company's fleet) and indirect emissions from purchased power



Miniconf has already initiated actions to mitigate these types of emissions:

- all **packaging bags** are made of **70% recycled plastic**
- **the hangers** used for all brands are made of **100% recycled plastic**, while redundant hangers sent from owned stores to the Ortignano headquarters are reconditioned to be reused when possible or sent to the manufacturer for recovery
- **imported boxes** containing manufactured garments **are reused** to make shipments to customers if in good condition otherwise they are sent for recovery, while new boxes are FSC-certified, meaning they come from responsibly managed forests
- with regard to garments, a **BCI cotton** purchasing project is in place that will result in **100% of requirements being purchased by 2027**: greater oversight of supply sustainability translates into lower impacts in terms of greenhouse gas emissions
- efforts to increase the level of **durability of the garments** produced are also aimed at decreasing end-of-life emissions

Greenhouse gas emissions are not the only ones determined by Miniconf's activities, although they are certainly the most significant. The other emissions originate from the garment spotting plant at the Ortignano site, which is subject to AUA (Single Environmental Authorization). It consists of **two cabins** inside which an operator prepares the **stained garment**, by means of a **gun sprays** the stain remover and then proceeds with drying. An aspirator conveys the fumes to a hood that contains filtering carbons in order to retain the maximum amount of pollutants before emission into the atmosphere.

Coals are replaced with frequency mainly related to the amount of stain remover used and the results of the annual emissions analysis, required by the AUA, carried out to verify that Volatile Organic Substances comply with the limits applicable to this type of activity. The test report of February 21, 2023 defined the plant's compliance, with detected values of 16.13 g/h compared to the limit value of 950 g/h. Considering that for 2023 the total minutes of stain removal activity were 29,548 (492.46 hours), the total kilograms of VOCs emitted in 2023 was 7.94.

4.2 - Materials

Our concern for the environment is also reflected in the **careful selection and control of the materials** used, both in the **production of garments** and in the **packaging of products**. The main fabrics we use are **cotton, wool, viscose, linen, polyester, polyamide, and elastane**, while for packaging we use **low-density polyethylene bags**. For boxes we resort to **corrugated cardboard**, and finally, for hangers, we use **polystyrene**. By marketing finished products and using outside suppliers to produce garments that are subsequently placed on the market, Miniconf does not have direct control over raw materials, which is delegated, instead, to suppliers. Therefore, we have not developed specific management policies. However, we do have some areas of verification related to the materials we use: these are particularly the economic aspects, with product marginality analysis, carried out by comparing the budget with the actual quantity, and technical, with approval on aspects such as colors, fabrics, sizes, as well as chemical and mechanical safety tests. We also evaluate service to market, verifying that the supplier can produce within the timeframe in which that product is required to meet the needs of the end customer.

The materials directly purchased by Miniconf mainly concern **packaging, catalogs**, and everything related to packaging. In this regard, the company has carried out some efficiency measures. In 2023, for example, the **paper material supporting sales was digitized**, and the **plastic e-commerce packaging was replaced** with one made of **FSC-certified paper**, while maintaining in parallel the goal of **reducing the consumption of paper material**, including in the creation of our store windows. Ongoing, then, is the continuous search for solutions to limit the printing of communication materials and to unify the formats and characteristics of consumer shopping bags. In previous years, Miniconf has implemented other actions always in the direction of improving the sustainability of packaging materials. All hangers are made from **recycled plastic**, while for bags, which were previously made from virgin materials (PLP and PLT), we now use **recycled PLT**. In addition, we have planned to introduce boxes made from **FSC-certified paper** and to **eliminate the PVC window** from gift boxes. Finally, in all packaging-related products, the composition and recycling symbols have been reported.



Foto Credit: BCI/Seun Adatsi. Info: Tata Djire with BCI Farmers/women leaders in the community. They stand in a cotton field holding the freshly-picked harvest. Location: Kolondieba, Mali. 2019

How a Miniconf garment is created



The evaluation, control and improvement aspects of materials (textiles and packaging) are part of **the creation process** of our garments, from idea to finished product. The process begins with the **merchandiser**, who analyses market needs and prepares a grid for price ranges and product types. Together with the **style office**, the first boards are made with the garments that will make up the collection. After validation, these designs become final and are transferred to a **technical sheet** sent to the assigned **supplier**. Once sent, production begins and, after about three weeks, the company receives the first **prototype**, which does not necessarily have to be made in the definitive fabrics and colours. This prototype is sent back to the supplier with any modifications.

An approval process follows, which **verifies fabrics, colours, pattern making, measurements and the final appearance** of the garment. The supplier can then produce the final sample to be presented to the sales network during the sample issue. Production is not necessarily assigned to the sample supplier, although this is done in most cases. The production process follows a procedure similar to that described for the **sample book**: a new approval of fabrics and colours, verification of measurements, until a pre-production sample is produced. Finally, the final order is issued to the supplier, followed by the realisation of the garment



and its shipment to our warehouses.

Flow

- **Definition of the collection design** within which the individual articles are placed, each of which must fulfil certain functions and occasions of use
- Choice of **model and material**
- Development of **prototype launch card**: model measurements, material details, graphic details (when present), colour, accessories
- Sending the launch card to the supplier
- Receipt of prototype (usually not made in the final material/colour)
- **Check and correction** of the first prototype: checking of model measurements and general image of the article - Sending of prototype to the supplier with any changes to be made
- Receipt of the first sample garment for final confirmation (**Pre-Production Sample**)
- Launch of sample repeats and start of **sales campaign**
- Quality control and analysis of compliance with **safety regulations**
- Entry of pattern bills with all the details that the supplier will need for production
- Development of models by size
- Once the sales campaign has started, launch of materials by colour
- Production launches to suppliers with details by **size and colour**
- Receipt of size series for checking and correction



In addressing aspects of material selection and process efficiency, we have set specific goals for 2024. From a technical standpoint, we plan to integrate into the normal operating process and corporate IT systems, **a machine that enables color approval** without sending physical proof, generating time and cost savings. To date, suppliers send physical proofs consisting of fabric base plus color. Approval is done through a neutral light but with the "naked" eye.

Therefore, **spectrophotometric machines** were purchased that allow the supplier to read the colors independently and verify compliance with Miniconf's requirements and standards, **avoiding the sending of physical proofs** that are impactful both in terms of cost, timing, and the environment. Starting in 2022, we have also introduced the **early production launch mechanism**, prior to the

close of the sales campaign, and it is aimed at combating the lengthening of supply chain timelines so as to ensure delivery times to the customer in line with market requirements. This is an important service that we will continue to implement, just as we will continue in the accurate valorization of the consumption of used materials: this process is done through the support and cooperation of the supply chain (Valorization Di.Ba), thanks to the entry on the web portal shared with our suppliers of the consumption associated with the individual raw material.

4.3 - Waste Management



In 2023, 42% of imported cardboard was reused

the previous section, whenever possible **packaging is reused** to ship products to customers in Italy and abroad. Otherwise, they are managed as waste. In 2023, **108,740 kg of cardboard** was sent for recovery, out of a total of **188,000 kg** imported together with the garments, and **79,260 kg** of imported cardboard was reused, accounting for **42% of the total**.



More than 97% of the waste generated during the year was sent for recovery

Another waste category is **end-of-life equipment (PCs)**. In 2023, **1,330 kg** of this type of waste was disposed of, as it was no longer usable in the company or suitable for donation to schools or local voluntary associations. Hazardous waste, which is nevertheless sent for recovery, accounted for about 0.55% of the total waste, a percentage in which the disposal of an air conditioner played a significant role. Overall, in 2023, more than **97% of the waste generated is sent for recovery**.

The **management of all waste produced**, mainly non-hazardous waste, is carried out carefully: the authorisations of transporters and recipients are always checked before disposal. The main type of waste, in terms of weight, is **paper** and **cardboard** from both office activities and packages received at headquarters containing garments (production and sample), sent by suppliers. As described in

The second type of waste produced in terms of weight is **plastic packaging** arising from both office and production-related activities, such as, for example, damaged packaging envelopes and envelope cuttings generated by automatic bagging machines. The damaged hangers are taken back by the supplier, who uses them to generate new ones. In 2023, **845 kg** of hangers were taken back. During 2023, **10,895 kg of plastics** out of an overall waste total of **130,345 kg** were sent for recovery.



CAP 05
**Economic
Value and
Territory**



5.1 - Economic Performance and Business Continuity

As already highlighted in Chapter 1, the heart of Miniconf's strategy is the **three-year Industrial Plan**. The Plan is prepared by the **company's Management**, following the guidelines received from the **Board of Directors**. The same Management presents it to the Board of Directors, which identifies any corrections or suggestions and gives its approval. The document, which is updated every year, sets out **the axes of our development and activity**: the corporate strategy; the objectives; the performance planning of the various business units; investment planning; and the cost budget.

Miniconf's 2024/26 business plan focuses on several growth levers. In addition to the **strengthening of the sustainability strategy**, the **specialisation of the collections** and the **optimisation of the product range**, the most important ones concern the **consolidation of the wholesale distribution in Italy** for the two main brands (iDO and Sarabanda), together with the inclusion of **new licences** within the 'Premium Pole'. In parallel, we want to focus on the **acceleration of our Retail Italy project** in the form of franchising/affiliation and the development of foreign markets. Finally, we have also planned a growth strategy in **digital sales** both on our own channels and on third-party platforms.

The following table shows the **data on value creation and distribution**, obtained from the reclassification of the income statement. This provides an indication of **the economic effects** of business operations on the main categories of stakeholders, both internal and external. The economic value generated and distributed, calculated on the basis of the consolidated income statement, represents **the company's ability to create wealth and distribute it** among its stakeholders. From an accounting point of view, generated value includes Miniconf's net revenues (revenues, other operating income, net of credit losses, financial income). Distributed economic value includes costs reclassified by stakeholder category. The economic value retained is the difference between the economic value generated and the economic value distributed and includes depreciation of tangible and intangible assets, provisions and prepaid/deferred taxation.



	2021	2022	2023
Directly generated economic value	62.245.785 €	81.676.720 €	69.993.211 €
Revenue from sales and services	60.002.124 €	72.073.153 €	69.308.558 €
Changes in inventories and work in progress	1.443.332 €	8.759.089 €	-931.848 €
Increase in own work garmentstalisied	0	0	0
Other income and expenses, net	637.851 €	604.090 €	1.248.208 €
Financial income	186.873 €	121.718 €	299.941 €
Impairment losses on financial assets	-24.395 €	118.670 €	68.352 €
Economic value distributed	60.079.943 €	78.939.791 €	67.873.661 €
Economic value retained	2.165.842 €	2.736.929 €	2.119.550 €

5.2 - Projects for the community and the territory



Miniconf's values are reflected in those of its territory

Miniconf has deep roots in the territory in which it was born and operates, and firmly believes in **its role in the local community**. Our corporate culture is based on solid **social responsibility**, which we consider a fundamental component of our work. For this reason, we are concretely committed to supporting the community through various initiatives, demonstrating our constant commitment to the **collective wellbeing** and **sustainable development of the territory**.

The basis of our action is the definition of **an annual budget** for sponsorships and donations for sports, cultural, recreational and social initiatives, mainly related to the world of children and adolescents in the Casentino community. Although there is no formalised procedure, every year in November we assess the available budget based on established projects and new opportunities of particular relevance. Resources for local communities are managed by **Human Resources**, while national and international projects are developed in cooperation with the **Marketing and Communications Office**. The **Presidency** coordinates both activities. Several community projects have been consolidated over time, becoming important landmarks for the area.



A significant example is the support we have been giving to the **San Piero in Frassino kindergarten and primary school** for over 20 years.

Originally this was intended to finance full-time schooling, and later, with the activation of full-time ministerial education, it was dedicated to pre- and after-school care. This initiative is designed both for the **citizens of the Ortignano municipality** and the Casentino municipalities, and to facilitate **work-life balance for our employees**.

Our commitment in the hamlet of San Piero in Frassino has been further strengthened in 2023 with the support for the birth of the **Social Recreational Centre 'Facciamo Centro'**, which will enrich the offer of recreational, play and sports activities for all citizens of Ortignano. In addition to initiatives for children, we also support the **education of adolescents**, offering the children of our employees an **Intercultura scholarship** for a four-week summer language study programme abroad.

Another distinctive element of our action is our status as **'UNICEF Friendly Company'** and

our collaboration with the **Meyer Children's Hospital in Florence**, to which we provide first aid kits. This project started in 2013 and today provides for the supply of around **1,500 pieces per year**, with the next supply scheduled for 2024.

In addition to all this, we donate clothing to **local and national non-profit organisations and associations**, as well as making monetary disbursements in the event of extraordinary events, even outside our territory, such as the earthquake in Turkey and Syria. Further interventions financed during the year are detailed in the box below:

Culture, sport and solidarity: our commitment in 2023

There are several activities financed in 2023 by Miniconf in the area:

- We were sponsors of the European Biennial of Manufacturing Art in Stia (AR), with a disbursement of **€ 3,000**.
- We supported with sponsorships the sports activities of Tennis Bibbiena (**€ 1,000**), disbursing a similar amount as a new sponsor for the Arnopolis mini-Volleyball team.
- We have been the protagonist of other sponsorships for **€ 11,700** linked to events in the Casentino area, such as exhibitions, sports and cultural activities. In particular, we allocated **€ 5,000** for the 'Michelangelo Rapito' exhibition at Poppi Castle (AR), and **€ 1,100** for the Nuoto tra i Banchi project, designed for the inclusion of children with psycho-motor difficulties.
- We allocated **€ 9,380** in donations of clothing, destined for the country.
- We donated **€ 20,000** to the Italian Red Cross to support children.
- We donated, as part of a Prospettiva Casentino project, **€ 1,000** for the purchase of an ultrasound scanner for the Casentino Hospital.

Activities for the school involved several areas:

- the hourly support for pre and after school coverage, for the 2022/2023 school year, committed us to **€ 8,084**.
- To these must be added **€ 5,000** in support for the management of the school canteen and **€ 10,000** in contributions to the municipality of Ortignano Raggiolo, again for the school.
- We then provided **€ 5,000** in contributions to the ProLoco Pratomagno Summer Centres, and **€ 4,769** in support for the Musical Educational Project with the primary school of the San Piero in Frassinio plexus: the project, which involved 38 children, consisted of purchasing ukuleles and financing music lessons, as an enhancement to the educational offer.
- At the same time, we made a donation to Prospettiva Casentino of **€ 2,000** to support educational activities in the area, aimed at secondary and high schools, and we purchased Easter eggs for the children of the San Piero School (nursery and primary), supporting the Tommasino Bacciotti Foundation for **€ 1,080**.

We also activated several scholarships:

- 2 concerned Musical activities with Oida Campus - Chiusi della Verna (for **€ 900**).
- 1 Intercultura scholarship, for children of employees, for participation in a 4-week summer language study programme abroad, worth **€ 5,000**.
- We also made further donations amounting to a further **€ 20,000** to national and international non-profit organisations dealing with children, research and support for the needy. As part of our action in the field, we reported our activities and donations to those who requested it, and in particular for educational projects; we also signed regular sponsorship contracts for the events we financed.



Methodological Note

This document represents Miniconf's 1st Sustainability Report, which fully reports on relevant topics from the perspective of the social and environmental dimensions of sustainability. The document therefore aims to present the main initiatives and results achieved by Miniconf for the year 2023, comparing them, where possible, with 2022 in order to provide an understanding of the evolution over time of the Company's approach to the topics covered and the goals achieved. The perimeter of the information reported in the document includes the company made (Miniconf S.p.A.) and the subsidiaries Miniconf Iberica (Spain), MinRus (Russia), Minstyle (UK), Miniconf Shanghai (China). Any exceptions to the perimeter are reported in the comments to the GRI tables published in the Annex section. The content definition process and the qualitative and quantitative information are based on the GRI Standards (in the Universal Standard 2021 version), the most widely used national and international standards for reporting non-financial information, according to the "with reference to the GRI Standards" option. The impacts generated by Miniconf are measured through indicators for which trends are reported, where possible, so that stakeholders can assess any improvements made compared to the previous year.

This Report is the result of a multidisciplinary team, under the corporate responsibility and coordination of functions:

- Production / Import
- E-commerce & Customer Service
- RSPP
- Retail Italy
- Accounting & Finance
- Business analysis
- Business Process Analysis & Environmental Manager
- Foreign sales
- Commercial Italy
- External Consultant Compliance, Sustainability & Quality
- HR
- IT
- Inbound/Outbound Logistics
- Marketing & Communication
- Multi-brand Italy
- Purchasing Department

supported by ALTIS Advisory S.r.l. SB.

For further information and/or questions regarding this Sustainability Report, please contact info@miniconf.it.

Annex

Informative GRI

General Information

GRI 2-7 a., b: Number of employees at the end of the reporting period;

Employees and non-employees by employment contract and gender

	2021	2022	2023
Permanent employees	214	197	191
Women	154	135	133
Men	60	62	58
Fixed-term employees	103	115	125
Women	93	102	108
Men	10	13	17
Fixed-term employees (no seasonal)	38	36	46
Women	33	31	42
Men	5	5	4
Fixed-term employees (seasonal only)	65	79	79
Women	60	71	69
Men	5	8	10
Other collaborators: Internships	2	0	5
Women	1	0	4
Men	1	0	1
Other collaborators: Temporary staff	7	15	10
Women	7	10	9
Men	0	5	1

Other collaborators: Project collaborators	2	2	1
Women	1	1	1
Men	1	1	0
Total employees and other collaborators	328	329	332
Women	256	248	255
Men	72	81	77

GRI 2-7 b: Number of employees, excluding branches, by type of employment (full-time and part-time), by gender, at the end of the reporting period

Employees (fixed-term and permanent) by type of employment and gender

	2021	2022	2023
Full time	245	261	242
Women	181	192	177
Men	64	69	65
Part time	72	51	74
Women	64	46	67
Men	8	5	7
Total permanent and fixed-term employees	317	312	316
Women	245	238	244
Men	72	74	72

Employees by type of employment full-time/part-time, by gender and geographical area as at 31.12 in the three-year period 2021-2023.

GRI 2-30: Collective Agreements

	2021	2022	2023
Percentage of employees covered by collective agreements (CTD + CTI)	100%	100%	100%

Economic performance

GRI 201-1: Economic value generated and distributed

Economic value generated, retained and distributed

	u.m	2021	2022	2023
Economic value enerated	€	62.245.785	81.676.720	69.993.211
Economic value retained	€	2.165.842	2.736.929	2.119.550
Distributed economic value	€	60.079.943	78.939.791	67.873.661
Suppliers	€	48.576.740	65.850.115	54.392.946
Employees	€	11.176.905	12.281.510	12.408.210
Lenders	€	-77.308	-73.158	366.231
Public Administration	€	403.606	881.324	598.361
Community	€	0	0	107.913

The items relating to donations and donations (Community) from 2021-2022 are not listed above as they are included under other budget items.

Employment

GRI 401-1: Total number of new hires, by age group and gender, including seasonal hires

New staff hired on fixed-term and permanent contracts, by age group and gender

	2021	2022	2023
Under 30	28	56	52
Women	23	43	43
Men	5	13	9
Between 30 and 50 years old	121	137	131
Women	103	117	115
Men	18	20	16
Over 50 years	124	113	112
Women	113	100	106
Men	11	13	6
Total incoming employees as at 31 December	273	306	295
Total women	239	260	264
Total men	34	46	31

New staff hired by age group and gender as at 31.12 in the three-year period 2021-2023.

For seasonal staff, the total number of hirings and terminations during the year were reported (e.g. the same seasonal employee whose contract of employment was activated and terminated twice in one year, therefore counted twice).

GRI 401-1: Total number of employees, including seasonal employees, who terminated or interrupted employment, by age group and gender

Staff who have interrupted or terminated their employment relationship with fixed-term and open-ended contracts, by age group and gender

	2021	2022	2023
Under 30	24	48	41
Women	20	35	36
Men	4	13	5
Between 30 and 50 years old	105	132	137
Women	86	117	116
Men	19	15	21
Over 50 years	111	127	115
Women	101	113	107
Men	10	14	8
total employees left as 31 December	240	307	293
Total women	207	265	259
Total men	33	42	34

New staff hired by age group and gender as at 31.12 in the three-year period 2021-2023.

For seasonal staff, the total number of hirings and terminations during the year were reported (e.g. the same seasonal employee whose contract of employment was activated and terminated twice in one year, therefore counted twice).

GRI 401-1: Turnover rate by age group and gender

Turnover rates (expressed in %) by gender and age group

	2021	2022	2023
Overall turnover rate	160,82%	197,11%	186,08%
Incoming turnover rate	85,58%	98,39%	93,35%
Women	96,76%	109,70%	108,20%
Men	47,22%	62,16%	43,06%
Under 30	73,68%	180,65%	130,00%
Women	67,65%	153,57%	126,47%
Men	125,00%	433,33%	150,00%
Between 30 and 50 years old	75,63%	78,74%	88,51%
Women	83,74%	89,31%	92,00%
Men	48,65%	46,51%	69,57%
Over 50 years	104,20%	105,61%	87,50%
Women	126,97%	126,58%	124,71%
Men	36,67%	46,43%	13,95%
Exit turnover rate	75,24%	98,71%	92,72%
Women	83,81%	111,81%	106,15%
Men	45,83%	56,76%	47,22%
Under 30	63,16%	154,84%	102,50%
Women	58,82%	125,00%	105,88%
Men	100,00%	433,33%	83,33%
Between 30 and 50 years old	65,63%	75,86%	92,57%
Women	69,92%	89,31%	92,80%
Men	51,35%	34,88%	91,30%
Over 50 years	93,28%	118,69%	89,84%
Women	113,48%	143,04%	125,88%
Men	33,33%	50,00%	18,60%

The overall turnover rate is calculated as the ratio between: (number of new entries in the year + number of exits in the year/permanent and fixed-term staff at 31/12) *100.

The incoming turnover rate is calculated as the ratio of: (number of new entrants in the year/ indefinite and fixed-term staff on 31/12) *100.

The rate of outgoing turnover is calculated as the ratio of: (number of employment relationships terminated or interrupted in the year/permanent and fixed-term employees at 31/12) *100.

Health and Safety at Work

GRI 403-8: Workers covered by an occupational health and safety management system, as a percentage

Data on the occupational health and safety management system

	2021	2022	2023
Workers covered by an occupational health and safety management system	100%	100%	100%

GRI 403-9 Number of occupational accidents, occupational injury rates and hours worked by employees

Accident data for employees and contractors

	2021	2022	2023
Number of recordable accidents	4	1	4
of which occurred to employees	4	1	4
of which to contractors	0	0	0
Number of accidents with serious consequences (more than 6 months absence)	0	0	0
of which occurred to employees	0	0	0
of which to contractors	0	0	0
Number of deaths at work	0	0	0
of which occurred to employees	0	0	0
of which to contractors	0	0	0
Accident rate	9,0	2,1	8,3
Serious accident rate	0	0	0

The work accident rate is determined by the ratio of the number of recordable work accidents to the number of hours worked, multiplied by 1,000,000.

Training and Education

GRI 404-1 Average hours of training per employee per year

Average training hours by employee category and gender

	2023
Managers	0,6
Women	0
Men	0,6
Middle Managers	1,85
Women	0
Men	1,85
Clerks	7,55
Women	7,79
Men	6,62
Workers	5,12
Women	4,29
Men	8,52
Total	6,48
Total women	6,43
Total men	6,65

GRI 404-3 Percentage of total employees by gender and by employee category who have undergone periodic performance appraisal and professional development, for the Italian office Miniconf S.p.A.

Percentage of total employees subject to periodic

performance appraisal

	2021	2022	2023
Workers evaluated	100,32%	104,49%	84,18%
Women	102,44%	104,62%	77,87%
Men	92,96%	104,05%	105,56%
Managers	57,14%	66,67%	80,00%
Women	66,67%	33,33%	0
Men	50,00%	100,00%	60,00%
Middle Managers	33,33%	100,00%	120,00%
Women	100,00%	0	0
Men	20,00%	100,00%	120,00%
Employees	104,08%	99,45%	50,00%
Women	104,46%	97,20%	41,61%
Men	102,56%	107,89%	82,05%
Workers	100,00%	114,29%	137,29%
Women	100,00%	118,48%	133,68%
Men	100,00%	100,00%	152,17%

Diversity and Equal Opportunities

Employees on fixed-term and permanent contracts, by contractual category, gender and age group

	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Managers	3	4	7	3	3	6	0	5	5
age under 30	0	0	0	0	0	0	0	0	0
between 30 and 50 years old	1	2	3	0	2	2	0	2	2
age over 50	2	2	4	3	1	4	0	3	3
Middle Managers	1	5	6	0	6	6	0	5	5
age under 30	0	0	0	0	0	0	0	0	0
between 30 and 50 years old	1	1	2	0	1	1	0	0	0
age over 50	0	4	4	0	5	5	0	5	5
Employees	156	40	196	143	38	181	149	39	188
age under 30	31	2	33	16	1	17	26	1	27
between 30 and 50 years old	88	24	112	95	25	120	88	12	100
age over 50	38	13	51	32	12	44	35	26	61
Workers	85	23	108	92	27	119	95	23	118
age under 30	3	2	5	12	2	14	8	5	13
between 30 and 50 years old	33	10	43	36	15	51	37	9	46
age over 50	49	11	60	44	10	54	50	9	59
Total	245	72	317	238	74	312	244	72	316

Board composition by gender and age group

	2021	2022	2023
Under 30	0	0	0
Women	0	0	0
Men	0	0	0
Between 30 and 50 years old	1	1	1
Women	0	0	0
Men	1	1	1
Over 50 years	3	3	3
Women	1	1	1
Men	2	2	2
Total	4	4	4
Total women	1	1	1
Total men	3	3	3

Workers belonging to protected categories

	2021	2022	2023
Women	12	9	9
Men	4	4	3
Total	16	13	12

Energy

GRI 302-1 Energy consumed within the organisation

Direct energy consumption of the organisation

		u.m.	2021	2022	2023
Diesel	Total consumption for plant and heating supply	l	90.000	115.000	93.800
Natural gas	Total consumption by production process and heating	mc	30.862	28.490	24.743
LPG	Total canteen consumption	l	1.638	2.044	3.250
Electricity	Total electricity consumed	kWh	572.697	568.596	497.954
	of which purchased from the national energy mix	kWh	508.721	497.382	389.043
	of which purchased with Guarantee of Origin from renewable sources	kWh	0	0	0
	of which self-produced and consumed by own photovoltaic systems	kWh	210.790	221.010	257.496
	Total electricity sold into the grid from own photovoltaic plants	kWh	146.814	149.796	148.585
Company car fleet consumption	Total diesel consumed	l	31.295	30.178	29.716
	Total petrol consumed	l	8.045	6.775	12.177

Direct energy consumption of the organisation

		u.m.	2021	2022	2023
Diesel	Total consumption for plant and heating supply	GJ	3.271,7	4.134,7	3.372,4
Natural gas	Total consumption by production process and heating	GJ	1.106,1	1.022,4	895,4

LPG	Total canteen consumption	GJ	39,9	49,7	79,3
Electricity	Total electricity consumed	GJ	2.061,7	2.586,2	2.327,6
	of which purchased from the national energy mix	GJ	1.831,4	1.790,6	1.400,6
	of which purchased with Guarantee of Origin from renewable sources	GJ	0	0	0
	of which self-produced and consumed by own photovoltaic systems	GJ	758,8	795,6	927,0
	Total electricity sold into the grid from own photovoltaic plants	GJ	528,5	539,3	534,9
Company car fleet consumption	Total fuel consumption	GJ	1.118,3	1.051,6	1.121,1
	Diesel consumed	GJ	898,1	873,4	819,8
	Petrol consumed	GJ	220,1	178,1	301,3
Total energy consumed		GJ	6.597,7	8.304,6	7.260,9

Values reported by the UK government's Department of Environment, Food and Rural Affairs (DEFRA) were used to convert Mc to GJ of natural gas, kWh to GJ of electricity, and L of diesel, LPG and gasoil to GJ.

GRI 302-3 Energy intensity

Energy intensity

	u.m.	2021	2022	2023
Energy consumed	GJ	6.597,7	8.304,6	7.260,9
N items made	N chiefs	5.598.983	7.592.333	5.073.153
Energy consumed/1,000 heads made	GJ/1.000 garments	1,18	1,09	1,43

SCOPE 1 – Direct Energy Emissions

	u.m.	2021	2022	2023
Emissions from combustion of stationary plants	tCO ₂ e	313,3	378,3	330,2
Emissions from combustion of mobile plants	tCO ₂ e	77,6	78,0	179,2
Fugitive emissions	tCO ₂ e	160,9	162,4	33,4
Total	tCO ₂ e	551,8	618,7	542,8

To calculate the tonnes of CO₂ equivalent of Scope 1, emission factors from the Ecoinvent database were used

SCOPE 2 – Indirect Energy Emissions

	u.m.	2021	2022	2023
TOTAL SCOPE 2 EMISSIONS - Location Based Method	tCO ₂ e	160,2	156,7	185,2

Total SCOPE 1 + SCOPE 2 emissions

	u.m.	2021	2022	2023
Total EMISSIONI SCOPE 1 + SCOPE 2 Location Based	tCO ₂ e	712,0	775,4	728,0

Emission factors from the Ecoinvent database were used to calculate emissions from electricity with the Location Based method

Emission intensity

	u.m.	2021	2022	2023
TOT CO₂e emissions	t CO ₂ e	712,0	775,4	728,0
N items made	N chiefs	5.598.983	7.592.333	5.073.153
Energy consumed/1,000 heads made	t CO ₂ e /1.000 garments	0,12	0,10	0,14

EVOC emission for the stain removal phase

	u.m.	2023
Total SOV	Kg	7,94

Materials

Office materials

		u.m.	2021	2022	2023
Paper	Tot. Paper	kg	4.466	3.712	2.958
	of which PEFC paper	kg	4.466	3.712	2.958
Plastic	Tot. Plastic	kg	99,59	173,20	77,94
Toner	Tot. Toner	n°	173	218	10
Total Offices	Tot. Offices	kg	4.565,6	3.885,2	3.035,9

Packaging materials

		u.m.	2021	2022	2023
Paper	Tot. paper packaging	kg	1.577,7	1.720,4	1.676
	of which FSC paper	kg	720	873	613,8
Cardboard	Tot. cardboard packaging	kg	3.416,2	4.559	820,5
	of which FSC cardboard	kg	579,1	700,8	562,5
Plastic	Tot. plastic packaging	kg	56.485,9	76.169,9	80.572
	of which recycled plastic R-PET	kg	52.391,9	68.977,9	68.074
More	Tot. Others	kg	81,9	47,7	75,1
Total Packages	Total Packages	kg	61.561,7	82.496,9	83.143,6

Production Materials

		u.m.	2021	2022	2023
	Ribbons - buttons - labels and small parts	kg	188,2	397,7	84
	Catalogues	kg	0	20.125	33.674,4
	Style book	kg	3.250	3.109,6	2.957,8
	Signs	kg	2.472	2.400	2.979
	Card Fidelity	kg	30	330	150
Plant Fibres (renewable)	Cotton	kg	2.061.295,4	1.897.395	1.474.111,8
	Lino	kg	22.131,7	50.808,3	34.276,9
	Lyocell	kg	12.798,4	13.010,8	4.535,2
	Viscose	kg	46.617	55.258,3	59.669,7
	Total Plant Fibres	kg	2.142.842,4	2.016.472,3	1.572.593,6

Animal fibres (renewable)	Wool	kg	4.941,4	9.344,2	9.964,8
	Silk	kg	2.501,2	3.005,6	2.676,4
	Mohair	kg	256,5	720,2	428,9
	Cashmere	kg	1.100,9	85,5	53
	Total Animal Fibres	kg	8.800	13.155,5	13.123
Synthetic Fibres (non-renewable)	Acrylic	kg	20.807	30.588	27.771,2
	Elastane	kg	50.340,6	43.528,3	36.080,2
	Polyamide	kg	125.409,1	145.560,2	114.740,1
	Polyester	kg	246.675,2	232.577,4	223.730,4
	Polyethylene	kg	247,7	193	0
	Polyurethane	kg	11.870	6.728	9.556,8
	Polyvinyl chloride	kg	796,4	836,9	0
	Resin	kg	103	311,8	0
	Total Synthetic Fibres	kg	456.248,9	460.323,5	411.878,6
	Metals (non rinnovabili)	Metals	kg	2.220,7	3.111,5
Total metals		kg	2.220,7	3.111,5	1.532,8
Total production materials		kg	2.616.052	2.519.425	2.039.131
of which renewable		kg	2.157.364	2.055.262	1.625.328
of which non-renewable		kg	458.770	464.210	413.720
of which from recycling		kg	0	0	0
of which virgin material		kg	2.616.114	2.519.454	2.039.187

Waste generated

	u.m.	2021	2022	2023
Total non-hazardous waste	kg	164.322	183.950	129.616
of which sent for recycling or material recovery	kg	158.188	179.929	125.296
of which sent for disposal	kg	6.134	791	225
of which sent for energy recovery	kg	0	0	0
of which incinerated	kg	0	3.230	3.250
of which landfilled	kg	0	0	0
Total hazardous waste	kg	182	122	729
of which sent for recycling or material recovery	kg	182	122	729
of which sent for disposal	kg	0	0	0
of which sent for energy recovery	kg	0	0	0
of which incinerated	kg	0	0	0
of which landfilled	kg	0	0	0
Total non-hazardous and hazardous waste	kg	164.504	184.072	130.345

GRI 306-3 Breakdown of total weight by waste composition

Waste generated hazardous and non-hazardous by waste category (EWC Code)

	u.m.	2021	2022	2023
04 02 15 Wastes from finishing other than those mentioned in 040214	kg	0	0	26
04 02 22 Waste from processed textile fibres	kg	0	3.230	3.250
08 03 18 Spent toners and cartridges	kg	61	213	116
14 06 03* Other solvents and solvent mixtures (dry cleaners)	kg	0	75	0
15 01 01 Paper and cardboard packaging	kg	139.380	162.440	108.740

15 01 02 Plastic packaging	kg	15.750	12.870	10.895
15 01 03 Wooden packaging (hangers)	kg	0	2.360	0
15 01 10* Packaging containing residues of dangerous substances (spotting fluid containers)	kg	9	24	36
15 01 11* Metal packaging containing dangerous solid porous matrices, including empty pressure containers (spray cans)	kg	20	10	22
15 02 03 Spotting carbons	kg	0	493	0
16 02 11* Discarded equipment containing HCFCs, HFCs	kg	0	0	593
16 02 13* Discarded equipment containing hazardous substances (monitors)	kg	102	65	69
16 02 14 Discarded equipment (computers)	kg	3.012	290	1.336
16 03 06 Organic waste (CD)	kg	0	10	0
16 06 01* Lead batteries	kg	27	0	0
16 06 05 Other batteries and accumulators (batteries)	kg	2	9	5
16 10 02 Liquid wastes	kg	0	0	77
17 08 02 Building materials based on gypsum	kg	0	0	282
19 09 04 Sold-out activated carbon	kg	0	0	389
20 01 01 Paper and cardboard (archive administration)	kg	0	1.960	4.500
20 01 21* Fluorescent tubes	kg	24	23	9
20 01 25 Edible oils and fats (canteen)	kg	44	0	0
20 03 04 Septic tank sludge	kg	6.000	0	0
20 03 07 Bulky waste (advertising signs)	kg	73	0	0
Total non-hazardous and hazardous waste	kg	164.504	184.072	130.345

GRI Content Index

Declaration of use	Miniconf reported the information in this GRI Content Index for the period from 1 January 2023 to 31 December 2023, with reference to the GRI Standards
Used GRI 1	GRI 1: Fundamental Principles 2021

GRI STANDARD	Information		Location	Omission / Comments
GRI 2: General Disclosures 2021	2-1 Organisational Details	v- the table continues	Chap 1, para. 1.1	
	2-2 Entities included in the organisation's sustainability reporting		Methodological Note	
	2-3 Reporting Period, Frequency and Point of Contact		Methodological Note	
	2-4 Review of Information		-	
	2-5 External Assurance		The Report has not been subject to external Assurance	
	2-6 Activities, Value Chain and Other Business Relationships		Chap 1, para. 1.1, Chap 3, para 3.3	
	2-7 Employees		Chap 2, para 2.1 Annex	
	2-8 Non-employees		Chap 2, para 2.1 Annex	
	2-9 Governance Structure and Composition		Chap 1, par 1.4	Miniconf adopts a traditional governance system, consisting of a Board of Directors and a Board of Auditors.
	2-10 Appointment and selection of the highest governing body		Chap 1, par 1.4	The Board of Directors has a three-year term of office.
	2-11 President of the highest governing body		Chap 1, par 1.4	The chairman of the board of directors is the founder of the company and also holds the role of CEO, as well as chairing the strategy committee.
	2-12 Role of the Highest Governance Body in Overseeing the Management of ESG Impacts		Chap 1, par 1.4	The Board of Directors monitors corporate decisions, including those related to the Sustainability Plan.
	2-13 Delegation of Responsibility for Managing ESG Impacts		Chap 1, par 1.4	The Board of Directors delegates responsibility for managing ESG impacts through the approval of the Sustainability Plan
	2-14 Role of the Highest Governance Body in Sustainability Reporting		Chap 1, par 1.4	The Board of Directors is responsible for reviewing and approving information
	2-15 Conflicts of Interest		Chap 1, par 1.4	At present, Miniconf does not have formalised policies and tools to prevent and mitigate conflicts of interest.

GRI STANDARD	Information		Location	Omission / Comments
GRI 2: General Disclosures 2021	2-16 Communication of Critical Issues	←- the table continues ->	Chap 1, par 1.4	Should any critical issues arise, they are reported to the Executive Board. At present, no critical issues have been reported.
	2-17 Collective knowledge of the highest governing body		Chap 1, par 1.4	The company is supporting sustainability knowledge through continuous exchange of training and information within the Sustainability Group
	2-18 Performance evaluation of the highest governing body		Chap 1, par 1.4	At present, the highest governing body is not involved in a formalised performance appraisal process in relation to sustainability targets.
	2-19 Remuneration Policies		Chap 1, par 1.4	All members of the highest administrative body receive fixed annual remuneration; there are no bonuses or variable remuneration.
	2-20 Procedure for Determining Remuneration		Chap 1, par 1.4	Miniconf defines salaries through the General Manager Finance, HR and IT together with the HR Manager.
	2-22 Sustainable Development Strategy Statement		Lettera agli stakeholder	
	2-23 Policy Commitments		Chap 1, par 1.4	
	2-26 Mechanisms for requesting clarifications and raising concerns		Chap 1, par 1.4	Miniconf will set up a whistleblowing channel for employees to report on the organisation's conduct.
	2-27 Compliance with Laws and Regulations		Chap 1, par 1.4	In 2023, there were two cases of non-compliance with laws and regulations, with monetary penalties.
	2-28 Membership of associations		Chap 1, par 1.1	Miniconf is a member of the Industrial Association and Confimprese
	2-29 Approach to stakeholder engagement		Methodological Note, Materiality Analysis	
	2-30 Collective Agreements		All (100%) employees are covered by collective labour agreements (CCNL)	
GRI 3: Materials Themes 2021	3-1 Process for Determining Material Subjects		Materiality analysis	
	3-2 List of material topics		Materiality analysis	
GRI 201: Economic Performance 2016	3-3 Management of material themes		Chap 5, para 5.1	
	201-1 Direct economic value generated and distributed		Chap 5, para 5.1 Annex	
GRI 203: Indirect Economic Impacts 2016	3-3 Managing Material Themes		Chap 5, par. 5.2	
	203-2 Main Indirect Economic Impacts, Including Scale of Impacts		Chap 5, par. 5.2	

GRI STANDARD	Information		Location	Omission / Comments
GRI 205: Anticorruption 2016	3-3 Managing Material Themes	<- the table continues ->	Chap1, par 1.4	
	205-3 Established incidents of corruption and actions taken			No incidents of corruption were recorded during 2023.
GRI 206: Anti-competitive behaviour 2016	3-3 Managing Material Themes		Chap1, par 1.4	
	206-1 Actions for anticompetitive behaviour, antitrust and monopolistic practices			During 2023, no legal actions were registered in the area of anti-competitive behaviour
GRI 301: Materials	3-3 Managing Material Themes		Chap 4, par 4.2	
	301-1 Materials used by weight or volume		Chap 4, par 4.2 Annex	
GRI 302: Energy 2016	3-3 Managing Material Themes		Chap 4, par 4.1	
	302-1 Energy consumed within the organisation		Chap 4, par 4.1 Annex	
GRI 305: Emissions 2016	3-3 Managing Material Themes		Chap 4, par 4.1	
	305-1 Direct GHG emissions (Scope 1)		Chap 4, par 4.1 Annex	
	305-2 Indirect GHG emissions from energy consumption (Scope 2)		Chap 4, par 4.1 Annex	
GRI 306: Waste 2020	3-3 Managing Material Themes		Chap 4, par 4.3	
	306-1 Waste generation and significant waste-related impacts		Chap 4, par 4.3	
	306-2 Management of significant waste-related impacts		Chap 4, par 4.3	
	306-3 Waste generated	Chap 4, par 4.3 Annex		
	306-4 Waste not intended for disposal	Chap 4, par 4.3 Annex		
	306-5 Waste for disposal	Chap 4, par 4.3 Annex		
GRI 308: Supplier Environmental Assessment 2016	3-3 Managing Material Themes	Chap 3, par 3.3		
	308-1 New suppliers assessed using environmental criteria	Chap 3, par 3.3		

GRI STANDARD	Information		Location	Omission / Comments	
GRI 401: Employment 2016	3-3 Managing Material Themes	<- the table continues ->	Chap 2, par 2.1		
	401-1 New recruitments and turnover		Chap 2, par 2.1 Annex		
	401-2 Benefits provided for full-time employees, but not for part-time or fixed-term employees		Chap 2, par 2.1		
	401-3 Parental Leave		Chap 2, par 2.1		
GRI 403: Occupational Health and Safety 2018	3-3 Managing Material Themes		<- the table continues ->	Chap 2, par 2.4	
	403-1 Occupational health and safety management system			Chap 2, par 2.4 Annex	
	403-2 Hazard identification, risk assessment and accident investigation				
	403-3 Occupational health services				
	403-4 Worker participation and consultation and communication on occupational health and safety				
	403-5 Occupational health and safety training for workers				
	403-6 Workers' Health Promotion				
	403-7 Prevention and mitigation of occupational health and safety impacts within business relationships				
	403-8 Workers covered by an occupational health and safety management system				
403-9 Accidents at work					
GRI 404: Training and Education 2016	3-3 Managing Material Themes	<- the table continues ->	Chap 2, par. 2.2		
	404-1 Average hours of training per employee per year		Chap 2, par 2.2 Annex		
	404-2 Employee skills upgrading and transition assistance programmes		Chap 2, par. 2.2		
	404-3 Percentage of total employees by gender and category who have undergone periodic performance appraisals		Chap 1, par 1.4		
GRI 405: Diversity and Equal Opportunities 2016	3-3 Managing Material Themes	<- the table continues ->	Chap 2, par. 2.3		
	405-1 Diversity in governing bodies and among employees		Annex		
	405-2 Ratio of basic salary and wages of women to men		Annex		

GRI STANDARD	Information		Location	Omission / Comments
GRI 414: Social evaluation of suppliers 2016	3-3 Managing Material Themes	the table continues ->	Chap 3, par 3.3	
	414-1 New suppliers assessed using social criteria		Chap 3, par 3.3	
GRI 416: Customer health and safety 2016	3-3 Management of Material Themes		Chap 3, par 3.1	
	416-2 Incidents of non-conformity concerning impacts on the health and safety of products and services		Chap 3, par 3.1	No cases of non-compliance with regulations were recorded in 2023.
GRI 417: Marketing and labelling 2016	3-3 Managing Material Themes		Chap 3, par 3.4	
	417-1 Labelling and product and service information requirements		Chap 3, par 3.4	
GRI 418: Privacy of customers 2016	3-3 Managing Material Themes		Chap 3, par 3.2	
	418-1 Complaints regarding breaches of customer privacy and loss of customer data		Chap 3, par 3.2	No complaints were received for breaches of customer privacy and loss of data, nor were there any computer incidents.

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