



COMELZ

Sustainability Report 2021

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Letter to stakeholders

Dear readers,

Comelz represents a primary reality of the Vigevano footwear manufacturing district. Comelz has achieved internationally recognized levels of excellence. Continuous research and development have ensured a pipeline of innovative products, the pride of the Comelz brand.

The spread of the Covid-19 (SARS-CoV-2) virus has had a major impact on the Comelz group's economic performance. In fact, Footwear, Leather Goods, and Automotive, the markets from which the Company derives most of its revenues, were among the sectors that suffered the most. It is believed, however, that the Company has nevertheless maintained unchanged the characteristics and positioning that have enabled it to achieve positive results in recent years, and which will be a fundamental premise for future success. In particular, Research and Product Development activities have continued without interruption and reduction.

Since the early months of 2021, there has been an important recovery in orders, which is expected to consolidate in the following months. Forecasts for the years 2022 and 2023, although subject to uncertainties related to the evolution of the Covid-19 pandemic, unfavorable macroeconomic scenarios related to shortages of industrial components, energy market shocks, and international geopolitical conflicts, allow us to estimate a return to economic and financial levels in line with or above those of 2019. The stock of available liquidity, together with that created during the year, allows the Group to face future years with the necessary peace of mind.

The Group reacted promptly to the health emergency, adopting control and prevention measures aimed at safeguarding the health of its employees, collaborators, suppliers, customers, and in particular to protect its value chain through also ESG initiatives and objectives.

Section 5.4 shows in more detail the measures taken to counter the spread of the pandemic in the company.

The role assumed by companies in recent years is crucial in managing ESG risks, which require them to take a long-term sustainable perspective with particular reference to the health and safety of their employees and the development of the industry sector.

Comelz is aware of the role it can play and wants to be part of this new way of looking at companies. So, it is pleased to present you with our second Sustainability Report, the continuation of a path of transparent reporting aimed at communicating our commitment to doing business responsibly.

For us, sustainability is not a goal to be achieved but a guiding principle in creating the best products for our customers.

As an international Group, we are aware of our social responsibility and are committed to the highest international standards in relation to the fundamental rights of our workers, as well as contributing to the development of the community in which we operate through the support of cultural, educational and social activities.

The Comelz Group has set challenging goals in terms of sustainability for the years to come - which you will find made explicit in the chapter "Sustainability at Comelz."

Methodological note

This document, which represents the third Sustainability Report of the Comelz Group, aims to communicate in a transparent way the sustainability strategies of the Comelz Group (in the document also “Group” or “Comelz”) in relation to the performance in the field of environmental, social and governance sustainability for the financial year 2021 (from 1 January to 31 December). In order to allow comparability of data over time, a comparison with data for the year 2020 is also reported.

This annual Sustainability Report was prepared by reporting a selection of the “GRI Sustainability Reporting Standards” defined in 2016 by the Global Reporting Initiative (GRI) and updates, as indicated in the table “Index of GRI Contents”, This allows you to highlight the coverage of the GRI indicators associated with each sustainability issue reported in this document.

In particular, the content reported was selected on the basis of the results of the Materiality analysis updated during 2020, which enabled the identification of material aspects for the Comelz Group and its stakeholders, as described in the “Materiality Analysis” paragraph of this document. During the financial year 2021, no significant changes were made in terms of the economic, social and business context, and it was therefore not considered necessary to update this process. The Group has therefore validated the Materiality matrix for the 2021 financial statements as well.

The perimeter of economic data and information is the same as the consolidated financial statements of the Comelz Group at 31.12.2021.

With regard to social data and information, the reporting perimeter coincides with that of the Comelz Group's consolidated financial statements as at 31.12.2021, with the exception of Comelz Colombia, which started the liquidation activities.¹

With reference to environmental data and information, the reporting perimeter includes the production sites of Vigevano (Pavia) of Comelz S.p.A., Cormano (Milan) of Camoga S.p.A., Nanjing of Camoga Leather Machine Manufacturing Nanjing Ltd, Comelz do Brazil and Comelz India Private Limited and Developer S.r.l. located in Campi Bisenzio (Florence), which, although not a production site, has a significant impact on the Group's energy consumption as a software development center.

Any further exceptions to the reporting perimeter are appropriately explained in the text of this document.

In order to allow comparability of data over time, a comparison with the data for the previous year has been included where possible. In addition, in order to ensure the reliability of the data, the use of estimates has been limited as far as possible, which, if present, are based on the best available and appropriately reported methodologies. The re-exposures of the data published in the previous Sustainability Report are also appropriately indicated in this document.

This Sustainability Report was discussed in the Board of Directors of Comelz S.p.A. on 16th of June 2022.

For further information and suggestions regarding the Comelz Group Sustainability Report, please contact dlugnani@comelz.com

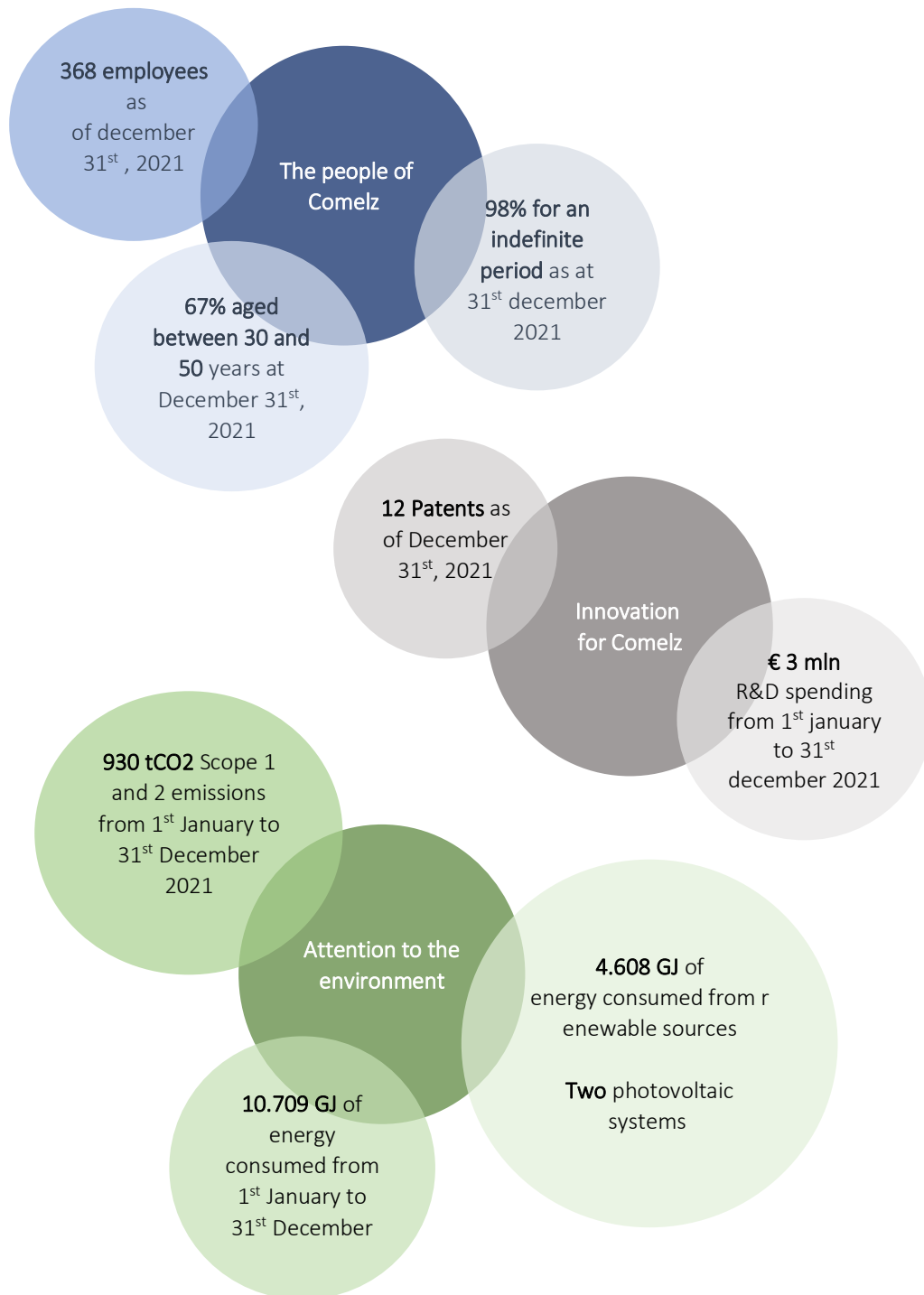
This document is also available on the Comelz Group website www.comelz.com.

¹ In 2021 Comelz Colombia is in the process of liquidation, even if it is no longer an operating site, but outstanding claims remain.



1. The Comelz Group

Highlights of the Group in 2021



1.1 Values and mission

Our mission is to grow every day in the global market as an Italian and European Company that offers high quality products with high technological content.



To KNOW:
Know the needs of customers and workers

To SERVE:
Provide a quality service

To TRUST:
Creating relationships of trust

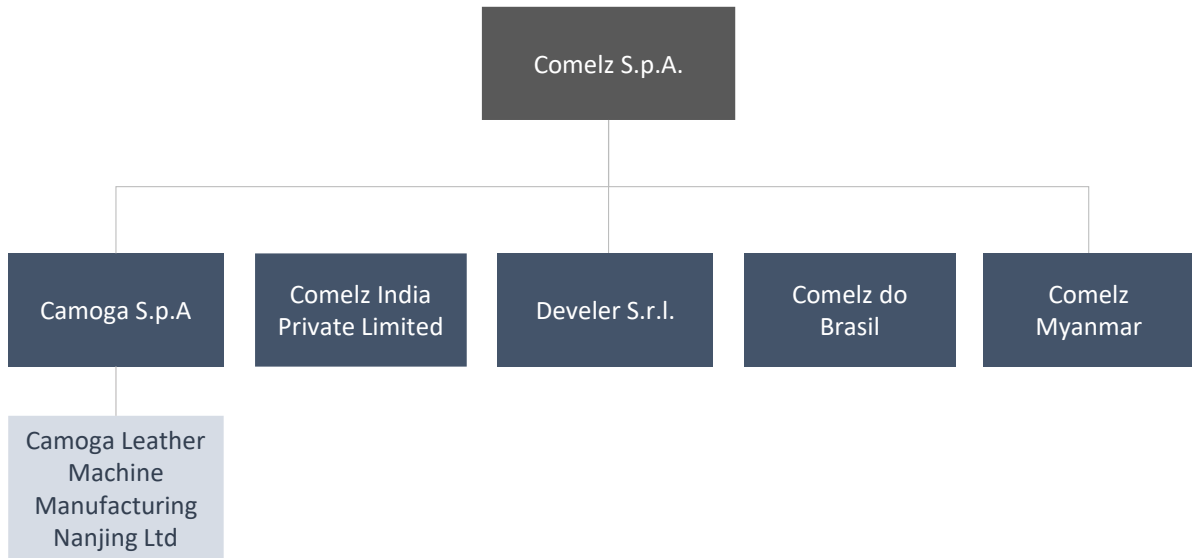
To INNOVATE:
Create unique products to develop new technologies

Striving for PERFECTION:
Always try to improve

1.2 Profile and history of the Group

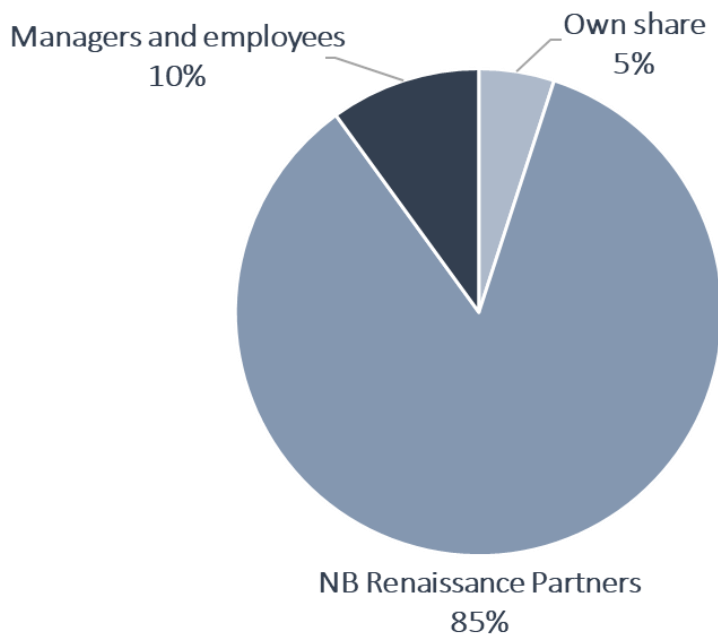
The Comelz Group consists of the parent company Comelz S.p.A. and its subsidiaries. Comelz S.p.A. is a public limited company, registered and domiciled in Italy, with its registered office in Vigevano (PV).

The corporate structure of the Comelz Group as at December 31st, 2021



The Group's ownership structure is 85% represented by the Private Equity NB Renaissance Partners fund.

Ownership structure at December 31st, 2021

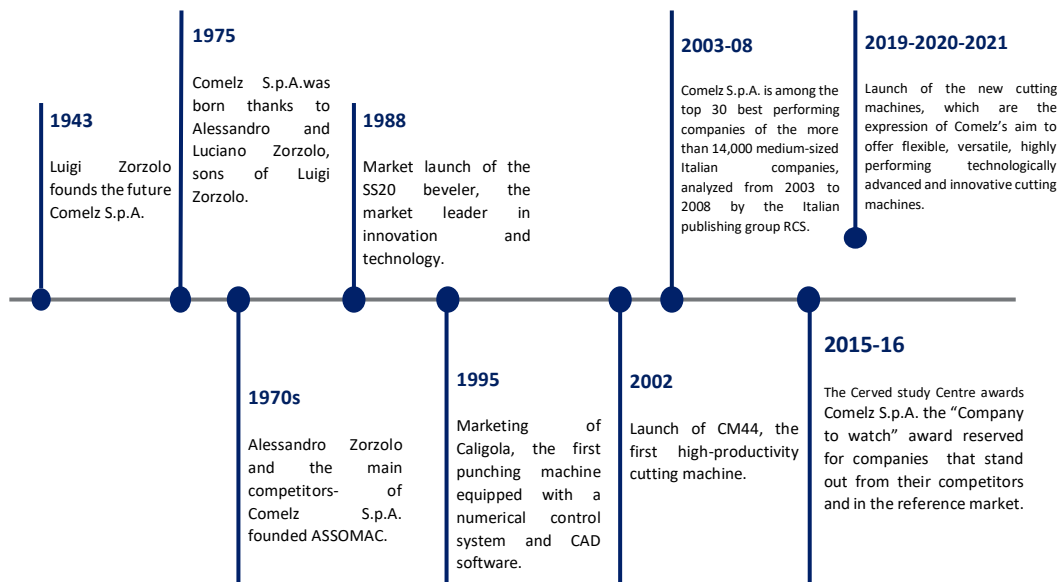


Founded in 1943 Comelz S.p.A. is an Italian company specialized in the design and construction of working machines for shoe factories, such as leather bevellers, uppers folding machines, pantographs, serving national and international markets.

The Company can be defined as one of the leaders of that generation of Italian companies that was able to interpret the needs of a market of footwear and of the national leather goods that was then in strong expansion, giving life to a sector of Meccano-footwear of international excellence. Comelz S.p.A., in particular, manages the production of operating machines, provides for the design of the machine both of the mechanical and electrical and electronic parts and finally conducts the development of the related management software.

The Company broke into the market at the end of the '60 years with products with high innovative content and is established over time as one of the most significant players in the sector, assuming, among other things, a leading role in association. In fact, in the years '70, Alessandro Zorzolo, together with the main competitors of Comelz S.p.A., founded the National Association of Manufacturers of Technologies for footwear, leather goods and tannery (hereinafter ASSOMAC) with the aim of adopting a common approach toward the national and international market. At the end of the '80 years the Company was one of the first companies in the sector to interpret a new industrial season based on the diffusion of CAD systems and numerical control systems, managing to reflow its corporate identity on a strong integration of mechanical, electronic and software technologies.

A history of innovation



1.3 An International reality

The Comelz Group operates in a variety of institutional, economic, political, social and cultural contexts that are constantly and rapidly evolving, since it produces and exports made in Italy all over the world.

In this respect, the financial year 2021 closed with a net profit of about 59,9 million euros, an increase of 63% compared to the previous year, and an EBITDA of 18,8 million euros, an increase of 129% compared to 2020. Net income was a negative 5.8 million euros, as Comelz S.p.A. recorded deferred tax liabilities of 15 million euros due to the reversal of tax benefits recorded in 2020 for the franking of goodwill. During 2021, in fact, it was decided to withdraw from its adoption, following the changes introduced by the Budget Law 2022.

The Group's customers include the main players in the luxury industry, the major producers and suppliers of footwear operators, as well as operators related to the production of tanning materials for *the automotive sector*. Among the customers of the Group there are also small operators and craftsmen oriented to the search for quality and performance.

The international aspect of the market has allowed the Group to expand its sales network, which consists of subsidiaries and subsidiaries as well as distribution and resale points. The Group is present in Europe, Asia, North and South America.





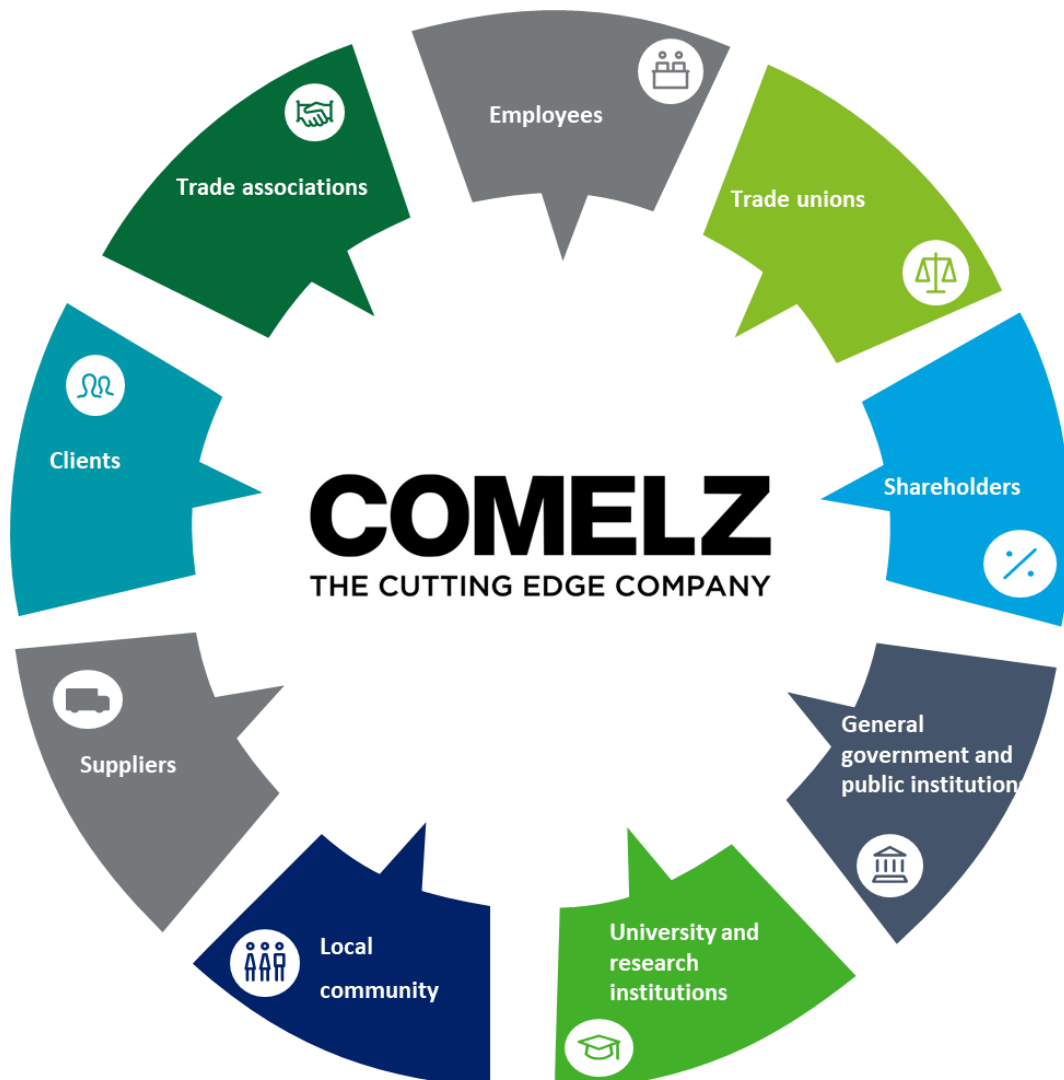
2. Sustainability at Comelz

2.1 Materiality analysis In line with the adopted reporting standard, the Global Reporting Initiative (GRI), the information presented in this financial statement has been selected on the basis of the Materiality principle which identifies those issues that reflect economic impacts, Environmental and social issues significant to the Comelz Group and substantially influence the assessments and decisions of relevant stakeholders.

Effective dialog and dialog with stakeholders is a vital element for the Group. For this reason, Comelz is committed to creating opportunities for dialog and dialog, based on transparency, with its stakeholders through constant communication.

The stakeholder mapping, shown below, represents the 9 most relevant stakeholder categories for the Group.

The stakeholders of the Comelz Group



In order to improve dialog with its stakeholders and to increasingly align the Group's commitment to sustainability with the expectations of these stakeholders, Comelz updated its Materiality analysis in 2020. During the financial year 2021, no significant changes were made in terms of the economic, social

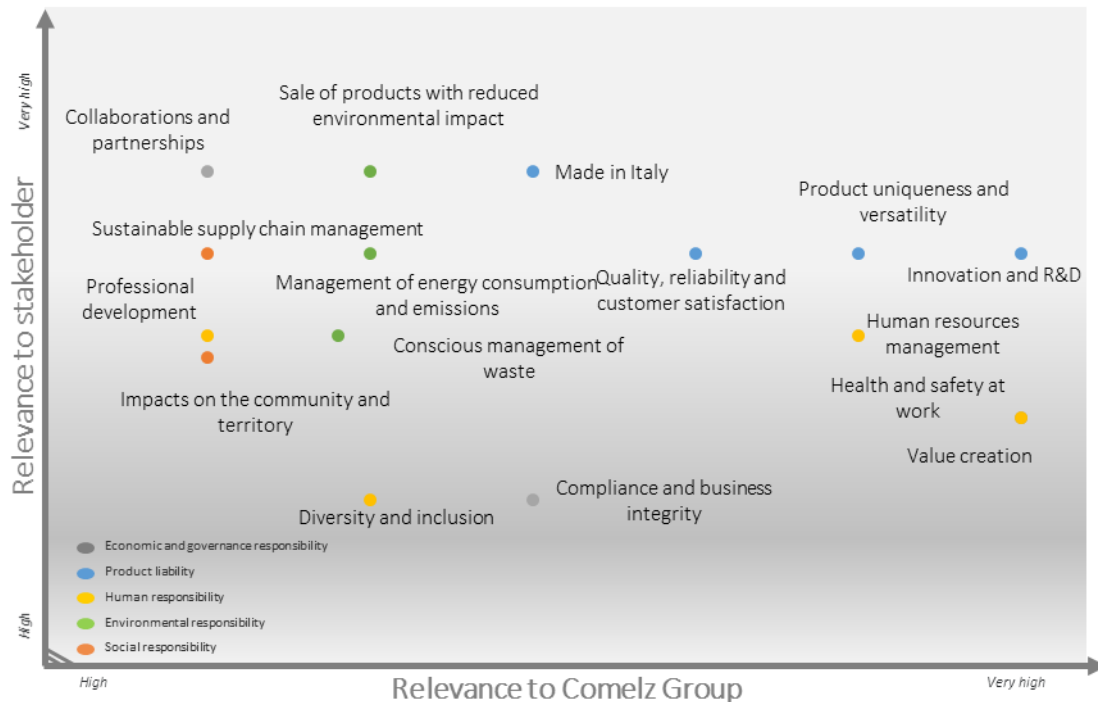
and business context, and it was therefore not considered necessary to update this process. The Group therefore validated the Materiality matrix for the year 2021.

As part of the updating of the Group’s Materiality analysis during 2020, Comelz involved two important stakeholder categories, namely a shareholder sample and the ASSOMAC trade association. Through a questionnaire, the two categories of stakeholders have expressed their assessments of the relevance of a panel of 17 environmental, social and governance issues, identified at a preliminary stage through a context and benchmark analysis of the sector. Moreover, these issues have also been submitted to the evaluation of the Top Management and the main functions of Comelz S.p.A..

This moment was an opportunity to discuss key sustainability issues and allowed ideas, opinions and perspectives to be shared on a range of sustainability-related topics. The main themes on which Comelz has focused are technological innovation and Research and development, quality, reliability and customer satisfaction, the uniqueness and versatility of the product and the management of human resources. These issues mainly concern product responsibility, confirming the Group's absolute priority to provide innovative, unique, safe and quality products.


The results of the assessments collected through the questionnaires are represented in the Materiality matrix below, which becomes the key element on which the contents of this document are defined and on which the Group will focus its commitment in the field of sustainability.


Comelz Group Materiality Matrix





2.2 Future commitments in sustainability

As part of the sustainability path undertaken, the Group has identified, on the basis of a panel of initiatives already in place, some sustainability objectives. The following is an update on progress for each objective:

- 
REACHED
by 2021

Supply of **electricity from renewable sources** for the production site at Vigevano di Comelz S.p.A.
- 
IN PROGRESS
Continuous

The extension of **Targa Verde** to an increasing number of machineries produced in Italy.
- 
IN PROGRESS
Continuous

Support of **the GreenApes digital platform**, to spread virtuous behavior in the social and environmental fields.
- 
IN PROGRESS
by 2022

Installation and activation of a **photovoltaic system** with a power of 402 kWp at the production site at Vigevano di Comelz S.p.A.

For more details on the above- mentioned future objectives and initiatives, please refer to the chapters “Social commitment” and “our commitment to reducing the impact on the environment”.



3. The Governance of the Group

3.1 The Governance of the Group

The corporate governance system adopted by Comelz S.p.A. aims to ensure the most balanced collaboration between its components and has the objective of promoting a responsible and transparent management of the company toward the market in order to create shared value for all stakeholders.

Composition of the Board of Directors at 31 st December, 2021	
Corsico Piccolino Alessandro	Chairman of the Board of Directors
Zorzolo Bruno	Councilor
Canè Fabio Cosmo Domenico	Councilor
Cerrina Feroni Marco	Councilor
Camisassi Giovanni	Councilor
Riccardi Paolo	Councilor

As of 31st December 2021 the Board of Directors of Comelz S.p.A. is composed of 6 men, of which one person between 30 and 50 years old and the remaining one over 50 years old.

Gender	To 31 st December 2021			To 31 st December 2020		
	30-50 years	>50 years	Total	30-50 years	>50 years	Total
Men	1	5	6	3	4	7
Total	1	5	6	3	4	7

The Board of Statutory Auditors, as a supervisory body, is responsible for monitoring compliance with the law and corporate rules, as well as for monitoring the adequacy of internal controls and the organizational structure of the company. As of 31st December 2021 the College is composed of 5 men, of which 20% between the ages of 30 and 50 and 80% over the age of 50.

Gender	To 31 st December 2021			To 31 st December 2020		
	30-50 years	>50 years	Total	30-50 years	>50 years	Total
Men	1	4	5	1	4	5
Total	1	4	5	1	4	5

3.2 Ethics and Business Integrity

Comelz operates in a multiplicity of institutional, economic, political, social and cultural contexts that are constantly and rapidly evolving since it produces, and exports made in Italy all over the world. All the activities of the Group are carried out in compliance with the law, in a framework of fair competition on the market by all the entities operating in it, with honesty, personal integrity, professional correctness and good faith, in the effective protection of the environment, health and safety in the workplace, Respecting the legitimate interests of all those who work in the company context and, in any case, all “stakeholders” such as, for example, Public Administration, customers, external collaborators and suppliers.

In July 2020 Comelz S.p.A. therefore considered it appropriate to adopt its first Code of Ethics and Conduct, in accordance with Legislative Decree 231/2001, also in the light of the suggestions included in the Guidelines issued by Confindustria. In order to ensure effective compliance with the rules reflected in the Code of Ethics, the parent has awarded the supervisory body, which is also supported by senior staff managers in the organization chart of the Company, of the control and surveillance tasks.

In parallel with the adoption of the Code of Ethics, the Board of Directors of Comelz S.p.A. has decided to adopt the model of organization, management and control in line with the provisions of Legislative Decree no. 231/2001.

In the identification and assessment of risks, the parent company identified credit risk and liquidity risk as its main risks. Comelz S.p.A. operates with leading players in the footwear sector and for this reason, the risks related to insolvency are a remote event for it. However, in order to mitigate this risk, mitigation activities, such as the establishment of a credit limit procedure, the preliminary solvency analysis and the negotiation of amounts settled in advance, have been implemented in order to cover the construction costs of the machinery.

As far as liquidity risk is concerned, Comelz S.p.A. believes that it has sufficient sources of financing to meet the planned financial needs thanks to the generation of operating cash flows and available financial resources.

The Code is available and freely accessible by all Comelz personnel, and is also posted on the trade union boards (possibly electronic) and on the company intranet. Any updates will be disclosed through the same channels.

Signaling system

In case of news regarding the violation of the requirements of this Code, or the Commission of the offenses referred to in Legislative Decree no. 231/2001, or practices that are not in line with the procedures and rules of conduct adopted by the Group Companies, the recipients are required to make appropriate reports to the SB, at the e-mail address: odv@comelz.com. For all the reports made, Comelz guarantees the confidentiality of the identity of the signer in the management activities of the signaling.

In the last months of 2021, an update of the 231 model was undertaken with the aim of integrating some new cases of crime, in line with the new legislation in this field. In particular, the upgrade process saw as the first stage the general review of the existing procedures, which is expected to be completed during 2022.

The channel of the website guarantees the confidentiality of the signer's identity for all the activities of management of the signaling.

The SB evaluates the reports received with discretion and responsibility. To this end, he may listen to the complainant and/or the person responsible for the alleged infringement, giving written reasons for the decision not to proceed. In any case, the good faith signers will be protected against any form of retaliation or penalty, and they will be guaranteed maximum confidentiality, without prejudice to the legal obligations and the protection requirements of the Company, and of persons accused in error or in bad faith.

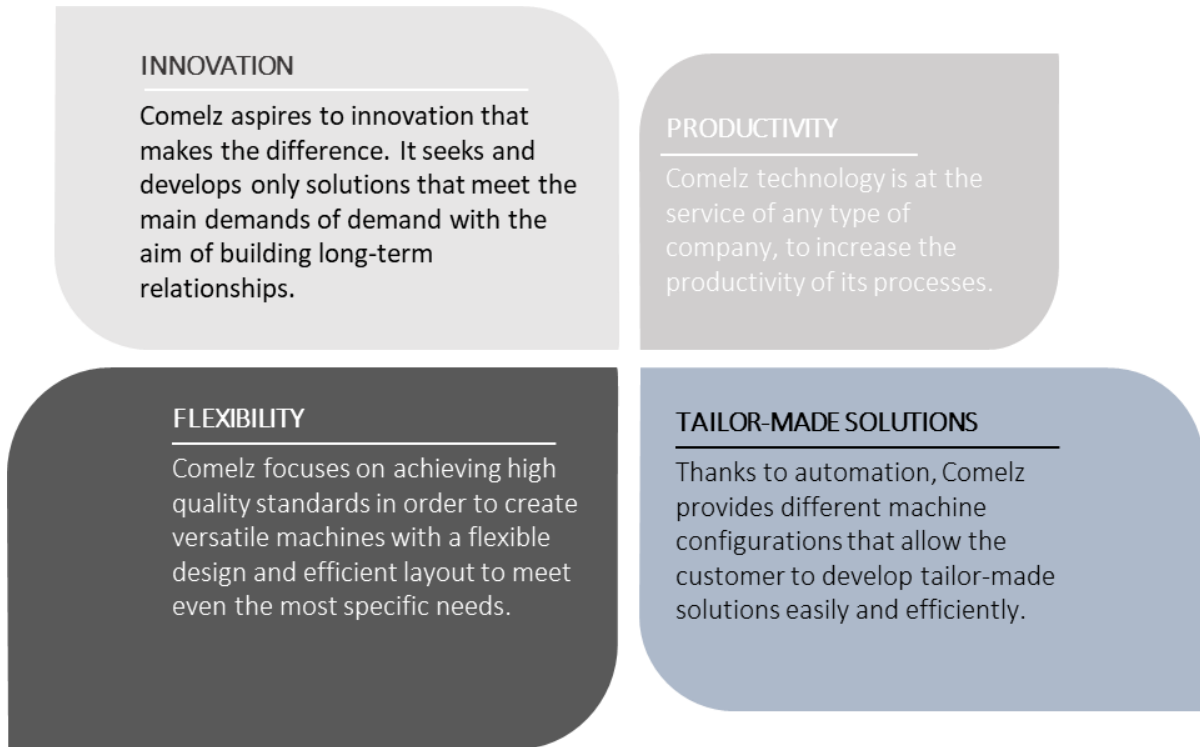
In this connection, direct or indirect acts of retaliation or discrimination against the signaling agent shall be prohibited for reasons directly or indirectly related to the reporting. In any event, any retaliatory or discriminatory measures taken against the reporting agent for reasons directly or indirectly related to the reporting are void.



4. Comelz products

4.1 Innovation and Research and development

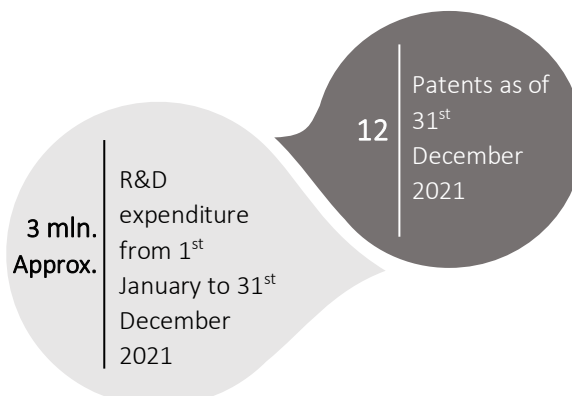
The values of the Comelz product



The innovative spirit of Comelz is reflected in the continuous development of new technological solutions and in the obtainment, since its foundation, of numerous patents.

Comelz is renowned for being one of the first companies to integrate electronics into its production lines and among the first to use CNC machines and computerized production equipment. Comelz is working to digitize cutting processes, combining sophisticated software and advanced technology to achieve an unprecedented level of performance. The Group is committed to the search for innovations that make a difference and research and develops only solutions that meet the demands of the most demanding customers with the aim of establishing long-term relationships.

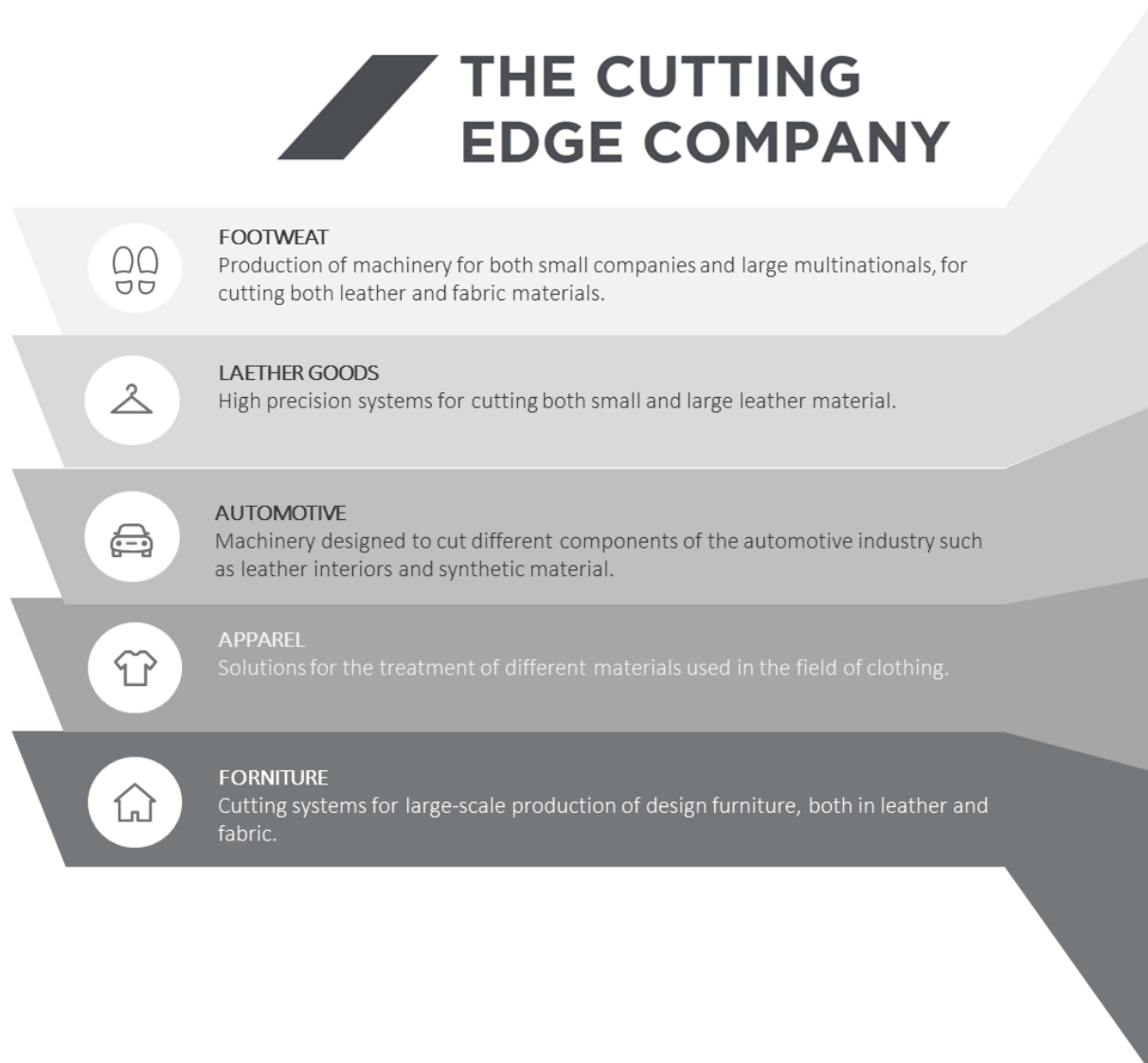
“Young and modern since 1943”



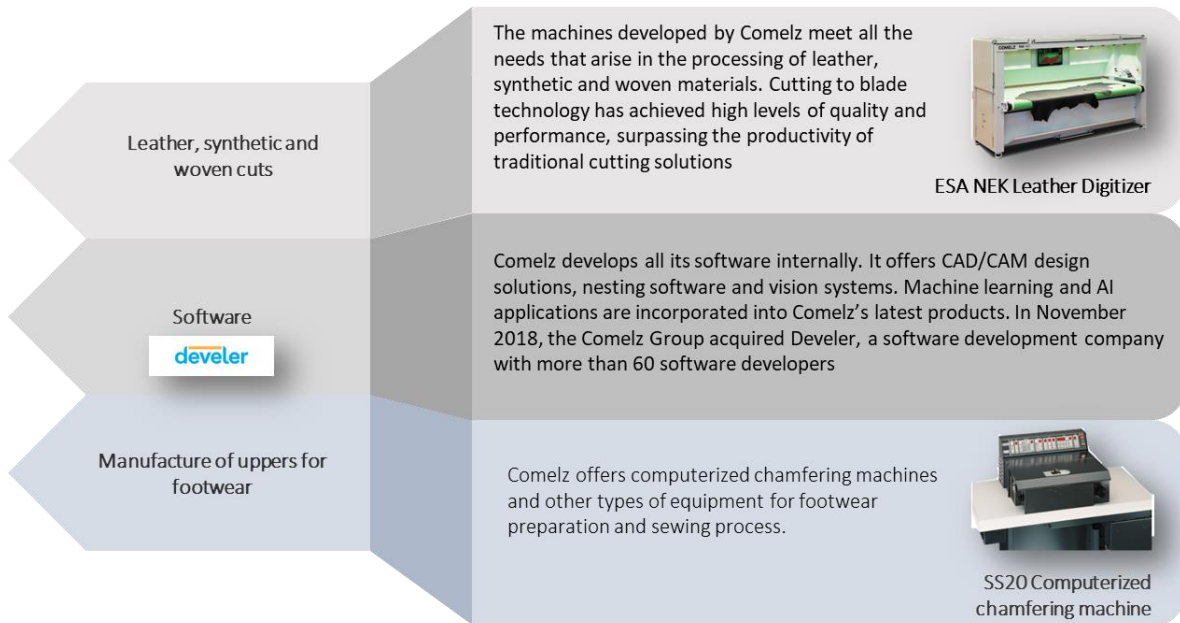
In the course of the exercise, Comelz S.p.A. continued an intense activity of Research and development, which was summarized in the deposition of a new patent - *Textile cutting equipment with refined control*.

Our products

The products offered by the Group are mainly used in the following sectors:



The Comelz range of products is mainly distinguished in three branches: cutting of the skin, synthetic and fabric, software development and the creation of machinery for the preparation of the upper with the most modern and advanced tools for the splicing department.



Built-in technology

Every component of a Comelz product is designed and developed at the root, to integrate best into one compact and efficient system. The R&D activity extends in fact to the complexity of all the technologies that characterize Comelz products, from mechanics, to electronics, to software, and then to produce internally with the most modern resources available in every sector.

Precision structural sheets

Comelz has a sophisticated precision bent sheet technology developed through a close and continuous collaboration with a highly qualified and experienced partner. The use of this module technology simplifies and makes the machine manufacture flexible, increasing its quality and reliability with respect to the use of traditional carpentry and defining the characteristic compact and functional design.

All Comelz products are unique but at the base they share values related to quality and flexibility of use, in order to satisfy all the customer's needs.

4.2 Product certifications

In addition to ensuring high performance of quality and productivity, Comelz products are synonymous with safety and reliability for its customers. It is extremely important to ensure that all machinery meets the highest standards of safety and compliance.



Comelz S.p.A. obtained product certification during 2021 from the TÜV body, in accordance with the Machinery Directive 2006/42/EC for the protection and safety of workers, on the two machines recently launched on the market, namely the CZ Plus and CJ, thus joining the already certified CT/M and CZ/XL. It is also working to certify an additional machine in 2022. Recognized globally, the TÜV SÜD certification mark is awarded upon completion of the relevant verification and

inspection program and remains valid on the condition that an annual production control inspection is carried out. Obtaining the certification demonstrates a company's commitment to safeguarding consumer health and increases product reliability.



5. Commitment to one's own people and the community

5.1 Group resources ²

Comelz strongly believes that the success of its products is closely linked to the talent and commitment of its people who contribute to its success and growth every day. The Group hinders any form of discrimination, which arises, for example, from gender, nationality, sexual orientation, age or political and/or religious opinions, with the aim of enhancing the concept of “diversity” as an opportunity for growth for the organization.

The Comelz Group has **368 employees** as of 31st December, 2021.

Moreover, Comelz believes that the enhancement and investment in human resources are indispensable for the success of the Group, because the ability to innovate and generate high quality and efficient products is the fruit of the passion and dedication of all the people who belong to it.

In compliance with the International Labor Organization Conventions and the current legislation to protect working conditions, the Company undertakes to respect fundamental human rights. In particular, Comelz:

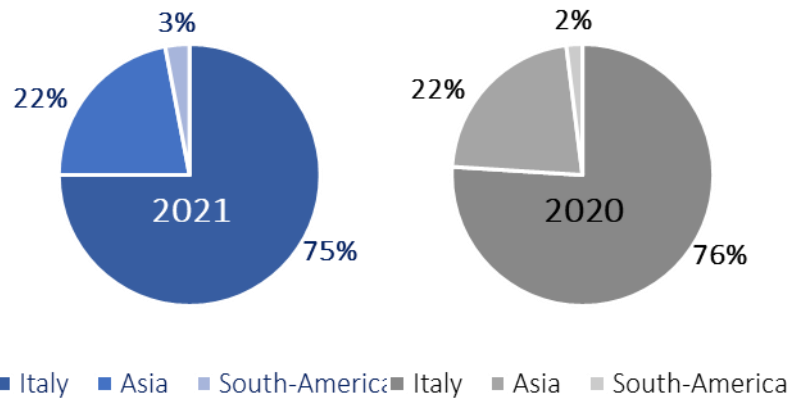
- it inspires its policies of selection, management, remuneration and training of personnel to criteria of professionalism, competence and merit, in line with the relevant legal requirements, with the workers' Statute and the applicable CCLs. Comelz rejects any form of discrimination or favoritism aimed at facilitating the recruitment of a candidate by adopting an evaluation process as objective as possible of the professional and psycho-aptitude profiles of candidates and offering all workers the same opportunities;
- creates a working environment in which the personal characteristics of the individual worker are valued and not penalized;
- it ensures the protection of the privacy of the personnel and requires the respect of the current legislation on privacy by prohibiting the dissemination of news about sensitive data learned by reason of its job function, except with the prior authorization of the person concerned and specific authorizations of the company's top management;
- ensure that no form of harassment is carried out in internal and external employment relations, particularly determined or related to age, sex, sexual orientation and gender identity, marital status, health status, disability, race, ethnicity, nationality, political and trade union affiliations and religious beliefs;
- undertakes to combat the phenomenon of the exploitation of workers' labor, including through the refusal to engage in commercial relations/to enter into contracts with third parties who make use of them;
- it undertakes to ensure that staff are employed in accordance with compensation, contribution, working hours, rest periods, etc. forecasts, as well as other labor and trade union rights which are recognized to workers by laws, regulations in force and national and territorial collective bargaining.

The Group has 368 employees as of 31st December 2021, of which 98% are employees and the remaining 2% of the total workforce is employees and external staff.

² It should be noted that the figure as at 31st December 2020 has not been re-disclosed and does not include 3 employees, 2 of which are from Camoga S.p.A. and 1 from Comelz do Brazil.

Most of the staff are employed in Italy (75% with 276 employees), while the rest is divided into Asia, in particular China, India and Myanmar (22% with 80 employees), Brazil (3% with 12 employees).

Geographical distribution of employees as of 31st December



Of the total number of employees at 31st December 2021, in line with the previous year, almost all of the Group's employees are employed under an indefinite contract (98%) and are employed full-time (96%).

Group employees by contract type and gender

Type of contract	To 31 st December 2021			To 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Permanent	311	50	361	301	51	352
Fixed time	7	-	7	3	-	3
Total	318	50	368	304	51	355

Group employees by type of employment and gender

Type of use	To 31 st December 2021			To 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Full-time	309	45	354	295	41	336
Part-time	9	5	14	9	10	19
Total	318	5	368	304	51	355

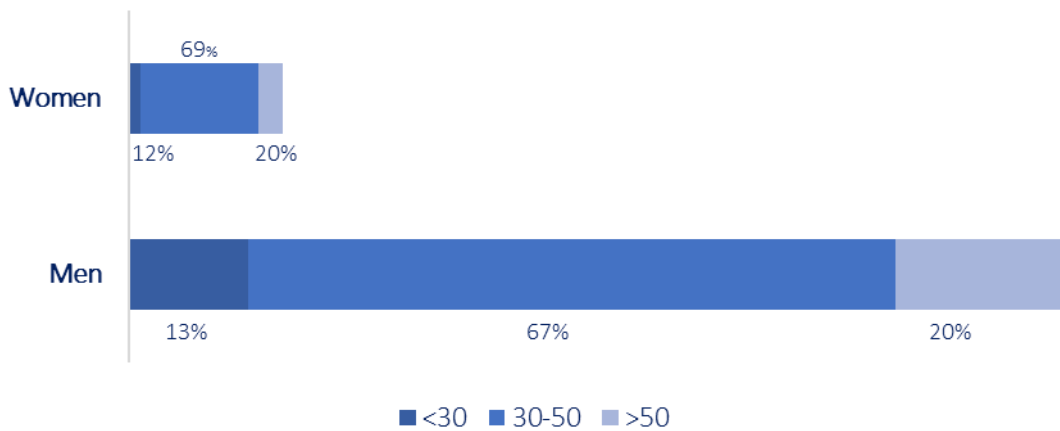
Group employees by region and gender

Geographical area	To 31 st December 2021			To 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Italy	252	24	276	243	26	269
China	52	22	74	50	21	71

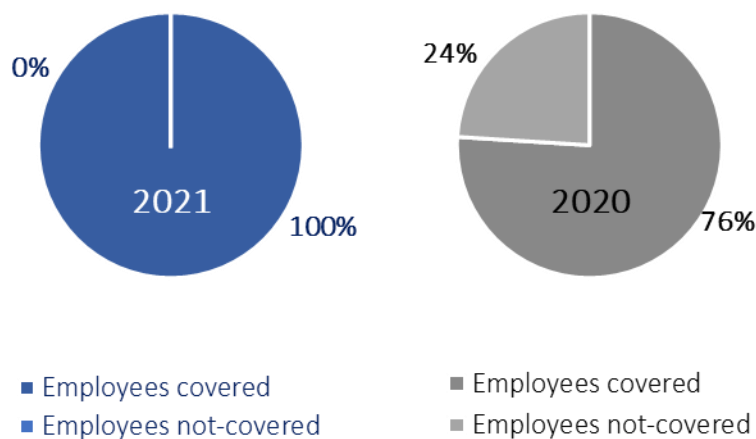
Brazil	9	3	12	6	3	9
India	4	1	5	4	1	5
Myanmar	1	-	1	1	-	1
Total	318	50	368	304	51	355

Men account for 86% of the Group's workforce, reaching a female presence of 14%, mainly in the category of employees. 67% of the Group's staff are in the age group between 30 and 50, followed by 21% of employees over 50 and 12% under 30.

Distribution of employees by age group and gender as at 31st December 2021

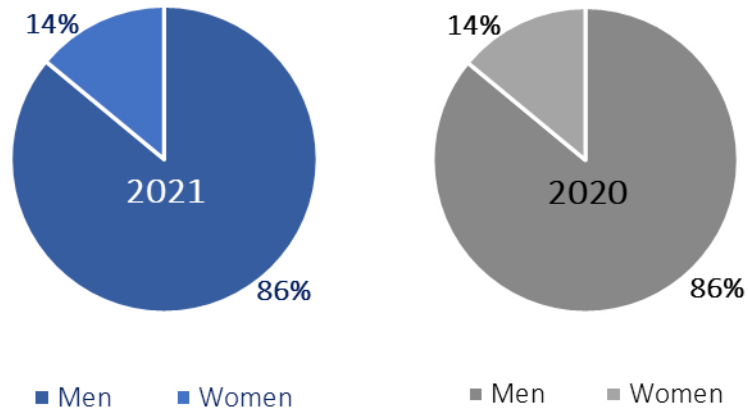


Percentage of employees covered by collective bargaining agreements as of 31^{st3} December

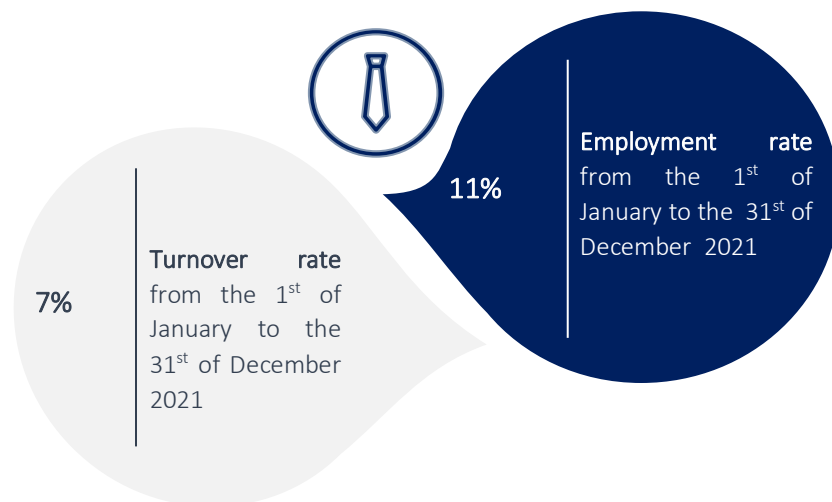


³ As regards the protection of workers' rights, the national rules of the different geographical areas in which the Group operates apply. In particular, there are no collective bargaining agreements in China, but workers are protected by national laws.

Percentage of employees by gender as of 31st December



The employment rate for 2021 was 11%, up from 2020 (6%); in the case of outgoing resources, the turnover rate decreased from 10% in 2020 to 7% in 2021.



The Comelz Group also has an indirect impact in relation to the territory in which it operates. Aware of its social role, with particular reference to economic development and the general well-being of the community, it intends to work with respect for local and national communities, supporting initiatives of cultural and social value. In fact, Comelz S.p.A.'s main office is in Vigevano, one of the oldest industrial districts in Lombardy and famous for the production of footwear and machinery for the companies that make them, for Italy and the international market, whose manufacturing workers make up a large part of the district population. Within this unique reality, the Group seeks to contribute to the growth and development of the local district and to the continuous affirmation of the quality and experience of made in Italy.

To confirm this commitment, the Group has taken 100% of senior management from the local community.⁴

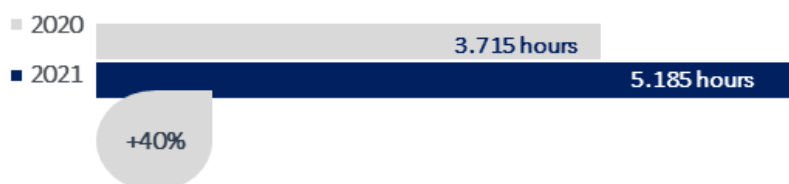
5.2 Training and professional development

Comelz identifies as its main objectives the professional growth and training development of its employees through a planned training plan that includes all possible needs and requests.

In particular, the corporate management of Comelz S.p.A. annually elaborates a training program for the current year with reference to the themes to be developed, the business areas involved and the times of realization. This program is also prepared starting from the training requirements identified and communicated by the function managers to the company management. The Company guarantees the training and development of its personnel, through courses related to training in the field of Health, Safety and Environment and possible further compulsory training.

With the aim of disseminating to all the employees of the Group the knowledge of the health and safety regulations and in order to meet the requirements of compliance with regulations and laws, over 631 hours of compulsory training on health and safety issues were provided in 2021. In detail, the average annual training hours for women are 11 and for men 15. With reference to the training hours provided, there was a decrease of 8% compared to the previous year, mainly due to the health emergency and the fact that extraordinary training was provided in 2020.

Number of training hours provided from 1 January to 31st December



5.3 The well-being of workers

Employees are the real assets of every company, especially in a market where the most qualified resources are scarce and employee motivation and loyalty are essential.

For the first time in company history, Comelz introduced a comprehensive two-part production award. The first is to recognize incentives related to the intensity and flexibility of the individual's company presence. The second is business productivity as a whole.

In fact, Comelz promotes flexible working hours, with the possibility for clerical figures to carry out their activities remotely, giving them increasing work flexibility.

Variable remuneration is today the only real element of company welfare, as the result of a union agreement, with tax concessions for employees and for the company. The partial or total payment of the productivity premium equivalent, such as health care, reimbursement education, accident and

⁴ Local community is defined as Italy for Comelz S.p.A., Camoga Italia S.p.A. and Developer S.r.l.; India for Comelz India Private Limited, Brazil for Comelz do Brasil and China for Camoga Leather Machine Manufacturing Nanjing Ltd.

sickness insurance, social security plans, was proposed to workers; however, the majority opted for the total monetization of the total value of the company premium, fully matching the wishes of employees. In this way the company welfare combines corporate social responsibility with the incentive plans of the workforce, directly associating benefits with *the theme of compensation*.



In Develer, during the health emergency, we thought about benefits that could improve the working and personal life of their employees, and we continue to think about new wellness solutions for people. The main initiatives have been:

- **Bonus for the station:** the develeriani in remote working can take home all the necessary material, including chairs and fixed computers, and have in addition a bonus to buy other things or do small chores in the house to adjust the station;
- **Internet Upgrade Bonus:** Develer supports one-off costs for changing connectivity from home to adapt it to the standards required to work;
- **Flexible working hours:** working hours have always been flexible, and smart working means even more flexibility in managing the day and breaks, but it does not mean having no boundaries between work and private life;
- **Training:** the 80 hours of annual training that each develeriano has available continue to be valid and can also be used for conferences and online webinars.
- **Postural gymnastics:** the Develer Lifestyle Team has decided to propose online classes of postural gymnastics lasting 45 for anyone who wants to use them.
- **Psychological support:** Develer has decided to activate a desk for targeted advice with a professional in the sector;
- **Welcome kit directly at home:** on the first day of work, each develeriano receives a welcome kit consisting of sweatshirt, water bottle, mug and backpack. For all develeriani who start to work with us in this period is scheduled shipment at home!
- **Online video games tournaments:** sociality continues to be important. Periodically have organized meetings on our dedicated game server, so as to spend a few hours together gaming;
- **Coffee break and virtual aperitif:** social moments have been organized to have a chat over a coffee or to toast on Friday evening.

5.4 The health and safety of workers

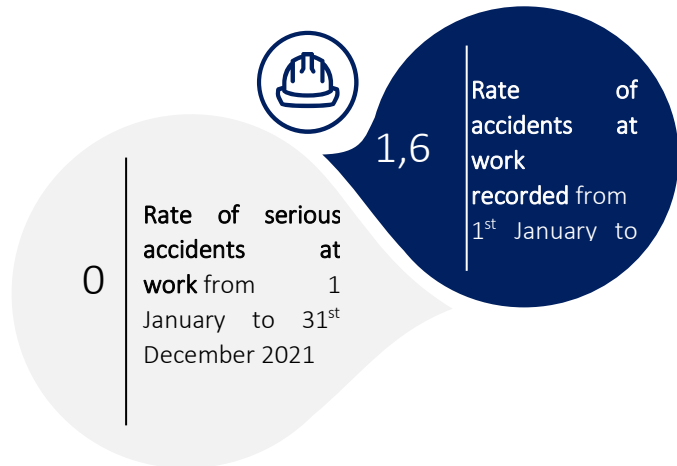
Comelz is committed to spreading and consolidating the culture of health and safety in the workplace, developing awareness of the risks, promoting responsible behavior on the part of all staff and working to preserve, especially with preventive actions, the health and safety of workers. The Group presents a significant awareness of health and safety issues at work, in order to minimize the risks associated with the performance of business activities.

Regarding the health and safety of employees, Comelz S.p.A. conducted a risk assessment according to the requirements of the Single Law on the Health and Safety of employees, Decree 81/2008, text coordinated with Legislative Decree no. 106/2009. The evaluation describes the measures to be taken, the objectives and the timing of the measures to be taken. In order to identify the main hazards in the workplace, the Company avails itself of the collaboration of a third-party company and has appointed

persons predisposed to the management and protection of the carrying out of the work activities and to the fulfillment of the rules regarding the working environment, health and training of workers.

Each year, meetings are held involving all businesspeople in charge of health and safety management and workers' representatives, who have the opportunity to consult periodically with the company's RSPP and consult the risk assessment document. Workers are provided with specific workplace safety training to enable them to carry out their work in the best possible way and to be able to report any dangerous situations through their employees or the workers' manager.

Comelz S.p.A. is also working toward the personnel administered to ensure compliance with the applicable legislation and the awareness of the staff with regard to the health and safety risks related to the working environments in which it operates. The sharing of these values is also extended to external collaborators, where applicable in view of the services covered by the business relationship and linked to Comelz S.p.A. by negotiation relationships, through the adoption of specific contractual clauses.



The Company, in view of its desire to create a healthy and comfortable environment for its employees and visitors, has generally foreseen a ban on smoking in the workplace.

In 2021 there were 4 registered accidents at work, compared with 6 accidents in 2020, one of which had serious consequences at the company's premises. The recorded rate of accidents at work⁵ is 1,6, down from the previous year (2,3).

With particular reference to the spread of Covid-19 (SARS-CoV-2), the Group has adopted control and prevention measures aimed at safeguarding the health of its employees, contractors, suppliers and customers.

All clerical staff have been equipped with the tools and facilities to perform their duties remotely (so-called smart working).

In addition, an agreement has been entered into with a medical testing center, so as to expedite the swabbing of personnel with symptoms, or who have in any way come into contact with people who are positive or at risk of being positive for COVID-19, as well as to carry out periodic antigenic screenings for all personnel.

⁵ The accident rate was calculated as the ratio between the total number of injuries and the total hours worked, using a multiplication factor of 200.000.

5.5 Social commitment



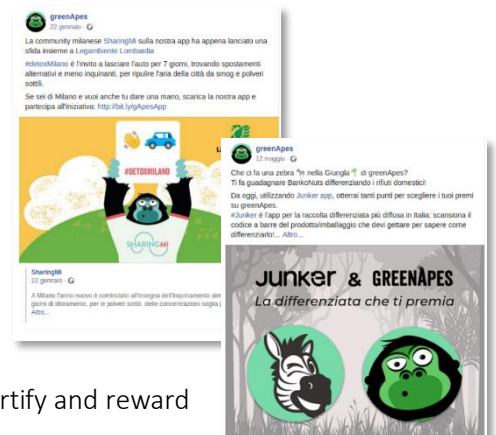
GreenApes S.r.l.⁶ is a company founded in 2012 by a team of experts in the field of sustainability and by **Developer**, a Tuscan it services company. In his journey as an innovative and certified start-up, he has won numerous awards, including the Sustainable Development Award 2014, with the President of the Republic's medal. During 2016, greenApes S.r.l. became a B-Corp Certified company, renewing its certification in 2018. Also in 2016, the Company's Statute was modified to make the company a benefit Company.⁷

The GreenApes project is dedicated to promoting an ethical lifestyle through sharing experiences and certifying sustainable actions within a digital platform, with award-winning and gamified elements.

The company has more than 16.200 "followers" on social channels; more than 200 business partners that have offered prizes on the platform; more than 15 international institutional partners that work with GreenApes in various ways on numerous projects. The digital platform also has some integration features to connect greenApes with numerous third-party applications and services to certify and reward citizens' actions.

The objectives of GreenApes are:⁸

- the promotion of behavior with low environmental impact through its own applications and communication channels;
- the promotion of actions with a positive social impact;



⁶ <https://www.greenapes.com/en/>

⁷ B-Corp certification includes a two-year renewal including external audit.

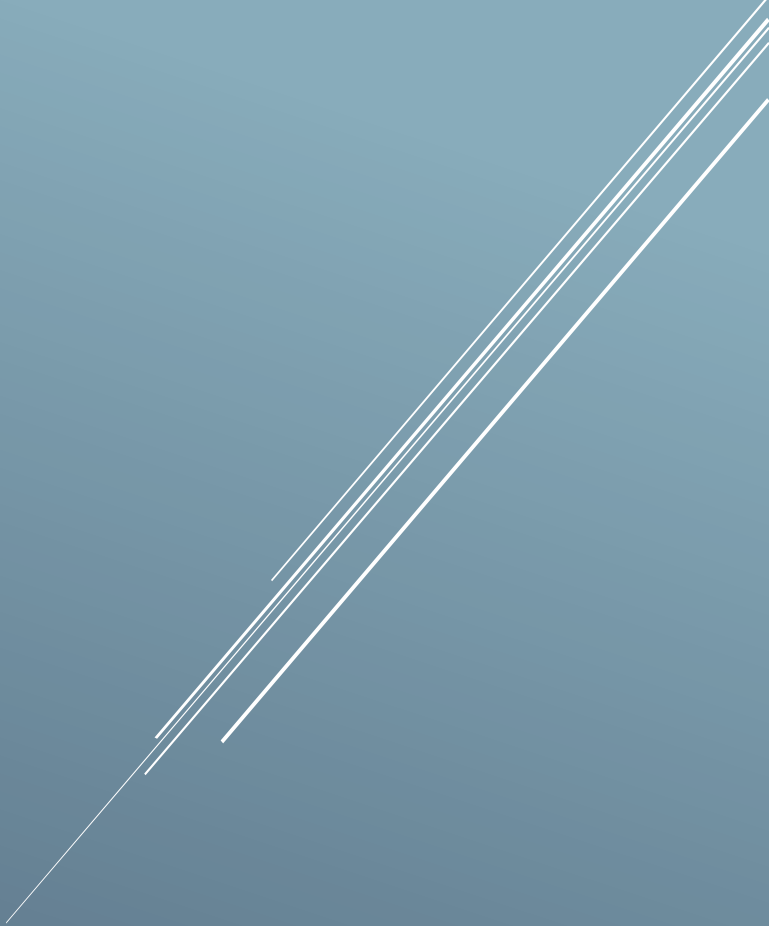
⁸ Source: 2020 Greenapes impact Report.

- the exclusive promotion of products and services related to ethical and eco-sustainable consumption;
- promoting eco-sustainable behavior in the workplace for employees of their client companies;
- promoting a healthier lifestyle.



The future commitment of Comelz S.p.A.

Diffusion of **virtuous behavior** in the social and environmental fields through the maintenance of the support of the digital platform



6. Our commitment to reducing the environmental impact

6.1 Energy consumption and emissions⁹

Comelz considers it a duty to reduce its environmental impact, through active participation in resource conservation, adherence to local energy standards and compliance with applicable environmental regulations. In line with the commitments made, the Group has expanded its energy production through renewable sources, thanks to the installation of two photovoltaic plants, located in the headquarters of Comelz S.p.A. and Developer s.r.l.

In particular, Comelz S.p.A. formalizes its commitment to respect for the environment within the Code of Ethics, in which it also addresses all its employees asking to:

- contribute to the fulfillment of the environmental protection obligations;
- always assess the effects of its conduct in relation to potential damage to the environment;
- do not use reckless behavior that could damage the environment.

Comelz S.p.A. designs CAD systems, cutting machines and upper preparation machines.

Comelz S.p.A.'s commitment to sustainability

Comelz S.p.A. has focused on a photovoltaic system whose power reaches about 402 kWp, which will be in operation from the year 2022.

On the basis of the commitments described above, in 2021 the Group consumed a total of 10.709 GJ of energy,¹⁰ the main share of which is electricity, equal to 65% of the total energy requirement. Despite consumption increased compared to 2020 (+12%), it is stressed that part of these are from renewable sources since, starting from 2021, Comelz S.p.A. has signed a supply contract at the Vigeveno site for the supply of electricity from a renewable source of 100%. This decision indicates a strong commitment of Comelz S.p.A. to make its production activity more and more sustainable, being, among all the sites, the one with a higher consumption of electricity (46% of the total energy consumed), mainly used for the feeding of the machines.

Moreover, the high electricity consumption characteristic of the software development companies has led Developer to invest in the installation of a photovoltaic system with a power of 40 kWp, which has met 27% of its energy requirements from 1 January to 31 December 2021, in line with the previous year.¹¹

⁹ Figures 2020 and 2021 do not include Comelz Myanmar and Comelz India Private Limited.

¹⁰ The following conversion factors were used to calculate energy consumption in GJ:

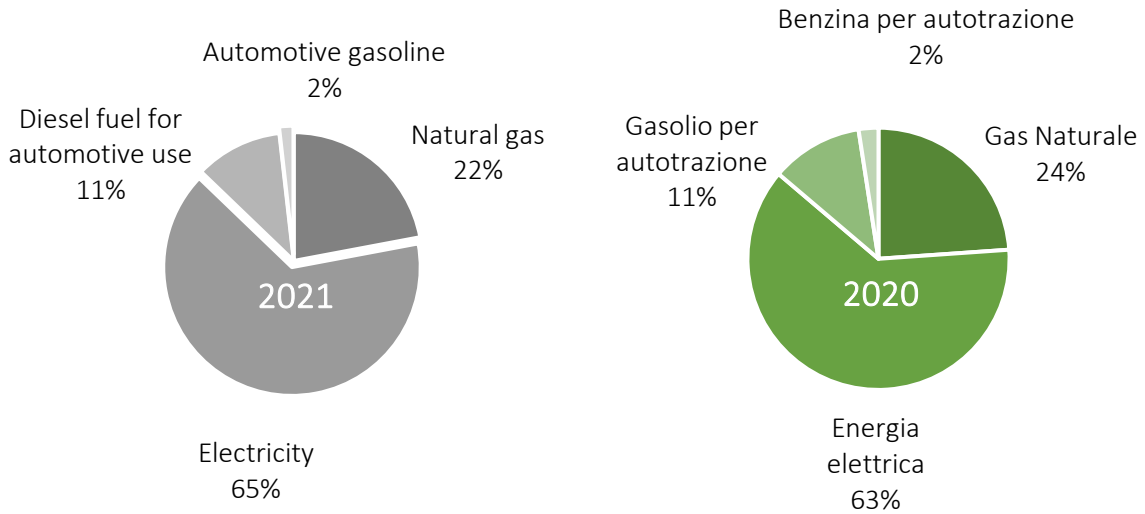
Natural gas: For 2021 it is 49,89 GJ/ton (source: DEFRA 2021); for 2020 it is 49,6 GJ/ton (Source: DEFRA 2020);

Diesel fuel: For 2021 it is 45,31 GJ/ton (source: DEFRA 2021); for 2020 it is 45,29 GJ/ton (Source: DEFRA 2020);

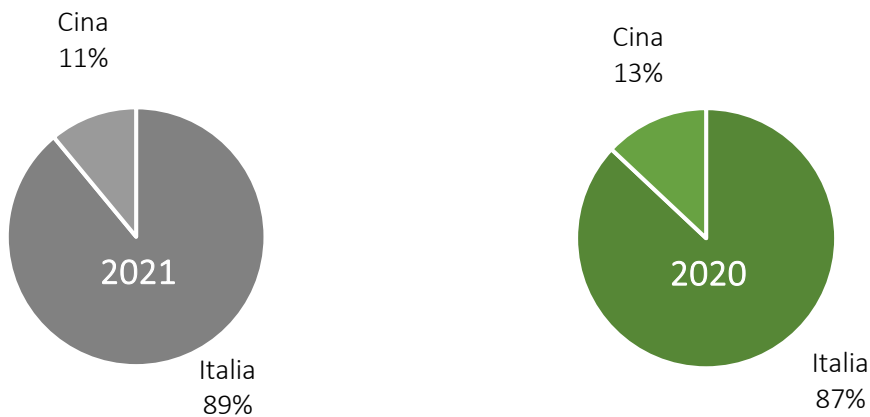
Petrol: For 2021 it is 46,176 GJ/ton (source DEFRA 2021); for 2020 it is 46,21 GJ/ton (source: DEFRA 2020).

¹¹ It should be noted that, following an improvement in the data collection process, the figure relating to the year 2020 of the production of electricity through a photovoltaic system of Developer S.p.A. has been redisclosed.

Energy consumed within the organization from 1st January to 31st December (GJ)



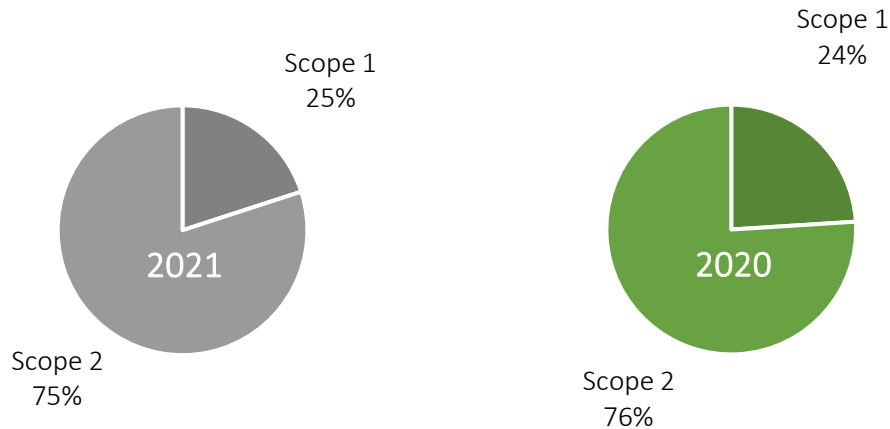
Percentage of energy consumed by geographical area from 1 January to 31 December (GJ)



In 2021, the Group emitted a total of 930 tons of tCO₂, of which 234 tons are direct emissions in tCO₂eq, while 696 tons of tCO₂ are indirect target 2 emissions (calculated using the location-based method) due to the purchase of electricity. In view of the purchase of electricity from renewable sources, objective 2 emissions, calculated using the market-based method, are equal to 355 tCO₂. Objective 1 emissions account for 25% of total emissions and are mainly caused by the consumption of petrol and diesel fuel in the car fleet of Comelz S.p.A., Camoga S.p.A. and Camoga

Machinery Manufacturing Nanjing Ltd. Compared to 2020, emissions increased by 9%, mainly due to the recovery in electricity supply after the health emergency.

Objective 1 and 2 emissions from 1st January to 31st December (tCO₂) ¹²



¹² The GRI Sustainability Reporting Standards provide two methodologies for calculating scope 2 emissions, the “Location-based method” and the “Market-based method”. The Market-based is based on the CO₂ emissions emitted by the energy suppliers from which the organization buys electricity through a contract and can be calculated by considering: Certificates of guarantee of origin of energy and direct contracts with suppliers, supplier specific emission factors, emission factors related to the “residual mix”, i.e. energy and emissions not monitored or not claimed (methodology used, with Italy 2021 emission factor: 459 gCO₂/kWh - source: AIB - European residual mixes 2020, with China emission factor: 609 gCO₂/kWh – source: Terna 2018). The Location-based method is based on average emission factors related to the generation of energy for well-defined geographical boundaries, including local, subnational or national boundaries (methodology used, with Italian emission factor 2021: 315 gCO₂/kWh - Source: TERNA 2019, with China emission factor: 609 kgCO₂/kWh).


The emission factors used for the calculation of scope 1 are:

Natural gas: For 2021 it is equal to 2,021 kgCO₂eq/m³ (Source: DEFRA 2021); for 2020 it is equal to 2,02266 kgCO₂eq/m³ (Source: DEFRA 2020);

- Diesel fuel: For 2021 it is equal to 2,512 kgCO₂eq/m³ (Source: DEFRA 2021); for 2020 it is equal to 2,75776 kgCO₂eq/m³ (Source: DEFRA 2020);

Petrol: For 2021 it is equal to 2,194 kgCO₂eq/m³ (Source: DEFRA 2021); for 2020 it is equal to 2,16802 kgCO₂eq/m³ (Source: DEFRA 2020);

Scope 2 emissions are expressed in tons of CO₂, however the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂ equivalents) as can be deduced from the technical reference literature.

Develer is a company that manufactures software and hardware to create innovative products and improve industrial processes. L'impegno per la sostenibilità di Develer 

As well as being functional and modern, the new Develer headquarters was created with a view to its **eco-sustainability**. In fact, a company that deals with software development can not do without electricity and Develer has focused on a **photovoltaic system** of the latest generation. The roofs of the office have almost 50% of their area occupied by two plants of 40 kWh of total peak power and allows the company to meet a part of its energy needs by self-producing electricity without any kind of pollution. In addition to the supply of electricity from renewable sources, Develer carries on and seeks to spread and raise awareness of the environment through many other initiatives, such as air recirculation in offices, the domotic control for energy efficiency, the encouragement to the use of the bike, the installation of water distributors.



6.2 Conscious waste management ¹³

The Group is committed to the correct management and disposal of waste, as provided for by the regulations in force in the environmental field, aware that the proper conduct of these activities has a considerable impact in relation to public health. In 2021, Comelz produced around 199 tons of waste, up 58 % from 2020. As far as the parent company's production site is concerned, the main waste generated is cardboard and wood packaging, ferrous material and machine tool oil, which is then stored or recycled.



¹³ Figures 2020 and 2021 do not include Comelz Myanmar and Comelz India Private Limited.



6.3 Sale of products with reduced environmental impact: The Targa Verde

Comelz always seeks improvement and innovation in its products, in search of attention to detail, with the aim at the same time of minimizing the environmental impact of its activity.

The sector of instrumental mechanics in Italy plays an important role in the economy of the country and this is why ASSOMAC promotes technological solutions with the aim of bringing to attention, during the various activities of the company, the reduction of the consumption of resources, for a manufacturing process that is efficient and reliable but also sustainable.

The project "Supplier of Sustainable Technologies" to which Comelz S.p.A. has joined, has as its main objective the development of the **Green Label Tool**, an instrument that allows to generate the Green Plate through the LCA methodology and provides for the implementation of an Associative Labelling System certified by a Third Party.

The **Life Cycle Assessment** (LCA) is a process by which the energy and environmental impacts of a product, process or activity are assessed, through the identification of energy and used materials and waste released into the environment.

GREEN LABEL OF		COMELZ	
PRODUCT DESCRIPTION			
Commercial name: C220			
Product type: Cutting machine			
WORK CYCLE			
Short process description: Cutting parts of woman shoe upper			
Processed material: Ovine leather		CARBON FOOTPRINT	
ENERGY/ENVIRONMENTAL PERFORMANCES		0.04831 kg of CO ₂ eq./Upper pair	
Installed power: 344 kW			
Electrical energy consumption: 0.09 kWh/Upper pair		The Carbon Footprint value refers to the total use of the material, from the extraction of the raw material to the production of the finished product.	
Thermal energy consumption: N.A.		CARBON FOOTPRINT	
Compressed air consumption: 0.3 Nm ³ /Upper pair		N.A. kg of CO ₂ eq./Upper pair	
BOUNDARY CONDITIONS		Production Green Label	
Location country: Europe			
Up-to-date data collection (Year): 2018			



The recognition of the **Targa Verde** by obtaining the certification issued by Rina, associated with certain machinery, is a voluntary initiative, whose objective is to express the impact of production processes through the internationally recognized benchmark **Carbon Footprint**. Carbon Footprint is a measure that expresses in CO₂ equivalent the total greenhouse gas emissions associated directly or indirectly with a product, organization or service. As established by the Kyoto Protocol, the greenhouse gases to be considered are: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (Hfcs), sulphur hexafluoride (SF₆) and perfluorocarbons (Pfc). The measurement of the Carbon Footprint of a product or process requires in particular the identification and quantification of the consumption of raw materials and energy in the selected phases of the life cycle of the same. According to the principles of the LCA methodology, the Carbon Footprint obtained will be the total value of the Global Warming Potential - Global Warming Potential - of all materials and energy sources inventoried in the selected life stages. The purpose of the project is to use the calculation of the Carbon Footprint as a parameter of the eco-efficiency of the machinery of the **ASSOMAC** Associates .

The future commitment of Comelz S.p.A.

- By **2022**, the extension of the Targa Verde to an increasing number of machinery produced in Italy and in particular, to present at Simac Tanning Tech, at least one machine certified for Italy;
- By **2022**, the installation and activation of a photovoltaic system with a power of 402 kWp.



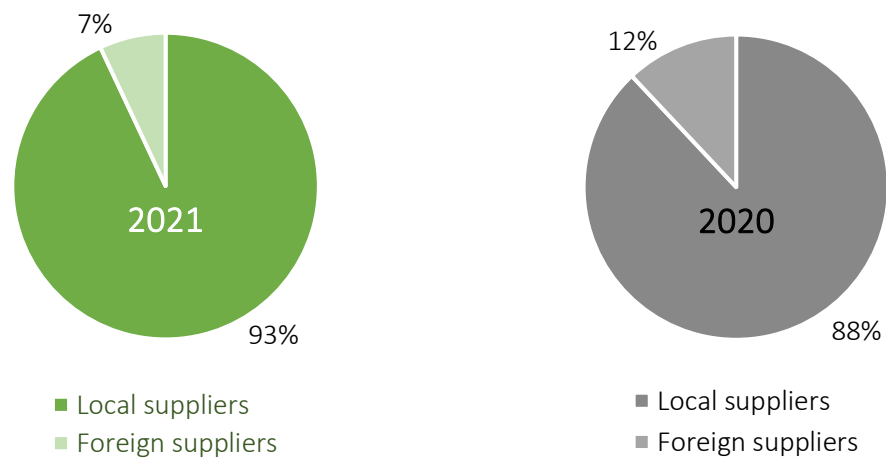
7. The value chain

7.1 The spirit made in Comelz

Since its foundation, the spirit made in Comelz has been a unique combination of skill and experience. It embodies the awareness of the excellence of made in Italy, supported by international experience; it is through this spirit that Comelz faces the challenges of the future.

Comelz S.p.A.'s products aim to promote innovation and the great Italian manufacturing quality within the Meccano-shoe district in the Vigevano area, favoring the supply of resources coming from the Italian market and, in particular, from the local territory in which the Group operates, ensuring high standards of quality and product safety. The total expenditure to local suppliers in the reporting period is reported below in terms of percentage volume. The purchase is identified as local in the country in which the Group company is located (Italy, China and Brazil).

Spend by local suppliers from 1st January to 31st14 December



¹⁴ The data refer to the following companies: Comelz S.p.A., Developer S.r.l., Camoga S.p.A., Camoga Leather Machine Manufacturing Nanjing Ltd, Comelz do Brazil. Local suppliers are the suppliers with registered office in Italy for Comelz S.p.A., Developer S.r.l., Camoga S.p.A., in China for Camoga Leather Machine Manufacturing Nanjing Ltd and in Brazil for Comelz do Brazil.



Appendix

Performance indicators

Our people ¹⁵

GRI STANDARDS NOTICE 102-8

Total number of employees by contract type and gender

Type of contract	To 31 st December 2021			To 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Permanent	311	50	361	301	51	352
Fixed time	7	-	7	3	-	3
Total	318	50	368	304	51	355

Number of employees by contract type, geographical area and gender

Type of contract and geographical area	To 31 st December 2021			To 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Italy						
Permanent	245	24	269	240	26	266
Fixed time	7	-	7	3	-	3
Total Italy	252	24	276	243	26	269
Asia						
Permanent	57	23	80	55	22	77
Fixed time	-	-	-	-	-	-
Total Asia	57	23	80	55	22	77
South America						
Permanent	9	3	12	6	3	9
Fixed time	-	-	-	-	-	-
Total South America	9	3	12	6	3	9
Total						
Permanent	311	50	361	301	51	352
Fixed time	7	-	7	3	-	3
Total Group	318	50	368	304	51	355

Number of employees by type of employment and gender.

Type of use	To 31 st December 2021			To 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Full-time	309	45	354	295	41	336
Part-time	9	5	14	9	10	19
Total	318	50	368	304	51	355

¹⁵ It should be noted that the figure as at 31st December 2020 has not been re-disclosed and does not include 3 employees, 2 of which are from Camoga S.p.A. and 1 from Comelz do Brazil.

Number of external collaborators by geographical area and gender

External workers	To 31 st December 2021			To 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Italy						
Workers administered	3	-	3	1	-	1
Self-employed	1	-	1	1	-	1
Total	4	-	4	2	-	2
Asia						
Workers administered	-	1	1	-	1	1
Self-employed	-	-	-	-	-	-
Total	-	1	1	-	1	1
South America						
Workers administered	-	-	-	-	-	-
Self-employed	4	1	5	3	1	4
Total	4	1	5	3	1	4
Total						
Workers administered	3	1	4	1	1	2
Self-employed	5	1	6	4	1	5
Total groups	8	2	10	5	2	7

GRI STANDARDS NOTICE 102-41

Percentage of employees covered by collective bargaining.

Percentage	To 31 st December 2021	To 31 st December 2020
Employees covered by collective bargaining	100%	76%

GRI STANDARDS NOTICE 401-1

Total number and recruitment rate by age group, gender and geographical area

Framing	From 1 st January to 31 st December 2021			From 1 st January to 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Italy	10%	8%	9%	5%	12%	5%
<30 years	12	1	38%	4	1	15%
30-50 years	7	-	4%	5	2	4%
>50 years	5	1	8%	2	-	3%
Asia	7%	26%	13%	11%	9%	10%
<30 years	1	3	80%	2	-	22%
30-50 years	3	3	8%	4	2	9%
>50 years	-	-	-	-	-	-
South America	33%	0%	25%	-	33%	11%
<30 years	1	-	25%	-	1	50%
30-50 years	2	-	25%	-	-	-
>50 years	-	-	-	-	-	-

Total Group	10%	16%	11%	6%	12%	6%
<30 years	14	4	42%	6	2	18%
30-50 years	12	3	6%	9	4	5%
>50 years	5	1	8%	2	-	3%

Total number and outgoing turnover rate by age group, gender and geographical area

Framing	From 1 st January to 31 st December 2021			From 1 st January to 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Italy	6%	13%	6%	9%	4%	9%
<30 years	4	1	15%	5	1	18%
30-50 years	5	-	3%	7	-	4%
>50 years	5	2	9%	11	-	15%
Asia	4%	22%	9%	15%	9%	13%
<30 years	-	3	60%	2	-	22%
30-50 years	2	2	5%	6	2	12%
>50 years	-	-	-	-	-	-
South America	11%	-	8%	17%	0%	11%
<30 years	1	-	25%	-	-	-
30-50 years	-	-	-	1	-	14%
>50 years	-	-	-	-	-	-
Total Group	5%	16%	7%	11%	6%	10%
<30 years	5	4	21%	7	1	18%
30-50 years	7	2	4%	14	2	7%
>50 years	5	2	9%	11	-	15%

GRI STANDARDS NOTICE 403-9¹⁶¹⁷

Health and safety indicators – employees

Accident indices (employees)	From 1 st January to 31 st December 2021	From 1 st January to 31 st December 2020
Total number of hours worked	505.498	527.637
Number of deaths resulting from accidents at work	-	-

¹⁶ The calculation of injury indices was based on 200.000 hours worked, according to the following formulae:

- Rate of death from accidents at work: Number of deaths from accidents at work/number of hours worked*200.000
- Rate of accidents at work with serious consequences (excluding deaths): (Number of accidents at work with serious consequences (excluding deaths) / number of hours worked *200.000
- Rate of accidents at work recorded: Number of accidents at work recorded / number of hours worked *200.000;

¹⁷ Recordable injuries: All accidents (whether or not leading to death), days out of work, job limitations or transfer to another job, medical care beyond first aid or unconsciousness, major injury or diagnostic illness by a physician or other authorized health care provider, even if it does not cause death, days out of work, job limitation or transfer to another job, medical care beyond first aid or a state of unconsciousness. Recordable accidents with serious consequences: Accidents leading to damage from which the worker (employee) cannot recover, resume or it is unrealistic to expect that it will recover completely back to the state of health before the accident within 6 months (excluding deaths).

Number of accidents at work with serious consequences (excluding deaths)	-	-
Number of accidents at work that can be recorded	4	6
Rate of death resulting from accidents at work	-	-
Rate of accidents at work with serious consequences (excluding deaths)	-	-
Rate of accidents at work adjustable	1,6	2,3

It is noted that in 2021, in line with the previous year, no recorded accidents and deaths occurred among outside workers, compared to a total of hours worked of 22.290 in 2021 and 10.871 in 2020. The increasing trend in hours worked was due to the smooth running of the plants in 2021: In 2020, the hours worked had been significantly reduced as a result of the lockdown period (Covid-19 case) and the use of the Integration Fund.

It should be noted that no recourse was made to the Integration Fund during 2021.

GRI STANDARDS NOTICE 404-1

Average hours of training per capita per gender and vocational training.

Framing	Hours per capita					
	From 1 st January to 31 st December 2021			From 1 st January to 31 st December 2020		
	Men	Women	Total	Men	Women	Total
Managers	-	-	-	-	-	-
Pictures	6	1	4	8	20	16
Employees	47	15	36	42	9	33
Workers	11	12	11	11	12	11
Total	25	14	23	27	10	23

GRI STANDARDS NOTICE 405-1

Percentage of employees by job profile, gender and age group.

Framing	To 31 st December 2021			To December 31 st 2020		
	Men	Women	Total	Men	Women	Total
Managers	83%	17%	2%	86%	14%	2%
<30 years	-	-	-	-	-	-
30-50 years	50%	50%	33%	67%	33%	43%
>50 years	100%	-	67%	100%	-	57%
Pictures	83%	17%	3%	79%	21%	4%

<30 years	-	-	-	-	-	-
30-50 years	60%	40%	42%	60%	40%	36%
>50 years	100%	-	58%	89%	11%	64%
Employees	70%	30%	40%	69%	31%	39%
<30 years	83%	17%	16%	71%	29%	15%
30-50 years	67%	33%	67%	70%	30%	70%
>50 years	71%	29%	16%	62%	38%	15%
Workers	98%	2%	55%	98%	2%	55%
<30 years	100%	-98%	9%	100%	-	12%
30-50 years	98%	2%	70%	98%	2%	68%
>50 years	98%	2%	21%	97%	3%	19%
Total	86%	14%	100%	86%	14%	100%
<30 years	91%	9%	12%	87%	13%	13%
30-50 years	85%	15%	67%	85%	15%	67%
>50 years	90%	10%	21%	86%	14%	20%

Percentage of employees belonging to the protected categories, broken down by job placement and gender.

Framing	To 31 st December 2021			To December 31 st 2020		
	Men	Women	Total	Men	Women	Total
Managers	-	-	-	-	-	-
Pictures	-	-	-	-	-	-
Employees	1%	4%	1%	1%	11%	2%
Workers	3%	-	2%	5%	-	5%
Total	4%	4%	4%	3%	6%	3%

Our commitment to reducing the impact on the environment

GRI STANDARDS NOTICE 302-1¹⁸

Energy consumption within the organization (GJ) ¹⁹	From 1 st January to 31 st December 2021	From 1 st January to 31 st December 2020
Natural gas	2.323	2.219
Diesel fuel for automotive use	1.205	1.074
Automotive gasoline	175	231
Electricity	7.007	6.057
<i>of which renewable (self-produced)</i>	162	176
<i>of which renewable (self-produced and sold on the net)</i>	35	25
<i>of which renewable (purchased)</i>	4.446	176
Total	10.709	9.581

¹⁸ Figures 2020 and 2021 do not include Comelz Myanmar and Comelz India Private Limited.

¹⁹ The following conversion factors were used to calculate energy consumption in GJ:

Natural gas: For 2021 it is 49,89 GJ/ton (source: DEFRA 2021); for 2020 it is 49,6 GJ/ton (Source: DEFRA 2020);

Diesel fuel: For 2021 it is 45,29 GJ/ton (source: DEFRA 2021); for 2020 it is 45,29 GJ/ton (Source: DEFRA 2020);

Petrol: For 2021 it is 46,176 GJ/ton (source DEFRA 2021); for 2020 it is 46,21 GJ/ton (source: DEFRA 2020).

It should also be noted that, following an improvement in the data collection process, the data relating to the production of electrical energy by means of photovoltaic plants has been re-exposed.

Moreover, the organization's internal energy consumption does not include electricity produced and sold on the grid.

INFORMATION GRI STANDARDS 305-1 AND 305-2 ²⁰

Direct and indirect GHG emissions (TonCO ₂) ²¹	From 1 January to 31 December 2021	From 1 January to 31 December 2020
Scope 1	234	205
Scope 2 - Location based	696	649
Scope 2 - Market based	355	816
Total scope 1 and scope 2 (Location based)	930	854
Total scope 1 and scope 2 (Market based)	589	1.022

GRI STANDARDS NOTICE 306-3, 306-4 AND 306-5²²

Waste Products – production sites (ton) ²³	From 1 st January to 31 st December 2021	From 1 st January to 31 st December 2020
Waste intended for disposal	-	-
<i>of which hazardous waste</i>	-	-
<i>of which non-hazardous waste</i>	-	-
Waste not intended for disposal	199	126
<i>of which hazardous waste</i>	<i>21</i>	<i>16</i>
<i>of which non-hazardous waste</i>	<i>178</i>	<i>110</i>

²⁰ Figures 2020 and 2021 do not include Comelz Myanmar and Comelz India Private Limited.

²¹ The GRI Sustainability Reporting Standards provide two methodologies for calculating scope 2 emissions, the “Location-based method” and the “Market-based method”. The Market-based is based on the CO₂ emissions emitted by the energy suppliers from which the organization buys electricity through a contract and can be calculated by considering: Certificates of guarantee of origin of energy and direct contracts with suppliers, supplier specific emission factors, emission factors related to the “residual mix”, i.e. energy and emissions not monitored or not claimed (methodology used, with Italy 2021 emission factor: 459 gCO₂/kWh - source: AIB - European residual mixes 2020, with China emission factor: 609 gCO₂/kWh – source: Terna 2018). The Location-based method is based on average emission factors related to the generation of energy for well defined geographical boundaries, including local, subnational or national boundaries (methodology used, with Italy 2021 emission factor: 315 gCO₂/kWh - Source: Terna 2019, with China emission factor: 609 gCO₂/kWh).

The emission factors used for the calculation of scope 1 are:

Natural gas: For 2021 it is equal to 2,021 kgCO₂eq/m³ (Source: DEFRA 2021); for 2020 it is equal to 2,02266 kgCO₂eq/m³ (Source: DEFRA 2020);

- Diesel fuel: For 2021 it is equal to 2,512 kgCO₂eq/m³ (Source: DEFRA 2021); for 2020 it is equal to 2,75776 kgCO₂eq/m³ (Source: DEFRA 2020);

Petrol: For 2021 it is equal to 2,194 kgCO₂eq/m³ (Source: DEFRA 2021); for 2020 it is equal to 2,16802 kgCO₂eq/m³ (Source: DEFRA 2020);

Scope 2 emissions are expressed in tons of CO₂, however the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂ equivalents) as can be deduced from the technical reference literature.

²² It should be noted that data 2020 and 2021 do not include the companies Developer S.r.l., Comelz Myanmar and Comelz India Private Limited.

²³ It should be noted that from this year onwards, the reporting of waste data has been carried out using the new GRI 306 standard, published by the Global Reporting Initiative (GRI) in 2020 to replace the version published in 2016. For this reason, the 2020 figures were set out in relation to the requirements of the new indicator.

Waste not intended for disposal	From 1 st January to 31 st December 2021			From 1 st January to 31 st December 2020		
	On-site	At an external site	Total	On-site	At an external site	Total
Hazardous waste	-	21	21	-	16	16
<i>Reuse</i>	-	-	-	-	-	-
<i>Recycling</i>	-	21	21	-	16	16
<i>Other recovery operations</i>	-	-	-	-	-	-
Non-hazardous waste	15	163	178	12	98	110
<i>Reuse</i>	-	-	-	-	-	-
<i>Recycling</i>	-	163	163	-	98	98
<i>Other recovery operations</i>	15	-	15	12	-	-
Total	15	184	199	12	112	126

Reconciliation table with GRI standards

Material themes	Standard GRI	Impact boundary	Type of impact
Creating value	-	Comelz Group	Caused by the Group
Compliance and business Integrity	ANTICORRUPTION (205) ANTI-COMPETITIVE BEHAVIOR (206) SOCIO-ECONOMIC COMPLIANCE (419)	Comelz Group	Caused by the Group
Collaboration and partnership	-	Comelz Group and Partners	Caused by the Group and directly connected through a business relationship
Management of energy consumption and emissions	ENERGY (302) EMISSIONS (305)	Comelz Group and electricity suppliers	Caused by the Group and directly connected through a business relationship
Conscious waste management	WASTE (306)	Comelz Group	Caused by the Group
Sale of products with reduced environmental impact	-	Comelz Group	Caused by the Group
Human resources management	EMPLOYMENT (401)	Employees of the Comelz Group	Caused by the Group
Diversity and inclusion	DIVERSITY AND EQUAL OPPORTUNITIES (405) NON-DISCRIMINATION (406)	Employees of the Comelz Group	Caused by the Group
Professional development	TRAINING AND EDUCATION (404)	Employees of the Comelz Group	Caused by the Group
Health and safety at work	HEALTH AND SAFETY AT WORK (403)	Comelz Group	Caused by the Group and directly connected through a business relationship
Innovation and R&D.	-	Comelz Group	Caused by the Group
Quality, reliability and customer satisfaction	CONSUMER HEALTH AND SAFETY (416)	Comelz Group	Caused by the Group
Product uniqueness and versatility	-	Comelz Group	Caused by the Group
Made in Italy	-	Comelz Group	Caused by the Group
Sustainable supply chain management	PROCEDURES FOR THE APPLICATION (204)	Comelz Group	Caused by the Group and directly related to the Group's activities
Impacts on community and territory	MARKET PRESENCE (202)	Comelz Group	Caused by the Group and to which the Group contributes

Index of GRI contents

This material refers to the following disclosure GRI:

GRI Standards		Informative	Notes and pages
GRI 101: FOUNDATION (2016)			
GRI 102: GENERAL DISCLOSURES (2016)			
Organization profile			
GRI 102: General information (2016)	102-1	Name of the organization	3
	102-2	Activities, brands, products and services	20
	102-3	Location of headquarters	8
	102-4	Location of operations	8, 10
	102-5	Ownership and legal form	8
	102-6	Markets served	10
	102-7	Scale of the organization	10
	102-8	Information about employees and other workers	24-25
	102-9	Supply chain	39
	102-10	Significant changes to the organization and its supply chain	3
	102-12	External initiatives	31-32
Strategy			
GRI 102: General information (2016)	102-14	Statement form senior decision-maker	2
Ethics and integrity			
GRI 102: General information (2016)	102-16	Values, principles, standards and norms of behavior	7
Governance			
GRI 102: General information (2016)	102-18	Governance structure	16
Stakeholder engagement			
GRI 102: General information (2016)	102-40	List of stakeholder groups	12
	102-41	Collective bargaining agreements	26, 42

	102-42	Identifying and selecting stakeholders	12
Reporting practice			
GRI 102: General information (2016)	102-45	Entities included in the consolidated financial statements	4
	102-46	Defining report content and topic Boundaries	4
	102-47	List of material topics	13
	102-48	Restatements of information	4
	102-49	Changes in reporting	4
	102-50	Reporting period	4
	102-51	Date of most recent report	4
	102-52	Reporting cycle	4
	102-53	Contact point for questions regarding the report	4
	102-54	Claims of reporting in accordance with the GRI Standards	4
	102-55	GRI content index	50-56
	102-56	External assurance	The document is not subject to external assurance
MATERIAL THEMES			
Impact on community and territory			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	31
	103-3	Evaluation of the management approach	31
GRI 202: Market presence (2016)	202-2	Proportion of senior managers hired from the local community	31
Sustainable supply chain management			
	103-1	Explanation of the material topic and its Boundary	49-50

GRI 103: Management procedures (2016)	103-2	The management approach and its components	40
	103-3	Evaluation of the management approach	40
GRI 204: Supply practices (2016)	204-1	Proportion of spending on local suppliers	40
Energy consumption and emissions management			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	34-35
	103-3	Evaluation of the management approach	34-35
GRI 302: Energy (2016)	302-1	Energy consumption within the organization	33-37
GRI 305: Emissions (2016)	305-1	Direct GHG emissions (scope 1)	33-37
	305-2	Energy indirect (Scope 2) GHG emissions	33-37
Conscious waste management			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	37-38
	103-3	Evaluation of the management approach	37-38
GRI 306: Waste (2020)	306-1	Waste generation and significant waste-related impacts	
	306-2	Management of significant waste-related impacts	
	306-3	Waste generated	47-48
	306-4	Waste diverted from disposal	47-48
	306-5	Waste directed to disposal	47-48
Business Compliance and Integrity			
	103-1	Explanation of the material topic and its Boundary	49-50

GRI 103: Management procedures (2016)	103-2	The management approach and its components	16-18
	103-3	Evaluation of the management approach	16-18
GRI 307-1: Environmental Compliance (2016)	307-1	Non-compliance with environmental laws and regulations	No fines or non- monetary sanctions were recorded in 2021 for non-compliance with environmental laws and regulations.
GRI 206: Anti- competitive behavior (2016)	206-1	Legal actions for anti-competitive behavior, antitrust and monopoly practices	No legal action was taken in 2021 for anti- competitive behavior, antitrust and monopoly practices.
GRI 205: Anticorruption (2016)	205-3	Confirmed incidents of corruption and actions taken	No cases of corruption were confirmed during 2021.
GRI 419: Socio- economic compliance (2016)	419-1	Non-compliance with laws and regulations in the social and economic area	During 2021 there were no cases of non - compliance with social and economic laws and regulations.
GRI 416: Consumer health and safety (2016)	416-2	Incidents of non-compliance concerning the health and safety of products and services	There were no cases of non -compliance with regard to impacts on health and safety of products and services during 2021.
Human resources management			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	24-25
	103-3	Evaluation of the management approach	24-25
GRI 401: Employment (2016)	401-1	New employee hires and employee turnover	43-44
Health and safety at work			

GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	29-30
	103-3	Evaluation of the management approach	29-30
GRI 403: Health and safety at work (2018)	403-1	Occupational health and safety management system	29-30
	403-2	Hazards identification, risk assessment and incident investigation	29-30
	403-4	Worker participation, consultation, and communication on occupational health and safety	29-30
	403-5	Worker training on occupational health and safety	29-30
	403-6	Promotion of worker health	29-30
	403-9	Work-related injuries	44-45
Professional development			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	27
	103-3	Evaluation of the management approach	27
GRI 404: Training and education (2016)	404-1	Average hours of training per year per employee	45
Diversity and inclusion			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	24-27
	103-3	Evaluation of the management approach	24-27

GRI 405: Diversity and equal opportunities (2016)	405-1	Diversity of government bodies and employees	16, 45-46
GRI 406: Non-discrimination (2016)	406-1	Incidents of discrimination and corrective actions taken	There were no incidents of discrimination during 2021.
Creating value			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	10
	103-3	Evaluation of the management approach	10
Collaborations and partnerships			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	38
	103-3	Evaluation of the management approach	38
Sale of products with reduced environmental impact			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	38
	103-3	Evaluation of the management approach	38
Unique and versatile product			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	20-21
	103-3	Evaluation of the management approach	20-21
Made in Italy			

GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	40
	103-3	Evaluation of the management approach	40
Innovation and R&D.			
GRI 103: Management procedures (2016)	103-1	Explanation of the material topic and its Boundary	49-50
	103-2	The management approach and its components	19-21
	103-3	Evaluation of the management approach	19-21