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MAGLIFICIO ALTO MILANESE



Sustainability report

2023

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LETTER TO STAKEHOLDER

GRI 2-11 GRI 2-22

Dear readers,

Over the years, ethical aspects, social responsibility, and respect for human rights have shaped the economy and social systems, increasing the role of stakeholders within the company's boundaries (e.g., institutions, workers, associations, customers, suppliers, etc.). The number of companies that claim their social responsibility, through the implementation of specific ethical and social management tools with the aim of communicating in a transparent, clear, and complete way, is constantly increasing.

The way of doing business has changed because the old economic model is no longer suitable. It is therefore time to get involved and be actors of change. Following this awareness, not bound by legislative obligations, we have decided to commit ourselves for the second time to the drafting of the Sustainability Report.

Through the ESG (Environmental, Social and Governance) Sustainability Report, we intend to provide a summary of all activities, projects, and initiatives undertaken during the year in order to provide a clear and precise picture.

We believe it is essential to share with all our stakeholders, and in particular with our employees, customers, and suppliers, the path

taken, the goals achieved, and future projects in an ESG perspective.

Our goal is to actively involve all stakeholders in order to plan continuous, shared, and reciprocal improvement.

I hope you may enjoy the reading,

The Chairman

MAGLIFICIO
ALTO MILANESE S.p.A.
[Signature]



Figure 1 - Attilio Grampa, Chairman

INTRODUCTORY NOTE

GRI 2-1 GRI 2-6

Maglificio Alto Milanese is a company, operating since 1970, which transform all kinds of fibers into knitwear on circular machine for all sectors of the textile industry (fashion, sports, underwear, technical and printing bases).

The enthusiasm, passion, and professionalism of our collaborators explain the goals achieved by the Company in over 50 years of history and encourage a positive spirit that invites optimism in relation to future challenges.

In quantitative terms, the year 2023 saw an increase in the Company's turnover, also thanks to an improvement in the market conditions assumed by the main stakeholders. Maglificio Alto Milanese has always been committed to environmental and social issues. For several years, the Company has been constantly investing in sustainable products and eco-friendly production practices. In this way, the Company not only dedicates itself to creating high-quality products, but also actively commits to reducing its environmental impact.

Maglificio Alto Milanese has focused its attention on the concept of Industry 4.0, promoting the automation and digitization of machinery.

As a testament to the attention to internal collaborators, a series of welfare initiatives have been launched.

Maglificio Alto Milanese has therefore undertaken a specific path, as evidenced by the implementation and modification of the Ethical Code¹ in 2023 and the Sustainability Report. With the ESG Report (Environmental, Social and Governance), the Company intends to provide an account of its activities, initiatives and projects in order to provide all stakeholders with a clear and precise picture. Maglificio Alto Milanese wants to set key objectives and adopt appropriate socially responsible behaviours to achieve them. In particular, the company's strategic and operational activities take into account respect for human rights, fair treatment, correct behaviour towards the external community, protection of environment, customers and suppliers, as well as the creation of economic and social value.

This ESG Report is drafted in compliance with the systemic requirements of continuous monitoring and external communication and is partly the direct result of the participation of stakeholders in the implementation of a social responsibility system. It also allows to provide quantitative and qualitative information, concerning the different areas of the working sphere.

To clarify better, in the rest of the text, the name "Maglificio Alto Milanese" is equivalent to "MAM" or "Company" or "Society".

¹<https://www.altomilanesesrl.it/media/1gleksdg/ethical-code.pdf>

SUMMARY DATA



Product and process certifications:



STANDARD
100



18CX00044
CENTROCOT



STANDARD
100



21CX00060
CENTROCOT



CORPORATE REFERENCES

GRI 2-1 GRI 2-3

Society	Maglificio Alto Milanese
Foundation year	1970
Registered office	Milano (MI) – Corso Buenos Aires, 20
Production headquarters	Busto Arsizio (VA) – Via Grosseto, 14
CCIA registration	MI - 2125739
VAT and and Tax ID code	00211410121

The following is a breakdown of sales for 2023, between Italy and foreign countries. The

main countries of reference are France and Germany.

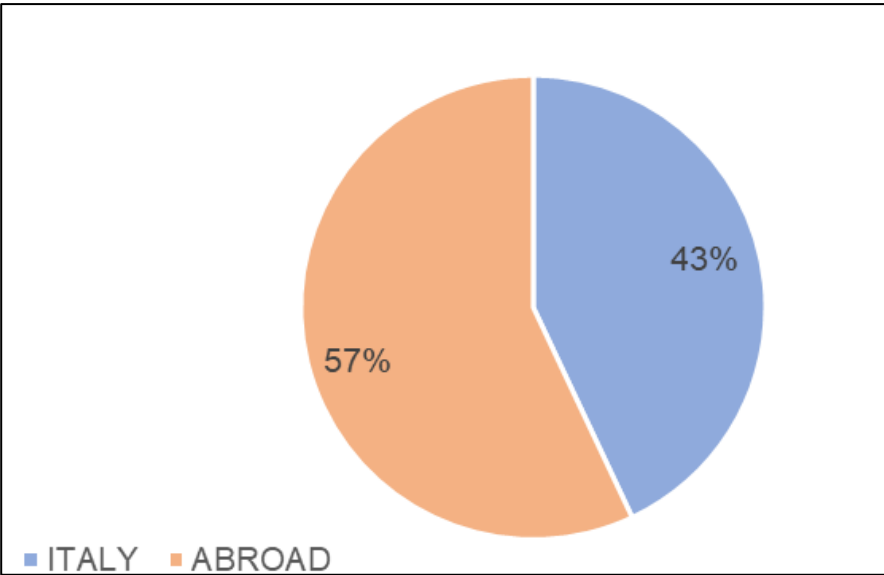


Figure 2 – Sales mix 2023

CORPORATE AND SIMILAR BODIES (GOVERNANCE)

GRI 2-9 GRI 2-11

Members of the board of directors	Function
Attilio Grampa	Chairman
Vittoria Grampa	CEO
Marco Debernardi	Advisor

Privacy GDPR	Function
Attilio Grampa	Data Processing Manager

Prevention and Protection	Function
Enrico Silvestri	Prevention and Protection Service Manager
Fabio Ippolito	Workers' Representative for Security
Sergio Borsani	Company Doctor
Team	Fire Prevention service
Team	First aid service

THE PRINCIPLES

GRI 2-18 GRI 2-27

TRANSPARENCY AND HONESTY IN STAKEHOLDER RELATION: promote transparency and honesty in stakeholder relations in order to share and implement policies, having among their objectives benefits for the environment and the community.

INTEGRITY: conduct all activities in full compliance with the law avoiding conflicts of interest, maintaining interpersonal relationships based on fairness and respect and ensuring a safe and healthy work environment.

CREATION OF ECO-SUSTAINABLE PRODUCTS: research and development activities for green solutions.

RESPONSIBILITY IN THE USE OF NATURAL RESOURCES: Careful use of natural resources.

RESPONSIBILITY FOR RESOURCE DISPOSAL: attention to environmental protection and pollution prevention reducing waste materials and chemicals.

VALUATION OF HUMAN RESOURCES: promotion of the value of the individual through respect for physical, cultural and moral integrity, protecting employees and collaborators.

CONTINUOUS IMPROVEMENT OF WORKPLACE SAFETY: spreading the culture of safety in workplace, promoting responsible behaviour by employees and guaranteeing adequate tools for prevention and protection from accidents at work.

SUPPORT FOR SOCIAL AND ENVIRONMENTAL PROTECTION INITIATIVES LINKED TO THE TERRITORY:

collaborations with organizations operating in sports, cultural and artistic fields.

PRODUCT AND PROCESS INNOVATION: research for innovative solutions that improve business processes, increasing productivity and paying particular attention to the needs of stakeholders and environmental protection.

With the aim of increasing its commitment to ESG issues, MAM, in 2023, started a process to transform its structure into a Benefit Company. The goal for 2024 is therefore to equip itself with a model of organization, management and control of its Social Responsibility system that involves the economic, social and environmental stakeholders engaged.



3. Maglificio Alto Milanese

MISSION AND CORPORATE VALUES

GRI 2-6 GRI 2-9 GRI 2-18

Through its long years of experience, MAM has found the elements and the strength to project itself into the future with success, setting as its primary objective the excellent quality of the product and the guarantee of adequate service. The company believes it is overall ready for tomorrow's technological challenge thanks to the presence of a highly qualified team.

MAM's mission is to identify and understand the expectations and needs of the market, offering quality products and ensuring full customer satisfaction. Constant investments in research and development, support the achievement of the mission.

The company's values are reflected in:

- Quality;
- Reliability;
- Competence;
- Competitiveness;
- Determination;
- Passion and perseverance.

MAM represents an excellence of Made in Italy, a fundamental characteristic of its being, achieved thanks to a continuous and structured research and development activity, not only in the creative but also in the productive, technological and digital fields. This work has been possible thanks to the active support of an empowered team and still allows today, to give concreteness to its strategies and projects. The quality and services offered remain on focus. Particular attention is also paid to safety, we constantly

work to comply with the most up-to-date safety regulations, laying the foundations for guaranteeing increasingly safe environments and products.

MAM has integrated sustainability into its business strategy, addressing all stakeholders and carrying out activities for the environment, workers, communities and customers. Chemical management, materials, manufacturing revolution and circular economy are the chapters of a recent story.

MAM's collections become the means to tell a new story of beauty that enhances industrial potential, establishing a dialogue with customers in a collective effort that showcases the intersection of different forms of knowledge. This is MAM's modus operandi, allowing it to offer exclusive product customization. A world of values that tells new stories each time through fabrics and prints, in a journey that often harks back to classicism and extreme minimalism, while presenting a technological and eco-friendly approach. Nothing is left to chance, and performance is the fundamental component in commercial choices.

With the creation of its Ethical Code, MAM has set the objective of respecting and implementing solid principles, including equity and equality, protection of people and environment, transparency and health protection.

The Ethical Code is the main tool supporting the implementation of ethics within the

company; its aim is to clarify and define the principles to which all stakeholders are called to adhere. The same are therefore responsible for respecting the values and principles of the Ethical Code and must protect and preserve, through their behaviour, the respectability and image of MAM as well as the integrity of its economic and human heritage.

The Ethical Code is therefore an effective mean of preventing irresponsible or illegal behaviour by those who operate in the name and on behalf of the company, by introducing a clear and explicit definition of ethical and social responsibilities (clients, suppliers, partners, citizens, employees, collaborators, public institutions, environmental associations and anyone else interested in the company's activities). The Ethical Code does not replace the current and the National Collective Labor Agreement in force.

The Ethical Code is a document that recalls all the procedures already in place and related to the maintenance of the Quality System (with reference to the ISO 9001:2015 certification). The legitimate expression of dissenting positions cannot lead the company's image, prestige and interests. Information received for business reasons is considered confidential and any use not deriving from the institutional performance of the functions assigned to everyone is prohibited.

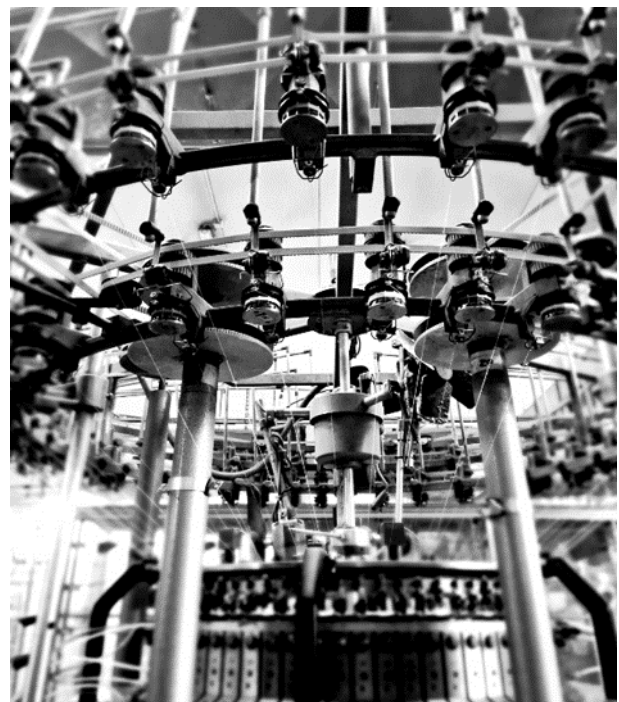
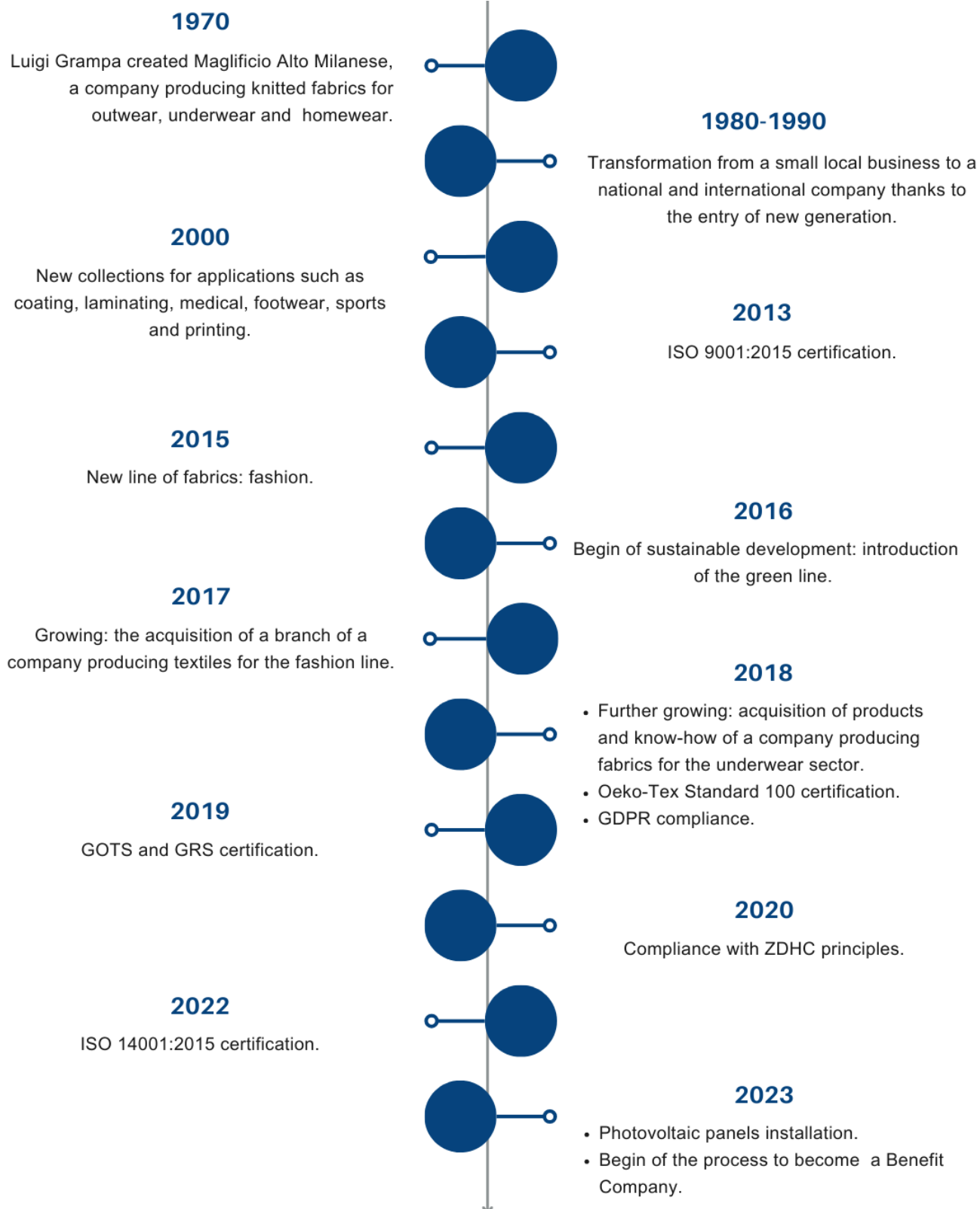


Figure 3 – Circular machine

TIMELINE





1. Maglificio Alto Milanese

COMPANY POLICY AND CERTIFICATION

GRI 2-6 GRI 2-18 GRI 2-27

MAM's corporate management policy² is environment and health.
formally reflected in quality, privacy,

Typology	Standard	Issue date	Reference
Quality	ISO 9001:2015 ³	2013	Certified System – in force
Privacy	GDPR 679:2016	2018	Manual / Procedures adopted
Environment	ISO 14001:2015 ⁴	2022	Certified Systema – in force

The company's product certifications are summarized below.

Typology	Standard	Issue date	Reference
Recycled synthetic fibres	GRS ⁵	2019	Certified System – in force
Organic Cotton	GOTS ⁶	2019	Certified System – in force
Product	OEKO-TEX® Standard 100 ⁷	2018	Certified System – in force
Chemical Management Protocol	ZDHC ⁸	2020	Manual / Procedures adopted

MAM considers important continuous improvement and constant development of measures for Quality Management, Environment and Social Responsibility. In particular, since 2013 it has maintained a Quality Management System, compliant and

certified according to the UNI EN ISO 9001:2015 standard to improve its positions in the various markets and production sectors. The attention to the environment and the territorial context has pushed MAM to develop an Environmental Management System

² <https://www.altomilanesesrl.it/media/y5sbpcyt/integrated-policy.pdf>

³ <https://www.altomilanesesrl.it/media/ffdbcbbo/certificato-iso-9001-italiano.pdf>

⁴ <https://www.altomilanesesrl.it/media/5kpij4s/certificato-iso-14001-inglese.jpg>

⁵ <https://www.altomilanesesrl.it/media/nvloggw/grs-2022.pdf>

⁶ <https://www.altomilanesesrl.it/media/zxdhbcyy/gots-2022.pdf>

⁷ <https://www.altomilanesesrl.it/media/4sodbl2k/oeko-tex-standard-100-eng.pdf>

⁸ <https://www.altomilanesesrl.it/media/2lgdicsn/zdhc.pdf>

consistent with the UNI EN ISO 14001:2015 standard.

The two systems mentioned above have been drafted and integrated by developing common documents and actions.

MAM has adopted a model of organization, management and control of its system, adhering to the following general principles of conduct: respect for laws and regulations, fairness, transparency, impartiality, professionalism, training and development of human resources, confidentiality, clarity and completeness of information, protection of health and environment, diligence and good faith.

Measures have also been adopted concerning the health and safety of workers in compliance with Legislative Decree 81/08, and particular importance has been given to internal training of the team.

MAM has also introduced a privacy policy in compliance with EU Regulation 2016/679, known as GDPR (General Data Protection Regulation), concerning the protection of individuals about the processing and free movement of personal data (which came into force on 25 May 2018 and is valid for all member states).



PARTNERSHIP

GRI 2-28



Confindustria Varese

Effective member since 2011

Web: www.confindustriavarese.it

Mail: info@univa.va.it



Sistema moda Italia

Effective member since 2019

Web: www.sistemamodaitalia.com

Mail: direzione@sistemamodaitalia.it



Retex green

Effective member since 2022

Web: <https://retex.green/>

Mail: info@retex.green

FABRICS

GRI 3-1 GRI 3-2

MAM's product range is divided into six collections: Hitext, Industry, Underwear, Sport, Fashion and Green.

Hitext collection refers to products developed for specific application like workwear, racewear, firewear and equipped with particular properties. The aim is to protect the user from those risks associated with the sector of use.

Industry collection refers to "basic" fabrics for industrial use as laminating, coating, printing and thermoforming bases. The fibres used are cotton with specific finishings at customer's request or nylon and polyester in piece dyed, dope dyed or yarn dyed.

Underwear collection refers to fabrics made mainly with natural fibres, high fineness, innovative finishes, micro-jacquard designs created with creative combinations.

Sport collection refers to fabrics that combine innovative technologies to ensure the highest quality performance: breathability, pilling and abrasion resistance, UV protection, excellent body thermoregulation and, of course, excellent comfort.

Fashion collection refers to creation of articles for men and women. Always proactive and constantly evolving collections that combine continuous and trendy fabrics with seasonal colours, jacquard designs and tech solutions.

Green collection refers to the range of products made according to the principles of environmental sustainability. A totally eco-friendly collection made in an integrated ecosystem that relies only on selected partners who share the company's values and mission.

hitextcollection	industrycollection	underwearcollection
fashioncollection	greencollection	sportcollection

Figure 4 – Business lines



1. Maglificio Alto Milanese

TEAM

GRI 2-7 GRI 2-9 GRI 2-11 GRI 401-1

The most valuable asset for the Company is its human resources, which are made up of people with a wide range of skills, a deep sense of responsibility and constant dedication. These elements have a significant impact on the company's daily operations and contribute to its growth and success. For these reasons, the leadership works to maintain constant protection of employees and collaborators. The Human Resources function is committed to ensure that employees receive the right recognition, training, professional development and motivation. MAM is

convinced that by pursuing this approach, work can become an element of value and sharing for everybody.

At 31 December 2023 the Company is made up of 32 employees, 1 collaborator who has had a CO.CO.CO contract, and 1 intern.

During the year, 4 internships were started for students from different schools (ITS Cosmo, ITC Tosi, ITE Tosi), one of whom was hired by the Company as an intern.

The following is a representation of employees by gender, age and loyalty.

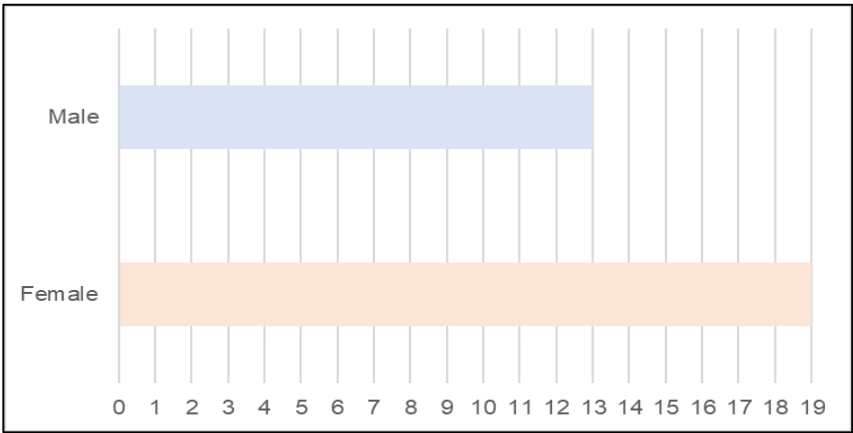


Figure 5 - Collaborators divided by gender 2023

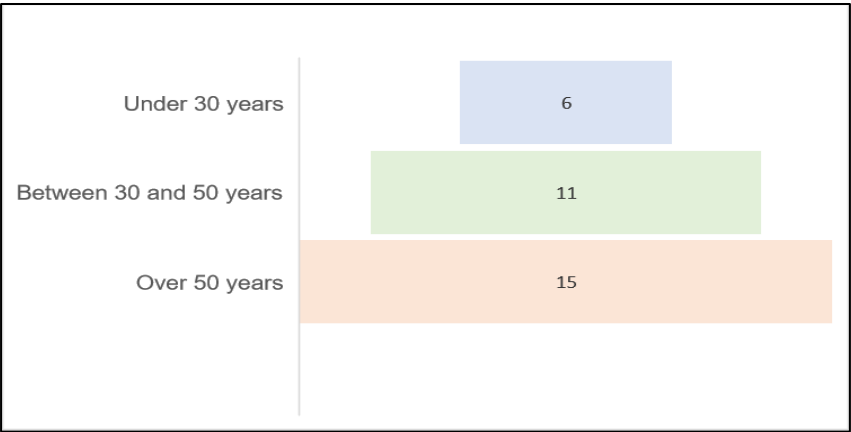


Figure 6 - Collaborators divided by age 2023

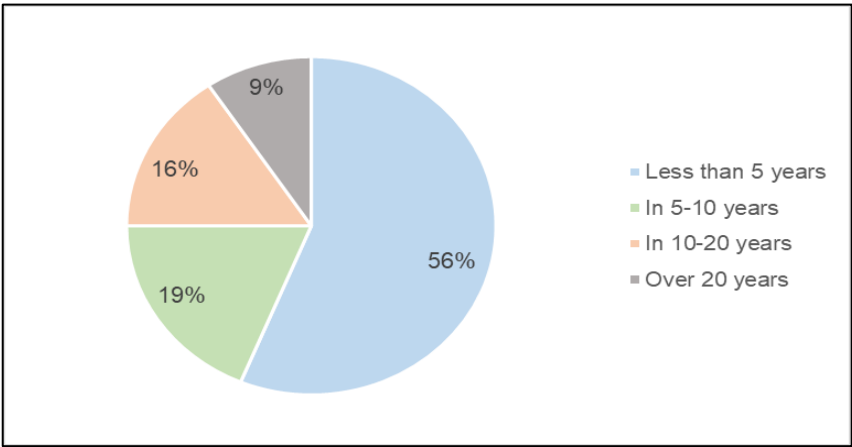


Figure 7 - Employee loyalty 2023

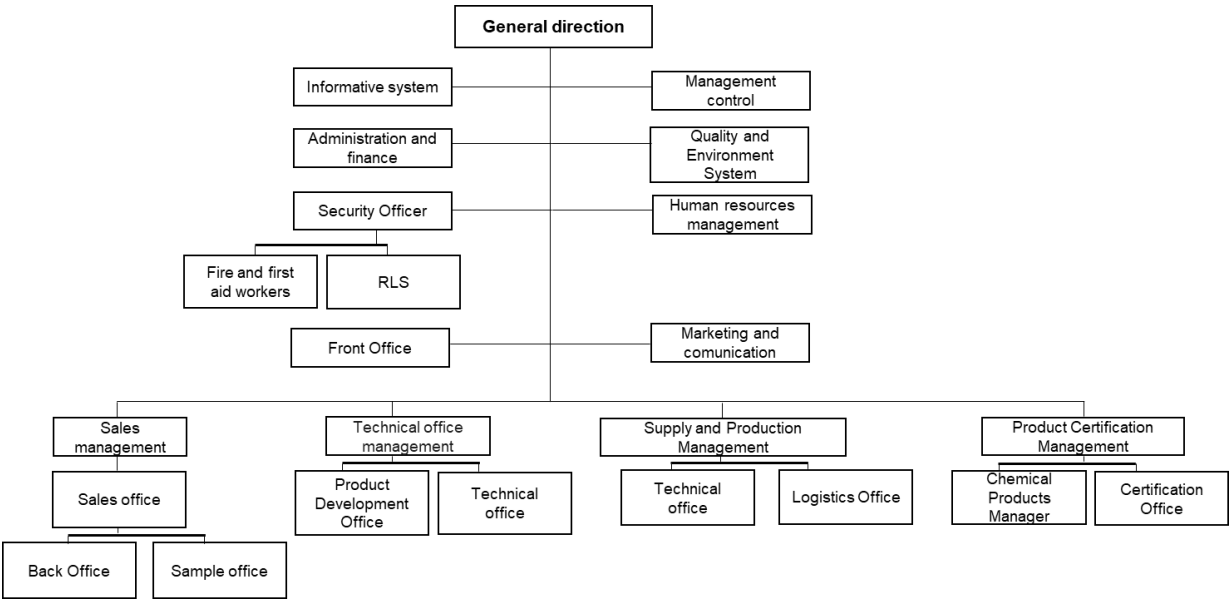


Figure 8 – Organizational chart

ECONOMIC PERFORMANCES – ADDITIONAL VALUES

GRI 201-1

In this section we proceed with the determination of the added value related to MAM's financial statements and its distribution. This quantity derives from a process of reclassification of the income statement and allows a social reinterpretation of economic accounting. The added value, also called retained economic value, is the wealth that is created by MAM in carrying out its activity and which is distributed among the subjects who contributed to determining it directly and indirectly. The evaluation considers the last three financial years and the

values that are determined are the directly generated economic value (as the sum of the revenues from sales and services with the other factors that contributed to determining them) and the distributed economic value (as the sum of the costs incurred in carrying out the activities. Note the attention paid to the item "freedom and donations" which shows an increasing value in the three financial years). The difference between these two economic quantities described allows us to determine the retained economic value.

	31/12/2023	31/12/2022	31/12/2021
ECONOMIC VALUE GENERATED	€ 12.992.914,00	€ 13.212.114,00	€ 10.933.505,00
Revenues from sales and services	€ 12.846.424,00	€ 12.690.117,00	€ 10.838.676,00
Change in work in process and finished goods	-€ 127.566,00	€ 236.614,00	-€ 171.855,00
Internally generated Fixed assets	€ 0,00	€ 0,00	€ 0,00
Other revenues and income	€ 273.591,00	€ 285.110,00	€ 266.432,00
Financial income	€ 465,00	€ 273,00	€ 252,00
ECONOMIC VALUE DISTRIBUTED	€ 12.233.226,00	€ 12.533.550,00	€ 10.517.872,00
Production cost (cost of raw materials, consumables and merchandise, cost of services, cost of rents and leases)	€ 10.125.763,00	€ 10.554.559,00	€ 8.787.976,00
Personnel costs (salaries and wages, social security and welfare contributions, employees' termination benefits, other personnel costs)	€ 1.623.354,00	€ 1.564.558,00	€ 1.494.407,00
Interest on loans and other forms of debt	€ 72.622,00	€ 24.506,00	€ 12.701,00
Other financial expenses	€ 122.353,00	€ 148.394,00	€ 81.690,00
Distributed dividends	€ 0,00	€ 0,00	€ 0,00
Taxes and losses	€ 270.969,00	€ 237.583,00	€ 137.998,00
Charities and donations	€ 18.165	€ 3.950	€ 3.100
ECONOMIC VALUE RETAINED	€ 759.688,00	€ 678.564,00	€ 415.633,00

Figure 9 - Economic dimension



3. Maglificio Alto Milanese

STAKEHOLDER

GRI 2-29

The word “stakeholder” refers to all subjects who have an interest of any kind in the company itself, such as expectations, information needs, and economic interests.

Stakeholder management is a crucial aspect of MAM's corporate governance because it can influence its long-term sustainability.

Stakeholders can be classified as internal or external. The first category includes:

- Board of Directors;
- Collaborators

The second category includes external stakeholders:

- Suppliers;
- Customers;
- Local and national institutions and

authorities;

- Trade associations;
- Associations and organizations;
- Environment.

We believe that sustainable growth is closely linked to the ability to identify and respond to changes in the market and society.

A constant dialogue with stakeholders allows the Company to identify the most important issues in terms of sustainability and to assess how to best integrate them into industrial and management activities. Constant dialogue promotes trust, creates mutual value and supports the sustainable growth of the business in line with the expectations of stakeholders.



Figure 10 – Stakeholder Map

MATERIALITY MATRIX

GRI 3-1 GRI 3-2

"Materiality" is the principle that identifies and determines the relevant issues that need to be reported on. The definition of the issues is achieved through an analysis that allows the Company to clearly identify the relationships between the company's interests and those of its stakeholders, highlighting the areas of sustainability of mutual interest. The materiality matrix is the graphical tool that summarizes this analysis, underlining the stakeholder's point of view ("Relevance for stakeholders") and the company's point of view ("Relevance for Maglificio Alto

Milanese"). MAM has started a process of comparison and analysis with its main stakeholders, in order to identify the relevance of some issues for a correct prioritization of the same.

MAM's main objective is to increase more relations with stakeholders to refine the sustainability strategy by analysing social and environmental risks and opportunities.

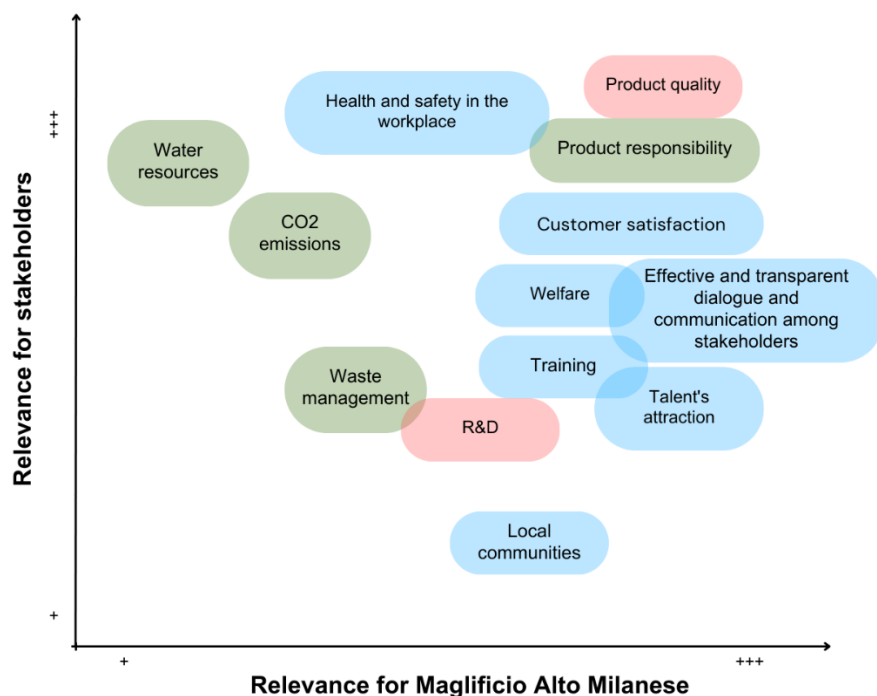


Figure 11 - Materiality matrix

Italian greenhouse Serra italiana



6. Maglificio Alto Milanese con nylon riciclato post consumer ed elastan riciclato, certificato 4sustainability®

SDG GOALS – AREAS OF SPECIFIC APPLICATION

GRI 2-22

The 17 Sustainable Development Goals (SDGs) and the 169 targets are the core of the 2030 Agenda. These targets consider in a balanced way the three dimensions of sustainable development:

economic, social and environmental. Each country all over the world is called upon to make its own contribution to address these great challenges together. For this reason, MAM has decided to undertake this path to achieve the various objectives.



Figure 12 – Sustainable development goals

Starting in September 2023, MAM decided to undergo the B Impact Assessment promoted by B Lab, as a rigorous evaluation tool to measure the company's environmental and social impact.

A section called "SDG Performance" allowed to evaluate MAM's performance for an impact assessment and potential improvement.

The following are the most impacting issues in terms of percentages achievement.

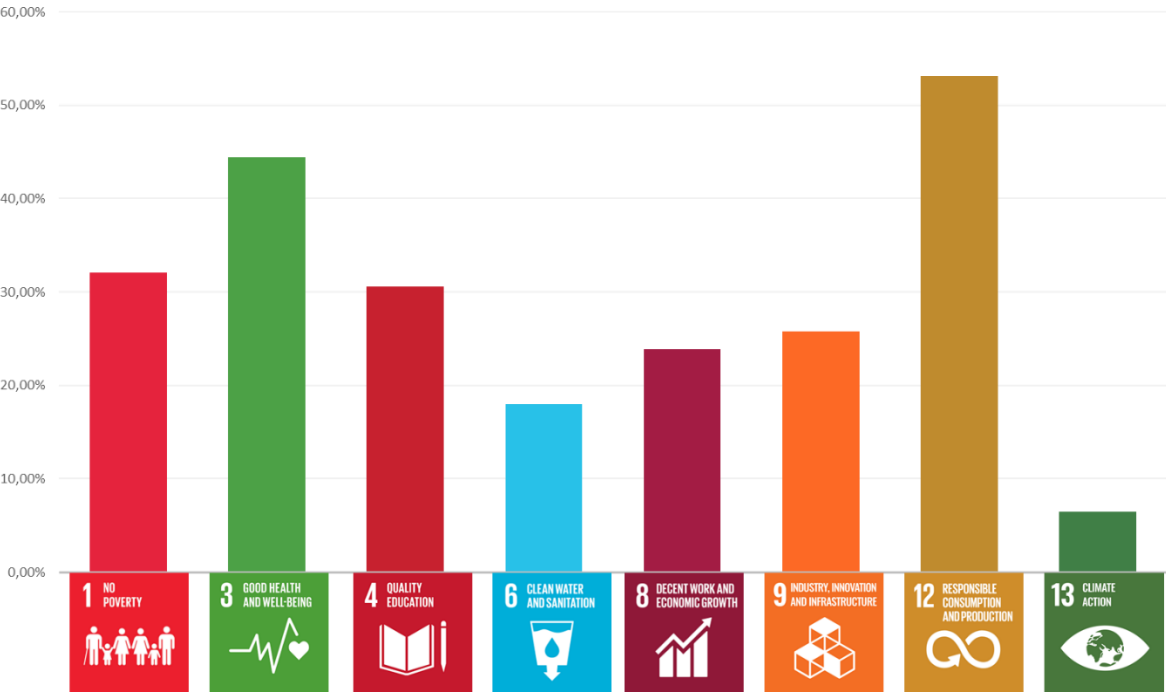
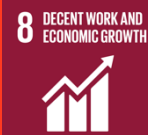


Figure 13 - Most relevant Agenda 2030 objectives year 2023



GOVERNANCE AND ETHIC



GRI 2-7 GRI 2-19 GRI 2-20 GRI 2-27 GRI 2-30 GRI 205-2 GRI 403-1 GRI 403-2 GRI 403-5 GRI 403-6 GRI 403-8
GRI 403-9 GRI 404-1 GRI 413-1

With SDGs 3, 4, 5, and 8, MAM intends to respectively:

- Ensure health coverage and contribute to a healthier life;
- Provide continuous and constantly evolving training;
- Guarantee parity and equality for all employees;
- Achieve sustainable and inclusive economic growth, always protecting the environment:

No arbitrary deductions are made from employees' salaries except in cases provided for by law or based on voluntary reasons communicated by the employee (such as union dues, pension funds, private financing, garnishments); the Company does not charge commissions or withhold costs related to hiring.

MAM grants, when requested by employees, advances on the TFR in order to meet specific financial needs in compliance with the law and, in some emergency cases, also agrees to more favorable treatment practices. Employees are fully aware of the rights and obligations arising from the employment contract signed and MAM provides them with a copy of the CCNL (National Collective Labor Agreement).

Currently, there aren't registered unionized employees. Proof of this and the average years of seniority confirm a serene company

atmosphere. In 2024, a staff survey will also be implemented in order to learn and analyse the perceptions and satisfactions/dissatisfactions of the staff itself.

FORMATIVE STAGE AND DISABLED PERSONS WORK

MAM regularly collaborates with Universities, High Schools, and ITS (Technical Higher Institutes) / IFTS (Higher Technical Training Institutes) for internships and work-study programs. Students are trained in safety regulations and company practices; they receive the same protections guaranteed to the company's employees and collaborators. In terms of job placement, the company collaborates with local administrations to offer training and job orientation internships. The company annually participates in the "Generazione d'Industria" project promoted by Confindustria Varese. During 2023, the company hosted 4 students from different schools to carry out a curricular internship. Furthermore, it has provided funding for 2 scholarships for the year 2024: the first to be awarded to the "Carlo Cattaneo Liuc University" and the second to the "Centro Tessile Cotoniero". Investing in the future of young people is a fundamental element for the company: enhancing the territory by promoting such initiatives in order to re-evaluate the sector itself. It is increasingly difficult to find specialized figures in the textile sector, which

is why the company directly trains new talents who will be able to enter the field, making its own staff available. The aim is to bring young people closer and closer to the world of work, thus shortening the time between their education and their entry into the work.

PROJECT “WORK SCHOOL ALTERNATION AND ITS”

MAM participates in the “ITS COSMO” program promoted by Centro Tessile Cotoniero, which involves companies in the training of new generations. The project involves the industrialization of the product and the process in the textile, leather and new materials supply chain. Thanks to this project, many young people have been offered the opportunity to learn about and experience MAM's reality, collaborating in a proactive and constructive way. This program has also allowed some young people to continue their work experience and are still working in the company. In 2023, 1 student completed her internship through the ITS COSMO school and was hired, 2 students instead did a curricular internship, one of whom was taken as an intern directly by the company.



RESEARCH AND SELECTION

The Company's personnel selection and management rules guarantee equal opportunities and that there is no form of discrimination. The Company is committed to

ensuring an equal opportunity to achieve career goals, rewarding those who demonstrate that they possess technical skills and collaborative skills, motivation, initiative and ambition.

DISCIPLINARY PRACTICES

MAM, as required by the National Collective Labor Agreement (CCNL), has disciplinary procedures for its personnel, such as:

- Verbal warning;
- Written warning;
- Fine not exceeding 3 hours of hourly pay calculated on the minimum wage table;
- Suspension from service and pay for up to 3 days;
- Dismissal.

The Company guarantees that no disciplinary action will be taken without first having verified the actual contested infraction and having involved the parties concerned. The latter may present their defense with the eventual assistance of a representative of the trade union association. All disciplinary measures are put in the employee's personal file, in the Administration Office.

WORKING HOURS

The duration of the working activity is set, according to the CCNL, at 40 hours per week. The ordinary working hour is from 8:30 to 18:00 with one hour and half for lunch break. Despite the rigidity of the hours, the Company shows great attention to the needs and requirements of the staff by allowing flexible hours.

SALARY

The remuneration paid to workers is mostly higher than the table minimums set by the National Collective Labor Agreement. Salaries, salary amounts and type of contract are managed and monitored by the Human Resources. The Company pays the salary by crediting individual accounts and pays all salary allowances to all staff, in full compliance with current laws.

SAFETY FIRST OF ALL

MAM places health and safety of its workers among its primary corporate objectives. The Company operates in compliance with the provisions of the Legislative Decree. 81/2008 as amended and in particular provides for:

- Appointment and training of a Prevention and Protection Service Manager (RSPP);
- Appointment of the Competent Doctor, specialized in occupational medicine;
- Drafting of the risk assessment document (DVR);
- Drafting of procedures suitable for emergency and evacuation situations along with related simulations;
- Delivery of PPE (Personal Protective Equipment) with adequate training and information on their use;
- Staff training on health and safety at work.

Over the years, these activities have

allowed the almost total absence of accidents at work as demonstrated by the following table.).

Accidents	2021	2022	2023
Administrative area	0	0	0
Technical-commercial area	0	0	0
Warehouse area	1	0	0
Sample area	0	0	0
Total	1	0	0

Only 1 accident was found during the year 2023. In the event of an accident, the Company, in addition to reporting the incident to the competent authorities, promptly analyzes and removes any causes by adopting in concert with the RSPP (Safety, Prevention, Protection,) and, if necessary, with the competent doctor or qualified external personnel, to prevent repetition of the event. In addition to the medical examinations carried out at the beginning of the employment relationship, periodic health surveillance visits are conducted by the competent doctor on the employees based on the task performed and the maintenance of the suitability required to carry out their duties. MAM is committed to constantly informing and training its workers

and collaborators regarding the risks arising from its activity. The Company also guarantees that each worker receives specific and adequate training on health and safety, with particular reference to:

- Notions of risk, damage, prevention, protection, organization of activities for corporate prevention, rights and duties of corporate subjects, supervisory, control and assistance bodies;
- Risks relating to the tasks, possible damages and the consequent prevention and protection measures and procedures typical of the sector or sector to which the Company belongs.

MAM increased in 2023 its training hours on health and safety which are combined with hours of other types of training such as courses on certifications, financial statements, benefit companies. The objective for the following years will be to implement the training hours.

Training	2021	2022	2023
Total hours	160	190	740

HEALTH AND WELFARE

MAM has taken out an insurance policy (Sanimoda) for all employees including dependent family members to ensure and guarantee health and well-being.

The Company actively engages in organizing various team building activities, recognizing

the importance of creating a work environment where employees can feel part of a cohesive and supportive group. Through these initiatives, MAM not only aims to strengthen interpersonal relationships between team members, but also to promote a sense of unity, willingness, openness and mutual understanding. In 2023, with the aim of promoting healthier eating, the Company launched a project entitled "BenEssere" with the intention of providing fresh and seasonal fruit on a daily basis. Furthermore, the installation of a drinking water dispenser is a sign of a further awareness campaign regarding water consumption and the use of plastic for bottles.





In collaboration with Lilt (Italian League for the Fight against Cancer), the Company has decided to organize on-site dermatological visits during the month of November in order

to prevent skin diseases. The initiative was met with great interest by almost all employees.

OCTOBER AND NOVEMBER

To raise awareness the importance of cancer prevention, they have become the months dedicated to the **prevention of female and male cancers**

The practice of **PREVENTION** emerges as a fundamental pillar for maintaining a balanced and prosperous life.

To achieve this goal, the company helps and supports its employees

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TECNOLOGY AND DEVELOPMENT

GRI 2-6 GRI 2-22



Market developments and the high level of competition characterizing the sector of which MAM is a part, make innovation and sustainable development essential for the creation of value for the entire chain, from customers to the surrounding area. For over 50 years, the combination of investment in human capital and R&D has been part of MAM's DNA.

Product innovation corresponds to the use of new fibers for development new articles. In this sense, the close correlation between the identification of market opportunities and the development of technical skills are fundamental elements.

In addition to product R&D, the Company is investing in Industry 4.0 in order to digitize its business processes.

MAM is committed to:

- Obtaining and updating the most important international certifications in terms of social and environmental responsibility.
- Developing projects to promote creativity and technological development with a view to improvement and efficiency.
- Signing the Ethical Code in the selection of suppliers respecting both environmental protection and human rights.
- Reducing and monitoring the presence of chemicals in the

production phases, also thanks to the involvement of its suppliers.

Innovation is the guiding principle of MAM's production processes. For MAM, innovation means continuously improving its practices, processes, products, and services. The combination of a propensity for innovation and complete process management allows the company to guarantee the highest quality products, while perfecting their environmental and social sustainability profiles.

MAM manages and controls the entire production cycle: from the creative idea, to the design of the fabric, to the finishing phase. A production that tells the story of the quality and luxury of an Italian excellence, born with the processing of "sponge" and expanded to other natural, composite and technological fibers.

STANDARDS AND CERTIFICATIONS

In the current economic and social context, it is fundamental for MAM to confirm its respect for the artisan and environmental heritage, guaranteeing the highest quality of its work. In the textile sector, the safety of users is linked to the compliance of products with chemical, environmental and social regulations. In this field, the Company is committed to investing in order to improve quality control and product safety; the resources employed are destined for the internal laboratory and for the tests carried out in accredited external laboratories. Along with the strategic decision to develop an integrated management system ensuring

control of all aspects related to business processes and their consolidation, MAM has obtained important internationally recognized certifications.

Here is a brief description of each standard.

ISO 9001:2015, QUALITY MANAGEMENT

In 2013, MAM obtained the Quality Management System certification according to the ISO 9001:2015 standard. This certification defines the minimum requirements that an organization's Quality Management System must have to guarantee the level of its product and its service quality.

The norm is the internationally recognized reference standard that must be followed by all public and private organizations, belonging to any sector, that want to increase the effectiveness and efficiency of internal processes. It is the organizational tool that allows to achieve objectives and competitive growth in the markets thanks to the improvement of customer satisfaction and loyalty.

For MAM, this certification represents the opportunity to build a Management System that considers all business processes and allows to guarantee the optimization of the use of its resources to reduce production costs, achieve the expected objectives and maintain a constant quality level.

With the achievement of the ISO 9001 certification, MAM assures its customers that the performance of its activities is in line with a continuous improvement of the company's performance, visible in the strengthening of the quality of its goods and services.

In order to better monitor customer satisfaction by understanding the degree of customer satisfaction and any problems, the company has implemented an online survey that is periodically sent to customers.

ISO 14001:2015, ENVIRONMENT IS MORE SECURE

The international standard ISO 14001:2015 is a world-renowned management system that provides a framework for managing and improving environmental performance. It certifies the compliance of business operations and the requirements in terms of principles, systems and support techniques. Since 2022, MAM has obtained the Environmental Management System Certification.

OEKO-TEX® STANDARD 100

Since 2018, the Company has obtained the Oeko-Tex® Confidence in Textiles Standard 100 certification. This Standard is an independent and uniform international control system with verification criteria, limit values and scientific test methods for the human-ecological requirements of raw materials, semi-finished products and finished products in the textile sector.

The controls of potentially toxic substances are mainly designed considering the intended use of the fabrics and materials: the more intense the contact of a product with the skin and the more sensitive the latter is, the more severe the human-ecological requirements to be respected will be.

The goal for 2024 will be to obtain greater control over the entire supply chain by renewing the certificate for normal and

recycled products, but also to obtain Oeko-Tex® for organic products as well.

2018 l'Azienda ha ottenuto la certificazione Oeko-Tex® Confidence in Textiles Standard 100.

GOTS – GLOBAL ORGANIC TEXTILE STANDARDS

The Global Organic Textile Standard (GOTS) was developed by leading international organic agriculture organizations to ensure that consumers of organic products comply with stringent environmental and social criteria applied at all levels of the supply chain (from the harvesting of natural fibers in the field to the subsequent manufacturing and labeling stages of the finished product). Since 2019, MAM has been compliant with the GOTS certification, which involves the evaluation of a chemical based on its toxicological and ecotoxicological characteristics. The regulation applies to textile products containing at least 70% of natural fibers from organic agriculture (fibers, yarns, fabrics, clothing, textile accessories and others).

GRS – GLOBAL RECYCLE STANDRAD

GRS is also a standard promoted by Textile Exchange that recognizes the importance of recycling for a sustainable production and consumption model to reduce the consumption of resources (virgin raw materials, water and energy). This certification consists of an environmental declaration, verified by a third party, which ensures the presence of pre-consumer and post-consumer recycled material for at least 20% and traceability throughout the entire production

process. By obtaining this certification in 2019, MAM has imposed restrictions on the use of chemicals and compliance with environmental and social criteria in all the production chain.



Figure 14 - GOTS fabric



Figure 15 - GRS fabric

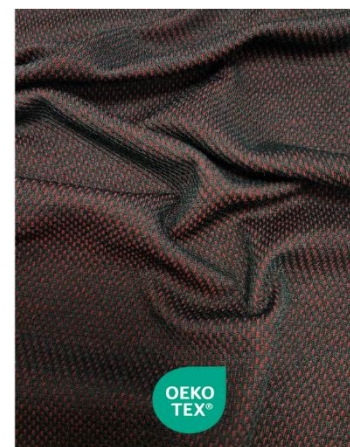


Figure 16 - Oeko-tex fabric

RESPONSIBLE CONSUMPTION AND PRODUCTION

GRI 2-6 GRI 2-22



With SDG 12, MAM wants to contribute to the efficient management of natural resources.

The company's goal is to create and maintain an eco-sustainable supply chain, an integrated environment that uses selected partners who share its values and mission. For this reason, MAM has decided to apply the Chemical Management 4sustainability® protocol and implement the MRSL ZDHC v.2.0 (Manufacturing Restricted Substances List) by involving the entire production chain in the project and making the principles of good chemistry a concrete commitment to a cleaner planet.

ZDHC means Zero Discharge of Hazardous Chemicals and is a program that aims to focus on the principles of transparency and chemical management according to an integrated approach of prevention and precaution. It is a project initially created by some top global brands and later extended to the entire supply chain. The key objectives of the ZDHC are summarized as follows:

- Eliminate and/or substitute hazardous chemicals;
- Collaborate with stakeholders to promote transparency about the chemicals used/discharged;
- Promote effective tools, good practices and training to improve chemicals management.

The company is subject to internal audits that attest to its quality and control of the entire supply chain. In order to maintain the required standards and guarantee the total absence of

toxic and polluting substances, MAM periodically submits its samples to test by external laboratories. In addition, the company's willingness and availability to undergo audits organized directly by customers allows for maximum transparency. The MRSL (Manufacturers Restricted Substances List) published by ZDHC is a list of substances prohibited during production processes.

REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) is a European Union regulation in force since 1 June 2007, adopted to improve the protection of human health and the environment from the risks arising from chemicals, also present in clothing.

ZDHC is a protocol on voluntary basis, it is more restrictive than REACH as it represents a competitive lever to differentiate themselves in the market and, in the future, will be increasingly demanded by buyers and brands. The goal of reducing the chemical footprint of the clothing sector, gradually eliminating hazardous chemicals and driving the implementation and spread of sustainable textile chemistry, is pursued with various programs and tools such as Roadway Map to Zero, ZDHC Academy and ZDHC Gateway. MAM adheres to the 4sustainability® roadmap, incorporating their values and actions, committing itself to starting a virtuous path of change in the business model.

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Maglificio Alto Milanese srl
has joined the 4sustainability® Commitment
and applies the Chemical Management Protocol
for eliminating toxic and harmful substances in production
through the ZDHC MRSL.

CHEM
IMPLEMENTATION LEVEL





ENVIRONMENT

GRI 2-22 GRI 302-1 GRI 302-4 GRI 303-5 GRI 305-1 GRI 305-2 GRI 306-3



Through SDGs 6, 7, and 13, the Company intends to monitor the consumption of water and energy and improve its use through an awareness process.

CARBON FOOTPRINT

Carbon Footprint is a measure that expresses in CO₂ equivalent the total greenhouse gas emissions associated directly or indirectly with a product, an organization or a service. The calculation of the Carbon Footprint includes the following GHG⁹ (greenhouse gas) emissions:

- Scope 1: Considers direct greenhouse gas emissions from sources owned or controlled by the Company;
- Scope 2: Includes indirect greenhouse gas emissions from the production of electricity purchased and consumed by the Company;
- Scope 3: Corresponds to all indirect emissions that are generated by the value chain in the Company.

With the aim of committing to the identification and monitoring of its emissions, from 2023 MAM has defined a scheme for the identification of direct emissions of Scope 1 and 2. Scope 1 emissions are identified as fuels used for company vehicles and methane gas consumption for heating; Scope 2

considers the electricity purchased and consumed.

Scope 1 analysis

In order to calculate the emissions related to company vehicles, an analysis was carried out considering the total liters consumed during 2023 and the GHG conversion factors. The data relating to the liters consumed.

Vehicle consumption	Kg CO ₂ eq	ton CO ₂ eq
Petrol (n. 3)	4.734,66	4,73
Diesel (n. 11)	55.153,67	55,15
Total	59.888,33	59,89

The methane consumption data refers to its use for building heating. The reported data is weighted based on GHG conversion factors. Below is the report for monitoring methane consumption in sm³.

Consumption	sm ³	Kg CO ₂ eq	ton CO ₂ eq
Methane	5.586,00	11.386,45	11,39

Scope 2 analysis

The company has one of its goals as improving energy efficiency. Constant

⁹<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023>

maintenance of the building and reconditioning of the lighting systems with low-energy (LED) bulbs are interventions that MAM has implemented in recent years. In November 2023, 75 kW photovoltaic panels were installed, which will start operating in March 2024.

Consumption	kWh	Kg CO2 eq	ton CO2 eq
Electric Energy	46.837,00	13.582,73	13,58

The data below refers to the total electricity consumption with the conversion factor released by ISPRA (Higher Institute for Environmental Protection and Research).

Scope 1 and Scope 2 Emissions

From the previously shown analyses, the tCO2eq value is 84.86.

Emissioni	ton/CO2 eq
Scope 1	71,27
Scope 2	13,58
Total	84,86

Aware of the importance of emission calculation and analysis, MAM will carry on its commitment in terms of traceability of data necessary for the calculation of Scope 3.

Today, the consumption of water, paper and waste generated are monitored.

Waste

In the company, all waste is separated and divided based on CER codes and stored in the company's temporary storage facility. If

necessary, load and/or unload registers are implemented to manage on platforms, such as the wood generated by pallets. The waste that the company generally produces is destined for recovery (r13) such as cardboard and wood. The company does not produce waste from hazardous substances as they are not present.

Starting from 2022, MAM will take part in the Retex Green project, promoted by Sistema Moda Italia and Fondazione del Tessile Italiano (the first national consortium of producers for the management of waste from clothing, home textiles, footwear and leather goods) with the aim of making the fashion system circular.

Paper

MAM has recorded excessive paper consumption over the years due to a traditional and non-digitalized working method. Starting from 2023, the company has set itself the goal of reducing the number of prints produced per year. During the year, it achieved the goal by reducing prints by over 50%. In 2023, the number of prints made was 133,798, compared to 300,554 in 2022. Furthermore, employees were made aware of and trained in the use of a digital archive in order to avoid excessive consumption of toner and paper.

SOLIDARITY PROJECT

GRI 413-1



MAM participates in solidarity projects such as charity and support initiatives.

In particular, the mutual collaboration project with the provincial section of the National

Association of Firefighters ODV has been started for many years to facilitate their many activities. The Lilt's collaborations have been started for about 5 years and correspond to donations, purchases of doves and panettone for the holidays.



Associazione Nazionale Vigili del Fuoco del Corpo Nazionale – Provincia di Varese ODV

Codice Fiscale 90016910128 Organizzazione di Volontariato iscritta nel Registro Unico Nazionale del Terzo Settore RUNTS repertorio numero 31019
Sede Principale Distaccamento VV.F Busto – Gallarate C.so Sempione 245 - 21052 Busto Arsizio (VA)
www.anvvf-varese.org - e-mail: info@anvvf-varese.org



ATTESTAZIONE DI SOSTENIBILITA' ESG – ANNO 2023

RINGRAZIAMO IN PARTICOLARE LA DITTA

MAGLIFICIO ALTO MILANESE

PER AVERE SUPPORTATO LE NOSTRE ATTIVITA' ASSOCIATIVE ED IN PARTICOLARE L'INIZIATIVA DI SOLIDARIETA' NATALIZIA CHE, DA 36 ANNI, HA L'AMBIZIONE DI CONTRIBUIRE CONCRETAMENTE NEGLI OBIETTIVI 1 & 10 FISSATI NELLA AGENDA ONU 2030 ESG.




"Firmissima est inter pares amicitia" sito web nazionale www.anvvf.it





Associazione
Provinciale di
Varese

ORGANIZZAZIONE DI VOLONTARIATO Iscritta nel Registro Unico del Terzo Settore RUNTS **repertorio n.82226**
BUSTO ARSIZIO –P.za Plebiscito 1 Tel.0331623002 -segreteria@legatumorivarese.it -WWW.legatumorivarese.it

ATTESTAZIONE DI SOSTENIBILITA' ESG –ANNO 2023

RINGRAZIAMO IN PARTICOLARE LA DITTA

MAGLIFICIO ALTO MILANESE

PER AVER SUPPORTATO LE NOSTRE ATTIVITA' ISTITUZIONALI
ED IN PARTICOLARE PER L'INIZIATIVA DI PREVENZIONE ONCOLOGICA
CHE HA L'AMBIZIONE DI CONTRIBUIRE CONCRETAMENTE
ALL' OBIETTIVO 3 FISSATO NELL'AGENDA ONU 2030 ESG



METHODOLOGICAL NOTE

GRI 2-2 GRI 2-3 GRI 2-4

MAM's Sustainability Report has been drafted for the first time, on a voluntary basis, for the 2022 financial year according to the GRI Standards (Core Option of the Global Reporting Initiative) and has highlighted the relationship with the objectives of the ONU 2030 Agenda.

The information and data refer to MAM with headquarter in Via Grosseto 14 - 21052 in Busto Arsizio (VA) for the period 1 January 2023 - 31 December 2023, unless otherwise indicated.

Where available, comparative data from previous years have been reported in order to present the trend of the company's performance over a longer time horizon. In order to provide an accurate representation of performance, the inclusion of directly measurable qualitative and quantitative indicators has been preferred.

The Sustainability Report was approved by shareholders' meeting on March 30, 2024.

The legal representative is responsible for this report and for verifying the progress of the Sustainable Development Goals identified by the Company. The contents of this report have not been verified by a third party.

The identification of multiple projects in this document are distributed across the three macro-structures: social, environmental and governance. This is the clear identification of MAM's ESG sustainability goals to focus on for the current

year 2024 and for future years.

For any additional information regarding this document, you can contact us by sending an email to contact@altomilanesesrl.it or by visiting the website www.altomilanesesrl.it.

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