D & C

Milano

sustain-ability report 2023

LETTER TO THE STAKEHOLDERS

Dear Stakeholders,
We are proud to present our first Sustainability Report, an important milestone that marks a crucial step in our journey towards an increasingly responsible business model that is attentive to the needs of the planet and people. We are deeply satisfied to be sharing this document, which is the result of our joint commitment, our determination to evolve, and our conviction that the future of business is inextricably linked to sustainability.

In recent years, we have undergone a period of major transformation, in which the global context - with the environmental crisis, regulatory changes and evolving consumer needs - has encouraged us to rethink the way we do business. Our industry is not immune to these dynamics, and we felt we needed to rise to the challenge. In this change, we saw an opportunity to align our core values with a tangible commitment to sustainability, making the environment, people and transparent processes the foundation on which to build our company's future.

What we are now presenting is a document that tells you not only about our activities and products but also about our operational management and the environmental and social issues we have to address on a daily basis. This analysis generated the goals we have set ourselves, creating an increasingly structured path with the aim of progressively incorporating ESG (Environmental, Social and Governance) issues into our corporate strategy. We believe this represents a fundamental step towards sustainable and lasting growth.

2023 was a year of outstanding growth and important achievements. We shared our vision with our associates, establishing common ground based on the principles of sustainability and transparency. We also strengthened the use of certified products and implemented renewable energy sources. We made significant progress in recycling too, reusing fabric waste and thereby reducing our environmental impact. We have created the conditions to distinguish our brand in an increasingly competitive market, simultaneously reinforcing our governance and investing in the search for qualified personnel. Our commitment won't be stopping as we move into the future. We intend to continue working with our suppliers to strengthen sustainability along the entire supply chain, incorporating a growing number of sustainable products into our collections with the aim of achieving increasingly advanced certifications for the fabrics we produce.

The commitment to recycle leftover fabric is going to be expanded further. Another pillar will be the ongoing training of our staff and managers.

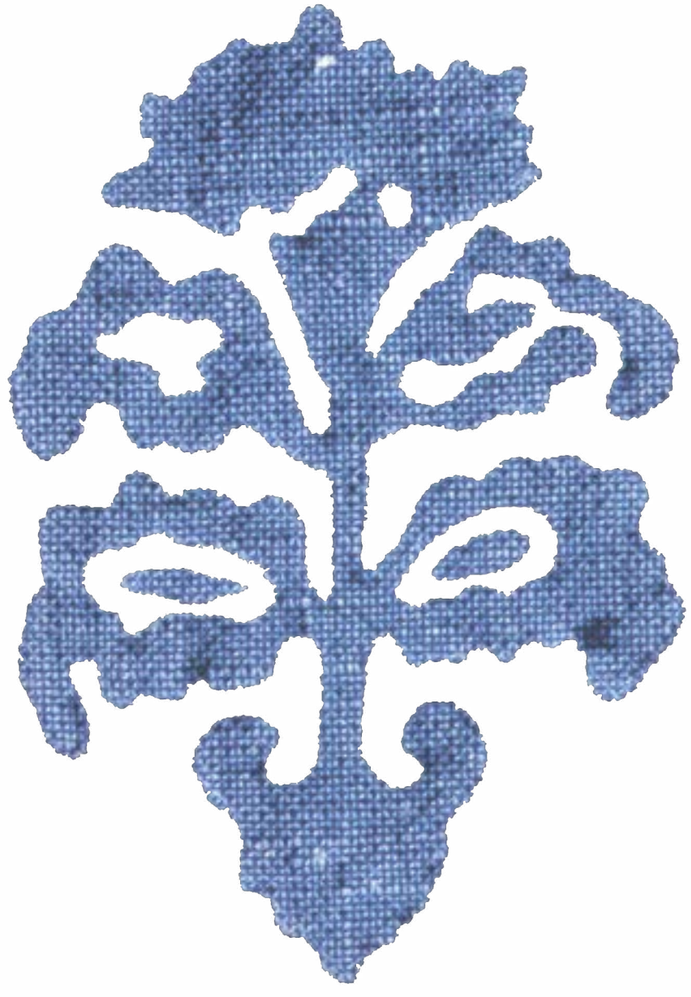
2023 was a year of construction. The people involved in this journey have laid the foundations for improving the company's economic performance, while reducing its environmental impact and strengthening our commitment to the members of our team. We have already outlined precise goals to guide us in the near future. These include improving transparency, energy efficiency and attention to the well-being of our team.

Collaboration with our stakeholders is key to successfully rising to these challenges. Defining this path and following it requires a shared commitment, in which each of us, both inside and outside the company, has a strategic role to play. Our journey towards greater sustainability cannot be undertaken alone: it is a pact that we extend to all of you, to build a better future together, aimed at making positive and lasting changes.

Since 1850, our history has brought us to prominence in the high-end upholstery fabrics sector. Today, we can add values like respect for the environment, protection of people and the adoption of good management practices to this tradition. Having always been part of our character, these principles now find a new form of expression in our first Sustainability Report, which allows us to openly share our performance with you.

We would like to thank you for accompanying us on this journey and for your continued support. We are ready to face future challenges with confidence, together with you.

Emanuele Maria Castellini
CEO C&C Milano



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METHODOLOGICAL BACKGROUND

This Sustainability Report represents the first sustainability information reporting exercise for C&C Milano S.r.l., with the aim of transparently disclosing the company's impact, performance and initiatives carried out in the field of sustainability.

The purpose of the Sustainability Report is to disclose information on performance and impact in the economic, environmental and social spheres as a result of the production activities of C&C Milano S.r.l., in order to highlight the action taken, maximise transparency towards the reference stakeholders and voluntarily introduce an annual ESG (Environmental, Social, Governance) performance reporting process, setting targets for improvement.

The document was drafted with reference to the GRI (Global Reporting Initiative) Standards, adopting the GRI Universal Standards 2021 version.

The qualitative and quantitative information presented in the document refers to the period from 1 January to 31 December 2023, including comparisons, where possible, with the previous year.

The contents of the document were identified by company management also on the basis of the results of discussions with stakeholders. The most important issues and impacts for the organisation and its stakeholders have been outlined, in order to provide a complete and balanced picture of the sustainability context in which C&C Milano operates.
All data and information are conveyed using clear language, offering a complete picture that provides a comparison over time where possible.

The list of indicators reported and their location within the Report are shown in the GRI Content Index presented at the end of the document.

This document was submitted for review by the sustainability team and subsequent approval by the BOD.

The process of drafting the document involved the transversal involvement of the main corporate departments and the pursuit of the following activities:
• identification of the reference framework and period;
• identification of material issues, as described in detail in the dedicated chapter;
• definition of non-financial indicators;
• identification of the corporate functions to be involved;
• collection, processing and consolidation of qualitative and quantitative data to be included in the Report;
• preparation of the draft document, to be submitted to top management for validation.

C&C Milano S.r.l. was supported in the above activities by Process Factory S.r.l.

This project has also allowed us to propagate a working methodology and a focus on the measurement, collection and disclosure of data, which are essential requirements for the implementation of a complete sustainability reporting process.

The C&C Milano S.r.l. Sustainability Report for 2023 has not been subject to assurance by a third party. To date, the company is not subject to reporting obligations under current regulations. Nevertheless, it decided to draw up this Sustainability Report with a view to transparency and commitment to sustainability. While not certified, this document represents a voluntary exercise that bears witness to the company's dedication to the principles of social and environmental responsibility.

For information, questions and more detailed information on the matters set out in the document, please contact us at: **sustainability@cec-milano.com**

HIGHLIGHTS

71.500 meters of fabric sold

81% of female employees

75% OF SUPPLIERS SUBSCRIBING THE CHART OF VALUES (BASED ON TURNOVER)

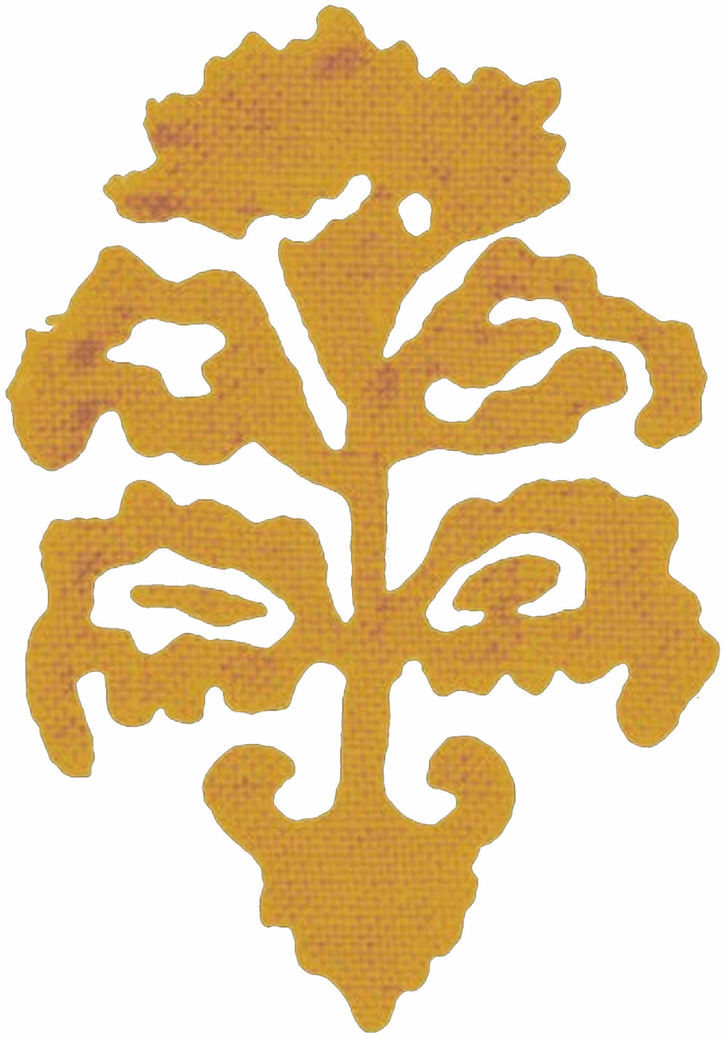
0,6% of products returned by customers due to non-conformity

62% of fabrics purchased come from certified suppliers

19% of total consumption of electricity generated by photovoltaic panels

92% permanent staff

1



1.1 A PASSIONATE THREAD

C&C Milano fabrics are a sublime expression of Italian taste and sophistication, characterised by warm, vibrant colours that evoke Mediterranean atmospheres. High-quality natural fibres like cashmere, linen, silk and velvet are skilfully crafted to create original and unique motifs, available in a wide range of products, from bed linen to curtains, from tablecloths to cushions, offering a vast choice of products to furnish any environment with style and sophistication.

With a long-standing textile tradition, which began back in 1850 with the takeover by Clateo Castellini of a factory for the production of jute, hemp and linen, C&C Milano is now recognised worldwide, not only for the unparalleled quality of its products, but also for the passion and dedication behind every creation. The history of Castellini lives on in every fibre of its fabrics, a tangible reminder of the family roots which gave life to a dream.
And so, generation after generation, the art of textiles continues to flourish, bringing past and present together in an embrace of beauty and craftsmanship. C&C Milano continues to embody what can be achieved when tradition and innovation walk hand in hand, inspiring the world with each new step.

Throughout its years of history, C&C Milano has found distinctive locations that reflect the brand's elegance and dedication to quality.
The head office is located in Oleggio (NO), Via Giovanni Paolo II, 14, but the company's roots extend beyond the boundaries of the headquarters, embracing other locations that tell their own stories of elegance and style. In particular, C&C Milan has been able to extend its presence with other showrooms belonging to the company's subsidiaries. The aura of beauty and style that distinguishes the brand spreads throughout these international spaces, taking Italian excellence to every corner of the globe.
C&C Milano is present in London, Munich, New York, Paris and Milan.
The Milan showroom is located in via Brera 7 and the C&C Milano retail Factory Store is in Castelletto sopra Ticino (NO).

Piero and Emanuele Maria Castellini, co-founders of C&C Milano, both carry a legacy of major importance in the world of architecture and textiles.

Architect and interior designer Piero Castellini Baldissera is a descendant of the famous Piero Portaluppi, an eminent Milanese architect from the 1930s, whose work shaped an era in the history of architecture.
Following on from this prestigious legacy, Piero Castellini Baldissera has built a varied and successful career. His acclaimed and varied designs offer a fascinating insight into the evolution of modern interiors. He is particularly well-known for his unique ability to redefine the interior spaces of historical residences, with the refined use of colour, meticulous selection of materials and customised furniture design being his unmistakable hallmarks.
Emanuele Maria Castellini on the other hand comes from a family with a solid tradition in the textile industry, dating back to his great-grandfather Clateo. He has inherited both the entrepreneurial skills and the experience gained in the world of textiles, perpetuating this precious family heritage.

For those interested in learning more about the history of the Castellini family, we warmly recommend the book "Castellini: Storia di una Famiglia" by Ivana Doro Altan. This publication takes readers on a fascinating journey through the generations of the Castellini family, highlighting the personal memories that have characterised the company's history.
The book is available from the company website and is a valuable tool to better understand the roots, values and traditions that have accompanied the Castellini family over the years.

Link to the book:
www.cec-milano.it/pages/template/images/chisiamo/castellini_and_the_family_book.pdf

A MILANESE HISTORY
From Castellini to C&C Milano: a journey of tradition and innovation in the world of textiles

1850

The beginning of the family's story, with Clateo Castellini's purchase of a factory for spinning and weaving linen, hemp and jute.

anni'70 del 1900

The company merged with Braghenti of Como, a factory specialising in silk for men's ties and women's fashion, developing a complete line of fabrics under the leadership of Emanuele Maria Castellini.

anni'90 del 1900

Braghenti Castellini was purchased by the Ratti company of Como, specialised in silk, with which Emanuele Maria Castellini collaborated until the creation of C&C Milano

1996

C&C Milano was founded by Piero and Emanuele Maria Castellini.
The first Milanese showroom also opened in Via della Spiga, with a focus on decorative fabrics and on finished products for the home

2005

The Milanese flagship store moves to via Zenale 3, near Da Vinci's magnificent Last Supper and Santa Maria delle Grazie

2010

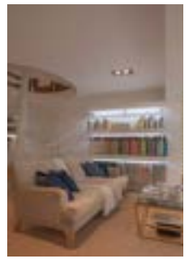
This was the year of the opening of a showroom/outlet in an industrial green area of Oleggio in the countryside of Novara. Now the public has access to various lifestyle products and out-of-collection fabrics

2013

Showroom opening in London at Design Centre Chelsea Harbour

2015

Opening of C&C Milan in Munich



2017

New opening of C&C Milan in New York

2018

C&C Milan opens a prestigious Showroom in Paris in the city's famous design district: Saint Germain de Près in Rue de Furstemberg

2021

Relocation of the Milan showroom to Via Brera, 7

2023

Casa C&C Milano opens in Paris, Place Furstemberg and Casa C&C Milano in Milan, also in via Brera 7. These are apartments entirely furnished with C&C Milano products, designed to welcome customers and convey the style and good taste of the Maison

1.2 MISSION AND VALUES

C&C Milano is committed to creating unique and refined settings, offering high-quality fabrics and interior furnishings that reflect the finest Italian craftsmanship and timeless elegance. Guided by a passion for beauty and good taste, the company is committed to satisfying the desires and meeting the needs of its customers, offering tailor-made and customised solutions to make every space an extraordinary experience. With deep respect for tradition and constant pursuit of innovation, C&C Milano is committed to maintaining the high standards of quality, sustainability and service that distinguish the brand.

TRADITION

C&C Milano gives great importance to the preservation of family roots and optimising its long history in architecture and textiles.

CRAFTSMANSHIP

C&C Milano places great emphasis on details and artisan production, promoting Italian savoir-faire and the expertise of local weavers and artisans.

INNOVATION

C&C Milano constantly seeks new creative solutions and advanced techniques in textile and interior design, combining tradition with innovation.

SUSTAINABILITY

The company is committed to a responsible approach to the environment and natural resources, prioritising the use of natural textile fibres and eco-friendly production processes.

1.3 THE GOVERNANCE MODEL

C&C Milano is a company incorporated as a Limited Liability Company (L.L.C.), with 34% of the shares belonging to the financing company Tenore S.r.l. and the remainder to members of the Castellini family, who hold varying stakes.
The company has a strong family orientation and the Board of Directors is an expression of this, involving key figures who also play operational roles within the company.
The BOD is the decision-making body responsible for the ordinary and extraordinary management of the company, in compliance with the provisions of the Italian Civil Code. The members of the BOD are:

- Chief Executive Officer: Castellini Emanuele Maria
- Director: Castellini Baldissera Piero
- Director: Castellini Andrè Vitorio Cesar
- Director: Castellini Curiel Gigliola
- Director: Potenza Rosa Maria

To ensure accurate auditing and compliance with regulations, the company has appointed Studio Fabio Castellani to perform the auditing activities.

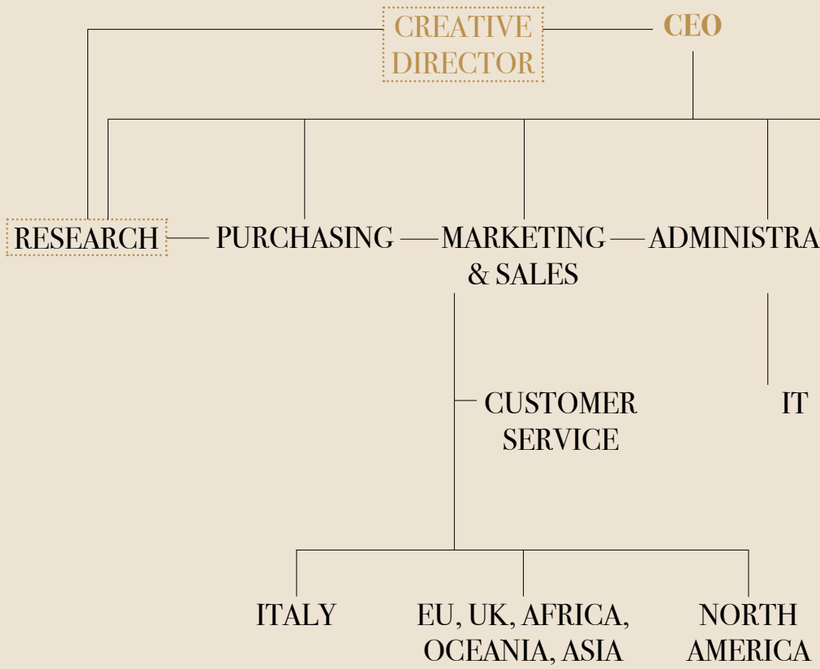
The model

The Board of Directors directly manages everything that concerns the goals, values and strategies relating to the company's economic and sustainable development, also handling the economic, environmental, social and governance impacts.
Management is responsible for setting short and long-term goals, policies and directives that are key to a vision of a sustainable future, which the various managers are responsible for putting into practice in their operations.

Implementation of commitments is not limited to internal operations, but also involves all stakeholders, such as suppliers and customers. Customer relations are based on transparency and the sharing of accurate information regarding the sustainable aspects of products.

The organisation chart shown illustrates the hierarchical structure of C&C Milan, highlighting the various roles and departments.

BOARD OF DIRECTORS



A detailed description follows:

At the top of the corporate structure, the **Board of Directors** is responsible for general supervision and high-level strategic decisions.

Below the Board, the **CEO** (Chief Executive Officer) is the executive head of the company, responsible for day-to-day management and implementing the Board's decisions.

The **Creative Director** reports directly to the CEO and is in charge of making decisions related to creativity and innovation within the company. The **Research** department reports directly to the Creative Director and secondly to the CEO. This department is responsible for product research and development.

The **Purchasing** department also reports to both the Creative Director and the CEO and manages the procurement of materials and services necessary for the company.

Marketing & Sales reports directly to the CEO and is responsible for promoting the company's products and sales.

Customer Service is below the Marketing & Sales department and is divided into three geographical areas:

- Italy
- EU, UK, Africa, Oceania, Asia
- North America

Each area manages customer service in its own region.

The **Operations** area reports directly to the CEO. This department takes care of the company's production and operational activities.

Administration reports to the CEO and manages the company's administrative and bureaucratic activities.

The **IT** area, a sub-department of Administration, is responsible for the company's IT systems.

Sustainability governance

Management plays a key role in the company's sustainable development. A key aspect of this commitment is the signing of the **Charter of Supply Chain Sustainability Values**, a distinctive document that establishes principles and guidelines for managing the supply chain, promoting values such as transparency, integrity, social responsibility and environmental sustainability. By signing this document, the company formally undertakes to respect and promote these values throughout its supply chain.

Responsible relationship management

C&C Milano S.r.l. considers the establishment of an open exchange with its stakeholders to be of primary importance.
The Charter of Supply Chain Sustainability Values is circulated transparently and is made accessible both within and outside the organisation. The Charter has been sent by e-mail to all company suppliers. The Charter can also be sent to customers upon specific request, illustrating C&C Milano S.r.l.'s commitment to transparency and cooperation with its business partners.
This allows the sharing of guidelines and regulations in a way that is easily accessible to anyone who has a direct relationship with the company, helping ensure consistency and compliance in day-to-day operations.

The company uses Instagram, Facebook and LinkedIn in the management of relations with its stakeholders and has developed its own corporate website (www.cec-milano.com).

In terms of participation in the area and the community of the sector in which it operates, C&C Milano has also adhered to the MANIFESTO DELL'ABITARE (www.manifestodellabitare.it), in which designers working in town planning, retail, interior design, lighting design, office design, hospitals and gardens, interpret the themes of social and environmental sustainability, starting from their own sphere of intervention.

Workshop "Spazi e Relazioni", Università IUAV Venezia September 2022.

2

2.1 THE COMPANY

The production model

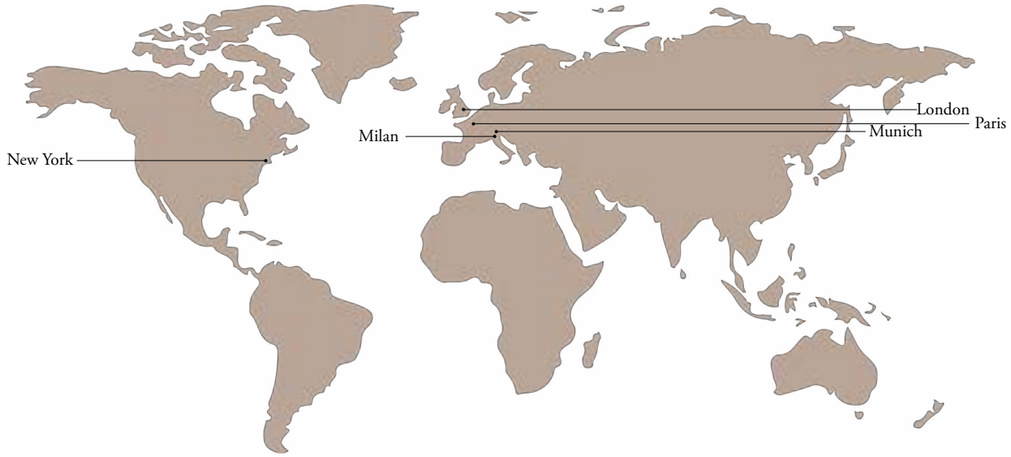
The organisation offers a wide range of products to meet home furnishing requirements. The main items offered include fabrics, ready-made products, rugs of various kinds, wallpaper, wallcoverings and decorative ribbons.
Fabric design accounts for 70 % of C&C Milano's business, 20% is concentrated on ready-made products such as tablecloths, sheets and towels, and the remaining 10% on rugs, leather, ribbons, wallpaper and furniture. Two collections a year are scheduled, one in January and one in September.

Fabrics are classified into categories (A, B, C) and a minimum level of stock is established for each category, based on historical sales trends or promotional requirements. Other fabrics are produced on request and therefore made to order.
Ready-made products, on the other hand, are produced on demand without maintaining stocks, involving the various suppliers and customising orders to customer specifications.
Quality control is carried out both internally and externally for ready-made products and fabrics. For the latter, it varies depending on the type and machinery to be used.
As far as the units of measurement used in production are concerned, reference is mainly made to metres for measuring fabrics and the number of pieces for ready-made products.
In the year under review, the organisation sold a total of 71,500 metres of fabric and 20,772 ready-made products.

C&C Milano carries out no in-house production processes, with the exception of small samples, but collaborates with outside suppliers for the creation of its products. With this in mind, the company is committed to maintaining sustainable practices at every stage of the supply chain, collaborating with suppliers who share its values, promoting a production cycle that aims to minimise environmental impact and supports social wellbeing.
With a consolidated international presence, centralised management and commitment towards sustainability, the company has continued to grow over the years, offering high-quality products to customers all over the world.

The reference market

From a geographic perspective, C&C Milano S.r.l. boasts business relationships with customers distributed worldwide, contributing to the extensive international presence of its products. Over the years, the company has consolidated a strong commercial presence in Europe and the United States. Its main customers are international architects, interior designers and interior decorators.



53 countries served in 2023

2390
total active clients

Italy	Export
515	**1875**

Turnover

During reporting year 2023, the company recorded a total turnover of **€ 9,724,848**, showing an increase over the previous year, when turnover was € 9,316,023. In detail, domestic turnover in 2023 accounted for 16%, while foreign turnover was 84%.
In comparison with 2022, there was a significant increase in domestic turnover, which grew by almost 75%, while foreign turnover fell by about 4%.

9.7 M€
year 2023

9.3 M€
year 2022

company turnover 2023

84%
turover abroad

16%
turover Italy

Certifications and initiatives

C&C Milano incorporates a focus on sustainability in its operational approach. This principle, constantly fuelled by ongoing research, is a driving force for the company's growth and development, allowing it to pursue increasingly ambitious goals in terms of social responsibility and environmental sustainability.

When selecting suppliers, the company favours those in possession of company and product certifications, displaying a real commitment to standards of excellence. The desirable certifications include:

GOTS | GLOBAL ORGANIC TEXTILE STANDARD
This is recognised as the most important international standard for the sustainable production of garments and textiles made with natural fibres from organic farming such as cotton and wool. The standard defines restrictive environmental and social criteria applicable to all stages of production.

GLOBAL RECYCLED STANDARD | GRS
This ensures that the products contain recycled materials as well as the maintenance of traceability across the entire production process, restrictions on the use of chemicals and compliance with environmental and social criteria at all stages of the production chain.

OEKO-TEX STANDARD® 100
OEKO-TEX STANDARD® 100 certification is one of the world's best-known certification systems for the safety of textile products. It is an independent standard that aims to ensure that textiles and textile products are tested for substances that are harmful to human health.

RCS | RECYCLED BLENDED CLAIM STANDARD
The RCS standard emphasises the use of recycled materials to promote a sustainable production model that aims to reduce the consumption of resources and certifies the presence of between 5% and 100% pre-consumer and post-consumer recycled material in our yarns, also certifying traceability throughout the production process.

FSC | Forest Stewardship Council®
FSC (Forest Stewardship Council) certification is an international standard of sustainable forest management. The main purpose of FSC certification is to ensure that wood and products from certified forests come from sustainably managed forests, taking social, environmental and economic aspects into consideration.

European Flax®
European Flax® Certification guarantees that the flax fibre comes from European cultivations.

Trevira CS ECO
Label for flame retardant fabrics that also have characteristics of sustainability, including at least 50% recycled raw materials.

Masters of Linen®
Label issued by the CELC (Alliance for European Flax-Linen & Hemp), which unites and promotes European textile companies involved in a supply chain of excellence. At its heart is a traceability system of 100% flax grown on European soil, guaranteeing its quality and high added value.

IMO
Certificate issued by the International Maritime Organisation guaranteeing the resistance and behaviour of fabrics on boats and in saline environments.

UNI EN ISO 9001:2015
Corporate certification of the implementation of an internal process management system, including practices and procedures, aimed at meeting quality requirements.

4SUSTAINABILITY® FRAMEWORK
C&C Milano has embraced the commitment 4sustainability® (www.4sustainability.it), an innovative framework of implementation and a registered label that guarantees the sustainability performance of the fashion and luxury supply chain. The issue and maintenance of the label depends on the implementation of one or more of the six initiatives of the roadmap 4sustainability, as well as the fulfilment of strict requirements that are constantly monitored. These initiatives coincide with the priorities identified by the Global Fashion Agenda and have as their fundament and aim the fulfilment of one or more UN Sustainable Development Goals.

The 4S® Protocol envisages a level of implementation (Ongoing, Basic, Advanced, Excellence) that is verified annually by means of a quantitative and qualitative assessment which ascertains compliance with the requirements.
C&C Milano has implemented the PEOPLE pillar (with BASIC level), the MATERIALS pillar (with ONGOING level) and the TRACE pillar (with BASIC level), the main targets for which are highlighted below.

4s PEOPLE
Building a pathway of awareness and growth of organisational well-being and corporate social responsibility with the support of management in its capacity as intellectual sponsor of the project.

4s MATERIALS
Accompany the conversion to the use of materials with a lower impact to increase sustainable production. Defining indicators and criteria for measuring the purchasing and sales of sustainable materials as a prerequisite for market communication.

4s TRACE
Building a system capable of tracking internal production processes as well as mapping and qualifying its supply chain by verifying environmental and social sustainability performance, up to the definition of a supplier sustainability rating.

To learn more and verify the level achieved for each pillar, you can consult the E-report on the following page:
www.4sustainability.it/4sustainability-e-report-c-e-c-milano/

Or scan the following QR-Code:

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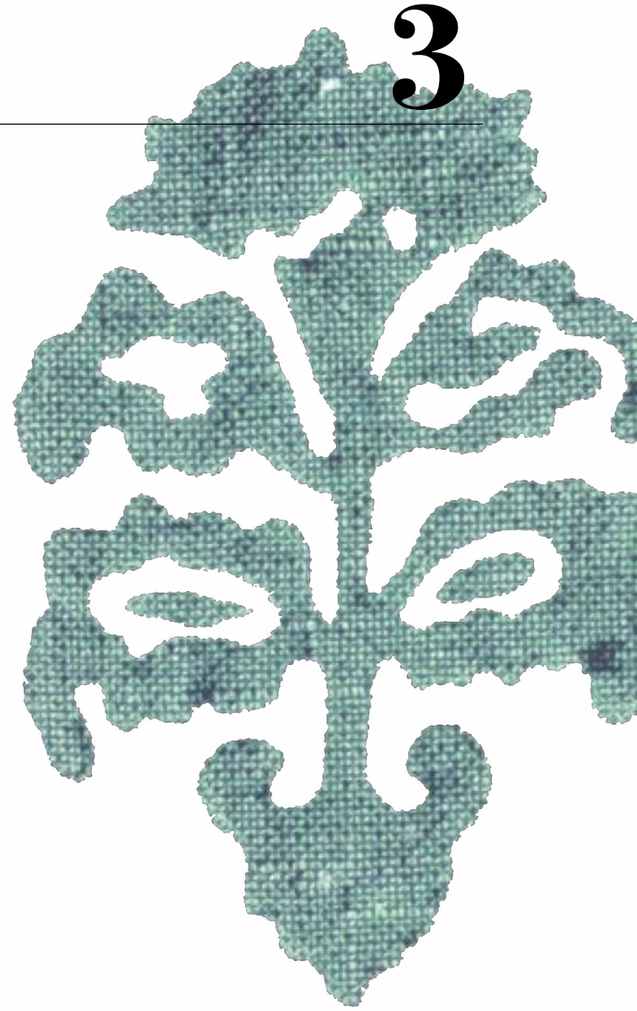


3.1 C&C MILANO'S SUSTAINABILITY: a holistic approach

C&C Milano S.r.l. takes a holistic approach towards sustainable development and social responsibility. In order to pursue social and economic development, as well as environmental principles, the company actively involves not only its employees, but also the entire production chain.

The Charter of Supply Chain Sustainability Values introduces the fundamental pillars for the pursuit of sustainability goals. These principles guide the company to choose socially and environmentally responsible operations.
The implementation of the 4sustainability® framework requires annual performance assessments that steer the company towards continuous improvement.

Sustainability policies

C&C Milano sees sustainability as a real opportunity for growth and continuous improvement. In its Charter of Supply Chain Sustainability Values, the company has clearly outlined the main goals for managing and reducing environmental and social impacts throughout its supply chain.

Banning of forced labour. The Supplier has to ensure that all employees are free to choose their work. All forms of forced labour and slavery are strictly forbidden. Employees must not be exposed to humiliating treatment, corporal punishment or psychological/physical coercion.

Banning of forced labour. All suppliers are strictly forbidden from employing child labour. Child labour is defined as work performed by children under the minimum age (14, 15 or 16) established for the various types of activity by national legislation in compliance with international regulations, and work that is likely to jeopardise the child's education and full development.

Formal employment relationship. The relationship between the employer and the employee must be formalised by means of a written contract that covers the rights and obligations of the employee and defines the terms for the assignment of the contract.

Freedom of association. The Supplier must guarantee employees the right to collective bargaining, to establish or join the trade union of their choice, without being sanctioned, discriminated against or abused by the employer.

Employee health and safety. The Supplier must ensure that all employees work in a safe and healthy working environment in compliance with the applicable regulations. The Supplier must take appropriate steps to prevent accidents and damage to health arising from, related to or occurring during work, by reducing, as far as is reasonably possible, the causes of occupational risks in order to prevent and manage accidents and damage to health.

Fair remuneration. The Supplier must guarantee all workers a minimum wage based on national legal standards or industry reference standards, depending on which takes prevalence, as well as respect for the right to appropriate remuneration, sufficient to meet the basic needs of employees and their families, paying an additional portion of remuneration if appropriate.

Standard working hours. The Supplier must comply with national laws and industry standards on working hours, bank holidays and annual holidays. The number of hours worked must not exceed 48 hours a week with a maximum of eight hours a day, as defined by the International Labour Organisation (ILO).

Banning of discrimination. The supplier must treat all workers fairly, avoiding all discriminatory practices - with particular reference to remuneration, recruitment, access to training, promotion, dismissal or retirement - based on gender, race, caste, nationality of origin, religion, age, disability, marital status, sexual orientation, trade union or political party membership.

Banning of mistreatment or abuse in the workplace. The supplier must guarantee all employees the right to respectful and dignified treatment. No form of physical, psychological, verbal or sexual abuse, corporal punishment or other forms of intimidation must be used against them.

Organisational well-being and continuous improvement. The supplier is obliged to consider more agile forms of work, applying ways to improve work organisation, the work-life balance and the reduction of travel. New working models should also be considered to increase productivity and improve employee well-being.

Conscious use of resources to reduce environmental impact. C&C Milano aims to reduce the environmental impact of its own activity and that of its supply chain.
To this end, the Supplier is required to strive to act in accordance with international, transnational and national environmental laws at all times, obtaining the permits required by the legislation in force (e.g. atmospheric emissions authorisation, discharge authorisation, etc.) and applying the appropriate waste management practices.
C&C Milano also invites the Supplier to measure its energy consumption and related emissions in order to assess policies and projects to reduce them, in keeping with the shared commitment to fight climate change and reduce its environmental impact.

Elimination of toxic and harmful chemicals from production processes. C&C Milano is aware that, among the most significant impacts related to its production activities, a major role is played by the use of chemicals in some of its processing cycles. To this end, the Supplier is requested to phase out the use of chemicals that are toxic and harmful to humans and the environment in its production processes (internal and/or external), implementing a risk assessment and management system aligned with the ZDHC programme (https://www.roadmaptozero.co). The Supplier is invited to consider the adoption of MRSL ZDHC implementation protocols, such as 4sustainability® (www.4sustainability.it), Bluesign®, Leather Working Group (LWG) or others, to demonstrate the level of progress towards eliminating toxic and harmful substances from its production cycles.

Conversion to the use of materials with a lower impact for sustainable production. Being aware of the social and environmental impact related to the cultivation, breeding or extraction of raw materials, C&C Milano aims to gradually incorporate sustainable fibres and materials into production.
The Supplier is required to prioritise, where possible, the procurement of raw materials from suppliers who comply with social and environmental responsibility requirements that are consistent with the aforementioned Charter of Values, adopting certifications or product marks if necessary.

C&C Milano also prefers the use of primary and secondary packaging with a focus on sustainability, e.g.:
- recycled/reused plastic packaging (e.g. plastic wrap, plastic film)
- paper and cardboard from recycled and/or FSC/PEFC certified material
- re-use of packaging where possible (e.g. pallets)
- packaging free from toxic and harmful chemicals (e.g. phthalate/PVC-free plastics)

Development of reuse, recycling and sustainable design practices. C&C Milano supports and prefers suppliers who are committed to implementing good practices and structured projects for a gradual transition to a circular economy model which has the fundamental goals of minimising waste through recycling and reuse, as well as the constant application of sustainable design practices in product development. For this reason, Suppliers are invited to disclose ongoing projects and to consider possible future collaborations.

Materiality path

The materiality analysis is a key element in the *reporting process*, with the aim of defining the most important sustainability issues for C&C Milano and its stakeholders.
To this end, the company has followed a structured methodological path that includes the identification and assessment of sustainability issues in its specific field and their assessment based on strategic aspects, materiality, and expected impact from its own point of view and that of its stakeholders.
The material themes, as well as the results achieved and future goals, will be related to the SDGs, the Sustainable Development Goals of the 2030 Agenda, in order to align the activity of C&C Milano with a common global sustainability path.

Context and significant issues

Starting with the analysis of the specific sector, the sustainability trends relating to the area in which C&C Milano operates, the type of company and the comparison with other similar realities, the significant issues were defined and then discussed with the stakeholders and assessed in terms of materiality.

ENVIRONMENTAL
Polluting emissions and climate change impacts
Energy efficiency and renewable energy
Circular economy and good waste management practices
Management of chemicals
Management of water resources
Safeguard of Biodiversity
Use of Sustainable Materials

SOCIAL
Responsible supply chain management
Diversity & Inclusion
Support and development of the local community
Safeguard of employees' Health and Safety
Professional growth enhancement and development
Well-being of human capital and employee support

GOVERNANCE
Ethics, Compliance and business integrity
Value creation and distribution
Quality, Safety and product Innovation
Supply chain traceability

Stakeholders

C&C Milano considers it a priority to maintain a solid and lasting relationship with all its stakeholders based on their involvement and ongoing dialogue.
This relationship is key to the creation of shared value. Starting from this first reporting exercise, the company will be able to identify projects aimed at fulfilling the expectations and needs of the stakeholders.

The stakeholder identification process involved the company's management and was based on the relationships established with organisations in the area and in the sector, as well as on issues of relevance to the company's activities.
With this in mind, all the subjects that influence or are influenced by C&C Milano's activities, its services and its performance were identified.

The categories of stakeholders that were mapped and towards whom the methods of involvement will be further promoted over the years to come, assessing specific methods and frequency in order to develop and consolidate the relationship over time are listed below.

OWNERSHIP/SHAREHOLDERS & BOD
EMPLOYEE
SUPPLIER
CUSTOMER
MEDIA/COMMUNICATION/TRADE FAIRS
AGENTS

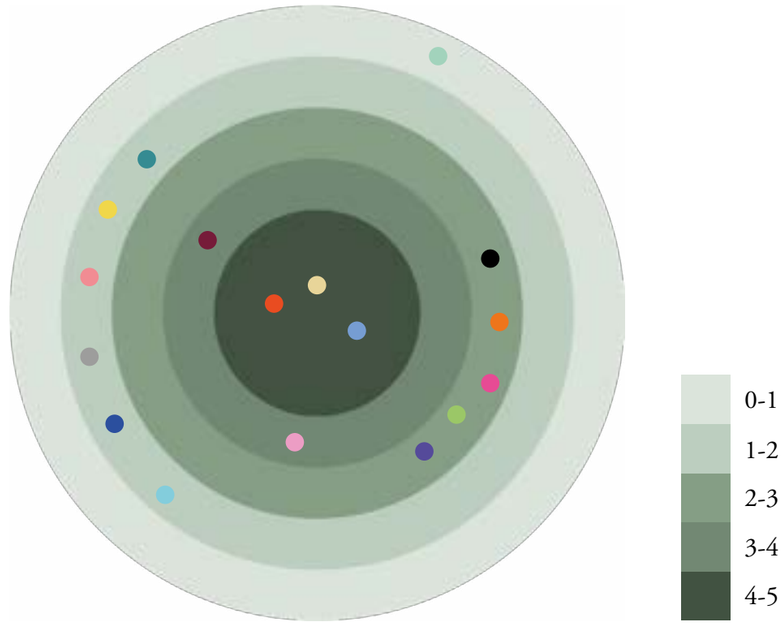
For this first year, each category of stakeholders, according to their views and perceptions in terms of expected impact, was asked to fill out a sustainability questionnaire aimed at investigating the relevance of the issues presented above.
The analysis of the answers made it possible to determine a scale of priorities based on the stakeholders' point of view, as well as a qualitative assessment of the impact that each issue could have on the various categories.

Materiality analysis

From the evaluation of the results of the stakeholder survey on corporate issues, it was possible to identify the material issues which are relevant to the company, represented graphically using the materiality matrix and in detail in the table in the next paragraph.

The materiality analysis process will be regularly updated over the next few years, to validate its content and reflect any changes that may occur over time.

Each material issue will be addressed in the following paragraphs.



Legend:

- Energy efficiency and renewable energy
- Safeguard of employees' Health and Safety
- Quality, Safety and Product Innovation
- Ethics, Compliance and business integrity
- Polluting emissions and climate change impacts
- Diversity & Inclusion
- Use of Sustainable Materials
- Value creation and distribution
- Management of chemicals
- Responsible supply chain management
- Circular economy and good waste management practices
- Management of water resources
- Responsible supply chain management
- Safeguard of Biodiversity
- Professional growth enhancement and development
- Well-being of human capital and employee support
- Support and development of the local community

The 2030 agenda

The 2030 Agenda for Sustainable Development is an action programme for people and the planet signed in September 2015 by the governments of the 193 UN member countries.

The Agenda includes 17 Sustainable Development Goals and 169 related targets within a major programme of action that is steering the world along the road ahead. Everyone, both individual citizens and public, private and non-profit organisations, is called upon to contribute to the accomplishment of these development goals.

In order to meet the demands of sustainable development and in view of the importance of the 17 Sustainable Development Goals defined in the United Nations 2030 Agenda, the decision was made to link each material issue to the relevant Sustainable Development Goals, to highlight the contribution to be made and to serve as a starting point for continued improvement.

Below is a summary of the material issues divided by sphere and related to the respective SDGs.

SPHERE	MATERIAL ISSUE	DESCRIPTION	SDGs
GOVERNANCE	Value creation and distribution	"Value creation and distribution" refers to a company's ability to generate profits and the manner in which they are distributed, fairly, among the various stakeholders (salaries, payments to suppliers, dividends, etc.).	
GOVERNANCE	Ethics, Compliance and business integrity	"Ethics, Compliance and business integrity" refers to the company's observance of ethical standards of conduct, regulatory requirements and the market in which it operates.	
GOVERNANCE	Quality, Safety and Product innovation	"Quality, Safety and Product Innovation" refers to the system of controls put in place by the company to ensure quality and safety standards for its products and processes, as well as the use of raw materials and procedures to pursue product quality standards.	
GOVERNANCE	Responsible supply chain management	"Responsible supply chain management" refers to the selection and assessment of suppliers based on factors relating to compliance with social conditions and environmental protection and not just economic requirements.	
ENVIRONMENT	Energy efficiency and renewable energy	"Energy efficiency and renewable energy" refers to a company's commitment to reducing its energy consumption, making processes more efficient, producing energy from renewable sources, and purchasing certified "green" energy.	
ENVIRONMENT	Polluting emissions and climate change impacts	"Polluting emissions and climate change impacts" refers to the company's commitment to reducing polluting emissions and to projects for the reduction of direct and indirect greenhouse gas emissions.	
ENVIRONMENT	Use of sustainable materials	"Use of sustainable materials" refers to the attention paid to the choice of sustainable raw materials, whether certified, produced according to sustainable practices, recycled or regenerated, reducing the use of non-renewable materials wherever possible.	
ENVIRONMENT	Management of chemicals	"Management of chemicals" refers to be the company's commitment to the proper management of chemical products to reduce the presence of toxic and harmful substances and to the monitoring of discharges and pollutants generated throughout the production process.	
SOCIAL	Safeguard of employees' health and safety	"Safeguard of employees' health and safety" refers to all aspects of the protection of the health and safety of employees, in terms of prevention, training, risk management and risk reduction, as regulated by Consolidated Law 81/2008.	
SOCIAL	Diversity & Inclusion	"Diversity & Inclusion" refers to all the values and behaviours aimed at guaranteeing gender equality and diversity, without any kind of discrimination.	

4

4.1 VALUE CREATION AND DISTRIBUTION

The company proves its ability to generate value, not only in economic terms but also for the benefit of its stakeholders.

This chapter gives a detailed account of how this value is distributed among the different categories, acting as an accounting bridge between the Financial Statements and the Sustainability Report. The figures presented below show how the value created by the company is distributed to the various stakeholders.

	2022	2023
Comprehensive economic value generated	€ 9.316.023	€ 9.724.848
Comprehensive economic value distributed	€ 9.090.609	€ 9.428.623
Economic value distributed to PERSONNEL	€ 1.148.517	€ 1.289.043
Economic value distributed to SUPPLIERS	€ 7.748.826	€ 7.953.132
Economic value distributed to FINANCIERS	€ 118.699	€ 118.177
Economic value distributed to PUBLIC ADMINISTRATION	€ 74.567	€ 67.471
Economic value distributed to the COMMUNITY	-€	€ 800
Economic value distributed to SHAREHOLDERS	-€	-€
Economic value retained	€ 225.414	€ 296.225
of which amortisation and depreciation, provisions and reserves	€ 58.303	€ 44.091
Profit	€ 167.111	€ 252.134

84,4%
suppliers

13,7%
staff

1,3%
banks and financiers

0,7%
public Administration

0%
community

No financial assistance was received from the public administration, through calls or other types of regional, national or European subsidies in 2023.

In 2022, on the other hand, a non-repayable grant of € 51,838 (SIMEST fund) was used for the development of the e-commerce website, internalisation and technological development. Specifically, the investment actions were:

- **E-COMMERCE WEBSITE DEVELOPMENT: to source new customers, sell fabrics and household linen worldwide**

- **DEVELOPMENT OF THE MANAGEMENT SOFTWARE: for the simplification of internal processes, new procedures, streamlining of activities, reorganisation**

- **PARTECIPATION IN THE INTERNATIONAL TRADE FAIRS, continued in 2023, including the following:**

January, Paris Deco Off 2023 Fair
March, London Design Week
April, Milano Fuorisalone
May, Münchner Stoff Frühling
September, Focus week DCCH London
December, Twinkle Christmas fair DCCH London

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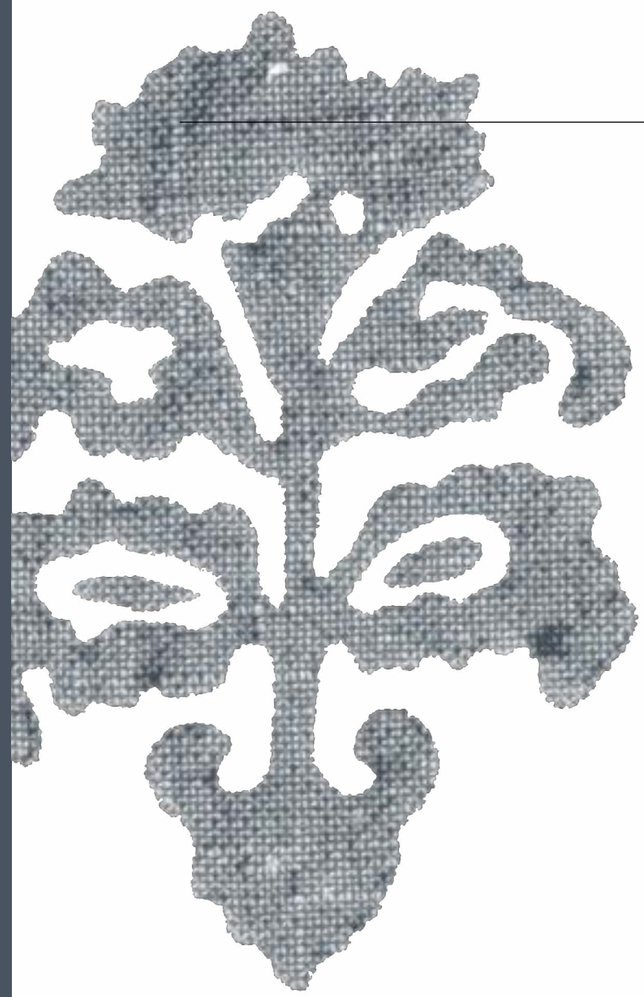


5.1 RESPONSIBLE PRODUCTION: Ethics, compliance and business integrity

The Charter of Supply Chain Sustainability Values plays a fundamental role in the corporate documentation of C&C Milano S.r.l. This document represents the structure that guides the company towards achieving its business goals in full compliance with the universal principles of Social and Environmental Responsibility.

The evidence achieved for reporting year 2023 is presented in the interests of greater transparency:
• No cases of corruption were identified;
• No legal actions were taken against the organisation for unfair competition, antitrust violations or monopolistic practices;
• There were no instances of non-compliance with regulations or voluntary codes concerning the impact on health and safety of the products offered by the company;
• No breaches of privacy or loss of Customer data were reported;
• There were no cases of non-compliance with the principles of confidentiality and protection of information.

Quality, safety and product innovation

Quality, safety and customer satisfaction are key principles for C&C Milano S.r.l. and in order to pursue them, the company defines a number of specific supplier management processes and procedures. The company's suppliers are now well-established and highly qualified partners who, as a matter of practice, carry out and monitor every stage of the production process to ensure a high standard of quality.
There are, however, rules defined by C&C Milano to guarantee the quality of the product and determine any faults in the fabric, which are enforced by means of an external control at a specialised company and an internal control. Sometimes, when necessary, C&C Milano itself performs tests and treatments on the fabric, also at the customer's request.
Some suppliers have also embarked on a sustainability journey, and they share their reports and monitoring data with C&C Milano.

Regarding **returns to suppliers** for reasons of non-compliance, these amounted to **1,181 kg of fibre/fabrics**, corresponding to approximately 1,190 metres.
With regard to **returns from customers** for reasons of non-conformity, these amounted to **478 metres and 20 pieces**, corresponding to 0.6 % of production.

In addition to this, to keep up with the market and competitors, before the new collection is released, the company focuses on the continuous and prompt improvement of knowledge and trends in the industry, attending trade fairs and various events, and then incorporating innovations internally.

With regard to the final labelling of the products released onto the market, the company must include information on each product sold, concerning:

• the origin of the goods
• the composition of the goods
• instructions for use
• packaging (recycling symbol for proper disposal)

There were no cases of non-compliance with regard to information and labelling, with respect to mandatory or voluntary regulations, nor with regard to marketing communication on products during 2023.

Responsible supply chain management

Within the framework of the certifications held by the company, suppliers are subject to a qualification process which includes environmental and social criteria for some of them.

According to the 4sustainability® TRACE protocol, suppliers are assessed according to criteria aimed at defining a sustainability rating, to be applied particularly to suppliers identified as strategic.

The C&C Milano project was launched in 2022 and completed in 2023, with the adoption of a supply chain qualification and accreditation procedure involving the following activities:

• Supply chain mapping: classification by type of supply and according to the importance of the relationship of all suppliers active in 2023.
• Qualification of the supply chain by sending and requesting all suppliers to sign the Charter of Sustainability Values and requesting them to fill out the 4sustainability self-assessment questionnaire for suppliers classified as strategic.
• Definition of the Supply Chain Sustainability Rating to be assigned to strategic suppliers that have completed the 4sustainability assessment, and definition of the improvements to be requested in terms of EHS compliance.

The Rating is calculated on the basis of the following parameters:
- The supplier's country risk assessment
- Compliance with EHS legislative requirements
- The score attained by filling in the 4s assessment questionnaire, which investigates the level of maturity reached by companies in relation to the main sustainability issues.

This project made it possible to map 61 suppliers, 39 raw materials and 22 processes or manufacturing procedures, analysed on the basis of both turnover and purchase volumes. All the suppliers mapped were sent the C&C Milano Charter of Values and asked to sign it.
48 of these were assessed as strategic, accounting for 93% of the total based on purchase turnover, and 25 were engaged using the Ympact[1] platform to fill out the 4sustainability self-assessment questionnaire.

61 **Mapped suppliers to whom the Charter of Values has been sent**
40 Have signed the Charter of Values
(corresponding to 75% of turnover)

25 **Suppliers engaged in Ympact**
21 In Italy
4 Abroad (3 European in the UK and Belgium and one in Brazil)

25 **Suppliers engaged in Ympact**
7 Completed the engagement process by filling out and sharing the 4s assessment

Two EHS non-conformities emerged among the suppliers engaged and were immediately managed and resolved with the corrective actions identified.
For more information, please use the contact e-mail indicated in this Sustainability Report.

[1] The Ympact platform, developed by the Yhub Group, was created with the aim of monitoring the environmental and social impacts of fashion production cycles, and allows the collection of qualitative and quantitative data on six different areas of sustainability, in compliance with the 4sustainability framework presented in the chapter on certifications.

6

6.1 ENVIRONMENTAL SUSTAINABILITY

The values of respect, preservation and protection of the ecosystem, together with the aim of minimising environmental impact, are the guiding principles of the business activities of C&C Milano S.r.l., which considers them key to ensuring the growth and sustainable development of its initiatives.

The management of environmental aspects aims to reduce the impacts associated with the company's activities and to promote greater awareness in the protection of the ecosystem. The following paragraphs, dedicated to the individual environmental aspects of relevance, will provide detailed information on how to meet impact reduction targets.

The impact relating to material issues linked to the environmental sphere is largely related to the external boundaries of the organisation: energy consumption, climate-altering emissions, waste and scrap produced, the environmental impact of production and use of raw materials are all determined by the operational activities carried out by the company in the management of its business, only partially by internal processes and, particularly, by the activities carried out by the suppliers with whom business relations have been entered into.

Energy efficiency and renewable energy

C&C Milano manages its energy consumption in accordance with the logic of monitoring consumption and understanding the initiatives that can be introduced to reduce it, minimising costs and the related impacts.
During 2023, the electricity consumed from the grid corresponds to **170,713 kWh**, plus **40,083 kWh** of self-generated and consumed electricity from the photovoltaic system.
The use of **65 Scm** of natural gas/methane was recorded during the period under review, solely for the production of hot water for domestic use, while heating was provided by heat pumps.
A summary of energy consumption in GJ is shown below. The share of renewable energy consumed out of total consumption is 19%.

year 2023	GJ	% of total
Natural gas	2	0,3%
Company fleet consumption (diesel)	-	-
Electricity purchased	615	
Self-generated and consumed electricity	144	
Self-generated electricity fed back into the grid	116	
Total electricity consumed	759	99,7%
Total energy consumption	617	100%
of which renewable energy	144	19%

C&C MILANO has had its own photovoltaic system on the roof of the building since 2012, with an installed capacity of 79 kWp. The production of renewable electricity is self-consumed internally, accounting for 56% of the total produced (the remainder is fed into the grid). Moreover, the lighting system was replaced with LED technology lights in 2022, resulting in a significant decrease in consumption.

72.181 kWh Electricity produced by photovoltaics 2023
40.083 kWh Electricity produced by photovoltaics and self-consumed 2023
55,5% Percentage of self-consumed electricity from PV compared to self- generated electricity

Atmospheric emissions and climate change

As part of the sustainability journey undertaken by C&C Milano S.r.l., an initial accounting of scope 1 and 2 emissions was carried out.

Scope 1 direct emissions
The direct emissions of C&C Milano S.r.l. stem from the consumption of natural gas for heating and fuel for company cars.

132 kgCO2eq Scope 1 GHG emissions

Scope 2 indirect emissions
Scope 2 emissions are those associated with the consumption of electricity, collected by the company through the grid.

50.411 kgCO2eq Scope 2 GHG emissions[2]

The basic processes and databases used for calculation purposes are presented below.

Source of emission	Reference
METHANE	UK Government GHG Conversion Factor for Company Reporting DEFRA 2023
ELECTRICITY FROM GRID	ISPRA - Data from national energy mix

[2] The calculation was performed using the "Location Based" approach.

Use of sustainable materials

C&C Milano S.r.l. adopts a procurement policy aimed at using materials that comply with sustainability criteria and are accompanied by certification of their origin and environmental quality. This choice translates into more responsible production, in keeping with the values of protecting the planet and corporate social responsibility.

The company uses different types of raw materials, mainly textiles, in its production.

158.213 metres of Fabric purchased in 2023
98.600 metres of Fabric purchased in 2023 with supplier certification

Over **62%** of the fabrics purchased come from suppliers that hold some kind of certification, from System 9001 to certain product specifications (Master of Linen, Gots, Trevira, Oeko-Tex, IMO, etc.).

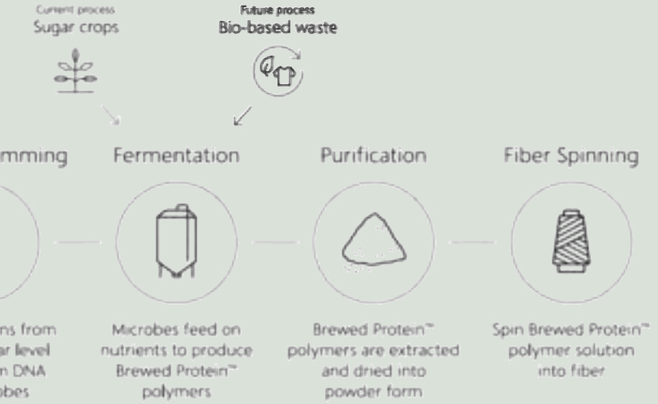
The main quantities are as follows:

- **19.871 metres** of GOTS certified fabrics
- **32.611 metres** of Masters of Linen certified fabrics
- **21.226 metres** of IMO certified fabrics

In addition to these, the company is pursuing a project for the use of innovative protein-based materials, as described below.t

Spiber Inc.'s Brewed Protein™ materials.

Brewed Protein™ materials are laboratory-grown fibres, resins, films and other types of plant-based materials created through microbial fermentation (brewing). This new class of materials is created using Spiber's proprietary technology platform, which enables customised design through the molecular engineering of nature-inspired protein polymers. These materials can offer alternative solutions to a wide range of conventional animal, plant and synthetic materials for various purposes, including textile applications for the clothing industry.
This also ensures a significant reduction in environmental impact which, in terms of GHG emissions, for example, is 79% lower than a cashmere fibre for the same application[3].



[3] Data reported by the supplier, Spiber (https://spiber.inc/en/)

This is reflected in the products sold which, despite having no specific certification, are largely composed of sustainable materials.

Among these products, the proposal of sustainable wallpaper is particularly innovative, thanks to the fact that the raw material used comes from responsible forestry management (FSC certification).

Management of chemicals

The implementation of proper chemical substance management is important for C&C Milano. This practice implies the adoption of strict procedures and protocols that cover the entire life cycle of chemicals, from their acquisition to their proper disposal. This not only ensures compliance with safety and environmental regulations, but also guarantees the protection of employee health and the prevention of potential negative impacts on health and the environment.
At the moment, the main chemicals used in external processing are synthetic dyes. C&C Milano asks the supplier for the characteristics of each product used and the specific technical data sheet.
There are currently no formalised protocols or procedures.

As an additional sustainability and innovation project, a consultant has launched a study for dyeing activities related to the use of natural products, as described below.

Stefano Panconesi, an expert in natural dyeing applied to the industrial dyeing sector and consultant in organic and ecological textiles, carried out a feasibility study on the use of natural industrial dyes, starting from a colour chart created in his own laboratory on the client's material. The project aims to use the plants that man has always used to dye his textile products; we work with natural colours, either individually or mixed together, in the form of extracts to facilitate their use in the dyeing process, in varying percentages.
So it is possible to create a plant/colour chart or a colour chart with blends of plants that comes close to the customer's colour reference.
The dyes used, which are GOTS-certified, are in extract form. This means that the plant or part of it is processed from the initial "whole" phase and made into a concentrated water-soluble powder, to be readily available for industrial textile dyeing.
This phase is environmentally friendly as the solvent used to extract the dyeing pigment from the material is of aqueous origin, or organic solvents, and the entire process is carried out in a closed circuit where, in the end, the components are recyclable or disposable.

Stefano Panconesi x C&C Milano "Tinture Naturali"

7

7.1 OUR PEOPLE

The company strives constantly to ensure the protection of the health and safety of its employees, recognising the importance of a safe and healthy working environment and applying targeted policies and procedures.

Communication with staff, which can take place through internal meetings, direct discussions or exchanges of emails with supervisors or management, is considered to be of paramount importance. There is currently no system in place for recording reports but the company intends to develop one in the near future.

Remuneration policies and system

C&C Milano S.r.l.'s commitment to its resources is expressed in the recognition and appreciation of all employees, without any kind of discrimination.

Remuneration is determined specifically for each department and level of qualification. In addition to a fixed salary, bonuses are awarded on the basis of activities carried out during the year, the results achieved and the targets set at the beginning of the year.

Given the small size of the workforce, no recruitment incentives are offered; the decision to hire new people is based solely on organisational requirements. Performance criteria are based mainly on the activities performed and on numerical results, such as sales.

The remuneration policy is defined and managed by the legal representative in conjunction with the HR manager. The labour consultant is involved solely for clarifications concerning the drawing up of the employment contract and new legislation on recruitment.

The salaries of executives and employees are determined at the time of appointment, referring to the Collective Bargaining Agreement (CCNL Commercio).

Our resources

As of 31.12.2023, C&C Milano S.r.l. had 26 employees, 5 men and 21 women. The average age of employees was 42 (excluding the CEO).

A detailed overview of the company's employees as of 31.12.2023 is provided below:

	MEN	WOMEN	TOTAL
	2023	2023	2023
TOTAL STAFF	**5**	**21**	**26**
staff on open-ended contracts	**5**	**19**	**24**
staff on fixed-term contracts	-	**2**	**2**
staff on other contracts (1 temp, 1 apprentice)	**1**	**1**	**2**
full-time staff	**5**	**20**	**25**
part-time staff	-	**1**	**1**
office and administration staff			**18**
production, warehouse and logistics staff			7
executives			**1**

Production, warehouse and logistics staff account for 28% of the total, administration and office staff for 72%.

Safeguard of Employees' health and safety

C&C Milano is a company with only a minimal amount of production within its own facilities but it has an ongoing commitment to ensure the health and safety of its employees. It recognises the importance of a safe and healthy working environment and implements policies and procedures aimed at preventing occupational accidents and promoting the well-being of its employees. The company uses regular training, site inspections and the implementation of strict safety protocols to create a working environment that promotes the physical and mental health of its employees.

When hiring, the company determines the list of tasks to be performed by each employee, who is then supervised by a department manager.
Basic training is carried out by in-house personnel and, where appropriate, through external courses, particularly the regular safety courses required by law. Employees responsible for first aid and fire-fighting are also appointed and adequately trained.
To prevent and mitigate the significant negative impacts on occupational health and safety related directly to operational activities, C&C Milano, in the person of the external Safety Manager, adopts and updates the Risk Assessment Document , ensuring careful and scrupulous compliance with all laws regulating safety. The Risk Assessment Document not only indicates the improvement plan for the risks analysed and assessed but also includes medical checks and appropriate safety measures. The risk assessment for C&C Milano identified a low safety risk.

No accidents occurred during 2023 or in the previous reporting years.

Diversity & Inclusion

Diversity & inclusion are crucial to the success and sustainability of any modern organisation. The integration of people with different backgrounds, experiences and perspectives not only promotes a fairer and more respectful working environment, but also contributes to improving business performance, encouraging innovation and the ability to respond effectively to the needs of an increasingly diverse global market.

In both the 2023 and previous reporting year, C&C Milano's Board of Directors consisted of:
- three men over the age of 50
- one woman over the age of 50
- one woman between the ages of 30 and 50

There are six members of staff over the age of 50, three men and three women, 16 are aged between 30 and 50, including one man and 15 women, and only three are under the age of 30. In this last age group, two are women and one is a man.

There is also one female employee with a clerical position, employed as a person in a protected category.

Given the size of the company, there are no particular Diversity & Inclusion policies in place. Nevertheless, it is important to continue monitoring these indicators and implementing good practices that promote greater inclusion and representation of gender, age and other diversities.

Promoting diversity means not only complying with regulations, but also capitalising on differences and creating a working environment that benefits from the different perspectives and skills of all employees. Commitment to greater inclusion has to be a strategic priority in order to ensure a sustainable and successful future for the organisation.

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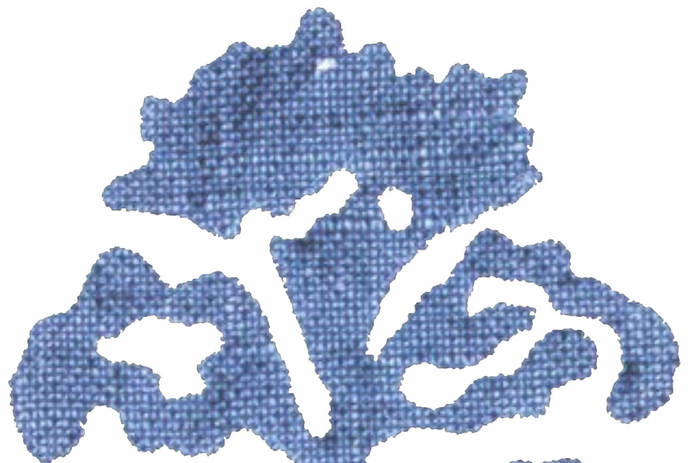

8.1 THE SUSTAINABLE FUTURE OF C&C MILANO

The decision to draw up and publish the Sustainability Report, in addition to other reports that transparently disclose sustainability performance (e.g. the Charter of Supply Chain Sustainability Values), represents a very important step for C&C Milano.

The path of sharing and disclosure undertaken by the Company will increasingly focus on important aspects towards which its commitment can be directed, also in response to the needs of its stakeholders. The company's principles, values and strategies for sustainable development have led to the establishment of common growth targets for the years ahead and these are indicated below:

• Increase the amount of products with sustainability characteristics, also through specific certification, so as to reach 30% of the collection that is composed of sustainable/recycled/recyclable yarns and products within the next 5 years.

• Be an integral part of research for innovation in the textile sector in the production of biodegradable and biocompatible fibers within the next 3 years.

• Create an office dedicated to the study and obtaining of the various certifications that attest to the quality and technical characteristics of our products.

• Work further on the supply chain, selecting suppliers who have, themselves, undertaken sustainability paths, monitoring their characteristics and initiatives through questionnaires in line with the C&C Milano sustainability project.

• Focus on the circular economy, seeking solutions for the reuse of waste, improving the separation, management and valorization of leftovers and waste based on their composition and reducing, first and foremost, surpluses and offcuts related to the production phases by 2025.

• Define, publish and share internally and externally the C&C Milano Code of Ethics by 2025.

• Grow people, through training courses for employees and managers.

• Involve schools and universities in projects dedicated to research in the textile and decoration sector within the next 3 years.

GRI CONTENT INDEX

GRI Standard	GRI Policy	Section of the document	Perimeter / Notes / Omissions
		GENERAL POLICIES	
GRI 2 GENERAL POLICY 2021	2-1 Organisational details	- METHODOLOGICAL BACKGROUND - C&C MILANO	C&C Milano S.r.l.
	2-2 Entities included in the organisation's sustainability reporting	- METHODOLOGICAL BACKGROUND	C&C Milano S.r.l.
	2-3 Reporting period, frequency and point of contact	- METHODOLOGICAL BACKGROUND	C&C Milano S.r.l.
	2-4 Review of information	- METHODOLOGICAL BACKGROUND	C&C Milano S.r.l.
	2-5 External assurance	- METHODOLOGICAL BACKGROUND	C&C Milano S.r.l. / assurance activity is envisaged
	2-6 Activities, value chain and other business relationships	- C&C MILANO - THE COMPANY > The production model - THE COMPANY > The reference market	C&C Milano S.r.l.
	2-7 Employees	- OUR PEOPLE > Our resources	C&C Milano S.r.l.
	2-8 Staff other than employees	- OUR PEOPLE > Our resources	C&C Milano S.r.l.
	2-9 Governance structure and composition	- THE GOVERNANCE MODEL > The model	C&C Milano S.r.l.
	2-11 Chairman of the highest governance body	- THE GOVERNANCE MODEL > The model	C&C Milano S.r.l.
	2-15 Conflicts of interest	- THE COMPANY > Certifications and initiatives	C&C Milano S.r.l.
	2-16 Communication of critical issues	- THE GOVERNANCE MODEL > Responsible relationship management - OUR PEOPLE > Our approach	C&C Milano S.r.l.
	2-22 Declaration on the sustainable development strategy	- LETTER TO THE STAKEHOLDERS - THE SUSTAINABILITY OF C&C MILANO: A HOLISTIC APPROACH > Sustainability policies	C&C Milano S.r.l.
	2-23 Commitment in terms of policy	- THE COMPANY > Certifications and initiatives - THE GOVERNANCE MODEL > Responsible relationship management - THE SUSTAINABILITY OF C&C MILANO: A HOLISTIC APPROACH > Sustainability policies	C&C Milano S.r.l.
	2-24 Integration of commitments in terms of policy	- THE GOVERNANCE MODEL > Sustainability governance	C&C Milano S.r.l.
	2-28 Membership of associations	- THE GOVERNANCE MODEL > Responsible relationship management	C&C Milano S.r.l.
	2-29 Approach to the involvement of stakeholders	- MATERIALITY PATH > Stakeholders	C&C Milano S.r.l.
	2-30 Bargaining agreements	- OUR PEOPLE > Remuneration policies	C&C Milano S.r.l.

GRI Standard	GRI Policy	Section of the document	Perimeter / Notes / Omissions
		MATERIAL ISSUES	
GRI 3	3-1 Process for determining material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
Material issues 2021	3-2 List of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
		VALUE CREATION AND DISTRIBUTION	
GRI 3			
Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	- VALUE CREATION AND DISTRIBUTION	C&C Milano S.r.l. / More information can be found in the Economic and Financial Report
		ETHICS, COMPLIANCE AND BUSINESS INTEGRITY	
GRI 3 Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 205: Anti-corruption 2016	205-1 Operations assessed to determine corruption risks	- RESPONSIBLE PRODUCTION > Ethics, compliance and business integrity	C&C Milano S.r.l.
GRI 206 Anti-competitive behaviour 2016	206-1 Legal actions relating to anti-competitive behaviour, trust activities and monopolistic practices	- RESPONSIBLE PRODUCTION > Ethics, compliance and business integrity	C&C Milano S.r.l.
		USE OF SUSTAINABLE MATERIALS	
GRI 3 Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 301: Materials 2016	301-1 Materials used by weight or volume	- ENVIRONMENTAL SUSTAINABILITY > Use of sustainable materials	C&C Milano S.r.l.
		MANAGEMENT OF CHEMICALS	
GRI 3 Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 301: Materials 2016	301-1 Materials used, based on weight or volume	- ENVIRONMENTAL SUSTAINABILITY > Management of chemicals	C&C Milano S.r.l.
		ATMOSPHERIC EMISSIONS AND CLIMATE CHANGE	
GRI 3 Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 305: Emissions 2016	305-1 Direct greenhouse gas emissions (GHG) (Scope 1)	- ENVIRONMENTAL SUSTAINABILITY > Atmospheric emissions and climate change	C&C Milano S.r.l.
	305-2 Indirect greenhouse gas emissions (GHG) from energy consumption (Scope 2)	- ENVIRONMENTAL SUSTAINABILITY > Atmospheric emissions and climate change	C&C Milano S.r.l.

GRI Standard	GRI Policy	Section of the document	Perimeter / Notes / Omissions
		ENERGY EFFICIENCY AND RENEWABLE ENERGY	
GRI 3 Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	- ENVIRONMENTAL SUSTAINABILITY > Energy efficiency and renewable energy	C&C Milano S.r.l.
		RESPONSIBLE SUPPLY CHAIN MANAGEMENT	
GRI 3 Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 308: Environmental assessment of suppliers 2016	308-1 New suppliers selected using environmental criteria	- RESPONSIBLE PRODUCTION > Responsible supply chain management	C&C Milano S.r.l.
		SAFEGUARD OF EMPLOYEES' HEALTH AND SAFETY	
GRI 3 Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	- OUR PEOPLE > Safeguard of employees' health and safety	C&C Milano S.r.l.
	403-2 Hazard identification, risk assessment and accident investigation	- OUR PEOPLE > Safeguard of employees' health and safety	C&C Milano S.r.l.
	403-9 Accidents in the workplace	- OUR PEOPLE > Safeguard of employees' health and safety	C&C Milano S.r.l.
		DIVERSITY & INCLUSION	
GRI 3 Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity in governance bodies and among employees	- OUR PEOPLE > Diversity & Inclusion	C&C Milano S.r.l.
GRI 406: Non-discrimination 2016	406-1 Cases of discrimination and corrective measures taken	- OUR PEOPLE > Diversity & Inclusion	C&C Milano S.r.l.
		QUALITY, SAFETY AND PRODUCT INNOVATION	
GRI 3 Material issues 2021	3-3 Management of material issues	- MATERIALITY PATH > Materiality analysis	C&C Milano S.r.l.
GRI 417: Marketing and labelling 2016	417-2 Cases of non-conformity with regard to information and labelling of products and services	- RESPONSABILE PRODUCTION > Quality, safety and product innovation	C&C Milano S.r.l.

Content Index

Declaration of use: C&C Milano S.r.l. has prepared this Sustainability Report with reference to the GRI Standards for the period 01.01.2023 - 31.12.2023
GRI used: Universal GRI Standards 2021
Sector-specific GRI Standards applicable: N/A

C&C
Milano

Sustainability Report 2023
C&C Milano

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