



Atlantis



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"Today more than ever, we believe that sustainability and ethics must be the cornerstones of the way we do business. Not out of duty, but out of conviction. Because we want Master Italia to be a company capable of lasting over time, inspiring trust, and fostering innovation. Above all, we want to be a company that takes responsibility for its choices."

Alessandro Colle Tiz
Chairman
Master Italia S.p.A. Benefit Corporation

1. Master Italia Spa: Sustainability and style in the headwear world

Master Italia specializes in the design and trading of high-quality, responsibly made headwear. Founded in Italy in the 1990s, the company began with a simple mission: creating hats and caps that people could wear with pride — products designed to last, not just “another hat.”

Over the years, our awareness has grown: we realized we could do something bigger — not only making high-quality headwear but also generating a positive impact.

Two business divisions Building on the synergies and expertise developed over time, Master Italia operates through two main business units:

Atlantis: design, development, and trading of headwear under its own brand.

With 183 models permanently available, the Atlantis collection includes hats, caps, and selected accessories such as gloves, scarves, and bandanas — all designed for easy customization once the garment is finished.

Since 2018, the company has embarked on a sustainability journey that represents a natural evolution of its identity. Inspired by the United Nations Sustainable Development Goals, the project began with the Atlantis product line, focusing on research and development of lower-impact solutions and on the progressive conversion — by 2025 — of all catalogue items into reduced-impact versions, maintaining or improving design and quality.

Custom Made: design, development, and production of tailor-made headwear to meet specific customer needs.

This service has grown thanks to collaborations with hundreds of brands, offering a full-service, high-value

process: from concept development to design, sampling, and delivery of the finished product for the fashion, sportswear, automotive, racing, and merchandising sectors — including major global sports and music events.

In 2021, sustainability became a significant part of Master Italia’s history.

The Company committed to producing the entire Atlantis collection without the use of conventional materials by the end of 2025. This represents a radical transformation: every single component — down to tapes and visors — must be evaluated and redesigned through lower-impact alternatives, without compromising quality.

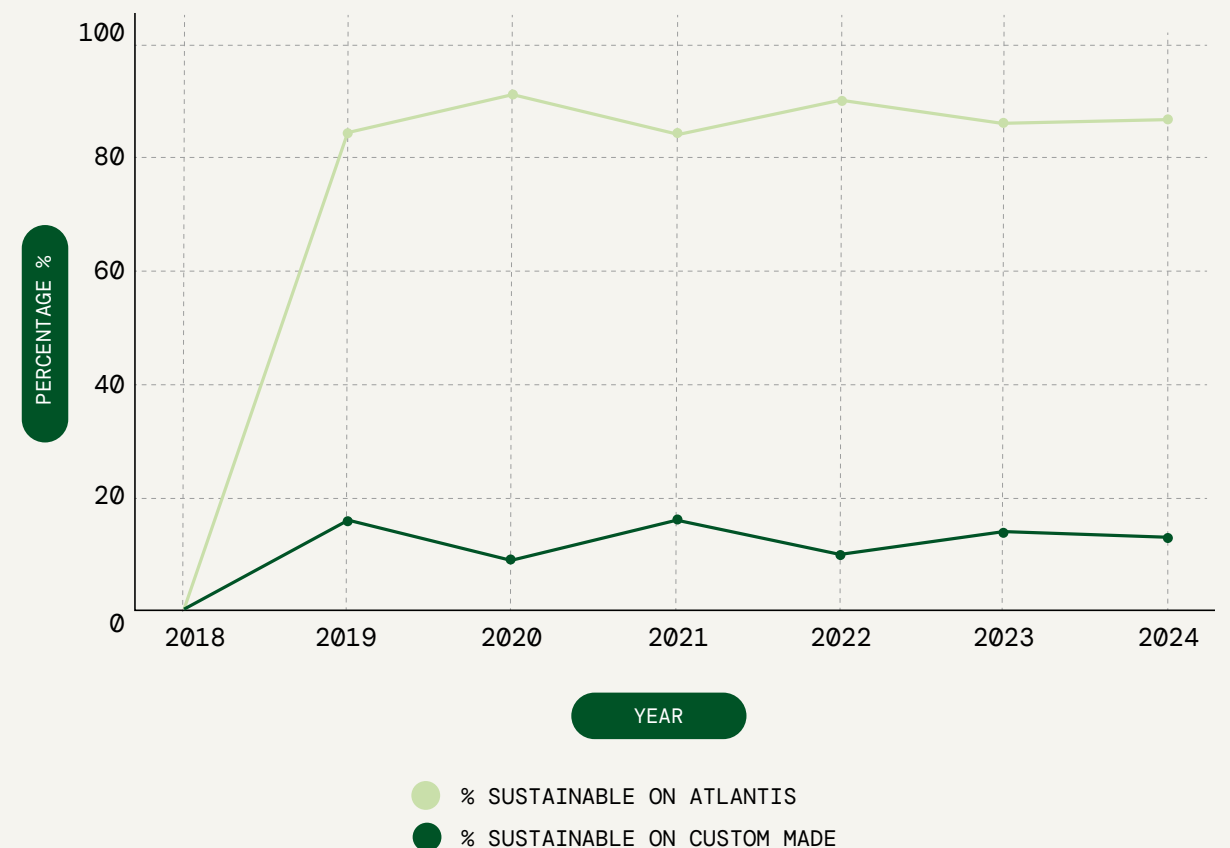
In January 2024, Master Italia S.p.A. became a Benefit Corporation by modifying not only its legal name — becoming Master Italia S.p.A. – Società Benefit a Socio Unico — but also its long-term vision. Sustainability and the objective of generating positive impact were formally integrated into the corporate purpose and bylaws, alongside the traditional business goals.

This step is not merely a formal change, but a cultural evolution that redefines the Company’s “why” and “how.”

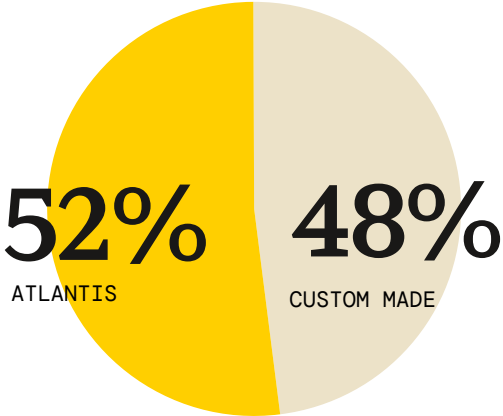
This important decision strengthens the commitment of the Company and of the Atlantis Headwear brand to driving change in the sustainable headwear industry. It confirms the centrality of the common good and transparent decision-making as pillars of the business model. It also expresses a shared and systemic vision that involves every stakeholder: from customers to suppliers, from employees to the local community, each one contributing to a more ethical and responsible future.



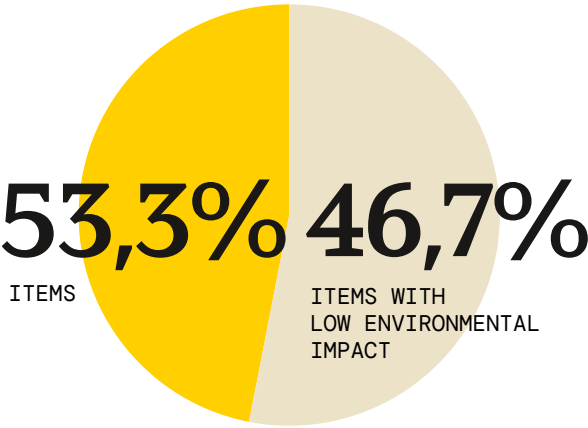
Evolution of sustainable product sales share by business unit



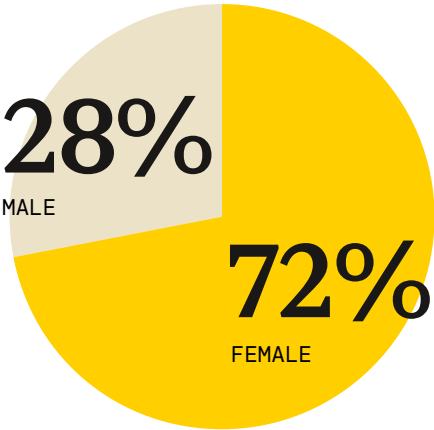
Our History



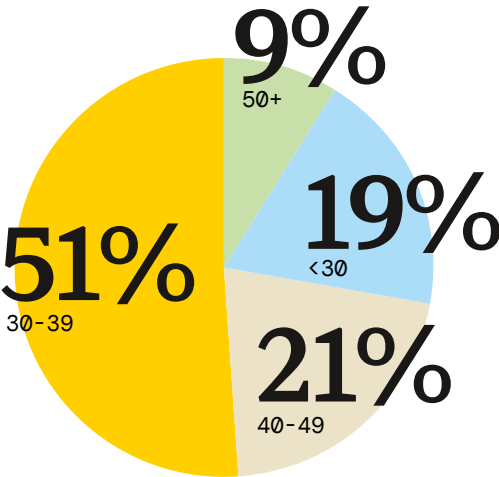
Revenue by business unit



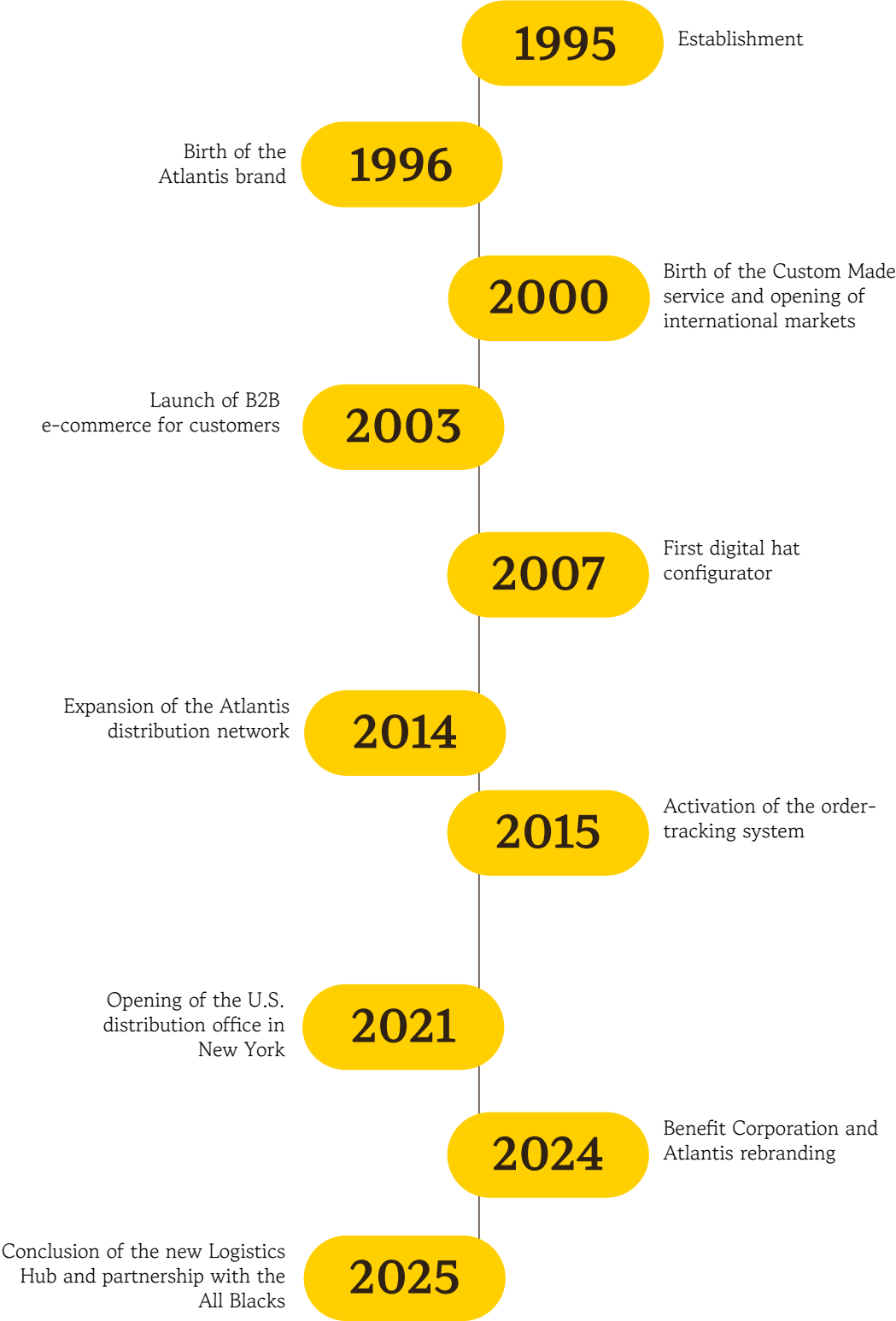
Atlantis Collection Offer



People by Gender



People by Age





Purpose, Vision, Mission and Values

Purpose

We spread the culture of sustainability by dressing minds, not just heads.

Our commitment goes beyond producing accessories: we aim to positively influence people's thinking and raise awareness about sustainability, starting from our own evolution as a company that actively contributes to the common benefit.

We create mindswear, not just headwear.

Vision

To become the global benchmark in the headwear industry, recognized for our social and environmental responsibility, continuous innovation and high-value service.

We pursue a long-term business model, enhancing human capital and aiming to leave a positive and lasting impact on people and the environment.

Mission

We develop headwear solutions with a full-service approach, ensuring an experience that satisfies and builds customer loyalty.

We believe in the power of the product we represent: the cap — an item that can tell people's stories and become a statement of style, quality, innovation and responsibility.

Values



Respect

For People and the Environment. People and the planet are at the center of our actions. We strive to generate positive social impact and reduce the environmental one, promoting well-being and sustainability along the entire value chain.



Integrity

We act with transparency, ethics and accountability. Integrity guides every internal and external relationship and is the foundation of the trust we build every day.



Innovation

We look ahead with an open and curious mindset. The constant search for new solutions allows us to evolve, improve processes and products, and anticipate the challenges of our sector with responsibility.



Quality

We are committed to offering high-quality products with long-lasting value, honoring the promise we make to our customers.

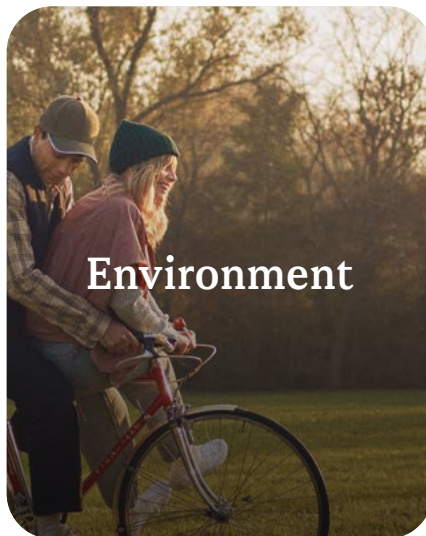
The Sustainability Strategy

Since 1995, Master Italia has dedicated passion and care to product design. Over the years, this passion has evolved into a broader commitment: reducing the negative effects of climate change and developing a business model that increasingly respects people and the planet. The Company believes that sustainability begins with a mindset — a natural evolution that must go beyond the product and embrace every aspect of the organization.

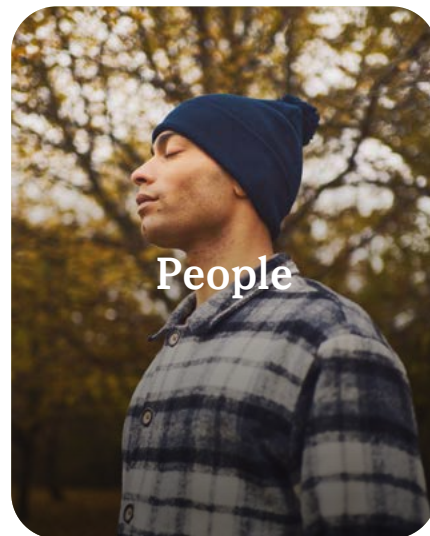
The main challenge is to offer an Atlantis collection composed entirely of items containing reduced-impact components, phasing out virgin materials by 2025. To achieve this goal, the Company is working not only on new models but also on the progressive conversion of all long-standing items into products made with preferred materials and compliant with the Atlantis Sustainable Products Principles, included in the Product Sustainability Framework, while remaining faithful in design and quality. The strategy is strengthened and continuously refined by focusing on three crucial pillars:



Product & Supply Chain



Environment



People



TO LEARN MORE AND EXPLORE THE DETAILED SUSTAINABILITY CONTENT, SCAN THE QR CODE OR VISIT
[HTTPS://ATLANTISHEADWEAR.COM/EN/SUSTAINABILITY/](https://atlantisheadwear.com/en/sustainability/)

The Sustainability Timeline

2014

- PUBLICATION OF THE FIRST CODE OF ETHICS
- MEMBERSHIP IN SEDEX
- SA8000 CERTIFICATION

2017

- MEMBERSHIP TO THE UNITED NATIONS GLOBAL COMPACT
- OEKO-TEX® STANDARD 100 CERTIFICATION

2018

- INTRODUCTION OF ATLANTIS TRACEABILITY LABELS
- DEFINITION OF THE FUNDAMENTALS OF THE SDGS STRATEGY

2019

- LAUNCH OF THE FIRST ATLANTIS SUSTAINABILITY SERIES

2020

- PUBLICATION OF THE FIRST SUSTAINABILITY REPORT

2021

- FIRST VERSION OF THE SUPPLIER CODE OF CONDUCT
- START OF LIFE CYCLE ASSESSMENT

2022

- TEXTILE EXCHANGE MEMBERSHIP
- PRODUCT CARBON FOOTPRINT CALCULATION
- ATLANTIS COLLECTION MADE FROM 100% PREFERRED MATERIALS

2023

- LAUNCH OF THE ATLANTIS PRODUCT SUSTAINABILITY FRAMEWORK
- GOTS AND GRS CERTIFICATIONS
- SBTI APPROVAL FOR SMES
- INSTALLATION OF THE PHOTOVOLTAIC SYSTEM
- ENTRY OF A WOMAN UNDER 36 WITH ESG SKILLS INTO THE BOARD OF DIRECTORS

2024

- TRANSFORMATION INTO A BENEFIT CORPORATION
- ENTRY INTO THE ELLEN MACARTHUR FOUNDATION COMMUNITY
- PARTICIPATION IN THE SUSTAINABILITY GROUP OF CONFINDUSTRIA VENETO EST
- CERTIFICATION OF THE CF ATLANTIS TOOL
- INAUGURATION OF THE NEW OFFICES AND COMPLETION OF THE RENOVATION

2025

- 100% SUSTAINABLE ATLANTIS COLLECTION
- BLUESIGN® SYSTEM PARTNER
- PATH TOWARD B CORP CERTIFICATION

The key areas of the strategy are closely connected to the common benefit purposes defined in Article 2 of the Company’s bylaws. These purposes are grouped into six macro areas, each contributing to the achievement of the United Nations 2030 Agenda Sustainable Development Goals (SDGs) and aligned with the principles of the UN Global Compact.



Master Italia’s commitment enabled the Company in 2024 to achieve positive actions that actively contribute to 12 of the 17 Sustainable Development Goals of the 2030 Agenda.



CO₂ saved in 2024 thanks to the purchase
of Atlantis reduced-impact items

Focus on products and materials: the first milestones

With the slogan Headwear Revolution, Master Italia set a clear commitment. In 2018, the Company introduced its first hats made with lower-impact materials. Since then, it has developed a strategy that has transformed all products through the Product Sustainability Framework: a guiding document that defines four Sustainability Principles — divided into “Must-haves” and “Add-ons” — which steer procurement and production decisions toward reducing environmental impact.

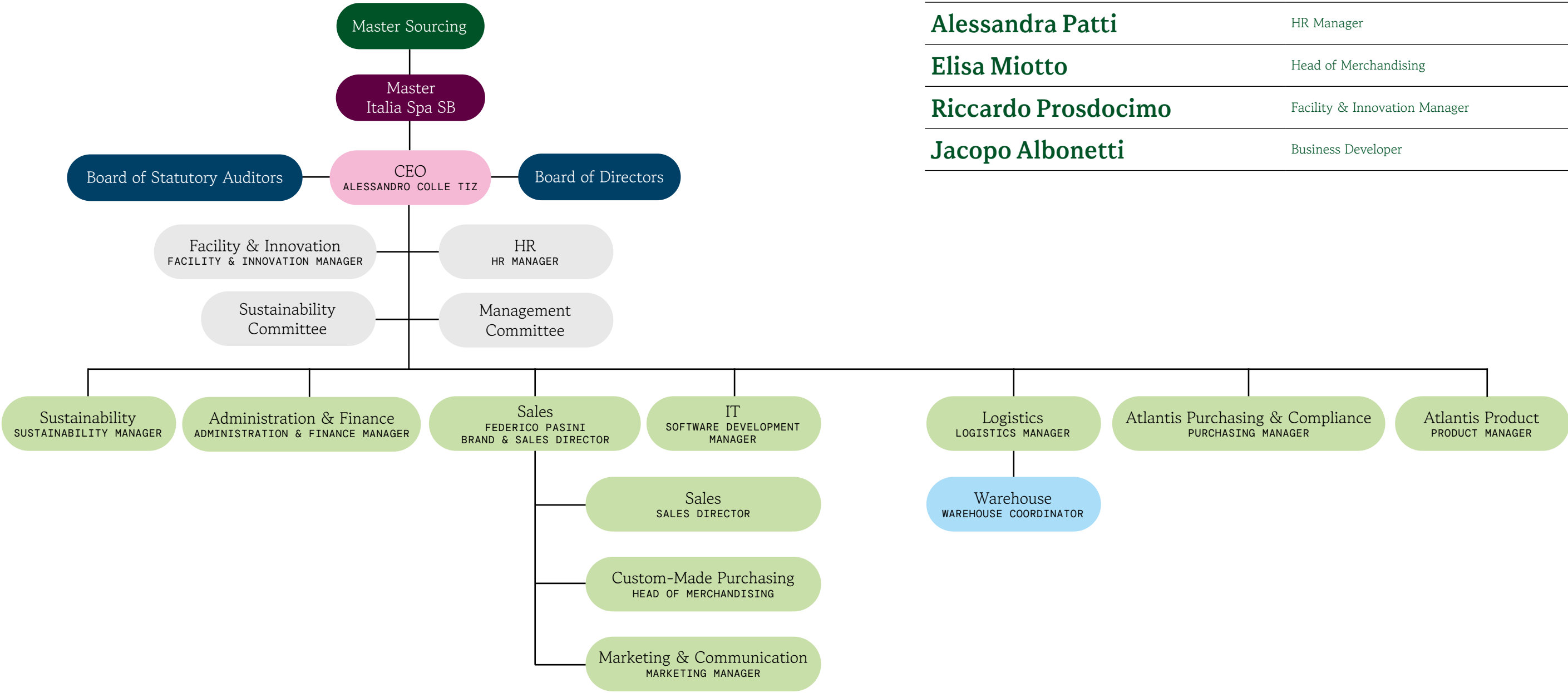
536,981 kg CO₂ saved^(A)
equivalent to the
CO₂ absorbed by
approximately 8,870
trees over 10 years^(B)

(A) FOR EACH REDUCED-IMPACT ITEM IN THE ATLANTIS COLLECTION, ITS CARBON FOOTPRINT (KG CO₂E/PIECE) WAS COMPARED WITH THE CARBON FOOTPRINT OF THE SAME ITEM IF PRODUCED WITH CONVENTIONAL MATERIALS, MULTIPLIED BY THE RELATED PRODUCTION QUANTITIES IN 2024. THE SENSITIVITY ANALYSIS WAS PERFORMED USING THE CERTIFIED TOOL OF ATLANTIS V.0.7, WHICH ACCURATELY TRACKS THE CRADLE-TO-GATE PATHWAY — FROM RAW MATERIAL SOURCING TO DELIVERY OF THE FINISHED PRODUCT TO THE ATLANTIS WAREHOUSE.

(B) CONVERSION BASED ON THE U.S. ENVIRONMENTAL PROTECTION AGENCY (EPA) — GHG EQUIVALENCIES CALCULATOR.

Organization and Sustainability Committee

The organizational model is based on the traditional administration and control system, characterized by the separation between the management body (the Board of Directors) and the supervisory committee (Board of Statutory Auditors). For a further guarantee of fairness, the accounting control activities are entrusted to a statutory auditor.



The 2024 Sustainability Committee

Elisa Pavan	Sustainability and Impact Manager
Francesca Dalla Pria	Sustainability Specialist
Alessandra Patti	HR Manager
Elisa Miotto	Head of Merchandising
Riccardo Prosdocimo	Facility & Innovation Manager
Jacopo Albonetti	Business Developer

Highlights 2024



THE FIRST ESG AUDIT TOOL FOR ASSESSING THE RATING OF ATLANTIS HEADWEAR'S SUPPLIERS IS RELEASED.



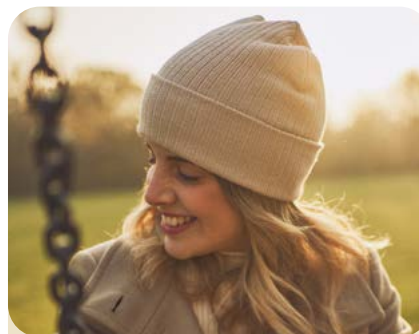
ATLANTIS OBTAINS GRS CERTIFICATION, TO CERTIFY PRODUCTS THAT CONTAIN RECYCLED MATERIALS.



MASTER ITALIA OBTAINS GOTS CERTIFICATION FOR ORGANIC COTTON HATS AND CAPS.



FOR MADE IN EUROPE KNITTED PRODUCTS, ATLANTIS RENEWS THE OEKO-TEX® STANDARD 100 CERTIFICATION.



CERTIFICATION OF THE ATLANTIS CARBON FOOTPRINT CALCULATION TOOL.



MASTER ITALIA PROMOTES THE CIRCULAR ECONOMY AND JOINS THE ELLEN MACARTHUR FOUNDATION COMMUNITY.



MASTER ITALIA BECOMES A BENEFIT CORPORATION: A NEW CHAPTER OFFICIALLY OPENS.

Partnerships, Standards and Third-Party Programs

Through collaborations with international standards and associations, Master Italia aims to ensure transparency and reliability by relying on partners that promote the highest environmental and social requirements in the sector.

Products are accredited by third parties and responsibly manufactured in close collaboration with supply chain partners, in order to meet strict environmental and social standards.



TO LEARN MORE AND EXPLORE THE DETAILED RESPONSIBILITY SECTION, SCAN THE QR CODE OR VISIT

[HTTPS://ATLANTISHEADWEAR.COM/EN/SUSTAINABILITY/RESPONSIBILITY/](https://atlantisheadwear.com/en/sustainability/responsibility/)

2.

Methodological Note

The European regulatory framework on sustainability is guiding companies toward non-financial reporting, with the aim of giving relevance to ESG (Environmental, Social, Governance) topics through the adoption of specific reporting standards.

After preparing the **2024 Impact Report** — a mandatory document in Italy for all companies that qualify as Benefit Corporations under Law No. 208/2015, paragraphs 376–384, which requires **transparent and measurable reporting of the impacts generated in relation to their public benefit purposes** — Master Italia also prepared this Sustainability Report. The impact assessment highlights the Company's **contribution to creating shared value**, while the **Sustainability Report** provides a comprehensive overview of the organization, describing the business, strategy, governance structure, and ESG initiatives and results.

In December 2024, the European Financial Reporting Advisory Group (EFRAG) published the principles for voluntary sustainability reporting for unlisted SMEs (VSME ESRS), designed to support smaller companies in aligning with European legislation.

Subsequently, the Italian Ministry of Economy and Finance published the **“The Sustainability Dialogue between SMEs and Banks”** document, intended to support SMEs in collecting and providing information on their environmental, social and governance impacts to facilitate dialogue with financial institutions.

Reporting has been prepared in accordance with the European Sustainability Reporting Standards (ESRS), specifically those defined by EFRAG. Where possible, the Company has followed the full VSME module, including qualitative and quantitative indicators B1–B11, C1–C9, and the requirements relevant to bank reporting.

The data and qualitative–quantitative information contained in this document refer to the financial year ended on 31 December 2024. The reporting boundary corresponds with that of Master Italia's annual financial statements.



3. Governance And Business Conduct

B1

Master Italia S.p.A. is a Benefit Corporation with a turnover of 31,740,932 euros in 2024; it has its registered office in the municipality of San Donà di Piave, in the province of Venice (latitude: 45.62948 and longitude: 12.56411). The main ATECO code, the classification of economic activities adopted by Istat is 46.42.1.

The number of employees as of 31 December 2024 is 53.

The corporate structure sees a parent company, Master Sourcing S.r.l., which exercises management and coordination activities on Master Italia S.p.A. Società Benefit a Socio Unico, holding 100% of the shares. The company sees several activities including the real estate rental of own or leased assets, the wholesale of accessories and the holding business. Master Sourcing provides Master Italia with real estate support and a broader management context, ensuring that the company's operational needs are met in a flexible and coordinated manner.

Then there is the company Atlantis Headwear Company, Inc., 100% owned by Master Italia, dedicated exclusively to contact management and business development and promotion of the company's brand in North America.

Currently, a business succession plan has not been formalized. However, the adoption of the status of Benefit Corporation and the definition of the first 2025-2029 strategic business plan mark an evolution towards a more mature and responsible governance, attentive to management continuity and the integration of ESG objectives in the medium-long term.

In addition, with the adoption of the legal status of Benefit Corporation, Master Italia has formalized the integration of environmental and social impacts among the relevant factors of business management. The Annual Impact Report (prepared pursuant to Law 208/2015) is a tool for monitoring ESG performance and the effects/impacts that have been generated. The external assessment of ESG performance obtained with the B Impact Assessment – BIA assigns a score of 113.8 out of 200 (Governance 17.0 – Workers 26.5 – Community 19.8 – Environment 46.5 – Customers 3.7).

Starting from 2025, a structured corporate risk assessment is expected to be launched, with a specific focus on ESG risks, in line with the business plan and the evolution of governance.

Strategy: Business model and sustainability

C1

Master Italia's business model is represented by the B2B model with two main divisions: Atlantis and Custom Made.

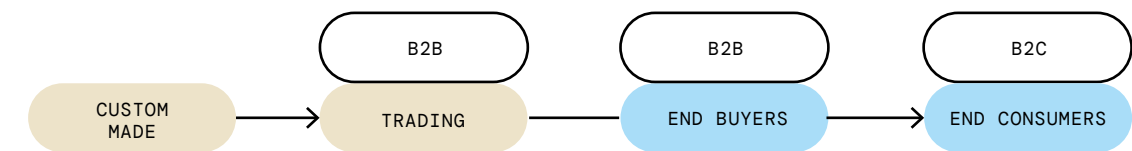
The Atlantis division is based on a distribution model that involves official distributors operating in the various national territories, providing B2B customers with a widespread distribution and after-sales service.

The Custom Made division deals with the direct sale to end customers of customized items, in particular hats, made to measure for companies operating in sectors such as fashion, merchandising, sports and promotional. The service offered is completely personalized, from the design to the realization of the product and ensuring adequate after-sales assistance, allowing customers to access tailor-made solutions for their every need.

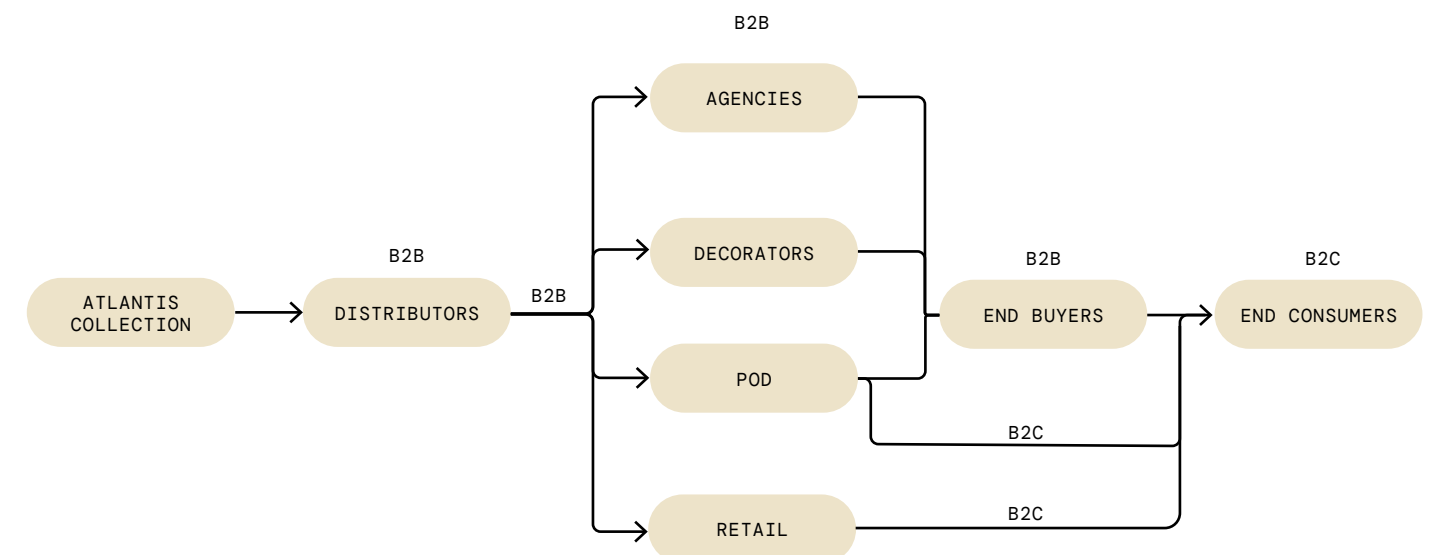
Atlantis distributors, in addition to supplying promotional, communication, merchandising and style agencies, collaborate with embroiderers, printers and print on demand e-commerce platforms, which in turn serve the end consumer. In some cases, distributors sell directly to retailers and brands.

The production of the garments is managed by Master Italia through a network of suppliers in Europe and Asia, having no direct production activity.

Custom-Made Business Model



Atlantis Business Model



Both divisions are constantly evolving and in recent years the products and their packaging have progressively introduced raw materials with a reduced impact with a view to sustainability.

In the field of sustainability, Master has revised its business model with the choice to transform itself into a Benefit Corporation in January 2024.

The sustainability strategy, integrated into the business model, has outlined a business model focused on 6 macro-areas (Governance, Environment, Product, Supply

Chain, People, Community) that contain the common beneficial purposes set out in the company's bylaws and whose pursuit contributes to the achievement of the Sustainable Development Goals of the United Nations 2030 Agenda.

Where people wear our hats in the world

The main distribution markets are differentiated between the two business units and are almost all over the world.

Europe

- AUSTRIA
- BELGIUM
- BULGARIA
- CROATIA
- DENMARK
- FINLAND
- FRANCE
- GERMANY
- GREECE
- ICELAND
- ITALY
- NORTH MACEDONIA
- NORWAY
- NETHERLANDS
- POLAND
- PORTUGAL
- ROMANIA
- RUSSIA
- SLOVAKIA
- SLOVENIA
- SPAIN
- SWEDEN
- SWITZERLAND
- UK
- HUNGARY

Americas

- ARGENTINA
- CANADA
- CHILE
- GUADELOUPE
- MEXICO
- USA
- VENEZUELA

Asia

- SAUDI ARABIA
- BAHRAIN
- CYPRUS
- UNITED ARAB EMIRATES
- KAZAKHSTAN
- KUWAIT
- OMAN
- QATAR
- THAILAND
- SOUTH KOREA
- JAPAN

Africa

- ANGOLA
- CAMEROON
- MOROCCO

Oceania

- AUSTRALIA
- NEW ZEALAND

The Strategic Business Areas (ASA) in which Master Italia competes with the Atlantis Headwear brand are mainly Europe, which remains the most consolidated market starting with Italy, flanked by growing countries such as Germany and Austria. In non-European markets, 2024 showed a contraction in North America, while Australia recorded strong expansion. Other emerging markets, such as the Middle East, Asia and Latin America, are still small but with prospects for development.

The Strategic Areas for Custom Made see Italy as the first market. In Europe, the countries with the greatest importance remain Germany, France and the United Kingdom, while in North America the United States stands out, which recorded significant growth. Other international markets contribute to a more limited and fragmented extent.

Description of future policies, practices and initiatives for the transition to a sustainable economy B2, C2

Master Italia’s policies, practices and future initiatives in the field of sustainability address various ESG issues and are also communicated through the company website and the main social channels.

As part of the company’s **policies**, it has launched important paths such as:

- inclusion of the strategic vision in its Business Plan, also identifying the sustainability asset.
- adoption of emission reduction targets aligned with the Paris Agreement, certified by the Science Based Targets Initiative (SBTi).

The Company has obtained important **certifications, an important part of the company’s policies**, as they formalize commitments, guide behaviors and require continuous commitment:

- **GOTS-Global Organic Textile Standard certification** for hats and caps made of 100% organic cotton (License Number: GOTS-11099). The Global Textile Standard is an international certification for textile products made from organic fibers such as cotton or wool and that all stages of production, from harvesting to dyeing, packaging and distribution comply with strict environmental and social criteria. GOTS also protects workers’ rights throughout the production chain as certified companies must conduct close monitoring to identify and prevent human rights risks. The scope certificate is published on the company website and allows you to know in detail about the products covered by certification.
- **GRS-Global Recycled Standard certification** for hats and caps containing at least 20% pre-consumer and post-consumer recycled material (Textile-Exchange-ID: TE-00113026). The Global Recycled Standard is an international certification, promoted by Textile Exchange, a global non-profit organization that works for sustainability in the textile sector, which guarantees the recycled content of materials in a product and also ensures that it has been produced responsibly without the use of harmful chemicals and in compliance with workers’ rights. The scope certificate is published on the company website and allows you to know in detail about the products covered by certification.
- **OEKO-TEX STANDARD 100 certification** to ensure that every component of a textile product, including threads, buttons, zippers, prints, etc., has been tested for harmful substances and complies with strict safety limits. The certificate is published on the company website and allows you to know in detail the products covered by certification.
- **Carbon footprint systematic approach certification** which certifies that the process of calculating and verifying greenhouse gas emissions (expressed in

CO₂ equivalent) adopted by Master complies with the ISO 14067:2018 standard and the PCR 2024:03 standards. Through the “CF Atlantis” tool, developed in collaboration with LCA Ambiente, the company is able to measure systematically and certify the carbon footprint along the life cycle of our products, ensuring transparency and reliability in the assessment of their environmental impacts.

Master Italia has a **Code of Ethics**, created thanks to the contribution of all Master Italia people, which summarizes the values and principles that guide corporate behavior and determines the commitment to sustainable development. The code is shared by all stakeholders so that the work is transparent, ethical and sustainable. Particular attention is paid to compliance with the law, to avoid conflicts of interest, to the rejection of corrupt or bribery practices, to respect people without discrimination, to safety and protection of health and working conditions, to responsible sourcing, to the responsible use of company assets and resources, for respect for data confidentiality, for a transparent relationship with public institutions. The Code of Ethics is published on the company website.

The Company has also drawn up the **Code of Conduct** which outlines the principles to be respected to ensure working conditions in line with international standards and local laws and is shared with suppliers and business partners. Issues such as wages, working hours, trade union freedom, non-discrimination, health and safety, are thus part of the contractual relations between Master Italia and its direct interlocutors.

There is a reporting system in case of violation of laws and regulations, including internal company regulations, through an anonymous form and dedicated channels provided for by the Whistleblowing Policy (the specific policy is available on the company website) and protection from retaliation is explicitly guaranteed for those who report in good faith, as specified in the **Whistleblowing Policy** and in the Code of Ethics. Periodically, training is provided to the Master Italia team on both Whistleblowing and the Code of Ethics.

The business practices put in place for a transition to a sustainable economy represent an important strategic objective to create long-term value, reduce environmental and social risks and meet the growing expectations of customers, investors and institutions. Master has activated the following practices:

- **Life Cycle Assessment** (LCA) of its products, in collaboration with LCA Ambiente, through a systematic measurement of the environmental impacts associated with all phases of the life cycle of a product,

from production to distribution, use and end of life (disposal or recycling).

- **Joining the bluesign System** to improve chemical management and reduce environmental impact along the entire textile supply chain. As a bluesign System Partner, Master is committed to working with suppliers to increase process security and transparency in the supply chain, promoting a responsible approach to people and the planet.
- **Use of the framework on the Sustainability Principles** of Atlantis products created to guide the Brand in the creation of products with reduced environmental impact that meet minimum criteria. There are 4 principles of sustainability, one of which

is a Must-have that must necessarily be respected and three Add-ons to be met whenever possible. Specifically, the Sustainability Principles consist of using environmentally preferred materials, choosing suppliers with a positive environmental rating, extending the useful life of materials and offsetting residual emissions.

- **Product traceability:** by scanning the QR Code on the internal label of Atlantis products, available from 2018 across the collection, you will have direct access to the order number, place of origin, destination and importer to increase transparency towards stakeholders.

Actions resulting from the choice of corporate practices and policies in the field of sustainability

ISSUES	ACTIONS
CLIMATE CHANGE	ANNUAL MEASUREMENT OF SCOPE 1, 2 AND PART OF SCOPE 3 EMISSIONS, WITH PUBLICATION OF THE CARBON FOOTPRINT. REDUCTION OF EMISSIONS THANKS TO THE USE OF RENEWABLE ENERGY AND THE ENERGY EFFICIENCY OF SPACES (E.G. LEDS, HEAT PUMPS). “LOW IMPACT” PROJECT ON PRODUCTS.
POLLUTION	ALL SUPPLIERS ARE SUBJECT TO CHEMICAL COMPLIANCE PROTOCOL. USE OF CERTIFIED MATERIALS (GRS, GOTS, BLUESIGN). WASTE MANAGEMENT AND DISPOSAL WITH TRACEABILITY AND IMPROVEMENT OF SORTING.
WATER AND MARINE RESOURCES	THE "LOW IMPACT" APPROACH IN THE CHOICE OF MATERIALS USED IN PRODUCTS FAVORS THE IMPACT OF CO ₂ E, BUT IN SOME MATERIALS IT IS ALSO POSSIBLE TO OBSERVE A REDUCTION IN THE CONSUMPTION OF WATER RESOURCES. IN THE DESIGN OF THE NEW LOGISTICS HUB, THE REDUCTION OF THE USE OF WATER RESOURCES IN THE DRAINS OF THE TOILETS WAS CONSIDERED.
BIODIVERSITY AND ECOSYSTEMS	THE COMMITMENT TO REDUCING ENVIRONMENTAL IMPACT IS REFLECTED IN THE CHOICE OF CERTIFIED MATERIALS AND SUPPLIERS WHO ADOPT PRACTICES THAT RESPECT ECOSYSTEMS. MASTER ITALIA ALSO SUPPORTS PROJECTS AIMED AT PROTECTING BIODIVERSITY, IN LINE WITH THE PURPOSES OF COMMON BENEFIT. THESE INCLUDE: - THE “FOREST OF TALES”, AN INITIATIVE TO ACTIVELY INVOLVE LOCAL COMMUNITIES, SCHOOLS AND STAKEHOLDERS; - THE COLLABORATION WITH 3BEE, THROUGH THE ADOPTION OF TECHNOLOGICAL HIVES FOR MONITORING BIODIVERSITY AND SUPPORTING THE HEALTH OF POLLINATORS, WHICH ARE ESSENTIAL FOR THE BALANCE OF ECOSYSTEMS.
CIRCULAR ECONOMY	INCREASING USE OF RECYCLED MATERIALS, INCLUDING RAW MATERIALS FROM THE TEXTILE INDUSTRY ITSELF. TEXTILE-TO-TEXTILE POLYESTER PROJECT. DURABILITY-ORIENTED DESIGN.
MANPOWER	LAUNCH OF THE INTERNAL FEEDBACK PROCESS, JOB DESCRIPTION MAPPING AND POLICIES FOR THE ENHANCEMENT OF PEOPLE AND WORK-LIFE BALANCE. INTERNAL ACTIVITIES SUCH AS "TALKING HATS" AND TRAINING.
WORKERS IN THE VALUE CHAIN	AUDITS THROUGH THIRD-PARTY SOCIAL AUDITS. LAUNCH OF AN ESG IMPROVEMENT PROJECT WITH A STRATEGIC SUPPLIER. REQUEST POLICIES AND DOCUMENTS FROM SUPPLIERS.
AFFECTED COMMUNITIES	"BOSCO DEI RACCONTI" PROJECT FOR TERRITORIAL REGENERATION. SPONSORSHIP OF LOCAL EVENTS AND COLLABORATION WITH SCHOOLS AND ASSOCIATIONS. DONATIONS TO LOCAL ASSOCIATIONS.
USERS	TRANSPARENT COMMUNICATION ON MATERIALS AND TRACEABILITY VIA QR CODE.
BUSINESS CONDUCT	UPDATED CODE OF ETHICS, ACTIVE WHISTLEBLOWING. ESG RISK ASSESSMENT PROCESS LAUNCHED STARTING FROM 2025.

Regarding **future initiatives for the transition to a sustainable economy**, the Company is working on various fronts, from the research of new materials in order to obtain low-emission products, to pursuit of certifications/ attestations in the field of sustainability, to internal training to strengthen the corporate culture by raising awareness among employees on environmental, ethical and social issues, to partnerships with public bodies and universities.

Thanks to the Product Sustainability Framework, the commitment to **progressively create only items with characteristics of reducing environmental impact for the Atlantis brand** is outlined. The tool has enabled the company to identify solutions to improve circular design and end-of-life management of products. In particular, the decision to adopt fabrics and yarns made of **preferred materials** such as organic and recycled fibers in production and the introduction of **ReTrazè® recycled visors** are the result of the awareness of the impact on the environment and the desire to discontinue, by the end of 2025, the production of items that do not include elements with a reduced environmental impact. Through the certified Carbon Footprint tool, the impacts are analyzed and strategies to improve environmental performance are planned, in order to ensure more sustainable purchasing and production choices. The goal for the future is to extend the analysis to an increasing number of products. Master Italia has also launched international partnerships to promote and contribute to sustainability paths such as:

- **adherence** to the **United Nations Global Compact**, a network that unites governments, businesses, UN agencies, trade unions and civil society organizations, with the aim of promoting a more inclusive and sustainable global economy with the Ten Principles of the UN Global Compact together with the Sustainable Development Goals (SDGs), an integral part of the strategy and daily operations of the companies that adhere to it;
- **membership** of the **Ellen MacArthur Foundation community**, the largest network dedicated to circular economy with the mission of supporting businesses and educational organizations in the transition to more sustainable practices. The Foundation offers opportunities of learning, knowledge exchange and participation in initiatives aimed at improving the sustainability of production activities.

Gender diversity relationship in the governing body

C9

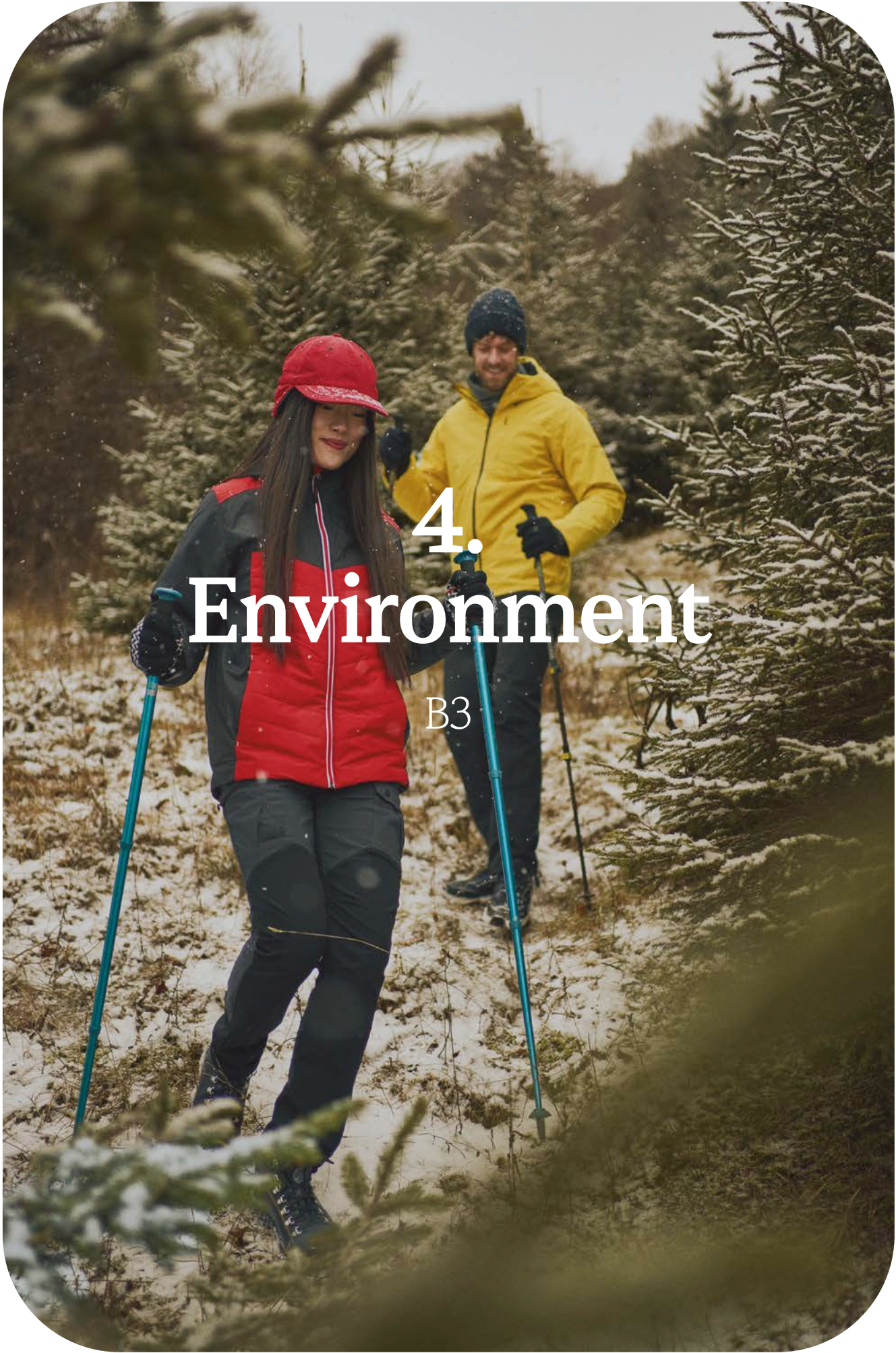
In 2024, the **Board of Directors** is made up of four male and one female figure and the **Board of Statutory Auditors**, a control body established by Italian company law with supervisory functions over the administration and management of companies, consists of five members.

Board of directors and statutory auditors as at 31.12.2024

SHAREHOLDERS' MEETING	
BOARD OF DIRECTORS	BOARD OF STATUTORY AUDITORS
Chairman COLLE TIZ ALESSANDRO (LEGAL REPRESENTATIVE)	Chairman CORCIULO ROBERTO
Vice presidents PASIN GIOVANNI (LEGAL REPRESENTATIVE) PASINI FEDERICO	Statutory Auditors ZANATTA PAOLO BORTOLATO CATIA
Board Members TREVISIOL FABRIZIO PAVAN ELISA	Alternate Auditors SIMONATO VALERIO VILLA ALESSANDRO

In January 2024, the new Sustainability Committee (CdS) **was formalized by the Board of Directors**, consisting of five members, three of whom are women, coordinated by the Impact Manager appointed as required by the transformation into a Benefit Corporation. The Sustainability Committee supports the Board of Directors with defining strategic guidelines, orientations and initiatives in the ESG field; it plays a role of motivation and comparison, acting as a driver of proposal and reflection for the Board of Directors on how to make sustainability a pervasive and integrated element in corporate culture and practices.

In addition, an ad hoc organizational unit for sustainability has been established, which includes the Sustainability Manager, also acting as Impact Manager, and two Sustainability Specialists, one of whom hired in 2025.



Energy and greenhouse gas emissions

B3

Master Italia develops its activity on several adjacent buildings, with different energy classes calculated on the basis of energy performance.

The energy performance, useful for assessing the environmental impact and management costs of each building, indicates the energy consumption per unit of area (kWh/m² per year) and ranges from A2 “good efficiency, moderate consumption” to G “minimum efficiency, maximum consumption”.

Energy efficiency level of collateral properties

NR. UNITS	ENERGY CLASS (A TO G)	ENERGY PERFORMANCE (KWH/M^2)	PROPERTY LOCATION
WAREHOUSE 1	G	270.78	VIA GIORGIO LA PIRA, 28
WAREHOUSE 2	F	218.42	VIA GIORGIO LA PIRA, 26
WAREHOUSE 3	E	150.73	VIA GIORGIO LA PIRA, 24
WAREHOUSE 4	G	167.1	VIA GIORGIO LA PIRA, 22
WAREHOUSE 5	G	167.1	VIA GIORGIO LA PIRA, 20
WAREHOUSE 6	F	143.21	VIA GIORGIO LA PIRA, 18
WAREHOUSE 7	F	147.91	VIA GIORGIO LA PIRA, 14
WAREHOUSE 8	C	329.47	VIA GIORGIO LA PIRA, 19 - GROUND FLOOR
SUB OFFICE 19	A2	104.46	VIA GIORGIO LA PIRA, 19
SUB OFFICE 20	C	239.87	VIA GIORGIO LA PIRA, 19
SUB OFFICE 44	A2	81.43	VIA GIORGIO LA PIRA, 19
SUB OFFICE 45	A2	79.23	VIA GIORGIO LA PIRA, 19



Energy consumption by type of source. YEAR 2024

In 2024, the energy consumption recorded by monthly bills and internal registers for the consumption of means of transport was a total of 260.6 MWh and, for electricity, it was a total of 113.5 MWh with a breakdown highlighted in the table below:

ENERGY SOURCE		U.M.	VALUE
FOSSIL FUELS		MWH	147.07
	NATURAL GAS	MWH	67.50
	DIESEL OIL	MWH	76.50
	PETROL	MWH	3.07
ELECTRICAL ENERGY		MWH	113.52
	SELF-PRODUCED	MWH	58.30
	PURCHASED	MWH	55.22

SOURCE: INTERNAL REGISTERS, ENERGY BILLS.

The performance of the photovoltaic system is monitored through an online system, which allows you to view in real time the power and the amount of energy produced, as well as the CO₂ emissions avoided. In 2024, photovoltaic production reached 128,000 kWh, with direct self-consumption of 58,300 kWh, covering 51% of the company’s energy needs.

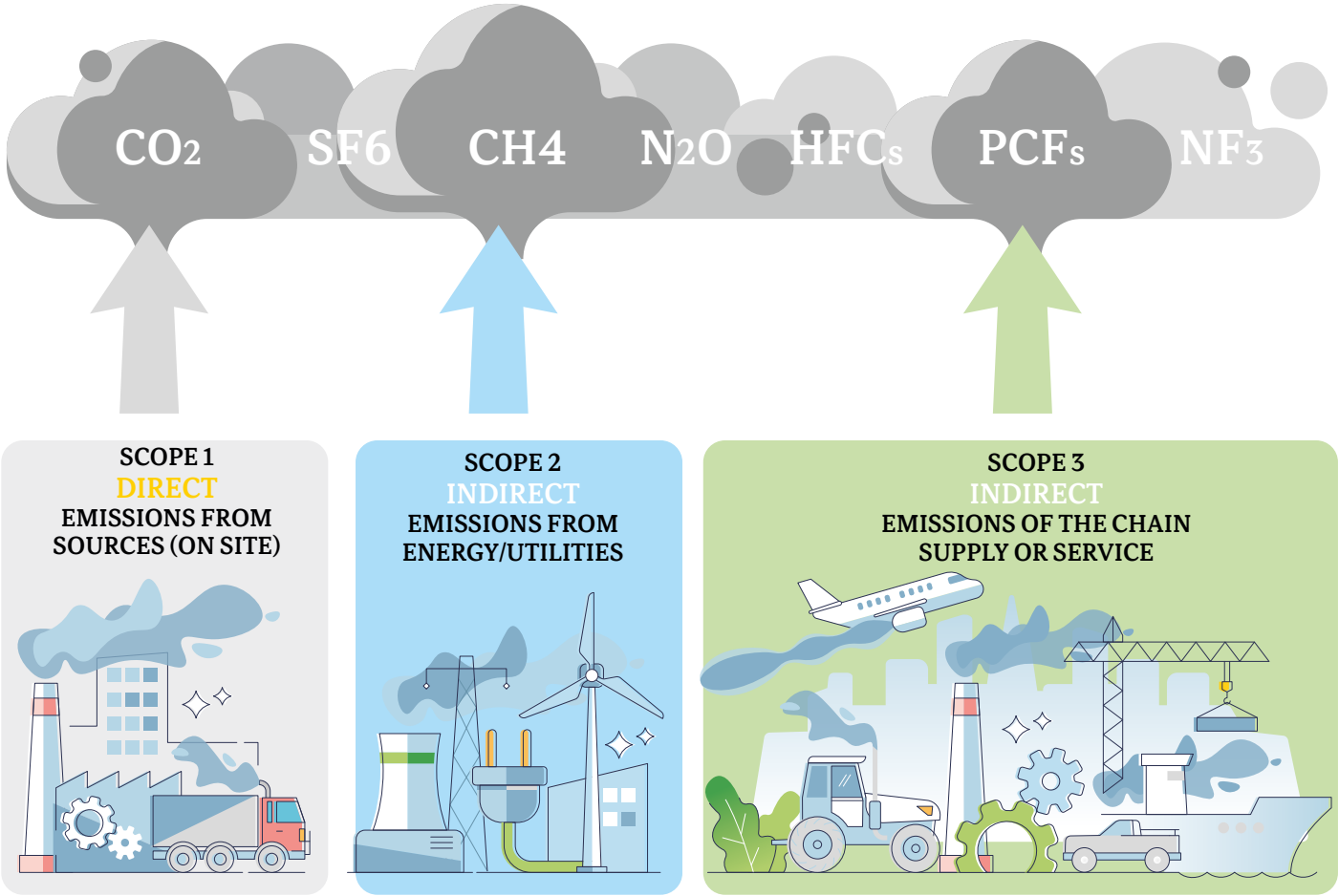
The main cause of climate change is the greenhouse effect and the European Union, a signatory to the Kyoto Protocol, has a target of reducing “greenhouse gas” (GHG) emissions by at least 40% by 2030 compared to 1990 levels.

Calculating an organization’s **carbon footprint** refers to measuring **the total greenhouse gas emissions** produced directly or indirectly by a business entity’s activities.

Master used the GHG Protocol standard, a **standardized, global framework, to measure and manage greenhouse gas emissions** from private and public sector operations, value chains, and mitigation actions. The calculation of emissions is divided into three scopes.

The Company has estimated gross greenhouse gas (GHG) emissions in tons of CO₂ equivalent, distinguishing between CO₂ emissions generated directly from the use of fossil fuels within the company (**Scope 1**), indirect emissions from the purchase of electricity (**Scope 2**) and indirect **greenhouse gas emissions** that occur outside the company’s direct control (**Scope 3**), but are linked to its **value chain**, both upstream and downstream.

Scopes of emissions



Direct (Scope 1) and indirect greenhouse gas (Scope 2) emissions. YEAR 2024

GREENHOUSE GAS EMISSIONS		tCO ₂ e
SCOPE 1		118.97
FOSSIL FUELS		32.20
	NATURAL GAS	12.34
	DIESEL OIL	19.16
	PETROL	0.70
FUGITIVE EMISSIONS OF REFRIGERANT GASES		86.77
SCOPE 2		
ELECTRICITY PURCHASED		
	LOCATION BASED	14.14
	MARKET BASED	24.36

SOURCE:EPA-EMISSION FACTORS FOR GREENHOUSE GAS INVENTORIES, JAN. 2025; IPCC’S SIXTH ASSESSMENT REPORT-GLOBAL WARMING POTENTIAL; DEFRA 2024; ISPRA 2024-EMISSION FACTORS IN THE ENERGY SECTOR; AIB-EUROPEAN RESIDUAL MIXES 2024.

Scope 1 has as its main hotspot the consumption of refrigerant gases, a warning light that indicates a leak or malfunction of the air conditioning system.

Scope 2 indirect emissions are calculated using both location-based and market-based methods. According to the location-based methodology, greenhouse gas emissions are calculated by applying the national emission factors relating to the set of primary energy sources used to produce electricity, while according to the market-based methodology, reference was made to the emission factors for the residual mix for Italy published by the Association of Issuing Bodies (AIB).

An emission factor of zero was used for photovoltaic energy. The use of self-produced energy from photovoltaic panels has made it possible to avoid the emission of 14.9 t CO₂e (location-based), entirely attributable to Scope 2 emissions.

Given Master Italia’s type of business model according to which production is managed through suppliers, it turns out that Scope 3 for the year 2024 is the main hotspot of the Carbon Footprint (about 99% of total emissions).

Indirect greenhouse gas emissions (Scope 3) by significant categories. YEAR 2024

GREENHOUSE GAS EMISSIONS	tCO ₂ e
SCOPE 3	
TOTAL	12,477.94
1. GOODS AND SERVICES PURCHASED	9,934.97
2. CAPITAL GOODS	92.44
3. FUEL AND ENERGY-RELATED ACTIVITIES (NOT INCLUDED IN SCOPE 1-2)	16.55
3.4 UPSTREAM TRANSPORT AND DISTRIBUTION	1,319.18
3.5 WASTE GENERATED IN THE COURSE OF OPERATIONS	13.75
3.6 BUSINESS TRAVEL	102.21
3.7 EMPLOYEE COMMUTING	73.77
3.8 UPSTREAM LEASED ASSETS	24.98
3.9 DOWNSTREAM TRANSPORT	290.02
3.11 USE OF PRODUCTS SOLD	0.49
3.12 END-OF-LIFE TREATMENT OF PRODUCTS SOLD	599.33
3.15 INVESTMENTS (SHAREHOLDINGS)	10.25

SOURCE: ECOINVENT 3.11

An important methodological update has been introduced for the monitoring of Scope 3 emissions: the generic emission factors attributable to the literature have been replaced by specific factors, built through Life Cycle Assessment (LCA) studies on the materials actually used by Atlantis.

About 80% of greenhouse gas emissions derive from purchased goods and services, consequently emissions are directly linked to the raw materials used to produce them (90%) and the energy consumed to assemble them (6%).

Greenhouse gas reduction targets and climate transition

C3

To contribute to the world’s climate goals, Master Italia has chosen to rely on **the principles of the Science-Based Targets initiative (SBTi)**¹. After a rigorous validation process, in December 2023 the SBTi approved Master Italia’s near-term science-based targets, i.e. the objectives that define the commitments up to the next 5-10 years to reduce Master Italia’s emissions by 2030 and which allow for the setting up of an emissions reduction plan based on climate science. Together with the other SMEs participating in the initiative, by 2030 Master Italia is committed to reducing Scope 1 and Scope 2 greenhouse gas emissions by 42% compared to 2021 as well as committing to measuring and reducing Scope 3 emissions.

Master Italia’s climate strategy to achieve these goals has included a **major renovation of the company headquarters** during 2024 with the aim of improving energy efficiency as well as working comfort. In addition to the existing photovoltaic system, installed in 2023 on the roofs of the warehouses with a power of 124 kWp (310 modules of 400W), further energy efficiency actions have been implemented to reduce Scope 1 and Scope 2 emissions. With an expansion of the heated surfaces by more than 30% compared to 2021, significant **energy savings were achieved**: the energy intensity of the heated surfaces decreased by about 28% (from 64.40 to 46.47 kWh/m²), in line with the project estimates. In addition, following the partnership with Cikis Studio, which deals with Sustainability Strategies for Fashion, the **organization’s Carbon Footprint** for 2024 was calculated.

The analysis highlighted how Scope 3 emissions are the main hotspot of the footprint since they represent 99% of total emissions and the goods and services category purchased is equal to 79% of the company total, for a total amount of 9,935 tons of CO₂ equivalent. For this reason, it was considered important to continue pursuing some containment actions already started in previous years:

- reduction of the environmental impact of the supply chain by promoting the use of “preferred” materials in collections;
- reduction of environmental impacts related to transport by identifying and promoting the use of lower impact solutions while respecting delivery times;
- neutralization of all residual emissions with CO₂ absorption projects such as the planting of trees through participation in projects managed by companies committed to combating the climate crisis and supporting rural communities through the reforestation of degraded land.

In 2024, Master joined a reforestation project in Tanzania by planting 70 trees that will contribute to the estimated absorption of 6,624 kg of CO₂ over a time horizon of 15 years.

In addition, the Company has signed a “green” contract, starting from 2025, for the purchase of energy with the possibility of having the Guarantees of Origin (GO) issued by the Energy Services Manager to guarantee the origin from certified renewable sources.

Climate risks

C4

The physical risks resulting from climate change can lead to violent downpours and hailstorms, but also to periods of scorching heat and low rainfall. To address these risks, Master has taken some mitigation/adaptation actions.

Action to mitigate/adapt the company’s business model in the face of physical risks

EVENT	MITIGATION/ADAPTATION ACTION	FINANCIAL RESOURCES
FLOODING, INUNDATION, OVERFLOWING	PRODUCTION SITE IN A FLAT AREA WITH MEDIUM WATER RISK - THE PRESENCE OF A RAINWATER COLLECTION SYSTEM	MAINTENANCE COSTS AND INSURANCE AGAINST DAMAGE FROM WEATHER EVENTS
HEAT WAVES	INSULATION OF OFFICES AND PRODUCTION AREAS, HIGH-EFFICIENCY COOLING	HVAC SYSTEM REPLACEMENT (CAPEX)
REDUCED WATER AVAILABILITY	RATIONAL USE OF WATER RESOURCES, CONSUMPTION CONTROL, METER MONITORING	NO SPECIFIC INVESTMENTS (BEHAVIORS + COUNTERS ALREADY PRESENT)
EARTHQUAKE	THE PROPERTY IS ANTI-SEISMIC ACCORDING TO BUILDING REGULATIONS	NO RESOURCES CURRENTLY ALLOCATED
HAIL	ALL EXPOSED SURFACES ARE COVERED OR PROTECTED	ANY INSURANCE COVERAGE

Regarding the subscription of insurance policies, Master Italia has signed the following coverage:

Insurance coverage against physical risk - Amounts in thousands of Euro

TYPE OF RISK	SUBJECT MATTER OF INSURANCE	START DATE	EXPIRY DATE	INSURED AMOUNT	INSURED LIMIT	POSSIBLE DEDUCTIBLE
FLOODING, INUNDATION, OVERFLOWING	BUILDINGS,GOODS, MACHINERY	31/12/2024	31/12/2025	4,770	2,385	5
	PHOTOVOLTAIC	28/08/2024	28/08/2025	130	63.2	2.5
STORMS	COVERAGE OF ATMOSPHERIC EVENTS ON GOODS, BUILDINGS, PLANTS	31/12/2024	31/12/2025	4,770	3,339	2.5
HAIL	FRAGILE ELEMENTS AND SYSTEMS	31/12/2024	31/12/2025	50	50	2.5
WEATHER-RELATED EVENTS	PROPERTY, PLANT AND GOODS	31/12/2024	31/12/2025	4,770	3,339	2.5
LANDSLIDES	PHOTOVOLTAIC	28/08/2024	28/08/2025	130	110.6	2.5
STRUCTURAL COLLAPSE	PROPERTY, PLANT AND GOODS	31/12/2024	31/12/2025	4,770	100	1.5
EARTHQUAKE	PROPERTY, PLANT AND GOODS	31/12/2024	31/12/2025	4,770	2,385	5
	PHOTOVOLTAIC	28/08/2024	28/08/2025	130	63.2	2.5

(1) A partnership between CDP, the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) that helps companies set a science-based path to reduce their emissions in line with the Paris Agreement.

Greenhouse gas reduction targets: reference levels and final targets for 2030

SCOPE OF EMISSIONS	REFERENCE LEVEL		FINAL TARGET	
	BASE YEAR	EMISSIONS TON CO ₂ E	YEAR	CO ₂ E TON EMISSIONS TARGET
SCOPE 1	2021	31	2030	25.5
SCOPE 2	2021	52	2030	23
TOTAL		83		48.5

Regarding **mitigation of transition risks related to a low-carbon economy**, the Company has adopted the following mitigation/adaptation actions:

Action to mitigate/adapt the company’s business model in the face of transition risks

EVENT	MITIGATION/ADAPTATION ACTION	FINANCIAL RESOURCES
ENVIRONMENTAL REGULATIONS	CONTINUOUS MONITORING (REACH, EUDR, CBAM, ESRS), IMPLEMENTATION OF TRACEABILITY AND ENVIRONMENTAL CERTIFICATIONS	COST OF CONSULTANCY, AUDITS AND CERTIFICATIONS
CLIMATE CHANGE	ADOPTION OF LOWER IMPACT MATERIALS, LCA, CFP PRODUCT	COST OF MATERIALS + LCA + DEDICATED STAFF
NEW SUSTAINABLE TECHNOLOGIES	INVESTMENT IN SUSTAINABILITY INFORMATION SYSTEMS	TRAINING
CHANGE IN RAW MATERIAL PRICES	SCOUTING OF ALTERNATIVE SUPPLIERS + FRAMEWORK CONTRACTS	ANALYSIS AND DIVERSIFICATION COSTS
PUBLIC/INVESTOR PERCEPTION	SUSTAINABILITY REPORT, SUSTAINABILITY REPORT, ESG INITIATIVES, QR CODES ON PRODUCTS	COST OF COMMUNICATION, CONSULTANCY AND DIGITAL PLATFORMS

In addition to having supported an important investment for the self-production of renewable energy in the renovation of the workplace, innovative materials for production that have a low environmental impact are continuously sought.

Master Italia has a **diversified supply chain**, with which it collaborates for the production of products. For this reason the Supplier Rating is used, not only to analyze the level of sustainability of the partners but also to identify the critical areas to be improved with the collaboration of the most receptive suppliers, who in this way will become “preferred” partners.

Suppliers are assessed using Supplier Rating, a structured system that evaluates suppliers on the basis of ESG criteria, through a questionnaire integrated into a special online tool called ESG Audit Tool, designed for the Company’s needs. The rating has been customized on the specific supply chain of Master Italia, overcoming the limitations of standard questionnaires that fail to capture the individuality of each supplier; the weights of the analyzed sections vary according to the country, the processing carried out and the number of employees. In addition, the translation into the language was prepared to facilitate the understanding and compilation of the questionnaire.

Biodiversity
B5

The area on which Master Italia stands is 6,388 square meters.The interactive maps of Natura 2000 Viewer show that the Company is not located adjacent to protected areas of high biodiversity value.

Waterproofed area used by the contractor

AREA USED BY THE COMPANY	U.M.	VALUE
TOTAL WATERPROOFED AREA	SQM	6.388
PERCENTAGE OF WATERPROOFED AREA OUT OF TOTAL	%	100%

Water
B6

Water consumption. Year 2024

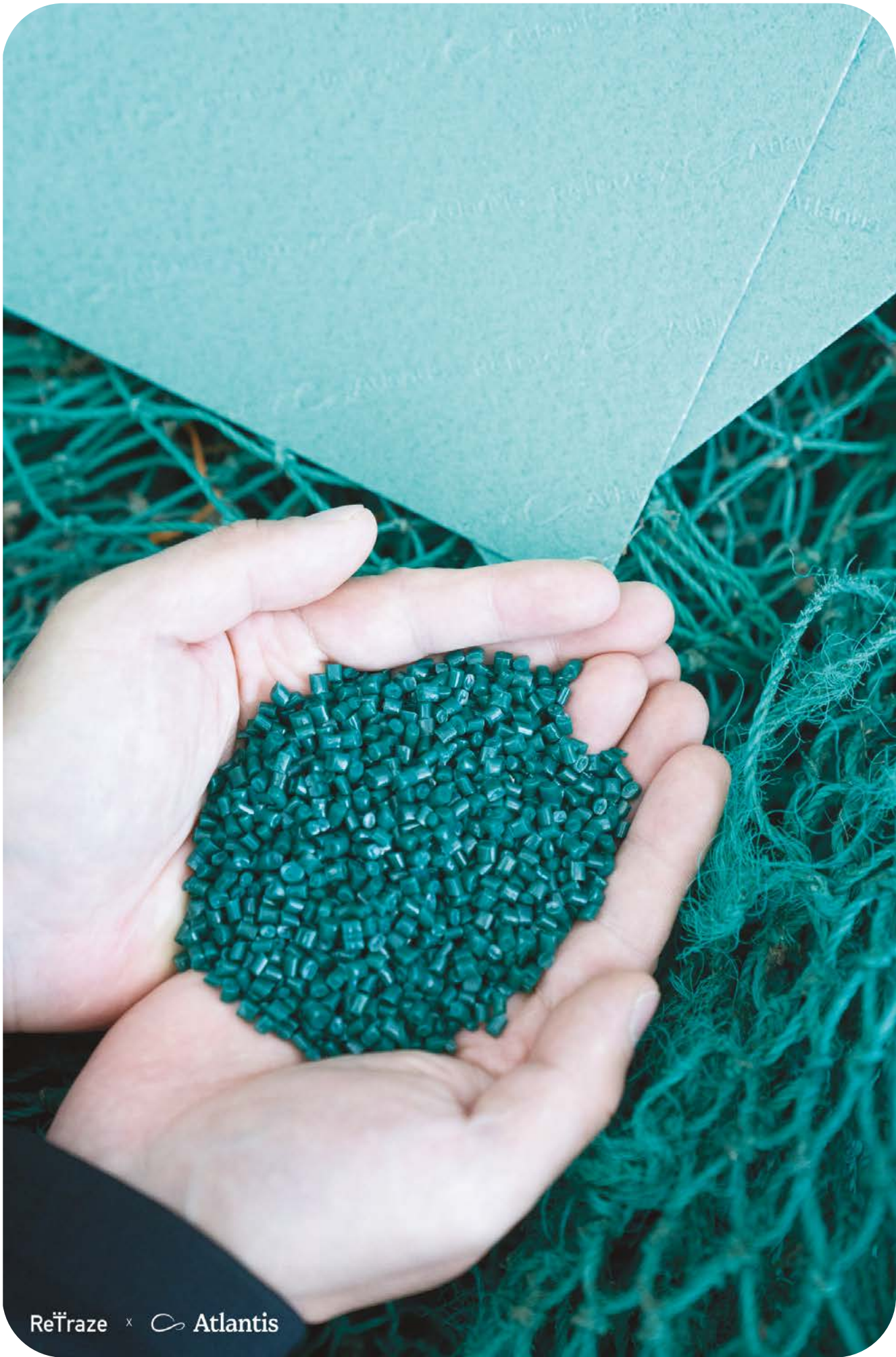
WATER RESOURCES	WITHDRAWAL (M3)	CONSUMPTION (M3)
ALL SITES	34.0	0

SOURCE: WATER BILLS.

The withdrawal of water derives from the public water network and is completely recovered and discharged into the sewer system. In the design of the new Logistics Hub, the differentiated water thrown in the bathroom fixtures was considered to reduce the use of water resources.

Through the WRI (World Resources Institute) Water Risk Atlas it is possible to view an interactive map for water stress of the area where Master Italia is located. The water stress indicator, which measures the ratio between total water demand and available renewable surface and groundwater reserves, has a value between 20 and 40%, which is a medium-high level of water stress.





Resource use, circular economy and waste management B7

Production is managed through suppliers and in order to limit the indirect impact linked to the raw materials used, some good environmental practices have been launched.

The **main materials purchased** comply with the guidelines of the Product Sustainability framework according to which the Must have sustainability principle must be respected, which involves the use of environmentally **preferred** materials such as cotton from organic farming, recycled cotton, polyester and nylon, Poly lana® and other innovative fibers.

For **recycled polyester materials**, the Company has partnered with **ReTraze**, a company that works with small businesses, fishermen and NGOs to collect discarded fishing nets and turn them into 100% recycled PE. Thanks to the collaboration with ReTraze, the 2024 collection introduced the **new visors made through the recycling of discarded fishing nets and plastic bottles** (there are several phases such as the selection of the nets, cutting, washing, melting, chopping, extrusion and precision cutting of the panels, from which the **Atlantis ReTraze visors are created**). Since 2024 productions, **recycled visors have been introduced in all items in the Atlantis collection**, with a reduction up to 46% of emissions compared to the use of virgin material.

Master Italia pays close attention to **water saving in the choice of materials** purchased for its products.

The awareness of the use of large quantities of water in the world of textiles, especially for dyes, has prompted the search for innovative methods such as paste dyeing (DOPE DYEING), used in recycled polyester where the dyeing is carried out upstream before the fiber is made, without immersion in water.

To ensure greater durability of the hats, a **water-repellent treatment** (WR-PFC free) has been introduced to keep them dry, without resorting to the use of perfluorocarbons that are not biodegradable and damage the fabric.

Also about the use of packaging and accessories such as tags, where possible, all tags have been replaced with recycled paper of lower weight.

The packaging intended for the customer is mainly made up of paper, cardboard and pallets from responsibly managed forests (FSC and PEFC certification) or from recycling and recycled plastic, in most cases, and 100% recyclable.

Materials used by weight and origin from recycled content. YEAR 2024

MATERIAL USED, OF WHICH RECYCLED	U.M.	VALUE
TOTAL MATERIAL USED IN FINISHED/SEMI-FINISHED PRODUCTS AND THEIR PACKAGING	TON	997.49
CONTENT OF RECYCLED MATERIAL (AND/OR RECOVERED AND/OR BY-PRODUCT) PRESENT IN FINISHED/SEMI-FINISHED PRODUCTS AND THEIR PACKAGING	TON	319.54
PERCENTAGE OF RECYCLED MATERIAL	%	32%

SOURCE: INTERNAL.

Recyclable materials in packaging. YEAR 2024

PACKAGING MATERIAL, OF WHICH RECYCLABLE	UNIT	VALUE
TOTAL MATERIAL PRESENT IN PACKAGING	TON	175.74
CONTENT OF RECYCLABLE MATERIAL IN PACKAGING	TON	175.74
PERCENTAGE OF RECYCLABLE MATERIAL	%	100%

SOURCE: INTERNAL.



Waste by type, recovery and disposal. YEAR 2024

The waste produced in Master Italia, if similar to urban waste (paper, plastic, wet fraction), is managed by a special company appointed by the Municipality; the waste deriving from the management of extraordinary warehouse cleaning campaigns and asset disposal is outsourced to companies duly registered in the National Register of Environmental Managers and delivered to treatment plants duly authorized at provincial or regional level as the case may be. Electronic waste (EWC code 160213) is disposed of in special containers so that it can subsequently be taken over by specialized companies for the possible **recovery of raw materials** such as copper, aluminum, gold and rare metals. Similarly, used toners are waste managed by agreement with the company Re.Te Recuperi Tecnologici S.r.l. of Musile di Piave for the correct treatment and recovery of materials so that they can be **reused**.

WASTE PRODUCED	TOTAL - KG	SENT FOR RECYCLING OR REUSE - KG	INTENDED FOR DISPOSAL - KG
NON-HAZARDOUS	15,916	12,735	3,181
OF WHICH:	9,877	9,877	0
	400	400	0
	8	8	0
	360	360	0
	1,560	1,560	0
	530	530	0
	3,181	0	3,181
DANGEROUS	100	100	0
OF WHICH:	80	80	0
	20	20	0
TOTAL WASTE	16,016	12,835	3,181
WASTE DESTINED FOR DISPOSAL	20%		
WASTE SENT FOR RECYCLING	80%		

SOURCE: INTERNAL RECORDS, MUD.

The waste generated at the site consists mainly of packaging material and warehouse waste. The packaging derives from the Atlantis goods kept at the warehouse in the event that the customer purchases a quantity lower than the export carton which, in some cases, is not reused directly but disposed of with separate collection. As for the non-recyclable dry waste produced in the warehouse, it is a specific objective of being a Benefit Corporation to start raising awareness to reduce the amount of this type of waste as much as possible.

To limit special waste, disposable batteries have been replaced with rechargeable batteries.

During 2025, the drafting of the specific waste management policy is planned.

Waste not destined for disposal, adequately collected to be sent for recycling, is 12.8 tons, equal to 80% of total waste.

5. People

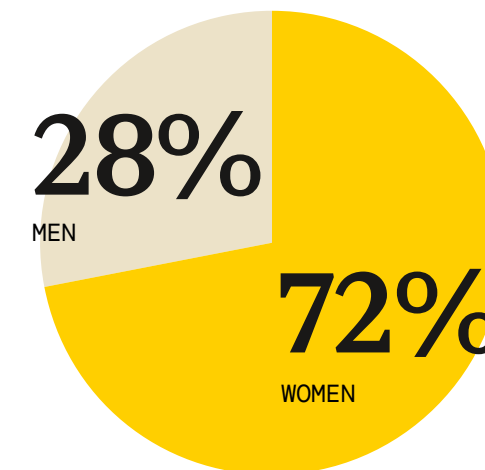


PEOPLE

General features B8, C5

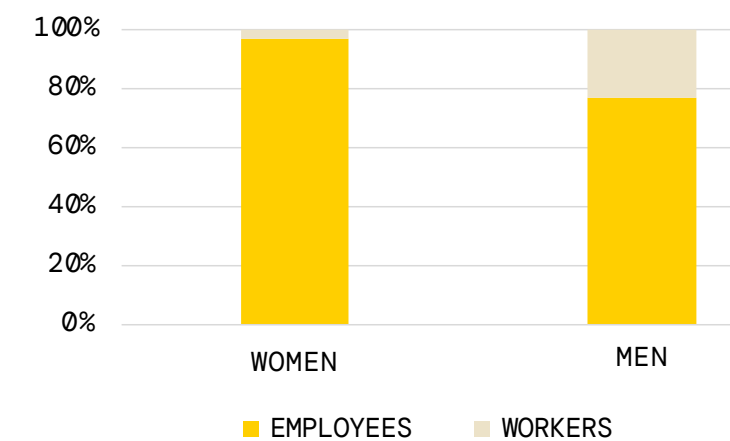
As of December 31, 2024, there are 53 people working in Master Italia, 72% of whom are women.

Percentage distribution of employees by gender. YEAR 2024



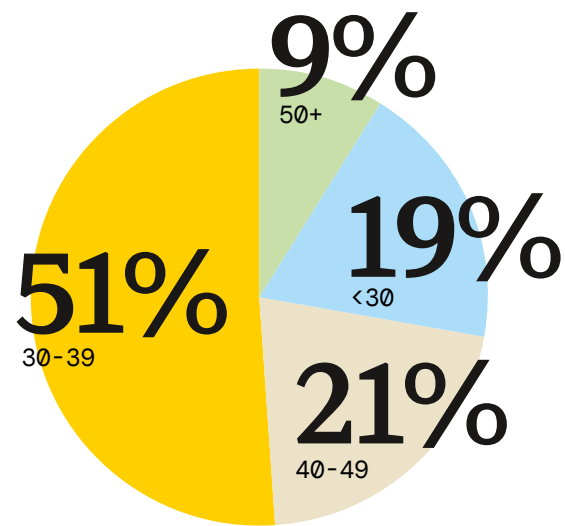
The company has a commercial vocation, 91% of workers are employed and, in particular, among women 97% are employees.

Percentage distribution of employees by gender and qualification. YEAR 2024





Percentage distribution of employees by age group. YEAR 2024



Master is a dynamic company and 70% of employees are under the age of 40.

Employees hired and left by gender. YEAR 2024

EMPLOYEES	WOMEN	MEN	TOTAL	OF WHICH: < 30 YEARS OLD
HIRES	9	0	9	5
LEAVERS	2	0	2	0
NET CHANGE (H - L)	7	0	7	5

SOURCE: INTERNAL

The turnover rate was 22.2%, mainly due to the growth in the number of employees and 55% of hires concerned young people under 30.

Employees by type of contract and professional classification by gender. YEAR 2024

EMPLOYEES	WOMEN	MEN	TOTAL
TOTAL PERMANENT CONTRACT	33	13	46
OF WHICH:			
EMPLOYEES	32	10	42
WORKERS	1	3	4
TOTAL FIXED-TERM CONTRACT	2	0	2
OF WHICH:			
EMPLOYEES	2	0	2
WORKERS	0	0	0
TOTAL APPRENTICESHIP	3	2	5
OF WHICH:			
EMPLOYEES	3	1	4
WORKERS	0	1	1
GRAND TOTAL	38	15	53

SOURCE: INTERNAL

In 2024, 87% of contracts are permanent and of these 96% are full-time.



PEOPLE

Part-time employees by professional classification and gender. YEAR 2024

EMPLOYEES	WOMEN	MEN	TOTAL
TOTAL	2	0	2
OF WHICH:			
EMPLOYEES	1	0	1
WORKERS	1	0	1

SOURCE: INTERNAL

According to the provisions of Law 68/1999 regarding the number of employees belonging to protected categories, Master Italia has 2 employees on its staff.

Employees belonging to protected categories. YEAR 2024

EMPLOYEES BELONGING TO PROTECTED CATEGORIES	N°
REQUIRED BY LAW	2
BEYOND THE LEGAL REQUIREMENTS	0

SOURCE: INTERNAL





Health and safety

B9

In Italy, occupational safety legislation is governed by Legislative Decree 81/2008, also known as the Consolidated Law on Occupational Safety. This document sets out the responsibilities of employers, managers and employees, with specific obligations to ensure a safe working environment.

Master Italia, in order to ensure the protection of its workers and maintain attention to any risks present in the company, has launched an organized and structured management and monitoring system. Described in the Risk Assessment Document (DVR).

The company safety organization chart provides the Head of the Prevention and Protection Service (RSPP) who ensures compliance with the regulations, and the Competent Doctor, an external figure who has the task of assessing the worker’s suitability to perform the assigned tasks, carrying out periodic checks during working hours sometimes at the workplace and sometimes at the office of the competent doctor. Confidential information is handled by the doctor, the company only keeps the suitability file.

The **near miss system** to collect, analyze and prevent potentially dangerous events that have not caused damage, but which could have done so if action had not been taken in time, must be implemented and the procedure with the RSPP has already been started.

In 2024, the rate of recordable occupational accidents was 0.

In the field of health and safety at work, 291 hours of training were provided to workers, partly required by law and partly to all employees following the provision of a company defibrillator, to acquire useful skills to manage cardio-respiratory emergencies even outside the workplace.

To promote prevention, the Company has made it possible to access a health package at the Medicine Center that includes blood samples directly at the company, two specialist prevention visits and a Fidelity Card, which can also be used by cohabiting family members, to take advantage of medical services at discounted rates.

During 2024, a major renovation of the offices was launched that improved **well-being in the workplace**, thanks to the installation of a controlled mechanical ventilation (CMV) system and the sanitization of all false ceilings. A new, larger dining room was also built, equipped with a kitchen and pantry, which encouraged moments of socialization and improved the quality of breaks. The interventions included the adaptation of the spaces for the accessibility of people with disabilities, fully achieving the objectives set.

Pay, collective bargaining and training

B10

The national collective bargaining agreement (CCNL) regulates employment relationships by ensuring homogeneity and standardization in the treatment of all workers to protect the guaranteed minimum wage. In Master Italia, all workers are covered by the national collective agreement “Tertiary and commerce”.

Employees with employment contracts. YEAR 2024

EMPLOYEES	N°	%
COVERED BY NATIONAL COLLECTIVE AGREEMENT	53	100
BEYOND THE LEGAL REQUIREMENTS	0	

The CCNL is published on the company intranet portal and contains information on classification, tasks, wages and minimum wages, seniority increments, hiring, working hours, increases, absences, termination of employment, special contracts, etc.

The salaries of Master Italia are on average higher than the minimum table of 18%.

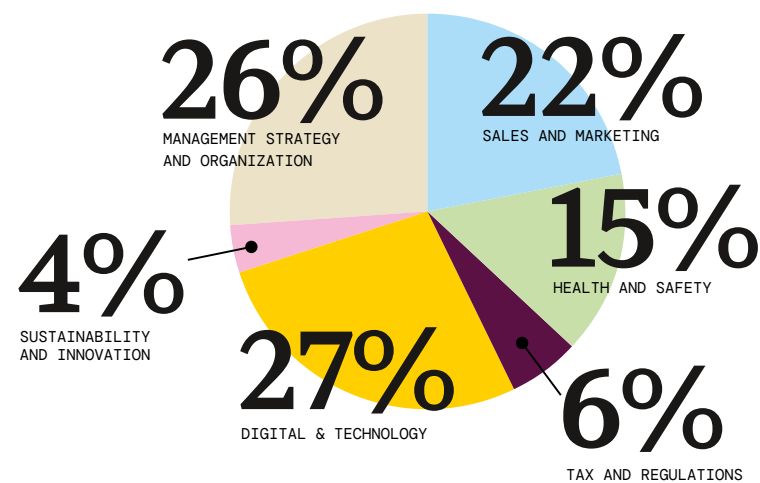
During 2024, about thirty-eight thousand euros were invested in training for a total of over 2,000 hours, of which 95% was non-compulsory training.

Hours of training by type. YEAR 2024

TYPE OF TRAINING	N°HOURS
MANDATORY	103.0
NOT MANDATORY	1,916.5
TOTAL	2,019.5

During 2024, the Company has chosen to focus on training aimed at strengthening governance, in-depth study of new technologies and updates in the commercial area, while maintaining a strong interest in health and safety.

Percentage distribution of training hours by type. YEAR 2024



As far as sustainability is concerned, the training courses are also joined by Talking Hats, a series of monthly events during which the company dedicates a few hours to convey the culture of sustainability to all employees, sharing projects and experiences, or listening to the testimonies of professionals and associations that operate in line with sustainability goals.

The average number of hours of training (compulsory and voluntary, excluding Talking Hats) per employee was about 40 hours.

Human Rights Policies and Processes

C6

Master Italia always pay close attention to the quality and ethical respect of its suppliers and for over 25 years has been regularly visiting its partners' factories to build a supply chain that reflects the company's values.

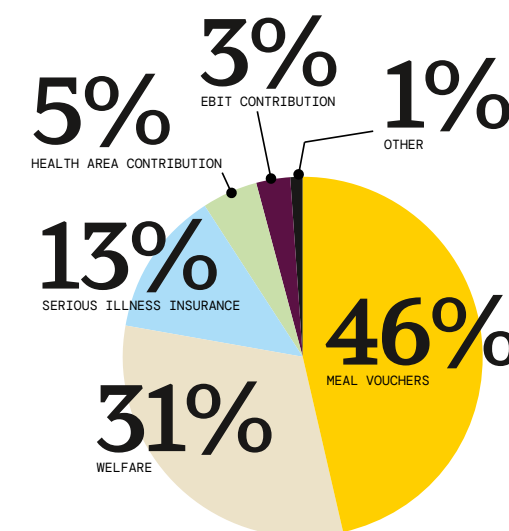
Respect for human rights, workers' rights and environmental standards has always been a priority for the Company which, through the Code of Ethics, defines its position, commitment to stakeholders and the value framework for those who operate in its sphere of action.

Master Italia is a member of Sedex, a non-profit organization committed to the dissemination of ethical principles along global supply chains and the main European platform for the collection and processing of data on the ethical behavior of supply chains. Through Sedex's SMETA process and other internationally recognized initiatives (such as BSCI and WRAP), the company requires its suppliers to undergo social compliance audits, which assess ethical, social and environmental practices, in order to effectively monitor and manage supply chain risks and verify corrective actions if necessary.

Employee Benefits

During 2024, 115,497 euros were paid out as benefits for full-time employees: 46% to cover employees' meal vouchers, 45% for welfare as per the specific internal regulations supplemented by insurance for serious illnesses and the rest for mandatory contributions from the CCNL.

Employee Benefits by Type YEAR 2024



In addition to economic benefits, the Company has launched a series of measures to support parenting and work-life balance reported in the Company Regulations. Especially:

- **personalized working hours** according to needs, within pre-established time slots;
- **smart working** for one day a week for workers who meet certain requirements identified in the Company Regulations;
- **additional maternity and paternity leave** paid by the Employer: for new mothers, an additional month of maternity leave (in addition to the mandatory five months) with an allowance equal to 100% of the salary and for new fathers, the possibility of taking an additional ten days of compulsory leave (in addition to the ten days to be taken within the fifth month of birth) within the first year of the child's life, receiving an allowance equal to 100% of the salary;
- **additional caregiver** leave of up to 32 working hours per year to be paid by the company under special conditions as reported in the Company Regulations;
- **friendly time bank** for which the company declares itself willing to promote the exchange of hours transferred by another employee (only between ROL and leave), in support of art. 24 of Legislative Decree no. 151 of 14/09/2015.
- **Additional leave** paid by the company, up to 16 working hours, is made available for **volunteer activities**.

In addition, the headquarters is equipped with a kitchen for preparing meals and the Company takes care of the purchase of the main groceries and the use of a coffee machine for breaks.

6. Society & Community

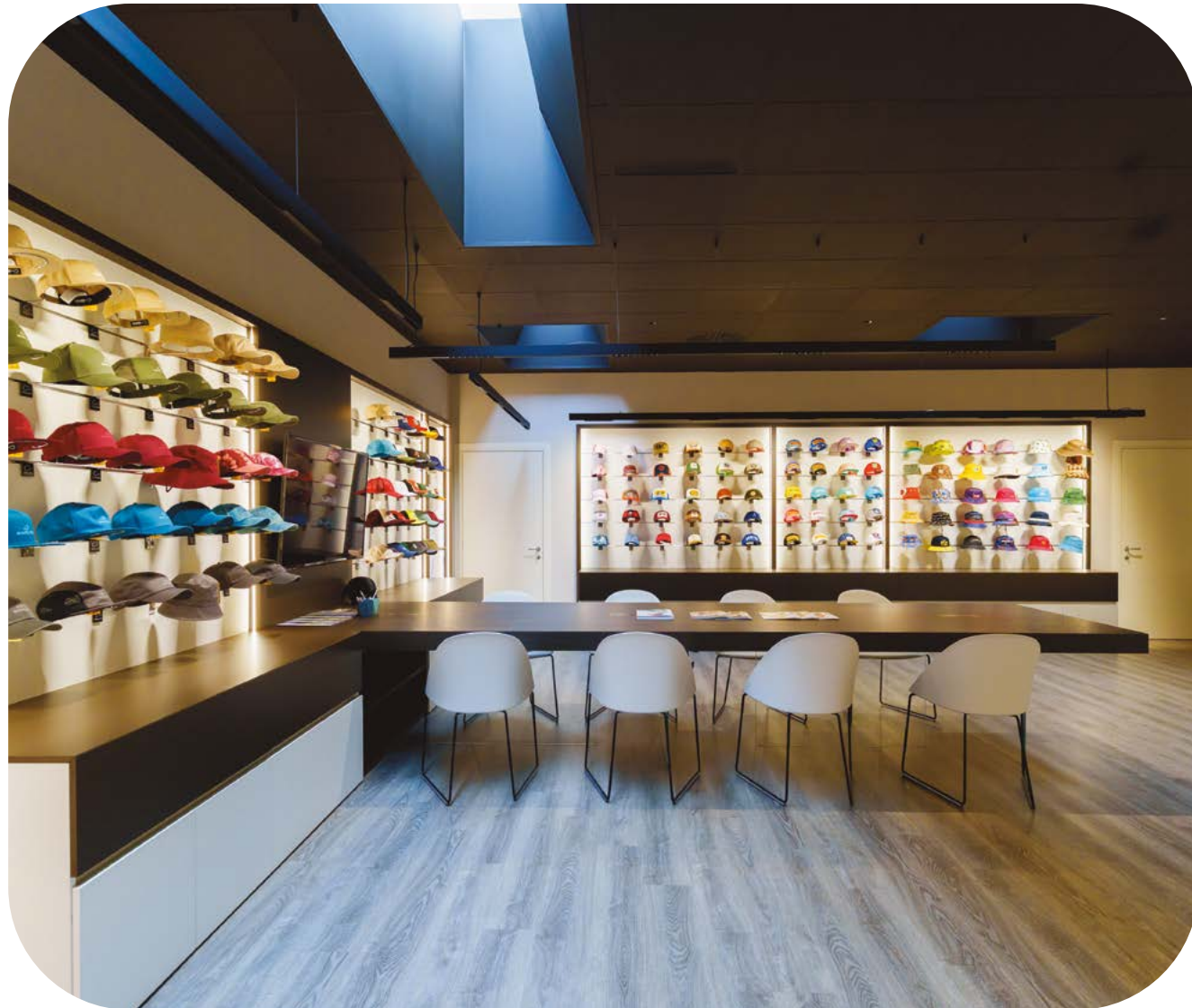


Master Italia's commitment to supporting the community takes the form of partnerships at a territorial and international level. The change in statute that led Master to become a Benefit Corporation has helped to guide the company towards projects that leave a positive impact in the social sphere, through projects such as:

- The **Bosco dei Racconti**, with the collaboration of the Pendolino ODV, which annually involves over 500 students from kindergartens, primary and lower secondary schools in eastern Veneto with nature trails and workshops offered to students to deepen the concepts of biodiversity, photosynthesis and the role of trees;
- The school-work alternation for which every year **high school students from San Donà di Piave are hosted** for a training internship;
- The **Emporio Solidale** in support of people and families in socio-economic difficulty. The 2024 contributions, calculated as the sustenance of 4 families per employee, allowed the company to support 313 families on a continuous basis, for a total of about 915 people, of which 502 from third countries or belonging to minorities, 298 children under 15 years of age, 3 people with disabilities and some occasional cases of homeless people.
The donation has contributed directly to covering the basic needs of these households in fragile conditions. Thanks to the involvement of the associative network and volunteers, the Emporio confirms itself as a model of territorial solidarity, based on equal access to resources, on the dignity of people and on the fight against poverty.
- The **CUOA Business School** in Vicenza which, in addition to being a training center for entrepreneurs, managers, business executives and young graduates, supports scientific research activities focused on sustainability and the pursuit of the goals of the 2030 Agenda for Sustainable Development;
- **Sustainability Week**, an event organized annually by Confindustria, with active participation to support dialogue and discussion with entrepreneurial realities, schools, research centers, start-ups and public administrations, creating a fertile ground for the exchange of ideas, experiences and innovative solutions to face the challenges related to sustainability in a structured way.

Master Italia S.p.A. Società Benefit has chosen to report non-financial aspects on a voluntary basis.

This Sustainability Report has been prepared by the people of Master Italia, with the coordination of Studio Poser and with the collaboration of the Sustainability Committee.
Graphic design and layout: DMIND



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