

Ermenegildo Zegna Group

**SUSTAINABILITY
REPORT
2020**

ERMENEGILDO ZEGNA GROUP CEO & PRESIDENT LETTER

Given the increasingly demanding challenges faced by the modern-day world, it is our duty – as a company and as a family – to adopt a courageous, positive stance. Above all else, we have a duty to adopt real measures. Safeguarding the environment we live in, profound respect for people and the well-being of future generations have been part of the company's bedrock ever since my grandfather first founded it in 1910: back then, social responsibility was a cutting-edge concept. But today it has become an imperative.


Over the course of this last year, we have been forced to tackle an unprecedented health, economic and social crisis. From the outset, the Zegna Group embarked on measures to counteract the pandemic. It has helped support the efforts of the country as a whole with donations of funds and equipment for medical care, achieved in part by reconvertng our production premises.

Now more than ever before, we feel it is our responsibility to ensure our work helps render the world we live in a better place. For this reason also, in 2019 we signed the Fashion Pact. Together with other leading fashion and textiles firms, we made a commitment to reduce the ecological impact of the fashion industry by adopting shared goals, such as safeguarding the Oceans, preserving biodiversity and focusing on climate change.

Our dedication to the environment has acquired a tangible form with the #UseTheExisting project, with which we announced our goal of increasing our use of natural and technical materials even more. We aim to produce these materials with innovative processes, and to obtain them from existing sources to achieve our dream of eliminating waste altogether.

Our efforts have been rewarded: in 2019 we received the CNMI Award in Recognition for Sustainability at the Green Carpet Award, and the ADI Design Index 2020 Innovation Award in 2021. Another milestone result came in the form of the Fashion Transparency Index 2020: the report gauging the transparency of fashion brands created by Fashion Revolution put us amongst the top three brands in 2020 for year-on-year increase of its individual score, and the first luxury brand to publish a complete list of its suppliers.

This Group Sustainability Report goes in the same direction. It maps the many steps, small and large, which we take each day to achieve a sustainable world. A pact made by our founder Ermenegildo over 110 years ago, and which we carry forward with pride and conviction.



Ermenegildo Zegna
CEO of Ermenegildo Zegna Group



Paolo Zegna
President of Ermenegildo Zegna Group



PAOLO ZEGNA, PRESIDENT OF ERMENEGILDO ZEGNA GROUP



ERMENEGILDO ZEGNA, CEO OF ERMENEGILDO ZEGNA GROUP

ERMENEGILDO ZEGNA GROUP

The Ermenegildo Zegna Group (Zegna Group) is one of Italy's most successful family companies. It was established in 1910 in Trivero, Italy, by the young entrepreneur Ermenegildo, whose pioneering vision continues to inspire the company's business development with a sustainable approach: using resources for the good of others; giving back to people and employees; caring for the communities and local area which the brand hails from.

Today the company is managed by Gildo Zegna as CEO, and Paolo as Chairman. Over the years, the company has evolved from high quality textile production to offering sartorial expertise on an artisan scale. It has since gone on to make its mark as a luxury worldwide lifestyle brand with a retail network covering over 80 countries.

In 2020, the Group encompassed a made-in-Italy Luxury Laboratory platform, consisting of:

- **Gruppo Dondi**
- **Lanificio Bonotto**
- **Cappellificio Cervo**
- **Tessitura di Novara**
- **Lanificio Zegna**
- **Agnona (deconsolidated as of January 2021)**

While the Ermenegildo Zegna brand remains the powerhouse behind the Zegna Group, the company has seized opportunities to expand its portfolio with the acquisition of global brands. The Group's expansion worldwide has been accelerated with its comprehensive strategy of verticalization, shrewd diversification, as well as brand extensions and licensing, creating a Global Luxury Brand that now includes men's and women's wear, ranging from clothing to accessories.

In 2020, the Group owned the following proprietary brands:

- **Ermenegildo Zegna**
- **Thom Browne**
- **Agnona (deconsolidated as of January 2021)**

Specifically, the Group operates in four key regions. The first two are EMEA (Europe, Middle-East and Africa) and Latin America, whose distribution channels and profitability are controlled by the Milan headquarters. The third is North America, controlled by the New York City office, which coordinates USA and Canada markets. Last but not least is Asia-Pacific, which had four different offices (Shanghai, Tokyo, Seoul, and Singapore) controlling distribution and profitability in the region.

By the end of 2020, we had 537 mono-brand stores: 296 ones managed directly (including 3 Agnona stores then deconsolidated by January 2021) and 241 operated on a franchise or wholesale basis (including 10 Agnona stores then deconsolidated by January 2021). We were pleased to be able to open 10 new Thom Browne stores, in addition to Zegna store openings in Shanghai, Paris and Mexico City. Zegna's retail networks in Morocco and South Korea have been transformed into franchising agreements (in 2020 and 2021 respectively) with local partners whose market insight and business acumen will ensure our customers receive the service they have come to expect.





2020 HIGHLIGHTS

€1,015m

REVENUES



80

COUNTRIES IN WHICH
THE GROUP OPERATES



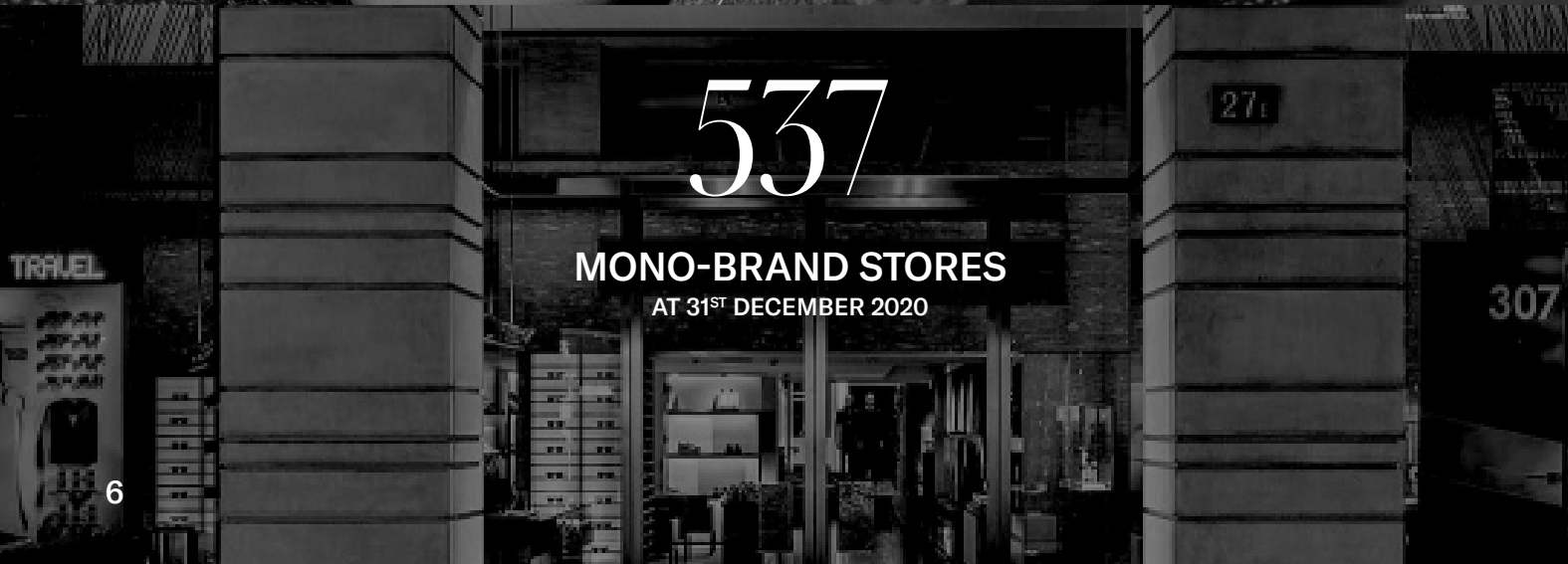
296

DIRECTLY OPERATED STORES
AT 31ST DECEMBER 2020



3

PROPRIETARY BRANDS



537

MONO-BRAND STORES
AT 31ST DECEMBER 2020



5,856

EMPLOYEES
AT 31ST DECEMBER 2020



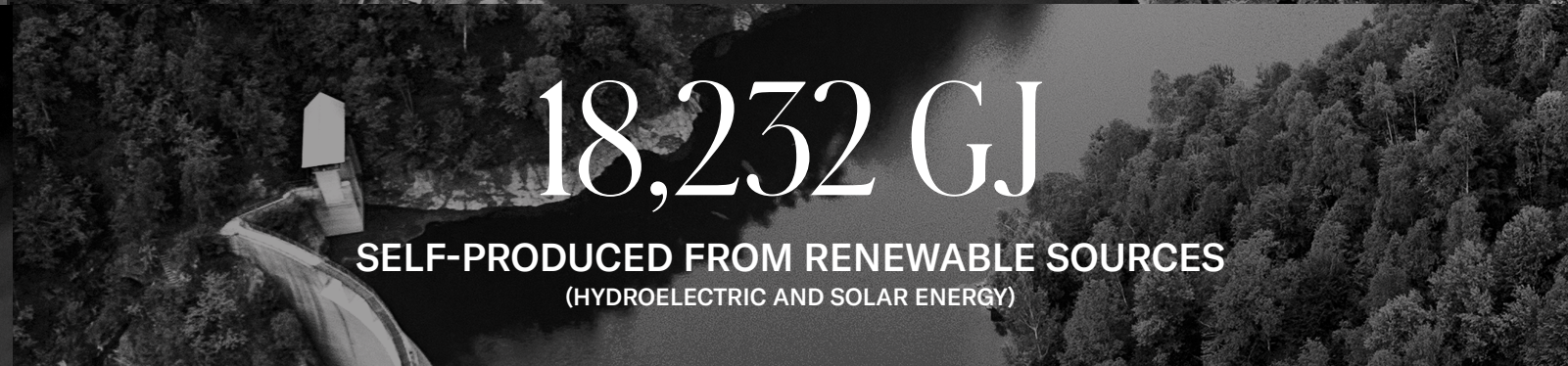
62.8%

OF EMPLOYEES ARE FEMALES
AT 31ST DECEMBER 2020



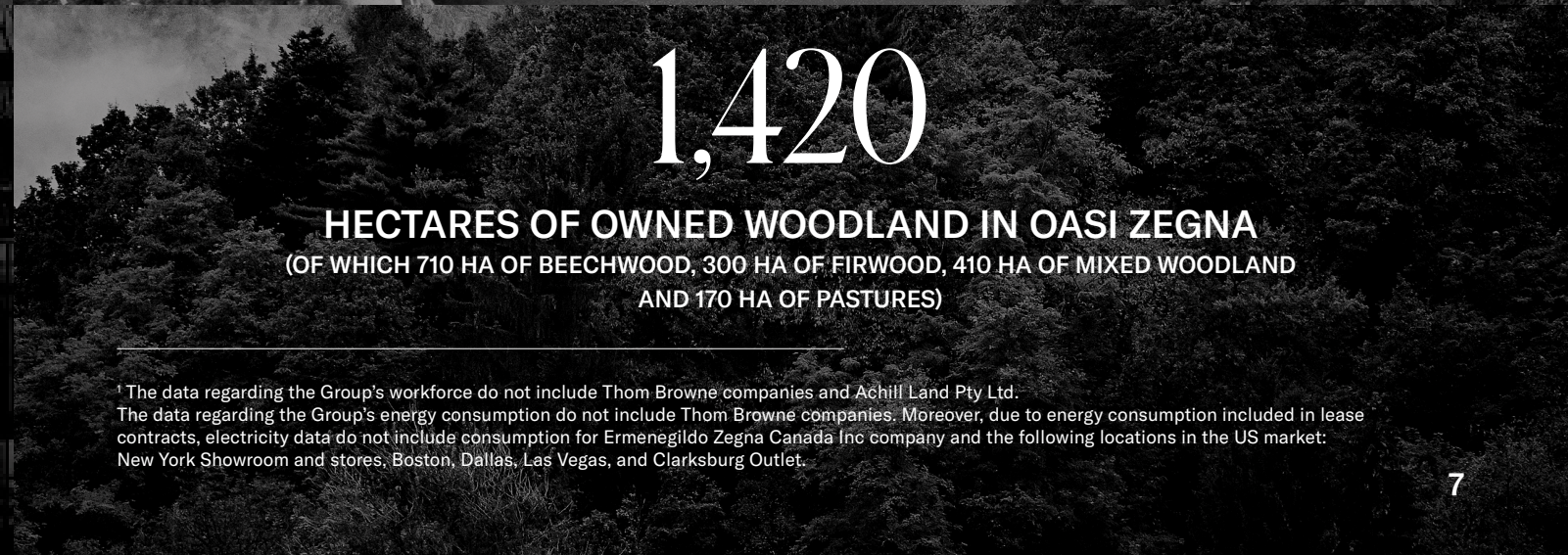
25%

OF ELECTRICITY CONSUMED
FROM RENEWABLE SOURCES



18,232 GJ

SELF-PRODUCED FROM RENEWABLE SOURCES
(HYDROELECTRIC AND SOLAR ENERGY)





1,420

HECTARES OF OWNED WOODLAND IN OASI ZEGNA
(OF WHICH 710 HA OF BEECHWOOD, 300 HA OF FIRWOOD, 410 HA OF MIXED WOODLAND
AND 170 HA OF PASTURES)

* The data regarding the Group's workforce do not include Thom Browne companies and Achill Land Pty Ltd.
The data regarding the Group's energy consumption do not include Thom Browne companies. Moreover, due to energy consumption included in lease contracts, electricity data do not include consumption for Ermengildo Zegna Canada Inc company and the following locations in the US market:
New York Showroom and stores, Boston, Dallas, Las Vegas, and Clarksburg Outlet.

STORY

1929	1929-1930	1933	1935	1938	
Beginning of the reforestation of the mountain, starting from S. Bernardo and continuing towards Craviolo. Planting of over 500,000 conifers and hundreds of flowers of different varieties in Valsessera.	Ettore Olivero Pistoletto produces the graffiti of the "History of the art of wool in the Middle Ages" for the first version of the figurative decoration of today's "Picture Room".	Diploma of Merit to the "Merito Silvano" granted by the Minister of Agriculture and Forestry for the year 1932.	Our Group founder, Ermenegildo Zegna, receives the <i>Cavaliere del Lavoro</i> title from Italy's King Vittorio Emanuele III. 	Start of the construction project of the Panoramic Road on the initiative of Ermenegildo Zegna.	Construction of the Piancone hydroelectric plant designed by Mario Castelli and inaugurated on December 10 in the presence of H.E. Cobolli Gigli.
1940		1941-1942	1946	1948-1952	
Ermenegildo Zegna writes a letter to the Ministry of Agriculture to reclaim 88km² of Valsessera land, by improving streets, grazing lands and water streams. The project included the improvement of communication routes, watercourses and alpine dwellings, pastures and mountain pasture and the protection of the forest heritage.		Project for the realization of a Pilot Alp from the project "Bonifica Montana Conte di M. Rubello", then realized at the beginning of the fifties.	Design of the mountain colony of Monte Rubello by arch. Otto Maraini.	Ettore Olivero Pistoletto realizes the new cycle of paintings on canvas of the "History of the art of wool in the Middle Ages" for the newly renovated and enlarged "Picture Room".	
1950	1951	1952	1953	1954	1959-1961
The locality Marca di Piatto is renamed by Ermenegildo Zegna Bielmonte as "Mountain of Biella".	The Ministry of Agriculture and Forestry awards Ermenegildo Zegna the Silver Medal of Merit Silvano. 	Construction of a first path between Sanctuary of Oropa and Sanctuary of S. Giovanni d'Andorno strongly financed by Ermenegildo Zegna Ettore Olivero Pistoletto realizes 12 out of 14 paintings dedicated to the "Works on the Panoramic Road". Experimental opening of the Colonia Alpina E. Zegna under the Bocchetta di Margosio, built as a summer camp for the children of the workers of the textile industries of Biella (operational in 1953).	Ettore Olivero Pistoletto paints the last two paintings dedicated to the "Works on the Panoramic Road".	Ermenegildo Zegna contacts arch. Luigi Vietti to design the very first modulation of the residential expansion of Bielmonte. The collaboration with Luigi Vietti will last more than twenty years.	The "Mischie" or "Miste" dam was built to supply the Piancone power plant and to cope with the annual periods of low hydraulic flow.

60's		1970		1975		1977		1993
Program of hydraulic-forestry arrangement in the mountain basins of the Cervo and Sessera torrents based on a forest increase to consolidate the ground and decrease the runoff of the territory. Intervention on the Panoramic	road and revision of the Conca dei Rododendri project by the landscape architect Porcinai, with an additional intervention of arrangement of the basin after the flood of 1968.	Lanificio Ermenegildo Zegna equips itself with a sewage treatment plant.		Inauguration at the Bossola of a plaque in memory of Ermenegildo Zegna in the presence of Senator Giuseppe Pella.		Completion of the Zegna Panoramic Road. The road crosses 6 main valleys and other secondary valleys for a total of 65 km.		<p>The Oasi Zegna starts to take shape: a project to improve the Biellesi Alps, with the involvement of different scientific consultants. The Rhododendron Trail is presented, the first of 3 trails that cross Oasi Zegna.</p> <p>Study for the improvement of the Alpe Moncerchio and the requalification of the pasture for its inclusion in the Oasi Zegna project.</p>
1994	1995			1996		1997		
Via delle Bocchette is presented, the second of three routes that cross Oasi Zegna. It is the highest part of the Panoramica Zegna.	Via della Sienite is presented, the last of three routes that cross Oasi Zegna, the lower mountain part that overlooks the Cervo Torrent.	At the 13 th edition of the Gambrinus-Giuseppe Mazzotti award for mountain literature, exploration, ecology and traditional artisanship, Oasi Zegna is awarded the Special Prize " <i>Mazzotti - Touring Club Italiano for a better tourism</i> ". 		At the 6 th Annual Environmental Media Awards, Michelangelo Pistoletto's work " <i>Green Mind</i> " is presented to Bill Clinton and Anna Zegna receives the Environmental Media Award (EMA). 		Assignment of the special Ermenegildo Zegna award to the American actor Ted Danson during the ceremony of the Annual EMA.		Oasi Zegna promotes the project to estimate plant biomass and monitor animals by CEO (Center Earth Observation) and developed by ENEA (Ente per le Nuove Tecnologie l'Energia e l'Ambiente), with the involvement of the Piedmont Region and the Faculty of Agriculture of Turin.
1998		1999		2000				2001
<p>At Lanificio Ermenegildo Zegna, the dosing of chemical products in the dyeing department is automated with the installation of a central dosing unit located outside the department.</p> <p>John Travolta receives the special Ermenegildo Zegna award at the Annual EMA Festival held in Los Angeles.</p>	<p>Anna Zegna receives, for her commitment to environmental protection, the award of the Rainforest Alliance.</p> 	Planting by the landscape architect Paolo Pejrone of a cherry wood in the Conca dei Rododendri in Oasi Zegna.		<p>Fondazione Zegna is born, with the aim of safeguarding people, culture and the environment.</p> <p>The collaboration with Cittadellarte - Fondazione Pistoletto begins. Fondazione Zegna supports Unidee, advanced training program for art and social change of Cittadellarte - Fondazione Pistoletto, artistic project conceived by Michelangelo Pistoletto.</p>		Lanificio Ermenegildo Zegna has reconverted its internal heating plant from fuel oil to methane gas.		<p>The American President Bill Clinton is awarded by Oasi Zegna and American Ocean Campaign for his commitment to the environment, by the American actor Ted Danson (founder of AOC) with the "<i>AOC Partners Award</i>".</p> 

2002

Lanificio Ermenegildo Zegna installs a hot water storage that uses the dispersed heat generated by the power plant to heat the water.

Oasi Zegna publishes its botanical guide, the first of four thematic publications, from the collaboration between the Ermenegildo Zegna Group and the Civic Museum of Natural History of Milan to carry out a systematic naturalistic research on the territory of Oasi Zegna.

Fondazione Zegna sponsors the Palinuro’s trip to monitor the Mediterranean Sea’s conditions.

2003-2005

The Piancone hydroelectric plant is upgraded with the addition of a forced conduct. It obtains the qualification of "IAFR", a plant powered by renewable energy sources.



2004

The Impresa e Cultura 2004 prize is awarded to the Ermenegildo Zegna Group for its innovative and effective synthesis of culture, business culture and social responsibility and for the virtuous path of civilization and development identified.



Fondazione Zegna donates to FAI (Fondo per l'Ambiente Italiano) 500,000 crocus bulbs planted in the gardens of Villa Della Porta Bozzolo in Casalzuigno.

Fondazione Zegna begins to support WWF for a project to conserve the Qinling giant panda and its habitat in China, a commitment that lasted until 2018.

Lanificio Ermenegildo Zegna, in its continuous search for innovative products, is one of the first to experiment new vegetable fibers, such as bamboo.

The Micronsphere textile is created to repel all kind of stains. Lotus leaves inspire it.

2004-2006

Habitus Zegna project, created by Cittadellarte Fondazione Pistoletto in collaboration with Fondazione Zegna, highlights the concepts of the hand, the mind, the product, the environment.

2005

Bielmonte is the site for pre-Olympic training for the 2006 Turin Olympics.

Fondazione Zegna supports FAI’s project "Il giardino delle nuvole" for the recovery and enhancement of the Masino Castle Park planting 6,500 spireas by landscape architect Paolo Pejrone.

Anna Zegna, Andrew Sharpless, President of Oceana, and Xavier Pastor, Director of Oceana Europe, present in Spain the first results of the exploration and collection of underwater images of the Gorridge Bank ecosystem. Oceana researchers, supported by Fondazione Zegna, could study one of the oldest seamounts in the Atlantic.

The Third Paradise is presented on the Island of San Servolo as an event within the 51st Venice Biennale through the exhibition "The Inner Island: Art of Survival", in partnership with Fondazione Zegna, curated by Achille Bonito Oliva.

2006

Fondazione Zegna supports Oceana and ICRAM (Central Institute for Applied Scientific and Technological Research at Sea), with the collaboration of the University of Padua, proposing the approval of a specific Action Plan to safeguard corals and the seas.

2007

The Mediterranean Landscape Award is assigned to the project presented by Ermenegildo Zegna Holditalia, entitled "Oasi Zegna - Study, protection, enhancement, development and promotion of the Biella mountain area".

Project of Fondazione Zegna in collaboration with WWF Turkey with the planting of trees in the reserve of Buyukada Island.

Casa Zegna, a historical archive, cultural center and exhibition space located in Trivero, is born. For the occasion, the artist Michelangelo Pistoletto created the work "Woollen - The Reintegrated Apple".

Zegna launch the Oasi Cashmere fabric, with its color given by natural tanning techniques.

2008

The Solar Ski Jacket is the first technical ski jacket in the luxury area capable of recharging a cell phone or any other portable communication tool with an eco-friendly system using solar energy.

In Perù, a project for the artificial canalization is created for fields’ irrigation and vicuña’s watering for the Picotani Community.

Fondazione Zegna proposes the “ALL’APERTO” project, to involve artists in revisiting some locations in Trivero by representing the bond with nature.

2008-2009

A new pathway is created at the Conca dei Rododendri, with the introduction of new roadside walkways and access for disables to the Caruccia area.

2010

The Zegna Baby Forest project was born, according to which for each new birth among Group’s employees a new tree is planted. In 10 years, 1,201 trees have been planted.

Two monitoring stations on the Sessera stream become operative.

Visible - where art leaves its own field and becomes visible as part of something else is a wide-ranging research project dedicated to contemporary artistic practices aimed at the social sphere, initiated by Cittadellarte-Fondazione Pistoletto and Fondazione Zegna, curated by Matteo Lucchetti and Judith Wielander.

Ecotene is a technical fabric made from 100% recycled plastic material, and is therefore completely ecological.

2011

Lanificio Ermenegildo Zegna equips itself with a system of photovoltaic panels to produce electricity.

The CEO receives the title of «*Cavaliere del Lavoro*» both for the entrepreneurship and the social commitment.



2012

The Ermenegildo Zegna Group coordinates LIFE Carabus project to safeguard the Carabo tree in Valsessera area.

"*Manifesto of Sustainability for Italian Fashion*" is born, aimed at outlining an Italian way for responsible and sustainable fashion, as well as for encouraging the adoption of responsible management models along the entire value chain. The initiative, promoted by Camera Nazionale della Moda Italiana (CNMI), is also supported by Ermenegildo Zegna.

The Lanificio Ermenegildo Zegna goes Chrome Free.

The roofing of the factory is replaced with aluminum panels with polyurethane foam insulation, with a 5% saving in thermal energy. A special system recovers heat from the cooling water of the dyeing cycles and transfers it to the industrial hot water circuit.

My Zegna Forest project is born, to save from desertification the Kulun area in Mongolia, as part of the Milion Tree Project.

2014

At the Fashion Week, the artistic performance Il Terzo Paradiso by Michelangelo Pistoletto takes place in Piazza Duomo in Milan. For the first time, thanks to the Cittadellarte Fashion B.E.S.T (Bio Ethical Sustainable Trend) project, more than forty companies in the textile chain created an alliance with CNMI.

First edition of the PANORAMA DAY with FAI. Oasi Zegna receives the patronage of FAI. The event is repeated every year since then.

2015

Oasi Zegna joins the network of Grandi Giardini Italiani.

The CEO receives the “*Premio Leonardo*” award for his commitment in the promotion of “*Made in Italy*” in the world.

2016

In March, CNMI defines the Guidelines on eco-toxicological requirements for clothing, leather goods, footwear and accessories. Ermenegildo Zegna takes an active part at the table.

In June, FAI opens to the public Podere Case Lovara at Punta Mesco in Liguria, a project supported by Fondazione Zegna, which contributed to the restoration of the site.

In September, Oasi Zegna receives the 1st level Swiss quality certificate.

2017-2019

Redevelopment interventions of pine forests in the area of Piana del Ponte - Selletto Grosso planting 2200 beech trees in 2017, 4700 beech trees in 2018 and 3000 beech trees in 2019.

2018

Lanificio Ermenegildo Zegna has equipped itself with two charging stations for electric cars, each with two plug points.

Oasi Zegna installs stations to recharge electric bicycles in Biemonte and at Centro Zegna.

2019

In January, Lanificio Ermenegildo Zegna activated a new ozone depuration plant for water, bringing up to 25% of water recovered to use for production purposes.

In April, Oasi Zegna participated to the First meeting of Italian private natural areas, LIFE European Private Land Conservation Network organized by Oasi WWF in Orbetello.

In June, Zegna family receives the Prize+Beauty in the Valley for the Environment section with Two way mirror/hedge arabesque. They also received the Reda Prize for Beauty, for the relevance and uniqueness of the work carried out for the care of the territory beauty. The prize is collected by the president of Ermenegildo Zegna Group, Paolo Zegna.



2019

In July, LOOP fabric by Lanificio Ermenegildo Zegna is presented at Milano Unica. It is made from 100% sustainable superfine Australian wool. In August, at the G7 in Biarritz the Ermenegildo Zegna Group signs the Fashion Pact.

The #UseTheExisting collection is presented in June. The CEO and Alessandro Sartori receives the CNMI Award in Recognition for Sustainability in September.



2020

Lanificio Ermenegildo Zegna is equipped with the first electric car of its corporate fleet.

Zegna Forest is a project on the territory that includes a multi-year plan developed in agreement with experts of the territory, with the associated Studio Territorium and with illustrious exponents such as the landscape architect Paolo Pejrone.



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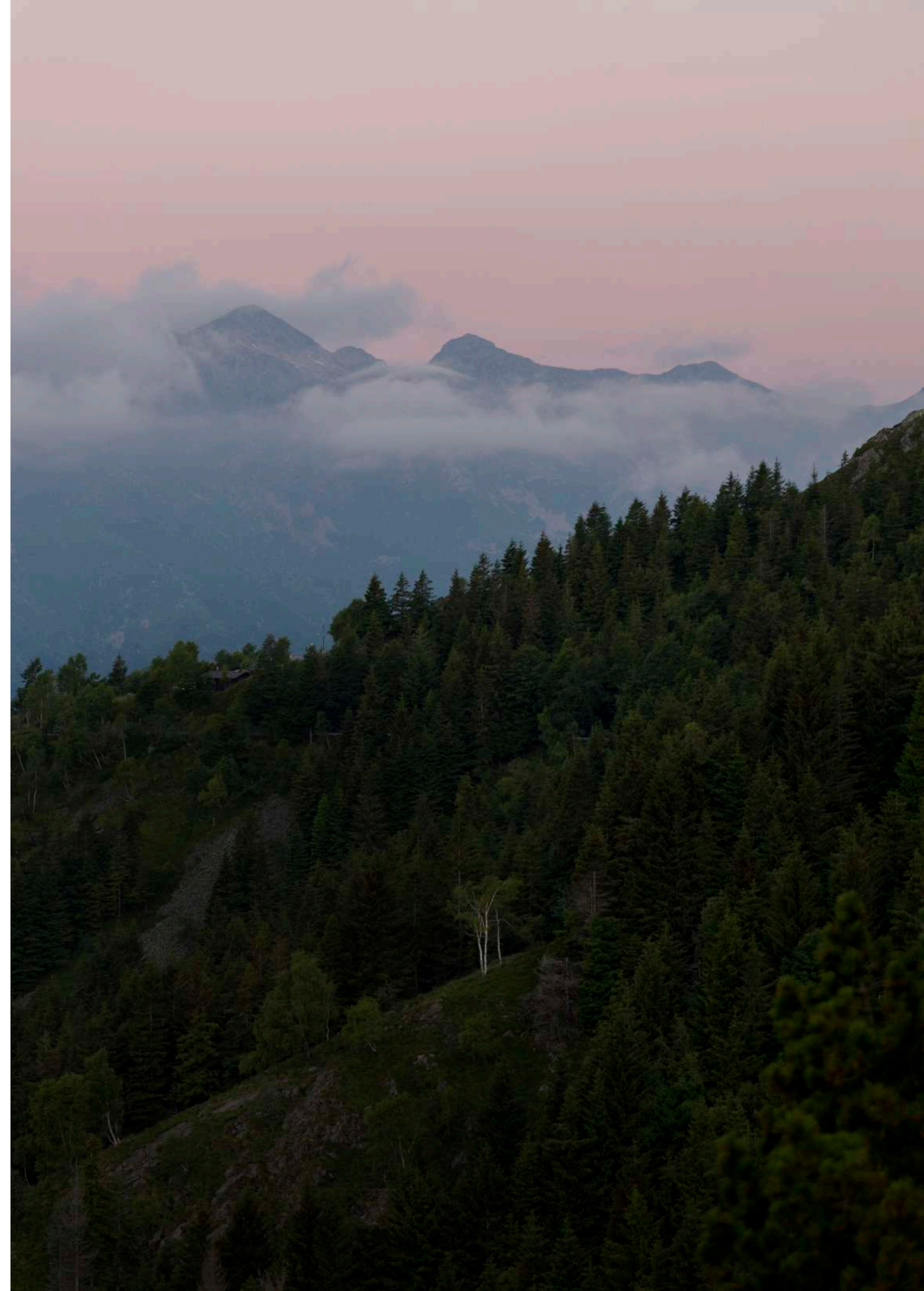


ERMENEGILDO ZEGNA XXX SUMMER 2021 PHYGITAL SHOW
ZEGNA WOOL MILL, TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY DANIEL BERES

SUSTAINABILITY APPROACH

At Zegna, we have been caring for the world we live in right from the beginning, following in the footsteps of our founder Ermenegildo Zegna. This is our company mission, based on a concept which evolves constantly: looking to the future with the belief that our actions today will shape our tomorrow. Here at Zegna, social and environmental responsibility have underpinned the company for 110 years. When we were first founded in 1910, Ermenegildo Zegna's dream was not just to create the world's finest textiles, but to make his hometown Trivero and the world around it a better place, ensuring the highest-quality products without compromising quality of life for future generations.

Mr. Ermenegildo Zegna was an entrepreneur, philanthropist and an environmentalist ahead of his time. In the 1930s, he began building facilities such as a cultural center, the town's swimming pool, a hospital and a maternity ward in his hometown of Trivero, set in the subalpine area of Piedmont. This foresight also prompted him to launch an extensive reforestation project in 1929, planting more than 500,000 trees over the following 20 years. All of which goes to show that Mr. Zegna was well aware that the beauty of one's environment, and the wellbeing of people (not just employees), were crucial factors for a company aiming to prosper in the long term.



OASI ZEGNA, TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY WILLIAM DANIELS, LEICA PHOTOGRAPHER



ERMENEGILDO ZEGNA XXX SUMMER 2021 PHYGITAL SHOW
OASI ZEGNA, TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY FRED STUCIN, LEICA PHOTOGRAPHER

His vision is still at the heart of everything we do.

We honor the legacy of our founder by following three principles of governance: setting long-term objectives, maintaining family ownership to ensure continuity, and following a sound ethical commitment enshrined in a rigorous corporate governance system. These guarantee that the company stays true to the Ermenegildo Zegna vision, while ensuring it constantly adapts to the needs of the modern consumer.

The environment is at the core of our efforts: we believe the very best garments can only come from the best natural resources, and that these resources need to be cared for. The advanced vertical integration of our business model facilitates our journey towards a sustainable product and holds us accountable for responsible practices and processes.

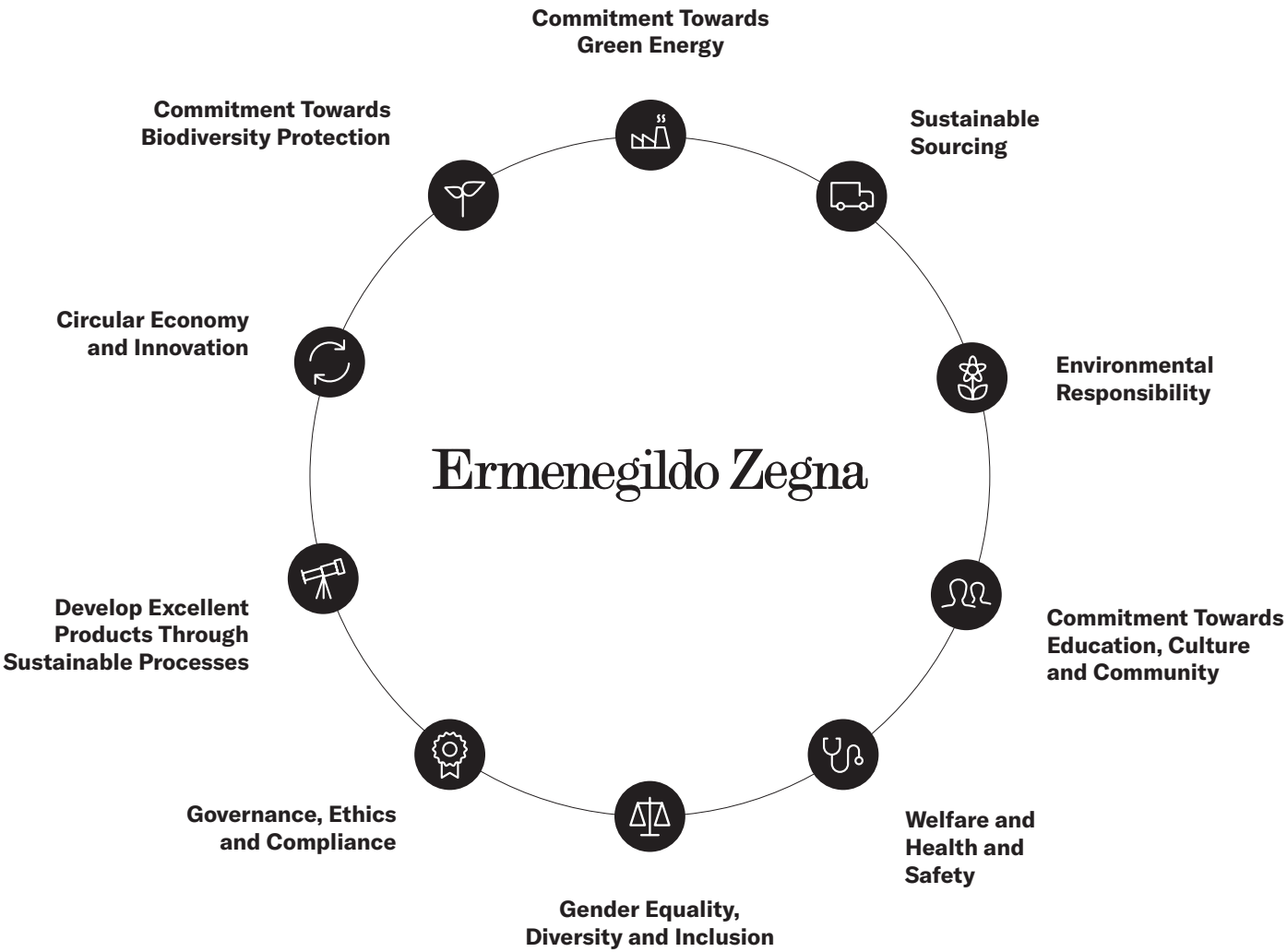
The Zegna Wool Mill is a standout example of how we embrace our founder's heritage whilst pursuing environmental commitments. For instance, the reduction of scouring and spinning waste prompted the creation of #UseTheExisting fabrics, which represents our commitment to an innovative and circular approach. Resources are consumed responsibly using renewable energies, in particular two hydro-electricity plants and a co-generation plant supplying in-situ electric and thermal energy. We also reuse a third of the water generated by industrial processes. Industrial processes have been adopted to limit the use of selected chemicals, or eliminate them altogether (e.g. we have not used Chrome VI since 2012) and we measure and control pollutants in discarded waters to ensure they fall well below the strictest legal requirements. Finally, forestation efforts have led to the creation of the Oasi Zegna nature reserve, a tangible effort to enhance and safeguard the environment, as well as to protect native species and offset greenhouse gas emissions.

Last but not least, social responsibility is a cornerstone of our values. At Zegna we firmly believe that our employees represent the fabric of the Group, not just on an operational basis, but above all on a creative one. It is only by valorizing diversity, inclusion and the wellbeing of our employees that we can foster true added value and pursue the highest quality in our products. As a result, we are committed to creating a working environment where relationships between employees are based on equality, mutual respect and inclusion. We are equally committed to providing our people with a healthy, safe working environment, especially in this year in which the Covid-19 pandemic has disrupted our lives.

Enhancing the territory and promoting the socio-economic development of the community are also strategic objectives pursued through different initiatives and projects. We are involved in organizing and promoting several initiatives that support the territory's cultural heritage through ties with associations and organizations at a local, national and international level. Fondazione Zegna is an example of our commitment to ensuring the values, philosophy and work of the company's founder continue over time.

OUR VALUES

The key sustainability values which underpin our strategy outlined in the pages that follow are set out below.



ERMENEGILDO ZEGNA WOOL MILL
TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY DOMINIC NAHR, LEICA PHOTOGRAPHER

GOVERNANCE & ETHICAL COMMITMENT



CORPORATE GOVERNANCE

As already mentioned, the Zegna Group is family-led, ensuring the founder’s values are kept alive. The business is perceived as a great company backed by a great family.

As at 31st December 2020, the Group saw Gildo Zegna as CEO and Paolo Zegna as President of the Zegna Group. Anna Zegna is President of Fondazione Zegna, representing another key role, thereby confirming the importance the firm attributes to social and environmental responsibility.

Each also sits on the Board of Directors of Ermenegildo Zegna Holditalia S.p.A, the members of which are listed in the following table.

COMPOSITION OF THE BOARD OF DIRECTORS
(as of December 31, 2020)

Honorary Chairman	Gender	Age Tier
Angelo Zegna	M	>50
Chairman		
Paolo Zegna	M	>50
Chief Executive Officer		
Ermenegildo Zegna	M	>50
Members of the Board		
Domenico De Sole	M	>50
Henry Peter	M	>50
Ronald Bruce Johnson	M	>50
Renata Zegna Schneider	F	>50
Michele Norsa	M	>50
Anna Zegna	F	>50



ERMENEGILDO ZEGNA XXX FW20 FASHION SHOW
FONDERIA MACCHI, MILAN
PHOTO BY VERONIQUE DE VIGUERIE, LEICA PHOTOGRAPHER

100% of the members of the Board of Directors of Ermenegildo Zegna Holditalia S.p.A belongs to the >50 age tier, while 22% of them are women. If we broaden this evaluation to the key companies of the Group (excluding Thom Browne), women hold 28% of the companies’ Board of Directors positions (at 31st December 2020).

ETHICAL CODE

The Ermenegildo Zegna brand started out life as a family business back in the early 20th Century. The belief that a quality product can only be yielded by a working environment founded on inclusion, integrity and wellbeing was as valid in the past as it is today. Nowadays, the Zegna Group is not just committed to advancing its passion for artisan work, but also its values of fair and ethical working conditions among its own employees and external suppliers or co-workers. To this end, the Group (excluding Thom Browne) has in fact developed a comprehensive Ethical Code, addressing functions of representation, administration and management, as well as all employees, co-workers (such as freelance consultants, suppliers, agents, representatives, brokers etc.) and anyone who has business dealings with the Group.

The Code aims at promoting integrity and corporate values which are aligned with applicable laws in all countries where the Group operates.

Accordingly, the Zegna Group has chosen to fall into line with the provisions of Legislative Decree no. 231 dated 8 June 2001 (*"Regulation governing the administrative responsibility of entities with legal personality, companies and associations"*), which governs the company's administrative responsibility in Italy in respect of criminal offences committed by persons holding representation, administration or management roles, or by persons subject to the management or supervision by such persons. Ermenegildo Zegna is wholly dedicated to avoiding the occurrence of such actions, and pursues this goal by adopting the rules set out in the Group's Ethical Code, its management system and by the more specific Suppliers' Code of Conduct.

The Ermenegildo Zegna Ethical Code has been approved by the Company's Board of Directors, and chiefly focuses on the Group's ethical principles, rules of conduct and its dealings with third parties.

The Ethical Code covers several main aspects. Compliance with laws and regulations is required for every country in which the Group operates. Beyond mere compliance with legislations, it is also necessary to respect confidentiality, and to conduct business professionally and transparently. The company itself is committed to communicating correct and transparent corporate information, while avoiding any form of corrupting behavior towards public authorities and institutions, customers, organizations and suppliers. The Suppliers' Code of Conduct also explicitly mentions anti-corruption. In this regard, no incidents of corruption and no legal actions for anti-competitive behavior, anti-trust or monopoly practices were recorded in 2020 at Group level.



ERMENEGILDO ZEGNA XXX SUMMER 2021 PHYGITAL SHOW
ERMENEGILDO ZEGNA WOOL MILL, TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY WILLIAM DANIELS, LEICA PHOTOGRAPHER

Another crucial aspect of the Ethical Code is represented by the value of human resources, across the whole business value chain. The Group condemns every form of discrimination based on age, sex, sexual orientation, personal and social condition, race, language, nationality, political opinion, trade union membership and religious belief. Furthermore, workers' performance assessments are conducted based on merit without any distinctions, and fair competition is assured among workers. The avoidance of any and every form of child labor is also vitally important. Last but not least, in respect of human resources and occupational health and safety aspects, certain principles including the safe running of the business itself, and consequent activities to control and monitor the effectiveness of health and safety measures, have been added to those merely required for compliance with the law.

Finally, the Code also stresses the importance attributed to environmental issues, stating that the sustainable growth of the business needs to be in line with a sustainable approach to the environment in the places in which the Group operates.

WHISTLEBLOWING

The Ethical Code is, amongst other things, a compulsory general principle of the Organizational, Management and Control model adopted by Group Parent Company Ermenegildo Zegna Holditalia S.p.A. in accordance with the provisions on the “*Administrative liability of legal entities deriving from offences*” set out in Italian Legislative Decree No. 231 dated June 8th, 2001 as subsequently amended.

Ermenegildo Zegna Holditalia S.p.A. has allocated the role of Guarantor to the Supervisory Board. Each direct or indirect subsidiary, in Italy and abroad, entrusts this task to the relevant corporate body, in accordance with local corporate governance rules.

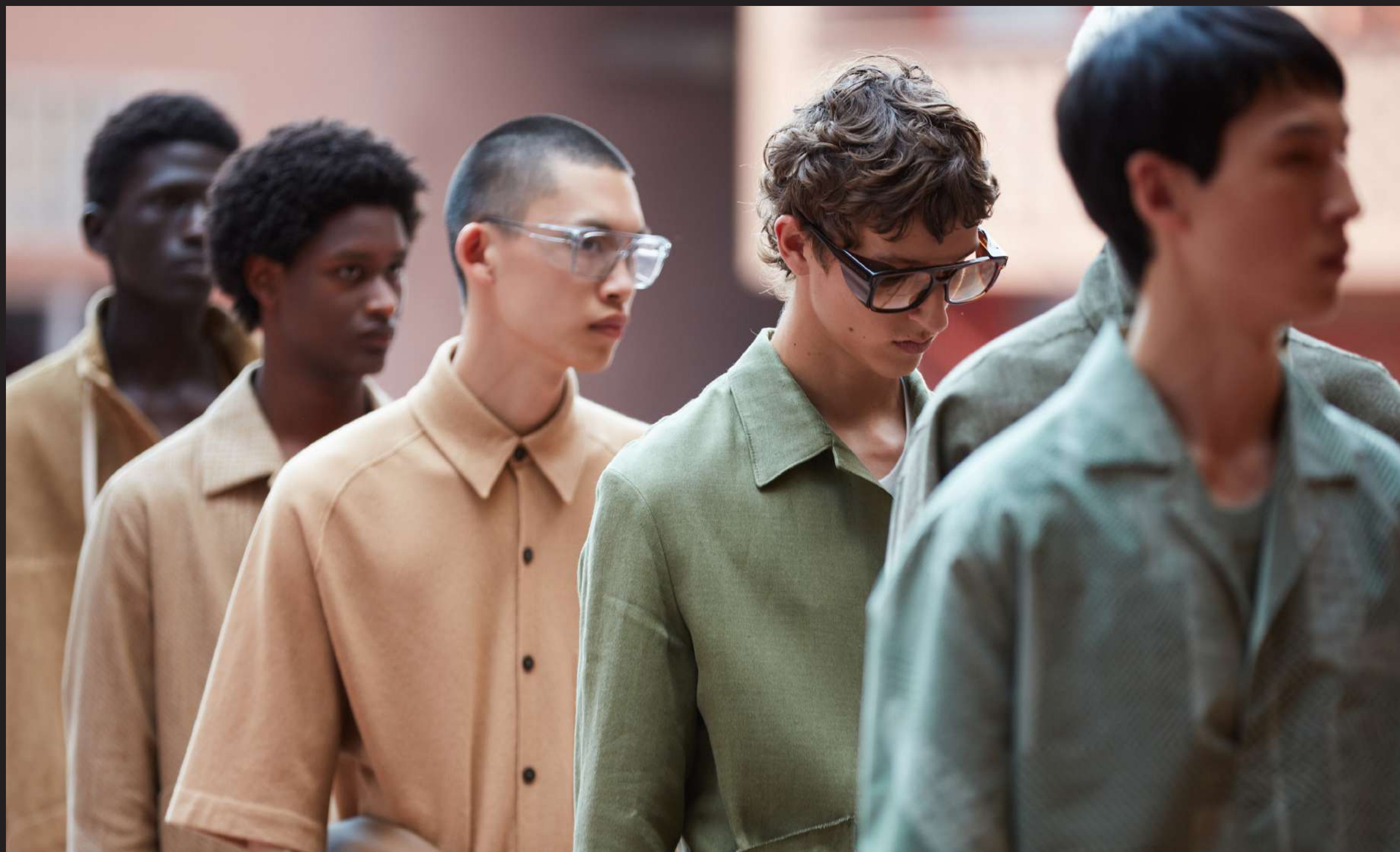
The Guarantor is entrusted with the task of:

- Investigating reports of any breach of the Code by initiating proper inquiry procedures; taking action at the request of Zegna Employees in the event of receiving reports that breaches of the Code have not been properly dealt with, or in the event of being informed of any retaliation against employees for reporting breaches;
- Notifying the relevant bodies of the outcome of any investigations concerning the adoption of potential penalties; informing the relevant line/area departments of the results of any investigations concerning the adoption of the necessary measures.

Should they become aware of any possible breaches of the Ethical Code, employees and co-workers must inform the Supervisory Board set up for the purpose in accordance with the Decree without delay.

This Board shall then proceed to investigate the alleged breach. If appropriate, it will interview the person who reported the breach and/or the person who allegedly committed it. Any penalties imposed by the Board shall be in proportion to the seriousness of the irregularities committed and shall, in any event, be compliant with local employment law and regulations. The Supervisory Board shall be provided with information on any official action resulting from failure to comply with the Decree (e.g. action taken by the police, requests for legal assistance by managers and/or employees if any criminal proceedings have begun, etc.).

SOCIAL COMMITMENT



ERMENEGILDO ZEGNA XXX SUMMER 2022 FASHION SHOW
PHOTO BY DANIEL BERES

ERMENEGILDO ZEGNA GROUP PEOPLE²

Zegna Group views its workforce as one of its greatest assets. The craftsmanship which goes into the Group's artisan production results in considerable importance being attached to those people who help turn out a high-quality, outstanding product using their own expertise and knowledge: its workforce. For this reason, respect for its employees, who number almost 6,000 in total, is guaranteed by Zegna Group's social responsibility and the different aspects characterizing it.



² The data regarding the Group's workforce do not include Thom Browne companies and Achill Land Pty Ltd. In order to disclose data regarding employees by region, the breakdown of American regions includes Latin American data; policies and guidelines described here do not apply to Thom Browne companies.

FRANCO FERRARIS HEAD OF TEXTILES ERMENEGILDO ZEGNA GROUP, GILDO ZEGNA CEO OF ERMENEGILDO ZEGNA GROUP, ANGELO ZEGNA HONORARY PRESIDENT OF ERMENEGILDO ZEGNA GROUP AND PAOLO ZEGNA CHAIRMAN OF ERMENEGILDO ZEGNA GROUP TOGETHER WITH ERMENEGILDO ZEGNA WOOL MILL PEOPLE (2010) TRIVERO, VALDILANA, BIELLA, ITALY

GENDER EQUALITY, DIVERSITY & INCLUSION

One of the main expressions of the Ermenegildo Zegna Group's commitment to value its employees is the number of workers with a permanent contract. At 31st December 2020, they accounted for 98% of the total workforce; this means the company clearly prefers to offer them greater stability. Meanwhile, at the same date, over 11% of the total employees were working part-time, a factor which, on the other hand, proves that the Group is also able to offer its workforce flexibility.

EMPLOYEES BY EMPLOYMENT CONTRACT (FIXED TERM CONTRACT VS. PERMANENT CONTRACT), BY GENDER

n. of persons	At 31 st December 2020			At 31 st December 2019		
	Men	Women	Total	Men	Women	Total
Fixed-term contract	61	68	129	102	142	244
Permanent contract	2,116	3,611	5,727	2,251	3,743	5,994
Total	2,177	3,679	5,856	2,353	3,885	6,238

EMPLOYEES BY EMPLOYMENT CONTRACT (FIXED TERM CONTRACT VS. PERMANENT CONTRACT), BY REGION

n. of persons	At 31 st December 2020			At 31 st December 2019		
	Fixed term contract	Permanent contract	Total	Fixed term contract	Permanent contract	Total
AMERICAS	8	345	353	11	421	432
APAC	20	1,374	1,394	17	1,518	1,535
EMEA	101	4,008	4,109	216	4,055	4,271
Total	129	5,727	5,856	244	5,994	6,238

EMPLOYEES BY TYPE OF EMPLOYMENT (PART TIME VS. FULL TIME), BY GENDER

n. of persons	At 31 st December 2020			At 31 st December 2019		
	Men	Women	Total	Men	Women	Total
Full Time	2,092	3,117	5,209	2,251	3,304	5,555
Part Time	85	562	647	102	581	683
Total	2,177	3,679	5,856	2,353	3,885	6,238

The Zegna Group is also committed to ensuring its worldwide employees are treated equally, not just by respecting laws and regulations but also through its use of internal policies and procedures. The Group promotes and safeguards respect for human dignity against discrimination based on age, gender, sexual orientation, social and personal status, race, language, nationality, political opinions, union membership and religious beliefs. These creeds actually underpin the Ethical Code and HR Policies established by the Group. A confirmation of this aspect is also the high percentage of women in the overall workforce, which corresponds to an overall 63% of the Group's employees.

**BREAKDOWN OF EMPLOYEES
PER EMPLOYEE CATEGORY ACCORDING TO GENDER³**

% of People	At 31 st December 2020	
	Men	Women
Top Management	79.6%	20.4%
Middle Management	51.7%	48.3%
Office Sole Contributor	38.5%	61.5%
Retail Personnel	50.3%	49.7%
Blue Collar	20.3%	79.7%
Total	37.2%	62.8%

Proof of the Group's commitment towards assuring equal treatment of workers is the performance evaluation and the guarantee of a suitable balance between fixed salary and variable salary, ensuring equality in everyone's remuneration package, all of which are regulated by the Group's HR Policies. Salaries are linked to those of the sector, with the aim of attracting and retaining the most high-performing, professional and talented people. Finally, specific remuneration packages, such as sales commission systems or incentive packages linked to Key Performance Indicators, have been adopted for sales staff, in order to foster high performance standards.

In 2020, the Group (excluding Thom Browne companies) recorded a total of 8 incidents involving discrimination. In particular, two of these cases are still in litigation, one is unresolved (but covered by the insurer), and one is currently under negotiation. In two cases, the employee lost the case against the Group, another one was settled out of court and another still did not require formal action, since there was insufficient evidence to prove the accusations. Despite this, for this last case, Zegna is considering the organization of undertaking sensibility training (equality, diversity and inclusion) in the store where the accusations were raised, and to roll it out in other stores as well.

Moreover, unlike current trends in the sector and as mentioned above, the Group is deeply involved in manufacturing processes. Consequently a large section of its employees belongs to blue-collar categories. Additionally, across the various employee branches, most of the Group's employees are aged between 30 and 50 years old, the majority of them again being women. A direct consequence of this considerable age range is that much of the Group's workforce has a family to look after; as a result, Zegna Group offers a series of benefits and initiatives to help its employees strike an effective work-life balance.

**BREAKDOWN OF EMPLOYEES PER EMPLOYEE
CATEGORY ACCORDING TO AGE GROUP⁴**

% of People	At 31 st December 2020		
	<30	30-50	>50
Top Management	0.0%	42.5%	57.5%
Middle Management	2.6%	68.1%	29.3%
Office Sole Contributor	13.2%	61.6%	25.2%
Retail Personnel	18.8%	69.4%	11.8%
Blue Collar	8.2%	47.0%	44.8%
Total	12.2%	58.9%	28.9%

³ Data for the disclosed employee breakdown by employee category and gender is available only for 2020. In 2019 managers were divided between 63% men and 37% women, white collars were divided between 44% men and 56% women and blue collars were divided between 21% men and 79% women.

⁴ Data for the disclosed employee breakdown by employee category and age group is only available for 2020. In 2019 managers were divided as follows: 2% under 30, 75% between 30 and 50, 23% over 50; white collar workers under 30 at 22%, 62% between 30 and 50, and 16% over 50 years of age; blue collar workers under 30 at 9%, 51% between 30 and 50 and 40% over 50 years of age.

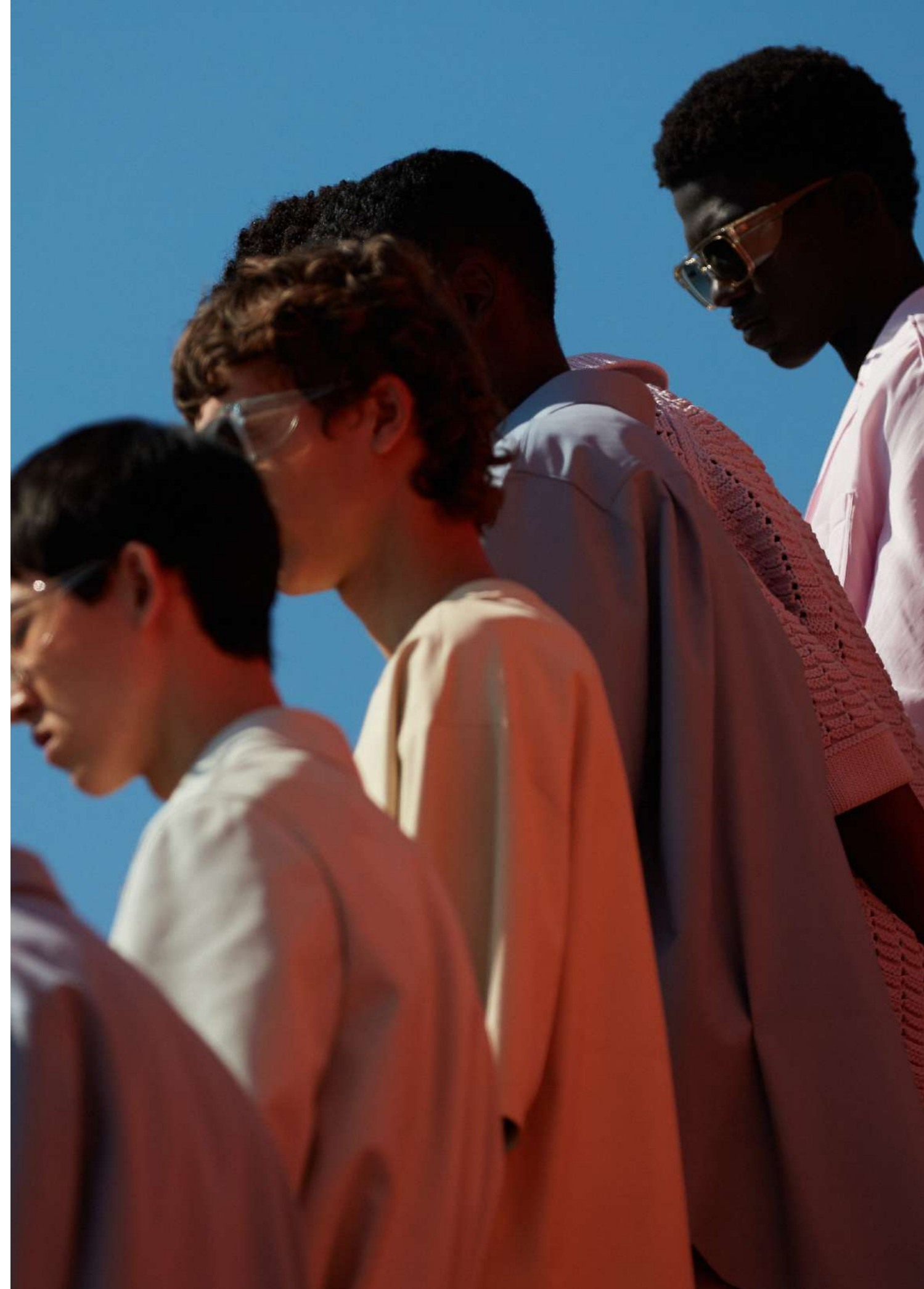
Data disclosed for employee breakdown by age-group does not include Turkish employees (which represents 2% of the total workforce at 31st December 2020), due to privacy constraints applicable in Turkey.

TALENT MANAGEMENT

The Zegna Group believes that Talent is a strategic asset and a key resource of competitive advantage for achieving business success. As a result, at Zegna we invest in nurturing and retaining the most talented people by managing a **people review process** on an annual basis. This identifies talents amongst managerial roles in office functions as well as retail functions, mapping about 500 employees.

Talents are identified considering the results of their annual performance appraisal and their potential evaluation. During these assessments, each role is positioned within a talent matrix that represents a framework for discussing strengths and improvement areas of each employee in scope. This process also secures the most critical positions by shaping and retaining the next generation of leaders. Zegna is committed to clearly defining the organizational evolution for talents, supporting their growth through a tailor-made development plan by leveraging on-the-job training, special projects and training initiatives.

Each year, we measure and review our progress in offering a stimulating and empowering work environment for our employees, with the aim of enabling them to realize their full potential, while promoting diversity and equal opportunities. Finally, we monitor the retention of talents, internal mobility and the ability of the company to place them in key positions.



ERMENEGILDO ZEGNA XXX SUMMER 2022 FASHION SHOW
PHOTO BY DANIEL BERES

WELFARE & EMPLOYEES' HEALTH & SAFETY⁵

The Zegna Group (excluding Thom Browne companies) provides local welfare packages in order to safeguard its employees' wellbeing and to best meet their needs. The welfare packages cover a wide range of services including, among others, medical campaigns, summer camps for children, company canteens and crèches, depending on local availability.

Among the most significant steps taken by the Group, and a virtuous example of an effective welfare initiative implemented, is *"My Zegna World"*, dedicated to Italian and Swiss employees, which is highly family-oriented, without forgetting the young and senior elements of its workforce. *"My Zegna World"* aims to improve employee welfare in four different areas covering financial matters, free-time activities and health and safety-related aspects.

Examples of financial help include discounts to cover basic needs, such as grocery shopping, or discounts on a diverse range of commercial services. On the other hand, assistance for families, such as care for the elderly or consultancy services, aims to provide greater potential for leisure activities, enhanced by further discounts for cinemas or amusement parks. Still on the subject of free time, Zegna offers a variety of activities related to the *'Oasi'*, the Zegna Camp which takes place in different locations and is dedicated to children and young adults, and the Zegna online store. More specifically, other benefits offered to employees include meal vouchers, or the presence of an internal canteen, parking, discounts on public transports, travel insurance and, for the site located in San Pietro Mosezzo, an in-house nursery.



In addition, it is worth noting that the Group also encourages Working from Home wherever possible, which is regulated by HR Policies. The Zegna Group creates the conditions for working in a climate of harmony and cooperation, with particular attention on fostering a positive work-life balance, and this is in fact an exceptional example of the opportunities the Group offers its employees, again stressing the importance of balancing work and private life.

Finally, health and safety are a crucial aspect of employee welfare. Indeed the Zegna Group (excluding Thom Browne companies) provides its people with a wide range of psychological and medical services. A healthcare fund for Italian employees and a medical campaign for Swiss employees are also in place.

Due importance is dedicated to health and safety measures externally and internally; employees are covered by a business travel insurance, which covers urgent medical expenses during trips on behalf of the Group. Most importantly, they are protected from accidents occurring in the workplace, thanks to a series of preventive measures.

⁵ In the field of Health and Safety, data regarding external workers are not available.

Preventive measures are taken to avoid high-consequence injuries, depending on the type of hazard and related company’s activities. For example, with regards to falling and sliding on fixed stairs, the Group regularly undertakes checks on its premises to prevent deposits from forming on stairs, or the presence of broken parts, to increase grip on surfaces and it has also adopted whiteboards to remind users to always use handrails. Another common accident is due to materials falling, which is tackled by fixing all shelves to the wall or floor, specifying the maximum permissible load and reporting information on the proper storage of materials. All hazards are determined through consultations with experts and standard analysis methods.

Furthermore, the person in charge of the prevention and protection service in the workplace each year establishes specific inspection activities, all recorded in the annual inspection reports. Inspections cover all areas and work activities and their outcomes may result in the revision and periodic update of risk assessments. The effectiveness of all these measures is demonstrated by the low overall rate of work-related injuries. Considering the manufacturing nature of the business, injury rates are low, and the result is even more positive in for high-consequence injuries. Finally, no fatalities have been recorded during the reporting periods.

EMPLOYEES WORK-RELATED INJURIES⁶

	2020		2019	
	Number	Rate	Number	Rate
Total recordable work-related injuries	42	0.8	71	1.3
High-consequence work-related injuries (excluding fatalities)	1	0.0	11	0.2
Fatalities as a result of work-related injury	0	0.0	0	0.0

TEMPORAL DATA

	2020	2019
Number of hours worked	10,306,560	10,978,880
Denominator for calculation	200,000	200,000

The Group is committed to making every worker feel safe and secure in their working environment and comfortable in both private and working life decisions, by fostering an exceptional balance between the two.

⁶ The rates of recordable work-related injuries, high-consequence work-related injuries, fatalities as a result of work-related injuries are calculated by dividing the total amount of injuries, high-consequence work-related injuries and fatalities as a result of work-related injuries by the total amount of hours worked, multiplied by 200,000. Data do not include Thom Browne companies.

⁷ Number of hours worked have been estimated with the assumption that each Group worker works 1,760 hours per year considering the employees at 31st December 2020.



COVID-19 FOCUS

Since the outbreak of the first wave of the Covid-19 emergency, the Zegna Group has undertaken a variety of initiatives, both individually and in conjunction with several partners, with the aim of providing a prompt and tangible contribution to the different healthcare systems and countries mostly affected by the virus.

- On February 3rd 2020, just a few weeks after the outbreak of the emergency, 3 million ¥ were donated by the Group to the China Youth Development Foundation supporting affected areas, specifically Hubei Province, for distributing protective equipment and disinfectants needed for epidemic prevention and control. In addition to this, 2 million ¥ were destined for recovery actions such as purchasing serological tests for diagnosing Covid-19 immunity.
- The Zegna family, together with the Group's top management, has pledged personal donations to the Civil Protection in Italy totaling 3 million Euro in support of nurses, doctors, scientists and volunteers across Italy who have been working tirelessly to fight the pandemic. The donation was made on March 27th 2020, just a few weeks after the state of emergency was proclaimed in Italy, demonstrating an early intervention by the Group.

- On the 14th of April, the Group also converted a part of its production facilities in its premises in Novara, Italy and Mendrisio, Switzerland for manufacturing protective hospital suits to provide critical supplies in Italy and Switzerland.
- The Group made a direct financial contribution, in partnership with EXOR Holding and with Fondazione Pesenti, to provide 210 ventilators and 200,000 medical masks to the Civil Protection in Italy. The Group also directly provided ventilators to several Milan hospitals on March 27th 2020.
- To help meet the increasing needs of the Italian healthcare system, the Group, together with Camera Nazionale della Moda Italiana, took part in the "*Italia we are with you*" initiative at the end of March 2020. This venture, through the Italian Civil Protection organization, raised funds for the donation of ventilators, medical masks, medical uniforms and garments to several hospitals, including the new facility built in the former Fiera Milano City fair grounds.

Production conversion for
protective hospital suits for
Italy and Switzerland



Zegna Group employees
extraordinary insurance



RMB 5 million donated to China
EUR 3 million donated to the
Italian Civil Protection



200,000 medical masks
210 ventilators to Italian
Civil Protection

In a year which proved extremely complicated in terms of health issues given the outbreak of the pandemic, the Group deemed vital to provide a support also to its employees. Indeed, the Group engaged in a broad range of initiatives, reinforcing, once again, its commitment towards employee's health and safety and well-being:

- A specific health insurance was provided to cover employees in the event of virus infections;
- Rapid swabs services were organized within selected Company premises;
- Psychological counselling was made available, together with virtual medical counselling;
- A welfare coach supported personalized employee needs on welfare programs;
- Working from Home was implemented whenever it was possible. In particular, taking into consideration white collar category of the Zegna Group (excluding Thom Browne companies), the percentage of remote working hours compared to the total hours worked in the 2020 calendar year was as follows: 31% in the EMEA area, 65% in the Americas, 27% in APAC (excluding China), totaling a global 34% (excluding China).

⁸ The initiatives listed, with exception of smart working, were addressed to Italian and Swiss employees of the Group (excluding Thom Browne companies).

TRANSPARENCY & TRACEABILITY

The Zegna Group is one of the most renowned family businesses in the international menswear sector. Besides being one of the most exclusive fashion and luxury brands on a global level, it is also a virtuous example. In fact, one of the main sources of its success is without doubt the organization and control over its entire supply chain, from the selection and acquisition of raw materials to production of the highest quality standards and the distribution of its products.



UPSTREAM NETWORK: THE SUPPLIER MANAGEMENT SYSTEM

The upstream network of the Group's Supply Chain includes all activities involved in sourcing raw materials. The internal purchasing office ensures the materials comply with the required timing and quality standards. The process for sourcing raw materials is fulfilled in conjunction with the Group's brands, in order to meet the brands' needs and the Group's standards. Procurement is managed with the focus on sustainability and corporate social responsibility aspects. In fact, the Group (excluding Thom Browne companies) requires all its suppliers to respect the Suppliers' Code of Conduct. The document highlights the Group's commitment to the highest ethical standards, including respect for the environment and for workers throughout the supply chain.

In order to verify observation of these standards, the Zegna Group (excluding Thom Browne companies) has structured a specific Social Compliance program to ensure fair working conditions within the global supply chain. The Social Compliance program ensures that all social, health and safety and environmental standards are being properly implemented within its finished goods suppliers.

PRODUCTION & DOWNSTREAM NETWORK

Zegna factories, mainly located in Italy, Switzerland, Turkey and Spain, are Centers of Competence for each product category and they ensure service and quality levels not otherwise achievable, with particular reference to MTM (Made to Measure), prototypes, samples, small production batches and short lead-times. At the Group level, a total of 38%⁹ of employees are blue-collar, an outstanding performance indicator compared to the inverted trend witnessed by the fashion sector, which tends to focus its efforts on retail activities. Besides internal production, the supply chain also allocates production externally when quality and service are guaranteed.

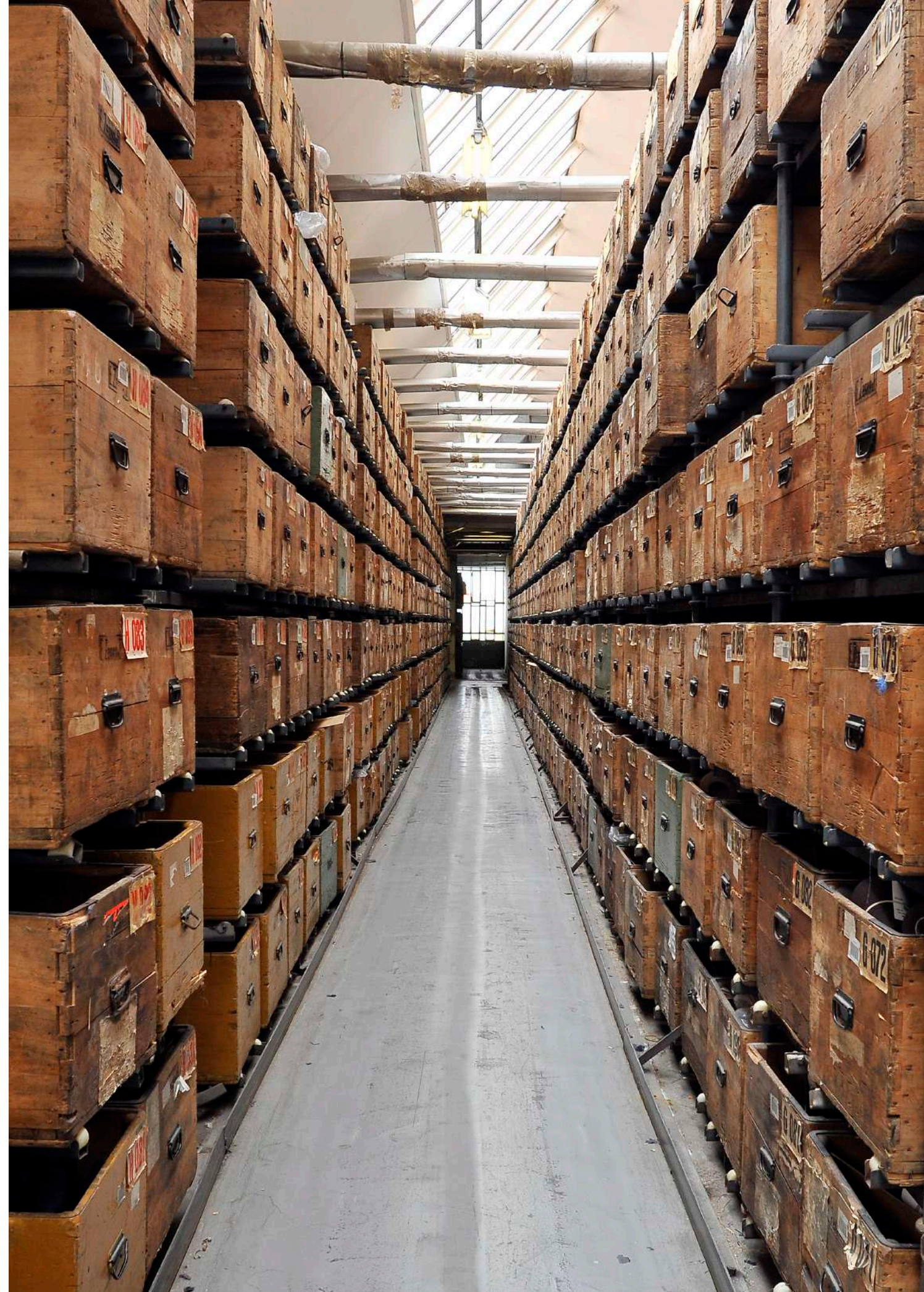
The internal production system is the fulcrum of the entire supply chain, and is where the processing of raw materials and transformation into finished products take place across several stages. In particular, Lanificio Ermenegildo Zegna is chiefly used for the production of high-quality wool, cashmere, silk and mohair fabrics.

These audits are performed periodically for the Group's suppliers (excluding Thom Browne companies) and their own suppliers and subcontractors in order to verify their level of compliance to the code. Any breach of the Suppliers' Code of Conduct by a supplier or one of its suppliers or subcontractors could involve reassessment of the business relationship and its potential termination.

In addition, it is worth mentioning that the majority of the Group's key raw materials suppliers (excluding Thom Browne companies) hold numerous certifications, such as OEKO-TEX, GOTS, ISO 9001, ISO 14001 and OHSAS 18001 or ISO 45001, as a guarantee of their attention not just to the quality of the product itself but also to environmental and social aspects, another crucial factor confirming the emphasis the Group places on these aspects.

After the completion of production processes, moving through the downstream network of the supply chain, all products are stored in the supply chain warehouses, located in Italy and Switzerland, before being invoiced and shipped to markets. Today the majority of the Group's production (excluding Thom Browne companies) is dedicated to exporting (89%)⁹, where the most important market is represented by China.

With its 537 mono-brand stores, of which 296 directly managed, the Group is one of the very few large groups in fashion able to boast having direct control over the entire chain.



⁹ The percentage does not consider Thom Browne companies.

VERTICAL INTEGRATION: A PROCESS STARTED DECADES AGO

The Group's activities feature the vertical integration approach which was embraced between the Sixties and Seventies at the behest of Aldo and Angelo Zegna (sons of the founder Ermenegildo Zegna), with the launch of ready-to-wear. It was also the starting point for developing an international distribution network. The aim of their actions and efforts was in fact to achieve control of the entire supply chain, beginning with the agreements made with producers of the finest wools and fibers. To select and guarantee the best raw materials, since the Thirties Zegna has dealt directly with farmers located all over the world, from Australia and New Zealand for superfine merino wool to South Africa for kid mohair, Mongolia for the best cashmere and the Andean highlands of Peru for vicuña and Alpaca.

The family has always adopted an enlightened approach in its endeavors to source outstanding raw materials. Since 1963, awards have been made to breeders who not only strive to achieve the best quality, but also protect and preserve the wool's ecosystem. This begins with ever-greater attention to animal welfare, which also involves painstaking attention to shaving operations.

The values inspiring the Group over the past decades have continued to motivate the third generation of the Zegna family in recent years. Various measures, including acquisition of the majority of Achill Farm, breeding merino sheep in Australia, have enabled it to achieve direct control of the entire wool-based supply chain.

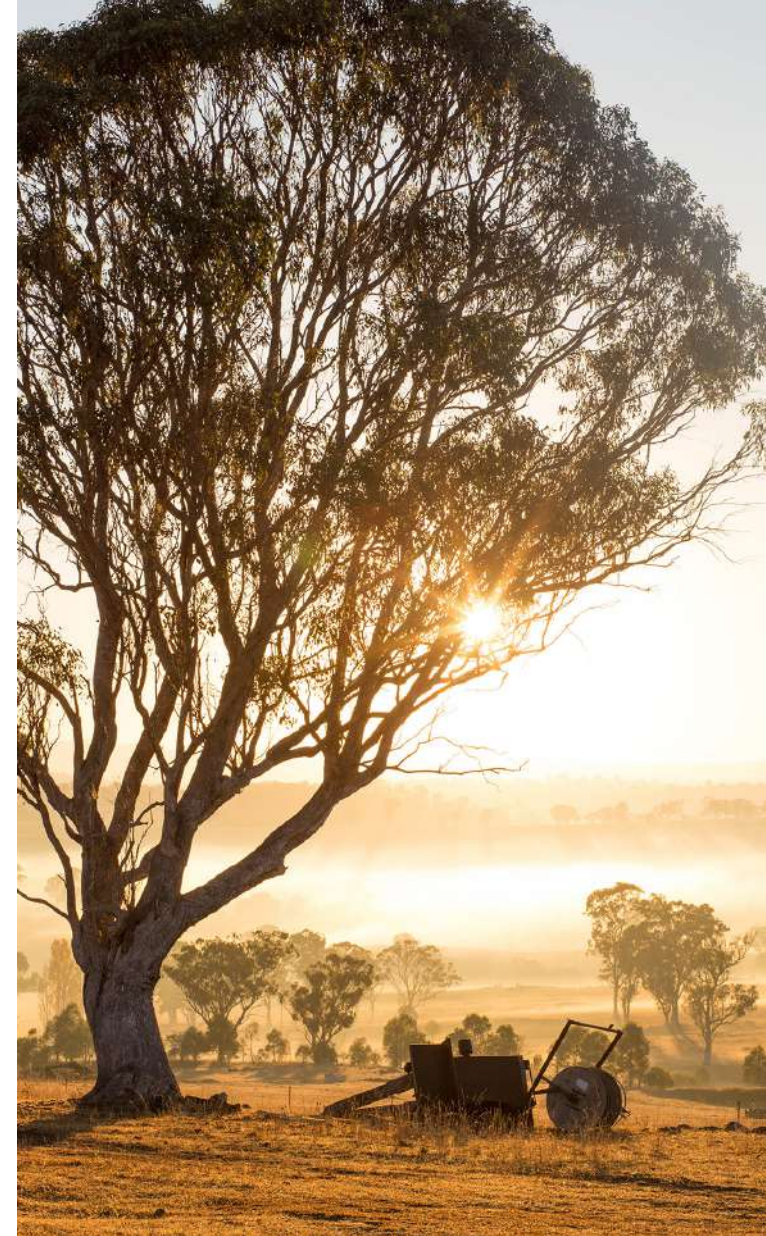
In 2020, an irrigation system was implemented at Achill Farm, providing a variety of benefits. In the first place, the project makes it possible to irrigate 36 hectares of land, protecting the farm in the event of drought or below-average rainfall and silage storage. Furthermore, the irrigation allows extra crops to be grown for fattening cattle as well as other crops, when there is sufficient fodder for sheep and cattle.

Water is supplied by two large dams with a total of 150 mega liters of storage capacity, which convey it via gravity to the irrigation paddocks.

To date, the irrigation project has allowed 162 tons of silage to be harvested. This is stored underground as fodder reserves for a future drought. In addition to this, the farm has grown pasture crops under the pivot areas for fattening Wagu-Angus crossbreed cattle. In the future, this will give the opportunity to grow vegetables which are well suited to the environment under the pivot.

The ongoing commitment to making improvements displayed by the family has continued, amongst others, in project Calpex. Initially created in 2014, it aims to meet one of the most urgent needs of the sector: to enable farmers to export the fiber produced by shepherding activities directly without intermediaries. In recent years, Calpex has reached more than 30 associations for approximately 2,000 breeders and shepherds from the High-Andean regions, enabling the families involved to export semi-finished raw material products to Italian textile companies.

The international supply chain of the Calpex initiative today is well structured. Over the years, various joint ventures have been established within the project, which have also included various visits to the communities in order to monitor technical aspects of the supply chain on site. Thus while continuing to monitor and control its own procurement process, the Group is building a sustainable and fair supply chain, where producers are personally called upon to take responsibility for fulfilling the demands of a constantly evolving market. On the other hand, producers are able to benefit from a better price than the one offered by local intermediaries and to oversee all the stages of processing their fibers, from shearing to combing, thereby verifying quality, cost and price.



ACHILL FARM, NEW ENGLAND, AUSTRALIA

SUSTAINABLE & TRACEABLE RAW MATERIALS

The Group is dedicated to using the finest wools sourced from highly monitored farms. Indeed, through a positive and fair relationship with suppliers in the communities, regions and countries where they are located, Ermenegildo Zegna supports the quality of these natural fibers. This close relationship assures continuous improvements of the raw materials used. An example of this engagement is a trophy awarded for the finest fiber produced, a tradition commenced around 50 years ago to encourage production of distinctive fibers among Zegna's most loyal farmers.

In particular, the Group, whose relationship with Australian wool farmers and associations dates back to the beginning of the 20th century, established its "Ermenegildo Zegna Wool Trophy" in 1964. Its aim was to reward and encourage growers to improve the quality of superfine merino. Since then, it has consistently worked to celebrate the importance of this fiber and support growers in their quest to produce the best in the world. In 2020, for the 57th edition of this prestigious program, Zegna, in collaboration with the Australian Superfine Woolgrower Association, once again honored the world's best woolgrowers by awarding the "Superfine Wool Trophy" and the "Vellus Aureum Trophy". The first is the oldest and most prestigious competition in the world of wool, whilst the Ermenegildo Zegna Vellus Aureum Trophy was introduced in 2000 to reward the grower producing the finest merino fleece in the world. In 2016, the winning fleece was recorded at an exceptional 9.9 microns, making it a still unbeaten world record.



Further assurance of the quality and sustainability of the raw materials used is provided by certifications, such as the Authentico Schneider Group Integrity Scheme. Since June 2019, the wool acquired by Lanificio Ermenegildo Zegna through the Schneider Group is certified "Authentico", meaning that the raw materials meet transparency and traceability requirements. Consequently, a number of animal welfare standards are respected, such as the adoption of pain-preventing procedures in order to minimize animal stress whilst at the same time ensuring high quality of the raw materials. Furthermore, these raw materials are guaranteed by GOTS (Global Organic Textile Standards) and Responsible Wool Standard certifications of the mills where wool is processed.

Adding further value to its natural raw materials, the Zegna Group is committed to only using vicuña wool monitored by CITES (Convention on International Trade in Endangered Species of wild fauna and flora), to ensure no threatened animals are at risk for the raw materials they produce. Further proof of the control exerted over the environmental impact of Ermenegildo Zegna products is demonstrated by the way production processes are conducted.



In addition, it is important to highlight that the Group has embraced the challenge posed by the Fashion Revolution in terms of Transparency: in the 2020 Fashion Transparency Index, Zegna ranked in the top 50% of surveyed brands, ranking among the top three brands in year-on-year improvement. It has also been recognized as a top luxury brand in terms of disclosing raw material suppliers. Zegna's progress in terms of Transparency has continued, and in the 2021 Fashion Transparency Index Zegna ranked in the top 33% of surveyed brands. Since 2016, Fashion Revolution has tracked major Fashion and Luxury brands and benchmarked their transparency performance against five key areas: policy and commitments, governance, traceability, supplier assessment and remediation, and spotlight issues.

ERMENEGILDO ZEGNA FOUNDER'S SCHOLARSHIP

In keeping with its tradition of “*giving back*” as a concrete way of expressing care for society and the environment, values that have inspired the company for over a Century, for the 7th consecutive year the Group has confirmed its commitment to support young and brilliant talents in Italy through its Ermenegildo Zegna Founder's Scholarship program.

Since its inception in 2014, the program has been providing financial assistance to Italian students and researchers wishing to spend time abroad in connection with, or following completion of, their university studies in Italy. By supporting talented Italian students, the Zegna Group manifests its own commitment foster development in Italy, and encourages the award-winners' individual sense of responsibility and desire to play their own positive part in shaping the future. Ermenegildo Zegna Founder's Scholarship not only aims to allow scholars to increase their knowledge in their chosen fields, but also to have experiences that will help them become leaders in promoting cultural and social progress.

The Ermenegildo Zegna Founder's Scholarship provides financial assistance for an amount of up to €40,000 per year, or €65,000 for the full program, for each student selected with no limits to the field of study. This involves an overall commitment of up to €1 million in annual financing. Its goal is to identify highly accomplished and promising young Italian women and men who have the potential to become leaders in their fields, selected with the help of 19 leading Italian further education institutions and the Fulbright Commission. The program allows awardees to acquire valuable know-how and experience abroad which can be brought back to Italy, thereby contributing to the country's future development.



The 2020 edition of the Scholarship, presented in digital format - Digital Get-Together – aimed to reinforce our community and sense of belonging, enhancing the founding values that have been inspiring our company for over 110 years. The current times have presented us with unforeseen obstacles that have encouraged us to think more deeply about what is important in life, about our mission in this world, and about the legacy that we will be leaving. Zegna, as a family and as a company, continues to be loyal to our founder's vision to create a better tomorrow for future generations. This again confirms that promoting cross-border education and research is an excellent way of fulfilling our social responsibility to other people and to our communities.

Starting with this year's edition, in order to facilitate the mentorship journey, the commission has developed a partnership with executive search firm Egon Zehnder, which offers a free advisory consulting service to any student who requests it.



ERMENEGILDO ZEGNA FOUNDER'S SCHOLARSHIP 2018 – 5TH EDITION
EVENT AT OASI ZEGNA, TRIVERO VALDILANA, ITALY

Since its first edition, 243 talents have been rewarded, with some receiving funds to finance more than one year of study up to a maximum of three years. The majority of the awardees have chosen to spend their time abroad in leading academic institutions in Europe and North America, in the most important universities worldwide. No field of study is excluded. Priority will, however, be given to candidates whose programs of study or research will enable them to make potentially significant contributions to Italy following their return here.

Since the start of the program, the sectors that have most benefited from the company's subsidies are Life Sciences & Medicine (27%), followed by the STEM (20%), not excluding scholarships dedicated to Arts & Humanities and Social Sciences, which also represent a sizeable percentage of the programs financed (14% each). Moreover, the program has financed scholarships in Economics (11%), Law (9%) and Management (5%), in addition to one scholarship in Journalism.

TERRITORY, COMMUNITY & FOUNDATION

Enhancing the territory and promoting the socio-economic development of the community have always been the cornerstones of Ermenegildo Zegna's vision. Still today, the Group continues to pursue these strategic objectives through initiatives and projects aimed at engaging the community by investing in the territory. Moreover, the Group is involved in the organization and promotion of several initiatives that support the territory's cultural heritage through relationships with associations and organizations at a local, national and international level.



ERMENEGILDO ZEGNA WOOL MILL
TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY WILLIAM DANIELS, LEICA PHOTOGRAPHER

FONDAZIONE ZEGNA



For the last 20 years, Fondazione Zegna has been actively financed by the Group in order to continue its work within local and international communities and to foster a more sustainable way of life. Formally established in 2000 with Anna Zegna, third generation, as President, the Fondazione is defined by the founder's sense of philanthropy, which dates back to 1910. Fondazione Zegna is situated in Trivero - Valdilana (Biella), in Northern Italy, where the Ermenegildo Zegna Lanificio is located.

Fondazione Zegna plans and coordinates both domestic and international humanitarian initiatives in four areas of activity:

- **Health and well-being**
- **Promotion of sustainable development in local communities**
- **Culture and education**
- **Preservation and enhancement of environmental resources**

Fondazione Zegna is characterized by a lean organizational structure and a deep commitment to voluntary endeavors on the part of the Zegna family and Group employees. It supports and funds projects in co-operation with other non-profit organizations operating in various fields consistent with its scope of activities, mainly in Italy but also on international level. The result is a co-generation of projects with partners that share the Fondazione's vision and approach, with the aim of helping these projects become self-sustainable in a constructive philanthropic way.

Fondazione Zegna's humanitarian support extends to providing assistance internationally for emergencies to alleviate widespread suffering. As an example, the extreme and persistent phenomenon of drought and bush fires, which have devastated Australia and its population, inspired the Zegna Group to make an additional contribution in 2020 to woolgrowers who were determined to make personal investments into projects which can provide better supply and management of their water resources, fundamental for the life of their properties.

The Zegna Group and the Zegna Foundation have contributed approximately AUD 75,000.

A long-term project which forms part of activities Fondazione Zegna runs on a minimum 3-year basis in 2020, it has particularly focused on promoting and developing the ReShape Model, an initiative organized in conjunction with the "Filo da Tessere" social cooperative in Biella. Its aim is to support and counteract the NEET phenomenon (Not in Education Employment or Training) to fight the very real risk of social exclusion, particularly among youngsters aged 17 to 29.

ReShape was established in 2016 with the aim of establishing a connection between young people and companies in the Biella area to create future educational and working opportunities, by identifying their talents and providing them professional skills.

Since its foundation, ReShape has become a model and example for other communities and businesses.

Overall, during the pandemic in 2020, ReShape continued its program by organizing webinars on different topics. In total, 310 young people took part in the webinars. Furthermore, after the Covid lockdown, when physical attendance became possible once again, a new pilot project called 'ReShape Explore' was launched. This provided on-the-job experiences in Oasi Zegna, focusing on orientation paths or accompanying future work development.

More specifically, out of 20 young unemployed people, most have entered the job market in a variety of programs and training courses.

The 20 students involved in the orientation path were part of the "Alternanza scuola-lavoro" (work experience) project, and visited Oasi Zegna for orientation day.

Fondazione Zegna will keep developing these initiatives to assure the brightest future for the people of its community and continue improving its territory's welfare, whilst also enhancing culture and the surrounding environment.



CASA ZEGNA

Casa Zegna, part of Fondazione Zegna, is a historical archive and cultural center in Trivero – Valdilana, in the province of Biella. Inside the Zegna Wool Mill, in a 1930s building that was once the family's home, a new “*archive-museum*” concept has been developed. An extraordinary synthesis of history and experience, but at the same time a multi-purpose space that's always active, a crucible of new ideas in which tradition merges with transformation.

Casa Zegna hosts exhibitions on the history of the Zegna Group embracing both the entrepreneurial heritage and philanthropic activities. The story of the origins of the Wool Mill, the evolution in the brand and its style, the Panoramica road project and Oasi Zegna are all told in the exhibition using historical artifacts and documents, themed research and shots taken by acclaimed photographers.

In 2020 it welcomed over 2,700 visitors in spite of the lockdown period and limited entry quotas due to Covid-19 rules.



CASA ZEGNA
TRIVERO VALDILANA, BIELLA, ITALY

FROM A TO ZEGNA

Courage and change are the values that prompted Cesvi and Zegna to join forces to create a project whose mission is to bring about great transformation among young people all over the world. Fondazione Zegna managed this project on behalf of Zegna Group.

'From A to Zegna' is a project developed by Fondazione Zegna in conjunction with Cesvi, an association operating worldwide to support the most vulnerable populations in promoting human rights and achieving their ambitions. The aim of 'From A to Zegna' is to redefine the concept of masculinity by organizing cultural and educational programs that inspire a new sense of humanity among vulnerable young men in different countries around the world. In particular, the project is based in Peru, Italy, China and South Africa.

The program has seen workshops and discussion groups, as well as joint ventures with local universities, and has fostered constructive interaction and debate on the concept of masculinity today. Educational programs have been designed and built around specific local needs to enable tangible action in keeping with local needs and values. The approach is both international and local, based on a simple idea: to respect and to foster every culture.



PERU

The main goal of the activities carried out has been to stimulate the development of a community in which gender equality prevails, where people can express themselves freely and without sexist prejudices. The intention was to help eradicate macho attitudes and stereotypes among the male population living in the Villa María del Triunfo district. Men between 15 and 45 years of age are becoming aware of the need for a change of attitude through this project, and want to build a more equal community. The municipal administration of Villa Maria del Triunfo and the families of the beneficiaries have proactively engaged as protagonists in the process of raising awareness about gender equality in the district.

ITALY

The phenomenon of violence against children is present in every society, regardless of its economic, social and cultural fabric. This is why Cesvi, which has always been committed to combating violence against children and adolescents in the world through its Case del Sorriso (Smile Houses), is engaging in Italy with a program that combines projects in the cities of Bergamo, Milan, Naples and Bari with the aim of preventing and combating neglect, maltreatment and abuse against children and adolescents. The project has focused on activities intended to help build positive role models for adolescents by improving a concept of masculinity, working towards a plural, open, responsible concept.

CHINA

Domestic violence in China is not regulated by law, and women who are victims of spousal attacks are not protected: if a husband abuses or kills his wife, it is treated as a 'family matter,' a private matter, and not a full-fledged crime. Women who are victims of violence often fail to report it as their families frequently encourage them to desist. When they do report it, all too often the persecutors are not punished. The project we implemented uses art education as a tool to teach gender equality to children in poor areas of China to counteract the phenomenon of gender-based violence. All students at the Motai Center pilot school were involved in workshops, monthly film screenings, outdoor activities and summer camps with the aim of improving the children's creative and critical thinking and promoting gender equality and empowerment.

SOUTH AFRICA

The project proposed positive role models to men and young people in the Township by improving the concept of masculinity, promoting an inclusive, responsive and responsible model. Effective programs were organized to engage boys and men and redefine their understanding, attitudes and roles in the family and society.



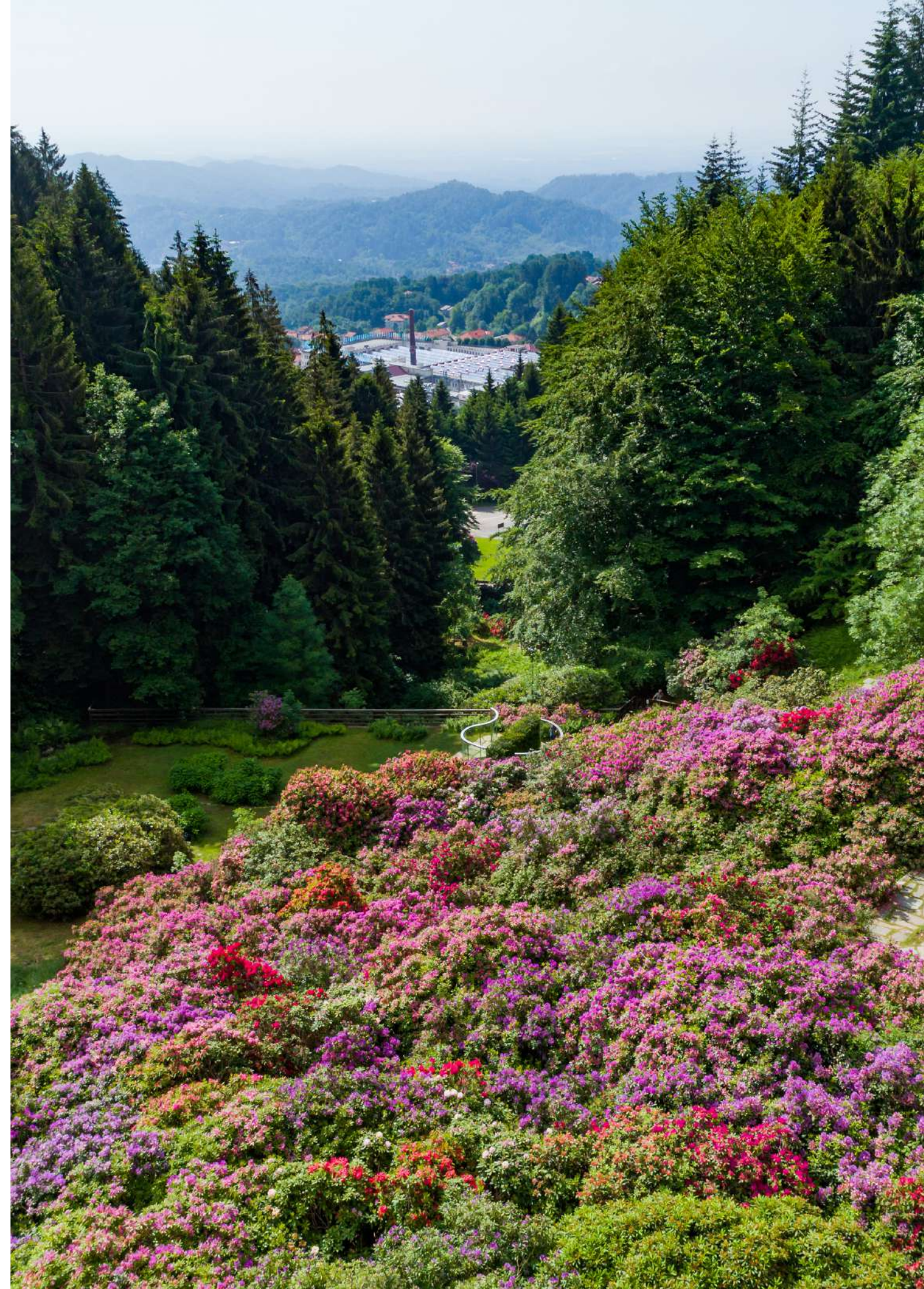
CASA DELLA SALUTE AT THE PLACE

In 2019, the Group funded a significant project in the health sector. In particular, a new specialist diagnostic clinic promoted by Zegna Group and managed by the Casa della Salute Group, was opened in the Biella area, close to The Place.

The aim of the clinic is to provide support for the social development of the local area, as well as offering a welfare instrument for the employees of the Group and its associated companies. Services related to diagnostic imaging, specialist visits, sports medicine, laboratory analysis, physiotherapy and functional rehabilitation along with dental care are all offered.

Thanks to an organizational model based on advanced technologies, people who access the services will pay a lower cost than the fee set by Regional Health Services for some specialties. Casa della Salute does not have an agreement with the Health Service and will not receive reimbursements for services performed. This makes for obvious savings in terms of public spending, ensuring high quality at affordable rates, without waiting lists.

Casa della Salute Group is a network of private specialist clinics already present in Liguria (Genoa, Busalla, Albenga) and in Piedmont (Alessandria).



ENVIRONMENTAL COMMITMENT



OASI ZEGNA, TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY MATTIAS KLUM

THE FASHION PACT

In a forward-looking approach, a significant milestone in the preservation of the natural environment as a whole was set in place by the Zegna Brand, which has adopted a frontline approach in the fashion industry alongside other major brands: in August 2019, Zegna Brand signed the Fashion Pact which grew to more than 60 signatories in 2020, representing over 200 brands. It demonstrates a real commitment in adopting specific targets, ensuring the protection of oceans and the Earth's biodiversity while countering climate change. These key topics are directly related to the priorities set by the UN SDGs, Planetary Boundaries and all the UN Conventions.

Specifically, the three lines of actions include:



Mitigating and adapting to climate change.



Bending the curve on biodiversity loss within 10 years.



Addressing the critical loss of ocean functionality due to climate change and pollution.



GILDO ZEGNA, CEO OF ERMENEGILDO ZEGNA GROUP AT THE ELYSÉE PALACE TOGETHER WITH SOME REPRESENTATIVES OF THE FASHION AND TEXTILE COMPANIES THAT ARE PART OF THE FASHION PACT COALITION

The signing of the Pact represents a concrete measure in tackling environmental issues and helping to create harmony between people and the planet. Accordingly, it is a guarantee of the Zegna Group's commitment to environmental responsibility.

The Fashion Pact signatories committed themselves to the following goals:

Climate:

- Implementation of Science-Based Targets for Climate to achieve net-zero by 2050.
- Ongoing implementation of principles of UN Charter for Climate Action.
- 2025: 25% of our key raw materials to have lower climate impact.
- 2030: 100% renewable energy across own operations.

Biodiversity:

- Development and implementation of strategies and Science-Based Targets for Nature.
- 2020: Develop individual biodiversity blueprints.
- 2025: Support zero deforestation and sustainable forest management.

Oceans:

- Reduction of the negative impact the fashion industry has on the ocean environment.
- Elimination of problematic and unnecessary plastics in B2C packaging by 2025, and B2B by 2030.
- Ensure at least half of all plastic packaging is 100% recycled content, by 2025 for B2C, and by 2030 for B2B.

CLIMATE

PRODUCT QUALITY, EXCELLENCE & SUSTAINABILITY: THE LANIFICIO

Since its foundation, the Zegna Group has focused attention on the quality and excellence of its products through meeting its customers' needs and preferences, whilst at the same time paying particular attention to the environmental and social impacts of its products.

The Group's crafting expertise, together with its management of the entire supply chain, play a special role in assuring the quality, excellence and sustainability of Zegna's products. These are made with the best-handpicked raw materials, such as quality wool and natural fibers sourced worldwide.

The Zegna's sheep-to-shop process bears witness to the product's transparency and traceability; materials are in fact monitored to guarantee animal welfare standards are respected, and that products are of the highest quality. Examples of these product requirements include the acquisition of Achill farm in Australia, where animals are bred outdoors, according to practices that respect the quality of their life, and the fostering of innovative technologies through the acquisition, amongst others, of Pelle Tessuta, Lanificio Bonotto and Dondi Group, where operations are monitored and innovation is a key feature of production processes.

The most important aspect of assuring the excellence of the Group's products sits with Lanificio Ermenegildo Zegna, where the founder Ermenegildo Zegna used his expertise to turn precious raw wool fibers into flawless fine and superfine fabrics. Nowadays, a minimum of 5 years of experience is required of darners to ensure they are aware of how the fabric behaves and consequently how it should be treated in the various work stages. Lanificio Zegna accordingly safeguards the highest levels of craftsmanship and expertise, just as master artisans once trained their sons and daughters to intimately understand the intricacies of the craft. The Lanificio is not just a fulcrum of artisanship; it is also where innovation and technology find their highest form of expression. Within the Lanificio, a diverse range of original fabrics have been invented, the most recent of which include Oasi Cashmere, made possible with an innovative sustainable dyeing process adopting colors only obtained from natural elements (flowers, herbs, wood, leaves etc.); once again witnessing Ermenegildo Zegna's environmental awareness.



OASI ZEGNA, TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY WILLIAM DANIELS, LEICA PHOTOGRAPHER

But the Lanificio is not just a center of excellence in terms of product quality. It is also an example of commitment to environmental sustainability, and efforts have been made to reduce the environmental impact of the Lanificio.

During 2012, the replacement of the factory roof, changing from tiles to aluminum panels, yielded 5% thermal energy savings per year. Furthermore, during the same year, the installation of an innovative system made for further energy savings by recovering heat generated by the cooling water from dyeing processes and transferring it to the industrial hot water system, bringing additional thermal energy savings.

In this sense, further improvements were also made during 2019, through the replacement of the lighting system in the departments, resulting in a 60% consumption reduction annual lighting.

These improvements are possible thanks to continuous monitoring of the plant's energy consumption: in this regard, the introduction of a new system that monitors energy consumption at individual production process level has also been implemented.

With regard to water management and utilization, in 2019, sizeable investments were made to replace machinery used for the treatment of fabrics: the new systems purchased have yielded a 10% saving in total water requirements. Our approach toward water management is discussed in greater detail in the Oceans section.

PRODUCT'S PRODUCTION PROCESS & PRODUCT'S DURABILITY



ERMENEGILDO ZEGNA WOOL MILL
TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY DOMINIC NAHR, LEICA PHOTOGRAPHER

Above all, the production processes at Lanificio Ermenegildo Zegna demonstrate that the value of passion is amongst the most important of all. Passion is what leads artisans to shape their creations with painstaking care, and it is what underlines every step involved in making a distinctive and outstanding product. Passion comes with caring, and for this reason Zegna Group pays special attention to the environmental impact of its production processes, using innovative techniques. In fact, nowadays the Lanificio's processes are conducted manually and electronically, to guarantee checks are meticulous.

The production process is divided into ten stages, including: raw material selection, dyeing, quality control and mending and finishing. As regards raw material selection, as already mentioned, the wool is hand-picked, meaning that fibers are carefully chosen to meet certain quality and consistency standards. Other standards have been adopted for the dyeing process as well. Oasi Cashmere is not the only project to reduce the environmental impact of dyeing: in fact, in 2012 the Lanificio adopted chrome-free dyeing processes, demonstrating even more effective results than before. This has enhanced its environmental sustainability whilst prompting the sector to move in the same direction. Today, whilst still legal, chrome VI is in fact indicated as a harmful substance by REACH, the European regulation system for the management of chemical substances.

The final steps of quality control and mending are finishing processes essential for combining the innovation and craftsmanship that make Ermenegildo Zegna's creations special. On the one hand, quality control and mending are carried out by a specialized group of darners who meticulously check for any imperfections, whilst on the other hand, the finishing process is a combination of craftsmanship and high technology, fulfilled using cutting-edge machines. During this final step, the process of teasing (to raise the nap of wool fabrics for a fuller feel) takes place, respecting age-old artisan traditions and confirming the close bond between the Zegna Group and the natural elements. The process involves using the Teasel plant to groom the cloth and gently raise the precious fibers, creating a smooth and soft hand. The final product aims to meet the demands of customers without affecting the surrounding environment and biodiversity.

Finally yet crucially, products are packed with recycled materials, while marketing leaflets are printed on FSC-certified paper.



THE ZEGNA GROUP'S CONSUMPTION RATES¹¹

THE GROUP AS A WHOLE IS COMMITTED IN ADOPTING RENEWABLE ENERGIES AND RESPONDING TO ITS OWN NEEDS THROUGH SELF-GENERATED RESOURCES.

In 2020, the Zegna Group consumed about 342kGJ of energy, compared to 2019 energy consumption of about 399kGJ. The 14% reduction is mainly due to the impact of lockdown measures on offices, stores, warehouses and production sites across the year.

In 2020, the Zegna Group's electricity usage amounted to 170,074 GJ, roughly equivalent to 47.2GWh. About 25% of electricity consumed comes from renewable sources, in particular certified energy purchased through Guarantees of Origin in Italy, where most of the Group's production facilities, warehouses and offices are located.

It is worth noting that the Zegna Group produces and sells renewable energy (for a total of 18,232 GJ in 2020) through two hydroelectric power plants located in Oasi Zegna, and the photovoltaic system placed on the Zegna Wool Mill roof top, (17,603 GJ and 629 GJ respectively).

In 2020 the Zegna Group also purchased natural gas and heating for about 162,524 GJ mainly driven by the hot water and steam required for dyeing and finishing processes for fibers, yarns, fabrics and finished goods.

ENERGY CONSUMED BY THE GROUP

ENERGY ¹² (GJ)	2020	2019
Non-renewable fuels	157,597	172,799
Natural Gas	148,513	153,854
Diesel	9,065	18,554
Petrol	19	391
Electricity purchased	170,074	198,411
of which from renewable sources	41,549	45,652
of which from non-renewable sources	116,712	123,816
of which from co-generator	11,813	28,943
Heating purchased	14,011	28,157
of which from co-generator	14,011	28,157
Total	341,682	399,367

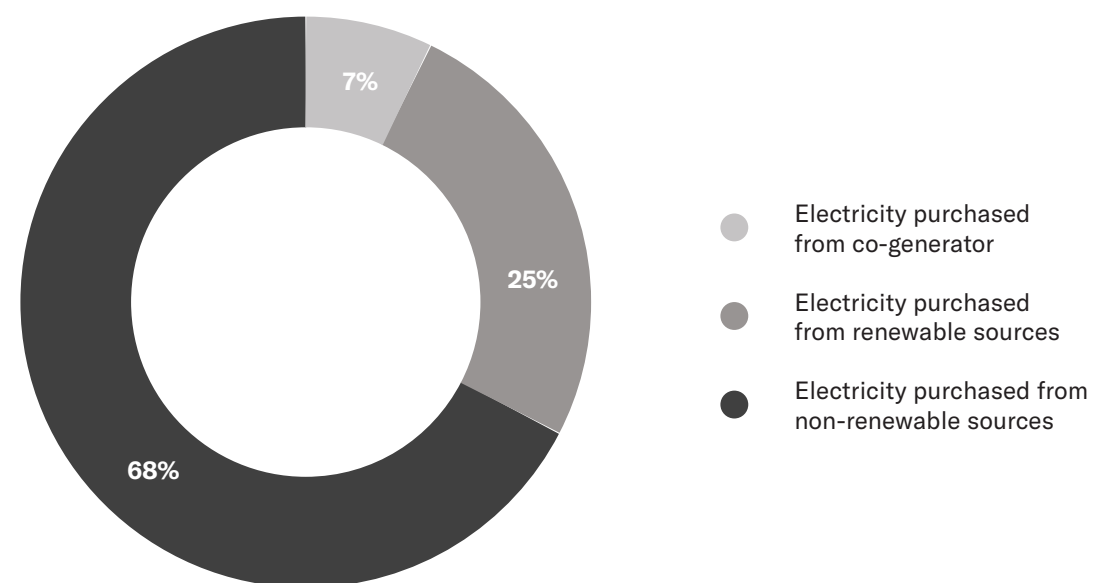
ENERGY SELF-PRODUCED AND SOLD BY THE GROUP (GJ)

ENERGY ¹² (GJ)	2020	2019
Electricity self-produced and sold	18,232	16,972
of which from renewable sources	18,232	16,972

¹¹ The data regarding the Group's energy consumption included in this paragraph do not include Thom Browne companies and, for natural gas only, the consumption of the stores of the Group. Moreover, due to energy consumption included in lease contracts, electricity data does not include consumption for Ermenegildo Zegna Canada Inc company and the following locations in US market: New York Showroom and stores, Boston, Dallas, Las Vegas, and Clarksburg Outlet.

¹² The conversion from kWh to GJ and from m³ to GJ is based on DEFRA, UK Government GHG Conversion Factors for Company Reporting (2020) conversion factors. Specifically, with reference to electricity consumption, 1 kWh is equal to 0.0036 GJ, while with reference to natural gas, 1m³ is equal to 0.03901 GJ.

THE GROUP'S ELECTRICITY CONSUMPTION IN 2020

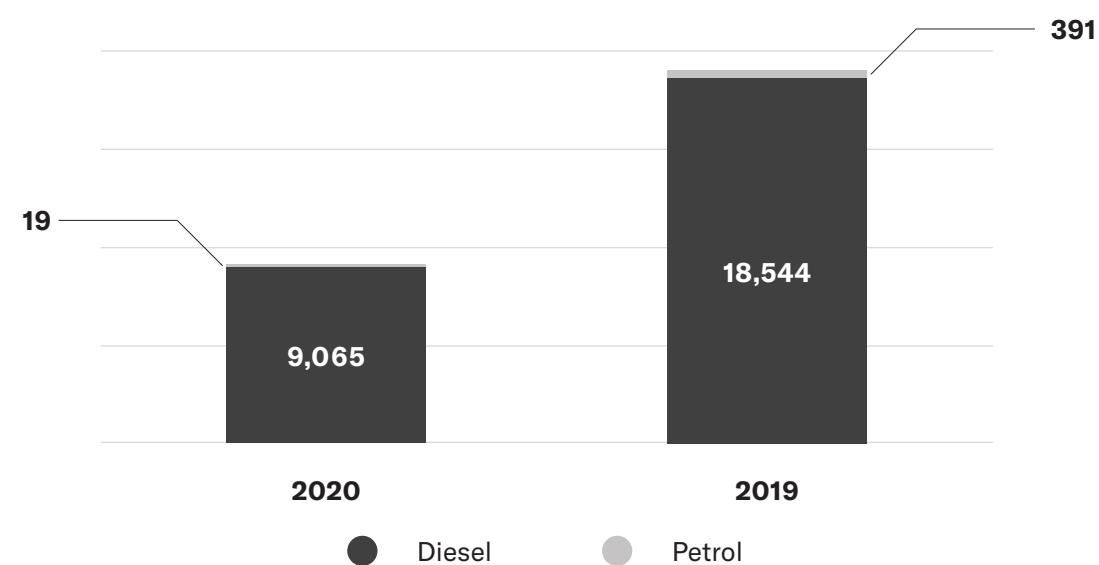


Moreover, the Zegna Group's efforts to reduce its environmental impact are also illustrated by the choices made for the company's vehicle fleet¹³. In 2018, two charging stations were installed for electric vehicles, in an important move that demonstrated the Zegna Group's intention to foster increased environmental responsibility in its employees. Along the same lines, at the beginning of 2020 the Lanificio included its first electric car in the fleet, and starting from January 1st, 2021, the Group established a strategic partnership with Stellantis Group with the goal of substituting all leased vehicles with plug-in hybrid (PHEV) or full electric (BEV) vehicles by 2025.

Fuel consumption from the fleet is reported below for 2020 and 2019. The consumption is calculated considering the average consumption respectively for diesel and gasoline cars and the kilometers travelled on a yearly basis¹⁴.

Ultimately, the Group has always paid great attention to environmental compliance with all laws, as borne out by the fact that in 2020 Zegna had zero non-compliance issues with such laws and regulations.

FUEL CONSUMPTION FROM THE GROUP'S FLEET (GJ)



¹³ Data related to the firm's fleet do not include vans and Thom Browne companies.

¹⁴ The conversion from liters to GJ is based on DEFRA, UK Government GHG Conversion Factors for Company Reporting (2020) conversion factors. Specifically, with reference to gasoline, 1 liter is equal to 0.0328 GJ, while with reference to diesel, 1 liter is equal to 0.0359 GJ.



PANORAMIC ROAD
OASI ZEGNA, TRIVERO VALDILANA, BIELLA, ITALY

THE GROUP'S CARBON FOOTPRINT¹⁵

In the second half of 2020 the Zegna Group kicked off two important projects aimed at reducing its own carbon footprint, in keeping with its Fashion Pact commitments:

- **Performing a complete and overarching Group Carbon emissions baseline estimate, adopting 2019 as a reference year;**
- **Accelerating the transition to renewable electricity consumption.**

Both initiatives are expected to complete during the course of 2021, allowing the Zegna Group to set Science-Based Carbon emission reduction targets, and take early action against such targets by reducing own dependence on non-renewable fossil fuels.

In 2020 we reduced our CO₂e emissions (Scope 1 + Scope 2 market-based) by 16%, equal to 4,966 tons of CO₂e.

Our Scope 1 emissions, which fell by 10% in 2020 compared to 2019, include emissions deriving from the use of natural gas, diesel, and gasoline. Conversely, Scope 2 emissions included our use of electricity and heating. Overall, Scope 2 location-based and market-based emissions both decreased compared to 2019, by 17% and 19% respectively.

OASI ZEGNA, TRIVERO VALDILANA, BIELLA, ITALY
PHOTO BY MATTIAS KLUM

Emissions - tCO ₂ eq	2020	2019
Total Emissions Scope 1¹⁶	9,404	10,417
Total Emissions Scope 2 (Location-based) ¹⁷	19,187	23,023
Total Emissions Scope 2 (Market-based) ¹⁸	16,776	20,730
Total emissions Scope 1 & Scope 2 (Location-based)	28,591	33,439
Total emissions Scope 1 & Scope 2 (Market-based)	26,180	31,146

Furthermore, it is worth noting that the Zegna Group has also been active in a Carbon Offset project. Specifically, a forestall analyst estimated the total quantity of stored CO₂ and the organic quantity stored annually in lands owned by the company E.Z Real Estate s.r.l. in the territory of Oasi Zegna. The analyst also estimated the CO₂ emissions produced by visitors and activities in Oasi Zegna in order to verify whether the forest areas it owns are able to absorb the impacts produced by the influx of tourists.

The positive balance obtained from the calculations, even if with the limits due to approximations, shows how the emissions generated by the influx of visitors to Oasi Zegna (3,288 t CO₂) are largely offset by the amount absorbed by the owned forests (10,709 t CO₂) with a positive balance of around 70% (7,421 t CO₂). In the same way, it is clear that the impacts are mainly due to cars (more than 94% of total emissions) and that, in order to reduce emissions, it is necessary to intervene in this sector, encouraging the use of public transport or low emission cars.

¹⁵ The data regarding the Group's emissions included in this paragraph does not include emissions from natural gas of the Group's stores and emissions from Thom Browne companies. Moreover, due to energy consumption included in lease contracts, electricity data does not include consumption for Ermenegildo Zegna Canada Inc company and the following locations in US market: New York Showroom and stores, Boston, Dallas, Las Vegas, and Clarksburg Outlet.

¹⁶ The emission factors are based on DEFRA, UK Government GHG Conversion Factors for Company Reporting (2020). The amount of refrigerant gases is deemed negligible and they are not included in Scope 1 data.

¹⁷ The emission factors are based on Terna Confronti internazionali (2018) for electricity consumption and on DEFRA, UK Government GHG Conversion Factors for Company Reporting (2020) for heating. Emission Scope 2 (Location based) are expressed in tons of CO₂, however the percentage of methane and nitrous oxide has a negligible effect on the total emissions of greenhouse gases (CO₂ equivalent) as can be deduced from the reference technical literature.

¹⁸ The emission factors are based on Association of Issuing Bodies (AIB) European Residual Mixes (2019), Terna Confronti internazionali (2018) and Green-e® Residual Mix Emissions Rates (2019) for electricity consumption. The emission factors are based on DEFRA, UK Government GHG Conversion Factors for Company Reporting (2020) for heating. Emission Scope 2 (Market based) are expressed in tons of CO₂, however the percentage of methane and nitrous oxide has a negligible effect on the total emissions of greenhouse gases (CO₂ equivalent) as can be deduced from the reference technical literature.

#UseTheExisting

The Zegna Brand's commitment to sustainable products and materials also finds concrete action taken in the #UseTheExisting project, which was first presented during the Ermenegildo Zegna XXX Winter 2019 fashion show and then developed further within the SS20 and FW20 collections.

The project represents the brand's commitment to use more and more natural and technical fabrics, developed with innovative processes from pre-existing sources. The results are luxuriously supple yet responsible fabrics that are reused as well as reusable. It can be viewed in two ways:

- **Pre-consumer (raw materials, yarns and fabrics)**
- **Post-consumer (recycled from another source, e.g. fishing nets, plastic bottles)**

Indeed, these products are the result of intensive research and, thanks also to a marked aptitude for innovation, use sizeable quantities of recycled or reused materials recovered both from pre- and post-consumer waste.

The project is overseen by artistic director Alessandro Sartori and stands out for the new textures created from existing ones. The high verticalization which characterizes the Zegna Group is the key success factor in driving the company towards this type of project, an aspect that represents real added value in a sector where, on the contrary, enterprises are moving towards retail specialization. Reusing and recycling raw materials is one of the most widely-debated topics in the modern fashion trade, but the verticalized structure of the Zegna Group allows it to integrate every phase of product development to the utmost, from the conceptualization to implementation, creating a real competitive advantage.

The textures used for building up the collection are the results of innovative, high-tech processes which give added value to an entire collection. Within the collection, the most representative and symbolic garment is the Achill suit, made with wool from the Australian farm which the company owns. This suit is entirely made of wool fibers previously discarded from production processes. The fibers are reworked and finally re-used, thereby adhering to the main concepts of circular economy.

It is also worth noting that in the two 2020 collections (SS21 and FW21), approximately 500 Stock Keeping Units (SKUs) distributed across different product categories respected #UTE standards.

Ermenegildo Zegna's commitment to this project, and more in general its engagement for building a more sustainable fashion business, has been widely acknowledged and found public recognition with the CNMI Award in Recognition for Sustainability, received by Ermenegildo Zegna during the third edition of the Green Carpet Fashion Awards.

In 2021, the Zegna Brand received important recognition for #UseTheExisting projects. On the opening of the ADI Design Index exhibition in Rome, on June 28th 2021 Alessandro Sartori collected the prestigious ADI Design Index 2020 Innovation Award for #UseTheExisting.



ERMENEGILDO ZEGNA XXX SUMMER 2021 PHYGITAL SHOW
ERMENEGILDO ZEGNA WOOL MILL, TRIVERO VALDILANA, ITALY

As Alessandro Sartori said, *"Each of us has a duty to live responsibly. I do this using the creative means I have at my disposal, from the production of fabrics to the technical know-how applied to the creation of the collections. In Zegna, our mission is to reuse resources with the aim of eliminating the material waste in the production chain. It is a mission and a vision we strongly believe in. This is the principle behind our current and future collections"*.

#UseTheExisting is an evolutionary commitment. #UseTheExisting is a mindset even before being turned into a proactive project, as it represents the idea of upcycling the whole fashion process. The Zegna Brand is continuing to invest in this project that marks the pledge to make the zero-waste dream come true. In keeping with this philosophy, for example, the seasonal catalogues from SS'20 are also printed on 100% recycled FSC®-certified paper.



CEO GILDO ZEGNA AND ARTISTIC DIRECTOR ALESSANDRO SARTORI
AT GREEN CARPET FASHION AWARDS 2019

GREEN PEA



ERMENEGILDO ZEGNA STORE AT GREEN PEA
OASI ZEGNA, TURIN, ITALY

As a living example of the company's sustainable philosophy, Zegna is collaborating with Green Pea to create a new shop-in-shop at the world's first Green Retail Park in Turin. With 200m² premises, the Zegna shop features an exclusive selection of our most iconic products, including the #UseTheExisting project, whose vision perfectly complements Green Pea's mission to feature high-quality products created using materials that are in harmony with nature. It is an authentic vision requiring an individual commitment to meet a collective purpose.

Zegna's offering within Green Pea also includes an exclusive Made to Measure brand experience featuring a unique selection of products and textiles, such as ACHILLFARMTM wool that comes directly from our own farm in Australia, and 12MILMIL12 woven from our luxurious, superfine Australian wool. Moreover, Zegna offers Green Pea's customers a selection of handmade products developed in collaboration with the San Patrignano community and an exclusive new range of OASI Zegna cashmere plaids made with #UseTheExisting fabric. Beyond our products, customers also have the opportunity to experience OASI Zegna first-hand in a scaled-down version of the nature park thoughtfully replicated outside its original environment: a walking pathway displaying a total of 14 different botanical species on the building's terrace, mapping out the history of our green lung OASI Zegna.

OUR APPROACH TO CIRCULAR ECONOMY & INNOVATION

Innovation and a circular approach are also adopted in the fabrics we develop. As an example of the care displayed towards this important topic, below is a description of four different types of textiles we make, featuring environmental consciousness and a production approach based on a commitment to regenerate and reuse materials.



BIELMONTE

Bielmonte is the name of one of the mountains near Trivero, in Oasi Zegna, and it has also become the name of a fabric we produce exclusively with wool from native sheep who find their natural habitat in Oasi Zegna.

It is a small but ambitious project that uses local resources to support farmers who share the same territory with us, and it is also a commitment to our mountain community.

Furthermore, Bielmonte is chrome-free, because in the dyeing and finishing processes its fibers are not treated with chrome VI or other substances harmful to our health or the environment.

LOOP

Regenerate, reuse, and put back into circulation by recycling pre-consumer raw materials that would otherwise have been discarded: this is the idea behind Loop, a concept centered on breathing new life into fibers recovered from production and triggering a process that is virtuous and responsible.

Loop is made with wool mulesing-free left over from the various processes at Lanificio Ermenegildo Zegna originally selected from top Australian farms. Loop is a breathable fabric, fresh, crisp, and ideal for making environmentally conscious suits. The processing of its regenerated fibers is powered by energy from renewable sources and, like all our products, it is chrome-free.

HIGH PERFORMANCE

High Performance, in its new summer version, is a collection of fabrics for a wardrobe that is comfortable, fresh, and refined, ideal for living hot summers in style because of its lightweight, sun-reflecting, chrome-free, natural stretch and crease-resistant features.

SILKULAR

In creating Silkular, we drew inspiration from Antoine Lavoisier's famous quote: *"Nothing is created, nothing is lost, everything changes."*

Building on Ermenegildo Zegna's green thinking in the Tessitura di Novara collection, this sustainable fabric is produced with circular silk yarns obtained by Global Recycled Standard-certified screening and regeneration of production process waste.

BIODIVERSITY



OASI ZEGNA: GUARDIANS OF OUR TERRITORY FOR OVER 110 YEARS



OASI ZEGNA, TRIVERO VALDILANA, BIELLA, ITALY

In love with the beauty of nature and driven by a deep sense of giving back to his homeland and community, in the 1930s textile entrepreneur Ermenegildo Zegna embarked on a vast environmental restoration and land valorization project in the Trivero area where the Lanificio Zegna wool mill is still located. Long before the word ‘ecosystem’ was invented, Ermenegildo Zegna began creating the ecosystem that is known today as Oasi Zegna. Our founder was building a business, and he proved a gifted businessman. Yet his vision went beyond the industry.

Ermenegildo intuitively recognized that the complex and beautiful fabrics his mill was built to weave by man and machine were not just Zegna’s products - they were, as they remain, a function of Zegna’s greater process and purpose.

Material profit allowed his painstaking purchase of the then-barren and neglected lands that made up the Panoramica Zegna road, and later the Oasi, through painstaking work to reforest and enhance this landscape. By doing so he placed his mill at the heart of a much wider community of organisms - at the heart of an ecosystem - to create a benevolent and mutually sustaining interdependence.

In 1993, thanks to the third generation’s passion, the territorial enhancement plan evolved further to create “Oasi Zegna” (Oasis). In line with the sustainability principles that are an integral part of the Group’s Corporate Social Responsibility (CSR) Policy, Oasi

Zegna is just one of the multiple actions undertaken by Zegna Group to promote community learning, sharing and improving ideas regarding its land development. Just as the fruits of the mill enabled Ermenegildo to sustain the surrounding landscape, so that landscape enables those whose labor sustains the mill to in turn be sustained themselves. Oasi Zegna is a cultivation driven not to exploit, but to enhance. And what is enhanced is quality of life in all its forms - human, animal, insect, and plant - all dwelling within Ermenegildo’s ecosystem.

An open-access natural park that extends 100 Km² between Trivero - Valdilana and Valle Cervo, in the Alpi Biellesi (the portion of the Alps within the province of Biella) in Piedmont, Oasi Zegna represents a spontaneous consequence of Ermenegildo Zegna’s “green approach”. The environmental enhancement and protection project is also a concrete demonstration of the importance the Zegna Group attributes to environmental protection and to the local community. Expanding through 1,420 hectares of woods in total, out of which 170 hectares for pasture, it has become the perfect place for families, children and sports enthusiasts to engage in outdoor activities, all year round, in contact with nature and in full respect of the local ecosystems.

In 2014, Oasi Zegna obtained FAI patronage (Fondo Ambiente Italiano) as a unique model in Italy. FAI’s aim is to protect sites in Italy by promoting their knowledge, care and conservation. Since 1975, FAI has restored and taken care of special places in Italy so that present and future generations from all over the world may enjoy their priceless legacy.

Through its wide variety of educational and experimentation programs, Oasi Zegna has become a living example of successful environmental tourism. From Forest Bathing, a Japanese practice aimed at improving physical and mental wellbeing, to the Smiling Forest designed to allow people to reconnect with the energy of the trees in an environment of natural fragrances and sounds, generating serenity and interior harmony, Oasi Zegna’s unique model of environmental consciousness inspires eco-tourism initiatives around the world.

In 2010, to celebrate its Centenary, Zegna Group launched the Zegna Baby Forest program, planting a new tree in Oasi Zegna for every newborn child of the Group’s employees worldwide, and now counts more than a thousand new trees. The program has now been extended to Inner Mongolia, where the Zegna Group has created the ‘My Zegna Forest’ and is planting a tree for every newborn baby in the Group in Asia.

Furthermore, Oasi Zegna hosts several different environmental protection projects with specific reference to biodiversity, including a special project called LIFE “Lunga vita al Carabus” (“Long live the Carabus”) which is also supported by the European Community. The Carabus Olympiae, a protected species of beetle autochthone to this area, has been the symbol of the Oasi Zegna natural park since its inception.

With the purpose of creating shared value for the territory, Oasi Zegna is also home to several different enterprises which actively operate within it, including accommodation (resorts, chalets, hostels), catering and food services, agritourism and the production of local products, cultural and art event management, and both summer recreational activities (horse riding center, tennis, paragliding, swimming and various other sports) and winter recreational activities (ski lifts, ice skating, equipment hire services and a ski school). Studies estimate that Oasi Zegna, directly or indirectly and together with its non-profit activities, generates jobs for more than 450 people in 61 enterprises within the tourism and local products sectors.

In the context of Fashion Pact, the Zegna Brand has decided to actively participate with the Fashion Pact working group on Biodiversity, with the purpose of defining a comprehensive industry commitment to set Science-Based Targets for Nature which enable measurable decreases of Brand impact.

ZEGNA FOREST

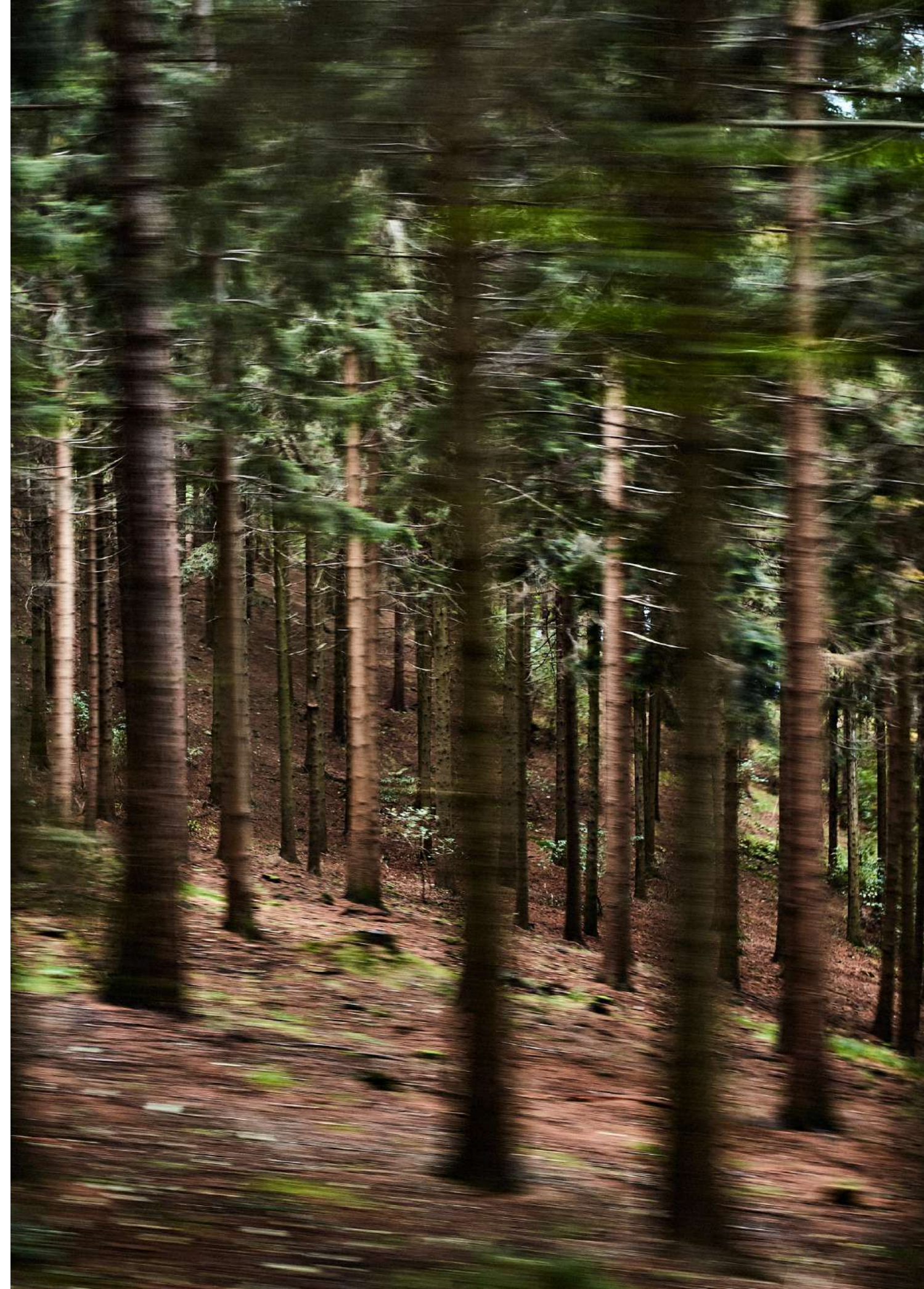
“Caring is not only a duty. For us it’s always spontaneous, coming from the heart with enthusiasm and generosity. We will go on planting trees: this won’t be an isolated gesture but a choral effort.” The words of Anna Zegna, president of Fondazione Zegna, express the spirit of an extraordinary project that’s being developed in the mountains of Trivero – Valdilana.

Zegna Forest is an ambitious long-term program promoted and developed by Fondazione Zegna to safeguard the environment in Oasi Zegna and for the benefit of the woods of Oasi Zegna. The project, started in 2020 and to be completed by 2035, will include a total of 140 hectares of owned woodland.

Since the first phase of the project, initiated in February 2020, 16 hectares of woodland have been involved and over 3,600 new trees and shrubs have been planted. Supported by a scientific committee, new species have been and will continue to be gradually introduced in order to boost the forest’s resilience, ecological functions and biodiversity.

The territory imagined by the experts a century ago - made up exclusively of conifers of the same age - is no longer suitable for the climate change the world is seeing, and is not very resistant to extreme atmospheric events or parasite attacks. Under the renewal program launched in 2020 around the Centro Zegna, Conca dei Rododendri and Colle del Craviolo, young magnolias have been planted along with Ginkgo biloba, Parrotia, beech, hydrangeas and rhododendrons, and new sections of woodland have been replanted along the Panoramica Zegna with deciduous trees and silver firs.

The Zegna Forest project continues in 2021 with the replanting of a further 16 hectares.



OCEANS

WATER CONSUMPTION

In the context of water management and usage, in 2019, sizeable investments were made to replace machinery used for treating fabrics: the new equipment purchased has led to a saving of 10% of the total water requirement. A new ozone water purification system has also recently been introduced, which allows up to 20-25% of the water supply to be recovered; this is in turn reused within the production plant, thus allowing for considerable water savings.

All of the typical production processes of a complete wool mill cycle are carried out in Trivero plant. In this industrial context, water has multiple uses, from the processing of wool fibers or the general use of steam generators, humidification of production departments, and food and hygiene uses.

Thus we have two separate water circuits, one for drinking water and the other for industrial purposes. The drinking water is obtained from springs located uphill from the plant, whilst the industrial water is obtained from three different sources: upriver from the plant, from Piancone Aqueduct, of which the Wool Mill is the majority shareholder and is recovered thanks to our purification processes.

We have sedimentation and accumulation tanks with a capacity of about 4,500 m²; the tanks are continuously fed by the catchment streams, whilst, only when necessary, depending on the levels of accumulation in the tank, water is obtained either from the Piancone aqueduct or from the purification processes. Thanks to the sedimentation and subsequent filtration process with sand and gravel of different sizes, we are able to obtain clean water without the use of chemicals.

The industrial water is then distributed inside the plant on three different lines. The first line supplies water to the dyeing department where the color is fixed on the fibers, yarns, or fabrics, while the second line feeds the finishing department. The third line instead serves all the general uses of the plant such as the thermal power plant, the textile aero-plants and all other primary services.

All these uses generate waste water, which is piped to a purification plant located downstream of the plant; in 2018 this plant underwent major upgrading and improvement works to reduce the use of chemicals and improve the quality of the discharged water, also allowing reutilization in production processes.

Furthermore, a series of gauges which allow us to monitor consumption in the various phases have been placed in the supply and distribution areas and in the purification plant.

OUR APPROACH TOWARDS PLASTIC

In the context of the Fashion Pact, the Zegna Brand has decided to actively participate with the Fashion Pact working group on Oceans, with the purpose of identifying viable alternative solutions to B2B plastic packaging. During the course of 2020, a promising initiative began to scout for paper-based alternative solutions to the LDPE (low-density polyethylene) bags used to protect garments in logistics and transportation, the results of which are expected in the second half of 2021.

The Zegna Group's commitment to preserving the oceans and oceanic life is further demonstrated by other brands that are part of the Group.

A mention of honor goes to Bonotto, a fourth-generation textile manufacturing company founded in 1912 and purchased by the Zegna Group in 2016. The company developed a "*slow fabric*" which, during 2018 Milan Fashion Week, was transformed into a "*Plastic Garden*", 70 meters of tapestry used to deck out the eight columns of Teatro Alla Scala. These were created with Gardening Bonotto fabric, which is made from a fiber produced with more than 300kg of recycled plastic obtained from ordinary plastic bottles.

Giovanni Bonotto, Creative Director of Bonotto, has also become an ambassador for a new way of thinking and of producing, which brings him back almost to the origins of textile production. He calls this concept the "*Slow Factory*".

Through its commitment, Bonotto won the Sustainable Producer prize at the Green Carpet Fashion Awards 2018 hosted by Camera Nazionale della Moda Italiana in cooperation with Eco-Age.

METHODOLOGICAL NOTE

This document constitutes the 2020 Sustainability Report of Ermenegildo Zegna Holditalia S.p.A. (hereinafter “*Ermenegildo Zegna*” or “*Zegna*”) and its fully consolidated subsidiaries (hereinafter “*the Group*” or “*the Zegna Group*”), with reference to the 2020 fiscal year (from January 1st to December 31st 2020). The Sustainability Report is published annually; the contents of this document describe the Group's achievements in the economic, social and environmental spheres.

In order to communicate the Group's sustainability performance in a transparent and comparable manner, the Report has been drafted based on a selection of “*GRI Sustainability Reporting Standards*” (hereinafter “*GRI Standards*”): GRI-referenced claim. The detail of the reported indicators is shown in the “*GRI Content Index*” at the end of this document. In particular, for the specific GRI standards 403 (“*Occupational health and safety*”), the most recent version has been used (2018). The detail of the reported indicators is shown in the “*GRI Content Index*” at the end of this document.

The reporting scope of the economic and financial data and information corresponds to that of the Ermenegildo Zegna Group's consolidated financial statements as at 31st December, 2020. The scope of the data and information relating to social and environmental aspects refers to the Zegna Group with the exclusion of the Thom Browne Brand and related companies (unless otherwise indicated). Any changes to this scope are appropriately indicated in the document.

Figures relating to previous year are provided solely for comparative purposes to enable an assessment of the Group's activities over a longer period.

It should also be noted that there have been no significant changes in 2020 in the Group's size, organizational structure, ownership or supply chain.

To ensure data reliability, the use of estimates has been limited as far as possible. Whenever present, proper explanations of the issues are provided within the document.

This document was approved by the Board of Directors (“*Board of Directors*” or “*BoD*”) of Ermenegildo Zegna Holditalia S.p.A on July 26th 2021.

This document has been subject to procedures performed in a limited assurance engagement in accordance with the criteria indicated by International Standard on Assurance Engagements (ISAE) 3000 (Revised) by the auditors Deloitte & Touche S.p.A. The limited assurance engagement was conducted by performing the procedures indicated in the “*Report of the Independent Auditors*” presented at the end of this document.

For more information regarding the Zegna Group Sustainability Report, please contact:

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GRI 206-1	p. 30		Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
GRI 302: ENERGY 2016			
GRI 302-1	p. 80-82		Energy consumption within the organization
GRI 305: EMISSIONS 2016			
GRI 305-1	p. 84-85		Direct (Scope 1) GHG emissions
GRI 305-2	p. 84-85		Energy indirect (Scope 2) GHG emissions
GRI 307: ENVIRONMENTAL COMPLIANCE 2016			
GRI 307-1	p. 82		Non-compliance with environmental laws and regulations
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GRI 403-9 a.	p. 45-46		Work-related injuries
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
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