

A photograph of a modern architectural interior, likely a multi-story atrium or hallway. The space is characterized by its clean lines and use of materials like glass, metal, and teal-colored panels. On the left, a long, white, curved wall with vertical glass panels runs along the side. In the center, a glass-enclosed staircase or elevator shaft leads down. To the right, a wall of teal-colored panels is punctuated by a series of small, circular, metallic light fixtures. The floor is made of large, light-colored tiles. The overall atmosphere is bright and contemporary.

# Sustainability Report 2024

Ermenegildo Zegna Group

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# Chairman & CEO Letter

Dear Stakeholders,

As we reflect on 2024, I am proud to share the progress we have made in advancing our commitment to sustainability, innovation, and inclusivity at the Ermenegildo Zegna Group. Guided by our heritage and inspired by our vision for the future, we continue to build a legacy that balances tradition with modernity, craftsmanship with innovation, all rooted in responsibility and a continuous pursuit of excellence.

We are now home to three authentic, distinctive and complementary brands — ZEGNA, THOM BROWNE, and TOM FORD FASHION — and to our unique *Filiera*: a one of-a-kind textile platform integrated with state-of-the-art industrial know-how, which brings together the best Italian craftsmanship and innovation to ensure excellence and utmost quality. Our *Filiera* is also one of the primary reasons we continue to be an innovator in the development of sustainable materials and traceability — an area where I am particularly proud of our progress.

This year, we launched Vellus Aureum, a groundbreaking collection, sourced from the world's finest Merino wool, that embodies our dedication to quality, traceability, and sustainability. With its digital passport powered by blockchain technology, Vellus Aureum collection aims to be fully traceable by 2025. We continued to expand our Oasi Lino and Oasi Cashmere collections, further integrating sustainable practices into our product offerings. Today, 35% of our top priority raw materials — considering the same FY2023 reporting perimeter — are traceable and from lower impact origins, and we have initiated projects to increase certifications across our production sites, including Sustainable Fibre Alliance (SFA) and Masters of Linen®. These efforts reflect our unwavering commitment to responsible sourcing.





To support our people and foster a culture of growth, we place a strong emphasis on craftsmanship and innovation as core elements of our learning processes and long-term growth strategy. Building on the broadening of the Group Academy project, initially developed in 2023, “Accademia dei Maestri” now includes the entire value chain—from industry to customer. We also introduced a structured path to promote internal talent mobility, ensuring that every employee has the opportunity to grow within the organization. Additionally, we began implementing a new Parental Leave Policy, which will be fully adopted by 2025, reinforcing our support for work-life balance and family well-being.

Our dedication to community engagement was strengthened through the introduction of corporate volunteering programs, enabling our employees to make meaningful contributions to society. These initiatives align with our belief that true success is measured not only by what we achieve but also by how we give back.

On the environmental front, we reached 100% renewable electricity in our European and USA operations — a significant milestone in reducing our carbon footprint. An important achievement of the year is also the validation of the Group’s updated emission reduction targets by the Science Based Target Initiative (SBTi). These targets now include the TOM FORD FASHION and reflect the allocation of FLAG (Forest, Land and Agriculture) targets.

We have also defined a comprehensive water strategy, setting targets to ensure sustainable water management across all our operations.

As we look ahead, I am deeply inspired by the progress we have made together as one family. Our journey is far from over, but each step we take is essential in bringing it to life. This is not just about reaching a destination—it is about how we move forward, guided by passion, strong values, and a shared commitment. Together, we are shaping a future that is not only more sustainable and inclusive but also deeply meaningful and filled with purpose.

Ermenegildo Zegna

Chairman & CEO of Ermenegildo Zegna Group

# Ermenegildo Zegna Group

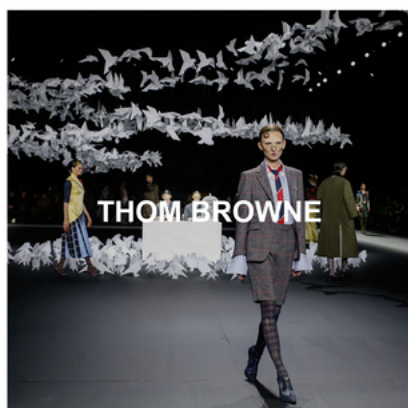


Founded in 1910 in Trivero, Italy, the Ermenegildo Zegna Group (the “Group”) is a leading global luxury player, who owns the world-renowned ZEGNA and Thom Browne brands, and operates TOM FORD FASHION<sup>1</sup> business through an exclusive long-term license agreement with The Estée Lauder Companies Inc.

At the Group’s core is a unique *Filiera*, a one of-a-kind textile platform integrated with state-of-the-art industrial capabilities, which brings together the best luxury craftsmanship know-how and innovation capacity to ensure excellence and utmost quality.

Responsibility towards people, community and the natural world has been at the heart of the Ermenegildo Zegna Group’s belief since its founding. As of December 31, 2024, the Group employed 7,185 people<sup>2</sup> and had revenues of €1,947 million.

## Ermenegildo Zegna Group



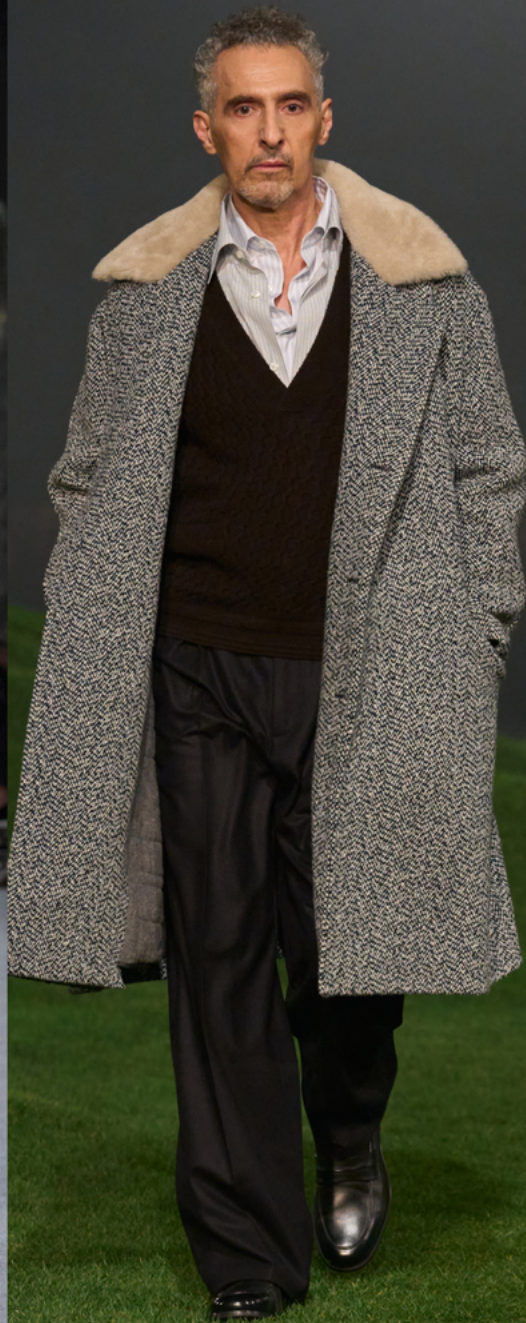
### OUR FILIERA

<sup>1</sup> On April 28, 2023, the Group completed the acquisition of Tom Ford International (“TFI”) (the “TFI Acquisition”), through which it acquired the company that owns and operates the TOM FORD FASHION business, as part of a transaction in which sole ownership of the TOM FORD brand, its trademarks, and other intellectual property rights have been acquired by The Estée Lauder Companies Inc. (“ELC”), and TFI has become a long-term licensee of ELC for all TOM FORD men’s and women’s fashion as well as accessories and underwear, fine jewelry, childrenswear, textile and home design products, for a term of 20 years, subject to renewal at TFI’s option for further 10 years subject to certain minimum performance conditions.

<sup>2</sup> The figure does not include 210 temporary employees as of December 31, 2024.



# The Brands





## ZEGNA

Established as a fabric maker in 1910, ZEGNA has evolved into men's ready-to-wear and is today internationally recognized as a leading global luxury menswear brand.

In more recent years, under the Artistic Direction of Alessandro Sartori, ZEGNA entered an exciting new chapter. Evolving the craft of tailoring in a luxury leisurewear direction is the road Alessandro Sartori follows; reflecting the evolving world while continuing to produce timeless products made with the finest materials. In doing so, the brand's Artistic Director has reset ZEGNA's identity with a clear agenda in which he puts a progressive spin on traditional designs, yet remaining practical and pragmatic to meet the needs of the modern man.

A strong sense of responsibility towards both communities and the natural world has been a driving principle at ZEGNA since its inception. Oasi Zegna<sup>3</sup> stands as a living monument to the brand, a home for its enduring values. It is the philosophy embodied by Oasi Zegna that continues to guide all that ZEGNA does and informs the brand's commitment to certifying Oasi Cashmere and Oasi Lino fibers as 100% traceable from 2024.



ZEGNA FW24 Collection

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<sup>3</sup> For more information regarding Oasi Zegna, please refer to the "Oasi Zegna: Guardians of our local community for Over 110 years" section of this Report.



## THOM BROWNE

Thom Browne is widely recognized for challenging and modernizing today's uniform: the suit. By questioning traditional proportions, Thom Browne's designs consistently convey a true American sensibility rooted in superior quality craftsmanship and precise tailoring.

In 2003, Thom Browne began his business with five suits in a small "by appointment" shop in New York City's West Village. In the years following he expanded his business to include complete ready-to-wear and accessories collections for both men and women. Thom Browne has also become known for his highly conceptual runway presentations, which have gained global attention for their thought-provoking, dramatic themes and settings.

In 2024, Thom Browne has been re-elected as the Chairman of the Council of Fashion Designers of America (CFDA), effective January 1, 2025. Thom Browne has been honored with the CFDA Menswear Designer of the Year Award (2006, 2013, 2016), the GQ Designer of the Year (2008), the FIT Couture Council Award (2017), as well as the Cooper Hewitt National Design Award (2012). His designs are recognized by museums around the world, including the Costume Institute at the Metropolitan Museum of Art, the Museum of Modern Art, the Victoria & Albert Museum, the Costume Museum at Bath and the Mode Museum Antwerpen.



Thom Browne FW25 Collection



## TOM FORD FASHION

TOM FORD FASHION, part of the Ermenegildo Zegna Group through an exclusive long-term license with The Estée Lauder Companies Inc., is the fashion business of the luxury house founded by designer Tom Ford in 2005. The luxury house personifies modern glamour and an unparalleled level of style through impeccable tailoring and craftsmanship. In 2023, Lelio Gavazza was appointed CEO, TOM FORD FASHION, and in 2024, Haider Ackermann assumed the role of Creative Director, TOM FORD.

Ermenegildo Zegna Group currently oversees the TOM FORD FASHION business — men's and women's ready-to-wear as well as accessories, fine jewelry, textile, and home design products — from collection creation and development, to merchandising, through to production and distribution.

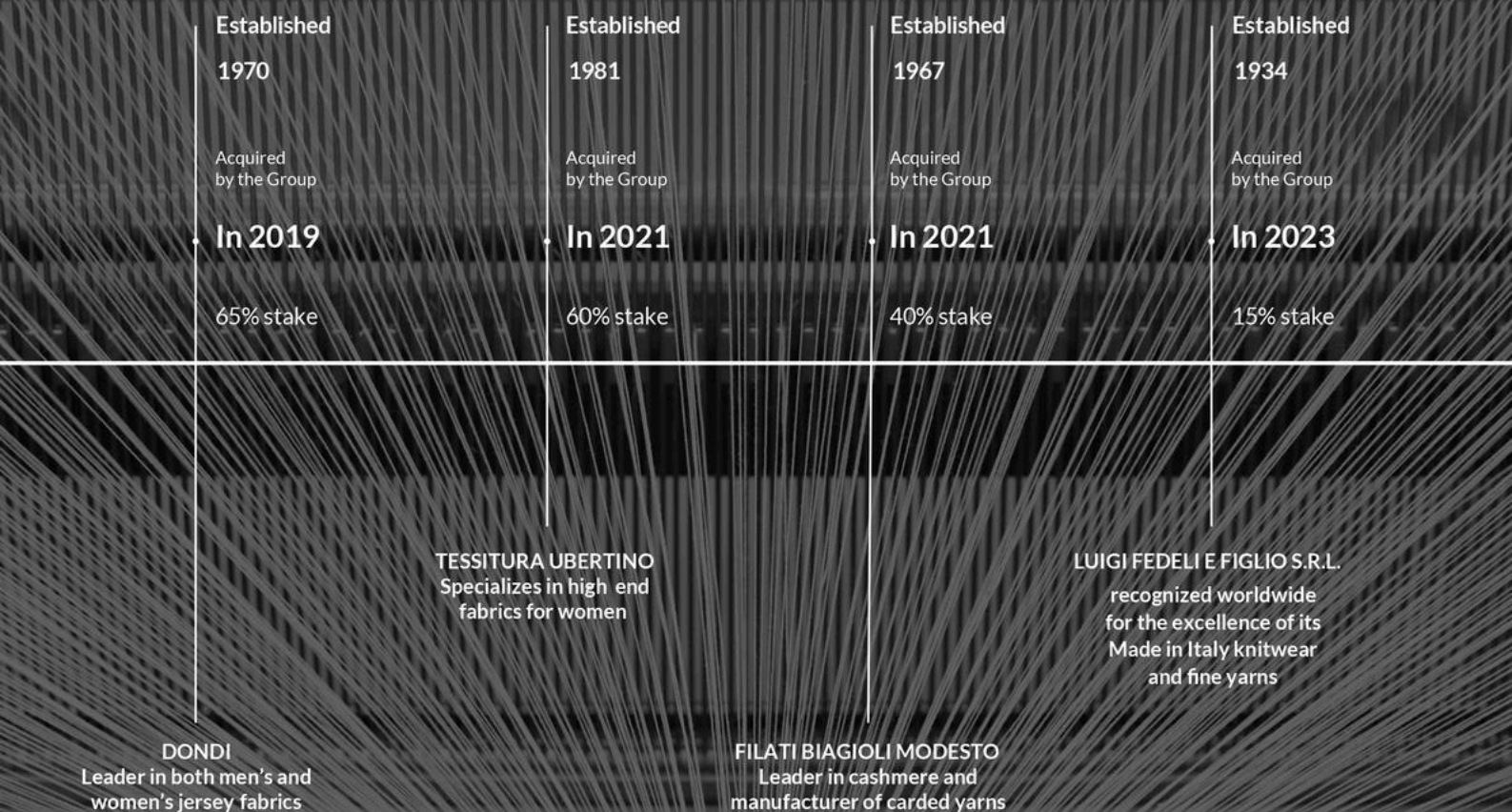
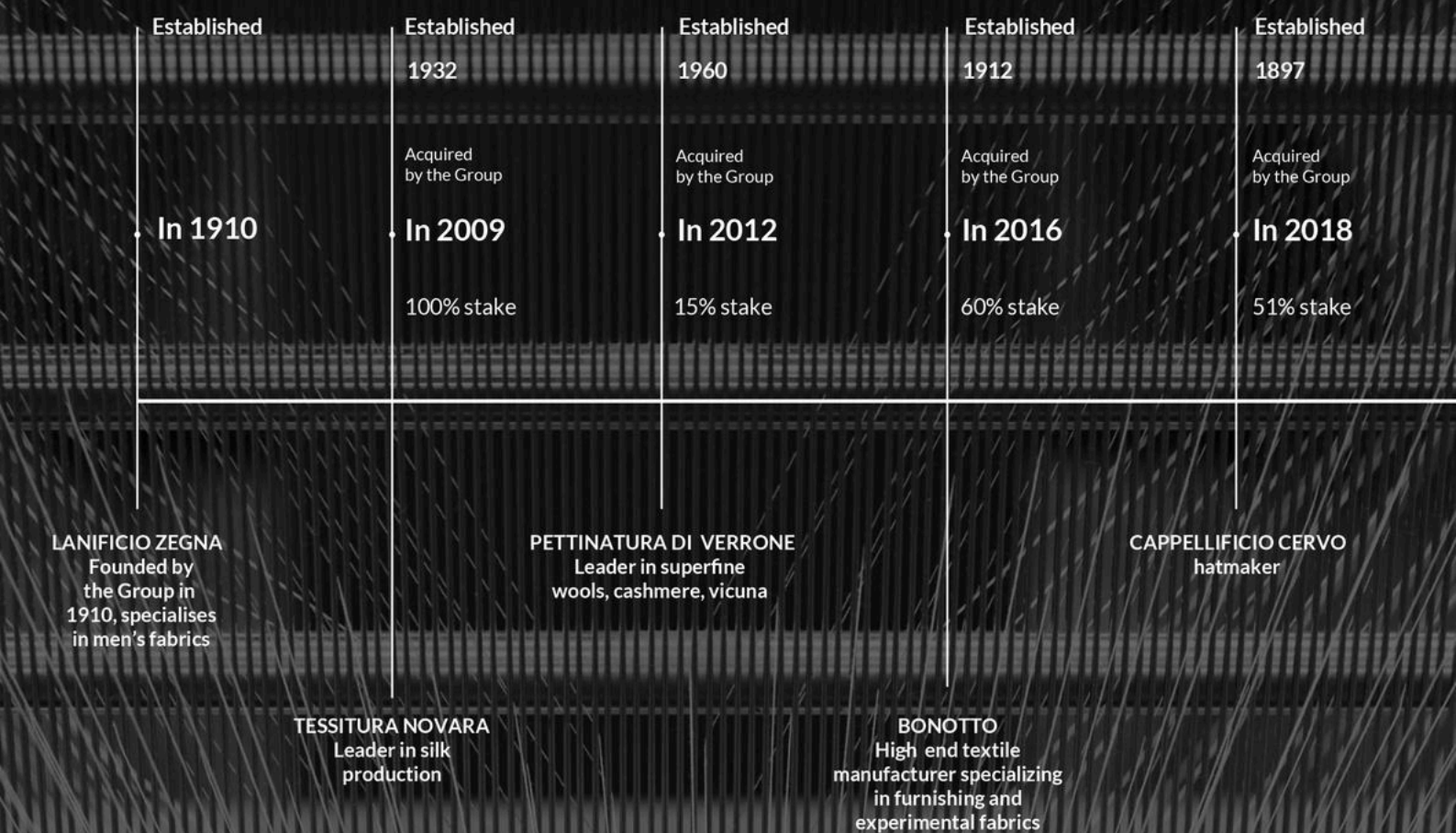
The Estée Lauder Companies Inc. is the sole owner of the TOM FORD brand, its trademarks, and other intellectual property rights.



Our *Filiera*









## INNOVATION MEETS BELIEF

Fabric is fundamental to the Ermenegildo Zegna Group: it is our essential truth woven into everything we have done for over 110 years. Fabrics were the means by which the founder intended his business to be a force for good in the world. Fabric represents our culture of beauty; the Group remains a master of fabric, with an unrivalled manufacturing legacy, forward-looking creativity, technical proficiency, and an innovative approach to sustainability. Over the years the Group has acquired established Italian companies, each a specialist in its sector. The vision was to build what we call our textile platform. The Group continues to produce the highest quality fabrics, while safeguarding the uniqueness of high-end craftsmanship.

Our *Filiera*, owned and controlled by the Group, is made up of the finest high-end textile producers fully integrated with unique luxury manufacturing capabilities, to ensure superior excellence, quality, and innovation capacity.

This textile platform sets us apart from competition, meaning that we closely oversee our products from raw material selection, ensuring they meet our exacting standards related to quality, traceability and sustainability.

We've been focused on strengthening our Made-in-Italy textile platform over the years to ensure our direct access to the best fabrics, textiles, and other materials both for use in our own products and to provide these materials to some of the world's top luxury brands.

Our *Filiera* ensures unparalleled made-to-measure capabilities and a one-of-a-kind Bespoke offer, including one of the best delivery time service and tailoring for all the Group's brands.

Through Lanificio Ermenegildo Zegna, Bonotto, Dondi, Pettinatura di Verrone, Filati Biagioli, Tessitura Ubertino and Luigi Fedeli e Figlio we act as a platform that collects different know-how in a constant quest for creativity, innovation and quality.

### Our *Filiera*

#### Lanificio Ermenegildo Zegna

Founded in 1910, Lanificio Ermenegildo Zegna Wool Mill (Lanificio) is the mainstay of the Group's growth. Lanificio has pioneered sophisticated men's fabrics that are lighter, smoother, more refined, and with improved performance and functionality.

Lanificio performs the entire production process — from raw material selection to finishing. Lanificio Ermenegildo Zegna Wool Mill is located in Piedmont, Northern Italy, where the pure water of the local mountain rivers washes its fabrics, giving them a particularly soft finish. Commitment to quality and the use of modern technology to back up artisan craftsmanship is our living tradition, linking past, present and future.

## Pettinatura di Verrone

In 2012, the Group acquired 15% of shares in Pettinatura di Verrone. With this action the Group contributed to the preservation of this sophisticated fabric company and the wealth of knowledge and human resources in the textile district of Biella, where it was founded in 1960. Specializing in the combing of superfine wools, cashmere and vicuña, Pettinatura di Verrone continues to produce remarkably fine natural fibers of the highest quality, further enriching our *Filiera*.

## Bonotto

In 2016, the Group acquired a majority stake in Bonotto, a fourth-generation textile manufacturer based in Molvena, Italy. Founded by Luigi Bonotto in 1912, the brand celebrates the Slow Factory movement against mass production at low cost, focusing instead on hand craftsmanship and traditional techniques. Bonotto is known for the creative and experimental dimensions of its fabrics. Inside the factory there are over 24,000 works of art from the Bonotto Foundation, which inspire the production processes and make Bonotto an authentic creative source of fashion textiles. The brand consists of a style center devoted to research and development, a weaving and warping plant, and a dyeing and finishing plant.

## Gruppo Dondi

For over 50 years, Dondi has been a leading manufacturer of high-quality jersey fabrics for men and women. In 2019, the Group acquired a majority stake in Gruppo Dondi. With this acquisition, the Group expanded its capabilities in the textile supply chain.



### Cappellificio Cervo

In 2018, the Group acquired the milliner Cappellificio Cervo, which is based in Biella, Italy, and whose history stretches back over 120 years. Cappellificio Cervo was founded in 1897 by local master craftsmen, who then turned it into one of the world's most prestigious hat brands. The company still owns some of the original machinery from the 1800s, which allows it to showcase its detailed work methods. Tradition and innovation are key features of this company, which has contributed so much to crafting excellence in Italy, and helped to promote the Made in Italy movement.

### Tessitura Ubertino

Tessitura Ubertino (based in Pratrivero, Biella, Italy) specializes in high-end fabrics for women. In 2021, the Group consolidated its *Filiera* with the acquisition of a majority stake in Tessitura Ubertino, which was founded in 1981. Today it is a well-known research laboratory and hub for textile innovation in the global luxury fashion industry.





## Filati Biagioli Modesto

In 2021, the Ermenegildo Zegna Group and the Prada Group each acquired a minority stake in Filati Biagioli Modesto S.p.A., which is based in Montale, Italy. For over a century Biagioli Modesto has excelled in the production of cashmere and other noble yarns, demonstrating its superior production processes in transforming fibers into high-quality yarn.

## Luigi Fedeli e Figlio

Established in 1934, Luigi Fedeli e Figlio S.r.l. is a renowned company with a strong presence in the market and 90 years of history. Today it is managed by the third generation of the Fedeli family, and led by Luigi Fedeli who is named after the company's founder. In 2016, Luigi's son Niccolò, a fourth generation Fedeli, entered the company to further the company's legacy and develop its presence in the US market. Fedeli is today a first-class player in the luxury wear market, and crafts bespoke Made in Italy garments with a clear focus on cashmere and jersey products. In 2023, the Ermenegildo Zegna Group and the Prada Group each acquired a minority stake in Luigi Fedeli e Figlio.



# Our Activities

The Ermenegildo Zegna Group is a global luxury leader in the high-end menswear business and internationally recognized for its unique textile and manufacturing platform. As of December 31, 2024, our ZEGNA, Thom Browne and TOM FORD FASHION brands are sold in over 80 countries around the world. The three brands retail through 461 direct to consumer stores, of which 281 are directly operated by ZEGNA, 116 by Thom Browne, and 64 by TOM FORD FASHION. We have 203 wholesale monobrand stores: 118 for ZEGNA, 21 for Thom Browne and 64 for TOM FORD FASHION.

Our business covers the entire value chain and we are vertically integrated, from design to manufacturing and distribution. Our goal is to provide customers with excellent products that reflect our tradition of fine craftsmanship, exclusive design content, and a style that preserves the exceptional manufacturing quality we are known for.

The high-quality luxury experience we offer customers is further assured through the sourcing of superior raw materials, the careful finish of each piece, and the way they are delivered to them.

For more information on consolidated revenues by segment and by geographic area, please see “ITEM 4 INFORMATION ON THE COMPANY” of the Form 20-F ([www.zegnagroup.com/investors/financials](http://www.zegnagroup.com/investors/financials)).



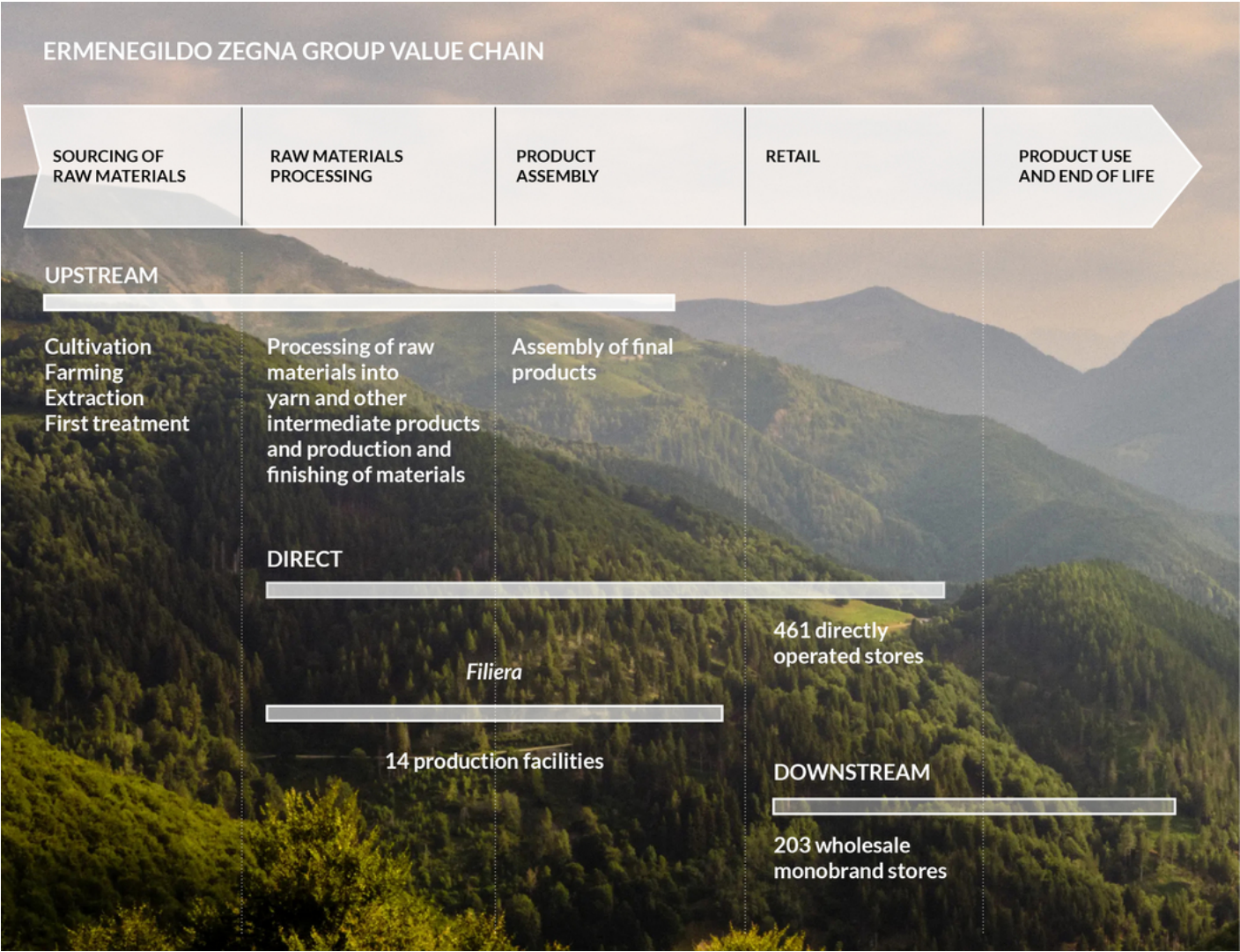


Our value chain

Our unique and vertically integrated supply chain allows us to closely oversee our products from raw material selection to finishing, ensuring they meet our exacting standards related to quality and sustainability.

Thanks to its vertical integration, the Group is able to largely manage and control its value chain, from design to manufacturing and distributing ready to wear, shoes and leather goods collections for its three brands: ZEGNA, Thom Browne and TOM FORD FASHION.

The three brands allow the Group’s reach to expand and touch different communities, from the absolute iconic luxury, with the brand ZEGNA, to modern tailoring, with Thom Browne, to luxury glamour, with TOM FORD FASHION. Thanks to Thom Browne and TOM FORD FASHION, the Group also plays an important and growing role in the luxury womenswear and leather goods segment.





# Key Highlights

## GOVERNANCE

- ✓ Expansion of Group Policies and update of the Code of Conduct for Suppliers
- ✓ Creation of a Group ESG Committee and Brand ESG Committees

## SOCIAL

- ✓ Launch of the first People Engagement Survey, with a participation rate of over 75% at Group level
- ✓ Group Parental leave policy implementation
- ✓ Over 150 employees dedicating one day to volunteering initiatives In Italy and Switzerland

## ENVIRONMENT

- 70% Of Group Electricity purchased from renewable sources (vs 62% in 2023, and 42% in 2022 like-for-like), 100% in Europe and USA
- 33% Of traceable & lower-impact top priority raw materials (35% like-for-like, excluding TOM FORD FASHION)
- ✓ Definition of a Group Water Strategy and adoption of water-related targets
- ✓ Update of SBTi emission reduction targets and adoption of FLAG targets





# Our Sustainability Strategy

# Our Sustainability Commitments

Sustainability has been part of our journey since the beginning, when our founder Ermenegildo Zegna transformed his dream into action to support the local community and the surrounding natural environment.

Thanks to his contribution, a hospital with a maternity department and an indoor swimming pool were constructed for the local community. In addition, he financed the reforestation of more than 500,000 trees, creating the Oasi Zegna; and he constructed a 26-kilometer road connecting the city to the surrounding countryside.

Ermenegildo Zegna believed that his workers should take advantage of outdoor activities, given that they spent the entire week working at the production plant. He also helped families of workers, by providing summer vacation camps in the mountains for their children.

We want to honor our founder's legacy and build a brighter future for our children today based on the lessons he taught us. For this reason, we have started a new journey as a Group called "Our Road to Tomorrow".

Our Road to Tomorrow is the result of a careful examination of the ESG positions of our stakeholders, as well as our impact on the environment where we operate, giving our Group the chance to identify our ESG strategy. The strategy, launched during the Capital Markets Day held on May 17, 2022, consists of 3 commitments, defined in 27 goals (see below). We will keep disclosing progress, as well as any potential changes, on the Group's ESG goals in the following Sustainability Reports.



Commitment	ESG goal	Target year	2024 Status
<b>Commitment 1: Made in Italy, transparently!</b>	Group Animal Welfare policy formalized and embedded in lower-impact raw material certifications	2022	<b>Achieved.</b> The Group firstly adopted an Animal Welfare policy in 2023. Following the acquisition of Tom Ford International, the Group updated the Animal Welfare Policy. Please see chapter “Raw Material Traceability & Circularity”
	Top executives’ long-term incentives linked to ESG targets	2022	<b>Achieved.</b> We developed an LTI plan, which includes an ESG multiplier on account of an ESG performance-based indicator reflecting relevant environmental and social performance at the end of the three-year period 2022-2024
	Transparent reporting (audited Group Sustainability Report, GRI & SASB reporting standards)	2022	<b>Achieved.</b> In 2023 we have added the Task Force on Climate-related Financial Disclosure (TCFD)-aligned assessment in the Sustainability Report
	Board oversight of ESG strategy & implementation	2023	<b>Achieved.</b> From 2023, the Board of Directors is formally in charge of overseeing the Group ESG strategy and its implementation; the Board is also in charge of approving the Sustainability Report
	Join relevant trade associations <sup>4</sup>	2023 onward	<b>Achieved.</b> The Group joined Textile Exchange in 2022 and ZDHC as a Signatory Brand in 2023. The Group will keep considering further engagements with relevant industry associations. Please see chapter “Our Stakeholders”
	Adoption of an innovative and open digital platform to allow suppliers to share energy sources, water, chemicals, product certifications, and emissions data, covering at least 30% of the Group supply volume	2024	<b>Achieved.</b> In 2024, the Group deployed the adopted vendor management solution to engage its first 100 suppliers to collect their data on energy, water & chemicals. Please see chapter “Our Suppliers”
	>90% Made in Italy supply of yarns & fabrics	2025	<b>In progress.</b>
	Top priority raw materials with at least 50% traced to the geography of origin and from lower-impact sources <sup>5</sup>	2026	<b>In progress.</b> 33% of traceable & lower-impact top priority raw materials (35% like-for-like, excluding TOM FORD FASHION). Please see chapter “Raw Material Traceability & Circularity”
	Expand innovative #UseTheExisting initiative and explore new avenues for the reuse of industrial waste and pre-consumer waste	Ongoing	<b>In progress.</b> Please see chapter “Raw Material Traceability & Circularity”
	Product raw materials tracking: >95% of products enabled with a product traceability system	2030	<b>In progress.</b> The Group has been experimenting with digital product tracking solutions to assess technology readiness

<sup>4</sup> The Group had initially identified a list of trade associations to join over the years (United Nations Framework Convention on Climate Change, Textile Exchange, Sustainable Fiber Alliance, Zero Discharge of Hazardous Chemicals, Leather Working Group). On a yearly basis, the Group assesses the strategic relevance of these associations and their alignment to the Group’s commitments.

<sup>5</sup> The Group had initially identified a list of 6 priority raw materials (wool, cotton, cashmere, polyester, leather, man-made cellulose) primarily considering acquired volumes and relevance for the Group’s operations. Starting from 2022, following the increasing purchase of linen fiber, the material has been added to the list.

Commitment	ESG goal	Target year	2024 Status
<b>Commitment 2: Weaving the fabric of tomorrow</b>	Appointment of the Diversity, Equity, and Inclusion (DE&I) Officer & Governance to manage the deployment of the DE&I strategy	2023	<b>Achieved.</b> The DE&I Officer & Governance was appointed in September 2022
	80% of employees with DE&I training completed	2023	<b>Achieved.</b> In 2023, 87% of employees received DE&I training. Please see chapter "Diversity, Equity & Inclusion & People Engagement"
	Develop a talent acquisition & retention approach according to DE&I strategy, to become an equal opportunity employer	2023	<b>Achieved.</b> The Group released an internal global operating recruiting procedure, aligned with the DE&I strategy, in 2023. Please see chapter "Diversity, Equity & Inclusion & People Engagement"
	Impact investing on wool, cashmere & cotton raw material sources with regenerative agriculture and carbon sequestration initiatives	2023 onward	<b>In progress.</b> The Group is a founding funder of the Unlock Program of The Fashion Pact. Please see chapter "Raw Material Traceability & Circularity"
	Parental leave benefits extended to all markets, above local law requirements	2023	<b>Achieved.</b> New Group parental leave standards were approved in 2023 and implemented in 2024. Please see chapter "Diversity, Equity & Inclusion & People Engagement"
	Launch the Group Academy <sup>6</sup>	2024	<b>Achieved.</b> In 2024 the Group built on the broadening of the Group Academy project in 2023, developing its new learning strategy and framework, Accademia dei Maestri. Please see chapter "Learning & Development"
	Develop a biodiversity laboratory in Oasi Zegna, in collaboration with NGOs and universities, to study the impact and adaptation strategies to climate change for alpine environments	-	
	Map private forests of the world, promote and lead the responsible private forest management association globally	-	

<sup>6</sup> The Goal has been fine-tuned during the course of 2023. The former goal was: "Kick-off Accademia dei Mestieri by 2022".



Commitment	ESG goal	Target year	2024 Status
<b>Commitment 3: Oasi, Home of our values</b>	Climate change commitment with Science-Based Targets initiative (SBTi) submitted	2022	<b>Achieved.</b> In May 2023, SBTi verified Ermenegildo Zegna NV's net-zero (both near- and long-term) science-based target by 2050. During 2024 the Group has reviewed and resubmitted to SBTi its updated targets, verified and validated on February 13, 2025. Please see chapter "Climate"
	Assess water footprint & commit to reduction targets, aligned with Science Based Targets Network (SBTN) evolution	2022 (Internal productions) 2025 (External)	<b>Achieved.</b> Completed first Group water footprint assessment in 2022. In 2024 the Group has adopted a water ambition and impact reduction targets. Please see chapter "Water"
	Chemical management: ZDHC Foundational compliance level (MRSL, Manufacturing Restricted Substances List, waste water) for all Group production sites	2023	<b>Achieved.</b> All production sites achieved the Foundational compliance level in 2023. Please see chapter "SASB Report"
	Oasi Zegna in the world: supporting reforestation and forest protection activities in any key retail market where ZEGNA brand operates, with more than 500 thousand trees planted or protected in the 2024-2025 period <sup>7</sup>	2025	<b>In progress.</b> Scouting and selection of reforestation partners completed in 2023. First reforestation project completed in the USA, funding the planting of 78 thousand seedlings. Please see chapter "Biodiversity"
	100% electricity from renewable sources (scope 2)	2024 onward (Europe & US) 2027 onward (Group)	<b>In progress.</b> Achieved 100% of electricity from renewable sources in Europe and the USA; in progress at Group level (70%). Please see chapter "Climate"
	100% fully electric or plug-in hybrid corporate vehicles (scope 1)	2025	<b>In progress.</b> Please see chapter "Climate"
	Consumer packaging from lower-impact materials	2022 (Paper or recycled plastics) 2030 (Distribution packaging)	<b>In progress.</b> Our retail packaging includes shopping bags and gift boxes made of 51% post-consumer waste paper and 49% of FSC-certified paper. Handles are made of Tencel, and hang tags are 100% recycled paper. Please see chapter "Packaging & Waste"
	At least 50% content of plastics from recycling in business to consumer packaging & business to business	2025 (Business to consumer) 2030 (Business to business)	<b>Achieved.</b> Please see chapter "Packaging & Waste"
	Community service – 1 day/year for every employee, to be donated locally	-	<b>In progress.</b> The Group implemented multiple volunteering activities for employees in 2024. Please see chapter "Diversity, Equity & Inclusion & People Engagement"

<sup>7</sup> The Goal has been fine-tuned during the course of 2023. The former goal was: "Export Oasi Zegna to the world: 10,000 trees cultivated in every city (mini Zegna Forests) where the Ermenegildo Zegna Group opens or relocates Zegna boutiques starting from 2023".

# Our Stakeholders

We are conscious of the role we play in the economy and in communities near our operations. We recognize the key role of stakeholders in our success and the importance of engaging with our stakeholders in a transparent, consistent, and ethical manner. We are therefore committed to fostering strong and transparent relationships with our relevant stakeholders.

In January 2024, the Board adopted a Stakeholder Engagement policy<sup>8</sup> with the goal to define the modalities our commitment to open, honest, and collaborative interactions with relevant stakeholders, in a manner that contribute to long-term sustainable value creation.

The Ermenegildo Zegna Group's primary stakeholders encompass various categories, each playing a vital role in shaping our business operations. Stakeholders are identified through comprehensive assessments that consider their interests, expectations, and influence on the Group's operations, with a particular emphasis on aspects related to sustainability. Our main categories of stakeholders are:

- Customers;
- Employees;
- Shareholders and financial partners;
- Suppliers and business partners;
- Regulatory authorities, institutions and policymakers; and
- Local communities and civil society.

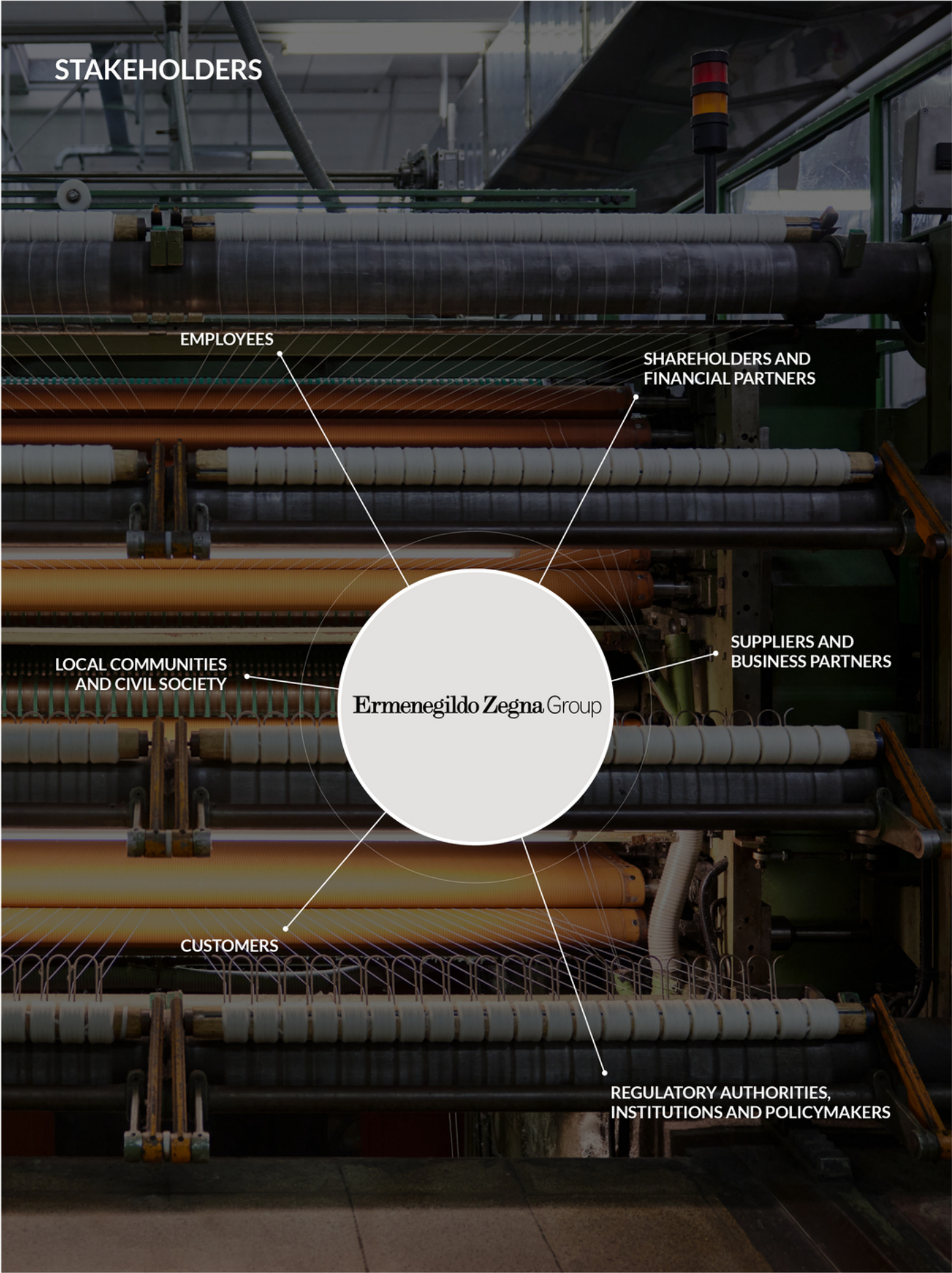
These categories include the media and bodies representing the interests of various stakeholders.

The Group welcomes constructive dialogue with relevant stakeholders, recognizing their fundamental role in fostering understanding, collaboration, and the co-creation of value for the benefit of all. When applicable, the outcome and findings from dialogue with stakeholders contribute to the discussions held by the Board of Directors of the Group and its standing Committees, in particular the Governance & Sustainability Committee, in relation to the Group's sustainability strategy.

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<sup>8</sup> For more information see: [Stakeholder Engagement policy](#).





**Employees:**

Engaged and well-supported employees are essential to the sustainable growth of the Group. Several tools allow employees to stay up to date with the latest company news, e.g. the EaZy intranet, the Zegna4U newsletter, and the My Zegna World platform (dedicated to welfare initiatives). Employees are also engaged through surveys. Ad hoc events help to spread news about collections, financial performance, and Group objectives. We offer training and performance review programs to employees, and an induction program for new hires, with the goal of building a welcoming Group culture.

**Shareholders and financial partners:**

We recognize the importance of transparent communication with shareholders and financial partners regarding our ESG practices. The Group provides open and consistent communication, including regular updates on performance, strategic objectives, and the latest developments. Through presentations and events such as webcasts, the Group provides insights and updates, while actively soliciting feedback from its shareholders. Information about the Group can be found on the institutional website, and specific queries can be submitted to the Group Investor Relations Director.

**Customers:**

Customer expectations and preferences on social and environmental aspects contribute to the design of our product offering. We dedicate the utmost attention to our customers, both in-store and online, thanks to our experienced retail teams, whose goal is to convey the brands' values and heritage, as well as offering a unique and personalized experience. Events at stores and customized services, such as the made-to-measure offering, allow customers to enter into each brand's world. Customers can reach the brands through Client support services (email and phone service) and the CRM teams.

**Suppliers and business partners:**

We actively engage with partners who share our commitment to responsible business practices. Building a strong and long-lasting relationship with our suppliers is at the core of our strategy. We maintain day-to-day communication with our suppliers and over the years we have built a collaborative approach based on mutual trust and mutual sharing of knowledge to drive innovation. We engage with our suppliers in the development of materials and product standards, and we actively involve them in projects to foster responsible practices along our value chain.

**Regulatory authorities, institutions, and policymakers:**

The Group participates in various local and international initiatives organized by professional associations and non-governmental organizations (NGOs), such as The Fashion Pact. A constructive dialogue with policymakers and appropriate engagement with authorities contribute to the responsible management of our operations. Our engagement with trade associations reflects our commitment to supporting the broader fashion industry. By working closely with key organizations, and by participating in industry initiatives, the Group is helping to drive positive change in the fashion industry, enabling a platform for collaboration and sharing of best practices.

**Local communities and civil society:**

We acknowledge the impact our operations may have on local communities and society in general. Through dialogue and collaboration, the Ermenegildo Zegna Group seeks to understand community concerns when making strategic decisions. One example is the Oasi Zegna, a nature reserve open to the public in Alpi Biellesi (Biellese Alps) created by our founder, Ermenegildo Zegna, in the 1930s. Here local business enjoys rent-free space to pursue their commercial activities.



## ASSOCIATIONS & ORGANIZATIONS

We believe in maintaining dialogue with local and international organizations and participating in industry working groups; thus, we are involved in various associations and organizations pertinent to our business activities. We are committed to increasing transparency along our supply chain; to that end we participate in responsible market initiatives such as The Fashion Pact, Textile Exchange and Zero Discharge of Hazardous Chemicals (ZDHC).

### **CNMI (Camera Nazionale della Moda Italiana):**

The National Chamber of Italian Fashion fosters the strategic growth of the Italian fashion industry supported by key groups like ours and entertains close relationship between the private and the public sector.

### **Altgamma:**

Since 1992, Altgamma has gathered high-end Italian cultural and creative companies, representing the Italian luxury businesses in fashion, design, gastronomy, and hospitality. It promotes Italian craftsmanship, innovation, and creativity to the world, building institutional relationships at national and international levels.

### **Associazione Tessile e Salute di Biella:**

The Group is a member of the Textile and Health Association of Biella, which promotes health and wellbeing for employees and consumers. The association raises awareness of possible health risks and promotes best practices for workers and consumers, providing information, training, and support to make a safer and healthier workplace.

### **Associazione Industriali di Novara:**

The Industrial Association of Novara promotes the interests of its industrial sector members and supports the local economy via initiatives and services, working closely with local stakeholders and institutions to drive economic development and foster innovation and competitiveness in the region.

### **Confindustria Moda:**

Confindustria Moda (ex-Sistema Moda Italia) is one of the largest worldwide organizations representing the textile, apparel and leather industry. It represents the entire supply chain on a national and international level and maintains relations with government agencies, public administration, and with economic, political, labor and social organizations. Confindustria Moda is committed to making the textile, apparel and leather sector one of the most important economic resources of Italian industry.

### **Italy-Japan Business Group:**

The Italy-Japan Business Group is an associative body created by the Italian and Japanese business communities, under the patronage of their respective Ministries of Economic Development (MiSE and METI), to promote greater industrial cooperation between the two countries and foster permanent dialogue between the two business communities, with the support of their respective institutions.

### **Re.Crea:**

In 2022, the Group contributed to founding the Re.Crea consortium, an organization dedicated to promoting sustainability in the fashion and textile industries and coordinated by the CNMI. Its goal is to manage the end-of-life phase of textile and fashion products, and to promote the research and development of innovative recycling solutions.

### **Textile Exchange:**

Textile Exchange is a non-profit organization that promotes sustainable textile materials and processing methods. Textile Exchange provides tools, resources, and certifications to support businesses in moving to more sustainable models, collaborating with various stakeholders for a more sustainable future.

## The Fashion Pact:

The Fashion Pact is a coalition of fashion and textile companies dedicated to addressing the industry's environmental challenges. The Group joins industry leaders in working to reduce fashion's environmental impacts, with initiatives focused on climate, biodiversity, and ocean health.

## Unione Industriale di Biella:

The Unione Industriale di Biella (Biella Industrial Union) is an association of entrepreneurs whose purpose is to support and develop industry in the area. The union represents local businesses in the textile, fashion, and manufacturing sectors, promoting their competitiveness through networking, training, advocacy, and financial advice.

## Unione Parmense degli industriali:

The Unione Parmense degli industriali (Parma Union of Industrialists) represents companies from various sectors. It fosters their development and competitiveness through networking, training, and advocacy. It provides services such as legal and financial advice and organizes events and programs to promote the local economy and stimulate economic growth and innovation.

## Zero Discharge of Hazardous Chemicals (ZDHC):

ZDHC is a multi-stakeholder organization comprising over 320 signatories from across the industry, including brands, suppliers, solution providers and suppliers of chemicals. ZDHC's Roadmap to Zero Programme is a leading initiative for the fashion industry to eliminate harmful chemicals from its global supply chain.

In 2024 the Group did not make any contribution to or spending for political campaigns, political organizations, lobbyists or lobbying organizations, or any other activities beyond those with associative purposes or other groups whose role is to influence political campaigns or public policy and legislation.



# Our ESG Materiality Assessment

In 2024, the Group proceeded to update its materiality analysis in compliance with the 2021 GRI Universal Standards. The analysis was aimed at either confirming or identifying new material topics with respect to the previous analysis conducted in 2022 and confirmed for 2023.

The analysis was updated following the four steps provided by the GRI Standards:

- Understand the organization's context;
- Identify actual and potential impacts;
- Assess the significance of the impacts;
- Prioritize the most significant impacts for reporting.

The first step for the identification of new material topics consisted in a desk analysis of the Group's main activities and the design of its value chain to better identify the impacts the Group has or might have on the economy, the environment and people. Then, the main impacts of the fashion industry were considered, consulting official sources (e.g. The Fashion Pact, Textile Exchange, Fashion Transparency Index), as well as the sustainability reports of the Group's main competitors.

The analysis led to the identification of 21 impacts, both actual and potential, positive and negative.

To assess the significance of the impacts, these were prioritized based on the following parameters, according to the GRI Standards:

- Scale: how grave the impact is;
- Scope: how widespread the impact is;
- Irremediable character: how hard it is to remedy to the impact generated.

The combination of the three parameters defines the severity of the impact, which has been assessed together with the probability of its occurring (for potential impacts only).

Finally, a threshold was determined to define material impacts. This resulted in the definition of 16 material impacts, which are described below.

The list of material topics was formally presented to the Board of Directors of Ermenegildo Zegna N.V. on November 21, 2024.





MATERIAL TOPIC	IMPACT	DESCRIPTION	POSITIVE/ NEGATIVE	POTENTIALITY	VALUE CHAIN
Climate Change	Climate change due to GHG emissions (both direct and indirect)	Livestock rearing, cultivation, and fossil fuel extraction are activities characterized by high greenhouse gas emissions, significantly contributing to climate change. For the Group, these challenges are particularly relevant in the context of sourcing natural fibers and the environmental impact of the supply chain. Furthermore, all activities within the value chain, especially logistics and material processing, involve substantial energy consumption.	Negative	Actual	Upstream Direct Downstream
Pollution and Ecosystem Damage	Soil and water pollution due to contaminated and uncontrolled water discharges	During livestock rearing and cultivation, various chemicals are utilized at different stages, posing risks of soil and water contamination. Moreover, the processing of leather and other materials used by the Ermenegildo Zegna Group, like leather and wool, significantly impacts the environment due to the chemicals involved in these processes.	Negative	Potential	Upstream Direct
	Ecosystems damage due to the disposal of textile products	Often, textile products, like those produced by the Ermenegildo Zegna Group, end up in landfills due to their low recyclability, posing an environmental challenge.	Negative	Potential	Downstream
	Inadequate waste management in operations and production processes of the value chain	Within its direct operations and throughout its supply chain, the Ermenegildo Zegna Group's activities mainly produce textile and industrial waste.	Negative	Potential	Upstream Direct Downstream

<b>Resource Use &amp; Biodiversity</b>	Water resource depletion due to excessive water consumption in production processes	The Ermenegildo Zegna Group's value chain, especially its animal breeding and farming operations, demands substantial amounts of water. Very water-intensive activities are also the dyeing and finishing processes conducted in factories. Poor water resource management can exacerbate local water scarcity and diminish water availability for the local community.	Negative	Actual	Upstream Direct
	Loss of biodiversity due to livestock breeding and production processes along the value chain	The Group has an impact on biodiversity through the sourcing of virgin raw materials. The major impacts are generated through the transformation of natural lands or forests into agricultural and farming soils.	Negative	Actual	Upstream
	Resource depletion due to excessive use of virgin raw materials	The Ermenegildo Zegna Group's utilization of natural resources can lead to the depletion of these materials and harm their native ecosystems. Additionally, the substantial volume of materials used for packaging products further exacerbates this issue, contributing to environmental challenges.	Negative	Potential	Upstream



<b>Human &amp; Labor Rights</b>	Workplace injuries due to failure to respect the health and safety of workers	The Ermenegildo Zegna Group's operations in the textile industry are associated with various health and safety hazards, stemming from the use of chemical substances, the handling of machinery, inadequate personal protective equipment, and the potential for work-related illnesses.	Negative	Actual	Direct Downstream
	Lack of control of human rights along the value chain	The extended supply chain of the fashion industry heightens the potential for human rights abuses, with such infractions occurring more commonly at the earlier stages of the value chain, particularly in relation to forced labor and child labor. At the same time, violations of human rights can also happen within the Group's perimeter and negatively impact its employees.	Negative	Potential	Upstream Direct Downstream
	Discrimination and diversity violation due to inappropriate D&I strategies	The potential presence of a non-inclusive work environment and a lack of respect for diversity and equal opportunities within the Ermenegildo Zegna Group can lead to discrimination and a negative work environment. This has an impact on staff development, turnover and human dignity.	Negative	Potential	Direct Downstream
<b>Education and Training</b>	Improving people's skills with effective training and education initiatives	The offer of training courses contributes to the personal and professional development of Ermenegildo Zegna Group employees. At the same time, such activities can have a positive impact on employee well-being, turnover, and production.	Positive	Actual	Direct Downstream
<b>Employee wellbeing</b>	Enhancing employees and family's wellbeing through attentive support	The presence of initiatives dedicated to employees and their families has a direct positive impact on the well-being of the Group's people. At the same time, such initiatives contribute to the creation of a positive working environment.	Positive	Actual	Direct Downstream

<b>Community</b>	Supporting the growth of the local community along the value chain	The Group is directly involved in the development of the local communities in which it operates thanks to the presence of various activities and initiatives aimed at supporting the context in which it operates, such as Oasi Zegna.	Positive	Actual	Direct
	Violation of customers and third party's privacy due to data breaches	The potential for hacker attacks, without proper preventative measures in place, could negatively affect the privacy of customers and third parties due to the loss or compromise of sensitive information. This impact is aggravated by the fact that the Group operates in a highly regulated context such as that in compliance with the GDPR.	Negative	Potential	Downstream
<b>Animal Welfare</b>	Failure to protect animal's welfare	The Group's supply of animal fibers, such as leather and wool, have a direct impact on animal welfare as they require practices such as animal shearing to be carried out in the upstream stages of the value chain. If these activities are not managed properly, there can be a negative impact on animal welfare.	Negative	Potential	Upstream
<b>Ethical practices with actors in the value chain</b>	Unethical management of the relationship with value chain actors	Unethical management of the Group's business relationships can have an impact on the players in the Group's value chain. Given the Group's balance of power towards processing suppliers or raw materials suppliers, the Group might be involved in practices that undermine fair competition and ethical conduct with these suppliers.	Negative	Potential	Direct



# Governance & Ethical Commitment



# Corporate Governance

Ermenegildo Zegna N.V. (the “Company”) is a Dutch public limited liability company (naamloze vennootschap) listed on New York Stock Exchange (NYSE), since December 20, 2021, under the ticker symbol ZGN. The Company complies with NYSE rules for foreign private issuers and intends to endorse the principles and best practice provisions of the Dutch Corporate Governance Code (DCGC) on a “comply or explain” basis.

## Composition of Board of Directors and Committees

In accordance with its Articles of Association, Ermenegildo Zegna N.V. is managed by a one-tier Board of Directors (the “Board”), consisting of one or more executive directors having responsibility for day-to-day management of the Company, and one or more non-executive directors having oversight responsibilities but not responsibility for day-to-day management. The non-executive directors oversee the executive directors' policy and performance of duties and supervise the Group's general affairs and its business.

The Board as a whole is responsible for the strategy of the Company, with a focus on sustainable long-term value creation, taking into account relevant stakeholders' interests.

Directors are appointed for one year by the general meeting on a binding nomination by the Board. Each director is appointed for a term ending at the close of the first annual general meeting following his or her appointment and may be reappointed.

The Board consists of one executive director and ten non-executive directors. The sole executive director is Mr. Ermenegildo Zegna di Monte Rubello, who serves as the CEO and Chairman of the Board.

The Board may allocate its duties and powers to directors and to the committees of the Board, in accordance with mandatory Board regulations.

The Board established three permanent committees in charge of assisting and advising the Board in its decision-making process within their respective scope of responsibilities:

- **Audit Committee:** entrusted with the oversight of, among other things, the integrity and quality of the financial reporting and the effectiveness of the Group's internal control systems and procedures;
- **Compensation Committee:** responsible for assisting and advising the Board in determining remuneration structure, executive and non-executive directors' compensation, and implementation of equity incentive plans, consistent with the Group's Remuneration policy<sup>9</sup>; and
- **Governance and Sustainability Committee:** responsible for assisting and advising the Board in determining the criteria for professional and personal qualifications for candidates to serve as a director, and periodically assessing the Board composition and functioning. This committee also assists and advises the Board on sustainability policies and practices followed by the Group and oversees the integrity of the sustainability reporting.

<sup>9</sup> For further information please see: [Remuneration policy for the Board of Directors of Ermenegildo Zegna N.V.](#)



Each standing committee is comprised of at least three non-executive directors, a majority of whom is independent both under the NYSE listing standards and under the DCGC rules. Audit Committee members are also required to be independent under Rule 10A-3 of the Exchange Act. Each of the Company's committee has a written charter, adopted by the Board. The current charters can be found on the Company's website at [www.zegnagroup.com](http://www.zegnagroup.com).

As of the date of this report, all members of the Company's Audit Committee and Governance and Sustainability Committee, as well as two members out of three of the Compensation Committee, including the Chairperson, are considered independent both under the NYSE listing standards and under the DCGC rules.

As of December 31, 2024, the Board was composed of eleven members, as shown in the following table<sup>10</sup>:

Directors	Nationality	Age Tier	Executive	Non-Executive	Independence		Committees		
					NYSE Rules	Dutch Rules	Audit	Compensation	Governance & Sustainability
Mr. Ermenegildo Zegna di Monte Rubello (Chairman and Chief Executive Officer)	Italian / Swiss	> 50	●						
Mr. Sergio P. Ermotti (Lead Non-Executive Director)	Swiss	> 50		●	●				
Mr. Andrea C. Bonomi	Swiss / American	> 50		●	●				
Ms. Angelica Cheung	Chinese	> 50		●	●	●			●
Mr. Domenico De Sole	American	> 50		●				●	
Mr. Ronald B. Johnson	American	> 50		●	●	●	●		●
Ms. Valerie A. Mars (Audit Committee Chairman)	American	> 50		●	●	●	●	●	
Mr. Michele Norsa (Governance & Sustainability Committee Chairman)	Italian	> 50		●	●	●	●		●
Mr. Henry Peter (Compensation Committee Chairman)	Swiss / French	> 50		●	●	●		●	
Ms. Anna Zegna di Monte Rubello	Italian	> 50		●					
Mr. Paolo Zegna di Monte Rubello	Italian	> 50		●					

<sup>10</sup> For more information regarding the Board members, please refer to the Group's corporate website or to ITEM 6. A of Form 20-F.

## CEO, Chair and Lead Non-Executive Director

The Board has designated Mr. Ermenegildo (Gildo) Zegna di Monte Rubello, executive director, also as Chairperson and Chief Executive Officer and Mr. Sergio Ermotti, non-executive director, as Lead Non-Executive Director, being the chair (*voorzitter*) as referred to under Dutch law, responsible for ensuring that the Board and its committees function properly and that meetings are led in a proper manner, with adequate time for deliberation and decision-making. He also acts as a guarantor of the prevention and mitigation of conflicts of interest within the Board. In light of the above, the Lead Non-Executive Director also serves as an appropriate counterbalance to the CEO & Chairman.

## Non-Executive Directors

The Board determines the number of executive directors and non-executive directors, provided that the majority of the Board consists of non-executive directors. NYSE listing standards generally require a majority of Board members to be “independent” as determined under the NYSE listing standards. While the DCGC, in principle, requires that a majority of non-executive directors be “independent,” the definition of “independent” under the DCGC differs in its details from the definition of “independent” under the NYSE listing standards. In some cases, DCGC requirements are stricter; in other cases, the NYSE listing standards are stricter. As of December 31, 2024, a majority of the members of the Board were independent under NYSE rules (7 out of 11) and 5 out of the 10 non-executive directors of the Board were independent under the Dutch provisions.

Meetings of the Board are generally followed by an executive session, i.e. a meeting of the non-executive directors chaired by the Lead Non-Executive Director, who reports thereon to the Chairperson.

## Board diversity and inclusion

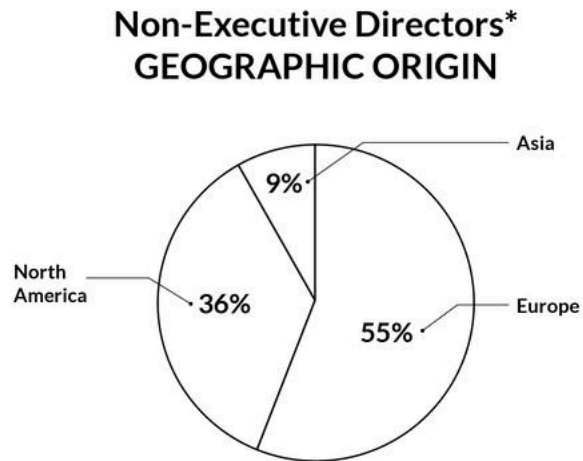
The Board has adopted a diversity and inclusion policy<sup>11</sup> to ensure gender representation and diversity in the composition of the Board and to promote inclusiveness, in accordance with applicable law and in pursuance of best market practices. The policy is meant to ensure that the Board has sufficient diversity of views and the expertise needed for a good understanding of current affairs and longer-term risks, as well as strategic opportunities. Diversity also helps the Board to consider the nature and complexity of the Group’s business activities and the social and environmental context in which the Group operates. According to the Diversity and inclusion policy, the Board’s composition should also attempt to reflect the geographic spread of its business and the strategic orientations of the Group. The policy also affirms the value of an inclusive working environment, where ideas and insights of each member are respectfully heard and considered, as a strategic advantage for the creation of sustainable long-term value.

Notwithstanding the above, the selection of candidates for appointment to the Board is primarily based on merit. The Board and its Governance and Sustainability Committee consider and propose candidates who, in respect of (among other things) nationality or cultural background, age, gender, and educational and professional experience, bring an appropriate combination of skills and expertise demanded by the strategic orientation of the Group and the markets in which it operates.

<sup>11</sup> For more information see: [Diversity and inclusion policy for the Board of Directors of Ermenegildo Zegna N.V.](#)

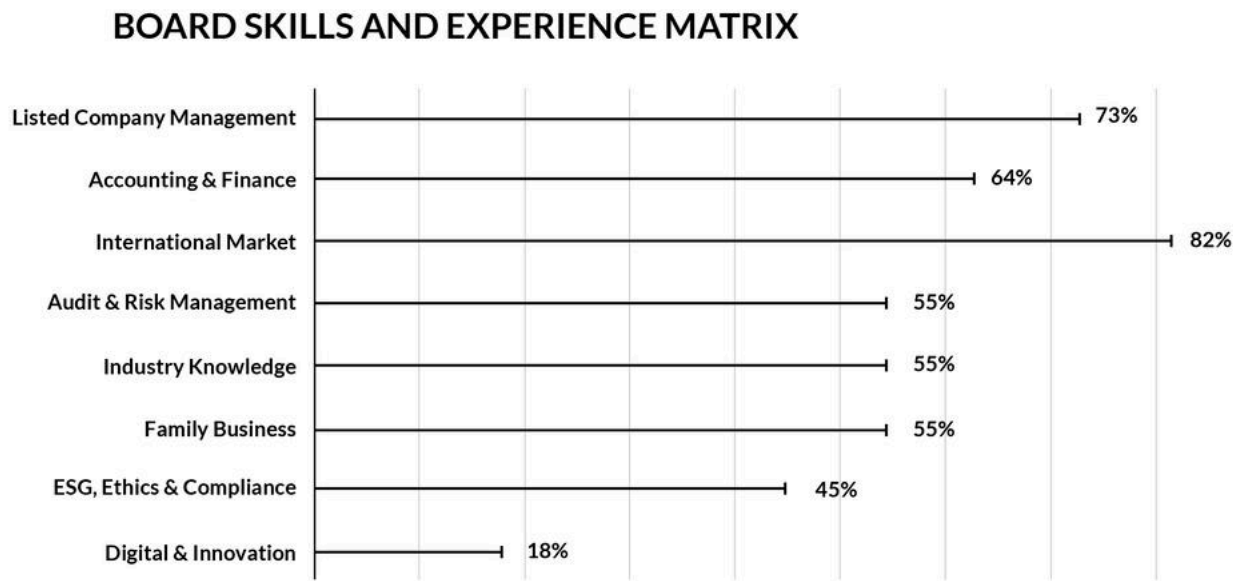
In 2024, the composition of the non-executive directors group met these diversity targets:

- Non-executive directors include directors with an Asian, European and/or North-American background (nationality, working experience or otherwise), consistent with the geographic presence of the Group’s business;
- At least 30% of non-executive directors are women; and
  - Non-executive directors have a strong and balanced diversity of skills and complementary expertise that elicits fruitful discussions and enables the Board to perform its oversight duties in the best interests of the Group.



\*Andrea C. Bonomi having both Swiss and American nationalities

Main areas of experience and expertise brought by each Board member during 2024 can be summarized in aggregate as follows:





## Annual evaluation of the Board, Committees and Directors<sup>12</sup>

In accordance with the DCGC, the Board regulations, and the charters of the three committees, the Board carries out annual evaluations of the functioning of the Board and of the three committees. This also includes evaluations of the performance of each director.

After two Board evaluations carried out with the support of an external expert (2022 and 2023) and no major changes to the Board composition or the Company's operational or governance structure, the 2024 Board evaluation was conducted through an online anonymous questionnaire. The questionnaire focused on Board composition, organization & dynamics, and deepened on recommendations made during the previous evaluations. It included also the Committees evaluation and the individual assessment of each Director.

The outcome of the assessment was analyzed by the Governance & Sustainability Committee and presented to the Board with a proposed action plan. The non-executive directors discussed the findings without the Chairman and Chief Executive Officer being present. Each Committee deliberated on its own evaluation and the Lead Non-Executive Director reviewed the results of the self and peer individual reports.

The conclusion reiterated that (i) the Board's size and composition were strong, with Directors bringing extensive and relevant experience, valuable insights and engagement with the brand(s) while allowing the opportunity to bring in younger independent members, (ii) the collective leadership of the Chair and Lead Non-Executive Director was appreciated, (iii) the Committees were contributing positively to the Board's overall performance and that (iv) the Board's functioning was overall effective. The evaluations of the committees concluded that there was no immediate need to amend the size or composition of the Audit Committee, the Compensation Committee or the Governance and Sustainability Committee, nor was there any reason to amend their charters.

In pursuance of the evaluation, the non-executive directors adopted an action plan containing concrete actions to improve the Board's effectiveness further.

## FOCUS: Governance & sustainability

Sustainability has been part of our ethos since our inception. It is as much a part of our DNA and history as the quality of our products. This carries over into everything we do, from the technology used to create products to the constant dialogue with customers and suppliers, shareholders, potential shareholders and analysts. In this regard, both a policy on bilateral contacts with shareholders<sup>13</sup> and a Stakeholder Engagement policy have been adopted by the Board. Both are available on the corporate site.

In accordance with DCGC and Board regulations, the Board, with the support of the Governance and Sustainability Committee, is continually working towards sustainable long-term value creation, taking into account business impacts on the economy, environment, and people, as described in this report.

## Governance and Sustainability Committee

The Governance and Sustainability Committee advises the Board and acts under authority delegated to it by the Board with respect to:

- Drawing up recommendations on criteria, professional and personal qualifications for candidates to serve as directors;
- Periodic assessment of the size and composition of the Board;
- Periodic assessment of the performance of individual directors and reporting on this to the Board;
- Proposals to the non-executive members of the Board for the nomination and renomination of directors to be appointed by the General Meeting;
- Supervision of the policy on the selection and appointment criteria for senior management and on succession planning;

<sup>12</sup> For more information see: [Ermenegildo Zegna N.V. Board Regulations, 9. Annual evaluation of directors.](#)

<sup>13</sup> For more information see: [Policy on bilateral contacts with shareholders.](#)

- Evaluation on the Group's sustainability policies and practices, management standards, performance and governance globally;
- Recommending strategic guidelines for sustainability-related issues; and
- Reviewing the annual Sustainability Report and overseeing its integrity.

In 2024, the Governance and Sustainability Committee consisted of Mr. Michele Norsa (Chairman), Mr. Ronald B. Johnson and Ms. Angelica Cheung.

In 2024, four (4) meetings of the Governance and Sustainability Committee took place. Reports of each meeting were made to the Board.

In consultation with the Lead Non-Executive Director, the Governance and Sustainability Committee prepared the annual evaluation of the functioning of the Board and committees and the individual performance of the Directors.

The Governance and Sustainability Committee supported the Board in carrying out the Directors' independence analysis and the review of their continuation, both analyses being performed on an individual basis, carefully examining the impact of certain events on the Group's governance structure and the committees' composition.

In the field of sustainability, the Governance and Sustainability Committee reviewed the Sustainability Report, notably in the light of applicable standards such as GRI and SASB reporting standards and TCFD framework. It also reviewed the governance sections of the annual reports.

The Governance and Sustainability Committee advised the Board on the amendment of corporate governance documents following the entry into force of the 2022 DCGC, the content of the Human Rights Policy and the definition of the most relevant components of the ESG multiplier used in the variable remuneration of the management. It also reviewed and advised on the succession planning for top management.

The Governance and Sustainability Committee was regularly informed about the Group's climate strategy as well on new sustainability-related initiatives. In this regard, it supported the deployment of brand-specific strategies, designed to fit each brand's business specificity. The Committee is educated on an ongoing basis on the latest ESG requirements, the evolution of the ESG legal landscape and the Groups' readiness to face the most critical changes.

## Management's Sustainability Committees

The increasing relevance of sustainability as part of the Group's strategy and the numerous related projects involving all Brands, entities and functions across the Group led to the adoption of a new governance model dedicated to sustainability, with managerial committees operating at the Group and Brands level respectively:

- The **Group ESG Committee**, acting as think-tank for identifying new sustainability risks and opportunities. Such Committee monitors compliance with recent and emerging ESG-related regulations and oversees the execution of public commitments made by the Group. It will also monitor industry and global trends in sustainability to enhance sustainable long-term value creation.
- The **Brand ESG Committees** will be in charge of designing, implementing and monitoring the implementation and progress of each Brand's ESG initiatives and their alignment with own business strategy as well as with the Group ESG Strategy.

These two managerial committees are composed of permanent members, chosen among CEO direct reports and other employees directly involved in the management and development of the Group sustainability strategy. Other internal or external experts in sustainability strategy may also be invited to join the meetings of these managerial committees from time to time.

The Group Sustainability department is responsible for carrying out on a daily basis, the sustainability strategy, and identifying any potential projects and improvement areas to ensure the achievement of commitments made. Moreover, it engages with external and internal stakeholders, contributing to the spread of a sustainability culture in the Group. It is responsible for preparing the Sustainability Report, and, together with the Investor Relations team, is also responsible for managing sustainability ratings.

## Conflicts of interest

The Board is responsible for dealing with any conflict of interest that directors or majority shareholders may have in relation to the Company and has adopted in its Board Regulations measures to prevent conflicts of interest<sup>14</sup>. A Director may not participate in deliberations and decision-making processes on a subject if such Director has a direct or indirect personal conflict of interest with the Ermenegildo Zegna Group or an associated business enterprise. The Board decides whether a Director has a conflict of interest, and in that case such Director is not entitled to vote in relation to that subject. If the Board is unable to adopt a resolution because all directors are unable to participate in deliberations and decision-making processes due to a conflict of interest, the resolution may nevertheless be adopted by the Board, disregarding the identified conflict of interests for the specific instance.

Conflicts of interest may arise from the Group's relationship with related parties. The related parties of the Group are all entities and individuals, including their close family members, capable of exercising control, joint control or significant influence over the Group and its subsidiaries, including the Group's controlling shareholder. Ermenegildo Zegna Group's related parties also include the Company's associates and joint arrangements, members of the Board and executives with strategic responsibilities, as well as their families and entities controlled by them. The Group also adopted a Related Party Transaction policy aimed at identifying, analyzing and evaluating related-party transactions carrying a potential conflict of interest<sup>15</sup>.

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<sup>14</sup> For more information see: Ermenegildo Zegna N.V. Board Regulations, 7. Conflict of interest.

<sup>15</sup> Annually disclosed in ITEM 7.B Form 20-F.



# Code of Ethics & Responsible Business Practices

The Ermenegildo Zegna Group has adopted a Code of Ethics<sup>16</sup>, approved by the Board of Directors on December 17th, 2021, and published on the corporate website.

The Code of Ethics is applicable to the whole Ermenegildo Zegna Group, and it applies to all directors, officers, employees and collaborators, and anyone who acts for, or has business dealings with the Group.

The Group believes in and complies with the principles and values of legality, integrity, equality and impartiality, transparency, correctness and reliability, professionalism, confidentiality, human resources and human rights, health and safety, environmental protection, and fair competition. In this regard, the Code of Ethics is the cornerstone of the Group governance model and promotes the Group values across the organization as well as towards its stakeholders. It provides essential guidance to leadership, employees, and other stakeholders on how best to navigate their respective roles in a responsible and ethical manner, ensuring compliance with laws and regulations.

To incorporate such principles into day-to-day business practices, the Group translated the principles of the Code of Ethics into specific policies such as anti-corruption, anti-money laundering and sanctions, tax, antitrust, human rights, diversity, equity and inclusion, parental leave<sup>17</sup>. The Group has also established policies on occupational, health and safety, environmental management and chemicals management, reflecting its constant commitment to responsible, compliant and sustainable business practices.

In March 2025, the Group has updated its Supplier Code of Conduct to reflect more ambitious standards, in line with evolving industry norms, regulatory requirements and heightened customers' expectations. The new Group Supplier Code of Conduct details the suppliers' obligations when working with the Ermenegildo Zegna Group and associates stakeholders to its efforts to promote responsible and sustainable business practices throughout the supply chain.

It is crucial to have an adequate system of reporting and investigating any suspected breaches of the Code of Ethics. The Group thus adopted a Misconduct Reporting policy wherein employees and third parties are required to report any suspected breaches of the Code of Ethics committed in the course of business activities. Whistleblowers are guaranteed protection from any form of reprisal, in accordance with the principles of transparency, traceability and confidentiality.

The Code of Ethics is communicated to employees and third parties in the most efficient manner. It is available in English and the ten other main languages spoken in the Group. An online training program is provided to new hires and on a regular basis to all employees to ensure proper understanding and constant alignment with the prescriptions of the Code of Ethics. Employees are requested to inform third parties with whom they have business dealings about the relevant provisions of the Code of Ethics.

The Compliance & Risk Management function, with the support of the Legal Affairs and Human Resources functions, monitors the effective observance of the Code of Ethics and the execution of internal training activities.

<sup>16</sup> For more information see: [Code of Ethics document](#).

<sup>17</sup> For more information on the Group policies see: [Governance documents](#).

The Group has in place a standardized process for the implementation, cascading and training of its policies, guidelines and procedures, also through a new dedicated global training platform. Cascading and training activities to the different legal entities are implemented through the most appropriate communication tools and channels.

A section of the Code of Ethics is dedicated to the importance of an efficient and effective internal control system. Such a system is essential if business is to be conducted in accordance with the Code of Ethics. During 2024 the Compliance & Risk Management and Group Internal Audit functions strengthened the internal control system and auditing activities.

### **Risk management**

The Group's Enterprise Risk Management (ERM) system consists of identifying, assessing and managing the risks that can affect the Group. It is formalized in the ERM guidelines, based on the main international best practices (CoSO ERM).

The process involves the entire corporate organization and governance bodies, each within their scope of competence. The process is composed of various stages, including the identification of potential risks from a detailed risk catalog, as well as the analysis and evaluation of these risks, the planning of mitigation measures, and ongoing monitoring to ensure effective risk management.

To ensure the effective implementation of this process, our risk management system is structured along three lines. The first line consists of operational teams that act as risk owners, managing the risks in day-to-day activities, implementing controls and ensuring operational effectiveness. The second line consists of the Group Compliance and Risk Management function, which provides oversight and support, ensures that risk management objectives are met and monitors controls. This function also assists risk owners in setting target risk exposures twice a year, and reports risk-related information throughout the organization. The third line is the Group Internal Audit Function, which provides independent assurance that policies are followed, and processes are carried out in line with management's risk strategy. The Group Internal Audit Function reports directly to the Audit Committee which informs and advises the Board on risk exposures and the effectiveness of risk management system.

The main objective of the Group's risk management is to protect the Group from potential financial losses, damage to reputation, and other negative impacts. The Group's risk management process helps management define the appropriate strategies to mitigate the identified risks. These strategies may include implementing internal controls, ensuring certain risks are managed, or changing the way business is managed. Additionally, the Group is committed to constantly monitoring the effectiveness of risk management measures and making any necessary adjustments. This process is crucial to ensuring the continuity of our business operations and to protecting the Group's interests.

The Group's ERM system integrates climate-related risks into its comprehensive framework. The ERM dynamic approach is in alignment with TCFD recommendations (for more information please refer to the section "TCFD Disclosure").

# Whistleblowing

The Misconduct Reporting policy<sup>18</sup>, adopted in December 2021, is intended to encourage everyone working for, or with, the Ermenegildo Zegna Group to report any misconduct confidentially and without fear of reprisals. The policy sets out reporting procedures, including how these will be followed up, and how whistleblowers are protected.

The Group encourages an open culture and emphasizes the importance of employees and other interested parties raising any concerns to assess, investigate and gather additional information if required. An awareness-raising campaign for the Misconduct Reporting policy was launched for all employees and followed by compulsory training activity.

To facilitate the receipt of whistleblowing reports, the Group adopted the following channels of communication:

- Web portal with multiple languages available; and
- Dedicated phone line.

Both are hosted by an independent supplier and are available 24 hours a day, seven days a week, in multiple languages.

Under the Misconduct Reporting policy, employees and other interested parties who wish to report misconduct (i.e. “whistleblowers”) can file a misconduct report through one of the channels of communication mentioned above. Employees can also seek advice and/or report the alleged misconduct to their immediate supervisor or relevant HR representative.

Whatever the selected channel of communication, the Group ensures that employees will not be dismissed, demoted, suspended, threatened, bullied, or discriminated against in the workplace because they lodged a good faith misconduct report.

The Group takes every misconduct report seriously. A cross-functional managerial committee (the Ethics Committee) helps ensure maximum transparency. The Ethics Committee conducts the initial assessment and classifies all misconduct reports received, based on the description of facts, events, or circumstances. In case the report is not sufficiently detailed, the Ethics Committee is entitled to request the whistleblower, where feasible, to provide additional information.

The whistleblower is recommended to periodically access the web portal or the hotline to monitor the progress of the case or submit additional information or clarifications as may be required to investigate the matter. The web portal and the hotline are the exclusive communication channels between the whistleblower and the team investigating the case, which ensures full traceability of the investigation.

The Ethics Committee examines misconduct reports and decides whether they were made in good faith; it also decides whether to continue the investigation process. Depending on the circumstances, the investigation may be conducted by the Internal Audit department, with the involvement of other internal functions as necessary; or a third-party provider may be appointed. The Ethics Committee meets periodically to review the status of misconduct reports and ensure that all necessary actions are being taken.

In 2024 no incidents of corruption and no illegal activities relating to behavior in breach of applicable antitrust laws or monopoly practices were reported.

The Audit Committee is systematically informed on any complaint regarding accounting, and internal control of auditing matters, and receives a periodic status update on misconduct reporting activities.

<sup>18</sup> For more information see: [Misconduct Reporting policy](#).



# Data Privacy & Cybersecurity

The Ermenegildo Zegna Group endeavors to handle personal data with the utmost care and in compliance with applicable laws. The Group defined an internal data protection governance - which is continuously monitored and updated, when and if needed - to ensure compliance with the standards of the EU General Data Protection Regulation and other national data protection regulations in the countries where the Group operates;

The Group therefore makes a priority of managing personal data collected in the course of its various business activities in a manner that strengthens the protection and security of all personal data collected against possible breaches.

Although the Group's IT systems are diversified, hosted in multiple server locations and supported by third-party cloud providers and a wide range of software applications adapted to the different regions and functions, the Group periodically assesses and implements actions to monitor and mitigate the risks inherent to these IT systems. Potentially material cybersecurity incidents are brought to the attention of the Audit Committee for final assessment and subsequent disclosure if need be.

In addition, the Group defined a robust set of policies and procedures to safeguard all personal data, which are constantly monitored also to reflect any changes in the Group's boundaries. Among the initiatives that were taken, state-of-the-art technologies (among which, for example, Identity Governance, Security Information Event Management and Compliance systems) have been adopted. In compliance with relevant applicable laws, access controls have been strengthened, and the IT systems are being monitored and tested on a regular basis to ensure that they remain secure and protected from cyber threats and data breaches.

The Group has also deployed across the entire organization a Security Education Platform to increase the level of employees' training and awareness of the matter, the Endpoint Management System and the Penetration Test, to assess and constantly raise the Group's level of protection in case of attacks.

The Group is committed to improving the accuracy and reliability of its services in order to minimize the risk of data breaches and protect the sensitive information of its customers, its employees and its stakeholders. With this aim, by taking a proactive approach to cybersecurity, the Group continuously works on initiatives in terms of Governance, Security Architecture and Cyber Defense<sup>19</sup>.

During FY 2024 we did not receive any substantiated complaints concerning breaches of customer privacy.

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<sup>19</sup> For more information please refer to the ITEM 16K of Form 20-F

# Social Commitment

A close-up photograph showing a pair of hands holding a long, white, fibrous material, likely wool or cotton, against a blurred background of similar material. The hands are positioned on either side of the material, with fingers gripping it. The material has a distinct texture with visible fibers and some darker, possibly stained or dyed, areas. The background is out of focus, showing more of the same material in a similar setting.

# Ermenegildo Zegna Group

## People

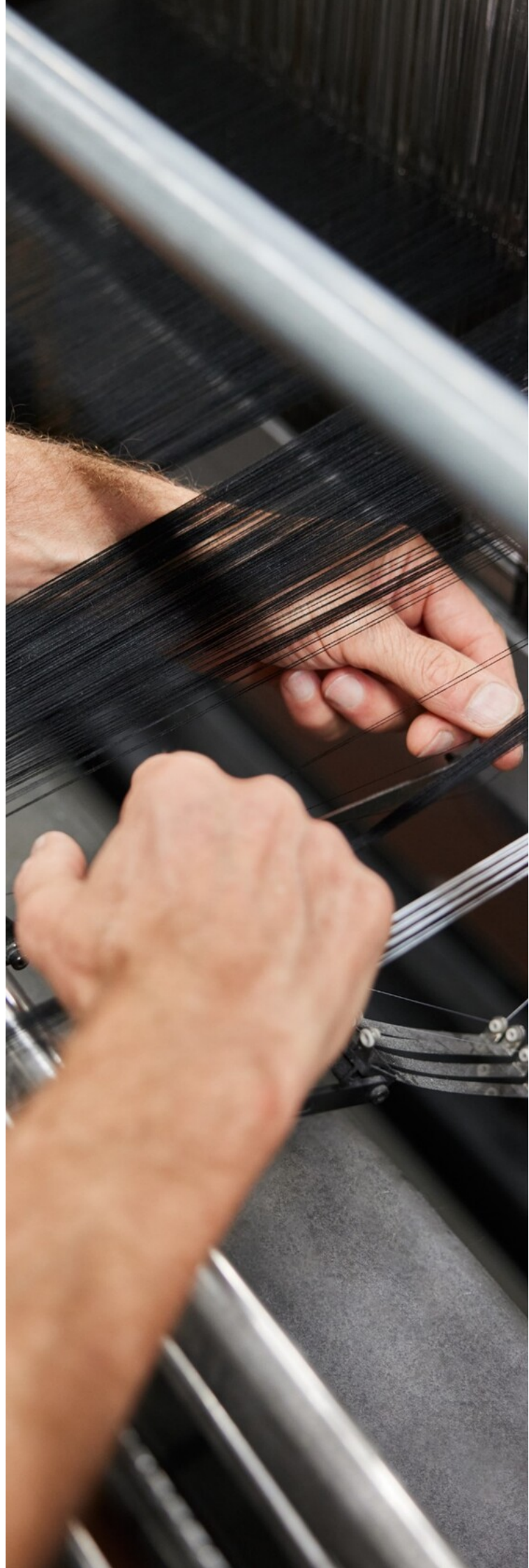
### People Strategy 2023-2025: Key Pillars and Strategic Focus

Our People Strategy is designed to align HR initiatives with business objectives, ensuring a people-centric approach that fosters growth, engagement, and high performance. The strategy is built on 6 pillars, each addressing key aspects of people management and organizational development.

- 1. Talent Attraction & Acquisition:** A strong organization begins with hiring the right talent. Our approach is centered on attracting top professionals by strengthening our employer branding and positioning ourselves as a destination of choice for high-caliber candidates. We achieve this by implementing more structured, data-driven recruitment processes, ensuring a seamless and engaging candidate experience. Additionally, we prioritize building strong partnerships with leading academic institutions to cultivate a multigenerational workforce—one where the needs and expectations of different generations coexist in a dynamic, inclusive, and collaborative environment.
- 2. Performance & Career Management:** We are committed to fostering an environment that values our people and promotes a meritocratic culture. Clear performance expectations and well-defined career pathways empower employees to reach their full potential. Our focus is on continuously enhancing evaluation processes, assessing multiple dimensions of performance and potential, and creating a culture of constructive feedback. By doing so, we enable meaningful, long-term career growth opportunities for our talent. Ensuring that employees see a tangible path for development is essential to driving engagement and retention.
- 3. Learning & Development:** Continuous learning is essential for both individual and organizational success. We are committed to providing opportunities for skill development, leadership training, and career progression, fostering a culture where employees are empowered to grow. Our efforts span across managerial excellence, manufacturing expertise, and clienteling skills—ensuring strong leadership, deepening our customer relationships, and preserving the invaluable know-how of Made-in-Italy craftsmanship. Future success depends on strong leadership. We are investing in leadership training, mentorship programs, and succession planning to cultivate a pipeline of capable, forward-thinking leaders who can guide the organization through future challenges.
- 4. Employee Engagement & Well-being:** An engaged workforce is the foundation of success and productivity. Our strategy prioritizes listening to employee needs and fostering an environment where they feel valued, motivated, and aligned with the company's mission. We believe that a strong system of welfare and well-being is essential to helping employees perform at their best, sustaining long-term engagement and driving high performance.



5. **Diversity, Equity & Inclusion (DE&I):** Building an inclusive workplace where diversity is respected is fundamental to our success. Our initiatives aim to promote fairness, representation, and equal opportunities for all employees, reinforcing a culture where everyone feels valued and empowered to contribute. Through enhanced policies and processes, we build an organizational culture where individuals from diverse backgrounds can belong in a spirit of collaboration and mutual respect.
6. **HR Digitalization & Process Optimization:** A fundamental focus is on making our HR infrastructure more solid and efficient, streamlining processes and systems to free up resources and time that can be dedicated to creating a more people centered organization. Leveraging technology to streamline HR operations enhances both efficiency and the employee experience. Digital tools, automation, and data-driven insights are key priorities, strengthening our HR infrastructure to support a dynamic, resilient, and high-performing workforce. By optimizing processes, focusing on future-ready skills, and fostering an environment of engagement, inclusivity, and continuous development, we are building a foundation where both our people and our business can thrive.



The table below reports data on employees and temporary employees that include the entirety of the Ermenegildo Zegna Group. In the other tables disclosed in the “Social commitment” chapter, data referring to FY 2023 and FY 2022 do not include TOM FORD FASHION, to reflect historical data shown in the Sustainability Report 2023.

### WORKFORCE - ERMENEGILDO ZEGNA GROUP<sup>20</sup>

Workforce	At 31 December 2024	At 31 December 2023 <sup>21</sup>	At 31 December 2022
	Total	Total	Total
Employees	7,185	6,925	6,030
Temporary employees <sup>22</sup>	210	276	226
<b>Total</b>	<b>7,395</b>	<b>7,201</b>	<b>6,256</b>

As of year-end 2024, the Group had a total of 7,185 employees, an increase of 3.8% from 2023. Our 2024 temporary employees include personnel not on the payroll of the local branches of the Group, and generally recruited via temporary employment agencies, and thus subjected to seasonal fluctuations over the reporting year.

### EMPLOYEES BY GENDER<sup>23</sup>

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
Employees	2,800	4,379	0	6	7,185	2,459	3,906	2	7	6,374	2,331	3,683	1	15	6,030
<i>Delta vs. previous year</i>	13.9%	12.1%	(100.0)%	(14.3)%	12.7%	5.5%	6.1%	100.0%	(53.3)%	5.7%					
<i>% on the total</i>	39.0%	60.9%	—%	0.1%	100.0%	38.6%	61.3%	—%	0.1%	100.0%	36.6%	57.8%	—%	0.2%	94.6%

In 2024, consistently with the previous year, women composed 61% of our overall headcount. The distribution share between men and women remained unchanged between 2024 and 2023, with similar ratios for both categories.

<sup>20</sup> The methodology for reporting the figure for the number of employees and temporary employees is considered at the end of the reporting period, so any fluctuations in the number of employees during the year are not reported.

<sup>21</sup> Total workforce data referring to FY 2023 reports data at Group Level, including also TOM FORD FASHION (551 employees; 74 temporary employees).

<sup>22</sup> The category “Temporary employees” is aligned with the definition used for the 20-F SEC filing of the Ermenegildo Zegna Group.

<sup>23</sup> In the following tables we use the following terminology for employees’ gender: “M” for Men, “W” for Women, “O” for other and “ND” for Not Disclosed

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

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
Permanent contract	2,725	4,254	0	6	6,985	2,367	3,788	2	7	6,164	2,241	3,535	1	14	5,791
<i>Delta vs. previous year</i>	15.1%	12.3%	(100.0)%	(14.3)%	13.3%	5.6%	7.2%	100.0%	(50.0)%	6.4%					
Fixed-term contract	75	125	0	0	200	92	118	0	0	210	90	148	0	1	239
<i>Delta vs. previous year</i>	(18.5)%	5.9%	N/A	N/A	(4.8)%	2.2%	(20.3)%	N/A	(100.0)%	(12.1)%					
<b>Total</b>	<b>2,800</b>	<b>4,379</b>	<b>0</b>	<b>6</b>	<b>7,185</b>	<b>2,459</b>	<b>3,906</b>	<b>2</b>	<b>7</b>	<b>6,374</b>	<b>2,331</b>	<b>3,683</b>	<b>1</b>	<b>15</b>	<b>6,030</b>

In 2024 the Group employed a total of 2,800 men and 4,379 women; 97% of male and 97% of women employees were on permanent contract, consistent with 2023 ratios. These high ratios reflect our commitment to invest in our people, to develop their professional skills, and to base the employer-employee relationship on a long-term commitment that promotes a stable work environment.

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

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
Full-time	2,698	3,812	0	6	6,516	2,364	3,362	2	7	5,735	2,229	3,147	1	15	5,392
<i>Delta vs. previous year</i>	14.1%	13.4%	(100.0)%	(14.3)%	13.6%	6.1%	6.8%	100.0%	(53.3)%	6.4%					
Part-time	102	567	0	0	669	95	544	0	0	639	102	536	0	0	638
<i>Delta vs. previous year</i>	7.4%	4.2%	N/A	N/A	4.7%	(6.9)%	1.5%	N/A	N/A	0.2%					
<b>Total</b>	<b>2,800</b>	<b>4,379</b>	<b>0</b>	<b>6</b>	<b>7,185</b>	<b>2,459</b>	<b>3,906</b>	<b>2</b>	<b>7</b>	<b>6,374</b>	<b>2,331</b>	<b>3,683</b>	<b>1</b>	<b>15</b>	<b>6,030</b>

As of the end of 2024, about 9% of employees were working part-time, almost in line with previous years. This shows that the Group offers employees the choice of flexible work conditions.

Our employee compensation combines a suitable balance of fixed and variable salaries, allowing us to reward initiative and promote talent, while ensuring a dignified salary package for lower-earning employees. Salaries are benchmarked against those of peers in the sector to ensure talent retention and attraction. Sales staff are given specific remuneration packages that include KPI-linked incentives to foster high-performance standards.

In line with the Dutch Corporate Governance Code, the Group has calculated its internal pay ratio that, as of December 31, 2024 is equal to 66.09<sup>24</sup>. For more information and historical data on the pay ratio, please refer to the Ermenegildo Zegna N.V Annual Report 2023 and 2022<sup>25</sup>.

<sup>24</sup> The internal pay ratio is calculated within the Ermenegildo Zegna N.V. (the "Company") and its affiliated enterprise. The internal pay ratio is calculated as the ratio between: (i) the total annual remuneration of the CEO; and (ii) the average annual remuneration of the employees of the Company and the Group companies whose financial data the Company consolidates, according to the Dutch Corporate Governance Code.

<sup>25</sup> For more information see: [Financial Documents](#).



# Diversity, Equity & Inclusion & People Engagement

Our diversity, equity and inclusion strategy (DE&I strategy) has evolved since its launch in 2022. Our approach is characterized by a desire to hear our people and to understand their unique needs. We believe that there is power and value in diversity, and that individuals should be seen and heard. An organization that treats its people with respect and dignity, and values them for their unique gifts, is stronger and more resilient. Human diversity is a fact; we choose to include this diversity, weaving the talents and unique expressions of our people into our organizational tapestry, whereby every voice is valued, every perspective is heard, and every individual is empowered.

## KEY INITIATIVES EXECUTED IN 2024:

In 2024, we strengthened our DE&I commitments, building on the foundation of our DE&I policy<sup>26</sup>, approved in April 2023. Reflecting this commitment, the new Group parental leave standards<sup>27</sup>, approved in 2023, were formally implemented in the first quarter of 2024. These standards ensure that all eligible employees receive six weeks (30 working days) of fully paid parental leave for childbirth, adoption, child custody, and alternative forms of birth, in accordance with local regulations. Where the law is more favorable, no additional provisions apply. This benefit is granted regardless of gender, sexual orientation, marital or relationship status, or any other protected characteristic.

Moreover, in 2024 we continued to refine our talent acquisition and retention strategy to strengthen our Group's commitment to DE&I and progress toward our goal of becoming an equal opportunity employer, one of our key ESG objectives. Building on the new global recruiting procedure introduced in 2023, which established a standardized and transparent framework for attracting, assessing, and selecting qualified candidates, this year we focused on training HR teams and hiring managers involved in the recruitment process. This training ensured consistency in applying the methodologies and tools defined by the procedure while also emphasizing the mitigation of unconscious biases in selection processes, such as CV analysis and interview management.

To further reinforce this effort, we launched an e-learning course covering the most common biases that may affect recruitment decisions. Recognizing the importance of equity, meritocracy, and performance across all HR processes, we publicly set a target for gender balance in top management<sup>28</sup>. We aim to achieve this target through initiatives targeted to the management level of the Group, which represents the succession pool for top management.

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<sup>26</sup> For more information see: [DE&I policy](#).

<sup>27</sup> For more information see: [Governance documents](#).

<sup>28</sup> For more information see: [page 5 of the DE&I policy](#).

To strengthen and monitor our efforts on the improvement of gender balance measures, we have begun the process of obtaining the Italian Gender Equality Certification (UNI/PdR 125:2022). In collaboration with Jointly, we identified the companies to be involved in the pilot phase, which currently includes four Zegna brand companies in Italy. A steering committee has been established, which has already developed and proposed the operational strategy. The goal is to achieve the certification for these companies by the end of 2025, and then extend the program to the other companies of the Group over the next two to three years. Meanwhile, activities related to the creation of policies, awareness-raising, and DE&I training are ongoing.

In 2024, we also launched the "We Talk About Inclusion" initiative to foster discussion and raise awareness around DE&I topics. The initiative consisted in various in-person events, aimed at encouraging meaningful conversations, which brought together 80-100 participants per site.

In June 2024, we focused on the topic of sexual orientation, and in October, we delved into the theme of visible and invisible diversity. The October event featured insightful talks from a Medical Consultant specializing in neuro-inclusive design, a Dyslexic Advocate for the Italian Dyslexia Association, and the founder of "La Casa delle Luci", an institute dedicated to supporting young people with severe communication disabilities. For 2025, four additional events are planned.

Furthermore, to enhance female representation in top management, we have implemented a monitoring system using periodic dashboards, which are shared with the HR team. These tools enable us to track turnover and new hires, while also identifying actions to improve the effectiveness of our hiring processes.

Finally, discrimination monitoring within the organization is conducted through internal audits and oversight by the ethics committee, ensuring a workplace that remains free from discrimination.



### BREAKDOWN OF EMPLOYEES BY EMPLOYEE CATEGORY AND BY GENDER<sup>29</sup>

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
Top executive	118	44	0	0	162	99	27	0	0	126	96	28	0	0	124
Management	453	479	0	0	932	319	328	0	0	647	363	330	1	1	695
Office sole contributor	455	850	0	2	1,307	468	771	1	2	1,242	424	716	0	2	1,142
Retail personnel	1,316	1,279	0	1	2,596	1,105	1,080	1	0	2,186	996	990	0	6	1,992
Blue collar	458	1,727	0	3	2,188	468	1,700	0	5	2,173	452	1,619	0	6	2,077
<b>Total</b>	<b>2,800</b>	<b>4,379</b>	<b>0</b>	<b>6</b>	<b>7,185</b>	<b>2,459</b>	<b>3,906</b>	<b>2</b>	<b>7</b>	<b>6,374</b>	<b>2,331</b>	<b>3,683</b>	<b>1</b>	<b>15</b>	<b>6,030</b>

### BREAKDOWN OF EMPLOYEES BY EMPLOYEE CATEGORY AND BY AGE<sup>30</sup>

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	<30	30-50	>50	ND	TOT	<30	30-50	>50	ND	TOT	<30	30-50	>50	ND	TOT
Top executive	0	77	84	1	162	0	64	61	1	126	0	63	60	1	124
Management	24	625	279	4	932	18	454	171	4	647	31	493	167	4	695
Office sole contributor	372	678	248	9	1,307	305	684	244	9	1,242	246	653	235	8	1,142
Retail personnel	521	1,747	328	0	2,596	472	1,482	232	0	2,186	438	1,333	221	0	1,992
Blue collar	273	869	940	106	2,188	253	947	840	133	2,173	202	934	804	137	2,077
<b>Total</b>	<b>1,190</b>	<b>3,996</b>	<b>1,879</b>	<b>120</b>	<b>7,185</b>	<b>1,048</b>	<b>3,631</b>	<b>1,548</b>	<b>147</b>	<b>6,374</b>	<b>917</b>	<b>3,476</b>	<b>1,487</b>	<b>150</b>	<b>6,030</b>

<sup>29</sup> As requested by the GRI Standards, percentages related to breakdown of employees per employee category according to gender are reported in the Annex section, together with data related to FY 2023 and FY2022 for comparison.

<sup>30</sup> As requested by the GRI Standards, percentages related to breakdown of employees per employee category according to age group are reported in the Annex section, together with data related to FY 2023 and FY 2022 for comparison.



## Discrimination cases

We promote and safeguard respect for human dignity; we reject discrimination based on age, gender, sexual orientation, social and personal status, race, language, nationality, political opinions, union membership, and religious beliefs. This principle of non-discrimination underpins our Code of Ethics and our Human Rights policy. (Note: the Group reserves the right to use its judgment in hiring, promoting, and disciplining its employees, in keeping with laws and regulations, and on the basis of what is good for business and for the vision of the Group).

In 2024, the Group managed a total of 13 incidents<sup>31</sup> related to allegations of discrimination (including 12 new claims that occurred in the reporting year), of which 11 have been closed at the present date while 2 are still under review<sup>32</sup>. The above-mentioned cases were closed after due investigation, followed by appropriate and proportionate actions of human-resources nature, ranging from specific training to targeted disciplinary measures and negotiated agreements.

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<sup>31</sup> 2 additional cases managed at the beginning of 2024 were already closed at the date of publication of the 2023 Group Sustainability Report, thus to avoid double counting they were not reported in the current report.

<sup>32</sup> 1 of the 11 cases closed during the year refer to cases that occurred in previous reporting years.



## People engagement

To assess employee engagement, in 2024, we launched the first People Engagement Survey, called “POP” – Perspectives of People.

The response to the survey exceeded our expectations, achieving a participation rate of over 75% at Group level. This initiative serves as a tool to measure key workplace factors that influence employee productivity, satisfaction, and retention, specifically: Expectations & Resources, Recognition & Motivation, Growth & Development, and Team & Organizational Alignment. The insights gathered will help to shape future actions to foster an inclusive and supportive workplace.

As part of our ESG strategy, we have implemented group-wide local initiatives encouraging every employee to dedicate one day per year to volunteering activities. This initiative not only fosters a culture of giving back but also strengthens our ties with local communities.

In Italy and Switzerland, the “DARE|AVERE” program was launched in September 2024, focusing on social and environmental causes. Over 150 employees took part in various organized activities to address community needs and promote sustainable practices. The program included a variety of initiatives in collaboration with different associations and NGOs.

On the social commitment front, at Fondazione Archè in Milan, employees helped to prepare and deliver food parcels to families in need. With Sport Senza Frontiere, employees actively participated in organizing and leading a day of sports activities for children facing socio-economic hardship, engaging with them through games and teamwork.

On the environmental front, employees worked with Legambiente to clean parks and natural areas in Milan, Parma and Biella. Additionally, the collaboration with FAI (Fondo Ambiente Italiano) focused on improving the conditions of cultural heritage sites across Italy.

We also partnered with AVIS for a blood donation event in Milan, supporting local hospitals and fostering community spirit.

Around the world, our community service initiatives have made a significant impact. In North America, we have completed school donation projects and participated in walks to raise awareness for breast cancer. In the Asia-Pacific region, we have organized tree-planting events, resulting in 292 new trees. Additionally, we have collaborated with women's associations and taken part in various other community service projects.

Staying within the realm of social impact, in 2024, ZEGNA developed a weekly running training program in Italy and Switzerland for over 150 employees across five premises. The sessions were led by specialized trainers and complemented by webinars on nutrition and well-being. The initiative also included participation in two races (5, 10, and 21 km) to support the solidarity activities of the association Sport Senza Frontiere, which promotes social inclusion through sports for children and young people facing socio-economic hardship.

Thom Browne has continued its “volunteer time-off program”, giving employees 8 hours paid time off per year to give back and contribute to community wellbeing.

# Employee Welfare, Health & Safety

Pursuing the legacy of our founder, we promote the wellbeing of employees, enhancing their sense of belonging and engagement.

60% of our employees are covered by collective bargaining agreements. These regulate relations between employers and workers and facilitate agreement on working conditions. Moreover, the Ermenegildo Zegna Group offers welfare packages to all eligible employees, the terms of which vary depending on local requirements.

The benefits of our welfare packages cover a wide range of services: medical care, crèches (depending on local availability), company canteens, meal vouchers, discounts (e.g. for travel), parking, and grocery shopping, to name some. We also offer benefits related to the Zegna online store. We hold summer camps (e.g. the Oasi Zegna Camp) in various locations, catering for children and young adults.

Wellbeing is a priority. We offer, where possible, the opportunity to work remotely according to employees' job tasks and local regulations. The Group provides its people with a wide range of psychological and medical services. These include a healthcare fund for Italy-based employees and certain medical benefits (including free checkups on specific prevention issues) for Switzerland-based employees. For employees based in Switzerland and Italy, the Group has partnered with a local health center to provide additional benefits for the families of employees, including care for the elderly, and support services to enhance family wellbeing.

My Zegna World is an effective welfare initiative dedicated to employees of the ZEGNA segment in the Italian and Swiss offices. Its aim is to improve employee welfare in four areas: financial wellness, free-time activities, health, and safety.

In 2024, Thom Browne, continued to focus on wellness by offering annual health checkups in most regions. The brand also increased annual leave benefits in Japan to support employee mental health. Additionally, the brand entered into a local partnership with the fitness company, Classpass, to offer employees discounted access to over 1,000 fitness classes across the USA.





The health and safety of employees is of fundamental concern to the Ermenegildo Zegna Group, which is committed to ensuring that its workplaces prioritize health, safety, and well-being of all individuals. In 2024 the Group has adopted a Occupational, Health and Safety Policy<sup>33</sup>, that promotes a safety-oriented culture built on safety values and risk awareness. This Group's commitment is to foster a responsible corporate culture, that ensures a safe working environment for all stakeholders, including customers, visitors, suppliers and contractors.

All employees are protected by business travel insurance, which covers urgent medical expenses during trips on behalf of the Group. Most importantly, and thanks to various comprehensive preventive measures, employees are protected from workplace accidents.

Besides our compliance with local health and safety regulations, we take various measures to prevent workplace accidents including: consulting experts to identify hazards and apply mitigation measures; regular internal and third-party health and safety verifications.

In our storage warehouses, the main hazards include manual handling of loads, the use of forklifts, and the risk of trips or collisions between equipment and operators. We are addressing these risks by implementing proper training for employees, ensuring safe load handling practices, maintaining equipment, and clearly marking walkways to prevent accidents. Employees can refer to the elected workers' representatives for any matter, including concerns relating to health and safety. Relevant information, including the organizational structure in place to manage this topic, is shared with workers through training courses and direct communications with representatives. Each of our Italian offices and production sites, as per local legislation, has a manager in charge of accident prevention and safety in the workplace ("RSPP" is the Italian abbreviation). Their task is to perform inspections which are then detailed in dedicated reports. These inspections include all work areas and all work activities. Our risk assessments are updated as required, based on the results.

In 2024, the company has taken significant steps to prevent incidents by fundamentally improving injury management, increasing the focus on behavioral aspects. A campaign was launched in Italy, at our Milan offices, to raise awareness about first aid, aiming to educate more people and emphasize the importance of preparedness in applying first aid measures.

In addition, two ongoing campaigns are focused on well-being, diversity, equity, and inclusion, and work-related stress management, aiming to further support the workforce's health and overall workplace environment. These initiatives are crucial as the company's three-year roadmap attributes 40% of its focus to cultural transformation objectives related to safety, emphasizing the critical importance of safety and injury prevention.

Specific training is mandatory for all new joiners and updates are provided periodically, and when there are changes in legislation. Additionally, for activities with particular tasks, on-the-job training is provided.

A health protocol is defined by an occupational physician, who carries out periodic examinations and assessments to monitor workers' health status.

Our attention to health and safety is demonstrated by the very low rate of work-related injuries (table below). Given the business's strong focus on manufacturing, our overall injury rates are relatively low, with very few (1 in 2023) to none (in 2024) serious injuries. No fatalities were recorded in the present and previous reporting periods. Most injuries are related to minor wounds caused by the use of working tools such as craft knives and sewing machines.

The production sites of In.Co S.p.A. and Consitex S.A. are ISO 45001 certified, while ISMACO TEKSTİL LİMİTED ŞİRKETİ is targeting the same certification by the end of 2026 together with Ermenegildo Zegna N.V., EZ Service Srl and EZI Spa.

<sup>33</sup> For more information see: [Governance documents](#).

**WORK-RELATED INJURIES<sup>34</sup>**

	2024		2023		2022	
	Number	Rate	Number	Rate	Number	Rate
<b>Total number of work-related injuries for employees</b>	<b>53</b>		<b>62</b>		<b>54</b>	
Of which fatalities as a result of work-related injuries	0	0.00	0	0.00	0	0.00
Of which high-consequence work-related injuries (excluding fatalities)	0	0.00	1	0.09	1	0.10
Of which recordable work-related injuries	53	4.49	61	5.34	53	5.18
<b>Total number of work-related injuries for workers who are not employees</b>	<b>0</b>		<b>1</b>		<b>2</b>	
Of which fatalities as a result of work-related injuries	0	0.00	0	0.00	0	0.00
Of which high-consequence work-related injuries (excluding fatalities)	0	0.00	0	0.00	0	0.00
Of which recordable work-related injuries	0	—	1	1.93	2	5.19

In FY 2024, despite the inclusion of TOM FORD FASHION within the reporting boundary, the total number of work-related injuries decreased compared to FY 2023 by 15%. The number of hours worked by employees<sup>35</sup> in FY 2024 was 12,101,098, against 11,431,861 in FY 2023, with an increase of 6% due to the inclusion of TOM FORD FASHION in the latest reporting year.

Despite the changes in reporting boundary the rate of recordable work-related injuries also decreased by 16%.

For what concerns workers who are not employees, no injuries occurred in FY 2024, leading to a drop in the rate of recordable work-related injuries of 100%.

The Lost-Time Injury Frequency Rate (LTIFR) for employees in FY2024 is equal to 2.727.

In light of these trends, the Group remains committed to implementing effective preventive measures to ensure the health and safety of its employees.

<sup>34</sup> The rates of recordable work-related injuries, high-consequence work-related injuries, and fatalities as a result of work-related injuries are calculated by dividing the total amount of work related injuries, high-consequence work-related injuries and fatalities by the total amount of hours worked, multiplied by 1,000,000. In the Sustainability Report 2023 and in the Sustainability Report 2022 rates were calculated by dividing the total amount of work related injuries, high-consequence work-related injuries and fatalities by the total amount of hours worked, multiplied by 200,000. To ensure comparability in this document, FY 2023 and FY 2022 have been recalculated according to the most recent methodology (please refer to Sustainability Report 2023 and Sustainability Report 2022 for previously reported data).

<sup>35</sup> When accurate data were lacking, an estimate was made.

# Talent Acquisition & Management

The Ermenegildo Zegna Group recognizes that our people are a strategic asset and vital to attaining sustained business success. Our overarching goal is to identify, value and cultivate a global reservoir of diverse and exceptional talent by best-in-class practices in recruitment, leadership development, career progression, and succession planning. Through these initiatives, we seek to enhance individuals' competencies and skills, while also preserving artisanal expertise and specialized knowledge within our workforce.

## TALENT ACQUISITION & EMPLOYER BRANDING

### Process & Tools

2024 marked a significant step forward with the development of Group guidelines outlining the talent acquisition process, defining key steps, stakeholders, and specific actions. These guidelines establish clear expectations and standards to enhance recruitment practices in line with talent acquisition objectives while adhering to the following key principles:

- **Reduced Inequalities:** Ensuring objectivity and fairness throughout the recruitment process with inclusive, meritocratic practices.
- **Gender Equality:** Promoting equal opportunities by significantly reducing biases and closing gender gaps, particularly in leadership and underrepresented roles, in compliance with applicable laws.
- **Positive candidate experience:** Creating an inclusive, respectful, and sustainable candidate experience at every stage.

To support HR and managers in effectively integrating these guidelines into their hiring practices, a Recruitment Upskilling Training was launched in November. This ongoing initiative includes:

- A recruitment tools training (for HR) to enhance efficiency.
- An interviewing skills training (for HR and managers) focused on implementing a structured, fair, and unbiased hiring process that ensures successful outcomes and an excellent candidate experience.

These efforts reinforce our commitment to fostering a more authentic, equitable, transparent, and high-quality recruitment process across the Group.

### Visits to sites and offices & career days

In 2024, ZEGNA and Thom Browne actively participated in initiatives to foster awareness, engagement, and interest among students and professionals. These efforts provided valuable insights into our reality, our careers, and how they contribute to the excellence that sets us apart. Activities included site and office visits, participation in career days, and partnerships with educational institutions.

The ZEGNA team hosted several visits to our locations, welcoming approximately 500 students from diverse academic disciplines, including MBA, GMBA, and master's programs, representing 20 academic institutions worldwide, spanning the USA, France, Italy, and Switzerland. These visits took place across multiple sites, including the factories in Mendrisio (Switzerland) and San Pietro Mosezzo (Italy), the Woolen Mill and Casa Zegna in Trivero (Italy), as well as the Ermenegildo Zegna Group Headquarters and the ZEGNA Monte Napoleone Global Store in Milan.



In October, we also hosted nearly 300 visitors at two Open Days at our facilities in Parma, Italy, dedicated to the production of footwear, leather goods and outerwear. Visitors explored the departments and engaged with a dedicated stand where students shared their personal experiences with ZEGNA. Supported by 100 employees, these events provided a behind-the-scenes look at our production processes, highlighting the craftsmanship that brings our unique products to life.

In addition, we held company presentations and delivered guest lectures at academic institutions, including Istituto Marangoni, Politecnico di Milano, Università Cattolica del Sacro Cuore, Centro Professionale Tecnico Biasca, and Ipsia Bellini di Novara. During these sessions, ZEGNA employees from various departments—such as HR, marketing, design, merchandising, and collection development—introduced students from different academic years and courses to our Group, the ZEGNA brand, and the career paths of our people. These engagements offered students valuable insights into building a career in the luxury fashion industry.

The Thom Browne teams participated in Career Days in Savannah, Georgia, and New York City, connecting with juniors, seniors, graduate students, and postgraduates. These events provided opportunities to engage with emerging talents in art and design, showcasing their creativity and technical skills. Students received valuable insights, actionable advice tailored to the demands of creative careers, and support to navigate the uncertainties of life after graduation.

## Educational Institution Partnerships

Throughout 2024, ZEGNA continued its collaboration with academic institutions to strengthen relationships with students and academics, integrating studies with the professional world and the luxury industry. Key partnerships foster mutual support in developing skills and knowledge, bridging academia and the workforce. ZEGNA partnered with four educational institutions: the Biella Master delle Fibre Nobili, SDA Bocconi, Politecnico di Milano, Istituto Marangoni:

- The Biella Master, a 13-month postgraduate program, offers a unique blend of theoretical knowledge and practical experience, aimed at developing global managers with specialized technical expertise in the textile and apparel industry. The 2024 cohort had enriching experiences, including visits to the Ermenegildo Zegna Group Milan Headquarters and the ZEGNA Monte Napoleone Global Store in Milan. Additionally, some students participated in a two-week internship in Barcelona and Madrid, gaining valuable insights into the ZEGNA business dynamics in Spain, exploring partnerships, and engaging with the retail team for hands-on experiences.
- The SDA Bocconi MAFED is a 12-month full-time international Master program in Fashion, Experience & Design Management, combining theoretical and practical skills to prepare students for managerial success in the fashion industry. The program equips students to identify the unique DNA of F&D companies and apply innovative tools, approaches, analytics, and technologies for results-driven creativity. Four students from this program collaborated with ZEGNA on a field project, delivering a comprehensive proposal for a cross-departmental initiative focused on innovation, spanning digital, marketing, sustainability, legal, and consumer value.
- The Associate Program at Politecnico di Milano provides an integrated framework of events and communication aimed at developing employer branding strategies and recruitment plans with the Career Service - Politecnico di Milano. Through this program, ZEGNA strengthened relationships with students, offering them insights into its organization and career paths while enhancing their understanding of ZEGNA's culture and values.

- For several years, ZEGNA has partnered with Istituto Marangoni's Career Service, engaging with its exclusive community of students and alumni. This collaboration allows ZEGNA to share internship and job opportunities, participate in exclusive school-led talks to showcase the company's know-how and values, and maintain an ongoing dialogue to explore further collaborations. Together, they create meaningful opportunities for students and alumni, including projects and exchanges designed to support and personalize their personal and professional growth.

Additionally, as part of the 2023/2024 Adopt a School Altagamma project (3<sup>rd</sup> edition), ZEGNA partnered with IIS Pier Luigi Nervi in Novara, Italy, and IPSIA Primo Levi in Parma, Italy. The activities within the Adopt a School framework extend from the macro-planning of the school year (defining contents and training methods) to micro-planning (tutorship, preparation of teaching materials, company visits, classroom lessons by technicians and experts from companies, laboratory sessions, internships, field projects, supplying materials for the production of goods, and teacher training). In alignment with the purpose of the Adopt a School initiative, ZEGNA's team collaborated on developing customized training programs with these schools to narrow the gap between the supply of and demand for vocational skills, aligning the curriculum more closely with the needs of the high-end industry.



**EMPLOYEES TURNOVER BY AGE GROUP<sup>36</sup>, GENDER**

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
<b>Total</b>	<b>681</b>	<b>869</b>	<b>2</b>	<b>4</b>	<b>1,556</b>	<b>602</b>	<b>733</b>	<b>0</b>	<b>0</b>	<b>1,335</b>	<b>567</b>	<b>774</b>	<b>0</b>	<b>5</b>	<b>1,346</b>
<30	192	213	2	1	408	162	194	0	0	356	173	195	0	0	368
30-50	362	467	0	0	829	319	385	0	0	704	308	404	0	0	712
>50	113	164	0	0	277	93	114	0	0	207	77	162	0	0	239
Not disclosed	14	25	0	3	42	28	40	0	0	68	9	13	0	5	27

**EMPLOYEES NEW HIRES BY AGE GROUP<sup>37</sup>, GENDER**

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
<b>Total</b>	<b>777</b>	<b>1,036</b>	<b>0</b>	<b>3</b>	<b>1,816</b>	<b>724</b>	<b>953</b>	<b>1</b>	<b>1</b>	<b>1,679</b>	<b>642</b>	<b>883</b>	<b>1</b>	<b>20</b>	<b>1,546</b>
<30	291	350	0	2	643	260	356	1	0	617	267	363	1	3	634
30-50	408	578	0	0	986	378	485	0	0	863	326	429	0	5	760
>50	71	101	0	1	173	62	72	0	0	134	42	57	0	1	100
Not disclosed	7	7	0	0	14	24	40	0	1	65	7	34	0	11	52

In line with the figures from 2023, we experienced a turnover rate of 22% during 2024, accounting for 1,556 exits. These were outweighed by 1,816 new recruits, indicating strong and responsive growth in our workforce.

The gender distribution among new hires remained steady compared to the previous year, with women constituting 57% of the intake, nearly 90% of whom were below the age of 50. Moreover, around 35% of all new hires were under 30 years of age.

<sup>36</sup> It is not possible to classify employees based in Turkey according to their age: due to local regulations the data is not available. Employees based in Turkey are here reported as age "Not disclosed".

<sup>37</sup> It is not possible to classify employees based in Turkey according to their age: due to local regulations the data is not available. Employees based in Turkey are here reported as age "Not disclosed".

## PERFORMANCE APPRAISAL & TALENT EVALUATION

ZEGNA has established process in place to monitor performance and evaluate talents, supporting people career and development.

In 2024, we took the opportunity to enhance and refine these processes, leveraging the upcoming transition to a new HRIS system, which will be implemented in 2025.

The revision was guided by four key pillars:

- Simplification & Flexibility, ensuring streamlined and efficient processes;
- Employee Experience, enhancing clarity and engagement at every touchpoint;
- Transparency & Objectivity, reinforcing fairness and data-driven evaluations; and
- Ownership, empowering employees to take charge of their development.

### Performance Management Process (PMP) and People Review

The performance management process (PMP): is a formal, structured process that helps to define, monitor and evaluate yearly goals.

The process usually considers goals under the categories “business” and “personal”, and it also considers the behavioral competencies of the employee, based on our New Leadership Model adopted in 2024. Performance reviews are aimed at top executives, executives, senior managers, managers and professionals. And usually involve 3 main phases: 1. Goal-setting (January-March): 2. Mid-year review (June-July): 3. Performance evaluation (January-March).

People Review: this annual review assesses employees’ growth potential through a structured evaluation conducted by their manager, with final results validated during the calibration sessions. The discussion identifies key development areas, which serve as inputs for creating targeted development and training plans. Once the review is complete, the Learning and Development teams in each region take over to implement the necessary training and development initiatives.

As part of this evolution, we have implemented key improvements across all phases of both processes:

- Goal Setting: Improved timing to ensure all employees define clear objectives at the beginning of the year.
- Mid-Year Check-In: Check-in meetings between managers and employees can now take place throughout the year to review progress. During these meetings manager and employee will share feedback on ongoing performance as well as goals can be adjourned where necessary. Additionally, feedback from colleagues can be requested and shared continuously.
- Performance Evaluation: Both managers and employees can now request ad hoc feedback on specific projects or activities from colleagues to support their evaluations. The process places a greater emphasis on qualitative insights rather than purely quantitative metrics, shifting the focus toward development needs and employee aspirations. In this phase employees will also have the opportunity to complete a questionnaire on career aspirations and availability for mobility as a base for evaluating possible career opportunities.
- Concurrent Evaluation of Performance and Potential: The evaluation of performance and potential will now take place simultaneously, streamlining the process and reducing the number of phases. The perimeter of the people review will also expand to include all employees in scope, allowing for the early identification of emerging Hipos.
- Updated Potential Criteria: The potential evaluation questionnaire has been revised to better align with the key indicators our company values in identifying high-potential employees.
- Plenary calibration sessions: already Introduced in 2024, these sessions provide a structured moment for meaningful discussions, ensuring a 360° view of employee positioning. They enhance the consistency of evaluations across teams, regions, and functions while enriching conversations with insights on succession planning and development actions. Additionally, they help identify and give visibility to high-potential employees (HiPos) and create cross-functional development opportunities.



## PERCENTAGE OF EMPLOYEES WHO ARE INVOLVED IN PERFORMANCE REVIEW BY GENDER AND EMPLOYEE CATEGORY<sup>38</sup>

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
Top executives	89%	91%	—%	—%	90%	84%	93%	—%	—%	86%	90%	82%	—%	—%	88%
Management	70%	65%	—%	—%	67%	79%	72%	—%	—%	75%	66%	58%	100%	100%	62%
Office sole contributor	24%	21%	—%	—%	22%	28%	27%	100%	—%	27%	29%	27%	—%	—%	27%
Retail personnel	23%	18%	—%	—%	21%	21%	15%	—%	—%	18%	9%	5%	—%	—%	7%
Blue collar	3%	—%	—%	—%	1%	1%	—%	—%	—%	—%	8%	2%	—%	—%	3%
<b>Total</b>	<b>30%</b>	<b>18%</b>	<b>—%</b>	<b>—%</b>	<b>23%</b>	<b>28%</b>	<b>16%</b>	<b>50%</b>	<b>—%</b>	<b>21%</b>	<b>25%</b>	<b>13%</b>	<b>100%</b>	<b>7%</b>	<b>18%</b>

### Building Store Manager Excellence

Alongside our performance management process (PMP) and people review process, a new initiatives implemented in 2024 by the ZEGNA is worth mentioning, as this is a key component of our ongoing talent development strategy specifically focused on Retail employees.

In 2024, the Building Store Management Excellence Program was launched to identify key competencies of store managers through interviews and focus groups.

A questionnaire was developed to assess technical skills and leadership capabilities. The pilot project was launched in July 2024 for stores in Europe and involved 60 store managers. The pilot aimed at identifying competency gaps to then develop actions that can help fulfill them. Development actions are planned for 2025, with each manager receiving their assessment results and creating a personalized development plan. Wave 2 has been implemented in November 2024, and the project covered in total 154 Store Managers globally, excluding APAC, where it will be implemented in selected stores in China. Results are impacting both individual development plans for each employee as well as wider regional development initiatives.

<sup>38</sup> The data is calculated considering employees involved in the PMP process during FY 2024, compared to total employees at 31.12.2024.

# Learning & Development

The Ermenegildo Zegna Group fosters the professional growth of its employees, prioritizing essential skills crucial to our business. Our overarching objective is not only to refine the skill set of our workforce through re-skilling and upskilling, but also to cultivate meaningful connections among employees. These interactions are seamlessly integrated into our internal networking events and are opportunities for employees to exchange valuable insights and experiences across different areas of our business.

## Leadership Development

In 2024, we continued to prioritize leadership development as a cornerstone of our commitment to sustainable growth and fostering an increasingly inclusive and efficient work environment. To this end, we have designed training and coaching programs that empower our leaders—ranging from executives to managers—to face global challenges while adopting a long-term approach.

The **RISE - Ready to Inspire, Shape, and Elevate** - training, is a Leadership Program for Executives and Top Managers. Through hands-on sessions the program aims to:

- Challenge traditional ways of working, promoting long-term, improvement-driven approaches focused on sustainable innovation.
- Anticipate the future, helping leaders align strategic vision with environmental challenges and complexities in a rapidly changing world.
- Drive innovation through effective communication and storytelling, fostering a company-wide culture that encourages tangible and sustainable change.

For Senior managers and managers, we developed the ACE - Accelerate, Cultivate and Empower-training, focusing on strengthening the key competencies from our leadership model. With dynamic and immersive sessions, ACE is designed to:

- Build mastery in critical leadership areas, driving organizational success with a focus on sustainability.
- Enhance self-awareness, improving leadership presence and fostering empowered decision-making.
- Create lasting impact in both individual development and organizational performance.

Personalized Coaching path is central to our leadership approach, supporting continuous learning and empowering leaders to drive change. These initiatives not only enhance individual leadership but also foster a culture of innovation, resilience, and long-term success within the organization.

We continued our Our Road to Lead training for newly promoted managers, providing them with the tools, coaching, and mindset to succeed. The program focuses on developing leadership styles, building strong relationships, and inspiring teams for sustainable growth.

These specialized learning programs were adapted and implemented with tailored approaches across the entire Group.

For Thom Browne, “The art of leadership” and entrepreneurship skills were the main focus developing empathetic leadership through strategic excellence and team motivation. The 2024 program was meant to support leaders in how to create visions and develop roadmaps to achieve them.

In 2024, the comprehensive onboarding program for new hires of the Group, officially launched in 2023, continued to evolve. Collaborating with brand content teams to ensure consistent messaging of the brand, brand standards and brand codes were cascaded to all new joiners in Italy and Switzerland.

A key component of the onboarding program was the inclusion of activities such as visits to Oasi Zegna, offering new employees a chance to connect with the company’s culture and values while ensuring a smooth integration into the organization. This program is designed to immerse participants in the rich heritage of the Ermenegildo Zegna Group, delving into its history, organizational structure, and core business facets. The goal is to provide a holistic and insightful introduction that enables new employees to integrate more quickly into the organization.

In the geographical areas where the Group operates far from Oasi Zegna, the primary focus has been on welcoming new hires and helping them understand the company's and Brands’ cultures, highlighting their unique cultures and market positions. The goal was to create a welcoming and supportive environment that fostered quick integration and long-term success for new employees.



## AVERAGE HOURS OF TRAINING BY EMPLOYEE CATEGORY<sup>39</sup>

	At 31 December 2024					At 31 December 2023					At 31 December 2022
	M	W	O	ND	TOT	M	W	O	ND	TOT	TOT
Top executive	14.6	10.7	0.0	0.0	13.6	22.7	11.2	0.0	0.0	20.3	6.6
Management	12.7	15.4	0.0	0.0	14.1	12.8	15.9	0.0	0.0	14.4	6.3
Office sole contributor	10.9	10.7	0.0	52.2	10.8	10.0	9.1	0.0	21.4	9.5	4.8
Retail personnel	20.0	20.6	0.0	5.0	20.3	19.9	16.3	0.0	0.0	18.1	10.4
Blue collar	8.5	5.0	0.0	33.3	5.8	7.0	4.6	0.0	0.9	5.1	2.5
<b>Total</b>	<b>15.2</b>	<b>11.9</b>	<b>0.0</b>	<b>35.2</b>	<b>13.2</b>	<b>14.7</b>	<b>9.7</b>	<b>0.0</b>	<b>19.8</b>	<b>11.7</b>	<b>6.0</b>

Training time is divided between mandatory and non-mandatory training. In addition to H&S, compliance, job role induction, and technical-product training focused on specialized job skills, we also provided training on DE&I. To improve the soft skills of our employees, we deliver performance management training both in person and remotely. To guarantee excellence in our selling experience, our retail personnel receive a significant amount of training<sup>40</sup>. Furthermore, the Group offers ongoing on-the-job training to blue-collar workers. This necessity, given the skills demands of these jobs, is not officially recorded in our management system.

Among various educational activities, the Group also delivered 13,850 training hours to 77 external candidates (such as temporary staff and students from high schools), focusing on professional training and upskilling.

### Retail Training

#### Empowering Retail Teams Through Continuous Learning

At ZEGNA, we believe that investing in the growth and development of our retail teams is essential to delivering an elevated and personalized guest experience. In 2024, we strengthened our training strategy by integrating innovative learning formats, digital engagement, and hands-on experiences to support our evolving retail model.

#### • **Aligning Training with Business Strategy**

To ensure seamless alignment with our product strategy, we developed a structured learning approach that equips retail teams with in-depth knowledge of seasonal collections. Training programs provided dynamic learning materials, including digital modules, interactive workshops, and storytelling content that enhanced product expertise and styling skills.

In January 2024, the brand took a significant step forward by co-designing a global retail convention for over 300 store managers. This pivotal event set the foundation for the year's key initiatives, ensuring alignment and clarity on upcoming training programs and strategic business priorities.

<sup>39</sup> For FY 2022 it was not possible to track the breakdown of training hours by gender.

<sup>40</sup> Hours of training delivered to retail personnel on the floor are available for EMEA and LATAM. For the other markets, the Group is working to improve the data collection process.



- **Enhancing Customer-Centricity**

Our commitment to service excellence remains at the heart of our retail training. This year, we launched a new selling flow, an initiative designed to shift the focus from transactional sales to building meaningful, long-term relationships with clients with a strong guest-centricity mindset. Through immersive learning experiences, our teams gained deeper insights into customer preferences, personalization techniques, and the art of delivering a refined, high-touch service.

- **Leveraging Digital Learning for Engagement**

In 2024, ZEGNA brand expanded the use of digital platforms to foster engagement and continuous learning across global retail network. Our in-house digital training series provided a creative and interactive way for teams to stay informed, exchange insights, and enhance their expertise. To further drive engagement, we introduced initiatives that encouraged collaboration, peer learning, and knowledge-sharing across markets.

- **Investment in Learning**

In 2024, ZEGNA's headquarters provided training assets on the core projects forming the foundation for our global retail learning strategy. Each market built upon this investment, supplementing with additional training hours tailored to local needs and business priorities. This collaborative approach ensured that retail teams received both standardized global knowledge and region-specific expertise, fostering a well-rounded, adaptable workforce. Serving a diverse retail population, our training programs are translated into multiple languages to ensure accessibility and effectiveness across all markets.

- **Improving Training Effectiveness and Recognition**

We continued to refine our approach to training impact measurement, improving our ability to monitor and track learning outcomes and their direct influence on business performance. By enhancing our data-driven insights, we are ensuring that training remains both effective and aligned with strategic goals.

As a further step in recognizing and celebrating excellence, we continued to drive the Global Retail Awards, honoring top-performing teams across markets. This initiative reinforces the connection between training, professional growth, and business KPIs, motivating teams to strive for excellence in every customer interaction.

- **Developing Future-Ready Talent**

As part of our long-term vision, we continued to invest in specialized training programs that support career growth and expertise in key areas, such as made-to-measure services. Through dedicated learning paths, global workshops, and certification programs, we empowered our teams with the skills needed to meet the evolving expectations of luxury clients.

By continuously evolving our learning approach, we are strengthening our retail community and ensuring that every customer interaction reflects the excellence, craftsmanship, and values of ZEGNA.

In the past year, Thom Browne has implemented comprehensive training program in its retail functions, to enhance employee skills and elevate customer experiences. Through targeted training sessions, it has empowered its team members to embody brand values while effectively addressing the evolving needs of customers.

The main focus of 2024 was on the 'Art of Service' ensuring all teams understood luxury service, developing relational skills to connect with clients, and how to develop trust with clients.

## Accademia dei Maestri - crafting tomorrow's excellence

In 2024, the Ermenegildo Zegna Group launched the *Accademia dei Maestri*, the Group's internal training academy. Building on the broadening of the Group Academy project in 2023, *Accademia dei Maestri* includes hands-on training programs across every field and discipline. The *Maestri*, chosen to be trained and carry forward their knowledge as custodians of the Group's core values, will build expertise in four key areas, or "Skills Factories": industry, product, customer relations, innovation, and leadership. With the *Accademia dei Maestri*, the Group reaffirms its strong emphasis on craftsmanship and innovation as core elements of our long-term growth strategy.

Two major initiatives were launched in 2024, both with long-term strategic goals. The first, *Programma Maestri*, is an annual program designed to enhance and share internal know-how, dedicated to perpetuating the legacy of Made in Italy luxury culture while shaping the future of interdisciplinary excellence. Guided by the Ermenegildo Zegna Group's holistic approach to value creation, the initiative fosters a tailored learning journey that blends heritage with continuous innovation, transmitting and developing Mastery across specializations and generations. This initiative includes a wide range of courses, from on-the-job training to public speaking, covering all functional areas of the *Accademia*.

In line with the Ermenegildo Zegna Group's comprehensive view of Made in Italy luxury culture, the Academy promotes an integrated approach brought to life through dedicated Skills Factories. Tracing the entire path of value generation, each Skills Factory delves into a distinct field of expertise, from artisanal textile creation to innovative sustainable practices, from bespoke client experiences to strategic business excellence.

While firmly rooted in heritage, the initiative prioritizes exploration and innovation, leveraging technology to ensure an immersive, ever-evolving virtual and physical learning experience.

Starting in 2025, the program will also be expanded to include courses for retail employees, further reinforcing the Academy's mission of developing and transmitting Mastery across all levels of the organization.

The second initiative introduced in 2024 consists of Masterclasses, short and intensive courses aimed at developing transversal skills across the Group. The first of these, the *Uber Luxury Masterclass*, brought together participants from various brands to explore customer perceptions of luxury and how to create impactful experiences for the Group. Additional masterclasses on luxury and other strategic topics are planned for 2025, further strengthening the Academy's role in fostering excellence across the organization.



# Supply Chain



# Our Suppliers

The business model of the Group is committed to both vertical integration and a widening span of activities within our industry. Our commitment inspires everything we do, from the technology we use to create our products to the constant dialogue we have with our customers, our suppliers, our shareholders and all other stakeholders.

Based on the proposition that the very best garments can only come from the best natural resources, the Group has dedicated its efforts through the years to the research of only the finest raw materials and fabrics.

Our competitiveness depends on, among other things, our ability to anticipate trends and to identify and respond to new and changing consumer preferences. We therefore devote significant resources to various research and development activities to design, create and develop new products for our collections. As of the date of this report, over 325 of our employees were involved in our research and development activities across the Zegna, Thom Browne and Tom Ford Fashion segments.

We manage the entire production process (including final making and fabric manufacturing) throughout the various stages, either in-house or through our network of trusted, long-standing external manufacturers.

The Group’s production facilities are located in Verrone, Italy, for knitwear; San Pietro Mosezzo, Italy for formal jackets and suits; Parma, Italy, for outerwear and leather accessories; Mendrisio, Switzerland, for jackets, suits, shirts; and Turkey, for shirts. Each facility produces both ready to wear and Made to Measure products.

The companies part of our *Filiera*, described in the “Our *Filiera*” section of this document, are the ones producing innovative and high-performing fabrics.

For those products or categories that are not manufactured internally, each brand of the Group relies on a selected network of external long-standing suppliers, largely based in Italy. This external supply chain, and the relationship that the Group has with suppliers, are described in the following pages.

The Group’s tier 1 suppliers<sup>41</sup> are defined as suppliers that transact directly with the entity, such as finished goods manufacturers (e.g. cut and sewn facilities). Tier 1 suppliers also include yarn manufacturers, fabric manufacturers, tanneries and other providers of semi-finished products and production services (e.g. dye houses, washing facilities, sundry manufacturers and embroiderers), for both prototyping as well as industrial productions.

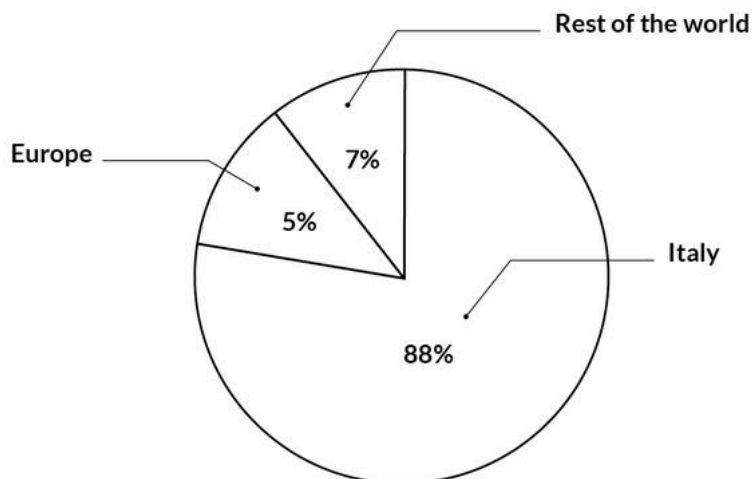
Supplier classification	Number of suppliers 2024 <sup>42</sup>
Tier 1	290

<sup>41</sup> In line with the definition provided by SASB.

<sup>42</sup> This figure represents the number of relevant suppliers of the Group. Starting from FY 2023, relevant suppliers are defined as direct suppliers with a purchased value of more than € 200,000 in the reporting year, cumulatively corresponding to over 90% of the total purchased value. Starting from FY2024 the figure includes also suppliers of TOM FORD FASHION.



## 2024 GROUP SUPPLIERS' SPENDING PER GEOGRAPHICAL AREA



The sourcing of the Group is predominantly concentrated on Italian suppliers, which represent 88% of our total spending<sup>43</sup>; the remaining 12% of our spending is composed by a 5% of suppliers located in Europe and a 7% of suppliers located in the rest of the world (mainly Japan). All our suppliers are selected based on their degree of specialization in specific raw materials manufacturing and production processes. This testifies to our commitment and long-term efforts to purchase only the finest raw materials and fabrics from selected suppliers.

Suppliers beyond tier 1 are the key direct suppliers to our tier 1 suppliers. Currently, we have only partially identified suppliers beyond tier 1. In some cases, tier 1 suppliers of an entity belonging to the Ermenegildo Zegna Group may be a “beyond tier 1” supplier for another Ermenegildo Zegna Group entity. The Group is working to improve the disclosure of those suppliers in the next 2 years through the adoption of supply chain mapping software platforms.



<sup>43</sup> The Group defines as “local suppliers” companies based in Italy. For the purpose of the analysis, the geographical area disclosed corresponds to the Country where the supplier has its registered office.

## Responsible management of the supply chain

The Group maintains long-term relationships with its suppliers, not only to ensure the procurement of the finest fibers and fabrics but also to create value through ongoing sharing of technical and quality control improvements, as well as investing in the same material certification schemes.

The Group has adopted a Supplier Code of Conduct, updated in March 2025. The Group Supplier Code of Conduct is an integral part of our contractual agreement with suppliers. It establishes the standards that suppliers and their sub-suppliers are expected to adhere to, promoting responsible and sustainable business relationships. This ensures that their operations engage in lawful and ethical business practices. The Code extends beyond suppliers' production facilities, requesting direct suppliers to guarantee that their subcontractors and sub-suppliers comply with the code.

The Group requires its suppliers to adhere to ethical standards aligned with the principles and values of its Supplier Code of Conduct and its Code of Ethics.

The Group shares with its suppliers a commitment to high ethical standards, including the respect of human rights. In particular, the Group requires external suppliers to comply with regulations and with national and international conventions, such as:

- Prohibition of forced labor and modern slavery;
- Prohibition of child labor;
- Employment contracts, compensation and benefits;
- Right of association;
- Prohibition of harassment, abuse and discrimination;
- Fair compensation;
- Hours of work;
- Health & safety;
- Workplace conditions;
- Environmental sustainability, including wastewater permits.

To strengthen this collaborative approach, in 2023 the Group adopted an open vendor management software platform to facilitate the exchange of information, data and documents among parties. This software platform solution enhances the monitoring of suppliers' performance on different aspects, including compliance with legislation and policies, in terms of both sustainability and risk management.

In late 2023 we piloted this software with some carefully chosen tier 1 suppliers. We also conducted training on the system, involving the purchasing team, as well as the administration and finance teams.

In 2024, the Group broadened the rollout of the software solution to include most direct suppliers and continued delivering training to partners. Lastly, through this tool and other possible solutions currently under evaluation, the Group is proceeding to complete the mapping of its extended supply chain.

This platform played a key role in the assessment of environmental performance maturity of our suppliers. In 2024, the Group surveyed almost 100 strategic suppliers, representing different supply categories, which cover the 65% of Group's tier 1 suppliers by procurement spend (with a response rate of 79%) on their energy, water and chemical performance. The administration of the survey was preceded by multiple webinar sessions held by ad hoc consultants, with the aim of presenting the Group's sustainability path and sharing knowledge on such topics.

In 2025, thanks to the primary data collected, the Group will conduct an analysis of the maturity level of its supply chain, with the aim of further identifying key hotspots and areas of improvement. The Group will also increase the scope of the project through the engagement of other strategic suppliers.

Moreover, through the vendor management platform, in 2024 the Group started monitoring the potential risk of suppliers through a required self-assessment questionnaire on key compliance and risk management topics. Suppliers were given a score based on the answers provided. Based on the score, specific corrective actions are considered and implemented.

### A vertically integrated supply chain

Production sites such as textile and garment manufacturers (part of tier 1 & 2 suppliers) are vertically integrated within the Ermenegildo Zegna Group. This organizational structure enables direct control and guarantees compliance with national and local regulations on labor conditions.

### Audits

The Group has a social and environmental compliance program for suppliers, to monitor significant, actual and potential impacts along the supply chain. The program includes audits (also conducted by independent representatives) of our suppliers to assess their social and environmental performance, and their compliance with local legislation and with our Supplier Code of Conduct.

The audits are based on a checklist that includes internationally recognized standards and regulations (e.g. International Labor Organization recommendations, UN Universal Declaration of Human Rights, ISO 14001, etc.).

The checklist includes requirements across different areas (employees, health & safety, environment, supply chain), tailored according to the category of supply. When planning yearly audits, the Group conducts a risk analysis on its supplier base, assigning each supplier a score based on quantitative criteria to identify strategic suppliers (e.g. relevance to the Group, product category, dependence from the Group, geography, etc.).

After each audit, a summary of the findings is sent to the supplier. In case of non-conformities, the supplier is required to develop a corrective action plan whose implementation is monitored with specific attention to detecting priority non-conformities.

In 2024, we carried out 114<sup>44</sup> audits on raw materials and finished product suppliers (both Tier 1 and Tier 2 suppliers and sub-suppliers) against 45 audits conducted in 2023. The significant increase is also due to a strengthened monitoring process on sub-suppliers.

23% of relevant tier 1 suppliers were audited in 2024, bringing the total to 38% of Tier 1 suppliers audited between 2022 and 2024.

During the FY 2024 audits, 108 priority non-conformities were found<sup>45</sup> at 48 suppliers, which is 42% of suppliers audited. Non-conformities found were related to employees and health & safety aspects, while no significant impacts related to environmental aspects were found.

The priority non-conformities detected were addressed by requiring the affected sites to draw up a corrective action plan, corresponding to a corrective action rate equal to 100%<sup>46</sup>. Based on the results of the audits, a few suppliers were required to terminate the business relationship with their suppliers (Group sub-suppliers) due to non-compliance with our Supplier Code of Conduct.

The Group is committed to maintaining strict oversight of its supply chain with the objective to further strengthen the vendor qualification and onboarding process.

<sup>44</sup> This figure also includes 16 follow-up audits conducted in FY 2024 on suppliers, with corrective action plans implemented due to non-conformities detected in FY 2023. Suppliers have been assessed on their environmental and social impacts.

<sup>45</sup> The non-conformity rate for FY 2024 is equal to 44%. In line with SASB CG-AA-430b.2, the rate was calculated as the number of priority non-conformities identified in the supply chain divided by the total number of facilities audited.

<sup>46</sup> In line with SASB CG-AA-430b.2, the rate has been calculated as the number of corrective actions that address non-conformities, divided by the total number of non-conformities that have been identified.

## **Risks identified to labor, health & safety, and the environment in the supply chain**

During 2024, the Group determined the following to be priority issues in terms of labor, health and safety, and environmental matters along its supply chain.

### **Labor issues identified:**

- Irregularities in employment contracts;
- Unfair remuneration; and
- Employment conditions (e.g. discrimination, use of forced labor).

### **Health & safety, and environmental issues identified:**

- Inadequate conditions of the building and common spaces for employees;
- Irregularities in emergency plans and response procedures; and
- Inadequate handling of chemical substances.





# Raw Material Traceability & Circularity



The Ermenegildo Zegna Group is dedicated to enhancing the traceability of top-priority raw materials, and improving the circularity of our operations. We aim to continue efficiently producing durable products; and to reduce textile waste by reusing pre- and post-consumer material. Broadly, our circularity commitments also include the aim to contribute to economic growth by promoting research into alternative methods that improve the textile value chain and reduce waste. We see the circular economy providing opportunities for alternative business models, new partnerships, and jobs for local communities.

The Group is also dedicated to providing stakeholders with assurance of animal rights, with a transparent, certified and traceable system of raw materials sourcing.

This is an overview of all the raw materials purchased by the Group.

### PURCHASED RAW MATERIALS

Raw material	2024	
	Amount purchased – approximate (tonnes)	Amount purchased – percentage on the total (%)
Animal fibers and skins	1,334	38%
Plant-based fibers	888	25%
Synthetic fibers	764	22%
Paper & cardboard	268	8%
Man-made cellulosics	176	5%
Metals	22	1%
Others <sup>47</sup>	41	1%
<b>Total</b>	<b>3,493</b>	<b>100%</b>

In 2024, 4% of the total raw materials purchased came from recycled sources. In particular, 12% of our polyester and 17% of our man-made cellulosics came from recycled sources.

77% of the materials used by the Group are renewable<sup>48</sup>. Our founder, Ermenegildo Zegna, understood the importance of high-quality raw materials, and of upholding fair relationships with suppliers, in whichever country or community they were located. The Ermenegildo Zegna Group continues in this tradition, producing quality natural fibers that have been appropriately sourced.

Animal fibers and skins, which are important inputs for the Group, account for 38% of total raw materials, including wool (20%), leathers (10%), cashmere (4%), silk (3%) and other animal fibers (1%). Plant-based fibers account for another 25% of total raw materials. The Ermenegildo Zegna Group banned fur from its collections since 2021, effective from January 1, 2023.

Our long-term relationships with suppliers are built on trust, which we leverage to promote best-practice principles, in the interests of responsible sourcing. Through ongoing engagement, we are raising the standard for certification, transparency and traceability of our raw materials. Furthermore, we only source animal-derived fibers from animals that are not at risk of extinction.

<sup>47</sup> "Others" include: animal parts, rubbers, wood and other materials.

<sup>48</sup> Raw materials considered renewable: animal fibers and skins, vegetable fibers, paper & cardboard, man-made cellulosics, rubbers and wood.

In the first half of 2023, the Group adopted an Animal Welfare Policy, updated in March 2025. The policy sets guiding principles for our Group and our partners when sourcing products derived from animal fibers, skins and other materials (for more information, please follow this [link](#)). Following the acquisition of Tom Ford International, the Group reviewed the Animal Welfare Policy to ensure material compliance with international animal welfare standards and certifications.

In 2023, we provided extensive training to our product development and purchasing teams on the policy, ensuring they fully understand its principles and implementation.

## Vellus Aureum Trophy

In his relentless quest for the extraordinary, in 1963 our Founder, Ermenegildo Zegna, established the Wool Awards in Australia, to support and incentivize woolgrowers in their pursuit of the finest wool in the world. This competition is one of the oldest existing in the world of wool. Celebrating the importance of this fiber and the incredible advances made by Australian woolgrowers for absolute excellence.

The competition, structured across the Wool Trophy and the Vellus Aureum Trophy, continues to encourage and reward wool growers for their commitment to quality and to guarantee the best industry practices for wool processing. The winning wool bales and fleeces are judged according to a strict set of criteria including fineness, style, strength, color and evenness.

It was in this context that, in 2023, the Vellus Aureum Trophy winner made history, setting a world record with a single wool fleece with an exceptional fineness of just 9.4 microns.

In 2025 the Group honored Australia's best woolgrowers by awarding the "Wool Trophy" and the "Vellus Aureum Trophy" during an exclusive celebration hosted in the picturesque Mornington Peninsula, Melbourne, by Paolo Zegna, third generation of the Zegna family.

For the occasion, a new and unique take on the trophies was also unveiled. Featuring a personalized sculpture by Italian artist, Giuseppe Ragazzini representing not just superior wool but also the ZEGNA brand's timeless values, which honor tradition and craftsmanship, inspire innovation, and uphold our Founder's vision for the future.

The 2025 winners of the Vellus Aureum Trophy this year were David & Susan Rowbottom (Rowensville, Victoria). Together with Danny and Megan Picker (Hillcreston Park, New South Wales) and Aaron and Rebecca Rowbottom (Myndarra, Victoria) respectively 2nd and 3rd in the competition.

While the 2025 Wool Trophy was won by Ann Louise and Simon Cameron (Kingston, Tasmania). The 2nd and 3rd place winners were Murray & Leanne Picker (Hillcreston, New South Wales) and Richard Geeve (Stoneleigh, NSW) respectively.



## Impact incentive

The Unlock Programme is a non-profit, cross-industry system designed to decarbonize raw materials production and catalyze the shift to regenerative farming. It uses an 'inset' mechanism to provide brands with quantitative GHG impact metrics called 'Unlock Units' that can be used within their climate reporting. The funds from these Unlock Units are passed to the farmers that generated them, to support their continued shift to low carbon and regenerative farming. In addition to GHG claims, Unlock will also measure quantified impacts on water, biodiversity, soil and livelihoods from 2024.

The pilot phase of Unlock has been completed, with participation of 25 brands, 7 implementation and data partners including the world's biggest cotton certification programs, and consultation with a range of expert advisory organizations. The pilot has resulted in between 200 and 600 kg of carbon reductions per hectare in India, and an average of 950kg of removals and 2000kg of reductions per hectare in the USA. All 'Unlock Units' available from the pilot have been taken up by brands (alongside pre-financing for farmers in India), resulting in almost 200,000 USD being sent directly to farmers across India and the USA from the pilot phase alone. The programme will now scale up, with more than 10,000 cotton farmers enrolled across India and the USA for 2024 and up to 90,000 farmers to be enrolled in the coming years. Unlock will also expand to new geographies, and include additional crops and materials as it expands.

The Ermenegildo Zegna Group is a founding member of the Unlock Programme and provided a donation to support the methodological development of the Unlock programme during the pilot phase. The Group also supports farmers directly through the purchase of Unlock Units, and has purchased 50 Unlock Units for the 2023 pilot year. The funds from the Unlock Units will go directly to support cotton farmers in the USA.

For more information on the Unlock project, please refer to the [Unlock website](#).

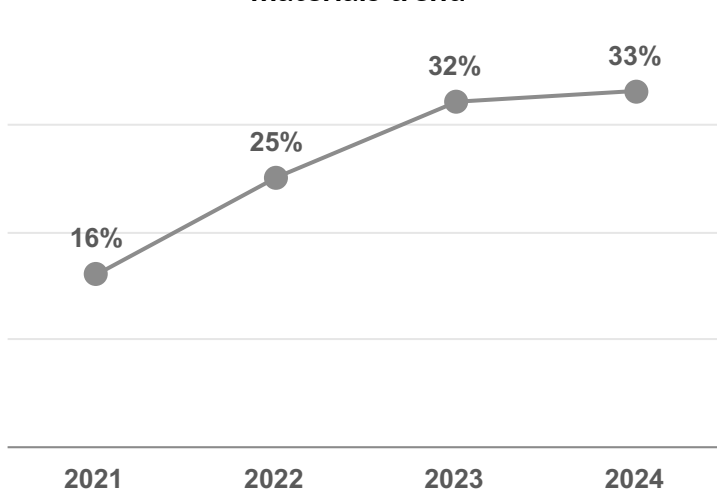
## Our work on materials' traceability

The Group's targets include:

- Top priority raw materials (wool, cashmere, cotton, leather, man-made cellulosics, polyester and linen) with at least 50% traced to the geography of origin and from lower-impact sources by 2026; and
- Product raw materials tracking: >95% of products enabled with a product traceability system by 2030.

Top priority raw materials cumulatively account for about 76% of total raw materials purchased in 2024 by the Group. In the reporting year, the share of top-priority raw materials sourced from traceable origin and from lower-impact sources was 33%, with key contributions from Authentico® wool, Sustainable Fibre Alliance cashmere, and linens certified by Masters of Linen® and European Flax®.

### Traceable & lower impact top priority raw materials trend<sup>49</sup>



<sup>49</sup> Starting from FY24 figures also include TOM FORD FASHION while in previous reporting years it was not included. The FY24 figure excluding TOM FORD FASHION would have been equal to 35%.



## Certifications<sup>50</sup>

Certifications are an important way to guarantee the traceability of materials and ensure a lower environmental and social impact.

In 2024, the Group purchased:

### Wool

- 52% of the total purchased wool is certified traceable, also guaranteeing mulesing-free practices, as well as other enhanced animal welfare, social and environmental aspects, such as biodiversity stewardship and land use management; and
- 36% of the total purchased wool is certified Authentico<sup>®</sup> by Schneider Group.

### Cashmere

- 51% is certified SFA (Sustainable Fiber Alliance), guaranteeing enhanced social and environmental aspects, such as biodiversity stewardship and land use management, as well as protecting animal welfare.

### Cotton

- About 27% is certified GOTS (Global Organic Textile Standard).

### Man-made cellulosics

- About 17% is certified RCS (Recycled Content Standard), and 40% is certified FSC<sup>®</sup> (Forest Stewardship Council).

### Polyester

- About 12%, is certified GRS (Global Recycled Standard).

### Linen

- 41% is certified Masters of Linen<sup>®</sup>, and 23% is certified European Flax<sup>®</sup>.

Moreover, the Group is researching into traceable certification schemes for its leather purchase.

For more information on these certifications, see pages 145-147.

As a reference, The Fashion Pact commitment requires that we source “at least 25% of key raw materials to have lower climate impact by 2025”.

### Authentico<sup>®</sup> by Schneider

First launched in 1999, Authentico<sup>®</sup> is the Schneider Group brand standing for complete, transparent, verified, traceable, ethical and high-quality wool supply chain. From farm to garment, it guarantees best industry practices for wool growing and processing, while recognizing existing local legislation and standards honored by wool growers. This ensures the highest animal, social and environmental welfare requirements, which are third-party audited for adequate assurance.

Authentico<sup>®</sup> is based on Schneider certified global network, meaning Authentico<sup>®</sup> wool is processed in Schneider Group-owned mills which are both RWS (Responsible Wool Standard) and GOTS certified, as well as being in ZDHC Supplier to Zero program, hence ZDHC compliant. Authentico<sup>®</sup> growers are compliant with the Authentico Integrity Scheme ensuring animal, social and environmental welfare requirements. Thanks to a direct relationship with growers and the adoption of the Textile Genesis<sup>®</sup> traceability platform, Authentico<sup>®</sup> wool is traceable along all the supply chain, from farm to garment.

Further assurance of the quality and sustainability of our raw materials is provided by our production sites, which are audited in terms of sourcing certified raw materials. Since June 2019, the greasy wool acquired by Lanificio Ermenegildo Zegna through the Schneider Group has been certified Authentico<sup>®</sup>. In 2022, Lanificio Ermenegildo Zegna and Dondi were certified by the Sustainable Fiber Alliance (SFA) to acquire & process certified cashmere fibers, joining Filati Biagioli Modesto. In 2023, Lanificio Ermenegildo Zegna also acquired the Masters of Linen<sup>®</sup> certification.

<sup>50</sup> Responsible Wool Standard (RWS), Recycled Content Standard (RCS), Global Recycled Standard (GRS), are trademarks of Textile Exchange.

The cashmere fibers come from Mongolia and Inner Mongolia (China) and are 100% traceable to the collecting centers. The SFA Cashmere Standard encourages its herders and growers to the adoption of responsible production practices that minimize environmental impact, safeguard herders' livelihoods, and meet high animal welfare standards. SFA is the world's first global organization for cashmere sustainability, with trainings and certification programs able to reach over 160,000 herders in Mongolia and China.

Empowered by these achievements, in 2022 the ZEGNA brand launched the Oasi Cashmere collection and in 2024 the Oasi Lino collection, as part of our commitment to integrate ESG into our business strategy, in particular driving the adoption of certified, traceable and lower-impact raw materials - see next page for further details.



## Supply chain transparency

As part of its commitment to traceability, the Group is making significant strides toward transparency and accountability in its supply chain through a strategic partnership with TextileGenesis, a leader in digital traceability solutions. TextileGenesis offers both automated fiber-forward and product-backward tracing ensuring full transparency and regulatory compliance, across all supply chain tiers, from fiber-origin to final garment. Central to this collaboration is TextileGenesis FibreCoin™ technology—a proprietary digital token system that meticulously traces each fiber from its source to retail. With direct certification integrations, TextileGenesis enables the Ermenegildo Zegna Group to validate both the provenance and authenticity of materials, ensuring they meet rigorous standards for sustainability and responsible sourcing. By collaborating with suppliers and integrating their data into the traceability chain, this innovation empowers the Group to verify certified and conventional (non-certified) materials with accuracy, ensuring data integrity and alignment with the Group's sustainability goals.

TextileGenesis technology provides access to tamper-proof digital records covering over 400 transformation steps, effectively preventing fiber adulteration, mislabeling, and certification fraud. With AI-driven risk management, the platform enhances compliance monitoring by identifying potential supplier risks, including ethical sourcing, labor conditions, and environmental concerns.

The integration of TextileGenesis into the Zegna Group's global operations ensures data integrity at scale, supporting fact-based sustainability claims and transparent supply chain management.

Some key features of the platform:

- Scalable Traceability Technology;
- Collaborative Ecosystem with Industry Standards; and
- Advanced Compliance and Risk Management.

TextileGenesis' traceability platform supports over 90% of sustainable material certification schemes, enhancing authentication with real-time verification from standards like Supima, Authentico® Schneider Group, and the Alliance for European Flax Linen and Hemp.



## OASI CASHMERE & OASI LINO

Oasi Cashmere is a collection that was introduced for the first time in 2022.

Born in Oasi Zegna, its excellence is based on the ethics of beauty as we continue to strengthen our commitment to source responsibly and in harmony with nature – from remote farms around the world to innovative manufacturing in Italy.

The collection is a trademark of traceability and accountability. Made of from 100% certified traceable cashmere fibers, it takes its name and inspiration from Oasi Zegna – a thriving 100 km<sup>2</sup> natural territory surrounding our original Wool Mill, and the home of our values. Through Oasi Cashmere, our goal is safeguarding the environment, contributing to local communities, and ethical sourcing of raw materials.

The color selection reflects the warm and earthy autumn foliage of Oasi Zegna, seen in a vast array of garments, such as the iconic overshirt, extra-fine knitwear, trousers, and accessories.

Debuted during ZEGNA's L'Oasi di Lino Summer 2024 fashion show in Milan, the Oasi Lino collection, like Oasi Cashmere, embodies our values of authenticity, craftsmanship, and high quality. Linen is a natural fiber derived from the flax plant and the top-quality linen that ZEGNA uses in its garments comes from flax grown mainly in Normandy, France, with its blue flowers that bloom for just a single day in early summer. From here, they are transported to Italy and transformed into an array of exquisite Oasi Lino fabrics.

Our traceable linen has two different certifications: European Flax® and Masters of Linen®. Both guarantee that the fiber comes from European sources and that the material is traceable to the fabric mill, with the Oasi Lino collection made from 100% certified traceable linen fibers.







## VELLUS AUREUM

In early 2025, ZEGNA unveiled Vellus Aureum: a testament to our Founder's quest for excellence to seek the finest wool in the world.

Back in 1963, our Founder established the Ermenegildo Zegna Wool Trophy Awards in Australia – a prestigious prize created to support woolgrowers in their pursuit of the finest wool. The name Vellus Aureum was inspired by the mythical story of the Golden Fleece, represented as a winged ram, and reflects Ermenegildo Zegna's ambition and search for the extraordinary.

To date, the Vellus Aureum world record for a single wool fleece was reached in 2023 with a fineness of 9.4 microns. This remarkable achievement continues our Founder's quest to redefine what is possible.

Vellus Aureum represents the pinnacle of craftsmanship and innovation, with a fiber so fine it's barely visible. This extraordinary wool, sourced from purebred Merino sheep, makes up less than 0.05% of global wool production annually. Its fibers average an exquisite fineness ranging from 12 to 13 microns, surpassing even the finest cashmere (typically between 14 and 17 microns). From the meticulous processing of the fabric to the creation of the finished garments, each step embodies unparalleled excellence.

Crafted entirely in Italy, Vellus Aureum merges timeless tradition with modern innovation. Loyal to our Road to Traceability commitment, ZEGNA is proud that Vellus Aureum is made from 100% certified traceable wool fibers, from FW2025. Additionally, a new digital passport allows consumers to explore the origins and lifecycle of their garments through a digital certificate stored on the Aura Blockchain, simply by tapping the NFC tag attached to all the garments.

With Vellus Aureum, ZEGNA continues to honor our Founder's vision. This fiber is more than a product: it is a legacy, a celebration of innovation and heritage for those who are drawn to what is truly unique.

## OUR APPROACH TO THE CIRCULAR ECONOMY

Promoting a circular economy is one of the Group's sustainability focus areas and both Thom Browne and ZEGNA pursued their exploration of circular solutions. Thom Browne put in place a repairing service to extend the longevity of its employees' uniform, whereas ZEGNA conducted workshops on circular economy with internal divisions such as design, product development and procurement teams. Moreover, ZEGNA is testing how to insert textile off-cuts into clothing such as padding and is working a program to enhance material recovery, durability and recyclability of selected products. These ongoing projects follow the #UseTheExisting concept of circularity.

The ZEGNA brand #UseTheExisting project (#UTE), started in 2019, is overseen by ZEGNA brand's Artistic Director Alessandro Sartori. The first garments developed with #UTE mindset were made with wool fibers discarded from production processes. After several tests, we managed to create #UTE garments made from pre-consumer industrial waste, as well as from post-consumer waste. Pre-consumer waste includes raw materials, yarns, and fabrics, whereas post-consumer waste is recycled from another source, e.g. polyester from fishing nets, and plastic bottles.

### Re.Crea

In August 2022, the Ermenegildo Zegna Group, together with Dolce & Gabbana, Max Mara Fashion Group, Moncler Group, OTB Group, and Prada Group, founded the Re.Crea Consortium. Other leading Italian luxury and fashion brands joined in 2023. At the present date the Re.Crea Consortium includes 17 brands in total.

Coordinated by CNMI (the National Chamber of Italian Fashion), the purpose of the consortium is to manage end-of-life textile and fashion products, as well as to promote R&D for innovative recycling solutions for production waste and pre-consumer waste.

Re.Crea Consortium is a meaningful response to the concept of extended producer responsibility (EPR). Increasingly, the concept of EPR is being legislated across Europe. EPR is about looking at a product's entire lifecycle and factoring in environmental costs related to garments' end-of-life.

## Product durability

Our high-quality products are made to last, and our brands promote values diametrically opposed to a throwaway culture.

Our brands offer customers in-store tailoring services to extend the life of garments. It is possible to alter the size or length of garments, and also repair them. In fact, our garments allow for more than 70 possible alterations, not only reducing waste but also promoting the age-old craft of tailoring.





# Environmental Commitment

# Climate

Safeguarding the environment is one of our founding values and fundamental obligations. In 2024 the Group formally adopted an Environmental Policy<sup>51</sup> to promote sustainable practices and reduce our environmental impact, continuing to focus on reducing our environmental footprint and contributing to the renewable energy transition.

In 2024, we continued executing under such commitments by:

- Increasing the amount of electricity purchased from renewable sources, from 42% in 2022, to 62% in 2023, and to 70% in 2024<sup>52</sup>;
- Implementing actions to increase energy efficiency at Milan Headquarters; and
- Updating our science-based emission reduction targets; starting in 2023, the Group has analyzed how the allocation between FLAG targets<sup>53</sup> vs. non-FLAG targets, and the acquisition of Tom Ford International LLC on April 28, 2023, impacted scope 3 categories. Updated targets were validated by the Science Based Initiative (SBTi)<sup>54</sup> in February 2025.

The Group has, for the third consecutive year, responded to the CDP<sup>55</sup> Climate Change questionnaire and, for the second time, to the Water Security questionnaire, receiving for both a B score, showing a significant improvement in its performance. CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. A CDP score ranging from D- to A provides a snapshot of a company's disclosure and environmental performance.

<sup>51</sup> For more information on the Group policies see: [Governance documents](#).

<sup>52</sup> For comparison purposes data reported include TOM FORD FASHION also for FY23 and FY22. For more information and breakdowns on energy consumption data between TOM FORD FASHION, and the rest of the Group, please refer to the "Annex" section. For previously reported data please refer to our 2023 Group Sustainability Report.

<sup>53</sup> FLAG science-based targets apply to a company's Forest, Land, and AGriculture related emissions, including CO2 emissions associated with land-use change (i.e. biomass and soil carbon losses from deforestation and forest degradation, conversion of coastal wetlands and peatland burning) and emissions from land management (i.e. N<sub>2</sub>O and CH<sub>4</sub> from enteric fermentation, biomass burning, nutrient management, fertilizer use, and manure management; and CO<sub>2</sub> emissions from machinery and fertilizer manufacturing).

<sup>54</sup> The Science Based Targets initiative (SBTi) is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science. It is focused on accelerating companies across the world to halve emissions before 2030 and achieve net-zero emissions before 2050. The initiative is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments. For more information on SBTi please follow this [link](#).

<sup>55</sup> For more information on CDP please follow this [link](#).



# Our Science-Based Targets

## Science-Based Targets initiative (SBTi)

In 2022, the Ermenegildo Zegna Group committed for the first time to setting science-based emission reduction targets, which were verified by the Science-Based Targets initiative (SBTi) in May 2023. In 2023, the Group started the review of its targets to reflect the change in business perimeter due to the acquisition of Tom Ford International LLC, and the impact on Scope 3 categories of the allocation between FLAG targets vs. non-FLAG targets. Targets were resubmitted to SBTi in 2024 and verified on February 13, 2025; please note that the baseline year referenced by the reduction targets has been switched from FY21 to FY22 as the latter is considered more representative of a fully operational business.

## Overall net-zero target

Ermenegildo Zegna N.V. commits to reach net-zero greenhouse gas emissions across the value chain by 2050.

## Near-term targets

### Energy & Industry:

Ermenegildo Zegna N.V. commits to reduce absolute scope 1 and 2 GHG emissions 50.4% by 2032 from a 2022 base year.

Ermenegildo Zegna N.V. also commits to increase active annual sourcing of renewable electricity from 46% in 2022 to 100% by 2027, and to continue active annual sourcing of 100% renewable electricity through 2032.

Ermenegildo Zegna N.V. further commits to reduce absolute scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, employee commuting, franchises and investments 50.4% by 2032 from a 2022 base year.

### FLAG:

Ermenegildo Zegna N.V. commits to reduce absolute scope 3 FLAG GHG emissions 36.4% by 2032 from a 2022 base year.

Ermenegildo Zegna N.V. also commits to no deforestation across its primary-linked commodities, with a target date of December 31, 2025.

## Long-term targets

### Energy & Industry:

Ermenegildo Zegna N.V. commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2050 from a 2022 base year. Ermenegildo Zegna N.V. also commits to reduce absolute scope 3 GHG emissions 90% within the same timeframe.

### FLAG:

Ermenegildo Zegna N.V. commits to reduce absolute scope 3 FLAG GHG emissions 72% by 2050 from a 2022 base year.

In 2022, the Ermenegildo Zegna Group entered into several bilateral financing agreements for a total amount of €190 million. These are committed revolving lines for original 7 years (residual 5 years), with the pricing linked to two ESG targets, already disclosed by the Group:

1. At least 50% of top priority raw materials traced to their geography of origin and from lower impact sources by 2026<sup>56</sup>;
2. 100% of purchased electricity from renewable sources in Europe and the USA by 2024<sup>57</sup>.

Thanks to this ESG credit facility, the Group further consolidates its already sound liquidity position, and further integrates sustainability commitments into business and financial goals. These agreements follow our first sustainability-linked loan, signed with Intesa Sanpaolo bank in 2018.

Finally, as part of the Group's commitment as a Signatory brand of The Fashion Pact<sup>58</sup>, in December 2022 we announced our participation in the Collective Virtual Power Purchase Agreement (CVPPA). The CVPPA, linked to Lightsource BP's solar portfolio in Spain, and finalized in October 2023, offers a long-term renewables commitment for 12 brands.

This collective deal means that businesses with global responsibilities (but less intensive energy use) benefit from solar power; and underpin the development of new renewable energy projects. The Fashion Pact worked collaboratively with Lightsource BP's Power Markets team to create a bespoke PPA structure that meets members' needs and helps satisfy demand for renewable energy. This tailored and pragmatic approach saw the contract being agreed upon in only a few months, creating an equitable platform for the initiative's members to accelerate their transition to clean energy. The CVPPA is an important step towards reducing our scope 2 emissions. Collective action is crucial to ensuring that we meet our sustainability goals; this project is one example of our willingness to cooperate with other brands to make meaningful changes.

## Our energy consumption and emission

To reduce our energy consumption we are implementing programs at our offices and production sites, as well as across our internal logistics network and retail facilities.

Starting in 2022, the Group implemented several energy-related initiatives which focused on reducing energy consumption and GHG emissions from our production facilities, headquarters and retail stores. The Group has implemented energy and cost-efficient technical investments, such as the adoption of photovoltaic (PV) systems at the Group's production sites. In 2024, at the Milan headquarters, the Group also substituted the refrigeration unit for the cooling of the offices and the old boilers with new ones with an increased efficiency of 10%.

Furthermore, we have taken steps to meet the main environmental standards for our sites. The production sites of In.Co S.p.A. and Consitex S.A. are ISO 14001 certified<sup>59</sup>. While ISMACO TEKSTİL LİMİTED ŞİRKETİ is targeting the same certification by the end of 2026.

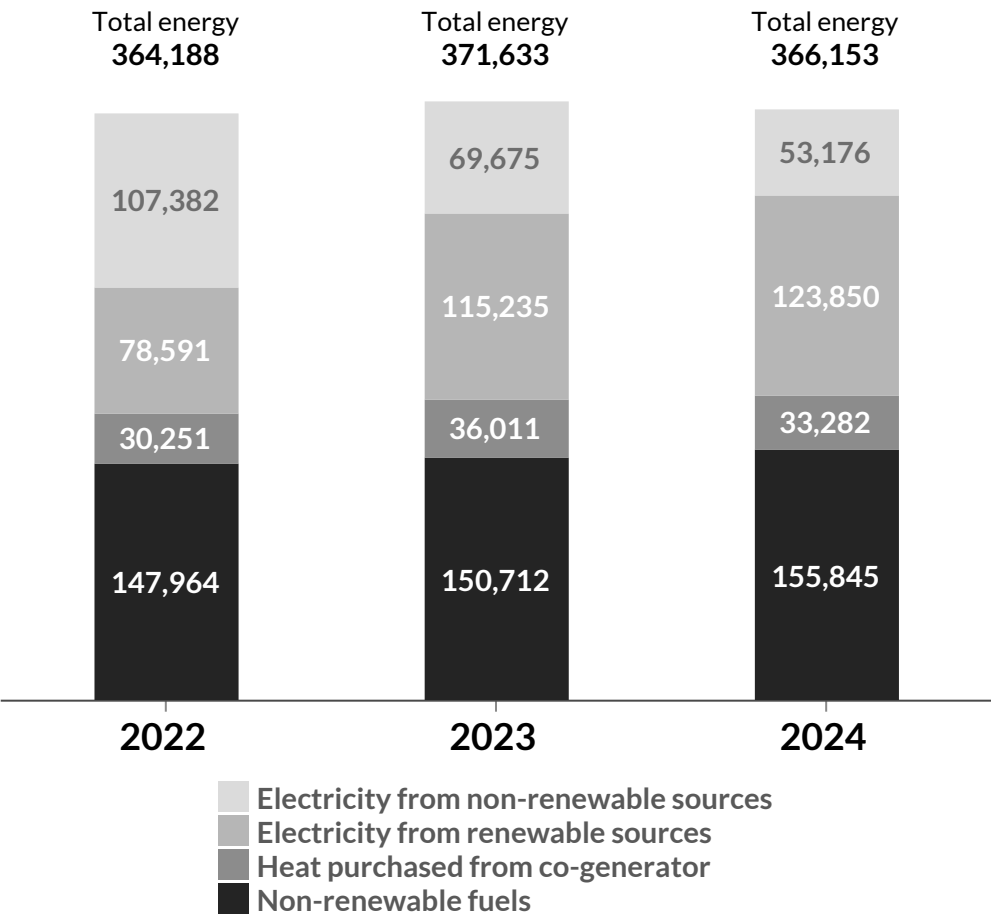
<sup>56</sup> To see progress on this target, please refer to page 82..

<sup>57</sup> To see progress on this target, please refer to page 95-96.

<sup>58</sup> The Group is among the initial signatories at the inception of The Fashion Pact, in August 2019.

<sup>59</sup> This figure represents the 60% of our production sites being certified according to the ISO 14001 management system.

GROUP ENERGY CONSUMPTION (GJ)<sup>60,61</sup>



<sup>60</sup> For comparison purposes data reported include TOM FORD FASHION also for FY23 and FY22. For more information and breakdowns on energy consumption data between TOM FORD FASHION, and the rest of the Group, please refer to the “Annex” section. For previously reported data please refer to our 2023 Group Sustainability Report.

<sup>61</sup> Conversion factors used for GJ calculation were DEFRA (Department of Environment, Food & Rural Affairs) 2024.

Group Energy Consumption (GJ)	2024	2023	2022
<b>Non-renewable fuels</b>	<b>155,845</b>	<b>150,712</b>	<b>147,964</b>
Of which natural gas	128,177	127,929	132,146
Of which gas oil	3,206	2,977	2,982
Of which diesel	11,638	13,358	11,848
Of which petrol	12,812	6,412	988
Of which LPG	12	36	0
<b>Renewable fuels</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Heat purchased from co-generator</b>	<b>33,282</b>	<b>36,011</b>	<b>30,251</b>
<b>Energy from electricity</b>	<b>177,026</b>	<b>184,910</b>	<b>185,973</b>
Electricity self-produced and consumed from renewable sources	5,634	2,412	1,236
<b>Electricity purchased</b>	<b>171,392</b>	<b>182,498</b>	<b>184,737</b>
Of which from non-renewable sources	53,176	69,675	107,382
Of which from renewable sources	87,994	112,823	77,355
From a cogenerator of which from non-renewable sources	0	—	—
From a cogenerator of which from renewable sources	30,222	—	—
<b>Total energy consumed</b>	<b>366,153</b>	<b>371,633</b>	<b>364,188</b>

#### GROUP ENERGY SELF-PRODUCED AND SOLD FROM RENEWABLE SOURCES (GJ)

	2024	2023	2022
Electricity self-produced and sold from renewable sources	1,376	1,290	1,393



**ENERGY INTENSITY RATIO (GJ/k€ revenues)<sup>62</sup>**

	2024	2023	2022
Total energy consumed (GJ)	366,153	355,588	349,472
Total revenues (k €)	1,946,647	1,669,018	1,492,840
<b>Energy intensity ratio (GJ/k €)</b>	<b>0.188</b>	<b>0.213</b>	<b>0.234</b>

In 2024, we consumed 366k GJ of energy, compared to the 372k GJ in 2023. Energy consumption consisted of non-renewable fuels for about 156k GJ, heat for about 33k GJ and electricity for about 177k GJ.

Natural gas is the main fossil fuel we consume (128kGJ), used for the most part in the production processes of the Group, and partially for heating offices and warehouses.

Fuel consumption related to car fleet is calculated by taking the yearly mileage of vehicles into account. Non-renewable fuel consumption increased in 2024 compared to 2023. We observed both an increase in diesel, which was also used for transportation, accounting for approximately 12k GJ, and a slightly more significant increase in petrol, which accounted for almost 13k GJ this year. These increases are also due to the increase in the Group's car fleet numbers, mainly explained with an improvement in TOM FORD FASHION data collection. In early 2021, the Group established a strategic partnership with Stellantis Group to replace all leased endothermic vehicles with plug-in hybrid (PHEV) or full-electric (BEV) vehicles by 2025. Regarding this commitment, we achieved a coverage of 44% in 2024 (compared to 36% in 2023 and 21% in 2022).

Almost the total amount of heat (33kGJ) purchased in 2024 was sourced directly from a third-party-operated co-generator plant adjacent to Lanificio Ermenegildo Zegna. The heat is then used to warm up water and produce steam for dyeing and finishing processes.

The Group's electricity consumption amounts to 177k GJ, roughly equivalent to 49 GWh. Of this amount, 5.6k GJ (about 1,565 MWh) are produced by solar panel systems installed on factory roof-tops. In particular for INCO, the share of electricity auto-produced and consumed over the total electricity consumed is equal to 12% (versus 2% in 2023) while for CONSITEX it reaches 15% (versus 7% in 2023). The increase is due to the fact that, in 2023, the solar panel systems were activated during the year while for 2024 they were active for the full year.

The remaining 171k GJ are purchased from the grid. Of this 171k GJ, 53K GJ comes from non-renewable sources and 118k GJ from renewable sources purchased through Guarantees of Origin (GOs), Renewable Energy Certificates (RECs) and International Renewable Energy Certificates (IRECs).

In Europe and the USA we reached 100% electricity from renewable sources, achieving our goal for those geographies by 2024. This increase is the result of substantial efforts to boost the share of electricity purchased from renewable sources, particularly in the USA, where the share of electricity from renewable sources rose from 0% in 2022 to 86% in 2023 and 100% in 2024.

This performance helped us reach 70% (vs 62% in 2023, and 42% in 2022) of electricity purchased from renewable sources, bringing us closer to the achievement of our Group target of 100% renewable electricity by 2027.

<sup>62</sup> Data related to FY23 and FY22 do not include TOM FORD FASHION.

2024 GROUP ELECTRICITY CONSUMPTION FROM RENEWABLE SOURCES (GJ)

	Electricity consumption (GJ)	Electricity consumption from renewable sources (GJ)	%
USA	9,657	9,657	100%
Europe	105,341	105,341	100%
Rest of the world	62,028	8,852	14%
Total	177,026	123,850	70%



# The Group's Carbon Footprint

The Group assesses its carbon emissions on an annual basis.

Scope 1 refers to the emissions directly generated by the Group from operations that are owned or controlled by the organization, due to the use of fuels. Scope 2 indirect emissions are derived from electricity and heat purchased and consumed by the organization.

Scope 2 emissions can be calculated with two different methods: location and market-based. The location-based method reflects the average emissions intensity of national grids from where the energy is drawn. A market-based method reflects emissions from electricity that the Ermenegildo Zegna Group has purposefully chosen.

In 2024, Group's scope 1 + scope 2 market-based CO<sub>2</sub>e emissions were equal to 18,886 tonnes, a decrease of 12% compared to 2023 and of 15% compared to 2022.

The Group's scope 1 emissions, which slightly increased in 2024 compared to 2023, include emissions deriving from the use of natural gas, diesel, gas oil, petrol and LPG. The increase is due to the inclusion of TOM FORD FASHION's corporate fleet and to a refinement of data collection methodology. Scope 2 emissions, which include the use of purchased electricity and heat, decreased compared to 2023, by 8% (location-based approach) and 21% (market-based approach). This is due to a decrease in consumption of electricity (partially driven by additional self-produced and consumed energy from installed PV systems), as well as growth in the share of consumed energy from renewable sources. Moreover, for the first time in 2024 the Group collected primary data from the company managing the co-generator system from which the wool mill sources electricity and heating. Thanks to data collected the Group refined the calculation of related Scope 2 emissions by applying more precise emission factors.

## GROUP EMISSIONS – SCOPE 1 & SCOPE 2<sup>63,64</sup> (tCO<sub>2</sub>e)

	2024	2023	2022
<b>Total emissions scope 1</b>	<b>8,420</b>	<b>8,098</b>	<b>7,864</b>
Total emissions scope 2 (location-based)	18,747	20,281	20,504
Total emissions scope 2 (market-based)	10,466	13,268	14,331
<b>Total emissions scope 1 &amp; scope 2 (location-based)</b>	<b>27,167</b>	<b>28,379</b>	<b>28,368</b>
<b>Total emissions scope 1 &amp; scope 2 (market-based)</b>	<b>18,886</b>	<b>21,366</b>	<b>22,195</b>

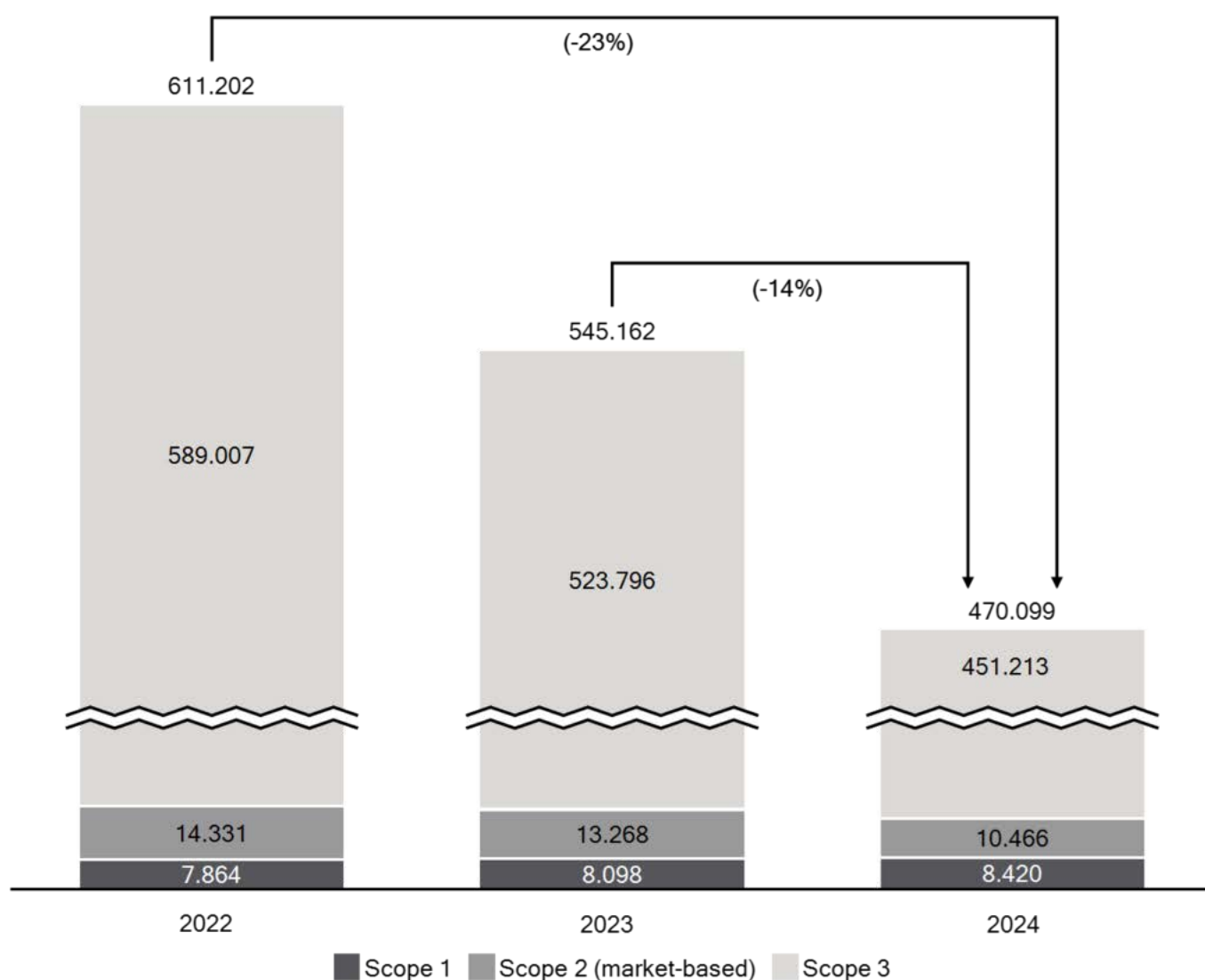
<sup>63</sup> For comparison purposes data reported include TOM FORD FASHION also for FY23 and FY22. For more information and breakdowns on emissions data between TOM FORD FASHION, and the rest of the Group, please refer to the "Annex" section. For previously reported data please refer to our 2023 Group Sustainability Report.

<sup>64</sup> Emission factors used for Scope 1 calculation were DEFRA (Department of Environment, Food & Rural Affairs) 2024. Emission factors used for Scope 2 location-based calculation were Ecoinvent v3.10. Emission factors used for Scope 2 market-based calculation were AIB 2023 - European Residual Mixes and Ecoinvent v3.10, in Countries where the residual mix is not available.

### GHG EMISSIONS INTENSITY RATIO (tCO<sub>2</sub>e/k € revenues)<sup>65</sup>

	2024	2023	2022
Total emissions scope 1 & 2 (tCO <sub>2</sub> e) <sup>66</sup>	27,167	26,290	26,452
Total revenues (k €)	1,946,647	1,669,018	1,492,840
GHG intensity ratio (tCO <sub>2</sub> e/ k €)	0.014	0.016	0.018

### GROUP EMISSIONS - SCOPE 1, SCOPE 2 & SCOPE 3 (tCO<sub>2</sub>e)<sup>67</sup>



Overall, in the reporting year the total Group carbon footprint decreased by 23% compared to the baseline 2022 year, and by 14% compared to 2023.

<sup>65</sup> Data related to FY23 and FY22 do not include TOM FORD FASHION.

<sup>66</sup> Total Emissions scope 1 & scope 2 (location-based).

<sup>67</sup> For comparison purposes data reported include TOM FORD FASHION also for FY23 and FY22. For more information and breakdowns on emissions data between TOM FORD FASHION, and the rest of the Group, please refer to the "Annex" section. For previously reported data please refer to our 2023 Group Sustainability Report.



## SCOPE 3 EMISSIONS

Scope 3 emissions are the result of activities from assets not owned or directly controlled by the Ermenegildo Zegna Group, but that are indirectly generated upstream and downstream along our value chain.

In 2023, considering the allocation of FLAG and non-FLAG targets and in light of the acquisition of Tom Ford International LLC on April 28, 2023, the Group analyzed how these factors impacted our scope 3 emissions across the scope 3 categories. Please refer to the 2023 Group Sustainability Report for the changes in methodology applied as a consequence of the analysis conducted in 2023. In 2024, the Group submitted the revised targets to the SBTi, which completed their verification in February 2025.

Please note that the Group science-based carbon emission reduction targets, validated by SBTi in May 2023, were based on the FY 2021 baseline, as reported in the previous reporting documents. With the updated targets submission, the baseline has been switched to FY 2022, as the latter is considered to be more representative of a fully operational business.

The table below shows the Group's emissions for each category of Scope 3, as well as the emission factors used.

Please note that the Group started gathering primary data from TOM FORD FASHION in 2023, even if the brand was not part of the reporting scope; during 2024 the data gathering process was refined and improved. For the breakdown of previous years data between TOM FORD FASHION and the rest of the Group please refer to the "Annex" section.

Below some considerations on calculations:

- For cat 3.1 (purchased goods and services), the Group in 2024 collected primary data related to energy consumption from almost 100 strategic suppliers. Data collected were factorized in the emissions factors used, to obtain a more accurate figure;
- For cat. 3.7 (employee commuting), the Group surveyed employees located in Switzerland and Italy to collect primary data and increase the accuracy of the calculation;
- For cat. 3.8 (upstream leased assets), the Group has refined the data collection process for the stores' energy consumption; and
- For cat. 3.12 (end-of-life treatment of sold products), we updated the calculation methodology, in line with SBTi inputs, to include semi-finished products. FY 2022 and FY 2023 data were also updated to reflect the methodological change.

GROUP EMISSIONS - SCOPE 3<sup>68,69</sup> (tCO<sub>2</sub>e)

Process / Activity - tCO <sub>2</sub> eq	2024	2023	2022
1. Purchased goods and services	393,258	464,292	538,640
2. Capital goods	15,001	10,810	9,430
3. Fuel and energy-related activities (not included in scope 1 or scope 2)	7,608	8,250 <sup>70</sup>	5,541
4. Upstream transportation and distribution	10,310	14,894	13,838
5. Waste generated in operations	52	60	57
6. Business travel	2,933	2,757	2,289
7. Employee commuting	4,913	6,413	6,091
8. Upstream leased assets	2,107	1,411	1,381
9. Downstream transportation and distribution	7,077	6,962	4,584
10. Processing of sold products	3,520	3,307 <sup>71</sup>	2,756
11. Use of sold products	—	—	—
12. End-of-life treatment of sold products <sup>72</sup>	790	798	923
13. Downstream leased assets	—	—	—
14. Franchises	3,637	3,835	3,471
15. Investments	7	7	7
<b>Total scope 3 GHG emissions</b>	<b>451,213</b>	<b>523,796</b>	<b>589,007</b>

In 2024, Purchased Goods and Services account for 87% of our total scope 3 emissions. In 2024 FLAG emissions represent 73% of category 1 emissions (vs 74% in FY23 and 75% in FY22). Capital goods account for 3% of overall scope 3 emissions, upstream transportation and distribution accounts for 2%, while the remaining categories cumulatively account for 8%.

The overall decrease of Scope 3 emissions, by 23% vs FY 2022, is mainly triggered by the reduction of “Purchased goods and services” category, by 27% vs FY 2022, due to strategic purchasing decisions of the Group. The significant increase in Category 2 (Capital goods), around 59% compared to FY 2022, is mainly due to an increase in capex investments in FY 2024.

<sup>68</sup> Category 1 (Purchased goods and services) emission factors are based on Quantis “World Apparel and Footwear Life Cycle Assessment Database” (WALDB) and primary data collected from selected suppliers for Purchased goods; whereas for Purchased services emission factors are based on the 2017 “US Environmentally-Extended Input-Output” (USEEIO) database, adjusted to the 2024 inflation rate and the dollar/euro exchange rate. Category 2 (capital goods) emission factors are based on the 2017 “US Environmentally-Extended Input-Output” (USEEIO) database, adjusted to 2024 inflation rate and the dollar/euro exchange rate. Category 3 (fuel and energy related activity), category 6 (business travel), category 8 (upstream leased asset) and category 14 (franchise) emission factors are based on Ecoinvent v 3.10 database. Category 4 (upstream transportation and distribution) and category 9 (downstream transportation and distribution) emissions factors are taken from GLEC 3.0, HBEFA v4.2, JEC 2020 and Ecoinvent v 3.10 database. Category 5 (waste generated), category 7 (employee commuting) and category 12 (end-of-life treatment of sold products) emission factors are based on DEFRA, UK Government GHG Conversion Factors for Company Reporting (2024). Category 10 (processing of sold products) emission factors are based on Quantis “World Apparel and Footwear Life Cycle Assessment Database” (WALDB). Category 15 (investments) emissions factors are based on the 2017 “US Environmentally-Extended Input-Output” (USEEIO) database.

<sup>69</sup> For comparison purposes data reported include TOM FORD FASHION also for FY23 and FY22. For more information and breakdowns on emissions data between TOM FORD FASHION, and the rest of the Group, please refer to the “Annex” section. For previously reported data please refer to our 2023 Group Sustainability Report.

<sup>70</sup> Data regarding category 3.3 for FY 2023 has been restated due to a refinement in calculation methodology.

<sup>71</sup> Data regarding category 3.10 for FY 2023 has been restated due to an underestimation of processed sold products in manufacturing sites.

<sup>72</sup> Data regarding category 3.12 for FY 2023 and FY 2022 has been restated due to an improvement in the calculation methodology to include also semi-finished products.

## Employee commuting survey

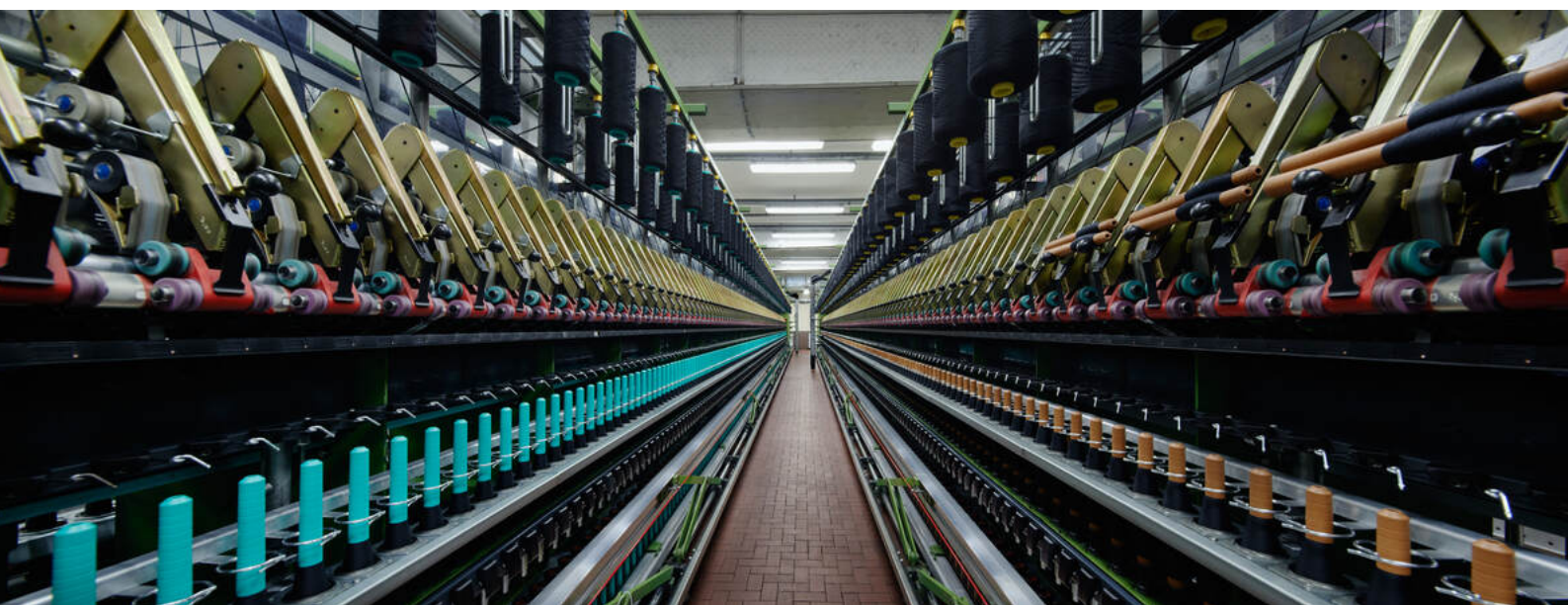
In 2024 the Group surveyed employees' commuting habits, collecting insights on actions the Group could take to incentivize sustainable mobility. The survey was delivered to all Group's employees in Italy and in Switzerland. Insights from the survey were taken into consideration for our scope 3 (category 7) emission calculation. The questions assessed the type of vehicle, distance traveled, and number of days worked by person<sup>73</sup>.

The Group has already conducted a first survey in 2022 and a follow-up one in 2023, targeting exclusively the Milan and Parma worksites.

The goal for the future is to extend the scope of the analysis to other Group sites and offices.

## GHG EMISSIONS INTENSITY RATIO (tCO<sub>2</sub>e/k € revenues)<sup>74</sup>

	2024	2023	2022
Total emissions scope 3 (tCO <sub>2</sub> e) <sup>75</sup>	451,213	450,752	504,337
Total revenues (k €)	1,946,647	1,669,018	1,492,840
GHG intensity ratio (tCO <sub>2</sub> e/ k €)	0.232	0.270	0.338



<sup>73</sup> Remote working was not considered in the calculation.

<sup>74</sup> Data related to FY23 and FY22 do not include TOM FORD FASHION.

<sup>75</sup> Data for FY23 and FY22 has been restated to reflect some improvements in the calculation methodology used for some scope 3 categories.

## Our climate roadmap

In order to meet our Science Based emission targets, we have developed a climate roadmap with key actions and priorities to implement in the next years.

### Scope 1+2

The Group identified key activities to reduce the use of natural gas at its production facilities.

Such initiatives will include the adoption of additional heat pumps at energy-intensive production sites, continue the improvement in reuse of thermal energy currently not optimized, therefore shifting the emission profile from Scope 1 into Scope 2. We estimate these initiatives to deliver a 10-15% reduction of Scope 1+2 emissions. The Group will continue pursuing its goal of increasing the share of full-electric and plug-in hybrid cars in company fleet, eventually also better balancing the adoption of full-electric vs. hybrids vehicles, delivering emission reductions for about 1-3% of Scope 1+2.

Regarding the use of electricity, the Group intends to pursue emission reductions by acting on two key levers:

1. Increasing the share of energy purchased from renewable sources by both increasing self-production and relying on Guaranteed of Origin (GOs). Another key action being evaluated is the adoption of Power Purchase Agreements (PPAs); and
2. Improving the energy efficiency at our production sites.

These initiatives are estimated to provide 30-40% of emission reductions.

### Scope 3

For non-FLAG emissions' reduction targets key levers identified by the Group are:

1. Cat 3.1 "Purchased Goods & Services": the engagement of direct suppliers to get primary data on energy data and emissions and to promote their energy transition; and the adoption of both low-impact materials and recycled synthetic materials;

2. Cat 3.3 "Fuel- and energy- related activities": the Group aims to reach the target through the activities implemented to reduce Scope 1 and Scope 2 emissions;
3. Cat 3.7 "Employee Commuting": the Group will increase the employees' population surveyed on mobility habits, improving the current estimates, and will work on the shift towards alternative modes of transportation (e.g. public transport, carpooling), where feasible and sensible; and
4. Cat 3.14 "Franchising": the Group will work with commercial partners to, first, gather primary data on their energy purchase habits and then, to increase the share of electricity from renewable sources used in their stores.

For category 3.1 "Purchased Goods and Services" FLAG targets the Group identified the following levers:

- Increase the scope of suppliers' engagement by collaborating with a wider group of suppliers in order to increase the adoption of lower impact and traceable materials and evaluate in-setting mechanisms;
- The Group will also constantly monitor any scientific and agricultural developments at farm level, both in term of actual emission measurements, and in terms of farming approaches delivering emission reductions and removals; and
- Evaluating the use of recycled natural materials falling under the scope of FLAG targets, if and where applicable.

Through the above mentioned activities, the Group intends to reduce its overall emissions. However, the Group is also aware that these actions alone could not be sufficient to meet its current targets.

The Group will continue evaluating emerging and promising solutions and alternatives, and act within trade groups and associations to promote new and innovative methodologies to push the industry forward on this challenge.



# Packaging & Waste

Effective waste management and more sustainable choices for packaging, can help reduce soil and water pollution, and prevent biodiversity loss. There are also health benefits for communities in reducing pollution and plastic contamination.

After the 2021 ZEGNA rebranding, our packaging went through several improvements to increase the percentage of recycled material. Our retail packaging, including shopping bags and gift boxes, is now made of 51% post-consumer waste paper and 49% FSC-certified paper, while the handles are made of Tencel<sup>76</sup> fabric, and the hang tags are made of 100% recycled paper. Our production boxes (for made-to-measure, ready-to-wear, and leather accessories) are made from 100% recycled paper, where 40% comes from post-consumer waste. Internal packaging is made from 100% recycled paper. Furthermore, our packaging is 100% recyclable. To facilitate the recycling of the bags, the sticker to close the shopper is made with the same material. Shopping accessories (e.g. ticket holders and thank-you notes) are made from 100% recycled paper. With a similar approach, dust bags and garment bags are made of 55% GRS-certified cotton.

As part of our *Filiera*, waste management is largely focused on production packaging materials and the textile waste from weaving, cutting and fabric quality inspection. Internal waste production at Group production sites is managed according to local regulations. As reported, over 70% of waste generated is recovered, either by recycling or reuse. Through our up-cycling projects, most animal fiber scraps from production are recovered and recycled. Waste from packaging – mainly cardboard and PET (polyethylene terephthalate) films – is collected separately and sent for recycling. Hazardous waste is generated in small amounts and generally results from machinery maintenance and repair; the slight increase in FY24 with respect to FY23 is due to a disposal of chemical products in warehouses at our production sites. The waste is managed and disposed of according to local regulations.

WASTE GENERATED (t)<sup>77</sup>

	2024	2023	2022
Hazardous waste	20	11	11
Non-hazardous waste	1,253	1,204	1,153
Total waste weight	1,273	1,215	1,164

Overall, an increase of 5% in total waste generation was noted in 2024, compared to 2023. The proportion of hazardous waste in our total waste generation slightly increased, while non-hazardous waste remained almost in line with the previous year. The slight increase is mainly due to the refinement of data collection for TOM FORD FASHION starting from FY 2024. The proportion of waste diverted from disposal relative to that directed to disposal has consistently been maintained over the past two years.

<sup>76</sup> 100% compostable and biodegradable in soil.  
<sup>77</sup> FY23 and FY22 figures do not include TOM FORD FASHION.

## WASTE DIVERTED FROM DISPOSAL (t)

	Hazardous waste	Non-hazardous waste	Total waste weight
<b>2024</b>			
Preparation for reuse	0	0	<b>0</b>
Recycling	2	304	<b>306</b>
Other recovery operations	4	600	<b>604</b>
<b>Total</b>	<b>6</b>	<b>904</b>	<b>910</b>
<b>2023</b>			
Preparation for reuse	0	243	<b>243</b>
Recycling	1	322	<b>323</b>
Other recovery operations	4	297	<b>301</b>
<b>Total</b>	<b>5</b>	<b>862</b>	<b>867</b>
<b>2022</b>			
Preparation for reuse	0	205	<b>205</b>
Recycling	0	353	<b>353</b>
Other recovery operations	2	270	<b>272</b>
<b>Total</b>	<b>2</b>	<b>828</b>	<b>830</b>

## WASTE DIRECTED TO DISPOSAL (t)

	Hazardous waste	Non-hazardous waste	Total waste weight
<b>2024</b>			
Incineration (with energy recovery)	0	1	<b>1</b>
Incineration (without energy recovery)	0	266	<b>266</b>
Landfill	5	0	<b>5</b>
Other disposal operations	9	82	<b>91</b>
<b>Total</b>	<b>14</b>	<b>349</b>	<b>363</b>
<b>2023</b>			
Incineration (with energy recovery)	0	1	<b>1</b>
Incineration (without energy recovery)	0	242	<b>242</b>
Landfill	0	0	<b>0</b>
Other disposal operations	6	99	<b>105</b>
<b>Total</b>	<b>6</b>	<b>342</b>	<b>348</b>
<b>2022</b>			
Incineration (with energy recovery)	0	1	<b>1</b>
Incineration (without energy recovery)	0	220	<b>220</b>
Landfill	0	0	<b>0</b>
Other disposal operations	9	104	<b>113</b>
<b>Total</b>	<b>9</b>	<b>325</b>	<b>334</b>

# Water

The Ermenegildo Zegna Group, being a vertically integrated textile manufacturing business, is aware of the essential role that water plays along its value chain.

In 2022, the Group assessed for the first time its Water Footprint, aligned with SBTN (Science-Based Targets for Nature), by mapping the Group's impacts and dependencies on water across the value chain. The analysis allowed the Group to identify hotspots and to start the identification of water risk-related mitigation strategies. In 2024, the Group has updated its water footprint, also integrating primary data collected from its strategic suppliers. The integration of such data allowed the Group to enhance the results of the analysis and gain a better understanding of key hotspots, impacts, dependencies and risks along its supply chain. The results of the water footprint analysis conducted in the last years enabled the Group to develop its water strategy, with a clear water ambition and specific water targets. The Group is now working to develop an implementation strategy to address identified risks and shared water challenges.

## Water footprint assessment

The water footprint analysis, conducted in 2022 and updated in 2024, was divided into three main phases:

- Materiality assessment, aiming at estimating water quantity and quality along the Group's value chain;
- Corporate water footprint, which focused on the quantification of the Group's water use in terms of consumption and pollution. In 2024, primary information, collected from strategic suppliers, was also included in the analysis; and
- Water risk assessment, to map and prioritize the Group's value chain sections and locations according to the basin and operational water risk.

The last phase was divided into two layers of analysis:

- The first was conducted on the Group's industrial sites and stores;
- The second one is on purchased material.

The approach consisted of the overlay of value chain location with water risk information. The methodology comprises a total of 10 indicators, distributed along four categories: water quantity and water quality (in line with SBTN guidance), extreme weather events, and WASH (water, sanitation, and hygiene). We provided an additional layer of detail to the assessment, concerning water risks and future strategy development.

## Water strategy

Building on the results of the water footprint, in 2024 the Group worked to define its water ambition and freshwater targets.

The adopted ambition reflects the Group's commitments and core values. The approach taken to define the Group freshwater targets follows the "Setting Enterprise Water Targets" methodology and the first steps of the SBTN methodology, assess and prioritize. Targets have been divided in 4 pillars (Corporate, Supplier, Materials and Own Operations) which represent the key sections of the value chain for the Group water strategy. Targets have been defined based on the results of EZ Group water footprint, risk assessment, the benchmarking exercise and industry best practices.

## Our ambition

*Water is a precious shared resource. Guided by the legacy of our founder, Ermenegildo Zegna, who envisioned harmony between industry and nature, we are taking significant steps to mitigate both our impact on and our dependency upon water. By safeguarding this vital resource, we are working to secure the future of the communities with which we engage and to ensure the exceptional quality of our products for generations to come. We are committed to fostering a water-secure world and strengthening our business resilience by reducing our water related impacts and contributing to solving shared water challenges across our own operations, production sites in at risk areas and priority hotspots along our supply chain.*

## Our targets

### Corporate Targets

- Achieve Alliance for Water Stewardship (AWS) certification for key site by 2026.
- Regularly update water footprint and risk assessments.

### Supplier Targets

- By 2027, engage 90% of direct key suppliers in at risk areas\* to promote efficient water management practices.
- By 2027, engage at least 20% of key suppliers beyond tier 1 in at risk areas\* to promote efficient water management practices.

### Material Targets

- By 2025, 100% of the cattle and calf leather we use is sourced from Leather Working Group (LWG) Silver or Gold certified tanneries.

### Own operation Targets

- Reuse and recycle 7% of water used in general services at Lanificio Ermenegildo Zegna starting from 2027.
- Reuse and recycle 3% of total water withdrawn by Lanificio Ermenegildo Zegna, corresponding to around 10,000 cubic meters, starting from 2027.



The greatest impact the Group has on water withdrawal, consumption, and discharge, is at our wool mill. Quality water is essential for the production processes of a wool mill: from the dyeing processes (where the color is fixed on the fibers, yarns, or fabrics), to the finishing department (where the hand and the look of the fabric are enhanced), to all the general uses of the plant such as the steam and controlled-humidity processes.

In 2012, Lanificio Ermenegildo Zegna Group introduced technology to remove chrome and chrome compounds from dyeing processes, demonstrating effective results in terms of quality and water management.

In 2019, sizeable investments were made to replace machinery for treating fabrics: the new equipment led to a 10% savings in total water use. Also, a water purification system based on ozone gas was installed, allowing for the recovery of output water back into the production cycle, for up to 25% of water needs.

In light of these successful measures, the Group committed to extending to all its production processes the same innovations in terms of chemical use and water consumption.

In terms of our chemical management, the Group has adopted a Chemical Management Policy which sets out general standards and activities for handling chemicals responsibly and safeguarding the environment, workers and consumers, in compliance with applicable local and international regulations.

Moreover, as of January 1, 2024, the Group is a Signatory of the ZDHC Roadmap to Zero Programme<sup>78</sup>, adopting the ZDHC Brands to Zero commitment for the use of chemical substances.

The Brand-to-Zero initiative provides brands and retailers with a harmonized approach and a clear path to achieving sustainable chemical management in their own productions and throughout their supply chain. The initiative allows for performance comparability through annual third-party assessments.

In 2023, across all our production sites, the Group achieved ZDHC (Zero Discharge of Hazardous Chemicals) Foundational compliance level in terms of their Manufacturing Restricted Substances List as it applies to wastewater. With regards to this commitment, during 2023, ZEGNA internal production sites achieved the ZDHC Foundational compliance, joining Bonotto, Dondi, Tessitura Ubertino and Lanificio Ermenegildo Zegna, which reached the level in 2022, in this achievement. This represents an important milestone in the awareness and commitment the Group has to chemical management and to implementing ZDHC solutions.

More information can be found in the SASB Report section of the document.

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<sup>78</sup> To know more on ZDHC Signatory Brands please follow this [link](#).

## WATER WITHDRAWAL (ML)

	2024		2023		2022 <sup>79</sup>
	Fresh water	Other types of water	Fresh water	Other types of water	Fresh water
Industrial sites	352	0	373	0	388
Non-industrial sites	46	4	49	2	62
Stores <sup>80</sup>	22	0	25	0	17
<b>Total water withdrawal</b>	<b>420</b>	<b>4</b>	<b>447</b>	<b>2</b>	<b>467</b>

Water withdrawn for industrial sites is mainly (95%) surface water; water withdrawn for stores is entirely third-party water; water withdrawn for non-industrial sites comes from groundwater (20%), and third-party water (80%).



<sup>79</sup> Water withdrawn during the reporting year FY 2022 is fresh water only.

<sup>80</sup> The data under the item "Stores" include data on Group stores and the Group's Headquarter offices in Milan.

## WATER DISCHARGE (ML)

	2024		2023		2022 <sup>81</sup>
	Fresh water	Other types of water	Fresh water	Other types of water	Fresh water
Industrial sites	339	0	349	0	372
Non-industrial sites	27	3	25	2	62
Stores	22	0	25	0	17
<b>Total water discharge</b>	<b>388</b>	<b>3</b>	<b>399</b>	<b>2</b>	<b>451</b>

Water discharged from industrial sites is almost entirely surface water discharged by Lanificio Ermenegildo Zegna, which is where most of the Group's water discharges take place. On the other hand, water discharged from non-industrial sites and stores is all third-party water.

Stores have virtually no loss of water in the atmosphere or other means; for industrial sites and productive non-industrial sites there was an overall water consumption of about 33ML in 2024, either absorbed by products or transformed into steam during the production phases.

## WATER CONSUMPTION (ML)

	2024		2023		2022 <sup>82,83</sup>
	Fresh water	Other types of water	Fresh water	Other types of water	Fresh water
Industrial sites	13	0	24	0	16
Non-industrial sites	19	1	24	0	0
Stores	0	0	0	0	0
<b>Total water consumption</b>	<b>32</b>	<b>1</b>	<b>48</b>	<b>0</b>	<b>16</b>

We do not have a water-intensive production site located in a water-stressed area<sup>84</sup>.

<sup>81</sup> Water discharged during the reporting year FY 2022 is fresh water only.

<sup>82</sup> Water consumption during the reporting year FY 2022 is fresh water only.

<sup>83</sup> Water consumption for FY2022 has been restated due to an error in the 2023 Group Sustainability Report.

<sup>84</sup> For the analysis we used the Aqueduct tool, Water Risk Atlas according to which the site operates in a basin with "medium/high" water stress; however, according to the GRI guidelines' thresholds the site is not located in a water-stressed area.

# Biodiversity

The Ermenegildo Zegna Group is aware of the potential biodiversity loss that may be provoked by its direct activities, the activities of supply chain actors, and by the farming of the materials used. Therefore, we are committed to reducing our own direct and indirect impacts on biodiversity. Our membership in The Fashion Pact commits us to develop targets and strategies for biodiversity, aligned with the SBTN. We have begun the process of mapping our biodiversity impacts and will continue to work towards meeting our goals.

In 2023, we launched initiatives internationally to restore lost habitats and to create awareness about biodiversity loss. The first of these projects focused on the restoration of several hectares of land lost to wildfires in the USA, by planting 78 thousands seedling, completed in June 2024. The initiative is ongoing, with further planting expected for spring 2025 and likely to be publicly announced in the course of the year.

On 24 November 2023, ZEGNA was announced as the official partner of the City of Milan for the redesign and care of the flowerbeds in Piazza Duomo for the following three years. More than a landscaping project, this initiative is a symbol of ZEGNA's long-standing commitment to environmental care and social responsibility, rooted in the vision of the founder Ermenegildo Zegna. Inspired by Dino Buzzati's 1957 painting "*Piazza del Duomo di Milano*", the new design reflects a profound dialogue between the city and nature, transforming one of Italy's most iconic urban spaces into a living expression of the values nurtured in Oasi Zegna. Through the collaboration with landscape experts Hortensia and Nespoli Vivai, ZEGNA brought some of the most emblematic elements of Oasi Zegna's vegetation to Milan. The flowerbeds feature a permanent base composed of four groves of different-aged Camphor bushes, encircled by seasonal plantings of rhododendrons and Philadelphus. This biodiverse composition follows ecological best practices and mimics the natural rhythms and layered ecosystems of Oasi Zegna. In addition to these elements, we experimented with plants grown from seeds and cuttings collected directly in nature, including *Verbascum thapsus*, *Daucus carota*, and *Urtica dioica* — a tribute to the resilient beauty of spontaneous flora.

Oasi Zegna is a 100 km<sup>2</sup> natural preserve in the Biellese Alps, Piedmont, conceived by Ermenegildo Zegna at the beginning of the previous century, as a unique model of social and environmental awareness.

The Group's water assessment analysis in 2022 and the updated assessment in 2024 allowed us to set the baseline for biodiversity-related analysis and ongoing evaluations.





# Oasi Zegna: Guardians of our local community for 115 years



Following the disposal of Oasi Zegna in 2021 (to EZ Real Estate, as part of our preparation for the subsequent NYSE listing) we entered an arrangement whereby Oasi Zegna provides the Group with licensing, marketing, and sustainability-related services. These services include the conservation and development of Oasi's forest heritage and the protection of its territory for the benefit of local communities. In exchange for these services and benefits, the Group pays an annual fee to EZ Real Estate. This arrangement will strengthen the mutually beneficial and inspiring relationship between the Group and Oasi Zegna.

Growing up in Trivero, Italy, Ermenegildo Zegna fell in love with the beauty and wildness of his natural surroundings. Ermenegildo was driven by a deep desire to give back to his homeland and his community; thus, in the 1920s he embarked on a vast environmental restoration and land improvement project in the Trivero area, near Lanificio Ermenegildo Zegna wool mill. Before the term "ecosystem" was coined, 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. Ideas of "six capitals", "shared value" and "stakeholder capitalism" were not known at that time and yet Ermenegildo Zegna pioneered this thinking by setting an example, using financial capital to add value to natural capital, and to social and relationship capital. Ermenegildo intuitively recognized that the complex and beautiful fabrics his mill wove were not only a product – they were, and remain, a function of our greater process and purpose.

Profits were channeled into the purchase of the then-barren and neglected lands that flank the Zegna Panoramic Road (SP232); these lands would later become Oasi Zegna. These funds supported the painstaking reforestation and rehabilitation of the landscape. By this investment, the mill became the beating heart of a wider community, an ecosystem of interdependence – among humans, and between humans and nature.

In 1993, when the third generation of the Zegna family were involved in running the business, the Oasi Zegna land improvement plan evolved further. Oasi Zegna is one of many projects undertaken by the Ermenegildo Zegna Group to promote community learning, sharing, and ideas about conserving our natural heritage.

Oasi Zegna, which is free to the public, covers 100 km<sup>2</sup> between Trivero, Valdilana and Valle Cervo, in the part of the Alps within the province of Biella (Alpi Biellesi), which is in the Piedmont region of northwest Italy.

### Oasi Zegna Ski Racing Center

In 2024, work continued on Oasi Zegna Ski Racing Center, an innovative ski center within the mountain resort of Biemonte. This is a project that aims to make the resort a premier destination for competitive skiing. The facility within the Biemonte resort (1482 meters) offers five slopes approved by the FIS, *Federazione Internazionale Sci e Snowboard*. In 2024, Oasi Zegna Ski Racing Center and *Federazione Italiana Sport Invernali* - FIS signed an agreement thanks to which the Biemonte facilities are recognized as the new official training venue for FIS national teams. During the 2024/2025 and 2025/2026 competitive seasons, the Italian national Alpine Skiing teams (World Cup, European Cup and Youth Group) will carry out their competitive training activities in Biemonte. The project aims both to consolidate - including among the younger generation - the positive values of sporting activity and to promote the area.

The Group's current environmental enhancement and protection projects are in honor of our founder's vision for reclaiming the beauty of nature. The reserve is the perfect place for families and sports enthusiasts to engage in year-round outdoor activities, in contact with nature and in full respect of the local ecosystem.

In 2014, Oasi Zegna was recognized by the FAI (National Trust of Italy, Fondo Ambiente Italiano), and this territory is now officially part of Italy's heritage. Through its wide variety of programs – some experimental – Oasi Zegna is a wonderful example of environmental tourism, with the emphasis on edification and education; two examples: forest bathing, a Japanese practice aimed at improving physical and mental wellbeing; the smiling forest, which helps visitors connect with the energy of trees.

Oasi Zegna's model of environmental consciousness has inspired ecotourism initiatives around the world. In 2010, to celebrate its centenary, the Ermenegildo Zegna Group launched the Zegna Baby Forest program, planting a new tree in Oasi Zegna for every child born to an employee (including those outside Italy). In 2024, 80 more trees were planted, reaching a total of 1,465 trees from the program. From 2024 the Baby Forest project has been extended to all the Group's companies, strengthening further the commitment to the community and the land.

With the purpose of creating shared value, Oasi Zegna hosts various local enterprises: accommodation (resorts, chalets, hostels), catering and food services, agri-tourism, grocery production, cultural and art event management, recreational activities (horse riding center, rock-climbing, tennis, paragliding, swimming and various other sports), and winter recreational activities (skiing, ice skating, equipment hire services, and ski school).

Oasi Zegna events include:

- Educational workshops in nature for children;
- Outings in the forest with qualified instructors;
- Mountain runs in summer and skiing events in winter;
- Cultural events such as concerts in nature at the Conca dei Rododendri; and
- Walks through the rhododendron blossoms.

As of 2024, Oasi Zegna, together with its non-profit activities, generates jobs for about 350 people in more than 60 enterprises within the tourism and local products sectors.

In the first months of 2022, and after a process that lasted for more than 2 years, Oasi Zegna achieved certification with the FSC® (Forest Stewardship Council). Ms. Anna Zegna, Ermenegildo Zegna Group Board member and President of Fondazione Zegna, commented on this achievement: "It represents the reward for coherence and determination that feeds our daily work in preserving [...] the woods, the views, and the authenticity of the entire territory. FSC® certification is an important milestone that confirms and strengthens what has been done so far, but above all, it stimulates us, even more, to move forward to the future with the same passion and energy of the beginning".

FSC® encourages responsible forest management by certifying and supporting entities who show a measurably positive impact on the environment. Our certification was valid through 2024 and has been extended into 2025. We comply to the FSC® standard across five ecosystem services (i.e. showing benefits to people and environment across five distinct areas).



Below are 5 areas of sustainability benefit derived by our commitment to Oasi Zegna.

### 1. Conservation of biodiversity:

Our interventions, which follow the sustainable principles certified by FSC®, are transforming the reserve. We are replacing spruce woods with more suitable species, creating mixed deciduous and coniferous forests. Thanks to these recent interventions, natural forest cover has grown by more than 5%, now covering 68% of the reserve.

### 2. Sequestration and storage of carbon:

Silvicultural management (i.e. forest regeneration) conducted in a sustainable manner as certified by FSC®, creates various benefits:

- Improvement of the quality of forest stands and an increase in their capacity to absorb carbon dioxide;
- The wood obtained is used for energy purposes to replace fossil fuels and as building material; and
- Forests are more resistant to storms, droughts, fires, bark beetle epidemics and other factors that can reduce CO<sub>2</sub> absorption capacity.

### 3. Water regulation services:

Water is absorbed and retained by the soil. There are over three hundred quality water sources within the reserve; many of which are used for domestic and industrial purposes by the local community.

### 4. Soil conservation:

Thanks to reforestation, 90% of the surface that is vulnerable to erosion, landslides and avalanches is now covered by forest, improving the protection of the soil.

### 5. Recreational services:

Visitors can count on correctly managed forests, rest areas, recreational and cultural events for every season, and a well-maintained, well-marked hiking network. Thanks to an exhaustive environmental signage system, environmental education and awareness stays at the forefront.

The EU has designated 63% of the reserve as a Site of community importance.





# Zegna Forest

“Caring is not only a duty. For us it is 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.” These are the words of Anna Zegna, president of Fondazione Zegna (the Zegna Foundation), expressing the spirit behind an extraordinary project in the mountains of Trivero, Valdilana. The pilot phase of the Zegna Forest project (launched by Fondazione Zegna in 2020 and to be completed by 2035) was concluded in 2021. As of 2022, the project is being managed by Oasi Zegna. (However, contributions to the project can still be made through Fondazione Zegna).

The Zegna Forest project will positively impact around 300 hectares of woodland. Since the first phase of the project, initiated in February 2020, about 93.45 hectares of woodland have been enhanced and almost 40,000 new trees and shrubs have been planted.

Supported by a committee with strong scientific expertise, new species were introduced to improve the forest’s resilience and support its ecological health and biodiversity. A century ago this land was dominated by conifers, a feature that made it ill-suited to the challenges of climate change, extreme weather, and parasitic attacks.

The project has seen the planting of young beech trees, silver firs and larches. New sections of woodland, consisting of deciduous trees and silver firs, were replanted along the sides of the Zegna Panoramic Road.

In 2024, the Zegna Forest project continued with the restoration of an additional 15.7 hectares and the planting of over 6,000 new trees.



# Methodological Note

This document constitutes the 2024 Sustainability Report of Ermenegildo Zegna N.V. and its fully consolidated subsidiaries for our 2024 fiscal year (January 1st to December 31st, 2024).

The Sustainability Report is published annually. The contents of this document describe the Group's achievements and impacts in the economic, social and environmental spheres. To communicate the Group's sustainability performance in a transparent and comparable manner, the Sustainability Report has been drafted in accordance with the GRI Standards, defined by the Global Reporting Initiative (GRI). A table listing the reported GRI indicators is included at the end of the Sustainability Report, providing relevant page numbers. See section, "GRI Content Index".

This document covers the material topics defined through the materiality analysis process, carried out involving principal stakeholders, and presented for the first time in the 2021 Sustainability Report. The Group assessed its material topics, giving more emphasis to the economic, environmental, and social (including human rights) impacts of our activities, in compliance with the 2021 GRI Universal Standards.

This report also includes further disclosures in line with the SASB's Standard for the Apparel, Accessories & Footwear industry (May 12, 2022 version); see the "SASB Report" section. The scope of information provided in relation to SASB is detailed in the paragraph headed "Reporting boundaries" at the beginning of the section. The detail of the reported indicators is shown in the "SASB Disclosure Index" at the end of this document. The Group commits to develop its SASB-related disclosure, to improve on our disclosure from the previous year.

This report also includes a disclosure on financial impact of climate-related risks and opportunities conforming to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). For more information, please refer to "TCFD Disclosure".

The reporting scope of the economic and financial data corresponds to that of the Ermenegildo Zegna Group's consolidated financial statements as of December 31, 2024. The scope of the data and information relating to social and environmental matters refers to the companies of the Ermenegildo Zegna Group consolidated on a line-by-line basis.

To accurately depict performance and ensure the validity of the data, the use of estimates has been kept to a minimum; where estimates are used, they are identified as such, and the reasoning behind them is explicitly communicated.

For comparison purposes, the Group reported data related to 2023 as well. Additionally, where available and explicitly stated, comparisons with 2022 are provided. Please note that, if not otherwise stated, data reported for the previous fiscal year do not include TOM FORD FASHION.

The following changes in the scope of consolidation of the Group occurred during the year ended December 31, 2024:

On January 1, 2024, the Group acquired a 100% interest in Ermenegildo Zegna Korea Co. Ltd. following which the Group began directly operating its ZEGNA business in South Korea and its network of 15 stores.

On February 6, 2024, the Group sold its 100% interest in Ezesa Argentina S.A., following which Ezesa Argentina S.A. was deconsolidated by the Group;

On March 25, 2024, Ermenegildo Zegna Monaco S.a.r.l. was incorporated by the Group, primarily to manage the Group's operating activities in the Principality of Monaco. The Group held a 100% interest in the company at June 30, 2024;

On April 28, 2024, Zegna Consitex Arabia For Trading LLC, a limited liability company owned by Consitex S.A., was incorporated, primarily to manage the Group's operating activities in the Kingdom of Saudi Arabia. The Group held a 70% interest in the company at June 30, 2024;

On June 6, 2024, Mr. Thom Browne exercised a put option to sell to the Group an additional 2% of Thom Browne Inc. (the parent company of the Thom Browne group), following which the Group holds 92% of Thom Browne group.

On June 27, 2024, Ezeti S.L. acquired the remaining 30% interest in Ermenegildo Zegna Madrid S.A. not previously owned by the Group, following which the Group owns 100% of the company;

In 2024, the interest held in Consorzio Re.Crea was reduced from 15.5% at December 31, 2023 to 15.4% at December 31, 2024 due to a capital increase of the consortium.

In December, 2024, the Group sold a 45% interest in Sharmoon.EZ.Garments Co. Ltd, following which the Group continues to own a 5% interest in the company and account for the investment at fair value.

On September 25, 2024, the interest held in Filati Biagioli Modesto S.p.A was increased from 40% to 45% as a following the conversion of a previous equity contribution into share capital.

On October 1, 2024, Pelletteria Tizeta s.r.l., a company fully owned by the Group, changed its name to Tizeta s.r.l.

This Sustainability Report was approved by the Board of Directors of Ermenegildo Zegna Group on March 26, 2025. This document has been subject to procedures performed by the auditors Deloitte & Touche S.p.A. in a limited assurance engagement in accordance with the criteria indicated by International Standard on Assurance Engagements (ISAE) 3000 (Revised). The limited assurance engagement was conducted by performing the procedures indicated in the "Independent Auditor's Report" section at the end of this document.

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

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# Annex

## EMPLOYEES BY EMPLOYMENT CONTRACT TYPE (FIXED-TERM, PERMANENT), BY GEOGRAPHIC AREA AND BY GENDER

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
<b>AMERICAS</b>	<b>430</b>	<b>312</b>	<b>0</b>	<b>1</b>	<b>743</b>	<b>328</b>	<b>227</b>	<b>2</b>	<b>0</b>	<b>557</b>	<b>310</b>	<b>213</b>	<b>1</b>	<b>1</b>	<b>525</b>
Permanent contract	422	307	0	1	730	325	222	2	0	549	308	212	1	1	522
Fixed-term contract	8	5	0	0	13	3	5	0	0	8	2	1	0	0	3
<b>APAC</b>	<b>752</b>	<b>1,021</b>	<b>0</b>	<b>0</b>	<b>1,773</b>	<b>657</b>	<b>933</b>	<b>0</b>	<b>0</b>	<b>1,590</b>	<b>647</b>	<b>879</b>	<b>0</b>	<b>2</b>	<b>1,528</b>
Permanent contract	740	997	0	0	1,737	644	921	0	0	1,565	634	870	0	2	1,506
Fixed-term contract	12	24	0	0	36	13	12	0	0	25	13	9	0	0	22
<b>EMEA</b>	<b>1,618</b>	<b>3,046</b>	<b>0</b>	<b>5</b>	<b>4,669</b>	<b>1,474</b>	<b>2,746</b>	<b>0</b>	<b>7</b>	<b>4,227</b>	<b>1,374</b>	<b>2,591</b>	<b>0</b>	<b>12</b>	<b>3,977</b>
Permanent contract	1,563	2,950	0	5	4,518	1,398	2,645	0	7	4,050	1,299	2,453	0	11	3,763
Fixed-term contract	55	96	0	0	151	76	101	0	0	177	75	138	0	1	214
<b>Total</b>	<b>2,800</b>	<b>4,379</b>	<b>0</b>	<b>6</b>	<b>7,185</b>	<b>2,459</b>	<b>3,906</b>	<b>2</b>	<b>7</b>	<b>6,374</b>	<b>2,331</b>	<b>3,683</b>	<b>1</b>	<b>15</b>	<b>6,030</b>
Permanent contract	2,725	4,254	0	6	6,985	2,367	3,788	2	7	6,164	2,241	3,535	1	14	5,791
Fixed-term contract	75	125	0	0	200	92	118	0	0	210	90	148	0	1	239



## EMPLOYEES BY TYPE OF EMPLOYMENT (PART-TIME VS. FULL-TIME), BY GEOGRAPHIC AREA AND BY GENDER

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
<b>AMERICAS</b>	<b>430</b>	<b>312</b>	<b>0</b>	<b>1</b>	<b>743</b>	<b>328</b>	<b>227</b>	<b>2</b>	<b>0</b>	<b>557</b>	<b>310</b>	<b>213</b>	<b>1</b>	<b>1</b>	<b>525</b>
Full-time	419	306	0	1	726	317	223	2	0	542	296	208	1	1	506
Part-time	11	6	0	0	17	11	4	0	0	15	14	5	0	0	19
<b>APAC</b>	<b>752</b>	<b>1,021</b>	<b>0</b>	<b>0</b>	<b>1,773</b>	<b>657</b>	<b>933</b>	<b>0</b>	<b>0</b>	<b>1,590</b>	<b>647</b>	<b>879</b>	<b>0</b>	<b>2</b>	<b>1,528</b>
Full-time	744	999	0	0	1,743	653	918	0	0	1,571	635	857	0	2	1,494
Part-time	8	22	0	0	30	4	15	0	0	19	12	22	0	0	34
<b>EMEA</b>	<b>1,618</b>	<b>3,046</b>	<b>0</b>	<b>5</b>	<b>4,669</b>	<b>1,474</b>	<b>2,746</b>	<b>0</b>	<b>7</b>	<b>4,227</b>	<b>1,374</b>	<b>2,591</b>	<b>0</b>	<b>12</b>	<b>3,977</b>
Full-time	1,535	2,507	0	5	4,047	1,394	2,221	0	7	3,622	1,298	2,082	0	12	3,392
Part-time	83	539	0	0	622	80	525	0	0	605	76	509	0	0	585
<b>Total</b>	<b>2,800</b>	<b>4,379</b>	<b>0</b>	<b>6</b>	<b>7,185</b>	<b>2,459</b>	<b>3,906</b>	<b>2</b>	<b>7</b>	<b>6,374</b>	<b>2,331</b>	<b>3,683</b>	<b>1</b>	<b>15</b>	<b>6,030</b>
Full-time	2,698	3,812	0	6	6,516	2,364	3,362	2	7	5,735	2,229	3,147	1	15	5,392
Part-time	102	567	0	0	669	95	544	0	0	639	102	536	0	0	638

## NOT-GUARANTEED HOURS EMPLOYEES DIVIDED BY GEOGRAPHIC AREA AND BY GENDER

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
AMERICAS	23	14	0	0	37	15	13	23	0	30	27	22	38	0	49
APAC	1	4	0	0	5	0	5	0	0	5	6	9	0	0	15
EMEA	2	4	0	0	6	4	5	0	0	9	5	7	0	0	12
<b>Total</b>	<b>26</b>	<b>22</b>	<b>0</b>	<b>0</b>	<b>48</b>	<b>19</b>	<b>23</b>	<b>2</b>	<b>0</b>	<b>44</b>	<b>38</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>76</b>

### PERCENTAGE OF EMPLOYEES BY EMPLOYEE CATEGORY AND BY GENDER

	At 31 December 2024				At 31 December 2023				At 31 December 2022			
	M	W	O	ND	M	W	O	ND	M	W	O	ND
Top executive	72.8%	27.2%	—%	—%	78.6%	21.4%	—%	—%	77.4%	22.6%	—%	—%
Management	48.6%	51.4%	—%	—%	49.3%	50.7%	—%	—%	52.2%	47.5%	0.1%	0.1%
Office sole contributor	34.8%	65.0%	—%	0.2%	37.7%	62.1%	0.1%	0.2%	37.1%	62.7%	—%	0.2%
Retail personnel	50.7%	49.3%	—%	—%	50.5%	49.4%	—%	—%	50.0%	49.7%	—%	0.3%
Blue collar	20.9%	78.9%	—%	0.1%	21.5%	78.2%	—%	0.2%	21.8%	77.9%	—%	0.3%
<b>Total</b>	<b>39.0%</b>	<b>60.9%</b>	<b>—%</b>	<b>0.1%</b>	<b>38.6%</b>	<b>61.3%</b>	<b>—%</b>	<b>0.1%</b>	<b>38.7%</b>	<b>61.1%</b>	<b>—%</b>	<b>0.2%</b>

### PERCENTAGE OF EMPLOYEES BY EMPLOYEE CATEGORY AND BY AGE

	At 31 December 2024				At 31 December 2023				At 31 December 2022			
	<30	30-50	>50	ND	<30	30-50	>50	ND	<30	30-50	>50	ND
Top executive	—%	47.5%	51.9%	0.6%	—%	50.8%	48.4%	0.8%	—%	50.8%	48.4%	0.8%
Management	2.6%	67.1%	29.9%	0.4%	2.8%	70.2%	26.4%	0.6%	4.5%	70.9%	24.0%	0.6%
Office sole contributor	28.5%	51.9%	19.0%	0.7%	24.6%	55.1%	19.6%	0.7%	21.5%	57.2%	20.6%	0.7%
Retail personnel	20.1%	67.3%	12.6%	—%	21.6%	67.8%	10.6%	—%	22.0%	66.9%	11.1%	—%
Blue collar	12.5%	39.7%	43.0%	4.8%	11.6%	43.6%	38.7%	6.1%	9.7%	45.0%	38.7%	6.6%
<b>Total</b>	<b>16.6%</b>	<b>55.6%</b>	<b>26.2%</b>	<b>1.7%</b>	<b>16.4%</b>	<b>57.0%</b>	<b>24.3%</b>	<b>2.3%</b>	<b>15.2%</b>	<b>57.6%</b>	<b>24.7%</b>	<b>2.5%</b>

## BREAKDOWN OF EMPLOYEES BY EMPLOYEE CATEGORY, BY GENDER AND BY AGE GROUP

		At 31 December 2024					At 31 December 2023				
		M	W	O	ND	TOT	M	W	O	ND	TOT
Top executive	<30	0	0	0	0	0	0	0	0	0	0
	30-50	52	25	0	0	77	45	19	0	0	64
	>50	65	19	0	0	84	53	8	0	0	61
	Not Disclosed	1	0	0	0	1	1	0	0	0	1
	<b>Total</b>	<b>118</b>	<b>44</b>	<b>0</b>	<b>0</b>	<b>162</b>	<b>99</b>	<b>27</b>	<b>0</b>	<b>0</b>	<b>126</b>
Management	<30	10	15	0	0	25	3	15	0	0	18
	30-50	294	330	0	0	624	226	228	0	0	454
	>50	146	133	0	0	279	87	84	0	0	171
	Not Disclosed	3	1	0	0	4	3	1	0	0	4
	<b>Total</b>	<b>453</b>	<b>479</b>	<b>0</b>	<b>0</b>	<b>932</b>	<b>319</b>	<b>328</b>	<b>0</b>	<b>0</b>	<b>647</b>
Office sole contributor	<30	127	244	0	1	372	108	196	1	0	305
	30-50	226	452	0	0	678	254	430	0	0	684
	>50	98	150	0	0	248	102	142	0	0	244
	Not Disclosed	1	0	0	1	2	0	0	0	2	2
	<b>Total</b>	<b>455</b>	<b>850</b>	<b>0</b>	<b>2</b>	<b>1,307</b>	<b>468</b>	<b>771</b>	<b>1</b>	<b>2</b>	<b>1,242</b>
Retail personnel	<30	271	250	0	0	521	239	232	1	0	472
	30-50	843	904	0	0	1,747	712	770	0	0	1,482
	>50	202	125	0	1	328	154	78	0	0	232
	Not Disclosed	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>1,316</b>	<b>1,279</b>	<b>0</b>	<b>1</b>	<b>2,596</b>	<b>1,105</b>	<b>1,080</b>	<b>1</b>	<b>0</b>	<b>2,186</b>
Blue collar	<30	81	192	0	0	273	78	175	0	0	253
	30-50	160	709	0	0	869	175	772	0	0	947
	>50	186	754	0	0	940	177	663	0	0	840
	Not Disclosed	31	72	0	3	106	38	90	0	5	133
	<b>Total</b>	<b>458</b>	<b>1,727</b>	<b>0</b>	<b>3</b>	<b>2,188</b>	<b>468</b>	<b>1,700</b>	<b>0</b>	<b>5</b>	<b>2,173</b>
Total	<30	489	701	0	1	1,191	428	618	2	0	1,048
	30-50	1,575	2,420	0	0	3,995	1,412	2,219	0	0	3,631
	>50	697	1,181	0	1	1,879	573	975	0	0	1,548
	Not Disclosed	39	77	0	4	120	46	94	0	7	147
	<b>Total</b>	<b>2,800</b>	<b>4,379</b>	<b>0</b>	<b>6</b>	<b>7,185</b>	<b>2,459</b>	<b>3,906</b>	<b>2</b>	<b>7</b>	<b>6,374</b>

**PERCENTAGE OF EMPLOYEES BY EMPLOYEE CATEGORY,  
BY GENDER AND BY AGE GROUP**

		At 31 December 2024					At 31 December 2023				
		M	W	O	ND	TOT	M	W	O	ND	TOT
Top executive	<30	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
	30-50	32.1%	15.4%	—%	—%	47.5%	35.7%	15.1%	—%	—%	50.8%
	>50	40.1%	11.7%	—%	—%	51.9%	42.1%	6.3%	—%	—%	48.4%
	Not Disclosed	0.6%	—%	—%	—%	0.6%	0.8%	—%	—%	—%	0.8%
	<b>Total</b>	<b>72.8%</b>	<b>27.2%</b>	<b>—%</b>	<b>—%</b>	<b>100.0%</b>	<b>78.6%</b>	<b>21.4%</b>	<b>—%</b>	<b>—%</b>	<b>100.0%</b>
Management	<30	1.1%	1.6%	—%	—%	2.7%	0.5%	2.3%	—%	—%	2.8%
	30-50	31.5%	35.4%	—%	—%	67.0%	34.9%	35.2%	—%	—%	70.2%
	>50	15.7%	14.3%	—%	—%	29.9%	13.4%	13.0%	—%	—%	26.4%
	Not Disclosed	0.3%	0.1%	—%	—%	0.4%	0.5%	0.2%	—%	—%	0.6%
	<b>Total</b>	<b>48.6%</b>	<b>51.4%</b>	<b>—%</b>	<b>—%</b>	<b>100.0%</b>	<b>49.3%</b>	<b>50.7%</b>	<b>—%</b>	<b>—%</b>	<b>100.0%</b>
Office sole contributor	<30	9.7%	18.7%	—%	0.1%	28.5%	8.7%	15.8%	0.1%	—%	24.6%
	30-50	17.3%	34.6%	—%	—%	51.9%	20.5%	34.6%	—%	—%	55.1%
	>50	7.5%	11.5%	—%	—%	19.0%	8.2%	11.4%	—%	—%	19.6%
	Not Disclosed	0.1%	—%	—%	0.1%	0.2%	—%	—%	—%	0.2%	0.2%
	<b>Total</b>	<b>34.8%</b>	<b>65.0%</b>	<b>—%</b>	<b>0.2%</b>	<b>100.0%</b>	<b>37.7%</b>	<b>62.1%</b>	<b>0.1%</b>	<b>0.2%</b>	<b>100.0%</b>
Retail personnel	<30	10.4%	9.6%	—%	—%	20.1%	10.9%	10.6%	—%	—%	21.6%
	30-50	32.5%	34.8%	—%	—%	67.3%	32.6%	35.2%	—%	—%	67.8%
	>50	7.8%	4.8%	—%	—%	12.6%	7.0%	3.6%	—%	—%	10.6%
	Not Disclosed	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
	<b>Total</b>	<b>50.7%</b>	<b>49.3%</b>	<b>—%</b>	<b>—%</b>	<b>100.0%</b>	<b>50.5%</b>	<b>49.4%</b>	<b>—%</b>	<b>—%</b>	<b>100.0%</b>
Blue collar	<30	3.7%	8.7%	—%	—%	12.5%	3.6%	8.1%	—%	—%	11.6%
	30-50	7.3%	32.4%	—%	—%	39.7%	8.1%	35.5%	—%	—%	43.6%
	>50	8.5%	34.5%	—%	—%	43.0%	8.1%	30.5%	—%	—%	38.7%
	Not Disclosed	1.4%	3.3%	—%	0.1%	4.8%	1.7%	4.1%	—%	0.2%	6.1%
	<b>Total</b>	<b>20.9%</b>	<b>78.9%</b>	<b>—%</b>	<b>0.1%</b>	<b>100.0%</b>	<b>21.5%</b>	<b>78.2%</b>	<b>—%</b>	<b>0.2%</b>	<b>100.0%</b>
Total	<30	6.8%	9.7%	—%	—%	16.6%	6.7%	9.7%	—%	—%	16.4%
	30-50	21.9%	33.7%	—%	—%	55.6%	22.2%	34.8%	—%	—%	57.0%
	>50	9.7%	16.4%	—%	—%	26.2%	9.0%	15.3%	—%	—%	24.3%
	Not Disclosed	0.5%	1.1%	—%	0.1%	1.7%	0.7%	1.5%	—%	0.1%	2.3%
	<b>Total</b>	<b>39.0%</b>	<b>60.9%</b>	<b>—%</b>	<b>0.1%</b>	<b>100.0%</b>	<b>38.6%</b>	<b>61.3%</b>	<b>—%</b>	<b>0.1%</b>	<b>100.0%</b>



NEW EMPLOYEE HIRES BY AGE GROUP, GENDER AND REGION<sup>85</sup>

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
<b>AMERICAS</b>	<b>131</b>	<b>96</b>	<b>0</b>	<b>1</b>	<b>228</b>	<b>102</b>	<b>93</b>	<b>1</b>	<b>0</b>	<b>196</b>	<b>109</b>	<b>85</b>	<b>1</b>	<b>1</b>	<b>196</b>
<30	47	34	0	0	81	44	37	1	0	82	38	37	1	0	76
30-50	74	49	0	0	123	49	40	0	0	89	65	41	0	1	107
>50	10	13	0	1	24	9	16	0	0	25	6	7	0	0	13
<b>APAC</b>	<b>308</b>	<b>333</b>	<b>0</b>	<b>1</b>	<b>642</b>	<b>213</b>	<b>295</b>	<b>0</b>	<b>0</b>	<b>508</b>	<b>224</b>	<b>261</b>	<b>0</b>	<b>2</b>	<b>487</b>
<30	127	97	0	1	225	103	106	0	0	209	104	99	0	1	204
30-50	169	232	0	0	401	108	181	0	0	289	109	155	0	1	265
>50	12	4	0	0	16	2	8	0	0	10	11	7	0	0	18
<b>EMEA</b>	<b>338</b>	<b>607</b>	<b>0</b>	<b>1</b>	<b>946</b>	<b>409</b>	<b>565</b>	<b>0</b>	<b>1</b>	<b>975</b>	<b>309</b>	<b>537</b>	<b>0</b>	<b>17</b>	<b>863</b>
<30	117	219	0	1	337	113	213	0	0	326	125	227	0	2	354
30-50	165	297	0	0	462	221	264	0	0	485	152	233	0	3	388
>50	49	84	0	0	133	51	48	0	0	99	25	43	0	1	69
Not disclosed	7	7	0	0	14	24	40	0	1	65	7	34	0	11	52
<b>Total</b>	<b>777</b>	<b>1,036</b>	<b>0</b>	<b>3</b>	<b>1,816</b>	<b>724</b>	<b>953</b>	<b>1</b>	<b>1</b>	<b>1,679</b>	<b>642</b>	<b>883</b>	<b>1</b>	<b>20</b>	<b>1,546</b>
<30	291	350	0	2	643	260	356	1	0	617	267	363	1	3	634
30-50	408	578	0	0	986	378	485	0	0	863	326	429	0	5	760
>50	71	101	0	1	173	62	72	0	0	134	42	57	0	1	100
Not disclosed	7	7	0	0	14	24	40	0	1	65	7	34	0	11	52

<sup>85</sup> Due to local regulations in Turkey, it is not possible to classify employees according to their age. Employees based in Turkey are therefore reported as age group "Not disclosed".

## RATE OF NEW EMPLOYEE HIRES BY AGE GROUP, GENDER AND REGION<sup>86,87</sup>

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
<b>AMERICAS</b>	<b>4.7%</b>	<b>2.2%</b>	<b>-%</b>	<b>16.7%</b>	<b>3.2%</b>	<b>4.1%</b>	<b>2.4%</b>	<b>50%</b>	<b>—%</b>	<b>3.1%</b>	<b>1.8%</b>	<b>1.4%</b>	<b>—%</b>	<b>—%</b>	<b>3.2%</b>
<30	9.6%	4.9%	-%	—%	6.8%	10.3%	6.0%	50.0%	-%	7.8%	0.6%	0.6%	—%	—%	1.2%
30-50	4.7%	2.0%	-%	-%	3.1%	3.5%	1.8%	-%	-%	2.5%	1.1%	0.7%	—%	—%	1.8%
>50	1.4%	1.1%	-%	100.0%	1.3%	1.6%	1.6%	-%	-%	1.6%	0.1%	0.1%	—%	—%	0.2%
<b>APAC</b>	<b>11.0%</b>	<b>7.6%</b>	<b>-%</b>	<b>16.7%</b>	<b>8.9%</b>	<b>8.7%</b>	<b>7.6%</b>	<b>—%</b>	<b>—%</b>	<b>8.0%</b>	<b>3.7%</b>	<b>4.3%</b>	<b>—%</b>	<b>—%</b>	<b>8.0%</b>
<30	26.0%	13.8%	-%	100.0%	18.9%	24.1%	17.2%	—%	-%	19.9%	1.7%	1.6%	—%	—%	3.3%
30-50	10.7%	9.6%	-%	-%	10.0%	7.6%	8.2%	-%	-%	8.0%	1.8%	2.6%	—%	—%	4.4%
>50	1.7%	0.3%	-%	—%	0.9%	0.3%	0.8%	-%	-%	0.6%	0.2%	0.1%	—%	—%	0.3%
<b>EMEA</b>	<b>12.1%</b>	<b>13.9%</b>	<b>-%</b>	<b>16.7%</b>	<b>13.2%</b>	<b>16.6%</b>	<b>14.5%</b>	<b>—%</b>	<b>14.3%</b>	<b>15.3%</b>	<b>5.1%</b>	<b>9.0%</b>	<b>—%</b>	<b>0.2%</b>	<b>14.3%</b>
<30	23.9%	31.2%	-%	100.0%	28.3%	26.4%	34.5%	—%	-%	31.1%	2.1%	3.8%	—%	—%	5.9%
30-50	10.5%	12.3%	-%	-%	11.6%	15.7%	11.9%	-%	-%	13.4%	2.5%	3.9%	—%	—%	6.4%
>50	7.0%	7.1%	-%	—%	7.1%	8.9%	4.9%	-%	-%	6.4%	0.4%	0.7%	—%	—%	1.1%
Not disclosed	17.9%	9.1%	-%	—%	11.7%	52.2%	42.6%	-%	14.3%	44.2%	0.1%	0.6%	—%	0.2%	0.9%
<b>Total</b>	<b>27.8%</b>	<b>23.7%</b>	<b>-%</b>	<b>50.0%</b>	<b>25.3%</b>	<b>29.4%</b>	<b>24.4%</b>	<b>50.0%</b>	<b>14.3%</b>	<b>26.3%</b>	<b>10.6%</b>	<b>14.7%</b>	<b>—%</b>	<b>0.2%</b>	<b>25.5%</b>
<30	59.5%	49.9%	-%	200.0%	54.0%	60.7%	57.6%	50.0%	-%	58.9%	4.4%	6.0%	—%	—%	10.4%
30-50	25.9%	23.9%	-%	-%	24.7%	26.8%	21.9%	-%	-%	23.8%	5.4%	7.2%	—%	—%	12.6%
>50	10.2%	8.6%	-%	100.0%	9.2%	10.8%	7.4%	-%	-%	8.7%	0.7%	0.9%	—%	—%	1.6%
Not disclosed	17.9%	9.1%	-%	—%	11.7%	52.2%	42.6%	-%	14.3%	44.2%	0.1%	0.6%	—%	0.2%	0.9%

<sup>86</sup> Please note that 2022 data in the table is not comparable due to a change in the calculation methodology of employees new hire rates from 2023 onwards. For 2024 and 2023 data, the rates of employee new hires were calculated using the gender-age breakdown of the Group employees at 31.12.2024 and 31.12.2023 as the denominator, while for the 2022 data the rates of employee new hires were calculated using the total global head count of the Group employees at 31.12.2022 as the denominator.

<sup>87</sup> Due to local regulations in Turkey, it is not possible to classify employees according to their age. Employees based in Turkey are therefore reported as age group “Not disclosed”.

EMPLOYEE TURNOVER BY AGE GROUP, GENDER AND REGION<sup>88</sup>

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
<b>AMERICAS</b>	<b>110</b>	<b>88</b>	<b>2</b>	<b>0</b>	<b>200</b>	<b>85</b>	<b>79</b>	<b>0</b>	<b>0</b>	<b>164</b>	<b>80</b>	<b>52</b>	<b>0</b>	<b>0</b>	<b>132</b>
<30	32	20	2	0	54	26	32	0	0	58	26	14	0	0	40
30-50	59	56	0	0	115	49	35	0	0	84	50	31	0	0	81
>50	19	12	0	0	31	10	12	0	0	22	4	7	0	0	11
<b>APAC</b>	<b>292</b>	<b>308</b>	<b>0</b>	<b>1</b>	<b>601</b>	<b>204</b>	<b>242</b>	<b>0</b>	<b>0</b>	<b>446</b>	<b>223</b>	<b>263</b>	<b>0</b>	<b>0</b>	<b>486</b>
<30	104	83	0	1	188	72	71	0	0	143	78	76	0	0	154
30-50	168	205	0	0	373	124	158	0	0	282	132	177	0	0	309
>50	20	20	0	0	40	8	13	0	0	21	13	10	0	0	23
<b>EMEA</b>	<b>279</b>	<b>473</b>	<b>0</b>	<b>3</b>	<b>755</b>	<b>313</b>	<b>412</b>	<b>0</b>	<b>0</b>	<b>725</b>	<b>264</b>	<b>459</b>	<b>0</b>	<b>5</b>	<b>728</b>
<30	56	110	0	0	166	64	91	0	0	155	69	105	0	0	174
30-50	135	206	0	0	341	146	192	0	0	338	126	196	0	0	322
>50	74	132	0	0	206	75	89	0	0	164	60	145	0	0	205
Not disclosed	14	25	0	3	42	28	40	0	0	68	9	13	0	5	27
<b>Total</b>	<b>681</b>	<b>869</b>	<b>2</b>	<b>4</b>	<b>1,556</b>	<b>602</b>	<b>733</b>	<b>0</b>	<b>0</b>	<b>1,335</b>	<b>567</b>	<b>774</b>	<b>0</b>	<b>5</b>	<b>1,346</b>
<30	192	213	2	1	408	162	194	0	0	356	173	195	0	0	368
30-50	362	467	0	0	829	319	385	0	0	704	308	404	0	0	712
>50	113	164	0	0	277	93	114	0	0	207	77	162	0	0	239
Not disclosed	14	25	0	3	42	28	40	0	0	68	9	13	0	5	27

<sup>88</sup> Due to local regulations in Turkey, it is not possible to classify employees according to their age. Employees based in Turkey are therefore reported as age group "Not disclosed".

## RATE OF EMPLOYEE TURNOVER BY AGE GROUP, GENDER AND REGION<sup>89,90</sup>

	At 31 December 2024					At 31 December 2023					At 31 December 2022				
	M	W	O	ND	TOT	M	W	O	ND	TOT	M	W	O	ND	TOT
<b>AMERICAS</b>	<b>3.9%</b>	<b>2.0%</b>	<b>—%</b>	<b>—%</b>	<b>2.8%</b>	<b>3.5%</b>	<b>2.0%</b>	<b>—%</b>	<b>—%</b>	<b>2.6%</b>	<b>1.3%</b>	<b>0.8%</b>	<b>—%</b>	<b>—%</b>	<b>2.1%</b>
<30	6.5%	2.9%	—%	—%	4.5%	6.1%	5.2%	—%	—%	5.5%	0.4%	0.2%	—%	—%	0.6%
30-50	3.7%	2.3%	—%	—%	2.9%	3.5%	1.6%	—%	—%	2.3%	0.8%	0.5%	—%	—%	1.3%
>50	2.7%	1.0%	—%	—%	1.6%	1.7%	1.2%	—%	—%	1.4%	0.1%	0.1%	—%	—%	0.2%
<b>APAC</b>	<b>10.4%</b>	<b>7.0%</b>	<b>—%</b>	<b>16.7%</b>	<b>8.4%</b>	<b>8.3%</b>	<b>6.2%</b>	<b>—%</b>	<b>—%</b>	<b>7.0%</b>	<b>3.7%</b>	<b>4.4%</b>	<b>—%</b>	<b>—%</b>	<b>8.1%</b>
<30	21.3%	11.8%	—%	100.0%	15.8%	16.8%	11.5%	—%	—%	13.6%	1.3%	1.3%	—%	—%	2.6%
30-50	10.7%	8.5%	—%	—%	9.3%	8.8%	7.1%	—%	—%	7.8%	2.2%	2.9%	—%	—%	5.1%
>50	2.9%	1.7%	—%	—%	2.1%	1.4%	1.3%	—%	—%	1.4%	0.2%	0.2%	—%	—%	0.4%
<b>EMEA</b>	<b>10.0%</b>	<b>10.8%</b>	<b>—%</b>	<b>50.0%</b>	<b>10.5%</b>	<b>12.7%</b>	<b>10.5%</b>	<b>—%</b>	<b>—%</b>	<b>11.4%</b>	<b>4.3%</b>	<b>7.6%</b>	<b>—%</b>	<b>0.1%</b>	<b>12.0%</b>
<30	11.5%	15.7%	—%	—%	13.9%	15.0%	14.7%	—%	—%	14.8%	1.1%	1.7%	—%	—%	2.8%
30-50	8.6%	8.5%	—%	—%	8.5%	10.3%	8.7%	—%	—%	9.3%	2.1%	3.3%	—%	—%	5.4%
>50	10.6%	11.2%	—%	—%	11.0%	13.1%	9.1%	—%	—%	10.6%	1.0%	2.4%	—%	—%	3.4%
Not disclosed	35.9%	32.5%	—%	75.0%	35.0%	60.9%	42.6%	—%	—%	46.3%	0.1%	0.2%	—%	0.1%	0.4%
<b>Total</b>	<b>24.3%</b>	<b>19.8%</b>	<b>—%</b>	<b>66.7%</b>	<b>21.7%</b>	<b>24.5%</b>	<b>18.8%</b>	<b>—%</b>	<b>—%</b>	<b>20.9%</b>	<b>9.3%</b>	<b>12.8%</b>	<b>—%</b>	<b>0.1%</b>	<b>22.2%</b>
<30	39.3%	30.4%	—%	100.0%	34.3%	37.9%	31.4%	—%	—%	34.0%	2.8%	3.2%	—%	—%	6.0%
30-50	23.0%	19.3%	—%	—%	20.8%	22.6%	17.4%	—%	—%		5.1%	6.7%	—%	—%	11.8%
>50	16.2%	13.9%	—%	—%	14.7%	16.2%	11.7%	—%	—%	13.4%	1.3%	2.7%	—%	—%	4.0%
Not disclosed	35.9%	32.5%	—%	75.0%	35.0%	60.9%	42.6%	—%	—%	46.3%	0.1%	0.2%	—%	0.1%	0.4%

<sup>89</sup> Please note that 2022 data in the table is not comparable due to a change in the calculation methodology of employees new hire rates from 2023 onwards. For 2024 and 2023 data, the rates of employee new hires were calculated using the gender-age breakdown of the Group employees at 31.12.2024 and 31.12.2023 as the denominator, while for the 2022 data the rates of employee new hires were calculated using the total global headcount of the Group employees at 31.12.2022 as the denominator.

<sup>90</sup> Due to local regulations in Turkey, it is not possible to classify employees according to their age. Employees based in Turkey are therefore reported as age group "Not disclosed".



2024 PERCENTAGE OF TOP PRIORITY RAW MATERIALS TRACED TO THEIR GEOGRAPHY OF ORIGIN AND FROM LOWER IMPACT SOURCES<sup>91</sup>

	2024
Top priority raw materials traced to their geography of origin and from lower impact sources	33%



<sup>91</sup> Starting from FY24 the figure also include TOM FORD FASHION while in previous reporting years it was not included. The FY24 figure excluding TOM FORD FASHION would have been equal to 35%.

## GROUP ENERGY CONSUMPTION BREAKDOWN (GJ)

	2024	2023			2022		
	GROUP	Group excl. TOM FORD FASHION	TOM FORD FASHION	GROUP	Group excl. TOM FORD FASHION	TOM FORD FASHION	GROUP
<b>Non-renewable fuels</b>	<b>155,845</b>	<b>150,712</b>	—	<b>150,712</b>	<b>147,964</b>	—	<b>147,964</b>
Of which natural gas	128,177	127,929	—	127,929	132,146	—	132,146
Of which gas oil	3,206	2,977	—	2,977	2,982	—	2,982
Of which diesel	11,638	13,358	—	13,358	11,848	—	11,848
Of which petrol	12,812	6,412	—	6,412	988	—	988
Of which LPG	12	36	—	36	—	—	—
<b>Renewable fuels</b>	—	—	—	—	—	—	—
<b>Heat purchased from co-generator</b>	<b>33,282</b>	<b>36,011</b>	—	<b>36,011</b>	<b>30,251</b>	—	<b>30,251</b>
<b>Energy from electricity</b>	<b>177,026</b>	<b>168,865</b>	<b>16,045</b>	<b>184,910</b>	<b>171,257</b>	<b>14,716</b>	<b>185,973</b>
Electricity self-produced and consumed from renewable sources	5,634	2,412	—	2,412	1,236	—	1,236
<b>Electricity purchased</b>	<b>171,392</b>	<b>166,453</b>	<b>16,045</b>	<b>182,498</b>	<b>170,021</b>	<b>14,716</b>	<b>184,737</b>
Of which from non-renewable sources	53,176	53,630	16,045	69,675	92,666	14,716	107,382
Of which from renewable sources	87,994	112,823	0	112,823	77,355	0	77,355
From a cogenerator of which from non-renewable sources	—	—	—	—	—	—	—
From a cogenerator of which from renewable sources	30,222	—	—	—	—	—	—
<b>Total energy consumed</b>	<b>366,153</b>	<b>355,588</b>	<b>16,045</b>	<b>371,633</b>	<b>349,472</b>	<b>14,716</b>	<b>364,188</b>

## 2024 PERCENTAGE OF PURCHASED ELECTRICITY FROM RENEWABLE SOURCES IN EUROPE AND THE USA

	Electricity consumption (GJ)	Electricity consumption from renewable sources (GJ)	%
USA	9,657	9,657	100%
Europe	105,341	105,341	100%
Total	114,998	114,998	100%

## GROUP EMISSIONS BREAKDOWN – SCOPE 1 & SCOPE 2 (tCO<sub>2</sub>e)

Emissions - tCO <sub>2</sub> eq	2024	2023			2022		
	GROUP	Group excl. TOM FORD FASHION	TOM FORD FASHION	GROUP	Group excl. TOM FORD FASHION	TOM FORD FASHION	GROUP
Total emissions scope 1	8,420	8,098	—	8,098	7,864	—	7,864
Total emissions scope 2 (location-based)	18,747	18,192	2,089	20,281	18,588	1,916	20,504
Total emissions scope 2 (market-based)	10,466	11,096	2,172	13,268	12,339	1,992	14,331
Total emissions scope 1 & scope 2 (location-based)	27,167	26,290	2,089	28,379	26,452	1,916	28,368
Total emissions scope 1 & scope 2 (market-based)	18,886	19,194	2,172	21,366	20,203	1,992	22,195

GROUP EMISSIONS BREAKDOWN – SCOPE 3 (tCO<sub>2</sub>e)

Process / Activity - tCO <sub>2</sub> eq	2024	2023			2022		
	GROUP	Group excl. TOM FORD FASHION	TOM FORD FASHION	GROUP	Group excl. TOM FORD FASHION	TOM FORD FASHION	GROUP
1. Purchased goods and services	393,258	398,640	65,652	464,292	460,622	78,018	538,640
2. Capital goods	15,001	8,425	2,385	10,810	7,243	2,187	9,430
3. Fuel and energy-related activities (not included in scope 1 or scope 2)	7,608	7,962	288	8,250	5,277	264	5,541
4. Upstream transportation and distribution	10,310	12,822	2,072	14,894	11,854	1,984	13,838
5. Waste generated in operations	52	60	—	60	57	—	57
6. Business travel	2,933	2,535	222	2,757	2,105	184	2,289
7. Employee commuting	4,913	5,896	516	6,413	5,600	491	6,091
8. Upstream leased assets	2,107	1,411	—	1,411	1,381	—	1,381
9. Downstream transportation and distribution	7,077	5,994	969	6,962	3,927	657	4,584
10. Processing of sold products	3,520	3,307	—	3,307	2,756	—	2,756
11. Use of sold products	—	—	—	—	—	—	—
12. End-of-life treatment of sold products	790	733	65	798	840	83	923
13. Downstream leased assets	—	—	—	—	—	—	—
14. Franchises	3,637	2,960	875	3,835	2,668	803	3,471
15. Investments	7	7	—	7	7	—	7
<b>Total scope 3 GHG emissions</b>	<b>451,213</b>	<b>450,752</b>	<b>73,044</b>	<b>523,796</b>	<b>504,337</b>	<b>84,670</b>	<b>589,007</b>



# GRI Content Index

GRI Standard	Description	Page Number	Omissions / Notes
GRI 1: Foundation 2021			
Statement of use	Ermenegildo Zegna Group has reported in accordance with the GRI Standards for the period from 01-01-2024 to 31-12-2024.		
GRI 2: General Disclosures 2021			
GRI 2-1	Organizational details	p. 7	Ermenegildo Zegna Group headquarters are located in Milan (Italy).
GRI 2-2	Entities included in the organization’s sustainability reporting	p. 116-117	
GRI 2-3	Reporting period, frequency and contact point	p. 116-117	
GRI 2-4	Restatements of information	p. 116-117	
GRI 2-5	External assurance	p. 160-166	
GRI 2-6	Activities, value chain and other business relationships	p. 7-11, 13-19	
GRI 2-7	Employees	p. 50-53 , 118-119	
GRI 2-8	Workers who are not employees	p. 52	
GRI 2-9	Governance structure and composition	p. 38-39	
GRI 2-10	Nomination and selection of the highest governance body	p. 40-44	Reference to Item 10.B of the Form 20-F.
GRI 2-11	Chair of the highest governance body	p. 39-40	
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	p. 42	
GRI 2-13	Delegation of responsibility for managing impacts	p. 38; 42-44	
GRI 2-14	Role of the highest governance body in sustainability reporting	-	The Sustainability Report is approved by the Board.
GRI 2-15	Conflicts of interest	p. 44	<a href="#">Overview of roles CEO &amp; Chairman and LNED.pdf</a> and <a href="#">Regulations of the Board of Directors.pdf</a>
GRI 2-16	Communication of critical concerns	p. 47	

GRI 2-17	Collective knowledge of the highest governance body	p. 41	
GRI 2-18	Evaluation of the performance of the highest governance body	p. 42	
GRI 2-19	Remuneration policies	p. 38; 53	<a href="#">Remuneration Policy.pdf</a>
GRI 2-20	Process to determine remuneration	p. 38; 53	<a href="#">Remuneration Policy.pdf</a>
GRI 2-21	Annual Total Compensation Ratio	p. 53	
GRI 2-22	Statement on sustainable development strategy	p. 4-5	
GRI 2-23	Policy commitments	p. 45-46; 54-55	
GRI 2-24	Embedding policy commitments	p. 45-46; 54-55	
GRI 2-25	Processes to remediate negative impacts	p. 47; 77-78; 148-149	
GRI 2-26	Mechanisms for seeking advice and raising concerns	p. 47	
GRI 2-27	Compliance with laws and regulations	p. 45-46	During the year of 2024, no significant cases of non-compliance with current laws and regulations have been detected, and no fine nor sanction for significant case of non-compliance, including on environmental matters, has been notified to the Group.
GRI 2-28	Membership associations	p. 29-30	
GRI 2-29	Approach to stakeholder engagement	p. 26-28	
GRI 2-30	Collective bargaining agreements	p. 59	
<b>GRI 3: Material Topics 2021</b>			
GRI 3-1	Process to determine material topics	p. 31-36	
GRI 3-2	List of material topics	p. 31-36	
<b>Sustainable sourcing &amp; animal welfare</b>			
GRI 3-3	Management of material topics	p. 33-36; 74-78; 80-87	
GRI 204-1	Proportion of spending on local suppliers	p. 75	
GRI 301-1	Materials used by weight or volume	p. 80	
GRI 301-2	Recycled input materials used	p. 80	

GRI 308-2	Negative environmental impacts in the supply chain and actions taken	p. 76-78	
GRI 414-2	Negative social impacts in the supply chain and actions taken	p. 76-78	
<b>Integrity &amp; Transparency</b>			
GRI 3-3	Management of material topics	p. 33-36; 45-47	
GRI 205-3	Confirmed incidents of corruption and actions taken	p. 47	
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 47	
<b>Carbon emissions &amp; energy management</b>			
GRI 3-3	Management of material topics	p. 33-36; 90-102; 128-130	
GRI 302-1	Energy consumption within the organization	p. 92-96	
GRI 302-3	Energy intensity	p. 95	
GRI 305-1	Direct (Scope 1) GHG emissions	p. 97-98; 129	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	p. 97-98; 129	
GRI 305-3	Other indirect (Scope 3) GHG emissions	p. 99-101; 130	
GRI 305-4	GHG emissions intensity	p. 98; 101	
<b>Water &amp; chemical management</b>			
GRI 3-3	Management of material topics	p. 33-36; 105-109	
GRI 303-1	Interactions with water as a shared resource	p. 105-109	
GRI 303-2	Management of water discharge-related impacts	p. 105-109	
GRI 303-3	Water withdrawal	p. 108	
GRI 303-4	Water discharge	p. 109	
GRI 303-5	Water consumption	p. 109	
<b>Biodiversity loss &amp; deforestation</b>			
GRI 3-3	Management of material topics	p. 33-36; 110; 111-115	
GRI 304-3	Habitats protected or restored	p. 110; 111-115	

Circularity, durability & eco-design			
GRI 3-3	Management of material topics	p. 33-36; 80-88; 103-104	
GRI 306-1	Waste generation and significant waste-related impacts	p. 103-104	
GRI 306-2	Management of significant waste-related impacts	p. 103-104	
GRI 306-3	Waste generated	p. 103	
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DE&I (diversity, equity & inclusion)			
GRI 3-3	Management of material topics	p. 33-36; 39-41; 54-58; 120-122	
GRI 405-1	Diversity of governance bodies and employees	p. 39-41; 56; 120-122	The Board is composed of 73% men and 27% women, considering in the calculation both Non-Executive and Executive Directors
GRI 406-1	Incidents of discrimination and corrective actions taken	p. 57	
Employee wellbeing			
GRI 3-3	Management of material topics	p. 33-36; 59-61; 65; 123-126	
GRI 401-1	New employee hires and employee turnover	p. 65; 123-126	
GRI 403-1	Occupational health and safety management system	p. 59-60	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	p. 59-60	
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GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	p. 59-60	
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<b>Education &amp; training</b>			
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<b>Data privacy &amp; cybersecurity</b>			
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# SASB Report

The Ermenegildo Zegna Group applied the SASB (Sustainability Accounting Standards Board) reporting standard for the first time in its 2021 Sustainability Report. To report according to the standard, the Group performed a thorough data analysis across all its business departments and manufacturing sites. During 2024 the Group worked to improve the disclosure of all the required matters; nevertheless, given the time required to implement some organizational changes in various segments of the Group, some matters have been only partially covered.

## ABBREVIATIONS:

LEZ – Lanificio Ermenegildo Zegna  
 MRSL – Manufacturing restricted substance list  
 PRSL – Product Restricted Substance List  
 RSL – Restricted Substance List  
 SASB – Sustainability Accounting Standards Board  
 ZCMS – Zegna Chemical Management System  
 ZDHC – Zero Discharge Hazardous Chemicals

## 1. Introduction

The following section is intended as a supplementary section to Ermenegildo Zegna Group's sustainability disclosure, in accordance with the SASB requirements.

Disclosure topics of this section (Management of chemicals in products, Environmental impacts in the supply chain, Labor conditions in the supply chain, and Raw materials sourcing) align with the Standard for the Apparel, Accessories & Footwear industry as defined by SASB (May 12, 2022, version<sup>92</sup>).

### Reporting boundaries

The following report includes relevant information on the Ermenegildo Zegna Group, comprising the ZEGNA brand, the Thom Browne brand, the TOM FORD FASHION brand and our *Filiera*.

The reporting year is January 2024 – December 2024 included.

## 2. Supplier classification

Please refer to the “Our suppliers” section of this document.

### 2.1 Number of suppliers by tier

Please refer to the “Our suppliers” section of this document.

## 3. Management of chemicals in products

### 3.1 Processes to maintain compliance with restricted substances regulations

The Group has adopted a Chemical Management Policy which sets out general standards and activities for handling chemicals responsibly and safeguarding the environment, workers and consumers, in compliance with applicable local and international regulations.

The Group has put in place multiple systems to regulate and manage chemicals in its products, such as restricted substances lists (e.g. RSL), material supplier agreements, and input stream management.

<sup>92</sup> SASB version 2022 is accessible at this [link](#).

The Restricted Substance List<sup>93</sup> (RSL) was developed internally and is valid both at the Group level and for our *Filiera*; the RSL sets the compliance requirements related to sourcing and fabrics design of the Group and the companies part of our *Filiera*. The Group's RSL is primarily based on the European Chemical Agency (ECHA) list of Substances of Very High Concern (SVHC), and integrates additional requirements that are in line with recognized sectoral standards and in compliance with the regulations of the main markets (China, US and Europe) served by the Group. This allows the requirements set out in the Group's RSL to be the most restrictive of the sources considered. The Group RSL incorporates all relevant updates coming from the industry and it is revised on a regular basis.

The Group includes RSL compliance requirements in its agreements with its suppliers. These agreements include a self-declaration of conformity to the Group's RSL, which is signed by each direct supplier and enforced for the duration of the commercial relationship. Each direct supplier who signs the agreement is also requested to share the Group's RSL with its suppliers.

Textile products made by companies that are part of our *Filiera* are tested by a third party to detect the presence of substances listed in the RSL; the testing procedure (frequency, selection of sample, etc.) is not yet standardized, and may differ from site to site. In general terms, it is conducted on a sample basis and it depends on specific product's needs and seasonality. Any deviation from the RSL is not accepted (meaning that the textile product is not sold to third parties and that a specific root cause analysis is conducted to detect the cause of the non conformity) unless justified by proven technical reasons.

### 3.2 Processes to assess and manage risks and/or hazard associated with chemicals in products

Starting from January 2024, the Group became a ZDHC<sup>94</sup> Signatory Brand, adopting the ZDHC Brands to Zero commitment for the use of chemical substances. During 2023, ZEGNA internal production sites achieved ZDHC Foundational compliance level; Bonotto, Dondi, Tessitura Ubertino and LEZ had already done so, reaching the ZDHC Foundational compliance level in 2022. This represents an important milestone in the Group's commitment to the implementation of ZDHC solutions.

The Group has operationalized chemical management systems in its production sites. The above-mentioned sites' systems are based on common guiding procedures and operations, which have been adapted according to the specific context of each site's production processes (e.g. dyeing, finishing, spinning, weaving, etc), . The adopted chemical management process identifies and regulates the use of chemical substances at the production site, according to the ZDHC MRSL.

The RSLs are defined and adopted to avoid dangerous chemicals in the production site (or exclude the ones that in the meantime have been outlawed); or to satisfy RSL requirements by other brands that the Group manufactures for. RSLs are reviewed regularly. Our overall approach to chemical management can be defined as "hazard-based", as it mainly relies on the implementation of PRSL and MRSL, which identify hazardous thresholds for specific chemicals in products and/or in manufacturing processes. For further information on SASB standard CG-AA-250a.2 please refer to the paragraph 3.1 of the SASB Report).

In the following section, LEZ's chemical management system is presented as an illustrative example of our procedures and operations. Due to the nature of LEZ production process (spanning from spinning, dyeing, weaving to finishing), LEZ is a comprehensive example of how chemicals are managed in the Group.

LEZ has a Chemical Management System (CMS), aligned to ZDHC's Technical Industry Guidelines. A chemical manager (appointed by top management) is responsible for:

<sup>93</sup> The RSL is not currently publicly available.

<sup>94</sup> More information is available at this [link](#).

- Implementing the CMS in LEZ;
- Promoting the adoption of the CMS by external suppliers (tier 2 and beyond); and
- Managing agreements and contracts with third-party certifiers.

CMS's scope of application covers all the processes<sup>95</sup> (internal and attributed to third-party suppliers) required to produce outputs, including:

- Inputs: safer chemical management in the selection and sourcing of raw materials by restricting the use of harmful chemicals while consequently helping to avoid the removal from effluents;
- Process: good chemical management practices internal & external processes following ZDHC guidelines; and
- Output: safer chemical management in textiles produced; measuring indicators such as, wastewater, sludge and air quality.

The CMS policies specify how to select chemical products to use in the production cycle; how to classify them; how to review their classification regularly; and how to manage and store them properly. They also include specific guidance for continuing the process of reducing the impact of chemicals used by providing best practice examples and improvement practices (such as review of CMS and training activities). Generally speaking, being aligned to ZDHC's Technical Industry Guidelines CMS also include indications on how to manage a Chemical Inventory List (CIL) and Safety Data Sheets to make informed purchasing decisions, promote responsible chemical use, increase traceability, simplify chemical handling decisions, and control disposal costs.

Various tools and procedures are included in the CMS, such as:

- Raw materials supplier map;
- Production processes map;
- Chemical inventory;
- PRSL and MRSL; and

- Wastewater chemical concentration tests (since 2022 performed by a third-party ZDHC-accredited laboratory, according to ZDHC wastewater guidelines).

The CMS includes details about testing procedures on textiles by third-party entities. Tests are performed on selected samples of the produced textiles based on earlier seasons' production, product category, previous results, and the presence of tests performed by suppliers. Whenever a non-conformity to the MRSL is found in a supplier's material, whether through supplier communication or tests on input material, CMS requires that suppliers be guided toward conformity. In case of persistence of non-conformity, they require the supplier to be phased out. Moreover, the CMS sets out a purchasing policy for chemicals to ensure compliance with the defined requirements of the MRSL.

### **Ambitions for management of chemicals in products**

As of the date of publication of this report, the Group does not hold any third-party certification to verify the chemical content of its finished products. Further analysis of this situation will be made in the future.

<sup>95</sup> For more information see: [ZDHC Roadmap to Zero website](#)



## 4. Environmental impacts within the supply chain

### 4.1 Supplier in compliance with wastewater discharge permits and/or contractual agreements

The Group Supplier Code of Conduct includes compliance with national and local wastewater discharge regulations, among other environmental requirements.

Audits and inspections are conducted periodically on suppliers and their subcontractors also conducted by independent representatives to ensure compliance with the Code. The Group requires the auditee to make an action plan to manage and resolve any identified deficiency.

Moreover, for any violation of the Supplier Code of Conduct, the Group reserves the right to review its business relationship with the supplier.

Part of the Group's manufacturing activities and related wastewater discharge occurs at the garment manufacturing and textile companies' level (Tier 2 and beyond). Our enforcement of the Supplier Code of Conduct enables the Group to control these sites' activities, hence driving compliance with national and local regulations on wastewater discharge.

Moreover, in 2024 the Group surveyed almost 100 Tier 1 strategic suppliers, on their environmental performance, including environmental management system, energy consumption, emissions, water consumption, wastewater management and chemicals management. Suppliers were selected also on the basis of the environmental impact of the activities conducted in the production site, such as dying, tanning, washing, wet finishing, steam generation and cooling waters). In this context, suppliers were required to report if any violations or any sanctions were received for non compliance with wastewater legislation; all suppliers were found to be compliant with wastewater legislation.

### 4.2 Suppliers that have completed an environmental data assessment

The chemical management systems of the garment manufacturing and textile companies' sites (part of Tier 1 & 2 suppliers) drive the data collection and monitoring of waste water and chemicals used in the manufacturing processes. This allows the Group to have continuous control over the environmental performance of the mentioned sites.

Moreover, the Supplier Code of Conduct requires suppliers to comply with national and local regulations on waste and chemical disposal, emission handling, and other matters. Audited sites must provide the Group with relevant information on these matters.

The Group has developed long-standing commercial relationships with several suppliers. This is an opportunity to improve the traceability of the supply chain processes and to assess and reduce pressures on the environment, through specific measures. Additionally, by partnering with its suppliers, the Group can foster the exchange of relevant primary data and improve visibility on environmental issues throughout the supply chain.

In 2025, thanks to the primary data collected through the survey conducted in 2024, the Group will conduct an analysis of the maturity level of its supply chain also with the aim of identifying key hotspots and areas of improvement.

## 5. Labor conditions in the supply chain

### 5.1 Labor code of conduct audits performed on suppliers

Please refer to the "Our supplier" section of this document.

### 5.2 Management of non-conformance and corrective action for suppliers' labor code of conduct audits

Please refer to the "Our supplier" section of this document.

### 5.3 Risks identified to labor, health & safety, and the environment in the supply chain

Please refer to the “Our supplier” section of this document.

### Forward-looking ambition for labor conditions in the supply chain

Please refer to the “Our suppliers” section of this document.

## 6. Sourcing of raw materials

### 6.1 Environmental and social risks associated with sourcing priority raw materials

We believe the best garments can only come from the best natural resources. Over the years we have searched for the finest raw materials and fabrics, to select not only the best available fibers, but also to ensure that our supply chain is robust and resilient in terms of:

- Reliability of the quality of raw material supply over the seasons;
- Fair remuneration of the producers (farmers, breeders);
- Presence of multiple actors with relevant competencies, craftsmanship and capabilities to work the fibers; in this regard, see our close relationship with Schneider Group, and the minority stakes in Pettinatura di Verrone and in Filati Biagioli Modesto; and
- Long-term relationships with yarn and fabric manufacturers to continue the refinement of these materials.

The Group had initially identified a list of 6 priority raw materials (according to the definition reported in the Materials Terminology Guide from Textile Exchange), primarily considering acquired volumes and relevance for the Group’s operations. Starting from 2022, following the increasing purchase of linen fiber we decided to include it in the list of our priority raw materials. The selected priority raw materials account for approximately 76% of total acquired materials by weight in the reporting year.

Environmental and/or social factors threatening our ability to source certain raw materials are presented in table 1 below, and include climate change impacts and animal welfare. Threats to the sourcing of specific natural raw materials caused by climate change impacts (e.g. droughts and other extreme weather events) do not necessarily affect all of a specific category of raw material. The threats may be confined to certain natural raw materials uniquely sourced from specific regions. These include, for instance, certain quality wool sourced from Australia, certain quality cotton sourced from Egypt, and cashmere sourced from China or Mongolia.

Table 1 also shows how availability, quality and price volatility present the most frequent risks to operations.

The acquisition of certified raw materials is a concrete strategy by which the Group is addressing environmental and/or social factors in the supply chain (e.g. Authentico® by Schneider Group and Sustainable Fiber Alliance, which assure for animal welfare, and environmental and social criteria).

### 6.2 Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard (as shown in table 2)

The following methodology was used to estimate the amount of priority raw materials purchased:

- For each input material (yarns, textiles, finished products, accessories) the specific raw material composition was determined;
- A mix of standard weight by product category and analytical material weight tracked by Procurement IT systems, was determined for each input material;
- The weight of each priority raw material for single input materials was obtained; and
- Weights of all raw materials were then aggregated to obtain the total input figure.

Table 1

Priority raw materials	Environmental and / or social factors	Discussion on business risk and opportunities	Management strategy
Wool	<ul style="list-style-type: none"> <li>• Climate change impacts (e.g. droughts in Australia)</li> <li>• Animal welfare</li> </ul>	<ul style="list-style-type: none"> <li>• Quality availability</li> <li>• Price volatility</li> <li>• Quantity availability</li> </ul>	Certifications (e.g. Authentico® by Schneider Group)
Cotton <sup>96</sup>	<ul style="list-style-type: none"> <li>• Climate change impacts (e.g. droughts)</li> </ul>	<ul style="list-style-type: none"> <li>• Quality availability</li> <li>• Price volatility</li> <li>• Reputational risk</li> </ul>	Certifications (e.g. GOTS)
Cashmere	<ul style="list-style-type: none"> <li>• Climate change impacts</li> <li>• Land and use practices</li> <li>• Animal welfare</li> </ul>	<ul style="list-style-type: none"> <li>• Quality availability</li> <li>• Price volatility</li> <li>• Quantity availability</li> </ul>	Certifications (e.g. Sustainable Fiber Alliance)
Polyester	<ul style="list-style-type: none"> <li>• Regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Reputational risk</li> </ul>	Certifications (e.g. GRS)
Leathers	<ul style="list-style-type: none"> <li>• Climate change impacts</li> <li>• Regulations (e.g. deforestation-free farming of bovine animals)</li> <li>• Animal welfare</li> </ul>	<ul style="list-style-type: none"> <li>• Quality availability</li> <li>• Price volatility</li> <li>• Regulatory compliance</li> </ul>	Certifications (e.g. LWG, CITES)
Man-made cellulosics	<ul style="list-style-type: none"> <li>• Climate change impacts</li> </ul>	<ul style="list-style-type: none"> <li>• Availability</li> <li>• Price volatility</li> </ul>	Certifications (e.g. FSC)
Linen	<ul style="list-style-type: none"> <li>• Regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Reputational risk</li> </ul>	Certifications (e.g. European Flax®, Masters of Linen®)

<sup>96</sup> The Group's potential vulnerability to sourcing cotton from water-stressed regions, and the management of the risk of price variability due to sourcing cotton from these regions, is considered in the context of always having the best possible quality fibers. Diversification strategies are in place to mitigate this risk over the medium and long term.

Table 2

Priority raw materials	Amount purchased - approximate (metric tonnes)	Standards of certifications	Amount certified – approximate (metric tonnes)	Share certified (% on total amount of raw material category)
Wool	714	Authentico® by Schneider Group	256	36%
		Other standards of certifications (GOTS, GRS, RWS)	116	16%
Cotton	754	Global Organic Textile Standard (GOTS)	204	27%
		Global Recycle Standard (GRS)	2	0.2%
		Organic Cotton Standard (OCS)	4	1%
Polyester	404	Global Recycle Standard (GRS)	47	12%
Leathers <sup>97</sup>	356	—		—%
Linen	130	European Flax®	30	23%
		Masters of Linen®	53	41%
Man made cellulosics	176	Recycled Claim Standard (RCS)	29	17%
		Forest Stewardship Council Certification (FSC)	70	40%
Cashmere	127	Sustainable Fiber Alliance (SFA)	64	51%
		Global Recycle Standard (GRS)	0.4	0.4%
		Other standards of certifications (GOTS, Authentico <sup>98</sup> )	2	1%
<b>Total<sup>98</sup></b>	<b>2,661</b>		<b>877</b>	<b>33%</b>

<sup>97</sup> The purchased amount of leather includes primarily bovine, calf, and sheep leather. The conversion to mass (metric tonne) was obtained from primary data expressed in square meters, with the assumption that 1 square meter of leather weighs 1 kilogram.

<sup>98</sup> Due to strategic purchasing decisions by the Group's brands, in 2024, there has been a reduction in the total amount of priority raw materials purchased, compared to the previous reporting year. Starting from FY24 the figure also includes TOM FORD FASHION while in previous reporting years it was not included. The FY24 figure excluding TOM FORD FASHION would have been equal to 35%.



## 7. Ambition for raw materials sourcing

The Group has set goals for its sourcing of raw materials, in order to improve the traceability and control over these materials.

One of them has already been achieved: an Animal Welfare policy was firstly formalized at Group level in 2023 to address potential risks related to animal-based raw material sourcing. Following the acquisition of Tom Ford International, the Group updated the Animal Welfare Policy. (refer to page 81).

The Group has also set goals to achieve traceability of at least 50% of priority raw materials in its supply chains, and to source the same amount from lower-impact sources (according to Textile Exchange's definition) by 2026. The progress updated for this commitment is presented in the "Raw material Traceability & Circularity" chapter.

### 7.1 Environmental & social factors, and business risks & opportunities

#### 7.1.1 Environmental & social factors

These environmental and social factors have been considered for this assessment:

- Climate change impacts are global to regional-scale alterations to climatic conditions, such as extreme weather events (droughts, floods, etc.), increased chronic water stress and scarcity, increased likelihood of pests and diseases;
- Regulations include all current and emerging (in the short to medium term) legal requirements set at national or global level applied to GHG emissions or other environmental matters (e.g. water withdrawal, plastics, etc.) at different levels of the supply chain of raw materials;
- Land use practices may in certain conditions lead to desertification and degradation of terrain in some places; and
- Animal welfare, when not respected, may be a potential issue for all animal-derived fibers.

#### 7.1.2 Business risks

**These business risks have been considered for this assessment:**

- Availability;
- Quality;
- Price volatility;
- Regulatory compliance; and
- Reputational risks.

#### 7.1.3 Wool

Climate change may reduce available grazing areas due to a widespread of effects, including the rise in average temperatures, water scarcity and changes in precipitation patterns. Producers may be forced to reduce their market presence or exit the market completely, potentially causing a decrease in both the overall wool production and in the quality availability, as well as reducing the number of producers or suppliers of raw materials.

Alterations in wool production (e.g. due to climate change impacts) could cause significant price volatility of the raw material over time. Therefore, a decrease in wool production may result in higher direct sourcing costs for the Group, as well as difficulty in securing an adequate supply.

#### 7.1.4 Cotton

Climate change impacts (extreme events such as droughts, chronic water stress and increased temperatures) are likely to affect production and decrease the yield of cotton in certain places.

Climate change may increase the occurrence of pests and diseases, affecting fiber quality and end-product fabric quality. Variations in cotton production (e.g. due to climate change impacts) could cause significant price volatility of the raw material over time.

Also, sourcing cotton from areas where its production is linked to human rights violations may expose the Group to growing consumer and stakeholder pressure (reputational risk).

### 7.1.5 Cashmere

Poor livestock and land management may lead to overgrazing and degradation of pastures and grasslands in some places (e.g. Mongolia grassland). These pressures may reduce the overall available grazing areas, possibly reducing cashmere production from those regions. Climate change may also cause a reduction of available grazing areas due to a number of effects, including the rise in temperature, water scarcity, and changes in precipitation patterns, resulting in a decrease in overall production.

Moreover, both habitat degradation and climate change impacts may affect the quality of the fiber (e.g. coarser goat hair) and the quality of the fabric end-product. Variations in cashmere production (e.g. due to land degradation and/or climate change impacts) could cause significant price volatility of the raw material over time. This instability may have adverse effects on the Group's direct sourcing expenses and present challenges in ensuring an adequate supply.

These impacts may be further exacerbated by the fact that cashmere is already obtained exclusively from specific animals raised by highly skilled farmers in a limited number of geographical regions.

### 7.1.6 Polyester

Polyester fiber depends strictly on fossil fuel, and in a scenario of strong competition for the latter, the production of polyester might be affected. Moreover, growing public awareness of the environmental effects of plastic production, management and potential leaks throughout the value chain may lead to increased regulation to mitigate environmental damage. This could require businesses to comply with emerging regulations on plastic materials. In addition, public awareness may expose businesses that rely on plastics to growing pressure from consumers (reputational risks).

### 7.1.7 Leather

Climate change may reduce the available grazing area (e.g. increasing water stress, droughts) and decrease overall cattle hide production. In addition, a warming climate is likely to allow pests and diseases to spread into new regions, which may impact cattle productivity. Increased occurrence of pests (e.g. lice and ringworm) due to a warming climate may cause marks on the skin and reduce the quality of the hides. Shifts in production (e.g. due to climate change) could cause significant price volatility of the raw material over time.

Leather sold to the EU market is subject to stricter regulations starting from December 2025. The law called EU Deforestation Regulation (EUDR), will require that only leather with no production-related deforestation be marketed in the EU<sup>99</sup>. Therefore, regulatory compliance of existing or future leather suppliers may be a risk to the specific raw material supply chain.

### 7.1.8 Man-made cellulosic

Man-made cellulosic fibers are strongly dependent on wood and cotton production, the primary sources from which such fibers are produced. Thus, partly man-made cellulosic fibers are subject to the same environmental factors as cotton (climate change impacts), as noted previously.

Climate change may also affect the production of wood, consequently affecting the production of wood-derived man-made cellulosic. Shifts in production (e.g. due to climate change impacts) could cause significant price volatility of the raw material over time.

<sup>99</sup> More information is available at this [link](#).

### 7.1.9 Linen

Linen is made with natural cellulose fibers extracted from flax, a crop that requires fewer inputs than other plant fibers. Flax plants are much easier to grow than typical fibers like cotton because they are naturally insect-resistant and do not need intensive irrigation. For these reasons, linen is less prone to risks related to climate change. Flax plants suitable for linen production are predominantly sourced in Europe, also reducing the potential risk of future stricter regulations.

### 7.1.10 References

The references used to assess environmental & social factors and related risks were:

- Climate Change: Implications and Strategies for the Luxury Fashion Sector (BSR & Kering);
- Sustainable Fibre Alliance; and
- CDP Climate Change, Forest, Water Security questionnaires – Luxury brands (e.g. Kering, Burberry) 2023.

## 7.2 Certification specification

The SASB standard provides a non-exhaustive list of certification schemes available for disclosure in the Raw Materials Sourcing section. A selection from the list follows, with additional specifications on scope, objectives and other relevant information.

### 7.2.1 Sustainable Fibre Alliance (SFA)

The SFA Cashmere Standard defines best practices for responsible cashmere production.

The SFA Cashmere Standard lays out the definition of responsible cashmere production, with five global principles, which are that herders:

- Ensure the welfare of their goats;
- Safeguard biodiversity and use land responsibly;
- Promote decent work;
- Preserve and enhance fibers quality; and
- Operate an effective management system.

### 7.2.2 Responsible Wool Standard

The Responsible Wool Standard (RWS) is an international voluntary standard that addresses animal welfare in sheep farms, and the chain of custody of wool from certified farms to the end product.

The aim of the RWS is to provide the industry with the best possible tool to:

- Recognize the best practices of farmers;
- Ensure that wool comes from farms with a progressive approach to managing their land, and from sheep that have been treated responsibly; and
- Provide a robust chain of custody system from farm to final product.

### 7.2.3 AUTHENTICO® by Schneider

The Authentico® Integrity Scheme was devised by the Schneider Group.

First launched in 1999, Authentico® is the Schneider Group brand standing for complete, transparent, verified, traceable, ethical and high-quality wool supply chain. From farm to garment, it guarantees best industry practices for wool growing and processing, while recognizing existing local legislation and standards honored by wool growers. This ensures the highest animal, social and environmental welfare requirements, which are third-party audited for adequate assurance.

Authentico® is based on Schneider certified global network, meaning Authentico® wool is processed in Schneider Group-owned mills which are both RWS (Responsible Wool Standard) and GOTS certified, as well as being in ZDHC Supplier to Zero program, hence ZDHC compliant. Authentico® growers are compliant with the Authentico Integrity Scheme ensuring animal, social and environmental welfare requirements. Thanks to direct relationship with growers and the adoption of the Textile Genesis® traceability platform, Authentico® wool is traceable along all the supply chain, from farm to garment.

## 7.2.4 Masters of Linen®

Masters of Linen® is a certification awarded to linen fabrics entirely produced in Europe, from flax cultivation to the finished product. It ensures high-quality standards, sustainability, and traceability throughout the production chain. To obtain this certification, companies must be European spinners, weavers, or circular knitters; produce entirely in the EU; and support the European flax industry by purchasing certified European materials. Certified companies promote local agricultural and textile know-how, support European jobs, adhere to strict European labor and human rights regulations, and offer high levels of service to their customers.

## 7.2.5 European Flax®

European Flax® is a certification that guarantees traceability of premium flax fibers grown in Western Europe (France, Belgium, Netherlands). It ensures that the flax is cultivated without artificial irrigation, is GMO-free, and adheres to sustainable farming practices. The certification is open to any company worldwide whose products are composed of certified European flax/linen. It certifies traceability at each step of processing—from sowing and growing flax to making the fabric and sewing the final linen product. This means that each step is thoroughly inspected, ensuring that all parties involved commit to certain quality criteria.

## 7.2.6 Content Claim Standard (CCS)

The CCS is a chain of custody standard that provides companies with a tool to verify that one or more specific input materials are in a final product<sup>100</sup>. The certification:

- Verifies that chain of custody principles are followed in each stage of production;
- Tracks the flow of raw material from the source to the final product;
- Addresses product flow, documentation, volume reconciliations, and segregation of materials and products; and
- Is based on scope and transaction certificates for maximum levels of verification and tracking.

## 7.2.7 Recycled Claim Standard & Global Recycled Standard

The Recycled Claim Standard (RCS) and Global Recycled Standard (GRS) are voluntary international standards that set requirements for third-party certification of recycled input and chain of custody. RCS focuses solely on verifying recycled content, while the GRS includes additional environmental and social compliance criteria. The shared objectives of the standards are:

- Alignment of recycled definitions across multiple applications;
- Verification of recycled content in products; and
- Providing consumers (both brands and end consumers) with a tool to make informed decisions.

Additional objectives of the GRS are:

- Reducing the harmful impact of production on people and the environment;
- Providing assurance that products are processed more sustainably; and
- Driving higher percentages of recycled content in products.

## 7.2.8 Organic Content Standard

The Organic Content Standard (OCS) is a voluntary, international standard that sets requirements for third-party certification of certified organic input and chain of custody. The goal of the OCS is to increase organic agriculture production. The objectives of the OCS are:

- Providing the industry with a tool to verify the organically grown content of the products they purchase;
- Providing companies with a trusted tool to communicate organically grown content claims to the industry; and
- Providing organic fiber farmers with broad access to the global organic market.

<sup>100</sup> More information is available at this [link](#).

### 7.2.9 Responsible Down Standard

The Responsible Down Standard (RDS) aims to ensure that down and feathers come from animals that have not been subjected to any unnecessary harm. The standard also provides companies and consumers with a tool to know what is in their products and to make accurate claims. Moreover, the RDS has the objective to ensure a strong chain of custody for certified materials as they move through the supply chain.

### 7.2.10 Global Organic Textile Standard (GOTS)

GOTS is the worldwide textile processing standard for organic fibers. It includes ecological and social criteria, and is backed up by independent certification of the entire textile supply chain. GOTS-certified final products may include fiber products, yarns, fabrics, clothes, home textiles, mattresses, personal hygiene products, food-contact textiles, and more<sup>101</sup>.

### 7.2.11 Better Cotton Initiative

The Better Cotton Standard System promotes the production of cotton that follows specific environmental and social criteria, it is based on a "mass-balance system". These criteria include: minimizing harmful impact, promoting water stewardship, soil health protection, biodiversity and responsible land use, fiber quality preservation, promoting decent work, and management system implementation. The Better Cotton Initiative uses a chain-of-custody system based on mass balance<sup>102</sup>.

### 7.2.12 STeP by OEKO-TEX®

STeP by OEKO-TEX® is an independent certification system for brands, retailers and manufacturers in the textile and leather industry. Certification is suitable for production facilities at all processing stages that want to communicate their environmental measures externally in a credible and transparent way. Its facility assessment system has 6 modules:

- Chemicals management;
- Environmental performance;
- Environmental management;
- Social responsibility;
- Quality management; and
- Health protection and safety at work.

A scoring system is used, with three different levels:

**Level 1:** Compliance with the entry-level specifications;

**Level 2:** Good implementation, with further optimization potential; and

**Level 3:** Ideal implementation in the sense of best practice examples.

### 7.2.13 OEKO-TEX® Standard 100

STANDARD 100 by OEKO-TEX® is a label for textiles tested for harmful substances. The label ensures that every textile or article component has been tested for harmful substances and is therefore harmless to human health.

Tests are conducted by independent entities based on a regularly updated criteria catalog, covering regulated and non-regulated substances.

Limit values for substances found in the textile or article differ depending on the classification of the textile or article (product classes 1, 2, 3, 4)<sup>103</sup>.

<sup>101</sup> More information is available at this [link](#).

<sup>102</sup> More information is available at this [link](#).

<sup>103</sup> More information is available at this [link](#).



# SASB Disclosure Index

The Ermenegildo Zegna Group has decided to adopt the SASB's sector standard, Consumer Goods – Apparel, Accessories & Footwear (SASB code CG-AA). The Group has made this decision in light of the results obtained from using the Sustainable Industry Classification System® (SICS®) look-up tool.

The following table shows the accounting metrics contained in the SASB Report.

SASB Code	Description	Page number	Comment / omissions
Management of Chemicals in Products			
CG-AA-250a.1	Discussion of processes to maintain compliance with restricted substances regulations	p. 136-138	
CG-AA-250a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	p. 136-138	
Environmental Impacts in the Supply Chain			
CG-AA-430a.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreements	p. 76;139	This information is currently unavailable for supplier facilities beyond Tier 1.
CG-AA-430a.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	p. 76;139	This information is currently unavailable for suppliers facilities beyond Tier 1. Please refer to section "Our suppliers" of this document.
Labor Conditions in the Supply Chain			
CG-AA-430b.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	p. 139-140	This information is currently unavailable for suppliers facilities beyond Tier 1. The Group commits to develop such a disclosure reasonably in the next 2 years. Please refer to section "Our suppliers" of this document.

CG-AA-430b.2	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	p. 139-140	Please refer to section "Our suppliers" of this document.
CG-AA-430b.3	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	p. 139-140	Please refer to section "Our suppliers" of this document.

## Raw Materials Sourcing

CG-AA-440a.3	(1) List of priority raw materials; for each priority raw material: (2) environmental and/or social factor(s) most likely to threaten sourcing, (3) discussion on business risks and/or opportunities associated with environmental and/or social factors, and (4) management strategy for addressing business risks and opportunities	p. 140-141; 143-147	
CG-AA-440a.4	(1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental and/or social standard, by standard	p. 140; 142	

## Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1

CG-AA-000.Aa	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	p. 139-140	Number of suppliers beyond Tier 1 is currently unavailable. The Group commits to improve this disclosure arriving to key suppliers of the Group's Tier 1 suppliers reasonably in the next 2 years. Please refer to section "Our suppliers" of this document.
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# TCFD Disclosure

The Ermenegildo Zegna Group contributes to responsible and sustainable development and recognizes the importance of fighting climate change and pursuing our business success by including climate-related issues in our long-term strategy.

Our business success depends on managing risks and embracing sustainability, especially in response to the urgent global climate crisis. Our operations are exposed to climate change factors, encompassing both physical risks, including acute and chronic events, as well as transitional risks related to policy and legal aspects, technology, market dynamics, and reputation. In response to these challenges, we remain committed in demonstrating the resilience of our strategy across various climate scenarios. We are committed to enhancing supply chain resilience and addressing potential climate impacts, positioning ourselves among the leaders in sustainable practices.

## TCFD Methodological note

In 2022, we started the assessment of the financial impact of specific climate-related risks and opportunities, conforming to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD framework is a globally recognized risk-based model developed by the Financial Stability Board (FSB) to evaluate the robustness and adaptability of corporate strategies against climate change. The Group joined the TCFD voluntarily to disclose its climate-related commitments to all its stakeholders with greater transparency.

As part of the assessment, we conducted a benchmark analysis to identify best practices in fighting climate change. Additionally, we considered our long-term strategy and identified areas potentially affected by climate change. The outcome of such assessments allowed us to identify our gaps compared to TCFD requirements and industry best practices and consequently to identify potential climate-related risks and opportunities relevant to our business.

During 2023, we developed a financial model to quantitatively assess the potential size of the impact of previously identified risks and opportunities. In this exercise, we considered the Group perimeter excluding TOM FORD FASHION. The analysis therefore starts with 2022 financial data, taking into consideration the 2023 financial performance as well as the current sustainability strategic priorities.

In 2024 we have conducted an analysis to assess if there have been any relevant changes in the scenarios used. Considering that there have not been any significant business changes in 2024 compared to 2023 the first assessment finalized in 2023 is considered still valid.

The TCFD is an initiative established in 2015 by the Financial Stability Board to address and quantify the risks generated by climate change on the stability of the global financial system. In 2017, the TCFD developed 11 recommendations set out within the "Recommendations of the Task Force on Climate-related Financial Disclosures - Final Report" (hereinafter "TCFD Recommendations"), aimed at promoting greater transparency on climate-related financial risks and guiding companies in reporting the information that investors and financial markets need to assess climate-related risks and opportunities.

This TCFD section includes the Group's climate-related information prepared referring to the scopes of the 11 TCFD Recommendations: Governance, Strategy, Risk Management and Metrics and Targets. In particular, the Report was prepared on the basis of the following criteria:

### Governance:

- disclosure a) Description of the board's oversight of climate-related risks and opportunities; and
- disclosure b) Description of the management's role in assessing and managing climate-related risks and opportunities.

**Strategy:**

- disclosure a) Description of the climate-related risks and opportunities the organization has identified over the short, medium, and long term;
- disclosure b) Description of the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning; and
- disclosure c) Description of the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario;

**Risk Management**

- disclosure a) Description of the organization's processes for identifying and assessing climate-related risks;
- disclosure b) Description of the organization's processes for managing climate-related risks; and
- disclosure c) Description of how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

**Metrics and targets:**

- disclosure a) Disclosure of the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process;
- disclosure b) Disclosure of Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks; and
- disclosure c) Description of the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

The disclosures included in the TCFD section were subject to a limited assurance engagement according to the criteria set in the ISAE 3000 revised principle by Deloitte & Touche, on a voluntary basis.

**Governance**

Following the DCGC (Dutch corporate governance code) and the Board regulations, the Board, with the support of the Governance and Sustainability Committee, is continually working towards sustainable long-term value creation, taking into account business impacts on the economy, environment, and people, as described in this report.

The Governance and Sustainability Committee advises the Board and acts under authority delegated to it by the Board on various aspects detailed in the "Corporate Governance" section of this document.

In 2024, four (4) meetings of the Governance and Sustainability Committee took place, while in 2023, three (3) meetings were held. The Governance and Sustainability Committee reviewed the Sustainability Report, notably in light of applicable standards such as GRI and SASB reporting standards and the TCFD framework. The Governance and Sustainability Committee was regularly informed about the Group's climate strategy and more in general on the Group's ESG performance vs. its commitments. In this regard, it supported the deployment of brand-specific strategies, designed to fit each brand's business specificity. The Committee was educated on the latest ESG requirements, the evolution of the ESG legal landscape and the Groups' readiness to face the most critical changes.

The increasing relevance of sustainability as part of the Group's strategy and the numerous related projects involving all Brands, entities and functions across the Group led to the adoption of a new governance model dedicated to sustainability, with the creation of two managerial committees operating at the Group and Brands level respectively: Group ESG Committee and Brand ESG Committees.

Furthermore, the Group Sustainability department is responsible for realizing the sustainability strategy and identifying any potential projects and improvement areas to ensure the achievement of commitments made.

Moreover, the Group developed an LTI plan that includes an ESG multiplier on account of an ESG performance-based indicator, reflecting relevant environmental and social performance at the end of the three-year period 2022-2024.

For more information on the role of the Ermenegildo Zegna Group's Governance on climate related risk, refer to section "Corporate Governance".

## Strategy

In 2022 the Group started the assessment of the financial impact of specific climate-related risks and opportunities, according to TCFD recommendations. As part of the assessment, we conducted a benchmark analysis to identify best practices in fighting climate change and to identify our gaps compared to TCFD requirements and industry best practices. Starting from the results of the analysis, we analyzed the resulting risks and opportunities in consideration of the Group's decision-making processes and strategy, such as raw materials sourcing strategy and concentration of spending; procurement and sourcing decisions and geographical distribution, also in consideration of our vertically integrated structure; future B2B and B2C distribution and sales strategies in key markets; Group's sustainability and climate strategy; industry priorities and trends.

The result of this analysis was the identification of three potential climate-related risks, encompassing both physical<sup>104</sup> and transitional risks<sup>105</sup>, and two potential opportunities.

RISKS	
Physical risks	Transition risks
<ul style="list-style-type: none"><li>• Scarcity of raw materials (assessed on wool and cashmere fibers)</li></ul>	<ul style="list-style-type: none"><li>• Potential market entry challenges</li></ul>
<ul style="list-style-type: none"><li>• Business interruption</li></ul>	
OPPORTUNITIES	
<ul style="list-style-type: none"><li>• Promotion of sustainable branding through low-impact resources</li></ul>	
<ul style="list-style-type: none"><li>• Use of lower-emission resources at operational level</li></ul>	

As for TCFD recommendations, identified risks and opportunities have been economically assessed to stress-test our business strategy and evaluate its resilience in achieving decarbonization goals, based on climate scenario analysis. Each scenario has strong internal consistency and is intended as a hypothetical construct, and does not represent a forecast, a prediction nor a sensitivity analysis. Scenarios are not intended to represent a full description of the future, but rather to highlight central elements of a possible future, drawing attention to the key factors that will drive future developments. For this reason, risks and opportunities have been evaluated individually, without considering any possible mutual correlations.

In particular, for this analysis, we selected scenarios from the IPCC (Intergovernmental Panel on Climate Change) for the analysis of our physical risks, while for transitional risk and opportunities, we selected scenarios from the International Energy Agency (IEA).

<sup>104</sup> Physical Risks directly arise from the tangible impacts of climate change, which include the escalation of global mean temperatures, diminishing availability of natural resources, and the prevalence of extreme weather events. These risks vary in frequency and intensity and manifest as both acute and chronic challenges. Physical Risks directly arise from the tangible impacts of climate change, which include the escalation of global mean temperatures, diminishing availability of natural resources, and the prevalence of extreme weather events. These risks vary in frequency and intensity and manifest as both acute and chronic challenges.

<sup>105</sup> Transition Risks encompass the consequences of shifts in policies and regulations promoting sustainable economic development and the transition to renewable energy. They also include changes in consumer and stakeholder preferences favoring sustainable products, potentially leading to a transformation in market dynamics.



To assess physical risks, the IPCC employs various pathways to analyze potential future trajectories of greenhouse gas concentrations, specifically through the Representative Concentration Pathways (RCPs)<sup>106</sup> and the Shared Socio-Economic Pathways (SSPs)<sup>107</sup>. The Group's assessment of physical risks includes three of these scenarios: a pessimistic scenario (RCP 8.5 - high emissions), an intermediate scenario (RCP 4.5 - intermediate emissions), and an optimistic scenario (RCP 2.6 - low emissions).

For both the transitional risk and opportunities, IEA develops distinct energy pathways using the Global Energy and Climate (GEC) Model. This model focuses on future energy trends, particularly regarding the transition towards renewable energy sources. The key pathways examined include the pessimistic scenario (STEPS)<sup>108</sup>, the intermediate scenario (APS)<sup>109</sup>, and the optimistic scenario (NZE)<sup>110</sup>.

The assessment is performed across three different time horizons (short, medium and long) for all climate scenarios related to physical and transitional risks and opportunities. Short-term assessments focus on risks and opportunities impacting the short-term strategic planning up to 2026. Medium-term assessments address risks and opportunities relevant to the period between 2026 and 2032. Long-term assessments evaluate climate change risks and opportunities, specifically from 2032 to 2050, considering their extended impact and assessing their influence on Ermenegildo Zegna Group's long-term sustainability and climate objectives.

IPCC SCENARIOS (Physical risks)	
<b>Pessimistic scenario</b>	RCP 8.5 - high emissions
<b>Intermediate scenario</b>	RCP 4.5 - intermediate emissions
<b>Optimistic scenario</b>	RCP 2.6 - low emissions).

IEA SCENARIOS (Transitional risks & opportunities)	
<b>Pessimistic scenario</b>	STEPS (Stated Energy Policies) Scenario: Examines impacts of current energy policies.
<b>Intermediate scenario</b>	APS (Announced Pledges Scenario): Assumes successful execution of governmental climate and energy commitments, aiming towards the 1.5°C global warming limit.
<b>Optimistic scenario</b>	NZE (Net Zero Emissions) Scenario: An aspirational pathway targeting global net zero CO <sub>2</sub> emissions by 2050, emphasizing renewable energy and transformative energy use changes.

TIME HORIZONS	
<b>Short-term</b>	2022-2026
<b>Medium-term</b>	2027-2032
<b>Long-term</b>	2033-2050

Different methodological approaches were employed in conducting risks and opportunities assessment to address specific physical or transitional factors influencing risks and opportunities.

The analysis encompasses a climate risk assessment using tools to derive mean climate variable curves and risk scores for disruptive events. Market data was gathered, and correlations were identified, with projections for production and prices in key sectors. Scenario analysis models stressed revenue and cost items based on climate-related factors. The impacts were quantified against the baseline, integrating results to calculate adjusted projections that consider pricing changes and revenue impacts.

<sup>106</sup> The Representative Concentration Pathways (RCPs) project four potential global warming scenarios indicating future greenhouse gas concentrations and their radiative forcing (measured in watts per meter squared). These pathways project the potential warming by the century's end.

<sup>107</sup> Shared Socioeconomic Pathways (SSPs): Integrated pathways exploring different global futures, each characterized by varying challenges to mitigation and adaptation. They encompass five scenarios (SSP1-SSP5) presenting diverse futures, ranging from sustainable development (SSP1) to worlds facing significant adaptation and mitigation challenges (SSP5).

<sup>108</sup> STEP (Stated Energy Policies) Scenario: Examines impacts of current energy policies.

<sup>109</sup> APS (Announced Pledges Scenario): Assumes successful execution of governmental climate and energy commitments, aiming towards the 1.5°C global warming limit.

<sup>110</sup> NZE (Net Zero Emissions) Scenario: An aspirational pathway targeting global net zero CO<sub>2</sub> emissions by 2050, emphasizing renewable energy and transformative energy use changes.

The goal was to achieve impact quantification on the EBIT baseline of the Group, excluding TOM FORD FASHION.

The significance of the identified impacts has been assessed according to the qualitative thresholds of potential financial impact defined in the Group's ERM guidelines (for more information refer to section "Code of Ethics & Responsible Business Practices").

## Physical Risks

### Scarcity of Raw Materials (Wool and Cashmere)

Our operations require high-quality raw materials, such as precious wool and cashmere, which are particularly rare as they are obtained from specific animals bred by highly qualified farmers in a limited number of geographical regions. Many physical risk events resulting from climate change may reduce the quantity and/or quality of such raw materials, forcing producers to temporarily or structurally reduce their market presence or even exit the market completely. Indeed, the availability of wool and cashmere might be facing a reduction due to widespread climate-related effects, including a rise in temperature, water scarcity, and changes in precipitation patterns. These changes could lead to an increase in prices, which could lead to higher sourcing costs for the Ermenegildo Zegna Group, and/or difficulty in securing an adequate supply, which could have adverse impacts on our production, the quality of our products or customer satisfaction, resulting in impacts on our business and our financial performance in the medium to long term.

The impact on the Group from the physical risk scarcity of our two main raw materials, Wool and Cashmere, being affected by climate change in the areas of interest, with resulting rising prices and decrease in quality availability, reflect an increasing trend for all three scenarios with the advancement of time. The highest impacts are expected in the long-term, in pessimistic scenarios with the biggest increase in temperatures.

## Business interruption

The acute risk associated with the increased frequency and intensity of extreme weather events, such as storms and floods due to climate change, could disrupt our supply chain and lead to business interruptions at all of our production sites, primarily located in Italy and Switzerland, as well as most of our main directly managed points of sale. This could lead to a subsequent loss of revenues, primarily stemming from reduced sales.

This risk has shown a reverse trend, with impacts in the longest time frame being lower than in the short-term for all analyzed scenarios. In addition to this, due to the specific geographic location subjected to flooding of some of the Group's facilities, the optimistic scenario with the lowest global warming expected has turned out to have the highest impact.

## Transition risks

### Potential market entry challenges

Another risk to our financial performance is the emergence of new climate-related regulations. A growing number of governments are monitoring industry practices and defining new climate-related regulations for companies, whether operating domestically or exporting their products abroad. These regulations may include requirements for traceability of materials, final products, and goods along the supply chain, which could present challenges for the Ermenegildo Zegna Group in terms of compliance. Additionally, new border obligations related to the emergence of new climate-related regulations could escalate the costs and complexities of market entry. These new national and international regulations may hinder our efforts to enter certain markets and/or raise the costs of regulatory compliance.

## Opportunities

### Promotion of sustainable branding through low-impact resources

In addressing climate change issues, we are committed to investigating new lower-impact materials in addition to further increase the traceability of our materials. This strategy presents a dual advantage. First, it increases the attractiveness of the Group toward B2C customers, with a consequent possible increase in revenues through the achievement of a more sustainable value chain, from internal production to the final sale in directly managed points of sale. Second, these investments could mitigate our risk exposure to possible future changes in policy and regulation related to climate change.

Furthermore, the Group may strategically leverage sustainable branding through low-impact resources (i.e. reduced scope 3 emissions and traceable materials at the source) to appeal to B2C customers. This second opportunity is designed to drive revenue growth by aligning with the growing consumer demand for sustainability. The impacts on the Group consistently exhibit positive outcomes, with the most significant effects observed in each selected period within the optimistic scenario. This scenario is characterized by a robust commitment to addressing climate issues and heightened consumer demand for sustainability and climate-related issues.

### Use of lower emission resources at operational level

Additionally, in order to lead the fight against climate change and enhance our market share, the Group is setting ambitious net zero targets, including the reduction of our direct greenhouse gas (GHG) emissions. This commitment is part of a broader strategy to reduce the operational impacts of the Group. It involves transitioning to renewable energy sources to lower emissions from electricity and combustion, as well as adopting more efficient and sustainable processes throughout all business activities—from production in our factories to the point of sale in our directly managed stores. Such initiatives not only contribute to environmental stewardship but also increase the attractiveness of the Group to B2B clients who are particularly focused on climate change issues, potentially leading to increased revenues.

This initiative aligns with market trends that emphasize Scope 3 emissions reduction. Impacts on the Group are primarily driven by heightened interest from B2B market players in emissions reduction, coupled with the Group's commitment to reducing Scope 1 and 2 emissions. In the short to medium term, there are challenges in aligning Scope 1 and 2 emissions reduction with B2B market demands in optimistic and intermediate scenarios. However, the most substantial gains are anticipated in the pessimistic scenario, where the Group's emission reduction targets exceed market expectations. The optimistic scenario envisions CO<sub>2</sub> targets as a necessary condition for participating in the market. The outlook for this scenario is only positive for the Group in the long-term, as the Group is committed to reaching net zero emissions by 2050.

## Strategy resilience

Overall, the impact across different scenarios and timeframes did not emerge as notably significant. In accordance with the Group's ERM guidelines, a scale of six levels (from "very low" to "extreme") were used to assess the impact of risks against the scenarios and timeframes analyzed. For the long-term, the highest impact is assessed as "medium" (i.e. not notably significant): thus no immediate need for mitigation actions.

The Group intends to continue monitoring climate-related risks and opportunities on a regular basis, with the possibility of expanding the scope of the analysis over time.

Risks and opportunities		Climate Scenarios	Average annual impacts in the period on the Group EBIT (%)		
			Short-Term 2024-2026	Medium-Term 2027-2032	Long-Term 2033-2050
RISKS	Scarcity of Raw materials (Wool and Cashmere)	Pessimistic	LOW	VERY LOW	MEDIUM
		Intermediate	VERY LOW	LOW	MEDIUM
		Optimistic	LOW	LOW	LOW
	Business interruption due to extreme weather events	Pessimistic	VERY LOW	VERY LOW	VERY LOW
		Intermediate	VERY LOW	VERY LOW	VERY LOW
		Optimistic	LOW	VERY LOW	VERY LOW
	Difficulty to enter markets due to emerging climate change regulations	Pessimistic	VERY LOW	VERY LOW	LOW
		Intermediate	VERY LOW	LOW	LOW
		Optimistic	LOW	LOW	MEDIUM
OPPORTUNITIES	Use of lower emission resources at operational level	Pessimistic	VERY LOW	LOW	MEDIUM
		Intermediate	ABSENT	ABSENT	LOW
		Optimistic	ABSENT	ABSENT	LOW
	Promotion of sustainable branding through low impact resources	Pessimistic	VERY LOW	LOW	MEDIUM
		Intermediate	LOW	LOW	MEDIUM
		Optimistic	VERY LOW	MEDIUM	MEDIUM

Concerning the scarcity of raw materials (wool, cashmere) risks, the assessment highlighted that currently, the potential impact is limited, also in consideration of the wider geographical regions of sourcing. The Group thus intends to:

- Continue monitoring such risks and assess the potential evolution of the related impacts;
- Extend the analysis to other key raw materials part of the Group business strategy; and
- Keep monitoring the reliability and precision of available scenarios, with the expectation of a progressive improvement.

Regarding the business interruption risks, the assessment highlighted that currently, the potential impact is limited. Nevertheless, the Group intends to:

- Extend the assessment to key external supply chains;
- Extend the assessment to a wider set of physical assets; and

- Keep monitoring the reliability and precision of available scenarios, with the expectation of a progressive improvement.

Finally, considering the potential market entry challenges, the assessment highlighted that currently, the impact is limited, mainly thanks to the Group's organizational structure addressing ESG topics. Nevertheless, the Group intends to keep monitoring the evolution of ESG-related regulations, both in the markets where it operates and in other industries, to anticipate new requirements with adequate preparation.

With regards to the identified opportunities, the outcome of the assessment confirms the attractiveness of positioning ourselves among sustainability leaders.

### **Risk Management process**

As represented in the section "Code of Ethics and Responsible Business Practices", the Zegna Group's Enterprise Risk Management (ERM) system consists in identifying, assessing and managing the risks that can affect the Group. It is formalized in the ERM guidelines, based on the main international best practices (CoSO ERM).

The process involves the corporate organization and the governance bodies, each within their scope of competence. It is composed of various stages, including the identification of potential risks from a detailed Risk Catalog, the analysis and evaluation of these risks, the planning of mitigation measures, and continuous monitoring to ensure effective risk management. The main objective of the Group's risk management is to protect the company from potential financial losses, damage to reputation, and other negative impacts.

Furthermore, the Group's Risk Management process helps the management to define the appropriate strategies to mitigate the identified risks. These strategies may include implementing internal controls, ensuring certain risks are managed, or changing the way business is. Additionally, the Group is committed to constantly monitoring the effectiveness of risk management measures and making any necessary adjustments. This process is crucial to ensuring the continuity of business operations and protecting the Group's interests.

The Group's ERM system strategically integrates ESG (Environmental, Social, and Governance) climate-related risks into its comprehensive framework. The ERM dynamic approach is in alignment with TCFD recommendations. Beginning in 2024, we plan to extend the analysis for the identification and perception of climate-related risks to external viewpoints as well.

### **Metrics & targets**

At the Ermenegildo Zegna Group, our commitment to environmental stewardship is integral to our core values. In pursuit of our overarching Net-Zero Target by 2050, we have established rigorous metrics and targets to diminish our carbon footprint and enhance our energy efficiency.

Our medium-term goals include a 50.4% reduction in scope 1 and 2 GHG emissions by 2032 from a 2021 baseline, alongside a parallel reduction in scope 3 emissions, encompassing purchased goods, services, and other indirect activities. Notably, we achieved a significant increase in our renewable electricity sourcing, reaching 68% in 2023, up from 22% in 2021. Furthermore, we are committed to fully transitioning to renewable electricity by 2027.



Our progress is rigorously monitored through metrics validated by the Science-Based Targets initiative (SBTi)<sup>111</sup>, ensuring transparency and accountability in our journey towards environmental sustainability. We believe these concerted efforts represent substantial strides in our environmental responsibility, reflecting our dedication to a sustainable future.

Additionally, we have established a target to track our top primary raw materials by 2026, aiming to trace at least 50% of them to the geography of origin and procuring from lower-impact sources.

Finally, we have set a target to assess the water footprint of our external productions by 2025 (the Group has already met the goal of completing the first water footprint assessment on internal productions by 2022). Moreover the Group has committed to set reduction targets, aligned with Science-Based Targets Network (SBTN) guidelines.

Should the impacts of the identified risks and opportunities on the Group's EBIT become significant for the Group as we keep them under observation over time, we will establish targets and metrics aimed at monitoring the management of such risks and opportunities.

For more information on targets and metrics, see the sections "Our Sustainability Commitments" and "Environmental Commitment", specifically in the sections "Climate" and "Raw Material Traceability & Circularity".

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<sup>111</sup> The Science Based Targets initiative (SBTi) is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science. It is focused on accelerating companies across the world to halve emissions before 2030 and achieve net-zero emissions before 2050. The initiative is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments.

## Summary

TCFD Recommendations and recommended disclosure		Other disclosure locations within the Sustainability Report 2024 and external disclosure
<b>Governance</b> Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the board's oversight of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate-related risks and opportunities.	Cap. Corporate Governance, p.38  Cap. Corporate Governance, p.38
<b>Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term. b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning. c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
<b>Risk Management</b> Disclose how the organization identifies, assesses and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks. b) Describe the organization's processes for managing climate-related risks. c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	
<b>Metrics &amp; Targets</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and Risk Management process. b) Disclose scope 1, scope 2 and, if appropriate, scope 3 GHG emissions and the related risks. c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Cap. Our Sustainability Commitments p. 22, ZEGNA's Remuneration policy  Cap. Climate p. 90

# Independent Auditor's Report

The background of the page is a close-up photograph of three skeins of wool yarn. The top-left skein is a vibrant blue, the top-right skein is a light grey, and the bottom skein is a bright yellow. The yarns are tightly wound and show the natural texture and fibers of the wool.





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## INDEPENDENT AUDITOR'S REPORT ON THE SUSTAINABILITY REPORT

**To the Board of Directors of  
Ermenegildo Zegna N.V.**

We have carried out a limited assurance engagement on the Sustainability Report of Ermenegildo Zegna N.V. and its subsidiaries (hereinafter also "Ermenegildo Zegna Group" or the "Group") as of December 31, 2024.

### Responsibility of the Directors for the Sustainability Report

The Directors of Ermenegildo Zegna N.V. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" established by the GRI – Global Reporting Initiative (hereinafter also "GRI Standards") and with the "Apparel, Accessories & Footwear Sustainability Accounting Standards 2022" defined by SASB – Sustainability Accounting Standards Board ("SASB Standards"), as stated in the paragraph "Methodological Note" of the Sustainability Report.

The Directors are also responsible, for such internal control as they determine is necessary to enable the preparation of the Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for the definition of the Ermenegildo Zegna Group's objectives related to the sustainability performance, for identification of the stakeholders and the significant aspects to report.

### Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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### Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the GRI Standards and with the requirements of the SASB Standards. We conducted our work in accordance with the criteria established in the *“International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information”* (hereinafter *“ISAE 3000 Revised”*), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement.

Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with *ISAE 3000 Revised*, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report are based on our professional judgement and included inquiries, primarily with Company personnel responsible for the preparation of information included in the Sustainability Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

1. analysis of the process relating to the definition of material aspects disclosed in the Sustainability Report, with reference to the methods of analysis and understanding of the context, identification, evaluation and prioritization of actual and potential impacts and to the internal validation of the process results;
2. comparison between the financial data and information included in the Sustainability Report with those included in the Group consolidated financial statement;
3. understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the Sustainability Report.

In particular, we carried out interviews and discussions with the management of Ermenegildo Zegna N.V. and with the personnel of Consitex S.A., Ermenegildo Zegna (China) Co., LTD, Ermenegildo Zegna Corporation, EZ Service S.r.l., Ezi S.p.A., In.co. S.p.A., Lanificio Ermenegildo Zegna e Figli S.p.A., Zegna (China) Enterprise Management Co., Ltd., Thom Browne Trading SA, Tom Ford Distribution S.r.l., and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of data and information to the department responsible for the preparation of the Sustainability Report.





In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the parent company's and subsidiaries' level:
  - a) with regards to qualitative information included in the Sustainability Report, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
  - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;
- for the following companies, Ermenegildo Zegna N.V., Consitex S.A., Ermenegildo Zegna (China) Co., LTD, Ermenegildo Zegna Corporation, EZ Service S.r.l., Ezi S.p.A., In.co. S.p.A., Lanificio Ermenegildo Zegna e Figli S.p.A., Zegna (China) Enterprise Management Co., Ltd., Thom Browne Trading SA, Tom Ford Distribution S.r.l., which we selected based on their activity, their contribution to the performance indicators at the consolidated level and their location, we carried out site visits or remote meetings, during which we have met their management and have gathered supporting documentation on a sample basis with reference to the correct application of procedures and calculation methods used for the indicators.

## Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of the Ermenegildo Zegna Group as of December 31, 2024 is not prepared, in all material aspects, in accordance with the GRI Standards and with the SASB Standards, as stated in the paragraph "Methodological Note" of the Sustainability Report.

DELOITTE & TOUCHE S.p.A.

A handwritten signature in black ink, appearing to read "Alessandra Cerruti".

Alessandra Cerruti  
Partner

Turin, Italy  
April 17, 2025



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## INDEPENDENT AUDITOR'S REPORT ON TCFD DISCLOSURE

**To the Board of Directors of  
Ermenegildo Zegna N.V.**

We have carried out a limited assurance engagement on the TCFD Disclosure of Ermenegildo Zegna N.V. and its subsidiaries (hereinafter also "Ermenegildo Zegna Group" or the "Group") for the period ending December 31, 2024 (hereinafter "TCFD Disclosure") presented in a specific section of the Sustainability Report. The TCFD Disclosure has been prepared on the basis of the criteria established in the "TCFD Methodological note" of the section itself, based on the "Recommendations of the Task Force on Climate-related Financial Disclosures" (hereinafter "TCFD Recommendations") defined by the *Financial Stability Board*.

### Responsibility of the Directors for the TCFD Disclosure

The Directors of Ermenegildo Zegna N.V. are responsible for the preparation of the TCFD Disclosure in accordance with the criteria established in the "TCFD Methodological note" paragraph of the TCFD Disclosure, based on the TCFD Recommendations.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of the TCFD Disclosure that is free from material misstatement, whether due to fraud or error.

The Directors are moreover responsible for defining the climate-related objectives of Ermenegildo Zegna Group.

### Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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### Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the TCFD Disclosure with the criteria established in the "TCFD Methodological note" of the TCFD Disclosure. We conducted our work in accordance with the criteria established in the *"International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information"* (hereinafter "ISAE 3000 Revised"), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements.

The standard requires that we plan and perform the engagement to obtain limited assurance whether the TCFD Disclosure is free from material misstatement.

Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the TCFD Disclosure are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the TCFD Disclosure, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

1. analysis of the policies, procedures and other company documentation in order to understand the governance structure and the processes relating to climate-related strategy and risk management of the Group;
2. comparison between information included in the TCFD Disclosure with climate-related information included in other section of the Sustainability Report and in the consolidated financial statements of the Group;
3. understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the TCFD Disclosure.

In particular, we carried out interviews and discussions with the management of Ermenegildo Zegna N.V. and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of climate-related disclosures to the department responsible for the preparation of the TCFD Disclosure.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- a) with regards to qualitative information included in the TCFD Report, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;



b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.

### Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the TCFD Disclosure of the Ermenegildo Zegna Group, presented in a specific section of the Sustainability Report, as of December 31, 2024, is not prepared, in all material aspects, in accordance with the criteria established in the "TCFD Methodological note" of the TCFD Disclosure.

DELOITTE & TOUCHE S.p.A.

A handwritten signature in black ink, appearing to read "Alessandra Cerruti".

**Alessandra Cerruti**  
Partner

Turin, Italy  
April 17, 2025