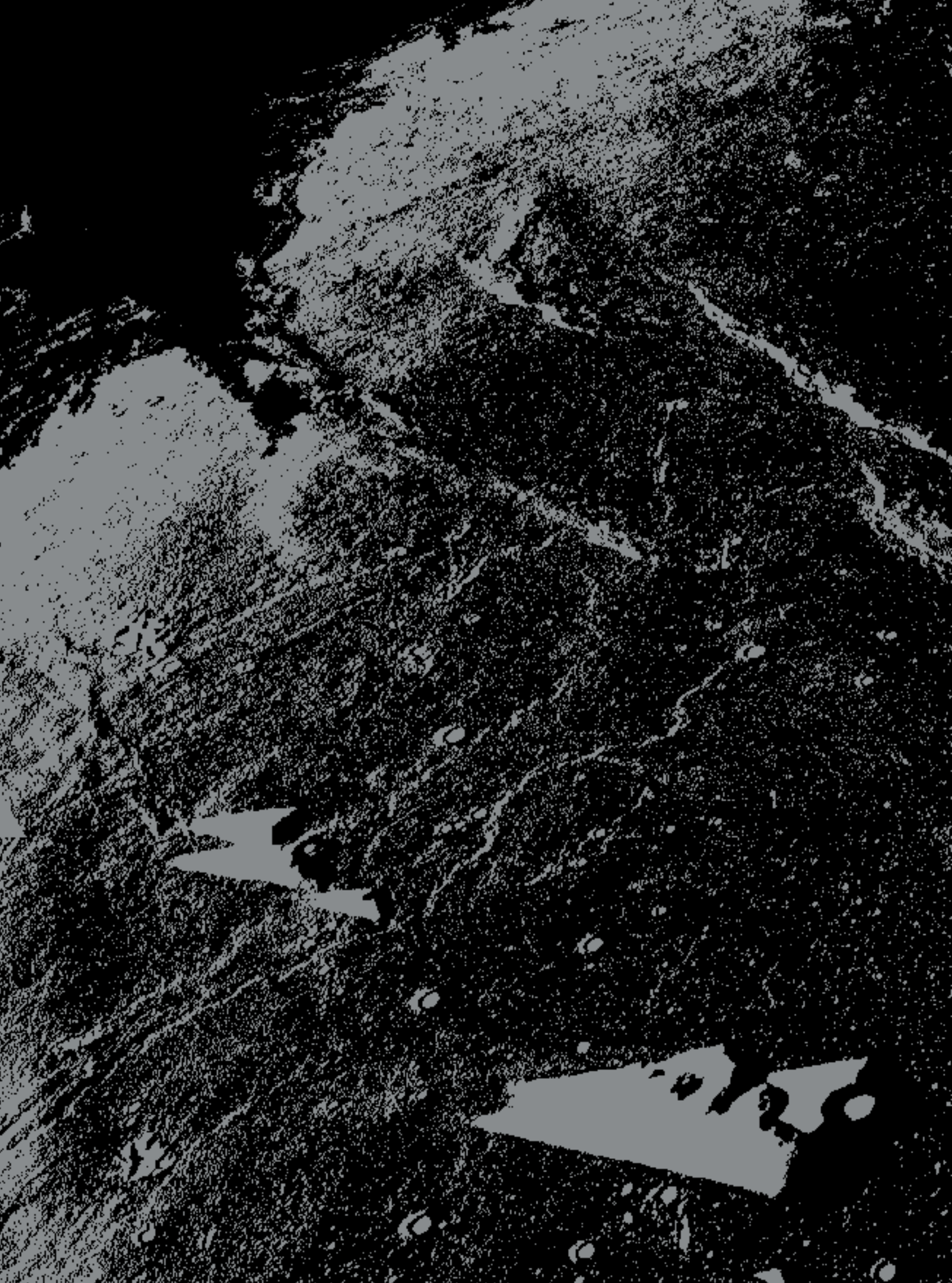


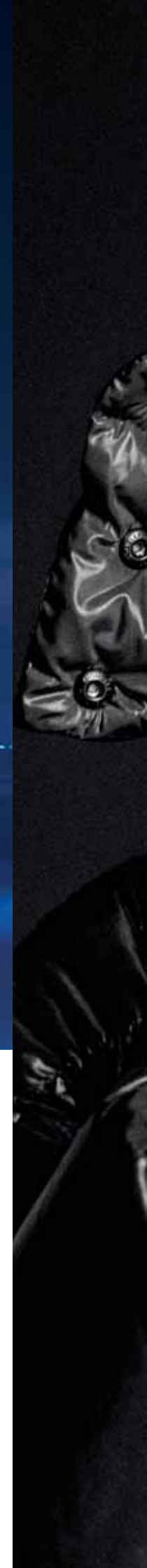


CONSOLIDATED
NON FINANCIAL
STATEMENT
2021

MONCLER
GROUP



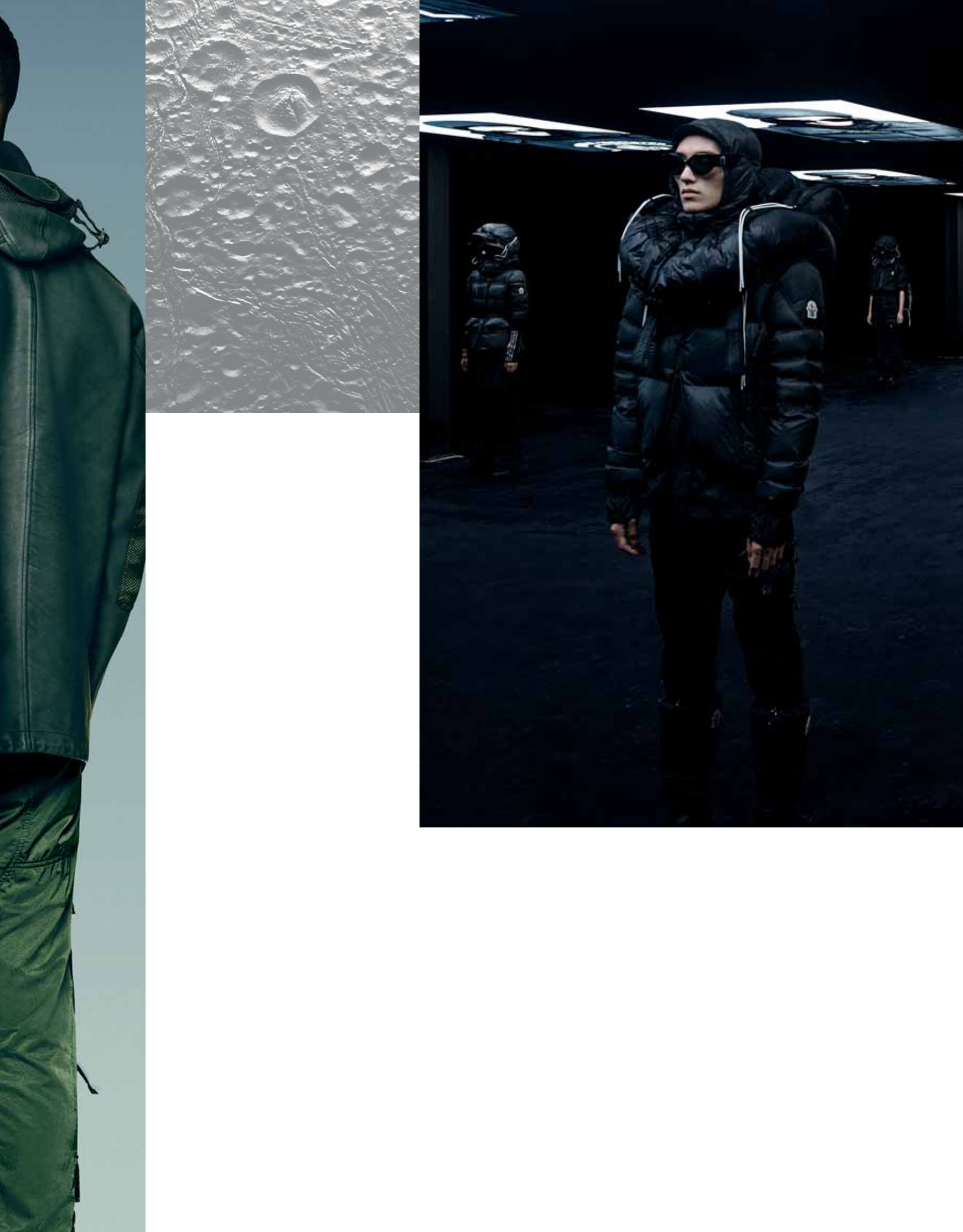








CONSOLIDATED NON FINANCIAL STATEMENT 2021



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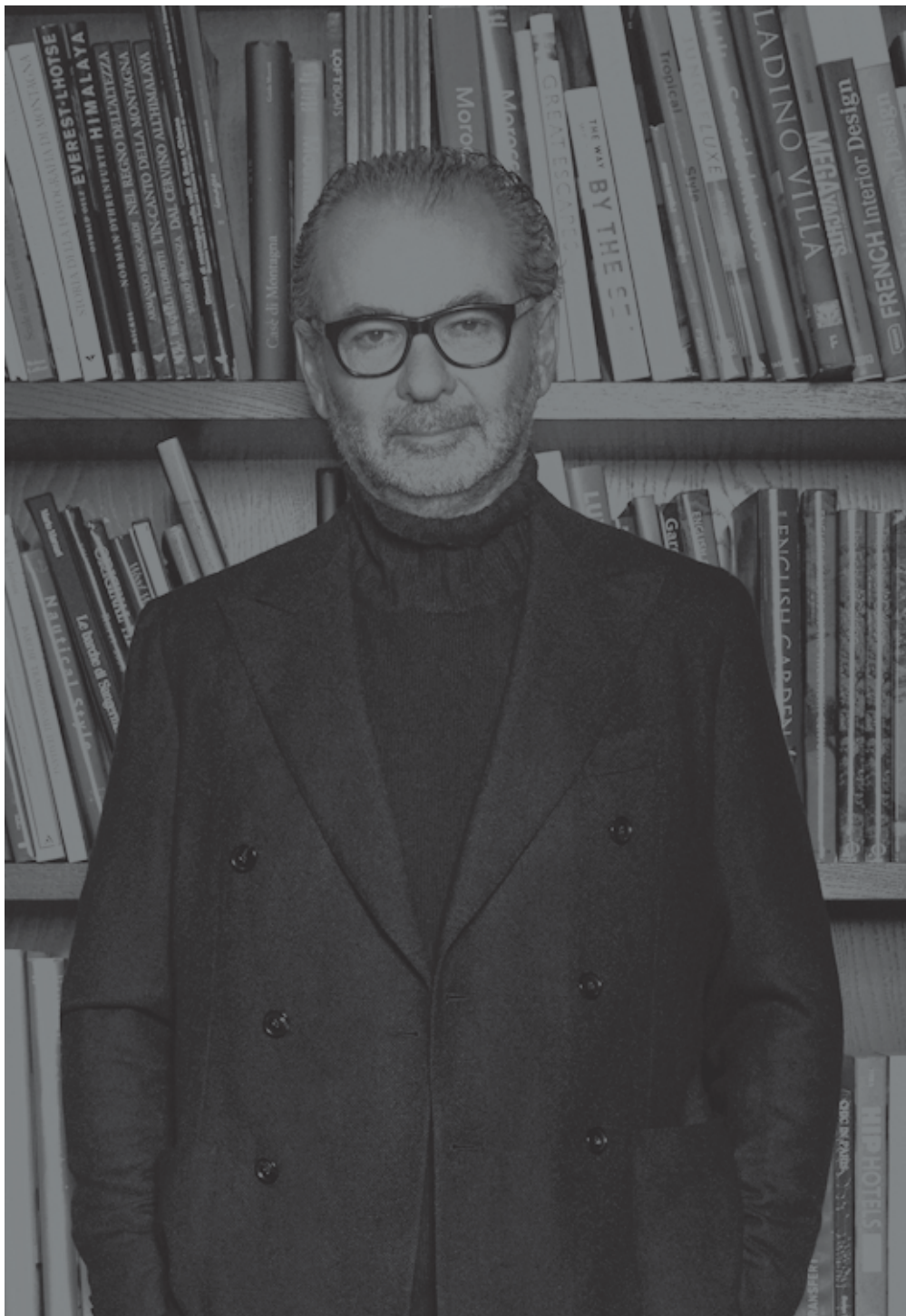
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LETTER TO STAKEHOLDERS

2021 was another year characterised by change and uncertainty. However, it was also a year in which, despite the complex macro-environment, Moncler has generated strong financial results which were well above the pre-pandemic levels.

Numbers are important, but their true value lies in the manner in which they have been achieved. Success only makes sense and has a long-term future when it creates value for everyone.

This past year was notable to me for two important reasons: Stone Island joining the Moncler family and the growth of our internal culture of sustainability.

The results achieved in 2021 are evidence of a collective effort, common at all levels across Stone Island and Moncler where everyone addresses social and environmental challenges with humility and ambition.

If I look back at everyone's effort, I think that over the years we have done a lot to fully integrate sustainability into our business model.

In 2021, for the third year in a row, Moncler topped our industry in the *Dow Jones Sustainability Index World and Europe*. As a Group we achieved carbon neutrality at our sites worldwide and we are working to reduce emissions in our supply chain. We have almost eliminated single-use virgin plastic and started to recycle nylon scraps from production in a view of a circular economy. Also, we have protected over 80,000 vulnerable people from the cold over the last five years.

But, if I look ahead to the urgent social and environmental challenges facing the world today, I realise that we need a change of pace.

We have achieved a lot, but it is not enough. Younger generations are disillusioned and keep reminding everyone that there is no more time for hesitation, there is only room left for action.

The future requires everyone to take responsibility. Every day this responsibility urges us to look critically at the impact of our decisions and commit to change what needs to be changed. It is not always simple and we do not always succeed. But we do not give up.

Every step forward, every successful effort, is a big or small action to protect everyone's future.

To give young people hopes instead of empty promises.

REMO RUFFINI
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

THE RESULTS OF OUR EFFORTS

“We judge the value of our results also by how we achieved them because long-term success comes from creating shared value.”

REMO RUFFINI

FIRST PLACE

for the third year in a row in the Dow Jones Sustainability World and Europe indices - Textiles, Apparel & Luxury Goods sector

AROUND 30%

of Moncler Genius 2021¹ outerwear entirely made of lower environmental impact fabrics

2ND BORN TO PROTECT COLLECTION

made of lower environmental impact materials

100%

of outerwear manufacturers audited on ethical and social aspects in the three-year period 2019-2021²

CARBON NEUTRAL

at own corporate sites worldwide

80%

of electricity consumption at own corporate sites worldwide from renewable sources

RECYCLING OF DOWN AND NYLON PRODUCTION SCRAPS

and production of accessories for jackets that will be included in the collections starting from the Fall/Winter 2022 season

100%

of Moncler’s packaging for end clients made of lower impact materials

~90%

single-use virgin plastic eliminated

52%

of women in management positions

+60%

vs 2020 the training hours provided to employees of offices and stores

100%

of top management involved in the unconscious bias training course

3.6 MILLION

euros invested to support the community

2,600

employees involved in volunteering activities during working hours

80,000

people most in need protected from the cold over the past five years (2017-2021)



1 MONCLER GROUP

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MONCLER BRAND
Moncler is by its nature an ever-evolving brand, pushing towards reinvention and continuous development. Over time, its values have been taking on new meanings while always remaining true to the Brand identity.
Moncler has a very strong corporate culture and uniqueness characterised by its ability to unleash the extraordinary that is hidden in each one of us.
It is a uniqueness based on the commitment to setting increasingly challenging goals, on the willingness to celebrate everyone’s talent, on the awareness that every action has an impact on society and environment, on the capacity to create warmth in every relationship and on the strive for timeless brand distinction.

PUSH FOR HIGHER PEAKS
We constantly strive for better, as individuals and as a team. Inspired by our continuous pursuit of excellence. We are always learning and committed to setting new standards. We are never done.

ONE HOUSE, ALL VOICES
We love to bring all voices in, letting everyone’s talents shine. We celebrate all perspectives, leverage our multiplicity and speak to every generation by letting all voices sing. We play a beautiful harmony.

EMBRACE CRAZY
We strive for timeless brand distinction. We are unconventional and unique. We foster our inner genius and our creative edge. We bring bold dreams, crazy and apparently unreachable ideas to life, always with great rigor. We feed our energy as we believe everything truly great was often born crazy.

BE WARM
We were born to keep people warm. We are an emotional brand. We bring the warmth of human connections into everything we do, from the things we make, to the relationships we build. We celebrate everyone’s achievements, big and small, with empathy and trust.

CREATE AND PROTECT TOMORROW
We believe in a positive, brighter and better tomorrow. We are agents of real and meaningful change. We rise to and act on the social and environmental challenges the world and communities are facing.

THE PURPOSE OF MONCLER IS
TO UNLEASH THE EXTRAORDINARY
IN EVERYBODY

STONE ISLAND BRAND
Stone Island is LAB & LIFE together. It is continuous research, identity, community. Stone Island is a transversal and authentic brand, that has its foundations in the product.

LAB LIFE CULTURE
LAB is the constant, scrutinising and boundless research into the transformation and enhancement of fibres and fabrics, which brings discoveries of new materials and production techniques that have never been previously used in the clothing industry.
LIFE is the lived experience, the identity, the perceived status of anyone who wears Stone Island. It’s the strong and recognisable aesthetic that originates from the study of uniforms and work clothes, recreated with new needs in mind, to define a project where the function of the garment is never just aesthetic.
This is Stone Island culture, where everyone lives on constant and continuous research, and believes in functionality as an expression of unique and inimitable beauty.

ENDLESS PASSION FOR ENDLESS KNOW-HOW
Endless passion and endless know-how in design and in product have always been the basis of the Stone Island brand and the founding principles for all stakeholders of the Brand.
The product-centred ethos spreads through both the Stone Island collection and all those living the Brand, every day, inside and outside the Company.

Moncler Group has, as strategic objective, the development of its brands in an authentic way while enhancing their strong uniqueness, also through a constant contamination of diverse entrepreneurial and managerial cultures as well as business knowledge and technical know-how.

Moncler Group strategy is underpinned by four pillars.

BECOME A LEADER IN THE NEW LUXURY SEGMENT

The Moncler Group with its two brands – Moncler and Stone Island – represents the expression of a new concept of luxury, far from the traditional stereotypes, which embraces the search for experientiality, inclusivity, sense of belonging to a community and contamination of different worlds including those of art, culture, music and sport.

United by the “beyond fashion, beyond luxury” philosophy, Moncler and Stone Island intend to consolidate in the new luxury segment, strengthening their ability to interpret the evolving cultural codes of the new generations.

BUILD A GLOBAL GROUP ABLE TO FULLY ENHANCE ITS BRANDS’ POTENTIAL AT GLOBAL LEVEL

Under the guidance of Remo Ruffini, Moncler has followed a growth strategy inspired by two key principles: to become a global Brand and to be more direct to consumers. The Moncler Group aims at sharing, with its brands knowledge and experience to fully capture their growth potentials globally, maintaining their unique positioning while strengthening their direct to consumers’ approach.

DEVELOP ALL DISTRIBUTION CHANNELS WITH AN OMNICHANNEL APPROACH, SUPPORTED BY A STRONG DIGITAL CULTURE

Engaging directly with clients through every channel and touch point, involving them, understanding their expectations – even when unspoken – and creating unique and distinctive experiences in its stores, are the cornerstones of the relationship that the Group strives to develop with its community to never stop surprising it. The Group is pursuing a strategy of integrated development of its distribution channels knowing that thinking, defining and implementing its strategy digitally is fundamental to sustain future growth.

FOLLOW A SUSTAINABLE GROWTH PATH TO CREATE VALUE FOR ALL STAKEHOLDERS

Moncler has been progressively strengthening its commitment to long-term, sustainable and responsible growth, fully integrated into the strategy and now totally fully shared by Stone Island as well. The Group’s plan is based on five strategic priorities: climate action, circular economy, fair sourcing, enhancing diversity, and giving back to local communities.

Born on 1 April 2021, Moncler Group, with its two brands – Moncler and Stone Island – represents the expression of a new concept of luxury, which embraces the search for experientiality, inclusivity, a sense of belonging to a community and the mixing of diverse meanings and worlds including those of art, culture, music and sport. United by the “beyond fashion, beyond luxury” philosophy, these two Italian brands strengthen their ability to interpret the evolving cultural codes of the new generations.

Alongside maintaining their brands’ identities highly independent and based on authenticity, on the constant search for uniqueness and on the extraordinary bond with the consumers’ communities, the Group intends to bring together its entrepreneurial and managerial cultures as well as business knowledge and technical know-how of its brands to strengthen their competitiveness and enhance their important growth potential, also sharing the culture of sustainability.

MONCLER BRAND

The Moncler brand was born in 1952 in Monestier-de-Clermont, a small village in the mountains near Grenoble, with a focus on sports clothing for the mountain.

In 2003, Remo Ruffini purchased Moncler and started a process of repositioning through which the Brand took on an even more distinctive and exclusive style, evolving from a line of products used purely for sport purposes to versatile lines that clients of all gender, age, identity and culture can wear on any occasion and where outerwear, while being the Brand’s identifying category, is gradually and naturally integrated with complementary products. Under his leadership, Moncler pursues a philosophy aimed at creating products that are unique, of the highest quality, versatile and constantly evolving while always remaining true to the Brand’s DNA guided by the motto “born in the mountains, living in the city”.








Tradition, uniqueness, quality, consistency and energy have always been the distinctive features of the Moncler brand that over the years has been able to evolve while remaining consistent with its DNA, heritage and identity, in a continuous search for an open dialogue with its many consumers in the world. It is from this constant research that in 2018 a new project was born, *Moncler Genius - One House, Different Voices*: a hub for creative minds able to reinterpret the Moncler brand, always consistent with its history and its DNA, adopting a new way of doing business.







STONE ISLAND BRAND

A culture of research, experimentation and usability are the matrixes that have always defined Stone Island; informal clothing brand founded in 1982 by Massimo Osti and Carlo Rivetti, with headquarter in Ravarino – a small town in the province of Modena – and intended to become a symbol of extreme research on fibers and fabrics, applied to an innovative design.

It is truly through the study of form and the “handling” of materials that Stone Island finds its own language, which has extreme research and maximum functionality as founding pillars. Each Stone Island piece is born from a perfect synthesis between experimentation and usability, between the study of fabrics and rationality.

An on-going and in-depth investigation on the transformation and ennobling of fibres and fabrics, and on the unique ability to intervene on the finished garment through continuous dyeing experiments have led, over years, to the discovery of materials and production techniques never previously used and to develop more than 60,000 different dye recipes.

1952		On the mountains near Grenoble, in Monestier-de-Clermont, René Ramillon and André Vincent <u>establish the Moncler brand</u> , dedicated to mountain sports clothing
1954		<p>Moncler manufactures its first nylon <u>down jacket</u></p> <p>Moncler products are chosen by the Italian expedition to K2 and, in 1955, by the French expedition to Makalu</p>
1968		Moncler becomes the official supplier of the French Alpine ski team at the <u>Winter Olympics in Grenoble</u>
'80		Moncler products become popular in day-to-day urban contexts, sparking a true <u>fashion phenomenon</u> among younger consumers, especially in Italy, France, and Japan
2003		<u>Remo Ruffini</u> acquires Group shares, marking the beginning of a brand repositioning process focusing on the creation of unique, premium quality, timeless products that are versatile, innovative, and designed to be worn on any occasion
2007		<p>Moncler opens its very <u>first urban store</u>, on the central Rue du Faubourg Saint-Honoré in Paris</p> <p>In the following years, other Moncler stores open on luxury shopping and high fashion streets around the world, starting in Milan (2008), New York (2010), and Hong Kong (2012)</p>
2013		In December 2013, Moncler is <u>listed on the Italian Stock Exchange</u> operated by Borsa Italiana S.p.A., with a listing price of 10.20 euros per share

2014		Moncler supplies the technical gear for the K2 – 60 Years Later expedition, celebrating the 60th anniversary of the Italian conquest of K2
2015		<p>Moncler prepares its first <u>Sustainability Report and Sustainability Plan</u></p> <p>A <u>joint venture</u> is established in <u>South Korea</u>. Moncler achieves direct control of all markets in which it operates</p> <p>Moncler finalizes the acquisition of a first <u>production site in Romania</u>, where it intends to create an industrial and technological R&D hub for down jackets and vertically integrate part of its production</p>
2016		<p>Moncler <u>completes the set-up process at the production site in Romania</u>, to create an industrial and technological R&D hub for down jackets and vertically integrate part of its production</p> <p>The Group's turnover <u>exceeds 1 billion euros</u></p> <p>Moncler's offices and stores in Italy are certified as per the international standard <u>OHSAS 18001</u></p>
2017		<p>Moncler's production site in Romania is certified as per the international standards <u>OHSAS 18001</u> and <u>ISO 14001</u></p> <p>Moncler updates the Group <u>Code of Ethics</u> in line with best practices</p>
2018		<p>Moncler launches the new creative project Moncler Genius — <u>One House Different Voices</u>, a hub of creators that operating in unison while cultivating their singularity to reinterpret the essence of the Moncler brand</p> <p>Moncler extends <u>OHSAS 18001</u> certification to all offices and stores in Europe and the United States and <u>ISO 14001</u> certification to the Italian corporate offices and logistics hub in Castel San Giovanni (Piacenza, Italy)</p> <p>Moncler receives the RobecoSAM <u>Industry Mover Sustainability Award</u> in the Textiles, Apparel & Luxury Goods sector and is included in some <u>ECPI</u> indices focused on both financial and ESG aspects</p>
2019		<p>For the first time, Moncler is included in the Dow Jones <u>Sustainability World and Europe</u> indices, as the <u>Industry Leader</u> of the Textiles, Apparel & Luxury Goods, and receives the S&P Global Gold Award and Industry Mover Award</p> <p>Moncler joins <u>The Fashion Pact</u></p> <p>Moncler implements the "<u>Path</u>" <u>Project</u> to define the corporate purpose and values</p>

2020



Moncler launches a BIO-based and carbon neutral down jacket on the market designed with plant-based and natural materials and a range of products made with recycled materials for the Grenoble line

Moncler organizes its first Hackathon, a real 24-hour digital marathon with 450 employees from all over the world coming together in an event dedicated to accelerating and generating innovation

Moncler extends [OHSAS 18001](#) certification globally

Moncler helps tackle the COVID-19 emergency by donating money, producing surgical masks, and applying a strict health and safety protocol to the benefit of employees, clients, and suppliers

Moncler is confirmed for the second year in a row as [Industry Leader](#) for Textiles, Apparel & Luxury Goods in the [Dow Jones Sustainability World](#) and [Europe](#) indices

Moncler renews its commitment to sustainable growth and presents [its Strategic Sustainability Plan Moncler Born to Protect](#)

Moncler launches the *Born To Protect* range of [jackets](#) made entirely of [sustainable materials](#)

Moncler forms the [Diversity, Equity and Inclusion Council](#)

2021



Group revenues [exceeded two billion euros](#)

Moncler makes about [30%](#) of [Genius 2021](#) outerwear entirely with sustainable fabrics

Moncler commits to going fur free from 2024 collections, and Stone Island, that is not using fur since 2018, confirm its pledge not to use it also in the future

Moncler launches new communication campaign *We used to climb mountains. Now we must move them* to confirm the promise to protect people and the planet

Moncler is confirmed for the third year in a row at the top of the *Textiles, Apparel & Luxury Goods* industry in the [Dow Jones Sustainability Indices \(DJSI\) World and Europe](#)

Moncler for the first time participates in the CDP Climate Change questionnaire achieving an A- score, is rated A by [MSCI ESG Research](#) and qualifies for the [Sustainalytics 2022 Industry Top-Rated Badge](#) and [Regional Top-Rated Badge](#)

Moncler defines the new [Strategic Sustainability Plan at Group level](#)

Moncler completes the project of internalisation of the e-commerce channel (.com)

Moncler announces the realisation of a [new headquarters](#) by 2024, a project having experience, well-being and sustainability at the core

Moncler contributes to the construction of the [largest vaccine hub](#) in Italy and donates devices and related connections to kindergartens, elementary and middle schools in Milan (Italy)

[Stone Island](#) joins Moncler from 1 April 2021

1.4 MARKET PRESENCE

MONCLER BRAND

Moncler is present in all major markets both through the retail channel, consisting of directly operated stores (DOS¹), the online store and the e-concessions, and through the wholesale channel, represented by multi-brand doors, shop-in-shops in luxury department stores, airport locations and online luxury multi-brand retailers (e-tailers).

Moncler's strategy is aimed at the control of the distribution channel, not only retail but also wholesale and digital, where it operates through a direct organisation.

As of 31 December 2021, Moncler's mono-brand distribution network consisted of 64 wholesale stores (shop-in-shops, SiS), an increase of one unit compared to 31 December 2020 and of 237 retail directly operated stores (DOS), an increase of 18 units compared to 31 December 2020, including the openings of the second flagship store in Milan, in Galleria Vittorio Emanuele II – a new place for the community where the experience becomes immersive involving all the senses including taste – and in Chengdu Swire characterised by a new and young retail concept with spaces contaminated by other worlds such as that of art thanks to the collaboration with the emerging Chinese artist Gan Jian to create an audio-visual work of art exclusively for the store. Moreover, during the year, some of the existing retail stores were relocated in new spaces with a larger surface, including the enlargement of the iconic boutique in Rome in Piazza di Spagna and the relocation of the flagship store in Los Angeles in the prestigious shopping neighbourhood of Beverly Hills.

MONCLER BRAND - MONO-BRAND RETAIL NETWORK

NUMBER	31/12/2021	31/12/2020	Net Openings FY 2021
Asia	117	104	13
EMEA	84	80	4
Americas	36	35	1
RETAIL	237	219	18
WHOLESALE	64	63	1

MONCLER BRAND - REVENUE BY GEOGRAPHY

MILLION EUROS	Revenues ²	%	Change vs 2020 (at current exchange rates)	Change vs 2020 (at constant exchange rates)	Change vs 2019 (at constant exchange rates)
Asia	894.8	49.1	+25%	+26%	+27%
EMEA	624.5	34.2	+24%	+25%	-3%
Americas	304.9	17.7	+38%	+43%	+20%
Total	1,824.2	100.0	+27%	+28%	+14%

During the year, Moncler accelerated on digital transformation and, in line with an increasingly integrated digital vision aimed at personalising the experience and strengthening the relationship with the customer, completed the gradual internalisation project of the e-commerce (.com) started in 2020 in the United States and Canada and ended in 2021 with EMEA in May, Japan in July and China in October. See also pages 154-155. Furthermore, in May the new .com platform with a renewed concept was launched where the experience is at the centre of an ever more tailored customer journey inspired by the world of entertainment, guaranteeing fluid navigation with customised contents and services including product personalisation features.

STONE ISLAND BRAND

The Stone Island brand is distributed globally both through the wholesale channel and with direct presence (retail stores). Furthermore, in some markets the Brand is managed by distribution contracts with qualified and long-standing partners, selected on the basis of their high knowledge of the fashion sector. The Brand is currently present in the most important department stores in the world, also with dedicated spaces (shop-in-shops), in the best multi-brand boutiques and in the main e-tailers, besides having developed a network of 30 directly managed mono-brand stores and the online store. In line with the Group's strategy aimed at the integrated development of its distribution channels, Stone Island has begun a path

1 Including free standing stores, concessions, travel retail stores and factory outlets.
2 Data rounded to the last digit shown.

that will lead the Brand to a greater control of distribution on international markets, through a progressive direct management of the markets currently managed by the distributor and through the expansion of the DTC channel. On 30 December 2021, Stone Island set up a joint venture in Korea – Stone Island Korea operating since 1 January 2022 – of which Stone Island holds 51%, with the aim of directly managing the Korean distribution network, which as of 31 December 2021, had 23 mono-brand stores.

At the same time, the Company is enhancing its control and doors’ selection on the wholesale, a channel of strategic importance for Stone Island, with the aim of further elevating the positioning of the Brand itself.

In FY 2021, the wholesale channel accounted for 75% of revenues while the remaining 25% was generated by directly managed stores and the online channel. As of 31 December 2021, the Stone Island’s mono-brand distribution network consisted of 58 wholesale mono-brand stores (shop-in-shops) and 30 retail directly operated stores (DOS). Five DOS were opened during the year, including the Paris Galeries LaFayette, New York Bloomingdale’s and Shanghai iAPM stores.

STONE ISLAND BRAND - MONO-BRAND RETAIL NETWORK

NUMBER	31/12/2021	30/06/2021
Asia	4	4
EMEA	20	20
Americas	6	6
RETAIL	30	30
WHOLESALE	58	56

EMEA is the largest region for Stone Island, contributing to 77% of the revenues in the consolidated period. Italy is the main market in EMEA and accounts for about a third of the region’s revenues, followed by the United Kingdom, Germany and the Netherlands. Asia contributed 13% of Stone Island revenues for the consolidated period and Americas the remaining 10%.

1.5 FINANCIAL PERFORMANCE

Full year revenues over 2 billion euros in 2021 (+28% vs 2019), with a further increase in the last quarter (+40%). EBIT at euros 603 million (29.5% margin) and net cash at euros 730 million.

RESULTS

In 2021, Moncler Group reached consolidated revenue of 2,046.1 million euros up 44% at constant exchange rates compared to the same period of 2020 and +28% at constant exchange rates compared to 2019. These results include Moncler brand revenue equal to 1,824.2 million euros and Stone Island brand revenue, consolidated since 1 April, equal to 221.9 million euros. Assuming Stone Island consolidated since 1 January 2021, Group revenue would have been equal to 2,134.2 million euros, with a contribution from the Stone Island brand equal to euros 310.0 million euros.

EBIT was equal to 603.1 million euros, compared to 368.8 million euros in 2020 and 491.8 million euros in 2019, representing an EBIT margin of 29.5% (25.6% in 2020 and 30.2% in 2019).

In 2021, net financial expenses were 21.6 million euros, compared to 23.3 million euros in 2020 and 21.1 million euros in 2019, including lease liabilities arising from the application of the IFRS 16 accounting principle for 19.5 million euros in 2021 (22.0 million euros in 2020 and 20.2 million euros in 2019).

Net income was 411.4 million euros in 2021, equivalent to 20.1% of revenues, compared to 300.4 million euros in 2020 and euros 358.7 million in 2019.

ANALYSIS OF MONCLER BRAND AND STONE ISLAND BRAND REVENUES*

Moncler brand

In 2021, Moncler brand revenues were equal to euros 1,824.2 million, up 14% at constant exchange rates growth compared to 2019. In the fourth quarter, the Brand revenue amounted to euros 803.3 million increasing +30% at constant exchange rates compared to the last quarter of 2019. This strong and constant acceleration of the Brand throughout 2021, especially in the fourth quarter, was driven by the effective implementation of the business strategies, the success of the collections and the development of the DTC channel, in particular the online direct.

In 2021, the DTC channel achieved revenues of euros 1,429.2 million growing +16% at constant exchange rates compared to 2019. The fourth quarter registered a strong acceleration, up +31% at constant exchange rates compared to the same period of 2019 with improving results in all regions.

The wholesale channel revenues were euros 394.9 million with an 8% at constant exchange rates growth compared to 2019. In the fourth quarter revenues of the wholesale channel grew by 19% at constant exchange rates compared to the same period of 2019, confirming the strength of the Brand and the great appreciation of the collections.

Stone Island brand

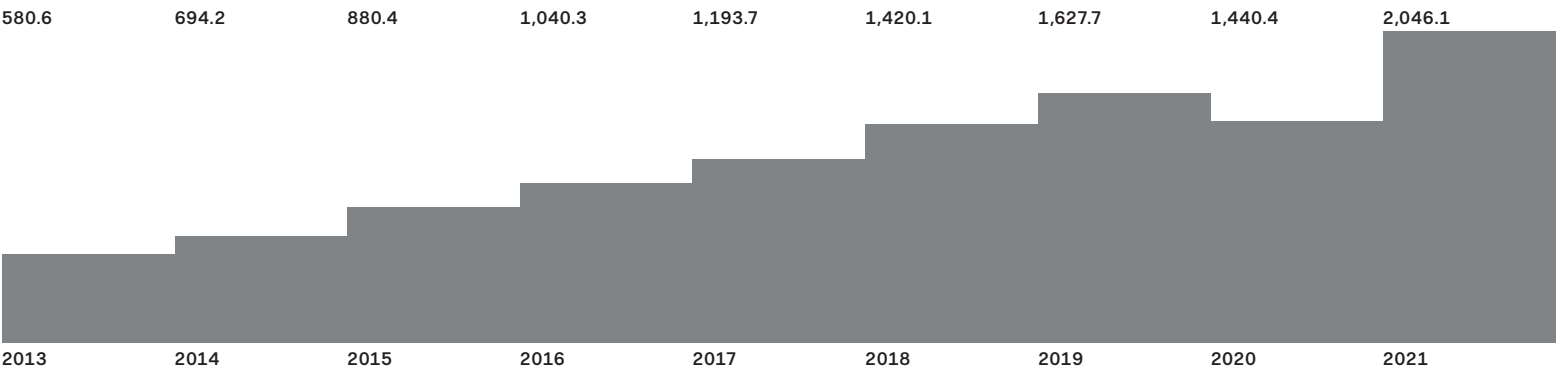
In 2021 (1 January – 31 December), Stone Island generated euros 310.0 million revenues, up 26% compared to the same period of 2019, of which euros 221.9 million generated since 1 April and consolidated in Moncler Group. In the fourth quarter, Stone Island registered revenues equal to euros 65.6 million.

The wholesale channel represented 71% of total revenue in the consolidated period with very good performances in all markets. Significant also the development of the DTC channel, both physical and digital.

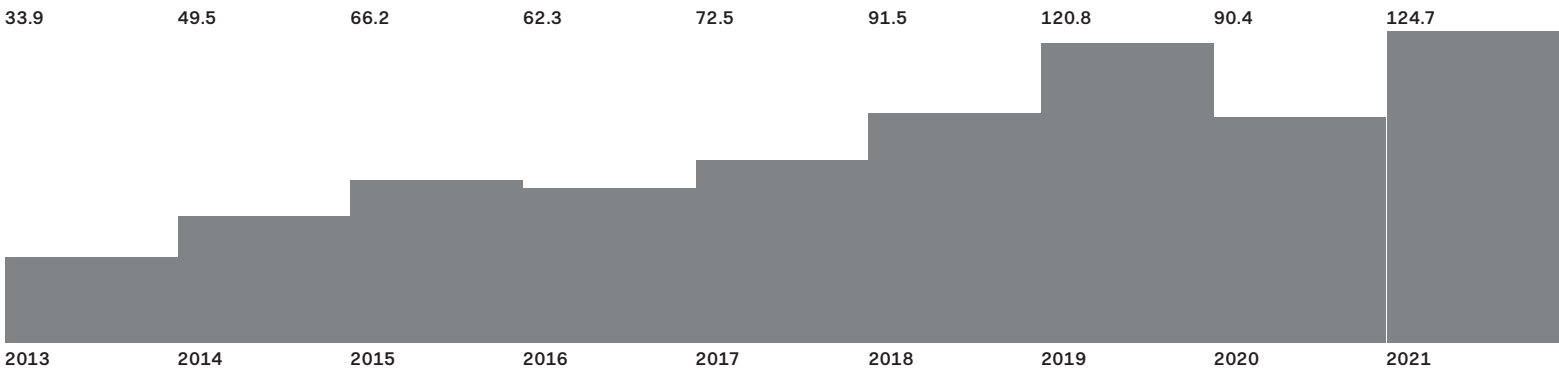
* In order to understand the performance of the business excluding the effects of the Covid-19 pandemic, 2021 revenues are compared to pre-pandemic results (2019).

GROUP FINANCIAL HIGHLIGHTS³

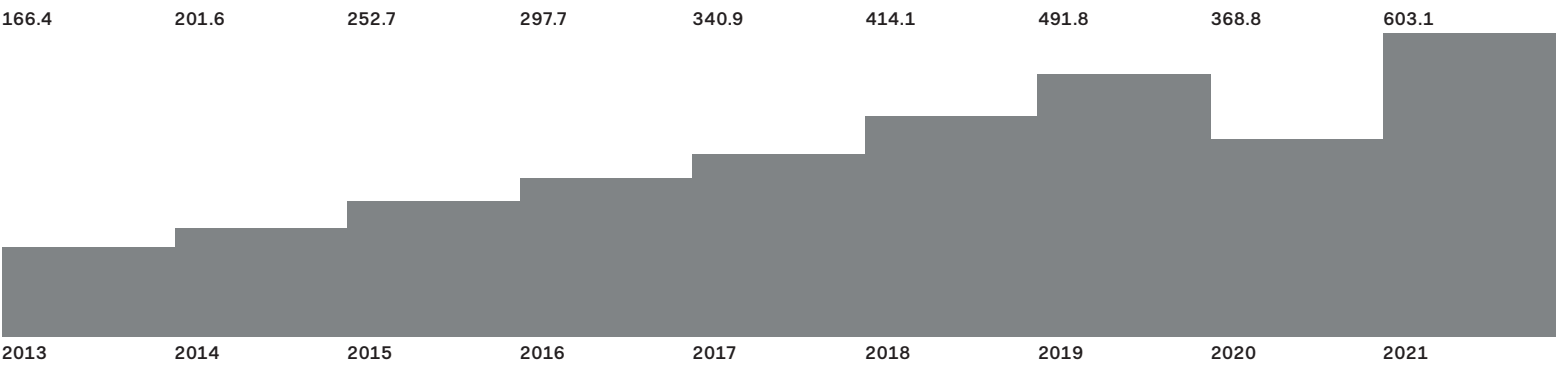
REVENUES (MILLION EUROS)



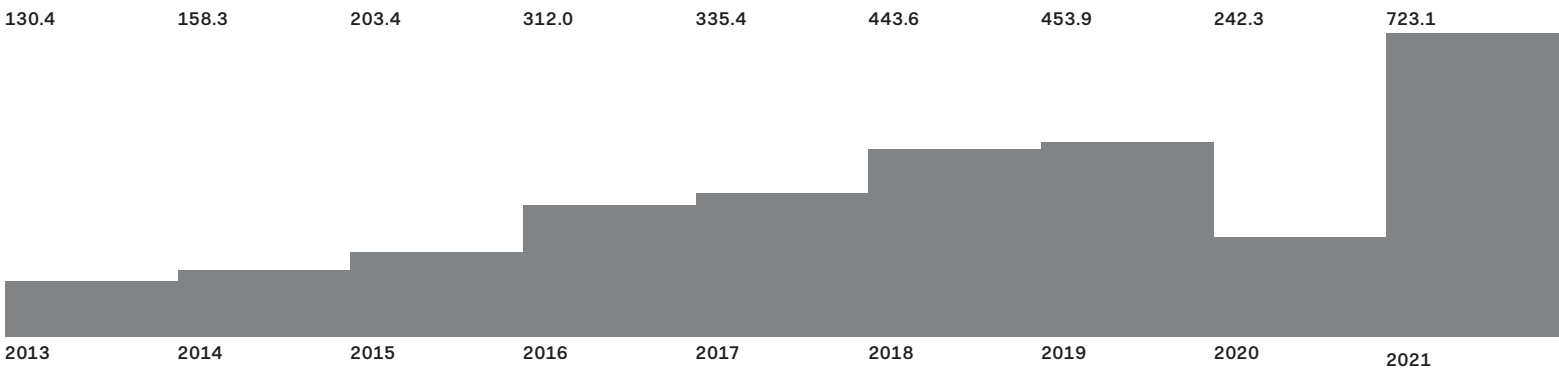
NET CAPITAL EXPENDITURE (MILLION EUROS)



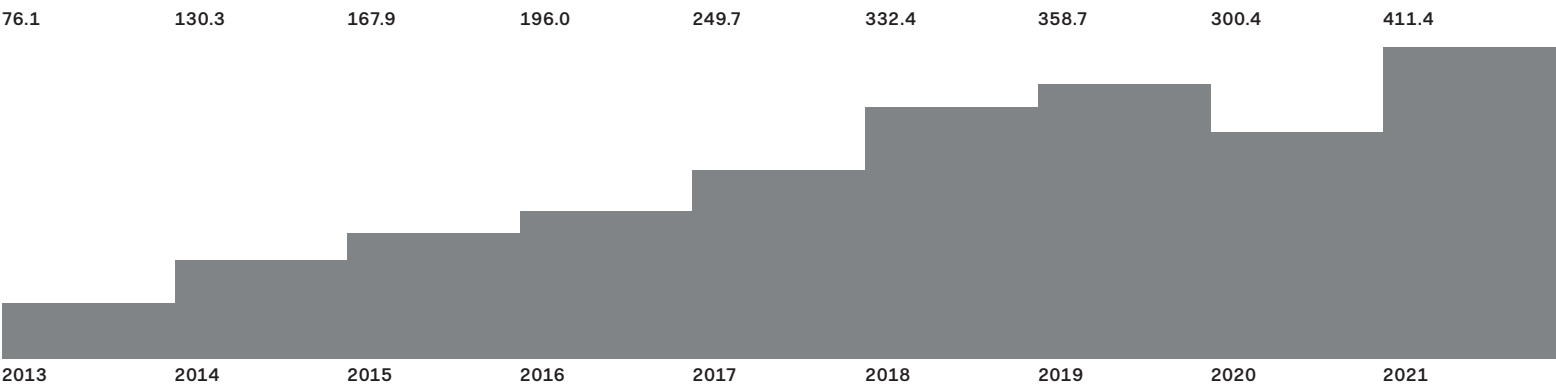
EBIT (MILLION EUROS)



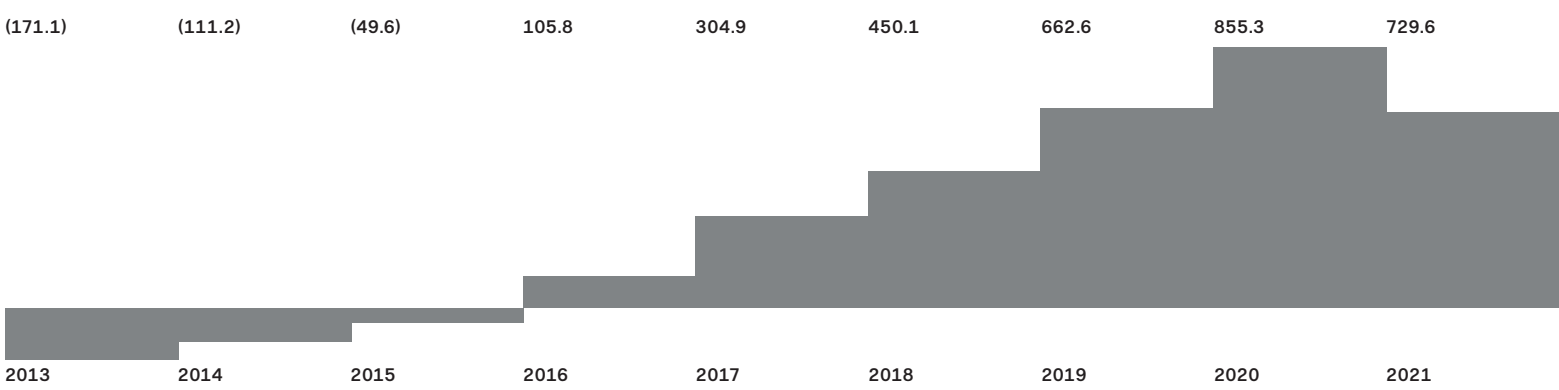
OPERATING CASH FLOW (MILLION EUROS)



NET INCOME (MILLION EUROS)



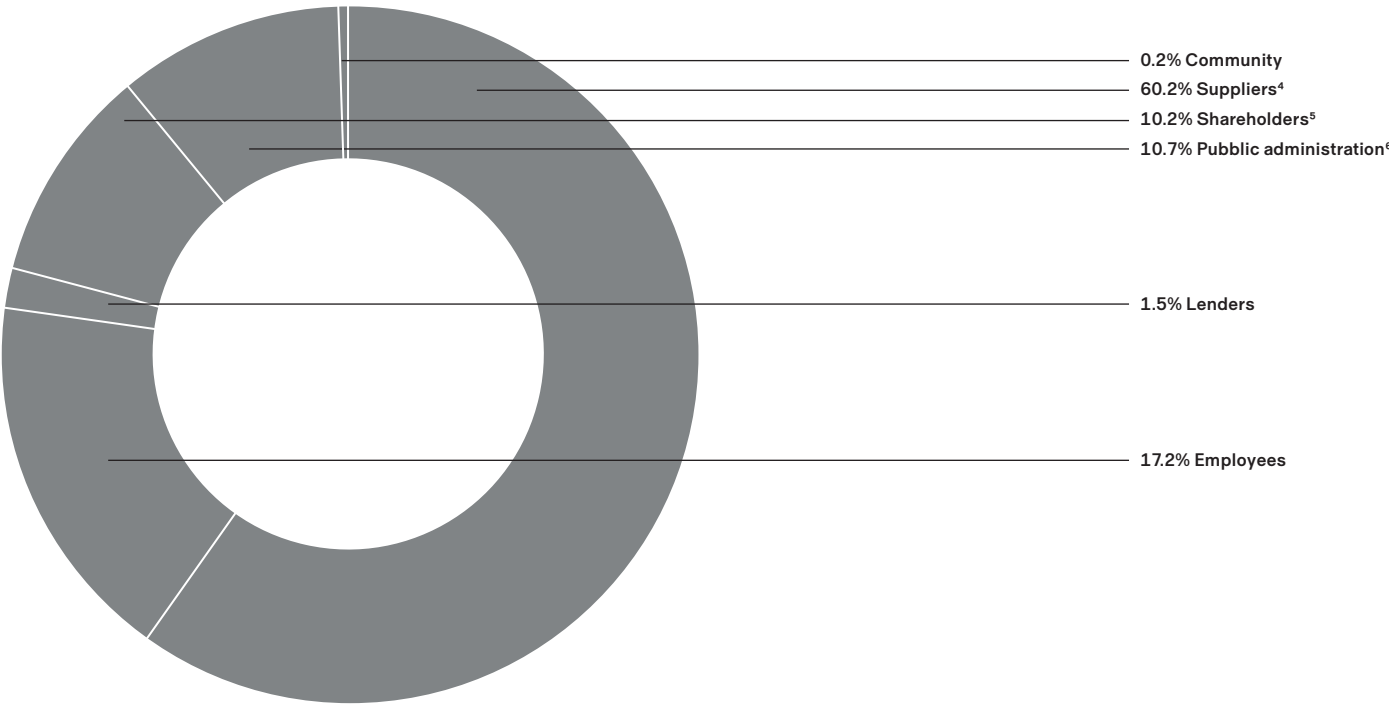
NET FINANCIAL POSITION (MILLION EUROS)



3 Data including IFRS 16 impacts from 2019. The net financial position excludes lease liabilities.

CREATING VALUE FOR STAKEHOLDERS
The economic value generated and distributed represents a company's ability to create wealth and distribute it among its stakeholders. In 2021 the economic value generated by the Moncler Group amounted to 2,060 million euros, with an increase of approximately 42% compared to 2020. Those results include Stone Island brand revenues, consolidated from 1 April 2021. The economic value distributed by the Group thus went from 1,066.5 million euros in 2020 to 1,585.3 million euros in 2021, registering an increase of 49%. About 77% of the value created by the Moncler Group was distributed to internal and external stakeholders while the remaining 23% was retained within the Group.

ECONOMIC VALUE DISTRIBUTED



ECONOMIC VALUE GENERATED AND DISTRIBUTED

THOUSAND EUROS	Moncler Group 2021	Moncler Brand 2020
Economic value generated by the Group	2,060,123	1,449,314
Revenues	2,046,103	1,440,409
Other income	13,421	9,216
Financial income	2,960	759
Value adjustments of financial assets	-	-
Impairment of receivables	-1,510	-1,436
Exchange rate gains (losses)	-1,332	-1,038
Gains (losses) from disposal of tangible and intangible assets	380	1,404
Value adjustments of tangible and intangible assets	101	-
Economic value distributed by the Group	1,585,313	1,066,512
Economic value distributed to suppliers ⁴	955,463	651,782
Economic value distributed to employees	272,391	209,963
Economic value distributed to lenders	23,336	23,022
Economic value distributed to shareholders ⁵	161,746	121,275
Economic value distributed to public administration ⁶	169,616	49,647
Economic value distributed to the community	2,761	10,823
Economic value retained by the Group	474,810	382,801
Depreciation and amortisation	246,519	200,976
Provisions	-3,516	2,734
Reserves	231,807	179,091

4 Refers to suppliers of goods and services.
5 In 2021 the amount was estimated on the basis of the suggested dividend. The amount for 2020 was adjusted on the basis of the dividend actually paid.
6 The economic value distributed to public administration also includes deferred taxes.

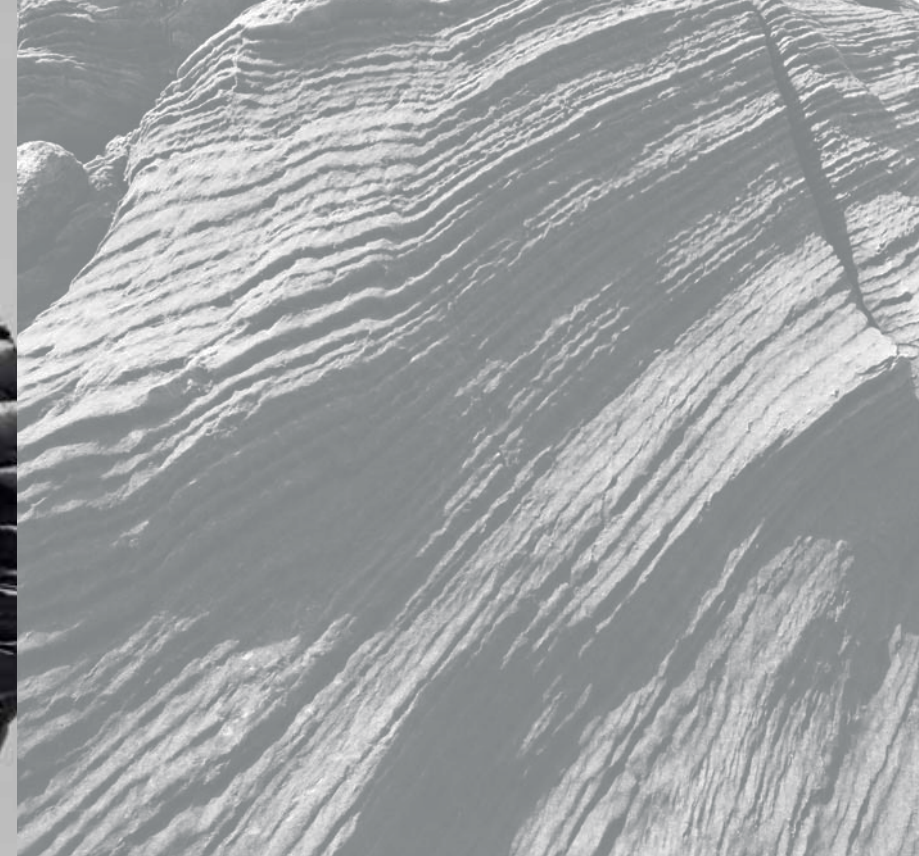
FINANCIAL INSTRUMENTS LINKED TO SUSTAINABILITY PERFORMANCE

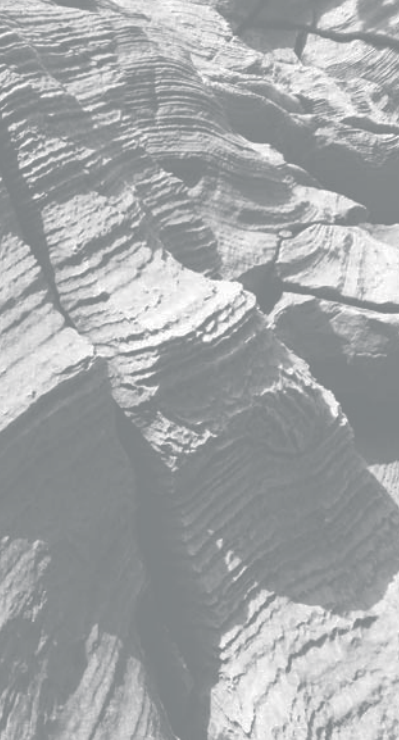
Also in the realm of financial products, Moncler is testing and adopting new mechanisms tied to sustainability performance. In July 2020 Moncler signed an agreement for a sustainability-linked revolving credit facility with a reward mechanism tied to the achievement of specific environmental impact reduction targets. In addition, in November 2020 Moncler signed an exchange risk hedging agreement with a reward in terms of improvement of the hedging strike on currencies based on the recognition of high standards of sustainability by an external, independent rating body.











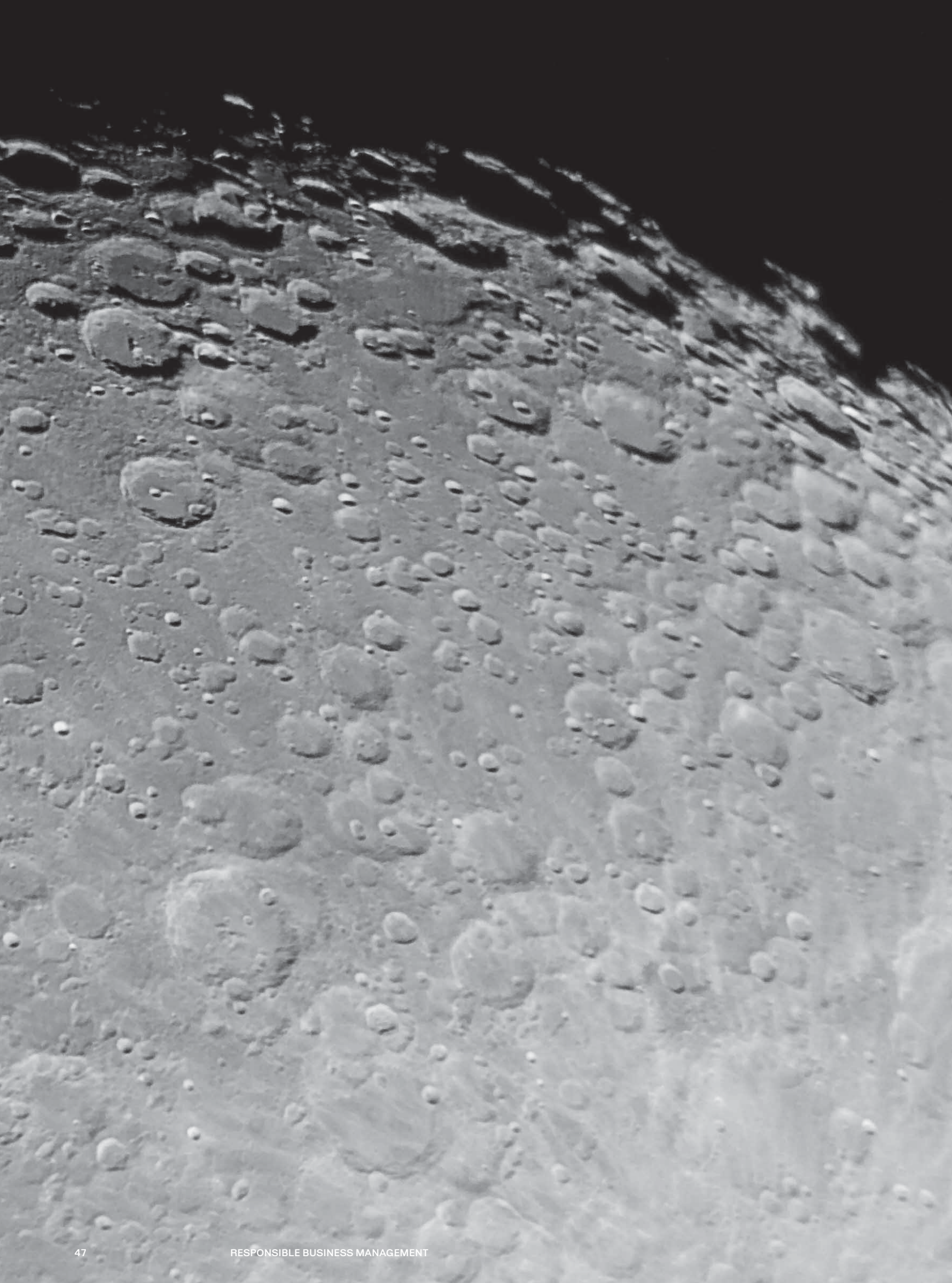


2

RESPONSIBLE BUSINESS MANAGEMENT

2.1	GOVERNANCE MODEL	P. 48
2.2	RISK MANAGEMENT	P. 57
2.3	CREATING SUSTAINABLE VALUE	P. 64

SOUND CORPORATE GOVERNANCE, INTEGRATED RISK MANAGEMENT, DIALOGUE WITH STAKEHOLDERS, CLEAR AND TRANSPARENT OBJECTIVES MUST BE AT THE BASE OF ANY COMPANY’S DAILY ACTIONS. IN FACT, THE WAY BUSINESS IS CONDUCTED, THE CONTRIBUTION MADE TO THE SOCIETY AT LARGE AND THE ABILITY TO FULFIL COMMITMENTS DETERMINE A COMPANY’S TRUE VALUE. VALUE THAT LASTS OVER TIME.



CORPORATE GOVERNANCE

The corporate governance system adopted by Moncler S.p.A. plays a key role in the clear and responsible conduct of the Group’s operations, contributing significantly to the creation of sustainable medium/long-term value both for shareholders and for stakeholders, in accordance with the best principles of social responsibility applicable in all countries in which the Company operates.

Moncler has adopted a traditional corporate governance model built in accordance with laws and regulations as well as with the Corporate Governance Code for Listed Companies approved by the Corporate Governance Committee of Borsa Italiana S.p.A. (the “Corporate Governance Code”) – to which Moncler adheres – and founded on four pillars:

- the central role of administrative and control bodies
- the effectiveness and transparency of management decisions-making
- the careful and diligent monitoring of transactions with related parties and the handling of privileged information
- the set of values identified, recognised and shared that are established in the Code of Ethics and company policies.

The values set out in the Code of Ethics commit all employees to ensuring that the Company’s activities are carried out in compliance with laws and regulations and the internal procedures adopted by the Group, within a framework of fair competition, with honesty, integrity and fairness, while respecting the legitimate interests of shareholders, employees, clients, suppliers, commercial and financial partners and the communities in the countries where Moncler is present. See also pages 53-56; 140.

Secondly, Moncler S.p.A. has developed and adopted an anti-corruption model and related Policy applied to all Group companies.

Moncler S.p.A. has adopted a traditional administration and control system as per Articles 2380-bis and following of the Italian Civil Code, within which the Board of Directors is entrusted with corporate management and the Board of Statutory Auditors with control and supervisory functions.

The governance system ensures constant dialogue between management and shareholders, as follows:

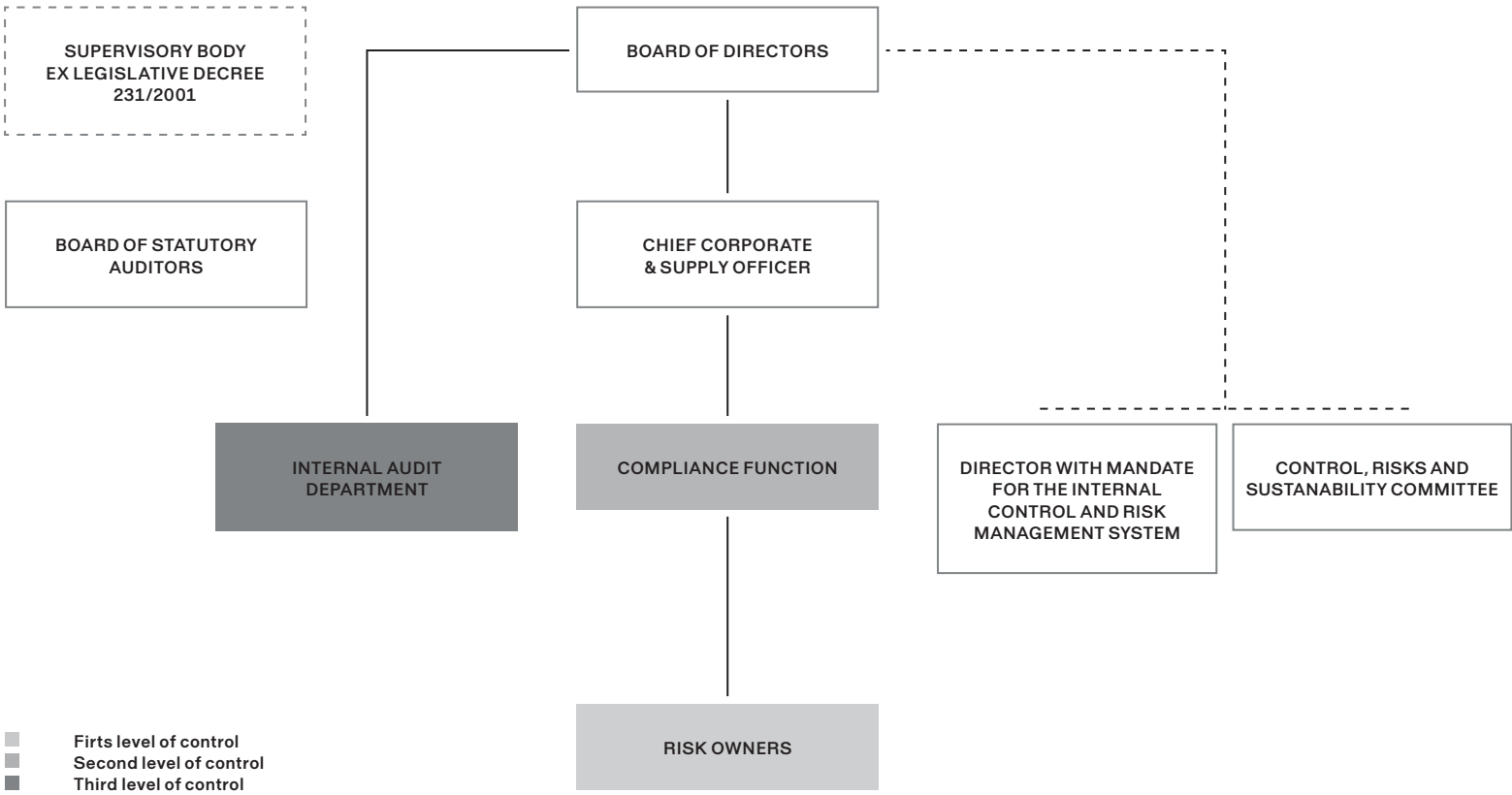
- the Shareholders’ Meeting is a body with exclusively deliberative functions whose powers are limited by law to the most important corporate decisions
- the Board of Directors (BoD) plays a central role in guiding and managing the Company and the Group. In addition to the powers assigned to it as per the law and Bylaws, the Board has exclusive competence over the most important economic and strategic decisions, over those functional to the monitoring and guidance of the business, and on sustainability issues. In fact, the Board also plays a central role in the process of approving company strategies regarding environmental management, including climate change, and social issues. The Nomination and Remuneration Committee and the Control, Risks and Sustainability Committee, both with advisory and consulting functions in accordance with the recommendations of the Corporate Governance Code, in addition to the Related Parties Committee have been set up within the Board of Directors, consistently with applicable laws and regulations and the procedure adopted by the Company
- the Board of Statutory Auditors monitors, inter alia, (i) compliance with the law and the Bylaws and compliance with the principles of proper management; (ii) to the extent of its competence, the adequacy of the Company’s organisational structure, the internal control system and the administrative accounting system, as well as the reliability of the latter in properly representing management operations; (iii) the procedures for the actual implementation of the rules established by codes of conduct endorsed by the Company; and (iv) the effectiveness of the internal audit and risk management system, the auditing of accounts and the independence of the statutory auditor

- the audit firm carries out the statutory audit of the accounts. It is appointed by the Shareholders’ Meeting and in accordance with the Bylaws, upon proposal of the Board of Statutory Auditors. The external auditor conducts its business independently and autonomously and therefore does not represent either the majority or minority shareholders. The statutory audit for the period 2013-2021 was entrusted to the auditing company KPMG S.p.A., while for the period 2022-2030 the auditing company Deloitte & Touche S.p.A. has been appointed as the statutory auditor.

In addition, as part of the Internal Control and Risk Management System (ICRMS) adopted by the Group, a Supervisory Body was established; it is a collegial body of three members, with the task of monitoring the effectiveness and adequacy of Moncler’s mechanisms and internal controls as well as the organisational and management model pursuant to Legislative Decree 231/2001 (“Model 231”) adopted by the Company and reporting on its implementation.

In addition to the Supervisory Body, key ICRMS figures include the Compliance function (operating as a second-level control function), the Internal Audit function (operating as a third-level control function), the Director in charge of the ICRMS itself, the Control, Risks and Sustainability Committee and the Board of Statutory Auditors.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM



The Chairman and Chief Executive Officer, Remo Ruffini, is assisted in the definition of Group strategy by an internal Strategic Committee with an advisory function, ensuring consistency and sharing of Moncler’s guiding values.

The areas of competence of the Strategic Committee include the review of the business plan and of the Sustainability Plan as well as the revision of all the strategic decisions, including but not limited to those relating to the development of the distribution network, marketing plans, investments, entry into new markets and environmental and social initiatives.

As of 31 December 2021, the Moncler’s Board of Directors consisted of twelve members, including the Chairman, eight of whom were independent, with an average tenure of ten years. With respect to the powers assigned: three were executive directors and nine were non-executive directors (eight of whom were independent). Moncler believes that a Board of Directors composed

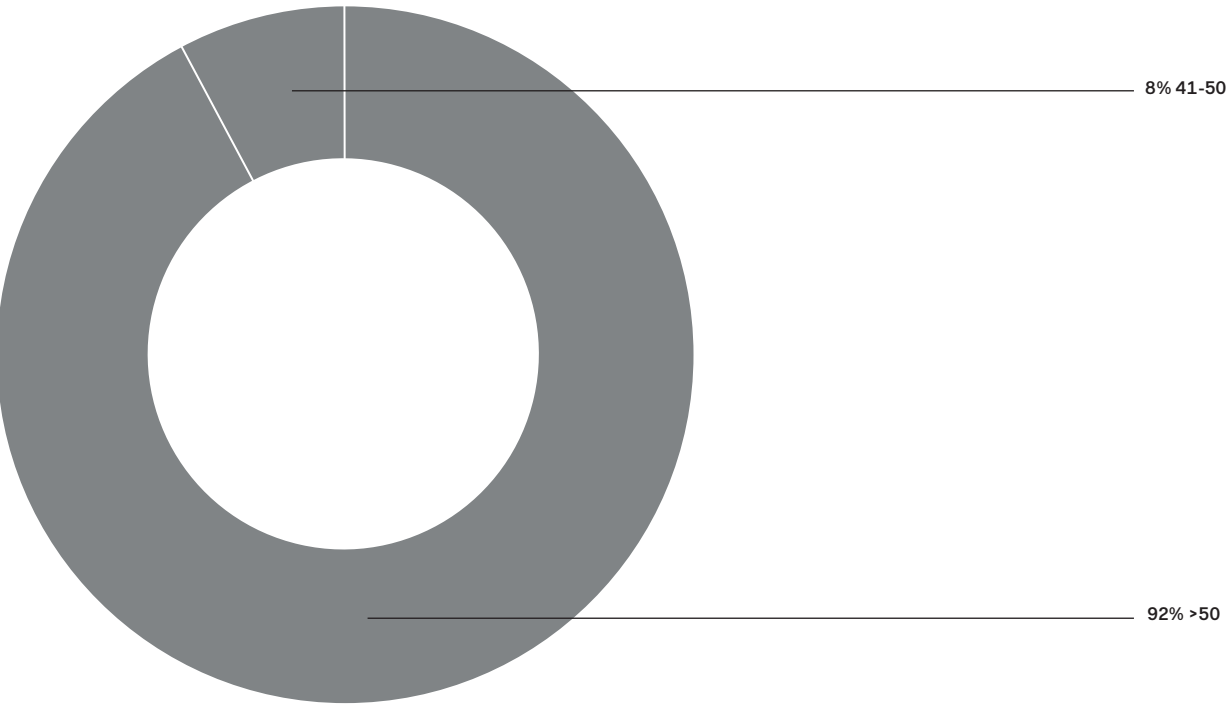
of members with different professional skills and experiences as well as representative of different cultural heritages, can offer the opportunity to take the best decisions for a Group operating in an international context. The Board of Directors and the Board of Statutory Auditors, aware of the importance and value of different experiences and skills for the proper functioning of the corporate bodies, adopted the Diversity Policy, which describes the characteristics considered optimal for the composition of the bodies, with the aim of integrating different professional profiles in terms of gender, ethnicity, age groups and seniority. In view of the appointment of the new Board, which will be approved during the Shareholders' Meeting on 21st April 2022, the Policy has been reviewed and updated to also take into account the results of the Board self-assessment process (Board Review) conducted in comparison to 2021. See also Moncler's 2021 Report on Corporate Governance and Ownership Structures and Diversity Policy.

In 2021 the average attendance at the Board of Directors' meetings was around 94%.

COMPOSITION OF THE BOARD OF DIRECTOR BY GENDER



COMPOSITION OF THE BOARD OF DIRECTORS BY AGE GROUP



SUSTAINABILITY GOVERNANCE

In order to increasingly integrate sustainability into its business, the Moncler Group has implemented a governance that involves the interaction of different bodies dedicated to supervising and managing social and environmental issues.

The Sustainability Unit is responsible for proposing the Group's sustainability strategy, identifying, reporting promptly to senior management and handling together with relevant divisions the sustainability risks, including those relating to climate change and biodiversity, as well as for identifying areas and projects for improvement, thereby contributing to the creation of long-term value. It prepares the Consolidated Non-Financial Statement and spreads the culture of sustainability within the Company. Lastly, the Unit promotes dialogue with stakeholders and, together with the Investor Relations division, handles the requests of sustainability rating agencies and of Socially Responsible Investors (SRIs).

Ambassadors have been identified within each corporate department; they are responsible for raising awareness of social and environmental issues among the departments in which they operate and for promoting sustainability initiatives in line with the Group's objectives. In addition, since 2017, Sustainability data owners were designated, with responsibility for data and information, relating to their respective areas, published in the Consolidated Non-Financial Statement and for achieving the relevant objectives set out in the Sustainability Plan.

As further evidence that sustainability is a shared approach promoted by senior management, a Control, Risk and Sustainability Committee was established at Board level. The Committee is composed of three non-executive and independent Directors. The Committee is tasked by the Board of Directors with supervising issues of sustainability related to the business operations and the interactions with stakeholders, defining strategic sustainability guidelines and the relevant action plan (Sustainability Plan), including issues such as climate change, biodiversity and human rights, and examining the Consolidated Non-Financial Statement.

INDEPENDENT ESG RATINGS AND ASSESSMENTS

In 2021 Moncler has been confirmed for the third year in a row in the Dow Jones Sustainability Indices World and Europe, obtaining the highest score (89/100) of the 'Textiles, Apparel & Luxury Goods' industry according to the S&P Global Corporate Sustainability Assessment 2021. This result demonstrates that sustainability is an increasingly strategic asset for the Group's development. Moncler also received the *Gold Award* from S&P Global¹.

During the year, Moncler participated for the first time in the *CDP Climate Change questionnaire*. CDP² is a non-profit organisation that runs the world's leading environmental disclosure platform that assesses companies on the completeness of their climate disclosure, their awareness and management of environmental risks and best practices associated with environmental leadership, such as setting ambitious and meaningful targets as part of the management of climate change. The Company has achieved the leadership level with an A- score for its environmental transparency and actions to mitigate climate change risks. Moncler was also recognised as a *Supplier Engagement Leader*.

In 2021 Moncler also obtained an A score from MSCI ESG Research³, which provides sustainability ratings for listed international companies and some private companies according to their exposure to industry-specific ESG risks and their ability to manage those risks if compared to industry peers.

In 2022 Moncler also obtained the *Industry Top-Rated Badge* and the *Regional Top-Rated Badge* from Sustainalytics, a leading ESG and corporate governance research and rating company that supports investors in developing and implementing responsible investment strategies.

CODE OF ETHICS

The Code of Ethics and corporate policies are one of the pillars of the Moncler Group's corporate governance system and govern the decisions and conduct of the Moncler and Stone Island brands and of their employees towards their stakeholders.

In 2021, following the entry of Stone Island into Moncler, an analysis of the two Brands' Codes of Ethics was carried out and confirmed their alignment in terms of values and principles; this will lead to the definition of a Group's Code of Ethics.

The Codes of Ethics currently adopted by Moncler and Stone Island encompass the set of values that both Brands recognise, share and promote, in the belief that conduct inspired by the principles of diligence, honesty and loyalty is an important driver of economic and social development. Employees and collaborators are required to act with honesty, passion and integrity and to build relationships with stakeholders based on mutual trust, so that growth is guided by the principle of shared value.

The Codes apply to all employees, suppliers, contractors, consultants, partners and external collaborators of the two Brands and are available in Italian and English, as well as in Romanian for the Moncler document.

The Codes are periodically updated in order to align them with international best practices and to integrate them with sustainability issues. In particular, in 2021 the "Respect for human rights" and "Addressees" sections of Moncler's Code of Ethics were updated. Both Codes are inspired by the main existing national and international regulations and standards on corporate social responsibility, corporate governance, human rights and the environment, such as the United Nations' Universal Declaration of Human Rights, the Charter of Fundamental Rights of the European Union, the decent work standards set out in the ILO (International Labour Organisation) conventions and the OECD (Organisation for Economic Cooperation and Development) Guidelines for Multinational Enterprises. The Codes of Ethics refer to the key

1 S&P Global is among the world's foremost providers of ratings, benchmarks and analytics according to economic, social and environmental responsibility criteria.
2 CDP evaluates businesses on a scale from A to E.
3 MSCI ESG Research provides in-depth research, ratings and analysis of the environmental, social and governance-related business practices providing critical insights that can help institutional investors identify risks and opportunities that traditional investment research may overlook. The rating scale ranges from AAA (leader) to CCC (laggard).

principles set out in both the Supplier Code of Conduct and the Anti-Corruption Policy, both of which have been adopted at Group level since July 2021. The new Group's Code of Ethics will also refer to other company policies, which will also be reviewed in light of the integration, including: the Environmental Policy, the Health and Safety Management Policy and the Group's policies on taxation, the management of human and financial resources, and asset protection.

The Codes of Ethics, which are uniformly applied in every country where Moncler and Stone Island operate, consist of a set of principles and guidelines that inspire the way in which the Brands operate every day and guide the behaviour of employees and others who work with the Brands in various ways in performing their activities and responsibilities. The Codes are brought to the attention of employees using the most appropriate means and in accordance with local customs. The documents are available on the company intranet and Internet sites. An online training programme on the contents of the Code of Ethics is regularly provided for all Moncler employees, including temporary and part-time employees, in order to ensure a proper understanding and virtuous behaviour consistent with the requirements of the Code of Ethics, while Italian Stone Island employees are trained on these issues through a specific module dedicated to the Code within the 231 Model course.

Together with the Anti-Corruption Model, the Codes of Ethics are a fundamental and integral part of the Organisation, Management and Control Models adopted by Moncler and Stone Island pursuant to Legislative Decree 231/2001. Both Models take the form of a set of principles and rules of conduct, operating procedures and disciplinary codes, aimed at preventing corporate crimes and ensuring ethical conduct of all those who operate on behalf of Group companies, in compliance with the principles of legitimacy, fairness and transparency.

Compliance with the Codes of Ethics and the Model is monitored by the appropriate supervisory and control bodies of the respective Brands, through specific audits and investigations, which may also take place on the basis of reported behaviour not in compliance with the principles of conduct required by Moncler and Stone Island. The results of verifications may lead to disciplinary actions which, depending on the severity of violation, may also lead to the termination of employment.

The Supervisory Body, which is the entity responsible for supervising the adequacy and compliance of the Organisation, Management and Control Model and its inspiring principles in Italy, is a collegial body consisting of three members of a mixed composition, both internal and external to the company, two of whom have accounting and legal expertise, and by the head of the Group Internal Audit function. This body holds a high position in the Company's organisation, reporting directly to the Board of Directors of the company to which it belongs, in order to guarantee autonomy from all forms of potential interference.

In 2018 the Organisation, Management and Control Models of both Moncler and Stone Island were updated to include offences of illicit brokering and the exploitation of labour, racism and xenophobia, as well as the new rules on whistleblowing and some changes concerning private-to-private corruption. In 2021 they were further updated with the inclusion of tax and smuggling crimes and those relating to the trafficking of illicit influences and sports fraud, for all Group companies for which the preparation of a Model is required or strongly recommended. In addition, in light of the integration, for the Stone Island Model, updates on changes related to the organisational and governance context were also included.

The audit carried out in 2021 by the Internal Audit function, which operates at Group level, with regard to the Italian companies Moncler and Stone Island, focused on significant corporate processes (payments, purchases, services and consultancy, missing products, quality control, charge-backs to suppliers, sales, receipts, credit management, recruiting, etc.), as well as on the main areas identified as "sensitive" within the Model. With regard to Moncler's international subsidiaries, during the year the Internal Audit function carried out audits and tests on the adequacy of the internal control system and financial reporting procedures for companies operating in the United States, Korea, Japan, China,

Turkey, and France, in order to identify and/or prevent potential fraudulent conduct. The business will also be extended to significant international Stone Island companies starting from 2022.

In the management of operations at stores (receipts and sales management, stock management, protection of corporate assets and prevention of theft), in 2021 the Internal Audit division, due to the restrictions and limitations on movement as a result of the Covid-19 pandemic, was not able to audit any stores, though this normally takes place each year on selected stores according to criteria of significance of revenues, risk indicators and geographical diversification. However, in line with the objective of verifying and strengthening existing operating and control procedures, during the year activities were carried out to constantly monitor inventories, missing products detected during the handling phase and at warehouses and compliance with the sales procedure.

In addition, in order to ensure compliance with the principles and rules set out in the Code of Ethics, various audits are carried out. These include, for example, ethical and social audits along the supply chain, periodic checks aimed at obtaining social and environmental certification, third-party audits of information systems and analyses carried out by external and qualified laboratories to verify the chemical compliance of products with Company standards.

For both Moncler and Stone Island, a whistleblowing system is in place at the Group level, with the aim of managing properly and verify timely any illegal and disrespectful conduct – reported by employees or external parties – not in compliance with internal rules, regulations, procedures and values, and taking appropriate steps, while ensuring the anonymity of the whistleblower. Any employee who, in good faith, reports an alleged or actual anomalous violation of the Code is protected from retaliation, discrimination or penalization. The platform makes it possible for the whistleblower to choose anonymity: in this case, communications through the platform between the whistleblower and the Group take place solely through a unique code identifying the report.

However, this is without prejudice to the legal obligations and the protection of the rights of the Companies or of persons accused wrongly and/or in bad faith. In order to further strengthen the internal process of whistleblowing and in compliance with the relevant regulations, in 2021 Stone Island also adopted the Moncler web platform and ad hoc telephone lines – managed by a specialised third party and available at all times globally – to manage and record reports from employees, suppliers, clients and counterparties of all Group companies. The web platform is available in Italian, English, Chinese, Japanese, Korean, French, German, Turkish, Arabic and, starting from 2021, also in Romanian, while the telephone operators speak the language of all the countries where the Group has stores. The platform ensures full compliance with international privacy regulations (processing of sensitive and personal data).

The whistleblowing procedure, updated during 2021, was circulated to all employees and is available on the company intranet of the two Brands. All Group employees, through an ad hoc email, and human resources managers of the Moncler Regions, through one-to-one meetings or video conferences, were made aware of the importance of whistleblowing and reporting methods.

The management of the Group's whistleblowing channels is entrusted to the Head of Internal Audit, who is responsible for reporting what was tracked and monitored through these channels directly to the Board of Directors at least every six months.

In particular, once a report is received through whistleblowing channels the Head of Internal Audit receives and promptly analyses all the information; if the issue raised is very serious or complex, the Head of Internal Audit has the task of starting an investigation immediately, also requiring the support of other corporate functions, including Legal, Human Resources, ICT and Sustainability, as well as of competent external consultants, in order to conduct investigations and controls aimed at understanding what happened. Where appropriate in relation to the seriousness of the incident, immediate measures are put in place and they can also lead to termination of employment.

During the year, 20 reports⁴ of potential violations of the Code of Ethics were received through the whistleblowing system and the communications addressed to the Human Resource-

4 The 2021 Consolidated Non-Financial Statement sets out all the cases that led to a report of violations in all areas of the Code of Ethics, including human rights violations.

es function. Four of these, emerged through the whistleblowing system: in three cases, they concerned inappropriate management of the work team and client relationship and in one case to discrimination in the handling of the team; following the investigations, for three out of four cases no breach of the Code of Ethic’s principles and values emerged and, therefore, no disciplinary action was taken. In one case, the investigation is not yet complete. With regards to the remaining 16 cases, addressed to the Human Resources function, from the investigations, 16 cases of breach to the Code of Ethics emerged of which: twelve referring to behaviour not in line with Group’s business and/or conduct principles and four to discrimination; three cases led to the termination of employment while for the others, disciplinary actions were implemented. See also page 114.

ANTI-CORRUPTION MODEL

In 2021 a Group-wide Anti-Corruption Model was adopted, approved by the Board of Directors and based on a targeted risk assessment and a regulatory analysis of corruption offences in the countries in which the Group operates, selected on the basis of the sales revenues and Corruption Perception Index. This resulted in identification of the areas of theoretical corruption risk, existing internal controls and those to be enhanced and formulation of a Group Anti-Corruption Policy.

In particular, the Policy lays down: (i) regulatory monitoring responsibilities; (ii) management and reporting of cases of non-compliance; and (iii) specific measures to control corruption risk.

The Company updates this risk assessment annually to review the corruption risk profiles identified. On this basis, the following areas have been identified as potentially exposed to corruption risk:

- relations with the public administration
- relations with suppliers and external consultants
- relations with agents and intermediaries
- relations with joint ventures business partners and directors
- management of donations/sponsorships/gifts and samples
- human resources management.

Principles of conduct and operating rules are set for each of these areas both within the Anti-Corruption Policy and the Group’s Codes of Ethics. In Moncler’s case, the policies and procedures for the Group’s Anti-Corruption Model have been disseminated and shared globally, and the same will occur in Stone Island in 2022. An ad hoc training is also regularly provided to all employees in Italy through the e-learning platform.

The Internal Audit function periodically carries out on-site audits at Group companies in order to verify the adoption of controls to mitigate corruption risk in the areas identified as most at risk. In particular, annual audits are carried out on sponsorships, donations and gifts, management of consultants and professional assignments, acquisition and management of public grants and financing, employee recruitment, supplier management, payments, expenses and entertainment costs.

During these audits, the various departments involved are made aware of the importance of complying with the protocols. Audit results are shared with the Control, Risk and Sustainability Committee and the Supervisory Bodies of the Moncler brand and Stone Island brand. In 2021, no cases of corruption were reported.

SUPPLIER CODE OF CONDUCT

The Supplier Code of Conduct was adopted at Group level in 2021. This Code outlines the Company’s expectations in relation to the main areas of the responsible sourcing and is composed of six sections that establish binding rules for: Labour and Human Rights, Occupational Health and Safety, Environment, Animal Health and Welfare, Safety and Quality of Products and Services, Corporate Ethics and Protection of Intellectual Property. Moncler requires its suppliers and subcontractors to comply with the principles set forth in the Supplier Code of Conduct and is also committed to train on and raise awareness of these provisions, both within its internal departments and among suppliers, through

meetings at corporate offices or at suppliers’ premises. The Group also regularly conducts audits throughout the supply chain to verify compliance with the principles contained in the Code of Conduct. See also pages 140-144.

Since 2017 Moncler has also been publishing an annual Modern Slavery Act in order to transparently communicate its approach to the management of human rights. In particular, the document describes the measures taken to ensure the absence of any forms of “modern slavery, forced labour and human trafficking” internally and along its supply chain as required by Section 54 of the UK Modern Slavery Act 2015.

2.2 RISK MANAGEMENT

ENTERPRISE RISK MANAGEMENT MODEL

The Group has an integrated Enterprise Risk Management (ERM) model inspired by international best practices, involving the entire organisation and governance bodies, each within its sphere of competence. According to the field’s guidelines and best practices, the main objective of ERM activities is to ensure optimal identification, measurement, management and monitoring of company risks.

The ERM model considers the main types of risk that may compromise the achievement of strategic objectives, harm the company’s assets and compromise the value of the Moncler and Stone Island brands or the companies’ reputation. It is integrated in, and functional to, the relevant decision-making processes.

The risks identified may be internal or external to the Group. In particular, external risks are linked to the industry and market context, as well as to the perception of all stakeholders of how the Group operates. The enterprise risk management model classifies risks into four categories:

- Strategic Risk
- Business Risk
- Compliance Risk
- Financial Risks.

Strategic risks may refer to changes in the business or the inadequate response to changes in the competitive environment and the Company’s business development activities. Sustainability risks may also be included in this category.

Business risks are those related to the sector in which the Group operates, the business operations, its organisational structure, information systems and Group’s control and reporting processes.

Compliance risks, in general, are those related to non-compliance, in the conduct of the business, with national and international laws and regulations applicable to the business activity, as well as to the Code of Ethics and internal procedures.

Financial risks are those related to the Group’s financial management, specifically related to the risk of: liquidity, exchange rates, interest rates and financial counterparties in financial and commercial transactions.

In the case of internal risks, the aim of the ERM model is to manage risk through specific prevention and control systems integrated into the corporate processes, aimed at avoiding or transferring the risk, at reducing the probability of occurrence or, in the event of occurrence, containing its impact. In the case of external risks, the aim of the ERM model is to monitor risks and mitigate the impact if such risks occur, for example through insurance policies.

The risk assessment activity identifies all risks and risk owners responsible for managing the risk and the corresponding control system, as well as for implementing or improving the mitigation actions. The risks, the assessment of the internal control system covering them and the related mitigation actions are included in the Risk Register, which is periodically updated with the risk owners on the basis of an annual plan approved by the Board of Directors with the support of the Control, Risks and Sustainability Committee. The proposed plan is periodically updated to include any new elements of risk and/or to reflect a possible increase in the probability of occurrence or in the impact.

In 2021 a project was launched to update the methodology underlying the ERM model; it will be finalised in the first months of 2022. The project is designed to ensure a better alignment of the risk portfolio with the Strategic Plan, an update of the assessment scale for the risk appetite, alongside with the introduction of a quantitative multi-scenario methodology to measure the main risks reported.

In addition, during the year the ERM model was integrated with climate change risks, consistently with the recommendations of the *Financial Stability Board's Task Force on Climate-related Financial Disclosures* (TCFD).

The results of ERM activities are presented every six months to the Control, Risks and Sustainability Committee and the Board of Directors, as an integral part of the report made by the Head of Internal Audit on the functioning and adequacy of the internal control and risk management system.

The Moncler Group's ERM model involves the following bodies:

- the Board of Directors, which sets the guidelines and assesses, at least once a year, the adequacy of the internal control and risk management system (ICRMS)
- the Control, Risks and Sustainability Committee, which supports the assessments and decisions of the Board of Directors relating to the risk management system with adequate investigations and proposals
- the Director in charge of the Internal Control and Risk Management System, responsible for establishing and maintaining an effective internal control and risk management system and implementing the guidelines set by the Board of Directors together with the Control, Risks and Sustainability Committee
- the Head of the Group Internal Audit division, responsible for verifying that the internal control and risk management system is functional and adequate and for coordinating the ERM process
- the Board of Statutory Auditors, which monitors the effectiveness of the ICRMS.

ENVIRONMENTAL, SOCIAL AND COMPLIANCE RISKS

With operations in various countries around the world, the Moncler Group believes that respect for people and human rights, protection of the environment and compliance with laws, should be considered a prerequisite for responsible business management. It thus commits to implement the necessary policies, perform due diligence and appropriate checks and provide training and information in order to minimise any risks related to these issues. These risks are reported within the company's Enterprise Risk Management model along with their probability of occurrence and level of impact.

SOCIAL RISKS

Concerning our people, among the main risks relating to human resources management, the Group has identified the potential risks of reliance on key people and of difficulty in retaining and developing talent. To address these risks, a performance assessment system has been implemented, covering the entire corporate population and taking into account both soft skills and hard (technical) skills. This system allows to enhance and develop individual skills in the medium and long term, to define succession plans and nurture the best talent. In addition, the Group has developed an incentive plan specifically aimed at managers and key personnel in order to promote their retention. See also pages 107-109.

The risk of human rights violations against the employees of Group companies is considered at the theoretical risk level, owing to the protections provided by the various laws and/or collective labour agreements, the working standards set out in the Moncler and Stone Island Codes of Ethics, and, above all, the oversight activities in place at the corporate offices. In addition, the Group is updating its Personnel Recruitment Policy in order to ensure a robust selection and recruitment process in accordance with the principle of equal opportunities, to promote diversity and ensure the development of an inclusive environment starting with the candidate experience phase. See also pages 98; 114-117.

The Group's business model entails the manufacture of the products through the production site owned by Moncler in Romania, as well as through façon manufacturers and finished products suppliers in Italy and abroad. In addition, both Moncler and Stone Island purchase raw materials and services from a large number of suppliers worldwide. The variety of partners and the geographical scope of the Group's operations have led to significant investments in preventing and monitoring the existence of any risks related to human rights violations along the supply chain, with a particular focus on façon manufacturers, specialised workshops and main logistics operators. With the help of certified specialised firms, Moncler and Stone Island regularly verify that their supply chain complies with applicable laws and the principles set forth in the Code of Ethics and in the Supplier Code of Conduct. These latter, in particular, lay down the standards of conduct with which suppliers must comply, failing which, the collaboration may be terminated. The Group is also committed to raising awareness of the importance of responsible procurement principles among its partners, through training activities. Following the audits concluded in 2021, some limited situations of non-compliance with specific regulatory elements were identified, including certain aspects of remuneration, such as overtime pay for all overtime hours worked, and health and safety, such as certification of fire prevention, inadequate management of delegated powers and training at plants, safety exits and extinguishers that do not meet regulatory requirements. The resolution of these aspects is the subject of follow-up activities on the basis of predefined timescales according to the severity of the irregularities detected. Serious non-conformities compromise the continuing relationship with suppliers. See also pages 140-144; 147.

ENVIRONMENTAL RISKS

The Group also pays particular attention to environmental aspects and the related risks throughout its activities and the ones of its partners due to the fact that the most significant impacts are indirect. These risks are integrated into the corporate Enterprise Risk Management (ERM) process. One of the strategic drivers of the Sustainability Plan is the fight against climate change, demonstrating the Group's priority commitment to preventing and mitigating such risks. In this regard, Moncler joined the Science-Based Targets initiative in 2020, setting greenhouse gas emissions reduction targets that are consistent with the United Nations' commitment to limit the maximum increase in global temperatures compared to pre-industrial levels. Following the Stone Island acquisition, in 2021, the Group began an update process to review its CO₂ emissions reduction targets as recommended by the SBTi guidelines, to include all Moncler and Stone Island CO₂ emission sources and reflect the size and scale of the business.

In general, within the framework of environmental risks, the Group defines rules, processes and control activities to manage any environmental risks associated with its suppliers by adopting the Code of Ethics and the Supplier Code of Conduct. Compliance with the binding provisions contained in these documents is verified by environmental audits carried out by specialised third parties. In terms of direct environmental impacts, the Group is implementing numerous initiatives aimed at minimising such impacts by adopting an Environmental Policy, implementing an environmental management system, defining public commitments and targets for reducing energy consumption, while also involving and raising awareness of its employees in reducing paper, toner and energy consumption and promoting waste sorting. Moncler is ISO 14001 certified at its corporate offices, the logistics hub in Castel San Giovanni (Piacenza) and at the production site in Romania; with regards to Stone Island, the process of obtaining this certification began in 2021 with the goal of certifying the corporate offices in Milan and Ravarino (Modena) by 2022. See also page 196.

Lastly, the focus on animal welfare is an area of particular commitment for the Moncler Group. Both Brands thus require their suppliers to comply with the animal welfare requirements set forth in the Supplier Code of Conduct. In particular, Moncler demands and verifies that all its down suppliers comply with stringent requirements set out in its proprietary *Down Integrity System & Traceability* (DIST) Protocol. The Group continuously carries out

audits, with the support of a specialised third party, to ensure adequate treatment of animals. See also pages 145-146.

Moncler will phase out fur from all its collections. The Company will stop sourcing fur in 2022 and the last collection to feature fur will be the Fall/Winter 2023. This decision is consistent with Moncler's ongoing commitment to responsible business practices and the constructive long-term dialogue established with the Italian animal welfare association LAV as a representative of the Fur Free Alliance. Stone Island has not used fur since 2018 and has also joined the Fur Free Retailer Policy. See also page 146.

COMPLIANCE AND OTHER TYPES OF RISKS

In terms of non-compliance risks, a Group-wide Compliance Procedure has also been adopted in order to: disseminate the definition of compliance; determine the scope of application; set the general compliance principles adopted; define employee roles and responsibilities; provide guidelines based on the pillars of the Group Compliance Programme, which is regularly updated.

The activities carried out by the Group Compliance function aim to strengthen the system for monitoring and managing non-compliance risks, starting from the areas considered most sensitive, such as health and safety, privacy, anti-corruption and product compliance.

The Group also regards the protection and promotion of employees health, safety and wellbeing as a key value and a priority principle of its way of operating. For this reason, an effective management system has been implemented in compliance with the international ISO 45001 standard, at a global level, in all offices, stores (excluding shop-in-shops), and at Moncler's logistics and production sites. During the year, Stone Island also implemented a series of activities and improvement projects to obtain ISO 45001 certification, which it achieved for all offices and stores in Italy, and with the aim of having all offices and stores in the world certified by 2022. In addition, in order to ensure the protection and promotion of health and safety at company workplaces uniform management rules are applied, as detailed in the Health and Safety Management Policy adopted at Group level, and periodic audits are carried out at all sites where Moncler and Stone Island personnel work. The management system, supported by important training and awareness-raising activities, both for Group personnel and suppliers, plays a fundamental role in reducing the risk of workplace accidents. See also pages 118-120.

Both Moncler and Stone Island monitor privacy issues. In their Codes, both Brands highlight their commitment to implementing appropriate measures of an organisational and technological nature to adequately meet to the privacy protection needs of their employees, collaborators, clients and suppliers, in compliance with all applicable laws and regulations and in accordance with the best and most recent applicable practices. All the necessary steps were also adopted to promptly ensure compliance with all the measures required by Regulation (EU) 2016/679, the General Data Protection Regulation (GDPR). See also pages 247-248.

Regarding corruption prevention measures, Moncler adopts an Anti-Corruption Model, which includes a regulatory review of corruption offences in the countries in which the Company operates, identifying the areas and corporate processes at greatest risk of corruption. An Anti-Corruption Policy is therefore in force and has been adopted by each company of the Moncler Group. It defines the responsibilities for monitoring changes in legislation, risk controls, training, audit activities, management and reporting of cases of non-compliance. See also page 56.

The main social risks identified by the Group include, as a priority, those for clients, related to product safety and counterfeiting. To protect the health and safety of its clients, the Group requires its suppliers to operate in accordance with the most restrictive international laws applicable to hazardous or potentially hazardous chemicals and constantly verifies the chemical composition and the physical and mechanical characteristics of its products. Suppliers are contractually bound to comply with the guidelines contained in the Group's Product Restricted Substances List (PRSL) and Manufacturing Restricted Substances List (MRSL) published in February 2022 on the corporate website, which lay down the most restrictive requirements for the use of certain substances. The proper implementation of these guide-

lines is verified through tests on the chemical composition of the raw materials at specialised third-party laboratories by the supplier and/or by Moncler and Stone Island. Both brands have established a completely dedicated internal function (Operations Compliance Department) to fully monitor this risk. See also pages 179-181.

With a view to better protect its clients and the Brand, the Group has long been committed to fight counterfeiting. Both Brands have therefore put in place a series of management and prevention tools managed by the Brand Protection and Intellectual Property department at Moncler and by the Legal Department at Stone Island: from the formulation of detailed procedures to collaboration with law enforcement, customs and other luxury brands, training and audits of suppliers and to the use of anti-counterfeiting labels applied on all products. See also pages 152-153.

For an overview of the different types of risks to which Moncler is exposed, in addition to the above, see the Board of Directors' Report in the 2021 Annual Report.

CLIMATE CHANGE RISK ANALYSIS IN LINE WITH THE TCFD

It is now clear how climate change represents a complex, urgent challenge that will have a major impact on the future of the planet and society. Rising temperatures are at the base of extreme natural events such as floods, tornadoes, forest fires, rising sea levels, droughts, decreased productivity and altered agricultural ecosystems, etc. These events are resulting in significant changes as well as in economic, environmental and social costs. This can have substantial impacts and repercussions on various industries and companies.

Since 2021 Moncler has been voluntarily reporting on business risks linked to climate change, assessed according to the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD): Governance, Strategy, Risk Management, Metrics and Targets.

In particular, during 2021, the Head of Internal Audit responsible for risk management and for the Enterprise Risk Management (ERM) process, in collaboration with the Sustainability Unit, carried out a scenario analysis aimed at assessing the main climate change risks associated with the main operating sites in Italy and Romania and specific geographical areas of the Moncler and Stone Island supply chain.

In addition to “physical” risks, i.e. those related to the physical impact of climate events, “transition” risks, namely the ones related to the process of adjustment to a low-carbon emissions economy, linked to changes in public policies, regulations, technology and client choices, were also taken in consideration.

Regarding physical risks, an assessment was performed on the basis of the climate scenarios identified by the Intergovernmental Panel on Climate Change (IPCC) (RCP 4.5 and RCP 8.5)⁵. In particular, the two scenarios present, respectively, an intermediate emissions scenario, aligned with the Paris Agreement, and a business-as-usual scenario with increasing greenhouse gas emissions and limited climate policies. The analysis was performed over two different time horizons: medium term (2030) and long term (2050), to assess how climate events can evolve and affect the business.

Also with respect to transition risks, an analysis was carried out on the basis of the two scenarios identified by the International Energy Agency (IEA), which identifies two main paths of the energy system evolution. The first is a scenario that reflects existing and planned government policies, without achieving the objective of containing the temperature increase within 2°C. The second is a decarbonised scenario (Sustainable Development Scenario - SDS), which pursues the main energy objectives of sustainable development, including full access to energy and the containment of the temperature increase well below 2°C and which calls for developed economies to achieve net-zero emissions by 2050. So, in line with what has been done for physical risks, the analysis of transition risks was also performed over two different time horizons: medium term (2030) and long term (2050), in order to assess how climate events can evolve and affect the business.

Scenario analysis and assessments led to the identification of potential impacts and their time horizons (short, medium and long); these analyses will be repeated annually and will be the starting point for defining mitigation and adaptation actions to be undertaken for each potential risk identified.

RISK	DESCRIPTION	MITIGATION ACTION
Intensification of extreme and chronic climatic phenomena	The progressive intensification of extreme and chronic climatic phenomena (heavy rainfall, tornadoes, heat or cold waves, storms, fires, drought phenomena, etc.) with increasing frequency could impact the physical operational sites of the Group and its supply chain, resulting in possible disruption or reduction of production levels (business continuity).	<ul style="list-style-type: none">- The Group has adopted insurance cover aimed at limiting the economic impact of any damage caused by extreme climatic events.- The Group has defined specific response plans to deal quickly and effectively with any emergency situations relating to its logistics services or its supply chain in order to guarantee business continuity.- The Group has adopted a procurement strategy aimed at diversifying its supply chain as much as possible both in geographical terms and in terms of independence from individual suppliers.- The Group periodically conducts in-depth analyses to assess in detail the impact of these risks on the most representative geographical areas of its supply chain.
Increase in the cost of raw materials	Climate change such as rising temperatures and droughts could impact the production capacity, especially of some natural raw materials. This could affect both availability and purchase price.	<ul style="list-style-type: none">- The Group has adopted a strategy to diversify its supply chain so that it can effectively manage any fluctuations in the price of raw materials in certain geographic areas, while establishing long-term relationships and agreements that result in beneficial business relationships for both parties.- The Group is continually looking for new and innovative solutions in terms of materials.
Introduction of legislation to curb climate change	The adoption of energy and climate policies aimed at mitigating climate risk (e.g. carbon pricing) and the contextual development of new technologies and products could have an impact on the business.	<ul style="list-style-type: none">- In its Sustainability Plan, the Moncler Group has, voluntarily and in advance, set very challenging objectives for minimising its environmental impacts with science-based criteria that seek maximum energy efficiency in all operations and the use of energy from renewable sources, anticipating the possible introduction of regulations aimed at containing climate change.
Legislation on the labelling of textile products	Manufacture of products not in line with increasing legislation on sustainability labelling aimed at ensuring textile products with low environmental impact could reflect on sales and revenue.	<ul style="list-style-type: none">- The Moncler Group has set very detailed internal guidelines to define and promote the use of sustainable materials. Guidelines have already been adopted for the launch of certain collections such as <i>Moncler Born To Protect</i> which anticipate the introduction of regulations on sustainability labelling.- The Group is continually looking for new and innovative solutions in terms of materials.
Change in client purchasing habits	The growing sensitivity of end and wholesale clients towards products and brands with low environmental impacts could directly reflect on purchasing preferences and, in the long term, on increasing costs to transition towards alternative production materials, circular economy models, etc.. Extreme temperatures and sudden climatic changes may also lead to a demand for lighter garments in addition to typical winter clothing.	<ul style="list-style-type: none">- The Group has already been working for some time to integrate lower-impact materials into its collections; evidence of this commitment is the <i>Moncler Born to Protect</i> collection.- Moncler has established internal guidelines on sustainable materials to promote their use in new collections, in order to proactively respond to the increasing sensitivity of end and wholesale clients towards products and brands with a low environmental impact.- The Group pays particular attention to create value for its clients and establish a relationship of trust; to this end, a Strategic Sustainability Plan has been defined and the achievement of its objectives is periodically and transparently reported in the Group's public documentation, which describes the Group's commitment to sustainable development and underlines how environmental and social responsibility are increasingly an integral part of the business model, focusing on five strategic priorities: climate change, circular economy, responsible sourcing, valuing diversity and support for local communities.- Moncler in recent years has also been offering lighter garments that can be used in different occasions and less extreme weather conditions.

The Group is committed to continue to align with the TCFD recommendations with the aim of identify the metrics and targets used to measure the climate-related financial impact on the basis of the risks and opportunities analysed.

The increasing integration between business decisions and the assessment of their social and environmental impacts are the basis for the Group's ability to create long-term value for all stakeholders.

MATERIALITY MATRIX

For the Moncler Group, the materiality analysis is an important tool for identifying the most significant environmental and social priorities in line with its business strategy and impacts, identifying and managing risks and opportunities and defining the contents of the Consolidated Non-Financial Statement according to the Global Reporting Initiative (GRI) international reporting standard.

In terms of sustainability reporting, the topics deemed as material, or relevant, are those aspects that have a significant impact on the Group's economic, social and environmental performance and that may substantially influence the assessments and decisions of stakeholders.

Accordingly, the materiality analysis takes into account not only the organisational point of view, but also that of stakeholders, on the basis of their decision-making needs and perspectives in order to communicate, through a matrix, the significance of each theme according to its positioning with respect to the axes.

The analysis is carried out regularly by the Sustainability Unit, with the support of a specialised company, through a structured process that also involves the Group's management. The materiality analysis process consists of three stages:

- identification of all potential material aspects for the Moncler Group through analysis of company documentation (Code of Ethics, Annual Report, Strategic Plan, etc.), external literature on scenario changes¹, sustainability assessment questionnaires by rating agencies, comparison with the sector, media and internet research, multi-stakeholder standards/initiatives² and dialogue with stakeholders, including investors
- the prioritisation of aspects by the liaison officers of Moncler and Stone Island, who assess each issue from the Company's standpoint and as spokespersons of the Group's vision, and, starting from 2021, by the main stakeholders. Furthermore, the Strategic Committee collaborates in assessing the relevant sustainability themes in order to review the prioritisation of the themes for the annual update of the materiality matrix
- presentation of the analysis to the Board of Directors.

In 2021 the Materiality Matrix was updated pursuant the integration of Stone Island, the development of the business scenario, new emerging themes, the strategic priorities of the Sustainability Plan and in the light of the dialogue with different stakeholders. During the year, the update of the materiality analysis involved various categories of stakeholders, both internal and external to the Group. In particular, at MONCampus, the company training programme for talented young people from Moncler and Stone Island, participants were engaged to express their views in the process of evaluation and prioritisation of material issues; at the same time, suppliers, investors, media, and both end and whole-sale clients, were invited to complete an online questionnaire. 18³ topics were identified as material.

This update led to include three new topics: traceability, water stewardship and partnership for sustainable development.

The issue of traceability plays an important role in the management of the Moncler Group supply chain to make the entire production cycle transparent, from the origin of each component that makes up the products (raw materials, fibres, accessories, etc.) down to the production phases. Water stewardship is a significant issue for the industry and the Group, which is committed to promote the reduction of direct and/or indirect water consumption through the efficient use of water resources, analyse high water-stress areas within the supply chain and ensure the quality of wastewater throughout all garment and raw material's production stages. The topic of partnership for sustainable development is regarded as a pillar of the Group's strategy to build relationships with organisations, entities and suppliers that share the principles and values of Moncler and Stone Island to promote

1 Report by the World Economic Forum, the Sustainability Manifesto for Italian Fashion, The State of Fashion 2021, reports and studies by the Sustainable Apparel Coalition (Higgs index), the Ellen MacArthur Foundation and Vogue Business.

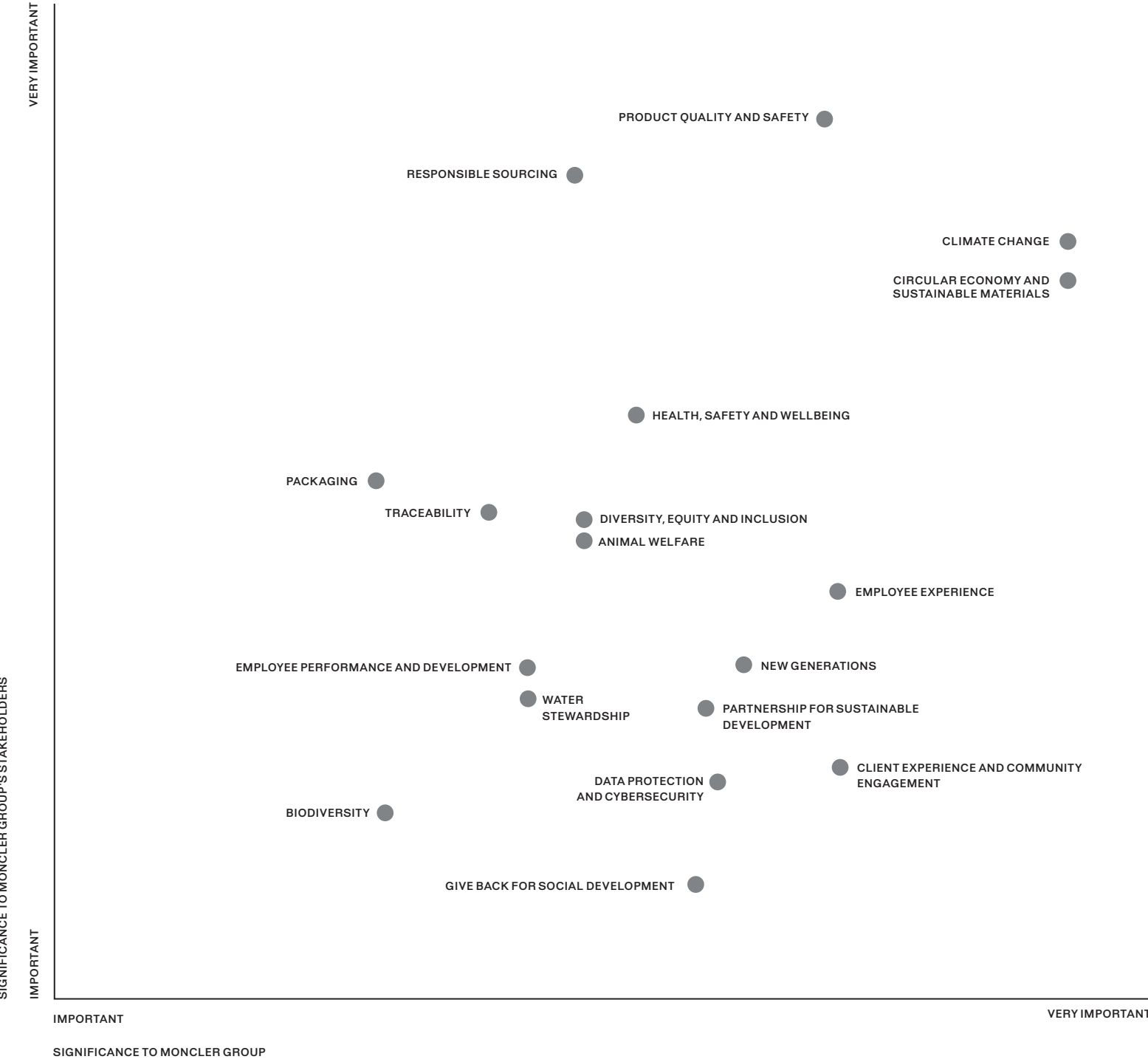
2 Global Compact, AA1000 Standard, GRI and SASB Standards, OECD Guidelines for Multinational Enterprises, Recommendations of the Task Force on Climate-related Financial Disclosures and The Fashion Pact.

3 Within the scope of the analysis, aspects related to governance, regulatory compliance, economic performance and brand reputation were considered as prerequisites and were therefore not individually included in the process, but are nevertheless accounted for in this Statement.

a responsible path that focuses on the wellbeing of individuals and the planet.

Following the update process of the materiality matrix, in 2021, among the main changes, the relevance of the climate change topic increased in the light of the Group's commitments to contribute to the fight against climate change through the development of energy efficiency initiatives and the reduction of greenhouse gases at corporate sites and along the supply chain. Similarly, the materiality of the data protection and cybersecurity topic also increased, a topic that covers an important role in the management of the Group's business.

For the correlation between material topics and GRI indicators, please see the table in the Appendix.



DIALOGUE WITH STAKEHOLDERS

The Moncler Group considers it very important to maintain a constant and solid relationship with all its stakeholders. A relationship based on ongoing dialogue and active involvement is the expression of the Group's responsibility towards the social context with which it interacts.

Stakeholders represent a wide range of different interests: establishing and maintaining stable, long-lasting relationships is crucial for the creation of shared, long-term value.

Understanding specific needs and priorities, allows Moncler and Stone Island to manage in advance the rise of potential critical issues and to refine the actions in response to stakeholder interests. Identifying their stakeholders in a precise way and organising the most effective channels, constantly monitoring their expectations, needs and opinions, are the starting point for setting up an effective engagement process.

Through dedicated functions, the Group pursues a proactive approach towards the many stakeholders with which it constantly interacts around the world, promoting constant dialogue and embracing their needs. Both Brands are aware that these occasions for dialogue are opportunities for mutual growth and enrichment. Over the past few years, the Group has been committed to designing new approaches to dialogue with the aim of interacting with its community in an increasingly digital native way.

The following table, which maps stakeholders and their expectations, is periodically updated through internal surveys with the company departments responsible for the daily management of relations with each specific category.

STAKEHOLDER	TOOLS AND CHANNELS OF INTERACTION	STAKEHOLDER EXPECTATIONS
EMPLOYEES	People satisfaction survey, <i>MONVoice</i>	Information on the Group's strategies and results
	Ongoing dialogue with the Human Resources Department	Responsible business management
		Clear objectives and reward system
	Annual meetings to discuss career paths, set individual targets and discuss performance assessment	Training and career development
	Meetings with the company population to share company's results and future objectives	Stimulating and safe working environment
		Equal opportunities. Diversity and inclusion
	Meetings to raise awareness and provide information on health and wellbeing	Engagement in company life
	Training sessions and digital courses, <i>Make</i>	Promotion of wellbeing, health and safety
	Company intranet	
	<i>MONCamp</i>	
TRADE UNIONS, WORKERS' REPRESENTATIVES	Corporate social media, <i>#monclertogether</i>	
	Onboarding programs for new hires	
	Volunteering programmes	
	Meetings with trade union representatives	Responsible business management
		Involvement and prompt information on issues affecting the Company workforce
END CLIENT		Update on the progress of training programmes
	Direct, ongoing relationship with sales personnel	Product quality, safety and durability
	Client service	Products manufactured respecting the environment, people and animals
	Engagement via phone, mail, email and social media	
	Creation of customised initiatives and experiences	Style, uniqueness, innovation and a complete product range
	Market research and focus groups	High level of service during and after sales
	Systematic collection of client feedback (VIBE)	Competent, professional and empathetic sales personnel
		Personalised shopping experience and engagement

STAKEHOLDER	TOOLS AND CHANNELS OF INTERACTION	STAKEHOLDER EXPECTATIONS
WHOLESALE CLIENTS	Training sessions	Product quality and innovation
	Ongoing dialogue via phone or email	Safety and transparency in environmental, social and animal welfare aspects throughout the supply chain
	In-stores visits	Brand reputation
	University testimonials	
SUPPLIERS, BUSINESS PARTNERS	Daily interactions	Continuity of supply
	Institutional meetings	Respect of contractual conditions
	Definition and sharing of standards	Involvement in the definition of supply standards, including social and environmental criteria, and prompt notification of new requirements
	Seasonal and annual training	
LOCAL COMMUNITIES	Dedicated portal	Collaboration and support in managing any production issues
	Meetings with representatives of local associations, organisations and communities	Support or funding initiatives
	Definition of initiatives or projects managed directly or in collaboration	Support for awareness-raising activities
INVESTORS AND ANALYSTS (TRADITIONAL AND SUSTAINABILITY)	Shareholders' Meeting	Consolidation and strengthening of knowledge of the Group and of its business model
	Periodic conference calls or meetings following key announcements	Value creation (return on investment, business sustainability)
	Price-sensitive announcements and information	Transparent, responsible management
	Seminars, industry conferences, roadshows and meetings	Timely and open dialogue
	Daily dialogue (meetings, phone calls and emails)	Adequate management of risks, including social and environmental risks
	Corporate website	
	Dedicate investor app	
	Questionnaires on sustainability performance	
MEDIA	<i>Press day</i>	Availability, timely and accurate information
	Interviews with senior management	Information on future seasons trends
	Press conferences	
	Media plan	
	Ongoing dialogue	
	Fashion shows/events	
	Ad-hoc meetings and events	
	Corporate website	
LOCAL AUTHORITIES, PUBLIC ADMINISTRATION, REGULATORS, INDUSTRY ASSOCIATIONS AND NON-GOVERNMENTAL ORGANISATIONS	Ad-hoc meetings	Participation in projects of public utility
	Participation in working groups	Inclusion of environmental, social and animal welfare aspects in the company's strategies and supply system
	Identification and development of joint projects	Communication of corporate objectives with regards to environmental, social and animal welfare aspects
		Active participation in roundtables discussion
		Efficient use of raw materials
		Sustainability elements in new stores

RELATIONS WITH ORGANISATIONS, INSTITUTIONS AND ASSOCIATIONS

The Moncler Group believes in dialogue and participation and takes part in multiple organisations, associations and roundtables both at national and international level with a contribution of about 480,000 euros. There are various areas of activity, from the promotion of Italian fashion and its sustainability performance to the fight against counterfeiting, to brand protection, the promotion of women’s talent, support for innovation and support in formulating changes in national and international regulations.

- Here below are the main associations in which the Group participates:
- **AIR (Associazione Italiana Investor Relations):** a non-profit association that aims to promote the professional role of the Investor Relations Officer and the quality of financial communication between companies and the financial community.
 - **Anti-Counterfeiting Group (ACG):** a non-profit association that aims to protect consumers from counterfeiting by facilitating training programmes and establishing a collaborative environment between companies and the main local authorities.
 - **Assonime:** an association of Italian joint-stock companies that works to improve industrial, commercial, administrative and tax legislation in Italy, with particular regard to company regulations, carries out studies and publications and represents the corporate point of view in dealings with Italian, European and international institutions.
 - **Camera Nazionale della Moda Italiana:** an association that aims to promote and coordinate the Italian fashion sector and train young Italian fashion designers.
 - **Club 231:** an initiative aimed at fostering the discussion on regulatory changes introduced under Legislative Decree 231/2001, favouring the exchange of knowledge and skills from a business, policy-making and academic perspective.
 - **Fondazione Altagamma:** a foundation that brings together companies from Italy’s cultural and creative industries, recognised as true ambassadors of Italian style to the world. Its mission is to contribute to their growth and competitiveness.
 - **INDICAM:** the Centromarca institute for the fight against counterfeiting, active on several fronts, including the spread of a culture of anti-counterfeiting among industry operators, public authorities and the general public; the improvement of anti-counterfeiting legislation; and collective investigations among its members in cooperation with Italian diplomatic authorities for the protection of brands abroad.
 - **PREVILINE ASSISTANCE (Intercompany Welfare Fund for companies that are clients of the ASS. GENERALI S.p.A. Group):** a national association which aims to provide member companies with welfare services, through the provision of benefits in both mutual assistance and insurance services form, by signing agreements with insurance companies.
 - **SNB-REACT (Coöperatieve Vereniging SNB-REACT):** a non-profit association that promotes measures against counterfeiting.
 - **UNI – Ente Nazionale Italiano di Unificazione:** a private, non-profit association that develops and publishes voluntary technical standards in all industrial, commercial and service sectors. UNI members include companies, professionals, associations, public bodies, research centres, educational and academic institutions, consumer associations, trade unions, third sector and non-governmental organisations, which together make up a unique multi-stakeholder platform for technical dialogue at national level. The association represents Italy in the European Committee for Standardization (CEN) and in the International Organization for Standardization (ISO), promoting harmonisation of standards and supporting and enhancing the Made in Italy peculiarities.
 - **Union des Fabricants (Unifab):** a French association active in the protection of intellectual property rights. The association, which is also present in Tokyo and Beijing, supports its members in the fight against counterfeiting in Asia and in managing relations with local authorities.

- **Unione degli industriali della provincia di Padova:** a national association aimed at improving the competitiveness of the local manufacturing system through the construction of infrastructure, and by promoting knowledge transfer, a modern work culture, a strong spirit of individual and collective initiative, innovation and applied research.
- **Valore D:** an Italian association of large companies committed to supporting and promoting women’s leadership and talent as a valuable contribution to business growth.

Due to its membership in these and other associations, the Group commits to provide its contribution in support of some particularly important topics for the business and the industry, such as industrial and production topics in the fashion industry (through various associations, the Group provides a contribution of approximately 80,000 euros) and ESG topics in the fashion industry (through various associations the Group provides a contribution of approximately 267,000 euros).

Furthermore, since 2019, Moncler has been a member of The Fashion Pact, a coalition of leading global companies in the fashion and textile industry that, together with suppliers and distributors, is committed to achieve shared goals focused on three main areas: fighting global warming, restoring biodiversity and protecting oceans. Within The Fashion Pact, Moncler is present both in the Steering Committee, a committee of various CEOs of member brands, aimed at maintaining an open dialogue between company executives and openly sharing ideas, guidelines and progress, and in the Operations Committee, the body that identifies the actions, working groups and awareness-raising activities to be implemented in order to achieve the priorities set by the Steering Committee.

Relations between the Moncler Group and political parties and their representatives are guided by the highest principles of transparency and ethics, as stated in the Codes of Ethics of both Brands.

In 2021 the Moncler Group did not make any contribution to political parties, lobbying activities or any other activities beyond those with associative purposes. The political commitments and contributions made by the Group’s employees are understood to be personal and entirely voluntary.

SUSTAINABILITY PLAN
In 2021 the 2020-2025 Strategic Sustainability Plan was also extended to Stone Island and expanded with new targets confirming the commitment to sustainable development and how environmental and social responsibility is increasingly an integral part of the Group's business model. The Plan focuses on five strategic priorities: climate change, circular economy, responsible sourcing, valuing diversity and support for local communities.

ACT ON CLIMATE CHANGE

Reducing emissions. Embracing clean energy. Safeguarding biodiversity



THINK BOLD & CIRCULAR

Designing to last. Using low-impact materials. Cutting waste



BE FAIR

Ensuring trust. Tracing and sourcing responsibly



NURTURE UNIQUENESS

Welcoming everyone. Celebrating diversity everywhere. Expressing ourselves always



GIVE BACK

Supporting local communities. Donating time and value. Sharing warmth



The Moncler Group's Sustainability Plan includes targets for reducing environmental impact, including the recycling of production waste, the widespread use of sustainable nylon, the elimination of single-use plastic, the traceability of raw materials and the continuous improvement of social and environmental standards along the supply chain through close collaboration with its production partners. Awareness-raising initiatives are also planned to promote and enhance diversity and strengthen an increasingly inclusive culture. The Group is also committed to support local communities with high social value projects for the community, and to protect 150,000 vulnerable children and families from the cold. For details of all the targets of the Plan, see the following pages.

In 2021, targets related to biodiversity, the Group's water footprint, merino wool, cotton and diversity and inclusion were also added.

In identifying the strategic drivers and relative Plan's commitments, the priorities set in the 2030 Agenda for Sustainable Development (*Sustainable Development Goals* – *SDGs*) were also taken into account, thereby contributing to achieving them.

Of the 17 macro objectives described in the SDGs (such as ending poverty, fighting inequality and tackling climate change), the Group contributes to eleven of them directly or through organisations with which it collaborates.

SUSTAINABILITY PLAN PROCESS
The Sustainability Unit works in collaboration with the heads of the other relevant departments, to identify areas for improvement and the relevant projects and on the basis of which it formulates a draft for the Sustainability Plan (planning phase).

The Plan is then submitted to the Moncler and Stone Island Strategic Committee, which analyses its content and feasibility. In the final stage, the Plan is assessed by the Control, Risks and Sustainability Committee, which verifies its consistency with the Group's strategy and expresses its opinion to the Board of Directors, responsible for final approval.

Responsibility for achieving the objectives set out in the Sustainability Plan lies with the liaison officers of the departments involved, who have the resources, tools and know-how necessary for its implementation (management phase). Within the MBO (Management By Objectives) system, social and environmental targets related to the fulfilment of the Sustainability Plan are set for everyone involved in the implementation of the Plan itself. With regard to medium-/long-term incentive plans, the share plan "2020 Performance Shares Plan", also include an ESG Performance Indicator, linked to the achievement of specific Sustainability Plan targets.

To ensure compliance with the commitments made, the Sustainability Unit asks for regular progress reports on the projects and, in turn, informs the Control, Risks and Sustainability Committee (control phase).

The Plan is then updated annually in order to report on the status of projects and to set new objectives with a view to continuous improvement, in the awareness that sustainability is not a destination, but a process of continuous improvement.

TARGETS	2021 RESULTS	
	TARGET ON TIME	TARGET ACHIEVED
ACT ON CLIMATE CHANGE		
REDUCE CO ₂ EMISSIONS [SDG 7; 13]		
2021	100% carbon neutral at own corporate sites worldwide	Carbon neutrality at own sites worldwide
2023	100% renewable energy at own corporate sites worldwide	80% of electricity consumption from renewable sources worldwide
2021	65% of low environmental impact vehicles in Moncler company car fleet worldwide	65% of hybrid and electric vehicles in the Moncler company car fleet worldwide (56% at Group level)
2025	NEW 90% of low environmental impact vehicles in the Group's car fleet worldwide	Extended the use of Building Management System (BMS) at Moncler stores for a more efficient management of energy consumption
		LEED for Building Operations and Maintenance certification obtained for six Moncler's stores in Europe, Americas and APAC
		LEED Interior Design and Construction certification obtained for four Moncler's stores
		BREEAM In-Use certification obtained for the logistics hub at Castel San Giovanni (Piacenza)
		Offset the unavoidable residual emissions through two projects certified on the voluntary market and focusing on circular economy and renewable energy
2022	LEED certification for all new corporate buildings	
2024	NEW 100% of employees involved in an environmental training programme worldwide	
2030	Reduction of absolute scope 1 and 2 CO ₂ e emissions of 70% and of absolute scope 3 CO ₂ e emissions of 14% (2019 base year)	-35% vs 2020 scope 1 and 2 CO ₂ e emissions (Moncler brand perimeter) (-49% vs 2020 scope 1 and 2 CO ₂ e emissions normalised on revenues, Moncler brand only)
<p><i>Following the integration of Stone Island and the internalisation of Moncler's e-commerce channel, the Group started a process to redefine its CO₂ reduction targets as recommended by the guidelines of the Science Based Target initiative, to ensure the inclusion of all sources of CO₂ emissions and to reflect the actual size and impact of the business. The new targets will be announced as soon as they are validated by the SBT initiative.</i></p>		
2022	NEW Promotion of renewable energy along the supply chain	Mapping of the type of energy used by the Group's suppliers to define targeted actions to promote the use of energy from renewable sources

TARGETS	2021 RESULTS	
	TARGET ON TIME	TARGET ACHIEVED
SAFEGUARD BIODIVERSITY [SDG 6; 12; 14; 15]		
2021	Mapping the impact on biodiversity of the supply chains of the key raw materials	
2022	NEW Definition of the biodiversity strategy and launch of its implementation	Carried out the analysis on the impact on the biodiversity of the supply chains of key raw materials used by the Group, in terms of land use, climate change, water stress, land and water pollution
2025	Support for initiatives of Zero Deforestation and sustainable forest management	All paper and cardboard used by the Group are from responsibly managed forests
2022	NEW Calculation of the water footprint and definition of action plan	
THINK CIRCULAR & BOLD		
USE LOW-ENVIRONMENTAL IMPACT MATERIALS [SDG 12]		
2025	50% of sustainable nylon used	Shared guidelines on sustainable materials, that define features of low-impact raw materials, accessories and production processes Launched the second <i>Moncler Born to Protect</i> collection, made of lower impact fabrics and components Around 30% of Moncler Genius 2021* outerwear entirely made of sustainable fabrics <small>*Refers to Moncler Genius collections presented on 25 September 2021</small>
EXTEND PRODUCTS LIFE [SDG 12]		
2021	Launch of DIST-certified down recycling process	Recycled approximately one tonne of DIST-certified down
2023	At least 80% of nylon scraps recycled* <small>*For Stone Island, the target refers to nylon production scraps recycled at own sites</small>	Shared the procedure for the recovery of nylon production scraps at the Group's production sites in Italy and Romania for the prototyping, sampling and production phases and carried out the first recycling tests Began the recycling of nylon production scraps and produced accessories for jackets that will be included in the collections from the Fall/Winter 2022
2022	Extra-Life* repair service developed worldwide <small>* Project redefined including the Take Me Back initiative</small>	Pilot project launched in selected number of stores in Italy, France and Denmark
2022	NEW Launch of an upcycling project for cotton production scraps worldwide (Stone Island)	

TARGETS		2021 RESULTS	
		TARGET ON TIME	TARGET ACHIEVED
ADOPT LOW IMPACT PACKAGING [SDG 14]			
2021	100% sustainable packaging for Moncler end clients		100% of packaging for Moncler end clients made of lower impact materials
2022	<i>NEW</i> 100% sustainable packaging for Stone Island end clients		98% of packaging for Stone Island end clients made of lower impact materials
2023	Zero single-use conventional plastic	Eliminated almost all the single-use virgin plastic	
		87% of single-use plastic used by the Group made of recycled plastic (Moncler brand perimeter: 92%, +48 percentage points vs 2020)	
2023	100% sustainable packaging for logistics services	88% of the plastic (single-use and multiuse) in the Group's logistics packaging made of recycled plastic (Moncler brand perimeter: 92%, +50 percentage points vs 2020)	
		All paper used in the Group's logistics packaging from responsibly managed sources, and 84% made of recycled paper (Moncler brand perimeter: 84%, +7 percentage points vs 2020)	
SPREAD A SUSTAINABILITY CULTURE			
2023	<i>NEW</i> 100% of the sales personnel involved in training programme on sustainability and on sustainable materials and components used in collections, worldwide	100% of Sales Assistants trained on fabrics and accessories with lower environmental impact used in the Moncler Born To Protect collection	
BE FAIR			
STRENGTHEN TRACEABILITY SYSTEMS OF RAW MATERIALS [SDG 12]			
2023	100% of down suppliers to comply with new human rights and environmental modules included in the DIST Protocol in addition to existing animal welfare, quality and traceability requirements. (Stone Island will adopt the same environmental and social modules in its supply chain that is certified according to Responsible Down Standard - RDS)	Carried out pilot audits to test the human rights and environmental modules checklist on a sample of about 40 down suppliers	
2023	100% of key raw materials traced		
2024	100% of key raw materials in line with the Responsible Raw Materials Manual		
2024	<i>NEW</i> Fur free Moncler collections	In January 2022, Moncler committed to phase out the use of fur in all its collections starting from 2024	
		Stone Island, that has not used fur since 2018, has pledged not to use it also in the future	

TARGETS		2021 RESULTS	
		TARGET ON TIME	TARGET ACHIEVED
2025	<i>NEW</i> 100% merino wool used in the 2025 collections will be certified mulesing free		
<i>NEW</i>	Sustainable cotton strategy and target in process		
PROMOTE A FAIR AND SAFE WORKPLACE [SDG 8]			
2025	At least 80% of strategic suppliers aligned with the highest levels of the Moncler Group's social compliance standard	Carried out 180 ethical and social audits. 100% of outerwear manufacturers audited on ethical and social aspects in the three-year period 2019-2021*	
		<i>*The figure also includes audits on ethical and social aspects carried out by Stone Island prior to the integration into the Moncler Group</i>	
		Approximately 80% of strategic suppliers aligned with the highest levels of the Moncler Group's social compliance standard	
ONGOING	Mapping of suppliers ISO 14001 and ISO 45001 certified and launch awareness campaign	Mapped 100% of indirect suppliers on health, safety and environmental certifications	
ONGOING	Promoting health, safety and environmental certifications of suppliers	Continued awareness activities on suppliers to promote the importance of the certification processes	
2025	<i>NEW</i> 100% of strategic suppliers engaged in an analysis on the living wage	Launched a pilot project with the support of a third-party, to test the methodology for assessing wage practices, from a living wage point of view, at the Moncler production site in Romania and at two strategic suppliers of Moncler	
NURTURE UNIQUENESS			
PROMOTE AN INCLUSIVE CULTURE THROUGH TRAINING [SDG 4; 5]			
2022	100% of employees involved in a three-year awareness-raising and education plan on different cultures	Delivered a course on Italian culture to 100% of employees	
		Extended the courses on American, Korean and Japanese culture to Stone Island employees	
2022	<i>NEW</i> 100% of employees involved in unconscious bias training	100% of Group senior management involved in an unconscious bias training	
2022	<i>NEW</i> Extension of activities aimed at engaging corporate population	190 communications with employees to regularly and directly inform and update them on business decisions, results, initiatives and corporate activities	
2023	<i>NEW</i> Townhall on diversity, equity and inclusion		
2023	<i>NEW</i> Definition of guidelines and implementation of training on inclusive leadership		

TARGETS		2021 RESULTS	
		TARGET ON TIME	TARGET ACHIEVED
2021	Increase of 10% vs 2020 of the average training hours through MAKE (<i>Moncler Academy for Knowledge & Excellence</i>)		+1,900% vs 2020 of the average training hours delivered worldwide (2,194 hours in 2021 vs 110 hours in 2020)
2022	NEW MAKE (Moncler Academy for Knowledge & Excellence) training courses extended to 100% of Stone Island employees	Created a MAKE training module for Stone Island employees	
ENSURE REPRESENTATION [SDG 4; 5]			
2023	NEW Extension of the talent pool from which the Group draws worldwide by involving new universities and schools with a view to increasing diversity		
2025	NEW ≥ 50% women in total workforce	70% women in total workforce	
	≥ 50% women in all management positions	52% women in all management positions	
	≥ 50% women in junior management positions	56% women in junior management positions	
	≥ 50% women in top management positions	37% women in top management positions	
	≥ 50% women in management positions in revenue-generating functions	57% women in management positions in revenue-generating functions	
	≥ 50% of women in STEM-related positions	65% of women in STEM-related positions	
CREATE A SYSTEM OF PROCEDURES AND POLICIES TO SUPPORT DIVERSITY, EQUITY & INCLUSION (DE&I)			
2021	Strengthening inclusivity and valuing diversity, within and outside the Group, and establish a Diversity, Equity and Inclusion Council	Established a Diversity, Equity and Inclusion Council	
		Conducted a Diversity, Equity and Inclusion survey involving 100% of Moncler employees	
		Set targets and projects on Diversity, Equity and Inclusion for the Group	
2022	NEW Update of the selection process to further enhance and protect diversity		
2022	NEW Publishing of the DE&I Manifesto and policies on diversity, equity and inclusion		
2023	NEW Adoption of a global parental leave policy		

TARGETS		2021 RESULTS	
		TARGET ON TIME	TARGET ACHIEVED
2022	NEW Strengthening employee protection systems	Launched an internal communication campaign on whistleblowing procedure	
		Held one-to-one or video conference meetings with the human resources officers of the Moncler Regions to raise awareness of the importance of whistleblowing and reporting methods	
2025	NEW Equal pay certification worldwide (Moncler brand perimeter)		
2025	NEW Publishing of a DE&I report		
VALUE PEOPLE [SDG 3]			
ONGOING Annual repetition of the employee satisfaction survey worldwide			Carried out the fifth employee satisfaction survey, MONVoice, with an 88% response rate and involving 4,286 people at Group level
2021	Extension of the performance assessments system to 100% of permanent contract employees worldwide		Assessed 100% of eligible population at Moncler (4,147 people, +53% vs 2020)
		Began the extension of the performance assessment programme to Stone Island employees	
2023	NEW Inclusion of an objective linked to DE&I in the Management By Objectives (MBO) remuneration systems for the Group's top management		
PROMOTE NEW WAYS OF WORKING			
2022	NEW Increasing networking opportunities	Continued the <i>Thank Boss It's Friday!</i> initiative to get to know better and offer suggestions to top management with a view to open dialogue at Italian corporate sites, and launched in other Regions	
		Carried out 2,600 volunteer hours during working hours	
2023	NEW Development of new initiatives to be included in onboarding programmes	A Buddy for each new employee in Italy (Moncler brand perimeter) to offer a personalised and more engaging introduction into the company	
2023	Implementation of a new corporate organizational model based on cross-functional and cross-cultural working groups	Adopted remote work by 100% of corporate office employees	
2023	NEW Creation of a Diverse Steering Committee for strategic projects		

TARGETS		2021 RESULTS	
		TARGET ON TIME	TARGET ACHIEVED
2024	NEW Creation of Employee Resource Group (ERG) active in diversity, equity and inclusion issues in every Region of the Group		
2021	Further reduction in number of workplace accidents compared to previous years		Level of workplace accidents in line with pre-pandemic periods
GIVE BACK			
PROTECT PEOPLE FROM THE COLD			
2025	Protect 150,000 people in need from cold (2020-2025)	Approximately 80,000 children and families, protected from the cold over the past five years through the <i>Warmly Moncler</i> project (with necessities, kits for newborns, blankets and Moncler garments)	
CREATE SHARED VALUE [SDG 11]			
2022	Nursery for employees' children at the production site in Romania		Contributed to the realisation of the largest vaccine hub in Italy, at the Palazzo delle Scintille (value of over 800,000 euros) and more than 1,800 hours of volunteering carried out
2024	Implementation of one high social value project every two yearsi		3,900 devices and related connections donated to kindergartens, elementary and middle schools in Milan (Italy) and 100 hours of training offered to 80 teachers (value of over 2 million euros)
2022	100% of eligible employees volunteering	305 employees involved in volunteering activities for a total of more than 2,600 hours during working hours	
2024	NEW Collezioni Moncler fur free		









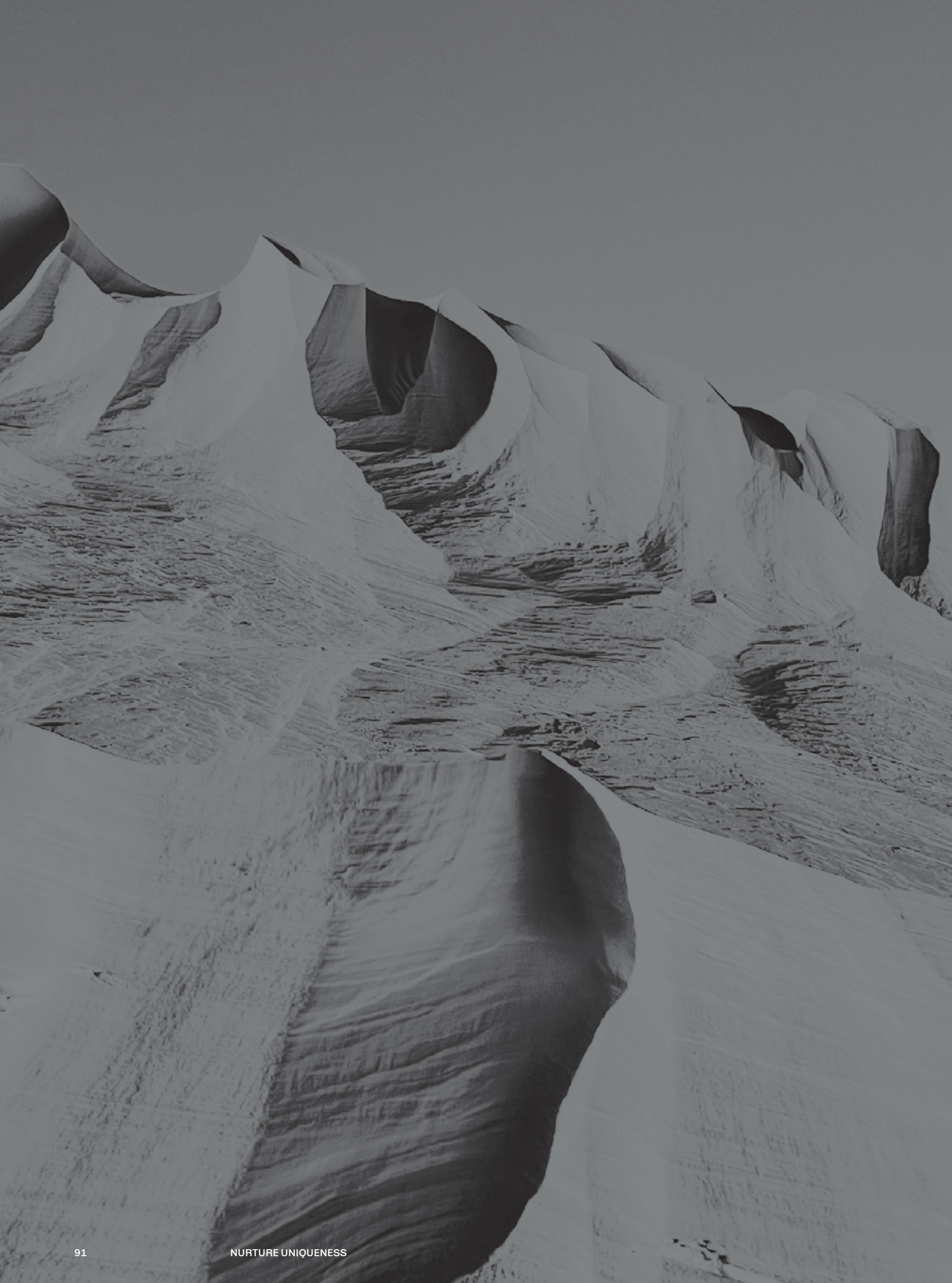




3 NURTURE UNIQUENESS

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THE MONCLER GROUP RECRUITS THE BEST
TALENTS AND INVESTS IN THEIR PROFESSIONAL
GROWTH AND PROMOTION OF THEIR WELLBEING.
IT OFFERS A SAFE, MERITOCRATIC AND
STIMULATING WORKPLACE, WHERE DIVERSITY
IS VALUED AND WHERE INDIVIDUALS
ARE EMPOWERED TO BEST EXPRESS THEIR
CAPABILITIES, POTENTIAL, TALENT
AND UNIQUENESS.

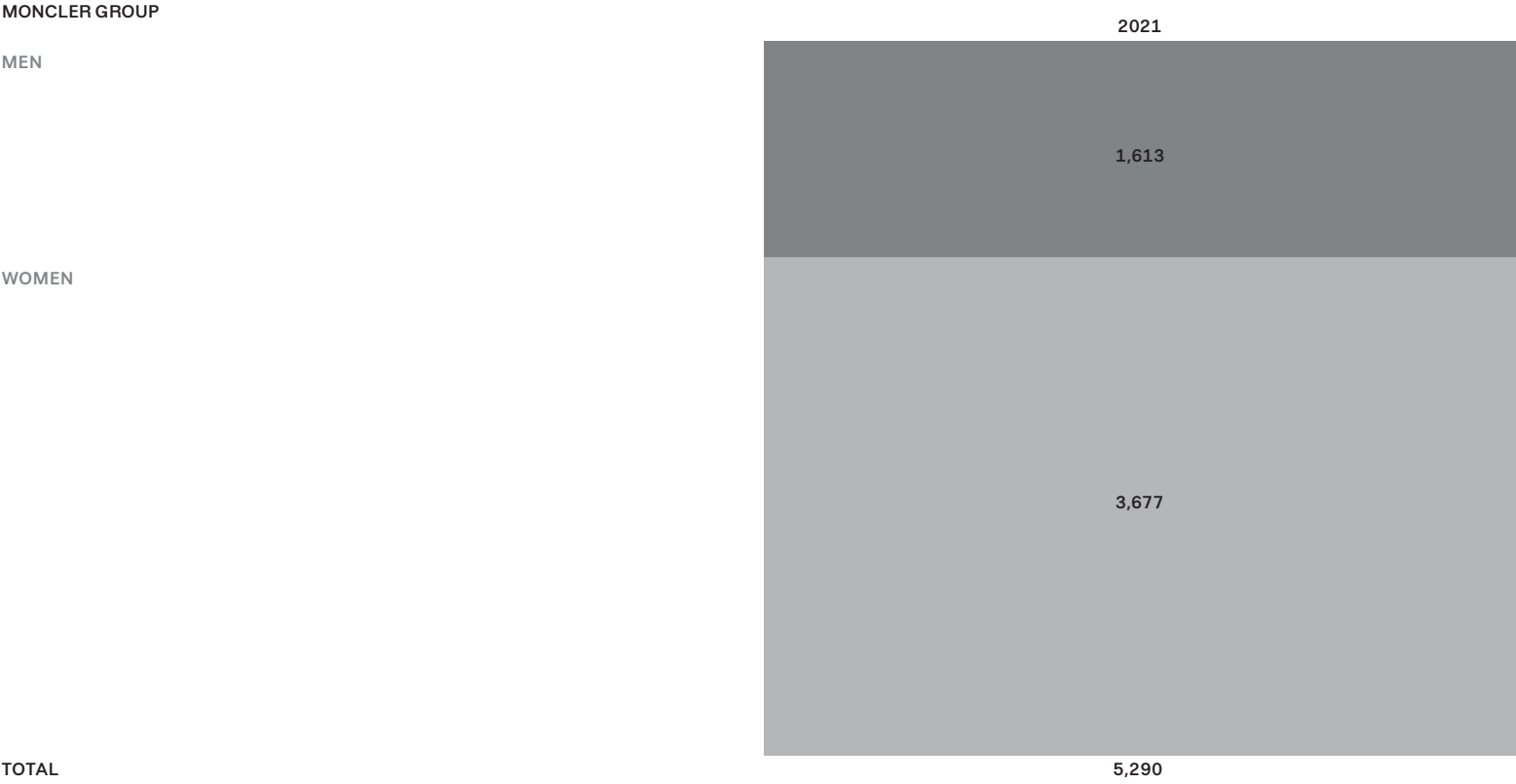
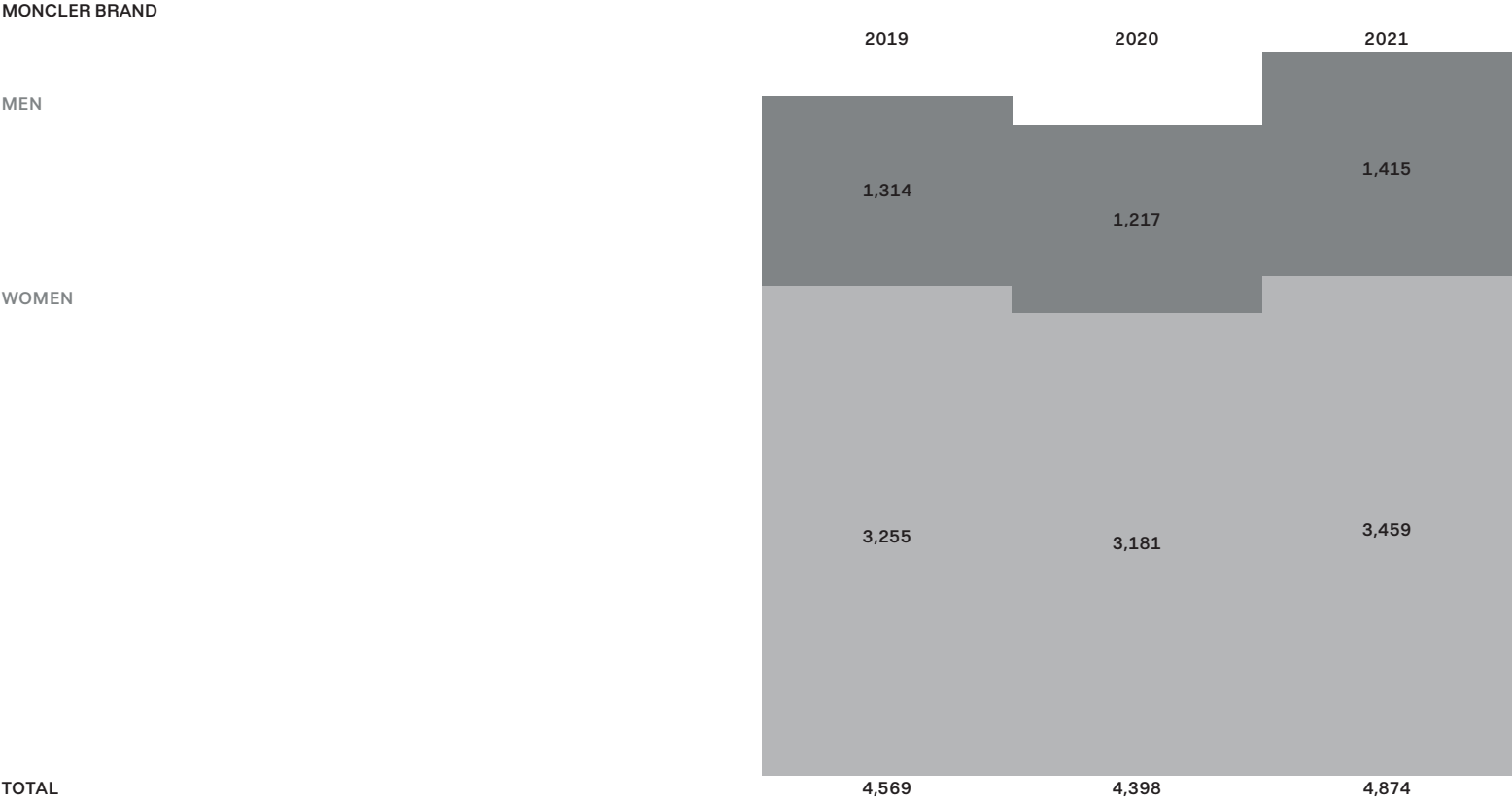


3.1 EMPLOYEES IN NUMBERS

At 31 December 2021 the Moncler Group had 5,290 employees, up from 2020 (+20%, equal to 892 more people).

This growth was driven both by the increase in workforce across almost all countries in which the Group is present and by the integration of Stone Island, accounting for approximately 400 employees. See also pages 240-244.

NUMBER OF EMPLOYEES

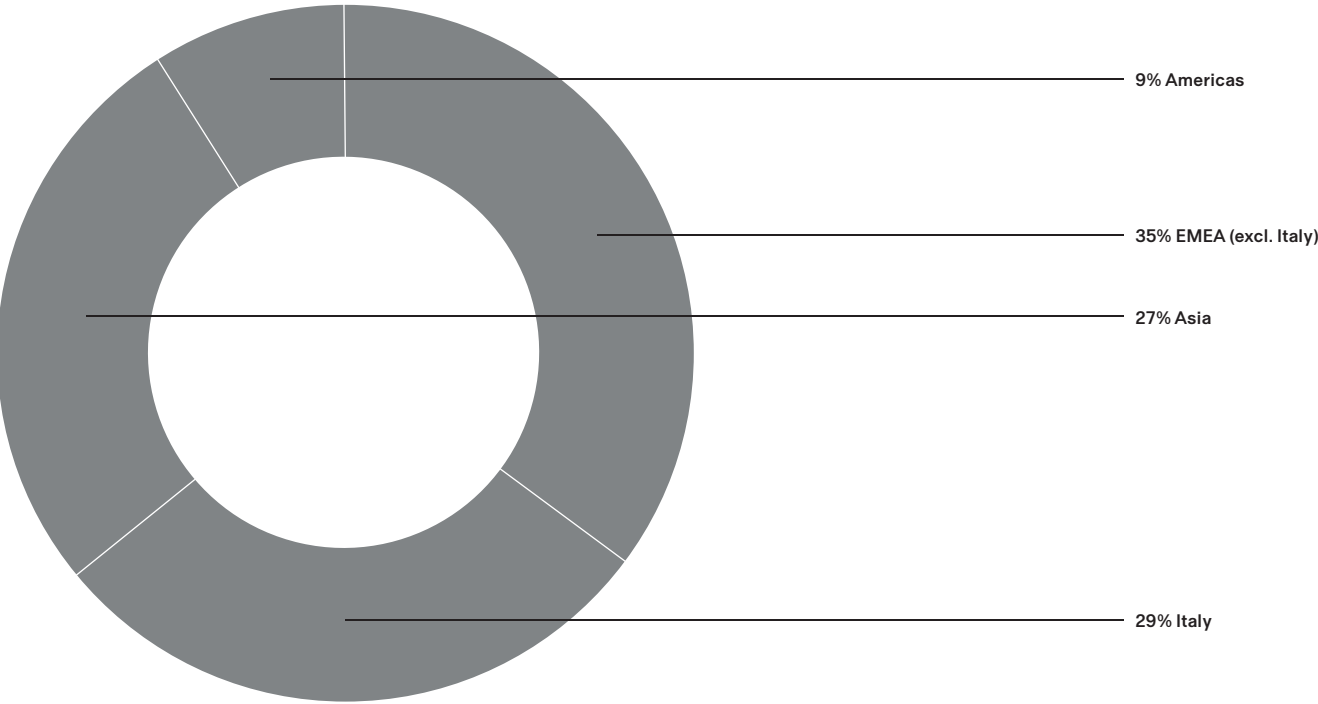


GEOGRAPHICAL AREAS AND PROFESSIONAL CATEGORIES

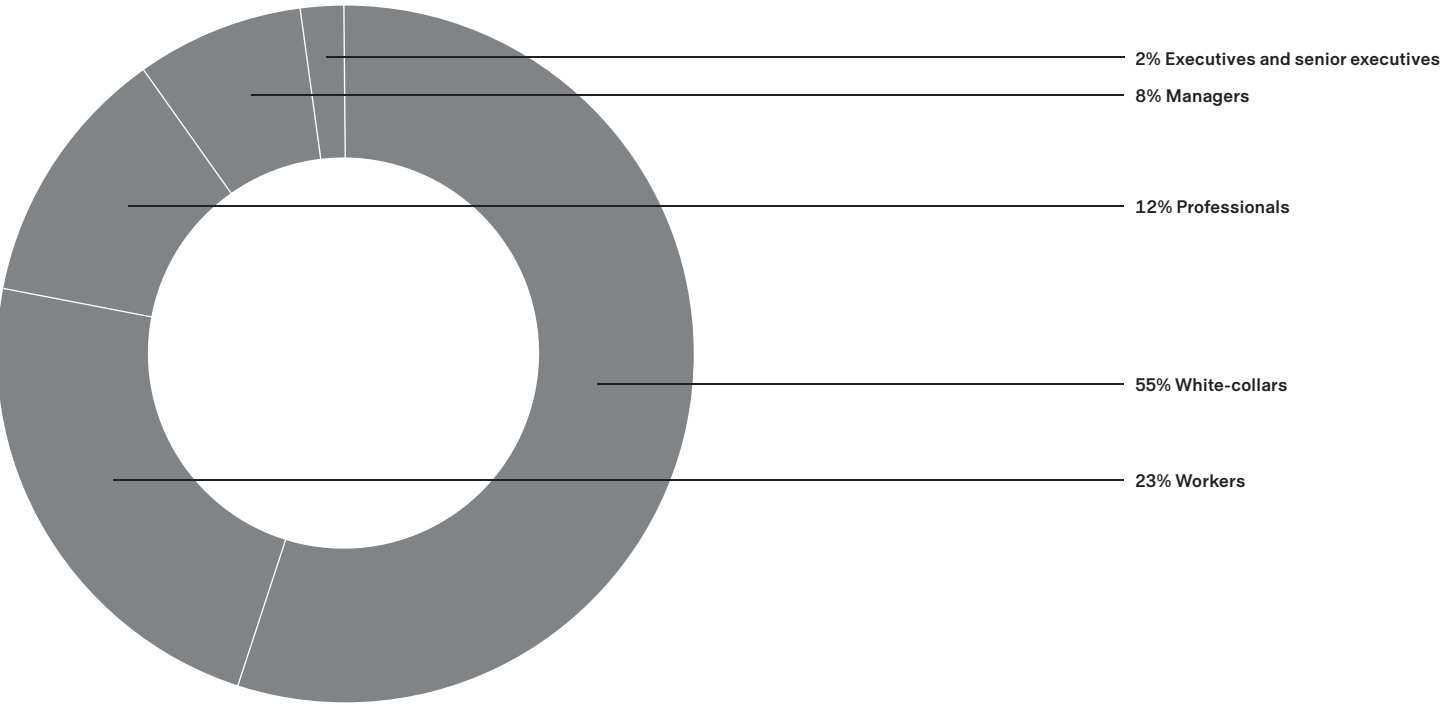
The majority of the Moncler Group's workforce (35%) is concentrated in the EMEA Region due to the presence of the Moncler and Stone Island's corporate sites and the Moncler's production site in Romania, accounting for 61% of the entire Region's population.

By country, besides Italy (29%), most employees are concentrated in Romania (22%), China (11%), Japan (10%) and the United States (7%).

EMPLOYEES BY GEOGRPAHIC AREA



EMPLOYEES BY PROFESSIONAL CATEGORY¹



¹ Employees are divided into five categories: workers, white-collars, professionals, managers and executives and senior executives. Executives and senior executives: includes those who are the highest and second highest-level decision-makers in a company division or business unit and who help define the business or division strategy, with a direct impact on performance. Managers: includes those who are responsible for implementing certain operating activities and processes, usually by managing a group of people. This category also includes senior managers, who are responsible for implementing the corporate or division strategy, through leadership and people management. Professionals: includes those who have specialist skills and manage activities or parts of processes relevant to the organisation. They may be in charge of coordinating a group of technical experts. White-collars: includes those who are tasked with specific responsibilities and and/or duties assigned by the officer of reference. Workers: includes workers that perform operational duties within the Group.

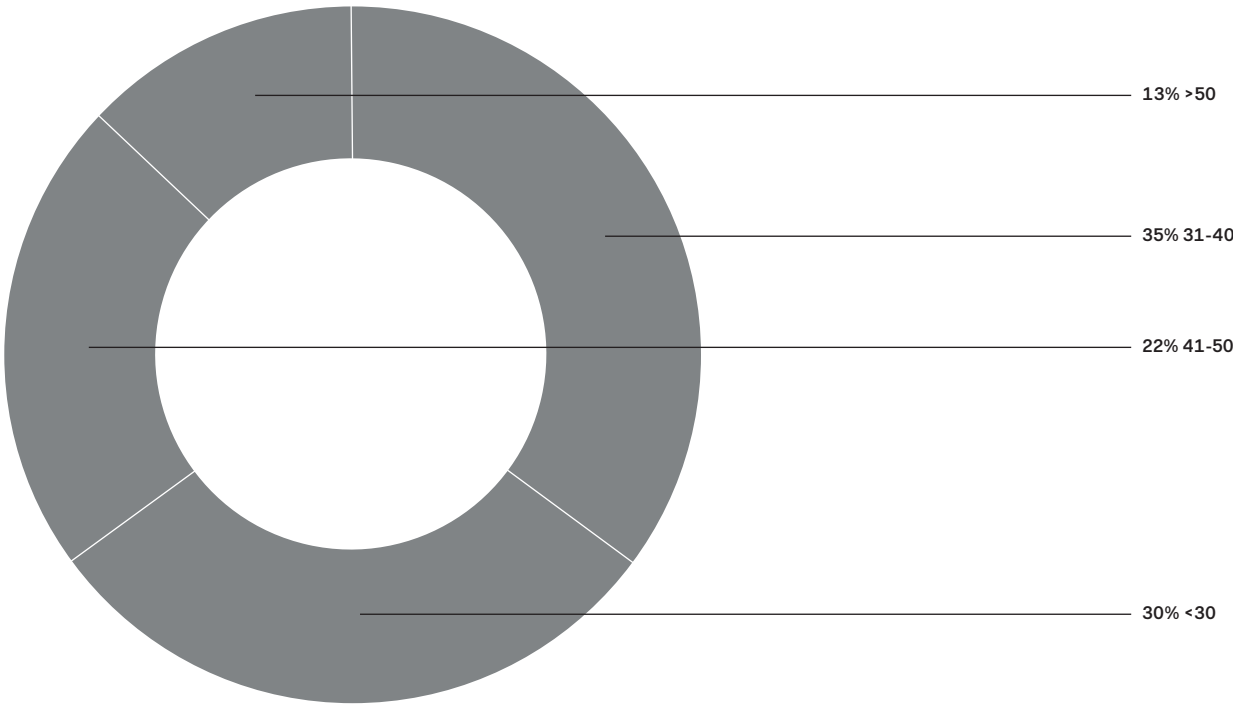
The professional category with the highest number of employees is the one of white-collars, which registered an increase of 27% compared to 2020. The second category that grew the most is the one of professionals (+25%), followed by managers (+19%). See also pages 240-243.

AGE, LENGTH OF SERVICE AND EDUCATION LEVEL

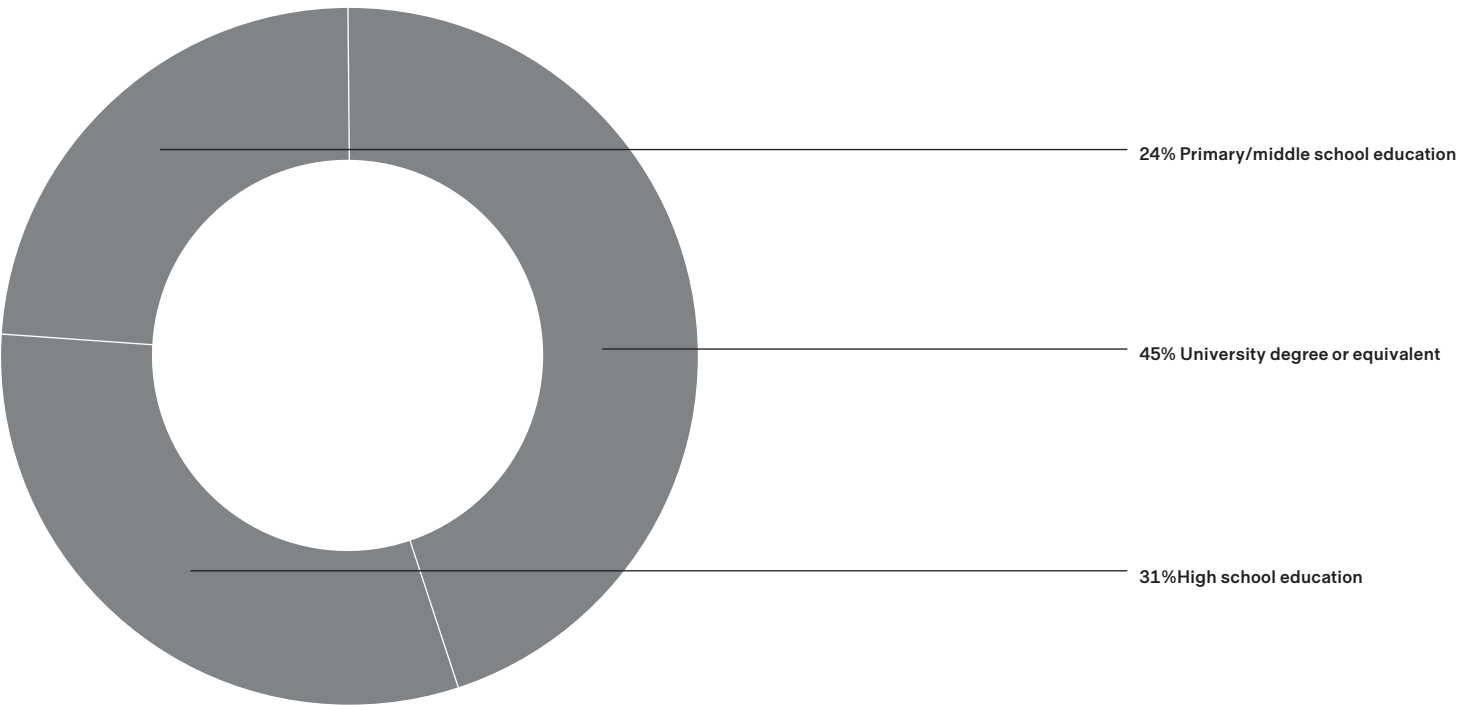
The greatest concentration of employees by age continues to be in the 31-40 age group, which represents 35% of the population, with a slight increase if compared to 2020 (+12%). Also employees under the age of 30, accounting for 30% of the population, increased (+38% compared to 2020), in line with the Group’s commitment to provide professional opportunities to young people. The average age is 37.3, in line with last year.

As regards length of service, the majority of employees continues to be in the “0-5 year” group, which represents 81% of the Group’s population. The groups that showed the highest increase compared to the previous year are “6-10 years”, with +51% at Group level (+41% for Moncler), and “21-30 years”, with +67% at Group level (+33% for Moncler), confirming a significant trend towards consolidation and retention. Lastly, with regard to educational level, most employees (76%) have a medium/high level of education (45% have a university degree or equivalent and 31% have a high-school diploma). See also page 240.

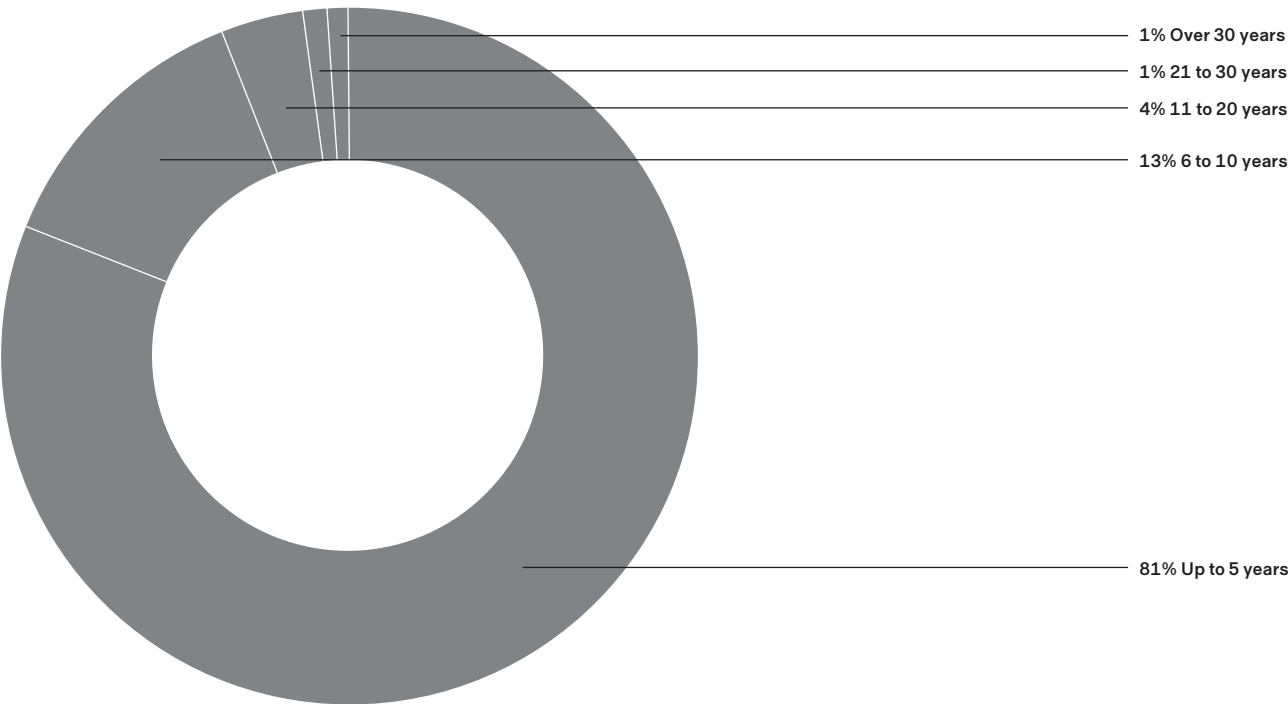
EMPLOYEES BY AGE GROUP



EMPLOYEES BY LEVEL OF EDUCATION²



EMPLOYEES BY LENGTH OF SERVICE



2 In 2021, 571 employees could not be mapped as information on educational level was not available.

NATIONALITY OF LOCAL MANAGEMENT
The Moncler Group operates directly in nearly 75 countries, with five regional structures, through local offices, where a senior management teams work in collaboration and synergy with corporate offices to manage the respective area of expertise.

The Group has always implemented a policy aimed at valuing qualified local professionals, where they possess the appropriate skills and characteristics. At the same time, over the past few years, also international profiles have been recruited at the headquarters and are providing significant contribution to shaping the global strategy. In 2021 international senior management at Moncler's corporate offices amounted to around 20%.

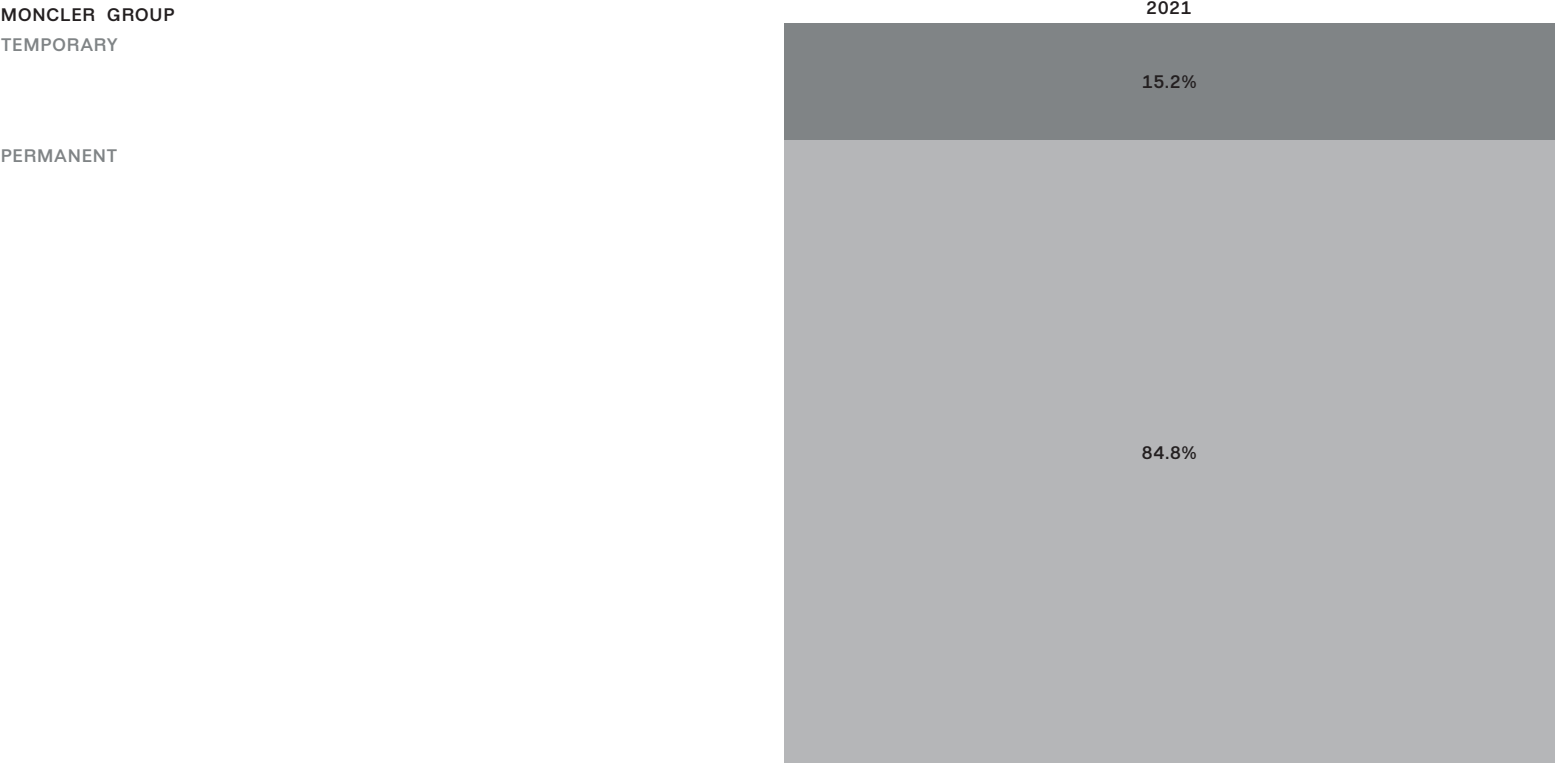
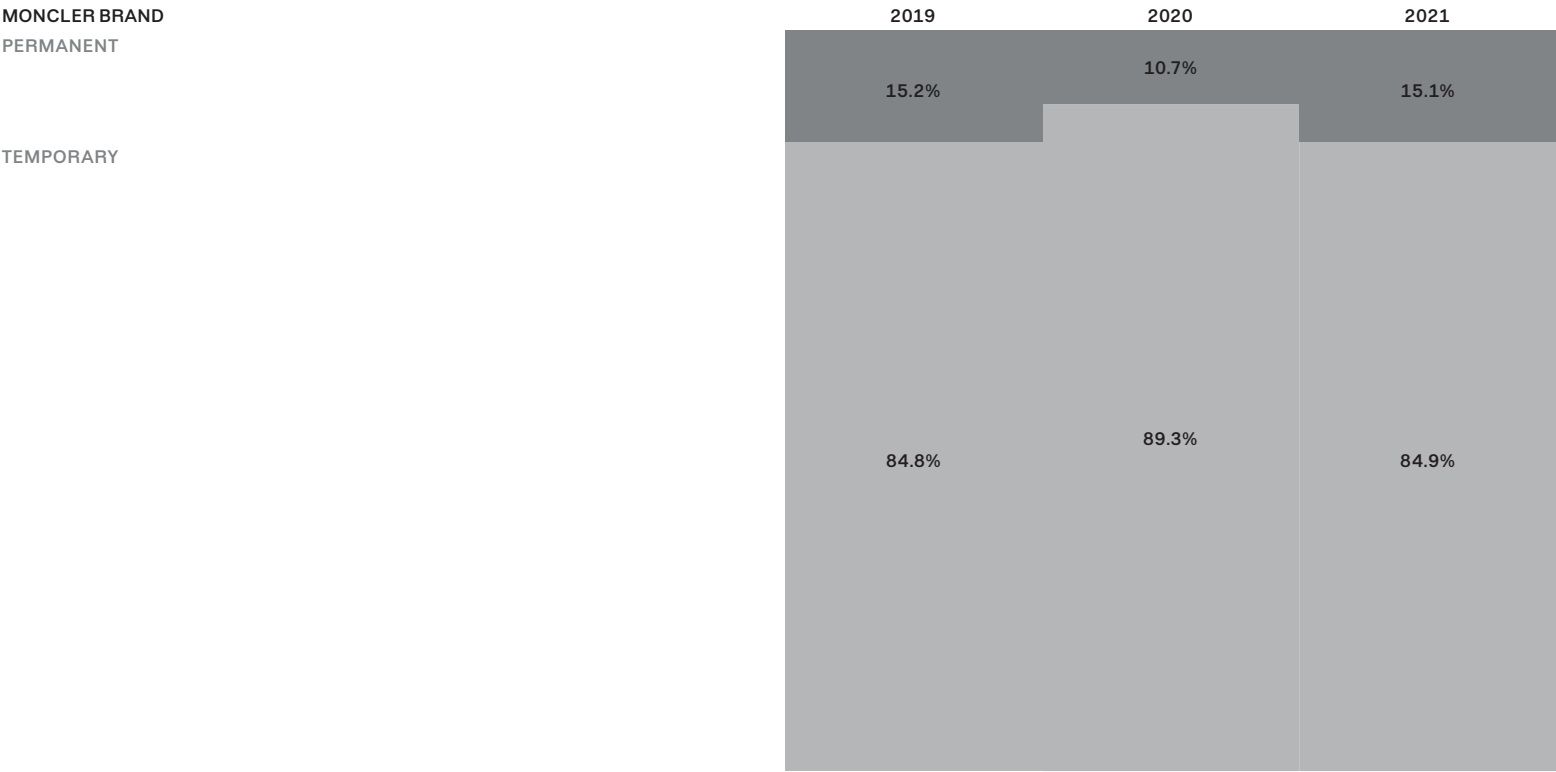
96% (+26% compared to 2020) of senior managers in the various Regions, without any substantial difference in gender, were hired from the local community.

LOCAL SENIOR MANAGEMENT				
PERCENTAGE	Moncler Group	Moncler Brand		
	2021	2021	2020	2019
EMEA (including Italy)	98%	96%	100%	100%
Americas	92%	88%	100%	100%
Asia	97%	97%	97%	97%

EMPLOYMENT CONTRACTS
In 2021, 85% of employees have a permanent contract, with 94% of them being full-time.

Temporary contracts, linked to the seasonality of some business and retail operations, remained essentially stable compared to the pre-pandemic period (2019). In 2021, 180 temporary contracts were converted into permanent contracts, demonstrating the Group's commitment to strengthening and retaining personnel.

TEMPORARY AND PERMANENT EMPLOYMENT CONTRACTS



At year-end 2021, 462 people were employed under other forms of collaboration (internships, temporary work, etc.) in accordance with the law and in relation to business needs. Around 80% of these were temporary-work contracts in view of the potential future integration into the Company's population, while 16% were internships, considered an important way to recruit the Group's future talent. See also pages 241-242.

TURNOVER
In 2021, negative turnover was 20%³, compared with 16% in 2020. This figure, considered to be in the norm, depends on the typical dynamics of retail personnel, a phenomenon to be expected given the competitive context of the sector, and is also influenced by post-pandemic trends registered across all sectors.

During the year, over 2,100 people were hired under permanent or temporary contracts, of whom more than 66% were women and 55% younger than 30.

In addition, the workforce registered a net increase, with 360 people more, due to the completion of the Stone Island integration process.

About 1,600 people left the Group. See also pages 241-242.

NUMBER	Moncler Group	Moncler Brand
	2021	2021
Employees at 31/12/2020	4,398	4,398
New hires ⁴	2,150	2,012
Departures ^{4, 5}	(1,620)	(1,536)
Change of perimeter	362	-
Employees at 31/12/2021	5,290	4,874

3 Negative turnover is the ratio of permanent employees who left the Group (890) during 2021 to total permanent employees (4,488) at 31 December 2020. In 2021, Moncler's voluntary turnover was 12.5% (10.5% in 2020; 10.8% in 2019 and 11.5% in 2018).

4 Both temporary and permanent employees.

5 Including 70 employees whose contract expired on 31 December 2020 and not including 83 employees whose contract expired on 31 December 2021.

The selection and recruitment process, alongside with the performance evaluation and employee engagement, are of great importance to the Moncler Group, in the belief that the creation of long-term value is closely linked to human capital.

RECRUITMENT

The Moncler Group has always been open and committed to attract and identify the best talents, who stand out not only for their strong technical, professional and managerial skills, but also for their personal qualities, passion, dynamism, flexibility, vision and innovative spirit, identification with company’s values and the ability to adapt to an ever-changing environment.

The recruitment process supports the search for international profiles with different backgrounds and education paths to ensure a high-performing, complementary, diverse and inclusive workforce, where everyone covers exactly the right role at a company that guarantees equal opportunities for all. The international working environment and opportunity to work on stimulating, unconventional projects, where diversity is valued and where individuals are empowered to express their skills and potential, combined with the Group’s strong commitment to sustainable development, are the key elements that make the Group’s employer branding and culture more attractive to talented individuals, especially among the younger generations.

The Group’s attractiveness has been confirmed by the high number of applications received also in 2021. In particular, during the year, more than 25,500 curricula were submitted via the corporate website, in line with the trend of the previous years.

At Moncler, the recruitment and selection process follows the procedure described in the Personnel Search and Recruitment Policy, which guarantees equal opportunities, the prevention of any form of discrimination and the empowerment of internal resources during the recruitment phase. This procedure will also be extended to Stone Island’s recruitment activities in 2022.

A fundamental lever of Moncler’s human resources development, job rotation and international mobility policies is the Internal Job Posting. Through the company intranet, *MONCamp*, interested employees can apply for open positions that best match their profiles, experience and aspirations. In 2021 at Moncler the positions covered through the Internal Job Posting were 16% at global level; in particular, around 11% in Europe, 20% in the Americas, 28% in South Korea and 6% in Asia. At Stone Island seven employees benefited from the Internal Job Posting in 2021.

In the second half of the year, it was possible to resume the international development programmes for internal managers and to continue to attract talents from different parts of the world, consistently with the desire of spreading a global mobility culture.

In addition, to provide new people with a unique and exciting onboarding experience and to help them navigate company culture, processes and procedures, in 2021 Moncler created the Buddy figure, a colleague with the task of facilitating the inclusion of new hires into the company by introducing them to the company values and providing any useful information. All employees were encouraged to apply to become Buddies and share their knowledge of Moncler and enthusiasm with new colleagues. This practice will also be extended to Stone Island employees in the upcoming years.

COLLABORATIONS WITH ACADEMIA

Of particular importance are the collaborations with leading professional schools, universities and business schools, with which Moncler has longstanding relationships. Collaborations include internship programmes for students and new graduates, project development, participation in work groups and visits to company sites. Employer branding activities are an excellent opportunity to showcase the company and its ongoing evolution, increase its attractiveness and reach out to a large number of talented individuals.

Every year, Moncler and Stone Island offer various internship opportunities to high-potential young people, giving them the chance to learn about the business and participate in a training experience. In 2021, approximately 133 internships, both a curricular and extra-curricular, were offered at the Group. In par-

ticular, young trainee from 13 different countries were hosted at Moncler’s Italian corporate offices in 2021. With regard to these two latter categories, 35% of internships that took place in 2021 led to regular employment contracts.

During 2021, Moncler continued to organise sessions with students from partner schools through the use of digital channels and, only where possible, through physical meetings. Workshops, business cases and recruitment sessions were offered, on the basis of ad-hoc programmes developed for each school.

The main schools with which Moncler partnered were: Cattolica University of Milan, Bocconi University of Milan, Ca’ Foscari University of Venice, University of Padua, Politecnico of Milan, Istituto Secoli and IED of Milan, Domus Academy of Milan, Marangoni Institute and NABA of Milan, Milano Fashion Institute and Luiss of Rome.

MONCLER AND THE COLLABORATIONS WITH THE MOST IMPORTANT UNIVERSITIES AND BUSINESS SCHOOLS

In 2021 Moncler’s attention to attract, identify and invest in talented young people with a strategic view to develop the next generation of business leaders led to numerous partnerships with major Italian and international universities and business schools, as well as with professional and academic institutions.

The partnership with the Cattolica University of Milan continued for the master’s degree in Luxury Goods Management (EMLUX). In 2021 Moncler made part of the Group’s management available to teach the omnichannel and digital module of the master’s degree and proposed business case and project activities. In particular, in 2021 it involved a class of students of various nationalities, with the aim of developing a project on the multi-channel purchasing process, to be presented directly to Moncler’s management. Following this project, six students were selected for an internship giving them the opportunity to continue their experience within the Group. The partnership will continue into 2022.

Together with the Ca’ Foscari University of Venice, as part of the course in Language and Management to China, a class was held on the professional role of the Digital Buyer and on Moncler event MONDOGENIUS.

Students in the Management and Economics and Finance courses from LUISS University were instead involved in a virtual internship experience. Led by Moncler’s Talent Acquisition team, they have been invited to rethink the experience lived by the candidate during the selection process in light of the unique characteristics of Generation Z.

Also the partnership with the IED Institute continued. Students were asked to create a communication strategy focusing on digital events and broadcasts.

The long-standing partnership with L. Bocconi University of Milan continued, in particular within the undergraduate international course Management of Fashion Companies and the graduate course Value Chains and Business Models in Fashion and Luxury programmes. The students of this latter course were asked to develop an analysis on the fashion industry and on the evolution path of Moncler and its competitors. The groups that provided the most comprehensive and innovative projects presented their work to a jury of Moncler representatives during digital meetings.

Furthermore, with the L. Bocconi University of Milan Moncler also participated in the Summer School, a programme that hosts students aged 17 to 19 from 15 different countries. As part of the project, Moncler launched a challenge to students called *The Jacket of the Future* in which students revisited an iconic Moncler garment integrating it with the trends of the future.

Also during 2021 it has continued the collaboration with Ca’ Foscari University

of Venice and H-Farm as part of the undergraduate Digital Management programme. This collaboration led to offer internships to students aimed letting them experience daily business life.

In Korea a partnership with the Korea Fashion Design Occupational Training College in Seoul was established, while in the view of Daejeon and Dongtan store openings, collaborations with the Hanbat National University, Pai Chai University, Woosong College in Daejeon and Jangan University, Suwon University and Hyupsung University in Dongtan have been activated. Close cooperation with the Fashion Management department of Woosong College led to the creation of specific courses on store activity; one of the students, who successfully completed the internship at the Daejeon Outlet, was hired as Client Advisor in January 2022.

In Japan, collaboration with major universities and business schools was strengthened, including with the Professional Institute of International Fashion of Tokyo, Tokyo Seitoku University, Kyoritsu Women’s University of Tokyo and Bunka Fashion College of Tokyo. These collaborations mainly concerned fashion retail courses with the aim of launching an internship programme at the Moncler’s most prominent boutiques. 20 internships were set up at the Aoyama boutique and Ginza flagship store in 2021.

In America, it continued the collaboration with Handshake, a platform that allows people to get in contact with thousands of schools across the United States and explore opportunities for being introduced in companies. Also the collaboration with LIM College continued; with this regard, Moncler attended a career night, together with other brands working in the industry, meeting students interested in future career opportunities. In the New York area, the partnership with the Fashion Institute of Technology continued.

In Europe, together with the Institut Français de la Mode in Paris two activities have been launched: the first involved 14 students in the “Printed Brand Magazine” project aimed at creating contents for a Moncler magazine under the guidance of the PR & Communication team; while the second was designed to train 120 French retail employees on issues relating to the fashion and luxury sector. In collaboration with the Glion Institute of Higher Education and Les Roches International School of Hotel Management, digital career days were organised with the aim of identifying new resources to be employed at Moncler Ski Resorts. In addition, at the Grenoble École de Management, classes were held for students in the master’s degree programme in Fashion Design & Luxury Management. At the École internationale de marketing et management du luxe of Paris, a student was selected to start an internship in the Client Service function.

TRAINING

Training plays a key role in the process of people’s development. It is a fundamental tool for enhancing and strengthening individual skills, for upgrading their knowledge (upskilling) when needed in support of the continuous evolution of the business, and, lastly, for spreading the Group’s values and strategy thus supporting cultural and organisational growth.

Also in 2021 training activities were redesigned to meet the new needs related to the ongoing Covid-19 pandemic. Where possible and in accordance with appropriate safety standards, hybrid forms of in-person and digital training were privileged, in order to maintain the participation high the participation and foster employee learning. In particular, approximately 924,000 euros were invested, mainly linked to the inclusion of new digital contents on the *MAKE (Moncler Academy for Knowledge and Excellence)* platform, which were also extended to the people of Stone Island. More than 118,000 hours of training were provided to around 5,100 employees, of whom 71% were women. The slight reduction (-3%) in training hours was linked to new and more efficient delivery of training courses for employees at production sites, which have involved shorter sessions. This new training model, adopted at the production site in Romania, led to a reduction (-20% compared to 2020) in average training hours per capita, equal to 22.4 (approximately 27 for women and 13 for men). Simultaneously, training involving employees at both corporate sites and stores increased significantly; in particular, in the former case it doubled and in the latter it registered a 38% increase.

The increase in the use of digital tools led to a 21% increase in e-learning courses and to the involvement of more employees in training activities (+6% compared to 2020). Of the employees who participated in training activities, 54% were white-collars, followed by workers (25%), professionals (11%), managers (8%) and executives and senior executives (2%).

In 2021 the largest investment referred to technical and professional training, which represented 73% of the courses delivered both to the sales staff and to employees at corporate offices. In addition, there was an ongoing commitment to health and safety training, accounting for 20% of all hours delivered.

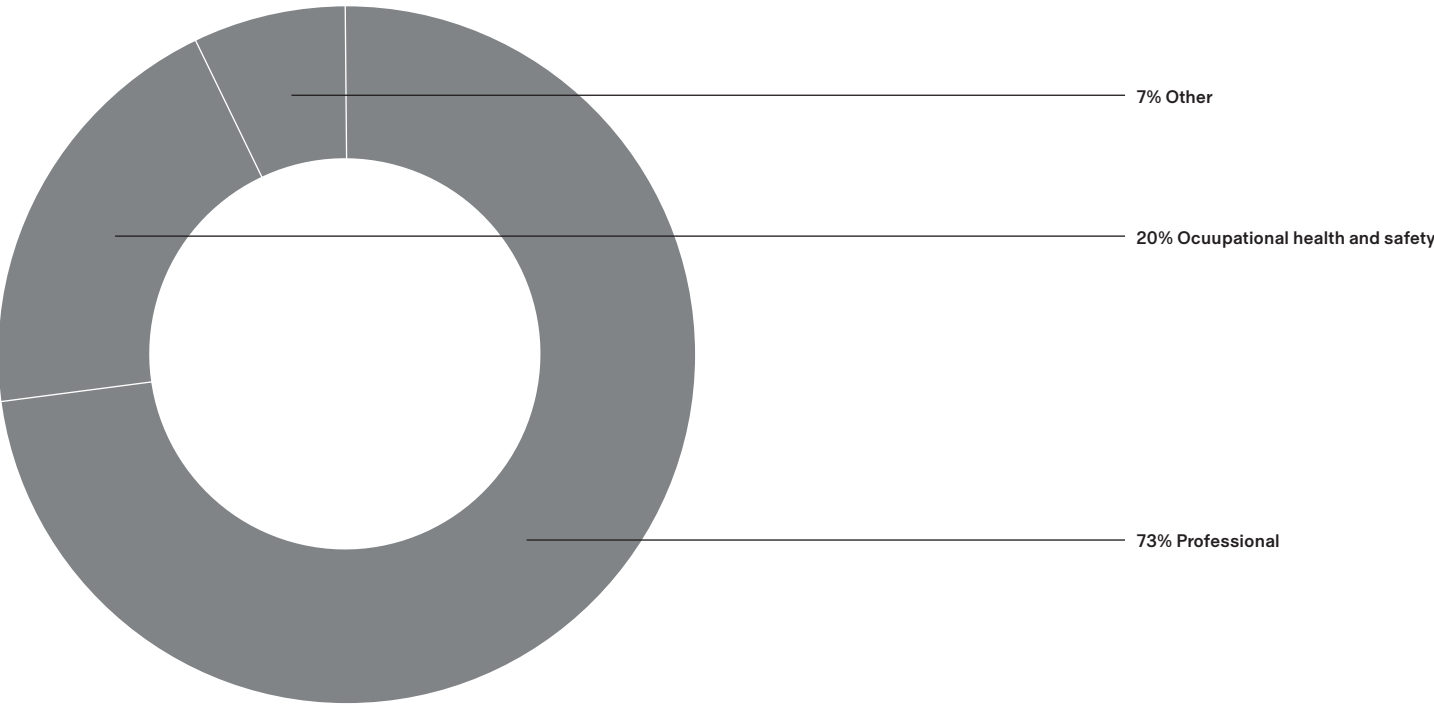
Technical and professional training took place at various moments during the year. The Brand Protection team explained the importance of knowing and following brand protection procedures as a fundamental mean to protect the Company from reputational damage and compensation claims.

TRAINING INVESTMENTS

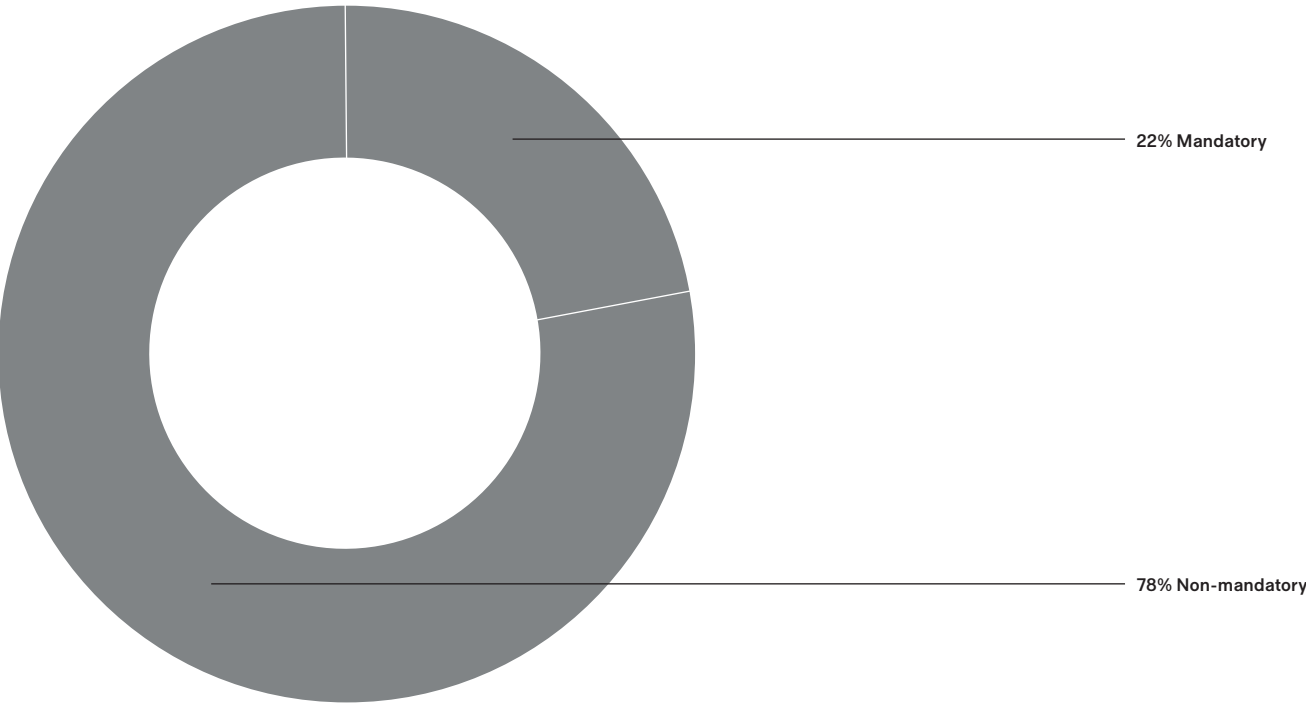
	Moncler Group	Moncler Brand		
	2021	2021	2020	2019
Training expenses (euros)	923,801	907,410	537,856	886,578
Hours of training (No.)	118,299	116,753	121,795	103,194
Employees involved (No.) ⁶	5,086	4,800	4,830	4,690

6 Refers to all employees, including those who left the Group during the year, who benefited from at least one training course in 2021.

TYPE OF TRAINING



TYPE OF TRAINING



In addition, the series of lessons relating to the implementation of Product Lifecycle Management (PLM) as a new system for collection development, continued. The *Supply Chain Excellence* course was also launched with the aim of providing participants with a comprehensive picture of the methods to be adopted to cope with the strategic, tactical and operational choices related to the management of the supply chain in an ever-changing global business frame.

In Italy, all the Group’s employees were trained on the Model 231 (Organization, Management and Control Model). A specific module of the course focused on the Code of Ethics to understand and share the Group’s guiding principles and values, and with a focus on human rights. Globally, General Data Protection Regulation (GDPR) e-learning courses continued.

As the Covid-19 health emergency persisted, at Moncler in 2021 the COVID-19 Online Training course continued to the benefit of the entire Italian corporate population to inform and train employees on the safety and health protection measures described in the Company’s Anti-Covid Protocol.

During the year the Moncler Group also continued to promote

training programmes aimed at strengthening the culture of personal health and safety, raise awareness of risks in the workplace and provide information on risk identification and management.

With regards to legally required courses on Legislative Decree 81/2008 on Health and Safety, during the year 1,340 hours were delivered for training on low, medium and high risk, 1,032 hours for general training, 746 hours for specific training updates and 180 hours for training safety officers. In addition, corporate offices and some stores were equipped with external semi-automatic defibrillators and the Basic Life Support & Defibrillation training courses were organised to authorise the use of such devices. In total, about 23,500 hours of training on health and safety were provided. See also pages 244-245.

MAKE: *MONCLER ACADEMY FOR KNOWLEDGE AND EXCELLENCE*

In 2021, MAKE, the *Moncler Academy for Knowledge and Excellence*, took form; it is a learning ecosystem for the development of Moncler and Stone Island people in terms of skills and expertise, but also of mental approach, working methods and organisational awareness.

Starting from the business needs, the *MAKE* architecture was designed to build a learning culture where people are, with the sponsorship of their supervisors, aware of their growth and able to identify their needs, while also developing the ability to learn from day-to-day work.

MAKE consists of numerous programmes and a technological infrastructure functional to the project’s objectives: the MAKEPlatform. On the platform, accessible to all employees, people can find not only training contents, e-learning courses, articles and webinars, but also can interact with their global community at all times. In 2021 on MAKEPlatform new and enhanced training plans were launched, with a specific editorial plan to provide new and consistent contents, focused on training programmes linked to four main pillars: Remote Working, Management, Leadership and Personal Effectiveness. Moreover, a language training portal was added, allowing people to choose from seven languages to learn (English, French, German, Italian, Spanish, Portuguese and Chinese) through grammar exercises, listening, vocabulary and participation in virtual classrooms to improve conversation-related aspects.

The philosophy underlying MAKE is to create training plans tailored to the individual’s professional family or group and to support the development of knowledge and skills of people at all stages of their professional career.

To ensure that areas of training are firmly tied to business needs, top management plays a key role in identifying training needs and designating Makers, i.e. internal Subject Matter Experts who can spread knowledge and best practices on specific issues. Top management is asked to identify the requirements, in terms of knowledge and skills, needed to achieve the medium- and long-term objectives set by the Company in the business plan. On that basis, strategic training, leadership and technical skills training programs are developed for the department population.

The Makers Lab is one of the key programmes of the Group’s training project and consists of internal experts, 23 Makers designated thus far, who share their knowledge on specific activities, processes and tools with their colleagues. This programme was strengthened in 2021 with 19 training sessions for a total of more than 570 hours.

In 2021 a variety of topics was addressed during the project: from the basics of project management, lean management, anti-counterfeiting and traceability in the company, to stores management and retail development and the Group’s most important financial milestones.

In 2021 the Adotta una Scuola project promoted by AltaGamma, marked an important step forward in the field of specific training. An agreement was signed with the Istituto Professionale Caterina da Siena of Milan with the aim of bringing the business world closer to the academic one, training effectively young students for the workplace on technical and craft skills that are gradually disappearing. The project is dedicated to young students of the second-to-last and the last year of technical and professional institutes and involves ten Moncler experts, each in their own area of competence, with the aim of exploring all the activities needed to realise a finished garment.

In 2022, the Moncler Academy for Technical Excellence (MATE) project will be implemented. This specialised training course dedicated to recent graduates of technical and professional institutes aims at training professionals to work in producing samples, prototyping and quality control, providing a complete vision of the down jacket creation process.

In 2021 more than 3,800 training hours were delivered on human rights, including about 1,550 hours on Diversity, Equity and Inclusion programmes. In particular, the unconscious bias training course was launched for all the Group's top management, with the aim of promoting an inclusive organisation. In 2022 the course will be extended to the Group's entire population.

In the America and Japan Regions, e-learning modules were provided on workplace harassment. In America, the corporate population was also involved in a specific training course on the Sustainability Plan.

In the context of efforts to promote diversity, the cultural awareness programme continued. The aim of the programme is to foster respect for cultural differences and offer guidance regarding the most appropriate ways of behaving and communicating with colleagues, partners and other people from different cultures. After the first session on Chinese culture launched at the end of 2019 for employees at corporate offices in Italy, digital sessions on American, Korean and Japanese culture were provided in 2020 to the benefit of the entire corporate population. In 2021, in addition to extending the various modules also to Stone Island employees, the session on Italian culture was designed and delivered at a global level in January 2022 for a total of about 550 hours of training.

Moncler further consolidated its partnership with the Italian association Valore D, giving some employees at corporate offices in Italy the opportunity to participate in inter-company workshops focused on developing a corporate culture of collaboration and dialogue between generations, genders and cultures. In 2021 Moncler employees were involved in training on the development of the entrepreneurial spirit of young women, on being aware of their role in the company, on the importance of effective communication and the development of managerial skills.

Since 2018 the Pattern Making School was set up at the production site in Romania, with the aim of enhancing professional skills among Moncler's personnel and thus strengthening certain departments such as modelling, CAD, development and placements through the training and placement of local students.

MONCAMPUS

In 2021, the MONCampus Talent Programme, a development programme dedicated to high-potential Group's people, was resumed. It is a knowledge-sharing journey aimed to facilitate and accelerate the personal and professional growth of talented young people at Moncler and Stone Island. The one-year programme involved around 30 participants under 35 to provide a comprehensive vision of the Group and of its operations, to increase knowledge of the technical aspects relating to each function and develop managerial and project skills through an interactive and experiential method.

The courses, launched in July at the Milan and Trebaseleghe sites, focused on corporate values. Each module is facilitated through the support of approximately 60 internal trainers from various corporate areas involved in the entire course delivery process, from the design to the classroom moments. The programme also included external special guests with different backgrounds, who created opportunities for discussion and debate on each company value.

Lastly, in the final months of the year, participants attended a project management course to acquire tools and knowledge related to project development.

TRAINING OF CLIENT ADVISORS AS A STRATEGIC ASSET

In the retail sector, investments continued to be made in projects relating to technical product training (raw materials, processes for making shoes, bags and glasses, materials with lower environmental impact), knowledge of the Brands and their history and development of interpersonal and managerial skills, with the objective to disseminate a service model and sales style able to ensure a unique, distinctive purchasing experience. See also pages 105-106.

For Moncler, training is an important element in the Client Advisors' growth path.

The training plan includes on the one hand, courses to strengthen knowledge of the Moncler brand, its history, products, style, materials used, production process and interpersonal skills, on the other hand training aimed at developing the ability to listen to clients, explore their needs and relate with them also through an effective narrative and a service that truly meets their expectations.

The training of sales personnel is a key moment for communicating the Brand. In recent years, it has been designed to provide Client Advisors with all the information they need to maintain an ongoing dialogue with clients that is personalised and consistent in terms of way of delivery and content. In particular, with the *Moncler Genius* project, clients are guided in discovering individual collections through new and richer in-store experiences, each designed for a different type of client. In 2021 specific e-learning modules, the *Genius Pills*, were also developed for the launch of each collection. In addition, the training activity included in the *Moncler Genius* project, expanded with peer-to-peer and self-learning courses in 2019, continued in 2021 with the aim of increasingly involving Client Advisors in managing company performance and setting objectives, creating content and identifying operating approaches under the sign of pro-activeness. In this context, the task of the Client Advisors is to train and develop some basic skills and knowledge among their colleagues.

In addition, during the year, training courses dedicated to Distance Sales were developed for each Region to improve the client experience and review the selling ceremony in view of the peculiarities of distance sales service, for example by enhancing

the technical and photographic skills of all Client Advisors when sharing and presenting products to clients.

In order to promote a uniform and consistent approach to the client and the way the Moncler brand is communicated, and from a multi-channel perspective, in 2021 intense training also continued for the personnel of the most important stores in the wholesale channel, in particular monobrands (shop-in-shop). During the year a training programme on Moncler’s history and culture, as well as product knowledge, was implemented through e-learning modules. The client experience was thus enriched by a narrative of company’s history and an effective presentation of the distinctive features and qualities of Moncler products, always in line with that of the retail channel. Training was also supported by new materials provided during in-store morning briefs and through new digital training tools.

In the retail channel, 2021 marked the conclusion of the first phase of the training programme for Store Managers, focused on the development of managerial and leadership skills. During the year this programme also involved other management personnel at stores, such as Client Advisor Managers and Store Operation Managers. A new phase will be rolled out in 2022 at global level.

Also 2021, strongly affected by the Covid-19 global health crisis and consequent limitation of movement due to closures and distancing obligations, saw some important collaborations with the Merchandising and Operations department to keep offering increasingly detailed and engaging distance training on products, with a particular focus on materials and collections. During the year, research also continued to identify new and innovative digital tools designed to revolutionise the training experience in future years.

The Pro-Activities programme, established in 2020 as a group learning and creation of peer-to-peer content activity and developed as an ongoing international self-learning and knowledge sharing activity, was completed in 2021. The resulting activities created by the Client Advisors were shared with the sales network to give a greater resonance to the themes of participation and proactiveness.

2022 will be an important year due to the complete revision of the company training tools, which will evolve in light of socialisation and social media concepts.

BUILDING LEADERSHIP

The first edition of the *Building Leadership Training Programme*, a training programme of approximately 720 hours for the development and enhancement of leaders’ skills within the organisation, was launched in 2021. The initiative involved 30 employees of corporate offices with diverse skills and backgrounds and was divided into six workshops focusing on topics such as leadership, importance of feedback, ability to delegate, stress management, conflict management and effective communication. An individual coaching programme was also offered to participants in order to reinforce the ability to apply the concepts learned.

REMUNERATION

The Moncler Group’s remuneration system is designed to attract, motivate and retain people with the professional skills required by the perspectives of business growth. It is based on principles of equity, equal opportunities, meritocracy and competitiveness on the market.

As a listed company, the Remuneration Policy for Group directors and strategic executives is set in accordance with the recommendations of the Corporate Governance Code, with the involvement of the People & Organisation function, the Nomination and Remuneration Committee, the Board of Directors and the Company’s Ordinary Shareholders’ Meeting (see the Report on Remuneration, available in the “Governance” section at www.monclergroup.com).

The remuneration of personnel takes into consideration specific criteria, including market standards and internal equity, the characteristics of the role and responsibilities, the distinctive skills of individuals, with a view to ensure maximum objectivity, in order to avoid any form of discrimination. In this regard, the Moncler Group, aware of the importance of guaranteeing and promoting an inclusive culture that aims to eliminate the gender pay gap, has committed to begin, in 2022, a process to achieve the Equal Pay certification. This project will include a comprehensive quantitative analysis of compensation data and a qualitative review of the distinguishing factors of each employee taking into consideration, for example, the professional category, tenure and performance to obtain Equal Pay certification by 2025.

For several years now, the Moncler Group has been conducting an annual salary review process, based on two principles: performance and talent. According to the results of the annual assessment and business results, as well as the potential shown, managers can propose remuneration increases for their staff. These increases are then discussed in specific steering committees. The approved proposals take into account individual merit, the contribution to the creation of added value for the Group, fairness and competitiveness in relation to the market.

In the countries in which it operates, the Group offers, without differences by gender, entry level salaries equal to or above the minimum wage required by law or collective bargaining agreements; this was confirmed by the analysis carried out in 2021 on the entire corporate population, including the production site in Romania.

The Global Mobility Policy, adopted at Group level in 2021, sets out company commitments to ensure a fair, competitive, incentivising and consistent financial treatment of Expatriates at the global level. This policy is a fundamental tool for regulating international mobility, which increasingly represents a pillar of individual development and business success.

The remuneration structure of 83% of the eligible professionals, managers, executives and senior executives is made up of both fixed and variable components, appropriately balanced according to their contributions to the company’s strategic objectives. The variable component may be short-term (Management By Objectives) for store managers and corporate employees; a sales commission for retail staff, both at team and individual level; or long-term (long-term incentive). For the Italian corporate office population up to the managers category, a performance bo-

nus linked to corporate performance indicators has been defined.

The Management By Objective (MBO) system takes into account objectives based on quantitative results relating to the Groups financial performance (mainly Group consolidated EBIT) and qualitative objectives of significant strategic and operational importance, including those linked to the achievement of the objectives of the Strategic Sustainability Plan. The system, which applies to executives, managers and professionals for corporate office employees and to the store management team, is intended to encourage the achievement of distinctive results through mechanisms that reward over-performance by increasing the amount of the bonus that can be obtained, over a certain threshold, where the assigned objectives are exceeded.

In the MBO system, for all those who are involved in the implementation of the Sustainability Plan, are assigned social or environmental objectives and internal population's engagement objectives, likewise responsible sourcing objectives are assigned to some key positions. All members of the Strategic Committee, including the Chairman and the Chief Executive Officer, have a percentage of their MBO linked to the achievement of Group's strategic sustainability objectives. In addition, managers who take part in cross-functional business processes or significant projects for the business are assigned common objectives to ensure a commitment from all colleagues involved.

Lastly, the MBO system provides for alignment between performance objectives and the management of the risks identified by ERM with the aim of spreading a culture of risk assessment and management in the employee's decision-making process.

To date, the Moncler Group has been using Performance Share as a long-term incentive system plans for key positions, up to managerial level. These systems allow linking the incentive process for managers and key staff to company's actual performance, steering people towards strategies aimed at pursuing sustainable medium/long-term targets, aligning the interests of beneficiaries with those of shareholders and investors and developing policies aimed at attracting and retaining talented professionals.

Three stock option plans and three performance share plans have been issued since the listing on the stock exchange in 2013:

- Stock Option Plan 2014-2018 Top Management and Key People, for senior managers and key officers in the organisation;
- Stock Option Plan 2014-2018 Italian Corporate Structures, for all employees at Italian corporate offices with permanent contracts;
- 2015 Performance Stock Option Plan, for key officers in the organisation;
- 2016-2018 Performance Share Plan, for senior and key officers in the organisation;
- 2018-2020 Performance Share Plan, for senior and key officers in the organisation;
- 2020 Performance Share Plan, for senior and key officers in the organisation.

An ESG Performance Indicator was included into the 2020 Performance Share Plan. It refers to the Strategic Sustainability Plan, which contains strategic guidelines on sustainability issues for the medium/long term. In identifying the five strategic priorities and related commitments of the new Plan, Moncler also took into account the objectives set by The Fashion Pact, which the Group joined in 2019, focusing on three main areas: combating global warming, restoring biodiversity and protecting the oceans. Accordingly, the ESG Performance Indicator focuses primarily on three challenges: carbon neutrality, the reduction of conventional single use plastic and the recycling of pre-consumer nylon. The indicator also takes into account Moncler's performance in the Dow Jones Sustainability Index.

Lastly, store employees are provided with incentive systems based on individual and store performance that reward excellence and service quality, along with the contribution to business development.

See also the 2021 Report on Remuneration, available in the "Governance" section of the corporate website.

BENEFITS

The remuneration package offered to employees includes a wide range of benefits, ranging from life insurance to pension plans and prevention programmes to improve individual wellbeing. The benefits offered by the Group to its employees are linked to the professional category irrespective of the type of contract (fixed/permanent; full-time/part-time) and follow guidelines applied internationally, with possible changes depending on country-specific policies.

MAIN BENEFITS OFFERED	
Financial benefits	Employees entitled to benefit
Supplementary pension plans	44%
Supplementary health plans	56%
Life insurance	17%
Financial support for disability	40%
Company canteen or lunch voucher	55%
Company welfare ⁷	51%
Other ⁸	32%
Social benefit	Employees entitled to benefit
Fitness/sports centres ⁹	17%
Wellness and nutritional programmes	53%

To develop remuneration policies that not only reward employees for their work performance, but also respond in a timely manner to the non-financial needs, Moncler has developed corporate welfare plans, currently in Italy, the United Kingdom and South Korea, to ensure greater care and attention to the wellbeing of people, who have always been Moncler's true strategic asset. In particular, for all the Italian employees, these plans dedicated to people up to the category of managers at corporate offices, employed under permanent or apprenticeship contracts, as of 31 December of each year, provide a wide range of benefits and services, also offered in part to the employee's family, from reimbursement of school expenses to vouchers, leisure activities and wellness packages.

In Italy employees can choose to pay a portion of the welfare credit to supplementary pension funds, and the Welfare Plan has an "access" clause linked to the Group's profitability.

During the year, in the context of the corporate welfare system, employees at the corporate site in Trebaseleghe (Padua) who took advantage of the kindergarten and nursery school received a full contribution by the Company: the selected schools welcomed up to 30 children of Moncler employees. By 2022, a kindergarten will be established for the children of employees at the production site in Romania, to host about 60 children.

Lastly, Moncler and Stone Island are members of Sanimoda, the supplementary health care fund for workers in the Italian fashion industry, which provides health care services supplementary to those of Italian's National Health System. During the year, 931 Italian employees signed up with Sanimoda.

7 Includes the Moncler Corporate Welfare Plan, as well as kindergartens and other child services.

8 Includes benefits such as company car, transport or accommodation allowances.

9 Includes free access to the gyms, fitness classes and other initiatives.

DEVELOPMENT

Identifying and retaining the best talent at the Company is of crucial importance. To enhance and develop people Moncler uses the *PIUMA Leadership Model*, an annual performance assessment system that measures the skills people use to achieve the assigned targets. Based on a robust methodology, it measures performance by assessing the level of knowledge, problem-solving and impact on the business, then comparing it with the standard expected for the specific role. This allows to verify the level of adherence of individuals to their role, suggesting possible training and development plans.

The assessment is based on a series of values of which every employee must be an ambassador and promoter: integrity, passion, identification with company culture, ability to build trust-based relationships, global vision, performance excellence, innovation and talent enhancement.

The evaluation system, which aims to improve business performance, has a medium-to-long-term perspective and is therefore one of the key processes for managing and developing people, defining succession plans and retaining the best talent. It is the base of the remuneration review process, ensuring equity, equal opportunities, meritocracy and competitiveness on market. An important step in the evaluation process is the employee self-assessment that enables employees to compare the perception of their performance with that of the Company, thus making sharing between manager and staff more productive.

The assessment process requires that each manager assess their teams using a digital platform. The assessments are subsequently reviewed and finalised by a committee of senior executives, with the aim of ensuring the comparison and calibration of the assessments, making them even fairer and more objective. The process ends with a feedback session between the supervisor and the team member, in which the areas for improvement identified are discussed, the results achieved are emphasised and an action plan to strengthen future performance is shared.

The assessment process is applied to all positions, both corporate and retail, at a global level, including, from 2020, the management population of the production site in Romania. In 2021 this process was also extended to the worker population in Romania, in a manner consistent with the needs of such an important population in terms of numbers and specificity.

In 2021 4,147 people were assessed at Moncler, 53% more than the previous year, accounting for 100%¹⁰ of the eligible population. The performance evaluation system was extended also to Stone Island employees; about 70 people were assessed representing 20% of eligible population, with the target of achieving 100% by 2022.

PERFORMANCE ASSESSMENT

	Moncler Group	Moncler Brand		
	2021	2021	2020	2019
Employees assessed (No.)	4,218	4,147	2,708	2,354
Eligible population covered (%)	94%	100%	97%	92%

EMPLOYEE ENGAGEMENT

The Group believes that dialogue and employee engagement are essential to increase the motivation and satisfaction of its people, thus creating strong long-term relationships. The Engagement & Internal Communication unit within the People & Organisation function is tasked with developing strategies, actions and tools for personnel engagement and promotion of corporate culture. Several initiatives were developed in 2021, all of which sharing some distinctive features: developing collaboration between people, creating opportunities for sharing and knowledge, facilitating the communication of information and creating a common culture and vision in order to increase team spirit at the Moncler Group.

The use of MONCamp, the corporate intranet, has been strengthened over the years as a tool for sharing information and news and for enhancing networking among colleagues. The news section of MONCamp, supported by a specific editorial plan, shares news about products, events and people, thereby boosting knowledge, sharing and a growing sense of belonging to the Moncler world. The platform's social function has also been strength-

ened and expanded, making it a very important mean in employee communication, especially for retail, where it is used to share sales experiences, build relationships with clients and promote local events. In the light of the integration of Stone Island, MONCamp will be reviewed and updated at Group level.

In addition, the people satisfaction survey MONVoice, regularly carried out at Moncler, was launched at Group level in 2021. This analysis aims to capture the Company's positioning on two aspects: employee engagement and enablement. By analysing the individual components of each of these two aspects, the Moncler Group identifies the strengths and areas to work on to improve its overall positioning.

In December 2021, the fifth edition of MONVoice was launched, involving 4,286 people worldwide, with a questionnaire of 51 closed questions and two open questions asking people for suggestions on the areas of improvement of the Moncler Group and the factors that motivate them.

The main areas of excellence resulted to be "quality and attention to the client", "the flexibility and availability of managers" in addition to the sense of "pride in being part of the Group". "Collaboration and communication between departments" continues to be an area to be strengthened, together with the Group's ability to create "development opportunities" and the "reward system".

In order to begin a process of improvement for people, starting from people themselves, survey results are shared worldwide through newsletters dedicated to the corporate population and translated into the languages of the Regions in which the Group is present, as well as through dedicated meetings. Moments for sharing results are key to deepen the data that have emerged and then define action plans and improvement projects to meet the expectations and needs of the entire organisation's workforce.

PEOPLE SATISFACTION SURVEY

	Moncler Group	Moncler Brand		
	2021	2021	2020	2019
Employees involved (No.)	4,286	3,913	3,741	3,640
Population covered (%)	100	100	100	100
Engagement rate (%)	62	63	72	60
Response rate (%)	88	88	88	88
of whom women (%)	70	72	73	73

Activities designed to create interaction moments between employees and the Group's top management continued during the year. In particular, it continued the *Thank Boss It's Friday!*, an initiative launched in 2019 where employees share curiosities and offer suggestions to top management with a view to open dialogue. In 2021 the format evolved and was extended to all function heads, involving more than 11 of them, in addition to the 124 participants at Italian corporate offices. The initiative was also launched in the other Moncler Regions, adapting it to local cultures. In APAC, for example, it became a tea-break and involved new employees in particular. In 2022 the format will be further extended to Stone Island to foster mutual knowledge of management and colleagues within the Moncler Group, and will also be launched at a global level, through the involvement of the Presidents of the Regions, with the aim of increasing connection opportunities for people with different backgrounds and origins.

In line with the objective of creating awareness of what is occurring within the Group and setting up contact opportunities with top management, several meetings were held for all employees, during which financial results were illustrated. These are opportunities set up at the corporate level to explain and celebrate company results and update the entire corporate population on the most relevant projects. These initiatives have also been replicated periodically at local level, in order to deepen the results and objectives of each Region.

In addition, in July 2021 all the Group's employees were invited to participate in an update session involving members of the Moncler and Stone Island top management, organised with the aim of sharing the Group's results and future strategic projects.

In the belief that corporate volunteering is not only an instrument for social responsibility, but also a means of creating a

10 The percentage was calculated on the 2021 workforce with permanent contract, which served as the benchmark for the 2021 assessment process.

culture of diversity and solidarity, Moncler, since launching the programme in 2018, has partnered with a number of non-profit organisations in activities ranging from the environment to social. All corporate employee can take two days a year to volunteer, choosing from different organisations, types of activities and days. Starting in 2022, Stone Island's people will also be involved in corporate volunteering initiatives. See also pages 223-225.

During the year, Moncler identified new forms of volunteering to be carried out also remotely using digital technologies. Together with Francesca Rava Foundation, a remote schooling project was launched with the aim of best preparing young people for the workplace. As part of the course, a digital training activity was held on the Office package and support was provided in the writing of a curriculum vitae and in the simulation of a job interview.

With Legambiente a project was launched to raise awareness of the environmental impact of the dispersion of waste in nature. In the project, Moncler volunteers actively participated in the preservation campaign for parks and beaches, which were cleaned mainly from plastic materials or invasive plants.

Moreover, in 2021 Moncler invited its people to participate in the *Be Warm* project, created together with Officine Buone to provide Italian hospitals, and above all the Istituto Nazionale dei Tumori (National Cancer Institute) of Milan, with its artistic talent, encouraging employees to share their passion for art, painting, photography, digital art and music. The most creative works to be selected in 2022 will be part of a travelling exhibition in hospitals. In addition, selected singers and musicians will have the opportunity to perform in hospitals, offering moments of fun and relaxation to doctors and patients. This first pilot edition will be subsequently extended at global level.

Over the course of the year, the America Region and Japan also engaged in volunteering activities ranging from cleaning parks and beaches to food banks.

The APAC Region organised initiatives to protect the poorest in the society and the environment. In particular, in Hong Kong, Moncler employees participated in the Food Reduce Programme, offering their support in preparing meals for the less fortunate people.

In 2021, at global level, 305 employees participated in these programmes, for a total of over 2,600 volunteer hours.

COVID-19 EMERGENCY: MONCLER PROTECTING ITS PEOPLE

Since the beginning of the Covid-19 emergency, Moncler has made employees safety and protection an absolute priority, taking every step to minimise risks and provide a safe environment. Safety protocols, supervised by epidemiologists have been set up, and remote working methods have been arranged for both corporate and retail employees, always aligned and in compliance with government directives issued by the various countries.

A strict protocol has been defined for the return to the office in line with the most up-to-date scientific knowledge, designed to protect everyone's health. This included clear directives for managing common areas and individual spaces to ensure proper distancing, guiding behaviour and identifying the protective equipment to be worn according to the different risk exposures.

Surgical masks and disinfectants office kits are constantly provided at Moncler. In this regard, since the start of the Covid-19 pandemic, Moncler has produced approximately 1.8 million face masks, bearing the CE mark, and previously authorised by the Istituto Superiore di Sanità (Higher Health Institute), that have been provided to all employees and schools in the local communities in which the Company operates. See also pages 223-225.

Workspaces are disinfected several times a day and sanitised periodically. Body temperature is measured several times a day through thermal scanners at the entrances of Moncler offices. These measures were also extended to Stone Island's people.

In 2021 approximately 15,000 serological, rapid and molecular swab tests were carried out at Moncler and Stone Island to detect any positive cases of infection in Italy and Europe, while in the remaining regions screening was managed through public health. To ensure constant monitoring, swabs are repeated regularly. Moreover, thanks to the collaboration with the San Raffaele of Milan and Affidea, almost 230 employees based in Milan were able to sign up for and receive the seasonal flu vaccine. Given the importance of enabling people with pre-existing conditions or requiring medical advice to receive needed medical services even under the difficult conditions posed by the Covid-19, the agreement signed in 2020 with the San Donato Group – San Raffaele Hospital to provide telemedicine service for Italian employees and their families continued in 2021. It provides a simple and safe way to access remote/video consultation services, with more than 440 physicians and 43 excellent health care specialist categories at special rates, without having to travel physically to the hospital. Visits and tests were also offered at hospitals or pick-up points, in addition to home services.

Remote working continued during the year, particularly in the months characterised by an increase in the number of cases linked to Covid-19 variants, except for some teams and liaison officers authorised to work on site as their job required physical presence. In view of the different organisation of work in recent years, internal communication took on an increasingly important role for keeping people connected despite distance, promoting a positive climate, supporting the corporate culture and promoting a strong sense of belonging and motivation among individuals. In 2021 more than 190 communications were circulated to employees to inform and update them regularly on business decisions, initiatives and activities.

The private Instagram channel, created in 2020 and dedicated to all Italian employees, has been extended to all Regions. A rich and varied content plan, with livestreams covering relevant current topics, kept the engagement high. Health-related topics included briefing sessions on Covid vaccines, during which relevant scientific data and information were shared. Also the topics of the risks of smoking and e-cigarettes on the occasion of *World No Tobacco Day* and prevention and early detection of women's cancers for *Pink Week* were discussed.



The Group operates in an international and multicultural context and regards diversity as asset to be valued and a source of competitive advantage.

Welcoming everyone, valuing diversity and expressing ourselves always are core aspects of the corporate culture and crucial for its growth and way of doing business. The Group thrives in diversity and engages in dialogue with all generations and cultures, convinced that diversity is a resource, an opportunity for enrichment and an asset that makes companies stronger in global challenges. As stated in the Moncler and Stone Island Codes of Ethics and in keeping with an inclusive approach, no form of discrimination on the basis of ethnicity, skin colour, gender, sexual orientation, religion, nationality, age, political opinion, trade union affiliation, marital status, physical or mental disability, or any other condition or personal characteristic is tolerated. Respect for diversity and equal opportunities and the prevention of all types of discrimination are principles that the Group is committed to ensure at every step of the employment relationship, from the recruitment process to the definition of remuneration, to opportunities for professional growth, through to the conclusion of the employment relationship.

Since 2020, the commitment to strengthen the culture of inclusion and diversity, both within and outside the Group, has led to embark in a Diversity, Equity & Inclusion (DE&I) journey.

Roles and responsibilities for the Diversity, Equity and Inclusion Committee were defined in 2021. This body, chaired by the Chief Corporate Strategy & Communication Officer and sponsored by the Chairman and Chief Executive Officer, is made up of the organisation’s key personnel (Chief Brand Officer, Chief People & Organisation Officer, all presidents of the Regions and the Art Director of Stone Island) and pursues the mission of promoting inclusion and diversity in all forms. It reports to the Nomination and Remuneration Committee, with which it shares the strategy and the actions taken. The DE&I Committee aims to assess current internal policies and initiatives, defining a clear vision that, in line and synergy with the one of the business, will enable the Group to achieve outstanding levels in the field of DE&I, working on the areas of improvement, launching new initiatives and projects on diversity, monitoring and measuring constantly the progress made, with particular regard to the peculiarities of the communities where the Group operates.

The DE&I Committee relies on an operational working group that put the strategy into practice, implement the action plan and monitor specific indicators and objectives, ensuring an ongoing and constructive dialogue between the Committee and the Regions. Each Region has also established dedicated DE&I Councils, which are responsible for implementing the initiatives decided at Group level and also define others in line with local needs and culture.

In 2021 an analysis of the expectations of the company population was carried out through a series of one-to-one interviews with top management, focus groups in the Regions and an Inclusion Survey.

The Inclusion Survey, launched at Moncler globally, achieved a 70% response rate and identified clear strengths: people feel a strong sense of belonging to the Company and believe their work contributes to its success; there are strong bonds between people, who share goals in their work; and lastly, employees feel encouraged to be themselves in the workplace. Areas for improvement include the need to strengthen protective mechanisms and to increase opportunities for sharing by developing team-building and mentorship activities.

What has been done is part of a process of cultural and organisational change focused on three main areas: the launch of training and awareness-raising programmes to strengthen the culture of diversity, equity and inclusion, including through upskilling processes and inclusive leadership programmes; the formulation of company policies and procedures, as well as the enhancement of internal protective mechanisms; and the creation of meetings and sharing moments between colleagues in communities aimed at exchanging ideas and opinions.

In 2021, the unconscious bias course was launched to help participants understand and recognise stereotypes and prejudic-

es through practical exercises, to experience them on themselves and explore how they impact decisions. The course immediately involved the Group’s top management and executives from all the Regions. The programme will be extended to the entire company population in 2022.

Bringing together people with different educational backgrounds, experiences and socio-cultural heritage has always enabled the Group to rise to the challenges of an increasingly global and borderless market. As a reflection of this way of operating, at Italian corporate offices there are employees of 77 different nationalities. See also pages 101-104.

During the year Moncler joined UNHCR’s *Welcome* project to encourage the integration of refugees into the labour market, in the spirit of welcoming those who have been forced to leave their country as a result of wars, conflicts and persecution, valuing their skills and talent. Lastly, two initiatives launched in 2020 to promote diversity and inclusion, continued: the Future Academy, launched with The Face, and Girl Up, a global leadership development programme for girls and young women. The latter, established by the United Nations Foundation in 2010, encourages young women to become leaders in the movement of gender equality. With more than 4,000 Girl Up Clubs in over 120 countries and six different languages, it trains girls from diverse backgrounds.

FUTURE ACADEMY: THE INCUBATOR FOR CREATIVE MINDS

In 2020 Moncler began collaborating with the English magazine The Face to launch Future Academy, a programme offering paid training opportunities to young people who want to join the creative industry, enabling them to acquire new skills and building a series of valuable contacts for their future.

The search for candidates began in 2020 with Create Jobs, focusing on under- represented backgrounds with a view to inclusivity. The selection process involved trainees from under-represented categories in the creative industry, such as people of colour, Asian and ethnic minorities, from the LGBTQI+ community, with disabilities or from underprivileged socio-economic backgrounds. The research, closed in 2021, resulted in the selection of two talented young people who took part in the programme. After working on an editorial project for the magazine, they were hired to work full-time at The Face’s London office.

In addition, Future Academy involves around 50 young people from underrepresented backgrounds, providing free access to online masterclasses and virtual mentorship activities created by The Face and its network of creatives, to which Moncler has contributed through dedicated courses.

The Group recognises the importance of maintaining and promoting human rights and respecting workers’ rights, in line with the principles set out in the Moncler and Stone Island Codes of Ethics, and therefore is committed to communicate transparently how it investigates and resolves all cases of alleged discrimination that emerge.

Awareness of the value and opportunities arising from cultural differences is also reflected in the Group’s complete trust in local personnel and management. See also page 96.

With regard to gender differences, the percentage of women on the total workforce is predominant. Women represent 70% of total employees, in line with 2020.

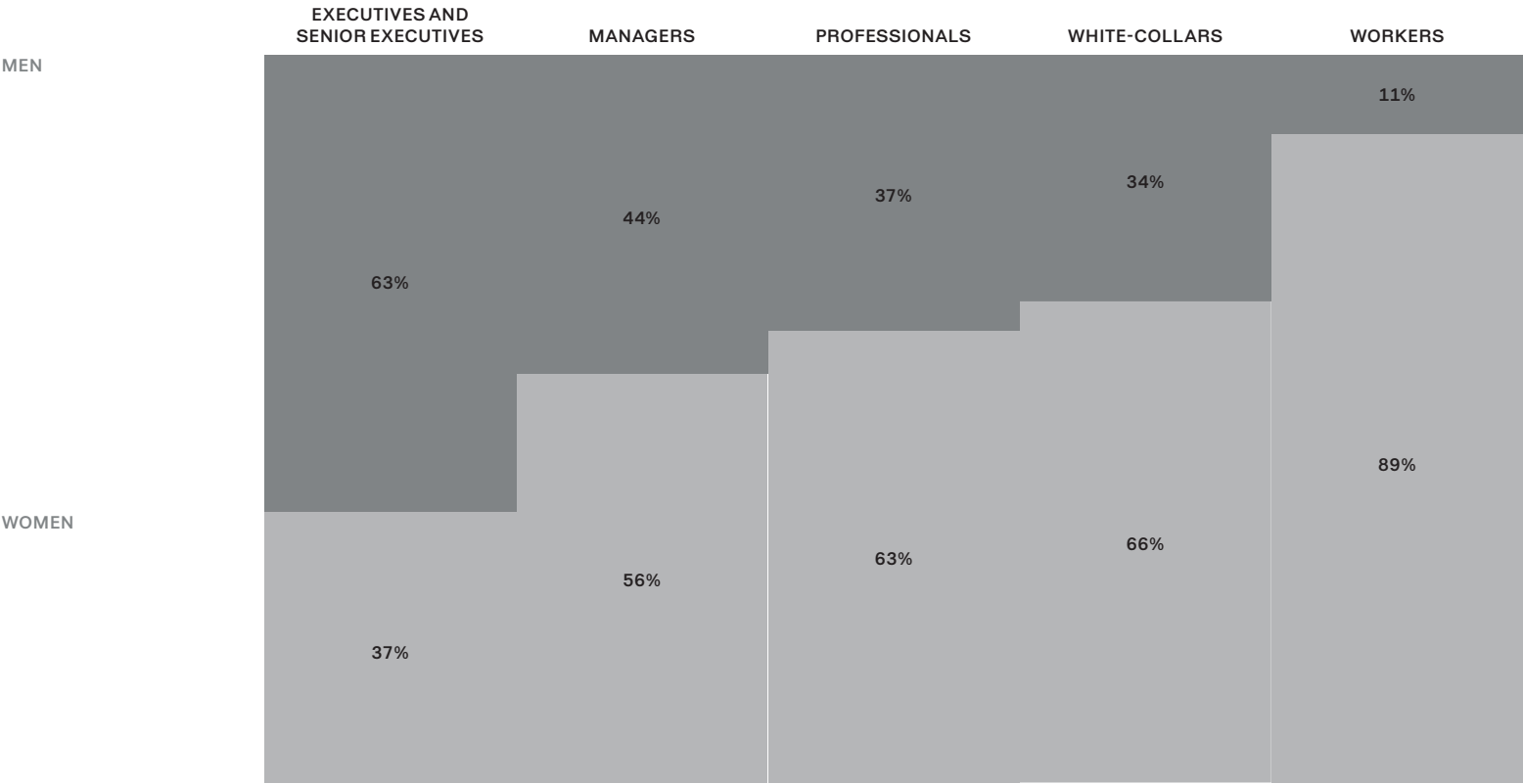
The percentage of women is high across all geographical areas and at managerial level (managers, executives and senior executives) it is equal to 52%.

Women account for 71% of the workforce with permanent contract and 63% of the temporary employees. 70% of contracts converted into permanent contracts in 2021 were for women.

The incidence of women with permanent and full-time contracts out of the total permanent population remained high in 2021 (66%).

Analysing the gender breakdown in terms of length of service, age group and level of education, there are no differences compared with the overall trend. See also pages 240-243.

EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER



The Moncler Group is committed to offering a fair level of compensation that reflects each individual’s level of competence, skills and professional experience, ensuring the application of the principle of equal opportunity and avoiding the risk of discretion. Excluding managers, where, on average, women’s pay levels are higher than men’s, the differences in men’s and women’s salary levels range between 5% and 12%. See also page 243.

The company, has long been committed to include people with disabilities. The Moncler Group manages diversity in accordance with the rules and practices laid down by applicable laws and encourages the various company departments to employ disabled people. Each case is assessed so as to respect and reconcile the needs and abilities of each individual, providing the correct workstations and, where necessary, adapting working hours. By doing so, people are protected and empowered to give their best.

At 31 December 2021 in Italy, Romania, France, Japan and South Korea there were 74 employees with disabilities, an increase of 32% compared to 2020. In the coming years, the Group will continue to plan to recruit additional people with varying degrees of disability, including through collaboration with institutions focused on targeted job placement.

MONCLER GRENOBLE - GENDER-NEUTRAL CAPSULE

To break down gender stereotypes, Moncler Grenoble opened the snow season with the launch of a capsule of versatile and gender-neutral garments that revolve around a monochrome palette with pop-colour details. This collection was made available on Moncler.com, Mytheresa.com and exclusively in the Moncler stores of Harbin Charter, Shenyang Mixc, Beijing Sanlitun, Beijing China World, Shanghai Reel, Chengdu Swire (Tkl), Hong Kong Canton Road, Hangzhou Eurostreet and Qingdao Hisense Plaza.

MONCLER IN SUPPORT OF FREE THE WORK

During 2021, Moncler supported the non-profit organisation FREE THE WORK on behalf of The Film Path, through a charity auction of works by three contemporary artists, Andrea Anastasio, Prem Sahib and Erwin Wurm, in collaboration with Sergio Zambon, creative director of Moncler Menswear.

FREE THE WORK aims to promote and support the topics of equity, inclusion and empowerment through the inclusion of BIPOC (Black, Indigenous, and People of Colour) and transgender people in film, advertising and television programme production staffs.

#TOGETHERFORTOMORROW

In 2021 Moncler supported the *#Togetherfortomorrow* project, a new solidarity initiative promoted by Camera Nazionale della Moda Italiana (National Chamber of Italian Fashion) and Camera Moda Fashion Trust as part of the “Italia we are with you” project.

The project was aimed at supporting the new generation of emerging designers during the career orientation phase, emerging brands and small fashion companies in coping with the challenges generated by the expansion of the Covid-19 pandemic.

Moncler supported the project by donating 50,000 euros to Fashion Trust and enabling three emerging designers to create their own collections. Young designers were chosen by Moncler based on Fashion Trust’s proposals, with a focus on the values of diversity and inclusion.

The project was announced with the launch of *House Of Genius* in November 2021. All *Moncler House of Genius* packaging has a QR-code tag that redirects to heroe5.org to enable the client to learn more and support the project through a direct donation.

The Moncler Group considers the promotion of health and safety as a key priority in doing business in order to protect employees, clients, contractors and anyone who enters its sphere of influence.

The Moncler Group operates in full compliance with the specific regulations applicable in the countries in which it operates, with an approach aimed at continuous improvement.

At the Moncler and Stone Island headquarters, a team of specialised personnel (Health and Safety Staff) is responsible for ensuring workplaces that are safe and compliant with applicable legislation at the global level, setting occupational health and safety guidelines, coordinating monitoring efforts and, where necessary, improving safety conditions, supervising the activities of designers and architects and maintaining relations with the safety representatives of Italian workers.

Every employee plays a key role. Spreading a culture of safety and individual responsibility, as well as creating risk awareness, are indeed pivotal to maintain a safe working environment.

A great attention is also paid to the safety of workers and contractors who carry out work at Group sites. In Italy, all business relations with contractors require the signing of a document attesting the assessment of risks associated with conducting business at the company (interference risks) and the enforcement of strict prevention measures in any activity involving risks.

MANAGEMENT SYSTEM

Among the initiatives developed by the two Group Brands for the protection and promotion of health and safety in the workplace there is the implementation and application of an effective management system in compliance with the highest health and safety standards. The Moncler Group’s commitment is clearly detailed in the Occupational Health and Safety Management Policy, which was distributed to all employees. The Policy sets out the principles and guidelines to be applied in all areas of activity and includes:

- a dynamic and preventive evaluation of activities, in order to eliminate risks at roots and, where this is not possible, to reduce them according to the best available techniques
- continuous improvement in all activities that may have an impact on safety
- enhancement of knowledge, competence and awareness of all employees through targeted training and practices.

In 2021, Moncler obtained the renewal of ISO 45001 certification at global level in all offices, directly managed stores, logistics hub and the production site in Romania. During the year, Stone Island also undertook a series of activities and improvement projects to obtain ISO 45001 certification, which it achieved for all offices and stores in Italy, and with the aim of having all offices and stores worldwide certified by 2022.

FROM PREVENTION TO CONTROL

The Moncler Group devotes considerable attention and energy to the management of occupational health and safety to limit accidents as much as possible.

Although there are no high-risk activities, the Group adopts a preventive approach. Before the opening of any new workplace, whether an office or a store, a careful occupation health and safety risk assessment is carried out through specific inspections conducted with the support of specialised experts. Existing offices and stores are subjected to various periodic compliance checks, through documentary analysis and inspections (verification of working environments and equipment). If necessary, an improvement plan is formulated.

During 2021, occupational health and safety inspections continued at both Moncler and Stone Island corporate offices in Italy, at the logistics hub in Castel San Giovanni (Piacenza) and at the production site in Romania. These inspections were carried out both by internal and external personnel and were required for obtaining Health and Safety certification according to the new ISO 45001 standard.

All Moncler Group employees and the service providers most exposed to workplace safety risk, such as security, cleaning, portorage and maintenance companies, are covered by the company health and safety management system that involve auditing

activities carried out by internal inspectors and external bodies.

In Italy, the Group organises periodic safety meetings, in which representatives of the two Brands participate, alongside with the company physicians, the officers of the prevention and protection service and workers’ safety representatives. During the meetings, analyses and results on risk assessment, accident rate, training and the personal protective equipment are shared.

In 2021 careful management of workspaces, ongoing communication and awareness-raising activities focused on prevention and on the monitoring of the correct application of improvement initiatives, contributed to limit the number of accidents in the workplace, for both its own employees and those of the cooperative that manages the logistics hub in Castel San Giovanni (Piacenza).

In 2021 Moncler continued to monitor the employee accident rate of the cooperative which manages the logistics hub in Castel San Giovanni (Piacenza), that in 2020 received SA8000 certification, recording a workplace severity rate of 0.23 in 2019, 0.15 in 2020 and 0.27 in 2021¹¹ and a workplace frequency rate of 11.48 in 2019, 9.17 in 2020 and 8.41 in 2021. In addition, monitoring was extended to other service providers deemed to be most exposed to safety risk for whom no accident was recorded. This result led to a total frequency ratio for all monitored suppliers of 9.26 in 2019, 7.78 in 2020 and 5.90 in 2021, with a reduction of 24% compared to 2020.

No fatal accidents were recorded, either among employees or contractors.

WORKPLACE ACCIDENT INDICATORS

	Moncler Group			Moncler Brand			2020			2019		
	2021			2021			Total	Men	Women	Total	Men	Women
Incidence rate ¹²	2.84	1.86	3.26	2.87	1.41	3.47	1.82	1.64	1.89	3.06	4.57	2.46
Severity rate ¹³	0.06	0.04	0.07	0.07	0.05	0.08	0.02	0.03	0.02	0.03	0.04	0.02
Frequency rate ¹⁴	1.79	1.22	2.03	1.79	0.91	2.14	1.07	0.95	1.11	1.90	2.87	1.51

Occupational diseases, namely diseases caused by a gradual and progressive harmful effect on the worker’s body, with a direct causal relationship with the work performed, are monitored by the Group in order to identify the conditions of working environments that may have contributed to their onset, check for any residual risks and take the necessary corrective actions, in order to prevent their recurrence.

In addition, in Italy, personnel exposed to specific risk factors continued to undergo periodic health checks in application of specific health protocols, defined on the basis of risk and with supplementary specialist visits as needed.

All accident indicators are constantly monitored and assessed. See also pages 245-246.

Moncler and Stone Island take an inclusive approach to employee wellbeing, focusing attention on work-related stress issues. In 2021 Moncler renewed its assessment of work-related stress at corporate offices in Milan: for all offices, the results of this assessment showed a low risk. Despite the “low” risk obtained, in 2022 the Company will continue to implement a series of actions aimed at implementing a process of continuous improvement: the stress assessment was used as a basis for the planning and implementation of organisational or management measures aimed at preventing or minimising stress-related harm to workers’ health.

This assessment was also carried out at Moncler the production facility in Romania and at the Stone Island offices in Milan and Ravarino (Modena), which also resulted to have a “low” risk level.

TRAINING AND INFORMATION

Training of people is part of the prevention activity promoted by the Moncler Group.

During 2021 approximately 23,500 hours of health and safety training were delivered. Specific training courses, dedicated and customised on the basis of the different professional roles and risk levels, were launched in order to transfer knowledge, skills and values appropriate to “working safely”.

11 Considering both commuting to/from work and workplace accidents, the severity rate was 0.91 in 2019, 0.93 in 2020 and 0.50 in 2021.

12 Incidence rate: (number of workplace accidents/total number of employees) x 1,000.

13 Severity rate: (number of days lost due to workplace accidents/total number of hours worked) x 1,000.

14 Frequency rate: (number of accidents/total number of hours worked) x 1,000,000.

The majority of employees attended general workplace safety training programme in compliance with the law. For those at the company who occupy positions of responsibility and coordination, additional training has been provided, to improve monitoring and ensure that worker’s behaviours are in line with the law and company regulations on occupational health and safety.

As the Covid-19 health emergency continued, in 2021 the COVID-19 Online Training course also continued to be provided to the entire corporate population in Italy to inform and train employees on the health and safety measures described in the Anti-Covid Protocol formulated by Moncler and also adopted in 2021 by Stone Island.

In addition, a health and safety course with specific content for store employees continued to be provided to all Group stores subject to certification.

HEALTH AND WELLBEING

The Moncler Group’s commitment to the promotion and protection of the health of its employees extends beyond the limits of its business activities and occupational risks. This is the meaning and purpose of the various initiatives on training and prevention information organised during the year. With this regard, the awareness-raising meetings held in collaboration with the Umberto Veronesi Foundation were resumed in 2021. In particular, in occasion of the *World No Tobacco Day* in May, employees were invited to participate in a livestream on the private Instagram channel *monclertogether*. The livestream, held by a science communicator of the Umberto Veronesi Foundation and moderated by a Moncler employee, was aimed at raising awareness of smoking-related health risks with insights on e-cigarettes and useful tips to try to quit smoking. In September employees were invited to watch another livestream on Moncler’s private Instagram channel held by the Director of the Epidemiological Unit at the Biomedical University Campus in Rome to share relevant scientific data and information related to Covid vaccines and answer all questions on the subject.

In addition to these efforts and the measures taken since the beginning of the Covid-19 emergency, the Moncler Group is committed to establishing agreements with local clinics to ensure that employees have access to the best medical centres at the most advantageous rates. In addition, the Group is member of a supplementary healthcare fund for workers in the Italian fashion industry, which provides services supplementary to those of Italy’s National Health System. During the year, 931 employees signed up with the Fund. See also page 109.

In 2021, the traditional company welfare initiatives resumed at the production facility in Romania. Moncler has always put in place various activities to promote the health and well-being of employees in Romania: from offering annual blood tests directly on site, to conducting free eye tests, to helping to purchase glasses. The evaluation on the workstations ergonomics in the ironing department, required to formulate improvement plans to reduce staff fatigue and maximise productivity, was extended to the sewing department during the year. Lastly, new LED lighting systems, which are more environmentally efficient and contribute to improve working conditions, continued to be installed.

Another issue that Moncler and Stone Island regularly monitor is noise in workplaces, which can cause a number of health problems for workers. In particular, at all corporate offices and the production site in Romania, noise measurements are carried out annually to check compliance with the permitted limits in each area.

Air quality, temperature and humidity can also cause uncomfortable situations in the workplace, affecting both physical health and the psychological wellbeing of workers. Specifically, the Moncler Group, in order to ensure proper workplace ventilation at the corporate offices in Trebaseleghe and in Romania as well as at the Stone Island office in Ravarino (Modena), where there are various micro-climates due to different processing phases, continued to carry out efficiency upgrades projects by installing latest-generation ventilation systems, which are periodically checked. In addition, at the logistics hub in Castel San Giovanni (Piacenza), two temperature monitoring systems were installed in 2018 to check internal heat levels and assess its adequacy, in re-

lation to the specific activities carried out and in function of the external temperatures. In 2021 several areas of the production facility in Romania have been equipped with evacuation systems.

MONCLER AND ITS NEW HEADQUARTERS: EXPERIENCE, WELLBEING AND SUSTAINABILITY AT THE CORE

In 2021 Moncler, in collaboration with Covivio, announced the construction of a building that, from the end of 2024, will host its new headquarters.

The structure will bring together, in a building of 38,000 m², the Milan-based employees of the Moncler brand, with the aim of reshaping the employees’ working experience. At the new headquarter flexible working conditions will continue to be offered but with the goal of creating a place where energy, wellbeing, and attention to the environment are at the heart of everything.

Some key elements of the new headquarters will be: experience, wellbeing and sustainability.

The working areas will be conceived according to the new ways of working, adapting to the individual and company new needs, and moving from traditional spaces to hybrid and aggregative environments.

The interior spaces will be designed to accommodate heterogeneous and inclusive working groups, and to encourage transversal collaboration, as well as propose widespread common areas to facilitate socialisation and creativity. The environments will be open and the furniture inspired by a family-like atmosphere.

The building will be designed according to the highest standards of environmental sustainability and wellbeing, considering aspects such as indoor air quality, thermal comfort, natural light, preferring the use of natural and recyclable materials with low environmental impact, as well as highly energy-efficient systems, such as solar panels, to limit consumption and therefore emissions. In addition, it will be certified according to WELL and LEED standards.

3.5 INDUSTRIAL RELATIONS

The Moncler Group acknowledges and respects the right of its employees to be represented by trade unions and maintains relations with these representatives based on mutual recognition, dialogue and cooperation.

Trade union relations and negotiations are managed according to the highest principles of transparency and integrity and in strict compliance with applicable laws.

All employees in Italy, Romania, France, Belgium, Austria, Netherlands, Spain, Brazil and Russia, accounting for more than 57% of the global workforce, are covered by collective bargaining agreements.

The Moncler Group bases its policy of industrial relations on constructive dialogue, which aims at involving employee representatives and maintaining a good working environment. The search for shared solutions translates into a total absence of conflict.

Due to the collaborative environment established over the years, in 2021, no strikes or trade union protests by workers employed by Group companies were registered. Moreover, there were no reported cases in which the freedoms of association and collective bargaining were violated or found to be at risk.

During 2021 Moncler continued to hold periodic meetings with trade union representatives, mainly concerning the management of the Covid-19 pandemic, as well as the health, organisational, procedural and training measures that the Company has implemented. Moreover, after a thorough and constructive discussion, the second-level supplementary agreement was revised and renewed, introducing significant benefits in support of par-

ents, individuals, complementary pension and welfare. At Stone Island these issues will be deepened starting in 2022, when meetings will be launched to define the new supplementary plan in line with the principles adopted by Moncler.

The Group is aware that some strategic decisions may have repercussions on its employees and, in this regard, in case of significant organisational changes (e.g. reorganisation processes or other significant interventions), it has always implemented all procedures for prior information and consultation of employees provided for by law, and pledges to continue to do so also in the future.

THE NEW MONCLER SUPPLEMENTARY COMPANY PLAN

Protection, wellbeing and listening to people are key to Moncler. For this reason, in collaboration with trade unions, in 2021 major new benefits were introduced to the supplementary agreement for Italian employees.

Support for parents

Moncler’s support for parents includes a range of opportunities for new parents to help take care of their children and facilitate the return from leave. These opportunities include, for the first three years from the birth of a child, accepting requests for part-time work by new mothers and extending this working solution to fathers in specific cases, greater time flexibility in and out and systematic acceptance of requests for remote working up to a maximum of four days a week. Moreover, it also includes additional paid leave for paediatric care, day hospitals, vaccines or the children’s illness, greater flexibility in the use of optional maternity leave with the possibility of splitting parental leave and extending the paternity leave, also available in case of adoption.

Support for people

Moncler’s initiatives to support people include care systems in cases of serious illness, specialist visits, mourning and volunteering activities. Support to people involves offering additional paid leave for medical visits, extending the grace period for particularly serious cases with an extension of the job retention period to a total of 24 months, additional paid leave for family bereavement, support for serious illnesses and the inclusion of two days’ paid leave for volunteering activities.

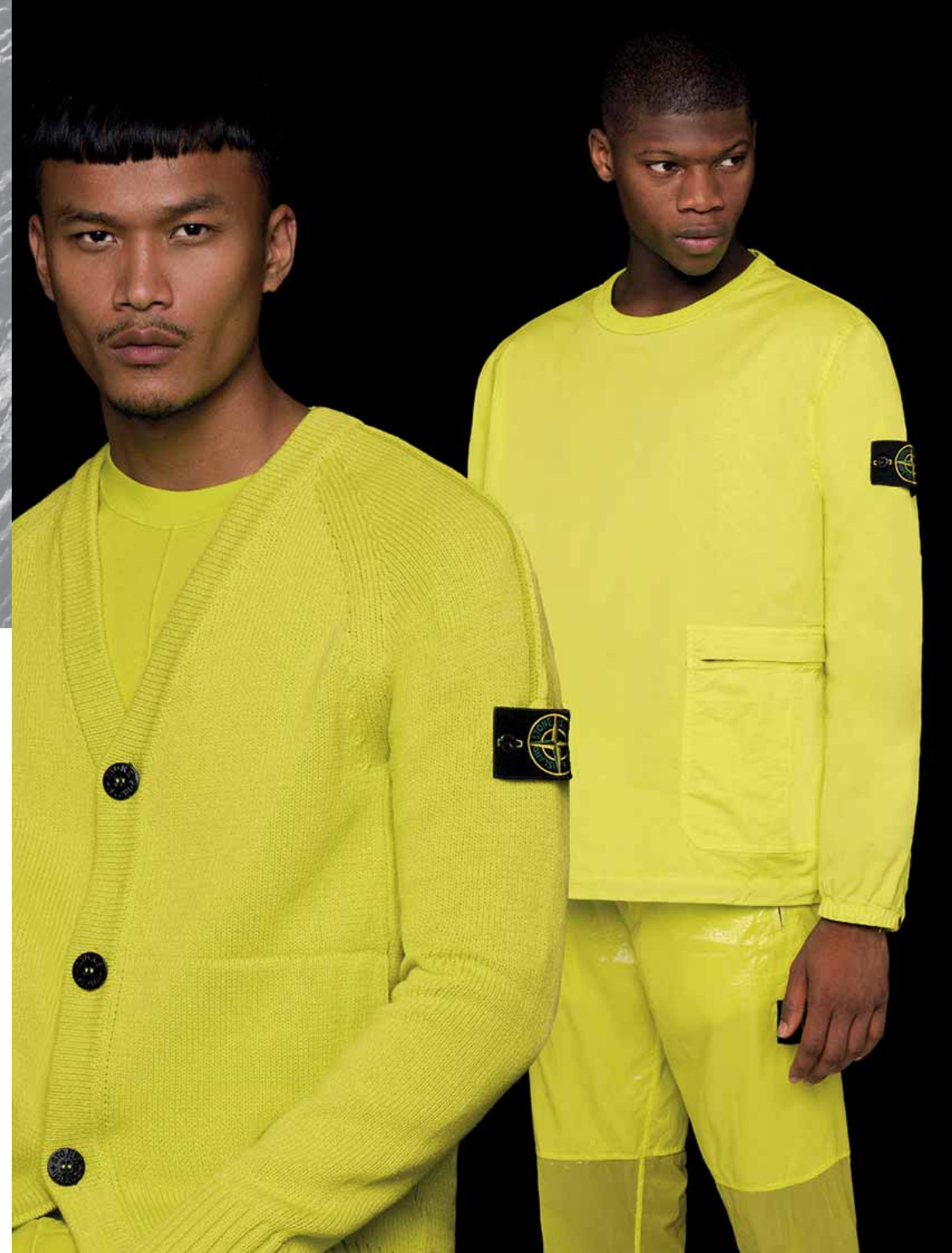
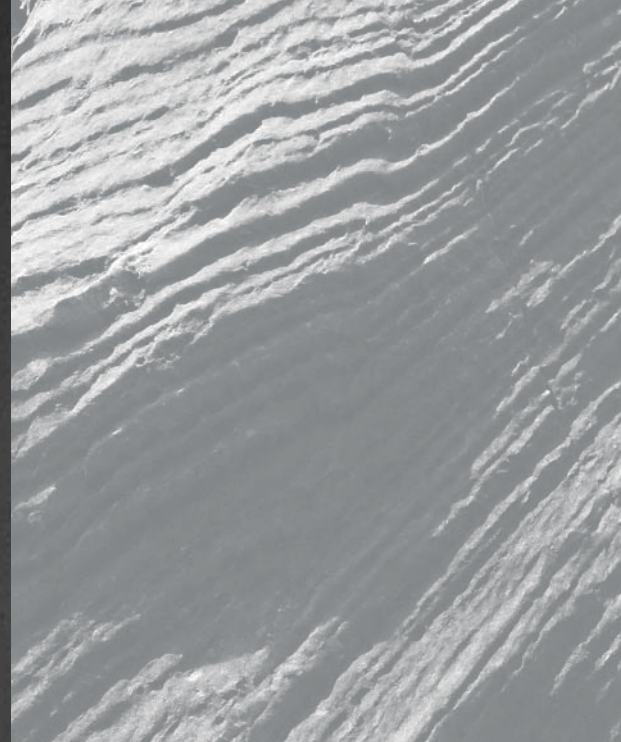
Complementary pensions and welfare

Furthermore, Moncler has increased the contributions borne to the complementary pension by the Company and simultaneously and has changed the method for calculating the annual welfare contribution to include two sustainability indicators, in addition to financial indicators.

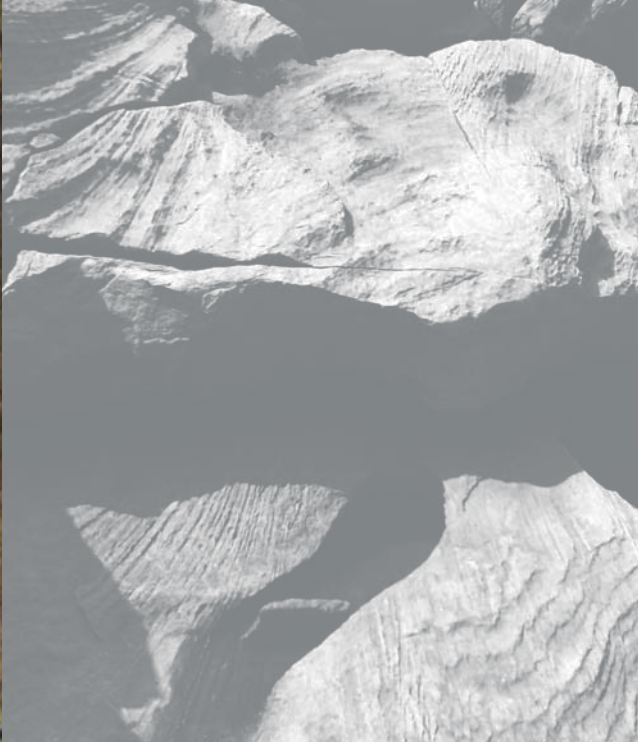
The principles of the supplementary plan (including support for parents, for people and complementary pensions) will also be extended to the other regions where the Group operates and to Stone Island.

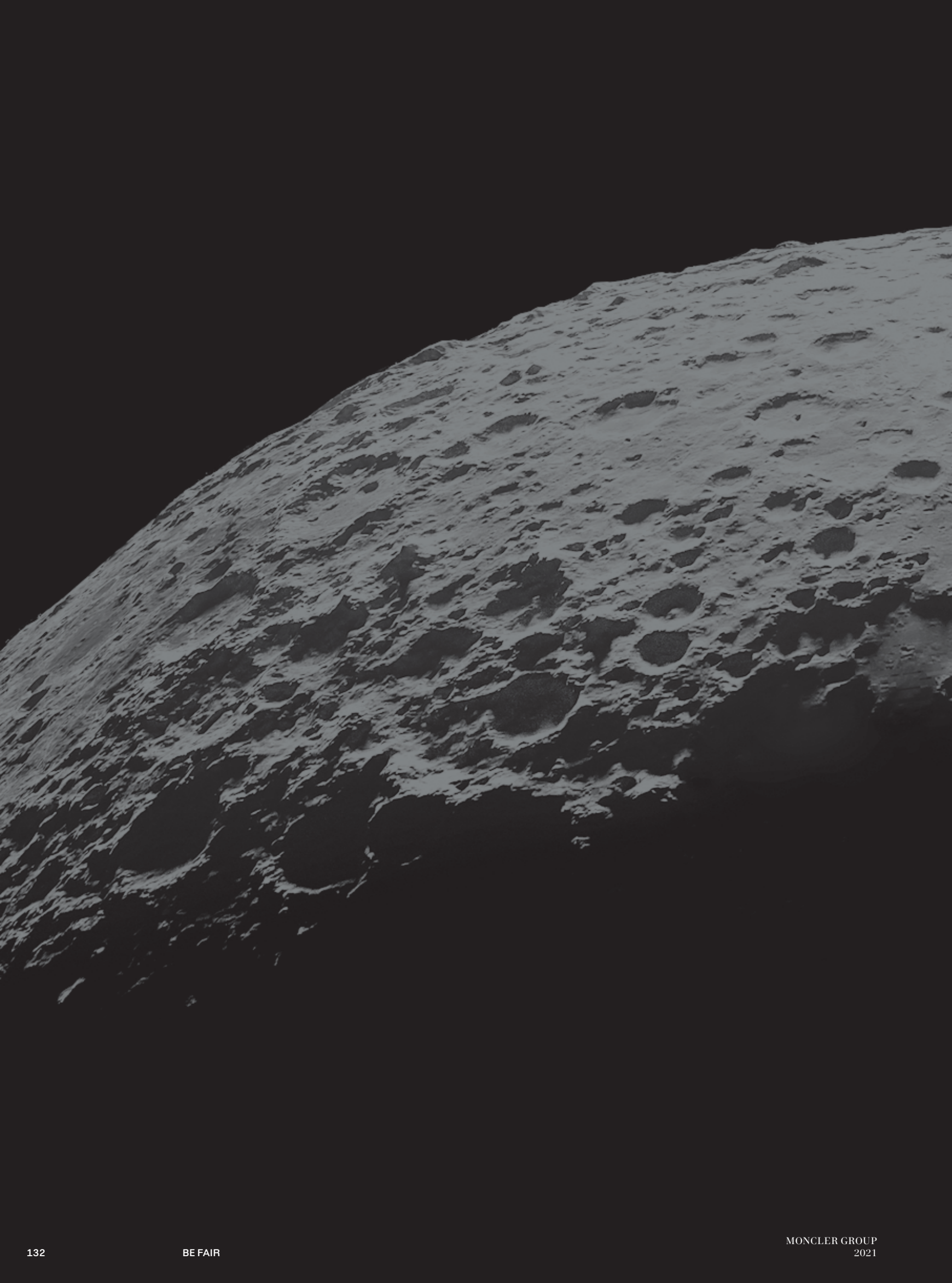








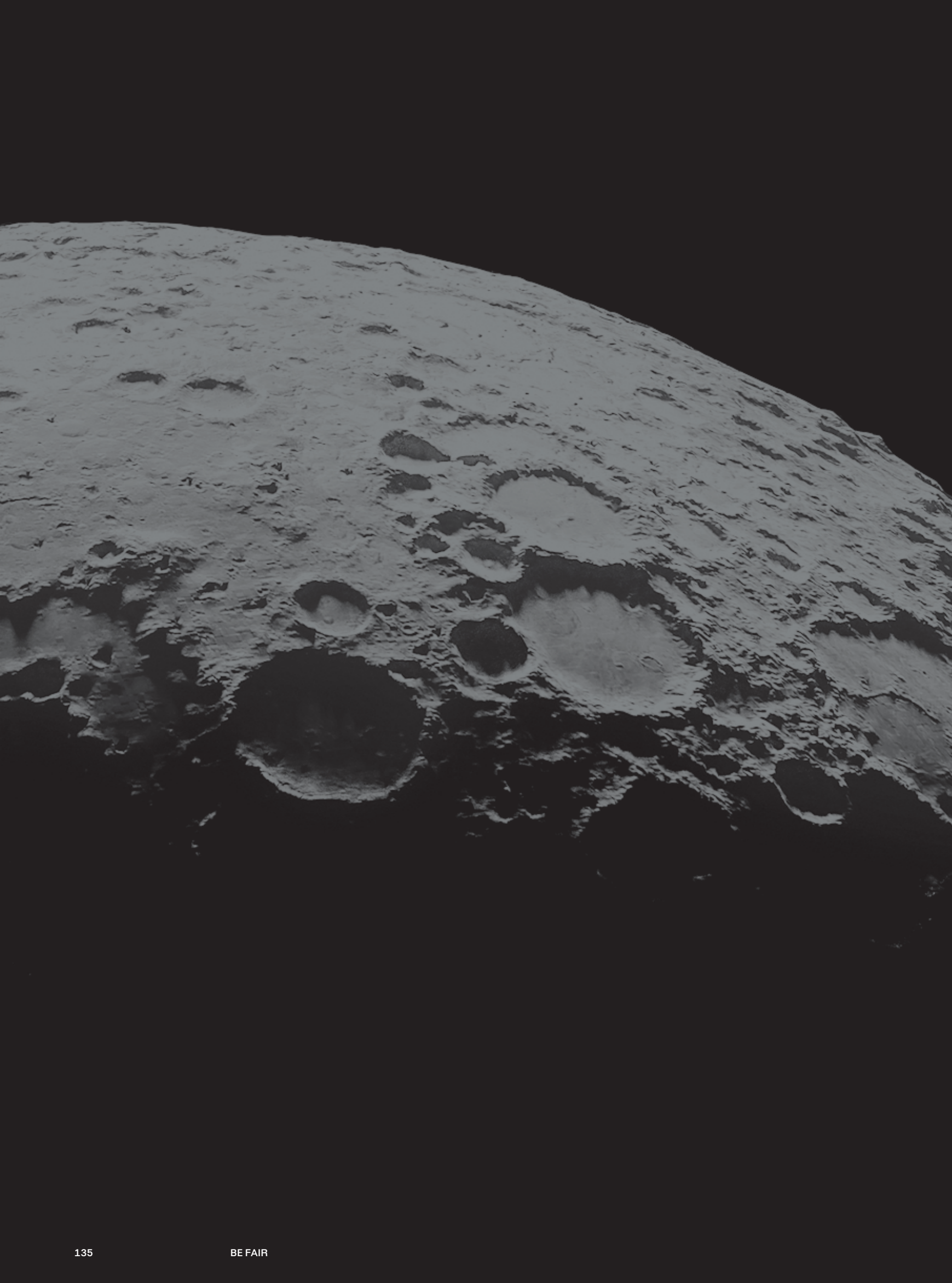




BE FAIR

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RESPONSIBILITY AND TRANSPARENCY IN BUSINESS DECISIONS AND IN RELATIONSHIPS, ESPECIALLY WITH SUPPLIERS AND CLIENTS, ARE FUNDAMENTAL VALUES TO CONTINUE BUILDING LONG-TERM RELATIONSHIPS BASED ON TRUST AND AUTHENTICITY. AWARE OF THE FACT THAT A QUALITY PRODUCT IS A PRODUCT MADE WITH CARE FOR HEALTH AND SAFETY, RESPECT FOR HUMAN AND LABOUR RIGHTS, THE ENVIRONMENT AND ANIMAL WELFARE, THE GROUP IS ALSO COMMITTED TO ACT WITH TRANSPARENCY AND AUTHENTICITY IN THE RELATIONSHIPS WITH ITS CLIENTS THROUGH A DIRECT AND ONGOING DIALOGUE ACROSS ALL CONTACT CHANNELS.

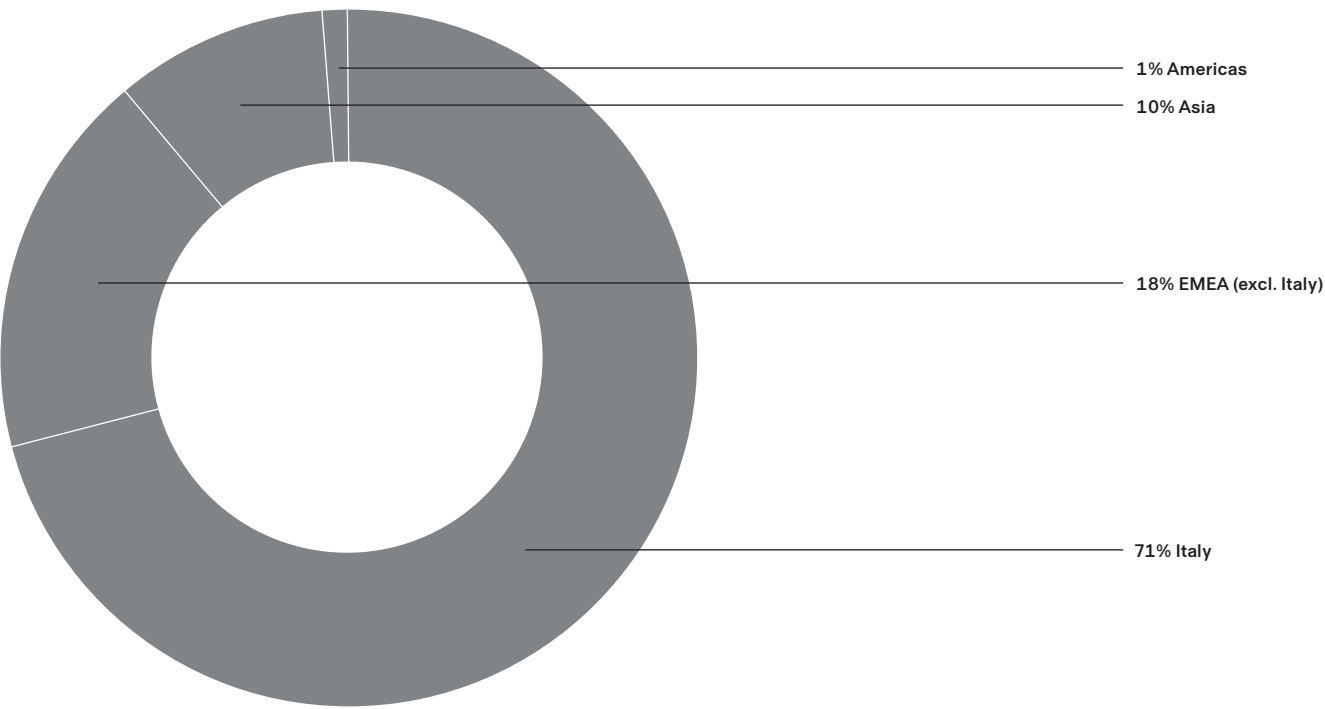


A quality product is the result of shared standards, cooperation, joint efforts, stable and trust-based relationships with all partners in the supply chain. The Group believes in the importance of developing increasingly closer and profitable synergies and collaborations with those who not only guarantee reliability in production performance, but also share the company’s values and expectations in terms of ethical, environmental and social standards.

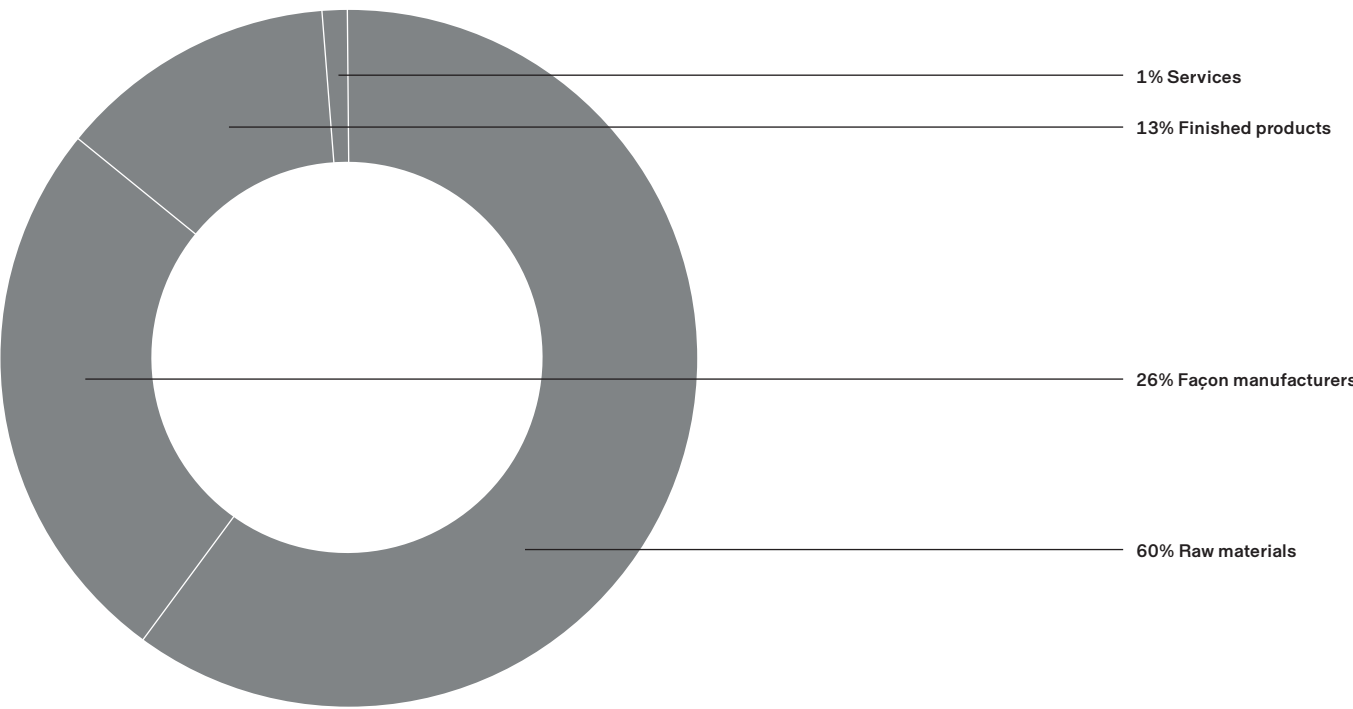
A total of 667¹ suppliers are involved in the manufacturing of Moncler and Stone Island products. They are divided into four macro-categories: raw materials, façon manufacturers, finished products and services.

- Raw material suppliers mainly provide fabrics, yarns, down, leather and production accessories (buttons, zippers, ribbons, elastics, etc.). Fabrics are mainly sourced from Italy, Japan, Korea, China and France. Suppliers of yarn and production accessories are mainly Italian, while the down suppliers are mainly European, North American and Asian.
- Façon manufacturers are suppliers with strong technical skills to which the Group entrusts the production of finished products or intermediate production phases (dyeing, embroidery, etc.), providing them with all the necessary raw materials. In particular, from 2021, within this category also the dye houses that perform garment-dyeing to which Stone Island directly entrusts this process in Italy have been included. The entire production process is carefully monitored by Group experts who verify compliance with the required standards through a rigorous methodology and regular on-site inspections. In particular, through this process outerwear, trousers, skirts, dresses, all tricot knitwear and some cut-and-sew knitwear are produced. Façon manufacturers are mainly located in Italy and Eastern Europe, areas where long manufacturing tradition guarantees very strong technical expertise and adequate production capacity. In particular, Italy is characterised by a strong expertise in very complex and unusual processes.
- Finished products suppliers are those who, having received the technical design of the products, are responsible for the realisation of the garment, including the raw materials sourcing phase, according to the Group standards; in addition, Moncler directly provides its finished products suppliers with some strategic raw materials such as down, nylon and, of course, logoed materials. During garment production there is constant interaction between the supplier and the Group experts, who make on-site visits and scrupulously supervise the process, to ensure that the final product meets the expected high level of quality. Some cut-and-sew knitwear (mainly t-shirts and polo shirts), some soft accessories (such as hats and gloves), shoes and bags, and small leather goods are mainly produced in this way. In particular, suppliers of cut-and-sew knitwear are based in Europe and Turkey while suppliers of soft accessories are mainly Turkish and Italian with a high degree of specific skills; shoes, bags and small leather goods are realised by European suppliers, most of them Italian.
- Service providers support the Moncler Group in its pattern making, prototyping and quality control processes and are mainly based near its corporate sites.

SUPPLIERS BY GEOGRAPHICAL AREA²



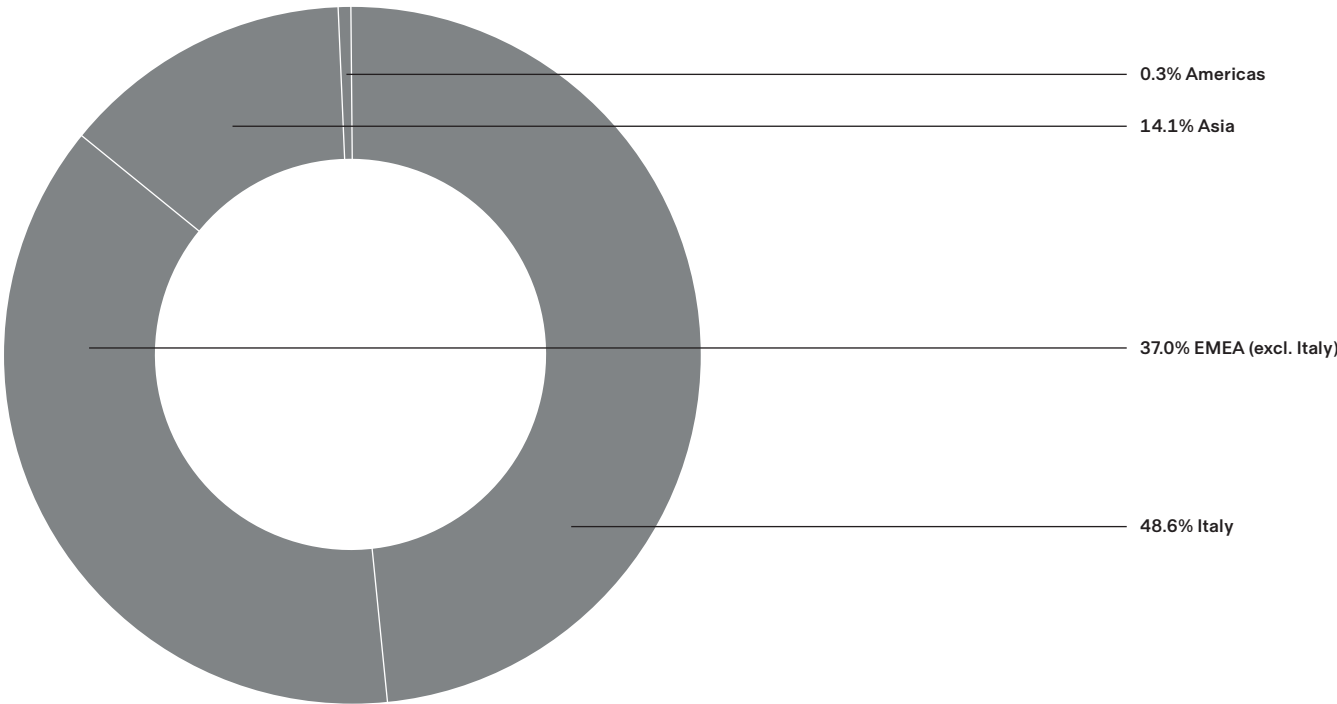
SUPPLIERS BY TYPE³



1 Excluding suppliers with sales order of less than 1,000 euros per year.

2 For façon manufacturers and finished product suppliers, the geographic location is the country the product was ‘made in’; for service and raw material suppliers, it is the country where the supplier’s head office is registered.
3 Percentages calculated based on the total number of suppliers.

ORDER VALUES BY GEOGRAPHICAL AREA



Where possible, the Group employs local suppliers located near its main sites to benefit from logistical advantages, generate income and create employment opportunities in the communities where the Group operates. The majority of suppliers (89%) are based² in the EMEA Region, primarily in Italy.

The Group distributes its purchasing expenditure, so as to avoid situations of dependence on its suppliers that could represent a risk for the business. With regard to concentration, the top 40 suppliers account for 50% of the value of orders. The Group is careful to promptly identify critical situations that could cause potential supply disruptions and mitigate the related risk.

In light of the integration of the Stone Island brand, in 2021 the Group further refined its supply chain management strategy to launch a series of actions and initiatives involving critical suppliers assessed using a risk-based approach according to specific sustainability parameters, including: the potential risk relating to human rights in the country where they operate, the type of good or service provided, with particular attention to raw materials of animal origin and to the importance for the business, the presence of subcontractors, in addition to business evaluation criteria linked to quality, delivery times, the economic size of the orders commissioned, the financial dependence of the supplier and any difficulty in replacing the supplier in a short time frame.

SUPPLY CHAIN EXCELLENCE

For several years, Moncler has been implementing its Supply Chain Excellence programme. It aims at bringing the supply chain to a level of excellence by developing the operational and industrial area according to an advanced model functional to cope with the constant changes of the market.

People and their contributions are the cornerstones of the entire programme. All company departments are involved in the work groups. The critical factors of today and those needed for the future have been analysed, and specific projects were therefore launched. All the projects share the aim of achieving operational excellence in terms of quality, time to market, sustainability, reliability, flexibility and efficiency.

Among the main initiatives implemented in 2021 there are:

- Collection Excellence: the Product Lifecycle Management (PLM) platform was extended to all product lines and categories. All information relating to the development of the collections is now in a single environment shared with all the relevant departments making the process more collaborative and efficient. This project will continue in 2022 with

- further developments and improvements, involving the re-design of workflows and the integration of the various company management systems.
- Supply Chain Collaboration: this project is aimed at creating a new collaboration platform that will give Moncler a higher visibility and control over all production phases with consequent advantages in terms of reactivity and operational flexibility. Though the project has been slowed down in recent years due to the Covid-19 pandemic, it was resumed in late 2021 and will become fully operational during 2022. The new platform will be shared with façon manufacturers, who will feature special applications that will allow to communicate in real time with Moncler, thereby improving the management of raw material warehouses, production planning, and inbound logistics.
- Approach to continuous improvement: in line with the objective of constantly improving the *Supply Chain & Operation* processes, the management team regularly meets to monitor and assess operating performances.
- Continuous improvement of garment quality: the process path aimed at strengthening internal technical skills continued to ensure constant oversight of the design, industrialisation, pre-production and production phases, whether performed internally or at suppliers’ premises. This approach will continue over the coming year, increasingly focusing on the quality of upstream processes thus contributing to reduce possible finished products defects.
- Continuous improvement of the quality of raw materials: in line with the attention posed on the quality of the garments produced, the improvement process focused on the quality of raw materials also continued. The objective of the project is to promptly identify any qualitative issue and defect in order to reduce the risk of non-compliance and improve the overall level of service of the supply chain. The activity, initially focused on the yarn and knitwear division, will be extended in 2022.
- Transportation traceability: a project has been launched to track shipments accurately, from raw materials to distribution of the finished product, providing timely information on their progress at the various phases. In this regard, an ad hoc report will be made available during 2022.
- Moncler by Me: during 2021 a new project called “Moncler by Me” was launched to offer clients the opportunity to create and purchase a customised jacket. The project, launched at the Paris Champs-Élysées store in September 2021, will also be extended to other stores and to the e-commerce channel over the upcoming years. To support this service, Moncler has dedicated a production process and a department of its production site in Romania to the creation of customised garments, where the best technologies and expertise are applied to ensure the quality of the processing. See also page 149.
- 3D Project: from 2018, Moncler has started integrating 3D technology into the product development process. The digital design minimises the need for physical samples, leading to the reduction of waste, of development times and of production costs for prototypes. This makes it possible to digitally adjust the fit and find the correct proportion for each size, and to assess the performance of the fabrics, colours and patterns. On average, starting from 100 virtual garments it is then proceed with the actual prototyping of 30% of them.
- Zero Waste Project: in 2021, all the obsolete materials (fabrics, components, etc.) present at the main Moncler warehouse, have been classified and assessed. This activity allowed to have a precise vision of the inventories, making them available for the production of the new collections and thus reducing generated wastes.

Lastly, in 2022, to promote the inclusion in the Company of technical personnel specialised in the fashion sector, Moncler will launch the MATE (Moncler Academy for Technical Excellence) programme to create a school of craftsmanship aimed at training the technical personnel required to develop the business, such as prototypers, pattern makers and quality experts. See also pages 103-104.

For the Moncler Group, talking about quality also means talking about health and safety, respect for human rights, environmental protection and, in general, ethics in business conduct along the entire value chain. Being a socially responsible company involves taking a commitment that extends well beyond its boundaries, embracing the entire supply chain.

Suppliers are strategic partners, this is why the Group's relationship with them goes beyond the economic and commercial sphere. For Moncler and Stone Island, excellence means quality, style, and innovation, but also a commitment to promote a supply chain that is attentive and respectful of workers' rights, of animal welfare, and of the environment.

The focus on ethical, social and environmental aspects along the supply chain starts with the supplier selection phase and continues with a systematic awareness and monitoring activity. Knowledge, traceability, sharing of best practices and verification are fundamental, not only to limit risk situations, but also, and above all, to generate culture and promote a responsible and sustainable business development to the benefit of the entire supply chain.

All suppliers⁴, in the contractual phase, must sign the Code of Ethics outlining the principles and guidelines that inspire the Group's business and guide the behaviour and actions of all those with whom Moncler and Stone Island interact. By signing this Code, suppliers commit to comply with these principles and ensure that their subcontractors comply with them as well. Violation of the principles of the Code constitutes a breach of contract, with the right, depending on the severity of the situation, to immediately terminate the relationship. See also pages 53-54.

In order to steer even better the actions of its partners, the Group has adopted a Supplier Code of Conduct. The Supplier Code of Conduct is inspired by the Universal Declaration of Human Rights and the ILO Conventions, and describes the Group's expectations for the main areas of a responsible way of doing business. It consists of six sections (Labour and Human Rights, Occupational Health and Safety, the Environment, Animal Health and Welfare, Safety and Quality of Products and Services and Business Ethics) and sets the mandatory requirements that suppliers must comply with in order to begin or continue to be a supplier of the Group.

The Group procedure that governs the selection of new suppliers was updated in 2021. The assessment of a new supplier consists primarily of an on-site visit carried out by the Quality Team to evaluate the supplier's alignment with the Group's quality standards. After this technical analysis, the assessment process for new façon manufacturers and finished products suppliers involves an ethical, social and environmental audit by a third party. For raw material suppliers, it requires the completion of an environmental and social evaluation questionnaire supported by documentary evidence and then an audit that is carried out in line with the provisions of the audit plan. By doing so, the Group commits to not include in its supply chain companies that do not comply with the Group's quality standards and basic ethical, social and environmental principles.

The monitoring of the supply chain continues over the years with periodic and systematic ethical, social and environmental audits performed on suppliers with which the Group already has a collaborative relationship in order to verify compliance with applicable laws and principles contained in the aforementioned codes.

In order to ensure maximum impartiality, audits are regularly conducted by qualified, experienced third parties. The audits focus on verifying respect for fundamental human and labor rights, with particular attention to issues of forced labour, child labour, freedom of association, working hours, guaranteed minimum wage and health and safety.

In addition, since 2020 the Group has required all members of its supply chain to comply with applicable national legislation, work authorisations, decrees, regulations and guidelines on health protection to contain the spread of the Covid-19 pandemic. Even when not explicitly required by local legislation, the Group has asked its suppliers to define internally and comply with safety protocols containing the measures to prevent Covid-19 infections. These aspects were monitored by Moncler's technical personnel and the auditors during the audit.

The Group has a three-year audit plan that ensures that all façon manufacturers and finished products suppliers are audited at least once every three years.

Although also in 2021 the planning of the ethical and social audits was difficult to schedule due to the Covid-19 pandemic, which in some periods of the year prevented auditors from visiting suppliers, the Group was able to stick to the pre-established audit plan.

During the three-year period 2019-2021, Moncler conducted 454 ethical and social audits (both on suppliers and subcontractors), equal to approximately 100% of the volumes assigned to outerwear façon manufacturers, 79% of the volumes assigned to suppliers of other outerwear processes (dye houses, printing works, embroideries, etc.), 95% of footwear and bags suppliers, 100% of tanneries and 98% and 77% of the volumes assigned respectively to knitwear suppliers and soft accessories suppliers.

Also Stone Island, which has a three-year ethical and social audit plan aimed at ensuring the highest coverage of suppliers in its supply chain, during the same three-year period carried out 127 ethical and social audits (on both suppliers and subcontractors), equal to around 98% of the value of orders assigned to finished products suppliers and 83% of the value of orders assigned to façon manufacturers.

With regard to the 180 suppliers audited in 2021, at year-end more than 82% of them were in line with the Group's social and environmental standards; collaboration was ended with around 5% of them (eight suppliers) while around 13% turned out to have non-compliances at the end of 2021, as the audit activity took place just before the last months of the year and not all the projects aimed at remediating the non-compliances had already been closed.

In 2021, with particular reference to social aspects, 43 of the 180 sites were found to have non-compliances and the relative improvement plan was issued. The main areas of non-compliance related to occupational health and safety (77%) and, only in some cases, the management of employment relationships (23%), including non-compliance relating to wages and remuneration (12%), management of employment contracts (7%) and working hours (4%). In the majority of cases, suppliers that were found to be non-aligned with the Group's social standards completed their improvement action plans during the year and closed the most relevant non-compliances.

Moreover, during 2021 both Brands also conducted ethical and social audits on main raw materials suppliers equal to 53% of total purchases of materials. In particular, with regard to the down supply chain, Moncler has set the target of having 100% down suppliers compliant with the new human rights and environmental modules included in the DIST Protocol by 2023. For this reason, during 2021 a working group was set up to define and test the checklists to be used during DIST audits.

Lastly, ethical and social audits also continued to be carried out on strategic service suppliers: logistic platforms, external quality control platforms, providers of services at Group offices and stores for which no significant non-compliances were identified.

The ethical and social audits carried out by both Brands include modules on environmental compliance. In addition, in 2021 Stone Island conducted nine environmental audits on a sample of fabric, finishing and dyeing suppliers, while Moncler requested specific in-depth documentation on waste water in 15 companies with wet processes. From the activities no significant non-compliances emerged. It is the Group's goal to continue to monitor these activities in the upcoming years.

For Moncler, these audit activities were complemented by audits on animal welfare and on down traceability as per the DIST (*Down Integrity System & Traceability*) Protocol across the entire supply chain. The trend in the number of audits carried out over the last three years is linked to the Moncler's decision to strengthen its relationship with its most reliable suppliers by building long-term relationships with them and excluding from the supply chain those who, over the years, have had quality and traceability problems. Stone Island only uses RDS-certified down whose compliance audits are handled by the suppliers and hence not reported in this document. See also pages 145-146.

4 85% of significant contracts require compliance with the Brands' Code of Ethics (95% for Moncler).

SUPPLY CHAIN AUDITS: SOCIAL AND ETHICAL,
ANIMAL WELFARE AND TRACEABILITY

NUMBER	Moncler Group	Moncler Brand		
	2021	2021	2020	2019
Social and ethical audits	180	148	154	152
Animal welfare and traceability audits (DIST)	136	136	161	215
Total	316	284	315	367

Notwithstanding the zero-tolerance approach for major breaches, for which the Group reserves the right to terminate immediately the existing contractual relationship with the supplier, both Brands are committed to support their supply chain raising awareness and driving continuous improvement, requiring the implementation of corrective actions where needed. Following each audit, an improvement plan is issued and its implementation is then verified.

In order to verify that corrective measures are effectively implemented by the agreed deadline, the Group carries out both on-site and documentary follow-up audits.

Aware of the fact that promoting principles of responsibility among its suppliers is beneficial to mutual sustainable growth, in addition to constantly raising awareness of ethical, social, environmental and animal welfare issues, the Moncler Group supports its supply chain in several ways. In particular, Moncler supports some strategic suppliers, making health and safety experts available to give advice and develop knowledge of best practices (33 suppliers benefited in the three-year period 2019-2021) and providing financial support for investments in technologically advanced machinery for particular processes (21 suppliers in 2021). The programme will also be extended to Stone Island suppliers in 2022.

Lastly, with the aim of providing an overall supplier assessment that also takes into account sustainability aspects, Moncler has implemented a vendor rating system. Each indicator is weighted and helps to assess a supplier based on the results achieved in each area. The vendor rating areas are:

- sustainability and compliance (working conditions and respect of human rights, chemical requirements, environmental practices, animal welfare, etc.)
- quality (rate of production defects, quality complaints reported to client service, etc.)
- delivery service level (flexibility, punctuality of delivery, etc.)
- cost (price competitiveness, logistics costs, etc.)
- innovation (technological capacity, aptitude for innovation, etc.).

With regard to indirect suppliers, namely suppliers of goods and services not related to products, since 2018 the mapping of suppliers’ quality, social, environmental and health and safety certifications is continuously updated. In 2021, the vast majority of the approximately 600 main indirect suppliers of the Group that have been mapped have at least one certification, and a third of them already have ISO 45001 health and safety certification and/or ISO 14001 environmental certification (in line with the results emerged from the mapping activity carried out by Moncler on around 30 suppliers in 2018, 270 in 2019 and 380 in 2020). The Group also continued its awareness-raising activities aimed at promoting improvement objectives among suppliers linked to the importance of certification processes and has set itself the target of extending the mapping to 200 more indirect suppliers by 2022. Lastly, in 2021, Moncler continued to carry out checks on the reliability of partners, also including information on the management of sustainability issues. In particular, during the year more than 100 indirect suppliers, including manufacturers and maintenance and service providers, have been assessed according to the 28 criteria of the scorecard defined in 2020 and divided into four categories: environment, labor and human rights, health and safety, and ethics. This tool, based on international principles, standards and guidelines such as the Global Compact, Global Reporting Initiative, ISO26000 and the OECD Guidelines, provided a set of parameters making it possible to assess and compare the social and environmental performance of indirect suppliers.

FAIR WAGE IN THE VALUE CHAIN

In the Supplier Code of Conduct, the Group acknowledges the importance of ensuring wages aligned with the law or binding collective agreements and, in any case, adjusted to the cost of living, the employee’s basic needs, discretionary income, market benchmarks and the type of professional performances.

Suppliers must provide a fair level of compensation and a career development path that reflects knowledge, skills, abilities and professional experience. Workers must be paid and rewarded for their performances through benefits and wage or non-wage incentives.

Suppliers are required to grant all the benefits provided by the law, including, but not limited to, social security, parental leave, annual holidays and calendar holidays, in addition to engage in regular social dialogue on compensation issues.

In 2020 Moncler took part in a working group organised by Camera Nazionale della Moda Italiana (the National Chamber of Italian Fashion) to discuss and understand the issue of the living wage, meant as a level of income that ensures people to meet the basic needs of family, food, housing, education and child care, savings for leisure and/or for facing unexpected expenses.

In the same year, the National Chamber of Italian Fashion, of which Moncler is a member, conducted a survey endorsed by an independent organization, the Fair Wage Network, to verify compliance with Article 36 of the Italian Constitution (“workers are entitled to wages proportionate to the quantity and quality of their work, and, in any case, sufficient to guarantee a free and dignified existence for themselves and their families”) in the Italian fashion supply chain.

In 2021, with the support of a third party, Moncler launched a pilot project to test the assessment method for living wage implemented at its production site in Romania and at the premises of two strategic suppliers with the aim of extending it and cover 100% of the Group’s strategic suppliers by 2025.

In particular, in 2021 Moncler partnered with the Fair Wage Network, an independent organisation dedicated to progressing fair wage practices across global supply chains. The methodology adopted by Fair Wage focuses on partnership with companies and suppliers to assess wage practices through workers and managers questionnaires, identifying root causes and implementing improvement activities.

The analysis is structured around 12 dimensions, covering the entire spectrum of wage indicators: the living wage is therefore only one of the dimensions analysed while other variables of the wages practices and pay systems are evaluated such as wage negotiation with workers’ representatives through collective bargaining, the presence of grievance mechanisms for complaints on remuneration issues, etc.. Another area of the analysis involves comparing the results of the assessment with sector and country benchmarks.

The implementation of this analysis and the gradual extension to other Moncler suppliers have been assessed and prioritised on the basis of the risk profile associated with the geographical location of the supplier and other factors, such as the presence of collective labour agreements, which ensure dialogue and respect for social and environmental aspects. To this regard, approximately 70% of the Moncler Group’s suppliers is located in Italy and is covered by collective bargaining agreements.

Overall, the Group is committed to working with all players in its supply chain, with specialised associations and with other strategic partners to increase the awareness and the understanding of the issue of fair wage.

The 12 dimensions of analysis of the assessment carried out by Fair Wage Network:

DIMENSION	DEFINITION
1.Payment of wages	A wage which is regularly and formally paid in full to the workers.
2. Living wage	A wage that ensures minimum acceptable living standards.
3. Minimum wage	A wage that complies with the regulations on legal minimum wage.
4. Prevailing wage	A wage that is comparable to wages in similar enterprises operating in the same sector in the same country.
5. Payment of working hours	A wage based mainly on ordinary working hours without requiring to use excessive overtime.
6. Pay system	A wage that leads to a balanced wage structure/composition between basic wage, additional bonuses and benefits. A wage that reflects different levels of education, skill and professional experience, as well as rewarding individual and collective performance. A wage that complies with regulations on social insurance payments and paid holidays and that does not include disciplinary wage sanctions.
7. Communication and social dialogue	A wage on which workers receive sufficient information in advance (through an individual work contract), during the production process (through regular communication channels) and at the time of the wage payment (through a detailed payslip). A wage that is negotiated individually (with the employer only) and collectively – in particular through collective bargaining – between the employer and the workers' representatives who are freely accepted in the company.
8. Wage discrimination and wage disparity	A system based on equal wages for equal work that does not lead to wage discrimination and does not generate unjustified, too high and too rapidly growing wage differentials within the company.
9. Real wages	A wage that progresses at least in proportion to price increases.
10. Wage share	A wage that grows in proportion to the company's sales and profits and does not lead to a fall in wage share compared to the company's performance growth.
11. Wage cost	A wage whose progression does not lead to a dramatic reduction in wage costs within total production costs and as a percentage of employment.
12. Work intensity, technology and up-skilling	A wage that progresses along with changes in intensity at work, technological contents and the evolving skills and tasks of the labour force.

ANIMAL WELFARE AND TRACEABILITY

Down, the heart of every single jacket, is the most important thing to Moncler. For this reason, all suppliers are not only required to meet the highest quality standards, but also to act responsibly and with full respect of animal welfare.

To ensure animal welfare, Moncler demands and verifies that its down suppliers comply with the strict requirements laid down in the Moncler technical DIST Protocol (Down Integrity System & Traceability), available on the page dist.moncler.com. The DIST protocol, first implemented in 2015, regulates farming standards, animal welfare, down traceability and technical quality. Moncler only purchases down that is DIST-certified.

Among the basic requirements that must be respected across the entire supply chain:

- down must be exclusively sourced from farmed white geese and as a by-product of the food chain
- no form of live-plucking or forced feeding is permitted.

The Protocol, drafted taking into consideration the peculiarities of the Moncler's supply chain, is the result of open and constructive dialogue within the scope of a multi-stakeholder forum set up in 2014, which considered the expectations of the various stakeholders to ensure a scientific and holistic approach to the topic of animal welfare and product traceability. The forum, chaired by a professor of Management at the Ca' Foscari University of Venice with specific knowledge and expertise in sustainability issues, consists not only of Moncler people, but also of experts from the Department of Veterinary Medicine of the University of Milan, the Polish National Institute of Animal Husbandry Koluda Wielka, Compassion in World Farming (a non-governmental organisation dedicated to the welfare of farm animals), and representatives from certification and consulting companies (SGS, Control Union, IDFL and KPMG). From the belief that dialogue is a source of improvement, Moncler organised the eighth multi-stakeholder forum in February 2022. At the forum, the new updates to the Protocol aimed at further developing the document were discussed, which will include three specific modules on human rights, the environment and the DIST down recycling procedure.

The DIST Protocol assesses animal welfare from an innovative perspective. In addition to the traditional approach that focuses on the environment in which the animal lives (in terms of availability of food and water, adequate space for movement, etc.), the Protocol, in line with the European Commission guidelines, also assesses welfare by carefully observing the animal through the so-called Animal-Based Measures (ABMs)⁵. ABMs allow a direct assessment of an animal's condition, by observing how geese respond to the different factors of the environment in which they live (outcome approach). The DIST Protocol features nine ABMs including, among others, those designed to identify unusual behaviours or aspects such as plumophagia⁶, dislocated or broken wings, feather irregularities, abnormal beak colour.

These situations can be associated with environments in which welfare of geese is compromised by various factors, including high animal density, inadequate diet, lack of pasture or inappropriate animal management.

Another important, innovative indicator introduced in the Protocol is the evaluation of the human-animal interaction through the response to a specific test (the HAR test, Estep and Hetts, 1992).

All down suppliers must strictly comply with the Protocol's requirements to ensure raw material traceability, animal welfare and the highest quality at every link of the down supply chain. To verify compliance with the principles set out in the Protocol, Moncler constantly carries out strict field audits throughout its almost entirely vertically-integrated down supply chain. The down supply chain includes different types of entities: geese farms; slaughterhouses where animals are exclusively slaughtered for meat production and where down is subsequently collected; and companies responsible for washing, cleaning, sorting and processing the raw material. Façon manufacturers who realise the finished products downstream the down purchasing process also have to be taken into account.

5 Animal-Based Measures are indicators that can be directly observed on animals and that assess their actual conditions in relation to their ability to adapt to specific farming environments. These measures include physiological, pathological and behavioural indicators.

6 Plumophagia is an abnormal behaviour in avian species that consists of pecking the feathers of another bird or tearing them with the beak.

- To ensure the utmost impartiality of audits:
- audits are commissioned and paid directly by Moncler and not by the supplier
 - the certification process is carried out by a qualified third-party entity, whose auditors are trained by veterinarians and zootechnicians of the Department of Veterinary Medicine at the University of Milan
 - the certification authority is in turn audited by another accredited external certification body.

In particular, in 2021, despite the limitations caused by the Covid-19 health emergency, 136 third-party onsite audits were carried out, assessing, in this way, all the entities in the supply chain. Where auditors found minor non-compliances, farms were required to take timely corrective action before obtaining certification. No cases of live-plucking of animals or forced-feeding were found during audits at any farm.

To transparently communicate the Company’s commitment in this area, a tag indicating “DIST-certified down” is included in all Moncler’s jackets. This important result was achieved by extending down traceability according to DIST Protocol across the entire supply chain, all the way through the finished product.

In order to promote constant improvement and therefore significantly impact animal welfare, Moncler is committed to involve and raise awareness throughout its supply chain, including through training activities. In this regard, in 2021 remote training activities on traceability procedure continued for outerwear and knitwear façon manufacturers, with five training courses for a total of approximately 25 hours.

The DIST Protocol is a stringent and innovative document and is intended to remain so. This is why it is constantly evolving and is subject to periodic review through the multi-stakeholder forum. However significant these results may be, Moncler has no intention to stop there. Rather, it is determined to continue to strive to promote increasingly ambitious standards, while welcoming the insights provided by stakeholders.

Stone Island is also committed to ensure that the down used in its products is obtained in a manner that is respectful of animal welfare. The Company only purchases duck down certified as per the Responsible Down Standard (RDS) protocol. Pilot social and environmental audits will be carried out on the Stone Island supply chain starting in 2022. In addition, from 2023 all Brand’s suppliers must be compliant with the social and environmental requirements that will be verified through audits.

With regards to other materials of animal origin, the Moncler Group does not use rabbit, including angora rabbit, and any other material from species at risk of extinction included in the CITES categories. Furthermore, by 2025 the Group is committed to only use merino wool that is certified mulesing free.

MONCLER WILL STOP USING FUR

Moncler announced in January 2022 that it will phase out the use of fur in all its collections, adhering to the *Fur-Free Retailer Policy*. In 2022 the Company will stop buying fur from animals farmed or captured in the wild exclusively for this purpose. The last collection to feature fur will be Fall/Winter 2023.

This decision is consistent with Moncler’s ongoing commitment to responsible business practices and builds on the Brand’s constructive and long-term engagement with the Italian animal rights organisation LAV as a representative of the Fur Free Alliance.

Stone Island, that has not used fur since 2018, has pledged not to use it also in the future.

4.3 DIALOGUE TO GROW TOGETHER

Transparent and constant dialogue is at the base of any relationship built on trust. It is a key element to foster shared growth, fruitful collaboration and mutual satisfaction.

The Group is attentive to dialogue with its suppliers and to share best practices both on technical aspects related to business activities and on aspects aimed at promoting responsible behaviour. Dialogue is established through various channels, ranging from daily meetings to institutional events.

Daily interactions are held with technicians and inspectors from Moncler and Stone Island to oversee various production activities. Meetings with company experts aim to provide specialised support at all stages of production processes to share technical knowledge and resolve any critical issues.

Regarding outerwear, the technical team has been reinforced over the years to ensure a widespread presence at all façon manufacturers in Italy and abroad, to increase the already high number of quality checks and progress of work “in” and “at the end” of the line. Group experts periodically attend company meetings in order to analyse samples and share industrialisation standards, the results achieved in the previous season and targets for the next.

During the Covid-19 health emergency all actions taken by the Moncler Group have been guided by the primary objective of protecting the health of all (employees, contractors, suppliers, clients, etc.) and then of maintaining business continuity as much as possible. See also pages 112-113.

The dialogue that has always characterised the relationship with suppliers became even more intense and even more collaborative during this period with the aim of studying the best solutions to be implemented in such a complex, unpredictable and difficult situation for all actors in the supply chain and in the industry. This is the spirit with which Moncler joined the call to action promoted by the International Labour Organisation (ILO) to support the garment industry supply chains and continued to comply with payment terms and conditions, launched economic support activities for the most distressed members of the supply chain and monitored, through third-party audits, the compliance with the principles contained in the Supplier Code of Conduct and Code of Ethics relating to human rights, the workers’ health and safety and respect for the environment.

Due to the Covid-19 health emergency in 2021 it was not possible to offer the traditional training sessions near the suppliers’ production sites. For this reason, sessions were held remotely. Similarly, Moncler knitwear experts were invited to attend e-learning courses, to learn about production and quality procedures and standards.

During these sessions, they were also made aware of other issues relevant to Moncler, including ethical, social, compliance and environmental aspects, in order to spread this culture among suppliers. Through the presence of experts at the various suppliers’ production sites or through online meetings, the know-how shared thus becomes an integral and essential part of the relationship with the suppliers.

During 2021 awareness-raising activities on ethical, social and environmental issues continued through video conferences with some suppliers and subcontractors (both façon manufacturers and raw materials suppliers), as due to the Covid-19 health emergency it was not possible to visit their production sites. These were in addition to the more than 150 onsite visits carried out in the last three-year period (2018-2020), both in Italy and abroad.

Company guidelines on compliance and sustainability continued to be spread by sharing of technical, chemical and performance specifications, both during daily activity and through ad hoc video conferences.

Lastly, to offer an additional tool for dialogue and to facilitate the exchange of information and documentation, a web portal entirely dedicated to suppliers has been active since 2017. Through the portal, the supplier can directly access communications and documents, including the Code of Ethics, Supplier Code of Conduct and related guidelines.

A dedicated section with a broad online training offering has also been set up, to which 90% of suppliers has had access over the last three years.

Lastly, from 2022 a training and information programme on human rights issues will be launched for suppliers and for employees of the Group’s purchasing and quality control departments.

4.4 CLIENT EXPERIENCE 2.0

Through an increasingly multichannel vision, the Group ensures clients a personalised, seamless and consistent brand experience across all channels.

The Moncler Group attributes a central role to the client. Every contact moment is an opportunity to welcome and get to know clients, but also share, engage, surprise and get feedback. Every project and initiative aim to improve the client shopping experience by involving them more and more into the Moncler and Stone Island world.

Over the last few years Moncler has developed the important Retail Excellence project, which has been pivotal for the development of a strong Direct-to-Customer (DTC) culture, and that involved different areas, from the redesign of the client experience to the organisation of stores and of sales personnel, to the redefinition of working processes and methods. The aim is to get to know and engage clients, increasing their loyalty and developing an increasingly omnichannel approach. The project, renamed Omnichannel Excellence, has also been implemented at Stone Island with a first test in 2021.

Digitalisation of stores has played an important role in the project since its inception, helping to turn stores into places for even more unique and personalised experiences through a comprehensive technological management of stores and enabled by systems such as Match to Traffic, which allows activities to be scheduled on the sales floor thus improving the service to clients. A digital payment service is also active at a global level, allowing purchases to be finalised directly on the sales floor and without having to go to the checkout, thus making the in-store experience even more enjoyable and faster.

The Moncler Group’s omnichannel model is designed around an experience and a purchasing process in which online and offline coexist. A process designed for clients who follows non-linear paths, that interacts with the brand in physical stores as well as in the online store and through the various digital channels, living a consistent, personalised and perfectly integrated experience while being increasingly involved in a real community.

One of the most representative examples of this transformation was the Omnichannel New Experience (ONE) project, which led to the internalisation of the Moncler e-commerce channel, with a gradual implementation by geographic area. Following the launch of Moncler’s directly operated online channel in Korea in 2019, in 2020 the e-commerce site was internalised in the United States and Canada, ending in 2021 with Europe, Japan and China and the launch of the new full omnichannel e-commerce platform. See also pages 27; 154-155. The new platform is based on a concept inspired by the world of entertainment, ensuring smooth navigation and a distinctive experience with dedicated content and services, and that will include also products customisation in the future. The e-commerce site offers various omnichannel services: *Click and Reserve*, *Click from Store*, *Return in Store*, *Exchange in Store*, *Pick Up in Store* and *Book an Appointment*. Through these services, clients can manage their purchases in a flexible way, benefiting from the full potential of the various contact channels. It becomes possible to reserve an item online and then try it on and eventually buy it in store (*Click and Reserve*), to order an item in store with the support of the Client Advisor and receive it conveniently at home (*Click from Store*), to return or exchange the item directly in store, even if the purchase was made online (*Return & Exchange in Store*) and even buy online and then collect the item directly in store (*Pick Up in Store*); or, to book an appointment with a Client Advisor in store (*Book an Appointment*). These omnichannel services were also launched by Stone Island during 2021 in Italy, France, Germany, the Netherlands, Korea, and the United States with the aim of implementing them at a global level in the future.

In response to the Covid-19 health emergency situation, the Distance Sale service was digitalised in Moncler to allow clients to purchase garments safely from home, by telephone or

videocall, with the support of sales personnel. Moncler also introduced the Smart Entrance service to manage and optimise the presence of clients at retail stores. Moncler aims to launch a new tool to support its sales personnel: Moncler Live Boutique, designed to improve the management of virtual appointments and distance sales.

MONCLER BY ME

With the aim of making the client experience even more personalised and unique, in 2021 Moncler launched the Moncler by Me service at its flagship store on the Champs-Élysées in Paris. Within this project, clients are welcomed in the store’s Personalisation room, where, with the help of a digital configurator, they can choose between two models of winter outerwear, customise five areas of the garment (the inner lining, sleeves, hood and front and back of the outerwear), in addition to add the initials of their names and surnames and/or the Moncler coq. Once the personalisation experience is over, the client receives a video of the jacket as a digital souvenir before the garment is delivered to the client’s home or picked up at the store. See also pages 138-139.



WHOLESALE EXCELLENCE

Ensuring consistency and synergy between all touch points in terms of actions, communication and approach to clients is increasingly important to ensure a unique relationship with the Moncler brand. With this view, the philosophy and principles of Retail Excellence, aimed at improving the client purchasing experience and involvement in the Moncler universe, have also been extended to all partners in the wholesale channel, starting with the monobrand stores and airports.

Transferring the retail channel’s best practices to the wholesale channel required specific initiatives involving different areas of action: from in-store training to defining personalised moments with the client, to extending after-sales services, to consolidating client service activities, to integrating all the information useful to identify stores and communication.

Starting in 2020, Moncler revised its wholesale channel distribution policy, adopting a selective distribution system aimed at guaranteeing compliance with strict qualitative and quantitative criteria and at maintaining a positioning consistent with the Brand. Compliance with these criteria is necessary both to join and to remain within Moncler’s distribution network, and is designed to ensure the alignment of all distributors with the Brand’s image, prestige and reputation in addition to a high level of service to the client. Specific rules on the presence of other brands sold by the distributor, the type of premises, how products are showcased, the space allocated to Moncler products, personnel skills and the type of packaging are included in addition to other requirements.

Moncler also periodically subjects its business partners to audits, in accordance with the ISO 9000 standard, that are carried out both by Moncler personnel and by independent third-parties to verify the management of the Brand and the compliance with its service and quality principles. Starting in 2022, this activity will also be extended to the Stone Island wholesale channel.

Since 2020, with the aim of ensuring a high level of client service also in the after-sale phase of the wholesale channel, an

after-sales service was launched through a web app for mono-brand stores, with an initial activation phase in America and Europe; it will be extended to other countries including China⁷, Korea, Singapore and Australia in the upcoming years.

Stone Island historically attributes a strategic role to the wholesale channel, through which consolidating long-lasting partnerships built on trust. Wholesale partners are regarded as brand value ambassadors, client advisors and hold the role of enhancing Stone Island’s image.

There are several training moments, during which information on company philosophy, product and collections characteristics are shared.

Over the years, the Company has assigned greater prestige to its products due both to a selective approach in the choice of wholesale clients and to the numerous activities aimed at strengthening the brand experience, in offline and online channels, for example through visual merchandising courses, the organisation of dedicated events and marketing activation initiatives. In line with this approach, each season, product newsletters, editorials, and digital materials on the brand’s products, history and philosophy, are shared with some clients, and effective experiential brand communication initiatives are implemented at retail stores to ensure partners alignment with Stone Island’s image and positioning.

Stone Island’s return and repair policy ensures that clients can return garments both to monobrand stores and to the wholesale channel, in addition to the opportunity of benefiting from a dedicated repair service. Where repairs require complex procedures, the garment is picked up and repaired at the Ravarino (Modena) workshop, while for simple repairs, Stone Island provides a kit to the wholesale partner so that the process can be carried out at the store. Every stage of the relationships with partners ensures a constant contact with client care, attentive to any issue.

UNDERSTANDING AND FULFILLING CLIENT EXPECTATIONS

Listening to clients is a fundamental strategic activity to offer a service that is increasingly aligned and consistent with clients’ desires and expectations. The VIBE project, adopted at a global level by the Moncler brand and that will be implemented by the Stone Island brand during 2022, involves the systematic collection of feedback from local clients after each purchase through a quick questionnaire that analyses, on a scale of satisfaction from 1 to 5, various aspects of the experience, including hospitality, personalisation and service.

The objective of the project is to identify and redress any cases of dissatisfaction, but above all, to support and focus the Client Advisor on getting to know clients even more so as to establish a long-term relationship.

The survey is structured into five steps: the day after the purchase clients receive, by email or SMS, a summary of their purchase which they can save and a questionnaire of five questions. Client feedback (VIBE) is immediately reported in the clienteling app available to the Client Advisor, who will then be able to see the comment left by the client and thank them in order to strengthen the relationship. In case of dissatisfaction, the Store Manager will be tasked with finding a solution that fully meets the client’s expectations and initiatives aimed at improving the in-store experience.

At the end of 2021 the Moncler brand maintained a high VIBE score of 92 (on a scale of 1 to 100), which measures the clients’ willingness to recommend Moncler to others, in line with 2020. The Company aims to achieve a score of 94 for the coming year.

Moncler also has a worldwide direct client communication channel, the Client Service, which is, not only, a reference point of contact for clients, but a channel for constant dialogue with a view to continuous improvement.

The service handles support requests from clients from the various channels, physical and digital, in an omnichannel perspective at global level. The company’s goal is to complete the digitalisation of Client Service by strengthening its social media presence, using instant messaging, implementing web chat and integrating clienteling activities.

The Client Moment project is aimed at supporting Client Advisors in identifying and personalising client engagement moments. Multiple “contact moments” have been identified, from

those related to the product such as the launch of a new collection (Product Moments), to cross-cutting occasions such as international holidays (Festivity Moments), to personal ones such as birthdays (Personal Client Moments). Each of them represents an important opportunity for Moncler to create value for its clients, build relationships of trust and deliver a highly distinctive and engaging experience.

Thanks to the digital Client Relationship Management (CRM) application, the Client Advisor identifies and selects various client moments for each client that translate into personalised appointments at Moncler stores, during which the client is followed exclusively by their trusted Client Advisor. This CRM platform also makes it possible to manage client lists in the most efficient way possible during the various collection launches, with a particular focus on local clients.

Furthermore, in an environment characterised by increasingly intense interaction between Client Advisors and clients, growing integration between the physical and digital channels, and restrictions to movement due to the Covid-19 pandemic, Moncler’s clienteling app, MonClient, has taken on a role of fundamental importance.

The application is based on a centralised and integrated management of the CRM calendar, enabling Client Advisors to manage appointments, plan and record activities related to the Client Moment, check product availability, make sales, enhance client database and handle after-sales requests. Moncler aims to further update the MonClient app during 2022 by integrating new features to support a proactive client relationship management.

As use of technology by clients accelerates, Moncler’s clienteling is becoming increasingly relational and supported by social platforms as well as by digital tools such as video messaging, digital appointments, distance sales and phygital events, creating new synergies between physical stores and digital channels, accompanying clients in discovering the Brand and interacting with them despite the limitations imposed by the Covid-19 pandemic.

AFTER-SALES ASSISTANCE AS AN INTEGRAL PART OF THE CLIENT EXPERIENCE

The after-sales phase is another important moment in the relationship with clients for ensuring a positive client experience with the Moncler brand even after the purchase phase. Highly personalised and tailored services are offered to satisfy all clients requests, by putting style and collection experts at the individual’s disposal.

After defining a global policy in 2017, identifying local tailors of quality and providing stores with a replacement accessories kit to ensure fast and excellent service, over the last three years Moncler has strengthened the organisation of its after-sales management in the countries in which it operates, including through the creation of central platforms for handling repairs. This process has resulted in increasingly widespread and rapid after-sales service.

To extend garment durability, also with a view to sustainability, since 2021 the pilot project for the Extra-Life repair service is active in France, Italy and Denmark. As a result, the company has also begun to handle repair issues such as holes in fabric and those affecting garments purchased many years before. These repairs were not managed in the past as they would have changed the style of the garment. The project will be extended at worldwide level during 2022. See also pages 73; 169.

In 2021, 90% of all types of repair requests were fulfilled. In 2021, the willingness to build a direct connection between clients and repair platforms led Moncler to define the approach to develop the Distant Repairs service in America, which will be implemented in 2022. Also, Moncler refined the already existing one in Europe and Japan. With this service the Client Service arrange a pick-up of the garment directly from the client if the client cannot visit the store.

Since 2020, the VIBE After Sale has also been implemented at global level to allow the systematic collection of feedback from clients who have benefited from after-sales services, and during 2021 the “Frequently Asked Questions” section of the website dedicated to after-sales services was enriched with additional information on garment care so as to answer clients’ questions.

7 China country includes the Chinese mainland, Hong Kong SAR, Macao SAR, and Taiwan.

Moncler and Stone Island are constantly engaged in the fight against counterfeiting to guarantee intellectual property rights and product authenticity, to protect end clients and their intangible assets.

The approach to the fight against counterfeiting has confirmed over the years as a fundamental and daily commitment to guarantee the protection of clients. This is the guiding principle of the global strategy implemented by Moncler’s Brand Protection and Intellectual Property department and by the Stone Island’s Legal Department.

The action against the production, distribution and marketing of counterfeit products is based on solid portfolio of trademarks, models, patents and Moncler and Stone Island domain names. The execution, maintenance and protection of their portfolios guarantees the Group’s Brands intellectual property rights in geographic areas of current and potential commercial interest.

Administrative activities related to brand and patent portfolio management also continued with a view to new product launches, projects, production processes and sustainability. With regard to Stone Island brand, the activities carried out during the year focused on extending the Brand to new product classes and on the creation of new graphics for the well-known badge.

The Group fights counterfeiting by acting on various levels and channels, both offline and online, and by providing clients with tools for checking the authenticity of the garments purchased. Over the years, Moncler has devoted considerable resources and energy to developing and improving anti-counterfeiting systems, as well as to collaboration, training, awareness-raising and verification activities. The authentication-tracking system, adopted since the 2016 Spring/Summer collection, was strengthened during the year. This system provides a unique alphanumeric code, a QR code and an NFC (Near Field Communication) tag that allows the end client to immediately receive feedback on the authenticity of the garment purchased by scanning the NFC using a smartphone or tablet, which can be verified on the code.moncler.com website, directly managed by Moncler.

In addition, to further assist its clients, Moncler has created a service dedicated exclusively to anti-counterfeiting issues, drawing up, where necessary, expert reports for clients who are victims of counterfeiting and who wish to recover the sums paid in the unwitting purchase of a counterfeit garment from electronic payment services companies.

Stone Island has been using the technology and experience provided by Certilogo® since 2014, thus allowing its clients to verify the authenticity of its products; during 2021 the use of this technology was also extended to Stone Island Junior garments.

Synergies and ongoing collaboration between Moncler’s Brand Protection and Intellectual Property department and the Stone Island Legal Department enabled, since the first months of the integration, the implementation of new monitoring and “cleaning” measures, the inclusion in specific customs and market surveillance programmes of strategic countries, relevant to the brand or production, and to increase the focus on the digital channel by strengthening the effectiveness of enforcement activities on sales platforms, search engines, active websites and social networks.

Constant monitoring of the online channel and implementations of the anti-counterfeiting system enabled Moncler to intercept more than 60,600 online auctions of counterfeit products, shut down nearly 443 sites where counterfeit garments were offered for sale, delist from search engines approximately 23,000 pages linking to counterfeit products and remove approximately 67,000 posts, accounts and sponsored ads from the main social networks. In the case of Stone Island, such activities led to remove approximately 21,000 online auctions of counterfeit products, around 360 sites in violation and approximately 5,100 posts, accounts and sponsored ads on major social networks during 2021.

To strengthen the strategy to fight online counterfeiting, Moncler and Stone Island have drawn up a plan against vendors in the United States involved in the international sale of counterfeit products on digital platforms, resulting in a strong deterrent for counterfeiters.

On the digital front in 2021 Moncler also continued to participate in the Memorandum of Understanding project promoted by the European Commission and signed in 2016 by various

brands and the main European sales platforms, aimed at ensuring concrete collaboration between brands and platforms to reduce the presence of counterfeit products on such platforms. As part of this project, a lobbying activity to promote best practices and guidelines in relation to the regulatory package for updating the European e-commerce laws (Digital Service Act – DSA) has been carried out.

Moncler and Stone Island also conduct careful and constant monitoring of their finished product suppliers through periodic checks at the workshops where the logoed material and anti-counterfeiting labels provided by the Group are received, managed and applied. Despite the challenges posed by the pandemic, eleven brand protection audits were carried out in 2021. The return of feedback on the findings of audits allows constant and progressive improvement in the production process.

The Group also collaborates locally with the main customs and enforcement authorities worldwide to identify counterfeit Moncler and Stone Island products, providing, where necessary, expert reports attesting their illegal nature.

The training sessions delivered to the enforcement authorities continued in 2021 in digital way due to the Covid-19 pandemic situation. 30 training sessions were held by Moncler and 17 by Stone Island, for Italian and foreign customs officers and enforcement authorities using digital tools, maintaining the dialogue with them with the aim of increasing the awareness of the two Brands.

Constant collaboration during the year made it possible to continue to manage approximately 3,200 seizures by Moncler and nearly 500 by Stone Island at global level, that allowed to remove from the market, respectively, around 143,500 and 84,000 finished products and more than 144,600 and 24,000 counterfeit accessories and branded items, such as non-authentic logos and labels intended for the production of counterfeit garments and accessories. At national level, the activity implemented by the Group enabled Moncler and Stone Island to carry out, respectively, 90 and 110 seizures enabling the removal from the market of a total of approximately 28,000 counterfeit finished products, accessories and branded items.

To raise awareness and provide internal training to the departments most affected, Moncler formalised brand protection procedures explaining how to check for style content, conducting approximately ten dedicated training sessions. This activity will also be launched by Stone Island in 2022.

Moncler and Stone Island’s work in the area of brand protection is also characterized by the participation and collaboration as active members in the main national and international associations dedicated to combating counterfeiting, including INDICAM in Italy, UNIFAB Tokyo in Japan, UNIFAB in France, ACG in the United Kingdom, ECCCK in South Korea and Friends In Fashion. See also pages 68-69.

4.6 TRANSPARENT AND RESPONSIBLE COMMUNICATION

The most stable and lasting relations are based on trust and transparency. For this reason, the Moncler Group has always conducted every marketing and communication initiative responsibly across all channels, paying close attention to how, what and with whom it communicates.

For the Moncler Group it is very important to communicate consistently, responsibly and transparently. All the images and messages delivered through the various online and offline communication channels are carefully defined so as to be in line with company values, to respect human dignity, to be non-discriminatory and to not evoke violent behaviour or dangerous conduct. Special attention is paid to the communication of the children’s collection, which aims to ensure absolute respect for the fundamental principles underlying the protection of minors. Although the Group does not currently adhere to specific voluntary codes or standards relating to advertising activities, it complies with all the relevant regulations in force in each of the countries in which it operates. As evidence of this ongoing commitment marketing, advertising and sponsoring activities of the Group’s products have never resulted in cases of non-compliance with existing regulations.

Always with a view to responsible communication with clients, also product labels cover a very important role for providing clear, transparent and accurate information. Moncler and

Stone Island guarantee full compliance with applicable national and international regulation on product information. In line with this commitment, they actively collaborate with their suppliers to obtain information regarding the materials and processes used during the various production phases and carry out all the tests needed to verify the accuracy of the contents. All products feature a global label with information on the composition of the various components, washing and care instructions and the country of manufacture.

All information is translated into at least ten languages. In addition to this global label, customised labels are applied to garments intended for specific markets. For garments containing specific categories of raw materials, additional information is included such as, in the case of down, the common name of the animal and percentage of down and feathers. At Moncler in particular, with regard to down, a “DIST-certified down” label has been inserted into all garments, guaranteeing that the down in the garment is certified according to principles set out in the DIST (*Down Integrity System & Traceability*) technical Protocol, which governs animal farming methods and respect for animal welfare, as well as the traceability and technical quality of down. See also pages 145-146.

DIGITAL STRATEGY

The Group has always been looking for new ways to communicate and interact with its community. The digital channel has offered, and continues to offer, many opportunities.

In 2020 and 2021 Moncler further accelerated its digital transformation by defining a new business organisation and internalising the management of the e-commerce in line with an increasingly multichannel and integrated vision, aimed at personalising the client experience and strengthening client relationships across all touchpoints, physical and digital. This process led to the launch of a new e-commerce platform in 2021. See also pages 27; 148.

The goal is for every project, from the design of collections to product development and event design, to be digital native, to be designed with digital platforms as the first point of contact with clients to then be spread across all other channels. This new approach opens the door to a future full of creativity, experimentation and “contamination” between content and channels of interaction.

The new Digital, Engagement and Transformation function was created in July 2020 to support the evolution of Moncler’s strategic vision and boost digital opportunities for the Company. The function defined and implemented the Brand’s strategy across all digital channels, innovative services and experiences for the client, accelerated the presence in all types of digital commerce and spread a digital culture throughout the organisation.

DIGITAL HUB

The Digital Hub, consolidated in 2020, is a department aimed at guiding Moncler’s digital transformation and acceleration and to spread the culture. E-commerce, big data, consumer insights, interactive and personalised omnichannel experiences, innovative online media and special projects that improve the shopping experience and help exceeding client expectations are the key elements underlying this team. The Digital Hub’s activity was organised around five strategic pillars: D-Commerce, D-Marketing, Consumer Engagement, D-Intelligence and D-Operations.

D-Commerce aims at defining innovative and unique solutions for handling the online business and mainly deals with buying and merchandising management. See also pages 27; 148.

D-Marketing is involved in the creation of contents for clients and aims, on the one hand, at refining the reach, and on the other hand, at increasing client engagement and conversion. Several projects were developed in 2020 to increase the impact of social media, in-store traffic and media campaign performance. A notable example is the campaign on Tik Tok. In addition, special collaborations and partnerships were set up with e-tailers on a global level, such as the virtual pop-up store created in collaboration with MyTheresa.

D-Intelligence identifies strategic growth levers through the analysis and management of qualitative and quantitative data to maximise the knowledge of omnichannel clients, identify demand for new trends and products thus improving the client experience.

D-Operations aims to promote the development of business value and the spread of digital culture within Moncler.

Consumer Engagement is a department aimed at improving the understanding of, and connection with, the Brand’s current and future clients and at developing the new Membership Programme, which will include exclusive benefits for the clients most loyal to the Moncler brand. See also pages 148-151.

Significant energy in terms of resources and investment have been devoted to the development of the digital area, from online advertising to new platforms and social networks.

In particular, at the level of social networks, Moncler is present on Instagram, Facebook, Twitter, YouTube, LinkedIn and TikTok (with 4.7 million, 2.9 million, 1.1 million, 34 thousand, 257 thousand and 1 million followers, respectively, in 2021), WeChat, Weibo, Douyin and RED in Asia (with 720 thousand, 638 thousand, 134 thousand and 69 thousand followers, respectively) and LINE in Japan (with about 478 thousand followers) while in Korea Moncler has been present since 2018 on Kakao Talk (with about 173 thousand followers). Lastly, while social networks are an important channel through which Moncler engages users and keeps them constantly up-to-date on news regarding the Brand, they are also increasingly used to promote sustainability messages.

Stone Island is also present on the main social networks, including Instagram (1.7 million followers), Facebook, Twitter, Pinterest, YouTube and Vimeo, WeChat, Weibo and the Little Red Book.

MONCLER MONDOGENIUS: THE JOURNEY IS THE DESTINATION

In September 2021 Moncler presented MONDOGENIUS, an immersive digital experience into the culture of the brand that took the Brand’s global community on a journey through five cities, sharing the creative visions of eleven designers, all under one show.

The project aimed at going beyond the product, embracing different communities and generations, exploring creativity and nurturing new experiences while crossing different words and different energies.

Designed to be a real immersion into Moncler’s energy and cultural evolution without leaving anyone out, MONDOGENIUS was structured as a journey between New York, Milan, Shanghai, Tokyo and Seoul to discover and explore the concepts that have inspired the Moncler Genius designers, spanning a variety of fields including art, film, music and extreme sports, creating endless possibilities to involve everyone, communicate and give voice to new messages.

The event, broadcasted on a dedicated microsite and on various social media platforms including Instagram, Facebook, TikTok, YouTube, LinkedIn, Twitter, WeChat, Weibo and Douyin and through Moncler’s network of e-tailers and media partners, opened the Brand’s world to everyone, closing the gap between physical and digital and putting creativity and entertainment in the spotlight, achieving a reach of 4.2 billion and a total of over 510 million views on the various digital platforms.

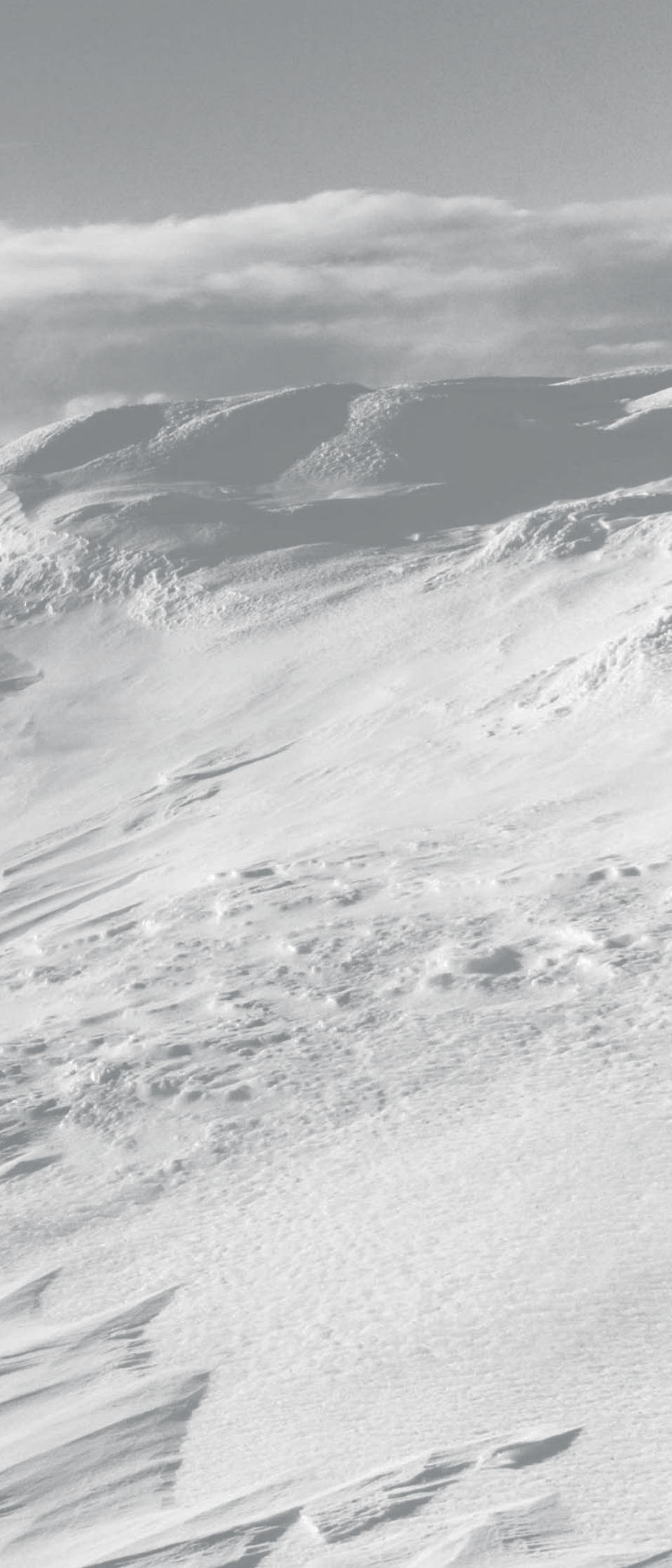
MONCLER LAUNCHES WITH FORTNITE A COLLECTION OF “DIGITAL REACTIVE” GARMENTS

Moncler is constantly looking for new ways to connect and interact with its community both in the real world and online on various platforms. Gaming is a rapidly growing world able to attract and engage young generations, always opened to explore new ways of living experiences.

In November 2021, Moncler and Fortnite presented a new in-game collaboration of garments and accessories inspired by the new 6 Moncler 1017 Alyx 9SM collection designed by Matthew Williams. Players were able to buy jackets or choose “reactive” outfits that change colour depending on the moves of the player inside the game.











5 THINK CIRCULAR & BOLD

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MONCLER AND STONE ISLAND, EACH
WITH ITS DNA AND STYLE, CREATE PRODUCTS
SYNONYMOUS WITH CREATIVE ENERGY,
INNOVATION AND QUALITY.
IN LIGHT OF THE NEW CHALLENGES FACING THE
WORLD, THE GROUP IS INCREASINGLY
COMMITTED TO FINDING LOW ENVIRONMENTAL
IMPACT SOLUTIONS TO BE INTEGRATED INTO THE
DESIGN AND MANUFACTURE OF ITS PRODUCTS.
REVIEWING THE DIFFERENT STAGES
OF THE PRODUCT LIFE CYCLE FROM A CIRCULAR
ECONOMY POINT OF VIEW, IS INCREASINGLY
A FOCUS OF ATTENTION IN ORDER TO MINIMISE THE
RESOURCES USED, EXTEND THE GARMENT
LIFE AND PROMOTE THE REUSE OF MATERIALS.
INNOVATION AND EXPERIMENTATION
ARE THE BASIS OF EVERY STYLISTIC AND
SUSTAINABILITY AMBITION.

Moncler's success is based on a unique brand strategy, aimed at developing innovative products that are “anchored” to the history of the Brand. The journey, which began in 2003 when Remo Ruffini acquired the Group, has always been coherent and pursued without compromise. Heritage, uniqueness, quality, creativity and innovation encompass the concept of “new luxury” that the Moncler brand aims to pioneer with Stone Island.

Founded in 1982, Stone Island has always been a symbol of extreme research into fibres and fabrics applied to an innovative design. For four decades Stone Island has been carrying on a vision and an approach to research recognised as a point of reference in today's sportswear and design world. A clear and ongoing evolution true to its DNA.

MONCLER BRAND
Moncler collections are divided into three dimensions: *Moncler Collections*, *Moncler Grenoble* and *Moncler Genius*. The *Moncler Men's*, *Women's* and *Enfant* Collections are born from the fusion of research, innovation and luxury expressing the brand's DNA: they meet the needs of different clients, multiple uses and lifestyles.

Moncler Grenoble, where the Brand's DNA is even stronger and more defined, has become over time a technology and style research lab for the sporty clients with an interest in performance, design and innovation. The Moncler Grenoble collection is split into *High Performance*, with products guaranteeing maximum performance, *Performance & Style*, for the sporty clients who also care about design, and *Après-Ski* for the clients who are looking for style with a sporting edge.

Moncler Genius collections take on a strategic relevance. They bring together under the same “roof” different interpretations and visions of the Brand, by diverse and complementary designers, that synergically, generate a new creative energy, while always remaining true to the Brand's uniqueness.

The Moncler collections are rounded off with footwear and leather goods (bags, backpacks and accessories) lines and a sunglasses and eyeglasses line (*Moncler Lunettes*), besides the perfume for men and women, launched, in limited quantities, in October 2021 and that will be definitively rolled out in 2022.

Moncler's team of fashion designers is subdivided by collection and works under the close supervision of Remo Ruffini, who sets design guidelines and oversees their consistent implementation across all collections and product categories. The Moncler Style department is assisted by the Merchandising and Product Development teams, which help create the collections and “transform” the designers' creative ideas into the final product.

STONE ISLAND BRAND
At the forefront of the menswear, Stone Island redefines, with its new point of view, the concept of man luxe, providing its clients with casual garments, always contemporary and with a strong tendency to research and experimentation.

The Brand is characterised by its different iconic visual codes. Stone Island expresses itself not only for the use of its atypical branding, the “Badge”, a removable rectangular label, that exhibits the embroidery of the Stone Island Compass; but also, for the wide exploration of colour, with unique treatments and techniques, finishes and details of the garments, and for its unique design lexicon.

Alongside Stone Island men collections, the Brand offers the *Stone Island Junior* collection, declination of the Brand for children and teenagers from 2 to 14 years old, and, from 2008, the *Stone Island Shadow Project*, a seasonal collection of pure functional design.

MONCLER POUR FEMME AND MONCLER POUR HOMME: THE NEW CHAPTER IN FRAGRANCE

In October 2021 Moncler launched, in limited quantities, the Moncler Pour Femme and Moncler Pour Homme fragrances, two perfumes that reflect bold synergy of nature, exploration and discovery. The two new scents celebrate great outdoor scenery, conveying the feeling of a warm, enveloping embrace.

The two flask-shaped bottles evoke not only the connection with Moncler's mountaineering origins and spirit of adventure, but also the iconic quilted construction of the jackets.

Thanks to a revolutionary LED design, a personalized message can be composed via a smartphone app.



5.2 PRODUCT AND INNOVATION

Circular economy and innovation are among the priorities of the Group's sustainability strategy. From the garment design phase to the end-of-life. The challenge is to develop new technologies and materials, minimise the resources used for production, increase the use of low environmental impact resources, extend product life and promote the reuse of materials.

To implement a circular economy model, sustainability must be integrated into the product and processes by acting on various aspects ranging from the choice of raw materials made from recycled resources to initiatives that extend product use and life, such as dedicated repair services, to garment design aimed at fostering recovery and recycling, to production processes, distribution and packaging with a low environmental impact. These are all aspects that require an aptitude for innovation, to experiment with new solutions and collaborate with all the actors in the supply chain.

Some of the key principles of the circular economy, such as garments durability, have always been a part of Moncler's DNA. The high quality and timeliness of its products ensure that they have a very long average life. This characteristic was the foundation of the Extra-Life project, which is a service aimed at providing a second life to Moncler's jackets through specific repairs. In 2021 the initiative was launched at a selected group of stores in Italy, France and Denmark, involving tailors from local repair platforms and sharing with the client the garment repair solutions. With an efficient, personalised service, tailors are able to repair damaged fabrics, thus extending product life. In 2022 the project will be extended to other Regions where Moncler operates with the aim of achieving global coverage by the end of the year.

Both Moncler and Stone Island are also committed to use recycled raw materials.

The Stone Island upcycling project, that will be implemented in 2022, aims at recovering cotton scraps generated by suppliers during the garment production phases. The scraps will be processed through a mechanical recycling process that will enable the production of high-quality recycled fabrics that will then be included in the Brand's collections.

In 2021, Moncler presented an upcycling project in collaboration with the designer Chen Peng who, according to a circular economy approach, gave new life to some iconic Moncler jackets from previous seasons with new details and design components.

In addition, in 2021 Moncler started recycling the first tonne of DIST-certified down, exclusively sourced from geese from the food supply chain, of which it is therefore a by-product that if not used would simply be disposed. See also page 73.

In 2019 Moncler began introducing sustainable products into its collections, such as BIO-based and carbon-neutral down jacket, made with plant-based materials and whose emissions have been offset through REDD+ certified projects, as well as a range of garments made from recycled fabrics in the *Moncler Grenoble* collection, and getting to the launch, in January 2021, of a selection of “Born to Protect” jackets made entirely from recycled materials within the *Moncler Men, Women* and *Enfant* collections. See also page 173. In 2022, the Moncler Born To Protect project was expanded to become a total look, including, in addition to jackets, also different types of garments and accessories, entirely made from fabrics and components with low environmental impact and certified according to specific sustainability standards. Further information on the materials in the collection can be found at: <https://www.monclergroup.com/en/sustainability/think-circular/born-to-protect-collection>.

By 2025, 50% of the nylon used in Moncler collections will be recycled nylon.

In 2021, Stone Island integrated sustainable materials and treatments into its collection, maintaining the technical and performance aspect of its products but with lower environmental impacts, for example making garments from recycled nylon and polyester and from organic cotton. In addition, in recent seasons, low-water consumption treatments have also been used for outerwear made with Soft Shell e.dye® waterless colour system™.

The assessment of the environmental impact of materials and components is supported by Life Cycle Assessment (LCA) analyses that quantify the potential impacts associated with certain products. These analyses, which are based on a structured methodology and in line with ISO 14040, 14044 and 14067 are certified by an independent, external third-party. These are a useful tool for considerations the Group is carrying out on the sustainability of products, processes and materials. To date, an assessment with LCA methodology has been carried out on about 70% of the Group’s products. In particular, in 2021 two further LCAs have been carried out on a jacket and on a sweater from the *Moncler Born To Protect* collection, launched in January 2022, to analyse in detail the environmental impacts of these type of products, characterised by low-impact materials, and to compare them with other Group’s products.

In this same direction, in 2020 Moncler drew up the Guidelines on Sustainable Materials, a protocol that summarises the criteria and thresholds for guiding the choice of materials, accessories and production processes for low-impact Moncler products; the protocol will see an evolution with the *Responsible Raw Materials Manual* in 2023.

The main raw materials used by the Moncler Group are fabrics, yarns and down. Both Brands constantly collaborate with their suppliers and require production processes be structured so as to optimise materials use and cutting, avoiding scraps and waste.

RAW MATERIALS PURCHASED

% OF VOLUMES PURCHASED	Moncler Group	Moncler Brand	
	2021	2021	2020
Nylon	19%	24%	29%
Cotton	38%	24%	19%
Polyester	12%	13%	16%
Down	7%	10%	13%
Wool	5%	5%	5%
Other¹	19%	24%	18%

The Group’s commercial strategy is based on the principle of scarcity and, from an operational point of view, on effective warehouse management, which translates into efficient production planning, with the right quantities at the right time and in the right place in order to avoid excessive inventories. This approach, combined with a high level of sell-through, allows to limit the amount of unsold products.

In the case seasonal garments, namely those that are offered for one season only (these are different from carry-overs, which can be reoffered for several seasons), remain unsold, they are firstly placed in the outlet channel managed by the Company or marketed through “Family and Friends” sales initiatives. In addition, in collaboration with non-governmental organisations (NGOs), some of the them are also donated to people in difficult situations through the *Warmly Moncler* programme, designed to protect people from the cold.

Lastly, the limited number of remaining products is recycled through innovative and experimental processes.

In 2021 the Moncler Group further refined its system for selecting and collecting garments that can no longer be sold in collaboration with several international companies with leading roles in fabric reuse and recycling. Depending on the category, products are recycled and destined to different uses such as the creation of new yarns or components for jackets, the production of furnishings and of objects often used as visual merchandising for stores.

In 2021, from the recycling of nylon fabrics present at the warehouse, new components used in four jacket models of the Moncler 2022 collections were realised.

OPEN INNOVATION IN THE MONCLER GROUP

The Moncler Group believes in open innovation paths that also involve external players such as suppliers, universities and innovation centres.

Since 2020 Moncler has been working with the start-up accelerator Plug & Play, a platform that brings together the best international start-ups with partner companies to create development and innovation opportunities. In 2021 Moncler also conducted LCA analyses through an organisation that developed an innovative proprietary methodology.

Moncler also constantly works with its suppliers to identify innovative solutions for the business. In 2021 the Company combined its specific expertise on down with that of a supplier specialised in recycling technologies, creating a machinery that allows to recycle DIST-certified down through an innovative mechanical process, currently object of patent application.

Since 2019, Stone Island has been working with Startupbootcamp, a global start-ups acceleration network that operates in different industries. Over the past few years, the Company started scouting activities in four main areas: reduction of water consumption in dyeing processes, recycling and full degradability of garments, development of printing processes, assembling and treatment of materials, as well as insulation, lamination and knitting systems.

1 Includes components of other raw materials that are not particularly significant in terms of volumes, such as silk, viscose, etc..

LAB LIFE Culture

Stone Island has always thrived on constant and ongoing research, textile experimentation and innovation, and it believes in functionality as an expression of unique and inimitable beauty. This culture translates in the two pillars of the Brand: LAB and LIFE.

The first name is an abbreviation for “laboratory”, the place where products are tested and designed, and refers to the constant investigation on fibres and fabrics transformation and finishing which leads to the discovery of materials and production techniques never used before in the apparel industry. In this context the jackets made from monofilament nylon, derived from water filtration technology were created, as well as the highly reflective or heat-sensitive fabrics and the light and coated nylon fabrics, used in aviation technology to protect on-board computers.

The second, LIFE, represents the experience, identity and status perceived by those who wear Stone Island brand products. It is the strong and recognisable aesthetic that stems from the study of uniforms and work clothes, redesigned according to new usage requirements, and defining a project in which a garment’s function is never merely aesthetic.

Stone Island Prototype Research_Series 05 Copper Nanotechnology On Raso

During the Milan Design Week 2021, Stone Island presented, through a dedicated installation, *Prototype Research_Series 05 Copper Nanotechnology On Raso*, a study aimed at investigating the natural oxidation characteristics of copper in the atmospheric environment.

The *Prototype Research Series*, realised by Stone Island since 2016, are native-limited editions, numbered garments, made with fabrics and/or treatments resulting from research and trials that have not yet been industrialised.

In January 2022, Moncler launched its second Moncler Born to Protect collection, reflecting the brand’s dedication to protecting the planet and creating a better future for all.

Made of a variety of lower impact materials, this year the collection went beyond jackets to incorporate a full range of ready-to-wear garments and accessories for men, women and children. Materials used for fabrics and other components include recycled nylon and polyester, organic cotton, and other materials such as wool and down² sourced according to specific sustainability standards certified to specific sustainability standards. (Further information on the materials in the collection can be found at: <https://www.monclergroup.com/en/sustainability/think-circular/born-to-protect-collection>).

The Moncler Born To Protect insignia embellishes the exterior of every piece and inside the jackets there’s a playful comic strip featuring the iconic Monduck, who has been gracing the inner lining of Moncler jackets since the 1960s. The Monduck character tells the story of Moncler Born To Protect’s approach to lower impact materials.

At Moncler what started as a clear mission to protect from the cold has evolved to a commitment to protect people and the planet, while acknowledging the monumental task that lies ahead and the commitment it requires.

As stated in the new campaign “We used to climb mountains. Now we must move them”. To accompany the new collection, a visual campaign and short film merge ‘re-cycled’ archival footage and stunning alpine images in an homage to Moncler’s mountain DNA and commitment to our shared future. The collection’s manifesto is stamped on campaign imagery: “Moncler Born To Protect. Our promise to tomorrow starts today, with a clear commitment to create a better future and protect people and the planet”. The Moncler Born to Protect collection was sold on moncler.com and at selected Moncler boutiques and was very well received by clients registering a very high sell-through.



2 Moncler exclusively uses down that is a by-product of the food industry and that is traced and certified according to the DIST Protocol. See also pages 145-146.

PACKAGING

The Moncler Group is committed to reduce the consumption of materials used in packaging and to research and adopt lower impact alternatives.

In 2021, the Manual, developed in 2020 with the support of external experts, was adopted at Group level. It sets out guidelines for choosing materials with lower environmental impact to be used in packaging in order to orient all the Moncler and Stone Island functions that design and select, not only the packaging, but also the elements used for retail displays and showcases.

The guidelines contained in the manual are inspired by the following principles:

- reducing the amount of materials used
- simplifying the structure of products with a view to eco-design by favouring mono-material or easily disassembled articles to promote reuse and recyclability
- reducing the use of virgin raw materials, especially if from fossil origin, by favouring materials from renewable sources or recycling
- designing items that can be used for a long time, reused and recycled
- selecting materials that have a validated sustainability performance supported by documentary evidence and measurements, and that, where possible, have been certified
- using materials that comply with the company's Restricted Substances List (RSL). See also pages 179-181.

In recent years, the Group has launched a series of programmes to improve packaging design mainly focused on recyclability, reusability and durability as well as on reducing the materials used.

In particular, in order to promote recyclability, where possible, the use of a single material per item has been foreseen and at the logistics hub in Piacenza a recycling process has been implemented, involving a private partner that operates at the facility and ensure proper and effective management of the recycling of packaging materials.

In terms of reusability and durability, in 2021, in the e-commerce channel, a multi-use packaging for garment bags and for accessories, and for knitwear envelopes was also introduced.

Among initiatives linked to the reduction of the weight and materials used, Stone Island replaced the traditional stone paper used for the shopping bag with recycled paper, resulting in a reduction in the weight of each bag of 35%; at Moncler, packaging made of single-use plastic previously used for logistics transportation of shoes was eliminated and a procedure was introduced to optimise the quantity of packaging used for the internal shipping of fabric samples and accessories between the various company functions, resulting in savings in the materials used.

Lastly, in the Moncler e-commerce site, the Born to Protect option, which uses fewer items in packaging and weighs less than the Signature option, was introduced as the default choice for packaging.

MATERIALS USED IN PACKAGING³

63% of the materials used for total packaging (logistics, production, to end client, and for office use), of both Moncler and Stone Island, is represented by paper and cardboard from responsibly managed forests and recycled for 73%.

17% of the materials used in Group packaging is represented by recycled plastics. See also page 246.

The third most used material (10%) is wood, totally recycled, represented mainly by logistic pallets, which by their nature are reusable.

The remaining materials are: synthetic fibres, 98% recycled; natural materials; artificial materials; metal and other.

Despite the excellent results achieved, the Group is looking for continuous improvement. For this reason, annual R&D investments are allocated to explore and identify solutions with a lower environmental impact, also with the collaboration and assistance of international start-ups.

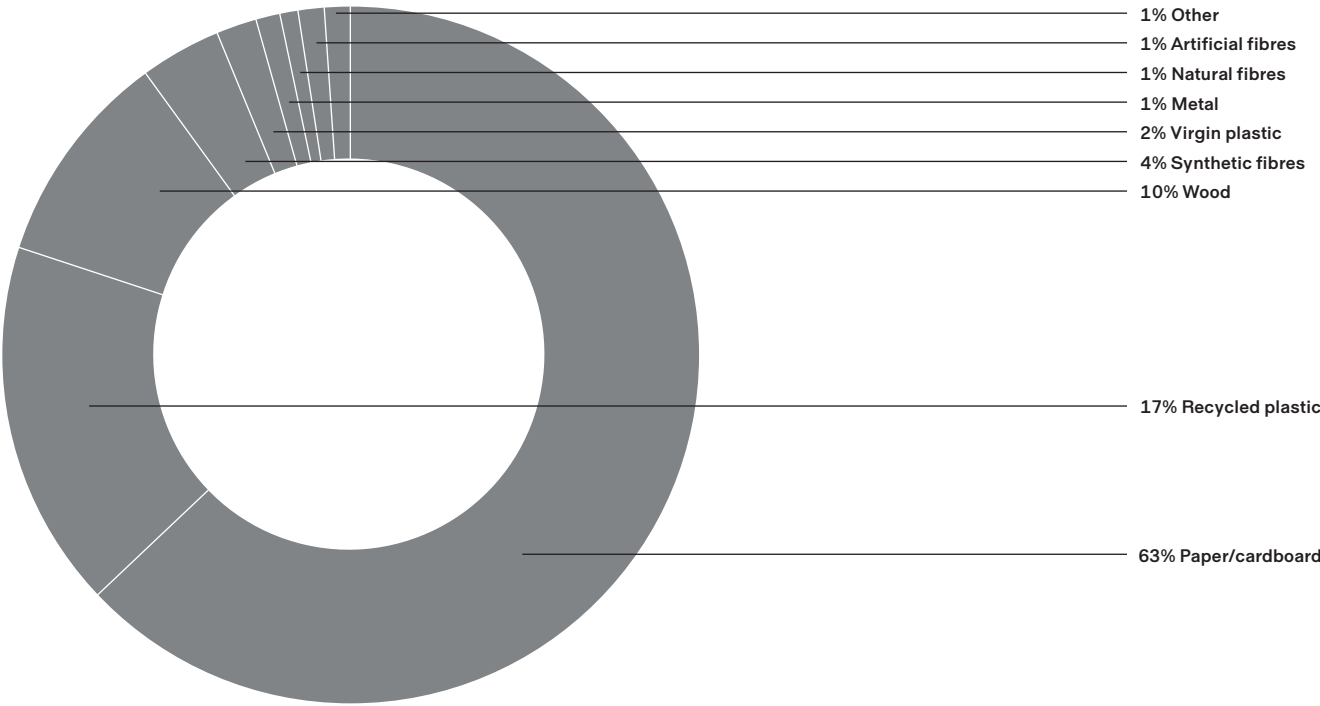
MATERIALS USED IN PACKAGING³

MATERIAL TYPE	% of total materials 2021	Moncler	Group
Paper and cardboard (kg)	63%	2,274,291	
Recycled		73%	
Recyclable		100%	
Multi-use		16%	
FSC certified		99%	
Plastic (kg)	19%	689,192	
Recycled		90%	
Recyclable		99%	
Multi-use		23%	
Wood (kg)	10%	359,457	
Recycled		100%	
Recyclable		100%	
Multi-use		100%	
Synthetic fibres (kg)	4%	134,014	
Recycled		98%	
Recyclable		100% ⁴	
Multi-use		91%	
Metal (kg)	1%	49,101	
Recycled		51%	
Recyclable		89%	
Multi-use		100%	
Natural fibres (kg)	1%	47,342	
Recycled		-	
Recyclable		100% ⁴	
Multi-use		100%	
Other (kg) ⁵	1%	40,369	
Recycled		68%	
Recyclable		13%	
Multi-use		94%	
Bio-based		1%	
Artificial fibres (kg)	1%	577	
Recycled		-	
Recyclable		100% ⁴	
Multi-use		-	
Bio-based		-	

PLASTIC USED IN PACKAGING³

	Moncler Group 2021	Moncler Brand 2021	2020	2019
Quantity (Tonnes)	689.2	536.6 ⁶	358.4	453.34
of which recyclable	99%	98%	100%	96%
of which recycled	90%	94%	60%	31%

3 Includes the packaging for logistics, production, end client and used in offices, purchased in 2021.
4 Recyclable but not through municipal collection system.
5 Includes all composite materials that cannot be separated.
6 The increase in the amount of materials purchased by Moncler in 2021 is due to several factors, including: the finalisation of the internalisation of the e-commerce channel with the introduction of dedicated packaging, a different purchase strategy due to the scarcity of raw materials and the recovery of the business following the Covid-19 pandemic.



PACKAGING FOR END CLIENT⁷

From 2021 almost all Moncler Group packaging for end client is made from lower impact materials. In particular, all paper and cardboard come from responsibly managed forests (FSC certified) and is recycled for 52%. Paper is mainly used for shopping bags, whose paper is 100% recycled, for gift boxes, tags and shoe boxes.

98% of plastic consists of 100% recycled plastic and 2% of bio-based or mixed plastic. In particular, accessories such as the zippers of garment covers and bags used in the e-commerce channel are made of recycled plastic, as well as the hangers that, in addition to being made of recycled plastic, have been redesigned with a removable hook, thus promoting a correct recycling process.

The third most used material for packaging for end client is synthetic fibres, almost exclusively from post-consumer recycled plastic bottles, used for garment bags as well as for accessories and knitwear envelopes, which increased compared to last year in line with the process of internalisation of the e-commerce channel.

Natural fabrics, almost entirely represented by certified organic cotton, are mainly used for shoe bags and accessories bags used at the stores.

100% of Moncler’s packaging for end clients is made from sustainable materials, 98% for Stone Island. From 2022 this percentage will rise to 100%. See also page 74.

PACKAGING FOR END CLIENTS⁷

MATERIAL TYPE	% of total materials 2021	Moncler Group
Paper and cardboard (kg)	65%	774,828
Recycled		52%
Recyclable		100%
Multi-use		48%
FSC certificate		99%
Plastic (kg)	14%	163,907
Recycled		98%
Recyclable		97%
Multi-use		95%
Synthetic fibres (kg)	11%	134,011
Recycled		98%
Recyclable		100% ⁴
Multi-use		91%
Natural fibres (kg)	4%	47,342
Recycled		-
Recyclable		100% ⁴
Multi-use		100%
Certificied		98%
Metal (kg)	3%	34,512
Recycled		73%
Recyclable		85%
Multi-use		100%
Other (kg) ⁵	3%	39,350
Recycled		66%
Recyclable		14%
Multi-use		95%

LOGISTICS PACKAGING⁸

The materials mostly used for the Group’s logistic packaging are paper and cardboard from responsibly managed forests (FSC certification) and recycled for 84%.

Plastic, which accounts for 22% of total logistics packaging, is recycled for 88%. At Moncler this value increased to 94%, +50 percentage points compared to last year.

By 2023 all packaging used in logistics will consist only of lower impact materials, which currently make up 97%. See also pages 74; 205.

LOGISTICS PACKAGING⁸

MATERIAL TYPE	% of total materials 2021	Moncler Group
Paper and cardboard (kg)	62.5%	1,493,933
Recycled		84%
Recyclable		100%
Multi-use		-
FSC certified		99%
Plastic (kg)	21.8%	519,709
Recycled		88%
Recyclable		99%
Multi-use		-
Wood (kg)	15%	359,457
Recycled		100%
Recyclable		100%
Multi-use		100%
Metal (kg)	0.6%	14,590
Recycled		-
Recyclable		100%
Multi-use		99%
Other (kg) ⁵	0.1%	1,030
Recycled		4%
Recyclable		100%
Multi-use		-
Bio-based		17%

7 Packaging for end clients purchased in 2021.
8 Logistics packaging purchased in 2021.

PACKAGING IN THE E-COMMERCE CHANNEL

With the internalisation of the e-commerce channel two types of packaging were made available:

SIGNATURE PACKAGING: products are presented in a reusable Moncler box, tied with a tricolour ribbon.

- The external shipping box is made of 100% recycled paper from responsibly managed forests
- The inner “Signature” box is made of paper from responsibly managed forests, of which more than 50% is from recycled sources
- The inner bags that are included with down jackets are made from post-consumer recycled plastic bottles
- The hangers that are included with down jackets are made of recycled plastic
- Last mile delivery is made through “UPS® carbon neutral” service in the Americas and EMEA Regions, while for Korea and Japan Moncler neutralises last mile emissions through offsetting projects.

“MONCLER BORN TO PROTECT” PACKAGING: this option uses a reduced number of packing layers, placing products in light, reusable packaging.

- The external shipping box is made of 100% recycled paper from responsibly managed forests
- The inner bags are made from post-consumer recycled plastic bottles
- The hangers are made of recycled plastic
- Last mile delivery is made through “UPS® carbon neutral” service in the Americas and EMEA Regions, while for Korea and Japan Moncler neutralises last mile emis-sions through offsetting projects.

SINGLE USE PLASTIC⁹

The impact of plastic on the environment, particularly of single-use plastic, has become a very critical issue for our planet, to which the Moncler Group wants to contribute through concrete actions: the Group aims to progressively reduce the use of single-use virgin plastic until it is completely phased out by 2023.

To date, 87% of the single-use plastic used by the Group is made up of recycled plastic. For Moncler, that percentage rises up to 92%, registering an increase of 48 percentage points if compared to 2020, when it represented 44%.

The decision to replace single-use virgin plastic with recycled plastic stems from a Life Cycle Assessment analysis conducted with the Politecnico of Milan aimed at identifying the best alternative from an environmental and technical-performance point of view. From the analysis it emerged that recycled plastic reduces CO₂ emissions by 35% and water consumption by 60% compared to virgin plastic. In addition to preferring recycled plastics, the weight of many single-use items was reduced by 10%, thus allowing a reduction in unit weight and a decrease in the use of raw materials. See also pages 71; 74.

9 The figure includes all single-use plastic, not just the one used for packaging purchased in 2021.

SINGLE USE OF PLASTIC⁹

	Moncler Group 2021
Plastic (kg)	537,229
Recycled	87%
Recyclable	99%
Compostable	-

PAPER¹⁰

All the paper and cardboard used by the Group come from responsibly managed forests. Given their high use, they are constantly the focus of improvement projects linked to the reduction of their use, where possible, and to the increase in the percentage of recycled material contained.

To date, 71% of the Group's paper is recycled, for Moncler this percentage increases up to 73%, 22 percentage points higher if compared to 2020, when it was 51%.

PAPER¹⁰

	Moncler Group 2021
Paper (kg)	2,353,416
Recycled	71%
Recyclable	100%
Multi-use	16%
FSC certified	>98%

5.3 QUALITY AND SAFETY

For the Moncler Group, quality has always been and will continue to be a priority. In the pursuit of excellence, the Group allows no compromises: from the choice of the finest materials, through the precise manufacture of the garments, to the selection of the best suppliers trained and supported by specialised experts.

PRODUCT QUALITY AND SAFETY

Product quality, safety and innovation are focus of attention for the Moncler Group. To this end, both Moncler and Stone Island implement strict controls over the entire value chain. Each product is designed and manufactured under the direct and close supervision of Group's experts. Both Brands manage internally the creative phase and the development of prototypes and make use of constantly supervised third-party workshops to manufacture finished products in addition to, for Moncler, of its production site in Romania.

Quality and safety are priorities for the Group right from the phase of garment design and raw material purchase. The quality of the down, nylon, cotton and other raw materials used to produce the garments of both Brands, combined with constant research and experimentation, are fundamental elements to ensure an excellent final product. For this reason, the Group carefully selects its suppliers and subjects its materials to rigorous controls before production and to accurate assessments on composition, chemical substances and physical-mechanical characteristics, so as to ensure the expected technical performance.

In particular, the Group contractually requires its production partners to operate in full compliance with the most restrictive international regulations on chemical substances and performance, including the European Union's REACH regulation¹¹, China's GB¹² standards and Japanese JIS standards¹³.

Suppliers are contractually bound to comply with the instructions contained in the Compliance Specifications containing the main compliance requirements of both Brands for their suppliers and subcontractors, including dyeworks, cleaners and embroideries. Specifications are periodically updated, taking into account international regulations and voluntary parameters and commitments made by Moncler and Stone Island and include the Product Restricted Substances List (PRSL), the Manufacturing Restricted Substances List (MRSL) and, for Moncler, the Manual of Performances for performance and physical-mechanical requirements.

In 2021 a working group was launched to review and update the PRSL and MRSL at Group level. This process concluded with the subsequent publication in February 2022.

10 The figure includes all paper, not only the one used for the packaging purchased in 2021.
11 Registration, Evaluation, Authorisation and Restriction of Chemicals.
12 National Standard of the People's Republic of China
13 Japanese Industrial Standards.

In particular, the PRSL applies to materials, treatments and products, and includes not only the requirements of the most restrictive regulations of countries where products are manufactured and sold but also other more restrictive voluntary requirements, in line with a precautionary approach.

The PRSL has been prepared, with the support and verification of consultants and testing and certification companies, taking into account the requirements of the main industry standards (including the American Apparel and Footwear Association – AAFA and Camera Nazionale della Moda Italiana), certification schemes of independent bodies, and the peculiarities of both Brands’ products.

The names of the relevant chemical substances and formulations, the CAS (Chemical Abstract Service) registry number, the analysis methods to be applied and reference parameters to comply with are reported. They also indicate the substances and target parameters for which suppliers are encouraged to improve and find alternatives.

The Group is aware of the importance of monitoring the chemical substances used in the production process to prevent potential contamination of materials, products, water and sludge. This monitoring is governed by the Manufacturing Restricted Substances List (MRSL) which, together with the PRSL, defines the list of substances that suppliers and subcontractors have to monitor during the various production phases in order to anticipate and reduce the risk of possible critical issues relating to products, materials and the environment, and provide the basis for a proper production method and root-cause analysis. The Group’s MRSL was defined taking into account the main industry standards (such as the Zero Discharge of Hazardous Chemicals-ZDHC, to which Stone Island adheres since 2021) and requires for further investigation and specific requirements.

The MRSL and PRSL apply to all levels of the supply chain involved in the production of materials and products. For parameters, substances, methods and detection limits, suppliers are required to refer to the MRSL and/or PRSL depending on the substrates analysed and considered.

The MRSL and PRSL govern more than 350 chemicals and are two important tools in the Group’s strategy to keep reducing its environmental impacts.

Suppliers and subcontractors, especially those involved in wet processes, are encouraged to proactively develop a chemical management system through which monitor and test chemicals- water and sludge, in addition to materials, components, products and treatments. This includes keeping the chemical inventory and documentation up to date, as well as implementing batch traceability and screening and/or testing different chemical formulations at least seasonally, if not via sampling or during inspections.

Suppliers must verify that concentrations of substances identified in any substrate ensure compliance with legal requirements or with those of the Group, if more restrictive, and investigate the source of any problems, taking the appropriate corrective actions.

Both Brands monitor compliance with the requirements based on a sample check procedure that identifies the samples to be tested, frequency and tests to be performed. Test activities, carried out seasonally, start with the materials research phase and continue with the prototyping, sampling, and production phases.

Samples and substances to be tested are selected considering the type of materials (fabrics, leather, etc.), formulations used in the production process (e.g. colours, finishing agents, etc.), availability of documentation, frequency and quantity of use in the supply chain, particularities and distinctiveness of certain effects, and so forth.

Tests on components, water, chemical formulations and finished products are carried out through ISO 17025 accredited third-party testing laboratories and are performed both by suppliers and the Group.

Accessories used in production undergo further inspection to analyse their technical compatibility with fabrics and garment care, such as the reaction with the detergents during washing, while for fabrics physical-mechanical properties such as water resistance, pilling, colour fastness, seams slippage, tear resistance, breathability, etc., are checked.

The Moncler Group does not tolerate any compromises in terms of health and quality: if a product does not pass the tests, the purchasing process is stopped until the supplier demonstrates that it can provide a product that complies with the requirements. In terms of technical quality, with regards to the production process, during the supplier selection phase the experts of the quality assurance division of both Moncler and Stone Island attentively examine whether a partner has adequate skills and technologies that enable the production of garments in line with the required standards, that it can ensure constant and uniform quality levels. The experts then verify, on a weekly basis, the status of the process and compliance with the product quality standards.

Before starting the production process, each model is subjected to various fittings, aimed at verifying every detail and the alignment with the stylistic and model indications, and to ensure maximum comfort and wearability.

Lastly, prior to sale, all Moncler and Stone Island garments undergo a final quality inspection. These controls, through a structured and registered process, thoroughly check and ensure the aesthetics, characteristics, size, labelling and functionality of each of the two Brands’ garments. In particular, in this last phase the Group implements and verifies a complex anti-counterfeiting protocol using latest-generation technology.

Since 2018, through major investments in technology, Moncler has been strengthening the Castel San Giovanni, Piacenza, hub, where, in addition to logistics activities, other services are performed, including quality control and finished product control according to specific company protocols and part of after-sales service activities. The expansion of the facility is part of a major project implemented by the Company to be faster and more efficient in terms of time-to-market and, therefore, of service to the client.

DOWN QUALITY

Down is the most important thing to Moncler. Since the beginning of the Company’s history, down has been the heart of every jacket, gradually becoming the identity of the Brand itself.

Thanks to its long experience and constant research and development, Moncler has now a unique expertise in terms of both knowledge of raw materials and garment manufacturing process. Moncler requires its suppliers to comply with the highest quality standards, which over the years have been, and continue to be, a key aspects of product differentiation. However, the Company’s notion of quality goes even further: the origin of the down used and respect for animal welfare are also fundamental for Moncler and are taken into account in the raw materials purchasing process as much as quality. See also pages 145-146.

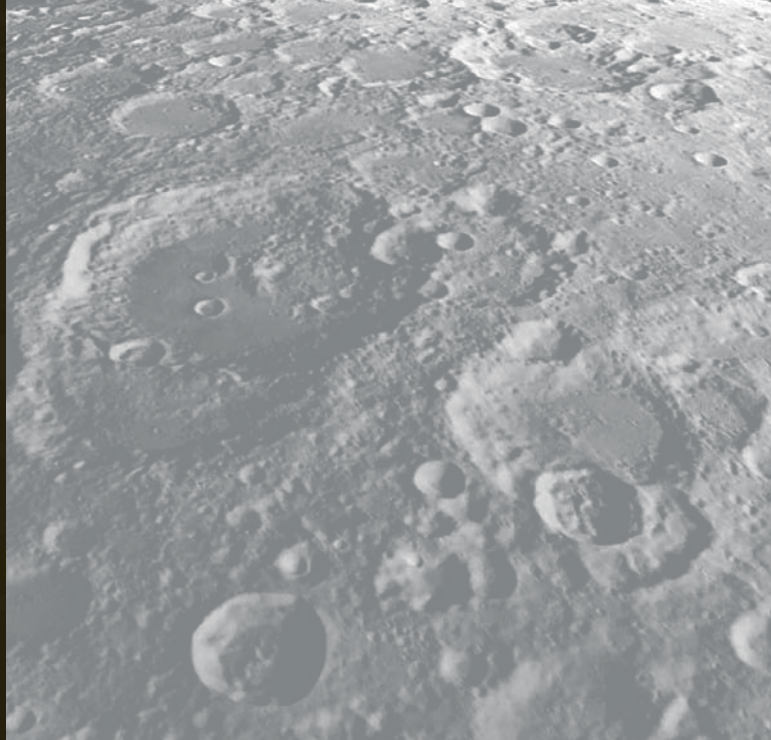
In particular, the technical quality of Moncler down is ensured by a complex process that ensures that only the best white goose down is used to make garments. Each batch of down is double-checked to verify its compliance with 11 parameters, relating to quality (in addition to aspects of cleanliness and health), and identified by the strictest international regulations and the stringent requirements established by the Company: first through sophisticated analysis by an accredited independent body and then through further tests carried out at Moncler’s internal laboratory, performed by highly-specialised down technicians. In 2021 more than 1,000 tests were carried out.

Down cluster content and fill power are the main indicators of down quality. Moncler garments contain at least 90% white goose down cluster and only 10% feathers/small feathers. This high percentage of down cluster guarantees a high fill power, namely the capacity of the down to occupy volume: the higher the fill power, the greater the performance in terms of lightness, thermal capacity and insulating properties. Moncler down has a minimum fill power level of 710 (cubic inches per 30 grams of down) translating into warm, soft and light garments, that are able to offer unique comfort.













6
ACT ON CLIMATE CHANGE

6.1	ENVIRONMENTAL POLICY AND MANAGEMENT SYSTEM	P. 196
6.2	RESOURCE MANAGEMENT AND CONSUMPTION	P. 196

FOR THE GROUP, BEING SUSTAINABLE MEANS
ACTING FOR LONG-TERM DEVELOPMENT.
THIS MEANS FEELING THE RESPONSIBILITY FOR
FUTURE GENERATIONS AND THEREFORE
ACTING CONSCIENTIOUSLY, TO PROTECT NATURAL
RESOURCES AND CONTRIBUTE TO THE
FIGHT AGAINST CLIMATE CHANGE BY MINIMISING
THE IMPACTS ON THE ENVIRONMENT.
THERE CANNOT BE LONG-TERM GROWTH WITHOUT
RESPONSIBLE BEHAVIOUR.



The Group is aware that the path towards sustainable development requires policies, tools and actions that protect the environment. Responsibility towards future generations requires a strong commitment to careful use of natural resources and minimisation of the impacts.

As proof of its focus on the environment and its protection, in 2017 Moncler adopted an Environmental Policy which, in addition to reiterating the ongoing compliance with all applicable laws and requirements, formally endorses the Company’s commitment to continuously improve its environmental performance in order to reduce the impact of its production site and facilities (offices, warehouses and stores), as well as that of its activities, services, products and logistics. Moncler is committed to investing the technical, economic and professional resources necessary to fully comply with its policy guidelines. The document is available in both Italian and English and can be downloaded from the Group’s intranet and Internet sites. This policy will be updated and adopted at Group level in 2022.

The maintenance of ISO 14001 certification at the production site in Romania, the Italian corporate offices and the logistics hub in Castel San Giovanni (Piacenza) in the case of Moncler, and the process begun in 2021 to obtain certification at the corporate offices in Milan and Ravarino (Modena) for Stone Island, are concrete results that highlight the Group’s commitment to, and investments in, environmental protection, along with its drive towards continuous improvement.

- With regard to direct environmental impacts, i.e. those generated by offices, stores, logistics centre and production site in Romania, in line with previous years, the Group is focusing its efforts on:
- monitoring and assessing environmental impacts to identify and implement improvement measures
 - purchasing electricity from renewable sources
 - using more efficient technologies and lighting systems and environmentally friendly ICT solutions
 - using Building Management System (BMS) supervision tools for an integrated and more efficient management of energy consumption
 - using technologies to support interaction between employees, reducing business travel
 - using resources efficiently and sourcing from responsibly managed sources
 - engaging and raising awareness among employees through guidelines and programmes to reduce the consumption of paper, plastic, toner, energy and promote waste sorting.

Due to the nature of its business model, in which production is mainly managed through suppliers, the Moncler Group’s most significant environmental impacts are the indirect ones (scope 3). To limit the indirect impact of the manufacture and distribution of their products and within the limits of their influence, Moncler and Stone Island encourage production and logistics providers to apply environmental best practices.

6.2 RESOURCE MANAGEMENT AND CONSUMPTION

THE GROUP’S COMMITMENT TO FIGHT CLIMATE CHANGE
Reducing greenhouse gas (GHG) emissions by adopting renewable energy and improving operational efficiency is a key lever of the Moncler Group’s strategy to fight climate change, defined in line with the objectives of the 2030 Agenda for Sustainable Development (Sustainable Development Goals – SDGs) set by the United Nations.

In 2020 Moncler submitted its CO₂ emission reduction targets to the Science Based Targets Initiative (SBTi)¹. The initiative validated the targets judging them as consistent with the actions required from companies in various industries to help contain global temperature. Moncler has committed to reduce absolute scope 1 and 2 CO₂e emissions 70% and absolute scope 3 CO₂e emissions 14% by 2030 from a 2019 base year.

Following the integration of Stone Island and the internalisation of Moncler’s e-commerce channel, the Group has started a process to redefine its CO₂ reduction targets as recommended

by the guidelines of the Science Based Target initiative, to ensure the inclusion of all sources of CO₂ emissions and to reflect the actual size and impact of the business. The new targets will be announced as soon as they are validated by the SBT initiative.

ENERGY CONSUMPTION AND SCOPE 1 AND 2 EMISSIONS
Direct and indirect energy consumptions at the Moncler Group’s premises are mainly due to the production activity in Romania and to the logistics hub in Castel San Giovanni (Piacenza), as well as to facility heating, air conditioning, lighting and to the use of IT equipment at the corporate offices and stores of Moncler and Stone Island.

The monitoring of energy consumption in 2021 was further refined and expanded to include, among others, stores at host structures (e.g. department stores) not directly managed by the Group.

Total direct and indirect energy consumption increased in 2021 in line with the growth of the business. Growth that exceeded 2019 also in terms of the number of stores, expansion of offices and number of employees, along with the extension of the perimeter of stores reported in the past, as explained above.

Despite this increase in consumption, within the Moncler brand perimeter it was registered a -35% reduction of scope 1 and 2 (market-based) emissions compared to 2020 and a 41% reduction compared to 2019. This has been made possible due to greater use of renewable energy, more efficient lighting, air conditioning and heating systems and an increase in low environmental impact vehicles in the company fleet. The reduction in scope 1 and 2 CO₂e emissions normalised on revenues is even clearer: -49% emissions for million euros of revenues vs 2020.

1 Endorsed by CDP, the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), the Science Based Targets initiative establishes and promotes best practices in setting science-based targets, in addition to evaluating companies’ objectives.

KWh	Moncler Group	Moncler Brand		
	2021	2021	2020	2019
Direct energy consumption	9,933,003.3	8,402,400.4	5,531,706.3	7,307,505.2
From non-renewable sources:				
Natural gas²	6,211,485.6	5,085,441.9	3,468,702.6	3,494,342.3
Diesel	1,881,135.5³	1,514,216.7³	1,089,561.9	2,874,734.7
Fuel	1,840,382.2³	1,802,741.8³	973,441.8	938,428.1
Indirect energy consumption	32,511,714.4	30,634,756.0	29,733,158.5	20,097,325.0⁴
Electricity from non-renewable sources	6,381,156.3	6,242,393.2	14,616,822.4	11,871,230.0
Electricity from renewable sources	26,130,558.1	24,392,362.8	15,116,336.1	8,226,095.0
of which from certified green energy⁵	26,115,369.1	24,377,173.8	15,116,336.1	8,226,095.0
of which self-generated	15,189.0	15,189.0	-	-
Total energy consumption	42,444,717.7	39,037,156.4	35,264,864.8	27,404,830.2
Total energy consumption (MWh)/number of employees	8.02	8.01	8.02	6.00
Total energy consumption (MWh)/revenues (million euros)	20.7	21.4	24.5	16.8

SCOPE 1 AND 2 CO₂E EMISSIONS

TONNES OF CO₂E	Moncler Group	Moncler Brand		
	2021	2021	2020	2019
Direct emissions (scope 1)	2,155.3	1,772.3	1,298.1	1,768.2
From non-renewable sources:				
Natural gas²	1,144.3	936.9	759.2	764.8
Diesel	473.1³	381.9³	283.1	757.1
Fuel	423.8³	414.8³	255.8	246.3
Refrigerant fluids⁶	114.1	38.7		
Indirect emissions (scope 2)				
Location-based	10,904.9	10,399.8	10,689.8	7,610.9⁴
Market-based	2,668.8	2,630.2	5,489.2	5,669.7⁴
Total emissions⁷				
Location-based	13,060.2	12,172.1	11,987.9	9,379.1
Market-based	4,824.1	4,402.5	6,787.3	7,437.9
Total emissions/number of employees				
Location-based	2.47	2.50	2.73	2.05
Market-based	0.91	0.90	1.54	1.63
Total emissions/revenues (millions of euros)				
Location-based	6.38	6.67	8.32	5.76
Market-based	2.36	2.41	4.71	4.57

In 2021, in line with the commitment of the Science-Based Targets and the objectives of the Strategic Sustainability Plan, the Group achieved carbon neutrality⁸ for all corporate sites at global level. It is also committed to achieving 100% renewable energy at Group sites worldwide by 2023. In line with this latter commitment, in 2021 Moncler increased the use of energy from renewable sources by 30% compared to 2020 and installed a photovoltaic system at the logistics hub in Castel San Giovanni (Piacenza), while Stone Island began a process to increase the supply of green energy, starting with the corporate sites in Ravarino (Modena) and Milan, and the stores in Italy.

Overall, the Group uses only energy from renewable sources in Italy, Romania and other countries including China⁹, the United States, Canada and France for a total of 80% of the total needs of company sites.

Lastly, in order to achieve climate neutrality, unavoidable residual emissions have been neutralised through two projects certified on the voluntary market and focusing on circular economy and renewable energy, respectively, demonstrating the Group's commitment to mitigating its impacts. The first project that has been supported is related to the expansion of a high-energy efficiency plastic waste recycling plant in Romania, and certified according to Gold Standard. To this initiative adds the contribution to the realisation of a photovoltaic system certified according to the Verified Carbon Standard in Mauritius. The two projects are important not only from an environmental point of view but also from a social perspective as they enabled the creation of new job opportunities and to raise awareness among local communities, especially in schools, on environmental issues and on the importance of recycling and of sustainable management of local resources.

- 2
- The data includes total consumption based on the total cost of natural gas expenses (excluding cases in which the data is managed by the host department stores).
- 3
- The data includes the consumption and emissions of the car fleet with reference to the global perimeter for 2021 and 2020 and to Italy and Romania for 2019. In 2021 the Moncler car fleet was made up of 65% hybrid vehicles (56% at Group level), to which the relative vehicle consumption factors have been applied.
- 4
- The data for 2019 does not include the energy consumption of stores in host structures (e.g., department stores) not directly managed by Moncler.
- 5
- The figure includes green energy certified according to the Renewable Energy Certificate (REC)/Guarantee of Origin (GO).
- 6
- The figure includes insignificant dispersion of refrigerant gases for a total amount of 60 kg in Italy.
- 7
- Calculation of CO₂e emissions (including CH₄, NO₂, HFC, PFC and SF₆ emissions, where present) has been carried out in accordance with the GHG Protocol guidelines. The parameters used for the calculation are derived from IEA, 2019, 2020 (emission factors for electricity), UNI EN 16258 (fuel emission factors) and the Department for Environment, Food and Rural Affairs (DEFRA).
- 8
- Achieving carbon neutrality involves reducing impacts through CO₂ emission reduction activities such as purchasing energy from renewable sources, using more efficient lighting systems, using vehicles with low environmental impact and neutralising residual emissions with carbon credits generated by positive impact projects. Each credit – certified by the most important international standards, such as the Gold Standard or Verified Carbon Standard (VCS) – certifies that a tonne of CO₂ has been reduced or removed from the atmosphere.
- 9
- Moncler's energy consumption from renewable sources includes mainland China, Hong Kong SAR and Macao SAR. Taiwan's corporate energy consumption to date comes from conventional energy.

CARBON NEUTRALITY INITIATIVES

GreenTech: Plastic recycling through a high-efficiency system

The project supported by the Moncler Group and promoted by GreenTech, one of the leading companies in the PET plastic recycling industry in Europe, is related to a plastic recycling plant for bottles and other PET products through energy-efficient technology that allows to reduce emissions compared to traditional disposal methods. In particular, plastic recycling allows for a 45% reduction in CO₂ emissions compared to virgin PET plastic production. The company is located in Romania, a key country for Moncler due both to the presence of the Bacau production site and of its own supply chain.

The project offers not only environmental but also social and economic benefits and contributes to accelerate the country's transition towards a sustainable, low-carbon economy.

Henrietta Solar: installation of a photovoltaic system

Henrietta Solar is a project certified according to the Verified Carbon Standard that involves the installation of a photovoltaic energy system for energy production in Mauritius, which has severe exposure to climate change and classified as Small Island Developing States (SIDSs).

Through the construction of 53,700 solar panels, the project will provide green energy to 40,000 people, while preserving an agricultural area of over 20 hectares. The solar panels will generate around 26,500 MWh, replacing the current energy mix with clean and renewable energy, reducing its greenhouse gas emissions by more than 25,000 tonnes of CO₂ a year. The project is providing concrete support to the country by reducing its dependence on imports of fossil energy, mainly coal and oil, and contributing to its energy self-sufficiency and to climate change mitigation.

SCOPE 1 AND 2 EMISSIONS MITIGATION INITIATIVES

In order to reduce energy consumption and CO₂ emissions the Moncler Group is implementing various activities at stores, offices, logistics hub and at its production sites. The initiatives range from the progressive replacement of traditional lighting systems with LED lights to the use of eco-friendly ICT equipment, the identification of ways to make energy use more efficient, the use of Building Management Systems for integrated and more efficient energy consumption management, and the promotion of sustainable mobility through the inclusion of low-environmental impact vehicles in the company car fleet.

Also in 2021, Moncler continued to achieve significant results in terms of efficiency of lighting systems. To date, 99%¹⁰ of stores worldwide (100% in the United States, Korea, Japan and Europe) have light-emitting diode (LED) systems, as well as the entire production site in Romania and the entire logistics hub in Castel San Giovanni (Piacenza), with an area of approximately 95,000 square metres. The same type of systems has also been adopted by all Stone Island stores at global level.

With regards to the Moncler corporate sites, in 2020 and 2021 renovation and installation of more efficient lighting systems continued through the replacement of traditional lighting systems with LED lights and thermal insulation systems to ensure greater energy efficiency.

The latest-generation LEDs, in addition to offering excellent light quality, under certain conditions, have an estimated energy savings of up to 80% compared to former lighting systems, while also generating less residual heat. In terms of environmental impact, LED lights have an average life that is significantly longer than the traditional light bulbs, and are almost entirely made from recyclable material. In 2021 the investments made to install LED lights or replace traditional lighting systems amounted to over 1.1 million euros.

10 Excluding the 13 shop-in-shops where lighting is provided by the host department stores, on which Moncler cannot take action.

At the Stone Island site in Ravarino (Modena), since 2018 activities to replace the air conditioning and gas heating systems with more efficient heat pumps with inverters have begun and office windows have been replaced to ensure high thermal insulation. In 2022 windows will be replaced at the Stone Island warehouses in Ravarino (Modena).

Also in the field of energy savings, an assessment of the existing air conditioning systems at Moncler stores has been carried out in order to identify more eco-efficient solutions. In 2022, the same analysis will be carried out for Stone Island stores.

To develop a better understanding of the initiatives that could feasibly reduce the environmental impact of stores, the Moncler Group is also focused on the assessment of sustainability requirements in store design. In addition to style, sophistication and practicality, sustainability aspects are becoming increasingly important in the design and realisation of stores. While it is crucial that a store have the right lighting, layout, climate control and functionality, Moncler and Stone Island are aware that these aspects need to be managed in the most balanced way possible to limit their impact on the environment. In 2021 Moncler has started equipping stores with Building Management Systems (BMSs) for the integrated management of all the spaces technological functions, from access control to lighting and air conditioning, and with the aim of implementing a more efficient management of energy consumptions.

From an energy efficiency standpoint, in 2021 Moncler obtained the LEED for Building Operations and Maintenance certification for six existing stores in Europe, America and APAC. In addition, in the APAC Region, the stores of Wuhan, Beijing Sanlitun, Chengdu and Shenzhen obtained the LEED Interior Design and Construction certification (Gold level). The Moncler Group aims to extend the certification processes also to other stores in the upcoming years. In addition, the BREEAM In-Use certification (Excellent level) was obtained for the logistics hub in Castel San Giovanni (Piacenza), demonstrating a more efficient management of the building and improved energy and environmental performances.

Moncler is committed to minimise its environmental impact also in the area of Information and Communication Technology (ICT) services, through increasingly efficient and innovative solutions and by providing all sites with specific guidelines for the purchase of eco-sustainable ICT equipment. Moncler also leverages the potential of new technologies such as innovative video conference and telepresence systems that facilitate remote communication, reducing the impacts of travel both on the environment and people's quality of life.

To date Moncler has 41 meeting rooms with modern video conference or telepresence systems.

In addition to the video conference systems in the offices, since 2019 Moncler has been using the web desk conferencing system, namely, a flexible video conference system that integrates with the systems in the video rooms at company offices and also allows external video conference systems to be connected to the company network. Through this video communication system, Moncler allows personnel outside the Company to contact internal staff without having to travel.

In 2021, due to the ongoing Covid-19 emergency, employees mainly worked from home. This led to use, in 90% of cases, online meeting and video conference platforms, preventing the emission of around 3,380 tonnes of CO₂ as corporate employees did not have to travel to the workplace with their cars or public transport.

In addition, to ensure a higher level of privacy, stability and communication efficiency, video conference systems present in Moncler rooms have been migrated to a cloud service.

Lastly, the commitment to sustainable mobility has continued during the year. This resulted in the increasing introduction of low environmental impact vehicles into the company's car fleet. In 2021, Moncler's hybrid company vehicles accounted for more than 65% of the total (56% at Group level), in line with the Brand's target. Also, Stone Island, following the integration, reviewed its contracts to replace its vehicles with sustainable solutions. The Group's objective is to continue to introduce this type of car, achieving a 90% coverage by 2025. See also page 72.

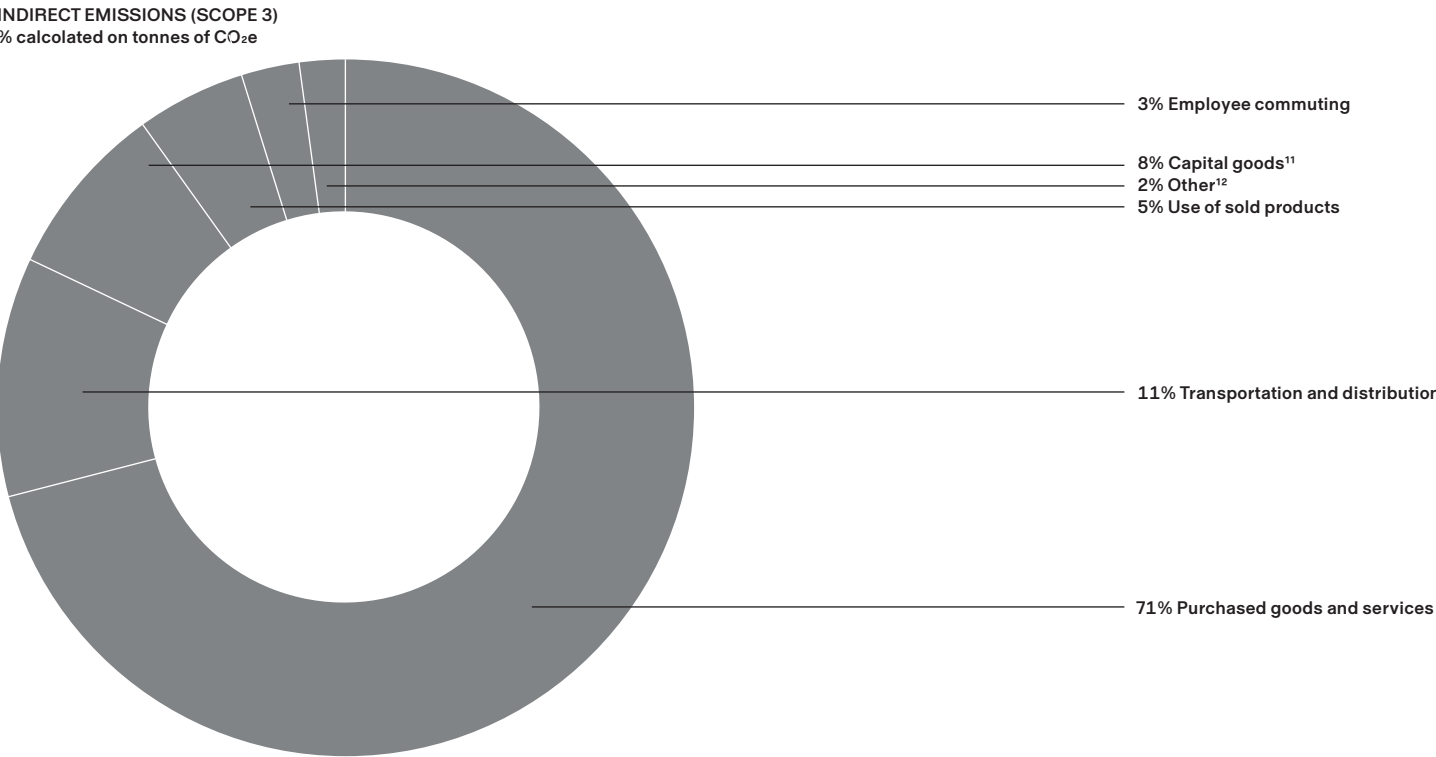
SCOPE 3 EMISSIONS

Given the nature of the Moncler Group's business model, the largest portion of impacts on climate change are generated along the value chain (98% of Group's total emissions), from the production of raw materials to the production and transportation of garments, the commuting of employees and the impacts related to the use of products by end clients.

In 2021 the activity aimed at monitoring scope 3 emissions continued, and was extended to Stone Island and to all Moncler areas of impact, thus including logistics and e-commerce.

In 2021 scope 3 emissions amounted to approximately 200,000 tonnes of CO₂e.

With regard to Moncler perimeter, the only one that allows a comparison with the previous year, total emissions (scope 1, 2 and 3) of the Company normalised on revenues are reducing by -19%. See also page 72.



11 "Investments" includes indirect emissions generated by the renovation and expansion of stores, furniture and ICT systems.
12 "Other" includes indirect emissions generated by the following categories: waste, business travel, product end-of-life and indirect energy.

The Group, with the aim of limiting the indirect impact related to the purchase of raw materials and to the manufacture and distribution of its products, has set up a series of working groups to increasingly collaborate with its production and logistics suppliers to the application of environmental best practices. See also pages 72-73.

To reduce the environmental impact of the supply chain, in 2021 continued the activities that promote the introduction of products made from raw materials with a lower environmental impact into the new collections. In 2020 Moncler drew up its Guidelines for Sustainable Materials, a protocol that summarises the criteria and thresholds for guiding the choice of materials, accessories and production processes for low-impact Moncler products. See also pages 73; 169-173.

In addition, the Moncler Group is committed to reduce the consumption of packaging materials and to research and implement lower impact alternatives. In the last few years, the Group has launched a series of programmes for improving packaging design focused mainly on recyclability, reusability and durability as well as on reducing the materials used. See also pages 74; 174-179.

In 2021 the Group, with the aim of beginning the supply chain decarbonisation process, started reporting the type of energy used along the supply chain to identify, together with its suppliers, opportunities for the transition towards renewable energies.

THE MONCLER GROUP AND THE PROTECTION OF BIODIVERSITY

An analysis of raw materials and of their supply chain allowed to lay the foundations to define a process aimed at safeguarding biodiversity, outlining a range of activities for more responsible use of natural resources and for reducing the impact of the supply chain on ecosystems.

In 2021, the Group, with the active involvement of its suppliers, carried out a hotspot analysis to identify the main sourcing areas of its strategic raw materials and quantify the impact of each of them in terms of land use, climate change, water stress and land and marine environment pollution. The approach, developed according to the guidelines of the Science Based Targets for Nature (SBTN) framework, aims to identify impacts generated by the Group, prioritise mitigation actions and measure results. The analysis showed that the greatest biodiversity impacts are largely due to animal fibres, mainly wool and cashmere, and related to the use of soil during grazing. At the same time, the presence of some areas at risk of water stress along the down and cotton supply chain also emerged.

Based on these analyses, in 2022 a strategy will be defined to mitigate biodiversity impacts by developing ad hoc projects in the countries where the Group sources.



INITIATIVES TO PROMOTE SUSTAINABLE MOBILITY

The Moncler Group is aware of the impact of urban mobility and encourages its employees to adopt environmentally friendly solutions. By adopting virtuous behaviours aimed at limiting air pollution, everyone can contribute to improve air quality.

In 2021, due to the ongoing Covid-19 emergency, at Moncler, the car-pooling initiative for employees of the Trebaseleghe office (Padua) has not been restarted for safety reasons. The initiative allowed Moncler personnel to benefit from moments of socialisation with their colleagues, while limiting the environmental impact of travel. However, even in 2021 Moncler continued to promote the use of bicycles by making them available to all employees who applied for them at the Milan and Trebaseleghe offices with the aim of encouraging individual mobility as an alternative to using public transport for short distances.

At the production site in Romania Moncler continued to provide the shuttle bus service, increasing the number of vehicles to ensure social distancing in compliance with the Anti-Covid Protocol. The vehicles were disinfected every day, periodically sanitised and equipped with protective devices and dispensers. In addition, doors were managed separately for getting on and getting off the bus. This commuting system prevented the emission of more than 821 tonnes of CO₂e, a reduction of 44% compared to the emissions that would have been generated if each employee had moved by private means.

In 2020, an activity aimed at monitoring commuting emissions has been implemented through a survey in order to investigate the means of transport used by employees at global level. This activity in 2021 was extended also to the employees of the Stone Island Italian corporate sites. Furthermore, a Mobility Manager was appointed in 2021 to promote sustainable mobility of employees by developing a Work Home Travel Plan (WHTP). In particular, in 2021 the corporate sites in Milan have been mapped to analyse the accessibility of workplaces, transport solutions used by employees, distance travelled and time spent for travelling in order to identify areas of intervention to reduce traffic congestion, pollutant emissions and the costs incurred by personnel in Italy.

RAISING ENVIRONMENTAL AWARENESS BY INVOLVING EMPLOYEES

Over several years the Moncler Group has launched numerous initiatives to raise employee awareness of conscious use of natural resources and promote constant attention to the environmental impacts of daily activities.

Initiatives to reduce paper consumption

In an effort to raise awareness of the environmental impact of day-to-day activities and promote virtuous behaviours also in offices, at the Italian corporate offices, personal codes have been installed for document printing. The aim is to empower people and rationalise the number of printed documents, thereby reducing toner and paper consumption. Since 2018 the project has been extended to the offices of the EMEA Region in Paris and to the logistics hub in Castel San Giovanni (Piacenza).

Another project launched in 2018 and continued over the past three years, which helped to significantly reduce paper consumption, is the development of an electronic archive of incoming invoices. This digitalisation programme for all incoming invoices is fully operational for Moncler in Italy, France, Austria, Germany, Belgium, Switzerland, the United Kingdom, Denmark, the Netherlands, Spain, Norway, Sweden, Ireland, the United Arab Emirates, the United States, Canada and Australia and has been implemented in Germany by Stone Island. In 2021 the entire process made it possible to reduce paper consumption by around 1,492 kg.

Green convention for employees’ domestic supplies

To demonstrate the Group’s commitment to reducing emissions and adopting renewable energy, an offer dedicated to domestic supply has been identified for all employees with an environmentally friendly energy and technology service provider.

Due to the package, employees can access exclusive benefits to reduce their environmental impact and make their home more efficient. The services offered include: the supply of energy from 100% renewable sources, certified and with no additional cost; green gas with zero environmental impact, whose CO₂ is offset through investments in environmental protection projects; and an energy price without any spread.

In addition, to offer a fast, personalised service to all Moncler Group employees, a dedicated channel has been set up. This initiative will also be extended to the supply chain.

Moncler Group forest with Treedom

In partnership with Treedom, the “Who plants a tree, plants hope” programme has been launched to create a corporate forest in Kenya, which, with its 3,220 trees, will help to absorb CO₂ emissions by producing oxygen and promoting biodiversity. For Christmas, every employee in Italy was given one of the trees that make up Kenya's royal forest. Thanks to a QR code, everyone can monitor the growth of their tree at each stage.

LOGISTICS SYSTEM

The Moncler Group's logistics system consists of two sub-systems, one for the industrial part of the supply chain (materials logistics), while the other for the distribution component (finished products logistics). The former concerns the supply chain, which starts with the suppliers of materials and components and ends with the manufacture of products in the various product categories. The latter relates to the transfer of the finished product to the various sales channels (retail, wholesale and e-commerce).

In 2021 Stone Island and Moncler kept their industrial logistics separate. In particular, Moncler’s configuration is single-hub: the Italian hub in Castel San Giovanni (Piacenza) receives raw materials and accessories from suppliers, both domestic and foreign, of all product categories, checks their quality and sorts them into work orders that are sent to the workshops that manufacture the garments. The flow of industrial logistics closes with the receipt of the finished products at the Piacenza logistics hub, where the quality of each item and accessory is checked to certify its suitability for being placed on the market. For Stone Island, all the activities related to the industrial logistics are managed at the Stone Island Logistics warehouse, internalised since 2020.

Moncler’s distribution logistics is much more complex as it must supply the approximately 75 countries in which the Brand is marketed, as well as the different sales channels in each of them. It is a network of different levels, where the first level acts as a collector of all the Company’s products, the second as a distribution hub for one or more countries and, in cases characterised by strong concentration of the business, by a third level which covers service requirements of specific geographical areas. At Stone Island, finished product logistics is handled by an independent third party, except for some countries where transport is handled directly by the wholesale channel. In 2021, while Moncler focused on internalising the e-commerce channel at global level, Stone Island laid the foundations for integrating the Brand’s logistics flows into the Group ones.

In the recent years of pandemic, the logistics system has faced many challenges: from the need for continuous review of supply locations and modes of transport linked to the reduction of air traffic to the increase of maritime traffic volumes and to the acceleration in the development of all forms of e-commerce.

Together with the internalisation of the e-commerce management and the integration of Stone Island, these challenges are

leading the Group to rethink its logistics system to better respond to changing external conditions and internal needs. The tools in the distribution flow system, on the cutting edge from a technological and digital point of view, adopted by both Moncler and Stone Island in recent years have helped to ensure speed, traceability, matrix management and automation of processes. However, it is clear that logistics must face a further challenge: offering services that are increasingly faster and closer to the client, in terms of omnichannel service while respecting the environment.

MONITORING THE ENVIRONMENTAL IMPACTS OF LOGISTICS PROCESS

The Group seeks to implement logistics solutions that ensure effectiveness and operational efficiency as well as compliance with delivery times alongside with the attention to the environment. It encourages and supports its logistics partners to adopt increasingly sustainable systems and transport methods. Various activities have been carried out over the years or are under evaluation to minimise environmental impacts and costs.

The main streams of the Moncler Group’s commitment towards a low impact logistics system are:

- identification of efficient routes to reduce distances travelled
- optimisation of flows to minimise movements
- space-efficient packaging to deliver the same volume of product in less space
- packaging with lower environmental footprint
- use of means of transport with a lower environmental impact.

In recent years, Moncler has modified the packaging used to transport finished products, resulting in a significant reduction in volumes transported and thus in the need for vehicles and, consequently, in the environmental impacts generated in terms of greenhouse gas emissions.

Over the last two years, the monitoring of CO₂ emissions from the transport of finished products from the distribution centres of the logistics network to all the stores in the retail channel, clients of the wholesale channel and the e-commerce channel, where directly managed by Moncler¹³, has been expanded. In 2021 the analysis of logistics flows was expanded by extending the monitoring of CO₂ emissions generated by the transport of raw materials sent for garments making and by the transport of end products to and from the logistics hub of Castel San Giovanni (Piacenza) and Stone Island Logistics, as well as to stores. In 2021, flows of raw materials from suppliers to the hub in Castel San Giovanni (Piacenza) were also included in the scope. Moncler’s logistics emissions for the year amounted to approximately 18,114 tonnes of CO₂e¹⁴, of which 59% related to the distribution of finished products. For this latter type, although in 2021 air transport accounted for one-third of goods transported by volume, the corresponding emissions amounted to more than 96% of the CO₂e emissions generated by the logistics flows considered. Since 2021 also Stone Island’s logistics emissions have been monitored. See also page 72.

The Group is constantly committed to identifying and using more environmentally efficient transport systems and methods to ensure operational efficiency and delivery times being met. In 2021 Moncler launched last-mile emissions offsetting services for the e-commerce channel for Korea and Japan and for the Americas and EMEA Regions it joined the UPS® carbon neutral service.

13 Monitoring includes transport to the end client, last mile, in Korea, America, Canada, EMEA, Japan and the United Kingdom.
14 Well-to-Wheels (WtW) value. Emissions from logistics transport have been calculated in accordance with the GLEC Framework 2.0. The 2021 figure is not comparable with the 2020 figure as the reporting scope has been expanded.

MONCLER AND EXTREME E: TOGETHER FOR THE OFF-ROAD CHAMPIONSHIPS DEDICATED TO ELECTRIC CARS

In 2020 Moncler announced a partnership with Extreme E, the new off-road championship that seeks to reconcile adventure with the environment seeing electric cars compete in some of the most remote corners of the planet and at risk of climate change. The races took place in five different stages: the first in April 2021 in Saudi Arabia, followed by Senegal, Greenland, Sardinia to end in the Jurassic Coast in Dorset County (United Kingdom) in December.

Each stage was an opportunity to raise awareness of the dangers of global pollution and other environmental issues, from melting of glaciers to rising sea levels, from plastic pollution to deforestation and biodiversity loss. The championship included ad hoc initiatives for each stage, for example training courses have been organised on environmental issues in Greenland in collaboration with UNICEF, initiatives were carried out with The Nature Conservancy, a prestigious organisation for conserving and protecting land and water resources, to promote agroforestry in the Amazon. Millions of mangroves have also been planted in Senegal with the NGO Oceanium and many other projects were implemented to support populations and territories.

Moncler provided the entire Extreme E team with a dedicated uniform to protect them during races in remote areas. The co-branded uniforms included some of the Group’s most iconic outerwear, as well as t-shirts, soft accessories and footwear for various types of terrain.

In addition, the initiative also promoted another topic that is very important to the Moncler Group: diversity and inclusion. All the teams that participated in the races consisted of a male driver and a female driver to promote gender equality.



WASTE

The waste generated by the Moncler Group’s activity mainly consists of packaging material, office waste and textile processing scraps.

In 2021 Moncler and Stone Island recovered or recycled approximately 98% of the waste generated in Italy and at Moncler’s production site in Romania.

The Group’s offices and stores are equipped with special waste sorting containers and employees are informed on the importance of implementing practices to ensure wastes are properly recycled/recovered or, in a residual way, to disposal. Waste sorting applies to paper, cardboard, wood, plastic and IT equipment.

With a circular approach, the Group is constantly engaged in a dialogue with partners and organisations to study solutions for making use of its waste, with a particular focus on textile processing scraps, which are sorted by type (nylon, cotton, down, etc.).

It is in this context the commitment to collect and recycle nylon processing waste, one of the main fabrics used in the production process. See also page 73.

For more details on the disposal method, broken down by type of waste, see the Appendix on page 246.

WASTE GENERATED ¹⁵				
TONNES	Moncler Group 2021	Moncler Brand		
		2021	2020	2019
Non-hazardous waste	1,055.2	1,040.7	1,135.7	917.6
Paper and cardboard	442.1	442.1	440.9	375.9
Mixed packaging	191.8	177.3	140.9	257.7 ¹⁷
Wood	180.3	180.3	179.2	167.3
Plastic	128.7	128.7	108.1	25.5 ¹⁷
Fabric	68.7	68.7	72.3	74.6
Metal	41.0	41.0	192.4 ¹⁸	13.8
Glass	-	-	-	-
Other	2.6	2.6	1.9	2.8
Hazardous waste	26.3 ¹⁶	26.1 ¹⁶	0.6	0.5
Total waste generated	1,081.5	1,066.8	1,136.3	918.1
DISPOSAL METHOD				
PERCENTAGE	Moncler Group 2021	Moncler Brand		
		2021	2020	2019
Recovery	90.5%	90.4%	92.5%	87.2%
Ricycling	7.3%	7.4%	5.5%	6.2%
Other ¹⁹	2.2%	2.2%	2.0%	6.6%
Total waste produced (Tonnes)	1,081.5	1,066.8	1,136.3	918.1

15 Refers to the scope of office and logistics hub in Italy and the production site in Romania. It does not include waste directly managed by local municipalities.

16 Includes the disposal of a chemical solution used to recover the metal tank that previously held diesel to heat the production site in Romania.

17 In 2019, Moncler used a different methodology to categorise “plastic” in “mixed packaging”.

18 In 2020, Moncler disposed, by way of exception, racks and industrial shelves at the logistics hub in Castel San Giovanni (Piacenza).

19 Includes other types of disposals, including landfill.











GIVE BACK

7.1 SUPPORTING COMMUNITIES

P. 220

THE MONCLER GROUP HAS ALWAYS BEEN
COMMITTED TO SUPPORT LOCAL
COMMUNITIES AND ENGAGE IN AN OPEN AND
COLLABORATIVE DIALOGUE
WITH CHARITABLE ORGANISATIONS.
AN ACTIVE SUPPORT THAT STEMS FROM THE
KNOWLEDGE THAT A COMPANY
CAN ONLY THRIVE BY BEING IN HARMONY AND
RESPECTING THE COMMUNITY.



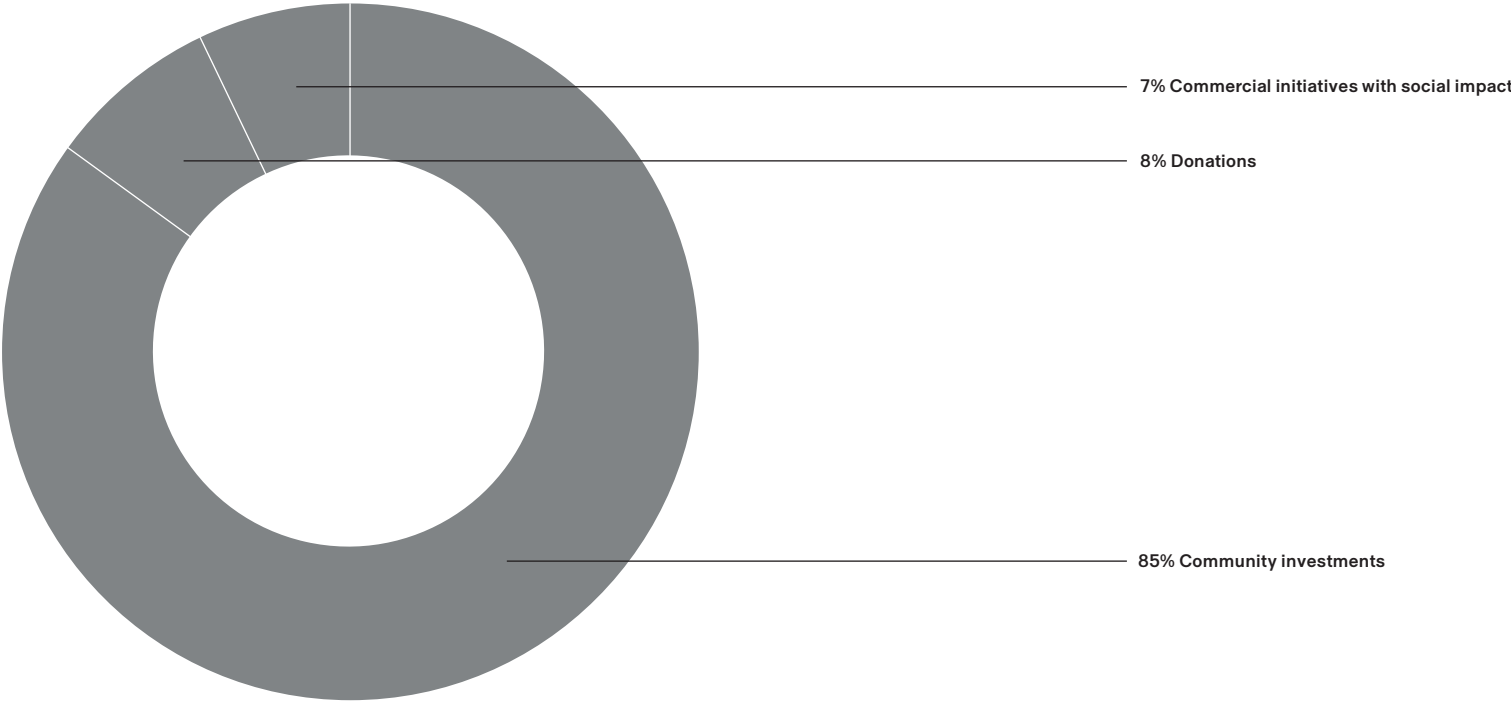
Over the years, the Moncler Group has been promoting initiatives and sponsoring projects in support of local communities and charitable organisations through cash contributions, donating clothes and organisational support for national and international programmes.

The Group's commitment to community support finds expression in initiatives related to scientific research and medical prevention, social development and poverty, and support for populations in emergency situations.

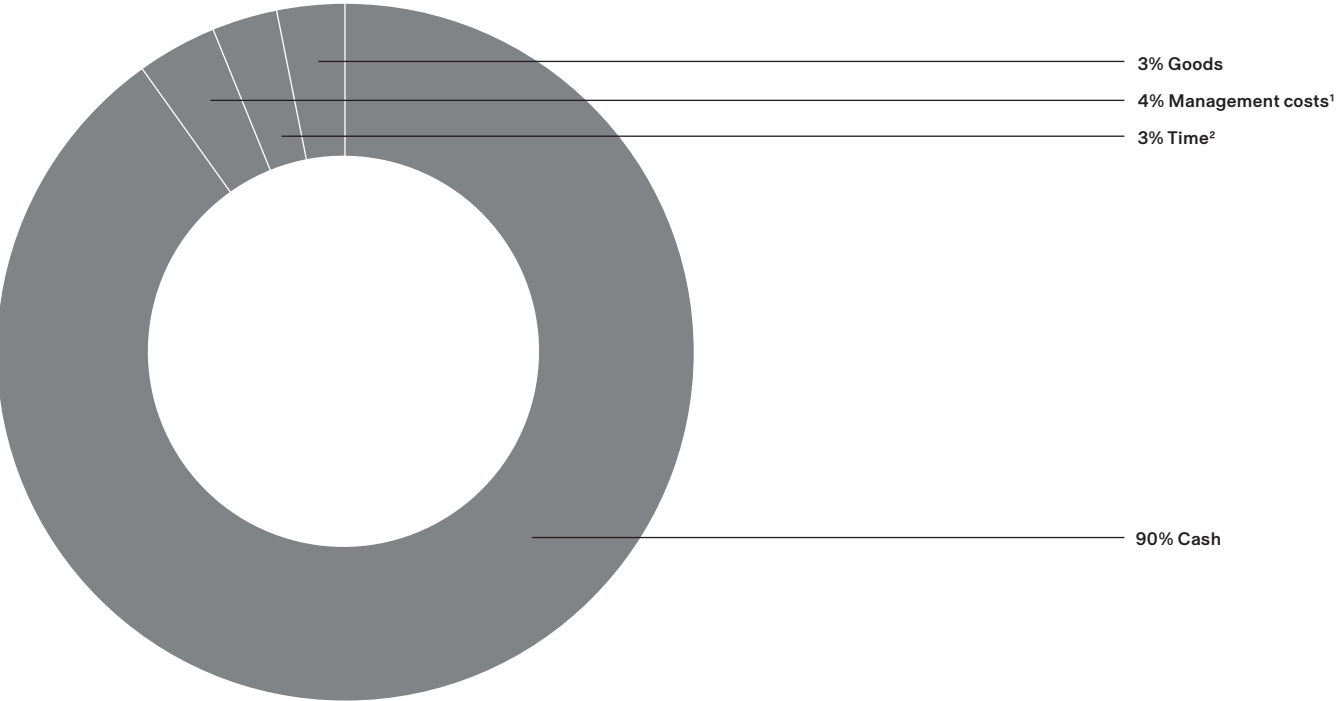
These are complemented by activities to support local communities near its main areas of activity, that stems from the dialogue with local authorities and the community. Local managers of the main Moncler and Stone Island offices interact and maintain an ongoing dialogue with the representatives of communities and local authorities to understand their needs and expectations, assess the impact of business activities on the population, ensuring social consensus. The Group is also engaged in the Covid-19 emergency support through various initiatives dedicated not only to its employees, but also to the community at large.

During the year the Moncler Group invested approximately 3.6 million euros to support local communities.

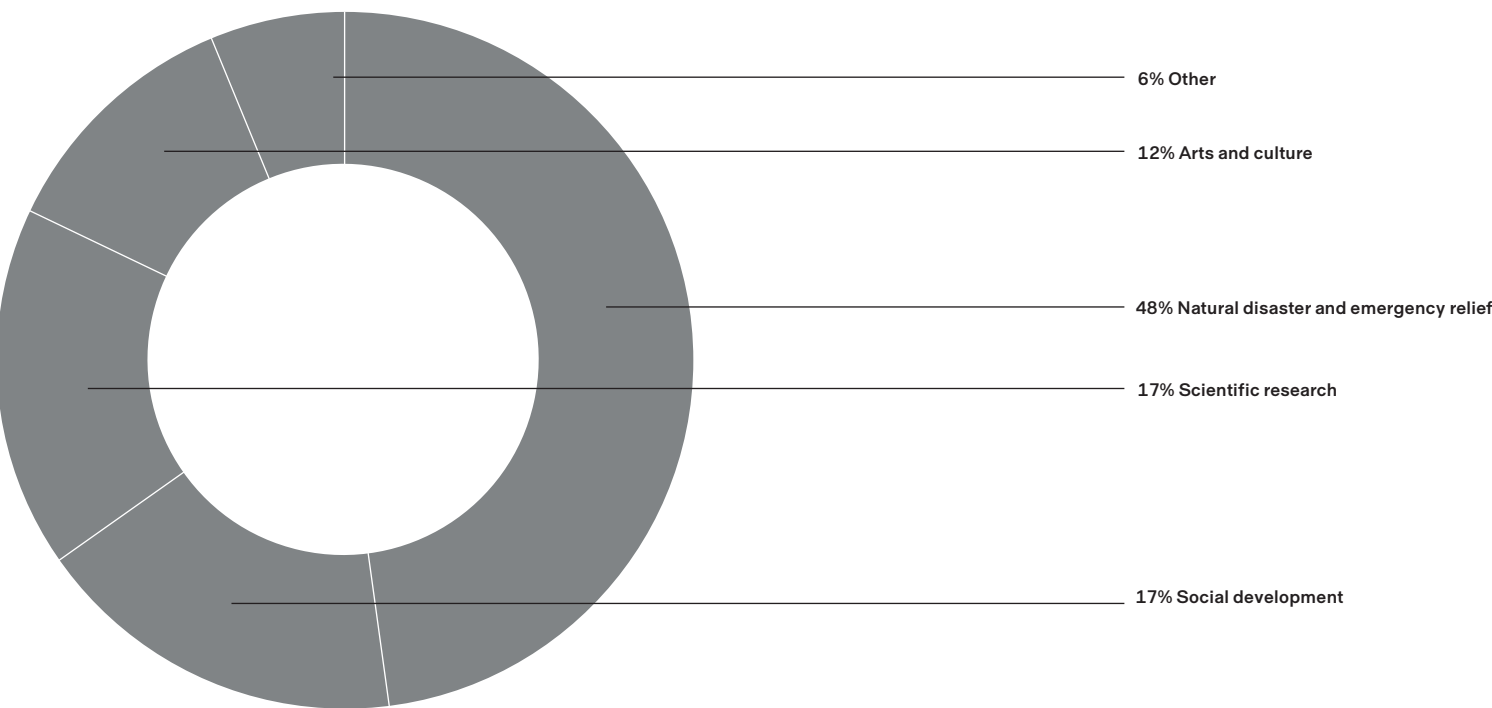
TYPE OF INITIATIVE



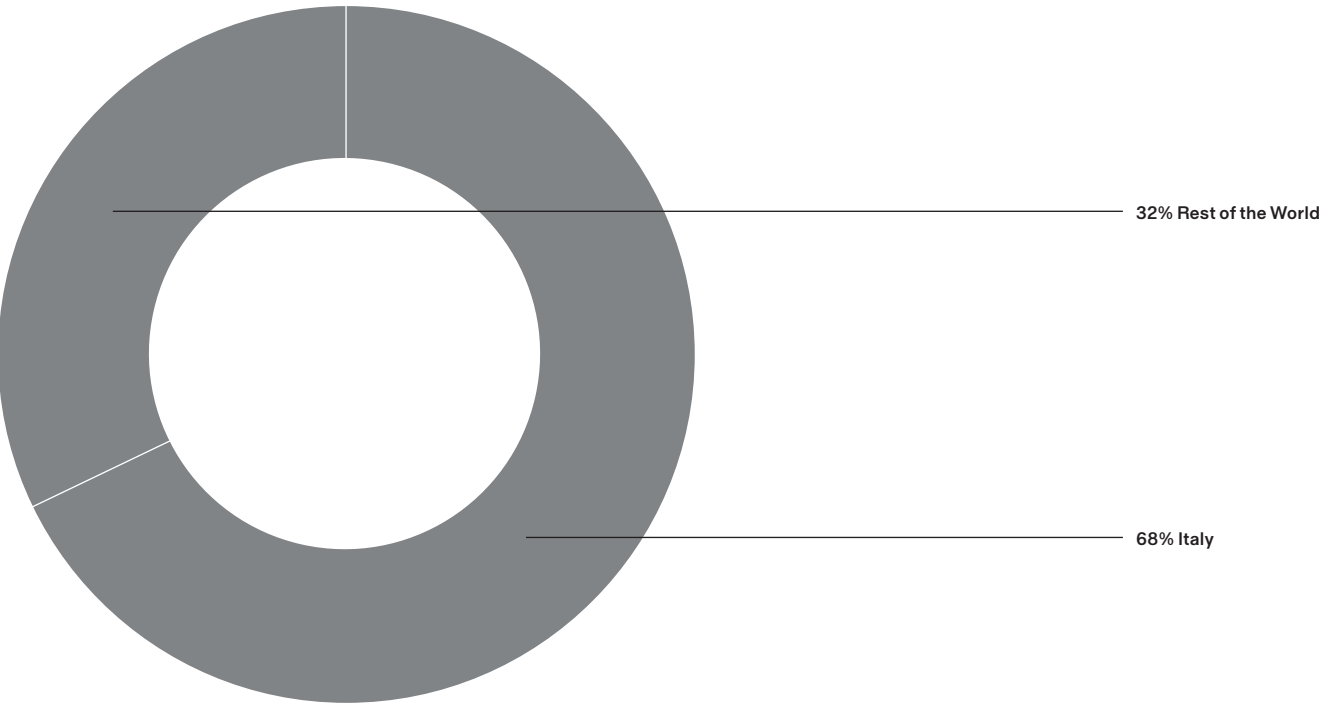
TYPE OF CONTRIBUTION



AREA OF INTERVENTION



1 Management costs of organising employee volunteer activities during working hours.
2 Monetary value of hours volunteered by employees during regular working hours.



SUPPORT TO SCIENTIFIC RESEARCH

Moncler has always believed in research and innovation as key drivers for continuous development and improvement. This belief extends even beyond the Company boundaries. Moncler is committed to ensure that research is constantly supported, also in medical and scientific sectors and therefore, actively supports researchers in their daily activities through grants and scholarships.

Support for specific research on Covid-19 continued in 2021 for a number of entities such as the Vita-Salute San Raffaele University of Milan.

During the year more than 400,000 euros were donated for scholarships and grants to support researchers from the Umberto Veronesi Foundation and to a number of associations and foundations involved in supporting the sick.

UMBERTO VERONESI FOUNDATION

The Umberto Veronesi Foundation was established in 2003 to support high-profile, innovative and independent scientific research on cancer. Its promoters include eleven Nobel Prize winners who form the Foundation's Honorary Committee. Scientific research is supported through research grants for doctors and scientists working in the most advanced fields of oncology, cardiology and neuroscience. Since its establishment, the Foundation has funded more than 2,000 doctors and scientists engaged in cutting-edge scientific projects and about 137 research projects.

Moreover, the Foundation is active in the field of scientific divulgation through conferences, projects with schools, awareness-raising campaigns and publications.

In 2013, the Foundation launched the *Pink is Good* project to offer concrete support for research on breast cancer and to raise awareness on its prevention. Moncler has actively supported the project since its inception: every year, part of the revenues generated by its main Italian stores from a day in October are donated to this initiative and clients are given an information brochure to raise awareness on prevention.

In 2021, once again, Moncler supported four researchers from the Umberto Veronesi Foundation involved in the study of breast and pancreas cancer.

In addition, Moncler continued to support the Foundation's commitment to paediatric oncology by contributing to the *Gold for Kids* project, which aims to raise awareness on the delicate issue of paediatric and adolescent cancers. The project promotes research on these diseases and contribute to the development of innovative treatment protocols that offer young patients cutting-edge therapies and higher chances of recovery.

To promote research related to the effects of Covid-19, in 2021, Moncler collaborated with the Umberto Veronesi Foundation for the development of a protocol to study whether immunomodulatory drugs, used to enhance or switch off immune defences, already used in patients with diseases affecting the immune system (such as leukaemia and multiple sclerosis) may have a positive effect also on patients in the acute stage of Covid-19.

INITIATIVES FOR THE SOCIAL AND ECONOMIC DEVELOPMENT OF COMMUNITIES

Moncler is committed to contribute to the well-being of the community in which it operates, both by promoting independent projects, and by supporting social organisations working in the social sphere on issues such as young people assistance, diversity and inclusion promotion, and the spread of a culture of respect for the environment.

Young people and their future have always been an issue of great concern for Moncler, which for many years has been supporting struggling young people to ensure them access to medical care, an adequate level of education and a clear growth path. This is implemented through partnerships with associations and foundations, including Francesca Rava – N.P.H. Italia Onlus, San Patrignano Community, I Bambini delle Fate, and Amici di Cometa Onlus.

Another issue that is of great importance to the Moncler Group is diversity, equity and inclusion. The Group is aware of how discrimination can be a threat to the community and also how significant it is to create a sense of acceptance and enhancement of diversity. Since 2020, Moncler, set a target to promote an increasingly inclusive culture. This incorporates donations to organisations committed on the issues of diversity and equal opportunities, including The Face magazine, to launch Future Academy, a programme that provides paid training opportunities to young people who want to join the creative industry. It not only enables them to acquire new skills but also help them to consolidate a series of contacts of great value for their future; and fund-raising through the Artsy platform, the world's largest online art marketplace, donated to the non-profit organisation FREE THE WORK on behalf of The Film Path. This latter project seeks to promote and support the inclusion of BIPOC (*Black, Indigenous, and People of Color*) and transgender people in film, advertising and television programme production staffs. See also pages 114-117.

In addition to this, Moncler also supports activities and projects related to the protection and preservation of the environment. Particularly, in recent years the Company has supported the Ev-K2-CNR Association's *Keep Karakorum Clean* and *Keep K2 Clean* initiatives aimed at cleaning up the mountains and has developed a volunteering project with Legambiente to reduce plastic use and promote plastic recycling.

EV-K2-CNR

Ev-K2-CNR is a private, non-profit association that promotes collaborative development projects and scientific research activities in mountain regions. The association's activity, which is carried out in collaboration with international organisations such as WWF (World Wide Fund for Nature), UNEP (United Nations Environment Programme), UNDP (United Nations Development Programme) and WMO (World Meteorological Organization) and local organisations such as the Minoprio Foundation, focuses on studying and monitoring climate changes and on safeguarding biodiversity and sustainable development in mountainous areas.

United by the passion and respect for mountains, Ev-K2-CNR and Moncler have collaborated since 2014 to promote environmental education programmes such as *Keep Karakorum Clean* and *Keep K2 Clean*. Thanks to these initiatives, also developed in the scope of alpine expeditions on K2 and in collaboration with local institutions, base camps are annually cleaned up from waste and restored to their natural condition. In 2020, a waste sorting collection system has been activated in collaboration with the authorities of the Central Karakorum National Park (CKNP) and of the Gilgit-Baltistan Province (Pakistan). Moreover, in 2021, a glaciological research centre was established at the Karakorum International University in collaboration with UNDP, the United Nations agency. Due to the ongoing Covid-19 pandemic, in 2021, these

activities were carried out directly by CKNP staff, while environmental education activities to raise awareness among the Pakistani workers on the importance of preserving parks and glaciers and to strengthen nature protection projects in the region, were continued by Ev-K2-CNR in close cooperation with the government of Gilgit-Baltistan (Pakistan), stakeholders and the local population. One Health, a network of laboratories located in the region dedicated to studying and protecting the health of nature and animals, also went ahead. In addition to the Deosai Park cleaning action plan, other activities were also launched in 2021 to support environmental preservation and promote the sustainable development of new areas such as Broad Peak, Gasherbrum, the Concordia ice circus and Jula Camp, where around 7,000 kg of waste were collected and disposed.

MONCLER’S COMMITMENT TO THE FIGHT AGAINST COVID-19

During the period 2020-2021 Moncler implemented a series of initiatives to protect its people, clients and suppliers from the Covid-19 pandemic, while also providing concrete support to the community for a total amount of about 6 million euros. In particular, the following activities were supported in 2021:

Vaccine hub

In 2021, Moncler contributed with more than 800,000 euros in collaboration with Fiera Milano Foundation, Generali, and Cisco to the construction of the largest vaccine hub in Italy, at the Palazzo delle Scintille. The centre was born from the desire to address the need to guarantee additional and adequate space in the territory to continue the inoculation of vaccines at an increasingly rapid pace during the Covid-19 pandemic.

The vaccination centre, coordinated by the IRCCS Ca’ Granda Foundation Ospedale Maggiore Policlinico, has 72 vaccination lines and a coded, stage-based route from the moment of acceptance to the delivery of the vaccination certificate.

Moncler has fully contributed to the costs of the setting up and furnishing, such as the acceptance area, anamnesis and inoculation box, the post-vaccine observation area and the workstations of healthcare personnel, and also to the costs of registration activities of the vaccination process, carried out by more than 80 employees recruited by the Policlinico of Milan.

Lastly, every day, the hub employs more than 90 volunteers, who guide recipients along the stages of process, providing information and accompanying them if needed. Since the establishment of the hub, Moncler launched an initiative to involve its corporate headquarters’ employee in Milan who wish to join the volunteering programme, guaranteed during working hours, to support the activity. In 2021, more than 1,800 volunteer hours were carried out.

Distance learning and digitalisation of schools

Moncler contributed to the digitalisation process of kindergartens, elementary and middle schools in Milan, and to the implementation of distance learning by providing approximately 3,900 devices, including ipads, personal computers and the related internet connections. Throughout 2021, Moncler integrated the supply of electronic equipment with a technological support service and a help desk managed by the students of the Politecnico of Milano and dedicated to the teaching staff and, in case of specific needs, also to students.

To complete the project, of a total value of over 2 million euros, through the university’s professors, Moncler has offered a 100-hour training course to support around 80 teachers in identifying a new educational model, increasingly innovative and integrated with new technologies.

Surgical masks for employees and local communities

Protection is a fundamental part of the Group’s DNA, a natural core value that, since 2020, led Moncler to dedicate an entire manufacturing line of its Italian industrial hub in Trebaseleghe (Padua) for the production of surgical mask.

Protective masks, bearing the CE mark and previously authorised by Istituto Superiore di Sanità, were earmarked to the Company’s employees, to the children of employees of Italian offices and to some schools. In particular, the Company produced approximately 1.8 million masks in 2021 and donated 8,000 over the last two years.

Research on the consequences of Covid-19

Moncler donated 250,000 euros to the Umberto Veronesi Foundation to support the development of a protocol to understand the link between diseases involving the immune system, immunomodulators and Covid-19.

The results of this study allowed to establish the risk profile of patients with pre-existing conditions involving the immune system and the effectiveness of using immunomodulators in other conditions, such as during the acute phase of Covid-19 disease.

The project, developed at the San Raffaele Hospital of Milan, also involved the Vita-Salute San Raffaele University of Milan, the University of Milan, the “Carlo Besta” Neurological Institute of Milan and the Bicocca University of Milan.



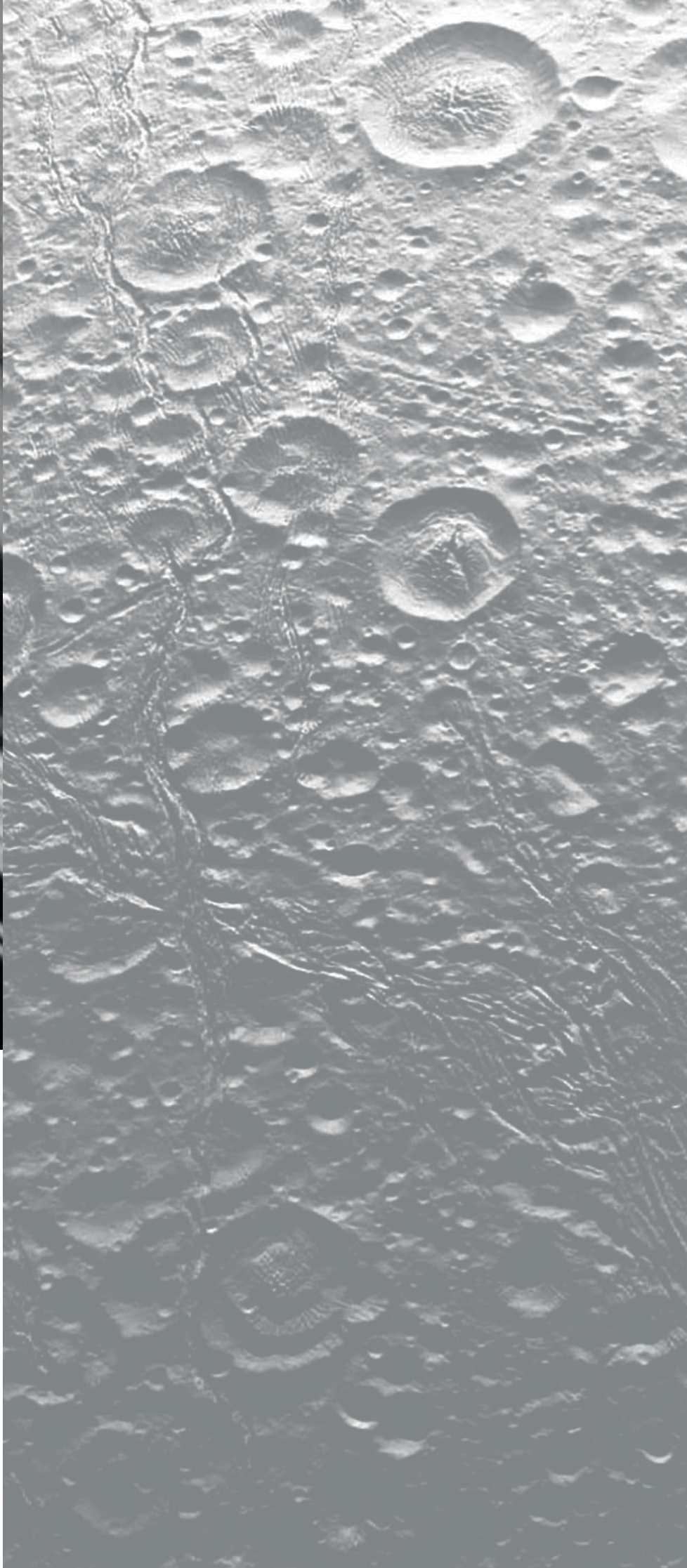
SUPPORT TO THE POPULATIONS IN EMERGENCY SITUATIONS
Through *Warmly Moncler* projects, the Company works with various associations to protect people most in need from the cold.
For five years, Moncler has been protecting the most vulnerable families living in some of the world coldest areas, where the already extreme living conditions intensify with the arrival of winter, making survival a daily struggle. This was made possible through Moncler support to UNICEF, the United Nations Children’s Fund, which provides humanitarian assistance to children and their communities, and other associations such as UNHCR, the UN Refugee Agency, which protects the rights and well-being of refugees around the world, and Ev-K2-CNR Pakistan. From 2017 to 2021 the Company protected approximately 80,000 children and families from the cold with necessities, kits for newborns, blankets and garments.
Moncler aims to protect 150,000 vulnerable people from the cold in 2020-2025 and support local communities with one high social value project every two years.

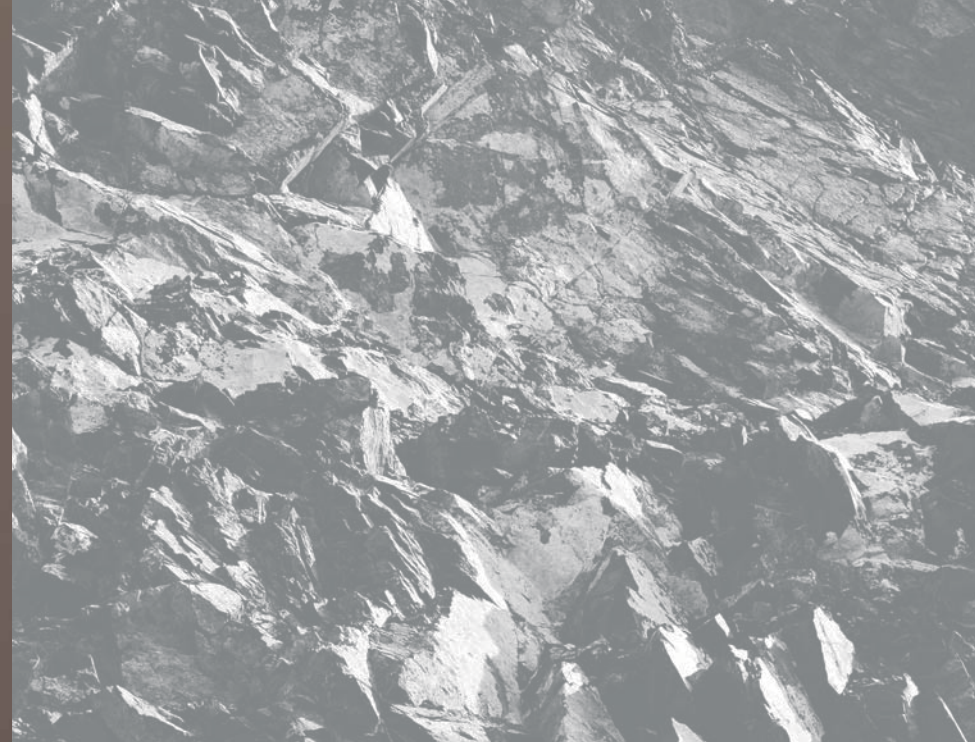
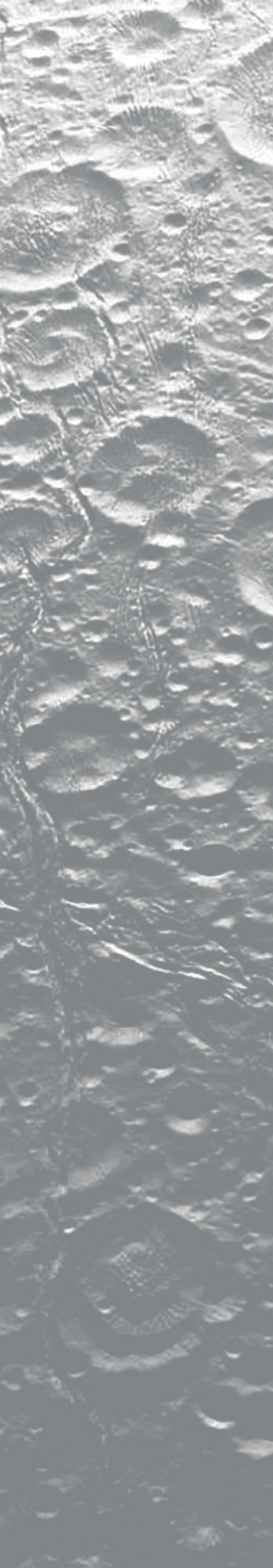
STONE ISLAND AND C2C FESTIVAL TOGETHER TO CELEBRATE CONTEMPORARY INDEPENDENT MUSIC AND ENHANCE COMMUNITIES

Stone Island and Club To Club (C2C) festivals, two organisations that share the same culture of experimentation and a special talent in combining the most advanced technological research and human ability, have created STONE ISLAND SOUND, a new project supporting contemporary music production. A harmonious set of playlists, record releases and soundtracks for stores with the aim of enhancing local communities and building an ideal world sound map.
Cultural independence, avant-garde and new pop, irregular sound and original music productions are the stylistic references that inspire and guide the project, which looks above all at the present to enhance ever more diversity.
In early 2021, STONE ISLAND SOUND and CZEROC (C0C) held ‘THE FESTIVAL AS A PERFORMANCE’, aimed at stimulating a consideration on creativity and shared art as the true city’s heritage, where Milan’s iconic spaces were used as stages for a series of artistic and music performances.





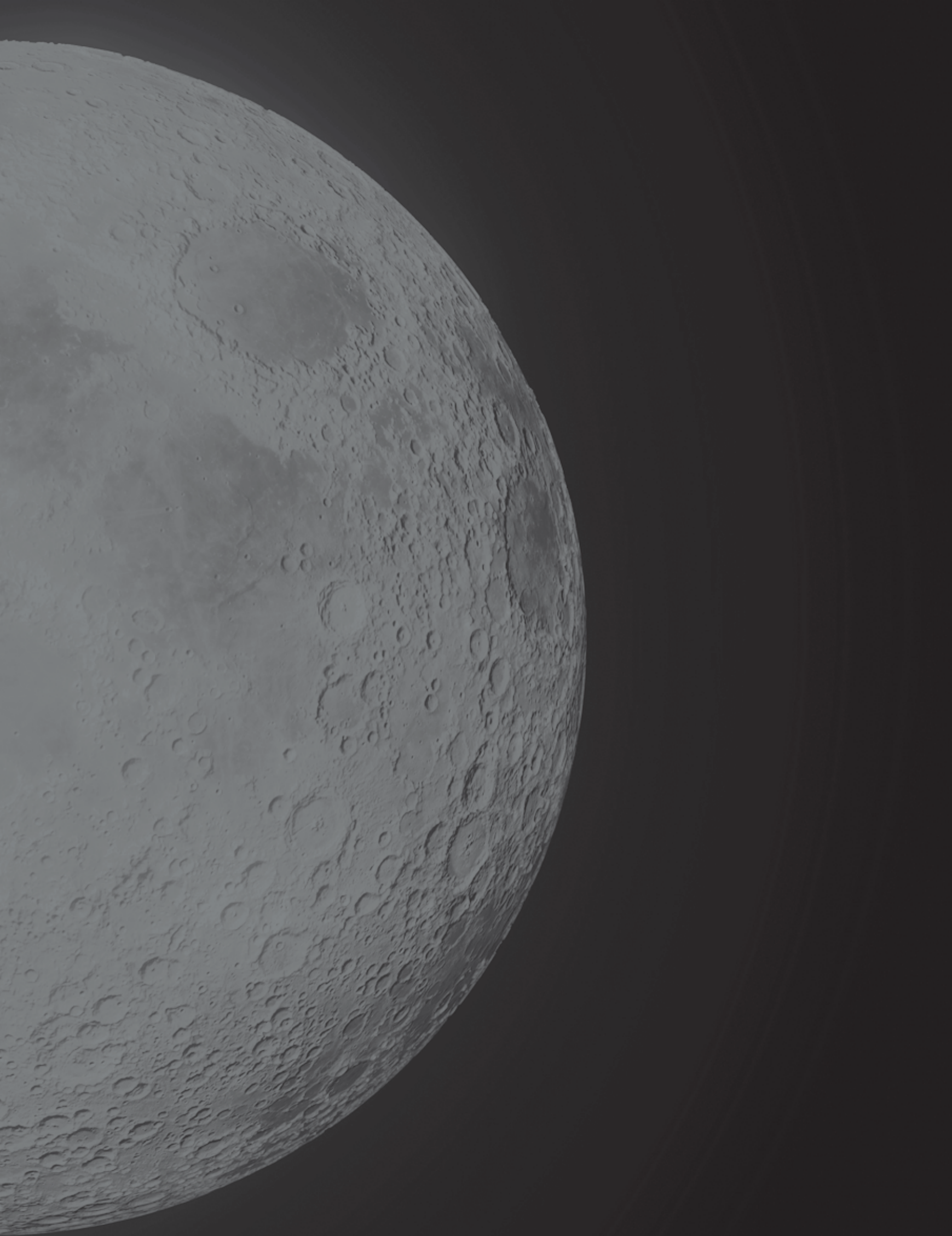






APPENDIX

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REPORTING STANDARDS

The Consolidated Non-Financial Statement 2021 of the Moncler Group (hereinafter also “Non-Financial Statement” or “Statement”) is drawn up in compliance with article 4 of Italian Legislative Decree 254/2016 (hereinafter also “Decree”), and contains information on environmental, social, personnel, human rights, and anti-corruption issues. This information is intended to deliver a clear understanding of the activities carried out by the Group and their impact, and of the Group’s performance and results achieved.

The Statement is published annually, and is prepared “in accordance” with the core option of the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) issued by the Global Reporting Initiative (GRI) – to date, the most widely used and recognized standards at international level for sustainability reporting. To facilitate the search for information, a GRI Content Index is provided from page 257.

The Non-Financial Statement follows the principle of materiality, as provided for by the relevant regulations and characterising the GRI Standards. The topics discussed in this Statement are those that, following a materiality analysis and assessment as described on pages 64-65, were considered relevant, as they are able to reflect the social and environmental impacts of the Group’s activities, or influence the decisions of its stakeholders.

In order to continue to improve the transparency of the ESG (Environmental Social Governance) performance and facilitate the comparability of the data and information provided to different stakeholders, starting from this year the Moncler Group has also begun to consider some indicators provided by Sustainability Accounting Standards Board (SASB) with the aim of gradually expanding disclosures in subsequent publications.

In addition, starting this year the Moncler Group has reported the information that are useful for the disclosure according to the requirements of the article 8 of the EU Taxonomy Regulation 852/2020 and has taken into account the recommendations set by the *Task Force on Climate-related Financial Disclosures* (TCFD) in June 2017 for the voluntary dissemination of transparent reporting on climate change risks and opportunities.

SCOPE OF REPORTING

The qualitative and quantitative data and information contained in the Consolidated Non-Financial Statement 2021 refers to the performance of the Moncler Group (also the Group) for the year ended 31 December 2021. As provided for by article 4 of Legislative Decree 254/2016, this Statement includes the data of the Parent Company (Moncler S.p.A.) and of its fully consolidated subsidiaries.

On 31 March 2021, the acquisition by Moncler S.p.A. of the entire share capital of Sportswear Company S.p.A., that owns the Stone Island brand, along with its subsidiaries and associates was completed. These companies joined the scope of consolidation with effect from 1 April 2021. Accordingly, compared to the previous edition, this year Stone Island was included within the reporting scope and its data have been included in this Statement for regulatory purposes. Therefore, in order to ensure comparability with previous years, this Statement presents both data relating to the 2019-2021 trend of the Moncler brand only (excluding Stone Island) and 2021 data for the new perimeter of the Moncler Group that includes also Stone Island. In particular, the flow data relating to Stone Island for 2021 is included with regard to the last nine months of 2021, i.e. from the acquisition date, while all the other data is as at 31.12.2021.

Any limitations to the scope of reporting have been duly indicated in the document. It should be noted that the paragraph describing the corporate governance model refers solely to the parent company Moncler S.p.A..

REPORTING PROCESS

The preparation of the Moncler Group Consolidated Non-Financial Statement 2021 was based on a structured process entailing:

- the involvement of all Company units and departments responsible for the relevant areas and related data as well as

information subject to the Group’s non-financial reporting. Since 2017, “Sustainability Data Owners” have been designated. These positions are responsible for the data and information relating to their area that are published in the Consolidated Non-financial Statement, and for achieving the objectives contained in the Sustainability Plan for the relevant topics. The data and information included in the Statement are derived from a non-financial reporting system (data collection forms), specifically implemented to meet the requirements of the Decree and GRI Standards, and, for certain data, from the corporate information system used for Group management and accounting

- the approval of the Statement by the Board of Directors, convened to approve the draft Financial Statements for the 2021 financial year, following examination by the Control, Risks, and Sustainability Committee
- the issue of an assurance report on the Statement by the independent auditor KPMG following a limited assurance engagement
- the presentation of the Statement at the Shareholders’ Meeting
- the publication of the Statement on the corporate website to make it available to all stakeholders in a transparent manner.

REPORTING PRINCIPLES

The identification of the contents and the reporting of the Consolidated Non-Financial Statement took into account the following principles:

- materiality – the Statement describes the main economic, social, and environmental impacts directly linked to Moncler and Stone Island activities, considered most significant by both the Group and the internal and external stakeholders involved in corporate activities
- stakeholder inclusiveness – Moncler and Stone Island take into account the expectations and interests of all those who, in any capacity, contribute to, or are influenced by, the Group’s activities. The Statement provides a description of the Group’s main stakeholders and channels of communication
- sustainability context – the reporting of non-financial results is carried out taking into account the socio-economic context in which the Group operates and the issues of greatest relevance to the sector of reference
- completeness – the reported issues and the scope of reporting of the Statement are selected so as to allow stakeholders to form a complete opinion on the Group’s main economic, social, and environmental impacts
- balance – the Statement describes Moncler and Stone Island performances in the field of sustainability, reporting on positive trends and results, as well as on the areas requiring further improvement
- comparability – data referring to previous reporting periods was included and duly indicated in the Statement, to enable the comparison and contextualization of information
- accuracy – in order to ensure the accuracy and homogeneity of the reported information, the Statement was based on hard data collected through direct measurements and surveys, while limiting the use of estimates as much as possible. Estimates, if any, are duly indicated in the document and are based on the best calculation methods currently available
- timeliness – the Moncler Group’s Non-Financial Statement is drawn up annually and made public in the same period as the Annual Report
- reliability – all data and information reported were validated by the Sustainability Data Owners and processed based on documented evidence
- clarity – the Moncler Group’s Non-Financial Statement contains information presented in a manner that is easily comprehensible and accessible to all stakeholders.

EMPLOYEES BY GEOGRAPHIC AREA AND GENDER

	Moncler Group			Moncler Brand								
	2021			2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Italy	1,521	32.0%	68.0%	1,235	30.6%	69.4%	1,049	30.7%	69.3%	1,084	30.7%	69.3%
EMEA (excl. Italy)	1,876	23.1%	76.9%	1,812	21.5%	78.5%	1,758	19.6%	80.4%	1,803	21.2%	78.8%
Americas	491	48.5%	51.5%	454	46.0%	54.0%	410	43.4%	56.6%	423	45.6%	54.4%
Asia	1,402	32.4%	67.6%	1,373	32.0%	68.0%	1,181	31.5%	68.5%	1,259	32.2%	67.8%
Total	5,290	30.5%	69.5%	4,874	29.0%	71.0%	4,398	27.7%	72.3%	4,569	28.8%	71.2%

EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER

	Moncler Group			Moncler Brand								
	2021			2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Executives and senior executives	109	63.3%	36.7%	96	62.5%	37.5%	92	56.5%	43.5%	88	54.5%	45.5%
Managers	441	44.2%	55.8%	418	42.3%	57.7%	372	40.9%	59.1%	339	41.9%	58.1%
Professionals	618	36.9%	63.1%	555	34.4%	65.6%	495	34.9%	65.1%	455	35.6%	64.4%
White-collars	2,920	34.0%	66.0%	2,651	33.2%	66.8%	2,297	32.0%	68.0%	2,566	33.1%	66.9%
Workers	1,202	10.7%	89.3%	1,154	9.4%	90.6%	1,142	9.3%	90.7%	1,121	10.0%	90.0%
Total	5,290	30.5%	69.5%	4,874	29.0%	71.0%	4,398	27.7%	72.3%	4,569	28.8%	71.2%

EMPLOYEES BY AGE GROUP AND GENDER

	Moncler Group			Moncler Brand								
	2021			2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
<30	1,566	35.0%	65.0%	1,406	32.9%	67.1%	1,135	32.7%	67.3%	1,432	35.2%	64.8%
31-40	1,864	33.0%	67.0%	1,736	32.2%	67.8%	1,671	30.5%	69.5%	1,661	30.2%	69.8%
41-50	1,151	25.5%	74.5%	1,092	24.1%	75.9%	1,008	22.4%	77.6%	962	20.9%	79.1%
>50	709	22.0%	78.0%	640	20.5%	79.5%	584	19.0%	81.0%	514	21.0%	79.0%
Total	5,290	30.5%	69.5%	4,874	29.0%	71.0%	4,398	27.7%	72.3%	4,569	28.8%	71.2%

EMPLOYEES BY LEVEL OF EDUCATION AND GENDER

	Moncler Group			Moncler Brand								
	2021			2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
University degree or equivalent	2,111	34.4%	65.6%	1,964	33.2%	66.8%	1,811	31.9%	68.1%	1,815	32.6%	67.4%
High school	1,474	34.2%	65.8%	1,253	32.0%	68.0%	1,136	31.2%	68.8%	1,160	32.2%	67.8%
Middle and primary school	1,134	13.2%	86.8%	1,097	12.5%	87.5%	1,115	12.9%	87.1%	1,136	13.9%	86.1%
Not mapped	571	40.6%	59.4%	560	40.0%	60.0%	336	42.0%	58.0%	458	41.9%	58.1%
Total	5,290	30.5%	69.5%	4,874	29.0%	71.0%	4,398	27.7%	72.3%	4,569	28.8%	71.2%

EMPLOYEES BY LENGTH OF SERVICE AND GENDER

	Moncler Group			Moncler Brand								
	2021			2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Up to 5 years	4,302	30.5%	69.5%	3,994	29.1%	70.9%	3,721	27.3%	72.7%	3,978	28.6%	71.4%
6 to 10 years	681	30.4%	69.6%	636	28.5%	71.5%	450	30.4%	69.6%	392	29.3%	70.7%
11 to 20 years	197	31.0%	69.0%	170	25.9%	74.1%	161	25.5%	74.5%	139	28.1%	71.9%
21 to 30 years	65	33.8%	66.2%	52	28.8%	71.2%	39	30.8%	69.2%	38	28.9%	71.1%
More than 30 years	45	26.7%	73.3%	22	50.0%	50.0%	27	48.1%	51.9%	22	50.0%	50.0%
Total	5,290	30.5%	69.5%	4,874	29.0%	71.0%	4,398	27.7%	72.3%	4,569	28.8%	71.2%

EMPLOYEES BY CONTRACT TYPE AND GENDER

	Moncler Group			Moncler Brand								
	2021			2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Permanent contract	4,488	29.3%	70.7%	4,138	27.8%	72.2%	3,928	26.9%	73.1%	3,873	27.7%	72.3%
Temporary contract	802	37.3%	62.7%	736	35.7%	64.3%	470	33.8%	66.2%	696	34.9%	65.1%
Total	5,290	30.5%	69.5%	4,874	29.0%	71.0%	4,398	27.7%	72.3%	4,569	28.8%	71.2%

PERMANENT EMPLOYEES BY CONTRACT TYPE AND GENDER

	Moncler Group			Moncler Brand								
	2021			2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Full-time	4,225	29.6%	70.4%	3,895	28.0%	72.0%	3,666	26.8%	73.2%	3,640	27.5%	72.5%
Part-time	263	24.7%	75.3%	243	25.1%	74.9%	262	28.6%	71.4%	233	30.5%	69.5%
Total	4,488	29.3%	70.7%	4,138	27.8%	72.2%	3,928	26.9%	73.1%	3,873	27.7%	72.3%

NEW HIRES AND DEPARTING EMPLOYEES BY GENDER

	Moncler Group			Moncler Brand								
	2021			2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
New hires	2,150	712	1,438	2,012	638	1,374	1,333	369	964	2,237	661	1,576
Departing employees	1,620	480	1,140	1,536	432	1,104	1,504	461	1,043	1,823	545	1,278

NEW HIRES AND DEPARTING EMPLOYEES BY AGE GROUP

	Moncler Group				
	2021				
	Total	<30	31-40	41-50	>50
New hires	2,150	1,175	591	256	128
Departing employees	1,620	674	552	234	160

	Moncler Brand				
	2021				
	Total	<30	31-40	41-50	>50
New hires	2,012	1,081	559	247	125
Departing employees	1,536	615	534	228	159

	Moncler Brand				
	2020				
	Total	<30	31-40	41-50	>50
New hires	1,333	616	419	208	90
Departing employees	1,504	655	533	200	116

	Moncler Brand				
	2019				
	Total	<30	31-40	41-50	>50
New hires	2,237	1,137	634	323	143
Departing employees	1,823	868	575	245	135

NEW HIRES AND DEPARTING EMPLOYEES
BY PROFESSIONAL CATEGORY AND GENDER

	Moncler Group					
	2021					
	New hires			Departing employees		
	Total	Men	Women	Total	Men	Women
Executives and senior executives	10	80.0%	20.0%	17	41.2%	58.8%
Managers	79	44.3%	55.7%	74	31.1%	68.9%
Professionals	120	36.7%	63.3%	93	30.1%	69.9%
White-collars	1,623	36.5%	63.5%	1,166	34.0%	66.0%
Workers	318	10.4%	89.6%	270	9.6%	90.4%
Total	2,150	33.1%	66.9%	1,620	29.6%	70.4%

	Moncler Brand					
	2021					
	New hires			Departing employees		
	Total	Men	Women	Total	Men	Women
Executives and senior executives	8	87.5%	12.5%	17	41.2%	58.8%
Managers	77	42.9%	57.1%	73	31.5%	68.5%
Professionals	112	33.0%	67.0%	84	26.2%	73.8%
White-collars	1,503	35.3%	64.7%	1,093	32.4%	67.6%
Workers	312	9.6%	90.4%	269	9.7%	90.3%
Total	2,012	31.7%	68.3%	1,536	28.1%	71.9%

	Moncler Brand					
	2020					
	New hires			Departing employees		
	Total	Men	Women	Total	Men	Women
Executives and senior executives	7	71.4%	28.6%	7	42.9%	57.1%
Managers	41	43.9%	56.1%	28	46.4%	53.6%
Professionals	57	33.3%	66.7%	54	38.9%	61.1%
White-collars	926	31.4%	68.6%	1,142	33.8%	66.2%
Workers	302	11.9%	88.1%	273	13.9%	86.1%
Total	1,333	27.7%	72.3%	1,504	42.9%	57.1%

NEW HIRES AND DEPARTING EMPLOYEES
BY GEOGRAPHIC AREA

	Moncler Group			
	2021			
	Total	EMEA	Americas	Asia
New hires	2,150	1,135	339	676
Departing employees	1,620	863	294	463

	Moncler Brand			
	2021			
	Total	EMEA	Americas	Asia
New hires	2,012	1,052	313	647
Departing employees	1,536	814	273	449

	Moncler Brand			
	2020			
	Total	EMEA	Americas	Asia
New hires	1,333	768	204	361
Departing employees	1,504	846	234	424

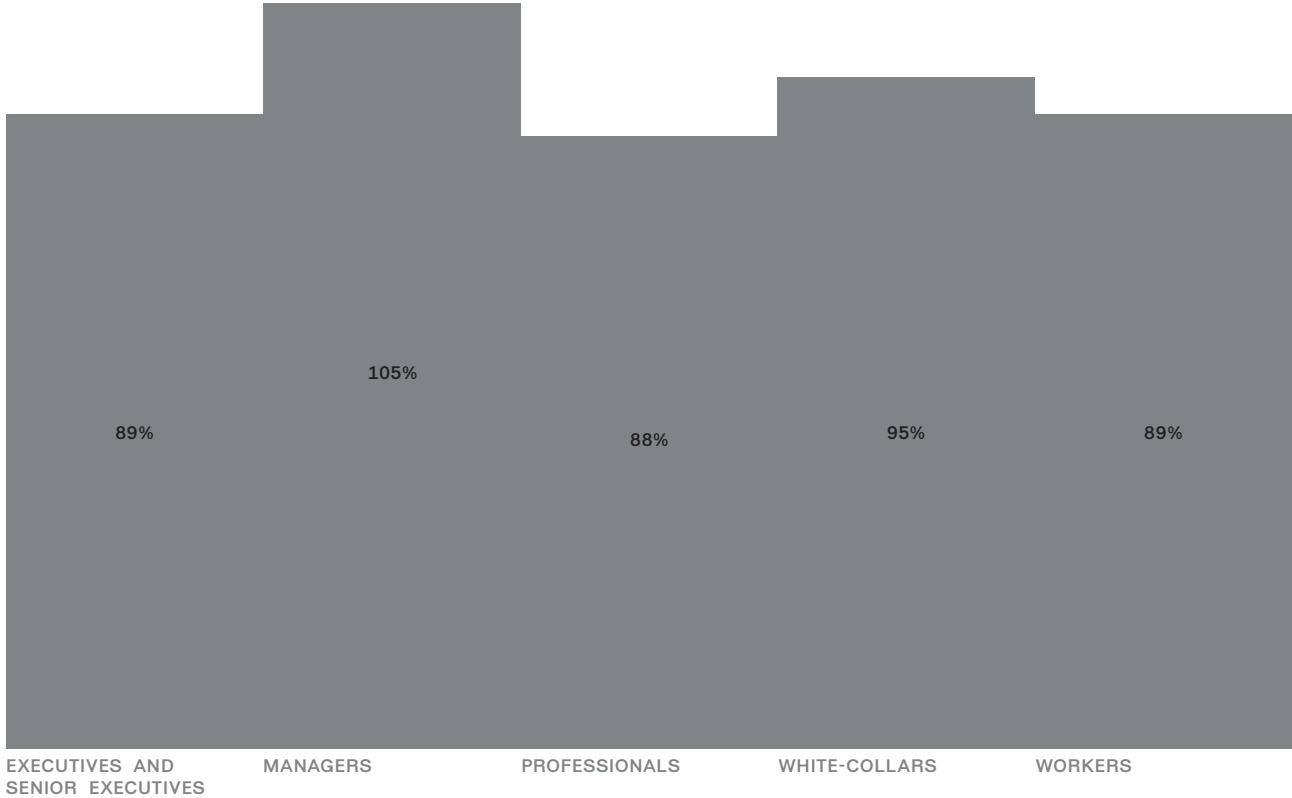
	Moncler Brand			
	2019			
	Total	EMEA	Americas	Asia
New hires	2,237	1,378	256	603
Departing employees	1,823	1,155	187	481

EMPLOYEES BY COUNTRY

	Moncler Group		Moncler Brand		2020		2019	
	2021		2021					
	Number	%	Number	%	Number	%	Number	%
Italy	1,521	28.8	1,235	25.3	1,049	23.9	1,084	23.7
Romania	1,142	21.6	1,142	23.4	1,159	26.4	1,138	24.9
Japan	525	9.9	525	10.8	466	10.6	529	11.6
China¹	600	11.3	571	11.7	485	11.0	504	11.0
United States	393	7.4	362	7.4	320	7.3	366	8.0
France	244	4.6	221	4.5	192	4.4	210	4.6
South Korea	217	4.1	217	4.5	193	4.4	192	4.2
United Kingdom	101	1.9	101	2.1	90	2.0	117	2.6
Germany	105	2.0	79	1.6	76	1.7	72	1.6
Switzerland	62	1.2	62	1.3	56	1.3	62	1.4
Canada	82	1.6	76	1.6	75	1.7	41	0.9
Austria	38	0.7	38	0.8	37	0.8	40	0.9
Other countries	260	4.9	245	5.0	200	4.5	214	4.6
Total	5,290	100	4,874	100	4,398	100	4,569	100

RATIO BETWEEN WOMEN'S AND MEN'S SALARY LEVELS²

MEN'S SALARIES = 100



WOMEN IN NUMBERS

	Moncler Group	Moncler Brand	Target
	2021	2021	
	Percentage (%)	Percentage (%)	
Share of women in total workforce (as % of total workforce)	70%	71%	≥ 50% by 2025
Share of women in all management positions, including junior, middle and senior management (as % of total management positions)	52%	54%	≥ 50% by 2025
Share of women in junior management positions (as % of total junior management positions)	56%	58%	≥ 50% by 2025
Share of women in top management positions (as % of total top management positions)	37%	38%	≥ 50% by 2025
Share of women in management positions in revenue-generating functions (as % of all such managers)	57%	61%	≥ 50% by 2025
Share of women in STEM-related positions (as % of all total STEM positions)	65%	63%	≥ 50% by 2025

1 China country includes the employees of the Chinese mainland, Hong Kong SAR, Macao SAR, and Taiwan.
2 Salary levels are adjusted on the basis of the cost of living index in Italy.

EMPLOYEES BY ETHNICITY (REGION AMERICAS)

	Moncler Group 2021	
	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as a % of total management workforce)
African American	13%	5%
Asian	28%	21%
Hispanic	21%	10%
White	13%	26%
Caucasian	14%	21%
Other or missing	11%	17%
	Moncler Brand 2021	
	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as a % of total management workforce)
African American	13%	5%
Asian	29%	22%
Hispanic	22%	10%
White	11%	23%
Caucasian	15%	22%
Other or missing	10%	18%
	Moncler Brand 2020	
	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as a % of total management workforce)
African American	11%	5%
Asian	32%	33%
Hispanic	21%	10%
White	17%	33%
Caucasian	9%	14%
Other or missing	10%	5%

TYPE OF TRAINING

HOURS	Moncler Group 2021		
	Total	Men	Women
Mandatory	26,451	5,119	21,332
Italy	7,942	2,146	5,796
EMEA (excl. Italy)	17,951	2,748	15,203
Americas	268	109	159
Asia	290	116	174
Non-mandatory	91,848	15,208	76,640
Italy	9,901	3,138	6,763
EMEA (excl. Italy)	66,486	6,168	60,318
Americas	2,922	1,267	1,655
Asia	12,539	4,635	7,904
Total	118,299	20,327	97,972
HOURS	Moncler Brand 2021		
	Total	Men	Women
Mandatory	25,292	4,599	20,693
Italy	7,557	2,034	5,523
EMEA (excl. Italy)	17,187	2,348	14,839
Americas	258	101	157
Asia	290	116	174
Non-mandatory	91,462	15,023	76,439
Italy	9,883	3,134	6,749
EMEA (excl. Italy)	66,244	6,099	60,145
Americas	2,795	1,155	1,640
Asia	12,540	4,635	7,905
Total	116,753	19,622	97,131

HOURS	Moncler Brand 2020		
	Total	Men	Women
Mandatory	20,598	3,527	17,071
Italy	3,092	1,059	2,033
EMEA (excl. Italy)	17,135	2,324	14,811
Americas	98	36	62
Asia	273	108	165
Non-mandatory	101,198	15,899	85,300
Italy	5,517	1,524	3,993
EMEA (excl. Italy)	84,856	10,368	74,489
Americas	2,096	817	1,279
Asia	8,729	3,190	5,539
Total	121,796	19,426	102,371

TRAINING BY AGE GROUP

HOURS	Moncler Group 2021			Moncler Brand 2021		
	Total	Men	Women	Total	Men	Women
<30	36,580	18.1%	81.9%	36,027	17.7%	82.3%
31-40	33,916	20.9%	79.1%	33,526	20.6%	79.4%
41-50	30,956	13.1%	86.9%	30,676	12.8%	87.2%
>50	16,847	15.2%	84.8%	16,524	14.6%	85.4%
Total	118,299	17.2%	82.8%	116,753	16.8%	83.2%

ACCIDENTS BY GEOGRAPHIC AREA AND GENDER

NUMBER	Moncler Group 2021			Moncler Brand 2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Total number of accidents in the workplace	15	3	12	14	2	12	8	2	6	14	6	8
Italy	7	1	6	6	-	6	3	-	3	9	3	6
EMEA (Excl. Italy)	1	-	1	1	-	1	3	1	2	1	1	-
Americas	6	2	4	6	2	4	2	1	1	4	2	2
Asia	1	-	1	1	-	1	-	-	-	-	-	-
Total number of accidents commuting to/from work	14	3	11	12	3	9	5	2	3	11	1	10
Italy	11	3	8	9	3	6	3	-	3	7	1	6
EMEA (Excl. Italy)	-	-	-	-	-	-	2	2	-	4	-	4
Americas	1	-	1	1	-	1	-	-	-	-	-	-
Asia	2	-	2	2	-	2	-	-	-	-	-	-
Total number of accidents in the workplace and commuting to/from work	29	6	23	26	5	21	13	4	9	25	7	18

ACCIDENTS AND DAYS LOST DUE TO INJURIES

	Moncler Group 2021			Moncler Brand 2021			2020			2019		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Accidents (No.)	29	6	23	26	5	21	13	4	9	25	7	18
<i>In the workplace</i>	15	3	12	14	2	12	8	2	6	14	6	8
<i>Commuting to/from work</i>	14	3	11	12	3	9	5	2	3	11	1	10
Days lost due to injuries	949	219	730	881	217	664	186	63	123	609	169	440
<i>In the workplace</i>	528	107	421	526	105	421	160	60	100	190	94	96
<i>Commuting to/from work</i>	421	112	309	355	112	243	26	3	23	419	75	344

ACCIDENT INDICATORS (IN THE WORKPLACE AND COMMUTING TO/FROM WORK) BY GENDER

	Moncler Group			Moncler Brand			2020			2019		
	2021	Men	Women	2021	Men	Women	Total	Men	Women	Total	Men	Women
	Total			Total								
Incidence rate ³	5.48	3.72	6.26	5.33	3.53	6.07	2.96	3.29	2.83	5.47	5.33	5.53
Severity rate ⁴	0.11	0.09	0.12	0.11	0.10	0.12	0.02	0.03	0.02	0.08	0.08	0.08
Frequency rate ⁵	3.47	2.44	3.90	3.33	2.27	3.74	1.73	1.90	1.67	3.38	3.34	3.40

PLASTIC USED IN PACKAGING

	Moncler Group	Moncler Brand	2020	2019
	2021	2021		
Quantity (Tonnes)	689.2	536.6*	358.4	453.34
of which recyclable	99%	98%	100%	96%
of which recycled	90%	94%	60%	31%

DISPOSAL METHOD BROKEN DOWN BY TYPE OF WASTE

TONNES	Moncler Group	Moncler Brand	2020	2019
	2021	2021		
Recovery	979.3	964.6	1,050.7	800.7
non-hazardous waste	976.4	961.9	1,050.2	800.4
hazardous waste	2.9	2.7	0.5	0.3
Riciclying	78.5	78.5	63.1	56.9
non-hazardous waste	78.5	78.5	63.1	56.9
hazardous waste	-	-	-	-
Other ⁷	23.7	23.7	22.5	60.5
non-hazardous waste	0.40	0.4	22.4	60.4
hazardous waste	23.3*	23.3*	0.1	0.1
Total waste produced	1,081.5	1,066.8	1,136.3	918.1

INDIRECT CO₂E EMISSIONS

Reporting period: 01.01.2021 – 31.12.2021 for Moncler brand and 01.04.2021 – 31.12.2021 for Stone Island brand

TONNES OF CO ₂ e	Moncler Group	Moncler Brand
2021	2021	2021
Indirect emissions (scope 3)	200,686	146,005
Purchased goods and services	142,631	97,873
Capital goods	15,237	14,699
Fuel-and energy-related activities	773	716
Third-party warehouses	407	407
Transportation and distribution	22,148	18,114
of which by ship	258	101
of which by air	19,809	16,538
of which by land	2,081	1,475
Waste generated in operations	72	69
Business travel	589	540
Employee commuting	6,624	6,031
Use of sold products	9,055	5,338
End-of-life treatment of sold products	3,150	2,218

- 3

Incidence rate: (number of workplace injuries/total employees) x 1,000.
- 4

Severity rate: (number of days lost due to workplace injuries/total hours worked) x 1,000. In 2021, the total worked hours were around 8.4 million for the Group and around 7.8 million for Moncler brand.
- 5

Frequency rate: (number of injuries/total hours worked) x 1,000,000.
- 6

The increase in the amount of materials purchased by Moncler in 2021 is due to several factors, including: the finalisation of the internalisation of the e-commerce channel with the introduction of dedicated packaging, a different purchase strategy due to the scarcity of raw materials and the recovery of the business following the Covid-19 pandemic.
- 7

Includes other types of disposals, including landfill.
- 8

Includes the disposal of a chemical solution used to recover the metal tank that previously held diesel to heat the production site in Romania.

Reporting period: 01.01.2021 – 31.12.2021 for Moncler brand and for Stone Island brand

TONNES OF CO ₂ e	Moncler Group	Moncler Brand
2021	2021	2021
Indirect emissions (scope 3)	217,226	146,005
Purchased goods and services	155,867	97,873
Capital goods	15,416	14,699
Fuel-and energy-related activities	802	716
Third-party warehouses	407	407
Transportation andndistribution	23,493	18,114
of which by ship	311	101
of which by air	20,899	16,538
of which by land	2,283	1,475
Waste generated in operations	72	69
Business travel	592	540
Employee commuting	6,822	6,031
Use of sold products	10,294	5,338
End-of-life treatment of sold products	3,461	2,218

PARENTAL LEAVE

Moncler grants parental leave to all its employees in accordance with applicable laws and local regulations. In addition, from 2021 in Italy, all employees of the Moncler’s Italian companies who became fathers as from 1 January 2021 have been granted a total of 15 days’ paternity leave, i.e., five more than that established by law or the national collective labour agreement.

In 2021, 99 Moncler employees, accounting for 3% of the eligible female workforce and 0.2% of the eligible male workforce, took some form of parental leave; also four Stone Island employees took some form of parental leave. Around 119% of Moncler employees returned to work after the leave period, including those who took parental leave starting in 2020. Of those who returned to work in 2020, 47% were still working for the Company 12 months later.

The Group also helps both men and women balance their professional and private lives by offering flexible working hours that can be tailored to personal needs. See also pages 121-122.

COMPLIANCE

The Moncler Group strives towards the highest principles of transparency, integrity and loyalty in its operations, in compliance with all applicable laws in the countries in which it operates, while concentrating efforts on building relationships of trust with its stakeholders.

In confirmation of the above, in 2021, no Final Decision was handed down against the Group companies in any of the following areas:

- unfair competition and antitrust
- product health and safety
- product labelling
- marketing communications, including advertising, promotions, and sponsorships
- disputes impacting the community
- the environment
- intellectual property rights
- privacy.

PRIVACY

The protection and processing of personal data are an important area for the Moncler Group that has become increasingly significant in recent years, also in view of the Group’s digital transformation.

As also stated in the Moncler and Stone Island Codes of Ethics, the Group is constantly committed to establish and implement appropriate measures of an organisational and technological nature to appropriately meet the privacy protection needs of their employees, collaborators, clients and suppliers, in compliance with all applicable laws and regulations and in accordance with the most recent best practices.

In this context, the Group has also adopted the necessary steps to ensure prompt compliance with all the provisions of Reg-

ulation (EU) 2016/679, the General Data Protection Regulation (GDPR), which came into effect in May 2018.

At both Stone Island and Moncler a Data Protection Officer (DPO) has been designated, tasked with monitoring compliance with the GDPR and all laws and regulations on the protection of personal data. In addition, at Moncler the DPO also provides targeted advice to the company and employees on the compliance with, and implementation of the provisions and obligations arising from the GDPR.

In order to ensure structured and efficient management of privacy issues, Moncler and Stone Island have adopted internal procedures, tools and guidelines, including (i) the Data Protection Master Policy, which describes the rules and instructions for processing personal data and the applicable retention periods, while also defining and designating the people involved in that process, their roles and responsibilities; (ii) the record of personal data processing activities; (iii) the Data Protection Impact Assessment (DPIA), (iv) the procedure for the management of data breach; and (v) the regulation on the use of IT tools by employees.

In addition, both Brands have set up an email address dpo@moncler.com, and dpo@spwco.it through which it is possible to drive the attention of the DPO on requests for information and clarification or possible privacy violations; these work alongside the existing privacy@moncler.com and spwprivacy@spwco.it, which allows any party to contact the Company regarding privacy issues. As per regulation, the Group is legally obliged to notify clients of any data breach incidents involving their data and to undertake investigations to deepen these situations.

During 2021, in particular, also in light of changes occurred in the regulatory framework, the activity of monitoring and update of the documentation and procedures continued in order to ensure an ongoing alignment with the GDPR and local regulations in the countries where the Group companies operate. In addition, also the audit activities carried out by external consultants on compliance with GDPR regulations continued in Italy and in some European countries concerning, among others, the methods of collection and management of clients and employees data, including the ones relating to video surveillance activities.

Each year the Group provides training sessions to specific offices and from 2021 video-tutorials were launched for all employees on the main procedures of the GDPR and on the risks in the use of IT tools.

During 2021, at both Moncler and Stone Island, regular meetings between the DPO and the Privacy Committee, composed of liaison officers from most involved departments, continued with the aim to provide updates on the subject, planning the activities necessary to ensure constant alignment of the Company's and Group's projects and activities to the regulatory requirements.

In December 2021 Moncler Group detected an unauthorised malware attack to its systems that resulted in the breach of personal data regarding employees, former employees, several suppliers, consultants and business partners, as well as clients recorded in its database. The Company's systems made it possible to promptly identify the attack and take the necessary actions to stop its spread and minimise its impacts. In addition, a team of cybersecurity experts and external experts has been activated to cope with the situation.

The data breach was promptly reported to the Italian Data Protection Authority by Industries, by Moncler, as owner of some data affected by the breach, and by Stone Island, as owner of some data affected by the breach. In addition, where necessary, it was reported by the subsidiaries of Industries and belonging to the Moncler Group to the competent local authorities, as well as being reported to those affected by the incident.

In 2021 the Moncler Group was not notified of any complaints to the Italian Data Protection Authority pursuant to Article 77 of the GDPR. Following the report on the data breach provided to clients and employees, the Group received around 350 requests of various kinds through the official channels, including, for example, some related to the request for deletion from the database pursuant to Article 17 of the GDPR, to the exercise of the right of access pursuant to Article 15 of the GDPR, to further information on the management of data, etc..

TAX POLICY

In administrative management and in drafting the Financial Statements and any other type of accounting documentation, Moncler complies with the applicable laws and regulations, adopts generally accepted accounting practices and standards, and is inspired by the principle of transparency in relations with stakeholders, including the tax authorities. It faithfully represents performance and significant events according to criteria of clarity, truthfulness and fairness, in accordance with internal procedures, as stated in the Brand's Code of Ethics. In this context, the Board of Directors plays a central role in the leadership and management of the Company and the Group according to the values of honesty and integrity and the principle of legality.

Moncler pays close attention to the legislation's evolutions aimed at fighting tax avoidance and evasion at the national and international level. Furthermore, it has a tax strategy that governs how the Company manages this subject.

The Moncler brand has adopted a Tax Policy to ensure its compliance over time with the tax rules of the countries where it operates and to guarantee the financial and reputational integrity of all Group companies. It contains the following principles for the uniform handling of tax matters throughout the Group:

- observe all the applicable laws, rules, regulations and disclosure requirements on tax matters in all the countries in which it operates
- apply diligent professional care and judgment to reach well-reasoned conclusions, ensuring all decisions are taken at an appropriate level and supported with documentation that evidences the decision-making process
- achieve certainty on tax positions adopted; whereas tax law is unclear or subject to interpretations, perform a robust risk assessment, supported by adequate advices to ensure that the Group tax position adopted will be, more likely than not, settled in the Group's favour
- develop and foster good working relationships with tax authorities, government bodies and other related third parties, undertake all dealings with them in a professional, courteous and timely manner
- be compliant with anti-bribery legislation
- constantly interact with industry bodies or associations, governments, and other external bodies (e.g. OECD and the EU), where possible, and appropriate to shape future tax legislation and practice in ways that balance the Group's interest (e.g. consistency, stability, competitiveness) with those of the relevant authority or policy
- do not make use of secrecy jurisdictions, tax havens, tax structures without commercial substance or law tax jurisdictions in order to obtain tax advantages or tax structures intended for tax avoidance
- comply with the Group Transfer Pricing Policy applicable world-wide on the basis of the principle of arm's length, or normal value, stated by OECD Guidelines.

Tax Policy Principles have been approved by the Board of Directors of Moncler.

In Moncler's organizational model, the Group Tax Department (GTD) is responsible, among other things, for developing the Group's tax strategy by identifying, analysing, and managing different optimization initiatives and monitoring the most relevant topics. Alongside the Group Tax Department, the Tax Affairs units of individual countries, acting in accordance with the values and principles defined by the Parent Company, are in charge of compliance management and tax planning and tax monitoring activities at the local level.

Moncler strengthened its internal tax risk control system, known as the Tax Control Framework (TCF), making it suitable to oversee the tax risk. The main objective of the Tax Control Framework is to provide Group companies with uniform, consistent guidance in adopting a proper and effective approach to tax risk management. Because they operate in different jurisdictions, the Group companies have to adopt the TCF in accordance with the specific business context and the domestic laws of their countries of reference. In keeping with the principles and guidelines

set forth in the tax strategy, Moncler aims to manage tax risk pro-actively and believes that adopting a TCF can assure its timely de-tection, accurate measurement, and effective control.

Moncler ensures transparency and integrity in its relation-ships with the tax authorities, in case of audits referring either to Group companies or third parties. The Company constantly acts with a transparent, cooperative approach with all industry asso-ciations and institutions to support the development of effective tax systems in the different countries in which it operates, and is active in various working groups on taxation, such as the one or-ganized by Altagamma.

EXCERPT FROM THE COUNTRY BY COUNTRY REPORT 2020

MILLION EUROS							
2020							
	Tax rate range	Countries included in the range	Revenues from third parties ⁹	Income before taxes ¹⁰	Taxes paid ¹¹	Taxes accrued ¹²	Employees (FTE)
EMEA	x<10%	– United Arab Emirates – Hungary	4.85	-0.53	0.03	0.01	18.04
	10%<x<15%	– Ireland	1.57	0.21	-	0.03	4.66
	15%<x<=20%	– Romania – Czech Republic – United Kingdom – Poland – Switzerland – Kazakhstan – Russia – Ukraine	56.74	-1.79	0.71	0.28	1,312.59
	20%<x<25%	– Sweden – Denmark – Norway – Turkey	15.14	1.83	0.44	0.59	45.83
	x>=25%	– Italy – Belgium – Germany – France – Austria – Spain – Netherlands	462.24	242.66	101.61	86.68	1,300.54
	Total EMEA		540.54	242.38	102.79	87.59	2,681.66
Americas	x>25%	– Brazil – Canada – Mexico – United States	219.83	-3.41	4.57	1.88	308.03
Total Americas			219.83	-3.41	4.57	1.88	308.03
Asia	10%<x<15%	– Macao SAR	7.73	2.82	2.82	0.27	17.48
	15%<x<=20%	– Hong Kong SAR – Singapore – Taiwan	33.28	-8.91	1.69	0.61	128.00
	20%<x<25%	– South Korea	111.55	23.70	2.32	6.56	196.84
	x>=25%	– Australia – Japan – Mainland China – New Zeland	493.26	81.27	23.09	31.78	760.00
Total Asia			645.82	98.88	29.92	39.22	1,102.32
Total			1,406.19	337.85	137.28	128.69	4,092.01

EU TAXONOMY

Regulation (EU) 2020/852 introduced the Taxonomy into the Eu-ropean regulatory system in order to determine whether econom-ic activity can be considered environmentally sustainable and to stimulate transparency in green finance transactions by identify-ing the degree of environmental sustainability of an investment.

Environmentally friendly economic activities are assessed on the basis of whether they can contribute to six environmental objectives:

- 1. climate change mitigation
- 2. climate change adaptation
- 3. sustainable use and protection of water and marine re-sources
- 4. transition to a circular economy, including with regards to the reduction and recycling of waste
- 5. pollution prevention and control
- 6. protection and restoration of biodiversity and ecosystems.

In order to be considered as environmentally sustainable, activities must meet specific criteria including: contributing positively to at least one of the six environmental objectives; not having negative impacts on any of the other objectives (DNSH - Do Not Significantly Harm criterion); being carried out in accordance with minimum so-cial guarantees; and complying with the technical criteria identified by delegated acts adopted by the European Commission.

At the date of publication of this Document, the list of ac-tivities defined as environmentally sustainable by the Taxonomy is only available for two of the six environmental objectives de-fined by Article 9 of Regulation (EU) 2020/852: “Climate change mitigation” and “Climate change adaptation”. In particular, for the 2021 reporting year, Regulation (EU) 2020/852 requires informa-tion to be provided on the share of turnover, capital expenditures (CapEx) or operating expenses (OpEx) associated with economic

9 Revenues from third parties, amounting to 1,406.19 million euros, differ from the amount shown in the Annual Report 2020, equal to 1,440.41 million euros, because in this table they include reve-nues contained in the local statutory financial statements of the individual companies.

10 Income before taxes of 337.85 million euros differs from the amount shown in the Annual Report 2020, equal to 345.52 million euros, because in this table it includes the pre-tax income con-tained in the local statutory financial statements of the individual companies.

11 Taxes paid differ from taxes accrued primarily because they con-sist of the balance of the previous year (2019) and only advance payments for the current year (2020).

12 Taxes accrued refer only to current taxes accrued in 2020. In addi-tion, the nominal tax rate is applied to pre-tax profits, which have been adjusted on the basis of local tax laws.

activities classified as eligible for the Taxonomy. Regulation (EU) 2020/852 provides the reporting to be extended to the other four environmental targets in 2022, with a disclosure requirement for operations in 2023.

CALCULATION METHODOLOGY AND RESULTS OF THE INDICATORS PROVIDED FOR IN THE TAXONOMY REGULATION

TURNOVER:
Based on the interpretation of the requirements currently applicable, the Group assessed that its main commercial activities are not included among those currently identified by the regulations of reference for the two environmental objectives mentioned above, and consequently are not considered as eligible at the date of preparation of this Document.

For the calculation of the turnover indicator the consolidated net turnover was taken as denominator. With regard to the numerator, in view of the above-mentioned considerations and of the interpretation of the Taxonomy Regulation, at the date of publication of this Document, no part of the turnover obtained from the sale of products or services associated with economic activities considered eligible in relation to the objectives of “Climate change mitigation” and “Climate change adaptation” has been identified.
Percentage of Turnover eligible in 2021: 0%

CAPEX:
For the capital expenditures (CapEx) indicator calculation, at the denominator was considered the increases in tangible fixed assets and intangible assets during the year, before depreciation and any revaluations, including those arising from restatements and reductions in value, for the year in question, and excluding changes in fair value. In particular, the denominator includes acquisitions of tangible fixed assets (IAS 16), intangible assets (IAS 38) and assets for rights of use (IFRS 16).

With regards to the numerator, increases in fixed assets linked to the purchase of output from economic activities aligned with the Taxonomy and/or relating to the measures implemented to allow a reduction in CO₂ emissions in the atmosphere were considered eligible, mainly investments in construction works associated with the opening of new stores and the expansion and renovation of company sites and existing stores and, in particular, for the energy efficiency and reduced energy consumption by these properties.
Percentage of CapEx eligible in 2021: 3%

OPEX:
When calculating the operating expenses (OpEx) indicator, for the denominator were considered all the non-capitalised direct costs related to research and development, maintenance and repair, as well as any other direct expenses connected to the daily maintenance of property, plant and machineries of the company or third parties to which such tasks are outsourced, necessary to ensure the continuous and effective functioning of such assets. Expenses relating to the daily operation of property, plant and machineries such as raw materials, cost of employees using the machine, electricity or fluids necessary for the operation of such assets were not included.

With regards to the numerator, were considered the costs included in the denominator relating to the purchase of output from eligible economic activities according to the Taxonomy and/or relating to the measures implemented to enable a reduction of CO₂ emissions in the atmosphere: in particular, costs of maintenance activities to ensure the functioning of energy systems for energy efficiency and to reduce the energy consumption of company sites were included.
Percentage of OpEx eligible in 2021: 5%

Further inquiries will be carried out and reported in line with the progressive evolution of Regulation (EU) 2020/852, with particular reference to the further delegated acts for the remaining environmental objectives.



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors’ report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018

*To the board of directors of
Moncler S.p.A.*

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the “decree”) and article 5 of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018, we have been engaged to perform a limited assurance engagement on the 2021 consolidated non-financial statement of the Moncler Group (the “group”) prepared in accordance with article 4 of the decree and approved by the board of directors on 16 March 2022 (the “NFS”).

Our procedures did not cover the information set out in the “EU Taxonomy” and “Calculation methodology and results of the indicators provided for in the Taxonomy Regulation” sections of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Responsibilities of the directors and board of statutory auditors (“Collegio Sindacale”) of Moncler S.p.A. (the “parent”) for the NFS

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the “Global Reporting Initiative Sustainability Reporting Standards” issued by GRI - Global Reporting Initiative (the “GRI Standards”), which they have identified as the reporting standards.

The directors are also responsible, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Limited, società di diritto inglese.

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Moncler Group
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31 December 2021

Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group's business and characteristics, to the extent necessary to enable an understanding of the group's business, performance, results and the impacts it generates.

The directors' responsibility also includes the design of an internal model for the management and organisation of the group's activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group's policies and the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards, the 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 company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the NFS with the requirements of the decree and the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does 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 we performed on the NFS are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the NFS, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we carried out the following procedures:

1. Analysing the material aspects based on the group's business and characteristics disclosed in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.



Moncler Group
Independent auditors' report
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2. Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.
3. Comparing the financial disclosures presented in the NFS with those included in the group's consolidated financial statements.
4. Gaining an understanding of the following:
 - the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
 - the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
 - the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the disclosures presented in the NFS and carried out the procedures described in point 5.a).

5. Understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the NFS.


Specifically, we held interviews and discussions with the parent's management personnel and personnel of Industries S.p.A., Industries Yield S.r.l. and Sportwear Company S.p.A. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the NFS.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at parent and subsidiaries level:
 - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the NFS and, specifically, the business model, the policies applied and main risks for consistency with available evidence,
 - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we visited Moncler S.p.A., Industries S.p.A. and Sportwear Company S.p.A., which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to meet their management and obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2021 consolidated non-financial statement of the Moncler Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.

	<p>Moncler Group Independent auditors' report 31 December 2021</p>
<p>Our conclusion does not extend to the information set out in the "EU Taxonomy" and "Calculation methodology and results of the indicators provided for in the Taxonomy Regulation" sections of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.</p>	
<p>Treviso, 30 March 2022</p>	
<p>KPMG S.p.A.</p>	
<p>(signed on the original)</p>	
<p>Gianluca Zaniboni Director of Audit</p>	
<p>4</p>	

The following index is provided to facilitate the search for content related to specific GRI indicators. The index has two parts.

The first refers to the indicators reported “in accordance” with the GRI core option on the basis of the materiality analysis. See also pages 64-65.

The second part refers to other GRI indicators that complete Moncler Group’s performance profile. See also page 259. A table linking the material topics and the GRI index is also provided.

The independent auditor KPMG S.p.A. carried out a limited assurance engagement on Moncler Group’s Consolidated Non-Financial Statement 2021, providing its overall conclusions thereafter. As regards the scope of activities, please refer to the Statement on the Consolidated Non-Financial Statement released by the independent auditors, on pages 253-256.

INDEX OF GRI CONTENT
“IN ACCORDANCE” – CORE OPTION

LEGEND
NFS = Consolidated Non-Financial Statement 2021
AR = Annual Report 2021
CE = Code of Ethics
PRP = Procedure Governing Transactions with Related Parties
CGR = Corporate Governance Report 2021
RR = Report on Remuneration

GRI ID	Page number (or direct link)	Omission
GENERAL STANDARD DISCLOSURE		
Organizational profile		
102-1	NFS page 238	
102-2	NFS pages 27-28; 168	
102-3	NFS page 264	
102-4	NFS pages 27-28; 92; 136-138; 240; 243	
102-5	NFS pages 23; 48-49	
102-6	NFS pages 27-28; 148	
102-7	NFS pages 27-29; 92; 136-138; 240; 243	
102-8	NFS pages 92-97; 240-241; 243	
102-9	NFS pages 136-138	
102-10	On 31 March 2021, the acquisition by Moncler S.p.A. of the entire share capital of Sportswear Company S.p.A., that owns the Stone Island brand, along with its subsidiaries and associates was completed. AR (Paragraphs: Consolidated Statement of Cash Flows; Explanatory Notes to the Consolidated Financial Statements -The Group and its core business)	
102-11	NFS pages 57-61; 62-63; 179-180	
102-12	NFS pages 53; 69; 147-148; 169-170; 196-197	
102-13	NFS pages 68-69	
Strategy		
102-14	NFS page 13	
Ethics and integrity		
102-16	NFS pages 20-21; 48; 53-54	
Governance		
102-18	NFS pages 48-52; 64. CGR	
Stakeholder engagement		
102-40	NFS pages 66-67	
102-41	NFS page 121	
102-42	NFS pages 66-67	
102-43	NFS pages 66-67	
102-44	NFS pages 66-67; 110-111; 145-146;147-148; 150-151	
Report profile		
102-45	NFS pages 238-239	
102-46	NFS pages 238-239	
102-47	NFS pages 64-65; 261	
102-48	NFS pages 22; 23-26; 27-28; 29-32; 136-138; 196-198; 201-202; 238-239	
102-49	NFS pages 64-65; 261. On 31 March 2021, was completed the acquisition by Moncler S.p.A. of the entire share capital of Sportswear Company S.p.A., that owns the Stone Island brand	
102-50	NFS pages 238-239	
102-51	NFS pages 238-239. The Consolidated Non-Financial Statement 2020 (in compliance with Italian Legislative Decree 254/2016) was published in April 2021	
102-52	NFS pages 238-239	
102-53	NFS page 264	
102-54	NFS pages 238-239	

102-55	NFS pages 257-261
102-56	NFS pages 253-256
TOPIC – SPECIFIC DISCLOSURE	
Category: financial performance	
Aspect: financial performance	
103-1	NFS pages 28-29; 64; 221-222
103-2	
103-3	
201-1	NFS pages 28-29; 30-31
Aspect: procurement practices	
103-1	NFS pages 136-138; 140-142; 261
103-2	
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204-1	NFS pages 136-138
Category: environmental performance	
Aspect: materials	
103-1	NFS pages 169-171; 174- 179; 196 ; 261
103-2	
103-3	
301-1	NFS pages 175; 177; 179
301-2	NFS pages 175; 177; 179; 246
Aspect: energy	
103-1	NFS pages 70-71; 72; 196; 197-198; 199-200; 261
103-2	
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302-4	NFS pages 72; 197-198; 199-200; 246-247
Aspect: supplier environmental assessment	
103-1	NFS pages 140-144; 261
103-2	
103-3	
308-2	NFS pages 141-142; 143
Aspect: water and effluents – GRI Standard 2018	
103-1	NFS pages 65; 73; 202; 261
103-2	
103-3	
303-1	The Group's water consumption relates mainly to sanitation and, for Stone Island, to the production activities of the dyeing department. The water used by Moncler is neither reused nor recycled, whereas the water used by Stone Island is recycled at the municipal purification plant of Ravarino (Modena)
303-2	Water discharges are comparable to those of residential buildings and are therefore drained into the sewage system
303-3	The Group's main source of water supply is represented by water mains. The dyeing department of Stone Island supplies from an artesian well. During the reporting period water consumption amounted to approximately 67,000 m³
Aspect: biodiversity	
103-1	NFS pages 65; 73; 202; 261
103-2	
103-3	
304-1	NFS pages 73; 202
Aspect: emissions	
103-1	NFS pages 59-60; 72; 169-171; 196-200; 201-202; 204-205; 261
103-2	
103-3	
305-1	NFS pages 72; 196-199
305-2	NFS pages 72; 196-199
305-3	NFS pages 201-203; 204-205; 246-247
305-4	NFS pages 198; 201-202
305-5	NFS pages 72; 196-199; 246-247
305-6	During the reporting period, in Italy there were insignificant dispersions of refrigerant gases for a total amount of 60 kg, divided into R410A gases for approximately 39.2 kg due to a failure at the plant in Ravarino (Modena) and for 17 kg due to another at the logistics hub in Castel San Giovanni (Piacenza), as well as R497-C gases of 3.7 kg at the site of Via Venezia (Trebaseleghe) following a failure of an exchanger
305-7	Given the Moncler Group's business model, there are no known significant emissions at this time
Category: social performance	
Aspect: Employment	
103-1	NFS pages 75-78; 98-99; 101-103; 107-109; 110-112; 114-116; 261
103-2	
103-3	
401-1	NFS pages 97; 241-242
401-2	NFS pages 109; 121-122
Aspect: occupational health & safety – GRI Standard 2018	
103-1	NFS pages 78; 102-103; 112-113; 118-120; 261
103-2	
103-3	
403-1	NFS pages 118-120
403-2	NFS pages 118-120

403-3	NFS pages 112-113; 118-120
403-4	NFS pages 118-121. There are no formal committees in this area
403-5	NFS pages 102; 119-120
403-6	NFS pages 78; 109; 112-113; 119-120
403-7	NFS pages 118-121
403-8	NFS pages 118-121
403-9	NFS pages 118-121; 245-246
403-10	No cases of occupational illness were recorded in 2021
Aspect: training and education	
103-1	NFS pages 101-106; 110; 261
103-2	
103-3	
404-3	NFS page 110
Aspect: diversity and equal opportunities	
103-1	NFS pages 70-71; 75-78; 114-117; 223; 261
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103-1	NFS pages 78; 220-226; 261
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413-1	NFS pages 220-222
Aspect: social assessment of suppliers	
103-1	NFS pages 140-146; 261
103-2	
103-3	
414-2	NFS pages 140-146
Aspect: consumer health and safety	
103-1	NFS pages 179-181; 247; 261
103-2	
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416-1	NFS pages 179-181
416-2	NFS page 247
Aspect: marketing communications	
103-1	NFS pages 247; 261
103-2	
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417-3	NFS page 247

ADDITIONAL GRI INDICATORS

GRI ID	Page number (or direct link)	Omission
GENERAL STANDARD DISCLOSURES		
Strategy		
102-15	NFS pages 57-61; 62-63; 70-71; 72-78	
Ethics and integrity		
102-17	NFS pages 53-57; 70-71; 72-78. CE (Paragraph: Reporting breaches of the Code of Ethics)	
Governance		
102-19	NFS page 52	
102-20	NFS page 52	
102-21	NFS page 52	
102-22	NFS pages 48-52. CGR (Paragraphs: Board of Directors; Composition and Functioning of the Board of Statutory Auditors)	
102-23	NFS pages 48-52. CGR (Paragraphs: Chairman of the Board of Directors; Table 2: Structure of the Board of Directors and Committees)	
102-24	CGR (Paragraph: Board of Directors - Appointment and Replacement of Directors)	
102-25	CE (Paragraphs: Contributions and Sponsorships; Conflicts of Interest); CGR (Paragraph: Directors' interests and transactions with related parties); PRP	
102-26	NFS page 52	
102-27	NFS pages 52; 58; 63	
102-29	NFS pages 58; 63; 70-71	
102-30	NFS pages 58; 63	
102-31	NFS pages 58; 63	
102-32	NFS pages 52; 238-239	
102-33	NFS pages 54-55; 70-71	
102-37	NFS pages 107-109. RR (Paragraph: paragraph "3" of Section I of the Report on Remuneration 2022)	
TOPIC – SPECIFIC DISCLOSURE		
Category: financial performance		
Aspect: financial performance		
201-2	NFS page 62-63	
201-3	NFS page 109. AR (Paragraph: Employee Benefits)	

201-4	In 2021, where possible, the Moncler Group took advantage of the COVID-19 relief measures made available by local governments in the amount of approximately 5.8 million euros. Also, during the year, the Chinese company Moncler Shanghai Commercial Co. Ltd. received a government grant of around 2.1 million euros, this is a contribution that the Chinese government provides to companies that stand out for growth rate and business development in China
Aspect: market presence	
103-1 103-2 103-3	NFS pages 96; 107-109
202-1	NFS pages 107-109
202-2	NFS page 96
Aspect: indirect economic impact	
103-1 103-2 103-3	NFS pages 220-226
203-1	NFS pages 220-222
Aspect: anti-corruption	
103-1 103-2 103-3	NFS pages 53-57; 60-61
205-1	NFS pages 56; 60-61
205-2	NFS pages 53-57; 202-203
205-3	NFS page 56
Aspect: anti-competitive behaviour	
103-1 103-2 103-3	NFS page 247
206-1	NFS page 247
Aspect: tax	
103-1 103-2 103-3	NFS pages 249-251
207-1	NFS pages 249-251
207-2	NFS pages 249-251
207-3	NFS pages 249-251
207-4	NFS page 251
Category: environmental performance	
Aspect: energy	
302-1	NFS pages 198-200
302-3	NFS pages 198-200
302-5	NFS pages 201; 203; 204-205
Aspect: waste - GRI Standard 2020	
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306-1	NFS pages 203-204; 207
306-2	NFS pages 207; 246
306-3	NFS pages 207; 246
306-4	NFS pages 207; 246
306-5	NFS pages 207; 246
Aspect: environmental compliance	
103-1 103-2 103-3	NFS page 247. During the reporting period, there were no grievances filed related to environmental impacts
307-1	During the reporting period, there were no fines or monetary sanctions for non compliance with applicable environmental laws and/or regulations
Category: social performance	
Aspect: employment	
401-3	NFS page 247
Aspect: labour/management relations	
103-1 103-2 103-3	NFS pages 121-122
402-1	NFS pages 121-122
Aspect: training and education	
404-1	NFS pages 101-106
Aspect: non-discrimination	
103-1 103-2 103-3	NFS pages 53-57; 58-59; 114-117; 121-122
406-1	NFS pages 53-57; 114-117; 121-122
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103-1 103-2 103-3	NFS pages 121-122; 134; 140-146
407-1	NFS pages 121-122; 134; 140-146
Aspect: child labour	
103-1	NFS pages 58-59; 134; 140-146

103-2 103-3	
408-1	NFS pages 134; 140-146
Aspect: forced or compulsory labour	
103-1 103-2 103-3	NFS pages 58-59; 134; 140-146
409-1	NFS pages 134; 140-146
Aspect: indigenous rights	
411-1	There is no risk of violation of the rights of indigenous population for the Moncler Group
Aspect: human rights assessment	
103-1 103-2 103-3	NFS pages 53-57; 134; 136-138; 140-146
412-1	NFS pages 140-146
412-2	NFS pages 53-57
412-3	NFS pages 134; 140-146
Aspect: local communities	
413-2	Considering the Moncler Group's activities to date, no operations are deemed to have a significant actual or potential negative impact on local communities
Aspect: public policy	
103-1 103-2 103-3	NFS pages 68-69
415-1	NFS pages 68-69
Aspect: marketing communications	
417-1	NFS page 247
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TABLE LINKING MATERIAL TOPICS AND THE GRI INDEX

Material topics	Link to aspects of the GRI	Internal impacts	External impacts
Animal welfare	Supplier social assessment (*)		Clients Suppliers
Responsible sourcing	Supplier social assessment		Clients Suppliers
Biodiversity	Biodiversity		Environment
Climate change	Energy		Environment
Client experience and community engagement	Marketing and labeling	Internal stakeholders	Clients
Give back for social development	Economic performance Local communities		Community
Data protection and cybersecurity	(*)	Internal stakeholders	Clients
Diversity, equity and inclusion	Diversity and equal opportunity Non-discrimination	Internal stakeholders	
Circular economy and sustainable materials	(*)	Internal stakeholders	Clients Environment Suppliers
Employee experience	Employment	Internal stakeholders	
Water stewardship	Water and effluents		Environment
New generations	(*)	Internal stakeholders	
Packaging	Materials		Environment
Partnership for sustainable development	(*)		Community Environment
Employee performance and development	Training and education	Internal stakeholders	
Product quality and safety	Customer health and safety		Clients Suppliers
Health, safety and wellbeing	Occupational health and safety Employment	Internal stakeholders	
Traceability	(*)		Suppliers

(*) With regard to this topic (not directly connected to an aspect provided for by GRI standards), the Statement reports the management approach adopted and the associated indicators.

AUDIT
Systematic and documented assessment (by an independent body) to verify compliance with the requirements of a given law/standard of reference.

CONCESSION
Directly managed mono-brand retail space located on the premises of a department store.

DEPARTMENT STORE
General shop, large- or medium-sized, divided internally into specialist departments.

DOS
Directly Operated Stores, including Free Standing Stores, Travel Retail Stores, Concessions, and Outlets.

EMAS
Voluntary environmental management tool developed by the European Commission for companies and other organizations to evaluate their environmental performance, and to provide the public and other interested parties with information on their environmental management.

EMEA
Europe, Middle East and Africa.

DIRECT EMISSIONS (SCOPE 1)
Air polluting emissions originating from combustion processes involving equipment controlled or owned by the organization.

INDIRECT EMISSIONS (SCOPE 2)
Emissions from the generation of purchased electricity consumed by the company. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the company. Scope 2 emissions physically occur at the facility where electricity is generated.

INDIRECT EMISSIONS (SCOPE 3)
Indirect emissions due to the company’s activities. This category includes sources of emission that are not under the company’s direct control, but whose emissions are indirectly caused by its activities. They are divided into 15 categories according to the indications of the GHG Protocol.

FAÇON MANUFACTURER
Third-party supplier carrying out the ‘cut-make-trim’ (façon) phase of production according to the so-called industrialized method.

FLAGSHIP STORE
Mono-brand retail store that, by size and/or location, conveys the philosophy and image of the brand.

FREE STANDING STORE
Retail store located directly on a street, i.e., not in a mall or shopping centre.

ISO 14001
Voluntary standard developed by the International Organization for Standardization (ISO), defining the requirements of environmental management systems.

ISO 45001
Voluntary standard published by the British Standards Institution, defining the requirements of occupational health and safety management systems.

KPI (KEY PERFORMANCE INDICATOR)
Measurable value that monitors the effectiveness of a process.

OUTLET
Retail store that sells products and collections from previous years and seasons at discount prices.

MONO-BRAND STORE
Retail store that exclusively sells clothing, accessories, and products of a specific brand.

MULTI-BRAND STORE
Retail store that sells different brands of clothing, accessories, and products.

RETAIL
Distribution channel for the sale of products or goods managed directly by the Group through Directly Operated Stores (DOS) or its own e-commerce website (www.moncler.com).

SHOP-IN-SHOP
Mono-brand wholesale space located on the premises of a department store.

SHOWROOM
Space used to display and sell an apparel company’s products to wholesale clients.

SRI (SOCIALLY RESPONSIBLE INVESTOR)
Financial operator who integrates standard financials with environmental, social, and governance considerations.

STAKEHOLDER
Person or subject with a legitimate interest in the activities of an organization, and who affects or is affected by the organization’s decisions.

TRAVEL RETAIL STORE
Point of sale located in places with heavy traffic of potential clients, such as airports and train stations.

WHOLESALE
Distribution channel for the sale of products or goods to distributors (industrial, commercial, institutional, and other professional entities), through which the Group sells its products. The channel consists of both mono-brand and multi-brand stores.

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ECF (Elemental Chlorine Free)
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