













THE CONTINUATION OF OUR JOURNEY



Recarlo

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I am proud to confirm to our stakeholders that Recarlo's journey has continued consistently with that shared and agreed upon. Recarlo has indeed maintained its sustainable growth throughout 2024 with unwavering conviction and determination, continuing to honour its commitment to environmental stewardship and respect for the communities in which it operates.

Projects that were initiated have now reached completion, whilst significant new ventures have been launched, ensuring the company's trajectory continues without interruption or deceleration.

Robust and clear guidelines have been established and approved, alongside a detailed roadmap that provides transparency and accountability to our operations.

Throughout 2024, we have focused primarily on embedding sustainability into every facet of our business and engaging our stakeholders with the values we champion and the initiatives we have committed to pursuing. This has been achieved through meaningful opportunities for dialogue and collaboration, which have not only strengthened our resolve but also sparked fresh creativity in our approach. These exchanges have reinforced how vital it is to share the insights and aspirations that each individual brings to our collective mission.

Our journey has only just begun but we are confident that our commitment to sustainability will continue to create lasting value and contribute positively towards a future defined by passion, creativity and innovation.

Carlo Re
Chairman Recarlo S.p.A.



1. BRAND IDENTITY

1. BRAND IDENTITY



Carlo Re founded the company in 1967, together with his wife Bruna, with the desire to create jewellery that would succeed in making the idea of beauty eternal, acting as spokesperson for the Piedmontese goldsmithing tradition. Today, his sons Giorgio and Paolo, Managing Directors of the company, together with General Manager Giuseppe Pinto and qualified Managers, carry forward the same founding values, offering Recarlo fresh impetus in terms of innovation and style, to make it ready to face new challenges and achieve important objectives in the near future. Recarlo is the Made in Italy jewellery brand, specialising in the creation of masterpieces in gold and natural diamonds in the shape of a heart,

whose mission is to be a responsible brand, a world leader for jewellery, capable of fulfilling the desire to express love. Ours is a story characterised by a great passion for natural diamonds, by the continuous search for beauty combined with professionalism and transparency and inextricably linked with the city of Valenza which is synonymous with Italian goldsmithing excellence, where know-how is the most prized asset. Recarlo has made a choice of coherence and strategic focus that makes the brand unique and guides its development in every aspect. From the first solitaire ring created in the small workshop in the centre of Valenza, to the new jewellery collections, all creations are born from

the artisanal skills that Recarlo preserves and passes down from generation to generation. At Recarlo, love forms the cornerstone of creative

inspiration for each collection. A love that goes beyond the traditional concept of a couple and expresses itself in all its forms.

Three key points define our strategy and our values:

1.
**WE INVEST IN THE PROFESSIONAL
DEVELOPMENT OF OUR
COLLEAGUES AND THE LOCAL
COMMUNITY.**

2.
**WE CULTIVATE INNOVATION
WHILST CHAMPIONING
CRAFTSMANSHIP,
THE HISTORIC FOUNDING
VALUES OF OUR COMPANY.**

3.
**WE PROMOTE SOCIALLY
AND ENVIRONMENTALLY
RESPONSIBLE PRACTICES
IN THE PRODUCTION OF GOLD
AND DIAMOND JEWELLERY.**

The light of love is enclosed in the shape of the heart, a universal symbol that recurs in the design of our jewellery and becomes an identifying element of our style, both when it is forged in gold and when it takes shape in the cut of diamonds. Recarlo is the only jewellery house that, thanks to its supply chain entirely dedicated to creating brilliant-cut diamonds in the shape of a heart, presents a complete assortment of unique jewellery, from Bridal to Fine Jewellery,



available in all carats. The creation of each piece of jewellery begins with a careful selection of the finest gems according to criteria of excellence in terms of colour, clarity and carat weight. Expertise in heart-shaped diamond cutting is furthermore an iconic and differentiating resource. Recarlo's craftsmanship and experience, combined with unique stones, fruits of nature, give life to extraordinary jewellery with irresistible charm.

2. HIGHLIGHTS



2. HIGHLIGHTS

TRAINING AND INVOLVEMENT OF STAKEHOLDERS



REDUCING CONSUMPTION



USE OF SUSTAINABLE AND CERTIFIED MATERIALS



COMMUNICATION



A photograph of a person's hands hugging a tree trunk in a forest. The tree trunk is covered in moss and lichen. The background is a blurred forest with green foliage and sunlight filtering through the leaves.

3. SUSTAINABILITY JOURNEY

3. SUSTAINABILITY JOURNEY

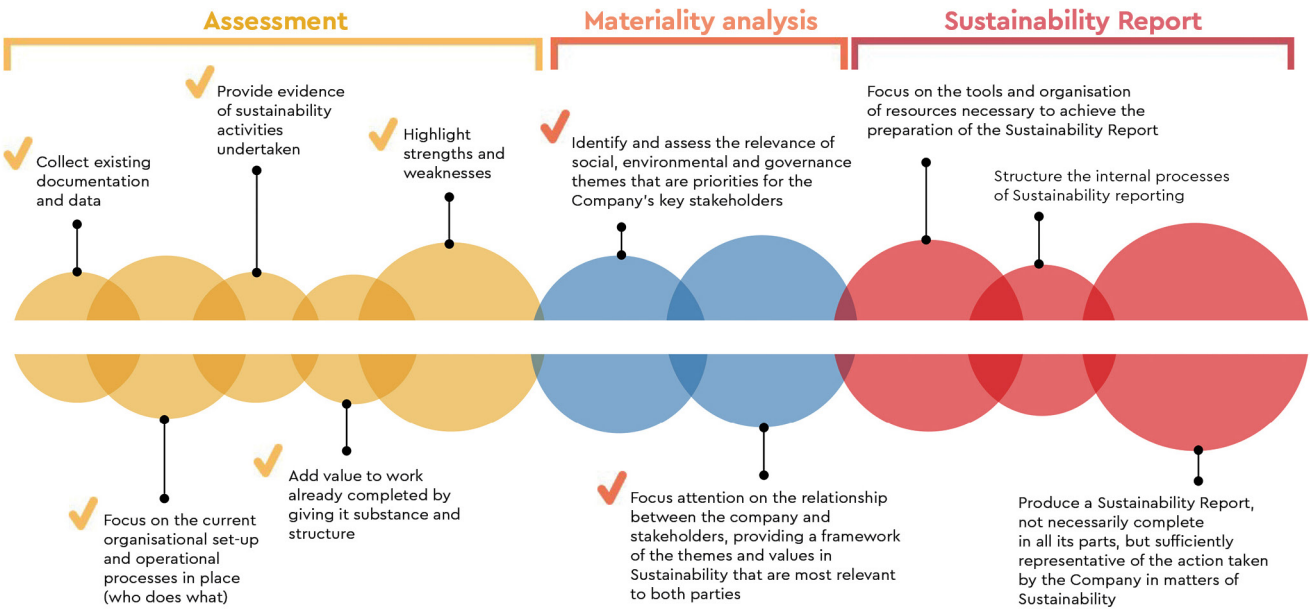
Through the implementation of a concrete and forward-thinking action plan, we have formalised our responsible business model, focused on minimising our environmental impact and respecting the people and communities in which we operate.

We are therefore committed to investing in the professional growth of our employees and the development of the local community, minimising our environmental impact, favouring innovation, and promoting craftsmanship, values that have always been fundamental to our company.

Through the publication of the annual Sustainability Report, Recarlo continues to communicate its environmental, social and governance (ESG) performance to customers, employees and suppliers.

The annual update of the Sustainability Report allows us to measure and highlight our progress and objectives achieved and to identify areas for improvement that intercept the needs of our stakeholders and respond to their growing expectations in terms of responsibility and transparency.

BELOW ARE THE FORMAL STEPS WE FOLLOW EACH YEAR WHEN WE DRAFT OUR SUSTAINABILITY REPORT.

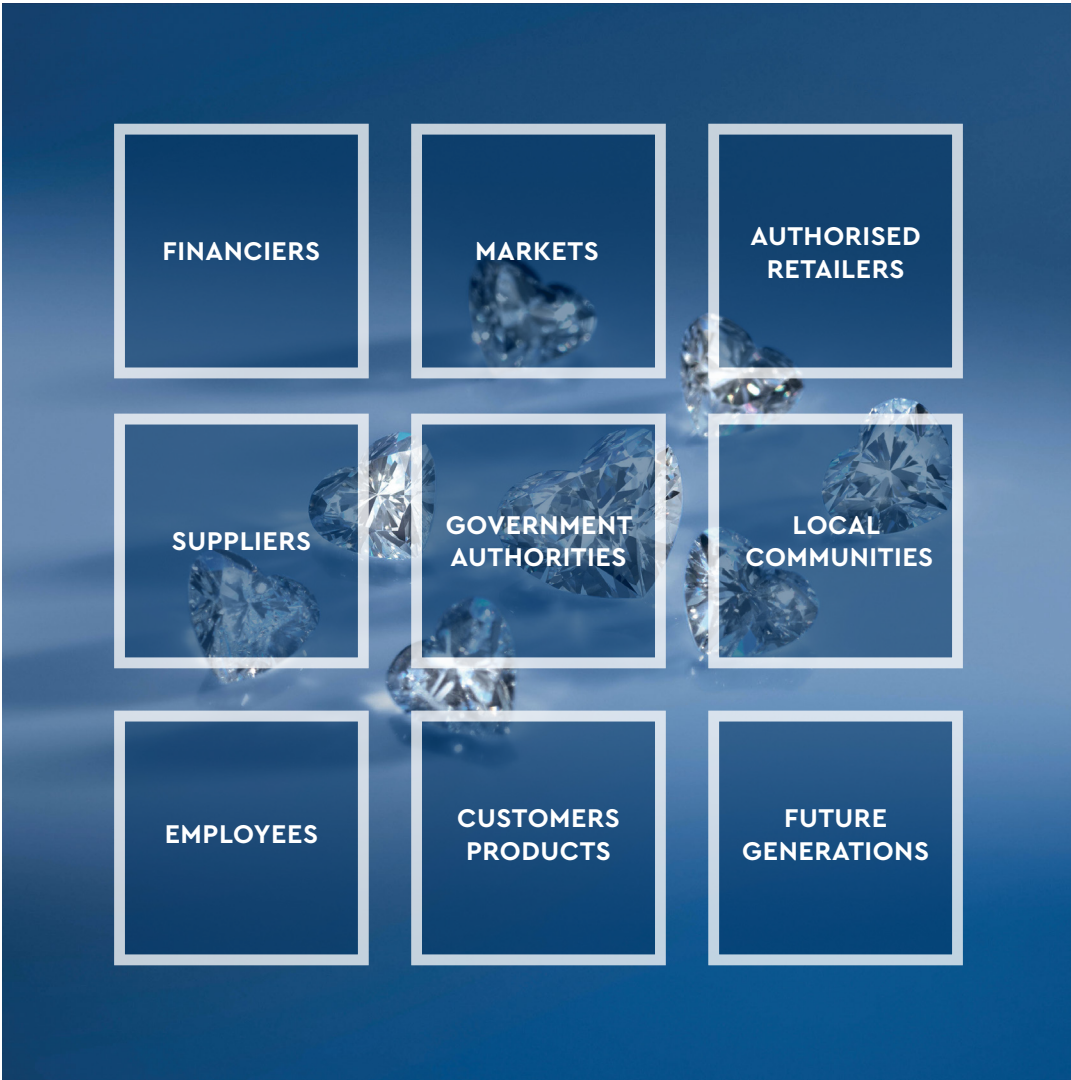


A person is holding a large, vibrant green heart-shaped leaf against their chest. The leaf is perfectly heart-shaped with a prominent central vein and several pairs of lateral veins. The person's hands are visible, one at the top and one at the bottom, gently holding the leaf. They are wearing a light-colored, short-sleeved shirt. The background is a dark, solid color, creating a strong contrast with the green leaf and the person's skin.

4. MATERIALITY AND SHARED VALUE ANALYSIS

4.1. MATERIALITY ANALYSIS

The purpose of the materiality analysis is to identify the most relevant **sustainability aspects** for Recarlo and its **stakeholders** that have been identified in the following categories:



The term "materiality" is used to emphasise the **importance, concreteness** and **measurability** of these elements. As a result of this analysis, Recarlo is able to effectively communicate its **commitment**

to sustainability externally by simultaneously starting to develop the **stakeholder engagement** process. The methodological approach followed to carry

out the materiality analysis is that provided by the GRI standards which define:

- **the purpose of the materiality analysis:** to identify the most relevant aspects (material topics) related to sustainability for Recarlo and its stakeholders;
- **the concept of material topic:** topics that represent the organisation's impacts on the economy, the environment and people;
- **the concept of stakeholder:** an entity or individual who can reasonably be significantly influenced by the activities, products and services of the organisation or whose actions can reasonably affect the organisation's ability to successfully implement its strategies and achieve its objectives.

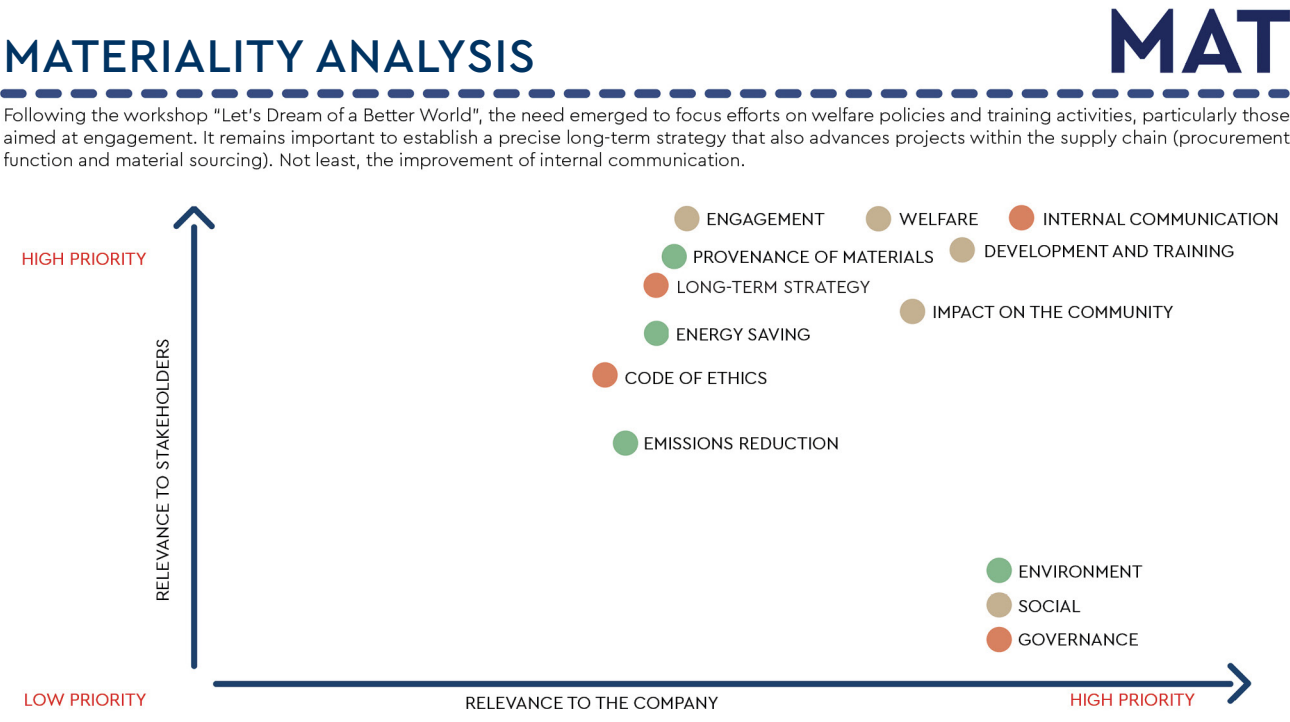
Specifically regarding the 2024 Analysis, following the workshop "Let's Dream of a Better World"

which took place in November, the need emerged to focus efforts on welfare policies and training activities, particularly those aimed at engagement.

The employees, divided into various working groups, involved in the training activity that aimed to identify a possible ideal world in which to live, highlighted the need to organise moments of sharing in which to discuss the most relevant topics for the company and for the sustainable development strategy.

The need remains important to establish a precise long-term strategy that advances projects especially in the supply chain area (procurement function and material sourcing).

Not least, the need emerged to focus on improving internal communication.



4.2. DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

In the context of shared value, an important tool is the statement of determination and allocation of the Economic Value directly generated by Recarlo. This statement has been prepared by reclassifying the consolidated income statement in accordance with the GRI Standards in order to represent the value created by the company, which is then redistributed among the various stakeholders:

suppliers (operating costs), employees (employee remuneration), Public Administration (PA remuneration) and community (external donations), shareholders and financiers.

In 2024, the economic value generated by Recarlo was about €37 million. And the distribution was about €28 million entirely for stakeholders.

I) ECONOMIC VALUE GENERATED	€36,677,510
A - SUPPLIER OPERATING COSTS	€23,536,813
B - EMPLOYEE REMUNERATION	€3,245,263
C - CREDIT CAPITAL REMUNERATION	€37,849
D - RISK CAPITAL REMUNERATION	€0
E - VALUE DISTRIBUTED TO PA	€1,145,608
F - VALUE DISTRIBUTED TO THE COMMUNITY	€200
(II) DISTRIBUTED ECONOMIC VALUE (A+B+C+D+E+F)	€27,965,733
(III) RETAINED ECONOMIC VALUE (I-II)	€8,711,777



The background is a dark blue gradient. On the left, a circular scale with tick marks is visible, with the word 'FUTURE' written in a stylized, blue, sans-serif font along its arc. In the center-right, there is a 3D-rendered compass rose with eight points, also in a blue tone. The text '5. GOVERNANCE' is centered over the compass rose in a white, bold, sans-serif font.

5. GOVERNANCE

5.1 GOVERNANCE STRUCTURE

We have adopted a governance system that operates on a balance between international best practices and the specificities of our own business. This system is geared towards transparency in management decisions and the adoption of reliable behavioural principles that

allow us to build a relationship of trust with our stakeholders.

Our corporate governance structure is based on the traditional administration and control system; the corporate bodies are:



The **Board of Directors**, consisting of members of the Re Family, is supported by the following committees:



The **Steering Committee** is responsible for defining the direction for the various functions in terms of administration, marketing and sales.

Since February 2024, the Steering Committee has been composed of 6 men and 3 women, with Giuseppe Pinto also joining as General Manager.

The **Product Committee** is responsible for defining the new product launch strategy in line with the overall brand strategy. In particular, it analyses costs and determines prices for new products, performs analyses for possible product phase-outs and price list updates.

The **Sustainability Committee** is responsible for managing economic, environmental and social issues, formally approving the Sustainability Report and ensuring that all material topics are covered. To carry out its tasks effectively and efficiently, the Committee meets once a month; it takes a proactive approach to decision-making on sustainability issues, with particular emphasis on the following:

- 1 Investing in development for our staff and associates, supporting diversity and adopting the highest possible standards across our supply chain, creating and fostering employment opportunities;
- 2 Minimising the impact on the environment by promoting innovative low-impact solutions also in the supply chain with the involvement of our suppliers;
- 3 Working with increasing transparency throughout the supply chain to ensure the highest standards of environmental and social commitment are met;
- 4 Working with partner companies and industry associations to foster innovation and promote the craft work that has always been one of the key values of our business.

Sustainability team

In order to further disseminate the sustainability culture within the organisation and to coordinate the operational activities related to it, Recarlo identified a number of operational actors who have been assigned responsibilities for the



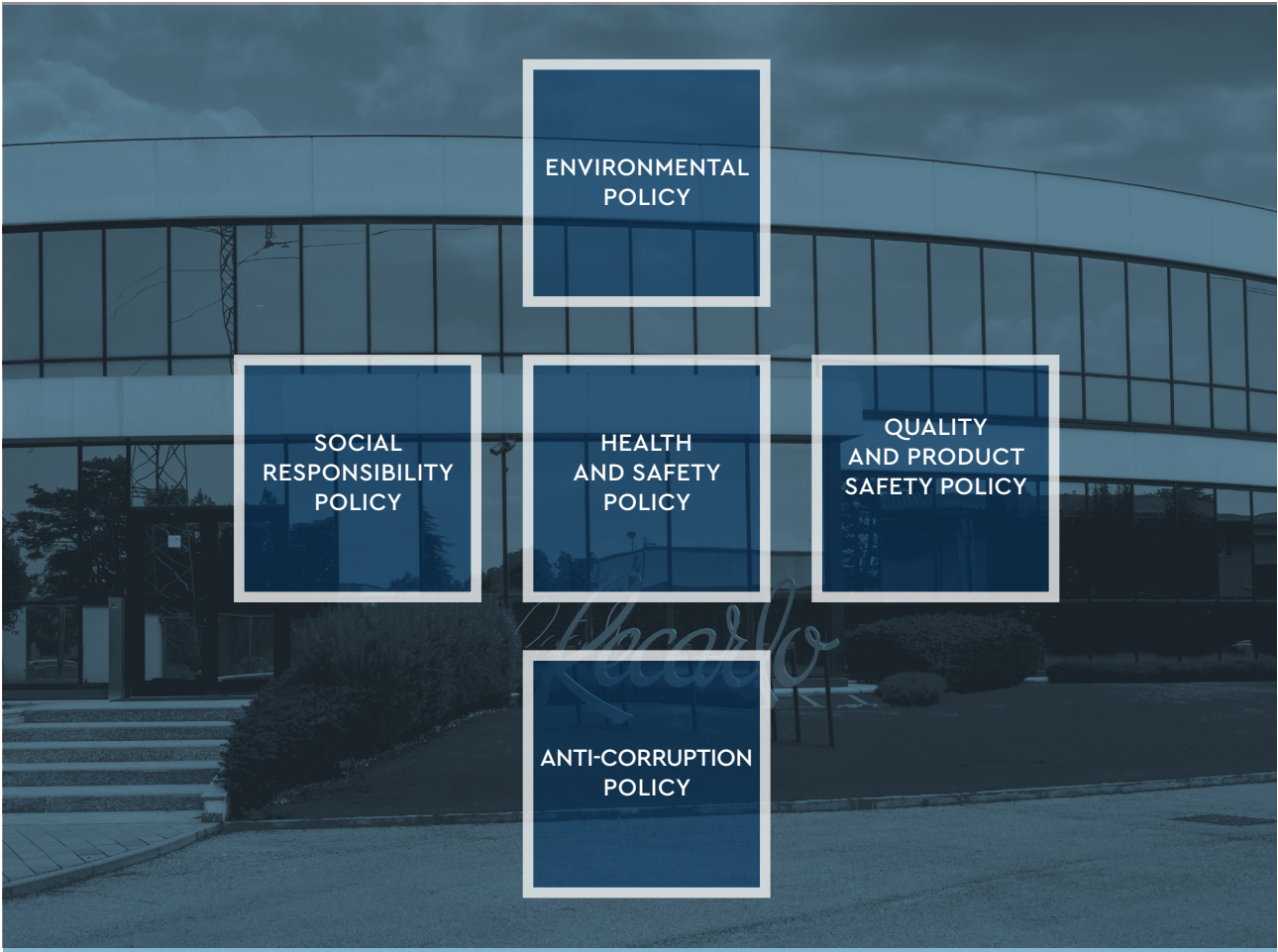
implementation of sustainability project initiatives and who have cross-functional roles belonging to Logistics, Customer Care, Administration, IT and Marketing.

5.2 ORGANISATIONAL STRUCTURE

We have an organisational structure that is periodically evaluated and reviewed so that it is consistent with both "internal" needs and those of the business. In the definition of the company organisation, we have considered compliance with the principle of segregation of functions. The business organisation is governed by policies and procedures that define specific principles of conduct in certain business areas, as well as

operating rules for managing certain business processes.

In particular, in 2020, in order to give increasing attention to the assessment of the social and environmental impact of our activities as an expression of our commitment to sustainable development, we made a commitment to implement the following policies:



through which we are committed to spreading a culture of responsibility, promoting behaviours

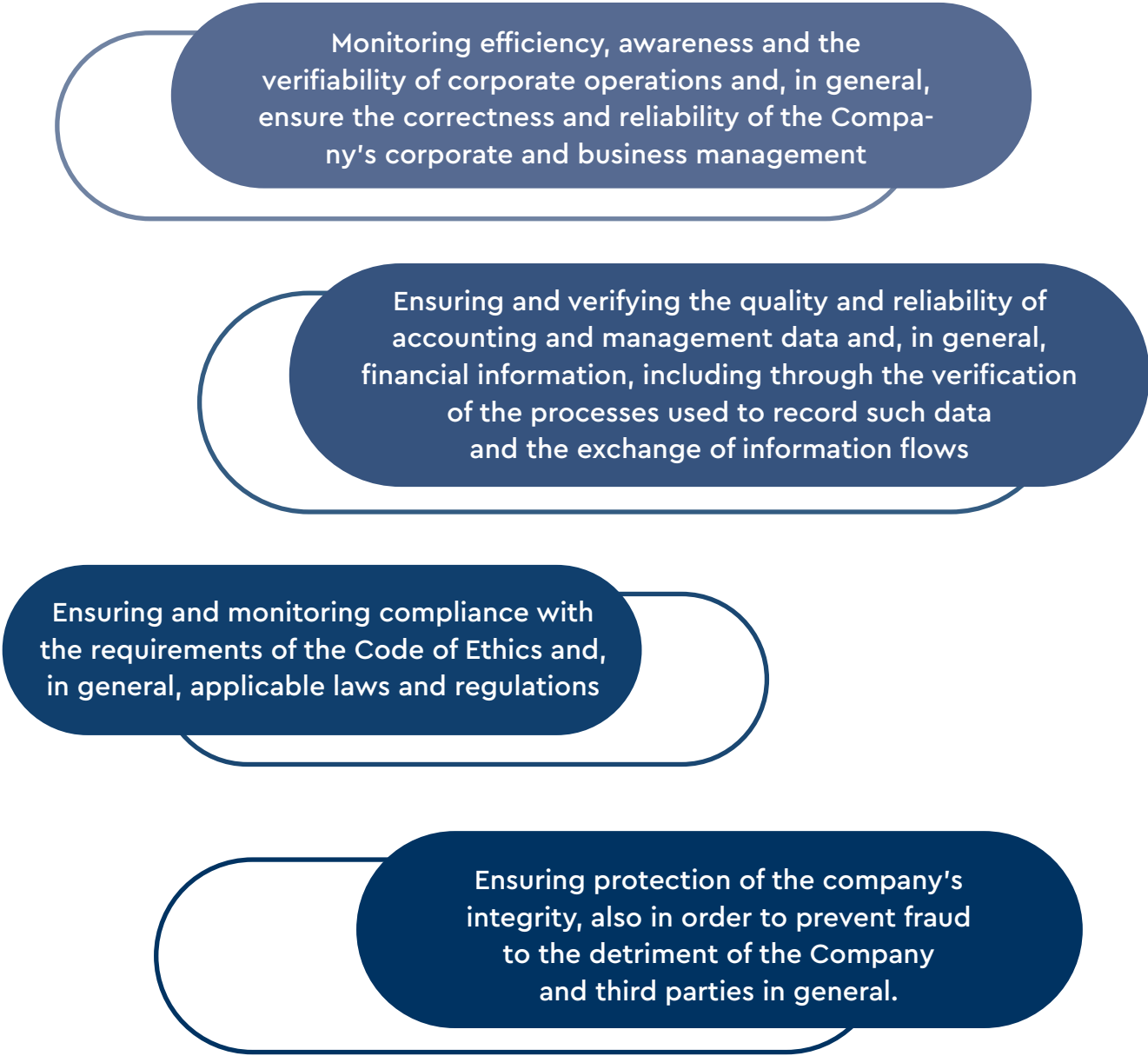
that protect employees, customers, suppliers and the environment.

These policies were updated in 2023.

5.3 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

We have adopted an Internal Control and Risk Management System that comprises the set of rules, procedures and organisational structures aimed at enabling sound, ethical and consistent

management of the company in line with our strategic objectives. In particular, for Recarlo, the effectiveness of its internal control and risk management system contributes to:



5.4 CODE OF ETHICS

Recarlo's Code of Ethics, adopted for the first time in 2019 and updated in 2023, is a document that clearly demonstrates our commitment to improving the social performance and environmental impact impacts of our business.

The principles enshrined in our Code of Ethics constitute an ethical reference within which all our employees, suppliers and partners are invited to act and collaborate to realise the passion that unites them.

Following national and international laws, rules and regulations, as well as good practices, especially in ethical, social and environmental matters, is the indispensable prerequisite for the company's credibility and image. Recarlo is committed to respecting the content and spirit of the Code of

Ethics, and translating its values and principles into responsible behaviour.

The Code of Ethics enacted by Recarlo is inspired by the fundamental values set out in the OECD Guidelines for Business and the UN Women's Empowerment Principles, the UN Global Compact, the Universal Declaration of Human Rights, and is the foundation upon which our work is based.

Recarlo respects human rights and adheres to the UN guiding principles on Business and Human Rights in a manner appropriate to the size of the company, its business and circumstances.

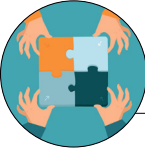
The Company, by adopting social responsibility policies, undertakes, among other things, to:



Operate in respect of Human Rights, acting in a responsible and supportive manner



Act with integrity in carrying out activities



Provide a welcoming, safe and stimulating work environment



Protect the environment



Achieve product traceability

5.5 ANTI-CORRUPTION POLICY

The Anti-Corruption Policy adopted by Recarlo includes a commitment to:



Prohibit bribery in all practices and transactions by the company and agents acting on its behalf



Establish the criteria and approve the procedures to be adopted by employees regarding the offer and/or acceptance of donations by third parties



Protect the company's reputation



Promote responsible practices among key business partners



Support the communities in which we operate by supporting them in their initiatives



Ensure compliance with all anti-corruption laws applicable to the Company



Strengthen international enforcement and awareness of anti-corruption laws



Protect employees from negative consequences for having identified corruption-related aspects in good faith, for refusing to participate in bribery or to make a payment to facilitators where payments to facilitators are prohibited, even if such conduct could cause losses to the firm



6. PEOPLE

6.1 HUMAN RIGHTS

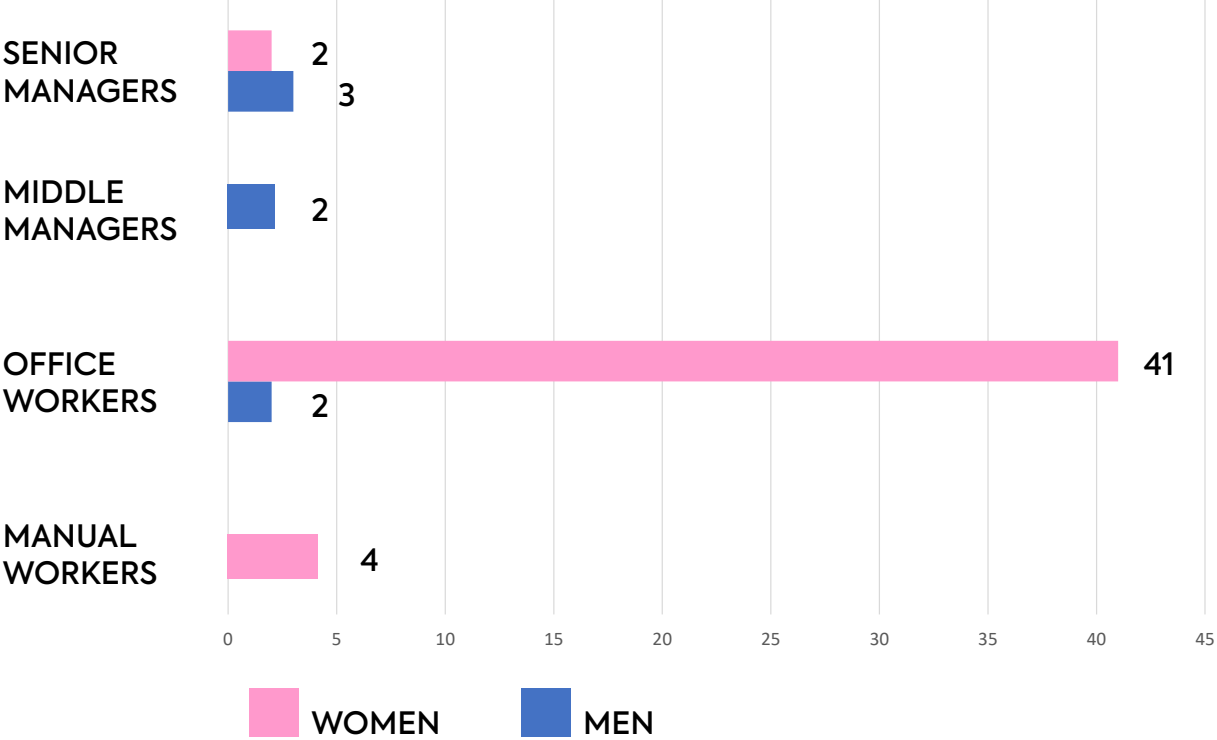
The Social Responsibility and Human Rights Policy includes a commitment to:

- ▶ Operate with respect for Human Rights and follow the UN guiding principles on business and human rights
- ▶ Condemn and prohibit all forms of violence and harassment
- ▶ Condemn and prohibit child labour and forced labour
- ▶ Operate in compliance with the applicable mandatory legislation and other requirements that may be signed (national and international laws, ILO Conventions) as regards respect for workers' rights (freedom of association, respect for working time, respect for fair pay, prevent discrimination, prevent the trafficking of human beings)
- ▶ Review it regularly with a view to continuous improvement, taking into account legislative changes, changes to the requirements of its code of conduct, and any other business requirements
- ▶ Work toward a continuous improvement of working conditions for the internal satisfaction of employees and key stakeholders
- ▶ Engage and raise suppliers' awareness of availability for monitoring activities throughout the supply chain
- ▶ Satisfy employees and listen to requests from stakeholders
- ▶ Promote appropriate training with the ultimate aim of protecting the safety of workers
- ▶ Support the development of communities in the areas in which the company operates

6.2 WORKFORCE

At the end of 2024 the Recarlo workforce comprised 54 people. During the financial year, **6 employees were employed, representing 13%** of the total workforce.

Employees by job title and gender



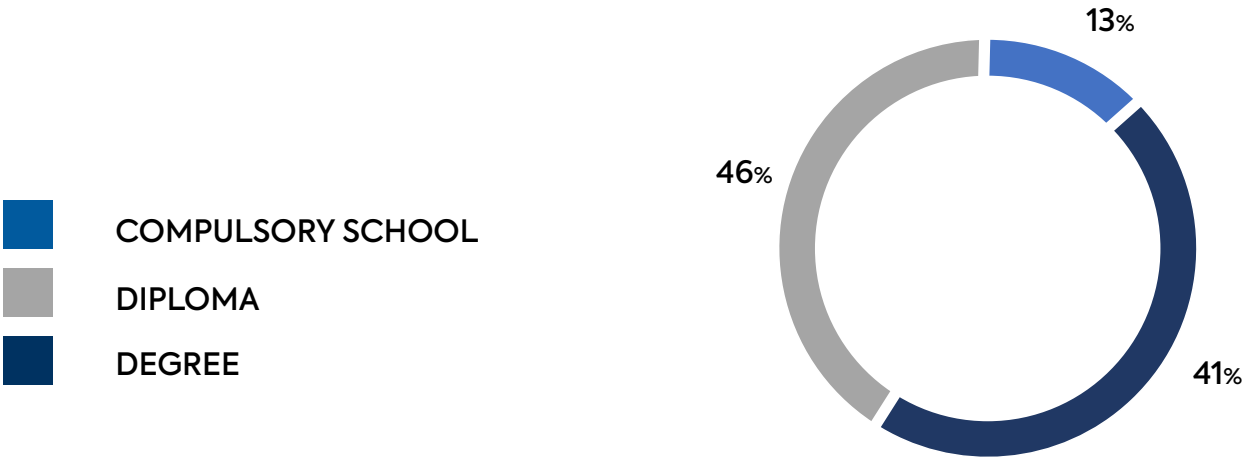
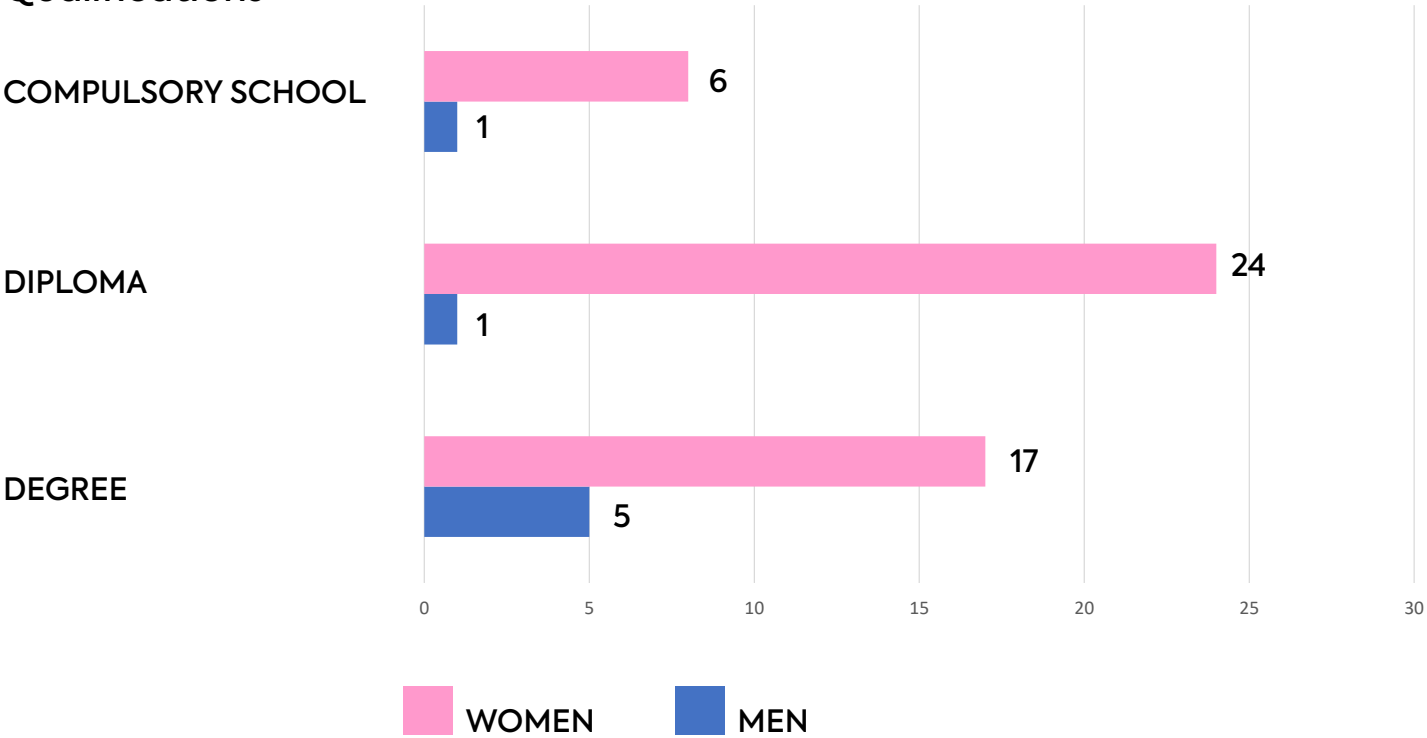
98% of employees (53 out of 54) have an open-ended contract. Of these, 10% have been working with Recarlo for more than 15 years.



The average length of service is 10 years.

In relation to qualifications, **more than 30% of the staff are graduates and more than 50% have a diploma or professional qualification.**

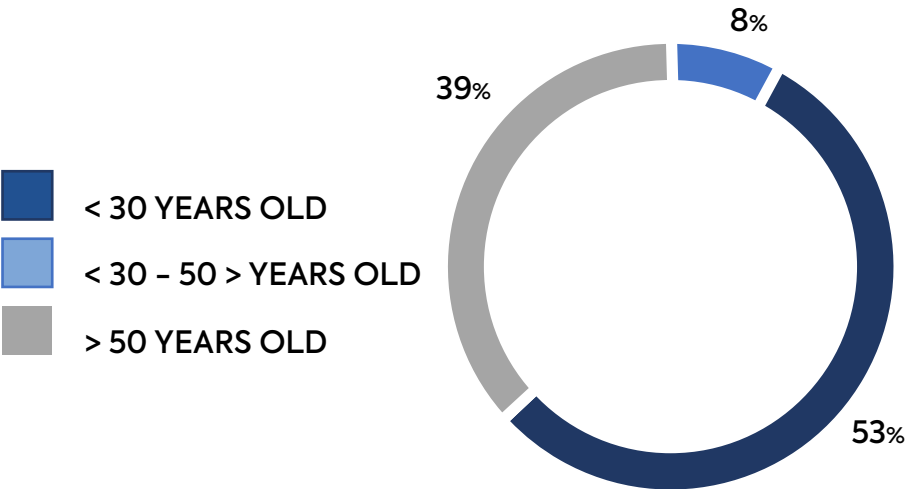
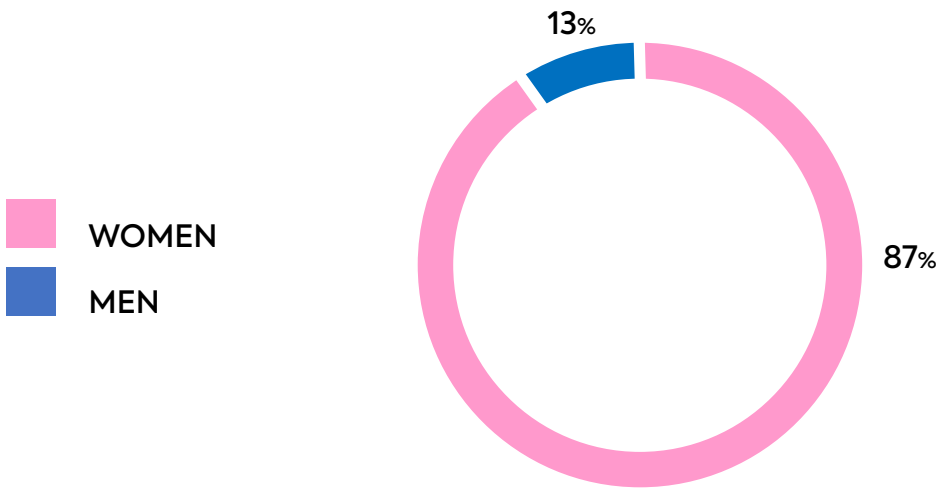
Qualifications



6.3 DIVERSITY

Recarlo is committed to providing a working environment that excludes any form of discrimination and harassment on grounds of race, sex, religion, nationality, age, sexual orientation, disability, political ideas or other personal characteristics not related to work.

In accordance with the provisions of the laws and collective bargaining, ensures that the composition of the payroll does not reveal discrepancies between people with similar duties and that employees are offered the same training and development opportunities for the same job roles and duties.



6.4 PERFORMANCE EVALUATION

The staff performance evaluation system aims to ensure effective assessment of skills and therefore recognition of any bonuses, salary increases and level progression, based on objectives assigned at the beginning of the season and shared with the employee.

During 2024, the evaluation system covered 22% of employees (12/54).

PERCENTAGE OF EMPLOYEES WHO RECEIVED REGULAR PERFORMANCE EVALUATIONS DURING THE REFERENCE PERIOD, BROKEN DOWN BY CATEGORY		
CATEGORIES	2024	
SENIOR MANAGERS	1	
MIDDLE MANAGERS	0	
OFFICE WORKERS	9	
MANUAL WORKERS	2	
TOTAL	12	22%

6.5 WELFARE

During 2024, Recarlo further implemented a platform through which all employees can access a variety of services in different areas. This platform proves particularly appreciated by employees who, having overcome initial uncertainty, have made use of welfare services in areas such as health, benefits and free time with a **total value of more than €26,000**.



The table below shows the monthly breakdown of the number of employees who have used the welfare platform and the amounts used by category of service:

WELFARE 2023	EMPLOYEES WHO HAVE BENEFITED FROM WELFARE	SERVICES							
		REFUND MEDICAL EXPENSES	REFUND SCHOOL EXPENSES	FREE TIME	VOUCHERS	PENSION FUND	BILLS	REFUND OF TRANSPORT EXPENSES	TOTAL
JANUARY 2024	16	1,025.61	525.00		1,700.00				3,250.61
FEBRUARY 2024	18	649.00	525.00	230.00	1,224.00				2,628.00
MARCH 2024	10	270.00	50.00		1,311.00				1,631.00
APRIL 2024	19	1,278.72	300.00	120.00	1,359.45		201.06		3,259.23
MAY 21024	10	565.65	30.00	165.00	600.56				1,212.21
JUNE 2024	7	-	15.80		1,735.00				1,750.80
JULY 2024	14	711.95	450.00		835.00		100.00		2,096.95
AUGUST 2024	11	236.62	308.44		650.00		100.00		1,295.06
SEPTEMBER 2024	11	471.82	373.30		765.00		150.00		1,760.12
OCTOBER 2024	16	199.02	300.00		1,770.00		100.00		2,369.02
NOVEMBER 2024	17	-	100.00		3,565.00	625.00	30.00	100.00	4,393.00
DECEMBER 2024	-	-	-	-	-	-	-	-	-
TOTAL		5,048.39	2,977.94	515.00	15,515.01	625.00	681.06	100.00	25,971.40

6.6 TRAINING

Recarlo organises training courses aimed at sales staff of partner jewellery shops in Italy and abroad, where sharing the brand values such as elegance, refinement and attention to detail, allows the visit to the jewellery shop to be transformed into a unique and exciting experience for the end consumer. The **Recarlo Academy** trains people by sharing ideas and knowledge, organising visits to our

goldsmith workshops for authorised retailers, to discover the secrets of Recarlo's manufacturing excellence. In these experiential journeys you can admire how a piece of jewellery is created: from the drawings, through design and creation of the first model made by hand, to the careful selection and setting of diamonds.





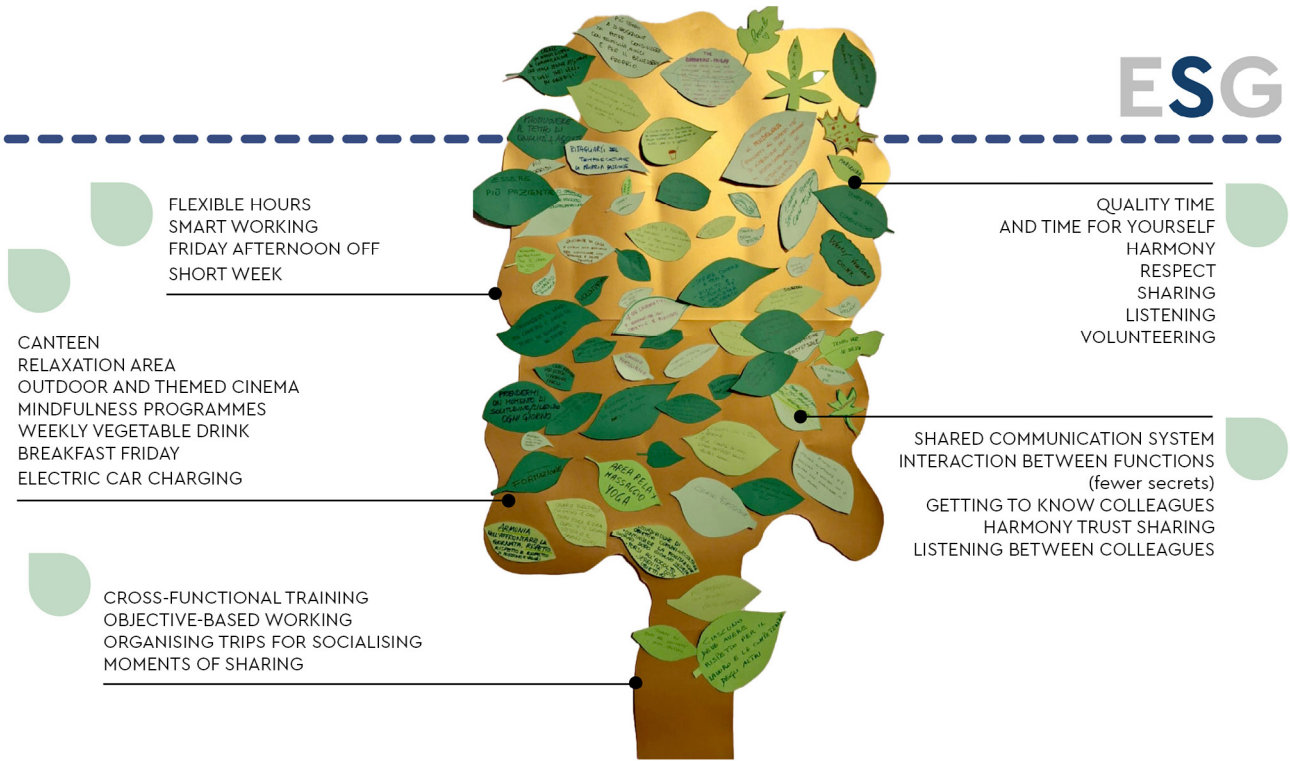
RECARLO TOWARDS EXCELLENCE

Recarlo has always operated with a view to continuous improvement of working conditions, monitoring satisfaction levels among our employees; we provide appropriate training programmes in order to keep our workers safe and nurture their professional growth.

With the **Recarlo towards excellence** programme,

whose main objective is to develop our colleagues' skills, cross-functional training sessions are held every year to strengthen soft skills (conflict management, acceptance of change, collaboration between departments).

In 2024 there was no shortage of courses focused also on hard skills, for a total of 320 hours.



THE TREE OF IDEAS

In 2024 a new training programme was also launched focused on encouraging employee engagement towards sustainable development topics. During an innovative workshop lasting three hours for each session, in which all Recarlo employees

participated with enthusiasm, using the metaphor of creating an ideal world, the most relevant ESG topics were addressed, and various projects were built that will serve as a guide for strategy implementation.

6.7 ATTRACTING TALENT

Recarlo has long established fruitful collaborations with leading Italian and European Universities:

- Commercial University Luigi Bocconi
- Catholic University of the Sacred Heart
- Carlo Cattaneo University – LIUC
- ESCP Business School
- Milan Polytechnic

Bocconi



UNIVERSITÀ
CATTOLICA
del Sacro Cuore

LIUC
Università Cattaneo



POLITECNICO
DI MILANO

ESCP
EUROPE
BUSINESS SCHOOL



MANI INTELLIGENTI

We continue to support the Foundation, whose objective is to research and train new generations of master goldsmiths in Valenza region, known throughout the world as the district of excellence

in superior jewellery for innovation, creativity and meticulous attention to manufacturing. The intergenerational transfer of company knowledge is essential so that craft skills are not lost.



6.8 SAFETY AND WELL-BEING AT WORK

Recarlo pays fundamental attention to the health and safety of its employees in the workplace and is equipped with a DVR (Risk Assessment Document) and an external RSPP (Head of Prevention and Protection Service).

As stated in the Health and Safety at Work Policy, Recarlo considers that improving and maintaining the health and safety of workers in the workplace

is a fundamental and indispensable component of these primary objectives within the framework of its activity and with a view to achieving the business goals of providing reliable and qualified services.

In order to support the application of the management system implemented for the prevention and improvement of health performance, management undertakes to:



Comply with all applicable legal and subscribed health and safety at work regulations



Disseminate the principles and culture of health and safety at work to all personnel through adequate training and information



Provide all necessary human and material resources



Ensure systematic awareness-raising among personnel to prevent and reduce accidents



Evaluate the reports and suggestions of each company actor in the field of health and safety at work, considering that it is essential to collaborate with all company roles so that they promote, with their behaviour and actions, the continuous improvement of the conditions of safety and health of workers

RECARLO HEADQUARTERS

Recarlo's headquarters was built in 2010 with a view to creating a spacious, airy and bright environment, which promotes employee well-

being during their time in the workplace. The headquarters is equipped with a break area where employees can relax and enjoy their lunch.



7. PRODUCT



7. PRODUCT

We have always set ourselves the goal of seeking excellence through the commitment to the artisan production of our jewels with a high quality standard, fully satisfying customer needs and in compliance with mandatory requirements. Our products are manufactured internally and, only for some processes, by relying on external suppliers. **We subject our products to quality checks at all stages of processing, ensuring that the conformity of the product is aligned with the specifications highlighted in the data sheets.** We have implemented and required the **World Diamond Council (WDC) System of Guarantees** of our suppliers, training our sales network on legal obligations so that they do not make misleading or false statements (deliberately or accidentally) about the products offered for sale. Recarlo first achieved Responsible Jewellery Council (RJC) certification in 2020, which certifies responsibility in ethical, social, environmental and

human rights protection terms. The certification was renewed in 2023. The next renewal is scheduled for 2026.



The RJC (Responsible Jewellery Council) is the world's leading organisation in setting standards for the jewellery and watch industry. The certification system issued by the Responsible Jewellery Council, obtainable by stakeholders in the jewellery supply chain, is increasingly required



within jewellery supply and production chains. The Certification is based on international principles with the aim of promoting standards and operational practices through recognised standards, strengthening people's trust in the global jewellery and watch supply chain. **Gold and platinum group metals:** the pureness of gold and platinum group metals is communicated precisely. The description of the fineness is as evident as the term "gold" or platinum group metals or their abbreviations.



We buy **gold 80% from RJC certified metal banks** and 20% from banks. **Diamond quality:** the description of the characteristics of our diamonds such as weight, colour, purity or cut corresponds to the recognised guidelines specific to the relevant jurisdiction

and is guaranteed by a gemmological certificate issued by a laboratory outside the company accompanying all diamonds above 0.145. Treated diamonds are disclosed as "treated" or with specific reference to the treatment they undergo. **A QR code** accompanies all our jewels: it can be scanned with a smartphone **and immediately provides access to the gemmological certificate supplied with every diamond over 0.145 carats.** It also includes an image of the jewellery along with a brief technical description.

Our diamonds are purchased in accordance with the Kimberley Process: an agreement to guarantee



that the profits from the diamond trade are not used to fund rebel movements and their military activities, including attempts to undermine or overthrow legitimate governments.

All paper used to print documents or printed materials supporting sales is



FSC certified, i.e. paper from responsible sources.



NEW VISUAL IDENTITY

Recarlo confirms its commitment to choosing sustainable solutions in order to minimise its environmental impact also in the new LUMINANCE display system.

Guiding the creation of these new elements was the desire to combine the enhancement of jewellery beauty with the choice of materials that make a difference. We have used natural and biodegradable fabrics, integrating them with recycled and totally recyclable plastics, we have used wood and natural biodegradable glues to

make this new display concept unique, also from the point of view of sustainability. For the study and realisation of this project, two years of research, testing and careful work were necessary and finally in 2024 the new display material saw the light and was sent to our entire network of Commercial Partners. Precise informative detail was combined with each shipment in order to share with our authorised retailers the importance and characteristics of the project, also giving them precise instructions for the potential disposal of the different elements.

THE MATERIALS IN THE LUMINANCE DISPLAY SYSTEM **ESG**



Natural beige fabric:
96% natural and biodegradable

Blue fabric with logo:
Recycled polyurethane and polyester, 100% recyclable
(Certificate Number ITS-CO9423-GRS-01280200)
Padding for elements (2% of material content):
Polyurethane foam, not recycled or recyclable

Glue:
100% natural mastic, biodegradable

Internal supports:
Wood MDF, 100% recyclable



Recycled plastic elements:
100% recyclable

Metallic elements:
100% metal, 100% recyclable

Packaging materials:
100% paper and cardboard, 100% recyclable



Disposal:
Instructions for dismantling the elements are included in the Display Set delivery boxes.






8. PLANET


8.1 ENVIRONMENTAL RESPONSIBILITY


By recognising the environment as a conditioning and strategic factor in the conducting and development of business activities, Recarlo has adopted an Environmental Policy aimed at identifying the environmental impacts of its activities and seizing opportunities for improvement that may arise in the coming years. The


company's actions are therefore aimed at not only meeting customer demands and legal and regulatory requirements, but also environmental protection needs with a constructive approach to environmental issues.


In doing so, it undertakes to:


- 


Train and authorise staff to identify and reduce the environmental impacts of business activities, promoting a widespread sense of responsibility toward the environment at all levels, including through the promotion of the event management service;
- 


Manage all business activities in accordance with national and international laws and regulations and others that are subscribed to, and monitor such compliance
- 

Prevent pollution through business management, the design and implementation of any changes or new activities taking into account interactions with the various environmental compartments and the regional context
- 

Ensure continuous improvement of environmental performance by defining measurement methods for their systematic assessment
- 

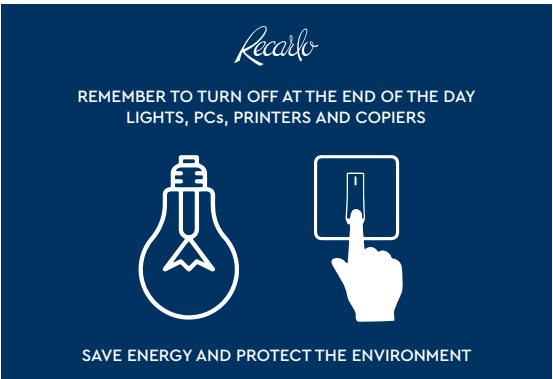
Replace and/or improve company equipment for a lower environmental impact;
- 

Optimise the use of natural resources through the rational and efficient use of energy resources and materials, through consumption control
- 

Disseminate its environmental policy to its suppliers and include environmental aspects as part of its supplier evaluation criteria
- 

Communicate with customers and suppliers and institutions to improve the sharing of environmental management with these stakeholders

In particular, Recarlo feels that it has a responsibility to future generations and, therefore to conserve more and more natural resources while at the same time **contributing to the fight against climate change** by trying to minimise its impacts on the environment in every way.



Recarlo is developing ever greater sensitivity and attention to the correct use of environmental resources, with a view to better protecting and safeguarding the natural heritage around it so that it can **fully adhere to the concept of environmental sustainability**.

This intention is manifested in the continuous research and testing of useful solutions to reduce the environmental impacts generated by the activities carried out.



The distribution of **containers for differentiated waste** collection has been completed in all production and administrative areas for some time now.



The GoGreen project, launched in 2023, was further developed bringing Recarlo, also in 2024, to the annual recovery of over 50% of Co2 emissions for product transport.



In the logistics area in 2024, the **shipment optimisation project** was launched and finalised which led to optimising product deliveries to various authorised retailers, **reducing the number of shipments by 12%**.

8.2 ENERGY & EMISSIONS

Responsible energy consumption and a commitment to environmental protection are fundamental principles for Recarlo. Our goal is to become increasingly energy efficient, to be able to reduce emissions and start using environmentally-friendly renewable energy. Recarlo has begun an analysis of energy consumption information so that it can be reduced

as much as possible. Recarlo will continue to refine the energy detection and management system in an attempt to further reduce its carbon footprint. This will include a regular assessment of our carbon footprint, also through the use of renewable sources and reporting on both aspects in the Sustainability Report.



In 2024, in order to further reduce energy consumption, already reduced thanks to the installation of a photovoltaic system that enabled savings of 61.67 tonnes of CO2 in 2023, the conversion of lighting systems through exclusive use of LEDs was finalised.

The following table shows the energy consumption and related emissions for the year 2024.

DIRECT ENERGY SCOPE 1					
CONSUMPTION		ENERGY		EMISSIONS	
NATURAL GAS	M3. 21,909	GJ. 871.34		T. CO2	45.30
PETROL	L. 3,308.42	GJ. 112.39		T. CO2	8.24
DIESEL	L. 12,809.27	GJ. 488.66		T. CO2	33.00
DIRECT ENERGY SCOPE 2					
ELECTRICITY	KWH. 26,492	GJ. 95.37		T. CO2	9.40
SCOPE 1				T. CO2	86.55
SCOPE 2				T. CO2	9.40
TOTAL				T. CO2	95.95

OTHER EMISSIONS

Sodium, potassium, sulphuric acid and rhodium are used in the processing of precious metals for the production of alloys, the cleaning and polishing jewellery. Recarlo is committed, precisely because

sustainability has become a global priority, to adopting responsible production practices that minimise the environmental impact even of the materials used in processing.

Significant emissions	u.m.	2023
Nitrogen oxides (NOX), sulphur oxides (SOX) and other emissions	L	-
NOx		
SOx		
Persistent organic pollutants		
Volatile organic compounds		
Dangerous air pollutants		
Particulate matter		
Other emission categories		146.500
Others (SODIUM AND POTASSIUM HYDROXIDE)		58.000
Others (SULPHURIC AND SULPHURIC ACID)		53.000
Others (RHODIUM)		35.500
TOTAL		146.500

8.3 WASTE

Waste management and recycling are crucial issues in the current global environment geared toward environmental sustainability. In a world that is increasingly aware of the limitations of natural resources and the consequences of pollution, it is crucial to adopt effective practices to reduce our environmental impact and promote sustainable development.

Proper waste management includes a number

of processes and practices to minimise waste generation, maximise its reuse and recycling, and responsibly dispose of what cannot be recovered. This approach not only reduces the negative impact on the environment, but also contributes to the conservation of natural resources and the mitigation of climate change. Recarlo is committed to reducing waste quantities and to using all recycling practices to minimise the impact on the environment.

Waste produced	u.m.	2024
Hazardous waste (e.g. print toner)	t	0.030
Toner		0.027
Electronic devices		
Batteries and storage devices		0.003
Other (please specify)		
Non-hazardous waste		12.881
Paper and paper/cardboard packaging		7.808
Plastic		5.073
Other (please specify)		
TOTAL		12.911

8.4 WATER

Water is a precious and vital resource for life on Earth. However, its sustainable use has become an increasingly urgent and relevant issue in the context of increasing anthropogenic pressure on water resources and climate change that is altering global hydrological balances.

In our increasingly connected and industrialised world, demand for water continues to grow, putting pressure on available water resources.

It is imperative to adopt responsible water use practices in order to preserve the quantity and quality of water resources available for present and future generations. Recarlo believes that the responsible use of water is of paramount importance. Recarlo collects information and knowingly manages water consumption. For this purpose, water meters shall be installed to collect detailed information on consumption.

During 2024, water consumption was 1,431 m³.

9. COMMUNICATION

9. COMMUNICATION

For our communication it is fundamental to go beyond commercial objectives and involve stakeholders in the brand's ideas and values.

We make use of our social networks, corporate website and offline communication for direct and immediate engagement with our audience also to convey our sustainability journey, with the objective of consolidating our reputation as a sustainable brand.

Also in 2024, Recarlo continued to communicate its projects relating to

sustainability with particular reference to the drafting of its first Report, published with the precise objective of sharing the results achieved and strategies undertaken in environmental, social and economic areas.

In July 2024, an internal event was organised dedicated specifically to presenting the first Sustainability Report, in the presence of all employees and preceded by a specific speech by the General Manager, precisely to emphasise the importance of this specific project.



10. PROJECT INITIATIVES

10. FUTURE PROJECTS

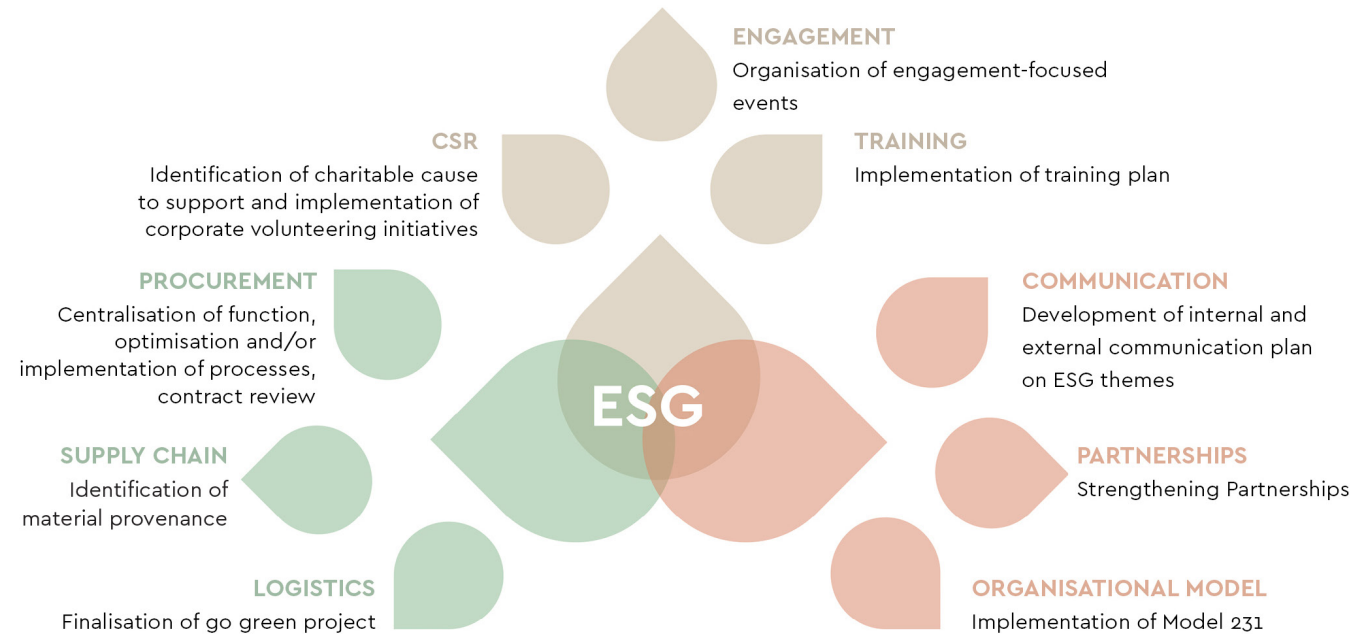
Recarlo commits to developing a series of projects in the coming years aligned with its sustainability strategy and the most relevant ESG topics according to the materiality analysis and above all with the objective of building a defined and solid Road Map that serves as a guide and constant reminder of compliance with what has been defined.

The projects Recarlo will activate in the short term will be those linked to social aspects, namely the identification of a charitable

cause to support, the implementation of volunteering initiatives, the organisation of events and workshops aimed at stakeholder engagement and the strengthening of partnerships with universities and start-ups.

In the environment area, the most pressing projects are those linked to the supply chain and procurement processes.

Below is the journey divided by areas of expertise:





11. METHODOLOGICAL NOTE

11. METHODOLOGICAL NOTE

The Recarlo Sustainability Report contains information on governance, environmental, social, staff-related issues, respect for human rights and the fight against corruption, to the extent necessary to ensure an understanding of Recarlo's activities, their impact and the results achieved.

This Report is published on an annual basis and is prepared according to the GRI Sustainability Reporting standards defined by the GRI (Global Reporting Initiative) and updated in 2021 according to the "in accordance with" option.

GRI standards 2021, the most widely accepted and internationally recognised standards for non-financial reporting, have been identified by Recarlo as "reference standards." In order to facilitate the reader in locating the information, the GRI Content Index is at the bottom of

the document. The sustainability reporting presented in this Report reflects the principle of materiality or relevance, which characterises the GRI standards: the topics covered in the Report are those that, following a materiality analysis, were considered relevant as they reflect current positive and negative impacts, potential and more significant that Recarlo generates or may generate on the economy, environment and people, including impacts on human rights, in light of the activities carried out in the contexts in which it operates, and the expectations of the main stakeholder categories with which it interfaces.

In line with the Global Reporting Initiative standard, Recarlo defines the contents to be included in the Sustainability Report, following the drafting principles of:

- ▶ **Materiality:** the information contained in the Report refers to topics and indicators that reflect the significant economic, environmental and social impacts of society or that could substantially influence stakeholder assessments and decisions.
- ▶ **Completeness:** the Report includes all the economic, social and environmental aspects related to Recarlo, to allow stakeholders to evaluate its performance in the reference period.
- ▶ **Stakeholder inclusiveness:** the Report identifies the company's stakeholders and explains how the company has responded to stakeholders' expectations and interests.
- ▶ **Sustainability context:** the Report presents the company's performance with regard to sustainability issues.

Scope and source of information

The data and the qualitative and quantitative information contained in the Sustainability Report refer to Recarlo as at 31 December 2024, unless otherwise stated.

The economic and financial information comes

from the company's management system, while all other social and environmental information comes from the so-called "Information sheets", a system used to collect data and information on sustainability according to the GRI guidelines.

12.

GRI

CONTENT INDEX

GRI CONTENT INDEX RECARLO		
Statement of use	ReCarlo S.p.A. has presented reporting inspired by the GRI standards "with reference to" option	
GRI 1 used	GRI 1: Foundation 2021	
DISCLOSURE		LOCATION/OMISSIONS
GRI 2: General Disclosures 2021	2-1 Organisational details	Para.5 Governance
	2-2 Entities included in the organisation's sustainability reporting	Para.11 Reporting Scope
	2-3 Reporting period, frequency and contact point	Para.11 Reporting Scope
	2-7 Employees	Para.6 People
	2-9 Governance structure and composition	Para.5 Governance
	2-11 Chair of the highest governance body	Para.5 Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	Para.5 Governance
	2-13 Delegation of responsibility for managing impacts	Para.5 Governance
	2-22 Sustainable development strategy statement	Letter to Stakeholders Para.10 Project initiatives
	2-23 Policy commitments	Para.5 Governance; Para.6 People; Para.7 Product; Para.8 Planet
	2-24 Integration of policy commitments	Para.4 Materiality analysis; Para.5 Governance;
GRI 3: Material Topics 2021	3-1 Process for determining material topics	Para.4 Materiality analysis
	3-2 List of material topics	Para.4 Materiality analysis
	3-3 Management of material topics	Para.4 Materiality analysis; Para.5 Governance; Para.6 People;Para.8 Planet
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Para.5 Governance
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Para.8 Planet
	302-2 Energy consumed outside of the organisation	Para.8 Planet
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	Para.8 Planet
	303-5 Water consumption	Para.8 Planet
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOX), sulphur oxides (SOX) and other emissions	Para.8 Planet
GRI 306: Waste 2020	306-3 Waste generated	Para.8 Planet
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Para.6 People
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Para.6 People
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	Para.6 People
GRI 404: Training	404-1 Average hours of training per year per employee	Para.6 People
GRI 405: Diversity and Equal Opportunity 2017	405-1 Diversity of governance bodies and employees	Para.5 Governance; Para.6 People

Recarlo

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