



MISSION LOCKED

FY23 ARENA S.P.A. SOCIETÀ BENEFIT IMPACT REPORT



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INTRODUCTION



Peter Graschi, Giuseppe Musciacchio (on the right).

The brand arena was born for and from water over 50 years ago and has been evolving in this element ever since. In these five decades, the world has changed exponentially, and so have we. However, we have remained steadfast in our purpose to improve people’s quality of life by promoting an active lifestyle in and by the water. This is why in 2023 not only did we celebrate our 50th anniversary, but we also chose to become a “Società Benefit”, a Double Purpose Company. The model of “Società Benefit” was conceived in 2010 inspired by U.S Benefit Corporations to underscore a company’s pledge to pursuing a dual objective of profit as well as positive impact on society and the environment. By integrating our vocation and four common benefit purposes into our bylaws, we have formalized our commitment to act transparently.

Courage, responsibility, and action is what it takes to grow. For this reason, the transformation of the Company’s legal form is a fundamental act to prepare ourselves for the challenges of the future, much like warming up thoroughly before a race.

This is the start of an adventure that we can’t wait to share with you. These pages where we relate stories, data, and our commitment to increase our impact are just the beginning.

Mission Locked.

Peter Graschi
CEO

Giuseppe Musciacchio
Deputy CEO

ARENA AT A GLANCE

KEY NUMBERS

128 **Markets**
in which we operate

461 **People**
worldwide

162.5M **Revenue**

MILESTONES IN ARENA'S HISTORY



1972

During the 1972 Munich Olympics, Horst Dassler, son of the founder of Adidas, was impressed by the young swimming talent Mark Spitz and decided to found a brand dedicated to the creation of competitive swimwear. This marks the birth of Arena.

1973

Arena is founded with the launch of "Skinfit", its first competition swimming suit, welcomed by athletes as a technological revolution in competition suits.

1976

The first Arena Team Elite was created for the Montreal Olympics. The greatest swimming talents of the time, including Mark Spitz, all wore Arena swimwear and accessories.

1988

At the Seoul Olympics, new Arena Elite Team member Matt Biondi broke new world records by winning four gold medals. This allowed him to enter the hall of fame of international swimmers, definitively establishing Arena's dominance in the industry.

1997

The Arena research team amazes the entire swimming world by bringing out 'X Flat', a swimsuit with fabric 25% lighter than its predecessor.

2004

The early 2000s marked a turning point in the world of swimwear: Powerskin technology became the core element of all full-body swimming suits, considered revolutionary at the time.

2009

The X-Glide suits, launched by Arena, leave their mark on history as they are listed by Time Magazine as one of the 50 best inventions of 2009.

2022

Arena launched St Next, the first racing suit FINA approved made entirely from recycled fibers.

2023

Arena integrated the common benefit purposes into its bylaws, becoming a Società Benefit commonly known as "Benefit Corporation".

PURPOSE, VISION & MISSION

OUR PURPOSE

Our goal is to improve the quality of life for all by promoting and enabling an active lifestyle in and by the water.

OUR VISION

To be the top-of-mind brand globally for swimmers and all those who want to be active and stay fit, in and by the water.

OUR MISSION

Born of our passion for sports, innovation, and Italian design, every last detail of our products is conceived to offer the most rewarding user experience in terms of performance, style, comfort and fit, in and by the water.



“ARENA’S VALUES”



AUTHENTICITY

Our deep connection to water and sport compels us to be transparent in our relationships, focusing on the future and respecting our past.

RESPONSIBILITY

We are conscious of our impact and will continue to invest in our people and our planet.

INNOVATION

At Arena we live for sport. It drives us, it inspires us and we understand how to win at the highest level. We use this insight to foster innovation across our company as we strive to change the future of our industry.

PASSION

We are passionate about our brand, our team and our sport. We believe in energy and enthusiasm for life and work.

ARENA IN THE WORLD

Arena is an established name in the world of swimwear and accessories for both competitive and non-competitive swimming athletes. Today, the Group has one manufacturing hub in Europe as well as one R&D unit, and commercial offices in Europe and in the United States:

- **Tolentino** (Italy): Headquarters of Arena Group
- **Rovetta** (Italy): Powerskin R&D Unit
- **Portland** (USA): Commercial office
- **Munich** (Germany): Commercial office
- **Libourne** (France): Commercial office
- **Velky** (Slovakia): Manufacturing unit

Arena distributes its products in more than 100 countries worldwide, both through a direct presence in Italy, the United States, Germany and France and a network of international distributors and importers. The distribution in Asia and Oceania, excluding Australia, is handled by Descente Ltd, an historic Japanese sportswear and accessories company.

Over the years, Arena Group relocated its headquarters from Landersheim (France) to Tolentino, a small town in a central region of Italy. The town of Rovetta (northern Italy) is home to the production plant for the swimsuit that secured Arena's spot in the hall of fame: the Powerskin suit, a technological wonder loved by all professional swimmers.

Arena in the world

5

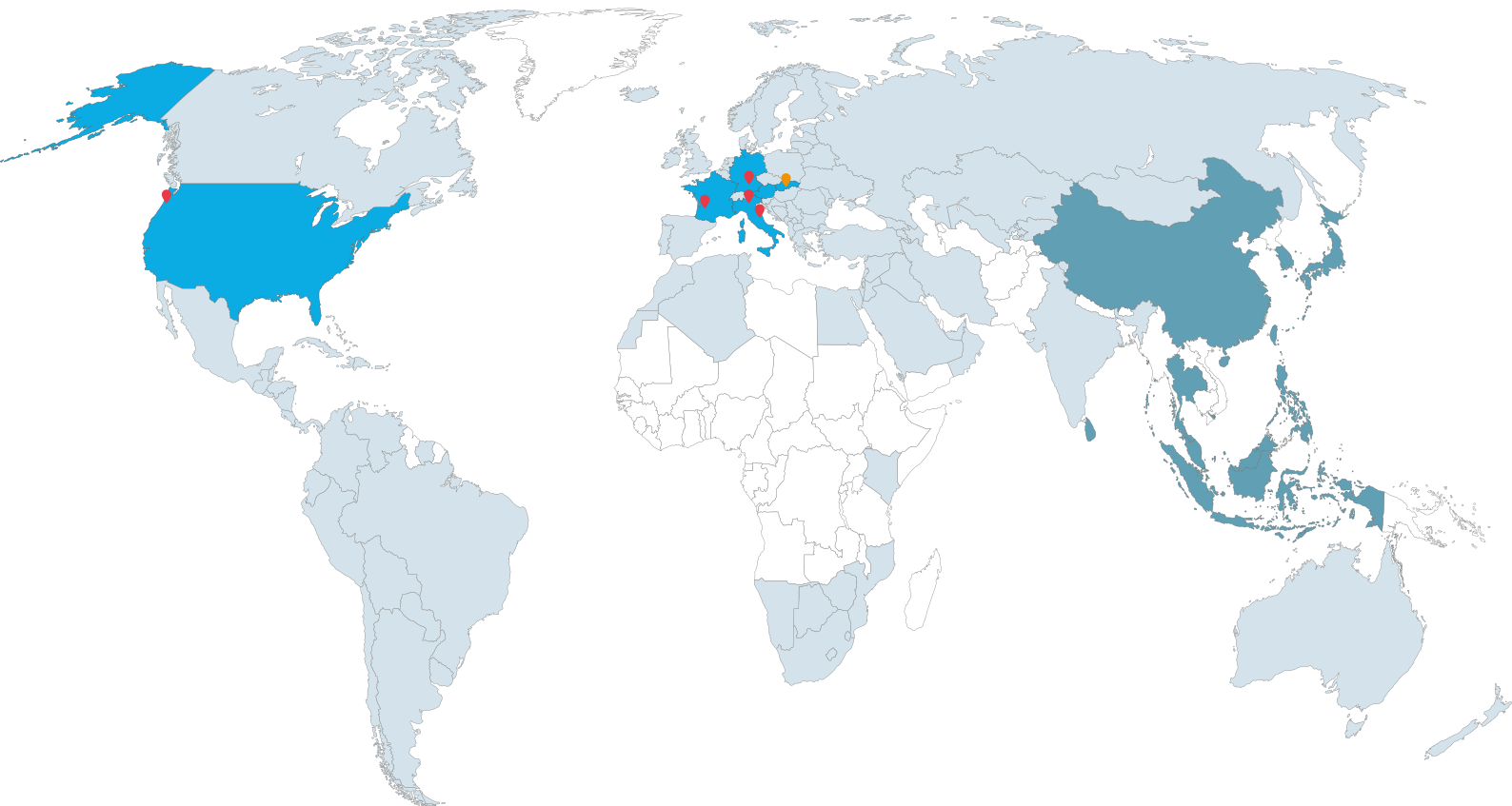
Countries Operated by **Arena S.p.A.**

111

Countries Operated by **Distributors.**

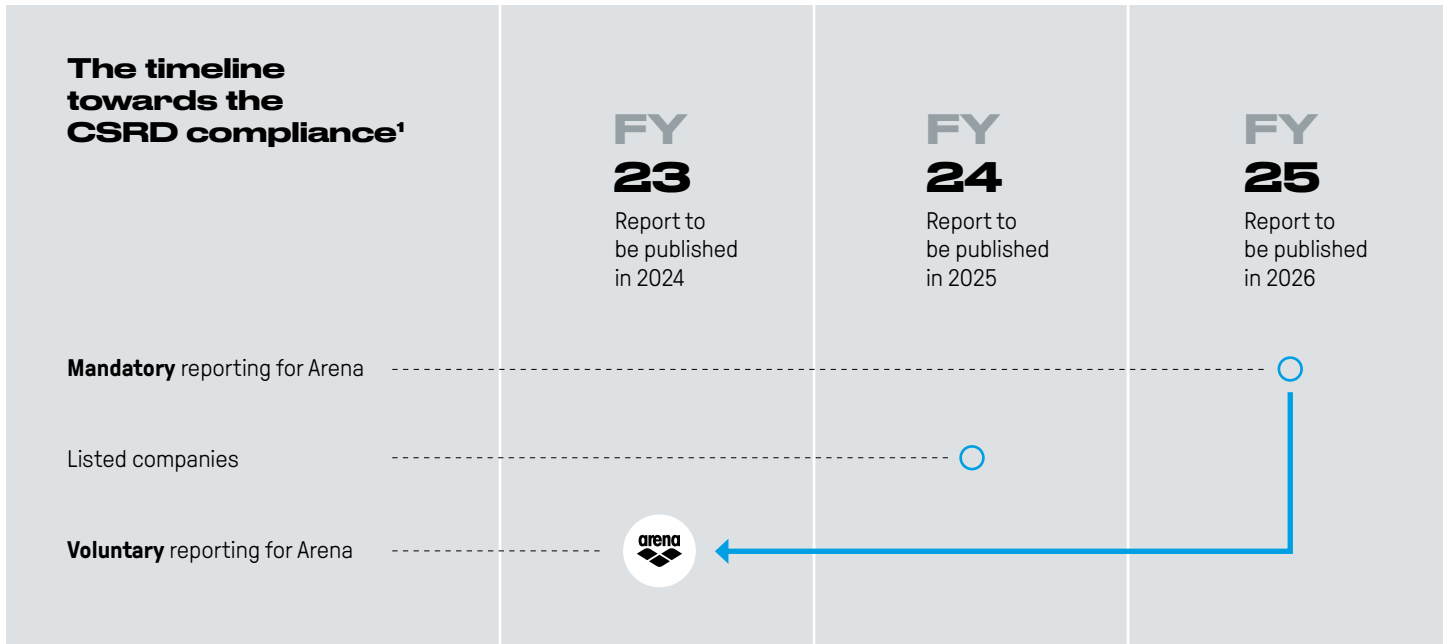
12

Countries Operated by **Descente Ltd.**





ARENA'S JOURNEY TOWARD SUSTAINABILITY



1 Listed companies: already reporting in compliance with the NFRD (i.e. issuers of securities admitted to trading on Italian and EU regulated markets, as well as banking and insurance companies) which at the reporting date, even on a consolidated basis: i) exceed the average number of 500 employees; ii) have exceeded at least one of the following limits: a) total assets > €20 million; b) net revenue > €40 million.

Mandatory reporting for Arena: other large companies which at the reporting date, including on a consolidated basis, have exceeded at least two of the following criteria (including EU and non-EU subsidiaries): a) average number of 250 employees; b) total assets > €25 million; c) net revenue > €50 million.

Arena became a “Società Benefit” (Benefit Corporation) in 2023 and continues to demonstrate its innovative and forward-looking approach by voluntarily embarking early on the journey towards the Corporate Sustainability Reporting Directive (CSRD) and the application of the European Sustainability Reporting Standards (ESRS). The CSRD aims to modernize and strengthen disclosure on environmental, social and governance information and metrics that organizations must publish in their annual reports. The Directive will require organizations to adopt a common set of standards to ensure that investors and other stakeholders have access to the information they need to assess the impact companies have on people and the environment. This will allow investors to assess financial risks and opportunities arising from climate change and other sustainability issues.

This proactive commitment reflects the Group’s intent on meeting all mandatory ESRS, ensuring transparency and accountability in sustainability practices. The Group is proud to already adopt these standards for this 2023 Impact Report (hereinafter also referred to as “Report”), demonstrating a continued dedication to sustainability and long-term value creation for its stakeholders. The decision to align early with the ESRS underlines the Group’s desire to demonstrate leadership in continuously promoting sustainable and responsible business practices.

As a Società Benefit, Arena is required to publish an Impact Report featuring information on the activities carried out during the year and its future commitments to achieve mutual benefit goals, as stipulated by Italian Law no. 208 of December 28, 2015. For a complete understanding of the Company’s sustainability disclosure the Impact Report is integrated as annex of this Report (“ANNEX SOCIETÀ BENEFIT”).

The 2023 sustainability milestones

The 2023 also marked a turning point in the journey towards sustainable innovation. The main evolutionary activities were:



In 2023 Arena decided to become a Società Benefit, specifically a *Double Purpose Company*, pursuing both economic and social responsibility objectives.



Partnership with Plastic Free (non-profit organization for the restoration of ecosystems and cities since 2019) for the “Clean Up Day” initiative with the aim to remove plastic waste from “Lago delle Grazie” in Tolentino. The initiative engaged about 230 employees between Arena and Poltrona Frau, who were initially provided with online training to raise awareness about plastic pollution.



In 2023, a project in partnership with zeroCO₂ aimed at regenerating forest ecosystems through planting of new trees, leading to the offsetting of approximately 400 tCO₂e. In two years, Arena with this project has reforested 4,774 m² of earth ecosystems and has planted 5,953 mangrove trees in Guatemala. The initiative’s goal is to offsetting the emissions generated by the International Sales events organized by Arena.



On World Oceans Day 2023 Arena announced a partnership with Healthy Seas through which the latter will be able to carry out more ghost net clean-ups and educational programs worldwide.



Arena drew up its own impact report for the first time in 2023, sharing its commitments in the three ESG aspects with its key stakeholders. Internally, Arena shared its sustainability goals for 2023, such as making the management assessment fully operational while also considering ESG requirements, and its commitments for 2024.



Implementation of a community impact policy based on three strategic pillars:

PROTECT: In which initiatives and related objectives linked to the protection of water resources and marine ecosystems are made explicit;

LOVE: Water and swimming are a source of well-being, which is why Arena aims to serve professional and amateur swimmers by promoting the beneficial effect of swimming;

LEARN: Arena has the goal to promote and spread the education on this fantastic sport, particularly amongst youth and marginalized communities, championing them to shape their future and the future of our planet.



Arena cares about the well-being of its community and promotes the benefits of sports through various initiatives. One of these was “Arena loves Sport”, which kicked off with the Tennis Tournament, starting with matches on June 29 at the Tolentino Tennis Club. Additionally, Arena was thrilled to highlight the team spirit of its Germany colleagues who joined the B2Run Munich on July 11, completing a scenic 5.6 km course through the Olympic Park. Furthermore, Arena launches the “Arena Loves Swimming” initiative, which aims to spread the passion for swimming among Tolentino employees.



In July, Arena was announced as the new official supplier of World Para Swimming.

This partnership established Arena as the official supplier for the 2023 Manchester World Para Swimming Championships, which are considered the largest paralympic swimming event outside of the Paralympic Games.



Arena and Lifegate collaborated on a glossary to raise awareness about water, the vital element of life. From the World Water Day March 22 to June 8, coinciding with Ocean day, Lifegate shared ten stories featuring talents related to water, exploring its various aspects through personal, emotional, and experiential narratives.

DOUBLE MATERIALITY ASSESSMENT

Through the Double Materiality Assessment an organization examines material information on sustainability Impacts, Risks and Opportunities. This is achieved by establishing material matters and material information to be reported within the sustainability statement. In 2023, in line with its early adoption of the ESRS, Arena conducted a Double Materiality Assessment of the most relevant sustainability topics for the Group and stakeholders, to better reflect sustainability context developments, changes in Arena drivers and goals, as well as the 2022-2025 Sustainability Plan.

The assessment was performed by considering the principles of the European Sustainability Reporting Standards and the guidelines included in the Double Materiality Implementation Guidance issued by the European Financial Reporting Advisory Group (EFRAG). The Double Materiality Assessment entails assessing impacts following an inside-out perspective, considering the positive or negative, actual or potential impacts of the Group on different stakeholders and the environment, and appraising risks and opportunities from an outside-in perspective, accounting for all risks and the opportunities arising for Arena from the external context.

The process for identifying the long list of impacts, risks and opportunities applicable to the business started from the sustainability topics identified for the 2022 Sustainability Report and the evaluation of the sustainability matters listed in the ESRS 1 – Application Requirement 16. Moreover, to ensure a complete identification of matters across Arena's operations and its upstream and downstream value chain, the list was enhanced with an understanding of Arena's external context and industry specifics and the Company's business model and strategy.

To ensure a proper relationship between the Double Materiality Assessment and the business model and strategy, the process involved Arena's top management across all departments through one-to-one interviews. The methodology for the assessment of the severity of the impacts considered the scale and scope of each. For negative impacts only, it was evaluated if these were irreversible. For potential impacts, the management also analyzed the likelihood of the occurrence and mapped it onto the relevant time horizon. The review of risks and opportunities materiality considered quantitative metrics based on financial effects for the organization, the evaluation of their severity, and the probability of their occurrence.

In addition, management adopted appropriate thresholds to assess the materiality of impacts, risks and opportunities that took into consideration the activities of the Group, the consequences of its operations as well as those occurring along the value chain, as well as the financial effects on the organization.

This first Double Materiality Assessment will be continuously monitored over the years through the risk management process and ongoing due diligence to ensure the alignment of Arena's strategy and reporting to the evolving context.

Compared to the matrix published in 2022, the topic "Enhance the connection between humans & water" is no longer among the material topics, since it is not a standard ESRS topic. However, as it remains crucial for Arena it has been included in the "Affected Communities" chapter in order to disclose all the company's related projects and activities. From an Impact Materiality point of view the most relevant topics in 2023 are "Consumers and end-users", "Climate Change", and "Business conduct". From a Financial Materiality point of view, the most important topics are "Consumers and end users" (both digital innovation and production side) and "Resource use and circular economy".

The output of the assessment of Arena's Impacts, Risks and Opportunities carried out is summarized in the table below.

ARENA'S IMPACTS, RISKS AND OPPORTUNITIES

IMPACT MATERIALITY

impact: ● positive ● negative

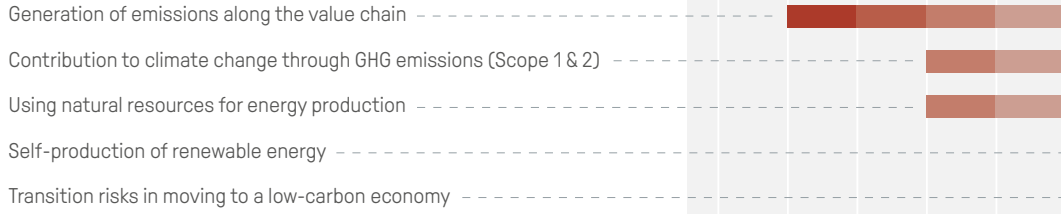
25 20 15 10 5

FINANCIAL MATERIALITY

● risks ● opportunities

5 10 15 20 25

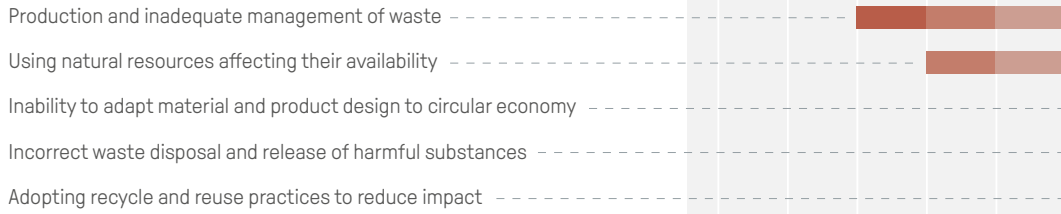
CLIMATE CHANGE



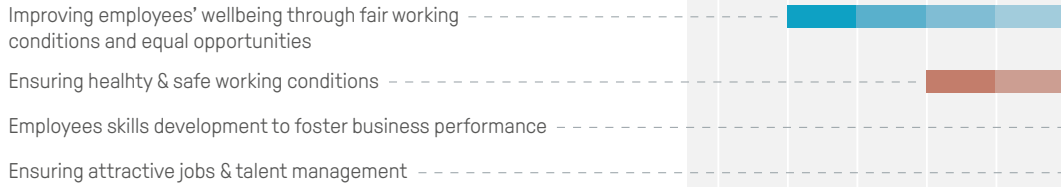
WATER AND MARINE RESOURCES



CIRCULAR ECONOMY



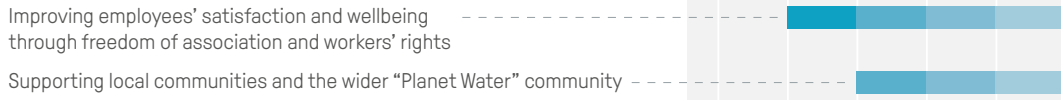
OWN WORKFORCE



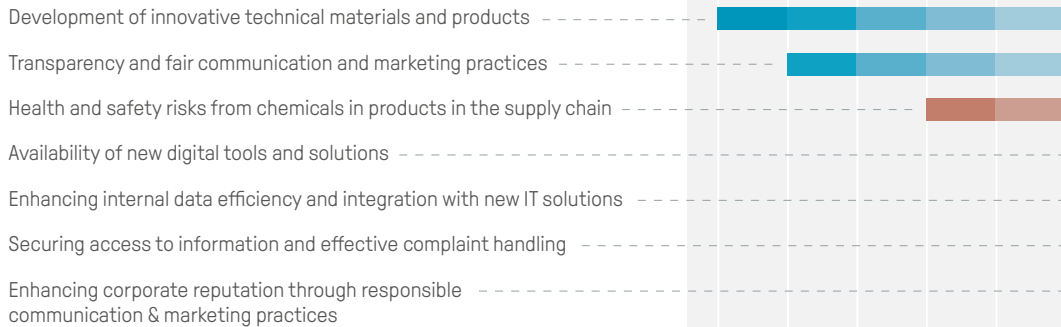
WORKERS IN THE VALUE CHAIN



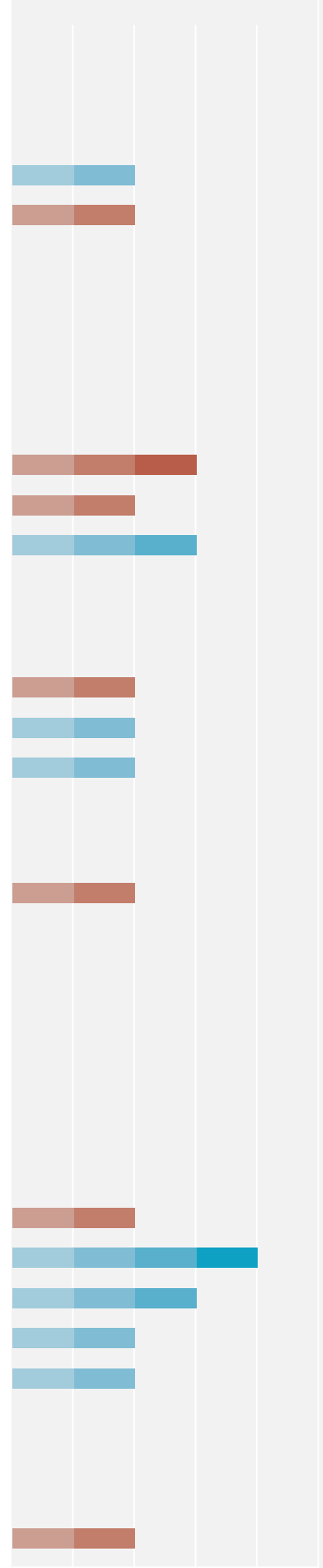
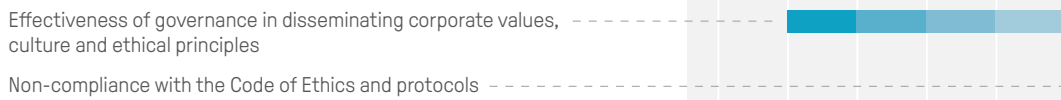
AFFECTED COMMUNITIES



CONSUMERS AND END-USERS



BUSINESS CONDUCT



HIGH ← LOW RELEVANCE

LOW RELEVANCE → HIGH

2022-2025 SUSTAINABILITY PLAN

3

Waves of evolution with specific actions to achieve the goals of the Sustainability Plan.

78

Evolution Actions were **completed in 2023.**

The 2022-2025 Sustainability Plan demonstrates Arena's dedication to sustainable development and social and environmental responsibility, fully integrating them into its business operations. The Arena Master Plan includes over 100 specific actions divided into nine strategic priorities: Purpose-driven business orientation; Dual-purpose mindset; Stakeholder paradigm and transparency; Health, wellness, and safety; Employee engagement and satisfaction; Product improvement; Civic engagement and donations; Supply chain evolution and Carbon neutrality and responsible processes.

For each priority, Arena has outlined a series of commitments based on a thorough analysis of areas where the Company can maximize positive impact and minimize the negative, considering industry challenges and the expectations of the financial community and customers. In defining the strategic drivers of the Plan and related pledges, Arena has considered the priorities of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs), thereby contributing to their achievement.

Arena's Sustainability Plan has ambitious goals, including transforming Arena into a "Società Benefit" and thus formalizing the double purpose mission to create value for all: shareholders and stakeholders. This change has been a key milestone in the Arena's sustainability journey by converting the company into a "double purpose company" formally committed to operate in a responsible way.

Arena has included in its bylaws the common benefit purpose to exist for deeply connecting the water element and people, involving them in an active lifestyle that improves their quality of life. This has always been the company's DNA and now has been formalized in the bylaws for guiding and orienting all strategic initiatives together with business goals.

The 2022-2025 Sustainability Plan includes key objectives for reducing environmental impact such as ensuring that 100% of the fabrics used in Arena swimwear and beachwear are made from recycled fibers. The Sustainability Plan also promotes close collaboration throughout the value chain to enhance transparency, traceability, and social standards. Through the Community Impact Plan, Arena supports communities with high-value social projects by selecting and backing social initiatives, by monitoring and communicating their impact.

This plan was developed by a dedicated Arena team, the "B Team", which includes representatives from all company departments. Furthermore, a Steering Committee made up of members of top management is dedicated to confirming and supporting the sustainability strategy within the company. Monthly reviews are conducted to assess the progress and implementation of all projects and to set new goals.

The ESG Policy also confirms Arena's pledge to maintaining the alignment of the corporate strategy with the sustainability approach, Arena sets sustainability and social responsibility objectives that also refer to the Sustainable Development Goals (SDGs) defined in the United Nations 2030 Agenda.


The contribution of Arena to the Sustainable Development Goals

	OBJECTS	TARGET	STATUS 2023
	Sports DNA: Promoting sports activities and partnerships for our people.	20% of the company's population, equal to 92 people.	23% of the company's population, equal to 104.
SDG 3 	Love Water: Promote a healthy lifestyle in and by the water.	#100,000 people play sports in Arena-supported sports clubs.	#102,301 people played sports in Arena-supported sports clubs.
		#3,000 children participate in Arena-supported swimming programs.	#4,137 children participated in Arena-supported swimming programs.
SDG 4 	#Professional growth: Increase the formal training received by our people in terms of total hours per person.	4 hours/fte.	4.9 hours/fte (+22%).
SDG 7 	Carbon Emissions Reduction.	Energy efficiency measures.	100% electricity of Tolentino HQ from renewable energy. 32.5% green electricity for manufacturing plant in Velky. 69% Self produced and consumed energy for R&D unit in Rovetta.
	Launching the onboarding process for new hires.	50% of new hires follow an onboarding process.	50% of new hires have followed a structured onboarding.
SDG 8 	Measuring satisfaction and well-being in the company through a climate survey.	Percentage of our people satisfied: 60%. Participation rate: 50%.	Percentage of our people satisfied: 68% . Participation rate: 58% .
	Development of a Community Impact Plan that details the long-term community impact strategy by Arena.	Activity Completed.	Activity Completed.
	CSR supply chain program.	Ensure a responsible sourcing process and highest level of social responsibility standards.	Supplier qualifications and monitoring third party audit; CSR KPIs; CSR Manual.

The contribution of Arena to the Sustainable Development Goals

	OBJECTS	TARGET	STATUS 2023
	Guidelines for transparent communication of sustainability to customers.	Define guidelines on transparent communication.	Sharing of guidelines internally and with B2B customers.
SDG 12 	Reducing the impact of our operations.	50% of electricity sourced from renewable energy.	64% of electricity sourced from renewable energy.
		10% reduction in carbon intensity index.	17% reduction in carbon intensity index.
		100% of products on total turnover covered by the Restricted Substance List (RSL).	100% of products on total turnover covered by the Restricted Substance List (RSL).
	Reducing the impact of our products.	50% of products in the SS23+FW23 collection with at least one responsibility attribute.	57% of products in the SS23+FW23 collection with at least one responsibility attribute.
	Responsible packaging.	100% of paper used is FSC certified paper.	
SDG 13 	Reducing the impact of our operations.	50% of electricity sourced from renewable energy.	64% of electricity sourced from renewable energy.
		10% reduction in carbon intensity index.	17% reduction in carbon intensity index.
	Company clean up.	Activate a clean-up activity as volunteering.	1 day as volunteering activity in "Lago delle Grazie" Tolentino together with Poltrona Frau. 230 people involved and more than 1,000 kg of waste collected.
SDG 14 	Protect Marine Ecosystem.	Support the protection of oceans, seas and marine resources.	In 2023, partnership established with Healthy Seas, an NGO founded in 2013 to tackle ghost fishing, which is responsible for the needless death of marine animals.
	Marine Reforestation.	Support the marine reforestation by planting new mangrove trees that are resilient to the climate crisis, by directly involving the Guatemalan communities that live in close contact with the sea.	Partnership with zeroCO ₂ in a reforestation project to plant mangrove trees in Guatemala, which are projected to absorb an estimated 400,000 kg of CO ₂ , enough to offset the emissions generated by the International Sales events organized by Arena in 2023.

The contribution of Arena to the Sustainable Development Goals

	OBJECTS	TARGET	STATUS 2023
	Involvement of suppliers in signing the Code of Conduct.	100% of suppliers out of total costs that have signed the Arena Code of Conduct.	100%
	Partnerships and/or communication campaigns to engage customers on sustainability issues.	15 initiatives.	20 initiatives.
SDG 17 	Arena athletes involved in sustainability initiatives.	15 athletes involved.	16 athletes involved.
	Reducing the impact of our supply chain.	We work with suppliers or request them to collect data and report on: <ul style="list-style-type: none"> - greenhouse gas emissions - water footprint - waste production. 	We work with suppliers or request them to collect data and report on: <ul style="list-style-type: none"> - greenhouse gas emissions - water footprint - waste production.

METHODOLOGICAL NOTE

Through this Impact Report, Arena commits to providing stakeholders with complete and relevant information on its sustainability performance in 2023 (from January 1, 2023, to December 31, 2023) to ensure transparent and structured communication.

This report was prepared with the voluntary adoption of European Sustainability Reporting Standards, which entered into force from January 1, 2024, with the support of the Double Materiality Implementation Guidance². It includes the disclosure requirements and datapoint available at the date of preparation of this report as indicated at ESRs CONTENT INDEX.

Regarding the qualitative and quantitative information and metrics on social and environmental aspects, the reporting scope includes Arena S.p.A. and all the fully consolidated companies in the Consolidated Financial Statements.

In terms of the process, company departments were directly involved in the materiality assessment so that they could update or confirm the material topics. The data was collected by the central departments of Arena S.p.A. Any exceptions about the reporting boundary and metrics are clearly indicated throughout this report. Directly measurable quantities have been included, while the use of estimates has been limited as much as possible. Any estimated data is indicated accordingly, additionally certain totals in the tables included in this document may not add due to rounding.

During the reporting period, there were no significant changes in the size, structure, ownership or supply chain of the organization. The frequency of reporting will be annual. This document was submitted for approval by the CEOs.

This report is also available online at about.arenasport.com.

² For the preparation of the report and performance of the Double Materiality Assessment, Arena applied the most up-to-date draft of the Implementation Guidance for the Materiality Assessment.



GOVERNANCE AND BUSINESS CONDUCT

Arena Group stands out as a bastion of innovation and quality in the world of swimming equipment and sportswear.

Operating in 128 countries, every activity undertaken by Arena is driven by a sense of transparency and responsibility, having adopted a governance model that reflects its core values: innovation, authenticity, responsibility and passion.

This approach is evident in the choice of partners and suppliers who share the same ethical and environmental principles as Arena, ensuring that each product is not only technically advanced but also ethically and sustainably produced. The Group's dedication to sustainability issues was confirmed and legally recognized in 2023 with its acquisition of "Società Benefit" status. This decision was driven by the desire to align the company's objectives even more closely with the mission of "deeply connecting water and people, involving them in an active lifestyle that improves their quality of life."

Arena has also established four specific common benefit purposes aimed at people, communities, clients and consumers, and the environment, to create a positive impact for all and to accurately monitor and measure the generated impacts. Details on targets and measures can be found in the "ANNEX SOCIETÀ BENEFIT".

DOUBLE MATERIALITY ASSESSMENT – BUSINESS CONDUCT

The assessment confirmed the positive impact of Arena in disseminating to stakeholders its corporate culture, values, and ethical principles. Moreover, the Company recognizes the importance of maintaining fair and transparent business relationships with suppliers and complying with contractual terms. This is confirmed by the opportunity to promote positive ethical behavior and strengthen the practice of responsible business conduct through training activities.

BUSINESS CONDUCT

POLICIES, ACTIONS AND TARGETS

Arena's Business Conduct is governed by several key documents: the Code of Ethics, the Code of Conduct, the Organizational, Management and Control Model (the Model) pursuant to Legislative Decree no. 231/2001, the Whistleblowing Procedure pursuant to Legislative Decree no. 24/2023, and Arena's ESG Policy.

The Code of Ethics formalizes the core principles to be followed by all Arena employees and stakeholders. The Code of Ethics also determines the rules of conduct aimed at preventing the offences referred to in Legislative Decree 231/2001. Compliance with the Code is required of all Arena employees, disciplining and guiding the way they must conduct business and any other related task or operational activity. The Code also governs the rights, duties and responsibilities expressly exercised and undertaken by Arena in relation to third parties during its business operations.

Arena's core principles

- 1 **RESPECT:** People are the greatest source of wealth and the most valuable company asset; for this reason, Arena always strives to support company people in maintaining a healthy work-life balance based on respect and personal dignity.
- 2 **EQUALITY:** No conduct that could constitute any form of discrimination is allowed or permitted.
- 3 **EQUAL OPPORTUNITIES:** The recruitment of internal resources and external partners is always based on objective merit criteria that reflect Arena's ethical principles.
- 4 **COMMITMENT:** Arena believes in teamwork and, like any sports team, supports an everyday working life that takes people's personal lives into account, taking a pragmatic approach based on knowledge and experience. Maximum commitment and energy are what make everyone stand out, acting as moral capital for both the company and the community as a whole. Arena is always active in motivating its people through training and other initiatives to enhance their talents, with equal opportunities for growth for all.
- 5 **CORRECTNESS, FAIRNESS AND TRANSPARENCY:** The process of value creation and its fair distribution among those who have participated is based on certain and transparent rules and on an effective exchange of information, which is reflected in shared policies or communications. Any behavior or failure to act that could represent a form of physical or psychological abuse or another form of wrongdoing that could adversely affect the psychological or physical well-being of Arena employees and partners is prohibited.

6 VALUE OF PEOPLE: Arena's employees are a beating heart driving our processes and goals. Exactly like in sport, we believe the people we work with should find trust, self-fulfillment, success and cooperation. Our company values are shared and promoted by our people, to operate in a peaceful environment that fosters collective well-being.

7 SPORT AND COMMUNITY: Arena supports and promotes a sports culture with entities of all sizes and locations, from small youth teams at local pools to regional teams, national and international sports federations, supporting everything from small-scale sporadic events to Olympic races, making sports a driving force for inclusivity and development, boosting economic and social growth in the communities in which we operate. The promotion of sports culture permeates the internal environment through the implementation of programmes and initiatives that actively involve people in the sports practice and appreciation.

8 HEALTH AND SAFETY IN THE WORKPLACE AND WORK ENVIRONMENT: Arena is committed to spreading a culture of safety in the workplace by promoting responsible behavior and adopting an accident prevention strategy. Arena provides adequate financial and other resources to ensure health and safety in workplaces that are designed in accordance with ergonomic, comfort and well-being principles and regularly maintained. At Arena, all persons involved in the implementation of the rules on occupational health and safety comply with the legal obligations and related procedures necessary to ensure the identification of possible risk situations, the identification of suitable protective devices, their surveillance and correct use. Arena ensures that the persons assigned to such roles have adequate education, training and experience.

9 ENVIRONMENT: Arena assesses the environmental impact of its operations, workplaces and activities by implementing all actions necessary to minimize it. The main goal is to improve the environmental impact and protect the planet, involving in this the design of products, the choice of materials and suppliers, the organization of events, the development of its business activities. All those who, on the basis of the role assigned, implement the rules on environmental matters must comply with the legal obligations and related procedures to ensure:

- The sustainability of activities from an environmental point of view.
- The minimization of impact.
- Proper waste management.
- Product "end-of-life" management, directing choices towards those products that can be destined for recovery.
- Training and information for all those involved in environmental issues.

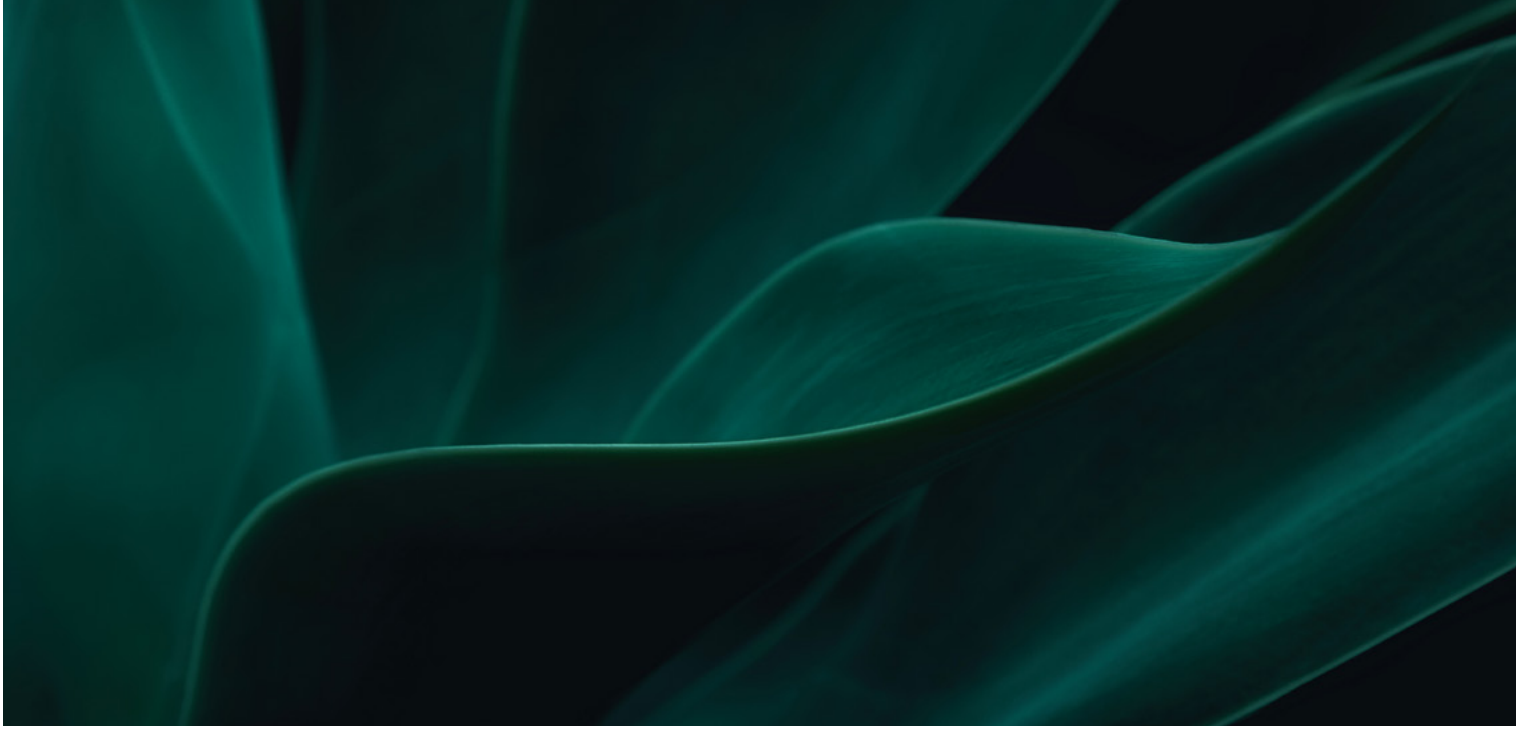
Arena also requires its suppliers to adapt to the highest standards of health and safety in the workplace and the environment.

The Model is a document that forms part of the supervisory architecture required under Legislative Decree 231/2001. The Model exempts the legal entity from liability, providing it is adequately monitored, and provides an essential guide for all employees and collaborators. It sets out the Company's Code of Conduct, control schemes and measures to prevent crimes and corrupt practices. Article 6 of Legislative Decree 231/2001 requires the establishment of a Supervisory Body to monitor the correct implementation of the Model and provide information obligations as a tool to guarantee supervision over the effectiveness and efficacy of the Model and for the possible ex post verification of the causes that led to the occurrence of the offences provided for in the Decree. The information obligation is regulated in the procedure on "Information flows to the Supervisory Body" and is primarily addressed to the departments deemed to be at risk of offences and the Key Officers, who are obligated to send periodic reports to the Supervisory Board.

The Company activated two e-mail addresses to report information flows and possible violations to the Supervisory Body. The complaint mechanism is also available for suppliers to report incidents or any violations to Arena's Code of Conduct.

In compliance with the provisions of Legislative Decree 24/2023 regarding Whistleblowing, Arena has activated a new reporting channel to allow those who have become aware within the business context to report, inter alia, violations of national or European regulations that harm the integrity of the business and people as well as violations of the Model. The Whistleblowing Procedure is applicable both for Arena's employees and its stakeholders (e.g. collaborators, suppliers) and made available on the Company web page.

Awareness of business conduct and correct business practices is reinforced by training activities.



ESG GOVERNANCE MODEL

The definition of the sustainability strategy, integrated into the business model, involves the Group at several management levels.

The strategy is defined annually by the Steering Committee with the participation of the CEOs, the executives, and the CSR & Sustainability team and is approved by the Board of Directors. On a quarterly basis the Committee monitors the deployment of the strategy and implements corrective actions if deemed necessary.

The coordination of the strategy execution is delegated to the CSR & Sustainability team, supported by an interdepartmental “B team” that operationally supports the strategy implementation.

The achievement of sustainability goals is also promoted by appropriate incentive systems. In fact, Management by Objectives (MBOs) were introduced in 2022, i.e., remuneration programs based on the evaluation of performance through the achievement of clear and measurable objectives, which also include sustainability goals. The program involved 30 top managers in 2023, including all executive staff and directors. The remuneration policy is disclosed with more detail in the Workforce disclosure.

The ESG Policy represents another key element of Arena’s ESG Governance model, and it was formalized with the aim of disseminating the ESG principles that guide Arena’s activities both inside and outside the organization, defining the sustainable development model to be integrated into the Group’s strategy.

The principles defined in the policy are inspired by:

- Universal Declaration of Human Rights
- International Labor Organization Declaration on Fundamental Principles and Rights at Work
- Rio Declaration on Environment and Development
- United Nations Convention against Corruption
- UN Sustainability Development Goals

The Policy is addressed to all business operators and all those working for the Group, whatever their contractual relationship.

Given its purpose, the ESG Policy also encompasses principles concerning governance processes and practices that can be summarized in the following **three pillars**:



With reference to the first principle, Arena plans to carry out its activities with transparency, loyalty, and integrity, proposing a corporate culture based on fairness and justice. Transparency is also the basis of the second principle, by which it intends go beyond the mere generation of profit to the dissemination of value shared with all stakeholders. Finally, Arena wants the commitment to sustainability not to remain limited within its own activities, but to be extended to as many players as possible in the value chain (athletes, federations, events, consumers, employees, partners, etc.), through open dialogue with stakeholders.

These principles are translated into a series of initiatives to monitor the progress and integration of ESG issues within business practices, defining for each of them at least one Key Performance Indicator. These indicators are collected in a tool called the “Sustainability Dashboard”, with which directors and management can monitor results. In addition, certain KPIs are used to set annual targets for managers and directors, thus also defining a set of differentiated responsibilities for their achievement.

METRICS - GOVERNANCE

The composition of the Board of Directors and other control bodies is described below.

The Board of Directors consists of four members: a Chairman, a Managing Director and two Directors. 75% of the members of the Board are men, 25% women, and the percentage of independence is 50%.

Composition of Board of Directors

	Male	Female	other	Not reported	TOTAL
Number of executive Directors	2	-	-	-	2
Number of non-executive Directors	1	1	-	-	2

Percentage of Directors

	Male	Female	other	Not reported	TOTAL
Directors	3	1	-	-	4
Percentage of Directors by gender	75%	25%	-	-	

Percentage of independent directors

	Male	Female	other	Not reported	TOTAL
Total Directors	3	1	-	-	4
<i>of which independent</i>	2	-	-	-	2
Percentage of independent directors	67%	0%	-	-	50%
<i>of which dependent</i>	1	1	-	-	2
Percentage of dependent directors	33%	100%	-	-	50%

The Board of Statutory Auditors consists of 5 persons, as described in the tables below:

Composition of Board of Statutory Auditors

	Male	Female	other	Not reported	TOTAL
Number of executive members	-	-	-	-	-
Number of non-executive members	4	1	-	-	5

Percentage of Board of Statutory Auditors

	Male	Female	other	Not reported	TOTAL
Members of Board of Statutory Auditors	4	1	-	-	5
Percentage of members of Board of Statutory Auditors	80%	20%	-	-	

The Supervisory Body (also called “ODV”) consists of 3 persons, as described in the tables below:

Composition of Supervisory Body

	Internal	External	TOTAL
Member of Supervisory Body	1	2	3
Internal and external composition percentage	33%	67%	

Percentage of Supervisory Body

	Male	Female	other	Not reported	TOTAL
Member of Supervisory Body	2	1	-	-	3
Percentage of members by gender	67%	33%	-	-	



COMPANY WORKFORCE DISCLOSURE

461 number of employees

68% women

2,184 total training hours

To ensure the creation of a working environment that allows Arena's people and those of its ecosystem to express their full potential, it is essential that employee values are aligned with the organization's mission and vision. Passion, authenticity, responsibility and innovation constitute the cultural pillars of Arena.

One of Arena's objectives is to promote and improve workforce capabilities through the development of people. Key to this is ensuring an inclusive and collaborative environment that allows for individual and collective growth while supporting sporting values. Precisely for this reason, Arena is committed to creating a work environment that responds to individual needs and encourages a culture of personal and professional progress that also fosters employees' well-being and sense of belonging.

Building relationships based on loyalty, trust and cooperation is crucial to the success of the organization. To face future challenges, however, it is necessary to operate in a healthy context that recognizes individual potential and abilities as an integral part of a dynamic group.

DOUBLE MATERIALITY ASSESSMENT - COMPANY WORKFORCE

The Assessment confirmed the positive impact generated by the organization on its employees through secure employment and adequate wages, the approach to diversity and equal treatment for all, the development of employees' skills with training activities and the promotion of initiatives to respect employees work-life balance.

Arena also recognizes opportunities in the correct management of training activities, career development paths and fostering adequate working conditions that ultimately enhance attracting and retaining talent.

POLICIES, ACTIONS AND TARGETS

The ESG Policy establishes commitments and principles related to the promotion of a positive, attractive and safe environment for people to operate in.

COMPANY WORKFORCE COMMITMENTS

- Support continuous development in its management systems, to achieve excellence in safeguarding workers' health and safety and environmental protection.
- Identify, assess, and prevent health and safety issues in the workplace, by activating all necessary procedures and tools to properly protect workers from the specific risks associated with their own work duties.
- Involve all levels of the organization and all Arena employees, ensuring that responsibilities and operating procedures are precisely defined, appropriately communicated, and clearly understood.

COMPANY WORKFORCE PRINCIPLES



SAFE WORKING CONDITIONS AND WELL-BEING

Guarantee the highest standard of safety and promote a stimulating work environment that fosters people's well-being.



ATTRACTIVE JOBS AND TALENT MANAGEMENT

Encourage professional development through the recognition and enhancement of each person's distinctive capabilities, and by offering continuous training.



DIVERSITY AND INCLUSION

Ensure equal opportunities for all people and advocate for a company culture that values diversity and creates a sense of belonging.

Arena's "People Strategy" is centered on developing a strategic and integrated approach to managing people in line with its commitments and principles. The aim of the Strategy is to foster a work environment that advances effectiveness, collaboration, individual and collective growth, and a sense of belonging.

The People Strategy is based on these pillars:

- Training & personnel development
- Flexibility & work-life balance
- Benefits

CHARACTERISTICS OF EMPLOYEES

People are an essential resource for Arena to achieve corporate goals and sustainable value creation. Each year Arena collects employee feedback through a dedicated employee survey to carefully monitor their level of satisfaction. The 2023 survey shows 68% of respondents were satisfied with the organization, with more than 50% of employees worldwide taking part.

The Company has implemented an **Onboarding process**, which begins the day prior to a new hire’s start date. The HR Department provides information on how to access the facility: opening hours, designated parking areas, start time, and the first day’s schedule. Upon arrival, the new hire is greeted by a member of the HR Department for a brief tour of the facility, an explanation of the rules in common areas, and delivery of a Welcome Kit and Code of Ethics. They are then accompanied to their workstation, which has been properly equipped, and introduced to their colleagues. In addition to the information provided during the tour, the employee also receives a welcome email and the Onboarding “manual”, which contains all useful information for starting their new experience at Arena.

METRICS - CHARACTERISTICS OF EMPLOYEES

Number of employees by country

COUNTRY	2023
Italy	265
France	57
Germany	30
USA	31
Slovakia	78
TOTAL	461

Employees by gender

	2023
Women	312
Men	149
Others	0
Not communicated	0
TOTAL	461

Employees by gender and type of contract

	2023	
	WOMEN	MEN
Permanent employees	300	146
Fixed-term employees	12	3
Employees with variable hours	0	0
TOTAL	312	149

Employees by gender and hours worked based on the contract

	2023	
	WOMEN	MEN
Full-time employees	268	144
Part-time employees	44	5
TOTAL	312	149

3 Number of permanent employees leaving the business over the course of the year divided by the total number of employees multiplied by 100³. In the calculation temporary workers have been excluded.

4 Calculating the turnover rate by considering the difference between the number of employees hired and terminated during the year divided by the total number of employees, the rate would significantly decrease to 9%.

Turnover Rate (%) ³

	2023
Number of employees	461
Number of terminated employees	57
Employee turnover rate ⁴	12%



DIVERSITY AND INCLUSION

Arena is dedicated to fostering a corporate culture that welcomes and values the diversity, experience, and perspectives of every individual by implementing an equitable, respectful, meritocratic, accessible, and inclusive environment for all its people, regardless of their ethnicity, gender, sexual orientation, socioeconomic background, physical ability, nationality, political opinion, union membership or marital status.

Arena applies these principles through specific analysis, such as the workforce breakdown by gender and age, that support the ongoing evolution of its DE&I commitment to implement future initiatives and action on this relevant matter. Furthermore, the Company carries out periodic reviews of the terminology used in role descriptions and communications to ensure they are inclusive, fair and in line with current times.

METRICS – DIVERSITY AND INCLUSION

Executives by gender

2023		
	WOMEN	MEN
Top management employees	17	32
Total number of employees	312	149

Employees by job category, age, and gender

2023						
Job Category	Under 30 years		30-50 years		Over 50 years	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Senior	0	0	2	6	0	5
Executive	1	0	11	20	5	13
Employee	60	24	114	56	39	24
Workers	18	0	51	0	11	1
TOTAL	79	24	178	82	55	43

Employees with disabilities, by gender

2023			
	WOMEN	MEN	TOTAL
People with disabilities	8	5	13
Total number of employees	312	149	461
Percentage	3%	3%	3%

TRAINING



Training programs, performance reviews and talent development represent key elements for business success and sustainable growth, and a relevant part of the **“People Strategy”**. At Arena, the annual training program is determined based on market trends, especially regarding the development of innovative skills, the business strategy, which defines the priorities in developing soft skills training, and employee awareness and personal growth, as in the case of training on sustainability.

In 2023, training of innovative skills informed by market trends focused on different areas. Below are two examples of the most relevant training programs conducted.

Firstly, Arena conducted a Cyberguru training using an asynchronous distance learning platform (FAD) to raise awareness on cyber security risk. Secondly, a Colorimetry (the science used to describe human color perception) training was held for product and quality control departments to increase their expertise and knowledge on what is an important topic for the brand.

The business strategy program led to the definition of the Arena Leadership Journey training for top management, with the aim of developing soft skills such as:

- **Growth Mindset:** The ability to identify personal and organizational opportunities for development at any time.
- **Collaborative Intelligence:** The development of skills to promote a systemic and intersectional approach to operations, avoiding barriers between different departments.
- **Leadership Accountability:** The aptitude of management to enhance accountability in the actions of team members.

The program focused on business strategy also included the training session “Navigating complexity in operations” aimed at operational personnel to help them deal with daily obstacles and reaching targets.

In terms of personal development training, Arena carried out preparatory course for the ‘Plastic Free’⁵ volunteer day, to raise awareness on the impact of people on the environment, and a session on sustainability reporting for all staff involved in the data collection process to share regulatory trends and the methodologies for this strategic document.

Finally, during the year Arena conducted other voluntary training to support the business: the Arena Academy. The academy is a training project that usually consists of one on-site and about four remote sessions per year. During the training, colleagues from the marketing and product departments lead the sessions and are joined by external speakers, such as some of Arena’s top athletes as ambassadors. The target audience for the Arena Academy project includes the sales force in Arena outlets, agents, key accounts customers and distributors.

In 2023 Arena performed a total of 2,184 hours of trainings for 446 FTEs, with an average of almost 4,9 hours per person.

⁵ More info about the event on the “Impact stories 2023” section.

METRICS – TRAINING

Employees performance review, by category and gender

	2023							
	Seniors		Executives		Employees		Workers	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Number of employees receiving performance reviews	2	9	17	33	190	93	80	1
Number of employees	2	11	17	33	213	104	80	1
PERCENTAGE	100%	82%	100%	100%	89%	89%	100%	100%

REMUNERATION

Arena ensures fair and competitive compensation for all its people, recognizing the importance of attracting and retaining high-level talent. The Company has implemented a performance review and remuneration system that integrates financial KPIs with social and environmental metrics, both individual and corporate. The entire top management has a sustainability KPI tied to 10% of their individual goals.

The performance scheme is formally defined as follows:

80% Corporate Goals

10% Individual Goals

10% Sustainability Goals

The sustainability KPIs are differentiated and specifically identified for each area of the business. The topics associated with the different areas of the business are listed below. Specific KPIs are set for each topic to measure performance.

Sustainability topics related to the remuneration rating system

- **Evolution of Sports Marketing Contracts:** monitoring and development of sports marketing contracts
- **Engagement & Satisfaction of Arena People:** evaluation of employee engagement and satisfaction
- **Sports DNA:** promotion of sporting values within the company
- **Sustainability MBOs:** management objectives based on sustainability
- **Onboarding Process:** effectiveness of the onboarding process for new employees
- **People Development:** professional and personal development of employees
- **Health & Safety:** guarantee of a safe and healthy working environment
- **Diversity:** promotion of diversity and inclusion
- **Community Impact:** positive impact on the local community
- **Code of Conduct:** adherence to ethical principles and business conduct
- **Towards Carbon Neutrality:** commitment to carbon neutrality
- **Renewable Energy:** use of renewable energy
- **Chemical Management:** responsible management of chemicals
- **Waste Management:** sustainable waste management
- **Sustainable Raw Materials, Product and Packaging:** use of sustainable materials, products and packaging
- **Customer Satisfaction:** customer satisfaction monitoring
- **Training:** continuous employee training

Arena also has a Benefit program in place applicable to all employees that includes a medical insurance subsidy, fuel & food vouchers, and discounts on Arena's products and other services such as gyms, swimming pools and supermarkets.

WORK-LIFE BALANCE



In 2022, Arena adopted a Remote Work Policy, also integrated into contractual agreements, with approximately 53% of employees making use of it in 2023. The Policy is compliant with the legislation in force in each country where the Group operates.

Furthermore, in 2023, Arena launched the ARENA LOVES SWIMMING initiative to bring employees closer to the element of water that distinguishes the Company, creating opportunities to improve well-being, and foster team building and inter-departmental relationships. The company reserved lanes for its employees at the Tolentino municipal pool 4 days a week, in addition to organized swimming courses that concluded with a final event to mark the end of the first season of this initiative.

ARENA LOVES SWIMMING is part of the wider initiative “ARENA LOVES SPORTS”. Indeed, in addition to swimming, other activities were organized such as tennis tournaments, marathons, and team-building days for individual departments, which chose off-site sports activities for their teams.

More than 100 Arena employees have been involved in sporting activities and the target for the company is to reach at least 30% engagement for 2024.

METRICS – WORK-LIFE BALANCE

Employees with social protection

	2023
Employees with social protection	431
Total headcount of employees	461

Employees eligible for family and parental leave

	2023		
	WOMEN	MEN	TOTAL
Employees who have the right to leave for family reasons	312	149	461
Eligible employees who took advantage of leave for family reasons	105	10	115
Total number of employees	312	149	461
Percentage of employees who took advantage of the parental leave of those entitled to it	34%	7%	25%

HEALTH & SAFETY

The Company has published a Health & Safety Policy in line with the ESG Policy and the Company's 2023 Impact Report.

Health & Safety Policy guidelines

- Define tasks and responsibilities of everyone in relation to the functions and tasks performed.
- Invest in research and development in order to continually improve the health and safety system and reduce the risk.
- Reduce and eliminate the use of hazardous or noxious substances, favoring replacement with harmless or less impactful substances.
- Comply with ergonomic requirements taking into account gender, age, origin and anthropometric diversity of workers.
- Monitor accident trends through frequency and severity indices, investigating the causes of each event to correct processes and procedures with a view to continuous improvement.
- Adopt appropriate preventive actions to prevent the occurrence of emergency situations and to their effects on the persons involved.
- Involve internal and external stakeholders in programs to spread awareness of Health and Safety issues.
- Train employees on this policy and related initiatives.
- Verify the capacity and intention of suppliers to accept and pursue the Health and Safety objectives set out in this policy.
- Set specific Healthy and Safety improvement programs and report the results achieved in the pursuit of the objectives.
- Meet all applicable legislation and other compliance obligations.

The approach adopted by Arena is increasingly structured to ensure the highest standards. To achieve this goal, the Group conducts its activities related to its production facilities in compliance with local legislative requirements, promoting constant dialogue with its employees and ensuring that access to all company facilities, as well as outsourced processes, takes place in complete safety.

This is expressed in its Policy that requires the identification and analysis of possible risks for employees and the implementation of effective actions to prevent, reduce and, where possible, eliminate risks, from the appropriate management of substances and processes to the correct operation, maintenance, and control of plants.

The Group's objective is to adapt work to individual abilities, skills and health of its employees. This involves considering age-related characteristics and including potential changes in functional abilities. This is also supported by constant medical check-ups, in line with local regulations in force, and by extensive training, with the aim of spreading a corporate mentality based on safety and prudence.

As of today, Arena has not implemented any certified Health & Safety management system but has an internal system to manage health and safety aspects such as training, medical check-ups, personal protective equipment, a remediation plan and targets.

In 2023, the following activities were conducted:

- Training on Health and Safety topics and distribution of PPE according to the additional identified risks.
- 100% of our people completed health and safety training courses.
- Subsidizing medical insurance for 95% of Arena's people.

METRICS – HEALTH & SAFETY

Work-related fatalities

	2023		
	EMPLOYEES	NOT EMPLOYEES	TOTAL
Number of fatalities as a result of work-related injuries	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0

Work-related injuries⁶

	2023		
	EMPLOYEES	NOT EMPLOYEES	TOTAL
Total hours worked	699,882	0	699,882
Number of recordable work-related injuries among the workforce	1	0	1
Rate of recordable work-related injuries among the workforce	1.43	0	1.43

Work-related ill health

	2023		
	EMPLOYEES	NOT EMPLOYEES	TOTAL
Number of cases of recordable work-related ill health	0	0	0

Number of days lost

	2023		
	EMPLOYEES	NOT EMPLOYEES	TOTAL
Number of days lost due to work-related injuries	4	0	4
Number of days lost due to work-related ill health	0	0	0

⁶ Data for 'non-employees' is currently not available.

COMMITMENTS FOR THE FUTURE



100% of executives and managers with sustainability goals



Professional growth: reaching **5 hours** per employee of formal training provided



75% of new hires must follow the onboarding process, involving store personnel



Involving at least **30%** of Arena employees in the promotion of sports activities and partnerships



Reaching **65%** satisfied people within Arena

ARENA'S OWN WORKFORCE COMMITMENTS FOR 2024



AFFECTED COMMUNITIES DISCLOSURE

As a leading swimwear company, Arena recognizes the power of sport in addressing the global challenges of the 21st century.

Arena's influence extends beyond corporate boundaries and can have a significant impact on society. It can improve people's lives, promote positive values, create opportunities for development, and contribute to people's well-being.

This section describes the main initiatives supported by Arena, highlighting efforts to engage and sustain the community, as well as measures taken to promote sustainability and environmental awareness. These projects demonstrate Arena's dedication to making a positive impact and contributing to a more responsible future.

For Arena, the concept of community goes beyond just individuals to encompass a wider ecosystem that incorporates both the planet and water. This holistic approach ensures that initiatives and activities benefit the environment as well as society. In 2023, Arena implemented this philosophy through various initiatives related to the Planet Water community. These included a partnership with World Para Swimming, designating Arena the official supplier for the Manchester 2023 Para Swimming World Championships and a collaboration with LifeGate to launch the Planet Water Platform for World Water Day 2023 raising awareness about the importance of water. Additionally, Arena held a corporate clean-up event in Tolentino where it joined forces with Poltrona Frau to collect waste around "Lago delle Grazie". More initiatives are detailed in the following paragraph.

Since its inception, Arena has focused on building strong connections with key swimming and water-sports federations globally, from grass roots to Olympic and Paralympic support. In 2023, Arena supported multiple national federations, teams and athletes that align with its goals of promoting watersports, enhancing inclusivity and diversity and using sports as a means to foster physical and mental well-being.

2023 Global Sports Marketing

- 16** Partnerships with National Teams.

- 40** Top Athletes.

- 101** Total medals won by Arena athletes (over 35% being Gold) at WA WSCH LC Fukuoka 2023 and EA ESCH SC Otopeni 2023.

- 734** Teams and clubs supported.



DOUBLE MATERIALITY ASSESSMENT – AFFECTED COMMUNITIES

The Double Materiality Assessment highlighted social dialogue with employees and engagement of local suppliers as positive impacts, particularly focusing on a key stakeholder group: the “Planet Water community”. The benefits generated for these communities along with Arena’s commitment to implementing global initiatives, create synergies and opportunities for the business.

This commitment is also evident in the “Community Impact Policy” which directs the company in supporting projects and initiatives that create a positive impact on the wider and global “Planet Water community”.

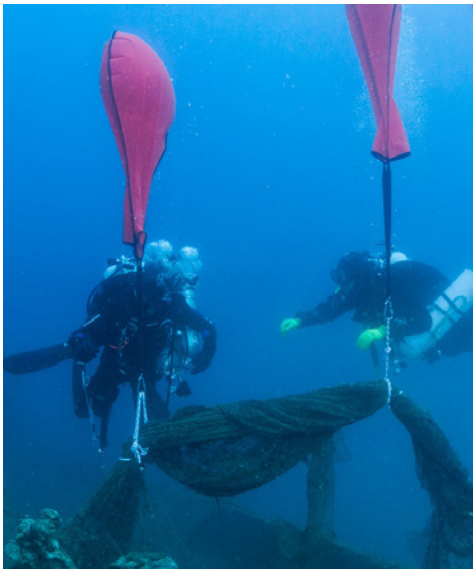


POLICIES, ACTIONS AND TARGETS

**PLANET WATER
COMMUNITY**

The **Community Impact Policy** outlines Arena’s commitment to embedding social responsibility into its business strategy to create value for internal and external stakeholders.

This is achieved by focusing on three strategic areas:



PROTECT

Water is life’s most precious resource. Our goal is to protect water and its ecosystem through initiatives that help generate a positive impact on society and the planet.

LOVE

Being nearby, in, or under water benefits our mind and body. As we have for the last 50 years, our goal is to continue serving swimming communities and swimmers in their everyday performance to foster the beneficial effect of aquatic activity on human life.

LEARN

The discovery and mastery of the water environment requires practice and proper tools. Our goal is to promote swimming education, particularly amongst youth and marginalized communities, championing them to shape their future and the one of our planet.

The Policy is reflected in the **Community Impact Strategy**, which emphasizes long-term collaborative initiatives aligned with key social and environmental goals, all subject to rigorous monitoring and accountability measures. Each year, internal and external stakeholders can suggest causes they would like to support through the community impact plan initiatives by filling out the Community Impact Survey. Stakeholders are invited to propose some projects that Arena could support in the following year. This survey provides stakeholders with useful parameters to outline the project context, rationale and estimated costs and benefits.

Projects are evaluated based on several criteria, including their alignment with three strategic pillars:

1. Protecting aquatic ecosystems and improving water quality for recreational use.
2. Fostering swimming and aquatic sports for overall well-being.
3. Encouraging aquatic education and safety, especially for youth and underserved populations.

Proposed projects must be aligned with Arena's corporate vision and business interests, undergoing initial screening to assess the reliability of the organization. Depending on the organization's legal status, Arena minimum requirements must be met to demonstrate the organization's reliability and professional capability. The projects are then awarded based on scores derived from specific criteria, within the budget allocated each year for the Community Impact Plan.

The Plan encompasses various forms of support to foster collaborative initiatives with partners utilizing different tools to advance Arena's key commitments:

- Cross-Industry collaboration: Develop innovative solutions from an environmental perspective thanks to partnerships between Arena and other companies.
- Product donations.
- Corporate volunteering through the involvement of all employees.
- Global Climate Projects: Fight climate change thanks to collaborations with Arena partners.
- Financial Donations: Donate to NGOs in line with the brand Protect, Love and Learn.
- Sports Contracts: Sign contracts with sports Associations/clubs to spread the value of sport.
- Impact Social Media Partnerships: Launch communication campaigns to spread the initiatives implemented.
- Fundraising and Communication campaigns.

**2023 MAIN INITIATIVES
ON STRATEGIC TOPICS**

GLOBAL



WORLD OCEANS DAY 2023 (8 June)

Partner: **Healthy Seas Foundation**

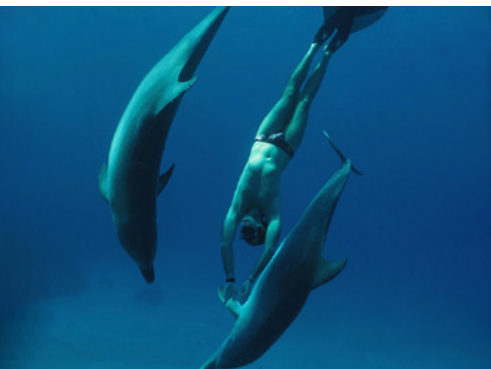
Arena has partnered with the Healthy Seas Foundation to launch the Powerskin ST NEXT, the first FINA-approved racing suit made with recycled fabrics. This next-generation swimsuit is lighter, more durable, and made from ECONYL®, derived partly from fishing nets recovered by Healthy Seas. Aquafil reconstitutes these nets into ECONYL®, which is used by Arena's textile supplier, Carvico, to create the fabric for the new suit.



CALYPSO BAY

Partner: **Great Barrier Reef Foundation**

Arena has launched Calypso Bay, a limited edition of racing suits from the Powerskin Carbon range, inspired by the Great Barrier Reef's coral and waters. Along with this launch, Arena has donated to the Great Barrier Reef Foundation to support coral planting efforts. The Foundation emphasizes the urgent need for healthy reefs, which are crucial for marine life and carbon storage, amid rising water temperatures threatening the Reef's survival.



PLANET WATER

Partner: **LifeGate**

To mark the launch of its brand platform Planet Water for World Water Day 2023, Arena collaborated with LifeGate on the editorial project called Glossary of Water. Using 10 water-related words and the voices of 8 Arena ambassador athletes, the project aims to raise awareness about the importance of water and share the experiences of those who live with water every day through aquatic sports or are committed to protecting the marine environment.



LET IT BEAT COLLECTION

Partner: **Athlete Ally**

Arena has renewed its partnership with the non-profit organization Athlete Ally, committing 50% of the profits from all Let it Beat items sold during Pride Month to support Athlete Ally’s educational and advocacy initiatives for LGBTQIA+ athletes. This collaboration aims to raise awareness for the LGBTQ+ movement and promote diversity, equality, and inclusion both in and around the pool.



BREAST CANCER

Partner: **Keep A Breast Foundation**

In October 2023, Arena stood together against breast cancer with the limited-edition Breast Cancer Awareness collection, designed in shades of pink to honor the month. We emphasized the importance of education and support, with 50% of the profits going to the Keep A Breast Foundation. This non-profit, based in Los Angeles, is dedicated to reducing breast cancer risk through art, education, prevention, and action. Four Arena athletes served as ambassadors to raise awareness for this crucial cause.



SWIMMING TO PROTECT ANTARCTIC WATERS

Partner: **Antartica2020**

Experienced swimmer Barbara Hernandez, a member of Antartica 2020, a group of leaders from the worlds of sports, politics, science, and media advocating for the protection of Antarctic waters, swam 2.5 kilometers in the icy waters of Chile Bay to raise public awareness about glacier melting and marine pollution, while simultaneously setting a new world record.



WORLD PARALYMPICS

Partner: **World Para Swimming**

World Para Swimming has partnered with Arena, making us the official supplier for the Manchester 2023 Para Swimming World Championships (nearly 550 athletes from 67 countries) from 31 July to 6 August 2023 and the 2024 European Open Championships.



MANGROVES PROJECT

Partner: [zeroCO2](#)

Arena remains committed to reducing its environmental footprint in 2023. Building on the 2022 initiative, we are expanding our mangrove forest project in Guatemala. This project aims to offset carbon emissions from 2 sales events. The forest currently has 5,953 mangrove trees, covering a total of 4,762 square meters and absorbing 750 kg of CO₂ in two years. The project has also created a positive social impact on 10 local families.

GERMANY



**INKLUSIV GEWINNT:
A Celebration of Inclusion Through Sports**

Inklusiv Gewinnt is a unique event promoting inclusion. It's a full day of sports (swimming, track & field, kayaking, seated volleyball), cultural activities, and workshops, creating a welcoming space for everyone, regardless of ability. In Potsdam, in September 2023, with Arena's support, the event even featured Olympic (like Arena athlete Florian Wellbrock), Paralympic, and Special Olympic athletes competing alongside 200 community members.



DLRG

In 2023, Arena continued its support of the DLRG (German Life Saving Association) through the special NIVEA Strandfest Tour. The DLRG is the largest lifesaving organization in the world. As a partner of the tour, Arena has played a crucial role in educating parents and their children about safe behavior in, on, and around water, as well as in the sun. Each year, approximately 40-45 events are organized, attracting over 100 children and their parents at each event.

FRANCE



CLIFF DIVING VIP EXPERIENCE!

Partner: **Intersport France**

Arena partnered with Intersport France to run a consumer contest in June 2023. Six lucky winners scored a VIP experience at the Red Bull Cliff Diving event in Paris. They got to go beyond just watching the competition, with exclusive access, a guided tour with Arena diving expert Ellie Smart, and a delicious brunch where they discussed Ellie’s passion for cliff diving and her “Clean Cliff” environmental initiative.

ITALY



OCEANMAN IN ITALY

Partner: **Oceanman**

Oceanman, the only global international open water swimming series, saw impressive participation across its three Italian legs in 2023: Cattolica, Lago d’Orta, and Palermo. Approximately 2,000 participants from various nations joined the races.



OPEN WATER SWIMMING EVENTS

Partner: **Dominate The Water**

Arena remains a proud partner of Dominate The Water, a series of open water swimming events in Italy. The 2023 circuit, spearheaded by swimming champion Gregorio Paltrinieri, combined sporting competition with a passion for environmental protection, promoting the value and preservation of Italian seas and beaches. The four 2023 events attracted a total of approximately 500 participants.



ARENA AND POLTRONA FRAU CLEAN-UP DAY

Partner: **Plastic Free**

Arena joined forces with Poltrona Frau in Tolentino, for a corporate clean-up event with employees around “Lago delle Grazie”, a wildlife oasis near the offices. Over 230 participants collected over a ton of waste in just one afternoon. Supported by Plastic Free Onlus, this initiative highlights the positive impact of collaboration on environmental efforts.



AMICA ACQUA

Partner: **Sport Senza Frontiere Onlus**

The initiative includes the provision of free swimming lessons for 45 beneficiaries, a total of 20 families with children aged between 6 months and 6 years old, falling under the international protection system for asylum seekers and refugees (SIPROIMI circuits), with a special focus on all children who have suffered water-related traumas. The support is carried out through financial and Arena product donations.

In 2023, Arena launched a strategic initiative on Sports Marketing Contracts to enhance relationships with key players in the Arena ecosystem such as clubs and federations. This initiative involves integrating impact clauses (Impact Terms) into sponsorship contracts. These clauses reflect Arena’s commitment to generating positive outcomes for both people and the planet. By integrating this ambition into sports marketing contracts, Arena aims to engage key players in a collaborative journey toward a more responsible future.

The contracts outline shared objectives that benefit all parties, including an interdependence clause emphasizing the importance of a global economy that leverages business for community impact. As a result, the parties commit to fulfilling the agreement with a focus on people, planet and well-being. Additionally, the contracts stipulate requirements for measuring and reporting on social and environmental performances.

LOCAL SUPPLIERS

Arena is dedicated to connecting with its local communities - from Tolentino to Libourne, Velky, Portland and Munich - centering its non-profit social/environmental initiatives and business partnerships on creating an economic win-win strategy.

A crucial component of Arena's environmental and social sustainability strategy is the **'Local Indirect Purchasing Policy'**.

This policy prioritizes purchasing consumables, services and equipment from nearby suppliers when price and quality are comparable. To facilitate this, Arena has established a list of "preferred" local suppliers for various goods and services, which is regularly updated to meet the company's needs.

This approach represents a win-win strategy, not only reducing the impact on the environment mainly through a reduction in logistics-related emissions, but also contributing to the economic and social development of small businesses in the area.

Additionally, Arena has implemented a Green Purchasing Policy for consumables that establishes sustainability criteria for identifying "green" products and services purchased for Arena entities.

COMMITMENTS FOR THE FUTURE



Support projects and initiatives under the Protect, Love and Learn pillars according to “**Community Impact Policy**”



Sponsorship **with impact clauses** (Impact Terms) to generate and monitor social and environmental impact

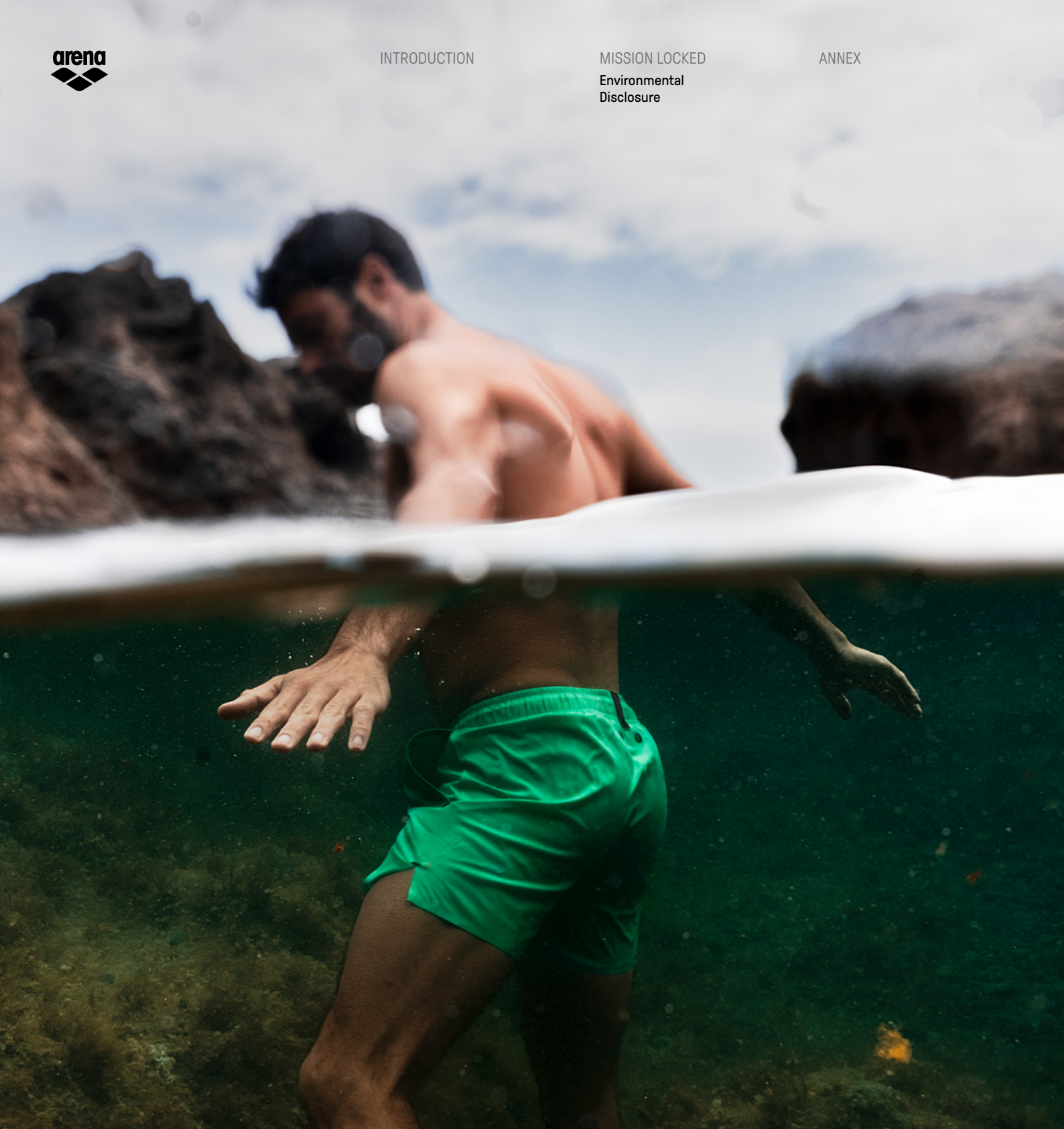


In the context of Love Water: **+105,000 people** practice sports in sports clubs supported by Arena



In the context of Love Water: **+5,000 children** participate in club swimming programs or Arena supported projects

ARENA'S COMMUNITY COMMITMENTS FOR 2024



ENVIRONMENTAL DISCLOSURE

“We take care of our planet to take care of ourselves. Each of us has an impact on the environment, so it is important that we all contribute to reducing our impact. Our goal is to create a future where everyone can swim and do water sports in a healthy environment. Driven by our passion for an active lifestyle in and by the water, we are actively engaged in this mission”.

Peter Graschi – CEO Arena

Anthropogenic carbon emissions are disrupting the Earth's climate balance. The scientific community agrees that humanity still has the chance to preserve the planet, but it is crucial to act quickly and collaboratively. Reducing carbon emissions is critical to limiting the global temperature increase to 1.5 °C, as outlined in the Paris Agreement.

Arena operates in the textile industry, which is known for its significant environmental impact and substantial contributions to global carbon emissions. The company faces common challenges in this sector, including high-water consumption and waste management from discarded products. Nevertheless, Arena is committed to leading the transition towards regenerative, collaborative, and circular systems, prioritizing the well-being of communities and the environment.

This commitment is reflected in Arena's ongoing assessment of its environmental impact, setting improvement targets for each stage of production, and adopting innovative solutions to protect the planet. Reducing carbon footprint and managing resources such as energy, water, and raw materials are crucial to fostering social resilience and ensuring a sustainable future for humanity and the planet.

Environmental protection is not just an ethical imperative but also a robust business strategy. To thrive, businesses must prioritize sustainability and climate action. The coming years will be critical in determining which companies emerge as leaders of the future.

THE ENVIRONMENTAL MANAGEMENT OF ARENA

Arena has adopted an ESG Policy that reflects the organization’s commitment to addressing the relevant impacts, risks and opportunities identified during the Double Materiality Assessment. Its environmental protection commitments focus on:

- Analyzing and reducing the environmental impact of products and services throughout their life cycle.
- Managing resources responsibly to promote sustainable development that safeguards the environment and the rights of future generations.
- Responsibly managing its supply chain to ensure respect for the environment and requiring its suppliers to adopt business management models that adequately address relevant environmental issues.

This document outlines several key principles for the Group, including the environmental pillar in which the following principles are identified:



PROTECT OUR PLANET WATER

Protect the marine ecosystem and the quality of our water, to secure the future of humankind.



INTENSITY & CO₂ EMISSIONS

Contribute to the fight against climate change by evolving our business towards net-zero.



SUSTAINABLE PRODUCT INNOVATION

Bring sustainability to the forefront of our product design, by radically innovating the entire value chain.



RESOURCE MANAGEMENT

Manage water, waste, and chemicals responsibly along our supply chain to ensure their integrity for future generations.



RAW MATERIALS & CIRCULARITY

Embrace a circular mindset. Commit to the search for the most sustainable and high-quality raw materials to guarantee product performance and low environmental impact, while recognizing waste as a valuable resource.



SUSTAINABLE LOGISTICS

Improve the quality and the sustainability performance of our inbound and outbound logistics, through continuous measurement and strategic partnerships.



Environmental protection is one of the four pillars of the **Company bylaws**, underlining the importance of incorporating sustainability as a cornerstone of the overall quality of our services and products.

With this approach Arena includes sustainability in the product development process thereby promoting a profound transformation of the Company's business model and operations. This vision aligns with European climate neutrality goals and Italian ecological transition imperatives, demonstrating Arena's commitment to a more sustainable and environmentally friendly future.

CLIMATE CHANGE

Our planet is home to natural paradises where we can swim, dive, and relax. This is a gift that, unfortunately, humans are progressively spoiling due to pollution of natural resources. Arena is actively involved in defending these ecosystems through concrete actions and goals aimed at improving the lives of all living beings and protecting the natural resources within them.

DOUBLE MATERIALITY ASSESSMENT - CLIMATE CHANGE

The Double Materiality Assessment identified, from an Impact Materiality perspective, GHG emissions generated along the value chain (i.e. Scope 3 emissions) as the most significant negative impact caused by the organization. These emissions are particularly problematic when it comes to the purchase of goods and services, waste management, logistics and end-of-life treatment of sold products.

From a Financial Perspective, the materiality of the topic is driven by the opportunity to contribute to the spread of renewable energy through self-production, however also presents risks inherent in the transition to a coal-free economy and extreme events linked to climate change, leading to possible slowdowns or higher prices.

POLICIES, ACTIONS AND TARGETS

The ESG Policy outlines two main guidelines for the fight against climate change and to respond to its impacts, risks, and opportunities. The first is the principle on intensity & CO2 emissions while the second is the principle on sustainable logistics.

In its company bylaws Arena also formalized **fourth commitment** which states: *“We consider sustainability a fundamental part of the definition of quality, integrating it into product development processes and promoting a sustainable evolution of business models and operating processes in line with the European objectives of climate neutrality and the Italian objectives of ecological transition”.*

This commitment encompasses both targets achieved in 2023, including those relating to consumption and emissions of the Arena Group and includes the following goals:

- At least 50% of electricity should be sourced from renewable energy (this target has been surpassed because, currently, the Company has an average coverage of 64%).
- 10% reduction in the carbon intensity index (currently achieved as the Company is at 17%).



In addition to these targets, since 2020, Arena's headquarters in Tolentino and its Italian retail network have attained a total coverage of electricity demand with renewable energy with guarantees of origin.

The installation of solar panels for the self-production of renewable energy at the Arena's production plant further demonstrates the Company's commitment to reduce GHG emissions. Specifically, at Rovetta the solar panels allowed Arena to reach a **share of 69%** (+14% vs 2022) of electricity through self-production, and in Slovakia 69 Mwh of renewable energy in 2023, for an approximate 32.5% share of renewable energy.

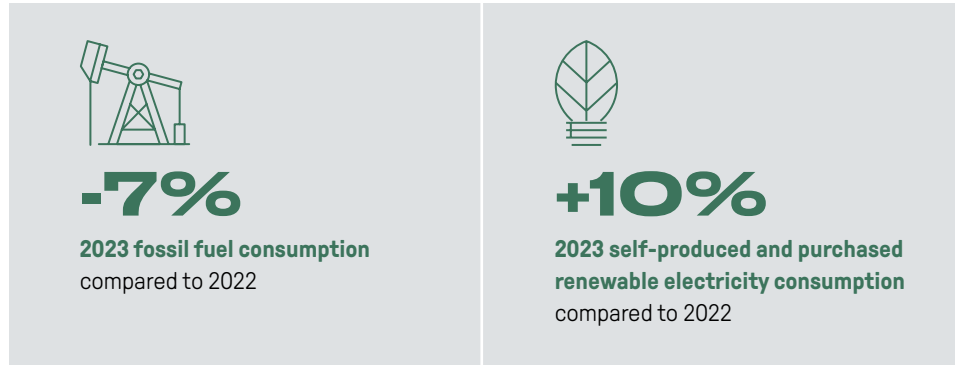
Additional actions to increase energy efficiency and reduce GHG emissions include: LED revamping in the offices and energy efficiency tips to enhance sustainable behaviors of employees.

In 2023, Arena offset about 400 tCO₂ through a project in partnership with zeroCO₂ for the regeneration of forest ecosystems. The project has led to the reforestation of 4,774 m² of land and planting 5,933 mangrove trees in Guatemala. Specifically, the initiative aims to offset CO₂ generated by the Company for its two annual sales meetings to present the S/S and F/W collections to its salesforce and attended by over 200 people from around the globe. Arena's goal is that every event it holds is planned and executed with concern for environmental, social and economic issues and to minimize the effects, ideally leaving a positive legacy for the host community.

Through its partnership with zeroCO₂ Arena has also helped regenerate marine and land ecosystems, allowing the recovery of lost flora and fauna due to pollution and global warming, whilst making a social contribution to the local community by involving 10 families in the activities.

Arena's **Travel Policy** has also been adapted to reflect its commitment by outlining key principles for a more sustainable approach to business travel by avoiding unnecessary trips and increasing the use of video calls.

ENERGY CONSUMPTION METRICS



In continuity with the previous year, also in 2023, the Arena Group assessed its environmental impact by measuring its energy consumption and related CO₂ emissions, in line with the requirements of the GHG Protocol and the ESRS.

For the Group, the measurement of its own consumption and emissions represents a fundamental **building block**, as it is the basis for studying its own carbon footprint and for structuring an ambitious environmental sustainability strategy that is, at the same time, firmly based on the data in its possession.

Arena is constantly working to reduce its environmental footprint, despite being a large company and operating in a sector that pollutes considerably due to the characteristics of its business.

Energy consumption from fossil fuels (consolidated data)

⁷ Data scope for 2022 and 2023 excludes US and Slovakia sites. Fuel consumption has been estimated based on monetary spent with the following assumption: 1.8 euro/litre and 15 km/litre.

⁸ Data scope for 2022 and 2023 includes Italian HQ only.

⁹ Data scope for 2022 and 2023 excludes Slovakia site.

	M.U.	2023	2022
Diesel (company fleet) ⁷		992	936
LPG ⁸		136	229
Natural gas ⁹	MWh	907	1.028
TOTAL		2,035	2,194

The table above illustrates that Arena's actions to reduce the use of traditional energy sources are having a positive impact. In fact, a reduction trend of 7%, compared to 2022, in the use of fossil fuels was achieved by the organization mainly due to the decrease in LPG consumption (-41%) and the saving of natural gas (-12%), while there is an increase in the use of diesel by 6%.

**Energy consumption from electricity
(disaggregated data)¹⁰**

	M.U.	2023	2022
ITALY		693	723
Electricity (non-renewable)	MWh	14	17
Electricity (renewable)		679	706
FRANCE		199	211
Electricity (non-renewable)	MWh	151	161
Electricity (renewable)*		48	51
GERMANY		22	20
Electricity (non-renewable)	MWh	17	15
Electricity (renewable)*		5	5
USA ¹¹		66	1
Electricity (non-renewable)	MWh	50	1
Electricity (renewable)*		16	0.33
SLOVAKIA		143	199
Electricity (non-renewable)	MWh	60	84
Electricity (renewable)*		83	115
TOTAL		1,123	1,155
Electricity (non-renewable)	MWh	292	278
Electricity (renewable)		831	877

¹⁰ The data collection process has been improved in 2023.

¹¹ The data collection process was improved in 2023.

* The amount of renewable electricity derives from the national grids' energy mix.

The table above demonstrates the increase in purchased and/or acquired electrical energy by Arena, entirely attributable to the increased use of purchased renewable electrical energy at the Italian site of Tolentino and Powerskin production plant in Slovakia and the installation of solar panels in Rovetta.

Including its self-produced renewable electrical energy through photovoltaic system, the figures of the Arena Group are as follows:

**Self-produced renewable energy
(consolidated data)**

	M.U.	2023	2022
of which consumed		101	27
of which returned to the network	MWh	0	0
TOTAL		101	27



METRICS - DIRECT AND INDIRECT EMISSIONS

The effort and actions implemented by the Group to increase energy efficiency, purchase, and self-produce renewable energy, generates a direct impact on reducing the carbon footprint of the business. This approach is the first step towards aligning Arena's commitment with the European Union goal set with the New Green Deal to achieve carbon neutrality.

In 2023, Arena continued assessing the GHG impacts across operations using the GHG Protocol guidelines for Scope 1 and 2 emissions. It is committed to performing the calculation of Scope 3 emissions in 2024 with a significant supplier engagement activity to achieve an accurate and complete inventory of upstream GHG emissions.

Below is a breakdown of Arena's Scope 1 and Scope 2 emissions with the calculation of the breakdown by Location-based and Market-based methods.

Scope 1 Emissions¹² (consolidated data)

DIRECT EMISSIONS	M.U.	2023	2022
Natural gas	tCO ₂ e	183	208
LPG		36	61
Diesel (company fleet)		265	250
TOTAL		484	519

¹² The emission factors used for the calculation of Scope 1 emissions are those published in DEFRA 2023 and ISPRA 2022.

Scope 2 Emissions ¹³ (Disaggregated data)

INDIRECT EMISSIONS	M.U.	2023	2022
ITALY		4	5
Non-renewable sources	tCO ₂ e	4	5
Renewable resources		0	0
FRANCE		52	55
Non-renewable sources	tCO ₂ e	52	55
Renewable resources		0	0
GERMANY		6	5
Non-renewable sources	tCO ₂ e	6	5
Renewable resources		0	0
USA		17	0.4
Non-renewable sources	tCO ₂ e	17	0.4
Renewable resources		0	0
SLOVAKIA		37	52
Non-renewable sources	tCO ₂ e	37	52
Renewable resources		0	0
TOTAL		116	117
Non-renewable sources	tCO ₂ e	116	117
Renewable resources		0	0

¹³ EF: Ember (2024); Energy Institute - Statistical Review of World Energy (2023).



WATER AND MARINE RESOURCES

Water is an **essential resource** for humanity. It is vital for sustaining all forms of life and captivates millions with its beauty and power.

Every day, countless people flock to lakes and coastlines to enjoy water-based activities. Swimming, one of the oldest and most popular sports worldwide, offers remarkable benefits for both physical health and psychological well-being.

Facilities designed for swimming create spaces for social interaction, where people can join together in moments of joy and relaxation. Thus, water not only supports life but also our daily experiences, making them more dynamic and fulfilling.

For this reason, the Group diligently monitors its environmental impacts to continuously enhance the protection of this invaluable natural resource, which is part of the Company DNA.

DOUBLE MATERIALITY ASSESSMENT - WATER AND MARINE RESOURCES

The Double Materiality Assessment for water and marine resources has identified negative impacts and risks associated with Arena's water management, primarily due to its core business and supply chain in the textile industry, which significantly affects this vital resource.

While Arena is not directly responsible for water consumption in production, upstream processes such as dyeing are water-intensive and contribute to overall impact.

POLICIES, ACTIONS AND TARGETS

Arena committed to its ESG Policy with the principle "**Protect our planet's water**" and reinforces this commitment in the "Community Impact Policy".

Below are key actions and initiatives that have been undertaken:

- In 2023, Arena Group improved its **monitoring of water consumption** by including data collection from its **French sites and US office**, offering a more comprehensive and detailed overview. The goal is to collect data from all group locations by 2025.
- **Healthy Seas project:** This initiative focuses on cleaning seas of abandoned fishing nets and raising awareness about marine pollution among new generations and fishing communities. In collaboration with volunteer divers from the Ghost Diving Foundation, the project retrieves fishing nets from the seas and oceans. Aquafil, a founding partner of Healthy Seas, recycles these nets along with other nylon waste such as carpets and industrial plastics into ECONYL®, a 100% regenerated nylon yarn. Without this process, these materials would end up in landfills. Subsequently, one of Arena's main textile suppliers, Carvico, uses ECONYL® yarn to produce the fabric used in the new Powerskin ST NEXT competition swimsuit. This collaboration enables Healthy Seas to conduct more ghost net clean-up operations and implement educational programs globally.

METRICS – WATER WITHDRAWALS

Arena tracks water withdrawals across its sites which are primarily for civil use.

Only limited withdrawal is reported for Germany due lack of data.

Water discharge metrics are calculated on the assumption that the total amount of water withdrawn is subsequently discharged.

Water withdrawals ¹⁴

WATER WITHDRAWALS BY SOURCE	M.U.	2023	2022
SURFACE WATER (TOTAL)		-	-
Fresh water	m ³	-	-
Other water		-	-
GROUNDWATER (TOTAL)		-	-
Fresh water	m ³	-	-
Other water		-	-
WATER PRODUCED (TOTAL)		-	-
Fresh water	m ³	-	-
Other water		-	-
THIRD PARTY WATER (TOTAL)		7,635	4,506
Fresh water	m ³	7,635	4,506
Other water		-	-
TOTAL WATER WITHDRAWAL		7,635	4,506
Fresh water	m ³	7,635	4,506
Other water		-	-

¹⁴ The sources of this data is water utilities for Italy, USA and Slovakia and local rental contracts for France. Data for Germany includes the rental contract and might not cover the full scope.
Fresh water (<=1,000 mg/L total dissolved solids);
Other water (>1,000 mg/L total dissolved solids)

The increase in withdrawals (and therefore discharges) in 2023 compared to the previous year is primarily attributed to a significant improvement in monitoring corporate consumption.

Water discharges ¹⁵

WATER DISCHARGES BY SOURCE	M.U.	2023	2022
SURFACE WATER (TOTAL)		-	-
Fresh water	m ³	-	-
Other water		-	-
GROUNDWATER (TOTAL)		-	-
Fresh water	m ³	-	-
Other water		-	-
WATER PRODUCED (TOTAL)		-	-
Fresh water	m ³	-	-
Other water		-	-
THIRD PARTY WATER (TOTAL)		7,635	4,506
Fresh water	m ³	7,635	4,506
Other water		-	-
TOTAL WATER DISCHARGES		7,635	4,506
Fresh water	m ³	7,635	4,506
Other water		-	-

¹⁵ Data scope: full scope for Italy, France, USA and Slovakia. Only partial data for Germany.

WASTE MANAGEMENT

Waste management is one of today's greatest challenges. In a world that is growing quickly and constantly, waste is multiplying. Unless specific targeted action is taken, our land and marine ecosystems could be permanently damaged. Arena has a crucial role to play in reducing waste and in employing recyclable or easily disposable materials.

DOUBLE MATERIALITY ASSESSMENT - WASTE

The Double Materiality Assessment confirmed that Circular Economy as a top priority for the Group. The main impact is the production and inadequate management of hazardous and non-hazardous waste, as well as its disposal.

There is also a risk associated with the inability to adapt material and product design to circular economy standards. However, this challenge may also present an opportunity to implement circular mechanisms that reduce reliance on ecosystems.

POLICIES, ACTIONS AND TARGETS

The ESG Policy embraces the principles of **Raw Materials & Circularity** emphasizing the importance of a circular mindset and sourcing the most sustainable, high-quality raw materials to achieve product performance and low environmental impact, while recognizing waste as a valuable resource.

Arena has instituted proper waste management with waste mainly generated at the offices. At all sites, Arena has implemented a separate waste collection system, and, at Tolentino HQ, it has also held trainings for its employees to increase awareness and improve the quality of waste by removing it from disposal. The main source of waste at the Italian sites is paper and cardboard from the offices and packaging from the warehouses for which recovery actions have been implemented.

In 2024 Arena plans to roll out a pilot project at its directly operated stores to **withdraw product that is damaged or at the end of its life cycle**. The goal is to develop an approach to extend the life of these products or seek more sustainable solutions for the recovery or recycling of materials as new resources.



Lastly, in 2023, the Group organized the **“Clean Up Day”** in partnership with Plastic Free (a non-profit organization founded in 2019 focused on the restoration of ecosystems and cities). The objective was to remove plastic waste from “Lago delle Grazie” in Tolentino. The project involved about 230 employees from Arena and Poltrona Frau, who had participated in online training to raise awareness on plastic pollution. The volunteers, divided into different teams, collected over a ton of waste, including glass bottles, plastic, and cigarette butts. The collected material was weighed and accounted for by Plastic Free together with the local waste management company.

METRICS – WASTE DISPOSAL

As commercial units, the sites in the USA, France, and Germany produce exclusively urban waste and are not considered within the scope of the data of this report.

Resources outflows - waste ¹⁶

WASTE DIVERTED FROM DISPOSAL	M.U.	2023
HAZARDOUS WASTE DIVERTED FROM DISPOSAL		0.03
Preparation for reuse		-
Recycling	Ton	-
Other recovery operations		0.03
NON-HAZARDOUS WASTE DIVERTED FROM DISPOSAL		123.95
Preparation for reuse		-
Recycling	Ton	0.5
Other recovery operations		123.45
TOTAL WASTE DIVERTED FROM DISPOSAL		123.98
Preparation for reuse		-
Recycling	Ton	0.5
Other recovery operations		123.48

¹⁶ Data scope: data in the table is available for the Italian sites only. Data for Germany, USA, Slovakia and France is not included.

COMMITMENTS FOR THE FUTURE



65% of the energy of the Arena Group must be renewable



Implementation of the **“Take-back program”** for damaged/broken products or products that have completed their life cycle



Stop the use of gasoline at the Italian plant of Tolentino (only plant in which it is present)



Photovoltaic plant at Tolentino (HQ)



Improved collection of water consumption data

ARENA'S ENVIRONMENTAL PROTECTION COMMITMENTS FOR 2024



CIRCULAR ECONOMY & VALUE CHAIN DISCLOSURE

Arena's mission is to cultivate a long-lasting passion for sports and water by developing products that ensure high performance without harming the environment.

With more durable and less polluting products, the Company hopes to encourage people to protect natural ecosystems. This commitment guides Arena to connect people to water, sporting excellence, and environmental sustainability.

100% of swimwear and beachwear styles made with responsible features

100% of paper packaging in FSC-certified paper

The value chain typically includes all stages in a product's life, from the supply of raw materials through to disposal after use, and includes the activities linked to value creation such as business models and consumption patterns. The Arena value chain comprises all activities that provide value to the product from designing, producing, distributing, and using the product, including the extraction and supply of raw materials, as well as activities involving the product after it is no longer being used.

In particular, the value chain is responsible for a significant generation of global greenhouse gas (GHG) emissions, as well as substantial pollution, water extraction and consumption, and biodiversity impacts. Risks for workers in the textile value chain are exploitation, systematic underpayment, forced labor, severe health risks and verbal and physical abuse.

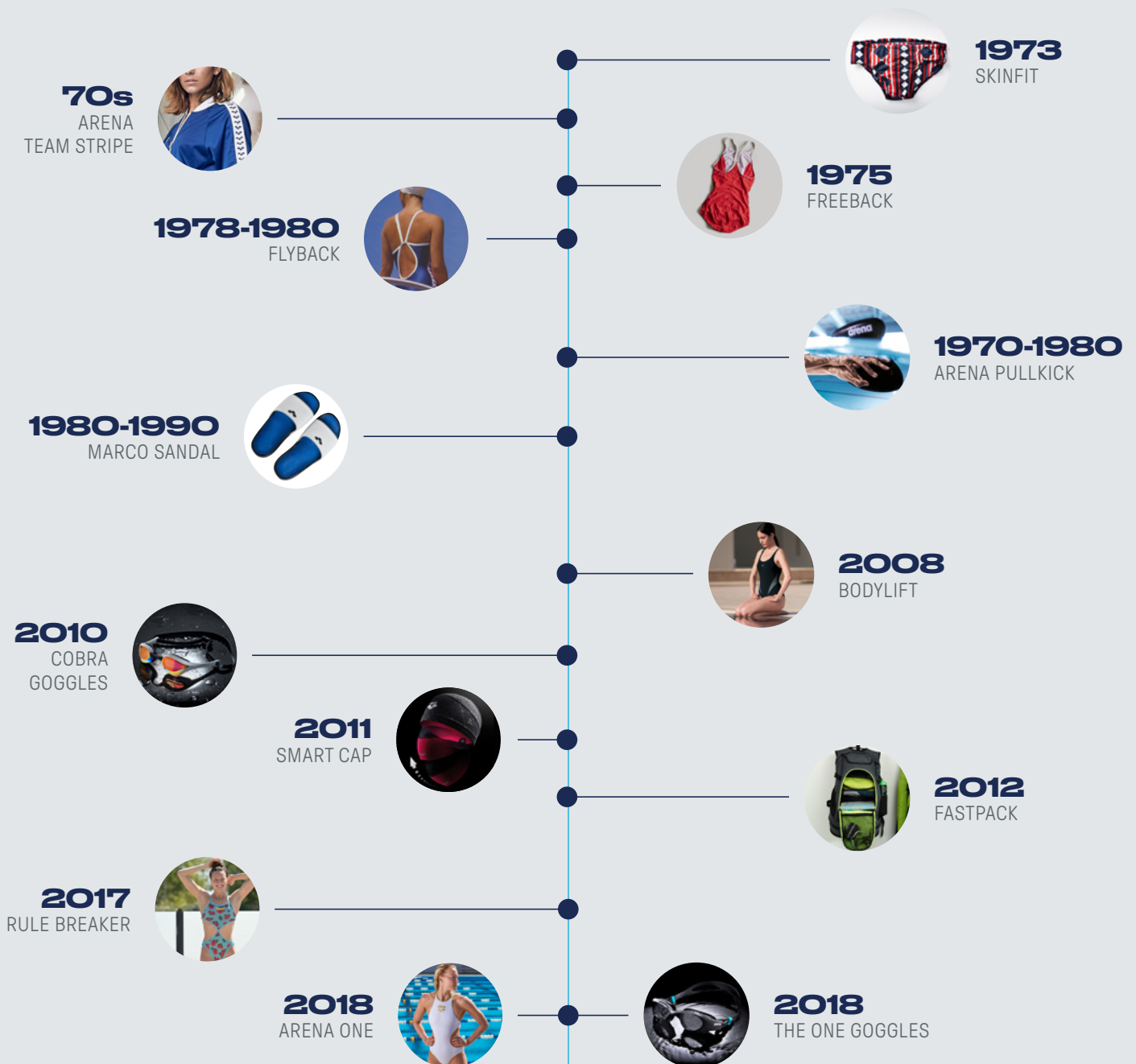
It is imperative to conduct thorough due diligence on the company value chain, which is key to producing top quality and high-performing products on the one hand but can represent a significant area of negative impacts on the other.

To ensure that production practices meet high ethical and ecological standards Arena partners with suppliers who share the same sustainability values. The adoption of innovative technologies and careful resource management are crucial to enhancing energy efficiency and reducing waste. Continuous monitoring of environmental performance allows for timely interventions to improve the sustainability of the entire value chain. Collaboration and shared values are also key for forging long-lasting relationships with suppliers which become strategic partners for long-term responsible growth.

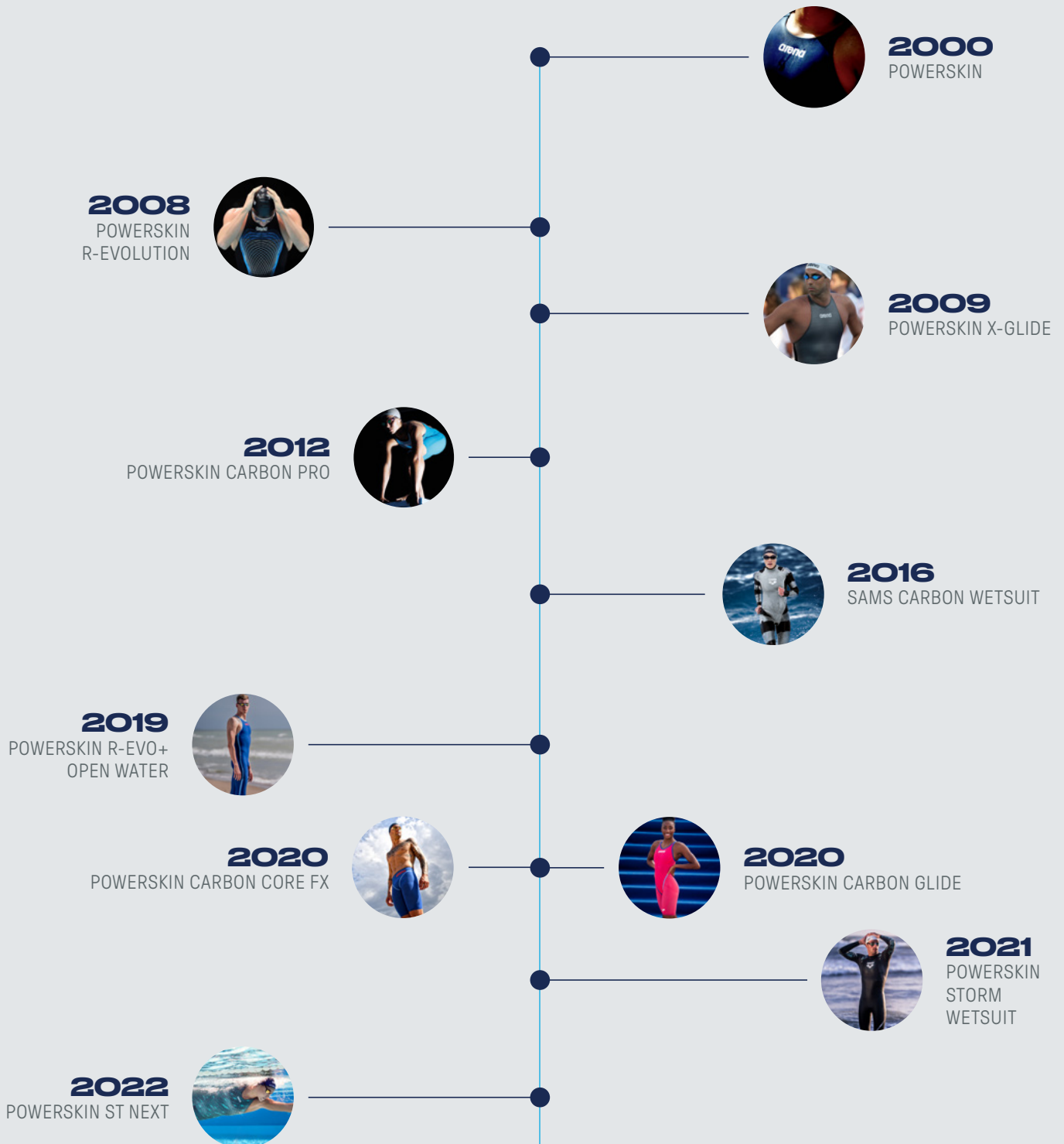
50 YEARS OF ARENA'S PRODUCT HISTORY

Since 1973, Arena has transformed the concept of swimming for enthusiasts and professional athletes by combining the perfect materials for racing, without compromising product design and aesthetics.

Evolution of Arena products since 1973



Evolution of Arena racing suits



CIRCULAR ECONOMY

Customer satisfaction and environmental impact reduction are crucial to Arena's design and manufacturing process. The Company proudly accepts the challenge of ensuring excellent product performance while pursuing environmental and social sustainability.

It is also an opportunity to drive innovation as the focus on sustainability begins with design and sourcing of materials to ensure high performance and low environmental footprint but also must comprehend the manufacturing process as well as the product end-of-life management.

ARENA DESIGN PILLARS

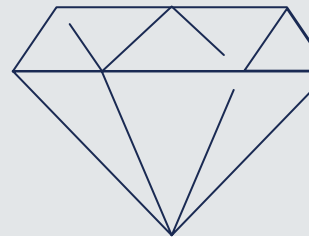
HIGH PERFORMANCE

Maximum comfort and performance are priorities in our swimwear. Our innovative materials and streamlined, athletic cuts focus on ease of movement and comfort for all body types, whether you are swimming laps or enjoying leisurely dips in the ocean.



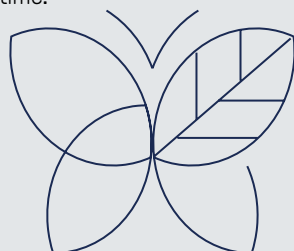
DURABILITY

Durable, multi-use products reduce environmental harm over long life cycles. We select high-quality, long-lasting materials and components so your swimsuit and other products withstand many seasons of swimming.



LOW ENVIRONMENTAL IMPACT

Choosing eco-friendly materials, and cutting waste and pollution, are vital for dealing with the environmental challenges of our time. Circular models are essential to our brand mission, with optimized production processes to minimise waste and environmental harm.



RESPONSIBLE SUPPLY CHAINS

Responsible, ethical supply chains that positively impact and inspire communities and protect resources for future generations through fair, sustainable practices for each individual product made.



DOUBLE MATERIALITY ASSESSMENT - CIRCULAR ECONOMY AND VALUE CHAIN

The process outlines Arena's priority to develop high-performing materials, innovative products and solutions for its customers while simultaneously communicating transparently in its marketing activities and product labeling. It also emphasized the need for proper waste management and end-of-life of the products. In addition to the environmental impacts described in previous sections, Arena's assessment of its supply chain also identified positive impacts including the promotion of health & safety practices among suppliers and the suitable and fair management of employees.

From a financial perspective, two opportunities arose from the digitalization process to serve customers and enhance customer experience online and the possibility to support operations with innovative and digitalized solutions.

On the other hand, Arena may also face risks related to integrating circularity principles in the product design and production process.

POLICIES, ACTIONS AND TARGETS

Product design and quality

The **ESG Policy** centers on Product quality and safety and Sustainable product innovation. These two principles confirm Arena's commitment to ensuring the highest standards of performance, quality, and product safety to increase customer satisfaction and bring sustainability to the heart of product design by radically innovating the entire value chain.

These commitments are also reflected in Arena's **Quality Manual**. Compliance with it is improved by quality controls conducted by both Arena personnel and independent third-parties at every stage of the production process. This ensures that each product meets the highest quality criteria and standards. The quality system is based on a **risk-oriented approach**, which allows the Company to identify critical issues and intervene promptly to mitigate them. Quality standards are monitored through monthly reports on specific Key Performance Indicators. A key metric for Arena is the defectiveness index that in 2022 recorded a rate of 0.03% and is estimated to remain the same for 2023.

In addition, Arena manages the safety of products through the constant updating of the **Restricted Substances List (RSL)**, covering 100% of the product portfolio. This list, which catalogues all restricted substances and related detection limits for the materials and fabrics used, is updated annually according to the most stringent regulations and voluntary limits. It also includes a list of allergens that are not banned, but can cause reactions for the user. In this case, Arena collaborates with suppliers to find alternative materials.



Furthermore, Arena has a chemical due diligence plan that, using a risk-based approach, aims to ensure that products comply with Arena's RSL.

The Quality Manual and RSL, together with the CSR Manual, are an integral part of supplier contracts (GTT&C).

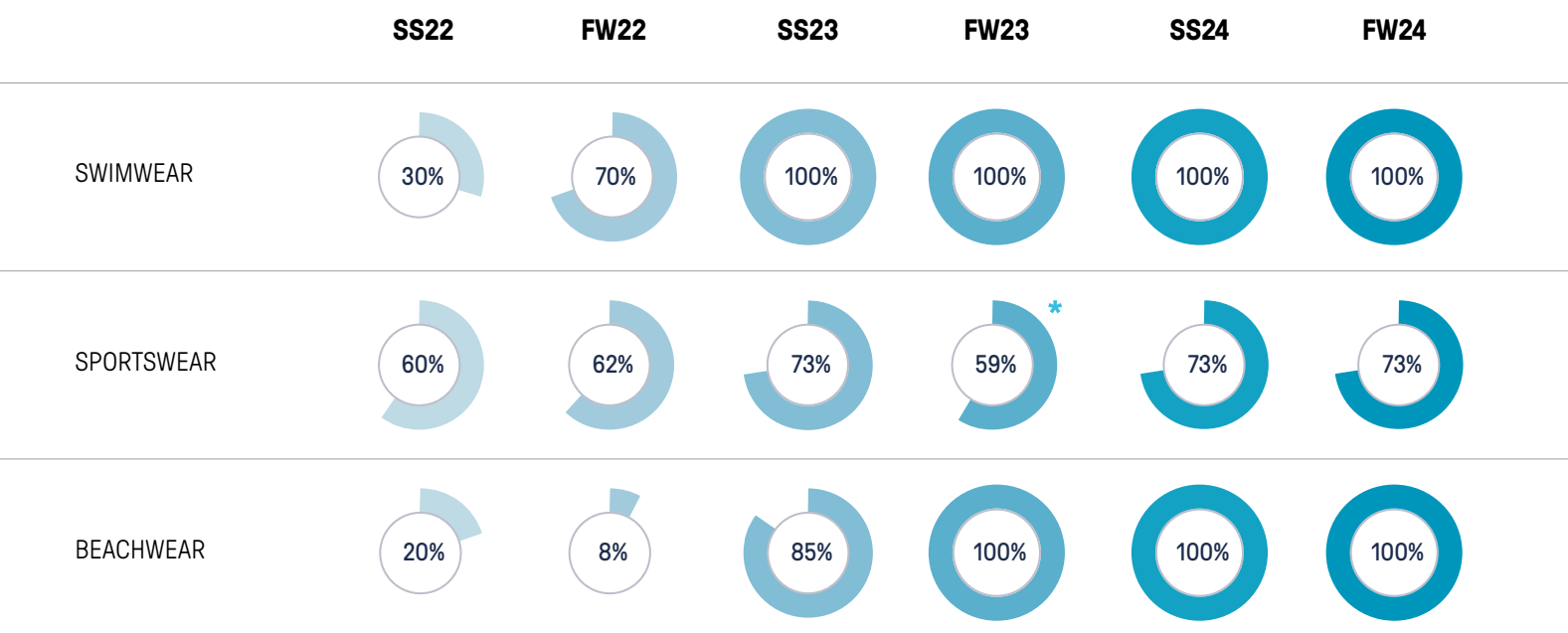
To meet its objective of Sustainable product innovation and bringing sustainability to the forefront of product design by radically innovating the entire value chain, Arena is continuously increasing the use of sustainable certified materials, such as recycled fibers, demonstrating its dedication to eco-design.

Arena is also working on increasing use of responsible attributes for its products, in detail:

- **Recycled fibers:** Commitment to use third-party certified materials such as the Global Recycled Standard.
- **Organic cotton:** Cotton grown using agricultural methods that do not use synthetic pesticides, chemical fertilizers, or other harmful chemicals.
- **OEKO-TEX Made in Green certification:** The certification focuses on product safety and sustainable manufacturing processes.

On this specific topic, Arena has set ambitious targets for an annual increase in the percentage of styles with responsible attributes that will cover 100% swimwear and beachwear styles and 73% of the sportswear styles by 2024.

Percentage of styles with responsible features



*(FW23 vs FW22) In FW23 Sportswear collection has been optimized therefore the % of recycled styles were lower due to a decrease of total n. of styles.



Finally, to facilitate recovery and recycling, Arena is working on increasing the percentage of mono-fiber textiles (100% recycled polyester) without elastomeric fibers. This project must also take into account Arena and its customers focus on product quality and performance and will therefore undergo multiple performance and usability tests.

The **“Second Life”** project was launched in In May 2023 to give new life to wetsuits, turning them into an entirely new object to fulfill a new purpose and avoid further waste. This initiative was developed to give a second life to old wetsuits at the end of their lifecycle. Developed in collaboration with SchwerelosigKITE, a German company specialized in product upcycling, and with the support of the University of Saarbrücken in the south of Germany. Their teams created the design and the pattern and produced the first prototypes at the University of Saarbrücken.

After a test phase, production started on the following range of items:

- Cases for laptop storage and safekeeping from scratches, bumps and humidity during transport.
- Multipurpose pouch, ideal for holding personal belongings at the beach or when travelling. The soft neoprene will protect them from scratches and humidity.
- Goggles cases to guard the lenses from bumps and scratches at the beach or lake where the goggles come into contact with sand or dust.
- Phone cases.

Arena involved its main Open Water athletes through seeding to support the project including Gregorio Paltrinieri, Leonie Beck, Florian Wellbrock, Océane Cassagnol and Sahika Ercumen, an environmental activist who raises awareness on plastic waste pollution.

Lastly, Arena is also working on increasing the percentage of recycled materials in its silicone swim caps and some swimming goggles, without compromising product quality and performance

PACKAGING



Packaging, plastic in particular, represents one of the greatest challenges for companies and society. More than 80% of the waste recovered in coastal areas is plastic.

Arena is committed to increasing the sustainability of its products and packaging. In 2023, Arena accelerated its conversion from plastic packaging to FSC-certified paper packaging. For example, all swimming goggles are now packaged with 100% FSC certified paper.

The goal is to work on **mono-material packaging**, eliminating almost all blister packs (mix of paper and plastic) to enable recycling and recovery.

Furthermore, in addition to the use of certified paper, Arena is progressively using more **recycled LDPE plastic**. Indeed, 100% of boxes containing swim caps are made with this type of recycled plastic, allowing complete recycling of the packaging.

METRICS - CIRCULAR ECONOMY

Total weight of materials inflows/outflows ¹⁷

	M.U.	2023
Raw materials		
Polyester		531
<i>of which recycled</i>		85
Polyamide (nylon)		267
<i>of which recycled</i>		122
Silicone		244
Cotton	T	198
<i>of which organic</i>		19
Eva		128
Others		120
Polycarbonate		83
Polyvinyl Chloride		64
Elastane		50
TOTAL - RAW MATERIALS		1,685
Semi-finished products or parts	T	-
TOTAL - SEMI-FINISHED PRODUCTS OR PARTS		-
Finished products	T	-
TOTAL - FINISHED PRODUCTS		-
Packaging		
Paper		251
Plastic	T	121
Packaging materials		-
TOTAL - PACKAGING		372

¹⁷ Methodological note: the calculation is made on the basis of the collections purchased in 2023 (FW23+SS24). Based on the number of pieces, composition and weight of each article, the weight of the materials purchased was determined. It should be noted that some articles are composed of a mix of the materials listed in the table, for which the % present in the composition was considered.

VALUE CHAIN

UPSTREAM VALUE CHAIN

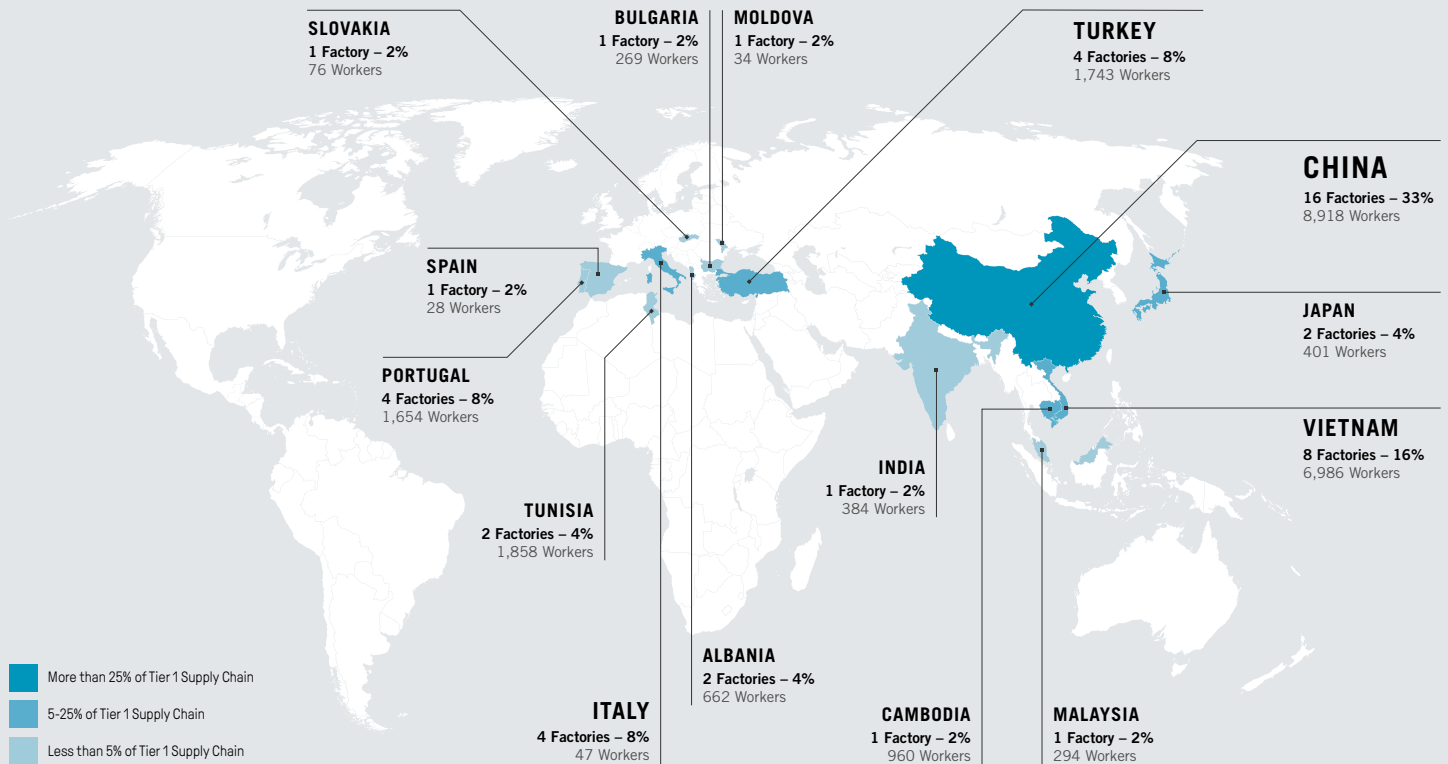
Arena emphasizes a strong collaborative relationship with its suppliers built on trust and mutual transparency. This cooperation enables improvements in production practices and the pursuit of high standards of quality, sustainability, and innovation.

The goal is to create synergies that optimize operational efficiency and ensure competitive, sustainable products in the global market.

Arena involves its suppliers in more than just manufacturing, they are included from the beginning of the development process, sharing ideas and goals. Arena is proud that more than 80% of tier 1 suppliers have been part of its community for more than eight years proof of a good long-lasting relationship.



Arena global Tier 1 supply chain network



The **ESG Policy** outlines Arena’s commitment to the proper management of the supply chain.

Supply chain commitments

- Arena responsibly manages its supply chain emphasizing respect for the environment and occupational health and safety issues in selecting suppliers, in contractual clauses and in the audit criteria. In addition, the Company requires its suppliers to implement a similar management model in their supply chain that complies with international standards and the laws and regulations of the countries where they operate.
- To maintain alignment between its corporate strategy and sustainability approach, Arena sets sustainability and social responsibility objectives that also refer to the Sustainable Development Goals (SDGs) defined in the United Nations 2030 Agenda.
- Arena is committed to ensuring the highest standards of human rights for workers in the supply chain.

Supply chain principles

SUPPLY CHAIN MANAGEMENT & EVOLUTION

Analyze the sustainability performance of our value chain and reward the best suppliers, identifying opportunities to evolving together for a more sustainable future.

LABOR & HUMAN RIGHTS IN THE SUPPLY CHAIN

Put people first, by ensuring labor and human rights protection along the value chain.

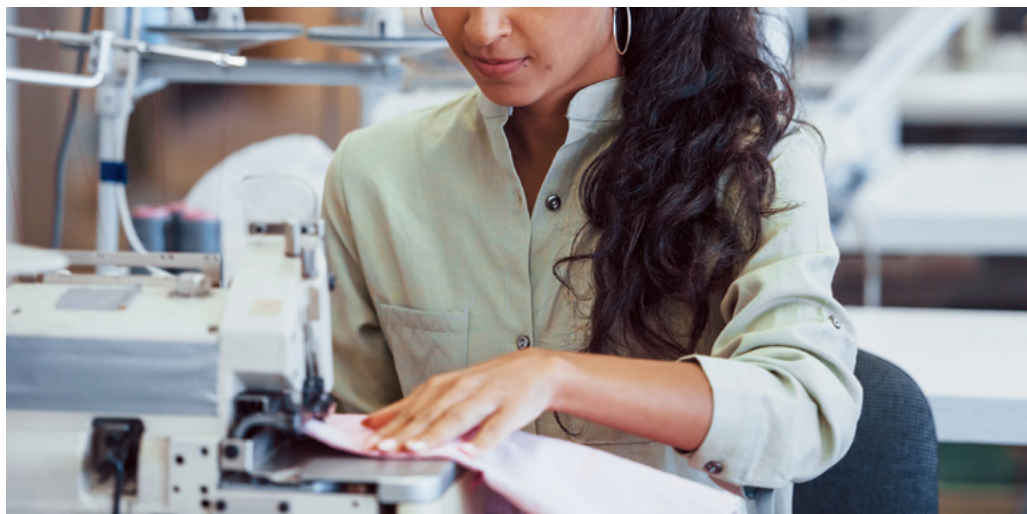


Arena has a strong CSR program for its supply chain and, since 2011, has also been a member of the Fair Labor Association (FLA), the leading global non-profit organization for the protection of workers' rights and improvement of working conditions. In 2017 Arena was the first brand headquartered in Italy to receive FLA accreditation for its CSR program for global Tier 1 suppliers.

CSR program pillars

- **Labor Force Act.**
- Provisions of the **Convention on the Rights of the Child.**
- **Elimination of all discrimination** along the supply chain.
- **Universal Declaration of Human Rights.**

Arena adopted the **Supplier Code of Conduct** and, in 2023, reached its goal of signing the document with all suppliers. The Code of Conduct requires the supplier to comply with the provisions in the document to maintain business relations with Arena.



Supplier Code of Conduct principles

EMPLOYEE RELATIONS

Employers shall comply with and respect employment rules and conditions which are not detrimental for employees and are aimed at least at protecting their rights, in accordance with national and international labor and social security laws and regulations.

NON-DISCRIMINATION

In the framework of employee relations, no employee or worker shall be subject to or suffer from any kind of discrimination regarding hiring, compensation, career development, discipline, termination, or retirement based upon gender, race, ethnic origin, religious belief, age, disability, sexual orientation, geographical origin, political belief, or social group.

RESPECT AND DIGNITY (NO HARASSMENT, NO VIOLENCE)

All employees shall be treated with respect and dignity. No employee shall suffer from any kind of physical, sexual, or psychological harassment or violence, or verbal abuse.

FORCED LABOR

The Supplier does not use forced labor in any form - prison, indentured, bonded or otherwise.

CHILD LABOR

The Supplier shall not employ or use in any other way any worker below the age of 15 or below school-leaving age, whichever is higher.

FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

The Supplier must recognize and fully respect the right of employees to collective bargaining and freedom of association.

THE ENVIRONMENT

The Supplier must comply with all applicable environmental laws and maintain written environmental policies and procedures when required.

The Supplier agrees to be monitored separately for environmental responsibility. Factories shall continuously monitor and disclose their energy and natural resource usage, emissions, discharge, carbon footprint and disposal of waste. Suppliers shall be strongly committed to taking any possible action to minimize any negative impact on any kind of environment, which may derive from their activity.

HEALTH AND SAFETY

The Supplier shall ensure a safe and healthy working environment to prevent accidents and injuries due to or occurring during work or resulting from suppliers' facilities.

HOURS OF WORK

The Supplier complies with legally mandated working hours according to respective national laws. The standard weekly working hours shall not exceed 48. The Supplier shall provide 24 consecutive hours of rest in every seven-day period. Overtime shall not be the standard practice nor mandatory but done on a voluntary and optional basis and fully rewarded at a premium rate. In any case, the supplier shall require overall no more than 60 hours of work (ordinary and overtime) per week, save under exceptional circumstances.

COMPENSATION

Every worker has the right to compensation for a regular work week that is sufficient to meet the worker’s basic needs and provide some discretionary income. The Supplier shall provide each employee with at least the minimum wage or prevailing wage applicable in their country for their sector, whichever is higher.

COMMUNITY

There is no value in financial success in any industrial venture unless there is also a commitment to social progress. Arena supports “fair compensation” initiatives aimed at improving the gap between the legal minimum wage and the fair wage of its employees and all workers in its supply chain. Arena also encourages all Suppliers and their employees to get involved in local social and environmental community charity initiatives by volunteering time and/or providing other types of support.

SOURCING AND SUBCONTRACTING

All sources of supply (raw materials, accessories, semi-finished goods, finished goods, etc.) must comply with this code. Arena does not permit subcontracting without prior written approval. The Supplier shall also guarantee compliance by each approved sub-contractor involved in manufacturing Arena products.

In order to ensure the proper application of these principles, Arena also provides all internal and external employees with a means of communicating any violation, complaint or concern. All supplier employees and workers can email grievance@arenasport.com. All the communications will be strictly confidential.

To effectively ensure the implementation of a dedicated approach to the quality and responsibility of its products, Arena has implemented a careful vetting process for its suppliers, aimed at forging partnerships with companies that share the same mindset as Arena on social and environmental responsibility.

Arena’s qualification criteria consider these macro-areas:

Product Development

Product Planning

Product Process

Quality Control

Health, Safety & Environment

Product Safety & Certification

Social Responsibility

The Supplier Qualification Process has three main phases.

1. **Self-Assessment (SAT):** A self-assessment is requested from the supplier based on which Arena initially assesses the potential supplier and identifies possible improvements needed before the second phase. Three outcomes are possible from the self-assessment:
 - **Positive:** Proceed directly to Phase 2;
 - **Suspended:** Some improvements are necessary to start the relationship. In this case, the supplier must submit a Corrective Action Plan to Arena before advancing to Phase 2. In the meantime no Arena production can start in that factory.
 - **Negative:** The factory is not qualified and no Arena production can start in that factory.
2. **Factory Assessment:** This phase is overseen by Arena' Global Sourcing team (or a designated external service provider). The purpose of this phase is to review the supplier's previous answers on site and verify the effectiveness of any implemented improvements agreed after the first phase. The result of this evaluation indicates whether a potential supplier can start Arena production.
3. **Follow-Up Audit:** Arena conducts a follow-up audit if the supplier has accepted a Corrective Action Plan within 3 months.

Following the qualification process, suppliers undertake the CSR monitoring process. Through third-party assessments and the FLA Assessment, Arena uses a risk-based approach to review the respect for human rights and its code of conduct at the suppliers' factory. The audits follow a specific checklist, together with worker interviews and an informal annex. The report includes full photo reports and a Corrective Action Plan signed by the supplier.

The CSR Team then updates the supplier's ranking matrix based on the results of the audit. The list of qualified suppliers is publicly available on the Company website.

DOWNSTREAM VALUE CHAIN: CONSUMERS AND END USERS

The Arena downstream value chain comprises two main channels:

1. **B2B:** This includes all sales to distributors and retailers who, in turn, sell to the end consumers.
2. **Points of sale and website:** Arena reaches its customers directly through physical shops located in Italy, France, and Germany or through e-commerce or online sales in marketplaces.

The ESG Policy establishes principles for its downstream stakeholders on two significant topics:

TRANSPARENCY & ECOLABELLING

Improve the traceability of the value chain and increase transparency towards consumers on the product's social and environmental impact over its life cycle.

PRIVACY & DATA SECURITY

In a world that is becoming increasingly data-driven, ensure the confidentiality of all information shared with us by customers and stakeholders.

Arena applies a 360-degree approach to transparency throughout the value chain, guaranteeing clarity and accountability at every stage. This involves suppliers, business partners, end consumers, and customers, including distributors and retailers. In this way, Arena is assured that stakeholders are informed and aligned with the values of quality, sustainability, and safety that characterizes its products.

To this end Arena shares an essential document called '**Marketing Communication and Labelling Procedures**' both internally with the Product, Marketing, and Sales departments and externally with B2B customers. This document outlines all mandatory information to be included on products and packaging and the rules to be followed for clear, non-misleading and transparent communication to end customers.

At its warehouses the Company introduced IT software (SAP) for optimizing materials and goods management, thus also improving logistics and better satisfying customer needs.

In case of claims, the returns process has a dedicated procedure for the proper management of this key process to ensure transparency and satisfaction.

In 2023, the quality department held a **training course on returns and quality problems** so that the after-sales department and distributors can properly manage the process and interactions with end consumers and increase the service level.

A formal customer satisfaction survey is currently available for online buyers via the Ekomi platform. The output for 2023 is 4.5/5 underscoring the effectiveness of the efforts made to ensure the highest product standards and customer experience. For B2B customers, there is a dedicated customer service team which promptly deals with all customer requests.

Finally, to protect all stakeholders in the value chain, including its own suppliers, Arena has taken important action related to IT Security, including the provision of a "Cyberguru" training course involving 223 employees from all corporate offices for around 3.3 hours.

COMMITMENTS FOR THE FUTURE



100% of the total turnover covered by the Restricted Substances List (RSL)



100% of suppliers signed Arena's Code of Conduct



100% of "responsible styles" for the swimwear and beachwear category



80% of Tier 1 suppliers in terms of developed cost will be engaged in the trainings on sustainability topics



60% (+3% vs 2023) of products with sustainability attributes

ARENA'S CIRCULAR ECONOMY & SUPPLY CHAIN COMMITMENTS FOR 2024

COMMITMENTS FOR THE FUTURE



Development of at least **15 campaigns** to engage customers on sustainability issues



Maintain the level of online **customer satisfaction** at 4.5/5



Arena will launch a dedicated page called “**Fiches environnementales produits**” on its French website, anticipating the future digital product passport as required by the Agec Law.



Arena will launch a **take-back program** for unused, broken, and damaged items to optimize their end-of-life through recycling, donating, and exploring upcycling or downcycling of raw materials with partners

ARENA'S CONSUMERS AND END USERS COMMITMENTS FOR 2024

ANNEX SOCIETÀ BENEFIT

MISSION LOCK
2023 Arena S.p.A. Società Benefit

**ADOPTION OF THE SOCIETÀ BENEFIT
LEGAL FORM**

METHODOLOGICAL NOTE

**COMMON BENEFIT PURPOSES:
IMPACT STORIES, OUTCOMES AND GOALS**

MEASURING SUSTAINABILITY PERFORMANCE

ADOPTION OF THE SOCIETÀ BENEFIT (COMMONLY KNOWN AS “BENEFIT CORPORATION”) LEGAL FORM

Arena’s purpose is to deeply connect water and people, involving them in an active lifestyle that improves their quality of life.

This change of legal entity in 2023 reflects a significant cultural change, as the pursuit of double purpose - social and environmental impact as well as profit - became the focus of our way of doing business and our activities, guiding the decisions and actions of all those involved.

METHODOLOGICAL NOTE

The impact report is published annually, and the data refers to the period from January 1, 2023, to December 31, 2023. The economic, environmental, and social information and data refer to Arena S.p.A. The impact manager for 2023 is Cristina Di Tomasso.

Where quantitative data could not be obtained, qualitative KPIs were used. The impact report includes information related to social, environmental, and governance aspects emerged from the stakeholder engagement process, considering the context and national and international trends.

COMMON BENEFIT PURPOSES: IMPACT STORIES, RESULTS, AND OBJECTIVES

1.

Promoting the creation of a working environment that allows our people and those of our ecosystem to express their full potential, taking care of their well-being and sense of belonging.

IMPACT STORIES 2023

INTEGRATED SUSTAINABILITY INTO MANAGEMENT OBJECTIVES

Our incentive evaluation system allows us to coordinate management and the development of our people with the achievement of business and impact targets set in the business and sustainability plan. To foster a company culture of meritocracy that also stimulates the achievement of objectives, we reward individual performance by applying objective evaluation criteria. We ensure transparency on how bonuses are calculated and verify the correct assignment and settlement of objectives to ensure fair treatment regardless of roles and performance.



In 2023 in keeping with Arena's transformation into a Società Benefit, we integrated our 100% evaluation system for management team with ESG objectives. To emphasize Arena's double purpose, bonuses are now awarded based on both business and impact objectives. To establish impact objectives, we referenced the material topics that were identified during the last materiality process. We will continue to evolve our evaluation system so that we can lead the change towards a more sustainable business model with our people.

ACTIVITIES TO UNLEASH THE SPORTING SPIRIT OF OUR PEOPLE

At Arena, we strive to improve people's quality of life by promoting an active lifestyle and the practice of aquatic sports globally. The intrinsic value of sport is a guide for our corporate vision and throughout the year we honor our mission by involving our people in sports activities. The "Arena Loves Sports" project, launched with a Tennis Tournament in Tolentino in June 2023 with 24 enthusiastic players, had an atmosphere of healthy competition, celebrating our colleagues' passion for sports.

In July, an Arena team participated in Germany's B2Run Munich, with 14 colleagues running the 5.6 km racetrack through the scenic Olympic Park. Additionally, the "Arena Loves Swimming" program offers colleagues working at the Tolentino headquarters an opportunity to swim, with reserved lanes and courses at three levels, complete with dedicated coaches, both internal and external. These initiatives not only promote physical activity but also encourage team cohesion and overall well-being among our employees, reinforcing the connection between sports and our corporate culture.

OBJECTIVES REVIEW 2023

 OBJECTIVE	 TARGET	 STATUS	 NOTE
ESG objectives for top management.	100%	100%	The evaluation system was supplemented with sustainability goals for 30 managers and executives.
Professional growth: Increase the formal training received by our people in terms of hours per person..	4 hours/fte.	4.9 hours/fte.	For the data calculation, the following has been considered: 1. Total training hours received by our people: 2,184. 2. Number of FTEs: 446.
Sports DNA: Promoting sports activities and partnerships for our people.	20% of the company's population, equal to 92 people.	23% of the company's population, equal to 104.	Activities to promote sports activities have included tennis, swimming, running and other off-site sports activities.
Launching the onboarding process for new hires.	50% of new hires follow an onboarding process.	50% of new hires have followed a structured onboarding process.	Out of the 101 hires made last year at group level, 50 people received the Welcome On Board process and Welcome Kit, including all information related to company facilities, mandatory documents, information systems, available benefits, and finally, terms of remote working and flextime.
Measuring satisfaction and well-being at the company through a climate survey.	Percentage of our people satisfied: 60%. Participation rate: 50%.	Percentage of our people satisfied: 68%. Participation rate: 58%.	Compared to the measurement carried out in 2022, there has been an increase in both the population sample involved and the overall rate of satisfaction with the company. This shows that the Company's action plans regarding improving communication, feedback, and alignment on strategy is beginning to bear fruit. The goal is to continue on this path by better analyzing socio-economic status variables, for individual clusters of employees, and finding any correlations that impact the degree of satisfaction.

COMMITMENTS 2024



OBJECTIVE



TARGET

Integration of managers' and executives' Job Descriptions with sustainability goals.

100% top management.

Professional growth: Increase the formal training received by our people in terms of the number of hours per person.

5 hours of average training per person.

Sports DNA: Promoting sports activities and partnerships for our people.

Involve at least 30% of our people (about 150).

New hires participating in the onboarding process.

75% of new hires follow an onboarding process, involving people in our stores.

Measuring satisfaction and well-being at the company through a climate survey.

Percentage of our people satisfied: 65%.

Participation rate: 50%.

2.

Pursuing the commitment to work together with our communities to develop strategies, projects and engagement plans that have a positive impact for both people and the planet with a specific focus on the element of water.

IMPACT STORIES 2023

CLEAN-UP DAY BY ARENA AND POLTRONA FRAU ALONGSIDE PLASTIC FREE TO CLEAN PLASTIC FROM THE ENVIRONMENT

On September 28, 2023, Arena and Poltrona Frau joined forces for an environmental clean-up in Tolentino, where both companies are headquartered. In collaboration with Plastic Free, a non-profit volunteer organization established in 2019 to fight plastic pollution and protect the environment with clean-up events in cities, beaches, parks, and rivers, 230 employees cleaned the shores of Lago delle Grazie, a protected area a few kilometers from the city. After an online training on the issues of plastic material and guidelines for cleaning the environment, the participants divided into mixed groups with members of both companies and collected more than a ton of waste, including glass bottles, plastic and cigarette butts. The collected material was weighed and accounted for by Plastic Free together with the local waste management company. In addition to having material impact, the initiative with Plastic Free allowed participants from both companies to engage with sustainability issues.

SWIMMING FOR THE PROTECTION OF ANTARCTIC WATERS





To raise awareness about the effects of climate change on ecosystems as delicate and crucial as Antarctica's swimmer Barbara Hernandez, known as the "Ice Mermaid" and 2022 Open Water Woman of the Year, undertook her second Guinness World Record.

On February 5, 2023, she became the first swimmer to cover 2.5 kilometers in the icy waters of the Bay of Whales, off Greenwich Island in the Antarctic Peninsula, wearing a swimsuit, cap, and a pair of Arena goggles (without protective clothing or grease), in water at 2.2 degrees Celsius.

Barbara Hernandez is a member of Antarctica2020, a group of leaders from sports, politics, science, and media advocating for the protection of Antarctic waters through the establishment of a network of large-scale marine protected areas in this unique and important wilderness. "The warm, salty currents melting the polar ice caps are among the most serious effects of climate change, causing unimaginable imbalances worldwide. It was shocking to see the Antarctic Peninsula without snow. Even though we don't see many images from Antarctica, all our plastic, waste, and CO2 are destroying this continent," commented the swimmer upon completing her feat.

Antarctica is indeed melting faster than expected: the Amundsen Sea, the region of Antarctica undergoing the most rapid changes and four times the size of the UK, has lost over 3 trillion metric tons of ice in the last 25 years. If all its glaciers were to melt, global sea levels could rise by an average of over one meter worldwide.

OBJECTIVES REVIEW 2023

 OBJECTIVE	 TARGET	 STATUS	 NOTE
<p>Development of a Community Impact Plan that details the long-term community impact strategy by Arena.</p>	<p>Activity Completed.</p>	<p>Activity Completed.</p>	<p>The Community Impact Plan, based on the three pillars Learn, Love & Protect Water, identifies who is responsible, the impact metrics monitored, and how Arena will select the causes it will support in the coming years.</p>
<p>Love Water: Promote a healthy lifestyle in and by the water.</p>	<p>#10,000 people play sports in Arena-supported sports clubs. #3,000 children participate in Arena-supported swimming programs.</p>	<p>#102,301 people played sports in Arena-supported sports clubs. #4,137 children participated in Arena-supported swimming programs.</p>	<p>The number of people participating in sports refers to the data provided by 8 European clubs and 457 US clubs supported by Arena during 2023. The number of children participating in swimming programs refers to the data provided by 8 European clubs supported by Arena during 2023.</p>
<p>Involvement of suppliers in signing the Code of Conduct.</p>	<p>100% of suppliers out of total costs that have signed the Arena Code of Conduct.</p>	<p>100%</p>	<p>The Code of Conduct is part of the contracting process for our new and existing suppliers.</p>

COMMITMENTS 2024



OBJECTIVE



TARGET

Love Water: Promote a healthy lifestyle in and by the water.

+105,000 people play sports in Arena-supported sports clubs.

+5,000 children participate in Arena-supported swimming programs/ clubs.

Involvement of suppliers in signing the Code of Conduct.

100% of suppliers out of total costs have signed the Arena Code of Conduct.

Evolving the relationship with key players in the Arena ecosystem through the integration of impact clauses (Impact Terms) in sponsorship contracts.

#3 partners have signed sponsorship agreements with impact clauses (Impact Terms) to generate and monitor social and environmental impact.

3.

Improving the well-being and awareness of all the people who use our products, in and by the water, by promoting an active lifestyle and more sustainable behaviors for the planet.

IMPACT STORIES 2023

ARENA SWIM WEEKS

Last year in Germany, in Magdeburg in October and in Berlin in October and November, “Arena swim weeks” were held. This wonderful event is organized in cooperation with the “Fernsehlotterie”, a German lottery which aims to support social projects, together with two other partners: the DLRG (rescue company) and the Youth Hostels Germany, together with clubs sponsored by Arena (SC Magdeburg and Berlin). Around 60 socially disadvantaged or disabled children participated in the “Arena swim weeks”. Participants received a one-week school holiday pass for the youth center, which enabled them to take part in many activities: e.g. visits to museums, adventure parks and football stadiums.

PARTNERSHIP WITH HEALTHY SEAS ON WORLD OCEANS DAY

On World Oceans Day on 8 June 2023, we proudly announced the launch of the Powerskin ST NEXT competition swimming swimsuit, a new generation swimming swimsuit that is lighter, stronger and made of ECONYL® regenerated yarns and 100% recycled nylon from fishing nets and other nylon waste.





To mark this occasion, we partnered with Healthy Seas, an organization set up to clean the seas of discarded fishing nets and to educate new generations and fishing communities about marine pollution.

Among its activities, the association, in collaboration with volunteer divers from the Ghost Diving Foundation, retrieves fishing nets from the seas and oceans. Aquafil - a founding partner of Healthy Seas - reconstitutes the nets suitable for recycling, along with other nylon waste such as carpets and industrial plastics, into ECONYL®, a 100% regenerated nylon yarn whose starting materials would otherwise end up contaminating landfills. ECONYL® yarn is then used by one of Arena’s leading textile suppliers, Carvico, to create the fabric used in the production of the new Powerskin ST NEXT competition swimming swimsuit. Thanks to this collaboration, Healthy Seas will be able to carry out more clean-ups of ghost nets and educational programs around the world.

WATER GLOSSARY

In partnership with LifeGate, Arena developed a water glossary to create awareness about the most important element for life. From March 22, to June 8, 2023, on Water Day, LifeGate told 10 stories on its channels featuring many talents in and out of water. 10 keywords that led us to the discovery of the different dimensions of water with the protagonists who gave an interpretation of the word, with a personal, emotional and experiential slant.

OBJECTIVES REVIEW 2023

 OBJECTIVE	 TARGET	 STATUS	 NOTES
<p>Partnerships and/or communication campaigns to engage customers on sustainability issues.</p>	<p>15 initiatives.</p>	<p>20 initiatives.</p>	<p>Some of the initiatives considered are related to preserving and protecting the seas such as the partnership with Healthy Seas and Great Barrier Reef, promoting social causes such as the collaboration with Breast Cancer, raising awareness of water-related issues such as the collaborations with LifeGate and Dominate the Water, and promoting projects to teach young people and disadvantaged groups how to swim such as the Inklusive Gewint and Swim weeks.</p>
<p>Arena athletes involved in sustainability initiatives.</p>	<p>15 athletes involved.</p>	<p>16 athletes involved.</p>	<p>Such as the involvement of 10 Arena athletes in the development of the Water Glossary in partnership with LifeGate.</p>
<p>Customer satisfaction level.</p>	<p>4/5</p>	<p>4.5/5</p>	<p>The figure refers only to customers who purchased our products via e-commerce.</p>
<p>Guidelines for transparent communication of sustainability to customers.</p>	<p>Define guidelines on transparent communication.</p>	<p>Internal preparation and sharing of guidelines with B2B customers.</p>	<p>We have shared the “Arena Communication Marking and Labelling Requirements” policy internally and with our B2B customers.</p>

COMMITMENTS 2024



OBJECTIVE



TARGET

Partnerships and/or communication campaigns to engage customers on sustainability issues.

Development of at least 15 campaigns to engage customers on sustainability issues.

Arena athletes involved in sustainability initiatives.

8 athletes*.

Customer satisfaction level .

4/5

Take-back program: number of Arena stores where customers will be able to return used products.

8 Stores.

Transparency on sustainability attributes of products.

French customers will have transparency on sustainability attributes of the products on 100% of the SS24 collection.

* The number of athletes we plan to involve in sustainability initiatives is lower than in 2023 (8 athletes in 2024 vs. 16 athletes in 2023) because the Olympic year will absorb them more in the competitive activities of preparing for and competing in competitions.

4.

Considering sustainability a fundamental part of the definition of quality, incorporating it into product development processes and promoting a sustainable evolution of business models and operational processes in line with the European climate neutrality objectives and the Italian ecological transition objectives.

IMPACT STORIES 2023

We have launched several initiatives to reduce our environmental impact.

Through our supply chain evolution program we have engaged over 80% of our suppliers to understand the current state of our supply chain.





We have also committed to reducing the impact of our operations. One of our most notable achievements was switching to 100% renewable electricity for our operations in Italy, enabling us to cover 670 MWh with guarantees of origin.

We thus avoided 246 tons of CO₂ emissions at our Italian headquarter.

We not only want to reduce our emissions, but also to actively contribute to the fight against climate change.

In addition, we are making significant progress in integrating responsible materials into our collections, including an increasing percentage of recycled materials, organic cotton and Made in Green certified products. These efforts reflect our intention to promoting sustainable production and respecting the environment through every stage of our supply chain.

OBJECTIVES REVIEW 2023

 OBJECTIVE	 TARGET	 STATUS	 NOTE
<p>Reducing the impact of our supply chain.</p>	<p>We work with suppliers or request them to collect data and report on:</p> <ul style="list-style-type: none"> - Greenhouse gas emissions. - Water footprint. - Waste production. 	<p>We work with suppliers or request them to collect data and report on:</p> <ul style="list-style-type: none"> - Greenhouse gas emissions. - Water footprint. - Waste production. 	
<p>Reducing the impact of our operations.</p>	<p>50% of electricity sourced from renewable energy.</p> <p>10% reduction in carbon intensity index.</p>	<p>64% of electricity sourced from renewable energy.</p> <p>17% reduction in carbon intensity index.</p>	<p>The GHG Protocol Corporate Standard categorizes greenhouse gas emissions associated with a company's Corporate Carbon Footprint (CCF) into Scope 1, Scope 2, and Scope 3 emissions. The carbon intensity index is an indicator that measures the carbon footprint relative to the organization's revenue. The calculated formula considers direct Scope 1 emissions and indirect Scope 2 emissions as follows: (Scope 1 CO₂ emissions + Scope 2 CO₂ emissions) / million euros of revenue. The carbon intensity index was 3.70 for 2023, compared to 4.46 in 2022.</p>
<p>Reducing the impact of our products.</p>	<p>100% of products out of total turnover covered by the Restricted Substance List (RSL).</p> <p>50% of products in the SS23 + FW23 collection with at least one responsibility attribute.</p>	<p>100% of products out of total turnover covered by the Restricted Substance List (RSL).</p> <p>57% of products in the SS23 + FW23 collection with at least one responsibility attribute.</p>	<p>We consider products with at least one responsibility attribute to be all those products that have at least one of these characteristics:</p> <ol style="list-style-type: none"> 1. Recycled fibers. 2. Organic cotton. 3. OEKO-TEX Made in Green certification. <p>The detailed data by textile range can be found on our website for each seasonal collection.</p>

COMMITMENTS 2024



OBJECTIVE



TARGET

Reducing the impact of our supply chain.

80% of our tier 1 suppliers in terms of cost developed will be engaged in sustainability training.

Reducing the impact of our operations.

65% of electricity sourced from renewable energy.

Reducing the impact of our products.

100 % of products out of total turnover covered by the Restricted Substances List (RSL).
60% (+3% vs 2023) of products with responsibility attributes.

MEASURING SUSTAINABILITY PERFORMANCE

In 2023, we monitored our sustainability performance with the international standard B Impact Assessment, measuring ourselves on 5 areas:

GOVERNANCE: Assesses the company's overall mission, ethics, accountability and transparency, on issues such as the integration of social and environmental objectives for employee performance assessment, impact reporting, stakeholder engagement and generally how governance practices and policies are conducted.

PEOPLE: Assesses the company's contribution to employee well-being through questions related to compensation, benefits, training, professional development, health, safety and work flexibility.

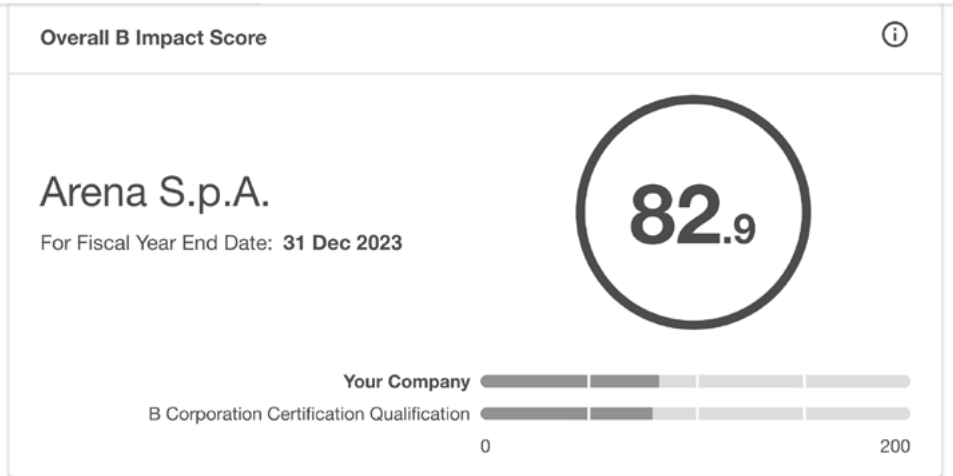
COMMUNITY: Assesses the company's commitment to and impact on the community. Topics include diversity and inclusion, job creation, charitable and volunteering practices and involvement in the local community. The broader impact of the company through the supply chain is also assessed.

ENVIRONMENT: Assesses a company's overall environmental management, including its facilities, resource use, emissions, logistics and (when relevant) its distribution channels and supply chain. This section also includes options for companies whose product or service is designed to solve a specific environmental problem, e.g. by rethinking traditional manufacturing practices or making products that generate renewable energy, reduce consumption or waste, conserve land or wildlife, or educate on environmental issues.

CUSTOMERS: Evaluates companies whose products or services are designed to address a particular social or environmental problem. The section focuses on the impact of the product or service and the extent to which it creates benefits for the user or category.

The measurement carried out in December 2023 returned a score of 82.9 points, which is higher than the national average of 64, and higher than the international average of companies undergoing the B Impact Assessment of 51 points. Thanks to this process, we now know the areas where we create the most value and those where our contribution still has room for growth, towards which we are committed, in black and white, to take decisive steps, with sustainability as a driver of long-term success.

Help us reach more businesses by keeping the B Impact Assessment free. Donate today



	QUESTIONS ANSWERED	OVERALL SCORE
Governance	32/32	15.1
Workers	63/65	22.5
Community	59/60	18.4
Environment	87/99	20.7
Customers	35/42	6.0

ESRS CONTENT INDEX

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
ESRS 2 – GENERAL DISCLOSURES			
DISCLOSURE REQUIREMENT	BP-1 – General basis for preparation of sustainability statements	Methodological note (p. 19)	
	BP-2 – Disclosures in relation to specific circumstances	Methodological note (p. 19)	
GOVERNANCE	GOV-1 – The role of the administrative, management and supervisory bodies	Metrics- Governance (p. 27)	
	GOV-2 – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	Governance and Business Conduct - Policies, Actions and targets (p. 22) ESG Governance model (p. 25)	
	GOV-3 – Integration of sustainability-related performance in incentive schemes	ESG Governance model (p. 25)	
	GOV-4 – Statement on due diligence	Governance and Business Conduct - Policies, Actions and targets (p. 22) Own Workforce Disclosure - Policies, Actions and targets (p. 31) Affected Communities Disclosure - Policies, Actions and targets (p. 48) Climate Change - Policies, Actions and targets (p. 61) Water and Marine Resources - Policies, Actions and targets (p. 69) Waste Management - Policies, Actions and targets (p. 72) Circular Economy - Product design and quality (p. 80) Circular Economy - Packaging (p. 83) Value Chain - Upstream Value Chain (p. 85) Value Chain - Downstream Value Chain: consumers and end users (p. 90)	
	GOV-5 – Risk management and internal controls over sustainability reporting Strategy	Omission	The information will be provided in the 2024 Sustainability Report

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
	SBM-1 – Strategy, business model and value chain	Sustainability Plan 2022-2025 (p. 15)	
	SBM-2 – Interests and views of stakeholders	Own Workforce Disclosure - Policies, Actions and targets (p. 31) Affected communities (p. 45) Upstream value chain (p. 85) Downstream Value Chain: consumers and end users (p. 90)	
STRATEGY	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Double Materiality Assessment (p. 12) Double Materiality Assessment - Business Conduct (p. 21) Double Materiality Assessment - Own Workforce (p. 30) Double Materiality Assessment - Affected communities (p. 47) Double Materiality Assessment - Climate Change (p. 61) Double Materiality Assessment - Water and Marine Resources (p. 69) Double Materiality Assessment - Waste (p. 72) Double Materiality Assessment - Circular Economy and Value Chain (p. 80)	
IMPACT, RISK AND OPPORTUNITY MANAGEMENT	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	Double Materiality Assessment (p. 12) Double Materiality Assessment - Business Conduct (p. 21) Double Materiality Assessment - Own Workforce (p. 30) Double Materiality Assessment - Affected communities (p. 47) Double Materiality Assessment - Climate Change (p. 61) Double Materiality Assessment - Water and Marine Resources (p. 69) Double Materiality Assessment - Waste (p. 72) Double Materiality Assessment - Circular Economy and Value Chain (p. 80)	
	IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	ESRS Content Index (p. 115)	

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – CLIMATE CHANGE			
	MDR-P – Policies adopted to manage material sustainability matters	Climate Change - Policies, Actions and targets (p. 61)	
	MDR-A – Actions and resources in relation to material sustainability matters	Climate Change - Policies, Actions and targets (p. 61)	
	MDR-M – Metrics in relation to material sustainability matters	Metrics - Energy consumption metrics (p. 63) Metrics - Direct and indirect emissions (p. 66)	
	MDR-T – Tracking effectiveness of policies and actions through targets	Climate Change - Policies, Actions and targets (p. 61) Commitments for the future (p. 74)	
	GOV-3 – Integration of sustainability-related performance in incentive schemes	ESG Governance model (p. 25)	
	E1-1 – Transition plan for climate change mitigation	Omission	The information will be provided in the 2024 Sustainability Report
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Double Materiality Assessment (p. 12) Double Materiality Assessment - Climate Change (p. 61)	
	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	Double Materiality Assessment (p. 12) Double Materiality Assessment - Climate Change (p. 61)	
ESRS E1	E1-2 – Policies related to climate change mitigation and adaptation	Climate Change - Policies, Actions and targets (p. 61)	
	E1-3 – Actions and resources in relation to climate change policies	Climate Change - Policies, Actions and targets (p. 61)	
	E1-4 – Targets related to climate change mitigation and adaptation	Climate Change - Policies, Actions and targets (p. 61) Commitments for the future (p. 74)	
	E1-5 – Energy consumption and mix	Metrics - Energy consumption metrics (p. 63)	
	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	Metrics - Direct and indirect emissions (p. 66)	The metrics related to the Scope 3 GHG emissions will be provided in the 2024 Sustainability Report
	E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	Climate Change - Policies, Actions and targets (p. 61)	
	E1-8 – Internal carbon pricing	Omission	As of today, the Company has not implemented an internal carbon pricing mechanism yet
	E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Omission	As of today, the Company has not performed yet an assessment on the financial effects related to climate change

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – POLLUTION			
ESRS E2	MDR-P – Policies adopted to manage material sustainability matters		TOPIC NOT MATERIAL
	MDR-A – Actions and resources in relation to material sustainability matters		
	MDR-M – Metrics in relation to material sustainability matters		
	MDR-T – Tracking effectiveness of policies and actions through targets		
	IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities		
	E2-1 – Policies related to pollution		
	E2-2 – Actions and resources related to pollution		
E2-3 – Targets related to pollution			
E2-4 – Pollution of air, water and soil			
E2-5 – Substances of concern and substances of very high concern			
E2-6 – Anticipated financial effects from pollution-related impacts, risks and opportunities			

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – WATER AND MARINE RESOURCES			
ESRS E3	MDR-P – Policies adopted to manage material sustainability matters	Water and Marine Resources - Policies, Actions and targets (p. 69)	
	MDR-A – Actions and resources in relation to material sustainability matters	Water and Marine Resources - Policies, Actions and targets (p. 69)	
	MDR-M – Metrics in relation to material sustainability matters	Metrics – Water withdrawals (p. 69)	
	MDR-T – Tracking effectiveness of policies and actions through targets	Omission	The information will be provided in the 2024 Sustainability Report
	IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	Double Materiality Assessment (p. 12) Double Materiality Assessment - Water and Marine Resources (p. 69)	
	E3-1 – Policies related to water and marine resources	Water and Marine Resources - Policies, Actions and targets (p. 69)	
	E3-2 – Actions and resources related to water and marine resources	Water and Marine Resources - Policies, Actions and targets (p. 69)	
	E3-3 – Targets related to water and marine resources	Omission	The information will be provided in the 2024 Sustainability Report
	E3-4 – Water consumption	Metrics – Water withdrawals (p. 69)	
	E3-5 – Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Omission	As of today, the Company has not performed yet an assessment on the financial effects related to water and marine resources

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – BIODIVERSITY AND ECOSYSTEMS			
ESRS E4	E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model		
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model		
	IR0-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities		
	E4-2 – Policies related to biodiversity and ecosystems		TOPIC NOT MATERIAL
	E4-3 – Actions and resources related to biodiversity and ecosystems		
	E4-4 – Targets related to biodiversity and ecosystems		
E4-5 – Impact metrics related to biodiversity and ecosystems change			
E4-6 – Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities			

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – RESOURCE USE AND CIRCULAR ECONOMY			
ESRS E5	MDR-P – Policies adopted to manage material sustainability matters	Waste Management - Policies, Actions and targets (p. 72) Product design and quality (p. 80) Packaging (p. 83)	
	MDR-A – Actions and resources in relation to material sustainability matters	Waste Management - Policies, Actions and targets (p. 72) Product design and quality (p. 80) Packaging (p. 83)	The information related to the waste management actions, for direct operations and upstream/ downstream value chain, will be provided in the 2024 Sustainability Report
	MDR-M – Metrics in relation to material sustainability matters	Metrics – Waste disposal (p. 73) Metrics - Circular Economy (p. 84)	The split between the metrics on resources inflows and outflows will be provided in 2024 Sustainability Report
	MDR-T – Tracking effectiveness of policies and actions through targets	Commitments for the future (p. 92)	
	IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Double Materiality Assessment (p. 12) Double Materiality Assessment - Circular Economy and Value Chain (p. 80)	
	E5-1 – Policies related to resource use and circular economy	Waste Management - Policies, Actions and targets (p. 72) Product design and quality (p. 80) Packaging (p. 83)	
	E5-2 – Actions and resources related to resource use and circular economy	Product design and quality (p. 80) Packaging (p. 83)	
	E5-3 – Targets related to resource use and circular economy	Commitments for the future (p. 92)	
	E5-4 – Resource inflows	Metrics - Circular Economy (p. 84)	The split between the metrics on resources inflows and outflows will be provided in 2024 Sustainability Report
	E5-5 – Resource outflows	Metrics – Waste disposal (p. 73)	
E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Omission	As of today, the Company has not performed yet an assessment on the financial effects related to resource use and circular economy	

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – OWN WORKFORCE			
ESRS S1	MDR-P – Policies adopted to manage material sustainability matters	Own Workforce Disclosure- Policies, Actions and targets (p. 31)	
	MDR-A – Actions and resources in relation to material sustainability matters	Own Workforce Disclosure- Policies, Actions and targets (p. 31)	The information related to actions in relation to material impacts,risks and opportunities to will be provided in the 2024 Sustainability Report
	MDR-M – Metrics in relation to material sustainability matters	Metrics - Characteristic of Employees (p. 32) Metrics - Diversity and Inclusion (p. 35) Metrics - Training (p. 37) Metrics - Remuneration (p. 38) Metrics - Work - Life Balance (p. 39) Metrics - Health & Safety (p. 42)	
	MDR-T – Tracking effectiveness of policies and actions through targets	Omission	The information will be provided in the 2024 Sustainability Report
	SBM-2 – Interests and views of stakeholders	Own Workforce Disclosure - Policies, Actions and targets (p. 31)	
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Double Materiality Assessment (p. 12) Double Materiality Assessment - Own Workforce (p. 30)	
	S1-1 – Policies related to own workforce	Own Workforce Disclosure - Policies, Actions and targets (p. 31)	
	S1-2 – Processes for engaging with own workers and workers’ representatives about impacts	Own Workforce Disclosure - Policies, Actions and targets (p. 31)	
	S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	Business Conduct - Policies, Actions and targets (p. 31)	
	S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Omission	The information will be provided in the 2024 Sustainability Report
	S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Omission	The information will be provided in the 2024 Sustainability Report
	S1-6 – Characteristics of the undertaking’s employees	Metrics - Characteristic of Employees (p. 32)	
	S1-7 – Characteristics of non-employee workers in the undertaking’s own workforce		The number of non-employees in the reporting year is 82

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – OWN WORKFORCE			
	S1-8 – Collective bargaining coverage and social dialogue		The number of employees covered by collective bargaining agreements is 430
	S1-9 – Diversity metrics	Metrics - Diversity and Inclusion (p. 35)	
	S1-10 – Adequate wages	Omission	The information will be provided in the 2024 Sustainability Report
	S1-11 – Social protection	Metrics - Work-Life balance (p. 39)	
	S1-12 – Persons with disabilities	Metrics - Diversity and Inclusion (p. 35)	
ESRS S1	S1-13 – Training and skills development metrics	Metrics - Training (p. 37)	The information for non employees will be provided in the 2024 Sustainability Report
	S1-14 – Health and safety metrics	Metrics - Health & Safety (p. 42)	
	S1-15 – Work-life balance metrics	Metrics - Work-Life Balance (p. 39)	
	S1-16 – Compensation metrics (pay gap and total compensation)	Metrics - Remuneration (p. 38)	The metrics related to the annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees will be provided in the 2024 Sustainability Report
	S1-17 – Incidents, complaints and severe human rights impacts		No human rights incidents recorded in the reporting year

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – WORKERS IN THE VALUE CHAIN			
	MDR-P – Policies adopted to manage material sustainability matters	Upstream value chain (p. 85) Downstream Value Chain: consumers and end users (p. 90)	
	MDR-A – Actions and resources in relation to material sustainability matters	Upstream value chain (p. 85) Downstream Value Chain: consumers and end users (p. 90)	
	MDR-M – Metrics in relation to material sustainability matters	-	Disclosure subject to phase-in period
	MDR-T – Tracking effectiveness of policies and actions through targets	-	Disclosure subject to phase-in period
	SBM-2 – Interests and views of stakeholders	-	Disclosure subject to phase-in period
	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	-	Disclosure subject to phase-in period
ESRS S2	S2-1 – Policies related to value chain workers	Upstream value chain (p. 85) Downstream Value Chain: consumers and end users (p. 90)	
	S2-2 – Processes for engaging with value chain workers about impacts	Upstream value chain (p. 85)	The information related to workers in the downstream value chain will be provided in the 2024 Sustainability Report
	S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	Business Conduct - Policies, Actions and targets (p. 22)	
	S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Upstream value chain (p. 85) Downstream Value Chain: consumers and end users (p. 90)	
	S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Commitments for the future (p. 92)	

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – AFFECTED COMMUNITIES			
ESRS S3	MDR-P – Policies adopted to manage material sustainability matters	Affected Communities Disclosure - Policies, Actions and targets (p. 48)	
	MDR-A – Actions and resources in relation to material sustainability matters	Affected Communities Disclosure - Policies, Actions and targets (p. 48)	
	MDR-M – Metrics in relation to material sustainability matters	Affected Communities (p. 45)	
	MDR-T – Tracking effectiveness of policies and actions through targets	Commitments for the future (p. 56)	
	SBM-2 – Interests and views of stakeholders	Affected Communities (p. 45)	
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Double Materiality Assessment (p. 12) Double Materiality Assessment - Affected communities (p. 47)	
	S3-1 – Policies related to affected communities	Affected Communities Disclosure - Policies, Actions and targets (p. 48)	
	S3-2 – Processes for engaging with affected communities about impacts	Affected Communities (p. 45)	
	S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns	Business Conduct - Policies, Actions and targets (p. 22)	
	S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Affected Communities Disclosure - Policies, Actions and targets (p. 48) Affected Communities (p. 45)	
S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Commitments for the future (p. 56)		

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – CONSUMERS AND END-USERS			
ESRS S4	MDR-P – Policies adopted to manage material sustainability matters	Product design and quality (p. 80) Downstream Value Chain: consumers and end users (p. 90)	
	MDR-A – Actions and resources in relation to material sustainability matters	Product design and quality (p. 80) Downstream Value Chain: consumers and end users (p. 90)	
	MDR-M – Metrics in relation to material sustainability matters	Product design and quality (p. 80) Downstream Value Chain: consumers and end users (p. 90)	
	MDR-T – Tracking effectiveness of policies and actions through targets	Commitments for the future (p. 93)	
	SBM-2 – Interests and views of stakeholders	Downstream Value Chain: consumers and end users (p. 90)	
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Double Materiality Assessment (p. 12) Double Materiality Assessment - Circular Economy and Value Chain (p. 80)	
	S4-1 – Policies related to consumers and end-users	Product design and quality (p. 80) Downstream Value Chain: consumers and end users (p. 90)	
	S4-2 – Processes for engaging with consumers and end-users about impacts	Product design and quality (p. 80) Downstream Value Chain: consumers and end users (p. 90)	
	S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Product design and quality (p. 80) Downstream Value Chain: consumers and end users (p. 90)	
	S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions	Product design and quality (p. 80) Downstream Value Chain: consumers and end users (p. 90)	
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Commitments for the future (p. 93)		

AREA	DISCLOSURE REQUIREMENT	LOCATION	NOTE
MATERIAL TOPIC – BUSINESS CONDUCT			
	MDR-P – Policies adopted to manage material sustainability matters	Business Conduct - Policies, Actions and targets (p. 22) Upstream value chain (p. 85) Downstream Value Chain: consumers and end users (p. 90)	
	MDR-A – Actions and resources in relation to material sustainability matters	Business Conduct - Policies, Actions and targets (p. 22) Upstream value chain (p. 85) Downstream Value Chain: consumers and end users (p. 90)	
	MDR-M – Metrics in relation to material sustainability matters	-	No cases of active and passive corruption were recorded in the reporting year
	MDR-T – Tracking effectiveness of policies and actions through targets	Omission	The information will be provided in the 2024 Sustainability Report
	GOV-1 – The role of the administrative, supervisory and management bodies	Metrics - Governance (p. 27)	
ESRS G1	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	Double Materiality Assessment (p. 12) Double Materiality Assessment - Business Conduct (p. 21)	
	G1-1 – Corporate culture and business conduct policies and corporate culture	Business Conduct - Policies, Actions and targets (p. 22)	
	G1-2 – Management of relationships with suppliers	Upstream value chain (p. 85)	
	G1-3 – Prevention and detection of corruption and bribery	Business Conduct - Policies, Actions and targets (p. 22)	The information related to anticorruption training will be provided in 2024 Sustainability Report
	G1-4 – Confirmed incidents of corruption or bribery		No cases of active and passive corruption were recorded in the reporting year
	G1-5 – Political influence and lobbying activities		Topic not material
	G1-6 – Payment practices		Topic not material



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