

(Translation from the Italian original which remains the definitive version)

[CELLULARLINEGROUP]

ESG REPORT

2023

Our commitment for a
sustainable Future

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INTRO DUCTI ON

INTRO DUCTI ON

Introduction

**Letter to our
stakeholders**

1.1

Letter to our stakeholders

We are pleased to present our fourth ESG Report, documenting the Cellularline Group's achievements in the Environmental, Social and Governance (ESG) spheres over the past year. It is a commitment but also a great privilege for us to carry on this project that is so central to the future of our company, keeping its identity rooted in local culture intact, with an eye on the world and a deep passion for our work.

Against a particularly challenging macroeconomic backdrop, the progress made and commitment shown by the Group in addressing the challenges of climate change and growing economic and social inequalities are of great significance.

In this complex historical period, we have become more aware of our potential contribution to the community and the environment. Our Group is therefore committed to playing a leading role in social, environmental and economic recovery, bringing our skills and resources to bear not for our own exclusive benefit, but for the benefit of all stakeholders, society and the environment.

Our purpose, our very raison d'être, is clear: Youmanizing the devices' experience. This choice underlines our DNA and embraces sustainable development, always putting people at the centre. In actual fact, we focus our innovation, so that the experience people have with technology in their everyday lives improves. It is from this will that our way of doing business, our manifesto and our strategic choices stem.

In 2020, we embarked on a journey to integrate environmental and social responsibility into our business and formalise our commitment in a three-year plan. The goal is to achieve an all-round sustainable model, in which development, inclusion, sharing and giving back to the territory go hand in hand. Therefore, our strategy is based on three lines of transformation strands: Ecological Transition and Climate Neutrality, People Care and Equality & Inclusion, and Change System, structured in six key areas: **Governance, People, Community, Suppliers, Environment** and **Customers**.

We continue to consider stakeholder engagement an essential part of achieving the plan objectives. From those who work with us, to those who choose our products, touching on our business partners, industrial partners and logistics partners, through to the community; they are the driving force behind the development of our strategy.

The complex year 2023 included many moments to remember and projects to be proud. However, thanks to our sound values and the commitment of our people, we are able to look to the future with confidence and continue on our path of constant growth and improvement.

We are particularly proud to mention the non-stop work towards progression, continuing what we started in 2020, in the adoption of sustainable packaging and the constant reduction of plastic use. Moreover, we launched an extensive project in 2023 to understand the needs of our people, which led to the definition of an engagement plan focused on improving the people experience within the Cellularline Group.

We will continue to integrate ESG aspects into our growth plans in 2024, as we firmly believe that together we can be the driving force for a better future for all.



Christian Aleotti
CEO

ABOUT US

ABOUT US

Cellularline
Group
highlights

Cellularline Group highlights

+30
years of history

+290
employees

HQ
Reggio Emilia

5
locations
Italy, Spain, France,
Switzerland and Germany

+60
countries
served

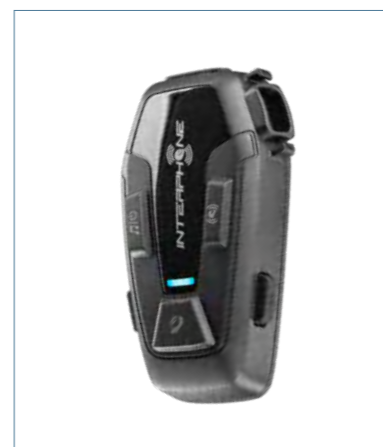
~31%
of the annual turnover
come from products
launched in 2023

3 Product lines

Red
accessories
for multimedia
devices

Black
products and
accessories for
the world of
motorcycles and
bicycles

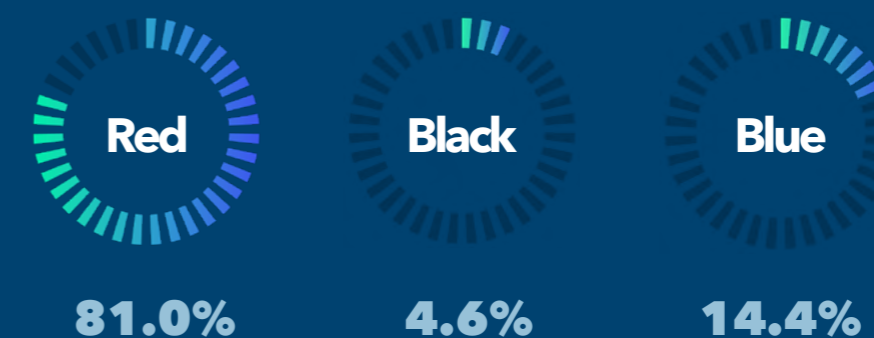
Blue
products
marketed under
brands not
owned by the
Group



Net revenues 2023 158.6 Million EUR

Revenues from Sales by product line

Total Revenues from Sales 100%



Revenues from Sales by geographical area

Total Revenues from Sales 100%



Adj. EBITDA

20.8 million
% of revenues
13.1%

Adj. net result

7.7 million
% of revenues
4.8%

2023 net financial debt

35.4 million
2022
40.4 million
Change
5.0 million

ABOUT US

Corporate data

Group composition, Administrative Body,
Shareholder disclosure

Corporate data, Group composition, Administrative Body, Shareholder disclosure

Founded in Reggio Emilia in 1990, we are European leaders in the field of accessories for smartphones and tablets; we are a technological and creative point of reference in the market of accessories for multimedia devices.

Cellularline S.p.A.

Registered Office
Via Grigoris Lambrakis 1/a
42122 Reggio Emilia (RE)
Italy

Legal information

share capital Euro
21,343,189 fully paid-up

VAT reg. no. and Tax Code

09800730963

Economic and Administrative Register

RE-315329

Certified e-mail address

spa.cellularline@legalmail.it

ISIN

IT0005244618

Corporate Website

www.cellularlinegroup.com

Group composition

The Group consists of the following companies:

Cellularline S.p.A., the parent, incorporated under Italian law with registered office at Via Lambrakis 1/a, Reggio Emilia (Italy), and operating in Italy and abroad in the sector of design, distribution (including products not under its own brand) and marketing of accessories and devices for multimedia products (smartphones, tablets, wearables, audio devices) and for mobile connectivity (in the car and on motorcycles/bikes). The parent has a permanent establishment in Paris, at 91, Rue Du Faubourg Saint Honoré (France), where three employees operate on a permanent basis, carrying out strictly commercial activities for the management of relationships with customers in the French market;

Cellular Spain S.L.U., a company under Spanish law with registered office at C/ Newton,1 edificio 3 nave 1 28914 Leganés (Madrid), a wholly-owned subsidiary that carries out the distribution activity of the Cellularline brand for the Spanish and Portuguese markets;

Cellular Inmobiliaria Italiana S.L.U., a company incorporated under Spanish law with registered office in Cl. Industrial no. 50 Sur Edi 2 Nave 27, Leganés (Madrid), a wholly-owned subsidiary which owns a property - formerly the headquarters of Cellular Spain - currently leased to third parties;

Cellular Immobiliare Helvetica S.A., with registered office in Lugano, Via Ferruccio Pelli 9 (Switzerland), a wholly-owned subsidiary, which owns the property

leased to the commercial company Cellular Swiss S.A.;

Systema S.r.l., a company incorporated under Italian law with registered office in Via della Previdenza Sociale 2, Reggio Emilia (Italy), a wholly-owned subsidiary, operates in the European market for mobile phone accessories for telecommunications. On 18 December 2023, Systema S.r.l. resolved to merge with Pegaso S.r.l.;

Worldconnect AG, a Swiss-registered company based in Diepoldsau, Switzerland, an 80%-owned subsidiary, is the world market leader in premium travel adapters. Founded in 2002, the company - through its trademarks SKROSS and Q2 Power and leading OEM partnerships - operates internationally with a vast range of products comprising multiple travel adapters, specific adapters for individual countries and power peripheral devices;

Coverlab S.r.l., an Italian company based at via Mantova 91/A, Parma, a 55%-owned subsidiary, is an e-commerce company, operating - through its proprietary website www.coverlab.com - in the custom segment of smartphone accessories under the brand Coverlab;

Subliros SL, a company incorporated under Spanish law with registered office in C/Jacquard 97, Sabadell (Barcelona), an 80%-owned subsidiary, is an e-commerce company, operating - through its proprietary website - in the custom segment of smartphone accessories under the brand Allogio;

Cellularline USA Inc., a company incorporated under the laws of the United

States based at 350 5TH AVE FL 41, New York, is a wholly-owned subsidiary, which distributes Cellularline Group products in the USA and Canada;

Peter Jäckel GmbH, a major German operator in the field of smartphone accessories, based in Alfeld, a small town in Lower Saxony (Germany), is a 60%-owned subsidiary. The company was acquired in January 2023 and has been operating on the German market for over 25 years with leading consumer electronics players;

Cellular Middle East FZE, a company established in April 2023 for the purpose of better serving the Middle East region through the distribution of Cellularline branded products, a wholly-owned subsidiary based in Dubai;

Cellular Swiss S.A., a company incorporated under Swiss law with registered office in Route de Marais 17, Box No. 41, Aigle (Switzerland) a 50%-owned associate, which distributes the Cellularline products in the Swiss market.

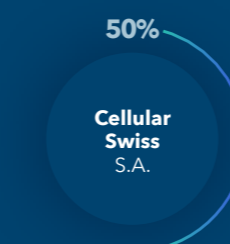


Group structure

Cellularline S.p.A. - Subsidiaries



Cellularline S.p.A. - Associates



Corporate and control bodies

Administrative Body: BoD

Board of Directors

Antonio Luigi Tazartes	Chair
Christian Aleotti	Deputy Chair and Chief Executive Officer
Marco Cagnetta	Executive Director
Donatella Busso	Independent Director
Paola Vezzani	Independent Director
Alessandra Bianchi	Independent Director
Davide Danieli	Director
Marco Di Lorenzo	Director
Walter Alba	Independent Director
Laura Elena Cinquini	Independent Director

Risk and Control Committee

Donatella Busso	Chair and Director
Alessandra Bianchi	Director
Paola Vezzani	Director

Appointments and Remuneration Committee

Paola Vezzani	Chair and Director
Walter Alba	Independent Director
Donatella Busso	Director

Committee for Transactions with Related Parties

Donatella Busso	Chair and Director
Alessandra Bianchi	Director
Laura Elena Cinquini	Independent Director

Board of Statutory Auditors

Lorenzo Rutigliano	Chair
Daniela Bainotti	Standing Auditor
Paolo Chiussi	Standing Auditor
Guido Prati	Alternate Auditor
Andrea Fornaciari	Alternate Auditor

Supervisory Body

Anna Doro	Chair
Alessandro Cencioni	Member
Ester Marino	Member

Independent Auditors

KPMG S.p.A.

Shareholder disclosure

Company listed on the Telematic Stock Market - STAR segment managed by Borsa Italiana S.p.A. Alphanumeric code: CELL

The share capital amounts to 21,343,189 Euro, divided into 21,868,189 ordinary shares (ISIN: IT0005244618).

Table of significant shareholders (situation as at 31.12.2023)*

Shareholder	% of share capital with voting rights
Christian Aleotti	9,86%
First Capital S.p.A.	7,66%
Quaero Capital S.A.	7,48%

*Only entities with a shareholding of more than 5% taken into account

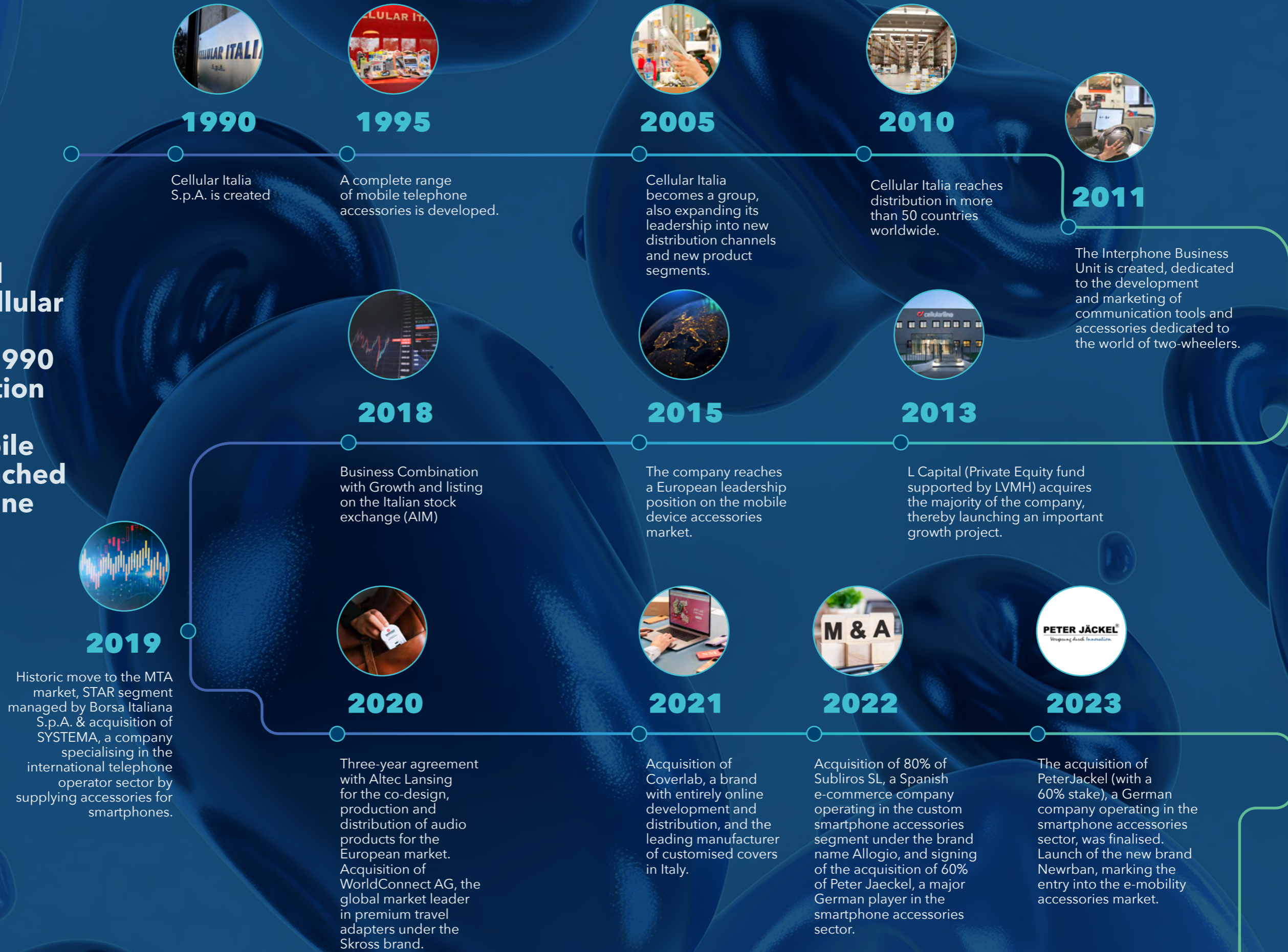


ABOUT US

Our history

Our history

“The Reggio Emilia-based company Cellular Italia S.p.A., founded in 1990 as a distribution company for the first mobile phones, launched the Cellularline brand in the 1990s”



1990

Cellular Italia S.p.A. is created

1995

A complete range of mobile telephone accessories is developed.

2005

Cellular Italia becomes a group, also expanding its leadership into new distribution channels and new product segments.

2010

Cellular Italia reaches distribution in more than 50 countries worldwide.

2011

The Interphone Business Unit is created, dedicated to the development and marketing of communication tools and accessories dedicated to the world of two-wheelers.

2018

Business Combination with Growth and listing on the Italian stock exchange (AIM)

2015

The company reaches a European leadership position on the mobile device accessories market.

2013

L Capital (Private Equity fund supported by LVMH) acquires the majority of the company, thereby launching an important growth project.

2019

Historic move to the MTA market, STAR segment managed by Borsa Italiana S.p.A. & acquisition of SYSTEMA, a company specialising in the international telephone operator sector by supplying accessories for smartphones.

2020

Three-year agreement with Altec Lansing for the co-design, production and distribution of audio products for the European market. Acquisition of WorldConnect AG, the global market leader in premium travel adapters under the Skross brand.

2021

Acquisition of Coverlab, a brand with entirely online development and distribution, and the leading manufacturer of customised covers in Italy.

2022

Acquisition of 80% of Subliros SL, a Spanish e-commerce company operating in the custom smartphone accessories segment under the brand name Allogio, and signing of the acquisition of 60% of Peter Jaeckel, a major German player in the smartphone accessories sector.

2023

The acquisition of PeterJackel (with a 60% stake), a German company operating in the smartphone accessories sector, was finalised. Launch of the new brand Newrban, marking the entry into the e-mobility accessories market.

OUR STRAT TEGY

OUR STRATEGY

Purpose, Vision, Mission and Values

Purpose

YOUmanizing the devices' experience

This **purpose** clearly embodies our firm belief that it is the human being who makes the difference and not just technological development. Intercepting the new needs and requirements of end-users through **sustainable innovation** and **know-how** is at the core of the Group's activities. Indeed, it is the virtuous interaction between **human** and **technological components** that can make the difference for a healthy development.

In this sense, humanising the technological experience and making it accessible to everyone takes on a solid and pragmatic meaning of social and environmental responsibility that the Cellularline Group takes on.



Manifesto

We believe that without humanity, the power of Digital is nothing.

We believe in intuition, serious skills and **continuous improvement** in technology and people.

We believe that the real value of a product lies in the study and in the design of **ingenious features**, because they are based on real needs: yours.

We believe in partnership and in **synergistic processes** that allow to design better solutions, because shared.

We believe that **respect** is only such if it is 360° and supported by concrete, measurable and transparent actions. Like ours.

We believe that innovation, in order to be real, must be **Youman**: accessible to everyone, and provide solutions for everyone, including you.



Vision and Mission

Our business lays its foundation in creating value for two main categories of stakeholders. This is why we decided to customise our vision and mission, creating two different cutaways that more properly define our ambitions and how we intend to achieve them.



Trade

Vision

To continuously improve the processes shared with our partners to personalise offers and services through a strategic data driven and omnichannel approach.

Mission

To be the Partner of choice for long-term sustainable value creation in the digital device accessories market.

Consumer

Vision

To become the leading Brand Group in the digital device accessories market, recognised for its ability to create effective, simple and sustainable solutions.

Mission

To feed a synergistic offer of Brands that, starting from people's needs, design and realise functional and sustainable solutions in order to make people live the full potential of the digital experience.



OUR STRATEGY

**Our priorities
and material
topics**

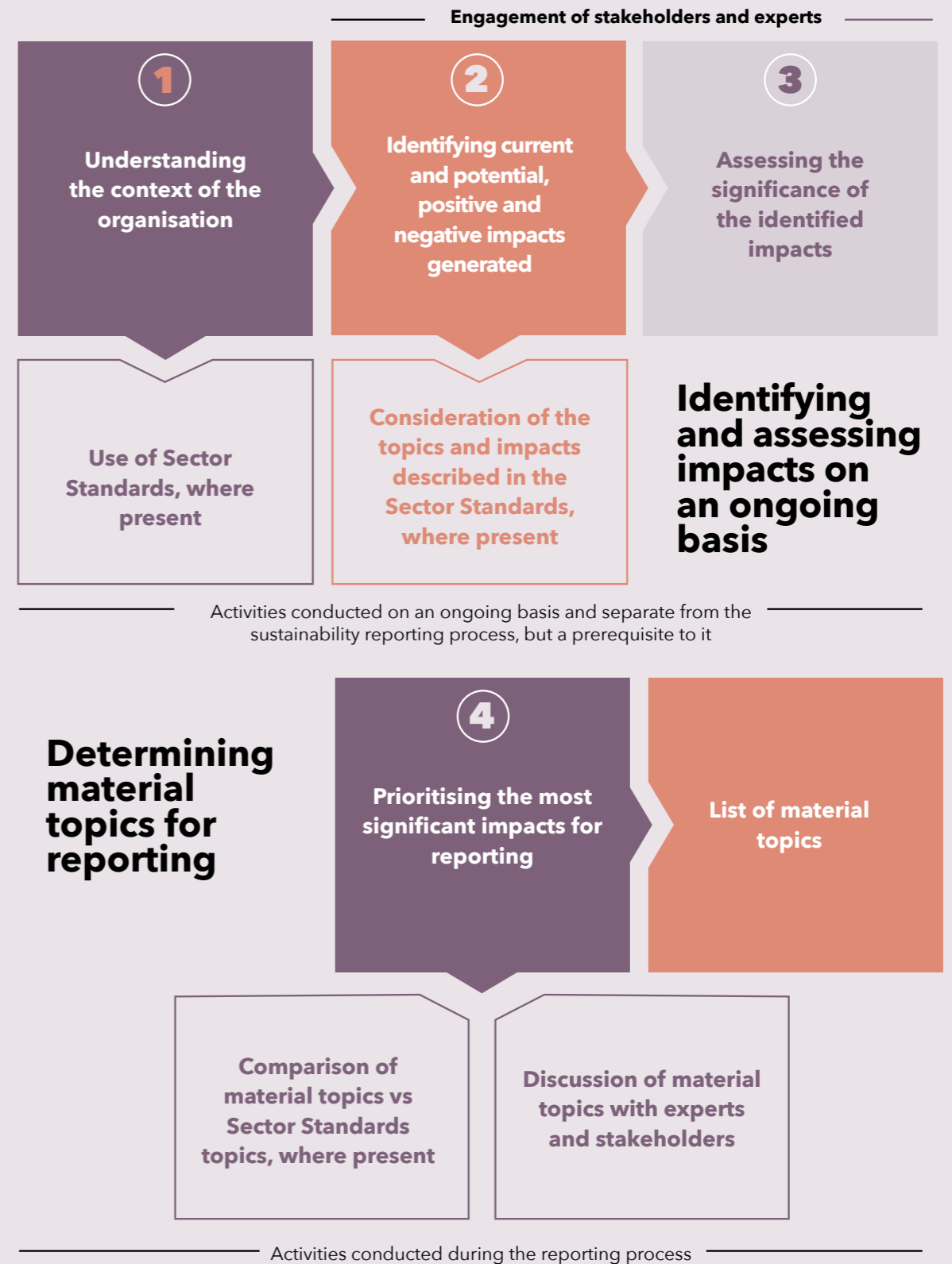
Our priorities and material topics

In the context of non-financial reporting, the materiality assessment is of primary importance in that it aims to identify the economic, environmental, social and governance aspects considered most relevant.

In continuity with the previous year, we referred to the GRI "Universal Standards" published in 2021, which define the methodology underlying the materiality analysis related to the concept of 'impact' defined in the relevant section "**GRI 3 - Material Topics**." In fact, these standards require materiality to be directly associated with the most significant impacts (positive or negative, actual or potential, short or long term) that corporate activities are (or could be) able to generate on the economy, the environment and people, including impacts on human rights according to what is known as the "inside-out" perspective (or "Impact Materiality").

In 2023, Cellularline's management analysed and subsequently evaluated the material topics found to be relevant for our Group.

We carried out an analysis focusing on the impact perspective on the external environment, with the aim of determining those most relevant to the organisation's senior management.



Identification of material topics

In order to update the material topics, we used a methodological approach based on the innovations introduced by standard **GRI 3 - Material Topics**.



The process consisted of four distinct phases:

Reference context analysis

We carried out an internal, benchmark and context analysis, in order to identify the relevant aspects for the Cellularline Group in view of its business, business relationships, and the sustainability context in which the company operates, as well as the expectations of its stakeholders.

Starting out from a comparison with the analysis carried out last year, the aspects relating to each material topic were verified.

Impact classification

Positive and negative, actual and potential impacts were identified in relation to each of the relevant aspects that emerged from the analysis conducted in the previous phase. Identified impacts were validated and integrated with the engagement of the Cellularline management team.

Impact assessment

One-to-one interviews were conducted with Group management, in order to assess impacts through a vote on the Magnitude of the impact associated with the topic and the Likelihood of occurrence of the impact

Prioritising impacts and grouping material topics

The resulting assessments were aggregated to obtain, for each topic, a value (as a product of the magnitude and likelihood of the individual risks and opportunities pertaining to the same topic) in order to identify the significance of each impact and prioritisation.

Stakeholder identification

The assessment of the impacts identified for each material topic was carried out through one-to-one interviews with the corporate front lines, who assessed the impacts related to their area of responsibility, and by taking the perspective of the external stakeholders relevant to each material topic on the basis of the impacts it may generate on the economy, on the environment and on people.

Specifically, they were asked to assess the magnitude and the likelihood of the identified impacts on the economy, on people and on the environment for the inside-out perspective. As for magnitude, the drivers of the assessment were the scope, the significance and the potential remediation of the impacts, while as for likelihood, the time frame within which the impact occurred or is likely to occur (e.g. more than 10 years, between 3 and 5 years).

Assessment drivers

Each stakeholder was asked to express the likelihood and the severity of the proposed impacts on the economy, on people and on the environment:






«Do you feel that Cellularline, through its activities, generates an impact on the economy, on people and on the environment?»

«With what likelihood?»

«With what severity?»



Our impacts

Below is a description of the material topics and of the positive and negative impacts identified.

-  Environment
-  People and Community
-  Product and packaging
-  Customer & Users
-  Governance

Material topic	Description of topic	Main impacts generated
 Climate change & Energy Efficiency	Ensure the efficient management of production with the aim of limiting environmental impact, with particular reference to greenhouse gas emissions.	Negative impacts on the environment from the generation of CO ₂ emissions in the course of its activities and along the value chain.
 Environmental impact of products	Development of products using renewable and therefore environmentally-efficient energy.	Positive impacts of implementing circular practices in order to reduce waste and the use of virgin raw materials.
 Employee health and safety	Promote working conditions that ensure full respect for the right to health and protection of the physical and psychological integrity of employees and collaborators (e.g. contractors, suppliers, temporary workers).	Dissemination of a culture of safety and prevention among its employees and collaborators through appropriate protective measures to mitigate the negative impacts of occupational injuries and diseases.
 Respect for Human Rights	Ensure the protection of human rights in the inside, consolidating a corporate culture against all forms of violence and discrimination.	Negative impacts from forced or child labour practices.
 People care & employee development	Increase and enhance the professional value of employees through training and conscious management of human resources (e.g. welfare, benefits, supplementary health cover, flexible working hours and/or working from home).	Staff development and effective management of professional enhancement with positive impacts on employee <i>attraction</i> and <i>retention</i> .
 Equality & Inclusion	Guarantee equal opportunities for all workers, fostering an inclusive culture within the workplace.	Dissemination of a D&I culture and enhancement of equal opportunities, with positive impacts in terms of equal access to training.

 Social initiatives	Support the territory with initiatives towards the community and local entities, as well as strengthen the relations with the various players in the territory through partnerships, specific projects, etc.	Awareness-raising and support for local initiatives of a cultural nature and development of sustainability topics and employment generation in the local community.
 Sustainable Supply Chain	Responsible management of the supply chain.	Assessment and management of negative environmental/social impacts along the supply chain and positive impacts in terms of transparency and traceability of their suppliers.
 Product quality and safety	Ensure a continuous supervision of the quality of the services offered by always guaranteeing safe and reliable products.	Negative impacts related to product non-compliance with quality and safety standards.
 Innovation and R&D	Ensure technological product innovation with the aim of responding to emerging trends.	Satisfy continuously evolving needs, through ever new products and an ever more extensive and articulated offer.
 Evolution of distribution channels	Ensure an ongoing commitment to the evolution of its distribution channels.	Increase the opportunities to meet its consumers by expanding sales and distribution channels.
 Economic Performance and creation of added value	Value creation and satisfactory economic performance.	Creation of added value through the sale of its own products.
 Privacy & Cyber Security	Respect the privacy of individuals with the aim of ensuring full trust in our activities and success in the digital world.	Loss of sensitive customer/supplier data.
 Ethical Marketing	Ensure communication towards the end user consistent with our purpose and values.	Adequate customer disclosure (e.g. marketing activities, product labelling), in order to enable informed decision-making.

 <p>Customer Centricity</p>	<p>Commit to meeting the needs of all customers by offering quality products and services.</p>	<p>Ensure adequate complaint handling, with positive impacts in terms of improving the <i>customer experience</i>.</p>
 <p>Anti - corruption and Business Ethics</p>	<p>Ensure that the necessary measures are in place to prevent the occurrence of corruption, including training and awareness-raising initiatives on the topic.</p>	<p>Dissemination of the culture of ethics, integrity and transparency, mitigating any negative impacts arising from corruption and bribery offences and conflicts of interest.</p>

Below are the identified positive and negative, current and potential impacts that may influence the creation of corporate value. The topics were classified into five categories: **environment, people & community, product & packaging, customer & users** and **governance**.

The list below is the result of the analysis described above.

Topics with negative impacts		Inside-out
	Sustainable Supply Chain	
	Climate change & Energy Efficiency	
	Environmental impact of products	
	Product quality and safety	
	Employee health and safety	
	Privacy & Cyber Security	
	Anti - corruption and Business Ethics	
	Ethical Marketing	
	Respect for Human Rights	
Topics with positive impacts		Inside-out
	Innovation and R&D	
	Evolution of distribution channels	
	Equality & Inclusion	
	Employee health and safety	
	People care & employee development	
	Environmental impact of products	
	Economic Performance and creation of added value	
	Social initiatives	
	Sustainable Supply Chain	
	Ethical Marketing	
	Customer Centricity	

Data is presented by dividing the assessments of negative impacts from those of positive, prioritised impacts. However, for reasons of methodological compliance with GRI, both tables present the complete list of all material topics subject to assessment, net of the type of impact (positive and/or negative) associated with each of them at the identification phase.

In the light of these criteria, the most material topics with positive impacts





thus appear to be:

- Innovation and R&D
- Evolution of distribution channels
- Equality and Inclusion
- Employee Health and Safety

In the light of these criteria, the most material topics with negative impacts thus appear to be:

- Sustainable Supply Chain
- Climate change & Energy Efficiency
- Environmental impact of products
- Product quality and safety

Key

-  Very significant and probable impact (overall assessment from greater than 10 to 16)
-  Significant and possible impact (overall assessment from greater than 6 to 10)
-  Moderate and unlikely impact (overall assessment of greater than 3 to 6)
-  Minor and rare impact (overall assessment from 1 to 3)



OUR STRA TEGY

Stakeholder mapping and engagement

Stakeholder mapping and engagement

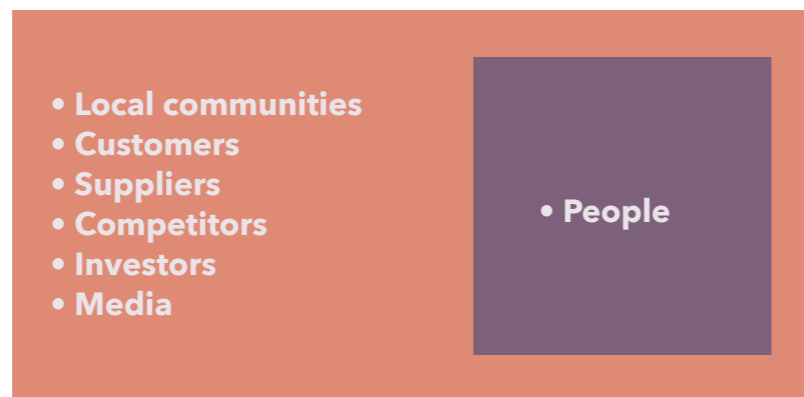
We aim to create value for all the key players who come into contact with us, starting from customers, through business partners, suppliers, our people up to the community considered in its broadest sense. In order to achieve this goal, we believe that having a positive and constant relationship over time with our stakeholders is fundamental; it will help us to increase trust in us and it will be a driving force for the development of our sustainability strategy.

Early 2020, we began a project to **map the stakeholders** that operate in our ecosystem. This activity allowed us to become aware of and classify the parties according to an internally shared structure and to create a stakeholder classification matrix that highlights the most relevant players and their readiness to collaborate in order to achieve our sustainability goals.

Thanks to this analysis, we have begun to define a strategy for the engagement of key stakeholders that will allow us to direct our efforts in targeted and more effective actions thanks to the spirit of collaboration and sharing that we intend to create.

The stakeholders identified were grouped into the following macro-categories:

External stakeholders
Internal stakeholders



We have identified specific engagement means for each stakeholder category, partly already implemented in 2022, which aim to ensure that stakeholders are listened to and develop collaborative projects to create value and promote sustainable development.

Stakeholder categories

Methods of engagement



Community

- Donations and initiatives in favour of Dynamo Camp and the Green Cross of Reggio Emilia.
- Participation in events such as the Youth Festival and TEDxReggioEmilia.



People

- Internal surveys on environmental, sustainability engagement and climate topics.
- Creation of a cross-functional team dedicated to Equality & Inclusion.
- Engagement of the whole Group in Equality & Inclusion training.
- Internal and external people engagement projects through the creation of the Cellularline forest, the Cellularline Oasis and Bike to work.



Customers

- Meetings with customers during events, with the aim of telling them about the sustainability strategy and establishing contact on possible projects to be developed together.
- Monitoring of sustainability practices implemented by Customers, with the aim of identifying possible areas of collaboration.



Suppliers

- Construction of surveys dedicated to mapping good sustainability practices applied by suppliers and sharing of results.
- Engagement in building a new assessment framework as part of the Supply chain Evolution project.
- Monitoring of sustainability practices carried out by suppliers, with the aim of identifying possible projects to be developed together.
- Collaborating with and supporting suppliers in difficulty.



Media

- Interviews with the press on ESG topics, with the aim of sharing the group's strategy and the related action plan.
- Part of the LinkedIn editorial plan dedicated to communicating ESG initiatives and achievements.



Competitors

- Monitoring of competitor sustainability practices, with the aim of identifying possible areas of improvement.



Investors

- Induction on the company's sustainability path and workshops on Benefit companies with periodic updates.
- Constant updating and application of principles/suggestions in the areas of corporate governance and sustainable success.
- Conference calls on financial results, participation in roadshows and industry conferences with bilateral and group meetings with institutional investors (both equity and debt), sharing feedback with investors attentive to sustainability topics.
- Renewal and enhancement of the Investor Relations section within our website.

OUR STRATEGY

**Business
model**

3.4

The Value chain

We supervise all the activities of the production cycle aimed at marketing the product. Strategic processes are linked to in-house product design and development and marketing and communication activities. Instead, production and logistics processes are outsourced. Through our internal marketing and research and development division, we design new products on the basis of a market analysis strategy capable of capturing new industry trends and new technological developments.



A flexible business model

Outsourcing of production offers great flexibility in terms of production capacity and volumes, allowing suppliers to be chosen on the basis of their degree of technical innovation and reliability, in order to guarantee a product quality that will satisfy even the most demanding customers.



Strategy internally managed



Marketing Intelligence and R&D

Analysis of smartphone and accessory users locally and internationally

Market analysis

Strategic and trade marketing approach

Internal research and development

Great speed and efficiency in the "go to market" processes



Supply management and communication

Management of individual product categories.

Offer planning and segmentation.

Pricing strategies.

Management of assortments per channel and per customer.

Development of in-house digital content to support omnichannel communication.

Efficiency externally managed



Production

Strategic management of production partners.

Careful selection and certification of suppliers.

Continuous renegotiation of supply conditions.

Exclusive supply relationships and/or strategic partnerships.

Production and incoming quality control.



Logistics and warehouse

Constant relationship management with logistics partners in charge of warehousing and storage of goods.

Fully automated warehouses.

METHO DOLO GICAL NOTE

METHODOLOGICAL NOTE

Our approach and guidance on reading the 2023 report

Methodological note

Our operations entail enormous responsibilities, not only towards the company, but also towards the environment and the people around us. Therefore, this document represents the core of all our sustainable initiatives and projects, making us even more proud to be part of the Cellularline Group.

In line with last year, the 2023 ESG Report is published annually and it has been prepared in accordance with the requirements of the GRI- Sustainability Reporting Standards 2021 (hereinafter also referred to as the "GRI Standards"), according to the option "in accordance with the GRI Standards".

The GRI Standards are the main global reference standards for the ESG Report, providing an account of a company's sustainability performance.

In particular, this Report has been prepared in accordance with GRI reporting principles for defining the content and quality of the report, such as stakeholder inclusiveness, sustainability context, materiality, completeness, as well as accuracy, balance, clarity, comparability, relia-

bility and timeliness.

In particular, the Report is based on the GRI Standards listed in the correlation table "GRI Content Index" included in the annex to the document. The page of the Annual Report or other corporate documents where the relevant content can be found is indicated in this table for each relevant ("material") aspect. The materiality principle, which is fundamental to the GRI Standards, guides the extent and quality of non-financial reporting.

The reporting scope includes the parent Cellularline S.p.A., with registered office at Via Grigoris Lambrakis 1/a, 42122 Reggio Emilia (RE), Italy, and the companies consolidated on a line-by-line basis: Cellular Spain S.L.U, Systema S.r.l., Worldconnect AG, Coverlab S.r.l. and Subliros S.L..

It should be noted that the companies Cellular Immobiliaria Italiana S.L.U., Cellular Immobiliare Helvetica S.A., Cellularline USA Inc and Peter Jäckel GmbH are excluded, as they are not significant for non-financial reporting purposes. Furthermore, it should be noted that the company Cellularline Middle East FZE, consolidated as of July 2023, was excluded from the scope as it was not relevant for reporting purposes.

Additional limitations with respect to this scope are appropriately noted later in the Report.

The reporting period is the 2023 financial year, which coincides with the calendar year from 1 January 2023 to 31 December 2023, unless otherwise specified in each paragraph. The Report publication frequency is set to be annual.

The latest Report, covering 2022, was released in July 2023.

The document traces the impact areas measured in the B Impact Assessment - **Governance, Customers & Users, People & Community, Product & Packaging** and **Environment** - recounting, for each of them, the stories that gave us the most satisfaction in 2023, as well as the main ways of managing the sustainability topics considered significant for the Group and its stakeholders.



GOVERNANCE

GOVERNANCE

Sustainability Governance

Sustainability Governance

"A good change management is the basis for the development of any business, especially today. This is why, within our Sustainable Innovation path, the central driver is the definition of strategies and development plans at the Governance level."

What we have done: our impact stories

Why do we exist? Our Purpose

We have consolidated the use and dissemination of our purpose, which is fundamental for a better definition of our identity. Purpose answers the question: Why do we exist? We believe that being able to answer this question allows us to create a stronger connection with our reference environment, allowing for the immediate recognition of the Group's brands on the outside. We do not want these to be just nice words to spend to feel better about ourselves; we apply ourselves to declining these concepts in the corporate operations and the way through which we want to do it is precisely the definition of goals consistent with our values. This is reflected by our continuous improvement programmes on the sustainability of our products, as well as by our constant search for solutions for the well-being of our employees.



Distribution of created wealth

163.4M euros

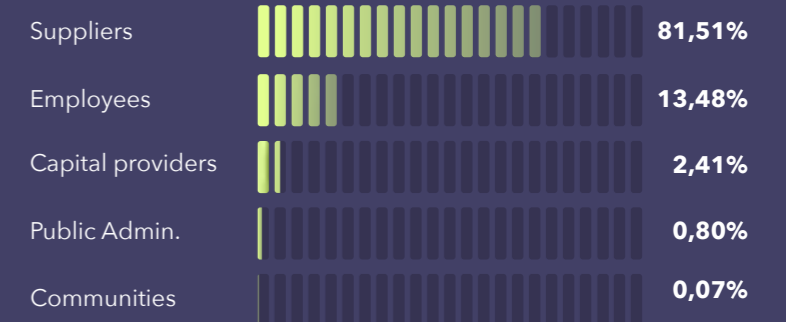
economic value generated in 2023

In order to ensure the creation of an all-round sustainable model, we are committed to all those who contribute to achieving our goals. We are proud to say that all generated value has been fairly redistributed to our stakeholders, the real drivers of the Group. It is only through this practice that we can continue to innovate our products, ensuring alignment between social, environmental and economic performance.

The statement on the production and distribution of economic value, which represents the difference between revenues and costs of production, allows us to quantify the wealth generated by the company, understand how it was determined and how it is distributed to stakeholders.

The statement on the production and distribution of economic value, which represents the difference between revenues and costs of production, allows us to quantify the

Value distributed by stakeholder category in 2023:



wealth generated by the company, understand how it was determined and how it is distributed to stakeholders. In 2023, we created about Euro **163.4 million** in value, an increase of **13.5%** compared to 2022. The higher value generation in 2023 compared to 2022 was offset by the increase in the value distributed to the public administration for higher direct taxes and to employees.

Our path to sustainable governance

We understand that a change in perspective is necessary in order to achieve greater social welfare. This is why, starting 2020, we have begun working concretely, launching a long-term sustainable innovation path, supported by a clear commitment and with the direct engagement of our Board of Directors. The starting point of our journey was the completion of an analysis of our environmental and social impact performance, conducted through the international standard BIA (**Benefit Impact Assessment**) developed and promoted by the non-profit organisation B Lab.

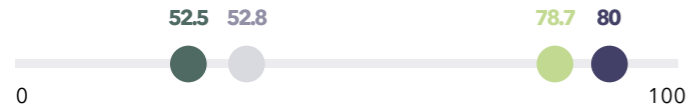
The use of BIA facilitates the performance reporting process according to the Global Reporting Initiative (GRI) standard thanks to the collaboration agreement in place between B Lab and GRI. Our report traces the im-

impact areas measured in the B Impact Assessment, telling, for each of them, the stories that gave us the most satisfaction along with our commitments for the future.

During 2023, we continued our work towards obtaining B Corp certification, improving our score from last year and achieving **78.7** points.

We are very close to the target, and with continued strategic planning we believe that we will successfully reach this goal in 2024, achieving significant improvements in all areas under evaluation.

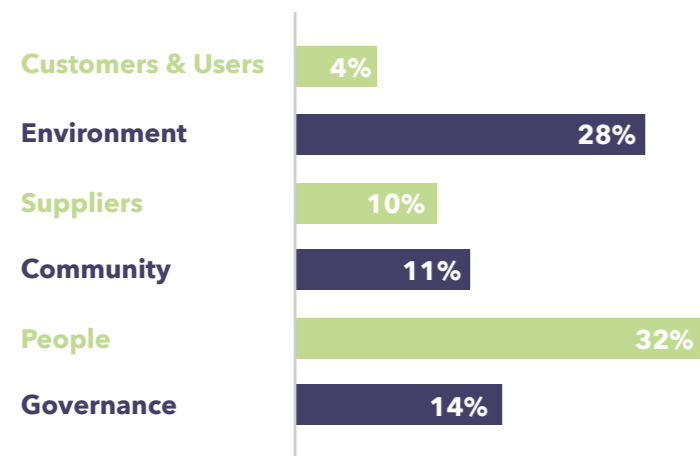
Overall BIA score 78.7 pts



- Average score of companies similar size to Cellularline in terms of employees that have completed the B Impact Assessment
- Threshold to be eligible as a Certified B Corp

Governance	11.2
People	25.2
Community	8.9
Suppliers	8.2
Environment	21.7
Customers & Users	3.5
Total	78.7

Below is Cellularline's performance for each BIA impact area expressed as a percentage of the total points obtained in 2023



BIA measures the social and environmental performance of organisations based on the areas:

Governance



It assesses the company's overall mission, ethics, accountability and transparency, on topics such as integrating social and environmental goals for employee performance assessments, impact reporting, stakeholder engagement, and generally how governance practices and policies are conducted.

People



It assesses the company's contribution to the well-being of workers through questions related to remuneration, benefits, training, professional growth, health, safety and working flexibility.

Community



It assesses the company's commitment to and impact on the community. Topics are related to diversity and inclusion, the creation of jobs, charitable and volunteering practices and engagement in the local community. The company's broader impact through the supply chain is also assessed.

Environment



It assesses the overall environmental management of a company including its structures, resource use, emissions, logistics and (where relevant) its distribution channels and supply chain. This section also includes options for companies whose product or service has been designed to solve a specific environmental problem, such as rethinking traditional manufacturing practices or making products that generate renewable energy, reduce consumption or waste, preserve land or wildlife, or educate on environmental issues.

Customers & Users



It assesses companies whose products or services are designed to address a particular social or environmental issue. The section focuses on the impact of the product or service and the extent to which it creates benefit for the user or category.



How we do it

Governance Structure

Our governance system is designed to generate value within the company in order to meet the expectations of the various stakeholders. This system refers to both governance and leadership and control.

Our corporate governance structure plays a central role in ensuring clear and responsible operations, significantly contributing to the creation of sustainable value in the medium and long term.

We follow the recommendations and regulations of the Corporate Governance Code for Listed Companies to ensure an optimal level of transparency and efficiency in our corporate governance, for the benefit of shareholders, investors and all other stakeholders.

Our Administration and Control System

We adopt an administration and control system based on the traditional model, including:

Shareholders' Meeting

In the context of a listed company, the Shareholders' Meeting represents the concerns of the company, i.e., its shareholders, and is entrusted with important tasks, such as the approval of the Annual Report and the appointment of the members of the Board of Directors and the Board of Statutory Auditors.

Board of Directors¹

The Board of Directors is entrusted with company management and the conduct of business. It consists of ten members, six men and four women, two of whom are executive and eight non-executive. The average age is 55 years with four directors in the 30-50 age group and six in the 50-plus age group. The BoD has established three internal committees playing an advisory, proactive and analytical role: the Risk and Control Committee; the Appointments and Remuneration Committee and the Related Party Transactions Committee.

Board of Statutory Auditors

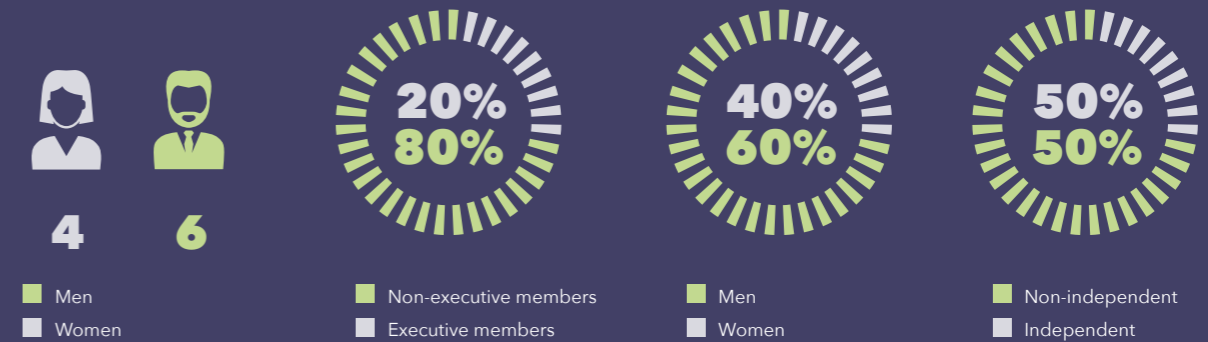
The BoD, directly or through the delegated bodies, regularly reports to the Board of Statutory Auditors, in its capacity as a supervisory and control body, on its activities and on any transactions conducted by the Company and by its subsidiaries that have a significant impact on margins, assets and liabilities or the financial situation. The Board of Statutory Auditors is made up of five auditors (three standing auditors and two alternates), two of whom (including one standing auditor) are women. The average age is 51.

Supervisory Body

The Supervisory Body (SB), established pursuant to Italian Legislative Decree no. 231/2001, is a collegial body that reports directly to the Board of Directors, supervises and oversees the adequacy of the Organisational, Management and Control Model and also reports on its implementation. The Supervisory Body consists of three members, two of whom are women, all able to guarantee the appropriate requirements of autonomy, independence, professionalism and continuity of action.

¹The current members of the Board have been in office since 28/04/2023. Pursuant to the Articles of Association, directors hold office for a term, determined by the Shareholders' Meeting, not exceeding three financial years from the acceptance of the office; their term expires on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their office and they may be re-elected.

Members of the Board of Directors¹ by gender and role and independence requirements



Our committees

Appointments and Remuneration Committee

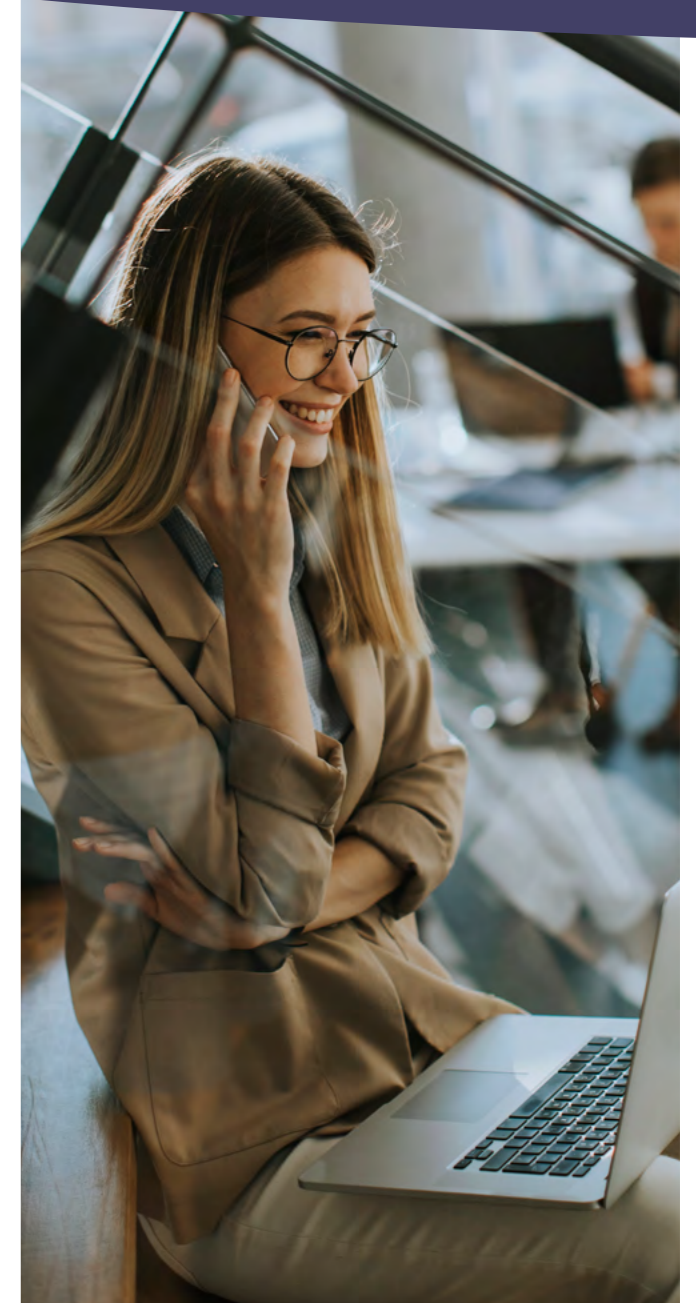
The Appointments and Remuneration Committee is an advisory and proactive body tasked with assisting the Board of Directors with matters relating to the appointment and remuneration of Directors and key management staff. The Appointments and Remuneration Committee is made up of three independent non-executive directors, two of whom are women, in the 50-65 year age group.

Related Parties Committee

The Related Parties Committee is the body responsible for transactions with related parties. Where so required by the nature, the magnitude and the features of the transaction, the Related Parties Committee has the authority to obtain the assistance, at Company expense, of one or more independent experts of their choice, by obtaining the appropriate expert reports and/or fairness assessments and/or legal opinions. The Committee consists of three independent non-executive directors (all women) with an average age of 48.

Risk and Control Committee

The Risk and Control Committee defines the guidelines of the internal control and risk management system in line with the Company's strategies and assesses, at least once a year, the adequacy of the system in relation to the features of the business and to the risk profile assumed, as well as its effectiveness. The Committee consists of three independent non-executive directors (all women), with an average age of 54.



ESG COMMITTEE

“We work with the whole team in order to build a new way of doing business, looking at it as a positive force that can create a virtuous impact on people and on the environment”

Each committee consists of at least 2/3 female independent directors

In addition, in order to reinforce and formalise our ongoing commitment to sustainability, we formed the ESG Committee. This is a supervisory and assessment body for project streams active on *Governance - People - Community - Suppliers - Environment - Customers topics*.

The committee consists of eight members: CEO Christian Aleotti, General Manager Sales and Marketing Marco Cagnetta, Group HR Manager Luisa Cataldo, Group Chief Financial Officer Mauro Borgogno, Group Legal Director Ester Marino, Marketing Director and Chief Digital Officer Alessio Lasagni, R&D Manager Marco Barbiero and Procurement Manager Rocco Bonforte.

Internal control and risk management system

We have an Internal Control and Risk Management System (ICRMS), consisting of the set of rules and organisational structures aimed at the effective and efficient identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the company.

The ICRMS is the set of processes intended to monitor the efficiency and effectiveness of corporate transactions, the authenticity, accuracy and timeliness of the financial information, compliance with laws and regulations and the safeguarding of corporate assets.

The company's Internal Control and Risk Management System, based on reference guidelines and best practices, considers all the main types of risk that could jeopardise the achievement of the Group's strategic goals.

Regulatory compliance and Integrity

With the aim of defining an organic structure of procedures and supervision aimed at preventing the risk of committing the offences prescribed by Legislative Decree 231/01 and improving corporate governance, by resolution of the Board of Directors on 3 March 2018, we adopted the Model of organisation, management and control, aimed at ensuring conditions of fairness and transparency, to protect our image and the expectations of our shareholders, as

well as the work of employees. In 2022, our Organisation and Management Model was updated, in order to make it more usable and consistent with the current organisational context. The newly drafted Model is structured by corporate process, unlike its predecessor, which had a structure by category of offence. In this way, each corporate department can recognise itself directly in its own operations. In addition, supervision controls were revised, with a view to making them concretely applicable, in their usefulness and added value, by corporate staff.

Following last year's update of the parent's Model 231, evaluations are being carried out for the implementation of a management system for each subsidiary. The adoption of an Organisational Model is already planned for some companies, as well as the appointment of a specific Supervisory Body; for other subsidiaries located in countries other than that of the parent, appropriate considerations are being made pursuant to the applicable regulations. Continuing in this vein, we aim to ensure careful risk management and an adequate control system in each Group company.

In 2023, we continued training sessions aimed at raising awareness of the offences referred to in Italian Legislative Decree 231/2001, with a particular focus on preventing corruption-related incidents. The training is mainly for the most exposed figures within the organisation. A total of 12 hours of training were provided during the year.

In order to ensure efficient monitoring of the operation and respect of the Model, the SB is given broad powers, such as broad and extensive access to the

various corporate documents, availing itself of the support and cooperation of the various corporate structures and corporate bodies that may be engaged in control activities, and conferring specific advisory and assistance appointments on professionals, including those external to the company.

All those who become aware of information relating to the breach or suspected breach of the ethical principles and conduct provided for by the Model may appeal and report to the Supervisory Body. Such reports can be made by e-mail to the following address

organismodivigilanza@cellularline.com or through the portal

<https://cellularline.integrity.complylog.com/>. The online portal has been set up in compliance with the Whistleblowing legislation and allows to transmit, also orally, both one's own report and a report received from a third party.

The Supervisory Body takes into consideration the reports received and takes the necessary consequent measures, always ensuring the protection of the reporter from any type of retaliation, in line with the provisions of the regulations on **Whistleblowing**.

The Supervisory Body then drew up a new internal Whistleblowing Procedure that reflects the changes and innovations introduced by the directive in order to regulate the transmission, receipt, analysis and management process. All reports are treated confidentially by the company's Supervisory Body, which may avail itself of the support of the appointed Internal Auditor and of appointed external consultants in carrying out any investigative activities. Following the reports received and the investigation carried out by the Supervisory Body, the

company may take action to remedy violations of laws, regulations, guidelines and industry codes and prevent their further repetition.

The information flows were directed towards the SB during 2023: these flows have the purpose of guaranteeing the effective and efficient supervisory activity of the Supervisory Body, aiding any subsequent ascertainment of the causes that made the occurrence of the offences set out by Italian Legislative Decree 231/2001 possible, as well as to continuously monitor the company's operations. Questionnaires have therefore been shared for each defined risk area, enabling the Supervisory Body to collect information on corporate processes and controls on a six-monthly basis. Managers designated as responsible for the management of this information (known as Key Officers) attended training sessions in order to properly handle sensitive data and in compliance with current regulations.

Together with the definition of the Organisational Model, a **Code of Ethics** has also been defined. We share the Code with our internal and external stakeholders; it deals with contents of fundamental importance to us. The Code of Ethics incorporates the corporate values, principles, ethical and conduct rules adopted by the Company as an essential foundation of its activities, in order to guide conducts, contribute to transparency and alignment on the corporate value system and constitute a reference base for the development of a widespread and shared corporate culture.

There were no incidents of corruption or other similar crimes in 2023.

Remuneration Policy

The Remuneration Policy adopted defines the principles and guidelines applied in determining its practices for the remuneration of Directors, Key Management Staff (as defined herein) and, without prejudice to the provisions of Art. 2402 of the Civil Code, of the members of the Board of Statutory Auditors, as well as in monitoring its application. The Remuneration Policy was approved by the company's Shareholders' Meeting on 28 April 2023, following its approval by the Board of Directors on 17 March 2023, on the proposal of the Appointments and Remuneration Committee.

It has been drafted consistently with the company's traditional governance model and in line with the recommendations of the Corporate Governance Code, also taking into account the provisions of Article 2.2.3 of the Rules of the markets organised and managed by Borsa Italiana S.p.A. and the relevant Instructions for issuers with STAR qualification.

For more information, please refer to the Remuneration Report available at www.cellularlinegroup.com.

GOVERNANCE

Tax management

5.2

What we have done: our impact stories

AEO certification

In 2022, we obtained the AEO (Authorised Economic Operator) certification with the highest degree of reliability (AA) in both customs simplification (AEOC), streamlining the relevant controls, and security (AEOS), demonstrating the high level of compliance achieved within our supply chain (obtaining AEOC and AEOS certification is jointly defined as AEOF). Being AEO certified confirms our continued commitment to improving the governance of the company, and is an important step in ensuring the perfect compliance of our processes in the relations with tax and customs authorities.

How we do it

The tax approach reflects the principles, goals and commitments set out in the various Group procedures, which establish the standards and conducts we required within the company. We are actively committed to acting with honesty and integrity in all tax matters and aim to pursue a transparent and sustainable long-term tax strategy. We comply with tax legislation in all the jurisdictions in which we operate, working closely with tax advisers, auditors and tax authorities, in order to ensure the correct determination and settlement of statutory taxes and the correct and effective approach to tax risk management, by which we mean the low risk of incurring tax breaches.

The Group's tax affairs are managed by Group Accounting, the Tax and Credit Manager, liaising with the Group administrative management in the most efficient way, in accordance with the applicable tax regulations. The approach taken to tax planning is conservative, as we do not pursue aggressive strategies, nor use any artificial schemes without economic substance for the purpose of achieving tax savings.

When governments provide tax incentives to promote investment, employment and economic growth, we seek to access them when applicable to our business.

We adopt reasonable and well-founded tax choices and interpretations in determining the tax treatment of a particular transaction or business. In light of the size and complexity of our business, risks may arise in relation to the interpretation of complex tax regulations. These risks are constantly managed, identified and analysed internally and, if necessary, with the support of qualified tax advisers.

We base our approach to tax topics on an ongoing relationship of exchange and transparency: the relations with the tax authorities of the countries where the company is present are constant and based on exchange and updating, so as to be able to promptly adapt the corporate tax approach to the indications coming from the authorities themselves.

Our global tax contribution, as a Group, includes various types of taxes, which can be grouped into the following categories:

- income taxes, such as corporate tax;
- property taxes levied on the ownership;
- sale or lease of real estate;
- employment taxes, which include taxes collected and paid to the tax authorities on behalf of employees;
- indirect taxes levied on the production and consumption of goods and services, such as VAT, customs duties, etc.

The Group's tax rate depends on the geographical distribution of pre-tax results and on the rules applicable in the tax systems of the various countries in which it operates, but may also be influenced by specific contingent situations.



GOVERNANCE

Future commitments

5.3

Future commitments

Performance improvement

Our sustainable path is not characterised by having a specific goal, but rather by the continuous search for improvement. This is why we are committed to working in the coming years to progressively improve our performance with respect to people and the environment.

Monitoring and commitment

We intend to do this by following recognised patterns and monitoring advancements over time. In fact, we are committed to reporting on our sustainability performance through the BIA and the use of GRIs for an effective sustainable action plan. We will continue to be characterised by our transparency and accessibility, thanks to which our stakeholders can always be updated about our path on the topic.

Corporate culture

We will continue with our journey of enhancing what we do. We started with the definition of our purpose and we want to continue with the development and internal dissemination of a culture linked to shared values and sustainability.

Stakeholder engagement

We are committed to implementing formal actions and procedures for engaging key stakeholders and to define goals and KPIs that allow us to monitor results.

Integration of ESG goals

We want to continue with the inclusion of ESG goals in our incentive plan for managers and/or professionals.

Path towards the Benefit Corporation

Benefit Corporations are dual-purpose companies that, in addition to the purpose of sharing profits, pursue one or more common-benefit purposes and operate in a responsible, sustainable and transparent way towards people, communities, territories and the environment, cultural and social goods and activities, entities and associations and other stakeholders. We have decided to embark on a path, together with Nativa Lab, that will lead us to assess the potential acquisition of this status in the coming years.

General skills and professional features of directors

With regard to professionalism, the Board of Directors recommends that an effective balance be ensured between the value of continuity and the need for constant renewal of the Board itself, achieving adequate diversification and complementarity of professional profiles.

Confirmed future commitments 2024

- Path towards Benefit Corp
- Integration of subsidiaries into the management and controls already adopted by the parent company (disclosure of the objective in the text)

GOVERNANCE

GRI disclosure

5.4

GRI Standard 201-1 - Economic value generated and distributed

Economic value directly generated and distributed	u.r	2023	2022	2021
Economic value directly generated		163.432	143.977	116.156
Economic value distributed		(160.606)	(130.686)	(120.002)
Operating costs		(133.206)	(108.413)	(102.421)
Remuneration and benefits	€/000	(22.033)	(19.349)	(18.117)
Payments to providers of capital		(3.942)	(3.299)	(2.126)
Payments to the Public Administration		(1.310)	464	2.710
Community investments		(114)	(88)	(48)
Economic value retained		2.826	13.291	(3.846)

GRI Standard 405-1 - Diversity of governance bodies and employees

Members of the BoD by age group	u.m.	2023	2022	2021
< 30		0	0	0
30-50	N.	4	4	4
> 50		6	7	7
Total members of the BoD		10	11	11

Members of the BoD by gender	u.m	2023	2022	2021
Men		6	8	8
Women		4	3	3
Total members of the BoD		10	11	11



The background features a light pink color with several glossy, 3D-rendered shapes in shades of blue and red. These shapes vary in size and form, some resembling droplets or organic forms, creating a dynamic and modern aesthetic.

CUSTOMER & USERS

6.



Our history and our future will always be characterised by the special attention we pay to our customers, their needs and requirements.



We bring our solutions to users in over 60 countries

In recent years, we have witnessed a major change in market dynamics. The current paradigm is characterised by strong product and business process innovation and by a growing interest of players in sustainability topics. For us, it is crucial to continue to play a leading role in these market dynamics, contributing to the sustainable development of our industry and responding to the new needs of our customers. Indeed, our aim is to unite these two directions of change into unique solutions that embrace new technologies on the one hand and that have less and less impact on the environment and society on the other.

Over the following paragraphs we recount our initiatives aimed at better relations with business partners and with the users of our products, and the ways in which we have addressed the challenges posed by the market environment. We also outline what our commitments are for the future, in order to continue to improve.

3.5

Customer & User

BIA score

as at 31/12/2023

CUSTOMER & USERS

Customer Centricity

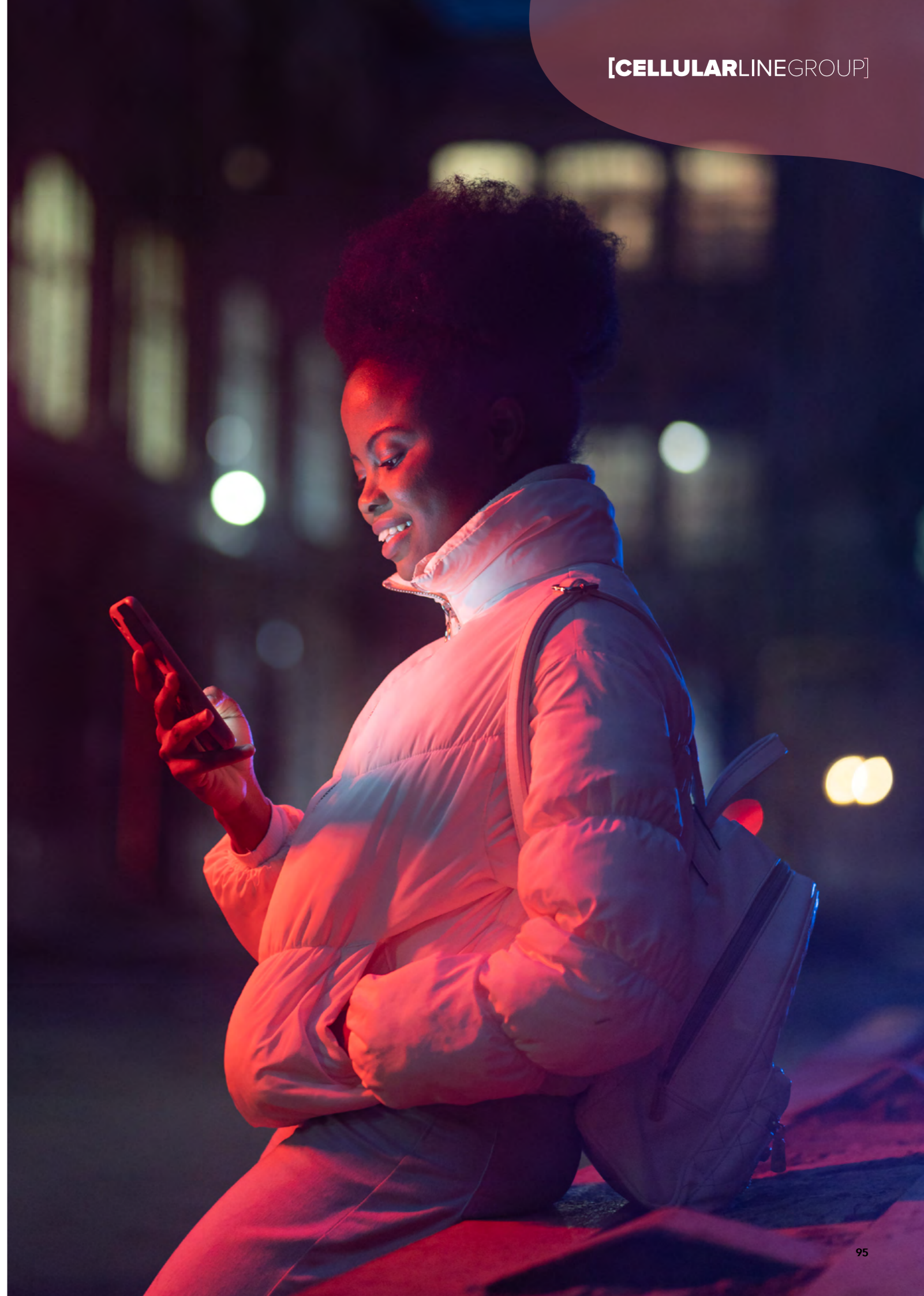
What we have done: our impact stories

Service and constant trade support

The current context has led our business partners to **redesign the customer experience** in their stores. The new scenario enhances those products that are characterised by having an intentional sustainability profile, and those brands that have adopted corporate practices to respond to this market evolution. In order to intercept this change and fully understand the new needs, we have intensified our collaboration with our business partners, liaising closely with them and following an approach of study and research of their sales channels, thanks to which we offer the most effective and gratifying solutions in terms of assortments, store materials and the buying experience.

We have intensified our efforts through a training and information activity for our sales force, disseminated throughout the territory, which in turn is entrusted with communicating with and training store sales staff. In order to do so, we have prepared a training plan capable of developing the technical skills of our salespeople on products and technologies, their business skills in translating the features of the products into sales arguments, as well as relational, communication and proactive skills.

Satisfying our accessory users' expectations requires **competence, agility** and **flexibility**, which we constantly train by looking at market trends and at the evolving needs of the people who choose Cellularline.



Omnichannel strategy

Having an omnichannel strategy is a prerequisite to be able to guarantee adequate services to our customers in today's market. The adoption of such a strategy becomes essential when approaching a digitised market such as ours, where the end-user has the possibility of purchasing a product through different channels.

We continue to enhance strategic collaborations with our business partners, which have been further intensified in 2023 in order to effectively meet the needs of an increasingly digital-oriented market. On-line collaborations with our retailers are, in fact, a way for us to mutually benefit from the increasingly complex customer journey of end consumers. In order to strengthen our presence on this front, in 2023 we continued to invest in the project for developing our approach to digital and e-commerce. The **new operational model** is focussed on the simultaneous use of different tools capable of operating successfully in order to enhance hybrid customer journeys. To this end, the synergies created with retailers in the industry are a key to comprehensively presiding over our consumers' entire shopping experience.

These efforts are always framed within the strategy of enhancing our extensive catalogue and **seeking new opportunities for growth** through the improved provision of information and the satisfaction of end users.

New B2C Consumer Care process

The **Consumer Care B2C** process of managing consumer requests for pre- and post-sales support was refined in 2023, in continuity with past years, with tools that allow us to better analyse, understand and respond to the requests received from users of our products.

We are introducing a quantitative reporting process as a further step in our improvement strategy. Analysing the data collected, we are able to identify trends, strengths and areas for improvement in our customer service process and our products. This approach will enable us to optimise resources, reduce response times and increase our service quality, further consolidating our consumers' trust.

Our system makes communication with customers direct through a **Web Form** and a precise and timely system for channelling requests. Moreover, we have integrated mailing lists in order to more efficiently manage the indexing of enquiries from the channels available to our consumers, allowing us to direct pre- and post-sales support to a single point of contact (SPOC). Lastly, the frequently asked questions (**FAQ**) section has been updated and improvements have been made to our **chatbot** based on the latest generative **artificial intelligence** models.

Our contact channels

DO YOU NEED HELP?

CONTACT US!



FAQs

In this section you will find our answers to the most frequently asked questions about orders, shipping, purchasing and delivery, site registration and all the services Cellularline offers you.

[Click here](#)

WEB FORM

If you wish to report a problem with a product or a service or if you wish to submit reports and requests on commercial initiatives, please fill in the web form, you will receive a reply as soon as possible.

[Click here](#)

CHAT BOT

If you prefer real time help, write in our chat room.

[Click here](#)

The chat bot is active at specific times 9-13 and 14-18

Live the Excellence

In March 2023, we again organised Cellularline's "Live the Excellence" event, an extraordinary occasion to share our vision and development strategies on the categories of accessories for smartphone, tablet, audio and screen protection service with all our strategic partners, using a wide display of our product ranges and display tools to support sell-out.

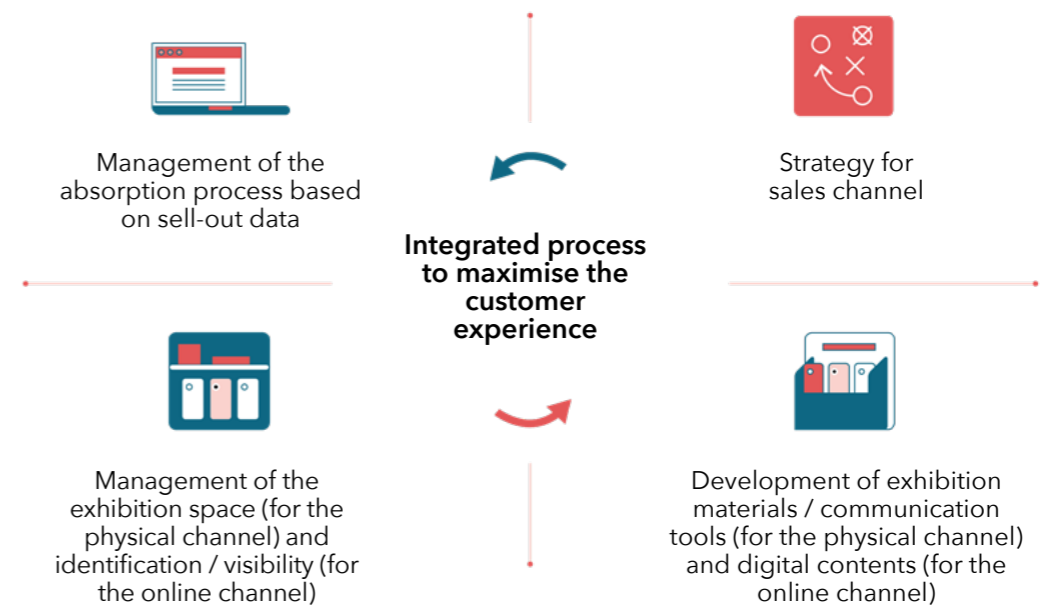
Live the Excellence is an essential opportunity for us to analyse market trends, understand the new needs of the trade, develop synergies and further consolidate the relationship we have built up over the years with our key stakeholders, following our intentions to always be in step with **innovation drivers in strategies and sales.**

How we do it

The technology boost and the increased awareness of environmental and social topics are the two key drivers that have been guiding our strategies in recent years. New market dynamics tell us that users, i.e. the end customers, have progressively started to evolve from the role of "consumer" to that of an aware player. Therefore, studying and updating our products to reflect these changes becomes the key to being able to intercept new market needs. In actual fact, our method has always been characterised by a focus on market and consumer research. Every year, we investigate emerging needs and new trends in use through special research.

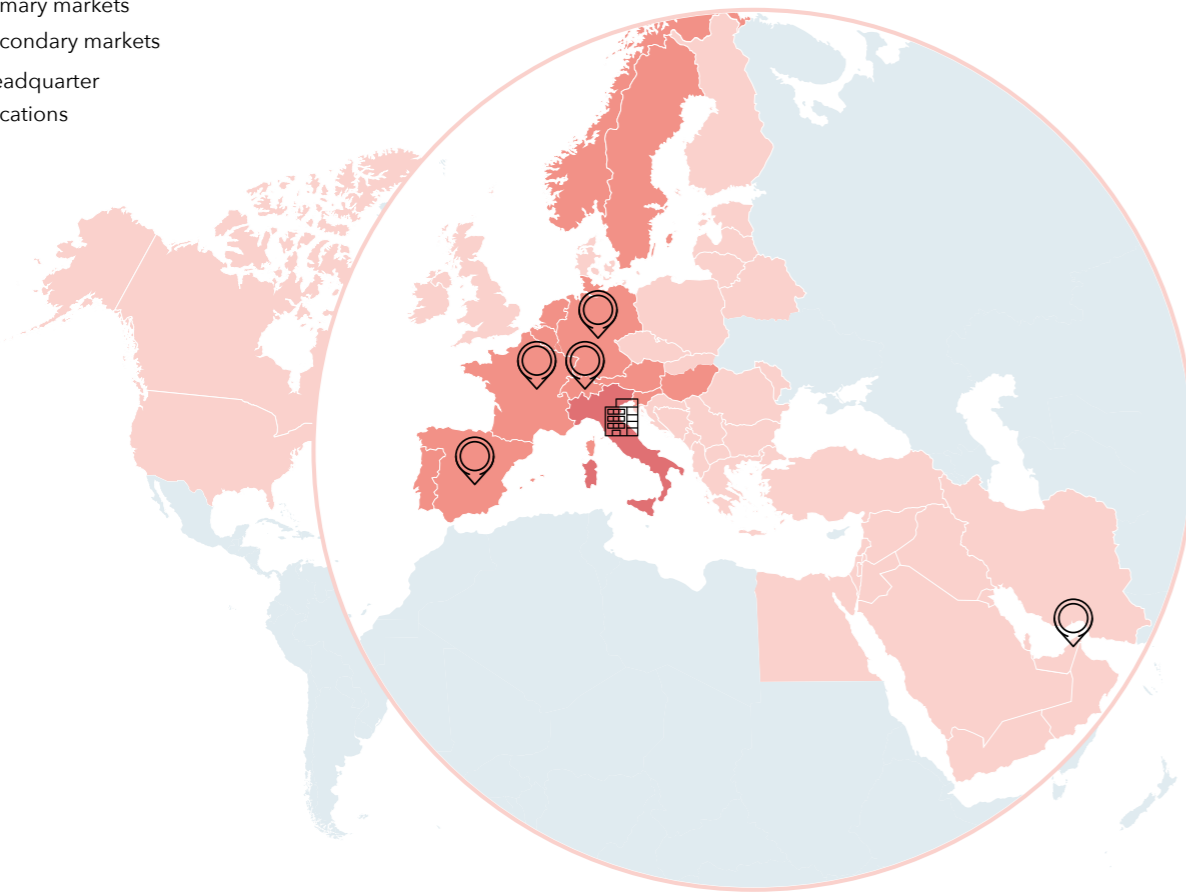
We conducted market surveys in 2023 to understand the evolution of consumers' needs in the various product categories, including extensive research on the cases category, in order to identify emerging needs, potential development trajectories, and areas for improvement within our offering, all developed through a methodology of focus groups and accompanied in-store interviews (focusing on shopper dynamics).

The insights gained have guided the development of new designs and functionalities, aimed at meeting emerging needs and strengthening our market position.



"Our strategy is based on an integrated management model aiming to maximise our customer shopping experience"

- Main markets
- Primary markets
- Secondary markets
- 🏢 Headquarter
- 📍 Locations



Geographical presence

Our brand is one of the main operators in the smartphone and tablet accessories sector in the EMEA area, as well as a market leader in Italy; moreover, we rank, by volume, among the top operators in Spain, Switzerland, Belgium, the Netherlands and Austria and we boast a strong competitive position in the other European Countries.



Our brands

“Being a leader does not only mean excellence in terms of quality and design, but also putting the different needs of users at the centre of our operations. Thanks to our portfolio of various brands, we are able to offer a wide range of products with specialised marketing placements to meet all consumer needs”



Our top Brands

Cellularline



It is the European reference brand in the accessories market for smartphones and tablets. Thanks to a careful product strategy based on excellent quality, design and innovation, we guarantee solutions in line with technological trends, constantly striving to combine excellent performance with ease of use.

Ploos



Launched in 2020, Ploos stands out for its essential designs and functionalities and is characterised by excellent value for money, allowing Cellularline to bolster its coverage of some EMEA markets and channels in which its positioning offers ample growth margins.

Audio Quality Lab (AQL)



This brand is dedicated to the world of music that interprets and satisfies the needs of all users. This range combines technological innovation and distinctive design with unique features to satisfy all types of listening, combining the needs of music enjoyment with those of conversation.

Music Sound



An audio brand that conveys a new point of view in the world of music: style, colour and imagination. Eye-catching, colourful accessories for a young audience that likes to listen to music at home and on the move and that, at the same time, likes to be noticed. All this in addition to a strong focus on value for money.

Newrban



Launched by Cellularline in 2023, Newrban marks our début in the world of sustainable mobility. The product range is designed to improve the safety and efficiency of urban mobility with innovative and sustainable products, including visibility and transport solutions, reflecting our commitment to safer mobility with a low impact on the urban environment.

Cosmo Nova



These are the brands that the group has created exclusively for the Specialist Telecom channel at European level. The wide range of products offered is able to meet all the needs of a Telco store and maximise loyalty. The brands are known in the market both for their excellent value for money and for the sustainability of the supply chain.

Interphone



Brand that identifies an accessory line of innovative solutions dedicated to communication in motion between motorcyclists. Thanks to the extreme functionality and reliability of its devices, Interphone products have become the ideal companion on the road or in the city.

Skross



Leading brand in the premium travel adapter segment. Its country-specific peripheral power adapters and devices can be found in more than 600 stores in the Travel Retail channel.

Q2 power



Brand for travel adapters and other charging solutions which is complementary and has a different market position compared to the Skross brand, offering an excellent value for money.

Coverlab



A benchmark brand in Italy and abroad for the online sale of customised smartphone cases and accessories that aims to meet the sophisticated and growing needs of fashion and those who love a customised look.

Allogio



Acquired in November 2022, Subliros SL is a Spanish social-commerce company that owns the Allogio brand, a reference brand in the custom segment of smartphone accessories in Spain.

Our product lines

Red product line

It comprises accessories for multimedia devices (such as cases, covers, car supports, protective glasses, power supply units, portable chargers, data and charging cables, headphones, earphones, speakers and wearable technology products);

- Cellularline
- Ploos
- Newrban
- AQL
- Music Sound

Black product line

It includes all products and accessories related to the world of motorcycles and bicycles (such as, for example, intercoms and supports for smartphones).

- Interphone
- Newrban

Blue product line

It groups together products marketed in Italy that are not Cellularline branded (e.g. distribution of original **Samsung** products).

Sales network

Multichannel and customer proximity are our strengths for strengthening the relationship with users.

Our products are marketed mainly through the following sales channels:

- consumer electronics;
- large-scale retail food distribution;
- travel retail;
- telco;
- e-commerce;
- other off-line channels

CUSTOMER & USERS

Future commitments

Future commitments

Live the Excellence

We want to continue to raise awareness and engage our stakeholders on strategies, projects and activities carried out in relation to ESG issues through the annual organisation of an event focused on Cellularline's excellence. The event always includes ample space for ESG storytelling and raising awareness of sustainability issues.

Market research

Further research studies are planned for 2024 to better understand the needs of owners of digital devices and accessories. These analyses allow us to stay ahead of the curve and effectively respond to market developments.

Materiality assessment

We will continue with our journey of enhancing what we do. We started with the definition of our purpose and we want to continue with the development and internal dissemination of a culture linked to shared values and sustainability.



PEOPLE & COMMUNITY

The Cellularline Group places people at the centre of its business strategy. During the Group's organisational changes in recent years, we have maintained a constant focus on employees, concentrating above all on creating pathways to enhance and develop professional and personal skills.

Therefore, we invest more and more in training our people and developing initiatives that benefit the whole community and our stakeholders.

2023 was a very important year for the Cellularline Group, with a special focus on engaging employees in the organisational and cultural evolution process.

8.9

Community

25.2

People

BIA score

as at 31/12/ 2023

People & Community

We are firmly convinced that it is human capital that makes the difference and its enhancement is the basis of our strategy. We guarantee all our people an inclusive working experience that allows for professional and human growth.

Over the next few paragraphs, we will recount the initiatives we have implemented in order to achieve our goals, the People Management & Development processes that guide us every day, and our commitments to continue to improve.

PEOPLE & COMMUNITY

Equality & Inclusion

Equality & Inclusion

"We are committed to encouraging inclusion, enhancing the uniqueness of each person. A path that starts in the company and that is shared outside"



29%
of employees
are under 35
years old

59%
of new hires in
2022 are in the
18-35 age group

96%
of employees
are employed on
permanent contracts

What we have done: our impact stories

Equality & Inclusion: an ongoing commitment

The Cellularline Group recognises diversity as a key resource for innovation, productivity and growth of both the organisation and the country. To promote the necessary cultural change and create an inclusive environment that does not discriminate on the basis of gender, age, different abilities, health conditions, ethnicity, sexual orientation, gender identity or political ideologies, the Group has long promoted initiatives aimed at promoting values of fairness and objectivity. We are committed to protecting and maximising individual potential as a distinctive element.

We are convinced that the foundation of everything we do is people, not resources. People with their own values, their own experiences, their own working styles; each with their own uniqueness. Creating an inclusive culture and embracing diversity means not only recognising differences, but also learning to respect others as they are. These values are also conveyed through a cross-functional team dedicated to Equality & Inclusion created in 2022. The team is made up of several corporate figures, belonging to different departments and roles and identified on a voluntary basis.

A further topic of great importance to us is gender diversity. We therefore continue on our path towards equal pay, a commitment we had already started in 2020. By analysing the gender pay gap, we are able to identify possible areas for action and implement targeted measures. In order to reiterate our commitment outwards, we have included a disclaimer in all our job postings clearly stating our commitment to the topic.

Creation of a cross-functional team on a voluntary basis that promotes and encourages inclusion and diversity within the company.

Members:

Franco Capetta
Enterprise & Application Manager

Cecilia Facini
Demand & Co-Packaging Manager

Claudia Di Modica
HR Business partner

Luisa Cataldo
Group HR Manager

Lara Zaccarelli
International Customer care Manager

Marco Barbiero
Product Developer and Future R&D Manager

Eleonora Pinca
Executive Assitant & Product scouting
Coordinator



In 2023 we joined the network of the Libellula Foundation, an organisation which is committed to preventing and combating violence against women and gender discrimination on a cultural level. The Libellula Foundation carries out numerous activities within the network companies to promote a culture based on respect, creating inclusive work environments and working to dismantle gender stereotypes and promote female empowerment. Our collaboration with the Libellula Foundation involved our customers through a Cause Related Marketing Campaign launched on 25 November, the day against violence against women. In addition, we supported Care Projects such as "Dai Segni ai Sogni" and "Spazio Libellula." The first is a training course for medical and nursing staff in hospitals to help them to recognise the signs of violence suffer-

ed by women and children in emergency rooms; the second is a space open to everyone in the city of Milan to help women, promoting respect and the prevention of violence.

~50%
of Group employees are women

Areas of intervention



Preventing and combating violence against women and gender discrimination



Next generation: actions for sons and daughters of employees



Organisational empowerment and development of inclusive cultures



Advisory actions

How we do it

We are committed to guaranteeing occupational equality and equal opportunity for professional development and growth without regard to any form of discrimination such as race, ethnicity, religion, gender, age, physical ability, nationality, sexual orientation, political orientation, union membership or marital status.

We have developed guidelines for our team in order to establish criteria, methods and responsibilities for the inclusive and fair management of our people. This document is shared within the HR team and is subject to local laws and collective agreements, as well as to periodic verification audits by relevant entities (internal audit and third party entities).

Staff selection is managed by an Applicant Tracking System (ATS), software designed to manage and optimise the search and selection process through the use of social networks and various platforms such as LinkedIn and Indeed. It is crucial for the values and culture of the selected candidates to be in line with those of the Group. During the selection process, we foster mutual learning through bilateral interviews. We then proceed with one or more interviews with HR Managers and the Hiring Manager (responsible for the position being sought) and/or the Business Unit/Function Directors involved and, depending on the characteristics of the search, aptitude tests and/or individual tests are administered.

Throughout the process, we pay close attention to avoiding risks that may arise in the staff selection phase, such as

non-objective assessment of skills, lack of transparency or discrimination in the selection process.



PEOPLE & COM MUNI TY

**People
development and
enhancement**

People development and enhancement

"We believe in creating an environment focused on development, capable of enhancing its people and at the same time promoting sources of cultural enrichment by investing in training"



113
employees trained

What we have done: our impact stories

Performance management

Investing in skills, both managerial and technical-specialist, means investing in the quality and efficiency of our processes and in the enhancement of our human capital.

This is why, as far back as 2020, we revised our performance management process by integrating business goals with targets related to the development of soft skills and leadership. With the aim of motivating our collaborators to achieve increasingly higher results, we have promoted integration and collaboration between individuals and between departments within the organisation, encouraging the definition of cross-functional goals and of organisational development.

In addition, in order to give greater strength and relevance to our sustainable development programme, we have integrated - wherever possible and at all levels of the organisation - traditional business and financial goals with those in the ESG area.

85% of Group employees are involved in formalised performance appraisal and professional development processes.

85%

of the Group's employees are engaged in formalised performance assessment and professional development processes

51%

of the Cellularline Group's people is already part of the short-term performance incentive programme

People and Culture Program

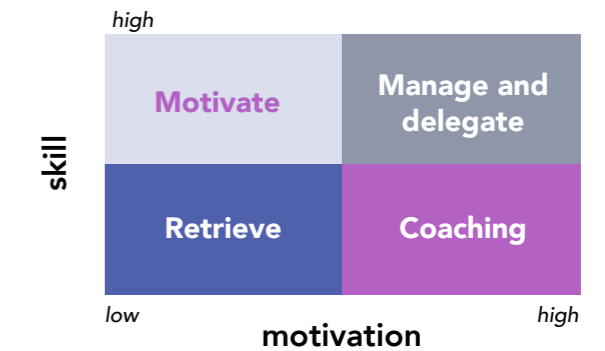
As far as training is concerned, we have launched an important training course called "People Care & Development (Skill & Will)," aimed at developing Leadership and People Care skills, with the objective of giving a vertical concreteness to people management training and introducing a management habit of working on the people dimension vertically and in collaboration with the Human Resources department.

The programme is based on the principles of delegation, coaching and motivating people. Through this project, we intend to build spaces for open discussion and to agree on management strategies, engaging each team more intensively, methodically and professionally, and to concretely guarantee paths for developing skills and motivation.

This project involved two important corporate departments: Marketing & Digital and R&D, involving about 25 people. Within the programme, the managers involved in the project periodically map and segment their employees using the "Skill/Will" analysis model. This analysis leads to the identification of priority "work sites" on which to define concrete areas and actions to improve performance and increase/maintain people's motivation. Vertical dialogue is fundamental in the project, which allows managers to receive horizontal feedback and discuss strategies to be used and applied at the various sites.

The future goal is to extend the project to the rest of the company departmen-

ts in order to create shared methodologies and a company culture oriented towards effective people management.



Training ESG & Welcome Kit

We believe it is important to raise awareness within the Group on issues of environmental, social and governance sustainability. We therefore decided to integrate these issues into our internal communication and in training programmes. During 2023, we continued with collective meetings in which we explained our ESG strategy and objectives, as well as our concrete commitment to improving our corporate impact, with particular emphasis on the "Master Plan": a three-year business plan (2021-2023) detailing the planned actions in the different impact areas of the BIA². We also consider it essential to involve all our people, including new recruits, in the journey towards a sustainable future. For this reason, we have developed an induction programme that allows us to share our journey thus far and our future goals. We have also created a "sustainable welcome kit" for new employees in order to further emphasise the importance of our commitment to the ESG programme.

²Refer to paragraph 5.1 "Sustainability Governance" for more information on the BIA project

Job Posting

In 2023 we enhanced the use of Job Posting, a tool that enables each of our employees to apply for professional opportunities within the company. Through this initiative, we want to continue to promote the professional and human growth of people within the company. We promote a working environment where managers care about the growth of their employees and each person feels empowered to define their own development path. Already in 2020, we built training paths dedicated to the development of the skills of **People Care & Development** and we have redesigned the **Performance Management** process, as already anticipated. In order to make the process simpler, more concrete and effective, we use a dedicated platform, "**JOIN UP**," in order to facilitate the space for dialogue and people development.

The Performance Management process begins with an initial **Goal Setting** phase in which personalised targets and focus skills are identified for each employee. In this step the joint definition of performance KPIs for a better measurement and subsequent assessment of the results achieved will also take place, as well as the drafting of a real **Individual Development Plan** (IDP) for a precise definition of individual development activities. Finally, in order to encourage a constructive comparison and an adequate monitoring of one's own performance, a **mid-year review** phase is foreseen, engaging the exchange of feedback on the progress of the go-

als and the level of achievement of the expected skills.

This intermediate phase is followed by a full-fledged **Final Evaluation & feedback meeting** in which managers and employees meet to share their mutual assessments.



We focused on developing the following skills...



Soft skills, by way of example, we have organised courses in IT, compliance and model 231, information security, smart working policy.



Personal development skills, i.e. languages, communication, leadership, emotional intelligence, performance management.



Technical and professional skills or all the specific courses related to the function to which it belongs in order to continuously update the know-how of the various business functions.

PEOPLE & COM MUNI TY

People
Care

People Care

"The individual well-being of our people is fundamental for us. Responding to needs and providing initiatives that aim to improve people's economic, social and psychological-physical well-being is a commitment we take on"

What we have done: our impact stories

Listening to our people

We want to give voice to the ideas and understand the needs of our people; we therefore established a channel for dialogue with our employees. In particular, we involved all our employees in a survey in order to assess their level of satisfaction and well-being with the activities carried out within the Group and to gather their opinions on current issues that we hold particularly dear, such as diversity and remote work.

Through this survey, we identified our strengths as well as the areas in which we can improve, implementing both short and long-term actions in a process of continuous evolution.

150

**feedback responses
received from employees**

Role of the HR Business Partner

We have worked to further internally develop the role of **HR Business Partners**, with the aim of putting the person at the centre and creating HR figures that support and accompany Line Managers in the daily management of their employees through the practical application of what has been learned in managerial training courses built ad hoc.

As of 2023, the role has responsibility for recruiting, skills development and organisational development processes, as well as being increasingly integrated in business projects in order to contextualise support in people management, based on the concepts of care, growth and inclusion.

The HR Business Partner actually plays a role in reconciling organisational and business needs with those of psychological safety and listening, because only through the motivation and authentic engagement of people can a company achieve excellent results.

Appical, the onboarding app

We continued to refine and update our **onboarding application Appical** in 2023, with the aim of further improving the onboarding experience for our new colleagues. This tool aims to provide a complete overview of the Group and provide all the essential information to facilitate new employees' first steps within the company. We have improved the app's features and content through regular updates and feedback, making the onboarding experience even more engaging and effective. We have also strengthened line managers' involvement in the design and implementation of the various stages of the process, ensuring that each newcomer feels welcomed and supported from day one.



Mental well-being through care

In collaboration with Lifeed, on Mental Health Day 2023 we launched the educational experience "Mental well-being through care," a webinar that explored the different dimensions of well-being. About eight out of ten people currently suffer from disorders related to high levels of stress and feel the need to devote time to self-care. This course provided our employees with practical tools and useful knowledge to start on a path of caring for their own mental well-being. At the end of the programme, participants were more aware of how to tap into all their resources and emotional wealth, empowered with the possibility of taking care of themselves.

Smart working Policy

Our approach to smart working arose as a response to the health emergency, with the aim of ensuring business process continuity and the safety of all our people. However, this path has become an opportunity, providing a way of organising work that allows our employees to better reconcile professional and personal commitments in a flexible and efficient way.

With the aim of promoting the collaboration, trust and empowerment of our people, we have developed an internal policy based on the experience gained during the pandemic. This policy aims to ensure greater agility in our organisational processes and reduce our environmental impact.

Employees are given the opportunity to adopt flexible working arrangements, subject to an individual agreement, as set out in the regulations in force.



Safeguarding of privacy

Digitisation is now one of the most relevant and strategic challenges globally, which is why we strive every day to respect personal privacy with the aim of ensuring full confidence in our activities and success in the digital reality. The data we process is mainly: data pertaining to legal entities, i.e. the companies that deal with the distribution of our products and maintain direct relations with end consumers; personal data of purchasers who interface with us via the e-commerce portal and social networks; data of our employees, collaborators; data of our advisers. We guarantee to all the data subjects a constant control through the respect of the regulations in force and through the Privacy Office composed of the Group Legal Director and the Chief Information Officer who, in case of necessity, can seek the assistance of external advisers for specialised support. An Organisational Data Management Model has been defined, and an e-mail account (privacy@cellularline.com) has been set up for all our stakeholders for any requests, reports, and to ensure timely intervention by the organisation in protecting the rights of data subjects.

Moreover, the office was enriched in 2023 with the nomination of the DPO (Data Protection Officer), and several "**Privacy Owners**" were appointed by the Privacy Office for every company department that processes personal data. Privacy Owners are actively engaged by the Privacy Office in order to make the work of sensitising staff on commitments, responsibilities and precautions useful for proper data management and protection more effective. The Privacy Office and the Privacy Owners therefore work in synergy, through regular communication flows and a schedule of periodic meetings, on an annual basis, to monitor progress and verify the achievement or maintenance of compliance goals, also in the light of any new initiatives undertaken

by the Company. This strategy, together with the definition of a specific training path dedicated to all staff, has led to improved corporate compliance at several levels. The most obvious findings are in projects with an impact on Cellularline's **marketing** actions, **e-commerce management**, and **HR policies**. Control and monitoring actions throughout the supply chain are also improved, with more organised procedures for the selection, contract management and contracting of third parties with privacy or cybersecurity relevance.

Cybersecurity has been placed on the corporate agenda and it is continuously improved to guard the physical and logical infrastructure, as well as to ensure that all employees follow the policies for the correct use of IT tools. It means taking a holistic view of managing the risks associated with cyber attacks. It is a fact that security vulnerabilities have a strong impact on the business continuity of companies. The severity of service interruptions or data theft can be dramatic. However, there are other aspects of cybersecurity sustainability associated with corporate responsibility. Whether they are co-workers, employees or customers, all users must be able to access systems and applications with access constraints and use policies that are as intuitive and quick as possible. Up until yesterday, IT security was considered an add-on to the design of information systems. The explosion of the world wide web and the digital transformation of business have taught companies to look at data and application protection differently. However, for various cultural and economic reasons, there are still few companies that set up security from a native approach.

The cybersecurity risk at Cellularline is considered high due to both the current geopolitical context and the growing trend of cyber attacks on companies of all sizes and in all sectors. These elements, coupled with the complexity of the threat scenario (increasingly organised and evolved), which has also increased due to hybrid working, represent particular factors of attention in the development of our company's transformation strategy. In order to cope with this situation, we have long since equipped ourselves, according to the established risk-based approach, with a series of defence measures to prevent and contain the impact of cyber attacks.

0 substantiated complaints received concerning privacy violations in 2023.



How we do it

We recognise the importance of finding work-life balance, which is why we are committed to providing our employees with a range of services aimed at improving their well-being. We have a welfare plan that includes a number of initiatives aimed at promoting well-being in the workplace and facilitating work-life balance for all our employees. For our headquarters in Reggio Emilia, we use the Edenred Welfare platform, while all the locations in Italy have access to the Corporate Benefit platform through which employees³ have access to conventions/discount vouchers, etc. In addition, we have allowed all our employees to take one or two smart working days per week.

As confirmation of our commitment to promote work-life balance, we can state that all employees who have taken parental leave are still with the company after 12 months. Regarding prevention and mitigation against cyber attacks, we have implemented a training programme called "Cyber Security Culture," aimed at strengthening awareness within the company on the right way to behave

100%

of employees who have taken parental leave are still with the company 12 months after their return.

³Excluded are professionals who have direct relationships with customers and the sales force, professionals who, for organisational, technical and site management reasons, cannot work remotely, and holders of a curricular internship or post-curricular internship relationship.

in order to face cyber risks.

In 2023, we continued to deliver training to new employees and specific communication campaigns aimed at the entire corporate population when particular threats were detected. In addition, we are equipped with various defence measures to prevent and contain impacts in the face of cyber attacks.

These measures include the defence of systems and applications exposed on the Internet, the reinforcement of technological and governance security safeguards, the implementation of control measures aimed at identifying, mitigating and monitoring the cyber security risk conveyed by Cellularline's third parties, actions to further strengthen the continuity of corporate IT services, and improved monitoring of the management of central systems.

Finally, in order to mitigate the risk of a cyber attack, we continuously update the set of countermeasures in place.



PEOPLE & COM MUNI TY

**Occupational
health and safety**

7.4

Occupational health and safety

"We do our utmost to guarantee our people a safe workplace. Creating a safe and secure working environment where our people can feel comfortable is a priority for us."

What we have done: our impact stories

Occupational medicine

We believe that the focus on occupational health and safety should not be limited to mere compliance with legislation, but focus on continuously improving working conditions. For this reason, we have established a partnership with an Occupational Medicine company based in Reggio Emilia: Check-Up Service. This collaboration allows us to take advantage of a pool of appointed physicians and professional technicians, who support us in the timely planning and monitoring of the health surveillance required for workers depending on their job and health status.



How we do it⁴

Firstly, in compliance with Italian Legislative Decree 81/08, we drew up the **Risk Assessment** Document and the **specific risk assessments**. This allows us to analyse all the potential threats to the well-being of our people, based on the Group's activities, the equipment used and the workplaces where we operate, while ensuring effective safety management.

Secondly, we have established an **internal organisation** chart for occupational health and safety through which the employer has designated the Head of the Prevention and Protection Service (RSPP), a role entrusted to an external professional, which has delegated the Appointed Physician in compliance with current regulations and has identified the supervisors and the members of the emergency team. We have also identified our three Worker Safety Representatives (RLS).

We regularly carry out **inspections** and analysis of any applicable requirements, with the support of external consultants who prepare a short or long term improvement plan shared with the employer. Where there are reorganisations and improvements to workplaces and tasks, we carry out specific analyses in order to assess any negative impacts on occupational health and safety.

In addition, the Prevention and Protection Service (SPP) constantly verifies and monitors, through periodic meetings with the safety representatives, dangerous situations, accidents and situations that could cause the occurrence of injuries or occupational diseases and it receives and assesses any reports received by the management from the RLS or from workers.

⁴This information applies to Cellularline S.p.A.; the other subsidiaries operate in full compliance with the regulations in force in their own countries.



We adopt a specific procedure and promote training activities in order to handle reports of unforeseen and sudden potentially dangerous situations, monitoring the near misses. The participation and consultation of the workers is guaranteed both in occasion of the training courses and from the possibility to refer, for eventual signalling, to the RLS or to the referents of the Service of Prevention and Internal Protection.

We ensure the proper conduct of health surveillance activities through a contract with an Occupational Medicine company in the area, Check Up Service. The appointed physician, together with the SPP, constantly analyses the working stations, in order to reduce the risks related to ergonomics and video workstations for workers; during the periodic meeting held pursuant to art. 35 of Legislative Decree no. 81/08 the tasks for which it is necessary to provide Personal Protection Equipment (PPE), appropriately delivered to employees, are also analysed.

The aspects and topics related to the Health and Safety of people are priority elements in determining our organisational choices and culture. With a view to maximising the protection and care of worker well-being, we also carry out specific monitoring and management activities on work-related stress, from which no particular critical situations related to the working environment have emerged. The results of health monitoring also show no critical situations linked to work-related stress.

**2 injuries
in 2023 out
of a total
of 435.492
hours.**

Pathways to Wellness

Our **Wellness** programme launched in 2023 is an awareness-raising process aimed at encouraging our employees to adopt lifestyles that foster holistic health, promoting all-round well-being.

This programme is based on five aspects: Physical, Occupational, Emotional, Spiritual and Intellectual. We developed several initiatives in 2023 to guide our employees along this path, including:

- **In cooperation with DAY1**, a company involved in diabetes awareness activities in companies, our employees have the opportunity to undergo screening to prevent the development of diabetes and all the complications that come with it. More than one million people in Italy are unaware that they have diabetes, while four million are at high risk.
- **With Buddyfit**, a fitness and wellness app designed to help people take care of their physical and mental well-being, we have given all our employees the chance to sign up for free, with three weekly classes exclusively prepared by experienced and qualified trainers. Many initiatives were also organised during the year, including the "Cellularline Steps Challenge" between colleagues, monitored via the Buddyfit app. This challenge was carried out in November 2023, with the goal of reaching more than 8,000 steps per day and encouraging physical activity even during daily breaks.

This year we decided to award the top five most virtuous participants with prizes, including special vouchers (services, trips or courses), recognising their commitment to promoting environmentally friendly transport practices.

The **webinars organised with experts and professionals** are a further opportunity for our employees to improve their well-being.

A meeting was held in September with a **nutritionist biologist** and a **fitness coach**, with the aim of helping with prevention and wellness care by improving lifestyle and eating habits.



PEOPLE & COM MUNI TY

**Community
support**

Community support

"Cellularline's commitment goes beyond its **core business** and looks at its impacts towards the community. As Cellularline Group, we firmly believe in social and cultural development. This is why we support various initiatives aimed at creating added value for people and, in particular, for young people"

What we have done: our impact stories

UNORA programme

In 2023 we continued our membership in the UNORA programme promoted by the Unora ETS Foundation, which allows our employees to donate one or more hours of their work to the various projects promoted by the foundation and its other entities.

Over the course of the year, our employees donated a total of 380 hours for Euro 4,310 collected, thus concretely contributing to the happiness of the people in the foundation's various programmes.⁵

Youth Festival - Noisiamofuturo

We again confirmed our collaboration with Noisiamofuturo in 2023 for the eighth edition of the Youth Festival, which took place in Gaeta from 17 to 19 April 2023. The festival welcomed tens of thousands of students from all over Italy, offering them opportunities for active participation in various roles, including authors, presenters, organisers, communicators, debaters, testimonials and artists. The aim of the festival is to promote inclusion and dialogue between different sectors and age groups of society, as well as to provide guidance and training for schooling and personal development.

TED^x Reggio Emilia

We also confirmed our commitment to the partnership with TEDx (Technology Entertainment Design), a non-profit organisation dedicated to sharing ideas. Now in its 13th year, TEDxReggio-Emilia has always stood out for being recognisable, inclusive and global. The main objective was to discover new stories, get in touch with situations different from everyday life, receive stimulation, find inspiration and acquire new tools to face the great global challenges.



⁵(Fondazione Soleterre, Fondazione Umberto Veronesi ETS, Associazione Italiana Sclerosi Laterale Amiotrofica ONLUS, ENPA ODV, Fondazione Mission Bambini ETS, Fondazione ABIO Italia ONLUS per il Bambino in Ospedale, Help Code Italia ETS, Smile House Fondazione ETS, Associazione Centro La Tenda ONLUS)

“Facciamo battere il #cuore verde” initiative promoted by the Reggio Emilia Green Cross

We make the #greenheart beat

During the current year, we confirmed our support for the Charity Temporary Shop promoted by the Green Cross of Reggio Emilia, with the aim of raising funds to purchase goods for public assistance. Cellularline contributed to this project by donating products available for purchase at the temporary shop installed for the occasion in the historic centre of the city of Reggio Emilia. In addition, in collaboration with the Green Cross, we promoted another initiative, donating emergency batteries, USB chargers, headsets, and other accessories to the communities in Romagna following the May 2023 flood.



We support the Dynamo City Camps

In 2023, Cellularline continued to support the Dynamo City Camp projects, which promote recreational therapy programmes for children and young people suffering from serious or chronic illnesses. The objective of the Dynamo Camps is to offer moments of life and fun, contributing to the development of their abilities and potential. In 15 years, Dynamo Camp has reached around 88,000 people, expanding its partnerships with specialised associations and

organisations year after year. This year we decided to support the Dynamo Holidays, in particular for the week of activities in Brindisi in September 2023, contributing to the right to happiness of other children and their families.

How we do it

Our business development not only concerns aspects inside the company, but also considers the broader context and external stakeholders. We value the positive spillover that our business can generate for the surrounding community, and we are committed to ensuring that these impacts are positive. For us, being a company not only means running our own business activities, but also contributing to **improving the local area in which we operate.**

Creating jobs, investing in people and social initiatives are tangible actions that promote the growth of the local context. We therefore approach our role within the community very seriously; we are aware that the future relies on cooperation and that this cannot exist without a strong sense of belonging to the context in which we are embedded. Our initiatives testify to our strong interest in this issue.



PEOPLE & COM MUNI TY

**Future
commitments**

7.6

Future commitments

E&I Policy

We are working on a corporate Equality & Inclusion Policy. The policy aims to put our values on paper and is based on four principles: fairness and equal opportunities, people first, mutual respect, listening and inclusion.

Youth Festival

We are committed to renewing our partnership with the Youth Festival, promoted by Noisiamofuturo, for the upcoming years.

Digital meal vouchers

We have finalised the digital transition of the corporate lunch service, moving from the widespread canteen with vouchers to digital meal vouchers.

Volunteering

We again confirm our support for the UNORA project in the following years, which allows our employees to donate their time during working hours to projects promoted by the organisations that make up the Unora Onlus Committee.

Future commitments still to be considered

Engagement project
Academy
Funded training in several areas
Coaching and professional development



PEOPLE & COM MUNI TY

**GRI
disclosure**

For the companies Coverlab S.r.l. and Subliros S.L., a comparison of the data is not possible.
In 2023, the information is not available for WorldConnect AG, Cellular Spain S.L.u, Subliros, Coverlab S.r.l and Cellularline Swiss S.a.

GRI Standard 2-7 - Employees by contract type and gender

	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Permanent	N°	133	122	255	125	117	242	124	115	239
Fixed-term		3	8	11	1	8	9	4	7	11
Total employees		136	130	266	126	125	251	128	122	250

In 2023, the number of employees with non-guaranteed hours is 0
In 2023, the information is not available for Cellularline Swiss S.a.

GRI Standard 2-7 - Employees by type of employment

	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Full-time	N°	133	116	249	123	109	232	127	109	236
Part-time		3	14	17	3	16	19	1	13	14
Total employees		136	130	266	126	125	251	128	122	250

In 2023, the information is not available for Cellularline Swiss S.a.

GRI Standard 2-8 - Workers who are not employees

	u.m.	2023	2022
Directors		2	3
Advisers	N°	4	3
Temporary workers		1	2
Interns		0	1
Italy		7	9

Data on workers who are not employees refers to the Italian Group Companies

GRI Standard 2-21 - Annual total compensation ratio

	2023	2022	2021
Worldconnect AG	2,41	1,86	1,83
Systema S.r.l	3,85	4,00	3,86
Cellularline Spain	2,44	-	-
Subliros S.L.	2,00	-	-
Cellularline S.p.A.	11,25	10,89	11,66
Coverlab S.r.l	3,79	2,94	3,49

In 2021, the information is not available for Cellular Spain S.L.U
In 2022, the information is not available for Cellular Spain S.L.U and Cellularline Swiss S.a.

GRI Standard 405-1 - Employee diversity by job category

	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Managers	N°	19	2	21	18	2	20	19	2	21
Junior managers		31	20	51	31	20	51	33	20	53
Employees		85	108	193	76	103	179	74	100	174
Blue collar workers		1	0	1	1	0	1	2	0	2
Total employees		136	130	266	126	125	251	128	122	250

In 2022, the information is not available for Cellularline Swiss S.a.

GRI Standard 405-1 - Diversity of employees by age bracket

	u.m.	2023			2022			2021		
		18-35	36-50	>50	18-35	36-50	>50	18-35	36-50	>50
Managers	N°	2	7	12	0	8	12	0	12	9
Junior managers		4	35	12	3	34	14	2	41	10
Employees		72	83	38	71	80	28	64	86	24
Blue collar workers		0	1	0	0	1	0	0	1	1
Total employees		78	126	62	74	123	54	66	140	44

In 2022, the information is not available for Cellularline Swiss S.a.
With reference to Coverlab S.r.l., the ratio of basic salary and total remuneration of women to men is not comparable.

GRI Standard 405-1 - Employees belonging to protected categories

	u.m.	2023	2022	2021
Employees belonging to vulnerable categories	N°	8	7	9

In 2022, the information is not available for Cellularline Swiss S.a.
In 2023, the number of employees belonging to vulnerable categories is 8, 7 of whom are women and 1 a man

GRI Standard 405-2 - Ratio of basic salary (gross annual salary) and total remuneration (including variable remuneration) of women compared to men, broken down by job category

Cellularline S.p.A.

Basic salary	u.m.	2023	2022	2021
Managers		49%	58%	60%
Junior managers		85%	87%	90%
Employees	%	78%	97%	84%
Blue collar workers		-	-	-
Average total remuneration	u.m.	2023	2022	2021
Managers		46%	57%	59%
Junior managers		79%	79%	84%
Clerical staff	%	75%	95%	83%
Blue collar workers		-	-	-

Worldconnect AG

Basic salary	u.m.	2023	2022	2021
Managers		-	-	-
Junior managers		91%	88%	88%
Clerical staff	%	78%	61%	57%
Blue collar workers		-	-	-
Average total remuneration	u.m.	2023	2022	2021
Managers		-	-	-
Junior managers		85%	92%	97%
Clerical staff	%	74%	58%	60%
Blue collar workers		-	-	-

Cellular Spain S.l.u.

Basic salary	u.m.	2023	2022	2021
Managers		67%	58%	58%
Junior managers		90%	101%	101%
Clerical staff	%	95%	96%	96%
Blue collar workers		-	-	-
Average total remuneration	u.m.	2023	2022	2021
Managers		58%	55%	55%
Junior managers		90%	96%	96%
Clerical staff	%	95%	94%	94%
Blue collar workers		-	-	-

Systema S.r.l.

Basic salary	u.m.	2023	2022	2021
Managers		-	-	-
Junior managers		70%	67%	100%
Clerical staff	%	49%	58%	96%
Blue collar workers		-	-	-
Average total remuneration	u.m.	2023	2022	2021
Managers		-	-	-
Junior managers		72%	67%	67%
Clerical staff	%	38%	49%	100%
Blue collar workers		-	-	-

In 2023, a comparison of data for Subliros s.r.l. and Coverlab s.r.l. is not possible due to the limited number of employees.

GRI Standard 401-1 - New employee hires and employee turnover

		2023			2022			2021		
Number of hires by gender	u.m.	Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
New hires	N°	19	30	49	16	23	39	10	13	23

		2023			2022			2021		
Number of hires by age group	u.m.	18-35	36-50	>50	18-35	36-50	>50	18-35	36-50	>50
New hires	N°	29	16	4	31	7	1	18	5	0

		2023			2022			2021		
Number of new hires by Country	u.m.	Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Italy		14	26	40	14	21	35	8	12	20
Spain		1	0	1	0	0	0	2	0	2
Switzerland	N°	2	4	6	2	2	4	0	1	1
France		2	0	2	0	0	0	0	0	0
Total hires		19	30	49	16	23	39	10	13	23

In 2022, the information is not available for Cellularline Swiss S.a.

		2023			2022			2021		
Number of terminations by Country	u.m.	Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Terminations	N°	12	25	37	12	21	33	13	10	23

In 2022, the information is not available for Cellularline Swiss S.a.

Number of terminations by age group	u.m.	2023			2022			2021		
		18-35	36-50	>50	18-35	36-50	>50	18-35	36-50	>50
Terminations	N°	20	11	6	13	16	4	14	5	4

In 2022, the information is not available for Cellularline Swiss S.a.

Number of terminations by Country	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Italy		10	21	31	11	19	30	11	9	20
Spain		1	1	2	0	0	0	1	0	1
Switzerland	N°	1	2	3	1	2	3	1	1	2
France		0	1	1	0	0	0	0	0	0
Total terminations		12	25	37	12	21	33	13	10	23

In 2022, the information is not available for Cellularline Swiss S.a.

Turnover rate	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Negative turnover rate		8.82%	19.23%	13.91%	9.50%	16.80%	13.10%	10.20%	8.20%	9.20%
Positive turnover rate	N°	13.97%	23.1%	18.4%	12.70%	18.40%	15.50%	7.80%	10.70%	9.20%

In 2022, the information is not available for Cellularline Swiss S.a.

The negative turnover rate is calculated as the ratio of the number of terminations to the total gender of employees
The positive turnover rate is calculated as the ratio of the number of hires to the total gender of employees

GRI Standard 404-1 - Annual training hours by job category and gender

	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Managers		48,0	16,0	64,0	478,0	118,5	596,5	794,5	85,0	879,5
Junior managers		156,3	87,5	243,8	1061,0	938,0	1999,0	1022,0	770,5	1792,5
Clerical staff	h	233,3	279,3	512,5	1621,5	3302,5	4924,0	1018,5	1918,5	2937,0
Blue collar workers		0,0	0	0,0	9,0	0	9,0	2,0	0	2
Total		437,5	382,8	820,3	3169,5	4359,0	7528,5	2837,0	2774,0	5611,0

In 2021, the information is not available for Cellular Spain S.l.u and WorldConnect AG

In 2022, the information is not available for Cellular Spain S.l.u., Coverlab S.r.l, WorldConnect AG and Cellularline Swiss S.a.

In 2023, the information is not available for Systema S.r.l.

GRI Standard 404-1 - Average annual training hours

	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Managers		4.4	8.0	4.9	26.6	59.3	29.8	49.7	85.0	51.7
Junior managers		7.8	8.8	8.1	34.2	46.9	39.2	34.1	39.0	36.0
Clerical staff	n	6.7	8.0	7.3	21.3	32.1	27.5	14.4	19.8	17.5
Blue collar workers		-	-	-	9.0	-	9.0	1.0	-	0.0
Total		6.6	8.1	7.3	22.8	46.1	26.4	24.0	23.5	23.7

In 2021, the information is not available for Cellular Spain S.l.u and WorldConnect AG

In 2022, the information is not available for Cellular Spain S.l.u., Coverlab S.r.l, WorldConnect AG and Cellularline Swiss S.a.

In 2023, the information is not available for Systema S.r.l.

GRI Standard 404-1 - Training hours by training areas

	u.m.	2023	2022	2021
Soft skills (IT, compliance, information security, policy, OMM, etc.)		51	1515,0	1336,0
Personal development skills (languages, communication, leadership, emotional intelligence, performance management, etc.)	h	291	3086,5	1844,0
Technical-professional skills (specific courses related to the department)		284	2927,0	2431,0
Total		626	7528,5	5611,0

GRI Standard 401-3 - Parental leave

	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Employees who were entitled to parental leave		-	5	5	6	13	19	5	10	15
Employees who have taken parental leave		-	5	5	3	11	14	2	7	9
Employees who returned to work during the reporting period after taking parental leave	h	-	5	5	3	11	14	1	7	8
Employees who returned to work after taking parental leave and who are still employed by the organisation in the 12 months following their return		-	5	5	3	11	14	1	7	8

In 2022, the information is not available for WorldConnect AG, Systema S.r.l, Coverlab S.r.l and Cellularline Swiss S.a.

In 2023, the information is only available for Cellularline S.p.a

GRI Standard 404-3 - Number and percentage of employees receiving regular performance and career development reviews

	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Managers		13	1	14	13	1	14	14	1	15
Junior managers		26	16	42	27	18	45	29	18	47
Clerical staff	n	69	100	169	50	93	143	46	91	137
Blue collar workers		1	0	1	1	0	1	0	0	0
Total		109	117	226	91	112	203	89	110	199

In 2023, the information is not available for WorldConnect AG, Cellular Spain S.L.u, Subliros, Coverlab S.r.l and Cellularline Swiss S.a.

	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Managers		68%	50%	67%	72%	50%	70%	73.7%	50.0%	71.4%
Junior managers		84%	80%	82%	87%	90%	88%	87.9%	90.0%	88.7%
Clerical staff	%	81%	93%	88%	66%	90%	80%	62.2%	91.0%	78.7%
Blue collar workers		100%	-	100%	100%	-	100%	0.0%	0.0%	0.0%
Total		80%	90%	85%	72%	90%	81%	69.5%	90.2%	79.6%

In 2023, the information is not available for WorldConnect AG, Cellular Spain S.L.u, Subliros, Coverlab S.r.l and Cellularline Swiss S.a.

GRI Standard 403-9 - Work-related injuries and injury rates

	u.m.	2023			2022			2021		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Total hours worked by employees	h.	228.644	206.847	435.492	149.386	154.183	303.569	202.564	184.572	387.135
Number of work-related injuries	n	0	2	2	0	0	0	2	0	2
Number of high-consequence work-related injuries (excluding fatalities) ⁶	n	0	0	0	0	0	0	0	0	0
Number of days of absence due to injuries	g	0	43	43	0	0	0	12	0	12
Deaths	n	0	0	0	0	0	0	0	0	0
Number of employees	n	123	126	249	97	105	202	128	122	250
Incidence rate⁷		0,00	1,59	0,80	0	0	0	1,56	0	0,8
Severity rate⁸		0,00	0,22	0,11	0	0	0	0,06	0	0,03
Rate of work-related injuries that can be recorded⁹		0,00	0,00	0,00	0	0	0	9,87	0	5,17
Rate of high-consequence work-related injuries (excluding fatalities)¹⁰		0,00	10,27	5,06	0	0	0	0	0	0
Rate of deaths resulting from work-related injuries¹¹		0,00	0,00	0,00	0	0	0	0	0	0

⁶Number of days of absence/number of hours worked *1,000

⁷Number of injuries/number of employees *100

⁸Number of days of absence/number of hours worked *1,000

⁹Number of recordable work-related injuries/total number of hours worked *1,000,000

¹⁰Number of high-consequence work-related injuries/total number of hours worked *1,000,000

¹¹From accidents at work

PRO DUCT & PACKKA GING



Innovation, quality and sustainability are the principles orienting us in the development of our products and their packaging. Our goal is to continue to increasingly meet the needs of the people who choose and use them, minimising the impact on the environment and on the community.



31% of the turnover generated by products launched during the year

The next few paragraphs illustrate the processes we adopt to ensure the quality and safety of our products, as well as the initiatives and policies that guide us in the development of new products and their packaging to make them more sustainable.

8.2

Suppliers

BIA score

as at 31/12/2023



PRO DUCT & PACKA GING

**Product
quality and
safety**

Product quality and safety

"For us, quality and safety are paramount requirements. They are part of our DNA and distinguish all our accessories, making them reliable and distinctive"

What we have done: our impact stories

Quality DNA

The quality of our products is a fundamental requirement that guides our every decision and influences every item we offer. We introduced the Quality DNA programme in 2018: a set of values that give a distinctive and unique character to our products in the markets where we operate. This allows us to highlight real differences in value by offering a wide range of differentiated, robust and safe products.

In order to guarantee the quality we aim to offer, we conduct rigorous checks at our production sites to assess the level of excellence. All of our products are tested in accordance with current regulations and are subject to additional checks at internationally recognised laboratories. Before being introduced to the market, each product undergoes extensive quality controls, both visual and functional.

Quality is our best form of expression.

This project offers a detailed account of the characteristics of our approach to product design and development. The **passion, dedication** and **pleasure** we put into our work are ingrained in our DNA, and it is these distinctive elements that make us truly unique in the marketplace. Here are some of the aspects that set us apart:

- Verifiability of **compliance with all European directives on the sale and distribution** of electronic components in all major international markets;
- The rigorous **selection of materials, design and details of our products** in order to ensure durability and usability. Obtaining **specific certifications**: such as the TÜV Rheinland certification for the safety of our powerbanks;
- Membership in the **Bluetooth consortium**¹² allows us to have a guarantee of functionality of our wireless audio products;
- Membership in the **Wireless Power Consortium**, an open and collaborative wireless charging standard development group of over 400 member companies from around the world representing industry brands.

The members work together towards a single, shared goal: worldwide compatibility of all chargers and wireless power sources, to avoid the development of highly specific and incompatible devices that require users to purchase new ones.

269 products with Bluetooth technology

38 products with wireless technology

Energy Star certification

Our ongoing commitment to energy efficiency is further confirmed by having obtained Energy Star certification on our products such as mains and car chargers, which accounted for approximately 17% of the total sales volume in 2023. Issued by the voluntary Energy Star testing and labelling programme run by the US Environmental Protection Agency and Department of Energy, this certification attests to the energy efficiency of our products and promotes energy savings. The main objective is to reduce energy consumption when using our products in the charging segment, which is considered particularly demanding in terms of energy.



ISO 9001:2015 certification

Having obtained ISO 9001:2015 certification, which sets international standards for quality management systems, is a tool for demonstrating our commitment to operating excellence, thereby allowing to guarantee and ensure a high level of quality, minimising risks for the end user.

¹²A global community of more than 36,000 companies working together to unify, harmonise and drive innovation in the broad range of Bluetooth-connected devices. We join the Bluetooth Consortium to ensure the highest levels of performance and safety standards for our devices.

How we do it

Every product we make stems from an in-depth market analysis aimed at identifying the needs and requirements of end users. Right from the analysis and design phase, we work to follow the principles of **reliability, respect for the environment and quality.**

In particular, when selecting suppliers, we aim to work exclusively with partners who meet high quality standards. This implies constant quality control during the production process and the implementation of corrective actions to ensure a consistently high level of quality. Before mass production starts, each product undergoes rigorous testing by means of a pre-production sample, which is carefully examined through numerous functional tests. Subsequently, the sample is checked against the product certifications required for its trade in the target markets. Lastly, before the product is released on the market, thorough quality control is carried out, including the completion of further functional tests if necessary. The results are shared with suppliers in order to implement any improvements.

In addition, our R&D team performs a spot check on each arrival of goods to ensure that the required quality standards are maintained.

In order to distinguish our products and make them **recognisable**, we constantly strive to ensure:

Functionality

Our products are designed to simplify and enhance everyday **digital device use.** People's needs and habits define the design, features and details in our accessories. We do our utmost to make our products functional, practical and pleasant to use.

Reliability

The careful selection of materials, attention to detail in workmanship and care in finishes are key elements that give our accessories durability and utility. Every **digital device** is unique and complex. Our deep knowledge of its every feature and design allows us to create custom accessories according to specific details.

Safety

Every product is designed to ensure the safety and well-being of our consumers. We carry out constant checks, including the assessment of possible impacts on consumer health and safety during product development in order to identify potential hazards. We endeavour to inform end consumers accurately through timely risk communication and by providing all the necessary information in the product manual.

Transparency

On the web, in packaging and in instructions, we always provide clear, complete and truthful information. We communicate with competence and seriousness, avoiding boasting features that we cannot concretely guarantee.



We give great importance to the health and safety impacts of our consumers, which is why we require our suppliers to **comply with all relevant European regulations regarding the use of materials that safeguard the health of not only the users of our products, but also of those who produce them.** For products that are more complex, we indicate to suppliers which international laboratories to contact in order to carry out the tests for adherence to the requirements of European safety standards. In 2022, we received a single complaint with a fine of an insignificant amount concerning a discontinued product, which held a certification to an expired standard and on which we had not updated the relevant test. This incident had no major consequences for the product or its safety, and there were no recall or "Rapex" warnings.

Three cases of non-compliance were instead registered in 2023 concerning products sold in Germany and France. These cases mainly concerned the absence of information on the packaging and the omission of certain instructions in the manual. However, these situations did not lead to sanctions or warnings for product recalls or the activation of the "Rapex" alert system.

PRO DUCT & PACKA GING

**Responsible
and sustainable
marketing**

Responsible and sustainable marketing

"We are committed to communicating, internally and externally, all the activities carried out with regard to environmental sustainability. Especially good practices on recycling"

What we have done: our impact stories

Instructions for use

Precisely as we pay great attention to quality, just as much care is taken in ensuring **transparency** towards our customers and end users, especially in drafting clear, transparent and comprehensive operating instructions. These instructions contain all the information necessary to comply with current regulations, including instructions for the proper disposal of equipment that has reached the end of its useful life. In addition, we include voluntary information that facilitates the proper use of the product purchased.



Labelling

In 2023, we focused our efforts on consolidating the path started in previous years, paying particular attention to all information in product labelling. With regard to the ethical marketing project, we have completely aligned our actions with the guidelines formalised the previous year, and the company has acted consistently with these guidelines, observing and respecting them at every touch point. In addition, we further improved the packaging disposal information for the French market in 2023, adapting to the specific requirements of this market.

All-round communication

The initiative stems from the desire to extend our sustainability commitments also in the field of communication on the recycling and end-of-life of our products. We consider the concept of circular economy as the basis of our sustainability strategy. Therefore, the aim of the project is to inform consumers of the correct disposal of packaging and its contents, providing clear information on the composition of the packaging and advising on how to dispose of it. This information is provided directly on the packaging and via a dedicated web page, easily accessible by scanning the QR code on the packaging. In addition, we have created a web page specifically for providing detailed instructions on the correct disposal of our products' packaging, to help consumers to recycle the material correctly.

The ethical marketing manifesto

We have developed the "Manifesto" that formalises and defines our approach to communication. It is structured in three main strands: people, environment and product. Respect for our users, inclusiveness, fairness, environmental sustainability and the proper disposal of our products and their packaging are just some of the topics covered.

Section of the website dedicated to sustainability

In order to expand the communication of our commitment to environmental and social sustainability, we have created a new section on our corporate website on our journey of growth and continuous improvement. In this section, we communicate our initiatives, projects, results, commitments in the field of sustainable innovation and publish sustainability reports.

Hurry up and visit our website!
<https://www.cellularlinegroup.com/sostenibilita/>

How we do it

Marketing plays a crucial role not only in our product development, packaging and related communication, but especially in the sphere of sustainability, where we strive to convey correct and useful information. Our aim is to support those who choose our products or seek information about us by providing details on product characteristics and promoting the proper recycling and disposal of packaging and products.

This mainly occurs through the packaging, labels and instruction manuals, but also through the dedicated section of our website. We therefore adopt a multi-channel approach to disseminating ethical and accurate information to the users of our products, always with the aim of generating a positive impact on both the environment and society.



PRO DUCT & PACKA GING

**Research,
development
and innovation
as a strategy**

for sustainable development

Research, development and innovation as a strategy for sustainable development

"Research and innovation are two key strategic aspects for us: we create product lines that are always up-to-date with people's needs, technology and competitiveness, offering unique accessories in terms of variety and customisation"

What we have done: our impact stories

BECOME line, range of eco-friendly accessories

The **BECOME line** is designed to respond to the growing consumer demand to choose products that reflect greater ecological awareness, contributing to the protection of the environment. As the name of the line suggests, we are committed to offering concrete solutions to reduce the environmental impact of our products.

In 2023 we created a new product range consisting of protective cases and tempered glass for display protection with respectively 100% and 38% recycled materials from a GRS-certified supply chain¹³. Continuing past efforts, new accessories for charging smartphones and tablets will be launched in 2024, consisting of cables and chargers with 100% recycled materials from the GRS supply chain.

The production of BECOME cases is based on PBAT, a material conforming to the **European standard UNI EN 13432**, which guarantees the complete compostability of the products in industrial plants. Not only the products but also the packaging of BECOME have been chosen to be eco-friendly.

Each package is made with 100% recycled and recyclable paper certified by the **Forest Stewardship Council® (FSC®)**, an internationally recognised non-profit organisation for responsible and sustainable forest management.

BECOME

¹³GRS, the Global Recycle Standard is an international non-profit organisation that guarantees the content of recycled materials by issuing a verified environmental statement.

BECOME's figures

6

saleable products of the BECOME range (4 cases, 2 glasses for display protection)

100%

plastic free packaging using FSC certified recycled and recyclable paper

Use of eco-friendly compounds

100%

in cases

38%

in tempered glass to protect displays

By purchasing products from the BECOME line, people will have the opportunity to participate in the **1% for the Planet programme**. This programme aims to raise awareness among companies and individuals to support non-profit organisations working to generate a positive impact on the environment. Indeed, 1% of the turnover generated from the sale of the BECOME line will be donated to **Sea Shepherd**, a non-profit organisation working to protect and conserve the marine world and protect the biodiversity of the oceans.



Improving the sustainability profile of products

We have completed the development of a new series of smartphone cases made entirely from recycled plastic from oceans and beaches. These cases have been on the market since March 2023. Thanks to the composition of this material, we can maintain the expected level of quality and preserve the functional features of the product. In previous years, we started to introduce recycled materials in almost our entire range of cases, with percentages ranging from 20% for transparent cases up to 50% for coloured and folding cases.

Improved packaging on all products

Integrating sustainability into our corporate vision means considering our packaging not only as a simple protection for our products, but also as an element with its own life cycle. Improving our packaging is not limited to innovating it to make the products inside it safer, but also developing solutions that reduce its impacts on the environment and society as a whole. Consequently, we are also focused on the future proper disposal of packaging, adopting a design and solutions that reduce its immediate impact and facilitate its recycling.

One of the main solutions we have been adopting since 2020 is to reduce the amount of virgin disposable plastic used in packaging. During 2022, we reduced the use of disposable plastic by 60% for the same volumes sold. For some pro-

duct categories, we have replaced virgin plastic with compostable plastic or with FSC-certified paper. In 2023, we continued to work on the targets achieved in 2022, further reducing the use of disposable plastics in our packaging and downsizing our boxes. The goal is to reduce overall paper consumption in order to reduce our environmental impact in terms of greenhouse gas emissions from product transport. The proportion of FSC paper from sustainably managed forests increased from 90% in 2022 to 92% in 2023.

Another solution we are implementing is reducing the size of some of the packaging, which has resulted in a big saving in material. More specifically, in the "Energy" product category, we saved 9 tonnes of paper with the same volumes sold.

Aware of the need to reduce resource consumption, we have reduced the total packaging volume of the Charging range (which includes chargers and cables) by an average 20%. This has also optimised logistics, contributing to an overall reduction in environmental impact. These activities reduced total paper use by 19 tonnes, while keeping sales volumes constant.



Lastly, we started tests on the paper used in our packaging this year in order to assess the impacts of removing the polypropylene lamination. The aim is to use paper without plastic laminations to ensure a more efficient recycling process and recover a higher percentage of pulp. The first tests gave satisfactory results and we will gradually proceed with the implementation on some product ranges in 2024.

During the year, we further increased the use of **FSC-certified paper** in our packaging to **92%**.

We have started a process of re-engineering our packaging so that it is easier for consumers to separate the components and recycle them properly.

How we do it

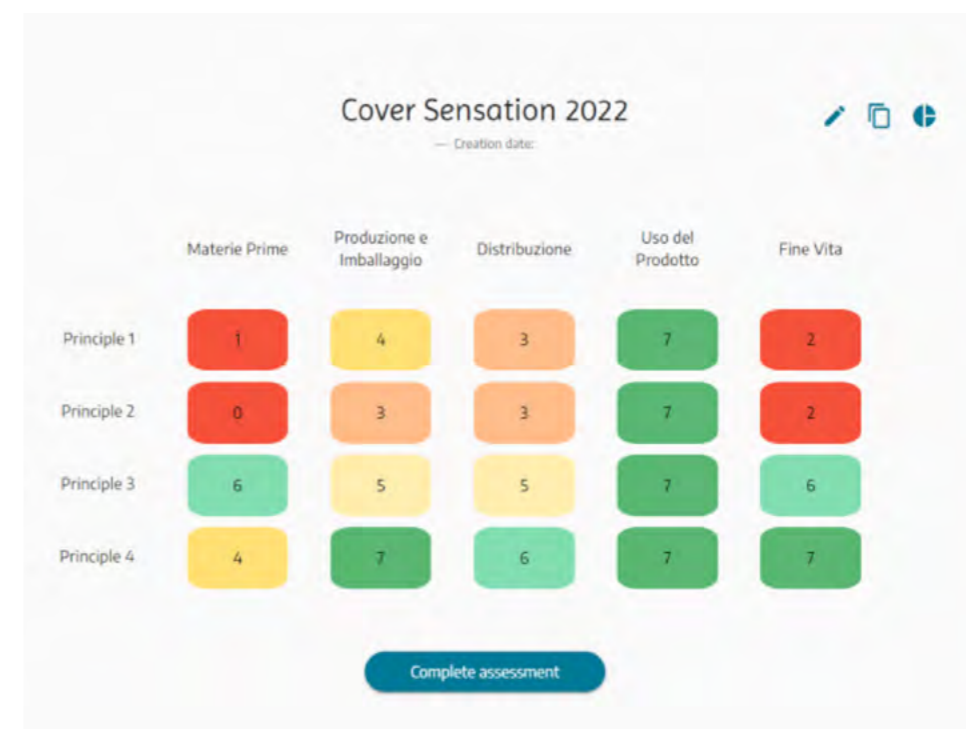
Development and **innovation** are fundamental for us, and we combine them with a **sustainable** and **circular approach**. Our strategic decisions to launch new projects are based on two pillars: market research and sustainable life cycle assessments. Market surveys have again been conducted in 2023 to understand consumer needs and the impact of our products throughout their life cycle. Through a **Sustainability Life Cycle Assessment (SLCA)** on 15 representative products, the social and environmental impacts of each individual line were analysed. The analysis covered several stages of the entire life cycle, from raw material extraction to disposal. The internal Marketing and Research & Development divisions played a key role in this phase, integrating design with sustainability principles.

One of the distinctive elements of our development approach is our dedication to investments. We are committed to investing in the research and development of materials which, while providing high-quality performance, are also more sustainable. We have explored the use of blends of virgin and recycled plastics, as well as bio-based polymers, while always maintaining a focus on quality. Moreover, we have partnered with our suppliers to valorise production waste, e.g., by reusing 100% microfibre (PU) waste in the textile chain.

In 2023, about 31% of our turnover was derived from new products launched during the year, marking an increase over previous years. This achievement reflects our commitment to seizing new market needs and developing innovative and environmentally-friendly solutions.



Analysis of products using SLCA methodology



Analysis of products using SLCA methodology



15 Products analysed according to the Sustainability Life Cycle Assessment (SLCA) methodology

100% microfibre waste reused in the textile supply chain

PRO DUCT & PACKA GING

**Supplier
management**

Supplier management

"Sharing the production of products with our suppliers, the relationship and the engagement of these in the development process is of strategic importance to us. Indeed, improving our impact on society and on the environment cannot be achieved without careful management and selection of our suppliers"

What we have done: our impact stories

Supply Chain Collaboration Project

With the **supply chain collaboration** project that came to involve 85% of our suppliers in 2023, we implemented a web communication tool to automate the acquisition of the necessary information from the internal management system. It has enabled us to digitise procedures that previously required more than 80,000 e-mails per year (such as orders, reminders, deliveries and documents), to have the immediate availability of materials in our suppliers' warehouses, and to reduce many errors throughout the supply chain. This investment has transformed our communication with suppliers, making it more efficient and accurate. In the near future, we expect improved material availability, reduced e-mails and human errors, reduced logistical costs and an optimisation of data quality as a result of this initiative.

Business Social Compliance Initiative (BSCI)

Starting in 2022, we joined the **Business Social Compliance Initiative** (BSCI) qualification process, which is a global benchmark for monitoring and improving social responsibility performance in our supply chain. This system offers us a step-by-step approach to make our business network more sustainable, helping us to better understand the social responsibilities of our suppliers. We initially focused our efforts on consolidating relationships with existing suppliers, for which we had already conducted site visits and gathered information on their social responsibility before the pandemic. To deepen our understanding, we used the BSCI reports prepared by Amfori to assess the degree of adherence to the certification criteria.

We further standardised the BSCI qualification process in 2023 by integrating information collection into our procurement protocol. We have intensified collaboration with our strategic suppliers, taking an active role in monitoring and improving their social responsibility rating. In addition, we extended the Amfori BSCI membership activities to suppliers in the Far East, focusing on suppliers that are already BSCI-certified. Cellularline suppliers in this category account for 78% of our total turnover.

ESG Survey: We expanded a survey of our suppliers during 2023 to assess their level of maturity in relation to ESG issues. The data collected showed that more than 64% of our suppliers have certifications attesting to the quality of processes, proper environmental management and respect for human rights in the workplace.

Human rights assessment obtained for **52%** of suppliers

Supply Chain Evolution

In 2023 we continued, in line with 2022, the programme for analysing, assessing and engaging our supply chain in order to make it a positive force for the company's sustainability profile. Called Supply Chain Evolution, this project aims to establish a new relationship with our suppliers based on the values of co-evolution and transparency, proposing the implementation of new actions directed towards sustainability in coherence with the corporate general plan.

Supplier qualification

We have expanded our procurement process by introducing a supplier qualification dashboard (for both products and services) for mapping and analysing sustainability performance and assigning them a score. It is important to note that the score obtained does not directly influence the supplier's qualification, but provides Cellularline with crucial information to develop and improve the supply chain. This dashboard includes high-level questions related to the most relevant sustainability performance topics, which reflect the supplier's sustainability strategy and its actual implementation.

The qualification dashboard determines a supplier score which allows us to...

1
 assess the current status of the supplier's sustainability performance, at a high level

2
 know the supplier's degree of evolution compared to the average

3
 identify strengths and areas where the supplier could improve

Supplier assessment

We have developed an assessment dashboard to monitor our suppliers' evolution over the course of our collaboration. This tool defines key areas for supplier assessment, whose information will be collected periodically in order to monitor their improvement and strengthen dialogue on sustainability issues. Integrating our current Vendor Rating process, suppliers will have to fill out an assessment questionnaire annually or at a different frequency, allowing Cellularline to complete the assessment (including the areas Innovation and Risk Management). The score obtained will allow us to monitor the evolution of our suppliers and to assess possible co-evolution plans with them.

Supplier code of conduct

We have drawn up a Supplier Code of Conduct that has been signed by about 80% of our suppliers. It also includes a section dedicated to ESG issues. This code gathers guidelines to operationally translate the company's values along the entire supply chain, promoting a close and fair relationship with our suppliers and partners. We aim to establish solid, trust-based partnerships through a common vision of respect for the environment, people and society.

Sustainable procurement policy

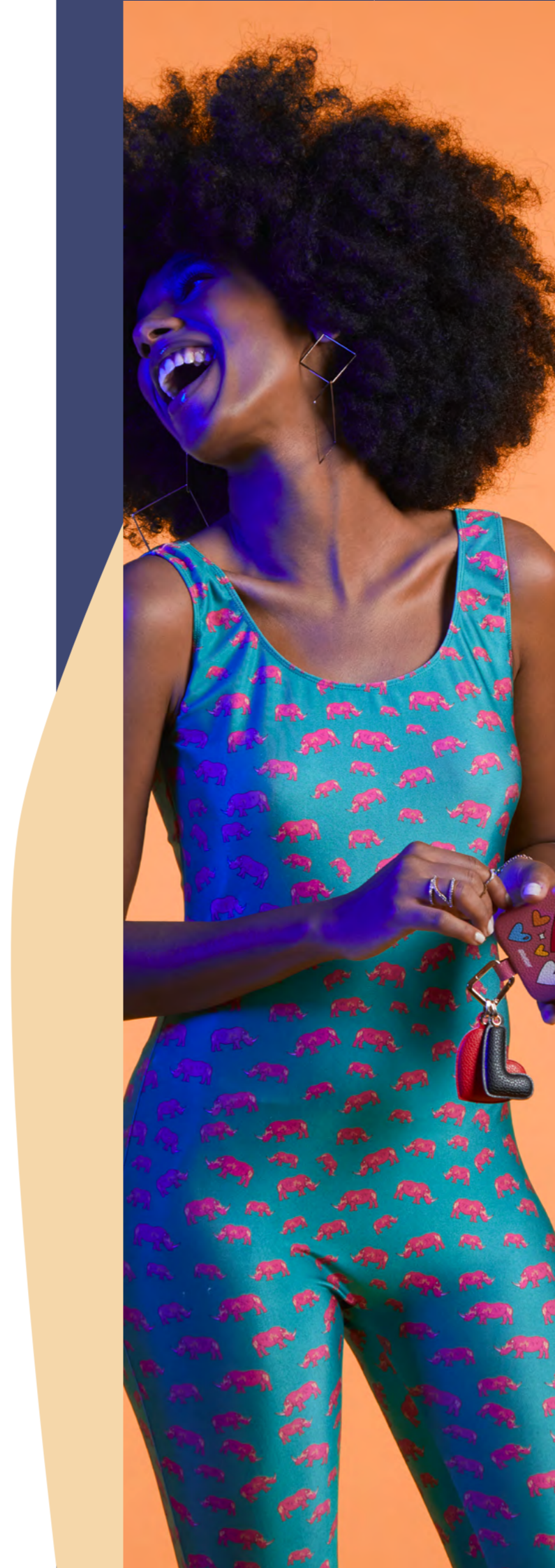
Finally, we have drawn up a policy on sustainable procurement that goes beyond product purchasing, in order to encourage the use of materials, products, and services that integrate environmental and social performance goals. With this policy, we aim to minimise the environmental and social impacts of purchasing goods and services from our suppliers (excluding the product supply chain). We want to raise the awareness of our corporate departments involved in procurement with regard to corporate social responsibility and achieve benefits by adopting sustainable procurement procedures. This implies an increased awareness of the potential risks associated with the choice of suppliers and the implementation of tools to manage and minimise them.

The principles of our sustainable procurement policy



Supporting suppliers in difficulty

We have always been committed to supporting our suppliers, demonstrating a willingness to **cooperate** in addressing any temporary economic difficulties or rapid developments in their business. In particular, we have strengthened this commitment to cope with the economic emergency that has arisen over the last three years. When faced with production or raw material supply difficulties, we have sought to provide our suppliers with a clear visibility of future commitments.



How we do it

Our main types of supplies are broken down into:

-  **finished and ready-to-market products;**
-  **semi-finished products to be packaged in Italy;**
-  **communication materials to support business initiatives;**
-  **consumables needed for order preparation;**
-  **consumables and packaging.**

Assessing our suppliers begins with preliminary visits to their facilities conducted by our competent departments, which examine their financial soundness and ability to guarantee continuous services in the medium to long term. This analysis considers several indicators, including size, production capacity, production standards, quality controls, working environment, ability to understand our needs and ease of communication. We usually visit several potential suppliers before proceeding with the selection.

After an initial screening, if the supplier meets our criteria, we start the selection phase which can include further visits to assess the feasibility of production and the

supplier's readiness to meet our requirements. If the result is positive, we proceed with sampling and simultaneously begin negotiations regarding economic terms. The suppliers are also given a questionnaire called "vendor assessment form" to collect preliminary information, such as details on company structure, main customers, certifications, sustainability and ethical practices. This information is analysed before visiting their production sites.

We recognise that our company's performance is closely linked to that of our suppliers and therefore promote collaborative dialogue with them, believing in the importance of mutual learning and co-evolution.

As already mentioned, we established a Supplier Code of Conduct in 2022, thereby committing ourselves to high standards of working conditions, fair treatment of employees and ethical practices throughout our supply chain. We ask all our suppliers to return the "Commitment Form" signed by a legal representative, thus demonstrating their commitment to adhering to these principles.

We send all our suppliers complete supply specifications, which include all general information, operating instructions for order management, shipping and labelling, and for the collection of weight-volume data. The specifications also include the Code of Ethics and the rules for dealing with the Group.

We ask all suppliers to comply with Italian Legislative Decree 231/01 and to adhere to the ethical-behavioural principles of the Code of Ethics and the Organisation, Management and Control Model, available at www.cellularlinegroup.com or on request. By accepting the specifications, the supplier declares it has read these documents. Any conduct in breach of these provisions entitles us to terminate the contract.

We constantly monitor our suppliers through a series of assessment indicators. Updated every six months, they reflect the supplier's degree of adherence to our requirements in the supply specifications. In addition, we update a monthly indicator to monitor production **lead time**, which is critical for our business. This monitoring takes place through specific meetings in which supplier performance is assessed and necessary actions to improve **lead time** management are identified.

PRO DUCT & PACKA GING

**Future
commitments**

Future commitments

Investments

Our commitment to invest human and economic resources has continued, in order to develop new products based on recyclable materials to reduce environmental impacts.

Improvement of the supply chain

We want to continue with our supply chain analysis, assessment and engagement programme to promote its improvement according to drivers and standards that take into account environmental and social impacts.

Supplier code of conduct

We intend to further engage suppliers in 2024 by asking them to sign the "Commitment Form," thus ensuring that they have read and accepted the principles included in the Code of Conduct.

Business social compliance initiative (BSCI)

After the assessment of a pilot group of suppliers, we plan to extend the project to all our suppliers with an annual turnover of Euro 5,000 or more in the future.

New Become project

We renew our commitment to transform some of our products to reduce their impact on the environment and make them more sustainable. We will increasingly expand the BECOME project, expanding the categories covered and the sustainability profile. A line of chargers and cables made of completely recycled materials will be launched in 2024, a further sign of our goal to work towards a completely sustainable future.

Optimisation of packaging sizes

We are investigating new solutions to reduce the size of the packaging used for our products, thereby saving material and transport-related climate gas emissions.

Extending the range of products made from recycled material

In 2023, we launched some innovation projects related to the implementation of recycled material for the production of more complex products (products equipped with printed circuit boards and/or with different combinations of materials used for their production). We set ourselves the challenging goal of having, within the next two years, at least one range of our three product macro-categories (protection and style, charging and utility, and audio) completely made from recycled material.

PRO DUCT & PACKA GING

GRI
disclosure

GRI Standard 416-2 - Incidents of non-compliance concerning the health and safety impacts of products and services

Incidents of non-compliance concerning health and safety impacts of products and services	u.m.	2023	2022	2021
Incidents of non-compliance with regulations resulting in a fine or penalty		0	1	1
Incidents of non-compliance with regulations resulting in a warning	N	3	0	11
Incidents of non-compliance with voluntary codes		0	0	0

In 2023, the data refers to Cellularline S.p.A.

GRI Standard 301-1 - Materials used by weight or volume

Plastic	u.m.	2023	2022	2021
Energy range		20	22	52
Protection range	Ton	19	0	6
Energy range		35	16	37
Total		74	38	95

Paper	u.m.	2023	2022	2021
Energy range		395	241	150
Protection range	Ton	228	287	141
Audio range		142	225	100
Total		767	752	390

GRI Standard 301-2 - Recycled input materials used

Plastic	u.m.	2023
Energy range		6,50
Protection range	Ton	1,50
Energy range		30,00
Total		38,00

Paper	u.m.	2023
Energy range		272,60
Protection range	Ton	171,50
Audio range		90,80
Total		534,90

GRI 204-1 - Proportion of spending on local suppliers

Total value of supplies of goods, services and working services by geographical area	u.m.	2023	2022	2021
Italy		27%	20%	11%
Europe (excluding Italy)		7%	6%	11%
Asia	%	66%	74%	79%
America		0%	0%	0%
Total		100%	100%	100%

Certified suppliers	u.m.	2023	2022	2021
ISO 9001 certification		42%	10%	11%
ISO 14001 certification	%	18%	43%	38%
SA 8000 certification		4%	4%	3%

The certification data for the Group's Italian companies was calculated for 2023.



ENVI RON MENT



To care for the environment is to care for oneself. Our responsibility leads us every day to try to reduce the impacts our actions have on the environment and try to give our children a better planet. For us, respect for the environment is a sign of civilisation and education.



21.7

Environment

+1.7
compared to 2022

BIA score

as at 31/12/2023

Our mission, vision and purpose

are guided by the respect for the environment. Being aware that our every action has an impact on the planet is the basis on which we work and try to reduce negative consequences.

The following paragraphs recount in concrete terms the actions, initiatives and projects we have implemented and that we are committed to implementing in the coming years in the area of environmental sustainability.

ENVI RON MENT

Monitoring of environmental performance

Monitoring environmental performance

"One of the most urgent challenges lying ahead of us is decarbonisation, which Europe has declared it wants to achieve by 2050: an ambitious goal that can only be achieved if every member of our value chain takes responsibility for its impacts and acts to reduce them to zero"

What we have done: our impact stories

Our photovoltaic plant

"Another step towards achieving the sustainability goals we have set ourselves"

In May 2022, we completed the installation of the photovoltaic plant at our Headquarters in Reggio Emilia. In order to ensure the greatest possible energy production, we have decided to install part of the system on the north-facing slopes. This is motivated by the attempt to reach a self-consumption quota of 70%.

 **168MWh**
Energy produced by Cellularline S.p.A. photovoltaics

 **66%**
Self-generated electricity consumed

 **150MWh**
Electricity consumed

 **33%**
Self-generated electricity returned to the grid



Data centres and sustainability

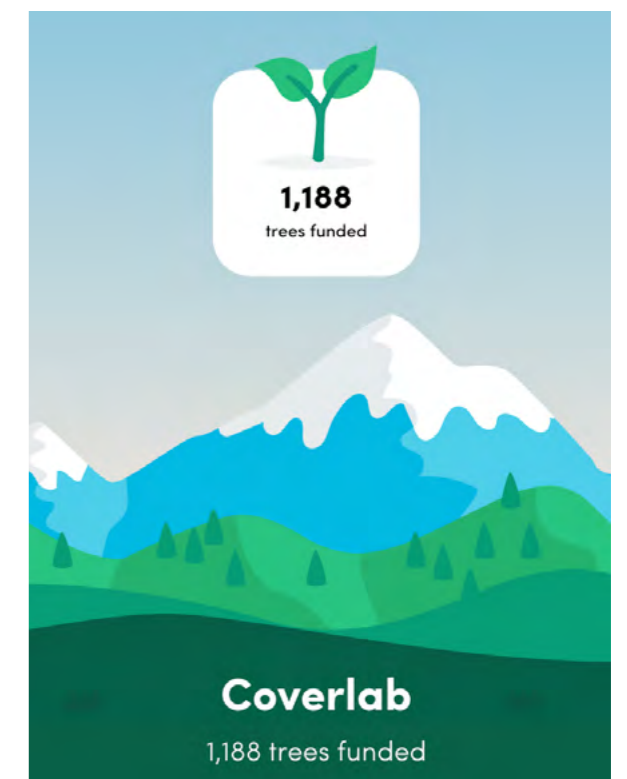
Our main central processing IT systems, used both for management and for other applications, are hosted at the Data Centre of BT Italia S.p.A. in Settimo Milanese (MI). Efforts towards energy efficiency are primarily related to the cost of electricity, which is constantly absorbed at high power values by the data centre, in particular mainly by IT equipment and its cooling and power supply systems. Data centres consume a great deal of energy that many organisations seek to reduce, with the aim of optimising costs and eventually achieving zero net carbon emissions. The electricity supplied for the operation of our informative systems is fully certified by the "Guarantee of Origin" (GO), which certifies that the energy is generated from renewable sources, in accordance with Directive 2009/28/EC, issued upon request by Gestore dei Servizi Energetici S.p.A. (GSE). The GO is issued only with reference to the electricity produced by plants that have obtained the "IRGO technical identification" in accordance with the specific provisions of the GSE Technical Procedure approved by Decree of 21/12/2007 of the Ministry of Economic Development, after consulting the Ministry for Environment, Land and Sea Protection.

Ecologi

The fight against climate change consists of many actions that can be implemented even in the short term, in order to have an immediate effect. Therefore, we decided to join the cause of Ecologi, a company that sees its core business in the fight against climate change. Through initiatives and projects that are implemented through donations from all over the world, Ecologi seeks to reduce greenhouse gas emissions, restore nature and positively transform society. Therefore, we have chosen this platform as a means to donate 1,500 trees to our suppliers and another 1,500 we planted at dedicated sites.

 **Cellularline Group | Ecologi**

 <https://ecologi.com/coverlab>



Cellularline OASIS

Our commitment to the protection of biodiversity remains constant. This year, we welcomed the new "Colmena CLG" hive in our Oasis in Spain, specifically in Leon. "Colmena CLG" now manages around 300 hives that benefit from one of the country's most exclusive blooms, those of heather and calluna, making the honeys of this region among the best in the world for their specific geographic and climatic characteristics. In addition, with the "Pollinate the Planet" project, we have contributed to the protection of **150** high nectar-producing trees such as hawthorn, acacia, blackthorn and cherry, which are of fundamental importance for nectar production. This effort not only helps in CO₂ offsetting, but also as an essential driver for the protection of ecosystems, contributing to the goal of creating a wide-ranging technological monitoring network for research and for protecting biodiversity across the continent.

Visit our oasis website



The oasis of
Cellularline group



[CELLULARLINEGROUP]



Go to our oasis

Our results



300,000

The bees protected by Cellularline group



14

3Bee Technological Hive Adoptions



300 Million

The flowers pollinated by bees monitored



1

Beekeepers supported by 3Bee technology



RicicliAmo project for a correct internal waste management

We continue our commitment to responsible waste management within our company, even if our impact is limited. We have implemented an internal waste management regulation that provides guidance on the correct practices to follow. This regulation has been circulated to all our employees, ensuring that each member of the Cellularline team is informed and actively involved in our environmental policy. We also provide all new employees with practical tools to reduce their environmental impact, such as reusable water bottles, bamboo cups and cutlery, to promote the use of recyclable materials in their daily lives.

Corporate travel policy

We recognise business travel as a necessary tool to manage and grow our business and, at the same time, we are aware of the negative impact it has on the environment.

Therefore, we have adopted a **corporate travel policy** with the intention of encouraging virtuous and sustainable conducts, such as the use of public transport and, more generally, solutions with less impact on the environment. We have recently updated our Car Policy by introducing the obligation, whenever possible, to rent hybrid or electric cars, providing all employees with a guideline on the type of vehicles mentioned, in order to make them more aware of their choices.

Home-work travel plan

We again conducted a questionnaire in 2023 on sustainable mobility among employees to collect up-to-date data and evaluate the effectiveness of previous initiatives. The results showed a growing interest in sustainable modes of transport that further reduce private car use and support greener modes.

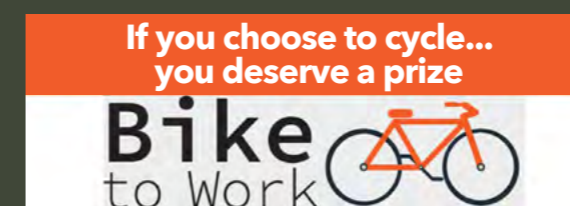
The plan renews the partnership with the Municipality of Reggio Emilia and continues the "**Bike to Work 2**" programme this year. Using an app on their smartphone, employees can record the distance travelled by sustainable transport means with a few simple steps.

The programme provides innovative incentives to reward the employees who are most active in sustainable mobility.

Our results*

325 km
km cycled

45.18 kg
of CO₂ saved



*Data refer to the April-October 2023 period

Scope 3 emissions

Scope 3 emissions include all indirect greenhouse gas (GHG) emissions from our Group's activities, which occur from sources not directly connected to our Group or over which we have limited control. These emissions are the broadest category of indirect emissions and require extensive tracking and monitoring efforts; however, they are crucial for analysing our impact on the environment because they give us a complete view of the value chain. For the first time, we conducted an analysis of our indirect scope 3 transport-related emissions in 2022. In particular, we have reported the tonnes of CO₂ related to both inbound logistics, which transport supplies or materials in-house, and outbound logistics, which handle the movement of products and goods to customers (for details, see chapter 9.3 "GRI disclosure")

How we do it

Our strategy to promote sustainable development, preserve biodiversity and reduce our impact on the planet is based on a sound business principle: shared action. We believe that only through the collaboration of all the actors involved, from public administration to universities, from partner companies to individual citizens, is it possible to implement concrete actions with great effectiveness. For this reason, we involve our stakeholders in all stages of the implementation process of our initiatives and projects. The vision of a decarbonised future is a long-term goal, which translates into concrete actions in the short term, working to carefully evaluate our impacts in terms of emissions, waste production, energy consumption and use of natural resources. Our structure allows us to have no significant impact on the environment, managing waste management, water consumption and electricity use. This is also due to the choice of having no production sites, as well as the group-wide commitment to sustainability.

Starting in 2020, we began a mapping activity of our consumption and emissions that led us to implement a series of initiatives aimed at reducing these, raising our employee awareness of the topic and offsetting the emissions produced. In recent years, we have worked, on many occasions, on raising awareness among our employees and we have reduced the time slots for turning on the heating and air conditioning systems.

In addition, in 2022 we have established an agreement with some of our suppliers to purchase Scope 3 emissions data on

an annual basis, underlining once again our commitment to the climate cause, knowing that the journey is still long and will certainly not stop here.

Benefits of LED Lighting

We successfully completed the installation of modern dimmable LED lamps at our headquarters in Reggio Emilia in 2023, concluding a project that started in 2022. This represents a significant step in our corporate strategy towards sustainability and energy efficiency. Thanks to this state-of-the-art technology, we have not only been able to further reduce energy consumption, but have also gained the flexibility to adapt the lighting to the specific needs of each working environment. The dimmable functionality allows us to adjust the light intensity according to the available daylight and the specific needs of different times of the day, ensuring a positive impact on overall energy savings, with a reduction of 63,802 kWh. In addition, the new LED lighting significantly improves the visual quality of our spaces, contributing to the visual comfort of our employees.

International Initiatives

We have taken significant steps on the path to greater sustainability through our companies, participating in initiatives of international resonance. In particular, we are members of "Amfori," a leading global organisation in assisting companies to improve their sustainability. Together with the company WorldConnect AG, we have entered into a partnership with the "myclimate" Foundation, which offers the possibility of selecting projects that are

particularly important for our company, with the aim of reducing CO₂ equivalents. We supported two projects in 2023: the first concerning reforestation in Nicaragua and the second in Uganda, focusing on the deployment of water purification systems in public institutions such as schools and health centres.

Offset emissions

We offset a total of 500 tonnes of CO₂ in 2023 by supporting various emission reduction projects. These include a hydroelectric project in the Parana region of Brazil, a solar energy initiative in the Gans province of China, forest conservation activities in north-western Zimbabwe, and energy efficiency improvements at Pakarab Fertiliser Limited in Pakistan through the use of steam in fertilisation processes.

ENVI RON MENT

**Future
commitments**

Future commitments

Reducing GAS consumption

The gas price crisis has highlighted what the fight against climate change has been suggesting for years: savings, efficiency and attention to waste are key to embarking on a sustainable path. With this in mind, we will continue to strive in the future to reduce gas consumption through more conscious management (e.g., reduction of switch-on times) and the increasing use of renewable energy sources.

Renewable energy

In the coming years, we will strive to increase the use of renewable energy in order to achieve 100% coverage of our energy needs.

Scope 3 emissions offsetting

We are committed to offsetting 500 tonnes of CO₂ of the emissions generated in 2024.



ENVI RON MENT

GRI disclosure

GRI Standard 302-1 - Energy consumption within the organisation*

Direct energy consumption	u.m.	2023	2022	2021	u.m.	2023	2022	2021
Fuels from non-renewable sources								
Natural gas	Sm3	34.533	55.613	29.149	GJ	1.250	2.211	1.158
Petrol		17.459	19.402	12.592		579	677	439
Diesel	Litres	171.008	175.452	155.405		6.108	6.732	5.974
Total		-	-			7.937	9.620	7.571
Fuel from renewable sources (photovoltaics - self-generated electricity)								
	u.m.	2023	2022	2021	u.m.	2023	2022	2021
Of which consumed	kWh	112.549	76.612			405	276	
Of which returned to the grid		56.836	22.910			205	82	
Total		169.385	99.522			610	193	

*In order to understand the figure, initiatives to reduce consumption and the increased use of renewable energy through self-generation from photovoltaic panels should be considered. In 2023, the information is not available for Cellular Swiss S.A and Subliros S.L. Coverlab S.r.l

Indirect energy consumption	u.m.	2023	2022	2021	u.m.	2023	2022	2021
Electricity purchased (total)		181.617	298.996	380.108		654	1.076	1.368
from non-renewable sources	kWh	108.107	298.996	380.108	GJ	389	1.076	1.368
certified from renewable sources (e.g. Certificates of Origin)*		73.510	-	-		265	-	-

*Introduced starting 2023

Total energy consumption (direct and indirect)	u.m.	2023	2022	2021
Total energy consumed	GJ	8.591	10.889	8.939

GRI Standard 305-1, 305-2, 305-3 - Total emissions

	u.m.	2023	2022	2021
Direct emissions (SCOPE 1)				
Natural gas		70	112	59
Petrol			42	28
Diesel		455	449	390
Indirect emissions (SCOPE 2) - Location based				
From non-renewable sources	tCO ₂ e	29	82	105
Indirect emissions (SCOPE 2) - Market based		49	137	174
From non-renewable sources		49	137	174
Total emissions - Location based				
Total emissions - Market based				
Upstream transportation and distribution (SCOPE 3)		2147	2263	-
Downstream transportation and distribution (SCOPE 3)		452	339	-
Indirect emissions (SCOPE 3)				
		2599	2602	-

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10.

ANNE XES

**External
initiatives,
memberships
and associations**

10.1

External initiatives, memberships and associations

Retail institute

Retail Institute Italy is the benchmark association for retail in Italy. Their mission is to promote the culture and growth of the sector as a whole, offering indispensable content and strategic activities in order to stay up-to-date and competitive in an increasingly complex market scenario.

The institute's activities are mainly aimed at:

- Retailer & Brand Companies
- Manufacturers of point-of-sale materials
- Advertising and promotion agencies
- Research organisations
- Service companies
- Companies involved in various capacities in the sector

Retail Institute Italy is a member of the international board of the NRF - National Retail Federation, the world's largest retail association; it is a partner of the EHI - Retail Institute Germany, with which it works in synergy to strengthen its presence at European level and offer its members benefits in terms of vision, sharing of know-how, strategic contacts, scenarios and market trends.

Unindustria Reggio Emilia

Unindustria Reggio Emilia is the association representing almost 1,000 companies in the province and more than 48,000 employees. A member of the Confindustria System, it was created on 1 January 2013 from the merger of the Industrial Association of the Province of Reggio Emilia and PMI Reggio Emilia.

Unindustria Reggio Emilia is the benchmark for enterprises and a driving and stimulating element for the development of the Reggio Emilia territorial system. It is committed to representing its member compa-

nies in dealings with economic, political, trade union, social and cultural institutions and administrations and with the public. It employs professionals and collaborators who offer an integrated network of services (trade union and labour consultancy, assistance with internationalisation, the tax-finance sector and everything related to production, technology and economics).

Digital innovation observatories of the Polytechnic University of Milan

The Digital Innovation Observatory has been developing knowledge on new digital technologies for over 20 years. Osservatori.net is a multimedia and interactive platform for professional updating on digital innovation with hundreds of documents and events created by analysts and experts with exclusive know-how.

NOISIAMOFUTURO® S.R.L.

Noisiamofuturo® s.r.l. was founded as a communication and large event organisation company.

Over the years, it has developed unique know-how on the national scene, in the conception and development of formats aimed in particular at young people, for projects and events with a high level of participation and interactivity.

Proprietary projects were developed, supported and joined by high-level partners (institutions, bodies, companies). Festivaldeigiovani®, FabbricheAperte®, Latuaidadimpresa®, Noisiamofuturo® and the SocialJournal are just a few of the major projects that have networked more than 60,000 young people across the country.

The Organisational Unit for Guidance and Job Placement of the University of Parma aims to promote initiatives in favour of undergraduates and graduates to foster the development of active job-search skills as well as to increase collaboration activities with companies, associations and institutions, with a view to directly linking the world of university education and that of work. We have been collaborating with the Orientation and Job Placement service since 2014, which, in synergy with the study courses and the nine departments, organises

a series of orientation events aimed at guiding those who are about to finish or have already finished university towards the world of work, encouraging the improvement of soft skills and the knowledge of professional profiles and related opportunities; it also promotes direct contact events with recruiters, with the aim of increasing the awareness of job opportunities in the area.

HRC - HR Community

The largest HR Community that brings together the most important and prestigious national and multinational companies. Through benchmarking, problem solving, networking, exchange of knowledge and expertise on HR issues, and thanks to effective and flexible working tools, it is able to meet the needs of our HR team both online and offline, locally and globally by providing the organisation with innovative training content oriented towards continuous improvement.

UNIMORE- University of Modena and Reggio Emilia

The Internship & Placement Office of the Marco Biagi Department of Economics, with which we have been collaborating since 2014 by participating in meetings with companies, promotes and manages the offer of training and orientation internships and scholarships in Italy and abroad.

1% for the Planet

One Percent for the Planet is an international organisation whose members contribute at least 1% of their annual sales to environmental causes. Their mission is to "build and activate an alliance of companies financially committed to creating a healthy planet."

TEDx Reggio Emilia

TEDx was created in the spirit of the TED mission. The programme is organised so as to give local communities, organisations and individuals the opportunity to stimulate dialogue through TED-like experiences, but locally and independently. All TEDx events operate under a licence granted by TED itself. TEDx is a space for discussion and connection, personal and professional growth.

AITMM (Italian Travel and Mobility Manager Association)

The Italian Travel and Mobility Manager Association promotes and represents the professional figure of Travel and Mobility Managers, working to pursue the recognition and enhancement of this important profession. AITMM offers support, professional meeting opportunities, information, knowledge and training services that help to correctly frame the professional roles of corporate travel manager and mobility manager.

ANDEC (National Association of Importers and Manufacturers of Civil Electronics)

ANDEC represents, protects and promotes all activities related to the relevant market and actively contributes to improving relations between companies and the market. The Association plays an important representative role vis-à-vis national authorities, bodies and institutions and is a valuable interlocutor for those working in this field.

ANNE XES

GRI-topics connection table

GRI-topics connection table

Below is the connection table between the indicators set out in the GRI Standards Sustainability Reporting Guidelines and the topics identified as most relevant and reported within this document.

Material topics	GRI indicators	Paragraph reference or related document
Anti-corruption and business ethics	205-3 Confirmed incidents of corruption and actions taken	5.1 Sustainability Governance
Economic performance and creation of added value	201-1 Economic value directly generated and distributed 207-1 Approach to tax 207-2 Tax governance, control and risk management 207-3 Stakeholder engagement and management of concerns related to tax	5.1 Sustainability Governance 5.2 Tax management 5.4 GRI disclosure
Customer centricity	-	6.1 Customer centricity
Evolution of distribution channels	-	6.1 Customer centricity
Innovation and R&D	-	8.3 Research and development and innovation as a strategy for sustainable development
Product quality and safety	416-1 Assessment of the health impacts of product and service categories 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	8.1 Product quality and safety 8.6 GRI disclosure
Ethical Marketing	417-2 Incidents of non-compliance concerning product and service information and labelling 417-3 Incidents of non-compliance concerning marketing communications	8.2 Responsible and sustainable marketing
Climate change & Energy efficiency	302-1 Energy consumption within the organisation 302-2 Energy consumption outside the organisation 305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions	9.1 Monitoring of environmental performance 9.3 GRI disclosure
Environmental impact of products	301-1 Materials used by weight or volume 301-2 Recycled input materials used	8.3 Research and development and innovation as a strategy for a sustainable development 8.6 GRI disclosure

Equality & Inclusion	405-1 Diversity of governance bodies and employees 405-2 Ratio of basic salary and remuneration of women to men	7.1 Equality & Inclusion 7.7 GRI disclosure
People care & employee development	401-1 New employee hires and employee turnover 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees 401-3 Parental leave 404-1 Average hours of training per year per employee 404-3 Percentage of employees receiving regular performance and career development reviews	7.2 People development and enhancement 7.3 People Care 7.7 GRI disclosure
Employee Health & Safety	403-1 Occupational health and safety management system 403-2 Hazard identification, risk assessment, and incident investigation 403-3 Occupational health services 403-4 Worker participation, consultation, and communication on occupational health and safety 403-5 Worker training on occupational health and safety 403-6 Promotion of worker health 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships 403-9 Work-related injuries	7.4 Occupational health and safety 7.7 GRI disclosure
Privacy and cyber security	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	7.3 People Care
Respect for human rights	-	8.4 Supplier management
Sustainable supply chain	204-1 Proportion of spending on local suppliers	8.4 Supplier management 8.6 GRI disclosure
Social initiatives	201-1 Economic value directly generated and distributed	7.5 Community support 5.4 GRI disclosure



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GRI Table of Contents

GRI Table of Contents

Statement of use

Cellularline Group has reported in accordance with the GRI Standards for the period 1.01.2023 - 31.12.2023

GRI 1 used

GRI 1: Foundation 2021

Applicable GRI Sector Standard(s)

N/A

GRI standard / other source	Disclosure	Location	Omission			GRI sector standard ref. no
			Requirement(s)	Omitted reason	Explanation	
GENERAL DISCLOSURES						
GRI 2: General Disclosures 2021	2-1 Organisational Details	2.2 Corporate data, Group composition, Administrative Body, Shareholder disclosure (pagg. 17-23)				
	2-2 Entities included in the organisation's sustainability reporting	4. Methodological note (pagg. 56-61)				
	2-3 Reporting period, frequency and contact point	4. Methodological note (pagg. 56-61)				
	2-4 Restatements of information	4. Methodological note (pagg. 56-61)				
	2-5 External assurance	KPMG Report				
	2-6 Activities, value chain and other business relationships	3.4 Business model (pagg. 53-55)				
	2-7 Employees	7.7 GRI disclosure (pagg. 153-161)				
	2-8 Workers who are not employees	7.7 GRI disclosure (pagg. 153-161) The data relate to the Group's Italian companies				
	2-9 Governance structure and composition	5.1 Sustainability governance (pagg. 65-75) 5.4 GRI disclosure (pagg. 85-87)				
	2-10 Nomination and selection of the highest governance body	5.1 Sustainability governance (pagg. 65-75) Board members are appointed on the basis of professional skills and knowledge				
	2-11 Chair of the highest governance body	The Chairman of the Board of Directors is not a senior manager of the organisation.				

GRI standard / other source	Disclosure	Location	Omission			GRI sector standard ref. no
			Requirement(s)	Omitted reason	Explanation	
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	Sharing with the BoD the main points and goals regarding sustainability, in order to guide the group's commitments.				
	2-13 Delegation of responsibility for managing impacts	There is no formal responsibility assigned for impact management.				
	2-14 Role of the highest governance body in sustainability reporting	The Board of Directors is not responsible for reviewing and approving the information reported in the Sustainability Reporting; it is approved and reviewed by the two Chief Executive Officers.				
	2-15 Conflicts of interest	5.1 Sustainability governance (pagg. 65-75) Prior to the opening of board meetings, information is given on situations concerning conflicts of interest in relation to the items on the agenda. Also by virtue of applicable legislation, the Group has established a Related Party Transactions Committee and a Legal and Corporate Affairs Department. If a conflict of interest existed, disclosure was made to the relevant stakeholders. For more details, please refer to the Group Code of Ethics.				
	2-16 Communication of critical concerns	No reports or communications of critical concerns were received during the financial year.				
	2-17 Collective knowledge of the highest governance body	The Group presented the ESG Report to the BoD and conducted an induction activity addressed to the BoD on sustainable development. 5.3 Future commitments (pagg. 81-83)				
	2-18 Evaluation of the performance of the highest governance body	The Rules of the Board of Directors set out that the Board of Directors shall, every three years, in view of the renewal of the Board of Directors, carry out an assessment on the size, composition and actual functioning of the Board itself and its Committees, also considering its role in defining strategies and monitoring management performance and the adequacy of the Internal Control and Risk Management System, and expressing guidelines on the composition of the Board deemed optimal. For further details, please refer to the report on corporate governance and ownership structure.	Requirement a), b) e c)	Information not available	Currently, there is no process in place for assessing the BoD performance on ESG aspects	
	2-19 Remuneration policies	5.1 Sustainability governance (pagg. 65-75)				

GRI standard / other source	Disclosure	Location	Omission			GRI sector standard ref. no
			Requirement(s)	Omitted reason	Explanation	
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	5.1 Sustainability governance (pagg. 65-75)				
	2-21 Annual total compensation ratio	7.7 GRI disclosure (pagg. 153-161)				
	2-22 Statement on sustainable development strategy	1.1 Letter to our stakeholders (pagg. 7-9)				
	2-23 Commitment	8.4 Supplier management (pagg. 189-195) 8.5 Future commitments (pagg. 197-199)				
	2-24 Incorporating commitments	5.1 Sustainability governance (pagg. 65-75) 5.3 Future commitments (pagg. 81-83) 7.1 Equality & Inclusion (pagg. 113-117) 7.6 Future commitments (pagg. 149-151) 8.4 Supplier management (pagg. 189-195) 8.5 Future commitments (pagg. 197-199)				
	2-25 Processes to remediate negative impacts	7.1 Equality & Inclusion (pagg. 113-117) 7.3 People Care (pagg. 127-135) 7.4 Occupational health & safety (pagg. 137-141) 7.5 Community support (pagg. 143-147) 8.4 Supplier management (pagg. 189-195) 9.1 Monitoring environmental performance (pagg. 209-219)				
	2-26 Mechanisms for seeking advice and raising concerns	5.1 Sustainability governance (pagg. 65-75)				
	2-27 Compliance with laws and regulations	One case of non-compliance with the laws and regulations was recorded, which resulted in a sanction by the Chamber of Commerce, Industry, Craftsmanship and Agriculture of Bari, for a total amount of Euro 11,055.				
	2-28 Associations	Annexes (pagg. 228-249)				
	2-29 Approach to stakeholder engagement	3.3 Stakeholder mapping and engagement (pagg. 49-51)				

GRI standard / other source	Disclosure	Location	Omission			GRI sector standard ref. no	
			Requirement(s)	Omitted reason	Explanation		
	2-30 Collective bargaining agreements	100% of employees covered by collective bargaining agreements for the Group's Italian companies					
	3-1 Process to determine material topics	3.2 Our priorities and material topics (pagg. 39-47)					
	3-2 List of material topics	3.2 Our priorities and material topics (pagg. 39-47)					
MATERIAL TOPIC - ANTI CORRUPTION AND BUSINESS ETHICS							
GRI 3 - Material Topics 2021	3-3 Management of material topics	5.1 Sustainability governance (pagg. 65-75)					
	205-3 Proven incidents of bribery and actions taken	5.1 Sustainability governance (pagg. 65-75) No incidents of corruption occurred during 2023.					
MATERIAL TOPIC - ECONOMIC PERFORMANCE AND CREATION OF ADDED VALUE							
GRI 3 - Material Topics 2021	3-3 Management of material topics	5.1 Sustainability governance (pagg. 65-75) 5.2 Tax management (pagg. 77-79) 5.3 Future commitments (pagg. 81-83) 5.4 GRI disclosure (pagg. 85-87)					
	201-1 Economic value directly generated and distributed	5.1 Sustainability governance (pagg. 65-75) 5.2 Tax management (pagg. 77-79) 5.4 GRI disclosure (pagg. 85-87)					
	207-1 Approach to tax	5.2 Tax management (pagg. 77-79) 5.4 GRI disclosure (pagg. 85-87)					
	207-2 Tax governance, control and risk management	5.2 Tax management (pagg. 77-79) 5.4 GRI disclosure (pagg. 85-87)					
	207-3 Stakeholder engagement and management of concerns related to tax	5.2 Tax management (pagg. 77-79)					
	MATERIAL TOPIC - PRODUCT QUALITY AND SAFETY						
	GRI 3 - Material Topics 2021	3-3 Management of material topics	8.1 Product quality and safety (pagg. 167-171)				
416-1 Assessment of the health and safety impacts of product and service categories		8.1 Product quality and safety (pagg. 167-171)					

GRI standard / other source	Disclosure	Location	Omission			GRI sector standard ref. no
			Requirement(s)	Omitted reason	Explanation	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	8.1 Product quality and safety (pagg. 167-171) 8.6 GRI disclosure (pagg. 201-203)				
MATERIAL TOPIC - PRIVACY AND CYBERSECURITY						
GRI 3 - Material Topics 2021	3-3 Management of material topics	7.3 People Care (pagg. 127-135)				
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	7.3 People Care (pagg. 127-135)				
MATERIAL TOPIC - INNOVATION E R&D						
GRI 3 - Material Topics 2021	3-3 Management of material topics	8.3 Research, development and innovation as a strategy for sustainable development (pagg. 179-187)				
MATERIAL TOPIC - CUSTOMER CENTRICITY						
GRI 3 - Material Topics 2021	3-3 Management of material topics	6.1 Customer centricity (pagg. 92-103)				
MATERIAL TOPIC - EVOLUTION OF DISTRIBUTION CHANNELS						
GRI 3 - Material Topics 2021	3-3 Management of material topics	6.1 Customer centricity (pagg. 92-103)				
MATERIAL TOPIC - ETHICAL MARKETING						
GRI 3 - Material Topics 2021	3-3 Management of material topics	8.2 Responsible and sustainable marketing (pagg. 173-177)				
	417-2 Incidents of non-compliance regarding information and labelling of products and services	Three cases of non-compliance with regulations on product information and labelling that resulted in a warning				
	417-3 Incidents of non-compliance concerning marketing communications	There were no incidents of non-compliance concerning marketing communications				
MATERIAL TOPIC - SUSTAINABLE SUPPLY CHAIN						
GRI 3 - Material Topics 2021	3-3 Management of material topics	8.4 Supplier management (pagg. 189-195)				
	204-1 Proportion of spending on local suppliers	8.4 Supplier management (pagg. 189-195) 8.6 GRI disclosure (pagg. 201-203)				

GRI standard / other source	Disclosure	Location	Omission			GRI sector standard ref. no
			Requirement(s)	Omitted reason	Explanation	
MATERIAL TOPIC - ENVIRONMENTAL IMPACT OF PRODUCTS						
GRI 3 - Material Topics 2021	3-3 Management of material topics	8.3 Research, development and innovation as a strategy for sustainable development (pagg. 179-187) 8.6 GRI disclosure (pagg. 201-203)				
	301-1 Materials used by weight or volume	8.3 Research, development and innovation as a strategy for sustainable development (pagg. 179-187) 8.6 GRI disclosure (pagg. 201-203)				
	301-2 Recycled input materials used	8.3 Research, development and innovation as a strategy for sustainable development (pagg. 179-187) 8.6 GRI disclosure (pagg. 201-203)				
MATERIAL TOPIC - EMPLOYEE HEALTH AND SAFETY						
GRI 3 - Material Topics 2021	3-3 Management of material topics	7.4 Occupational health & safety (pagg. 137-141) 7.7 GRI disclosure (pagg. 153-161)				
	403-1 Occupational health and safety management system	7.4 Occupational health & safety (pagg. 137-141) 7.7 GRI disclosure (pagg. 153-161)				
	403-2 Hazard identification, risk assessment and incident investigation	7.4 Occupational health & safety (pagg. 137-141) 7.7 GRI disclosure (pagg. 153-161)				
	403-3 Occupational health services	7.4 Occupational health & safety (pagg. 137-141) 7.7 GRI disclosure (pagg. 153-161)				
	403-4 Worker participation, consultation, and communication on occupational health and safety	7.4 Occupational health & safety (pagg. 137-141) 7.7 GRI disclosure (pagg. 153-161)				
	403-5 Worker training on occupational health and safety	7.4 Occupational health & safety (pagg. 137-141) 7.7 GRI disclosure (pagg. 153-161)				
	403-6 Promotion of worker health	7.4 Occupational health & safety (pagg. 137-141) 7.7 GRI disclosure (pagg. 153-161)				
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	7.4 Occupational health & safety (pagg. 137-141) 7.7 GRI disclosure (pagg. 153-161)					

GRI standard / other source	Disclosure	Location	Omission			GRI sector standard ref. no
			Requirement(s)	Omitted reason	Explanation	
	403-9 Work-related injuries	7.4 Occupational health & safety (pagg. 137-141) 7.7 GRI disclosure (pagg. 153-161)				
MATERIAL TOPIC - PEOPLE CARE & EMPLOYEE DEVELOPMENT						
GRI 3 - Material Topics 2021	3-3 Management of material topics	7.2 Employee development and enhancement (pagg. 119-125) 7.3 People Care (pagg. 127-135) 7.7 GRI disclosure (pagg. 153-161)				
	401-1 New employee hires and employee turnover	7.2 Employee development and enhancement (pagg. 119-125) 7.3 People Care (pagg. 127-135) 7.7 GRI disclosure (pagg. 153-161)				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	7.2 Employee development and enhancement (pagg. 119-125) 7.3 People Care (pagg. 127-135) 7.7 GRI disclosure (pagg. 153-161)				
	401-3 Parental leave	7.2 Employee development and enhancement (pagg. 119-125) 7.3 People Care (pagg. 127-135) 7.7 GRI disclosure (pagg. 153-161)				
	404-1 Average hours of training per year per employee	7.2 Employee development and enhancement (pagg. 119-125) 7.3 People Care (pagg. 127-135) 7.7 GRI disclosure (pagg. 153-161)				
	404-3 Percentage of employees receiving regular performance and career development reviews	7.2 Employee development and enhancement (pagg. 119-125) 7.3 People Care (pagg. 127-135) 7.7 Informativa GRI (pagg.153-161)				
MATERIAL TOPIC - EQUALITY E INCLUSION						
GRI 3 - Material Topics 2021	3-3 Management of material topics	5.1 Sustainability governance (pagg. 65-75) 5.4 GRI disclosure (pagg. 85-87) 7.1 Equality & Inclusion (pagg. 113-117) 7.7 GRI disclosure (pagg. 153-161)				

GRI standard / other source	Disclosure	Location	Omission			GRI sector standard ref. no
			Requirement(s)	Omitted reason	Explanation	
	405-1 Diversity of governance bodies and employees	5.1 Sustainability governance (pagg. 65-75) 5.4 GRI disclosure (pagg. 87-89) 7.1 Equality & Inclusion (pagg. 113-117) 7.7 GRI disclosure (pagg. 153-161)				
	405-2 Ratio of basic salary and remuneration of women to men	7.1 Equality & Inclusion (pagg. 113-117) 7.7 GRI disclosure (pagg. 153-161)				
MATERIAL TOPIC - RESPECT FOR HUMAN RIGHTS						
GRI 3 - Material Topics 2021	3-3 Management of material topics	8.4 Supplier management (pagg. 189-195)				
MATERIAL TOPIC - SOCIAL INITIATIVES						
GRI 3 - Material Topics 2021	3-3 Management of material topics	7.5 Community support (pagg. 143-147) 5.4 GRI disclosure (pagg. 85-87)				
	201-1 Economic value directly generated and distributed	7.5 Community support (pagg. 143-147) 5.4 GRI disclosure (pagg. 85-87)				
MATERIAL TOPIC - CLIMATE CHANGE & ENERGY EFFICIENCY						
GRI 3 - Material Topics 2021	3-3 Management of material topics	9.1 Monitoring environmental performance (pagg. 209-219) 9.3 GRI disclosure (pagg. 225-227)				
	302-1 Energy consumption within the organisation	9.1 Monitoring environmental performance (pagg. 209-219) 9.3 GRI disclosure (pagg. 225-227)				
	305-1 GHG Direct emissions (Scope 1)	9.1 Monitoring environmental performance (pagg. 209-219) 9.3 GRI disclosure (pagg. 225-227)				
	305-2 Energy indirect (Scope 2) GHG emissions	9.1 Monitoring environmental performance (pagg. 209-219) 9.3 GRI disclosure (pagg. 225-227)				
	305-3 Other indirect (Scope 3) GHG emissions	9.1 Monitoring environmental performance (pagg. 209-219) 9.3 GRI disclosure (pagg. 225-227)				



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the ESG report

*To the board of directors of
Cellularline S.p.A.*

We have been engaged to perform a limited assurance engagement on the 2023 ESG report (the "ESG report") of the Cellularline Group (the "group").

Directors' responsibilities for the ESG report

The directors of Cellularline S.p.A. (the "parent") are responsible for the preparation of an ESG report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative, as described in the "Methodological note" section of the ESG report (the "GRI Standards").

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of an ESG report that is free from material misstatement, whether due to fraud or error.

They are also responsible for defining the group's objectives regarding its sustainability performance and the identification of the stakeholders and the significant aspects to report.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Cellularline Group

Independent auditors' report

31 December 2023

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the ESG report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board (IAASB) applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the progress report is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the ESG report are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the ESG report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

- 1) analysing the reporting of material aspects process, specifically how the reference environment is analysed and understood, how the actual and potential impacts are identified, assessed and prioritised and how the process outcome is validated internally;
- 2) comparing the financial disclosures presented in the "Governance" section of the ESG report with those included in the group's consolidated financial statements;
- 3) understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the ESG report.

Specifically, we held interviews and discussions with the parent's management personnel. We also performed limited procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the ESG report.

Furthermore, with respect to significant information, considering the group's business and characteristics, at parent and the subsidiaries Cellular Spain S.L.U, Systema S.r.l., Worldconnect AG, Coverlab S.r.l. and Subliros S.L. level:

- a) we held interviews and obtained supporting documentation to check the qualitative information presented in the ESG report;
- b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;



Cellularline Group
Independent auditors' report
31 December 2023

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2023 ESG report of the Cellularline Group has not been prepared, in all material respects, in accordance with the requirements of the GRI Standards, as described in the "Methodological note" section of the ESG report.

Bologna, 1 July 2024

KPMG S.p.A.

(signed on the original)

Davide Stabellini
Director of Audit



[CELLULARLINEGROUP]

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