

Annual Report

SUSTAINABILITY REPORT 2023

MATERIALS
FOR A LIVING
WORLD

 **SANT'AGOSTINO**

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MATERIALS
FOR A LIVING
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Letter to the Stakeholders

A few years ago, Ceramica Sant'Agostino decided to embark on a path of conversation, in-depth analysis and information concerning ESG topics that increasingly affect the daily lives of companies and people. This path is being confirmed and renewed by continuing to strive for continuous improvement.

In 2023, Ceramica Sant'Agostino carried out major plant engineering work with the aim of improving production efficiency, energy management and technological innovation. The corporate organisation was enriched with experience and new external expertise, with the entry of new recruits and the establishment of interesting collaborations.

Ceramica Sant'Agostino also launched several ambitious projects for the company and its collaborators, which marked the opening of a new chapter: the affirmation of the brand and its image on important "international marketplaces" by opening flagship showrooms or dedicated spaces in the capitals of the world of design.

This step towards dialogue and exchange of experience with not just domestic but also foreign companies excites us and encourages us to set ourselves ever wider goals in terms of personal, organisational and qualitative growth.

Above all, it serves as an incentive for positive exchange of ideas aimed at improving our choices, strategies and actions and making them more effective and efficient.

With this in mind, on the following pages please find the second edition of the Ceramica Sant'Agostino Sustainability Report. We will tell you which projects we are developing, which ones we have successfully completed and the steps we are taking to chart our future course.

"Not a beginning or an ending, but a journey to be recorded and pursued over time."

Ennio Manuzzi
Chairman of Ceramica Sant'Agostino



Sustainability Highlights 2023

Ceramica Sant'Agostino's strengths and achievements in 2023 at a glance.

Environment

Installation of new

2,4MWp
photovoltaic system

New mixture formulation with 10% national,

100% recycled
raw material

100%
Recovery of
production waste

100%
Waste water
treated and reused
in the production process

Improvement of the

ISO 17789-1
Certification Rating

Over

4.600m³
of rainwater
collected and used

Social

93%
permanent contracts

ISO 45001

Safety Management System

860 training hours
provided

Collaboration with
University of Ferrara for **2 internships**

FAI Corporate Golden Donor certificate

Support and donations
to **5 social organisations**

Governance

More than

130 Stakeholders engaged
in Stakeholder Engagement activities

Assessment of
key ESG impacts arising from
the company's activities

ECOQUALITY
integrated Management System

Archiproducts Design Award
2023

€ 5.766 million
in investments
in 2023

New
Showroom in Milan

Corporate **Code of Ethics**
and **Model 231**

1.0

IDENTITY OF CERAMICA SANT'AGOSTINO

- 1.1 About us
- 1.2 The history of Ceramica Sant'Agostino
- 1.3 Mission and Values
- 1.4 Surfaces that excite: Timeless beauty

1.1 About us

For sixty years, Ceramica Sant'Agostino has distinguished itself as a leader in the Italian ceramic sector.

The company's entrepreneurial philosophy is based on continuous investment in product innovation and technological progress, enabling it to produce high-quality ceramic surfaces with high technical functionalities, versatility and aesthetic solutions that meet the needs of contemporary architecture.

Ceramica Sant'Agostino's distinctive approach, combining quality, innovation and ethical values, has led the company to become a leader in the Province of Ferrara and to achieve international recognition. With a production capacity of around 4.5 million square metres per year, the company exports the majority of its production to more than 80 countries.

Production takes place entirely in Italy, a voluntary choice that reflects the company's commitment to social and environmental responsibility.

Sustainability is a transversal principle in all Ceramica Sant'Agostino activities, as demonstrated by the publication of its second Sustainability Report, through which the company aims to trace and follow a clear and concrete path to improve its environmental, social and Governance profile.



1.2 The history of Ceramica Sant'Agostino

Founded by Aristide Manuzzi, Ceramica Sant'Agostino began trading in 1964 near Ferrara, in an area far from the main ceramic industry district in Italy. Over the years, this choice has proven to be a winning one, as it underlined Ceramica Sant'Agostino's strong design autonomy and ever innovative strategic vision.

Despite its geographical location far from the Italian ceramic district, Ceramica Sant'Agostino has always remained extremely up-to-date and competitive in the market, thanks to its long-standing, consolidated relationship with the Confindustria Ceramica administration.

The company, still run by the founder's family today, has become the leading company in the province of Ferrara in terms of brand awareness, as well as being the largest family-run business in the area. The company's success is based on continuous investment in product research and technological process innovation, combined with a focus on aesthetics and design.



1.3 Mission and Values

MISSION

“The pursuit of beauty is a daily commitment”.

It is with these words that Ceramica Sant'Agostino describes its corporate mission, aimed at expressing “stories of beauty” through the research and development of high-quality artistic-craft products.

Ceramica Sant'Agostino's collections are always inspired by the desire to perfect spaces on a functional, aesthetic and emotional level, improving the lives of those who use them.

VALUES

In its history that spans almost 60 years, Ceramica Sant'Agostino has consolidated its corporate values through its production choices, the way the company is managed, and its behaviour towards its Stakeholders.

Beauty and Design Culture

Each product reflects a deep passion for aesthetics and the art of design, combining elegance and functionality.

Research and Creativity

Innovation is at the heart of the business, with investments in research to develop cutting-edge ceramic solutions.

Respect for Tradition

Tradition and modern technology are continuously integrated to create high-quality and -value products.

Integrated Quality

High quality standards are guaranteed at every stage of the production process, ensuring products that exceed customer expectations.

Responsibility and Sustainability

A strong commitment to protecting the environment by adopting sustainable solutions is combined with commitments to social responsibility.

Focus on the Individual

We focus on the well-being of employees and customers, promoting a safe and inclusive working environment.

1.4 Surfaces that excite: Timeless beauty

Innovation, research, functionality and an ever more concrete commitment to the environment are the beacons that guide Ceramica Sant'Agostino in the creation, design and manufacture of its products.

Behind every one of the company's products is a process of technical and formal research to guarantee the beauty of the material, the technical efficiency and durability of the surfaces, designed to maintain their appearance intact and unchanged over time.



Aesthetics and evolving design

Creativity is at the heart of Ceramica Sant'Agostino's collections. With meticulous attention to detail and an unwavering commitment to excellence, the company transforms inspirations drawn from nature or imagination into innovative concepts. This creative process is realised through time-tested expertise, which skilfully blends art and craftsmanship. The result is a unique product which combines traditional and natural elements to create unusual shapes with original and surprising tactile textures.

The range of colours, formats, finishes and decorations is built with the precise aim of offering the technically safest and aesthetically most attractive surface for every project, public or private. Every smallest detail is built with the skilful calibration of solids and voids, colours and materials, in hard and meticulous development work involving machinery, know-how, aesthetic culture and passion for design.

The year 2023 was characterised by a strong trend towards the reinterpretation of natural materials, sometimes faithful, sometimes revisited in a contemporary key. An example of this concept is the "Invictus" collection, which sees the return of travertine as a reinterpretation of a material that has made the history of classical Italian architecture.

The juxtaposition of different effects that converse and coexist in the same room is also common, as we see in the "Duo" collection, which is inspired by the dynamic combination of concrete and clay.

Another big comeback in 2023 is the small format with different colours and material graphics as found in the "Pixel" and "Tetris" collections, which make for playful and original compositions, where the nuances and details of the individual pieces give different meanings to the whole puzzle.

Lastly, 2023 also saw the launch of the "Extra" package, the collection of large thin slabs that brings together Ceramica Sant'Agostino's most iconic products to complete their respective ranges. 16 articles including marble, stone and cement effects proposed in a large format that enhances their aesthetic value, maximising their material beauty, and graphic and chromatic richness.


Design prizes and awards

The Ceramica Sant'Agostino brand stands out in the ceramics industry for the high aesthetic content and excellent technical performance of its products, the result of distinctive choices. Over the years, the company has forged collaborations with internationally renowned designers, such as Philippe Starck, who designed the Flexible Architecture collection for Ceramica Sant'Agostino.

Thanks to its ability to anticipate style trends, the company's products have won numerous national and international awards for creative design. They include several selections in the ADI Design Index, which rewards the best Italian design, various Architizer Awards, which recognise the best architecture of the year, and numerous Archiproducts Design Awards, which are intended for different types of production in the design sector.

Some of the most recent awards received by Ceramica Sant'Agostino include:

- **ADI 2021**
for the stand at Cersaie 2021 - Beauty Beyond Nature;
- **Archiproducts Design Award 2022**
for the Form, Fusionart and Dripart collections (presented at Cersaie 2022);
- **Archiproducts Design Award 2023**
for the Invictus collection: rectified porcelain stoneware floor and wall tiles with travertine effect.



2.0

CORPORATE GOVERNANCE

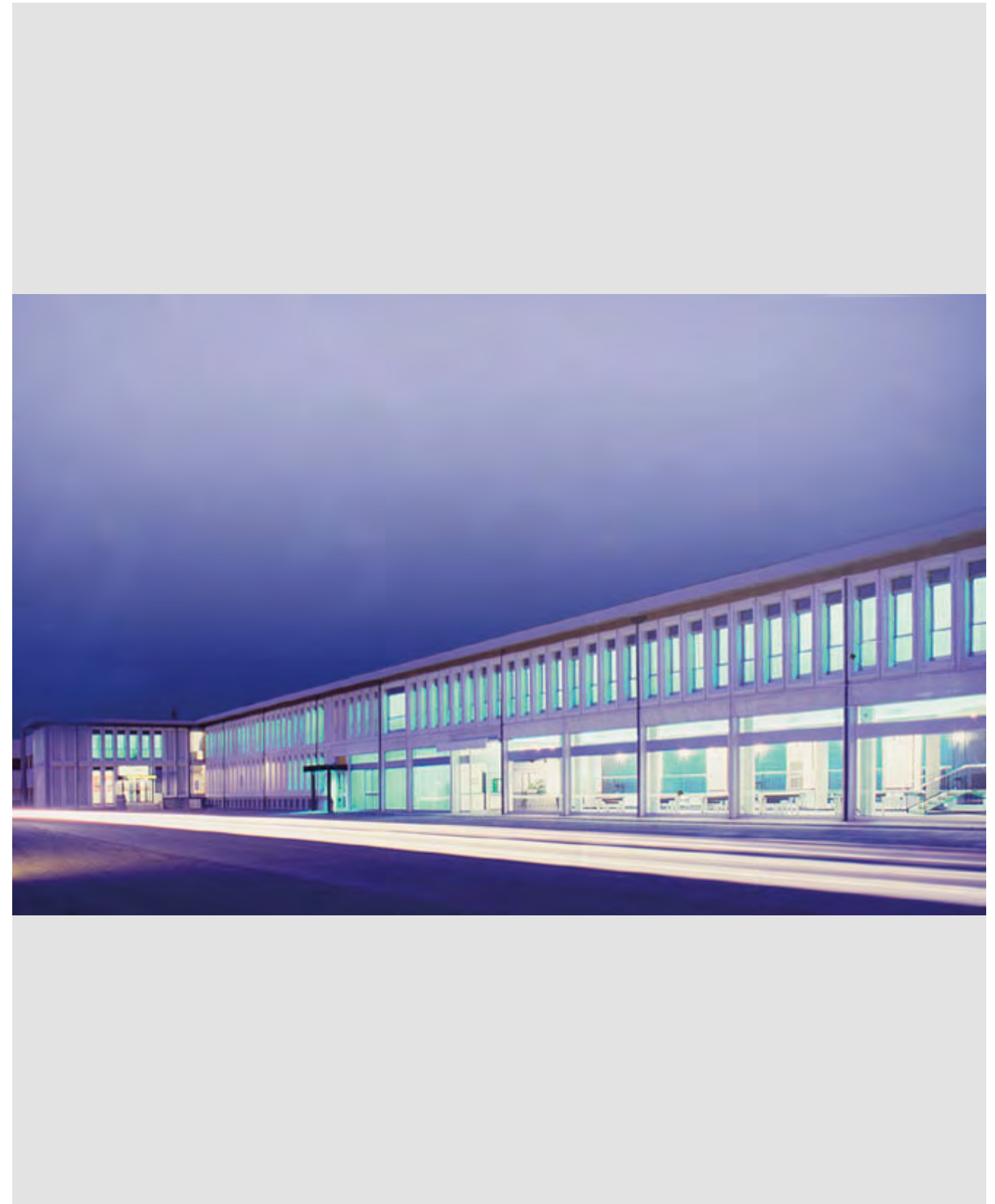
- 2.1 **Corporate structure and organisation**
- 2.2 **Our headquarters**
- 2.3 **Business Ethics**
- 2.4 **Organisational Model 231**

Corporate Governance

Since its foundation, Ceramica Sant'Agostino has been a Family Company. This model ensures consistency with the company's values and history and also ensures greater agility in decision-making processes, facilitating the launch of new initiatives and industrial and commercial development projects.

The company's Chairman is Ennio Manuzzi, who was awarded the honour of Cavaliere del Lavoro by the President of the Republic Giorgio Napolitano in 2007. Ennio Manuzzi, together with his brother Mauro Manuzzi, also holds the position of CEO.

The third generation of the family, Filippo, Eugenio and Chiara Manuzzi, are now responsible for Foreign Sales and Marketing, Italian Sales and Planning, Product and Exhibit. Filippo and Eugenio Manuzzi are also Managing Directors with powers relevant to their areas of purview.



2.1 Corporate structure and organisation

Corporate structure

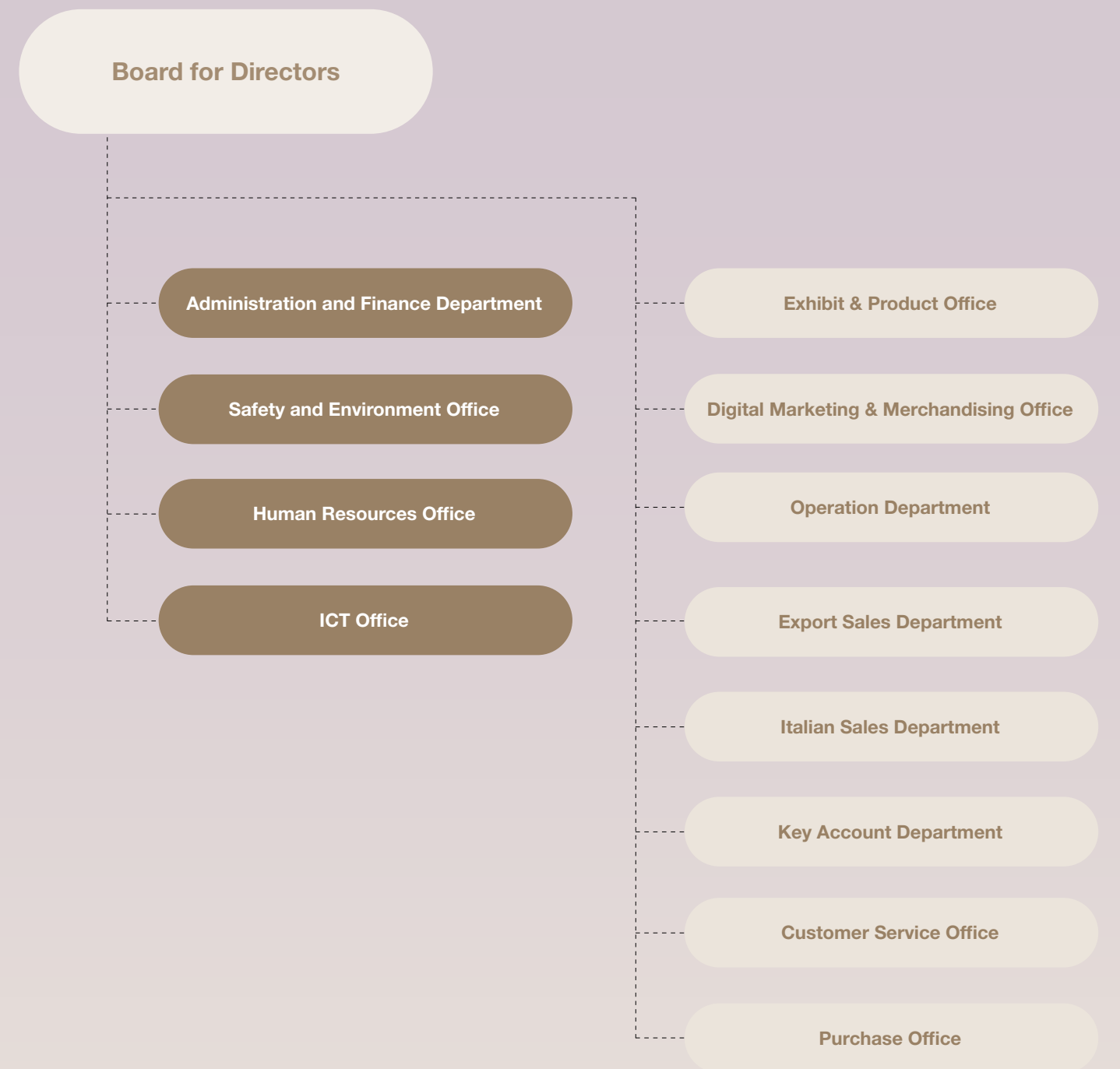
At the corporate level, control of Ceramica Sant'Agostino is held by the family holding Fi.Ma. Holding S.r.l., as illustrated in the following table:

Shareholding Structure	Units of measurements	n. Shares held	Share Cap. %
Fi.Ma. Holding S.r.l.	n, %	198.000	99,00%
Ennio Manuzzi	n, %	1.000	0,50%
Mauro Manuzzi	n, %	1.000	0,50%
Totale	n, %	200.000	100,00%

Corporate organisation

The Board of Directors consists of Chairman Ennio Manuzzi and Directors Mauro Manuzzi, Filippo Manuzzi and Eugenio Manuzzi. The composition of the board of directors and the organisation chart of the company's internal functions are shown below.

Composition of the Board of Directors (31.12.2023)	Units of measurements	Men	Women	Total
30-50 years	n.	2	0	2
Over 50	n.	2	0	2
Totale	n.	4	0	4



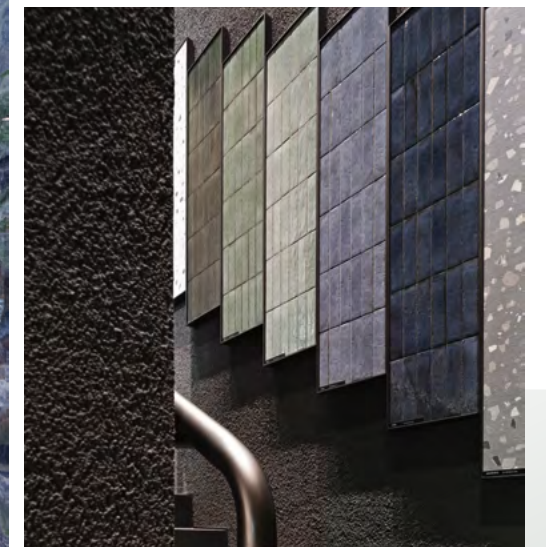
2.2 Our headquarters

Located in Terre del Reno, in the province of Ferrara, the Ceramica Sant'Agostino headquarters was built in 1963, starting production the following year. Despite having such distant origins, today it is a technologically advanced location.

Over the years, it has always followed the technological developments in the ceramics sector and, recently, has undergone major upgrades in the context of Industry 4.0. These adaptations have affected both the headquarters and the systems, pursuing the best environmental sustainability criteria.

In total, the Ceramica Sant'Agostino establishment occupies an area of 237,000 m², of which 98,000 m² are covered. A distinctive feature of the location is the extensive covered storage centre, which ensures that the products are well cared for.

This storage system also lets the company reduce the use of plastic in packaging, as the shrink wrap is only applied once the order is prepared, without the need to protect the products from the weather due to the protected environment.



The new Milan Showroom

Located in the heart of Milan, in the Brera Design District, Ceramica Sant'Agostino's new showroom was inaugurated on 23 October 2023. The new showroom is in Corso Garibaldi and is an atmospheric place whose layout was designed by the Calvi Brambilla studio. The latest and most iconic collections stand out on large panels within a space that is spread over two levels but is treated as a single "architectural box".

Coherent with its values, Ceramica Sant'Agostino continues its pursuit of creativity in Italy and internationally, occupying one of Milan's busiest spots, in direct contact with the most important architecture studios.

Architects, designers, and those who love and are curious about ceramic products can enter this exhibition venue not only to view Ceramica Sant'Agostino products, search for the best solutions for their projects, and receive advice and technical assistance, but also visit exhibitions and events dedicated to architecture, making it a culturally lively meeting point.



2.3 Business Ethics

Ceramica Sant'Agostino adopts a corporate governance approach based on dedicated organisational methods and procedures, aimed at being competitive while respecting the principle of fair competition and the rules of professional ethics.

The company is up against the most qualified competitors in the industry, always pursuing quality excellence in the products it supplies.

In the second half of 2023, the company revised its Code of Ethics, which encapsulates its core values and principles and serves as a guide for strategic decisions.

Within this Code, the company also identifies the rules of conduct to be followed, committing itself to managing its activities in a healthy

and responsible manner, and to maintaining transparent relations with all stakeholders, respecting the community of which it is part.

This code is addressed not only to directors, managers, employees and collaborators, but also to suppliers and partners, who must comply with it in the performance of their activities and in their internal and external relations with the company.

The Code of Ethics is disseminated by the company to all its addressees and can be consulted on the company website.

2.4 Organisational Model 231

In line with its corporate mission, Ceramica Sant'Agostino has paid particular attention to each process of its activities, verifying their organisation and management in compliance with the ethical values that have inspired its work for sixty years.

Italian Legislative Decree of 8 June 2001 no. 231 introduced into Italian law a system of administrative liability of Entities, including corporations, for certain offences committed by directors, managers or employees in the interest or to the advantage of the Entity in question.

Ceramica Sant'Agostino has adopted its own Organisational Model to ensure fairness, integrity, transparency and legality in the conduct of business and corporate activities. This Model is periodically updated in line with regulatory, organisational and business developments.

This tool aims to build a structured and organic system of guiding principles, operating procedures and other specific safeguards, inspired by sound business management criteria. Its purpose is to prevent the commission of the offences envisaged by the Decree and to protect the interests of Stakeholders relevant to the company. The Model of Ceramica Sant'Agostino is operational only for environmental and safety offences, but is being extended to all other offences.

Sustainability issues assume significant importance in Ceramica Sant'Agostino's Organisational Model 231, both because of the numerous correlations between these issues and Decree 231 and in relation to the company's current strategic direction.



3.0

OUR PATH TO SUSTAINABILITY

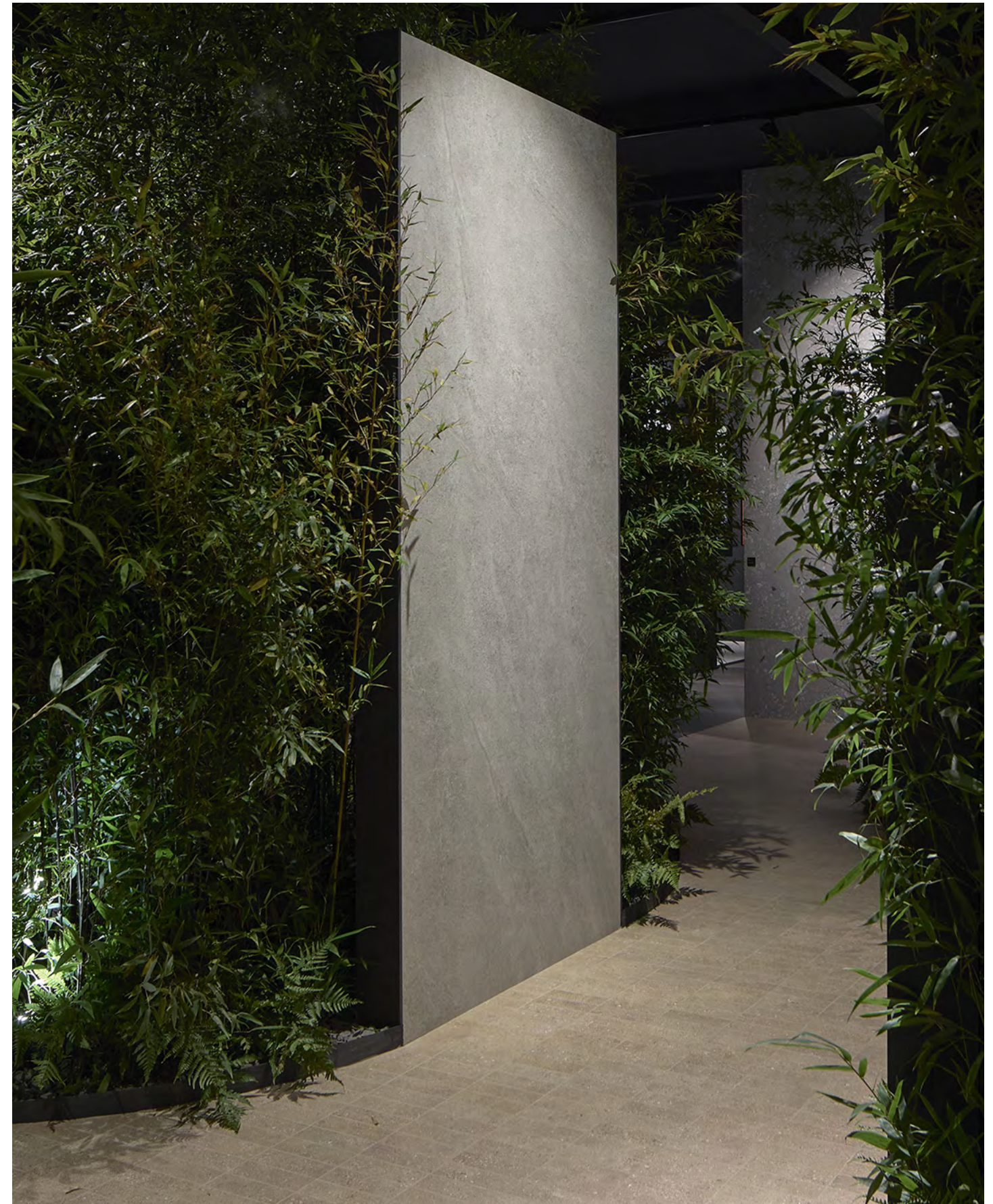
- 3.1 Sustainability Governance
- 3.2 ECOQUALITY and the certifications
- 3.3 Stakeholder engagement
- 3.4 The material topics and the ESG Materiality Analysis
- 3.5 Ceramica Sant'Agostino's Contribution to the UN 2030 Goals

Our path to Sustainability

Ceramica Sant'Agostino has always stood out for its strategic autonomy based on its own values. With this in mind, the company has embarked on a conscious commitment to sustainability, with the aim of reducing negative impacts and creating value for the region and new generations.

To give substance to this commitment and direct its strategy, Ceramica Sant'Agostino has begun to outline its priority activities in an Action Plan that organises and schedules actions meant to improve environmental, social and governance (ESG) sustainability for the coming years.

In line with its path of sustainable innovation, the company has begun drawing up an annual Sustainability Report, now in its second edition. This document analyses and reports on the positive and negative impacts of the company's activities, illustrating its efforts to improve its sustainability performance, using internationally recognised metrics such as those of the Global Reporting Initiative (GRI).





3.1 Sustainability Governance

Ceramica Sant'Agostino has embarked on a structured path to update and strategically position the company in the area of sustainability. This commitment stems from the desire to realise an integrated corporate approach to ESG (Environment, Social and Governance) issues.

Several workshops were organised with the heads of the main company areas with the aim of aligning knowledge within management and laying down priority objectives and management tools to improve the company's sustainability profile.

These were the activities behind the involvement of the corporate sustainability team and the drafting of the Confindustria Ceramica first ESG Action Plan.

The company has identified the following areas for improvement on which to work over the years with targeted actions are:

- 1. Environmental: **initiatives focused on reducing impacts along the supply chain and reducing GHG emissions.**

- 2. Social: **both internal, with a focus on corporate welfare services and employee involvement, and external actions, through initiatives aimed at strengthening collaboration with local stakeholders.**

- 3. Governance: **implementation of ESG criteria in corporate management and strengthening of communication and transparency on corporate ESG actions.**

3.2 ECOQUALITY and the certifications

With the aim of communicating its commitment and reducing the environmental and social impacts of its activities, Ceramica Sant'Agostino has chosen to obtain various voluntary product and process certifications, while guaranteeing a high-quality end product.




This commitment has been made a concrete reality for many years through the ECOQUALITY approach, an action programme developed by Ceramica Sant'Agostino to coordinate all company certifications and declarations.

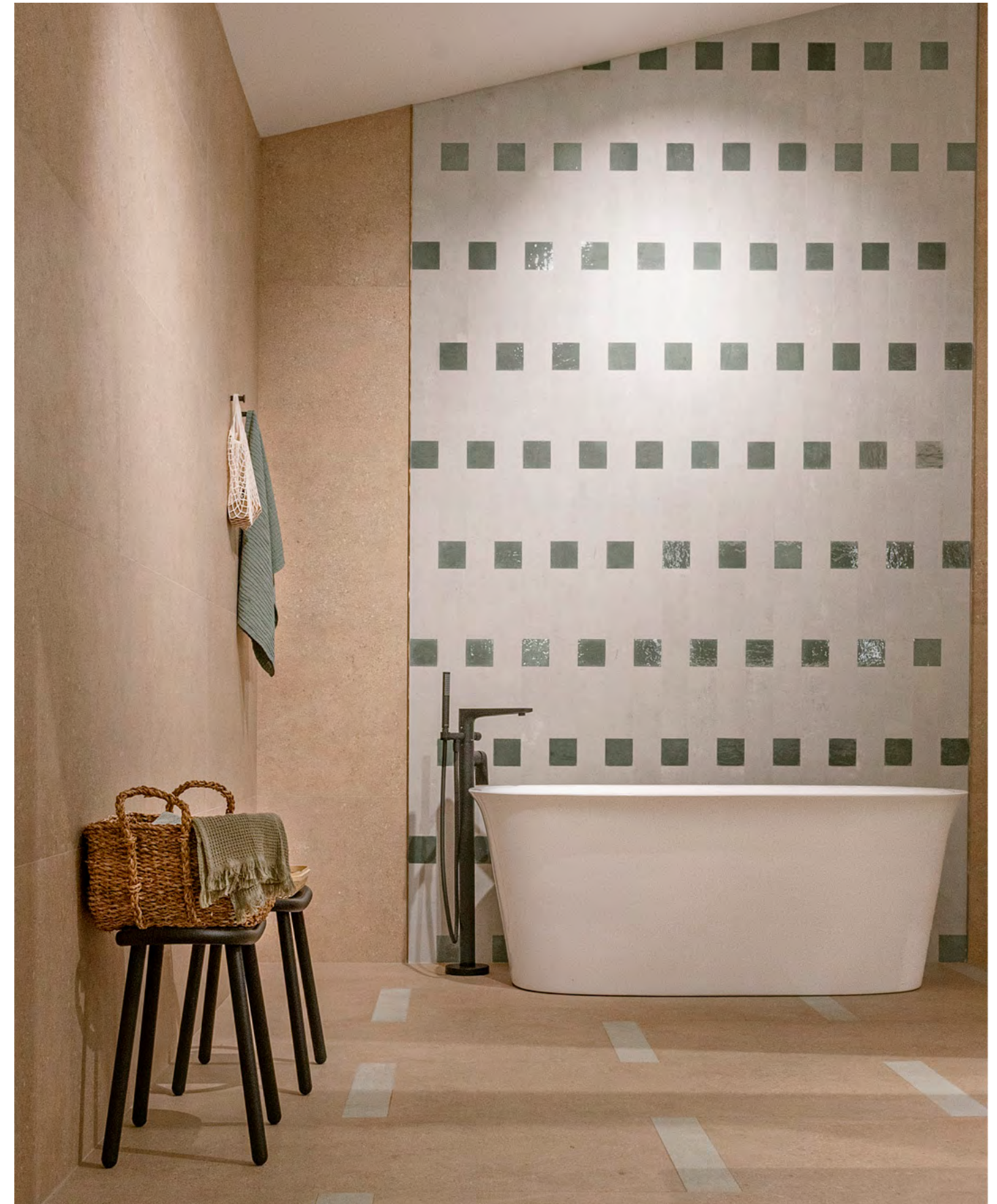
This programme aims to guarantee high-quality products, strictly complying with European and international regulations on the protection of the environment, people and consumers.

ECOQUALITY involves the entire corporate organisation and is therefore ambitious, objectively measurable and constantly evolving.

This programme collects and integrates information required by mandatory regulations and authorisations, as well as evidence supporting voluntary certifications and self-declarations.

Process certifications

Certification	Description	Scope of application
	<p>ISO 14001 Ceramica Sant'Agostino has adopted an Environmental Management System since 2017. Its application enables a systematic and documented approach to environmental aspects aimed at protecting the environment and pursuing continuous performance improvement.</p>	Global
	<p>ISO 9001 Ceramica Sant'Agostino has adopted a Quality Management System since 2008 to improve the control of its products and services in compliance with current standards and internal specifications in order to meet the needs and expectations of its customers and all stakeholders.</p>	Global
	<p>ISO 45001 Ceramica Sant'Agostino has adopted an Occupational Health and Safety Management System since 2014. Its application enables a systemic approach to the management of occupational safety and health protection, allowing risks to be minimised.</p>	Global



Product certifications

Ceramica Sant’Agostino’s products boast numerous certifications attesting to their quality, safety and reduced life-cycle environmental impact.









Particularly significant is the certificate of compliance with ISO 17889-1, which the company obtained voluntarily. This is the first international standard specifically for the ceramics sector, developed by ISO, which lays down sustainability requirements for ceramic tiles according to environmental, economic and social criteria.

The rating linked to this certification is updated every year. In October 2023, with a view to continuous improvement, the company increased its score from 125 to 126, well above the minimum threshold of 117.5.

This was achieved by increasing the amount of recycled material used in the finished product mixture.

Compliance with ISO 17889-1 is an action that contributes to the achievement of Goal 12 of the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda, relating to responsible and sustainable consumption and production.



Certification	Description	Scope of application
	ISO 17889-1 International standard qualifying sustainable ceramic products, which describes the sustainability requirements for ceramic tiles according to environmental, economic and social criteria.	Global
	EPD Italy Ceramica Sant’Agostino actively participated in a study, developed by Confindustria Ceramica in cooperation with the Emilia Romagna Region, which involved the Italian ceramic industry in the collection of data and the subsequent development of the sector average EPD through the creation of a smaller but representative Working Group.	Global
	CCC marking The CCC marking certifies that Ceramica Sant’Agostino products possess the lowest possible natural radioactivity for building materials, lower even than the natural radioactivity of granite. In this way, Ceramica Sant’Agostino products are suitable for installation in public environments, such as schools, kindergartens.	China
	CE marking The CE mark ensures that it complies with all the strict safety and consumer protection parameters set by the European Community.	Europe
	Environmentile Environmentile is a voluntary environmental label with which Ceramica Sant’Agostino, in accordance with the ISO 14021 standard, declares that its products are manufactured with the lowest environmental impact achievable with the latest technological knowledge	Global
 	Leed Ceramica Sant’Agostino products optimally meet the requirements of LEED certification. A certified percentage of more than 20% recycled material (pre-consumer material) is used to make them. They do not release toxic substances, nor do they contribute to the heat island effect, and are manufactured in a factory with an environmental management system. Furthermore, Ceramica Sant’Agostino is a member of the Green Building Council Italia (GBC), the body responsible for drafting the LEED Italia regulations	Global
	UNI-Certquality and CEN-KEYMARK The UNI-Certquality mark and the CEN-KEYMARK mark are voluntary certifications attesting the conformity of certified products with the European standard UNI EN 14411. Ceramica Sant’Agostino products bearing this mark possess technical characteristics of excellence.	Europe

3.3 Stakeholder engagement

Ceramica Sant'Agostino periodically engages its stakeholders in an open and constructive dialogue in order to align with market expectations and improve its products and services and sustainability commitments.

In 2023 Ceramica Sant'Agostino carried out a structured engagement process with the main relevant Stakeholders, especially in the process of identifying the material issues to be reported in the Sustainability Report.

During this process, more than 110 interlocutors, stakeholders including employees, customers, suppliers and the Third Sector, were consulted via an online survey

and about 20 key Stakeholders participated in a Multi-Stakeholder Focus Group to investigate from an external perspective the strengths and areas for improvement of the company's sustainability profile.

This approach has enabled Ceramica Sant'Agostino to anticipate industry trends and needs, while always maintaining healthy and lasting relationships based on trust with its various Stakeholders. Below are the company's main stakeholders and how they are involved:

	Stakeholders	Modes of involvement
Internal	Employees	<ul style="list-style-type: none"> _ Questionnaire on ESG topic priorities of the company _ Regular newsletter sent to all employees _ Kick-off meeting in early 2023 with company first lines on new projects, safety, investments, sustainability _ Corporate website
External	Customers (direct trade)	<ul style="list-style-type: none"> _ Questionnaire on ESG topic priorities of the company _ Multi-stakeholder focus group for sharing and listening on material topics and ESG improvement objectives _ Corporate website
	Suppliers	<ul style="list-style-type: none"> _ Questionnaire on ESG topic priorities of the company _ Multi-stakeholder focus groups for sharing and listening on material topics and ESG improvement objectives _ Corporate website
	Shareholders	<ul style="list-style-type: none"> _ Many communications from other companies and initiatives on environmental, social
	Architects World	<ul style="list-style-type: none"> _ Outdoor meeting with Company ESG Profile _ Corporate website
	Distributors	<ul style="list-style-type: none"> _ Outdoor meeting with Company ESG Profile

	Stakeholder	Modes of involvement
External	Trade Unions	<ul style="list-style-type: none"> _ Constant communication and transparent collaboration on common issues
	Industry associations	<ul style="list-style-type: none"> _ Member of Confindustria Ceramica _ Member of Confindustria Central Emilia
	Public Administrations	<ul style="list-style-type: none"> _ Multi-stakeholder focus group for sharing and listening on material topics and ESG improvement objectives _ Company ESG Profile _ Frequent contacts
	Schools and Universities	<ul style="list-style-type: none"> _ Curricular internships with the University of Ferrara
	Financial world	<ul style="list-style-type: none"> _ Multi-stakeholder focus group for sharing and listening on material topics and ESG improvement objectives
	Media	<ul style="list-style-type: none"> _ Use of local and national media _ Highly exploited print, television and radio media through Confindustria Ceramica
	Local community	<ul style="list-style-type: none"> _ Questionnaire on ESG topic priorities of the company _ Support for Volunteer Associations

3.4 The material topics and the ESG Materiality Analysis

The Materiality analysis is a process to support corporate strategic decisions, which makes it possible to assess which areas of sustainability are the most relevant in terms of impact, which the company should prioritise through commitments and targets to meet the needs of its Stakeholders.

Ceramica Sant’Agostino embarked on its materiality analysis by looking inwards. Area managers were involved to assess what are the main ESG (Environmental, Social and Governance) impacts related

to the company’s activities. Once the positive (+) and negative (-) impacts had been identified, the actual and currently potential impacts were classified; lastly, they were assessed on the basis of their significance (severity and likelihood).

The result of this impact assessment made it possible to focus on the universe of topics relevant to Ceramica Sant’Agostino. Below is the complete list of topics with their associated impacts.

	Material Topic	Positive or Negative	Impact description	Actual or Potential
Environment	Energy efficiency and reduction of GHG emissions	+	Climate change mitigation with efficiency and self-generation from renewable sources	Actual
		-	Contribution of greenhouse gases to climate change through direct and indirect emissions	Actual
	Purchasing products and services with ESG criteria	+	Reduced environmental impact along the supply chain through selection of certified suppliers and materials	Potential
		-	Sourcing and using raw materials from distant and unsustainable suppliers	Actual
	Responsible resource management	+	Reuse of process water	Actual
		-	Consumption of water resources	Actual
		+	Reuse of material waste in the production process	Actual
		-	Consumption of raw materials	Actual
		+	Correct waste management	Actual
	Raising employee awareness with Green actions	-	Waste production	Actual
		+	Promoting responsible behaviour among employees	Actual
		-	Generation of waste through irresponsible employee behaviour	Actual

	Material Topic	Positive or Negative	Impact description	Actual or Potential
Social	Corporate Welfare	+	Promoting integrated employee well-being and increasing employee satisfaction	Actual
		-	Stress and dissatisfaction of employees due to failure to listen to their needs	Actual
		+	Creating an inclusive corporate culture	Actual
		-	Incidents of discrimination	Potential
	Support and collaboration with local Stakeholders	+	Contribution to the social and cultural development of the local community	Actual
		-	Detachment between the company and the social-cultural needs of the local area	Potential
	Employee involvement	+	Sharing corporate values and employee loyalty	Actual
		+	Growth of employee knowledge	Actual
		-	Lack of new stimuli for employees and consequent loss of human resources	Potential
	Governance	Communication and dialogue with the Stakeholders	+	Meeting Stakeholder expectations
-			Disappointing Stakeholders’ expectations	Potential
+			Strengthening transparency and respect with customers and suppliers	Actual
-			Loss of credibility and trust with investors and Stakeholders	Potential
Integrating ESG criteria into corporate management		+	Achievement of set ESG targets and increased employee engagement	Actual
	-	Ineffectiveness in achieving strategic objectives	Potential	
Business Networking for Sustainability Actions	+	Adoption of innovative process and product solutions implemented in Partnerships	Actual	
	-	Closing to collaborations to innovate the solutions proposed	Actual	
	+	Spreading Sustainable Corporate Culture	Actual	
	+	Achievement of set ESG targets and increased corporate reputation	Actual	
	-	Ineffectiveness in achieving strategic objectives	Potential	

ESG Materiality Analysis

Once the most relevant topics for Ceramica Sant'Agostino in terms of impact had been determined, the analysis focused on listening to and discussing with Ceramica Sant'Agostino's internal and external Stakeholders to specify which material topics were of the highest priority. Stakeholder consultation on material topics was carried out through two modes of engagement: an on-line Survey and a Multi-Stakeholder Focus Group.

On-line survey

In order to gather the quantitative opinions of a high number of Stakeholders, Ceramica Sant'Agostino sent an anonymous questionnaire to its interlocutors in which they were asked to express a relevance score from 1 to 5 on the proposed material topics. Some 110 Stakeholders from different categories (employees, customers, suppliers and the Third Sector) made contributions.

Multi-Stakeholder Focus Group

Subsequently, Ceramica Sant'Agostino conducted an in-depth analysis of questionnaire's results through the Focus Group tool. The added value of this tool is a detailed qualitative analysis, which provides subjective opinions and allows an open exchange of information with the Stakeholders. This meeting was attended by 20 people from the categories of suppliers, customers, industry associations, public administration and universities. Interesting ideas and suggestions from different points of view were gathered from their answers and observations.

Processing of the Materiality Matrix

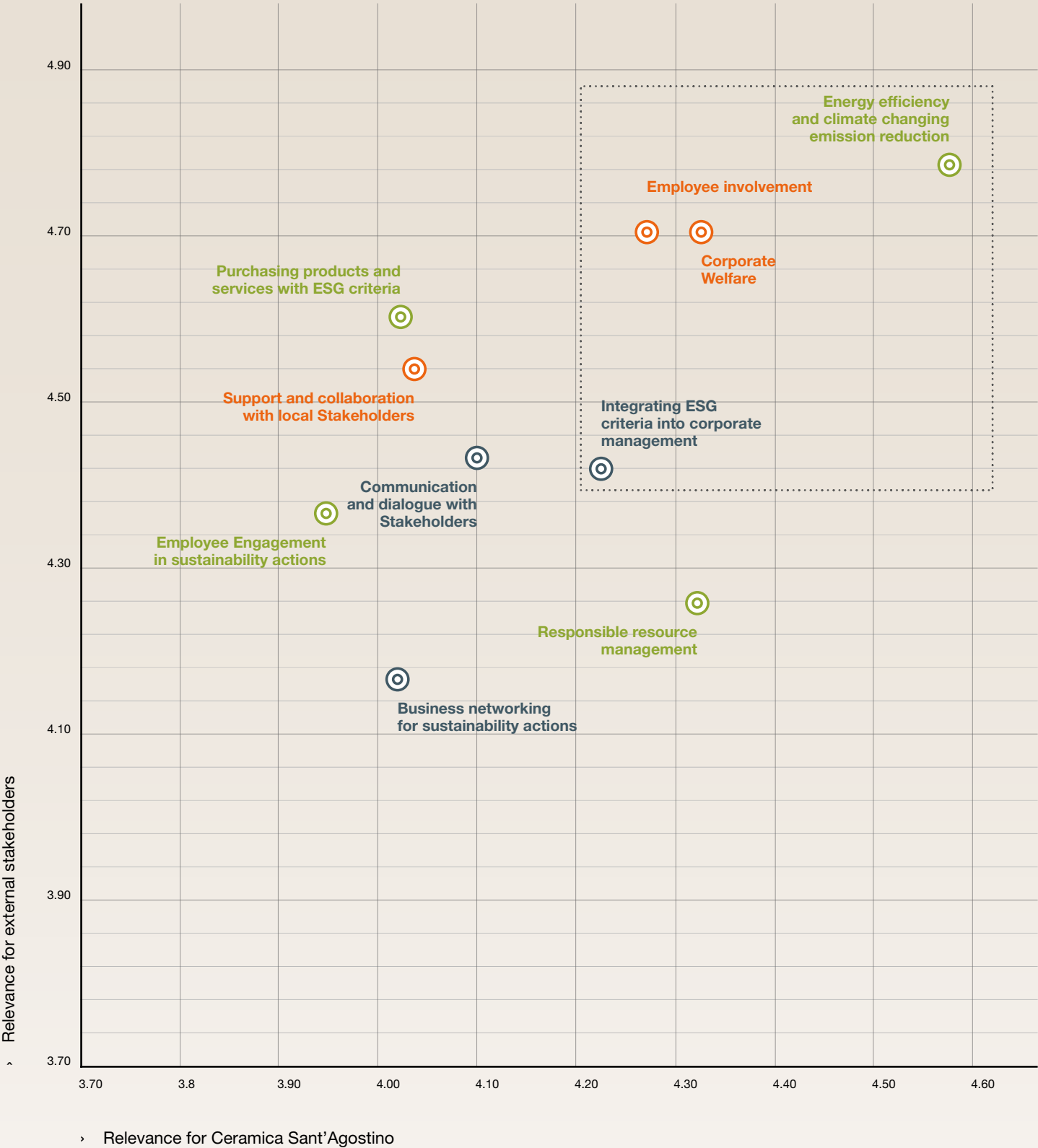
The Materiality Matrix is the result of processing the output of the Materiality Analysis process showing, in graphic form, how material topics are positioned in relation to their relevance to internal and external Stakeholders. This chart is the outcome of Ceramica Sant'Agostino's impact assessment and Stakeholder consultation.

The results obtained from the Matrix highlight - in the upper right quadrant - those topics of highest priority for Ceramica Sant'Agostino and its Stakeholders. Specifically, the most important topic is increasing energy efficiency and reducing the company's GHG emissions.

The social profile is also very important to the interlocutors, who point out employee involvement and Corporate Welfare as two topics that they would like to see further action on by Ceramica Sant'Agostino.






Further, the integration of ESG criteria in the company's Management is an issue on which attention is focused in terms of Governance.

Materiality matrix



3.5 Ceramica Sant'Agostino's Contribution to the UN 2030 Goals

Ceramica Sant'Agostino's activities contribute indirectly to the Sustainable Development Goals (SDGs) promoted by the UN. Below is a summary of the actions that the company set out to achieve in 2023, with the relative status of implementation alongside. Lastly, these actions are then linked to the respective SDGs to which they contribute.

ESG area	Ceramica Sant'Agostino goals for the SDGs in 2023	Degree of success	UN SDGs
Environment	Energy supply and efficiency - Installation of a new 2.4MW photovoltaic system - Lighting design of the indoor and outdoor logistics area with LED fixtures - Replacing the diesel fleet with hybrid vehicles (2023-2024)	Achieved Partially achieved Partially achieved	
	Reducing the impact of raw material along the supply chain - New product line with 100% domestic recycled material	Partially achieved	
	Raising awareness among employees, with Green actions - Communications with Green goals/actions through Newsletters	Achieved	
Social	Expanding Corporate Welfare services - Corporate Welfare Plan with priority needs survey, for time-saving and cost-saving services, care services, health prevention	Not achieved	
	Employee involvement on corporate identity and objectives - Making the internal shared information system more timely - Skills mapping and training plan for employees with personal objectives - Family Day organisation evaluation	Achieved Partially achieved Not achieved	
	Employee Engagement for Community Impact Actions - Corporate volunteering in cooperation with the City of Hope Foundation	Not achieved	
	Strengthening collaboration and forming new partnerships with local Stakeholders - New collaborations with local schools - Cultural initiatives for the general public	Achieved Achieved	
Governance	Integrating ESG criteria into corporate management - Implementing the Sustainability Action Plan - Assessing new ESG certifications	Partially achieved Achieved	
	Enhancing transparency and information on ESG and corporate actions in general - Publication of the Company ESG Profile	Achieved	
	Networking with other businesses for Sustainability actions - Research with an additive supplier to minimise the use of water during the application of glazes	Achieved	



4.0

RESPONSIBLE ECONOMY AND GROWTH

- 4.1 Economic performance
- 4.2 Investments
- 4.3 Reference markets
- 4.4 Customer Satisfaction Evaluation
- 4.5 R&D and sustainable technological innovation

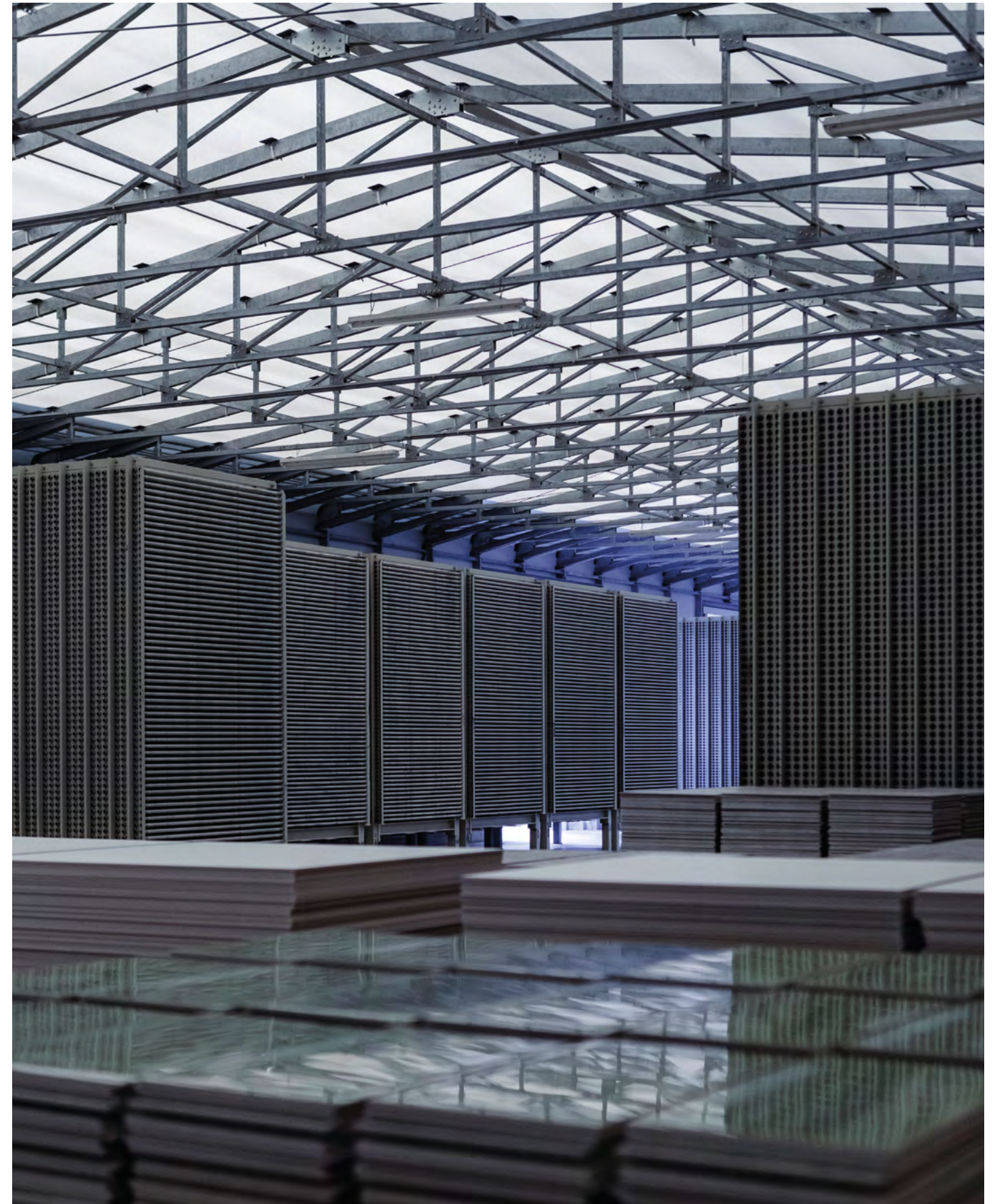


Responsible economy and growth

The global economy slowed down in 2023 compared to 2022. Despite higher-than-expected GDP growth, worsening financial conditions, fragile trade, falling business and consumer confidence, and rising geopolitical tensions had a negative impact. Real estate markets and bank-dependent economies, especially in Europe, are suffering as a result of this situation, leading to increased uncertainty about short-term prospects.

Not exempt from this negative trend, the Italian ceramic tile industry closed 2023 with a contraction in production volumes, sales and exports. Demand for ceramics declined markedly during the year on all continents.

The demand crisis is affecting all markets, starting with the main foreign export countries. The ceramics sector, as a way of not overburdening the warehouses, has adopted extraordinary plant shutdowns; furthermore, in addition to the usual plant maintenance, some companies have initiated investments in upgrading production lines.



4.1 Economic performance

Ceramica Sant'Agostino approached the year 2023 with extreme care and prudence in the face of the macroeconomic changes underway, rapidly implementing a reorganisation of activities to cope with the decrease in sales volumes and preserve the company's equity and financial integrity.

In 2023, the company managed to contain the effects of the negative demand trend by proportionally reducing production costs, partly due to the reduction of energy costs after a period of exorbitant increases.

Net revenue realised by Ceramica Sant'Agostino in 2023 amounted to EUR 79,949 thousand, a decrease of 13.60% compared to 2022. The change is mainly attributable to the decrease in foreign sales, mitigated in the domestic market by the residual boost of tax incentives for companies and individuals for building renovation and refurbishment works.

Overall, 2023 was a good year. The results achieved by Ceramica Sant'Agostino testify to the company's ability to react to adverse macroeconomic and market environments, such as those of the last three years. They include the Covid-19 pandemic, the onset of the Russia-Ukraine conflict with its associated inflationary pressures on key inputs, the consequent raising of interest rates by central banks and, lastly, the escalation of tensions in the Middle East.

The positive results of the business exceeded pre-pandemic levels, albeit down from the previous year.

	2022	2023
Net sales revenue	92.554.000 €	79.949.000 €

4.2 Investments

Ceramica Sant'Agostino is looking ahead and, although revenue is lower than in the previous year, it does not fail to invest in capital goods that can guarantee it economic, environmental and social benefits in the coming years. This is the investment management policy of Ceramica Sant'Agostino, which was developed in continuity with previous directions in 2023, as well.

Investments in 2023 totalled EUR 5,766 million and accounted for about 7% of turnover, a substantial share.

These investments mainly concerned the purchase of a new 2,246 kWp photovoltaic system, the renovation and fitting out of a new showroom in Milan, the complete restyling of the showroom at the company headquarters, as well as other system upgrades in the production departments.



4.3 Reference markets

Ceramica Sant'Agostino addresses both national and international markets. Exports constitute the main share of the turnover and are distributed in about 80 countries on 5 continents.

The company has a strong presence in both traditional foreign markets (US, France, Germany) and in emerging markets.

In Italy, the customer base has become increasingly heterogeneous and consolidated,

thanks to Ceramica Sant'Agostino's efforts to enhance its brand. Particular emphasis is also placed on dialogue with industry professionals, such as architects, designers and contractors, who represent key interlocutors for the development of projects in the retail, hospitality, residential and commercial sectors.

4.4 Customer Satisfaction Evaluation

Ceramica Sant'Agostino places great emphasis on customer satisfaction and, with a view to continuous improvement, has implemented a certified quality management system that includes a questionnaire sent to customers every year.

A sample of customers, both foreign and Italian

and mostly regulars, is selected to fill in the questionnaire. The data collected are then integrated into the company database.

The questionnaire directly involves customers in the improvement of the company and collects evaluations and suggestions on three macro areas:

1. Product evaluation:

design and innovation, production and processing quality, matching of bases, decors, pieces and specials, packaging and wrapping

1. Sampling:

quality and content of advertising material, lead times for production and shipping, quality of execution of displays and panels;

2. Company:

sales service, breadth of commercial range, certifications and awards for environmental commitment.

In 2023, the results of the questionnaire showed an extremely positive picture, in line with the previous year's values. The satisfaction index of Italian customers was 89.2%, while that of foreign customers reached 91.4%. In addition, the customers have the opportunity to enter suggestions for the company in a dedicated space.

In the event of a report or complaint, the salespeople enter the information on the corporate platform, where the company handles each problem with the utmost care, analysing its causes.

4.5 R&D and sustainable technological innovation

Sixty years of history notwithstanding, Ceramica Sant'Agostino has managed to keep its entrepreneurial values and traditions intact, combining them with a future-oriented vision. As a leading company in the industry, Ceramica Sant'Agostino has always aimed to increase productivity, focusing above all on efficiency, sustainability and energy savings.

Research and development activities take place both through product research, mainly conducted at the company's in-house laboratory, and through the adoption of state-of-the-art production technologies.

In 2023, Ceramica Sant'Agostino focused its efforts on several key projects. The company has launched design and aesthetic conception projects for the conception and creation of new

tile collections in order to always guarantee aesthetic originality and functionality.

At the same time, extensive research was conducted on materials, with a focus on the wear resistance of surfaces. Ceramica Sant'Agostino has also explored the use of raw materials with a high recycled content, with the aim of reducing the environmental impact of its products.


Another area of research concerned the optimisation of heat recovery processes from firing plants in order to maximise the reuse of thermal waste in the production process. In addition, the company has researched methods for recovering waste water from washing in the glazing department, with the aim of minimising water use.

Dynamism and beauty: the Carve3D revolution

As an innovative and research element, Ceramica Sant'Agostino has developed **Carve3D**, a digital evolution applied to stoneware, designed to enhance texture and give new depth and materiality to the surface.

Carve3D enhances the technical performance of porcelain stoneware in terms of aesthetic and material qualities, thanks to a surface movement achieved through digital printing and the use of grooving and sinking glazes. The integration of this dynamism with the graphics gives an exceptional three-dimensionality to the product, offering a complete visual and tactile experience.

The real revolution of **Carve3D** technology lies in its ability to generate a virtually infinite number of surface combinations, enhancing texture and making each piece realistically unique.



5.0

RESPECT FOR THE ENVIRONMENT

- 5.1 **Production Cycle**
- 5.2 **Raw materials and Packaging**
- 5.3 **Energy management and decarbonisation**
- 5.4 **Waste management**
- 5.5 **Water management**

Rispetto dell'Ambiente

The ceramics sector, like any industry, generates both direct and indirect effects on the environment, from the use of raw materials, to production processes with consequent energy consumption, waste, and emissions during the entire production and distribution cycle.

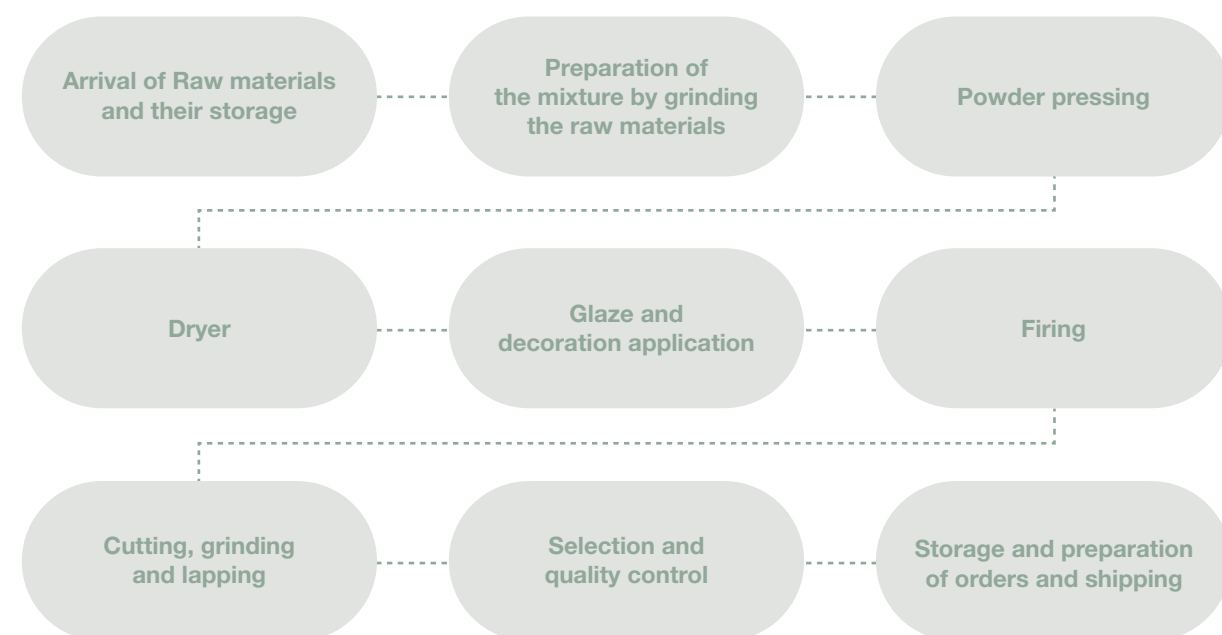
Ceramica Sant'Agostino not only complies with the laws in force, but voluntarily implements the best production technologies and best management procedures for its processes by adopting international standards. They include the Environmental Management System with ISO 14001 and ISO 17889-1 standards, regularly audited by accredited external certification bodies, as well as various product-related certifications described in the process and product Certifications section.

The company is fully committed to reducing its environmental impact through the use of energy from renewable sources, reducing water consumption and completely reintroducing processing waste into the production cycle.



5.1 Production Cycle

The ceramic industry's production cycle lends itself particularly well to a circular economy model. The creation process of Ceramica Sant'Agostino products is characterised by innovative, highly automated and digitalised technologies and methods, which over the years have increased energy efficiency and safety while reducing the environmental impact. The company is committed to minimising resource consumption and waste, optimising each process step and striving for continuous improvement.



In 2023, Ceramica Sant'Agostino produced a total of around 3.8 million m², a figure in line with the previous year. This was also achieved thanks to the start-up of a new kiln in 2022, which was added to the existing production line, bringing the total to 4 kilns. Currently, the production line has a capacity of up to 4.5 million m².

In the last two years there has been an increase in the area produced accompanied by a reduction in the weight of tiles. These figures are in line with the trend of reducing the thickness and weight of individual tiles, contributing in part to a lower environmental impact. The production of the 9 mm tile plays a significant role in this change.

Quantity of products generated	Units of measurement	2022	2023
Area of tiles produced	m ²	3.798.865	3.770.914
Weight of tiles produced*	t	79.433	79.020

* The values are derived from values at m² multiplied by the average weights of the different formats.

5.2 Raw materials and Packaging

Well aware of the environmental impacts linked to the use of raw materials in its activities, Ceramica Sant'Agostino is committed on two main fronts: the recovery of manufacturing waste and the introduction of recycled and domestically sourced materials.

The raw materials mainly consist of mixture and decoration materials (glazes). As a result of the difficulties in sourcing raw materials from abroad in 2023, Ceramica Sant'Agostino increased the use of domestically sourced materials, including a recycled share, recovering by-products and ceramic waste from outside.

The company currently uses raw materials containing up to 30% recycled material for all its products. The company has set itself the future goal of increasing this share of recycled material. In addition, from 2023, a new mixing

formula has been introduced whereby 10% of the mixture is covered by a raw material from 100% domestic recycled material.

Any waste material from processing is reintegrated into the production cycle, helping to reduce the consumption of natural raw materials. In 2023, almost 16,000 tonnes of unfired and fired waste were recovered in the production process. This figure is higher compared to 2022 due to the increase in large formats that produce more production waste that goes directly to reuse.

Raw materials for production	Units of measurement	2022	2023
Clays	kg	63.738.570	60.521.740
Feldspars	kg	49.700.130	47.913.430
Sands	kg	22.312.220	21.334.930
Enamels and dyes	kg	2.732.152	2.811.035
Zirconium / whitening agents	kg	271.665	305.737
Additives	kg	931.833	938.330
Semi-finished ceramic products purchased from third parties	kg	869.777	409.309
Inks for digital printers	kg	35.581	44.118
Total	kg	140.591.927	134.278.628

Recovered post-production products	Units of measurement	2022	2023
	kg	13.981.120	15.964.920



Ceramica Sant'Agostino pays attention to its packaging by using as little material as possible with high percentages of recycled material; all packaging materials are recyclable.

In addition, some of the wooden materials used are FSC (Forest Stewardship Council) certified, ensuring that they come from responsibly managed forests. Even the plastics used in packaging have a recycled content.

In 2023, Ceramica Sant'Agostino reduced the use of plastic for packaging by 29% compared to the previous year.

This was achieved thanks to the investments made in previous years to reduce the consumption of packaging materials, specifically two new, more efficient packaging installations. With this packaging upgrade, the company replaced the use of shrink film with stretch film, thus optimising the use of plastic.

In addition, some 15-20% of production has started to be palletised on a new type of pallet,

which makes it possible to automatically introduce the products into the warehouse, eliminating the need for protective stretch film. These interventions have led to overall process efficiency and lower environmental impact.

Packaging	Units of measurement	2022	2023
Wood (crates)	kg	3.701.827	3.768.005
Plastic (shrink wrap, stretch film, corner protection, strapping)	kg	143.565	101.839
Paper	kg	395.822	448.499
Total	kg	4.241.213	4.318.344

5.3 Energy management and decarbonisation

Despite the use of state-of-the-art technology, the production process of ceramic surfaces requires high energy consumption. Ceramica Sant'Agostino, aware of the challenges posed by climate change and the importance of reducing GHG emissions, is committed to the continuous improvement of energy management through multiple initiatives.

Over ten years ago, the company installed a 1 MWp photovoltaic plant, which is still in operation, for on-site renewable energy generation. Recently, Ceramica Sant'Agostino invested in a second photovoltaic plant with a capacity of 2.4 MWp, installed in July 2023. Unfortunately, a few days after installation, a severe hailstorm significantly damaged the system. It is expected that the plant could become operational in 2024, once the replacement process is completed.

For more than fifteen years, the company has been self-producing energy for its activities through the use of co-generators, which produce heat and electricity at the same time. The company currently has two such plants. The company implements the recovery of energy waste from both co-generation and the firing process. This waste is reused in the

production cycle and, in part, to heat internal establishment rooms, such as changing rooms, workshops and the research and development laboratory.

The company has started a process of optimising the heat recovery system from the kilns, thus reducing the consumption of the dryers. In addition, a study is currently underway, in cooperation with the plant manufacturer, to make software changes to further optimise and recover waste heat during the baking phase.

The gradual transition of the company vehicle fleet towards hybrid or electric vehicles continues. Some of the company vehicles used by staff are hybrids and electric forklifts with dual batteries have been introduced.

By 2024, the company plans to design and implement a lighting makeover in the indoor and outdoor logistics area by adopting LED lighting fixtures, and to investigate technology to reduce the energy consumption of the presses.

Energy consumption	Units of measurement	2022	2023
Natural Gas	m ³	16.829.615	16.414.888
Diesel for various uses (excluding fleet)	l	89.800	94.000
Diesel for vehicle fleet*	l	24.299	19.369
Petrol for vehicle fleet*	l	5.856	6.406
Electricity from the grid	kWh	2.728.642	2.613.007
Electricity from self-generation with a renewable source	kWh	798.370	577.910

GHG emissions

For several years now, with the aim of accurately measuring its emissions, Ceramica Sant'Agostino has been calculating its organisation's Carbon Footprint. This management tool makes it possible to report the company's greenhouse gas emissions and provides a detailed picture to identify areas where action can be taken to reduce the carbon footprint.

Below are the results of the company's Carbon Footprint broken down into categories

GHG emissions	Units of measurement	2022	2023
Direct (Scope 1)	tCO ₂ eq/year	33.559,00	32.927,00
Indirect (Scope 2)	tCO ₂ eq/year	1.092,55	1.062,45
Totals (Scope 1 and 2)	tCO₂eq/year	34.651,55	33.989,45
Carbon intensity of the organisation	tCO₂eq/m²	0,009	0,009

Other emissions

Within the Ceramica Sant'Agostino plant, environmental protection systems are closely monitored.

In accordance with strict environmental regulations, in addition to CO₂ emissions, the company also monitors other types of atmospheric pollutant emissions, which are listed below.

Atmospheric emissions	Units of measurement	2022	2023
NO _x	kg/year	21.780	49.915
TOC	kg/year	5.330	5.183
Particulate Matter (PM)	kg/year	1.011	4.594
Lead	kg/year	1,21	2,8
Fluorine	kg/year	548	367
Aldehydes	kg/year	681	313
Carbon monoxide	kg/year	71.373	109.928

according to the GHG Protocol, the most widely used international calculation standard. Scope 1 reports the company's direct emissions from the combustion of natural gas and the company vehicle fleet; Scope 2 includes all indirect emissions related to the production of electricity purchased from the grid.

The company's carbon footprint values are slightly down from the previous year, thanks to the energy efficiency measures introduced.

A comparison of the 2023 figures with those of the previous year show an increase in the values of carbon monoxide and NO_x. These increases are mainly due to the obsolescence of the 3.5 MW co-generation plant. The company plans to decommission this plant in 2025 and replace it with a more efficient one.

5.4 Waste management

In line with the principles of circularity, within Ceramica Sant'Agostino, 100% of fired and unfired production waste is reused in the production process. Ceramic and non recoverable waste is handled separately and delivered to certified external disposers.

In addition to unfired and fired waste, many other types of waste such as paper, plastic, wood, waste oil and all ordinary waste are also separated. Overall, the amount of total

waste generated decreased in 2023 compared to the previous year. The main reason for this decrease is the reduction of hazardous waste produced by the company compared to 2022 (-19.2%). In fact, the percentage of hazardous waste in relation to the total waste generated has fallen below 10%.

Quantity of waste produced by type	Units of measurement	2022		2023	
		Non hazardous	Hazardous	Non hazardous	Hazardous
Aqueous suspensions and solutions and sludges	kg	353.300	12.940	367.030	22.360
Electronics and batteries (WEEE)	kg	19.327	16.867	18.863	8.673
Salts	kg	272	272	0	0
Inks, adhesives and sealants	kg	3.414	3.414	2.898	2.898
Other emulsions	kg	0	0	2.446	2.446
Exhausted lime	kg	58.952	58.952	41.620	41.620
Exhausted tools	kg	16.300	0	13.000	0
Waste oils	kg	6.300	6.300	2.300	2.300
Paper	kg	57.240	0	44.260	0
Plastic	kg	37.160	0	27.760	0
Wood	kg	55.940	0	73.570	0
Various packaging	kg	35.165	4.025	31.900	560
Inorganic waste	kg	13.940	0	6.908	0
Metals	kg	102.320	0	53.674	94
Mixed waste from demolition and refractory materials	kg	102.690	0	168.642	2.122
Dust and particulates	kg	0	0	0	0
Absorbent materials	kg	0	0	2.980	0
Total divided by non-hazardous and hazardous	kg	862.320	102.770	857.851	83.073
Total	kg	862.320		857.851	

	Units of measurement	2022	2023
Total waste on total kg of product	kg/kg	0,0109	0,0109
Total non-hazardous waste on total kg of product	kg/kg	0,0096	0,0098
Total hazardous waste on total kg of product	kg/kg	0,0013	0,0011

5.5 Water management

At Ceramica Sant'Agostino there are no water discharges to the external environment as all process water is fully recovered and reused in the production processes.

Since 2022, the company has had a water recovery system from the glazing process that makes it possible to reduce the volume of water drawn from the water table by recirculating it within the decoration-glazing process. In 2023, this system was extended to all production lines, generating substantial savings on the amount of water taken from the wells.

In addition, the company has a rainwater recovery system, which varies according to annual rainfall. In 2023, this system saved a volume of water of 4,600 m³, generating savings of around 8% on the annual water withdrawal.

Thanks to the water-saving initiatives introduced, total water consumption in 2023 amounted to 56,769 m³, down from the previous year (-9%).

Water withdrawals by source	Units of measurement	2022	2023
Groundwater	m ³	56.344	48.808
Rainwater	m ³	2.743	4.673
Water supplied by public aqueducts	m ³	3.468	3.288
Total	m³	62.555	56.769

Consumption and reuse	Units of measurement	2022	2023
Water consumption	m ³	62.555	56.769
Waste water treated and reused in the production process	%	100	100

6.0

FOCUS ON PEOPLE AND COMMUNITIES

- 6.1 Focus on People and Communities
- 6.2 Our employees
- 6.3 Commitments to the Community and the Local Area
- 6.4 New Sustainability Goals 2024 - 2025 ESG



Focus on People and Communities

An undertaking embarking on a path of Sustainability, in addition to the economic and environmental dimension, must necessarily also monitor the social dimension. On the one hand, the focus on those who dedicate their passion and creativity to the company's activities, the employees; on the other hand, the commitment to the community and the host territory. Both of these aspects of Social Responsibility have the attention of Ceramica Sant'Agostino.

Looking inwards, the company encourages and promotes a stimulating and modern working environment, ensures the best management of occupational health and safety aspects, enhances skills through professional development, and seeks to facilitate the reconciliation of its employees' work and personal lives.

At the same time, Ceramica Sant'Agostino works to generate a positive impact on the community and the area in which it is located. Thanks to its commitment and actions, the company is able to carry out numerous actions in support of the social and cultural development of the local area, including by supporting local and national voluntary associations. On the training front, the company collaborates with several colleges and universities, facilitating the introduction of young people into the company.



6.1 Our employees

The quality of Ceramica Sant'Agostino's products is the result of the expertise and passion of the people who work there. This is why the company is committed to creating a stimulating and healthy working environment. Ceramica Sant'Agostino invests in the renewal of its workforce, with the aim of growing while maintaining a balance between the inclusion of young talent and established experience.

At the end of 2023, Ceramica Sant'Agostino had 289 employees, an increase of 3% over the previous year. Most of the new hires are in the younger age groups, reflecting a process of generational change. The company, where

possible, seeks to bring in emerging talent to grow over time.

In terms of gender composition, 76% of employees are men and 24% women, a distribution that reflects the production characteristics of the ceramics industry.

In accordance with its Code of Ethics, Ceramica Sant'Agostino does not tolerate any kind of discrimination, including gender discrimination. However, some corporate roles, due to physical necessity or specific skills, are mainly occupied by men or women. In any case, the company is committed to valuing skills regardless of gender.

Age classes	Units of measurement	2022			2023		
		Men	Women	Total	Men	Women	Total
Under 30	n.	20	3	23	19	10	29
30 to 39 years	n.	33	8	41	39	8	47
40 to 49 years	n.	62	16	78	53	12	65
50 and Over 50	n.	99	40	139	108	40	148
Total	n.	214	67	281	214	67	281

Positions	Units of measurement	2022			2023		
		Men	Women	Total	Men	Women	Total
Executive managers	n.	4	0	4	3	0	3
Middle managers	n.	5	1	6	4	1	5
Office employees	n.	64	33	97	59	37	96
Manual employees	n.	141	33	174	153	32	185
Total	n.	214	67	281	219	70	289

Shifting the focus to contract types reveals a strong stability of working relationships in the company, evidenced by the fact that, excluding atypical contracts, 93% of Ceramica Sant'Agostino employees have an open-ended contract and 95% work full-time. All employees are covered by a collective bargaining agreement.

Contracts	Units of measurement	2022			2023		
		Men	Women	Total	Men	Women	Total
Permanent	n.	210	63	273	208	59	267
Temporary	n.	4	4	8	11	11	22
Total	n.	214	67	281	219	70	289
Administration	n.	23	3	26	22	1	23

Orario	Units of measurement	2022			2023		
		Men	Women	Total	Men	Women	Total
Full-Time	n.	211	55	266	216	58	274
Part-Time	n.	3	12	15	3	12	15
Total	n.	214	67	281	219	70	289

Livelli di istruzione	Units of measurement	2022			2023		
		Men	Women	Total	Men	Women	Total
Master's degree, PhD	n.	0	0	0	1	0	1
Degree	n.	29	17	46	30	21	51
High school diploma	n.	114	21	135	120	24	144
Middle school diploma	n.	71	29	100	68	25	93
Total	n.	214	67	281	219	70	289

Corporate Welfare and Employee Well-being

Ceramica Sant'Agostino pays attention to the well-being and to the balance between the professional and personal lives of its employees. The company has implemented several initiatives to encourage its employees to adopt a healthy and balanced lifestyle. The actions that the company takes, even those that may seem small, actually make a difference in the lives of employees, who have the opportunity to take care of themselves and their health, or benefit from services that save them valuable free time.



Healthy lifestyle

An important and much appreciated Welfare tool provided by Ceramica Sant'Agostino to its employees is the canteen, almost entirely paid for by the company, where employees can enjoy nutritious and varied meals every day. An app has been available since 2023 that allows meals to be booked in advance and counts their calories. In this way, the employee can plan his or her diet in advance, also knowing the nutritional aspects, and the canteen optimises organisation according to bookings, avoiding food wastage.

In order to enable employees to carry out their regular medical examinations, two days of paid leave (one every six months) are granted each year. This measure was introduced to promote employee health by encouraging regular preventive checks.

All employees have received a toothbrush to use after their lunch break at the company. A token, but one that sends the message from the company to the employees to take care of themselves and to prioritise a healthy lifestyle.



Cost and Time Saving tools

Thanks to the Edenred Online Welfare platform, at Ceramica Sant'Agostino, the performance bonus can be converted into Welfare services, such as shopping vouchers, fuel vouchers, travel and more.

A carwash service is available for employees, whereby the car is collected and returned within the company, letting them use the service during working hours.

All Ceramica Sant'Agostino staff have received a free company water bottle. In this way, the company encourages employees to consume water without having to buy disposable plastic bottles; in fact, the water bottle can be filled in the company as many times as desired at the free water dispenser. This action also has the benefit of avoiding unnecessary production of plastic waste.

Employment and Turnover

Ceramica Sant'Agostino relies on a renewed workforce, seeking to grow by maintaining a balance between the inclusion of young talent and established experience. This approach makes it possible to support youth employment without losing valuable know-how and the company's historical memory.

In 2023, both the number of employees hired and the number of employees leaving increased. The increase in the turnover rate was strongly influenced by the numerous retirements among employees.

To ensure job stability, the company promptly replaced all workers who left. In addition, the creation of the new showroom in Milan generated two new job positions, which are essential to manage the influx of many visitors and customer appointments.

Internally, a stabilisation process is under way for workers employed on temporary contracts, whose number has fallen from 26 to 23 in 2023. Also for next year, the company's aim is to further reduce the number of temporary workers, preferably by converting them into permanent positions.

Recruitment and turnover flows	Units of measurement	2022			2023		
		Men	Women	Total	Men	Women	Total
Number of new hires	n.	7	5	12	27	11	38
Outboarding	n.	10	3	13	22	8	30
Total number of employees	n.	214	67	281	219	70	289
New employee onboarding rate	%	3.3%	7.5%	4.3%	12,3%	15,7%	13,1%
Employee turnover rate	%	4.7%	4.5%	4.6%	10,0%	11,4%	10,4%

Occupational safety

For Ceramica Sant'Agostino, the health and safety of its employees is an absolute and indispensable priority. Ceramica Sant'Agostino's focus on ensuring the best health and safety conditions is reflected in its decision to have its Occupational Health and Safety Management System certified in accordance with the standard ISO 45001.

The company complies with all applicable occupational safety regulatory requirements, ensuring that it always stays up-to-date with regulatory developments. In addition to compulsory training, specific refresher and training courses are held on safety within Ceramica Sant'Agostino; in 2023, a safe driving course was proposed to all those using company cars.

In addition, each newly hired employee receives specific training on the subject from the Safety Manager. New employees are also given a job description with a map of activities and personal protective equipment to protect them from possible risks.

Possession of a certified Health and Safety Management system ensures that the company works towards continuous improvement of its standards, making the working environment healthy and safe for all those who live in it and mitigating all potential harmful factors or factors that pose a danger to the physical and/or mental well-being of workers.

Training and Professional Development

Ceramica Sant'Agostino is committed to offering its employees professional growth paths that combine in-house experience and collaboration among colleagues with regular refresher courses.

The company pays a lot of attention to training for new employees. Newly recruited employees participate in an in-house training course covering different areas, from production to logistics, from marketing to customer management. This approach lets them have a complete overview of the company's activities and get to know the colleagues and managers of the various areas personally. In addition, a team of 5-6 people is appointed by the company to facilitate the insertion and integration of newcomers into the work environment.

Employees can take advantage of various professional development courses, designed to meet the specific needs of each role. In 2023, training hours were balanced across all company areas, involving 125 people with a total of 860 training hours provided.

Compared to the previous year, when many online courses were held, the focus of 2023 training was on face-to-face training, with many courses held in the classroom. A training room equipped with PCs was also set up for lessons on software applications, such as Excel and Photoshop.

The 2023 training plan covered various topics, including security, IT, foreign languages and the commercial sphere. Specific courses were organised, such as foreign language courses, available in English, French and German, with 3 classes of 5-6 participants each, open to all employees.

In the IT field, Excel courses were started on 4 classes divided according to 4 levels of difficulty and a course on the Zucchetti application for the personnel office.

The company is working to develop a plan for competence mapping, which will enable it to assess the skills and knowledge of individual employees and identify their training needs.



Training hours by professional classification	Units of measurement	2022			2023		
		Men	Women	Total	Men	Women	Total
Executive managers	hours	27	0	27	16	0	16
Middle managers	hours	57	3	60	15	12	27
Office employees	hours	519	228	747	260	237	497
Manual employees	hours	667	82	749	296	24	320
Total	hours	1 270	313	1 583	587	273	860

Number of employees involved in professional training	Units of measurement	2022			2023		
		Men	Women	Total	Men	Women	Total
Executive managers	n.	4	0	4	6	0	6
Middle managers	n.	4	1	5	2	1	3
Office employees	n.	61	33	94	32	25	57
Manual employees	n.	63	4	67	53	6	59
Total	n.	132	38	170	90	35	125

Thematic areas of training	Units of measurement	2022	2023
IT	hours	628	149
Technical / operational	hours	6	41
Managerial	hours	32	13
Foreign Languages	hours	0	190
Sales	hours	0	8
Safety	hours	847	457
Quality / Environment	hours	70	2
Total	hours	1 583	860

6.2 Commitments to the Community and the Local Area

Ceramica Sant'Agostino stands out as a valuable asset to the area, having cultivated positive relationships with the surrounding community over time. The company has consistently offered its support to initiatives of collective importance.

Over the years, the company has supported various organisations in projects dedicated to education, social welfare, healthcare and aid for the victims of natural disasters. During 2023, the company provided equal amounts of aid both in cash and in the form of product donations for the benefit of many Stakeholders.

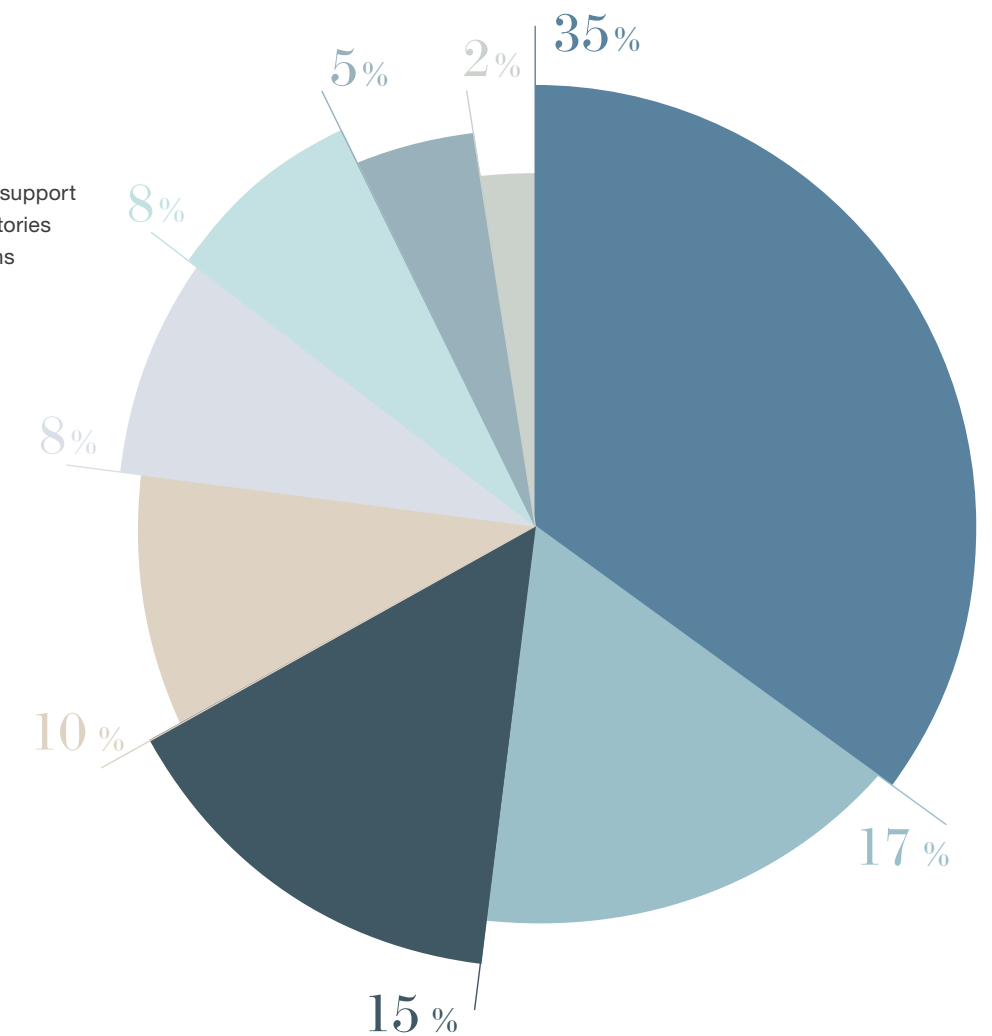
As this orientation towards Social Responsibility is an integral part of the corporate identity, Ceramica Sant'Agostino is developing new ideas that it intends to implement in the coming years, focusing on initiatives for the citizens, including those of a cultural nature.



Contributions to the community by type of commitment	Units of measurement	2022	2023
Monetary contributions	%	40	50
Values of donated goods and services	%	60	50

Legend

- Cultural events
- Health/research
- Youth facilities
- Third world countries support
- Disaster-stricken territories
- Educational institutions
- Civil Protection
- Sports facilities



Contributions to the community by type of Stakeholder	Units of measurement	2022	2023
Cultural events	%	2	8
Health/research	%	21	17
Youth facilities	%	11	8
Third world countries support	%	4	10
Disaster-stricken territories	%	8	15
Educational institutions	%	41	35
Civil Protection	%	4	2
Sports facilities	%	9	5
Total	%	100	100

Training World

Ceramica Sant'Agostino collaborates with various Training Institutes to increasingly establish itself as a company concretely committed to the training and growth of professional figures within the company. This approach not only promotes the personal and professional development of employees, but also provides a positive environment in which they can develop their skills and realise their ambitions.

For some years now, some students have had the opportunity to work in the company through internships in agreement with the University. Two traineeships were activated in 2023, one in the sales area and the other in the Marketing area. The aim of these pathways is to strengthen relations with the University and to help young graduates find a link between their studies and the world of labour.

Furthermore, during Cersaie 2023, the International Ceramics Exhibition, Ceramica Sant'Agostino hosted three classes from three different technical schools in the area; an initiative aimed at understanding how creativity is experienced in the company.

The company intends to continue in this direction, making relations with both universities and technical high schools more continuous, in order to create in-company experience paths for university students and technical professionals.

Support for associations and foundations

The company maintains collaborative and supportive relationships with various social organisations in the area.

Over the past year, Ceramica Sant'Agostino has provided its support to various organisations, including: the Associazione Cardio Trapiantati Italiani (ACTI) of Ferrara, an association that aims to represent and protect the interests of heart transplant recipients and those whose health conditions indicate that cardiac transplantation is essential for survival. The company made a donation to ACTI to help renovate

the association's outpatient clinic.

Also in 2023, the company, in agreement with the ANT Foundation, contributed to the purchase of a vehicle equipped to transport the elderly and differently abled in the municipality of Pieve di Cento, to guarantee them greater mobility and assistance.

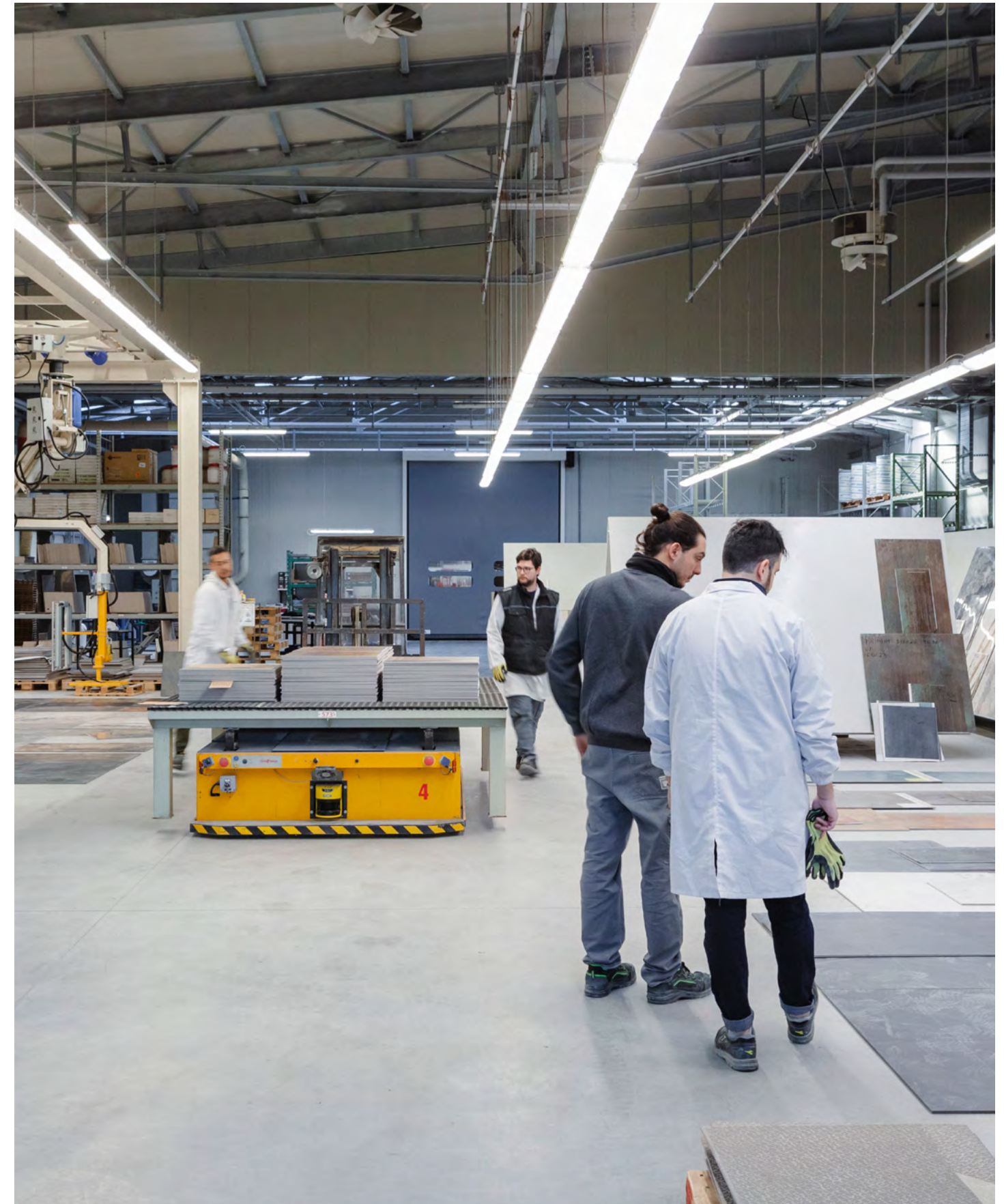
Lastly, Ceramica Sant'Agostino became FAI Corporate Golden Donor by supporting FAI (Fondo per l'Ambiente Italiano) in its activities to protect Italian art, culture and landscape.

Support to the Community

The social development actions carried out by Ceramica Sant'Agostino in 2023 were both local and international. The company provided support to the Salesian community in Georgia through the donation of more than 20 tonnes of material, equivalent to about 5,000 m² of products. This generous donation was greatly appreciated and enabled the Salesian community living in Tbilisi to build and complete the floors, bathrooms and kitchens of their centre.

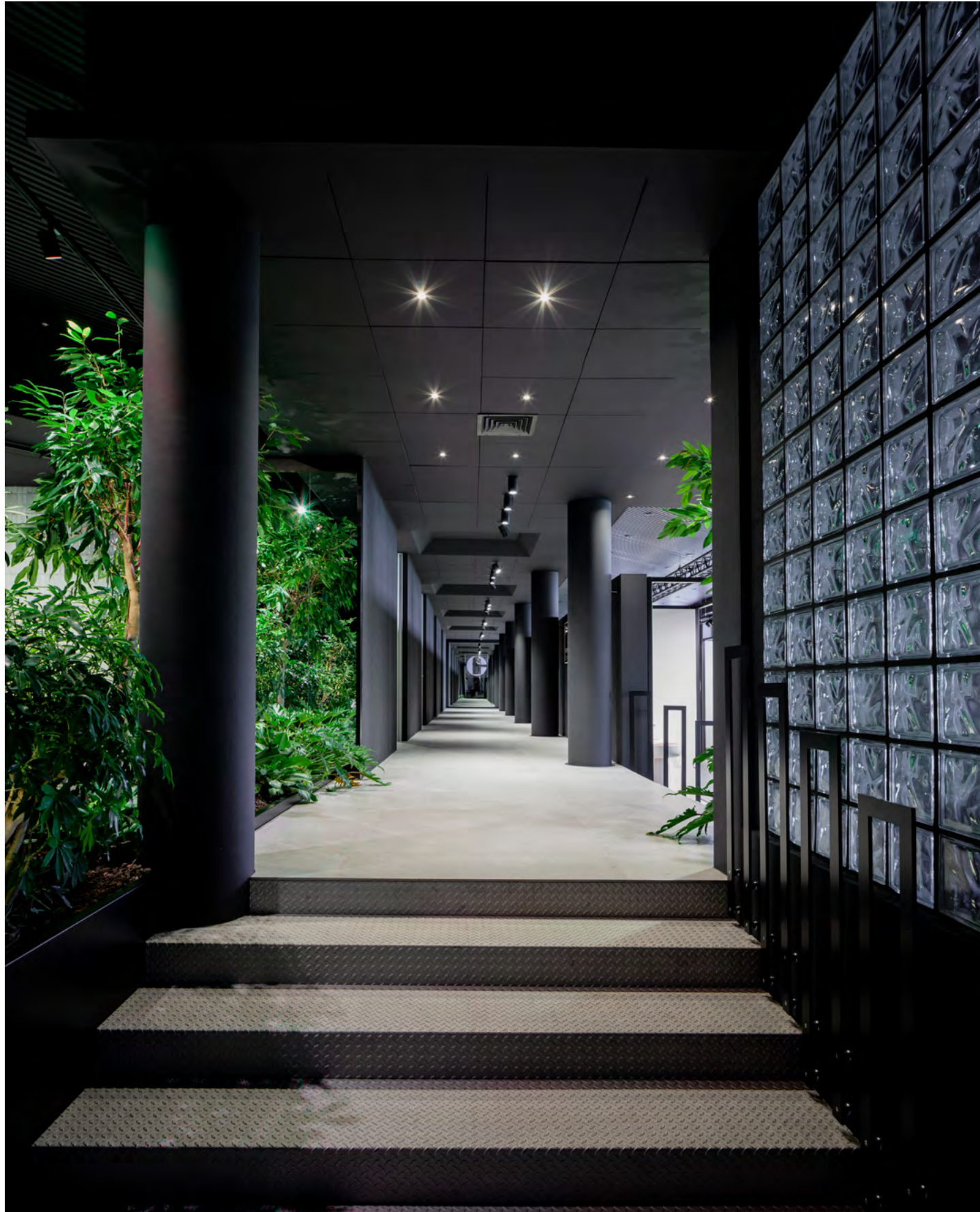
Shifting the focus to a local level, in response to the dramatic events that hit Emilia-Romagna due to the 2023 floods, the company introduced a commercial initiative to help customers in the affected areas, providing them with a discounted price list to facilitate reconstruction and repair of the damage suffered; a small gesture of solidarity to prove that the company is at the side of its customers.

Lastly, Ceramica Sant'Agostino supported the Don Mario Campiodori Foundation, through a supply at subsidised prices, for the construction of the "Village without Barriers Pastor Angelicus". This village, located in the Bolognese Apennines, is a place where families, people with disabilities, young people and volunteers can spend a holiday and leisure time appreciating the diversity of ages, experiences and living conditions that characterises the entire human family.













NEW SUSTAINABILITY GOALS 2024 - 2025 ESG



New Sustainability Goals 2024 - 2025 ESG

The path towards a conscious business that contributes to creating value in many ways is one that the company invests in and strives for every day.

The following goals mark the stages of this journey and are indispensable for the involvement of stakeholders and the sharing of common values, principles and methods.

ESG Area	Ceramica Sant'Agostino goals for the SDGs in 2024-2025	UN SDGs
Green	<ul style="list-style-type: none"> - New technology to reduce Press consumption - Replacement of pressing plant - Replacement of LED lamps in offices and installation of presence sensors 	
	<ul style="list-style-type: none"> - New product certifications: IRAM ISO 13006:2021, UPEC - More than 30% recycled content on all 9 mm thick stoneware products 	
Social	<ul style="list-style-type: none"> - Expand Corporate Welfare services: 250 euro welfare voucher for employees with a "service card" 	
	<ul style="list-style-type: none"> - Training course on Assertive Communication, managing colleagues and internal-external customers. - Refresher course on Sustainability Reporting and Green Claims 	
	<ul style="list-style-type: none"> - Sant'Agostino parish: intervention to fund an after-school educator 	
	<ul style="list-style-type: none"> - New partnerships with local schools to host students on internships 	
Governance	<ul style="list-style-type: none"> - GRI Sustainability Reporting standards vs. EU CSRD to enhance transparency and information on ESG and corporate actions - Internal sharing of ESG objectives and actions to meet them 	
	<ul style="list-style-type: none"> - Strengthen the relationship with institutions aimed at the education of young people in the area and act as a valid interlocutor in entering the world of labour 	

Methodological Note

The 2nd Sustainability Report of Ceramica Sant'Agostino aims to inform the company's Stakeholders about the company's environmental, social, economic and governance Sustainability profile through qualitative and quantitative information.

The reporting scope of the data and information contained in the Report refers to Ceramica Sant'Agostino S.p.a., unless otherwise specified, and reports information for 2023.

Information for the reporting period is compared with that of the previous year, when available, in order to show information on performance trends over time.

In preparing the Report, reference was made to data and information collected directly from the company, based on indicators and reporting methods consistent with the main international Sustainability Reporting Standards and referring to the GRI Reporting Standards (With Reference Approach).

The document refers to the United Nations 2030 Agenda Sustainable Development Goals (SDGs) in relation to the actions taken and commitments made by Ceramica Sant'Agostino.

The Sustainability Report was approved by the Board of Directors in September 2024.

For information on this Report, contact:

info@ceramicasantagostino.it

Technical support for the implementation of the Report
and for Stakeholder Engagement activities:

Focus Lab srl Benefit - B Corp certified

Concept and Graphic Development:

UP Studio

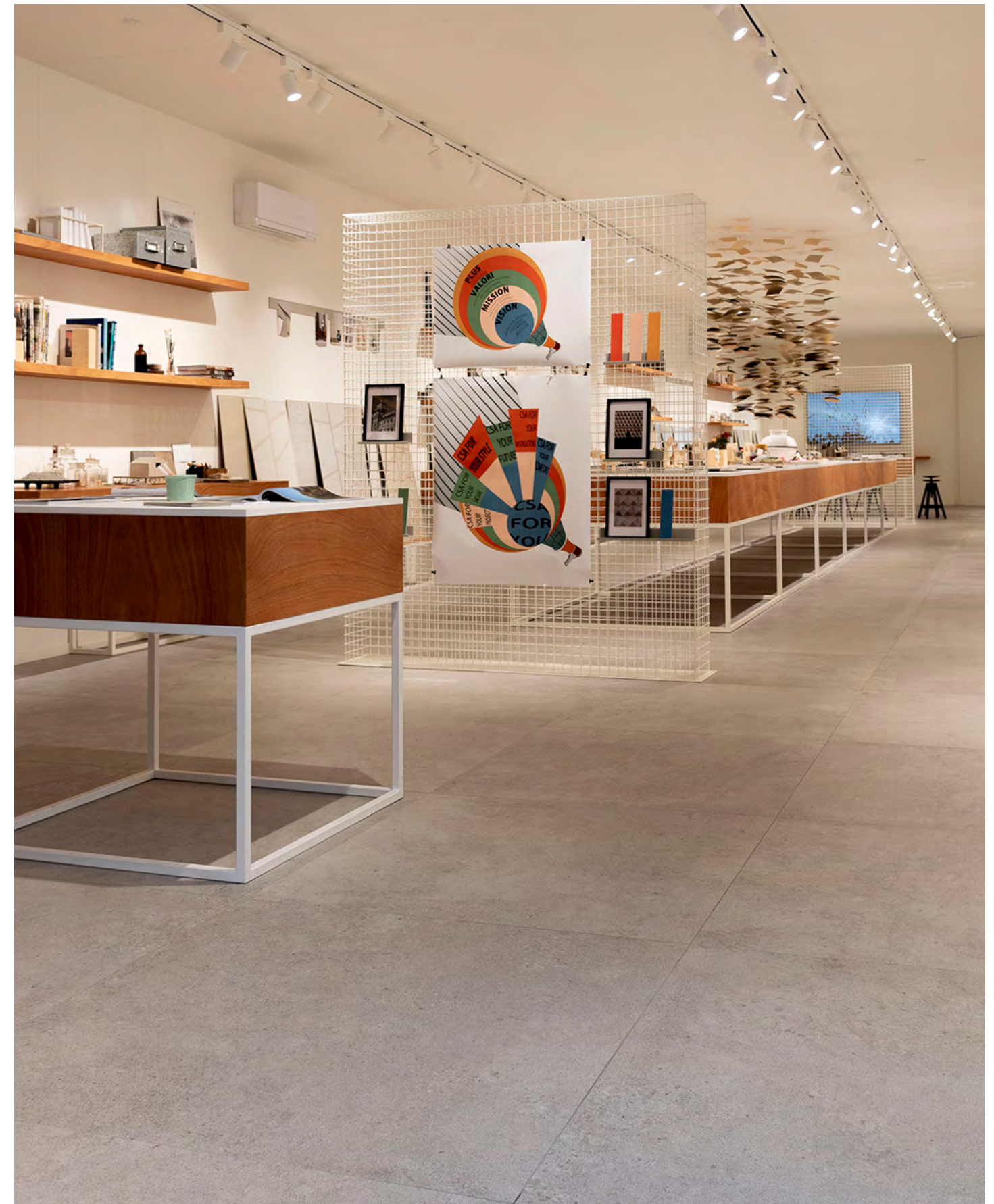


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	419-1	Non-compliance with social and economic laws and regulations	No non-compliance





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