



RELAXSHOE BENEFIT CORPORATION

IMPACT REPORT

2025

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*My mama always said you can tell a lot about a person by their shoes,
where they going,
where they been.*

Forrest Gump

METHODOLOGICAL NOTE

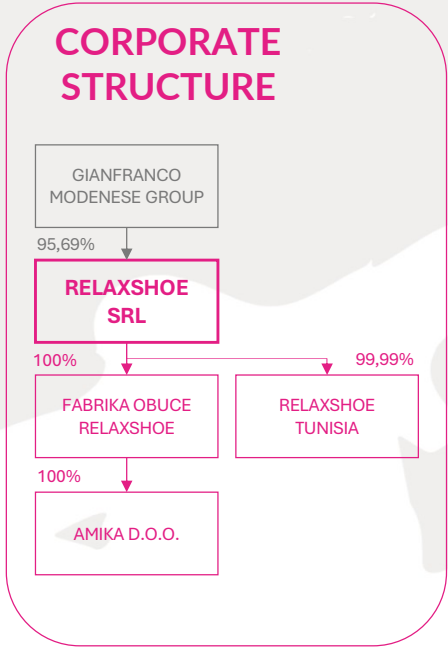
As a benefit corporation, **RELAXSHOE SRL SB** is required to prepare an annual report concerning the ways it pursues common benefits, attaching this to its financial statements. The report includes (Italian Law 208/2015, Article 1, Section 382):

- a description of the specific objectives, methods and actions implemented by the directors to pursue the common benefit goals and any circumstances that prevented or slowed down the process;
- an evaluation of the generated impacts using the external evaluation standard (...);
- a section describing new objectives that the company intends to pursue in the next financial year.

In relation to recent sustainability reporting requirements, the company does not fall under the mandatory reporting requirements as it does not exceed the 1,000-employee limit in the reporting year required by the CSRD (Directive 2022/2464/EU), as amended by the ‘Omnibus’ package (Directive 2025/794/EU).

The European Commission also suggests the adoption of the VSME (Voluntary standard for non-listed micro-, small- and medium-sized enterprises) for all non-reporting companies that want to comply with sustainability transparency requirements. This standard, built to facilitate companies’ approach to reporting, was adopted in a hybrid form with the impact report, to allow for greater alignment among sustainability metrics and offer the market and stakeholders a clear and complete summary of ESG commitments and achievements. This report is therefore an Impact Report whose KPIs and disclosures are aligned with the reporting criteria set out under Option A – Basic Module and Option B – Comprehensive Module. The correlation between disclosure compliance and reporting standards is inserted to the side. Information on common benefit goals not covered by the VSME indicators is expressed using the ESRS indicators provided by the CSRD regulation.

The reporting perimeter pertains to **RELAXSHOE BENEFIT CORPORATION** for the 2025 fiscal year and does not include subsidiaries.

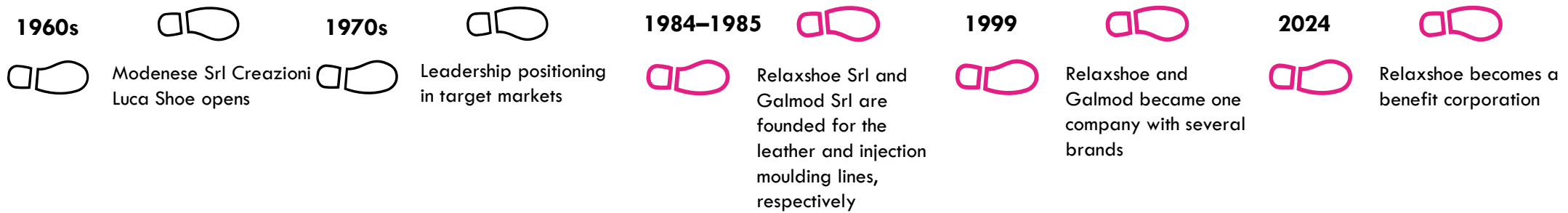


SAN GIOVANNI ILARIONE (VR)

DERVENTA (BH)

ARIANA (TN)

NACE CLASS	46.42
PRIMARY ACTIVITY	Wholesale marketing of leather and PVC footwear and accessories
ASSETS	€37,969,672.00
TURNOVER	€53,525,572.00
EMPLOYEES	48 (average composition on 31/12/2025)
HEADQUARTERS	Viale del Lavoro 74, 37035. SAN GIOVANNI ILARIONE (VR)
CONTROLLED BRANCHES	FABRIKA OBUCE RELAXSHOE BOSNA and AMIKA BOSNA D.O.O. Derventa-Zeljeznicka 9 – R.S. Bosnia and Herzegovina; RELAXSHOE TUNISIA SARL, 75 Avenue d’Afrique, El Menzah 5, Ariana - Tunisi



Relaxshoe is a market leader in the production of leather and injection-moulded footwear. The quality of our products, as well as our experience and production structure have enabled us to become a key partner for several international brands.

Our story began in the 1960s when our founder, Gianfranco Modenese, created Modenese Srl Creazioni Luca Shoe.

Over the following 10 years, the company — known the world over for its women's sandals, plastic boots and sandals and shoes with ergonomic insoles guaranteeing comfort, relaxation and durability — soon became Italy's leading exporter to Germany, Scandinavia and the Arab Emirates.

In 1984, **Relaxshoe Srl** opened and its first collection of women's leather shoes, an expression of comfort and well-being, took shape. **Galmod Srl**, a plastic injection-moulded footwear manufacturer, was founded in 1985. In just a few years it became an important private label, working with well-known international brands due to its production capacity and flexibility, continuous innovation and evolution in the search for materials, shapes and colours.

Stimulating audacity, outstanding temperament, firm choices and hard work are the foundations and heritage of what has now become an established company with international recognition.

In 1999, **Relaxshoe** and **Galmod** merged into a single company that cleverly combined several brands and different production lines.

On 23 September 2024, Relaxshoe evolved into a **benefit corporation** under the new company name:

Relaxshoe srl Società Benefit

This important milestone confirms and formalises the effort and commitments made over the years by Relaxshoe's directors and employees to achieve its important twofold management goal: economic growth and a positive impact on the community and environment.

This is a further concrete step towards creating shared value with responsibility, sustainability and transparency.

The company is 95.69% owned by Gianfranco Modenese Group Srl. The Board of Directors consists of:

Gianfranco Modenese, Chairman of the Board

Giuseppe Modenese, Director

Paolo Modenese, Director

ABOUT US

Relaxshoe is a family and a team that listens and shares

We work with responsibility, passion, tenacity and expertise

We work with our partners

We convey trust with honesty and transparency

We are always looking to improve

We care about people's safety

We respect our working environment

We believe in the value of people

VALUES

MISSION



WE CONVEY JOY BY BRINGING THE COMFORT OF
FOOTWEAR TO THE WORLD
IN STEP WITH CHANGING NEEDS, WHILE RESPECTING
OUR PLANET.

People, communities and the environment are the most important issues in our approach to sustainability. In evolving into a benefit corporation, we have therefore amended our bylaws to include common benefit goals that are more aligned with our business model.

BYLAWS 2024

The corporate purpose of Relaxshoe srl is the production, processing, import, export and wholesale and/or retail trade of footwear, related products, sporting goods and clothing.

As a benefit corporation, the company intends to exercise economic activities to pursue several goals for common benefit and operate in a responsible, sustainable and transparent manner towards people, communities, territories and the environment, cultural and social assets and activities, bodies, associations and other stakeholders.

The goals of common benefit are:

RESPONSIBILITY IN OUR CONDUCT
TOWARDS PEOPLE

We conduct our business with responsibility, commitment and professional rigour. This implies the utmost respect for employees, who carefully perform their assigned duties. We acknowledge the value of our human capital and pursue the international principles of labour law, rejecting any form of coercion against staff, guaranteeing high standards of workplace safety, respect for trade union rights, decent pay and preventing any form of worker discrimination or inequality.

ENVIRONMENTAL PROTECTION

We aim to reduce the negative impacts of our work and production activities as much as possible to prevent damage to the surrounding environment, while also working to mitigate our contribution to climate change. We are active in promoting and adopting the principles of the circular economy, with a focus on the use of more sustainable and safer raw materials and components while reducing waste. Aware of the impact of the value chain on environmental and social aspects in the footwear sector, we are committed to spreading a culture of integrated sustainability along our supply chain by promoting gradual improvements.

WELLBEING FOR THE LOCAL
COMMUNITY

We implement initiatives in favour of the local community, actively participating in projects for improvement in collaboration with local associations and institutions to foster a society that is more attentive to people and the environment.

BUSINESS STRATEGIES AND BUSINESS

Our company manages and markets different brands in addition to its own, and production is organised into two main product groups:

Injection line for the GALMOD brand, sold under the company’s brand name and also under private labels: imagination and creativity in the world of plastic and rubber footwear. This line is the most significant part of production in number of pairs and turnover.

Leather line, available both under company-owned brands and as private-label products.

- RELAXSHOE, our traditional brand for comfort footwear;
- EASY’ N ROSE, the top line in the most sought-after and exclusive range of leather shoes;
- FREE LIFE A.B., the youngest line from Relaxshoe, always in step with current trends.

The company mainly works in B2B, with distributors and customers throughout Europe.

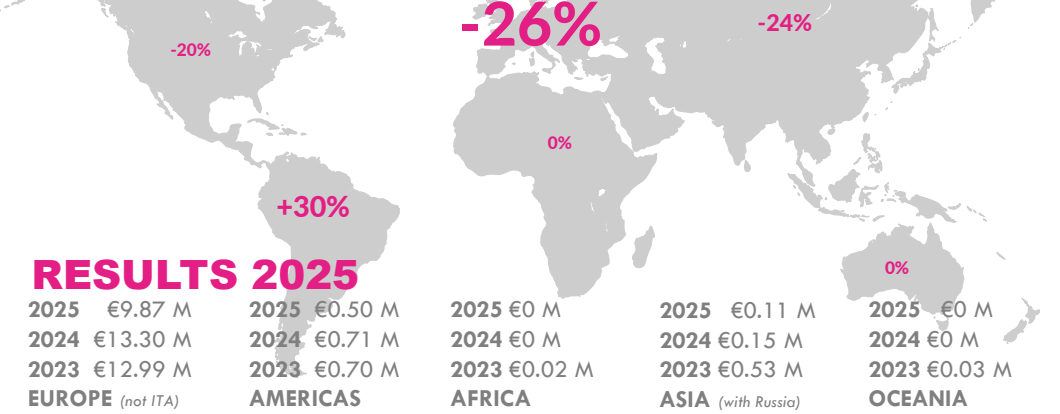
Italy remains the primary market, covering about 80% of sales, but we are also present in France, Germany, Denmark and Czech Republic, which can be considered European countries of reference. In addition, Bosnia and Herzegovina, Switzerland and the United Kingdom are significant markets. It should be noted, however, that we export to approximately 30 different countries across all five continents.

The Italian footwear industry is highly competitive. With around 30% of all footwear produced within the European Union, Italy ranks first in Europe and 13th worldwide in terms of production volume, in a global market dominated by Asia, led by China, which accounts for approximately 54% of total global production. In terms of export value, Italy ranks third worldwide, behind China and Vietnam, and second globally in the specific segment of footwear with leather uppers. The year 2025 confirmed the challenging cycle facing the industry, with total sector turnover amounting to €12.84 billion (-2.8% compared to 2024) and production reaching 118.3 million pairs (-5.5%).

Exports, which absorb 85% of national production, helped limit the decline to -1.1% in value terms, while generating a positive trade balance of €4.8 billion.

Against this backdrop, the fourth quarter of 2025 showed the first signs of recovery, with revenue increasing by 1.1%, bringing to an end a negative trend that had persisted for nine consecutive quarters. Despite operating in this challenging market environment, Relaxshoe also demonstrated resilience, increasing its average value per pair by 9%.

DISTRIBUTION OF TURNOVER AND PERCENT GROWTH BY CONTINENT (2025 vs 2024)



RESULTS 2025

2025	€9.87 M	2025	€0.50 M	2025	€0 M	2025	€0.11 M	2025	€0 M
2024	€13.30 M	2024	€0.71 M	2024	€0 M	2024	€0.15 M	2024	€0 M
2023	€12.99 M	2023	€0.70 M	2023	€0.02 M	2023	€0.53 M	2023	€0.03 M
EUROPE (not ITA)		AMERICAS		AFRICA		ASIA (with Russia)		OCEANIA	

GLOBAL RESULTS

TURNOVER
€53,525,572.00 - 3.99%

MARKETING

INJECTION PAIR
9,043,386 +13%

LEATHER PAIRS
291,725 - 8%

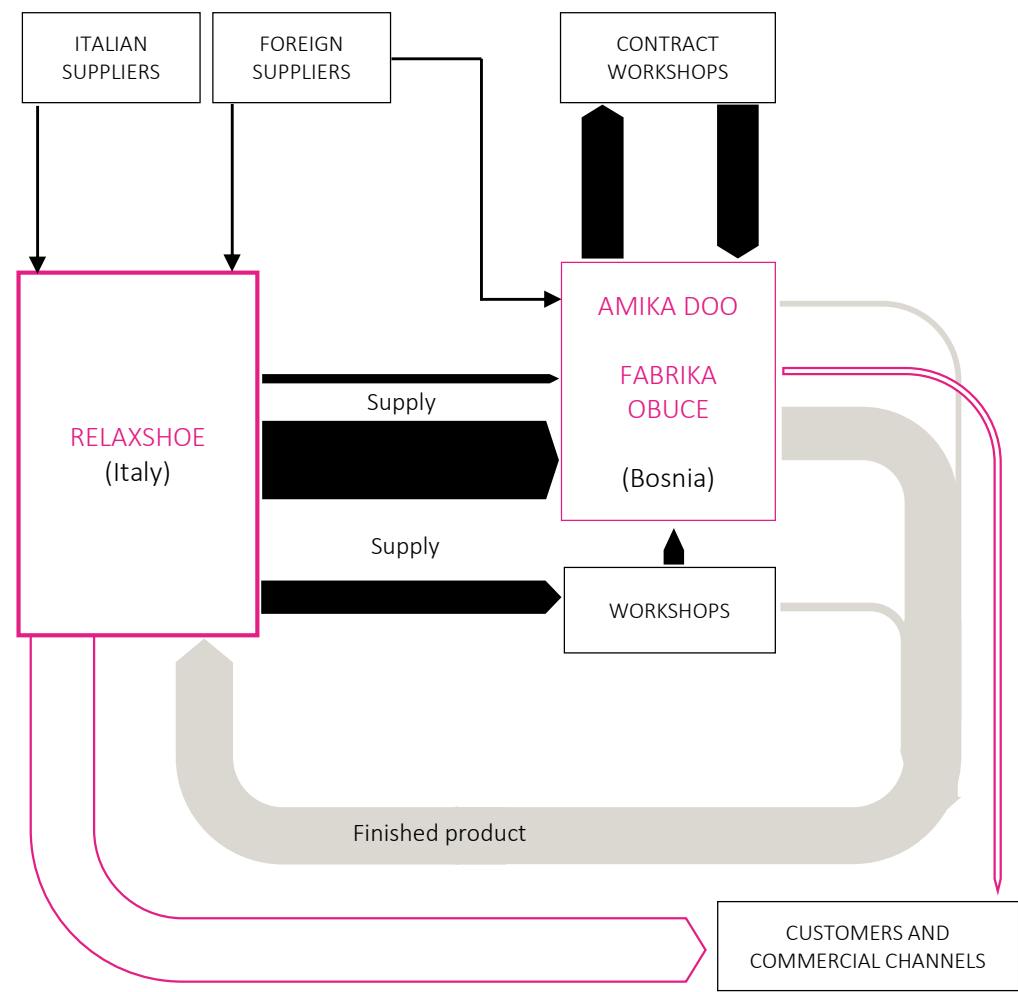
AVERAGE PAIR VALUE +9%

SALES IN ITALY (2025 vs 2024)

2025 €42.48 M
2024 €41.59 M
2023 €39.75 M
ITALY

+2%

BUSINESS STRATEGIES AND MODEL



We follow all stages of production, from the design of prototypes to the purchase of raw materials, from production to sales, with direct relationships with distributors and retailers. This allows us to interact with major players in the international footwear sector and support customers in producing articles that interest them and in choosing materials and components.

Our experience and technologies have enabled us to become the partner of choice for major global brands.

We have worked with some of these companies for many years and, due to our willingness to always look for the best solutions in projects of mutual interest, we have focused more on internal sustainability aspects, production units and the entire supply chain, which is discussed below.

We believe that one key to our business growth is our long-standing relationships with the most serious and reliable suppliers, such as raw material and component suppliers, with whom we have established an excellent business relationship over time, built not only on normal economic relations but also on mutual esteem, trust and flexibility.

Since we make extensive use of thermoplastics and PVC in our work, we are very committed to the challenge of sensitising our customers to prefer organic or recycled thermoplastics. For a small price difference, these materials significantly reduce negative impacts on the environment.

As specified in our company structure, our organisation consists of an Italian office where the products and item prototypes are designed, sales strategies are studied, purchases are made, suppliers and subcontractors are selected and customer relations are maintained. This centralisation enables us to have complete control, such that customer requirements and the sustainability of the supply chain — particularly with regard to people’s rights and working conditions — are respected in full compliance with international conventions.

This is crucial for production and operations in the international market, especially in the fashion, textile and footwear sectors, with the possible social impacts generated along the supply chain if they are not properly monitored.

Our company does not:

- produce controversial weapons,
- cultivate or produce tobacco,
- operate in the fossil fuel sector or generate revenues from fossil fuels exploration, extraction, production, processing, storage, refining or distribution, including transport, storage and trade (Article 2(62) of Regulation (EU) 2018/1999 of the European Parliament and of the Council),
- produce chemicals.

By managing and directing our subsidiaries’s activities, unity is created between our Italian headquarters and our Bosnian workshops.

In fact, the group’s operations depend on all processes, activities and personnel. From an environmental point of view, the company’s formalised planning, which began in 2019 and was shared with stakeholders in 2023, is represented by five pillars that guide the company’s planning and investments, that is, prior to our evolution into a benefit corporation. The results of these orientations will be addressed in detail in the following chapters.



100% ENERGY FROM RENEWABLE SOURCES



REDUCE ENERGY CONSUMPTION



BECOME A LEADING COMPANY IN RECYCLING AND THE CIRCULAR ECONOMY



PROMOTE A CULTURE OF RESPECT FOR THE ENVIRONMENT



DEVELOP SUSTAINABLE SUPPLY CHAIN

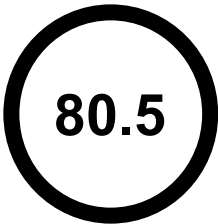
BUSINESS STRATEGIES AND BUSINESS MODEL

ACTION	GOAL	RESULT	COMMON BENEFIT GOALS
Sustainability certifications	ISO 14001:2015 certification by early 2026	We have developed Environmental Management System documents. Staff were trained in EMS (60 hours, 4 employees) and the main procedures relating to the environmental aspects of Relaxshoe were prepared. We have planned to complete the certification audit by September 2026. 	Environmental protection Reduction of environmental impacts Climate change Circular economy Waste reduction Sustainable supply chain
	B Corp certification by 2025	The Company obtained B Corp certification in February 2026, achieving a score of 80.5 points. Ahead of the next recertification process, the Company plans to align with the ECGT Directive and has decided not to display the B Corp logo on its products. 	Spread a culture of sustainability and climate change All other goals

Companies in today’s textile and footwear sector face a very important challenge: making the sector increasingly sustainable by engaging consumers in greater social and environmental awareness. For the market and customers, company certifications (such as UNI ISO 14001:2015) are a form of guarantee and reliability, which is also true of reducing the risks of misleading communications and greenwashing.

The concept of sustainability is very broad and, in addition to environmental issues, embraces social and management issues. For a company like ours, it was important to identify a tool that could serve as a common thread for the various sustainability initiatives while guaranteeing an authoritative approach, recognition by our stakeholders and high standards of social and environmental performance. This is why we chose B Corp status. More than a certification, it is a **global movement** that aims to **spread a more evolved business paradigm**.

Around the world, certified B Corporations stand out in the marketplace because in addition to pursuing profits, they make continuous innovations to maximise their positive impact on employees, the communities where they operate, the environment and all stakeholders. To achieve certification under Version 1.6 of the standard, companies must meet the applicable requirements and successfully complete a comprehensive certification process. We started the verification audit in 2025, and the process was successfully concluded in 2026 with the award of B Corp certification.



Certificazione



Corporation

GOALS: RESPONSIBILITY IN OUR CONDUCT TOWARDS PEOPLE

ACTION	GOAL	RESULT	COMMON BENEFIT GOALS
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Improve the corporate climate	Two events per year for employee socialising and interaction	Throughout 2025, several employee engagement and social events were organized, ranging from a nature walk, which was attended by one out of every three employees, to Pilates classes, attended by 25% of the workforce, and the celebrations marking Relaxshoe's fortieth anniversary.	RESPONSIBILITY IN OUR CONDUCT TOWARDS PEOPLE
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VSME - B 8, B 9, B 10 - WORKFORCE

GOALS: RESPONSIBILITY IN OUR CONDUCT TOWARDS PEOPLE

ACTION	GOAL	RESULT	COMMON BENEFIT GOALS
Improve the workplace environment	Completion of the Club House project by the first half of 2025	In 2025, construction work on the area designated for the Club House within the first facility in San Giovanni Ilarione was completed. 	RESPONSIBILITY IN OUR CONDUCT TOWARDS PEOPLE

Our employees are an integral part of our history and of the achievements we have reached over the years. Recognising and thanking the people who have shared this journey with us was a key element of the celebrations marking the Company’s fortieth anniversary in 2025.

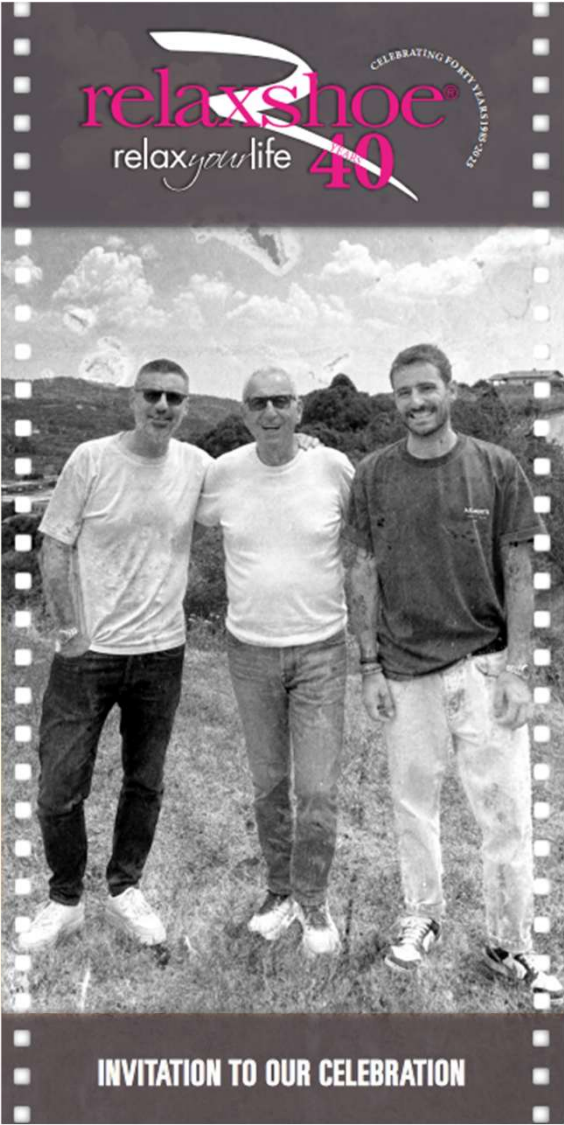
This commitment is reflected in our first public benefit objective, which focuses on the value of human capital and on the protection of workers’ rights, health and safety.

The mission is binding for Relaxshoe but subsidiaries are also fully involved in these principles. Likewise, although the scope of reporting is limited to the Italian company name, we have full responsibility for compliance with international labour laws at our subsidiaries as well. Although just over 50 people work in the Italian headquarters, our choices influence the lives of more than 600 families in Italy and Bosnia, in addition to the indirect effects of our purchasing and production choices, which affect workers in the value chain.

This particularly applies to contractors and material and product suppliers that are known to be critical in the clothing and footwear sector, including the leather chain.

40 YEARS

In 2025, Relaxshoe celebrated its 40th anniversary together with all employees. Four decades of history have been marked by growth, international expansion, partnerships with global brands and a workforce that, including subsidiaries, has grown to approximately 700 people. One of the key factors behind this success has been the people who have worked with us in the past, those who work with us today and those who will contribute to our future.



GOALS: RESPONSIBILITY IN OUR CONDUCT TOWARDS PEOPLE

B3 (+ S1.6) – WORKFORCE CHARACTERISTICS: GENDER AND CONTRACT
RELAXSHOE SB - SAN GIOVANNI ILARIONE (VR)

		Contract		Time	
Employees		Permanent	Temporary	Full time	Part time
	Men	0	24	24	0
	Women	0	24	19	5
Total		0	48	43	5

Classification of employees by gender and contract type (number of people). Excluding directors not classified as employees.

S1.6 – CHARACTERISTICS OF COMPANY EMPLOYEES – AGE
RELAXSHOE SB - SAN GIOVANNI ILARIONE (VR)

Employees		<30 *	30-50 *	>50 *
	Men	2	7	15
	Women	1	7	16
Total		3	14	31

Classification of employees by gender and age (number of people). Excluding directors not classified as employees.

VSME – B 8, B 9, B 10 – WORKFORCE

RELAXSHOE
WORKFORCE

47.05
STAFF
AVERAGE



GOALS: RESPONSIBILITY IN OUR CONDUCT TOWARDS PEOPLE

The corporate workforce is well distributed with respect to gender. The average employee age remains above 50 years. The most common form of employment is on a full-time permanent contract. Part-time contracts are predominantly held by female employees.

C5 – ADDITIONAL WORKFORCE CHARACTERISTICS		
Requirement	Description	Result
Women/men ratio among managers	There are no managers, although the directors (not classified as employees) have specific delegated powers	0
Number of self-employed people working exclusively for the company	There are no self-employed workers working exclusively for the company	0
Number of workers provided by temporary employment agencies	There are no temporary workers	0

C9 – GENDER DIVERSITY IN GOVERNANCE BODIES		
Requirement	Description	Result
Average ratio of female to male board members.	There are no female members on the Relaxshoe Board of Directors	0

In compliance with legal obligations (Italian Legislative Decree 24/2023) on the protection of whistleblowers who report violations of national or European Union law that harm the public interest and/or the integrity of the company, an internal ‘whistleblowing’ reporting channel was established within the prescribed timeframe.

An IT platform receiving and handling anonymous reports and related procedures was presented to workers and, in general, all interested parties.

No violations were reported in 2025.

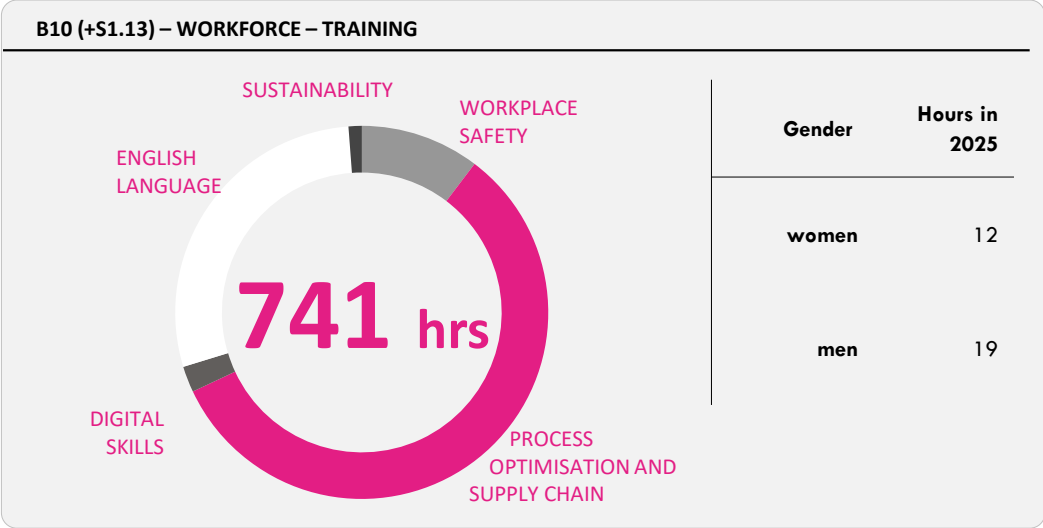
B9 – WORKFORCE – HEALTH AND SAFETY	
	Absolute no
Rate of occupational accidents	0
Deaths due to occupational accidents	0
Occupational diseases	0

The calculation considers employees only and is aligned with the mandatory reporting under Italian Legislative Decree 81/08.

All employees are covered by the National Labour Contract (NLC) and, in 2025, the total number of strike hours by employees was 0.

B10 – WORKFORCE – PAY, COLLECTIVE BARGAINING		
Description		Number
Remuneration: ratio between entry-level pay and the minimum wage	Four new hires in 2025 with entry-level salary determined by the NLC	4
Percentage pay gap between female and male employees	Lower than in 2024 (17.63%)	14,28%

In 2025, Relaxshoe Srl invested in a structured training programme that delivered a total of **741 training hours**, engaging employees in a range of cross-functional topics, including occupational health and safety, process and supply chain optimisation, digital skills, English language training and corporate sustainability. A significant portion of these activities was carried out in partnership with accredited training providers and with the support of interprofessional training funds, reflecting the Company’s commitment to the continuous development of internal skills and competencies.



The compliance of our plants with current applicable laws is also guaranteed by passing periodic audits carried out by our main customers or commissioned by them to third-party entities, in compliance with the main international standards (Sedex, BSCI, etc.).

In addition, to ensure compliance with international conventions on labour rights, and strengthened by partnerships with internationally recognized clients and brands, our quality team in Bohr Nija has been trained since 2024 to develop supplier compliance audits on occupational health and safety and fundamental rights.

This assessment was conducted in the presence of our auditors and through the collection of documents relevant to our activities. This allows us not only to guarantee the maximum traceability of products and processes, but also ensure that our suppliers operate within the law. This activity is part of the above-mentioned supply chain monitoring programme, which is described in more detail below.

C 6 – FURTHER INFORMATION ON THE WORKFORCE – HUMAN RIGHTS POLICIES AND PROCESSES

Our **Code of Conduct** was drafted and approved in 2023, The document includes several sections on labour management and addresses the following issues:

- child labour,
- forced labour,
- discrimination,
- accident prevention,
- working schedule and rest.

Periodically, we conduct a survey on satisfaction involving employees of Relaxshoe and its subsidiaries. In 2025, the survey in Italy was carried out with the support of LaborSolution, while in Bosnia it was conducted in collaboration with WOVO and administered through paper-based questionnaires.

In Italy, employee satisfaction reached 77.2%.

C 7 – SERIOUS ADVERSE HUMAN RIGHTS INCIDENTS

Relaxshoe and its subsidiaries monitor compliance with human rights and fundamental labour principles. For 2025, we can guarantee that:

- there were no child workers;
- there was no forced labour;
- there were no incidents of human trafficking;
- there were no incidents of discrimination in the workforce.

Likewise, Relaxshoe is not aware of any confirmed incidents involving value chain workers, affected communities, consumers and end users.

GOALS: RESPONSIBILITY IN OUR CONDUCT TOWARDS PEOPLE

B11 – CONVICTIONS AND PENALTIES FOR ACTIVE AND PASSIVE CORRUPTION

Relaxshoe, its directors, area or function managers, employees and associates have not been convicted of violations of active and passive anti-bribery laws, nor have any sanctions been issued for violations related to such offences.

RECRUITMENT, SEPARATION AND EMPLOYEE TURNOVER
RELAXSHOE SB - SAN GIOVANNI ILARIONE (VR)

New recruitments	4
Separations	5
Average staff	47.05



Receiving the 'Responsibility' award from UPRS and Rep. Srpska

IMPACT STORY – SOCIAL COMPLIANCE

The Business Social Compliance Initiative (BSCI), promoted by Amfori, is an international standard designed to help companies improve social conditions across their supply chains. It is based on a Code of Conduct aligned with the principles of the International Labour Organization (ILO) conventions and sets out stringent requirements covering labour rights, health and safety, environmental sustainability, and business ethics. BSCI audits provide an in-depth assessment of compliance with international social responsibility standards, evaluating aspects such as respect for workers’ rights, fair remuneration, workplace health and safety, environmental protection, and ethical business management. BSCI can therefore be regarded as a form of compliance certification, as adherence to its Code of Conduct requires full alignment with the defined requirements, verified through audits conducted by accredited independent bodies. In 2025, Relaxshoe successfully passed the BSCI audit in its Bosnian facilities with an A rating. Achieving the highest score not only confirms compliance in the management of all social and labour-related aspects across a workforce of over six hundred employees, but also recognises the company’s commitment to excellence and its strong focus on these issues.

Alongside this standard, key customers require compliance with their own supplier assessment frameworks. For example, for several years we have partnered with a leading global French sportswear brand that drives suppliers to meet very high standards in terms of product quality and sustainability across all areas. We have implemented a performance scorecard system structured around five pillars:

- PEOPLE – Wellbeing and social responsibility in manufacturing
- PLANET – Sustainability and decarbonisation in production
- PRODUCT – Product quality and service excellence
- PROCUREMENT – Efficient supply chain and production management with continuous improvement
- PROFIT – Positive outcomes resulting from operational excellence

In 2026, we have set the target of reaching the Autonomous level—just below excellence—across all monitored areas.

GOALS: ENVIRONMENTAL PROTECTION

ACTION	GOAL	RESULT	COMMON BENEFIT GOALS
Green energy and energy savings	100% electricity from renewable sources at all production sites	Electricity consumption entirely from renewable sources for Relaxshoe Italia, Fabrika Oboce and Amika Doo 	Mitigating climate change
	Reducing total energy consumption from non-renewable sources	A 63% reduction in natural gas consumption for heating compared to 2022, mainly due to a more rational use of heating systems in offices and warehouses. However, consumption due to transport accounts for about 50% of total energy consumption, due to frequent, necessary travel to subsidiaries in Bosnia. 	Mitigating climate change
Reduce our carbon footprint	Maintaining the 50% reduction target in Scope 1 and Scope 2 emissions compared to 2016 (baseline year) by December 2025.	Monitoring of Scope 1 and Scope 2 in both Italy and Bosnia. In 2025, compared to the 2016 baseline and considering all facilities in Italy and Bosnia, the company achieved an overall reduction of more than 80% in total CO ₂ equivalent emissions. 	Mitigating climate change

The *apparel & footwear* sector contributes about 8–10% of global climate-changing emissions, i.e. calculated to be about 400 Mton CO₂. Of these emissions, 17% are associated with the production of shoes, including all the activities involved: extraction and production of raw materials and processing necessary to reach the finished product. Published academic studies and European Directives confirm that most of these greenhouse gas emissions are associated with stages upstream of marketing and use and our role in reducing these impacts is therefore crucial.

Managing emissions due to energy use is certainly the first important step we have taken to reduce our climate impacts. Over the years, we have worked hard to improve the energy management of our headquarters and foreign locations.

Since 2017, we have consumed self-generated electricity from the photovoltaic plant at our Italian headquarters, supplemented with electricity supplies from certified renewable sources. In 2025, energy produced by our plant covered just under one third of the company’s total electricity demand.

We have embraced a clear and feasible energy transition strategy that considers not only Relaxshoe, but also subsidiaries where energy consumption is most relevant.

Continuous commitment and targeted investments have therefore led to very satisfying results, which are recognised by our customers and Bosnian institutional partners.

TOTAL ENERGY CONSUMPTION
ITALY 2025

781.48 MWh

B3 – ENERGY MIX

Energy from non-renewable resources	Unit	Value
Consumption of fuel from coal and coal-based products	MWh	0
Fuel consumption from crude oil and petroleum products	MWh	0
Fuel consumption from natural gas	MWh	143.29
Fuel consumption from other fossil sources	MWh	394.06
Consumption of electricity, heat, steam and cooling purchased or acquired from fossil fuels	MWh	0
Total consumption from fossil fuels	MWh	537.35
Share of fossil fuel sources in total energy consumption	%	69

Energy from renewable resources	Unit	Value
Fuel consumption from renewable sources, including biomass	MWh	0
Consumption of purchased electricity, heat, steam and cooling from renewable sources	MWh	173.01
Self-produced non-fuel renewable energy consumption	MWh	71.12
Total renewable energy consumption	MWh	244.13
Share of renewables in total energy consumption	%	31

Relaxshoe has monitored its carbon footprint over the years with the support of technological tools provided by its business partners. In this report, this figure was revised for greater accuracy and detail.

B3 – GHG EMISSIONS

	CATEGORY	t CO ₂ eq	Scope GHG Protocol
	DIRECT EMISSIONS	148.04	Scope 1
	INDIRECT EMISSIONS FROM IMPORTED ENERGY*	5.36	Scope 2

B3 – CARBON INTENSITY

0.003 kgCO_{2eq}/€

Calculation derived from total Scope 1 and 2 emissions in relation to net profit.

Renewable energy accounted for 29% of self-generated consumption, while the remaining share was covered through purchased electricity from renewable sources certified with Guarantees of Origin.

GROUP CARBON FOOTPRINT

-84% (2025 vs 2016)

We have adopted a **Corporate Energy Policy** that contains a clearly defined track for corporate strategies, guaranteeing our commitments.

COMPANY ENERGY POLICY

Relaxshoe is aware of the challenges the future holds for society and the planet and therefore adopts a **CORPORATE ENERGY POLICY**

Relaxshoe is committed to:

Raising and strengthening awareness about the importance of responsible and mature use of energy resources and the consequent waste reduction;

- Monitoring the company’s electricity consumption on a monthly basis;
- Giving priority to the use of energy produced from renewable sources when economically and technically possible;
- Demanding the best possible energy standards from suppliers of raw materials, services and equipment;
- Improve the performance of existing buildings within the limits of technical-economic feasibility;
- Educating all staff to make them responsible and guide them in adopting behaviour and habits aimed at reducing energy consumption;
- Ensuring that future machinery and instrumentation are energy efficient.

To implement each action, the management undertakes to:

Appoint an energy policy manager to work towards the company’s energy objectives;

- Ensure the availability of human, economic and technological resources, if necessary and economically possible;
- Ensure the availability of information;
- Ensure that this policy is periodically reviewed for its continued adequacy.

IMPACT STORY - 1st BOSNIAN GREEN TRANSITION AND ITALY'S 100% ELECTRICITY FROM RENEWABLE SOURCES

In May 2024, our production site in Bosnia also began to consume electricity exclusively from renewable sources. **Our Bosnian company was the first energy-intensive manufacturing company to start using green energy for its production in Republika Srpska.** This means that all our injection moulding machines are powered by renewable energy.

Since 2021, we have controlled the energy consumption of production lines by installing a monitoring system connected to the machinery. Total energy consumption decreased by 8% from 2022 to 2024. Moreover, as of 2024, when solar energy production began, more than 50% of total consumption (including fossil fuels) is attributable to renewable resources. This is an outstanding achievement considering the local production situation.

Scope 1 and Scope 2 are also monitored at the Bosnian production sites, showing a reduction in 2025 of even 89% for Scope 2, mainly due to self-generated electricity and the use of energy from renewable resources for the remainder.

Until 2023, credits were purchased in Bosnia to offset its greenhouse gas emissions, while Guarantee of Origin (GO) certificates for purchasing electricity from renewable sources were obtained until 2022. In Italy, Guarantees of Origin certificates continued to be applied also to electricity consumption in 2025.

The textile industry is one of the largest consumers of water in the world. The textile system also has a serious environmental impact due to the pollutants released in the manufacturing, transport and disposal processes. If water is indispensable in the mass textile industry, its considerable water footprint is an urgent problem that must be solved.

Relaxshoe constantly monitors its water consumption and therefore promptly discovered and repaired a leak in the water system, resulting in an 86% reduction in water consumption in 2024 compared to the previous year. In 2025, energy consumption increased significantly compared to 2024, while remaining more than 60% lower than the 2023 level.

B6 WATER CONSUMPTION				
	Indicator	2023	2024	2025
Total water withdrawal	All sites in Italy (m ³)	2497	353	1010
	Water withdrawal in water-stressed areas (m ³)	0	0	0
Consumption calculation developed using meter readings by water service providers.				

B7- RESOURCE OUTFLOW – WASTE MANAGEMENT				
	Indicator	2023	2024	2025
Waste generated	Non-hazardous (kg)	31610	85952	46151
	Hazardous (kg)	0	0	534
	Total (kg)	31610	85952	46695
total hazardous waste to recovery 534 kg	Hazardous waste prepared for re-use			534
	Hazardous waste recycled			0
	Hazardous waste other recovery operations			0
total non-hazardous waste to recovery 46,161 kg	Non-hazardous waste prepared for re-use			36,781
	Non-hazardous waste recycled			9,380
	Non-hazardous waste other recovery operations			0
total hazardous waste to disposal 0 kg	Hazardous waste incinerated			0
	Hazardous waste to landfill			0
	Hazardous waste other disposal operations			0
total non-hazardous waste to disposal 0 kg	Non-hazardous waste incinerated			0
	Non-hazardous waste to landfill			0
	Non-hazardous waste other disposal operations			0

Up to 2023, most of the waste generated by our headquarters consisted of various types of packaging, mainly from the warehouse operations for handling purchased raw materials and their shipment to subsidiaries in Bosnia. However, in 2024 a comprehensive analysis of production waste was carried out with the aim of improving its separation. This led to the introduction of two new waste categories, reducing the share of “mixed packaging” waste to 23% less than in 2023 and eliminating it entirely in 2025. In 2025, packaging waste further decreased by 48% compared to the previous year.

Overall, total waste volumes in 2025 declined by approximately 46% year-on-year, confirming that all waste generated is fully directed to recovery or recycling streams.

100% ZERO WASTE TO LANDFILL

IMPACT STORY
FOR A RESPONSIBLE USE OF PLASTICS

Waste legislation in Bosnia is less precise and technically less complex than the EU and Italian approach, and companies are not bound to manage waste in accordance with EU requirements. This results in poor sorting and extensive use of landfills in the country. Relaxshoe also adopts the principles of the circular economy in its subsidiaries and, to this end, carries out several projects to reuse waste and process waste that would otherwise be destined for landfills.

In view of the significant increase in the production of thermoplastic articles between 2024 and 2025 at Bosnian production sites over the years, we have placed forty grinding systems alongside the injection moulding lines. These grinding mills process production scrap to enable its reuse, blended with virgin plastic granulate. This system is aimed at avoiding the waste of raw materials and reducing waste and has become an integral part of the processing cycle. In fact, most materials that we use can be ground, so **all PVC, MEGOL, SBS waste is reused in production.**

At present, the recycling of ethylene-vinyl acetate (EVA) scrap—primarily used in the production of beach footwear—is not yet feasible. In this regard, the company has invested significant efforts over recent years in seeking new partners to identify viable solutions for the recovery of this type of waste material. In 2025, various raw materials obtained from ground EVA were tested, along with different formulations combining virgin EVA and recycled content, validated on production machinery. However, no definitive solution has yet been identified for this specific material, despite the fact that scrap from other plastic polymers is fully recoverable and reintegrated into production processes.

GOALS: ENVIRONMENTAL PROTECTION

ACTION	GOAL	RESULT	COMMON BENEFIT GOALS
Sustainable supply chain	Define a 3-level sustainable procurement policy (environmental, social and governance) and a Group supplier and subcontractor monitoring and audit programme by December 2025.	In 2025, a sustainable procurement policy was adopted. A monitoring and audit programme for subcontractors (workshops) was also established to strengthen oversight of social and environmental performance.	Sustainable supply chain, environmental protection, and the dissemination of a sustainability-oriented culture
	Complete the reorganisation of the supplier, material and component database, and management system by December 2025	As at 31/12/2025, about 90% of the management system and material database had been updated with the weight and sustainability requirements, such as certifications, recycled content, etc.	Climate change Circular economy Sustainable supply chain
	Regenerate and modernise of two injection moulding machines in Bosnia by December 2025	In 2025, regeneration of injection moulding machines was completed.	Reduction of environmental impacts Circular economy
	Use of at least 40% thermoplastics of natural origin by the first half of 2026	In 2025, 44% of plastic materials used for injection-moulding lines contained resins or raw materials of natural origin, corresponding to a net bioplastic content of 12% of total purchased materials.	Reduction of environmental impacts Circular economy

Embracing the principles of the circular economy is not only an ethical act, but a market need that will become a legislative constraint in the coming years, as outlined in European planning and EU and national regulations. The GPRS Regulation and ESPR Directive emphasise the importance of applying eco-design criteria and purchasing choices for companies in our industry to reduce impacts related to the business and its products.

Issues concerning resource use and the circular economy are therefore an integral part of the design and production of our footwear and one of the main challenges for the purchasing department.

It has to mediate customer demands with the market offer and, above all, understand and verify whether or not products and raw materials offered by suppliers meet sustainability criteria.

GOALS: ENVIRONMENTAL PROTECTION

In 2024, a key project was launched to reorganise the product and supplier database by reclassifying all items recorded in the company’s management system and purchased since 2022. This updating process will continue in order to ensure proper management of sustainability-related information across more than 400 suppliers and thousands of products, alongside the ongoing upgrade of corporate management systems. In 2025, a significant overhaul of IT systems and the recording of components and raw materials was carried out, in order to align with industrial requirements and the traceability needs of products and processes.

With regard to product sustainability requirements, the company now tracks recycled content, renewable raw material content, and sustainability certifications (e.g. FSC, biobased materials, or specific production performance standards such as fluorine-free and PFAS-free treatments). Current analyses show, for example, that packaging is either FSC-certified (42% of total weight) or contains recycled materials (38% of total weight). As for the content of naturally derived raw materials, plastic granulates show an overall share of 12%, equivalent to approximately 615 tonnes of polymers.

2025 PURCHASE VOLUME –
FOOTWEAR RAW
MATERIALS

€25,578,325

RESOURCE INFLOWS			
CATEGORY	VALUE		RECYCLED
	thousands of €	t	%
PACKAGING	1863.4	910.3	38%
PLASTIC	11,609.9	5,216.4	0,3%
SOLES	1418.9	93.3	0,3%
LININGS/UPPERS	7,519.6	1,635.6	11%
LEATHER	1,335.2	64.4	-



GOALS: ENVIRONMENTAL PROTECTION

Our company purchases and handles large quantities of raw materials and components. Net of the materials used for prototyping and quality control and direct purchases from subsidiaries — particularly subcontracted services such as laminating — nearly all of these products move fiscally and physically from the Italian headquarters to the production sites.

To ensure accurate data on material flows, we have worked hard to correctly code the thousands of references classified in our management system. This work is essential in providing our stakeholders with accurate information about products and suppliers. The data refer to the main components used in the production of the marketed footwear, in relation to both the leather line and injection processes.

The main purchase categories include plastics for injection moulding, soles, leather, linings and uppers, packaging with a value of 23.7 million euros, covering about 93.3% of the total purchase volume of raw materials and components.

QUANTITY OF RAW MATERIALS AND
COMPONENTS MEETING SUSTAINABILITY
REQUIREMENTS

20%

FSC®-CERTIFIED PACKAGING
MATERIAL

42%

The choice of materials and components and the selection of subcontractors and suppliers are an integral part of our success. The focus on sustainability throughout the supply chain has become a key element of our business model.

Furthermore, we have developed and shared a Code of Conduct with all our supply chain.



GOALS: ENVIRONMENTAL PROTECTION

ACTION	GOAL	RESULT	COMMON BENEFIT GOALS
Chemical management	100% SAFE AND SUSTAINABLE CHEMICALS	In 2025, Relaxshoe continued its evaluation of the chemicals used, primarily water-based adhesives and sealants, products with a reduced hazardousness. In recent years, particular attention has been given to coloured linings produced through more water-efficient dyeing processes (DDY), as well as to fluorine-free products, which ensure greater consumer safety in use. Linings with these characteristics account for approximately 30% of total purchases.	Worker health and safety Sustainable raw materials and products
	Continued compliance with ZDHC	In 2025, we achieved Supplier to Zero recognition. We continuously monitor and manage chemical substances in full compliance with applicable regulations.	Reduction of environmental impacts Circular economy



Europe continues to produce and consume large quantities of hazardous chemicals that end up in products and are then released into the environment with potential health risks. At the same time, Europe also has some of the most restrictive chemicals laws and most ambitious policies globally, such as the EU Sustainable Chemicals Strategy and the Action Plan ‘Towards Zero Pollution for Air, Water and Soil’.

Industrial chemicals are regulated by the REACH regulation. There are also other laws on specific products, such as biocides, pesticides, cosmetics and pharmaceuticals. There are limits on chemical contaminants and pesticide residues in food.

COMPLIANCE WITH THE REACH REGULATION

100%

All raw material and component suppliers are required to comply with the REACH regulation for substances supplied or used in Relaxshoe production



GOALS: ENVIRONMENTAL PROTECTION

ACTION	GOAL	RESULT	COMMON BENEFIT GOALS
Circular economy leader	100% ZERO WASTE TO LANDFILL	From 2022 to 2024, we eliminated waste going to landfill. All of our waste produced at the Verona site is recovered by specialised centres. In addition, as of 2024, we have further differentiated the types of waste produced, thus increasing the possibility of recovery and recycling. In 2025, no waste was sent to landfill.	Circular economy (sustainable raw materials and products) Waste reduction
	Facilitating recycling of injection-moulded scrap	Our focus on the circular economy takes the form of research and development activities related to recycling production waste from subsidiaries in Bosnia, to prevent waste produced there from ending up in a landfill. Despite collaborations with leading players in the recycling and research sectors, no viable alternative solutions have yet been identified to landfill disposal for EVA (ethylene-vinyl acetate) scrap. As for other plastic waste, the integration of dedicated grinding systems on injection-moulding lines enables the full internal recovery of all scrap generated from other injection-moulded plastic materials.	Circular economy, Sustainable supply chain

More than 40 million tonnes of textile and footwear-related waste are produced globally, much of which is sent to landfills. This relates not only to the difficulties of recycling with affordable sustainable technologies, but also to the geography of waste and the complex sorting/separation of materials/fibres. We do everything we can to reduce the *pre-consumer* waste we produce.

HAZARDOUS AND NON-HAZARDOUS WASTE 2025

46,695 kg

As a principle, our waste must always go to recycling and recovery processes.

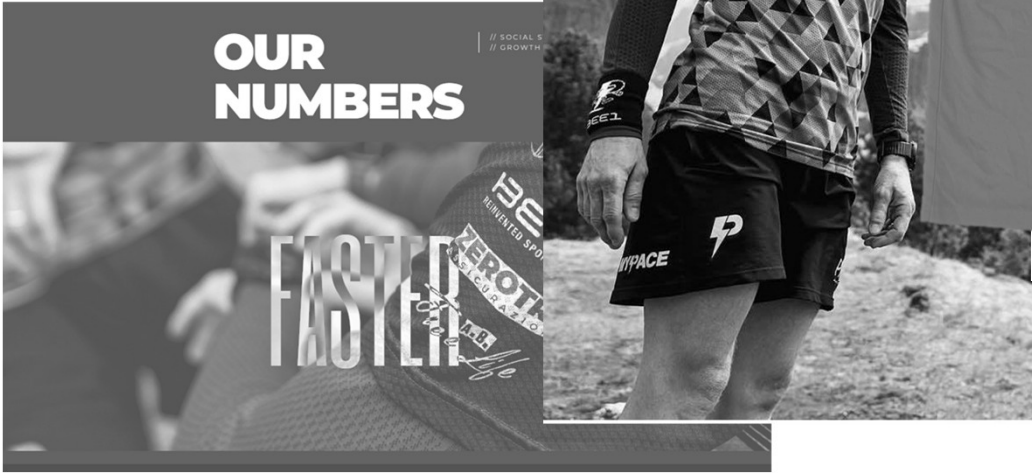
GOALS: WELLBEING FOR THE LOCAL COMMUNITY

ACTION	GOAL	RESULT	COMMON BENEFIT GOALS
Promote youth sporting activities	Maintain sponsorships and/or funding for local sports associations	In 2025, we guaranteed sponsorship of the San Giovanni Ilarione soccer school and San Giovanni Lupatoto tennis school, as well as to My Pace Running Team A.S.D. 	INITIATIVES FOR THE LOCAL COMMUNITY

For us, the local community means not only San Giovanni Ilarione, the Province of Verona and the Veneto Region, because the territory and the populations living near our Bosnian companies’ factories are also directly involved in the company’s activities. In fact, over the years, we have financed various initiatives to leave a mark in our area, such as planting trees in Derventa, donating shoes or financial support. However, we believe that our impact also — and especially — derives from the induced effects of our activity.

We have a significant number of loyal suppliers. More than 50% of the 2025 purchase value of materials, and components is accounted for by companies we have worked with for more than 20 years.

In 2025, the company provided financial contributions to ASD Tennis San Giovanni Lupatoto (€5,000), US Calcio San Giovanni Ilarione ASD (€2,000), and My Pace Running Team A.S.D. (€1,500).



FUTURE OBJECTIVES

ACTION	GOAL	TIMING	COMMON BENEFIT GOALS
Sustainability certifications	ISO 14001:2015 environmental management system certification for Relaxshoe	December 2026	ENVIRONMENTAL PROTECTION
Improve the corporate climate	Maintain two events per year for employee socialising and interaction	December 2026	RESPONSIBILITY IN OUR CONDUCT TOWARDS PEOPLE
Sustainable supply chain	Three-Year Supplier Assessment and Monitoring	December 2026	ENVIRONMENTAL PROTECTION
Reduce the carbon footprint	Maintain the 50% reduction in Scope 1 and Scope 2 emissions compared to 2016(baseline year)	December 2026	ENVIRONMENTAL PROTECTION
Green energy and energy savings	100% electricity from renewable sources across the main production sites, 80% increase in self-generated electricity.	December 2026	MITIGATING CLIMATE CHANGE
Research & Development – Italy	Installation of new injection-moulding lines (EVA and Inject-up) for footwear prototyping and testing of new materials.	December 2026	MITIGATING CLIMATE CHANGE
Digitalisation and smart manufacturing	Implementation of a new ERP system (Modasystem365), MES, and production scheduling tools integrated into existing company IT systems, as a vertical platform for footwear and fashion, with potential extension through AI-based tools.	December 2026	MITIGATING CLIMATE CHANGE
Technological innovation and automation	Coordination of the industrial automation plan and technological renewal across controlled facilities (e.g. carding robots, automatic sewing machines, RFID tunnels). Continuing the process of machinery modernisation and upgrading.	December 2026	MITIGATING CLIMATE CHANGE



Recycle the present, save the future.

Anonymous

This document was completed on 20 May 2026. All information contained herein is the result of analysis, processing and verification by the company's in-house team. Relaxshoe hereby declares and endorses the truthfulness thereof.