

WATER MANAGEMENT POLICY

Sustainable and responsible water resources management

1. Foreword and business context

Water is pivotal to life, biodiversity and the natural environment, while also representing a key asset for the socio-economic development and well-being of a local Community within the context of modern economies of scale.

Since the early beginnings of the textile manufacturing tradition in the Biella and Valsesia region, where Zegna Baruffa Lane Borgosesia S.p.A. (hereinafter ZBLB) still carries out its production, water has been fundamental both in defining high quality yarn standards and in developing early water-powered industrial automation technologies along rivers and valleys.

The responsible management of water therefore represents a core legacy into ZBLB's identity, values and industrial strategy. With high-end worsted and woolen yarns, the Company operates on international markets as a player committed to ethics and sustainability principles.

This Water Management Policy is part of and rooted within ZBLB's ESG Policy (cf. <https://www.baruffa.com/sustainable-development/>), which provides guidance and consistency to the responsible water resources management, legal compliance, environmental sustainability, efficiency and respect for the territory.

Within this framework, ZBLB operates prudently with the aim of preventing potential impacts associated with water use throughout its production processes. To this end, ZBLB, relying on the “**Water Footprint**” assessment developed as part of the **Organizational Environmental Footprint (OEF)** analysis, fosters management decisions with a view to the progressive improvement of environmental performance.

2. Importance of water resources and ESG strategic framework

Water resource management is fully integrated into ZBLB's ESG strategy, safeguarding both the proper production processes and compliance to applicable laws, supporting the business continuity and clear relationships with Stakeholders.

The control of water use, process efficiency and wastewater management in compliance with environmental laws and Public Administration authorizations helps prevent risks and mitigate impacts on ecosystems. Balanced planning enables the identification of critical areas and to plan improvements according to the Company's growth targets.

Furthermore, from a social point of view, the proper water management contributes to the protection of people health and safety, local communities and the territory. In this way, balanced relationships and mutual positive synergy with the territory can be built.

This Policy therefore oversees all ZBLB operations, including water withdrawal, use and relevant management other than spinning and dyeing processes, wastewater treatment plant management, monitoring and water discharge. This policy will be shared with all ZBLB's workers and made available

to collaborators, suppliers and partners, whose activities may have a direct or indirect impact on water resources.

3. Water resource governance and integration with chemical management

ZBLB designed an ESG-Governance framework (see <https://www.baruffa.com/sviluppo-sostenibile/>) by appointing a Strategic (C-ESG-S) and an Operational (C-ESG-O) Committees, respectively assigned to the planning and management of Company's sustainability-related matters.

Governance also plays a key role in developing water use policies, providing effective and continuous oversight on water matters, and ensuring a clear segregation of duties.

In particular, within the C-ESG-O a dedicated team on the topic herein has been appointed to strictly cooperate on relevant matters:

- **Water Manager**, responsible for the Company's water operations and performance monitoring, coordinating activities to control consumption, ensure proper management of water infrastructure, and optimize water use, while ensuring the collection and availability of monitoring data.
- **Chemical Manager**, in cooperation with the Environmental Delegate, oversees the overall chemicals management, supervises the water treatment plant and quality of wastewater, as well as the compliance with PRSLs required by Brands.

By integrating water and chemical management, the Company ensures effective compliance and contributes to its water assessment, coordinated with the Sustainability Manager and Company Management in shaping the overall ESG strategy.

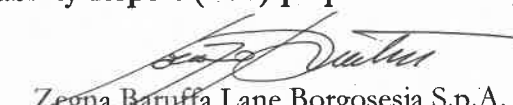
4. Compliance, principles for water resource management, and continuous improvement

ZBLB operates in full compliance with environmental regulations regarding water withdrawals, discharge authorizations, wastewater treatment, and the protection of water resources. Compliance is fundamental to the Company's identity and underpins its water management policy.

In addition to mandatory laws and internal policies/procedures, ZBLB adheres to international voluntary requirements, including the “**ZDHC – Zero Discharge of Hazardous Chemicals**” program, and adopts practices consistent with Brands requirements in the fashion and luxury market. To this end, ZBLB is setting-up an **ISO 14001** environmental management system.

ZBLB recognizes that water is a limited and collective resource. Therefore, industrial water use must adhere to the principles of pollution prevention, waste reduction, efficiency through continuous consumption control, process improvement and proper wastewater management.

Water management must also ensure a continuous improvement approach, enabling ZBLB to progressively review targets based on results, regulatory requirements, and operating conditions. Information on water resource use and consumption, as well as key improvements achieved, is integrated in an aggregated and consistent manner into the **Sustainability Report (BdS) prepared annually** to report the Company's ESG performance.


Zegna Baruffa Lane Borgosesia S.p.A.
Lorenzo Piacentini
(C.E.O.)