



SUSTAINABILITY REPORT

2023

Transparency towards all our stakeholders is essential to us and it guides the company in all its activities and is also embodied in the decision to voluntarily prepare the second edition of the Sustainability Report.

The document is meant to highlight our sustainability journey, our desire to evolve by operating responsibly and to share the value generated by our growth and its impact on the surrounding community.

We would like to inform stakeholders of our experience. By reading the document, you will discover all the practical measures implemented on responsible consumption and production, energy conservation, and positive contribution to society particularly towards inclusion and solidarity.

This is a benchmark for our evolution but also an opportunity to reaffirm our current and future

commitment. We will keep investing time and money to reduce the environmental impact of our business activities as much as possible, while constantly applying the highest standards.

By perfecting our behavior styles we aim to improve both internal and external processes. The goal is to be increasingly effective and efficient in sustainability with the optimization of green policies and the reinforcement of the energy plan by putting disused products and materials back into circulation and shaping the relationship with suppliers for a sustainable supply chain.

The application of these rules conveys not only an environmental transformation but also an efficiency and risk control conversion.

Diego Pol




Diego Pol

Sole Administrator
Masutti Marmi e Graniti Srl

Methodological note

The **Sustainability Report**, also known as the **ESG Reporting** or Report, is a document in which a company communicates its performance and any progress it has made in the environmental, social, and governance areas.

The concept of sustainability, for the company, and thus of its ESG Report, is precisely based on these three criteria:

- **Environmental sustainability:** acting sustainably to protect the environment and not compromising the processes of biological systems.
- **Social sustainability:** aiming at improving living conditions through the promotion of health services, education, social services, employment, enhancement of traditions, and cultural pluralism.
- **Economic Sustainability (governance):** contributing to the development of society by reducing risks and costs, and improving the quality of services without increasing or reducing potential negative spillovers.

KPIs, short for **Key Performance Indicators**, are a set of quantifiable measures that the company uses to benchmark its performance over time. These metrics can determine the company's progress in achieving its strategic and operational goals based on the ESG criteria mentioned above.



Index

Environmental criteria

Environmental

Snapshot	5
Packaging recovered from customers	6
Reused wastewater treatment	7
Garbage disposal	8
System certification	10
Self-production from renewables	11
Territory and customer awareness	13
Transportation	16

Social criteria

Social

Snapshot	18 - 19
Economic value distributed to stakeholders	20
Employees	21
New hires in 2023	22
Female share	23
Employees nationality	24
Employees average age	25
Corporate welfare	26
Total injury rate	27
Training provided	28
Inbound/outbound training	29
Economic value distributed for territorial development and contribution	31
Release of information in the territory	32

Governance criteria

Governance

Snapshot	35
Corporate structure in terms of responsibility and management	36
Revenue	37
Revenue growth 2021- 2022- 2023	38
EBITDA	39
Legality rating	40
Export drive	41
Product destination countries	43
Market diversification	44
Product diversification	46



SUSTAINABILITY REPORT 2023

Environmental criteria Environmental

Snapshot | Environmental



Packaging recovered from customers
10.60%



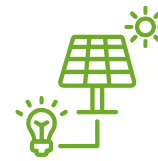
Reused wastewater treatment
-66.99%



Garbage disposal
100.00%



System certification
Upkeep



Self production from renewables
63.00%



Territory and customer awareness
5 channels



Transportation
78.00%



Packaging recycled from customers

2022

7.50%

2023

10.60%

2024 (goal)

15.00%

The awareness campaign launched in 2021 for the recycling and re-purposing of packaging used for deliveries to our customers continues.

The goal of the campaign is to reuse the packaging, possibly reprocessing it if necessary, thus prolonging its life cycle and avoiding the use of additional wood for new packaging.

The constantly improving results confirm the initiative is successful. In 2023, the 10.6% of the packaging potentially subject to return was given back to Masutti thus representing an increase of 3.1 points compared to 2022. Please note that this value does not count packaging that for sure would never be returned, for example, those bound for abroad and those intended to protect goods below a set economic limit.



Masutti Marmi e Graniti e l'ecosostenibilità: la nuova visione green, colonna portante dell'intera organizzazione Masutti.

SOSTENIBILITÀ & ECOSOSTENIBILITÀ

Sostenibilità è costruire un equilibrio globale tra l'uomo e l'ecosistema, dare vita a una forma di sviluppo che salvaguarda l'ambiente e garantisce i bisogni attuali e futuri.

Adottare uno stile di vita ecosostenibile vuol dire intraprendere quotidianamente un insieme di azioni volte a rispettare l'ambiente e gli animali in un'ottica ecologica.

OBIETTIVO ECOSOSTENIBILITÀ

L'obiettivo principale dell'ecosostenibilità è quello di ridurre al massimo l'impatto ambientale di ogni tipo di azione umana sulla Terra.

In parole povere, significa attenzione all'ambiente in tutti i processi produttivi, significa ridurre al minimo il consumo dell'energia e di ricavarla da fonti rinnovabili, significa usare materiali biodegradabili, compostabili o riciclati.

Alcuni dei punti cardine dell'ecosostenibilità sono il **riciclo** e il **riuso**.

«VIVERE» L'ECOSOSTENIBILITÀ

Preservare l'ambiente è un dovere di tutti.

Ogni essere umano nel suo piccolo può e deve contribuire a salvare il pianeta dal collasso ambientale adottando le cosiddette buone pratiche dell'ecosostenibilità.

Ecco perché anche noi di Masutti, nella nostra attività quotidiana, utilizziamo tecnologie, procedure, accorgimenti ecosostenibili, a basso impatto ambientale.

MASUTTI È GREEN FRIENDLY

Essere Green Friendly vuol dire essere "amici dell'ambiente".

Come dimostra di esserlo Masutti?

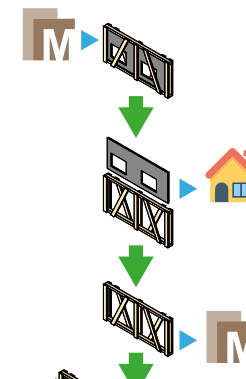
- Siamo certificati ISO 14001, norma internazionale ad adesione volontaria, che specifica i requisiti di un sistema di gestione ambientale.
- Produciamo energia elettrica grazie ad un impianto fotovoltaico installato sulla copertura delle unità immobiliari locate. La fornitura copre il nostro fabbisogno giornaliero.
- Trattiamo le acque utilizzate durante la lavorazione delle lastre grazie ad apposito impianto, oltre a monitorare il processo di smaltimento dei materiali di scarto derivanti dal trattamento stesso.
- Abbiamo lanciato una linea dedicata alla pietra naturale, la Natural Stones Masutti.
- Oggi presenteremo una campagna di



COME FUNZIONA

Per ogni imballo che ci verrà restituito, riconosceremo un valore di 10€.

Al raggiungimento di 10 imballi resi, ti consegneremo un **buono di 100€**, da spendere sul tuo prossimo ordine in Masutti Marmi.





Reused wastewater treatment

2022

-17.49%

2023

-66.99%

2024 (goal)

-85.00%

As stated in last year's edition of the Sustainability Report, thanks to a special closed-loop purification plant, Masutti processes water used during stone slab processing to reuse it for other production cycles (approximately for one year).

Contrary to 2022 when the percentage of disposed water decreased 17.49% compared to 2021, in 2023 this percentage increased, bringing the result to about -67%.

We consider this figure quite an excellent effect of the purification processes adopted by the company. For the upcoming year, we want to raise the bar even higher: we wish to improve the achieved result even more, with the ambitious goal of reaching -85%.





Garbage disposal

2022

100.00%

2023

100.00%

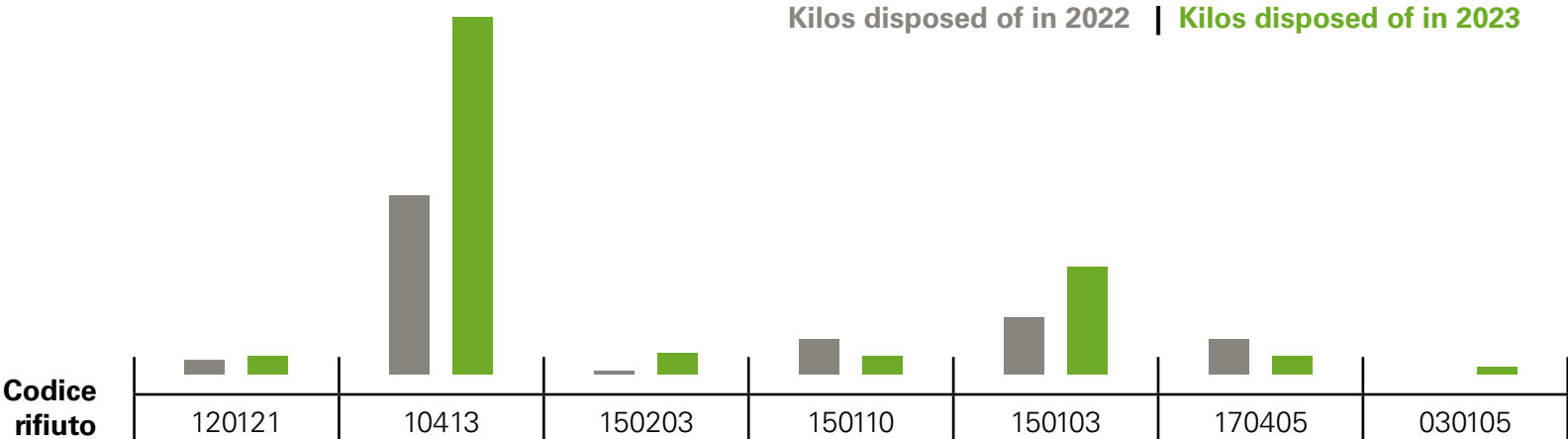
2024 (goal)

100.00%

Ecology-wise waste disposal represents one of the greatest challenges of our time. In Italy, Article 184 of D.Lgs. 152/2006 sets the norms for waste management and provides it must be carried out under the principles of precaution, prevention, accountability, efficient use of resources, and protection of health and the environment. The law specifically requires waste to be collected separately and disposed of at authorized facilities. Also in 2023, like in 2022, Masutti experienced an 86.21% increase in the production of waste. More specifically, we

highlight a considerable increase in CER code 010413 (wastes from stone cutting and sawing, other than those in 010407) a data that has practically doubled compared to 2022.

The growing production of waste is certainly related to the manufacture of increasingly articulated and complex objects in terms of technique and design, which require very detailed processing and consequently the generation of more processing waste that, as stated later in the continuation of the paper, is recycled internally.





Garbage disposal

2022

100.00%

2023

100.00%

2024 (goal)

100.00%

Yet this is not the only reason and possibly not the most important.

The increase is especially related to the full rearrangement of the slab storage warehouse. This initiative strongly desired by Masutti's management aims at optimizing both warehousing and logistical performance. By doing this, outdated and unusable materials were removed. Concurrently, we obtained more space for storage, thus maximizing the handling and organization of the materials while improving neatness and safety at picking/unloading. The result is an environment that boasts a very high level of operational efficiency.

Accordingly, the material set to be disposed of was dumped, and taken to the landfill under strict control and in full compliance with the procedures provided and regulations in place. Packaging containing residues of or contaminated with hazardous substances (code 0150110) together with iron and steel declined by contrast.

Masutti goal for 2024 and for the future more generally, however, is to continue implementing appropriate solutions for optimal refuse management, specifically in connection with the recovery and disposal of different types of waste. The proper rubbish disposal and recovery is based on the adoption of conscientious waste sorting, in strict compliance with national and EU regulations.

In this regard, Masutti, at the end of 2023, developed a new project to reduce material waste by reusing it to create new

products. Specifically, kitchen cutting boards that were then gifted during the Christmas holidays (for more details on this, please refer to reading the section TERRITORY AND CUSTOMER AWARENESS).

A first concrete example of a circular economy applied in Masutti that represents a production model aiming at extending the life cycle of materials and reduce waste production, through sustainability-driven choice.



System certification

2022

Upkeep

2023

Upkeep

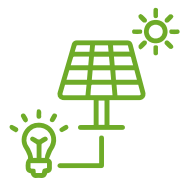
2024 (goal)

Renewal

Periodic ISO monitoring audits took place at the end of November 2023. These are an important part of maintaining our ISO 9001 - ISO 14001 - ISO 45001 integrated management system.

The audits were conducted by an external agency and positively assessed the compliance of our SGI with the requirements of applicable laws, and demonstrated our ability to apply the established statutory criteria consistently and smoothly within our business processes and to systematically achieve the company's intended goals.





Self production from renewables

2022

58.00%

2023

63.00%

2024 (goal)

60.00%

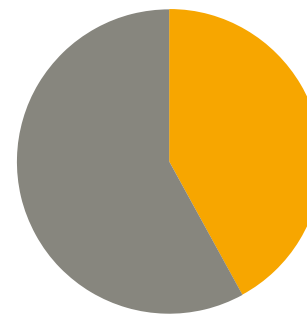
The internal analysis conducted on energy production in 2023 shows a substantial increase in energy generated from renewable sources, increased by 5% compared to the 2022 result. This led to substantial economic savings, quantified as 22,939.74 € (-34.49%).

Therefore, the photovoltaic panels installed on the roof of the Masutti plant, which we take advantage of, are effective and efficient. This is an added value that not only allows us to take advantage of potentially inexhaustible energy sources but also because no harmful substances are released into the atmosphere, no greenhouse gases are produced and no polluting waste is disposed of, making us largely independent from the national grid.

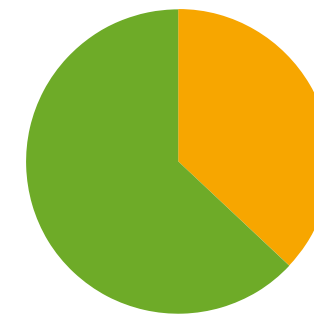
This is an excellent achievement both in terms of financial savings and environmental protection.

In 2024 we hope to replicate and possibly improve the 2023 result. Yet, we are well aware that such is directly related to the weather conditions and not by our will. On our side, we will put all our efforts into keeping the infrastructure so as not to cause inefficiencies. Indeed, routine and regular maintenance of the facilities is key to ensuring their operation and safety and becomes a real strategy for streamlining consumption and reducing environmental impact.

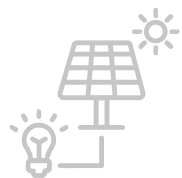
2022



2023



- % Self production from renewables year 2022
- % Self production from renewables year 2023
- % Purchased from the energy supplier



Self production from renewables

2022

58.00%

2023

63.00%

2024 (goal)

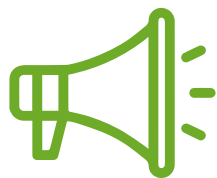
60.00%

As noted in the 2022 report, Masutti has chosen to rely on Dolomiti Energia for the supply share not covered by self-production. The Supplier provides an energy fuel mix that is 100% sourced from renewable sources, and certified with Guarantees of Origin.

The 2023 Altroconsumo ranking for energy and gas suppliers, placed Dolomiti Energia in 3rd and 4th place respectively. Another reason to make us satisfied with our choice is that shows once again that we have opted for a provider with high standards of sustainable quality.

On energy saving, again, there is a further good practice of Masutti employees: turning off all lights when leaving the company for lunch break has now become an automatic behavior. Waste in companies is just quite common and the environmental impact of the activities that take place in workplaces daily is remarkable. Environmentally sustainable behavior provides for the optimization of energy savings and the cancellation of waste. Although simple and seemingly obvious, at the end of the year, this action leads to good results in terms of energy savings, precisely.





Territory and customer awareness

2022

2 channels

2023

5 channels

2024 (goal)

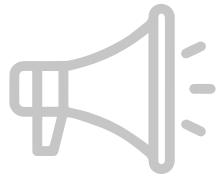
6 channels

The channels reported in the previous edition of this document remain active: the Company Profile, drafted in 5 languages that are shared in print and digitally, and uploaded to our institutional website, and Social Media Communication. There are also our newsletters, now more structured than in the past and periodically sent to our actual and potential clients to keep them updated about news, initiatives of the period, and important communications related to specific activities or departments.

This way our members are maximized in loyalty and even if they do not purchase goods and services immediately, they still generate positive word of mouth on the company, its business, vision, and mission.

At the end of 2022, we introduced at the Corporate Summary which is now drafted and spread more intentionally. It summarizes the key information included in the project plan that is forwarded quarterly to our investors and lenders. It covers a variety of topics, including general information about the company, also on products and services; evolution of business, turnover, and order intake; increase in market share; a clear financial statement and future goals.





Territory and customer awareness

2022

2 channels

2023

5 channels

2024 (goal)

6 channels

At the same time, we have taken steps to prepare the first Masutti Sustainability Report. We believe that we are forward-looking and, as such, since we consider the ESG Report an important visibility tool for the benefit of our business, we decided to draw it up and present it to our stakeholders, while being aware that the document is not yet mandatory. We wanted to tell a wide-range story, demonstrating our business efficiency from economic, environmental, and social perspectives, that is, the real impact of the company on the territory and the community.



A brand new initiative for 2023, the “Eco Christmas”

Merry Eco Christmas!

A Christmas rich in happiness and poor in bad habits.

Filled with joy and poor in waste.

A shining Christmas but with fewer bright lights.

A Christmas of conscious choices for us and the environment.

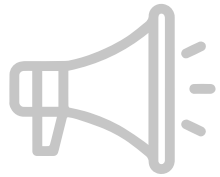
The magic of Christmas is in our hands, dependent on our choices.

This is our wish

Make it echo among family and friends.

You won't regret it!

The purpose was certainly to raise awareness among our stakeholders for an increasingly zero-waste future and spur everyone's sense of responsibility and civic duty toward the adoption of good practices that can contribute to the well-being of the planet.



Territory and customer awareness

2022

2 channels

2023

5 channels

2024 (goal)

6 channels

The 2023 Christmas gifts for our customers are also in this perspective.

Giving new life to products and materials we were about to throw away. Just by using a little inventiveness, we turned them into something new and useful.

It is a small gesture for a big goal: our own contribution to the conservation of the environment.

This is the spirit of our initiative. The creation of a new product from waste materials. This is not only a thinking approach, but a genuine open invitation to reconsider the way we embrace the environment.

In 2024, we plan to add a new channel.

For the upcoming 2024, we will add a new outreach channel: a TV interview of our Sole Director Pol broadcasted on a national private broadcaster. The interview will air as part of a program on companies in the area and the host will discuss with Pol on issues concerning Masutti's business which will be the focus of the chat, including video contributions.





Transportation

2022

71.00%

2023

78.00%

2024 (goal)

80.00%

Just like in 2022, 2023 again saw an increase in the number of deliveries made directly by the company, accounting for 78% of the total, scoring +7% over 2022 and +11% over 2021.

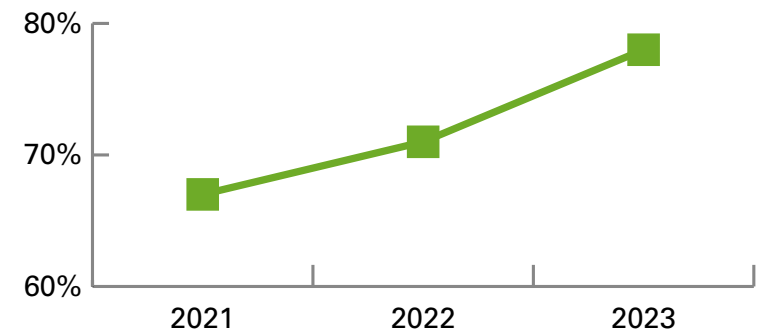
This result clearly shows that our professionalism, timeliness, and effectiveness are recognized.

However, safety is another important topic to evaluate. Our reliability is also assessed by our ability to ensure optimal conditions of service delivery, in terms of load security.

Our goods are transported and delivered safely and by appropriate means, with due regard for the value of the goods.

An important detail that should not be underestimated is also the vehicle fleet, which is modern and efficient and meets European regulations in terms of CO₂ emissions.

The 2024 goal is to overcome the good performance of the previous year, by reaching at least 80%, perhaps by further improving delivery schedules, both in terms of time and route.





SUSTAINABILITY REPORT 2023

Social criteria

Social

Snapshot | Social



Economic value distributed to stakeholders
5,080,471 €



Employees
18



New hires in 2023
9



Female share
22.20%

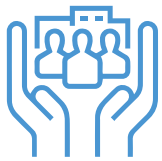


Employees nationality
3



Employees average age
44.9 years

Snapshot | Social



Corporate welfare
5 benefits



Total injury rate
0.01%
on overall worked hours



Training provided
326 hours



Inbound/outbound training
32 technical insights



Economic value distributed for territorial development
and contribution
22,239 €



Release of information in the territory
7 channels



Economic value distributed to stakeholders

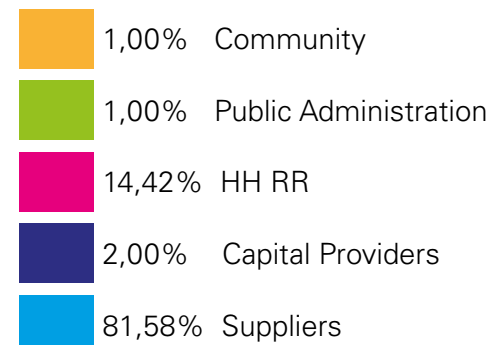
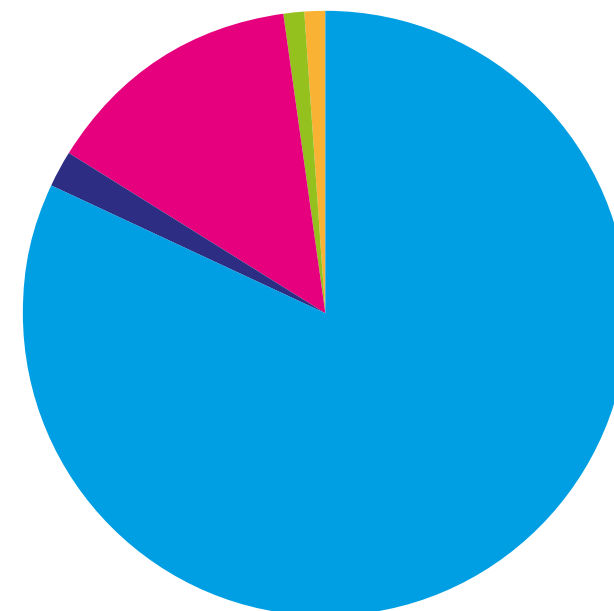
2022
4,673,099 €
2023
5,080,471 €
2024 (goal)
5,000,000 €

The overall picture of the economic aspects related to the company's activities is highlighted through the economic value generated and distributed, which can be defined as the wealth created by the company in carrying out its activities.

The chart provides a clear picture of how economic value is distributed by the company to its stakeholders, such as suppliers, employees, lenders, the community, and the public administration.

In FY 2023, the main recipients of this value were suppliers, who received 80% of the total value distributed along with human resources, who were given 15% of the total. Both values confirm the 2022 trend.

As of now, it is difficult to make a reliable forecast for 2024, which is related to and dependent on the development of sales and therefore turnover. The expectation is at least to match the 2023 result, but everything is linked to the evolution of the industry market.





Employees

2022

19

2023

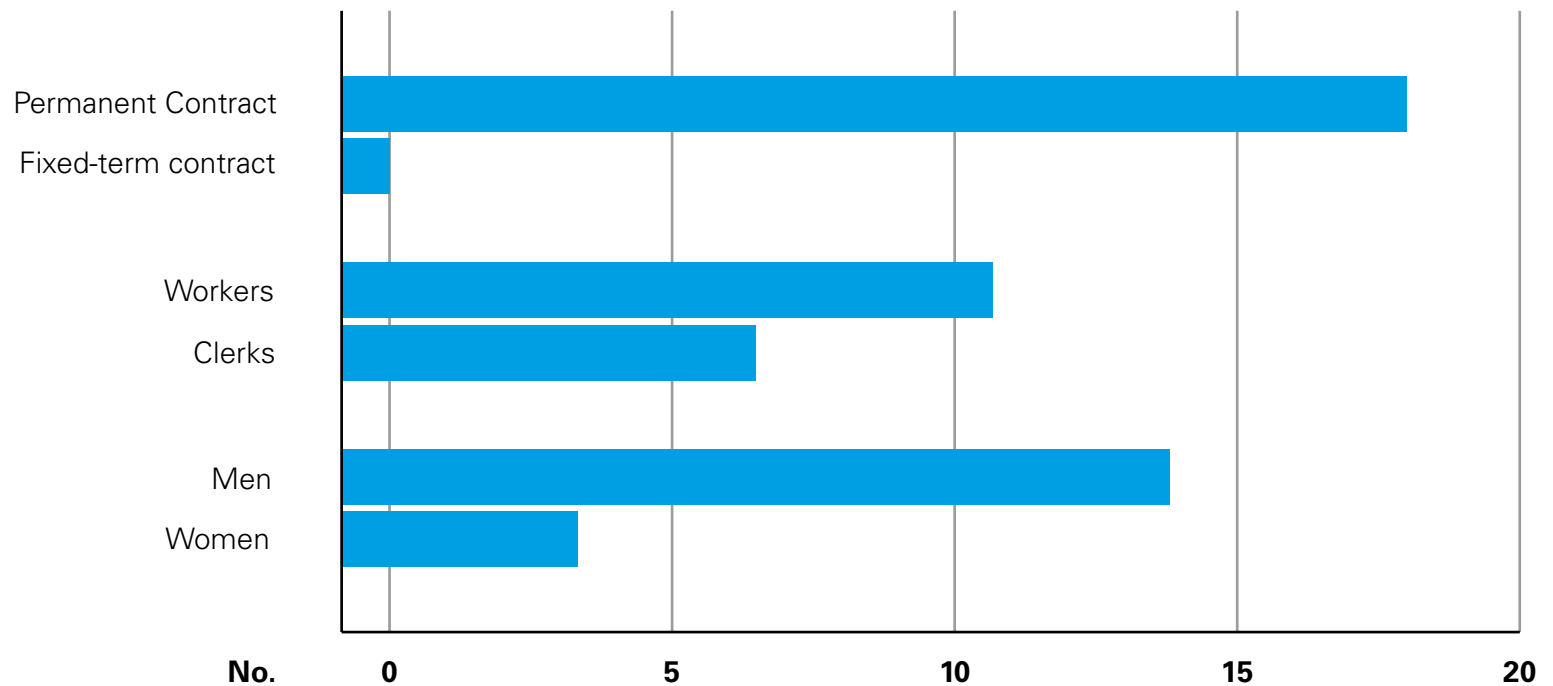
18

2024 (goal)

21

As of December 2023, the company had 18 employees, all of them with long-term contracts.

Out of the total number of workers in Masutti, 7 are employees (38.9%) and 11 are workers (61.1%). The pink quota is 22.2%





New hires in 2023

2022

6

2023

9

2024 (goal)

3

Compared with the previous year, in 2023 there were several changes to the Masutti workforce.

Over the year under review, there were 9 new hires. 4 led to subsequent voluntary resignations by the newly hired employee while one employee's contract was not renewed. In addition, at the beginning of the 2nd semester, one of Masutti's historical employees resigned targeting an early retirement.

It is quite a significant staff turnover, but we consider it perfectly physiological: the natural process of entry and exit of employees.

However, we underline the great satisfaction of the newly hired employees, who are well aware that they have growth and development opportunities in conjunction with the potential to gain new experience and skills in their work.

The beginning of 2024 will feature the entry of 3 additional new professionals, two to be placed in the production department and one in the transportation department. Specifically, regarding the latter, given the part-time position of the delivery employee, it was decided to hire a person to ensure a full-time presence.





Female share

2022

16.00%

2023

22.20%

2024 (goal)

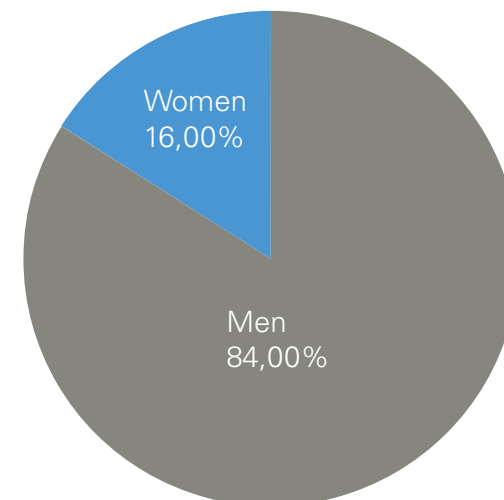
22.00%

In 2023, the female component accounts for 22.2% (an increase of +6.2 percent from 2022) of Masutti's total employment.

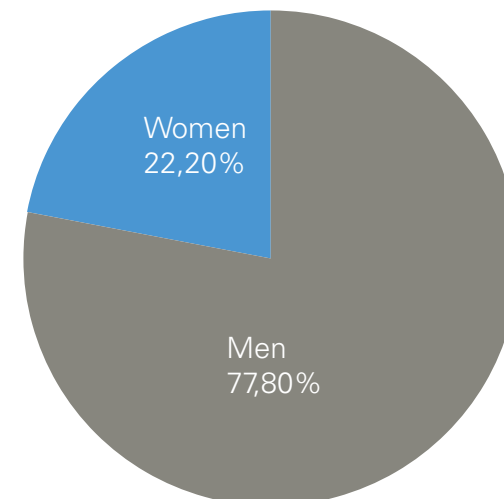
Two of them are employed in the administrative department, one in the sales and one in the production department, at the finishing counter, which is certainly an innovation for the stone industry.

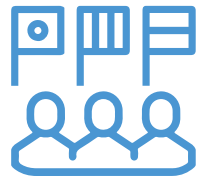
The 2024 goal is to keep Masutti's pink quota unaltered.

2022



2023





Employees nationality

2022

2

2023

3

2024 (goal)

5

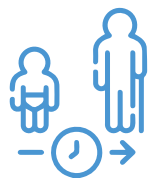
Masutti Marmi company is increasingly multicultural. The ethnic groups present within the organization rise to 3: Italian, Macedonian, and Nigerian.

"A challenge as well as an opportunity" the S.D. Pol says.

"A challenge because we deal with people and cultural understanding and integration on multiple levels. An opportunity because cultural diversity allows us to broaden our cultural horizons and bring an added value to the work team in terms of plurality of perspectives, development of new ideas and building of critical thinking."

Bearing in mind that the Masutti management plans 3 new hires for 2024, it is not ruled out that these may all involve foreign nationals since we believe that a multicultural team can be one of the company's strengths.





Employees average age

2022

49.8 years

2023

44.9 years

2024 (goal)

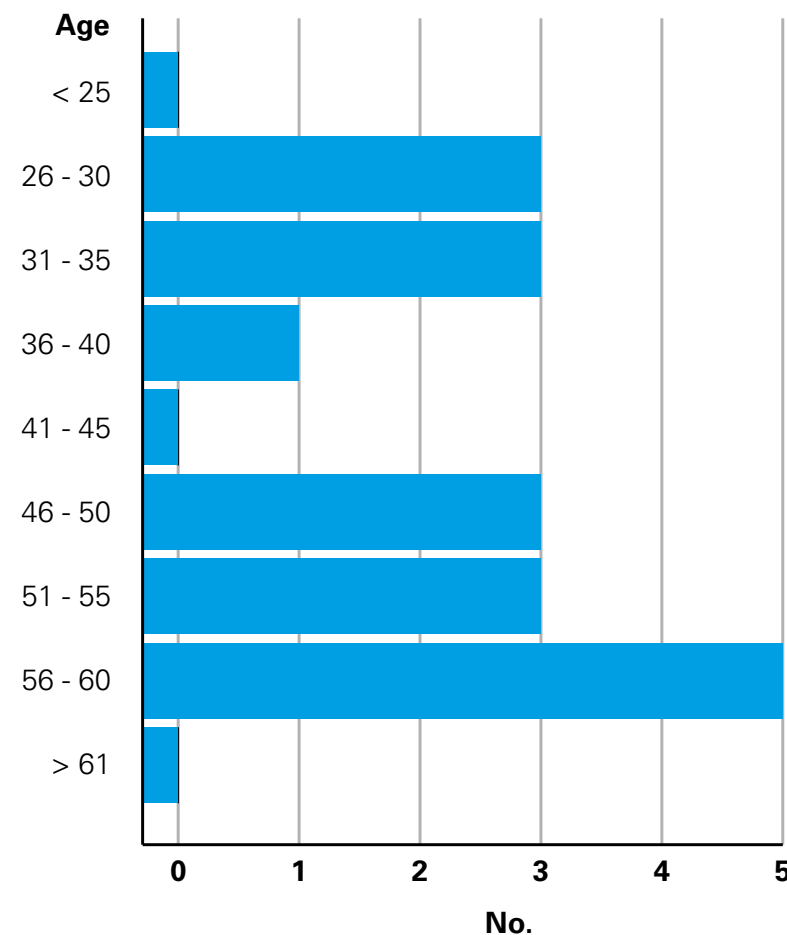
44.0 years

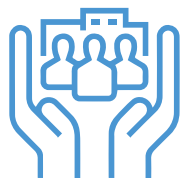
The aging of the workforce is one of the challenges that major industrialized economies are facing in the new century. Although this phenomenon is already clearly visible in Italy, Masutti is reversing its internal process, changing from an employees' average age of 49.8 in 2022, to an average of 44.9 in 2023. This is due to 4 new hires, which lowered the average age by 5 full points.

Being a multi-generational workforce, Masutti can create a significant competitive advantage by improving the continuity and stability of the workforce and fostering the transmission of knowledge.

Masutti's intention for 2024 is to continue the positive trend of the last few years and lower the average age of its employees.

Surely the goal is not easy, since it is in absolute contrast to the general trend of the labor market. Yet, in view to the product sector in which we operate and the working conditions we offer (work organization, training, environment, safety, etc.), we are confident we will succeed in our purpose.





Corporate welfare

2022
3 benefits
2023
5 benefits
2024 (goal)
6 benefits

Masutti staff already enjoyed 3 benefits in 2022:

- Daily fresh fruits
- 2nd break from work
- Time flexibility for the lunch break

In 2023, another one was added, the meal expense contribution.

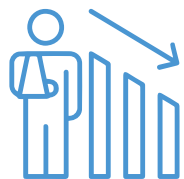
For those employees who, at lunch, cannot go home due to distance-related reasons, the company voluntarily used to grant a daily amount of 5.29 €, which is paid monthly in payroll. The past tense verb is not a mistake. In fact, back in January 2024, this was revised and further improved: the company has decided to fully bear the cost of the meal.

All employees who will make use of this benefit will have 100% of the amount recognized. The canteen will be completely free of charge.

On the other hand, all employees who do not make use of the canteen service every three months will be given a 100 € prepaid card to provide the same treatment as users of the canteen.

Last but not least, the fuel vouchers 100 € each. These were given to all its employees as a Christmas gift from the owner. A fringe benefit particularly appreciated by all the staff.





Total injury rate

2022

0.00%

2023

0.01%
on overall worked
hours

2024 (goal)

max 1.00%
on overall worked
hours

In 2023 there were 5 occupational injuries, however all of them of temporary disability.

While the figure marks a growth in the number of claims incurred by Masutti personnel compared to the previous year, we consider that for our reality the overall trend is substantially positive, since no injuries record permanent disability.

Most certainly, said accidents urge us to keep the focus on occupational safety at all times, to enable us to analyze and optimize the situation and thus have the chance to accurately assess the effectiveness of the safety policies implemented so far. Likewise, prevention, awareness and training work will continue unabated.

We hope that in 2024 we will limit the accidents under the 1.00% threshold. Of course, we always try to avoid them by enforcing precise internal prevention and behavior regulations.





Training provided

2022

181.5 hours

2023

326 hours

2024 (goal)

Minimum 300 hours

In an environment where change happens daily, corporate training is key to allowing the company to stay competitive. Appropriate training, in fact, allows on the one hand the professionalism of employees while making the company confident that internal skills are always up-to-date and of a high standard.

Masutti strongly believes in staff training and in 2023, it has invested in it to promote and improve the professional and non-professional growth of its staff as well.

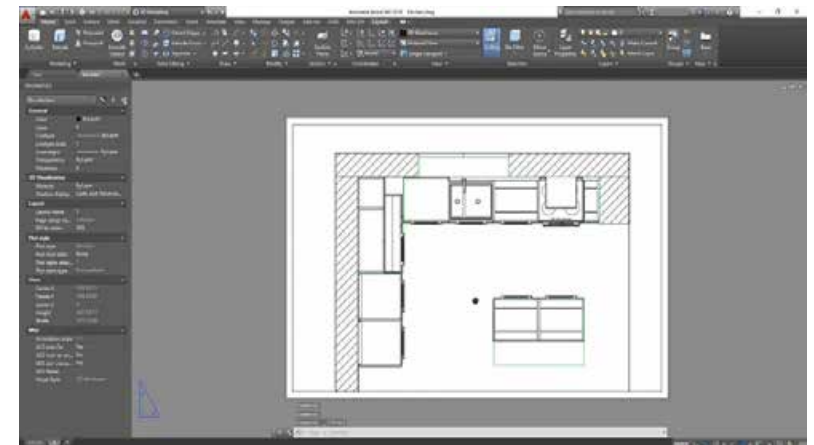
In the year under review, we count 326 hours of training provided, a 79.6% increase compared to 2022.

There are many topics covered in the training courses attended by employees Masutti: training in fire prevention, high- and low-risk occupational safety, worker safety in confined or pollution-suspected environments, emergency trials and simulation of environmental emergency management, specific update training, trials for cleaning certain machinery, introduction to the use of CNC machines because of interchangeable roles within the department.

We also think it is important to point out that some employees from production took part in a training course for Autocad use. The sessions were aimed not only at operators who already use the software and therefore already have mastered the program and only need to fine-tune their knowledge but they were also directed to beginner personnel to learn how

to use the application from the start and acquire the skills to operate with two-dimensional drawing.

For the coming year, the goal is to maintain the same level of training delivered in 2023, with courses to learn new expertise, professional upgrading, and skill retraining for a total of no less than 300 hours/year.





Inbound/outbound training

2022

29

technical insights

2023

32

technical insights

2024 (goal)

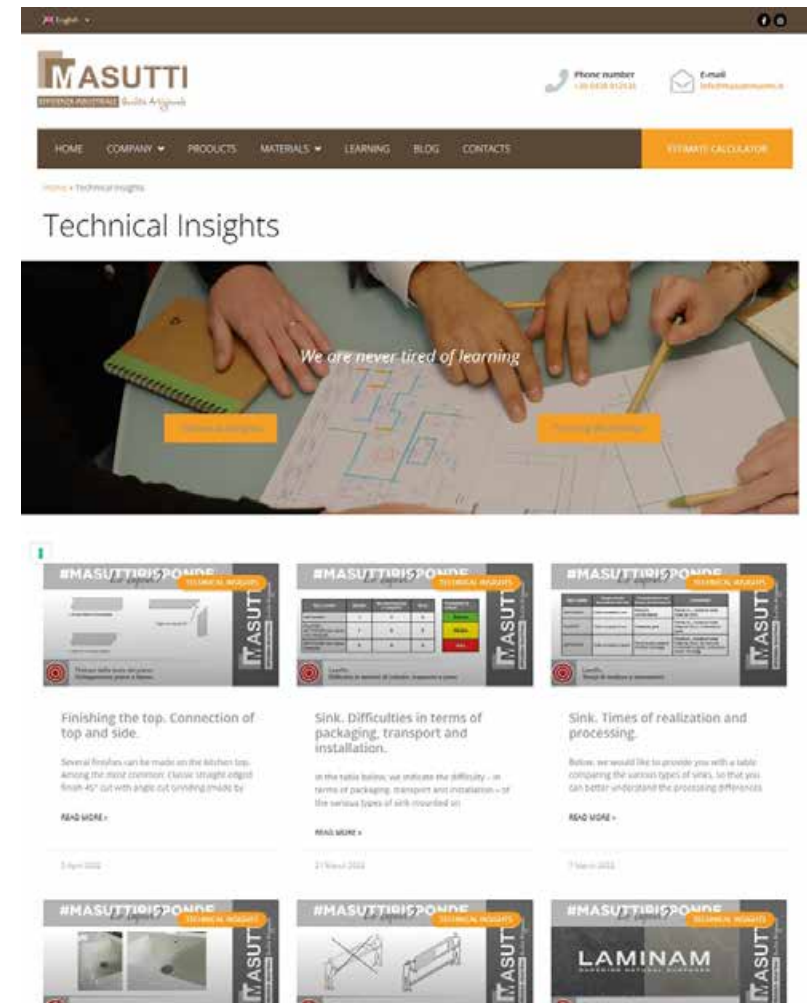
Minimum 30
technical insights
+ upgrading courses

In Masutti training and outbound courses are captioned Technical Insights. A series of brief information on highly prioritized topics and periodically spread through our newsletter.

Lots of interesting content that helps those in the industry with material selection, design, sales, packaging, transportation, handling and installation of products, cleaning and maintenance, after-sales service, and more. These notions are also posted on our website for the benefit of our followers' consumption.

In addition to said technical insights, with a view to outbound training in 2023, Masutti had the opportunity to participate in a very special event organized by Atlas Concorde Studio Milano at the Fuorisalone during Design Week. An evening of discussion and exchange on the future of architecture and design. During the talk, intended for architects, designers, and industry professionals, Diego Pol, our CEO, and Robin Rizzini, founder of Robin Rizzini Industrial Design, shared their perspectives and know-how in their respective fields to frame together the importance of research to design experience and consequently spaces and objects.

In 2024 Masutti intends to continue sending informative Technical insights to customers, replicating the same number as last year (minimum 30 communications). This will be complemented by the provision of targeted support and training





Inbound/outbound training

2022

29
technical insights

2023

32
technical insights

2024 (goal)

Minimum 30
technical insights
+ upgrading courses

courses, organized in cooperation with several client companies.

Courses aim at the maintenance and further development of technical skills in the industry for the staff involved, along with seminars to provide more in-depth technical and non-technical information on the stone world, such as the choice of one material over another, the technical features of each, processing practices, correct methods of transportation, assembly, care and maintenance, and much more.





Economic value distributed for territorial development and contribution

2022

20,000 €

2023

22,239 €

2024 (goal)

10,000 €

Masutti Marmi has always invested in the surrounding area, and promoted social, cultural, and environmental interventions.

The company promotes the development and cohesion of the communities where it operates to create social as well as economic value, by acknowledging the centrality of the stakeholders and their needs.

Therefore, the company is constantly engaged in a direct and continuous dialogue with the surrounding community by actively participating in its growth.

In 2023, Masutti activated/confirmed several sponsorships aimed at the artistic and cultural sphere and sports:

- the 22nd edition of the “Festival Burattini e Marionette” in Colle Umberto, an international Figure Theater event
- the 23rd edition of “MotoProsecco,” a bike ride addressed to all lovers of motorcycles and good wine in the magnificent setting of hills of the Treviso area
- contribution in support of the Associazione Sportiva Dilettantistica Falcons Basket Vittorio Veneto

Surely in 2024 there will be a lower economic investment on this chapter, since we forecast a contraction of sales in the stone sector compared to 2023.

Nevertheless, Masutti confirms also for the coming year, its interest in participating and supporting initiatives for the promotion and appreciation of the territory and its peculiarities.





Release of information in the territory

2022

4 channels

2023

7 channels

2024 (goal)

5 channels

Sponsorship initiatives not only aim to actively demonstrate the commitment of the company in the social, sports and cultural spheres but also to strengthen the community's knowledge of Masutti, raising its notoriety, name, and image.

In addition to this channel, Masutti maintains constant contact with its stakeholders and the territory through social media (Instagram and YouTube). Following digitization, the virtual world is a reality in its own right, existing in parallel with the physical world: its range is so wide that it involves people globally.

Being on the web is therefore essential for making yourself known and have greater visibility.

In 2023, Masutti increased its presence in some local periodicals (both print and web versions) and published several advertorials. Among them:

- 8 issues in "Il Quindicinale," a magazine of information, culture and leisure in the Alta Marca Trevigiana region
- 3 in "Il Piave," a journal distributed mainly in the Triveneto region
- 2 in "Atelier," refined magazine on style, which stands out in the world of lifestyle, living and home in the Northeast
- 1 in "Il Corriere del Veneto," a daily newspaper as the Veneto branch of Corriere della Sera
- 1 in "Veneto Magazine," a magazine created to highlight the most striking and exclusive locations and excellences of the Veneto region.

Atelier

Scolpire nuove storie

Chiostro Masutti: nelle donne tra mortale e scarpello, tra artigianato e tecnologia, prendono vita componimenti d'arredo timeless

Questa l'esperienza artistica basata in spazi dedicati al design. L'idea è di creare un luogo dove l'arte e il design si incontrano, dove l'artigianato e la tecnologia si fondono. È un progetto che mira a creare un ambiente dove l'arte e il design si incontrano, dove l'artigianato e la tecnologia si fondono. È un progetto che mira a creare un ambiente dove l'arte e il design si incontrano, dove l'artigianato e la tecnologia si fondono.



18 - Realizzazione: Chiostro - Immagini e Grafica - Realizzazione

We maintain a direct weekly connection with our customers by dispatching our newsletter, to communicate with them, keep them up-to-date, intercept their needs, and provide them, as quickly as possible, with an answer or solution to their needs.



Release of information in the territory

2022

4 channels

2023

7 channels

2024 (goal)

5 channels

Quality content to foster the relationship with the actual or potential customer, aiming not so much at the creation of a relationship focused on immediate sales as on the growth of a long-lasting relationship.

2024 will be marked by a lesser involvement in magazines and newspapers, because as referred to in the chapter TERRITORY AND CUSTOMER AWARENESS - we have decided to approach TV communication since being a mass media, we consider it a most valuable resource for the dissemination of information.

Despite the great change in communication following the rise of social networks, we believe that television is still able to guarantee extremely positive results in acquiring potential new customers and keeping existing ones loyal thanks to the creation of an emotional connection with consumers and therefore generating trust in them.

And last but not least, we must remember that television is primarily about images. An interview gives relevance to the human aspect, tells a story, communicates values, highlights the brand and corporate assets, and can even cause emotion. None of these topics shall be unheard.

CORRIERE DEL VENETO





SUSTAINABILITY REPORT 2023

Governance criteria

Governance

Snapshot | Governance



Corporate structure in terms of responsibility and management
100.00% Cesaf



Revenue
3,023,637 €



Revenue growth 2021- 2022- 2023
+2.60%



EBITDA
8.00%



Legality rating
★ ★ +



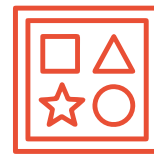
Export drive
8.30%
Incidence on 2023 revenues



Product destination countries
7 direct



Market diversification
5 areas:
Kitchen tops, Furnishing tables, Cladding Slabs, Tiles, Objects, Bathroom furniture



Product diversification
Kitchen Top 93.2% | Furnishing Tables 3.3%
Cladding Slab 0.4% | Tiles 0.6% | Objects 0.1%
Bathroom Furnishing 2.4%



Corporate structure in terms of responsibility and management

2022
100.00% Cesaf
2023
100.00% Cesaf
2024 (goal)
100.00% Cesaf

Masutti Marmi e Graniti S.r.l. is wholly owned by the company Cesaf S.r.l.

At the end of 2023, the share capital was 154,000.00 € fully paid in; the increment of the share capital to € 569,000.00, through a contribution of 415,000.00 €, is already planned for the beginning of 2024.

In September 2023 Cesaf's minority shareholder Achille Pol, brother of Diego Pol, passed away; yet he had no role in the management of Masutti Marmi. The succession acts have not yet been completed, so - as of Dec. 31, 2023 - the corporate ownership of the Parent Company was unchanged. Consequently, Masutti corporate structure at the end of 2023 stays the same.

Masutti governance is again entrusted to Sole Director Diego Pol, vested with the broadest powers for the ordinary and extraordinary management of the company.





Revenue

2022

2,948,242 €

2023

3,023,637 €

2024 (goal)

2,720,000 €

Masutti Marmi closed the 2023 fiscal year with a value of "revenues from sales and services" of 3,023,636.78 €, a +2.6% over the previous year.

While the increase is smaller than in 2022, the percentage is still growing, an indication of how effectively the company is generating revenue through the strategies put in place.

However, the prolongation of the Russia-Ukraine conflict, the extent of its effects on energy and raw material costs, the increase in inflation, and the inevitable reduction of consumption forecasts are the elements that will mark the 2024 revenue result, which we expect to be around 2,720,000 €.





Revenue growth 2021 - 2022 - 2023

2022

+34.50%

2023

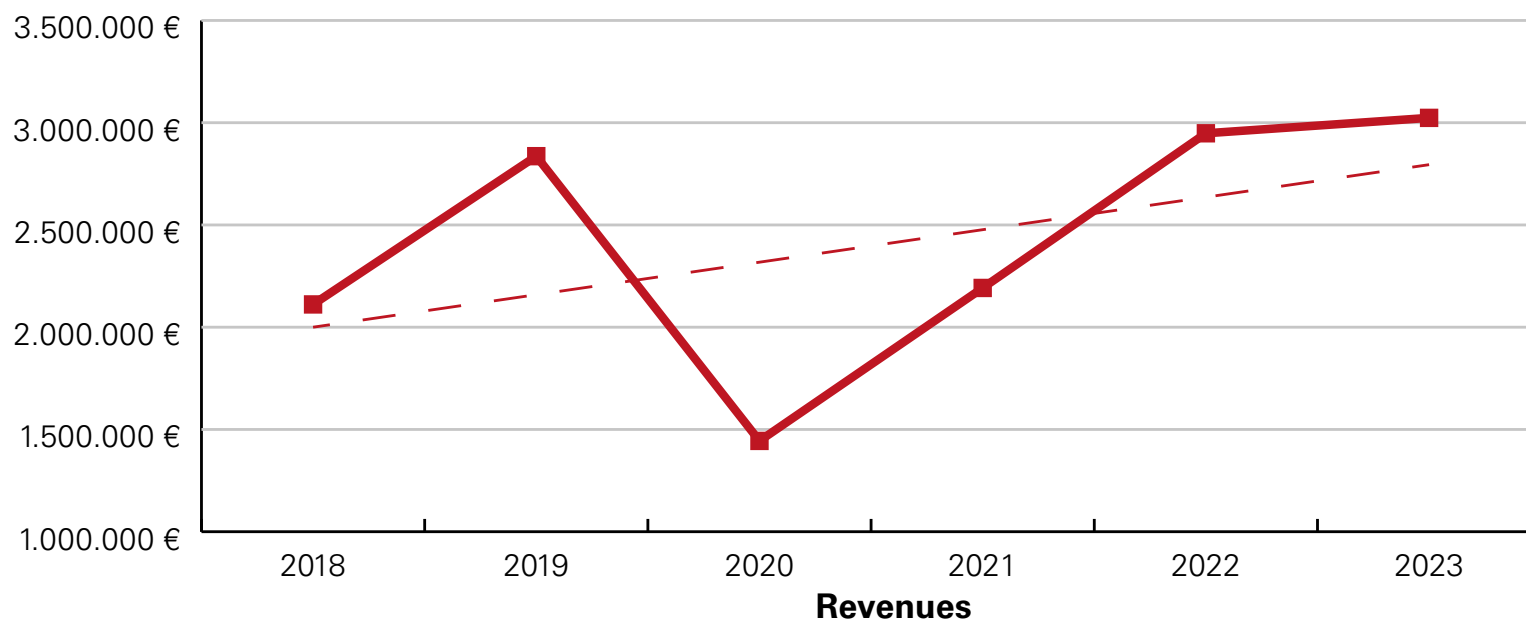
+2.60%

2024 (goal)

-10.00%

As highlighted in the previous chapter, 2023 records a 2.6% increase in revenues over 2022, marking a steady growth in the post-Covid era.

However, considering the world scenario and the decelerating market trend, according to internal forecasts 2024 will be marked by a contraction in revenues, which we estimate to be around 10.0%





EBITDA

2022

5.70%

2023

8.00%

2024 (goal)

10.00%

EBITDA 2023, an indicator that shows the company's income based only on its operations, marks an improvement over previous years, with +2.3% over 2022 and +5.6% over 2021.

For 2024 our target is a further improvement of the indicator, which we plan to raise to 10.0%.





Legality rating

2022

2023

★ ★ +

2024 (goal)

★ ★ +

In August 2023, the company, formally applied for the issuance of the Legality Rating certification, a concise indicator of compliance with high standards of legality and, more generally, the degree of attention placed on the proper management of the business.

Recognition takes the form of a score between a minimum of one and a maximum of three stars. The applicant enterprise gets the base score ★ provided that it meets all the requirements outlined in Article 2 of the Implementing Regulations. The base score may be increased by one + for each additional requirement met among those listed in Article 3 of the Regulations. The achievement of three + results in the awarding of an additional star, up to a maximum score of ★★.

Toward the end of September 2023, Masutti Marmi e Graniti received the official communication from the Italian Antitrust Authority AGCM, which awarded us a Legality Rating of ★★+. As a result of the award, Masutti is now included in the list of companies with Legality Rating provided for in Article 8 of the Awarding Regulation, under No. RT19437.

Considering that the Legality Rating lasts two years from its issuance, 2024 will be a year dedicated to maintaining the requirements (both mandatory and rewarding) stipulated in the Implementing Regulations, and then applying for the renewal in 2025.

*Autorità Garante
della Concorrenza e del Mercato*

Rif. RT19437

Spett.le
MASUTTI MARMI E GRANITI S.R.L.
in persona del legale rappresentante p.t.
masuttimarmi@legalmail.it

COMUNICAZIONE VIA PEC

OGGETTO: richiesta di attribuzione del Rating di legalità, ai sensi dell'art. 2, comma 1, del Regolamento adottato dall'Autorità Garante della Concorrenza e del Mercato con delibera n. 28361 del 28 luglio 2020 (di seguito, Regolamento).

Si comunica che l'Autorità, nella sua adunanza del giorno 26 settembre 2023, ha esaminato la domanda per l'attribuzione del Rating di legalità da Voi depositata in data 7 agosto 2023.

In base alle dichiarazioni rese, nonché all'esito delle valutazioni effettuate, l'Autorità ha deliberato di attribuire a MASUTTI MARMI E GRANITI S.R.L. (C.F. 02360560268) il Rating di legalità con il seguente punteggio: ★★+.

L'impresa sarà inserita nell'elenco previsto dall'art. 8 del Regolamento. Ai sensi dell'art. 6, comma 1, del Regolamento, il Rating di legalità ha durata di due anni dal rilascio ed è rinnovabile su richiesta.

Si rammenta, infine, che ai sensi dell'art. 7, comma 1, del Regolamento, l'impresa è tenuta a comunicare all'Autorità gli eventi che incidono sul possesso dei requisiti obbligatori, la perdita di requisiti premiali e le variazioni dei dati riportati nei propri certificati camerali rilevanti per il rilascio del Rating. La violazione di tali obblighi comporta l'applicazione dell'art. 7, commi 2 e 3, del Regolamento.

Distinti saluti.

IL SEGRETARIO GENERALE
Guido Stazi

Firmato digitalmente da
Guido Stazi
C = IT
Data e ora della firma: 27/09/2023
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Export drive

2022

8.00%
Incidence on 2022
revenues

2023

8.30%
Incidence on 2023
revenues

2024 (goal)

10.00%
Incidence on 2024
revenues

The advantages of trading abroad are appealing to anyone with a business, especially for those who offer an Italian product that is highly valued beyond national borders because of the Made in Italy label, just like us.

Regardless of the progress of technology, the World Wide Web, and social networks, thanks to which information travels within seconds around the globe and allows us to reach potential customers and collaborators from our headquarters, we believe that attendance to international exhibitions is still a strong asset to develop our export-related business. There are several benefits:



they allow you to make yourself known and gain visibility, they improve your image, they allow you to gain new contacts and connect with markets other than your home market, they strengthen your relationship with customers and suppliers, they ensure you keep up with the evolution of the market, anticipating trends, and they help you monitor competitors.

For these simple but indisputable reasons, in 2023 Masutti, directly and indirectly participated in several international events:

- **SALONE DI MILANO** (April 2023). The global benchmark for furniture and design. 1,962 exhibitors, more than 2,000 brands on display, 327 thousand visitors, and 223.2 million euros of induced revenue generated in the area. Although indirectly, Masutti was present at the event. Some of the exhibitors offered us the opportunity to be indirect protagonists by showcasing our new and exclusive Objects.
- **CERSAIE** in Bologna (September 2023), the International Exhibition of Ceramics and Bathroom Furnishings. Again an indirect but highly satisfying participation: our Client IdeaGroup gave us complete trust for the realization of all the artifacts on display at the show.
- **INOUT** in Rimini, the event dedicated to the contract and hospitality world. A marketplace combining 4 indoor and outdoor industry events: SIA Hospitality Design, Sun Beach&Outdoor Style, Superfaces, and Greenscape. This show acts as a catalyst for the contract and hospitality



Export drive

2022

8.00%

 Incidence on 2022
revenues

2023

8.30%

 Incidence on 2023
revenues

2024 (goal)

10.00%

 Incidence on 2024
revenues

supply world and takes place in Rome from Oct. 11-13, 2023.

- BOUTIQUE DESIGN in New York, a trade show dedicated to promoting design products for hotels, restaurants, spas and casinos, a must-attend event for hospitality and contract professionals. The U.S. hotel and retail sector might be considered the most important worldwide and is an attractive outlet market for furniture/contract products. The show was held in the Big Apple in November 2023.

As for 2024, we already planned the participation in MAISON ET OBJET in Paris (January 2024), one of the main events for the furniture and homeware industry, and to SURFACE DESIGN SHOW in London (February 2024), the event dedicated to surface materials innovation.

Also with the aim of increasing overseas marketing and with a view to internationalization, activities for the opening of the new showroom in Slovakia (Bratislava), scheduled to open in spring 2024, continue unabated.

It is also confirmed that there is an undoubted interest to enter other foreign markets, beyond those already involved in trade (for more information on this, please read the next section "Countries of product destination"): Japan, France, Belgium, Germany, America are currently our focus. In the

international stone trade scene, these markets appreciate Italian "savoir-faire".

In 2023, Masutti exports accounted for 8.3% of all sales, in line with the previous year. The expectation was certainly to increase the result achieved in 2022. However, we are not giving up; we strongly believe that the business strategies adopted will lead to the desired goals in 2024. For the coming year, we do anticipate Masutti exports to grow by 2%, to reach a 10.0% incidence on sales.



Product destination countries

2022

5 direct

2023

7 direct

2024 (goal)

7 direct

Export is one of the most attractive growth opportunities for companies worldwide. The expansion of the international market can offer many unique advantages that contribute to business success and strength. Certainly, foreign business relationships can be complex. Yet, it is important to be aware that there are difficulties to be recognized, analyzed, addressed and resolved, just as in any other industry and business.

In 2023, Masutti had commercial relations with 7 Countries: Luxembourg, Slovenia, the United Kingdom, Austria, Switzerland, Norway, and the Slovak Republic.

While in the eyes of most, the 2023 figure is only slightly higher than the 2022 figure (5 direct markets), landing in 2 new foreign markets is a good achievement from our point of view.

An environment so full of possible contingencies, like these today, it is important to have a strategic approach. Export cannot be improvised: it takes strategy, planning and business preparation. And all this takes its time.

The go slow but go far approach is the basis of our marketing strategy because we

believe it is crucial to avoid hasty investments in the hopes of immediately entering the market.

Exporting to foreign markets is certainly an area where we should invest, but at the same time, it is good to go prepared, so as not to risk the product fails to be as successful as hoped.

Also, we underlined that since we exclusively carry out B2B business, it is not always possible for us to know whom our Italian customers sell our products to. We are certain that we have landed - indirectly - in France, Germany, America and Scandinavian countries, but the number of foreign markets might be even higher. Therefore, declaring our products are selling in only 7 foreign markets might be reductive and not exactly correct.

For 2024, Masutti's goal is to maintain the result achieved in 2023, that is, to continue direct trade with at least 7 foreign countries.



It does not matter how slowly you go, as long as you do not stop.

Confucius





Market diversification

2022

4 areas:

**Kitchen tops,
Furnishing Tables,
Cladding Slabs,
Tiles**

2023

6 areas:

**Kitchen tops,
Furnishing tables,
Cladding Slabs,
Tiles, Objects,
Bathroom
furniture**

2024 (goal)

6 areas:

**Kitchen tops,
Furnishing tables,
Cladding Slabs,
Tiles, Objects,
Bathroom
furniture**

While Masutti continues to consider the kitchen its predominant market, it never turns its attention away from the possibility of entering other product sectors akin to the former. This has been the case in the furniture market with the realization of furniture and coffee tables and in the construction market thanks to wall cladding slabs and the resale of tiles.

Indeed, in 2023 was Masutti Marmi entered the market for bathroom furniture and furnishings elements.

Bathroom furniture The production of bathroom tops and cladding has officially started. In fact, we have consolidated our relationship with important Italian companies in the sector, who have repeatedly placed orders for bathroom furnishings in foreign markets as well. It is therefore a booming market that will surely bring great satisfaction. Orders quadrupled between Q1 and Q4 2023.

Furnishing elements. In September we presented the latest addition to Casa Masutti, which was developed in collaboration with HaftenStudio: the new Objects, a collection of furniture accessories in line with trending tastes and designs. These objects are sophisticated and appealing, with graceful lines and a simple but refined design that represents the union between craftsmanship and the innovation of industrial technology.



To be continued...



Market diversification

2022

4 areas:

Kitchen tops,
Furnishing Tables,
Cladding Slabs,
Tiles

2023

6 areas:

Kitchen tops,
Furnishing tables,
Cladding Slabs,
Tiles, Objects,
Bathroom
furniture

2024 (goal)

6 areas:

Kitchen tops,
Furnishing tables,
Cladding Slabs,
Tiles, Objects,
Bathroom
furniture

These exclusive, unmistakable objects do not just furnish, but tell a story of talent and high craftsmanship and are entirely made of Italian marble.

A few weeks after the launch, we noticed a huge success and appreciation for the collection among our actual and potential customers, also thanks to the introduction of the line at the trade fairs we attended and we consequently decided to expand the collection. We immediately started considering we elements.

For sure in 2024 we will be committed to maintaining the results achieved to date, and to consolidate (and possibly expand) the market share gained in each commodity sector.





Product diversification

2022

Kitchen Top 92.5%
Furnishing Tables 2.5%
Cladding Slab 2%
Tiles 3%

2023

Kitchen Top 93.2%
Furnishing Tables 3.3%
Cladding Slab 0.4%
Tiles 0.6%
Objects 0.1%
Bathroom Furnishing 2.4%

2024 (goal)

Kitchen Top 87.0%
Furnishing Tables 3.5%
Cladding Slab 0.4%
Tiles 0.6%
Objects 3.0%
Bathroom Furnishing 5.5%

As mentioned in the previous edition of ESG Reporting, in 2023 Masutti's product lines were:

- Masutti quartzs
- Resilienza Metropolitana - ceramic slabs
- wall cladding tiles and slabs
- furnishing and coffee tables, custom-made
- reconstructed sink (stainless steel sink completely covered with the same material used for the top) and the drain cover cap (a Masutti design- also made of the same material used for the top).

In 2024, the lines enriched with:

- bathroom top and sink
- the Everywhere equipped wall, a boiserie made of ceramic slab from Resilienza Metropolitana accompanied by several accessories in painted metal
- the Masked sink, a stainless steel tank whose side walls are covered with the same material as the kitchen top, while the bottom is left exposed
- Objects Collection, furniture accessories to adorn every space and environment
- Archimede by Masutti, the wireless charging device integrated into the worktop

Linea Quarzi





Product diversification

2022

Kitchen Top 92.5%
 Furnishing Tables 2.5%
 Cladding Slab 2%
 Tiles 3%

2023

Kitchen Top 93.2%
 Furnishing Tables 3.3%
 Cladding Slab 0.4%
 Tiles 0.6%
 Objects 0.1%
 Bathroom Furnishing 2.4%

2024 (goal)

Kitchen Top 87.0%
 Furnishing Tables 3.5%
 Cladding Slab 0.4%
 Tiles 0.6%
 Objects 3.0%
 Bathroom Furnishing 5.5%

Furthermore, both the Masutti Quartz and the Metropolitan Resilience collections were enriched with 2 new colors each, making the range even more plentiful.

Many more new items are planned for 2024!

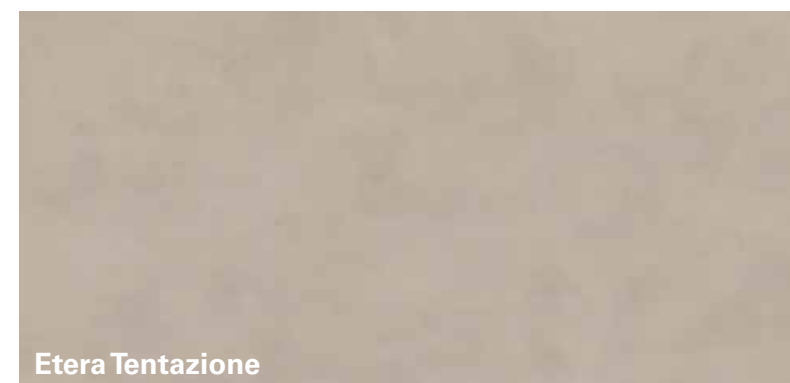
Many collaborations have arisen from our participation in trade fairs. We are convinced that soon they can be the springboard for the realization and marketing of other new products.

Here are a few practical examples:

- together with an award-winning U.S. architect, we are developing and designing a line of bathroom and living objects for the U.S. market;
- we are working on a project to launch a new perfume for a major Italian company and the marble display prototypes are being studied.

For the reasons above and because of the business strategies adopted by the company, it is plausible to assume that in 2024 there will be an increment in the bathroom furnishing and object sectors with a consequent increase in the percentage value per each type of product in the Made in Masutti range.

Resilienza Metropolitana





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