



FLIP TURN

ACCELERATING
OUR SUSTAINABILITY
EVOLUTION JOURNEY

FY22 Arena S.p.A. Sustainability Report



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LETTER FROM PETER AND GIUSEPPE

Dear All,

When Arena was founded in 1973, we were driven by a simple yet powerful mission: to inspire a lifelong love of sports and passion for water. We exist to deepen the connection between people and water and support them to be at their best. By fostering water sports and communities worldwide, we strive to promote well-being, purpose, and environmental stewardship through a shared love of swimming and the feeling of freedom found in the flow of water. Our mission is to unite performance, passion, innovation, and sustainability to create a future as deep and boundless as the sea.

The new payoff we created for our latest beachwear collection is "Inspired by performance, designed to fit," which articulates how we fulfil this purpose. We design high-performance swimwear and equipment that fit both the human body and the environments in which we operate. Sustainability has been part of Arena's DNA from the beginning.



Peter Graschi
CEO

Giuseppe Musciacchio
Deputy CEO

Headquartered in the Marche region of Italy, we were influenced early on by an artisanal mindset in a territory close to the natural environment and away from big cities, where quality, craftsmanship, and environmental stewardship prevail. Though Arena is now a global company, our connection to this Italian territory continues to shape our values and long-term thinking - Italian design is at the heart of our brand.

Today our heritage turns into our vision. Our past becomes our future, and that is why, today, we are writing a new chapter for Arena. 2022 is the year of our 'Flip turn' into accelerated action. A post-pandemic society, supply chain disruptions, the climate crisis—the world is changing fast. We face these challenges with an athlete's growth mindset, which is to see

difficulties as opportunities and adapt to an ever-changing environment. We are adapting fast by cultivating resilience and responding with a solution-oriented approach.

Arena is made of people, and so teamwork is the key to our success - we trust in each other, and we unite around solutions. We aim to create an environment where individuals thrive and people's well-being is safeguarded. We want everyone to perform at their best in sports and life. We do this by creating long-term relationships both with our people and with our suppliers, providing the stability people need in a volatile world. Our partners are crucial - we know that collaboration with our external partners is fundamental to bringing about much-needed change. The people in Arena are our strength, and the growth mindset and resilience that

permeates the organisation allow us to surf the waves of change rather than letting them just pass over us. The fast-changing world we live in is an opportunity to strengthen our commitment to our mission - connecting people to water, performance, and sustainability.

We are excited about what the future holds. Arena is evolving and will continue to lead the active lifestyle industry in uniting performance, sustainability, and love of water.

Together, we are building a movement that starts with sports and water but ripples out to touch lives and shape a better world for generations to come.

The future starts now—let's get to work!

Peter Graschi
CEO



Giuseppe Musciacchio
Deputy CEO





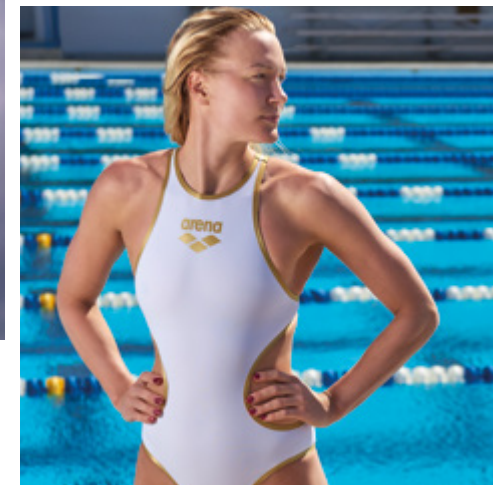
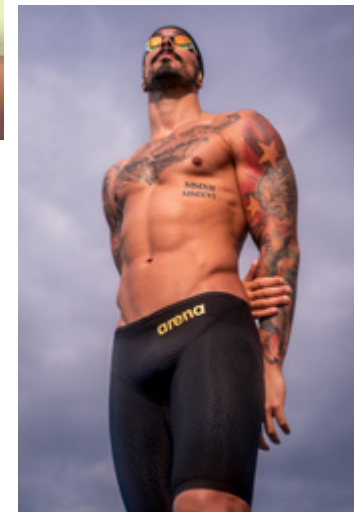
2023 marks 50 years of Arena existing to improve the quality of life by promoting and enabling an active lifestyle in and by the water.



The world has changed exponentially in the last 50 years, and so have we. Guided by our purpose, we see these changes as challenges and opportunities with which to chart a new course of action with transparency and accountability.



2023 is also our 1st year reporting on our social and environmental impact



WE ARE ARENA

KEY NUMBERS

128 **Markets**
in which we operate

431 **People**
worldwide

€ 141,856 M **Revenue**



OUR PURPOSE

Our goal is to improve the quality of life for all by promoting and enabling an active lifestyle in and by the water.

OUR VISION

To be the top-of-mind brand globally for swimmers and all those who want to be active and stay fit, in and by the water.

OUR MISSION

Born of our passion for sports, innovation, and Italian design, every last detail of our products is conceived to offer the most rewarding user experience in terms of performance, style, comfort, and fit, in and by the water.

AUTHENTICITY

Our deep connection to water and sport compels us to be transparent in our relationships, focusing on the future and respecting our past.

RESPONSIBILITY

We are conscious of our impact and will continue to invest – in our people and our planet.

INNOVATION

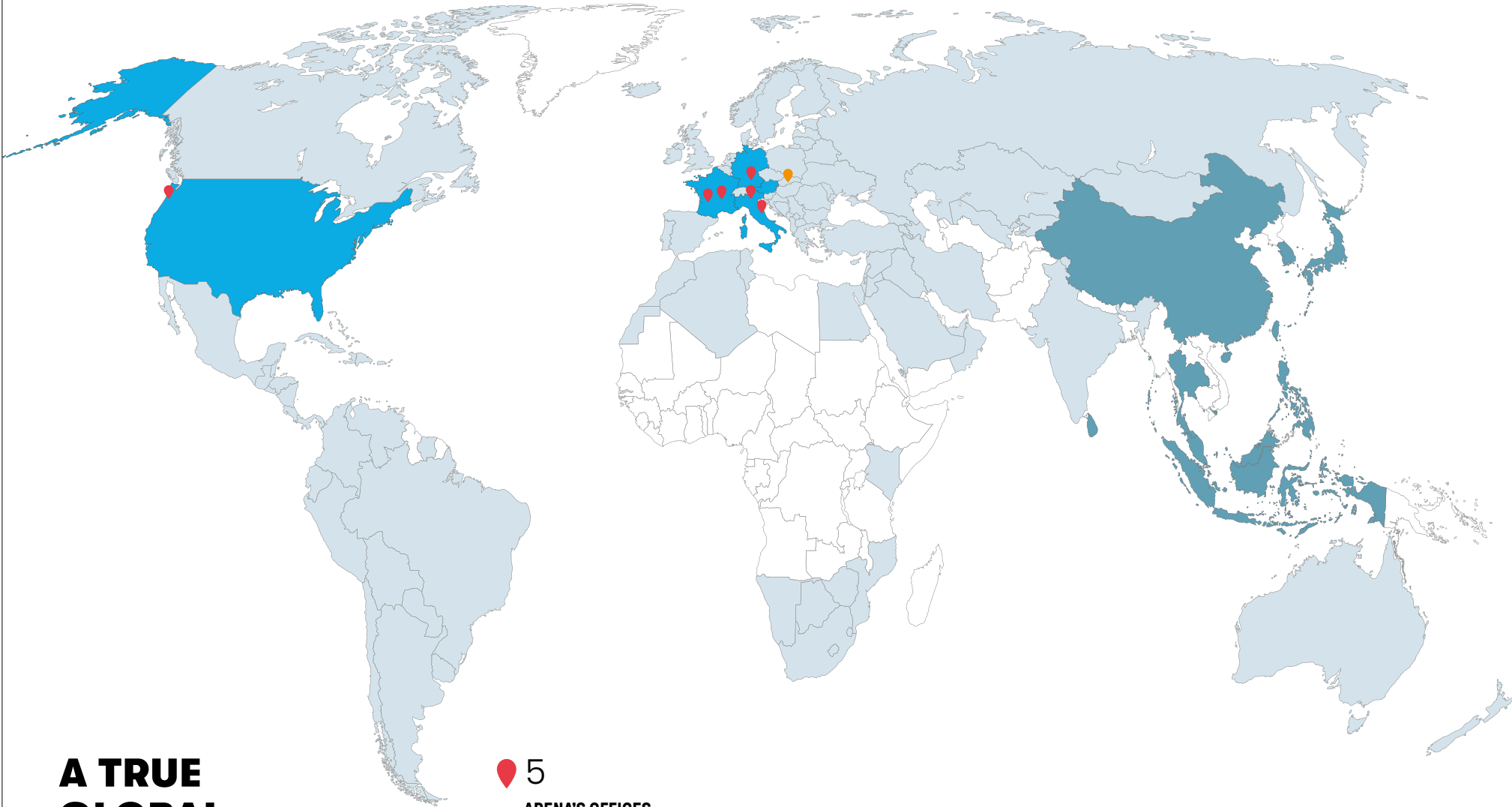
At arena we live for sport. It drives us, it inspires us and we understand how to win at the highest level. We use this insight to foster innovation across our company as we strive to change the future of our industry.

PASSION

We are passionate about our brand, our team and our sport. We believe in energy and enthusiasm for life and work.



OUR VALUES



A TRUE GLOBAL BRAND

5

ARENA'S OFFICES

- Tolentino (IT)** Arena S.p.A. Headquarter
- Rovetta (IT)** Powerskin R&D Unit
- Munich (DE)** Commercial Unit
- Libourne (FR)** Commercial Unit
- Portland (US)** Commercial Unit
- Velky Krtis (SLO)** Powerskin Manufacturing Unit

5

Countries Operated by Arena S.p.A.

111

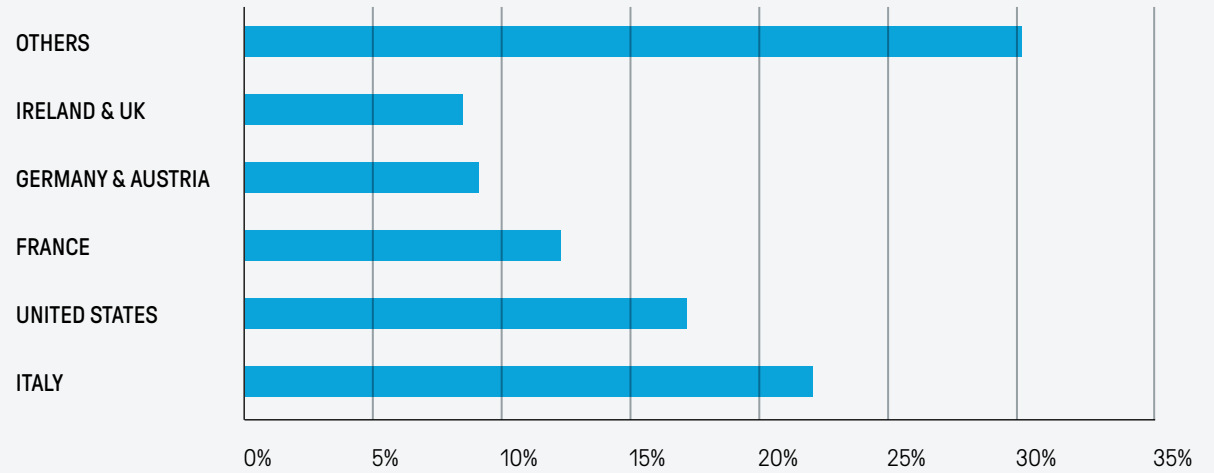
Countries Operated by Distributors.

12

Countries Operated by Descente Ltd.



FY 22 SALES BY COUNTRY



OUR JOURNEY TOWARDS SUSTAINABILITY

2022 was a turning point for our sustainable innovation path. The main evolution activities were:

- ✓ Impact assessment completed at corporate level through the reference standard B Impact Assessment (BIA);¹
- ✓ The assessment of the sustainability profile of two representative best sellers products (our Cobra goggles and our Santamarias swimsuit), according to the analysis principles of the Sustainability Life Cycle Assessment (SLCA) methodology;²
- ✓ The analysis and mapping of all our stakeholders to gain full awareness of Arena's ecosystem, and define actions aimed at strengthening their relationships with our core values and sustainability objectives, and their engagement on our updated materiality matrix;
- ✓ The design of a sustainability plan with more than 100 evolution action points to support the development of our plan over the coming years;
- ✓ Launching the first ever FINA-approved racing suit made with recycled fibers: arena POWERSKIN ST Next, a next-generation competition swimsuit that is lighter, more durable, and is made from ECONYL® regenerated yarn, a 100% recycled nylon made out of fishing nets and other nylon waste;
- ✓ Actively incorporating everyone in Arena in sharing our values through co-creatively and collaboratively redefining our four core values with the Arena team in Italy, the USA, France, and Germany.
- ✓ For World Oceans Day, we supported Sea Shepherd in their mission to clean up and protect the oceans by launching a 10-day 'Swim 4 the Seas' challenge in partnership with STRAVA, the first social network for athletes; 72,000 participants took part in this initiative;
- ✓ Partnership with zeroCO₂ on a "marine reforestation" project to plant Posidonia oceanica in Sardinia to safeguard the habitat and marine biodiversity;
- ✓ Partnership with zeroCO₂ on a reforestation project to plant 2,778 mangrove trees in Guatemala, which are projected to absorb an estimated 350,000 kg of CO₂, enough to offset the emissions generated by the SS23 and FW23 international sales events organised by Arena in 2022. Each attendee at the meeting – both in person and online – along with each Arena people was given ownership of a tree in the Arena forest through a redeemable code, allowing them to follow its growth.



1 B Impact Assessment (BIA) is among the most robust, comprehensive, and widely used impact measurement standards in the world. Developed by B Lab, a non-profit organisation that gave rise to the Benefit movement, BIA is applied to companies who are on the journey to B Corp certification and the legal status as a Benefit Corporation. Over 250,000 companies worldwide have adopted B Impact Assessment to measure and support their movement towards becoming a highly sustainable company. The BIA provides useful indicators on the economic, social, and environmental

performance of the company by assessing, in addition to the business model, five macro areas: governance, people, community, environment and customers. The impact measure is represented by a total index on a scale of 0 to 200 points. This tool allows companies to benchmark against other companies that have used it and to have a comprehensive guide on possible areas of improvement and what actions to take.

app.bimpactassessment.net/get-started/bcorporation

2 Founded in Sweden in 1989 **The Natural Step** is an international non-profit organisation formed to accelerate the transition to a truly sustainable global society. The Natural Step created the Strategic Sustainable Development Framework (SSDF) and the four principles of sustainability that are universal and necessary for creating a sustainable future. Based on decades of scientific research, the Sustainability Life Cycle Assessment (SLCA), an analysis methodology, was developed by The Natural Step.

The SLCA allows for the assessment of the sustainability profile of a product throughout its life cycle through the measurement of its impact on the environment and the mapping of activities planned to reduce them.

www.thenaturalstep.org

STAKEHOLDERS & MATERIALITY ANALYSIS

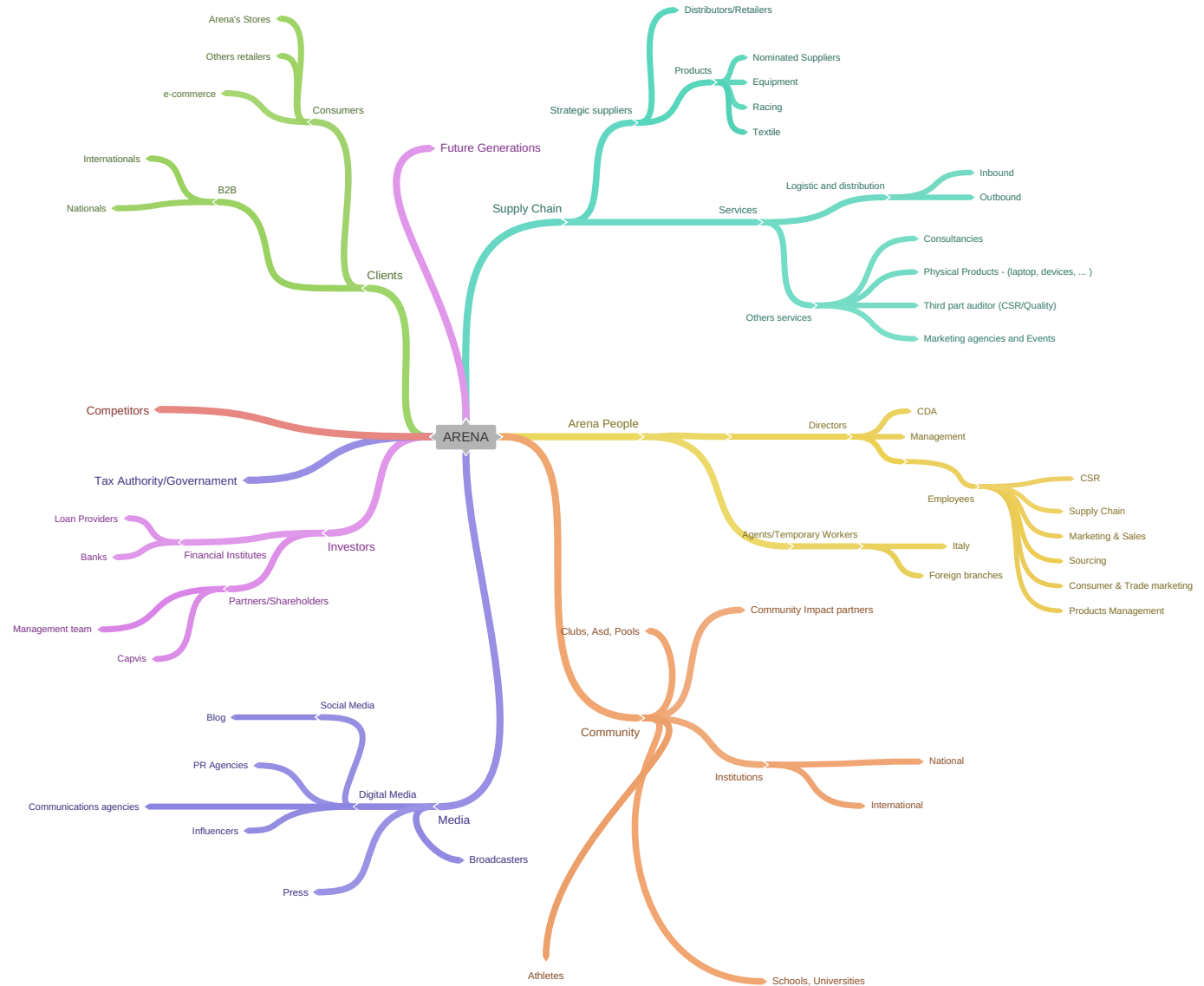
And our principles of sustainable development.

18 Material topics.

65 Key stakeholders engaged on the Materiality Assessment.

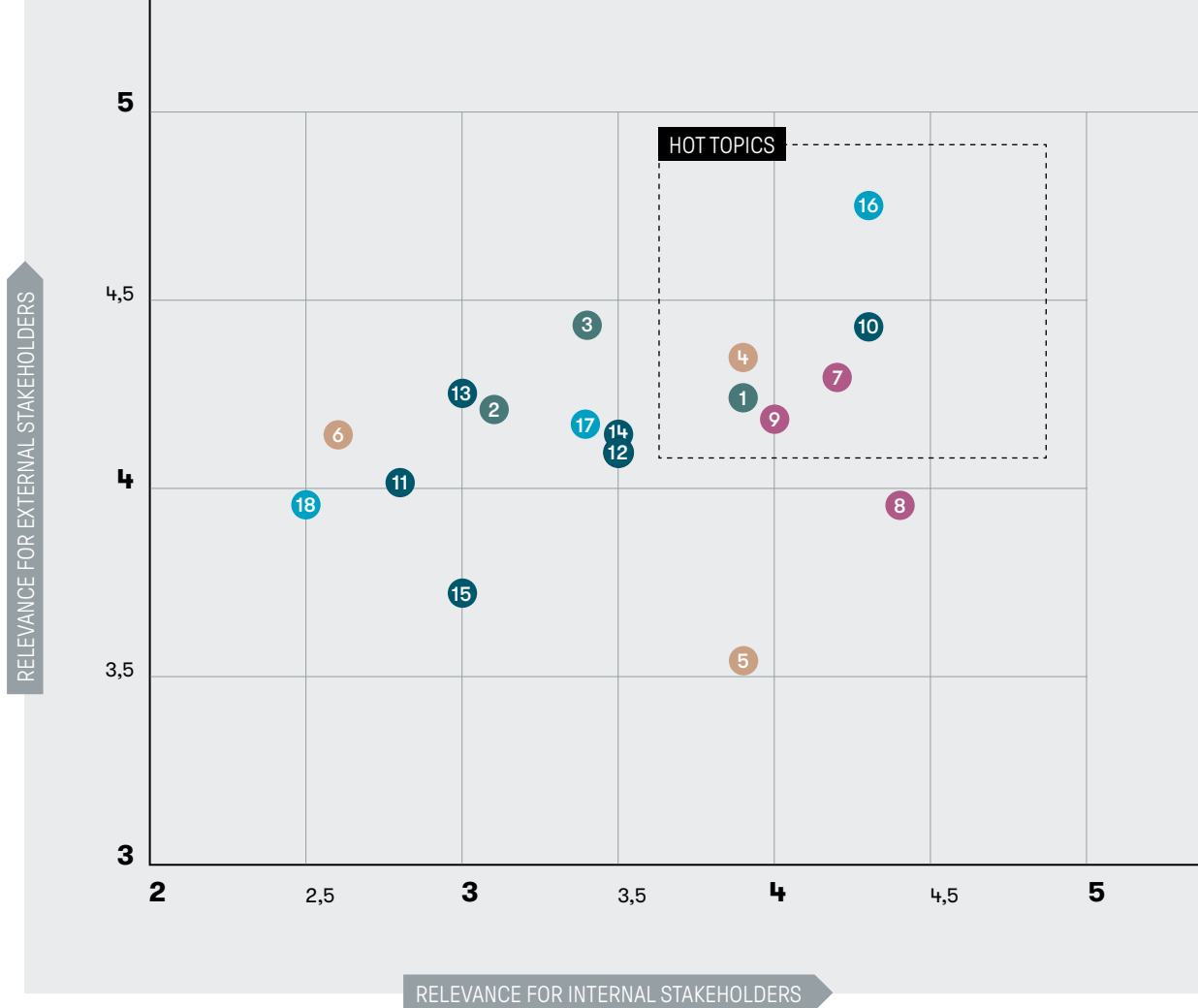
1 Goal: Sharing with our ecosystem the material issues on which our long-term value generation depends.

The stakeholder map is the basis for identifying priority issues for each stakeholder category and therefore building an ongoing and constructive dialogue through engagement methods.



MATERIALITY MATRIX

A key design principle of a future-proof business model is the consideration of not only the shareholders - or beneficiaries of the economic results of the organisation, but of all stakeholders when defining and implementing a strategy. For this reason, in 2022 we undertook a materiality analysis of Arena that identified material issues influencing our ability to generate and implement economic, social and environmental changes. The analysis proved to be effective in verifying the level of alignment between our internal and external vision and identifying the sustainability pillars of our evolution strategy. The materiality analysis for 2022 highlighted six 'hot' material topics – which can be seen at the top right of the materiality matrix. The measurement, commitments, action plans, and management of the material topics, and how we develop them will be discussed in this document.



IMPACT AREA & MATERIAL TOPICS

GOVERNANCE

- 1 Ethics & business integrity
- 2 ESG integration in value creation
- 3 Stakeholders dialogue & evolution partnerships

WORKERS

- 4 Healthy & wellbeing working conditions
- 5 Attractive jobs & talent management
- 6 Diversity, richness & inclusion

COMMUNITY

- 7 Enhance the connection between humans & water
- 8 Supply chain management & evolution
- 9 Labor & human rights in the supply chain

ENVIRONMENT

- 10 Protect our Planet's Water
- 11 Intensity & CO₂ emissions
- 12 Sustainable product innovation

CLIENTS

- 13 Resource management
- 14 Raw materials & circularity
- 15 Sustainable logistics
- 16 Product Quality & Safety
- 17 Transparency & Ecolabelling
- 18 Privacy & Data Security

MATERIAL TOPICS FOR ARENA

GOVERNANCE

ETHICS & BUSINESS INTEGRITY

Carry out activities with transparency, loyalty and integrity and cultivate an organisational culture based on equity and fairness.

ESG INTEGRATION IN VALUE CREATION

Go beyond the sole purpose of generating profit, and carry out economic activities with the purpose of generating value for all stakeholders, including people and planet, while ensuring transparency.

STAKEHOLDERS DIALOGUE & EVOLUTION PARTNERSHIPS

Act as a sustainability catalyst by guiding Arena's ecosystem of Athletes, Federations, Events, Consumers, Employees and Partners towards a path of sustainable development.

WORKERS

HEALTHY & WELLBEING WORKING CONDITIONS

Guarantee the highest standards of safety and promote a stimulating work environment which fosters people's wellbeing.

ATTRACTIVE JOBS & TALENT MANAGEMENT

Encourage professional development through the recognition and enhancement of each person's distinctive capabilities, and by offering continuous training.

DIVERSITY, RICHNESS & INCLUSION

Ensure equal opportunities for all people and foster an organisational culture which values diversity and creates a sense of belonging.

COMMUNITY

ENHANCE THE CONNECTION BETWEEN HUMANS & WATER

Enhance the connection between humans and water, through actions and partnerships aimed at protecting natural habitats and promoting an active life style in and by the water.

SUPPLY CHAIN MANAGEMENT & EVOLUTION

Evaluate the sustainability performance of our value chain to reward exemplary suppliers and identify opportunities for evolving together with our supply chain towards a more sustainable state.

LABOR & HUMAN RIGHTS IN THE SUPPLY CHAIN

Put people first, by ensuring labor and human rights protection along the value chain.

MATERIAL TOPICS FOR ARENA

ENVIRONMENT

PROTECT OUR PLANET'S WATER

Protect marine ecosystems and the quality of our waters, to secure the future of humankind.

INTENSITY & CO₂ EMISSIONS

Contribute to the fight against climate change by evolving our business towards net-zero.

SUSTAINABLE PRODUCT INNOVATION

Bring sustainability to the forefront of our product design, by radically innovating the entire value chain.

RESOURCE MANAGEMENT

Manage water, waste and chemicals along our supply chain responsibly to ensure their integrity for future generations.

RAW MATERIALS & CIRCULARITY

Embrace a circular mindset. Commit to the search for the most sustainable and high-quality raw materials to guarantee product performance and low environmental impact, while recognising waste as a valuable resource.

SUSTAINABLE LOGISTICS

Improve the quality and the sustainability performance of our inbound and outbound logistics, through continuous measurement and strategic partnerships.

CLIENTS

PRODUCT QUALITY & SAFETY

Guarantee the highest standards for product performance, quality and safety to ensure and boost customer satisfaction.

TRANSPARENCY & ECOLABELLING

Improve the traceability of the value chain and increase transparency towards consumers on the products' social and environmental impact in its life cycle.

PRIVACY & DATA SECURITY

In a world that is becoming increasingly data-driven, ensure the confidentiality of all information shared with us by clients and stakeholders.

METHODOLOGICAL NOTE

This document marks the beginning of a reporting journey of our impacts and represents an exercise in analysis and transparency that makes us proud to be part of Arena. Crucially we develop credibility through:

- 1) measuring the impacts of our sustainable development path; and
- 2) communicating them in a transparent way.

For the first purpose, we have adopted the B Impact Assessment (BIA), and for the second, we have chosen the GRI, the most widely used sustainability performance reporting globally, and the goals of the Agenda 2030 (SDGs).

The GRI standards and the B Impact Assessment allow Arena to share information about ourselves for distinct but complementary purposes: the B Impact Assessment is aimed at managing and evaluating Arena's performance, while the GRI is a reporting tool that provides a representation of Arena's contributions. Together, these tools constitute a holistic approach to sustainability reporting, and impact measurement and management.

In this inaugural Sustainability Report, we will communicate the outcomes of our assessed environmental impact and begin reporting on our corporate performance using a selection of GRI indicators related to FY 2022.

We follow the principles and processes of the typical non-financial statements (NFRD). As non-financial reporting is not yet mandatory, this report may not be fully compliant with the current regulations regarding the publication of social and environmental impacts represented by Legislative Decree No. 254/2016.

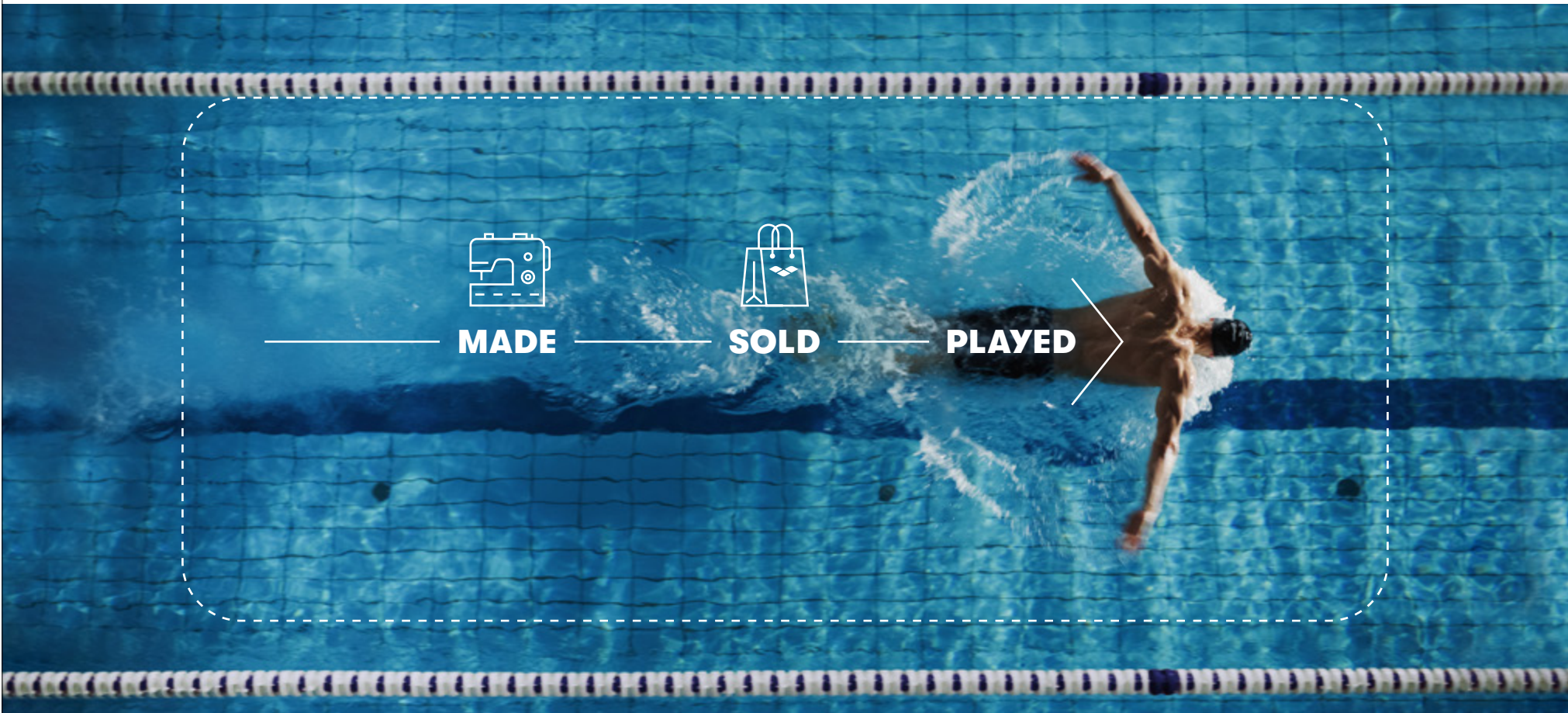
In line with the GRI approach, and following the latest GRI update for 2023, we have included information on selected General Disclosures - available for all organisations to report on environmental, social, personnel management, gender equality, human rights protection, and anti-corruption. We have used at least one GRI indicator for each of the 'hot' material topics identified in our materiality analysis (presented in the Introduction section of this document).

In the annexes, we provide references to GRI indicators, as well as detailed data collection sheets. We have chosen to maintain the discursive nature of the chapters while quantitative details can be found in the Annexes.

In the following pages, we cover all material themes and areas of impact measured by the B Impact Assessment - Governance, People, Impact on the Community, Clients, and Environment.

CONTENTS OF THE SUSTAINABILITY REPORT

We take responsibility for the entire lifecycle of our products – in and by the water:



WE ARE DRIVEN BY PURPOSE



HIGHLIGHTS 2022

100+

Evolution Actions included in the 2022-2025 Sustainability Plan.

20

key sustainability targets linked to performance-related remuneration.

100%

of **management** involved in the sustainability performance-related compensation plan.

At Arena, we believe a world-class company is grounded in processes and standards that demonstrate respect for the environment, the people who make and move our product, and the ecosystem that enables us to prosper.

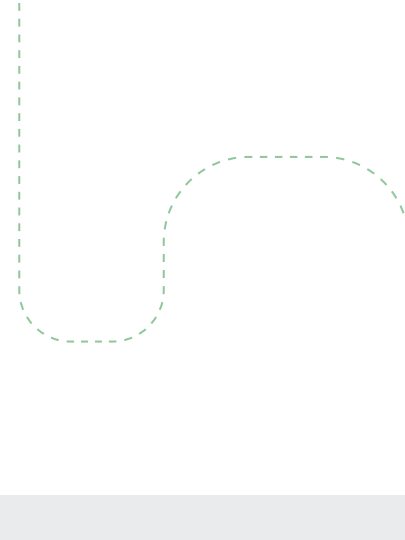
SET THE STAGE

At Arena, our guiding light is our purpose statement: to improve the quality of life for all by promoting and enabling an active lifestyle in and by the water.

In 2022, the pandemic brought about significant changes in our society and our lives, both as individuals and professionals. The way we work, commute, live, share spaces, and engage in sports activities has undergone significant transformation. The disruptions we faced forced us to rethink our relationship with nature and understand the deep interconnectedness of our globalised world.

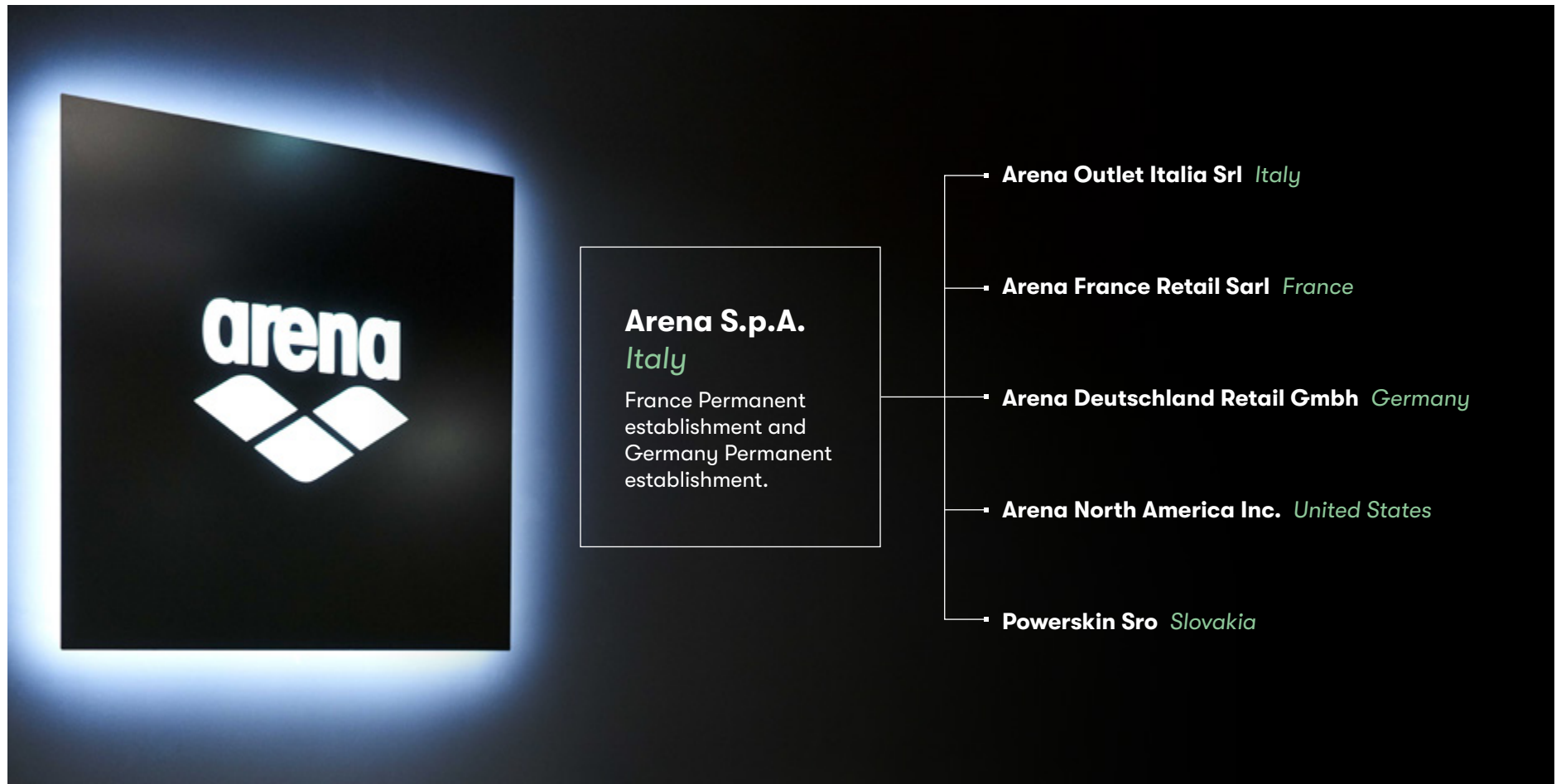
As a result, our awareness of social and environmental impacts has evolved. In the industry we operate in, we face significant challenges to the improvement of our environmental and social sustainability performance, especially when it comes to circularity.

We view these challenges as opportunities for development and growth. It is imperative for us to continue honouring our purpose and chart a new course of action.



Structure of Arena S.p.A. group

(All legal entities are intended to be 100% owned)



SUSTAINABILITY PLAN

2022-2025

3

Waves of evolution with specific actions to achieve the goals of the Sustainability Plan.

34

Evolution Actions were **completed in H2 2022**.

The 2022-2025 Sustainability Plan solidifies our commitment to sustainable development and environmental and social responsibility as integral to the way we operate. The Plan 2022, The Arena Master Plan - made up of more than 100 specific evolution actions - focuses on nine strategic priorities: purpose-driven company, double purpose mindset, stakeholder paradigm & transparency, health, wellness & safety, people engagement & satisfaction, better products, civic engagement & giving, supply co-evolution, and carbon neutrality & responsible processes.

For each strategic priority, we have defined a set of commitments based on an analysis of the areas where we can maximise positive and minimise negative impacts, taking into consideration the challenges posed by the industry, as well as the expectations of the financial community and our clients. In identifying the Plan's strategic drivers and relative commitments, the priorities set out in the 2030 Agenda for Sustainable Development (the Sustainable Development Goals – SDGs) were also taken into account, thereby contributing to achieving them.

Our Sustainability Plan sets ambitious targets, starting with the transformation of Arena into a Società Benefit (Benefit Corporation), formally a double-purpose company, through the introduction of common benefit purposes into our by-laws and the constant review and re-evaluation of our products and supply chain. Another goal linked to reducing environmental impact is to have 100% of our Fall Winter '23 swimwear and beachwear fabrics made with recycled fibers.

The Sustainability Plan also involves working closely up and down our value chain on improving transparency and traceability, and social standards. With our Community Impact Plan, Arena is supporting our communities with high-value social projects through which we select and support social initiatives, monitor them, and communicate their impact.

The Plan has been developed by a dedicated team from Arena - the B Team - which also includes top management. Progress reviews are conducted on a monthly basis in order to assess the status and implementation of all projects and set new objectives.



ARENA B TEAM

In order to strengthen our commitment to sustainability, in 2022, we established an ESG Committee - The Arena B Team - as a body to supervise and evaluate project streams active on Environment - Social - Corporate Governance issues.

There are nine members in this working party, and they have the expertise to cover all areas of impact and drive our sustainable development journey forward. The B Team's purpose is to monitor and progressively develop Arena's sustainability performance and communicate progress to the Board of Directors.

“Sustainability isn't just a short-term project but an ongoing process of continuous improvement that encompasses every aspect of our business. For this reason, we have built a multifunctional B Team in order to spread the sustainability values throughout the company and go further along our sustainability journey.”



CRISTINA DI TOMASSO - B Team Leader



SUSTAINABILITY PERFORMANCE-RELATED REMUNERATION

10% of the overall bonus of the key functions is related to ESG Performance

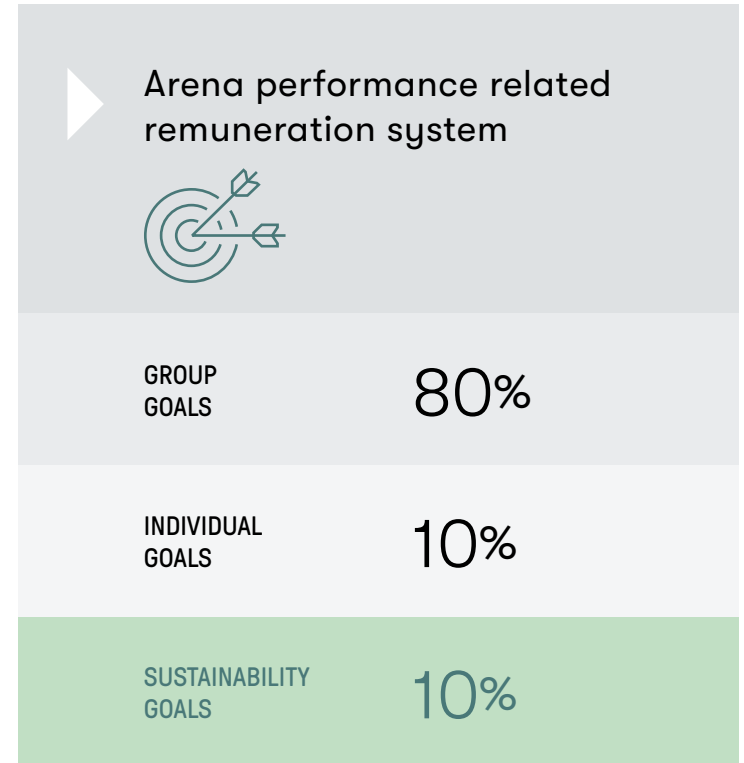
2 levels of sustainability indicators measuring ESG performance: at a corporate and function level.

1 **Goal:** to accelerate the pace of our sustainable development journey.

At Arena, we link clear and defined sustainability targets to the remuneration of all leaders globally.

Within the Arena MBO (Management By Objectives) system, there are social and environmental targets for the implementation and achievement of the Sustainability Plan. Starting from 2022, within the medium/long-term incentive plans the bonus-related performance indicators, also include ESG Performance. The targets cover 10% of the overall bonus.

Indicators linked to our 18 Material Topics and the achievement of specific objectives of, and compliance with, the Sustainability Plan commitments are monitored yearly by the Arena B Team and the HR team.



COMMITMENTS FOR THE FUTURE

Integrating common benefit purposes into our bylaws **to transform into a Benefit Corporation.**

Advancing our Sustainability Master Plan by incorporating a greater number of quantitative objectives and targets that align with our industrial goals.

Reviewing our Code of Ethics, by formalising our status as a double purpose company and directing more of our activities towards the Benefit Corporation Model.





WE CHAMPION PEOPLE





HIGHLIGHTS 2022

431

People.

67%

Women.

508

Total **training hours**
for management.

Unleashing human potential is our ambition, and just like a coach orchestrating a winning team, our game plan is focused, structured, and aspirational. We put people front and centre of our business, nurturing them to reach their full potential and cultivating a workplace where people can thrive.

SET THE STAGE

Since Covid-19 became part of our everyday lexicon, there has been a paradigm shift in how people value their well-being in areas of learning, working, and work-life balance. The possibility to learn, be creative, or innovate in their work, and the flexibility in their way of working, be it online or in presence, or at a time that suits them, is seen as far more important than before Covid-19. In short, they desire meaning in the activity that occupies most of their waking hours. After the Covid-19 pandemic changed the world, 2022 was a year of new beginnings and marked a significant change in how we work. The world changed, and so did we, creating a workplace more in line with its values. At Arena, a significant part of our mission is adapting to the ever-changing needs of our people through the realisation of each person's full potential. For people to thrive, our team's values must align with the mission and vision of our organisation and vice versa. Passion, authenticity, responsibility, and innovation represent the core cultural values of Arena.

Arena develops others to promote and enhance shared human capital, ensuring an inclusive and collaborative climate, fostering individual and collective growth, and promoting sporting values within the organisation. We believe deeply in teamwork and constantly strive to develop a work environment that appreciates the individual needs within each team and promotes a culture of personal and professional development. Building strong relationships based on loyalty, trust, and cooperation is vital to success. To face the challenges ahead, each person needs to operate within a healthy environment that recognises potential, and individual abilities as part of a dynamic group. Extraordinary results are built on the health and happiness of our motivated and fulfilled people who construct a sustainable future for the company and the community in which we operate. To follow, we will outline the activities we have put into action, the initiatives we have pursued to achieve our mission, and our future commitments to continue evolving and improving.

TOTAL EMPLOYEES - ARENA

N. PEOPLE	as of 31/12/2022			as of 31/12/2021			as of 31/12/2020		
	Men	Women	Overall	Men	Women	Overall	Men	Women	Overall
France	12	16	28	12	16	28	13	16	29
Germany	11	10	21	11	9	20	11	10	21
Tolentino HQ	86	97	183	83	86	169	90	92	182
United States	12	17	29	8	15	23	8	14	22
Rovetta	1	8	9	1	8	9	1	8	9
Slovakia	2	64	66	3	48	51	2	55	57
Italy Retail	2	55	57	2	51	53	1	27	28
France Retail	13	18	31	14	14	28	12	13	25
Germany Retail	-	7	7	1	8	9	-	5	5
OVERALL	139	292	431	135	255	390	138	240	378

HOW WE CHAMPION PEOPLE

508 Management **acceleration** programme hours (56 hours per capita).

53% Total **hybrid** working contracts.

10% of our people were **promoted** in 2022.

At Arena, we believe that training and internal development play a fundamental role in the success and growth of individual team members, and so the entire organisation.

We launched an internal development process, the “People Strategy”, a strategic and integrated approach to managing human resources within Arena.

People are the company’s most valuable asset and a determining factor in Arena’s success and so the People Strategy advances a work environment that promotes effectiveness, collaboration, individual and collective growth, and a sense of belonging.

56

“Our Arena people contemplate their past, what they have done, and what they have achieved, and in the present, they consider what they can improve. At Arena, we create a stimulating environment that allows our people to make the most of their skills and passions. Our people grow hand in hand with Arena by living and breathing the pillars that characterise our collaborative and respectful brand.

We bring sportsmanship to every single activity: we strive to excel by inspiring the whole team!”



MATTEO MORI - Head of HR

CULTIVATING A WORKPLACE WHERE PEOPLE CAN THRIVE



ONBOARDING

To support our new hires, our onboarding process is continually evolving and improving. To familiarise our new team members with the corporate culture, policies, and their new roles and responsibilities, the HR team and the department that welcomes newcomers are actively involved in the onboarding process.

This involves welcoming activities, such as a visit to the headquarters and a presentation of their office, delivery of the welcome kit (including the company's Code of Ethics), and the formal 'welcome on board' from all the Group colleagues.

CULTIVATING A WORKPLACE WHERE PEOPLE CAN THRIVE

TRAINING & CAREER DEVELOPMENT

The People Strategy includes customised development and training programmes, that enable people to acquire the skills and knowledge necessary to perform their roles successfully.

IN 2022 THE FOLLOWING ACTIVITIES WERE CARRIED OUT TO DEVELOP OUR PEOPLE:

- **Management Acceleration programme:** 100% of HQ managers in Italy engaged in soft skills and managerial skills training;

- **Performance review programme:** 40 participants in Italy involved. The programme aimed at ensuring people understand why and how we provide feedback, as well as how to manage performance reviews and internal work relationships, especially between our managers and our people.

- **Performance review and evaluation:** 36% of Arena people were involved in the performance review process launched in Italy in 2022, with 100% of the Italian Head Office involved.

FLEXIBILITY & WORK-LIFE BALANCE

In 2022, a flexible work arrangement was implemented in which people are permitted to work from places other than the traditional office.

Our people were extensively involved in the development of the agreement with 53% of Arena's corporate population able to take advantage of this new way of working. The flexible work arrangement complies with the laws and regulations of the countries where Arena operates.

BENEFITS

In line with our mission and People Strategy, we use strategic investments to create a positive work environment, attract and retain talent, improve people's well-being, and promote engagement and productivity.

In 2022 we invested in the following activities: Installed sports showers in our company offices. To support our people who want to practise sports during the lunch break. Practising sports is a fundamental building block of our people's health

HIGHLIGHTS OF OUR 2022 BENEFITS PROGRAMME:

- **400 people** benefited from fuel & food vouchers;

- **34 people** involved in the management bonus scheme;

- **100% of our people** have access to discounts on consumer staples (groceries etc.) and/or Arena branded products.



BRINGING OUR VALUES TO LIFE

During 2022, we involved every single person at our Tolentino headquarters, our corporate locations in the U.S., France, and Germany, and in the Rovetta production facility in workshops based around redefining the four Arena values. Each workshop was 8 hours long, with 15 to 20 participants, and was organised in conjunction with a professional training company.

Arena's core values were reviewed and revised in co-creative sessions, where each person brought their own valuable experience and expressed their views and ideas to help transform our Code of Values.

The result was a comprehensive evolution of our core values. These values can be found published on Arena's website and the walls of the Tolentino HQ. The initiative was a success, with 100% of the participants expressing appreciation for being involved in such a beneficial and stimulating initiative.

As part of these activities, we plan to deliver a training course on our Code of Ethics which will be reviewed and further enhanced in 2023.



HEALTH & SAFETY

50% of Arena people received a **medical insurance subsidy.**

The safeguarding of the well-being of people through clear and robust Health and Safety policies is of paramount importance in the creation of a safe, positive, and injury-free working environment.

A shared responsibility between the company, the managers, and the people allows for a dynamic and ever-evolving health and safety culture.

The contribution and involvement of each member of the team are crucial in the making of this health and safety culture, so we promote suggestions for improvements through a dedicated email address and our internal "Idea Box."



KEY ACTIVITIES IN 2022:

- Updating of Risk Assessment documents for Italy HQ and other company locations;
- Training on Health and Safety topics and distribution of PPE according to the additional identified risks;
- 100% of our people completed health and safety training courses;
- Subsidising medical insurance for 50% of Arena people.

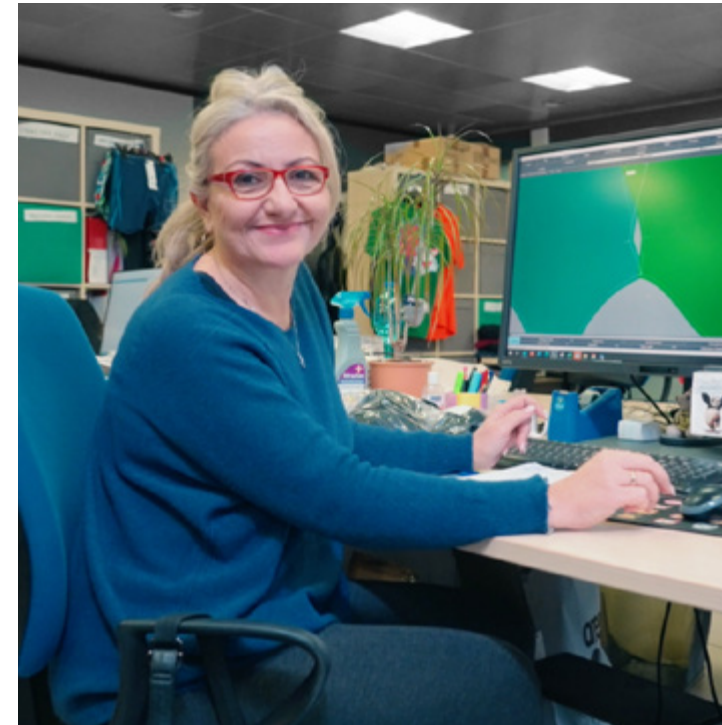
AN INCLUSIVE AND DIVERSE WORKPLACE

30% of managers are **women**.

We are committed to creating an inclusive culture that embraces and values people's diversity, experiences, and perspectives, and we promote a fair, respectful, accessible, and inclusive corporate culture for all individuals, regardless of their ethnic origin, gender, sexual orientation, socioeconomic background, physical abilities, nationality, political orientation, union membership, or marital status.

To understand how Diversity, Equity, & Inclusion (DE&I) is developing at Arena, we have a number of measurable KPIs that support the ongoing evolution of our DE&I commitment. We also periodically review the language used in our job descriptions and postings to make sure they are inclusive, fair, and reflect the times we are in.

These commitments are also part of our [Code of Ethics](#), which will be further reviewed and enhanced in 2023 to specifically address the inclusive culture we aim to foster and preserve.



COMMITMENTS FOR THE FUTURE

For 2023, we have set the following objectives:

Creation of an **onboarding policy** that includes assigning a mentor to new people, a structured induction programme, and opportunities to engage with senior leadership.

Provide training on personal, technical, and transversal skills as well as on ESG (Environmental, Social, and Governance) topics and DE&I (Diversity, Equity, and Inclusion).

Evaluate and implement all initiatives to increase the well-being of our people, such as the enhancement of welfare initiatives and the giving of economic and/or logistical support to promote and facilitate the performance of sporting activities, both individual and collective.





**WE ENHANCE
THE POWER OF
COMMUNITIES**

HIGHLIGHTS 2022



177

Teams & Clubs supported
+ 6 US Colleges.

32

Arena Top Athletes.

20

Swimming events
supported.

70%

of all medals won at the European
Aquatics Championships Rome
2022 won by Arena Athletes.

14

Partnerships
with Federations.

211

Total medals won by Arena athletes.
71 (48% of these) being gold medals from
Fina World Championships Budapest,
European Aquatics Championship Rome, and
Fina World Championships (25M) Melbourne.

To expand and grow Arena's positive impact on the world, it is vital we engage our communities. Connecting with communities is at the heart of Arena, and we encourage everyone on the planet to invest in social and environmental change.



SET THE STAGE

Arena believes in the value of interdependence, and we want to involve communities in the development of Planet Water awareness. Interdependence is the fundamental principle that regulates the functioning of all life forms on Earth and is the guiding principle for any long-term endeavour. For this reason, we commit to working together with our communities, developing specific

engagement strategies and plans to develop awareness and positive impact for both people and water ecosystems.

As a company operating in the sports ecosystem, we know that sport has the power to contribute to solving some of the challenges we face in the 21st century. Sport and sports companies have the

potential to improve people's lives, promote positive values, create development opportunities, and contribute to global well-being. Arena's influence extends beyond the boundaries of our walls and has a significant impact on society as a whole.

Planet Water is where our community lives with confidence – in competition, everyday performance, and in the search for recreation and a healthy lifestyle. The water element is what unites and connects us, and we take care of our community by celebrating our connection to water and protecting the precious life source.

In 2022, we began defining a strategic community impact plan with specific commitments connected to the purpose, the business, and the positive impacts Arena aims to have on society and the environments in which we operate.

We began by gaining a deeper understanding of the key stakeholders in our community and their primary needs. This enabled us to develop targeted strategies that drive meaningful and lasting impact and change.

In the following pages you will find the main activities and initiatives we supported in 2022.



CHARITY INITIATIVES SWIM 4 THE SEAS

For World Oceans Day 2022, Arena donated €25,000 to Sea Shepherd, whose mission is to protect and conserve the world's oceans and marine wildlife. In partnership with STRAVA, the leading tracking platform for active people and the largest sports community in the world, Arena and Sea Shepherd launched a 10-day 'Swim 4 the Seas' challenge. From the 3rd to the 12th of June,

Arena challenged swimmers worldwide to complete 4km in 10 days, utilising the STRAVA platform. In return for each completed challenge, Arena and Sea Shepherd committed to cleaning the equivalent of 200 single-use plastic bags worth of discarded nets, longlines, and illegal FADs (Fish Aggregating Devices) from our oceans, weighing a total of 6 metric tons.



“Whether at the pool, the lake, or in the ocean, we encourage everyone and their friends to take on the ‘Swim 4 the Seas’ challenge on STRAVA and help clean up our oceans one stroke at a time. We want to hit 5,000 people worldwide completing the 4km swim in ten days so that we can remove the equivalent of 1 million plastic bags to mark this year’s World Oceans Day.

We care passionately about our planet, so Arena is proud to work with Sea Shepherd in taking action to protect our most precious natural resource. Swim your way to cleaner oceans and help us make a positive impact.

The oceans are suffocating from plastic, so let’s get swimming!”



PETER GRASCHI - Arena CEO



CHARITY INITIATIVES

SUPPORTING MARCHE REGION

In September 2022, we supported the Marche region in the aftermath of devastating floods through a €10,000 donation to the Fondazione Caritas Senigallia Onlus, which distributed 500 much-needed items to support families in difficulty, and the adoption of a local swimming club affected by the flood through Arena garment donations.

SPORT SENZA FRONTIERE

198 children participated at the Joy Summer Camp.

300 swim caps provided.

61 children practised swimming thanks to arena support.

8 children joined the socio-educational inclusion programme realised through practising sport thanks to Arena's € 8,000 donation.

The 'core project' of Sport Senza Frontiere (Sport Without Borders) is a prevention and social inclusion programme through sport for children in a position of socio-economic disadvantage.

In addition to the programme Sport Without Borders, the association has developed special projects which respond to particular emergencies or specific social needs, with initiatives like

summer camps and weekends in nature that guarantee disadvantaged children free access to educational initiatives and allow them to experience and develop skills, relationships, talents, passions, and desires. We care deeply about children who find themselves in challenging social situations and promote to them the enjoyment of sports in a safe and supportive environment.



IMPACTFUL PARTNERSHIPS & INITIATIVES

BREAST CANCER AWARENESS MONTH

In 2022, we developed a special collection to raise money and raise awareness of Breast Cancer during Breast Cancer Awareness Month, donating 50% of proceeds from online sales to the charity Keep a Breast, whose mission is to reduce breast cancer risk and its impact globally through art, education, prevention, and action.



(KEEP A BREAST)



SUPPORTING UKRAINIAN WATER SPORTS TEAM

We worked closely with FIN, the Italian Swimming Federation, to host the Ukrainian teams for swimming and synchronised swimming in Italy. We provided them with personal kits, clothing, equipment, accessories, and materials to ensure that they could continue training and competing around the world, including some events in Italy.

LET IT BEAT COLLECTION



In 2019 we began creating our first Pride collection, an eye-catching and colorful range of Arena swimwear and accessories inspired by the statement “For whoever your heart beats, Let it Beat”, that we renew each year. In 2022, thanks to a strategic partnership with

Athlete Ally, a nonprofit LGBTQ+ athletic advocacy group based in the US, we scaled up our impact to a global level and we donated 50% of the profits from the sale of Pride collection to benefit their initiatives in education and advocacy for LGBTQ+ athletes.

“We want to encourage diversity, equality, and inclusion in and around the pool. Debuted in 2019 to mark the 50th anniversary of the 1969 Stonewall riots in New York City, Arena’s ‘Let It Beat’ collection celebrates the colourful landscape of authenticity, individuality, diversity, and freedom, recognising everyone no matter who we love, where we’re from or how we choose to express ourselves.

And for 2022, we’re incredibly proud that our products will provide funds to the crucial work of Athlete Ally.”



GIUSEPPE MUSCIACCHIO
Arena Deputy CEO





**IMPACTFUL
PARTNERSHIP
& INITIATIVES
DOMINATE
THE WATER**

**DOMINATE
THE WATER**

Conceived by the Olympic and world champion Gregorio Paltrinieri, Dominate The Water is a circuit of open-water swimming events that combine sporting events, passion, and the enhancement and protection of the Italian seas and beaches. We proudly support the initiatives as a technical partner.

Dominate The Water combines the beauty of sport and the promotion of environmental protection by supporting invaluable initiatives such as the involvement of school children in the cleaning of the beaches where swimming competitions occur.

“I chose the sea to breathe this freedom, and by swimming, I realised that we must protect it.

So Dominate the Water was born out of a desire to protect the environment by promoting open-water swimming, which is still not commonly practised in Italy. For nature, its beauty, and our health, the planet must be saved, and as a sportsman, I am not afraid to expose myself. So I can't wait to get going again.”



GREGORIO PALTRINIERI - Olympic and World Champion





“Arena is proud to support Dominate The Water because we fully embrace its message of environmental sustainability and public awareness of ocean protection. We have worked with Gregorio Paltrinieri since the very beginning of his career, and our partnership has always been based on strong shared values.

We want to support his vision on this initiative because we feel it as a natural decision for us. Arena finds itself in great harmony with Dominate the Water, including on recycling issues: in fact, our Company has a broad range of products that utilise recycled raw materials.”

UMBERTO DALLA POZZA - Head of Sports Marketing





“



“We are proud to partner up with the global open water series like Oceanman that brings the experience and the freedom of Open Water Swimming to everyone. Together with Oceanman, we can build on a great connection between profiled athletes and leisure swimmers to bring the healthy and enjoyable lifestyle in a beautiful environment to all who are passionate of being in water.”

THOMAS KRÜGER - Global Sport Marketing Manager



In 2022 Arena partnered with OCEANMAN, one of open water’s pre-eminent global series, with almost 30 events across 25 countries that attract approximately 20,000 participants worldwide, both amateur and professional athletes. We sponsored 7 events with 4,392 participants involved from February to December, to promote open water swimming as a healthy lifestyle. OCEANMAN event locations are carefully selected both for their suitability for open water swimming and their beautiful surroundings.

IMPACTFUL PARTNERSHIPS & INITIATIVES

DEVELOPMENT OF WATER SPORT WITH SWIMMING FEDERATIONS

Arena partners top National Swimming Federations worldwide and some of the leading NCAA Div. I Colleges (National Collegiate Athletic Association) in the US. Since 1973, Arena has built, supported, and maintained strong connections with the most important swimming and water sports federations worldwide, from grassroots to Olympic and Paralympic competitions.

National Federations play a critical and active role in the development of both amateur and elite water sports. For this reason, in partnerships with federations, we contribute in a number of ways, such as financial support, the supply of technical material, and the promotion of aquatic disciplines worldwide. Additionally, Arena makes its social and web channels available to the swimming federations for the promotion of grassroots projects around swimming education.

We share the goal of Federations to develop water sports, reach a broader audience, increase inclusivity and diversity, and use sport as a driver for social well-being and change.



USA SWIMMING



ITALIAN SWIMMING FEDERATION



AUSTRALIAN SWIMMING FEDERATION



DEUTSCHER SCHWIMM-VERBAND E.V.



HUNGARIAN SWIMMING ASSOCIATION



ROYAL DUTCH SWIMMING FEDERATION



SWEDISH SWIMMING FEDERATION



AUSTRIAN SWIMMING FEDERATION



SWISS AQUATICS SWIMMING FEDERATION



NORWEGIAN SWIMMING FEDERATION



LITHUANIAN SWIMMING FEDERATION



ROMANIAN SWIMMING AND MODERN PENTATHLON FEDERATION



JAPANESE SWIMMING FEDERATION (Descente)



SOUTH AFRICAN SWIMMING FEDERATION



HARVARD UNIVERSITY



UNIVERSITY OF TEXAS WOMEN



STANFORD UNIVERSITY



NC STATE UNIVERSITY



UNIVERSITY OF VIRGINIA SWIMMING & DIVING



AUBURN UNIVERSITY SWIMMING & DIVING



Images above: "Swim week" in Dusseldorf.

IMPACTFUL PARTNERSHIPS & INITIATIVES

SWIM WEEK

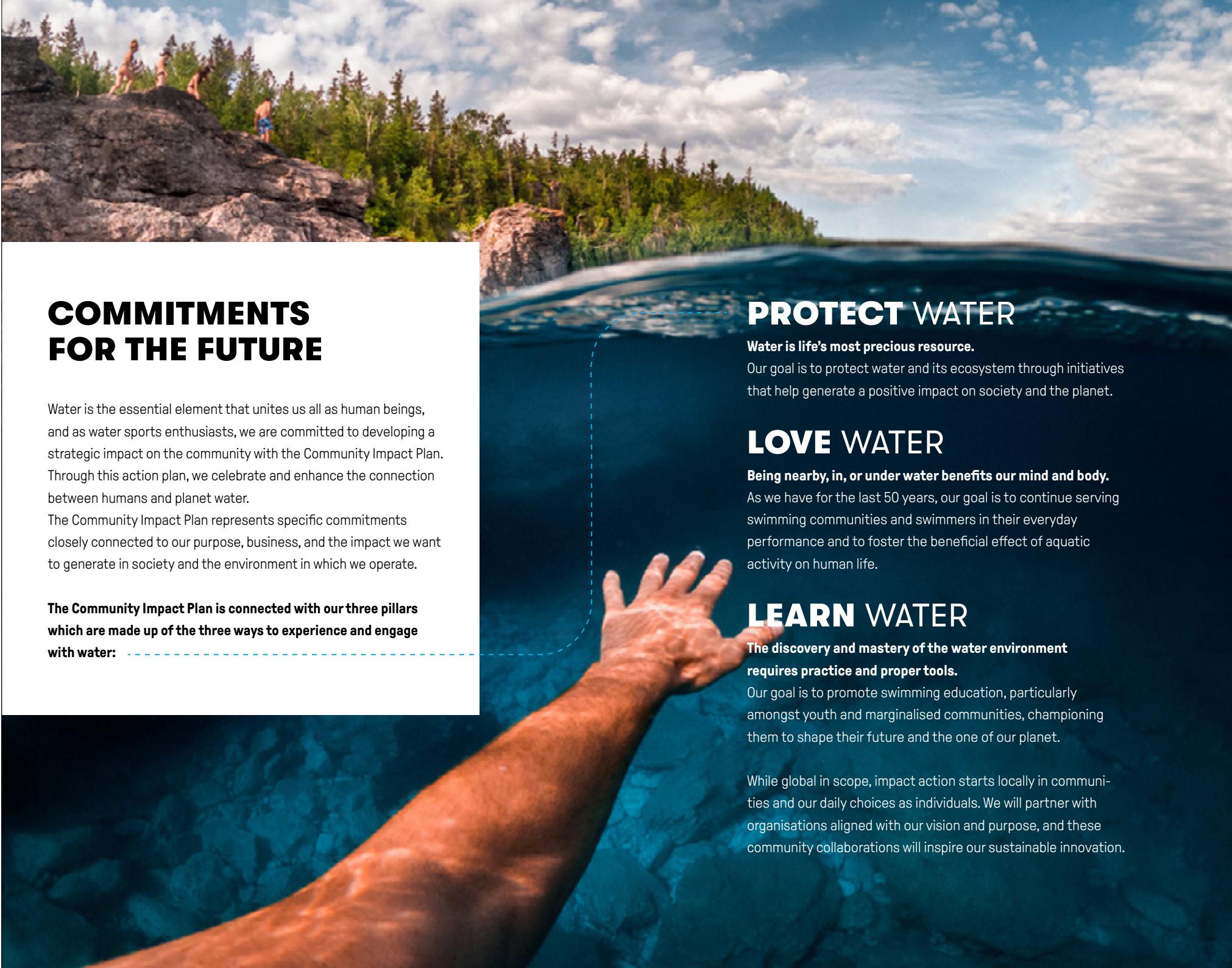
The Arena team in Germany, joined by elite Arena athletes, including Anna Elendt and Lucas Mazerath, launched a very special "Swim week" in Dusseldorf, comprising a week of lessons, learning, fun, and games for socially disadvantaged and disabled children.

This initiative was co-created with the German Swimming Federation, German Para Swim Team, Fernsehlotterie (German lottery), and DLRG (German Life Saving Society).

INTERNATIONAL OLYMPICS COMMITTEE

We are a partner in a project for the Summer Olympics that started in Rio 2016, continued in Tokyo 2020, and will continue in Paris 2024.

The project promoted by the IOC is called "NOCs Supporting Programme." It is a programme in which we, together with other brands, offer small national committees (NOCs) customised items and equipment to support swimmers from smaller Federations to compete at the highest level.



COMMITMENTS FOR THE FUTURE

Water is the essential element that unites us all as human beings, and as water sports enthusiasts, we are committed to developing a strategic impact on the community with the Community Impact Plan. Through this action plan, we celebrate and enhance the connection between humans and planet water.

The Community Impact Plan represents specific commitments closely connected to our purpose, business, and the impact we want to generate in society and the environment in which we operate.

The Community Impact Plan is connected with our three pillars which are made up of the three ways to experience and engage with water:

PROTECT WATER

Water is life's most precious resource.

Our goal is to protect water and its ecosystem through initiatives that help generate a positive impact on society and the planet.

LOVE WATER

Being nearby, in, or under water benefits our mind and body.

As we have for the last 50 years, our goal is to continue serving swimming communities and swimmers in their everyday performance and to foster the beneficial effect of aquatic activity on human life.

LEARN WATER

The discovery and mastery of the water environment requires practice and proper tools.

Our goal is to promote swimming education, particularly amongst youth and marginalised communities, championing them to shape their future and the one of our planet.

While global in scope, impact action starts locally in communities and our daily choices as individuals. We will partner with organisations aligned with our vision and purpose, and these community collaborations will inspire our sustainable innovation.



**WE INNOVATE
THE WAY
WE DESIGN
OUR PRODUCTS**



HIGHLIGHTS 2022



60%

of SS22 sportswear styles made with recycled fibers.

62%

of FW22 sportswear styles made with recycled fibers.

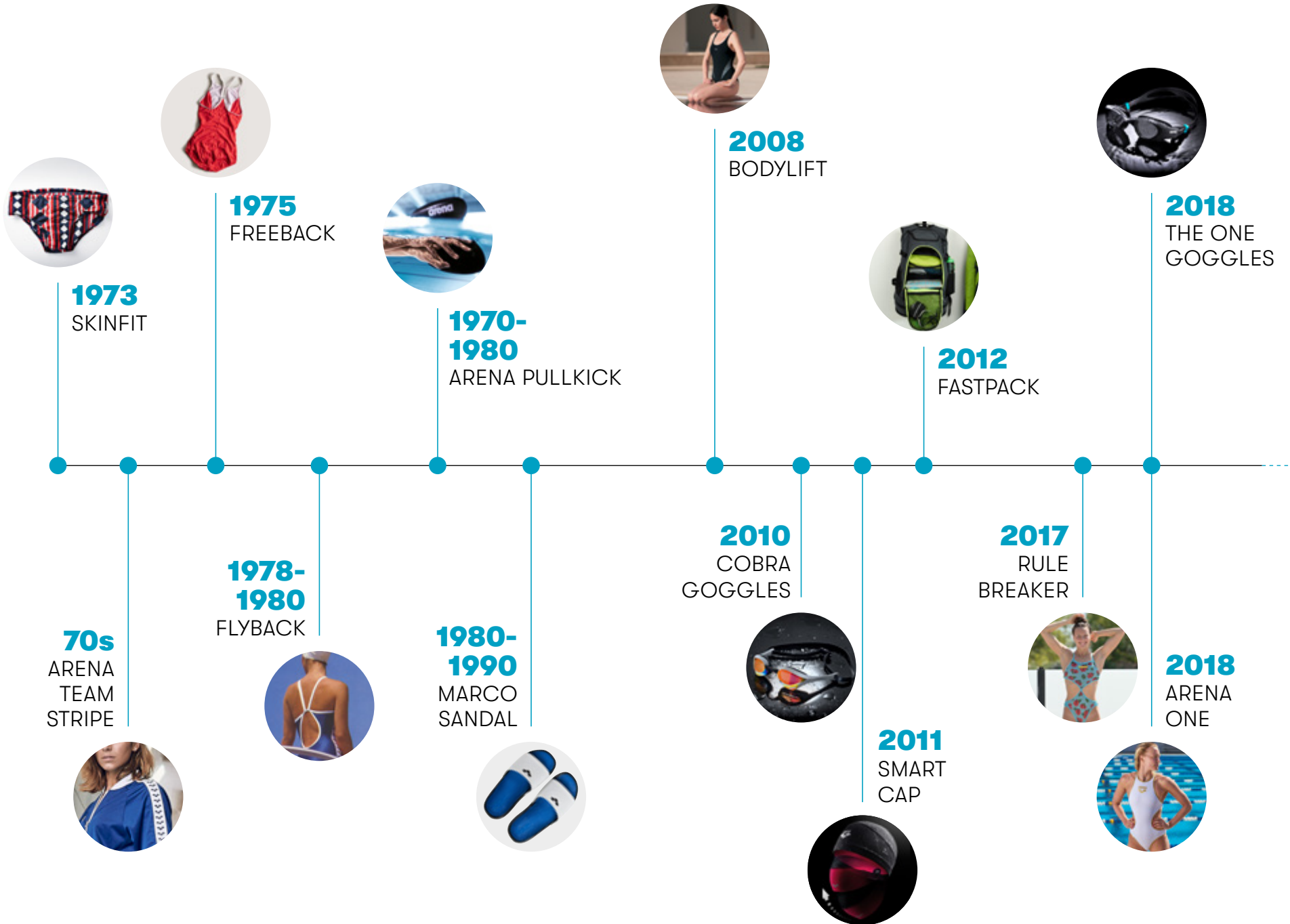
99%

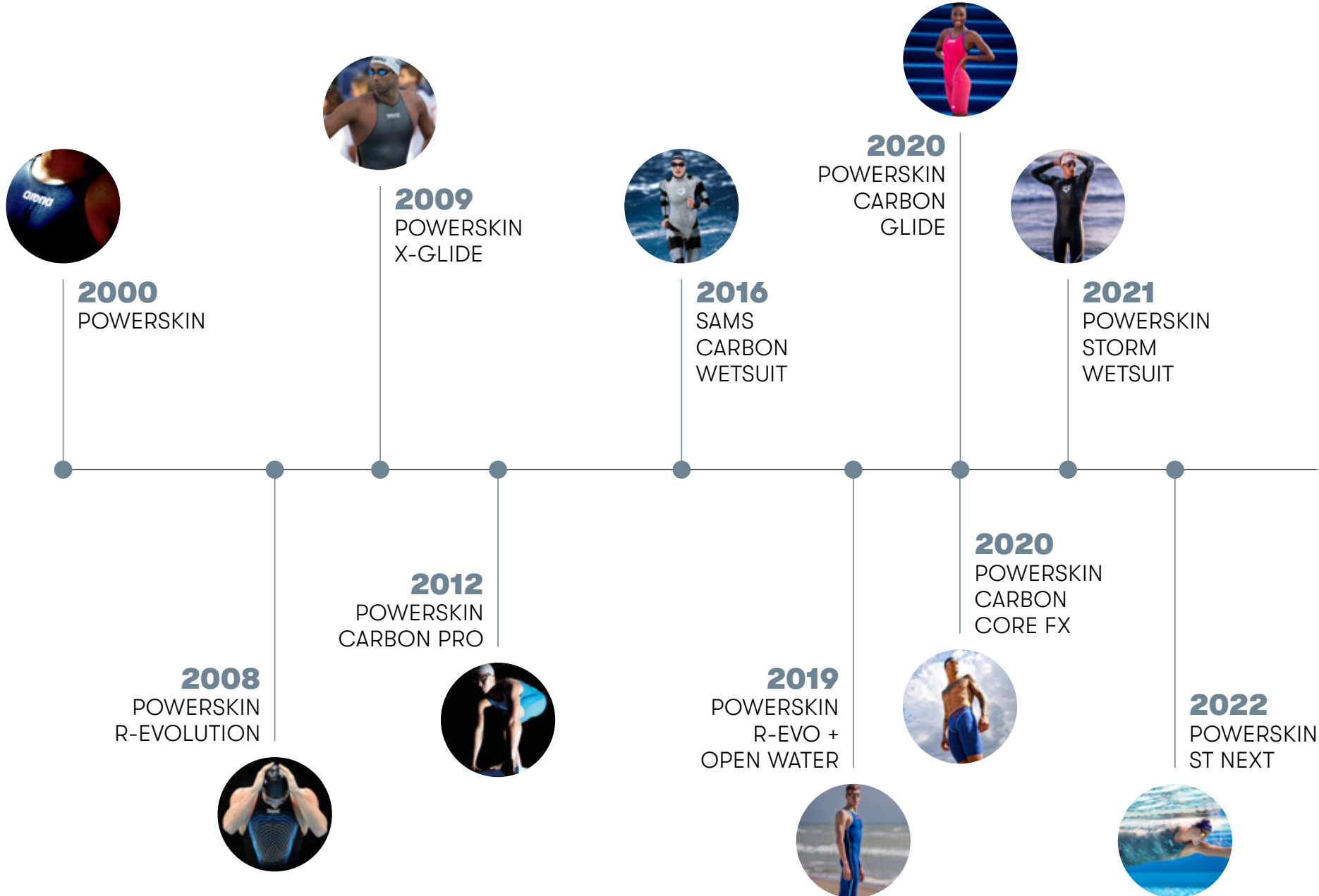
of paper packaging in FSC-certified paper.

Arena's mission to inspire lifelong passion for sports and water depends on designing products that deliver maximum performance without compromising the environment.

When our products last longer and pollute less, we empower people to protect the natural environments that we depend on and operate in – this guides us on our path to delivering our vision of connecting people to water, performance, and sustainability.

50 YEARS OF PRODUCT INNOVATION







SET THE STAGE

THE EVOLUTION OF EXCELLENCE

Customer satisfaction, and environmental impact are at the core of the products we design and make.

As a company operating in the swimwear and sportswear sectors, we relish the challenge of creating high-performance products while accomplishing social and environmental sustainability.

Sustainability starts on the drawing board, reimagining how our products are made and used by applying sustainable thinking at every stage, from sourcing to end-of-life. By doing so, we create products with a high degree of performance while focusing on reducing environmental impacts.

OUR DESIGN PILLARS

We focus on four key design pillars:

HIGH PERFORMANCE

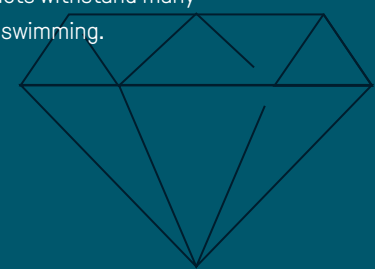
Maximum comfort and performance are priorities in our swimwear.

Our innovative materials and streamlined, athletic cuts focus on ease of movement and comfort for all body types, whether you are swimming laps or enjoying leisurely dips in the ocean.



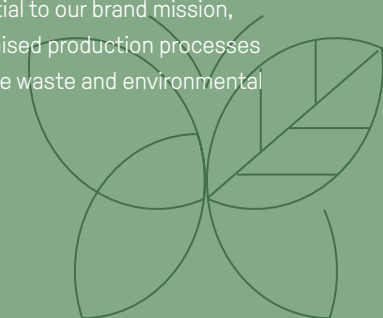
DURABILITY

Durable, multi-use products reduce environmental harm over long life cycles. We select high-quality, long-lasting materials and components so your swimsuit and other products withstand many seasons of swimming.



LOW ENVIRONMENTAL IMPACT

Choosing eco-friendly materials, and cutting waste and pollution, are vital to dealing with the environmental challenges of our time. Circular models are essential to our brand mission, with optimised production processes to minimise waste and environmental harm.



RESPONSIBLE SUPPLY CHAINS

Responsible, ethical supply chains that positively impact and inspire communities and protect resources for future generations through fair, sustainable practices for each individual product made.



PREFERRED MATERIALS: APPROACH AND PROGRESS

To design and manufacture all products progressively more environmentally conscious is a crucial step we have committed to.

We work hard to develop more sustainable garments and accessories to reduce our environmental impact while guaranteeing our distinctive performance, protection, style, comfort, and fit.

* **Pie charts - FW23 vs FW22:** In FW23 Sportswear collection has been optimized therefore the % of recycled styles were lower due to a decrease of total number of styles.

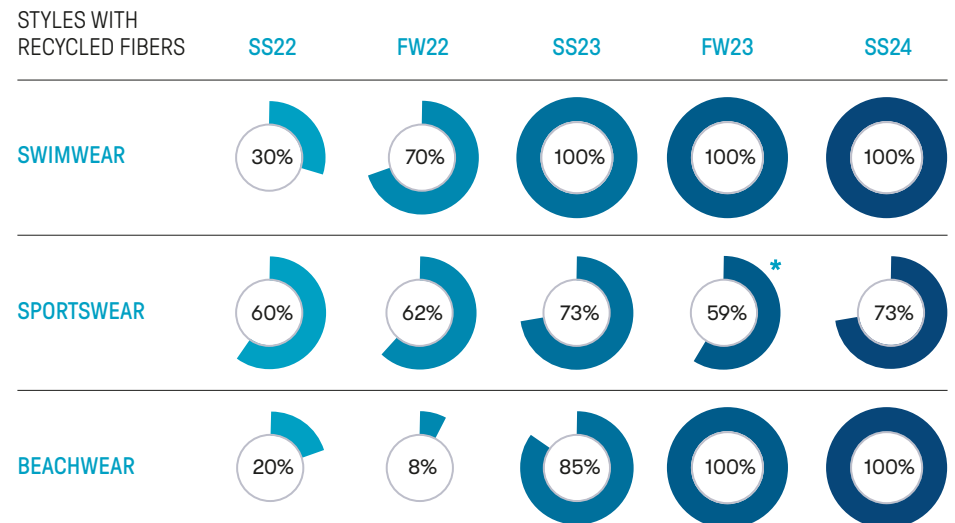
RESPONSIBLE PRODUCT DESIGN

Alongside obtaining sustainability textile certifications, we are increasing the percentage of fabrics with recycled fibers in our products every season.

Our commitment to increasing circularity in our products is already evident in the design phase. In 2022, in addition to the ranges in the table, the following products were made with preferred materials:

as 50% of our racing category in terms of sales is represented by entry-level racing suits. ECONYL® is a regenerated nylon created from waste; it is recyclable and helps companies achieve circular objectives.

- **5 LINES OF GOGGLES** made from 30% recycled silicon and **2 LINES OF CAPS** made from 40% recycled silicon.
- **2 LINES OF FLIP FLOPS** made from FSC-certified rubber.
- A line of **ENTRY-LEVEL RACING SUITS** in ECONYL®. It is a significant achievement





MEASURE WHAT MATTERS

At Arena, we believe that innovating requires the measurement of the impact of our products throughout their whole life cycle. Measuring the impact of our products is crucial to identifying hotspots, areas where change is vital in the reduction of our environmental footprint.

For this reason, in 2021 and 2022, we conducted various Life Cycle Assessments (LCA) in partnership with Università Politecnica delle Marche (UNIVPM). We administered LCAs on different products categories:

- **GOGGLES**
- **SWIMCAPS**
- **BAGS**
- **FOOTWEAR**
- **RACING SWIMSUITS**
- **BODY LIFE WEAR.**

In 2022, we also experimented with the Sustainable Life Cycle Assessment methodology on two of our products - our Cobra goggles and our Santamarias swimsuits.



The Sustainable Life Cycle Assessment (SLCA) is a design tool which facilitates the evaluation of a product based on its full lifecycle impact and its adherence to the four key sustainability principles. With this evaluation, we are able to create the guidelines for sustainable product design.

Through undergoing the SLCA, we have developed clearer solution-driven approaches to the environmental impacts of our products and have improved our product sustainability through the involvement of our suppliers at all stages.

PACKAGING: APPROACH AND PROGRESS

99% of paper packaging is FSC-certified paper (including hang tags, boxes, cardboard, & hooks).

100% of the goggles boxes are made of 30% recycled PET

100% of the swim cap pouches are made of 100% recycled plastic (LDPE)



The mark of responsible forestry

SUSTAINABLE PACKAGING DRIVING CHANGE

At Arena, we believe sustainable packaging is essential for building a circular future where products and packaging are designed to protect rather than pollute the environment. Our transition to more sustainable options has begun, and we aim to optimise or replace conventional packaging across our full product range over the next several years.

Delivery of products to the consumer has an inherent environmental consequence. To reduce this impact, we use more sustainable materials for our packaging (hang tags, pouches, boxes, etc.).

OUR PACKAGING SUSTAINABILITY LABELS

FSC® certified cardboard is our choice for 99% of our packaging made out of paper, and for the majority of plastic packaging, we use recycled plastic.

The FSC logo on our paper packaging assures the customer that it has been made in compliance with rigorous standards, which protect the world's forests and ecosystems, and respect local communities and workers' rights.

The Forest Stewardship Council® is an international NGO, established more than 25 years ago, that promotes responsible forest management and the FSC® certification is the world's most credible solution for healthy and resilient forests, for all, forever.

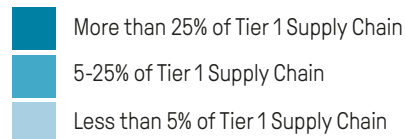
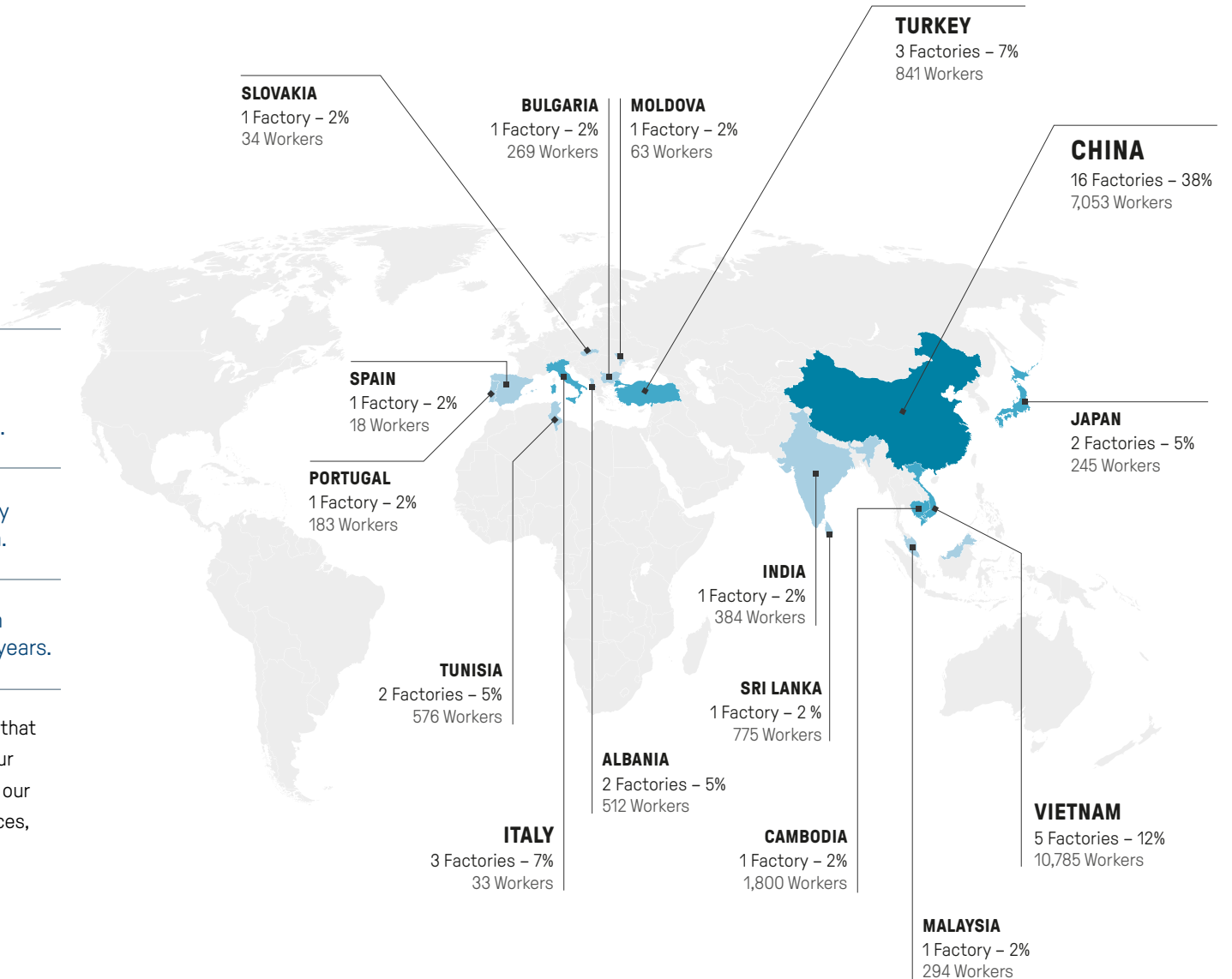
VALUE CHAIN CO-EVOLUTION

100% of suppliers receive the Code of Conduct (available in 21 languages).

76% of the people in our supply chain network are women.

>80% Tier 1 Suppliers have been partners for more than 3 years.

We are fully transparent about our suppliers so that our customers and stakeholders know where our products come from and can be confident that our partners share our values, rigorous best practices, and continuous improvement aspirations.





TRANSPARENCY AND ACCOUNTABILITY

At Arena, we take seriously our responsibility to the people in our global supply chain. We are committed to fair, ethical, and sustainable practices. When production moved abroad, we took the necessary steps to safeguard fair and humane working conditions for the manufacture of all our products beyond our direct control through formalised oversight and accountability mechanisms.

To uphold our commitment, we have a Supplier Code of Conduct that all our suppliers adhere to, which outlines strict standards for labour, health, safety, and environmental practices across our supply chain. Compliance is monitored through regular audits.

[View Arena's Suppliers Code of Conduct](#)

PARTICIPATION IN FAIR LABOR ASSOCIATION (FLA)

Since 2011, Arena has been a member of the Fair Labor Association (FLA), a large global non-profit organisation dedicated to protecting workers' rights and improving working conditions.

We are proud to be the first Italian-based brand to receive FLA accreditation for our Level 1 global supplier CSR programme.



[View Arena's Fair Compensation Public Commitment](#)

TRANSPARENCY AND ACCOUNTABILITY

HOW WE SELECT NEW SUPPLIERS

Arena evaluates and determines every new potential supplier in our network to ensure they meet the standards required to start a business relationship.

THE KEY AREAS OF EVALUATION ARE: _____



Product Development



Product Planning



Production Process



Quality Control



Health, Safety & Environment



Product Safety & Certification



Social Responsibility

[View Arena's Tier 1 Supplier List and how we co-evolve our value chain](#)

BUILDING LONG-TERM RELATIONSHIPS WITH OUR ECOSYSTEM

We aim to promote continuous improvement by building capacity and long-term relationships with suppliers. When issues are found, we liaise with the supplier to better understand the root causes and support them in developing responsible, ethical, and sustainable long-term practices.

Corporate responsibility goes beyond the walls of our offices or factories. In today's global economy, brand integrity depends on the alignment of the entire supply chain and commitment to ethics without borders.

We take pride in the steps we have taken to lead by example, and will continue to improve tirelessly.

COMMITMENTS FOR THE FUTURE

Our effort towards better products continues. We have many commitments for the future, as we believe constant improvement and change are key to creating long-term value.

100%
SS23 and FW23
swimwear styles made with recycled fibers.

73% SS23 and
59% FW23
sportswear styles made with recycled fibers.

85% SS23 and
100% FW23
beachwear styles made with recycled fibers.

In 2023
we are launching a line of Organic Cotton beach towels, to increase our use of natural fabrics.



We have invested in **3D printers**, using innovation for sustainability, and we will assess its impact in the years to come.

We will **reduce our sales samples**, and we will use 3D renders to reduce our reliance on photoshoots.

In SS24 we are launching a **reusable polybag** for our premium line of beachwear collection to improve our packaging sustainability performance.

We are working towards **mapping of the social and environmental performance of 80% of our suppliers**, so we can take action where needed. Together with our suppliers and industry partners, we raise the bar for sourcing and manufacturing ethically.

WE CARE ABOUT OUR PLANET



HIGHLIGHTS 2022

62%

renewable electricity usage globally (98% in our HQ of Tolentino).



129.354

tonnes of non-hazardous waste recycled or reused.



We take care of ourselves by caring for our planet.

We all leave an impact on the planet, so we should all play a part in reducing our footprint. We strive to help create a future that continues to allow everyone to enjoy swimming and water sports in a healthy environment.

That is why we are doing our part, inspired by our passion for life in and by the water.

SET THE STAGE

Humans are emitting far too much carbon into the atmosphere, and it is destabilising the Earth's climate.

The science is clear: we can still save the planet, but we have to work fast—and work together. We need to reduce carbon emissions to limit global warming to 1.5°C, as called for in the Paris Agreement.

Our industry - the textile industry - is responsible for 10% of global carbon emissions and has not yet fully overcome the challenges related to intensive water use, toxic chemicals, and end-of-life product waste.

We are dedicated to taking a leading role in transitioning

to regenerative, cooperative, and circular systems that prioritise the well-being of our communities and the environment. This commitment entails actively measuring our environmental impact, establishing improvement targets at every stage of the production cycle, and embracing innovative approaches to safeguard the planet.

Reducing our carbon footprint and managing resources such as energy, water, and raw materials mindfully is critical to creating resilient societies to ensure a future for both humanity and the planet. Our window of opportunity to act is rapidly closing - the coming decades will shape the next century.

Though addressing environmental issues requires short-term investments and changes in practice, it will pay off through continued access to natural resources, reduced risks and costs, meeting social expectations, and tapping into new economic opportunities.

Protecting the planet is not just an ethical cause - it is a sound business strategy. For their own viability and prosperity, businesses must make sustainability and climate action priorities. The next few years will determine who emerges as the corporate leader of the future.



“Our approach to environmental sustainability is inspired by the practice of sport, where every detail counts in order to achieve the maximum performance.”

RENZO CASAVECCHIA - CSR & QHSE Director



CLIMATE ACTIONS

Diving into a pool, a lake, a river, or the ocean is a gift, and we continue to help protect these special environments that are undergoing exponential transformations, such as progressive warming and pollution, which profoundly affect their ability to sustain life and all forms of human activity.

In 2022, we assessed our impact in terms of greenhouse emissions across our operations by adopting a calculation methodology, developed in accordance with the GHG Protocol, for Scope 1 and 2 emissions. The **GHG Protocol** serves as the global reference framework for measuring and managing greenhouse gas emissions resulting from the operations, value chains, and mitigation actions of both private and public organisations.

Measuring our emissions was a significant milestone in gaining awareness of our carbon footprint and facilitated the formulation of a gradual reduction plan for the years to come. The challenge ahead is substantial, as we are an international entity with production facilities, logistical hubs, and stores. Our people work hard to develop products that enhance a deep connection between people and planet water.

We strive to honour our calling by continually reducing our impact, firmly believing that these two objectives are not only achievable but also essential for the future of society and the planet.

Our Measured Greenhouse gas emissions

517.6

tonnes CO₂
Total Scope 1 Emissions
 direct emissions from company-owned and controlled resources.

113.4

tonnes CO₂
Total Scope 2 Emissions
 indirect emissions from the generation of purchased energy, from a utility provider.



REDUCING OUR DIRECT AND INDIRECT EMISSIONS

Scope 1 and 2

GREENING OUR ENERGY USE IN OUR TOLENTINO HQs

100% of Electricity sourced for our HQs comes from **renewable sources**.



We are undertaking this challenge and taking a stance on climate action.

To curb our carbon emissions, we are investing in the ‘greening’ of our energy use. In 2020 we started investing in renewable energy for the company’s HQ in Tolentino, Italy. Since 2021 the office has been fully powered by green electricity from renewable sources and natural gas, offsetting 100% of all related gas emissions to be net carbon neutral. We ensure our energy is sourced through

renewable sources thanks to guarantees of origin, which cover 98% of our energy purchases. Ensuring a reduction in carbon emissions is also about energy efficiency, so we have also taken action to reduce our electricity consumption in our Headquarters through efficiency measures.

Thanks to our green electricity, we were able to avoid 266.492 Tons of CO₂ at our Tolentino HQ in 2022.

REDUCING THE INDIRECT EMISSIONS OF OUR VALUE CHAIN

Scope 3

COMPENSATING OUR EVENTS

2,778

Mangrove trees **planted** in Guatemala

350,000

Kg of CO₂ **compensated**

To contribute to our fight against climate change, we focus on reducing the environmental impact of our events.

Our goal is that every Arena event is planned, organised, and executed with concern for environmental, social, and economic issues to minimise the impact and, ideally, leave a positive legacy for the community hosting the event.

To live up to this goal, in 2019, we began measuring the carbon footprint of our global sales meetings, which bring together more than 200 people in one place.

This allows us to set goals for reducing the social and environmental impact year on year and introduce strategies to achieve these targets. In 2022 we put our ideas into action by offsetting the emissions generated by the International Sales events organised during the year, which took place in Milan and Sardinia.

To compensate for the emissions produced by the event, we launched a partnership with ZeroCO₂ in a reforestation project to plant 2,778 mangrove trees in Guatemala, which are projected to absorb an estimated 350,000 kg of CO₂.



RESOURCE MANAGEMENT

4,506 m³ of water consumed

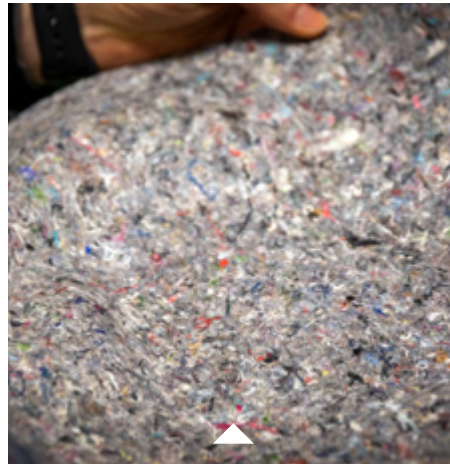
300 plants of Posidonia planted in Sardinia

200 kilos estimated plastic saved per year

The resources that sustain us – water, energy, raw materials – are precious and finite. How we choose to manage them today will shape our shared future.

Responsibility is crucial. When we conserve, when we protect, when we build circular economies that reuse as much as they extract – we open the door to new opportunities and new abundances. True responsibility demands sustainable action.

We want to live up to this calling by reimagining the way we source and manage resources by placing particular attention on water, energy, and waste. To live up to this goal, we took several actions.



Concerning our waste management, we put into place a recovery strategy for old marketing samples that remained unused in our Tolentino offices. These samples were recovered, preventing them from ending up in landfill.

Furthermore, we have eliminated disposable plastic coffee cups and provided ceramic coffee mugs and paper compostable cups to staff and visitors. We estimate to have eliminated over 200 kilos of plastic waste per year as a result of this small change.

We also introduced free water bottles and dispensers to avoid non-reusable plastic bottled water.



In May, we launched a project with ZeroCO₂, to protect water ecosystems by fostering biodiversity in the Mediterranean. With this purpose in mind, Arena pledges to contribute to the preservation of this ecosystem with the Marine project by ZeroCO₂ and Worldrise. ZeroCO₂ has planted 300 Posidonia plants that will regenerate 12 square metres of seabed in the Gulf of Oranges, to start a new prairie.

COMMITMENTS FOR THE FUTURE

We commit to fighting climate change and improving our resource management strategy.

We are currently taking many steps to improve our energy efficiency:

Lighting for the entire Tolentino complex will be overhauled, replacing older-generation units and bulbs (fluorescent, incandescent, halogen, metal halide, etc.) with innovative **Light Emitting Diode (LED)** lamps to reduce consumption and improve light output and comfort in the workplace.

Photovoltaic panels to be installed to produce a total of 120 kW in Tolentino.

The next step in our green energy strategy will be to roll out similar projects at all our subsidiaries around the world, with the long-term goal that all our operations are net carbon neutral and powered by **100% renewable sources**.



FLIP TURN



Arena aims to strengthen the connection between people and water.

To fulfil this purpose, we commit to building a healthy society by enabling physical activity and well-being for all. We will foster workplaces where our own people can thrive and develop.

We pledge to support a healthy environment based on the knowledge that our future relies on freshwater and functioning ecosystems.

By inspiring more people through sport and protecting the planet we share, we will achieve growth that bonds humanity and endures.

Together, we will write the next chapter, starting now.

**LOOKING AHEAD
BY LOOKING BACK:**
LESSONS FROM
OUR JOURNEY
THAT SHAPE
THE PATH FORWARD



**PEOPLE
AT THE CENTRE**

Arena's sustainability evolution is powered by our people. Their passion, values, and daily choices advance our mission to connect humanity with water in ways that nourish both joy and purpose.

**SUSTAINABILITY AS A
KEY DESIGN ELEMENT**

Sustainability is the driving force behind our product design. We are reimagining swimwear and equipment to deliver peak performance with reduced environmental impact - prioritising renewable materials and resource efficiency, in every new collection.

**SUSTAINABILITY
IS A JOURNEY**

Sustainability is a journey, not a destination. Each day we further advance by setting new targets, forging partnerships, and taking action to protect people and the planet through the power of sport.

COMMITMENTS FOR THE FUTURE

As we move forward, our strategy will focus on three key areas:



1

Engaging all members of our business ecosystem - including employees, partners, suppliers, and customers - to collaboratively develop innovative solutions to the challenges we face. In line with this goal, we have developed a Community Impact Plan, that will help us select high-value social initiatives to support.

2

Enhancing transparency surrounding our business operations and their impacts by regularly disclosing relevant information to stakeholders. Particular focus will be placed on working closely along our value chain to improve traceability and social standards.

3

Operating as a double bottom line company that weighs the societal and environmental consequences of our decisions equally with financial returns.

We will make this goal a reality by transforming Arena into a Società Benefit (Benefit corporation) - a company that introduces common benefit purposes into its bylaws, committing formally to including social and environmental considerations in our decision-making processes.

ANNEX

- Tabs of the GRI indicators not included in the text of the report.
- GRI content index.

ANNEX TO THE CHAPTER

WE CHAMPION PEOPLE

Information on employees and other workers.

GRI 2: GENERAL DISCLOSURE

GRI 2-7 Employees

 Total number of employees ITALY - **TOLENTINO HQ + ROVETTA**

N. People	as of 31/12/2022			as of 31/12/2021			as of 31/12/2020		
	Men	Women	Overall	Men	Women	Overall	Men	Women	Overall
Full Time	87	91	178	82	78	160	91	84	175
Part Time	-	14	14	2	16	18	-	16	16
TOTAL	87	105	192	84	94	178	91	100	191

 Total number of employees - **ITALY RETAIL**

N. People	as of 31/12/2022			as of 31/12/2021			as of 31/12/2020		
	Men	Women	Overall	Men	Women	Overall	Men	Women	Overall
Full Time	2	38	40	2	34	36	1	17	18
Part Time	-	17	17	-	17	17	-	10	10
TOTAL	2	55	57	2	51	53	1	27	28

 Total number of employees - **ARENA GERMANY + GERMANY RETAIL**

N. People	as of 31/12/2022			as of 31/12/2021			as of 31/12/2020		
	Men	Women	Overall	Men	Women	Overall	Men	Women	Overall
Full Time	10	11	21	9	11	20	11	10	21
Part Time	1	6	7	1	8	9	-	5	5
TOTAL	11	17	28	10	19	29	11	15	26

 Total number of employees - **ARENA FRANCE**

N. People	as of 31/12/2022			as of 31/12/2021			as of 31/12/2020		
	Men	Women	Overall	Men	Women	Overall	Men	Women	Overall
Full Time	12	16	28	12	16	28	13	16	29
Part Time	-	-	-	-	-	-	-	-	-
TOTAL	12	16	28	12	16	28	13	16	29

ANNEX TO THE CHAPTER

WE CHAMPION PEOPLE

Information on employees and other workers.

GRI 2: GENERAL DISCLOSURE

GRI 2-7 Employees

 Total number of employees - **FRANCE RETAIL**

N. People	as of 31/12/2022			as of 31/12/2021			as of 31/12/2020		
	Men	Women	Overall	Men	Women	Overall	Men	Women	Overall
Full Time	13	10	23	13	9	22	11	11	22
Part Time	-	8	8	1	5	6	1	2	3
TOTAL	13	18	31	14	14	28	12	13	25

 Total number of employees - **UNITED STATES OF AMERICA**

N. People	as of 31/12/2022			as of 31/12/2021			as of 31/12/2020		
	Men	Women	Overall	Men	Women	Overall	Men	Women	Overall
Full Time	12	17	29	8	15	23	8	14	22
Part Time	-	-	-	-	-	-	-	-	-
TOTAL	12	17	29	8	15	23	8	14	22

 Total number of employees - **SLOVAKIA**

N. People	as of 31/12/2022			as of 31/12/2021			as of 31/12/2020		
	Men	Women	Overall	Men	Women	Overall	Men	Women	Overall
Full Time	2	64	66	2	48	50	2	55	57
Part Time	-	-	-	1	-	1	-	-	-
TOTAL	2	64	66	3	48	51	2	55	57

Total number of employees and other collaborators

N. People	as of 31/12/2022			as of 31/12/2021			as of 31/12/2020		
	Men	Women	Overall	Men	Women	Overall	Men	Women	Overall
Employees	139	292	431	135	255	390	138	240	378
Other collaborators*	6	3	9	4	6	10	4	2	6
TOTAL	145	295	440	139	261	400	142	242	384

* Contracted workers, temporary workers, interns and self-employed workers.

ANNEX TO THE CHAPTER

WE INNOVATE THE WAY WE DESIGN OUR PRODUCTS

GRI 403-1: OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

Arena chooses, qualifies and monitors our suppliers through Arena's supply chain monitoring programme.

Aspects covered by our programme are health and safety, quality, social responsibility, and sustainability.

Arena's programme has received third-party accreditation from the Fair Labour Association (a US NGO).

The programme includes monitoring all first-tier suppliers, which are [publicly available here](#), together with details of the activities carried out in our supply chain.

GRI 416: CUSTOMER HEALTH AND SAFETY 2016

416-1: Assessment of the health and safety impacts of product and service categories

In the five-years from 2017 to 2022, the defect rate of Arena goods decreased by more than 50 percent, having a significant bearing on the area of sustainability, by avoiding rejects of defective products. In 2022 we conducted 50 third-party inspections at our suppliers and 482 tests at our in-house laboratory, both on new materials to be approved and on finished products.

In addition, in 2022, we conducted 226 chemical tests and tested more than 4200 substances to verify that our products meet the highest chemical safety standards.

We use Oekotex-certified textiles to guarantee the absence of harmful chemicals in our products.

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

To identify and prevent safety issues that may occur in production and ensure products are made to a high standard in an environmentally conscious way, Arena has a dedicated QHSE department that guides us and our suppliers in responsible, safe, and environmentally aware working practices.

Total number of incidents of non-compliance with regulators and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period:

- 0 incidents of non-compliance with regulators resulting in a fine or penalty;
- 0 incidents of non-compliance with regulators resulting in a warning;
- 0 incidents of non-compliance with voluntary codes.

ANNEX TO THE CHAPTER

WE CARE ABOUT OUR PLANET

GRI 303: WATER AND EFFLUENTS

303-1 Interactions with water as a shared resource

Arena mainly uses water for sanitary services; no process water is used. In the Slovakian production plant, no water is used in the production process but only for sanitary purposes. Arena owns the HQ building in Tolentino (ITA) and Libourne (FRA), the other premises are rented for which the costs and water consumption are incorporated in the rents.

WATER CONSUMPTION:

- HQ	3,662 m ³
- Italy Outlet	145 m ³ (4 outlets)
- Rovetta	82 m ³
- Slovakia	370 m ³
- France	247 m ³

Arena is aware that the textile industry, especially in certain phases, needs to withdraw and discharge notable quantities of water resources. This is why we commit to ensuring that the suppliers involved in these stages withdraw and discharge water in compliance with environmental regulations. In addition, Arena works closely, through consultations, with our suppliers to monitor, define, and improve their water consumption.

ANNEX TO THE CHAPTER

WE CARE ABOUT OUR PLANET

303-1 Interactions with water as a shared resource

GRI CONTENT INDEX

GRI STANDARDS	DISCLOSURE	SECTION OF THE REPORT	
GRI 2 – General Disclosures	2-1	Organizational details	Introduction - We are Arena
	2-2	Disclosure 2-2 Entities included in the organization's sustainability reporting	We are driven by purpose - Set the Stage
	2-6	Activities, value chain and other business relationships	Introduction - We are Arena
			We champion people - Set the stage
			We champion people - How we champion people
			We innovate the way we design our products - Value chain co-evolution
	2-7	Employees	We champion people - Set the stage Annex to the chapter - We champion people
	2-12	Role of the highest governance body in overseeing the management of impacts	We are driven by purpose - Set the stage
We are driven by purpose - Sustainability Plan 2022-2025			
We are driven by purpose - Sustainability Performance Related-Remuneration			
2-13	Delegation of responsibility for managing impacts	We are driven by purpose - Sustainability Plan 2022-2025	
		We are driven by purpose - Sustainability Performance Related-Remuneration	
2-29	Approach to stakeholder engagement	Introduction - Stakeholder & Materiality Analysis	

ANNEX TO THE CHAPTER

WE CARE ABOUT OUR PLANET

303-1 Interactions with water as a shared resource

GRI CONTENT INDEX

GRI STANDARDS	DISCLOSURE	SECTION OF THE REPORT	
GRI 3 – Material Topics 2021	3-1	Process to determine material topics	Introduction - Stakeholder & Materiality Analysis
	3-2	List of material topics	Introduction - Stakeholder & Materiality Analysis
	Enhance the connection between people and planet water		
	3-3	Management of material topics	We enhance the power of communities - Set the stage We enhance the power of communities - Charity initiatives We enhance the power of communities - Impactful partnerships & initiatives (here for more info: about.arenasport.com/en/planetwater)
	203-1	Infrastructure investments and services supported	We enhance the power of communities - Charity initiatives We enhance the power of communities - Impactful partnerships & initiatives
	Product Quality & Safety		
	3-3	Management of material topics	We innovate the way we design our products - Set the stage; Preferred materials: approach & progress; Packaging: Approach & Progress Annex to the chapter - We innovate the way we design our products
	GRI 416	Customer Health and Safety 2016	Annex to the chapter - We innovate the way we design our products
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Annex to the chapter - We innovate the way we design our products



ANNEX TO THE CHAPTER

WE CARE ABOUT OUR PLANET

303-1 Interactions with water as a shared resource

GRI CONTENT INDEX

GRI STANDARDS	DISCLOSURE	SECTION OF THE REPORT	
GRI 3 – Material Topics 2021	Healthy & Wellbeing Working Conditions		
	3-3	Management of material topics	We champion people - Health & Safety
	2-7	Employees	Annex to the chapter - We champion people
	Ethics & Business Integrity		
	3-3	Management of material topics	We are driven by purpose - Set the stage; Sustainability Plan 2022-2025
	2-12	Role of the highest governance body in overseeing the management of impacts	We are driven by purpose - Set the stage We are driven by purpose - Sustainability Plan 2022-2025 We are driven by purpose - Sustainability Performance Related-Remuneration
	2-13	Delegation of responsibility for managing impacts	We are driven by purpose - Sustainability Plan 2022-2025 We are driven by purpose - Sustainability Performance Related-Remuneration
	Labor & Human Rights in Supply Chain		
	3-3	Management of material topics	We innovate the way we design our products - Value chain co-evolution
	GRI 403-1	Occupational health and safety management system	Annex to the chapter - We innovate the way we design our products
	Protect Planet Water		
	3-3	Management of material topics	We care about our planet - Resource management
	303-1	Interactions with water as a shared resource	Annex to the chapter - We care about our planet

Analysis, contents and communication project

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