

**MODERN SLAVERY STATEMENT
FOR THE FINANCIAL PERIOD 2023**

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— Introduction

This document, whose content refers to the fiscal year of 12 months ended December 31, 2023, was approved by the Board of Directors of Prada S.p.A. on April 24, 2024 and describes the measures taken by the Prada Group (hereinafter also "the Group" or "Prada") to ensure, as required by the UK "Modern Slavery Act 2015 - Section 54", the absence of any form of "modern slavery, forced labor and human trafficking" within its organization and along its supply chain.

This statement is also made on behalf of the following companies controlled by the Prada Group: Prada Retail UK Ltd and Church & Co Ltd.

— The Prada Group

€4.7 Billion

Revenues 2023

14,876

Employees

at December 31, 2023

606

Directly Operated Stores

at December 31, 2023

26

Industrial sites

at December 31, 2023

The Prada Group is a global leader in the luxury industry and a pioneer in its unconventional dialogue with contemporary society across diverse cultural spheres.

Home to prestigious brands as Prada, Miu Miu, Church's, Car Shoe, Marchesi 1824 and Luna Rossa, the Group remains committed to enhancing their value by increasing their visibility and desirability over time.

Promoting creativity and sustainable growth, the Group offers its brands a shared vision that gives each of them the opportunity to stand out and express their essence.

With 26 owned factories and over 14,800 employees, the Group designs and produces ready-to-wear, leather goods, footwear and jewellery collections, and distributes its products in more than 70 countries, through 606 Directly Operated Stores (DOS), e-commerce channels and selected e-tailers and department stores. Prada Group also operates in the eyewear and beauty sectors through licensing agreements with industry leaders.

Prada S.p.A. is listed on the Hong Kong Stock Exchange as 1913.

— Ethical principles

The Prada Group's strategic choices have always been guided by the desire to achieve sustainable success for the benefit of all its stakeholders, be they shareholders, employees, customers or the communities in which the Group operates. Prada S.p.A.'s Board of Directors is in fact committed to conducting the business responsibly, to building an inclusive and safe work environment for all, in the conservation of the environment and in the protection of the communities in which the Group operates.

Sustainability, increasingly rooted in corporate strategy, together with a continuous and transparent dialogue with stakeholders, are key factors to reaffirm the identity of the Group and support the competitive edge of the company, as well as to face changes and contemporary and future challenges and grant a long-term sustainable development.

Also for this reason, at the beginning of 2019, Prada S.p.A. Board of Directors approved the Sustainability Policy, in which the Group declares its commitment to operate in full respect of the value of the individual and for the human and workers' rights, enshrined both in the regulations of the countries in which it operates and in the international covenants and declarations - such as the United Nations Universal Declaration of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

The Board of Directors considers respect for ethical principles to be the foundation of the enterprise's success and represents an important expression of Prada's image and reputation. Since 2007, the Prada Group's founding values and principles have been given formal expression in its Code of Ethics: updated in 2022, the Code is communicated to all employees, collaborators and business partners and specifies that these principles apply to both Group's companies and suppliers, by a set of procedures that turn these values into daily actions. The Group promotes knowledge of the Code through various means such as online publications, direct communications and internal trainings, and by procedure, as part of the supply or commercial agreement with most of the partners,

by being a prerequisite for the establishment of all contractual relationships.

Overall, the Group Code of Ethics aims to promote compliance and to ensure the correct application of laws, regulations and key principles. In fact, the Code contains the guiding principles of the organization and embeds its core pillars of sustainability - Planet, People and Culture - which were set out in the Sustainability Policy and formalized in the Group's Sustainability Strategy.

The Code of Ethics is also a reminder of the Group's ethical whistleblowing system that enables anyone, be they internal or external stakeholder of the Group, to report a violation or suspected breach of the Code and its principles; an Ethics Committee receives, processes and assesses on a case-by-case basis any alert received through the whistleblowing channels.

The formalization in 2022 of the Human Rights Policy allowed to further articulate certain undertakings formalized in the Code of Ethics, highlighting the Group's commitment to respect all human rights not only within its own operations, but also to promote the adherence to the same principles among its suppliers or business partners. Respect for and protection of human rights, for all Group employees and employees in the supply chains of its brands, is central to the Group's ethical commitments and strategic choices. The Policy includes the principles set out in the Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organization, the United Nations Guiding Principles on Business and Human Rights and the United Nations Global Compact, which the Group joined in December 2023.

The Prada Group takes a cross-functional approach to governance over human rights, integrated into its overall governance structure for sustainability. Specifically, human rights governance spans various departments, starting with Human Resources, DE&I, CSR, Internal Audit and Industrial department.

— Industrial strategy

The Prada Group's competitive advantage also derives from its distinctive manufacturing tradition, developed through the buildup of its production premises, the progressive expansion of its manufacturing skills and enhanced control over its supplier network.

In recent years, thanks to investments of more than Euro 210 million since 2019, the Prada Group's industrial strategy has been focused on strong vertical integration of the supply chain, the progressive insourcing of sensitive phases of the production process and the acquisition of key capabilities, including technical skills. These decisions have highlighted the great advantages in terms of speed of response to rapid market changes and the ability to adapt the business model, given that competitiveness is increasingly based on such factors.

The Prada Group relies on a greater degree of manufacturing autonomy thanks to these investments in the expansion of its facilities and an important hiring plan; the Group, in fact, has realized all its prototypes internally for many years and in the past few years it has gradually insourced its leather cutting phases for handbags and footwear followed by the assembly processes. Quality control of all raw materials and finished products is now managed in-house, as well as the worldwide logistics of finished products.

Vertical integration, internalization and innovation effectively ensure more control over value creation, an extremely important aspect even from a sustainability standpoint, not just for the processes but especially in terms of responsible supply chain management.

— Building responsible supply chains

For the Prada Group, the selection of its suppliers is fundamental not only for reaching the highest standards of product excellence, but also for creating long-term value. In fact, through a collaborative and transparent approach, the Group has always prompted its suppliers to implement work, health, safety and environmental standards in the workplace and to transmit its high ethical standards.

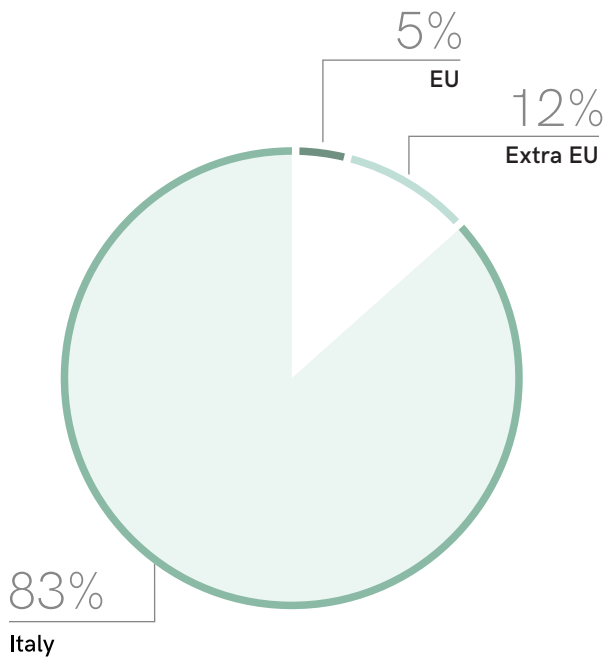
This collaboration builds and favors long-term relationships and is based on regular dealings, to share mutual growth and a common strategic objective, and to reduce the risk of non-compliance with the Group's Code of Ethics and applicable regulations. In addition, the proximity of the supply chain facilitates relationships and the monitoring of key suppliers to support risk control and management.

In 2023, the Group worked with over 900 industrial suppliers, among raw material producers and manufacturers. Approximately 86% of them are located in Italy and about 52% have been working with the Prada Group for more than 10 years.

83% of the Group's raw material suppliers are located in Italy, 5% in other European Union countries and the remaining 12% in other non-EU countries. In many cases they are long-established partners: about 65% of them have been working with the Group for more than 10 years, and around 23% for a period of time between 5 to 10 years.

With reference to manufacturing suppliers, 90% are located in Italy, 6% in the rest of the European Union and the remaining 4% in non-EU countries. Around 40% of them have been working with the Group for more than 10 years and around 31% for a period of time between 5 to 10 years.

Localization of raw material suppliers¹

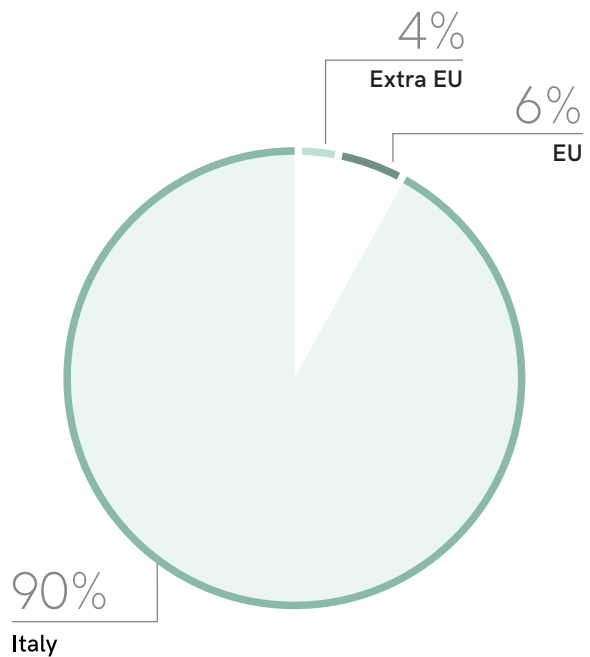


The location of the supply chain in Italy is also important for the working conditions of the employees, as they are governed by Italian laws and the collective bargaining agreements currently in force. The Italian Collective Bargaining Agreement (CCNL) supplements the law and is stipulated at a national level between trade unions and associations representing companies.

The CCNL regulates the rights, guarantees and obligations of all workers in terms of pay and regulatory provisions, such as guaranteed minimum wages, working hours, vacation time, seniority treatment, treatment of overtime, holiday and night-time work (with the related pay increases), the duration of the trial period and notice period, sick leave, maternity leave, accident leave and the disciplinary code. The CCNL is negotiated and renewed every three years, thus allowing for wage and regulatory adjustments in line with economic and legislative changes in Italy.

Although the Prada Group considers the risk of non-compliance in its direct supply chain to be lower, the

Localization of manufacturing suppliers²



use of subcontractors by first-tier suppliers brings additional reputational and legal risks, including in terms of human rights infringement and child labour.

In the past few years, Prada has directed efforts toward raising awareness in the purchasing structures for a responsible management of the industrial supply chain. To this end, in 2017 the Group adopted a Qualified Vendor List procedure to define the responsibilities and operational criteria required to evaluate the ethical, technical and economical reliability of its suppliers.

With respect to ethical issues, the accreditation and maintenance of a supplier's qualification are firstly confirmed through the request of documents, attestations and self-certifications that ensure compliance with the laws on remuneration, social security, taxes, occupational health and safety, the environment, privacy and the governance model. Finally, the Code of Ethics must be signed in order to work with Prada.

¹ For the purposes of this analysis, only raw material suppliers with a purchase of more than Euro 30 thousand in 2023 have been considered.

² For the purposes of this analysis, only manufacturing suppliers with a purchase of more than Euro 30 thousand in 2023 have been considered.

The Code of Ethics - updated in 2022 - enshrines the fundamental ethical principles for the Prada Group, which in turn inspire other policies and documents such as the Human Rights Policy and the Suppliers Code of Conduct - both formalized in 2022 - that further reinforce respect for human rights, for all Group employees and for suppliers. Through the implementation of the Code, the Group requires its suppliers to commit to high ethical standards and respect for human rights in their production sites and among their subcontractors, as well as aspects related to environmental protection (e.g., legal compliance, chemical use, waste management and wastewater treatment) and raw material sourcing (e.g., biodiversity, animal welfare, traceability).

Information provided by suppliers is subject to first and second level controls, including interim ones, to ensure that the information is updated, accurate and consistent. These controls are performed by the procurement structures or business areas specialized in the various topics, are also conducted upon notification of potential breaches or anomalies; in these circumstances, the procedure involves additional analysis, targeted controls or immediate action with the parties involved.

In addition to the controls described above, since 2019, the Group has engaged its suppliers with regular inspections. When needed, a corrective action plan (Remediation Plan) is shared with the supplier. In the event of serious non-compliance or the inability of the supplier to ensure a positive response within a certain timeframe, relationships can also be terminated.

During 2023, the procedure has been updated to introduce a more structured and comprehensive governance, which will be implemented from 2024 and will also improve the coverage of supply chain controls.

Also in 2023, as part of its digital and process transformation programs, the Group invested in strengthening its supplier management and monitoring system - the Vendor Management Portal - which will become operational in the first half of 2024. The selection of all the Group's suppliers will be managed through the new system and suppliers will be regularly monitored through a vendor rating system to ensure transparency in purchasing practices, compliance with the Group's policies and alignment with sustainability objectives. In order to manage risk from the outset

of the supply relationship, other control activities are envisaged, such as on-site or remote audits, depending on the assessment associated with the type of supplier and the geography in which they operate.

With the aim of covering suppliers representing 80% of the Group's turnover, in the period 2019-2023, the control activity covered approximately 480 first and second-tier suppliers.

For the first time, in 2023 the Prada Group published on its corporate website www.pradagroup.com a list, regularly updated, of its raw material and manufacturing suppliers which, together with its own industrial facilities, account for almost 40% of its total production value.

— Training activities

In 2023, the Prada Group continued its commitment to the important path of education on social and environmental sustainability issues, which began in 2021. The main objective of the educational program is to create a corporate culture on sustainability in general and the Group's long-term commitment to these issues.

Dedicated courses have been organized to involve the various corporate functions on the main issues and to train the industrial area on the ethical issues most relevant to the responsible management of supply chains, in particular the risks associated with human rights abuses and modern slavery, thereby acquiring new knowledge and skills, but also the necessary sensitivity to manage relations with industrial suppliers in an increasingly responsible manner.

In addition, during 2023, specific groups of employees received an e-learning course, available in different languages, on the general principles of human rights and the Group's commitments in this area.

— Outlook

The Prada Group is committed to identifying opportunities for continuous improvement and to strengthening systems and controls for the respect of human rights throughout the supply chain, regularly assessing the adequacy of the procedural framework. In addition, the Group is constantly reviewing and rationalizing its industrial suppliers to increasingly minimize its risk profile.

In 2024, the control activities on suppliers will continue to efficiently monitor and mitigate the risks associated with supply chain management, as well as the training activities deemed essential to create a corporate culture on sustainability issues. Furthermore, already in 2023, the Group improved the system for selecting, managing and monitoring its suppliers; this measure will allow the supply chain to be more closely monitored in 2024, in order to promote transparency in purchasing practices, compliance with the Group's policies and alignment with sustainability objectives.

The Group will work proactively to continuously improve responsible business practices by seeking new ways to promote respect for human rights, a common and collaborative approach with suppliers and business partners.

**Approved by the Board of Directors
of Prada S.p.A.**
Milan (Italy), April 24, 2024