ITALIAN EXHIBITION GROUP S.p.A.

Communication on Progress (COP) for UN Global Compact

Period covered: April 2018 - June 2019

1. **Statement of Support signed by the company CEO**

Dear Madam Executive Director,

Becoming a UN Global Compact participant was a natural evolution for the Italian Exhibition Group (IEG). It enabled us to concentrate our efforts on advancing common social goals through Corporate Social Responsibility.

With CSR being a cornerstone element of our group agenda, priority has been given to the Sustainable Development Goals (SDG). Through our work environment we support social cohesion, cultural comprehension and sound development based on principles of sustainability.

During the reporting period, IEG has distinguished itself as a socially and environmentally responsible trade show organiser. In particular, we have worked with CIBJO, the World Jewellery Confederation, in promoting and providing educational services and programmes related to Corporate Social Responsibility (CSR) and sustainability within the jewellery, precious metal and gemstone supply chain, in support of the UN's development programme and its Sustainable Development Goals (SDG). IEG is the largest jewellery trade fair organizer in Italy, and among the largest worldwide.

Through our participation in the UN Global Compact, IEG ensured that, as a strategic principle, we have promoted and supported the protection of the environment, combatted challenges related to climate change and the depletion of natural resources, worked to develop fair and safe working conditions, eliminate the gender gap, and to provide better work opportunities for younger employees.

By joining the UN Global Compact’s international community, we have helped advance these goals on a worldwide scale. We have already engaged in collaborative projects, capturing ideas that reflect the priority we have all given to the SDGs, within the flux of the complex urban environment that exists in Northern Italy and the other locations in which we are active.

Progress was recorded as a result of the merger in 2017 of Rimini Fiera and Fiera di Vicenza, which resulted in the creation of the Italian Exhibition Group. In combining their strengths in their respective industry sectors, they achieved greater synergy in the marketplace worldwide. This successful merger allows us considerably more culturally diverse selection of communities, including education, science, communication, health, sport, wellness, food and beverages, tourism, the environment, jewellery and accessories and more.

Sincerely Yours,

Ugo Ravanelli
CEO, Italian Exhibition Group S.p.A.

Rimini, 28th June 2019
2. Description of Actions

Sustainable Development Goals addressed: 1, 4, 5, 8, 10, 12, 13, 14, 16 and 17.

Human Rights

As an Italian and European company, IEG is subject to the European Convention on Human Rights, and supports the Italian National Action Plan on Business and Human Right (2016-2021), promoting universal respect for, and observance of all human rights, fundamental freedoms and non-discrimination principles, with special attention to the rights of most vulnerable groups, such as women, children, disabled, LGBTQ people, migrants and asylum seekers, and persons belonging to ethnic and religious minorities.

In accordance with these policies, IEG has continued to operate, in conjunction with CIBJO, the World Jewellery Confederation, an educational programme that promotes principles of Corporate Social responsibility in the jewellery and gemstones industry, and on a twice yearly basis has hosted, financed and helped organise a series of seminars of workshops on a diverse array of related subjects, among them conflict mineral legislation, responsible supply chain compliance, the Kimberley Process, socially sustainable programmes in the pearl industry, and the responsible sourcing of precious minerals, gemstones and organic materials. For this purpose, speakers have been brought in from around the world, and from organisations such as the European Union, the United Nations Economic & Social Council (ECOSOC) and the OECD.

Labour Rights

One of the key priorities of IEG is to ensure the best working conditions and environment for employees, with equal protection and renumeraton, and in particular promoting the position of women in the workplace.

Among the actions taken are the actions have been taken along this line:

1. All employees are allowed to independently decide when to work within the 8:30pm and 6:30pm with at least a one hour break for lunch. The employees can organize their weekly work-schedule so that their work load is synchronized with urgent family an other matters.

2. The first 60 extra-hours accumulated by the employee are accounted in the “Bank of hours”. The employee will get pay immediately with the difference between normal working hour and extra working hour rate. The 60 hours will be accumulated in the “Bank of hours” can be used as days off and vacation before August of the following calendar year.

3. Increase of percentage of employees from the national average of 3% of employees under standard contracts to 6% of employees, who after pregnancy who can work part-time until the child is 3 years or age.

4. Has launched a “Smart Working” project on the Milano office is extended the program to the company’s offices in Rimini and Vicenza.

5. Fair performance management for employees’ compensation with individual variable objectives based on qualitative and quantitative Key Performance Indicators (KPI) and overall variable objectives based on the target EBTDA of the company.

6. Enabling the conversion of part of employees’ variable compensation into vouchers for a significant range of goods and services, provided through a corporate web platform at special rates.
Environmental Actions

IEG also strongly commits to actions towards the environmental sustainability, an in particular reducing its carbon footprint.

IEG has obtained the UNI EN ISO 14001:2015 environmental certification for all its premises in Rimini, Vicenza and Milan.

Among the actions taken are the following:

1. In the Vicenza Exhibition Centre, IEG has invested in three of the latest generation modular condensing boilers, which are able to reduce significantly energy consumption, estimated as the equivalent amount of energy consumer per day in a building with 50 residential apartments.

2. At the at Rimini Expo, the company has installed electric vehicle charging towers.

3. At all its facilities, it has progressively been discontinuing the use of traditional lighting, replacing them with LED lighting, with considerable reductions in the power used and a consequent decrease of CO₂ emissions into the atmosphere.

4. For four years, the Vicenza Exhibition Centre has implemented an energy consumption monitoring system through a web portal that controls the electrical consumption of each individual. A similar system has recently been installed at Rimini Expo.

5. As part of its educational activities, responsible environmental management has been featured at the Ecomondo and Key Energy show in Rimini, and at the VICENZAORO jewellery shows in Vicenza, where in cooperation with CIBJO it has organized educational programmes about responsible environmental management in the cultured pearl and precious coral sectors.

6. There is a large number of waste separation areas both inside and outside the exhibition centres so that visitors can separate their waste.

7. 14,000 square metres of solar panels cover the west entrance car park in Rimini, and the original hall roofing has all been replaced with solar panels.

8. Air conditioning inside the Expo Centre is obtained through a system that produces cold during the night and returns it as cool air during the day, reducing power consumption by about 50%.

9. Infrared systems have been installed and timers have been introduced on many of the light switches.

10. The company catering facilities have reduced biodegradable or washable cutlery in the refreshment areas, and eco-friendly and low chemical impact detergents.

3. Measurement of Outcomes

It terms of its labour force, IEG has measured significant improvement in gender equality.

1. As of June 1, 2019, out of total workforce of 301, 66% or 198 employees are female.

2. Among upper management, 8 out 20 senior managers are female, and 5 out of 10 members or the IEG Board of Directors are women.
3. The above are figures that have seen consistent improvement, and the companies is intent on maintaining this trend until full parity is achieved.

Measurable outcomes in terms of IEG’s environmental actions include the following:

1. The introduction of LED lighting (involving 150W LED projectors replacing traditional 450W metal halide lighting) led in Rimini to an annual energy saving of 360,000 KWh, while there was a reduction of more than 120 tons per annum in CO₂ emissions.

2. The Rimini Exposition Centre produces about 7,000,000 kwh of solar energy annually, equal to the annual consumption of the entire facility.

3. Of the almost 1,800 tons of waste collected in the Rimini Exposition Centre, 1,300 tons (equal to 73% of the total) were recycled: 161 tons of plastic, 140 tons of glass, 140 tons of carpeting, 290 tons of paper and cardboard, 25 tons of cans and 620 tons of wood.

4. Pressure-controlled water jets in the bathrooms save 23 million litres of water per annum.

5. The Rimini Exhibition space was awarded with Nuremburg’s prestigious international ‘Construction and Green’ Elca award.

Summertrade, an IEG catering subsidiary, became one of the first companies in Italy to sign on the Food For Good project against food waste. This initiative led to providing needy families with 18,000 meals between 2015 and June 2018.