

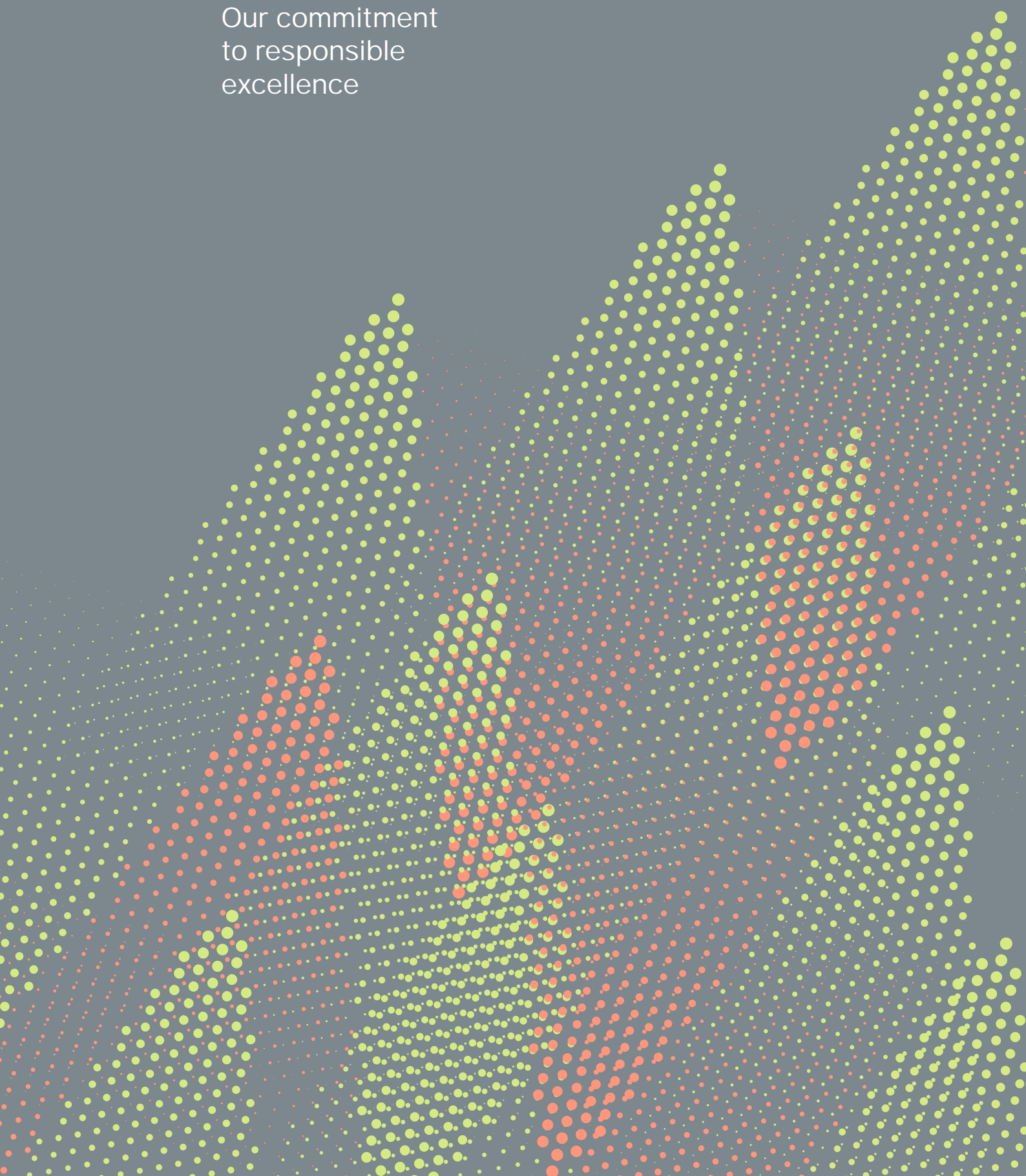
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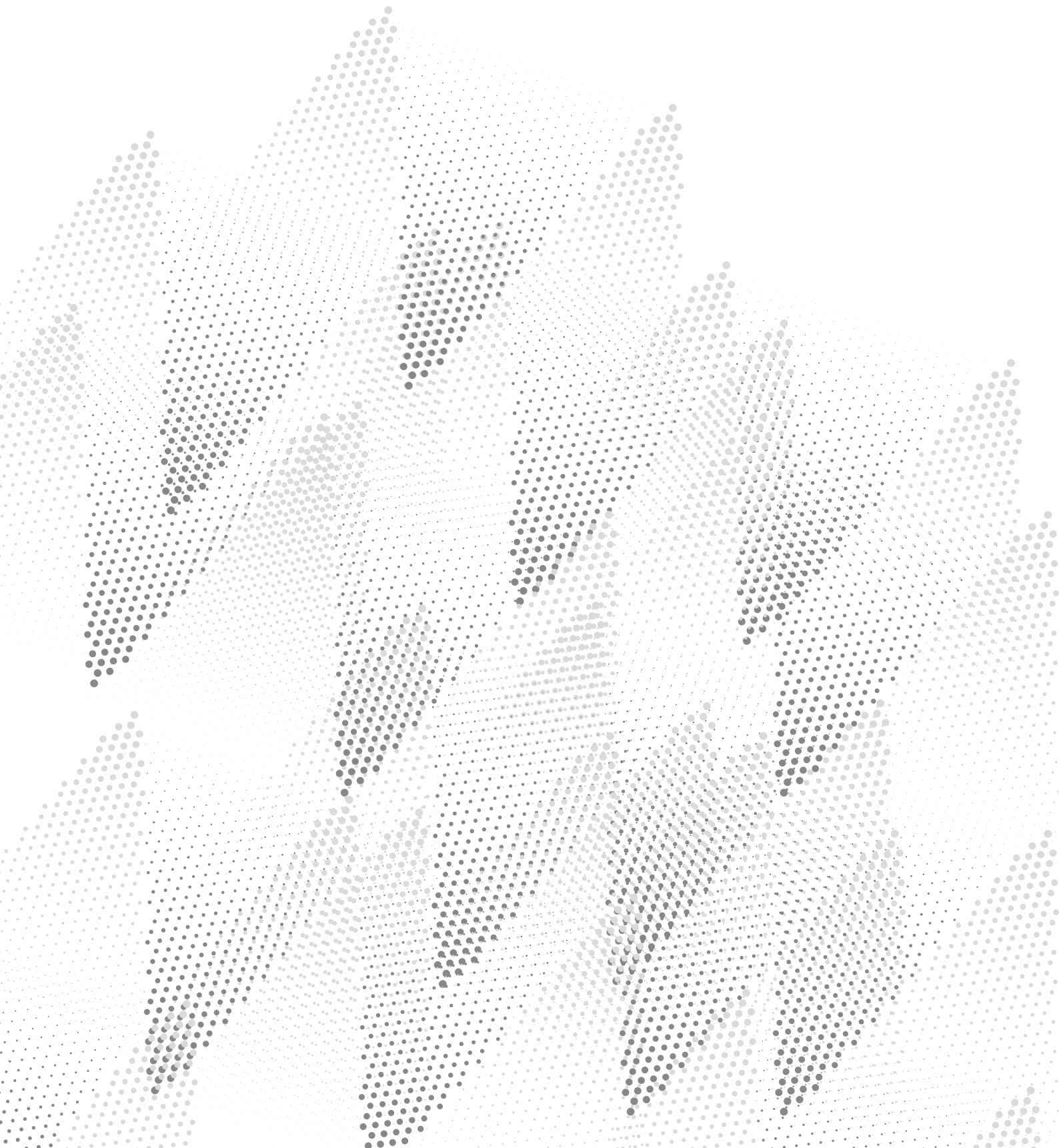
The
unstoppable
journey

Our commitment
to responsible
excellence

filpucci®

GRUPPO FILPUCCI INDUSTRIE FILATI







GRUPPO FILPUCCI INDUSTRIE FILATI

The unstoppable journey

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Letter to Stakeholders

“

Dear Stakeholders,

It is with great enthusiasm and a sense of responsibility that I present to you the first Sustainability Report of the Filpucci Group, which summarizes the efforts not only of Filpucci company but also of the Italian subsidiaries Valfilo and Fiordiluce. This document represents a key milestone in our journey, reflecting our commitment and the concrete actions we have taken to reduce our environmental impact and promote social well-being.

Our journey began many years ago, guided by three fundamental values: Ambition, Innovation, and Responsibility. Ambition has driven us to continuously push our limits, developing cutting-edge products such as the recycled cashmere yarn “Clean Soul” Ninetyfive. Innovation is in the DNA of our Group, and since its founding, we have embraced technological advancements and new developments in the textile sector.

Responsibility, finally, is the beating heart of our company, which is committed to achieving the highest environmental and social standards and certifications for our raw materials and manufacturing processes. We live in a time of profound change, which urges us to look to the future while keeping alive the memory, lessons of the past, and successes that constitute the core of our history.

The textile sector is in constant evolution, requiring new logics of pace and trend rotations, with fashion advancing ever more rapidly. Therefore, it is essential to combine speed and quality while preserving the company's DNA. Our strength is in creating yarns that blend innovation and creativity with a commitment to constantly evolving our products, methods, and vision, while always prioritizing environmental and social responsibility.

In recent years, we have implemented projects that demonstrate our concrete commitment. Among these, the mapping of CO₂ emissions and the life cycle analysis on 14 of our yarns represent just some milestones of a journey that sees us increasingly committed to integrating sustainability into every aspect of our business. 2023 has been a year of consolidation for many of our investments, including the installation of a photovoltaic system that will enable Filpucci to meet a significant portion of its energy needs and the strengthening of Valfilo's new carding line. We are confident that these projects, once fully operational, will pave the way for new successes.

We are aware that the current economic context presents many uncertainties, but our commitment and dedication allow us to look to the future with optimism. The consistency between corporate goals, the work environment, and new investments is essential to maintain our competitiveness.

The Sustainability Report you have in your hands is not just a document but a testimony to our long-term commitment.

I thank all of you – stakeholders, employees, customers, and partners – for your continued support and trust in our journey. Together, we can face future challenges and build a world where responsibility and excellence coexist harmoniously.



Federico Gualtieri
President and CEO
Filpucci S.p.A.

”

A history of growth and innovation

GRI 2-1

The Filpucci Group is an excellence in the Italian textile sector with deep roots in the Prato district, distinguished by the production of creative yarns for high-end knitwear. The international structure and a well-developed network of specialized plants testify to the commitment to continuous research and quality. From revolutions like viscose for knitwear to ultra-lightweight yarns like Soffili™, Filpucci has established itself as a strategic partner for both Italian and international fashion brands, helping to transform ideas into creations of excellence. Since its founding in 1967, the company has maintained a constant focus on creativity and research, anticipating trends and leading change in the sector.

In addition to its dedication to quality and the selection of new materials, the Group actively commits to environmentally and socially responsible production. The partnership with Re-Verso™, initiated in 2015, is an example of the commitment to offering sustainable excellence, with an increasing use of recycled and low environmental impact materials in its collections.

Key milestones in Filpucci's history:

1960s

Filpucci was founded in 1967, quickly gaining a solid reputation in the fine yarn sector thanks to the superior quality and innovation of its products. During this decade, the company distinguished itself by its ability to combine tradition and modernity, laying the foundations for solid growth.

1970s

Filpucci continued to invest in new technologies and materials, expanding its range of yarns. The company introduced innovative combinations of natural and synthetic fibers, responding to the needs of an evolving market. The 1970s were also a period of global recognition for the innovation and quality of its products, strengthening its presence in foreign markets and collaborating with important fashion houses.



1980s

Filpucci established itself as an international reference point for luxury yarns. Cutting-edge production technologies and advanced dyeing techniques were introduced to improve the quality and aesthetics of the yarns. Collaborations with world-renowned designers were also established, contributing to the creation of exclusive collections presented at major fashion shows.

2010s

Investments in innovation continued, with the creation of new types of yarns that met the needs and evolution of the markets. Innovation was further boosted through collaborations with research institutes and universities for the development of advanced materials. Increasing attention was also paid to traceability and transparency throughout the production chain, ensuring customers high-quality and certified origin products.

1990s

These years saw further international expansion with the opening of new markets in Europe, the United States, and Asia. The company committed to significant investments in research and development to innovate and improve products, also focusing on environmental sustainability. Filpucci became synonymous with quality and innovation while maintaining a strong connection to Italian artisanal roots.

2020s

During these years we have continued to adapt to new global market challenges, including digital transformations and the growing demand for sustainability from consumers. Additionally, these years have seen significant acquisitions, such as the takeover of the spinning mill Val-filo and the dyeing mill Fiordiluce, both historic companies in the Prato district.

2000s

During these years, the company committed to sustainability by adopting innovative production solutions and reducing environmental impact. New lines of eco-friendly and certified products were launched, responding to the growing demand for sustainability in the fashion sector.

The Companies that make up the group

GRI 2-1
GRI 2-2
GRI 2-3
GRI 2-6

filpucci®

GRUPPO FILPUCCI INDUSTRIE FILATI

Filpucci S.p.A., founded in 1967 and based in Prato, Italy, is a leading company in the textile sector, specializing in the production of fine yarns for knitwear. Established in the heart of one of Italy's main textile districts, Filpucci boasts a long artisanal tradition combined with a constant commitment to innovation and sustainability. The company's product range stands out for its creativity, quality, and environmental respect, meeting the demands of a discerning international clientele. Filpucci has extended its global presence, maintaining its pioneering role in the design and production of imaginative and cutting-edge yarns, thanks also to continuous research and development in the textile field.

VALFILO

Valfilo S.r.l., a wool spinning company founded in 1976, is also located in the Prato area, renowned for its textile tradition. Thanks to a diverse and dynamic client portfolio, Valfilo has developed extensive expertise in processing all types of fibers: natural, artificial, and synthetic. The company specializes in working with virgin and regenerated fibers, blending them into an endless variety of compositions, counts, and colors. This enables Valfilo to produce a wide range of yarns, including smooth, boucle, and slub yarns, thus meeting the diverse needs of the textile market.



TINTORIA INDUSTRIALE
FIORDILUCE
MATASSE · ROCCHIE · STAMPA

Tintoria Fiordiluce S.r.l. has been operating in Prato since 1961 and has specialized in yarn processing for third parties, achieving a leadership position in the mid-to-high-end yarn sector. The company is active in the textile, clothing, and furnishing sectors, offering a range of services that includes solid yarn dyeing in vats, volumizing treatment, and spray printing on yarn in reels.

Fiordiluce has a chemical laboratory equipped with modern equipment for fastness tests and pH detection, as well as an automated dosing system for auxiliary products and dyes for total control of the production process. Additionally, there is a knitting machine department that produces fabric samples to test all dye baths before client approval.



Industria Filati Buzau S.r.l., founded in 2003 and located in Buzau, Romania, is a company specialized in the preparation of yarns made from a wide variety of materials. These materials include acrylic, merino wool, alpaca, mohair, cotton, and polyamide. With an annual production of 20,000 tons, Industria Filati Buzau SRL ranks as one of the top 20 operators in the local textile market.



Filpiù Special Textiles Products Co. Ltd, founded in 2005, has its production and commercial headquarters in Zhangjiagang, Jiangsu Province, about 150 km from Shanghai. This city is an important center for the textile industry, hosting both Chinese and international companies. Filpiù is the only Italian textile company present in China and is controlled by the parent company Filpucci S.p.A. located in Prato, Italy. Filpiù produces and markets yarns for knitwear and other textile products destined for international markets for conversion into finished garments. Specialized in fancy combed yarns for knitwear, it uses machinery mainly imported from Italy, constantly updated over the years. The main target markets are the United States, Europe, and Japan, with production located in China and Hong Kong.

For the purposes of drafting this Sustainability Report, which covers the year 2023, data of Filpucci S.p.A., Valfilo S.r.l., and Fiordiluce S.r.l. will be reported, henceforth referred to simply as Filpucci, Valfilo, and Fiordiluce. These companies are located in the Prato district in Italy. For further information on the reporting scope, please refer to the Methodological Note on page 34.

Main results of 2023

Directly generated economic value **€ 44,408,939**

Total revenue € 44,408,939

Distributed economic value **€ 42,478,455**

Operating costs	€ 33,805,288
Salaries and benefits	€ 7,767,455
Payments to capital providers	€ 595,349
Payments to Public Administration	€ 307,453
Community investments	€ 2,910

Economic value retained **€ 1,930,484**

2023

Yarns sold (kg) **784,146**

Investments in sustainability projects c.ca **€ 700,000**

The markets served (2023)



The values that guide the reduction of impacts

Ambition:

The inexhaustible spirit of adventure and the pursuit of excellence have characterized all the Group's projects for over 50 years. This is the source of the desire to act to tackle - and in many cases anticipate - the challenges of sustainability in the textile sector. From the first recycled cashmere yarn (the "clean soul" Ninetyfive) to the pursuit of ever-new certifications for our products, and actions to improve the energy efficiency of production processes, every choice is made to turn our ambitions into tangible results.

Innovation:

The desire to experiment was born with our company. The name Filpucci has historically been associated with revolutionary patented materials and processes, and from the beginning, technological advancements and innovations in the textile sector have been passionately studied. Today, the goal is to put innovation at the service of what is called "responsible excellence" to offer customers more and more yarns with reduced environmental impact and that protect animal welfare.

Responsibility:

The history of the Filpucci Group is a family history that spans generations and is based on values such as love, respect, and responsibility. These same principles distinguish a company that looks to the future with the awareness that production can no longer occur without respecting the planet and its inhabitants of today and tomorrow. Therefore, there is a commitment to achieve and certify our raw materials and manufacturing processes with the highest environmental and social standards, along with smart design practices.



The Governance structure and the risk management model

GRI 2-9
GRI 2-10
GRI 2-11
GRI 2-12
GRI 2-13
GRI 2-14
GRI 2-15
GRI 2-16
GRI 2-17
GRI 2-22
GRI 2-23
GRI 2-24

The Filpucci Group, in order to always ensure conditions of fairness and transparency from an ethical and regulatory perspective, has deemed it appropriate to adopt an Organization, Management, and Control Model capable of overseeing the prevention of crimes as outlined by Legislative Decree 231/2001.

The model is based on the following main bodies: the Board of Directors, the Board of Statutory Auditors, and the Control Bodies to oversee corporate integrity. The Board of Directors is appointed by the Shareholders' Meeting, and the relationships with the control bodies are managed directly by the General Manager, with the support of the employees under his direction and supervision. The General Manager is also responsible for executing the resolutions of the Board of Directors, with the authority to perform all acts provided for by such resolutions. He is also delegated the responsibilities of the administrative function, as well as the organization, management, and control of all tasks related to health and safety protection in the workplace.

The Model 231 is configured as a document voluntarily adopted by all the Group's companies that establishes roles and responsibilities in combating various types of crimes. The Model also aims to ensure that business activities are conducted in conditions of fairness, transparency, and legality. The procedures related to risk management and the corresponding instructions are documented through specific forms and include indications on operational methods, responsibilities, and the resources involved.

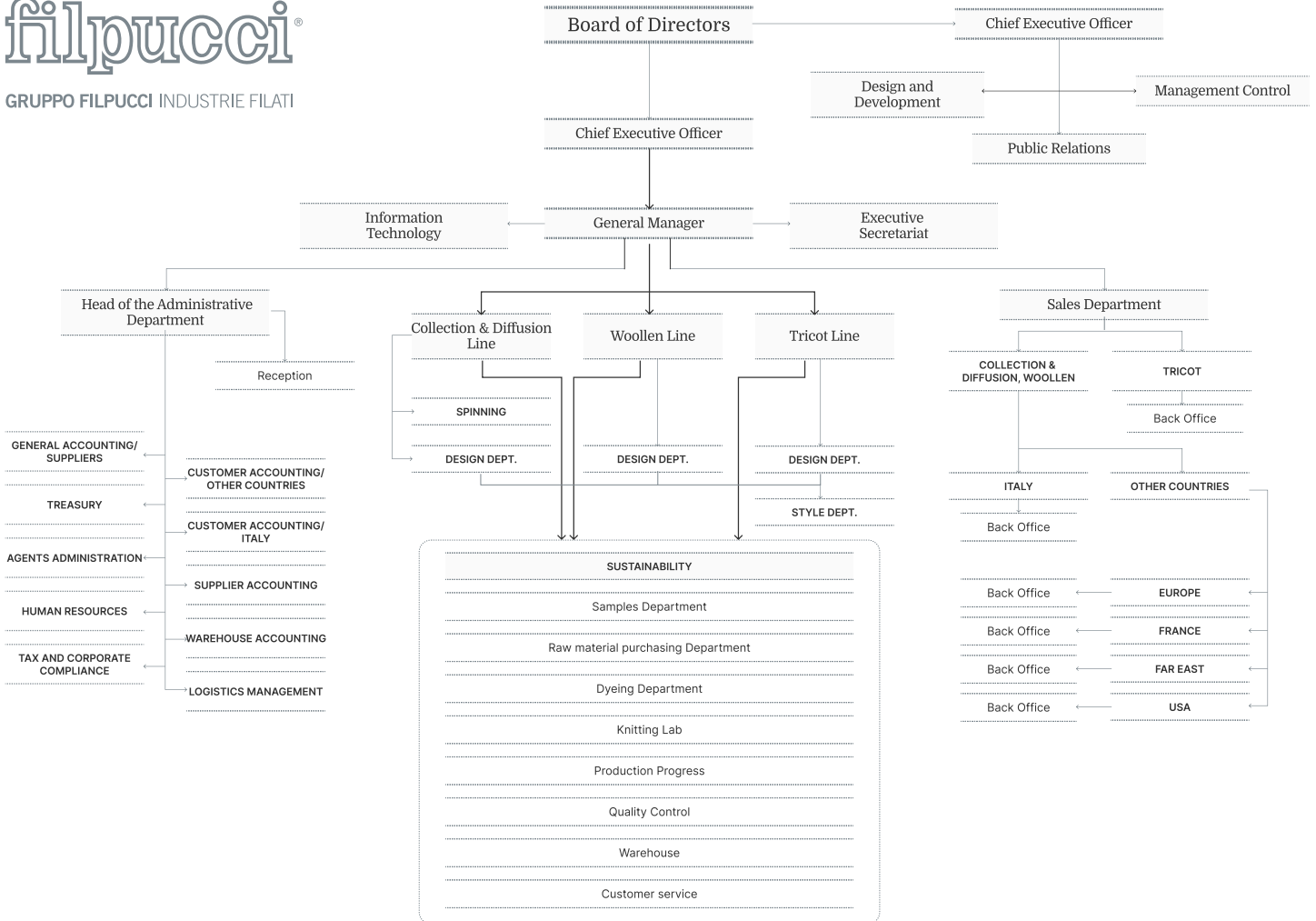
In line with the principles of loyalty and integrity, the Filpucci Group regularly adopts measures to prevent and combat any form of unlawful behavior. Over the years, the Group has provided the necessary resources to train its employees on good conduct and specific regulations regarding active and passive corruption. In 2023, no significant cases of non-compliance with laws and regulations were recorded.

Currently, the Filpucci Group has partnerships with suppliers and other stakeholders, and as specified in the Model 231, appropriate measures have been activated to conduct operations according to usual market conditions, avoiding and resolving potential conflicts of interest. As specified in the document, if it is found impossible to resolve the potential conflict, the operation will be suspended.

In addition to promoting behavioral principles and corporate values, the company is attentive to the integration of ESG criteria into its Governance and daily operations. This is evident first and foremost from the company's organizational chart, where the sustainability officer reports directly to the General Manager, demonstrating the importance the Group places on the issue (detailed organizational chart follows).



GRUPPO FILPUCCI INDUSTRIE FILATI



This is also evidenced by the adoption of the “Corporate Sustainability Policy” in November 2022, signed by the Management. The policy document, communicated to employees, collaborators, and stakeholders involved in process management and raw material procurement, aims to encourage continuous improvement in reducing environmental and social impacts and to formalize that ESG criteria are an integral part of Filpucci’s business approach.

The Group has also implemented a risk management system suitable for its activities, ensuring transparent and correct management of business processes. In this Report, the main risks related to the material areas relevant to Filpucci’s medium to long-term strategy have also been identified and are detailed in each section.

Compensation policies ¹

GRI 2-19
GRI 2-20
GRI 2-21

The process of determining compensation is defined and shared by the Board of Directors, the HR Director, and the General Manager. The basis for each employee's compensation is the National Collective Labor Agreement for Textiles and Clothing (CCNL Tessili e Abbigliamento), with reference to the market to adjust the remuneration according to the role, experience, and knowledge of the product or sector, while still maintaining alignment with the company's existing compensation policy.

Corporate Compliance

GRI 2-23
GRI 2-25
GRI 2-26
GRI 2-27

The Code of Ethics, updated in May 2019, contains the principles of conduct and corporate values that the Filpucci Group shares with all employees, collaborators, and suppliers. The adoption and application of the Code of Ethics is a condition for belonging to the Group and an essential prerequisite for establishing partnership and collaboration relationships of various kinds with third parties.

The Group promotes its awareness through various means, such as online publication on the filpucci.it website and direct communications both internally and externally. The Code of Ethics forms the ethical foundation of the Organization, Management, and Control Model. The task of monitoring the functioning, compliance, and correct application of the Code of Ethics and the Model 231 is entrusted to the Supervisory Body (Organismo di Vigilanza, OdV).

Finally, a "whistleblowing" reporting system is provided, allowing employees to make detailed reports of conduct considered unlawful, protecting the whistleblowers according to the appropriate methods.

1. The ratio of the total annual compensation of the highest-paid person in the organization to the median total annual compensation of all employees (excluding the highest-paid person) is 3.05 for the year 2023



The yarn

The art of selecting and creating
increasingly less impactful yarns

The material topics and the management model

Topics:

- Raw Materials Management
- Product Design
- Emissions
- Energy efficiency
- Innovation
- Chemicals management

Identified Risks

- Increased difficulty in sourcing low-impact raw materials due to the climate crisis and rising prices
- Increased investments needed to offset higher emissions
- Generation of waste destined for landfill
- Loss of competitiveness

Responsibly managing the entire supply chain is fundamental to business success and the creation of long-term value. This management focuses on selecting sustainable and traceable raw materials through recognized certifications. The Filpucci Group is also committed to carefully monitoring and reducing its resource consumption, thus contributing to global climate change mitigation goals.

Innovation as the foundation of our business

GRI 3-3

The Filpucci Group is committed to providing products with exceptional quality standards while pursuing the reduction of environmental impact and potential social risks resulting from the production of its yarns. Through a structured approach, it ensures innovation and traceability for an increasing number of its collections.

This commitment has led to numerous certifications in the textile sector, raising the responsibility level of the products. This achievement has been made possible by working with suppliers aligned with its objectives on this matter.

The Group is particularly committed to reducing waste of both raw materials and natural resources through internal initiatives and with the help of partners, contributing to environmental preservation. Additionally, Filpucci stands out for being one of the first Italian companies to conduct an LCA (Life Cycle Assessment) study on its yarns, analyzing 14 of them, demonstrating its tangible commitment to better understanding the impacts of its yarns.

These actions represent a clear intention to promote a more ethical and transparent fashion, through open communication and the adoption of sustainable technologies, which will be described in the following paragraphs.

Raw materials management

GRI 2-6

GRI 3-3

GRI 301-1

GRI 301-2

A responsible management of the entire supply chain that considers the well-being of people and the environment is fundamental for long-term business success and value creation. This approach begins with the selection of certified raw materials to ensure they are traceable and have a lower impact compared to conventional alternatives. The Filpucci Group is committed to ensuring high-quality standards by carefully selecting low-impact raw materials for its yarns. This commitment combines the textile craftsmanship tradition of Prato with creativity, innovation, and sustainability. Procurement is driven by customer needs and market trends.

THE MAIN RAW MATERIALS USED

Materials

Related
certifications

Alpaca

Alpaca wool, in addition to its well-known qualities such as extreme softness and brilliance, is also elastic, hypoallergenic, and non-flammable. Moreover, it has special thermal properties that make it resistant to both cold and heat. The wide range of beautiful natural colors, ranging from pure white to shaded black, gives it the unique characteristic of being usable in its natural state, without the need for dyeing.

RAS

Mohair

Mohair is a natural fiber obtained from the hair of the Angora goat, originally from Turkey but now bred in various parts of the world. It is known for its luster and softness, as well as its excellent thermal insulation and moisture-wicking properties. Mohair is one of the most resilient and durable fibers, thanks to its natural fibrous structure, which also makes it extremely elastic. These characteristics make it suitable for a wide range of textile applications, including clothing items such as sweaters, scarves, and blankets, as well as high fashion fabrics.

RMS

GRS

Wool

Wool is renowned for its effectiveness in keeping warm during winter, thanks to its thermal insulation and moisture-wicking properties. Its naturally crimped structure gives the fiber elasticity, allowing the fabric to comfortably adapt to the body, ensuring comfort and freedom of movement. Additionally, wool is incredibly tear-resistant, as it can bend over itself more than 20,000 times without damage, ensuring the garment's longevity. Regarding color, white wool is often preferred because its finer fiber is easier to dye compared to brown, gray, or black wool. This characteristic allows for a wide range of hues without the need for chemical agents, preserving the natural quality of the wool.

RWS

GRS

GOTS

Cashmere

Cashmere is a luxurious and precious natural fiber obtained from the undercoat of the Kashmir goat, native to the mountainous regions of Central Asia, particularly India, Pakistan, China, and Mongolia. It is known for its extreme softness, lightness, and warmth, making it a highly sought-after material for producing high-quality clothing. Cashmere is particularly suitable for winter apparel due to its exceptional thermal properties, which keep the body warm without adding weight to the fabric. It is also very gentle on the skin and highly breathable, offering comfort in various climatic conditions.

GRS

Cotton

Cotton is a natural plant-based fiber obtained from the cotton plant (*Gossypium*), which originates from tropical and subtropical regions. It is one of the most widely used fibers in the world for fabric production due to its softness, breathability, and durability. Cotton is valued for its ability to absorb moisture, making it comfortable to wear in hot climates. It is used in a wide range of textile products, including clothing, home linens, upholstery fabrics, and more. Its versatility and availability make it a popular choice for many textile applications.

GOTS

Viscose

Viscose is a man-made fiber derived from wood cellulose or other natural sources such as bamboo or sugarcane. It is produced through a chemical process that transforms the cellulose into a viscous liquid, from which it gets its name. Viscose is known for its similarity to silk in feel and appearance, but it is generally less expensive to produce than real silk. It has good moisture absorption capacity and is soft and comfortable to wear. Viscose is widely used in the production of fabrics for clothing, home linens, and other textile products.

FSC

Nylon

Nylon is a synthetic polymer fiber, first developed in the laboratories of DuPont during the 1930s. It is known for its strength, elasticity, and abrasion resistance, making it widely used in a broad range of textile and non-textile applications. Nylon is characterized by high tensile strength, wear and tear resistance, as well as flexibility, in addition to being lightweight and moisture-resistant. It is commonly used in the production of fabrics as well as a variety of other products. Thanks to its excellent physical properties and versatility, nylon has become one of the most widely used and utilized synthetic materials in the world.

GRS

A local supply chain

Origin of suppliers for external processing

spinning, dyeing, winding
and minor processes



91% Tuscany
93% Prato District
9% Other Regions

Origin of suppliers of raw material*

*The data refer to the registered
office of the company



29% Prato District
2% Tuscany
30% Other Regions
21% Europe
18% Extra UE



Our certifications



2017



GRS

Licence no.
GR0145

Certified by ICEA

The **Global Recycled Standard (GRS)** certification certifies that products contain recycled material, verified at each stage of the supply chain, from recycling to the final product. Certified organizations must demonstrate compliance with specific environmental, chemical and social requirements.



GOTS

Licence no.
GO0035

Certified by ICEA

The **Global Organic Textile Standard (GOTS)** is an international certification for textile fibers, both plant and animal, that are organically grown. It also ensures that high environmental, social and chemical standards are met during production processes.

2020

2021



RAS

Licence no.
RW0001

Certified by ICEA

The **Responsible Alpaca Standard (RAS)** certifies alpaca fibers based on animal welfare and land management requirements, tracking them from breeding to finished product

2018



The mark of responsible forestry

FSC

Licence no.
C140699

Certified by ICEA

The **Forest Stewardship Council** is an international certification dedicated to the forestry sector and forest-derived products, both wood and non-wood. Applied also to viscose, it ensures responsible forest management and traceability of derived products.



RWS

Licence no.
RW0001

Certified by ICEA

The **Responsible Wool Standard** certifies wool fibers based on criteria regarding animal welfare and land management, tracking them from breeding to the finished product.



RMS

Licence no.
RW0001

Certified by ICEA

The **Responsible Mohair Standard** certifies mohair fibers based on animal welfare and land management criteria, tracking them from breeding to final product.



SFA

Licence no.
ICEA-TX-321

Certified by ICEA

The **Sustainable Fibre Alliance (SFA)** represents the first comprehensive standard to address sustainability challenges in cashmere production, focusing on the welfare of goats, the environmental impact of farming, and the social welfare of herders.



Lana Nativa™

Licence no.
ICEA-TX-321

Certified by ICEA

Lana Nativa is a brand owned by Cherguers Luxury Materials and ensures the quality and traceability of wool fibers throughout the value chain. It is committed to the health of animals and the care of the land on which they graze.

The investment in recycled yarns

GRI 3-3

The use of recycled materials is crucial to reducing the fashion industry's environmental impact. The recovery of textile fibers decreases the need to produce new raw materials, saving natural resources and reducing greenhouse gas emissions. In addition, this practice promotes a circular economy, limiting waste and incentivizing sustainable practices that can help mitigate climate change.

The Filpucci Group has embraced this philosophy influenced by the artisanal tradition of the Prato district, where for centuries scraps and garments have been transformed into new yarns and fabrics.

In fact, Filpucci and Valfilo choose to reintroduce manufacturing waste and unsold materials (with characteristics suitable for recycling) into the production process to avoid dispersing them into the environment.

The Group's sensitivity to recycling has become a distinctive feature over the years with the inclusion of more and more recycled yarns in the Group's collections.

A milestone in this journey was the partnership signed in 2015 with **Re-Verso™**, a supply chain with 100% Made in Italy production that provides high-quality fibers from recycled processes. Re-Verso™ collects, selects and transforms pre-consumer textile offcuts and scraps of wool and cashmere that have already been dyed and makes them available to companies through prestigious partners that guarantee an integrated, transparent and traceable system. Leveraging this circular production system, the Group went so far as to produce its first recycled cashmere yarn (the "clean soul" Ninetyfive).

In 2017, the investment in recycled materials was consolidated through the achievement of GRS (Global Recycled Standard) certification for wool, cashmere, mohair, linen, and nylon, which accounted for 12% of raw materials purchased in 2023 and continue to characterize the Group's collections.



Awareness about the impacts of materials

In 2021, a process of assessing the environmental impact of our recycled yarns along their life cycle, known as Life Cycle Assessment (LCA), was initiated to complement and give additional weight to the certifications obtained. This study was conducted following ISO 14040 and ISO 14044 standards and initially involved four of the most important recycled yarns from a sales perspective, analyzing their impact from raw material purchase to delivery to customers, using 2020 production

data as a basis. With the aim of having even greater awareness of the impacts of our production, we extended this analysis to a total of 14 recycled yarns in 2022.

Below are the results of the LCAs of the top 2 sales-level yarns compared with the respective alternative version designed with virgin raw materials.

LCA³

Compared to a yarn composed of 100% virgin conventional raw materials, the reduction in impact is quantified as



Global warming potential

kgCO₂e/kg



Net Use of Fresh Water

l/kg



Cumulative Energy Demand

MJ/kg

NINETYFIVE 14000

95% Cashmere GRS
5% Wool GRS

-84,7%



-65,9%



-67,3%



WONDER

50% Cashmere GRS
50% Wool GRS

-92,7%



-85%



-78,2%



The comparative study was conducted by simulating the substitution of raw materials with recycled content with 100% virgin raw materials and/or those without sustainability characteristics. A fiber dyeing process was considered for the entire raw material at process entry, while subsequent processing was considered for the same.

As can be seen from the data, substituting virgin raw material with recycled material can lead to significant savings in environmental impact for all product categories. Recycled fibers in particular tend to have a smaller carbon footprint than virgin fibers because their production requires less water, energy and fossil fuels.

3. Results based on 2020 production data

The conservation of natural resources

GRI 3-3
GRI 304-2

The conservation of natural resources, such as water and energy, is an imperative for companies, and particularly those that are part of the textile industry that wish to operate responsibly. By reducing the consumption of these resources, companies not only contribute to environmental protection, but also optimize operating costs and improve their competitiveness.

The Filpucci Group has long adopted measures to monitor and improve the efficiency of natural resources and is constantly striving to assess its energy consumption and identify solutions to reduce it in concrete ways. One example of this is its enrollment, as of 2018, in the Higg platform. Specifically, the Higg FEM, Facility Environmental Module, is a tool that helps companies standardize the way they measure and analyze their environmental performance and allows them to identify risks and opportunities for reduction in a progressive manner. After careful evaluation of the information regarding environmental impacts, Elevate, a leading company in sustainability and supply chain services, validated the measures put in place by Filpucci and its subsidiaries for the year.



Responsible management of water resources

In the year 2023, Tintoria Fiordiluce used 56,500 m³ of water. Once discharged, this water is not fed into the public sewer system, but into a private sewer that goes directly to the local sewage treatment plant (GIDA) that serves companies in the Prato textile district. The water is treated and diluted with about 20% fresh water, after which it is fed back to the district companies for their processing. In this way, companies such as Fiordiluce can decrease their consumption of fresh water for industrial activity, so that they can secure their drinkable water needs for other uses.

Energy consumption in detail

GRI 3-3
GRI 302-1

Total energy consumption		2022	2023	%
GJ		55,842.99	40,520.59	-27.44%
		2022	2023	
Electricity	kWh	3,658,355	2,985,625	
	GJ	13,170.08	10,748.25	
Gas	m ³	885,837	418,765	
	GJ	35,844.33	16,944.82	
Diesel	l	1,476	2,303	
	GJ	52.83	82.43	
LPG	m ³	254	510	
	GJ	6,027.28	12,102.02	
Self-generated electricity from renewable sources and consumed	kWh	207,910	178,631	
	GJ	748.48	643.07	

As can be inferred there was a decrease in overall energy consumption in the year 2023, mainly due to the slowdown in the company's business due to the economic downturn. Also contributing to the decrease were the efficiency initiatives that the company decided to explore and invest in.

The efficiency measures for energy and transportation

In Filpucci's philosophy there has always been an optimal use of resources, and this has led to a large number of small and large-scale initiatives over the years that have enabled the Group to decrease its environmental impacts.

Below are some of the main efficiency measures put in place by Group companies:

- **Efficient machinery:** over the years, Filpucci and Valfilo have modernized existing machinery, working on optimization units and inverters or replacing obsolete ones. Thus, the machinery runs only when needed, helping to reduce overall energy consumption. Fiordiluce, due to the nature of its processing, such as dyeing yarn in tanks with high temperature water (up to 90°), has higher energy consumption. Currently, insulation solutions are being studied that will reduce the temperature required for dyeing, thus improving the company's energy performance.
- **Transportation:** great attention is paid to bundling and concentrating the production to be shipped so as to reduce the number of shipments. In practice this allows trucks to be filled to their maximum capacity at all times so as not to carry air.



Valfilo and Filpucci's photovoltaic panels

Valfilo has always had in its principles the responsible use of resources. For this reason, since 2015, it has equipped itself with photovoltaic panels that cover about 50% of its energy needs. In 2023, total production was 305,593 kWh, down 3% from the previous year.

Also at Filpucci, in late 2023, the installation of a photovoltaic panel system of 2,295m² began. It will have an estimated capacity of 500 kW and thanks to this investment the company will be able to cover 20 to 25% of its energy needs.



GHG emissions

GRI 3-3
GRI 305-1
GRI 305-2
GRI 305-3

The Group aims to continuously raise awareness about its environmental impacts, with a focus on emissions. It is for this reason that for the past two years the Group has been conducting carbon footprint studies, first on the individual company Filpucci (year 2022) and then extending the study to the subsidiaries Valfilo and to Fiordiluce (year 2023).

Scope	2022 (kg CO ₂ eq) ⁴	2023 (kg CO ₂ eq) ⁵
Direct emissions (Scope 1)	264,411	1,577,454
Indirect energy emissions (Scope 2) - location based	1,264,729	759,518
Other indirect emissions (Scope 3)	1,781,508	2,210,189
Total emissions	3,292,648	4,547,161

Scope 1 direct emissions refer to emissions generated from sources (physical or processes) owned or controlled by the company. Examples of these emissions include those from industrial processes or the consumption of fossil fuels for trucking. In the case of the Group, they account for about 35% of the total in 2023.

Scope 2 indirect emissions, on the other hand, are those caused by the production of electricity, heat and steam imported and consumed by the company, accounting for 17% of the total in 2023.

Finally, indirect Scope 3 emissions come from the company's own operations, but from GHG sources owned by other companies like subcontractors, accounting for 48% of the total in 2023. The purchase of raw materials is excluded from the calculation of Scope 3.

The study aggregated greenhouse gas (GHG) emissions and removals at the organizational level following the control approach. This means that all GHG emissions and removals of plants located in Italy over which the Group exercises financial or operational control are accounted for.

The calculation of CO₂ emissions is based on the "GHG Emissions Inventory" project, which includes an accurate list of the emission factors used. The calculation methodology used is based on the multiplication between the "Activity Data," which quantifies the activity, and the corresponding "Emission Factor," also including the GWP coefficient for the conversion of different emissions.

4. In 2022, the carbon footprint was carried out on the company Filpucci S.p.A.

5. In 2023, a carbon footprint was carried out on Filpucci S.p.A., Valfilo S.r.l. and Fiordiluce S.r.l.

6. GHG Emission = Activity Data * Emission Factor * GWP

7. Global Warming Potential (GWP), coefficients taken from IPCC (Intergovernmental Panel on Climate Change) used to convert individual greenhouse gas emissions to CO₂eq emissions

A photograph of two men in a factory setting, working with large piles of bright yellow fabric. The man on the left is wearing a grey t-shirt and safety glasses, looking towards the right. The man on the right is wearing a white t-shirt and is looking down at the fabric. The background is filled with industrial lights, creating a bokeh effect. The overall tone is professional and focused on the workforce.

The community

The centrality of people to our business

The material topics and the management model

Topics

- Employment
- Diversity management and equal opportunity
- Respect for human rights

Identified risks:

- Increased turnover and loss of competent and relevant personnel in key functions
- Increased cases of discrimination and unequal treatment

The Filpucci Group places people at the center of its activities, both as employees and collaborators and as members belonging to the local communities in which the Group operates. The company believes that business development is closely linked to the personal growth of its employees and is committed to providing motivation so that all resources are encouraged to pursue this path of mutual enrichment.

People at the core

The Group promotes respect for labor and workers, ensuring equal opportunity and treatment in employment and striving to avoid any form of discrimination. Finally, it is committed to providing an adequate and safe working environment for its human capital by identifying and assessing risks to workers and stakeholders, and taking appropriate preventive measures.

GRI 2-7
GRI 2-8

Employees number (2023)⁸

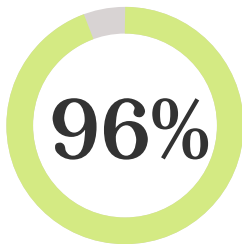
141 

Employees composition (2023)

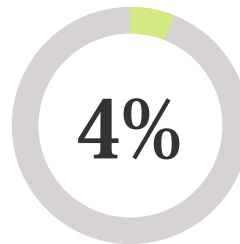
Men	63%
Women	37%

Contract distribution (2023)

Permanent:



Fixed Term:



Distribution by employment category (2023)

Executives

1%

Managers

1%

Clerks

35%

Production workers

63%

8. External collaborators: 8 (2023)

GRI 3-3
GRI 2-30
GRI 401-1
GRI 401-3
GRI 407-1

Employee welfare and development as a priority

The Filpucci Group is committed to ensuring that employees work in a serene and rule-abiding atmosphere so that they can express their full potential. The low turnover rate (6,4%) for the year under review testifies to the fact that employees find the Group's companies a place that meets their expectations. As a corollary, it is noted that there were no incidents of restriction of freedom of association and bargaining. Moreover, it can be noted that the right to parental leave is exploited by both men and women, with a greater extent for the former.

Parental leave (2023)

Men	63%
Women	37%

GRI 3-3
GRI 405-1
GRI 406-1

Diversity and inclusion

The Code of Ethics specifies in the paragraph "Protection of the Person" that the Group "protects the moral integrity of employees by guaranteeing the right to working conditions that respect the dignity of the person." Sexual harassment is not allowed, and behavior or speech that may disturb a person's sensibilities must be avoided. Discrimination related to age, gender, sexuality, race, health status, nationality, political opinions and religious beliefs shall not be tolerated." No incidents of discrimination were recorded in the year under review so there was no need to implement corrective measures.

An analysis of biographical data shows a preponderance of the male gender in the Group's workforce with an absence of women in top positions such as middle managers and executives.

The Group has taken note of the findings from the materiality analysis, which highlighted the interest of internal and external stakeholders in gender equality and diversity issues. In response to this, the Group decided to implement a hiring policy that takes these variables into account, with the aim of progressively achieving parity in the years to come.

Training of the employees

The Group demonstrates a strong commitment to training its workers by offering specific refresher courses that take into account their tasks. For example, employees who have to interact with international customers can attend English language courses.

Another significant example of this commitment is Valfilo, a company that performs an articulated and very specific production process. The various stages of production (preparation, carding and spinning) require highly specialized personnel with great manual dexterity as well as the ability to use complex and voluminous machinery. Taking the opportunity of PNRR (National Recovery and Resilience Plan) funds, it was therefore decided to establish a training school aimed at workers to be hired in 2024. The 210-hour course, starting in the second half of 2023, aims to provide the necessary knowledge to be able to operate safely and consciously.

Education and community support

GRI 2-28

The Filpucci Group recognizes its being part of a community and is committed to supporting it through sponsorship of materials to educational institutions and donations to nonprofits.

For 2023, donations totaling 75kg of yarn were made to Central Saint Martins, Modartech Institute and Accademia Costume e Moda. With their fashion training courses, these institutes aim to bring out the talent of young designers and excellence in textile processing.

In addition to the targeted support to education-focused institutes there is a focus on the community that is also expressed through donations to various local and non-local entities, to which about 60kg of leftover balls, spools and cloth that would otherwise have been discarded were donated.

Donations to associations and institutes⁹ (2023)

PRATO HOSPITAL

8kg of balls and spools of leftover yarn were delivered and used to create blankets for the neonatal ward.

BRUNELLESCHI LYCEUM

The high school received about 6kg of leftover cloth, spools and balls that will be used during school workshops by students.

PRATO/PISTOIA

DOG SHELTER

10kg of leftover control cloths were delivered and will be used to create more cozy protections and kennels for the shelter's guests.

SAN RAFFAELE HOSPITAL

16kg of balls of yarn and other leftover materials were delivered and provided to patients in the cancer ward to knit during treatment and relieve their burden.

MANI GENEROSE ASSOCIATION

The association used the 16kg of leftover material received from Filpucci to create blankets, dolls and booties for the gynecology and obstetrics ward of Biella Hospital.



Example of a blanket made with material donated by the Filpucci Group to the neonatal ward of Santo Stefano Hospital in Prato.

9. As per Filpucci's policy, materials donations are limited to 30 kg per year per institution/association.



Responsibility

Safety as an indispensable value for
workers and customers

The material topics and the management model

Topics:

- Workers health and safety
- Product safety

Identified risks:

- Increase in accidents and consequent increase in absenteeism rate
- Risk to health and safety of end users
- Reputational risks

The company is aware that the health and safety of workers and recipients of its products is of primary importance. For this reason, work safety procedures have been put in place in line with legislation on the subject, and very stringent chemical standards and protocols have been adhered to so as to guarantee

customers a safe product. In addition, the company has a Code of Ethics that regulates behavior and practices within the company (more information in the section "Corporate Compliance").

The approach to health and safety

With the goal of establishing a relationship between the company and workers based on mutual trust, it is essential to consolidate a strong culture of safety at work. This involves promoting responsible behavior by all employees, raising awareness of the potential risks associated with their jobs and ensuring that they understand and comply with company and national safety regulations.

Our commitment is manifested in the active involvement of people through training programs aimed at managing workplace risks and promoting best practices. The procedures we adopt to manage the health and safety of our employees comply with current national legislation, but we aim to go beyond these requirements to ensure the lowest possible levels of risk and increasingly safe working conditions. The monitoring and supervision of safety practices are assigned to different corporate functions, each with specific competencies and well-defined responsibilities, and we ensure their constant updating through dedicated training programs.

The Group follows the 231 Organizational Model, which provides a detailed safety protocol for the protection of hygiene, health and safety at work. All relevant company figures and structures are involved in the implementation of the measures in this protocol, including the employer, employer's delegates, human resources, RSPP (Prevention and Protection Service Manager), competent doctor, supervisors, RLS (Workers' Safety Representative), fire and first aid officers, and the workers themselves. In addition, periodic safety meetings are conducted at least once a year, in accordance with current regulations.

GRI 3-3
 GRI 403-2
 GRI 403-3
 GRI 403-9

Number of injuries (2023) —————>



10. In 2023 there were no injuries with serious consequences. For the weaving department, the injuries were caused by the use of a malfunctioning tool while for the dyeing department, the injury mainly took the form of slipping episodes.

The control of chemicals in production processes

In an effort to protect workers, consumers and the environment, the Filpucci Group constantly strives to ensure that its processes are free of chemicals that are not regulated by standards and regulations.

Proper management of chemicals in the textile industry is essential both to ensure the health and safety of consumers and to properly manage the product in the disposal phase. The risk related to the use of chemicals mainly affects the dyeing phase within the Group.

Tintoria Fiordiluce is responsible for 95% of the Group's production in yarn-dyed processing, while the remaining 5% is outsourced to external dyehouses. For dyed-to-tops processing, however, the Group relies exclusively on third-party dyehouses.

To mitigate risk, both Fiordiluce and third-party dyehouses use only chemical agents that comply with the principles of the ZDHC program, as well as the Group's PRSL (Product Restricted Substance List).

The Group also uses GOTS (Global Organic Textile Standard) and GRS (Global Recycling Standard) certified materials, certifications that involve checking the origin of chemicals used through verification of toxicological and ecotoxicological characteristics.

Ø ZDHC

ZDHC, an acronym for "Zero Discharge of Hazardous Chemicals," is an initiative that was started in November 2011 in response to the Detox campaign launched in the same year by Greenpeace. Initially started by six apparel brands, it transformed into a foundation in 2015, becoming a global multi-stakeholder initiative with more than 160 fashion and footwear industry memberships, including manufacturers, chemical companies and well-known brands. Its main goal is to reduce the chemical footprint of the apparel and footwear industry by phasing out hazardous chemicals and promoting the adoption and uptake of lower impact textile chemistry. This goal is being pursued through various programs and instruments. Important to note that program membership is voluntary and the standards required are more stringent than the EU regulations on the subject (REACH).



The methodological note

GRI 2-3
GRI 2-4
GRI 2-5

The premise

The Filpucci Group has decided to expand its commitment to social, environmental and economic responsibility through the preparation of its first Sustainability Report, also called "Report". This document aims to track the social and environmental impacts and initiatives related to the company's activities. As the first in a series, this Report summarizes the company's major actions and commitment during the period from January 1, 2023 to December 31, 2023. Going forward, the Report will be published annually to communicate sustainability initiatives and progress. The reporting boundary includes all activities of the Filpucci, Valfilo, and Fiordiluce companies, with any exceptions noted in the individual sections. This scope is in line with the Global Reporting Initiative's 2021 GRI Standard Guidelines.

The methodology

Since this is the first year of reporting according to GRI standards, a monitoring system has been set up and implemented related to the baseline year 2023, and future trends will be monitored from that. Where 2022 data was available, a comparison with the previous year was included. For more information regarding past years, reference can be made to "The Unstoppable Journey" Report prepared in 2023.

The document was prepared on a voluntary basis to meet the Company's need to provide its stakeholders with a means of presenting its sustainability policies and goals, as well as accounting for its achievements during the year.

With respect to each material issue, the relevant policies, organizational models and management systems in place are defined. With respect to issues related to the economic aspect (economic sustainability), please refer to the Management Report and the Financial Statements. This Report will not be audited by an independent third party, however, the contents underwent a validation and approval process that developed in the following manner: the structure and contents were validated by the Sustainability Manager and the final contents were approved by the President and General Manager.

The report can be accessed on the company website at www.filpucci.it, in the Sustainability section.

For questions and in-depth information about this Report, you can write to: filpucci@filpucci.it.

The materiality analysis

GRI 2-26
GRI 2-29
GRI 3-1
GRI 3-2

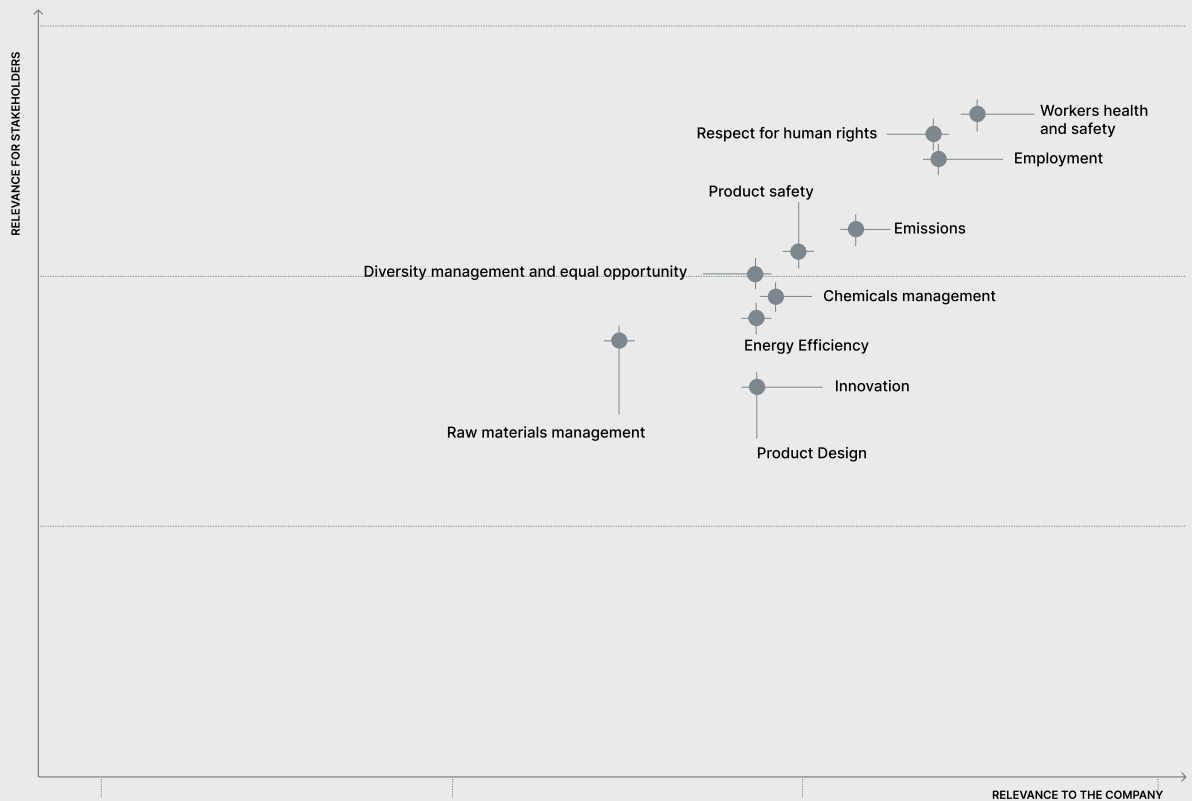
The Company has planned activities to assess external stakeholders' perceptions of topics relevant to the Group through:

- External survey to the Group's key stakeholders:
 - Corporate customers
 - Public entities
 - Credit and investment institutions
 - Trade unions
 - Local communities and nonprofits
- Analysis of key sustainability trends in the sector
- Benchmarking activities on key direct competitors

The findings from listening to internal stakeholders were compared to the outputs noted by external stakeholders.

The combination of topics relevant to the Company and the aspects most relevant to key stakeholders then resulted in Filpucci's first materiality matrix, which includes the following material topics:

- Employment
- Respect for human rights
- Emissions
- Product safety
- Workers health and safety
- Chemicals management
- Innovation
- Energy Efficiency
- Product Design
- Diversity management and equal opportunity
- Raw materials management



The topic of “raw materials management” based on the established threshold, is not to be considered as a material topic according to the analysis, but after careful consideration and given the importance and attention the Group brings to materials and their sustainability, it was decided to include it in order to give more complete information to the recipients of the Report.

Approaching the Double Materiality

Given the approaching in the near future of reporting obligations according to the CSRD (Corporate Sustainability Reporting Directive), the Group management decided to engage in a workshop where the theoretical foundations of reporting and subsequent developments leading to the introduction of new regulatory obligations in this regard were explained. We focused in particular on the concept of double materiality, the inside-out and outside-in concept, and did a simulation on the materiality matrix developed following GRI guidelines. In particular, an attempt was made to estimate the possible financial impacts caused by the identified risks. The goal was to start absorbing the necessary knowledge and background to be able to handle the new reporting requirements in the most effective way once they become mandatory for the company.

The GRI correlation table

Statement of use	The Filpucci Group has reported in accordance with the GRI Standards from 01/01/2023 to 31/12/2023.		
GRI 1 used	GRI 1: Foundation 2021		
GRI STANDARD TITLE	DISCLOSURE	LOCATION	NOTES/OMISSION
GRI 2: General Disclosures 2021	2-1 Organizational details	A history of growth and innovation; ; The Companies that make up the group	
	2-2 Entities included in the organization's sustainability reporting	The Companies that make up the group	
	2-3 Reporting period, frequency and contact point	The Companies that make up the group; The methodological note	
	2-4 Restatements of information	The methodological note	
	2-5 External assurance	N/A	This sustainability report is not subject to Assurance
	2-6 Activities, value chain and other business relationships	The Companies that make up the group; Raw materials management	
	2-7 Employees	People at the core	
	2-8 Workers who are not employees	People at the core	
	2-9 Governance structure and composition	The Governance structure and the risk management model	
	2-10 Nomination and selection of the highest governance body	The Governance structure and the risk management model	
	2-11 Chair of the highest governance body	The Governance structure and the risk management model	
	2-12 Role of the highest governance body in overseeing the management of impacts	The Governance structure and the risk management model	
	2-13 Delegation of responsibility for managing impacts	The Governance structure and the risk management model	
	2-14 Role of the highest governance body in sustainability reporting	The Governance structure and the risk management model	
	2-15 Conflicts of interest	The Governance structure and the risk management mode	
	2-16 Communication of critical concerns	The Governance structure and the risk management mode	
	2-17 Collective knowledge of the highest governance body	The Governance structure and the risk management mode	
	2-18 Evaluation of the performance of the highest governance body		Confidential information
	2-19 Remuneration policies	Compensation policies	
	2-20 Process to determine remuneration	Compensation policies	
	2-21 Annual total compensation ratio	Compensation policies	
	2-22 Statement on sustainable development strategy	Letter to Stakeholders; The values that guide the reduction of impacts; The Governance structure and the risk management model	
	2-23 Policy commitments	The Governance structure and the risk management model; Corporate Compliance	
	2-24 Embedding policy commitments	The Governance structure and the risk management model	
	2-25 Processes to remediate negative impacts	Corporate Compliance	
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Compliance	

GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	Corporate Compliance	Throughout 2023, no significant cases of non-compliance with laws and regulations were reported, nor were any significant monetary penalties paid by the Group
	2-28 Membership associations	Education and community support	
	2-29 Approach to stakeholder engagement	The methodological note	
	2-30 Collective bargaining agreements	Employee welfare and development as a priority	
MATERIAL TOPICS			
GRI 3: Material Topics 2021	GRI 3-1 Process to determine material topics	The methodological note	
	GRI 3-2 List of material topics	The methodological note	
WORKERS HEALTH AND SAFETY			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	The approach to health and safety	
GRI 403: Occupational Health and Safety 2018	GRI 403-2 Hazard identification, risk assessment, and incident investigation	The approach to health and safety	
	GRI 403-3 Occupational health services	The approach to health and safety	
	GRI 403-9 Work-related injuries	The approach to health and safety	
EMPLOYMENT			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	Employee welfare and development as a priority	
GRI 401: Employment 2016	GRI 401-1 New employee hires and employee turnover	Employee welfare and development as a priority	
	GRI 401-3 Parental leave	Employee welfare and development as a priority	
RESPECT FOR HUMAN RIGHTS			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	Employee welfare and development as a priority	
GRI 407: Freedom of Association and Collective Bargaining 2016	GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee welfare and development as a priority	
ENERGY EFFICIENCY			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	Energy consumption in detail	
GRI 302: Energy 2016	GRI 302-1 Energy consumption within the organization	Energy consumption in detail	
EMISSIONS			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	GHG emissions	
GRI 305: Emissions 2016	GRI 305-1 Direct (Scope 1) GHG emissions	GHG emissions	
	GRI 305-2 Energy indirect (Scope 2) GHG emissions	GHG emissions	
	GRI 305-3 Other indirect (Scope 3) GHG emissions	GHG emissions	
PRODUCT SAFETY			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	The control of chemicals in production processes	
GRI 416: Customer Health and Safety 2016	GRI 416-1 Assessment of the health and safety impacts of product and service categories	The control of chemicals in production processes	

CHEMICALS MANAGEMENT			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	The conservation of natural resources	
GRI 304: Biodiversity 2016	GRI 304-2 Significant impacts of activities, products and services on biodiversity	The conservation of natural resources	
PRODUCT DESIGN			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	Raw materials management; The investment in recycled yarns	
GRI 301: Materiali 2016	GRI 301-2 Recycled input materials used	Raw materials management; The investment in recycled yarns	
DIVERSITY MANAGEMENT AND EQUAL OPPORTUNITY			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	Diversity and inclusion	
GRI 405: Diversity and Equal Opportunity 2016	GRI 405-1 Diversity of governance bodies and employees	Diversity and inclusion	
GRI 406: Non-discrimination 2016	GRI 406-1 Incidents of discrimination and corrective actions take	Diversity and inclusion	
MATERIAL TOPICS NOT DIRECTLY RELATED TO SPECIFIC GRI INDICATORS			
INNOVATION			
GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	Innovation as the foundation of our business	
NON-MATERIAL TOPICS			
RAW MATERIALS MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Raw materials management; The investment in recycled yarns	
GRI 301: Materials 2016	GRI 301-1 Materials used by weight or volume	Raw materials management; The investment in recycled yarns	
	GRI 301-2 Recycled input materials used	Raw materials management; The investment in recycled yarns	

Performance indicators summary

Disclosure 2-7 Employees

Total number of employees with a breakdown by gender

	2023		
Gender	Men	Women	Total
Total	89	52	141

Total number of employees with a breakdown by gender and contract type

	2023		
No. of employees by contract type	Men	Women	Total
Permanent	87	48	135
Fixed term	2	4	6
Total	89	52	141

Total number of employees with a breakdown by gender and contract type

	2023		
No. of employees by type of employment	Men	Women	Total
Full time	89	45	134
Part time	0	7	7
Total	89	52	141

Total number of employees with a breakdown by gender and type of employment

	2023		
No. of employees by employment category	Men	Women	Total
Executives	1	0	1
Manager	2	0	2
Clerks	30	18	48
Production workers	56	34	90
Total	89	52	141

Total number of other workers by employment category (interns, temporary workers, contractors), by gender

	2023		
No. of employees by employment category	Men	Women	Total
Interns	0	0	0
Temporary	2	1	3
Collaborators	1	0	1
Other (Partners)	3	1	4
Total	6	2	8

Disclosure 301-1 Materials used by weight or volume

RAW MATERIAL TYPE						
		UOM	2022	%	2023	%
RAW MATERIALS	Renewable	KG	495,725.05	46.07%	294,541.74	39.42%
	Non renewable	KG	580,216.99	53.93%	452,724.17	60.58%
TOTAL			1,075,942.04	100%	747,264.91	100%

MATERIALS TYPE						
		UOM	2022	%	2023	%
Raw materials	Renewable and Non renewable	KG	1,075,942.04	96.77%	747,264.91	97.29%
Semi-finished yarn	Non renewable	KG	35,889.96	3.23%	20,827.18	2.71%
TOTAL			1,111,832.00	100%	768,092.09	100%

Disclosure 301-2 Recycled input materials used¹¹

% RAW MATERIALS WHOSE CONTENT IS RECYCLED						
			2022	%	2023	%
RAW MATERIALS	of which recycled	KG	267,489.93	24.86%	89,206.33	11.94%
	of which not recycled	KG	808,452.11	75.14%	658,058.58	88.06%
TOTAL			1,075,942.04	100%	747,264.91	100%

Disclosure 302-1 Energy consumption within the organization

ENERGY CONSUMPTION								
	2022				2023			
Gas	m ³	885,837.00	GJ	35,844.33	m ³	418,765	GJ	16,944.82
Diesel	l	1,476	GJ	52.83	l	2,303	GJ	82.43
LPG	m ³	254	GJ	6,027.28	m ³	510	GJ	12,102.02
Purchased electricity	Kwh	3,658,355.00	GJ	13,170.08	Kwh	2,985,625	GJ	10,748.25
Of which from certified renewable energy sources	Kwh	-	GJ	-	Kwh	-	GJ	-
Self-generated electricity	Kwh	315,445	GJ	1,135.60	Kwh	305,953	GJ	1,101.43
of which consumed	Kwh	207,910	GJ	748.48	Kwh	178,631	GJ	643.07
of which sold	Kwh	107,533	GJ	387.12	Kwh	127,322	GJ	458.36
TOTAL			GJ	55,842.99			GJ	40,520.59

CONVERSION FACTORS¹²

	UOM	2022	2023	Source
Electricity	GJ/kWh	0.0036	0.0036	Costant
Gas	MJ/Smc ¹³	39,4	39,4	Snam ¹⁴
LPG	GJ/t	45,858	45,858	Ispra
Diesel	GJ/t	42,873	42,873	Ispra

11. At the time of the preparation of this Sustainability Report, details on the composition and, consequently, the data on the % of recycled from the semi-finished Yarns were not available.

12. The listed conversion factors have been used to convert the values of electricity and fuels into GJ.

13. Smc, Standard Cubic Meter. Correction coefficient from m³ to Smc: 1,027.

14. Snam, converter available online: <https://www.snam.it/it/stoccaggio/strumenti/convertitore.html>. The data were calculated as of May 2024, so there may be minimal uncertainty in the measurement of the figure for 2022 because the specific conversion factor for that year was not present.

Disclosure 305-1 Direct (Scope 1) GHG emissions

Direct emissions (Scope 1) of greenhouse gases	UOM	2022 ¹⁵	2023
CO ₂ eq. Emissions	kg CO ₂ eq	264,411	1,577,454

Disclosure 305-2 Energy indirect (Scope 2) GHG emissions

Indirect (Scope 2) greenhouse gas emissions from energy consumption (location-based)	UOM	2022 ¹⁶	2023
CO ₂ eq. Emissions	kg CO ₂ eq	1,246,729.12	759,518

Disclosure 305-3 Other indirect (Scope 3) GHG emissions

Indirect (Scope 3) greenhouse gas emissions from energy consumption.	UOM	2022 ¹⁷	2023
CO ₂ eq. Emissions	kg CO ₂ eq	1,781,508.29	2,210,187

Disclosure 401-1 New employee hires and employee turnover

a) Total number and rate of new hires during the reporting period, by age group, gender and geographic area

New hires			
2023			
No. new hires	Men	Women	Total
<30	5	4	9
30-50	2	1	3
>50	0	1	1
Total	7	6	13

b) Total number and turnover rate during the reporting period, with breakdown of employees by age group, gender, and geographic area

Employees who left			
2023			
No. Employees who left	Men	Women	Total
<30	3	0	3
30-50	2	1	3
>50	2	1	3
Total	7	2	9

Turnover			
2023			
% Turnover	Men	Women	Total
<30	33,3%	0,0%	21,4%
30-50	6,9%	5,3%	6,3%
>50	3,9%	3,6%	3,8%
Total	7,9%	3,8%	6,4%

15. Data referred to the company Filpucci S.p.A

16. Data referred to the company Filpucci S.p.A

17. Data referred to the company Filpucci S.p.A

Disclosure 401-3 Parental leave

a. Total number of employees who were eligible for parental leave, broken down by gender

	2023		
	Men	Women	Total
Employees who are entitled to parental leave	89	52	141

b. Total number of employees who took parental leave, broken down by gender

	2023		
	Men	Women	Total
Employees who have taken parental leave	5	3	8

c. Total number of employees who returned to work in the reporting period at the end of parental leave, broken down by gender

	2023		
	Men	Women	Total
Employees who returned to work in the reporting period at the end of parental leave	5	3	8

Disclosure 403-9 Work-related injuries

a) Occupational injuries for all employees

	2023
	No.
Number and rate of deaths as a result of occupational injuries	0
Number and rate of work-related injuries with serious consequences (excluding deaths)	0
Number and rate of occupational injuries	3
The number of hours worked	140,925
The number of work days lost due to work-related injuries	27

b) Occupational accidents for all workers who are not employees but whose work and/or place of work is under the control of the organization (if any)

	2023
	No.
Number and rate of deaths as a result of occupational injuries	0
Number and rate of work-related injuries with serious consequences (excluding deaths)	0
Number and rate of occupational injuries	0
The number of hours worked	0
The number of work days lost due to work-related injuries	0
Number and rate of deaths as a result of occupational injuries	0

Disclosure 405-1 Diversity of governance bodies and employees

a) Percentage of members of the organization's governing bodies by gender, age group, and other diversity indicators where relevant (such as minorities or vulnerable groups)

Age groups									
2023 (%)	<30			30 - 50			>50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of governing bodies	-	-	-	75%	25%	100%	100%	0%	100%

Age groups									
2022 (%)	<30			30 - 50			>50		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of governing bodies	-	-	-	67%	33%	100%	100%	0%	100%

b) Percentage of employees by gender, age group, and other relevant diversity indicators (such as minorities or vulnerable categories)

Age Groups						
2023 (%)	<30		30 - 50		>50	
	Men	Women	Men	Women	Men	Women
Executives	-	-	-	-	100%	0%
Managers	-	-	100%	0%	100%	0%
Clerks	50%	50%	65%	35%	60%	40%
Production workers	70%	30%	74%	26%	45%	55%
Total	64%	36%	72%	28%	53%	47%

Fasce d'età						
2022 (%)	<30		30 - 50		>50	
	Men	Women	Men	Women	Men	Women
Executives	-	-	-	-	100%	0%
Managers	-	-	100%	0%	100%	0%
Clerks	50%	50%	67%	33%	61%	39%
Production workers	67%	33%	55%	45%	24%	76%
Total	60%	40%	61%	39%	45%	55%

%	2022			2023		
	Men	Women	Total	Men	Women	Total
No. of employees belonging to minority or vulnerable groups ¹⁸	0%	0%	0%	2.25%	0%	1.42%

Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

Incidents of violations of the right of association and collective bargaining by country and establishment

Total	Country	2023
Filpucci S.p.a.	Italy	0
Valfilo S.r.l.	Italy	0
Fiordiluce S.r.l.	Italy	0

18. The people belong to the subsidiary Fiordiluce S.r.l.

