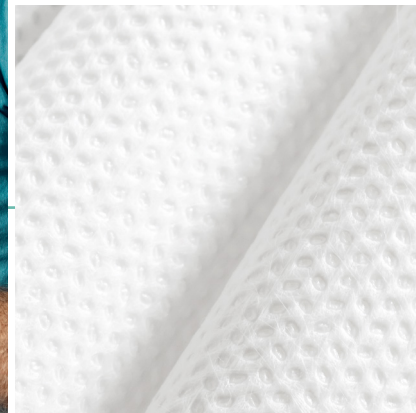
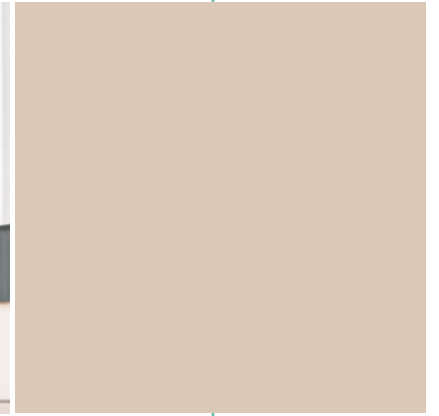


2024 SUSTAINABILITY REPORT



fitesa

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Introduction

Welcome to Fitesa's 2024 Sustainability Report. We begin with a **Presentation**, offering a deeper look into the structure of this report and the principles that guide us. In the **Message from the CEO**, our leadership shares insights on the year's challenges, accomplishments, and our vision for the future. Next, the **2024 Highlights** showcase key achievements, financial performance, and strategic milestones that reflect our commitment to innovation and sustainability. These sections provide a comprehensive overview of where we stand today and the path we are forging ahead.

PRESENTATION

Fitesa's 2024 Sustainability Report showcases our unwavering commitment to excellence and innovation, guided by the pillars of the Fitesa Management System (FMS): health and safety, sustainability, efficiency, and quality. These core principles underpin our operations, driving our ability to deliver exceptional products, minimize environmental impacts, and create value for all stakeholders. These pillars are not just theoretical ideals; they are the foundation of our strategies and the engine of our growth.

The report is organized into key sections that reflect our journey and achievements in 2024. **Who We Are** provides an in-depth overview of Fitesa's purpose, global presence, and solutions, giving readers a comprehensive understanding of our identity and scope.

Our Impact delves into governance, value creation, and climate initiatives, highlighting the tangible outcomes of our commitment to sustainability and responsibility.

In the **Finding Solutions** section, we explore the innovation and processes that propel Fitesa forward. Here, we detail the role of the FMS, our approach to risk management, and our sustainability initiatives, showcasing how we continuously evolve to meet market demands and stakeholder expectations.

Finally, the **Our Sustainability Framework** section emphasizes the insights, challenges, and progress shared throughout the report, much of which stems from our continuous dialogue with stakeholders. Their feedback has shaped the selection of material topics, which we address through measurable

indicators, robust management approaches, and transparent reporting on environmental, social, and governance (ESG) issues, fully aligned with the Global Reporting Initiative (GRI) and working towards alignment with the European Sustainability Reporting Standards (ESRS). This engagement ensures that Fitesa's strategies remain attuned to stakeholder priorities, driving a collective commitment to sustainable progress and operational excellence.

With this structure, the **2024 Sustainability Report** serves as a transparent and detailed account of Fitesa's efforts to align operational excellence with sustainable growth. It reflects our commitment to fostering innovation, creating value, and shaping a responsible future for the global nonwovens industry.

MESSAGE FROM THE CEO

[GRI 2-22]

“Today, Fitesa has one of the most diverse sustainable portfolios in the industry.”

As we navigate through a world of constant change, Fitesa remains steadfast in its mission to drive innovation, sustainability, and excellence. In 2024, we continued to reinforce our leadership in the nonwovens industry by focusing on quality, strong customer relationships, and delivering value to all stakeholders. Today, Fitesa has one of the most diverse sustainable portfolios in the industry, a testament to our commitment to advancing sustainable solutions. With a growing market share, this dedication to new technologies continues to define our business, ensuring we make a positive impact on both the market and society.

Our talented teams are the force behind our success. Their entrepreneurial spirit and

dedication help us stay ahead in a rapidly evolving market. Across 11 countries, our diverse global workforce collaborates to move our vision forward. I want to express my sincere gratitude to every employee for their creativity and commitment, which have been vital in overcoming challenges and seizing opportunities. Together, we have not only met but exceeded expectations, helping shape the future of our industry.

In 2024, we reinforced our commitment to operational excellence and sustainability by investing \$1.9 million USD in capital expenditures to enhance energy efficiency, improve quality, and strengthen safety initiatives. Despite a challenging economic landscape and competitive market, we maintained a steady revenue of \$1.2 billion USD, matching our 2023 performance. Our dedication to environmental responsibility led us to surpass our 2025 waste-to-landfill reduction target by an impressive 33%.

Additionally, the successful start-up of new production lines further expanded our capabilities, positioning Fitesa for continued growth and innovation.

Fitesa's strong commitment to governance and transparency complements these priorities. As global standards evolve, we continually update our corporate framework to address both ongoing and emerging environmental, social, and governance (ESG) challenges. Our stakeholders include multinational companies and organizations that, like us, remain attentive to market demands and our operating environment. This report highlights the initiatives we undertake to innovate and grow responsibly, ensuring long-term relevance and creating value for all our stakeholders.

Our directions for 2030 inform our strategies for 2025. We have set ambitious targets to

reduce our environmental footprint; develop our organization's talent in an inclusive, engaged, and ethical way; grow our business; and integrate new digital technologies such as artificial intelligence. We are committed to achieving these targets and creating a sustainable future.

Looking ahead, I am proud to celebrate 38 years with Fitesa in 2025. It has been an honor to witness our growth and success, and I am full of confidence in Fitesa's future. As we continue to innovate and empower our teams, we will remain leaders in our sector, delivering solutions that benefit both people and the planet. Since our founding in 1973, Fitesa has grown into a global, innovative, and sustainable company, and we are excited to carry our legacy forward into the future.

Silverio Baranzano

CEO

2024 HIGHLIGHTS

\$1.2

billion USD revenue

2,557

employees

900+

customers in 78 countries

Fitesa Advantage®

New technology to produce nonwovens with up to **70% renewable and biodegradable raw materials**

0.76

lowest recordable incident rate (RIR) since 2017

13

zero-waste to landfill facilities

Exceeded the 2025 waste to landfill goal by

33%

15%

decrease in the critical claims rate

Continued Expansion

New Reicofil Spunlaid lines

with special capabilities for the conversion of compostable, recycled, and renewable raw materials

\$1.9

million USD capex on safety, quality, and energy efficiency projects

2,225

solar panels with 1MWP power capacity installed in High Point (USA)

77%

internal promotion rate

126,864

training hours

SDG



Who We Are

In this chapter, we take a closer look at Fitesa's identity, what drives us, and how we operate globally. The **Profile** section provides an overview of our company, highlighting our expertise in nonwoven and film solutions. In **Our Culture** we define the core mission that fuels our innovation - delivering high-performance, sustainable solutions that improve everyday lives. The **Our Global Presence** section showcases our extensive footprint, emphasizing how our strategically located facilities enable us to serve diverse markets. **What We Do** explores our role in key industries, presenting how we develop cutting-edge materials tailored to customer needs. Through our innovative product portfolio, we demonstrate how our technology and expertise address evolving challenges and push sustainable progress.



PROFILE

[GRI 2-1, 2-6]

Fitesa is a leader in the nonwovens, films, and composites industries, with a rich history spanning five decades. Established in 1973, in Eldorado do Sul, Brazil, the company began producing nonwovens in 1989 in Gravataí, Brazil. In the years since, Fitesa has grown into a global organization headquartered in Porto Alegre, Brazil.

Specializing in innovative solutions for hygiene, healthcare, industrial, and wipes markets, Fitesa leverages an extensive range of technologies, including Spunbond, Spunmelt, Meltblown, Carded, Airlaid, Fitesa Advantage, Spunlace, Films, Elastics, and Composites, to deliver high-quality materials that enable the creation of products improving everyday life.

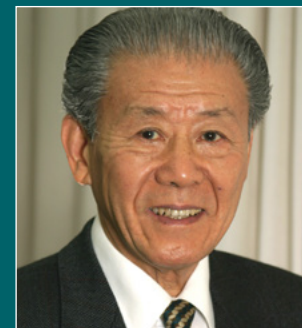
With a workforce of over 2,500 employees, Fitesa operates 21 manufacturing facilities across 11 countries: Brazil, China, Germany, India, Italy, Mexico, the Netherlands, Peru, Sweden, Thailand, and the United States, alongside a logistics operation in Japan.

Our global presence is strategically designed to ensure customers have access to the same core technologies across all key regions where we operate.

As a privately held company, Fitesa is fully owned by Évora S.A., except for its Thailand operation, which is managed through a majority-owned joint venture.

At a Glance

- » **Milestone:** Celebrating 51 years of history in 2024, with 35 years dedicated to nonwoven manufacturing.
- » **Global Reach:** 21 manufacturing locations in 11 countries.
- » **Innovation Infrastructure:** 5 innovation centers, including 4 equipped with pilot lines.
- » **Technological Range:** Spunbond, Spunmelt, Meltblown, Carded, Airlaid, Fitesa Advantage, Spunlace, Films, Elastics, and Composites.
- » **Sustainability Leadership:** Pioneers in biobased nonwoven production; participants in the UN Global Compact.
- » **Transparency:** Voluntary annual ESG reporting; ESG performance disclosed via EcoVadis and Sedex.



A legacy of innovation: the Ling Family entrepreneurial journey and 35 years of nonwoven manufacturing

From humble beginnings to global leadership. In 1951, at the age of 30, Sheun Ming Ling, originally from China, arrived in Brazil with no knowledge of the Portuguese language and minimal financial resources. A true “serial entrepreneur”, Mr. Ling found success in the soybean processing industry before venturing into various other businesses. Building on this experience, he founded Fitesa in 1973 in Eldorado do Sul, Brazil, initially focusing on polypropylene packaging, carpet backing, and staple fibers for textile applications. By 1989, Fitesa expanded into the production of Spunbond nonwovens in Gravataí, a city located just 22 miles away. Today, Fitesa is one of the world’s largest manufacturers of nonwoven fabrics. Sheun Ming Ling passed away in 2020 at the age of 99. His journey serves as a source of inspiration for all.



OUR CULTURE

From the materials we create to the industries we serve, our value proposition is simple yet profound: **to make work easier and life better.** We believe in the transformative power of nonwoven solutions to enhance everyday life by providing comfort, safety, and sustainability across hygiene, healthcare, industrial, and wipes markets.

Our mission goes beyond manufacturing. It's about enabling innovation and creating value for people and the planet. We are committed to growing responsibly, always seeking new ways to lead and adapt to a changing world.

At Fitesa, our vision is clear: to be the preferred choice for the supply of nonwoven solutions to the global hygiene and healthcare industries. This ambition drives our relentless pursuit of quality and efficient manufacturing balanced with safety for our employees

and other stakeholders, as well as environmental sustainability. We are committed to achieving our vision while upholding our values of trust, simplicity and frugality, transparency, respect for individuals, honesty and integrity. Our values shape every action we take, creating a foundation of excellence and responsibility.

Because we believe in developing individuals' talents, we cultivate empowerment, responsible autonomy, and teamwork, creating an environment where our employees can thrive and grow based on their own merit. **Because we prioritize long-term business sustainability,** we aim to always do more and better with less, making decisions that reflect care for our customers, our people, and our planet. **Because we know our work impacts millions of lives,** we never lose sight of the trust placed in us to deliver solutions that matter.

We act to support our people, offering development opportunities that empower them to grow with us. We act to nourish meaningful relationships with our customers and partners, built on collaboration and mutual respect. We act to make a difference in the world by aligning our practices with environmental stewardship and ethical principles.

Our commitment to innovation and sustainability is unwavering. Together, we create nonwoven solutions that not only serve industries but also inspire trust, empower people, improve lives and shape a better tomorrow.

Mission



Fitesa develops nonwoven solutions for the hygiene and healthcare industries. We manufacture and sell our products across the globe and build our business on the aligned values of the company and our employees. We are constantly seeking new ways to evolve and grow in dynamic and responsible ways.

Values



Trust, Simplicity and Frugality, Respect for Individuals, Transparency, Honesty and Integrity.

Vision



To be the preferred choice for the supply of nonwoven solutions to the global hygiene and healthcare industries.

Management Practices

- » Empowerment and Responsible Autonomy
- » Teamwork
- » Meritocracy
- » Employee Development
- » Always Do More and Better with Less

Our Innovative Solutions Make

Work Easier

Innovative solutions and exceptional service to meet our customers' expectations.

Fast and decisive organization to be more agile in today's business environment.

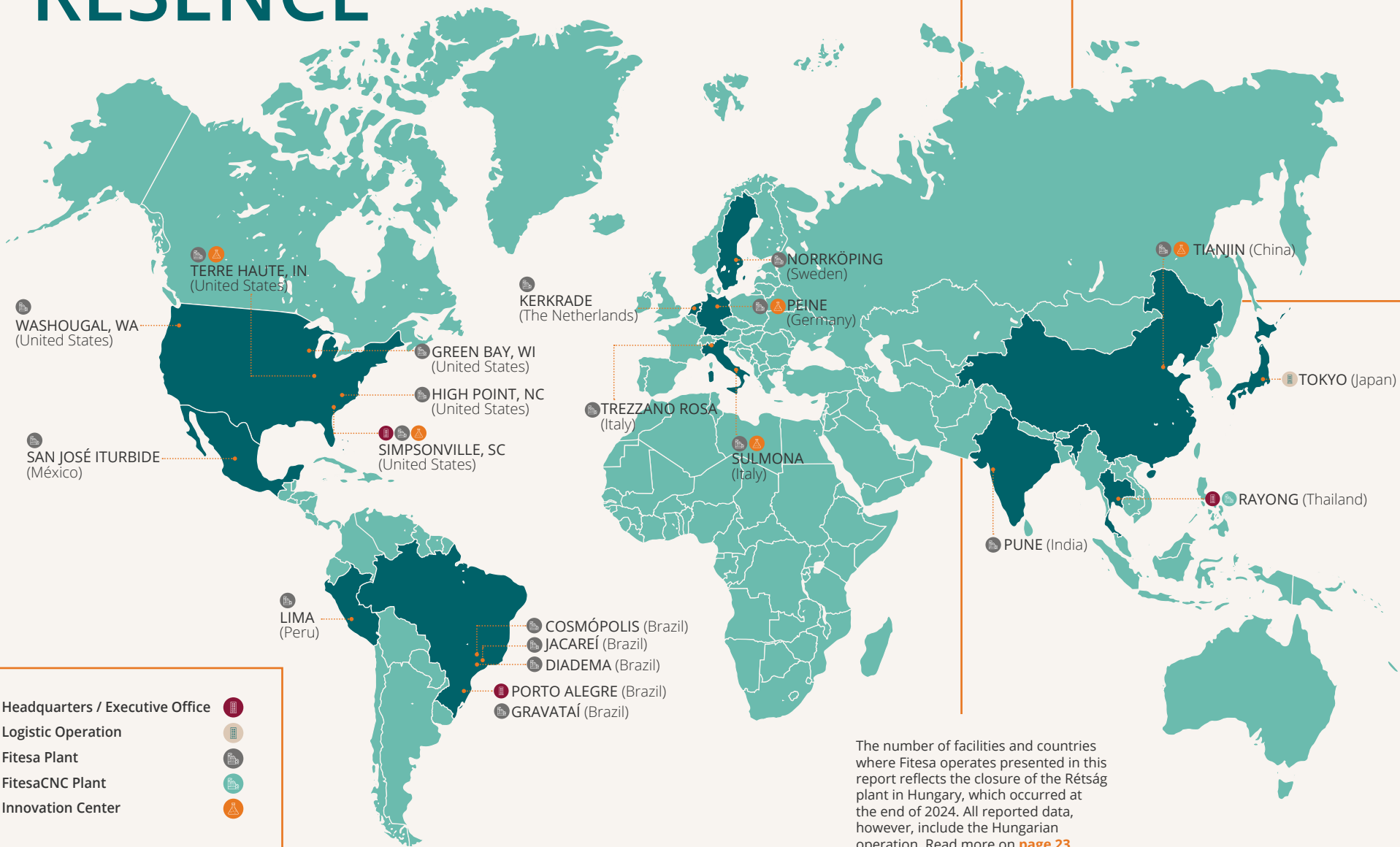


Life Better

Efficient and responsible processes that respect society and the environment.

High-quality products and transparent communication to ensure consumers' safety, health, and peace of mind.

OUR GLOBAL PRESENCE



The number of facilities and countries where Fitesa operates presented in this report reflects the closure of the Rétság plant in Hungary, which occurred at the end of 2024. All reported data, however, include the Hungarian operation. Read more on [page 23](#).

WHAT WE DO

[GRI 2-6]



Hygiene

- » Baby care
- » Period care
- » Incontinence care

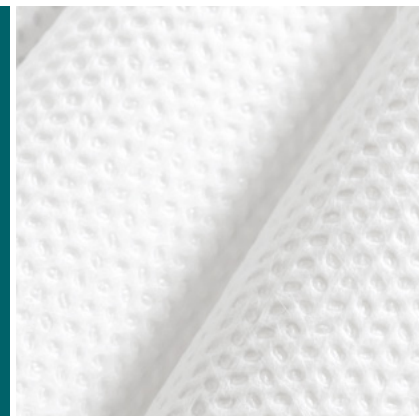
Our Markets

Fitesa employs a broad array of advanced technologies to develop nonwoven, film, and composite solutions tailored to meet the specific needs of four main industries: hygiene, healthcare, industrial, and wipes. Our products are used as components for further manufacturing and designed to deliver unique properties that enhance the functionality and performance of a variety of finished goods, ensuring that they are optimized for their intended applications and add perceivable value to the final consumer.



Healthcare

- » Surgical protection
- » Overall protection
- » Respiratory protection



Industrial

- » Agriculture
- » Mattresses
- » Industrial specialties



Wipes

- » Personal care
- » Cleaning and sanitization

Spunmelt

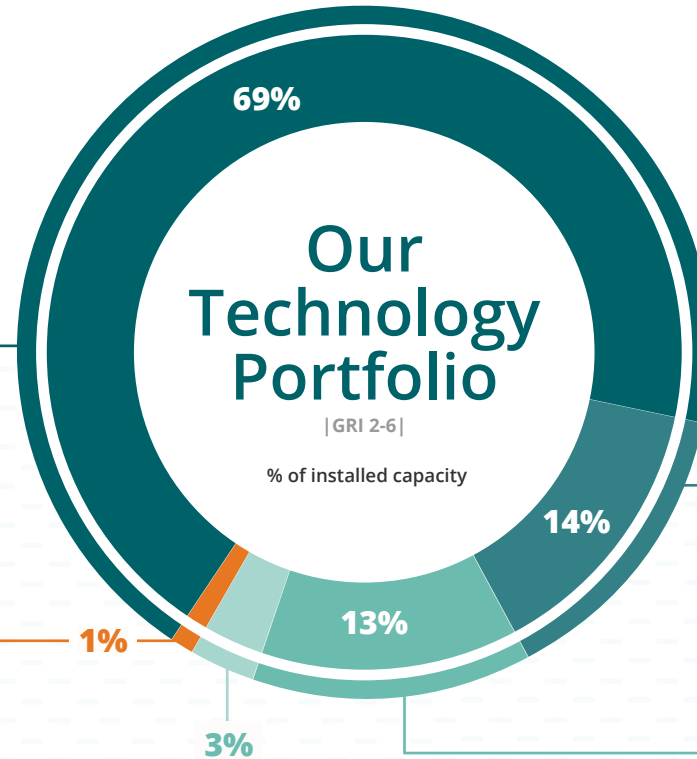
Spunmelt nonwovens are created by extruding one or more polymers, such as polypropylene (PP), polyethylene (PE), or polylactic acid (PLA), into filaments that are thermally bonded into a flexible, fabric-like material. These nonwovens' mechanical properties make them suitable for applications in the hygiene, healthcare, and industrial sectors.

Fitesa boasts one of the world's largest bicomponent production capacities, is the only company with bicomponent capabilities in all regions where it operates, and offers an extensive renewable portfolio, with solutions containing between 20% and 100% renewable content, reinforcing its leadership in sustainable innovation.

Fitesa Advantage

Fitesa Advantage nonwovens are produced from a combination of polypropylene (PP) microfilaments and fluff pulp, forming a versatile substrate with high sustainable content.

This innovative technology produces ultra-soft, highly absorbent fabrics that can be provided in different bonding patterns targeting the wipes market. Fitesa Advantage is produced in the United States.



Airlaid

Airlaid nonwovens are made from cellulose pulp, consolidated into a web using chemical or thermal processes. They can be enhanced with super absorbent polymers (SAP) or combined with other materials, such as carded nonwovens, to optimize liquid absorption and distribution properties. Airlaid nonwovens are often used in high-quality feminine and period care products, diapers, dry and premoistened wipes, and dry-converted items like food tray pads, napkins, and medical substrates.

Fitesa offers a range of Airlaid nonwovens, including thermobonded (TBAL), latex bonded (LBAL), and multibonded (MBAL) varieties, catering to diverse market needs.

Films & Elastics

Films are created by extruding various polymers, including polyethylene (PE) and elastomers, into multilayered films.

Fitesa manufactures both elastic and nonelastic films, which can be laminated with multiple layers of nonwovens or enhanced through embossing and perforation, adding an additional layer of value to our customers' finished products.

Carded

Carded nonwovens are manufactured by consolidating various fibers, such as polypropylene (PP), polyethylene (PE), polyethylene terephthalate (PET), rayon, and cotton, into a soft, thick web using chemical, mechanical, or thermal processes. These versatile nonwovens are commonly used in personal care products, particularly for elastic ear components, liquid acquisition and distribution layers, and premium topsheets and backsheets in disposable diapers.

Fitesa specializes in producing air-through bonded (ATB), resin bonded (RB), Spunlace, and thermobonded (TB) carded nonwovens, offering tailored solutions to meet diverse application needs.

Our Innovative Solutions

To stay ahead of evolving consumer and industry demands, our technical service and innovation teams are constantly working on new products and processes that address our customers' most critical needs.

Here are some of the benefits our solutions can deliver.



TOUCH

Solutions that deliver exceptional comfort to a wide range of applications



VISUAL ID

Solutions that create a visual effect to promote emotional and/or technical performance



SUSTAINABILITY

Solutions that alleviate the environmental impact of the products throughout their lifecycle



FLUID MANAGEMENT

Solutions that increase the perception of dryness and comfort



PERFORMANCE

Solutions that offer increased protection or differentiated beneficial action



FIT

Solutions that improve malleability to deliver a better fit

SDG



Our Impact

This chapter highlights Fitesa's commitment to responsible practices and the influence we have on people, society, and the environment. The **Corporate Governance** section outlines our governance practices, management structure, and core policies that ensure transparency, integrity, and ethical operations. In **Value Creation**, we demonstrate the value we bring to our people through employee development and to society through our contributions to local communities. The **Climate** section emphasizes our dedication to environmental responsibility, showcasing the actions we take to minimize our environmental footprint and contribute to a more sustainable future. Together, these elements illustrate how Fitesa's operations deliver meaningful impacts for our stakeholders.





CORPORATE GOVERNANCE

As a company with a strong global presence, Fitesa recognizes the importance of adopting governance standards that transcend local and regional expectations. Operating across diverse markets and cultures, we are dedicated to ensuring that our governance practices reflect the highest global benchmarks, creating trust and aligning with stakeholders worldwide.

Fitesa is committed to maintaining robust governance practices across all its sites and operations, striving to establish a best-in-class global standard of accountability, ethics, and purpose that ensures long-term business sustainability. Our governance framework is underpinned by a comprehensive set of guiding policies, public commitments, and a management system that supports the activities of our people and operations.

As a privately held company, Fitesa is not subject to certain governance regulations required of publicly traded entities, such as a formalized board of directors or mandatory periodic financial disclosures. However, we voluntarily adopt industry-leading governance practices to ensure transparency and accountability. These include maintaining a structured board of directors, conducting rigorous opportunity and risk analyses (encompassing ethics and compliance programs), aligning remuneration policies

with business performance, and providing periodic reporting to stakeholders.

- » Adherence to International Financial Reporting Standards (IFRS).
- » Compliance with global auditing best practices.
- » Conformance to applicable regulatory requirements and laws.
- » Following international and local guidelines in all operational countries.

Governance Structure

[GRI 2-9]

Fitesa's governance structure comprises Executive Management, which reports to the CEO, who reports to the Board of Directors.

Board of Directors

[GRI 2-12, 2-13]

Drawing on diverse and complementary range of industrial, entrepreneurial, financial, and ESG expertise, the Fitesa Board of Directors provide swift and informed insight into the challenges facing the company.

The Board of Directors dedicates most of its time to strategic matters, maintaining Fitesa's leadership in the nonwovens industry while prioritizing sustainability and operational excellence. The Board oversees Fitesa's business activities, encompassing economic, environmental, and social dimensions. Also, the Board provides final approval of the company's annual budget, as well as its mid- and long-term plans, which define the objectives that guide Fitesa's operations.

Monthly updates on operational performance, economic impacts, critical concerns, and environmental and social initiatives are provided to the board by the CEO and the COO. [GRI 2-16]

The Board is composed of four directors from Fitesa's parent company, Évora, each serving a two-year term. As a privately held company, many board members are part of the owning family; however, upon accepting their roles, they pledge to uphold professionalism and impartiality in their decision-making.

This governance body operates collectively, without committees, to ensure streamlined and cohesive leadership. According to Fitesa bylaws, some decisions must be approved by the shareholders (Évora), whose decisions are submitted for the approval of Évora's Board of Directors, composed of seven non-executive members (two family members and five market executives), adding an additional layer of expertise and governance.

Composition of the Board of Directors in 2024

Anthony Ling (Chair)

Évora Director and Shareholder
Board Member since 2021

Eduardo Lubisco

Évora CFO
Board Member since 2009

Wilson Ling

Shareholder
Board Member since 1991

William Ling

Shareholder
Board Member since 1991



Executive Management

[GRI 2-13]

Executive management, comprised of the COO, Regional Leaders, and Functional Leaders, is in charge of Fitesa's functional departments and geographic zones. They implement strategic guidelines and direct the company's activities worldwide. The organization's identity, strategies, and goals are revised by Executive Management through budget, mid-term strategic planning, and long-term strategic planning sessions, which happen in a cycle over the year. The CEO and the COO present the output of these processes to the Board of Directors for final approval. [GRI 2-12]

Regional Leaders

Reporting to the COO, Regional Leaders hold full Profit & Loss (P&L) accountability for their regions, encompassing economic, environmental, and social responsibilities.

Functional Leaders

Oversee specialized areas, including finance, innovation, human resources, marketing, and ESG (Environmental, Social, and Governance).

ESG Committee

Ensures alignment, oversight, and performance of initiatives related to environmental and social topics. This committee is led by the Corporate HR, Marketing, and ESG Director, who reports directly to the CEO, reinforcing Fitesa's commitment to integrating ESG principles into its core operations.

Environmental Topics

Are managed by the Global Director of Quality Assurance, Health, Safety & Environment, Management System, and Process Improvement, who reports to the COO.

Social Topics

Fall under the responsibility of the Corporate HR, Marketing, and ESG Director, who reports directly to the CEO.

Global Committees

Fitesa's global committees are sponsored by senior management to facilitate collaboration across regions and sectors. These committees share best practices, address challenges, and provide strategic support in reporting and decision-making, contributing to the company's global alignment and success.



Core Policies

[GRI 2-23, 3-3 Ethics and Fight Against Corruption]

Fitesa is deeply committed to a culture of integrity, transparency, and respect for human rights in all aspects of our business. At the heart of this commitment is our **Code of Conduct (Ethics Policy)** — a blueprint for aligning Fitesa's identity with the behaviors we expect from everyone representing us. Introduced to 100% of our employees during onboarding, it ensures every new employee understands our principles from day one. These principles emphasize compliance with laws, accuracy in financial reporting, environmental stewardship, and a firm stance against corruption, harassment, and discrimination.

To keep this foundation strong, our human resources department regularly updates the Code of Conduct, and targeted employees receive annual refresher training on compliance topics led by third-party experts, keeping our values fresh and relevant.

Ethical behavior doesn't stop with our team. **Our Supplier Code of Conduct,**

available on our website, clearly outlines the standards we expect from business partners. Purchasing teams actively communicate these expectations, forging a supply chain that shares our values. Building on this commitment, we conduct supplier evaluation in the realm of sustainability to ensure our procurement practices align with our strategic directions. This process establishes clear criteria for evaluating critical suppliers based on their ESG performance. These detailed assessments result in a supply chain that prioritizes innovation without sacrificing accountability or stewardship. Read more about supplier engagement on [page 42](#).

Integrity is one of our core values. Every employee is empowered to act with the highest ethical standards, supported by leadership and clear mechanisms to seek guidance or voice concerns. Together, these policies and practices ensure that Fitesa remains a responsible, forward-thinking, and trusted global leader. [GRI 2-26]

Our commitment to responsible business conduct is demonstrated through a comprehensive set of guiding policies that reinforce our core values, as listed below. Based on the empowerment and responsible autonomy management

practice, each leader is responsible for implementing the policy commitments and ultimately following our code of conduct in its area of responsibility. All Fitesa policies and procedures are centrally housed within a global document management system for seamless access. Additionally, key policies and procedures are publicly available on our website and detailed in our Sustainability Report, ensuring transparency. [GRI 2-24]

- » **Code of Conduct (Ethics Policy):** Our foundation for ethical behavior.
- » **Health & Safety Policy:** Ensuring the well-being of our teams.
- » **Sustainability Policy:** Driving environmental and social responsibility.
- » **Quality Policy:** Committing to excellence by continuously improving products and processes.
- » **Efficiency Policy:** Optimizing resources and workflows to enhance productivity and performance.
- » **Anti-Harassment Policy:** Promoting a respectful workplace.
- » **Competition Law Policy:** Establishing commitment to compliance with all relevant competition laws.
- » **Disclosure of Unethical Conduct Policy:** Enabling accountability.
- » **Equal Employment Policy:** Championing diversity and inclusion.
- » **Global HR Policy:** Setting general guidelines for an inclusive, safe, and fair work environment.
- » **Global Sustainable Procurement Policy:** Integrating sustainability into procurement practices.
- » **Open Communication Policy:** Encouraging dialogue and transparency.
- » **Privacy Policy:** Protecting personal and business information.
- » **Purchasing Policy:** Ensuring ethical sourcing and transactions.
- » **Signing Policy:** Formalizing commitments responsibly.
- » **Supplier Code of Conduct:** Holding our partners to high standards.
- » **Travel & Expense Policy:** Enabling responsible resource management.
- » **Working Conditions Policy:** Outlining standard working conditions across facilities.
- » **Workplace Violence Policy:** Maintaining a safe working environment.

Ethical Channel and Lighthouse: Strengthening Accountability

[GRI 3-3 Ethics and Fight Against Corruption]

To support our commitment to integrity and transparency, Fitesa provides the [Ethical Channel](#) and [Lighthouse](#), outsourced platforms designed to empower employees, customers, suppliers, and other stakeholders to report concerns related to potential violations of laws, regulations, or company policies.

These channels ensure accessibility and confidentiality. Reports may be submitted anonymously and in the local language via email, telephone, or a dedicated website. These tools are secure and straightforward and strengthen accountability and ethics at every level of our organization. [GRI 2-26]

Per the disclosure policy, we monitor ethics violations reported through our reporting channels. Additionally, Fitesa's anti-corruption policies and procedures are addressed as part of our Code of Conduct, which every employee is introduced to during the onboarding process as a new hire. Therefore, 100% of employees have been informed about the organization's anti-corruption policies and procedures. [GRI 205-2]

Total number and percentage of employees who received training on anti-corruption policies by functional level [GRI 205-2]

| Category | 2022 | | 2023 | | 2024 | |
|--------------|---------------------|------------|---------------------|------------|---------------------|------------|
| | Number of Employees | Percentage | Number of Employees | Percentage | Number of Employees | Percentage |
| Executive | 9 | 100% | 8 | 89% | 9 | 100% |
| Management | 183 | 94% | 183 | 96% | 165 | 95% |
| Office | 150 | 64% | 141 | 73% | 138 | 62% |
| Operator | 202 | 11% | 250 | 14% | 235 | 14% |
| Sales | 47 | 74% | 50 | 81% | 49 | 83% |
| Technical | 201 | 57% | 202 | 62% | 193 | 61% |
| Total | 792 | 30% | 834 | 33% | 789 | 31% |

Total number and percentage of employees who received training on anti-corruption policies by region [GRI 205-2]

| Region | 2022 | | 2023 | | 2024 | |
|---------------|---------------------|------------|---------------------|------------|---------------------|------------|
| | Number of Employees | Percentage | Number of Employees | Percentage | Number of Employees | Percentage |
| United States | 179 | 28% | 214 | 34% | 224 | 36% |
| Latin America | 323 | 39% | 356 | 44% | 326 | 40% |
| Europe | 210 | 25% | 193 | 26% | 166 | 24% |
| Asia | 80 | 19% | 71 | 18% | 73 | 19% |
| Total | 792 | 30% | 834 | 33% | 789 | 31% |

VALUE CREATION

Value to Our People

| GRI 3-3 Employment and Well-Being |

Our 2,507 dedicated employees, spread across 11 countries, are the backbone of our success. Their commitment and engagement are crucial to fulfilling our value proposition of making work easier and life better. As we continue to strengthen our global presence, we focus on creating dynamic work environments that reflect our corporate values, foster collaboration, and support the ongoing development of our workforce.

Our decentralized management approach allows us to remain adaptable while ensuring that each location aligns with our broader mission. We closely monitor employee engagement and retention as key metrics on the health of our workplace culture and our ability to attract, develop, and retain top talent across the globe. Fitesa transitioned its employee engagement survey from a biennial to an annual schedule in 2024. This change enables the company to assess employee feedback, track progress, and implement initiatives more agilely.

We aim to cultivate an inclusive work environment. Our company culture fosters long-term growth by equipping employees with the tools and resources they need to grow and thrive, while preserving a shared sense of purpose. In 2024, Fitesa welcomed 444 new employees, further strengthening its global team. To support career growth and internal mobility, Évora, Fitesa's holding company, launched a dedicated webpage highlighting available opportunities across the group. This initiative enables employees to explore new roles, and continue building meaningful careers within Évora.

Fitesa Rétság Closure

At the end of the year, Fitesa closed its Rétság plant in Hungary due to challenging market conditions. The company successfully transferred equipment and remaining business contracts to other facilities, ensuring minimal disruption to its global operations. Throughout the process, Fitesa prioritized its people, ensuring the relocation of some employees and providing support during this transition. We express our heartfelt gratitude to the employees of the Rétság plant, whose dedication was instrumental in making this challenging process as smooth as possible.

35%

of our workforce has been with Fitesa for over a decade, underscoring loyalty and a strong sense of belonging.

77%

of our managers rose to their positions through internal promotions.

80%

participation rate in the employee engagement survey, matching the 2023 rate.

Working Conditions

We have established collective bargaining agreements in 9 out of the 11 countries where we operate, ensuring that 68% of our workforce is covered by agreements that protect their rights and working conditions. For the remaining 32%, we adhere to standard practices within their local industries, maintaining full compliance with labor laws. |GRI 2-30|

We are deeply committed to adhering to all legal regulations regarding employee rights and working conditions, ensuring a workplace that upholds the dignity of every individual. Our core values prioritize fundamental rights, including the freedom of association, and the strict prohibition of child labor, slavery, forced or involuntary labor, and any other practices that compromise human dignity.

We guarantee that we do not employ individuals under the legal working age, and young workers are never exposed to hazardous conditions. We verify our compliance with these principles through internal and external audits. In 2024, 31.8% of our manufacturing sites underwent a SMETA (Sedex Members Ethical Trade Audit), confirming their compliance with employee documentation, working hours, fair compensation, benefits, and the prevention of discrimination among our workforce and subcontractors.

Fitesa's Commitment to a Respectful Workplace

Fitesa prioritizes dignity, respect, and safety for all employees. Our **Anti-Harassment Policy** ensures a zero-tolerance approach to any form of harassment, including verbal, physical, or non-verbal behaviors that undermine an individual's well-being. This policy extends to all settings, from workplace interactions to offsite activities, and empowers employees to report incidents without fear of retaliation. All complaints are handled confidentially and with the utmost urgency, reinforcing our commitment to maintaining an inclusive and supportive environment.

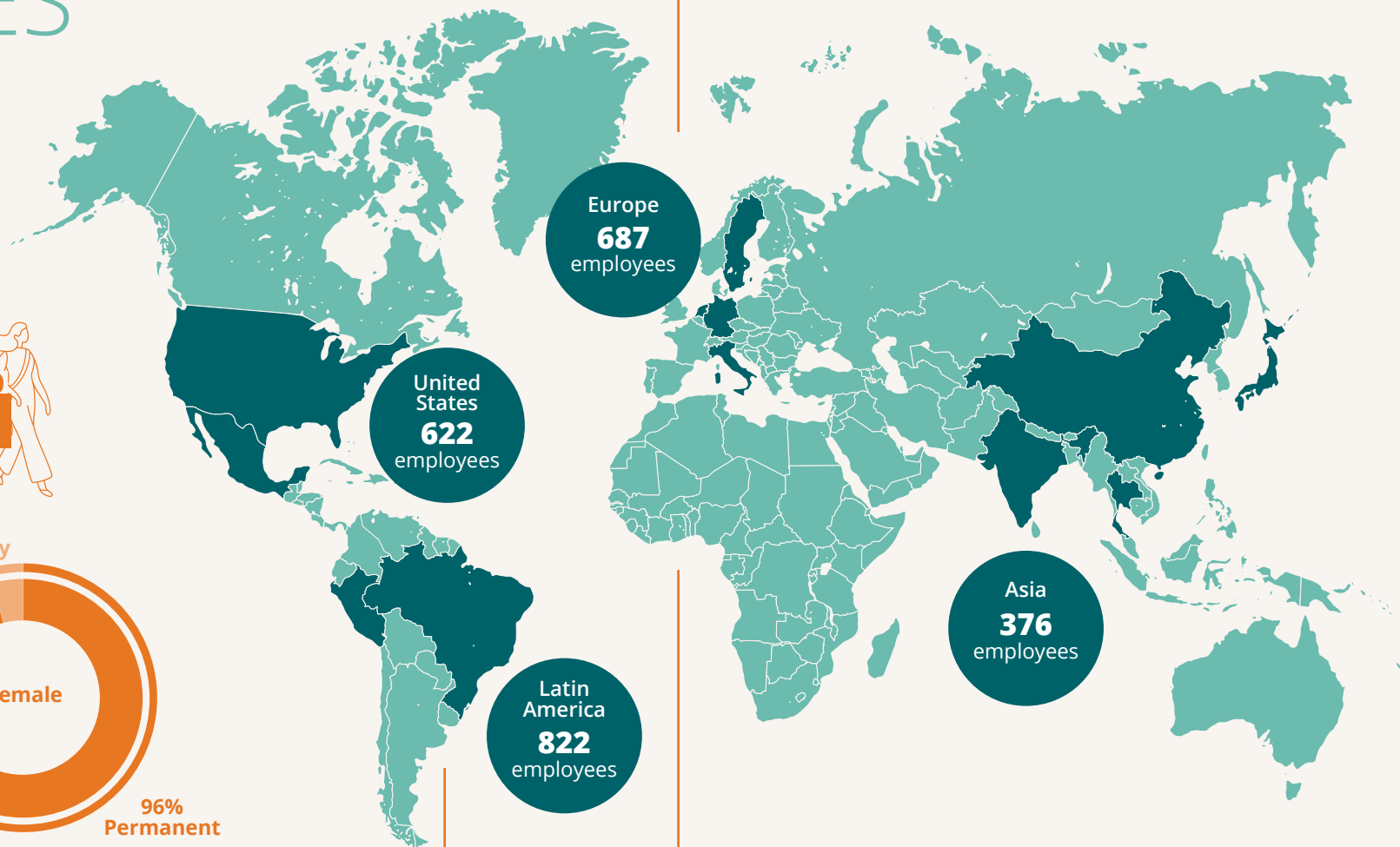
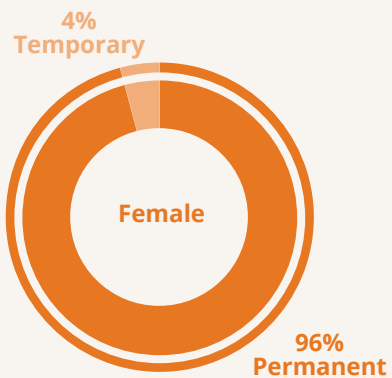
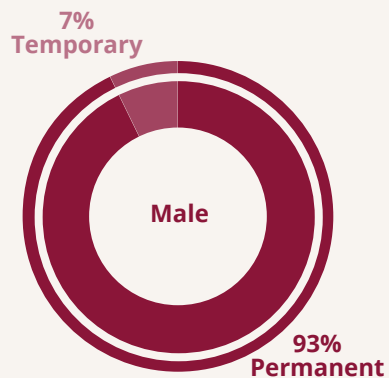
Complementing this is our **Workplace Violence Policy**, which underscores Fitesa's resolve to provide a secure environment free from threats or acts of violence. The policy strictly prohibits physical harm, threatening remarks, possession of weapons, or any hostile behaviors that may cause emotional or physical harm. Employees are encouraged to report any potentially dangerous situations or behaviors, with mechanisms in place for anonymous reporting and immediate investigation. These policies not only align with our values but also ensure a workplace where collaboration, respect, and safety thrive. Our commitment goes beyond legal

requirements—we cultivate workplace relationships grounded in transparency, mutual respect, and open dialogue, striving to create an environment where every employee feels heard and valued.



2,507 EMPLOYEES

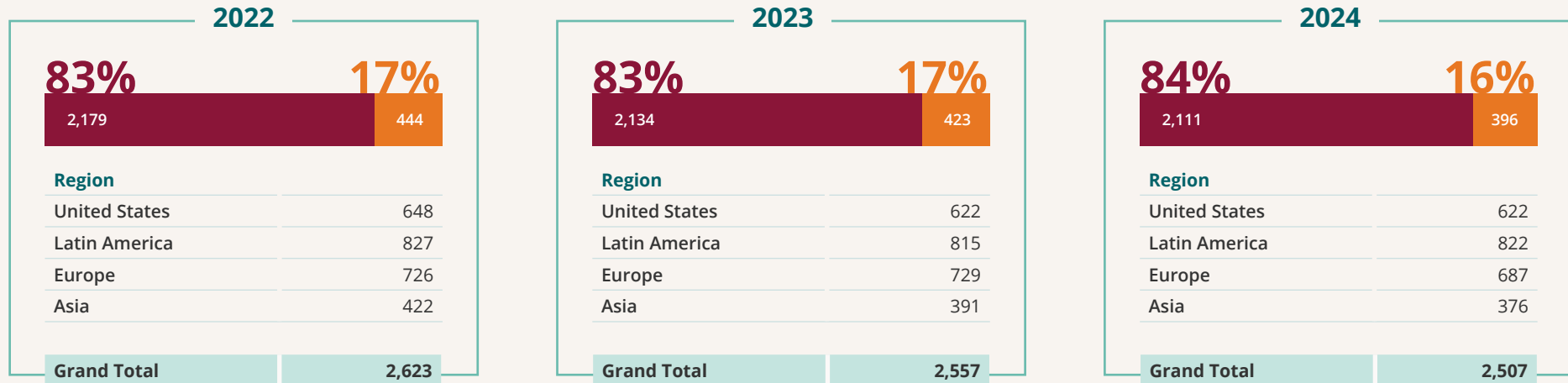
Male Female



Total number of employees by gender and by region

| GRI 2-7 |

● Male ● Female



Distribution by contract type, gender and region | GRI 2-7 |

| | 2022 | | 2023 | | 2024 | |
|---------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Permanent | Temporary | Permanent | Temporary | Permanent | Temporary |
| Gender | | | | | | |
| Female | 97% | 3% | 99% | 1% | 96% | 4% |
| Male | 96% | 4% | 96% | 4% | 93% | 7% |
| Region | | | | | | |
| United States | 99% | 1% | 100% | 0% | 95% | 5% |
| Europe | 91% | 9% | 92% | 8% | 86% | 14% |
| Latin America | 98% | 2% | 99% | 1% | 97% | 3% |
| Asia | 99% | 1% | 96% | 4% | 98% | 2% |

Employee distribution by working time | GRI 2-7 |

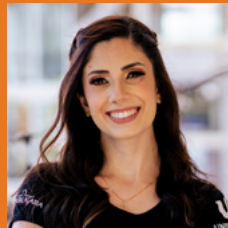
| | | 2022 | | 2023 | | 2024 | |
|------------------|------------|-------|--------|-------|--------|-------|--------|
| | | Male | Female | Male | Female | Male | Female |
| Full-time | Number | 2,176 | 427 | 2,127 | 406 | 2,102 | 382 |
| | Percentage | 100% | 96% | 100% | 96% | 100% | 96% |
| Part-time | Number | 3 | 17 | 7 | 17 | 9 | 14 |
| | Percentage | 0% | 4% | 0% | 4% | 0% | 4% |

"We are committed to hiring, developing, and recognizing the most competent individuals, regardless of creed, race, or gender. A diverse and skilled talent pool strengthens our company and reflects our values of respect and meritocracy, which we champion every single day."



Rodrigo Azambuja
Corporate HR, Marketing,
and ESG Director

"Fitesa has always provided a dynamic and collaborative environment. Since joining as a Logistics intern in 2020, I have experienced a culture of continuous learning."



Luisa Pereira
Quality Analyst at
Fitesa Gravataí (BRA)

Within this context, I had the opportunity to expand my role and transition to the Quality System in 2021, where I now focus on identifying opportunities to improve processes and contribute to continuous improvements. Now, as a recent Production Engineering graduate, and with the knowledge and experience I have gained, I am even more excited about the challenges at Fitesa."

New employee hires and employee turnover | GRI 401-1 |

| | Total number of employees | Number of hires | Number of terminations | Hiring rate | Turnover rate |
|---------------------|---------------------------|-----------------|------------------------|-------------|---------------|
| By region | | | | | |
| United States | 622 | 231 | 277 | 37% | 45% |
| Latin America | 822 | 155 | 170 | 19% | 21% |
| Europe | 687 | 32 | 104 | 5% | 15% |
| Asia | 376 | 26 | 20 | 7% | 5% |
| By gender | | | | | |
| Male | 2,111 | 379 | 474 | 18% | 22% |
| Female | 396 | 65 | 97 | 16% | 24% |
| By age group | | | | | |
| Under 30 years | 449 | 168 | 160 | 37% | 36% |
| 30-50 years | 1,503 | 239 | 310 | 16% | 21% |
| Over 50 years | 555 | 37 | 101 | 7% | 18% |
| TOTAL | 2,507 | 444 | 571 | 18% | 23% |



Diversity and Inclusion

Fitesa is committed to cultivating a workplace environment that embraces diversity and champions equal opportunities for every individual. Our **Equal Employment Opportunity Policy** emphasizes that employment decisions are based solely on merit, without regard to race, color, gender, age, disabilities, or any characteristics other than qualifications, abilities,

and potential. This commitment applies to all aspects of employment, including recruitment, promotion, compensation, and career development.

In 2024, we established, in Simpsonville (USA), **Fitesa Diverse**, a diversity, equity, and inclusion (DEI) Committee, focused on educating and empowering employees to foster a more inclusive workplace. Meeting every two months, the committee hosted interactive forums combining educational sessions and discussions on topics such as

cultural heritage months, mental health awareness, and workplace inclusion.

In October, a group of Fitesa Simpsonville (USA) team members participated in the **Diversity and Economic Inclusion (DEI) Summit**, hosted by the Greenville Chamber of Commerce. This event provided an opportunity for our team to engage in insightful discussions on the latest DEI practices and their role in innovating operations, enhancing employee engagement, and driving business success.

Fitesa Diverse aims to enact sustainable change by conducting manager training, utilizing employee feedback to identify DEI opportunities, and fostering a culture where speaking up is both encouraged and expected. These efforts mark a critical step in ensuring an equitable and supportive workplace for all."



Jessica Dahle

Product Development Scientist at the Innovation Center in Simpsonville (USA)



Whilst working as an employee with Fitesa, I had a great opportunity of working in a variety of departments. One of the best opportunities was working in the operation. In the past, I had never imagined that I would be able to work in this position because I used to think that operational tasks were meant for men. At Fitesa, being a woman does not limit your scope for working. Joining in with the operational team creates a true teamwork experience.

Everyone on the team has the same goal and is committed to making improvements."



Sudjai Jantawadee

Head Manufacturing at Fitesa Rayong (THA), one of the plants with the highest representation of women in operations.

Gender diversity by functional level | GRI 405-1 |

| | | 2022 | | 2023 | | 2024 | |
|---------------------------|------------|-------|--------|-------|--------|-------|--------|
| | | Male | Female | Male | Female | Male | Female |
| Board of Directors | Number | 4 | 0 | 4 | 0 | 4 | 0 |
| | Percentage | 100% | 0% | 100% | 0% | 100% | 0% |
| | | 2022 | | 2023 | | 2024 | |
| | | Male | Female | Male | Female | Male | Female |
| Executive | Number | 7 | 2 | 7 | 2 | 7 | 2 |
| | Percentage | 78% | 22% | 78% | 22% | 78% | 22% |
| Management | Number | 143 | 51 | 140 | 51 | 135 | 39 |
| | Percentage | 74% | 26% | 73% | 27% | 78% | 22% |
| Office | Number | 101 | 125 | 78 | 114 | 106 | 116 |
| | Percentage | 45% | 55% | 41% | 59% | 48% | 52% |
| Operator | Number | 1,682 | 109 | 1,676 | 98 | 1,639 | 88 |
| | Percentage | 94% | 6% | 94% | 6% | 95% | 5% |
| Sales | Number | 18 | 43 | 18 | 44 | 17 | 42 |
| | Percentage | 30% | 70% | 29% | 71% | 29% | 71% |
| Technical | Number | 228 | 114 | 215 | 114 | 207 | 109 |
| | Percentage | 67% | 33% | 65% | 35% | 66% | 34% |

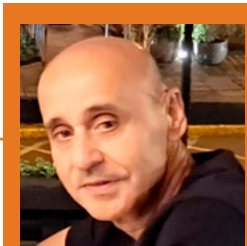
Age diversity by functional level | GRI 405-1 |

| | | 2022 | | | 2023 | | | 2024 | | |
|--------------------|------------|--------------------|-----------------|-------------------|--------------------|-----------------|-------------------|--------------------|-----------------|-------------------|
| | | Under 30 years old | 30-50 years old | Over 50 years old | Under 30 years old | 30-50 years old | Over 50 years old | Under 30 years old | 30-50 years old | Over 50 years old |
| Board of Directors | Number | 0 | 1 | 3 | 0 | 1 | 3 | 0 | 1 | 3 |
| | Percentage | 0% | 25% | 75% | 0% | 25% | 75% | 0% | 25% | 75% |
| | | 2022 | | | 2023 | | | 2024 | | |
| | | Under 30 years old | 30-50 years old | Over 50 years old | Under 30 years old | 30-50 years old | Over 50 years old | Under 30 years old | 30-50 years old | Over 50 years old |
| Executive | Number | 0 | 4 | 5 | 0 | 4 | 5 | 0 | 3 | 6 |
| | Percentage | 0% | 44% | 56% | 0% | 44% | 56% | 0% | 33% | 67% |
| Management | Number | 6 | 107 | 81 | 5 | 108 | 78 | 2 | 101 | 71 |
| | Percentage | 3% | 55% | 42% | 3% | 57% | 41% | 1% | 58% | 41% |
| Office | Number | 42 | 131 | 53 | 27 | 123 | 42 | 31 | 143 | 48 |
| | Percentage | 19% | 58% | 23% | 14% | 64% | 22% | 14% | 64% | 22% |
| Operator | Number | 407 | 972 | 412 | 353 | 1044 | 377 | 336 | 1031 | 360 |
| | Percentage | 23% | 54% | 23% | 2% | 59% | 21% | 19% | 6% | 21% |
| Sales | Number | 15 | 30 | 16 | 13 | 32 | 17 | 12 | 31 | 16 |
| | Percentage | 25% | 49% | 26% | 21% | 52% | 27% | 2% | 53% | 27% |
| Technical | Number | 98 | 181 | 63 | 72 | 211 | 46 | 68 | 194 | 54 |
| | Percentage | 29% | 53% | 18% | 22% | 64% | 14% | 22% | 61% | 17% |

“

Exactly 39 years ago, my journey as a Fitesa professional began, a young man entering the job market. I had the privilege and feel honored to follow what Fitesa was and what it became on the world stage. A company that has always valued not only work, but also the well-being of each member of the organization. It is rewarding to be part of an environment that truly cares about people.

Professionally, I am grateful to Fitesa for always encouraging me and for the constant opportunities for professional growth, always in a healthy environment and with ethical and committed people.”



Gilson Reis

Accounting Supervisor
at Fitesa Gravataí (BRA)

Development and Training

| GRI 3-3 Employment and Well-Being |

Training is part of the company's talent development strategy, which follows global guidelines and local execution, with autonomy to define appropriate practices to meet the applicable regulations and training needs, always aligned with global HR guidelines. Talent development is part of Fitesa's Management Standards, which all facilities must follow, including requirements such as training procedures, training matrices, records, and effectiveness assessments. Compliance with these standards is verified annually through internal audits. Each facility has the autonomy to implement additional monitoring strategies for the most relevant local indicators.

We recognize that training plays a key role in employee development and ensuring they have the skills needed to perform their roles effectively. In 2024, we delivered 126,864 hours of training, averaging 51 hours per employee, while continuing the rollout of our learning management system across all facilities in

the Americas, enhancing accessibility and effectiveness. By simplifying the tracking and management of training programs tailored to specific roles, this system has enhanced our ability to deliver targeted and effective learning opportunities. Over the coming years, we aim to extend this tool to our facilities worldwide, ensuring consistent access to high-quality development resources for all employees.

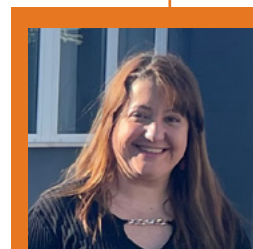
Beyond employee training, Fitesa is dedicated to nurturing the next generation of professionals through our internship programs. Across the globe, we offer school and university students the chance to gain valuable insights into the business world and their areas of study. In 2024, 33% of our interns were promoted. During the year, several facilities also participated in meetings with high school and university students and in career fairs. These initiatives are part of our contribution to building a strong foundation for the future of our industry.



Myra Williams
Team Lead at Fitesa
Simpsonville (USA)

I started at Fitesa 27 years ago as a new employee and team lead, which was an enriching experience.

Over nearly three decades, I have had the opportunity to grow with the company, adapting to new technologies, processes, and industry changes. Leading a team meant ensuring production efficiency and fostering a collaborative and supportive working environment. I have taken pride in mentoring new employees, helping them develop their skills, and watching them succeed. The camaraderie among my colleagues has made the workplace feel like a second home, and the challenges we have faced together have only strengthened our bond."



Elsa Di Nino
Administrative Employee
at Fitesa Sulmona (ITA)

"Diverse knowledge, different cultures and habits, all this contributes to excellent functioning. Within the organization, we are more than a number, we are a great team, a family that collaborates to obtain positive results on the way to growth and development of new challenges along the way.

I am immensely grateful to Fitesa for the learning and growth opportunities that have allowed me to demonstrate my abilities to be better day after day."

Developing and Recognizing Leadership Excellence

Fitesa operates a Talent and Succession process, where leaders identify high-potential individuals and successors within their teams. These employees may undergo a blend of hands-on experience, academic training, and specialized courses. Selected employees have the opportunity to enroll in prestigious programs at renowned institutions. Through these initiatives, Fitesa builds a strong foundation of capable leaders to drive its mission and vision forward. To celebrate achievements and foster our corporate culture, Évora hosts an annual event that brings together leaders from different plants around the world. This year's edition, held in Porto Alegre, RS, Brazil, was attended by 179 employees in person and online.

During the event, the CEOs of Évora's companies presented the year's results, with each organization showcasing a successful project. For Fitesa, the

featured best practice was the winning project from the Smart Solutions Award, which recognizes innovative and outstanding contributions from across the company. One of the prizes for the competition is the opportunity for the winner to travel to Brazil and present their project in person. Fitesa Lima (PER) was the grand champion of 2024.

Additionally, at this year-end leadership event, Évora's companies also celebrate mentorship within the organization by honoring leaders who have made a significant impact on others' growth with the Leadership Trainers Award. Employees promoted to management positions nominate the individuals who significantly contributed to their careers, and the most-nominated leader receives the award. In 2024, Diogo Pisoni, Fitesa Simpsonville (USA) Plant Manager, received this prestigious recognition. Notably, Fitesa boasts a high percentage of internally developed leaders, reaching 77% this year.

Total training hours | GRI 404-1 |

| | |
|------|---------|
| 2022 | 115,188 |
| 2023 | 135,360 |
| 2024 | 126,864 |

Training hours per region

| GRI 404-1 |

| Training hours per region 2024 | | |
|--------------------------------|----------------|----------------------|
| Region | Total | Average per employee |
| United States | 66,170 | 106 |
| Latin America | 43,802 | 53 |
| Europe | 10,587 | 15 |
| Asia | 6,304 | 17 |
| TOTAL | 126,864 | 51 |

Percentage of employees who receive performance review by functional category | GRI 404-3 |

| Functional Category | 2022 | 2023 | 2024 |
|---------------------|------------|------------|------------|
| Executive | 100% | 100% | 100% |
| Sr. Management | 99% | 93% | 99% |
| Management | 94% | 93% | 80% |
| Office | 72% | 81% | 49% |
| Technical | 43% | 63% | 95% |
| Sales | 83% | 87% | 83% |
| Operational | 67% | 47% | 61% |
| TOTAL | 54% | 56% | 61% |

Percentage of employees who receive performance review by gender | GRI 404-3 |

| By Gender | 2022 | 2023 | 2024 |
|-----------|------|------|------|
| Male | 52% | 54% | 57% |
| Female | 64% | 69% | 83% |

Fitesa Smart Solutions: Celebrating Ingenuity

Fitesa Smart Solutions is our global initiative designed to spotlight and celebrate the remarkable contributions of our employees who innovate and lead in safety, quality, efficiency, and sustainability. The program encourages teams from across our global operations to share their best practices and pioneering ideas. This year's outstanding submissions reflect the ingenuity and dedication that drive Fitesa's success and align with our mission to make work easier and life better.

In 2024, we proudly recognized four exceptional teams whose projects have made a measurable difference in their respective areas. Celebrating Quality, our Fitesa Lima (PER) team enhanced product excellence with innovative practices. They won the overall award as well. Regarding Safety, Fitesa Peine's (GER) team implemented measures to elevate workplace safety standards. The Sustainability award went to Fitesa High Point (USA) for initiatives that significantly reduced its environmental impact. Lastly, Fitesa San José Iturbide's (MEX) team excelled in Efficiency, delivering solutions that optimized resource utilization and operational performance. These achievements highlight the extraordinary talent within Fitesa and underscore our commitment to innovation and excellence.

2024 Fitesa Smart Solutions Winners

Overall Award: Fitesa Lima (PER)

Safety

Fitesa Peine (GER)

- » Deborah Wolf
- » Thomas Boukerma
- » Andreas Heimann
- » Peer Ryll

Sustainability

Fitesa High Point (USA)

- » Dustin Roof
- » Tyler Wright
- » Cody Glass

Quality

Fitesa Lima (PER)

- » Zuley Alvarez
- » Ivan Dolorier
- » Pedro Umpire
- » Pamela Gil
- » Cristhian Espinoza
- » Carlos Ocrospoma

Efficiency

Fitesa San José Iturbide (MEX)

- » Federico Uribe
- » Susana Jiménez
- » Rigoberto Rodríguez
- » Daniel Ledesma



The Smart Solutions contest plays a crucial role in driving creativity and developing solutions that propel Fitesa's global growth. Our project has the potential to significantly improve quality assurance throughout the production line. This will not only improve efficiency and enhance our competitiveness, but most importantly, elevate customer satisfaction.

Winning the 2024 edition has been a highly gratifying experience, fueling our commitment to delivering innovative solutions that reflect the core values and principles that guide Fitesa."



Zuley Alvarez

Production and Process Manager at Fitesa Lima (PER)

Health and Safety

[GRI 3-3 Employment and Well-Being]

The safety of our employees is more than a priority — it is the foundation of our success. Guided by the principle that “no activity is so urgent that it cannot be performed in a safe manner,” our **Health and Safety Policy** dictates that every decision and action is rooted in protecting the individuals who drive our business forward.

A Comprehensive Approach to Safety [GRI 403-1]

Our health and safety management system integrates a steadfast commitment to safety with strict adherence to legal regulations. Each of our facilities operates with a dedicated local team responsible for monitoring compliance with all applicable standards and requirements. Beyond legal obligations, our strategy emphasizes proactive risk management, using risk assessments to identify, evaluate, and eliminate workplace risks. This system covers every aspect of our operations,

extending its reach to all employees and third-party workers (100%) across our production facilities worldwide. [GRI 403-8]

In 2024, a total of 2,047 nearmisses and conditions classified as risky were reported. Each contribution was carefully evaluated, and by the end of the year, 1,550 (87%) had resulted in the full implementation of corrective actions. This proactive approach has significantly strengthened our health and safety system, reflecting the invaluable contributions of our employees and subcontractors in creating a safer and more resilient workplace.

Certified Excellence and Continuous Monitoring

[GRI 403-1, 403-8]

Fitesa’s approach to health and safety is anchored in global standards. All facilities maintain management systems certifiable under ISO 45001, demonstrating our

commitment to the highest levels of occupational health and safety management. Behavior-based safety programs further ensure that safety is embedded in everyday actions. We conduct annual corporate management system audits and periodically engage external experts for independent risk-assessment audits, reinforcing our commitment to continuous improvement.

Investment in Safer Workplaces

Health and Safety is not a static target—it requires an ongoing effort and investment. In 2024, Fitesa allocated \$1.5 million USD to capital expenditure projects focused on enhancing safety and quality systems. These investments demonstrate our dedication to creating and maintaining safe environments.

0.76

lowest recordable incident rate (RIR) since 2017

ZERO

high-consequence injuries

10

entities with zero recordable accidents

31.3%

reduction in the RPN (Risk Priority Number) of the top 5 safety risks

\$ 1.5

MM USD

capex for safety and quality projects

Accident Investigation and Prevention | GRI 403-2 |

Ensuring workplace safety is a top priority for us. We utilize a global system to record and investigate accidents, enabling us to identify root causes and implement corrective actions promptly. To promote prevention and shared learning, all recordable incidents are communicated organization-wide via safety alerts. Additionally, safety alerts for non-recordable incidents with learning potential are issued to encourage proactive measures across our facilities.

In 2024, we achieved significant milestones, including zero fatalities, zero high-consequence injuries, and a recordable incident rate (RIR) of 0.76 - our lowest since 2017 - with a total of 20 recordable incidents.

The main types of work-related injuries recorded in 2024 were: caught in between, struck by an object, and falls/trips/slips. These results reflect our continuous efforts to promote safe behavior, implement rigorous safety risk assessments, and uphold high safety standards. | GRI 403-9 |

Our commitment to safety is proactive rather than reactive: by addressing

hazards through education, vigilance, and adherence to safety protocols, we continue working towards a safer workplace for everyone.

Aligning Strategy and Safety

Fitesa's Health and Safety Strategy is seamlessly integrated into our operational framework. By aligning safety protocols with our broader business objectives, we ensure that safety is not just a policy but a fundamental part of how we operate. This alignment strengthens our ability to mitigate risk, promote a culture of care, and empower employees to prioritize safety in every task.

Fitesa Trezzano Rosa (ITA): Recognizing Excellence in Workplace Health and Safety

2024 marks the third consecutive year Fitesa Trezzano Rosa (ITA) has been recognized for promoting health by the Workplace Health Promotion Lombardia network. This prestigious program, coordinated by the National Health Protection Agency and based on the World Health Organization's guidelines, aims to transform workplaces into environments that encourage healthy lifestyles and contribute to the prevention of chronic diseases.



Fitesa Trezzano Rosa (ITA) has also embraced initiatives that promote workplace safety through the Angelo Galli Safety Award. Introduced in 2022, this annual award honors the best safety-themed suggestion submitted by employees, ensuring that the focus on safety remains at the forefront of operations. Named after Angelo Galli, the former HSE Manager of Fitesa Trezzano Rosa (ITA), the award

celebrates his dedication to creating safer workplaces and embodies the values that earned this facility the Workplace Health Promotion accolade.

The 2024 Angelo Galli Safety Award was presented to Giacomo Canino, a 24-year-old production operator. His suggestion addressed critical safety improvements to protect against risk involving the movement of heavy loads.

Safety Matters: Every Day, Everywhere, to Everyone

In 2024, Fitesa introduced the **Safety Matters Campaign**, highlighting risk awareness and safe behavior as daily priorities for everyone, everywhere. This initiative showcased and promoted Fitesa’s best safety practices, aiming to elevate safety standards and empower teams to prevent injuries effectively. The campaign was officially launched on April 29, in recognition of the **World Day for Safety and Health at Work**.

Shared on Fitesa’s social media, it featured active participation from senior leadership, including **Silverio Baranzano**, CEO; and **Anders Fogelberg**, Corporate Quality Assurance, HS&E, Management System and Process Improvement Director. Through the engaging **Safety Talks videos**, they tackled critical questions such as, “Do you think all accidents are avoidable or preventable?”

and “How do we prevent aggressive productivity targets from negatively impacting safety?” Their involvement highlighted the company’s strong leadership commitment to fostering a culture of safety.

As part of the campaign, Fitesa launched the **Outstanding Facility Award** to honor the location with the best safety performance. Criteria included recordable accidents, safety risk records, Fitesa management requirement audit results, near-miss/safety accidents ratios, and risk reduction. On July 5th, **Fitesa Norrköping (SWE)** was proudly announced as the winner for its exemplary performance from April 2023 to April 2024.

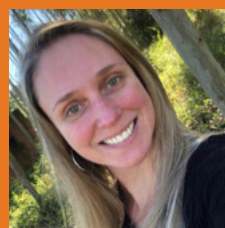
Through the Safety Matters Campaign, Fitesa reaffirmed its commitment to creating safer workplaces and inspiring employees to prioritize safety as a core value every day.



Fredrik Andersson
Plant Manager at Fitesa Norrköping (SWE)

The award is a result of our continuous work with risk assessments, risk observations and near misses to prevent accidents and reduce risks in the plant.

Safety is ultimately based on our own behavior therefore the other important factor is the work with our safety culture to ensure safety awareness and to always have safety as the highest priority in everything we do.”



Rosa Specht
Corporate HS&E Coordinator

“Our goal was not only to celebrate the remarkable safety achievements we’ve reached as a company, but also to emphasize the critical importance of risk awareness and the promotion of safe behavior in every aspect of our daily activities. Creating a safe environment is an ongoing journey, and by reinforcing this message, we aim to cultivate a deep-rooted culture of vigilance throughout our organization.

We understand that protecting our people goes beyond following procedures — it’s about ensuring the well-being of our teams and safeguarding them from harm. Our commitment to maintaining a safe workplace reflects our dedication to creating an environment where every individual feels valued, supported, and secure. By continuing to prioritize these practices, we contribute to the overall health and well-being of our employees, ensuring they can thrive both at work and in their personal lives.”

Safety Culture

Our health and safety commitment is described in the Health & Safety Policy, which says: "For Fitesa, safety is the number one priority, and we are fully committed to having a healthy and safe workplace for all our employees and for subcontractors working at our facilities." To achieve this commitment, Fitesa strives to continuously develop and reinforce a safety culture by employing three main tools:

1. Behavior Based Safety (BBS): a program aimed to reinforce safe behavior, promote safety, and eliminate risks.
2. Safety Golden Rules: a set of essential principles designed to simplify communication and understanding of our key risk areas.
3. Broad communication of safety incidents.

Over the course of the last 51 years, these efforts have helped us cultivate a strong, safety-focused culture that transcends through our policies, procedures, and systems.

SAFETY GOLDEN RULES

Safety Golden Rules

The Safety Golden Rules are a set of essential principles designed to simplify communication and understanding of our key risk areas. These rules focus on eliminating fatalities and preventing significant or high-potential accidents, especially those linked to unsafe behaviors. The rules apply to all employees and subcontractors, forming a core part of our commitment to maintaining a safe working environment.



LOCKOUT TAGOUT

Lockout Tagout

Whenever a worker performing service or maintenance may be exposed to any form of hazardous energy, LOTO (Lock Out Tag Out), should be employed. Rule of thumb is to use LOTO whenever a machine guard must be bypassed or a worker must place any part of their body in a danger zone or point of operation.



PERSONAL PROTECTIVE EQUIPMENT

Personal Protective Equipment

All PPE should be worn when around potential hazards as described by the procedures and work instructions of the location. The PPE should be worn as instructed to maximize the protection of the wearer.



RISK ASSESSMENT

Risk Assessment

Each Plant should conduct a complete risk assessment of their lines, processes, and any other routine activity. After assessing the different activities, higher risks should be prioritized and reduction projects planned. Non-routine tasks should have a risk assessment conducted prior to commencement.



MACHINE SAFEGUARDING

Machine Safeguarding

Machine guards and safety devices should be on, functioning, and protecting the worker from hazards. The guards should prevent contact, be secured and tamper proof, create no new hazard, and not interfere with the machine's operation.



TOOLS & EQUIPMENT

Tools & Equipment

All tools and equipment should be inspected prior to use and any issues addressed. Only authorized and trained associates are allowed to use certain tools and equipment.



FALL PROTECTION

Fall Protection

Working from heights requires an assessment and the following of local regulations. Wearing of the required fall restraint is mandatory above the local elevation threshold.



HANDS & FINGERS

Hands & Fingers

Always be aware of where your hands and fingers are placed in and around machines and tools. Pinch points and nip points are extremely hazardous to hands and fingers, avoid at all costs.



POWERED LIFTING EQUIPMENT

Powered Lifting Equipment

When using any powered lifting equipment, inspect the device and attachments (report any defective equipment), know your path, and make sure pedestrians are always a safe distance away. Only certified operators should use powered lifting equipment.

Value to Society

We are committed to creating lasting value for society through our partnerships with key stakeholders, including our customers, end users, communities, and suppliers. In 2024, we continued to strengthen our relationships with customers in the hygiene, healthcare, industrial, and wipes markets, providing innovative and high-quality solutions that meet the evolving needs of these industries. Our dedication to excellence ensures that the products we deliver enhance the lives of end users, supporting their health, comfort, and well-being.

We also remain deeply engaged with the communities where we operate, investing in initiatives for cultural development, education, and sustainability. Additionally, we collaborate with suppliers to maintain a responsible and efficient supply chain that prioritizes ethical practices and shared growth. By continuously aligning our goals with the needs of these stakeholders, we strive to make a meaningful contribution to society while driving the long-term success of Fitesa.

Customers

| GRI 3-3 Safety and Convenience for Customers |

Our vision is to be the preferred supplier of nonwoven solutions for the global hygiene and healthcare industries. To achieve this, we must stay attuned to the evolving needs of our customers across all markets. They consistently push us to innovate, requesting more sustainable solutions such as biodegradable and biosourced products, among other priorities.

Our customers supply products and services that significantly affect the health and safety of millions around the world and consequently require very specific solutions. To this end, we continue to invest in new technologies, state-of-the-art equipment (including new proprietary technology), training, and sound management practices. We believe these investments will drive sustainable growth, benefiting our people, consumers, and communities in the short, medium, and long term.

End Users

[GRI 3-3 Safety and Convenience for Costomers]

Providing reliable and high-quality products is fundamental to our business model. In most cases, our materials are either in direct contact with the skin of our consumers or used for protection purposes, making it a top priority to ensure they meet the highest safety and quality standards. The responsibility of maintaining these rigorous standards is managed by our dedicated regulatory department, which ensures full compliance with legal and product safety requirements. In addition to meeting regulatory guidelines, we conduct extensive safety testing on raw materials across all our product categories. These tests evaluate a range of properties, including toxicity and skin irritability, to guarantee that our products are safe for use.

To maintain the highest quality in our production, Fitesa operates an ISO 9001-certifiable management system — the **Fitesa Management System (FMS)** — supported by a comprehensive **Quality Assurance Policy**. This system is built upon essential corporate processes, such as risk assessments, process control, validation/change control, inline quality assurance systems, standardization, and rigorous testing. These systems are crucial in monitoring and ensuring the quality of every product we produce. The application and adherence to the health & safety, quality, efficiency and environmental standards in all manufacturing locations are evaluated annually through our FMS corporate audit, ensuring that all facilities remain aligned with our quality objectives. Our commitment to material safety is also embedded in this framework, where we actively monitor raw materials and internal processes to detect and eliminate potential contaminants, including Substances of Interest (SOIs). 100% of our products and services are assessed for health and safety impacts. [GRI 416-1]

Fitesa tracks several key quality indicators, one of which, Critical Claims Rate (CCR), recorded a significant 15% reduction compared to 2023, reflecting a marked improvement in product quality.



João Guedes
Global Quality Manager

15%

decrease in the critical claims rate

8

facilities with claims paid rate below 0.05%

25%

reduction in the FMEA (failure mode and effects analysis) of the top 5 quality risks

100%

facilities underwent management system internal audits



Alongside our ongoing initiatives — such as our monthly committee meetings where Quality leaders gather to review performance, address alerts, share best practices, and discuss cases, as well as the Smart Solutions Awards with a dedicated Quality category — in 2024, we focused on revitalizing our quality culture. Fitesa has always had clear policies, values, and pillars that guide our commitment to quality. This year, we launched the Quality Matters campaign to reinforce the profound impact our products have on the lives of our employees and society at large.

As a B2B company operating in an industrial environment with a strong focus on efficiency, we primarily serve as raw materials suppliers. Our operators often don't see the final product; they see rolls that are shipped off on trucks. Through our campaign, we emphasized that our work touches on an intimate part of people's lives — whether it's diapers, feminine pads, masks, or medical aprons — and how these products contribute to the development of children, the autonomy and inclusion of women, and the safety of healthcare workers.

By highlighting this, we aimed to remind everyone of the tremendous value and importance of making quality-driven decisions every day."

Reinforcing Quality Culture

In 2024, Fitesa launched the **Quality Matters Campaign**, reinforcing the importance of quality performance across all our facilities. Personal testimonials from employees across all Fitesa locations were shared on the company's social media, highlighting the importance of quality and why it truly matters.

In addition, the campaign awarded the facility with the best quality index with an **Outstanding Facility Recognition**. Introduced in 2024, the quality index encompasses five key performance indicators (KPIs): number of critical claims, FMR audit score for quality, claims paid percentage, QAR updated percentage, and top 5 quality risk FMEA reduction. **Fitesa Lima** in Peru emerged as the winner, achieving outstanding results across all key metrics. Although the 2024 Quality Matters Campaign has concluded, we still encourage all facilities to continue improving their local quality performance, as it remains a great opportunity for future recognition and, of course, continued excellence in quality.



I am very proud to be part of the Fitesa Lima team. I believe that there was a perfect understanding of the importance of quality for stakeholders by each member, and also the discipline and cohesion of the entire team in the tireless search for this common objective were key factors for that important achievement. Great team, great job!"



Cristiano Ribeiro

Plant Manager at
Fitesa Lima (PER)

OUR PEOPLE'S VOICE

JOSE MENDOZA
FITESA SIMPSONVILLE, USA
Quality matters for the safety of my family, cause both my baby and my wife use these products. **The most important thing is this product to be safe for them.**

FRANCISCO DIAZ
FITESA LIMA, PERU
As a dad, I'm aware of what is best for my baby. **It's satisfying to know that she will be safe wearing products where I've put all my efforts into ensuring their quality.**

QUALITY MATTERS

OUR PEOPLE'S VOICE

UMAKIRAN TAKALE
FITESA SIMPSONVILLE, USA
The material we produce ensures my 9-month-old nephew's **comfort with his diapers**, the hygiene products for girls that I use, and the masks we made during the pandemic **all benefit from our commitment to quality, which gives me peace of mind.**

KIRAN BHOITE FITESA PUNE, INDIA
Fitesa top sheet offers unparalleled skin comfort, reduces irritation, and **keeps me feeling fresh and comfortable during the period.**

QUALITY MATTERS

Certifications of 2024

ABNT Ecological Label

Sustainable Products

Certified Facilities

- » Cosmópolis (BRA)

Green Label (ISO 14024 Type Ecolabel)

Sustainable Products

Certified Facilities

- » Rayong (THA)
- » Trezzano Rosa (ITA)

HACCP

Hazard Analysis and Critical Control Point

Certified Facilities

- » Rétság (HUN)

IFS HPC

Safe and Quality Products/Processes

Certified Facilities

- » Sulmona (ITA)

ISCC Plus

Responsible Approach to Sustainable Development for Biobased Materials

Certified Facilities

- » Cosmópolis (BRA)
- » Peine (GER)
- » Sulmona (ITA)
- » Trezzano Rosa (ITA)

ISO 14001:2015

Environmental Management System

Certified Facilities

- » Peine (GER)
- » Rayong (THA)
- » Rétság (HUN)
- » Sulmona (ITA)
- » Trezzano Rosa (ITA)

ISO 45001:2018

Health and Safety of Employees

Certified Facilities

- » Peine (GER)
- » Sulmona (ITA)
- » Trezzano Rosa (ITA)

ISO 50001:2018

Energy Management

Certified Facilities

- » Peine (GER)

ISO 9001:2015

Product Quality

Certified Facilities

- » High Point (USA)
- » Peine (GER)
- » Rayong (THA)
- » Rétság (HUN)
- » Sulmona (ITA)
- » Trezzano Rosa (ITA)
- » Washougal (USA)

Oeko Tex

Confidence in Fabrics

Certified Facilities

- » Jacareí (BRA)
- » Peine (GER)
- » Trezzano Rosa (ITA)

Our Suppliers

Fitesa's commitment to responsible and ethical business practices extends beyond our internal operations to our entire supply chain. Our Supplier Code of Conduct outlines the expectations we hold for all our suppliers to align with our values and the principles set out in Fitesa's Code of Conduct and the United Nations Global Compact. This includes high standards of integrity, fairness, and environmental responsibility in all transactions with Fitesa. Strong and ethical relationships with our suppliers are essential in promoting a sustainable, safe, and inclusive environment, helping to safeguard people and the planet.

A key focus of the Supplier Code of Conduct is green procurement, where Fitesa encourages and prefers suppliers who actively work towards reducing their environmental impact. This includes supporting eco-friendly products with lower carbon footprints, adopting clean technology, and utilizing recycled packaging materials. As we strive for continuous improvement in sustainability, we expect our suppliers to share our commitment to compliance, human rights, energy conservation, waste management, and water stewardship. By embedding these principles into our supplier relationships, Fitesa aims to drive positive change and create long-term value for our customers, communities, and stakeholders.

68%

of employees involved in supplier negotiations have received training in sustainable procurement practices.

3%

of suppliers are considered critical from an ESG perspective. Fitesa is part of a very formal and well-established supply chain, which limits risk exposure.

57%

of target suppliers signed Fitesa's supplier code of conduct. This can happen in many forms, such as embedding the policy in existing contracts and/or purchasing orders.

50%

of target suppliers have gone through a corporate social responsibility assessment.

3%

of target suppliers have gone through a corporate social responsibility on-site audit.

32%

of target suppliers have contracts that include clauses on environmental, labor, and human rights requirements.

Our Communities

Fitesa is proud to partner with Instituto Ling, a key organization dedicated to creating positive societal impact through strategic investments in social projects. Based in Porto Alegre, RS, Brazil, Instituto Ling is responsible for managing Fitesa's donations in areas such as culture, sports, youth development, and support for the elderly. As part of its commitment to sports, the Fitesa logo proudly appears on the uniforms of Olympic athletes from Sogipa – Gymnastic Society of Porto Alegre. In addition to curating external initiatives, Instituto Ling actively promotes scholarship programs and hosts various cultural activities, including concerts, workshops, and exhibitions at its Cultural Center.

A glimpse into some of Fitesa's 2024 Community Impact Initiatives

Fitesa Trezzano Rosa (ITA):

- » Contributed to the Maria Letizia Verga Committee association, supporting children with blood cancer and other complex therapeutic needs.

Fitesa Cosmópolis (BRA):

- » Organized a donation drive for a local children's shelter (Lar Arco-Íris).

A Fitesa employee, dressed as Santa Claus, then delivered the presents, spreading joy during the holiday season.

- » Collected donations of toys, school supplies, and food for a city charity event, and of food and personal care and cleaning items for an elderly home.
- » Organized a drawing contest for employees' children in celebration of the World's Water Day.

Fitesa Sulmona (ITA):

- » Sponsored the local children's soccer team, to support youth sports and community engagement.

Fitesa Rétság (HUN):

- » Donated kitchen cutlery and IT equipment to a local children's home.
- » Gifted Christmas decorations and stationery supplies to local schools.

Fitesa Green Bay (USA)

- » Donated bags of filling used to make pillows for residents at Tiny House Village in Oshkosh, Wisconsin.
- » Supported the "Shop with a Cop" program, which pairs underprivileged children with police officers to shop for school supplies and holiday gifts.

Fitesa Washougal (USA)

- » Made a donation and had an employee and their family volunteer at the "Strut Your Kidney" event, supporting Northwest Kidney Kids.
- » Contributed and provided employee volunteer support to the IMPACT C-W program, delivering food boxes to students in the Camas-Washougal community.

Fitesa Simpsonville (USA)

- » Made donations to the local community center's food bank, helping address food shortages in the area.

These are just some of the contributions made by our facilities, which also include support for many other organizations across a broad range of areas, from sports to elderly care.

Facilities also celebrated Fitesa's anniversary, safety anniversaries, work anniversaries, international dates, and local festivities. Additionally, they organized family days and awareness campaigns.

Social investment and donations

| | |
|------------------------------------|-----------------------|
| Instituto Ling | \$ 43,974 USD |
| Employee donations | \$ 13,000 USD |
| Fitesa donations to other projects | \$ 158,281 USD |
| TOTAL | \$ 215,255 USD |

Founded in 1995 by the Ling family, the owners of our parent company Évora, Instituto Ling aims to drive societal transformation in Brazil. **In 2024, Fitesa contributed the equivalent of \$43,974 USD to these projects**, reaffirming our commitment to community development and cultural enrichment.

To learn more about the projects and initiatives supported by Instituto Ling, visit www.institutoling.org.br.



Responding to the Tragedy in Rio Grande do Sul

In May 2024, devastating floods affected the state of Rio Grande do Sul. During this time of immense suffering, Évora, in partnership with its subsidiaries, including Fitesa, took decisive action to alleviate immediate hardship and support recovery efforts. The Ling Family, through the Ling Institute, announced a donation of \$50 million BRL to establish the “Reconstrói RS” (Rebuild RS) fund. This fund focuses on rebuilding the state’s infrastructure and is supported by Federasul and Instituto Cultural Floresta. Additionally, free training programs and essential supplies were provided to emergency volunteers to aid immediate relief efforts.

To support employees affected by the floods, Évora introduced an extraordinary assistance policy. This initiative provided financial assistance, leave options, anticipation of benefits, and interest-free loans to employees impacted by the disaster. While Fitesa’s offices in Porto Alegre and other administrative units were inaccessible, the company maintained operations by enabling remote work from other locations.

Production facilities in Gravataí and America Venâncio Aires remained operational, ensuring the supply chain continued to function and provide essential products such as diapers, feminine pads, masks, and aprons. As part of these efforts, Fitesa contributed over 21,300 disposable diapers to shelters and hospitals in Gravataí and in Canoas, aiding these vulnerable communities.

Beyond immediate relief efforts, additional support was extended through collaborative donation campaigns from employees and other companies of the group. America, for example, one of the largest plastic packaging companies in South America, donated 1,000 liters of mineral water and 40,000 containers with lids to store and distribute meals to those who were displaced by the floods in Porto Alegre through Instituto Ascendendo Mentes (“Ascending Minds Institute”). In addition, 21,200 plastic lids were made available for a water donation campaign in conjunction with Bebidas Chiamulera from the city of Lajeado. Despite not having operations in affected areas, Crown, one of the most high-profile aluminum can manufacturers in Brazil, donated cans of water to flood victims. In partnership with Socorro Bebidas, Sarandi, and Águas da Prata, 400,000 cans (approximately 130,000 liters) of potable water were distributed in Porto Alegre and Gravataí.



Porto Alegre - Rio Grande do Sul, May 2024.

The Ling Institute undertook several actions to support the community during the floods. It hosted the emergency cabinet of the Porto Alegre City Hall in its cultural center, as the City Hall building was also affected. Additionally, the Institute lent its kitchen to a volunteer chef who produced meals for people displaced from their homes. To further assist, it organized a book fair to benefit editors and bookshops impacted by the floods.

These coordinated efforts emphasize the shared commitment to assisting communities during times of crisis. Fitesa remains steadfast in its mission to support employees, communities, and infrastructure rebuilding efforts during challenging times.

Hurricane Helene

In September 2024, Hurricane Helene caused great destruction across the Southeastern United States. Although our facilities in Simpsonville (South Carolina) and High Point (North Carolina) were not severely affected, the infrastructure damage impacted many of our employees, mainly with power outages. Our people were deeply engaged in relief efforts, including donation drives and clean-up efforts.

Climate

[GRI 3-3 Environmental Impacts]

Over the past four years, Fitesa invested \$200 million USD in state-of-the-art equipment with capacity to produce more environmentally sustainable products. These investments are part of our unwavering commitment to innovation and sustainability, which has established Fitesa as a leader with one of the most diverse sustainable portfolios in the industry. By optimizing energy consumption and minimizing waste, we ensure responsible and efficient use of resources in our operations. This dedication continues to shape our business, enabling us to make a meaningful impact on the market and society while advancing sustainable solutions.

Energy

Fitesa’s production processes are electricity-intensive, positioning energy efficiency as a critical priority to mitigate both economic and environmental impacts.

In 2024, we recorded a 2.6% increase in total energy consumption and a 0.6% increase in energy intensity per tonne. This result was negatively impacted by a 1.4% decrease in the average weight of our products, which has a significant effect on efficiency.

When measured per square meter, energy intensity decreased by 0.8%, showcasing our ability to mitigate other negative impacts through rigorous energy efficiency efforts.

19

energy efficiency best practices shared in our Energy Committees.

4,031

MWh

of energy saved based on energy efficiency initiatives implemented.

35

energy efficiency initiatives implemented in our facilities.

An Integrated Strategy into Action

Historically, each plant managed its energy agenda independently, from energy efficiency improvements to procurement and emissions strategies. However, since 2022, we've been centralizing discussions to align strategies and set a unified direction while still maintaining the plants' autonomy to operate.

In the 2023 Sustainability Report, we highlighted the adoption of Energy Committees as a key communication tool with our plants, addressing the challenge of understanding the factors impacting our efficiency.

Building on this foundation, 2024 marked a significant milestone in our journey by implementing a global energy management system and expanding dedicated committees on this essential topic across all Fitesa plants.

Our monthly Energy Committee meetings are held by region and bring together top management to address key topics such as energy costs, efficiency metrics, and emissions. This initiative has enhanced monitoring efforts and led to the global

exchange of 19 best practices, promoting collaboration and driving energy efficiency improvements across our operations.

A Glimpse into Some of Fitesa's 2024 Energy Efficiency Initiatives:

- » Throughout the year, 35 energy efficiency initiatives were implemented across Fitesa plants, including the replacement of motors and equipment with more energy-efficient alternatives, and automation projects resulting in reduced energy consumption.
- » Fitesa Green Bay (USA) and Terre Haute (USA) stood out for their exceptional energy efficiency results in 2024. The two facilities successfully reduced their energy consumption by over 2% of their total usage through robust action plans that included automation projects and equipment upgrades. Green Bay, a 30-year-old facility, achieved an impressive 2.6% reduction in energy consumption, a testament to the dedication and innovation driving energy efficiency across our operations.
- » Some plants took it a step further. For instance, the Gravataí (BRA) facility not only participates in monthly meetings with senior leadership but also engages its internal teams — including maintenance, production, and process areas. These internal meetings focus on improving the plant's energy efficiency,

serving as a best-practice example of effective management that reaches across various departments and operational levels.



Bruna Albella
Global Energy Specialist

At the Energy Committee meetings, we assess plants' performance based on three key aspects: energy efficiency, energy costs, and emissions. By tracking these indicators, we identify trends, understand their causes, and evaluate their impact. We also follow up on energy efficiency initiatives and share good practices. This collaborative approach ensures we stay aligned and continue to drive progress on our energy agenda.

We are breaking down cultural barriers. Managing energy in 11 countries means navigating different regulations and unique market dynamics. One of our greatest challenges was finding common ground to align everyone within the same framework for effective management and comparison.

In 2024, thanks to a comprehensive standardization effort, we achieved a truly global perspective on energy management."

Energy Intensity | GRI 302-3 |

| Energy Intensity | 2022 | 2023 | 2024 |
|------------------|--------|--------|--------|
| GJ/MT | 7.75 | 7.87 | 7.92 |
| GJ/MM sqm | 138.26 | 136.32 | 135.19 |

Energy Consumption within the Organization | GRI 302-1 |

| Energy Consumption | Unit | 2022 | 2023 | 2024 |
|--------------------|-----------|------------------|------------------|------------------|
| Non-renewable | GJ | 897,973 | 895,593 | 911,438 |
| Electricity | GJ | 2,051,429 | 2,079,301 | 2,141,546 |
| TOTAL | GJ | 2,949,402 | 2,974,895 | 3,052,985 |

* The 2022 and 2023 figures were modified from previous reports as we adjusted the conversion factors based on the fuels' calorific power at each of the individual locations. | GRI 2-4 |

| Non-renewable sources of fuel | Unit | 2022 | 2023 | 2024 |
|---|-----------|----------------|----------------|----------------|
| Natural gas used for electricity generation | GJ | 133,304 | 136,746 | 152,813 |
| Natural gas purchased | GJ | 759,704 | 754,909 | 753,908 |
| Gasoline | GJ | 1,228 | 965 | 716 |
| Diesel | GJ | 1,138 | 1,469 | 1,912 |
| Propane | GJ | 2,599 | 1,505 | 2,090 |
| TOTAL | GJ | 897,973 | 895,593 | 911,438 |

| Electricity | Unit | 2022 | 2023 | 2024 |
|--|-----------|------------------|------------------|------------------|
| External electricity consumption | GJ | 2,051,429 | 2,068,933 | 2,131,264 |
| Self-generated solar electricity consumption | GJ | 0 | 10,368 | 10,282 |
| TOTAL | GJ | 2,051,429 | 2,079,301 | 2,141,546 |



Emissions

Based on our GHG footprint source analysis, the electricity used to power our production lines (scope 2) is the second-largest contributor to GHG emissions at Fitesa's facilities, following raw materials (part of scope 3). Consequently, our GHG footprint is significantly influenced by the energy matrix of the countries where we operate. To address this, we are prioritizing lower-emission energy alternatives and green certificates as part of our strategy to reduce our carbon footprint.

In line with this strategy, in 2024 Fitesa expanded its solar energy efforts by concluding the installation of the solar power plant at the High Point (USA) facility. Beginning generation in March 2025, the solar power system, which has 1MWp of total power capacity, will contribute to a reduction of 486 tonnes of GHG emissions per year. This is the company's second solar energy project, that built on the success of a similar installation at Rayong (THA) in 2022.

Another important milestone was maintaining 25% of energy consumption sourced from zero-emission sources in China for the second consecutive year. Given that China has one of the world's most carbon-intensive energy grids, this initiative reduced approximately 7,400 tonnes of GHG emissions for the year.



Alexandre Ramos
Engineering Director



These efforts reflect Fitesa's commitment to addressing the challenges of energy efficiency and emissions reduction across our global operations. To advance this mission, we are developing standardized methodologies to better identify and prioritize opportunities for improvement.

These methodologies will support our plants in implementing energy efficiency projects and optimizing energy procurement contracts, ensuring consistent progress toward reducing both consumption and emissions."





At Fitesa, we are deeply committed to advancing sustainability through innovation and continuous improvement. It is inspiring to engage with industry leaders and collaborate on initiatives that help reduce our environmental footprint.

By integrating sustainable practices across our processes, we are not only contributing to a greener future but also creating long-term value for our business and stakeholders."



Anders Fogelberg

Global Director of Quality Assurance, Health, Safety & Environment, Management Systems, and Process Improvement

Scope 1 - Direct GHG Emissions | GRI 305-1|

| Unit | 2022 | 2023 | 2024 |
|-----------------------------|--------|--------|--------|
| tCO ₂ equivalent | 44,960 | 44,834 | 45,636 |

Scope 2 - Indirect GHG Emissions | GRI 305-2|

| Unit | 2022 | 2023 | 2024 |
|-----------------------------|---------|---------|---------|
| tCO ₂ equivalent | 183,394 | 186,179 | 179,544 |

GHG Emissions Intensity Ratio for the Organization | GRI 305-4|

| Unit | 2022 | 2023 | 2024 |
|---------------------------|--------|--------|-------|
| tCO ₂ e/MT Q1 | 0.600 | 0.611 | 0.584 |
| tCO ₂ e/MM sqm | 10.704 | 10.586 | 9.972 |

* The 2022 and 2023 figures were modified from previous reports as we had access to more accurate emission factors. Fitesa uses the energy supplier as the primary source for this information, followed by government information or internationally recognized organizations whenever the first option is not available.

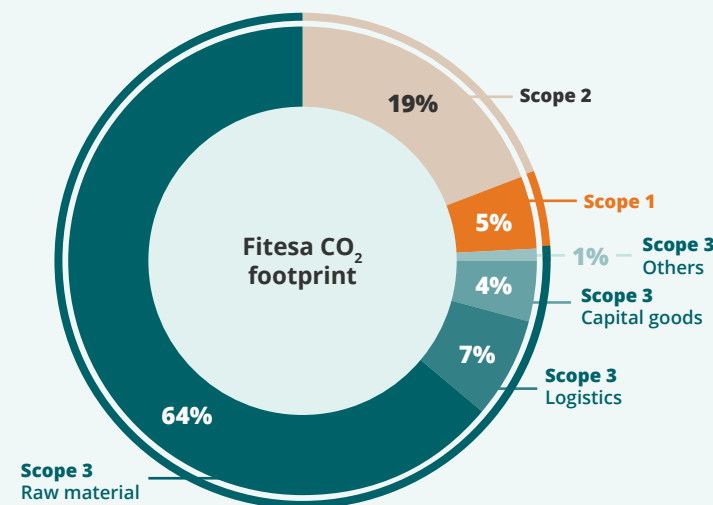
CO₂ Footprint Calculation

Fitesa uses a proprietary, externally validated tool to calculate the CO₂ footprint of products, helping customers estimate and improve the environmental impact of their finished goods.

We are also proud to contribute to the industry's ongoing sustainability dialogue by sharing our expertise in leading events. In 2024, Anders Fogelberg, our Corporate Quality Assurance, HS&E, Management System, and Process Director spoke at EDANA's Outlook Conference about "What Affects the CO₂ Footprint of a Nonwoven Product: Modeling Some Actual Scenarios."

Scope 1, 2, & 3 2022 - All of Fitesa

- » Energy is about 25% of tot CO₂
 - Big variation between different technologies (kWh/tonne)
 - Big variation between different regions (electricity CO₂/kWh)
 - Logistics is usually between 5-10% of tot CO₂
- » Raw materials about 2/3rd of tot CO₂



Waste Management

| GRI 306-1, 306-2 |

Fitesa’s manufacturing waste primarily consists of trims generated during the cutting of nonwoven roll edges. We leverage robust recycling capabilities to transform these byproducts back into raw materials, minimizing waste and maximizing resource efficiency. Additional waste sources include specification transitions (such as changes in colors or treatments), products not approved by quality control, and residues from other input materials.

All facilities actively monitor and manage waste generation and disposal, aiming to eliminate or reduce landfill waste to the absolute minimum. Monthly results are reported and consolidated at the corporate level, enabling detailed analysis against our 2025 waste reduction targets. When necessary, countermeasures are defined to ensure continued progress toward our sustainability goals.

In 2024, we successfully reduced our total waste directed to disposal by a significant 7.6%. More impressively, waste to landfill was reduced by 46.4%, and 13 of our facilities achieved the remarkable milestone of zero waste to landfill.

Waste Directed to Disposal (t) | GRI 306-5 |

| Hazardous Waste | 2022* | 2023* | 2024 | Non-Hazardous Waste | 2022* | 2023* | 2024 |
|--|------------|------------|--------------|--|---------------|---------------|---------------|
| Composting | - | - | 9 | Composting | 98 | 68 | 57 |
| Incineration (without energy recovery) | 522 | 606 | 783 | Incineration (without energy recovery) | 768 | 2.879 | 1.299 |
| Landfill | 16 | 9 | 11 | Landfill | 1.458 | 1.629 | 867 |
| Incineration (with energy recovery) | 103 | 150 | 120 | Incineration (with energy recovery) | 1.439 | 1.432 | 2.153 |
| Recycling | 75 | 35 | 32 | Recycling | 10.717 | 10.406 | 10.468 |
| Reuse | - | 63 | 48 | Reuse | 881 | 1.122 | 1.157 |
| TOTAL | 716 | 863 | 1.004 | TOTAL | 15.360 | 17.536 | 16.002 |

* The 2022 and 2023 figures were modified from previous reports as data collection processes were improved across locations. | GRI 2-4 |



Oscar Sanchez
Continuous Improvement Manager at Fitesa USA

At Fitesa, sustainability serves as a foundational pillar of our operations. Through the implementation of a comprehensive circular economy strategy across all our US sites, we have optimized our processes by integrating recycling, Waste-to-Energy (WtE) technologies, and material reuse initiatives. This collaborative effort, driven by the dedication of our teams across various locations, has yielded a reduction in waste destined for landfill in 2024.

Our methodology, underpinned by innovation and robust teamwork, not only safeguards the environment and ensures a sustainable future for generations to come but also enhances operational efficiency while fulfilling our commitment to achieving zero waste to landfill.”

Material Consumption

| GRI 3-3 Environmental Impacts |

To mitigate the environmental impact of our products, we dedicate significant efforts to developing sustainable alternatives. This includes ongoing research into innovative raw materials and product designs that support our commitment to reducing our ecological footprint. We monitor materials usage indicators annually, such as material consumption by source (renewable and non-renewable). Materials management also includes handling chemicals and

materials, storage, emergency response, spill and training.

In 2024, material consumption increased by 2.2%. However, material consumption per square meter produced reduced by 1.2%, aligning with market trends focused on cost efficiency and plastic reduction. Our efforts also focus on optimizing packaging and shipping methods, with particular attention to pallet usage, which can contribute to contamination and increase Scope 3 emissions by affecting truck and container capacity.

Consumption of Materials (t) | GRI 301-1 |

| 2022 | 2023 | 2024 |
|----------|----------|---------|
| 471,733* | 464,802* | 475,194 |

* The 2022 and 2023 figures were modified from previous reports as data collection processes were improved across locations. | GRI 2-4 |

Source of Materials Consumed (t) | GRI 301-1 |

| 2024 | |
|---------------|---------|
| Non-renewable | 447,261 |
| Renewable | 20,253 |
| Recycled | 7,680 |

| Source of materials consumed GRI 301-2 | 2022** | 2023 | 2024 |
|--|--------|-------|-------|
| Renewable raw material | 4.1% | 4.2% | 4.3% |
| Recycled | 2.7% | 1.9% | 1.6% |
| Other | 93.1% | 93.9% | 94.1% |

**The 2022 figures were modified from previous reports as data collection processes were improved across locations. | GRI 2-4 |

Water

| GRI 3-3 Environmental Impacts |

Water is primarily used in our production process for cooling purposes. This water remains uncontaminated and is safely discharged without causing any environmental impact. In 2024, we achieved a reduction of 14 megaliters in water consumption, reinforcing our commitment to responsible resource management. Fitesa continues to closely monitor water usage at the plant level and actively discusses improvement actions through our HSE (Health, Safety, and Environment) committees.

applications, including lamination, sawmills, construction, agriculture, and biomass. Its focus on durable timber products supports sustainable alternatives to traditional processing, such as cellulose and paper manufacturing.

Located in a buffer zone between coastal formations and the Atlantic Forest, Rio Novo is home to a diverse array of fauna and flora, including species that use the ecological corridors we maintain as refuges from the high urban pressures. The area also preserves several fragments of native vegetation, amounting to 502 hectares of natural conservation areas. These protected areas are governed by the Brazilian Forestry Code and are duly registered in the Rural Environmental Registry (CAR).

Water Consumption (megaliters) | GRI 303-5 |

| | |
|------|-------|
| 2022 | 653 |
| 2023 | 1,081 |
| 2024 | 1,067 |

In 2024, the total planted area reached 2,485 hectares, where the best environmental practices are applied from soil preparation to harvest. This commitment ensures a sustainable, long-term business model that positively impacts climate and biodiversity. While the operation's primary goal is commercial, its preservation of forested areas - otherwise likely converted for non-forestry use - plays a significant role in carbon mitigation, preventing the release of nearly 1 million tCO₂e into the atmosphere.

Biodiversity

Fitesa also contributes to sustainability through its subsidiary, Rio Novo Florestal Ltda., a reforestation operation located in the state of Santa Catarina, Brazil. Rio Novo specializes in eucalyptus forestry, supplying high-quality timber for diverse

SDG



Finding Solutions

Solving complex challenges is at the heart of everything we do. In the **Innovation** section, we highlight our dedication to creating new products, technologies, and smart solutions that set us apart in the industry. The **Fitesa Management System (FMS)** outlines how our approach, centered on health and safety, sustainability, quality, and efficiency, drives operational excellence across all levels. **Risk Management** explores our proactive strategy for identifying and assessing risks, ensuring a safe and resilient operational environment. These sections together showcase how we innovate while maintaining a steadfast commitment to safety and quality.



INNOVATION

Our pragmatic approach to innovation prioritizes creativity for impact, that is, ideas with the potential to solve our stakeholders' most pressing current and future challenges. Our collaborative work style integrates several teams to deliver new products, more efficient processes, and advanced technologies.

Product and process development starts with direct collaboration with customers and suppliers. Our local technical service teams work on new solutions using our existing technology portfolio, delivering fast and customized innovation and promoting the continuous introduction of numerous new product features, such as colors, additives, basis weights, and mechanical properties, into the market.

Whenever specialized assistance is required, the technical service teams involve our group of scientists. Based on each of our Innovation Centers, our scientists work on groundbreaking product and process development that address complex problems and future

market trends. For this purpose, they rely on an infrastructure that is unique to the industry, including pilot lines and analytical equipment.

Fitesa operates five Innovation Centers strategically located worldwide: two in the United States and one each in Italy, Germany, and China. All of them, except for China, are equipped with pilot lines that reproduce the capabilities of our commercial lines and other innovative and disruptive features.

Our innovation infrastructure is an invaluable tool for our customers and suppliers to test their own ideas and an important resource in scaling up production from pilot to commercial volumes. It ultimately reduces development costs and accelerates time to market, bringing us closer to our partners and to our vision of being the preferred choice for the supply of nonwoven solutions to the global hygiene and healthcare industries.

Introduction of Reicofil Spunlaid production lines in Simpsonville (USA) and Norrköping (SWE) with special capabilities for manufacturing nonwovens made from **biobased and recycled polymers.**

Expansion of the technology portfolio with the addition of a new production line for nonwovens made **with up to 70% renewable and biodegradable raw materials.** Fitesa Advantage is specially designed for wipes' substrates, targeting the personal care, healthcare, and industrial wipes segments.

350+
patent applications

270+
granted patents

Engineering also plays a pivotal role in innovation, supporting our long-term competitiveness through projects in efficiency, process control, quality excellence, capacity expansion, and new technologies, including automation and artificial intelligence. The new lines recently installed in Simpsonville (USA), High Point (USA), and Norrköping (SWE) are direct results of our efforts in this area. The close collaboration between our engineering team and technology suppliers equipped Fitesa with distinctive capabilities to significantly increase the sustainable content of its product portfolio, a challenge that is familiar to the entire value chain.

Our innovation structure also manages regulatory matters (read more on [page 39](#)) and intellectual property.

In 2024, Fitesa invested more than \$ 12 million USD in our Innovation Centers, and new products developed over the last 5 years represented 21% of our sales volume.



Elena Novarino

Project Manager at the Innovation Center in Peine (GER)



Rene Ruschel

VP of Technology, Innovation, and Engineering

As part of the Innovation Center in Germany, I have the pleasure of working with highly motivated people all around the globe, developing strong connections and exchanging ideas on a constant basis.

This gives me the chance to share my experience and my knowledge, and, at the same time, acquire new expertise and insights into different technologies and learn from other people's experiences inside and outside Fitesa.

"Our pilot lines are not just lab-scale equipment; they are commercial-grade machines, but with smaller capacities. This allows us to conduct experiments at a more affordable cost, enabling us to be bolder and perform more testing. When successful, scaling up becomes much easier because we are already working on the same type of machines used in production. These machines are dedicated primarily to testing, so we don't need to rely on production infrastructure for experiments.

Moreover, we have different pilot lines for various technologies located in different regions. This gives us flexibility, speed, and greater accuracy, enhancing our risk-taking appetite and making us more innovative than our competitors.

As a result, we attract customers who come to us for testing, benefiting from faster response times, as well as suppliers who want to trial their raw materials before bringing them to the market. This early access to raw material innovations gives us a competitive edge, accelerating our ability to innovate and stay ahead.

THE FITESA MANAGEMENT SYSTEM

|GRI 2-24|

The Fitesa Management System (FMS) is the backbone of our operations, shaping who we are, what we do, and how we achieve our goals. It provides the framework for our vision, mission, values, and management practices, guiding us in everything we do.

Every action we take is rooted in four drives: health and safety, sustainability, quality, and efficiency — each defined by its own guiding policy.

These principles form the foundation of our operational and control strategies, which drive our success across all processes and organizational levels.

The FMS is not just a framework; it's the living, breathing guide that ensures consistency, alignment, and excellence throughout our organization. To ensure its continued effectiveness, adherence to the FMS is rigorously monitored each year through internal corporate compliance audits, maintaining our commitment to continuous improvement and operational integrity.



Mateus Inacio
Chief Operating Officer

“

Although our operations span across the world, we remain deeply connected through constant communication. Our strong governance and robust management system enable us to align not just our strategic objectives but also our tactical execution across all the markets where we operate.”

Health and Safety



Impacted Stakeholder: Employees
Corporate Policy: Health and Safety Policy

For Fitesa, safety is the number one priority, and we are fully committed to having a healthy and safe workplace for all our employees and for sub-contractors working at our facilities. We will achieve this by:

- » Understanding and fully complying with all applicable legal and other requirements regarding Health and Safety. **Following the law is the minimum standard, not the maximum.**
- » Creating a working environment where all our employees take responsibility for their own health and safety, and for that of their colleagues. **No activity is so urgent that it cannot be performed in a safe manner.**
- » Proactively working towards prevention of work-related injury and ill health through continual improvement. **All injuries are avoidable.**
- » Considering health and safety aspects when planning changes in the organization, work content and methods, work environment and procurement of new equipment and services. In these considerations, employee involvement is encouraged to ensure a good end result. **We think before we do.**

Sustainability



Impacted Stakeholder: Society
Corporate Policy: Sustainability Policy

Fitesa champions the responsible management of resource use and is committed to working towards a sustainable society. We will achieve this by:

- » Ensuring company stability and profitability, enabling us to share with society through employment opportunity, taxation, and social contribution. **Sustainability is reached through progression, not regression.**
- » Understanding and fully complying with all applicable legal and other requirements regarding Environmental and Social issues. **Following the law is the minimum standard, not the maximum.**
- » Working continuously towards reducing our environmental impact:
 - Minimizing the amount of material sent to landfill from our operations. **Reduce, reuse, recycle.**
 - Improving our energy profile through choice of energy type, choice of energy source and reduction of direct specific energy use. **Our energy systems serve our needs without compromising the needs of future generations.**
 - Addressing the issue of climate change by reducing our greenhouse gas footprint. **We do not inherit the Earth from our ancestors; we borrow it from our children.**
- » Taking social and moral responsibility in the regions we are present. **Do good, be just.**

Quality



Impacted Stakeholder: Customers and Consumers
Corporate Policy: Quality Policy

Fitesa understands the foundation of reaching our goal of being the preferred choice in the market is built through excellence in quality and customer satisfaction. We will achieve this by:

- » Creating an environment where every employee understands the impact of their work on Quality and is driven by a culture that every detail matters. **We are never stronger than our weakest link.**
- » Fully understanding the needs and expectations of our present and potential customers. **We know our business and our products better than anyone else.**
- » Investing in know-how and state-of-the-art assets to be able to provide world-class products and quality assurance that meet our customers' requirements and expectations. **We deliver what we promise.**
 - Supplying the right product, in the right amount, at the right time.
 - Ensuring that our product is free from contaminations and unwanted components.
 - Delivering products that meet all the requirements for physical properties.
- » Continuously developing and improving our management processes, products and services with the aim of being one step ahead of market demands. **We come with the solution before the customer comes with the problem.**

Efficiency



Impacted Stakeholder: Shareholders
Corporate Policy: Efficiency Policy

Fitesa will ensure long-term success by managing our time and efforts so investments in people and resources are optimized. We will achieve this by:

- » Designing our processes so they deliver the required results smoothly and without stress. **Do it right the first time.**
- » Ensuring flexibility in our processes so we adapt to new realities without overburdening. **Adapt to change in a controlled manner.**
- » Minimizing waste in our processes by continually improving our working methods and procedures. **Accept the existence of waste but always strive to reduce it.**
- » Combining discipline, knowledge and creativity in our everyday work. **The limits to what we can achieve are set by ourselves.**

RISK MANAGEMENT

[GRI 3-3 Risk Management]

Fitesa's operational strategy: a multi-level approach to risk prevention and continuous improvement

Fitesa's operational strategy is designed to guide how we manage and execute our business activities and is represented by a five-level pyramid.

In the visual representation, the larger the pyramid's base (that is, the work performed at levels 1, 2, and 3), the smaller its top (that is, the number of failures and critical failures). Inversely, weaker tiers 1, 2, and 3 will result in larger tiers 4 and 5.

This methodology is applied to each of our four drives: Safety, Quality, Sustainability, and Efficiency, completing the visual representation of a four-sided pyramid.

Tier 3 represents a safety net that catches behaviors and systems' weaknesses before they lead to failure. Audits, risk observations, and near-miss reports are important examples of such safety nets.

» **Risk observation and near-miss reporting:** we actively encourage our employees and subcontractors to identify and report potential hazards that could impact any of our core operational areas. This continuous vigilance plays a crucial role in mitigating risk before it escalates.

Tier 2 represents systems that predict and prevent issues before they happen. Our systems are designed to promote discipline, stability, and reliability in achieving our goals. Validation, change control, and risk assessment are important examples of such systems.

Risk assessment is one of the most important systems of tier 2. Read more on the next page.

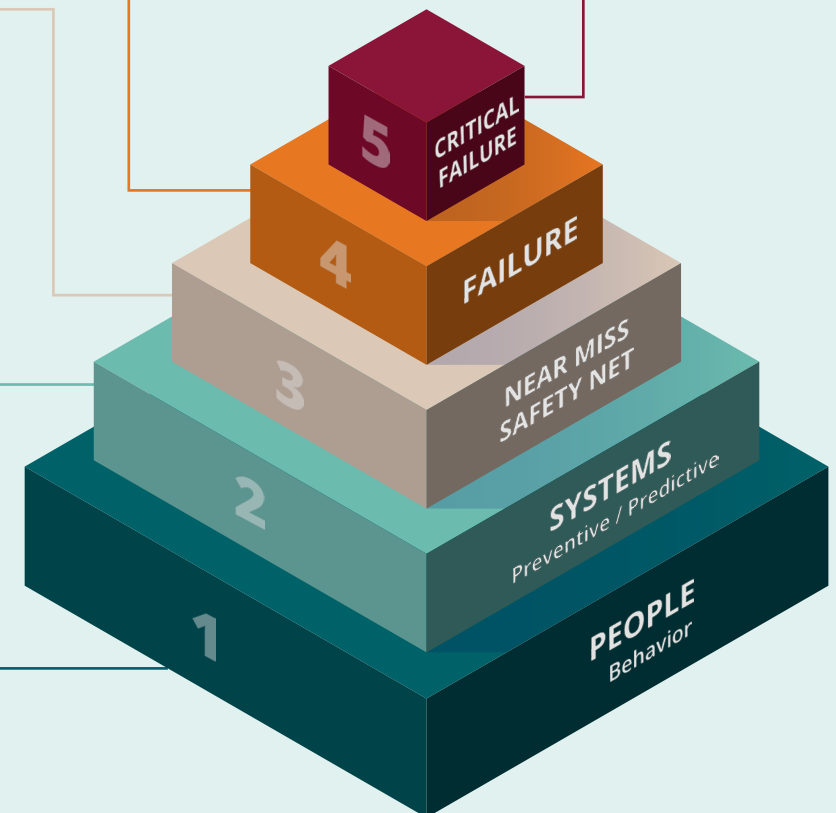
Tier 1 represents people's behavior. Because we believe a successful business can only be built on the foundation of positive behavior, we act to foster the necessary knowledge and a work environment that will lead people to not only do things right but also do the right things.

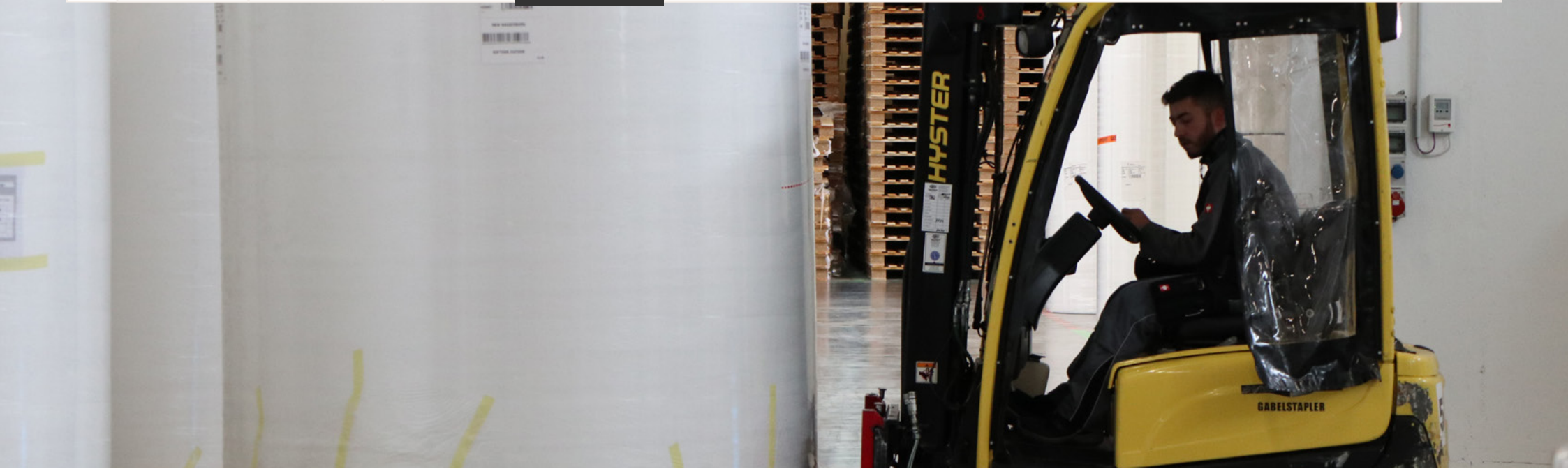
» **Access to Relevant Information** | GRI 403-4 |: Our global document management system makes all critical policies and procedures accessible, ensuring transparency and easy access to all necessary information.

» **Worker Participation and Consultation** | GRI 403-4 |: daily interactions between managers, employees, and subcontractors reinforce our culture of collaboration, strengthening the foundation of our strategic pyramid. Additionally, risk assessments and reports (described under tiers 2 and 3) contribute to the ongoing improvement of our management system, ensuring continuous feedback and engagement.

Tiers 4 and 5 represent the failures and critical failures we want to avoid. Events in these tiers result from failures in the previous tiers. Although every failure is a learning opportunity, it is crucial to understand that addressing issues on tiers 4 and 5 is always a late, corrective approach.

» **Event handling and communication:** we record, manage, and investigate incidents using a global software. Information on near misses (described under tier 3) and failures is broadly communicated across all facilities, ensuring that we learn from each other and promptly implement the necessary improvements to our systems, processes, and infrastructure.





Risk Assessment

[GRI 3-3 Risk Management, 403-2]

We follow the general risk assessment process described by ISO 31000: risk identification, risk analysis, and risk evaluation, followed by risk treatment.

Risk identification refers to the recognition of our business' potential impacts, risks, and opportunities.

Risk analysis refers to quantifying the actual impacts, risks, and opportunities for specific processes or locations.

» **Safety risks** are mapped based on routine activities, non-routine activities with a history of safety events, near misses ("yellow flags", that is, situations and/or conditions that may lead to accidents), safety accidents, change control, and problem/improvement cases (that is, improvement ideas). They are classified and ranked based on their RPN (Risk Priority Number), a calculation that takes into consideration the frequency of exposure to the source of risk, the likelihood of a consequence in the case of exposure, and the severity of such consequence.

» **Quality risks** are mapped based on near misses, customer claims, change control, internal and external quality

audits, feedback from employees, contractors, customers, and suppliers, and information from other Fitesa facilities. They are classified and ranked based on their FMEA (failure mode and effects analysis).

» **Environmental risks** are mapped based on processes, routine activities, non-routine activities, near misses, environmental accidents (such as spills, leaks, etc), change control, and problem/improvement cases. They are classified and ranked based on their eFMEA (environmental failure mode and effects analysis).

» **Business/Strategic risks** are mapped, classified, and ranked during our strategic planning.

Risk evaluation and treatment refers to the prioritization of items to be addressed in a defined timeframe.

Every quarter, facilities must develop and implement action plans to reduce the RPN of 5 of their priority safety risks and the FMEA of their top 5 priority quality risks.

Safety, Quality, and Environmental risks are recorded, assessed, and managed using global integrated software.

SUSTAINABILITY

| GRI 3-3 Environmental Impacts |

Looking Toward the Future: Fitesa's Commitment to Sustainability and Growth

Sustainability is not just a goal but a company drive and a core principle that shapes everything we do. In 2018, we established clear sustainability targets with 2017 as the baseline, focusing on key areas such as waste reduction, CO₂ emissions, and energy consumption. As we work toward achieving our 2025 sustainability targets, we are already setting the stage for a more sustainable future with ambitious new goals for 2030. Our journey is grounded in measurable objectives that aim to reduce the environmental footprint of our operations, expand the scope of our impact, and ensure we remain focused on the material issues that matter most to our business and stakeholders.

50% Reduction in Waste To Landfill (kg of waste/tonne of product)

Original Baseline (2017):

6.25

Target (2025):

3.13

Actual (2024):

2.10

10% reduction in Scope 1 + Scope 2 Emissions (CO₂e/MT Q1)

Original Baseline (2017):

0.44

Target (2025):

0.39

Actual (2024):

0.42

10% Reduction in Energy Consumption (KWh/MT Q1)

Original Baseline (2017):

1,722

Target (2025):

1,550

Actual (2024):

1,924

Until 2025 Compared to 2017

* The indicators show the same production units on a like-for-like basis as those in our 2017 footprint.

2030 Goals

As we enter 2025, we are committed to continually track our progress and take actions to improve our performance. But our vision does not stop there. Here we introduce our 2030 goals.

Environmental Goals

| ASPECT | GOAL | TARGET |
|------------------|--|--|
| Energy Use | PRIMARY GOAL Reduce energy consumption through energy reduction projects. | Completed energy reduction projects corresponding to 0.3% of previous year's consumption. |
| | PRIMARY GOAL Reduce scope 2 CO ₂ footprint.* *Includes electricity produced by solar panels tied to the plant | 0.2 kg CO ₂ /kWh by 2030 |
| | MONITORING INDICATOR Energy use. | Monitor kWh/MT of Q1 production per plant. |
| Water Use | SECONDARY GOAL Reduce water consumption through water reduction projects in all Fitesa facilities where water use is a significant environmental aspect. | Completed water use reduction projects corresponding to 3% of previous year's consumption. |
| Waste management | PRIMARY GOAL Reduce waste sent to landfill. | 1.0 kg/MT of Q1 Production by 2030. |
| | SECONDARY GOAL Facilities with zero waste to landfill.* *Less than 1% of total waste goes to landfill. | 80% by 2030 |
| | SECONDARY GOAL Track and address the emission of microplastics. | |

Social and Governance Goals

| ASPECT | GOAL | TARGET |
|--|---|---|
| Recruiting & Staffing, Talent Management, Compensation, Benefits, and Working Conditions | PRIMARY GOAL Fitesa facilities with initiatives to drive/support equality of opportunities. | 100% of facilities with at least one implemented initiative per year by 2030. |
| Social Responsibility | MONITORING INDICATOR Fitesa facilities that implemented actions to support the community. | 100% of facilities with at least one implemented initiative per year by 2030. |
| Ethics & Fight Against Corruption | PRIMARY GOAL Management trained on corruption topics. | 100% of management team receiving annual training on corruption by 2030. |
| | MONITORING INDICATOR Employees trained on ethics topics. | 100% of employees receiving annual training on ethics topics by 2030. |

These 2030 goals reflect our commitment to not only reducing our environmental impact but also fostering a culture of inclusion, ethics, and community engagement.

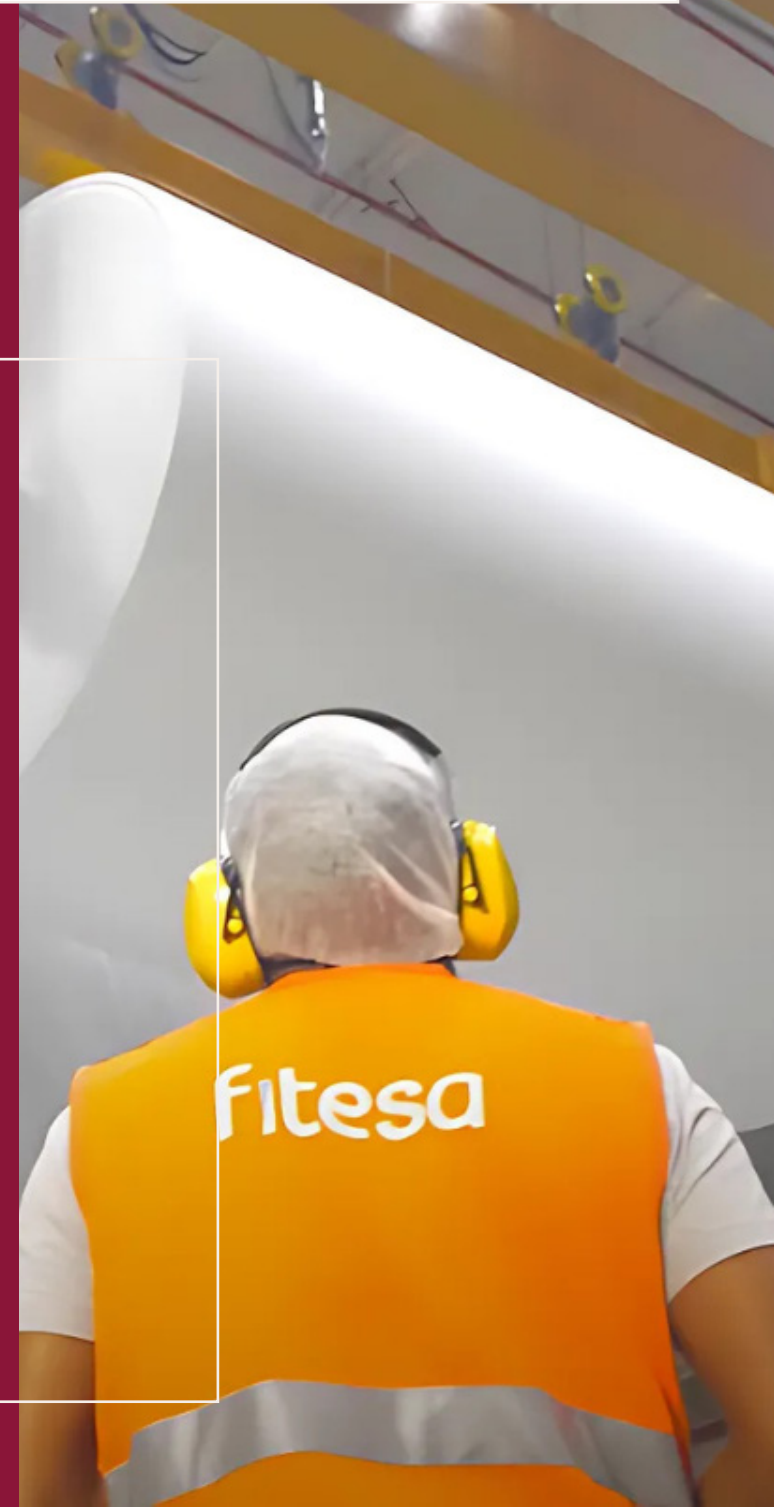
As we move forward, we continue to place our material issues at the center of our decisions. This approach ensures that we create lasting value for our business, employees, communities, and the planet.

SDG



Our Sustainability Framework

This final chapter outlines Fitesa's commitment to transparency and sustainable practices. In **How We Report**, we detail our efforts toward working with global standards like the Global Reporting Initiative (GRI) and the European Sustainability Reporting Standards (ESRS). **Materiality** highlights the key issues guiding our strategy, while **Stakeholder Engagement** emphasizes our ongoing dialogue with stakeholders. **Associations** covers our active participation in groups like ABINT, INDA, and EDANA. The chapter concludes with our **Safe Harbor Statement** and **GRI Index**.



HOW WE REPORT

| GRI 2-3 |

Fitesa has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2024. This report highlights our unwavering commitment to creating value for people, the planet, and society while reinforcing our focus on long-term business resilience and transparency.

This document aligns with the United Nations' Sustainable Development Goals (SDGs) and the Global Compact Principles. Each chapter references the SDGs most relevant points to the topics discussed, offering a comprehensive view of how Fitesa integrates sustainability into its operations.

Reviewed and approved by our Executive Management, this report serves as an important resource for stakeholders seeking insight into our ESG practices and achievements. | GRI 2-14 |



Each chapter and subchapter highlights relevant indicators with the label "GRI XXX-X". A full table of contents is available on [page 69](#). For additional details, visit [Global Reporting Initiative](#).



Icons representing the [Sustainable Development Goals \(SDGs\)](#) most closely aligned with our business are included in each chapter, with a complete index available on [page 69](#). For more information, visit United Nations SDGs.

If you have any suggestions or questions about this report, please contact us at marketing@fitesa.com.












MATERIALITY

[GRI 3-1, 3-2]

In 2024, Fitesa initiated its first-ever double materiality assessment to ensure our priorities align with evolving stakeholder expectations and industry trends. This process will continue through 2025, with the findings reflected in our 2025 Sustainability Report.

For this 2024 report, the material topics are based on the comprehensive study conducted in 2020, which identified the most significant economic, environmental, and social impacts, as well as the key factors influencing stakeholder perceptions and decision-making.

The resulting materiality matrix highlights five core themes, each aligned with the United Nations Sustainable Development Goals (SDGs) and Global Compact Principles.

| Material topics | Safety and convenience for consumers | Risk management | Ethics and fight against corruption | Environmental impacts | Employment and well-being |
|---|---|---|--|---|---|
| <p>Related United Nations Global Compact Principle</p> | | | <p>Businesses should:</p> <p>10) Work against corruption in all its forms, including extortion and bribery.</p> | <p>Businesses should:</p> <p>7) Support a precautionary approach to environmental challenges.</p> <p>8) Undertake initiatives to promote greater environmental responsibility.</p> <p>9) Encourage the development and diffusion of environmentally friendly technologies.</p> | <p>Employment And Well-Being</p> <p>Businesses should:</p> <p>1) Support and respect the protection of internationally proclaimed human rights.</p> <p>2) Make sure that they are not complicit in human rights abuses.</p> <p>Business should uphold:</p> <p>3) The freedom of association and the effective recognition of the right to collective bargaining.</p> <p>4) The elimination of all forms of forced and compulsory labor.</p> <p>5) The effective abolition of child labor.</p> <p>6) The elimination of discrimination in respect of employment and occupation.</p> |
| <p>Related United Nations SDGs</p> |   |  |  |       |  |

Consumers

We connect with end consumers indirectly through our customers, leveraging market research and attending industry events to stay attuned to trends and preferences. Our technical teams collaborate with key customers to design innovative solutions that address evolving consumer needs.

Employees

We prioritize understanding employee perspectives through periodic engagement surveys and performance assessments linked to clear goals and indicators. Open communication is a cornerstone of our culture, supported by “open door” policies and “managing by walking around” practices, ensuring leaders remain accessible and engaged.



Suppliers

We view our suppliers as essential partners in our growth journey. Fair negotiations and regular feedback exchanges form the foundation of these relationships. While maintaining a global perspective, we emphasize local engagement with critical suppliers through our purchasing teams to further trust and long-term collaboration.

Customers

Our relationships with customers are built on continuous feedback and collaboration. We routinely engage with key customers through meetings, visits, and performance reviews. Dedicated technical and sales teams work closely with customer departments, and formal complaint analysis processes ensure we remain responsive and proactive.

Shareholders

As a privately held company, we nurture close ties with our shareholders through regular, in-depth engagement, including monthly meetings with our Board of Directors to align on strategy and performance.

Communities

Fitesa is committed to supporting the communities where we operate. Beyond creating jobs and paying taxes, we actively partner with non-profits on targeted projects that address local challenges and foster positive impact.

Stakeholder engagement

| GRI 2-29 |

Engaging with stakeholders is more than communication; it's about building meaningful relationships rooted in trust, respect, and mutual understanding. We strive to understand their priorities, concerns, and aspirations, ensuring every interaction reflects our commitment to transparency and collaboration. By customizing communication channels to suit the unique needs of each stakeholder group, we create a dialogue that fosters connection, drives innovation, and strengthens partnerships, aligning with our shared goals for a sustainable future.

We recognize the importance of strong, transparent relationships with our diverse stakeholder groups. By listening, collaborating, and tailoring our interactions, we aim to create meaningful connections that drive shared success and sustainability.

ASSOCIATIONS

| GRI 2-28 |

ABINT

Fitesa is a member of the Brazilian Nonwovens and Technical Textiles Industry Association (ABINT), with Mateus Inacio, our COO, as the body's current president.

INDA

Fitesa is a member of the Association of the Nonwoven Fabrics Industry (INDA). Our Vice-President for US & Canada, Ricardo Fasolo, is a member of its Board of Directors.

EDANA

We are members of EDANA. Our Vice-President for Europe and China, Michael Baumgartner, serves on the association's Board of Governors.

UN Global Compact

Fitesa is a participant in the United Nations Global Compact, reinforcing our commitment to responsible business practices. We align with its ten principles, integrating sustainability, human rights, labor standards, and anti-corruption efforts into our operations.



SAFE HARBOR STATEMENT

This report includes forward-looking statements. You can identify our forward-looking statements by words such as “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plans,” “predict,” “project,” “schedule,” “seeks,” “should,” “target,” or other words that convey the uncertainty of future events or outcomes. Although we believe the expectations reflected in those forward-looking statements are reasonable, they have been based on certain beliefs and assumptions as to future events, and those expectations may prove to be incorrect.

These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements.

Forward-looking statements speak only as to the date of this report.

Important factors that could cause actual results to differ materially from those discussed in such forward-looking statements include, among other things, general

economic factors; cost and availability of raw materials and labor and other resources; changes to selling prices to customers which are based, by contract, on an underlying raw material index; potential inability to maintain sufficient liquidity to finance our operations and make necessary capital expenditures; ability to meet existing debt covenants or obtain necessary waivers; ability to achieve successful or timely start-up of new or modified production lines; reliance on major customers and suppliers; domestic and foreign competition; information and technological advances; risks related to operations in foreign jurisdictions; and changes in environmental laws and regulations.

Other factors that could cause actual results to differ materially from those described in the forward-looking statements in this report include other economic, business, competitive and/or regulatory factors affecting Fitesa Nãotecidos S.A.’s business generally. Fitesa Nãotecidos S.A. is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

GRI CONTENT INDEX

| | |
|--------------------------------|--|
| Declaration of use | Fitesa has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2024. |
| GRI 1 standard used | Foundation 2021 |
| Applied Sector GRI Standard(s) | N/A |

| Standard | Content | Location | Omitted requirement | Reason | Explanation | SDG | Global Compact |
|--|--|---|---------------------|--------|-------------|-----|----------------|
| GRI 2: General Disclosures 2021 | | | | | | | |
| The organization and its reporting practices | 2-1 Organizational Details | Page 9. Fitesa Nãotecidos S.A. Fitesa is a private subsidiary of Évora, a Brazilian holding company. | | | | | |
| | 2-2 Entities included in the organization's Sustainability reporting | Fitesa Limited., Fitesa Sweden AB., Fitesa Italy Srl., Fitesa US LLC., Fitesa Washougal Inc., Fitesa Nonwovens Inc., Fitesa Simpsonville Inc., Fitesa Germany GmbH, Fitesa China Holdings BV, Fitesa (China) Airlaid Company Limited, Fitesa (Tianjin) Nonwovens Company Limited, Fitesa Mexico Holdings Limited, Fitesa Peru SAC, Fitesa Sulmona S.R.L. a Socio único, Pantex Americas LLC, FitesaCNC Company Limited, FitesaCNC Japan Co Ltd, Fitesa High Point Inc, Fitesa Terre Haute Inc, Fitesa Film Products LLC, Fitesa Indiana LLC, Fitesa Kerkrade B.V., Fitesa Pune Private Limited., Fitesa Retsag Kft. | | | | | |
| | 2-3 Reporting period, frequency and contact point | Page 64. This report is published annually alongside the financial report on April 30th. | | | | | |
| | 2-4 Restatements of information | Pages 47, 50 and 51. | | | | | |
| | 2-5 External assurance | Fitesa chooses not to externally assure its report. | | | | | |

| Standard | Content | Location | Omitted requirement | Reason | Explanation | SDG | Global Compact |
|--|--|--|---------------------|------------------------------------|---|-------|----------------|
| GRI 2: General Disclosures 2021 | | | | | | | |
| Activities and workers | 2-6 Activities, value chain and other business relationships | Pages 9 , 13 and 14 . | | | | 3 | |
| | 2-7 Employees | Page 26 . | | | | | |
| | 2-8 Workers who are not employees | | All requirements | Information unavailable/incomplete | In our sustainability reporting, we do not include data on workers who are not directly employed by the organization, such as contractors or third-party workers. This decision is based on the unavailability of consolidated data at the corporate level. | 8, 10 | |
| Governance | 2-9 Governance structure and composition | Page 18 . | | | | | |
| | 2-10 Nominating and selecting the highest governance body | | All requirements | Confidentiality constraints | As a private company, Fitesa considers the information about the nomination and selection of its governance body confidential and cannot report it publicly. | | |
| | 2-11 Chair of the highest governance body | Not applicable. The chair of the highest governance body is not a senior executive in the organization. | | | | 16 | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | Pages 18 and 19 . The Board does not engage directly with stakeholders but is constantly updated on the topic by the CEO and Executive Management. | | | | 5, 16 | |
| | 2-13 Delegation of responsibility for managing impacts | Pages 18 and 19 . | | | | | |
| | 2-14 Role of the highest governance body in sustainability reporting | Page 64 . | | | | 16 | |

| Standard | Content | Location | Omitted requirement | Reason | Explanation | SDG | Global Compact |
|----------------------------------|---|---|---------------------|-----------------------------|--|-------|----------------|
| Governance | 2-15 Conflicts of interest | Potential conflicts of interest are assessed and judged by the Board of Directors. | | | | 5, 16 | |
| | 2-16 Communication of critical concerns | Page 18 . | | | | 16 | |
| | 2-17 Collective knowledge of highest governance body | The ESG Committee and the Corporate Director of HR, Marketing and ESG periodically provide information to the Board of Directors on environmental and social practices. | | | | | |
| | 2-18 Evaluation of the performance of the highest governance body | | | | | | |
| | 2-19 Remuneration policies | | All requirements | Confidentiality constraints | As a private company, Fitesa considers the information about the work of its governance body confidential and cannot report it publicly. | | |
| | 2-20 Process to determine remuneration | | | | | 16 | |
| | 2-21 Annual total compensation ratio | | | | | | |
| Strategy, policies and practices | 2-22 Statement on sustainable development strategy | Page 5 . | | | | | |
| | 2-23 Policy commitments | Page 21 . | | | | | |
| | 2-24 Embedding policy commitments | Pages 21 and 55 . | | | | | |
| | 2-25 Processes to remediate negative impacts | | All requirements | Confidentiality constraints | As a private company, Fitesa considers all information about remediation confidential and cannot report it publicly. | | |
| | 2-26 Mechanisms for seeking advice and raising concerns | Pages 21 and 22 . | | | | | |
| Stakeholder Engagement | 2-27 Compliance with laws and regulations | Fitesa complies with laws and regulations in all countries it operates. | | | | | |
| | 2-28 Membership associations | Page 67 . | | | | 16 | |
| | 2-29 Approach to stakeholder engagement | Page 66 . | | | | | |
| | 2-30 Collective bargaining agreements | Page 24 . | | | | 8 | |

| Standard | Content | Location | Omitted requirement | Reason | Explanation | SDG | Global Compact |
|--|--|---|---------------------|-----------------------------|--|--------------|----------------|
| GRI 3: Material Topics 2021. | | | | | | | |
| | 3-1 Process to determine material topics | Page 65 . | | | | 17 | |
| | 3-2 List of material topics | Page 65 . | | | | | |
| Risk Management | | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Pages 58 and 59 . | | | | | |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | | All requirements | Confidentiality constraints | As a private company, Fitesa considers all information about its financial performance confidential and cannot report it publicly. | 8,9 | |
| Ethics and fight Against corruption | | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Pages 21 and 22 . | | | | | |
| GRI 205: Anti-corruption 2016 | 205-2 Communication and training about anti-corruption policies and procedures | Page 22 . | | | | 16 | 10 |
| Environmental Impacts | | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Page 45 , 51 and 60 . | | | | | |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | Page 51 . | | | | 8, 12 | 7, 8 |
| | 301-2 Recycled input materials used | Page 51 . | | | | 8,12 | 7,8 |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | Page 47 . | | | | 7, 8, 12, 13 | 7, 8 |
| | 302-3 Energy intensity | Page 47 . | | | | 7, 8, 12, 13 | 8 |
| GRI 303: Water and Effluents 2018 | 303-5 Water consumption | Page 55 . | | | | 6 | |

| Standard | Content | Location | Omitted requirement | Reason | Explanation | SDG | Global Compact |
|---|--|---|---------------------|------------------------------------|-------------|-------------------|----------------|
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | Page 49 . | | | | 3, 12, 13, 14, 15 | 7, 8 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | Page 49 . | | | | 3, 12, 13, 14, 15 | 7, 8 |
| | 305-4 GHG emissions intensity | Page 49 . | | | | 13, 14, 15 | 8 |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | Page 50 . | | | | 3, 6, 11, 12 | |
| | 306-2 Management of significant waste-related impacts | Page 50 . | | | | 3, 6, 8, 11, 12 | |
| | 306-3 Total weight of waste generated in metric tons | | All requirements | Information unavailable/incomplete | | 3, 6, 11, 12, 15 | |
| | 306-4 Waste diverted from disposal | | | | | 3, 11, 12 | |
| | 306-5 Waste directed to disposal | Page 50 . | | | | 3, 6, 11, 12, 15 | |
| Safety And Convenience For Costumers | | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Pages 38 and 39 . | | | | | |

| Standard | Content | Location | Omitted requirement | Reason | Explanation | SDG | Global Compact |
|---|---|--|---------------------|--------|-------------|--------------|----------------|
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | Page 34 . | | | | 3, 8, 12 | |
| | 403-2 Hazard identification, risk assessment, and incident investigation | Pages 35 and 59 . | | | | 3, 8, 12 | |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | Page 58 . | | | | 8, 16 | |
| | 403-8 Workers covered by an occupational health and safety management system | Page 34 . | | | | 8 | |
| | 403-9 Work-related injuries | Page 35 . | | | | 3, 8, 12, 16 | |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | Page 27 . | | | | | |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | Page 32 . | | | | 4, 8 | 6 |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | Page 32 . | | | | 5, 8, 10 | 6 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | Pages 29 and 30 . | | | | 5, 8, 10 | 6 |
| Employment And Well-Being | | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Pages 23 , 31 and 34 . | | | | | |
| GRI 416: Customer Health and Safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories | Page 39 . | | | | 3, 12 | |

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