



SUBLITEX
The Innovative Printing

—
**Sustainability
report**
2023



This document represents the second Sustainability Report drafted by Sublitex s.r.l. for the financial year 2023 with the support of the consulting firm Fedabo SpA SB, following the “with reference to” option with regard to the GRI (Global Reporting Initiative) international standards, in relation to the latest update that came into effect at the beginning of 2023.

FOR THE SECOND YEAR, THE OBJECTIVE OF THIS REPORT IS TO HIGHLIGHT AND EFFECTIVELY COMMUNICATE SUBLITEX'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE SUSTAINABILITY TRENDS, OBJECTIVES AND STRATEGIES TO ITS INTERNAL AND EXTERNAL STAKEHOLDERS.

Compared to 2022, the same materiality analysis has been maintained, since the scope of the analysis is unchanged; however, the study of actual and potential impacts, both positive and negative, has been updated to provide a view closer to the new European Union Sustainability Reporting Standards (ESRS) proposed in the context of the Corporate Sustainability Reporting Directive (CSRD). For impact quantification, the magnitude of the impact itself was considered and, for potential impacts only, the probability of that impact occurring was taken into account. For the purposes of a CSRD-aligned study, magnitude is derived from the average of three different values: severity, extent and, for negative impacts only, the irremediable nature of the impact.

The principles of materiality, inclusivity, sustainability context, completeness, accuracy, balance, clarity, comparability, reliability and timeliness were adopted in drafting the document. For each reported topic, the link to the Sustainable Development Goals is also included. The specific topics reported are presented with reference to the individual company (Sublitex s.r.l.) and do not include the data of Miroglio Group (of which Sublitex s.r.l. is part).

The information reported refers to the reporting period from January 1, 2023 to December 31, 2023. Information for the previous four-year period (2019-2023) can be found within the document.

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1.

About

1.1

Letter to stakeholders

"The only joy in the world is to begin. It is good to live because to live is to begin, always, at every moment". Borrowing the words of the writer Cesare Pavese, one year after the first edition, Sublitex returns to draft its Sustainability Report, proudly presenting its achievements. In these twelve months, we have taken further steps along the challenging path that leads to increasingly greater environmental, social and governance sustainability.

Our flagship product is still our printing processes, with rotogravure and digital technology, which are virtually water free and energy saving. Our water consumption was further reduced from 16 mc per tonne produced in 2022 to 7 mc per tonne last year.

The transfer of the design from paper to fabric, which does not require finishing, is also a completely clean and dry process. We have consolidated our position among the leading companies in the world of Transfer Sublimation technology, with which we decorate over 60 million square meters of substrates and surfaces worldwide.

The main innovation regarding environmental impact

concerns the installation of our new 840 kWp photovoltaic plant, which is scheduled to come into operation in February 2024. This will ensure that 35% of Sublitex's energy needs will be covered by renewable sources.

In terms of innovation, we use sustainable fibres and are proud of adopting eco-friendly inks and their recycling in our gravure printing process, which demonstrates our commitment to more responsible production. This also includes our use of certified dyes that are completely free of hazardous substances and allergen-free, as well as the use of an increasing percentage of post-consumer recycled polyester. Finally, the paper used in the manufacturing process comes from FSC-certified paper mills.

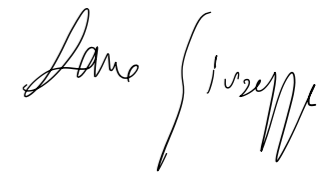
We continue to invest in the wellbeing of employees, which remains at the core of our priorities: from corporate welfare, with the online psychological counselling service, to work-life balance, also thanks to the support of the Miroglio Kindergarten for our employees' families. Training continues to be essential for us, as it allows professional growth and active contribution to achieving our goals.

We are aware of the challenges ahead, but we are confident in our ability to innovate and continually improve. Our commitment to reduce greenhouse gas emissions by 25 per cent within the next three years is just one of many steps we intend to take to contribute to the Sustainable Development Goals.

Finally, we firmly believe that sustainability is a shared responsibility: the active involvement of all stakeholders is crucial to the success of our journey. This is why we are committed to maintaining open and transparent communication, fostering collaborations with partners who share our values and sustainability principles.

WE KNOW THAT THERE IS STILL A LONG WAY TO GO AND THAT TO BRING A REAL CHANGE, THE ONLY WAY IS TO INVOLVE THE ENTIRE SUPPLY CHAIN. THE SECRET, WALKING ALL IN THE SAME DIRECTION WITH COMMITMENT AND RESPONSIBILITY, IS ONLY ONE: START EVERY DAY.

Giuseppe Lano
CEO Sublitex S.r.l.



1.2

Vision

“CREATING UNIQUE EXPERIENCES FOR OUR CUSTOMERS, WHEREVER THEY ARE AND WHATEVER THEY DESIRE.”

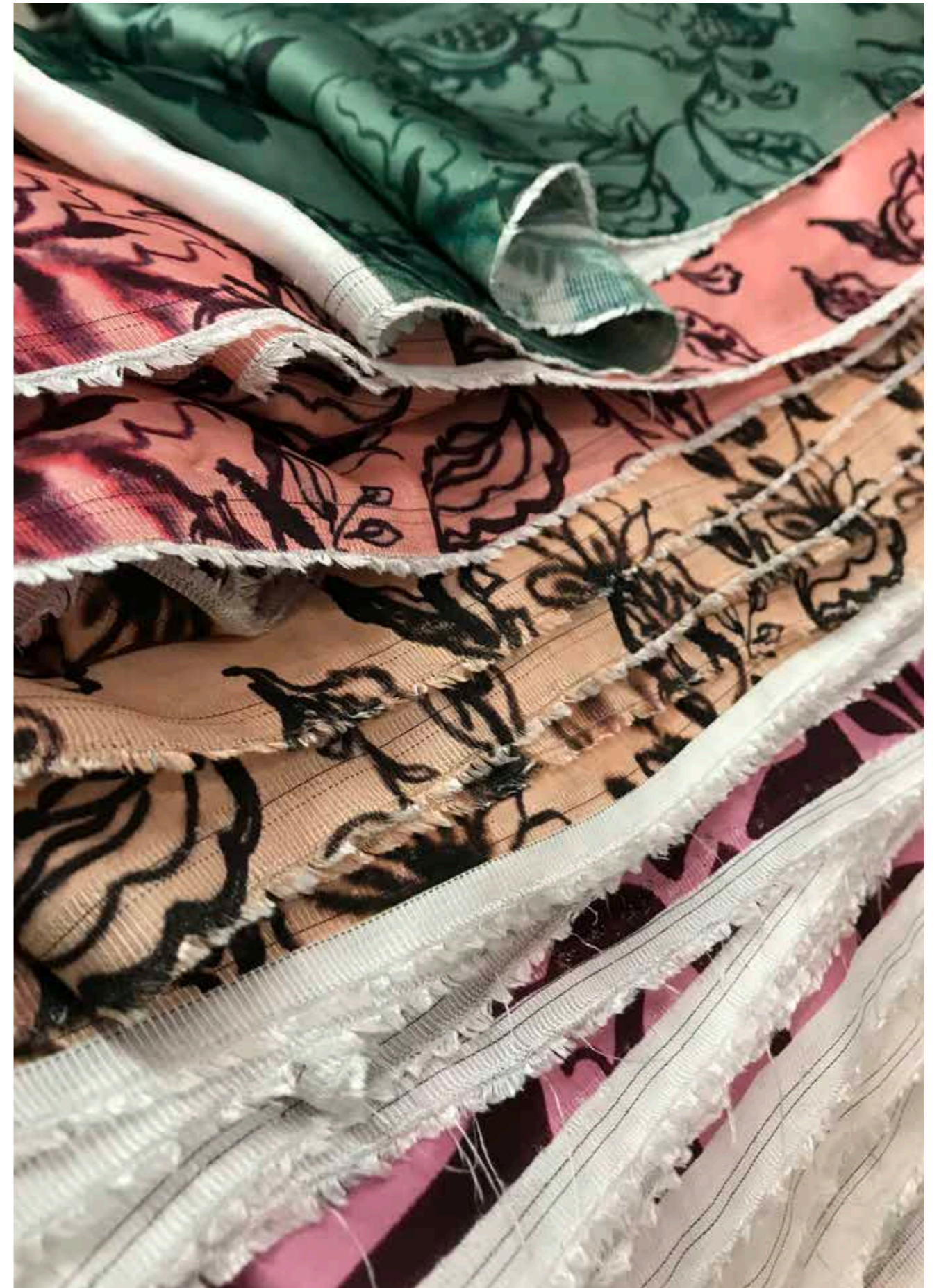
To be a leader of sustainable innovation in the printing industry, for both the textile world and technical films by satisfying customers with the highest quality standards.

1.3

Mission

WE ENNOBLE AND ENHANCE THE POTENTIAL OF EACH SURFACE.

Ensuring the customer's utmost professionalism and high standards of product and service quality is the path taken to build a relationship of trust and satisfaction.





1.4

Miroglio Group

The Miroglio Group is an international company founded more than 70 years ago in Alba (CN). Always inserted in the textile and fashion industry, today the Group ranges from famous clothing brands to printing of technical textiles and films, to integrated logistics and supply chain management. The Miroglio Group is present in 41 countries, has 4 production plants and 30 subsidiaries, serving a total of 5 million consumer customers. Currently, the group is composed of several entities, such as:

MIROGLIO FASHION

Part of the Miroglio Group is specialised in the production and distribution of women's clothing. It operates nine brands through a network of 1,100 mono-brand shops, of which 800 are located in Italy and 300 divided between Turkey and the Middle East. In addition, it serves around 1,700 customers with multi-brand stores.

TRUSSARDI

Iconic lifestyle brand that blends heritage and functionality through a contemporary approach, creating distinctive clothing and accessories for men and women. Beyond fashion, the brand embodies a true lifestyle concept, capable of bringing the elegance and design of the brand into various contexts to enrich everyday life with style and sophistication.

SUBLITEX

World leader in sublimation printing on transfer paper and technical films, now present in fabric printing with completely water-free technology. The product range is totally made in Italy, to meet the demands of the textile, fashion, architectural and interior design markets.

Note: Please note that this report focuses exclusively on **Sublitex S.r.l.**, the first Miroglio Group company to publish a sustainability report on a voluntary basis. Therefore, all the information and data reported relate only to this specific company.

1.4.1 ABOUT US

Sublitex was founded in Alba in 1976 from the Miroglio Group's desire to explore transfer printing technology. Over the years, thanks to its attention to market needs and a continuous push towards technological innovation, the company has grown and continuously expanded its product range, to the point where it is now present in 50 countries with its own sales network.

SUBLITEX'S CORE BUSINESS IS THE TRANSFORMATION OF DESIGNS, CREATED IN-HOUSE, INTO PRINTS ON PAPER, FABRICS AND TECHNICAL FILMS. THESE DESIGNS ARE DEVELOPED BOTH TO MEET SPECIFIC CUSTOMER REQUIREMENTS AND TO ENRICH SUBLITEX'S IN-HOUSE COLLECTION, WHICH NOW NUMBERS OVER 10,000 DESIGNS.

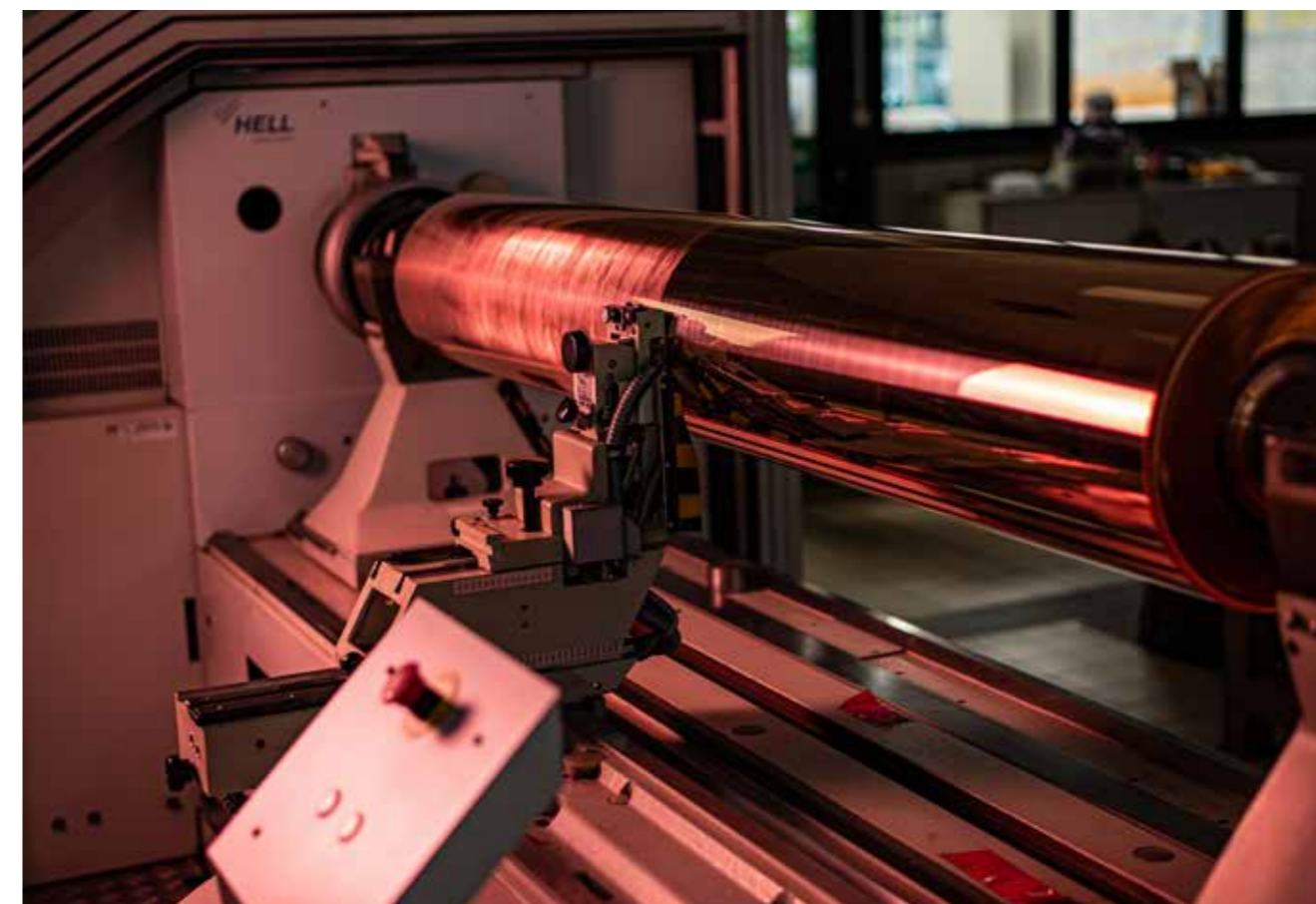
Originally dedicated to printing transfer paper on polyester fabrics, Sublitex has expanded its business through in-house research and R&D lab. It has thus perfected printing on technical polyester films, extending its use to a wide range of materials, including fabrics for sports and activity wear, leather and PVC for the tanning industry, aluminium for the construction industry and steel for indoor and outdoor coatings, including household appliances.

Sublitex's research and development efforts are focused on reducing the environmental impact of its products.

Some examples of this ongoing commitment include:

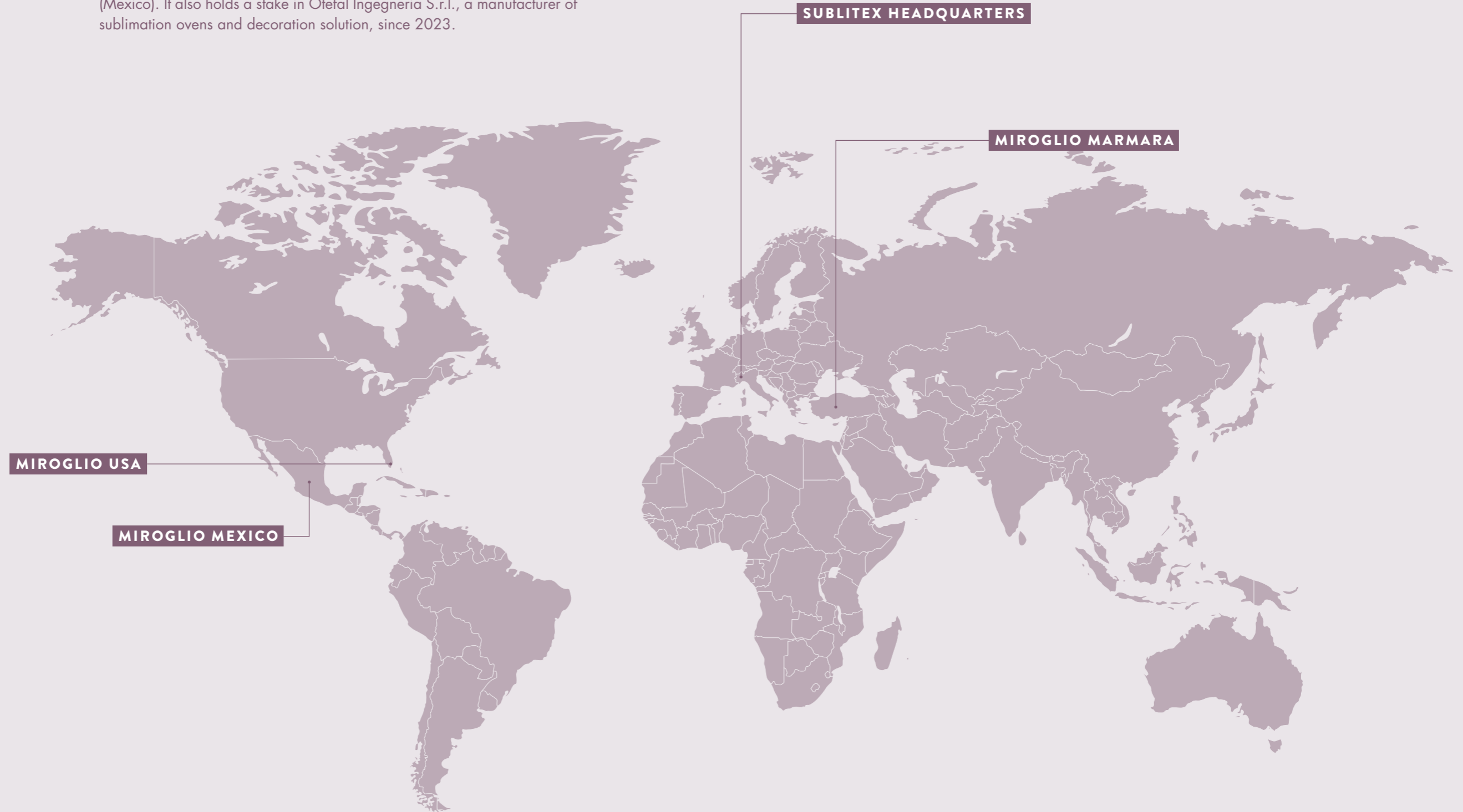
- **Use of sublimation printing, which minimizes water consumption**
- **Reuse of used rotogravure printing cylinders**
- **Introduction of new methods of direct digital pigment printing on textiles, completely water free.**

These processes are reflected in the 100% Made in Italy articles, which combine creativity, innovation and reliability to meet customers' needs.



1.4.2 COMPANY STRUCTURE

Sublitex is a subsidiary of Miroglio Group S.p.a. and consists of **Sublitex S.r.l.** and subsidiaries Sublitex America Corp. (United States), Miroglio Marmara Tekstil Limited (Turkey) and Miroglio Mexico S.A. DE C.V. (Mexico). It also holds a stake in Otefal Ingegneria S.r.l., a manufacturer of sublimation ovens and decoration solution, since 2023.



1.4.3 HISTORY

1976

Foundation of Sublitex in Alba with the first gravure machine specializing in transfer paper printing.

1993

Sublitex further expands its production and Decotrans Alu, film for decorating aluminum profiles, is launched on the market.

2002

Market launch of foils products, technical films decorated with resin cips used for the leather world.

2009

Digital printing is introduced for the first time in Sublitex. The digital revolution begins.

2013

The first industrial digital printer for small transfer paper production is introduced in Sublitex.

2022

Opening of the new commercial subsidiary Miroglia Mexico S.A., in Mexico.

Sublitex begins *water-free* production for cotton and viscose.

2020

Opening of the new textile printing and finishing department.

1997

Opening of Miroglia Marmara Tekstil, in Istanbul.

1990

2 new gravure machines are introduced and production of technical film for leather and PVC decoration begins.

2008

Start of production of Texcover, technical film used for decoration of household appliances and metal surfaces.

2014

Installation of the world's first printer with "single pass transfer paper inkjet" technology that will give Sublitex undisputed leadership in digital transfer paper printing for a few years.

2012

Launch of Subli-touch, technical film belonging to the product range of Decotrans Alu with relief effect.

2021

Opening of the new sales subsidiary Sublitex USA corp. in Miami.

2024

Installation of a new high-performance photovoltaic system.

Highlights 2023

ENVIRONMENT

300 tCO₂eq
SAVED THROUGH ENERGY
EFFICIENCY MEASURES
(2023)

INSTALLATION OF A **New PV system
planned**

-20% of waste
PRODUCED COMPARED TO 2022

ISO 14001 certification

-88% of water consumption
COMPARED TO 2021

SOCIAL

130 employees | **0** injuries

100% PERMANENT
employees

**Miroglio
Kindergarten** AVAILABLE TO DAUGHTERS
AND SONS OF EMPLOYEES

ISO 45001 certification

Highlights 2023

GOVERNANCE

23 million di €
TURNOVER

Group Code of Ethics

8 certifications
OF PRODUCT QUALITY AND/OR
SUSTAINABILITY

ISO 9001 certification

1.6

Values and principles

The idea of a single Code of Ethics and a Charter of Values shared by the entire Miroglio Group stems from the desire to guide decisions and create value in the world of fashion starting from the principles, values and rules shared by all internal and external parties that interact with the Group's activities.

The Group's activities are based on a solid principle of legality without compromise. This means fully respecting the laws, regulations and rules applicable in every country in which the company operates. Every action and operation undertaken is carried out in a transparent and ethical manner, documented in a way that allows a clear understanding of the decision-making process. In making business decisions, the Group operates impartially, evaluating each option with rigour, professionalism and objectivity. This is reflected in well-considered choices based on objective and neutral evaluation criteria.

Professionalism is a distinctive element in the Miroglio Group, with a constant commitment to excellence and the highest quality of work. People are considered the company's main resource: the wellbeing of employees and the continuous growth of their skills through training and refresher programmes are therefore prioritised. The company has always promoted fairness and inclusion and works to put an end to all forms of discrimination. Human dignity is sacred and discriminatory behaviour

based on age, gender, sexual orientation, race, language, political or religious views is not tolerated. Every person, whether employee, collaborator or business partner is treated with equal respect and dignity, regardless of hierarchical level or position within the Group companies. The aim is to ensure that everyone is able to carry out their work in a serene, safe and cohesive environment.

The protection of fair competition and the enhancement of human resources are further pillars on which Miroglio's work is based, as it firmly opposes all forms of exploitation and is committed to promoting a safe and respectful working environment.

FINALLY, THE MIROGLIO GROUP IS ENGAGED IN OPERATING WITH RESPECT FOR THE ENVIRONMENT, REDUCING THE ENVIRONMENTAL IMPACT OF ITS ACTIVITIES AND PROMOTING SUSTAINABLE DEVELOPMENT.

1.7

Our product lines

Fashion & Design

TRANSFER PAPER

Through a simple and waterless transfer process, this technology allows any polyester fabric to be decorated with a wide range of available designs. Using a special hot pressure process, clothes, lingerie, swimwear and sportswear can be decorated, as well as solutions for sofas, curtains and cushions.



FOIL

these are metallic designs and effects printed on plastic film using a special resin. They are used to decorate upholstery fabrics, leather and faux leather in the tanning industry, and PVC.



Sublitex has an in-house range of designs that can be consulted and used by interested customers, but it is also able to print designs proposed by customers themselves with both transfer technology for polyester fabrics and pigment technology for natural and mixed bases.



In 2021, Sublitex launched a collection of fabrics dedicated to the world of fashion and active wear. These fabrics, which include recycled fibres certified by the Textile Exchange's Global Recycle Standard, are printed using low-energy and water-efficient processes. This initiative marks a change of direction for the company, which originally specialised in the production of paper and technical films, as it actively moves towards the printed fabrics market.

The new Urban collection, developed in direct collaboration with the Miroglio Group, offers customisable fabrics in polyester or natural (and mixed) fibres, with a complete processing cycle that guarantees quality and flexibility.

SUBLIMATION PRINTING FOR POLYESTER FABRICS

This collection is the result of experience in the field of transfer paper. The process uses certified dyes that are free of hazardous substances and do not contain allergens. In addition, the paper used in the production process comes from FSC certified suppliers.

PIGMENT PRINTING FOR NATURAL AND MIXED FIBRES

This is an innovative technology for pigment printing on cotton, viscose and linen fabrics, which is water-free and ecologically sustainable and requires no post-treatment. The finishing process is carried out using hot air, ensuring an efficient production process with reduced environmental impact.



SUBLITEX Architectural

The products in this line include sublimation films (*Decotrans Alu, Easy Vacuum and SubliTouch*), lamination films (*Texcover Outdoor*) and digital printing (*Decotrans Alu Digital*).

Sublimation products are available on paper, glossy film, matte film, and stretch film (PVA). A high degree of product customisation is offered, as well as extreme ease of application, for a very high-quality end result. Sublimation can be performed on surfaces of any size, from the simplest such as flat sheets, doors and kitchen doors, to the most complex designs with intricate geometries, such as profiles, shaped doors or three-dimensional objects.

DECOTRANS ALU

A Sublimation film for the decoration of metal profiles and sheets capable of ensuring high resistance to weathering and wear and tear over time, it is mainly used in the decoration of profiles for window frames. To date in this product line Sublitex has achieved market leadership with the highest commercial penetration worldwide, and as of 2022, it is able to provide a complete package of products for the application on aluminum of wood-effect decors with film, powders and application machine.

EASY VACUUM

Easy Vacuum is a s Sublimation film designed for long-term outdoor applications. Created with an industrial perspective, it aims to optimise the production process, simplifying application and improving quality and resistance to weathering and sunlight. Its essential design integrates perfectly with the minimalist trends of modern architecture. Easy to apply, durable and aesthetically pleasing.

SUBLITOUCH

Sublimation film for aluminum decoration with tactile as well as visual effects.



Laminating films are used to coat surfaces such as coil, galvanised steel, stainless steel, aluminium, sheet metal and PVC.

They are suitable for both exterior and interior coatings and are characterised by their wide range of colours and designs, suitable for a variety of end-uses.

Finally, with its Architectural branch, Sublitex has created an innovative **digital printing** system to create a fully customisable product. Thanks to the advanced technology, the company can start with an initial sample, digitise the design, reproduce it on the digital film and combining it with the correct powder to achieve the desired effect. Digitally printed films find application in a variety of sectors, from sublimation films for decorating profiles and sheets made up of aluminium, steel and glass, to lamination films for plastic products and the furniture industry.

TEXCOVER OUTDOOR

PET film for lamination on metal coil (aluminum or steel) designed to protect the material to which it is applied by decorating it with a wide choice of patterns and graphic effects; available for both indoor (appliance world) and outdoor applications (composite panels, vertical surfaces and metal roofing).

DECOTRANS ALU DIGITAL

The digitally printed sublimation film can offer infinite combinations of patterns and colour and customised products, which are also tested for outdoor use.



1.8

Business-integrated sustainability

THE COMPANY'S SUSTAINABILITY STRATEGY IS FOCUSED ON ACHIEVING LONG-TERM ECONOMIC GROWTH ALONGSIDE SOCIAL AND ENVIRONMENTAL DEVELOPMENT.

In today's economic context, it is essential to continuously seek innovative processes that meet customer needs while minimizing our impact on the surrounding environment.

Sustainability encompasses not only environmental considerations but also social and governance issues, emphasizing respect for rights, ethical principles, and corporate welfare.

Sublitex has made sustainability an integral part of its mission. Specifically, Sublitex is committed to:

USE OF ENVIRONMENTALLY FRIENDLY INKS

Certified dyes that are free of hazardous substances and do not contain allergens.

INK RECYCLING

Through the colour matching work carried out by the colour kitchen, the inks used in the rotogravure printing process are continuously and completely reused.

REUSE OF PRINTING CYLINDERS

Cylinders are reprocessed and reused in the plant, according to European environmental standards, for the production of new designs.

WASTE-FREE DIGITAL PRINTING

Thanks to the 'just in time' execution, ink consumption is limited to the printing requirements, ensuring a low input of process waste.

WATER-FREE PROCESS

Printing processes are completely waterless and energy-saving, reducing water consumption by 90% from 2010 to 2018.

SUSTAINABLE TRANSFER PRINTING PROCESS

The transfer of designs from paper to polyester fabric is waterless, and therefore has a low environmental impact.

USING RECYCLED FABRICS AND NATURAL FIBRES

The Urban collection features fabrics printed with transfer technology from completely waterless recycled polyester and natural fibres, promoting the recycling and reuse of materials.

The company is actively working to generate a positive impact globally, drawing inspiration from the Sustainable Development Goals and adopting the 'Commitment 4 Sustainability', an innovative multidimensional framework aimed at ensuring the sustainability of the entire supply chain in the fashion and luxury sectors. Sublitex also supports the ZDHC protocol, which aspires to promote the sustainability of sectors using textile chemicals.

Ethics and respect for the individual represent a fundamental pillar for Sublitex to establish effective collaboration with all stakeholders.

For this reason, the company is committed to respecting the rights of workers in accordance with the Universal Declaration of Human Rights, the principles of the International Labour Organization and national legislation, with particular attention to the following aspects:

- **Freedom of association and the right to collective bargaining.**
- **Elimination of child, underage and forced labour.**
- **Protection of health and safety at work.**
- **Regularity and transparency in employment contracts, registration of working hours, and payment of wages due.**
- **Prevention of discrimination and abuse in the workplace.**
- **Promotion of equal opportunities.**

The company is committed to improving internal well-being and investing in continuous training for its employees. Sublitex is also committed to disseminating its sustainability policy within the organization and fostering relationships with partners who share the same social values.

To reduce its environmental impact, Sublitex aims to:

- **Reduce energy consumption by increasing the share from internally produced renewable sources.**
- **Reduce water consumption through the adoption of new technologies and process renewals.**
- **Monitor and improve the production-related wastewater.**
- **Implement a chemical risk management system to reduce the use of harmful substances in production processes.**
- **Properly manage waste, promoting reuse and recycling.**
- **Choose raw materials with lower social and environmental impact.**

- **Inform and train employees on sustainable activities.**
- **Adopt production techniques and management processes aimed at continuous improvement in sustainability performance.**

In order to gain greater awareness regarding the impacts of the production process to better guide procurement decisions, in 2022 Sublitex carried out the calculation of its carbon footprint according to the UNI EN ISO 14064-2019 standard, committing in the coming years to reduce its impact at the level of greenhouse gas emissions.

In addition, to actively contribute to sustainable development goals, in 2023, Sublitex embarked on a sustainability journey with the aim to progressively monitor and improve its sustainability performance through a series of goals aimed at achieving a 25% emissions reduction within the next 3 years.



1.9

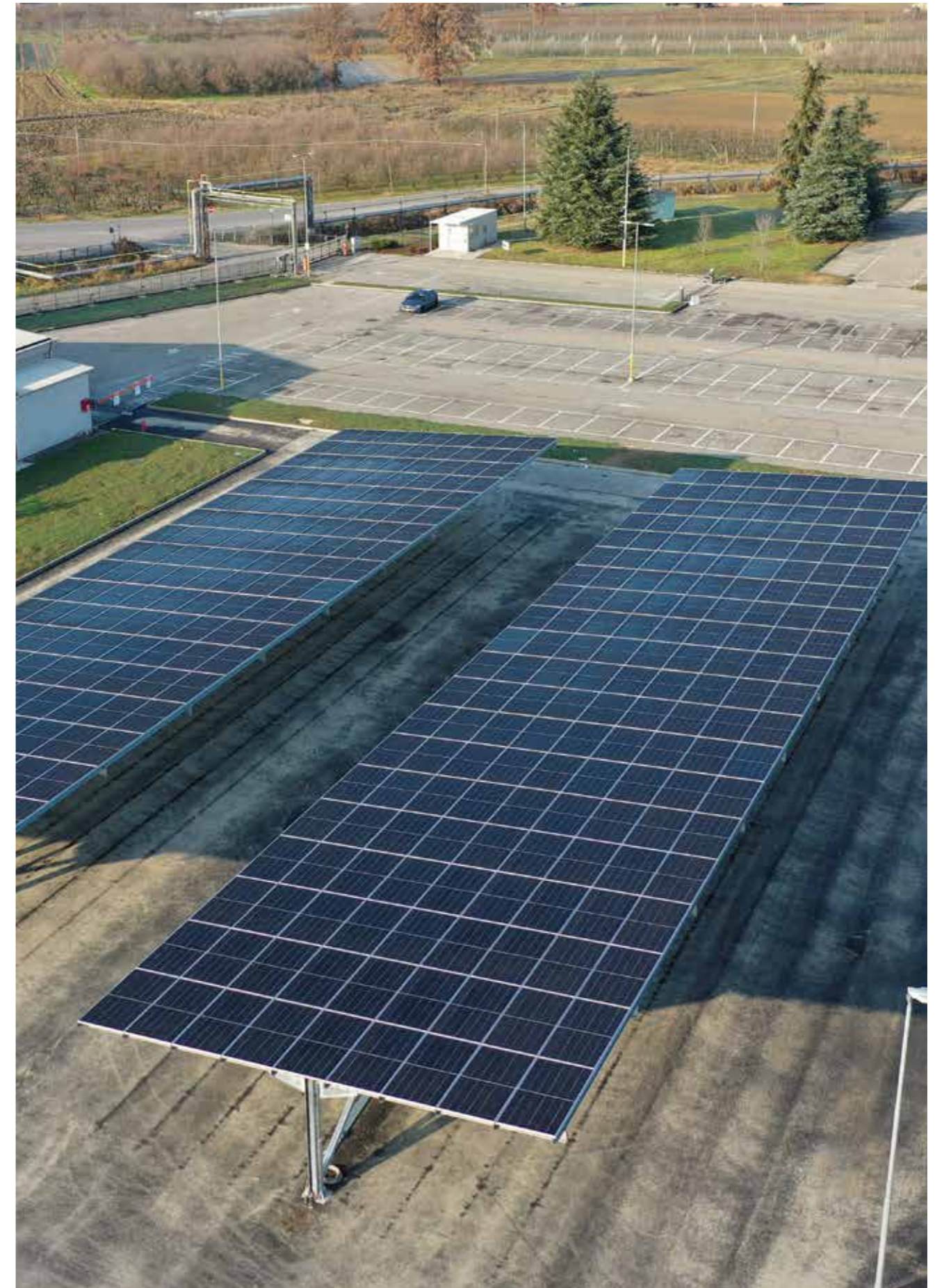
The link with the Sustainable Development Goals

The 17 **Sustainable Development Goals (SDGs)** are the key principles of the United Nations' 2030 Agenda, signed in 2015 by the governments of 193 UN member countries to outline a common plan for sustainable development. Achieving these goals implies the active involvement of institutions, organisations, companies and civil society. The actions proposed serve as international benchmarks for companies, which can refer to them to declare their commitment to sustainability.

For this reason, within this document, the topics will not only be reported according to the standards of the Global Reporting Initiative (GRI): the various impacts will also be related to the Sustainable Development Goals to which they contribute, in order to identify and assess how Sublitex's actions during 2023 supported the achievement of these important global targets.



| SDGs | TOPIC | IMPROVEMENT |
|--|--|---|
|   | <p>Energy and energy efficiency</p> <p>Emissions in the atmosphere</p> | <p>Installation of a new photovoltaic system</p> <p>Update and implementation of measures in the energy efficiency plan</p> |
|  | <p>Water consumption</p> | <p><i>Water free</i> production process</p> |
|   | <p>Staff management and welfare</p> | <p>Miroglio Kindergarten Corporate welfare and work-life balance services</p> <p>Continuous Training</p> |
|  | <p>Collaboration with school and universities</p> | <p>Project in partnership with the Polytechnic of Turin</p> |





2.

Impacts and materiality matrix

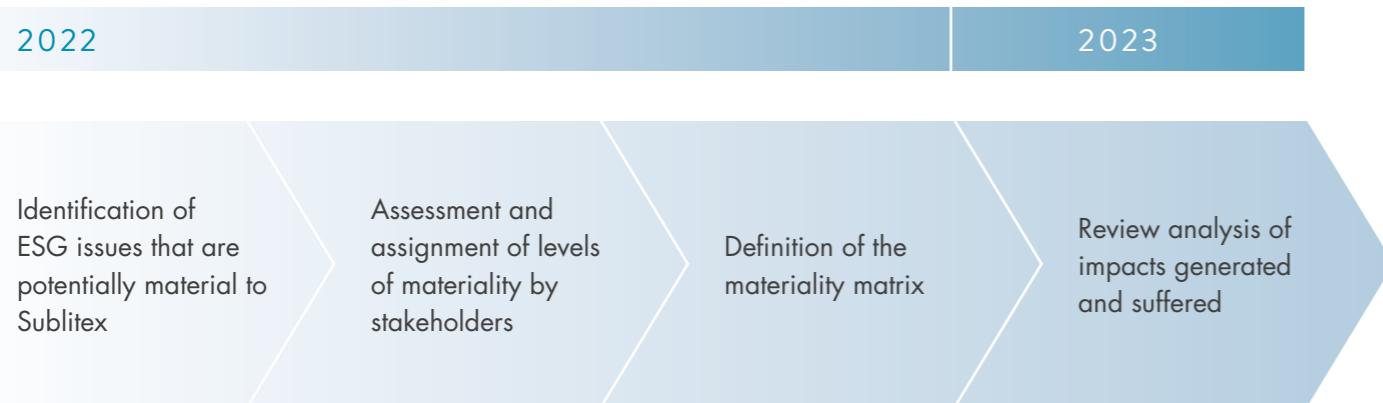
2.1

Material topics and materiality analysis

In the previous Sustainability Report 2022 prior to this one (2022), Sublitex conducted its first materiality analysis, which is reported below.

Once the potentially most relevant topics were identified internally, Sublitex engaged internal and external stakeholders to determine the materiality for of each topic. From the processing of the responses obtained, the materiality matrix was generated, which

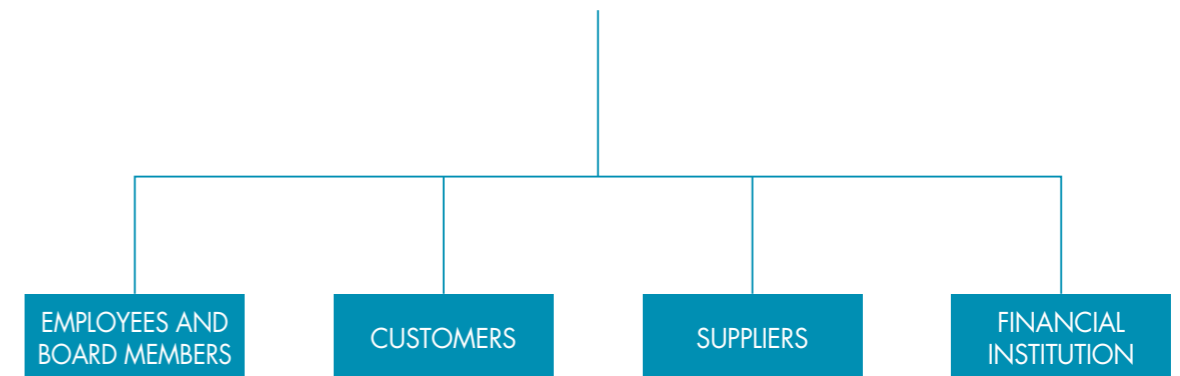
allows us to visually observe the prioritization of topics according to both internal and external stakeholders. In this Sustainability Report, the analysis of impacts (generated and suffered) has been updated to align with the new requirements of the EU Directive (CSRD).



2.1.1 STAKEHOLDER MAPPING

In 2022, a stakeholder mapping and engagement process was carried out to define the company's **material topics**, in order to develop the organization's first Sustainability Report.

The stakeholder engagement process took place through the administration of surveys, which were sent to both internal and external stakeholders. More precisely, employees and board members were involved as internal stakeholders. Externally, Sublitex proceeded to select a sample of customers, suppliers and financial institutions, to which to submit the surveys.



The questionnaire asked people to assign different levels of priority to each issue, according to a scale of 1 to 4. Stakeholders were asked to provide additional ideas and personal insights with the aim to gather more different views. An overall score was obtained

by calculating the average of the ratings given by the stakeholders (internal and external) to each question. This score allowed the material issues identified by the board to be validated and subsequently prioritized.

2.1.2 SUBLITEX'S MATERIAL TOPICS

ENVIRONMENT:

- Energy and energy Efficiency
- Waste management
- Emissions in the atmosphere
- Water consumption
- Sustainability of raw materials and materials
- Circular economy

SOCIAL:

- Health and Safety at work
- Training and growth of employees
- Diversity & Inclusion and equal opportunities
- Staff management and welfare

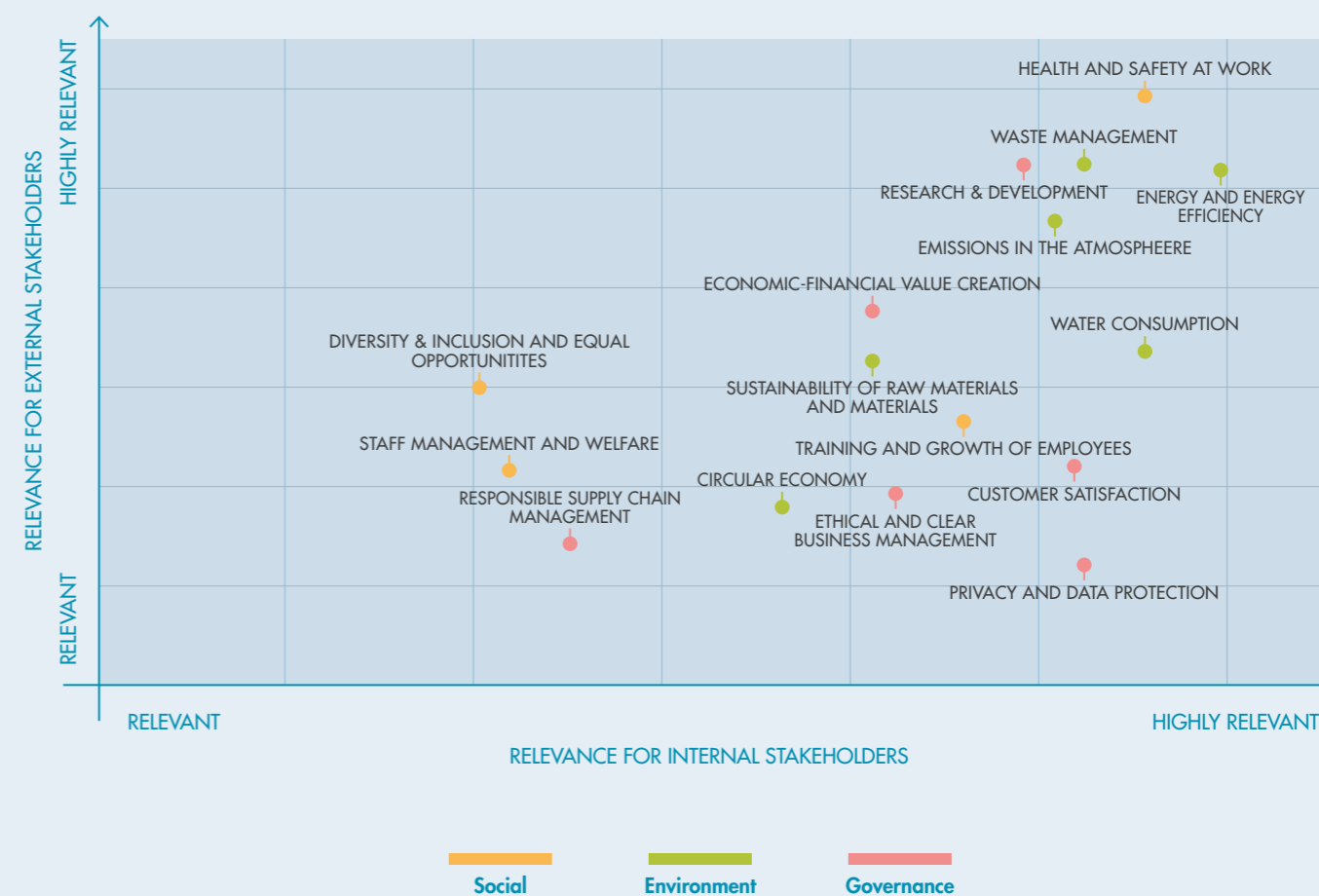
GOVERNANCE:

- Research & Development
- Customer satisfaction
- Economic-financial value creation
- Privacy and data protection
- Ethical and clear business management
- Responsible supply chain management

Material topics are visually represented in the materiality matrix, which is reported below. Each topic is prioritized within the matrix according to its strategic importance to both internal and external stakeholders. The position of a topic in the upper right corner indicates its high degree of relevance/significance.

Topics that are placed in the lower left corner were also considered material, but they are characterized by a lower degree of priority according to the perception of stakeholders and the company itself.

MATERIALITY MATRIX - SUBLITEX



As a result of the stakeholder engagement process, the topics of **"Health and Safety at work"** and **"Energy and energy efficiency"** clearly emerge as key drivers for Sublitex's activities. The company is aware of the priority of these two topics: regarding people's health and safety, Sublitex gained certifications in ISO 14001 and ISO 45001, and periodically sets targets to ensure high safety standard; with regard to energy, the company has implemented an ambitious plan to improve energy efficiency.

Topics related to **waste management** and **emissions reduction** are equally relevant, by demonstrating Sublitex's holistic and integrated approach to improve environmental performance. Still regarding the environmental sphere, the company has identified **water consumption** as critically important, which represents a key pillar of Sublitex's sustainability strategy and one of the areas where the company has significantly optimized its processes.

With regard to the social sphere, the category **"Health and Safety at work"** has been particularly relevant for Sublitex employees, followed by **"Training and growth of employees"**. The promotion of **Diversity & Inclusion and equal opportunities along with Staff management and welfare** are topics that both internal and external stakeholder have deemed less relevant. These material issues reflect Sublitex's commitment to ensuring a safe work environment and supporting the professional growth of its employees.

In terms of governance, **Research & Development** emerge as a priority issue, followed by the **creation of economic and financial value**. Internal stakeholders also consider **privacy and data protection, customer satisfaction, and ethical and clear business management** as relevant topics. Lastly, the **responsible management of the supply chain** resulted as an important aspect for the corporate governance.



2.2

Impacts generated and suffered by Sublitex

STARTING FROM THE ABOVE MATERIALITY ANALYSIS, SUBLITEX HAS IDENTIFIED THE IMPACTS RELATED TO SOCIAL, ENVIRONMENTAL AND GOVERNANCE SUSTAINABILITY THAT DEEPLY INFLUENCE ITS BUSINESS.

The assessment of impacts was carried out with a view to approaching the new CSRD directive¹ and related reporting standards², which will become mandatory in the coming years. Therefore, although this sustainability report follows the “with reference to” option of the Global Reporting Initiative (GRI) standards, some aspects of double materiality required by CSRD are already included in this document.

Sublitex has analysed its **generated impacts**, divided into **actual and potential, positive and negative**. The level of analysis related to causality has also been introduced, according to CSRD requirements. Although most of the impacts are **directly caused** by the company, this report also investigate impacts **contributed to cause** by the organization (impacts arising from Sublitex, with the influence of other individuals or companies) or **related to the activity** (i.e. referring to events along the value chain - upstream or downstream - but not related to the company's own activity).

To assess the materiality of individual impacts, Sublitex assigned numerical values (with scale 1-3) to the criteria identified in the regulations. **Actual** impacts were evaluated by the degree of **magnitude**, divided into the three aspects of **entity** (severity of damage or intensity of benefit), **extent** (magnitude) and, for negative impacts only, **irretrievable nature of the impact** (possibility of restoring the situation prior to the impact). **Potential** impacts were obtained from the product between the **magnitude** (by considering the three variables above) and the **probability** of occurrence.

Secondly, **suffered impacts** (financial risks and opportunities that are not necessarily under Sublitex's control or influence or to which the company is subject in the course of its business) were also analysed. The

assessment of these aspects considers the **potential magnitude** and **probability** of occurrence. A 1-4 scale was used for the probability.

The numerical values assigned to the different aspect of the analysis were subsequently normalized in order to effectively compare the significance of each impact with respect to Sublitex's activity. The conversion of the values into percentage enables to graphically compare the organization's impacts, risks, and opportunities.

In the following chapters related to the Environment, Social, and Governance spheres, it is possible to deeply understand the impacts connected with each sphere and the mitigation strategies associated with them.

¹CSRD Corporate Sustainability Reporting Directive (2022/2464)

²ESRS European Sustainability Reporting Standard, contained in the Delegated Act of the European Commission, dated 31st July 2023

2.3

Inside-out approach

2.3.1 ACTUAL AND POTENTIAL IMPACTS

Sublitex identifies actual and potential impacts with an "inside-out" approach. That means the identification and the assessment of the impacts, generated by the company, that have an actual or potential impact on the environment, its workforce, and society as a whole. With a view to partial alignment with CSRD, the impacts that are not directly associated with Sublitex but related to its value chain, which include suppliers, customers, communities and end-consumers, are also considered.

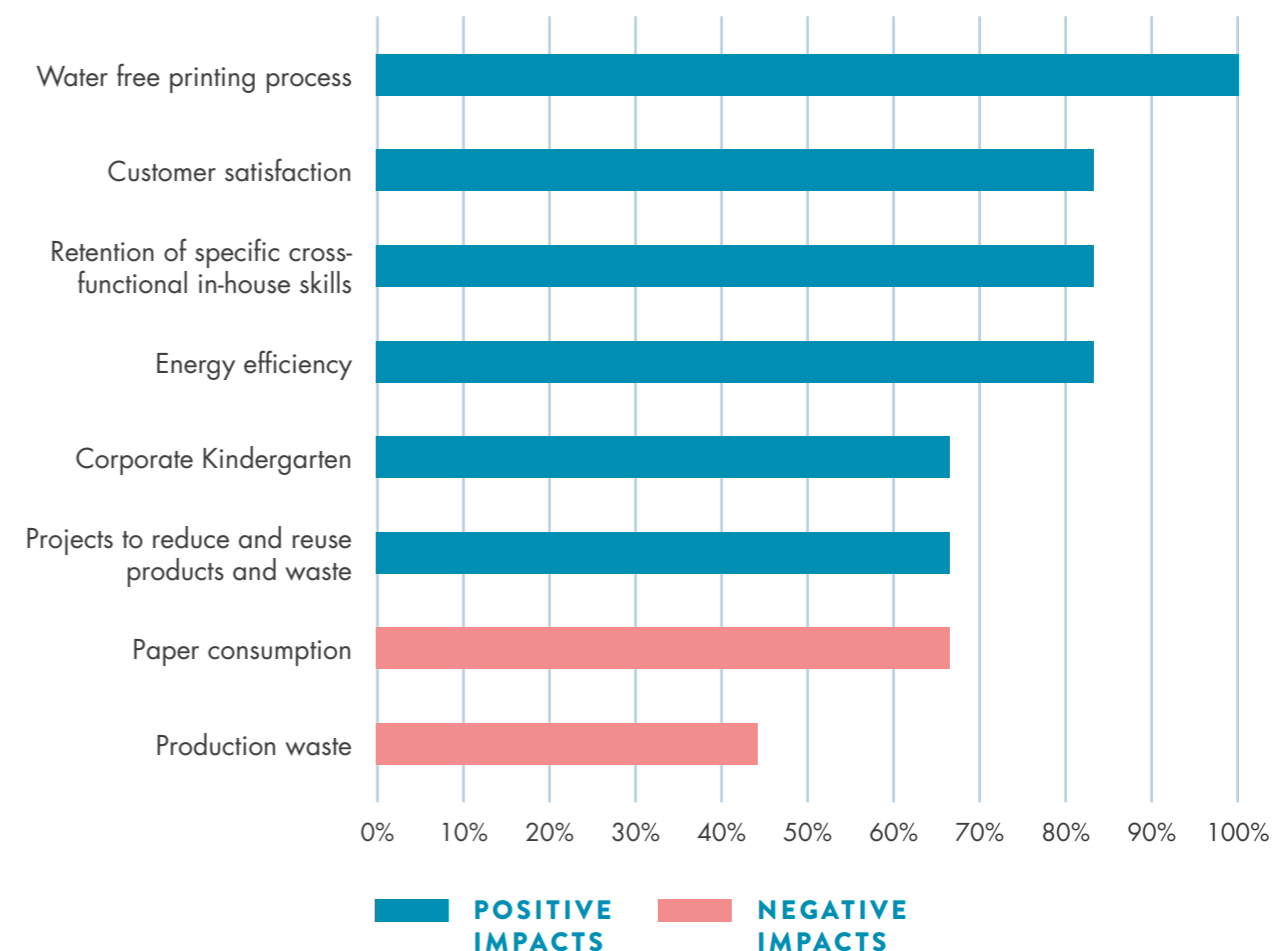
The following two histograms show the **actual and potential impacts** after they have been normalized by assigning numerical values into percentages to assess their significance in relation to other impacts. The colour of the bars indicates the nature of the impact (pink for negative impacts and blue for positive impacts), while the length reflects the significance/relevance of each impact. It should be noted that the length of the histogram bars derives, as far as actual impacts go, from the values assigned to the magnitude alone, while for potential impacts, it derives from the product of the magnitude and the probability.

Regarding the actual impacts, one of the most relevant positive aspects is definitely the waterless printing process. Unlike other companies in textiles, Sublitex uses a completely waterless sublimation printing process that relies on heat and pressure to obtain the finished product.

Customer satisfaction, energy efficiency and the retention of specific cross-functional in-house skills have also been classified as actual positive impacts. In addition, the company has waste reduction projects in place and, for years, the Miroglio Group has been providing Sublitex employees with a corporate kindergarten.

The main actual negative impact of Sublitex, on the other hand, relates to the fairly substantial use of virgin paper for production, which is connected with an indirect impact from the potential acceleration of deforestation globally, despite company's multiple mitigation initiatives, including the use of FSC-certified paper.

ACTUAL IMPACTS

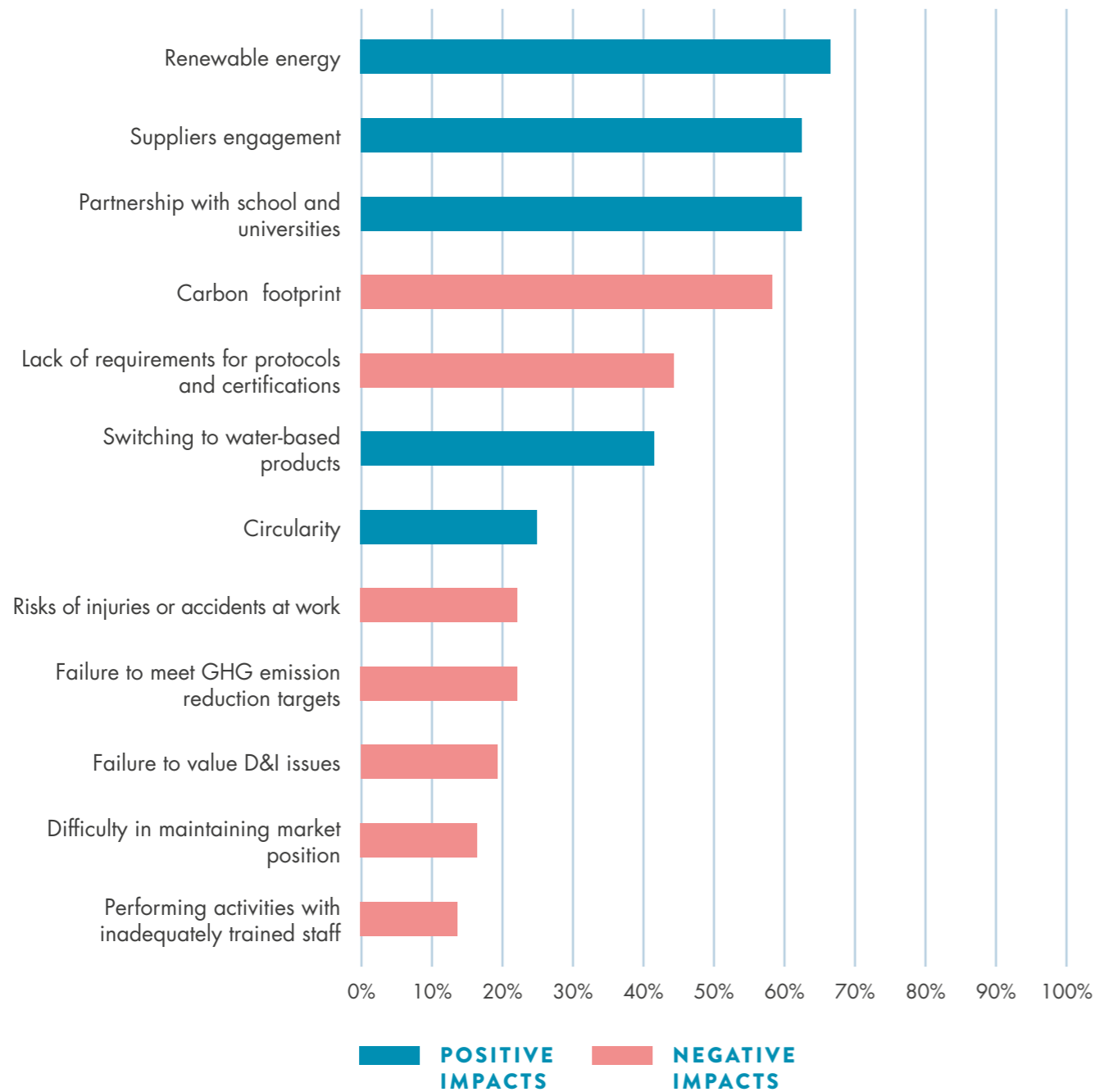


On the other hand, the main potential impacts related to the environmental sphere are assessed as positive and concern the use of renewable energy, the possible switch from solvent-based to water-based products (resulting in less environmental impact), and increased circularity of products. Supplier engagement and partnerships with school and universities could also lead Sublitex to have positive impacts.

In contrast, the potential increase in greenhouse gas (GHG) emissions and the lack of requirements to access various

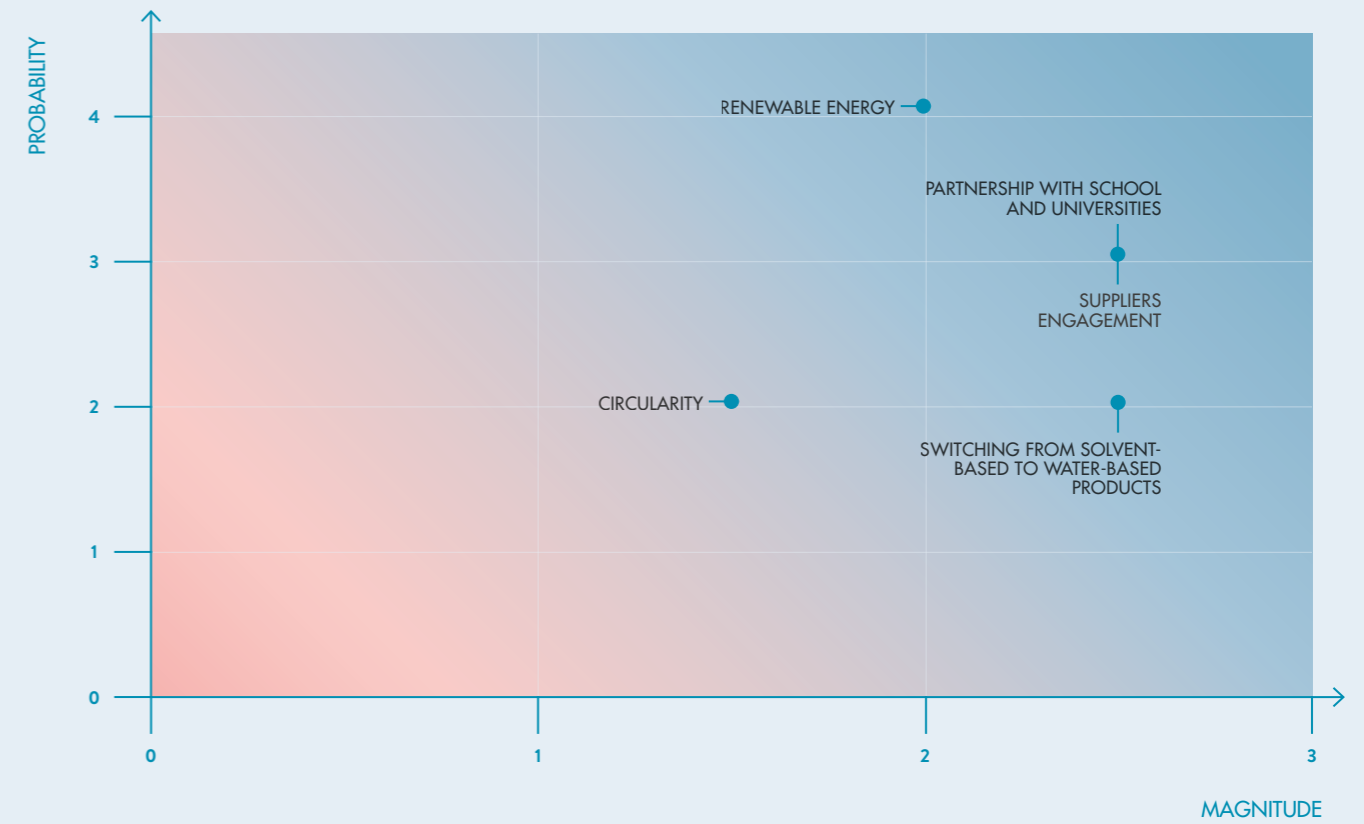
certifications and to comply with customer requirements were identified as the elements that could have the most negative impacts for business purposes. Other negative impacts could be the risk of injuries or accidents at work, the failure to meet emission reduction targets, image damage in case of copyright matters, failure to value diversity and inclusion issues, difficulty in maintaining market position, and inadequate trained staff.

POTENTIAL IMPACTS



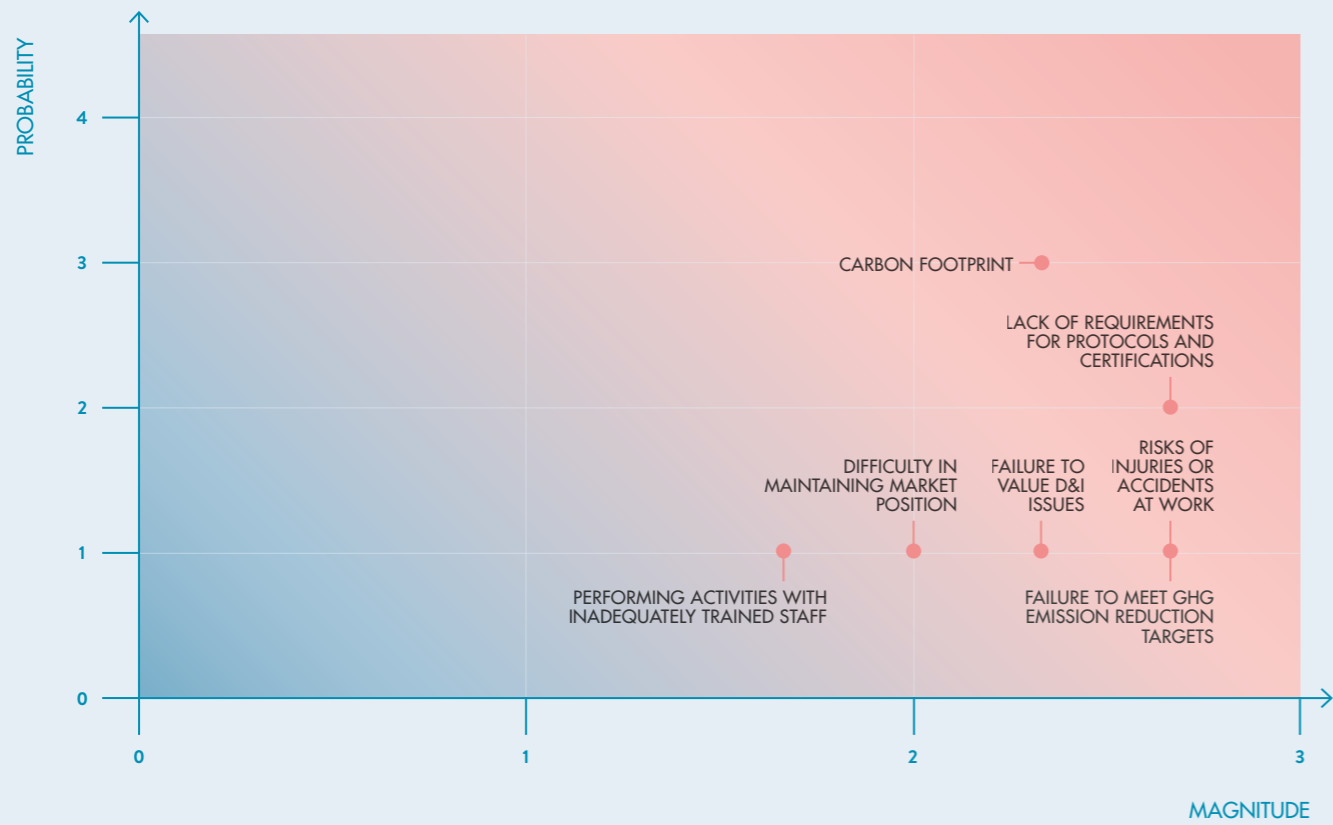
The following matrix allows the reader to understand the magnitude and the probability values connected with the individual potential positive impacts (blue bars in the chart above) of the organization.

POTENTIAL POSITIVE IMPACTS - SUBLITEX



Instead, the following matrix allows the reader to understand the magnitude and probability values associated with the individual potential negative impacts (pink bars in the graph above) of the organization.

POTENTIAL NEGATIVE IMPACTS - SUBLITEX



2.4

Outside-in approach

2.4.1 FINANCIAL RISK AND OPPORTUNITIES

In order to further approach CSRD criteria, Sublitex conducted an analysis that is not limited to the impacts generated by the company, but also considers those suffered, following an "outside-in" perspective. In this context, **financial risks and opportunities** related to sustainability, declined in the three ESG spheres, were identified.

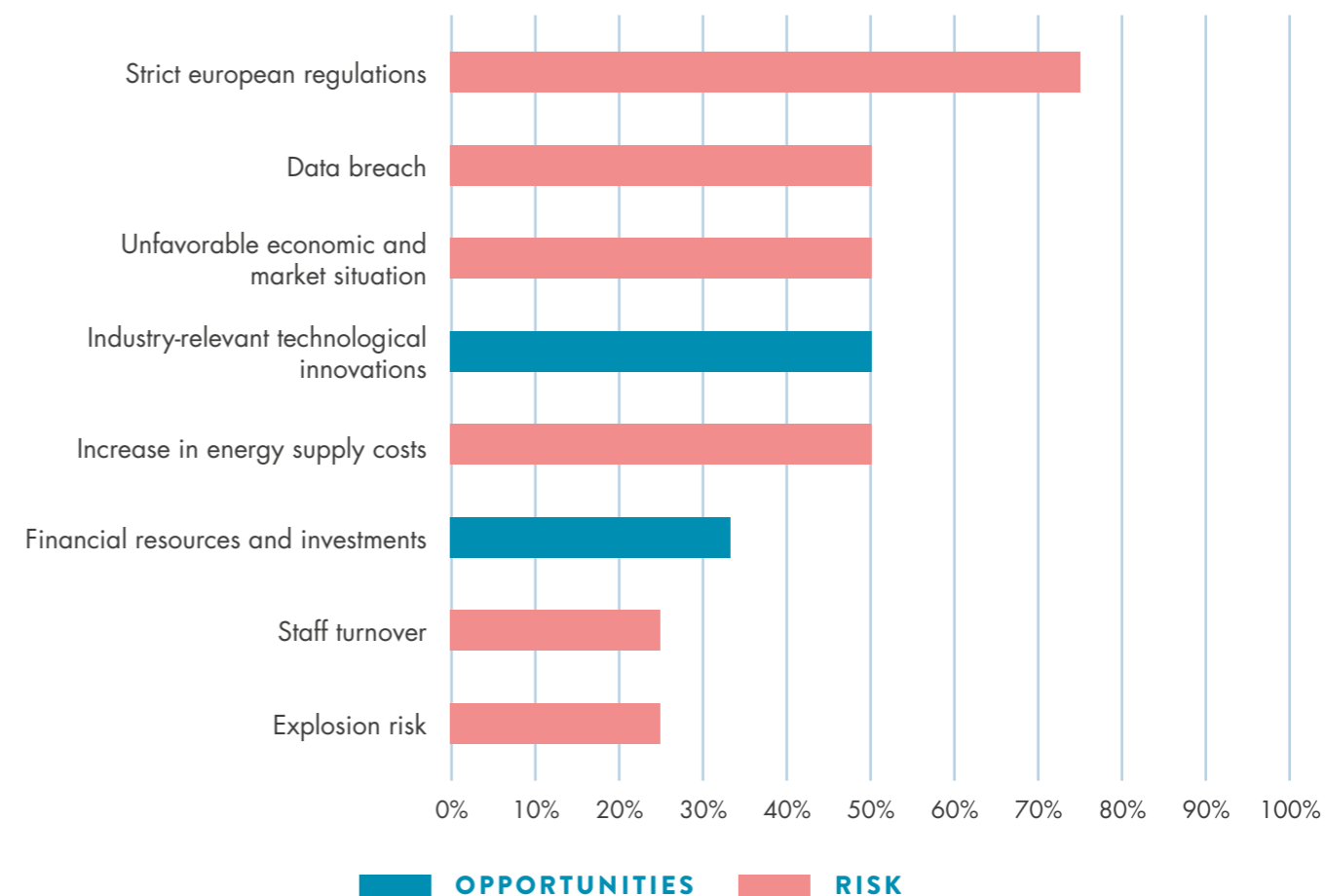
Since Sublitex operates in a complex and dynamic environment, subject to external events that can affect its financial performance, the company has recognized the importance of anticipating and qualitatively monitoring these effects. Therefore, some of these financial factors have been included in this Sustainability Report, and in the coming years Sublitex is committed to expanding the analysis.

Similar to actual and potential impacts, risks are shown in pink and opportunities in blue. In parallel with the impacts, the length of the bars reflects the significance/relevance of the risks and opportunities for Sublitex. Two opportunities have been identified, which can bring financial benefits to the company: the study and the adoption of industry-relevant technological innovations and the possibility of making targeted investments through the support of the Miroglio Group.

On the other hand, the main risk comes from the fact that European climate change regulations, if particularly stringent, could lead to increased supply chain costs.

Additional risks are related to data breach (loss of data), unfavourable contingent economic and market situation, potential increase in energy supply costs, staff turnover, and explosion risk due to the use of solvents in the production process.

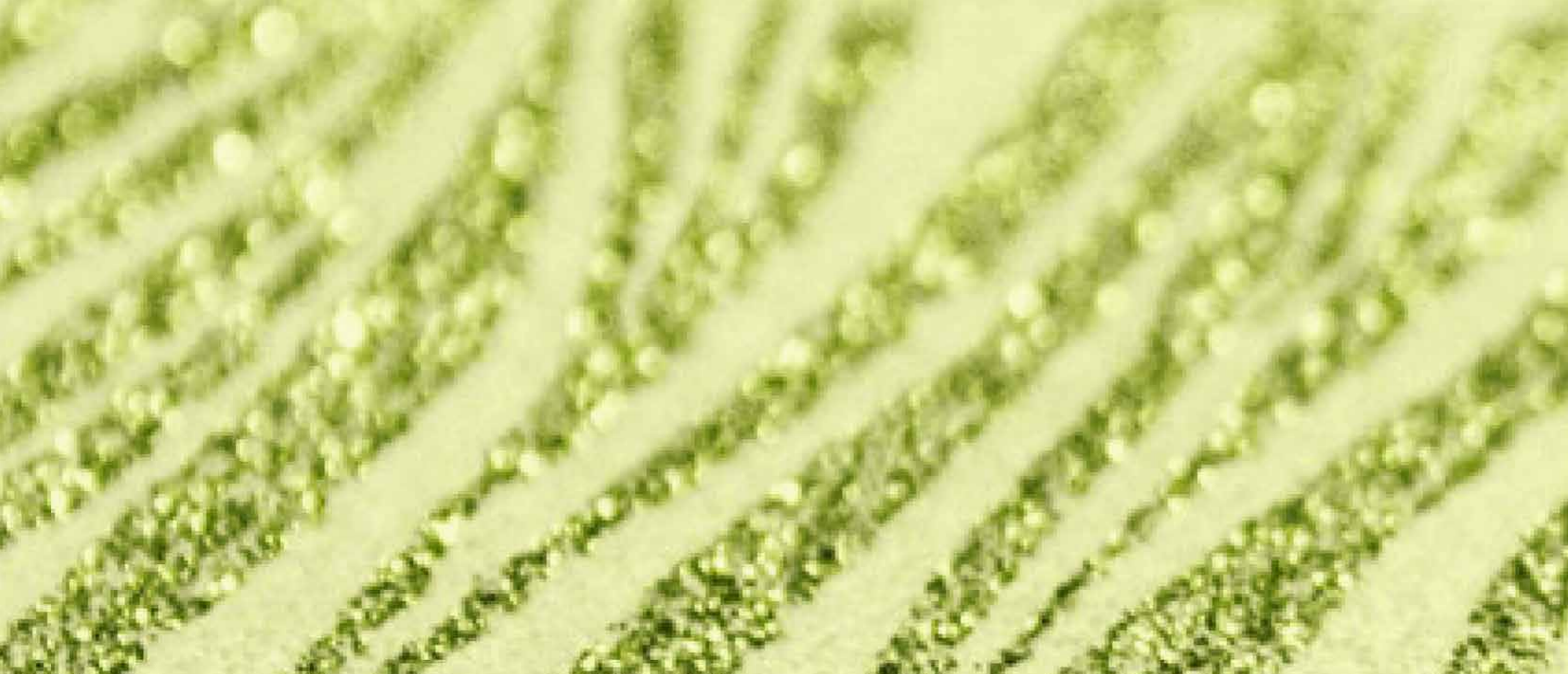
RISK AND OPPORTUNITIES



The matrix below provides an understanding of the magnitude and probability values associated with the financial risks and opportunities identified by the organization.

RISK AND OPPORTUNITIES - SUBLITEX





3.

Environment Sphere

Sublitex promotes a model of sustainable and responsible development. With a constant focus on sustainability, Sublitex is committed to combining production needs with a respectful and balanced management of natural resources, as demonstrated by the numerous certifications obtained.

Sublitex's environmental sustainability mission firmly

embraces the principles of the **circular** economy, aiming to reduce production waste and recycle finished product scraps.



HIGHLIGHTS:

- **Interventions to improve efficiency and reduce energy consumption**
 - **Savings of over 300 tCO₂eq. thanks to the efficiency measures implemented so far**
- **Installation of plants for the production of energy from renewable sources**
- **Water-free and energy-saving printing technologies**
- **Responsible waste management, promoting recycling and reuse**
- **Preference for the use of raw materials with low environmental impact, traceable and certified**
- **Reduction of environmental impact through the adoption of innovative production techniques and advanced management processes**

In addition, Sublitex has certified its environmental management system according to the standard **UNI EN ISO 14001**, collaborates with the Better Cotton, an international organization aimed at promoting increasingly sustainable cotton production through the training of producing communities and with Lenzing for the use of certified and sustainable viscose fibers. It has moreover obtained the **Global Recycle Standard** certification for the printing of recycled polyester fabric and is certified Bluesign system partner.

Sublitex supports the ZDHC protocol, an international program aimed at focusing on the principles of transparency and management of chemicals according to an integrated approach of prevention and precaution and adopts the *4sustainability Chemical management* protocol.

3.1

Energy and energy efficiency

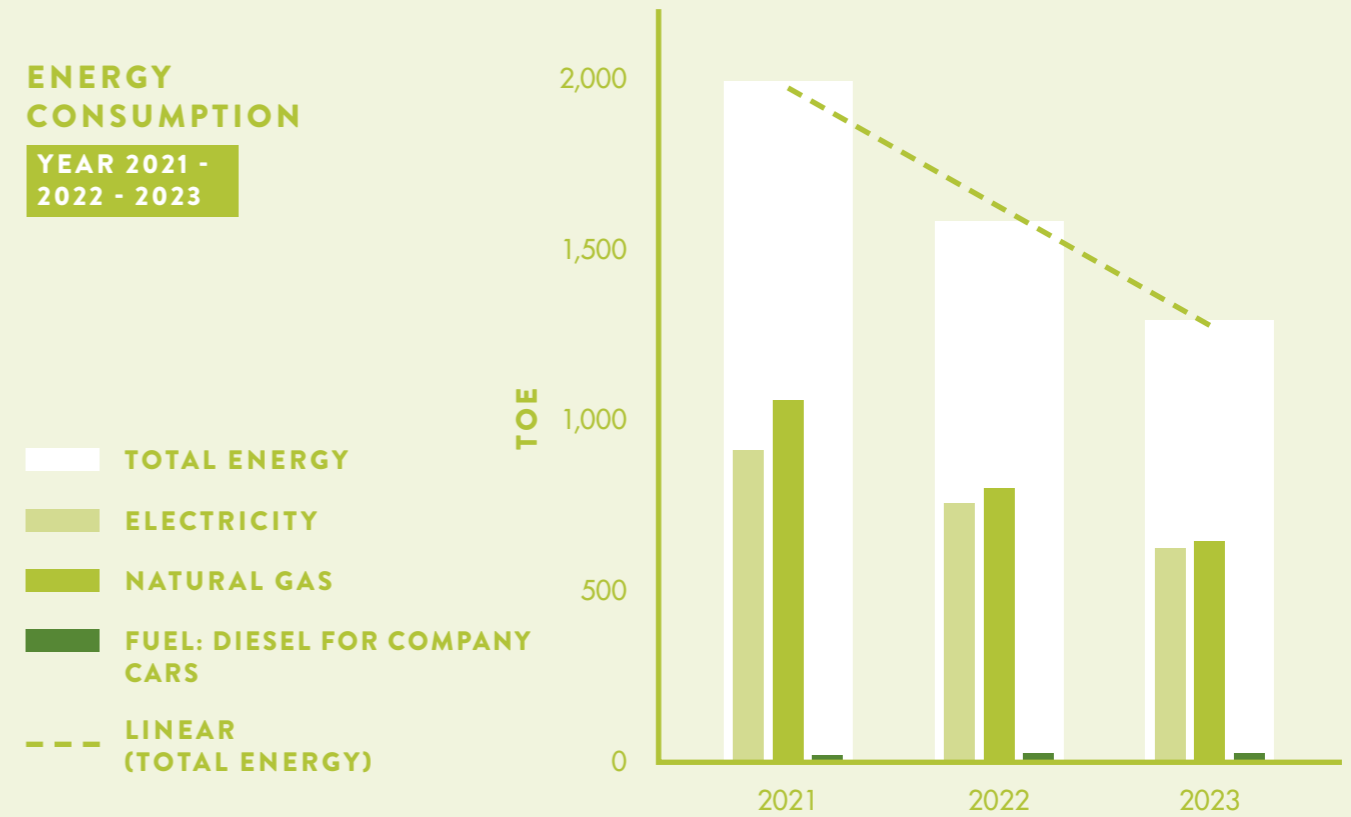


AS FAR AS ENERGY CONSUMPTION IS CONCERNED, THE TREND RECORDED IN THE LAST THREE YEARS SHOWS A SUBSTANTIAL DECLINE (-35%), DRIVEN EQUALLY BY THE TWO MAIN ENERGY VECTORS, NATURAL GAS AND ELECTRICITY.

In 2023, Sublitex reduced its consumption by a total of about 300 toe (tons of oil equivalent) compared to the previous year.

As shown in the graph, in which consumption has been reported in toe to ensure comparability, diesel for the company fleet maintains a marginal share of the total company energy needs for the three-year period considered.

ENERGY CONSUMPTION
YEAR 2021 - 2022 - 2023



Sublitex's focus on energy efficiency, also demonstrated by the trend of its energy performance over the three-year period, is reflected not only in a reduction in absolute consumption, but also in specific consumption per unit of production, achieved by relating the tons of oil equivalent (toe) consumed to the linear meters of fabric produced. The latter, as shown in the chart below, recorded a reduction of 12% between 2021 and 2022, continuing to decline, albeit to a lesser extent (-3%), during 2023.



3.2

Emissions into the atmosphere



Sublitex is committed to monitoring and mitigating the impact of its greenhouse gas emissions, as shown by actions such as the calculation and monitoring of the corporate's carbon footprint (2022) and the implementation of the energy efficiency plan developed as a result of the analysis.

For the purposes of calculating and comparing the organization's GHG emissions over multiple years, scope 1 (direct emissions) and 2 (indirect emissions for imported energy) were taken into account in 2023¹.

¹Specifically, the location-based scenario was adopted for the analysis, i.e. based on the emission factor deriving from the national energy mix.

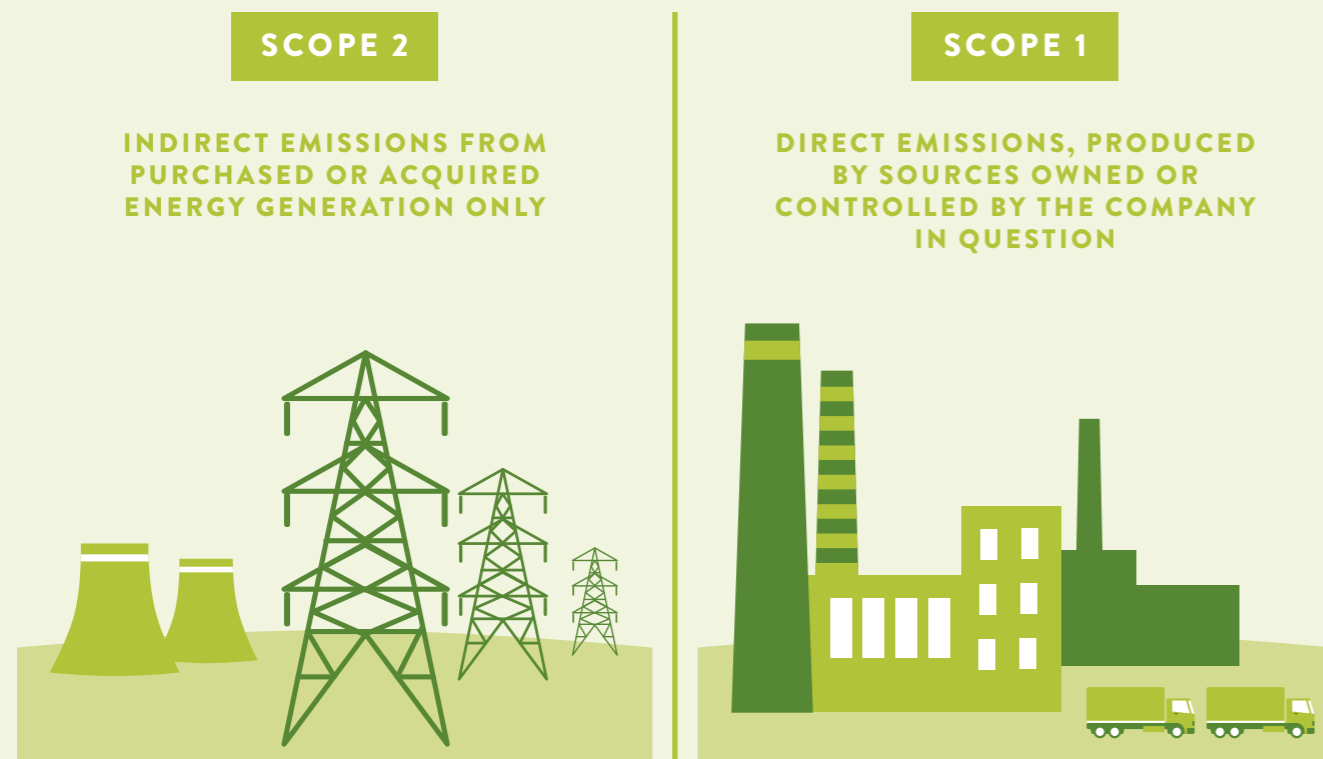
Scope 1 includes all direct emissions, i.e. generated by the combustion processes of natural gas, which is the most impactful energy carrier for Sublitex, and by the fuels of company vehicles (diesel). In addition to this value, there are also F-gas losses recorded in the years analysed; in the case of Sublitex, R407C gas leaks were recorded in 2022 (14.33 tCO₂eq.) and 2023 (5.72 tCO₂eq.).

In 2023, the overall result of scope 1 emissions was approximately 1,617.89 tCO₂eq., of which 95% related to the use of natural gas, 4.5% deriving from diesel and the

remaining part attributable to the loss of F-gas.

Scope 2 emissions, on the other hand, refers to indirect emissions for imported energy. Within the analysis carried out for the organization, the only item considered to belong to this category is that relating to electricity taken from the national grid, which in 2023 amounted to 3,336 MWh, which corresponds to 931 tCO₂eq.

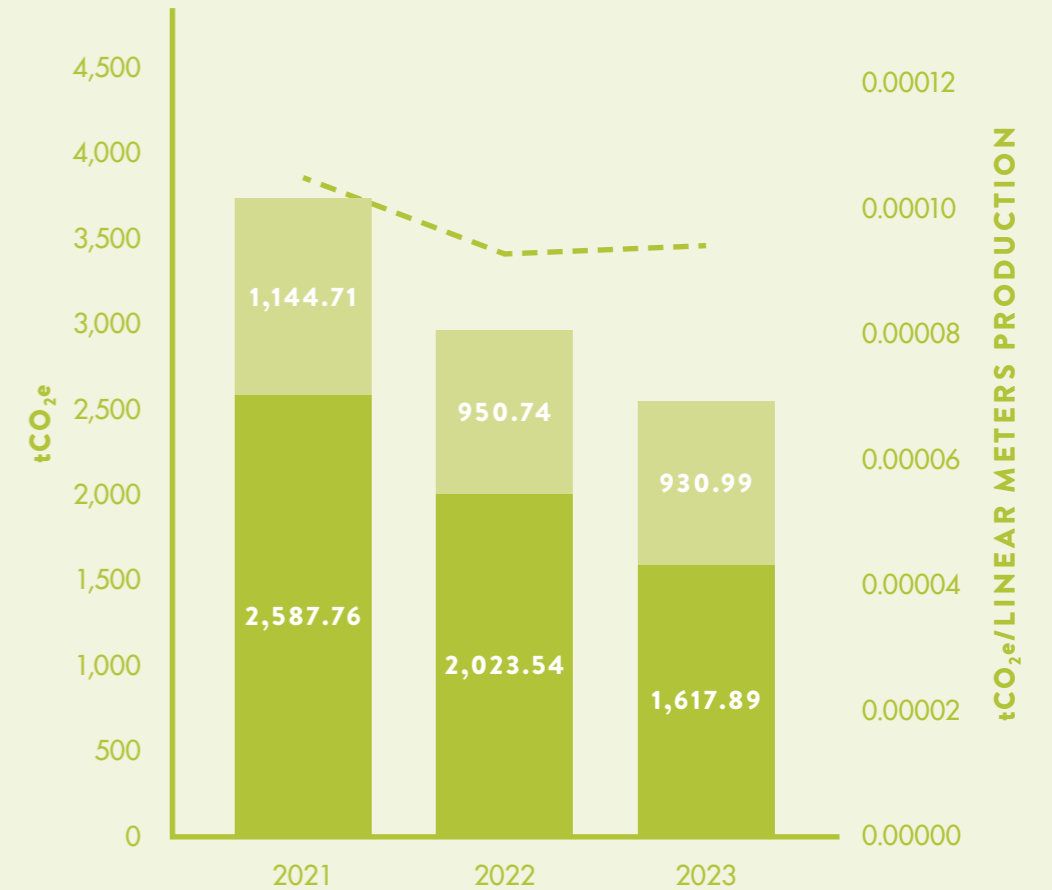
Overall, in 2023, scope 1 and 2 emissions amounted to 2,548.88 tCO₂eq.



GHG EMISSIONS (LOCATION-BASED)

YEAR 2021 - 2022 - 2023

- INDIRECT EMISSIONS FOR IMPORTED ENERGY (SCOPE 2) - LOCATION-BASED
- DIRECT EMISSIONS (SCOPE 1)
- - - TOTAL EMISSIONS COMPARED TO PRODUCTION



Sublitex has calculated the GHG emissions referred to categories 1 and 2 starting from 2021 which, as indicated in the graph above, constitutes the base year for the organization. From the comparison, it can be noted that the company's GHG emissions are following a downward trend. Between 2021 and 2023, in fact, there was a decrease in emissions both in absolute terms (-31%) and in relative terms compared to production (-10%).

On the other hand, comparing the year 2022 with 2023, it can be seen that absolute emissions have decreased (-14%), while specific emissions compared to production (dotted line) have remained almost constant.

3.3

Energy efficiency and emission reduction interventions

Sublitex has implemented an energy efficiency plan to optimize energy consumption and simultaneously reduce greenhouse gas emissions into the atmosphere, aiming to limit its own emission contribution.

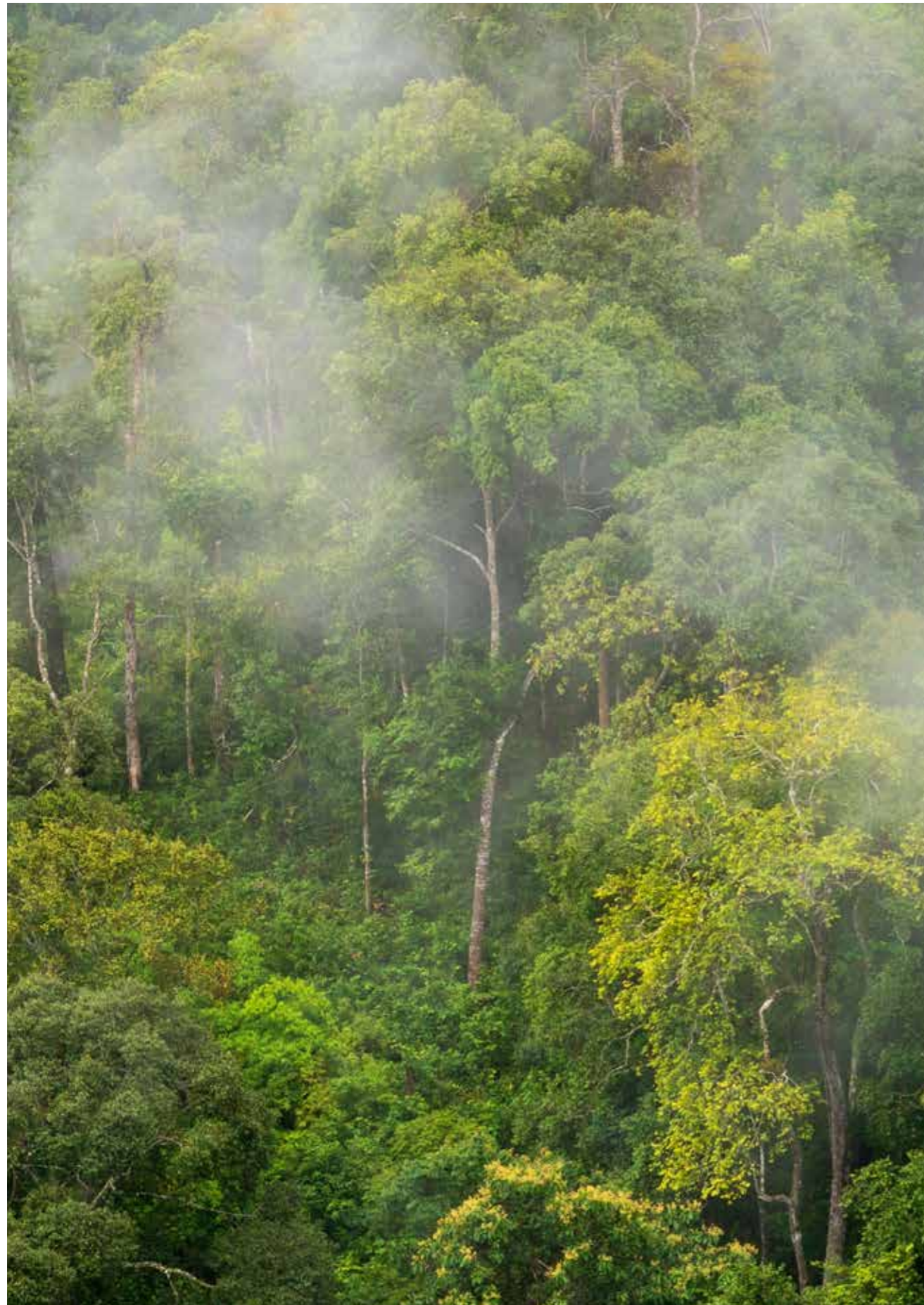
In 2023, the measures taken include:

- **The installation of an *Energy Management Software* to monitor consumption and generate performance indicators**
- **The nighttime shutdown of certain process boilers and plants that were previously kept running or on standby**
- **The gradual reduction of operating temperatures for some process boilers to optimize methane gas consumption**
- **Optimization of the fume extraction and aspiration systems produced by production processes**
- **Reduction of air conditioning and humidification systems for machinery, focusing on climatizing only the sensitive parts of the machinery.**

These measures are estimated to result in savings of approximately 135,000 Sm³ of thermal energy and 120 MWh of electric energy, equivalent to around 300 tCO₂eq per year².

As noted in the impacts analysis, the dependence on fossil fuels exposes Sublitex to the risk of potential market fluctuations in the supply costs of energy carriers. For this reason, in addition to defining a medium- and long-term strategy for the procurement of energy carriers, the company has also decided to invest in the installation of a photovoltaic system with a capacity of 860 kWp (620 kW on the ground and 240 kW on a canopy). This installation, expected to be completed in 2024, should enable the company to self-produce about a third of its electricity consumption (1,095 MWh), with an expected savings of over 305 tCO₂eq.

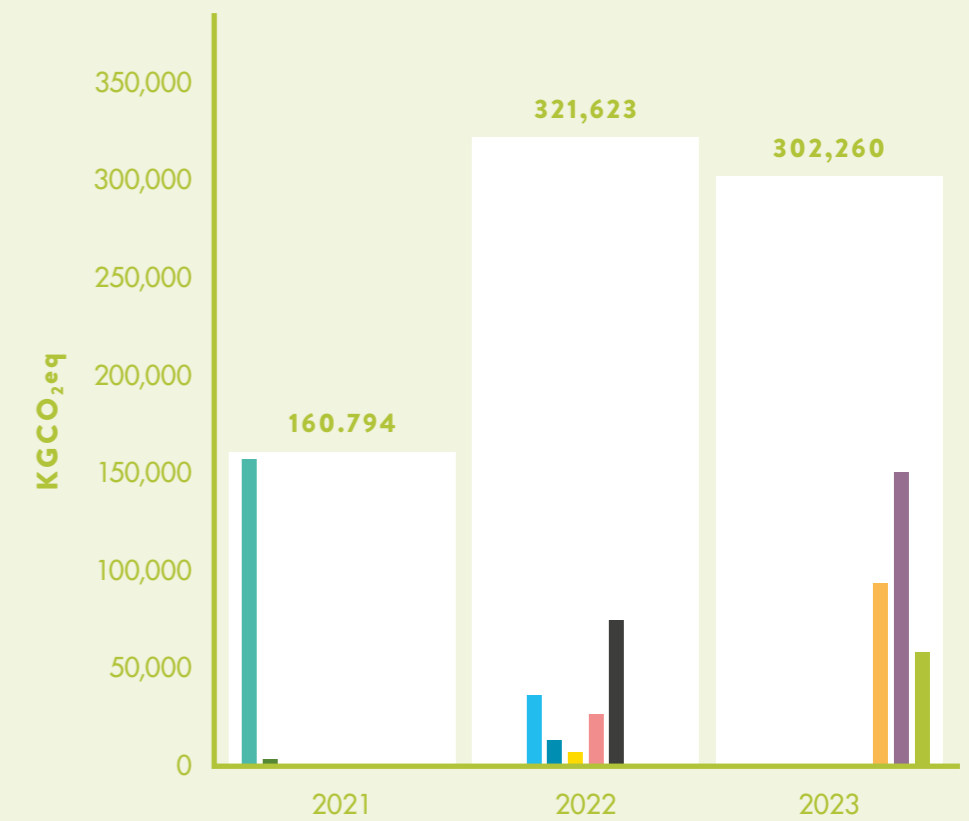
² Emission Factor related to natural gas: from ISPRA – ETS 2023
Emission Factor related to electricity: from Ecoinvent v.3.10 – Italian scenario, medium voltage.



CO₂ EMISSIONS REDUCTION

YEAR 2021 - 2022 - 2023

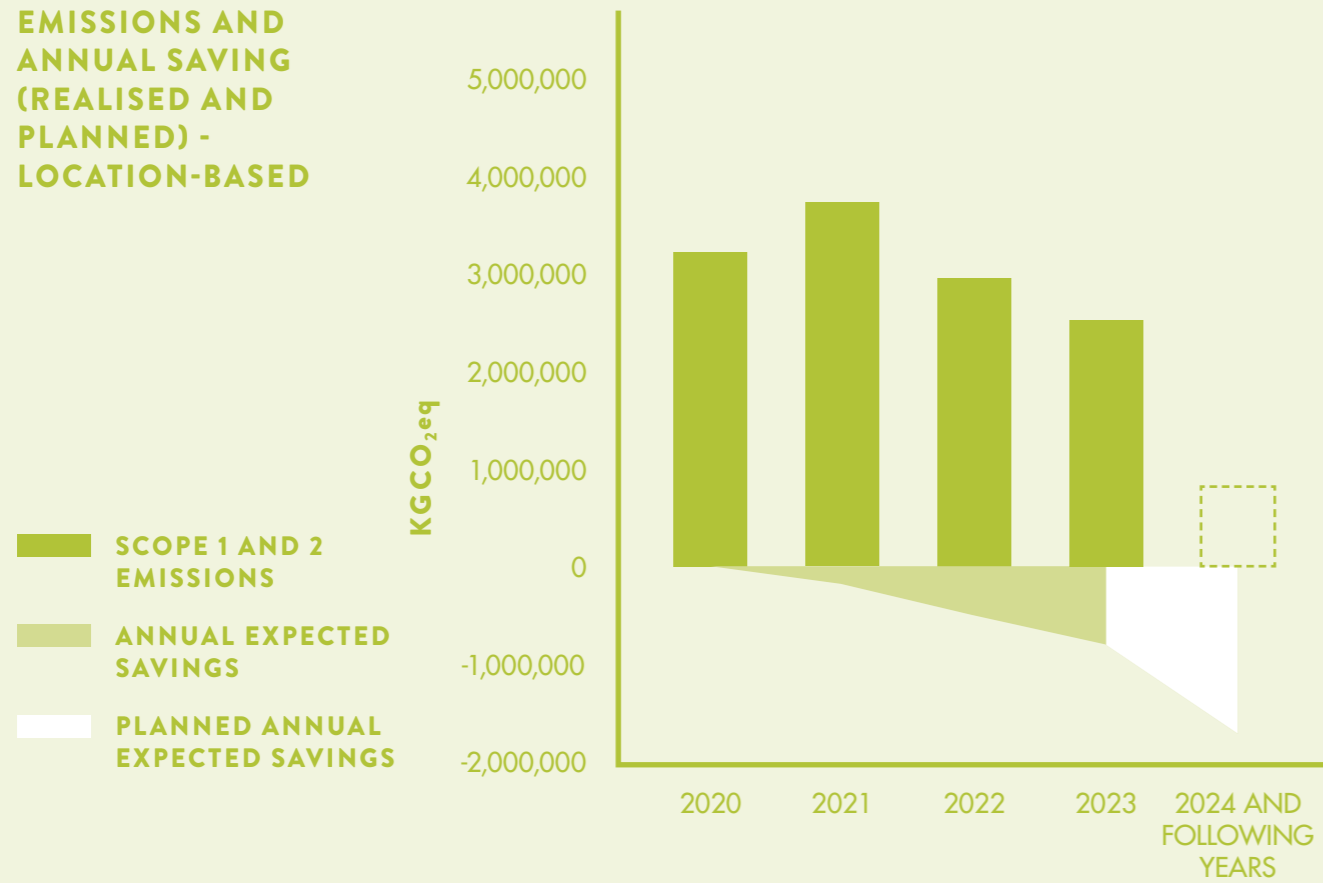
- TOTAL
- TIMER LIGHT IN BATHROOMS
- COMPRESSED AIR LEAKS REDUCTION
- WAREHOUSE SECTORIZATION
- ENERGY MANAGEMENT SOFTWARE
- THERMAL OIL TEMPERATURE REDUCTION
- INSULATION OF DIATHERMIC OIL VALVES AND PUMPS
- RELAMPING (LED)
- REFRIGERATION UNIT
- INTERNAL AIR CONDITIONING IN LARIO
- OIL BOILER NIGHT SWITCH-OFF AND OTR



The efficiency plan also includes, for 2024, the replacement of the current chiller used for office air conditioning with a high-efficiency heat pump. At the same time, two boilers, currently oversized for the company's requirements, will be replaced and calibrated to actual consumption levels.

The short- to medium-term improvements resulting from the projects included in Sublitex’s environmental efficiency plan are illustrated in the figure below.

EMISSIONS AND ANNUAL SAVING (REALISED AND PLANNED) - LOCATION-BASED



3.4 Water consumption



AS HIGHLIGHTED BY THE MATERIALITY ANALYSIS, WATER CONSUMPTION IS A CRUCIAL ISSUE FOR SUBLITEX, CLOSELY LINKED TO ITS BUSINESS ACTIVITIES.

Following an efficiency intervention, the organisation has managed to drastically reduce its water consumption: the rotogravure and digital printing processes now use completely water free technologies for transferring designs from paper to fabric. This has resulted in an 88% reduction in water consumption over the three-year period from 2021 to 2023.

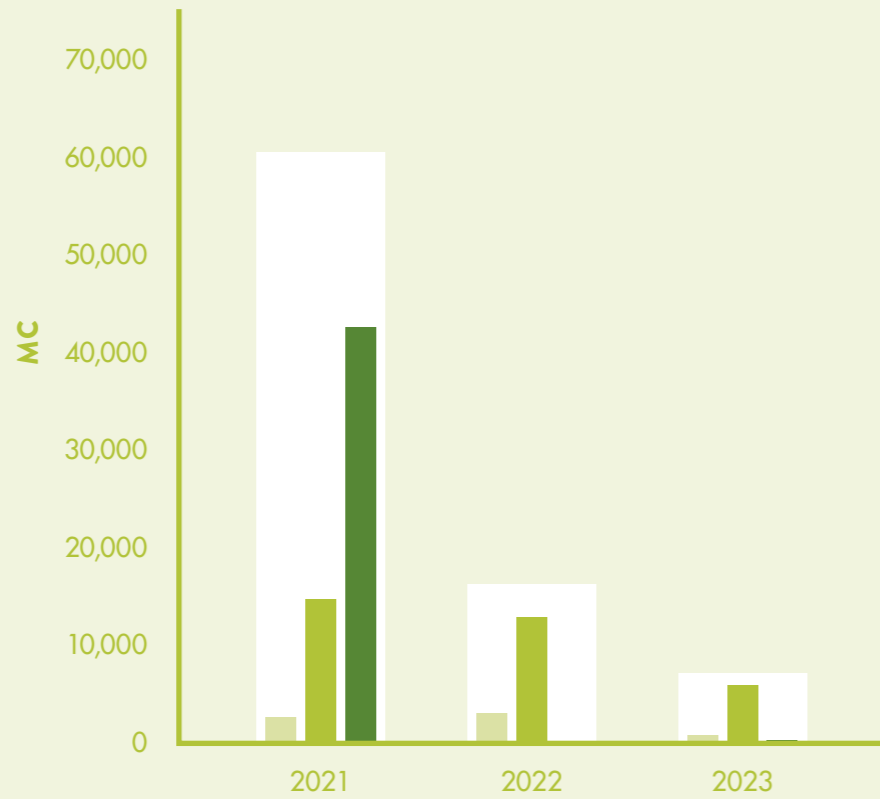
A significant portion of this saving comes from the installation of a chiller (completed in 2022) to prevent the overheating of the plants, contributing to an annual saving of approximately 34,500 cubic metres of water. The specific water consumption, measured per linear metre of fabric produced, also saw a substantial decrease (-47%) compared to 2022.

For 2024, Sublitex has planned further efficiency measures aimed at reducing water waste associated with production processes even further.

WATER CONSUMPTION

YEAR 2021 - 2022 - 2023

- WATER WITHDRAWAL
- OF WHICH FROM AQUEDUCTS
- OF WHICH FROM WELL (INDUSTRIAL WATER)
- OF WHICH FROM INNER WELL (INDUSTRIAL WATER)

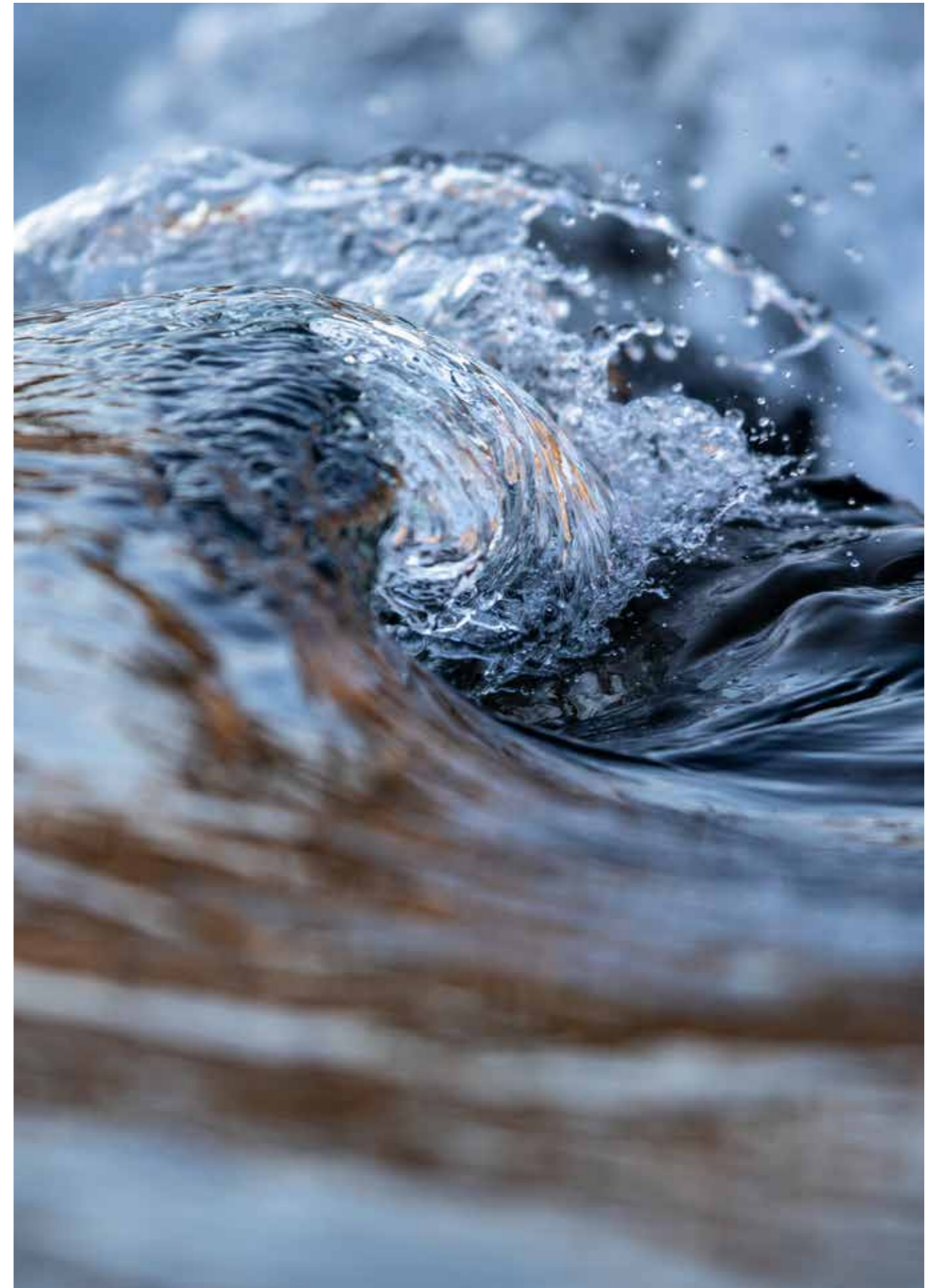
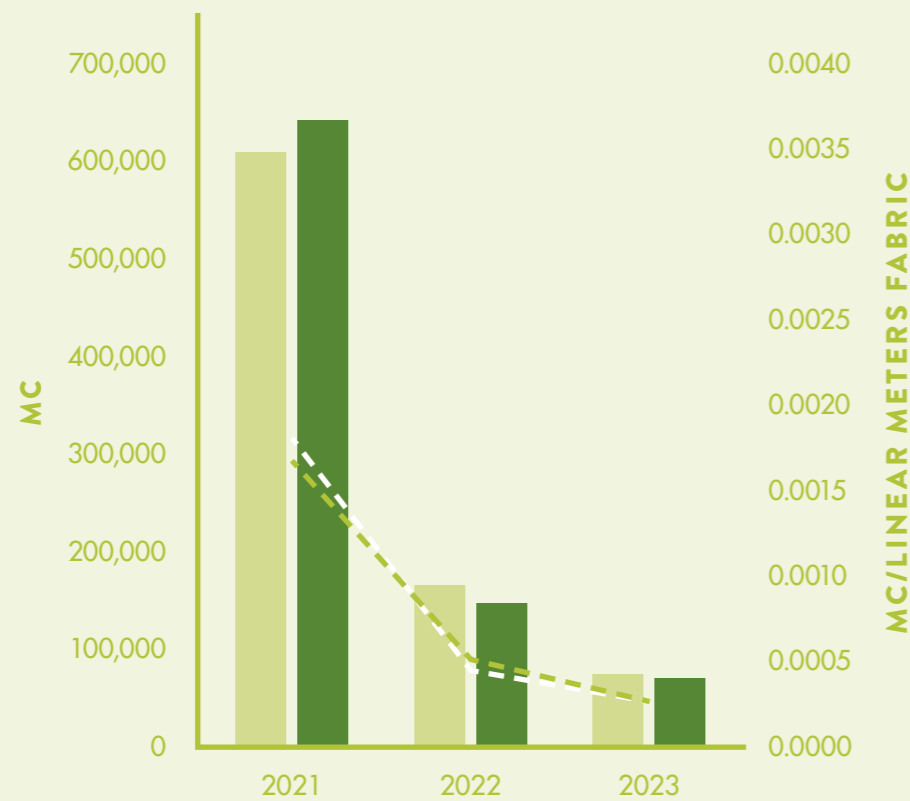


At the same time, Sublitex has invested in the optimisation of water discharges, which to date are conveyed into the public sewerage system in compliance with Legislative Decree 152/06. In this context, there is a significant drop between 2022 and 2023, both in absolute terms (-53%) and with respect to production (-44%).

WATER CONSUMPTION AND DISCHARGE

YEAR 2021 - 2022 - 2023

- WATER WITHDRAWAL
- WATER DISCHARGES
- SPECIFIC WATER CONSUMPTION
- SPECIFIC WATER DISCHARGES



3.5

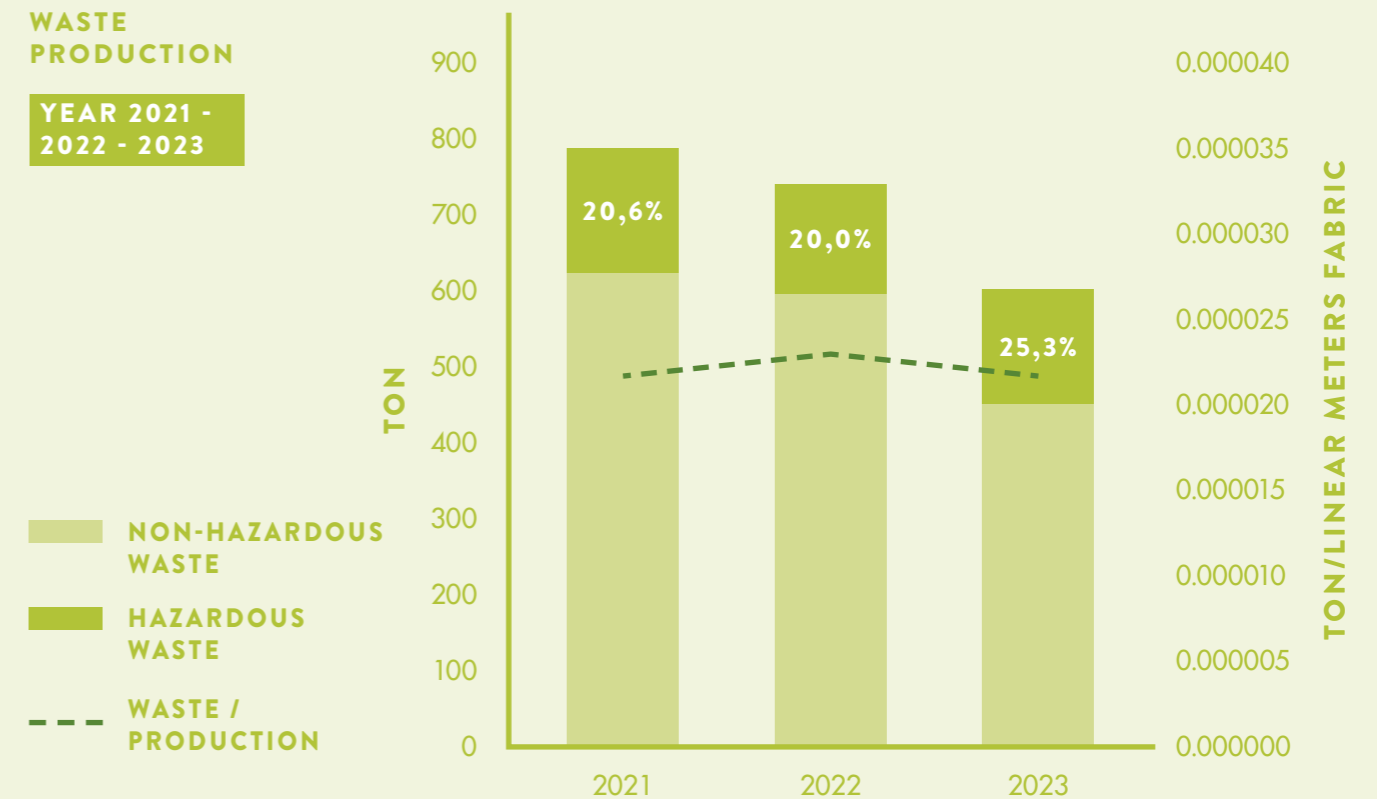
Waste management



Sublitex is committed to managing and treating its waste correctly and responsibly, favouring solutions aimed, on the one hand, at reducing its upstream production and, on the other hand, at increasing internal and downstream reuse and recycling practices. In 2023, the company generated around 600 tonnes of waste, achieving a 20% reduction compared to the previous year. It should be noted, however, that this result appears to be partially influenced by a reduction in production volumes (approximately -15% between 2022 and 2023).



If we compare waste with production (expressed in linear metres of fabric produced) in the same year, however, there is a 4% reduction in waste production (graph below).



Regarding the distinction between hazardous and non-hazardous waste, the fraction of hazardous waste was constant in 2021 and 2022, at around 20%, while the percentage ratio increased slightly in 2023, settling at a quarter of the total, although maintaining an absolute volume in line with the one of previous years (around 150 t/year).

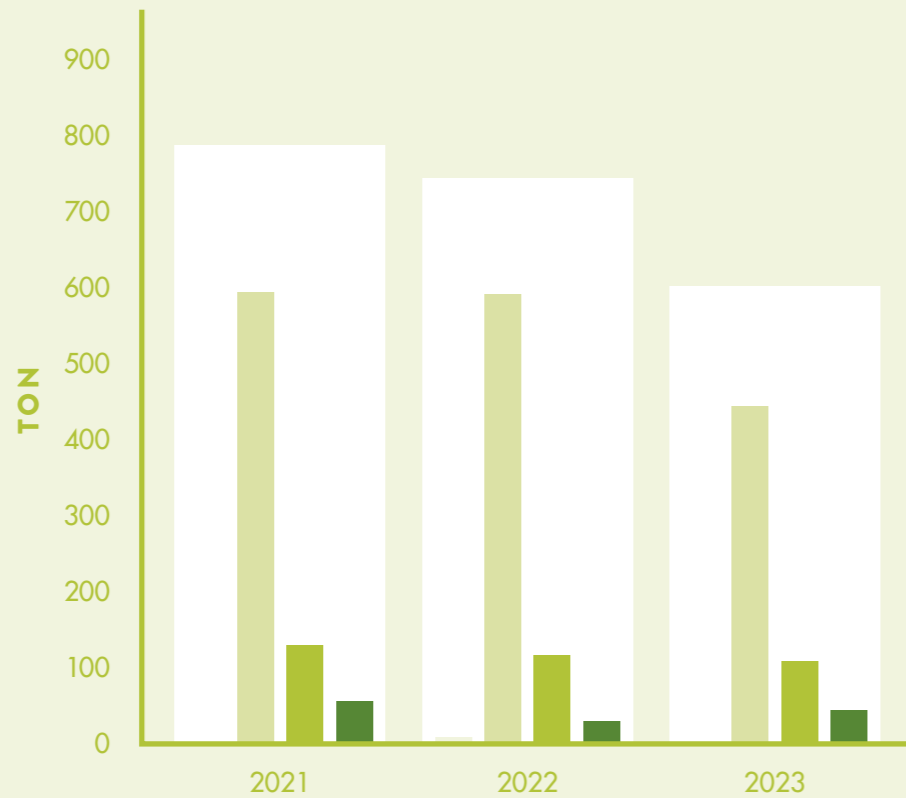
As far as the destination and end-of-life of waste are concerned, Sublitex has recovered and reused 76% of the waste produced in the last three years, among which there are approximately 230 tonnes of paper sent for recycling that is correctly treated and transformed into new reels of paper.

The percentage of waste sent for incineration increased slightly to 18% in 2023, although it decreased in absolute terms. Waste sent for disposal stood at around 7% of the total waste produced, slightly increasing compared to 2022 (45 tonnes in 2023 vs. 29 tonnes in 2022).

GENERATED WASTE AND DESTINATION

YEAR 2021 - 2022 - 2023

- GENERATED WASTE
- WASTE SENT FOR REUSE
- WASTE SENT FOR RECOVERY
- WASTE SENT FOR INCINERATION
- WASTE SENT FOR DISPOSAL



3.6

Sustainability of raw materials, materials and circular economy



Thanks to its ability to provide high standard products, Sublitex has certified its quality management system to the UNI EN ISO 9001 standard.

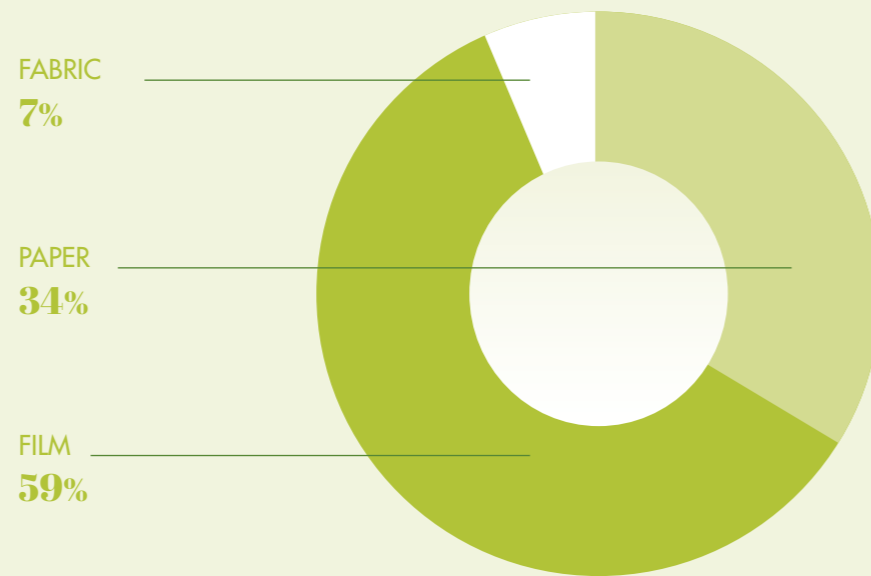
Among the many initiatives implemented by the organisation over the years it is possible to count:

- Use of certified dyes that are free of hazardous substances and do not contain allergens
- Recycling of inks used in the rotogravure printing production process

- Collection of transfer-printed fabrics that are completely recycled and reusable to produce new garments
- Reuse of printing cylinders to produce new designs
- Reduction of ink waste by 'just in time' processing
- Use of paper from FSC®-certified mills

The graph below shows the breakdown (by weight) of materials processed in 2023 by the company. Sublitex's main processing material is sublimation and laminating films, which are used in the Architectural division for the decoration of metal and non-metal surfaces, indoors or outdoors. Some of the printed polyester fabric (non-coloured fabrics and printed fabrics) received the Global Recycled Standard (GRS) certification in 2023, which recognises products made from recycled materials in compliance with environmental and social criteria extended to all stages of the textile supply chain.

RAW MATERIAL PROCESSED (TON)
YEAR 2023



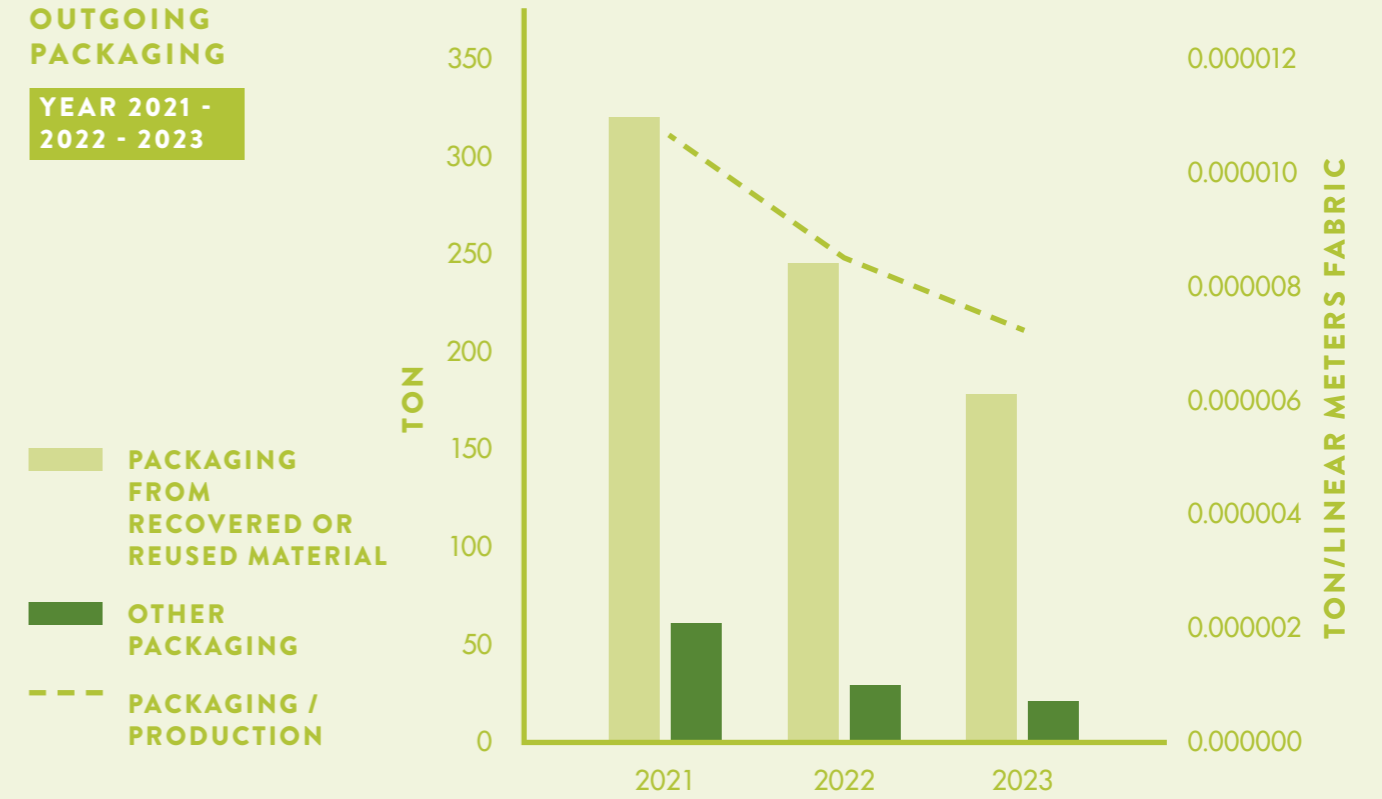
The company confirms its high attention to circularity issues also with regard to its packaging: to date, 90% of the packaging used comes from recycled and recovered materials. The residual fraction of packaging, i.e. the one that does not come from recovery and/or reuse, has undergone a reduction of around 30% between 2022 and 2023, demonstrating the preference given by Sublitex to materials coming from recovery chains.

Over the past three years, Sublitex has also maintained a constant commitment to monitoring the quantities of its packaging output, which in 2023 decreased by 28% in

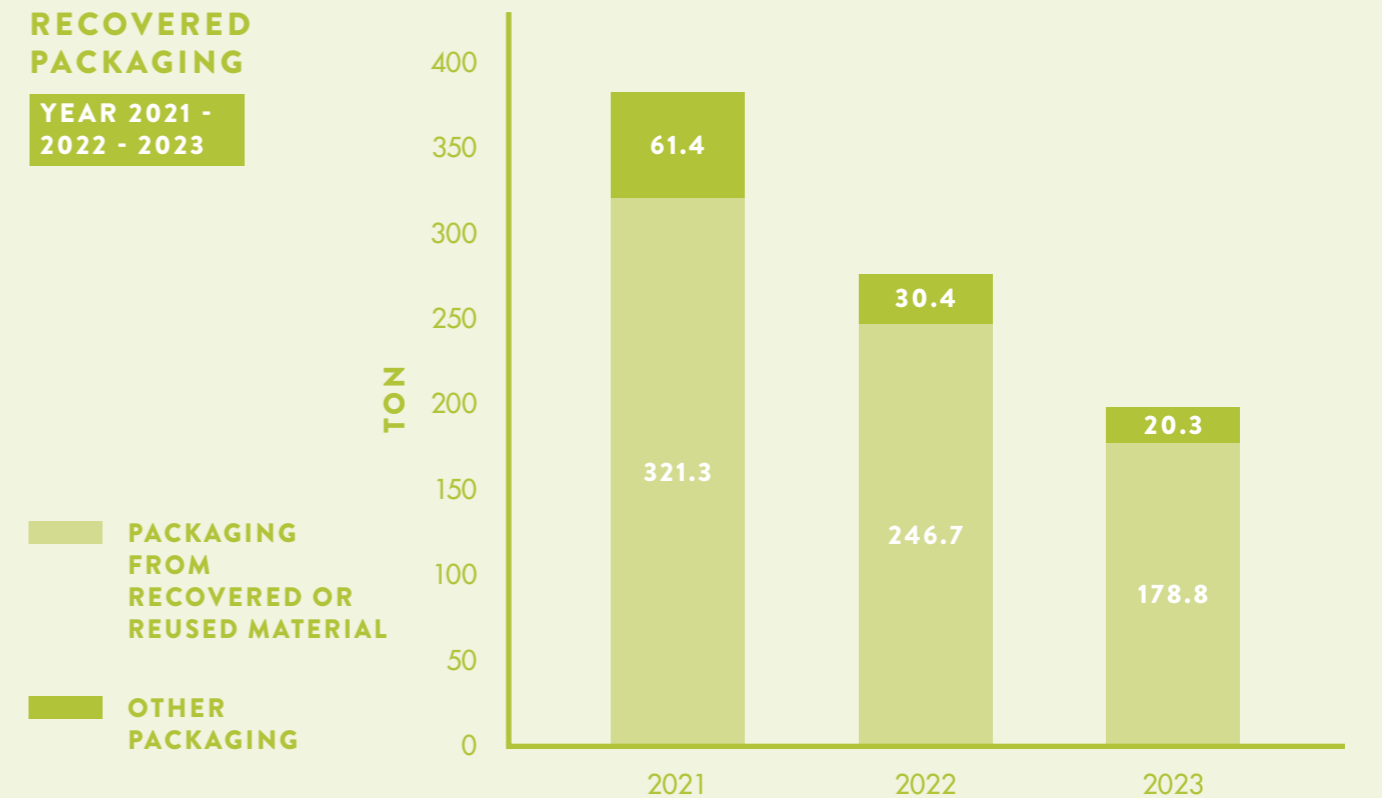
absolute terms compared to the previous year, and by 15% in relation to production.

As part of its drive for continuous improvement and reduction of environmental impact, the organisation is also studying the use of new products and techniques to meet market demands. One of the main ongoing projects, for example, concerns the replacement of solvent-based products with water-based ones.

OUTGOING PACKAGING
YEAR 2021 - 2022 - 2023



RECOVERED PACKAGING
YEAR 2021 - 2022 - 2023





4.

**Social
Sphere**

Sublitex considers social sustainability to be its responsibility towards stakeholders and makes it a key element of its business. For this reason, it actively promotes respect for workers' rights, aligning with the main conventions of the **International Labour Organization (ILO)** and the principles of the United Nations Universal Declaration of Human Rights.

HIGHLIGHTS:

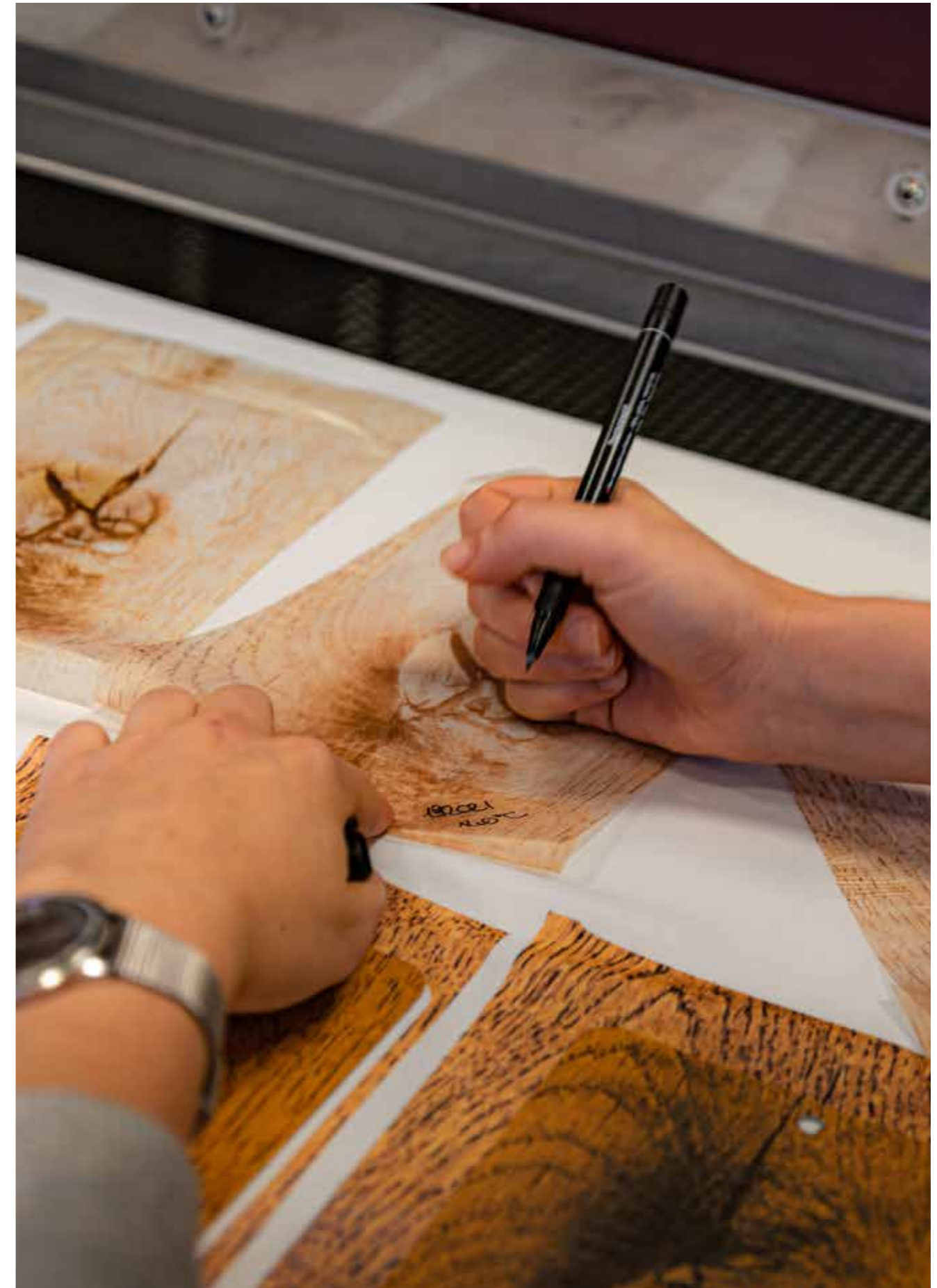
- **0 work-related injuries in 2022 and 2023**
- **Decrease of the turnover by 3.7% in the three-year period 2021-2023**
- **More than 2000 hours of training, 94% of which dedicated to IT skills**
- **100% of employees hired on permanent contracts**
- **100% of employees with access to corporate welfare**

In a forward-looking company, **people must be at the centre of every decision**, from values to leadership and policies and initiatives. People are the core of the Miroglio Group: regular dialogue with stakeholders, attention to the well-being and training of its workforce, and care for customers, demonstrated daily by the highest quality standards the company upholds, are just a few examples of this centrality.

For Sublitex, this means, first and foremost, listening to the needs of its people, striving every day to foster a corporate culture based on social responsibility and collective well-being.

This spirit is primarily reflected in the focus on individual and team growth through cutting-edge training programs and continuous professional development, as well as in the numerous welfare and work-life balance initiatives introduced. Equally crucial is customer focus: Sublitex is committed to earning and maintaining its customers' trust, aware that understanding their present and future needs is fundamental to its success. For this reason, the company places quality and safety of its products at the forefront, constantly investing in research and development (R&D) of innovative and increasingly sustainable solutions.

This chapter therefore highlights the company's commitment to promoting strong and inclusive relationships with employees and customers.



4.1

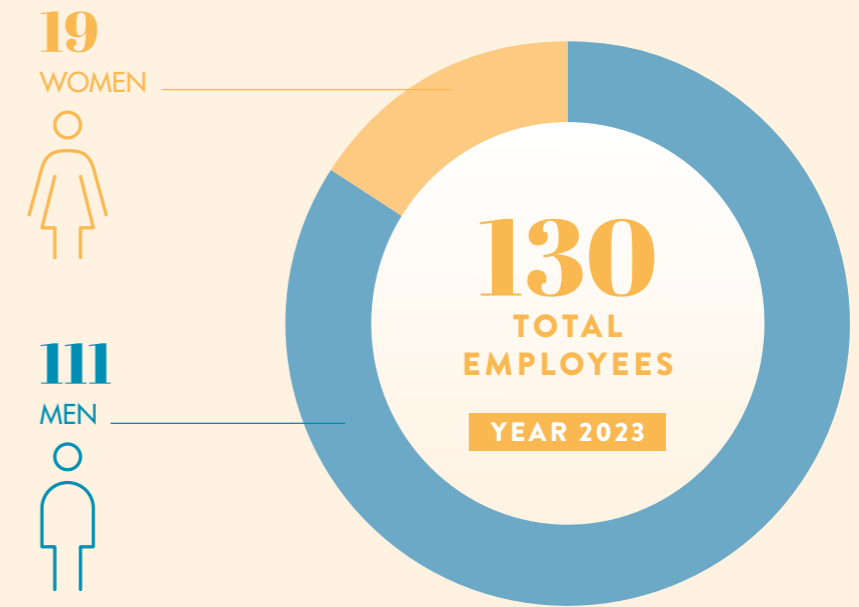
Our people



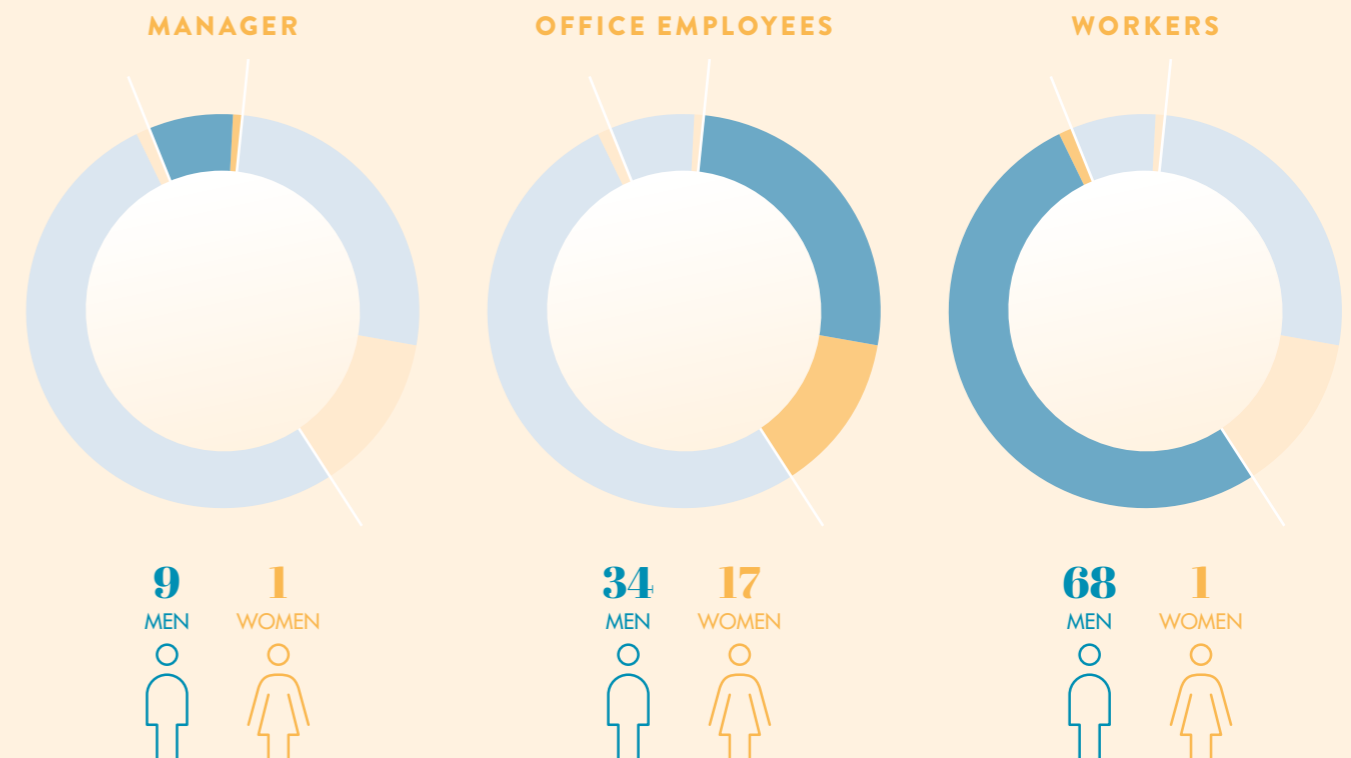
AT THE END OF 2023, THE TOTAL NUMBER OF EMPLOYEES WAS AROUND 130, DOWN 7% COMPARED TO 2022 (140). THERE WERE 2 NEW HIRES IN 2023, WHILE THE NUMBER OF EXITS WAS 12, OF WHICH 4 WERE DUE TO RETIREMENT.



100%
OF EMPLOYEES
IS HIRED WITH
PERMANENT
CONTRACTS
YEAR 2023

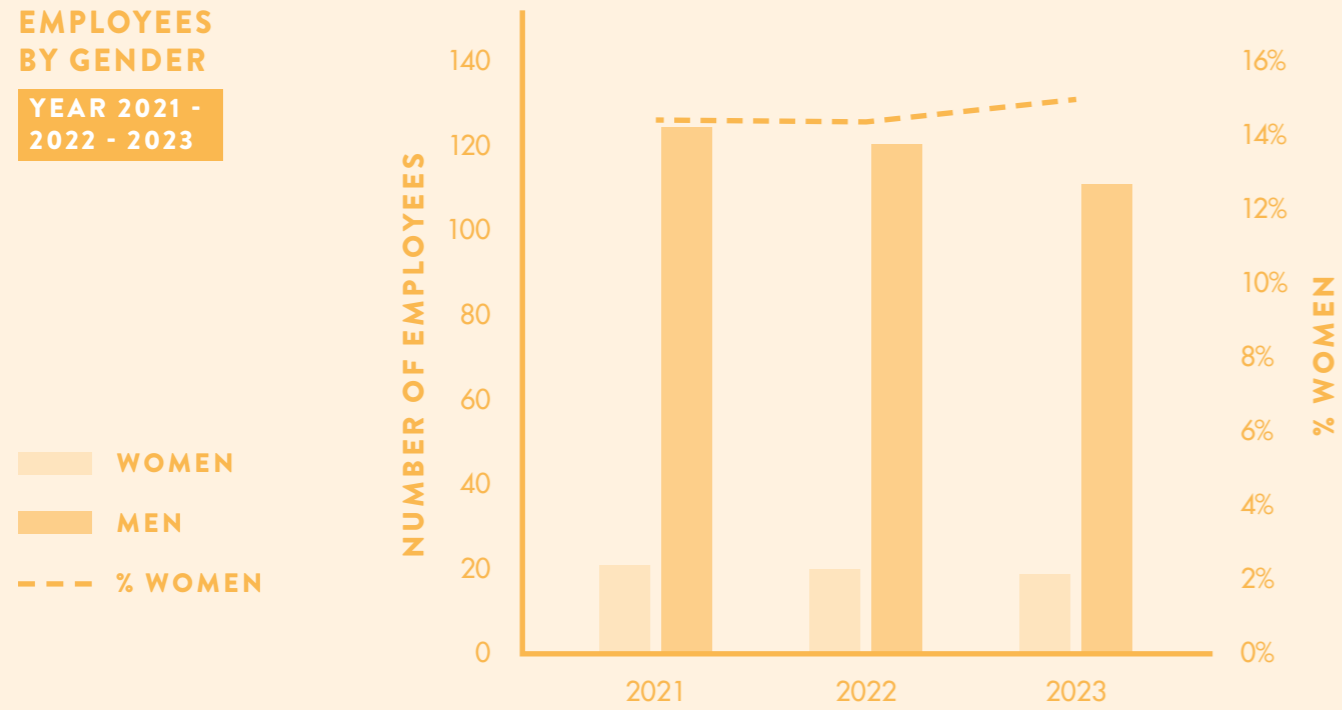


EMPLOYEES BY TYPE OF JOB POSITION YEAR 2023



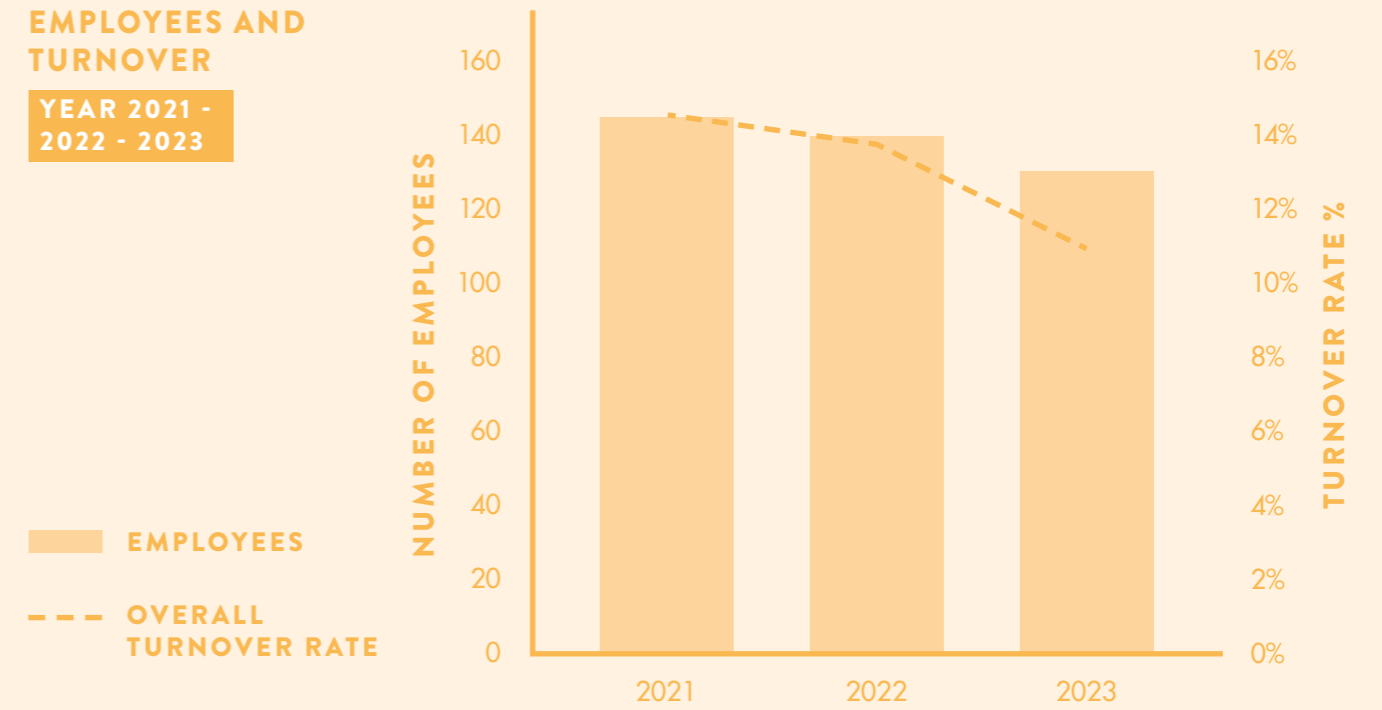
EMPLOYEES BY GENDER

YEAR 2021 - 2022 - 2023



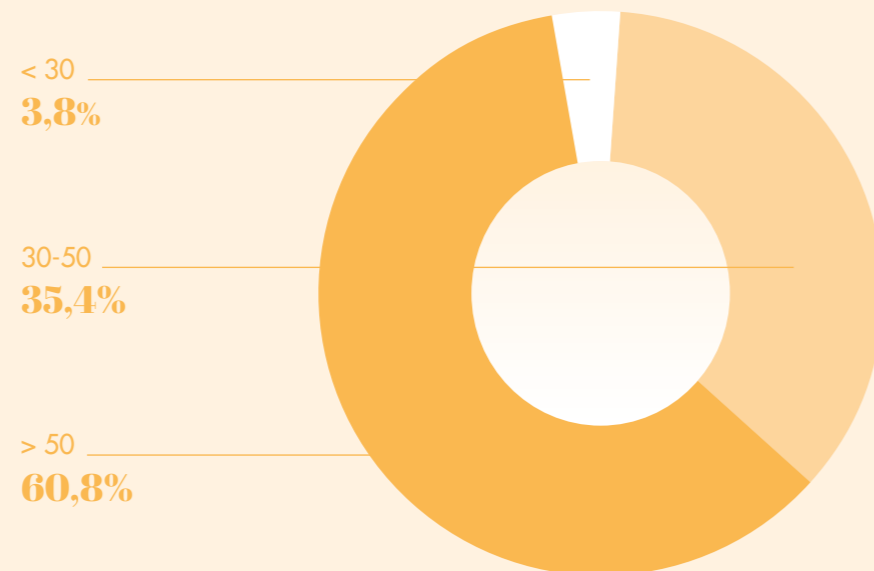
EMPLOYEES AND TURNOVER

YEAR 2021 - 2022 - 2023



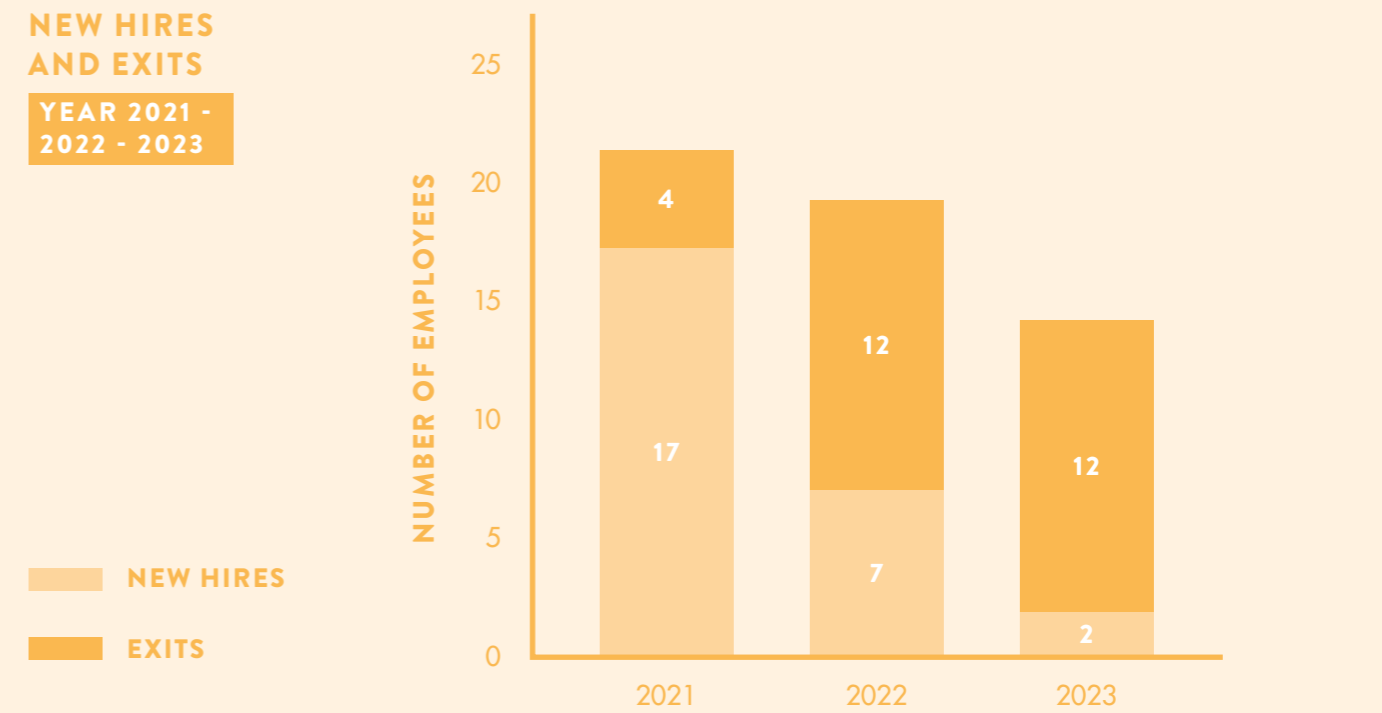
EMPLOYEES BY AGE GROUP

YEAR 2023



NEW HIRES AND EXITS

YEAR 2021 - 2022 - 2023



| EMPLOYEES BY TYPE OF CONTRACT | | | |
|-----------------------------------|------|------|------|
| GRI 2-7 | 2021 | 2022 | 2023 |
| Number of employees (as of 31/12) | 145 | 140 | 130 |
| of which women | 21 | 20 | 19 |
| of which men | 124 | 120 | 111 |
| Permanent contracts | 145 | 140 | 130 |
| of which women | 21 | 20 | 19 |

| EMPLOYEES BY AGE GROUP | | | |
|------------------------|------|------|------|
| GRI 401-1 | 2021 | 2022 | 2023 |
| Employees under 30 | 8 | 9 | 5 |
| Employees 30-50 | 58 | 49 | 46 |
| Employees over 50 | 79 | 82 | 79 |

| TURNOVER | | | |
|-----------------------|-------|-------|-------|
| GRI 401-1 | 2021 | 2022 | 2023 |
| Number of new hires | 17 | 7 | 2 |
| Number of exits | 4 | 12 | 12 |
| Overall Turnover Rate | 14.5% | 13.6% | 10.8% |

| JOB POSITION BY GENDER | | | |
|----------------------------------|------|------|------|
| | 2021 | 2022 | 2023 |
| Manager | 13 | 10 | 10 |
| of which women | 2 | 1 | 1 |
| Office employees (white collars) | 52 | 53 | 51 |
| of which women | 18 | 18 | 17 |
| Workers (blue collars) | 80 | 77 | 69 |
| of which women | 1 | 1 | 1 |

The overall staff turnover rate therefore decreased over the three-year period, going from 14.5% in 2021 to 10.8% in 2023. In 2023, there were no entries or exits under 30, so the turnover related to this category is zero. It is also important to note that the entire staff is composed of employees with permanent contracts.

Sublitex maintains a low turnover rate by investing in employee welfare, providing ongoing training, and effectively managing any concerns or reports that might arise.

Sublitex has a workforce predominantly composed of men, with women making up about 15% of the total. This proportion has remained relatively stable over the past three years. Within the company, women represent 33% of the office employees, yet they are underrepresented in managerial and manual labor roles, with only one woman holding a managerial position and one woman working as a manual worker.

The change in the number of employees is primarily due to retirements. In fact, in 2023, there were no recorded entries or exits of employees under 30 years old.

CURRENTLY, THE MAJORITY OF SUBLITEX'S WORKFORCE (60.8%) IS OVER 50 YEARS OLD, WHICH IS WHY THE COMPANY STRONGLY ADVOCATES FOR THE INTEGRATION OF YOUNG PEOPLE INTO THE WORKFORCE. IN 2023, IT HOSTED TWO POSTGRADUATE TRAINEES AND FACILITATED THE ENTRY OF NEW YOUNG TALENTS.

4.2

Occupational health and safety



0 injuries in 2023

Workplace safety is one of the fundamental priorities for Sublitex. The company is committed to ensuring healthy and safe working environments for its employees, in full compliance with current regulations. The company promotes risk awareness related to its activities through targeted training, encouraging a culture of safety among all its employees.

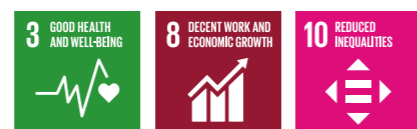
Sublitex's dedication to health and safety is further confirmed by the UNI ISO 45001 certification, which attests to the implementation of an appropriate management system on this issue.

In both 2022 and 2023, Sublitex recorded **no work-related injuries**, continuing the positive trend that began in 2021, when there were only two cases.

| Work-related injuries | | | |
|-------------------------------------|------|------|------|
| GRI 403-9 | 2021 | 2022 | 2023 |
| Deaths | 0 | 0 | 0 |
| Accidents with serious consequences | 0 | 0 | 0 |
| Total accidents | 2 | 0 | 0 |
| Frequency Index | 8.65 | 0 | 0 |
| Total days on injury leave | 48 | 0 | 0 |
| Severity Index | 0.21 | 0 | 0 |

4.3

Well-being and work-life balance



After conducting an employee satisfaction survey in 2022, it emerged that measures for work-life balance are of great importance to employees. To continue promoting this balance and continuously improve, over the years, Sublitex has introduced additional measures aimed at enhancing satisfaction and *well-being*.

Regarding employee well-being, in addition to discounts at local gyms and sports facilities, Sublitex ensures a series of measures including: health insurance and agreements with medical centres, additional insurance coverage for business trips, additional paid leave, and a service for booking examinations and reports at local health authorities (ASL).

As for work-life balance, the measures in place are outlined below:

Services

- **Mybox:** Possibility for employees to have their online purchases delivered to the company
- **Nominative discount card** that can be used at all the Group's own stores, with discounts reserved for employees
- **Company car for mixed use**

Bonuses and flexibility

- **Possibility of flexible hours for office employees and remote working arrangements**
- **Production premium for workers**
- **Petrol vouchers**
- **Productivity Bonus**

Home & family

- **Annual tax assistance is provided free of charge in relation to tax returns and tax charges**
- **Miroglio Group's company kindergarten with financial aid for employees' children.**
- **€ 750 bonus for employees with households with children and low-end income**
- **Corporate welfare for all employees and usable by the entire family unit**
- **Summertime conventions for employees' sons and daughters**

In order to constantly monitor company satisfaction and promote a sense of belonging, Interacta was introduced, a social platform exclusively for the work environment. This internal communication tool facilitates the development of relationships and collaboration between working groups on common goals, exploiting the potential and dynamics of the social network.

4.3.1 THE MIROGLIO KINDERGARTEN



The “Casa dei Bambini” was established in Alba in 1958 through the initiative of Elena and Giuseppe Miroglio, aimed at supporting working mothers within the Miroglio Group. Initially housed in a section of the current Alba facility on Via Santa Barbara, the kindergarten began with about ten children under the care of nuns.

Over the years, the facility expanded and relocated to a larger building. In 1976, a new building was inaugurated on Via Crispi, outside the company premises, designed according to advanced pedagogical principles. Management of the school was entrusted to a dedicated director specially trained for the role.

At the Miroglio kindergarten, each educator is assigned to a specific group of children, becoming a constant and reliable figure of reference. The teacher-to-child ratio is kept optimal, with one teacher for every six children, ensuring personalized and focused attention. Based on each child's individual characteristics and needs, an educational path is crafted to foster their balanced and harmonious personality development.

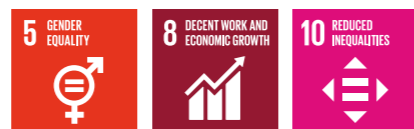
The kindergarten offers extensive outdoor spaces where children can play safely and promotes a healthy diet tailored to their growth and development needs. Mealtime is considered a crucial educational opportunity during the children's day, with teachers paying special attention to integrating nutritional aspects educationally.

IN 2023, THE MIROGLIO KINDERGARTEN WELCOMED 94 CHILDREN, INCLUDING 27 WHO WERE CHILDREN OF EMPLOYEES, WITH THE REMAINDER COMING FROM THE LOCAL COMMUNITY.



4.4

Diversity, Inclusion & Equal Opportunities



Sublitex is committed to promoting an inclusive work environment based on collaboration and mutual respect for core values, firmly condemning any form of discrimination within the company and in relations with stakeholders, as established in its corporate code of ethics. To this end, an internal channel has been established for managing reports of discrimination incidents, in accordance with the Organizational and Control Model (MOG 231), which will be detailed in the "Governance" chapter. Throughout 2023, like in previous years, no reports of discrimination have been received.

Sublitex also commits to using inclusive language in drafting job offers and marketing campaigns, both internally and externally, aimed at attracting talent without any form of discrimination.

4.5

Employee training and growth



To ensure qualified personnel and uphold high standards in its products and services, **Sublitex consistently invests resources in timely training for its employees.** Recognising that the growth and development of staff skills are crucial to long-term success.

Additionally, the company promotes a culture of continuous learning where employees are encouraged to constantly improve their skills, experiment with new ideas, and grow both professionally and personally.

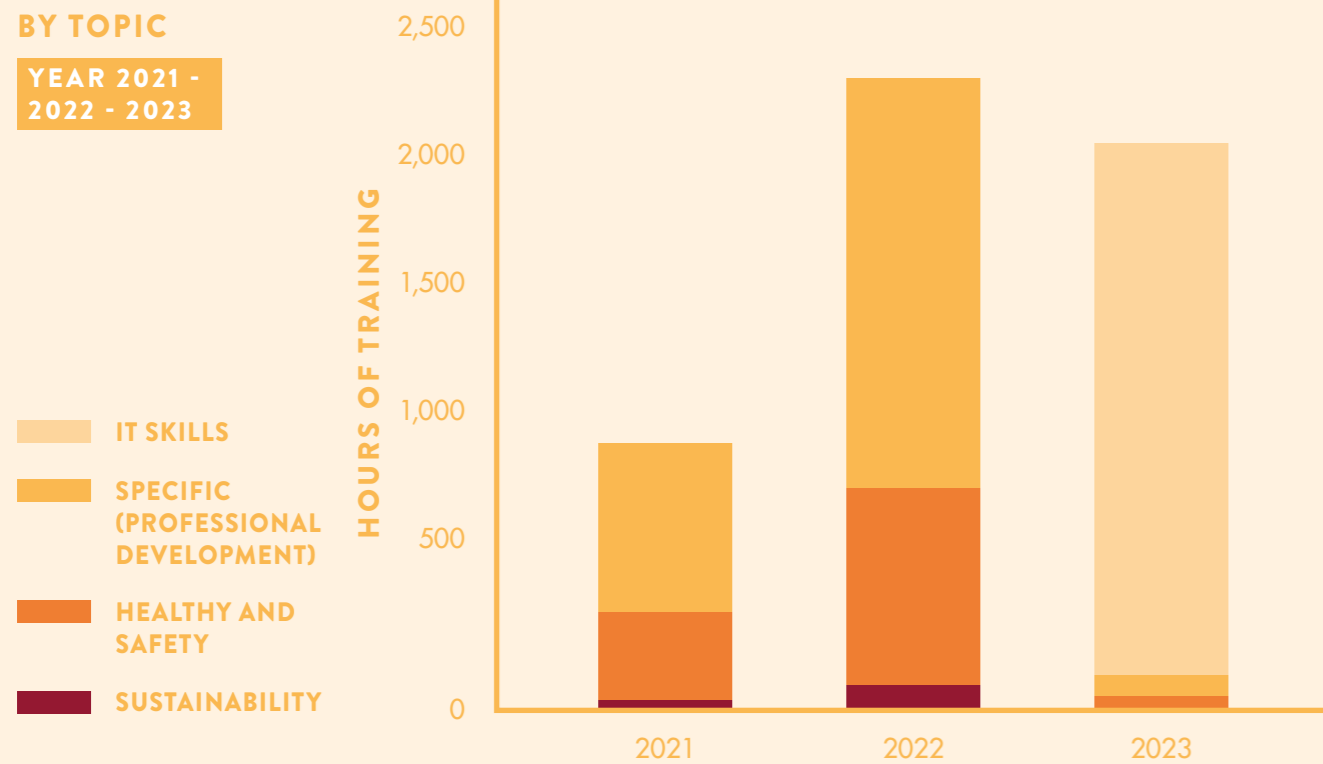
Overall, in 2023, more than **2,000 total training hours** were delivered, slightly decreasing compared to the previous two years (-10.1%). 94% of these training hours were dedicated to developing IT skills, highlighting the centrality of digital transition in the company's activities. The remaining hours were primarily devoted to health and safety training in compliance with legal and internal provisions, foreign language courses, and sustainability topics.

On average, each employee received 21.1 hours of training during 2023, consistent with the previous year's training activities. This achievement was made possible by various training programs introduced by the Miroglio Group throughout the year, covering a wide range of topics. For example, through an inter-company plan funded by Fondimpresa, Sublitex was

able to increase training hours, particularly focusing on digitalization, new software, and programs. Furthermore, new content was added bi-monthly to the company's training platform in 2023, making it accessible to all employees who wish to benefit from it.

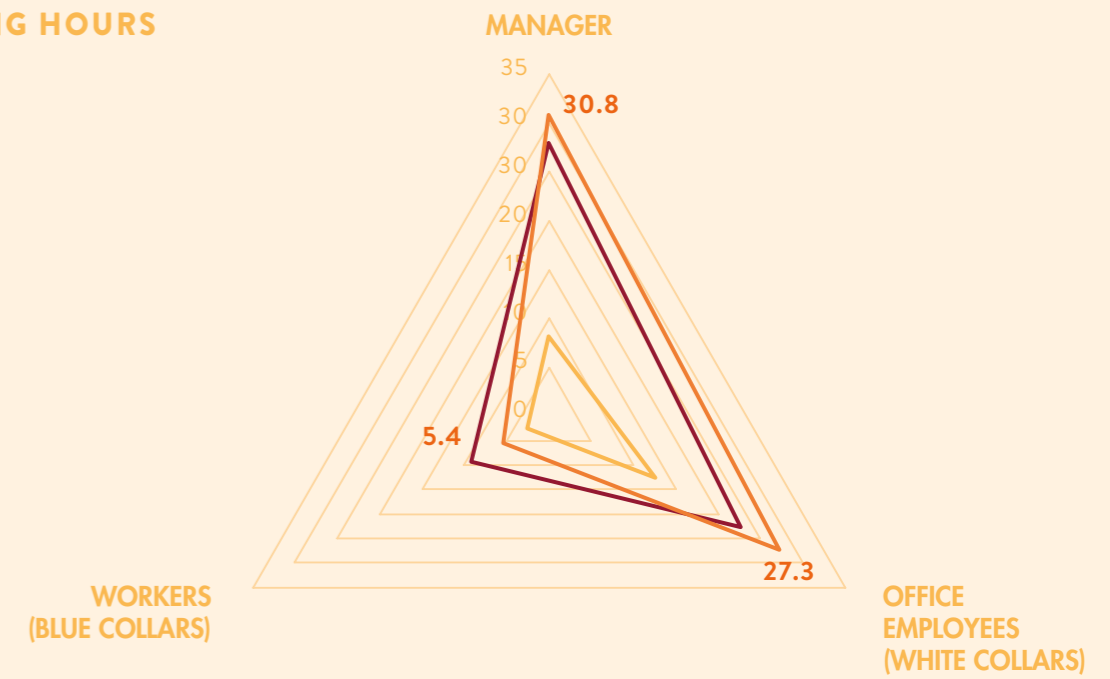
TRAINING HOURS BY TOPIC

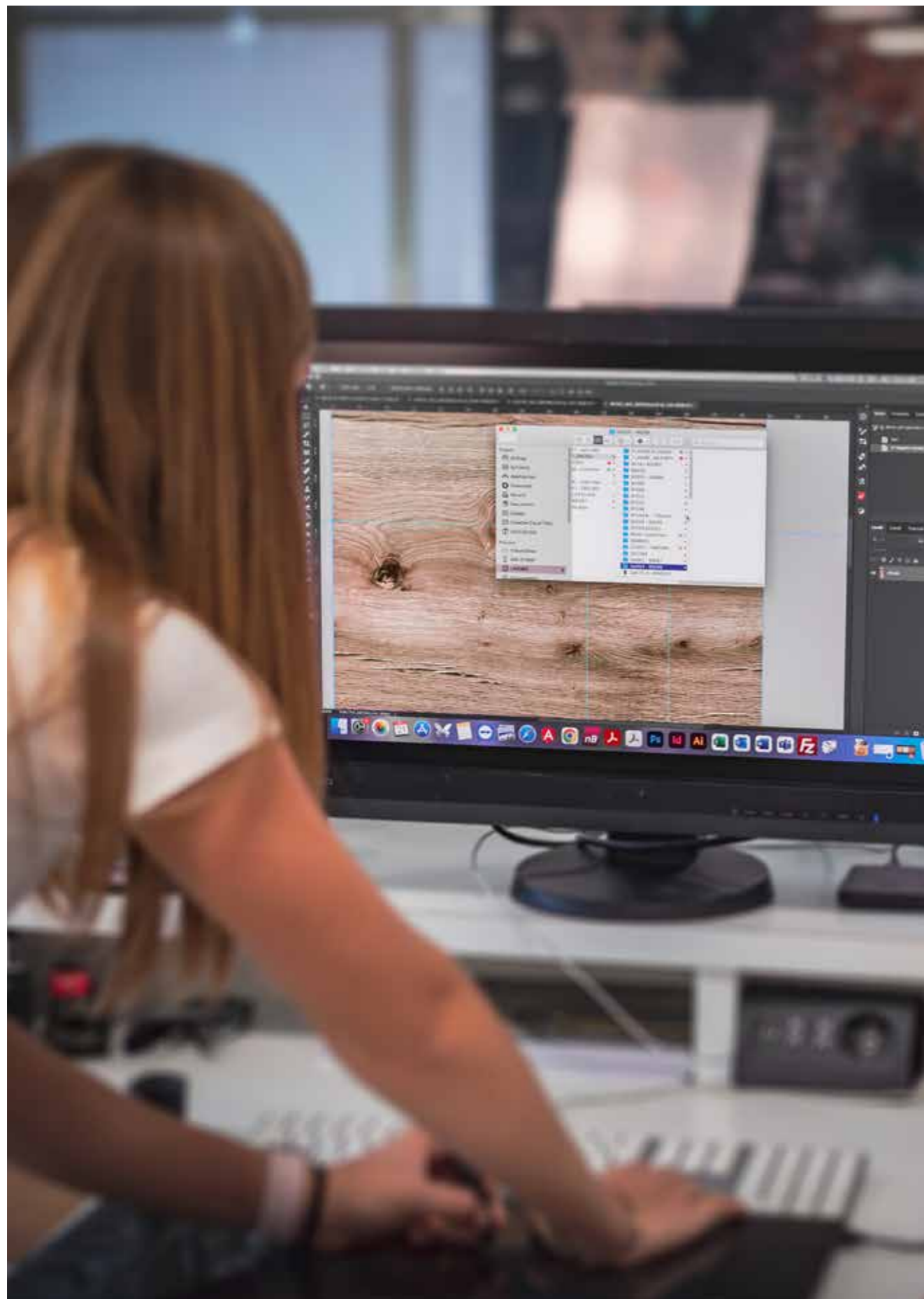
YEAR 2021 - 2022 - 2023



AVERAGE TRAINING HOURS BY ROLE

2021
2022
2023





4.6

Creating value in the community



The strong territorial and historical connotation of the Miroglio group reverberates for Sublitex in a constant commitment to strengthen its bond with the Piedmontese territory. Below are the company-sponsored initiatives and events that took place in 2023.



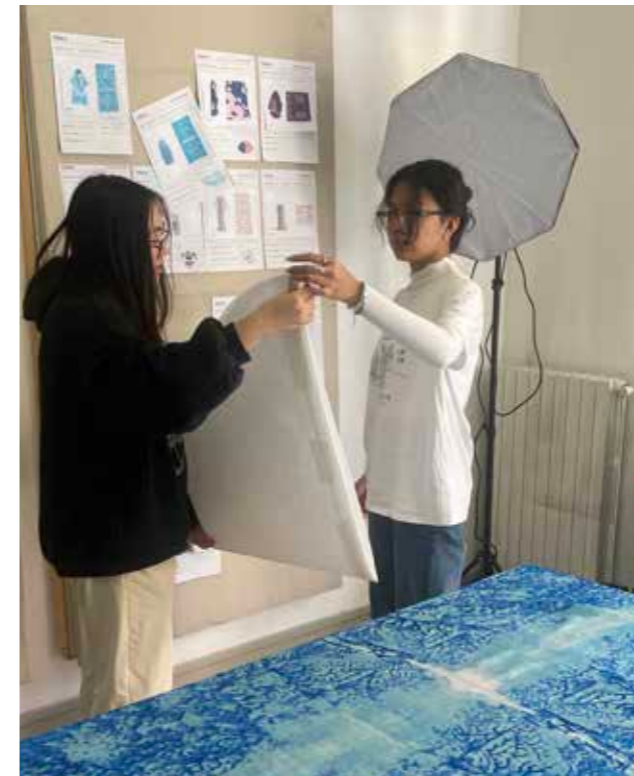
OPEN FACTORIES

Sublitex participated in the 2023 edition of "Fabbriche Aperte," an event organized by the Piedmont Region to showcase the productive companies of the area and celebrate economic excellence, technology, and corporate culture. On October 27th and 28th, 2023, Sublitex opened the doors of its facility, showcasing to numerous visitors (400 within the Miroglio Group) the innovative processes of sublimation printing and water-free pigment printing.



ALBA, EUROPEAN CITY OF SPORT

In 2023, Sublitex significantly contributed to the event organized by the municipality of Alba as a European city of sport. The company supported the event through sponsorship and active involvement in sports activities. Sublitex leveraged its expertise in sublimation printing to create promotional and customized materials for the event, thereby enhancing the visibility and visual identity of the event.



TOOLS PROJECT

The project TOOLS is an informal professional training initiative aimed at adolescents, which turns one year old in 2023. Born from the synergy between the creative studio CLUTTER and the Municipality of Milan, it aims to introduce Milanese boys and girls to the world of textile design, fashion photography, and textile publishing. The project includes a series of free workshops covering various creative fields such as textile design, clothing, fashion photography, and publishing. The main objective of the project is to stimulate the imagination and technical training of young participants, fostering an informal dialogue with professionals in the creative industry. Every month, participants aged 15 to 20 take part in a different workshop, led by industry experts. These workshops not only offer technical knowledge but also an opportunity for socialization and collaborative creativity.

The workshops are organized in six-month cycles and cover all stages of the creative process: from creating prints and graphic patterns to their application on fabrics, to the creation of capsule collections of clothing and accessories. The fabrics are printed by Thecolorsoup, Sublitex's e-commerce platform, on various fabric bases to be used in the capsule collections created by the participants. The garments are then presented at public events and are available for purchase, contributing to the funding of the project.

TOOLS stands out for its sustainable approach to textile design, using pigment printing techniques that reduce water consumption, and for its ability to transform creative learning into a social enterprise experience.



As far as other CSR activities at national level are concerned, collaborations with numerous Italian universities, including the Bicocca University of Milan, and institutes of excellence in the fashion and textile sectors, such as Naba, luav and IED, are particularly relevant. Through the **Thecolorsoup** project, the company supports young talents from Italian fashion schools, developing exclusive fabrics with sustainable and water-free printing processes, and reserving special promotions for students.

To guarantee the quality of its products, Sublitex has also launched projects with the SSOG (Experimental Station for the Oil and Fats Industry) in Milan and with sector associations such as Aital (Italian Association of Aluminium Surface Treatments) and Catas.

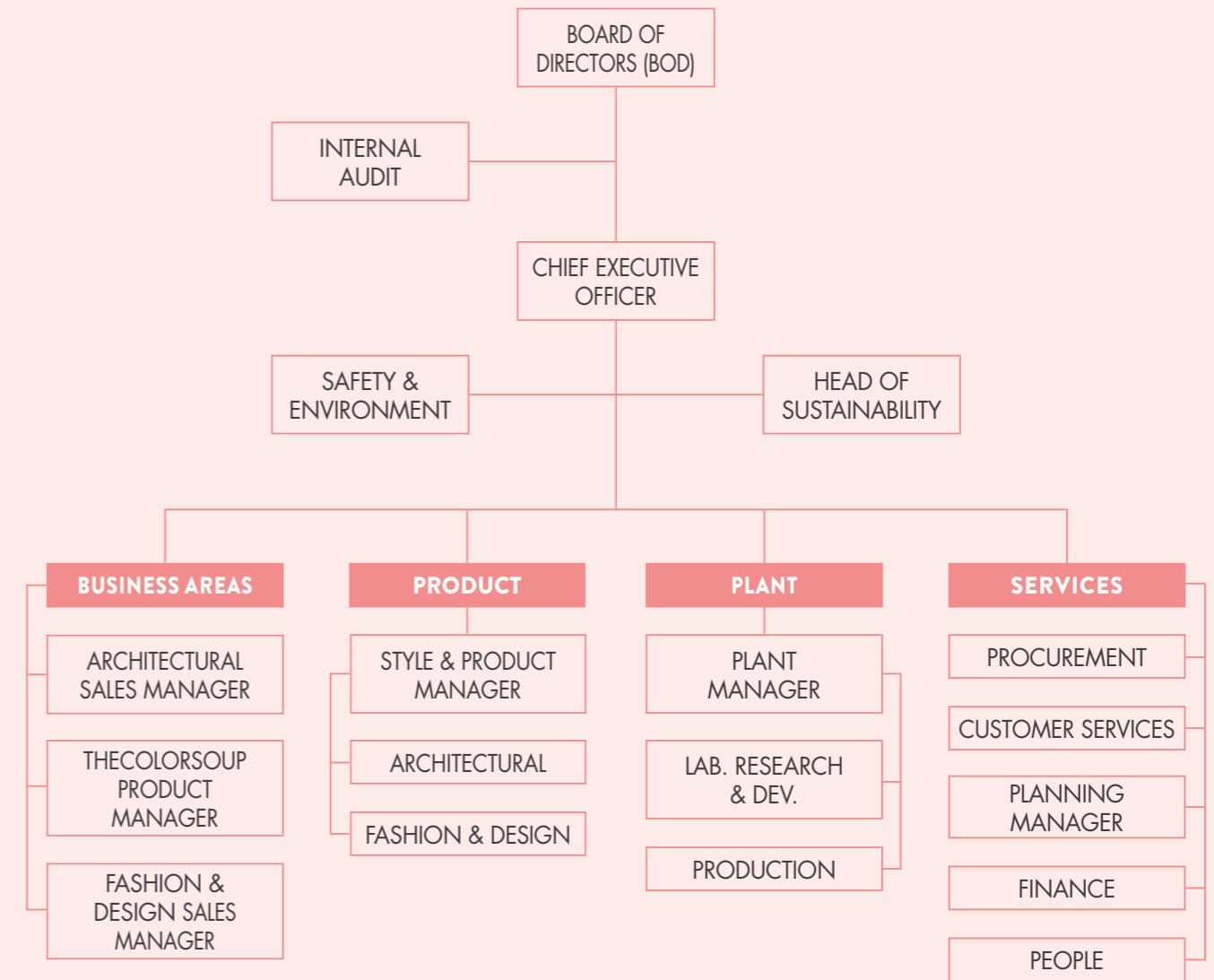


5.

Governance Sphere

Sublitex can rely on a robust **governance**, where a commitment to **innovation** and **business transparency** are crucial. The principles guiding Sublitex's actions are reflected in its alignment with a the **Group code of ethics**, the integration of quality, safety and environmental **management systems**, and the establishment of a dedicated R&D department. Additionally, Sublitex follows an organizational model that complies with Legislative Decree 231/2001.

Sublitex's governing body is a **Board of Directors (BoD)** composed of the chairman, the Chief Executive Officer, and one director. The election of these members takes place through a process defined by the shareholders' meeting, which considers corporate needs and aims to ensure the best governance both at the company and Group level.



The entire **Board of Directors (BoD)** is responsible for the decision-making process on all matters that exceed the powers delegated to the **Chief Executive Officer (CEO)**. During BOD's regular meetings, matters proposed by the CEO, other directors, and the sole auditor are discussed.

As the employer, the Chief Executive Officer has exclusive jurisdiction over issues related to environmental protection. Consequently, the company's sustainability strategy is crafted from its inception by the central governing body, which integrates Environment, Social, and Governance (ESG) principles and objectives into its decision-making framework.

Starting in 2022, the company introduced a dedicated management role focused on sustainability for the entire Group. This role is tasked with promoting and guiding various ESG initiatives and investments, aligning with the strategy defined by the Board of Directors. Operationally, Sublitex's sustainability efforts are collaboratively managed across several functions, including management control, research and development, and procurement, all supported by the Sustainability Team reporting to Miroglio S.p.A.

5.1

Ethical and clear business management



Sublitex adopts a rigorous process for tracking decisions, promoting accountability and transparency.

The performance of the Board of Directors is evaluated by shareholders according to the way they deem appropriate, ensuring sufficient control and management of business activities in line with the interests of shareholders and stakeholders.

5.1.1 ORGANIZATION, MANAGEMENT AND CONTROL MODEL

Since 2010 Sublitex has implemented an Organization, Management and Control Model (MOG231/01), in accordance with Legislative Decree 231/2001. This model is further supported by a Supervisory Body (SB).

In developing the model, the company considered the existing internal control system to ensure its adequacy in preventing the specific crimes outlined in the Decree within identified risk areas. The control system encompasses all business operations, distinguishing between operational and control tasks to mitigate potential conflicts of interest.

The Supervisory Board (SB) is responsible for overseeing adherence to and the proper application of the model. The SB is accessible to all company staff via a dedicated email address. In addition, there is a **Group Internal Audit** function that monitors compliance with organizational procedures for each of the Group companies.

For each new hire, Sublitex also provides an **induction plan**, which results in the administration of a course regarding the MOG231 model within two months of the date of hire.

5.1.2 CODE OF ETHICS



Scan the QR Code to consult the [Miroglio Group Code of Ethics](#)

Since 2018, the Miroglio Group, of which Sublitex is a part and a subsidiary, has introduced a code of ethics that outlines organization's inspiring principles, its mission and the behaviours to bring it to fruition, as well as a set of guidelines for the management of external relations. The most recent update to this code was in December 2023.

It is important to note that compliance with the code of ethics is required not only of employees but also of those who exercise management and control in the group, as well as external collaborators. The adherence of all stakeholders is therefore essential to ensure the integrity and effectiveness of these moral and operational directives. The company rejects any behaviour that does not align with the Group's code of ethics.

The guiding principles of Sublitex aim to steer the present and lay the foundations for continuous improvement; they are:

- **Legality**
- **Equality**
- **Impartiality**
- **Transparency of actions and behaviours**
- **Professionalism**
- **Personal data protection**
- **Confidentiality of information**
- **Safety of workplaces**
- **Respect for the environment**
- **Protection of competition**
- **Enhancement of human resources**
- **Countering exploitation**

Furthermore, the code reiterates all behaviours that are correct and consistent with the company's mission, which are:

- **Enabling an effective control system**
- **Accounting for every transaction**
- **Preventing any conflict of interest**
- **Verifying counterparts to avoid money laundering**
- **Protecting industrial and intellectual property**
- **Preventing all forms of corruption**

To ensure compliance with the preceding dictates, the Miroglio Group has appointed an Ethics Committee responsible for receiving and verifying any reports of violations of the Code of Ethics and, if necessary, communicating them to the company's Supervisory Board.

At the end of 2023, a Whistleblowing Policy was also introduced at the Group level and applicable to all subsidiaries, in alignment with Legislative Decree No. 24 of March 10, 2023. This policy is accessible through the corporate intranet and on the institutional websites of each subsidiary (**Miroglio S.p.a. | Home (integrityline.com)**).

This policy defines the simultaneous establishment of an internal whistleblowing channel to enable the collection of reports, including anonymously, as well as the procedures for handling each report received.

5.1.3 MANAGEMENT SYSTEMS

IN THE THREE-YEAR PERIOD FROM 2021 TO 2023, SUBLITEX HAS RENEWED ITS COMMITMENT TO THE ISO 9001, 14001 AND 45001 VOLUNTARY CERTIFICATION SCHEMES, REAFFIRMING THE COMPANY'S PRIORITIES: PRODUCTS AND PROCESSES QUALITY, ENVIRONMENTAL PROTECTION, AND OCCUPATIONAL HEALTH AND SAFETY.

Accordingly with these management models, the organization has implemented a process for assessing and managing short-, medium-, and long-term business risks, including an assessment of potential and actual negative impacts caused by business activities.



5.2

Research and Development



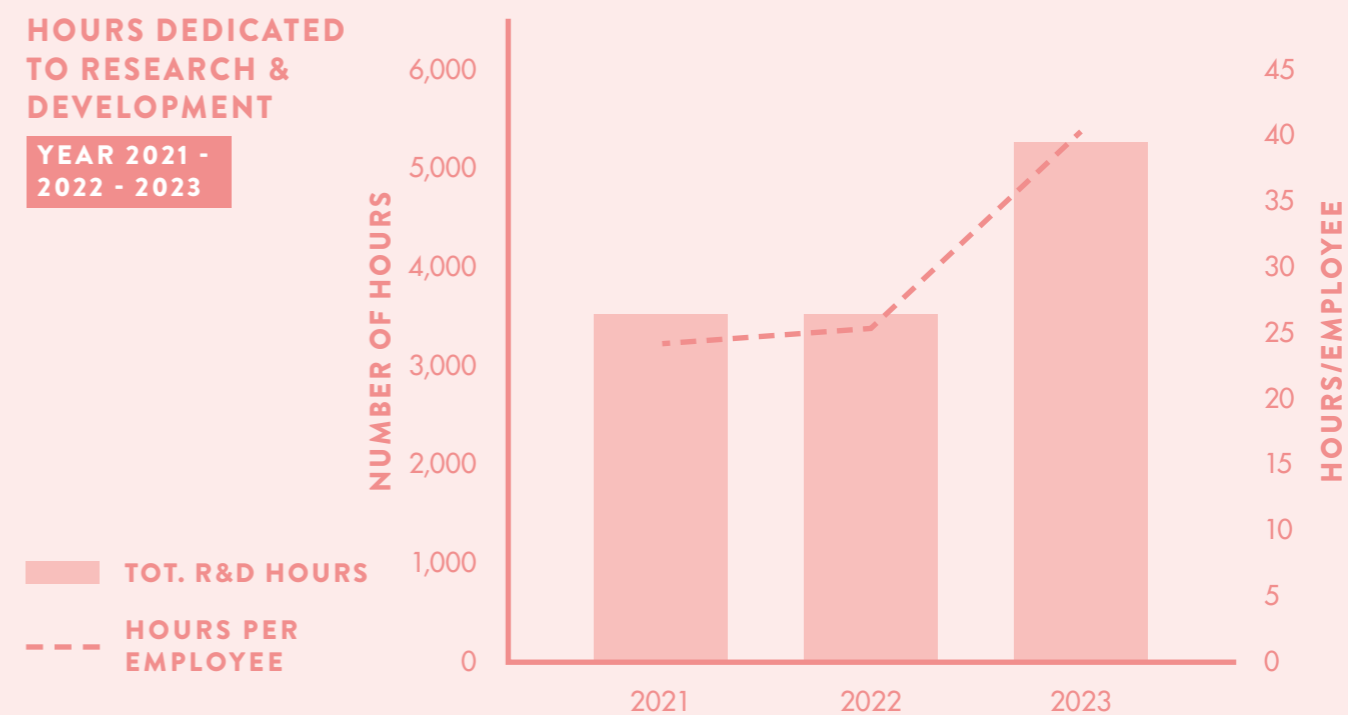
To ensure product durability, promote innovation in processing, and create opportunities for expansion into new markets, Sublitex continually invests in its Research & Development department.



In 2022, over 3,000 hours were dedicated to this purpose, and in 2023, this commitment increased further, exceeding **5,000 hours**. In 2023, the average number of hours dedicated to research and development per employee was 40.6, representing a 60% increase compared to 2022.

HOURS DEDICATED TO RESEARCH & DEVELOPMENT

YEAR 2021 - 2022 - 2023



In addition, as previously mentioned, Sublitex has initiated a series of projects in collaboration with the University of Turin, research institutions such as SSOG (Experimental Station for the Oil and Fat Industry) and industry associations such as Aital (Italian Association of Aluminium Surface Treatments) and Catas (testing laboratory, R&D and certification center).

5.3

Economic-financial value creation



Sublitex aims for its own growth, being aware that ethics and profit cannot be at odds with each other, as "there can be no long-term economic growth that does not also embrace environmental and social development."

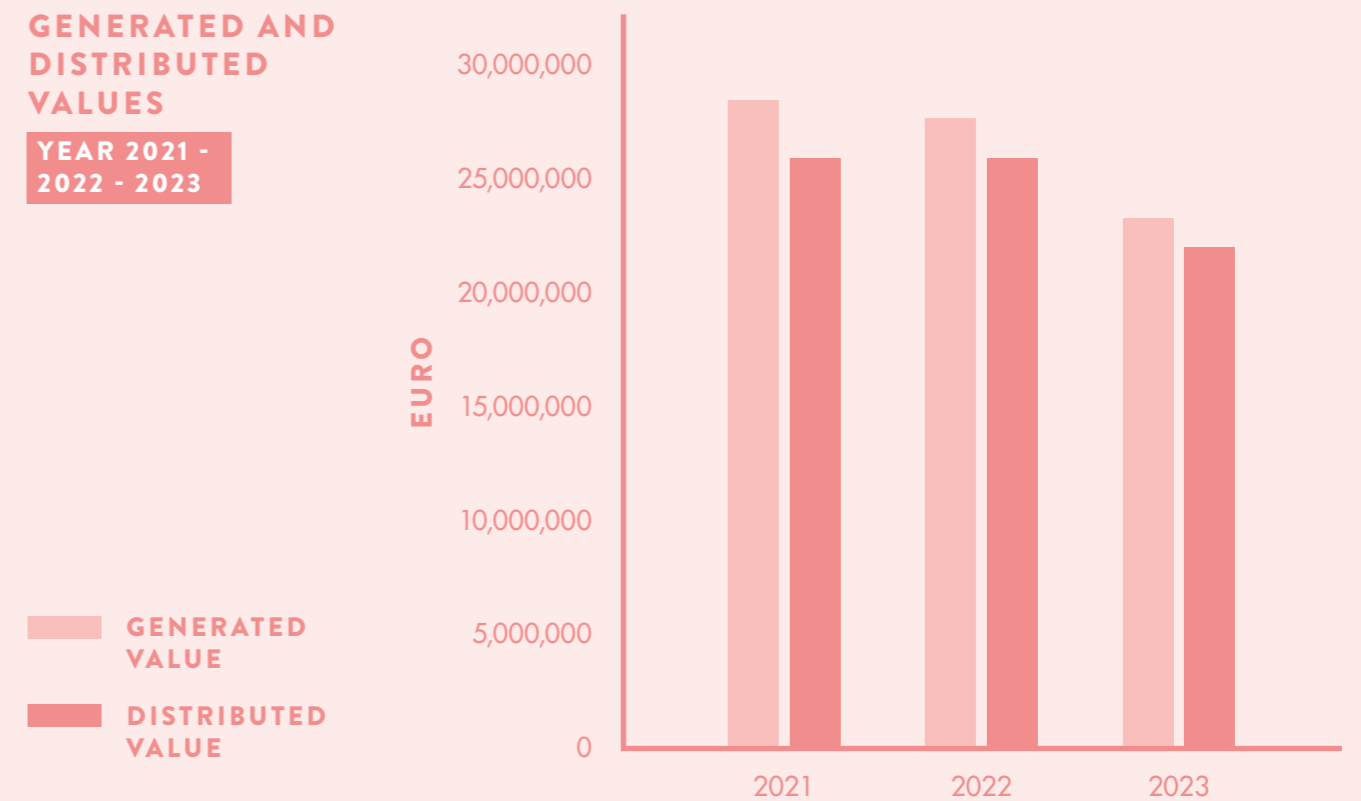
For this reason, within the sustainability report, the company has decided to map the wealth generated by the organization for itself and its stakeholders, measured in terms of direct economic value generated and distributed, according to GRI Standards guidelines.

The International non-financial reporting standards (GRI Standards) define the two concepts as follows:

- "Direct economic value generated" by the company is defined as revenues, intended as net sales plus revenues from financial investments and goods sales.
- "Economic Value distributed", instead, includes the following elements: operating costs, employees' salaries and benefits, payments to capital suppliers, payments to the public administration and investments in the community

GENERATED AND DISTRIBUTED VALUES

YEAR 2021 - 2022 - 2023



The economic value generated in 2023 amounted to more than 23 million euros, registering a 15% decrease compared to 2022, proportional to the decrease in production. In line with previous years, 94% of the generated value was distributed among suppliers (69.7%), employees (29.6 %), and to a residual extent

for the remuneration of debt capital (1%) and payments of taxes and fees (0.3%). The portion of value retained by Sublitex, obtained as the difference between value generated and distributed, stands at € 1,304,032, down about € 470,000 from 2022.

5.4

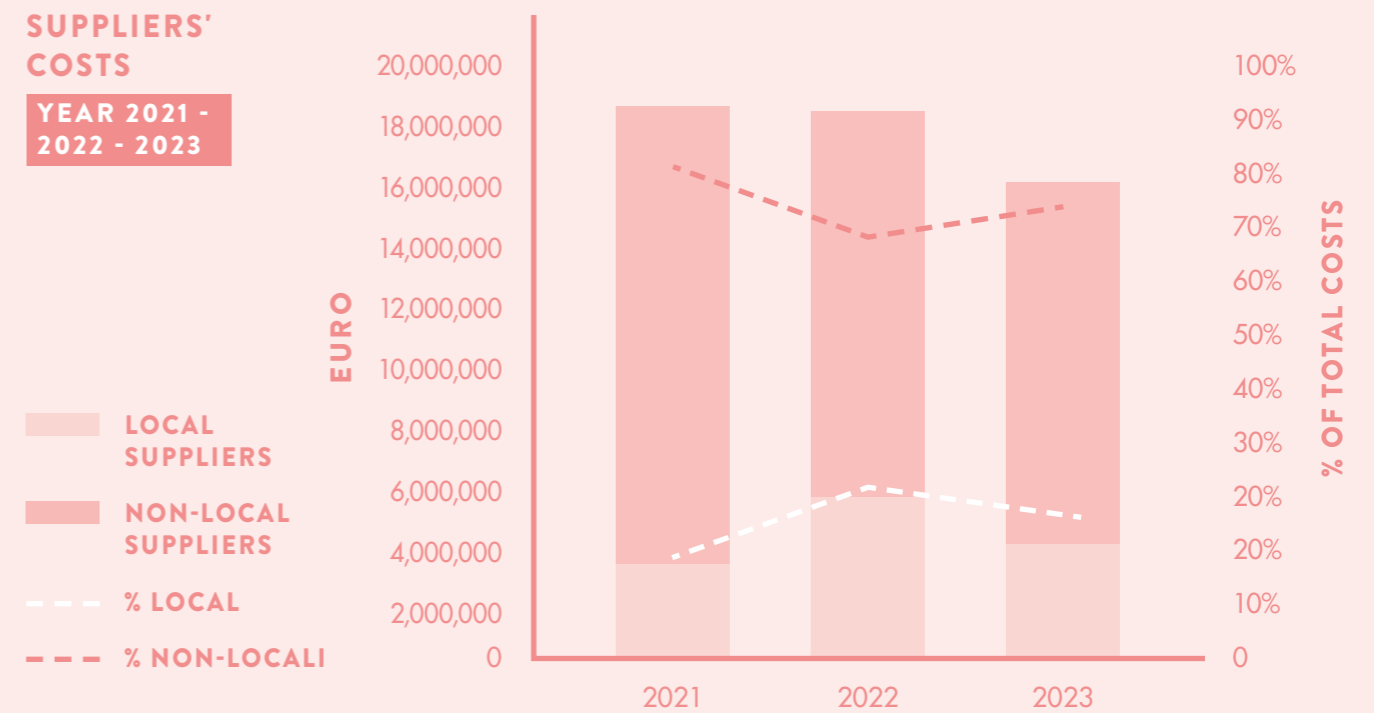
Responsible management of the supply chain



Sixty-nine percent of Sublitex's turnover is redistributed in the supply chain, which represents the main expense for the company. Therefore, supplier selection is a process to which Sublitex pays particular attention, targeting those who share and sign, by signing and subscribing to the portal, its code of ethics.

This is evidence of the company's progressive alignment with European sustainability standards, but also a desire to transmit its business ethics along the supply chain, supporting the spread of decent working conditions within the industrial ecosystem.

As emerged from the materiality analysis, responsible supply chain management is a relevant issue for the company, which for this purpose maps the origin of its suppliers. In the three-year period 2021-2023, there was a reduction in spending towards non-local suppliers, both in absolute terms (-20%) and relative to total spending (-8%), while purchases from local suppliers¹ increased by 20% in absolute value and by 39% relative to total spending. The total expense towards suppliers experienced a 15% decline in 2023, due to a production decrease.



¹ The suppliers considered "local" by Sublitex are within the region of Piedmont, where the company is headquartered.

5.5

Privacy and data protection



Sublitex adopts a rigorous policy for physical and digital access control to ensure data protection during browsing and transmission of sensitive information voluntarily provided by users.

The Miroglio Group asks to all employees and collaborators who gain access to information on strategies, products, know-how, technical and financial data, or marketing are required to use it responsibly, contributing to the protection of the company's informational assets. In this regard, Sublitex has implemented the mentioned Organizational, Management, and Control Model (MOG 231), which promotes principles of honesty, legality, and transparency within sound corporate governance, aimed at preventing cybercrimes covered by the Decree, such as fraud and illicit data handling.

About **cybersecurity**, Sublitex offers ongoing **training** to its people through a structured plan consisting in uploading new content on an online platform every two months. As highlighted in the section dedicated to employee training and development (see "Social Sphere" chapter), approximately 1950 hours of training focused on IT skills development were delivered in 2023. These topics have gained increasing importance within the company in recent years, during which backup and security systems have been strengthened.



5.6

Product certifications

SUBLITEX'S FOCUS ON QUALITY AND INNOVATION ALLOWS IT TO DISTINGUISH ITSELF IN THE MARKET BY OFFERING HIGH PRODUCT STANDARDS, WITH CAREFUL CONSIDERATION OF ENVIRONMENTAL IMPACTS.

The reliability of purchasing Sublitex products is supported by numerous received certifications, summarized below, which cover the raw materials used, the manufacturing process, and the quality of the finished product, ensuring enduring compliance over time.

OEKO TEX PIGMENTO WATER LESS

Certifies compliance with human-ecological requirements established by STANDARD 100 by OEKO-TEX® for pigment printing without the use of water.

OEKO TEX SUBLIMAION PRINTING

Certifies compliance with human-ecological requirements established by STANDARD 100 by OEKO-TEX® for articles intended for babies.

OEKO TEX FOILS

Certifies compliance with human-ecological requirements established by STANDARD 100 by OEKO-TEX® for fabrics and leathers in direct contact with the skin for articles printed with hot-melt technology.

GRS: GLOBAL RECYCLE STANDARD

Certification concerning the recycled origin of products and compliance with extended environmental and social criteria throughout the entire production chain, including traceability, restrictions on the use of chemicals, and other parameters.

BLUESIGN

Certification of the entire production system, aimed at reducing environmental impacts, protecting human health, and enhancing competitiveness and innovation.

LENZING™ ECOVERO™

The LENZING™ ECOVERO™ viscose fibers derive from sustainably managed and certified wood sources, identifiable through traceability technology. Lenzing was the first producer of cellulosic fibers to set scientifically verified targets for reducing greenhouse gas emissions.

QUALICOAT

A quality mark for painted aluminium used in architectural applications.

QUALIDECO

A quality mark for decorative finishes achieved through sublimation techniques, powder-on-powder coating, and rotary pad printing.

Attention to quality and innovation is also reflected in collaborations with universities, research centers, public entities, and industry associations such as AITAL, of which Sublitex has been a member since 2006 due to the compliance of its production processes with environmental parameters set by the association.

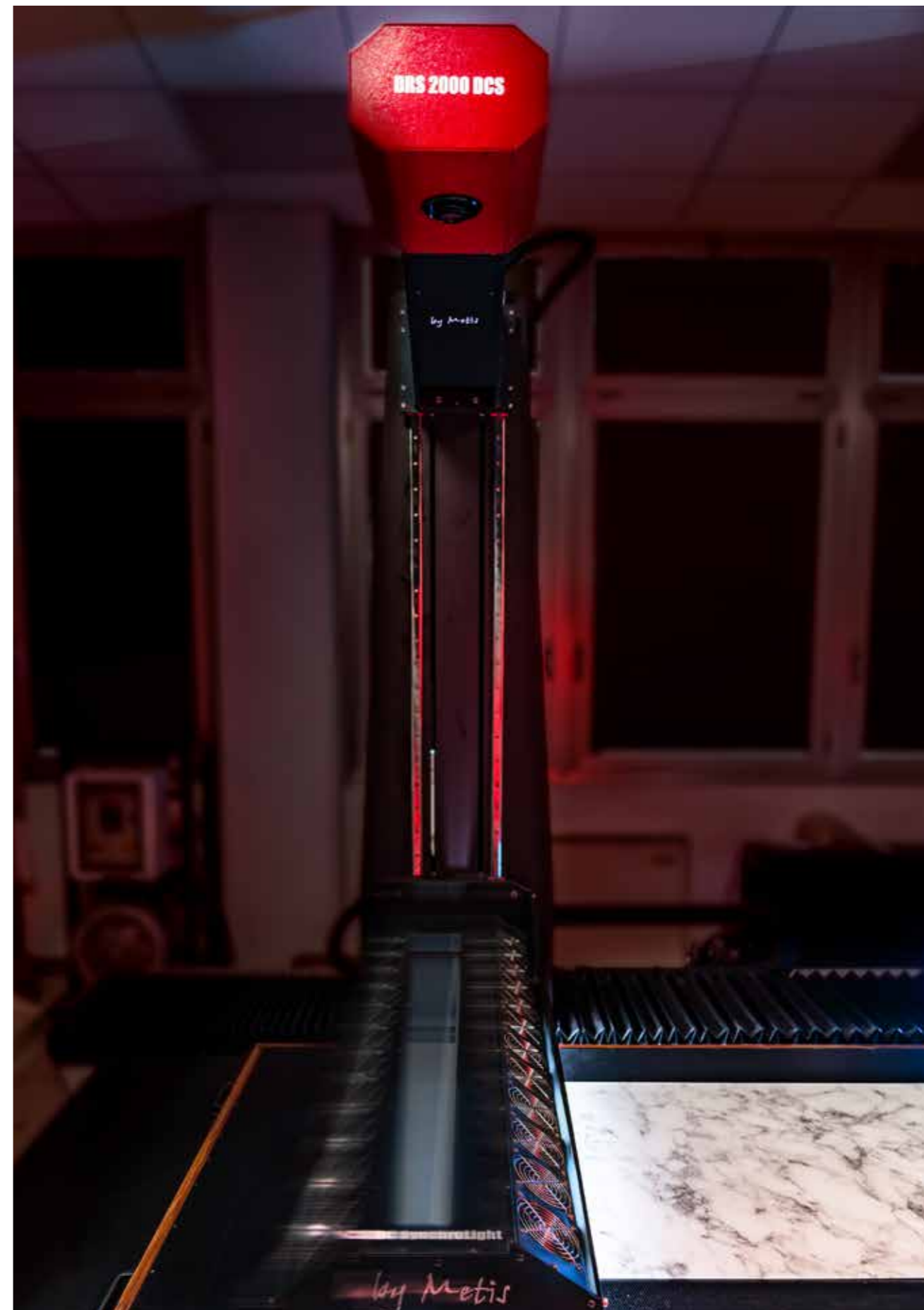
Furthermore, the company has adhered to two additional protocols, which regulate its relationships with major clients and undergo annual audits by a third-party entity:

GREEN TO WEAR BY INDITEX

Protocol concerning products and processes aimed at clients within the Inditex group. It emphasizes traceability throughout all stages of the process and end-of-production controls

DECATHLON

Specification concerning products and processes aimed at clients within the Decathlon group. Additional declarations are required to exclude the use of certain hazardous substances.





6.

GRI Content Index

For each material issue identified, the correlation with the main international reference standards for sustainability reporting, the *Global Reporting Initiative (GRI)*, is presented below.

There are no GRI industry standards relevant to Sublitex's business.

| | |
|-------------------------|--|
| Statement of use | Sublitex s.r.l. has reported with reference to the GRI Standards for the period 01/01/2023 – 31/12/2023. |
| GRI 1 used | GRI 1: Foundation 2021 |

| GRI 2 - General disclosure 2021 | | |
|---|---|--|
| Standard GRI | Disclosure | Location |
| The organization and its reporting practices | | |
| | 2-1 Organization details | Methodology note |
| | 2-2 Entities include in the organization's sustainability reporting | Methodology note |
| | 2-3 Reporting period, frequency and contact point | Methodology note |
| | 2-4 Restatements of information | Any variations are indicated in the text |
| Employees | | |
| | 2-7 Employees | Staff management and welfare |
| | 2-8 Workers who are not employees | Staff management and welfare |
| Governance | | |
| | 2-9 Governance structure and composition | Governance Sphere |
| | 2-10 Nomination and selection of the highest governance body | Governance Sphere |

| | | |
|--|--|--|
| | 2-11 Chair of the highest governance body | Letter to the stakeholders |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | Governance Sphere |
| | 2-13 Delegation of responsibility for managing impacts | Governance Sphere |
| | 2-14 Role of the highest governance body in sustainability reporting | Governance Sphere |
| | 2-15 Conflicts of interest | Ethical and clear business management |
| | 2-16 Communication of critical concerns | Ethical and clear business management |
| Strategie, policies and practices | | |
| | 2-25 Processes to remediate negative impacts | Impacts generated and suffered by Sublitex |
| | 2-26 Mechanisms for seeking advice and raising concerns | Ethical and clear business management |
| | 2-27 Compliance with laws and regulations | Ethical and clear business management |
| Stakeholder engagement | | |
| | 2-29 Approach to stakeholder engagement | Material topics and materiality analysis |
| GRI 3 – Material topics 2021 | 3-1 Process to determine material topics | Material topics and materiality analysis |
| | 3-2 List of material topics | Material topics and materiality analysis |
| | 3-3 Management of material topics | Material topics and materiality analysis |

| Disclosure | Location |
|--|--|
| Standard topic – Economic performance | |
| 201-1 Direct economic value generated and distributed | Economic-financial value creation |
| 203-1 Infrastructure investments and services supported | Energy and energy Efficiency |
| 204-1 Proportion of spending on local suppliers | Responsible management of the supply chain |
| Standard topic – Environmental performance | |
| 301-1 Materials used by weight or volume | Sustainability of raw materials, materials and circular economy |
| 301-3 Reclaimed products and their packaging materials | Sustainability of raw materials, materials and circular economy |
| 302-1 Energy consumption within the organization | Energy and energy Efficiency |
| 302-3 Energy intensity | Energy and energy Efficiency |
| 302-4 Reduction of energy consumption | Energy efficiency and emission reduction interventions |
| 303-3 Water withdrawal | Water consumption |
| 303-4 Water discharge | Water consumption |
| 303-5 Water consumption | Water consumption |
| 305-1 Direct (Scope 1) GHG emissions | Emissions into the atmosphere |
| 305-2 Energy indirect (Scope 2) GHG emissions | Emissions into the atmosphere |
| 305-4 GHG emissions intensity | Emissions into the atmosphere |
| 305-5 Reduction of GHG emissions | Emissions into the atmosphere; Energy efficiency and emission reduction interventions |
| 306-1 Waste generation and significant waste-related impacts | Waste management |
| 306-2 Waste generation and significant waste-related impacts | Waste management |
| 306-3 Waste generated | Waste management |

| | |
|---|---|
| 306-4 Waste not directed to disposal | Waste management |
| 306-5 Waste directed to disposal | Waste management |
| Standard topic – Social performance | |
| 401-1 New employee hires and employee turnover | Our people |
| 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Well-being and work-life balance |
| 403-1 Occupational health and safety management system | Occupational health and safety |
| 403-2 Hazard identification, risk assessment, and incident investigation | Occupational health and safety |
| 403-5 Worker training on occupational health and safety | Occupational health and safety; Employee training and growth |
| 403-6 Promotion of worker health | Occupational health and safety |
| 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Occupational health and safety |
| 403-8 Workers covered by an occupational health and safety management system | Occupational health and safety |
| 403-9 Work-related injuries | Occupational health and safety |
| 404-1 Average hours of training per year per employee | Employee training and growth |
| 405-1 Diversity of governance bodies and employees | Diversity, Inclusion & Equal Opportunities |
| 406-1 Incidents of discrimination and corrective actions taken | Ethical and clear business management |
| 413-1 Operations with local community engagement, impact assessments, and development programs | Creating value in the community |
| 413-2 Operations with significant actual and potential negative impacts on local communities | Creating value in the community |

Environment sphere

VETTORE ENERGETICO

| GRI 302-1 | UoM | 2021 | 2022 | 2023 |
|--------------------------------------|-----------------|-----------|-----------|-----------|
| Electricity | kWh | 4,870,652 | 4,045,318 | 3,336,103 |
| Natural gas | Sm ³ | 1,264,406 | 950,667 | 767,021 |
| Fuel: diesel fuel for company's cars | l | 24,180 | 27,395 | 27,409 |

EMISSIONS INTO THE ATMOSPHERE

| GRI 305-1 | UoM | 2021 - base year | 2022 | 2023 |
|---|--------------------|------------------|-----------------|-----------------|
| Direct emissions (Scope 1) | tCO ₂ e | 2,587.76 | 2,023.54 | 1,617.89 |
| of which Natural gas | tCO ₂ e | 2,522.88 | 1,834.37 | 1,538.74 |
| of which fuel (internal motor power + company's cars) | tCO ₂ e | 64.87 | 174.84 | 73.43 |
| of which loss of F-Gas R407C | tCO ₂ e | 0 | 14.33 | 5.72 |
| Indirect emissions per imported energy (Scope 2) | tCO ₂ e | 1,441.17 | 950.74 | 930.99 |
| Grid-imported energy (location based) | tCO ₂ e | 1,441.17 | 950.74 | 930.99 |
| Tot. emissions (scope 1 & 2) | tCO ₂ e | 3,732.47 | 2,974.28 | 2,548.88 |

EMISSIONS INTO THE ATMOSPHERE

| GRI 305-1 | UoM | 2023 - location-based | 2023 market-based |
|--|--------------------|-----------------------|-------------------|
| Direct emissions (Scope 1) | tCO ₂ e | 1,617.89 | 1,617.89 |
| Indirect emissions per imported energy (Scope 2) | tCO ₂ e | 930.99 | 1,129.77 |
| Tot. emissions (scope 1 & 2) | tCO ₂ e | 2,548.88 | 2,747.66 |

WATER CONSUMPTION AND WASTE

| GRI 303-3,5 | UoM | 2021 | 2022 | 2023 |
|---|----------------|--------|--------|-------|
| Freshwater supply | m ³ | 60,694 | 16,639 | 7,385 |
| of which from the aqueduct | m ³ | 2,736 | 3,340 | 1,266 |
| of which from the well (industrial water) | m ³ | 14,951 | 13,299 | 6,117 |
| of which from internal well | m ³ | 43,007 | 0 | 2 |
| Wastewater | m ³ | 64,354 | 14,658 | 6,938 |

RAW MATERIAL

| GRI 301-1 | UoM | 2021 | 2022 | 2023 |
|-------------------------------|------|-------|-------|-------|
| Paper | tons | 690 | 669 | 548 |
| Film | tons | 1,395 | 1,029 | 959 |
| Fabric | tons | 47 | 166 | 106 |
| Packaging | | | | |
| Outgoing packaging | tons | 382.7 | 277.1 | 199.1 |
| of which from reuse/recycling | tons | 321.3 | 246.7 | 178.8 |

WASTE

| GRI 306-1,2,3,4,5 | UoM | 2021 | 2022 | 2023 |
|-------------------------------------|------|---------|--------|---------|
| Waste produced | tons | 787.98 | 744.47 | 603.08 |
| of which hazardous waste | tons | 161.95 | 148.74 | 152.70 |
| of which non-hazardous waste | tons | 626.022 | 595.73 | 450.38 |
| of which waste sent for reuse | tons | 4.26 | 5.22 | 1.08 |
| of which waste sent for recycling | tons | 594.86 | 592.45 | 446.09 |
| of which waste sent for incinerator | tons | 131.72 | 117.95 | 110.596 |
| of which waste sent for disposal | tons | 57.14 | 28.85 | 45.31 |

Social sphere

| NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER | | | | |
|--|------|-------|-------|-------|
| GRI 401-1 | UoM | 2021 | 2022 | 2023 |
| Number of employees | numb | 145 | 140 | 130 |
| Number of new recruits | numb | 17 | 7 | 2 |
| Number of layoffs | numb | 4 | 12 | 12 |
| Growth rate | - | 9.0% | -3.6% | -3.1% |
| Incoming turnover | - | 11.7% | 5.0% | 1.5% |
| Negative turnover | - | 2.8% | 8.6% | 9.2% |
| Overall turnover rate | - | 14.5% | 13.6% | 10.8% |
| Number of new recruits under 30 | numb | 3 | 2 | 0 |
| Number of layoffs under 30 | numb | 0 | 0 | 0 |
| Turnover under 30 | - | 2.1% | 1.4% | 0.0% |

| EMPLOYEES BY CONTRACT TYPE AND GENDER | | | | |
|--|------|------|------|------|
| GRI 2-7, 401-1 | UoM | 2021 | 2022 | 2023 |
| Number of permanent contracts | numb | 145 | 140 | 130 |
| of which women | numb | 21 | 20 | 19 |
| Number of fixed-term contracts | numb | 0 | 0 | 0 |
| of which women | numb | 0 | 0 | 0 |
| Number of on-call contracts | numb | 0 | 0 | 0 |
| of which women | numb | 0 | 0 | 0 |
| Number of external collaboration contracts (workers who are not employees of the company but whose work is controlled by the organisation, e.g. temporary workers) | numb | 0 | 0 | 0 |

| EMPLOYEES BY AGE GROUP | | | | |
|------------------------|------|-------|-------|-------|
| GRI 401-1, 405-1 | UoM | 2021 | 2022 | 2023 |
| < 30 | numb | 8 | 9 | 5 |
| 30 - 50 | numb | 58 | 49 | 46 |
| > 50 | numb | 79 | 82 | 79 |
| < 30 (%) | % | 5.5% | 6.4% | 3.8% |
| 30 - 50 (%) | % | 40.0% | 35.0% | 35.4% |
| > 50 (%) | % | 54.5% | 58.6% | 60.8% |

| EMPLOYEES BY GENDER | | | | |
|-----------------------|------|-------|-------|-------|
| GRI 2-7, 401-1, 405-1 | UdM | 2021 | 2022 | 2023 |
| Women | numb | 21 | 20 | 19 |
| Men | numb | 124 | 120 | 111 |
| Women (%) | % | 14.5% | 14.3% | 14.6% |
| Men (%) | % | 85.5% | 82.8% | 76.6% |

| EMPLOYEES BY JOB AND GENDER | | | | |
|-----------------------------|------|------|------|------|
| | UdM | 2021 | 2022 | 2023 |
| Manager | numb | 13 | 10 | 10 |
| of which women | numb | 2 | 1 | 1 |
| Office employee | numb | 52 | 53 | 51 |
| of which women | numb | 18 | 18 | 17 |
| Worker | numb | 80 | 77 | 69 |
| of which women | numb | 1 | 1 | 1 |

| WORK-RELATED INJURIES | | | | |
|------------------------------------|------|---------|---------|---------|
| GRI 403-9 | UoM | 2021 | 2022 | 2023 |
| Worked hours | numb | 231,307 | 217,237 | 213,508 |
| Fatalities | numb | 0 | 0 | 0 |
| Fatality rate | - | 0 | 0 | 0 |
| Injuries with serious consequences | numb | 0 | 0 | 0 |
| Significant injury rate | - | 0 | 0 | 0 |
| Total injuries | numb | 2 | 0 | 0 |
| Frequency index | - | 8.65 | 0 | 0 |
| Days of absence | numb | 48 | 0 | 0 |
| Severity index | - | 0.21 | 0 | 0 |

| HOURS OF TRAINING BY TOPIC | | | | |
|-------------------------------------|--------------------|------|-------|---------|
| GRI 404-1,2,3 | UoM | 2021 | 2022 | 2023 |
| Sustainability | hours | 36 | 87 | 0 |
| Other | hours | 616 | 1501 | 80 |
| IT skills development | hours | 0 | 0 | 1949.5 |
| Health and Safety | hours | 324 | 728 | 52 |
| Total | hours | 976 | 2,316 | 2,081.5 |
| Average training hours per employee | hours/ employee | 6.7 | 16.5 | 18.5 |

| AVERAGE HOURS OF TRAINING PER EMPLOYEE | | | | |
|--|-------|------|------|------|
| GRI 404-1,2,3 | UoM | 2021 | 2022 | 2023 |
| Manager | hours | 8.2 | 28 | 30.8 |
| Office employees | hours | 12,5 | 22.6 | 27.3 |
| Workers | hours | 2.5 | 9.2 | 5.4 |

Governance sphere

| VALUE GENERATED AND DISTRIBUTED | | | | |
|-----------------------------------|-----|---------------|---------------|---------------|
| GRI 201-1 | UoM | 2021 | 2022 | 2023 |
| Value generated | € | 28,428,255.00 | 27,629,928.00 | 23,284,505.00 |
| Value distributed | € | 25,919,335.00 | 25,854,261.00 | 21,980,473.00 |
| Operating costs | € | 18,319,699.00 | 18,841,380.00 | 15,315,822.00 |
| Salaries and benefit of employees | € | 7,260,843.00 | 7,011,722.00 | 6,508,761.00 |
| Return on capital | € | 6,227.00 | 57,311.00 | 214,657.00 |
| Payments to public administration | € | 332,566.00 | -56,152.00 | -58,767.00 |
| Value retained | € | 2,508,920.00 | 1,775,667.00 | 1,304,032.00 |

| GOVERNANCE COMPOSITION | | | | |
|------------------------|------|------|------|------|
| GRI 2-9 | UoM | 2021 | 2022 | 2023 |
| Total | numb | 3 | 3 | 3 |
| of which women | numb | 0 | 0 | 0 |
| of which employees | numb | 1 | 1 | 1 |
| < 30 | numb | 0 | 0 | 0 |
| 30 - 50 | numb | 1 | 1 | 1 |
| > 50 | numb | 2 | 2 | 2 |

| PROPORTION OF SPENDING ON LOCAL SUPPLIERS | | | | |
|--|-----|---------------|---------------|---------------|
| GRI 204-1 | UoM | 2021 | 2022 | 2023 |
| Total supplier costs | € | 18,643,558.00 | 18,535,391.00 | 16,024,478.98 |
| of which local suppliers (from the Piedmont Region) | € | 3,180,783.00 | 5,386,143.00 | 3,803,016.45 |
| Who signed the Code of Ethics/ Code of Conduct | % | 100% | 100% | 100% |

COMPLAINTS INDEX

| | UoM | 2021 | 2022 | 2023 |
|--------------------------------|-----|---------------|---------------|---------------|
| Tot. value of complaints | € | 445,428.55 | 316,467.43 | 270,780.00 |
| Tot. value of active positions | € | 28,428,255.00 | 27,629,928.00 | 23,284,505.00 |
| % | % | 1.6% | 1.1% | 1.2% |

HOURS DEDICATED TO RESEARCH & DEVELOPMENT

| | UoM | 2021 | 2022 | 2023 |
|--------------------|-------|---------|---------|---------|
| Tot. hours R&D | hours | 3,520.0 | 3,520.0 | 5,280.0 |
| Hours per employee | hours | 24.3 | 25.1 | 40.6 |

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