



SUSTAINABILITY REPORT 2023-2024





Introduction

This document represents a voluntary sustainability report, designed to offer a comprehensive overview of the company's performance concerning ESG (Environmental, Social, and Governance) topics.

The objective of this report is to provide an initial disclosure regarding the company's ESG performance, the impacts associated with its activities, and to illustrate how the company addresses them.

In a global context marked by increasingly complex environmental, social, and economic challenges, the ownership is firmly believes that adopting sustainable practices is not only a key responsibility but also an opportunity to innovate and prosper in the long term. This is the vision of sustainable development that the company has long promoted and pursued.

Through this document, Vivol S.r.l. (hereinafter referred to as "Vivol") aims to provide a comprehensive view of its policies, the initiatives undertaken, the milestones achieved, and the challenges faced on its journey toward sustainability, from managing environmental impacts and promoting an inclusive and safe work environment, to ensuring ethical, transparent, and responsible conduct.

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Methodological Note

Reference Regulations and Standards

This report is based on the application of the VSME voluntary reporting standard, drafted by EFRAG, and applied at a comprehensive level.

This guideline, which reflects, albeit in a proportional manner, the same sustainability topics addressed by the ESRS, is specifically intended for organizations that do not fall within the scope of Italian Legislative Decree 254/2016 and the EU's Corporate Sustainability Reporting Directive (CSRD).

Vivolo has, in fact, decided to draft this document on a voluntary basis, promoting transparency and comparability of information for its stakeholders.

The Key Performance Indicators (KPIs) used in this report have been selected in accordance with the VSME standard, ensuring coverage of the 3 main ESG dimensions.

In line with the fundamental principles set out in the aforementioned standard defined by EFRAG, this report allows for compliance with the following principles:

- To provide relevant information on how the organization's activities may impact people or the environment, and how environmental and social issues have influenced or may influence the company's financial position or its financial result.

- To provide information that is relevant, faithful, comparable, understandable, and verifiable.

Accordingly, this document also serves as a suitable source of information to address the requests of the organization's financiers, business partners, and customers.

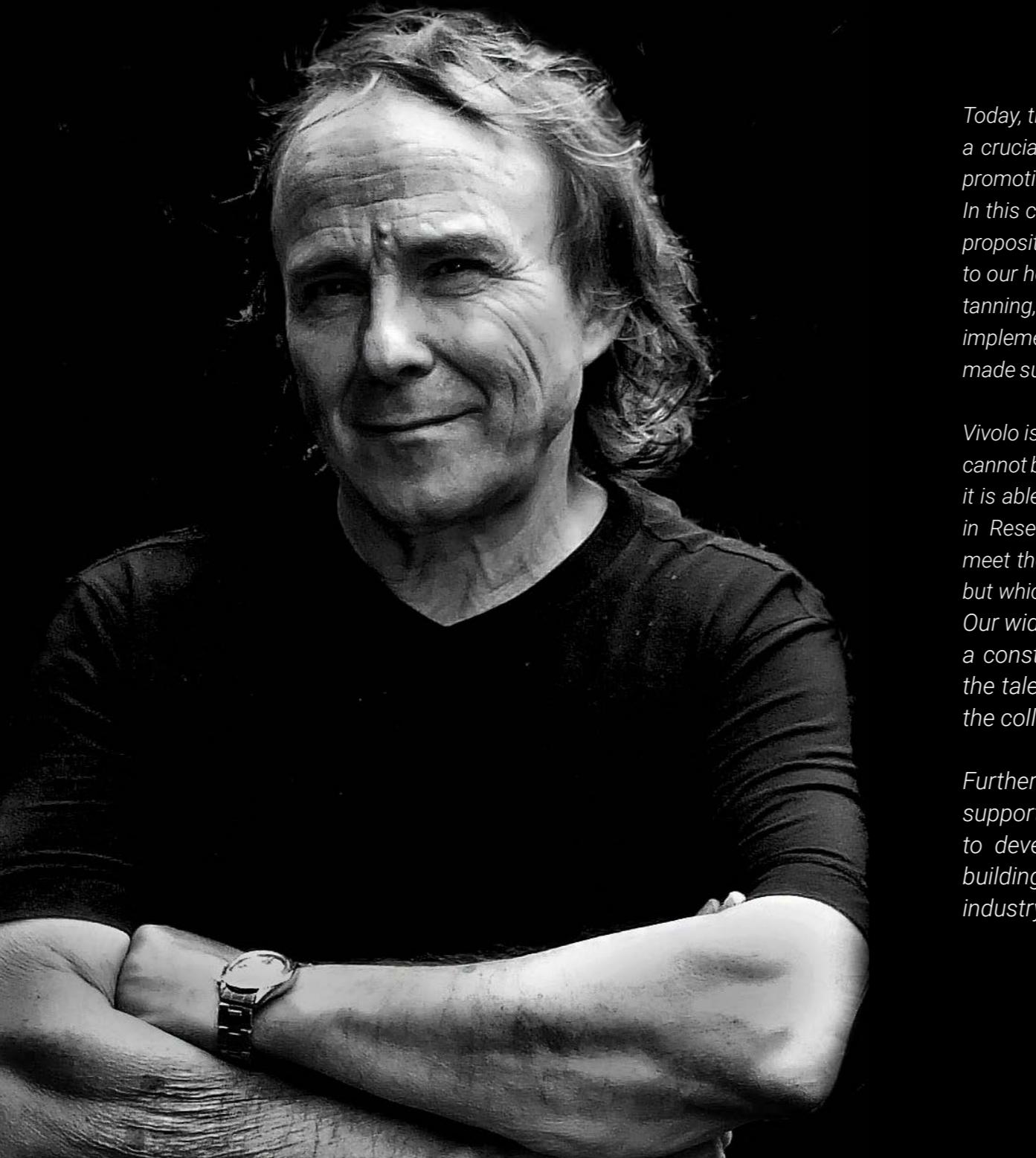
Letter to Stakeholder

Dear Stakeholders,

It is with great pleasure and a deep sense of responsibility that I present the first **Sustainability Report** covering the 2023-2024 biennium of **Vivolo S.r.l.**, a document that reflects our commitment to balanced and sustainable growth. For almost fifty years, our company has grown by combining tradition and innovation, always upholding the principles that have guided us since the beginning: quality, creativity, craftsmanship, and respect for the environment.

Vivolo was founded in 1977 on a simple yet revolutionary idea: transforming what were then considered leather scraps into a functional and fashionable product. From those first patches to the current collections of leather accessories for apparel, footwear, and leather goods, we have built a path of excellence that has led us to establish ourselves as a strategic partner to the most prestigious international fashion houses.

Every product we make is *Made in Italy* and embodies the value of artisanal craftsmanship combined with the most advanced technologies.



Today, the fashion and luxury industry is called upon to face a crucial challenge: reducing its environmental impact and promoting a more ethical and responsible production cycle. In this context, Vivolo plays an active role, thanks to a value proposition that looks toward the future while remaining true to our heritage. Through innovative solutions such as green tanning, the use of recycled and certified materials, and the implementation of the "Impronta Zero" Collection, we have made sustainability a key component of our business model.

Vivolo is aware that the economic value of a company today cannot be separated from the social and environmental value it is able to generate. For this reason, we continue to invest in Research and Development, creating accessories that meet the highest standards of aesthetics and functionality, but which are also responsible and durable.

Our wide range of materials and finishes is the result of a constant commitment to innovation, thanks also to the talent and passion of our creative department and the collaboration with our partners.

Furthermore, with the Vivolo Award, we sought to support young designers, offering them the opportunity to develop technical and creative skills essential to building a more conscious and sustainable fashion industry.

We firmly believe that investing in the new generations means laying the foundation for a better future.

Looking ahead, we will continue to work with the same enthusiasm and dedication that have defined us thus far. Thanks to the trust of our customers, partners, and employees, we are confident that we can face the challenges of the sector, contributing to a positive impact not only for our business but for the entire community.

On behalf of myself and the entire Vivolo family, I would like to thank you for the support and trust you continue to place in our company. Together, we can continue to grow responsibly and sustainably, leaving a positive mark for future generations.

With appreciation and gratitude,

Luciano Vivolo
President of Vivolo S.r.l.



Company Context

1.1 Vivolo's History Speaks of the Future

1975

Start of patch production

March 12, 1977

Establishment of Luciano Vivolo as a sole proprietorship



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1977

Production of patches for haberdasheries, later expanded to wholesalers

1978

Feature in *Corriere della Sera*, a turning point (patch included with *Amica* magazine)

December 2
1983

Establishment of Vivolo S.r.l.

In 1977, **Luciano Vivolo**, originally from Irpinia and later adopted by Bologna, saw an opportunity in what the leather industry considered waste scraps: the ideal material for creating patches that would quickly become a staple in the national and international fashion sector.

From there, he and his wife **Marianna** quickly expand their vision and, with the support of their four children, created Vivolo over the decades. Today, it is a **dynamic and avant-garde company**, a leader in the creation of leather accessories for apparel, footwear, and leather goods.

1985

1985

Creation of accessories for Country fashion brands

1989

Production of denim patches for leading fashion brands

Vivolo now exports its products worldwide and is a partner to the most renowned fashion houses for leather customization. With the transfer to the **new headquarters** in San Lazzaro di Savena (BO) in 2020, Vivolo **doubled its production capacity**, reinforcing its commitment to sustainable production and minimizing the environmental impact of its processes. The publication of this first sustainability report marks another important step in this direction, confirming the objective of uniting **Made in Italy** artisanal excellence with **green** innovation.

2007

Launch of the first Vivolo Collection

2010

Launch of the first green collection, "Impronta Zero"

2020

Opening of new HQ

June 30
2023

Inauguration of the new headquarters, welcoming clients from around the world



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1.2 Vivolo's Value Proposition

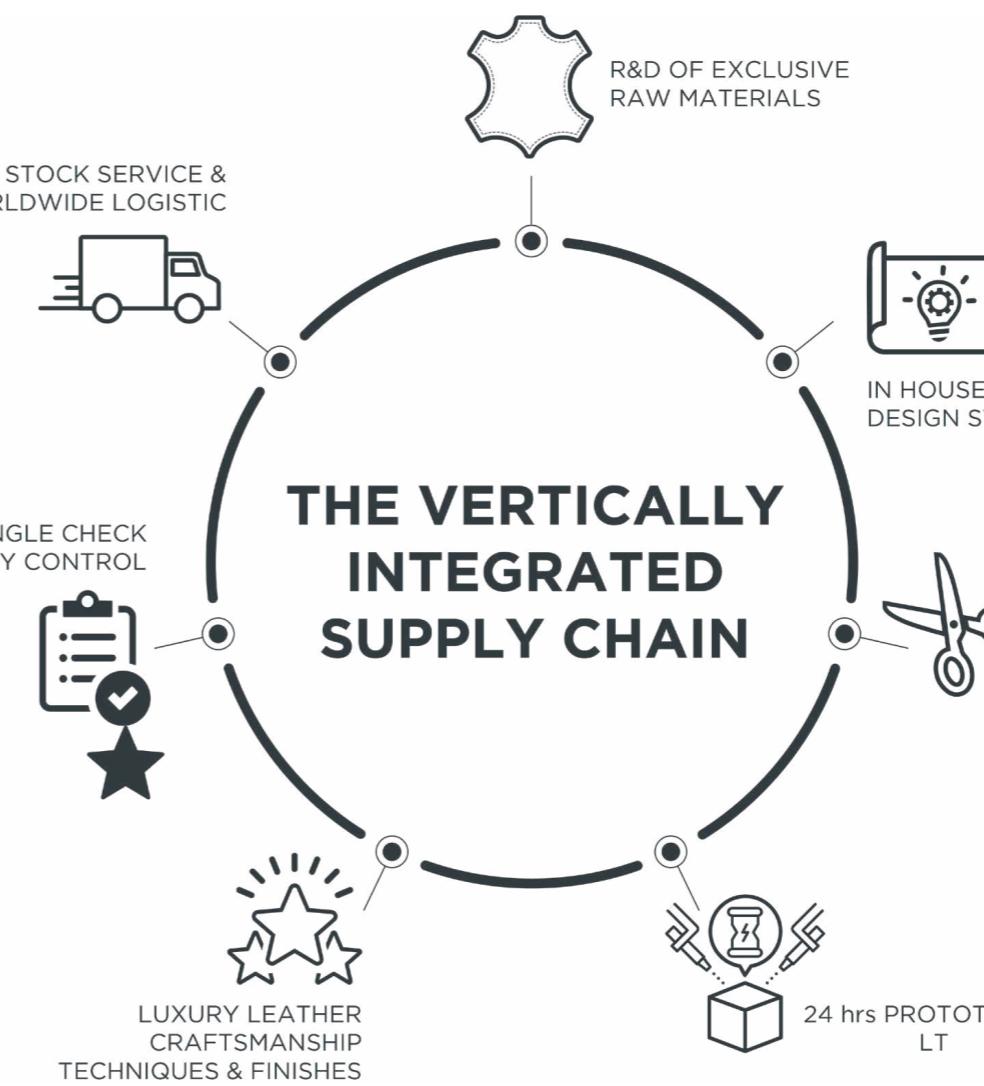
Vivolo is an exceptional partner for brands seeking exclusive, sustainable, and avant-garde accessories. Over time, Vivolo has developed a **highly efficient production system** based on a model of vertical integration of the supply chain. This strategic approach allows the company to manage all the main phases of the production process internally, from the sourcing of raw materials to the creation of the finished product. Vivolo stands out for offering a wide range of innovative solutions, primarily destined for the apparel, footwear, and leather goods sectors.

The company's leather accessories, rigorously Made in Italy, represent the excellence of Italian craftsmanship, combining high-level aesthetic performance with outstanding quality. Thanks to constantly evolving techniques and the use of cutting-edge technologies, Vivolo is able to meet the needs of the most prestigious international brands. The verticalization of the supply chain enables Vivolo to exert direct and constant control over every phase of the production cycle, ensuring high quality standards, complete traceability, and the ability to intervene promptly in case of critical issues.



Moreover, **the centralization of activities significantly reduces production and response times**, making the company extremely reactive to market demands and flexible in adapting its offering to specific customer needs.

Among the processed materials, the company offers a vast selection that includes leathers, synthetic materials like leatherette, fabrics, plastics, and green solutions, ensuring a balance between tradition and innovation.



Furthermore, the laundry department allows for achieving vintage finishes through industrial washes, dying, and artisanal techniques, enriching the accessories with unique details that enhance their singularity and value. This model translates into a concrete and long-lasting competitive advantage: Vivolo is able to offer personalized, timely, and high-quality solutions, standing out for reliability, speed, and efficiency.

This positioning allows it to establish itself as a reference partner in its sector, capable of anticipating trends and responding promptly to changes in the economic and production context.

1.3 Vivolo in Numbers

€ 13.883.135	Revenue 2023
€ 13.670.000	Revenue 2024
48	Years of history
100	Machines reproducing artisanal techniques
15.000 m ³	struttura produttiva
200.000	Hides stored in warehouses
15.000.000	Accessories produced in one year

ECONOMIC VALUE DISTRIBUTED TO STAKEHOLDERS	9.397.950,00	11.232.579,55	11.834.556,28
Operating Costs	6.712.135,00	8.213.365,87	9.250.547,02
Employee Wages and Benefits	2.538.421,00	2.200.725,00	1.751.069,00
Shareholders/Owners and Financiers	-	-	-
Public Administration	143.490,00	814.493,68	832.940,26
Community and Territory	3.904,00	3.995,00	-

	2024	2023	2022
DIRECT ECONOMIC VALUE GENERATED	13.670.000,00	13.949.923,77	14.631.831,97
Net Revenue	13.648.096,41	13.883.135,00	14.572.036,00
Financial Investment Income	89.415,58	51.163,77	56.795,97
Sale of Assets	27.733,82	15.625,00	3.000,00

ECONOMIC VALUE RETAINED BY THE ORGANIZATION	-	2.717.344,22	2.797.275,69

1.4 Vivolo's Mission, Vision, and Values

Mission

“ Our mission is to be the benchmark for excellence in leather accessories, supporting our clients by offering them tailor-made solutions through the integration of innovation, research, technology, and in-depth market expertise. Every day, we are committed to achieving high-quality performance, not only from a product perspective but also in terms of the reliability and sustainability of our products and processes.

In line with the highest environmental and social standards, we continually invest in cutting-edge technologies and training to guarantee a service that meets the demands of the global market, while maintaining our commitment to sustainability and artisanal excellence.

”

Excellence

Leader

Creativity

Planet

Innovation

Quality

Vision

“ Our vision is to continue offering superior quality products and innovative solutions, relying on an entirely Made in Italy supply chain, contributing to the protection of the planet and promoting sustainable development.

”

1.4 Vivilo's Mission, Vision, and Values

Our Values

Passion

Care

Integration

Integrity

Courage

Values

“

”

The client is at the core of everything we do. We dedicate creative attention and care to every detail, combining artisanal tradition with innovative technology with a focus on sustainability. We believe in people; we invest in their talents, value teamwork, and fuel the passion that drives every project. Our philosophy is based on the continuous search for ideas, materials, and processes that express quality and authenticity, offering unique and personalized solutions.

1.5 Vivolo in the World 

02

*Integrated Sustainability
Strategy*

For Vivolo, sustainability is a fundamental pillar of the corporate strategy: it is not an isolated activity, but a cross-cutting principle that guides and integrates every decision and initiative.

The company is fully aware of the importance of addressing ESG challenges in a structured manner and has an integral part of its operations, recognizing that a systematic and holistic approach to these issues not only strengthens relationships with stakeholders but also promotes innovation, operational efficiency, and competitiveness.

ENVIRONMENT

SOCIAL

GOVERNANCE

ed to reducing negative impacts and
ve ones across the entire value chain,
ng to the transition toward a more
omy. This objective translates into
urable actions aimed at protecting the
oving social well-being, and supporting
ng-lasting economic growth. Certified
nvironmental management system and
health and safety management system
of this commitment, ensuring processes
ghest international standards.

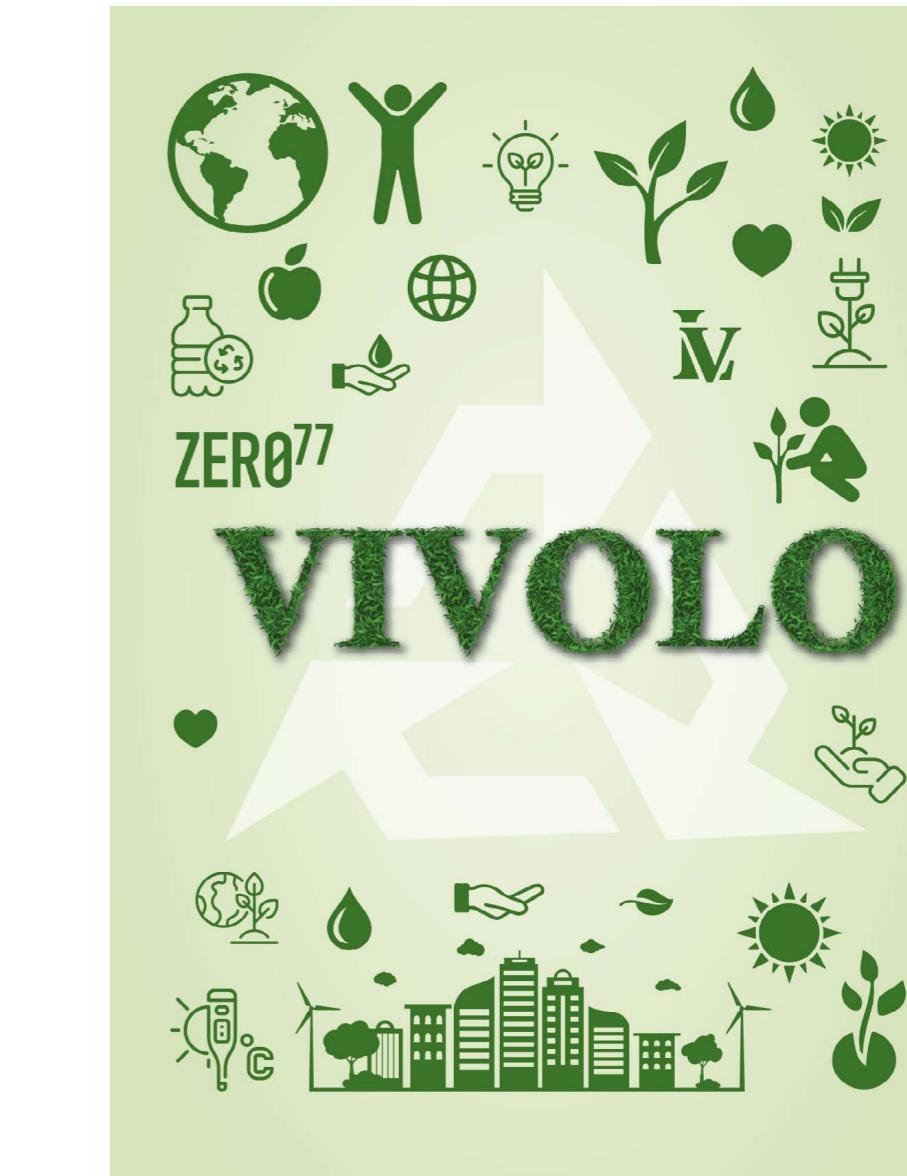
hages ESG matters through a structured approach based on continuous improvement. For this, the company has a specific function responsible for monitoring and reporting on the implementation of ESG strategies, which works to ensure strategic and operational alignment of these crucial aspects. This function is supported by a network of internal points of contact, who are identified across various corporate areas, to facilitate engagement and cross-functional expertise. The ultimate goal is to achieve effective integration of sustainable practices into the company's core processes.

Vivolo's Sustainability Initiative

lo places sustainability at the core of its strategy, integrating a responsible approach into production processes and operational choices. With the **“Improntan Zero” Collection**, the company consolidated its commitment to environmental protection, the reduction of negative impacts through innovative and planet-friendly offering.

IMPRONTA ZERO UCIANO VIVOL

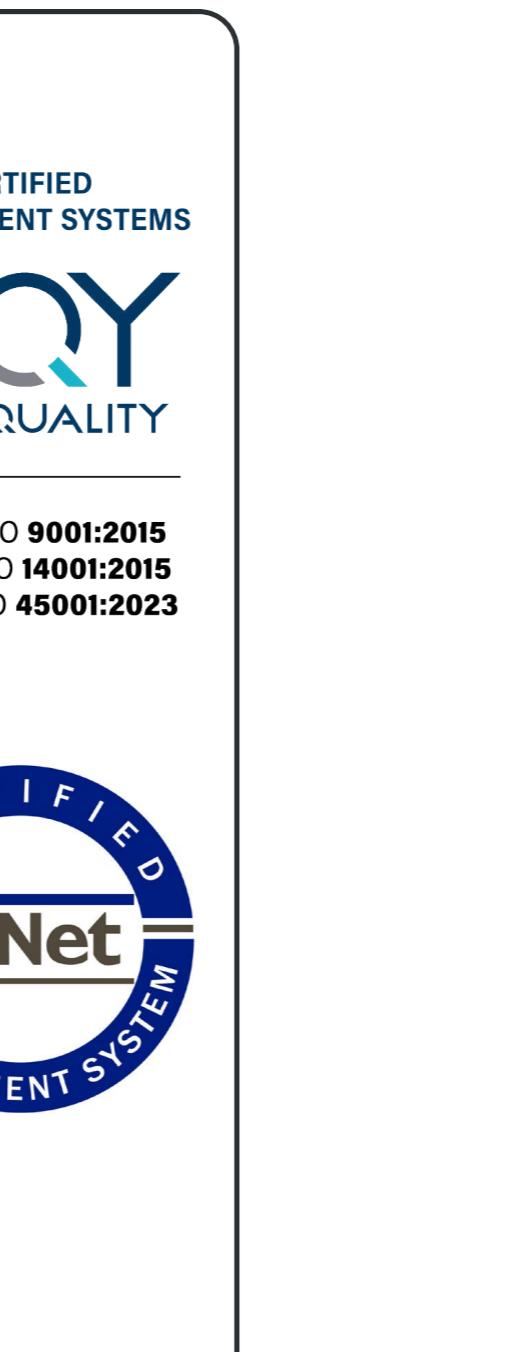
main sustainable initiatives and solutions implemented by the company, which will be referenced throughout the report, are illustrated below.



2.1.1 Certifications at Vivolo

In pursuing a model of sustainable and responsible growth, Vivolo has implemented an Integrated Management System that represents a fundamental pillar for the continuous improvement of its environmental, quality, and social performance. This approach is certified according to the international standards **UNI EN ISO 14001:2015, UNI EN ISO 9001:2015, and UNI EN ISO 45001:2018**, each attesting to the company's commitment in their respective areas.

The ISO 14001 certification attests to the effectiveness of Vivolo's Environmental Management System, which aims to reduce environmental impacts through the systematic control of production activities, compliance with current legislation, and the promotion of eco-efficiency practices. In parallel, the ISO 9001 certification confirms the adoption of a Quality Management System designed to ensure customer satisfaction, continuous improvement of internal processes, and product excellence. Regarding the protection of worker health and safety, the ISO 45001 certification confirms the company's commitment to creating safe and healthy work environments through structured risk management and active staff involvement.



Consistent with its vision of extended responsibility throughout the supply chain, Vivolo has also achieved **GRS (Global Recycled Standard)** certification, which guarantees the use of traced and verified recycled materials, promoting circular and transparent production. Furthermore, the **OEKO-TEX® Leather Standard certification** attests that the company's leather products have been tested for harmful substances, in compliance with the most rigorous safety criteria for human health.

To confirm its attention to the sustainability of forest resources, Vivolo has also obtained **FSC® (Forest Stewardship Council®)** certification, which ensures that the cellulose and paper materials used originate from responsibly managed forests, in compliance with rigorous environmental, social, and economic standards.

This recognition helps reinforce the company's commitment to transparent and ecosystem-respectful production practices. These certifications reflect Vivolo's desire to combine innovation, responsibility, and quality, consolidating its role as a key player in the sustainable fashion supply chain.



The mark of
responsible forestry

FSC® C168304

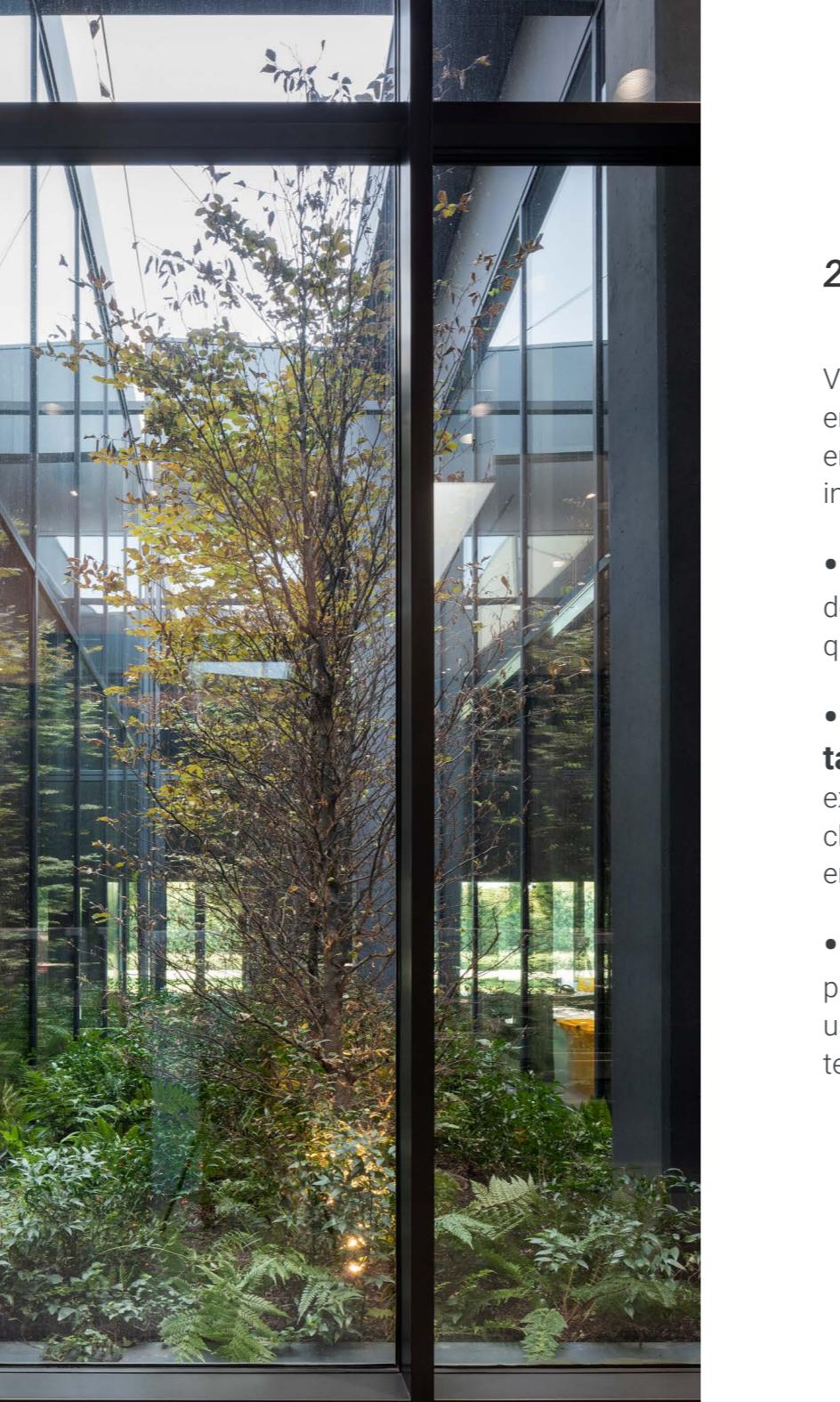
2.1.2 Reduction of Energy Consumption

Vivolo has adopted an energy management system aimed at minimizing electricity consumption. The company minimizes energy dispersion through **excellent thermal insulation** of the headquarters building, **the self-production of electricity thanks to the photovoltaic system installed on the premises**, the use of **natural lighting and ventilation, and high-efficiency thermal systems coated with insulating materials**. Furthermore, internal lighting relies exclusively on low-energy technologies.

The green areas surrounding the building, which are equal in size to the covered area, not only improve the quality of the surrounding environment but also contribute to the absorption of carbon dioxide.

2.1.3 Sustainable Leather

Vivolo is committed to promoting the sustainable use of natural resources through the processing of **genuine Made in Italy leather**. The leather used comes exclusively from by-products of the food supply chain, thus avoiding waste and contributing to the circular management of resources. The tannery industry itself was created with the purpose of recycling waste from the food industry, transforming it into luxury goods for the fashion sector, thereby reducing environmental impact and adding value to waste materials.



2.1.4 Green Tanning Techniques

Vivolo adopts eco-friendly tanning solutions to ensure that leather processing adheres to the highest environmental standards. The main techniques include:

- **Vegetable tanning**, which uses natural tannins derived from sustainable sources such as chestnut, quebracho, and mimosa wood.
- **Chrome free, metal free e wet white tanning**, which are alternative processes that exclude the use of heavy metals such as aluminum, chromium, iron, titanium, and zirconium, minimizing environmental and human health risks.
- **Tanning of recycled leather**, through which processing residues are recovered and re-compactated using certified and environmentally respectful techniques.



2.1.5 *Impronta Zero Collection*

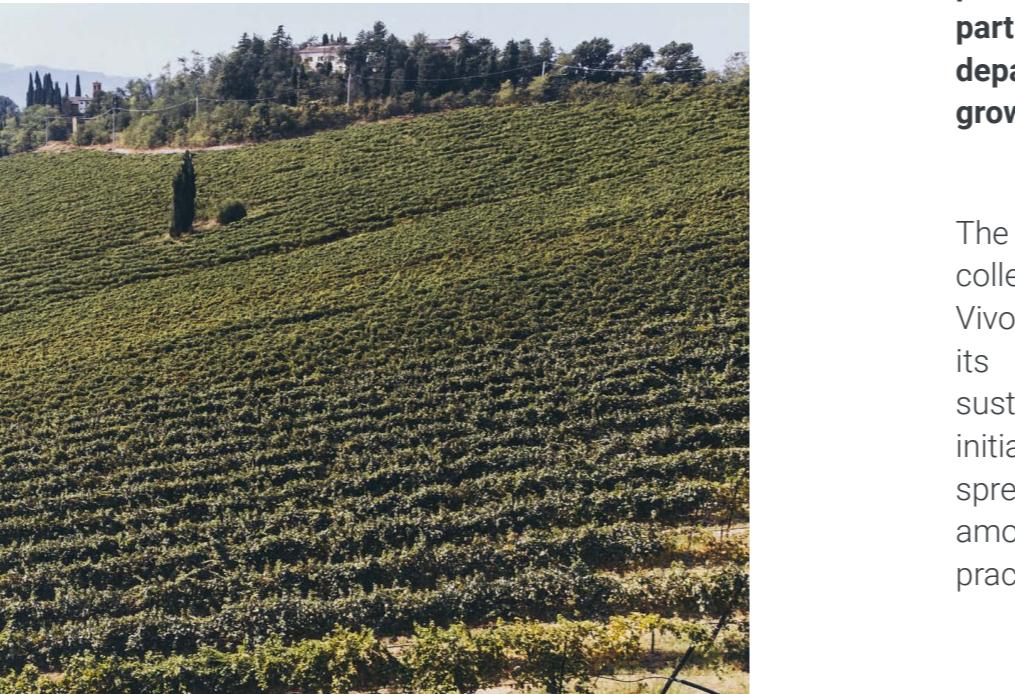
Responding to the market's growing awareness of environmental well-being, Vivolo has been developing the "Impronta Zero" Collection for several years: a continuously evolving collection composed of materials with a very low environmental impact. **The Impronta Zero capsules include products made with organic, recycled, recyclable, compostable, vegan, animal-free, eco-sustainable, and solvent-free materials.** This innovative approach represents a concrete commitment to reducing the ecological footprint, promoting ethical and sustainable fashion.



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2.1.6 *Tenuta Luciano Vivolo Pieve del Pino*

Vivolo extends its sustainable vision beyond the industrial sphere through the Tenuta Luciano Vivolo, which spans over a **70-hectare** estate in the Bologna hills. **A six-hectare organic vineyard** has been planted there, and a **wine resort** will be established, consistent with the company's philosophy of sustainable growth. This project is aimed at safeguarding healthy and vital land, fostering a natural balance that is not only functional for production but also open to the community for shared enjoyment.



2.1.7 *1st and 2nd Edition Luciano Vivolo Prize*

This initiative aims to **foster the creativity and technical expertise of today's students and designers**, who will play a central role in shaping the fashion of the future. Their decisions will be crucial for developing products with a low environmental impact throughout their entire lifecycle.

The Award commission evaluates the projects presented based on criteria that include functionality, technical and aesthetic characteristics, and potential for future commercialization, rewarding the most deserving works. **In addition to monetary prizes, Vivolo offers students the opportunity to participate in training internships within its creative department, contributing to the professional growth of the new generations.**

The works submitted to the competition are also collected in a dedicated Book for the initiative, which Vivolo shares with partner brands, demonstrating its commitment to promoting innovative and sustainable design in the fashion sector. This initiative complements the company's programs to spread a culture of sustainability and raise awareness among future professionals about more responsible practices.



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2.2 Certified Product Quality

Vivolo ensures **the highest quality and sustainability standards through a robust certification system**, which reflects the company's ongoing commitment to operational excellence and responsible management.

Vivolo's Quality Management System is internationally recognized by CQY Certyquality certifications and adherence to the CISQ network, confirming full compliance with global industry regulations and standards. This commitment is further strengthened by the **ISO 9001** certification, demonstrating a rigorous dedication to quality management across all company processes.

Regarding environmental sustainability, Vivolo's products adhere to the stringent criteria of the **Global Recycled Standard 2023**, ensuring a high content of recycled materials. Since 2023, the **OEKO-TEX®** certification confirms the safety and sustainability of the materials Vivolo uses. Furthermore, since 2021, the **FSC®** (Forest Stewardship Council) certification, renewed in 2022 and valid until 2026, attests to Vivolo's adoption of responsible sourcing practices for forest resources.

2.3 Research and Development for Sustainability

Vivolo's Research and Development (R&D) department is the **driving force** behind the company's sustainable innovation. Its work harmoniously integrates creativity, the application of cutting-edge technologies, and a profound respect for the environment.

Every single proposal originating from Vivolo's creative department, as well as every product that is subsequently developed, stems from the application of innovative methodologies.

"The primary goal is to minimize environmental impact at every stage, while still maintaining and enhancing the distinctive design and excellent artisanal quality that define every creation."

2.4 Vivolo's Historical Archive

Vivolo's identity is rooted in a rich historical heritage, carefully preserved and enhanced through the corporate Historical Archive. This archive is not merely a collection of past records; it's a true journey through the creativity and innovation that have characterized over fifty years of activity in the fashion and accessories sector. Every piece stored tells a story of research, experimentation, and the ability to anticipate trends, reflecting the evolution of style and aesthetic needs over time.

With more than 20,000 accessories created, the Archive represents an inexhaustible source of inspiration for the brands and designers who collaborate with the company. It is a dynamic collection that testifies to the excellence of Italian savoir-faire, featuring solutions that combine aesthetics, functionality, and, today, focus on sustainability. Each creation is an **expression of the corporate heritage**, a tangible legacy of details, materials, techniques, and visions **that continue to guide Vivolo's path towards the future**.

Aware of the strategic value of this heritage, the company has developed a digital version of the Archive, making it accessible in a fast and intuitive way. This tool allows for targeted research, style analysis, solution comparison, and immediate access to a universe of creativity built upon time.

The Vivolo Historical Archive is therefore much more than a collection: **it is a manifesto of corporate identity**, a bridge between tradition and innovation, between memory and vision. It tells of a past that is still alive, a past that continues to generate value, and one that represents a solid foundation upon which to build the future.





03

Governance

3.1 Governance Structure

Vivolo is committed to ensuring corporate management founded on a solid and structured governance, a fundamental element for ensuring the resilience and continuity of operational activities. An effective governance system promotes transparency, improves internal communication across the various organizational levels, and ensures decision-making processes that are responsible, informed, and aware of economic, social, and environmental impacts.

The company's governance is entrusted to a Board of Directors that reflects gender balance among its members. This Board is composed of Luciano Vivolo, Marianna Vivolo, Salvatore Vivolo, Maria Eloise Vivolo, Luciana Vivolo, and Matteo Vivolo, who are also the owners. This balance represents an added value, fostering a diverse and inclusive vision in the strategic management of the company.



3.2 Governance Ethics and Integrity

In a constantly evolving economic and regulatory context, Vivolo adopts an **approach grounded in integrity and responsibility**, focusing particularly on building and maintaining solid, long-term relationships with all stakeholders. During the reporting biennium, the company recorded no convictions or sanctions related to corruption incidents, confirming its commitment to ethical and transparent management.

Vivolo has implemented fundamental tools to reinforce corporate ethics and transparency, recognizing that a company's reputation depends not only on the quality of its products and services but also on its ability to operate in compliance with ethical principles and integrity. To this end, the company has adopted a **Code of Ethics** which expresses its shared ethical values and principles. This document guides the behavior of all employees, promoting respect for regulations and a sense of responsibility toward stakeholders and the community.

The Code of Ethics is a cornerstone of the **Organization, Management, and Control Model (MOG)** adopted by Vivolo, pursuant to Italian Legislative Decree 231/2001. This tool aims to prevent the risk of administrative offenses arising from crime, promoting internal management that ensures regulatory compliance and responsible conduct. This model represents a pillar of the corporate governance system, ensuring rigorous control over activities and providing clear guidelines to prevent any illicit conduct.

Vivolo's commitment to implementing these tools reflects the desire to consolidate a transparent organizational structure, founded on solid ethical principles and capable of creating value in compliance with regulations. Through the Code of Ethics and MOG 231, the company commits to maintaining the highest standards of integrity, protecting its reputation, and contributing to sustainable and responsible development.

3.3 Vivolo's Control System

Vivolo has implemented a structured and rigorous internal control system aimed at ensuring regulatory compliance, operational transparency, and ethical integrity in every aspect of its business. This system, for which the entire corporate population has received specific training, is based on an organizational and management model compliant with Legislative Decree 231/2001, integrated by the Code of Ethics that defines its guiding principles, and tools such as the **Whistleblowing** channel for reporting potentially illicit events.

This channel, mandated by Legislative Decree 24/2023, allows employees, collaborators, and stakeholders to report any illicit conduct, ensuring the utmost confidentiality of the reporting party and the responsible management of reports through the Supervisory Body (Organismo di Vigilanza) or dedicated corporate functions.

3.4 Impacts of Climate Change

Vivolo's business model, assets, and the company more generally, are not exposed to physical and transition risks related to climate change that would generate relevant financial effects.

04

Analysis of Material Topics

1. IDENTIFICATION OF POTENTIALLY MATERIAL TOPICS

The relevance analysis, or materiality analysis, is a fundamental strategic process that enables the identification of the most significant sustainability topics for the company and its stakeholders, both internal and external. This analysis subsequently accompanies and supports the development of the ESG strategy.

The **analysis** was **conducted** following an **“inside-out” logic** with the goal of highlighting material topics from an impact perspective. **Impact Materiality** refers to how the organization’s activity generates impacts on governance, people, or the environment. This analysis allows for the **identification of the relevant ESG topics most coherent** with the company context and business model, and for attributing a weight to each impact.

The materiality analysis conducted by Vivolo specifically involved the following work phases:

This process was carried out by applying a threefold screening. Firstly, the methodological framework defined within the SASB (Sustainable Accounting Standards Board) was evaluated, which identifies statistically material topics for companies operating in the same industry.

Secondly, the topics deemed “double material” by peer companies and/or competitors, those with affinities to Vivolo in terms of business model, size, and geographic location, were examined. Finally, specific aspects and topics of Vivolo’s business model that had not emerged in the previous screenings, were identified. Through this process, the potentially relevant topics that became the object of the materiality analysis itself were identified.

2. STAKEHOLDER ENGAGEMENT

The company first mapped its stakeholders, categorized them, and assigned them a weight, as described below. Subsequently, questionnaires were administered to all stakeholders, both internal and external, asking them to rate, on a scale of 1 to 5, the degree of importance that Vivolo should attribute to the topics identified as potentially material. The responses provided were weighted according to the stakeholder’s category, importance, and level of influence in achieving Vivolo’s objectives. The results provided the calculation basis for Impact Materiality.

INTERNAL STAKEHOLDER

BOARD

FRONT-LINE STAFF
EMPLOYEES

EXTERNAL STAKEHOLDER

CLIENTS

SUPPLIERS

BANKS AND INSURANCE COMPANY
LOCAL COMMUNITY
REGULATORY BODIES

Vivolo has therefore mapped all stakeholders along the value chain, tailoring its communication methods and tone to the specific interlocutor, in order to maintain a continuous and transparent conversation. Details are provided below.

Internal Stakeholder:

- Sharing the Code of Ethics
- Refresher/Training courses
- Continuous and open dialogue with the President



Media:

- Institutional website
- Corporate LinkedIn profile
- Interviews released directly by the Management



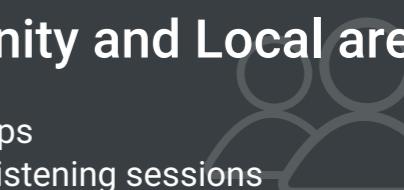
Suppliers:

- Periodic meetings
- On-site visits
- Improvement plans



Community and Local areas:

- Sponsorships
- Dedicated listening sessions



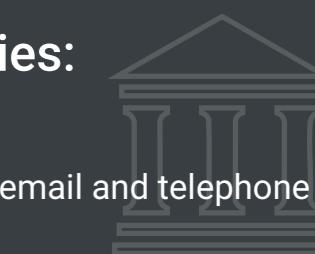
Clients:

- Telephone and email contact
- Dedicated internal contact person for client management
- Tailor-made service
- Total openness to visits upon request



Banks and Regulatory Bodies:

- Frequent meetings
- Continuous relationship managed via email and telephone

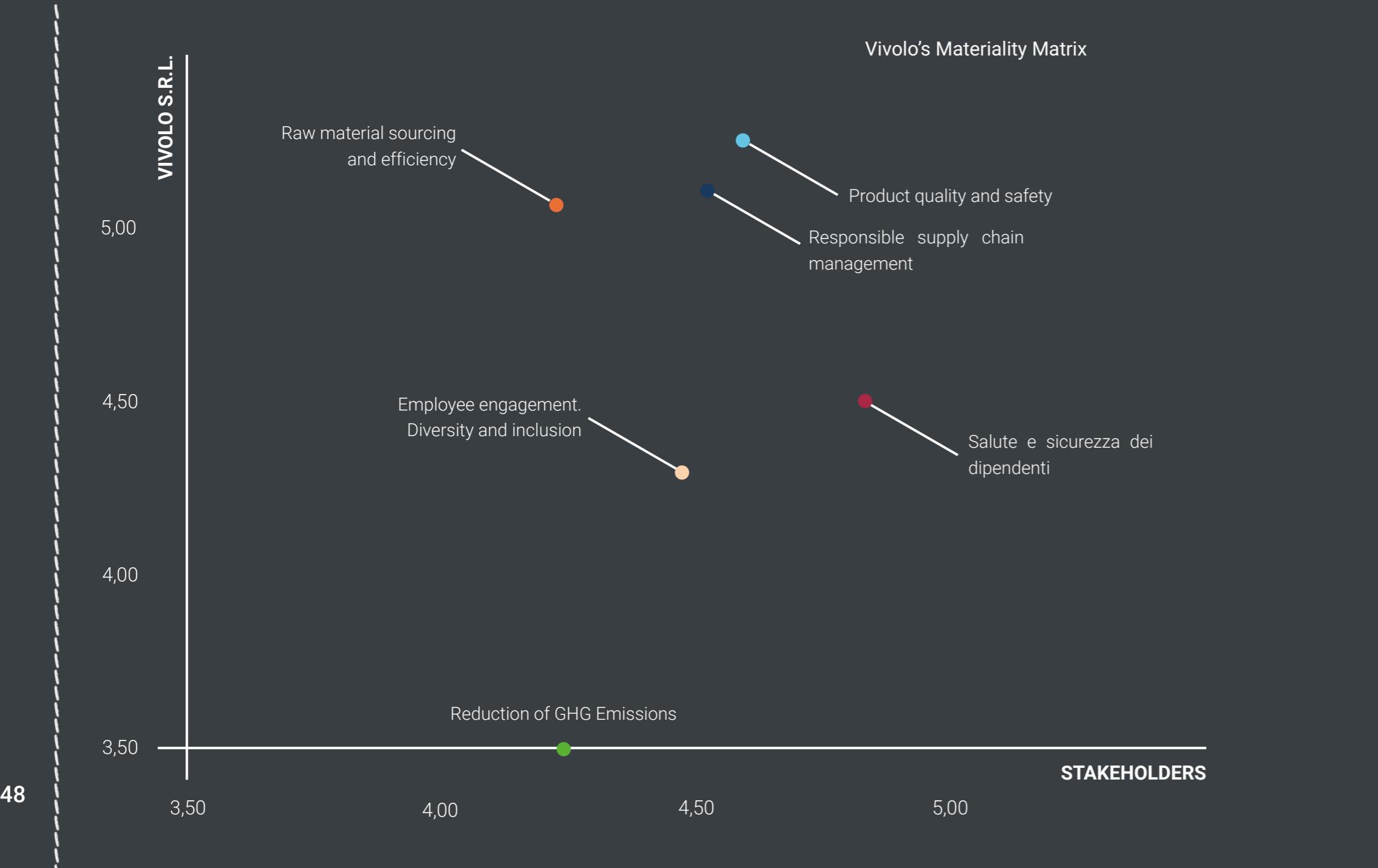


ASSESSMENT OF POTENTIALLY MATERIAL TOPICS USING AN IMPACT LOGIC

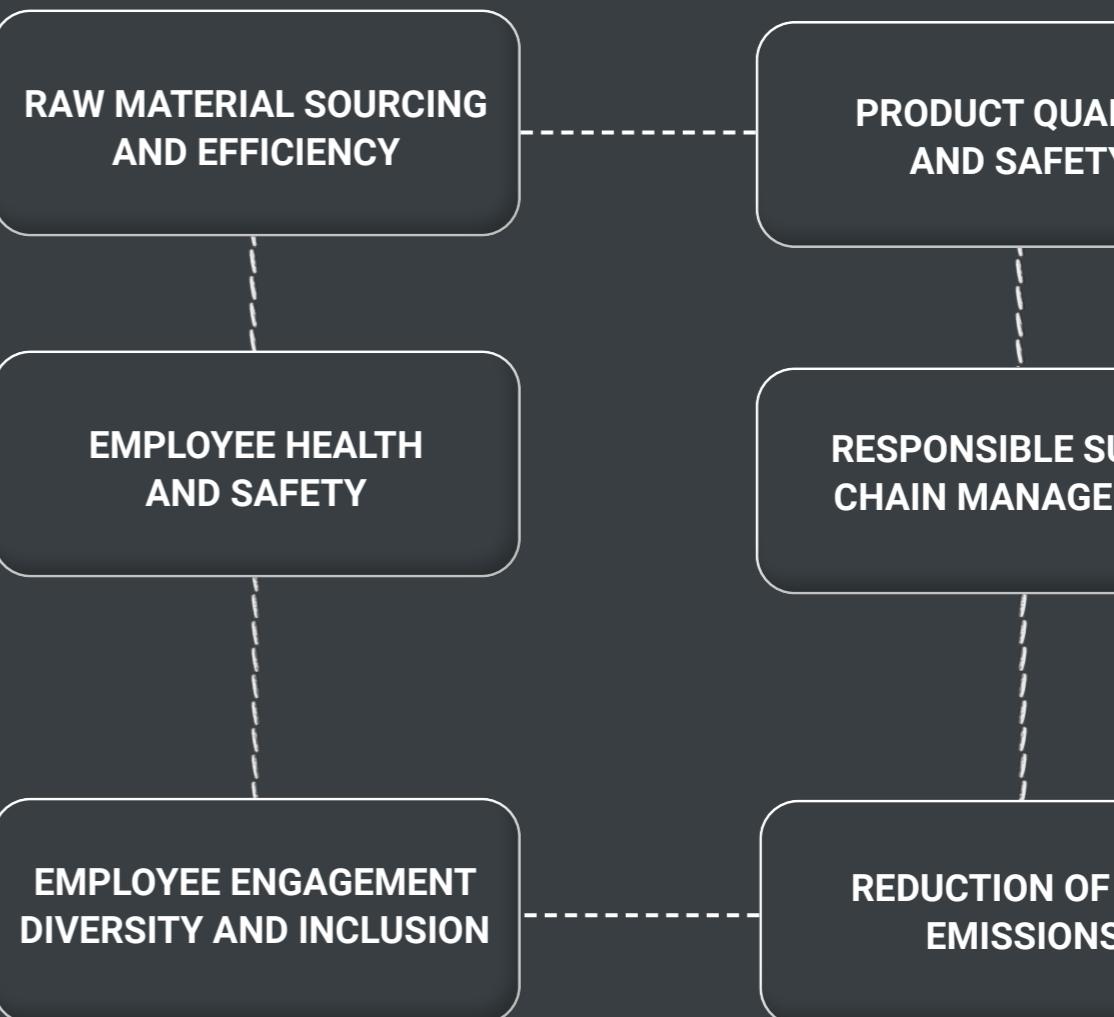
Each topic deemed material, and reported in the following table, was analyzed from the perspective of its potential impacts, as described below.

MATERIAL TOPIC	IMPACT DESCRIPTION	LEVEL OF MATERIALITY
Raw Material Sourcing and Efficiency	Use of Recovered Raw Materials: Leather is used exclusively from by-products of the food supply chain, thereby avoiding waste and contributing to the circular management of resources. The GRS (Global Recycled Standard) certification has been obtained, which certifies the traceability and percentage of recycled materials used in production processes, in addition to adherence to environmental and social requirements throughout the entire supply chain.	Material
Product Quality and Safety	Customer Satisfaction: Product quality and safety are placed at the core through compliance with regulations and rigorous quality and performance standards (UNI EN ISO 9001:2015, OEKO-TEX®), aiming to generate a positive impact on the satisfaction of the client and the final consumer.	Highly Material
Employee Health and Safety	Workplace Accidents: Activities related to production phases can expose employees to physical and chemical risks, with potential consequences for health and safety in the workplace. However, risks are properly managed through the UNI EN ISO 45001:2018 certification system, reducing the severity and probability of harmful events.	Material

TEMA MATERIALE	DESCRIZIONE IMPATTO	RILEVANZA
Personnel Engagement, Diversity, and Inclusion	Employee Well-being: Dedicated commitment to positively impacting this topic through a respectful and inclusive work environment, with a particular focus on employee well-being (benefits and career opportunities).	Material
	Worker Dissatisfaction and Discontent: Negative impacts caused by incidents of discrimination, bullying (mobbing), or inadequate working conditions.	
	Internal Training: Adequate technical training programs are offered with the aim of improving the professional skills and capabilities of employees, especially recent graduates and new hires.	
Responsible Supply Chain Management	ESG Procurement Practices: Supplier selection includes minimum requirements that do not cover sustainability performance. ESG conduct policies that bind suppliers have not yet been shared, beyond the signing of the Code of Ethics. The lack of control over supplier activities can indirectly lead to potential impacts on the environment or the social dimension.	Highly Material
	Delay in Supplier Payment: Negative impacts on suppliers can be generated by delays in invoice payments for the supply of raw materials or services	
Reduction of GHG Emissions	Generation of Climate-Altering Emissions (GHG): Greenhouse gas emissions are generated by fuel use in operations (Scope 1), purchased energy (Scope 2), as well as the production of raw materials and transport of finished products (Scope 3).	Low Materiality
	Consumption of Non-Renewable Energy: Company activities require different energy carriers, with significant consumption in terms of electricity. These impacts are partially mitigated through the self-production of energy from its photovoltaic system.	



The topics deemed material following the analysis are summarized below:



4) RISK ANALYSIS

In addition, Vivolo has chosen to include the following among the material topics:

MATERIAL TOPIC	RISK	DESCRIPTION
Raw Material Sourcing and Efficiency	Material Scarcity	The scarcity of raw materials often leads to a price increase. This can raise production costs, reducing the company's profit margins. Furthermore, the lack of essential raw materials can cause delays or even completely interrupt production, compromising the company's ability to fulfill orders and meet deadlines, consequently damaging the company's reputation and client relationships.
	Price Volatility	Price volatility makes it difficult for the company to make accurate forecasts of future costs and cash flows, complicating financial and strategic planning. Furthermore, such fluctuations can lead to frequent changes in finished product prices, which can confuse clients and reduce trust in the company's stability. If the company were to pass the increased costs on to clients.
	Non-Sustainable Materials	The use of materials with a high environmental and social impact can primarily lead to reputational damage, resulting in a loss of attractiveness towards clients and banks. Furthermore, possible risks generated by the increasingly stringent evolution of environmental and social regulations should be considered, which could limit or prohibit the use of certain materials. Finally, investors and large groups are increasingly favoring companies with high sustainability standards, meaning the use of non-sustainable raw materials can reduce business opportunities.

MATERIAL TOPIC	RISK	DESCRIPTION
Product Quality and Safety	Harmful or Hazardous Substances in Products	This risk factor can lead not only to severe reputational damage, legal disputes, and penalties, but also to significant costs associated with product recalls and reformulation.
	Poor Product Quality and Durability	A product that fails to meet client standards or expectations can lead to a sharp decline in the brand's attractiveness and image, resulting in a loss of competitiveness and market share.
Employee Health and Safety	Exposure to Workplace Accidents and Occupational Diseases	The occurrence of workplace accidents, with potentially very serious outcomes, can result, on the one hand, in significant expenses for compensation and legal disputes, in addition to potentially increasing employee discontent and decreasing the company's ability to retain personnel; on the other hand, it can cause reputational damage, reducing the brand's attractiveness to potential clients.
	Non-Compliance with HSE Regulations	Failure to comply with occupational health and safety regulations increases the risk of workplace accidents; furthermore, the company could incur penalties, complaints, and legal disputes.
Employee Engagement, Diversity, and Inclusion	Inability to understand employees' expectations and needs	Insufficient communication between the Board and the workforce could limit the company's ability to address problems and meet employee needs, leading to higher dissatisfaction, lower retention rates, and potential reputational damage.
	Employee dissatisfaction and discontent	Dissatisfied employees tend to be less motivated and less engaged, which can lead to lower productivity. Moreover, discontent can cause an increase in absenteeism, disrupting workflow. Dissatisfied employees are also more likely to leave the company, resulting in higher recruitment and training costs as well as the loss of skills and experience. Demotivation may also lead to a decline in work quality, causing errors, defects in products or services, and ultimately customer dissatisfaction.

MATERIAL TOPIC	RISK	DESCRIPTION
Employee Engagement, Diversity, and Inclusion	Violation of workers' rights	Violating workers' rights can lead, on the one hand, to all the risks associated with employee discontent and, on the other, to serious reputational damage, as well as legal disputes and potential penalties.
	Discrimination incidents	Discrimination can severely damage the company's reputation, leading to a negative perception among the public, customers, and business partners. Discriminatory incidents can also result in lawsuits filed by affected employees, generating significant legal costs and potential compensation payments. Finally, discrimination can create a toxic work environment, reducing morale and employee productivity.
Responsible supply chain management	Human rights violations by suppliers	If suppliers fail to respect their workers' human rights, the company may face sanctions and fines, even if the violations are not directly committed by the company itself. If the company is associated with such human rights violations, it could suffer reputational harm. Information about these issues can spread rapidly, especially on social media, negatively influencing public and customer perception. Human rights violations within the supply chain can also cause disruptions, delays, and increased costs. Managing and replacing suppliers can require significant time and resources.
	Pollution and environmental impacts within the supply chain	If suppliers fail to comply with environmental regulations, the company may face sanctions and fines, even if it is not directly responsible for the violations. Additionally, legal issues involving suppliers can damage the company's reputation, negatively influencing public and customer perception. Customers may choose competitors with more sustainable supply chains, reducing the company's market share and competitiveness. Finally, the company may incur additional costs to replace such suppliers.
	Poor supplier relationships	The company may exert pressure on suppliers regarding delivery schedules, placing them in difficulty and, in turn, causing pressure on their employees. These actions could strain supplier relationships, compromise business opportunities, and make procurement processes more complex.

MATERIAL TOPIC	RISK	DESCRIPTION
Reduction of GHG Emissions	Lack of access to credit or subsidized finance programs	Financial institutions and funding programs are increasingly considering companies' emissions performance, requiring them to meet certain thresholds or contribute positively to climate change mitigation. Neglecting greenhouse gas emissions and failing to comply with related regulations could exclude the company from incentives and financing opportunities.
	Environmental impact	If the company emits high levels of greenhouse gases, it may suffer reputational damage—especially in a context where consumers and investors are increasingly sensitive to environmental issues. Moreover, these emissions would contribute to the greenhouse effect and related effects, such as the intensification of extreme weather events.
	Compensation costs	With the growing number of environmental regulations and climate change policies, the company could face financial penalties, emission taxes, or obligations to purchase carbon credits. These costs could have a significant impact on corporate budgets.
	Physical risks	Climate change may cause extreme weather events such as floods, droughts, or storms, which could damage company infrastructure, disrupt supply chains, and increase operating costs.

05

Management of Material Issues

5.1 The Method

Once the material topics have been identified and evaluated, it is crucial to implement strategies and actions to manage them effectively. For Vivolo, this is achieved through the following:



5.2 Action Plan

The following section outlines some initiatives that the company has either implemented or intends to develop in the near future, linked to the management of specific themes identified within the materiality analysis.

RISK	MITIGATION / MANAGEMENT / CONTINGENCY ACTIONS	TIME HORIZON	RESPONSIBILITY SCOPE	RISK	MITIGATION / MANAGEMENT / CONTINGENCY ACTIONS	TIME HORIZON	RESPONSIBILITY SCOPE
Material Scarcity	<ul style="list-style-type: none"> Supply chain diversification: maintain relationships with multiple suppliers to reduce dependency on a single supplier or geographic area. Inventory management: increase safety stock levels for critical materials to ensure adequate reserves in case of supply interruptions. Material efficiency: improve material efficiency through more efficient production techniques and waste reduction. Research and use of alternative materials: continue identifying innovative materials on the market and invest in R&D for alternative materials. Supplier risk assessment: conduct regular supplier risk assessments to identify and mitigate potential issues before they arise. Recycling and reuse: implement new in-house recycling and reuse programs for materials. 	Short Term (2025) 	Purchasing, R&D, Design	Poor product quality and durability	<ul style="list-style-type: none"> Selection of raw materials: collaborate with suppliers that guarantee high-quality raw materials in compliance with required standards. Strict quality controls: implement rigorous quality control processes at all production stages. Quality Management Systems: maintain internationally recognized quality certifications to ensure high process standards and continuous improvement. Staff training: continue training personnel on quality management, advanced production techniques, and best maintenance practices. Product design: keep improving product performance through tools such as AI. 	Medium Term (2026) 	Design, Production, Quality Control, R&D
Pollution and environmental impacts within the supply chain	<ul style="list-style-type: none"> Supply chain due diligence: perform thorough assessments of suppliers to identify potential environmental risks using questionnaires, audits, and on-site visits to verify operational practices. Life Cycle Assessment (LCA): use LCA tools to better understand the environmental impacts of supplied materials and products, identifying opportunities to reduce overall environmental footprint. Contracts with environmental clauses: include contractual clauses requiring suppliers to comply with high environmental standards and applicable regulations. Integration into procurement processes: incorporate sustainability and environmental performance criteria into supplier selection and procurement processes, ensuring only compliant suppliers are approved. 	Short Term (2025) 	Purchasing, R&D	Price Volatility	<ul style="list-style-type: none"> Market monitoring: establish a continuous market monitoring system to anticipate material price fluctuations and adjust procurement strategies accordingly. Long-term contracts: negotiate long-term agreements with suppliers to stabilize raw material prices and reduce exposure to market volatility. Supplier diversification: broaden the supplier base to avoid dependency on single sources and mitigate price fluctuation risks. Consumption reduction: invest in technologies and processes that improve efficiency and reduce raw material consumption, lowering exposure to price volatility. Supplier relationships: build strong, collaborative supplier relationships by negotiating favorable terms and improving communication on price forecasts. 	Medium Term (2026) 	Purchasing, Sales

RISK	MITIGATION / MANAGEMENT / CONTINGENCY ACTIONS	TIME HORIZON	RESPONSIBILITY SCOPE	RISK	MITIGATION / MANAGEMENT / CONTINGENCY ACTIONS	TIME HORIZON	RESPONSIBILITY SCOPE
Human rights violations by suppliers	<ul style="list-style-type: none"> Supply chain due diligence: conduct in-depth supplier assessments to identify risks related to human rights using questionnaires, audits, and on-site inspections. Monitoring of human and labor rights: carry out regular supplier audits using internal and third-party auditors to ensure objectivity and transparency. Codes of conduct and contractual clauses: prepare and distribute a code of conduct or contractual clauses clearly outlining expectations on human rights compliance, requiring all suppliers to adhere as a condition for collaboration. Integration into procurement processes: integrate human rights criteria into supplier selection and procurement, ensuring only compliant suppliers are selected. 	Medium Term (2027-2028)  	Purchasing, Quality	Exposure to workplace accidents and occupational diseases	<ul style="list-style-type: none"> Compliance with Legislative Decree 81/2008. Risk assessment: conduct periodic workplace risk assessments and continuously update them according to changing conditions or new regulations. Safety measures: ensure the presence of safety devices such as protective barriers, extraction systems, smoke detectors, and CE-marked machinery. Training and awareness: organize regular safety training sessions for all employees, covering PPE use and emergency procedures. Employee health monitoring: implement health monitoring programs to detect early signs of work-related issues; provide medical and psychological support to high-risk workers. Safe work procedures: establish clear work procedures and emergency protocols. 	Medium Term (2027-2028)  	QHSE-RSP
Water scarcity	<ul style="list-style-type: none"> Water use efficiency: implement technologies and practices to reduce water consumption in all production stages, including closed-loop systems. Water recycling and reuse: invest in wastewater treatment systems for recycling and reuse in industrial processes and irrigation. Rainwater collection: maintain infrastructure for rainwater harvesting and storage, reducing dependence on traditional sources. Awareness and training: promote awareness of sustainable water use among employees and local communities through training and outreach programs. 	Medium Term (2027-2028)  	Design, R&D	Inability to understand employees' expectations and needs	<ul style="list-style-type: none"> Clear communication channels: maintain defined communication systems, such as request management platforms and feedback tools. Transparency promotion: ensure business decisions and their rationale are clearly communicated to employees, providing regular feedback to improve understanding and engagement. Surveys and questionnaires: use periodic surveys to gather insights on employee expectations and evaluate how well management responses are understood. Employee involvement: involve employees in request management processes and encourage participation in improvement discussions. 	Medium-long term (2028)  	Management, HR

RISK	MITIGATION / MANAGEMENT / CONTINGENCY ACTIONS	TIME HORIZON	RESPONSIBILITY SCOPE	RISK	MITIGATION / MANAGEMENT / CONTINGENCY ACTIONS	TIME HORIZON	RESPONSIBILITY SCOPE
Use of non-sustainable materials	<ul style="list-style-type: none"> Substitution with sustainable alternatives: identify and adopt sustainable alternatives such as recycled, biodegradable, or low-impact materials; collaborate with suppliers offering certified materials. Eco-friendly design: integrate sustainable design principles into production, including waste reduction and resource efficiency; adopt eco-design approaches to enhance product sustainability throughout its life cycle. Environmental certifications: maintain environmental certifications such as UNI EN ISO 14001:2015 and certifications specific to sustainable materials. 	Medium-long term (2028)  	Design, R&D	Discrimination incidents	<ul style="list-style-type: none"> Adoption of anti-discrimination policies: ensure the Code of Ethics includes a clear, detailed policy covering all forms of discrimination, including race, gender, ethnicity, religion, sexual orientation, disability, and other protected characteristics. Diversity and inclusion promotion: actively promote diversity through internal communication and awareness campaigns. Complaint and reporting mechanisms: maintain safe, confidential channels for reporting discrimination, ensuring employees can speak up without fear of retaliation 	Long term (2027)   	Management, HR
Employee dissatisfaction and discontent	<ul style="list-style-type: none"> Active listening programs: conduct periodic surveys to collect feedback on satisfaction levels and employee concerns. Career development opportunities: provide training and skills development programs, offering clear career paths and growth opportunities. Improvement of working conditions: ensure a safe, comfortable, and stimulating work environment; promote work-life balance through flexible schedules or remote work options. Incentive programs: introduce recognition and reward programs for outstanding performance. Well-being and support policies: offer corporate welfare and employee support programs. 	Medium-long term (2028)  	Management, HR	Lack of access to credit or subsidized finance programs / Compensation costs	<ul style="list-style-type: none"> Monitoring and reporting: implement systems to measure and record GHG emissions; perform regular energy audits to identify improvement areas. Publish periodic emission and reduction reports in line with international standards (e.g., ESRS E1, CDP). Reduction strategies and targets: define measurable emission-reduction targets and develop strategic action plans to achieve them. Electrification: minimize the use of natural gas and fossil fuels by converting combustion-based systems to electric technologies (motors, resistors, heat pumps). Energy efficiency: improve energy efficiency in buildings and plants. Use of renewable energy: continue producing and sourcing renewable energy. 	Long term (2030)   	Management, Quality Administration, Design, Production



06

Towards a Sustainable Future: our Environmental Performance

Environmental sustainability is often the first aspect associated with the concept of sustainable development. Issues such as climate change, the depletion of natural resources, pollution, and the loss of biodiversity are now, more than ever, at the centre of global concerns.

Protecting the environment is a fundamental prerequisite for promoting a truly sustainable development model. For this reason, Vivolo considers it a **priority to adopt strategies and production processes that adhere to sustainability principles, such as the efficient use of resources, the reduction of emissions, and the safeguarding of ecosystems**. With this vision, the company decided to structure, and subsequently certify with **ISO 14001**, its Environmental Management System, integrating it with the **ISO 9001** Quality and **ISO 45001** Health and Safety management systems.

This certification, which Vivolo renews annually, requires the achievement of various prerequisites, including not only the constant monitoring of the organization's environmental impact and the implementation of corrective actions in case of non-conformities, but also the definition of objectives that drive the system towards a continuous improvement of environmental performance.



Reducing Emissions and Optimising Energy Use: Our Commitment

Energy from non-renewable sources is one of the main causes of Greenhouse Gas (GHG) emissions, which contribute to global warming and the resulting negative impacts on the environment, biodiversity, and climate balance. The increasing use of fossil fuels has accelerated these phenomena, putting the health of ecosystems and communities at risk.

Vivolo addresses this challenge with determination, aware that every company must play its part in the transition towards a more sustainable and resilient economy. Reducing emissions, optimising energy efficiency, and promoting renewable sources are the cornerstones of our environmental strategy. Through targeted interventions and investments in innovative technologies, **the company is committed to limiting the use of fossil fuels and decreasing its carbon footprint, thereby actively contributing to the fight against climate change.**

6.1.1 Energy Under Control: Improving to Innovate

Conscious monitoring and management of energy consumption are priorities for Vivolo. Each year, the company meticulously analyzes data related to the energy consumed, broken down by renewable and non-renewable sources, imported energy, in-house generation, and energy sold. This process enables the identification of areas for improvement, **fostering energy efficiency and the transition towards cleaner sources.**

Thanks to an approach based on concrete data and continuous optimization, Vivolo aims to reduce its environmental impact, contributing not only to corporate sustainability but also to the well-being of future generations. The details regarding total energy consumption are presented in the table below, evidencing the company's continuous commitment to monitoring and improving its environmental performance.

The overall energy consumption of Vivolo is shown in the table below.

	Unit of Measurement	2024	2023
Fuels from non-renewable sources	Natural gas	Sm3	10.901,6
	Diesel fuel	Litri	2.374
Imported energy	Electricity	kWh	332.831
Internal production from renewable sources	Electricity produced	kWh	109.746

As can be seen from the table above, **in 2024 Vivolo undertook a path of energy rationalization, also with the aim of reducing its climate-changing emissions.**

This commitment translated into the internalization of some activities (resulting in a significant reduction in diesel consumption for transport and a relative slight increase in natural gas consumption) and the introduction of an electric vehicle into the company car fleet.

As is evident from the table above, a sharp decrease in the self-production of electricity from renewable sources was recorded between 2023 and 2024, a fact that certainly influenced imported energy consumption during 2024.

This reduction in self-production was due to technical problems with the photovoltaic system during the warmest and most productive months of the year, which impaired its correct functioning. The system has now been restored, a fact which will certainly emerge in the 2025 reporting.

6.2 Cutting GHG Emissions: Vivolo's Concrete Commitment to Climate Action

The reduction of Greenhouse Gas (GHG) emissions is a central priority within Vivolo's environmental strategy. To ensure a rigorous and transparent measurement of its carbon footprint, **the company has developed a GHG inventory** following the principles of the **UNI EN ISO 14064-1:2019** standard and the **GHG Protocol**.

Thanks to the adoption of the **"Operational Control"** method, the organizational boundaries have been precisely defined, ensuring the consistency and reliability of emission measurements.



SCOPE 1

Direct emissions produced by sources owned or directly controlled by the organization, such as fuels used in production processes and company vehicles.

SCOPE 2

Indirect emissions associated with the generation of purchased electricity, heat, or cooling consumed by the company.

The resulting GHG values from the company's Carbon Footprint analysis are reported below:

		2024 [tCO2eq]	2023 [tCO2eq]
Scope 1	Direct emissions from stationary combustion	24,31	21,85
	Direct emissions from mobile combustion	20,24	58,97
	TOTAL	44,54	80,82

	Direct emissions from mobile combustion	2024	2023
Scope 2	Indirect emissions from imported energy [tCO2eq]	68,06	73,96 ¹
	TOTAL² [tCO2eq]	112,60	154,78
	GHG Intensity³ [tCO2e/Mln€]	8,237	11,149

¹ The Scope 2 value (Location-Based Methodology) has been aligned with the emission factor updated in May 2025.

²Calculated as the sum of Scope 1 + Scope 2 (Location-Based). ³Calculated as follows: (sum of Scope 1 + Scope 2, Location-Based) / revenue value; in this case, the 2023 data has also been aligned with the emission factor updated in May 2025.

	"Market Based" Metodology	2024	2023
Scope 2	Indirect emissions from imported energy [tCO2eq]	180,93	116,61 ¹
	TOTAL² [tCO2eq]	225,47	247,43
	GHG Intensity³ [tCO2e/Mln€]	16,494	17,822

¹The Scope 2 value (Market-Based Methodology) has not been aligned with the emission factor as it is still pending an update. ²Calculated as the sum of Scope 1 + Scope 2 (Market-Based). ³Calculated as follows: (sum of Scope 1 + Scope 2, Market-Based) / revenue value.

6.2.1 Protecting: Vivolo's Environmental Commitment

In line with the goals set by the Paris Agreement and by national and international commitments, Vivolo has developed a detailed plan for the reduction of greenhouse gas emissions, actively contributing to the fight against climate change.

The strategic roadmap is based on **clear objectives divided into three-time horizons: short, medium, and long term.**

• **In the short term**, the company will focus on **optimizing internal processes and introducing more advanced technologies**, with the aim of rapidly reducing its environmental impact.

• **In the medium term**, Vivolo plans to **implement innovative technological solutions and increase the use of renewable energy sources**, ensuring a consistent and sustainable reduction of emissions.

• **In the long term**, the goal is to radically transform production models, aligning with international best practices and striving for **carbon neutrality**.

This ambitious plan reflects Vivolo's vision for a sustainable future, strengthening its commitment to environmental responsibility. Through concrete and measurable actions, the company intends to meet the expectations of customers, communities, and all other stakeholders, confirming itself as a responsible and innovation-oriented industrial entity.

6.2.1.1 Emission Reduction: Mitigation Activities and Expected Results

Following the analysis of emissions and the company inventory, Vivolo has identified a series of mitigation activities aimed at reducing its emissions. These interventions will allow for a significant reduction in total Scope 1 and Scope 2 emissions, contributing to a more sustainable management of corporate resources and activities.

The identified mitigation activities include:

• **Monitoring and Analysis of Energy Consumption at the company headquarters**, to identify inefficiencies and optimize consumption, with an estimated saving 3,8 tons of CO₂.

• **Replacement of the Electric Forklift Charging System**, which will improve energy efficiency by reducing emissions by 1,9 tons of CO₂.

• **Replacement of the Boiler with a Heat Pump at the company headquarters**, resulting in a reduction of direct emissions by 6,43 tons of CO₂ and additional indirect benefits of 2,14 tons of CO₂ related to electricity consumption.

• **Replacement of the Boiler with a Heat Pump in the secondary units**, which will allow for the avoidance of 15,42 tons of CO₂ for direct emissions and 5,14 tons for indirect emissions.

• **Replacement of the Company Car Fleet with More Sustainable Vehicles**, with a reduction in mobile combustion emissions equal 15,74 tons of CO₂.

The total sum of avoidable emissions thanks to these initiatives amounts to tons of per year. The implementation of these measures will allow for a 36.3% reduction in Scope 1 and Scope 2 emissions compared to the total quantified in the reference period. Furthermore, the elimination of fugitive direct emissions, already achieved during the year, represents another step forward in improving corporate sustainability.

These interventions demonstrate Vivolo's concrete commitment to pursuing sustainability goals. The execution of mitigation activities will not only reduce the company's environmental impact but will also contribute to promoting a more responsible and efficient model for energy resource management. Continuous monitoring and the adoption of new measures will further strengthen the results achieved.

6.3 Responsible Water Management: A Resource to Protect

Sustainable water management is essential to ensure that this vital resource, indispensable for life and development, remains accessible to both present and future generations.

The global water crisis, amplified by climate change and increasing demand, makes water scarcer and more precious than ever. In this context, Vivolo is committed to adopting practices that optimize the use of water resources and promote their circularity, especially considering that the company operates in an area under extreme water stress.

The company's approach is based on a set of initiatives aimed at:

- Reducing waste through careful and attentive management of consumption;
- Constantly monitoring the use of water resources;
- Integrating innovative technologies to improve water efficiency in production processes.

6.3.1 Optimising Water Consumption: A Responsibility

Vivolo is committed to transparently monitoring and reporting its water withdrawals and consumption, paying particular attention to resource management in areas characterized by high water stress. This approach allows the company to identify critical issues and adopt measures to optimize water usage, ensuring a responsible and sustainable use.

Following relevant international standards, Vivolo prioritizes minimizing the environmental impact of its water withdrawals, thereby helping to preserve an increasingly valuable resource for present and future generations. This commitment represents a central element of the company's sustainability strategy, aligning with global challenges related to the water crisis.

This analysis allows for an accurate assessment of the environmental impact of the company's operations, helping to identify areas for intervention toward more sustainable water resource management. The results of the water stress study are reported in the following section, demonstrating Vivolo's commitment to responsible and conscious water stewardship.

Location	Water Stress
Via Ronco Maruni, 26, 40068 San Lazzaro di Savena BO	High

Water withdrawal refers to the amount of water that Vivolo has drawn within its organizational boundaries during the reporting period.

Water Withdrawal	u.m.	2024	2023
Water Withdrawal	m ³	1060	925

6.4 Waste Management: Reducing Waste, Enhancing Resources

The responsible management of resources and the principles of the circular economy are closely connected, sharing the goal of reducing the environmental impact of human activities and fostering a more efficient and resilient economic system.

The sustainable use of resources is based on a conscious and careful approach that ensures a balance between exploitation and regeneration, to preserve the availability of natural resources in the long term.

Simultaneously, the circular economy aims to prolong the useful life of materials and products through reuse, recycling, and waste reduction, thereby limiting the quantity of waste generated.

This integrated model applies to all phases of a product's life cycle, from the selection of raw materials to the management of waste, up to its final treatment. Adopting this approach not only improves overall sustainability but also promotes greater resource efficiency, transforming waste into new value opportunities.

6.4.1 Waste Management

The responsible management of waste is one of the main priorities for Vivolo, in line with its vision of a sustainable business model. The company is fully aware of the environmental impact of its activities and is committed to minimizing waste generation by adopting innovative solutions and targeted strategies.

The quantities of waste produced during the reference two-year period are reported below.

The company confirms its continued commitment to sustainability through efficient waste management. In recent years, the implementation of policies aimed at process optimization and **the enhancement of recycling has led to a significant reduction in the overall quantity of waste generated**. These results highlight the effectiveness of the actions taken and underline the company's determination to reduce its environmental impact, in harmony with its principles of environmental responsibility and consideration for future generations. le generazioni future.

	2024 [t]	2023 [t]
Non-hazardous waste destined for recycling or reuse	20	23
Non-hazardous waste destined for disposal	121	131
Hazardous waste destined for disposal	1,5	2

6.4.2 Vivolo and Circularity

The company adopts a systemic and integrated approach to the circular economy, with the aim of minimizing the environmental impact of its production cycle and promoting resource regeneration. In line with the principles of the circular economy, the organization has implemented a series of measures aimed at reducing waste generation, enhancing the value of scraps, and improving efficiency in their management.

Regarding the **optimization of production processes**, through constant review of its industrial processes, Vivolo has pursued the reduction of waste output, intervening in every phase of the supply chain to improve efficiency in the use of raw materials and minimize excesses.

The adoption of innovative technologies and the monitoring of production parameters have allowed for a significant containment of generated waste.

Concerning the use of **sustainable packaging**, particular attention is paid to reducing the weight and volume of packaging, favoring lighter, easily recyclable, and less impactful solutions. For paper and cardboard packaging, the company prioritizes materials sourced from responsibly managed forests, utilizing supplies certified according to the FSC® (Forest Stewardship Council) standard.

Finally, concerning **segregated waste management** and **traceability** within the facility, the practice of separate waste collection is widely disseminated and supported by a staff training and awareness system. Waste is disposed of exclusively through qualified handlers, in full compliance with current environmental regulations. Every waste stream is tracked using specific registers and forms, ensuring transparency, control, and traceability throughout the disposal or recovery process.

Through these actions, the company is committed to promoting a responsible industrial culture, contributing to the transition towards a more circular, resilient, and regenerative production model.

In 2024, with the prospect of launching the project in 2025, Vivolo began studying 100% sustainable solutions, including a project dedicated to the **reuse of leather offcuts** within an increasingly circular perspective. Aware that sustainability also involves the packaging of its products, Vivolo simultaneously initiated a scouting program for suppliers of sustainable materials, with the goal of making all packaging **plastic-free** in the short term, thereby contributing to the reduction of plastic quantities placed on the market.

6.4.3 Procurement

Regarding the flow of raw materials, **leather represents the main input for Vivolo's production cycle**. In 2024 alone, **tonnes of leather were purchased**, confirming it as the company's primary raw material.

07

Social Dimension and Respect for Rights

Promoting an inclusive and resilient society requires a strong focus on social sustainability, ensuring everyone has access to opportunities that foster their development and well-being. Social sustainability implies that every individual has the right to live in a socio-economic environment that enables the expression of their uniqueness. This is not only a legitimate personal interest but also a fundamental step towards building a better society for all.

For Vivolo, promoting social well-being means:

Striving for everyone's well-being within the workplace by promoting an inclusive culture, ensuring transparency and equal opportunities

Aspiring to create a safe working environment and to provide economic stability for everyone

As stated, **Vivolo is dedicated to ensuring the dignity, safety, and fundamental rights of all employees and the communities involved in its activities throughout the value chain**. The company has introduced a Code of Ethics that clearly defines the principles of integrity and mutual respect, establishing a solid foundation for relationships both within and outside the company boundaries.

Appreciating and enhancing individual characteristics in terms of both technical and soft skills

In line with the United Nations Guiding Principles on Business and Human Rights (UNGPs), as well as the ILO Declaration on Fundamental Principles and Rights at Work, Vivolo is committed to respecting human rights:

1. The right to a safe and healthy working environment

2. The right to collective bargaining

3. The right to equal opportunities and gender equality

4. The elimination of child labour and exploitation

Monitoring the respect for human rights means implementing processes and mechanisms that ensure compliance with the fundamental principles of human rights and allow for the prevention or mitigation of potential misconduct, such as discrimination, exploitation, harassment, or retaliation.

To facilitate communication on these matters between employee and company, Vivolo has implemented a **whistleblowing channel**, open to both internal and external stakeholders, for any report concerning the misconduct described above.

This tool is designed to promote open and constructive dialogue, ensuring every voice is heard. No human rights violations against Vivolo employees were recorded during the two-year reporting period.



THE PEOPLE AT VIVOLO

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08

The People at Vivolo

SUSTAINABILITY REPORT 2023-2024

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At Vivolo, the people are the beating heart of the company's activities and achievements. The company recognizes human value as an element of primary strategic importance: an essential factor for promoting innovation and tackling challenges in an increasingly complex and competitive global context.

8.1 Work Force

The following tables aim to describe Vivolo's employee population from a numerical point of view, as well as in terms of gender distribution and contract type. The data refers to the snapshot of the employee population as of each reference year. **Vivolo's workforce is entirely represented by employees operating nationally and linked to the company with a direct employment contract.**

At present, the company has not utilized temporary agency workers.

GENDER	2022	2023	2024
Men	10	9	12
Women	42	37	42
Other¹	5	5	5
Total	57	51	59

¹directors/members who receive compensation

CONTRACT	2022	2023	2024
Permanent	34	33	42
Fixed-term	22	16	16
Apprenticeship	1	1	1
Internship	0	1	0
Total¹	57 ²	51 ³	59 ⁴

¹net of the 5 administrators/shareholders, ²of which 1 employee belongs to the protected categories,

³of which 1 employee belongs to the protected categories, ⁴of which 2 employees belong to the protected categories

8.2 Gender diversity in governance

The governing body represents Vivolo's highest decision-making authority.

The composition of Vivolo's governance, characterized by full gender parity, is defined as follows:

GOVERNANCE	2022	2023	2024
Men	3	3	3
Women	3	3	3
Gender diversity index*	1	1	1

* number of female members

number of men members

09

Occupational Health and Safety

Vivolo, also through compliance with the requirements of its Occupational Health and Safety Management System, a system certified under ISO 45001, guarantees its employees a secure working environment in line with the highest national and international health and safety standards. In particular, the periodic monitoring and continuous improvement required by **ISO 45001** have, over time, helped promote and encourage a **culture of accident prevention, health protection, and risk awareness in the workplace**.

Vivolo has been committed for years to disseminating and consolidating this safety culture by increasingly raising awareness among everyone regarding risks, promoting responsible behaviour, and implementing preventative measures.

As anticipated above, Vivolo performs constant monitoring of its facilities, beyond legal obligations and the protection against imminent risks, specifically to ensure the highest safety standards for employees and quality for customers.

Also, within the framework of ISO 45001 certification, Vivolo has defined the governance of the Occupational Health and Safety Management System. The table below reports all information related to the specific indicators for the Health and Safety Management System, providing a broader overview as it also includes data relating to 2022, beyond the mere two-year period covered by the present reporting..

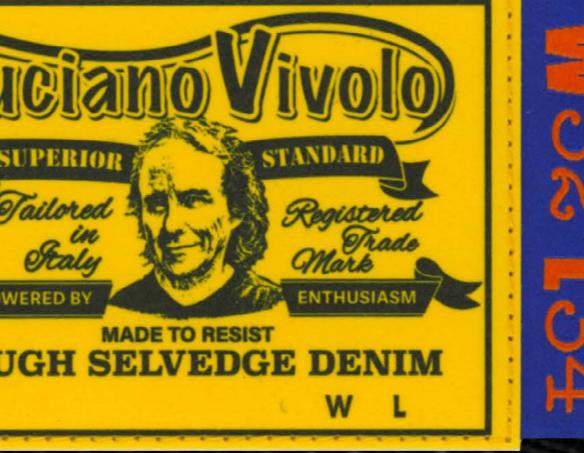
ACCIDENTS	2022	2023	2024
Numbers of hours worked	60153,5	61045	74458
of which ordinary	59179,25	59227	72545
of which overtime	974,25	1818	1913
Number of accidents	0	1	2
Number of missed days	0	3	63
Number of fatalities	0	0	0
Rate of accidents*	0	0,0033	0,0054

1 The hours worked refer to employees employed as of 31/12 of each year

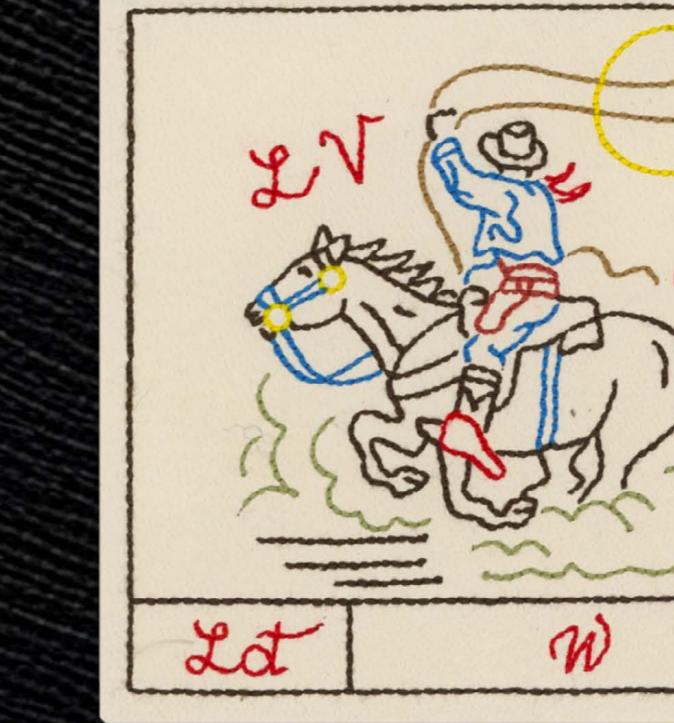
2 number of work-related accidents during the year x 20
total number of hours worked by all employees during the year



H M I



W 32 L 34

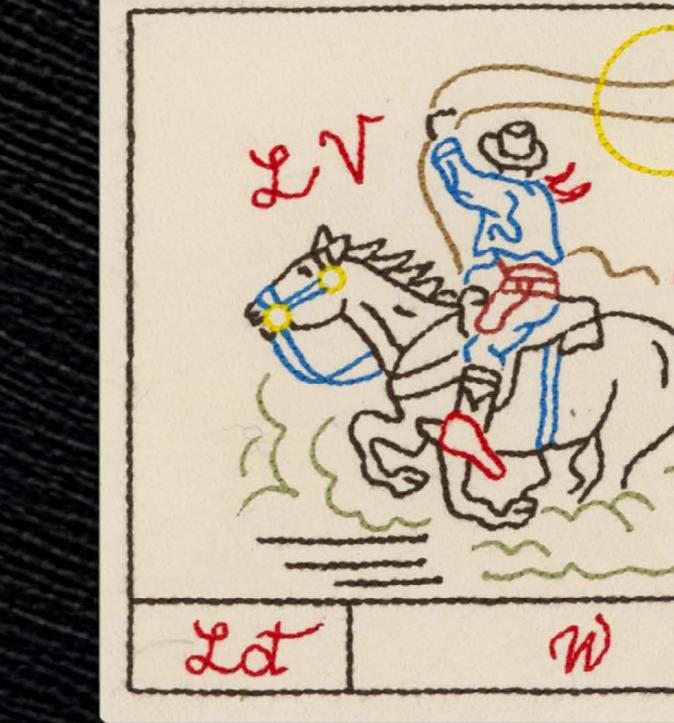


10

Information and Product Security



W L



Regarding information security, to safeguard company assets and ensuring business continuity, **Vivolo implements access control systems for both its facilities and IT systems**. The company requires the same standards from its suppliers and partners.

When it comes to product safety, Vivolo is fully committed to ensuring that its solutions never compromise the health, safety, and physical integrity of customers and end users.

This commitment is realized through the **adoption of stringent quality control protocols across all phases of the supply chain**, from the responsible selection of raw materials to the packaging and distribution of the finished product.



To guarantee this approach, Vivolo adheres to exceptionally high quality standards, in many cases exceeding current regulatory requirements, to ensure excellent performance in terms of reliability, durability, and safety. An integral part of this assurance system is the attainment of internationally recognized certifications, which attest to compliance with environmental, ethical, and health protection criteria.

Among these, the **OEKO-TEX®** certification confirms that products are free from harmful substances and safe for human health; the **FSC®** certification guarantees the use of materials sourced from responsibly managed forests; finally, the **GRS** (Global Recycled Standard) certification verifies the traceability and percentage of recycled materials used in production processes, in addition to compliance with environmental and social requirements throughout the entire supply chain.

11
*Employment Contracts
and Training*

Vivolo is aware that employee compensation and training are fundamental aspects that contribute to the well-being and development of employees, as well as to the growth and success of the company.

A fair and competitive compensation policy not only incentivizes productivity but also contributes to employee satisfaction and loyalty, thus becoming a strategic lever for the retention of existing talent and the attraction of new talent, particularly in the current critical labor market.

At the same time, **promoting training** allows employees to acquire new skills, enhance existing ones, making them more resilient to market changes and thereby increasing the value added available to the company. In line with these principles, Vivolo is committed to developing the skills and potential of its staff, so that the abilities and legitimate aspirations of each individual can be fully realized, albeit within the scope of company objectives.

For this reason, **Vivolo ensures equal employment opportunities for all employees**, basing individual performance evaluations on ability and merit, without discrimination or favouritism.

Regarding Vivolo's workforce, **100% of employees are covered by the National Collective Labour Agreement** (CCNL) for the Textile and Clothing Industry (CCNL INDUSTRIA TESSILE ABBIGLIAMENTO), which the company also relies on to determine the entry-level salary. This salary, in fact, corresponds to the minimum wage established by the CCNL for the sector of activity and the employee's qualification.

Vivolo is a **predominantly female company** at all hierarchical levels, which is why it has developed a particular sensitivity towards maternity, as well as paternity and, more generally, the caregiver role. For this reason, Vivolo has chosen to implement one of the most relevant policies a company can put in place to support the work-life balance of its employees: leave for family reasons.

This leave allows Vivolo employees to take time off (paid or unpaid) to address urgent or important family situations without the worry of losing their job or incurring penalties.

The category of leave for family reasons includes parental leave (maternity and paternity), bereavement and serious illness leave, and marriage leave.

The table below indicates the employees who utilized family-related leave during the reported years.

GENDER	2022	2023	2024
Men	0	0	0
Women	3	3	2

As stated in the premise, Vivolo recognizes the value of continuous training as an essential element for the growth and development of its staff and, consequently, for company performance. For this reason, the company offers, in addition to mandatory training, specific additional courses or in-depth studies related to the work activity carried out in the company. Currently, courses are provided based on emerging needs, with a flexible approach to precisely meet the collaborators' requirements.

Starting from 2025, Vivolo intends to expand the training offer with further courses dedicated to the development of soft skills. These programs will include more technical subjects, such as the use of the Office Suite, as well as softer aspects like the management of interpersonal relations and teamwork.

Vivolo recognizes the importance of the serenity and fulfillment of its employees as key to corporate success. For this reason, the company has progressively invested in initiatives aimed at the well-being of its employees over the years.

A concrete example, coinciding with the relocation to the new headquarters, was the provision of a room within the new premises for use by employees during their lunch break, where they could eat their meal, a convivial moment of exchange among colleagues.



Regarding company events, in June 2023, Vivolo organized an event for the inauguration of the new headquarters, attended not only by all clients but also by all employees. It was a unique opportunity to celebrate the milestone of a headquarters that is both elegant and functional, but also to strengthen relationships and bonds among employees and between the company and its clients.

Staying on the subject of events, every year Vivolo involves the entire company population in the annual Christmas dinner: a further opportunity to share and discuss the achievements and objectives for the new year, as well as to consolidate relationships between the company and its people in a more informal atmosphere.

Not only Christmas is celebrated in the company; in fact, on Easter, another deeply felt holiday, Vivolo gives a gift to all employees. 2023 was the year in which Vivolo decided to celebrate women by sending female employees a small gift on International Women's Day.

Finally, during 2024, the ambitious project of offering the opportunity to those who wished to participate in a Pilates course during their lunch break took shape. This initiative involved a professional instructor who held lessons within the company premises during the months of May, June, and July 2024. It was a unique opportunity for informal sharing with colleagues, even while physically at the workplace, and certainly an initiative that helps employees with work-life balance.

The company recognizes that the road is still long, and many initiatives can still be undertaken to support its employees, however, it is moving in the right direction, with a clear commitment to continuous improvement.





12

Vivolo and the Value Chain

The responsible management of the supply chain and the quality of raw materials are not only two key areas of relevance for the company but also two aspects on which Vivolo has always placed meticulous attention. The quality of the finished product, and consequently customer satisfaction, largely depends on the supply chain and, therefore, the materials provided. However, customer satisfaction is nowadays increasingly connected to the ESG performance of the entire supply chain.

For this reason, **Vivolo has defined supplier selection criteria within its Code of Ethics**. Suppliers are subject to objective and transparent evaluations regarding their professionalism and business structure, the quality of products supplied, the degree of oversight and ESG performance, as well as, naturally, price, the manner of service execution, and delivery conditions.

Compliance to the above principles is ensured by the adoption and observance of internal purchasing and supplier selection procedures. Suppliers are encouraged to conduct their activities following standards of conduct consistent with those indicated in Vivolo's Code of Ethics.

Gli stessi principi restano validi nel processo di selezione di eventuali entità terze, come consulenti e professionisti esterni, a cui Vivolo ha necessità di affidare l'esecuzione di qualsivoglia prestazione: anche in questo caso devono essere presi in considerazione il livello di competenza specifica, la capacità di mantenere lo standard qualitativo richiesto e nei tempi attesi, le eventuali garanzie dallo stesso offerte e il grado di maturità sulle tematiche di sostenibilità.

What Vivolo has therefore defined in its Code of Ethics, concerning its relationship with its suppliers, is that it expects its suppliers, in coherence with their respective size, capabilities, and competencies, to take concrete action to limit their environmental impact, comply with all applicable biodiversity regulations, and adopt new processes and best practices to ensure, while maintaining the expected quality, the lowest impact on the environment and on the health and safety of people.

In line with these principles, **Vivolo has also begun to require its suppliers to align and commit to guaranteeing the same commitments and standards regarding respect for human rights, the protection of their employees' and collaborators' health and safety, the promotion of diversity and inclusion, and equal treatment**.

To protect its customers and its reputation and in compliance with its values and commitments, Vivolo has initiated **auditing activities at its suppliers** and the search for new partners, if these principles and commitments are not respected.

It remains understood that Vivolo has always distanced itself from suppliers or clients, both in Italy and abroad, that do not comply with national and international legislation regarding the exploitation of child labour and will continue the same path in the future.



13

Vivolo and the Costumers

Vivolo aims for commercial success, both nationally and internationally, by offering high-quality products and paying constant attention to the specific needs of each customer. Not coincidentally, the company's mission embraces a **tailor-made approach to customer needs**. Sales strategies are aimed at guaranteeing product quality and promoting the full satisfaction of customer requirements.

And it is precisely in coherence with these principles, and due to the strategic importance of all customers, that Vivolo has obtained ISO 9001 certification.

Vivolo also mentions the relationship with customers in its Code of Ethics, emphasizing the importance and centrality of the quality of the products offered.







Vivolo recognizes that its activity can, even indirectly, affect the conditions, economic and social development, and general well-being of the community. For this reason, the company is committed to conducting its investments and activities sustainably, respecting local communities and promoting, in line with its business model and organizational capacities, initiatives of educational, cultural, and social value.

With these principles, Vivolo continuously supports the Bimbo Tu Association, a non-profit organization assisting children affected by central nervous system pathologies and their families since 2007.

The company has also established the Luciano Vivolo Award at the Academy of Fine Arts in Bologna with the aim of discovering new talent to be included in the company.

The award provides a cash prize for the top three classified winners. Additionally, in 2024, Vivolo also awarded a Scholarship to the most deserving and financially disadvantaged student, to enable him/her to continue their studies.



Il Contributo di Vivolo agli SDGs

The policies and initiatives implemented by Vivolo within the ESG dimension provide a clear contribution to sustainable development, promoting growth that safeguards the environment and social well-being while creating economic value.

In this regard, the company embraces the principles of the UN 2030 Agenda, recognizing its role in achieving the 17 Sustainable Development Goals (SDGs) contained within it. In more detail,

the SDGs to which Vivolo contributes are:



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