



SUSTAINABILITY REPORT 2025



Introduction

This Sustainability Report is a voluntary non-financial reporting tool designed to provide a comprehensive overview of the environmental, social, and governance (ESG) performance of Vivolo S.r.l. (hereinafter also referred to as “Vivolo”).

The purpose of this document is to present and analyze the policies adopted, actions implemented, and results achieved along the company’s path toward sustainable growth. This report outlines the company’s corporate evolution in this field, addressing key topics such as

environmental impact management, the promotion of employee well-being and inclusion, and transparent, ethical, and sound corporate conduct.

In a global scenario characterized by increasingly complex environmental, economic, and social challenges, the company views sustainability not only as a significant responsibility, but also as an opportunity for long-term innovation and competitiveness. This is the vision of sustainable development that the company champions and intends to pursue over time.

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Methodological Note

Reference Regulations and Standards

This report has been drafted in accordance with the VSME (Voluntary Sustainability Reporting Standard for SMEs) voluntary reporting standard developed by EFRAG, applying the Comprehensive Module. Although proportional, the VSME framework incorporates the core sustainability disclosure requirements of the ESRS (European Sustainability Reporting Standards) and is specifically tailored for enterprises not subject to the mandatory reporting requirements set forth by Italian Legislative Decree no. 254/2016 and the European Union’s Corporate Sustainability Reporting Directive (CSRD).

Vivolo has voluntarily chosen to prepare this report to promote greater transparency and data comparability for its stakeholders. The Key Performance Indicators (KPIs) used in this document have been selected in accordance with the principles of the VSME standard, comprehensively addressing the three core ESG pillars.

In compliance with the principles set forth by the VSME standard, this document provides meaningful information on how the company’s activities impact the environment and people, and how environmental and social issues affect—or

may affect—the company’s financial performance, position, and cash flows. Furthermore, the report is prepared to provide relevant, accurate, comparable, clear, and verifiable data.

- Provide relevant information on how the organization’s activities may impact people or the environment, and how environmental and social issues have affected or may affect the company’s financial position or financial performance.

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

Consequently, this report also serves as an informational support tool capable of satisfying the requests of the enterprise’s business partners, lenders, and customers.

Letter to Stakeholders

Dear Stakeholders,

It is with great pride and a deep sense of responsibility that I present the **second Sustainability Report of Vivolo S.r.l.**, relating to the year **2025**. This document outlines the consolidation of a virtuous path, reflecting our daily commitment to a development model that integrates economic growth, environmental protection, and social value.

For nearly fifty years, our company has grown by combining tradition and innovation, guided by four fundamental pillars: **quality, creativity, craftsmanship, and environmental stewardship**. Our history began in 1977 from an intuition as simple as it was pioneering: transforming what were then leather scraps into functional, trendy accessories. From those early patches to today's collections for apparel, footwear, and leather goods, we have charted a path of excellence entirely **Made in Italy**, establishing ourselves as a strategic partner to the most prestigious international fashion houses.



Today, the luxury sector faces a crucial turning point: accelerating the ecological transition and promoting increasingly ethical and transparent supply chains. Vivolo responds to this challenge from the front line. Through cutting-edge solutions—such as **green tanning**, the use of **certified recycled materials**, and the development of the **Zero Footprint** collection—we continue to embed sustainability into the very core of our business model.

We are convinced that a company's economic value is closely tied to the social and environmental well-being it is capable of generating. For this reason, we continue to invest in Research and Development to offer accessories that combine flawless aesthetics with exceptionally high standards of durability and responsibility. This commitment to the future is also

reflected in the **Vivolo Award**, our initiative supporting young designers in acquiring technical and creative skills, driven by the conviction that investing in new generations is the key to truly conscious fashion.

Looking ahead, we intend to continue this journey with our customary dedication. On behalf of myself and my entire family, I wish to thank our clients, partners, and collaborators for their trust and support. Together, we will continue to grow responsibly, leaving a positive footprint for our community and future generations.

With esteem and gratitude,
Luciano Vivolo
President of Vivolo S.r.l.

A handwritten signature in white ink, consisting of a long horizontal stroke followed by a loop and a small vertical tick at the end.

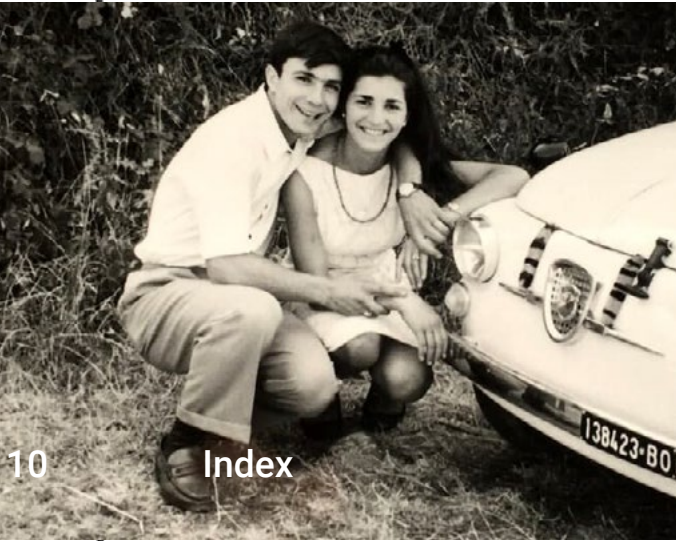


01

Corporate Profile & Contex

Corporate Profile & Context

1.1 The Value of Origins, the Strength of the Future



Vivolo’s history began in 1977 from an intuition by Luciano Vivolo—born in Irpinia and adopted by Bologna—who saw in leather industry scraps a precious resource for creating patches that, within a few years, conquered national and international fashion. Together with his wife Marianna and with the support of their four children, the company has experienced steady growth, transforming into a dynamic, cutting-edge enterprise, a global leader in

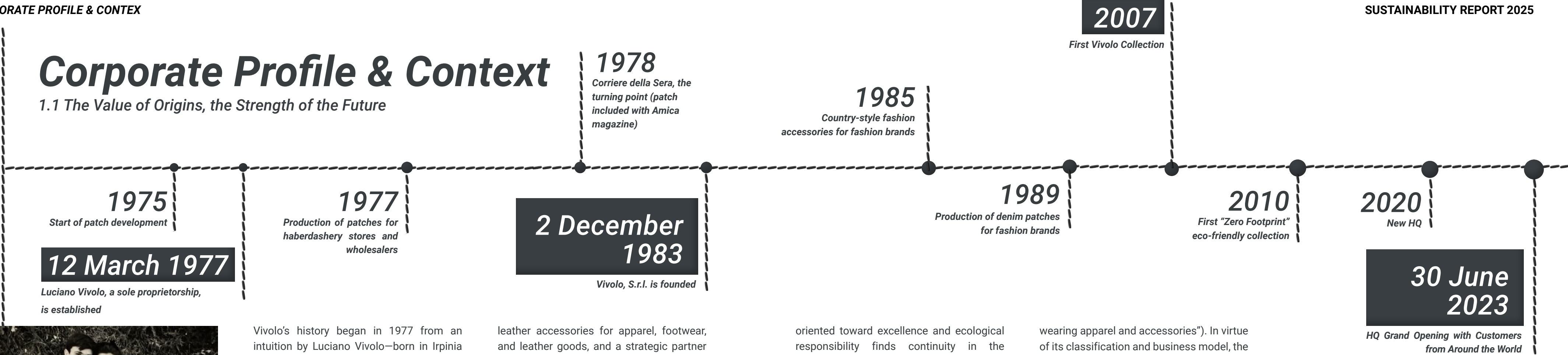
leather accessories for apparel, footwear, and leather goods, and a strategic partner to top-tier fashion houses.

The year 2020 marked a crucial turning point with the relocation to the new headquarters in San Lazzaro di Savena (Bologna): an investment that doubled production capacity and reinforced the commitment to sustainable, low-impact manufacturing. Today, the consolidation of this path

oriented toward excellence and ecological responsibility finds continuity in the publication of this second Sustainability Report.

Corporate Profile and Scope of Activity
Vivolo S.r.l. has its registered, administrative, and operational headquarters at Via Ronco Maruni 26, San Lazzaro di Savena (BO). The company’s business activity falls under **NACE code 14.19** (“Manufacture of other

wearing apparel and accessories”). In virtue of its classification and business model, the company declares that it does not operate in the sectors of weapons, tobacco, fossil fuels, energy, nor in the manufacture of pesticides or other agrochemical products (Division 20.2 of Annex I of EC Regulation no. 1893/2006).



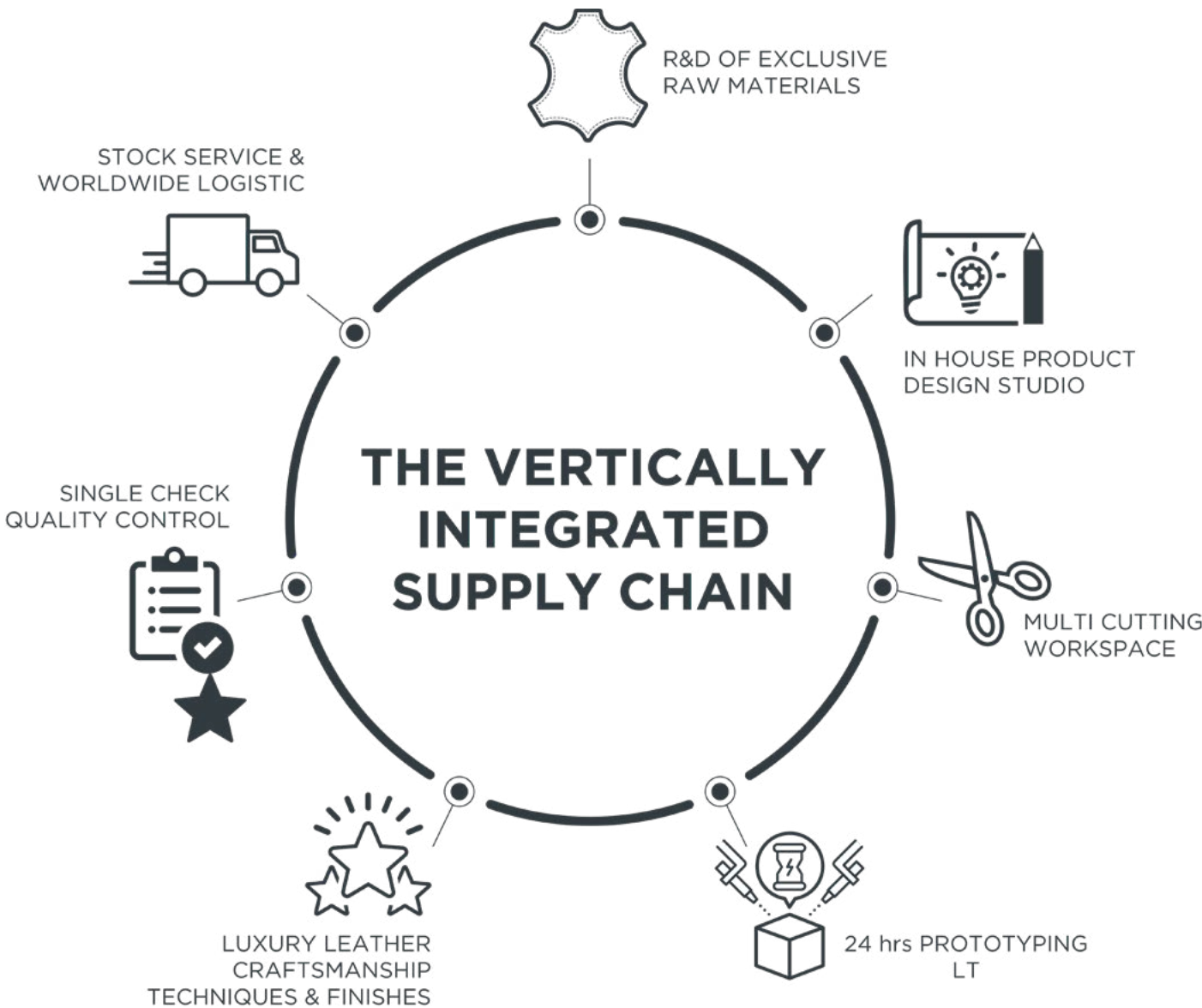
1.2 Value Proposition

Vivolo stands out on the international market for a diversified offering of innovative solutions dedicated to the apparel, footwear, and leather goods sectors. Each accessory, strictly **Made in Italy**, expresses the excellence of Italian craftsmanship, combining top-tier aesthetic performance with extraordinary quality standards.

Thanks to continuous technical upgrading and the adoption of cutting-edge technologies, the company responds with precision to the demands of the world's most prestigious global brands. The selection of raw materials includes leather, fabrics, plastic and synthetic materials, and a wide range of **green solutions**, ensuring a perfect balance between innovation and tradition.

The success of this value proposition rests on a **vertically integrated supply chain model**. This strategic approach allows all key process phases to be managed internally, from raw material sourcing to the finished product. Verticalization guarantees direct and constant control over every step of the production cycle, ensuring high quality, **full traceability**, and prompt management of critical issues.

At the same time, the centralization of activities translates into a tangible competitive advantage: it reduces production and response times, granting the company high flexibility and reactivity in the face of market developments. Vivolo thus confirms its role as a strategic benchmark partner, capable of anticipating sector trends by combining reliability, speed, and operational efficiency.



1.3 Key Performance Indicators at a Glance

€ 14.929.654,84	2025 revenue
€ 13.648.096,41	2024 revenue
€ 13.883.135,00	2023 revenue
48	years of history
100	machinery units replicating artisanal techniques
15.000 m³	production facility volume
200.000	leather hides stored in warehouses
15.000.000	accessories manufactured annually

	2024	2023	2022
DIRECT ECONOMIC VALUE GENERATED			
General revenues	16.009.654,84	13.670.000,00	13.949.923,77
Net turnover	14.929.654,84	13.648.096,41	13.883.135,00
Revenues from financial investments	35.852,27	89.415,58	51.163,77
Sale of assets	30.197,29	27.733,82	15.625,00
ECONOMIC VALUE DISTRIBUTED TO STAKEHOLDERS			
Operating costs	9.717.808,85	6.712.135,00	8.213.365,87
Employee wages and benefits	2.632.356,00	2.538.421,00	2.200.725,00
Partners/shareholders and lenders	-	-	-
Public administration	131.348,54	143.490,00	814.493,68
Community and local area	3.780,00	3.904,00	3.995,00
ECONOMIC VALUE RETAINED BY THE ORGANIZATION	3.855.404,73	2.717.344,22	2.717.275,69

1.4 Mission, Vision, and Values

Mission

“Our mission is to be the benchmark for excellence in leather accessories, supporting clients with tailored solutions driven by innovation, research, technology, and market expertise. We are committed to ensuring high product performance, reliability, and process sustainability. In alignment with environmental and social standards, we invest in cutting-edge technologies and training to respond to the global market, uniting sustainability with artisanal excellence.”

Excellence

Leader

Creativity

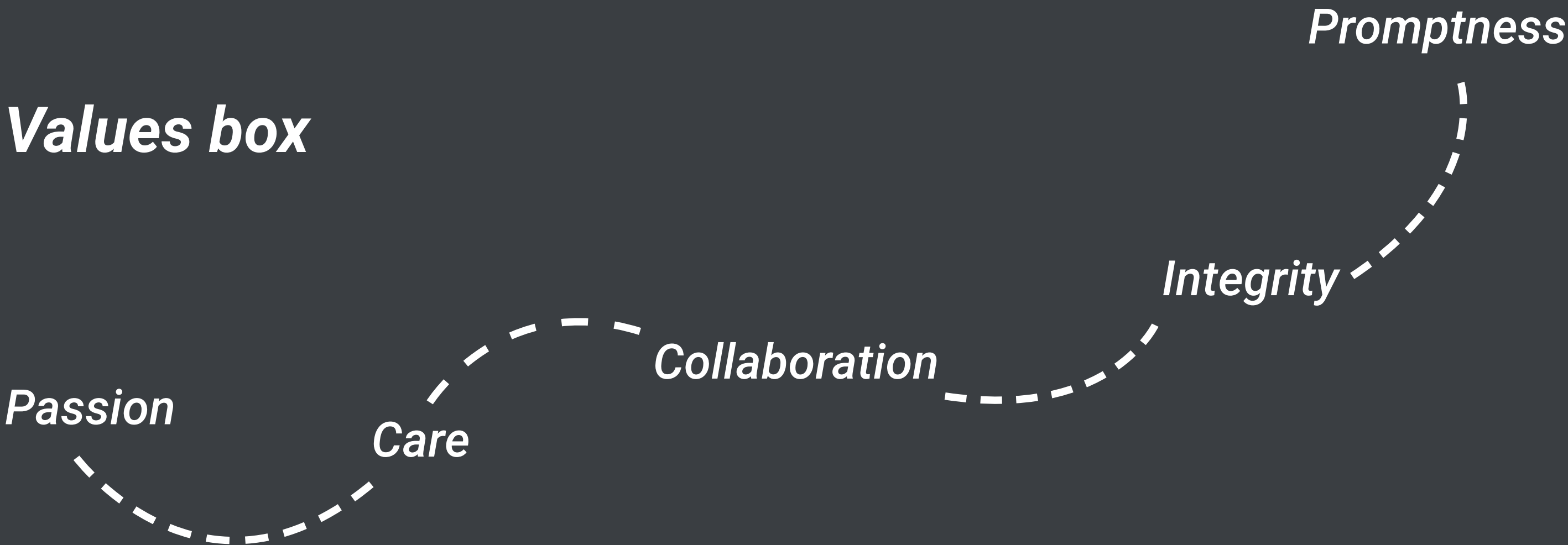
Planet

Innovation

Quality

Vision

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



Values

“ The customer is at the center of everything we do. We dedicate creative attention and care to every detail, combining artisanal tradition with innovative green technology. We believe in people, invest in their talents, value teamwork, and nurture the passion that drives every project. Our philosophy is rooted in the continuous search for ideas, materials, and processes that express quality and authenticity, offering unique and customized solutions. ”

1.5 Vivolo Around the World



02

Integrated Sustainability Strategy

At Vivolo, sustainability forms the core of our industrial vision and guides every strategic decision in an integrated manner. Aware of the centrality of ESG challenges, the company adopts a systemic approach that, alongside strengthening market and stakeholder relationships, serves as an engine for innovation, efficiency, and competitiveness.

The company works to optimize its impacts across the entire value chain, promoting balanced, long-lasting economic growth attentive to social well-being. To support this responsibility, both our environmental and

ENVIRONMENT

SOCIAL

GOVERNANCE

occupational health and safety management systems are certified, attesting full compliance with the strictest international standards.

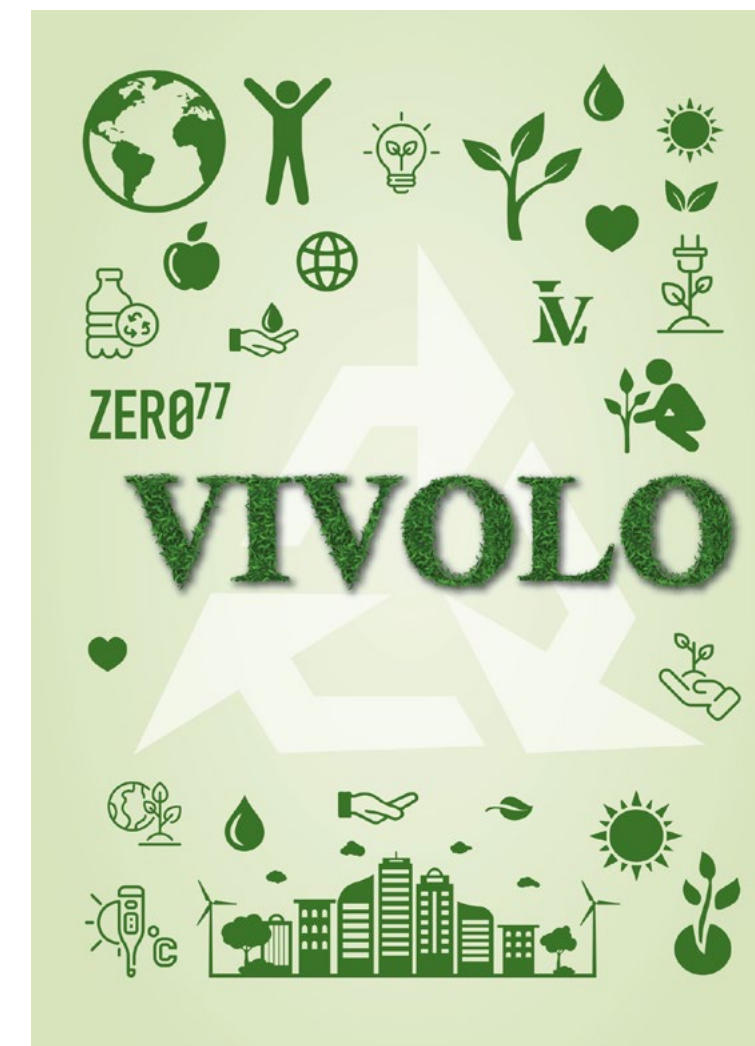
The governance of ESG issues is entrusted to a dedicated corporate function responsible for strategic and operational management. To effectively embed sustainable practices into operational processes, this function operates in synergy with a group of internal representatives from various divisions, ensuring cross-functional expertise and widespread sharing of objectives.

2.1 Sustainability Initiative

For Vivolo, sustainability is not merely a goal, but the foundation of our corporate strategy and the guide for every production process and operational choice.

IMPRONTA ZERO
LUCIANO VIVOLO

The **Zero Footprint** collection represents its most concrete synthesis: an innovative, planet-friendly offering designed to reduce environmental impact. The following sections of the Report illustrate the initiatives and solutions that define our journey.



2.1.1 Certifications

As part of its journey toward a sustainable and responsible development model, Vivolo has adopted an Integrated Management System, which constitutes a fundamental element for the continuous improvement of its environmental, qualitative, and social performance. This system is certified according to international standards UNI EN ISO 14001:2015, UNI EN ISO 9001:2015, and UNI EN ISO 45001:2018, bearing witness to our commitment in these respective areas.

ISO 14001 certification attests to the compliance of our implemented Environmental Management System, oriented toward reducing environmental impacts through continuous monitoring of production activities, compliance with current regulatory provisions, and the adoption of eco-efficiency practices. Concurrently, ISO 9001 certification verifies the implementation of a Quality Management System aimed at ensuring customer satisfaction, the continuous improvement of internal processes, and high product standards. Regarding the protection of workers' health and safety, ISO 45001 certification confirms the organization's commitment to creating safe and healthy working



environments through structured risk management and the active involvement of employees.

In line with its vision of responsibility extended to the entire supply chain, Vivolo has also obtained the GRS (Global Recycled Standard) certification, which ensures the use of tracked and verified recycled materials, helping to promote a more circular and transparent production model. Finally, the OEKO-TEX® Leather Standard certification ensures that the company's leather products are free from harmful substances, in compliance with the most stringent human health safety criteria.

To confirm its focus on the sustainable management of forest resources, the company has also achieved FSC® C168709 certification (Forest Stewardship Council®), which attests that the cellulosic and paper materials used originate from responsibly managed forests, in compliance with rigorous environmental, social, and economic standards. This recognition reinforces the company's path toward increasingly transparent production practices.

Together, these certifications demonstrate our dedication to embedding innovation, responsibility, and quality into our business model, consolidating our role as a benchmark in the sustainable fashion supply chain.



2.1.2 Reduction of Energy Consumption

Energy efficiency and emissions reduction are core pillars of infrastructure management. The corporate headquarters was designed to eliminate waste and minimize environmental impact through integrated solutions:

- **Self-generation and Technology:** A dedicated photovoltaic system powers operations, while indoor lighting exclusively utilizes low-consumption LED technology.
- **Insulation and Performance:** The building's excellent thermal insulation and the adoption of high-efficiency thermal systems (clad in insulating materials) reduce energy dispersion to a minimum.
- **Natural Resources:** The facility maximizes natural lighting and ventilation.

To complete this strategy, the green areas surrounding the building—whose extension equals that of the covered surface—not only integrate the property into the landscape, but also act as a true “lung” for carbon dioxide absorption.

Consistent with our energy transition pathway, we set the target to achieve 100% certified green energy by 2027 through the procurement of grid electricity derived from certified renewable sources. This commitment strengthens our corporate strategy aimed at decreasing environmental impact and climate-altering emissions linked to our activities.

2.1.3 Sustainable Leather

The responsible use of resources translates into the enhancement of genuine Made in Italy leather excellence within a circular economy perspective. The raw material utilized comes exclusively from **food industry by-products**, avoiding waste and upcycling a material that would otherwise be disposed of. The tanning sector thus expresses its historical vocation for recycling: transforming a food supply chain residue into a prized material for global fashion, reducing environmental impact and eliminating pressure on natural resources.

2.1.4 Green Tanning Techniques

We adopt eco-compatible tanning solutions aimed at ensuring leather processing complies with the highest environmental standards. Main techniques employed include:

- **Vegetable tanning:** Utilizing natural tannins from sustainable sources such as chestnut, quebracho, and mimosa wood;
- **Chrome-free, metal-free, and wet-white tanning:** Alternative processes that do not use heavy metals such as aluminum, chromium, iron, titanium, and zircon, thereby helping to reduce risks to the environment and human health;
- **Recycled leather tanning:** Processing scraps are recovered and recompact using certified, eco-friendly techniques.



2.1.5 Zero Footprint Capsule Collection

Anticipating the market’s growing sensitivity toward ecological transition several years ahead, the **Zero Footprint** collection is an ever-evolving project expressing the highest level of the company’s sustainable innovation. The collection’s various capsule lines are distinguished by materials selected according to rigorous eco-design criteria:

Circular and Responsible: Recycled, recyclable, and compostable materials. **Conscious and Ethical:** Vegan, animal-free, and bio-based solutions. **Environmentally Safe:** Solvent-free formulations with reduced chemical impact. This scientific, cutting-edge approach represents our concrete commitment to reducing our ecological footprint while promoting an ethical and transparent fashion model.



2.1.6 Tenuta Luciano Vivolo Pieve del Pino

Vivolo’s sustainable vision extends beyond industrial boundaries to become stewardship of the land through the **Tenuta Luciano Vivolo**. Set among the Bologna hills, the estate spans over 70 hectares, hosting a 6-hectare organic vineyard and the future development of a wine resort entirely conceived according to bio-architecture and green hospitality criteria. This project reflects the Group’s growth philosophy: a commitment directed toward safeguarding biodiversity and soil regeneration, aimed at fostering a natural equilibrium that translates into shared value with the local community and stakeholders.



2.1.7 1st and 2nd Edition of the Luciano Vivolo Award

This initiative was created to foster the creativity and technical skills of today’s students and designers—figures who will play a decisive role in the design choices of tomorrow’s fashion ateliers. Their decisions will indeed be crucial for creating products characterized by a limited environmental impact across their entire lifecycle.

In 2025, the Luciano Vivolo Award expanded its scope from a local project to a national initiative. Opening the call across Italy allowed the participation of various Academies of Fine Arts, including those in Reggio Calabria, Naples, Bari, Bologna, Catanzaro, and Macerata. This development confirms the company’s desire to strengthen dialogue with the world of design and artistic education.

The Award Commission evaluates submitted projects based on criteria including functionality, technical and aesthetic characteristics, and potential for future market launch, rewarding the most deserving works. In addition to monetary prizes, Vivolo offers students the opportunity to participate in internships within its creative department, fostering the professional growth of new generations.

Works submitted to the contest are also compiled into a dedicated Award Book and shared with partner brands, demonstrating our commitment to fostering innovative, eco-friendly design in the fashion sector. This initiative is part of our corporate programs aimed at transmitting a culture of sustainability and raising future professionals’ awareness toward more responsible practices.



2.2 Certified Product Quality

Operational and environmental performance is attested by a broad portfolio of international certifications. This assurance system validates the company's constant commitment to process excellence, product safety, and responsible supply chain management.

Governance and Quality Management

ISO 9001: The Quality Management System is certified according to the international ISO 9001 standard (issued by Certiquality and recognized within the CISQ network), demonstrating rigorous dedication to the continuous improvement of all corporate processes.

Environmental Sustainability and Supply Chain Responsibility Global Recycled Standard (GRS):

Certifies compliance with stringent environmental and social criteria, ensuring the use and traceability of recycled materials within products. **OEKO-TEX®:** Active since 2023, attests to material compliance with strict chemical-environmental safety standards to protect the final consumer's health. **FSC® (FSC® C168709):** Held since 2021 and valid throughout the reporting period until 2026, this certification guarantees that forestry-origin materials used come from correctly and responsibly managed forests.

2.3 Research & Development in Support of Sustainability

The Research and Development department is the engine of sustainable innovation—work that unites creative flair, the application of cutting-edge technologies, and deep respect for the environment. Every project, from the initial stylistic intuition to the development of the final product, stems from innovative methodologies designed to minimize environmental impact throughout the entire lifecycle. This engineering and creative approach achieves the highest standards of eco-design while preserving the distinctive design and artisanal excellence that define the brand's identity.

The primary goal is to minimize the environmental impact at every stage, while preserving and highlighting the distinctive design and excellent craftsmanship that set each creation apart.

2.4 The Historical Archive

Our identity is rooted in a unique historical heritage, preserved and enhanced within the corporate **Historical Archive**. More than a memory of the past, the Archive is a dynamic ecosystem encompassing over fifty years of creativity, research, and trend-forecasting in the fashion and accessories sector.

A Heritage of Inspiration: With over 20,000 cataloged accessories, this collection represents an inexhaustible source of ideas for brands and designers. Each piece bears witness to the excellence of Italian know-how, combining aesthetics, functionality, and a progressive transition toward eco-design solutions.

Digital Evolution: Recognizing the strategic value of this intellectual capital, a digital version of the Archive was developed. This dematerialization tool allows designers and partners to perform targeted searches, analyze styles, and compare solutions quickly and intuitively, optimizing creative processes. The Historical Archive thus configures itself as a true manifesto of identity: an ideal bridge between tradition and innovation that transforms historical memory into current value and a solid foundation for the future.



03

Governance

3.1 Governance Structure

Solid, transparent, and structured governance is the pillar upon which operational resilience and continuity rest. The corporate governance system is designed to ensure responsible, informed decision-making capable of integrating economic, social, and environmental impacts into long-term strategy.

Composition of the Board of Directors

The company's administrative body is led by a family-based Board of Directors reflecting perfect **gender parity (50% women and 50% men)** among its members. The BoD comprises members of the owning family: Luciano, Marianna, Salvatore, Maria Eloise, Luciana, and Matteo.

This demographic and value-based balance within executive leadership represents a fundamental added value capable of promoting a diverse, inclusive, and cohesive vision in managing the enterprise.



3.2 Ethics and Governance Integrity

In an evolving economic and regulatory context, corporate conduct is oriented toward the highest standards of integrity and transparency, fostering long-term trust relationships with stakeholders. Confirming this commitment, **no episodes, convictions, or sanctions related to corruption or regulatory non-compliance were recorded during the reporting period.**

To translate these values into operational rules, the company is equipped with two fundamental safeguards:

The Code of Ethics: The manifesto of the brand’s values and deontological principles. It guides the daily behavior of employees and collaborators, promoting shared responsibility and compliance with regulations toward the community and the market.

The Organization, Management, and Control Model (Model 231): Adopted pursuant to **Legislative Decree no. 231/2001**, this Model represents the pillar of corporate governance for preventing administrative offenses and criminal risks. Through a rigorous monitoring system and clear guidelines, the Model ensures full compliance in internal processes.

The synergistic integration between the Code of Ethics and Model 231 protects Vivolo’s reputation and consolidates a transparent organizational model capable of generating value in full compliance with legality.

3.3 Internal Control System

Vivolo’s internal control system serves as an organizational infrastructure designed to oversee the transparency and compliance of core activities. Widespread awareness of these procedures is ensured by dedicated training programs involving 100% of the corporate workforce. Within this regulatory framework, and in line with Legislative Decree no. 24/2023, the company has formalized its **Whistleblowing** channel, accessible to both internal and external stakeholders for reporting potential violations or behaviors contrary to business ethics, including any potential discriminatory conduct, harassment, or unlawful acts. The channel guarantees strict confidentiality for the whistleblower, activating a protected reception and verification protocol managed internally by the independent Supervisory Body to ensure an impartial, prompt, and transparent investigative process. Confirming the effectiveness of these safeguards, **no incidents or reports of human rights violations** occurred within the organization during the reporting period.

3.4 Climate Change Impacts

As part of its risk management processes, the company continuously evaluates impacts related to climate change and market evolution. Based on analyses conducted, the business model, corporate assets, and value chain **do not exhibit** significant exposure to **physical risks** (e.g., extreme weather events) or **transition risks** (e.g., regulatory or technological shocks) capable of generating material economic-financial impacts in the short and medium term.

04

Materiality Assessment



The materiality assessment is an essential strategic process for identifying the most crucial sustainability topics for the company and its internal and external stakeholders. This analysis also serves as a baseline reference for developing and evolving the company's ESG strategy.

The assessment was conducted from an inside-out perspective to **identify relevant** topics from an impact viewpoint. In this context, impact materiality refers to the enterprise's ability to produce impacts on governance, people, and the environment. This study thus determines the most significant ESG topics consistent with the company's operational context and business model, assigning a specific weight to each identified impact.

Specifically, the materiality analysis was articulated through the following working phases:

1. IDENTIFICATION OF POTENTIALLY MATERIAL TOPICS

An analysis structured across three levels. First, the methodological framework defined by SASB (Sustainable Accounting Standards Board) was examined to identify statistically relevant topics for enterprises operating within the same industry. Second, topics found to be doubly material by peer companies and/or competitors similar to Vivolo in business model, size, and geographical location were evaluated. Finally, specificities of the business model were examined to identify topics not emerging in prior study phases. Through this process, potentially material topics were determined and subjected to the materiality assessment.

2. STAKEHOLDER ENGAGEMENT

First, the enterprise mapped, classified, and weighted its stakeholders. Subsequently, questionnaires were administered to internal and external stakeholders, asking them to evaluate on a scale from 1 to 5 the degree of relevance the company should assign to potentially material topics. Responses were weighted according to the stakeholder's category, relevance, and degree of influence on corporate objectives. The results formed the calculation basis for determining impact materiality.

INTERNAL
STAKEHOLDERS

BOARD
FIRST-LINE MANAGERS
COLLABORATORS

EXTERNAL
STAKEHOLDERS

CUSTOMERS
SUPPLIERS
BANKS AND
INSURANCE COMPANIES
LOCAL COMMUNITY
REGULATORY AUTHORITIES

To guarantee a transparent and continuous dialogue, all internal and external stakeholders along the entire value chain were carefully mapped. Specific listening channels and interaction modes calibrated to their actual needs and expectations were defined for each category. Below is the stakeholder engagement matrix adopted by the company:

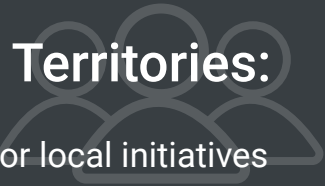
Internal Stakeholders:

- sharing of the Code of Ethics and Model 231
- periodic refresher courses
- direct and open dialogue channel with the Presidency
- corporate intranet



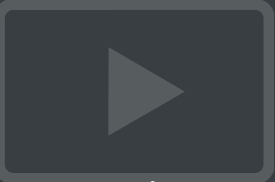
Community and Territories:

- sponsorship activities for local initiatives
- dedicated listening moments



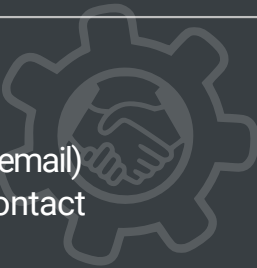
Media:

- institutional website
- official LinkedIn profile
- interviews granted directly by Management



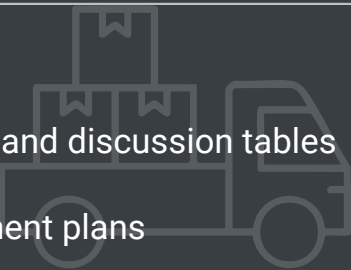
Customer:

- continuous assistance and contacts (phone and email)
- dedicated internal customer management contact
- highly customized tailor-made service
- compliance and quality audits



Suppliers:

- eriodic meetings and discussion tables
- technical audits
- shared improvement plans



Banks and Supervisory Authorities:

- frequent meetings
- ongoing relationship managed via email and telephone

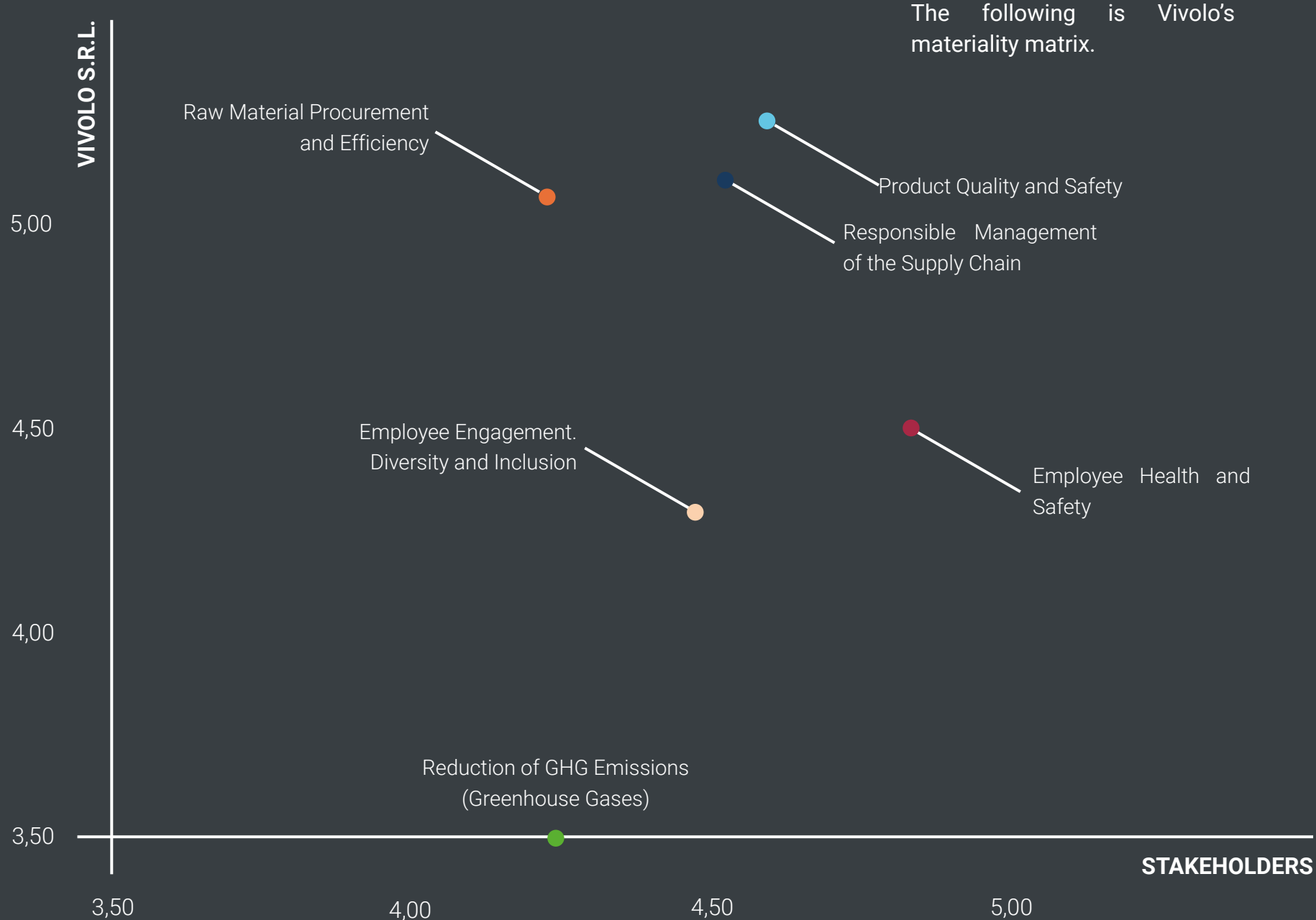


3. EVALUATION OF POTENTIALLY MATERIAL TOPICS IN AN IMPACT PERSPECTIVE

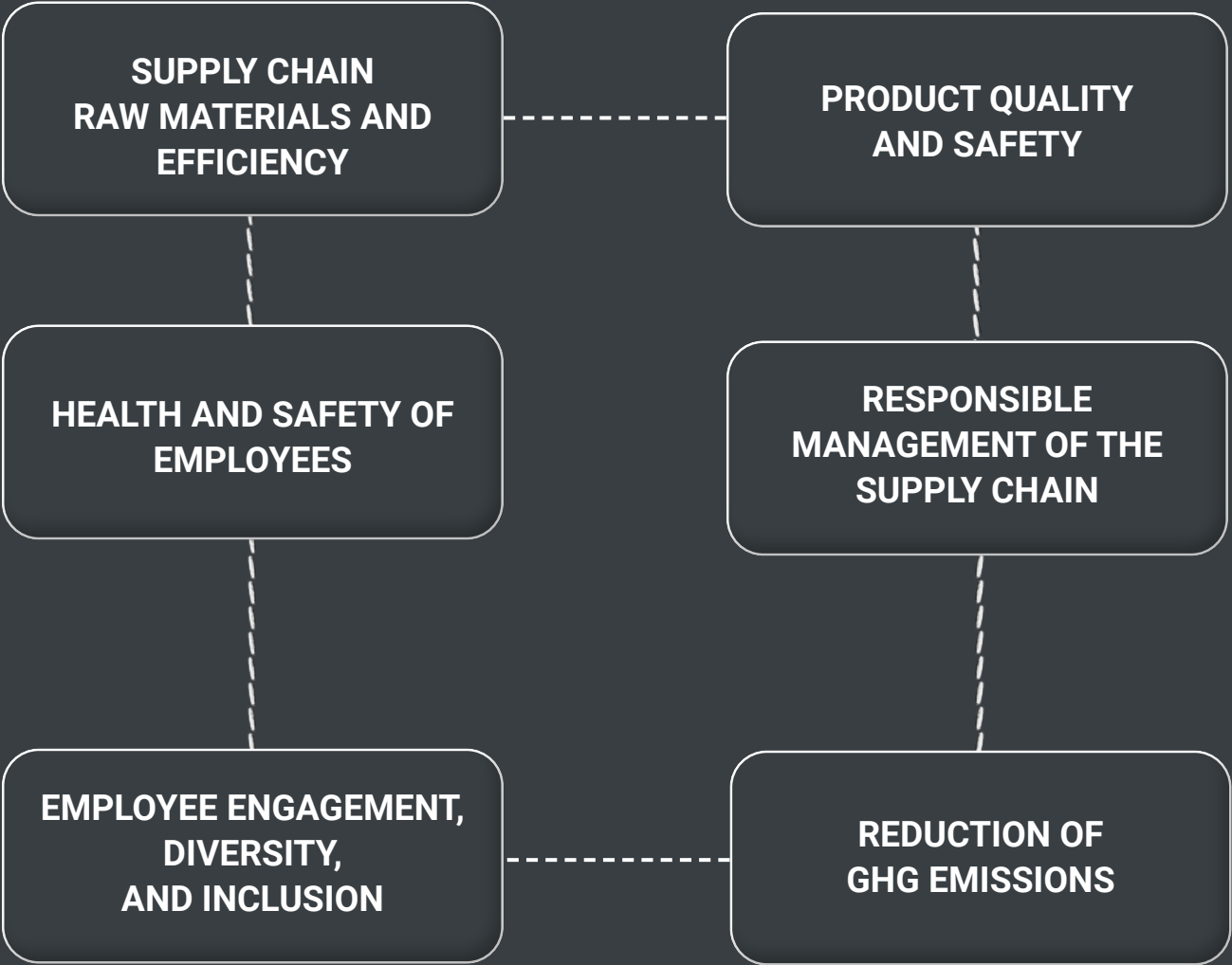
Each relevant topic reported in the table below was evaluated in terms of its potential impacts:

MATERIAL TOPIC	IMPACT DESCRIPTION	RELEVANCE
Raw Material Sourcing and Efficiency	Use of recycled raw materials: leather is sourced exclusively from food supply chain by-products, avoiding waste and contributing to circular resource management. GRS (Global Recycled Standard) certification achieved, certifying traceability, percentage of recycled materials used in production processes, and compliance with environmental and social requirements throughout the supply chain.	Relevant
Product Quality and Safety	Customer satisfaction: product quality and safety are placed at the center through compliance with regulations and rigorous quality and performance standards (UNI EN ISO 9001:2015, OEKO-TEX®) to generate a positive impact on customer and final consumer satisfaction.	Highly Relevant
Employee Health and Safety	Occupational accidents: manufacturing phases may expose employees to physical and chemical risks, with potential consequences for workplace health and safety. However, risks are properly managed via certification UNI EN ISO 45001:2018, reducing the magnitude and probability of injury events.	Relevant

MATERIAL TOPIC	IMPACT DESCRIPTION	RELEVANCE
Personnel Engagement, Diversity, and Inclusion	Employee well-being: deep commitment to positively impacting this issue via a respectful, inclusive work environment with a strong focus on employee well-being (benefits and job opportunities).	Relevant
	Worker discontent and dissatisfaction: negative impacts caused by episodes of discrimination, mobbing, or inadequate working conditions.	
	Internal training: adequate technical training programs are offered to improve employees' skills and professional capabilities, especially for recent graduates and new hires.	
Responsible Supply Chain Management	ESG procurement practices: supplier selection includes minimum requirements that do not yet encompass sustainability performance. ESG conduct policies binding suppliers beyond signing the Code of Ethics have not yet been shared. Lack of control over supplier activities can indirectly cause potential environmental or social impacts.	Highly Relevant
	Supplier payment delays: negative impacts on suppliers can be generated by delayed invoice payments for raw material or service supplies.	
GHG Emissions Reduction	Generation of climate-altering emissions (GHG): greenhouse gas emissions are generated by fuels used in operations (Scope 1), purchased energy (Scope 2), as well as raw material production and finished product transport (Scope 3).	Low Relevance
	Non-renewable energy consumption: corporate activities require different energy vectors, with significant electricity consumption. These impacts are partially mitigated by self-generation of energy from our photovoltaic plant.	



The following is a summary of the issues identified as significant following the analysis:



4. RISK ANALYSIS

The company also conducted a risk analysis regarding material topics, detailed below:

MATERIAL TOPIC	RISK	DESCRIPTION
Raw Material Sourcing and Efficiency	Material Scarcity	Raw material scarcity often leads to price increases, raising production costs and reducing profit margins. Furthermore, lacking essential raw materials can cause delays or completely halt production, compromising the company's ability to fulfill orders and meet deadlines, thereby damaging corporate reputation and client relations.
	Price Volatility	Price volatility makes accurate forecasting of future costs and cash flows difficult, complicating financial and strategic planning. Additionally, fluctuations can lead to frequent finished product price variations, disorienting customers and reducing trust in company stability.
	Non-Sustainable Materials	Using materials with high environmental and social impacts can lead first to reputational damage, resulting in reduced attraction toward clients and banks. Furthermore, risks from tightening environmental and social regulations could restrict or ban certain materials. Lastly, investors and major groups increasingly prefer companies with high sustainability standards, meaning 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 entail serious reputational damage, legal litigation, and fines, alongside significant costs associated with product recalls and reformulation.
	Poor Product Quality and Durability	Products failing to meet standards or customer expectations can cause a sharp drop in brand attraction and image, resulting in lost competitiveness and market share.
Employee Health and Safety	Exposure to Workplace Accidents and Occupational Diseases	Occupational accidents with potentially severe outcomes can entail major compensation and legal litigation expenses, increase employee dissatisfaction, reduce personnel retention, and cause reputational damage, lowering brand appeal to potential clients.
	HSE Regulatory Non-Compliance	Failure to comply with occupational health and safety regulations increases accident risks and exposes the company to penalties, claims, and legal disputes.
Personnel Engagement, Diversity, and Inclusion	Inability to Understand Employee Expectations and Demands	Insufficient communication between the board of directors and the workforce could limit the organization's ability to resolve issues and meet the needs of its employees. This could result in increased employee dissatisfaction and discontent, lower retention rates, and damage to the corporate image.
	Employee Discontent and Dissatisfaction	Dissatisfied workers tend to be less motivated and engaged, which can lead to a decline in productivity. Furthermore, discontent can cause an increase in absenteeism, leading to workflow disruptions. Dissatisfied employees are more inclined to leave the company, resulting in high recruitment and training costs for new personnel, as well as the loss of valuable skills and experience. Demotivation can also lead to a drop in the quality of work performed, resulting in errors, defects in products or services offered, and customer dissatisfaction.

MATERIAL TOPIC	RISK	DESCRIPTION
Personne Engagement, Diversity, and Inclusion	Violation of Worker Rights	Violating workers’ rights can, on the one hand, entail all the risks arising from employee discontent and, on the other, cause severe reputational and image damage, as well as legal sanctions and litigation.
	Incidents of Discrimination	Discrimination can severely damage a company’s reputation, leading to a negative perception by the public, customers, and business partners. Incidents of discrimination can also result in lawsuits brought by discriminated employees, leading to high legal costs and potential significant financial compensation. Finally, discrimination can create a toxic work environment, undermining employee morale and productivity.
Responsible Supply Chain Management	Human Rights Violations by Suppliers	Should suppliers fail to respect their workers’ human rights, the company could be subject to penalties and fines, even if the violations are not directly committed by the company itself. If the company is associated with human rights violations by its suppliers, it may suffer reputational damage. Information regarding violations can spread rapidly, especially on social media, negatively influencing public opinion and customers. Human rights issues involving suppliers can cause supply chain disruptions, resulting in delays and increased costs. Managing and replacing suppliers can require significant time and resources.
	Pollution and Environmental Impacts in the Supply Chain	If suppliers fail to comply with environmental regulations, the company could be subject to penalties and fines, even if the violations are not directly committed by the company itself. Furthermore, legal issues related to suppliers can damage the company’s reputation, negatively impacting public and customer perception. Customers may choose to turn to competitors with more sustainable supply chains, thereby reducing the company’s market share and competitiveness. Finally, the company may incur additional costs to replace such suppliers.
	Poor Supplier Relations	The company might exert pressure regarding delivery timelines on its suppliers, putting them in difficulty and, in turn, placing strain on the supplier’s employees. These actions could strain the company’s relationships with its suppliers, jeopardize business opportunities, and complicate procurement operations.

MATERIAL TOPIC	RISK	DESCRIPTION
GHG Emissions Reduction	Lack of Access to Subsidized Finance / Grants	Financial institutions and tax incentive programs are placing increasing emphasis on companies’ emission impacts, requiring them to meet specific thresholds or actively contribute to climate change mitigation. Failing to pay attention to greenhouse gas (GHG) emissions, resulting in regulatory non-alignment, could exclude the company from incentives and financing opportunities.
	Environmental Impact	If the company emits high levels of GHGs, it may suffer reputational damage, especially in a context where consumers and investors are increasingly sensitive to environmental issues. Furthermore, these emissions would only contribute to the greenhouse effect and related problems, such as the intensification of extreme weather events.
	Offsetting Costs	With the tightening of environmental regulations and climate change policies, the company could face financial penalties, emission taxes, or obligations to purchase carbon credits. These costs can significantly impact corporate budgets.
	Physical Risks	Climate change can cause extreme weather events—such as floods, droughts, or storms—that can damage corporate infrastructure, disrupt supply chains, and increase operating costs.

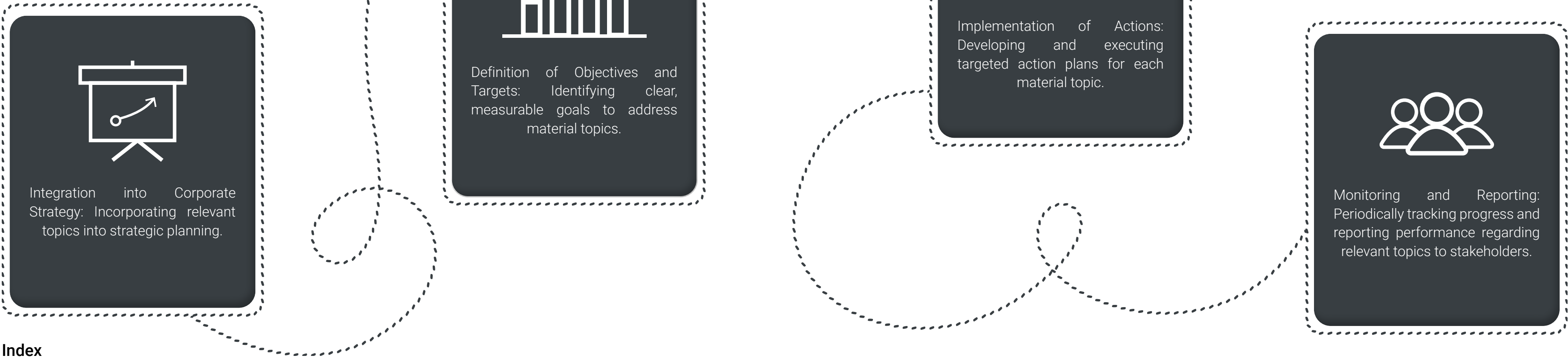
The company intends to integrate the above risk analysis with an opportunity analysis in coming years to identify key strategic actions for the future.

05

Management Of Material Topics

5.1 The Methodology

Once relevant topics are identified and examined, translating results into strategies, objectives, and actions is essential to ensure effective management. Specifically, the following method is adopted:



5.2 Achievements

The table below presents the objectives achieved in 2025:

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	RESPONSIBILITY PERIMETER
Material Scarcity	• Inventory Management: Increase safety stocks for critical materials, ensuring sufficient reserves to handle supply disruptions. • Material Efficiency: Improve material use efficiency via streamlined production techniques and waste reduction. • Alternative Materials Research: Continuously identify different innovative market materials and invest in R&D for alternatives. • Supplier Risk Assessment: Conduct regular supplier risk evaluations to identify and mitigate potential issues proactively.	Purchasing, R&D, Style
Pollution and Environmental Impacts in Supply Chain	• Supply Chain Due Diligence: Conduct thorough supplier evaluations to identify environmental impact risks using questionnaires, audits, and on-site visits. • Life Cycle Assessment (LCA): Utilize LCA tools to understand environmental impacts of supplied products and materials, identifying reduction opportunities. • Introduction of Model 231 in Supply Relations: Integrate responsibility, regulatory compliance, and management integrity principles into business processes via Model 231. • Procurement Integration: Integrate sustainability evaluation and environmental performance criteria into supplier selection and procurement processes.	Purchasing and R&D

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	RESPONSIBILITY PERIMETER
Poor Product Quality and Durability	• Raw Material Selection: Collaborate with suppliers guaranteeing high-quality raw materials respecting required standards. • Rigorous Quality Controls: Implement strict quality control processes throughout all production stages. • Quality Management Systems: Maintain internationally recognized quality certifications to ensure high standards and monitor/continuously improve product quality. • Staff Training: Continue employee training on quality management, advanced production techniques, and maintenance best practices.	Design, Production, Quality Control, R&D
Price Volatility	• Supplier Relations: Build strong, collaborative relationships with suppliers, negotiating favorable terms and improving communication regarding price forecasts.	Purchasing and Commercial
Human Rights Violations by Suppliers	• Supply Chain Due Diligence: Conduct in-depth supplier evaluations for human rights risks using questionnaires, audits, and on-site visits. • Supply Chain Monitoring: Continue regular audits using internal and third-party independent auditors to ensure objectivity and transparency. • Codes of Conduct / Contractual Clauses: Draft and distribute codes of conduct or contractual clauses establishing clear human rights expectations as a condition of doing business. • Procurement Integration: Integrate human rights criteria into supplier selection and procurement processes.	Purchasing and Quality

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	RESPONSIBILITY PERIMETER
Water Scarcity	• Rainwater Harvesting: Maintain infrastructure for rainwater collection and storage, reducing dependence on traditional water sources.	Design, R&D
Exposure to Workplace Accidents & Occupational Diseases	• Compliance with Legislative Decree 81/200 • Risk Assessment: Conduct periodic risk assessments to identify/analyze workplace hazards; continuously update assessments. • Safety Measures: Ensure safety devices (protective barriers, extraction systems, smoke detectors) and CE-marked machinery. • Training and Awareness: Organize regular employee safety training, correct PPE use, and emergency procedures. • Health Monitoring: Implement health monitoring programs for early detection of work-related health issues; offer medical/psychological support. • Safe Work Procedures & Emergency Protocols	QHSE - RSPP
Inability to Understand Employee Expectations	Clear Communication Channels: Maintain well-defined communication channels (request management systems, feedback platforms) facilitating request transmission and understanding.	Management, HR

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	RESPONSIBILITY PERIMETER
Non-Sustainable Materials	• Substitution with Sustainable Materials: Replace all shipping envelopes with 100% paper envelopes free of glue. • Environmental Certifications: Maintain environmental certifications for materials used (UNI EN ISO 14001:2015 or specific sustainable material certifications).	Progettazione, Ricerca & sviluppo
Incidents of Discrimination	• Anti-Discrimination Policies: Guarantee a clear, detailed anti-discrimination policy in the code of ethics covering race, gender, ethnicity, religion, sexual orientation, disability, etc. • Grievance and Reporting Mechanisms: Maintain secure, confidential channels to report discrimination without fear of retaliation.	Direzione, HR

5.3 Action Plan

Below are initiatives implemented or planned for the future concerning the management of topics identified in the materiality analysis:

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	TIME HORIZON	RESPONSIBILITY PERIMETER
Material Scarcity	• Supply Chain Diversification: Maintain relations with multiple suppliers to reduce dependency on single suppliers/regions.	Medium Term (2027)	Purchasing, R&D, Style
	• Material Efficiency: Improve material efficiency through streamlined production and waste reduction.	Continuous	
	• Alternative Materials Research: Continuously scout innovative materials and invest in R&D.		
	• Supplier Risk Assessment: Conduct regular supplier risk evaluations.		
	• Recycling and Reuse: Implement new material recycling and reuse programs internally.	Medium Term (2027)	
Pollution and Environmental Impacts in Supply Chai	• Contracts with Environmental Clauses: Insert contractual clauses obligating suppliers to respect high environmental standards, compliance, and quality.	Medium Term (2027)	Purchasing and R&D

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	TIME HORIZON	RESPONSIBILITY PERIMETER
Poor Product Quality and Durability	• Selection of Raw Materials: Collaborate with suppliers who guarantee high-quality raw materials that meet the required standards.	Continuous	Design, Production, Quality Control, R&D
	• Strict Quality Controls: Implement rigorous quality control processes throughout all stages of production.		
	• Implementation of Quality Management Systems: Maintain internationally recognized quality certifications to ensure that production processes meet high standards and to continuously monitor and improve product quality.		
	• Staff Training: Continue to train staff on quality management, advanced production techniques, and best maintenance practices.		
	• Product Design: Continue to improve product performance, including through the use of software such as AI.	Medium Term (2027–2028)	
Price Volatility	• Long-Term Contracts: Negotiate long-term contracts with suppliers to stabilize raw material prices and reduce exposure to market volatility.	Medium Term (2027–2028)	Purchasing and Commercial
	• Supplier Diversification: Diversify the supplier base to avoid dependence on individual suppliers and reduce the risk associated with price fluctuations from a single source.	Short Term (2026)	
	• Consumption Reduction: Invest in technologies and processes that increase efficiency and reduce raw material consumption, thereby decreasing exposure to price volatility.	Medium Term (2027–2028)	

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	TIME HORIZON	RESPONSIBILITY PERIMETER
Human Rights Violations by Suppliers	• Supply chain monitoring regarding human rights and workers’ rights: Continue conducting regular supplier audits to monitor compliance with human rights, using both internal auditors and independent third parties to ensure objectivity and transparency.	Medium Term (2027–2028)	Purchasing and Quality
Water Scarcity	• Rainwater harvesting: Maintain infrastructure for the collection and storage of rainwater, reducing dependence on traditional water sources.	Continuous	
	• Awareness and training: Promote awareness of sustainable water use among employees and local communities through training programs and awareness campaigns.	Medium Term (2027–2028)	
Exposure to Workplace Accidents & Diseases	• Compliance with the provisions of Legislative Decree 81/2008.	Continuous	QHSE - RSPP
	• Risk Assessment: Conduct periodic risk assessments to identify and analyze potential hazards in the workplace; continuously update these assessments based on changes in working conditions or new regulations.		
	• Implementation of safety measures: Ensure the availability of safety equipment, such as protective barriers, ventilation systems, and smoke detectors, in addition to the use of CE-marked machinery.		
	• Training and awareness: Continue to organize regular training sessions for all employees on safety practices, the proper use of personal protective equipment (PPE), and emergency procedures.		
	• Monitoring employee health: Implement health monitoring programs to identify workplace-related health issues early on; provide medical and psychological support to employees, particularly those exposed to high risks.		
	• Update safe work procedures and emergency protocols.		

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	TIME HORIZON	RESPONSIBILITY PERIMETER
Inability to Understand Employee Expectations	• Establishing clear communication channels: Maintain well-defined communication channels, such as request management systems or feedback platforms, that facilitate the transmission and understanding of requests.	Continuous	Management, HR
	• Promoting transparency: ensuring that company decisions and the reasoning behind them are clearly communicated to employees, thereby reducing misunderstandings and increasing understanding of their requests; providing regular and timely feedback to employees on their requests and the actions taken in response to them.	Medium-Long Term (2028)	
	• Surveys and questionnaires: Use periodic surveys and questionnaires to gather information about employees' needs and expectations, and to assess their understanding of the responses received; analyze the feedback results to identify areas for improvement in request management and to adapt communication strategies accordingly.		
	• Employee engagement: Involve employees in the request management process by encouraging them to participate in discussions and suggest improvements to existing processes.		
Non-Sustainable Materials	• Replacement with sustainable materials: Identify and adopt new sustainable alternatives to the non-sustainable materials currently in use, such as recycled, biodegradable, or low-environmental-impact materials; collaborate with suppliers that offer materials certified to recognized environmental standards.		
	• Eco-friendly design: Integrate sustainable design principles into production processes, including the use of sustainable materials, waste reduction, and optimization of resource efficiency; adopt an eco-design approach to improve product sustainability throughout its life cycle, from design through production to end-of-life.		
	• Environmental certifications: Maintain environmental certifications for the materials used, such as UNI EN ISO 14001:2015 certifications for environmental management systems or specific certifications for sustainable materials.	Continuous	

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	TIME HORIZON	RESPONSIBILITY PERIMETER
Employee Discontent and Dissatisfaction	• Implementation of active listening programs: Conduct periodic surveys to gather feedback on employee satisfaction levels and concerns.	Medium-Long Term (2028)	Direzione, HR
	• Development of professional growth opportunities: Offer training courses and skill-development programs to promote employees’ professional and personal growth; create clear career plans that provide paths for advancement and development opportunities within the company.		
	• Improving working conditions: ensuring a safe, comfortable, and stimulating work environment with adequate equipment and well-organized spaces; promoting policies that foster a healthy work-life balance, such as remote work and flexible schedules.		
	• Incentive programs: Implement recognition and reward programs to acknowledge exceptional performance and employee contributions.		
	• Wellness and support policies: Offer corporate wellness programs.		

RISK	MITIGATING ACTIONS / MANAGEMENT MODE / CONTINGENCY	TIME HORIZON	RESPONSIBILITY PERIMETER
Incidents of Discrimination	• Communication and Promotion of Diversity: Actively promote diversity and inclusion through internal communications and awareness campaigns.	Lungo periodo (2027)	Management, HR
	• Obtaining Gender Equality Certification: Initiate the process to obtain gender equality certification by adopting policies, procedures, and tools aimed at promoting equal opportunity, inclusion, and equity in career development, as well as preventing all forms of discrimination.		
	• Implementation of complaint and reporting mechanisms: Maintain secure and confidential channels for reporting incidents of discrimination; ensure that employees can file reports without fear of retaliation.	Continuativo	
Lack of Access to Subsidized Finance & Offsetting Costs	• Monitoring and reporting: Integrate monitoring systems to measure and record GHG emissions; conduct regular energy audits to identify areas for improvement. Publish periodic reports on emissions and reduction initiatives, following international standards such as ESRS E1 or the CDP (Carbon Disclosure Project).	Lungo periodo (2030)	Management and Quality
	• Define reduction strategies and targets: Set clear and measurable targets for reducing GHG emissions; develop and implement a strategic action plan to achieve these targets.		Management, administration, design, production
	• Electrification: To minimize the consumption of natural gas and other fuels, convert machinery and combustion-based systems to technologies that utilize electric motors, heating elements, and heat pumps.		
	• Improve the energy efficiency of buildings and facilities.		
	• Use energy from renewable sources.	Continuativo	Management
	• Continue producing energy from renewable sources.		

06

Towards A Sustainable Future: Environmental Performance

Environmental protection represents the fundamental prerequisite for an authentic, enduring development model. Facing global climate change and biodiversity challenges, the company prioritizes resource efficiency, progressive process decarbonization, and ecosystem safeguarding.

To scientifically govern these objectives, we have structured and certified an **ISO 14001 Environmental Management System** fully integrated with **Quality (ISO 9001)** and **Occupational Health and Safety (ISO 45001)** management systems.

This integrated approach guarantees:

Continuous Monitoring: Rigorous, constant control of all direct and indirect environmental impacts.

Immediate Response: Prompt activation of corrective actions upon potential non-conformities.

Continuous Improvement: Challenging periodic targets to progressively elevate the organization's eco-efficiency performance.



6.1 Reducing Emissions and Optimizing Energy Use

Aware of fossil fuel impacts on global warming and the need for rapid decarbonization, we approach energy transition with determination. Optimizing efficiency, reducing greenhouse gas (GHG) emissions, and increasing clean energy use are pillars of our environmental strategy. Through continuous investments in cutting-edge technologies, the company commits to progressively limiting non-renewable sources and shrinking its carbon footprint, translating climate responsibility into concrete, measurable industrial actions.

6.1.1 Energy Under Control: Improving to Innovate

Systematic monitoring and reporting of consumption represent the analytical base for designing energy efficiency.

Annually, the company maps energy vectors used, distinguishing renewable vs. non-renewable sources, imported grid share, internal self-consumption, and grid feed-in. This energy balance identifies consumption flows and guides targeted efficiency interventions. Quantitative data for the financial year are reported in the table below, evidencing transparency and scientific rigor applied to environmental performance.

Natural gas consumption data exhibit 87% completeness, while electricity consumption data show 99% completeness. To ensure continuity and comparability of reported information, missing data were estimated using the following criteria:

- In case of missing data for a single month, the average consumption of the preceding and succeeding months was used;
- In case of missing data for multiple consecutive months, consumption was estimated proportional to values recorded in the same period of the previous year.

Total energy consumption for the 2023–2024–2025 triennial period is illustrated in the table below:

		Unit of Measure	2025	2024	2023
Non-Renewable Fuels	Natural Gas	Sm3	14.469,94	12.037,63	10.901,49
	Diesel	Liters	13.108,48	8.054,00	23.474,00
Imported Energy	Electricity	kWh	442.882,90	361.439,00	332.831,00
Internal Renewable Production	Electricity Produced	kWh	89.600,00	85.400,00	109.746,00

Energy Vectors		Unit of Measure	2025	2024	2023
Non-Renewable Fuels*	Natural Gas	MWh	143,34	119,24	107,99
	Diesel	MWh	130,28	80,05	233,30
Renewable Fuels	Electricity	MWh	442,88	361,44	332,83
Domestic Production from Renewable Sources	Electricity Produced	MWh	89,60	85,40	109,75
Total Energy Consumption		MWh	806,10	646,13	783,87

* Conversion factors: 2025 National Standard Parameters Table (MASE, last updated January 20, 2026). Fuel densities: average values from the literature.

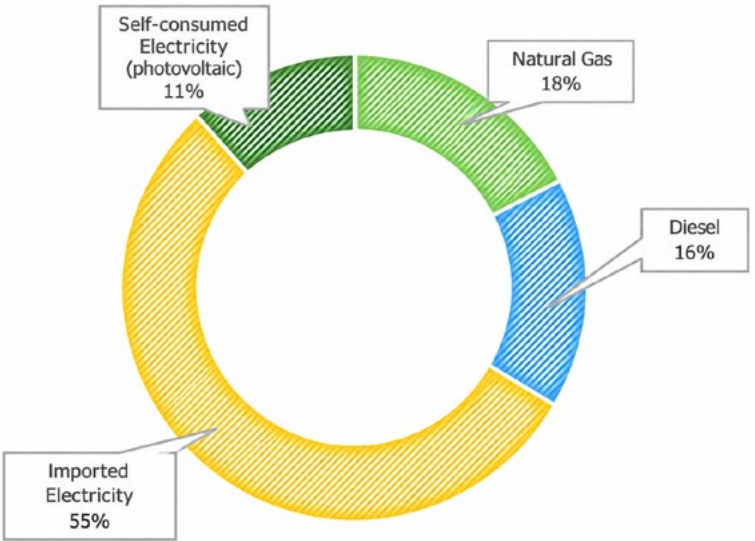
Energy Vectors		Unit of Measure	2025	2024	2023
Fuels from non-renewable sources		MWh	273,62	199,29	341,29
Fuels from renewable sources		MWh	-	-	-
Electricity from non-renewable sources*		MWh	399,57	327,10	308,53
Electricity from renewable sources*		MWh	132,91	119,74	134,04
Total energy consumption		MWh	806,10	646,13	783,87

*The calculation of energy from renewable and non-renewable sources is based on the National Residual Mix Italy 2025 (AIB, 2026, v.1.0). Non-renewable sources include fossil fuels and nuclear power.

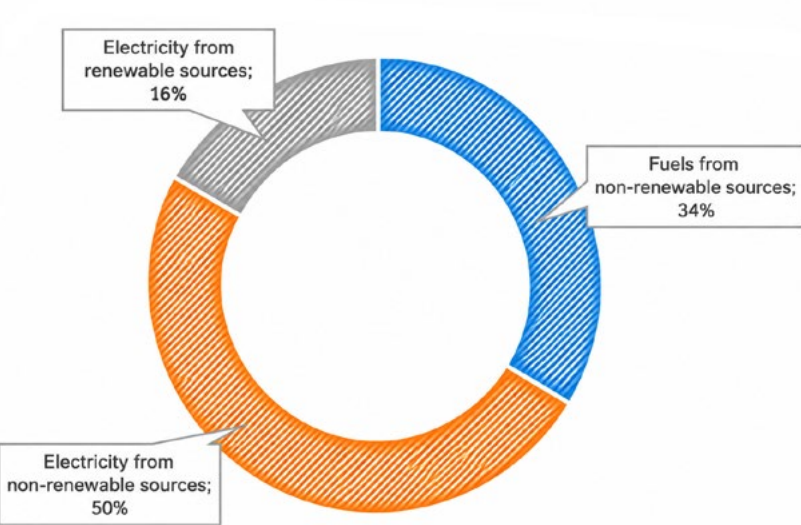
In 2025, total energy consumption reached 806.10 MWh, an increase of 24.8% compared to the previous year. This increase is mainly attributable to higher reliance on grid-purchased electricity and increased diesel and natural gas consumption.

The primary energy vector is electricity, representing 66% of total consumption (55% purchased, 11% self-generated and self-consumed).

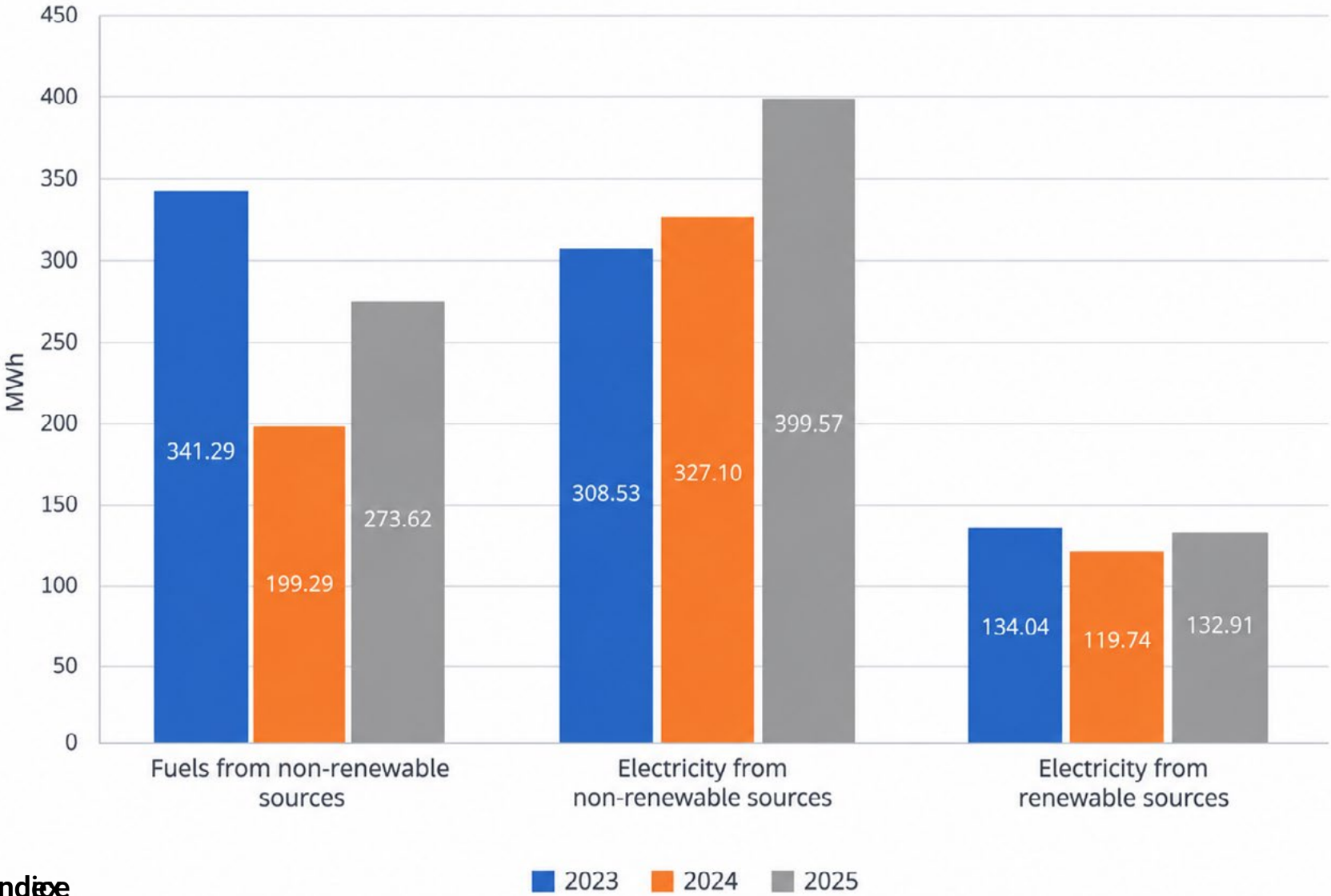
ENERGY CONSUMPTION DISTRIBUTION
BY SECTOR - 2025



ENERGY CONSUMPTION DISTRIBUTION
BY SOURCE - 2025



Energy consumption by source - THREE-YEAR PERIOD



6.2 GHG Emissions Reduction

Reducing greenhouse gas (GHG) emissions is a central priority in our environmental strategy. To accurately and transparently monitor its carbon footprint, the enterprise prepared a GHG emissions inventory according to **UNI EN ISO 14064-1:2019** and **GHG Protocol** principles.

Using the **“Operational Control”** consolidation approach, organizational boundaries were clearly defined, ensuring consistency and reliability of emission measurements.

The inventory classifies emissions into two main categories:

SCOPE 1

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

SCOPE 2

Indirect emissions connected to the generation of purchased and consumed electricity, heat, or cooling.



GHG emission values resulting from the corporate Carbon Footprint analysis are illustrated below. Inventory values for 2023 and 2024 were aligned with the most recent reference emission factor database updates (June 2026).

		2025 [tCO2eq]	2024 [tCO2eq]	2023 [tCO2eq]
Scope 1	Direct Emissions from Stationary Combustion	29,32	24,31	21,85
	Direct Emissions from Mobile Combustion	33,70	20,24	58,97
	TOTAL	63,02	44,54	80,82

“Location-Based” Methodology		2025	2024	2023
Scope 2	Indirect Emissions from Imported Electricity [tCO_2 eq]	83,71	65,82	73,96
	TOTAL ¹ [tCO2eq]	146,73	110,36	154,78
	GHG Intensity ² [tCO2eq/Mln€]	9,83	8,09	11,15

¹Calculated as Scope 1 + Scope 2 location-based / market-based sum. ² Calculated as total emissions / revenue value.

“Market-Based” Methodology		2025	2024	2023
Scope 2	Indirect Emissions from Imported Electricity [tCO2eq]	186,10	159,47	166,61
	TOTAL ¹ [tCO2eq]	249,12	204,01	247,43
	GHG Intensity ² [tCO2eq/Mln€]	16,69	14,95	17,82

¹Calculated as Scope 1 + Scope 2 location-based / market-based sum. ² Calculated as total emissions / revenue value.

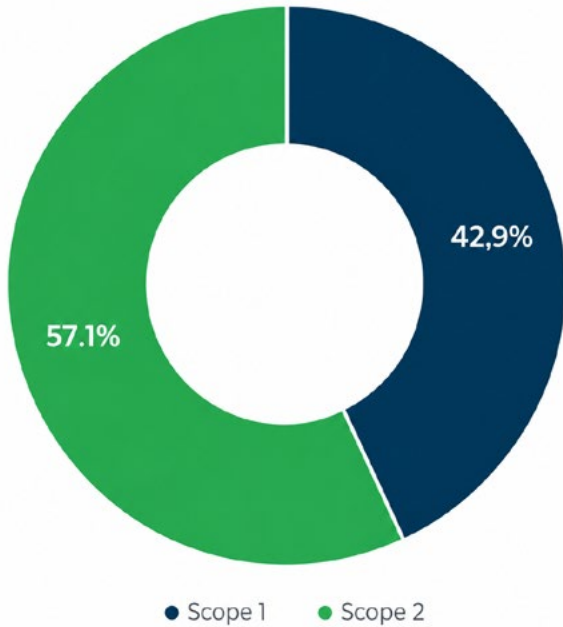
In 2025, total Scope 1 and Scope 2 emissions were 146.73 tCO_2 eq (Location-Based) and 249.12 tCO_2 eq (Market-Based). Both methodologies confirm the predominance of Scope 2 emissions, specifically “Indirect Emissions from Imported Electricity.”

Vivolo’s economic GHG intensity rate in 2025 was 10.03 (Location-Based) and 17.02 (Market-Based) tCO_2 eq/ M€.

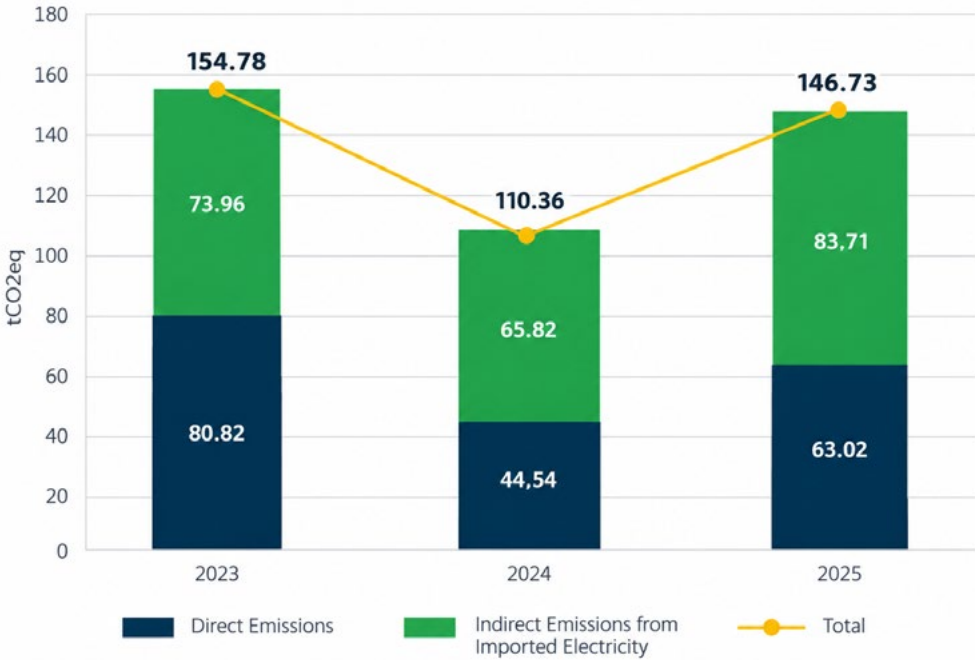
Both indicators registered an increase compared to 2024.

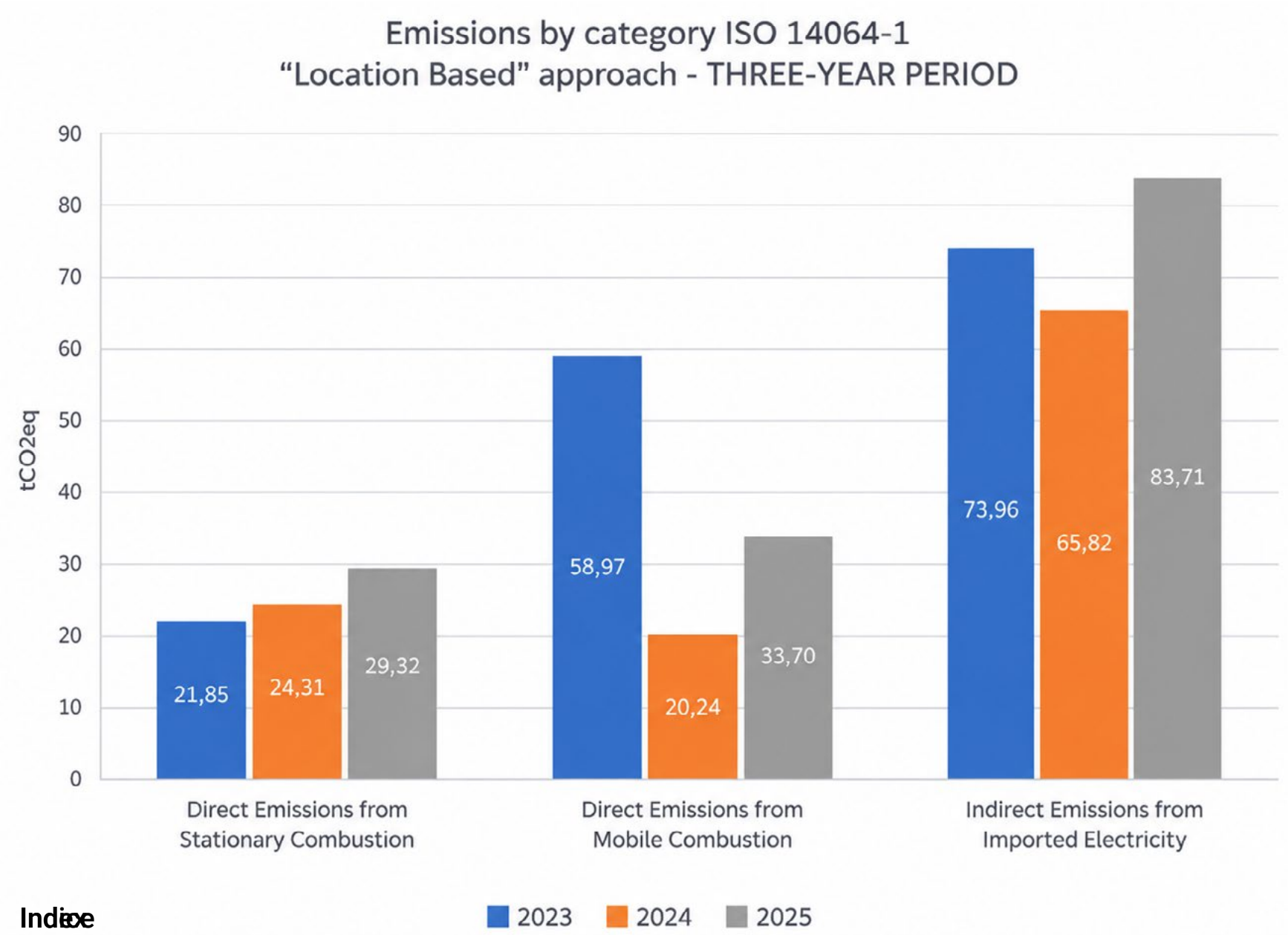
Comparative charts for the 2023–2025 triennium under Location-Based approach show a 28.69% decrease in total emissions from 2023 to 2024, followed by an increase of approximately 32.96% in 2025 compared to 2024.

GHG Protocol emissions by category
“Location Based” approach



GHG Protocol emissions by category
“Location Based” approach - THREE-YEAR PERIOD





6.2.1 Protecting the Environment

Aligned with global decarbonization goals set by the **Paris Agreement** and national/EU regulatory frameworks, an organic plan for progressive GHG emissions reduction has been structured across three distinct time horizons:

- **Short Term (Efficiency and Processes):** Focus on optimizing internal production flows and adopting high-efficiency technologies to rapidly curtail consumption and eliminate immediate energy waste.
- **Medium Term (Innovation and Renewable Sources):** Integration of cutting-edge technological solutions in industrial processes and simultaneous expansion of renewable energy generation to

guarantee a constant, structured trajectory of Scope 1 and Scope 2 emission reductions.

- **Long Term (Carbon Neutrality):** Radical evolution of production models via eco-design and full circularity, aligning the organization with global best practices and progressively targeting Net Zero carbon neutrality.

This approach reflects the company’s industrial vision, in which technological innovation is harnessed to advance climate responsibility. By planning concrete actions, the company transparently meets the expectations of its customers and the community, thereby strengthening its position as a reliable and sustainable partner in the luxury supply chain.

6.2.2 Emissions Mitigation:
Actions and Expected Results

Following an analysis of GHG emissions and the company's emissions inventory, a series of mitigation measures were identified to reduce the company's emissions. These measures will lead to a reduction in total Scope 1 and Scope 2 emissions, promoting more sustainable management of resources and business operations.

The identified mitigation measures include:

- Monitoring and analysis of energy consumption at the company's headquarters to identify inefficiencies and optimize consumption;
- Replacement of the boiler with a heat pump at the company's headquarters, resulting in a reduction in direct emissions from the combustion of natural gas, offset by a less significant increase in electricity consumption;

- Gradual replacement of the company's vehicle fleet with vehicles that emit lower GHG emissions, resulting in a reduction in direct emissions from mobile combustion.

These measures demonstrate a concrete commitment to achieving sustainability goals. The implementation of these mitigation measures will not only reduce the company's environmental impact but will also help foster a more responsible and efficient model for managing energy resources. Continuous monitoring and the implementation of new measures will further strengthen the results achieved.

6.3 Responsible Water Management:
A Resource to Protect

Sustainable water management is essential to ensuring that this vital resource—indispensable for life and development—remains available to present and future generations. The global water crisis, exacerbated by the effects of climate change and growing demand, is making water increasingly scarce and precious. In this context, even though the company does not use water in its production processes, it is committed to implementing practices aimed at promoting the circular use of water and optimizing water consumption—all the more so given that the company operates in an area with high water stress.

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

- Limiting waste through prudent and careful management of water consumption;
- Constantly monitoring the use of water resources;
- Integrating innovative technologies to increase water efficiency.

6.3.1 Optimizing Water Consumption:
A Corporate Responsibility

The company is committed to transparently monitoring and reporting its water withdrawals and consumption, paying particular attention to the region in which it operates, which is characterized by a high level of water stress. This approach allows the company to identify the impact of its operations on the environment, pinpoint areas for improvement, and implement measures to optimize water use, ensuring responsible and sustainable management.

In line with international standards, the company considers it a priority to minimize the environmental impact associated with its water withdrawals, thereby contributing to the protection of a resource that is increasingly precious for current and future generations. This commitment is a central element of the company's sustainability strategy, addressing the challenge of the growing global water crisis.

The results of the water stress study are presented in the table below, confirming the company's focus on sustainable and responsible water use.

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

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

	Unit of Measure	2023	2024	2025
Water Withdrawals	m3	925	1060	993

6.4 Waste Management: Reducing Waste, Enhancing Resources

Responsible resource management and the principles of the circular economy are closely linked, as they share the same goal of limiting the environmental impact of human activities and promoting more efficient and resilient economic development.

The sustainable use of resources is based on a responsible and thoughtful approach aimed at ensuring a balance between use and regeneration, thereby preserving the availability of natural resources over time. At the same time, the circular economy aims to extend the useful life of materials and products through reuse, recycling, and waste reduction, thereby decreasing the amount of waste generated.

This integrated model encompasses all stages of a product’s life cycle, from the selection of raw materials to waste management and final disposal. Adopting this approach not only improves overall sustainability but also promotes greater efficiency in resource use, transforming waste into new opportunities for value.

6.4.1 The Waste Lifecycle

Responsible waste management is one of Vivolo’s top priorities and is consistent with its vision of adopting an increasingly sustainable business model. Aware of the environmental impact generated by its activities, the company is committed to minimizing waste production through innovative solutions and specific strategies.

The following table shows the amounts of waste generated during the three-year period in question.

	2025 [t]	2024 [t]	2023 [t]
Non-hazardous waste destined for recycling or reuse	21	20	23
Non-hazardous waste destined for disposal	114	121	131
Hazardous waste destined for disposal	1	1,5	2

The company reaffirms its ongoing commitment to sustainability through efficient waste management. In recent years, the implementation of policies aimed at optimizing processes and promoting recycling has made it possible to reduce the total amount of waste produced. These results demonstrate the effectiveness of the actions taken and highlight the organization's determination to reduce its environmental impact, in line with its principles of environmental responsibility and protection of future generations.

6.4.2 A Circular Model

A systemic approach to the circular economy has been adopted with the goal of minimizing the ecological footprint of the company's production cycle and promoting the regeneration of resources. The corporate strategy is structured around three established operational pillars, reinforced by short-term innovation goals.

The established lines of action

- **Process optimization and waste reduction:** Through the constant review of industrial flows and monitoring of operational parameters, the use of raw materials is optimized to minimize surplus materials. The introduction of innovative technologies and integrated Artificial Intelligence systems enables a significant reduction in industrial waste at the source.
- **Sustainable and certified packaging:** The company designs its packaging to reduce weight and volume to promote lightweight and easily recyclable solutions. For paper and cardboard materials, the company selects materials sourced from responsibly managed forests, supporting the **FSC®-certified** supply chain (**FSC® C168709**) and prioritizing packaging free of adhesives and/or plastics.
- **Separate Waste Collection and Traceability:** Within the facility, the separation of waste streams is widely implemented and supported by staff awareness initiatives. We rely exclusively on qualified environmental service providers. Each waste stream is monitored through records and forms (FIR), ensuring full traceability and transparency of the recovery or disposal process.

The Innovation Roadmap: To accelerate the transition toward a fully regenerative industrial model, two major strategic development initiatives have been launched:

- **Leather upcycling:** The study launched to optimize leather scraps aims to give new life to this precious material, reintroducing it into the value chain with a view toward perfect circularity.
- **Plastic-Free Packaging Goal:** An intensive scouting effort is underway to select suppliers of cutting-edge alternative materials. The short-term goal is the total elimination of plastic from all company packaging, thereby drastically reducing the quantities of virgin polymers introduced into the market.

6.4.3 Procurement

With regard to raw material flows, leather is Vivolo's primary input material, as well as the most important raw material in the production cycle. In 2025, the company purchased a total of 3.3 metric tons of leather.

07

Social Dimension And Respect For Rights

Building an inclusive and resilient society hinges on the centrality of social sustainability. This principle translates into the creation of a safe, stable, and stimulating work environment that values the uniqueness of each individual and ensures they can realize their full potential.

The Pillars of Workplace Well-Being

Valuing Human Capital: Continuous development of each employee's technical and soft skills.

Inclusion and Equal Opportunity: Promoting an inclusive internal culture based on transparency, merit, and the elimination of all gender barriers.

Safety and Stability: Safeguarding organizational well-being through high standards of workplace safety and ensuring socioeconomic stability for staff.

To recognize and develop individual strengths in terms of both technical skills and soft skills

Strive to ensure the well-being of everyone in the workplace by promoting an inclusive culture and ensuring transparency and equal opportunities

To strive to create a safe work environment and provide economic stability for everyone

Protection of Human Rights and International Standards: Respect for the dignity and fundamental rights of workers throughout the entire value chain. In full compliance with the **United Nations Guiding Principles on Business and Human Rights (UNGPR)** and the **ILO Declaration**, the company rigorously ensures:

- 1. The right to a safe, healthy, and secure work environment.*
- 2. The right to freedom of association and collective bargaining.*
- 3. Fair wages, gender equality, and equal treatment.*
- 4. The absolute rejection of all forms of child labor, forced labor, or exploitative labor.*

Monitoring and Social Compliance: To uphold these commitments, in addition to the provisions of the Code of Ethics, the company operates a whistleblowing channel, described in section 3.3 of this report.

7.1 People

Le persone rappresentano il cuore pulsante dell’azienda, il motore di ogni innovazione e la firma dietro ogni traguardo raggiunto.

L’azienda riconosce nel capitale umano un asset strategico fondamentale: un patrimonio di competenze, passione e unicità essenziale per affrontare con successo le sfide di un mercato globale sempre più complesso, competitivo e orientato all’eccellenza.

Le tabelle di seguito descrivono la popolazione aziendale sia dal punto di vista quantitativo, che dal punto di vista della distribuzione dei generi che della tipologia contrattuale. I dati presentati sono relativi alla situazione del personale al 31 dicembre di ciascun anno di riferimento.

Tutta la forza lavoro opera sul territorio italiano e ha un contratto di lavoro diretto. Attualmente, l’impresa non dispone di lavoratori in somministrazione.

GENDER BREAKDOWN	2025	2024	2023
Men	12	12	9
Women	46	42	37
Other ¹	5	5	5
Total	63	59	51

¹ Directors/partners receiving compensation

CONTRACT TYPE	2025	2024	2023
Open-ended	40	42	33
Fixed-term	18	16	17
Apprenticeship	0	1	1
Internship	0	0	0
Total ¹	58 ⁴	59 ³	51 ²

¹ Net of 5 directors/partners; ² includes 1 protected category employee; ³ includes 2 protected category employees; ⁴ includes 2 protected category employees.

7.1.2 Gender Diversity in Governance

The governing body is the highest decision-making authority.

The composition of the governing body is balanced in terms of gender equality. The details are shown in the table below:

GOVERNANCE	2025	2024	2023
Men	3	3	3
Women	3	3	3
Gender Diversity Index*	1	1	1

* Number of female members / Number of male members.

7.2 Occupational Health and Safety

Through the guidelines and requirements of its ISO 45001-certified Occupational Health and Safety Management System, the company ensures a safe work environment that complies with the most stringent national and international standards.

Periodic monitoring and the principles of continuous improvement inherent in the ISO 45001 standard have enabled us to consolidate, over time, a strong culture of prevention and a deep awareness of risk at all organizational levels. Vivolo’s approach is based on three operational pillars:

Responsible Behavior: Training programs aimed at empowering staff to adopt safe practices.

Proactive Facility Monitoring: Ongoing inspections of infrastructure that go beyond mere regulatory compliance to safeguard employee safety and service quality.

Structured Governance: Clear definition of roles, responsibilities, and internal information flows dedicated to safety management.

To ensure maximum transparency and illustrate the historical trend of our performance, the table below shows key accident indicators starting from fiscal year 2022.

INJURY INDICATORS	2025	2024	2023
Total Hours Worked	60310	74458	61045
of which regular hours	58646,5	72545	59227
of which overtime hours	1663	1913	1818
Number of Work Injuries	2	2	1
Number of Lost Days	63	63	3
Number of Fatalities	0	0	0
Injury Rate *	0,0066	0,0054	0,0033

¹The number of hours worked refers to employees on the payroll as of December 31 of each year;

² $\frac{\text{number of workplace accidents during the year}}{\text{total number of hours worked by all employees during the year}} \times 200$

7.3 Information and Product Security

To protect its information assets and ensure full business continuity, the company enforces **strict access** control protocols for both physical infrastructure and IT systems, extending the same security requirements to partners and suppliers. In terms of product responsibility, the company is committed to ensuring that no solution compromises the health, safety, or physical well-being of end users. This commitment translates into strict quality control protocols throughout all stages of the supply chain, from the ethical sourcing of raw materials to distribution. To guarantee excellent performance in terms of reliability and sustainability, three major international certifications are integrated into the company’s production model:

OEKO-TEX®: Certifies the complete absence of harmful substances in products, ensuring they are entirely safe for human health.

FSC® (FSC® C168709): Certifies the use of cellulosic materials sourced from responsibly managed and traceable forests.

GRS (Global Recycled Standard): Ensures traceability and the percentage of recycled materials in the company’s processes, while also certifying compliance with rigorous environmental and social criteria throughout the entire supply chain.

Through this robust framework of quality and transparency, the company reaffirms its status as a partner of excellence and a responsible player in the international fashion industry.

7.4 Contracts and Training

For Vivolo, compensation and employee training are two key elements in ensuring the well-being and professional growth of employees, as well as the company’s development and success.

A fair and competitive compensation policy promotes not only productivity but also employee satisfaction and loyalty. Furthermore, it serves as a strategic tool both for retaining existing talent and for attracting new talent, especially during a critical time for the job market such as the present.

Similarly, promoting training enables employees to acquire new skills, strengthen those they already possess, and respond with greater resilience to market changes, thereby helping to increase the added value available within the company.

In line with these principles, we are committed to enhancing employees’ skills and potential so that each person’s abilities and legitimate ambitions can be fully realized, while always respecting the company’s objectives. For this reason, equal employment opportunities are guaranteed to all staff, with individual performance evaluations based on criteria of ability and merit, avoiding discrimination or favoritism.

With regard to the workforce, 100% of employees are covered by the National Collective Bargaining Agreement for the Textile and Apparel Industry (CCNL INDUSTRIA TESSILE ABBIGLIAMENTO). The company also relies on this collective bargaining agreement to determine the starting salary, which corresponds to the minimum wage established by the CCNL for the sector of activity and the employee’s job classification.

Vivolo is a company characterized by a significant female presence at all hierarchical levels; for this reason, it pays particular attention to maternity, paternity, and, more generally, the role of the caregiver.

As for skills, as mentioned earlier, the company views continuing education as a fundamental element for the growth and development of its employees and for improving business performance. For this reason, in addition to mandatory training, the company provides targeted additional courses or in-depth training related to the work activities carried out within the company.

Currently, courses are offered based on emerging needs, using a flexible approach to specifically address employees’ requirements.

Starting in **2027**, the company plans to expand its training offerings with additional courses dedicated to developing transferable skills. These programs will include more technical topics, such as using the Office suite, as well as softer skills, such as managing interpersonal relationships and teamwork.

Finally, the company considers the well-being and satisfaction of its staff to be an essential factor in its success. For this reason, over the years, the company has been progressively investing in initiatives aimed at enhancing the well-being of its employees. A concrete example of this commitment is the creation, upon moving to the new headquarters, of a dedicated space for employees to use during their lunch break. This space was designed to allow employees to enjoy their

meals in a suitable environment while also fostering moments of camaraderie, dialogue, and interaction among colleagues.

Beyond Work: Initiatives for Our Company Community

Creating a peaceful, inclusive, and stimulating work environment is a top priority. Our initiatives follow two main paths: celebrating community moments and promoting personal well-being.

Moments of Togetherness: Every year, the traditional Christmas dinner brings the entire company together to strengthen relationships in a festive atmosphere, celebrating the successes of the past year and discussing future goals. Similarly, the company makes a point of recognizing significant occasions by giving gifts to employees for Easter and International Women’s Day.

A Culture of Well-Being: With the goal of promoting work-life balance, a highly appreciated project was launched in 2024: a Pilates class held during the lunch break in May, June, and July. Thanks to the guidance of a professional instructor and the use of company facilities, the initiative combined the benefits of physical activity with an informal social gathering among colleagues.

Looking to the future, we know that the path of “people care” still offers ample room for growth, but the steps we’ve taken confirm that we’re heading in the right direction.

7.5 The Value Chain

Responsible supply chain management and the excellence of raw materials have long been cornerstones of our strategy. While the quality of the finished product and customer satisfaction depend directly on the materials sourced, today the brand’s reputation is also closely tied to the ESG performance of the entire supply chain.

For this reason, the **Code of Ethics** and internal purchasing procedures require that the qualification of business partners be based on an objective and transparent assessment that incorporates the following parameters:

Industrial requirements: Professionalism, business structure, economic competitiveness, and on-time delivery.

Quality Standards: The ability to maintain the highest levels of technical excellence required by the luxury market.

ESG Compliance and Performance: The level of maturity regarding environmental and social sustainability issues. The same criteria also apply to the selection of external consultants and professionals.

Supply Chain Expectations and Auditing Activities
Vivolo requires its partners to adopt concrete measures to mitigate environmental impact, comply with biodiversity regulations, and implement practices that protect people’s health and safety. On the social front, suppliers are required to align with the company’s standards regarding human rights, inclusion, and equal treatment.

In line with the requirements currently applied to the supply chain, in 2025, Vivolo launched an initiative aimed at developing a **Supplier Code of Conduct**, designed to clearly outline the principles and expectations that guide relationships with business partners. This initiative represents a further step toward strengthening responsible management of the value chain.

Consistent with the above and to protect its values and its customers, the company has initiated **periodic audits of its suppliers**, reserving the right to seek new strategic partners should the required standards not be met. Vivolo firmly upholds the principle that it excludes and categorically distances itself from any partner, in Italy or abroad, that fails to comply with national and international regulations prohibiting the exploitation of child labor or forced labor.

7.6 The Value of Relationships

Vivolo pursues its commercial success in both domestic and international markets through a range of high-quality manufactured products, tailored to the specific needs of each client. It is no coincidence that the company’s mission is based on a **tailor-made** approach, designed to translate stylistic and technical requirements into customized solutions.

This connection to the local community and social responsibility are expressed through two key projects:

Solidarity and Support for Families – Bimbo Tu Association: The company provides ongoing support to the Bimbo Tu Association, a nonprofit organization that, since 2007, has offered assistance, companionship, and psychological and logistical support to children with central nervous system disorders and their families throughout their treatment journey.

Promoting Young Talent – Luciano Vivolo Award: Established at the **Academy of Fine Arts in Bologna** and later extended to all art academies nationwide, the award was created with the goal of discovering and promoting the best artistic talent and facilitating their entry into the workforce. The initiative awards a cash prize to the top three students. To reaffirm this commitment to the right to education and merit, the company has expanded the call for applications by establishing a special **scholarship** designed to support the most deserving students—particularly those with the greatest financial need—throughout their academic careers.

08

Contribution To The SDGs

The policies and initiatives undertaken within the ESG framework make a clear contribution to sustainable development, fostering growth that protects 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 contribution to achieving the 17 Sustainable Development Goals (SDGs) outlined therein. More specifically, the SDGs to which the company contributes are:

More specifically, the contributions are made to the following SDGs:



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