



Botto Giuseppe

Sustainability Report 2023

Botto Giuseppe e Figli S.p.A. publishes its fourth sustainability report: a document that attests to the values of ethics and transparency handed down through the company since 1876, the year it was founded.

Sustainability is the mindset that translates into a sustained effort at all stages of the supply chain. The sustainable fashion of Botto Giuseppe e Figli S.p.A. aims to establish a harmonious relationship with both the environment and people, within a system of full and absolute transparency. This is our Green Vision. Inflationary pressures are also being reduced in the energy sector. There are still significant geopolitical risks around the world causing instability in some areas, which poses major risks to supply chains everywhere.

The reduction in inflationary pressures in the energy sector in 2023 is attributable to several factors, including greater stability in commodity prices, an increase in the supply of energy from alternative sources, and more effective price management policies. However, it is important to note that energy is a sector affected by multiple variables, including geopolitical developments related to regional conflicts, tensions between states, political instability in certain regions, and other factors that can affect global supply chains and have a significant impact on prices and supply.

With regard to these considerations, Botto Giuseppe e Figli S.p.A. emphasises the importance of an economy focused on circularity, recycling and optimising energy costs.

Today, humanity is living unsustainably: our now-limited resources are being used much faster than ecosystems can regenerate them. The consequences are obvious: climate change, resource depletion, soil and water contamination.

These factors led many companies, including Botto Giuseppe e Figli S.p.A., to pay closer attention to how it uses water resources: the textile industry has always been closely linked to the rivers and the company cannot function without them. As such, we started a project to discover how much water we were using, to reduce consumption and recover water used in production processes. These measures will gradually have a growing impact on the local water footprint in the coming years.

Over the last 20 years, Botto Giuseppe e Figli S.p.A. has concentrated all its efforts in research and sustainable development with regard to every sector: products, investments, and ethical and environmental policies.

Companies that have been working in the area for years have the opportunity to provide their contribution to its people, their health and safety, according to an ethic that involves employees, collaborators and stakeholders. This document is a summary of the actions inspired by the past and great openness towards the future, with a particular focus on involving stakeholders as our fellow drivers in the company's evolutionary process. Botto Giuseppe e Figli S.p.A. has invested

heavily in renewable energy and the energy savings have reduced our environmental impact. We have manufactured products with natural, renewable, and biodegradable raw materials processed using sustainable production processes. Today, the company is also implementing productions with recycled raw materials.

Botto Giuseppe e Figli S.p.A. continues with even more determination on the path already mapped out, with certifications for products, woven yarn and jersey (RWS, GRS, SFA, Cradle to Cradle™) and participation in international projects to reduce the use of chemical products (ZDHC) and improve sector-specific processes (Higg Index). Botto Giuseppe e Figli S.p.A. is proud to say that the past year has seen a significant increase in the sourcing of certified raw materials and an ongoing, gradual reduction in the chemicals used, with the elimination of the products deemed most obsolete.

For supply chain mapping, the company has embarked on a new path with the aim of ensuring total traceability and accountability throughout the supply chain. These activities range from mapping external processing suppliers to working directly with farms in Australia. LCA (Life Cycle Assessment) studies on the finished product have highlighted how their significant impact is caused by the production of the raw material; in order to address this, it is necessary to work towards implementing best practices directly at the source.

Botto Giuseppe e Figli S.p.A. is a champion of the values and diffusion of sustainable culture, for the benefit of future generations, remaining faithful to its role as an important player in 'Made in Italy' luxury for the community of customers and suppliers.

Chief Executive Officer

Silvio Botto Poala



Chief Executive Officer

Ferdinando Botto Poala



Sustainability background

The sector in which the company operates - textiles and fashion - is amongst those with the greatest need to become aware of the impacts that their production generates on the environment. These include the large quantities of water required for processing, the extensive use of chemicals, the energy used to operate the facilities, and even the production - both direct during processing and indirect at the end of the product's lifecycle - of a considerable amount of pre-consumer waste that must be salvaged and not simply disposed of in landfills. Institutions that promote and impose regulations to achieve sustainable goals are increasingly present and competent on a global scale, such as the Global Fashion Agenda which, since 2009, has been committed to spreading awareness and information about what goes on behind the scenes of the textile manufacturing industry. The numbers are clear and unequivocal: 4% of all greenhouse gas emissions worldwide, 20-50% of salaries at the legal minimum, 80% of garments sent to landfills or incinerators, 35% of microplastic pollution in the oceans is caused by the release of microplastics contained within synthetic fibres. The goal of institutions and associations is not to prevent or reduce production in the fashion sector, but rather to lead companies towards responsible business management whilst continuing to create value for people and aiming to reduce their environmental impact.

In the early 2000s, the UN announced the advent of the United Nations Global Compact to encourage companies around the world to adopt sustainable policies that comply with corporate social responsibility criteria and to publish the results of the actions they have implemented. This compact provides a framework of ten main areas in the realm of human rights, work, environmental sustainability, and the fight against corruption.

In July 2023, the European Commission issued the new regulation on sustainability reporting, defined by the acronym ESRS (European Sustainability Reporting Standards); by requiring the use of common standards, the EU directive aims to ensure that European companies report comparable and



reliable information on sustainability.

Only the general standards have been produced so far, whilst more industry-specific standards are still being defined; textile standards are expected to be available between mid-2024 and early 2025.

By 2026 or 2027, the European Commission is expected to introduce new legislation that could revolutionise sustainable fashion: the Digital Product Passport (or DPP for short). This passport will include information on the composition of items on the European market so that all stakeholders, including consumers, can learn more about what they buy and the impact generated. The digital label will contain data on the eco-sustainability of the garment, the materials used, the production processes, their recyclability, transportation, and the green initiatives undertaken by the production chain to offset the environmental impact. The Digital Passport will offer consumers the opportunity to make more informed decisions

not only at the point of purchase but also afterwards, when the product reaches the end of its useful life, thus making it possible to plan the recycling or responsible management of the product and contribute to the overall reduction of waste.

Botto Giuseppe e Figli S.p.A. is aware of the importance of a commitment to each aspect with respect to the entire system, and for this reason, we decided many years ago to follow the path of sustainable development. In particular, during the last four years (2020-2023), the company has worked to account for its actions with the highest level of transparency through the Sustainability Report.

This report requires a committed approach directly in the field: throughout the year, the company adopts measures to collect and process data scientifically and in a targeted manner to measure its own impact, which serves as a point of comparison for future years. In the case of technical reporting and according to certain standards, the company relies on the collaboration of sector professionals, especially when calculating GHG emissions (in CO₂ equivalent) according to the GHG Protocol. In 2023, its Water Footprint was calculated, i.e. the impact in terms of water resources required by the company to support its production, resulting in an LCA (Life Cycle Assessment) being carried out on the key items it produces.

The most important customers of Botto Giuseppe e Figli S.p.A. have commissioned different audits in the areas of social, health, safety and the environment. The company responded willingly and in total transparency, accepting the observations offered with a self-critical approach. These include the ZDHC Chemical Management Standard, the FEM (Facility Environmental Module), HIGG's Facility Social & Labor Management (FSLM), and the adoption of the 4S Sustainability Protocol, currently only widespread in Italy but also recognised by the ZDHC programme.

The company maintains its commitment to certifications of the raw materials purchased and certain specific products, taking into account their ethical, social and environmental compliance through third-party verification.

Following the specific assessments on the issues covered by the UN Global Compact, Global Fashion Agenda, Sustainable Development Goals, the recurring conformational audits and

inspection checks for the various certifications, and following the guidelines of the GRI reporting standard and - only partially in 2023 - the recently-published European ESRS standards, Botto Giuseppe e Figli S.p.A. was able to identify the key issues that form the foundation of this Sustainability Report.

Botto Giuseppe e Figli S.p.A. has drawn up its Sustainability Policy, which outlines the commitments made to manage the significant impacts brought about by the organisation's business operations. The aforementioned document is approved by the highest possible governing body and published on the company's official website, accessible via the [sustainability documents](#) section.



Introduction and Future Goals

Botto Giuseppe e Figli S.p.A. tells the successful story of a great family passion, now in its fourth generation.

This thread has become the symbol of an Italian company specialised in the production of fabrics, jersey, yarn for knitwear, knitting yarn and accessories, combining tradition and innovation.

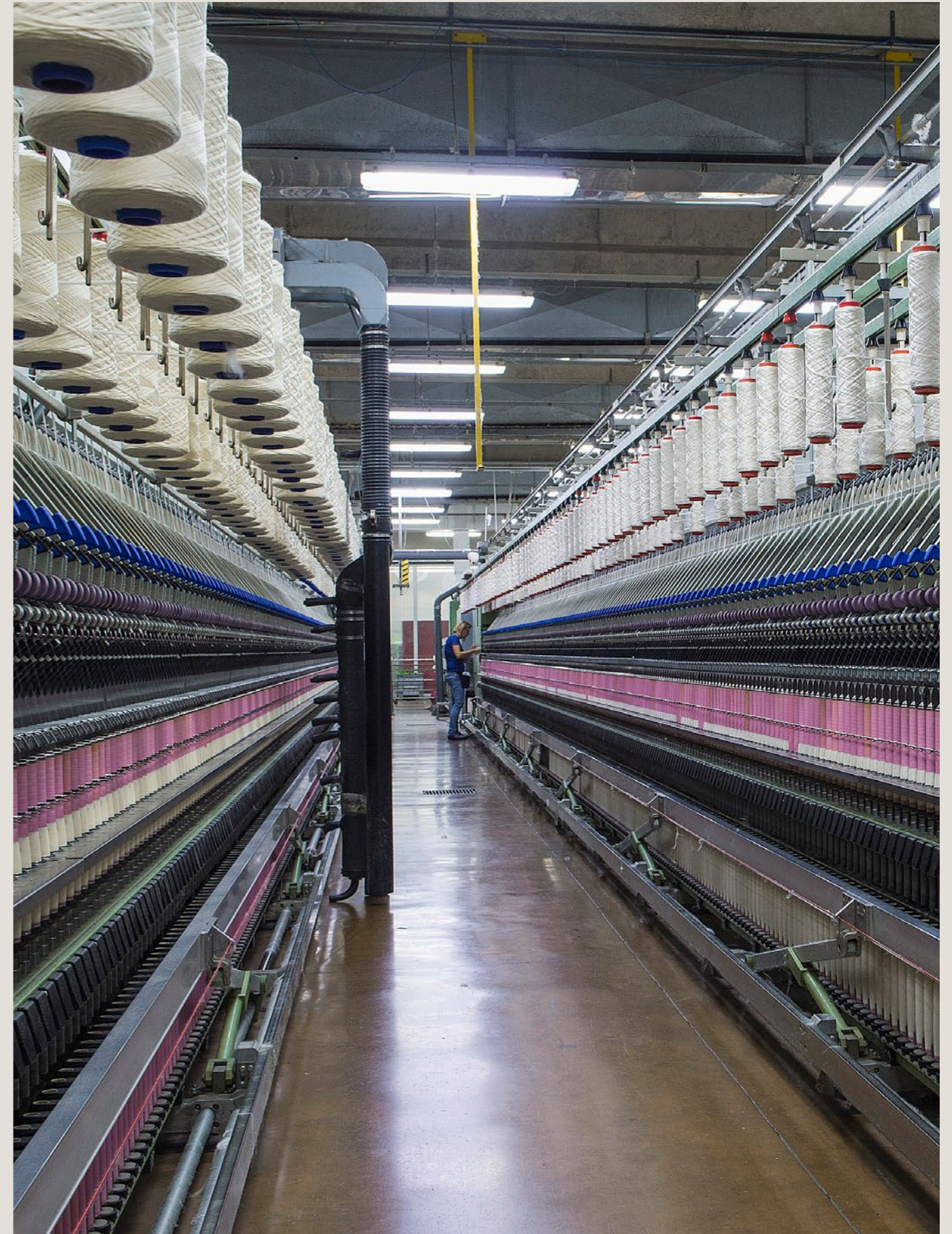
The company plays a key role in the ‘Made in Italy’ concept, where the culture of work is interwoven with an intrinsic sense of beauty, harmony and absolute perfection. In 1876, Giuseppe Botto established his wool mill in Valdilana, specifically in Valle Mosso, in the province of Biella. In 2016, the company celebrated 140 years in business.

This Sustainability Report was drawn up with the aim of assessing the economic, environmental and social performance of Botto Giuseppe e Figli S.p.A. and defining improvement targets regarding all relevant stakeholders. All the information contained in the report was obtained following the audit of the two Botto Giuseppe e Figli S.p.A. production facilities, located in Valdilana (BI) Via Bartolomeo Sella 166 (main facility) and Tarcento (UD) Via Lungo Torre 55 (Cascami Seta division). The data considered here refers to the operating period from 1 January 2023 to 31 December 2023. To compare the data over time and assess the trend of the company’s activities, a comparison with the previous two years is presented.

The content and indicators reported were selected via the materiality analysis contained in this Sustainability Report. This made it possible to identify the relevant material aspects for the company, at once defining their positive, negative, current and potential impacts, which company organisational management can generate for stakeholders and the environment.

In January 2023, the new GRI Universal Standards 2021 came into force, according to which Botto Giuseppe e Figli S.p.A. has aligned this Sustainability Report. In July 2023, the European ESRS standards produced by EFRAG were published; however, the use of these in Botto Giuseppe e Figli S.p.A.’s Sustainability Report was postponed to 2024, pending the publication of the standards for the textile sector. The ESRS have already been taken into account in defining the materiality issues, as better described in the specific chapter. In November 2022, Members of the European Parliament finally and definitively adopted the Corporate Sustainability Reporting Directive (CSRD). Following these important steps towards compulsory non-financial reporting integrated with financial reporting, a situation that most Italian companies will have to align with, the company is implementing a management system that will allow us to meet requirements established by EFRAG and by the GRI Universal Standards 2021.

It should be noted that this 2023 Sustainability Report is not integrated with the financial reporting - which is in any case drawn up separately for the same time period - and has not been subject to assurances by an organisation accredited for this purpose.



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Our story



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1.1 The story of a family



The story begins in Vallestrona in 1876, with the young textile worker Giuseppe Botto and the few looms he had invested in.

Up to the 1920s, production was based on carding and was carried out with old-style hand looms, which were later replaced by the first mechanical looms. This marked the beginning of a new era in the valley, where most of the population was employed in textile factories.

In 1918, with the return of the Great War, the company was divided into three parts: Botto Giuseppe e Figli, Luigi Botto e Figli and Albino Botto e Figli. When Giuseppe Botto died in 1928, his four sons, Giovanni, Venanzio, Silvio and Ferdinando, took over the family business and expanded it. In the post-war period, it had four factories, in Valle Mosso, Pistolesa, Lessona and Romanina.

In the 1950s, the third generation of the Botto Poala family took over the company. In 1968, a disastrous flood ravaged the Mosso valleys and almost completely destroyed the factories. The immediate rebuilding also coincided with major technological developments and investments to improve production efficiency with new machinery.

Increasingly sophisticated technologies and changes in working methods proved to be decisive for the development of the Botto companies.

Changing social habits did not affect the values of the Botto Poala family, which had always strived for quality products with a focus on changes and new fashions. This led to collaborations with the designers of the time, which continue to this day.

In the 1990s, Botto Giuseppe e Figli S.p.A. became a leader in the production of stretch fabrics for the ready-to-wear sector.

Today, the fourth generation of the family is at the helm of the company, focusing its attention on the many new challenges of the future. The quality of the products is recognised by leading international fashion brands.

Botto Giuseppe e Figli S.p.A. operates worldwide, with a diversified and consolidated range of yarns, fabrics, jersey, and accessories made from certified raw as well as recycled materials worked using sustainable processes, all Made in Italy.





OUR STORY IN A NUTSHELL

1876

The story begins in Vallestrona in 1876, with the young textile worker Giuseppe Botto and the few looms he had invested in.



1968

In 1968, the disastrous flood that hit the Mosso valleys almost completely destroyed the facilities. Rebuilding after the flood was marked by a great leap in technology, which proved to be the key for all Botto companies.

1918

At the end of the First World War, the company branched out into three parts for the three Botto Poala brothers: Botto Giuseppe e Figli, Luigi Botto e Figli and Albino Botto e Figli.

1980

In a changing atmosphere where the concept of fashion grew refined in taste and research, the Botto family combined heritage with new trends by working with the most renowned designers.



2000

The start of energy-saving measures at the two facilities



1920



The old hand looms were replaced by the first mechanical looms that began to spell a new era in the valley.

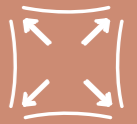
1928

When Giuseppe Botto died, his four sons - Giovanni, Venanzio Silvio and Ferdinando - expanded the Botto Giuseppe company to four facilities, in Valdilana, Pistolesa, Lessona and Romanina.



1990

In the 1990s, Botto Giuseppe e Figli SpA became a leader in the production of stretch fabrics for the ready-to-wear sector and for fashion brands that valued quality of products and service.



2010

In 2010, 160 years after the founder's birth, the Pin 1876 brand was born, a division specialising in the production of scarves made from cashmere and fine fibres. The knitwear division was also created that year, which was later expanded with the Naturalis Fibra collection.



2016

The birth of the Naturalis Fibra collection, a unique collection of sustainable yarns.



2017

In 2017, Botto Giuseppe e Figli S.p.A. obtained the Gold level of Cradle to Cradle™ certification for its Naturalis Fibra yarns.



TODAY

Botto Giuseppe e Figli S.p.A. operates worldwide, with a diversified and consolidated product range of yarns, fabrics, jersey, and scarves made from certified raw and recycled materials, using sustainable processes. All strictly Made in Italy.

2025

Knitwear yarn division with 70% certified raw materials used.



1.2 Approach to Sustainability

The journey towards sustainable operations is accompanied by tangible daily practices, developed in advance to reach economic, social and environmental goals in relation to the expectations of Botto Giuseppe e Figli S.p.A. stakeholders. These aspects relate to the 17 Sustainable Development Goals (SDGs) defined by the United Nations as a 'blueprint to achieve a better and more sustainable future for all'. The SDGs are a set of international guidelines on the main reporting topics regarding sustainability, which become references to highlight the company's contributions to specific goals.



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In 2023, Botto Giuseppe e Figli S.p.A. established its priority objectives with stakeholder involvement, as described in the chapter on materiality analysis and defining the 2024 objectives.

INVOLVEMENT OF MAIN STAKEHOLDERS AND MATERIALITY ANALYSIS

The starting point in the process of integrating sustainability with the business strategy was the identification of the main stakeholder groups with which the company interacts most significantly. Two types of stakeholders were identified: those with a direct or indirect impact on the company's business and results.

The seven main categories of stakeholders are listed below:

- Board of Directors
- Staff
- Representatives
- Suppliers
- Customers
- Institutions (community)
- Social media

The materiality analysis, i.e. the tool that identifies sustainability issues and the most important economic, social and environmental reporting principles for the company and all its stakeholders, was created with a specific software module of the management software used to oversee the company's technical aspects (safety, environment, maintenance, risks, non-compliance, etc.). Any aspects that are able to influence both the performance and decisions of the organisation, as well as stakeholder opinions and assessments, are considered to be 'material'.

After internal consultation, during which a series of large thematic areas were drawn up as fundamental for Botto Giuseppe e Figli S.p.A., the map of sustainability topics relevant for the company emerged. A careful benchmarking analysis was also carried out regarding the main issues reported in the textile supply chain. This process led to the identification of 19 management and product-related (governance and product-related), environmental and social topics, organised as follows:

Governance

Values, Ethics and Integrity in business conduct



Adoption of management systems that comply with international regulations and standards (ISOs)



Protecting the mission - Impact Business Model



Consumer protection



Environmental

Recycling, recovery and reduction of production waste and scrap



Efficient use of water (consumption and savings)



Efficient use of energy Consumption, reduction and conservation



Development of energy production from renewable sources



Responsible use of chemicals and harmful substances



Responsible use of resources and materials



Use of sustainable and recyclable packaging



Mitigation of air emissions (greenhouse gases) and air quality



Supply chain accountability and traceability



Social

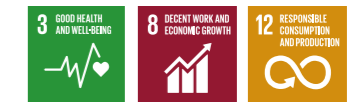
Contribution to the development of the economic, social and environmental fabric of the community



Equal treatment and opportunities for all



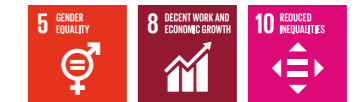
Protection of health and safety in the workplace



Development and optimisation of employee human capital



Employment and protection of working conditions



Incentives and benefits for employees – welfare
























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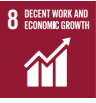







SUSTAINABILITY OBJECTIVES FOR 2022: In the previous year (2022), Botto Giuseppe e Figli S.p.A. identified, through stakeholder involvement, the following relevant issues and achieved the following objectives:

AREA	OBJECTIVE	DEADLINE	DEGREE OF ACHIEVEMENT	SDGs
Ethics, integrity and transparency in business management	Sharing the Code of Ethics, Charter of Values and Management System Policy with suppliers	2023	Achieved	
	Draft preparation of alignment with the organisational and management model pursuant to Legislative Decree 231/2001	2023	Achieved targets for 2023 - objective extended to 2024	
Personnel training, development and involvement	Reaching 90% of the total hours of training and information shown in the training needs analysis	2023	Achieved	
	Training and information refreshers on chemical hazards and related emergencies	2023	Achieved	
	Planning and execution of training activities beyond legal obligations	2023	Achieved	
Management of risks and environmental impacts (chemical, waste, energy, and sustainable raw materials)	Increase in the number of voluntary ZDHC standard-compliant chemicals (at least 55% compliance with ZDHC Gateway levels)	2023	Achieved	
	Purifier water analysis according to ZDHC ClearStream guidelines, with results that are consistently compliant with the established restrictions	2023	Achieved and extended to the next three-year period	
	40% overall reduction in the number of chemicals in inventory by 2025, compared to the quantity in inventory in 2019	2025	Currently underway	
	Reduce the percentage of hazardous waste generated annually to a maximum of 2% by 2025	2025	Currently underway	
	Increase the amount of waste and scrap sent for direct reuse; the target value of 20% has not yet been reached, although there has still been an increase from 13% reuse in 2022 to 16% in 2023; The waste production indices (kg waste/kg processed) recorded values of 0.070 for Valdilana (target not reached, target was 0.061) and 0.11 for Tarcento (target achieved, target was 0.15)	2023	Objective partially achieved, extended to 2024	
	The specific water consumption index in 2023 stands at 250 L/kg, so the trend is considered to be in line with the established objectives	2023	Achieved	
	Calculation of the Water Footprint for the Valdilana facility	2023	Achieved	
	Over the course of the year, 14 meters were installed for the specific monitoring of water resources, in addition to those already installed	2025	Achieved targets for 2023	
	Sending external suppliers of high-risk manufacturing processes a questionnaire to collect information on their use of water, energy and chemical resources	2025	Achieved targets for 2023	



AREA	OBJECTIVE	DEADLINE	DEGREE OF ACHIEVEMENT	SDGs	
 Management of risks and environmental impacts (chemical, waste, energy, and sustainable raw materials)	Installation of one new photovoltaic system at the Valdilana plant and one new photovoltaic system at the Tarcento plant	2023	Achieved		
	The proportion of renewable energy use has increased to 83%	2025	Achieved targets for 2023	 	
	Offsetting procedures for Guarantees of Origin	2023	Achieved		
	Preparation of the ISO 50001-compliant Internal Management System	2023	Achieved		
	By 2025, we want to reach 90% of the electricity we use being produced by renewable sources	2023	Achieved targets for 2023		
	Specific electricity consumption for Valdilana remains at the same value as in 2022 (2.8 kWh/kg) Specific electricity consumption for Tarcento reduced to 22 kWh/kg	2025	Partially achieved		
	Specific natural gas consumption for Valdilana reduced to 1.15 m ³ /kg	2023	Not achieved		
	Involvement of raw material suppliers and external processors in sustainability projects	2023	Partially achieved		
20	 Product quality, safety and innovation	Implementation of a mapping system for tests performed on incoming raw materials, semi-finished products and finished products, to ensure the highest possible quality standards	2023	Partially achieved	
		Carrying out a product LCA (Life Cycle Assessment) study for certain categories of items	2023	Achieved	
 Sustainable investment and financing	Increase in the supply of certified raw materials, both natural and manmade, used for production items and traceable throughout the entire batch	2023	Achieved	 	
	Increase in packaging made of recycled material, up to 45% in 2023 and then 50% by 2025	2025	Achieved targets for 2023		
	Acquisition of ISO 45001 certification by 2024 and ISO 14001 and 50001 certifications by 2025	2025	Currently underway	 	
 Employee health, safety and wellbeing	Constant monitoring of company risks, working environment conditions (cleanliness, ergonomics)	2023	Achieved and extended to the next three-year period	 	
	Redistribution of profits in the form of welfare: internal canteen 50% subsidised by the company for each meal served, agreements with local businesses, provision of bursaries for children of employees	2023-2025	Achieved and extended to the next three-year period	 	
	Plan to update the Fire Prevention Certificate (CPI)	2023-2025	Currently underway	  	



AREA	OBJECTIVE	DEADLINE	DEGREE OF ACHIEVEMENT	SDGs	
 Customer satisfaction and protection	Investigations to verify customer satisfaction through digital questionnaires	2023	Achieved and extended to the next three-year period		
	Participation in on-site/off-site audits carried out by customers or on behalf of brands	2023-2025	Achieved and extended to the next three-year period		
	Auditing activities performed internally, with the help of specialised technicians and external consulting agencies, to verify legal compliance (e.g. safety, environment) as well as the integration and implementation of the company's own sustainability policies	2023-2025	Achieved and extended to the next three-year period		
	Constant monitoring of the quality of internally processed products, with sampling and testing on processes carried out both internally in our own laboratories and externally through accredited bodies	2023-2025	Achieved and extended to the next three-year period		
 Human Rights	Promoting internal whistleblowing systems, including anonymous ones, that can contribute to preventing and combating unlawful conduct or behaviour contrary to the Organisation, Management and Control Model, the Anti Bribery & Corruption Management System and the Code of Ethics	2023-2025	Achieved and extended to the next three-year period		
22	 Responsibility along supply chains	Supply chain mapping and supplier involvement on social and environmental issues, health and safety, welfare, personnel management, chemical management, environmental impact measurement	2023-2025	Achieved and extended to the next three-year period	  
Identification of the production chain upstream of direct suppliers		2023-2025	Achieved and extended to the next three-year period		
The creation of a vendor rating system for suppliers in relation to the sustainability performance they allow us to achieve: traceability and digitalisation of data relating to transportation of raw materials, chemicals compliant with ZDHC, PRSL and the internal commitment, external processing, shipments to customers.		2023-2025	Achieved and extended to the next three-year period	 	



1.3 – 2023 in a nutshell



147
YEARS OF HISTORY



€75 MILLION
TURNOVER



353 EMPLOYEES
DIVIDED AS FOLLOWS:

279
DIRECT
EMPLOYEES

74
EXTERNAL
COLLABORATORS

154
MEN

199
WOMEN



DIRECT PARTNERSHIPS
WITH FARMS



COLLECTIONS
YARN, FABRICS AND
JERSEY



100%
MADE IN ITALY
PRODUCTION



2 FACILITIES
VALDILANA (BIELLA)
TARCENTO (UDINE)



3 MW
PHOTOVOLTAIC SYSTEMS
IN OPERATION



1
COMPANY-OWNED
HYDROELECTRIC POWER PLANT



83%
SELF-GENERATED ENERGY FROM
RENEWABLE SOURCES



2.8 KWH/KG
ENERGY INTENSITY INDEX



44.5 MJ/KG
GENERAL INDUSTRIAL THERMAL
ENERGY INTENSITY INDEX



250 L/KG
TOTAL WATER CONSUMPTION
PER KG OF FINISHED AND DYED
PRODUCT



45%
OF ALL PACKAGING PURCHASED IS
RECYCLED



68%
OF ALL RAW
MATERIALS
CERTIFIED

10 CERTIFICATIONS

C2C*, RWS, GRS, SFA, BCI, GCS, WOOLMARK, TESSILE E SALUTE,
ZDHC COMPLIANCE, FEM/FSLM HIGG VERIFIED



Seal of
assurance

ID Nr. 45-100507
visit 4sustainability.it

*Gold level Cradle to Cradle™ certification



CUSTOMERS:	39% ITALY	23% EU	38% EXTRA-EU
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Materiality analysis



- 2.1 Materiality analysis and goals for 2023
- 2.2 Strategic Goals for: 2024 - 2025 - 2026

2.1 Materiality analysis and goals for 2023

The definition of the most relevant issues for Botto Giuseppe e Figli S.p.A. was made possible once again in 2024 thanks to the creation of a 'materiality matrix' which compares, on the horizontal and vertical axes, the assessments of a series of factors related to ESG issues made by the Board of Directors and the stakeholders, respectively.

The factors were chosen following the ESG issues contained in the GRI standard and, at the same time, according to their initial integration into the lists of issues identified by the recent European ESRS standard.

The Board of Directors used the company's internal management software to identify, for each issue, a SWOT list (Strengths, Weaknesses, Opportunities and Threats).

EACH ISSUE IS DETERMINED BY TWO DIFFERENT SCORES: THE FIRST REFERS TO SOCIAL/ENVIRONMENTAL IMPACT AND THE SECOND TO FINANCIAL RELEVANCE; COMPARING THE TWO PRODUCED A VALUE THAT DETERMINED THE IMPORTANCE OF EACH TOPIC.

The stakeholders in question were identified from these issues.

An online questionnaire generated by the internal management system was sent to all stakeholders and the results determined the degree of relevance of each issue. For the first time, different questionnaires were created for each stakeholder, so that the various material issues could be consistently managed according to the each person's actual degree of involvement.

A total of 120 sustainability questionnaires were collected, from which the 2024 sustainability matrix was developed. Compared to the previous year, the number of responses received increased by 34%.

+ 34%
RESPONSES RECEIVED

100
RESPONSES RECEIVED FROM
EXTERNAL STAKEHOLDERS

18%
RESPONSES RECEIVED FROM EMPLOYEES

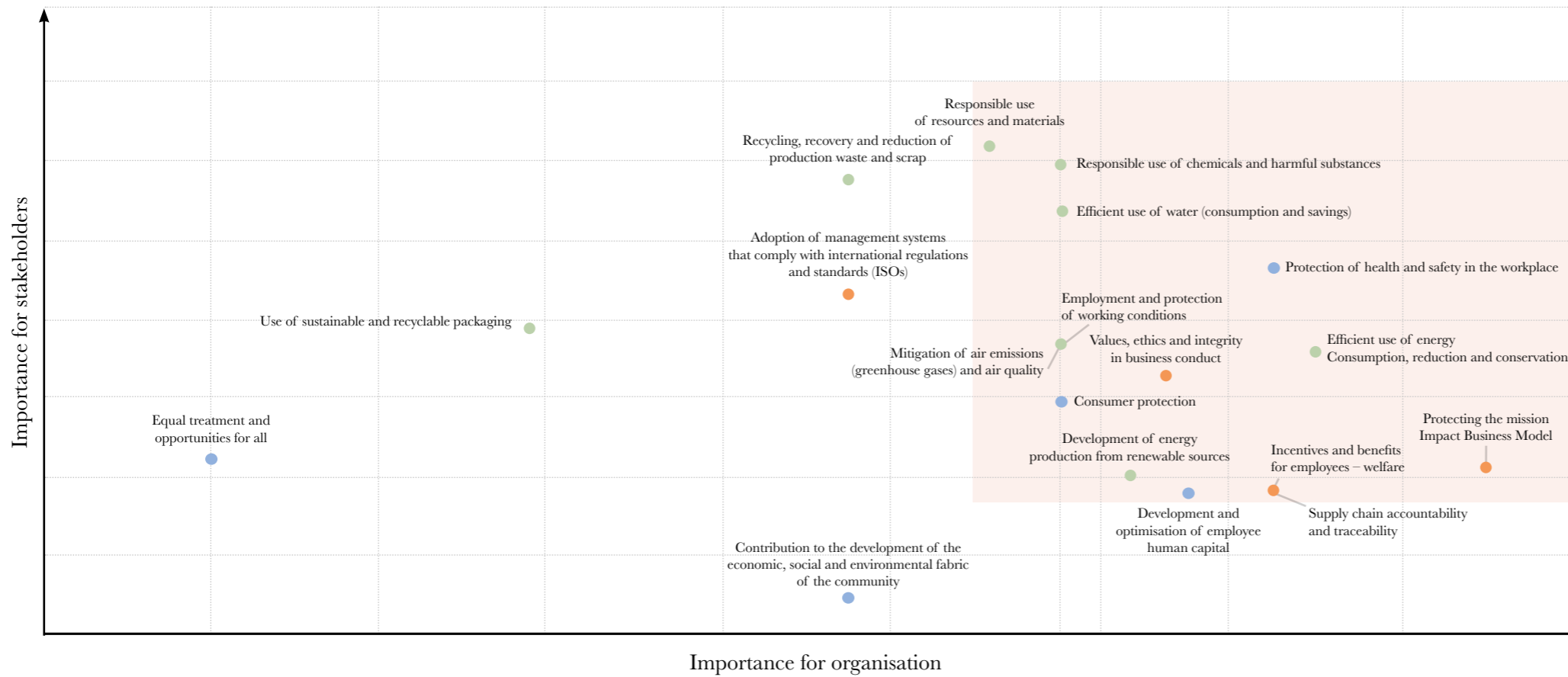
Last year's goal of receiving at least 100 responses from external stakeholders in 2024 was also achieved. Unfortunately, although overall engagement has grown significantly, only 18% of employees completed the questionnaire, which is still far way off the target (40%).

After the data was collected, it was analysed and the results were classified according to priority level, consistent with the GRI standards.

The results of the 2024 survey can be found in the materiality matrix below, which shows the priority of sustainability issues for stakeholders.



MATERIALITY ANALYSIS CHART 2023

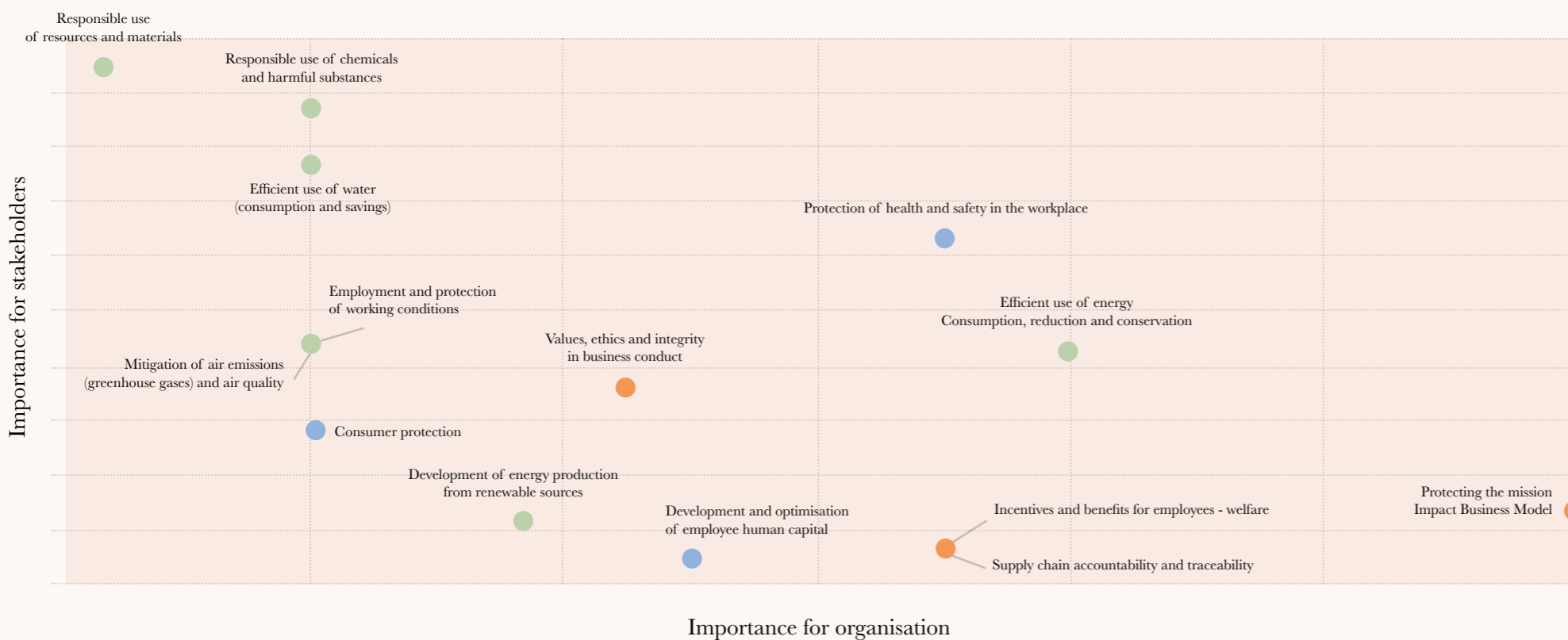


For the year 2023, Botto Giuseppe e Figli S.p.A. has identified its main projects, namely the strategic objectives that will be undertaken to improve its sustainability performance:

- 1.0 Governance and economic responsibility
- 2.0 Responsibility towards people
- 3.0 Environmental responsibility
- 4.0 Responsibility towards the product and consumers
- 5.0 Responsibility to society

Starting from each project and following the materiality analysis, one or more material issues have been identified, which are described in detail in the respective chapters below.

ZOOM OF THE AREA WITH THE 14 MOST SIGNIFICANT MATERIAL ISSUES



The 14 material issues with the highest rating were extrapolated from this matrix (see zoomed view of the area, left):




















- In order of importance:
1. Protecting the mission - Impact Business Model;
 2. Efficient use of energy - Consumption, reduction and conservation;
 3. Protection of health and safety in the workplace;
 4. Incentives and benefits for employees – welfare;
 5. Supply chain accountability and traceability;
 6. Development and optimisation of employee human capital;
 7. Values, ethics and integrity in business conduct;
 8. Development of energy production from renewable sources;
 9. Responsible use of chemicals and harmful substances;
 10. Efficient use of water (consumption and savings);
 11. Employment and protection of working conditions;
 12. Mitigation of air emissions (greenhouse gases) and air quality;
 13. Consumer protection;
 14. Responsible use of resources and materials.
- Environmental aspects
 ● Social aspects
 ● Governance aspects



2.2 Strategic Goals for the Years: 2024 - 2025 - 2026

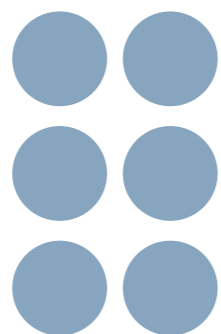
AREA	ISSUE	PROJECT OR INITIATIVE	SDGs
1. Protecting the mission Impact Business Model	Adoption of a governance system that ensures the continuity of sustainability policies over time	Define a governance model that guarantees the company vision and its mission in the field of sustainability, even if there are significant changes to the company composition	
2. Efficient use of energy Consumption, reduction and conservation	Energy efficiency measures in the workplace	Investment in implementing energy efficiency measures to reduce energy consumption in the workplace	
		ISO 50001 certification	
3. Protection of health and safety in the workplace	Adoption of certified voluntary management systems (not subject to legal obligations - e.g. ISO 45000)	ISO 45001 certification	
		ISO 14001 certification	
4. Incentives and benefits for employees – welfare	Promotion of welfare packages and work-life balance	–	
5. Supply chain accountability and traceability	Adoption of processes/actions to improve suppliers' involvement and awareness of issues of social, environmental and safety responsibility	Supply chain tracking through questionnaires and on-site audits	
6. Development and optimisation of human capital	Provision of training and information to employees above and beyond legal minimums	Business training plan structured by role and with at least 90% of the planning completed	
7. Values, ethics and integrity in business conduct	Adoption of the Organisation and Management Model (OMM)	Implementation of an organisational model in line with 231/07	
8. Development of energy production from renewable sources	Self-production of renewable energy (e.g. installation of photovoltaic panels, cogeneration systems, heat pumps, geothermal pumps)	Installation of 2 new photovoltaic systems at Valdilana; installation of Archimedes' screw at Crosis Dam in Tarcento	
	Research into a substitute produced from renewable sources instead of natural gas (methane)	Study and analysis of a replacement energy carrier	



AREA	ISSUE	PROJECT OR INITIATIVE	SDGs
9. Responsible use of chemicals and harmful substances	Practices of reducing and/or removing toxic and harmful substances from processes, products and waste	Elimination or reduction of chemicals containing toxic and/or harmful substances from production processes (-5% compared to last year)	 
		Increased compliance of chemical inventory with ZDHC level 3 (at least 80%)	
	Chemical batch traceability	Computerised tracking of batches of chemicals used in production stages	 
10. Efficient use of water (consumption and savings)	Water resource recycling	30% recovery of wastewater treated by the internal purifier	  
32 11. Employment and protection of working conditions	Work-life balance	—	
12. Mitigation of air emissions (greenhouse gases) and air quality	Policies to reduce carbon emissions from transportation	Use of carriers with an electric fleet or improving efficiency of transportation of raw materials and items	  
13. Consumer protection	Life Cycle Assessment study of process and/or product	LCA study for homogeneous families of fabrics and yarns	 
		Supply chain interventions to reduce the impacts of raw materials on product LCAs in collaboration with customers and raw material suppliers	
14. Responsible use of resources and materials	Design and development of sustainable products	Design of articles following the basic principles of sustainability	 
	Use of certified, sustainable and traceable raw materials	Purchasing certified raw materials	
		GOTS certification	



sustainability



- 3.1 Planning the mission
 - 3.1.1 Value creation and distribution
 - 3.1.2 Markets and products
- 3.2 Supply chain accountability and traceability
 - 3.2.1 The supply chain
- 3.3 Consumer protection

3.1 Planning the mission

Botto Giuseppe e Figli S.p.A. refers to the Code of Ethics as defined over the years in accordance with the standards of integrity, fairness, transparency and legality, in line with the company's intentions, to operate whilst ensuring full respect for all its stakeholders.

THE CODE OF ETHICS REGULATES THE COMPANY'S RIGHTS AND RESPONSIBILITIES TOWARDS THE PERSONS IT INTERACTS WITH WHILE CARRYING OUT ITS ACTIVITIES.

The Code of Ethics sets out the duties and conduct guidelines for personnel to follow vis-à-vis other people in the organisation, customers, suppliers and the Public Administration. The Code of Ethics is published on the company's official website at <https://www.bottogiuseppe.com/> for free consultation, shared and signed with the strategic suppliers of the organisation.

An internal reporting system has been introduced that is available to all employees of Botto Giuseppe e Figli S.p.A. in accordance with Legislative Decree no. 24/2023, 'Whistleblowing'. Botto Giuseppe e Figli S.p.A. designs, manufactures and markets fabrics for women and men in pure wool and wool blends, cashmere and silk blends, as well as yarns for knitwear, knitting and accessories. The integrated production cycle is vertically developed with the stages of spinning, dyeing, warping, weaving and finishing. The quest for quality excellence is rooted in the heritage of a tradition that dates back more than a hundred years, and is developed today with the most advanced technologies.

Botto Giuseppe e Figli S.p.A., with registered office in Via Bartolomeo Sella 166, Valdilana (BI), is a joint-stock company.

It adopts a traditional system of Corporate Governance, in which a Board of Directors and a Board of Statutory Auditors encourage:

- the ability of the proprietary family to express a clear vision for the company's future;
- the ability of family or non-family management to realise this vision using the best resources available on the market.

The Board of Directors consists of 6 directors, with the role of Chairman held by Paolo Botto Poala. The Board is made up of 16% women, with the same percentage of members aged between 30 and 50. The organisational structure identifies the different areas of company management and defines their functions, roles and responsibilities, with the CEOs at the top.

1. PLANNING THE MISSION
IMPACT BUSINESS MODEL
This first material issue consists of adopting a governance system that guarantees the continuity of sustainability policies over time. In order to do this, it is necessary to define a model that guarantees the company vision and its mission in the field of sustainability, even if there are significant changes to the company composition.

7. VALUES, ETHICS AND INTEGRITY
IN BUSINESS CONDUCT
We wish to adopt the Organisation and Management Model (OMM) and therefore need to implement the organisational model in line with 231/07.

6
DIRECTORS WHO MAKE UP
THE BOARD

16%
PERCENTAGE OF WOMEN
WHO ARE ON THE BOARD

5
MEETINGS HELD EACH
YEAR BY THE BOARD



There are no committees. The Board of Directors is responsible for making decisions, specifically the two CEOs, whom the executives and various managers all depend on.

The Chairman and Vice-Chairman represent the company, but not the senior management of the organisation, whilst the two CEOs and one of the board members are executives. There are no independent members and the governing body's term of office is usually one year; the Board of Directors is nominated at the shareholder meeting, and subsequently self-determines powers and responsibilities.

An average of five board meetings are held during the calendar year, at which critical issues which may have arisen in

between meetings are reported and discussed.

The Board meetings are also an opportunity to assess and discuss ESG impacts by the highest governing body, which appoints as impact manager a senior executive with the task of presenting to the highest governing body a report on the organisation's impacts in terms of economy, people and the environment.

Defining the material issues is the responsibility of the senior executive, upon approval by the highest governing body, and the final review with the approval of the Sustainability Report is the responsibility of the two CEOs.

COMPLAINTS

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Botto Giuseppe e Figli S.p.A. has drawn up a specific procedure to define the methods and responsibilities for the treatment, investigation and management of undesirable situations or anomalies.

The scope of the procedure concerns the management of the safety of all company workers, as well as the management of environmental and energy aspects related to the application of the SGI for safety, environment and energy implemented by the company.

The company is required to perform and document an analysis of the causes of any non-conformities, planning any actions to be implemented to prevent their recurrence by filling out the relevant form on the company software. In addition, it is required to define an action in relation to the SGI when:

- It the non-conformity is considered to be repeatable;
- could be caused by observing the methods of implementing the work;
- it is requested by the DL;
- in other cases deemed to be potentially risky by the DL.

The actions are submitted for approval by the DL: in case of complaints, they must be evaluated and analysed on each occasion to discover the possible causes.

Again, all observations and complaints are recorded in the company software.

Following the amendments to Legislative Decree 24/2023, a reporting system has also been introduced in compliance with the 'whistleblowing' directives: a system designed to collect suggestions, ideas and complaints that protects the reporter and makes it mandatory for the company to collect and respond to each report received through the identified sending channels.

The system will be integrated and compliant with Organisational Model 231, which the company is structuring to be integrated into its internal management systems.

3.1.1 Value creation and distribution

Botto Giuseppe e Figli S.p.A. produces wealth by contributing to the economic growth of the social and environmental area in which it operates.

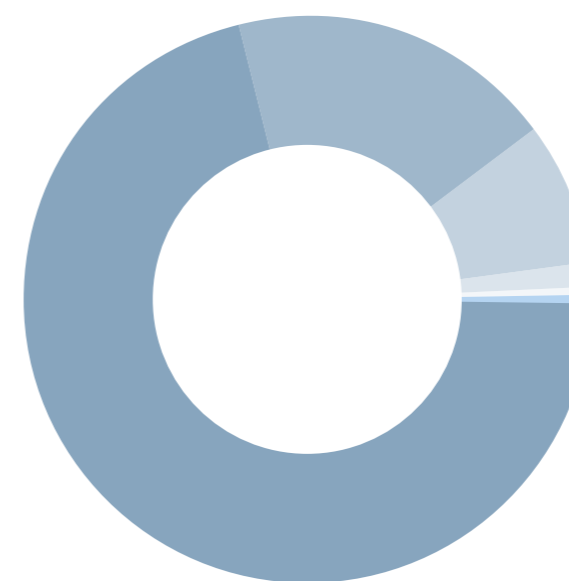
IN 2023, THE COMPANY GENERATED AN ECONOMIC VALUE OF €75 MILLION, OF WHICH APPROXIMATELY 8.4%, INCLUDING DEPRECIATION AND RESERVES, WAS RETAINED, WHILE THE REMAINING 91.6% WAS DISTRIBUTED AMONG THE MAIN STAKEHOLDERS.

The percentages of the amounts distributed to the main stakeholders who, directly or indirectly, contributed to generating value, were identified.

This data highlights how the company has created value for its stakeholders and generated economic benefits. The main stakeholder categories include: suppliers, human resources (staffing costs), financiers (financial expenses) and public administration (institutions).

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VALUE DISTRIBUTION



- **70.9%** Suppliers
- **18.1%** Human resources
- **8.4%** Company (Depreciation and reserves)
- **1.6%** Public administration
- **0.4%** Community
- **0.6%** Financial expenses



3.1.2 Markets and products

Botto Giuseppe e Figli S.p.A. is an international company that operates all over the world, and with the most important international fashion companies.

It deals particularly with the Italian market, the European market with countries such as France and Germany, and markets even further afield with exports to the USA, Japan, China and South Korea.

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FOR OVER 140 YEARS IT HAS BEEN PRODUCING HIGH-END FABRICS AS AN EXPRESSION OF ONE OF THE MOST VALUABLE AND HIGH-PERFORMANCE

YARNS

Yarns produced by Botto Giuseppe are derived from ultra and extra fine merino wool, the finest cashmere and silk. Only excellent raw materials from different geographical areas of the world are used and processed in the Valdilana and Tarcento plants using the most sophisticated machinery. The range of yarns produced with superfine wools reaches a percentage composition of RWS-certified raw material that grows more and more every year; in 2023, 45% of wool compound yarns were sold with RWS certification.

NATURAL FIBRES: WOOL.

With investments in human capital and advanced technologies in careful synchronisation with the markets, the company has made research its philosophy of life, the guiding principle, the beginning and end of each and every collection. 2023 saw a boost in business with the Italian market, a positive sign that consolidates the textile sector network in our country.



2022	2023
39% Italy	48% Italy
38% Non-EEC	27% Non-EEC
23% EU	24% EU



NATURALIS FIBRA is an ongoing project, a single corpus for types of yarn whose common denominator is naturalness and the search for environmental protection with a commitment to social aspects.

These yarns interpret the concept of luxury in a variety of ways. Different ideas exist, but all express the same image of simple, luxurious knitwear while providing exquisite comfort and natural sensations. From yarns to fabrics to jersey, our products focus on research, traceability and a reduced environmental impact. Every year, the collections are enhanced with extraordinary yarns such as Flair, Fairwool, Slowool and

Slowool light, which not only represent stylish products and solutions, but also an ethos of conduct.

Looking towards the future, Botto Giuseppe e Figli S.p.A. invests resources to improve its range of GRS-certified products, and enhances its collections with recycled products like Green Cashmere, which contains a quantity of pre- and post-consumer recovered cashmere.

And that's not all: materials recovered from classic production have been introduced and integrated with the most sought-after raw materials to create recycled yarns in line with the circular model and to meet the demands of today's market.



39



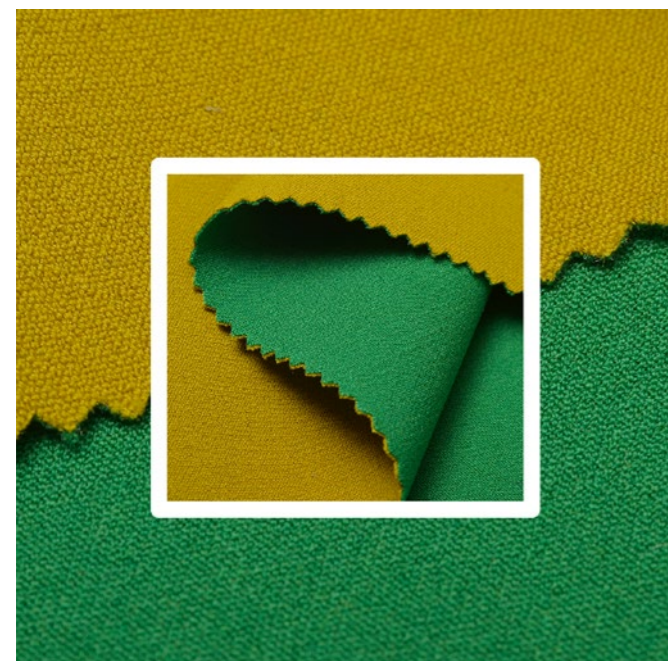
FABRICS

The products of Lanificio Botto Giuseppe e Figli S.p.A. are designed for luxury and for designers who create the most exclusive collections in the international fashion world. The distinctive features of research, structure constructions and graphic colour schemes are ideally suited to constant innovation.

Botto Giuseppe e Figli S.p.A. fabrics are intended for men's and women's tailoring, although the most numerous products in terms of production volume are aimed at the women's fashion market.

Stretch fabrics are a cornerstone of Botto Giuseppe e Figli S.p.A.'s offer, and to obtain technical and high-performance results, small percentages of other fibres such as viscose, polyamide and Lycra are added to natural fibres; specifically, the Lycra purchased by the company is certified Cradle to Cradle™, which attests to it having a lower environmental impact than traditional Lycra.

Every season, the product range extends from fabrics designed for jackets and suits to three-dimensional bi-elastic structures, to warmer and heavier types of fabric for coats. The double-sided fabrics have a weight that is suitable for suits, with very specific attributes and performance: drip-proof, stain-proof, crease-proof and machine-washable.



In 2022, the first totally sustainable pure wool fabric, Slowool Earth, was certified Cradle to Cradle™. This is a trio of articles: plain weave cloth, twill fabric and flannel, initially in a unique range of greys, but the offer grew over the course of 2023 with many new colourways available.

In the same year, a selection of new SFA (Sustainable Fibre Alliance) cashmere items were added.



Botto Giuseppe e Figli S.p.A.'s range of fabrics consisting of RWS-certified wools is smaller than the number of yarn collections, but can be estimated at about 30%, in line with the demands of the fast-growing market during the year from customers looking for products with these characteristics.

In 2022, the first sustainable, 'Cradle to Cradle™ certified' fabric Slowool Earth was introduced.



ACCESSORIES

All-season scarves in 100% cashmere feature unique and exclusive workmanship, the result of the creativity of Botto Giuseppe e Figli S.p.A. With the company's fully vertical structure, supervision of the supply chain - from the raw material to spinning and weaving through to finishing - maintains the care and attention at each stage that enhance the uniqueness of a very modern and much appreciated accessory.

Colour plays a predominant role: with 50 colours in the piece-dyed version and 20 in the blend, with different designs such as geometries, stripes and diamonds. A focus on end customers is shown by the fast restocking service, even with minimum quantities, shipped worldwide within 48 hours.





3.2 Supply chain accountability and traceability

5. SUPPLY CHAIN ACCOUNTABILITY AND TRACEABILITY

The goal is to successfully adopt processes/ actions to improve suppliers' involvement and awareness of issues of social, environmental and safety responsibility. To do this, it is necessary to trace the supply chain through questionnaires and on-site audits.



TRACEABLE WOOLS



FARMS IN AUSTRALIA:

Congi
Benangaroo
Woodside Moutajup
Cavan Station
Malahide (Tasmania)

CERTIFICATIONS:

Cradle to Cradle Certified™
RWS

TRACEABLE WOOLS



FARMS IN URUGUAY:

Engraw - La Chuchilla
Engraw - Py-Aguazù

CERTIFICATIONS:

Land to Market
RWS

TRACEABLE CASHMERE



FARMS IN CHINA:

Cocoa

CERTIFICATIONS:

Cradle to Cradle Certified™
SFA
GCS

Botto Giuseppe e Figli S.p.A. considers animal welfare an essential condition when it comes to choosing raw materials, sourced from farms located in places governed by specific regulations.

In return for joining the RWS programme, Botto Giuseppe e Figli S.p.A. commits to purchasing wool from farmers who do not carry out the surgical practice known as mulesing, which has a considerable impact on animal welfare. Only 'no mulesing' or 'mulesing-free' raw materials are therefore RWS accredited to become an integral part of the finished products from the wool mill.

The Australian Wool Exchange (AWEX), the semi-governmental body that manages the public auction system for wool, created and implemented its National Wool Declaration (NWD) in 2010.

The supply of RWS-certified wool is growing, due both to the increase in customer demand and to the company philosophy, whose goal is to increase the range of certified

products it offers. Purchasing RWS wool guarantees that it originates from farms and breeders whose principle concerns are protecting animal welfare, using regenerative farming practices, and respecting and protecting the territory. What's more, the Responsible Wool Standard certification allows for the entire supply chain to be traced by means of batch management with a blockchain system, which provides protection and transparency for the end customer.

The organisation is aware of the high impact that farming and sourcing wool have on the environment and resources; as such, we are constantly redoubling our efforts to seek out and collaborate with farms that apply virtuous farming practices. More specifically, the area of New South Wales, Australia is home to the main farms with which Botto Giuseppe e Figli S.p.A. collaborates.

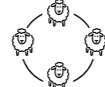
The goal of sourcing from individual farms allows for traceability at source, as well as allowing us to work directly with farmers and implement improvement measures to reduce our impacts.



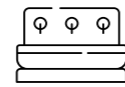
CONGI
FIELD FAMILY



40,000 sheep



Flocks rotated every
4 days



Constant flow
drinking troughs



Superfine and ultra-
fine merino wool of
the highest quality



Microchips
to collect
animal data



PY-AGUAZÙ (ENGRAW GROUP)
FRASCHINI FAMILY
PAYSANDÙ URUGUAY



2,900 hectares of land



3,200 sheep



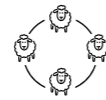
High-quality wool,
RWS- and Land to
Market-certified



Regenerative
agriculture



BENANGAROO
FIELD FAMILY



Flocks rotated every
4 days



3,000 hectares
of pasture land



20,000 sheep



LA CHUCHILLA (ENGRAW GROUP)
MONTEVERDE FAMILY
TACUAREMBÒ URUGUAY



3,680 hectares of land



6,000 sheep



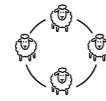
High-quality wool,
RWS- and Land to
Market-certified



Carbon negative
with ISO 14064
certification



WOODSIDE MOUTAJUP
CRAWFORD FAMILY



Flocks rotated every
4 days



800 hectares
of pasture land



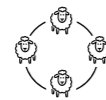
30,000 merino sheep



6,000 trees
planted in 2022



CAVAN STATION
MURDOCH FAMILY



Flocks rotated every
4 days



10,000 hectares of land



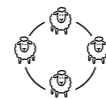
40,000 sheep



Regenerative
agriculture



THE TASMANIAN MALAHIDE
TALBOT FAMILY



Flocks rotated every
4 days



8,700 hectares of land



68,000 sheep



COCOA
CHINA



Harsh winters and
scorching summers



40,000 goats





3.2.1 Supply chain

In addition to processing high-quality wool that arrives washed and combed by its partner Romagnano combing plant, Botto Giuseppe e Figli S.p.A. purchases yarn from external suppliers - most of which are located in Italy - for internal processing, directly distributing value to local companies. 2023 saw an increase in the amount of yarn purchased as a result of the high saturation of internal spinning during the first half of the year. The involvement of strategic external processing has remained high, in the form of collaborations that the company uses to maintain its high quality standards and to respect customer deadlines; in this case and in particular, Botto Giuseppe e Figli S.p.A.'s network of suppliers is located in the Biella district, which improves its logistical efficiency and showcases the manufacturing excellence of our province. This ensures that our products remain rigorously Made in Italy, which has been a cornerstone of the company since its foundation. Periodic inspections were carried out for the RWS, GRS and SFA certification schemes, which involved a greater number of external processing suppliers, given the need to make production progress flexible due in part to the proportion of certified material in compliance with the regulations dictated by the Textile Exchange's CCS. Supplier audits not only validate the procedures required for the proper management of the certification, but also aim to consolidate the relationship of collaboration and transparency along the supply chain. The proportion of certified raw materials purchased stands at 68%: a marked increase over the previous year.

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68%
CERTIFIED RAW MATERIALS PURCHASED

KG CERTIFIED RAW MATERIALS OF TOTAL PURCHASED	2023	2022
	68%	56%

KG CERTIFIED YARNS OF TOTAL PURCHASED	2023	2022
	26%	4%

RAW MATERIAL KG/YEAR	2023	2022
	920,000	700,000

CERTIFIED ITEMS SOLD	2023	2022
	33%	23%

KG YARN PURCHASED	2023	2022
Total yarn	30%	25%
From Italian suppliers	77%	72%



Romagnano combing

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BREAKDOWN OF PACKAGING INTO FAMILIES, 2022

FAMILY	TOTAL WEIGHT (KG)	AMOUNT RECYCLED (KG)
Cardboard boxes	92,905	49,576
Cardboard tubes	13,972	13,972
Cardboard cones	0	0
Plastic cones	22,386	0
PELD bags and pouches	9,871	5,635
PELD packing coils	21,437	2,677
Plastic adhesive tape	1,884	0
Plastic pallets	2,100	0
Wooden pallets	25,367	6,264
HT wooden pallets	7,141	0
TOTAL	197,063	78,124

40%
RECYCLED

SUPPLY CHAIN MAPPING

In 2023, the mapping of the supply chain was extended even further, resuming the analysis started in 2022 with regard to general sustainability issues. A more specific analysis has been structured based on the environmental aspects and impacts of the suppliers used by Botto Giuseppe e Figli S.p.A.

The mapping was performed on external wet processing suppliers, identified as 'high-risk' due to their use of significant energy and water resources.

80% of 'high-risk' processing suppliers were involved, based on volumes processed by contractors for the company. The analysis included questions regarding practices for managing significant environmental aspects, monitoring and managing consumption, and water and energy consumption indices.

Processing the results of the questionnaires resulted in improvement measures that will be presented to each supplier.

THE GOAL IS TO GUIDE SUPPLIERS TOWARDS THE PROPER MANAGEMENT OF ENVIRONMENTAL AND SOCIAL ASPECTS, LIMITING THEIR NEGATIVE IMPACTS AS MUCH AS POSSIBLE, PROMOTING THE IMPLEMENTATION OF BEST PRACTICES

In 2024, there are plans to collaborate with Process Factory's 4STrace project, which would extend the mapping to also cover raw material suppliers as well as a larger number of contractors. The next step will be to carry out verification audits to validate the responses to the questionnaires and certify their compliance.

BREAKDOWN OF PACKAGING INTO FAMILIES, 2023

FAMILY	TOTAL WEIGHT (KG)	AMOUNT RECYCLED (KG)
Cardboard boxes	75,489	34,243
Cardboard tubes	23,291	23,291
Cardboard cones	859	859
Plastic cones	32,053	0
PELD bags and pouches	9,427	3,957
PELD packing coils	27,430	4,894
Plastic adhesive tape	2,026	108
Plastic pallets	2,450	350
Wooden pallets	31,588	23,776
HT wooden pallets	747	108
TOTAL	205,360	91,586

45%
RECYCLED

Woodside Farm





3.3 Consumer protection

A LIFE CYCLE ASSESSMENT INVOLVES STUDYING THE ENVIRONMENTAL IMPACT OF A PRODUCT BY ANALYSING ITS LIFE CYCLE, FROM RAW MATERIALS TO USE BY THE END CONSUMER THEN, FINALLY, ITS DISPOSAL.

This type of study makes it possible to evaluate the footprint of a given product in terms of different environmental aspects.

The LCA analysis undertaken by Botto Giuseppe e Figli S.p.A. starts from the initial stages and ends with the finished fabric or yarn. The product use stages are excluded.

Undertaking an environmental impact assessment of a product by means of this analysis is in line with the Sustainable Development Goals of the United Nations 2030 Agenda (SDGs). In particular, the company considered a selection of Global Warming Potentials, which are expressed in CO₂ equivalents:

- Water Scarcity, expressed in m³ eq.;
- Cumulative Energy Demand, which defines the total consumption of energy from renewable sources and is expressed in MJ.

For this study, we used the Simapro calculation software, following the ISO 14040 and ISO 14044 standards, the 4sustainability Materials protocol, and all other requirements necessary to be critically reviewed.

The main objective of the project is to calculate the impact of:

- 1 yarn composed of 100% virgin cashmere;
- 2 yarns composed of 100% virgin wool;
- 2 fabrics composed of 100% virgin wool.

The reference units used are 1 kg of yarn and 1 m² of fabric.

Graphs are shown on the next page

13. CONSUMER PROTECTION
 The company wishes to carry out Life Cycle Assessments for processes and/or products. It is necessary to carry out LCAs for homogeneous families of fabrics and yarns and perform supply chain interventions to reduce the impacts of raw materials on product LCAs, in collaboration with customers and raw material suppliers.

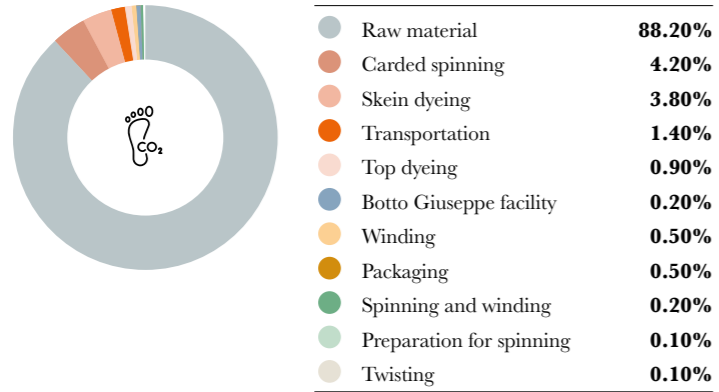




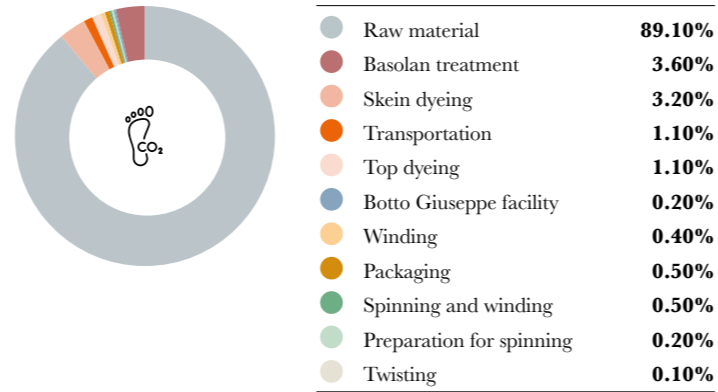
LCA: DISTRIBUTION OF IMPACTS BETWEEN PROCESSES

GLOBAL WARMING POTENTIAL

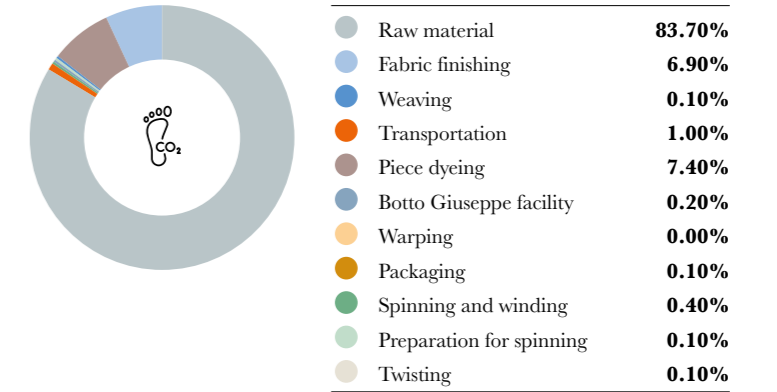
PURE CASHMERE YARN



PURE WOOL YARN

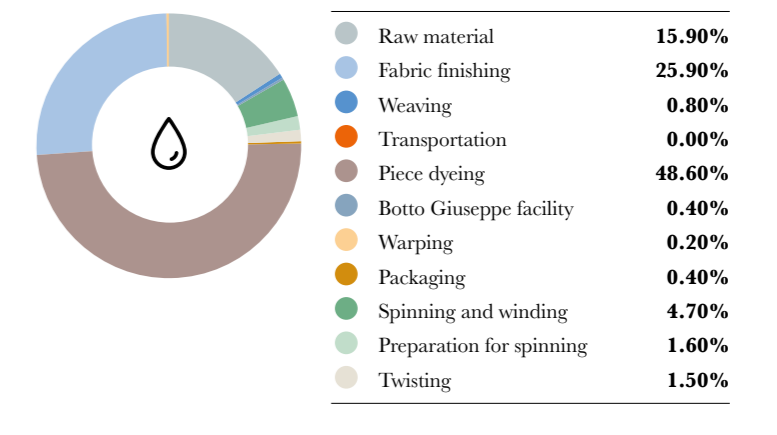
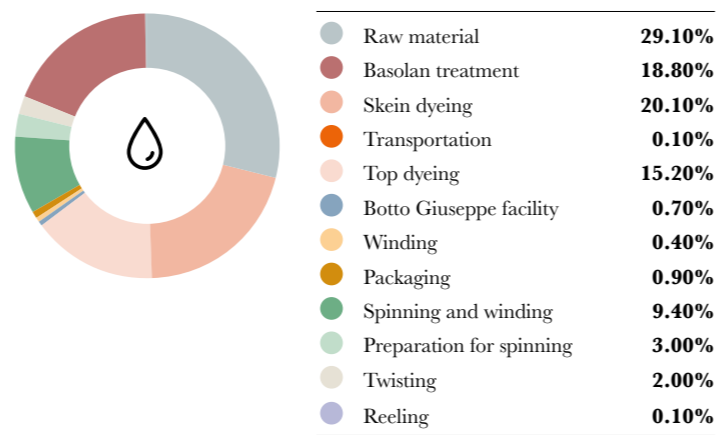
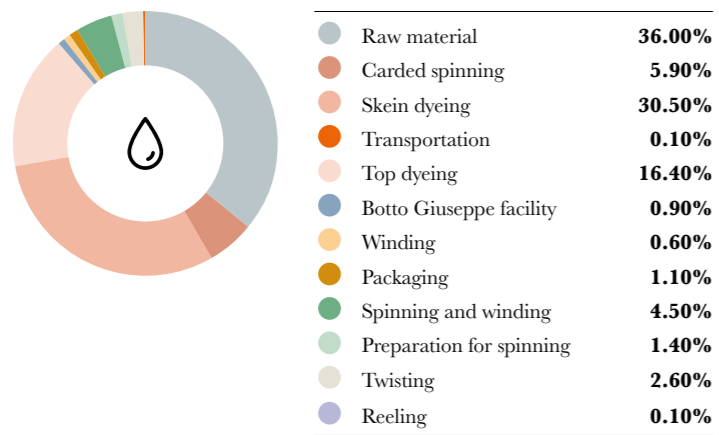


PURE WOOL FABRIC



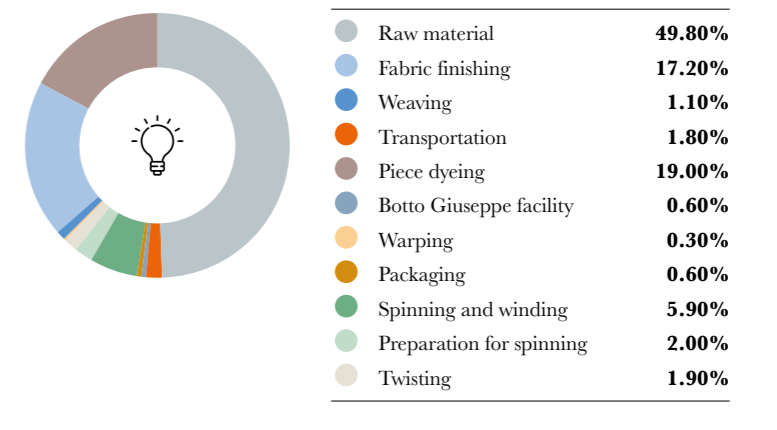
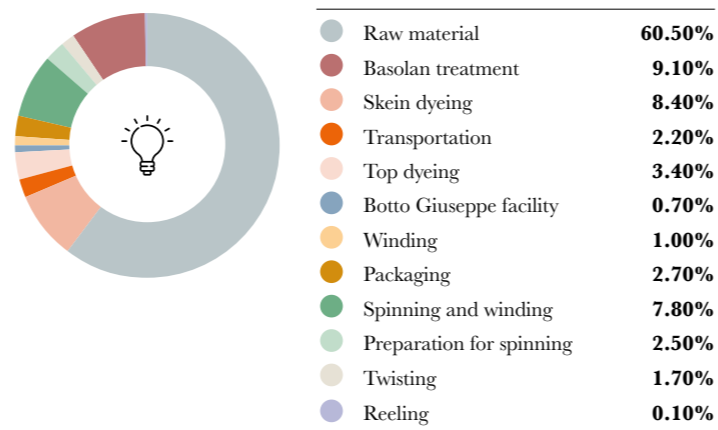
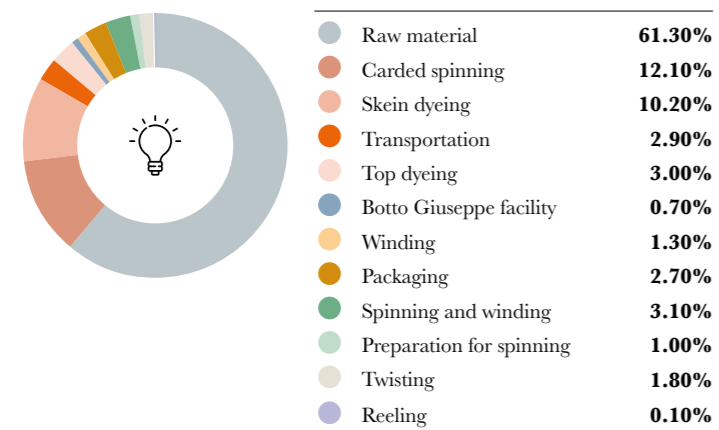
52

WATER SCARCITY



53

CUMULATIVE ENERGY DEMAND





FINAL CONSIDERATIONS

The contribution of the raw material on all three main impact categories, for all yarns and fabrics in question, appears to be particularly significant, especially for the Global Warming Potential GWP100 category, with weights of between 88.2% and 89.1% for yarns and between 83.7% and 87.6% for fabrics.

It is quite evident that the impact of the raw material as compared to all other production processes is dominant - especially for the CO₂ eq. emissions impact category - followed by wet processing, finishing and dyeing, mainly for the Water Scarcity impact category.

THE LCA CALCULATION ON MACRO-FAMILIES OF ITEMS IS FUNDAMENTAL TO BE ABLE TO IDENTIFY AREAS FOR IMPROVEMENT, ANALYSE THE ROOT CAUSES AND, WHEREVER POSSIBLE, INTERVENE WITH TARGETED PROJECTS TO REDUCE THE ENVIRONMENTAL IMPACT

54

PRODUCT SAFETY

Botto Giuseppe e Figli S.p.A. aims to offer its customers a product that has the lowest possible environmental impact, as well as high safety standards, particularly with regard to the chemical conformity of the finished product.

A chemical management system has been implemented which regulates the use of chemicals at every stage, from purchase to use in production processes, ending with verification by means of sample tests on finished product items; in compliance with the ZDHC MRSL with the periodic verification of wastewater discharges, and the ZDHC PRSL on products (fabric/yarn).



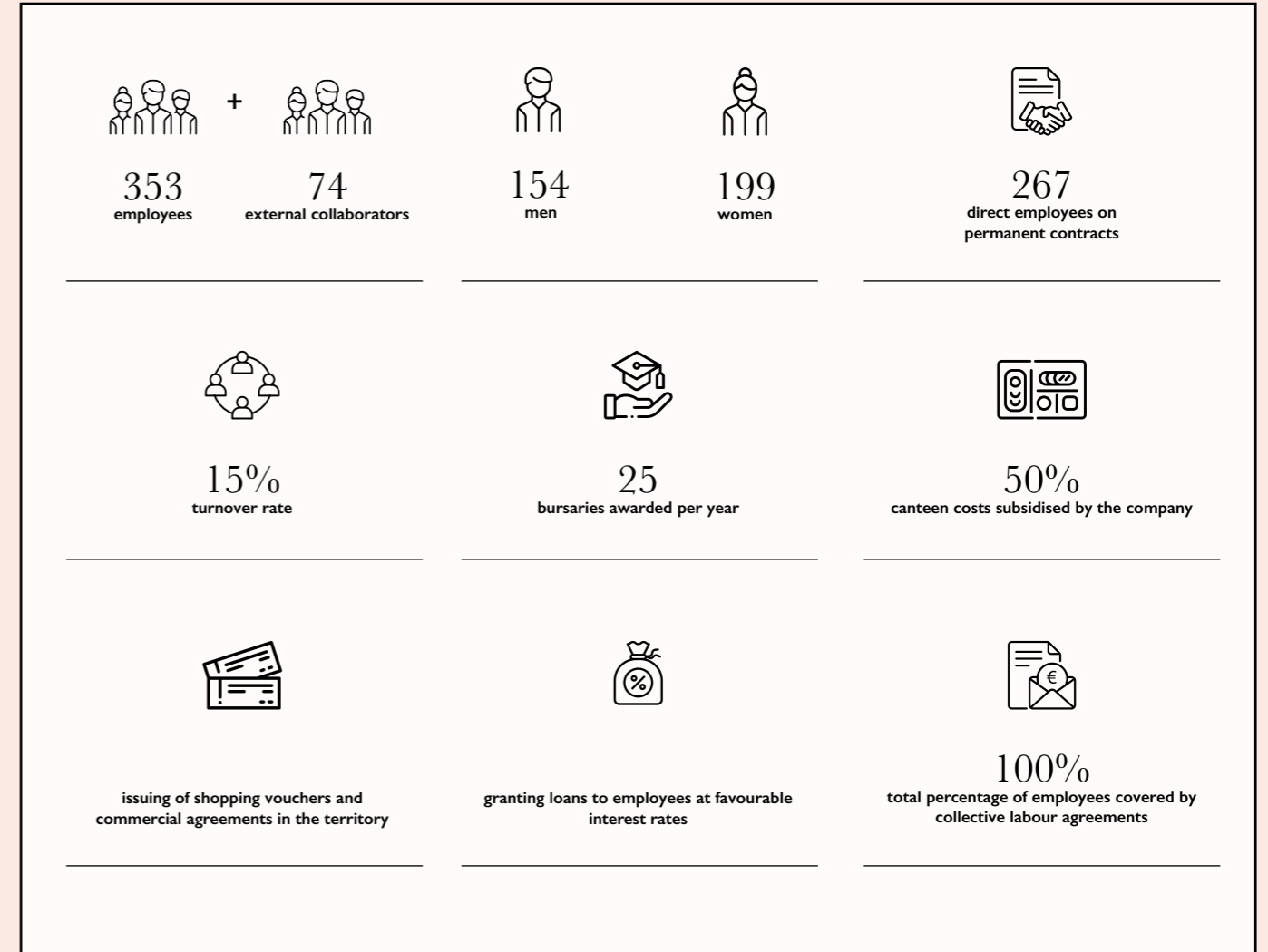
55



Social sustainability



- 4.1 Employment and protection of working conditions
- 4.2 Incentives and benefits for employees
- 4.3 Protection of health and safety in the workplace
 - 4.3.1 Work-related accidents and ill health
- 4.4 Responsibility to society





4.1 Employment and protection of working conditions

2023 continues to see an increase in total staff. The number of employees at the end of the year was comparable to the number before the pandemic, which is certainly encouraging and means that production levels are growing in the area.

11. EMPLOYMENT AND PROTECTION OF WORKING CONDITIONS
The goal is to achieve a healthy work-life balance, made possible by implementing internal work-life balance policies. There are two clear key topics at the heart of this issue: the satisfaction an employee can find in their work, by achieving the targets they have been set, and their wellbeing both at home and in the workplace. The adoption of these policies shows positive results in terms of productivity, as more relaxed employees are, in most cases, more motivated and more efficient. In addition, companies that pay attention to wellbeing in the workplace tend to attract more external resources. One of the most common actions taken by companies to become more attractive to external candidates is remote working or working from home: a particular way of performing work that is partly on company premises and partly elsewhere, with the aim of increasing competitiveness and making it easier for employees to reconcile the demands of their work and home lives.



TOTAL EMPLOYEES

2023	MEN	WOMEN	TOTAL
Total employees	154	199	353
Direct employees	130	149	279
Temporary workers	24	50	74
Foreigners	3	9	12
Production workers	105	170	275
Office workers	34	26	60
Supervisors (department heads)	7	3	10
Managers and executives	8	0	8



CONTRACT TYPE DIRECT EMPLOYEES

58

2023	PERMANENT CONTRACTS	FIXED-TERM CONTRACTS	FULL TIME	PART TIME
Men	122	8	128	2
Women	145	4	130	19
TOTAL	267	12	258	21

2022	PERMANENT CONTRACTS	FIXED-TERM CONTRACTS	FULL TIME	PART TIME
Men	119	4	121	2
Women	143	5	125	23
TOTAL	263	9	247	25

2021	PERMANENT CONTRACTS	FIXED-TERM CONTRACTS	FULL TIME	PART TIME
Men	115	0	110	5
Women	133	0	107	26
TOTAL	248	0	217	31

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2022	MEN	WOMEN	TOTAL
Total employees	150	196	346
Direct employees	124	147	271
Temporary workers	26	49	75
Foreigners	7	9	16
Production workers	97	174	271
Office workers	40	22	62
Supervisors (department heads)	8	3	11
Managers and executives	6	0	6

2021	MEN	WOMEN	TOTAL
Total employees	143	173	316
Direct employees	115	133	248
Temporary workers	28	40	68
Foreigners	5	8	13
Production workers	93	159	245
Office workers	39	21	56
Supervisors (department heads)	8	2	10
Managers and executives	5	0	5



The year 2023 saw a high rate of employee turnover and a recruitment rate in line with the previous year, which was approximately 15%. The mobility of staff within the company is considered a fairly positive phenomenon, partly due to the entry of a young incoming workforce, destined to make a significant contribution in the phase of generational change that will characterise the coming medium- and long-term period.



TURNOVER RATE DIRECT EMPLOYEES

2023	<30 YEARS OLD	30-50 YEARS OLD	>50 YEARS OLD	TOTAL
Men	0	6	10	16
Women	0	4	14	18
Total	0	10	24	34
Turnover rate	0	4%	9%	12%

60

2022	<30 YEARS OLD	30-50 YEARS OLD	>50 YEARS OLD	TOTAL
Men	2	2	7	11
Women	0	2	10	12
Total	2	4	17	23
Turnover rate	0.7%	1.5%	6.3%	8.5%

2021	<30 YEARS OLD	30-50 YEARS OLD	>50 YEARS OLD	TOTAL
Men	0	3	7	10
Women	0	2	9	11
Total	0	5	16	21
Turnover rate	0%	2%	6%	8%



RECRUITMENT RATE DIRECT EMPLOYEES

2023	<30 YEARS OLD	30-50 YEARS OLD	>50 YEARS OLD	TOTAL
Men	5	12	7	24
Women	2	10	6	18
Total	7	22	13	42
Turnover rate	2.5%	7.9%	4.7%	15.1%

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2022	<30 YEARS OLD	30-50 YEARS OLD	>50 YEARS OLD	TOTAL
Men	3	12	6	21
Women	1	12	14	27
Total	4	24	20	48
Turnover rate	1.5%	8.9%	7.4%	17.7%

2021	<30 YEARS OLD	30-50 YEARS OLD	>50 YEARS OLD	TOTAL
Men	1	2	1	4
Women	0	1	1	2
Total	1	3	2	6
Turnover rate	0%	1%	1%	2%



EMPLOYEE AGE
DIRECT EMPLOYEES + TEMPORARY STAFF

2023 EMPLOYEES	18-30		31-40		41-50		OVER 50		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	16	9	9	24	44	68	85	98	353
Age distribution	4.5%	2.5%	2.5%	6.8%	12.5%	19.3%	24.1%	27.8%	

2022 EMPLOYEES	18-30		31-40		41-50		OVER 50		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	15	11	9	22	49	76	78	86	346
Age distribution	4.3%	3.2%	2.6%	6.4%	14.2%	22.0%	22.5%	24.9%	

2021 EMPLOYEES	18-30		31-40		41-50		OVER 50		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	13	8	8	19	46	73	72	77	316
Age distribution	4.1%	2.5%	2.5%	6.0%	14.6%	23.1%	22.8%	24.4%	

EMPLOYEE AGE
DIRECT EMPLOYEES

2023 EMPLOYEES	18-30		31-40		41-50		OVER 50		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	7	3	6	9	40	54	77	83	279
Age distribution	2.5%	1.1%	2.2%	3.2%	14.3%	19.4%	27.6%	29.7%	

2022 EMPLOYEES	18-30		31-40		41-50		OVER 50		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	4	2	5	7	39	64	72	74	271
Age distribution	1.5%	0.7%	1.8%	2.6%	15.7%	23.6%	26.6%	27.3%	

2021 EMPLOYEES	18-30		31-40		41-50		OVER 50		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	4	1	4	3	39	63	70	64	248
Age distribution	1.6%	0.4%	1.6%	1.2%	15.7%	25.4%	28.2%	25.8%	



YEARS OF SERVICE
DIRECT EMPLOYEES + TEMPORARY STAFF

2023 EMPLOYEES	0-10 YEARS		10-20 YEARS		20-30 YEARS		> 30 YEARS		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	78	114	11	12	39	49	26	24	353
Rate	22.1%	32.3%	3.1%	3.4%	11.0%	13.9%	7.4%	6.8%	

2022 EMPLOYEES	0-10 YEARS		10-20 YEARS		20-30 YEARS		> 30 YEARS		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	65	100	12	14	43	51	30	31	346
Rate	18.8%	28.9%	3.5%	4.0%	12.4%	14.7%	8.7%	9.0%	

2021 EMPLOYEES	0-10 YEARS		10-20 YEARS		20-30 YEARS		> 30 YEARS		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	52	74	14	15	44	50	30	37	316
Rate	16.5%	23.4%	4.4%	4.7%	13.9%	15.8%	9.5%	11.7%	

The average age of employees tends to be similar to that of previous years, namely with larger numbers of employees aged between 40 and 50, as well as over 50. These are positive numbers that reflect many years of work experience, which is also confirmed by the years of service, where we see high percentages of people with 20 to 30 years of service or more. A negative aspect of a high average age is that this will translate into a slow generational turnover, which may prove to be a widespread issue in the textile sector.

To deal with the issue, the ITS TAM textile school has been established in the Biella area, with the role of bringing students closer to the world of companies in the sector. Over the years, the number of students enrolled in the courses has increased, consequently boosting the pool of trained staff available to companies. In 2023, Botto Giuseppe e Figli S.p.A. hired two young trainees from the ITS specialisation course.

YEARS OF SERVICE
DIRECT EMPLOYEES

2023 EMPLOYEES	0-10 YEARS		10-20 YEARS		20-30 YEARS		> 30 YEARS		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	54	64	11	12	39	49	26	24	279
Rate	19.4%	22.9%	3.9%	4.3%	14.0%	17.6%	9.3%	8.6%	

2022 EMPLOYEES	0-10 YEARS		10-20 YEARS		20-30 YEARS		> 30 YEARS		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	39	52	12	14	43	50	30	31	271
Rate	14.4%	19.2%	4.4%	5.2%	15.9%	18.5%	11.1%	11.4%	

2021 EMPLOYEES	0-10 YEARS		10-20 YEARS		20-30 YEARS		> 30 YEARS		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Gender									
Botto Giuseppe total	26	28	15	15	44	51	31	38	248
Rate	10.5%	11.3%	6.0%	6.0%	17.7%	20.6%	12.5%	15.3%	

The number of employees in protected categories fell again by two units due to retirement.

PROTECTED CATEGORIES 2023	MEN	WOMEN	TOTAL
Manual workers	3	14	17

PROTECTED CATEGORIES 2022	MEN	WOMEN	TOTAL
Manual workers	2	11	13

PROTECTED CATEGORIES 2021	MEN	WOMEN	TOTAL
Manual workers	3	12	15



4.2 Incentives and benefits for employees

DEVELOPMENT AND OPTIMISATION OF HUMAN CAPITAL

In 2023, 86 separate training actions were organised across the two facilities - out of a total of 94 planned - thus achieving 91% coverage of what was budgeted for at the beginning of the year and supplemented as needed.

The annual target of at least 90% of all training being planned and completed was achieved. The courses involved all staff at both facilities and covered not only general and specific basic training for new recruits, but also updates on job-related risks or the use of work equipment, activities with risks strictly related to their execution, such as in the case of loading and unloading vehicles, supervisory activities for supervisors, workers' safety representatives and those related to emergency management.

66 The lessons involved staff in a total of 1819 hours of training, delivered by the Health and Safety Manager or experienced external consultants. These are encouraging numbers compared to the pre-pandemic years, attesting to growth in the working population and a strong recovery in hiring figures.

4. INCENTIVES AND BENEFITS FOR EMPLOYEES – WELFARE
The goal is to promote welfare packages and work-life balance. It is a priority for Botto Giuseppe e Figli S.p.A. to define and provide welfare packages for its employees. These comprise a set of initiatives, goods and services made available to promote the wellbeing of workers, both at work and in their personal lives. These are projects that can improve productivity and do not compromise the sustainability of the company. They are divided into welfare services pertaining to wellbeing and health, improving the work-life balance, and mobility. These services may include health and care, family, rent or mortgage for a first home, public transport, supplementary pension contributions, leisure and wellness, vouchers and household utilities.

6. DEVELOPMENT AND OPTIMISATION OF HUMAN CAPITAL
To achieve this goal, it is necessary to provide training and information courses to employees, including going above and beyond legal minimums. The business training plan was structured by role and with at least 90% of the planning completed.



25 extra internal training activities were provided, carried out directly in the relevant department and recorded on the appropriate forms of the Integrated Internal Management System. Of all the extra training activities, the most significant ones in terms of sustainability were:

- Management of ISO 50001;
- Use of Category III PPE (life-saving);
- Purifier management procedures;
- Emergency management procedures;
- Safety reports (machines, equipment, PPE);
- Product certification updates;
- Management procedures regulating waste recycling in the company.

Extra internal training activities also include emergency simulations, with the direct involvement of emergency teams; amongst others, simulations of chemical emergencies, fire management and first aid for workers were carried out. These are activities that allow those responsible to be well prepared and to act promptly should a situation arise.

Practical exercises are an opportunity to correct any anomalies in performance and to ensure that more experienced staff can pass the knowledge and skills they have acquired over the years on to their younger colleagues.

The Department Managers and their safety officers (Supervi-

25
EXTRA TRAINING ACTIVITIES

1819
TOTAL HOURS OF TRAINING

sors) are responsible for carrying out the necessary training activities for all workers in case of new recruits or job changes, in addition to their theoretical training, in order to round off the internal training process with a particular focus on safety and the prevention of environmental impacts.



86

TRAINING ACTIONS ORGANISED

90%

TRAINING COURSES COMPLETED



TRAINING TABLES

122 of the hours of training provided involved non-compulsory training courses, with a specific focus on sustainability management systems.

	2020		2021		2022		2023	
	NO. OF COURSE PARTICIPANTS	TRAINING HOURS	NO. OF COURSE PARTICIPANTS	TRAINING HOURS	NO. OF COURSE PARTICIPANTS	TRAINING HOURS	NO. OF COURSE PARTICIPANTS	TRAINING HOURS
Valdilana	336	781	328	687	376	1127	390	1480
Tarcento	85	255	49	70	50	106	77	339
TOTAL participants	421	-	377	-	426	-	467	-
TOTAL training hours	-	1036	-	757	-	1233	-	1819

Botto Giuseppe e Figli S.p.A. pays particular attention to education and teaching because we are convinced that these are the basis for a solid future of the employment system, both local and further afield. This is why the company supports university studies for employees' children through bursaries. The number of employees in protected categories fell by two units due to retirement.

In 2023, shopping vouchers were issued to employees to help to contribute and support them through the cost of living crisis.



BURSARIES

24
PROVIDED IN 2021

28
PROVIDED IN 2022

25
PROVIDED IN 2023



INTERNSHIPS AND TRAINEESHIPS

20
2021

24
2022

5
2023

4.3 Protection of health and safety in the workplace

The issue of the health and safety of workers in the workplace is amongst the most current, at both the Italian and the European levels; it involves all organisations, both private and public, and all their employees, whatever form of contract they may have.

In 2023, at the national level, there was a 16% decrease in accidents, a value that is still distorted by the numbers of people affected by COVID in 2022; more realistic and positive, however, is the decline in fatal accidents (-4.5%), whilst the uptick in cases of occupational illness reports (+19.7%) is ringing alarm bells.

(data reported on the INAIL website www.inail.it)

3. PROTECTION OF HEALTH AND SAFETY IN THE WORKPLACE
We wish to adopt some certified voluntary management systems, which are not subject to legal obligations. In particular, the certifications that fall within this scope are: ISO 45001, ISO 14001 and ISO 50001. The deadline for the first certification is 2024, and for the other two it is 2025.



Botto Giuseppe e Figli S.p.A. continues to consciously apply a rigorous management system to ensure the health and safety of its employees. Over time, the drafting of the initial Risk Assessment Document (RAD) has been followed by updates, resulting from equipment or management changes, which have led to the implementation of further risk elimination or reduction activities. Since the initial drafting of the Risk Assessment Document (RAD) and its subsequent updates, in the event of critical issues or substantial updates that modify the production process or the organisation of work arising, these are implemented in the RAD recording the elimination or reduction of risk with implemented or planned measures to improve safety levels and formulate plans of action that

respect priorities and timelines, in line with the company's investment and development plans.

This has been met with increasing amounts of positive feedback during the audits performed both internally, by external consultants specialised in occupational safety, and externally, carried out by the main customers of the organisation.

The results of the audits are shared with the management and departmental supervisors, allowing them to intervene when necessary and ensure the required improvements and corrections in line with safety guidelines. Workers' Safety Representatives are also part of the chain of disclosure of information to workers.

Workers' Safety Representatives also actively participate in





management review meetings and during inspections by the company doctor. They are constantly informed about trends in occupational accidents and illnesses, the effectiveness of personal protective equipment (PPE) or occupational safety training programmes.

Workers are the most precious asset of any company, and Botto Giuseppe e Figli S.p.A. wants to ensure that the safety of the devices, equipment, machinery and systems used daily by its workers is increasingly effective, and as such it schedules continuous and regular routine maintenance, allocating a substantial part of its revenue for these purposes.

EMPLOYEE SAFETY IS ONE OF THE COMPANY'S PRIMARY AIMS.

It is important to state that staff are trained to independently supervise their own activities and to detect potential anomalies and dangers.

The company can be informed in several ways:

- directly, by contacting their supervisors or by asking to speak to someone in the safety/environment/personnel sector;
- by means of anonymous reporting, using the report box located in the company reception, or by contacting the Supervisory Board, using systems that are not accessible to the company management.

IN 2021, THE FIRE PREVENTION CERTIFICATE (FPC) WAS OBTAINED FROM THE LOCAL BIELLA SECTION OF THE FIRE BRIGADE AFTER COMPLETING A 20-YEAR PROCESS OF ADAPTATION TO THE FIRE PREVENTION PROJECT.



HEALTH MONITORING

With the appointment of a company doctor, Botto Giuseppe e Figli S.p.A. manages its occupational health monitoring activities as required by Italian and European legislation, maintaining constant oversight over work-related risks resulting from the natural ageing of employees, as well as any personal issues that could be aggravated by their work duties, assessed on a case-by-case basis. The company doctor defines a health protocol that includes examinations specific to each role and deduced from the RAD, scheduling periodic medical check-ups as agreed with the company.

The company doctor identifies the critical issues to be resolved, reporting any limitations imposed to the Health and Safety Manager with the utmost discretion to maintain professional confidentiality. In addition, the company doctor, together with the management, the Health and Safety Manager and the Workers' Safety Representative, inspects the facilities every year to check that they are in conformity with the company's practices and with the contents of the Risk Assessment Document. On that occasion, data from periodic check-ups classified according to the different types of suitability and the occupational diseases detected is also provided for statistical purposes on a completely anonymous basis.



VALDILANA

At the Valdilana facility, the number of medical examinations carried out in 2023 remained largely stable compared to the previous year, whilst an increase in the total number of examinations carried out is an indication of greater attention to employee health. The number of unscheduled appointments requested by workers also remained stable, whilst the number of patients deemed fit for work without limitations increased, largely due to an overhaul of the company's working

population, with multiple young people being hired across all departments.

In 2023, the number of workers at the Valdilana facility remained almost unchanged, with 56 new workers joining and another 53 leaving due to retirement or resignation. It is worth highlighting the increase in employment contracts entered into, which reduces the number of seasonal workers at the company.



HEALTH MONITORING TABLES VALDILANA

2023

2023	SCHEDULED	SPECIAL
Check-ups	321	12
Examinations carried out	855	5

In 2023, no reports of occupational illnesses were received.

FITNESS FOR WORK	NO.	TOTAL %
Full	234	80.1
With limitations	53	18.1
Not fit for work	0	0
End of relationship	5	1.8

333
TOTAL
MEDICAL
APPOINTMENTS

2022

2022	SCHEDULED	SPECIAL
Check-ups	332	14
Examinations carried out	695	2

FITNESS FOR WORK	NO.	TOTAL %
Full	219	219
With limitations	58	58
Not fit for work	1	1
End of relationship	6	6

860
TOTAL
EXAMINATIONS
CARRIED OUT

2021

2021	SCHEDULED	SPECIAL
Check-ups	306	5
Examinations carried out	550	5

FITNESS FOR WORK	NO.	TOTAL %
Full	203	76.9
With limitations	58	22.0
End of relationship	3	1.1

CASCAMI SETA - TARCENTO

In the case of the Cascami Seta factory in Tarcento, the same considerations as those set out for the factory in Valdilana have been highlighted: an increase in the total number of appointments and examinations carried out, whilst the numbers of unscheduled appointments requested by workers have remained constant.

In 2023, the natural advancement of the average age of the local workforce resulted in a clear reversal of the percentages linked to full, unqualified fitness to work and those involving limitations: even slight anomalies found during spirometry tests resulted in the application of limitations, determined by

more stringent threshold values than in the pre-pandemic period.

The Internal Accident Protection and Prevention Department sampled the air quality in the Tarcento facility to study the level of dust in the rooms, to rule out the possibility of this negative result being linked to the workplace, and found there to be no critical situation.

The Cascami Seta facility also saw no change in the number of employees, as the entry of 13 new workers was balanced by the departure of 13 employees, all due to retirement or resignation.



HEALTH MONITORING TABLES CASCAMI SETA

2023

2023	SCHEDULED	SPECIAL
Check-ups	61	1
Examinations carried out	139	1

FITNESS FOR WORK	NO.	TOTAL %
Full	25	40.32
With limitations	37	59.68
Not fit for work	0	0

In 2023, no reports of occupational illnesses were received.

62
TOTAL
MEDICAL
APPOINTMENTS

2022

2022	SCHEDULED	SPECIAL
Check-ups	57	1
Examinations carried out	135	3

FITNESS FOR WORK	NO.	TOTAL %
Full	33	56.90
With limitations	24	41.38
End of relationship	1	1.72

140
TOTAL
EXAMINATIONS
CARRIED OUT

2021

2021	SCHEDULED	SPECIAL
Check-ups	48	0
Examinations carried out	64	0

FITNESS FOR WORK	NO.	TOTAL %
Full	30	30
With limitations	17	17
End of relationship	1	1



4.3.1 Work-related accidents and ill health

In recent years, the number of company accidents shows a very marked downward trend, reflecting the good practices adopted during work activities, such as constant monitoring of the application of safety rules by supervisors and the management.

In 2023, unfortunately, another accident occurred at the Valdilana facility, causing the employee to be absent from work for more than 40 days.

Action was taken immediately to prevent any such incident from recurring. These actions involved both a more practical approach, through proactive maintenance, and a series of training activities implemented during the summer refresher training.

After 3 years, the Tarcento broke its positive streak of zero accidents with the occurrence of an accident at work in 2023, with the worker in question being absent for less than 10 days.

Although the event was not serious, the on-site treatment activities were immediately triggered, with a proactive maintenance intervention and refresher training for the employees concerned.

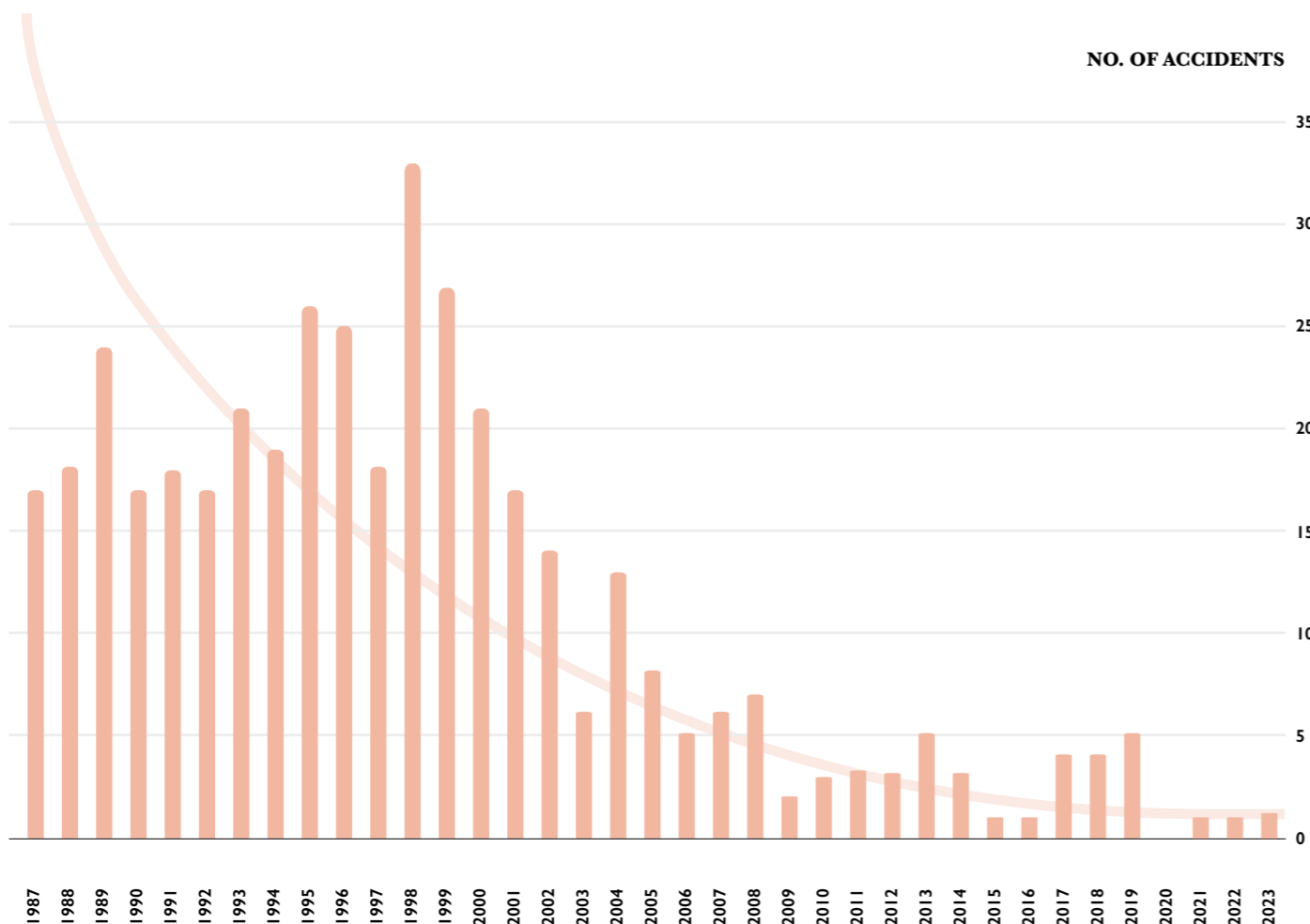
THERE WERE NO REPORTS OF ACCIDENTS INVOLVING DEATH OR IRREVERSIBLE DAMAGE FOR EITHER FACILITY, NOR ANY REPORTS OF OCCUPATIONAL ILLNESS.

SUMMARY OF NUMBER OF ACCIDENTS - VALDILANA

There were no serious accidents resulting in death or irreversible physical injury

● No. of accidents per year — Expon. (No. of accidents per year)

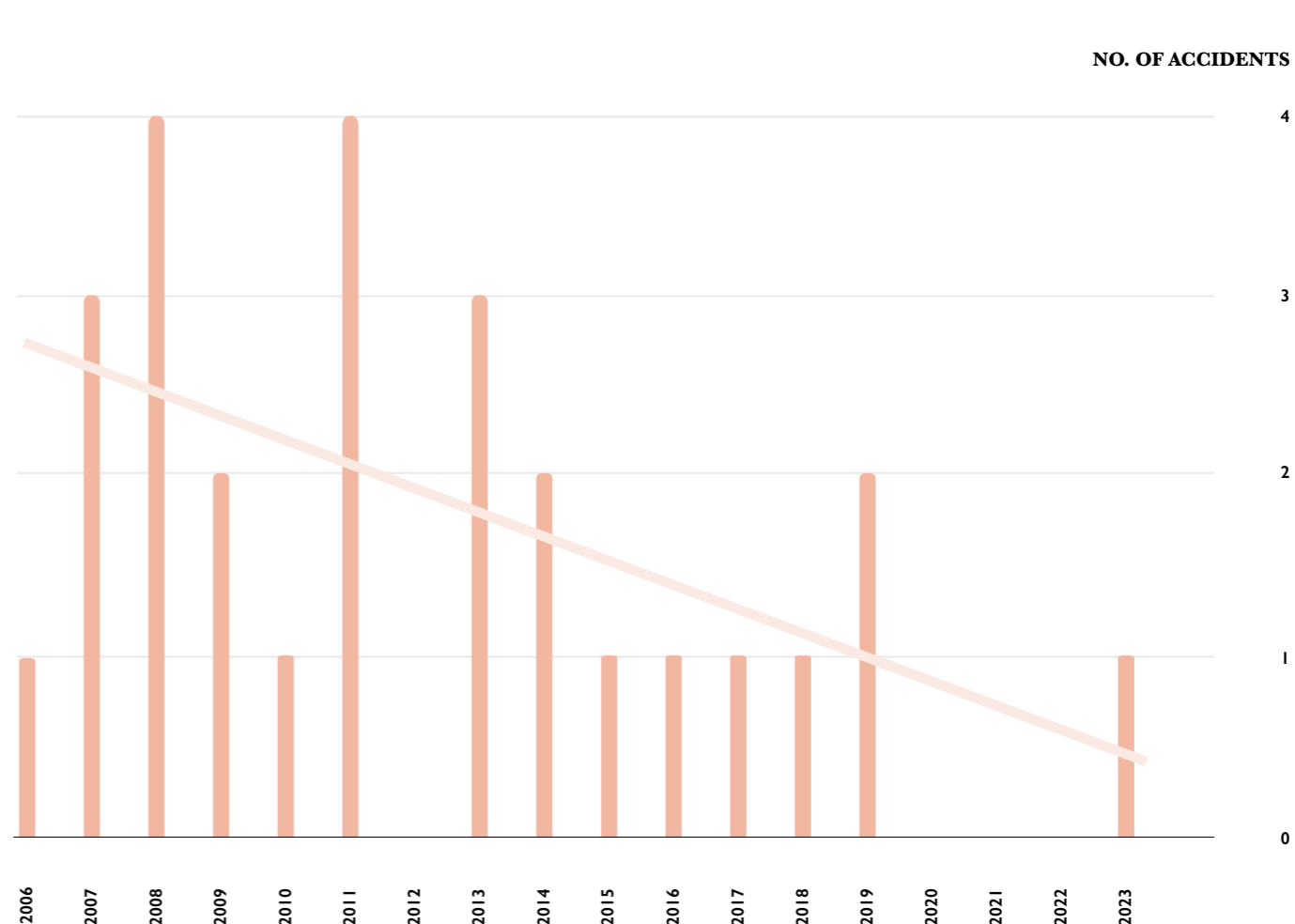
NO. OF ACCIDENTS



SUMMARY OF NUMBER OF ACCIDENTS - TARCENTO

● No. of accidents per year — Linear (No. of accidents per year)

NO. OF ACCIDENTS





4.4 Responsibility to society

Botto Giuseppe e Figli S.p.A. has always paid special attention to social initiatives in the local community where it does business. In 2023, the company expressed a desire to share with stakeholders the programmes supported to foster greater awareness about the activities.

The company participated in the solidarity project Lanaterapia, organised by the Biella Orsi nel Mondo Volunteer Organisation, in support of the areas and people affected by the 2016 earthquake in the Marche region.

In particular, the ANFFAS Sibillini of San Ginesio (MC) took the opportunity to set up a wool, cotton and fabric processing workshop to employ young people with disabilities, as well as open the doors to other external people. Botto Giuseppe e Figli S.p.A. donated five 5kg bags of balls of wool and crates of cloth handkerchieves.

Another sizeable contribution was made to the InclusiOne project, carried out by Cooperativa Sociale SportivaMente S.C.S., which runs a series of events aimed at fostering inclusion in classes that include at least one disabled child. For many years, Botto Giuseppe e Figli S.p.A. has sponsored the Valdilana foot race held in July, which raises funds for the Italian Multiple Sclerosis association of Biella. The company has also become sponsor of the U.S.D. Valdilana – Biogliese football club.

In order to intensify the synergistic relationship between the company and the municipalities in which it operates, the production departments of both facilities welcomed some visitors. At the Tarcento location, a partnership has been started to let some students of the IPS 'Giacomo Ceconi' Institute in Udine visit the company.

At the Valdilana location, meanwhile, a visit was organised for the students of ITS Biella. During the visit, particular emphasis was placed on: preparation and spinning, finishing, the workshop and the fine carded wools department.

With a view to establishing a closer relationship between the local citizens and the company, which is an asset of Piedmontese manufacturing, Botto Giuseppe e Figli S.p.A. took part in the 'Fabbriche Aperte Piemonte' project, which gar-

nered over 8,000 visitors.

For APTITUDE for the arts, a project dedicated to showcasing the tangible and intangible cultural heritage of Vercelli, Botto Giuseppe e Figli S.p.A. provided salvaged fabrics to install scarecrows that represent the abandonment of the countryside following the introduction of agricultural machinery into local rice fields.

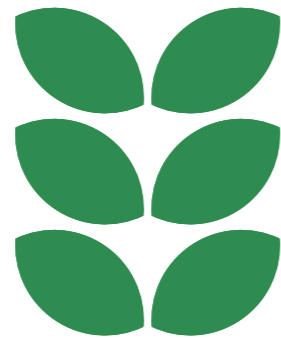
The company has provided bursaries to the children of some of its employees.

A donation was made to the 'Emilio Reda' Retirement Home based in Valdilana, a contribution to help it achieve its institutional goals. A contribution was made towards the organisation of the patron saint's feast in Valdilana, after a two-year hiatus due to the pandemic. Another donation of fabrics was provided for the Halloween event organised by the Associazione Genitori Sempre of Masserano. Other extra-territorial initiatives were promoted where the company contributed to creating a summer camp in Bardonecchia and organised by Fondazione Time2, which aims to reduce inequality and promote social inclusion. Every year, Botto Giuseppe e Figli S.p.A. tries to contribute to local health associations. In 2023, it participated in "Progetto Scaldacuore" with the Neonatal Section of Biella Hospital, donating fabrics that were used to create blankets and cot sheets.





Environmental Sustainability



- 5.1 Development of energy production from renewable sources
- 5.2 Efficient use of energy
 - 5.2.1 Energy balance sheet
- 5.3 Responsible use of chemicals and harmful substances
- 5.4 Efficient use of water
 - 5.4.1 Purification
- 5.5 Mitigation of air emissions
 - 5.5.1 Carbon footprint
- 5.6 Responsible use of resources and materials
 - 5.6.1 Waste and HOCKS

5.1 Development of energy production from renewable sources

Botto Giuseppe e Figli S.p.A. works with respect and care for the local area, rich in the resources that contributed to the birth of the textile industry. Factors such as improved and more efficient manufacturing facilities have contributed to the company's ever-growing success in international markets.

Electricity, water resources, and waste management are the pivotal points for implementing virtuous actions that work towards ensuring the conservation of natural resources. The optimisation, care and wise management of resources translate into important choices such as decisions that intend to improve collective wellbeing, the reduction of CO₂ atmospheric emissions and waste in general to mitigate environmental impact.

GREEN MISSION

Botto Giuseppe e Figli S.p.A. plans its activities to ensure the best balance between economic initiatives and protecting the environment, health, safety, climate and biodiversity, engaging in the research and development of innovative solutions, including the exploitation of alternative energy sources with lower environmental impact and reduced consumption.

The real challenge for the future consists of maintaining the same level of production efficiency whilst consuming fewer resources. To do this, we need to increase the overall measurements of most environmental aspects by identifying situations where we can intervene, leading to improvements.

2. EFFICIENT USE OF ENERGY - CONSUMPTION, REDUCTION AND CONSERVATION

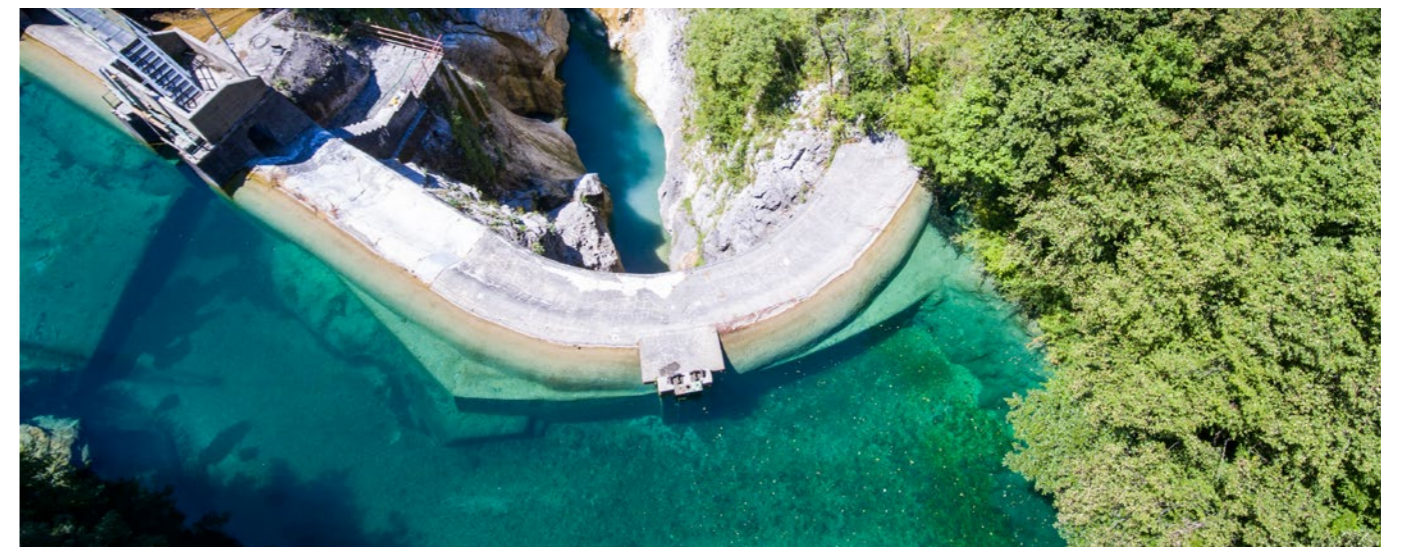
The goal is to implement measure to improve energy efficiency at Botto Giuseppe e Figli S.p.A. facilities. It is necessary to make investments in improving energy efficiency to reduce consumption in the workplace, ISO 50001 Certification.

8. DEVELOPMENT OF ENERGY PRODUCTION FROM RENEWABLE SOURCES

Two main goals have been outlined: the self-generation of renewable energy and the search for a substitute produced from renewable sources instead of natural gas.

To achieve the first goal, there are plans to install two new photovoltaic plants at the Valdilana facility and an Archimedes' screw at Crosis Dam in Tarcento.

To achieve the second goal, we must first research and analyse a possible replacement for our energy carrier.





5.2 Efficient use of energy

SINCE THE EARLY 2000S, BOTTO GIUSEPPE E FIGLI S.P.A. HAS IMPLEMENTED A POLICY TO SAVE ENERGY BY SELF-PRODUCING ELECTRICITY FROM RENEWABLE SOURCES, HYDROELECTRICITY, AND PHOTOVOLTAICS, AND SELF-PRODUCING ENERGY FROM HIGH-EFFICIENCY COGENERATION.

Constant monitoring of the equipment keeps all critical process variables under control, to ensure maximum reliability while minimising consumption.

The company is also very attentive to fluctuations in the electricity and gas markets, and carefully observes the stability and reliability of suppliers with whom contracts are signed, ensuring supplies at competitive prices and with excellent guarantees.

In order to satisfy the energy-intensive impact that the company develops with its production activity, in addition to physical energy efficiency improvement measures, it is of strategic importance to properly manage energy on all fronts.

Adapting to an ISO 50001 Energy management system is a strategic move for monitoring all processes.



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ENERGY CONSUMED BY TYPE		2023	2022	2021
	UM	Quantity	Quantity	Quantity
ENERGY FROM NON-RENEWABLE SOURCES				
Natural gas	GJ	129,425	142,982	134,998
Petrol for cars	GJ	648	565	601
Diesel for cars	GJ	739	751	525
Non-renewable electricity purchased	GJ	8,073	-	9,330
ENERGY FROM RENEWABLE SOURCES				
Renewable energy purchased	GJ	-	11,612	-
Electricity self-produced from photovoltaics and hydroelectric consumed	GJ	14,996	10,837	11,922
Electricity self-produced from photovoltaics and hydroelectric sold	GJ	21,440	16,635	21,297
Total consumption	GJ	153,881	166,748	157,376
Energy intensity	GJ/tonne	44.5	45.4	52.8

2%
REDUCTION OF ENERGY
CONSUMPTION

The reduction in energy consumption is calculated based on the year 2022, defined as the baseline year, after the company's production regime returned to normal levels and was no longer affected by the events of the pandemic.

Energy efficiency is assessed when production loads are especially high as it is possible to exploit the full efficiency of the machinery as against the energy used to power it; a fall in production, however, is not proportional to the corresponding decrease in energy consumption.



VALDILANA FACILITY

By installing inverters on air-conditioning units, replacing the compressed air station with new generation compressors, modernising pumping stations and burners at the thermal power station and replacing fluorescent lamps with LED lamps, the company has saved about 2,000,000 kWh/year, which is equal to about 813 tonnes of CO₂/year.

Heat recovery from condensate re-evaporation, used to heat the feed water for the dyeing tanks, the installation of recovery devices on the boiler chimneys, the recovery of compressor cooling water to pre-heat the demineralised water fed into the steam generators, and the installation of continuous combustion control on the steam generators have enabled savings of approximately 300,000 m³ of methane/year, equal to approximately 825 tonnes of CO₂ per year.

In 2012, a 22-kW micro-turbine was installed to make use of the hydraulic jump between the industrial water intake, located 70 m above the factory, and the storage tanks serving the departments. The turbine produces around 100,000 kWh/year, which is all self-consumed in the plant, with a CO₂ savings of about 50 t/year. The cogeneration plant, which entered operation in January 2019, saves about 526,000 m³ of methane annually, recovered from the production of hot water and steam by the engine; self-produced electricity amounts to about 7,000,000 kWh.

In 2022, the first photovoltaic system at the Valdilana facility came into operation, installed on the roof of the weaving department with a power of 568 kWp; in the reporting year, 2023, the 1400 kWp photovoltaic system was installed above the spinning and twisting departments.

In the autumn of 2023, an exhaust heat recovery system was installed on the stenter finishing machine, which is required to preheat the heating water for the colour control department, saving about 40,000m³ of methane.

813 T/YEAR
CO₂ SAVED
(with the installation of inverters)

825 T/YEAR
CO₂ SAVED
(with heat recovery)

50 T/YEAR
CO₂ SAVED
(with the installation of the turbine)

526,000 M³
METHANE SAVED
(with the cogeneration plant)

630 TONNES/YEAR
CO₂ SAVED
(with the photovoltaic system)

40,000 M³
METHANE SAVED
(with the thermal recovery system)

TARCENTO FACILITY

THE TARCENTO PLANT IS COMPLETELY SELF-SUFFICIENT IN TERMS OF ELECTRICITY SUPPLY.

The plant consumes about 3,000,000 kWh, the rest being fed into the grid. In the last decade, energy efficiency measures have been carried out on the air conditioning systems, on lighting with the installation of LED bulbs to replace fluorescent bulbs, and on reducing compressed air leaks, consolidating 1,000,000 kWh savings annually, equal to about 220 t CO₂/year.

In 2018, a turbine that uses the minimum vital runoff of the Torre stream was installed. It produces about 1,500,000 kWh per year, and the energy is entirely fed into the grid, with a savings of about 330 t of CO₂ per year. In 2020, the outdated heating boiler for the working environments was replaced with a condensing boiler. The methane savings amount to about 60,000 m³/year, equivalent to about 165 tonnes CO₂/year.

Two photovoltaic plants are installed on the roof of the facility: the first was installed in 2011 with a capacity of 199 kWp and the second was commissioned in the second half of 2022 with a capacity of 738 kWp. Both ensure an annual production of about 1,000,000 kWh.

In 2021, the renovation works on the roof for the portion of the plant used for production activities were completed. These were preliminary works carried out to facilitate the installation of the new photovoltaic system.

3,650 T/YEAR
CO₂ SAVED
(with the hydroelectric power plant)

220 T/YEAR
CO₂ SAVED
(with energy efficiency measures)

330 T/YEAR
CO₂ SAVED
(with the installation of the turbine)

165 T/YEAR
CO₂ SAVED
(with the condensing boiler)

330 TONNES/YEAR
CO₂ SAVED
(with the photovoltaic system)



ENERGY INTERVENTIONS

YEAR	FACILITY	INTERVENTION	ENERGY CARRIER
2000	-	No interventions	-
2001	-	No interventions	-
2002	-	No interventions	-
2003	-	No interventions	-
2004	-	No interventions	-
2005	VALDILANA	Refurbishment of the heating plant	Thermal/Electric
2006	VALDILANA	Heat recovery from condensate re-evaporation with water pre-heating for the dyeing tank	Thermal/Electric
2007	-	No interventions	-
2008	-	No interventions	-
2009	-	No interventions	-
2010	-	No interventions	-
2011	TARCENTO	Installation of photovoltaic plant	Electric
2012	VALDILANA	Installation of 22 kW hydroelectric turbine - Stenter conversion from thermal oil to methane gas	Thermal/Electric – Electric
2013	BOTH	Fluorescent bulbs replaced with LED bulbs	Electric
2014	VALDILANA	Installation of air conditioning system – Burners replaced on 3 steam generators	Electric – Thermal
2015	1. TARCENTO 2. VALDILANA	1. Installation of air conditioning systems 2. Installation of e-power energy-saving system (finishing and weaving)	Electric Electric
2016	VALDILANA	Recovery of compressor cooling water for preheating H ₂ O demineraliser	Thermal/Electric
2017	VALDILANA	Installation of heat recovery systems on steam generator chimneys	Thermal
2018	TARCENTO	Installation of 250 kW minimum vital flow turbine	Electric
2019	BOTH	Installation of 2nd 350 kW turbine (Tarcento) – Installation of cogenerator (Valdilana)	Electric – Thermal/Electric
2020	TARCENTO	Installation of condensing boiler	Thermal
2021	TARCENTO	Renovation of the roof of the production facility, including insulation	Electric
2022	1. TARCENTO 2. VALDILANA	1. Renovation of the roof of the building where it is located and installation of 562 kWp photovoltaic system 2. Renovation of the roof of the building where it is located and installation of 729 kWp photovoltaic system	Electric
2023	VALDILANA	Installation of 1400 kWp photovoltaic system and stenter exhaust heat recovery	Electric



5.2.1 Energy balance sheet

During the past ten years, Botto Giuseppe e Figli S.p.A. has invested considerable economic and human resources in the development of environmentally sustainable projects. Efficiency and energy savings, producing electricity from renewable sources, cogeneration and optimisation of production processes are, have been and will continue to be strategic issues in the future.

If a global energy assessment is carried out for the production facilities using renewable resources and investments in energy efficiency and savings, it can be proudly concluded that Botto Giuseppe e Figli S.p.A. uses 83% electricity from renewable sources. 2023 saw a sizeable increase in the proportion of self-produced renewable energy. The year was positive from the point of view of rainfall, which allowed the Tarcento hydroelectric plant to work at high speeds with satisfactory production. In March, the second photovoltaic plant at Valdilana came into operation, which develops a capacity of 1400 kWp, and thanks to this investment in 2023, there has been a drop in the amount of electricity purchased from the grid and a decrease in the production of electricity from high-efficiency cogeneration, with a lower consumption of methane gas.

The hydroelectric plant next to the Tarcento factory has a production capacity that exceeds the facility's requirements, so the excess energy is put into the grid. The company owns a smaller hydroelectric plant that uses the minimum vital flow of the Torre stream. It produces about 1,300,000 kWh/year and it is entirely fed into the grid. For each MWh of renewable electrical energy provided to the grid, the Energy Services Manager issues a GO (Guarantee of Origin) with annual validity for the amounts transferred and offset by the Botto Giuseppe facilities through a dedicated web portal. The purpose of the GO is to certify that the electrical energy fed into the grid was produced by a certain plant and that it came from renewable resources.

Botto Giuseppe e Figli S.p.A. uses offset certificates of Guarantees of Origin to declare that the energy purchased from the grid comes from renewable sources. In addition, the remaining share of GO certificates is used to offset the amount of CO₂ emitted from the combustion of methane gas from the cogenerator, to generate the equivalent in kWh of electricity.



OF ELECTRICITY FROM RENEWABLE RESOURCES AND THE REST FROM COGENERATION SOURCES

ISO 50.001 CERTIFICATION

The company has started and concluded the process of adapting the procedures of the ISO 50001 energy management system, carrying out the internal audit for external or third-party certification at the end of the year. In 2024, it began accreditation for ISO 45001, whilst the ISO 50001 and 14001 certifications are scheduled to be acquired in 2025.

At present, the goal for company certification under ISO 14.001 remains established until 2025.





CHART OF ENERGY CARRIERS 2023

TOTAL ENERGY REQUIREMENTS OF BOTTO GIUSEPPE E FIGLI S.p.A.

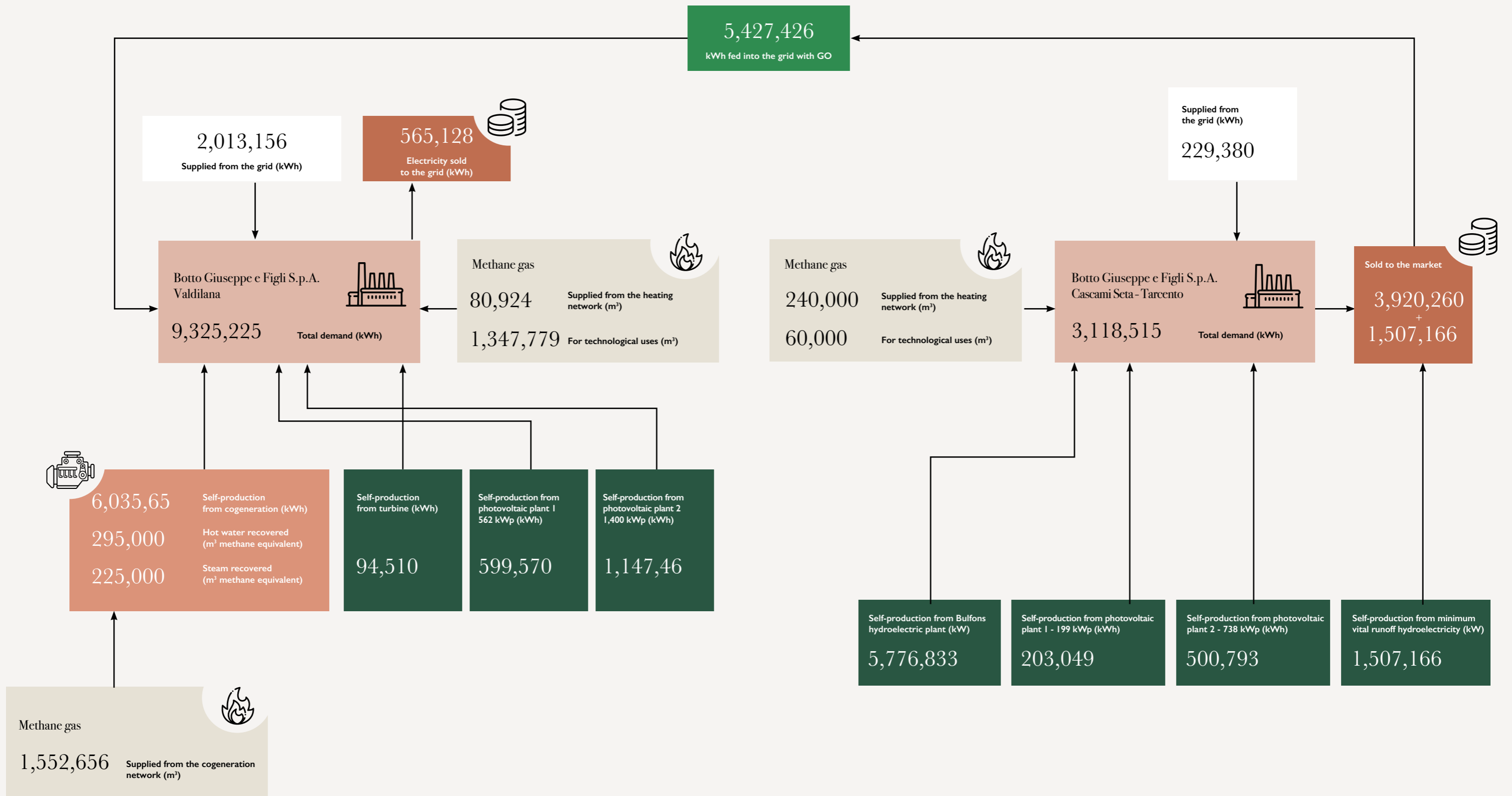
12,443,739 kWh

TOTAL PRODUCTION OF ELECTRICITY FROM RENEWABLE SOURCES

10,158,101 kWh

ENERGY FROM RENEWABLE SOURCES

83%



5.3 Responsible use of chemicals and harmful substances

The ZDHC foundation oversees and implements the ZDHC Roadmap to Zero programme, a holistic approach to tackling hazardous chemicals in the global textile supply chain. With the goal of achieving zero hazardous chemicals in discharged water, the ZDHC programme identified targeted actions for implementation along the value chain of textile industries with safer chemical management. The ZDHC programme currently includes a collaboration of 30 signatory brands - 115 value chain affiliates and 21 associates.

IN 2019, BOTTO GIUSEPPE E FIGLI S.P.A. JOINED THE ZDHC PROTOCOL

ZDHC requires companies to implement a protocol of activities that involves strict adherence to requirements and constant monitoring of the chemicals used in processing. This task is assigned to a Chemical Manager (CM) appointed from Botto Giuseppe e Figli S.p.A.'s pool of employees. The CM has the relevant basic knowledge obtained by completing a specific training course with experts in the field. Chemicals are only purchased after receiving the relevant Safety Data Sheet (SDS) and only after verification by the CM, in accordance with ZDHC's safety regulations and standards, other client specifications, and the approval of the company doctor.

The mapping of the production chain has made it possible to identify the categories

9. RESPONSIBLE USE OF CHEMICALS AND HARMFUL SUBSTANCES

Two goals have been identified:

- Practices of reducing and/or removing toxic and harmful substances from processes, products and waste
- Chemical batch traceability.

To achieve the first goal, it is necessary to eliminate or reduce the chemicals containing toxic and/or harmful substances used in production processes (-5% compared to last year).

There are also plans to increase compliance of the chemical inventory with ZDHC level 3 (at least 80%).

With regard to the traceability of chemical batches, the company plans to implement computerised tracking of batches of chemicals used in the production stages.

of chemicals at risk and to manage their use in production and on items produced according to the following criteria:

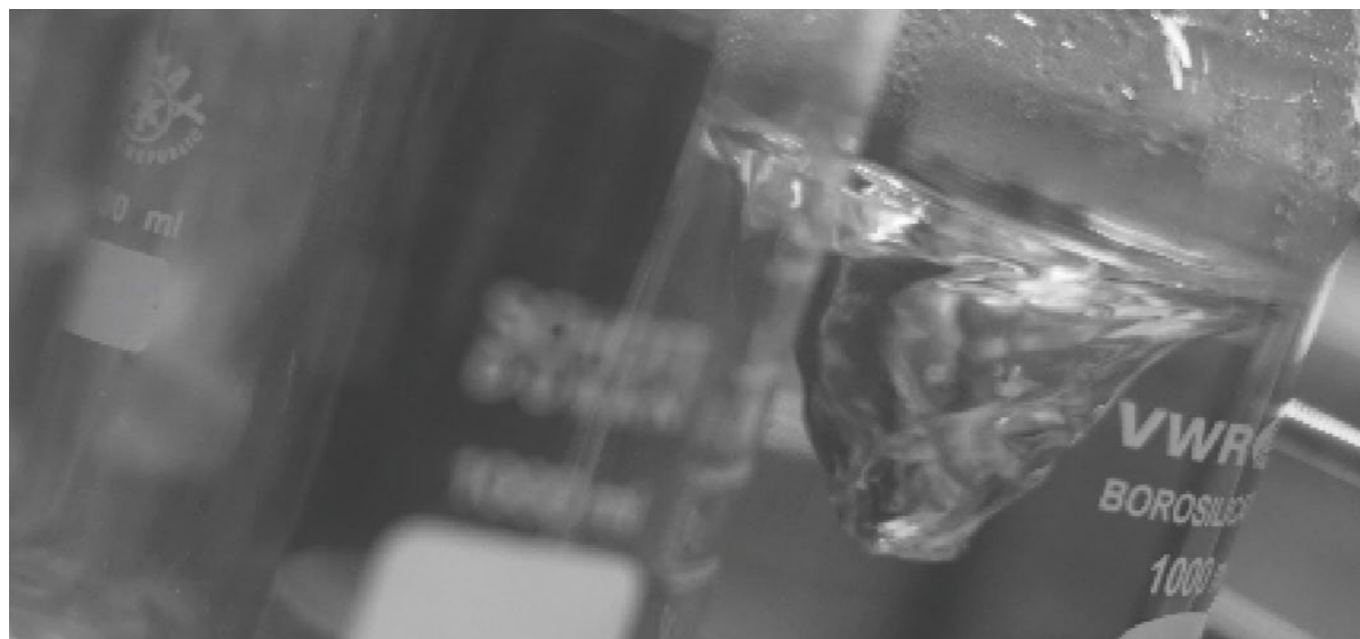
- for the purchase of chemicals, for the management and elimination of any toxic and harmful substances still in use through the MRSL (Manufacturing Restricted Substances List);
- for the purchase of chemicals and their use on the finished garment through the PRSL (Product Restricted Substances List).

The procedure was used to create the Chemical Inventory according to the ZDHC Conformance Guidance.

Botto Giuseppe e Figli S.p.A. achieved the following results in accordance with the levels proposed by ZDHC:

		NO. OF PRODUCTS	%
COMPLIANT	Level 1	36	11.69
	Level 2	0	0.00
	Level 3	173	56.67
NON-COMPLIANT		2	0.65
UNCERTAIN		97	31.49
	Total	308	100.00

209 products are excluded from the list because they are for maintenance use only or because they are pure chemicals (such as acids, salts, etc.), meaning they are not to be counted amongst ZDHC products.



In order to spread and share adherence to the ZDHC protocol throughout the supply chain, the company has organised training meetings with supervisors and internal employees, online or via communications and information on specifications, with its suppliers.

To achieve complete control of the chemical impact along the supply chain, it is necessary to involve all suppliers who use products or chemicals in production processes.

This presupposes a direct collaboration with suppliers who share the values in compliance with the ZDHC PRSL list adopted by Botto Giuseppe e Figli S.p.A.

Guidelines updated to version 2.1 of the ZDHC Wastewater Guidelines document were adopted in 2022

Even according to the new content verification standards, there were no anomalies or non-conformities in the results of the sewage and wastewater analyses.



5.4 Efficient use of water

Botto Giuseppe e Figli S.p.A. has always valued water resources, which are essential for textile processing, and has always attached great importance to their correct management during industrial processes by streamlining consumption and encouraging recycling.

The company actively monitors the quality of water leaving the production sites, with prompt, precise surveillance along the water route.

It is equipped with complex infrastructures for capturing surface water from the Poala and Strona streams, transporting it, storing it and distributing it to production departments. All these water activities are authorised by specific State Concessions pursuant to the Decree of the President of the Regional Council 29 July 2003 no. 10/R, which regulate the use of public waters for industrial use, setting out precisely the places and methods of abstraction, the maximum quantities that can be taken and the methods of return to the stream. The company was founded along the course of the Strona stream, a strategic location which, from the very outset, has provided excellent access to water resources within the confines of company property and their subsequent post-treatment release into the waterway.

10. EFFICIENT USE OF WATER
In this case, water is recycled with a 30% return on the wastewater treated by the internal purifier.

The impact of the textile industry on water resources is exceptionally high in terms of both quality and quantity, so the company's cautious approach and the implementation of monitoring and improvement plans for resource management become crucial in order to ensure a prosperous future for the industry and the environment.



PROCESS WATER CONSUMPTION

ANNUAL TOTALS	TOTAL DEPARTMENT METERS
2021	341,224
2022	437,434
2023	379,768

Unit of measurement: m³

Water consumption in 2023 was lower than in the previous year. There was a slightly lower value of kg of finished-dyed products at the end of the year, which is why the amount withdrawn was lower. After targeted monitoring, we identified and subsequently implemented an opportunity to recycle it internally, and intervening on the finishing lines allowed for 10% of total annual water consumption to be recycled water. In determining the actual water index, the aforementioned recycling intervention was taken into account, along with the hot water recovered from the cooling of the dyeing vats, which is why a significant decrease can be seen. Installation was completed for the 14 flow meters on the piece-dyeing and top-dyeing lines, along with some specific finishing machines. Thanks to the remote monitoring of the system, a clear picture of the consumption distribution was obtained, allowing for precise analyses to be performed on the specific consumption of individual machines/lines.

ACTUAL WATER INDEX PER KG FINISHED-DYED PRODUCTS

362	334	250
2021	2022	2023

Unit of measurement: L/kg



WATER FOOTPRINT

THE WATER FOOTPRINT IS A MULTIDIMENSIONAL INDICATOR THAT MEASURES THE TOTAL VOLUME OF FRESH WATER USED DIRECTLY AND/OR INDIRECTLY TO MAKE A PRODUCT OR PROVIDE A SERVICE, AND MORE GENERALLY TO RUN THE ORGANISATION'S BUSINESS AS A WHOLE.

The assessment takes into account impact parameters related to water use and withdrawal - scarcity - as well as values related to health and biological impacts affecting people and natural systems.

Reporting an exhaustive inventory of flows on water use can improve knowledge of the organisation's impact. It is a tool that is becoming an increasingly relevant managerial aspect for relations with stakeholders, in part due to the emergence of new choices and requirements geared towards reducing environmental impacts.

This study is conducted with the aim of measuring the organisation's water footprint, including installations within its organisational boundaries. Input and output flows are quantified according to the following impact categories:

- Acidification
- Eutrophication
- Water Scarcity
- Freshwater Ecotoxicity

The results show that in addition to the direct consumption of water derived from withdrawal from the stream for production processes, there is a strong influence on Acidification, Eutrophication and Water Scarcity for the supply of raw materials - especially wool and cotton - whilst in the Freshwater Ecotoxicity impact category, the consumption of chemicals plays a crucial role.



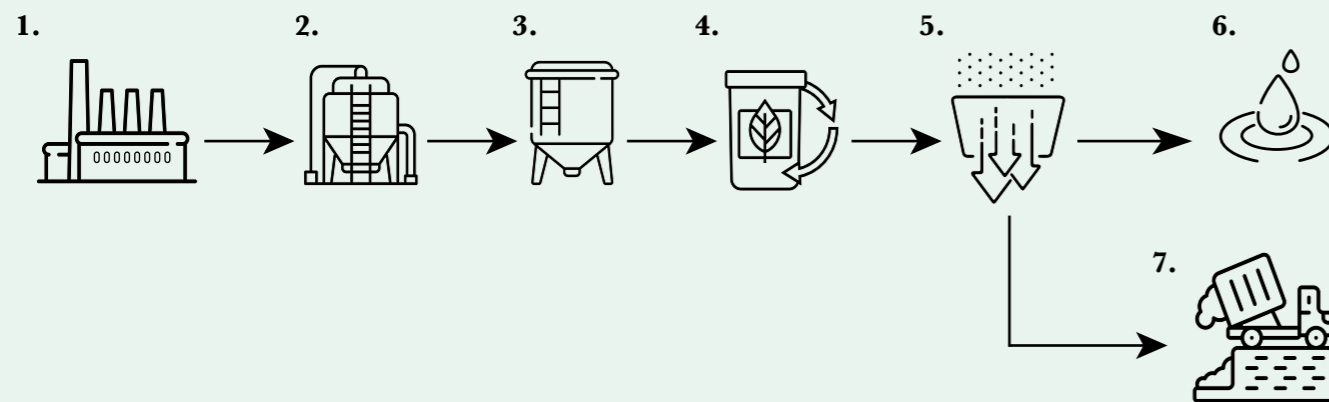
5.4.1 Purification

Botto Giuseppe e Figli S.p.A. is registered as a manufacturer with direct discharge. This means that the company produces slurry, mainly through production activities in dyeing and finishing textiles, and treats the used water in an internal water purification system.

The system was first built in the 1990s and has been updated several times in subsequent decades. It currently consists of:

- a storage tank;
- a homogenisation tank;
- a tank containing organic sludge;
- a settling tank;
- a tank in which the hyperoxygenation process takes place;
- two active carbon abatement filters.

1. The factory produces slurry
2. Wastewater is sent to storage tanks and then homogenisation tanks
3. It then passes into the biological tanks
4. And subsequently into the settling tank
5. Finally, through the hyperoxygenation process and the use of activated carbon, the remaining solid residue is removed
6. The purified water is reintroduced into the surface water
7. Sludge is disposed of by authorised transporters and disposal companies



By the end of 2024, the company plans to add another section containing a denitrification system, which will allow us to optimise the quality of the water treated during discharge. Particular benefits will also be found in the installation of a wastewater recirculation system, which will allow this resource to be used directly in production processes.

The company concentrates most of its resources to obtain ever-improving results in protecting the environment, which has always been its pride and joy. As such, in the case of the purifier, the quality of post-treatment discharges is a parameter that is monitored efficiently and on a monthly basis; the company has its wastewater analysis performed by an Accredited

certified authorised laboratory, in order to ensure that the outflows comply with national and local environmental regulations.

By 2024, there are plans to add two additional sections containing a denitrification and ozonation treatment, which will make it possible to obtain post-treatment water values that grow consistently better and cleaner, so that the results are colourless and contain fewer surfactants. In 2024, we will also install an ozonation plant which will allow for improved wastewater treatment. In 2025, with the installation of a membrane filtration plant, further benefits will be provided by the construction of a wastewater recirculation plant, which will allow for treated water to be reused directly within production processes.

In 2019, after adhering to the ZDHC protocol and to ensure maximum corporate transparency in the use of chemicals, Botto Giuseppe e Figli S.p.A. adopted a second twice-yearly test on water entering and leaving the treatment plant according to the directives in the ZDHC Wastewater Guidelines, currently on version 2.1.

These analyses are carried out by laboratories accredited by Accredia and recognised by ZDHC. The results of the ZDHC analyses are published in the company profile available on the ZDHC Gateway, on which the company is registered.

All the analyses carried out have proven compliance with the legal limits for all the parameters laid down in the regulations in force and in the customer or voluntary specifications to which Botto Giuseppe e Figli S.p.A. has committed itself, including ZDHC itself.

Below are the main values of interest for wastewater analysis for environmental purposes, as they are indicative - in the event that they fall outside the parameters of tolerance - of environmental anomalies or pollution. The periodic monitoring described makes it possible to act immediately if test results are close to or, worse, over the tolerability limits.

AVERAGE ANNUAL VALUES

PURIFIER DISCHARGE	2019	2020	2021	2022	2023	LIMIT
pH	6.4	6.8	7.1	6.9	6.1	-
COD	39.64	38.8	36	39	29.9	160
Ammoniacal nitrogen	0.39	1,68	1.26	3.85	0.76	15
Total suspended solids	8.00	7.36	4.91	8.82	8.00	80
Total phosphorus	0.69	0.72	0.4	0.39	0.63	10
Total surfactants	1.01	0.87	0.88	0.82	0.80	2

Unit of measurement: mg/L excluding pH value

Compared to the data in the reports from previous years (2020-2021-2022), we felt it appropriate to replace the 'ammonia' parameter with the more correct 'ammoniacal nitrogen'. This is an important parameter in biological purification units for active slurry because, if problems or anomalies occur, it grows rapidly and takes time before it can normalise.

For greater safety and protection of waterways, Botto Giuseppe e Figli S.p.A. maintains an emergency connection to the CO.R.D.A.R. Valsesia consortium collector, belonging to the Valdengo (BI) purification plant. In the event of possible spills, the collector prevents pollutants from reaching surface or underground water, even if the purifier is particularly con-

gested or after interventions that limit its capacity to handle pollutants.

In recent years, there have been no problems with malfunctions involving sewage spills from the purification plant into surface or underground waters.

5.5 Mitigation of air emissions

Botto Giuseppe e Figli S.p.A. keeps a vigilant eye on its emissions, strictly complying with the limits set by Italian and European regulations, and recording constant emissions that are particularly low compared to the limits themselves.

These results are achieved through constant monitoring of emissions produced by the thermal power plant and departmental burners, which are checked daily by company employees, and monthly and every six months by external companies and specialist technicians. Annual checks are carried out by a qualified laboratory. In 2023, there was an overall improvement compared to previous years, with reductions seen in both in NOx and CO values.

12. MITIGATION OF AIR EMISSIONS (GREENHOUSE GASES) AND AIR QUALITY
The goal is to adopt policies to reduce carbon emissions from transportation. We must use carriers with an electric fleet or who are improving the efficiency of transportation of raw materials and items.

BOTTO GIUSEPPE E FIGLI S.P.A. IS ACTIVELY ENGAGED IN REDUCING THE AMOUNT OF CO₂ RESULTING FROM ITS PRODUCTION PROCESSES.

Since 2005, interventions such as modernising the thermal power plants and replacing boilers with condensing systems, replacing neon bulbs with more durable and efficient LED bulbs, as well as installing hydroelectric turbines and photovoltaic plants have enabled the company, in the space of just over 15 years, to reduce its emissions by 60% and become almost completely self-sufficient with regard to its electricity needs.

The phasing out of combustion engine-powered company vehicles in favour of hybrid or fully electric vehicles has also contributed to the transition towards a low-CO₂ impact model.

These results are by no means a finish line, but rather a goal to start again from, with the objective for the immediate future being achieving total energy independence for all our electricity needs. A goal made feasible by the commissioning of two new photovoltaic plants - in 2022 and 2023 - which will serve to reduce the amount of natural gas purchased from the network and decrease our demand.

The graph below takes into account the impact in kg of CO₂ that the company emits, derived from its overall consumption of methane gas and electricity for production activities. It also shows the most important measures implemented from 2001 all the way through to 2023. The installation of a natural gas cogeneration plant reversed the trend in 2019, and it was subsequently optimised in terms of consumption and electricity produced, confirming the downward trend of CO₂ emissions which had begun in previous years. The lowest emissions found in 2020 was due to the significant drop in production caused by the pandemic.

WE CAN SEE A SLIGHT INCREASE IN EMISSIONS IN 2023 COMPARED TO THE PREVIOUS YEAR, BUT IF COMPARED TO THE INCREASE IN PRODUCTION, THE INFORMATION IS DECIDEDLY POSITIVE.



COMPANY FLEET

23

TOTAL VEHICLES IN 2023

12

ELECTRIC AND HYBRID

-60%

OF ITS EMISSIONS

NOX FROM GENERATORS	2020	2021	2022	2023
Average (mg/Nm ³)	80	78.8	67.8	65
Limit: 150				

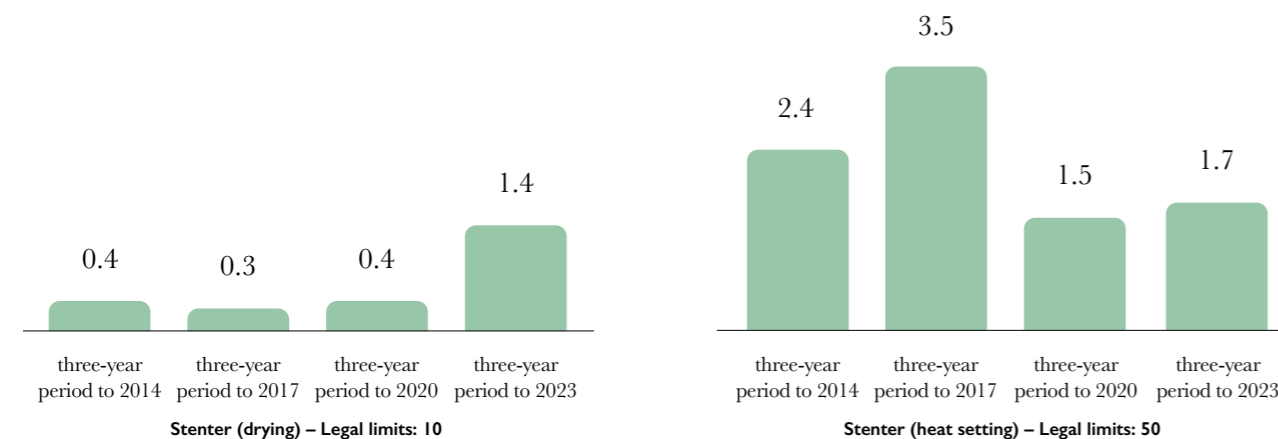
CO	LIMIT 100
2021	3
2022	1.5
2023	1

A different story, however, is told by the dust and oil mists resulting from the production processes in the finishing operations using the stenter, where there was an increase in the drying values; following an investigation carried out after receiving the analyses, it was found that this was an isolated case of processing on a particularly demanding article, which releases more emissions than other processes do on average.

DUST EMISSIONS - INCLUDING OIL MISTS (MG/NM³)

The renewal of these analyses is scheduled for 2026, as specified in the standard.

However, it should be noted that the value found was 7 times lower than the maximum limit allowed by law.

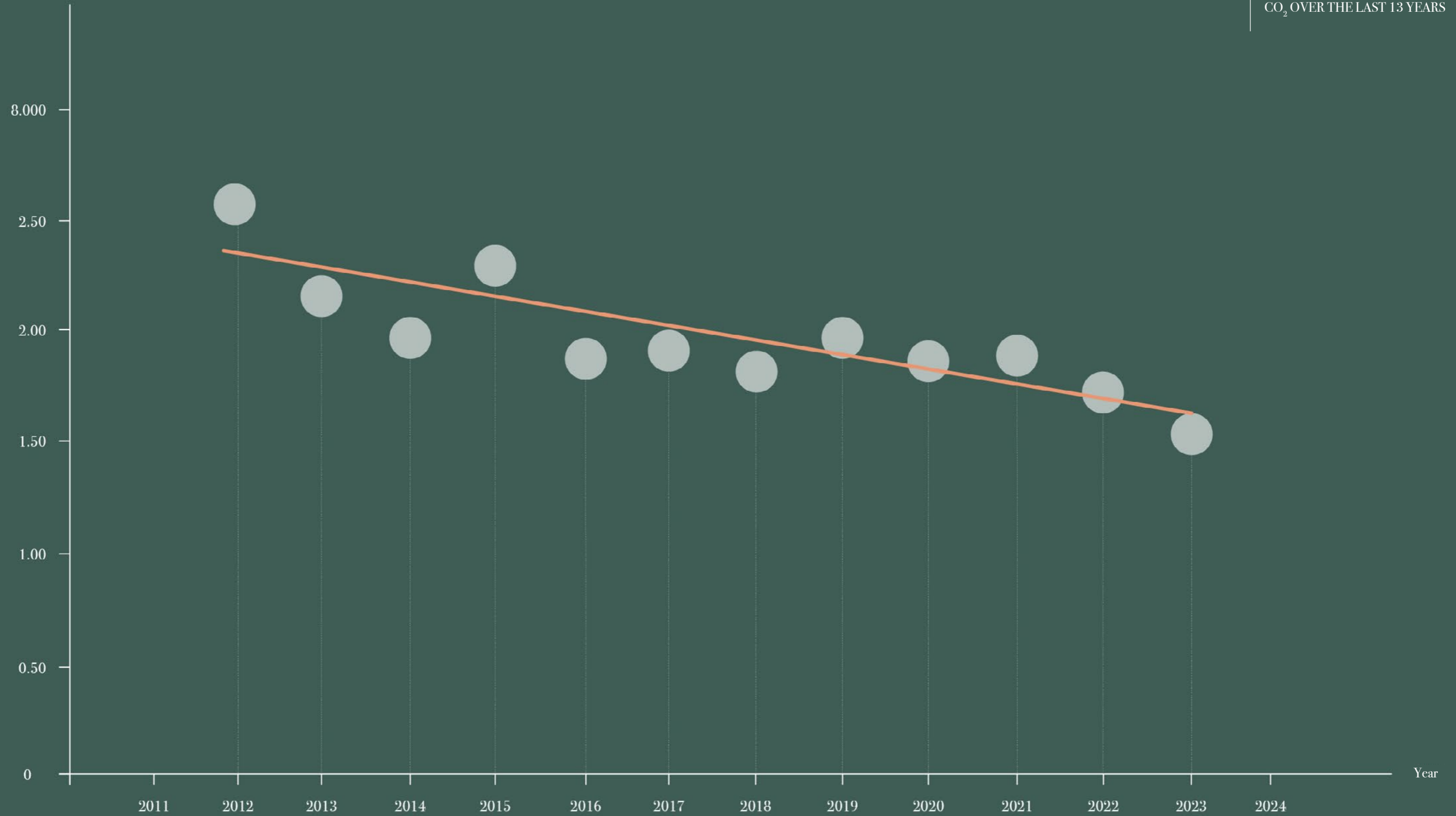




REDUCTION IN CO₂ EMISSIONS INDEX OVER THE LAST 10 YEARS

CO₂ emissions intensity
Kg CO₂/Kg processed

-65%
CO₂ OVER THE LAST 13 YEARS





EMISSIONS SCOPE 1 - SCOPE 2

Internal calculations were made to learn the amount of greenhouse gas (GHG) emissions deriving from direct consumption (Scope 1) and indirect consumption (Scope 2). For comparison with the previous year, the values shown were obtained using the same calculation methods:

- Scope 1: Emissions related to methane gas consumption
- Scope 2: Emissions related to the purchase of electricity

In the first half of 2023, the electricity used was purchased from the grid, whereas for the second half, the facilities used the energy fed directly into the grid from the Tarcento plant. Thanks to the offsetting of the Guarantees of Origin at the Valdilana plant, the energy purchased in the first half of the year is also considered renewable, which is why the Market-Based value is zero.

The baseline year for reporting the reduction of GHG emissions is 2022, compared to which there was a 2.4% decrease in GHG emission intensity, mainly as a result of the commissioning of the new 1400 kWp photovoltaic plant on the roof of the spinning and twisting department at Valdilana.

EMISSIONS SCOPE 1
Greenhouse gas (GHG) emissions generated by sources (physical units or processes) of GHG, owned or controlled by the company (e.g. combustion of fossil fuels: boilers, gas turbines, boilers, combustion of fossil fuels for transport, direct emissions from industrial processes). The control exerted by a company over its emission sources can be financial or operational.

EMISSIONS SCOPE 2
Greenhouse gas emissions from the production of electricity, heat or steam imported and consumed by the company.

DIRECT GHG EMISSIONS - SCOPE 1	2021	2022	2023
Scope 1 *(1)	7,088	7,502	6,899
DIRECT GHG EMISSIONS - SCOPE 2	2021	2022	2023
Scope 2 – Location Based *(2)	837	990	742
Scope 2 – Market Based *(3)	314	-	-
Total	7,402	7,502	6,899
Emission intensity [kg CO2 eq./kg processed]	2.61	2.13	2.08

Unit of measurement: tonnes/CO₂

2.4%
REDUCTION OF
GHG EMISSIONS

*(1) Emission factors from 'Greenhouse gas reporting: conversion factors 2023' for the year of reference
*(2) Emission factors from 'European Residual Mixes Association of Issuing Bodies'
*(3) Emission factors from energy mix declared by the electrical energy supplier





5.5.1 Carbon footprint

In 2023, the calculation of the organisation's Carbon Footprint was completed, with the second year of the study bringing it into the context of a broader project aimed at making the company aware of the impacts associated with its production process and, as such, its procurement decisions and/or production model. This type of study makes it possible to measure an organisation's total footprint, in terms of GHG emissions, with respect to the environmental issue of Climate Change.

Simapro calculation software was used to develop the calculation model and use the recognised databases, allowing us to use the available and recognised emission factors.

The project was conducted by Process Factory according to the reference regulations and guidelines:

- UNI EN ISO 14064 (20219) specifications and guidance, at the organisational level, for the quantification and reporting of greenhouse gas emissions and their removal;
- Greenhouse Gas Protocol.

The report was completed for the period spanning 01/01/2022 – 31/12/2022, taking into account the activities of both the Valdilana and Tarcento facilities.

From an analysis of the results that emerged according to the ISO 14064 methodology, it is clear that the largest contribution in terms of GHG emissions comes from categories 3-4, which correspond to indirect emissions from the supply of raw material, transportation and consumables. Raw materials alone account for 81% of the overall impact.

DIRECT GHG EMISSIONS - Kg CO ₂ eq.	INDIRECT GHG EMISSIONS - Kg CO ₂ eq.		TOTAL Kg CO ₂ eq.
Category 1	Category 2	Categories 3 & 4	
5,615,329.07	244,076.97	43,267,867.42	49,127,273.47
11.43%	-88.57%		

ISO 14064	2021	2022	DELTA
Total CO ₂ per kg of product	50.42	43.77	-13.2%

Unit of measurement: kg CO₂ eq./kg

Analysing the results provided by the Greenhouse Gas Protocol methodology

DIRECT GHG EMISSIONS - Kg CO ₂ eq.	INDIRECT GHG EMISSIONS Kg CO ₂ eq.		TOTAL Kg CO ₂ eq.
Scope 1	Scope 2	Scope 3	
5,615,329.07	244,076.97	3,143,691.64	9,003,097.69
62.37%	2.71%	34.92%	

The GHG Protocol methodology does not include the impact contribution attributed to raw materials in Scope 3. As producers of a semi-finished product, these are accounted for by the brand that will place the finished product on the market. As such, the Scope 3 category is represented by transportation and use of consumables, chemicals, packaging and waste generation.

ISO 14064	2021	2022	DELTA
Total CO ₂ per kg of product	13.97	8.02	-42.6%

Unit of measurement: kg CO₂ eq./kg

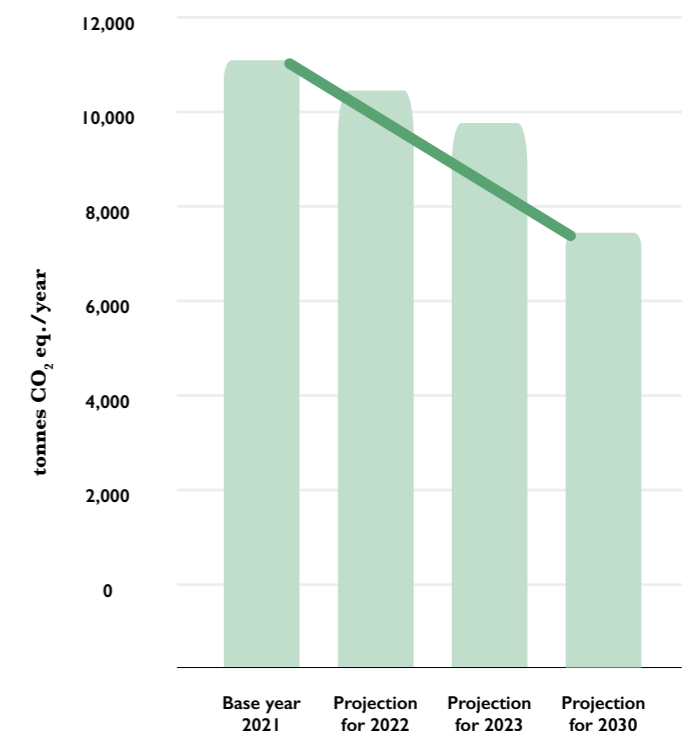
The intensity of CO₂ eq. emissions per kg is significantly lower than in 2021: a slightly misleading figure, given the suboptimal production conditions caused by the pandemic, though the decrease is also partly justified by the installation of the two photovoltaic plants in Valdilana and Tarcento.

IMPROVEMENT TARGETS

Science-Based Targets are targets to reduce greenhouse gas emissions in line with what the scientific community claims are necessary to achieve the goals of the Paris Climate Agreement.

This involves limiting global warming to less than 2°C above pre-industrial levels and pursuing the goal of limiting global warming to 1.5°C.

The **Well-below 2°C option** represents a commitment to reduce absolute Scope 1 and Scope 2 GHG emissions by 30% by 2023 (2021 base year) and to measure and reduce Scope 3 emissions.





5.6 Responsible use of resources and materials

The sustainable fashion of Botto Giuseppe e Figli S.p.A. aims to establish a harmonious relationship with both the environment and people, within a system of full and absolute transparency.

We travel the world to find the best raw materials from farms that share our vision.

SUSTAINABILITY IS THOUGHT THAT TRANSLATES INTO PROFOUND STRENGTH IN ALL STEPS ALONG THE SUPPLY CHAIN, TO OBTAIN EXCELLENT RESULTS IN TERMS OF PRODUCTS, PEOPLE AND WORKPLACES.

14. RESPONSIBLE USE OF RESOURCES AND MATERIALS

There are two goals: to design and develop sustainable products and to use certified, sustainable and traceable raw materials.

To achieve the first goal, it is necessary to design items according to the basic principles of sustainability.

Only RWS-, SFA-, GRS- and GOTS-certified raw materials may be purchased in order to achieve the second.



NATURALIS FIBRA COLLECTION

The Naturalis Fibra collection is a range of sustainable yarns created in response to the need to protect the environment and its values.

The Naturalis Fibra collection is a unique corpus of yarn types with sustainable requisites, processed with care on modern machinery by experienced technicians. It is a modern project aimed at achieving sustainable luxury where materials of different origin coexist in the same style.

THE ENTIRE TRACEABLE PROCESS, FROM THE SOURCING OF RAW MATERIALS TO PRODUCTION, FOLLOWS A WELL-STRUCTURED AND DEFINED THOUGHT PROCESS, WHICH AIMS TO GENERATE THE LEAST POSSIBLE IMPACT ON THE ENVIRONMENT.

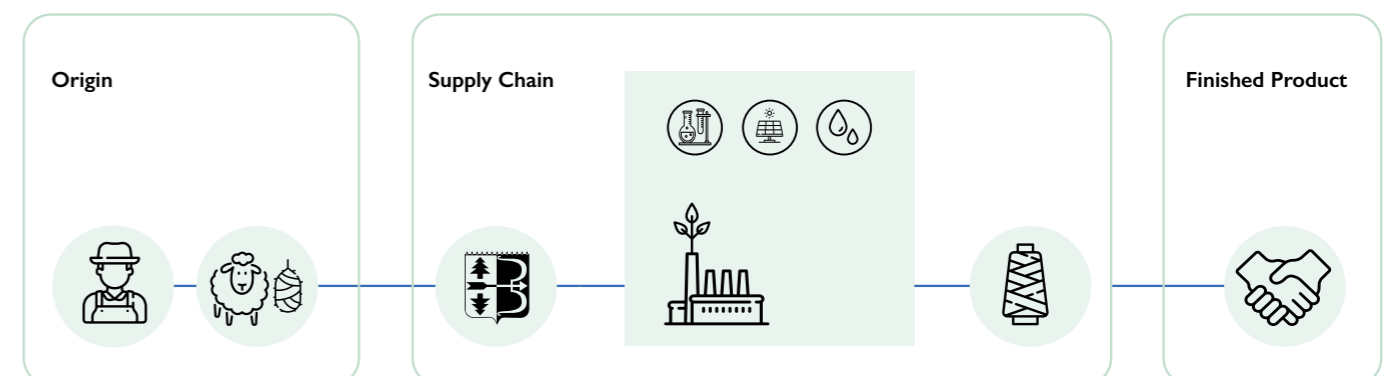
This is the company's commitment, a pact made with itself and future generations. The original raw material is RWS-certified wool, featuring traceability along the supply chain and sourced from controlled farms that prioritise animal welfare, land reclamation and responsible land management.

The Naturalis Fibra yarn collection is a tangible way of doing our part for the planet and people.



PILLARS OF THE NATURALIS FIBRA COLLECTION

- Search for natural materials and manufacturers with high transparency and sustainability criteria;
- Environmentally-friendly production system;
- Focus on treatments and dyes.





**CRADLE TO CRADLE CERTIFIED™
PRODUCT EVALUATION SHEET**

Material Health	Platinum
Material Reutilisation	Gold
Renewable Energy, Carbon Management and Water Stewardship	Gold
Social Fairness	Gold
Overall certification level	Gold

Naturalis Fibra yarns were upgraded to Gold-level Cradle to Cradle™ certification in 2022

TYPES OF WOOL



The types of wool in the Botto Giuseppe e Figli S.p.A. Naturalis Fibra collection have excellent sustainability certifications, RWS and Cradle to Cradle™ certification.

TYPES OF CASHMERE



FLAIR yarns by Botto Giuseppe e Figli S.p.A. are part of the sustainable Naturalis Fibra collection. They are certified by Cradle to Cradle™, The Good Cashmere Standard (GCS), and Sustainable Fibre Alliance (SFA). The latter two are sustainable raw material certifications for cashmere and promote the adoption of responsible production practices that minimise environmental impact, safeguard herder livelihoods, and meet high animal welfare standards. They also guarantee traceability along the entire supply chain.

TYPES OF SILK

Botto Giuseppe e Figli S.p.A. is currently aiming to earn the GOTS certification, which will ensure improved traceability, quality and transparency throughout the entire silk supply chain.





OUR CERTIFICATIONS

It is abundantly clear that the market is tending towards an increasingly strong demand for certified products. The company is embracing this market trend by increasing the raw materials and certified processes in its offer.

This decision requires an unwavering commitment in terms of resources for the proper management of the stringent regulations required by the certifications involved.

Being capable of managing these various certifications necessarily involves developing specific processes that regulate their activities, as well as developing computer systems to ensure that the information can be managed better and more dynamically.



CRADLE TO CRADLE

Cradle to Cradle™ certification is an approach that adapts industrial models to nature, converting production processes and assimilating the materials used to natural elements that must, therefore, be renewable. The Cradle to Cradle™ certification assesses safety, circularity and responsibility with regard to materials, products, and systems, dividing them into five categories: material health, product circularity, clean air & climate protection, water & soil stewardship, and social fairness.

Cradle to Cradle™ certification plays an important role: connecting the supply chain with all other actors in the value chain to obtain the highest level of sustainability. Over the course of 2023, the company undertook courses for the certification of Montevideo Tec yarn and cashmere fabric made with Flair yarn.



RESPONSIBLE WOOL STANDARD

RWS is a quality certification for the origin of wool from controlled farms that pay particular attention to animal wellbeing, recovery of the natural landscape, and responsible land management. RWS certification guarantees that the wool is carefully selected, traceable and monitored along the entire supply chain, from origin to finished product.

Botto Giuseppe e Figli is RWS certified
Certified by ICEA
ICEA-TX-973
Only the products which are covered by a valid transaction certificate are RWS certified



GRS (GLOBAL RECYCLED STANDARD)

This is recognised as the most prominent international standard for sustainable manufacturing of clothing and textiles made from recycled materials. It is promoted by Textile Exchange, one of the most important international non-profit organisations for responsible and sustainable development in the textile sector. The standard recognises the importance of recycling for the growth of a sustainable production and consumption model, with the aim of encouraging the reduction of resource consumption (virgin raw materials, water and energy) and increasing the quality of recycled products.

With GRS, a third-party verified environmental statement is issued that ensures the recycled content of both intermediate and finished products, the maintenance of traceability throughout the production chain, restrictions on the use of chemicals, and compliance with environmental and social criteria at all stages of the production process, from the recycling of materials through the subsequent manufacturing stages to the labelling of the finished product.





BCI (BETTER COTTON INITIATIVE)

Some highly technical yarns combine the properties of cotton with those of silk and wool. In this situation, it is guaranteed that 100% of the cotton purchased and processed comes from BCI-accredited sources, i.e. from cotton farmers who adhere to the world's largest agricultural sustainability programme for cotton.



GOOD CASHMERE STANDARD

The Good Cashmere Standard® certifies sustainable cashmere and assesses the level of care and well-being of cashmere goats, as well as the living and working conditions of breeders. Traceability is managed through a dedicated portal according to a system of mass balance.



SFA (SUSTAINABLE FIBRE ALLIANCE)

The Sustainable Fibre Alliance is a non-profit association that aims to reduce the environmental impact of cashmere to a minimum, while safeguarding sustainable animal husbandry methods and guaranteeing high standards of animal welfare.

Today, the sustainability of cashmere is threatened in several ways: political transitions and the global demand for this luxury fibre have produced a significant increase in the number of goats, which, along with climate change, has generated excessive use of the land, thus compromising the well-being of animals and breeders. The SFA offers a holistic and globally recognised standard that engages with the main questions of sustainability related to the production of this fibre. It provides guarantees for responsibly produced cashmere and guarantees a system for tracing the chain of custody from start to finish.



4SUSTAINABILITY

The 4sustainability project is a registered trademark and structure that concretises the sustainability performance of the Fashion & Luxury supply chain. Granting and maintenance of the mark depend on the implementation of one or more coherent initiatives, as well as compliance with rigorous requirements, which is constantly monitored.

Every 4sustainability initiative is based on and purposed for one or more Sustainable Development Goals (SDGs), which are represented by six pillars referring to the world of sustainability.



LAND TO MARKET

Products with Land to Market certification come from farmland where regenerative techniques are used along with responsible, holistic methods that restore the land and protect the health of the soil, water, and biodiversity through the integration of crops, trees, and livestock. Land to Market is the world's first verified and results-based regenerative procurement solution.



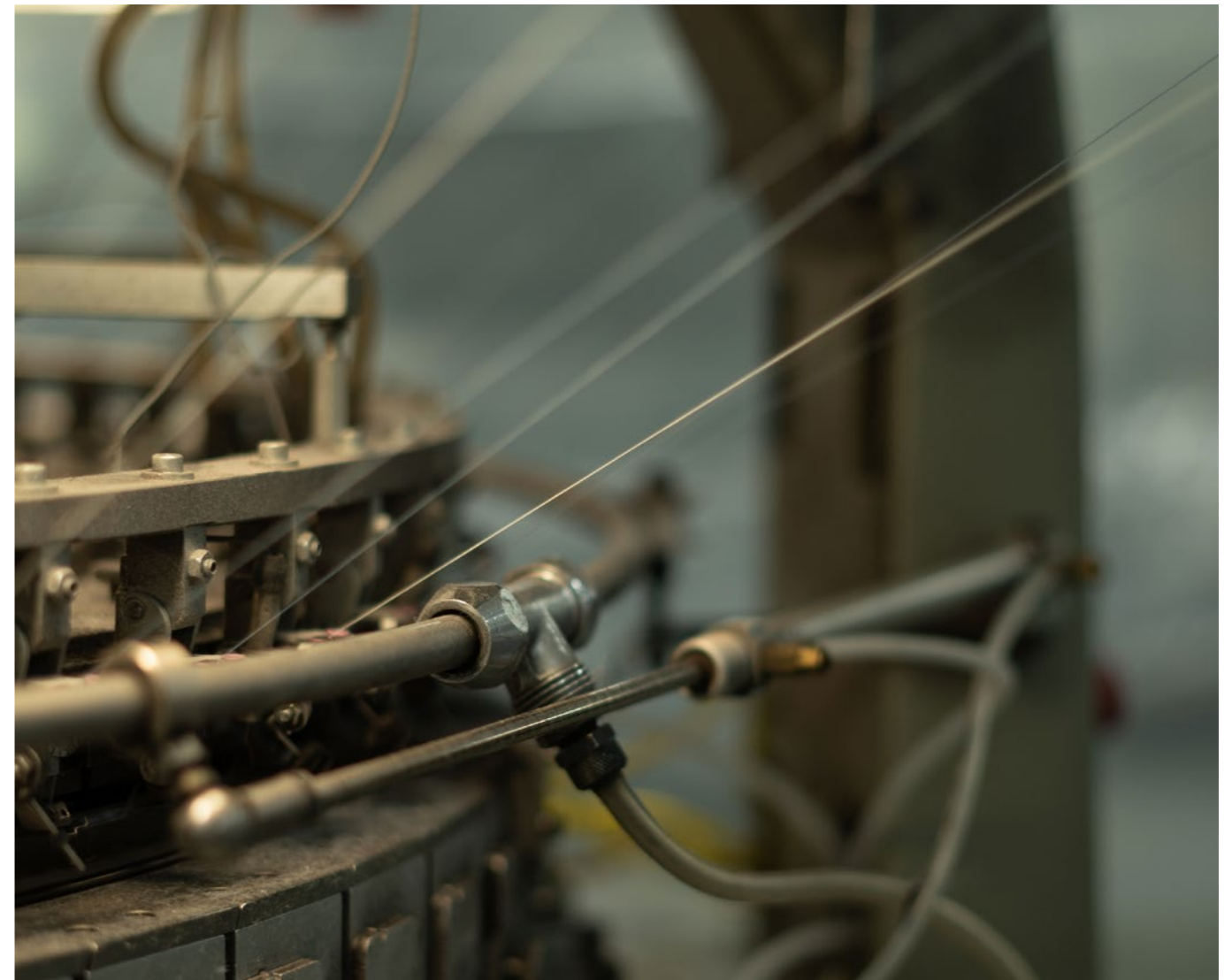
WOOLMARK

WoolMark is the certification of pure virgin wool and represents an international production quality mark. The WoolMark Company promotes wool through product quality control, applying a universal certification system with restrictive specifications and defined quality standards.



TESSILE E SALUTE CERTIFICATION

The entire supply chain is traced, processes where chemicals are used are monitored, and chemical mixtures evaluated according to the requirements of the project are shared with the Ministry of Health and Consumer Associations. The chemical mixtures used, the textile raw materials and the processed and finished articles must comply with the requirements of the National Chamber for Italian Fashion Guidelines. The certification also offers an additional control service on restricted chemical mixtures according to the specifications of the various brands, the ZDHC MRSL and the REACH Candidate List; the chemical inventory is shared and cross-referenced with these lists, with any mixtures on 'alert' status subsequently flagged up to the company.





HIGG INDEX



THE HIGG INDEX IS A COLLECTION OF MEASUREMENT TOOLS FOR THE TEXTILE, CLOTHING AND FOOTWEAR SECTORS THAT WAS DEVELOPED BY THE SUSTAINABLE APPAREL COALITION (SAC) AND LAUNCHED IN 2012.

Sustainable Apparel Coalition, founded in 2011, is currently the largest international non-profit alliance for sustainable textile production. Several brands in the sector belong to this coalition, including the Italian brand United Colors of Benetton, the US Environmental Protection Agency, and other non-profit organisations. The Higg Index is used to measure the environmental and social impact deriving from the production of clothing and accessories, considering different sustainability parameters linked to the entire product life cycle and entire procurement chain.

The parameters in the Higg Index are for companies' internal use. Their objective is to push companies to improve their performance. The first version, 1.0, was launched in July 2012. The next version, 2.0, was released in December 2013. The name 'Higg' comes from research into the Higgs boson, which inspired Jason Kibbey, executive director of the Sustainable Apparel Coalition. The name 'Higg' was chosen for other reasons as well: it is short and simple to pronounce and record. There are different versions of the Higg Index designed specifically for people who produce materials or work along the production chain.

The more general goal is to create a virtuous chain in which every actor is invited to do their part. A brand that accepts a commitment to periodically examine the above parameters to identify both risk elements and the impact of improvements will in turn invite its suppliers to do the same thing.

As a result, the Higg Facility Tool was invented for suppliers. The Higg Facility Environmental Module (FEM) and the Higg Facility Social Labour Module (FSLM) are both included in this second 'toolbox'. The first serves to assess the Environmental Management System, the use of electricity and water resources, the level of toxic emissions, wastewater treatment, waste management, and the use and management of chemicals. The second instead serves to promote equal and safe working conditions along the entire supply chain and to assess the effectiveness of management systems from a social standpoint.

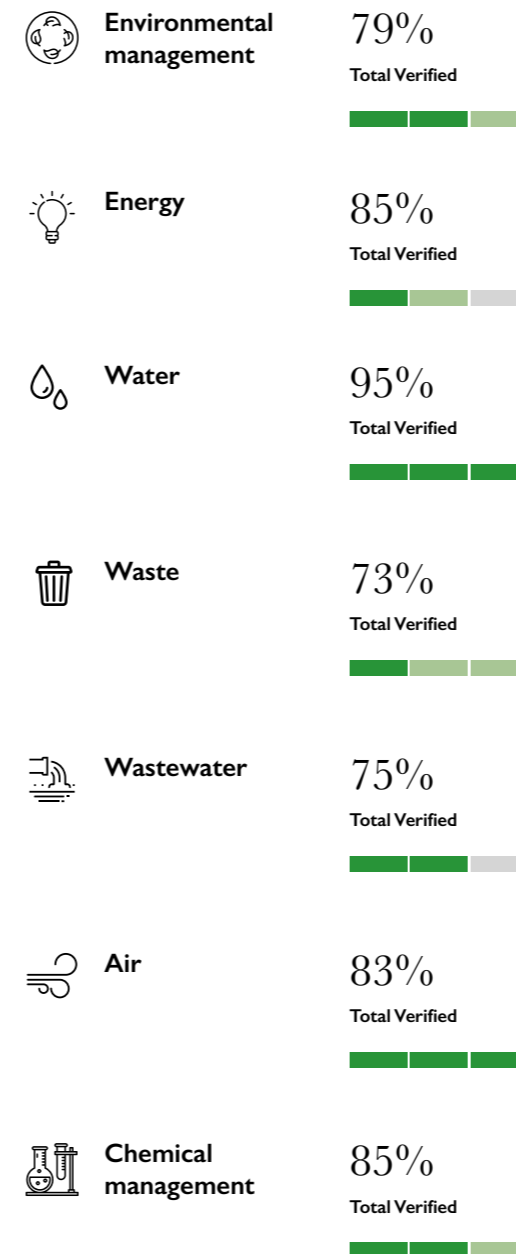
Botto Giuseppe e Figli S.p.A. decided to apply the Higg Index in 2020, with specific regard to the FEM section.

In 2023, it completed the third report of its ESG sustainability activities and, after verification by an accredited external body, it was awarded a better overall score than ever before.

Below is a comparison between the last two reports:

IN 2021, THE FOLLOWING RESULTS WERE OBTAINED:

Higg FEM total verified

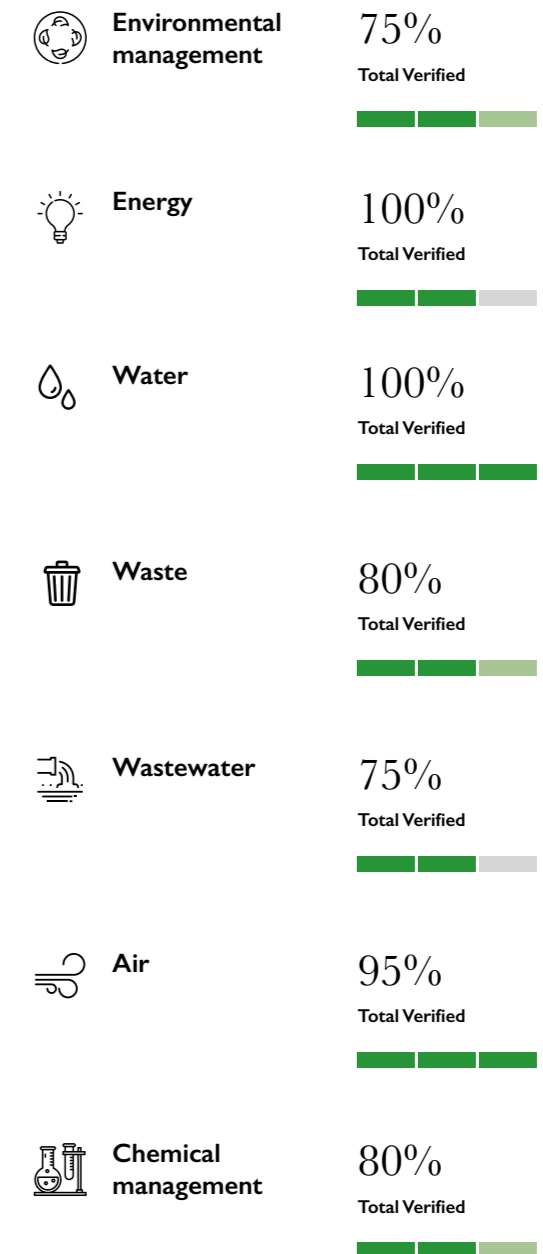


Higg FEM total verified

82%
Total Verified

IN 2022, THE FOLLOWING RESULTS WERE OBTAINED:

Higg FEM total verified



Higg FEM total verified

86%
Total Verified

4SUSTAINABILITY

As of 2021, the company started to undertake a process of certifying its achievements in the field of sustainability by acquiring the 4Sustainability mark, which is issued by the Process Factory organisation following targeted audits on 6 pillars:

1. MATERIALS, on raw material management;
2. CHEM, which has to do with chemical management;
3. TRACE, which relates to supply chain management;
4. PEOPLE, which relates to the sustainable management of employees;
5. PLANET, whose main objective is establishing the degree of environmental sustainability;
6. CYCLE, which determines the sustainability of the company's internal waste recovery and recycling policies.

Each pillar is assessed according to an evaluation scale that goes from ONGOING (currently being implemented) to BASIC, ADVANCED and EXCELLENCE.

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Below is the degree of compliance obtained in each pillar:

All the results achieved by Botto Giuseppe e Figli S.p.A. are available [here](#).

BOTTO GIUSEPPE E FIGLI S.P.A. IS CURRENTLY THE ONLY COMPANY TO HAVE OBTAINED CERTIFICATION IN ALL PILLARS AND, IN PARTICULAR, THE ONLY ONE TO HAVE ACHIEVED A SUCCESSFUL AUDIT FOR THE CYCLE PILLAR

CRADLE TO CRADLE

Cradle to Cradle™ certification is an approach that adapts industrial models to nature, converting production processes and assimilating the materials used to natural elements that must, therefore, be regenerable.

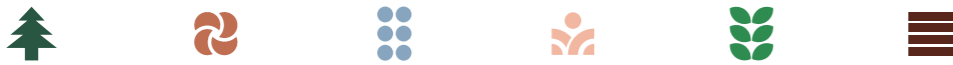
The Cradle to Cradle™ certification assesses safety, circularity and responsibility with regard to materials, products, and systems, dividing them into five categories: material health, product circularity, clean air & climate protection, water & soil stewardship, and social fairness. Cradle to Cradle™ certification plays an important role: connecting the supply chain with all other actors in the value chain to obtain the highest level of sustainability.

OVER THE COURSE OF 2023, THE COMPANY UNDERTOOK COURSES FOR THE CERTIFICATION OF MONTEVIDEO TEC YARN AND CASHMERE FABRIC MADE WITH FLAIR YARN.

Currently, Botto Giuseppe S.p.A. has achieved the Cradle to Cradle certifications listed below:

YARNS	BRONZE LEVEL	GOLD LEVEL
Slowool		●
Flair fabrics		●
Pont Neuf RWS 2/45.000		●
Slowsilk yarns		●
Montevideo Tec yarn	●	
Naturalis Fibra composed of:		●
- Arkaba		
- Slowool		
- Slowool Light		
- Fairwool		
- Flair		
- Fairsilk		

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5.6.1 Waste and HOCKS

Waste management is a complex and crucial activity that businesses must address responsibly. It is essential to not merely comply with environmental regulations in order to avoid the risk of wrongdoing, but indeed to actively preserve the environment and use company resources as efficiently as possible. Managing the waste produced by the company is a continuous process that involves several stages, each of which is fundamental to ensure effective and responsible waste management. Here is an overview of the steps involved: classification, handling and transferral to dedicated areas, collection and end of waste.

tic waste), are normally produced by households: paper, cardboard, plastic bottles and glass, etc. Special waste is derived from activities connected to companies, such as processing waste from industrial and artisan processes and waste from commercial or service activities. Urban waste is managed by city administrations through public collection services. Special waste instead requires the intervention of companies authorised to recover and dispose of waste.

WASTE IS CLASSIFIED AS HAZARDOUS OR NON-HAZARDOUS.

The hazard category is determined by the presence of substances with a high pollution potential; this requires them to be handled carefully by specialised parties who protect the environment with proper management.

The organisation and structuring of an operational waste management programme within companies becomes necessary to generate positive impacts on the environment and the company's finances.

In general, the first classification allows us to distinguish:

- urban waste or waste that can be assimilated with urban waste, and special waste;
- hazardous or non-hazardous waste.

The difference between the two categories lies in their origins: urban waste, or assimilated elements (also called domes-

In order to reduce waste in the company, it is necessary to collect information about the waste, such as type and volumes produced, and subsequently develop inexpensive and efficient strategies that allow us to:

- understand where waste is produced;
- know the average amount of waste produced periodically;
- define its characteristics;
- determine how to treat it;
- assess which of the implemented solutions are working and which ones might require improvement.

Identifying any wastage that occurs throughout the process is an opportunity to manage waste according to legal regulations, reducing waste whilst also generating value for the company. Employees directly contribute to waste management knowing that their involvement, along with that of the skilled workers, improves its management and thus protects the environment.

Spreading this awareness throughout the company, encouraging every employee to develop good recycling habits, leads to the spread of spontaneous attitudes of best practices, ultimately benefitting everyone involved as well as the company's good reputation. Waste management always produces value that can be reinvested in other activities which generate

profit and consolidate the company's reputation in terms of customer loyalty, and as such it should not be thought of as a thankless, pointless task. Consumers tend to reward companies that show a commitment to improving their impact with environmentally sustainable production strategies.

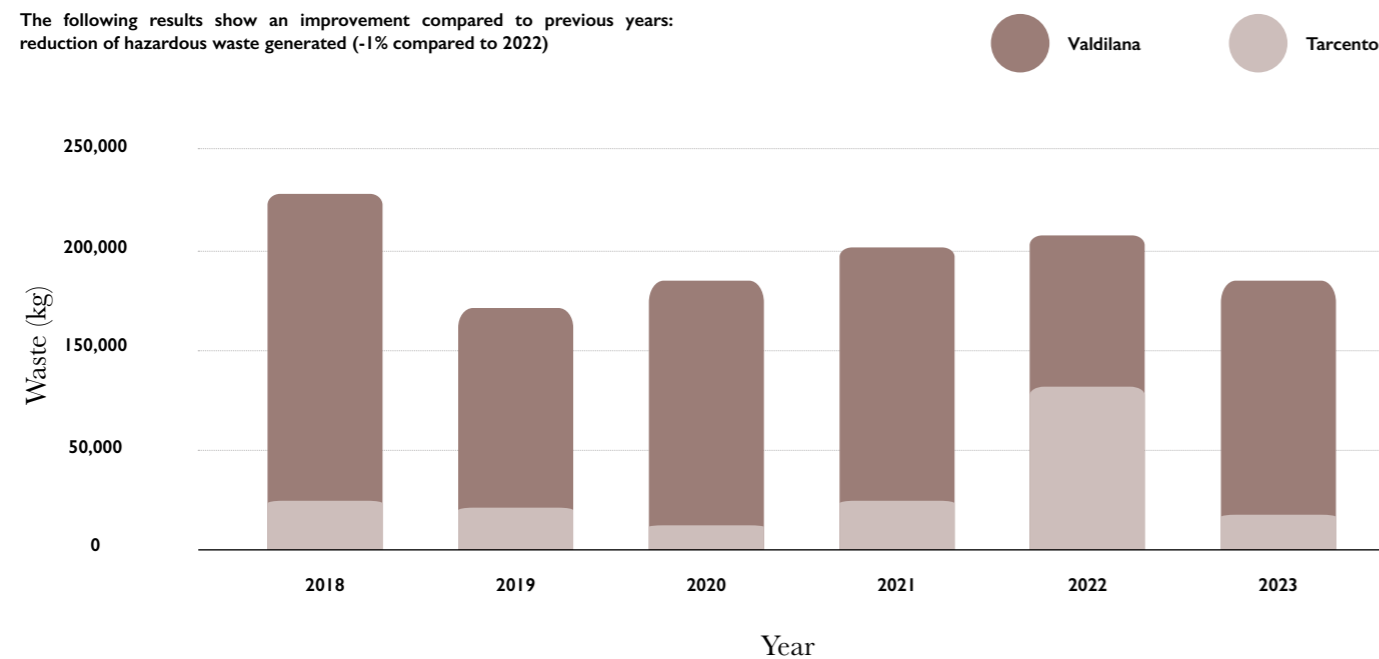
For years, Botto Giuseppe e Figli S.p.A. has been pursuing the goal of reducing the quantities of waste produced, as well as minimising the amount of waste considered 'hazardous' that ends up in landfills, although this is certainly no mean feat.

The amount of waste produced annually is highly variable and depends on multiple factors: quantities of items produced over the course of the year, for one, along with both unscheduled and preventative maintenance carried out over the reference year. An example for everyone: in 2022, the renewal of the machinery at the Cascami Seta facility resulted in the extraordinary production of non-hazardous waste.

In 2023, as production and maintenance activities returned to normal, there was a substantial improvement in the amount of waste produced (-39% of the total amount produced compared to the previous year). The use of sustainable packaging (both recycled and non-recycled plastic, paper and wood) has made it possible to reduce waste.

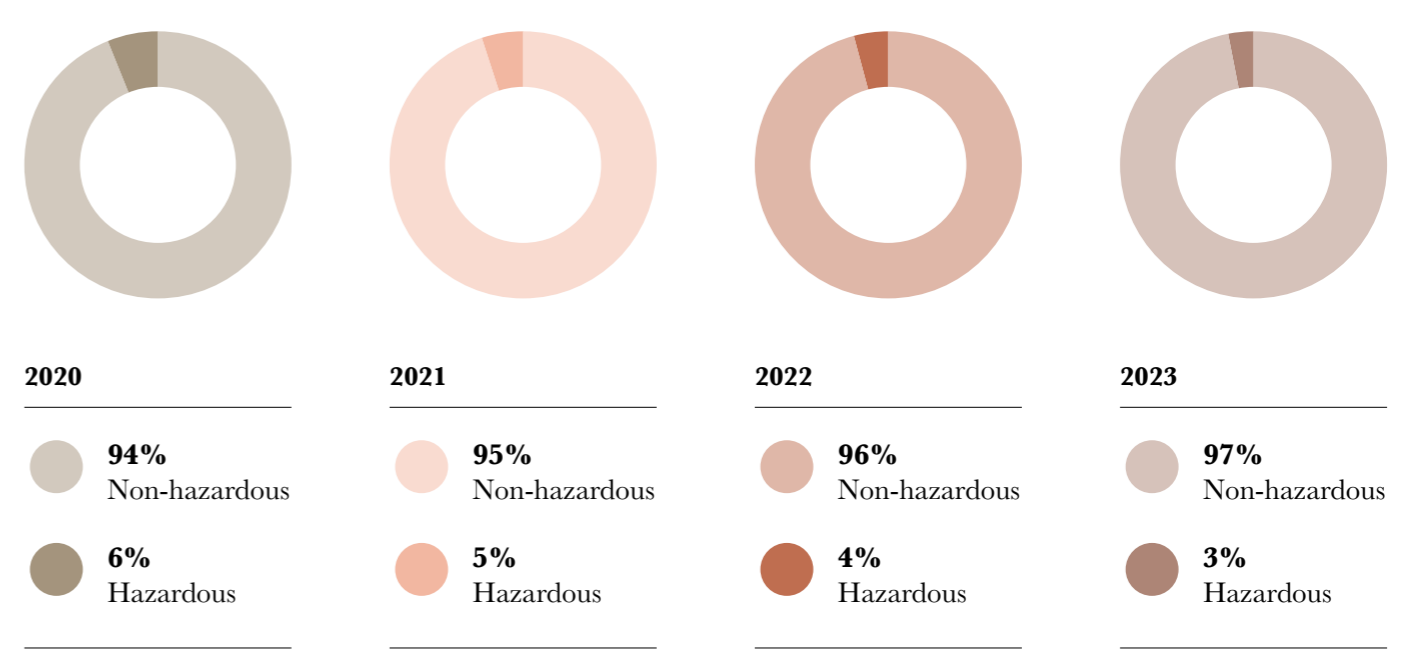
Amount of waste produced in the two facilities

The following results show an improvement compared to previous years: reduction of hazardous waste generated (-1% compared to 2022)

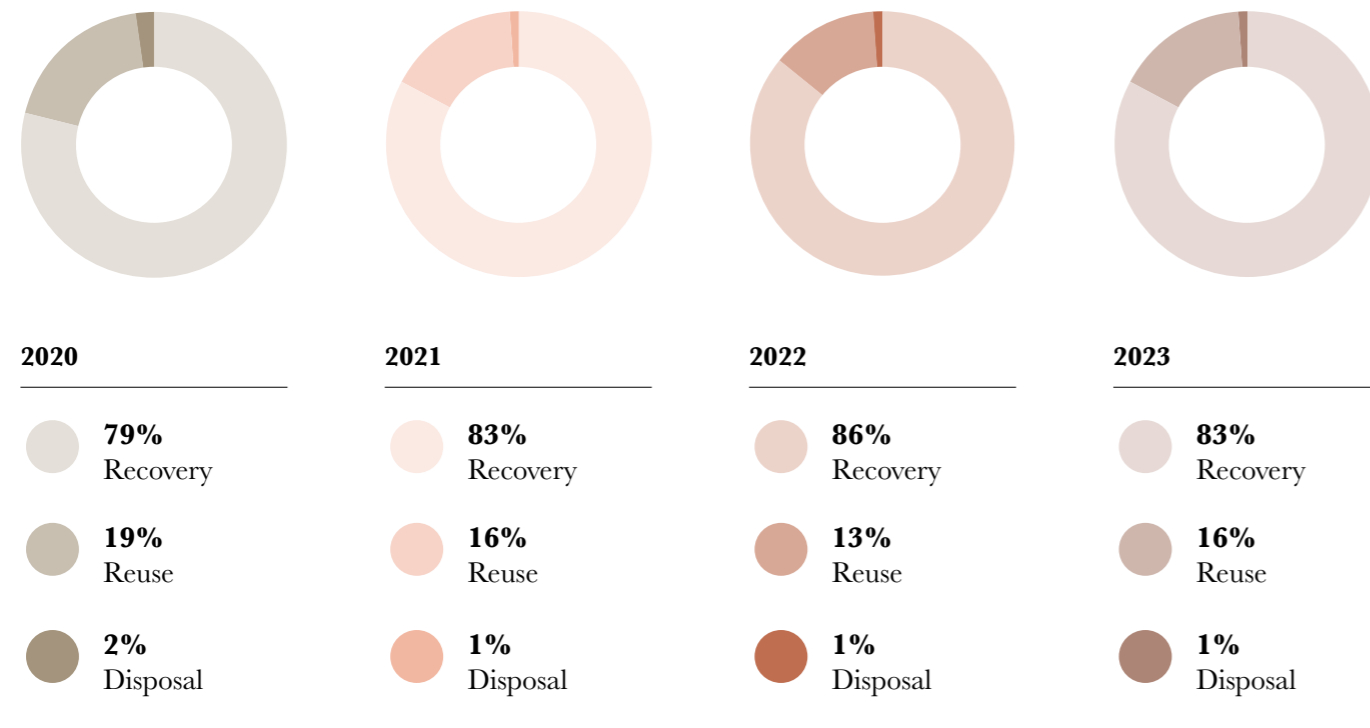


Type of waste

The same percentage as 2021: 99% of waste sent for recovery and reuse with only 1% sent for disposal



DESTINATION OF WASTE



120

The waste production index, calculated according to the formula in the graph, highlights a significant improvement, equal to a reduction of almost -35%; however, the reduced amount of waste produced at the company's two sites is offset by a decrease in the production of textile items during 2023, which allowed for the vast improvement in question to occur.

-35%
WASTE PRODUCED

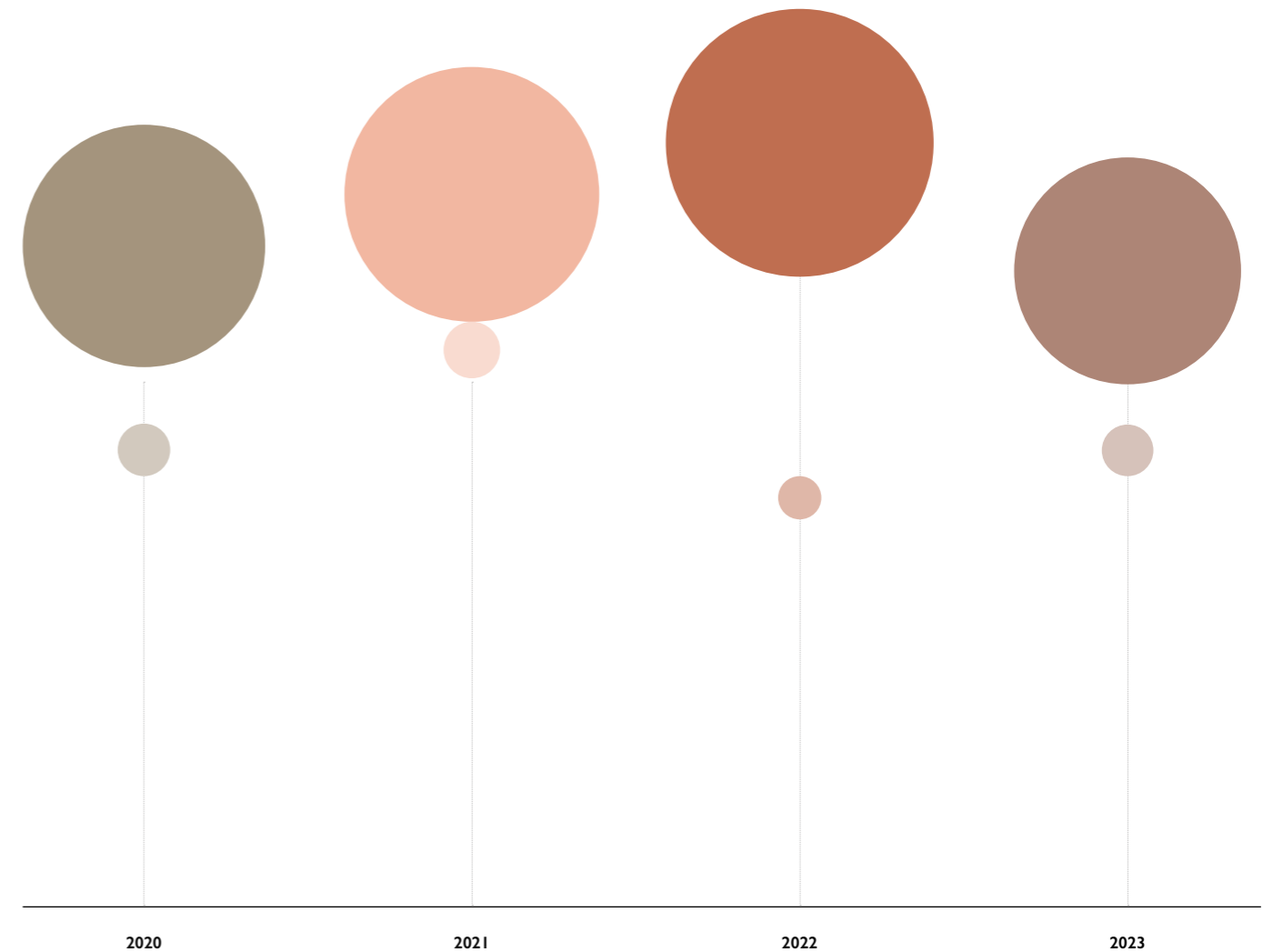
Comparing the data with 2022 and only taking into account the unsorted portion of the waste as against the total produced, the picture worsens due to the increased proportion of unsorted waste produced in 2023 as against the total produced, which is down compared to the previous year.

There is room for improvement to reduce the amount of unsorted waste produced by making more resources available to sort the waste produced and through staff training.

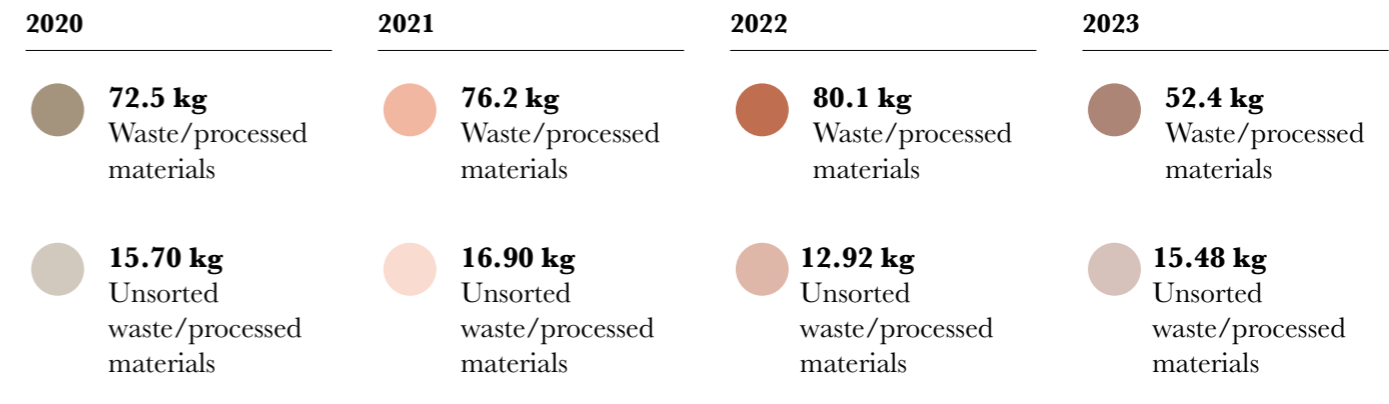
The waste produced is transported to other designated sites, sent for recovery or disposal at authorised repositories by qualified, specialised companies only.

Each type of waste is labelled according to the international EWC code (European Waste Catalogue) as non-hazardous or hazardous and, if required, the hazardous characteristics are highlighted with a pictogram and explanatory text.

WASTE/PROCESSED MATERIALS AND UNSORTED WASTE/PROCESSED MATERIALS



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BOTTO GIUSEPPE E FIGLI S.P.A. IS VERY ATTENTIVE TO AND TAKES TARGETED ACTION WITH WASTE THAT IMPACTS THE COMPANY SIGNIFICANTLY DUE TO THE QUANTITIES USED.

Out of the total amount of waste produced, 96% is non-hazardous and almost always handled through recycling, recovery and reuse. Of this amount, 90% consists of unsorted waste materials like paper/cardboard, plastic, wood, and iron/steel. Paper/cardboard, plastic, wood, and iron/steel are sent for recovery. Plastic is ground up and turned into pellets for reuse as a recycled product. Unsorted waste makes up the remaining 18%, which is why Botto Giuseppe e Figli S.p.A. is working to implement corrective actions that will reduce waste and improve management.

96%
OF WASTE PRODUCED
IS NOT HAZARDOUS

90%
CONSISTS OF UNSORTED
WASTE SENT FOR
RECOVERY

USE OF HOCKS PRODUCTS

With a focus on sustainability and quality, Botto Giuseppe e Figli S.p.A. purchases decatising satin wrappers from HOCKS.

HOCKS decatising wrappers are entirely manufactured by the multifunctional textile company according to the specifications of the quality certification system DIN EN ISO 9001:2000 and the integrated environmental management and control system DIN EN ISO 14001.

The IBENA laboratory is equipped with the most technically advanced testing equipment to ensure a high level of quality and product development, in close cooperation with customers and international research institutes.

HOCKS IS AN ASSOCIATE COMPANY OF IBENA TEXTILWERKE GMBH, BASED IN BOCHOLT/RHEDE.





GRI definitions and indices



Definitions
GRI Content Indices

Definitions

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STAKEHOLDERS

A stakeholder is a party with an interest in the company who can influence or be influenced by the activities. A stakeholder may be inside or outside the company.

The parties interested in a typical company are investors, employees, customers and suppliers. However, with growing attention to corporate social responsibility, the concept has now been extended to the community, government and trade associations.

The decisions made by stakeholders can have a significant impact - both positive and negative - on company projects. But that is not all. In some cases, stakeholders are also involved in key interests, because their support is necessary for certain projects to exist.

PROTECTING THE MISSION - IMPACT BUSINESS MODEL

The company mission describes operationally what the objectives that the organisation sets itself are and how they can be achieved. The mission communicates the company's identity to the outside world by guiding and inspiring the work of all its staff, describing in a more practical way the values and actions that must originate from them.

At the same time, it must have a positive impact on stakeholders; this is described in the concept of the impact business model, which is a type of business model intentionally designed to create a specific positive outcome for the company's stakeholders.

VALUES, ETHICS AND INTEGRITY IN BUSINESS CONDUCT

This refers to a company's compliance with ethical standards of conduct, regulatory requirements and requirements of the market in which it operates.

VALUE CREATION AND DISTRIBUTION

This refers to the company's ability to generate profit and how this is distributed between different stakeholders (salaries, payments to suppliers, dividends, etc.).

PRODUCT QUALITY, SAFETY AND INNOVATION

This refers to the control system instituted by the company to guarantee the quality and safety standards of its products and processes, as well as research and development activities to pursue continuous product improvement.

RESPONSIBLE USE OF CHEMICALS AND HARMFUL SUBSTANCES

This refers to the company's commitment to the elimination or reduction in the use of chemicals throughout the production process, with particular attention to those containing substances that are toxic and harmful to the environment and humans.



EFFICIENT USE OF WATER (CONSUMPTION AND SAVINGS)

The efficient and sustainable use of water means both using resources wisely (minimising waste, increasing the use of waste-water from processing) and the constant and careful monitoring of consumption. Recording improvements that result from company choices is crucial to keeping people focused on the issue and identifying any areas for improvement.

EFFICIENT USE OF ENERGY - CONSUMPTION, REDUCTION AND CONSERVATION

The efficient use of energy or energy efficiency is the set of operations geared towards making use of energy sources with the aim of harmonising the relationship between the company's energy needs and its pollutant emissions.

DEVELOPMENT OF ENERGY PRODUCTION FROM RENEWABLE SOURCES

These are energy sources that naturally regenerate over time and do not run out; they are the most important part of the transition to an energy system that moves away from fossil fuels, in an effort to counteract global warming.

MITIGATION OF AIR EMISSIONS (GREENHOUSE GASES) AND AIR QUALITY

Protecting biodiversity means the company's commitment to protecting the variety of living organisms in all their different forms and respective ecosystems, and also includes mitigating the impact of atmospheric emissions in CO₂ eq. Mitigation makes it possible to quantify the organisation's current commitment in the fight against climate change and to locally ensure the preservation of air quality.

RESPONSIBLE USE OF RESOURCES AND MATERIALS

Resources, especially natural ones, are the natural elements that make up our ecosystem: earth, air, water, and everything they contain. The term resources is always used to refer to the natural resources we use, such as raw materials or energy sources.

The responsible use of these resources and their related materials involves a consistent (or reduced) use of the resources that are currently needed to produce an item and, at the same time, a reduction in the waste of these resources whilst keeping the benefits they offer at consistent or even higher levels. This means fewer resources can be used and therefore a reduced impact on the environment.

SUPPORT AND DEVELOPMENT OF THE LOCAL COMMUNITY

This refers to the company's commitment to promoting and supporting the economic and social wellbeing of the community.

SUPPLY CHAIN ACCOUNTABILITY AND TRACEABILITY

This refers to the selection and assessment of suppliers based on factors related to social conditions, environmental protection, rather than merely economic requirements.

EMPLOYMENT AND PROTECTION OF HEALTH AND SAFETY IN THE WORKPLACE

The protection of health and safety in the workplace refers to all aspects related to the health and safety of workers, in terms of prevention, training, management and risk reduction, as governed by Consolidated Law 81/2008, as well as all voluntary actions taken by the organisation in order to ensure employee protection over and above the minimum requirements in force.

DEVELOPMENT AND OPTIMISATION OF HUMAN CAPITAL

This involves all aspects tied to managing human resources that aim to guarantee wellbeing: salaries, incentives, training, attraction and development of new talent.

INCENTIVES AND BENEFITS FOR EMPLOYEES – WELFARE

This refers to all goods and services complementary to an employee's salary: all additional benefits offered in on top of the normal compensation granted by the employer with the aim of promoting productivity and wellbeing in the workplace. For example: healthcare, meal vouchers, shopping vouchers, fuel vouchers and vouchers for various services.

EQUAL OPPORTUNITIES, INCLUSION, AND DIVERSITY

Diversity and inclusion refers to the collection of values and behaviours that guarantee gender equality and diversity without discrimination.

PERSONNEL TRAINING, DEVELOPMENT AND INVOLVEMENT

People are clearly at the centre of our operations because their contribution to the development and growth of the company provides valuable assistance in adapting to market changes and customer purchasing behaviour. Investments in training human resources are crucial to guaranteeing growth. Personnel development refers to the collection of activities aimed at transmitting or enabling new skills for company employees.

Involvement is the level of motivation and enthusiasm, both rational and emotional, that employees hold towards their jobs and put into the company's success, which can influence individual productivity and company performance.

SUSTAINABLE INVESTMENTS AND FINANCING

Sustainable investing consists of analysing the environmental, social, and governance risks (ESG) of a company, evaluating its opportunities and progress with reference to ESG data and analyses, which is a fundamental aspect in knowingly allocating capital. Sustainable investing aims to create value for the investor and company as a whole through a medium- to long-term investment strategy that integrates financial, environmental, social and good governance aspects in the assessment of companies and institutions.

Sustainable financial instruments refer to financing and investments with explicit reference to one or more sustainability criteria: sustainable financing aims to create value in the long term, directing capital towards activities that generate economic value but are also useful for the company and do not weigh on the environmental system.



IDENTITY AND BRAND MANAGEMENT

Brand identity includes all of the visible elements of a brand, making it possible to define the company's visual communication and make it immediately recognisable in the customer's mind. It is designed to reflect the values, personality, and goals of the brand.

Brand management is a collection of techniques and strategies oriented towards a common goal, i.e. giving added value to the brand to create the best perception for consumers.

CUSTOMER SATISFACTION AND PROTECTION

Customer protection rests on 4 key concepts: safety and quality of the products and services, suitable information and advertising that does not mislead, good business practices according to the principles of good faith, and correctness and loyalty.

Customer satisfaction is generally a complex process intended to detect customer/user levels of satisfaction and use this to improve products/services.

CONSUMER PROTECTION

Consumer protection or consumerism takes the form of a set of provisions, standards and safeguards aimed at protecting the rights and interests of the citizen in their capacity as a user of tangible goods and services for private use; its regulatory reference point is known as the Consumer Code.

HUMAN RIGHTS

Human rights are inalienable rights of human beings, or rather, rights that must be recognised for every person regardless of their origin, category, or place where they are located.

In the workplace, they are found in the 'Universal Declaration of Human Rights', in which Art. 23 states the four fundamental principles:

1. Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment;
2. Everyone, without any discrimination, has the right to equal pay for equal work;
3. Everyone who works has the right to just and favourable remuneration ensuring for themselves and their family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection;
4. Everyone has the right to form and to join trade unions for the protection of their interests.

INJURY SEVERITY INDEX

The Injury Severity Index expresses the severity of workplace accidents in conventional days lost per thousand hours worked, a figure which is then multiplied by 1000 to avoid numbers that are too small.

ACCIDENT FREQUENCY RATE

The Accident Frequency Rate is a measure of the number of workplace accidents per million hours of work in a given time-frame, sector and territory, in relation to the number of hours worked during the same period in the same sector and territory, multiplied by one million to avoid numbers that are too small.

It is an index of general validity, and since it is normalised in relation to time, sector and territory, it can be used to make comparisons in these three distinct dimensions.

EWG CODE

The European Waste Catalogue (EWC) provides a classification of waste types as established by Directive 75/442/EEC. Annex I is commonly known as the European Waste Catalogue and applies to all waste, whether destined for disposal or recovery.

ESG

ESG - Environmental, Social and Governance - are three fundamental criteria used to verify, measure, control and support (with the purchase of products or with investment choices) a company or organisation's commitment to sustainability.

These principles are embodied in a set of operational standards that must guide the operations of a company to ensure that certain environmental, social and corporate governance results are achieved.

GRI

The GRI, or Global Reporting Initiative, is an independent international organisation that has developed one of the most widespread standards in the world for sustainability reporting. It enables businesses of all sizes and sectors to transparently report their economic, environmental and social impacts.

ESRS

The ESRS, or European Sustainability Reporting Standards, are a set of norms developed to standardise the way European companies account for their environmental, social and governance impact. They improve the transparency and comparability of sustainability information in order to help investors, consumers and stakeholders make informed decisions.

They will be mandatory as of 2025.

FSC

The FSC or Forest Stewardship Council label identifies products containing wood from forests that are fairly and responsibly managed according to strict environmental, social and economic standards.



KPI

The term KPI, or *Key Performance Indicator*, is a measurable value that demonstrates the efficiency with which a company is achieving its set business objectives. Organisations use tiered KPIs to assess their success in achieving their goals.

CO₂ eq.

CO₂ equivalents are a unit of measurement needed to uniformly express the impact of different greenhouse gases on the climate.

GHG

GHG, which stands for Greenhouse Gases, is a set of gases, including carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O), which 'trap' heat in the atmosphere. The most severe effect of greenhouse gases - which are produced mainly by human activities - is that they are responsible for the climate change currently taking place.

CARBON FOOTPRINT

The carbon footprint is a parameter that is used to estimate the greenhouse gas emissions caused by a product, service or individual. It generally expressed in tonnes of CO₂ equivalent.

WATER FOOTPRINT

The water footprint is an indicator of the level of freshwater consumption by a consumer or producer, including both direct and indirect water use.

LCA

The Life Cycle Assessment is an analytical and systematic methodology that evaluates the environmental footprint of a product or service throughout its entire lifecycle. Environmental impact values for a given product are calculated starting from the extraction phase of the raw materials used, through to its production, use and, finally, end-of-life disposal.

GUARANTEES OF ORIGIN (GO)

Guarantees of Origin (GO) guarantee that all energy produced through renewable sources, defined as clean energy, is safe and certified. This is a fully-fledged certification that is issued by the GSE (Energy Services Manager), attesting to the origin of all MWh sold as renewable.





GRI CONTENT INDEX

DECLARATION OF USE: Botto Giuseppe e Figli S.p.A. has written a report in conformity with the GRI standards for the period of time from 01/01/2023 - 31/12/2023

GRI 1: FOUNDATION 2021

GRI 2 GENERAL DISCLOSURES

GENERAL DISCLOSURES

GRI STANDARD	INFORMATION	PAGE	REASONS FOR OMISSION
GRI 2 General Disclosures 2021	GRI 2-1 Organisational details	Pages 34-36; 38-41; 138	
GRI 2 General Disclosures 2021	GRI 2-2 Entities included in the organization's sustainability reporting	Page 6	
GRI 2 General Disclosures 2021	GRI 2-3 Reporting period, frequency and contact point	Page 6	
GRI 2 General Disclosures 2021	GRI 2-4 Restatements of information	...	No revisions have been made since previous reports
GRI 2 General Disclosures 2021	GRI 2-5 External assurance	...	This report has not been verified by an external assurance provider
GRI 2 General Disclosures 2021	GRI 2-6 Activities, value chain and other business relationships	Pages 38-41	
GRI 2 General Disclosures 2021	GRI 2-7 Employees	Pages 58-59	
GRI 2 General Disclosures 2021	GRI 2-8 Workers who are not employees	Pages 58-59	
GRI 2 General Disclosures 2021	GRI 2-9 Governance structure and composition	Pages 34-36	
GRI 2 General Disclosures 2021	GRI 2-10 Nomination and selection of the highest governance body	Pages 34-36	
GRI 2 General Disclosures 2021	GRI 2-11 Chair of the highest governance body	Pages 34-36	
GRI 2 General Disclosures 2021	GRI 2-12 Role of the highest governance body in overseeing the management of impacts	Pages 34-36	
GRI 2 General Disclosures 2021	GRI 2-13 Delegation of responsibility for managing impacts	Pages 34-36	
GRI 2 General Disclosures 2021	GRI 2-14 Role of the highest governance body in sustainability reporting	Pages 34-36	
GRI 2 General Disclosures 2021	GRI 2-15 Conflicts of interest	Pages 34-36	
GRI 2 General Disclosures 2021	GRI 2-16 Communication of critical concerns	Pages 34-36	
GRI 2 General Disclosures 2021	GRI 2-17 Collective knowledge of the highest governance body	...	There has been no reporting of the measures taken to increase the powers of the highest governing body as decisions regarding sustainable development were entrusted to a senior executive, following specific training
GRI 2 General Disclosures 2021	GRI 2-18 Evaluation of the performance of the highest governance body	Pages 34-36	The company does not intend to issue information about these topics
GRI 2 General Disclosures 2021	GRI 2-19 Remuneration policies	...	The company does not intend to issue this type of information
GRI 2 General Disclosures 2021	GRI 2-20 Process to determine remuneration	...	The company does not intend to issue this type of information; it is available at the company
GRI 2 General Disclosures 2021	GRI 2-21 Annual total compensation ratio	...	
GRI 2 General Disclosures 2021	GRI 2-22 Statement on sustainable development strategy	Pages 4-5	
GRI 2 General Disclosures 2021	GRI 2-23 Policy commitments	Page 5	
GRI 2 General Disclosures 2021	GRI 2-24 Embedding policy commitments	Page 5	
GRI 2 General Disclosures 2021	GRI 2-25 Processes to remediate negative impacts	Pages 66-70	
GRI 2 General Disclosures 2021	GRI 2-26 Mechanisms for seeking advice and raising concerns	Pages 66-70	
GRI 2 General Disclosures 2021	GRI 2-27 Compliance with laws and regulations	...	In 2023, only internal non-conformities were recorded, and these were not such that they deserved financial penalties
GRI 2 General Disclosures 2021	GRI 2-28 Membership of associations	...	The company does not belong to associations
GRI 2 General Disclosures 2021	GRI 2-29 Approach to stakeholder engagement	Pages 16-17	
GRI 2 General Disclosures 2021	GRI 2-30 Collective bargaining agreements	...	100% of employees are covered by collective labour agreements

**GRI 3 MATERIAL TOPICS**

MATERIAL TOPICS

GRI STANDARD	INFORMATION	PAGE	REASONS FOR OMISSION
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Pages 16-17	
GRI 3 Material Topics 2021	3-2 List of material topics	Pages 16-17	
GRI 3 Material Topics 2021	3-3 Management of material topics	Pages 18-23; 30-33	

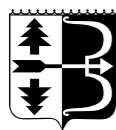
MATERIAL TOPIC

GRI STANDARD	INFORMATION	PAGE	REASONS FOR OMISSION
GRI 201 Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 37	
GRI 202 Market Presence 2016	202-1 Relationship between a new employee's standard wage by gender and the local minimum wage	...	The company does not intend to issue this type of information
GRI 202 Market Presence 2016	202-2 Proportion of senior managers hired from the local community	...	The company does not intend to issue this type of information
GRI 203 Indirect Economic Impacts 2016	203-1 Infrastructure investments and financed services	...	The company does not intend to issue this type of information
GRI 203 Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	...	The company does not intend to issue this type of information
GRI 204: Procurement Practices 2016	204-1 Proportion of expenditure to local suppliers	Page 38	
GRI 205: Anti-corruption 2016	205-1 Transactions assessed for corruption-related risks	...	In 2023, there were no cases relating to this
GRI 205: Anti-corruption 2016	205-2 Communication and training on anti-corruption policies and procedures	...	In 2023, there were no cases relating to this
GRI 205: Anti-corruption 2016	205-3 Instances of corruption detected and actions taken	...	In 2023, there were no cases relating to this
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal action taken for anti-competitive, antitrust and monopolistic practices	...	In 2023, there were no cases relating to this
GRI 207: Tax 2019	207-1 Approach to taxation	...	The company does not intend to issue this type of information
GRI 207: Tax 2019	207-2 Tax governance, control and risk management	...	The company does not intend to issue this type of information
GRI 207: Tax 2019	207-3 Stakeholder engagement and management of tax concerns	...	The company does not intend to issue this type of information
GRI 207: Tax 2019	207-4 Country-by-country reporting	...	The company does not intend to issue this type of information
GRI 301 Materials 2016	301-1 Materials used by weight or volume	Pages 42-45; 46-49; 106-117	
GRI 301 Materials 2016	301-2 Recycled input materials used	Pages 46-49	
GRI 301 Materials 2016	301-3 Products recovered or regenerated and relative packaging materials	Pages 46-49	
GRI 302 Energy 2016	302-1 Energy consumption within the organisation	Pages 82-87	
GRI 302 Energy 2016	302-3 Energy intensity	Pages 82-87	
GRI 302 Energy 2016	302-4 Reduction of energy consumption	Pages 82-87	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Pages 94-97	
GRI 303: Water and Effluents 2018	303-1 Management of water discharge-related impacts	Pages 94-97	
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Pages 94-97	
GRI 303: Water and Effluents 2018	303-4 Water discharge	Pages 94-97	
GRI 303: Water and Effluents 2018	303-5 Water consumption	Pages 94-97	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Pages 98-105	
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Pages 98-105	
GRI 305: Emissions 2016	305-4 GHG emission intensity	Pages 98-105	
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	Pages 98-105	
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant emissions	Pages 98-105;	
GRI 306 Waste 2020	306-3 Waste generated	Pages 94-97; 118-123	



MATERIAL TOPIC

GRI STANDARD	INFORMATION	PAGE	REASONS FOR OMISSION
GRI 306: Waste 2020	306-4 Waste diverted from disposal	Pages 118-123	
GRI 306: Waste 2020	306-5 Waste directed to disposal	Pages 118-123	
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	...	In 2023, the company was not subjected to financial penalties or non-monetary sanctions
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	...	Since the qualification of suppliers in relation to environmental aspects has not yet been completed, it is not possible to establish any negative impacts in the supply chain
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Pages 66-67	
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pages 66-67	
GRI 403: Occupational Health and Safety 2016	403-1 Occupational health and safety management system	Pages 69-70; 71-77	
GRI 403: Occupational Health and Safety 2016	403-2 Hazard identification, risk assessment and incident investigation	Pages 69-70; 71-77	
GRI 403: Occupational Health and Safety 2016	403-3 Occupational health services	Pages 69-70; 71-77	
GRI 403: Occupational Health and Safety 2016	403-4 Worker participation, consultation and communication on occupational health and safety	Pages 69-70; 71-77	
GRI 403: Occupational Health and Safety 2016	403-5 Worker training on occupational health and safety	Pages 69-70; 71-77	
GRI 403: Occupational Health and Safety 2016	403-6 Promotion of worker health	Pages 58-65	
GRI 403: Occupational Health and Safety 2016	403-7 Prevention and mitigation of occupational health and safety impacts within business relationships	Pages 58-65	
GRI 403: Occupational Health and Safety 2016	403-8 Workers covered by an occupational health and safety management system	...	All workers in the company are covered by an occupational health and safety management system
GRI 403: Occupational Health and Safety 2016	403-9 Work-related injuries	Pages 76-77	
GRI 403: Occupational Health and Safety 2016	403-10 Work-related ill health	Pages 76-77	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pages 66-67	
GRI 404: Training and Education 2016	404-2 Programmes for upgrading employee skills and transition assistance programmes	Pages 66-67	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Pages 58-65	
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments and development programmes	Pages 78-79	
GRI 413: Local Communities	413-2 Operations with significant actual and potential negative impacts on local communities	...	No negative impacts emerged with regard to local communities in 2023
GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	...	In 2023, no instances of non-compliance with environmental laws or regulations concerning social and economic issues occurred



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