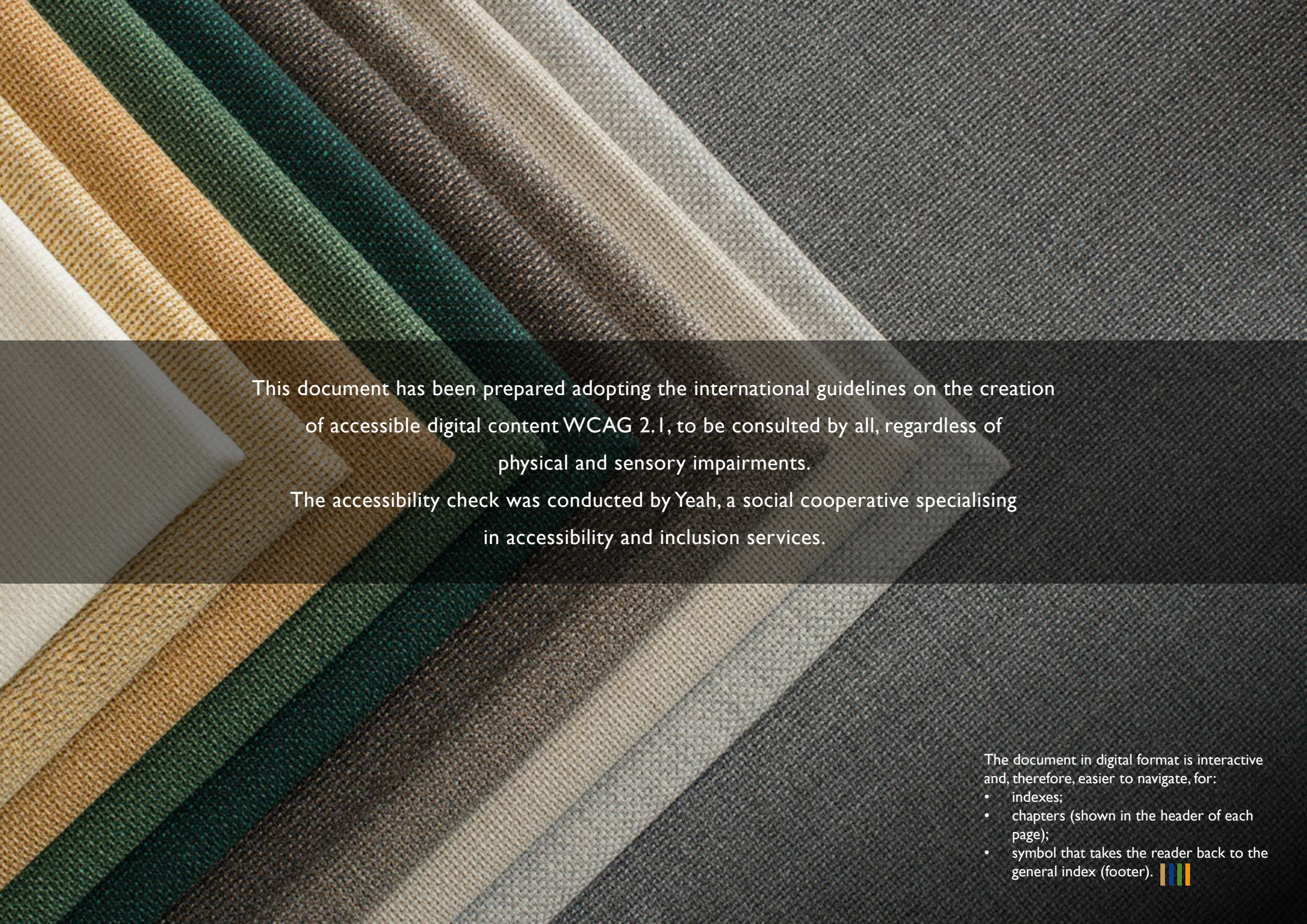


SUSTAINABILITY REPORT

2022






This document has been prepared adopting the international guidelines on the creation of accessible digital content WCAG 2.1, to be consulted by all, regardless of physical and sensory impairments.

The accessibility check was conducted by Yeah, a social cooperative specialising in accessibility and inclusion services.

The document in digital format is interactive and, therefore, easier to navigate, for:

- indexes;
- chapters (shown in the header of each page);
- symbol that takes the reader back to the general index (footer). 

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LETTER TO OUR STAKEHOLDERS

2022 saw a significant pick-up in sales in the main reference markets, with resulting increase and anticipated order backlog along the supply chain. This factor has been amplified by the concern from customers about possible price increases due to the sharp hike in the cost of raw materials and energy and by the first signs of longer lead times due to a supply chain experiencing difficulty. We were therefore forced to confirm orders with delivery lead time far longer than our standard service level.

To manage this scenario, we have worked on various fronts, specifically, reactivating a staff hiring policy and taking on an additional 67 new employees, to whom resources and time have been dedicated with training aimed both at the transfer of skills, and induction into the occupational health and safety and environmental protection culture.

Despite the complexity of the contingent situation, sustainability has been a strategic lever in which we have continued to invest, obtaining significant performance enhancements in people management, the environment and products.

For occupational health and safety, after a long trial step conducted in co-operation with operators, we have made wearable exoskeletons available at the spinning and shipping warehouse departments, to support employees in repetitive operations that over time may cause fatigue and muscle pain. We have also completed the multi-year works to adapt the production halls and systems areas that have made it possible to obtain the Fire Prevention Certificate for the Pratrivero and Pray sites.

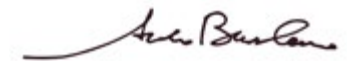
In relation to environmental aspects, we have upgraded the wastewater treatment plant and started installation of a photovoltaic array system at the Pratrivero site, which will be followed by a second lot.

Always attentive to product sustainable quality, we have obtained Global Recycled Standard certification guaranteeing high standards in the processing of articles with a recycled content and we have invested in an internal stock of RWS certified wool to meet the demands of a part of our clientele.

In the spring of 2022, we implemented an extraordinary operation, by launching a third temporary production unit to meet fabric drying capacity requirements. The site will be completed in summer of 2023, with the installation of a new machine at the Pratrivero facility.

In the year of the Company's 360th anniversary, we are proud to be celebrating the results achieved and to renew our commitment by pursuing the goals set for 2023. We will be devoting even greater focus to a precious resource such as water, working to improve our wastewater purification performance by targeting 40% recovery and pursuing innovative technical solutions to reduce the effects of drought. As part of product-related aspects, we will enhance Saxon Merino wool with dedicated articles and a project aimed at promoting the excellence of this fibre, together with work safeguarding the sheep breed that Vitale Barberis Canonico proudly adopts in partnership with Australian breeders. We will be investing in talent with a series of projects aimed at promoting integration into the job world and giving visibility to emerging young people.

In 2023, we will be investing in the creation of a new internal spinning department that will be operational after the summer break. The aim is to restore internal production capacity by encouraging the recruitment of new local resources, improving quality and reducing logistical costs.



Alessandro Barberis Canonico

Amministratore Delegato Vitale Barberis Canonico S.p.A.



VITALE BARBERIS CANONICO

AT A GLANCE

Vitale Barberis Canonico is one of the oldest wool mills in the world, led since 1663 by the passion of a family that is committed to creating the best Made in Italy fabrics for mens' apparel..

For over 350 years, the Pratrivero and Pray mills, in the heart of the Biella district, where the best waterways for textile manufacturing converge, have been the place where all stages of wool processing have been carried out.

Over 200 steps are required, together with technologically advanced machinery and rigorous quality controls, so that highly skilled workers can create a product of excellence.

With over 5,000 collection variants, each year the team at Vitale Barberis Canonico interprets creativity by seamlessly blending heritage, innovation and sustainability..

100% MADE IN ITALY PRODUCTION ONLY

Full-cycle wool mill

EUR 146.5 MILLION SALES REVENUE

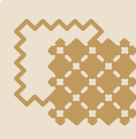
*EUR 39 million in added value •
EUR 86 million net equity •*

9.7 MILLION METRES OF FABRIC

*2.8 million suits and
jackets worldwide*

INTEGRATED CERTIFICATION

*Quality •
Safety •
Environment •*



1663

*A History spanning more than
350 years*

2 HIGHLY AUTOMATED MILLS

Pratrivero and Pray just 3.5 km away

COLLECTIONS

- 2 seasonal collections
- 5,000 variants
- 5 meanswear usage occasions:
business formal ceremonies,
upper casual, modern tailoring
and outerwear

EXPORT:

81% in over 90 countries



VITALE BARBERIS CANONICO

OUR HISTORY

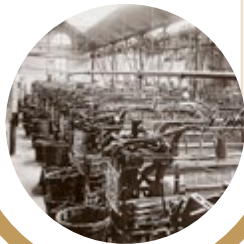
1868

The first mechanical looms were introduced and dyeing, spinning, weaving and fulling work started around the Pratrivero mill.



1663

The "quinternetto delle taglie" (a small five-page list of sizes) described the sale to the Duke of Savoy of a "saia grisa" (grey twill) by Ajmo Barbero and it is the first official document testifying to the wool activity of the Barberis Canonico family.



1970

Vitale was succeeded by his sons Alberto and Luciano, who transformed the company into a joint stock company. Alberto took charge of developing the technical and technological side, while Luciano focussed on exports, increasing the company's prestige around the world.



1936

The partnership between Oreste and Vitale, which gave rise the modern business, was dissolved against a complex historical backdrop: the global economic crisis had hit markets and fascism limited the entrepreneurial freedom of wool manufacturers.



2013

350 years of wool fabric making and Vitale Barberis Canonico became a member of Les Hénokiens, the international association reserved for family-run businesses with at least two hundred years of history.



2008

The new generation took the helm of the Company: Alessandro, Francesco and Lucia still today oversee and run this historic Wool Mill.



2018

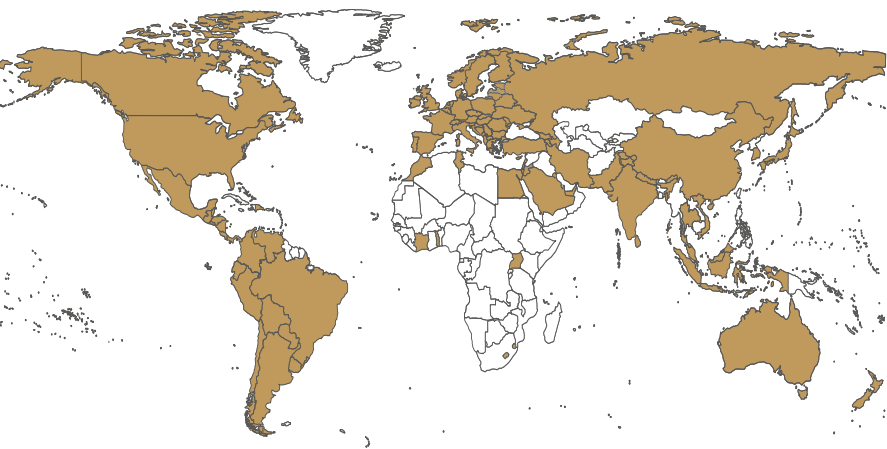
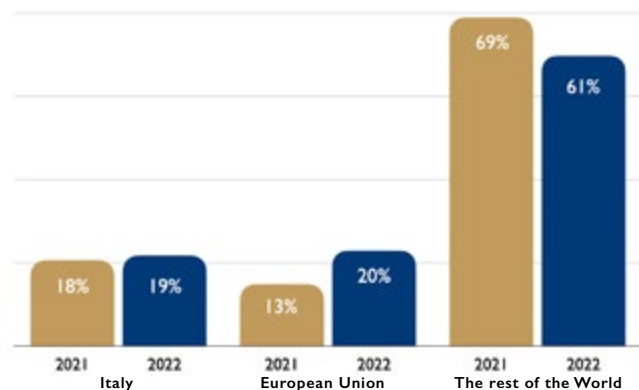
Flagship showroom opening at Via Solferino 23 in Milan: the new location aims to be a flagship venue for designers, tailors and apparel professionals.



VITALE BARBERIS CANONICO

MARKET AND PRODUCTS

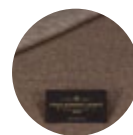
Vitale Barberis Canonico is synonymous with excellence in the quality of raw materials, yarns and fabrics, which combine elegance and comfort.



Leader in superfine wool fabrics, the Company is today the leading producer by quantity and largest exporter. Vitale Barberis Canonico sells its goods all over the world, through the most important clothing brands, retailers and wholesalers. More than 80% of production is intended for export, mainly to China, followed by the Netherlands, Japan, France and the United States, which represent the primary markets. Customers break down into garment makers and retailers, accounting for 80% of sales, while wholesalers, account for the remaining 20%.

With the aim of satisfying the needs of international customers for wool fabrics and other natural mixes for menwear, the Company takes its cue from classic elegance, while introducing contemporary contaminations, with a view to achieving a perfect balance between classic style and innovation.

The offering is divided into six product ranges:

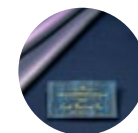


CLASSIC, inspired by the great textile traditions, it is the benchmark for men's suits and jackets. Of special note, the 21 Micron family was launched and it has been using fully mulesing-free wool since 2020.

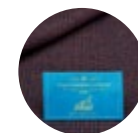


VINTAGE, takes its cue from the past to offer a more youthful style with a special focus on colour and natural fibres used.

EARTH, WIND AND FIRE, includes functional fabrics where natural fibres acquire new performance applications via



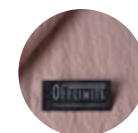
treatments and bonding with membranes. The water-repellent treatments are Eco Water Repellent, i.e., free from perfluorinated compounds (PFCs).



SUPERSONIC, stands for resilient wool and high-twist yarns offering unrivalled crease resistant and comfort, creating fabrics which are perfect for travelling. Since 2020, the range has been enriched with an offering of knitted fabrics, created using the iconic Vitale Barberis Canonico yarns.



H.O.P.E., is an acronym standing for How to Optimise People and Environment, and it is the fabric range with reduced environmental impact introduced in 2019; new articles enrich the range each season.



OFFLIMITS was created in 2021, spurred by a desire to innovate, which translated into important investments in research and development, aimed at designing new fabrics and performance features in line with contemporary apparel styles. Wool is the star that has taken on a new life, endowed with unprecedented functional features, thanks to combination with latest generation technical fibres.

With OFFLIMITS, Vitale Barberis Canonico has expanded its offering, while remaining true to its heritage, affording performance combined with a decidedly contemporary aesthetic.



VITALE BARBERIS CANONICO

H.O.P.E. FABRIC RANGE

NON-DYED NATURAL FIBRES



With extraordinary rusticity features, thanks to the use of natural colour camel, alpaca and moray wool fibres. In fact, these products are not dyed.

ERI SILK AND RED ERI SILK COLOURS



Two types of cruelty-free silk are used, since the silk threads are collected only when the butterfly leaves the chrysalis to go to feed and reproduce. The colour difference is due to the different feeding habits of the worm; the orange shades of the Red Eri silk derive from the Citrofolia Ficus, while the yellow shades of the Eri silk derive from the castor plant.

BIELLA WOOLS



Featuring a rustic fibre, of standard fineness and locally sourced, coming from the fleece of “Biella” sheep bred using the nomadic shepherding method, a practice included since 2019 in the Representative List of UNESCO Intangible Cultural Heritage. A wool, for a long time intended for disposal is now valued by certain shepherds, who are working with great commitment to constantly improve its quality.

NATURAL COLOURS



Dyed using a new wider colour range obtained thanks to adopting old dyeing techniques by infusing plants, flowers, leaves, roots, fruits and barks.

RECYCLED YARNS

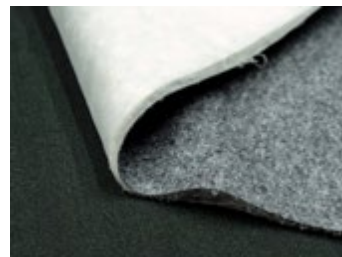


Made with 30% recycled thread from the recovery of discarded material.

H.O.P.E.
How to Optimise People and Environment

THINDOWN® SORONA® PADDING

The iconic wollen and worsted flannels are combined with a padding that uniting RDS-certified duck down with DUPONT™ SORONA®, a highly-insulating fibre 37% made of partial bio-base origins.



RESPONSIBLE BUSINESS MANAGEMENT

Business governance and integrity

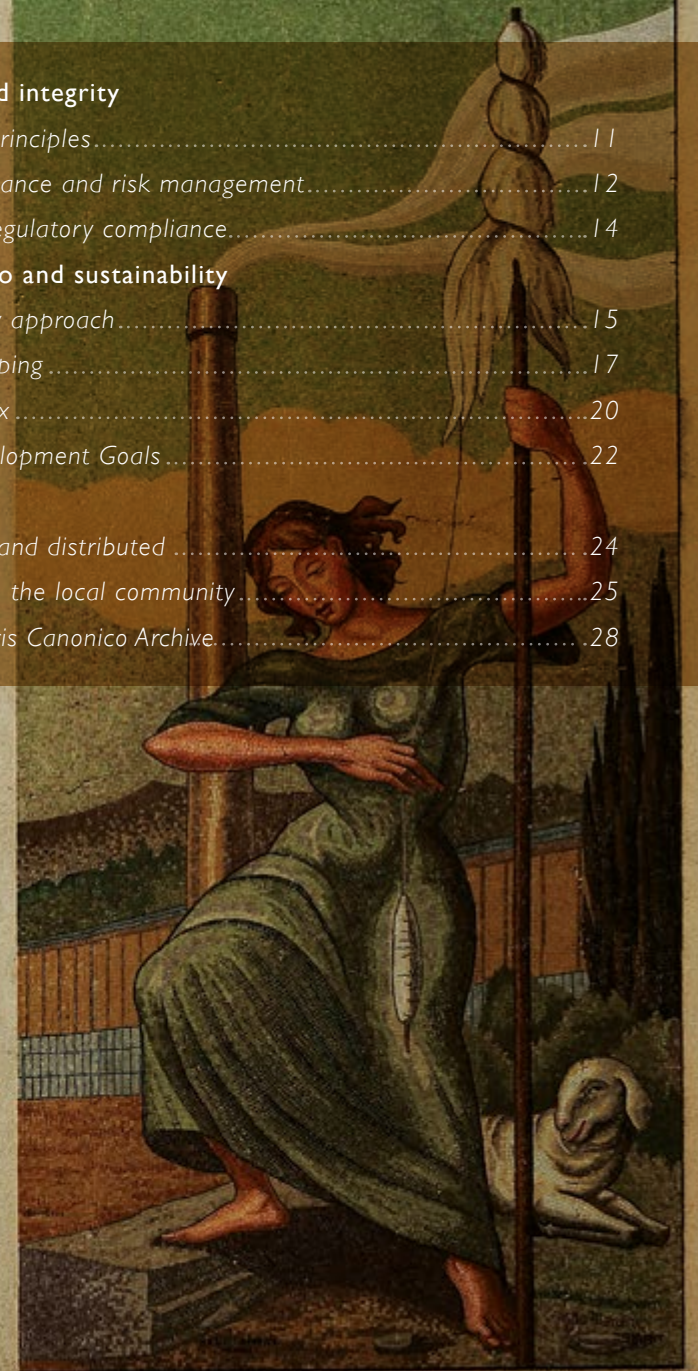
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RESPONSIBLE BUSINESS MANAGEMENT

Vitale Barberis Canonico considers sustainability an integral part of business management: people, environment and product are the pillars that guide strategic choices and daily practices.

In line with the values set out in the corporate Code of Ethics, updated in 2021, the Company guarantees responsible and transparent business management.

It pursues long-term business development and reconciles economic and strategic decisions with the assessment of social and environmental impacts in relation to stakeholders' expectations.

It constantly nourishes a robust and lasting relationship with all stakeholders, building an active exchange that enables continuous enhancement of its impact on society and the environment.

Through targeted investments, the aim is to create value over time, recognising corporate social responsibility as a strategic lever for its own development.



BUSINESS GOVERNANCE AND INTEGRITY

OUR VALUES AND PRINCIPLES

For Vitale Barberis Canonico, values are fundamental factors building its identity that have always guided strategic choices.

The Company pursues the achievement of its objectives through activities carried out in compliance with the law and fundamental human rights, based on clear and transparent rules and in harmony with the goals of the community and the local area.

Since 2008, these principles have been set in stone in the Company's Code of Ethics. Equity and financial soundness is one

of the constant values that the Company pursues and protects with a view to managing the cyclical nature of the textile market.

For Vitale Barberis Canonico, protecting employees and respecting nature, in addition to the focus on fabrics have always been priorities in its multi-year investment strategies.

During 2022, upgrading and adaptation of work was completed in the production halls and systems areas which enabled the Fire Prevention Certificate for both sites to be obtained.

In the spring of the year under review, the Company also executed an extraordinary operation involving the launch of a third temporary production unit located in the Fila di Valdilana locality, to meet fabric drying capacity requirements.



BUSINESS GOVERNANCE AND INTEGRITY

CORPORATE GOVERNANCE AND RISK MANAGEMENT

Vitale Barberis Canonico is a company owned by Lanificio Vitale Barberis Canonico.

The Company adopts a traditional Corporate Governance system, represented by a Board of Directors and a Board of Statutory Auditors.

The corporate governance system includes and is inspired by the principles and application criteria recommended by CODIF – Corporate Governance Code for Non-Listed Companies under Family Control – which endorses:

- the ability of the family owning the company to express a clear vision for the corporate future;
- the possibility for Management (family or non-family) to implement vision using the best resources available on the market.

The Board of Directors is made up of 9 directors, 4 of whom are independent directors, including the Chairman. Women account for 22% of Board membership and members aged between 30 and 50 years for 11%.



The Board is the watchdog body, ensuring that decisions and pursuit of social interests are given due consideration and weight in compliance with the decisions of the Shareholders' Meeting which expresses the will of the owners. Directors are required to act in the exclusive interest of the Company and to understand the tasks and responsibilities inherent in their office, held by pursuing the priority corporate goal, i.e., the creation of economic and social value on a medium-long term horizon, and paying special attention to areas potentially subject to conflicts of interest. It should be noted that there have been no significant changes in the Organisation and its Governance in 2022.

The organisational structure of Vitale Barberis Canonico establishes roles and responsibilities for the various areas of Corporate Management working under the most senior officer, the Managing Director, alongside the Supervisory Body and the Board of Statutory Auditors, both with 3 members.

The Company has equipped the Governance system with additional entities:

- EXECUTIVE COMMITTEE: composed of a Chairman, a secretary and four other members. The committee's members include strategic figures, such as the Chairman of the Board of Directors, the Managing Director, the heads of the Style and Communication, Sales, Personnel and Sustainability areas. The Committee prepares the topics to be submitted to the Board of Directors and may take certain operational decisions according to the strategic guidelines handed down by the Board;
- SPECIFIC COMMITTEES: such as the Technical Committee, the cross-functional HUB and the Commercial Committee that all meet at regular intervals.

A coordination meeting is also held weekly, involving all heads of function.

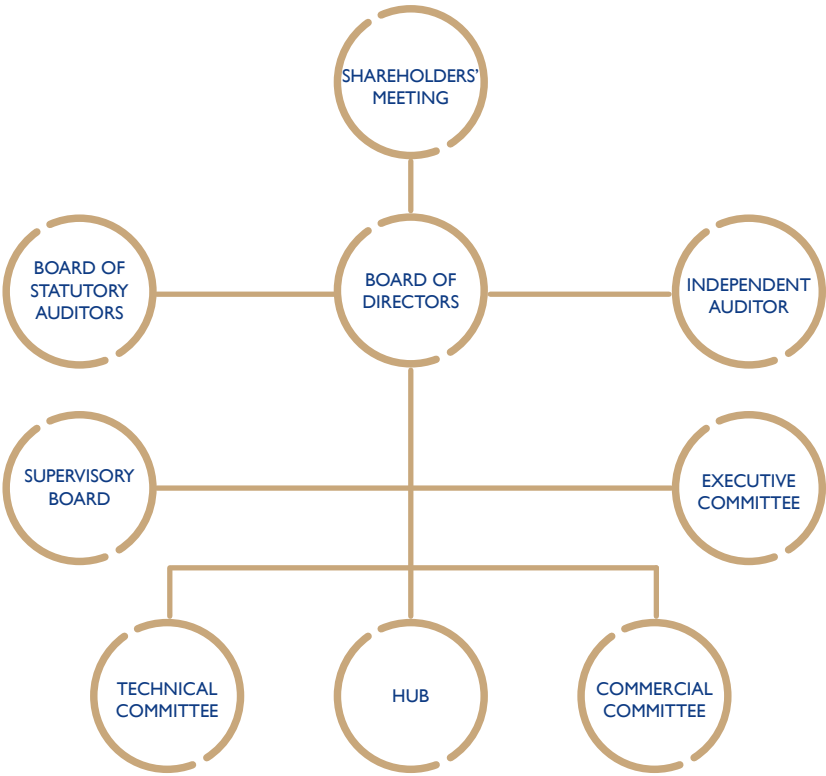


The approach adopted for correct and transparent risk management and the relevant procedures are documented using special reporting forms that include operating methods, responsibilities and resources.

On 24 March, at the Board of Directors, the 2022 Sustainability Report was approved, which describes the projects and the main economic, social and environmental results achieved by the Company over the reporting year.

In 2022 the cross-departmental HUB continued to be operational which, replacing the previous Style Committee, aims to propose bottom-up strategies for the development of seasonal product offerings.

The HUB brings together the expertise of product development, R&D, sales, marketing-communication, production, quality control and CSR, operating following a structured seasonal calendar of plenary or specific meetings and it periodically reports the outcome of its work to the Executive Committee.



BUSINESS GOVERNANCE AND INTEGRITY

LEGISLATIVE AND REGULATORY COMPLIANCE

To protect its position and the jobs of employees and other independent workers, Vitale Barberis Canonico ensures conditions of fairness and transparency in conducting business.

The Company has adopted an in-company control system designed to prevent unlawful conduct and any behaviour contrary to its values. Since 2008 it has adopted an Organisation, Management and Control Model, in accordance with Italian Legislative Decree 231/01 ("Model 231"), a document prepared following Confindustria (General Confederation of Italian Industry) Guidelines.

In the year under review, the Supervisory Body received no reports of breaches of the Organisational Model or the Code of Ethics and no objections were raised or detected.

With a view to tangible application of the inspiring principles underpinning the Code of Ethics, the Company promotes awareness through publication in the dedicated section of the corporate website www.vitalebarberiscanonico.it and the provision of information and training activities addressing employees, as well as sharing with customers and suppliers.

Model 231 includes:

- The Code of Ethics, which identifies the corporate values and highlights the set of rights and duties of all those who work in any capacity work at and/or with Vitale Barberis Canonico, setting down the rules of conduct to be complied with vis-à-vis all its stakeholder.
- The Organisational Model, which lists all the criminal offences that may occur within and/or involving the company and the in-company procedures adopted for managing such issues.
- The Disciplinary Penalty System, which prescribes the procedures the company will adopt for persons breaching the relevant rules and principles.

The task of regularly monitoring and verifying the effectiveness of Model 231 is entrusted to the Supervisory Body, whose members are independent in respect of the Company and granted autonomous powers of action and control.



VITALE BARBERIS CANONICO AND SUSTAINABILITY

OUR SUSTAINABILITY APPROACH

For Vitale Barberis Canonico, being sustainable means looking to the past to build the future.

The Company interprets sustainability as the virtuous interrelationship of three areas: economic, social and environmental. The link between these three pillars ensures business sustainability, i.e., the ability to create value over time.

The result of the commitment of previous generations, responsibility towards the community and the local area is a value that Vitale Barberis Canonico has inherited and that still underpins its investment strategies.

The Company draws its main resources from the local area and it is committed to restoring economic growth and reducing its environmental footprint as much as possible through investments and pioneering technologies in its industry.

In 2022, we can claim many virtuous achievements. Those especially worthy of note include:

- adoption of wearable exoskeletons to support operators in repetitive operations that over time can cause fatigue;
- installation of a first 300 kWp photovoltaic system at the Pratrivero site;
- establishment of Buying Company with offices in Australia and South Africa;
- obtaining Global Recycled Standard certification for products with a recycled content.

For a second consecutive year, Vitale Barberis Canonico was elected among the top 100 companies at the second edition of the **Sustainability Award** held in 2022.

The award, promoted by Credit Suisse and KON Group, aims to recognise the value of Italian businesses that have distinguished themselves in sustainable development, social responsibility and respect for the environment.

The candidate companies underwent an independent assessment aimed at reviewing strategy, management and performance with

regard to the main environmental (E), social (S) and governance (G) topics.

Vitale Barberis Canonico achieved a score of 565.3 on a panel average of 480 and a maximum obtainable score of 1,000. The score awarded to the Company increased compared to the score of 444.4 obtained in 2021.



In May 2022 Vitale Barberis Canonico opened its plant in Pratrivero to the public. Around 400 people attended the **theatrical performance “ECOSOSTENIBILE IBILE IBILE IBILE...”** written by Danilo Craveia, Biella historian and archivist, and staged by the company “Teatrando” in Biella. Set in the most important production departments, the performance played with the virtuous actions carried out by the company in CSR.



1982

- Purchase of first Australian farm.
- Dyeing efficiency.



1989

First generation acoustic cabins.

2001

New high-automation dyeing.

1996

New finishing department with lower environmental impact.

2003

- Adoption of sophisticated post-combustion system.
- Granting of first scholarship.



1987

Wastewater treatment plant.



2012

- New corporate welfare package with benefits.
- Associazione Tessile e Salute (Textile and Health Association) Certification.

2009

- ISO 9001 Certification.
- Highly efficient new thermal power plant.

2008

Model Law No. 231 and Code of Ethics.

2005

Mapping of mulesing status with New England Wool.

2014

Wool Excellence Club e Wool Excellence Award.



2019

- ISO 14001 and ISO 45001 certifications.
- 100% renewable electricity.
- H.O.P.E. fabric range.
- Chemical Management 4sustainability.
- Transfer of SustainaWOOL management to AWEX.

2018

- First Sustainability Report.
- New Integrative Corporate Agreement with improvements.

2021

- RWS and RMS certifications.
- Offset of CO₂ generated by methane consumption.

2022

- Adoption of wearable exoskeletons.
- First photovoltaic array system.
- GRS certification.
- Buying Company with offices in Australia and South Africa.



2015

SustainaWOOL Integrity Scheme Certification.

2016

Water recycling line in finishing.

VITALE BARBERIS CANONICO AND SUSTAINABILITY

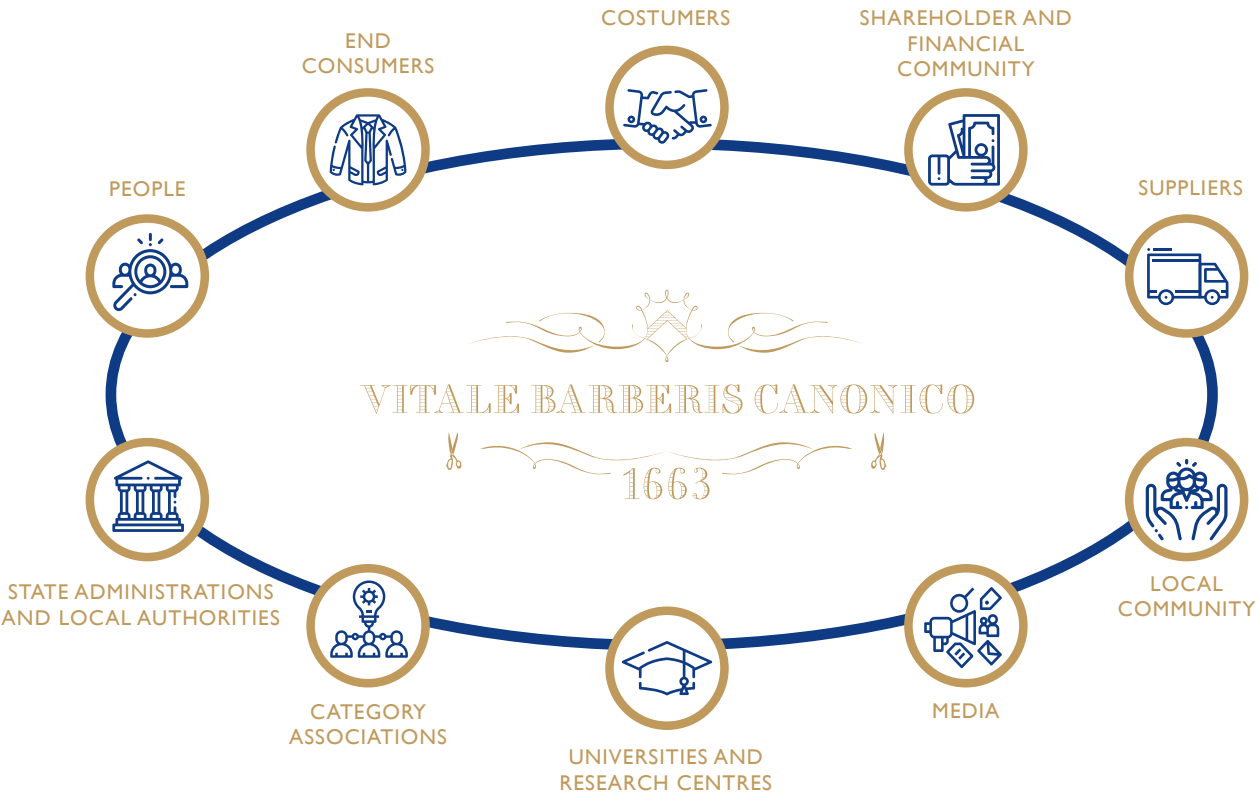
STAKEHOLDER MAPPING

Vitale Barberis Canonico pursues the achievement of its business objectives in the interest of its identified stakeholders..

In-company and outside-company Stakeholders, are parties on which the Company generates a social and economic impact and that, at the same time, have an influence on the Company.

In the business strategy, it is essential to meet the expectations of such interlocutors to strengthen business continuity and create value in the medium and long term, with special regard to the interests of the local area and the community representing the corporate roots. Starting from the features, the activities and

an understanding of the role that the Company plays in the context in which it operates, it has implemented a process for identifying stakeholders by defining a structured path involving top corporate managers.



To pursue its goals in a shared and effective manner, Vitale Barberis Canonico actively works with the following category organisations and associations:



SMI – Sistema Moda Italia (Italian Textile and Fashion Federation): it represents the entire western-world textile and fashion supply chain, at national and international level, protecting and promoting interests in relations with respective stakeholders.



UIB – Unione Industriale Biellese (Biella Industrial Union): a local association of entrepreneurs under the wing of the Confindustria (Italian Federation of Industry) System, whose purpose is to represent, support and develop the Biella industrial fabric.

IDEABIELLA

Ideabiella: an association that aims to promote, organise and manage the showcasing, spread and sale in Italy and abroad of fabrics primarily for men's apparel. Vitale Barberis Canonico S.p.A. is one of the Founding Members, and Alessandro Barberis Canonico, Managing Director of the Company, has been its Chairman since 2015.



Les Hénokiens: an international association reserved for family-controlled businesses with history spanning at least 200 years, whose members are deeply rooted in today's business realities, managing their companies with talent, navigating between innovation and tradition.



AIDAF – Associazione Italiana delle Aziende Familiari (Italian Association of Family-Owned Businesses): reference in Italy for family-run businesses, it brings together 200 companies that represent about 15% of Italian GDP. It is committed to developing a healthy and robust family business model, studying tangible and current management issues and overseeing the personal and professional growth of the new generations.



ASWGA – Australian Superfine Wool Growers Association: voice of the Australian superfine wool industry that brings together breeders and users with the aim of promoting production and spread of Traditional Wool, or particularly fine quality wool from traditional Australian sheep breeds.



Associazione Tessile e Salute (Textile and Health Association): with more than 100 members, it aims to safeguard the health of the consumers with regard to textiles, footwear and accessories, identifying the most effective solutions to counteract and prevent the spread of potentially harmful products, as well as protecting and promoting Made in Italy.



The Woolmark Company: an organisation that highlights the prominent role of Australian wool as best natural fibre and main component of luxury apparel by promoting research, development and marketing activities.



Superfine Wool Council: organization created by the Cashmere and Camel Hair Manufacturers Institute (CCMI) with the mission of protecting the correct use of the Super's claims in regard of superfine wool.



Accademia Nazionale dei Sartori (National Academy of Tailors): the oldest Italian association in the industry that aims to protect the traditions and culture of tailor-made garments, enhancing the product and the training and promotion of young tailors.



Asociación Española de Sastrería (Spanish Tailoring Association): an association created with the aim of promoting and strengthening Spanish tailoring, nationally and internationally.

On 23 September 2022, at the Terra Madre Salone del Gusto (Mother Earth Taste Exhibition) event, the new **Slow Fiber**



network was presented, originating from an encounter between Slow Food Italia and 16 companies in the textile industry supplying apparel and furniture manufacturers, including Vitale Barberis Canonico. Slow Fiber aims to spread knowledge about the impact that textile products have on the environment, on workers in the supply chain and on consumer health.



Vitale Barberis Canonico is a partner company of **Monitor for Circular Fashion**, a multi-stakeholder project involving leading companies in the fashion industry and players in the supply chain, with scientific contribution from SDA Bocconi Sustainability Lab and Enel X's cross-industry vision for the identification of circular economy KPIs. It welcomes virtuous companies and spreads good circular economy practices in the fashion industry, enhancing technical, managerial and scientific skills, with the aim of contributing to the transition towards circular business models.



Specifically, it aims to:

- analyse the evolutionary dynamics of the industry and its main sectors over the next decade;
- investigate the impact of such dynamics and alignment with Sustainable Development Goals that are part of the UN 2030 Agenda;
- identify the main qualitative and quantitative indicators of the circular fashion economy;
- give voice to the Italian fashion industry by creating the Circular Fashion Manifesto to be presented to National and International Institutions and at Summits.

2022 focus was the implementation of the best practices of the Monitor through pilot projects, and namely:

- teamwork between the various value chain actors;
- creation of reliable sustainability claims based on specific and measurable KPIs;
- evaluation of the Monitors' circularity KPIs;
- implementation of the eco-design principles of traceability and transparency.

Vitale Barberis Canonico presented the **Trace Me** project: a shopper made with recovered fabric in wool fibres, designed for recycling, manufactured in Italy and assembled by the Italian social enterprise QUID. With the digital partner TEMERA, a leading company for IoT solutions, Vitale Barberis Canonico created a QR code which allows to surf in an interactive way in the claim, KPIs, complete traceability of the product and the transparent supply chain back to the wool origin.



VITALE BARBERIS CANONICO AND SUSTAINABILITY

MATERIALITY MATRIX

Through the materiality matrix, Vitale Barberis Canonico has mapped priority economic, social and environmental sustainability topics for the Company and its stakeholders.

Those aspects that may influence both the performance and decisions of the organisation and the opinions and assessments of stakeholders are defined as “material”.

This matrix was prepared in line with the GRI Standards, the universally accepted guidelines for non-financial reporting.

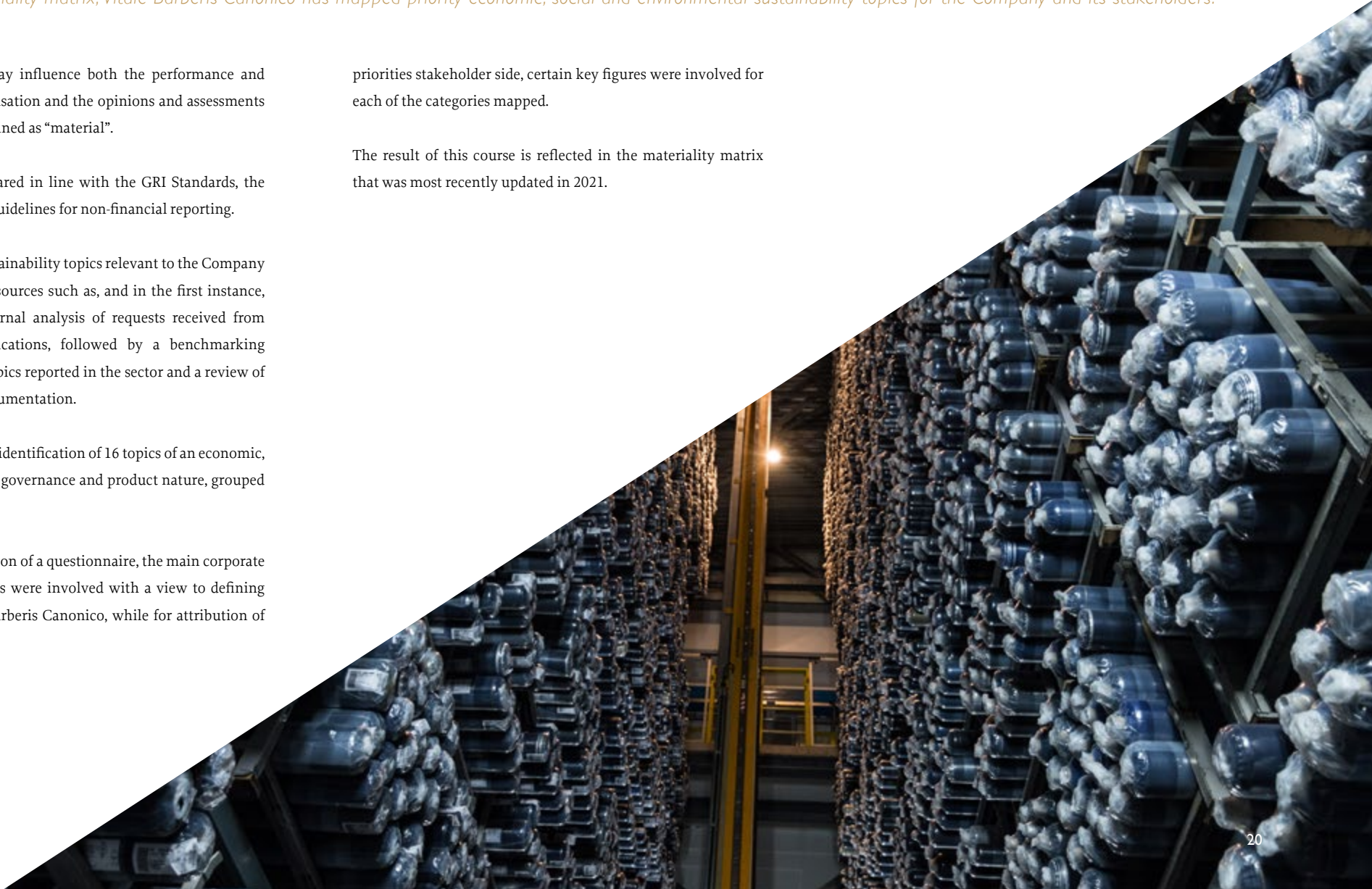
The step mapping sustainability topics relevant to the Company was based on several sources such as, and in the first instance, a comprehensive internal analysis of requests received from customers via specifications, followed by a benchmarking survey on the main topics reported in the sector and a review of internal corporate documentation.

This process led to the identification of 16 topics of an economic, social, environmental, governance and product nature, grouped by macro-areas.

Through the compilation of a questionnaire, the main corporate Management functions were involved with a view to defining relevance for Vitale Barberis Canonico, while for attribution of

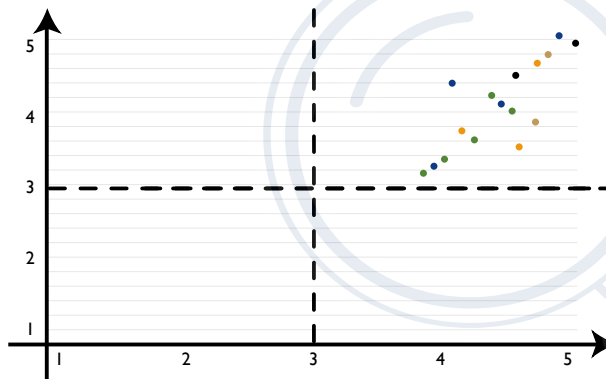
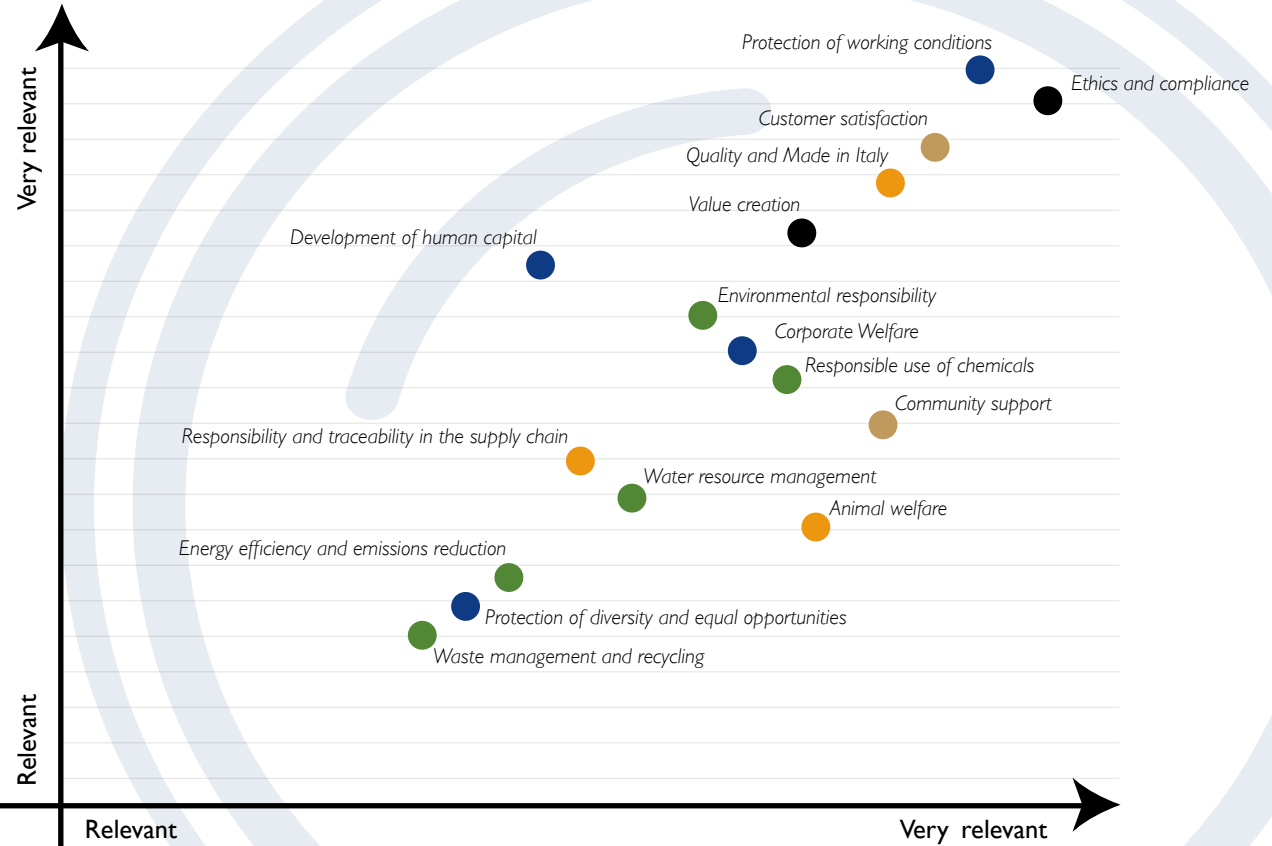
priorities stakeholder side, certain key figures were involved for each of the categories mapped.

The result of this course is reflected in the materiality matrix that was most recently updated in 2021.



- GOVERNANCE AND BUSINESS RESPONSIBILITY
- SOCIAL RESPONSIBILITY
- RESPONSIBILITY TOWARDS PEOPLE
- ENVIRONMENTAL RESPONSIBILITY
- PRODUCT RESPONSIBILITY

RELEVANCE FOR STAKEHOLDERS



VITALE BARBERIS CANONICO AND SUSTAINABILITY

SUSTAINABLE DEVELOPMENT GOALS

Vitale Barberis Canonico pursues sustainable development through hands-on daily practices, which reconcile business and strategic decisions against assessment of social and environmental impacts in relation to stakeholders' expectations.

These aspects are reflected in the 17 Sustainable Development Goals (SDGs) reported in the 2030 Agenda signed in 2015 by the governments of the 193 UN member countries, which follow up on the outcome of the Millennium Development Goals (MDGs).

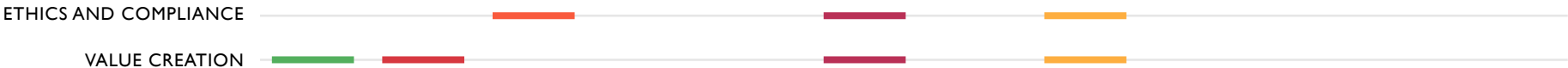
The SDGs provide an immediate and internationally recognized way for defining the topics covered in sustainability reporting and for highlighting their contribution to specific goals.

The Goals that the Company considers most linked to its business and to which it directs its commitment for the future are reported in relation to each of the 16 sustainability topics identified in the materiality matrix.

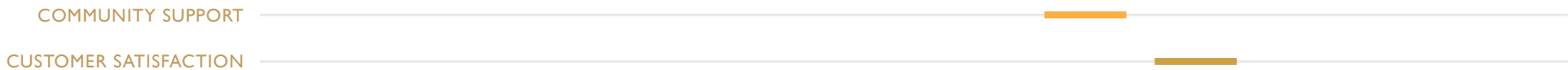




GOVERNANCE AND BUSINESS RESPONSIBILITY



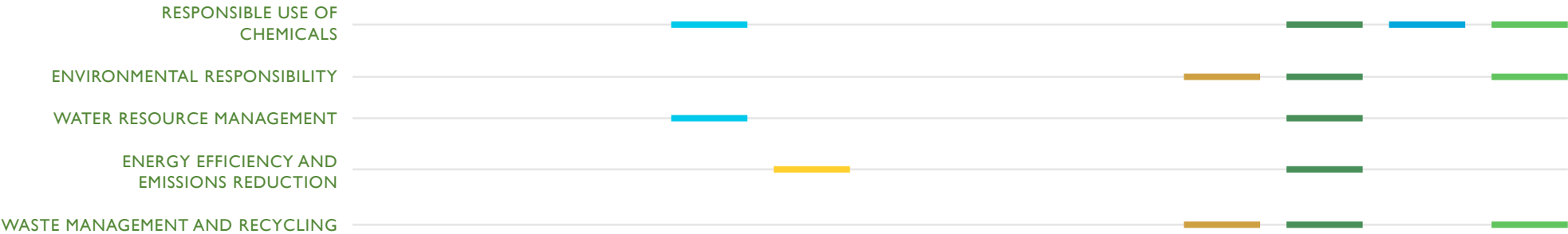
CORPORATE SOCIAL RESPONSIBILITY



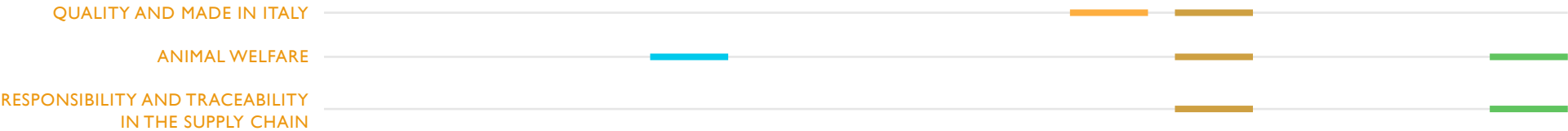
RESPONSIBILITY TOWARDS PEOPLE



ENVIRONMENTAL RESPONSIBILITY



PRODUCT RESPONSIBILITY



VALUE CREATION

VALUE GENERATED AND DISTRIBUTED



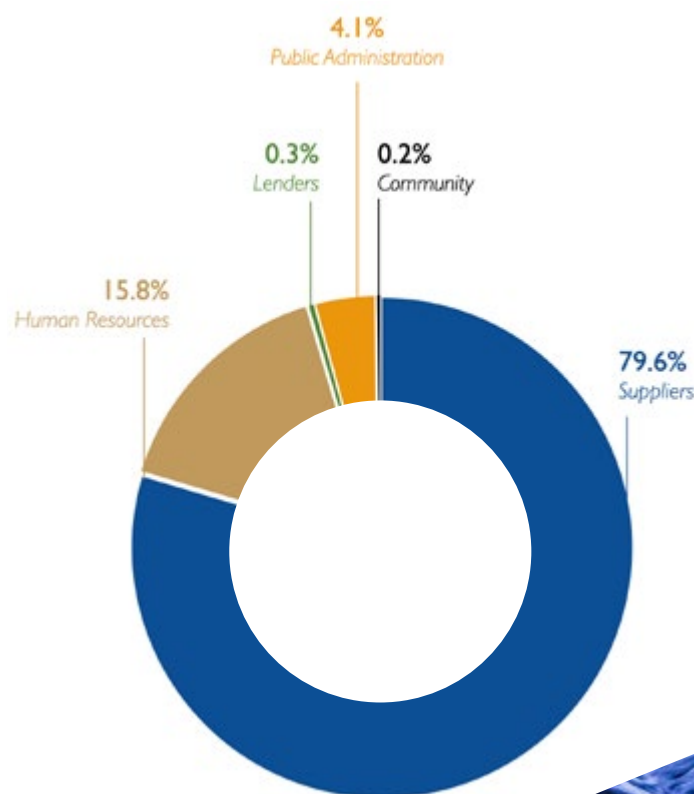
Vitale Barberis Canonico generates wealth by contributing to the economic growth of the social and environmental context in which it operates..

The Company engages in its activities using production-related factors effectively, with the aim of generating additional economic value compared to the resources used.

In 2022, Vitale Barberis Canonico generated sales revenue for EUR 151 million, against costs totalling EUR 149 million, generating an operating profit of EUR 2 million.

Costs incurred generated value that was distributed as follows:

- 79.6% to Suppliers: the cost of supplying goods and providing services for the purpose of developing corporate business represented the most significant portion;
- 15.8% to Human Resources: in the form of salaries and wages, severance pay and other personnel expense;
- 4.1% to Public Administration: via payment of direct and indirect taxes and social security expenses;
- 0.2% to the Community: portion allocated as contributions to local communities by participating in the implementation of social, cultural and sporting projects and events;
- 0.3% to Lenders: it represented the positive balance in favour of the company deriving from the difference between financial income collected and interest and financial expense paid to all creditors.



It should be noted in the breakdown that distribution of added value allocated to Human Resources as salaries and wages amounted to almost EUR 18 million, Severance Pay (TFR) provision totalled over EUR 1 million and other personnel expense amounted to EUR 3 million, totalling approximately EUR 22 million.

The Company paid EUR 6 million to the Public Administration in the form of taxes and social security contributions.

31 December 2022 year ends, Vitale Barberis Canonico reported owners' equity totalling EUR 85,655,667 corresponding to a debt-to-equity ratio (gearing) of 53%, reporting a decrease of 12% compared to the debt-to-equity ratio in 2021.



VALUE CREATION

ENGAGEMENT WITH THE LOCAL COMMUNITY



Through the VBCare project, Vitale Barberis Canonico strives to support the local area and community.

The Company has set itself the goal of endorsing a significant number of activities by supporting a social network that is vital for the district where number of services is limited.

VBCare has three main focuses: VBCarity, VBCulture and VBCommunity. Over the last five years, the Company has distributed over EUR 1,200,000.

In 2022, it confirmed its contribution.



VBCarity
29%



VBCulture
36%



VBCommunity
35%

VBCarity

The Company stands alongside large and small associations and organisations that are involved in guaranteeing the local community essential goods and services, with specific focus on situations of particular need. Support for these important activities was confirmed during 2022.

Especially noteworthy is the Vitale Barberis Canonico's 10-year partnership with **LILT Biella**: in 2022, the male workforce had the chance to voluntarily receive free urogenital tract cancer screening.



amici dell'ospedale di biella
ASSOCIAZIONE ONLUS



Pro Loco Pray
Associazione Turistica



ASSOCIAZIONE
DELFINO



Associazione per la Lotta
all'Ictus Cerebrale



VBCulture

Vitale Barberis Canonico invests in the educational and learning development of students in the local area, accompanying their learning endeavours with actions targeting all age groups.

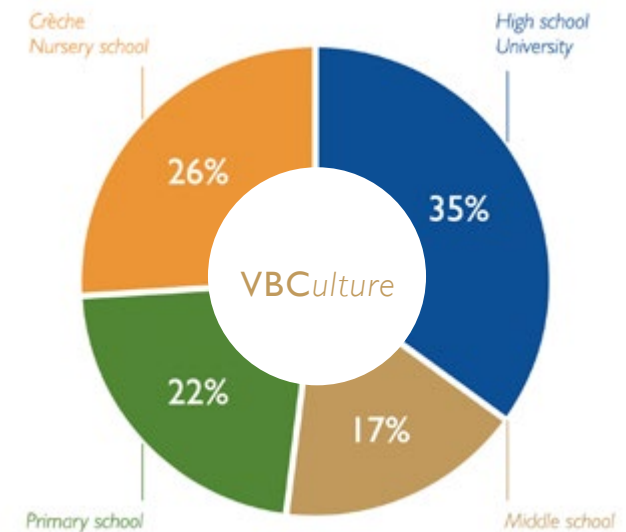
Support for schools, through donations or support activities, involves various aspects of education, from kindergarten to higher-education.

Also noteworthy in 2022, was support for the association Biella Cresce, which is responsible for facilitating the spread of the most up-to-date scientific knowledge on learning and education by working together under an agreement with the research body, Polo Apprendimento, in Padua and with Città Studi Biella. The aim of the association is “to bring up a better generation together”. To attain this goal, it works in two directions: direct action through classroom activity and dissemination via training activities for teachers, educators and parents.

During 2022, **Biella Cresce** completed training and tutoring courses with 102 teachers, thus supporting more than 1,300 children in pre-school, primary school and first-level secondary school education.

In the reporting period, especially noteworthy for Biella Cresce was continuation of the online format “Study Thursday”, which has reached the remarkable number of almost 20,000 views and 3,000 hours of streaming, bringing scientific knowledge into everyone’s homes, with practical implications that can be immediately adopted in daily life.

Also worth highlighting is the support for the project **OPS!** by **OltreilGiardino Onlus**, a no-profit organisation, which aims to raise awareness among adults and young people about the responsible and healthy use of social media and new technologies. In 2022, 56 pupils from Valdilana schools were involved and the topics addressed concerned relationships and changes, problem solving and group dynamics, real and virtual communication, bullying and cyberbullying, privacy and network hazards.



In June 2022, at the **P come Pianeta Pulito e in Pace** (P like Pristine Planet and in Peace) event, held in Pray in the province of Biella, the Company received an award from the local Comprehensive School for supporting tailoring/dressmaking and carpentry workshops in the 2021/2022 school year. During the project, the works of both workshops were shown, attended by a total of 50 students. The aim of Vitale Barberis Canonico is to give continuity to this virtuous project and to enable a “know-how” culture to be spread.



Vitale Barberis Canonico considers it increasingly important for businesses and the local area to invest in the new generations, feeling engaged and loyal to supporting the commitment of the young people of the area to their studies. According to this principle, in 2022, **Scholarships** were awarded to high school and university students on technical study courses.

The scholarships, established in 2003, include, in addition to the workers' children, also all students in the Biella and Valsesian area who have distinguished themselves at the final high school exam (otherwise known as the "maturità") and in their chosen university course receiving high grades.

In 2022, the Company granted scholarships to 5 students who achieved excellent grades, thus reaching a total of 93 Scholarships awarded over the 19 editions.

Guest at the December event was the regional councillor for Education, Employment and Vocational Training, Ms Elena Chiorino, who in her speech to young students highlighted the importance of building their own path, both educational and personal, which sees benefits in relying on key external "partners" such as their family, with their own values and principles, and businesses like Vitale Barberis Canonico which, with its empathetic stance towards the community, contributes to the growth of the new generations.



VBCcommunity

The Company sponsors and participates in events close to the heart of the community and endorses, through ongoing or project funding, associations and actions supporting the local area.



The many activities already launched over previous years and continued in also in 2022, also included the cultural partnership with **Premio Biella Letteratura e Industria** (Biella Literature and Industry Prize), an important recognition in Italy dedicated to fiction and non-fiction focussed specifically on the transformations taking place from an economic and social perspective, which have the purpose of investigating the relationships between two apparently distant but intimately linked worlds: the arts and industrial development.

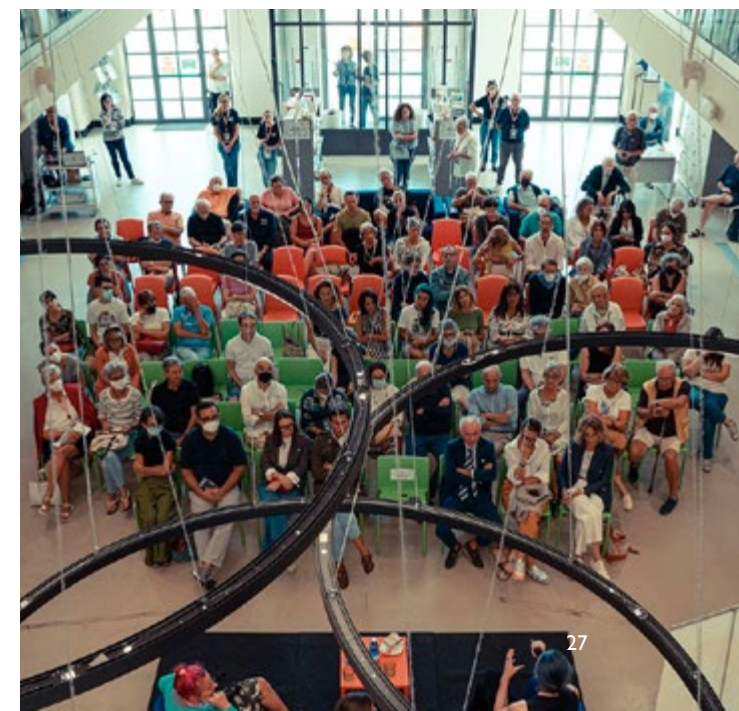
The XXI edition of the competition has announced Claudia Bianchi as the winner, with her work "Hate speech. Il lato oscuro del linguaggio" (Hate speech. The dark side of language) (Laterza), which investigates the destructive potential of a violent, distorting and disparaging use of words, which can be artfully twisted for the purposes of power, control and annihilation.

In the reporting period, Vitale Barberis Canonico supported the Literary Festival of the City of Biella, **#Fuoriluogo**, as main sponsor, held from 2 to 4 September 2022. An important cultural event for the city, for three days, it is the stage to a dense program of meetings with writers, concerts, guided tours of historic sites and events for children.



In September 2022, the Company also supported the third edition of **Contemporanea** in Biella, an all-female festival with encounters that addressed a wide range of issues, with important personalities participating, happy to share their experience.

Since 2020, the Company has been funding the **Fondazione Bellezza** foundation, created in partnership with important local companies including Ermenegildo Zegna N.V., Banca Patrimoni Sella & C. S.p.A. and Banca Sella S.p.A., as well as Fondazione Cassa di Risparmio di Biella, with the aim of stimulating, supporting and promoting projects which are able to contribute to the sustainable development of the Biella region. In 2022, the Foundation created the hackathon "BI FUTURE!", a project aimed at involving students from Biella in the strategic tourism planning.



THE VITALE BARBERIS CANONICO ARCHIVE

The Vitale Barberis Canonico Archive consists of over 2,500 volumes: a legacy of historical textile heritage narrating the story of male and female dress from 1846 to the present day, today open to customers and fashion students by appointment.

The cultural assets in the collection include collection samples from different wool mills and collections featuring research on the trends of the time, but also journals containing annotations from tailors which provide insights into the tastes and fragments of life of the most elegant men of the era.

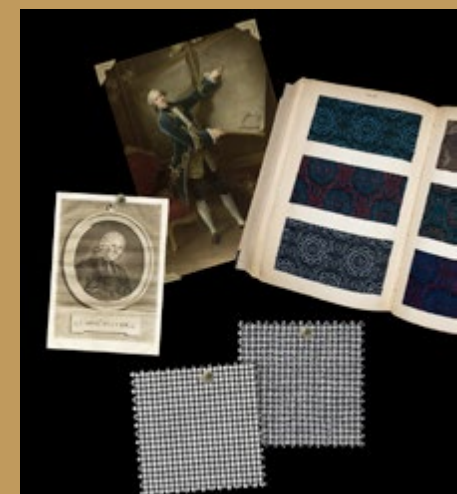
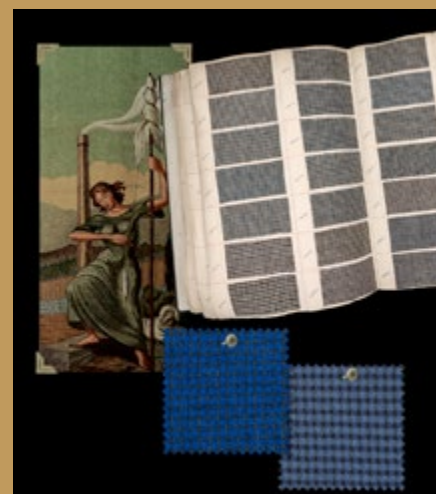
The main feature of the collection is the variety of the materials: different eras, countries of origin, composition, usage occasions and type of fabric that narrate the story of wonderful attire spanning almost two centuries. The oldest volumes originate from the United Kingdom, but there is no shortage of Italian, French, German and Spanish works.

The entire archive has been digitalised making it easy to consult, via a computerised card system with around 25,000 cards. Recovery of this historical textile heritage also takes on the value of a cultural laboratory, where passion and responsibility for conserving textile knowledge becomes a support tool inspiring creativity and innovation.

In 2020, the Fabric Tales project was established to enhance the value company heritage, consisting of the historical archive and with the aim of contributing to spreading a textile culture

that has its roots in the past, but which is still very much alive and current. From the pages of the old volumes, Vitale Barberis Canonico's scrupulous research activity brings to light the incredible stories that unfold along three strands - historical figures, places and colours – with a single protagonist: fabric and its evolution in style and costume.

Since 2020, Fabric Tales has animated a dedicated page on the corporate website, whose interactive graphics aim to reproduce the flavour of the archive space and its precious shelves. In 2022, the section was enriched with three new stories.





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PEOPLE AND THEIR VALUE



PEOPLE AND THEIR VALUE

For Vitale Barberis Canonico, people are the fundamental pillar on which the business is built.

Harnessing the resources from the local wool district, where culture and know-how are deeply rooted, is a touchstone for professional craftsmanship and skills, forming an indissoluble link between the Company and the community.

Company employees and independent workers perform their tasks in accordance with corporate principles, whose key features are courtesy and transparency, with a sense of responsibility, total care and a collaborative spirit towards colleagues and others. They also actively participate in corporate life and proactively seek constant enhancement of their talent.

The Company ensures motivating, meritocratic treatment and respect for individual dignity in the working conditions at all its manufacturing facilities, as well as safe and healthy environments aimed at protecting people's physical and moral integrity.

Vitale Barberis Canonico was the first company in the wool textile sector to introduce wearable exoskeletons: in 2022 Ottoblock Shoulder and Back were adopted in the spinning and warping departments and in the shipping warehouse in order to support operators in the repeated operations that may lead to pain and fatigue over time.



475 PEOPLE*50% of the female workforce***BREAKDOWN BY WHERE PEOPLE LIVE**

60% <15 km
 29% 15-30 km
 11% >30 km

CORPORATE WELFARE

- Covid Insurance
- Life Insurance
- Supplementary Health Insurance
- Long-Term Care
- Sickness cover fully covered by the company

ADOPTION OF WEARABLE EXOSKELETONS

**OCCUPATIONAL
HEALTH AND SAFETY
CERTIFICATION**
ISO 45001 since 2019



**99% PERMANENT
EMPLOYMENT
CONTRACTS**



**THE WORLD'S MOST
SILENT WEAVING
DEPARTMENT THANKS TO
SOUNDPROOF CABINS**
100 dB —> 85 dB



**93 SCHOLARSHIPS GRANTED
OVER 19 EDITIONS**
5 in 2022



THE HUMAN FACTOR

PERSONNEL MANAGEMENT



Vitale Barberis Canonico strives to establish long-term relationships with people, offering stability, a stimulating working environment and opportunities for advancement.

The conclusion of the Covid-19 emergency led to a sudden increase in sales and consequently resumption of the staff hiring policy. In fact, there has been a significant increase in the workforce (+ 67 resources). 75% of the new hirers were recruited directly by the company, underpinning the Company's desire to ensure greater stability and consolidate corporate know-how.

As of 31 December 2022, 99% of contracts were open-ended, permanent employment contracts. It should also be noted that part-time contracts totalled 4%, promoting family-job life balance, an option mainly requested by women.

Use of external workers is made using staff supplied by temp agencies and interns. Vitale Barberis Canonico nurtures these virtuous channels by maintaining an ongoing relationship with local area entities and agencies, such as the Employment Centre and the Piedmont Labour Agency, with university institutions and with the higher educational institutes within the district.

For internships granted with a view to internees joining the workforce, the Company offers 83% higher remuneration than required under regional legislation and dedicates resources and time engaging workers with greater experience in the transfer of skills and technical expertise.

A further noteworthy initiative in 2022 featured establishing a prize-bonus called "Build" for this type of internship; on completion of the 6th internship month and with confirmation of a future employment contract with the Company, both as agency and direct hires, interns received an additional gross bonus of EUR 1,100. The aim is to foster serious and engaged professional growth as an integral part of a shared project.

In the case of internship placements within higher education study courses, activities are mainly aimed at contributing to preparing final dissertations and/or as a first approach to the professional area which students have chosen as part of their study course.

PCTO (formerly School-Work Alternation) for high school students also is of key importance, which, by providing students with hands-on job experience at the company helps to consolidate learning acquired at school and students' attitudes to work.

Workforce by contract type	2021			2022		
	Male	Female	Total	Male	Female	Total
Total employees	182	192	374	214	210	424
Total external workers	16	18	34	16	35	51
TOTAL	198	210	408	230	245	475

Employees by contract type	2021			2022		
	Male	Female	Total	Male	Female	Total
Permanent employment contracts	181	191	372	210	208	418
Fixed-term employment contracts	1	1	2	4	2	6
TOTAL	182	192	374	214	210	424
Of which full-time	181	176	357	212	197	409
Of which part-time	1	16	17	2	13	15

External workers by type of work contract	2021			2022		
	Male	Female	Total	Male	Female	Total
Temporary staff via agencies	16	18	34	16	35	51
Internships	4	2	6	1	1	2
Of which aimed at joining the Company	1	2	3	0	1	1
Of which placements within course studies	3	0	3	0	0	0
Of which PCTO (formerly School-Work Alternation)	0	0	0	0	0	0
TOTAL	20	20	40	17	36	53

THE HUMAN FACTOR

ATTRACTING AND DEVELOPING TALENT



To respond effectively to the challenges of an increasingly competitive market, Vitale Barberis Canonico considers attracting, developing and enhancing people as key..

In accordance with corporate values and principles, recruitment interviews are conducted according to non-discriminatory and equal opportunities criteria.

The selection process uses both the direct channel (applications from the “Careers” section of the corporate website or participation in events such as Job Fairs, University Career Days and Orientation Days) and the mediated channel (temp agencies, staff selection firms or employee networks).

At the induction stage, a path has been designed twinning new staff with experienced workers for a variable time depending on job complexity. Evaluation at the end of the trial period takes place via direct sharing of assessments of the Human Resources Department and the Area Manager.

In 2022, there were 107 new hires, reporting a rate of 25.2% and a localised effort regarding both generational turnover and retaining skills; the number of outgoing resources totalled 73, reporting a rate of 17.2% due to strong labour market mobility, especially in the under 30 age group.

WORKING ALONG SIDE EXPERIENCED WORKERS



100 DAYS
FOR A SPOOLING MACHINE OPERATOR



180 DAYS
FOR A DYEING OPERATOR



1 YEAR
FOR A PREVENTION
AND PROTECTION OFFICER

The corporate strategy involves investing in young resources from the districts of Biella and Valsesia, which, although lacking experience, have great growth potential. Partnering with schools is a key factor in attracting young talent.

Hire rate	2021				2022			
	< 30 years	30-50 years	>50 years	Total	< 30 years	30-50 years	>50 years	Total
Male	6	10	2	18	20	29	13	62
Female	6	7	2	15	18	17	10	45
TOTAL	12	17	4	33	38	46	23	107
Hire rate	3.2%	4.5%	1.1%	8.8%	9.0%	10.8%	5.4%	25.2%

Turnover rate	2021				2022			
	< 30 years	30-50 years	>50 years	Total	< 30 years	30-50 years	>50 years	Total
Male	2	6	16	24	15	10	12	37
Female	0	3	22	25	20	6	10	36
TOTAL	2	9	38	49	35	16	22	73
Turnover rate	0.5%	2.4%	10.2%	13.1%	8.3%	3.8%	5.2%	17.3%

PARTNERING LEARNING

- Since 2013, the Company has been a partner in the **Master in Fashion, Experience & Design Management (MAFED) di SDA BOCCONI** course at the SDA BOCCONI University Management School, assigning a study and research project to certain international students each year. In February 2022, the “360 Academy” project was presented, which provided new ideas for making the Fabric Academy’s activity more effective.
- To encourage the growth of textiles and Made in Italy, the Company supports the **Biella Master delle Fibre Nobili**, a post-university course lasting 13 months that alternates theoretical learning with direct contact with companies through internships that enable hands-on learning through direct experience, both from the production and distribution side.
- Also in 2022, the Company supported the **Academy of Città Studi**, the school of excellence involved in intensive training of specialised textile resources, with the aim of their inclusion in the Company. The goal is to rebuild the pool of specific professional figures in today’s and tomorrow’s textile world, enabling companies to find suitable professional operators that are difficult to source on the labour market today.
- As part of the **Skilland** project on early orientation, the Company hosted 3rd grade middle schoolers (equivalent to Year 9 in England and Wales) attending the Lucia Maggia Comprehensive School in Cossato in October. At the end of the visit to the Pratrivero facility, the class was “challenged” to reinterpret the corporate tour format with the aim of identifying the closest ways to make the company known to the new generations.
- In May, the Human Resources Manager also participated in job interview simulations with boys from the 4a class fashion study path at the **ITIS Q. Sella di Biella** technical high school, an interactive way to test skills and expectations with a company and to understand added values and common errors that arise when applying for a professional job position.
- The Company also partnered The Woolmark Company in the design competition **Wool4School 2022**, with the aim of enhancing young talents and promoting the creative use of wool. Among the 480 projects presented by students attending fashion high schools throughout Italy, the jury announced the absolute winner to be a Trieste student, who experienced a two-week internship during which he was able to discover aspects of design, production and corporate communication.
- During the 2022-2023 school year, the Company supported the **Tailoring School of the Accademia Nazionale dei Sartori** as a sole partner, supporting teaching activities and awarding 5 scholarships to the most deserving students. The School aims to train the Master Tailors of tomorrow, creating well-rounded, professional figures prepared not only from a technical standpoint but also equipped with stylistic and managerial skills.
- The Company partnered the **Institute of Applied Art and Design** in Turin, providing fabrics for the creation of the students’ end-of-course projects, in a project that also involved the marketing and communication area and the design team.



The Company promotes enhancement of employees through training activities dedicated both to consolidating skills and professional growth, and to promoting an occupational health and safety culture and awareness of environmental protection.

In 2022, 4,118 hours of training were provided, approximately double the 2,324 hours disbursed the previous year. 11% were individual skills, while 89% were safety-related competencies.

Development of professional skills is identified by two different training policies:

- continuous: implemented via in-company and outside courses aimed at specific roles and/or areas, to nurture know-how and technical skills according to strategy periodically planned by the Human Resources Department;
- specific: activated based on the specific requirements of the role in question.

On-demand training is particularly important, creating a virtuous circle between the employee who proactively requests training in a specific area and the Human Resources Department, which is updated on personal aspirations.

Vitale Barberis Canonico is committed each day to ensuring that its people have work environments suitable for safeguarding their fundamental rights to health, safety and physical integrity, in compliance with laws in force and via implementing specific in-company training courses.

In relation to individual professional skills, in 2022, the provision of two specific courses dedicated to spinning are noteworthy:

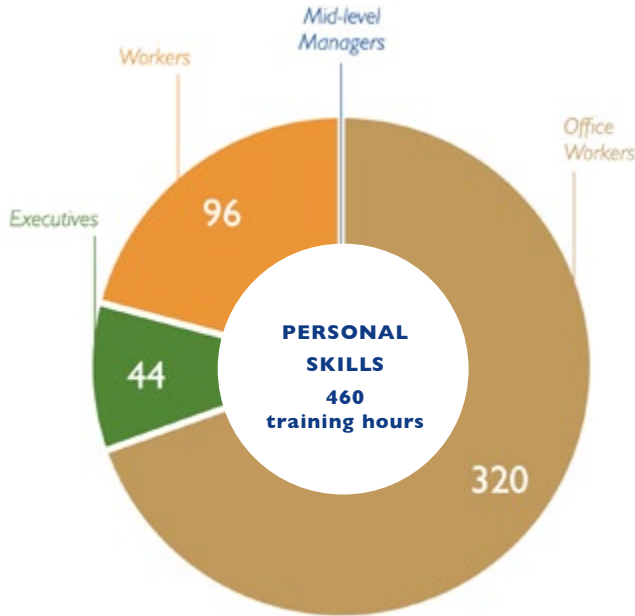
- A preparatory course for inclusion in the department

for new trainees with the aim of acquiring the technical notions and secrets of the trade;

- A professional coaching project to increase the dialogue with onboarded workers, aiming to bring out growth expectations and points for improvement, for achieving together a working environment that is conducive to building tangible and long-term loyalty.

The main safety-related activities concerned specific training for new hires and five-year refreshers for the entire workforce. A new module on the corporate sustainability strategy has been added to both training courses. All staff refresher courses were duly recorded.

Training per capita	2021			2022		
	Male	Famale	Total	Male	Famale	Total
Executives	7	0	6	8	0	7
Mid-level managers	6	6	6	4	7	5
Office workers	18	13	16	11	13	11
Workers	5	2	3	11	9	10



THE HUMAN FACTOR

EQUALITY



To guarantee the priority value of human resources, Vitale Barberis Canonico bases people management on the principle of protecting diversity and equal opportunities.

The Company does not tolerate any form of discrimination or acts of intimidation or harassment, and compliance with these values is also enshrined in the corporate Code of Ethics. Workers are required to model their behaviour on principles of reciprocal fairness and in absolute respect for the dignity and moral personality of each person.

Adoption of Model 231 involved the installation, at both production sites, of a box for collecting anonymous incident reporting.

Headcount data show the breakdown of employees by gender, age group and occupational classification.

31 December 2022 year ends, female staff accounted for 50% of the corporate workforce, in line with the previous year. Breakdown data by age group were also stable for the two-year period.

There was a rise from 3.7% to 4.5% of employees belonging to targeted placement, for which there is an ad hoc selection process implemented in co-operation with the service managing the Employment Centre. In November, noteworthy was participation in the virtual event “Digital Diversity Week”, where the Human Resources Department presented itself in a specific statement addressing workers with disabilities.

In 2022, Vitale Barberis Canonico voluntarily started a process to improve **accessibility** to the corporate website, with a view to guaranteeing full usability of content regardless of physical and sensory impairment, in the spirit of the Convention on the Rights of Persons with Disabilities adopted by the UN on 13 December 2006 and ratified by Italy in 2009.

Validators were used to verify compliance with the accessibility guidelines and a specific working group was also created consisting of people with disabilities (visual, auditory and

with reduced upper-limb mobility) who actively contributed to building the solution, showing developers improvements that needed to be made. The accessibility check was conducted by Yeah, a social cooperative specialising in accessibility and inclusion services.



Employees by gender	2021			2022		
	% of total	of which male	of which female	% of total	of which male	of which female
Executives	3.5%	92%	8%	3%	92%	8%
Mid-level managers	4%	80%	20%	4%	82%	18%
Office workers	20.5%	64%	36%	18%	64%	36%
Workers	72%	40%	60%	75%	44%	56%
TOTAL	100%	49%	51%	100%	50%	50%

Employees by age group	2021				2022			
	% of total	< 30 years	30-50 years	>50 years	% of total	< 30 years	30-50 years	>50 years
Executives	3,5%	0%	46%	54%	3%	0%	31%	69%
Mid-level managers	4%	0%	36%	64%	4%	0%	35%	65%
Office workers	20%	8%	59%	33%	18%	8%	55%	37%
Workers	72,5%	10%	40%	50%	75%	10%	45%	45%
TOTAL	100%	9%	44%	47%	100%	9%	46%	45%

Protected category workers	2021			2022		
	Male	Female	Total	Male	Female	Total
Executives	0	0	0	0	0	0
Mid-level managers	0	0	0	0	0	0
Office workers	0	1	1	0	1	1
Workers	6	7	13	10	8	18
TOTAL	6	8	14	10	9	19

THE HUMAN FACTOR

PROTECTING AND COMPLYING WITH WORK CONDITIONS



Vitale Barberis Canonico operates within a context of national and international regulatory guidelines which it recognises as guidance laying down priority fundamental principles.

Regulatory references include:

- the Constitution of the Italian Republic;
- the Italian Workers' Charter;
- the guiding principles of the International Labour Organisation;
- the Textile-Clothing and Industry Executives National Collective Bargaining Agreement;
- a second-level company bargaining agreement.

Adoption of Model 231 may be added to this list, including the Code of Ethics which is part thereof.

In pursuit of the aims of fairness and transparency, the Company endorses human rights and working conditions, with specific reference to compliance with regulations regarding the protection of child labour, the exclusion of forced labour and freedom of association.

For the two-year period under review, Vitale Barberis Canonico has not adopted any of contract provided for workers under 19 years of age. In the case of PTCO (former School-Work Alternation), the Company adopts the domestic statutory provisions, establishing the minimum work age as no lower than that of the minimum school leaving age (16 years).

The Company ensures, in addition to a three-year cycle of supplemental bargaining, which can be extended by tacit

consent of the Parties, at least two additional annual consultation meetings between the Single Union Representative and the Human Resources Manager who interfaces with the Chief Executive Officer who may also attend such meetings.

Based on the foregoing statements, the Company has not introduced risks that may generate any situations leading to child labour exploitation or which may prejudice the rights of workers arising out of national collective bargaining agreements and/or freedom of association rights.

Outside of the business context, Vitale Barberis Canonico assures integrity of individual dignity via sharing the corporate Code of Ethics, whose acknowledgement and acceptance is duly incorporated into supply contracts and order confirmations by reference thereto.



CORPORATE WELFARE

EMPLOYEE WELLBEING



Staff wellbeing is a key value for Vitale Barberis Canonico, which has always adopted favourable salary policies by offering a higher pay and other benefits and services as part of pay packages.

Corporate pay policy is based on a virtuous strategy of supplemental bargaining, in addition to the national collective bargaining agreement, which betters conditions and boosts the standard pay package by providing additional benefits which certainly exceed the national average for the textile industry.

The goal is to attract and retain staff by providing salary levels adapted to the continuous evolution of individual needs. The Company-level Integrative Agreement also contains a policy for managing benefits and additional services provided under the agreement, in addition to classic variable incentive and performance schemes, benefits and protections.

The main benefits are also extended to part-time and fixed-term employees (temp employees included), for whom the benefit is recalculation based on the percentage of part-time and contract length.

Most noteworthy are:

- Life Insurance, Complimentary Health Insurance and Long-term care (life annuity in the event of non-self-sufficiency);
- Covid-19 Insurance;
- tax-free annual voucher;
- scholarships for students from the Biella and Valsesia area;
- hour bank which enables hours other than normal

- working hours, such as overtime, to be accumulated and used to access early retirement;
- cover of certified serious illness and/or degenerative disease fully paid by the company for the remaining annual period from the time INPS (Italian State Social Security Agency) ceases to provide benefits to the end of the calendar year;
 - VBCard: a Network of 121 agreements with stores and services in the area.

In 2022, the Company granted all workers an increased goods voucher compared to the previous year (from EUR 258 to EUR 800). The action came about with the aim of supporting employees in dealing with the significant increase in the cost of living.

Effectiveness of the actions is assessed through annual monitoring of disbursements and the number of people involved, as well as through certain indicators, such as the decrease in absenteeism. The Human Resources Manager collects suggestions from workers and their representatives and discusses them with Corporate Management, with a view to improving relationships, processes and their organisation.

VBCard was launched in 2018, with the aim of offering employees and workers a dedicated network of services, facilities and discounts at stores in the area. Created and managed in-company, in 2022, around 100 services and stores were part of the scheme. The offering ranges from medical services to recreational activities, including groceries and personal care services.

	17	HEALTH AND OPTICIAN SERVICES
	9	SUPERMARKET AND GROCERY
	9	DINING OUT
	19	APPAREL AND ACCESSORIES
	7	PERSONAL CARE
	9	SPORTS AND LEISURE ACTIVITIES
	27	OTHER CATEGORIES



CORPORATE WELFARE

WORK-LIFE BALANCE INITIATIVES



Vitale Barberis Canonico guarantees working conditions aimed at ensuring employees find a correct balance with their personal life, integrating the provision of corporate welfare benefits with part-time working based on personal requests and job organisational requirements.

The Company provides help and support to employees for obtaining state benefits and on matters regarding labour law and national collective bargaining agreement issues.

In the two-year period 2021-2022, workers actively benefited from statutory parental leave for fathers, compulsory and optional maternity leave, breastfeeding hours, Law 104 (leave for providing assistance to disabled family members) and special leave (up to 24 months) pursuant to Italian Law 104. Such leave was taken equally by female and male staff.

In 2022 the number of parental leave was the same as the previous year.

The 100% return-to-work rate confirms that the corporate focus on workers as individuals, shared return-to-work planning and a long-term strategy enhance professional pride and encourage full engagement of employees with corporate goals.

Parental leave	2021			2022		
	Male	Female	Total	Male	Female	Total
Employees who have taken parental leave	3	7	10	5	5	10
Still on parental leave	0	2	2	0	2	2
Back at work and still employed	3	5	8	5	3	8
Employees who resigned	0	0	0	0	0	0
Return to work rate¹	100%	100%	100%	100%	100%	100%



INTEGRATED QUALITY-SAFETY-ENVIRONMENT MANAGEMENT SYSTEM

In 2019, Vitale Barberis Canonico chose to adopt a voluntary Integrated Management System for oversight of Quality, Safety and Environment issues, alongside the UNI ISO 45001:2018 and UNI EN ISO 14001:2015 certifications, and UNI EN ISO 9001:2015 already obtained in 2009.

This synergistic and efficient approach enables management of the manufacturing processes with a view to continuous improvement for achieving ever higher performance levels.

The high level of staff awareness regarding application of the System was highlighted as a note of merit during the surveillance audits conducted by TÜV Italia auditors.

QUALITY MANAGEMENT SYSTEM UNI EN ISO 9001:2015



Vitale Barberis Canonico had a certified Quality Management System in place since 2009.

Quality is a process of continuous improvement and the Company invests in this area by managing the objectives to be achieved and by submitting new ones. Quality culture is therefore a key factor through which all resources are empowered and engaged. Objectives include the planning, implementation, monitoring and improvement of both operational and support processes to ensure maximum customer satisfaction.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM UNI ISO 45001:2018



Strict compliance with the rules of behaviour for the prevention of accidents and implementation of measures at the company and at facilities to protect Occupational Health and Safety (OH&S) have always been features setting the Company apart. Already in the 90s, the Company had introduced pioneering solutions for the mechanisation and automation of logistics processes at Pratrivero, and introduced soundproofing cabins for weaving looms, pre-empting Italian law 277/91 on noise protection by two years.

With the aim of proactively enhancing its OH&S performance, in 2010 the Company adopted a formal, non-certified Management System, compliant with the UNI INAIL and OSHAS 18001 standards and, in 2019, it obtained certification compliance with the 45001 standard for the two manufacturing sites at Pratrivero and Pray and for the Milan showroom. Most noteworthy in 2022 was the opening of a temporary production unit with a drying line in the Fila di Valdilana locality, included in the scope of certifications.

ENVIRONMENTAL MANAGEMENT SYSTEM UNI EN ISO 14001:2015



Oversight of environmental matters and relevant regulatory compliance is managed at Vitale Barberis Canonico by the Environmental Protection Service, staffed by the same employees operating as the Prevention and Protection Service for OH&S.

Resource synergy and a uniform methodological approach, together with commitment by the entire Company, enabled 14001 standard compliance certification to be obtained in 2019 for the Management System for the protection of the Environment adopted at the four local units. It is the internationally recognised reference standard for an organisation that wants to manage its environmental responsibilities in a systematic manner by contributing to the environmental sustainability pillar.

The expected outcome of an Environmental Management System includes compliance with the standard requirements and achievement of environmental performance and goals.

HEALTH AND SAFETY MATTERS

PREVENTION AND MONITORING



Vitale Barberis Canonico manages occupational risks with a view to preventing accidents and occupational diseases through a structured process that starts with an assessment of the degree of risks existing at the workplace.

Assessments are conducted after consultation with the Workers' Safety Representatives and updated at the prescribed regulatory intervals and any relevant changes made to manufacturing processes.

The Integrated Management System reinforces the focus on any critical issues that may exist, promotes the search for opportunities and corrective actions and takes the form of work that becomes an integral part of the Company's investment plans, specifying its implementation, allocation of resources and responsibilities, and monitoring of effectiveness.

The first factor in preventing accidents is the correct application of Behaviour-Based Safety, i.e., workers' full awareness of the residual risks to which they are exposed in the performance of their job tasks, and their professional approach to managing such risks through adequate operating and behaviour-based procedures.

To increase staff safety culture, the Company provides specific training courses, managed by the in-company Prevention and Protection Service or outsourced to consultants with consolidated expertise in the relevant area. Activities are designed starting from the analysis of risks and opportunities, collecting contributions from employees on operating methods, reporting of critical issues and suggestions for improvement actions. This involvement also facilitates the transfer of skills from more experienced colleagues to new resources.

The organisational model outlined by the Integrated Management System confirms the centrality and co-responsibility of department managers (safety managers), to whom the responsibilities of work organisation, training of their team and supervision of the correct application of the provisions have been delegated, in collaboration with their assistants (safety officers).

Vitale Barberis Canonico allocates substantial resources every year to improving occupational health and safety conditions.

Although the uncertainty of 2022 dictated a significant decrease in investments, the portion allocated to health and safety actions was significant (17% of total investments).

Costs incurred, amounting to approximately EUR 460,000, mainly concerned:

- extension of automation in the small batch dyeing area with the aim of eliminating manual handling in the loading of casks in the radiofrequency dryer;
- completion of general emergency systems in the systems areas of both sites. Investments in this area have led to obtaining the Fire Prevention Certificate for both the Pratriviero and Pray facilities;
- reduction of the residual risk concerning various machinery and equipment.

After introduction of the first device in 2020, and the start of a trial in the departments the following year, Vitale Barberis Canonico in 2022 was the first company in the wool textile industry to adopt **wearable exoskeletons**.

With a view to involving workers, the Company has launched a validation campaign for passive exoskeletons for both the upper limbs and the lumbar area, from manufacturer Ottobock.

On a voluntary basis, 5 exoskeletons of the first type were adopted in the spinning and warping departments and 4 of the second type in the shipping warehouse.



The Company records and manages all accidents and occupational diseases affecting manufacturing sites for regulatory reporting compliance, but primarily with a view to analysing causes and dynamics, identifying any organisational or mill system malfunctions, and taking the necessary corrective actions.

In 2022, Vitale Barberis Canonico reported a higher number of accidents than recorded the previous year: a total of 15 low and medium seriousness-level incidents. In line with previous years, there were no cases of occupational diseases.

Vitale Barberis Canonico owns the quietest weaving department in the world thanks to the acoustic treatment with **soundproof cabins**.

In 1989, anticipating by two years Italian law No. 277 of 1991 regulating the protection from noise, the introduction of noise control measures marked a turning point in the textile industry's working conditions.

Acoustic cabins evolved in step with the adoption of new looms and developed over 4 generations.

In 2015, the newest air-jet looms required fourth generation soundproof glass booths, which guarantee the best noise control ever achieved.

Since 2020, the Pratrivero weaving plant has been fully equipped with soundproof cabins, while the upgrade of the department in Pray, which commenced in 2017, is currently at 50%.

Occupational injury rate ²	2021	2022
EMPLOYEES		
Occupational injury rate < 40 sick leave	1.4	2.6
Occupational injury ≥ 40 sick leave	0.4	0.3
EXTERNAL WORKERS (TEMPS AND INTERNS)		
Occupational injury rate < 40 sick leave	5.2	13.9
Occupational injury ≥ 40 sick leave	0.0	0.0



Number of injuries ³ among employees		2021	2022
Pratrivero mill	Injuries < 40 sick days	3	6
	Of which in progress	1	0
	Injuries ≥ 40 sick days	1	1
Pray mill	Of which in progress	0	1
	Injuries < 40 sick days	1	3
	Of which in progress	0	1
Fila mill	Injuries ≥ 40 sick days	0	0
	Of which in progress	0	0
	Injuries < 40 sick days	0	0
TOTAL	Of which in progress	0	0
	Injuries ≥ 40 sick days	0	0
	Of which in progress	0	0

Number of injuries ³ among external workers (temps and interns)		2021	2022
Pratrivero mill	Injuries < 40 sick days	1	3
	Of which in progress	0	0
	Injuries ≥ 40 sick days	0	0
Pray mill	Of which in progress	0	0
	Injuries < 40 sick days	0	2
	Of which in progress	0	1
Fila mill	Injuries ≥ 40 sick days	0	0
	Of which in progress	0	0
	Injuries < 40 sick days	0	0
TOTAL	Of which in progress	0	0
	Injuries ≥ 40 sick days	0	0
	Of which in progress	0	0



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RESPECTING AND PROTECTING THE ENVIRONMENT



RESPECTING AND PROTECTING THE ENVIRONMENT

Vitale Barberis Canonico operates in a harmonious and symbiotic relationship with the environment and the local area

Grateful for the natural resources that have contributed to the company's evolution, it manages them sparingly, aiming to generate the least possible impact on the environment. To this end, it endeavours to use the most advanced technologies, upgrading infrastructure and processes.

Energy is managed with a view to optimising energy efficiency and reducing atmospheric emissions. Also in 2022 the Company chose to purchase electricity from certified renewable sources and to offset CO₂ emissions generated by the use of methane. Moreover in 2022 the Company started the installation of a first photovoltaic plant of 300 kWp in the Pratrivero factory.

The crystal-clear water of the Biella valleys is essential for the textile industry. Vitale Barberis Canonico strives to reduce its usage as much as possible, returning water to the environment in a purified state, thanks to an in-company treatment plant built in 1987 and which has since been constantly upgraded. In addition to complying with the statutory limits for wastewater discharge into surface waters, purification also enables recovery of a portion used in the manufacturing process.

The Company enhances textile by-products with a view to the circular economy, reusing virtuous manufacturing by-products as raw material. It also places a special focus on waste management, by preventing waste and adopting, with the proactive engagement of employees, specific strategies for recycling and recovery.



100% ELECTRICITY FROM RENEWABLE SOURCES

~14,300 tonnes of CO₂

TREATED WATERS USING THE IN-COMPANY TREATMENT PLANT

- Surface water release
- 28% reuse in finishing and dyeing

2,999 TONNES OF WOOL USED IN MANUFACTURING

- 90.4% yield of raw material
- 8.9% by-products re-incorporated in circular economy projects
- 0.7% by-products disposed of as waste

WASTE

- 19% recycled
- 78% partially recovered
- 3% disposal



ENVIRONMENTAL CERTIFICATION

ISO 14001 since 2019



OFFSETTING OF CO₂ EMISSIONS GENERATED FROM METHANE USAGE

~5,000 tonnes of CO₂



100% COMPLIANCE WITH THE ZDHC MRSL



USABLE BY-PRODUCTS FROM MANUFACTURING REUSED AS RAW MATERIALS

equivalent to 65,000 mt of fabric



ENERGY EFFICIENCY AND EMISSIONS REDUCTION

ENERGY USAGE



Vitale Barberis Canonico places great store on energy usage through efforts and commitment to energy efficiency and performance enhancement.

Primary energy usage is attributable to the use of electricity and natural gas for manufacturing activities at the three mills.

Corporate vehicles are also part of this list through their fuel usage. In line with previous years, Vitale Barberis Canonico exclusively purchased electricity from hydroelectric sources supplied by South Tyrolean vendor Alperia.

The renewable nature of these sources is fully certified by Guarantees of Origin (GO). The Green Energy Alperia scheme also provides for the issue of a certificate attesting annual CO₂ savings each year: in 2022, the Company prevented GHG emissions totalling 14,318,428 kg of CO₂.

In 2022, it also confirmed to use climate-neutral gas from Alperia, i.e., to offset the amount of CO₂ corresponding to 5,069,396 kg derived from the use of methane in manufacturing against investments in projects that generate a positive impact on the environment, community and natural resources. Specifically, the Company’s investment is intended for the Barra Grande hydroelectric power plant in Brazil.

Green Gas Alperia is certified annually by TÜV NORD, an independent certification body in the industry, and complies with the Voluntary Carbon Standard, one of the most widespread standards that meets the strict criteria of the Kyoto Protocol.

At the same time, it has invested in its infrastructure by starting installation of a first 300 kWp photovoltaic system, mounted on the roofs of the oldest buildings at the Pratrivero site. The arrays have been mounted on metal structures that include inspection, cleaning and maintenance walkways.

In 2022, Vitale Barberis Canonico used 229,461 GJ of energy, about 18% more than in 2021, a change reflecting higher on-site production. The energy intensity figure has therefore remained almost constant for said portion while, also including outside production capacity used to manage production peaks over the year, the index fell to 23.4 kJ/mt finished goods.

Energy usage (GJ)	2021	2022
Natural gas ⁴	83,231	93,695
Purchased electricity ⁵	110,405	134,984
Of which renewable sources	100%	100%
Fuel for corporate vehicles ⁶	533	782
TOTAL	194,169	229,461
Energy intensity (kJ/finished goods)	29.2	23.6



ENERGY EFFICIENCY AND EMISSIONS REDUCTION

EMISSIONS



Vitale Barberis Canonico is committed to containing air pollution by reducing emissions and offsetting those that cannot be reduced.

The qualitative and quantitative properties of chemicals released into the atmosphere qualify the emissions generated at Vitale Barberis Canonico mills as reduced air-polluting emissions.

The Pratrivero thermal power plant was built in 2009 adopting virtuous and advanced technical devices for maximising energy efficiency and mitigating the environmental footprint.

The four steam generators, with an output of 2.1 MW each, are fuelled using superheated water from the condensate recovery circuit and the heat from the fumes is recovered for the preheating of burner blowing air.

Furthermore, the adoption of boilers with very low thermal load at the combustion chamber has made it possible to set the emission limit for NOx oxides at 100 ppm, well below the legal limit of 150 ppm.

In 2018, major technological upgrading to the boiler burners was undertaken, made necessary to bring NOx emission values below 100 ppm, which had progressively increased over the years due to deterioration in the quality of the natural gas mixture distributed by the grid.

The annual self-monitoring conducted in 2022 attests that excellent performance has been maintained with emissions well below regulatory limits.

To ensure continuity of manufacturing even in the event of a natural gas supply interruption, the burners can be fuelled using diesel. Fuel is stored in an above-ground metal tank with a capacity of 280,000 litres, which ensures autonomous production of about 6 weeks with a full tank.

Voluntary self-monitoring of emissions under such emergency conditions confirms that regulatory limits are met even in the case of using the reserve fuel.

Self-monitoring of emissions of the regenerative thermal combustor that treats exhaust gases from the singeing machine and dyeing oven (backwasher) and finishing stenter are conducted every three years. The 2022 measurements, valid until 2024, attest values to be well below the statutory limits.

In addition to being prescribed under the Single Environmental Authorisation, for Vitale Barberis Canonico self-monitoring is a useful periodic monitoring tool for checking the impact of heating systems.

Emissions from heating plant (mg/Nm ³)	Chimney stack	2021	2022	Statutory limits
NOx (nitrogen oxides)	CT01	69	66	150
	CT02	81	83	
	CT03	76	73	
	CT04	51	52	
CO (carbon monoxide)	CT01	<2.5	<2.5	100
	CT02	<2.8	<2.5	
	CT03	<2.6	<2.5	
	CT04	<2.6	<2.5	





Dust emissions including oil mist (mg/Nm ³)	2019-2021	2022-2024	Statutory limits
From singeing machine	3.13	2.0	10
From dyeing oven	from 2.14 to 3.76	from <0.41 to <0.54	10
From finishing stenter	n.r.	<0.45	10

Non-methane VOC emissions (mg/Nm ³)	2019-2021	2022-2024	Statutory limits
From singeing machine	13	18	20
From dyeing oven	from 8 to 17.7	from 4.28 to 4.45	50
From finishing stenter	n.r.	6.76	50

During 2022, greenhouse gas emissions from direct (Scope 1) and indirect (Scope 2) usage increased due to the increase in production volumes. The purchase of renewable electricity has also zeroed the equivalent Scope 2 - market based emissions for 2022. It should also be noted that due to the purchase of climate-neutral natural gas, the relevant total of CO₂ has been offset.

Also in 2022, the calculation of CO₂ emissions was extended to include transport vehicles used, including not only in-company goods handling¹² but also staff travel¹³. It should be noted that the increase in emissions is related to the resumption of national and international travel.

GHG emissions and CO ₂ emissions intensity (kg CO ₂ /mt finished goods) ⁷	2021	2022
Scope 1 (tonnes CO ₂)	4,778	5,127
Natural gas ⁸	4,738	5,069
Diesel ⁹	39.6	58.0
Scope 2 - location based (tonnes CO ₂) ¹⁰	9,611	11,811
Electricity	9,611	11,811
Scope 2 - market based (tonnes CO ₂ equiv.) ¹¹	0	0
Electricity	0	0
CO ₂ emission intensity	0.70	0.53

CO ₂ emissions for transport vehicles used (tonnes CO ₂)	2021	2022
	19.9	26.8
	19.6	31.2
	1.1	0.8
	37.1	142.0



USE OF RESOURCES OVER THEIR LIFE CYCLE

WATER USAGE MANAGEMENT



Vitale Barberis Canonico promotes the responsible use of water by being committed to optimising water usage.

The Pratrivero mill is equipped with a well-structured water system for drawing water from groundwater wells and artesian wells. Inside the company grounds there are three drainage tunnel systems with relevant recovery wells for transport to collection tanks. In addition, water collected from water by-passes (Serventa river and Rivaccia river) and groundwater wells (Cereie village and Moglie area) are conveyed from the neighbouring area.

The Pray site is equipped with three wells that draw water from the underground water table of the nearby Sessera riverbed.

At Pratrivero, intended use for water collected is manufacturing departments, primarily dyeing and finishing, and systems services, including air conditioning systems and toilets. Various virtuous technical measures adopted in dyeing and finishing enable significant reductions in water usage to be achieved. Specifically, 36 m³ of water at the bolt dyeing stage is recovered daily.

Since Pray's requirements are limited to systems uses for humidifying the departments and supplying the fire-fighting water reserves, Vitale Barberis Canonico created a private aqueduct that transfers water from one of Pray's wells to the Pratrivero tanks to take advantage of the significant water availability of 1997.

This hydraulic infrastructure proved essential in following years for satisfying higher water demand due to the increase in manufacturing volumes and for offsetting prolonged winter droughts. In 2018, a second reserve aqueduct was built with withdrawal from the same aquifer. All hydraulic activities are authorised under specific State Concessions pursuant to Presidential Decree 10/r of 29 July 2003 that regulate the use of public water sources for industrial use and such concessions establish the derivation locations, the maximum withdrawable quantities and the methods for returning water to the public collection basin (the Sessera river basin) after transit through a suitable treatment and purification plant.

Finally, for both mills, drinking water is supplied by municipal aqueducts and it is used by offices, staff restaurant and department water dispensers.

Due to the increase in production volumes, the total quantity withdrawn for the year under review was higher than 2021.

In 2022, the company experienced problems with its water supply caused by winter, and primarily, summer droughts. This unprecedented situation has given rise to studying solutions for strengthening infrastructures, with a view to both preventing any further deficits and reducing the impact of withdrawals on the local water system.

Water withdrawals by source (m ³)		2021	2022
Pratrivero mill (manufacturing + systems)	Water tables	282,266	335,774
	Municipal aqueduct	3,511	1,874
Pray mill (systems)	Water tables	4,200	4,250
	Municipal aqueduct	800	750
Fila mill (systems)	Water tables	0	5,000
	Municipal aqueduct	0	505
TOTALE		290,777	348,153
Water intensity (l/mt finished goods)		43.7	35.8

Water usage for manufacturing (m ³)		2021	2022
Pratrivero mill (manufacturing + systems)	Water tables	232,741	250,360
	Water recovered using MBR technology	62,498	97,547
TOTAL		295,239	347,907
MBR RECOVERY		21%	28%

USE OF RESOURCES OVER THEIR LIFE CYCLE

RESPONSIBLE USE OF CHEMICALS AND EFFLUENT TREATMENT



Vitale Barberis Canonico carefully selects chemicals, minimising their use and purifying all wastewater thanks to an efficient and innovative in-company plant.

The Company is meticulous in selecting and using chemicals, adopting those with low environmental impact and using the minimum amount necessary from the standpoint of quantity and type. Numerous technical measures in dyeing and finishing enable significant savings in chemical usage.

Since 2001, dyeing has introduced an almost fully automated tops and yarns dyeing process: automatic dosing of chemicals eliminates waste and optimises dye recipes ensuring perfect colour reproducibility. In addition, all machines, including bolt dyeing machines, are equipped with their own tank for the recovery of the first bath that enables significant water and dye, as well as additional savings.

Vitale Barberis Canonico introduced wastewater treatment in the 1970s, before it was required by law. At the Pratrivero mill, there is an in-company water purification plant, which has undergone several system upgrades and is currently able to purify up to 1,400 m3 per day using two treatment lines. The final tank of the plant is an artificial pond in which carp and goldfish live.

1982

At this time, the purification plant consisted of a simple but effective lagoon basin for primary filtration and clarification of water before discharge into the sewer.

1987

A new, technologically advanced plant, consisting of a primary mechanical filtration section, an aerobic treatment with activated sludge for accelerated biodegradation of organic pollutants complete with clarification tank, sedimentation and sludge recirculation, and a tertiary treatment station with activated carbon with sand filtration was introduced. Outbound waters were suitable to be sent to the municipal final treatment plant.

1998

Thanks to upgrading of the plant and resulting improvement in purification, in 1998, the Province of Biella issued an authorization to the company allowing discharge into the Moglie river, south of the Pratrivero mill.

2016

The authorisation has been duly renewed every four years and since 2016 has been included in the Single Environmental Authorisation. In addition, an ultrafiltration line using a MBR membrane bioreactor and ozone decolourisation was built the same year. Purified water is therefore suitable for recycling in the rinsing finishing processes, significantly reducing the withdrawal of water from the environment.

2021

A work was carried out in November 2021 enabling the output of water recovered using MBR technology to double reaching about 250 m3/day. The upgrade was allocated to the dyeing oven and increased the overall annual recovery rate to 28%.

2022

Two works were implemented over the year:

- enhancement of aeration for oxygenation of active sludge to manage the increase in total organic load;
- doubling of the ozone bleaching plant to counteract the increase in residual.

Water discharge by destination (m³)		2021	2022
Pratrivero mill	Ground waterways	221,746	239,671
	Water Authority collection basin	5,337	2,139
Pray mill	Public sewer	1,800	1,750
Fila mill	Public sewer	0	505
TOTALE		228,883	244,065



All parameters indicating water quality leaving the mill fall largely within the limits of Table 3/A of Annex 5 of Italian Legislative Decree 152/2006, as attested by self-monitoring conducted by the laboratories tasked by the Company and by the analysis reports issued by the competent Authorities.

As a precautionary measure, Vitale Barberis Canonico still maintains an emergency connection to the Cordar Valsesia water authority collection basin.

A turbidity sensor device is positioned in the drainage well of the last tank and, whenever this signals an anomaly, wastewater is sent to the water authority collection basin.

Attention to chemicals and wastewater purification is as important to the Company as it is to its supply chain.

The Company's suppliers that are primarily involved in the combing, dyeing and finishing processes, are also equipped with wastewater treatment plants and equipment in accordance with the required standard.

Parameters marking water discharge (mg/l) ¹⁴	2021		2022		Statutory limits
	Entry	Final output	Entry	Final output	
COD	784.2	51.8	872	56.6	160
Ammonia	31.2	n.r. ¹⁵	29.7	n.r. ¹⁵	15
Organic nitrogen	13.6	3.76	12.8	4.34	n.a.
Total phosphorous	2.08	0.80	1.87	0.67	10
Total surfactants	72.0	0.50	74.2	1.42	2

WASTEWATER ANALYSIS ACCORDING TO ZDCH WASTEWATER GUIDELINES

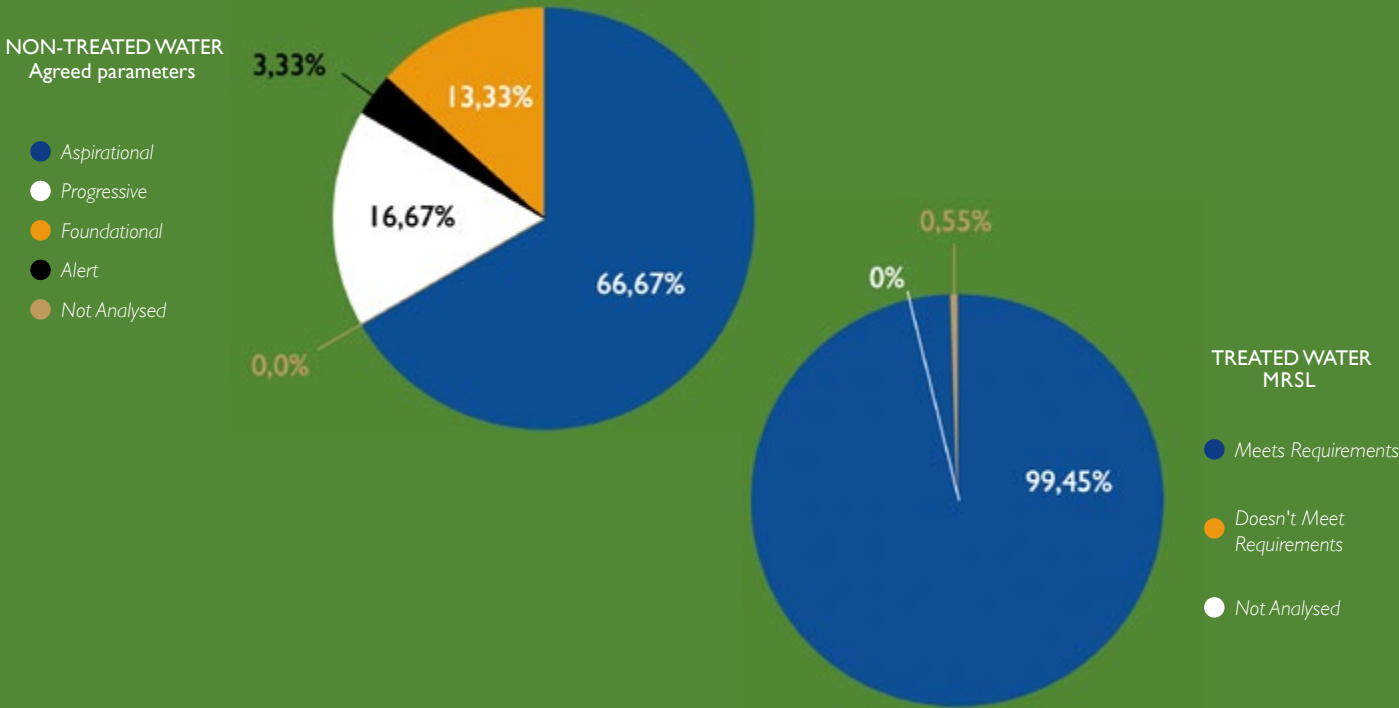
To promote transparency regarding chemicals used, Vitale Barberis Canonico conducts six-monthly analyses on wastewater according to the ZDHC Wastewater Guidelines Version 1.1.

The Company, as it has an in-company wastewater treatment plant, is a direct discharge company and therefore the analyses shown in the figure are those expected.

Detailed test results are available in the Vitale Barberis Canonico profile on the ZDHC Gateway.

Testifying to the use of advanced purification systems, the Company has achieved a total compliance with the MRSL for both water to be treated and purified water.

Regarding agreement parameters, normally monitored with respect to the thresholds laid down in Legislative Decree 152/2006, purified water is classified at 66.67%, at the most ambitious level – aspirational.



USE OF RESOURCES OVER THEIR LIFE CYCLE

MANAGEMENT OF BY-PRODUCTS AND WASTE



Vitale Barberis Canonico enhances textile by-products with a view to the circular economy and promotes waste recycling and recovery.

The three manufacturing sites physiologically generate textile by-products and industrial waste (mainly various types of packaging and machinery and system components).

Thanks to integrated cycle manufacturing, the Company has reduced textile waste to a minimum.

In 2022, 2,999 tonnes of wool were used, which guaranteed a yield of 90.4%. 8.9% was made up of by-products reintroduced into circular economy projects: laps, pneumafil and noils (prime quality waste) are reused as raw materials in the woollen flannel manufacturing process. The remaining portion is sold and intended for other markets. Finally, 0.7% is the physiological portion of textile waste generated by the manufacturing cycle and intended for disposal.

With strict adoption of procedures introduced by the Management System for the protection of the Environment, the Company has improved the process for classifying and sorting hazardous and non-hazardous special waste. This process, in which all workers actively participate, promotes recycling and recovery where possible.

Over the year, the three mills generated 222.2 tons of wastes, a lower figure compared to 2021. Approximately 97% was recycled, or on subsequent selection, underwent partial recovery.

Disposal Method (tonnes)	2021			2022		
	Hazardous	Non – hazardous	Total	Hazardous	Non – hazardous	Total
Already sorted for recycling	0.0	38.7	38.7	0.0	41.4	41.4
Subsequently sorted for partial recovery	18.3	182.3	200.6	22.2	151.7	173.9
Disposal	1.5	8.2	9.7	5.9	1.0	6.9
TOTAL	19.8	229.2	249.0	28.1	194.1	222.2

PRODUCT RESPONSIBILITY

Responsible Supply Chain

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PRODUCT RESPONSIBILITY

Always product quality focussed, Vitale Barberis Canonico places high store on the virtuous interconnection of the entire manufacturing chain.

Our value chain starts far from home with the scrupulous selection of the best natural raw materials, obtained respecting animals and the environment, thanks to synergistic partnerships with local breeders.

A value that is consolidated in Italy, shown in the single-minded decision to maintain vertical integration of the manufacturing process and 100% Made in Italy, exploiting the formidable textile know-how rooted in the Biella area.

Continuous investments in technology and innovation at the two mills and a preference for local trades ensure a specialized, effective and repair call-out service. Product focus is guaranteed, upstream, with space given to creativity and seeking for innovative solutions that meet the requirements of international markets and, downstream, strict quality controls conducted at each step of the manufacturing cycle.

The last link in the value chain is customer service, whose manifestations include promotions and sales strategies and after-sales, based on direct and consolidated relationships built over time.

Still with the focus on fibre quality, Vitale Barberis Canonico benefits from the synergy of the Group, to which it belongs, Lanificio Vitale Barberis Canonico S.p.A., which in 2022 created its own Buying Company with offices in Australia and South Africa, with the aim of overseeing the raw materials market.



FIBRE TRACEABILITY FROM SHEEP TO FABRIC



FULL-CYCLE BUSINESS

100% Made in Italy
Manufacturing

FABRIC QUALITY AND SAFETY

- REACH •
- GB Chinese Standard •
- CNMI Guidelines •
- Associazione Tessile e Salute
(Textile and Health Association) •
- Woolmark •
- ZDHC MRSL •



QUALITY CERTIFICATION

ISO 9001 since 2009



SUSTAINABLE FABRICS RANGE



DIGITAL COLLECTION

2,500 variants per season
that can be consulted 24/7



PRODUCT CERTIFICATIONS

- SustainaWOOL •
- RWS •
- RMS •
- GRS •



WOOL EXCELLENCE CLUB

- Biodiversity protection and conservation of the Saxon Merino breed;
- Social and environmental responsibility.



RESPONSIBLE SUPPLY CHAIN

GOODS AND SERVICES



Vitale Barberis Canonico manages its suppliers in a responsible manner, with a view to ensuring an efficient and transparent supply chain.

Through the Integrated Quality-Safety-Environment Management System, Vitale Barberis Canonico has set up a precise in-company system to ensure traceability and transparency in supplier selection, purchasing and goods and services supply monitoring.

The choice of supplier and the purchase of goods and services is based on objective assessments regarding quality and cost and competitiveness, in compliance with the arm's length principle. Monitoring is conducted annually via a dynamic assessment and any audits commissioned by the Supplier Management Manager.

Relations with suppliers are governed by the Code of Ethics, with particular reference to principles of fairness, correctness and care, and they are constantly monitored. Any non-compliance will lead to termination of the supply agreement. Vitale Barberis Canonico encourages and promotes local purchasing, favoring long-term partnerships. The objective is to maintain adequate supply in terms of continuity, quality and efficiency, promoting consolidating and developing the industrial sector in the wool textile district of Biella. 31 December 2022 year ends, the Company was working with approximately 300 suppliers and no significant changes were reported for the two-year period 2021-2022.

Total purchasing breaks down as follows: 95% is made from Italian sources of supply, of which approximately 33% are local suppliers, while the remaining 5% is mainly made from Germany and Switzerland at ISO 9001 certified chemical industries, which are ZDHC Manufacturing Restricted Substance List (MRSL) compliant. In the reporting year, industrial supplies increased significantly thanks to the increase in production volumes: in 2022, 9,716,775 mt were manufactured, compared to 6,657,828 mt in 2021.

To manage production peaks or special processes, Vitale Barberis Canonico works with outsourced contractors, primarily located in the Biella district, which are selected and included in the Corporate Register of Qualified Suppliers. Compliance with the principles of the Code of Ethics, compliance with precise corporate requirements and continuous monitoring of quality, safety and environmental areas are key aspects for successful supplier qualification.

In 2022, the Company conducted all scheduled audits at the production units of its contractors, directly monitoring 17% of the suppliers in the Corporate Register of Qualified Suppliers.

Breakdown by purchasing by allocated expenditure (excluding wool)	2021	2022
Italy	97%	95%
Of which in the province of Biella	33%	33%
Abroad	3%	5%
Total	100%	100%

Materials used in manufacturing (tonnes)	2021	2022
Wool	2,141	2,999
Chemicals	477.8	614.5
Auxiliary products	386.8	486.1
Pigments	91.0	128.4
Lubricating oils	2.7	5.0
Packaging	119.3	137.0
Packing paper	0.5	0.4
Cardboard (boxes, tubes)	78.3	92.9
Plastic (strapping and polystyrene boards)	3.7	3.5
Nylon (packaging film for rolls and boards)	36.4	39.6
Packing ribbon (board ribbon, adhesive tape)	0.4	0.6



RESPONSIBLE SUPPLY CHAIN

RAW MATERIALS



Wool is the fiber of excellence for classic apparel and Vitale Barberis Canonico's prime raw material.

Textile excellence comes to life starting from the best natural fibres sourced worldwide. The Company selects them carefully and buys them at the point of origin, according to product policies established at the beginning of the season and based on the physical and visual characteristics that determine their quality and style, with an eye to environmental impact.

Vitale Barberis Canonico is supplied through a network of about 3,000 farmsteads located across Australia, New Zealand, South Africa, China, Argentina and Uruguay. From the standpoint of volume, Australia, due to the characteristics of the wool offer, is the largest procurement source.

The supply chain consists primarily of its own Buying Companies with offices in Australia and South Africa, called Vitale Barberis Canonico Wool, specialist Wool Traders and, to a lesser extent, Top Makers.

All suppliers of raw materials, on an annual basis, undergo assessment by the Wool Purchasing Manager focusing on the following parameters:

- quality of the product supplied;
- compliance with Vitale Barberis Canonico standards;
- compliance with delivery times;
- service (promptness, response time, supporting documentation);
- competitiveness.

Data are recorded in the corporate management system and shared with suppliers to enable them to evaluate their performance. With a raw material yield of 90.4%, and 8.9% reuse of textile by-products and only 0.7% of waste destined for disposal, Vitale Barberis Canonico confirmed adoption of a virtuous waste reduction process in 2022.

The Company reuses laps, pneumafil and noils (prime quality waste) from manufacturing processing, as a raw material for the production of yarn that gives rise to woollen flannel. By-products that cannot be used in this cycle are instead sold, thus re entering the raw materials market.

Wool procurement	2021	2022
Purchasing (tonnes)	4,344	4,485
Number of Suppliers	16	20

MERINO WOOL



MOHAIR



CASHMERE



21 MICRON WOOL



WOOL EXCELLENCE CLUB & WOOL EXCELLENCE AWARD

The search for excellence in raw materials led Vitale Barberis Canonico to create the **Wool Excellence Club** in 2014, which is based on four pillars:

QUALITY



LOYALTY BUILDING



TRAINING



SUSTAINABILITY

Goal is to enhance fibres obtained through environmentally friendly practices aimed at protecting the Saxon sheep breed, which produces a fine wool and has been the progenitor of the Australian farming system since its development in the 19th century.

Another objective is to consolidate the relationship of trust and virtuous cooperation with Australian producers, through a

direct, individual and enduring relationship based on dialogue and mutual exchange. Sheep breeders are also economically supported through particularly favourable purchasing policies.

Since 2021, the Club has been made up exclusively of mulesing free members and today counts 26 farms. The Company has also established the annual **Wool Excellence Award**, which rewards the farmstead that produces the highest quality wool, respecting animal welfare, with a monetary prize and a trip to Italy to visit Vitale Barberis Canonico.

Due to the Covid-19 emergency and restrictions on international travel, the Company decided not to nominate any winners for the 2022 edition, postponing the event to 2023.



RESPONSIBLE SUPPLY CHAIN

ANIMAL WELFARE



Vitale Barberis Canonico considers animal welfare an essential condition for the supply of raw materials

In compliance with animal welfare, the Company is supplied by States where there are specific regulatory provisions governing this area in place. The international reference organisation sets out 5 fundamental animal freedoms, reported in the “OIE Terrestrial Animal Health Code”⁶ issued by the World Organisation for Animal Health and, specifically for the wool industry, in the “Specifications for Wool Sheep Welfare”⁷ issued by the IWTO – International Wool Textile Organisation.

In Australia, it is also represented by “Australian Animal Welfare Standards and Guidelines for Sheep”⁸ of Animal Health Australia.

In South Africa, Vitale Barberis Canonico has been purchasing only mohair certified according to the Responsible Mohair Standard. The standard certifies the origin of mohair from farmsteads managed in a responsible manner in compliance with specific criteria for animal welfare and for mitigation of environmental impact.

The increased attention to animal welfare practices has led the Company to expand its borders of usual procurement to other countries. This has made it possible to enrich the responsible product range thanks to the introduction of the 21 Micron range, entirely mulesed free.

FREEDOM
FROM THIRST,
HUNGER AND
MALNUTRITION

FREEDOM
TO HAVE AN
ADEQUATE
PHYSICAL
ENVIRONMENT

FREEDOM FROM
PAIN, WOUNDS
AND DISEASES

FREEDOM TO
MANIFEST
SPECIFIC
BEHAVIORAL
CHARACTERISTICS

FREEDOM FROM
FEAR AND
DISCOMFORT



RESPONSIBLE SUPPLY CHAIN

VITALE BARBERIS CANONICO WOOL



Vitale Barberis Canonico Wool Australia and South Africa, companies owned by Lanificio Vitale Barberis Canonico S.p.A., oversee procurement of superfine wool and the promotion of best practices in animal welfare and environmental protection.

2005

In 2005, New England Wool (NEW) first established its No Mulesed/Ceased Mulesed declaration system, anticipating the Australian Wool Exchange (AWEX), which created and introduced its National Wool Declaration (NWD) in 2010.

2006

It then introduced an incentive policy, recognising a premium for each bale of No Mulesed wool to be added to the value determined at auction, with the aim of sharing the higher breeding costs.

2015

La New England Wool ha continuato a supportare attivamente la NWD, il Classing Code of Practice di tosatura, i requisiti per il benessere animale e la sostenibilità ambientale attraverso lo sviluppo del SustainaWOOL Integrity Scheme rilasciato nel 2015.

2019

On 25 July 2019, New England Wool transferred the intellectual property of the SustainaWOOL Integrity Scheme to the operator of the AWEX wool regulated market, with the aim of entrusting it to an independent body with a view to increasing the authority, credibility and spread of the protocol.

2020

In 2020, SustainaWOOL achieved ISO 9001 certification, confirming its position as an internationally recognized certified organization.

2022

In July 2022, the parent company, Lanificio Vitale Barberis Canonico, established two of its own Buying Companies, Vitale Barberis Canonico Wool Australia and Vitale Barberis Canonico Wool South Africa. This investment is in stark contrast to the globalisation policies adopted by competitors and aims to oversee the raw material supply market and relevant quality. At the same time, the New England Wool Company was wound up.



CERTIFICATIONS



The **SustainaWOOL Integrity Scheme**¹⁹ sets the benchmark for Australia's wool production system sustainability standards and ensures consumer integrity and traceability throughout the production chain.

The certification prescribes livestock management with the highest standards in terms of animal welfare, ethics and product quality.



ANIMAL WELFARE

It defines the minimum acceptable criteria for the welfare of sheep, accepting only farmsteads adopting mulesing-free management (classified as **SustainaWOOL™ GOLD** or **SustainaWOOL™ GREEN**) or adopting mulesing exclusively with the practice of Pain Relief (classified as

SustainaWOOL™ BLUE). Only breeders who are not subject to contestation under the national Animal Welfare Acts are admitted to the protocol.



ETHICAL FARM MANAGEMENT

It requires precise standards for the working conditions and health and safety of personnel and for animal structures, paddocks and sheds.



WOOL PREPARATION

It establishes the necessary shearing requirements for guaranteeing the welfare of the animal, ensuring trained and attentive operators in the selection of fibres performed according to the AWEX Classing Code of Practice.

SustainaWOOL now boasts over 1,100 accredited farms, subject to periodic sampling audits conducted by AWEX appointed auditors.

CERTIFIED BY
CONTROL UNION CU 877344



Responsible Wool Standard and **Responsible Mohair Standard** are voluntary standards certifying the origin of wool and mohair from farms managed in a responsible manner in compliance with specific criteria for animal welfare and for mitigation of environmental impacts. Such certification also ensures traceability along the entire value chain through Transaction Certificates.

CERTIFIED BY
CONTROL UNION CU 1170085



In 2022, Vitale Barberis Canonico was awarded the **Global Recycled Standard**. This certification inspects recycled materials, ensuring their traceability from procurement to finished goods and includes strict social, environmental and chemical requirements.



PRODUCT FOCUS AND CUSTOMER SERVICE

MADE IN ITALY



Made in Italy is one of the pillars that have supported Vitale Barberis Canonico and its pursuit for product and process excellence for more than 350 years.

Thanks to keeping all manufacturing completely in Italy, in the Biella textile district, Vitale Barberis Canonico is probably the oldest wool mill in the world and one of the most prestigious Made in Italy global brands.

The Company strongly believes in Italian values and continues to invest in Italy, equipping its Pratrivero and Pray sites with state-of-the-art machinery and technologies that require significant financial and research and development efforts.

The more than 200 operations for transforming fiber into fabric can be summarised in seven manufacturing steps – washing, gilling, spinning, dyeing, warping, weaving and finishing – and they are all strictly performed in Italy.

The fully integrated production cycle approach minimises the environmental footprint of semi-finished goods transport.

Milano Unica is the reference trade fair for high-end fabrics and accessories that offers the best international showcase for the textile world within a highly qualified context reflecting the quality product level.



It was launched in September 2005, resulting from merging five events that have contributed to making Italian and European textiles in the world great: IdeaBiella, IdeaComo, Moda In, Shirt Avenue and Pratotrade. Alessandro Barberis Canonico, Managing Director of Vitale Barberis Canonico, has been chairman of Milano Unica since 2020, an office that he holds alongside the chair of the IdeaBiella Association, held since 2015.

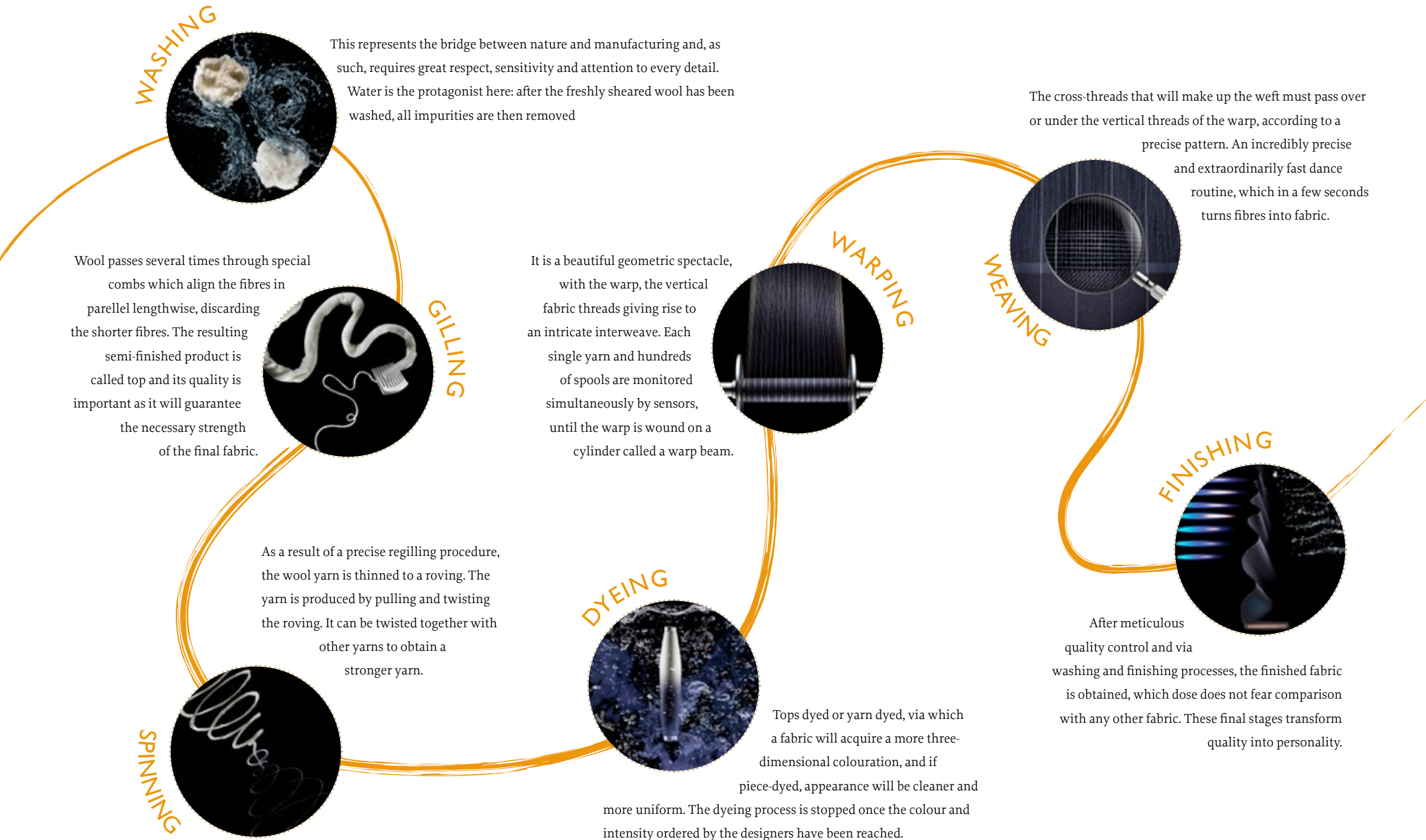
Milano Unica organises two events a year, in line with textile collections seasonality. The July 2022 edition Vitale Barberis

Canonico put spotlight on sustainability and the respect for the environment, recreating in its booth the magic atmosphere of the Royal Botanic Gardens, Kew in London. Recognised as a UNESCO World Heritage site, Kew Gardens metaphorically represent the green lungs which help to maintain the balance between humans and the environment in urban areas.

To make it easier and more flexible to view samples at a distance, from 2020, Vitale Barberis Canonico created its own **virtual showroom** with the entire collection available to customers 24/7.

For the Chinese market, also since 2020, the company has activated a digital showcase featuring the most significant seasonal products through a miniprogramme broadcast on the social media channel WeChat.





FABRIC ACADEMY

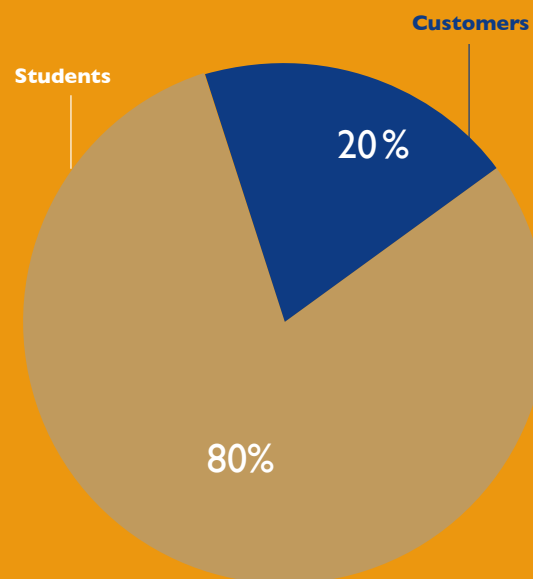
Established in 2013, with the aim of promoting and spreading the culture of quality fabrics and beautiful apparel, the **Fabric Academy** is an educational-experiential study course, which aims to deepen knowledge of many aspects related to fabrics and men's apparel: spanning basic weaving techniques to wool processing, the history of textiles to the latest trends, with a corollary on issues regarding marketing, communication and sustainability.

Planned at the historic Pratrivero mill and at the Vitale Barberis Canonico showroom, Via Solferino 23 Milan, over recent years, the study course has been offered worldwide to apparel professionals and to all fabric and men's style aficionados, involving not only customers, associations and journalists, but also and, primarily, students from Italian and international Fashion Institutes and Business Schools.

The project has achieved an important digital evolution becoming Phygital Fabric Academy: a concept that merges the terms "physical", in which students receive a learning materials kit enabling them to keep the experiential aspects of the course and "digital", given the use of remote content.

During 2022, over 600 participants were involved, of which 20% customers and 80% students..

FABRIC Academy



PRODUCT FOCUS AND CUSTOMER SERVICE

PRODUCT QUALITY AND SAFETY



Product quality and safety are priorities for Vitale Barberis Canonico, which provides important human, capital and financial resources to guarantee these aspects.

The careful selection of raw materials, the choice to source chemicals supply only from leading European companies and meticulous chemical and physical-mechanical tests are key factors for guaranteeing safe customers, and excellent quality fabrics. Adaptation of its production process to the requirements of the UNI EN ISO 9001:2015 standard has provided the Company with more effective control tools, essential for creating products that meet customer and industry requirements.

Each fabric, strictly Made in Italy, is designed and developed in-company. At the prototyping stage, it is tested to validate its features before being included in the collection. During the manufacturing process, the fabric undergoes three quality control steps: at each step it is thoroughly inspected by human specialists for defects or irregularities. Finally, it undergoes a thorough final inspection, which checks quality and appearance before shipping. Approximately 12% of the corporate workforce is engaged in these four important stages.

Figures for the two-year period showed the excellence of Vitale Barberis Canonico's fabrics: in 2022, the already excellent performance achieved the previous year was confirmed and improved thanks to stable product conformity of 99.92%²⁰.



The Company has always placed the highest store on the health and safety of final consumers. Regarding hazardous chemicals, it operates in compliance not only with legislation but also with voluntary industry requirements:

- the European REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) Regulation;
- the Chinese GB standard (National Standard of the People's Republic of China);
- guidelines on eco-toxicological requirements issued by the Italian National Chamber of Fashion;
- the Associazione Tessile e Salute (Textile and Health Association), of which Vitale Barberis Canonico has been a member since 2012, which provides guarantee for the consumer regarding the origin, traceability and safety of the textile product. It also works, among others, with the Ministry of Health and the Ministry of the Environment in Italy;
- the Woolmark program, of which the Company has been a licensee since 2015, certifying the product from the standpoint of performance, duration and quality;
- the MRSL (Manufacturing Restricted Substances List) released by the ZDHC Foundation through the adoption of the Chemical Management 4sustainability Protocol, with the aim of eliminating toxic and harmful chemicals in a



Ø ZDHC

structured way, integrating activities and controls in the production cycles aimed at gradually eliminating their presence to protect human health and the environment.

Chemicals are carefully evaluated before being used in the manufacturing cycle by Area Managers, the Prevention and Protection Service and the Environmental Protection Service. At scheduled intervals, fabric sample analyses are conducted at third-party laboratories, with the aim of screening the entire manufacturing output. Other analyses may be performed directly by customers or customs. It should be noted that Vitale Barberis Canonico has never been fined or been given penalties or forced to recall goods for reasons regarding chemical non-compliance.



In line with the **Chemical Management Protocol 4sustainability**, the Company has appointed and trained an in-company Chemical Manager. With the support of the system management team, the Chemical Manager has created the Chemical Inventory, qualified according to the levels indicated in the Gateway and compliant with the ZDHC Conformance Guidance, and has defined an in-company Chemical Management procedure, to ensure that purchasing is compliant with standards, as well as implementing efficient process monitoring.

For adopting the ZDHC MRSL and application of the PRSL 4sustainability, the supply chain was also involved, which was mapped and qualified by assigning chemical risk categories. The sharing of objectives, periodic training and constant reporting have finally made it possible to define an improvement plan. In June 2022, following the annual audit, the Company was awarded the Excellence Protocol implementation level, a significant step forward compared to the Advanced level previously achieved.



PRODUCT FOCUS AND CUSTOMER SERVICE

CUSTOMER SATISFACTION



Vitale Barberis Canonico offers a range of differentiated and attractive products, responding to market needs with efficiency and maximum transparency.

The goal is to build and maintain strong and trust-based relationships with customers.

Right from initial contact with customers, the various needs - both explicit and implicit - are identified. Product and service requirements, including quality, compliance and delivery times, are then translated into technical and functional terms and conditions to ensure they can be guaranteed.

In the case of after-sales issues, the management process handling complaints received by the sales department is handed over to quality control for processing. The claim may result in the return and replacement or reconditioning of the product or, where this is not possible, in a monetary price adjustment.

In 2022, the strong post-COVID rebound generated an irregular order flow marked by exceptional early ordering. This factor has been amplified by the concern from customers about possible price increases due to the sharp hike in the cost of raw materials and energy and by the first signs of longer lead times due to a supply chain experiencing difficulty.

This forced the Company to confirm orders with a 6-month delivery lead time and to exhaust "Quick Service" stocks, causing dissatisfaction among customers, accustomed to

impeccable service with a 90-day lead time, with resulting order cancellations and requests for compensation. In the two-year period 2021-2022, of the total metres sold, the percentage of metres of fabric returned for qualitative reasons was stable on high performances, rising from 0.02% to 0.04%.

The Code of Ethics requires attention and respect for all customers in equal measures regardless of scale, nationality and propensity to purchase and it disseminates these rules of conduct within the organization through appropriate training and information and communication tools.

Vitale Barberis Canonico guarantees that the data collected and managed in the conduct of its business activity are processed in compliance with EU and domestic data protection legislation. In accordance with the GDPR, unlawful data processing and committing cybercrimes are also forbidden. Vitale Barberis Canonico has never received any complaints regarding breach of customer privacy.



PRODUCT FOCUS AND COSTUMER SERVICE

TRACEABILITY AND TRASPARENCY



Transparency is at the forefront of Vitale Barberis Canonico's corporate values and translates into manufacturing operations and product traceability.

Transparency and traceability are key to underpinning the sustainable features of a fabric, whether it is manufactured from virgin or recycled raw material. In its vertically integrated and very complex manufacturing system, Vitale Barberis Canonico has invested resources for commissioning an application that can trace the supply and manufacturing chain of single piece of cloth from the origin of the wool bales, the spun yarns to the finished fabric.

The information available through this system concerns:

- the individual farms producing wool;
- the geographical locations from which wool bales originated;
- the batches of unbleached wool making up the lots of combed wool;
- the lots of gilled wool forming the semi-finished dyed articles;
- the semi-finished dyed articles making up the yarn mixes;
- yarns.

The traceability project responds, on the one hand, to the need to control the supply chain by certain customers (wholesalers, retailers, garment-makers) and, on the other hand, it aims to contribute to a product and process culture that guides the final consumer towards informed and responsible usage habits.

Vitale Barberis Canonico supports technological innovation to provide the supply chain with new solutions.

In 2022 the Company collaborated with The Woolmark Company and Haelixa in a pilot project to **trace wool fibers** with DNA tracers applied to scoured wool and resistant to the following production steps to reach a complete traceability up to the final fabric.



THE
WOOLMARK
COMPANY

Haelixa



N O T E

1. Calculated as the ratio of the total number of employees returning to work after parental leave to those who have taken leave. (page 39)
2. Injury rates are calculated as the ratio of the number of injuries to hours worked during the reference year, multiplied by 200,000. (page 42)
3. Classification based on recovery times of the injured party regulated by the Italian Criminal Code. In line with the requirements of GRI 403-9 metric; it should be noted that none of the injuries reported in the table implied a recovery period for the injured individual greater than or equal to 6 months or fatal injury. (page 42)
4. Conversion to GJ was done using the PCI factor obtained from the sources "Table of national standard parameters" (Ministry of the Environment and Protection of the Territory and the Sea, 2021) and "Table of national standard parameters" (Ministry of the Environment and Protection of the Territory and the Sea, 2022) for the respective reference years. (page 46)
5. Conversion to GJ was done using the conversion factor sourced from "ABI-LAB Guidelines" (version 13/12/2018). (page 46)
6. Conversion to GJ was done using the conversion factor sourced from "ABI-LAB Guidelines" (version 13/12/2018). (page 46)
7. Scope 1 emissions are expressed in tonnes of CO₂, as the source used does not include emission factors for gases other than CO₂. Scope 2 location based emissions are expressed in tonnes of CO₂, however the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO₂ equiv.) as shown in the report "Air emission factors for CO₂ and other greenhouse gases in the electricity industry" (ISPRA, 2017). (page 48)
8. The 2021 and 2022 figures were sourced from the climate neutral natural gas supplier, Alperia, which certifies that the 4,738,360 kg in 2021 and the 5,069,396 kg in 2022 of CO₂ emissions generated by the Company by gas combustion are offset by certified investments in climate protection projects, complying with the Gold Standard and/or the Voluntary Carbon Standard. (page 48)
9. Data based on emission factors obtained from the sources "Measuring Emissions: A Guide for Organisations. 2022 Summary of Emission Factors" (Ministry of New Zealand, 2022). (page 48)
10. Data calculated respectively based on emission factors obtained from the sources "International Comparisons" (Terna, 2019) and "International Comparisons" (Terna, 2020). (page 48)
11. Data were obtained from the electricity supplier, Alperia, which certified that the Company obtained an environmental saving of 12,540,498 kg of CO₂ for 2021 and 14,318,428 kg of CO₂ for 2022. (page 48)
12. Data based on emission factors obtained from the sources "Measuring Emissions: A Guide for Organisations. 2022 Summary of Emission Factors" (Ministry of New Zealand, 2022). (page 48)
13. Data based on emission factors obtained from the sources "Measuring Emissions: A Guide for Organisations. 2022 Summary of Emission Factors" (Ministry of New Zealand, 2022). For a homogeneous comparison, the emissions of 2021 were calculated with the new methodology, considered more reliable than the previous one (Ateneo Verde of the Niccolò Cusano University). (page 48)
14. Annual average values. (page 51)
15. Not measured because below measurement threshold. (page 51)
16. <https://www.oie.int/en/what-we-do/standards/codes-and-manuals/terrestrial-code-online-access/> (page 60) **LINK**
17. <https://iwto.org/resources/wool-sheep-welfare-specifications/> (page 60) **LINK**
18. <https://www.animalwelfarestandards.net.au/files/2011/01/Sheep-Standards-and-Guidelines-for-Endorsed-Jan-2016-061017.pdf> (page 60) **LINK**
19. <http://sustainawool.com.au/> (page 62) **LINK**
20. Data on product quality conformity are the result of approximation aimed at harmonising business and quantitative data. (page 66)
21. Calculated as the ratio of the total number of employees still employed 12 months after returning to work following leave to the total number of employees returned from leave in previous reporting periods. (page 76)



NOTES ON REPORTING METHODS

The Vitale Barberis Canonico Lanificio Group prepares consolidated financial statements, under which, in addition to Vitale Barberis Canonico S.p.A., also Drapers S.r.l. and Pyramul Pastoral Ltd are fully consolidated. This document is the fifth Sustainability Report prepared by Vitale Barberis Canonico S.p.A. which describes the projects, actions and main results in the business, social and environmental areas achieved by the Company in 2022.

The Sustainability Report aims to illustrate the sustainability strategies adopted by Vitale Barberis Canonico and relevant performance in relation to the manufacturing facilities at Pratrivero and Pray, both in the Biella area, and a third site located in the Fila di Valdilana locality, opened in May 2022, as a temporary production unit.

This document has been prepared on a voluntary basis and responds to the Company's need to share with its stakeholders the most significant data concerning Corporate Social Responsibility, with a view to perpetuating the climate of transparency. The Company was aided by external consultants in the drafting of this CSR report that checked that the basis for preparation had been correctly adopted.

It should be noted that the term "Company" is used in the document to indicate Vitale Barberis Canonico S.p.A. The 2022 Sustainability Report has been prepared in reference with the "GRI Sustainability Reporting Standards" (2021) published by the Global Reporting Initiative (GRI). The subject matter and indicators covered by reporting were defined starting from the findings of the materiality analysis conducted in 2021, which

involved corporate Management and certain important figures for each of the stakeholder groups, mapped to identify, through a participatory process, the environmental, business and social aspects relevant for the Company and for stakeholders, respectively.

The appendix to this document may be consulted to read about the GRI Content Index where the GRI indicators associated with each material topic are reported. The boundary used for business data is the same as that used for the CSR Report issued by Vitale Barberis Canonico S.p.A. on 31 December 2022 year ends. The boundary used for social and environmental data and disclosures includes the Company's two manufacturing mills (Pratrivero and Pray) and a third site located in the Fila di Valdilana locality, opened in May 2022, as a temporary production unit.

The data and disclosures contained in this document, unless otherwise specified, regarding the 2022 reporting period (running from 1 January 2022 to 31 December 2022). However, to enable assessment of the dynamic development of assets, data and disclosures regarding the previous reporting period have been shown for comparative purposes where available. In addition, to enable a more comprehensive presentation, information regarding actions implemented in priority years and which are still adopted by the Company have been reported (baseline data).

For the purposes of correctly presenting performance-related data, and to ensure data reliability, the use of estimates was

limited as far as possible. Any estimates were based on the best available approaches and they have been duly highlighted. In accordance with the new adaptation of the GDPR regulation, the data protection principles adopted in the preparation of this Report refer to anonymous aggregations, so as to prevent any identification of the data subject.

REFERENCE PERIOD

Reporting period running from 1 January 2022 to 31 December 2022

FREQUENCY

Annual

LAST PUBLISHED DOCUMENT

Sustainability Report 2021

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I M P A C T S

B O U N D A R Y

The following table shows the GRI Standards corresponding to the materiality topics identified for Vitale Barberis Canonico by analyzing the materiality topics and the relevant boundary, showing the type of impact for each of such topics..

MATERIAL TOPIC	GRI STANDARDS TOPIC	BOUNDARY	TYPE OF IMPACT
Ethics and compliance	<ul style="list-style-type: none"> • Anti-Corruption • Anti-competitive practices • Socio-economic compliance 	The Company; State Administration and local authorities.	Generated by the Company
Protection of working conditions	<ul style="list-style-type: none"> • Occupational health and safety • Human Rights assessment 	The Company; people; suppliers; industry associations.	Generated by the Company and directly linked to its business
Customer satisfaction	<ul style="list-style-type: none"> • Consumer health and safety • Consumer privacy 	The Company; customers; end consumers.	Generated by the Company
Quality and Made in Italy	<ul style="list-style-type: none"> • Materials 	The Company; customers; end consumers; suppliers; media.	Generated by the Company and directly linked to its business
Community support	<ul style="list-style-type: none"> • Local communities 	The Company; local community.	Generated by the Company and directly linked to its business
Value creation	<ul style="list-style-type: none"> • Economic performance 	The Company; State Administration and local authorities; suppliers; customers; local community; end consumers; people; shareholders and financial community.	Generated by the Company
Animal welfare	n/a	The Company; suppliers.	Generated by the Company and directly linked to its business
Responsible use of chemicals	<ul style="list-style-type: none"> • Effluents and waste 	The Company; customers; end consumers; suppliers; media.	Generated by the Company and directly linked to its business
Corporate Welfare	<ul style="list-style-type: none"> • Employment 	The Company; people.	Generated by the Company
Environmental responsibility	<ul style="list-style-type: none"> • Environmental compliance 	The Company; State Administration and local authorities; local community.	Generated by the Company
Water resource management	<ul style="list-style-type: none"> • Water and effluents 	The Company; local community.	Generated by the Company
Responsibility and traceability in the supply chain	<ul style="list-style-type: none"> • Procurement practices • Supplier assessment based on social topics 	The Company; suppliers.	Generated by the Company and directly linked to its business
Development of human capital	<ul style="list-style-type: none"> • Employment • Training and education 	The Company; people; universities and research centres.	Generated by the Company
Energy efficiency and emissions reduction	<ul style="list-style-type: none"> • Energy • Emissions 	The Company; local community.	Generated by the Company and directly linked to its business
Protection of diversity and equal opportunities	<ul style="list-style-type: none"> • Diversity and equal opportunities • Non-discrimination 	The Company; people.	Generated by the Company
Waste management and recycling	<ul style="list-style-type: none"> • Effluents and waste 	The Company; local community.	Generated by the Company and directly linked to its business



GRI CONTENT INDEX

GENERAL DISCLOSURES

GRI 2: GENERAL DISCLOSURES (2021)	PAGES	NOTES/REASONS FOR OMISSION
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2-1-c	Location of headquarters	79
2-1-d	Countries of operation	71
Disclosure 2-2: Entities included in the organization's sustainability reporting		
2-2-a	Entities included in sustainability reporting	71
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2-3-a	Reporting period for and the frequency of sustainability reporting	71
2-3-b	Reporting period for financial reporting	-
2-3-d	Contact point for questions about the report or reported information	71
Disclosure 2-4: Restatements of information		
2-4-a	Report restatements of information made from previous reporting periods	48, 70
Disclosure 2-5: External assurance		
2-5-a	Policy and practice for seeking external assurance	-
Disclosure 2-6: Activities, value chain and other business relationships		
2-6-a	Business sector	5, 7
2-6-b	Value chain	57, 58
2-6-d	Significant changes compared to the previous reporting period	4
Disclosure 2-7: Employees		
2-7-a	Total number of employees and a breakdown of this total by gender and by region	31, 32, 36
2-7-b	Total number of (i) permanent employees, (ii) temporary employees, (iii) non-guaranteed hours employees, (iv) full-time employees, (v) part-time employees	32, 36
2-7-e	Significant fluctuations in the number of employees during the reporting period and between reporting periods	33

GRI 2: GENERAL DISCLOSURES (2021)	PAGES	NOTES/REASONS FOR OMISSION
Disclosure 2-8: Workers who are not employees		
2-8-a	Total number of workers who are not employees and whose work is controlled by the organization	32
2-8-c	Significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods	32, 33
Disclosure 2-9: Governance structure and composition		
2-9-a	Governance structure, including committees of the highest governance body	12, 13
2-9-b	Committees of the highest governance body that are responsible for decisionmaking on and overseeing the management of the organization's impacts on the economy, environment, and people	12, 13
2-9-c	Composition of the highest governance body and its committees	12, 13
Disclosure 2-14: Role of the highest governance body in sustainability reporting		
2-14-a	Report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics	13
Disclosure 2-27: Compliance with laws and regulations		
2-27-a	Total number of significant instances of non-compliance with laws and regulations during the reporting period	-
Disclosure 2-28: Membership associations		
2-28-a	Industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role	18, 19
Disclosure 2-29: Approach to stakeholder engagement		
2-29-a	Approach to engaging with stakeholders, including the categories of stakeholders it engages with, and how they are identified	17
Disclosure 2-30: Collective bargaining agreements		
2-30-a	Percentage of total employees covered by collective bargaining agreements	-

In 2022, no cases of non-compliance were reported that resulted in monetary fines and/or non-monetary penalties for Vitale Barberis Canonico.



GRI CONTENT INDEX

GRI 3: MATERIAL TOPICS (2021)		PAGES	NOTES/REASONS FOR OMISSION
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3-1-a	Process it has followed to determine material topics	20, 21	
3-1-b	Stakeholders and experts whose views have informed the process of determining its material topics	17	
Disclosure 3-2: List of material topics			
3-2-a	Material topics	21	
3-2-b	Changes to the list of material topics compared to the previous reporting period	-	In 2022, no changes were made to the list of material topics reported in 2021.
Disclosure 3-3: Management of material topics			
3-3-a	Actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights	-	Every GRI reported in the following Topic-specific disclosures reports the disclosure 3-3.
3-3-b	Whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships	-	
3-3-c	Policies or commitments regarding the material topic	-	
3-3-d	Actions taken to manage the topic and related impacts	-	
3-3-e	Tracking the effectiveness of the actions taken	-	
3-3-f	Describe how engagement with stakeholders has informed the actions taken and how it has informed whether the actions have been effective	-	

USED GRI I

GRI I – Foundation – Version 2021

USE STATEMENT

Vitale Barberis Canonico S.p.A. has reported the disclosures in this GRI content index for the period running from 1 January 2022 to 31 December 2022.



GRI CONTENT INDEX

TOPIC-SPECIFIC DISCLOSURES

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Economic performance			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-201: Economic performance (2016)			
201-I	Direct economic value generated and distributed	24	
Procurement practices			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-204: Procurement practices (2016)			
204-I	Proportion of spending on local suppliers	57	
Anti-corruption			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-205: Anti-corruption (2016)			
205-3	Confirmed incidents of corruption and actions taken	-	In 2022, no cases were reported in taken regard thereto.
Economic performance			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI 206: Anti-competitive behaviour (2016)			
206-I	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	In 2022, no cases were reported in taken regard thereto.

GRI 300: ENVIRONMENTAL TOPICS DISCLOSURE		PAGES	NOTES/REASONS FOR OMISSION
Materials			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-301: Materials (2016)			
301-I	Materials used by weight and volume	57	
Energy			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-302: Energy (2016)			
302-I	Energy consumption within the organisation	46	
302-3	Energy intensity	46	
Water and effluents			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-303: Water and effluents (2018)			
303-I	Interactions with water as a shared resource	49-52	
303-2	Management of water discharge related impacts	50-52	
303-3	Water withdrawal	49	
303-4	Water discharge	50-52	
303-5	Water consumption	49	



GRI 300: ENVIRONMENTAL TOPICS DISCLOSURE		PAGES	NOTES/REASONS FOR OMISSION
Emissions			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-305: Emissions (2016)			
305-1	Direct (Scope 1) GHG emissions	48	
305-2	Indirect (Scope 2) GHG emissions	48	
305-4	GHG emissions intensity	48	
305-5	Reduction of GHG emissions	47, 48	
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	47	
Effluents and waste			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-306: Waste (2020)			
306-2	Management of significant wasterelated impacts	53	
306-3	Waste generated	53	
306-4	Waste diverted from disposal	53	
306-5	Waste directed to disposal	53	
Environmental compliance			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-307: Environmental compliance (2016)			
307-1	Regulatory and statutory non-compliance regarding environmental matters	-	In 2022, no cases were identified leading to significant financial penalties for Vitale Barberis Canonico.

GRI 400: SOCIAL TOPICS DISCLOSURE		PAGES	NOTES/REASONS FOR OMISSION
Employment			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-401: Employment (2016)			
401-1	New employee hires and employee turnover	32-33	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	38	All the benefits provided also involve part-time and fixed-term contract employment contracts.
401-3	Parental leave	39	Under Italian law all employees are entitled to apply for parental leave. At 31/12/2022 the retention rate was 100% ²¹ .
Occupational health and safety			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-403: Occupational health and safety (2018)			
403-1	Occupational health and safety management system	40-42	
403-2	Hazard identification, risk assessment, and incident investigation	40-42	
403-3	Occupational health services	40-42	
403-4	Worker participation, consultation and communication on occupational health and safety	40-42	
403-5	Worker training on occupational health and safety	35, 41	
403-6	Promotion of worker health	40-42	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	40-42	
403-9	Work-related injuries	42	
403-10	Work-related ill health	42	



GRI 400: SOCIAL TOPICS DISCLOSURE		PAGES	NOTES/REASONS FOR OMISSION
Training and education			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-404: Training and education (2016)			
404-I	Average training hours per year per employee	35	
Diversity and equal opportunity			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-405: Diversity and equal opportunity (2016)			
405-I	Diversity of governance bodies and employees	12, 32, 36	
Non-discrimination			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-406: Non-discrimination (2016)			
406-I	Incidents of discrimination and corrective actions taken	-	In 2022, no cases were reported.
Human rights assessment			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-412: Human rights compliance assessment (2016)			
412-3	Agreements and contracts that include provisions on human rights or that have been subject to a human rights assessment	37, 57	
Local communities			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-413: Local communities (2016)			
413-I	Operations with local community engagement, impact assessments, and development programs	25-27	

GRI 400: SOCIAL TOPICS DISCLOSURE		PAGES	NOTES/REASONS FOR OMISSION
Supplier social assessment			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-414: Supplier social assessment (2016)			
414-I	New suppliers screened using social criteria	-	All suppliers of the Company are required to read the Vitale Barberis Canonico Code of Ethics.
Consumer health and safety			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-416: Consumer health and safety (2016)			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	In 2022, no cases of non-compliance with consumer health and safety regulatory provisions were reported.
Consumer privacy			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-418: Consumer privacy (2016)			
418-I	Complaints regarding breach of privacy and loss of customer data	68	
Socio-economic compliance			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23	
GRI-419: Socio-economic compliance (2016)			
419-I	Regulatory and statutory non-compliance regarding social and economic matters	-	In 2022, no non-compliance was reported leading to significant fines for Vitale Barberis Canonico.
Animal welfare			
Disclosure 3-3: Management of material topics (2021)			
3-3-a, 3-3-b, 3-3-c, 3-3-d, 3-3-e, 3-3-f		20-23, 60	



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