


# SUSTAINABILITY REPORT

2024



VITALE BARBERIS CANONICO


✂ ————— ✂  
1663

A photograph of a herd of sheep in a grassy field, with trees in the background. The image is dimmed and serves as a background for the text.

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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). 

**RESPONSIBLE BUSINESS MANAGEMENT 9**

Business governance and integrity

- Our values and principles ..... 11
- Corporate governance and risk management ..... 12
- Legislative and regulatory compliance ..... 14

Vitale Barberis Canonico and sustainability

- Our sustainability approach ..... 15
- Stakeholder mapping ..... 17
- Double materiality analysis ..... 20
- Sustainable Development Goals ..... 22

Value creation

- Generated and distributed value ..... 24
- Local community engagement ..... 25
- The Vitale Barberis Canonico Archive ..... 28

**PEOPLE AND THEIR VALUE 29**

The human factor

- Managing people ..... 32
- Attracting and developing talent ..... 33
- Equality ..... 36
- Protecting and respecting working conditions ..... 37

Corporate Welfare

- Employee wellbeing ..... 38
- Work-life balance projects ..... 39

Integrated Quality-Safety-Environment Management System ..... 40

Health and safety

- Prevention and monitoring ..... 41

**RESPECTING AND PROTECTING THE ENVIRONMENT 43**

Energy efficiency and emissions reduction

- Energy usage ..... 46
- Emissions ..... 47

Use of resources over their life cycle

- Management of withdrawals and water consumption ..... 49
- Responsible use of chemicals and effluent treatment ..... 50
- Wastewater analysis according to the ZDHC Wastewater Guidelines ..... 52
- Management of by-products and waste ..... 53

**PRODUCT RESPONSABILITY 54**

Responsible Supply Chain

- Goods and services ..... 57
- Raw materials ..... 59
- Wool Excellence Club & Wool Excellence Award ..... 61
- Animal welfare ..... 62
- Vitale Barberis Canonico Wool ..... 63
- Certifications ..... 64

Product focus and customer service

- Made in Italy ..... 65
- Fabric Academy ..... 67
- Product quality and safety ..... 68
- Customer satisfaction ..... 70
- Traceability and transparency ..... 71

# LETTER TO OUR STAKEHOLDERS

2024 was impacted by major, global geopolitical tension that still ongoing as at the time of publication of this Report, which has created circumspection in many markets. Despite this scenario, we achieved a steady flow of orders throughout the year. After the post-Covid rebound and following slowdown, 2024 was in fact marked by order entry attaining normal levels, due to customer stocks stabilising. Thanks to the drop in energy and raw material costs, price lists did not increase, thus guaranteeing customers greater certainty also from a price standpoint. We have also fully restored the "Quick Service", thus reinstating and guaranteeing the service appreciated, in particular, by smaller-scale customers. The beginning of 2025 was marked by a high degree of uncertainty in all markets caused primarily by the tariff policy adopted by the United States, which we hope will be redimensioned over the coming months.

With great sadness, we announce two major losses that have deeply affected us. In October 2024, Guido Corbetta, Chair of the Board of Directors since 2009, whose competence and vision were fundamental for the growth of the company, passed away.

In April 2025, Alberto Barberis Canonico also passed. In the role of CEO, held for many years together with his brother Luciano, he led Vitale Barberis Canonico with great vision, dedication and humanity, consolidating its prestige around the world. A great supporter of "knowing how to do well", he was an enlightened and forward-looking forerunner of sustainability-related topics. He was responsible for the most important investments aimed at safeguarding people and the environment, such as the sound-proof cabins and the waste water treatment plant, designed and built almost fifty years ago. Specifically, he always considered the wellbeing of employees and the value of the community to be

key, anticipating in the company many of the activities that we commonly call welfare today. We also remember the establishment of the company scholarships, as well as a remarkably close collaboration with the world of breeders witnessed by the creation of the Wool Excellence Club and Award.

Sustainability has continued to be a fundamental pillar of our corporate strategy and during 2024 we implemented important projects for People, the Environment and the Product.

The wellbeing of People is a key value for us and over the year we have activated a corporate welfare platform giving the opportunity to each employee to convert performance-related pay – tax and withholding tax free – into welfare goods and services.

With a view to increasing the focus on the use of natural resources for safeguarding the environment, we completed the expansion of both the company's photovoltaic park and the second contact tank for ozone decolorisation at the purification plant. We also introduced a new approach to measuring environmental impacts related to our organisation, adopting the Organisation Environmental Footprint (OEF) method.

Within the Product, we worked on two main fronts: launching new traceability tools, a B2B platform and a B2C digital tool offered to customers through QR code applied to the fabric tag, and calculating the product's environmental footprint through the voluntary national "Made Green in Italy" scheme, using the Product Environmental Footprint (PEF) method, which, however, presents certain limitations in assessing the impact of natural fibres.

Finally, we celebrated 10 years of the Vitale Barberis Canonico

Wool Excellence Club, which brings together virtuous Australian farms dedicated to breeding the Saxon Merino breed at the annual Wool Excellence Awards. For this important event, we involved major Italian and international newspapers in a press tour in Australia, thus offering a direct experience at the origin of our excellent wools and rendering our longstanding commitment tangible.

In this reporting period, we also started a reporting process aimed at anticipating Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive – CSRD) according to the European Sustainability Reporting Standards (ESRS) rules. In February 2025, a new regulatory proposal was presented, known as the "Omnibus" package, which aims to simplify certain requirements introduced by the ESRB and to narrow the scope of application of the CSRD. As this proposal is still under discussion, this Sustainability Report has been prepared with an ESRS-based approach, adopting the version introduced by Directive (EU) 2022/2464.



Alessandro Barberis Canonico  
Managing Director of 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. Since 1663 it has been driven by the passion of a family that has always been committed to creating the best Made in Italy fabrics for men's apparel.*

*For over 360 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 take place.*

*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 132.2 MILLION SALES REVENUE

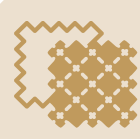
- EUR 55.5 million in added value
- EUR 104.3 million owners' equity

### 6.8 MILLION METRES OF FABRIC

*2 million suits and jackets worldwide*

### INTEGRATED CERTIFICATION

- Quality
- Safety
- Environment



**1663**

*A History spanning more than 360 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*

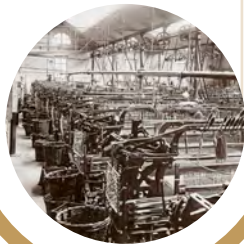


# VITALE BARBERIS CANONICO

## OUR HISTORY

**1868**

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



**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.*



**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.*



**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.*



**1936**

*The partnership between Oreste and Vitale, which gave rise to 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.*



**2008**

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

**2018**

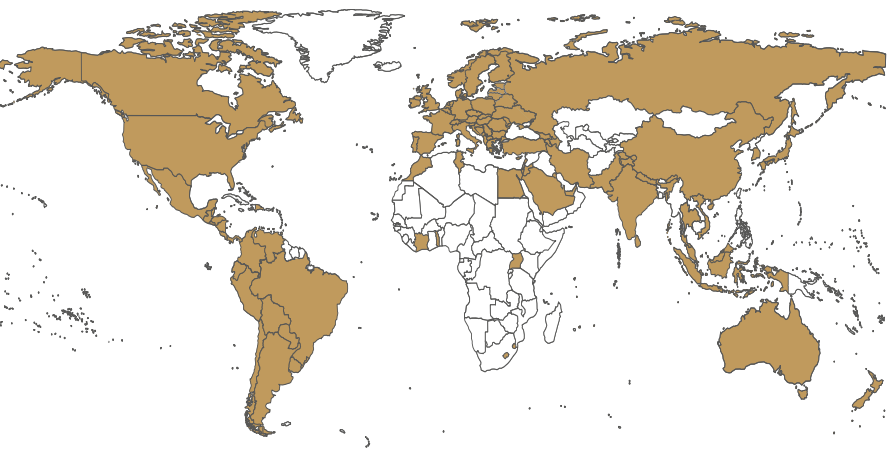
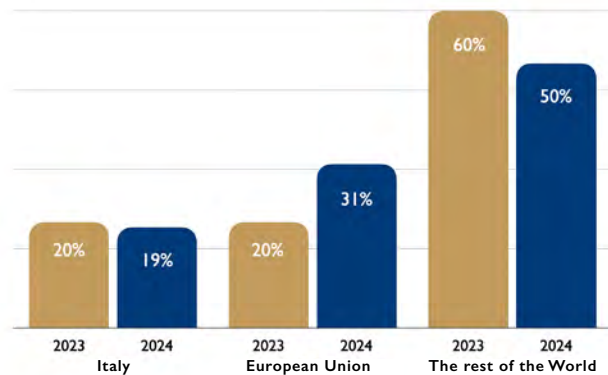
*Flagship showroom opening at Via Solferino 23 in Milan: the new location aims to be a flagship venue for designers, tailors and apparel professionals.*



# VITALE BARBERIS CANONICO

## MARKET AND PRODUCTS

*Vitale Barberis Canonico is synonymous with excellence for 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 menswear, the Company takes its cue from classic elegance, while introducing contemporary contaminations, with a view to achieving a perfect balance of 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.

In 2023, the range was enriched with a capsule collection featuring *The Mohair Affair!*, fabrics that exclusively use RMS-certified mohair and RWS-certified wool.



**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

### UNDYED NATURAL FIBRES



With extraordinary rusticity features, thanks to the use of natural-colour alpaca, hemp and moray wool fibres. In fact, these products do not undergo any dyeing process.

### ERI SILK AND ERI RED SILK



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. They differ in colour due to the different feeding habits of the larvae; the orange shades of the Eri Red silk derive from the Citrifolia Ficus, while the yellow shades of the Eri silk derive from the castor plant.

### RECYCLED YARNS



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

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



# RESPONSIBLE BUSINESS MANAGEMENT

## **Business governance and integrity**

<i>Our values and principles</i> .....	11
<i>Corporate governance and risk management</i> .....	12
<i>Legislative and regulatory compliance</i> .....	14

## **Vitale Barberis Canonico and sustainability**

<i>Our sustainability approach</i> .....	15
<i>Stakeholder mapping</i> .....	17
<i>Double materiality analysis</i> .....	20
<i>Sustainable Development Goals</i> .....	22

## **Value creation**

<i>Generated and distributed value</i> .....	24
<i>Local community engagement</i> .....	25
<i>The Vitale Barberis Canonico Archive</i> .....	28



# RESPONSIBLE BUSINESS MANAGEMENT

*People, environment and product are the pillars that guide Vitale Barberis Canonico's 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

*Values are the building blocks of the corporate identity and guide strategic choices.*

The Company pursues the achievement of its objectives through activities implemented 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 are 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, safeguarding employees and respecting nature, in addition to the focus on fabrics, have always been priorities in its multi-year investment strategies.

In 2024, the Company prepared a new multi-year business plan that, by proposing an innovative approach both in terms of product and service, will also have an impact on technical investments, especially during 2025. The objective is to guarantee the continuity of the business by bringing the commercial offering closer to the new needs of the sector, increasing market shares even in segments which have historically been underserved.



## BUSINESS GOVERNANCE AND INTEGRITY

### CORPORATE GOVERNANCE AND RISK MANAGEMENT

*Vitale Barberis Canonico is a joint-stock company owned by the Vitale Barberis Canonico Wool Mill.*

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 underpinned by the principles and application requirements 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 such a vision using the best resources available on the market.

At the reporting date of this document, the Board of Directors was composed of 9 directors, of which 3 independent directors including the Chair. Women account of 33% of Board membership and 11% is reflected for members aged between 30 and 50 years.

The Board is the watchdog body, ensuring that decisions and pursuit of social interests are given adequate 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 the office held by pursuing the priority objective of the Company, the creation of economic and social value on a medium-long term horizon, while paying special attention to areas potentially subject to conflicts of interest. It should be noted that on 28 May 2025, the Shareholders' Meeting appointed a new Board of Directors, which will remain in office for a period of 3 years.

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 Chief Executive Officer, alongside the Supervisory Body and the Board of Statutory Auditors, both 3-member bodies.

The Company has equipped the Governance system with additional entities:

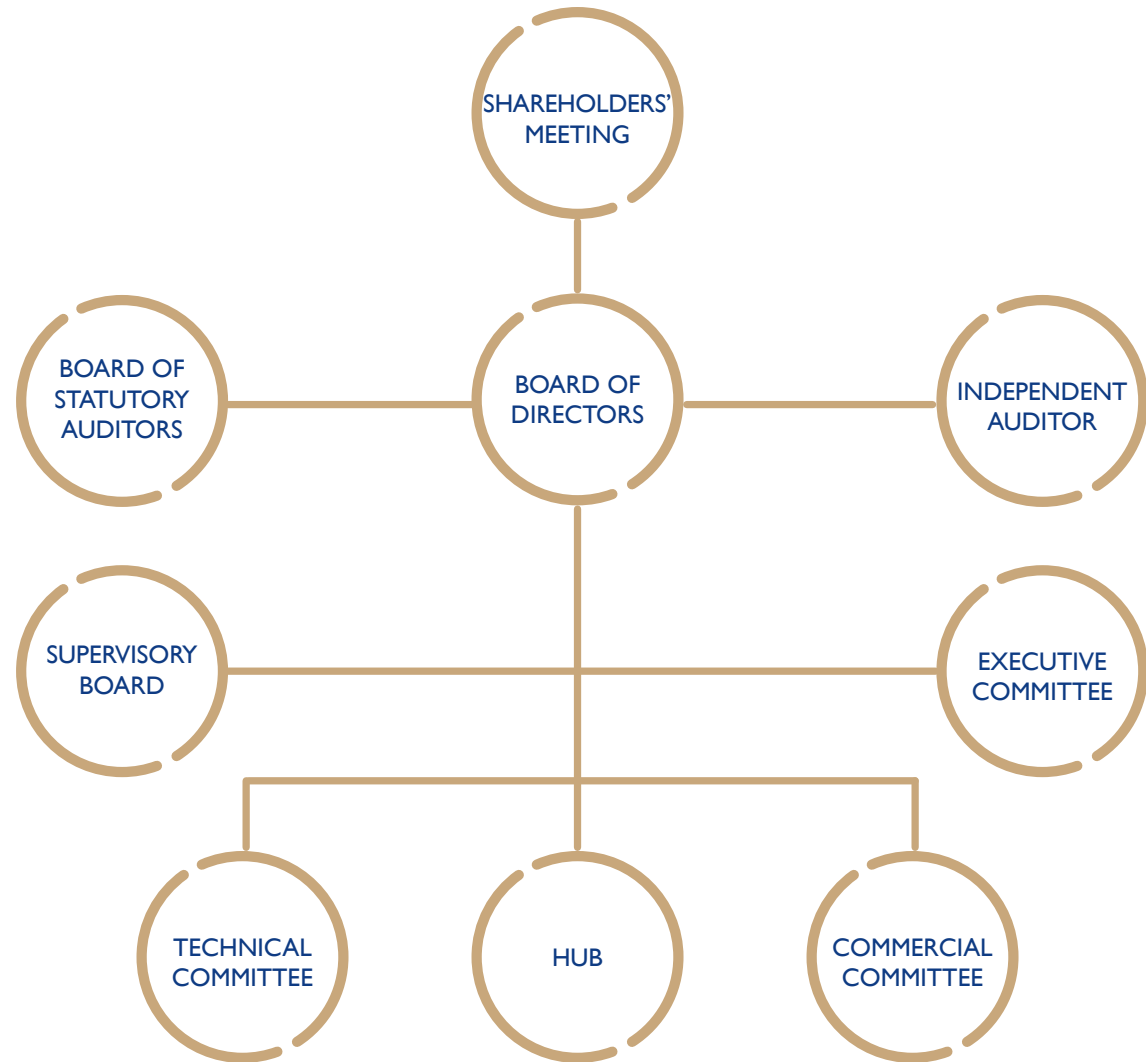
- **EXECUTIVE COMMITTEE:** composed of a Chair, a secretary and other senior strategic corporate officers, including the Chair of the Board of Directors, the Chief Executive Officer and the heads of the product, market, production, human resources, sustainability and administration areas. The Committee prepares the topics to be submitted to the Board of Directors and prepares the rationale underpinning operational decisions according to the strategic guidelines handed down by the Board;
- **SPECIFIC COMMITTEES:** the Technical Committee, the Commercial Committee and the cross-functional HUB that gathers the skills for the areas of product development, R&D, sales, marketing-communication, production, quality control and CSR meet at regular intervals.



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

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 28 May 2025, at the Shareholders' meeting, the 2024 Sustainability Report was approved, which describes the projects and the main economic, social and environmental results achieved by the Company over the reporting period.



## BUSINESS GOVERNANCE AND INTEGRITY

### LEGISLATIVE AND REGULATORY COMPLIANCE

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

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 disputes arose or were identified. In the same period, Vitale Barberis Canonico reported no case of corruption or bribery, and no legal proceedings, fines, convictions or disciplinary measures were reported attributable to such matters.

With a view to tangible application of the guiding principles underpinning the Code of Ethics, the Company promotes awareness through publication in the dedicated section of the corporate website [www.vitalebarberiscanonico.it](http://www.vitalebarberiscanonico.it) and the provision of information and training activities addressing employees, as well as sharing the Code 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 at and/or with Vitale Barberis Canonico, setting down the rules of conduct to be complied with vis-à-vis all its stakeholders.
- The Organisational Model, which lists all the criminal offences that may occur within and/or involving the company, as well as the in-company procedures adopted for managing such matters.

- The Disciplinary Penalty System 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 the 231 Model 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

*To be sustainable is to understand the corporate history and design its future by reducing its impact adopting the best human, cultural and technological resources available.*

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 outcome 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 continues to underpin 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 2024, the Company can claim many virtuous achievements. In particular, the activation of a corporate welfare platform;
- The Installation of a second 210 kWp photovoltaic system at the Pratrivero site;
- The launch of new traceability tools, a B2C digital tool and a B2B platform;
- Celebrating 10 years of the Wool Excellence Club with a dedicated press tour;
- Measuring the product environmental footprint using the Product Environmental Footprint (PEF) method.

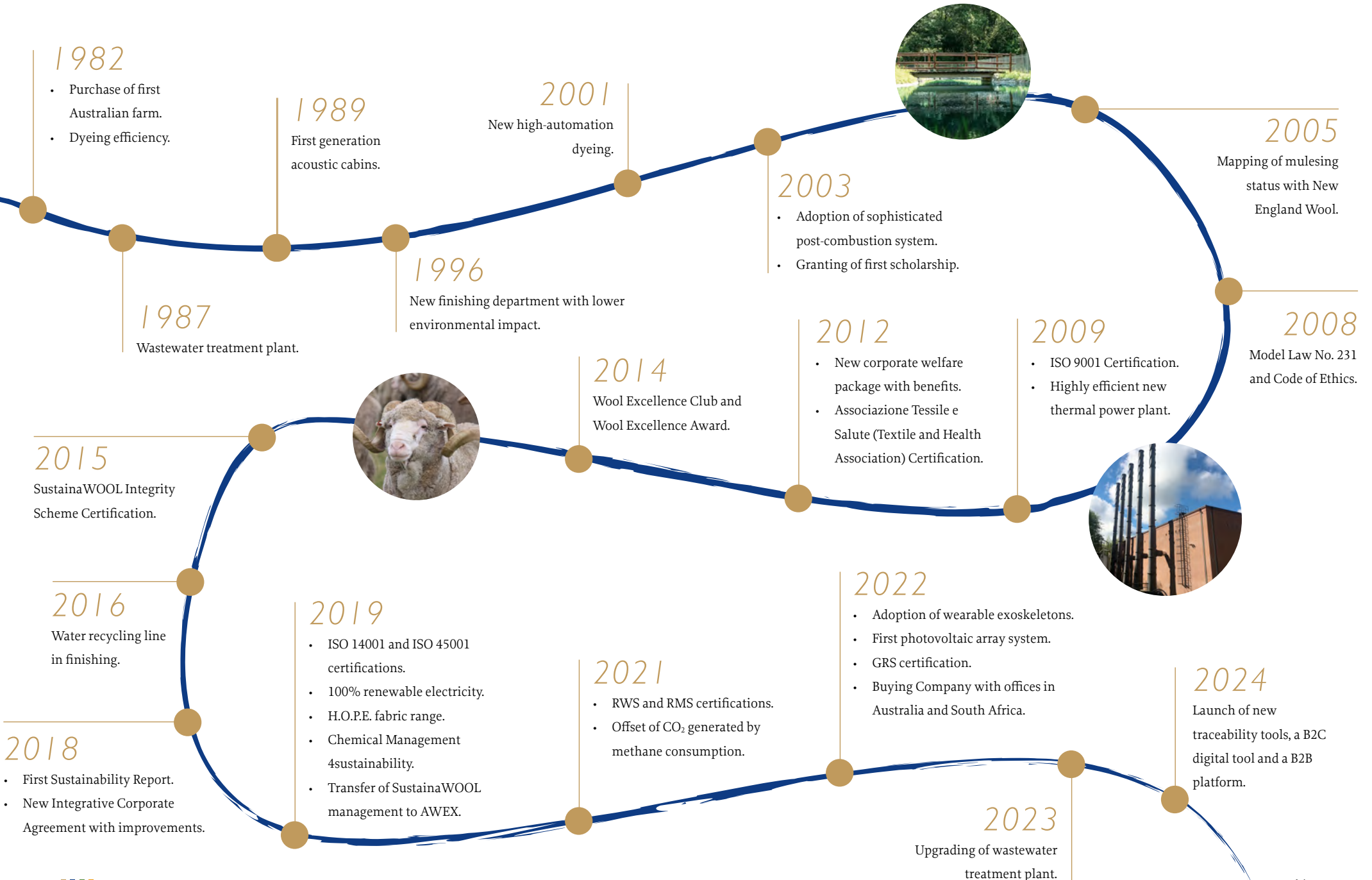
In this reporting period, Vitale Barberis Canonico also launched a reporting process aimed at anticipating Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive – CSRD) according to the European Sustainability Reporting Standards (ESRS). These principles are under review by the European Commission following the release of the proposal for Directive (EU) 2025/0044, also known as the “Omnibus” package, which proposes a simplification of ESRS requirements and a restriction of the scope of application of the CSRD. In order to better prepare, Vitale Barberis Canonico has developed this Sustainability Report with an ESRS-based approach in the version introduced by Directive (EU) 2022/2464.

At the 4<sup>th</sup> edition of the **Sustainability Award**, which rewards the companies that have excelled in the field of sustainability, Vitale Barberis Canonico was awarded with the Top 100 ESG Excellence and the Top 100 ESG Integrated Finance awards. It was also named among the Top 75 ESG Performances companies that, by participating in several editions, have obtained the most significant increases in the ESG rating and among the Top 75 Innovation for Sustainability, which with their innovations may have the greatest impact on the sustainability of economic and social development.

The Sustainability Award prize is based on an independent assessment aimed at reviewing strategy, management and performance for the main environmental (E), social (S) and governance (G) topics.

Vitale Barberis Canonico achieved a score of 659.8 on a macro-sector average of 507.8 and a maximum obtainable score of 1,000. The score obtained by the Company increased compared to the score of 601.2 obtained in 2023.





## VITALE BARBERIS CANONICO AND SUSTAINABILITY

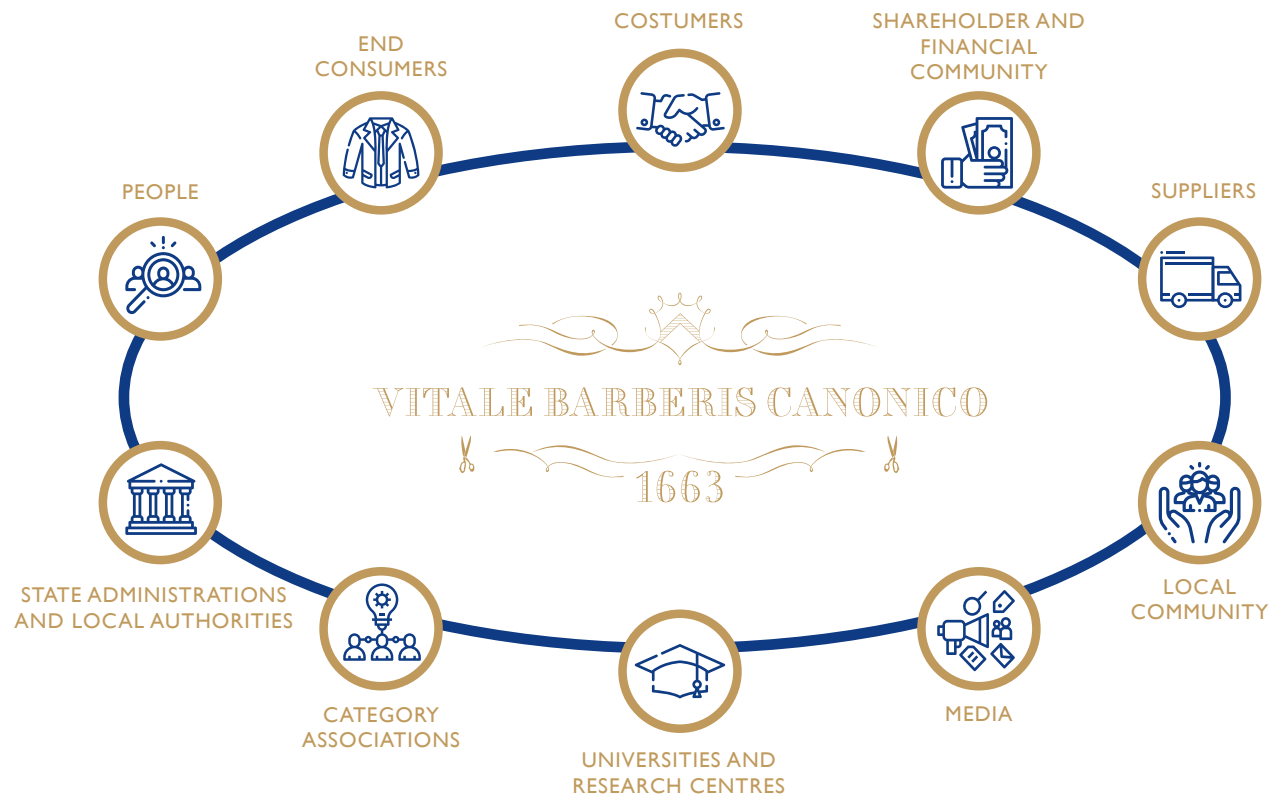
### STAKEHOLDER MAPPING

*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 over 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:



**Confindustria Moda – Federazione Tessile e Moda (Italian Federation of Fashion, Textiles and Accessories):** representing the entire western-world textile and fashion supply chain, at national and international level, protecting and promoting interests in relations with respective stakeholders. It should be noted that, with effect from 1 January 2025, this federation changed name from Federazione Tessile e Moda – Sistema Moda Italia (the Textile and Fashion Federation – Italian Fashion System) to Confindustria Moda – Federazione Tessile e Moda (Italian Federation of Fashion, Textiles and Accessories).



**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:** 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, CEO of the Company, is its Chair.

**Les Hénokiens:** an international association reserved for family-run businesses with at least 200 years of history, whose members are deeply rooted in today's business realities, managing their companies with talent, while 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 300 companies that represent about 17% of Italian GDP. It is committed to developing a healthy and robust family business model, to studying tangible and current management issues and overseeing the personal and professional growth of the new generations.



**Tessile e Salute (Textiles and Health):** founded in 2001 as an association and since January 2025 a new division of Città Studi Biella, it supports consumers and businesses, engaging in the areas of safety, ecotoxicology and the protection of 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:** organisation created by the Cashmere and Camel Hair Manufacturers Institute (CCMI) with the purpose of protecting the correct use of the Super S declaration regarding wool fineness.



**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.

Vitale Barberis Canonico is a partner 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 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.

Annually, the goal is to implement Monitor best practices, through the development of pilot projects, and namely:

- collaboration between the various players in the value chain;
- publication of reliable sustainability claims based on concrete and measurable KPIs;
- measurement of the Monitor circularity KPIs;
- implementation of the principles of eco-design, traceability, and transparency.

Vitale Barberis Canonico presented the **Trace Me** project: a shopper made with recycled wool fibre fabrics, designed for recycling, entirely produced in Italy and packaged by the Quid Italian social cooperative.

With digital partner Temera, a leader in IoT solutions, a QR Code was developed via which it is possible to navigate interactively between the claim, the KPIs and full traceability of the product, as well as the transparency of the supply chain up to the origin of the wool.



Vitale Barberis Canonico is a founding member of **Slow Fiber**, a network of businesses established in 202, stimulated by the encounter of Slow Food and 16 companies in the textile industry for the apparel and furniture sectors. Slow Fiber promotes manufacturing and cultural change in the textile industry supporting a sustainable supply chain and informed and responsible consumption via the key concepts: Beautiful, Healthy, Clean, Fair and Durable.

The network aims to spread knowledge about the impact that textile products have on the environment, on workers in the supply chain and on consumer health. Slow Fiber supports, together with Slow Food, awareness campaigns through testimonials and direct participation of companies that operate daily in respect of environmental and social sustainability.



# VITALE BARBERIS CANONICO AND SUSTAINABILITY

## DOUBLE MATERIALITY ANALYSIS

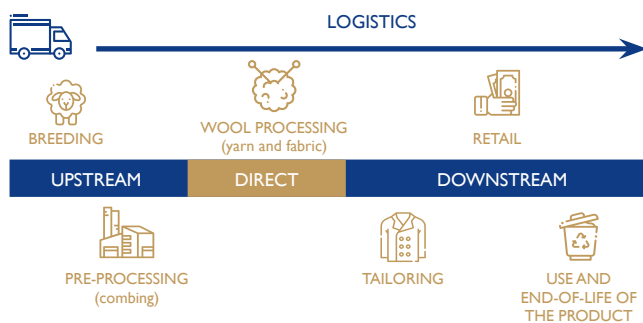
Through the double materiality analysis, the Company's impacts, risks and opportunities on sustainability topics and how they affect its development, performance and positioning against ESG factors were mapped.

In line with ESRS reporting standards, to identify the relevant topics to be reported, the Company has moved from an Impact Materiality survey to conducting a Double Materiality analysis that integrates also the Financial Materiality perspective.

### IMPACT MATERIALITY

Already included in the GRI reporting standards, it identifies and evaluates the impacts (positive/negative and potential/actual) of the Company on people and the environment in the short, medium or long term (inside-out perspective). The assessment is conducted in terms of severity (severity scale, scope and degree of irremediability) and likelihood (only for potential impacts).

These parameters were assessed without considering any existing mitigation measures, as recommended by the ESRS guidelines. The impacts are linked both to corporate direct operations and to the upstream and downstream stages of the value chain.



	ESRS	IMPACT	TYPE	VALUE CHAIN STAGES	MATERIAL TOPIC
<b>ENVIRONMENT</b>	E1 Climate change	Contribution to climate change due to the generation of GHG emissions.	Actual Negative	• Upstream • Direct • Downstream	<b>CLIMATE CHANGE</b>
	E2 Pollution	Water pollution due to discharges of harmful substances.	Actual Negative	• Upstream • Direct	<b>WATER POLLUTION</b>
		Pollution and damage to human health caused by the use of chemicals.	Actual Negative	• Direct	<b>USE OF HARMFUL SUBSTANCES</b>
	E3 Marine waters and resources	Depletion of water resources	Actual Negative	• Upstream • Direct	<b>WATER RESOURCES</b>
	E4 Biodiversity and ecosystems	Loss of biodiversity and soil depletion due to grazing activities.	Actual Negative	• Upstream • Direct	<b>BIODIVERSITY AND RAW MATERIALS</b>
E5 Resource use and circular economy	Waste generation.	Actual Negative	• Upstream • Direct • Downstream	<b>WASTE</b>	
<b>SOCIAL</b>	S1 Own workforce	Failure to protect occupational health and safety.	Potential Negative	• Upstream • Direct • Downstream	<b>HEALTH AND SAFETY</b>
	S2 Workers in the value chain	Failure to respect diversity and human rights.	Potential Negative	• Upstream • Direct • Downstream	<b>DIVERSITY AND HUMAN RIGHTS</b>
	S1 Own workforce	Employee growth and professional development.	Actual Positive	• Direct	<b>TRAINING</b>
		Contribution to employee wellbeing.	Actual Positive	• Direct	<b>EMPLOYEE WELLBEING</b>
	S3 Communities concerned	Preservation of know-how and textile culture.	Actual Positive	• Direct	<b>WOOL TRADITION</b>
		Cultural collaborations and funding to local associations.	Actual Positive	• Direct	<b>CULTURE</b>
<b>GOVERNANCE</b>	G1 Business conduct	Failure to respect animal welfare.	Potential Negative	• Upstream • Direct	<b>ANIMAL WELFARE</b>
		Damage arising from unethical business practices.	Potential Negative	• Upstream • Direct • Downstream	<b>ANTI-CORRUPTION</b>
		Long-lasting and resilient relationships with suppliers.	Actual Positive	• Direct	<b>PROCUREMENT PRACTICES</b>

## FINANCIAL MATERIALITY

Identifies and assesses the risks and opportunities related to sustainability topics that have or may have a major influence in the short, medium and long term on corporate financial metrics (outside-in perspective).

The assessment is conducted from the standpoint of likelihood of occurrence and qualitative magnitude of the financial effects.



	ESRS	RISKS AND OPPORTUNITIES	TYPE	TIME HORIZON	MATERIAL TOPIC
ENVIRONMENT	E1 Climate change	Opportunities for customer loyalty and increased revenues due to the market offering of products with a more virtuous carbon footprint than competitors' average.	Opportunities	Long-term	CLIMATE CHANGE
		Increased costs due to extreme weather events that could impact assets and increased energy operating costs related to chronic weather conditions.	Risk	Long-term	
		Increased operating costs related to the purchase of raw materials whose availability may be reduced due to extreme weather events.	Risk	Medium-term / Long-term	
		Increased operating costs resulting from supply chain disruptions and slowdowns due to extreme weather events.	Risk	Medium-term / Long-term	
	E3 Marine waters and resources	Increased operating costs resulting from the risk of depletion of water resources from which supply production sites.	Risk	Long-term	WATER RESOURCES
SOCIAL	S1 Own workforce	Opportunities to increase brand appeal by retaining specific technical skills and knowledge in the textile industry.	Opportunities	Long-term	WOOL TRADITION
		Decreased revenue due to reputational risks arising from potential human rights violations that could result in disruptions to customer relationships.	Risk	Medium-term / Long-term	DIVERSITY AND HUMAN RIGHTS
		Increased operational costs due to the lack of human resources with crucial operational skills.	Risk	Long-term	TRAINING
		Increased operating costs resulting from the loss of textile culture know-how due to the lack of retention of strategic functions for the company.	Risk	Medium-term / Long-term	WOOL TRADITION
GOVERNANCE	G1 Business conduct	Increased revenues generated by greater attractiveness of products through the certification of raw materials on animal welfare topics.	Opportunities	Medium-term / Long-term	ANIMAL WELFARE
		Decreased revenues due to the loss of customers caused by a supply of raw materials of animal origin from unethical farms.	Risk	Long-term	
		Increased operating costs resulting from unexpected cessation of activity by a strategic supplier.	Risk	Medium-term / Long-term	PROCUREMENT PRACTICES

## VITALE BARBERIS CANONICO AND SUSTAINABILITY

### SUSTAINABLE DEVELOPMENT GOALS

*Vitale Barberis Canonico pursues sustainable development through firsthand 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).

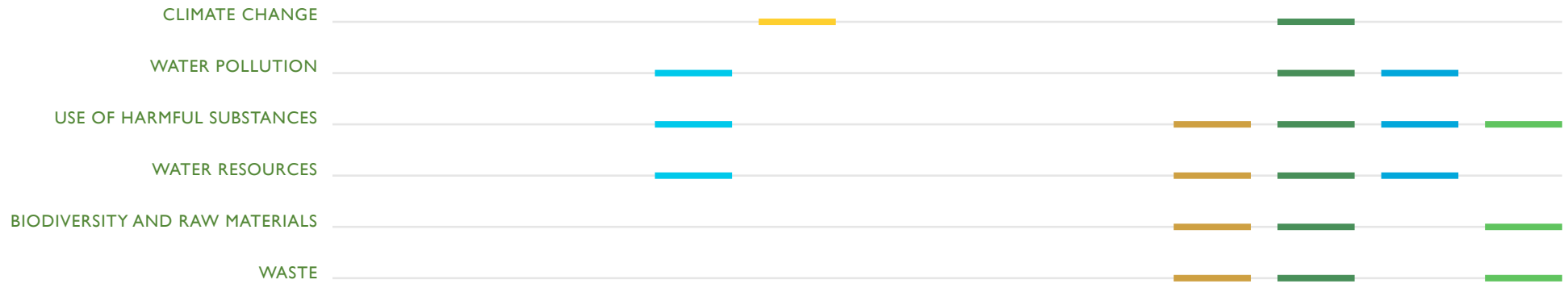
The SDGs provide an immediate and internationally recognised way for defining the topics covered in sustainability reporting and for highlighting their contribution to specific goals.

The Goals that the Company considers most pertinent to its activity and to which it directs its commitments for the future are reported in relation to each of the 15 material topics identified in the double materiality analysis.

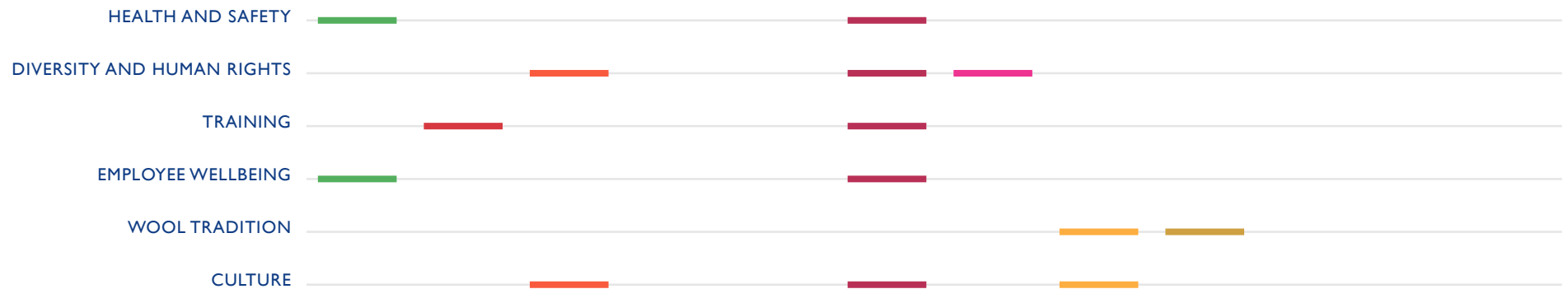




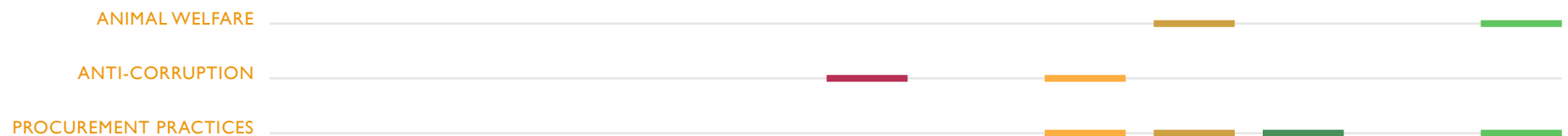
ENVIRONMENT



SOCIAL



GOVERNANCE



## VALUE CREATION

### GENERATED AND DISTRIBUTED VALUE



*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 2024, Vitale Barberis Canonico generated economic value totalling € 132 million against costs totalling € 111 million, generating an operating profit of € 13.4 million.

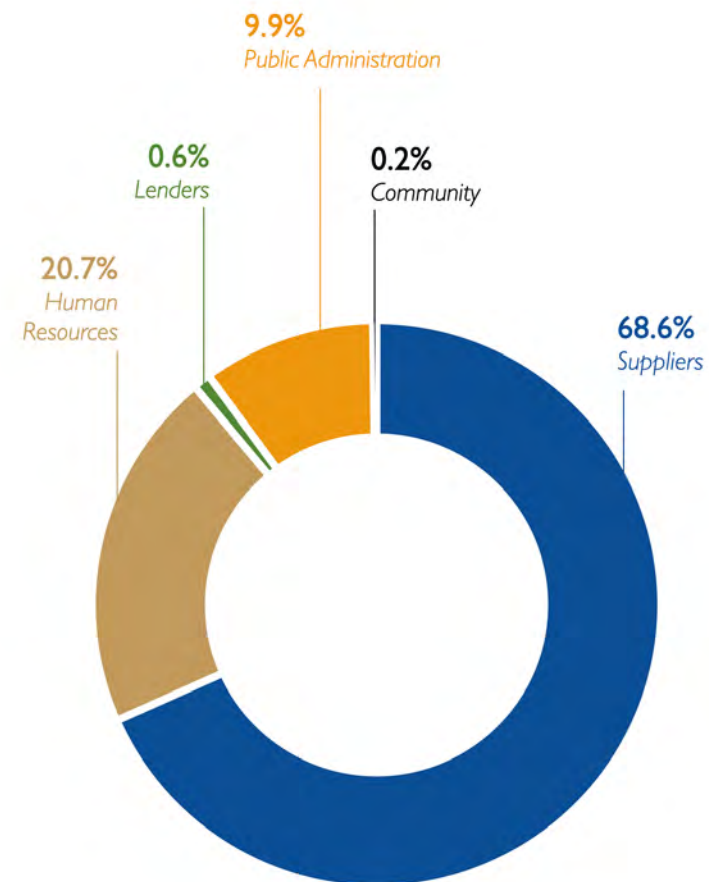
Costs incurred generated value that was distributed as follows:

- 68.7% to Suppliers: the cost of supplying goods and providing services for the purpose of developing corporate business represented the most significant portion;
- 20.7% to human Resources: in the form of salaries and wages, severance pay and other personnel expense;
- 9.9% to State Administrations: 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 sports projects and events;
- 0.6% to Lenders: this 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 € 20 million, Severance Pay (TFR) provision totalled over € 1 million and other personnel expense amounted to € 1.9 million, totalling approximately € 23 million.

The Company paid approximately € 6 million to the State Administration in the form of taxes and social security contributions.

At 31 December 2024, Vitale Barberis Canonico reported owners' equity totalling € 104,340,616 corresponding to a capitalisation index of 66.9% posting an increase of 11% compared to the index reported in 2023.



## VALUE CREATION

### LOCAL COMMUNITY ENGAGEMENT



The VBCare project aims 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 the number of services is limited.

VBCare has three main focuses: VBCCharity, VBCulture and VBCommunity.

Over the year, the Company devolved 1% of the GOP to the VBCare project, corresponding to € 258,000.



VBCCharity  
28%



VBCulture  
34%



VBCommunity  
38%

#### VBCCharity

The Company stands alongside large and small associations and organisations that engage 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 2024.



ASSOCIAZIONE  
DELFINO



Especially noteworthy is the Vitale Barberis Canonico's 10-year partnership with LILT Biella: continuing the projects already implemented in 2023, the workforce had the chance to voluntarily receive free cancer screening.



Sezione Provinciale di Biella - Onlus



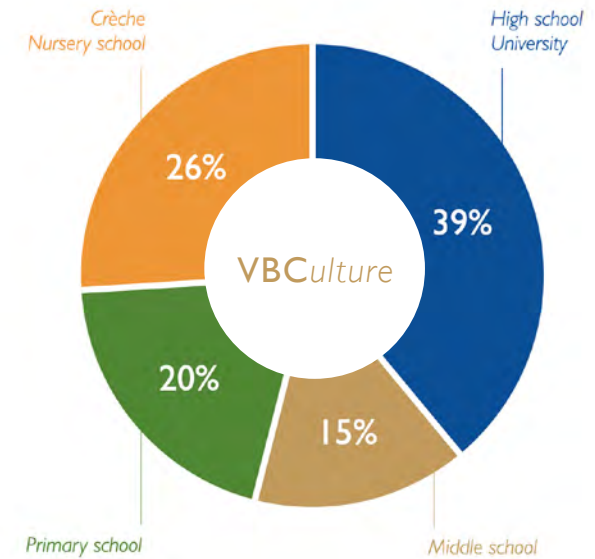
## VBCulture

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 2024 was support for the association Biella Cresce (Biella Grows), 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 2024 Biella Cresce reinforced its “Continuing Education” project by completing training and tutoring courses with 160 teachers and reaching 2,061 students. Of these, 1,483 completed the entire enhancement process, showing a significant improvement of 15.5 percentiles in numerical knowledge and a 47.8% reduction in errors in mind-based calculation. Support for the project OPS! by OltreilGiardino Onlus, a no-profit, which aims to raise awareness among adults and young people about the informed and healthy use of social media and new technologies, is also highlighted. In 2024, 183 pupils from Biella district 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.



Vitale Barberis Canonico considers it increasingly important for businesses and the local area to invest in the new generations, feeling engaged and committed to supporting the commitment of the young people of the area to their studies. According to this principle, in 2024 **Scholarships** were awarded to high school and university students on technical study courses. The bursarship scheme established in 2003, includes, in addition to 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 attaining high grades.

In 2024, the **Study Grants** project was continued, addressed exclusively to the children of workers, involving high school studies and university degree courses, with study grants awards based on merit and income requirements, established in new and different regulations.

In 2024, the Company awarded 4 Bursarships and 4 Study Grants to 6 students who achieved excellent grades, thus reaching a total of 110 awards consigned over 21 editions.

Host of the award ceremony held in December 2024 was the President of the Biella Industrial Union, Paolo Barberis Canonico, who in his speech to young students affirmed his pride in being from Biella and representing the local industrial fabric, in a sector undergoing a global transition, where to be competitive it has become crucial to innovate with new resources bringing their ideas and talents.



## VBCcommunity

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



The many activities already launched over previous years continued also in 2024, 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 focused 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 advancement. The XXIII edition of the competition decreed Francesca Coin the winner with the work *“Le grandi dimissioni”* (The great resignation). *Il nuovo rifiuto del lavoro e il tempo di riprenderci la vita* (“The new rejection of work and the time to take back our lives” (Einaudi), in which he analyses the tendency, accelerated by the pandemic, to quit to escape toxic working conditions and, more generally, to “take back” one’s life.

In the reporting period, Vitale Barberis Canonico supported the Literary Festival of the City of Biella, **#Fuoriluogo**, as main sponsor, held from 31 August to 9 September 2024, reaching its



tenth anniversary. An important cultural event for the city, over 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 2024, the Company also supported the fifth edition of **Contemporanea** in Biella, an all-female festival with encounters that addressed the most varied topics, with the participation of important personalities, 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 bank Fondazione Cassa di Risparmio di Biella. The main purpose of the Foundation is to stimulate and enhance the tourism component of the Biella area in a medium-long term perspective. This process is made possible thanks to the development of projects, ideas and proposals conducted in collaboration with local players. The many projects launched in various and complementary areas testify to a path of growth, an expanded capacity for involvement of the various stakeholders and goals to be achieved.



NATURALMENTE BIELLA





<b>The human factor</b>	
<i>Managing people</i> .....	32
<i>Attracting and developing talent</i> .....	33
<i>Equality</i> .....	36
<i>Protecting and respecting working conditions</i> .....	37
<b>Corporate Welfare</b>	
<i>Employee wellbeing</i> .....	38
<i>Work-life balance projects</i> .....	39
<b>Integrated Quality-Safety-Environment Management System</b> .....	40
<b>Health and safety</b>	
<i>Prevention and monitoring</i> .....	41

# 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 is committed to ensuring promoting working conditions endorsing meritocratic treatment and respect for individual dignity at all its manufacturing sites, as well as safe and healthy environments aimed at protecting people's physical and moral integrity.*

*With the aim of maximising the economic impact of its Corporate Supplemental Agreement, Vitale Barberis Canonico introduced, for the first time in 2024, a portal dedicated to corporate welfare, through which employees were able to take advantage of the options provided under the Consolidated Law on Income Tax (TUIR) and subsequent stability laws.*



**463 PEOPLE**

*50% of the female workforce*

**BREAKDOWN BY WHERE PEOPLE LIVE**

70% <15 km  
26% 15-30 km  
4% >30 km

**CORPORATE WELFARE**

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

**PARTNERING SCHOOLS**

*320 students and teachers were hosted for corporate presentations and company tours*



**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*

**110 SCHOLARSHIPS AND STUDY GRANTS AWARDED ACROSS 21 EDITIONS**

*8 in 2024*



## THE HUMAN FACTOR

### MANAGING PEOPLE



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

In 2024, the corporate workforce remained substantially stable compared to the previous period, with a slight overall decrease of 1%. The male component of the workforce remained unchanged, while there was a slight decrease in female workers, which nevertheless continued to represent the majority of the workforce.

WORKFORCE BY TYPE OF EMPLOYMENT CONTRACT <sup>1</sup>	2023			2024		
	Male	Female	Total	Male	Female	Total
Employees	219	221	440	219	216	435
Non-employees	13	40	53	8	28	36
of which temporary agency-procured staff	11	35	46	7	21	28
of which independent contractors	0	0	0	0	0	0
of which internships leading to hiring	2	3	5	0	1	1
of which School-Job Alternation scheme	0	2	2	1	6	7
<b>TOTAL</b>	<b>232</b>	<b>261</b>	<b>493</b>	<b>227</b>	<b>244</b>	<b>471</b>

At of 31 December 2024, almost all employment contracts were open-ended. It should also be noted that part-time contracts were stable at 3%, promoting family-job-life balance, an option to date primarily requested by women.

EMPLOYEES BY TYPE OF EMPLOYMENT CONTRACT	2023			2024		
	Male	Female	Totale	Male	Female	Totale
Open-ended contract	218	220	438	219	215	434
Fixed-term contract	1	1	2	0	1	1
Flexible hours	0	0	0	0	0	0
<b>TOTAL</b>	<b>219</b>	<b>221</b>	<b>440</b>	<b>219</b>	<b>216</b>	<b>435</b>
of which full-time	218	208	426	218	203	421
of which part-time	1	13	14	1	13	14

The use of outsourced workers is made via temporary agency procured staff 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 double the pay compared to that established under regional legislation and dedicates resources and time engaging workers with greater experience in the transfer of skills and technical expertise.

Since 2022, a salary bonus called “Costruire” (Building) has been active for this type of internship: at the end of month 6 of an apprenticeship, and with the start of a job contract with the Company, regardless of whether the person was hired through an agency or directly by the Company, apprentices receive an additional gross salary bonus of EUR 1,100. The aim is to foster serious and engaged professional growth as an integral part of a shared project.

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

In 2024, the employment of agency-procured workers decreased thanks to the preference for a recruitment policy with direct contracts, aimed at offsetting staff leaving the Company due to reaching retirement age or voluntary resignations.



## THE HUMAN FACTOR

### ATTRACTING AND DEVELOPING TALENT



*To respond effectively to the challenges of an increasingly competitive market, the ability to attract, develop and enhance the value of people is key.*

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

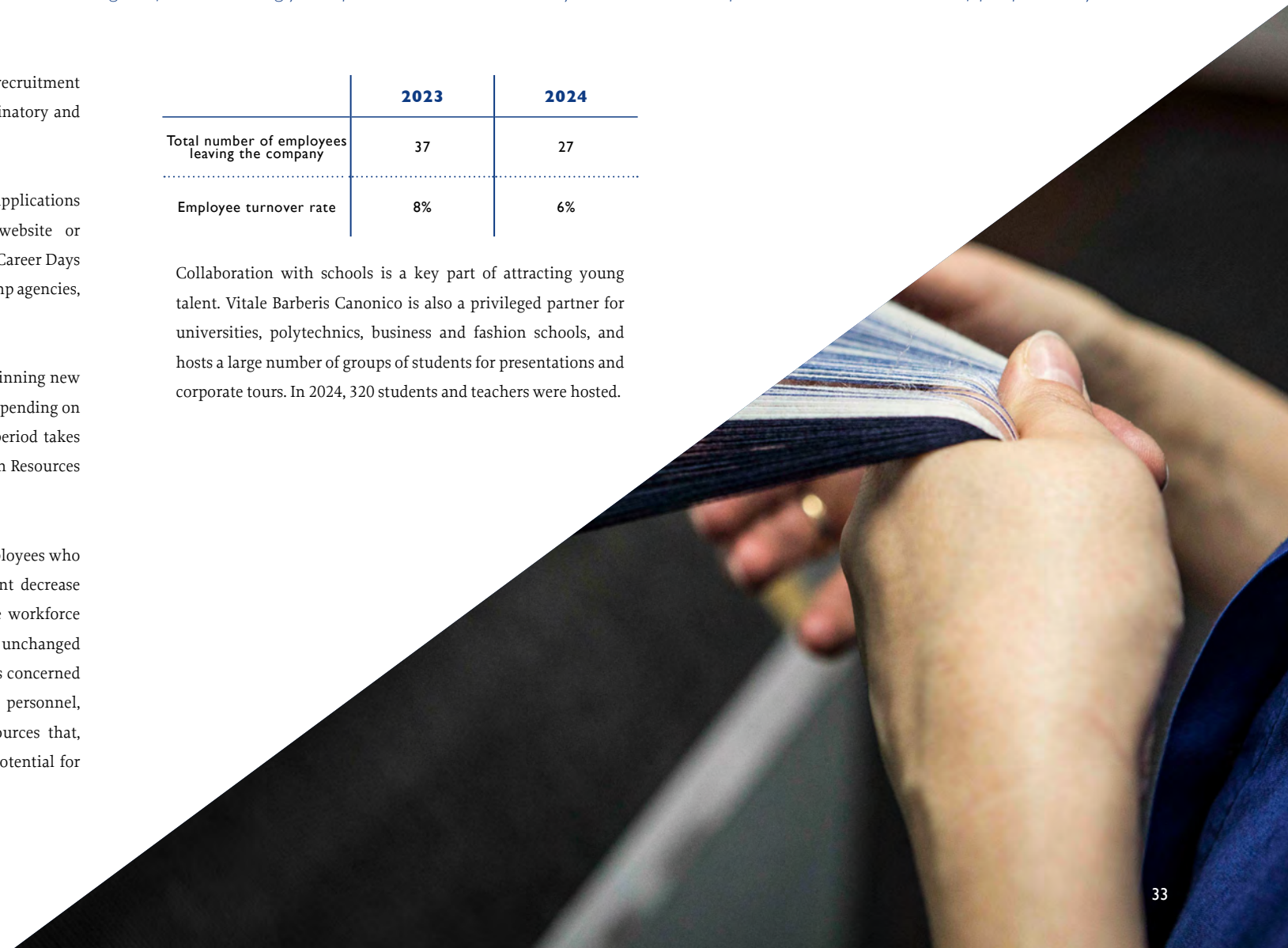
The selection process uses both the direct channel (applications from the “Careers” section of the corporate website or participation in events such as Job Fairs, University Career Days and Orientation Days) and the mediated channel (temp agencies, staff selection firms or employee networks).

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 2024, there was a reduction in the number of employees who left the company, from 37 to 27, with a consequent decrease in the turnover rate<sup>2</sup> from 8% to 6%. Overall, the workforce has therefore remained stable, in line with an unchanged manufacturing requirement scenario. The new hires concerned exclusively the replacement of leavers or retiring personnel, favouring the entry of young and local area resources that, although lacking prior experience, show exciting potential for growth.

	2023	2024
Total number of employees leaving the company	37	27
Employee turnover rate	8%	6%

Collaboration with schools is a key part of attracting young talent. Vitale Barberis Canonico is also a privileged partner for universities, polytechnics, business and fashion schools, and hosts a large number of groups of students for presentations and corporate tours. In 2024, 320 students and teachers were hosted.



## 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 December 2024, the project “Unveiling the Future of Fashion and Textiles” ESG Insights and Sustainability Strategies for Gen Z” was presented: an analysis of the potential of digital traceability tools, with a focus on the interests and expectations of the new generations.
- 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 teaching and direct contact with companies through internships that enable hands-on learning through direct experience, both from the production and distribution side.
- In March 2024, the Company participated for the first time in the “**Festival del Made in Italy**”, held in Milan and organised by Eccellenze Italiane, a young generation and recently

established start-up. The event offered the Company a valuable showcase addressing an audience of university students and young professionals in the fashion sector, involving them in a workshop with over 150 participants and in a series of speeches given by important representatives of Italian business, including the CEO of Vitale Barberis Canonico.

- With the aim of supporting schools, offering guidance to young people at the delicate stage of job orientation, in October, the Company took part in **Notte della Moda** (Fashion Night) organised by the vocational high school, **ITIS Quintino Sella di Biella**. An entire day of activities was organized that saw the involvement of the two young founders of Eccellenze Italiane, moderated by the Company contact for communication, in a story about the Italian textile manufacturer and in an interactive journey to discover Vitale Barberis Canonico.
- It also supported the students at the **European Institute of Design (IED) in Milan** with the supply of fabrics for creating their garments presented at the end of the academic year.
- Also in 2024, the Company partnered The Woolmark Company in the design competition **Wool4School 2024**, with the aim of enhancing young talents and promoting the creative use of wool. Among the hundreds of projects submitted by high school and fashion school students from all over Italy, the jury declared Greta Magni the winner of the IIS P. Saffa di Crema school with her project “Kenny”. The

award included a two-week internship at Vitale Barberis Canonico, during which the winner had the opportunity to explore different business functions, including design, communication, sustainability, quality control and production.

- During the 2022–23, 2023–24 and 2024–25 academic years, the Company supported the Tailoring School of the **Scuola di Sartoria dell'Accademia Nazionale dei Sartori**, as sole, 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. In June 2024, students from the Three-Year School of Men's and Women's Tailoring at the Accademia Nazionale dei Sartori (National Tailoring Academy) had the opportunity to showcase their creations at an event held at the Company's Milan showroom. The students transformed Vitale Barberis Canonico's iconic fabrics into precious ceremonial and cocktail dresses, which received recognition from the press and brand friends attending the event.



Each year the skills acquired by employees and their professional development path are evaluated, with the option of reviewing job classification and remuneration scales. In 2024, 11% of employees participated in regular performance and career development reviews, down from 15% in 2023.

EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS	2023			2024		
	Male	Female	Total	Male	Female	Total
Number	45	21	<b>66</b>	32	16	<b>48</b>
Percentage	21%	10%	<b>15%</b>	15%	7%	<b>11%</b>

It is also important to highlight that, when the necessary positive financial conditions are met, the Company implements a policy of one-off gross bonuses. The aim is to reward employees who have distinguished themselves for their dedication, productivity, and ability to work synergistically with their teams, based on a joint assessment by the CEO, the Head of Human Resources, and department/office managers. In both 2023 and 2024, this policy involved over 50% of the Company's workforce.

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.

A total of 797 training hours were delivered in 2024, of which 65% focused on safety and the remaining 35% were dedicated to individual skill development. Compared to the previous year, there was a significant reduction in the total number of

hours (-70%), mainly due to the use of layoffs that limited the possibilities of activating training courses. Specifically, the contraction concerned workers and employees, while there was an increase in training hours for supervisors and managers. This dynamic also affected the average training hours per employee, contributing to a decrease in the figure reported for the female workforce.

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 skills, in 2024, the provision of a training course within the project "Academy of Supply Chain" promoted by the Piedmont Region, with the aim of strengthening the technical textile enhancement and quality control skills of the finishing department assistants.

The main safety-related activities involved specific training on electrical risk, aimed at reinforcing awareness and promoting the adoption of safe behaviours by exposed staff, including department assistants and the maintenance team.

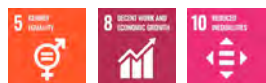
TRAINING HOURS	2023			2024		
	Male	Female	Total	Male	Female	Total
Senior managers	39.5	20	<b>59.5</b>	128	16	<b>144</b>
Non-managerial supervisors	27	16	<b>43</b>	32	40	<b>72</b>
White-collar workers	540	260	<b>800</b>	182.5	93	<b>275.5</b>
Blue-collar workers	1,237	526	<b>1763</b>	279.5	26	<b>305.5</b>
<b>TOTAL</b>	<b>1,843.5</b>	<b>822</b>	<b>2,665.5</b>	<b>622</b>	<b>175</b>	<b>797</b>

TRAINING HOURS PER EMPLOYEE (AVERAGE)	2023	2024
Males	8.4	2.8
Females	3.7	0.8
<b>TOTAL</b>	<b>6.1</b>	<b>1.8</b>



# 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. In the two-year period 2023–2024, the Company did not report any incidents of discrimination related to work on the grounds of gender, race or ethnic origin, nationality, religion or personal beliefs, disability, age, sexual orientation or other relevant forms of discrimination.

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

Also in 2024, the distribution by gender was close to 50%, with a slight decrease in personnel over 50 years of age.

The number of employees belonging to targeted placement remained stable at 4%, for which there is an ad hoc selection process implemented in co-operation with the service managing the Employment Centre.

EMPLOYEES BY GENDER	2023			2024		
	Male	Female	Total	Male	Female	Total
Senior managers	14	1	15	15	1	16
Non-managerial supervisors	13	2	15	14	2	16
White-collar workers	55	30	85	56	30	86
Blue-collar workers	137	188	325	134	183	317
<b>TOTAL</b>	<b>219</b>	<b>221</b>	<b>440</b>	<b>219</b>	<b>216</b>	<b>435</b>

EMPLOYEES BY AGE GROUP	2023			2024		
	Male	Female	Total	Male	Female	Total
< 30 years	18	19	37	17	21	38
30–50 years	112	117	229	110	112	222
> 50 years	89	85	174	92	83	175
<b>TOTAL</b>	<b>219</b>	<b>221</b>	<b>440</b>	<b>219</b>	<b>216</b>	<b>435</b>

EMPLOYEES WITH DISABILITIES	2023			2024		
	Male	Female	Total	Male	Female	Total
Number	11	8	19	11	8	19
Percentage	5.0%	3.6%	4.3%	5.0%	3.7%	4.4%

In October 2024, a round table organised by Vitale Barberis Canonico in collaboration with Openjobmetis S.p.A. on the theme of inclusion of diversity in companies was held at the great hall of the vocational high-school ITIS Quintino Sella in Biella. Keynote speaker was Daniele Regolo, Diversity & Inclusion Ambassador of Openjobmetis and author of “La formula dell’unicità (The formula of uniqueness)”. His speech kicked off a debate that involved experts from the world of teaching, vocational guidance and professional organisations, addressing

the challenges and opportunities regarding the inclusion of disability in the job world. Supporting and promoting such topics represents for Vitale Barberis Canonico a first step towards an increasingly inclusive future.



## THE HUMAN FACTOR

### PROTECTING AND RESPECTING WORKING CONDITIONS



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

All staff, whether employees or temp staff, work in Italy at the two corporate facilities located in Pratrivero and Pray, in the Biella textile district. As a result, this regulatory framework includes:

- 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 corporate bargaining accord.

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.

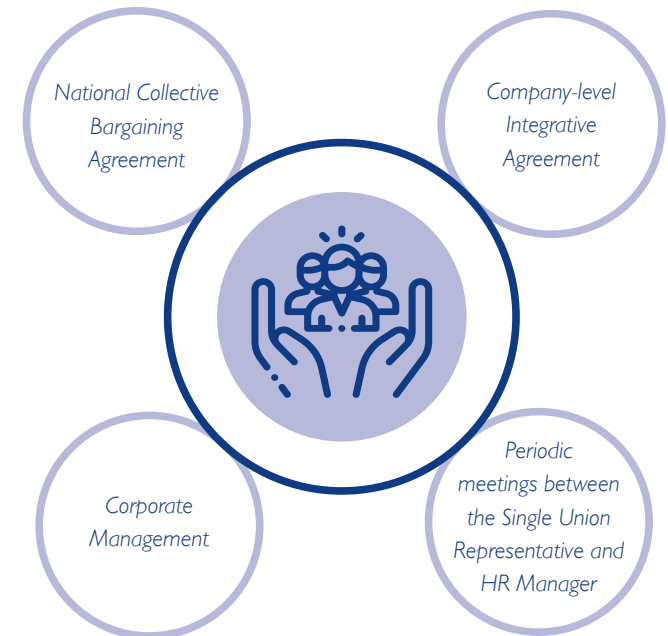
For the two-year period under review, Vitale Barberis Canonico has not adopted any form of contract provided for workers under 19 years of age. In the case of PTCO (former School-Work Alternation), the Company adopts the domestic statutory provisions, establishing the minimum work age as no lower than 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 operating conditions and policies adopted, the Company does not present risks that may generate situations of potential exploitation of child labour or violations of workers' rights relating to collective bargaining and freedom of association. In the two-year period 2023–2024, Vitale Barberis Canonico reported no cases of human rights incidents within its workforce.

Outside the business context, Vitale Canonical Barberis 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.

LABOUR FORCE COVERED BY THE CCNL – NATIONAL COLLECTIVE BARGAINING AGREEMENT	2023	2024
Employees	100%	100%
Non-employees (temp agency procured workers)	100%	100%



## CORPORATE WELFARE

### EMPLOYEE WELLBEING



Staff wellbeing is a key value for Vitale Barberis Canonico, which has always adopted favourable salary policies by offering 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 better 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 breakdown of gross hourly pay for employees by gender needs to be analysed considering job classification and tasks assigned. The aggregate data show a disparity of about 20%, attributable to the greater presence of men in managerial and managerial-supervisor positions. However, a precise analysis within the same job classification and tasks level does not reveal significant male v female pay differences.

AVERAGE GROSS HOURLY WAGE OF EMPLOYEES BY GENDER [€]	2023	2024
Males	17.43	17.64
Females	13.60	13.89
<b>PAY GAP</b>	<b>22%</b>	<b>21%</b>

The Corporate Supplemental 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).
- Tax-free annual voucher.
- Bursaries for students from the Biella and Valsesian 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.

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.

With the aim of maximising the economic impact of its Supplemental Agreement, the Company introduced, for the first time in 2024, a portal dedicated to corporate welfare, developed with the support of an external provider and accessible by each worker through a personal user logon. The portal has made the options provided under the Consolidated Law on Income Tax (TUIR) and subsequent stability laws, including vouchers, performance bonuses and other benefits, fully usable.

48% of the beneficiaries chose to convert, in whole or in part, one of the annual performance bonuses provided for by the Company Supplemental Agreement into welfare services, demonstrating a positive response to the new initiative.

Within the portal, the services, benefits and commercial agreements in the area activated since 2018 through the VBCard have also been included: a network conceived and structured internally, which today has almost 90 member entities and stores. The offering ranges from medical services to recreational activities, also including food and personal care services.



## CORPORATE WELFARE

### WORK-LIFE BALANCE PROJECTS



*Vitale Barberis Canonico guarantees working conditions aimed at ensuring employees find a correct balance with their personal life, supplementing the provision of corporate welfare benefits with a part-time working option based on individual 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.

All employees are entitled to family leave, provided for under current legislation, corporate welfare policy and/or collective agreements. In the two-year period, workers actively benefited from diverse types of leave, including parental leave for fathers, compulsory and optional maternity leave, breastfeeding hours, Law 104 (leave for caring for disabled/chronically ill family members) and special leave (up to 24 months) pursuant to Law 104.

In 2024, noteworthy was the slightly lower use of parental leave taken by employees. The use of such leave continued to affect primarily women.

Focus on the individual, shared planning of return-to-work and a long-term strategy enhance professional pride and encourage full engagement of employees with corporate goals on returning to work.

PARENTAL LEAVE		2023			2024		
		Male	Female	Total	Male	Female	Total
Entitled employees	Number	219	221	440	219	216	435
	Percentage	100%	100%	100%	100%	100%	100%
Employees that took leave	Number	1	5	6	1	4	5
	Percentage	0.5%	2.3%	1.4%	0.5%	1.9%	1.1%



## 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 topics, 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.

### QUALITY MANAGEMENT SYSTEM UNI EN ISO 9001:2015



Vitale Barberis Canonico has had a certified Quality Assurance 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 EN ISO 45001:2023



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.

Starting in the 90s, the Company introduced pioneering solutions for the mechanisation and automation of logistics processes at Pratrivero, and installed soundproofing booths 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. The occupational health and safety management system fully covers all workers, including both direct employees and agency procured staff.

### ENVIRONMENT MANGEMENT 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 three 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 existing occupational risks.*

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, while 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.

In 2024, costs incurred amounted to around € 1,120,000 and primarily concerned:

- completion of the conditioning systems in the new twisting rooms of the Pray plant for improvement of the departmental microclimate;
- installation of an automatic reel unloading system at the Pray site preparation finishing machine to eliminate manual operations of machine unloading and carrier loading;
- prototyping, conducted with the involvement of workers, of tilting panel platforms as a technical measure to compensate for the lifting of racks of wool yarns processed for elastic core yarns.



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 2024, there were 8 minor injuries, reporting a slight increase compared to the previous year. Despite this increase, the total number of accidents remains low, thanks to the training activities provided, and the daily supervision by departmental managers.

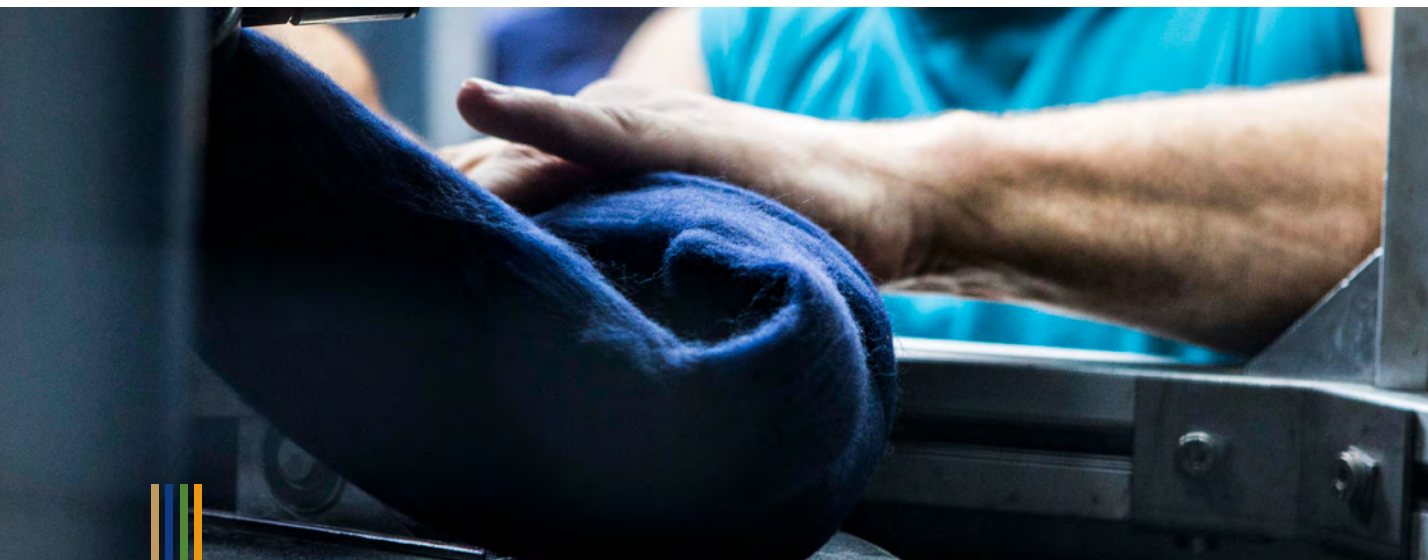
In line with previous reporting periods, no cases of occupational illnesses or fatalities were reported.

	2023		2024	
	Employees	Non-employees (temp agency procured staff)	Employees	Non-employees (temp agency procured staff)
Days lost due to accidents at work and occupational diseases	23	10	38	42
Hours worked	708,099	76,912	680,065	49,252
Occupational injury rate	4.2%	26%	5.9%	81.2%

	2023			2024		
	Employees	Non-employees (temp agency procured staff)	Total	Employees	Non-employees (temp agency procured staff)	Total
Work-related injuries	3	2	5	4	4	8
Work-related ill health	0	0	0	0	0	0
Fatalities	0	0	0	0	0	0

Vitale Barberis Canonico has the quietest weaving department in the world at Pratrivero thanks to acoustic remediation using **soundproofing booths**. In 1989, two years ahead of Italian law 277 of 1991 regulating noise protection, the introduction of hoods marked a turning point in working conditions. The booths have evolved over time hand in hand with the adoption of new frames and now featuring the 4.0 generation. The 4.0 generation, introduced in 2015, featuring the arrival of air frames, is a veranda model that guarantees the best noise abatement performance ever obtained. Weaving at the Pratrivero mill has been fully equipped with the latest generation cabins since 2020, while remediation of the Pray department began in 2017 and is currently at 50%.

Following the installation of two new rapier looms at Pratrivero at the end of 2024, the Technical Office of Vitale Barberis Canonico is currently developing a further type of cabin, which meets the needs for this type of machinery.





**Energy efficiency and emissions reduction**

*Energy usage* ..... 46  
*Emissions* ..... 47

**Use of resources over their life cycle**

*Management of withdrawals and water consumption* ..... 49  
*Responsible use of chemicals and effluent treatment* ..... 50  
*Wastewater analysis according to the ZDHC Wastewater Guidelines* ..... 52  
*Management of by-products and waste* ..... 53

**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 greenhouse gas emissions. Also, for the year in question, the Company has chosen to purchase electricity from certified renewable sources and to offset the CO<sub>2</sub> emissions generated by the use of methane. In 2024, it also completed the second photovoltaic system at the Pratrivero site, reaching a total of about 350 kW installed.*

*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 which now exceeds 30%.*

*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.*

*In 2024, Vitale Barberis Canonico also measured its organisational environmental footprint using the Organisation Environmental Footprint (OEF) method described in Recommendation (EU) 2279/2021.*



**100% ELECTRICITY FROM RENEWABLE SOURCES**

~12,900 tonnes of CO<sub>2</sub>

**RENEWABLE ENERGY GENERATED BY TWO PHOTOVOLTAIC SYSTEMS**

~150,000 kWh

**TREATED WATERS USING THE IN-COMPANY TREATMENT PLANT**

- Surface water release
- 32% reuse in finishing and dyeing

**WASTE**

- 95% recycled
- 5% disposal



**ENVIRONMENTAL CERTIFICATION**  
ISO 14001 since 2019



**OFFSETTING OF CO<sub>2</sub> EMISSIONS GENERATED FROM METHANE USAGE**  
~4,900 tonnes of CO<sub>2</sub>



**100% COMPLIANCE WITH THE ZDHC MRSL**



**USABLE BY-PRODUCTS FROM MANUFACTURING REUSED AS RAW MATERIALS**  
equivalent to 90,000 mt of fabric



## ENERGY EFFICIENCY AND EMISSIONS REDUCTION

### ENERGY USAGE



*Making energy consumption a prime focus translates into a commitment to finding and adopting the best solutions to increase performance.*

Primary energy usage is attributable to the use of electricity and natural gas for manufacturing activities at the Company's mills. Corporate vehicles also account for energy consumption through their fuel usage. The electricity used comes entirely from renewable sources, while natural gas and vehicle fuels come from fossil fuels.

In 2024, Vitale Barberis Canonico reported a total energy consumption of 57,320 MWh, a decrease of 6% compared to the previous year due to the decrease in production volumes. The breakdown of energy sources remained unchanged: 59% of the energy consumed comes from renewable sources, while the remaining 41% derives from fossil sources.

Regarding electricity, the relamping work completed in the new preparation and yarn winding departments of the Pray mill is especially noteworthy.

In line with previous reporting periods, Vitale Barberis Canonico exclusively purchased electricity from hydroelectric sources supplied by South Tyrolean vendor Alperia. Guarantees of Origin (GO) fully certifies the renewable nature of these sources. The Alperia Green Energy programme also provides for the issue of a certificate attesting to the annual CO<sub>2</sub> savings.

The share of self-generated renewable energy regarding the first 135.3 kW photovoltaic system, installed on the roofs of the historic buildings of the Pratrivero mill, totalled 149 MWh in 2024, up from 129 MWh generated in 2023. The installation of the second lot array on the neighbouring roofs was completed at the end of November 2024 and the system will come into operation in the first half of 2025.

In 2024, the choice to use climate-neutral (i.e., CO<sub>2</sub> offset gas) from Alperia was confirmed, mitigating the quantity of CO<sub>2</sub> originating from the use of methane in manufacturing activities via investments in offsetting projects that generate a positive impact on the environment, community and natural resources.

CO<sub>2</sub> offset gas 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 requirements of the Kyoto Protocol.

Energy intensity data remained almost constant for the proportion generated in-house.

ENERGY CONSUMPTION BY TYPE OF SOURCE	2023	2024
<b>Total energy consumption [MWh]</b>	<b>60,973</b>	<b>57,320</b>
<b>Consumption from renewable sources [MWh]</b>	<b>36,119</b>	<b>33,616</b>
fuels from renewable sources, including biomass [MWh]	0	0
electricity, heat, steam or cooling from renewable sources purchased or procured [MWh]	35,990	33,467
self-generated renewable energy without the use of fuels [MWh]	129	149
<b>Share of consumption from renewable sources on total energy consumption [%]</b>	<b>59%</b>	<b>59%</b>
<b>Consumption from fossil sources [MWh]</b>	<b>24,854</b>	<b>23,703</b>
coal fuel and coal products [MWh]	0	0
crude oil fuel and petroleum products [MWh]	248	242
natural gas fuel [MWh]	24,606	23,461
fuel from other non-renewable sources [MWh]	0	0
electricity, heat, steam or cooling from fossil fuel sources purchased or procured [MWh]	0	0
<b>Share of consumption from fossil fuel sources on total energy consumption [%]</b>	<b>41%</b>	<b>41%</b>
Consumption from nuclear power sources [MWh]	0	0
Share of consumption from nuclear power sources on total energy consumption [%]	0%	0%
<b>ENERGY INTENSITY</b>	<b>2023</b>	<b>2024</b>
Net sales revenue [€]	166,722,697	132,170,398
<b>Energy intensity [MWh/€]</b>	<b>0.000366</b>	<b>0.000434</b>
Output [finished metres]	8,491,400	6,803,334
<b>Energy intensity [MWh/finished metres]</b>	<b>0.0072</b>	<b>0.0084</b>
Output [finished kg]	2,333,751	1,880,755
<b>Energy intensity [MWh/finished kg]</b>	<b>0.0261</b>	<b>0.0305</b>

# ENERGY EFFICIENCY AND EMISSIONS REDUCTION

## EMISSIONS



*Containing climate impact and air pollution means using the best available technologies to reduce emissions, offsetting those that cannot be reduced.*

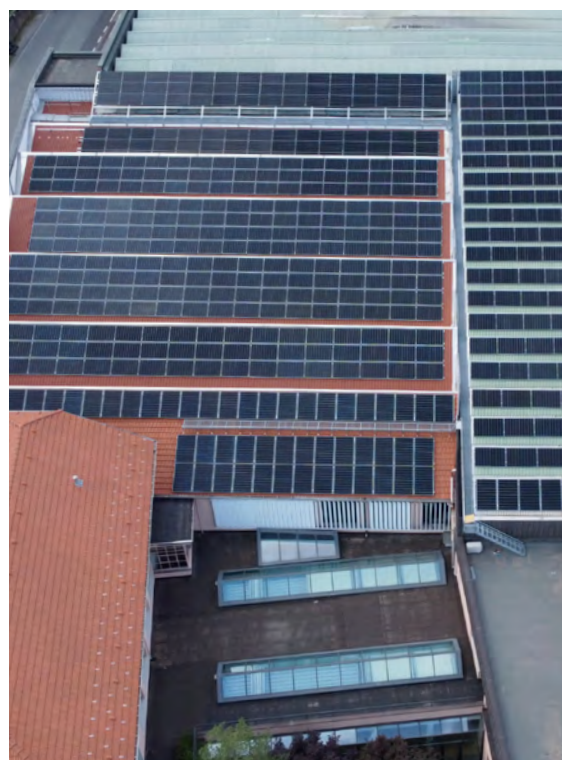
Considering environmental protection, a primary objective to be pursued with a view to ongoing improvement, in 2024, Vitale Barberis Canonico adopted the Life Cycle Assessment (LCA) approach to determine the impacts associated with its activities and the level of significance of environmental aspects from the life cycle perspective.

Specifically, it adopted the Organisation Environmental Footprint (OEF) method described in Recommendation (EU) 2279/2021 and featuring by 16 environmental impact indicators. From this study, Vitale Barberis Canonico extrapolated the results of the Climate Change impact category to evaluate its Carbon Footprint. The analysis underwent third-party audit in April 2025.

In 2023, the reporting of greenhouse gas air emissions was presented, for both direct (Scope 1), deriving from the consumption of natural gas and diesel, and indirect (Scope 2), linked to the generation of electricity. The data on total emissions for the two-year period 2023–2024 are not comparable due to the absence of Scope 3 emissions data for 2023.

In 2024, Scope 3 emissions were also calculated for the first time, which included indirect emissions generated along the value chain, including the purchase of goods and services, business travel and employee commuting.

In line with previous reporting periods, it should be noted that thanks to the purchase of 100% renewable electricity covered by Guarantees of Origin (GO), GHG Scope 2 emissions according to the Market-Based approach have been zeroed. Furthermore, thanks to the use of offset CO<sub>2</sub> gas, the related emissions amounting to 4,855 tCO<sub>2</sub>eq were neutralized, compared to 5,336 tCO<sub>2</sub>eq offset in 2023, through the indirect purchase of carbon credits.



GREENHOUSE GAS (GHG) EMISSIONS	2023	2024
<b>Greenhouse gas emissions Scope 1 [tCO<sub>2</sub>eq]<sup>3</sup></b>		
Gross GHG Scope 1 emissions	5,406	4,938
<b>Greenhouse gas emissions Scope 2 [tCO<sub>2</sub>eq]<sup>4</sup></b>		
Gross GHG Scope 2 emissions (Location-Based)	11,420	9,471
Gross GHG Scope 2 emissions (Market-Based)	0	0
<b>Greenhouse gas emissions Scope 3 [tCO<sub>2</sub>eq]<sup>5</sup></b>		
Gross GHG Scope 3 emissions	N/A	135,009
3.1 Purchased goods and services	N/A	124,546
3.2 Capital assets	N/A	653
3.3 Fuel and energy-related activities (not included in Scope 1 and Scope 2)	N/A	2,204
3.4 Upstream transport and distribution	N/A	878
3.5 Manufacturing scrap and waste	N/A	64
3.6 Business travel	N/A	233
3.7 Employee commuting	N/A	1,014
3.8 Purchase of leased assets	N/A	NA
3.9 Downstream transport and distribution	N/A	5,417
3.10 Conversion of products sold	N/A	NA
3.11 Product use and access	N/A	NA
3.12 End-of-life treatment of products sold	N/A	NA
3.13 Granting of leased assets	N/A	NA
3.14 Franchise	N/A	NA
3.15 Financial investments	N/A	ND
<b>Total GHG emissions (Location-Based)</b>	<b>16,826</b>	<b>149,418</b>
<b>Total GHG emissions (Market-Based)</b>	<b>5,406</b>	<b>139,947</b>



With reference to the pollutants listed in Regulation (EC) 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register, E-PRTR), Vitale Barberis Canonico reported levels well below the emission thresholds shown in relevant Annex II for each of the substances indicated. For information purposes and on a voluntary basis, the values in mg/Nm<sup>3</sup> of the pollutants characterising the emissions of the thermal power plant and the emission manufacturing machinery were reported. These values derived from samples taken in the field and their analysis at accredited laboratories.

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 extremely low thermal load at the combustion chamber has made it possible to set the emission limit for NO<sub>x</sub> oxides at 100 ppm, well below the legal limit of 150 ppm.

The annual self-monitoring conducted in 2024 attests that excellent performance has been maintained with emissions well below regulatory limits.

Pollutants that characterise the emissions of the thermal power plant [mg/Nm <sup>3</sup> ]	Chimney stack	2023	2024	Statutory limit
Carbon monoxide (CO)	CT01	<2.4	<2.6	100
	CT02	<2.6	<3.0	
	CT03	<2.5	<3.1	
	CT04	<2.4	<2.5	
Nitrogen oxides (NO <sub>x</sub> )	CT01	68	72	150
	CT02	81	83	
	CT03	78	96	
	CT04	54	59	

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

Pollutants that characterise emissions from manufacturing machinery [mg/Nm <sup>3</sup> ]	Machinery	Chimney stack	2023	2024	Statutory limit
Total particulate matter (PM)	Singeing machine	FIN1	3.13	<1.94	5
		TIN1	2.14	<0.51	10
Total particulate matter (PM) including oily mists	Backwasher	TIN2	3.76	<0.41	
		TIN3	2.55	<0.54	
	Stenter	FIN2	n.r.	<0.45	
Non-methane volatile organic compounds (NMVOCs)	Singeing machine	FIN1	13.00	17.90	50
		TIN1	16.00	4.45	
	Backwasher	TIN2	8.00	4.28	
		TIN3	9.00	4.48	
	Stenter	FIN2	n.r.	6.76	



## USE OF RESOURCES OVER THEIR LIFE CYCLE

### MANAGEMENT OF WITHDRAWALS AND WATER CONSUMPTION



*Vitale Barberis Canonico promotes responsible water usage that is embodied in careful analysis, management and optimisation of withdrawals and water consumption.*

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 frazione and regione Moglie) 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, it should be noted that all dye tanks are equipped with a tank for the recovery of the first wet dye.

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 strategic supply, second reserve aqueduct was built with withdrawal from the same aquifer.

All hydraulic activities are authorised under specific State Concessions pursuant to Presidential Decree no. 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.

The drop in production volumes reported in 2024 may also be evinced from the decrease in the quantities of water withdrawn and consequently consumed compared to 2023. Data showed a slight increase in the water intensity index due to two factors: lower departmental optimisation (effect of reduced overall dyed volumes) and the retained high proportion of cloth dyeing, a more water-intensive operation compared to tops-rocks dyeing.

WATER WITHDRAWAL BY TYPE OF SOURCE	2023	2024
<b>Total water withdrawal [m<sup>3</sup>]</b>	<b>362,390</b>	<b>295,683</b>
of which from groundwater [m <sup>3</sup> ]	360,217	292,744
of which from municipal aqueduct [m <sup>3</sup> ]	2,173	2,939

WATER CONSUMPTION BY TYPE OF SOURCE	2023	2024
<b>Total water consumption [m<sup>3</sup>]</b>	<b>229,616</b>	<b>206,752</b>
of which from areas with medium-high water stress [m <sup>3</sup> ]	229,616	206,752
Recycled and reused water in [m <sup>3</sup> ]	115,757	96,853
Stored water [m <sup>3</sup> ]	2,560	2,560

WATER INTENSITY	2023	2024
Net sales revenue [€]	166,722,697	132,170,398
<b>Water intensity [m<sup>3</sup>/€]</b>	<b>0.0014</b>	<b>0.0016</b>
Output [finished metres]	8,491,400	6,803,334
<b>Water intensity [l/finished metres]</b>	<b>27.0</b>	<b>30.4</b>
Output [finished kg]	2,333,751	1,880,755
<b>Water intensity [l/finished kg]</b>	<b>98.4</b>	<b>109.9</b>



## 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 system.*

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 1,600 m<sup>3</sup> per day using three treatment lines. In the final section of the mill, there is an artificial pond, where carp and goldfish live, through which water from the two MBR recovery lines flows before being reused in manufacturing.

#### 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 authorisation to the company permitting discharge into the delle 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

New works were implemented in November 2021 enabling the output of water recovered using MBR technology to double reaching about 250 m<sup>3</sup>/day. The enhancement was intended for the smoothing line in the dyeing plant.

#### 2022

Over the reporting period, two measures were adopted to contain the impact on the purification plant of the new dyeing technology using reactive dyes:

- enhancement of aeration for the oxygenation of the activated sludge was undertaken to cope with the increase in the total organic load;
- doubling of the ozone decolourisation system to counteract the increase in residual colour in wastewater.

#### 2023

In the reporting period, the Company further upgraded the plant with a second ultrafiltration line with MBR membrane bioreactor, raising the total recovery potential to 48%, fully exploitable with the addition of a dedicated storage tank.



## 2024

Following achieving potential dyeing output exceeding 10 tonnes/day, the application submitted in November 2023, for the Integrated Environmental Authorisation (Italian acronym, AIA) for the Pratrivero mill was granted in July 2024. It should be noted in particular that one of the requirements involved ceasing consigning sludge generated by the biological process to the consortium collector, forcing the Company install an independent dehydration system for sludge treatment involving a significant investment. This operation will result in an increase in environmental impact, due to both the amount of waste generated and associated road transport.

In addition, the second contact tank for ozone discolouration of the second line of ultrafiltration with MBR membrane bioreactor was completed in the reporting period. The new system configuration will ensure total redundancy and maximum treatment capacity for ultra-filtered water from recovery. The share of recycled water and reused in the dyeing and finishing departments is in fact confirmed to be greater than 30%.

All parameters indicating water quality leaving the mill fall largely within the limits of the BAT for the textile industry and 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 Co.r.d.a.r. 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.

With reference to the pollutants listed in Regulation (EC) 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register, E-PRTR), Vitale Barberis Canonico reported levels well below the emission thresholds shown in relevant Annex II for each of the substances indicated. For information purposes and on a voluntary basis, the values in mg/l of the pollutants characterising the water discharges at the outlet of the purification plant are reported. These values derived from samples taken in the field and their analysis at accredited laboratories.

Attention to chemicals and wastewater purification is as important to the Company as it is to its supply chain. The Company's subcontractors primarily involved in the combing, dyeing and finishing processes, are also equipped with wastewater treatment plants and equipment in accordance with the standard in force.



WATER DISCHARGE BY TYPE OF DESTINATION	2023	2024
<b>Total water discharge [m³]</b>	<b>210,827</b>	<b>206,674</b>
<i>of which into surface waters [m³]</i>	<i>199,758</i>	<i>192,477</i>
<i>of which into consortium collector [m³]</i>	<i>8,769</i>	<i>11,997</i>
<i>of which into public sewer system [m³]</i>	<i>2,300</i>	<i>2,200</i>

RECYCLED AND REUSED WATER	2023	2024
Recycled and reused water in [m³]	115,757	96,853
Purifier power supply [m³]	324,283	301,007
<b>MBR recovery [%]</b>	<b>36%</b>	<b>32%</b>

POLLUTANTS CHARACTERISING WATER DISCHARGES [mg/l] <sup>6</sup>	2023	2024	Statutory limit
	Purifier output	Purifier output	
COD	65.90	66.85	100.00
Total surfactants	1.30	0.63	2.00
Total nitrogen	11.73	10.25	15.00
Total phosphorus	1.06	1.23	2.00
Chromium	0.05	0.01	0.30
Chromium (VI)	0.02	<0.05	0.20
Copper	<0.01	<0.004	0.10
Nickel	<0.01	<0.002	0.10
Zinc	0.09	0.05	0.50
AOX	-	0.12	0.40



## WASTEWATER ANALYSIS ACCORDING TO ZDCH WASTEWATER GUIDELINES

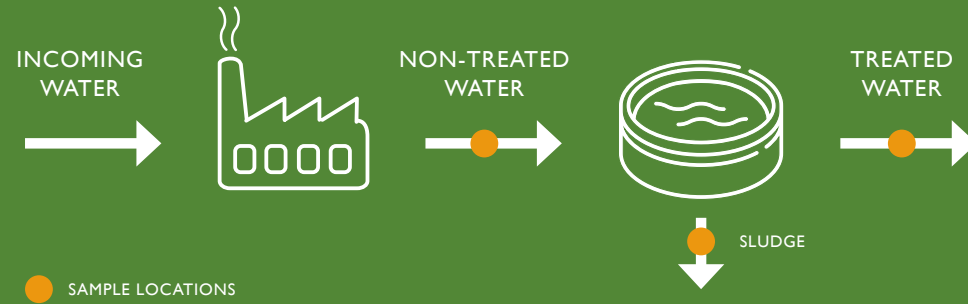
To promote transparency regarding chemicals used, Vitale Barberis Canonico conducts six-monthly analyses on wastewater according to the ZDHC Wastewater Guidelines Version 2.2.

The Company, as it has an in-company wastewater treatment plant, is classified as a direct discharge entity and, therefore the sampling points used are shown in the figure.

Detailed test results are available in the Vitale Barberis Canonico profile on the ZDHC Gateway (AID: A259LF19).

Testifying to the use of advanced purification systems, the Company has achieved 100% full compliance with the MRSL.

Regarding agreed parameters, anions and metals, purified water is primarily classified 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 two manufacturing sites physiologically generate textile by-products and industrial waste (primarily diverse types of packaging and machinery and system components).

Thanks to strict adoption of procedures introduced by the Environment Management System for the protection of the Environment, the Company has improved the process for classifying and sorting hazardous and non-hazardous special waste.

In 2024, the mills generated 492.8 tonnes of waste, down from 750.3 tonnes the previous year. This reduction is attributable to the extraordinary operation of clearing the premises for the new Pray spinning area conducted in 2023 and the consequent return to normal operations in 2024.

In the reporting period, 95% of all waste was intended for recovery operations, including 6% of the total sent to recycling, while only 5% was intended for disposal.

Non-hazardous waste represented the predominant share, totalling 457.9 tonnes, of which 99% was sent for recovery operations while only 7 tonnes was intended for disposal. 182.4 tons of the total non-hazardous waste correspond to by-products generated in the manufacturing process. The inclusion of this quantity in the overall calculation of waste responds to the

explicit requirement of the ESRS reporting standards, while Vitale Barberis Canonico enhances all by-products by reusing them as a raw material in the in-house manufacturing process for carded flannel or by allocating them, through sale, for use in other categories of textile products.

As shown in the table, hazardous waste totalled 34.9 tonnes, divided evenly between HW sent for recovery and HW intended for disposal.

In 2024, the company's **#TUFAILADIFERENZA** (#YOUAKETHEDIFFERENCE) internal communication campaign continued with the **BACK TO WORK®** project, in collaboration with Unigum S.p.A.: employees were offered the opportunity to deliver old safety shoes with the aim of using them for downcycling projects (for example to create floors for playgrounds and sports surfaces). A tangible project that reflects how respect for the environment is a daily and shared commitment.



WASTE PRODUCTS BY DESTINATION	2023	2024
<b>Total waste generated [tonne]</b>	<b>750.3</b>	<b>492.8</b>
<b>Non-hazardous waste [tonne]</b>	<b>719.9</b>	<b>457.9</b>
<b>Of which not intended for disposal [tonne]</b>	<b>712.8</b>	<b>450.9</b>
of which reused, i.e., the BY-PRODUCTS [tonne]	262.3	182.4
of which recycled [tonne]	39.5	31.6
of which sent for other recovery operations [tonne]	411.0	236.9
<b>Of which not intended for disposal [tonne]</b>	<b>7.1</b>	<b>7.0</b>
of which sent for incineration [tonne]	0.0	0.0
of which sent to landfill [tonne]	0.0	0.0
of which sent for other disposal operations [tonne]	7.1	7.0
<b>Hazardous waste [tonne]</b>	<b>30.5</b>	<b>34.9</b>
<b>Of which not intended for disposal [tonne]</b>	<b>23.7</b>	<b>16.1</b>
of which reused [tonne]	0.0	0.0
of which recycled [tonne]	0.0	0.0
of which sent for other recovery operations [tonne]	23.7	16.1
<b>Of which not intended for disposal [tonne]</b>	<b>6.8</b>	<b>18.8</b>
of which sent for incineration [tonne]	0.0	0.0
of which sent to landfill [tonne]	0.0	0.0
of which sent for other disposal operations [tonne]	6.8	18.8

# PRODUCT RESPONSIBILITY

## Responsible Supply Chain

Goods and services .....	57
Raw materials .....	59
Wool Excellence Club & Wool Excellence Award .....	61
Animal welfare .....	62
Vitale Barberis Canonico Wool .....	63
Certifications .....	64

## Product focus and customer service

Made in Italy .....	65
Fabric Academy .....	67
Product quality and safety .....	68
Customer satisfaction .....	70
Traceability and transparency .....	71



# PRODUCT RESPONSIBILITY

*With a strong product-quality focus, Vitale Barberis Canonico places high store on the virtuous interconnection of the entire manufacturing chain.*

*It is a value chain that has its origins in distant lands and starts with the scrupulous selection of the best natural raw materials, obtained with respect for the animal and the environment, thanks to the synergistic collaboration with local farmers: a value that is consolidated in Italy with the determined choice of maintaining a verticalized and Made in Italy production chain, putting to good use the great heritage of 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 specialised, effective and repair call-out service.*

*Product focus is guaranteed, upstream, with space given to creativity and sourcing innovative solutions that satisfy the requirements of international markets and, downstream, strict quality controls and rigorous*

*qualitative inspections conducted at each step of the manufacturing cycle.*

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

*With the aim of guaranteeing customers greater transparency and to better respond to the numerous requirements that will be set by the European Union, in 2024 Vitale Barberis Canonico worked on two main fronts: launching new traceability tools, a B2C digital tool and a B2B platform, and measuring the product's environmental footprint through the voluntary national scheme "Made Green in Italy" using the Product Environmental Footprint (PEF) method.*



**FIBRE TRACEABILITY FROM SHEEP TO FABRIC**



**FULL-CYCLE BUSINESS**  
100% Made in Italy  
Manufacturing

**FABRIC QUALITY AND SAFETY**

- REACH •
- GB Chinese Standard •
- CNMI Guidelines •
- ZDHC MRSL •
- PRSL 4sustainability •
- Ethic-Et •
- Woolmark •



**QUALITY CERTIFICATION**  
ISO 9001 since 2009



**SUSTAINABLE FABRICS RANGE**



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



**PRODUCT CERTIFICATIONS**

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



**WOOL EXCELLENCE CLUB**

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

**WOOL EXCELLENCE AWARD**  
Most Virtuous Farm Award



## 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.

To manage production peaks or special processes, Vitale Barberis Canonico works with outsourced contractors, all based in Italy and 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 the quality, safety and environmental areas are key aspects for successful supplier qualification. In 2024, the Company conducted all scheduled audits at its supplier the production units, directly monitoring 14% of the suppliers in the qualified supplier register.

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. Regarding payment terms, the average time reported for invoice payment is 66 days. It should also be noted that the Company has no pending litigation attributable to overdue payments.

Vitale Barberis Canonico encourages and promotes local purchasing, favouring long-term partnerships. The goal 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. Of the total purchases, 88% are made from Italian sources of supply, of which about 59% were local.

In 2024, 6,803,333.79 metres were manufactured compared to 8,471,426 metres in 2023.

The new ESRS reporting standards break down the classification of materials used in production as organic, i.e., originating from living and naturally biodegradable organisms, and technical, comprising non-biodegradable synthetic materials:

- organic materials: these primarily include paper, cardboard and wood packaging;
- technical materials: these include chemical products and plastic, iron or multicomponent packaging.

Compared to 2023, there was an overall reduction in volumes in 2024 for both organic materials (-10%) and technical materials (-17%), in line with the drop in production volumes.

	Materials used in production	2023	2024
Organic	Packaging [tonne]	104.45	94.32
	<b>Total [tonne]</b>	<b>104.45</b>	<b>94.32</b>
	<b>Total [%]</b>	<b>14%</b>	<b>15%</b>
Technical	Chemicals [tonne]	619.07	520.25
	Packaging [tonne]	44.11	33.37
	<b>Total [tonne]</b>	<b>663.18</b>	<b>553.63</b>
	<b>Total [%]</b>	<b>86%</b>	<b>85%</b>
<b>Total organic and technical materials [tonne]</b>		<b>767.63</b>	<b>647.95</b>



The standards also provide for an additional classification of materials according to source identified as sustainable. Vitale Barberis Canonico has interpreted this definition by associating it with the certifications issued by independent third parties.

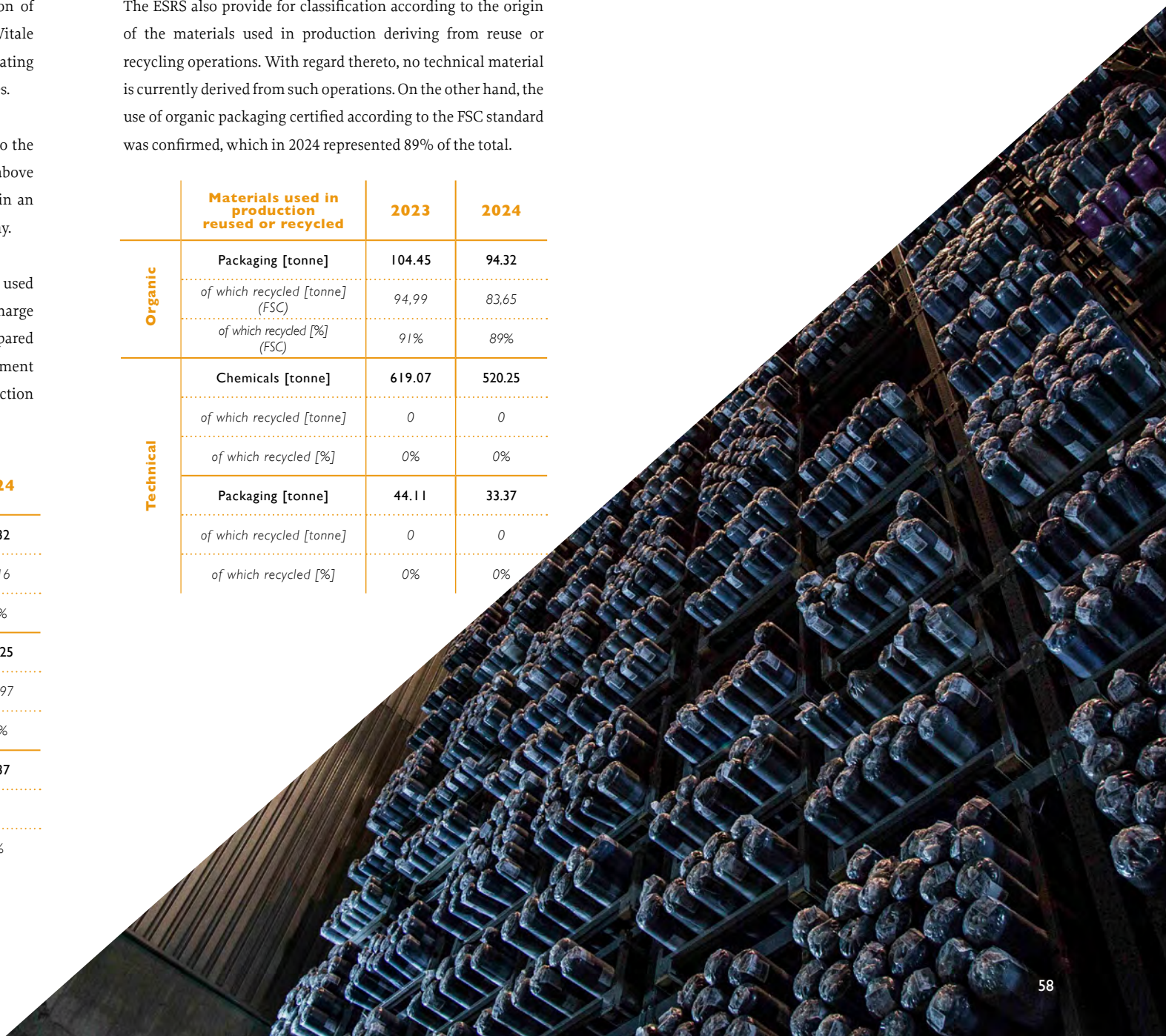
In 2024, the use of organic packaging certified according to the FSC standard was confirmed as being stable and falling above 90%, guaranteeing that it comes from sources managed in an environmentally, socially and economically responsible way.

Regarding chemicals, in 2024, 69% of the quantities used complied with the requirements of the ZDHC (Zero Discharge of Hazardous Chemicals) program, reporting a rise compared to the previous year that testifies to the ongoing commitment to responsible management of chemicals along the production chain.

	Materials used in production of sustainable origin	2023	2024
Organic	Packaging [tonne]	104.45	94.32
	of which certified [tonne] (FSC)	98.32	85.16
	of which certified [%] (FSC)	94%	90%
Technical	Chemicals [tonne]	619.07	520.25
	of which certified [tonne] (ZDHC)	395.47	356.97
	of which certified [%] (ZDHC)	64%	69%
	Packaging [tonne]	44.11	33.37
	of which certified [tonne]	0	0
	of which certified [%]	0%	0%

The ESRS also provide for classification according to the origin of the materials used in production deriving from reuse or recycling operations. With regard thereto, no technical material is currently derived from such operations. On the other hand, the use of organic packaging certified according to the FSC standard was confirmed, which in 2024 represented 89% of the total.

	Materials used in production reused or recycled	2023	2024
Organic	Packaging [tonne]	104.45	94.32
	of which recycled [tonne] (FSC)	94.99	83.65
	of which recycled [%] (FSC)	91%	89%
Technical	Chemicals [tonne]	619.07	520.25
	of which recycled [tonne]	0	0
	of which recycled [%]	0%	0%
	Packaging [tonne]	44.11	33.37
	of which recycled [tonne]	0	0
	of which recycled [%]	0%	0%



## RESPONSIBLE SUPPLY CHAIN

### RAW MATERIALS



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

Textile excellence comes to life starting from the best natural fibres in the world. 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 features that determine their quality and style, with an eye to environmental impact.

Vitale Barberis Canonico is supplied through a network of about 2,200 farmsteads located across Australia, New Zealand, South Africa, China, Argentina and Uruguay. From the standpoint of volume, Australia, due to the features of the wool offering, is the largest procurement source.

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

All raw material suppliers undergo an annual audit by the Wool Experts Department, which focuses on the following variables:

- 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.

Also, in the classification of raw materials, the new ESRS reporting standards break down the classification of materials used in production as organic, i.e., originating from living and naturally biodegradable organisms, and technical, comprising non-biodegradable synthetic materials.

- Organic raw materials: these mainly include wool fibres and purchased yarns composed of natural fibres such as linen, silk, cotton, etc. In this category, there was an 18%

drop in wool supplies, due to the contraction in production volumes.

- Technical raw materials: these include purchased yarns with synthetic fibres such as polyester and polyamide, etc.

The overall figure shows that 99% of the raw materials purchased fall into the organic category, primarily wool.

	Raw materials	2023	2024
Organic	Wool fibres [tonne]	2,866.45	2,425.61
	Purchased yarns [tonne]	41.49	53.24
	<b>Total [tonne]</b>	<b>2,907.94</b>	<b>2,478.85</b>
	<b>Total [%]</b>	<b>99%</b>	<b>99%</b>
Technical	Purchased yarns [tonne]	37.06	32.71
	<b>Total [tonne]</b>	<b>37.06</b>	<b>32.71</b>
	<b>Total [%]</b>	<b>1%</b>	<b>1%</b>
<b>Total [tonne]</b>		<b>2,945.00</b>	<b>2,511.56</b>

#### LANA MERINO



#### MOHAIR



#### CASHMERE



The standards also provide for an additional classification of raw materials according to the sustainable source. Vitale Barberis Canonico has interpreted this definition by associating it with raw material certifications issued by independent third parties. With regard thereto, of particular importance is the increase of almost 50% in the purchase of certified wools according to the RWS and RMS protocols, an increase that reflects the corporate strategy to progressively expand the offering of products made with certified materials.

	Raw materials of sustainable origin	2023	2024
Organic	Wool fibres [tonne]	2,866.45	2,425.61
	of which certified [tonne] (RWS/RMS)	386.36	760.95
	of which certified [%] (RWS/RMS)	13%	31%
	Purchased yarns [tonne]	41.49	53.24
	of which certified [tonne] (RWS/RMS)	1.81	2.09
	of which certified [tonne] (GRS)	0.02	0.60
Technical	of which certified [%] (RWS/RMS and/or GRS)	4%	5%
	Purchased yarns [tonne]	37.06	32.71
	of which certified [tonne]	0	0
	of which certified [%]	0%	0%

The ESRS also provide for a classification of raw materials according to their origin from reuse or recycling operations. With regard thereto, Vitale Barberis Canonico reuses about 1% of repurposable by-products from internal processing, such as laps, pleumafil and blouse, as a component of the raw material for the production of the yarn that gives rise to woollen flannel. In 2024, almost 27,000 kg of fibres were thus recovered. The by-products that cannot be used in this cycle are instead intended for sale for further use in the textile sector.

	Raw materials reused or recycled	2023	2024
Organic	Wool fibres [tonne]	2,866.45	2,425.61
	of which recovered [tonne]	39.22	26.78
	of which recovered [%]	1%	1%
	Purchased yarns [tonne]	41.49	53.24
Technical	of which recycled [tonne] (GRS)	0.02	0.60
	of which recycled [%] (GRS)	0.1%	1%
	Purchased yarns [tonne]	37.06	32.71
	of which recycled [tonne]	0	0
	of which recycled [%]	0%	0%



## 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 built around four pillars:

QUALITY



TRAINING

LOYALTY



SUSTAINABILITY

The 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 goal 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 of mulesing-free members and today can count 29 farms located in eastern and southern Australia and Tasmania.

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.

In 2024, the Company celebrated 10 years of the Vitale Barberis Canonico Wool Excellence Club at the annual Wool Excellence Award ceremony: the award ceremony was held in Launceston, Tasmania, and the Linke family's Glenholme farm was named



the winner. Their ownership extends to the southwest of the state of Victoria and since the early 2000s the family has focused on the production of superfine wool, reaching an average fineness of less than 17 microns and winning various awards, thanks to a flock of 2,400 Saxon merino sheep.

The prestigious event was attended by representatives from Vitale Barberis Canonico and the Buying Company, Vitale Barberis Canonico Wool and members of the Wool Excellence Club of New South Wales, Victoria and Tasmania, as well as important industry representatives.



## RESPONSIBLE SUPPLY CHAIN

### ANIMAL WELFARE



Embracing respect for animal welfare, Vitale Barberis Canonico procures its supplies in States where there are specific regulations and strict controls regarding this matter.

The international reference organisation sets out 5 fundamental animal freedoms, reported in the *OIE Terrestrial Animal Health Code*<sup>7</sup>, issued by the World Organisation for Animal Health and, specifically for the wool industry, in the *Specifications for Wool Sheep Welfare*<sup>8</sup>, issued by the IWTO – International Wool Textile Organisation.

In Australia, it is also represented by the *Australian Animal Welfare Standards and Guidelines for Sheep*<sup>9</sup> issued by Animal Health Australia.

In South Africa, Vitale Barberis Canonico has been purchasing only mohair certified according to the Responsible Mohair Standard since January 2021. 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 increasing 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 development of the 21 Micron range, entirely mulesed-free.



## RESPONSIBLE SUPPLY CHAIN

### VITALE BARBERIS CANONICO WOOL



*Vitale Barberis Canonico Wool Australia and South Africa, a company owned by Lanificio Vitale Barberis Canonico S.p.A., and successor in the activities of New England Wool (investee entity until July 2022), directly oversaw the 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

New England Wool continued to actively support the NWD, the Classing Code of Practice for shearing, animal welfare requirements and environmental sustainability through the development of the SustainaWOOL Integrity Scheme released in 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 recognised certified organisation.

#### 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 South Africa. This investment was in stark contrast to the globalisation policies adopted by competitors and whose aim was to oversee the raw material supply market and relevant quality. At the same time, the New England Wool Company was wound up.



## CERTIFICATIONS

CERTIFIED BY  
CONTROL UNION CB-CUC-1170085



**Responsible Wool Standard** and **Responsible Mohair Standard** are voluntary standards promoted by the Textile Exchange that provide for the issue of a third-party certification. They certify the origin of wool and mohair from farmsteads managed in a responsible manner, in compliance with specific requirements for animal welfare and for mitigation of environmental impacts. They also ensure traceability along the entire value chain through Transaction Certificates. Vitale Barberis Canonico continues the progressive expansion of the product offering which is certifiable according to these standards.



On 1 July 2024, AWEX announced the Australian Wool Sustainability Scheme (AWSS), the evolution of the **SustainaWool Integrity Scheme**<sup>10</sup> protocol.

AWSS is a response to global market demand for sustainable, traceable and high-quality wool, and reflects the uniqueness of Australia's production systems, rigorous regulatory standards and industry best practices.

It incorporates precise sustainability performance demonstrating:

- responsible environmental management;

- animal welfare;
- care for people, customers and communities;
- sector vitality and resilience;
- high quality wool preparation standards, data integrity and traceability.

It provides for two types of certification:

- **SustainaWool** If the farm has adopted mulesing-free management;
- **ResponsWool** If the farm allows mulesing exclusively for the practice of Pain Relief.

CERTIFIED BY  
CONTROL UNION CB-CUC-1170085



The **Global Recycled Standard** certification inspects recycled materials, ensuring their traceability from procurement to finished goods and includes strict social, environmental and chemical requirements.

In 2024, Vitale Barberis Canonico conducted a study on worsted wool fabrics and on wool/mohair fabrics using the Product Environmental Footprint (PEF) method, functional to obtaining the **Made Green in Italy** label, the voluntary national scheme for evaluation and communication of the environmental footprint of products established under section 21(1) of Italian Law 221/2015 and managed by the Ministry of Environment and Energy Safety. The study underwent third-party audit in January 2025.



## 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 360 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 fibre into fabric can be summarised in seven manufacturing steps – washing, combing, 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 high-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.

Milano Unica organises two events a year, in line with textile collections' seasonality.

At the July 2024 edition, Vitale Barberis Canonico placed the emphasis on Australian Saxon Merino wool, showcasing its purity for the first time by presenting fabrics with both a compact and soft hand. This wool, the progenitor of Australian merino sheep, has an excellent quality and a royal history that has its roots in 18th century Europe. Enhancing it means helping to preserve a breed of sheep that has made the history of textiles.

It also presented its own traceability through the launch of the first digital transparency passport: the QR code enables end consumers to access via smartphone a landing page containing

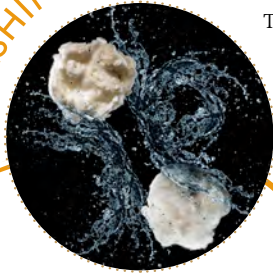
detailed information on the production of the fabric, which begins with the procurement of the best raw materials from all over the world and continues through the production steps in the district of Biella, Italy.

To make it easier and more flexible to view samples at a distance, from 2020, Vitale Barberis Canonico created its own **showroom virtuale** making 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 mini programme broadcast on the social media channel WeChat.

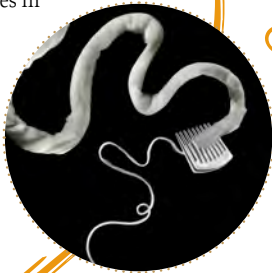


WASHING



This represents the bridge between nature and manufacturing and, as such, requires great respect, sensitivity and attention to every detail. Water is the protagonist here: after the freshly sheared wool has been washed, all impurities are then removed

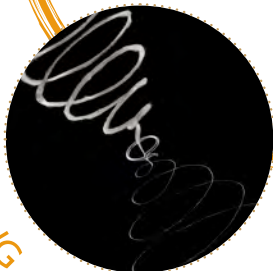
Wool passes several times through special combs which align the fibres in parallel lengthwise, discarding the shorter fibres. The resulting semi-finished product is called top and its quality is important as it will guarantee the necessary strength of the final fabric.



GILLING

As a result of a precise regilling procedure, the wool yarn is thinned to a roving. The yarn is produced by pulling and twisting the roving. It can be twisted together with other yarns to obtain a stronger yarn.

SPINNING



It is a beautiful geometric spectacle, with the warp, the vertical fabric threads giving rise to an intricate interweave. Each single yarn and hundreds of spools are monitored simultaneously by sensors, until the warp is wound on a cylinder called a warp beam.



WARPING



WEAVING

The cross-threads that will make up the weft must pass over or under the vertical threads of the warp, according to a precise pattern. An incredibly precise and extraordinarily fast dance routine, which in a few seconds turns fibres into fabric.

DYEING



Tops dyed or yarn dyed, via which a fabric will acquire a more three-dimensional colouration, and if piece-dyed, appearance will be cleaner and more uniform. The dyeing process is stopped once the colour and intensity ordered by the designers have been reached.

FINISHING



After meticulous quality control and via washing and finishing processes, the finished fabric is obtained, which does not fear comparison with any other fabric. These final stages transform quality into personality.



## 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 Milan, Via Solferino, 23 showroom, 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.

During 2024, sessions were held in 10 countries and more than 1,000 participants took part, an increase of 27% compared to 2023, of which 52% were customers and 48% were students.



**FABRIC**  
*Academy*



## PRODUCT FOCUS AND CUSTOMER SERVICE

### PRODUCT QUALITY AND SAFETY



*Important human and capital assets and financial resources guarantee product quality and safety.*

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 customers safe 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 is designed and developed in-house. 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 show the excellence of Vitale Barberis Canonico's fabrics: in 2024, the already excellent performance achieved in the previous year was confirmed and improved thanks to stable 99.88% product conformity<sup>11</sup>.



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The Company has always placed the highest store on the health and safety of end 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 Camera Nazionale della Moda Italiana (Italian National Chamber of Fashion).
- 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 structured way, integrating activities and controls in the production cycles, aimed at gradually eliminating their presence to protect human health and the environment.
- The Ethic-Et label granted by the Textile and Health Association, of which Vitale Barberis Canonico has been a member since 2012, certifies that the products



and processes are chemically safe for consumers and environmentally and ecologically sustainable, through the goal of monitoring the manufacturing chains that manufacture them.

- The Woolmark programme, of which the Company has been a licensee since 2015, certifying the product from the standpoint of performance, duration and quality.



Chemicals are carefully evaluated before being used in the manufacturing cycle by Area Managers, the Prevention and Protection Service and the Environmental Protection Service. Vitale Barberis Canonico does not purchase, use or market and does not generate through its operations substances of concern (Table 3 of Annex VI of the CLP) or of very high concern (Candidate List of substances of very high concern for Authorisation).

At scheduled intervals, fabric sample analyses are conducted at third-party laboratories, with the aim of a 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 product 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.

Following the annual audit, the Excellence implementation level was confirmed for the Company.



## PRODUCT FOCUS AND CUSTOMER SERVICE

### CUSTOMER SATISFACTION



*The wide range of products offered responds 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.

2024 was impacted by major, global geopolitical tension that still ongoing as at the time of publication of this Report and which has created circumspection in many markets. Despite this scenario, the Company achieved a steady flow of orders throughout the year. After the post-Covid rebound and following slowdown, 2024 was in fact marked by order entry attaining normal levels, due to customer stocks stabilising.

Thanks to careful management of energy and raw material costs, price lists did not increase, thus guaranteeing customers greater certainty also from a price standpoint. The Company also fully

restored the “Quick Service”, thus restoring and guaranteeing a service appreciated in particular by smaller-scale customers.

In the two-year 2023–2024 period of the total metres sold, the percentage of metres of fabric returned for qualitative reasons was substantially stable on high performance levels, rising from 0.05% to 0.06%.

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

Vitale Barberis Canonico guarantees that the data collected and managed in the conduction 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 CUSTOMER SERVICE

### TRACEABILITY AND TRANSPARENCY



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 for 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 a single piece of cloth from the origin of the wool bales, the spun yarns to the finished fabric.

The information available through this system includes:

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

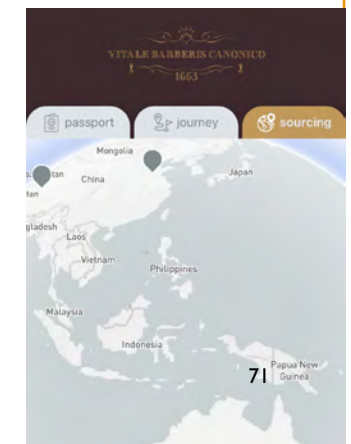
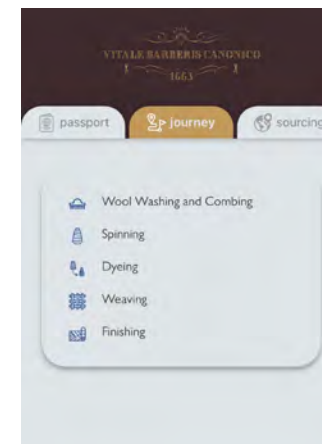
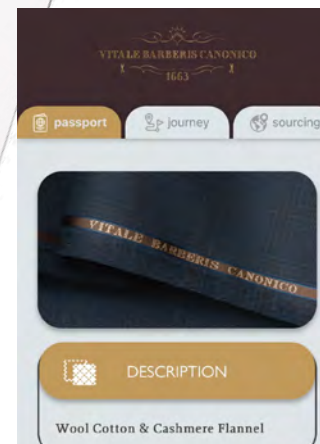
The traceability project responds, on the one hand, to the monitoring needs of its supply chain by certain customers (wholesalers, retailers and garment makers) and, on the other hand, it aspires to contribute to a product and process culture that guides the end consumer towards informed and responsible product purchasing and use, in line with the transparency directives of the textile and fashion system currently the focus of study at European level.

In 2024, Vitale Barberis Canonico presented its traceability system via the launch of the **first digital transparency passport**, which provides detailed information on each fabric and its value chain. This tool, created by The ID Factory, was presented for the first time to international customers at the July edition of the Milano Unica trade fair.



Customers can request the QR code for each production batch, which may be added to their finished garments. The QR code enables end consumers to access via smartphone a landing page containing detailed information on the production of the fabric, which begins with the procurement of the best raw materials from all over the world and continues through the production steps in the district of Biella, Italy.

In addition, Vitale Barberis Canonico launched a new **B2B platform** that contains all relevant transparency information. This platform can link the traceability of the fabric to that of the garment, guaranteeing customers the option of offering end consumers a full overview of the entire journey, from sheep to store.



# N O T E S

1. The categories “Other” and “Not disclosed” have not been included in the reporting, as there are no employees identifying with these gender categories. (page 32)
2. The turnover rate is calculated as the number of employees leaving the company during the year divided by the total number of employees in the company during the same year. (page 33)
3. Scope 1 GHG emissions: include all direct emissions generated by Vitale Barberis Canonico, i.e., those that occur physically within the corporate boundary and deriving, for example, from the use of heating fuels or from the use of corporate vehicles. (page 47)
4. Scope 2 GHG emissions: refers to greenhouse gas emissions associated with the generation of electricity purchased by the organisation. Emissions were calculated according to the following methods:
  - a. Location-Based: reflects the average intensity of emissions of national networks, considering both renewable and non-renewable generation; GHG emissions are calculated using an average emission factor that refers to the national electricity mix.
  - b. Market-Based: reflects the emissions of the type of electricity the company has chosen to purchase. To be considered renewable, electricity purchased must be covered by contractual instruments such as, for example, Guarantee of Origin (GO) certificates. The portion of electricity purchased covered by GO is considered to be zero emissions. (page 47)

5. Scope 3 GHG emissions: refers to indirect GHG emissions for Vitale Barberis Canonico, which can be associated with upstream and downstream activities. (page 47)

Boundary	Main emission factors used	GWP-100
Scope 1	Table of national standard parameters (UNFCCC) 2024	IPCC 2021
Scope 2 Location-Based	Ecoinvent 3.10 + AIB, European Production Mixes, 2023	IPCC 2021
Scope 2 Market-Based	Ecoinvent 3.10 + AIB, European Residual Mixes, 2023	IPCC 2021
Scope 3	Ecoinvent, v.3.10, EF 3.1	IPCC 2021

Reference: 2024 Organization Carbon Footprint Report by ICA - Società di Ingegneria Chimica per l'Ambiente S.r.l., included in the OEF study verified by an independent third party.

6. Annual average values. (page 51)
7. <https://www.oie.int/en/what-we-do/standards/codes-and-manuals/terrestrial-code-online-access/> (pag. 62) **LINK**
8. <https://iwto.org/resources/wool-sheep-welfare-specifications/> (pag. 62) **LINK**
9. <https://animalwelfarestandards.net.au/welfare-standards-and-guidelines/sheep/> (pag. 62) **LINK**

10. <https://www.australianwoolsustainability.com.au/> (pag. 64) **LINK**
11. Data on product quality conformity are the result of approximation aimed at harmonising business and quantitative data. (page 68)
12. Quantitative metrics are not available for the reporting year; however, Vitale Barberis Canonico places great importance on biodiversity and ecosystem protection, actively committing to these issues through initiatives such as the Wool Excellence Club and the Wool Excellence Award, described on page 61. (page 74)



# NOTES ON REPORTING METHODS

The Lanificio Vitale Barberis Canonico Group prepares the consolidated financial statements, which include the following fully consolidated entities:

- Vitale Barberis Canonico S.p.A.
- Lanecardate S.p.A.
- Drapers S.r.l.
- Pyramul Pastoral Ltd
- VBC Wool SA
- VBC Wool Pty Ltd
- Manifattura di Ponzone S.r.l.

However, this Sustainability Report and the data presented therein refer exclusively to Vitale Barberis Canonico S.p.A., providing an overview of the Company's economic, social and environmental strategies, projects and performance in 2024.

To anticipate transition to the requirements of the Corporate Sustainability Reporting Directive (CSRD), the 2024 Sustainability Report has been prepared according to an ESRS-based approach, with reference to the European Sustainability Reporting Standards (ESRS).

In this first-time reporting period, the Report exclusively includes the quantitative indicators required by the ESRS, while the qualitative indicators will be included over the next reporting years. The topics and indicators were selected based on the findings of the double materiality analysis conducted in 2024, with reference to the ESRS, to identify the environmental, social and governance topics most relevant to the Company and its stakeholders.

The ESRS Content Index is available in the annex, which associates the ESRS quantitative indicators with each material topic identified and with the textual reference within these non-financial statements.

The boundary of the economic data coincides with that of the financial statements of Vitale Barberis Canonico S.p.A. year ends 31 December 2024; while the boundary of the social, environmental and governance data includes the two production mills at Pratrivero and Pray.

The data and disclosures contained in the Report refer to reporting period 2024 (1 January – 31 December 2024). However, to enable assessment of the dynamic development of activities, data and disclosures regarding the previous reporting period have been shown for comparative purposes where available. In addition, for a more accurate representation, the Report provides information on actions taken in past years, which are still adopted in corporate activities.

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.

## REFERENCE PERIOD

Reporting period running from 1 January 2024 to 31 December 2024

## FREQUENCY

Annual

## LAST PUBLISHED DOCUMENT

Sustainability Report 2023

## CONTACT DETAILS

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## ANNUAL REPORT

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# ESRS

# CONTENT

# INDEX

ESRS	METRICS	PAGES
<b>E1 - Climate change</b>	E1-5 - Energy consumption and mix	46
<b>E1 - Climate change</b>	E1-6 - Gross Scopes 1, 2, 3 and total GHG emissions	47
<b>E1 - Climate change</b>	E1-7 - GHG removals and GHG mitigation projects financed through carbon credits	46 - 47
<b>E2 - Pollution</b>	E2-4 - Pollution of air, water and soil	48 - 51
<b>E2 - Pollution</b>	E2-5 - Substances of concern and substances of very high concern	48 - 51
<b>E3 - Water and marine resources</b>	E3-4 - Water consumption	49 - 51
<b>E4 - Biodiversity and ecosystems</b>	E4-5 - Impact metrics related to biodiversity and ecosystems change	Not available <sup>12</sup>
<b>E5 - Resource use and circular economy</b>	E5-4 - Resource inflows	57 - 58 - 59 - 60
<b>E5 - Resource use and circular economy</b>	E5-5 - Resource outflows	53
<b>S1 - Own workforce</b>	S1-6 - Characteristics of the undertaking's employees	32 - 33
<b>S1 - Own workforce</b>	S1-7 - Characteristics of non-employee workers in the undertaking's own workforce	32
<b>S1 - Own workforce</b>	S1-8 - Characteristics of non-employee workers in the undertaking's own workforce	37
<b>S1 - Own workforce</b>	S1-9 - Diversity metrics	12, 36
<b>S1 - Own workforce</b>	S1-10 - Adequate wages	38
<b>S1 - Own workforce</b>	S1-11 - Social protection	37 - 38
<b>S1 - Own workforce</b>	S1-12 - Persons with disabilities	36
<b>S1 - Own workforce</b>	S1-13 - Training and skills development metrics	35
<b>S1 - Own workforce</b>	S1-14 - Health and safety metrics	40 - 41 - 42
<b>S1 - Own workforce</b>	S1-15 - Work-life balance metrics	39
<b>S1 - Own workforce</b>	S1-16 - Compensation metrics (pay gap and total compensation)	38
<b>S1 - Own workforce</b>	S1-17 - Incidents, complaints and severe human rights impacts	37
<b>G1 - Business conduct</b>	G1-4 - Confirmed incidents of corruption or bribery	14
<b>G1 - Business conduct</b>	G1-6 - Payment practices	57



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