

A person wearing a blue lab coat is shown from the chest down. They are holding a glowing, circular, metallic object with a ring of lights around its edge, positioned above their hands. In their hands, they are holding a large, fluffy mass of white wool. The background is a solid blue color.

MANTECO®

Sustainability Report 2024

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Dear Stakeholders,

I would call this new report "Fourth Generation."

Change, in order to be successful, must be gradual and constant. This is why I was deeply proud to see my grandchildren, Brando and Allegra, receive the important recognition of Textile Exchange, "Climate Project of the Year", on October 31st in Pasadena. Beyond the natural affection as a grandfather, as an entrepreneur I was moved by this first public appearance of my grandchildren, which I see as ensuring the company's continuity in the decades to come.

This is our first consolidated Sustainability Report. For the first time, we are presenting the data of Casentino Lane together with those of Manteco. Our business objective remains the same: to produce fabrics of aesthetic quality and high performance, while reducing environmental impact. In this regard, during the year we began designing a plan to reduce consumption at Casentino Lane, with the aim of lowering the environmental footprint per kilo of yarn produced.

The year we have lived through was not easy, yet I can proudly affirm that Manteco was able to withstand the storms that systematically affected the market. We placed strong emphasis on the social dimension, improving health and safety conditions within the artisan companies that are part of the Manteco System. It is both our duty and our commitment to support and train our fundamental partners in modern production standards, while allowing them to make the most of their exceptional technical skills.

In line with the scientific and technical rigor that makes Manteco a leader in academic textile research, an important paper on the closed-loop, multi-recyclability of wool was published.

Finally, I want to dedicate a few words to the Manteco's ecosystem: a community of people who daily work, create, produce, test, account, study, move, and apply technical skills of unparalleled value. To all of them I extend my gratitude for their dedication and commitment. At the same time, I want to reaffirm that the Mantellassi family - despite the storms - firmly holds the helm in steering this beautiful ship called Manteco.

Franco Mantellassi



Brand Identity & Values

Made in Italy, quality, creativity, science-based innovation and circular economy

Manteco® is an Italian, leading company for premium quality textiles and wool circular economy since 1943. It was first established in 1941 as a small spinning mill by Enzo Anacleto Mantellassi, who started the production of recycled wool yarns, obtained by regenerating old military wool clothes and blankets. Over the decades, the company has maintained the same, circular DNA and has become a point of reference in the fashion world, thanks to a high level of creativity, research, constant investments, innovative textile solutions and a scientific approach to sustainability. Today it is still a family-run business and produces 100% in Tuscany, in a specialized, zero-mile, fully traced, transparent and certified supply chain called MSystem: a network of more than 56 partner textile companies that follow the Charter of Supply Chain Commitments drawn up by Manteco® and the highest production standards. Manteco® has its sustainability roadmap Manteco® for Planet® and is particularly committed to circular fashion and avoiding value leakages along the supply chain; for this reason it has developed numerous projects: a Zero-Waste system to recover all wool industrial waste from production processes, a Sustainable Design philosophy to create durable and recyclable wool textiles, Project43 to recycle wool fabrics' offcuts produced during the garment-making phase, and unsold or second choice wool garments.



Manteco® has created its own brands of sustainable wool. M Wool®, the next generation of recycled wool, made by mechanically recycling pre- and post-consumer wool garments and scraps, and colored without added dyes and chemicals through the Recype® technique.

Compared to generic virgin wool fibers, M Wool® impacts 99.2% less on climate change, 99.9% less on water use and 93.3% less on total energy consumption. ReviWool®, the reduced-impact virgin wool, made of valuable co-product fibers coming from the worsting process of virgin wool, which instead of being wasted, are recovered and masterfully turned into premium quality textiles - promoting value capture and enhancing wool production cycles' efficiency.

Compared to generic virgin wool tops, ReviWool® impacts 65.6% less on climate change, 65.5% less on water use and 65.6% less on total energy consumption.

All of those commitments and initiatives on circular economy has led the company to become a Member of the Ellen MacArthur Foundation's Network and a partner of the Monitor for Circular Fashion by SDA Bocconi.

Manteco® was the first-ever textile company to apply a Life Cycle Assessment on recycled and recovered wool fibers, later also published as a scientific article on MDPI Resources and Journal of Cleaner Production.

Manteco® is also strongly engaged in the field of education with the Manteco® Academy project, through which we partner with the world's best fashion schools by giving lectures about circular fashion, arranging eco-design contests and donate deadstock fabrics to students for their final projects. Manteco® Academy has recently been accepted among the UNECE's Sustainability Pledge submissions.

The values of sustainability and adherence to the principles of the UN 2030 Agenda for Sustainable Development are increasingly an integral part of our own way of doing business and are placed at the center of operational, management and relationship practices. In order to strengthen the dissemination of these principles and make them cornerstones, Manteco® prepared and issued a Charter of Values for Sustainability in 2015, based on 6 pillars:

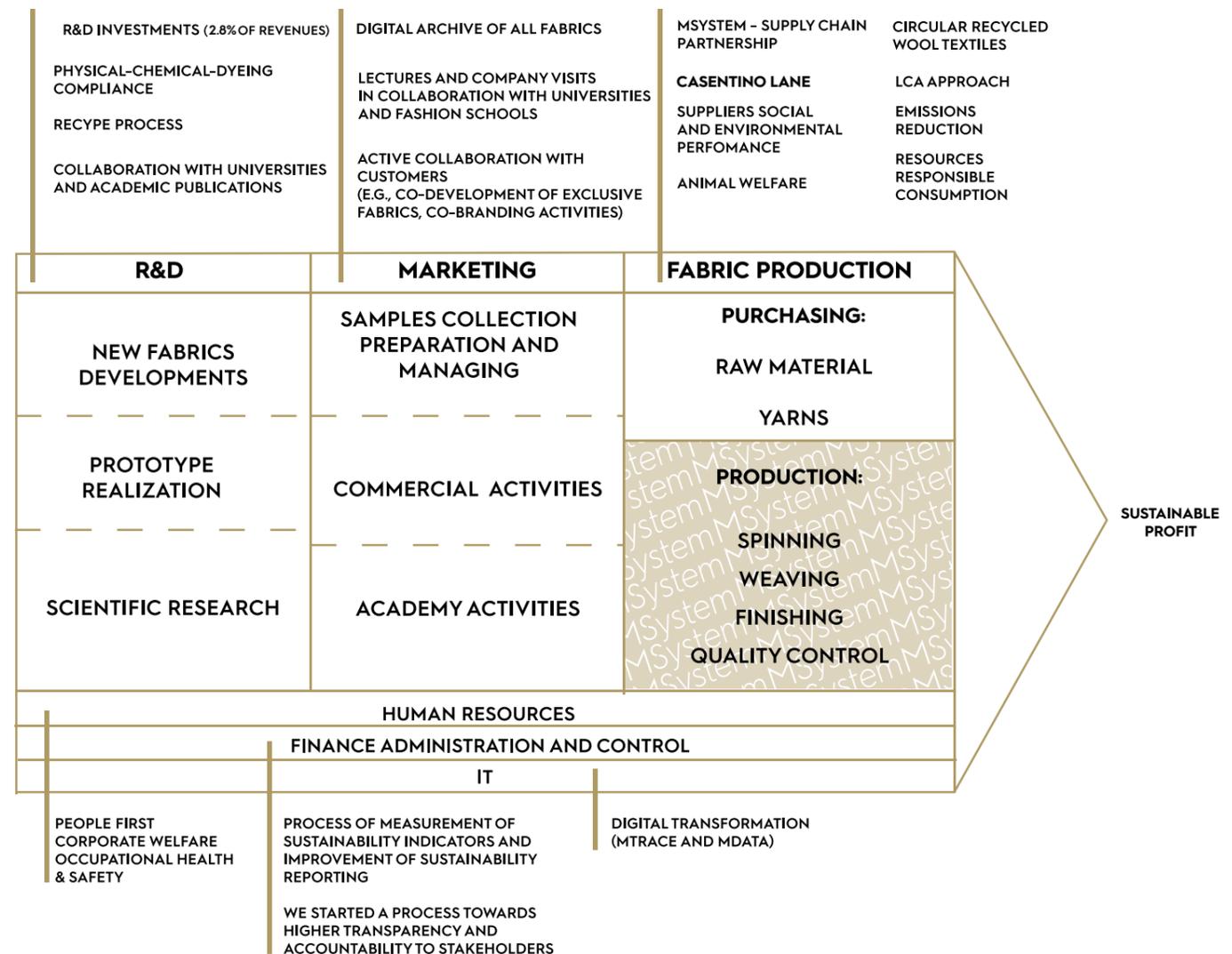


Casentino Lane

The company was founded in 1979 by Francesco Occhiolini and other partners in the Casentino area, an important textile center from the Middle Ages to a UNESCO World Heritage site, and a unique biodiversity hotspot. Activity began in 1980 in Partina with twelve employees, one carding plant, and two spinning plants. In 1996, the company moved to a new 5,000 sqm plant in Bibbiena, with a consequent increase in production capacity through the installation of two additional carding and spinning plants. Production capacity was gradually increased over the years to one million kg/year. Casentino Lane has always spun luxury fibres and produced high-quality wool and cashmere carded yarns.

Casentino Lane was acquired in December 2023, and 2024 marks the first year of direct and full control by Manteco.

Manteco® Business Model





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Scope of Reporting

Manteco SpA

The legal form of the organization is a joint stock company, which is wholly owned by Ing. Franco Mantellassi Holding S.r.l. (IFMH S.r.l.). The organization is headquartered in Italy.

The address of the company's headquarters is Montemurlo (PO) - Via della Viaccia, 19. Company activities are carried out at four locations in Montemurlo (PO):

- 📍 **Building A:** Via della Viaccia 19, Headquarters of management, creative and fabric control laboratories finished product shipping departments
- 📍 **Building B:** Via dei Mille 10, Raw materials warehouse. Archivio Manteco
- 📍 **Building C:** Via dei Mille 16/18/20, Yarn warehouse
- 📍 **Building D:** Via della Viaccia 3, Fabric Inspection

The main processes carried out by the organization are:

- Design and development of textiles
- Commercial activity
- Management of external production activities, with particular reference to the management of raw textiles manufacturing and finishing
- Quality control of textile production
- Product packaging and logistics
- Accounting administration and finance
- Human resources management

Casentino Lane srl

The legal form of the organization is an Limited Liability Company (LLC), which is fully owned by Manteco SpA. The organization is headquartered in Bibbiena, Via dell'Artigiano 32. The company carries out operation of: Spinning and Winding.

Methodological Note

The current report is the ninth edition.

The scope of the report is to disclose Manteco's significant impacts to its stakeholders.

In accordance with the European Sustainability Reporting Standards (ESRS), this report presents consolidated sustainability data, including both the parent company, Manteco, and its subsidiary, Casentino Lane. As a result, certain indicators may not be directly comparable with those published in previous reporting periods, which referred solely to the parent company. The inclusion of Casentino Lane reflects the ESRS requirement to disclose material sustainability information at the consolidated group level, where applicable.

In our ongoing commitment to sustainability and transparent reporting, this report reflects the results of our double materiality analysis, conducted as part of our comprehensive sustainability strategy. The double materiality framework is essential to understanding the full scope of our responsibilities, encompassing both outward (social and environmental) and inward (financial) impacts, risks, and opportunities.

Our analysis is built on the understanding that an organization must consider not only the environmental and social implications of its activities but also its financial performance and obligations. As such, financial materiality assesses how environmental and social factors might affect our business, while social and environmental materiality focuses on how our operations impact society and the environment.

To ensure a robust and inclusive process, we followed a structured approach that included mapping and validating key stakeholders, identifying material topics across environmental, social, and governance dimensions, and engaging with both internal and external sources of information. The issues considered material were identified by the Board, also considering their relevance to the textile and apparel industry according to leading ESG raters and rankers, the SASB principles, and the relative presence in the materiality mappings of peers operating in our sector.

As we continue to refine our sustainability reporting practices in line with evolving regulatory requirements, we are working to align our efforts with the European Sustainability Reporting Standards (ESRS). While this report reflects the significant steps we have taken, it should be noted that full compliance with these standards remains a work in progress and will continue to evolve as we integrate new insights and guidelines. Through this dual approach, we aim to integrate financial resilience with social and environmental responsibility, ensuring long-term value creation for all stakeholders.

As part of its commitment to responsible and forward-looking business practices, Manteco has developed a comprehensive Sustainability Plan based on a double materiality assessment. This process identified both inside-out impacts—the effects of the company's operations on society and the environment—and outside-in risks and opportunities—the external sustainability factors that may affect Manteco's performance and resilience. In response, targeted mitigation actions have been defined, aligned with the company's strategic vision and core values.

The Sustainability Plan translates these priorities into a structured framework of measurable objectives, key performance indicators (KPIs), and time-bound targets. Each action is designed not only to reduce risks and improve environmental and social outcomes, but also to unlock long-term value for stakeholders. This plan serves as a dynamic tool to guide Manteco's transition toward a more sustainable, ethical, and resilient business model.

MWool® and ReviWool® impacts are based on fibre processing data during the accounting year. Casentino Lane works exclusively for Manteco, and every single KPI must refer to Manteco production volumes.



1941

Enzo Anacleto Mantellassi acquires a spinning mill destroyed by the war and starts producing recycled wool yarns by mechanically regenerating military wool blankets, garments and accessories



1967

Enzo Anacleto Mantellassi dies unexpectedly and Franco Mantellassi takes over his father's company

1983

Sales opening offices in Los Angeles, Hong Kong and Shanghai. Company became Mantellassi Compagnia Tessile - Manteco



2000

Marco and Matteo Mantellassi after their respective degrees join the company



2018

2018 Inauguration of the Manteco Archive



1941

TIMELINE

HISTORY OF MANTECO®

2025

1943

Foundation of Lanificio San Marco, which starts the production of recycled carded fabrics



1971

Franco Mantellassi renames the company Lanificio Franco Mantellassi and begin to innovate and experimenting new spring-summer collection



2010

Manteco moves its headquarters to the current plan



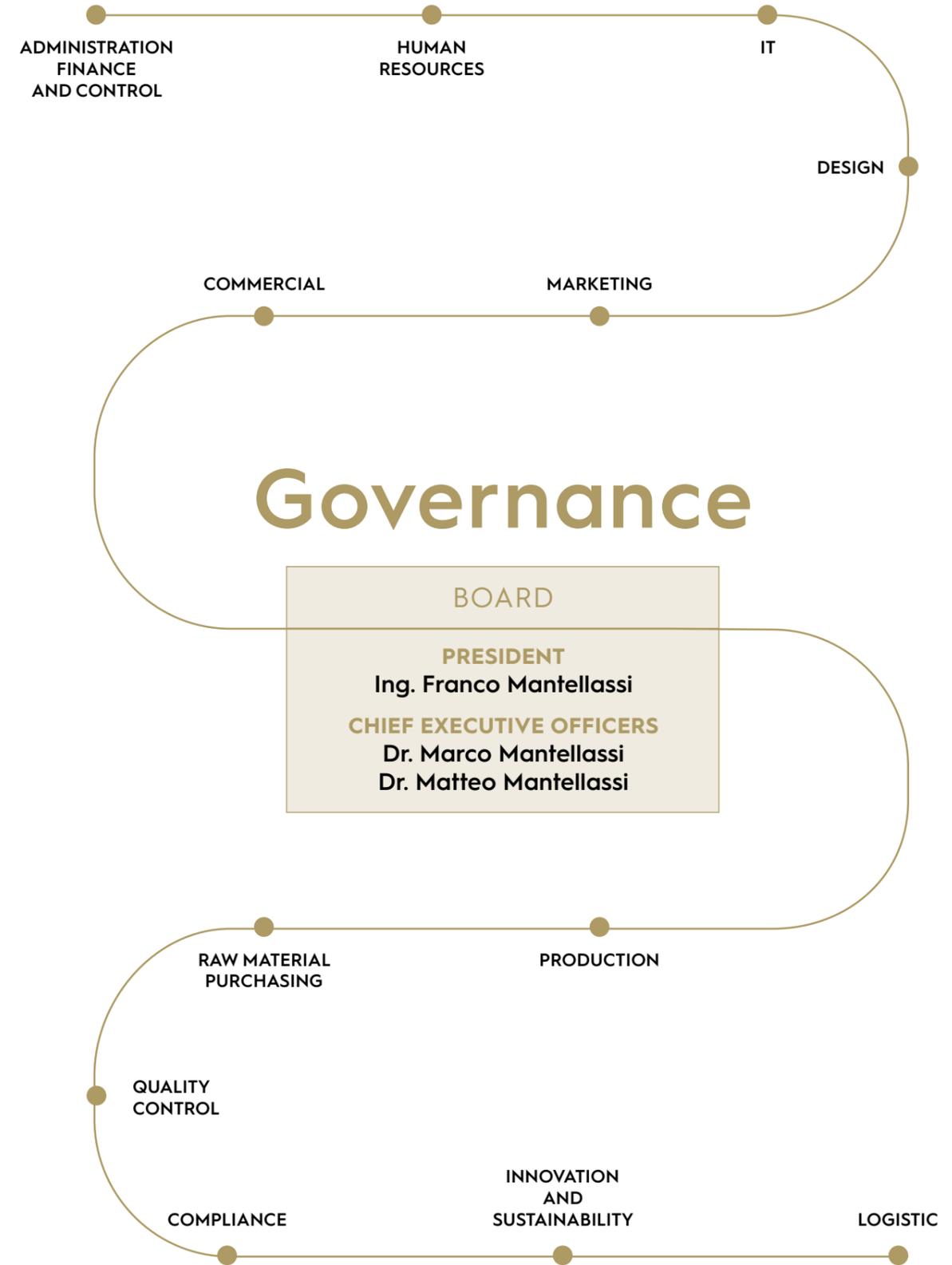
2023

Casentino Lane acquisition



ARCHIVIO
MANTECO





As determined by the ordinary Shareholders' Meeting, the administration of the company is entrusted to a Board of Directors, which is vested with decision-making powers for both ordinary and extraordinary administration, concerning all actions necessary to achieve the corporate purpose. Currently, the members appointed by the Shareholders' Meeting are Franco Mantellassi as Chairman, and Matteo and Marco Mantellassi as Directors, serving for a period established by the Shareholders' Meeting, up to the approval of the Financial Statements for the last fiscal year of their term. The role of Commercial Director is delegated to Marco Mantellassi, while the role of Administrative Control is delegated to Matteo Mantellassi.

The Board's evaluation is conducted based on the company's performance, considering its active involvement in management. As stated in its Bylaws, Manteco's net profit is distributed among the shareholders in accordance with their privileges and in proportion to their respective shares, after deducting the percentage allocated to the legal reserve.

In addition to the Board of Directors, there is a Board of Statutory Auditors, composed of three standing auditors and two alternate auditors, responsible for overseeing accounting and administrative matters as required by law. Specifically, it ensures compliance with the company's bylaws,

adherence to proper administration principles, and the adequacy and effective functioning of the company's organizational, administrative, and accounting structures.

Manteco deemed it necessary to establish a set of ethical principles and behavioral rules to guide its activities, promote strong ethical integrity, and foster a corporate culture sensitive to compliance. In this context, in 2024, the Whistleblowing Procedure was formalized. This procedure encourages staff to report events or situations where potential or apparent illegal or fraudulent activities are encountered during work. Such situations include violations of laws and regulations, corruption or extortion, public health and safety hazards, environmental damage, false corporate communications, illegal financial operations, and, more generally, risks or dangerous situations that may harm clients, colleagues, citizens, property, or the company's reputation.

To address this, a dedicated procedure has been set up, allowing for anonymous and secure reporting. The procedure ensures complete confidentiality and guarantees that reported events will be handled with the utmost discretion and professionalism, in compliance with current privacy laws. The procedure was disseminated widely through publication on Manteco's website.

It is certified that, up to the date of preparation of this statement, Manteco has not received communications or notifications concerning the aforementioned matters from the Board of Statutory Auditors or from qualified public creditors, banks, or financial intermediaries.

HELP THE TRANSITION TO A MORE RESPONSIBLE AND CIRCULAR FASHION SYSTEM

| BOARD OF DIRECTORS | | | | |
|--------------------|--------------------|----------|-----|-------|
| | ROLE | GENDER | AGE | |
| | Franco Mantellassi | Chairman | M | >50 |
| | Marco Mantellassi | Co-CEO | M | >50 |
| | Matteo Mantellassi | Co-CEO | M | 30-50 |

| BOARD OF STATUTORY AUDITORS | | | | |
|-----------------------------|--------------------|-------------------|-----|-------|
| | ROLE | GENDER | AGE | |
| | Filippo Ravone | Chairman | M | >50 |
| | Lorenzo Bevilacqua | Standing Auditor | M | 30-50 |
| | Iacopo Conti | Standing Auditor | M | >50 |
| | Simone De Simone | Alternate Auditor | M | >50 |
| | Alessandra Cambi | Alternate Auditor | F | >50 |

Sustainability Governance

Given its nature as a family-owned business, Manteco has adopted simplified governance policies. However, this approach does not overlook the definition of strategic aspects, the monitoring of decision-making processes, or the examination of operational activity guidelines.

The President and the Board communicate sustainability guidelines and goals to the entire organization, while Directors maintain a constant dialogue with the internal function responsible for sustainability initiatives and periodically participate in workshops on sustainable development issues. In addition, continuous discussions between the Board of Directors and the Innovation and Sustainability Department ensure that commercial strategies remain aligned with sustainability priorities over time.

These meetings allow the exploration of opportunities related to sustainability reporting, industry trends, and regulatory developments that could influence the company's strategic and operational choices. To raise awareness among employees about the importance of study and research activities for innovation, particularly regarding sustainability, Manteco provides bonuses upon hiring or during contract reviews for employees in these technical areas.

In the first months of 2024, Manteco defined an internal Reporting Procedure for drafting the Sustainability Report, to determine the organizational structures involved and the methods used for collecting, processing, and controlling the non-financial data reported in this document. The purpose of this pro-

cedure is also to standardize the data collection and approval process of Manteco's Sustainability Report, minimizing potential conflicts of interest.

Through this procedure, the responsible figures in the process are identified, including the main involved function (Innovation and Sustainability), which coordinates the reporting process, starting from the materiality analysis. The Head of Innovation and Sustainability collaborates with the various data owners to gather the necessary data for drafting the report and subsequently handles the drafting of the document.

In addition to its usual duties, the Board of Directors validates the results of the materiality analysis and definitively approves the Sustainability Report. The outcome of the internal Reporting Procedure is represented by the assignment of a delegation on sustainability issues to one of the two Directors. This Director is tasked with verifying and approving the data and texts reported in the draft Sustainability Report, together with the C-level managers.

CASENTINO LANE

Casentino Lane, as Manteco's parent company, follows the guidelines of the Manteco President and Board of Directors. The Casentino Lane President, in constant dialogue with the Manteco Board of Directors, ensures that these guidelines are correctly implemented. The Manteco Innovation and Sustainability Department ensures that Casentino Lane's industrial strategies and operations are aligned with Manteco's sustainability policy. Data collection at Casentino Lane is carried out by the company's administrative department and shared with the Manteco Innovation and Sustainability Department, which uses it for the Reporting Procedure as described in Manteco's Sustainability Governance.



PRESERVING OUR TERRITORY'S TEXTILE HERITAGE, ENHANCING TRANSPARENCY AND TRACEABILITY

| BOARD OF DIRECTORS | | | |
|----------------------|-------------------|--------|-----|
| | ROLE | GENDER | AGE |
| Francesco Occhiolini | Chairman | M | >50 |
| Fabio Occhiolini | Vice-president | M | >50 |
| Leonardo Fani | Statutory Auditor | M | >50 |



MANTECO® AWARDS 2024

IMPRESA ECCELLENTE

Osservatorio PMI

CLIMATE PROJECT OF THE YEAR

Climate and Nature Impact Awards by Textile Exchange

TOP ITALIAN COMPANIES

Italypost & Corriere Economia

INDUSTRIA FELIX

Industria Felix

IMPRESA CHAMPIONS

Italypost & Corriere Economia

IMPRESA BEST PERFORMER

Italypost & Corriere Economia

LEADER DELLA SOSTENIBILITÀ

Il Sole 24 ore & Statista



*Climate Project of the Year at Climate and Nature Impact Awards by Textile Exchange
The award was granted for the development and implementation of **MWool®** and **ReviWool®** low-impact textiles,
reaffirming the value of an innovative and responsible approach to textile production.*



Manteco Stakeholders

In carrying out its activities, Manteco engages with a multitude of stakeholder categories directly and/or indirectly affected by its activities, services, and products, or that actively influence the Group's work. The categories of Manteco stakeholders, identified on the basis of their relevance, are listed below.



The involvement of these groups is crucial to understanding their interests, expectations, and information needs, and is mostly carried out as part of the normal business activities. Communication is constant and transparent, allowing Manteco to maintain a stable and proactive relationship with its stakeholders.

Double Materiality

| DOUBLE MATERIALITY | | |
|-------------------------------------|-------------------------|---|
| Material Topic | Material Sub-topics | + Impact Materiality (Inside-Out) |
| Climate Change | Carbon Footprint | Through the use of circular raw materials as ReviWool® and M Wool® associated with local production processes, Manteco significantly reduces its carbon footprint, contributing to global decarbonization efforts |
| | Energy Management | Investments in renewable energy and efficiency upgrades allow Manteco to reduce operational energy consumption and environmental impact |
| Product Lifecycle Management | Circularity | By extending the fabrics and fibres lifespan Manteco is leading textile company in circularity |
| | Waste Management | By adopting closed-loop production models, Manteco minimizes industrial waste and maximizes material recovery |
| | Water Management | Colour production according to the Recype® methodology allows Manteco to reduce freshwater consumption |
| | Packaging | Manteco's use of recyclable and compostable packaging materials reduces environmental impact at the distribution phase |
| Sustainable Supply Chain Management | Raw Materials | Manteco's commitment to sourcing circular and responsibly produced fibres reinforces its position as a leader in sustainable textile innovation |
| | Labor Practices | Manteco's strict supply chain standards ensure fair labor conditions and promote worker welfare |
| | Sustainable Sourcing | Manteco actively supports responsible sourcing practices, reinforcing supply chain resilience and sustainability |
| | Local Production | By anchoring production in Italy, Manteco minimizes logistics emissions and supports local economic ecosystems |
| | Animal Welfare | By ensuring that wool sourcing respects recognized animal welfare standards (eg, RWS certification), Manteco strengthens its ethical supply chain credentials |
| | Biodiversity | By promoting circular practices among suppliers, Manteco contributes to the protection of biodiversity in sourcing regions |
| Human Capital Development | Cultivation of Talents | Investments in continuous training and employee development programs help Manteco build a skilled, loyal, and innovative workforce |
| | Health and Wellness | By fostering a healthy and safe working environment, Manteco enhances employee satisfaction and operational productivity |
| | Diversity and Inclusion | Manteco's commitment to diversity and inclusion fuels creativity, innovation, and workforce engagement |
| Corporate Governance & Ethics | Business Ethics | Manteco's adherence to strong ethical standards reinforces trust with partners, customers, and regulatory bodies |
| | Transparency | Enhanced ESG reporting and communication practices position Manteco as a leader in corporate transparency |
| | Privacy Protection | By implementing robust data protection measures, Manteco safeguards sensitive employee and client information |
| | Cybersecurity | Manteco's investment in cybersecurity infrastructure protects operational continuity and intellectual property |
| Product Quality and Safety | Customer Satisfaction | Delivering consistently high product quality and service strengthens Manteco's long-term customer relationships |
| | Chemical Management | The implementation of chemical management practices enables Manteco to deliver safer products while minimizing environmental impact |

| DOUBLE MATERIALITY | | |
|-------------------------------------|-------------------------|--|
| Material Topic | Material Sub-topics | - Impact Materiality (Inside-Out) |
| Climate Change | Carbon Footprint | Despite efforts, international logistics and residual energy use generate carbon emissions that require continuous management and innovation |
| | Energy Management | Residual reliance on grid energy, which may include non-renewable sources, still contributes to indirect emissions |
| Product Lifecycle Management | Circularity | Managing the complexity of sourcing and processing post-consumer and post-industrial materials can increase operational challenges |
| | Waste Management | Residual production waste still requires responsible disposal and tracking, posing operational challenges |
| | Water Management | Despite efficiency improvements, wet processing stages still require significant water use, representing a key area for further reduction efforts |
| | Packaging | Excessive packaging for product protection during logistics may partially offset environmental gains |
| Sustainable Supply Chain Management | Raw Materials | Dependence on global raw material markets exposes the company to environmental and ethical sourcing risks |
| | Labor Practices | Lower-tier suppliers may present risks of labor non-compliance requiring enhanced auditing and remediation |
| | Sustainable Sourcing | Sourcing exclusively sustainable inputs may limit supplier options and increase material costs |
| | Local Production | Focusing on local production could limit cost optimization opportunities available in other geographies |
| | Animal Welfare | There remains a risk that upstream suppliers could breach animal welfare practices, which could impact Manteco's brand reputation if not properly controlled |
| | Biodiversity | Intensive fiber production could still have residual impacts on soil, water systems, and local ecosystems if not properly managed |
| Human Capital Development | Cultivation of Talents | Without robust career pathways, Manteco risks higher employee turnover, leading to loss of critical know-how |
| | Health and Wellness | Failure to prevent health incidents could expose the company to legal and reputational risks |
| | Diversity and Inclusion | Gaps in diversity management could expose the company to social backlash and reputational damage |
| Corporate Governance & Ethics | Business Ethics | Any ethical lapses, even isolated, could critically damage Manteco's hard-earned reputation |
| | Transparency | Poorly managed disclosures could lead to accusations of greenwashing or misinformation |
| | Privacy Protection | Potential data breaches could erode customer and partner trust, exposing the company to financial and legal risks |
| | Cybersecurity | Advanced persistent threats from cybercriminals pose ongoing risks to digital infrastructure |
| Product Quality and Safety | Customer Satisfaction | Any failures in product or service delivery could negatively impact client retention and acquisition |
| | Chemical Management | Complex chemical compliance requirements could increase operational burden and risk of non-conformance |

| DOUBLE MATERIALITY | | |
|-------------------------------------|-------------------------|--|
| Material Topic | Material Sub-topics | + Financial Materiality (Outside-in) |
| Climate Change | Carbon Footprint | Growing regulatory and consumer focus on low-carbon products strengthens Manteco's market position in Europe and globally |
| | Energy Management | Energy-efficient operations enhance Manteco's resilience to rising energy prices and attract environmentally conscious clients |
| Product Lifecycle Management | Circularity | Market demand for circular fashion solutions offers Manteco opportunities for differentiation and leadership |
| | Waste Management | Compliance with stricter waste disposal regulations reinforces Manteco's brand credibility |
| | Water Management | Demonstrating water stewardship enhances Manteco's resilience in water-scarce regions and markets |
| | Packaging | Sustainable packaging enhances Manteco's appeal to eco-conscious customers and retailers |
| Sustainable Supply Chain Management | Raw Materials | Demand for traceable, certified materials grows, offering new premium market opportunities |
| | Labor Practices | Strong labor practices enhance the company's reputation with buyers and investors focused on social criteria |
| | Sustainable Sourcing | Being a pioneer in responsible sourcing differentiates Manteco in B2B luxury textile markets |
| | Local Production | 'Made in Italy' positioning enhances brand equity and customer loyalty internationally |
| | Animal Welfare | Ethical sourcing practices align Manteco with growing consumer demand for animal-friendly products |
| | Biodiversity | Partnering with biodiversity restoration initiatives can enhance Manteco's ESG leadership |
| Human Capital Development | Cultivation of Talents | A strong talent development culture strengthens Manteco's employer brand in a competitive market |
| | Health and Wellness | Wellness initiatives align with the growing global focus on workplace wellbeing as a critical ESG pillar |
| | Diversity and Inclusion | Diverse and inclusive companies are increasingly preferred by investors and clients focused on social sustainability |
| Corporate Governance & Ethics | Business Ethics | Rising investor focus on business integrity aligns with Manteco's commitment to ethical conduct |
| | Transparency | Alignment with CSRD, ESRS and GRI frameworks strengthens market credibility |
| | Privacy Protection | Demonstrating leadership in privacy protection enhances competitiveness in global markets |
| | Cybersecurity | A strong cybersecurity posture improves Manteco's appeal to B2B customers and partners |
| Product Quality and Safety | Customer Satisfaction | Growing emphasis on sustainability among clients offers Manteco further avenues for collaboration and value creation |
| | Chemical Management | Proactive chemical management enhances brand differentiation and customer trust in luxury and technical textile markets |

| DOUBLE MATERIALITY | | |
|-------------------------------------|-------------------------|---|
| Material Topic | Material Sub-topics | - Financial Materiality (Outside-in) |
| Climate Change | Carbon Footprint | Future tightening of carbon pricing regulations could increase production and raw material compliance costs verification for Manteco |
| | Energy Management | Volatile energy markets and energy supply disruptions may increase operational risks |
| Product Lifecycle Management | Circularity | Circular supply chains require ongoing investment and adaptation to new regulations and consumer expectations |
| | Waste Management | Future regulations on textile waste will require additional investments in regulatory compliance verification |
| | Water Management | Increasing water scarcity may constrain production capabilities and increase input costs |
| | Packaging | Evolving packaging regulations could impose stricter material and design requirements |
| Sustainable Supply Chain Management | Raw Materials | Climate change impacts on fiber availability could disrupt supply and increase costs |
| | Labor Practices | Labor shortages and increasing wage pressures could affect production planning and margins |
| | Sustainable Sourcing | Growing scrutiny on supply chain transparency could expose any remaining gaps |
| | Local Production | Economic instability in local markets could impact cost structures and demand |
| | Animal Welfare | Public activism and NGO scrutiny on animal treatment practices may increase, putting pressure on transparency and certification processes |
| | Biodiversity | Increasing biodiversity regulations could require more extensive reporting and supplier monitoring |
| Human Capital Development | Cultivation of Talents | Competition for skilled labor is intensifying |
| | Health and Wellness | Regulatory tightening around occupational health standards could increase compliance obligations |
| | Diversity and Inclusion | Failure to meet evolving social expectations could affect stakeholder trust |
| Corporate Governance & Ethics | Business Ethics | Heightened regulatory scrutiny on anti-corruption and governance practices requires proactive monitoring |
| | Transparency | Fines and penalties for disclosure shortcomings represent a growing risk |
| | Privacy Protection | Compliance with evolving privacy laws (eg, GDPR updates) could increase operational complexity |
| | Cybersecurity | The sophistication of cyberattacks continues to grow, increasing defensive costs |
| Product Quality and Safety | Customer Satisfaction | Rising client expectations around ESG may create pressures to continuously innovate and improve |
| | Chemical Management | Stricter chemical regulations worldwide could drive up costs of innovation and product adaptation |

For the first time, Manteco conducted an assessment to evaluate the alignment between its identified material topics and those outlined in the S&P Global Corporate Sustainability Assessment (CSA)¹ and the Sustainability Accounting Standards Board (SASB)² framework, with a focus on the specific sector in which the company operates. The objective of the analysis is to identify any potential gaps or misalignments and to determine whether the topics the company considers material are consistent with the expectations of leading ESG raters and regulators. By comparing the company’s materiality matrix with the sector-specific guidance provided by S&P CSA and SASB, this review supports greater transparency, strengthens strategic alignment, and helps ensure that sustainability disclosures address the issues deemed most relevant by external stakeholders and standard-setters.

1. [S&P Global Corporate Sustainability Assessment \(CSA\)](#)
2. [Sustainability Accounting Standards Board \(SASB\)](#)

| Material Topic | Material Sub-topics | Standard | | Compliance | |
|-------------------------------------|-------------------------|--|------------------------------------|------------|-----|
| | | ESRS | GRI | SASB | S&P |
| Climate Change | Carbon Footprint | ESRS E1 | GRI 305 | | ● |
| | Energy Management | ESRS E1 | GRI 302 | | ● |
| Product Lifecycle Management | Circularity | ESRS E5 | GRI 301 | ● | ● |
| | Waste Management | ESRS E5 | GRI 306 | ● | ● |
| | Water Management | ESRS E3 | GRI 303 | ● | ● |
| | Packaging | ESRS E5 (partial) | GRI 301-3 (partial) | | ● |
| Sustainable Supply Chain Management | Raw Materials | ESRS E5 | GRI 301 | ● | ● |
| | Labor Practices | ESRS S2 | GRI 407, GRI 408, GRI 409, GRI 414 | ● | ● |
| | Sustainable Sourcing | ESRS S2 / E5 (partial) | GRI 308, GRI 414 | ● | ● |
| | Local Production | No direct Standard (Voluntary Disclosure) | | | |
| | Animal Welfare | | | | ● |
| | Biodiversity | ESRS E4 | GRI 304 | | ● |
| Human Capital Development | Cultivation of Talents | ESRS S1 | GRI 401, GRI 404 | | ● |
| | Health and Wellness | ESRS S1 | GRI 403 | | ● |
| | Diversity and Inclusion | ESRS S1 | GRI 405 | | ● |
| Corporate Governance & Ethics | Business Ethics | ESRS G1 | GRI 205, GRI 206 | | ● |
| | Transparency | ESRS G1 (partial) | GRI 2 (partial) | ● | ● |
| | Privacy Protection | ESRS S1/S4 (partial) | GRI 418 (partial) | | ● |
| | Cybersecurity | ESRS S4 (partial) | GRI 418 (partial relevance) | | ● |
| Product Quality and Safety | Customer Satisfaction | ESRS S4 (partial) | GRI 416 | | ● |
| | Chemical Management | ESRS E2/E5 | GRI 416, GRI 301 | ● | ● |

● Full Compliance ● Partial Compliance □ Not cited



Sustainability Plan

The Sustainability Plan 2024-2028 is the result of a careful internal and external analysis of Manteco and of the company's growing maturity in non-financial reporting. This has allowed us to start from a solid baseline and to define important and ambitious goals that integrate the different facets of the business, address the needs expressed by various stakeholders, and anticipate future regulatory expectations.
Approved by board of directors the 21st July 2025.

| SUSTAINABILITY PLAN | | | | | |
|---|-------------------------------|---|--|---------------------------------------|-----|
| Impact Mitigation and Enhancement Strategies | Timeframe | KPI | Criterion of achievement of the objective | Impacted Topic | SDG |
| Introduction of an emission accounting system | Short term | Scope and completeness of GHG emissions reporting | Presence of Scope 1,2,3 on sustainability report | Carbon Footprint | |
| Increase the share of renewable energy | Active | Percentage of available roof area covered by photovoltaic panels | 100% coverage of available roof area with photovoltaic panels | Energy Management | |
| Energy efficiency improvement projects in production processes | Short term | Percentage reduction in CO ₂ emissions at the Casentino Lane plant | 10% reduction in emissions at the Casentino Lane plant | Energy Management; Carbon Footprint | |
| Closed-loop recyclable fabric production using circular fibres | Active | Share of MWOol® and ReviWool® in total processed wool | MWOol® + ReviWool® share > 80% of processed wool | Circularity | |
| Creation of a biodiversity accounting system | Medium-Long Term | Presence of a biodiversity accounting system | Biodiversity accounting system implemented and active within the defined timeframe | Biodiversity | |
| Enhance supplier due diligence and ensure reliable information | Short term | Presence of a Supply Chain Engagement Policy | Supply Chain Engagement Policy implemented within the defined timeframe | Sustainable Sourcing | |
| Green claims supported by third-party verification (e.g., peer review, certifications) | Continuous improvement | Presence of third-party review for green claims | 100% of green claims covered by third party review | Transparency | |
| Management of wastewater discharge containing hazardous chemicals | Active/Short Medium Long term | Implementation status of active chemical management practices | Achievement and maintenance of ZDHC Supplier to Zero certification levels | Chemical Management, Water Management | |
| Improve traceability and transparency | Medium/Long term | Share of input raw materials with sustainability certifications | 60% of purchased inputs from certified sources | Sustainable Sourcing; Transparency | |
| Supply chain partnerships, supplier engagement, supply chain loyalty, and H&S social accounting | Active/Medium long term | Presence of the M-System social accounting system | M-System social accounting system implemented and operational | Labor Practices, Sustainable Sourcing | |
| Internal training | Active | Total annual hours of sustainability training provided to blue-collar employees | Minimum of 5 hours of sustainability training per year for each blue-collar employee | Cultivation of Talents | |
| Manteco Academy | Active | Number of activities delivered under the Manteco Academy program | Minimum of 10 Manteco Academy sessions per year | Cultivation of Talents | |

"Active // Short Term (end in or before 2026) // Medium-Long Term (end in or before 2028) // Continuous improvement"

| SUSTAINABILITY PLAN | | | | | |
|--|------------------------------|--|--|-------------------------|-----|
| Impact Mitigation and Enhancement Strategies | Timeframe | KPI | Criterion of achievement of the objective | Impacted Topic | SDG |
| Responsible purchasing of animal fibres | Active/Medium long term | Share of purchased fibres sourced from responsible farms | At least 50% of purchased fibres from responsible farms | Animal Welfare | |
| Support local production and ensure supply chain loyalty | Active | Percentage of production carried out by local subcontractors | 100% of production covered by local subcontractors | Local Production | |
| Recyclable packaging | Active | Share of packaging that is recyclable | At least 50% of packaging recyclable | Packaging | |
| Recycled packaging | Active | Share of packaging made from recycled materials | LDPE film containing a minimum of 30% recycled content | Packaging | |
| No discrimination based on race, gender, sex, or religion in recruitment | Medium /Long term | Presence of a dedicated policy | Dedicated policy approved and implemented across the organization | Diversity and Inclusion | |
| Implement robust corporate governance frameworks and ethics training | Short term | Percentage of new employees receiving sustainability training | 100% of new employees trained on sustainability | Business Ethics | |
| Strengthen anti-corruption policies with strict compliance programs | Short term Medium /Long term | Existence and implementation status of a dedicated anti-corruption policy and compliance program | Dedicated anti-corruption policy fully developed, approved by the Board, and implemented across all operations | Business Ethics | |
| Conduct regular compliance audits | Medium /Long term | Implementation progress of the compliance audit program roadmap | Compliance auditing roadmap developed, approved, and implemented | Business Ethics | |

HIGHLIGHTS

ReviWool®

IMPACTS



-65,6%
LESS ON CO²
EMISSIONS



-65,6%
LESS ON TOTAL
ENERGY USAGE



-65,5%
LESS ON WATER
CONSUMPTION

MWool®

IMPACTS



-99,2%
LESS ON CO²
EMISSIONS



-93,3%
LESS ON TOTAL
ENERGY USAGE



-99,9%
LESS ON WATER
CONSUMPTION

MANTECO®
for
ENVIRONMENT

ReviWool®

MWool®

Recype®

Animal Welfare

Circularity

Certifications & initiatives

Responsible chemical management

Supply chain's physical-chemical-dyeing compliance

Water consumption

Soil & energy

Emissions

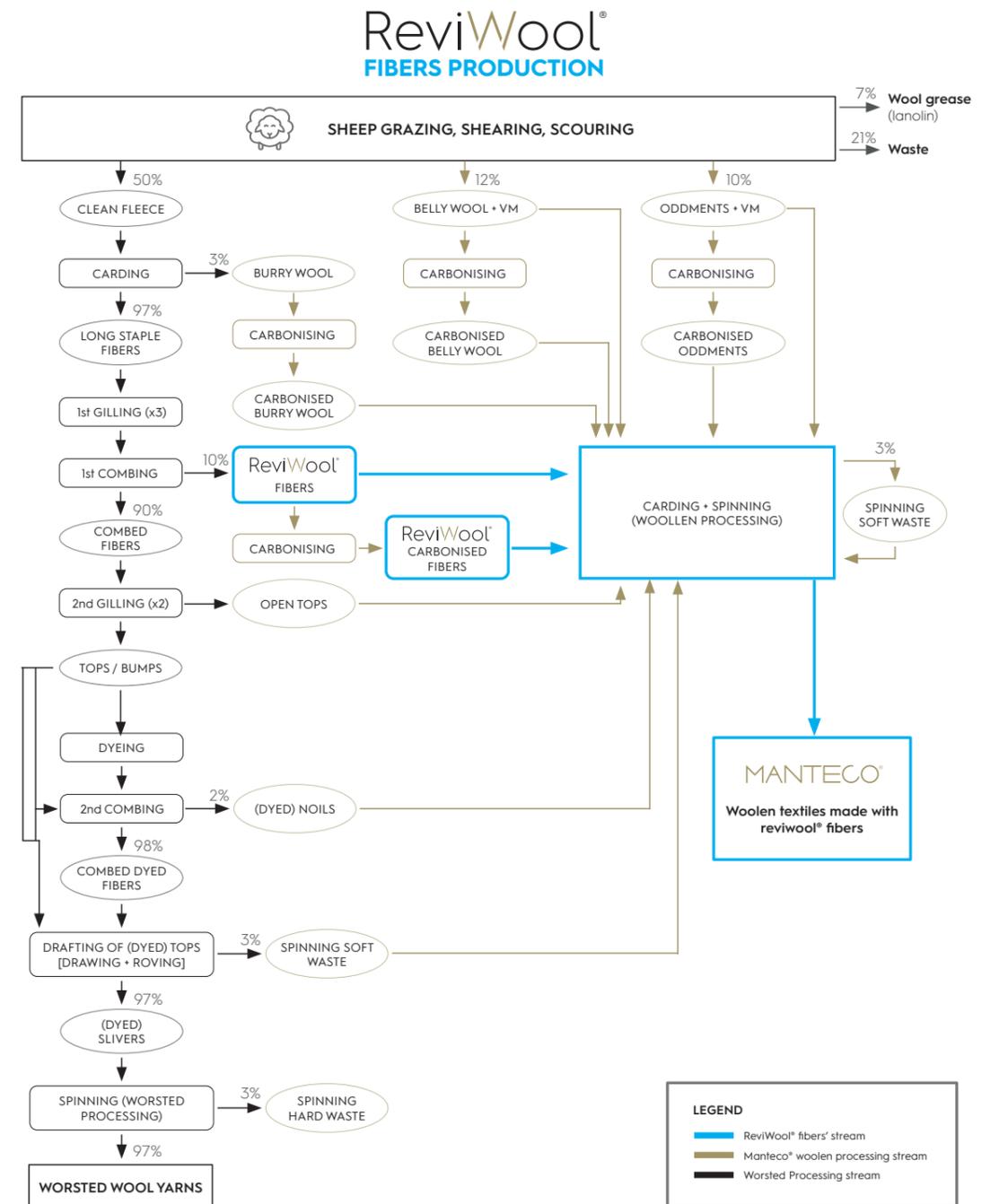
Waste

Raw Materials

Packaging

ReviWool®

This extra-fine and recyclable virgin wool is the result of Manteco circular DNA. The value leakage in the supply chain is eliminated by enhancing production cycle's and material's efficiency. ReviWool® is made of valuable co-product fibers coming from the worsting process of virgin wool, which instead of being wasted, are recovered and masterfully processed through the woollen process to create premium quality textiles with a lower environmental impact, all guaranteed by our MSystem zero-mile and specialized supply chain.



In 2022, through a study conducted in collaboration with the Politecnico di Torino Manteco calculated the impacts of the entire wool supply chain. The full study has been published in the [Journal of Cleaner Production](#). The study firstly provides a detailed mapping of processes and products involved in the wool production chain, from the sheep grazing to the yarn production, with particular attention to the woollen part.

Secondly, this study analyses the environmental impacts of the different intermediate products. It results that fibers, used in the woollen processing, generally have lower impacts than fibers addressed to the production of fine yarns. The study is one-of-a-kind, as not only did it manage to allocate the right impact to ReviWool®, but simultaneously managed to shed light on the impacts related to the different wool components.

ReviWool® promotes value capture and enhances wool production cycles' efficiency and allow to account the huge environmental savings compared to open tops.

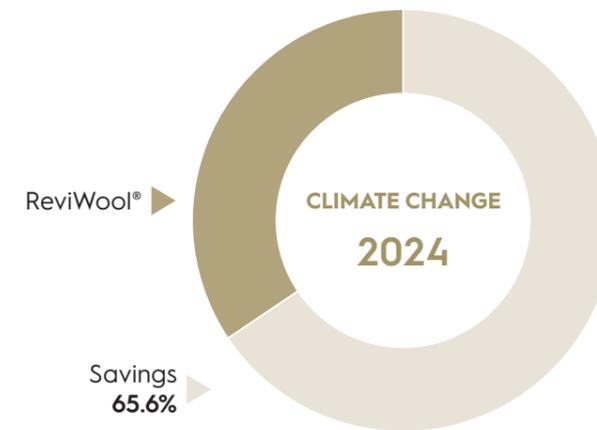
| PROCESSED QUANTITIES | | |
|----------------------|--------------|--------------|
| 2022 | 2023 | 2024 |
| 1,249,947 Kg | 1,722,151 Kg | 1,446,606 Kg |

By the ratio between the carbonised and non carbonised fibres below the impact of ReviWool® fibers compared to generic virgin wool open tops was as follows:

| Impact category | Unit | ReviWool | Open Tops |
|-----------------------------------|------------------------|----------|-----------|
| Climate change | kg CO ₂ eq | 2.95E+01 | 8.57E+01 |
| Ozone depletion | kg CFC11 eq | 3.61E-07 | 1.04E-06 |
| Photochemical ozone formation | kg NMVOC eq | 2.56E-02 | 7.44E-02 |
| Particulate matter | disease inc. | 4.73E-06 | 1.37E-05 |
| Acidification | mol H ⁺ eq | 6.68E-01 | 1.94E+00 |
| Eutrophication, freshwater | kg P eq | 7.21E-03 | 2.09E-02 |
| Eutrophication, terrestrial | mol N eq | 2.95E+00 | 8.56E+00 |
| Ecotoxicity, freshwater | CTUe | 4.67E+02 | 1.36E+03 |
| Land use | Pt | 3.08E+03 | 8.95E+03 |
| Water use | m ³ depriv. | 5.36E+00 | 1.55E+01 |
| Resource use, fossils | MJ | 4.03E+01 | 1.16E+02 |
| Resource use, minerals and metals | kg Sb eq | 5.32E-05 | 1.54E-04 |

*Such fibers are virgin according to EU Regulation 1007-2011 Art. 8 Entry 1.

CLIMATE CHANGE (t CO₂ eq.)



Climate Change Savings

2022 ▶ 70,247
2023 ▶ 96,785
2024 ▶ 81,299

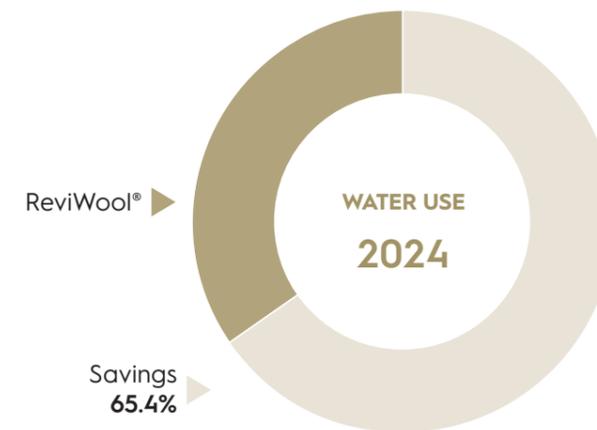
Reviwool® Climate Change

2022 ▶ 36,873
2023 ▶ 50,803
2024 ▶ 42,675

Theoretical Open Tops Climate Change

2022 ▶ 107,120
2023 ▶ 147,588
2024 ▶ 123,974

WATER USE (m³ depriv.)



Water Use Savings

2022 ▶ 12.68K
2023 ▶ 17.45K
2024 ▶ 14.67K

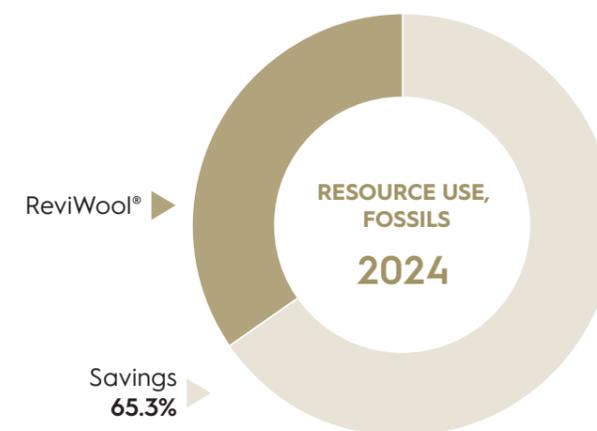
Reviwool® Water Use

2022 ▶ 6.69K
2023 ▶ 9.23K
2024 ▶ 7.75K

Theoretical Open Tops Water Use

2022 ▶ 19.37K
2023 ▶ 26.69K
2024 ▶ 22.42K

RESOURCE USE, FOSSILS (TJ)



Resource Use, Fossils Savings

2022 ▶ 95.12
2023 ▶ 129.68
2024 ▶ 109.51

Reviwool® Resource Use, Fossils

2022 ▶ 49.87
2023 ▶ 70.09
2024 ▶ 58.30

Theoretical Open Tops Resource Use, Fossils

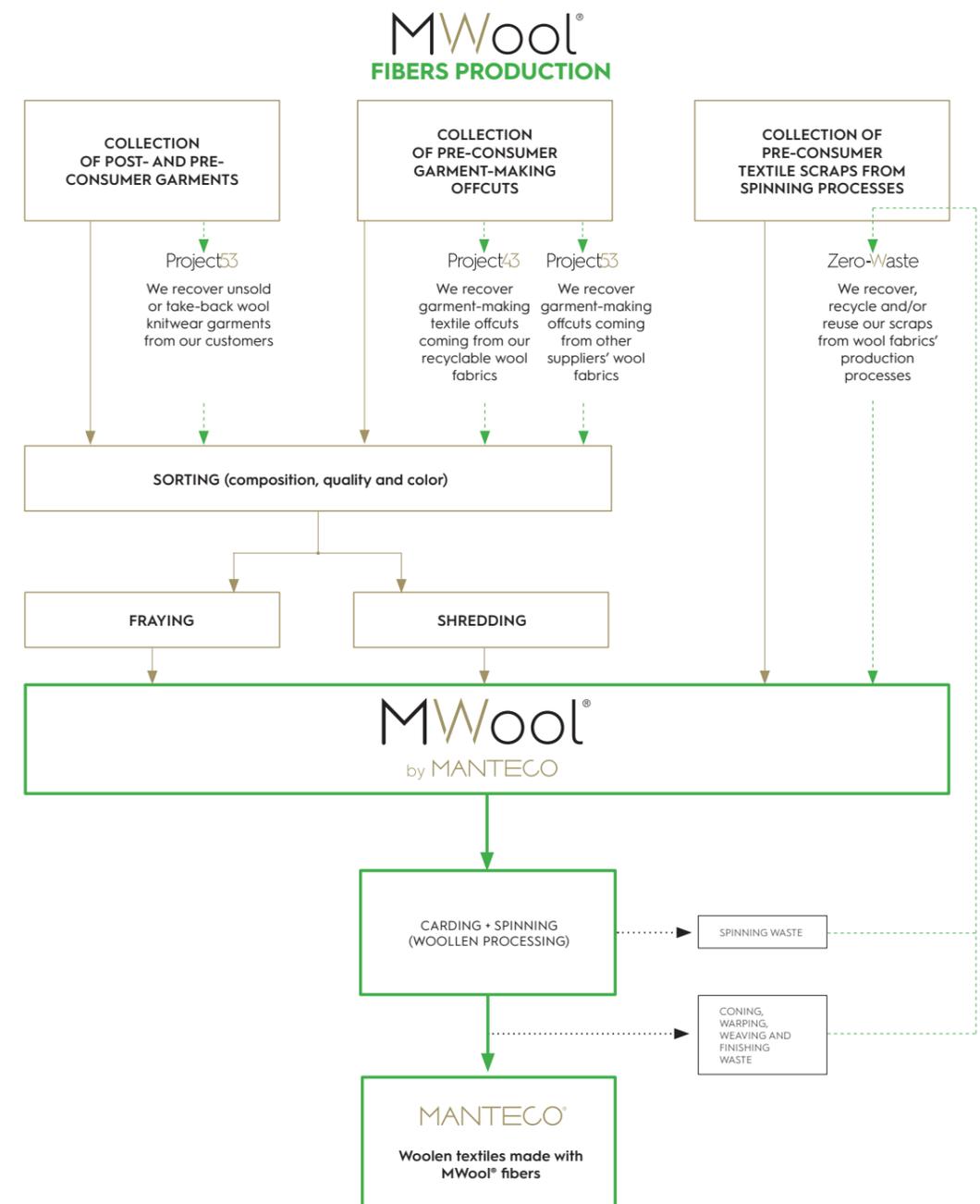
2022 ▶ 144.99
2023 ▶ 199.77
2024 ▶ 167.81



MWool®

MWool® is the key ingredient of our premium and circular recycled wool textiles.

This low-impact and high-end fiber is the result of more than 80 years of circular know-how, innovation and science. MWool® is a raw material that fosters an all-round circular economy, as it is made by mechanically recycling post-industrial waste, pre-consumer offcuts and leftovers, and – even most importantly – post-consumer garments.



MWool® stands out for an accurate selection and deep testing of the best possible raw materials, a low-impact mechanical recycling process, a masterful and dyes-free color creation through our Recype® process, a painstaking quality control and testing, all guaranteed by our MSystem zero-mile and highly specialized supply chain.

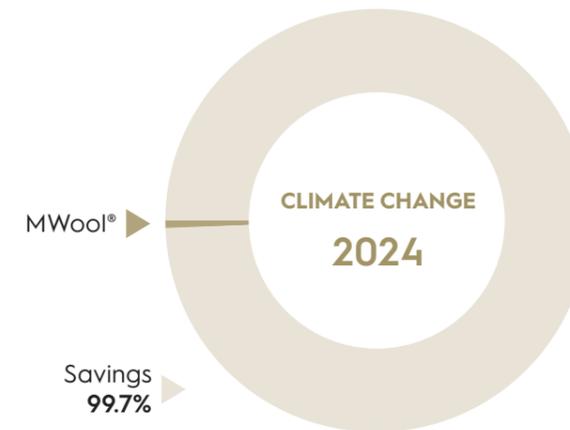
Thanks to a collaboration with the Politecnico di Torino, MWool® became the first-ever recycled wool with a Life Cycle Assessment that was approved by scientific community (MDPI Resources). As a result of the study, two certification activities were carried out:

Based on the study, and as a result of the type and source of raw material purchased, the impact of 1Kg of processed MWool® fibers, in 2024, is listed below in comparison to 1 kg of generic virgin wool, and the savings accounting based on total processed material.

| PROCESSED QUANTITIES | | |
|----------------------|--------------|--------------|
| 2022 | 2023 | 2024 |
| 1,575,862 Kg | 1,301,009 Kg | 1,201,403 Kg |

| Impact category | Unit | MWool | Generic Virgin wool |
|-----------------------------------|------------------------|----------|---------------------|
| Climate change | kg CO ₂ eq | 2,41E-01 | 7.58E+01 |
| Ozone depletion | kg CFC11 eq | 4,35E-08 | 1.17E-06 |
| Photochemical ozone formation | kg NMVOC eq | 2.84E-03 | 7.31E-02 |
| Particulate matter | disease inc. | 1.45E-08 | 1.19E-05 |
| Acidification | mol H ⁺ eq | 3.67E-03 | 1.69E+00 |
| Eutrophication, freshwater | kg P eq | 2.18E-05 | 1.83E-02 |
| Eutrophication, terrestrial | mol N eq | 1.05E-02 | 7.43E+00 |
| Ecotoxicity, freshwater | CTUe | 2.54E+00 | 1.20E+03 |
| Land use | Pt | 1.20E+00 | 7.74E+03 |
| Water use | m ³ depriv. | 2.27E-02 | 1.39E+01 |
| Resource use, fossils | MJ | 3.17E+00 | 1.25E+02 |
| Resource use, minerals and metals | kg Sb eq | 1.47E-06 | 1.38E-04 |

CLIMATE CHANGE (t CO₂ eq.)



Climate Change Savings

2022 ▶ 119,004
2023 ▶ 98,267
2024 ▶ 90,776

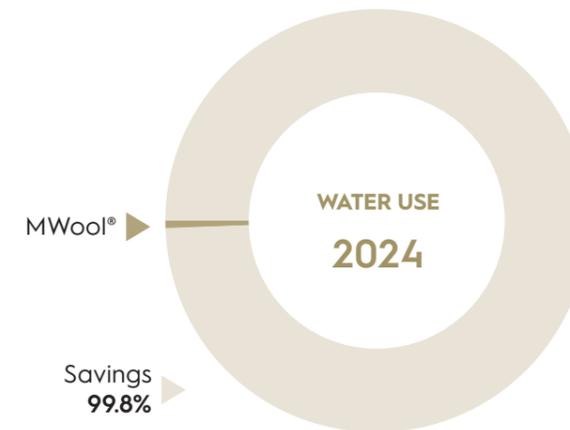
MWool® Climate Change

2022 ▶ 446
2023 ▶ 349
2024 ▶ 290

Theoretical Generic Virgin Wool Climate Change

2022 ▶ 119,450
2023 ▶ 98,616
2024 ▶ 91,066

WATER USE (m³ depriv.)



Water Use Savings

2022 ▶ 21.861K
2023 ▶ 18.054K
2024 ▶ 16.672K

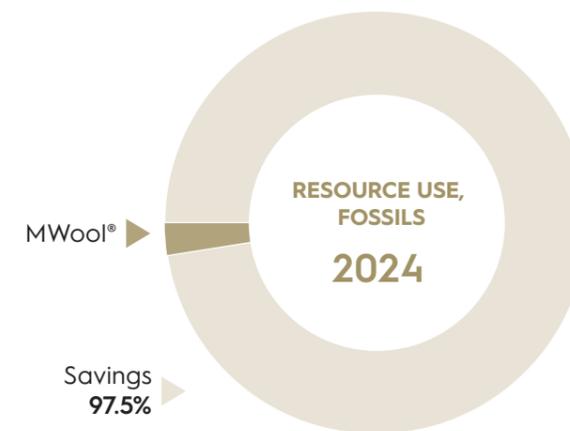
MWool® Water Use

2022 ▶ 43K
2023 ▶ 30K
2024 ▶ 27K

Theoretical Generic Virgin Wool Water Use

2022 ▶ 21.904K
2023 ▶ 18.084K
2024 ▶ 16.699K

RESOURCE USE, FOSSILS (TJ)



Resource Use, Fossils Savings

2022 ▶ 191.1
2023 ▶ 162.6
2024 ▶ 146.4

MWool® Resource Use, Fossils

2022 ▶ 5.8
2023 ▶ 4.77
2024 ▶ 3.8

Theoretical Generic Virgin Wool Resource Use, Fossils

2022 ▶ 196.9
2023 ▶ 162.63
2024 ▶ 150.2

Recype®

When it comes to creating M Wool® colors, no added dye is needed for our company, since these fibers come already dyed from their former life. Through the Recype® process, our artisans of the raw material department manage to devise new wool colors just by mixing numerous and different shades of recycled wool fibers, developing actual 'recipes' of no-dye colors, which are archived and adapted to the kgs of yarns that need to be produced. Thanks to this technique, and more than 80 years in the field of wool recycling, Manteco has developed more than 1,000 colors. M Wool® color creation is not only technical, but also art and craftsmanship. Batches of recycled wool of the same color tone cannot always be found on the market.

The mastery of Manteco's color specialists during the Recype® process lies in compensating these differences in the Recype® composition, in order to achieve the same final share and guarantee production consistency, scalability and repeatability.

Biodiversity

Biodiversity accounting is a material theme that Manteco is currently analysing. The company is not yet able to disclose any figures, but it is working to establish a robust accounting system. Manteco will disclose all relevant information once the methodology is robust enough to be shared.



Animal Welfare

On March 9, 2022, the amendment of Articles 9 and 41 of the Constitution of the Italian Republic entered into force, making the protection of animals and the environment one of the principles in the fundamental Charter on which the laws of the Republic are based.

In 2021, Manteco conducted an animal welfare action. We asked our virgin animal fiber suppliers to sign our policy related to animal welfare. Manteco's Animal Welfare policy is based on the Five Animal Freedoms, in accordance with the IWTO "Specifications for Wool Sheep Welfare" guidelines which recommend iwto.org

1. Freedom from hunger and thirst through free access to water and food;
2. Freedom from discomfort provide an appropriate environment including comfortable shelters and rest areas;
3. Freedom from pain, injury and disease through rapid prevention, diagnosis and treatment;
4. Freedom to express normal behavioral characteristics by providing sufficient space, appropriate facilities and companionship of the same animal species;
5. Freedom from fear and discomfort by ensuring conditions and treatments that avoid mental suffering.

The official formalization of the animal welfare policy was an additional step to the actions already underway carried out by the company. In fact, over the years, increasing attention has been paid to the purchase of wool produced by responsible RWS certified farms and No Mulesing virgin wools.

| | 2022 | 2023 | 2024 |
|----------------------------------|-----------|-----------|-----------|
| No-mulesing wool purchases Kg | 589,610 | 462,449 | 327,758 |
| | 29.7% | 24.6% | 21.3% |
| RWS-certified wool purchases | 162,172 | 399,881 | 815,525 |
| | 8.2% | 21.3% | 52.9% |
| Total wool purchases | 1,981,663 | 1,876,551 | 1,538,771 |
| Total responsible wool purchases | 751,782 | 862,330 | 1,143,283 |
| | 37.9% | 45.9% | 74.3% |

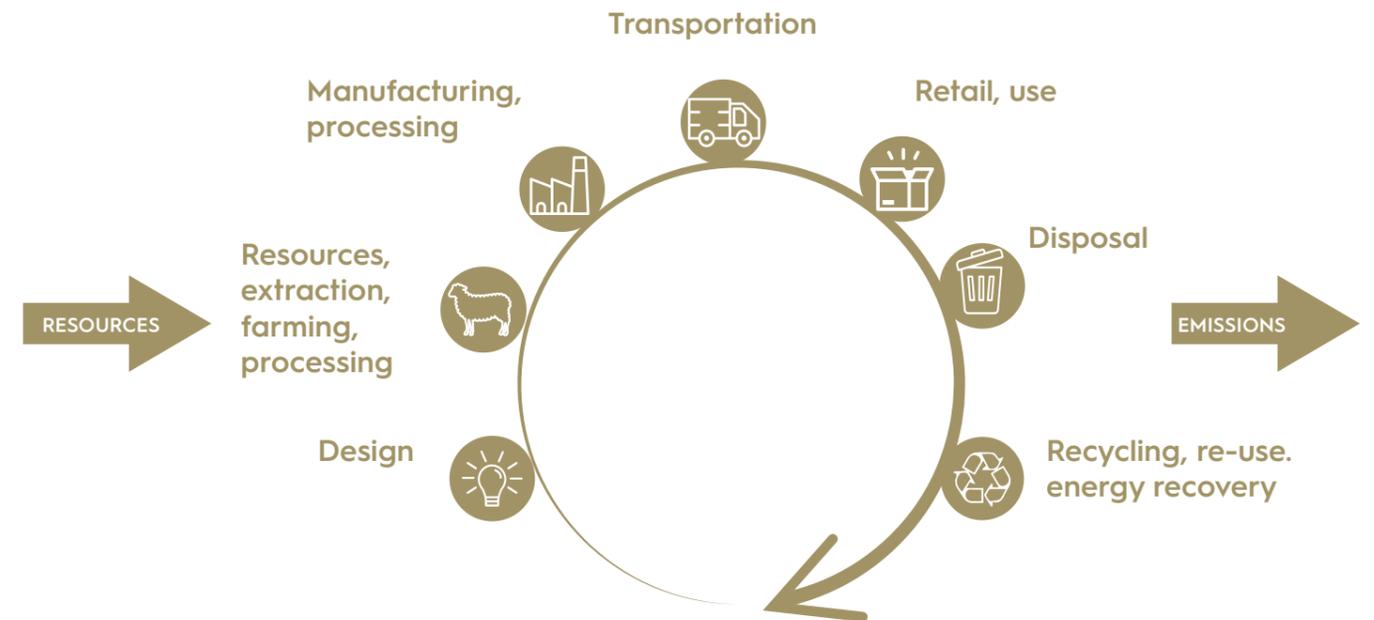
In 2024, Manteco's purchases in responsible wool from RWS are more than doubled. In total, the purchase of wool from responsible farming is increased of 28%.

According to the latest Textile Exchange report, (textileexchange.org) RWS wool production is 4% of the global market.



Circularity

Manteco was born circular. Its governance and its production model are circular, just like the creation and production of recyclable fabrics, and the use of recycled materials are the basis of the company's industrial project. By adopting the basic concept of Life Cycle Thinking, which refers to the need to assess the burden and benefits associated with products / sectors / projects that adopt a holistic perspective, from raw materials to the end of life*, Manteco has developed a series of activities within its production.



1. SUSTAINABLE DESIGN

Manteco® fabrics are designed to be durable and recycled. Thanks to investments in R&D, the company has developed specific know-how in the design of fabrics that can be easily reused in production cycles. The "Sustainable Design" initiative shows how the company thinks in a circular way. The recycling phase is not the last step in the life cycle of the fabric, but the starting point for the sustainable production of new fabrics.

2. ZERO WASTE

The production waste coming from the Manteco® value chain is largely recycled and reintroduced into the production cycle. The "Zero Waste" project aims to ensure that waste is not considered as such, but as a precious raw material for the creation of a new product, leading to both economic and environmental benefits.

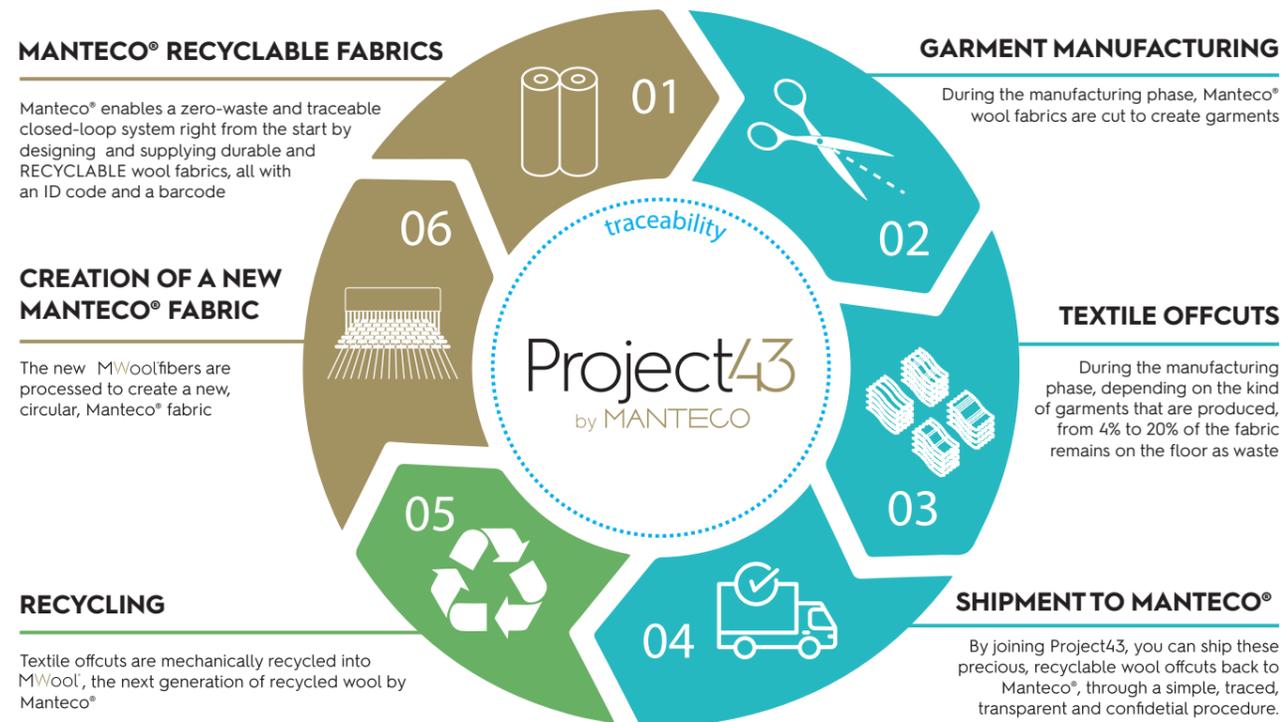
In 2024, Manteco® recovered 163,689 kg of industrial waste and, following a careful sorting process, 67.0% of this was reintroduced in the production cycle.

*European Commission Service Site eplca.jrc.ec.europa.eu

| Year | Total recovered materials kg | Total Reused materials kg | % |
|------|------------------------------|---------------------------|-------|
| 2022 | 215,372 | 153,990 | 71.5% |
| 2023 | 253,660 | 201,547 | 79,4% |
| 2024 | 163,689 | 110,428 | 67.0% |

3. Project43

The manufacturing of garments leads to a fabric wastage, from 4% to 20%, depending on the design and shape. Through Project43, these scraps return to Manteco and are given a new life. This way, a complete circular project is created, with undoubted environmental benefits, as there is a waste optimization, the production of recycled fabrics with completely traced materials, the promotion of a real culture of recycling. Through a partner company, Manteco purchases waste from its customers and issues a certificate stating the quantity of fabric that has been saved from downcycling processes or even worse.



In 2024, thanks to Project43, we recovered 68,787 kg of garment-making offcuts.

| P43 | | | |
|-------------------------------|--------|--------|--------|
| Year | 2022 | 2023 | 2024 |
| Total kg of recovered offcuts | 53,600 | 69,067 | 68,787 |

4. PRODUCTION OF UPCYCLED POCHETTES AND OTHER GADGETS

Manteco® has found a way to make the most of deadstock fabric rolls and discarded colorings and trials leftovers from collection development. Instead of being wasted, they are upcycled into Manteco Pochettes, which are used as a container for our textile swatches when we send selections to our customers (later usable as a fancy laptop or documents case). Deadstock fabric rolls and discarded colorings and trials leftovers from collection development can also be upcycled into Manteco® UpBlankets (manteco.com/upblanket), one-of-a-kind, home-bound blankets made the we currently use as a special gift.

Certifications & initiatives

Any claim of sustainability made by Manteco is supported by evidence that makes it unassailable. The legislation of various countries is tightening regulations against 'greenwashing', which is why Manteco, before making any communication, establishes a framework to support its statements. Manteco's sustainability assertions follow the principles of UNI ISO/TS 17033:2020, which provide the following guidelines:

RELIABILITY
TRANSPARENCY
RELEVANCE
STAKEHOLDER INVOLVEMENT
EQUITY

In order to fulfill the principles listed above, Manteco has conducted a series of actions related to obtaining certifications and initiatives.

Timeline of the certifications we have obtained so far:

- 2017** ● Global Recycled Standard (GRS): it certifies the amount of recycled raw material in a fabric and its value chain.
- 4sustainability® Commitment and the implementation of the Chemical Management Protocol (CHEM) for the elimination of toxic and hazardous substances in production through the MSRL ZDHC (Manufacturing Restricted Substances List - Zero Discharge of Hazardous Chemicals).
- 2019** ● Responsible Wool Standard (RWS); voluntary standard addressing the welfare of sheep and the management of the land they graze. In 2022 this standard Textile Exchange merged this standard along with RMS (Responsible Mohair Standard) and RAS (Responsible Alpaca Standard) into the RAF Responsible Animal Standard.
- 2020** ● Organic Content Standard (OCS) that tracks the presence of organically produced fiber throughout the supply chain.
- 2021** ● European Flax® that ensures traceability of the presence of fine flax grown in France, Belgium and the Netherlands.
- 2022** ● EPD® Environmental Product Declaration of a 100% M Wool® yarn, which transparently reports environmental data for a product's life cycle according to the international ISO 14025 standard.
- ZDHC Supplier to Zero Foundation Level, it certifies the application of MRS L ZDHC at the Foundational level.
- 2023** ● EPD® Environmental Product Declaration of fabrics collections: ReviWool® blend fabrics, M Wool® blend fabrics, Pure M Wool® fabrics, Woolten® fabrics.
- 2024** ● EPD® Environmental Product Declaration of fabrics collections: Noble® MW, Noble® RV



Timeline - initiatives:

- 2019** ● BCI Better Cotton Initiative, facilitating best practices in cotton farming through education, working conditions and environmental considerations.
- 2021** ● The Ellen MacArthur Foundation is an international charity that develops and promotes the circular economy in order to tackle some of the biggest challenges of our time, such as climate change, biodiversity loss, waste, and pollution. (ellenmacarthurfoundation.org)
Manteco's participation in the Ellen Mc Arthur Foundation aims to accelerate the transition to a circular economy through the six thematic areas: learning, business, institutions governments and cities, insight and analysis, systemic initiatives, and communication. Manteco participated in both workshops organized by the foundation.
- 2021** ● Monitor for Circular Fashion- SDA Bocconi, which through the collaboration of virtuous companies disseminates best practices of circular fashion, promoting technical, managerial and scientific skills in order to contribute to the transition to circular business models. (www.sdabocconi.it/circularfashion)



EPD® Environmental product declaration

In 2024, Manteco® continued its efforts to measure the environmental impacts of its fabrics, continuing the work from the previous year, and certified the Environmental Product Declaration (EPD) for Noble®RV and Noble®MW fabrics.

The Environmental Product Declaration (EPD®) is a verified, transparent environmental label classified as a Type III environmental declaration according to the ISO 14020 series standards, particularly ISO 14025. This standardized tool quantifies the environmental impacts associated with a product throughout its entire life cycle, calculated using Life Cycle Assessment (LCA) methodology. To obtain the EPD® label, a detailed technical study is required, conducted in accordance with specific Product Category Rules (PCR) for the product or service in question. An independent verifier then assesses this study to ensure its accuracy, credibility, and compliance with the relevant PCR, thus guaranteeing comparability.

As a cradle-to-grave analysis, EPDs provide comprehensive information on environmental performance at every stage of the product's life cycle, from raw material acquisition and energy use to material resource consumption.

On the next page, you will find the results of the environmental performance indicators for 1 sqm of declared unit.



Noble RV®

EPD analyzing the impact fabrics containing 100% wool

| IMPACT CATEGORY | UNIT | UPSTREAM | CORE | DOWNSTREAM | | | TOTAL | | | | |
|----------------------------------|-----------------------------------|-----------------|----------|-----------------|----------|----------|-----------------|------------------|----------|----------|-----------------|
| | | Total Upstream | A1 | Total Core | A2 | A3 | | Total Downstream | C1 | C2 | C3 |
| GWP total | kg CO ₂ eq. | 2,07E+01 | 2,07E+01 | 7,52E+00 | 3,32E-01 | 7,19E+00 | 1,75E+00 | 1,22E-01 | 9,80E-03 | 1,62E+00 | 3,00E+01 |
| GWP fossil | kg CO ₂ eq. | 5,60E+00 | 5,60E+00 | 7,29E+00 | 3,31E-01 | 6,96E+00 | 2,05E-01 | 1,22E-01 | 9,79E-03 | 7,34E-02 | 1,31E+01 |
| GWP biogenic | kg CO ₂ eq. | 1,23E+01 | 1,23E+01 | 2,00E-01 | 1,21E-04 | 2,00E-01 | 1,54E+00 | 1,21E-04 | 3,82E-06 | 1,54E+00 | 1,40E+01 |
| GWP luluc | kg CO ₂ eq. | 2,84E-00 | 2,84E-00 | 2,78E-02 | 1,34E-04 | 2,76E-02 | 8,47E-05 | 7,77E-05 | 3,52E-06 | 3,41E-06 | 2,87E+00 |
| ODP | kg CFC 11 eq. | 6,47E-07 | 6,47E-07 | 8,06E-07 | 7,20E-08 | 7,34E-07 | 2,58E-08 | 2,20E-08 | 2,14E-09 | 1,67E-09 | 1,48E-06 |
| AP | mol H ⁺ eq. | 3,33E-02 | 3,33E-02 | 2,74E-02 | 2,87E-03 | 2,45E-02 | 8,77E-04 | 6,10E-04 | 4,94E-05 | 2,17E-04 | 6,16E-02 |
| EP freshwater | kg P eq. | 7,22E-04 | 7,22E-04 | 3,98E-04 | 2,47E-06 | 3,96E-04 | 2,45E-06 | 1,90E-06 | 8,55E-08 | 4,61E-07 | 1,12E-03 |
| EP marine | kg N eq. | 1,51E-02 | 1,51E-02 | 5,70E-03 | 7,67E-04 | 4,93E-03 | 4,14E-04 | 1,90E-04 | 1,67E-05 | 2,08E-04 | 2,12E-02 |
| EP terrestrial | mol N eq. | 8,99E-02 | 8,99E-02 | 5,26E-02 | 8,50E-03 | 4,41E-02 | 3,33E-03 | 2,12E-03 | 1,84E-04 | 1,03E-03 | 1,46E-01 |
| POCP | kg NMVOC eq. | 2,95E-02 | 2,95E-02 | 1,55E-02 | 2,37E-03 | 1,31E-02 | 1,31E-03 | 6,78E-04 | 5,24E-05 | 3,97E-04 | 4,61E-02 |
| ADP minerals & metals | kg Sb eq. | 5,40E-05 | 5,40E-05 | 4,91E-05 | 1,05E-06 | 4,80E-05 | 1,78E-06 | 1,71E-06 | 3,45E-08 | 3,17E-08 | 1,05E-04 |
| ADP fossil | MJ, net calorific value | 7,41E+01 | 7,41E+01 | 1,27E+02 | 4,82E+00 | 1,23E+02 | 2,07E+03 | 1,76E+00 | 1,45E-01 | 1,58E-01 | 2,04E+02 |
| WDP | m ³ world eq. deprived | 2,10E+01 | 2,10E+01 | 1,39E+00 | 1,35E-02 | 1,37E+00 | 1,76E-02 | 1,24E-02 | 4,66E-04 | 4,75E-03 | 2,24E+01 |

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Noble MW®

EPD analyzing the impact fabrics containing 90% wool and 10% cashmere

| IMPACT CATEGORY | UNIT | UPSTREAM | CORE | DOWNSTREAM | | | TOTAL | | | | |
|----------------------------------|-----------------------------------|-----------------|----------|-----------------|----------|----------|-----------------|------------------|----------|----------|-----------------|
| | | Total Upstream | A1 | Total Core | A2 | A3 | | Total Downstream | C1 | C2 | C3 |
| GWP total | kg CO ₂ eq. | 4,34E+00 | 4,34E+00 | 6,17E+00 | 6,93E-02 | 6,10E+00 | 1,75E+00 | 1,22E-01 | 9,80E-03 | 1,62E+00 | 1,23E+01 |
| GWP fossil | kg CO ₂ eq. | 1,63E+00 | 1,63E+00 | 5,97E+00 | 6,92E-02 | 5,90E+00 | 2,05E-01 | 1,22E-01 | 9,79E-03 | 7,34E-02 | 7,81E+00 |
| GWP biogenic | kg CO ₂ eq. | 2,03E-00 | 2,03E+00 | 1,74E-01 | 2,64E-05 | 1,74E-01 | 1,54E+00 | 1,21E-04 | 3,82E-06 | 1,54E+00 | 3,75E+00 |
| GWP luluc | kg CO ₂ eq. | 6,74E-01 | 6,74E-01 | 2,54E-02 | 2,56E-05 | 2,54E-02 | 8,47E-05 | 7,77E-05 | 3,52E-06 | 3,41E-06 | 7,00E-01 |
| ODP | kg CFC 11 eq. | 1,80E-07 | 1,80E-07 | 6,01E-07 | 1,50E-08 | 5,86E-07 | 2,58E-08 | 2,20E-08 | 2,14E-09 | 1,67E-09 | 8,06E-07 |
| AP | mol H ⁺ eq. | 1,06E-02 | 1,06E-02 | 2,29E-02 | 3,72E-04 | 2,26E-02 | 8,77E-04 | 6,10E-04 | 4,94E-05 | 2,17E-04 | 3,45E-02 |
| EP freshwater | kg P eq. | 1,80E-04 | 1,80E-04 | 3,61E-04 | 5,78E-07 | 3,60E-04 | 2,45E-06 | 1,90E-06 | 8,55E-08 | 4,61E-07 | 5,43E-04 |
| EP marine | kg N eq. | 4,59E-03 | 4,59E-03 | 4,09E-03 | 1,05E-04 | 3,98E-03 | 4,14E-04 | 1,90E-04 | 1,67E-05 | 2,08E-04 | 9,09E-03 |
| EP terrestrial | mol N eq. | 2,90E-02 | 2,90E-02 | 4,07E-02 | 1,16E-03 | 3,95E-02 | 3,33E-03 | 2,12E-03 | 1,84E-04 | 1,03E-03 | 7,31E-02 |
| POCP | kg NMVOC eq. | 8,78E-03 | 8,78E-03 | 1,2E-02 | 3,41E-04 | 1,17E-02 | 1,13E-03 | 6,78E-04 | 5,24E-05 | 3,97E-04 | 2,19E-02 |
| ADP minerals & metals | kg Sb eq. | 1,44E+05 | 1,44E+05 | 4,73E-05 | 2,35E-07 | 4,70E-05 | 1,78E-06 | 1,71E-06 | 3,45E-08 | 3,17E-08 | 6,34E-05 |
| ADP fossil | MJ, net calorific value | 2,38E+01 | 2,38E+01 | 1,07E+02 | 1,02E+00 | 1,06E+02 | 2,07E+00 | 1,76E+00 | 1,45E-01 | 1,58E-01 | 1,33E+02 |
| WDP | m ³ world eq. deprived | 5,17E+00 | 5,17E+00 | 1,17E+00 | 3,15E-03 | 1,16E+00 | 1,76E-02 | 1,24E-02 | 4,66E-04 | 4,75E-03 | 6,35E+00 |

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Responsible chemical management

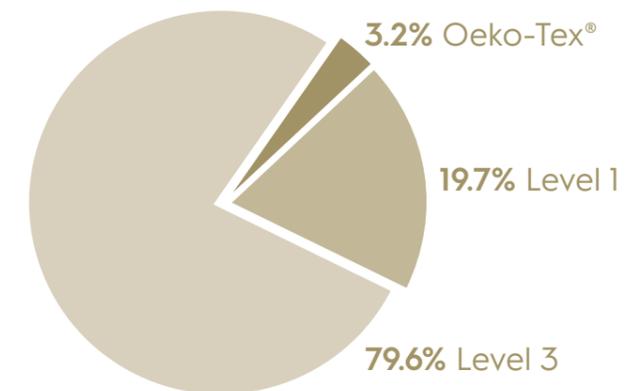
Production chemical management and product chemical compliance are pillars of Manteco's sustainability policy. In accordance with the 4Sustainability® chemical management protocol, Manteco also in 2024 mapped and qualified its supply chain, reaching the Advanced level.

A separate chapter addresses chemical risk management with regard to recycled raw materials. In this case, a fully predictive chemical management system is currently not feasible, because the raw materials used have diverse origins, dyeing techniques, finishing processes, and production periods. Thanks to an effective sampling method, fiber samples can be obtained whose analysis results are representative of the batch, but theoretically, each fiber in each individual batch of recycled wool may have its own history. For this reason, Manteco systematically performs chemical tests upon receipt of purchased recycled wool to verify compliance with worldwide mandatory regulations and brand PRSLs. In this context, Manteco adheres to the precautionary principle*.

In 2024, Manteco carried out 2,224 chemical tests. A major verification exercise on total fluorine and bisphenols has been initiated to ensure product conformity with the new restrictions on both substances.

In 2024, Manteco also achieved the ZDHC® Progressive level of the Supplier to Zero program. Integrated management of laboratory results is carried out through the MData® software, which allows comparative verification of the performance of each individual parameter. This structured data organization gives Manteco a clear view of its supply chain and provides a factual and circumstantial basis to improve product quality.

Casentino Lane used 71,589 kg of textile auxiliaries in its production process. The auxiliaries used are included in the ZDHC® Gateway or are Oeko-Tex® certified.



*United Nations (UN), "RIO Declaration on Environment and Development," 1992. The principle states, "In order to protect the environment, States will broadly apply, according to their capabilities, the precautionary approach. Where there is a risk of serious or irreversible damage, the absence of absolute scientific certainty should not serve as an excuse for postponing the adoption of cost-effective measures directed at preventing environmental degradation."

Water consumption

The production activities of both companies within the reporting perimeter do not generate industrial wastewater; discharges result solely from domestic consumption. A limited amount of water is used by Casentino Lane to dissolve spinning auxiliaries that are sprayed on the fibers prior to transformation. These very small quantities of water evaporate during the industrial process.

Water consumption

| | 2022 | 2023 | 2024 |
|---------------------------------|-------|-------|-------|
| Total water used m ³ | 1,381 | 1,651 | 1,535 |

Wet processing subcontractors within the Manteco System are authorized to discharge industrial wastewater in compliance with legal requirements and are subject to the prescribed periodic inspections. The wastewater is treated at the G.I.D.A. Consortium www.gida-spa.it



Soil & energy

Soil sealing represents the most serious impact on soil, as it prevents natural ecosystem functions from taking place and leads to complete and irreversible degradation. Concrete and asphalt surfaces seal the soil, preventing it from storing water, producing food and biomass, regulating climate, buffering harmful chemicals, and providing habitat. Sealed surfaces also stop rainwater from infiltrating the ground, where it could otherwise be filtered and replenish groundwater reserves.



Building A: Via della Viaccia, 19
Construction date: 1970
Total surface: 6,783 mq
Covered surface: 4,863 mq

Building B: Via dei Mille, 10
Construction date: 1962
Total surface: 6,311 mq
Covered surface: 5,834 mq

Building D: Via della Viaccia, 27, 29
e Via l Maggio 31, 33
Construction date: 1978
Total surface: 5,663 mq
Covered surface: 3,839 mq

Building C: Via dei Mille, 10
Construction date: 1962
Total surface: 6,311 mq
Covered surface: 5,834 mq

To mitigate these impacts, Manteco's policy prioritizes the renovation of existing industrial buildings over the construction of new ones, in response to the company's growing need for additional space. In summer 2024, the yarn warehouse was transferred to Building C, improving logistical flexibility in yarn handling. The full restoration of Building C is scheduled for completion in 2025.

In the reporting year, the solar power plant installed on Building D was commissioned. A new plant has also been installed on the new building, though it is not yet operational. Due to the restoration works at Building C, temporary additional electricity consumption has occurred, with overall consumption expected to stabilize by the end of 2025.

The conversion coefficients published annually by the Department for Environment Food & Rural Affairs (DEFRA) of the U.K. government were used for the GJ conversions.

| | | u.m | 2024 |
|--|--|---------|-----------|
| | | | |
| Electricity | Electricity consumption* | kWh | 2,255,367 |
| | | GJ | 8,119 |
| | Purchased electricity | kWh | 1,984,210 |
| | | GJ | 7,143 |
| | Electricity produced by photovoltaics | kWh | 596,065 |
| | | GJ | 2,145 |
| | Of which produced by photovoltaic system and sold to grid operator | kWh | 325,448 |
| GJ | | 1,171 | |
| Of which produced by photovoltaic system and consumed in-house | kWh | 271,157 | |
| | GJ | 0,76 | |
| Self-consumed PV electricity | % | 12.0% | |
| Natural Gas | Heating consumption** | S^m³ | 182,509 |
| | | GJ | 6,572 |
| Company vehicles | Diesel fuel consumption*** | l | 29,617 |
| | | GJ | 1,125 |
| | Gasoline fuel consumption | l | 5,142 |
| | | GJ | 180 |
| Total energy consumption | | GJ | 10,245 |

* Electricity consumption www.aib-net.org

** Heating consumption www.bancaditalia.it

*** Diesel fuel consumption www.isprambiente.gov.it

Emissions

Due to the change in reporting scope, the emissions of the current reporting year are not comparable with previous years. In the company Casentino Lane, a decarbonization operation of production processes is underway this year, whose environmental benefits will be verified in 2026.

| | 2024 |
|-----------------------------------|-----------------------------|
| Scope 1 - Direct Emissions | 456.48 t CO ₂ eq |
| Gas for heating | 366.12 t CO ₂ eq |
| Diesel for transportation | 78.37 t CO ₂ eq |
| Gasoline for transportation | 11.99 t CO ₂ eq |

| | 2024 |
|---------------------------------------|-----------------------------|
| Scope 2 - Non-direct Emissions | |
| Location-based | 465.69 t CO ₂ eq |
| Market-based | 875.04 t CO ₂ eq |

| | 2024 |
|---|------------------------------|
| Scope 1 + Scope 2 Location-based | 922.17 t CO ₂ eq |
| Scope 1 + Scope 2 Market-based | 1331.52 t CO ₂ eq |

Data from the DEFRA database (Department for Environment, Food & Rural Affairs - GOV.UK) were used for the calculation of Scope 1. The respective emission factors were used for each reporting year. The following climate-altering gases were considered in the calculation: CO₂, CH₄ and NO₂.

For Scope 2 location-based calculation, emission factors published annually by ISPRA (Istituto Superiore per la Protezione e Ricerca Ambientale) were used.

For Scope 2 market-based calculation, the emission factors published annually by the Association of Issuing Bodies (AIB) "European Residual Mix" were used.

Scope 3

With this edition of the report, we initiate the reporting process for Scope 3 emissions. The following impact categories defined by the Greenhouse Gas Protocol are included in this edition of the report:



The calculation of emissions related to our organization was carried out using a robust mathematical model, developed by applying impact data conservatively calculated and documented within our certified Environmental Product Declarations (EPD®), under the International EPD® System.

The model is based on fabrics sold in the reporting year and considers the following parameters:

- Fabric styles;
- Meters;
- Fabric Weight;
- Cuttable width

By modeling these parameters with the certified GHG impacts calculated in the EPD®, and upscaling the resulting values to 100% of production in accordance with the GHG Protocol Standard, it is possible to obtain a reliable estimate of our Scope 3 emissions for categories 1, 4, 9, and 12.

The model depends on the types of fabrics sold, based on consumption data available at the time the EPD®s were developed and published. At present, it is not yet possible to define KPIs that would allow comparison of values over time.

| 1. Purchased Goods and Services | CO ₂ emissions |
|---|---------------------------------|
| Purchased Raw materials | 31,956.23 t CO ₂ eq. |
| Manufacturing | 34,904.56 t CO ₂ eq. |
| 4. Upstream Transportation and Distribution | |
| Upstream Transportation | 223.46 t CO ₂ eq. |
| 6. Business Travels | |
| Car | 17 t CO ₂ eq. |
| Train | 0.047 t CO ₂ eq. |
| Air | 23.32 t CO ₂ eq. |
| 7. Employee Commuting | |
| Car | 54 t CO ₂ eq. |
| 9. Downstream Transportation and Distribution (Partial) | |
| The mathematical model for distribution emissions reporting has not yet been developed. However, in the current reporting year, the company used the DHL GoGreen Plus service , which reduced the environmental impact of express air shipments by 12.44%. | |
| | |
| Air Express Distribution | 125.14 t CO ₂ eq. |
| 12. End-of-Life Treatment of Sold Products | |
| Disassembling and Sorting | 283.10 t CO ₂ eq. |
| Transport to recovery/disposal | 22.66 t CO ₂ eq. |
| Final Disposal | 2915.62 t CO ₂ eq. |

Waste

As part of its Zero Waste policy, Manteco pays great attention to the management of its ordinary waste. All waste is reported in accordance with Italian legislation and handled by authorized companies.

Produced waste (kg)

| | 2024 |
|--------------------|---------|
| Textile Waste | 139,130 |
| Toner | 243 |
| Plastic Packaging | 6,910 |
| Metallic Packaging | 3,640 |
| Plastic Crates | 2,457 |
| Printer | 60 |

Waste are 3.1% of the total processed material.





Raw Materials

For the production of its fabrics, Manteco purchases fibers and yarns. Recycled fibers are preferably purchased in accordance with the GRS -Global Recycled Standard, while virgin wool - as already described - can come from responsible production in accordance with the RWS - Responsible Wool Standard or from No-Mulesing farms.

The company also develops collections of fabrics produced from recycled cotton, organic cotton, FSC Viscose (whose producers are rated Green Shirt according to the Canopy scheme), European Flax certified linen, BCI cotton.

| | 2022 | 2023 | 2024 |
|---|-----------|-----------|-----------|
| Total raw material and yarns purchased (kg) | 5,233,214 | 5,223,871 | 4,875,342 |
| Raw material and yarns with sustainability certification (kg) | 2,871,347 | 2,403,954 | 2,876,451 |
| Raw material and yarns with sustainability certification (%) | 54.0% | 46.0% | 58.9% |
| Raw material with recycled material characteristics (kg) | 1,943,848 | 1,724,434 | 1,867,255 |
| Raw material with recycled material characteristics (%) | 37.1% | 32.9% | 38.3% |



Packaging

For product packaging, the company primarily uses plastic film as well as paper and cardboard materials. To improve reporting, the company has decided to classify packaging materials according to the categories defined by the CONAI Environmental Contribution, so that different types of packaging can be grouped based on clear verification indicators.

Plastic

| Range | 2024 | | Eligible for sorting and recycling | Circuit |
|--------------|---------------|-------|------------------------------------|--------------------|
| | Kg | % | | |
| A1 | // | // | Yes | Trade and industry |
| A2 | 27,983 | 96.2% | Yes | Trade and industry |
| B2 | 196 | 0.7% | Yes | Domestic |
| C | 915 | 3.1% | No | |
| Total | 29,094 | | | |

26,027 kilograms of polyethylene film (LDPE) used to package fabric rolls for shipping are have a 30% of recycled content.

Paper

| | 2023 | 2024 |
|----------------------------|--------|--------|
| Range A1 Kg. 14,596 | 14,596 | 11,435 |



MANTECO[®]
FOR RESEARCH

R&D

Stylistic research, product performance, and responsible production are the foundations on which Manteco develops its new collections. The development of innovative fabrics is the company's main R&D activity, carried out with a focus on style and in collaboration with the Sustainability Office.

Manteco's authenticity is safeguarded by 50 registered designs, including 35 specifically related to fabrics, covering a total of 10,508 protected fabrics as of the current reporting year. Industrial innovation is further protected by 36 patents and patent applications.

The company also owns a portfolio of 56 trademarks, including 18 Italian trademarks, 14 European Union trademarks, 9 United Kingdom trademarks, 10 foreign national trademarks, and 5 international trademarks under the WIPO Madrid System, comprising 57 designations across contracting parties. As a result, Manteco's trademarks are protected in numerous jurisdictions worldwide.

These patents and registrations provide customers with strong safeguards, ensuring access to premium products that are appropriately protected. In addition, the company's marketing team supports customers in developing advertising campaigns for garments made with Manteco fabrics.

Digital Transformation and Cybersecurity

Data, the speed of information exchange, and blockchain technologies are fundamental elements in intercompany relationships. Manteco actively pursues its digitization policy. MTrace and MData are clear examples of how the company has embraced technological innovation as part of its business model, recognizing its importance and potential. The digitization of collections began in 2017, when Manteco created a digital archive of all the fabrics it produces. This archive enables the company to provide fast and efficient service to customers while also helping to reduce the environmental impact of express shipments.

The high level of digitalization within Manteco has made IT security a critical issue. For this reason, the company maintains ongoing contracts with specialized firms to safeguard its IT assets.

Academic research

In 2024, Manteco achieved an important milestone. Thanks to its collaboration with the University of Leeds, it was verified that wool can be recycled up to six times within a carded closed-loop system.

Such recyclability depends on three factors:

- Wool fibers typology;
- Structure of the fabric to be recycled;
- Recycling machine settings.

The study was published in the academic journal *Cleaner Engineering and Technology*.



Cleaner Engineering and Technology 22 (2024) 100796

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Cleaner Engineering and Technology

journal homepage: www.sciencedirect.com/journal/cleaner-engineering-and-technology

Closed loop mechanical recyclability of post-consumer waste wool fabrics based on fibre length retention

M.J. Glasper^{a,*}, G. Picerno^b, M. Tausif^a, S.J. Russell^a

^a Leeds Institute of Textiles & Colour (LITAC), School of Design, University of Leeds, LS2 9JT, Leeds, UK
^b Manteco SpA, Via Della Vacciola 19, 59013, Montemurlo, Italy

1. Introduction

Sustainable development of the textile industry relies heavily on transitioning to circular economies, where constituent fibre materials in post-consumer products are not wasted and remain in longer-term circulation. Post-consumer wool clothing has been mechanically recycled as part of a closed-loop industrial manufacturing system since the early 1800s traditionally using woollen spinning to produce yarns suitable for clothing fabrics (Russell et al., 2016). Open end (rotor) spinning of recycled wool is also used for yarn production, particularly to produce yarns for lower quality fabrics, and substantial quantities of recycled post-consumer wool is consumed by the nonwovens industry to produce industrial, non-clothing products as well (open loop).

Although virgin wool represents only about 1% of today's global fibre consumption, a relatively high proportion (ca. 6%, compared to other fibres) equating to about 70,000 tonnes is recycled (International Wool Textile Organisation, 2022; Textile Exchange, 2022). Such closed loop mechanical recycling of post-consumer waste, along with best-practice care and utilisation of resulting fabrics by the consumer, means it is possible to significantly prolong the active lifespan of wool fibre, reducing overall cradle-to-grave environmental impacts (Wiedemann et al., 2022). Not accounting for specific textile products at the end-of-life that are recycled, and assuming only one additional use cycle before disposal, can lead to misleading conclusions about the full life cycle environmental impacts of fibres such as wool (Bach et al., 2018; Sandin and Peters, 2018).

Traditionally, in wool recycling fibre is reclaimed from both pre-consumer/post-industrial (fibre, yarn, fabric, and garment production waste) and post-consumer (discarded clothing) sources (Russell et al., 2016). The wool waste is sorted by colour, fibre content, fabric construction (woven or knitted) and by yarn construction. Following sorting, the wool waste is mechanically processed, i.e. 'pulled' into loose recycled fibre suitable to produce yarns for apparel or interior fabrics (Hawley, 2006). Where colour sorting of the waste is performed, new fabrics for clothing can be produced that do not require stock or piece dyeing.

For recycled wool to be suitable for woollen yarn production as part of a closed-loop recycling system, care must be taken to minimise deterioration in fibre properties such as mean fibre length and fibre tensile properties during the pulling process (Russell et al., 2016). In mechanical recycling of knitted or woven fabrics, frictionally restrained fibres are subjected to tension and bending forces due to the action of toothed or pinned rollers to achieve fibre-fibre opening, which usually leads to a degree of fibre breakage with potential for morphological damage. Similar conditions apply in opening and carding processes prior to yarn production (Gharehaghaji and Johnson, 1995; Hearle et al., 1998).

It is common to blend recycled wool from different sources (pre- and post-consumer), with virgin wool, or man-made fibres to compensate for any fibre physical property deficits resulting from recycling processes, and to meet the strict performance specifications of new fabrics.

As with other forms of textile recycling, commercial practice and know-how between different wool recyclers in terms of process configurations and machine settings varies, leading to differences in the properties of the resulting fibre, as well as environmental impacts. The MWOol® production process developed by Manteco (Italy), is an example of an industrially established, wool mechanical recycling operation that processes pre- and post-consumer wool waste, to enable high quality woollen yarn manufacture, as part of a closed loop system. Commercially, woollen yarns produced with recycled fibre from the MWOol® process contain high proportions of post-consumer recycled wool (up to 85%), and the yarns are woven into new fabrics meeting the quantitative performance requirements of international brands and retailers. By enabling waste wool to be recycled in this way, MWOol® is reported to reduce the carbon footprint of wool fibre to 0.1–0.9 kg CO₂ eq. from 10 to 103 kg CO₂ eq. for generic virgin wool (Bianco et al., 2022).

Practically, the feasibility of spinning woollen yarns containing

* Corresponding author.
E-mail addresses: M.J.Glasper@leeds.ac.uk (M.J. Glasper), giuseppe.picerno@manteco.com (G. Picerno), M.Tausif@leeds.ac.uk (M. Tausif), S.J.Russell@leeds.ac.uk (S.J. Russell).

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2666-7908/© 2024 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY license (<http://creativecommons.org/licenses/by/4.0/>).

Company is very committed to work on recyclability and other works on the matter are in progress.

Two students from the Polytechnic University of Turin completed their master's studies with a thesis on M Wool® and ReviWool®. In particular, Laura Morvidoni's work was presented at the SETAC Europe LCA Symposium held in Gothenburg in October ([Life Cycle Center](#)).



Manteco has supported a marketing master thesis carried out by a group of seven students of Free University of Bolzano/Bozen and New York Baruch College.





MANTECO[®]
FOR COMMUNITY

Traceability and transparency

Traceability and transparency are fundamental pillars of sustainability. Tracing the supply chain allows a company to understand its complexity, strengths, and weaknesses. This is essential for leveraging strengths and implementing corrective actions where necessary. Improving traceability and transparency has become a priority for the apparel and footwear industry, as consumers, governments, and civil society demand responsible business practices and call on the industry to identify and address actual and potential negative impacts on human rights, the environment, and human health.

To manage supply chain traceability, Manteco has developed the MTrace software. This IT tool simplifies the verification of supply sources and subcontractor companies involved in order production.

In preparation for the entry into force of the Corporate Sustainability Due Diligence Directive (CSDDD), a traceability implementation was carried out during the reporting year by mapping yarn supplier companies. Particular attention was given to companies producing yarn through local trading partners. This activity has become an integral part of Manteco's business and will, over time, yield increasingly reliable results.

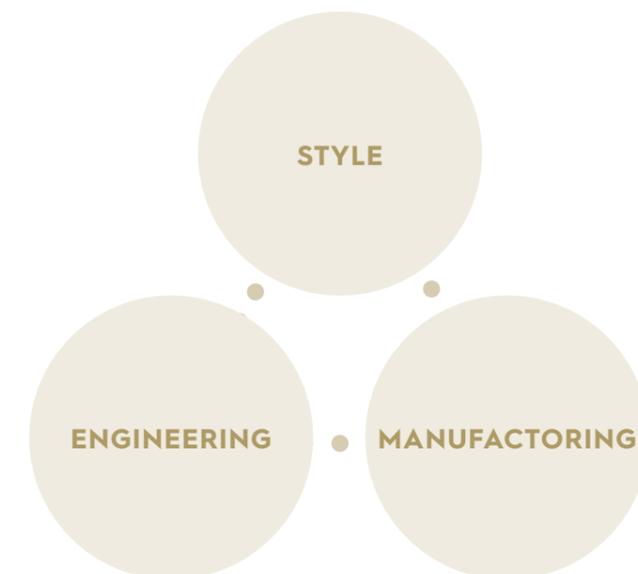
A Digital Product Passport service has been developed for Manteco's customers. For each fabric shipment, Manteco can generate a document listing the raw material suppliers and the subcontractors involved in the fabric's production. This service is highly useful and provided free of charge.

*Recommendation No. 46 UNECE: Enhancing traceability and transparency of sustainable value chains in the garment and footwear sector ECE/TRADE/463

Supply chain partnership

Manteco recognizes the great value of its supply chain and aims to build solid professional relationships with its subcontractors and suppliers. A finished fabric is the result of the coordinated work of multiple operators, and it is precisely from this idea that our MSystem was born.

MSystem



At Manteco, the three pillars of production-design, industrialization, and craftsmanship-are considered equally important. Crafting a fabric requires the right design, which is then properly engineered and realized through artisanal processes integrated within an industrial workflow.

The Manteco System ensures that craftsmanship is preserved within the industrial process. The soul of a fabric is determined by small operational details, learned in the field every day, which make all the difference. The MSystem is an ecosystem of companies that depend on each other's presence and collaboration.

MSystem companies are located within approximately 10 kilometers of Manteco's headquarters. In 2019, the relationships among these companies were formalized through the signing of a Charter of Commitments for a Sustainable Supply Chain.

Methods for evaluating social criteria

Manteco has always remained faithful to the tradition of Made in Italy. Manteco production chain belongs to the textile district of Prato, with a community that directly employs more than 880 workers. By joining the Manteco System project, Manteco and its subcontractors are committed to building a model of sustainable industrial development, which also includes the social responsibility of their business.

In the current reporting year, Manteco has financed a measure to verify the social standards of health and safety in the smaller and therefore weaker sub-contractors of the MSystem, to support them in a cultural growing process by aligning them to the more structured companies. This activity has been carried out by a formal auditing activity in 29 companies.

Another important activity which has been developed with the use of those data is the first Social Organizational Life Cycle Assessment (SO-LCA) applied to Manteco System. A SO-LCA allows to assess a wider range of social indicators to measure the performance of different stakeholders first of all workers and local community.

According to the UNEP Guidelines for Social Life cycle Assessment of Products and Organization (UNEP 2020*) a SO-LCA is defined as a compilation and evaluation of the social and socio-economic aspects and potential positive and negative impacts of activities associated with an organization or part of an organization from a life cycle perspective*

In order to evaluate** the social performance of an organization, it is necessary to develop a reference scale (ISO 14075:2024***) for each indicator in accordance with international norms (e.g. ILO Conventions) and national reference and best practices.

A general example of reference scale and its values for each indicator considered, to be used for the assessment of social impacts, is defined during the inventory phase.

This activity has laid the foundations for a system to evaluate the companies belonging to the Manteco System.

| SCALE LEVEL | DESCRIPTION |
|-------------|---|
| +2 | Ideal performance. Best in class |
| +1 | Beyond compliance |
| 0 | Compliance with local and international laws and/or basic societal expectations |
| -1 | Slightly below compliance level |
| -2 | Starkly below compliance level |

At the same time, in collaboration with Royal Holloway University of London, and in particular with the School of Business and Management*, Manteco has initiated an innovative project that marks a significant step forward in how we conceptualise and assess sustainability. This collaboration has led to the development of a pioneering model to evaluate well-being across the Manteco System, drawing inspiration from the work of Nobel laureate Amartya Sen on human capabilities and development as freedom**. Rather than relying solely on conventional, compliance-oriented metrics, the model enables us to understand the economic, social, and environmental impact of our operations through a multidimensional and human-centred lens.

Importantly, the project is not just about measurement but about transformation. It has established the foundation for a planning, control, and reporting framework that seeks to cultivate organisational resilience. By focusing on the lived experiences and capabilities of individuals within our extended network of subcontractors, the initiative supports a more meaningful and inclusive approach to sustainability. This shift has encouraged Manteco to move beyond the traditional audit logic, prompting us to reframe our responsibilities towards our partners and communities more holistically.

The significance of this model must be understood in the broader context of the contemporary fashion and textile industry, which faces mounting pressure to demonstrate meaningful environmental and social responsibility. In an era marked by climate change, labour inequalities, and increasing stakeholder scrutiny, innovation in sustainability governance is not only desirable but essential. This is particularly relevant as Extended Producer Responsibility (EPR) schemes gain traction globally, placing greater accountability on producers for the entire lifecycle of their products.

The model developed through this collaboration reflects Manteco's proactive stance in meeting these challenges. It represents an innovation capable of shifting industry paradigms: from reactive compliance to anticipatory and value-driven governance.

Data categorisation and methodological frameworks currently in development are intended to evolve through an iterative process. Their full operationalisation will require time and sustained collaboration. Manteco is committed to advancing management and reporting tools that extend beyond mere legal compliance, positioning them as strategic assets for informed decision-making and holistic accountability.

This joint endeavour underscores our commitment to leading by example and advancing sustainable practices that are not only measurable but also meaningful. It represents a key milestone in Manteco's journey to become a more resilient, responsible, and forward-looking organisation.

*Benoît Norris, C., Traverso, M., Neugebauer, S., Ekener, E., Schaubroeck, T., Russo Garrido, S., Berger, M., Valdivia, S., Lehmann, A., Finkbeiner, M., Arcese, G. (eds.), 2021. United Nations Environment Programme (UNEP) - Guidelines for Social Life Cycle Assessment of Products and Organizations 2020.

**Evaluation carried out by Circular in collaboration with RWTH Aachen University.

***ISO14075: Environmental management - Principles and framework for social life cycle assessment

*This research and residency project was supported by the Social Sciences Impact Acceleration Account (SSIA) at Royal Holloway, University of London, funded by the Economic and Social Research Council (ESRC). The grant (Ref. No. R11563-14) enabled a collaborative initiative between Royal Holloway's School of Business and Management and Manteco S.p.A.

**Sen, A. (1999), Development as freedom, Random House, New York.

Supply chain loyalty

To ensure consistent product quality, it is essential to maintain a loyal value chain. The supply of raw materials for Manteco yarns, purchased yarns, and the network of subcontractors supporting the Manteco System in fabric production account for over 80% of Manteco's costs on average.

Manteco is a loyal and reliable customer, consistently honoring purchases and payments to its suppliers and subcontractors, and maintains excellent credit ratings. In the course of normal day-to-day interactions, suppliers and subcontractors are and will continue to be valuable assets for Manteco.

Local production

Manteco's business model is local. MWool® is produced locally using pre- and post-consumer materials recovered worldwide. The performance of MWool® fabrics and their consequent recyclability are strongly influenced by the quality of the MWool® fibers. For this reason, Manteco strictly verifies the quality of recycled fibers directly with its partner suppliers.

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------------|------|------|------|------|------|
| Number of companies | 45 | 37 | 32 | 32 | 33 |

Virgin wool for apparel production is not produced in Italy. To ensure consistent fabric quality, standardized fiber input quality is required; for this reason, Manteco always sources wool from the same suppliers.

| Number of companies | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------------|------|------|------|------|------|
| Italian | 7 | 9 | 6 | 4 | 7 |
| Foreign | 16 | 16 | 13 | 10 | 9 |

Percentage of yarn purchases

As a result of the yarn production mapping carried out during the reporting year, the yarn purchase ratios were determined as shown in the table below.

| 2024 | |
|-------|----------------------|
| 14.3% | Local Production |
| 22.7% | Italian Production |
| 22.0% | European Production |
| 40.8% | Extra-CEE Production |

The reports are not compared with previous years, as the data collection methodology has changed. The volume of purchased yarn accounts for 20% of all purchased raw materials.



Manteco Academy

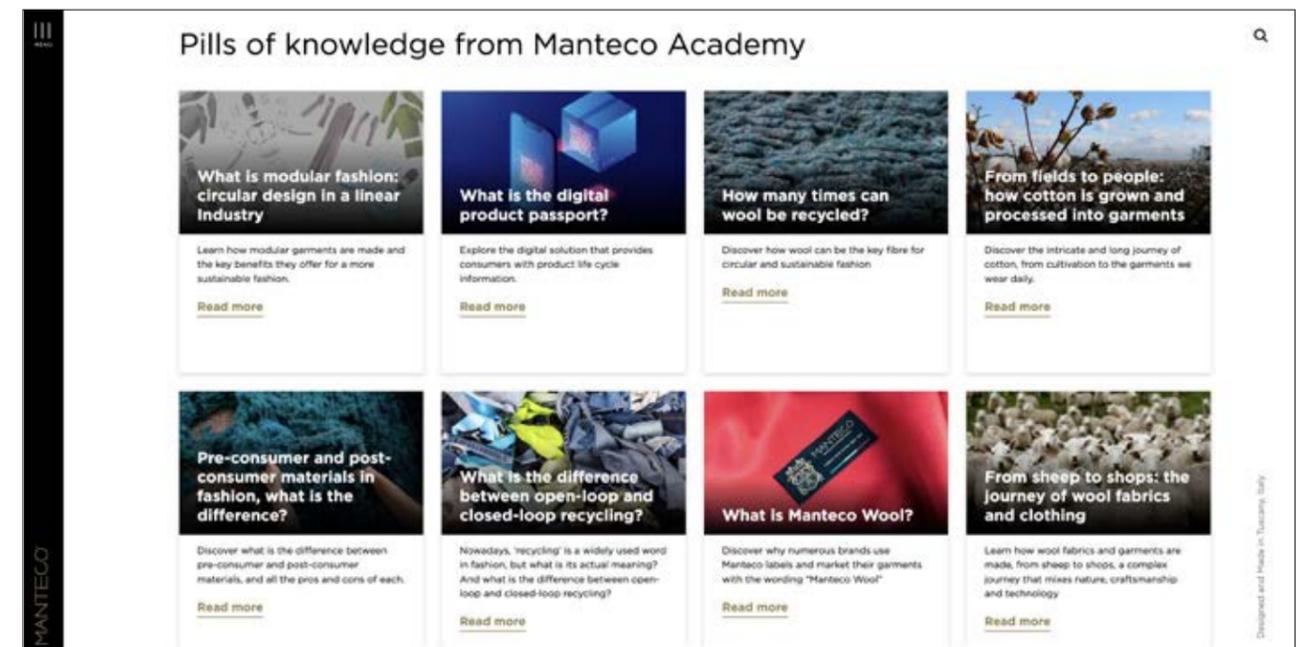
Eco-design is one of the essential pillars of circular fashion. Without garments designed and manufactured according to this philosophy and its guidelines, end-of-life recycling becomes impossible. At Manteco[®], we believe that the experience and knowledge gained over decades must be passed on to the next generations.

Since 2018, through our Manteco Academy project, we have made significant investments in training fashion students from around the world. Our goal is to equip them with the tools to design recyclable garments and understand the principles of the circular economy - values upon which the fashion industry must build its future. This project is a constant source of pride, as it allows us to pass on meaningful skills to those who will shape tomorrow's collections and drive real change in the fashion world.

[Link Manteco Academy](#)

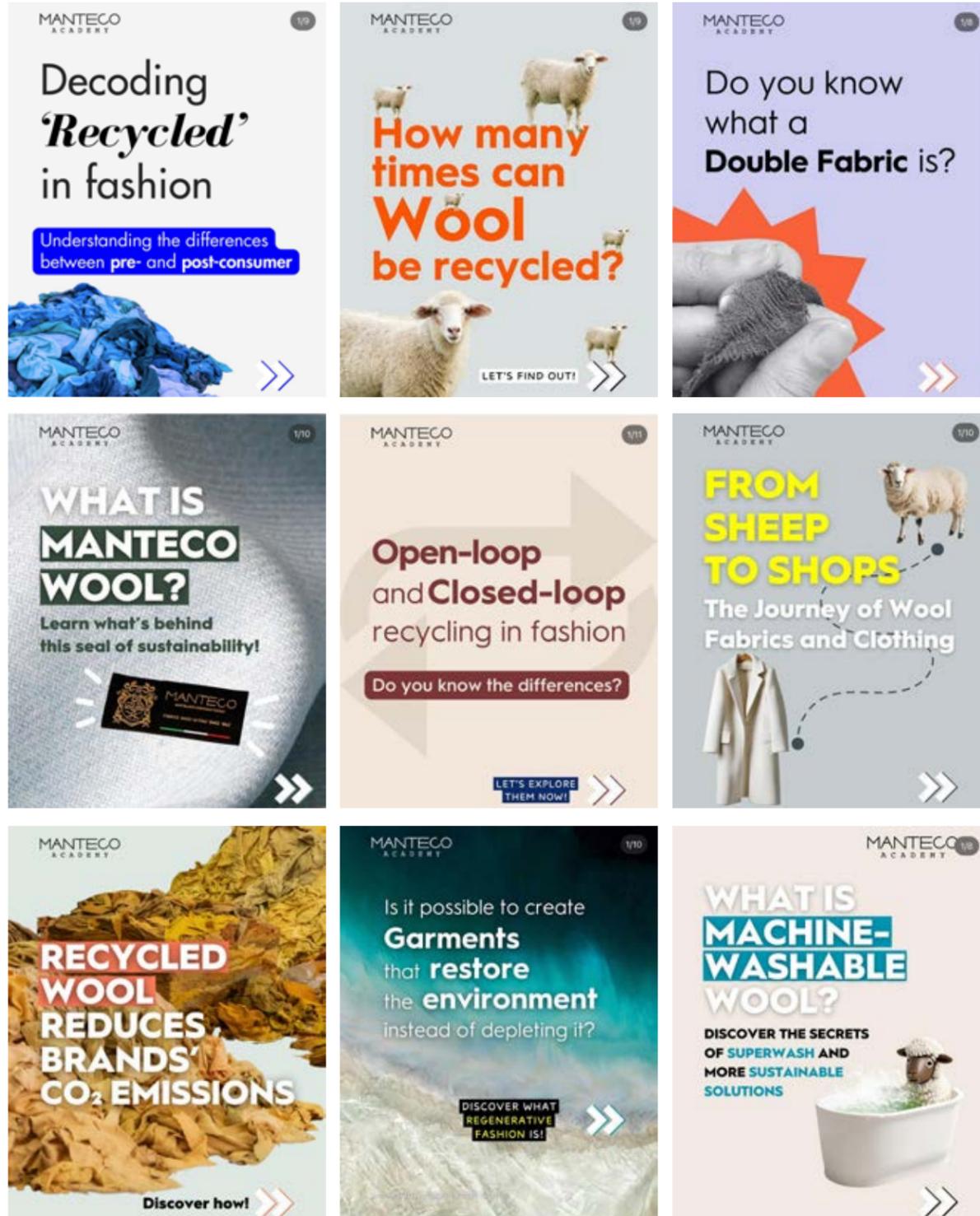
At Manteco, we believe that learning is a continuous journey fueled by curiosity. In 2021, we launched a blog dedicated to sharing insights and knowledge at the intersection of textiles and sustainability.

[Link Manteco blog](#)



In 2024, the following carousels were posted on our social media platform:

To make this content accessible and engaging for everyone, each article is transformed into simplified, visual carousels for Instagram, Facebook, and LinkedIn, bringing meaningful conversations on sustainability to a wider digital audience. In 2024, the following carousels were published on our social media platforms:



Through the Manteco Academy project we have made our commitment to The Sustainability Pledge from UNECE

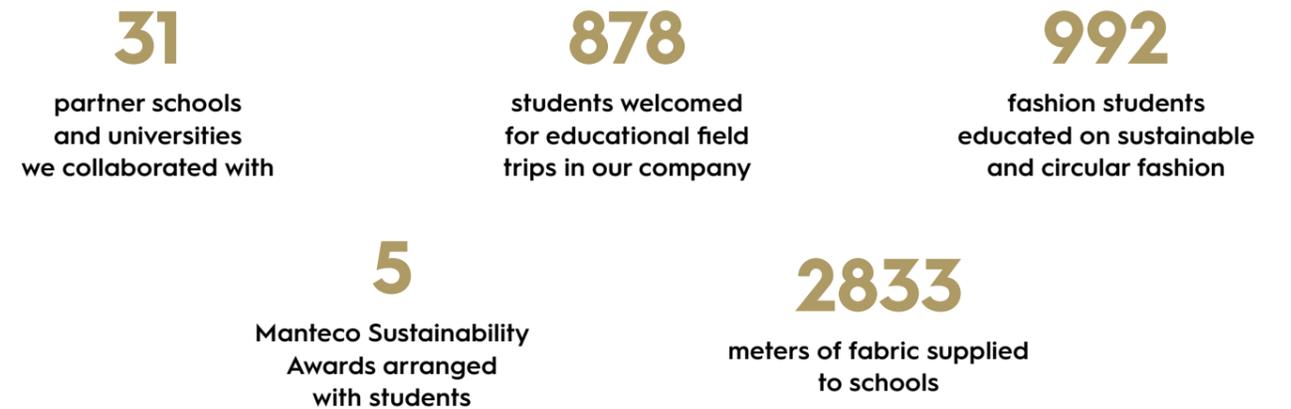
To improve sustainable and ethical practices in the garment and footwear sector and support the transition to a less wasteful and more circular economy. The Sustainability Pledge is a series of policy recommendations, guidelines and standards that enable industry actors to authenticate their sustainability claims. Companies, governments, and other organisations can commit to implementing these UNECE-brokered solutions and declare their actions by signing up to The Sustainability Pledge.

[The Sustainability Pledge.](#)

In addition to education, we also provide our fabrics, or other textile materials, for fashion contests.

Since 2021, we have established the “Manteco Sustainability Award”. It is a fashion contest for all those students who want to test their eco-design skills. Each student must present a capsule collection project and explain the reasons why it is in line with this design philosophy. Manteco evaluates all the projects by considering the following points: choice of raw materials, design and look. All of this by giving most importance to the recyclability and subsequent impact of the presented collection.

In 2024, we achieved some great results:



*But there is more, in 2023, we also arranged educational visits, webinars and in-person lessons with numerous brands, sharing with their employees our knowledge about sustainability and circular economy.



Art

The pursuit of art, driven by the passion for work and the product demonstrated by Manteco collaborators in line with their skills, is evident in the company's stylistic and economic results.

Manteco is a company that aims to leave a lasting mark, and art is one of the ways to express this vision. This is not a matter of appearances or patronage, but a deep belief that beauty and art endure over time. Manteco carefully selects the artistic collaborations it participates in, with the goal of promoting the dissemination of art. The company continually seeks to bring the art of craftsmanship closer to visual art, as exemplified by the shade card of Pure® articles, curated by art critic Antonio Grulli, who skillfully associated each color with a work of art from the Tuscan region, spanning from the Renaissance to the present day (manteco.com)

During the reporting year, the company was honored with the exhibition *Magic Manteco*, curated by Carlo Palli.

Sport

In the reporting year, Manteco continued to be the main sponsor of the Tennis Club Bisenzio



insieme per Prato





MANTECO®

FOR PEOPLE

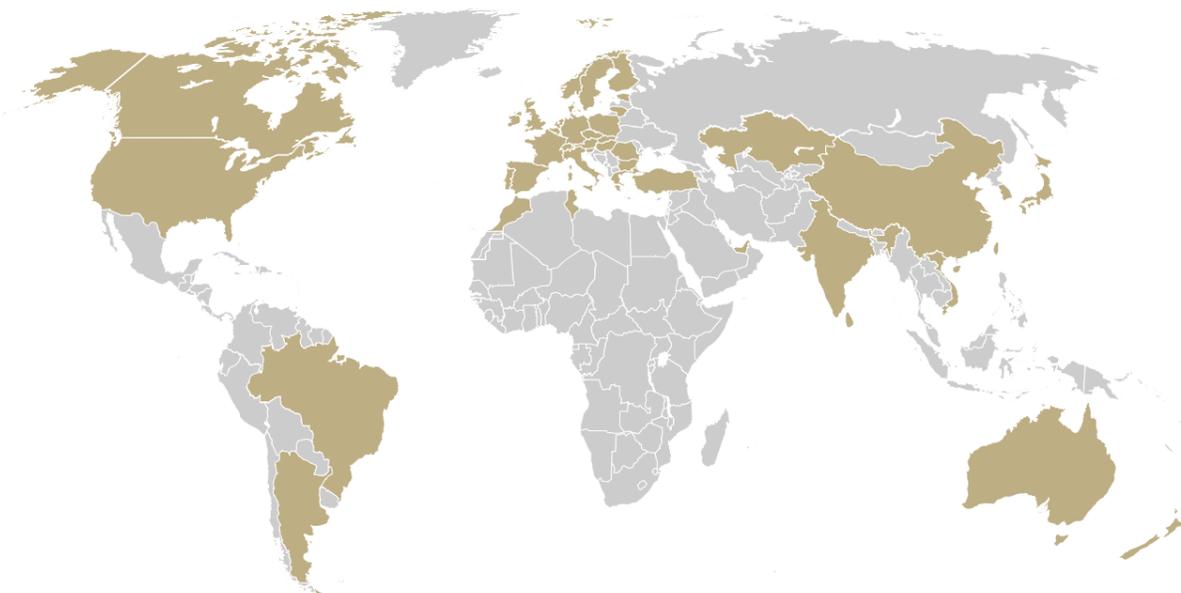
Highlights

Manteco primarily works with fashion brands in the international market. Specifically, the company produces fabrics used by fashion and apparel brands to create garments for men, women, and children.

Below is an overview of Manteco's clients and their geographical distribution.

| Total customers | |
|-----------------|------|
| 2023 | 2024 |
| 961 | 895 |

| Served countries | |
|------------------|------|
| 2023 | 2024 |
| 41 | 37 |



Production Volumes

| | 2023 | 2024 |
|--------------------------------|-------------|-------------|
| Total quantity produced | 7,359,464 m | 6,549,922 m |

Production volumes are referred to the meters sold.

Distribution of value among stakeholders

The economic data relating to the financial year, along with a comparison with the previous year, are shown below. The data are analyzed to show how revenues from operations, i.e., the consolidated production value, are redistributed to various stakeholders: to personnel through salaries; to suppliers through the purchase of goods and services necessary for production; to the Public Administration through taxes; to the community through donations and sponsorships; and to shareholders and the company itself through the distribution of profits, provisions, depreciation, and accounting for investments.

This subdivision, which is obtained through the reclassification of certain income statement items, illustrates the characteristics of the company's business and clearly highlights the priorities for action in order to achieve its sustainability objectives.

The economic data disclosed in this report is based on the aggregated revenues of the Group's main operating entities, namely, Manteco Spa and Casentino Lane srl. This approach has been chosen to provide a clear and focused representation of the Group's core business activities. It differs from the consolidated perimeter applied in the statutory financial statements, but is considered the most meaningful way to reflect the operational scope also used for environmental and social disclosures.

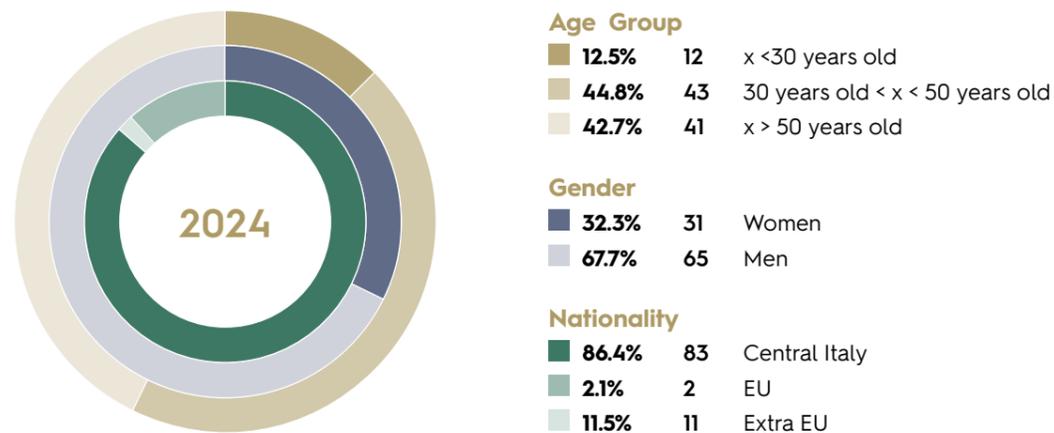
| Direct economic value generated and distributed (Euro) | | | |
|--|-------------|------------|-------------|
| | 2023 | 2024 | Variation % |
| DIRECT ECONOMIC VALUE GENERATED | 102,449,038 | 87,127,894 | -14.9% |
| Revenues | 98,695,042 | 84,478,018 | -14.4% |
| ECONOMIC VALUE DISTRIBUTED | 89,381,582 | 73,067,690 | -18.2% |
| To suppliers | 78,010,686 | 58,844,787 | -24.5% |
| To employees (wages and benefits) | 4,853,062 | 6,164,923 | 27.0% |
| To credit institutions | 257,251 | 190,339 | -26.0% |
| To shareholders | 3,001,200 | 4,270,000 | 42.2% |
| To Public Administration | 3,125,333 | 3,517,062 | 12.5% |
| To community | 134,049 | 50,579 | -39.8% |
| ECONOMIC VALUE RETAINED | 13,067,456 | 14,060,204 | 31.1% |

In 2024, Manteco invested 3,484,042 Euro in Research & Development to develop new styles and circular economy projects (2,830,852 Euro in 2023).

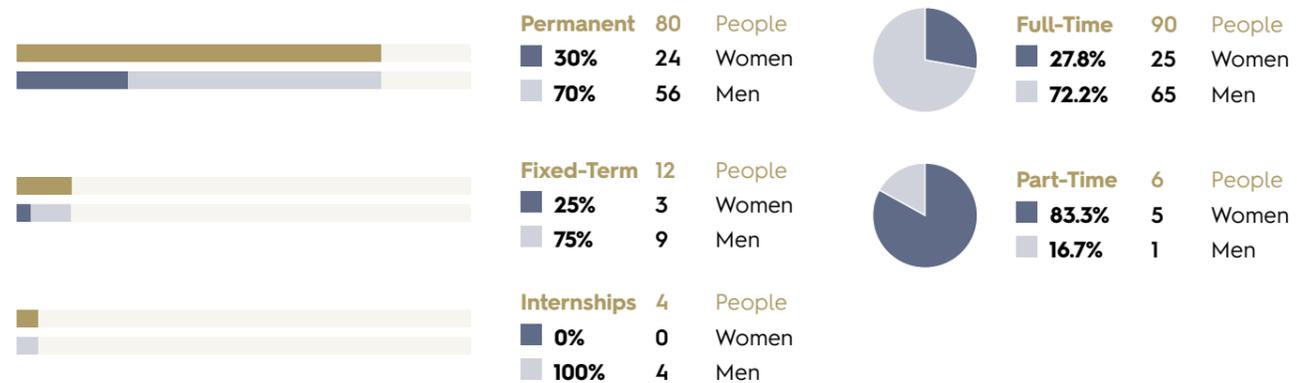
Philanthropy is included in the Economic Value Distributed to the community.

Workforce

Within the reporting perimeter, the total number of employees in the reporting year was 96, with 4 herings and 2 resignations. The average age is 43 years.



PERMANENT AND FIXED CONTRACT BY GENDER



| | 2022 | 2023 | 2024 |
|--|------|------|------|
| Total employees | 66 | 67 | 96 |
| By work typology | | | |
| Administration, Commercial, Technical | 42 | 42 | 46 |
| Production, Stock and Logistic | 24 | 25 | 50 |

Managed emergencies

In line with the previous year, no environmental emergencies related to the company's production processes occurred in 2024. Additionally, no such reports were received from processes outsourced by Manteco.

The company has not identified any non-compliance with environmental laws or regulations.

Internal Training

To enhance transversal skills, Manteco organizes systematic training for blue-collar workers on ESG criteria and their application within the company's sustainability policy.

In 2024 all blue-collar workers have carried out 8 hours of training about ESG criteria.

Every new hire is properly educated accordingly to internal ESG in accordance with internal training plans.

Manteco conducts health and safety training in the workplace in compliance with legal requirements, ensuring that all workers are trained according to their specific duties.

Average number of training hours (both voluntary and mandatory) per employee per year:

| | 2022 | 2023 | 2024 |
|--------------|------------------|------|------|
| Total | 10.7 | 13.8 | 8.5 |
| Women | 8.1 ⁸ | 12.4 | 9.3 |
| Men | 12.0 | 14.2 | 10.7 |

⁸Reporting of training hours by gender is available from 2022.

Health & Safety

Manteco identifies health and safety-related risks through an external RSPP appointed by the Board of Directors. Safety risk management is the company's direct responsibility, while health-related risks are monitored by the competent physician appointed by the Board. The RSPP manager conducts semi-annual safety inspections, while employee health inspections are carried out annually.

Consistent with a high risk of specific occupational diseases.

| Parental Leave | | | |
|---|------|------|------|
| | 2022 | 2023 | 2024 |
| TOTAL EMPLOYEES WHO HAVE BENEFITED | 0 | 0 | |
| Women | 0 | 0 | 0 |
| Men | 0 | 0 | 1 |
| BACK TO WORK EMPLOYEES AFTER PARENTAL LEAVE | 0 | 0 | |
| Women | 0 | 0 | 0 |
| Men | 0 | 0 | 0 |
| STILL EMPLOYED 12 MONTHS LATER BACK TO WORK | 0 | 0 | |
| Women | 0 | 0 | 0 |
| Men | 0 | 0 | 1 |
| RATE OF RETURN TO WORK | 0 | 0 | |
| Occupational illnesses - employees | | | |
| Number of deaths | 0 | 0 | 0 |
| Number of injuries with serious consequences | 0 | 0 | 0 |
| Number of recordable work accidents | 0 | 0 | 1 |
| Occupational illnesses - subcontracted workers | | | |
| Number of deaths | 0 | 0 | 0 |
| Number of injuries with serious consequences | 0 | 0 | 0 |
| Number of recordable work accidents | 0 | 0 | 0 |

Corporate Welfare

As part of its MantEco for Planet® sustainability strategy, the company is committed to expanding corporate welfare activities aimed at employee well-being. The goal is to implement tools to continuously assess staff needs and enhance teamwork, process efficiency, and overall employee satisfaction.

To achieve this, Manteco has developed a specific Welfare Plan 2020–2025, which defines timeframes and methods for evaluating the effectiveness of initiatives aimed at loyalty-building and improving the workplace climate. The plan applies uniformly to all employees.

All Manteco employees are covered by a collective agreement in accordance with employment legislation. Specifically, 100% of employees are represented by the Textile and Apparel CCNL.

Regarding remuneration and the gender pay gap, there are no significant differences in salaries between men and women. Assessing the gender pay gap meaningfully remains complex, as it requires consideration of job categories, seniority, tenure, and role-specific responsibilities. Consequently, a direct comparison within the same job category may not fully capture compensation nuances.

To date, no unjustified pay discrepancies between men and women have been identified. All employment contracts follow consistent criteria regardless of gender. The company is fully committed to ensuring gender pay equity and applies transparent, merit-based practices in remuneration and career development.

In 2024, Manteco confirmed the delightful “Zero-Kilometer Weekly Market” initiative. Every week during the lunch break, Azienda Agricola La Ligna sets up a counter offering locally grown and produced food products. Both Manteco staff and visitors have warmly welcomed this initiative, which fosters community and promotes sustainable, local food choices.



Fight against discrimination

Manteco’s Charter of Values for Sustainability and the Charter of Commitments for the Sustainable Supply Chain, signed as part of the Manteco System project, prohibit any form of discriminatory behavior. Manteco and its supply chain commit to not practicing discrimination in the recruitment or management of personnel—including salary, career advancement, dismissals, and retirements—based on race, religion, age, social origin, gender, political opinions, or any other personal condition unrelated to experience or ability in performing duties.

Manteco does not tolerate discriminatory behavior at any stage of human resource management, from the selection process to daily work activities and voluntary resignations. In line with this policy, the company did not receive any reports of discriminatory incidents in 2024.

Membership

Manteco is enrolled in:

- **Confindustria Toscana Nord**
- **Sistema Moda Italia Federazione Tessile e Moda**
- **CID Consorzio Implementazione Detox**
- **Pratotrade**
- **R-Invest**

GRI content index

| | |
|--|---|
| Statement of use | Manteco S.p.a. has reported in accordance with the GRI Standards for the period January 1, 2024 - December 31, 2024 |
| GRI 1 used | GRI 1: Foundation 2021 |
| Applicable GRI Sector Standard(s) | No applicable GRI Sector Standards |

| GRI Standard | Disclosure | Location (page number) | Notes/Omission |
|---------------------------------|--|------------------------|---|
| GENERAL DISCLOSURES | | | |
| GRI 2: General Disclosures 2021 | 2-1 Organizational details | 09-nov | This report is about Manteco S.p.A. as presented in the financial statements of the company |
| | 2-2 Entities included in the organization's sustainability reporting | 15 | |
| | 2-3 Reporting period, frequency and contact point | | This report presents the sustainability performance of the company and its subsidiaries between January 1 and December 31, 2024. Manteco S.p.A. reports annually. In case of questions about the sustainability work, please contact giuseppe.picerno@manteco.com |
| | 2-4 Restatements of information | | |
| | 2-5 External assurance | | This report has not been assured |
| | 2-6 Activities, value chain and other business relationships | 9-15,95,98, 109 | |
| | 2-7 Employees | 110 | |
| | | | |

| | | | |
|--|--|-------|--|
| | 2-8 Workers who are not employees | 110 | |
| | 2-9 Governance structure and composition | 23-26 | |
| | 2-10 Nomination and selection of the highest governance body | 23-26 | |
| | 2-11 Chair of the highest governance body | 23-26 | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 23-26 | |
| | 2-13 Delegation of responsibility for managing impacts | 23-26 | |
| | 2-14 Role of the highest governance body in sustainability reporting | 23-26 | |
| | 2-15 Conflicts of interest | 23-26 | |
| | 2-16 Communication of critical concerns | 23-26 | |
| | 2-17 Collective knowledge of the highest governance body | 23-26 | |
| | 2-18 Evaluation of the performance of the highest governance body | 23-26 | |
| | 2-19 Remuneration policies | 23-26 | |
| | 2-20 Process to determine remuneration | 23-26 | |

| | | | |
|-----------------------------|---|----------------------|--|
| | 2-21 Annual total compensation ratio | | Omitted due to confidentiality |
| | 2-22 Statement on sustainable development strategy | 23-26 | |
| | 2-23 Policy commitments | 11, 15 | |
| | 2-24 Embedding policy commitments | 11,15, 31-36, 95, 98 | |
| | 2-25 Processes to remediate negative impacts | | The governance structure and the managerial control system allow the company to monitor and remediate negative impact |
| | 2-26 Mechanisms for seeking advice and raising concerns | | Whistleblowing procedure |
| | 2-27 Compliance with laws and regulations | | There were no significant instances of non-compliance with laws and regulations and no fines were paid during the reporting period |
| | 2-28 Membership associations | 115 | |
| | 2-29 Approach to stakeholder engagement | 31-35 | |
| | 2-30 Collective bargaining agreements | 114 | |
| MATERIAL TOPICS | | | |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | 31-36 | |
| | 3-2 List of material topics | 31-36 | |

| | | | |
|-------------------------------------|--|--------------|--|
| CLIMATE CHANGE | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 70-75 | |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 70-75 | |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | 73 | |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 73 | |
| | 305-3 Other indirect (Scope 3) GHG emissions | 74, 75 | |
| | 305-5 Reduction of GHG emissions | 43-51, 71 | |
| PRODUCT LIFECYCLE MANAGEMENT | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 43-57, 79-81 | |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | 79-81 | |
| | 301-2 Recycled input materials used | 79 | |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | 76 | |
| | 306-2 Management of significant waste-related impacts | 55-56, 71 | |
| | 306-3 Waste generated | 76 | |

| SUSTAINABLE SUPPLY CHAIN MANAGEMENT | | | |
|--|--|------------------|---|
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 67, 79, 93-98 | |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | 79, 81 | Complementary to 301-1 Materials used by weight or volume reported under Product Lifecycle Management |
| | 301-2 Recycled input materials used | 79 | Complementary to 301-2 Recycled input materials used reported under Product Lifecycle Management |
| GRI 204: Procurement Practices 2016 | 204-1 Proportion of spending on local suppliers | 93 | |
| HUMAN CAPITAL DEVELOPMENT | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 101-103, 110-115 | |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | 110 | |
| | 401-2 Benefits provided to full-time employees | 114 | |
| | 401-3 Parental leave | 113 | |
| GRI 404: Training and Education 2016 | 404-1 Average training hours per employee | 111 | |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | 113 | |
| | 403-2 Hazard identification, risk assessment, and incident investigation | 113 | |
| | 403-3 Occupational health services | 113 | |

| | 403-4 Worker participation, consultation, and communication on OHS | 113 | |
|---|--|--------|--------------------------------|
| | 403-5 Worker training on OHS | 113 | |
| | 403-6 Promotion of worker health | 114 | |
| | 403-7 Prevention and mitigation of OHS impacts in the value chain | 96, 97 | |
| | 403-9 Work-related injuries | 113 | |
| | 403-10 Work-related ill health | 113 | |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | 114 | |
| GRI 406: Non-discrimination 2016 | 406-1 Incidents of discrimination and corrective actions taken | 114 | |
| CORPORATE GOVERNANCE & ETHICS | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 31-36 | |
| GRI 206: Anti-competitive Behavior 2016 | 206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices | | No legal actions in 2024 |
| GRI 418: Customer Privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | | No official complaints in 2024 |
| PRODUCT QUALITY AND SAFETY | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 67 | |

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Centro di Competenza per la Sostenibilità economica, ambientale e sociale
Competence Centre for Economic, Ecological and Social Sustainability