

fater

Angelini Industries  
P&G

Sustainability Report **2022/23**

# EVERY DAY MATTERS

Our sustainable commitment at a glance





Sustainability Report **2022/23**

# EVERYDAY MATTERS

Our sustainable commitment at a glance





Esteemed Stakeholders,

We are delighted to extend to you an invitation to peruse the pages of our newly published Sustainability Report for the fiscal year 2022/23. In compliance with the “*with reference to GRI standard*” scheme, this document delineates our ongoing efforts to forge a sustainable corporate model and our earnest aspiration listening to consumers, customers, employees, shareholders and also paying attention to all the stakeholders.

Annually, the Sustainability Report provides a moment to reflect upon the advancements toward our Environmental, Social, and Governance (ESG) goals. It also serves to strengthen us with renewed vigor to face the challenges yet to be surmounted. We need it, the path is long and we know there is still a lot of work to be done.

In the preceding year, we adopted the guiding principle “Every Day Matters,” as a constant reminder that our commitment is for the long haul, yet it is actualized daily with relentless determination. As has been demonstrated in the past year.

Enclosed is a synopsis of significant developments in the year 2022/23 that you will discover:

- **Environment:** Our endeavors are manifesting in discernible signals of carbon footprint reduction. This has been made possible through the implementation of novel processes, the selection of raw materials with greater mindfulness, and enhancements in our formulations.

## Stakeholders’ Voice

**Antonio Fazzari,**  
General Manager and Chief Operating Officer di Fater

- **Social:** we have advanced on our path toward the social objectives of our brands, to give our contribution on important themes to consumers of our products. We undertake this journey in concert with Associations and the multitude of Partners to whom we owe gratitude for their daily exemplary efforts. Guided by the People First strategy, we remain steadfast in our dedication to placing Fater's individuals at the inception of our endeavors and their daily work helps outline our corporate responsibility to consumers, customers and suppliers.
- **Governance:** We have dedicated effort to establishing clear internal operational procedures, aspiring to render our trajectory ever more transparent. But exemplary governance is inherently appraised by our day-to-day actions and in this trace, we have instituted a sensitization initiative amongst our staff, which we have aptly titled "Do the Right Thing".

This report offers a comprehensive description of our identity and the aspirations we harbor for the future.

It also presents a renewed opportunity to put ourselves in listening; therefore we invite you to sincerely solicit your participation in this journey toward sustainable growth.

It is a journey that we at Fater consider relevant and so we hope it will involve people we come into contact within our everyday work.

Happy reading!



# HIGHLIGHTS 2022/23

## EVERY DAY SUSTAINABILITY

**3** OUT OF **4**  
FAMILIES IN ITALY  
USE AT LEAST ONE  
OF FATER PRODUCTS

**37**  
COUNTRIES SERVED

**3%**  
TURNOVER INVESTED  
ON INNOVATION

**70**  
RESEARCHERS  
IN FATER'S  
RESEARCH LABS

## EVERY DAY A BETTER SOCIETY

**1,554**  
PEOPLE AS AT 30  
JUNE 2023, **+3%** VS  
PREVIOUS FY

**67%**  
UNDER 30 ON  
TOTAL NEW HIRES

**Zero**  
SEVERE INJURIES  
FOR EMPLOYEES AND  
NON-EMPLOYEES IN  
FY 22/23 AND **zero**  
OCCUPATIONAL  
DISEASES IN THE LAST  
THREE YEARS

**Extended to 3 months**  
THE PATERNITY LEAVE IN  
ADDITION TO THE 10 DAYS  
MANDATED BY THE LAW,  
ELIGIBLE FOR SAME-SEX  
FAMILIES TOO

**96%**  
EMPLOYEES HIRED  
ON A PERMANENT  
CONTRACT

**Over 90**  
TOTAL<sup>1</sup> TRAINING  
HOURS RECEIVED ON  
AVERAGE BY EACH  
EMPLOYEE, EQUAL TO  
OVER 11 WORKING DAYS

**5 on 5 days**  
ALLOWED TO WORK  
FROM HOME. FATER IS  
ONE OF ITALY'S FIRST  
COMPANIES TO HAVE  
ADOPTED 100% HYBRID  
WORK MODEL

**Up to 3,000€**  
THE MAXIMUM  
YEARLY VALUE OF THE  
KINDERGARTEN BONUS,  
EFFECTIVE FROM  
JANUARY 2023

1. Including Health, Safety and Environment training.  
2. According to "Plastic Packaging List" published by CONAI.

## EVERY DAY CLIMATE PROTECTION

**SBTi  
Targets**  
were validated  
TO WHICH FATER  
DECARBONIZATION  
PROCESS IS AIMING

**-4%**  
EMISSION INTENSITY IN  
CO<sub>2</sub>EQ BY PRODUCTION  
UNIT VS PREVIOUS FY

**-8%**  
ELECTRICITY  
CONSUMPTION PER  
PRODUCTION UNIT VS  
PREVIOUS FY

**46%**  
SELF-GENERATED  
ELECTRICITY ON THE  
TOTAL ELECTRICITY  
CONSUMED

**0%**  
WASTE SENT DIRECTLY  
TO LANDFILL

**We set**  
ENVIRONMENTAL IMPACT  
ASSESSMENT KPIS DURING  
THE APPROVAL STAGE OF  
EACH PROJECT

**98%**  
RECYCLABLE  
PRIMARY PACKAGING  
FOR ALL FATER  
PRODUCTS\*

**-5,7%**  
REDUCTION OF VIRGIN  
PLASTIC USED IN  
PACKAGING FOR UNIT  
PRODUCTION VOLUME  
VS FY 20/21

## EVERY DAY RESPONSIBILITY

**Zero**  
CONFIRMED INCIDENTS  
OF CORRUPTION AND  
LEGAL ACTIONS TAKEN  
FOR ANTITRUST LAWS  
VIOLATION

**10**  
CERTIFICATIONS  
HELD

**All**  
PRODUCTION PLANTS –  
BOTH IN ITALY AND ABROAD,  
INCLUDING OUR CAMPUS  
– ARE ISO 9001-, 14001- E  
45001-CERTIFIED

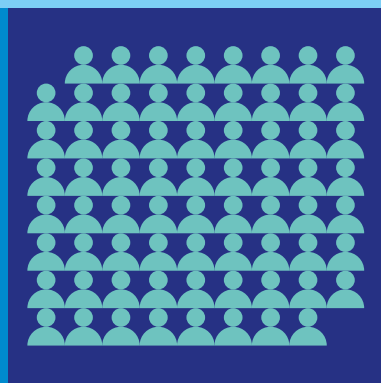
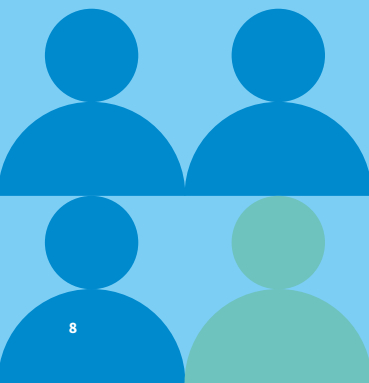
**1,020 mln €**  
ECONOMIC VALUE  
GENERATED, **95%** OF  
WHICH IS DISTRIBUTED  
TO STAKEHOLDERS

**20 mln €**  
VALUE OF INVESTMENTS  
(**70 mln €** OVER THE  
THREE-YEAR PERIOD)

**353 mln €**  
SPEND FOR SUPPLIES  
TO SUPPORT  
PRODUCTION

**232**  
SUPPLIERS FOR  
PRODUCTION, **78%** OF  
WHICH ARE SCREENED  
AGAINST SOCIAL CRITERIA  
CONSIDERED FOR SA 8000  
CERTIFICATION

**51%**  
LOCAL SUPPLIERS  
FOR PRODUCTION





# EVERY DAY SUSTAINABILITY





“EVERY DAY MATTERS”, SUMS UP OUR DAILY COMMITMENT TO HELP BUILD A BETTER FUTURE BY CARING THROUGH OUR WORK FOR OUR PEOPLE AND COMMUNITIES IN WHICH WE OPERATE.

**Fater is an Italian company established back in 1958 in Pescara by Francesco Angelini. In 1992 it became a 50-50 Joint Venture between Angelini Industries and Procter & Gamble.**

We deliver innovative products that contribute to improving consumers' lives, with constant focus on understanding and anticipating new trends while combining innovation and sustainability.





## 1 HEADQUARTERS (CAMPUS)

Spoltore



## 1 RESEARCH LAB

Spoltore

Research & Development for **Fabric & Home Care** and **Lines Specialist** products for severe incontinence



## 1 SALES OFFICE IN ITALY

Pescara



## 3 SALES OFFICES FOR INTERNATIONAL DISTRIBUTION

EECAR Hub (Eastern Europe Area) - Moscow  
 Central Europe Hub - Bucharest  
 Turkey Hub - Gebze

# WHERE WE ARE



## 4 PRODUCTION PLANTS



### Production of Home and Fabric Care Detergent Products

ITALY - CAMPOCHIARO  
 PORTUGAL - PORTO  
 TURKEY - GEBZE



### Production of Personal Absorbent Products

ITALY - PESCARA

# FATER SUSTAINABILITY

WE SUPPORT THE GROWTH OF PEOPLE WITHIN THE COMPANY, WE CARE ABOUT THE COMMUNITIES AND ENVIRONMENT IN WHICH WE OPERATE, ENSURE THE TRANSPARENCY OF OUR OPERATIONS, AIMING FOR SUSTAINABLE GROWTH OF FATER AND OUR BRANDS.

Sustainability at Fater is a core element which defines our business strategy. The aim is to grow the present and future value of the Company and its brands using a multi-stakeholder approach. Fater’s attention to sustainability issues dates back to the 2000s, with the first environmental sustainability projects and welfare projects developed independently by the different functions. In 2020, Fater gained a comprehensive vision of sustainability and took an organic approach to Corporate Sustainability, adopting an organizational structure and decision-making, planning, and monitoring processes based on the given goals. An approach was made clear in our sustainability ambition: **“We work for a better tomorrow by protecting what matters, every day”**.



# FATER'S CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

The 2030 Agenda for Sustainable Development is a plan of action for people, planet and prosperity signed on September 25, 2015 by the governments of the 193 United Nations member states and approved by the UN General Assembly.

The sustainable development goals set have a global scope, affect and involve all the Countries and members of society, from private companies to governments, civil society to information and culture players.

The 17 Goals cover a set of important development issues that consider the three dimensions of sustainable development – economic, social and environmental – in a balanced way, aiming to end poverty, fight inequality, tackle climate change, build peaceful societies that respect human rights.



BASED ON THOSE 17 GOALS, FATER HAS IDENTIFIED THE MOST APPROPRIATE SDGS BECAUSE THEY ARE MORE CONSISTENT WITH THE CONCLUSIONS OF THE MATERIALITY ANALYSIS.

**3** GOOD HEALTH  
AND WELL-BEING



**4** QUALITY  
EDUCATION



**5** GENDER  
EQUALITY



**6** CLEAN WATER  
AND SANITATION



**7** AFFORDABLE AND  
CLEAN ENERGY



**8** DECENT WORK AND  
ECONOMIC GROWTH



**9** INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



**10** REDUCED  
INEQUALITIES



**11** SUSTAINABLE CITIES  
AND COMMUNITIES



**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



**13** CLIMATE  
ACTION



**16** PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



**17** PARTNERSHIPS  
FOR THE GOALS



# SUSTAINABILITY GOALS AND TARGETS

To actually pursue our ambition, we worked in defining medium- and long-term goals consistent with the most relevant issues that emerged from the materiality analysis.

SUSTAINABILITY TOPICS	KPI	FY 21/22	FY 22/23	TARGET 2024/25	TARGET 2029/30	TARGET 2039/40
<b>BETTER SOCIETY</b>						
<b>DIVERSITY, EQUALITY AND INCLUSION – DE&amp;I</b>	Gender pay gap	3.8%	2.9%	-	0%	
	Internal satisfaction survey	78%	78%	≥80%		
	Women with managerial roles	36%	36%	-	-	50%
<b>RELATIONSHIP WITH COMMUNITIES AND BRAND PURPOSE</b>	People involved	140k	220K	≥600k		
<b>CLIMATE PROTECTION</b>						
<b>OPPOSE CLIMATE CHANGE – SBTi<sup>3</sup></b>	Scope 1 and 2 emissions reduction	49 ktCO <sub>2</sub> eq	34 ktCO <sub>2</sub> eq	-	18 ktCO <sub>2</sub> eq -42%	
	Scope 3 emissions reduction (Target Categories <sup>4</sup> )	395 ktCO <sub>2</sub> eq	391 ktCO <sub>2</sub> eq	-	302 ktCO <sub>2</sub> eq -25%	
	Net Zero 2040 (Target Categories <sup>5</sup> )	581 ktCO <sub>2</sub> eq	572 ktCO <sub>2</sub> eq	-	-	57 ktCO <sub>2</sub> eq -90%
<b>SUSTAINABLE BY DESIGN</b>	Lower carbon impact products	Process under construction	Process activated	100% new operations with ≤CO <sub>2</sub>		
<b>SUSTAINABLE PACKAGING AND RESPONSIBLE PROCUREMENT</b>	Virgin plastic reduction in packaging	-5.2%	-5.7%	-50%	-75%	
	Suppliers following ESG policies	ESG Policy under definition	Engagement on climate strategy  On track	80% Weighted suppliers with commitments consistent with Fater's ESG targets	100% Suppliers following ESG policies	

3. The percentage of emission reduction in target columns was calculated against the baseline of FY 2020/2021. See the Climate Protection section for details.

4. Target Categories: 3.1 Purchased Goods and Services; 3.3 Fuel-related Activities; 3.4 Upstream Logistics.

5. Target Categories: Scope 1; Scope 2; Scope 3.1 Purchased Goods and Services; 3.3 Fuel-related Activities; 3.4 Upstream Logistics; 3.12 End-of-life Treatment of Sold Products.



**3** GOOD HEALTH AND WELL-BEING



**5** GENDER EQUALITY



**4** QUALITY EDUCATION



**8** DECENT WORK AND ECONOMIC GROWTH





# EVERY DAY A BETTER SOCIETY

**11** SUSTAINABLE CITIES  
AND COMMUNITIES



**10** REDUCED  
INEQUALITIES



**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



**17** PARTNERSHIPS  
FOR THE GOALS



# HIGHLIGHTS 2022/23

1,554

PEOPLE AS OF  
30 JUNE 2023, **+3%**  
VS PREVIOUS FY

Extended to **3 months**  
PATERNITY LEAVE IN ADDITION  
TO THE 10 DAYS MANDATED BY  
THE LAW, ELIGIBLE FOR SAME-SEX  
FAMILIES TOO

96%

EMPLOYEES HIRED ON A  
PERMANENT CONTRACT

Turnover  
Halved

FROM 4% TO 2% THE  
NEGATIVE TURNOVER RATE  
BETWEEN FY 20/21 AND 22/23

67%

UNDER 30 ON  
TOTAL NEW HIRES

13%

EMPLOYEES UNDER 30

Over **90**

TOTAL<sup>6</sup> TRAINING HOURS  
RECEIVED ON AVERAGE BY  
EACH EMPLOYEE, EQUAL  
TO OVER 11 WORKING  
DAYS

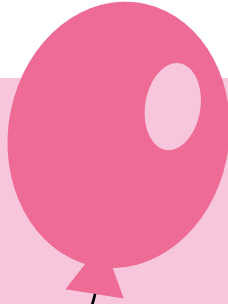
We set

TARGETS IN OUR MBO  
SYSTEM RELATED TO ESG  
FACTORS, WHICH WILL BE  
ASSESSED

95%

MIDDLE MANAGERS AND  
EXECUTIVES WITH ONE  
SUCCESSOR IDENTIFIED  
WITHIN FATER

6. Including Health, Safety and Environment training.



**100%**

EMPLOYEES WHO ENJOYED AT LEAST ONE OF THE 52 BENEFITS OFFERED

**2.9%**

GENDER PAY GAP, IMPROVING FROM PREVIOUS FY

**Zero**

SEVERE INJURIES FOR EMPLOYEES AND NON-EMPLOYEES IN FY 22/23 AND **zero** OCCUPATIONAL DISEASES IN THE LAST THREE YEARS

**151,463**

FATER PRODUCTS GIFTED TO THE FOOD BANK

**Up to 3,000€**

THE MAXIMUM YEARLY VALUE OF THE KINDERGARTEN BONUS, EFFECTIVE FROM JANUARY 2023

**5 on 5 days**

ALLOWED TO WORK FROM HOME. FATER IS ONE OF ITALY'S FIRST COMPANIES TO HAVE ADOPTED 100% HYBRID WORK MODEL

**78%**

INTERNAL SATISFACTION SURVEY FY 22/23

“

We have noticed a growing demand for information from consumers on sustainability issues.

**Our goal is cooperate on ESG issues with our partners better and better, because they become a driver in supply chain choices and collaboration, especially with large companies and multinational corporations.**

”

## Stakeholders’ Voice

**Nando Barbarossa,**

Sales and marketing director Bubbles BidCo, Group that manages majority members of Acqua&Sapone company



“

The Family Open Day was truly an amazing idea, which gave us the chance to show our families the place we work in and what we do every day.

**Also, it is an opportunity for us, our colleagues and families to socialize and meet in a friendly setting,** with activities and games that foster commitment among people.”

”

## Stakeholders’ Voice

**Filipa Silva,**  
HS&E Leader at the Porto plant



# 3 GOOD HEALTH AND WELL-BEING



# 6 CLEAN WATER AND SANITATION



# 7 AFFORDABLE AND CLEAN ENERGY





# EVERY DAY CLIMATE PROTECTION

**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



**9** INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



**13** CLIMATE  
ACTION



# HIGHLIGHTS 2022/23

**600** ktCO<sub>2</sub>eq  
SCOPE 1, 2 AND 3 EMISSIONS  
IN THE ATMOSPHERE  
(-3% FY 2021/22)

**-4%**  
EMISSION INTENSITY OF  
PRODUCTION VS PREVIOUS  
FY, IN CO<sub>2</sub>EQ

**46%**  
SELF-GENERATED  
ELECTRICITY ON THE TOTAL  
ELECTRICITY CONSUMED

**-8%**  
ELECTRICITY CONSUMPTION  
PER PRODUCTION UNIT VS  
PREVIOUS FY

**780** megaliters  
TOTAL WATER WITHDRAWAL

**-6%**  
ELECTRICITY CONSUMPTION  
COMPARED WITH THE  
PREVIOUS FY





**-5.7%**

REDUCTION OF VIRGIN  
PLASTIC USED IN PACKAGING  
FOR UNIT PRODUCTION  
VOLUME VS FY 20/21

**Target**

CUT CO<sub>2</sub> EMISSIONS ON ALL  
PRODUCTION LINES

**We set**

ENVIRONMENTAL IMPACT  
ASSESSMENT KPIS DURING  
THE APPROVAL STAGE OF  
EACH PROJECT

**98%**

OF PRIMARY PACKAGING OF  
ALL FATER PRODUCTS IS  
RECYCLABLE

**0%**

WASTE SENT DIRECTLY  
TO LANDFILL

# EVERY DAY RESPONSIBILITY

**8** DECENT WORK AND  
ECONOMIC GROWTH



**9** INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION





**16** PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



**17** PARTNERSHIPS  
FOR THE GOALS



# HIGHLIGHTS 2022/23

**Zero**

CONFIRMED INCIDENTS OF CORRUPTION AND  
LEGAL ACTIONS TAKEN FOR ANTITRUST LAWS VIOLATION

**+8%**

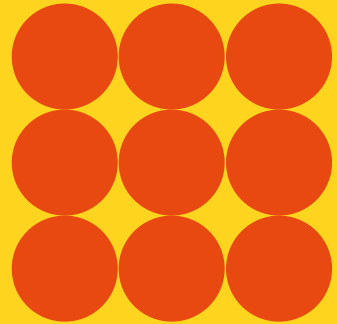
INCREASE IN REVENUES  
OVER FY 2021/22

**10**

DIFFERENT  
CERTIFICATIONS HELD

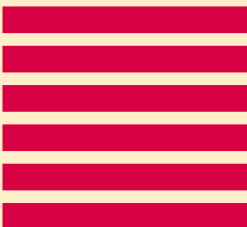
**Gebze**

ISO 9001, 14001 AND 45001  
CERTIFICATIONS IN 2023



**All**

PRODUCTION PLANTS – BOTH IN ITALY AND ABROAD,  
INCLUDING OUR CAMPUS – ARE ISO 9001-, 14001- E  
45001-CERTIFIED





**232**

SUPPLIERS FOR  
PRODUCTION, 78% OF  
WHICH ARE SCREENED  
AGAINST SOCIAL CRITERIA  
CONSIDERED FOR SA 8000  
CERTIFICATION

**1,020 mln €**

ECONOMIC VALUE  
GENERATED, 95% OF  
WHICH IS DISTRIBUTED TO  
STAKEHOLDERS

**51%**

LOCAL SUPPLIERS BASED  
ON PLANT LOCATION  
(PRODUCTION OPERATIONS)

**353 mln €**

SPEND FOR SUPPLIES  
(PRODUCTION)

**20 mln €**

VALUE OF INVESTMENTS FY  
2022/23 (70 MLN € OVER THE  
THREE YEARS)

“

“I have always been impressed by Fater’s broad vision and focus on always finding new solutions aimed at generating a positive impact on new generations.

**Vision, drive for innovation, and the team’s ability to listen** caused the project to grow from what began as an affect education program, setting more and more relevant and challenging goals: fight gender stereotypes, promote equality, and educate on respect and inclusion.

”

## Stakeholders’ Voice

**Angela Mencarelli,**  
Chief Executive Officer of La Fabbrica  
Benefit Corporation



“

Our experience tells of a **growing engagement between supplier and customer on ESG, which requires alignment on the ethical, environmental and governance standards to achieve**, as well as on short-, medium- and long-term goals.

We are interestingly partnering with Fater on a project to increase the percentage of recycled HDPE in the bottles produced in our Italian plants.

The goal is to achieve 50-70% of recycled post-use HDPE in bottles which were previously entirely made of virgin resin or with a high percentage of it.”

”

## Stakeholders’ Voice

**Andrea Bortolotti,**  
EU Sales Area Manager Serioplast





Sustainability Report 2022/23

# EVERY DAY MATTERS

Our sustainable commitment at a glance







Editorial Project Coordination:  
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**father**

Angelini Industries  
P&G