

# Every Day Matters

Sustainability Report 2024/25





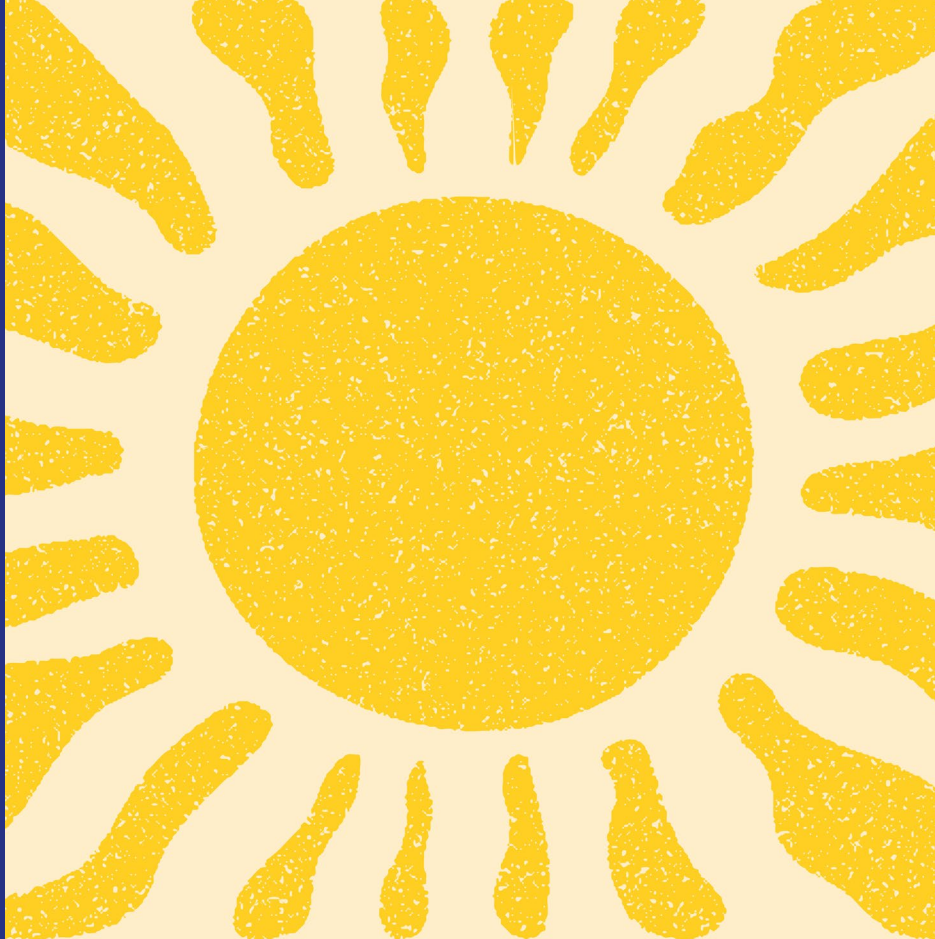


# Every Day Matters

This document was created to be accessible and therefore perceived, operated, and understood by the widest possible number of people. We chose to create an **accessible Report** because we believe that sustainability should not only be told, but also shared through a path of **transparency, inclusion, and trust**, values that inspire Fater's daily commitment.

# Every Day Matters

Sustainability Report 2024/25



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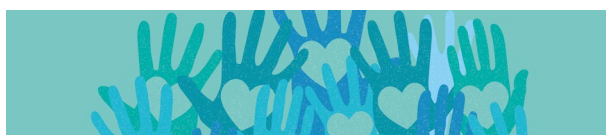
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# Letter to Stakeholders

GRI 2-22

Dear Stakeholders,

We are pleased to present our Sustainability Report for fiscal year 2024/25, the fourth of our journey. For all people working in Fater, this document represents far more than a reporting exercise: it is a precious opportunity to reflect on the journey we have taken together, on the responsibility we embrace in contributing to a more sustainable future.

This Report is the result of the dedication of many people, inside and outside Fater, who work every day with enthusiasm and responsibility. Thanks to this commitment, over the past six years we have grown both in revenue and in profit, demonstrating that sustainability not only can, but must, go hand in hand with business growth.

This year we have tried to make our Report more focused and readable, divided into 6 sections.

**Every Day Together.** Fater's culture, called "People First", is built on **open and continuous dialogue with our stakeholders**. Our starting point is always listening, as it enables us to focus our attention and align ourselves with the needs of people both within and outside the Group. We believe this is the best way to build a path that ensures consistency between our intent—what we say—and our work program—what we do every day. In this year's report, we have gathered comments from some of the stakeholders who accompany us on our transformation journey.

**Every Day Fater.** In this section, you will find how sustainability values permeate every aspect of our culture and strategic decisions. This is why in Fater sustainability is not a separate chapter, but **it is our identity**.

**Every Day a Better Society.** Our commitment to reducing the gender pay gap continues, supported by concrete plans to achieve full parity while upholding meritocracy. During the year, Fater obtained the **Gender Equality Certification**, confirming our determination to overcome stereotypes and inequalities. With the support of an external partner, we are also finalizing the **analysis of Brand Purpose initiatives** launched last year, enabling us to measure their impact on communities more precisely and to set more targeted objectives.

**Every Day Climate Protection.** Over the past five years, compared to our 2020/2021 baseline, we have reduced our overall Carbon Footprint by 15%, a result that confirms Fater's ongoing focus on **reducing CO<sub>2</sub> emissions**. However, we know that sustainability is a goal built together. For this reason, we feel a responsibility to promote best practices across our entire supply chain, aware that real transformation comes from interconnection and collaboration with all our partners. We have strengthened a procurement model in which environmental impact



assessment is an integral part of decision-making. Reducing CO<sub>2</sub> emissions together with our suppliers is becoming increasingly central. Our goal is to continue reinforcing this dialogue across the value chain, fostering virtuous collaborations and contributing together to our ambitious sustainability objectives.

**Every Day Responsibility.** Fater has obtained the **EcoVadis Gold Medal**, the global benchmark platform for evaluating ESG performance. This achievement places us among the highest-performing companies in the sector and demonstrates the value of the commitment we dedicate to sustainability every day. At the same time, we know that every recognition is only a milestone on our journey: we continue to challenge ourselves with the same willingness to learn and improve, convinced that growth comes from listening, continuous dialogue, and a constant drive for innovation.

**Appendix.** This section collects Fater sustainability program's main numeric values, with the goal of making the main body of the Report more streamlined and focused and facilitate tables readability.

At Fater, we believe that every day makes a difference: “Every Day Matters.” This statement reminds us that Fater is what we do every day to build a more sustainable future, always working to put people at the center.

Finally, a message for everyone who has the interest and the patience to read our Sustainability Report. We hope that the publication of this document can also become an opportunity for listening. We therefore invite you to share your thoughts and suggestions; we will use them to continue improving together.

Enjoy the read!

Antonio Fazzari  
*General Manager and Chief Operating Officer of Fater*

# Methodological Note

GRI 2-2, 2-3, 2-4

## The Fourth Fater Sustainability Report

Fater began in 2021 a voluntary journey aimed at disclosing its Sustainability performance, as well as measuring and communicating the economic, social, and environmental impact generated.

## Reporting Period and Standards

This Sustainability Report refers to the period **from 1 July 2024 to 30 June 2025**, hereinafter also referred to as “fiscal year 2024/2025,” “Fiscal Year,” or “FY 2024/25.” Where possible or deemed appropriate, the data for the latest fiscal year have been compared with information from FY 2022/23 and FY 2023/24, in order to allow all stakeholders to assess performance developments over time.

The GRI Sustainability Reporting Standards of the Global Reporting Initiative (GRI) were adopted as methodological references, using the “with reference to” option.

## Reporting Scope

The reporting scope considered in this Report includes the Italian Headquarters and the production plants, or manufacturing sites, in Italy belonging to Fater S.p.A., as well as the production sites located in Portugal and Turkey, respectively operated by Fater Portugal Unipessoal Lda and Fater Temizlik Urunleri Limited Sirketi, both of which are wholly owned by Fater S.p.A. The commercial offices in Romania and Turkey are excluded from the reporting scope, as their impact in terms of production, human resources, and environment is not considered significant.

Specifically, the reporting perimeter for quantitative data includes:

- Headquarters, or Business Campus, Via Mare Adriatico 122, 65010 Spoltore (PE), Italy
- Campochiaro Plant, Via Zona Industriale 1, 86020 Campochiaro (CB), Italy
- Pescara Plant, Via Raiale 108, 65128 Pescara (PE), Italy
- Porto Plant, R. Monte dos Pupos 105, 4460-865 Custòias, Portugal
- Gebze Plant, İnönü Mah. Yolu Üzeri GEPOSB, Atatürk Blv., 41400 Gebze, Kocaeli, Turkey

The following exceptions apply:

- Economic value information (GRI 201-1) refers only to Fater S.p.A. Including the values for Fater Portugal Unipessoal Lda and Fater Temizlik Urunleri Limited Sirketi would have been immaterial for determining the economic value generated, retained, and distributed.
- Data regarding the supply chain, including the types of materials purchased, as well as energy and water consumption, waste, and Scope 1 and 2 emissions, refer to the four production plants, excluding the Headquarters from the reporting perimeter.

## Definition of Content

The contents of this Report were identified considering the following steps: 1) ESG topics were identified through a materiality analysis carried out in FY 2021/22 and described in paragraph *Our ESG Priorities*. 2) The topics covered are those considered “material”, meaning relevant in reflecting the impacts of the Group’s activities or in influencing stakeholder decision-making. The approach adopted is consistent with what was applied for the 2023/2024 reporting year.

## Data Collection Process

The collection and consolidation of information and data were carried out using qualitative and quantitative templates, supported by a new reporting tool. Data was recorded precisely for each entity included within the reporting scope, based on the results of the general ledger and other information systems used. In cases where estimates were required to calculate indicators, the method used has been clearly indicated.

## External Assurance

Fater has chosen to submit this Report to a review process with the objective of ensuring the accuracy of the information provided. The limited assurance engagement, conducted according to the criteria set out in the ISAE 3000 Revised standard by the audit firm BDO Italia S.p.A., concluded with the issuance of the "Independent Auditor’s Report" included in this document.

## Contacts

For further details, please refer to the FY 2023/24 Sustainability Report and to the website [www.fatergroup.com](http://www.fatergroup.com)



# Highlights 2024/2025

## Every Day a Better Society

### Social Impacts

**Growth and stability:** 1,632 employees (+2.3%), 92% on permanent contracts

**Gender equity:** Gender pay gap reduced to 1.6%; women in managerial roles 38.5%

**Workplace climate:** 75% internal satisfaction, target achieved

**Social initiatives:** 622,000 people reached through projects and Brand Purpose activities

**Inclusion:** 66 employees with disabilities; +24% under 30

**Certified equality:** Gender Equality Certification obtained

**Protection:** Extended leave for women victims of gender-based violence (up to 6 months fully paid)

**Work-life balance:** Kids@Campus, smart working up to 5 days/week, No Meeting Zone before 9 a.m. and after 6 p.m.

**Safety:** Zero serious injuries

**Talent:** 56% under 30 among new hires; positive turnover 7.1% (9.2% for women)



# Every Day Climate Protection

## Environmental Impacts

**CO<sub>2</sub> reduction:** - 15% vs. FY 2020/21 baseline

**Sustainable packaging:** -21% virgin plastic vs. FY 2020/21 baseline

**Waste:** Zero direct landfill disposal<sup>1</sup>; 70% sent to recycling

**Energy consumption:** 551,718 GJ (+2% vs. FY 2023/24)

**Water use:** 398 megaliters (-2% vs. FY 2023/24)

**Sustainable logistics:** -15% CO<sub>2</sub> inbound logistics emissions vs. FY 2023/24

<sup>1</sup> Based on Fater industrial waste disposal suppliers' certificates.

# Every Day Responsibility

## Responsible Conduct Impacts

**Sustainable suppliers:** 65% with ESG rating; 100% of new suppliers assessed under SA8000

**ESG Excellence:** EcoVadis Gold Medal

**Value generated:** €1.128 bn; 95% distributed to stakeholders

**Production procurement:** €344 million; 97% from local/European suppliers

**Code of Conduct:** pilot roll-out initiated with a supplier panel

**Zero** confirmed cases of corruption



# Every Day Together





# Dialogue with Stakeholders

The **Every Day Together** section gives voice to the stakeholders who matter most, selected across the entire value chain. Compared to the previous Report, this year we chose to focus the narrative on the **projects developed together with our partners** throughout the year. Our goal is to further strengthen **transparent, constructive dialogue with all stakeholders**, promoting meaningful partnerships and generating positive impact.

Below is an overview of some of the projects we have implemented together with our external stakeholders in recent months.





## Confindustria Abruzzo Medio Adriatico | Trade Association

**Christian Scutti**  
Officer

### Project

- ESG Pathway for Fater's Production Supply Chain
- Engagement of local SMEs in the Abruzzo region
- Direct meetings with suppliers, collection of insights and suggestions

### Resulting change

- A participatory and inclusive approach
- Development of concrete training content and practical tools for SMEs
- Engagement of local associations to increase effectiveness

“

*Fater, fully aware of the characteristics of the Abruzzo production landscape, largely composed of small and medium-sized enterprises that make up its supply chain, chose not to impose requirements from above, but instead to launch a shared growth journey with its suppliers on ESG topics. With the support of Confindustria Abruzzo Medio Adriatico, roundtable discussions were organized with suppliers from different sectors to listen to their needs and understand the main challenges they face, with the aim of providing concrete support and enabling real and measurable improvement across the entire supply chain. The path Fater has taken is, at its core, intrinsically sustainable: a large company making its expertise and resources available to the region so that each supplier can find its own improvement pathway, driven by the conviction that the only way to leave footprints, rather than scars, on the planet is to grow together, inclusively and responsibly.*

”

## ALTIS Advisory | Partner

### Valentina Langella

*Head of Social Impact*

#### Project

- Evaluation and reporting pathway for Brand Purpose initiatives
- Definition of change dimensions, KPIs, indices, weightings, and targets for measurement
- Engagement of brands and partners in the design process

#### Resulting change

- A structured methodological approach fully integrated into corporate reporting

“

*ALTIS Advisory is supporting Fater in building and implementing a structured pathway to monitor and report on brand initiatives addressed to the community. The goal is to accurately measure the effectiveness and contribution of corporate and brand initiatives through a system integrated into Fater's reporting processes. To this end, assessment frameworks will be developed to take into account the dimensions of change generated by Brand Purpose activities. Subsequently, weights and targets will be defined to support their measurement and evaluation over time. Key strengths of the project include the involvement of brands and partners in developing the frameworks, the creation of precise indices useful for communication and reporting, and the development of tools that can be replicated over the years. Areas for improvement include strengthening beneficiary engagement, already partially planned, and consolidating internal capabilities to use the system and tools over time, from a strategic perspective.*

”





## Microsoft | Partner

### Christoph Pawlowski

Director, Strategic Consulting Division for Professional Services

#### Project

- Digitalization of the company's Carbon Footprint calculation and ESG metrics
- Implementation of Microsoft Sustainability Manager
- Introduction of advanced tools to simulate products CO<sub>2</sub> emissions changes

#### Resulting change

- Automation of data collection and scenario simulation to reduce environmental impact
- Advanced data analytics to support strategic decision-making

“

*We supported Fater in the digitalization of its corporate Carbon Footprint calculation through the implementation of Microsoft Sustainability Manager. This solution has enabled unified and compliant management of ESG metrics, in line with reporting requirements (GRI, CSRD), and has introduced advanced tools to simulate the environmental impact of products. The ESG digitalization project is part of an organization that is strongly committed to technological innovation to improve processes, reduce the environmental impact of its products, and create value across the entire chain. This evolution goes beyond compliance: it fosters a corporate culture oriented toward sustainability and people's wellbeing. These elements demonstrate how crucial collaboration is between companies that share a vision of leadership in sustainability, because this is how concrete and lasting change is generated.*

”

## **GS1 Italy | Non-profit organization setting global standards (including bar codes) to identify and track the supply chain**

**Carolina Gomez**

*ECR<sup>2</sup> Project Manager, Collaborative Sustainability Projects*

### **Project**

- Circular economy benchmark
- Participation in the update of the benchmark assessing the state of circular economy integration, in which GS1 analyzed how participating companies are embedding circularity principles into their organizational models

### **Resulting change**

- A comprehensive overview of circular economy implementation within the company and comparison with best-in-class corporate practices
- Increased awareness of potential risks and definition of possible adaptation plans



*The analysis was conducted using Circol-UP, GS1 Italy's circularity measurement tool. Circol-UP's KPIs, aligned with national standards (UNI/TS 11820), international standards (ISO 59000), and reporting requirements (CSRD – ESRS E5), enable measurement of circularity across every phase of the life cycle (procurement, design, production, distribution, consumption, waste management). Through this analysis, Fater contributed to the collection of circular-economy best practices in the FMCG sector, highlighting its decarbonization plan, which also involves suppliers in monitoring environmental performance. The assessment also made it possible to provide an overview of additional initiatives aimed at reducing emission impacts and to raise awareness of potential risks and adaptation strategies. The project engaged various members of the sustainability function, enabling the identification of further initiatives aimed at reducing emissions and supporting the dissemination of virtuous practices, considering every stage of the product life cycle.*





## Graf Color | Supplier

### Rafael Fianza

*Purchase & Quality Manager*

#### Project

##### **Eco Digital Print**

- Development of digital and sustainable solutions for packaging and paper converting
- Implementation of the Multi Pass Delta Wt 250 printer, based on Durst Water Technology

#### Resulting change

- Fater now has the ability to use water-based, odorless ink in its printing processes

“

*Graf Color decided to invest in an innovative project called Eco Digital Print. The core strength of Eco Digital Print lies in developing a packaging and paper-converting program that is entirely digital and focused on environmental sustainability. Durst Water Technology uses water-based inks, which eliminate the need for plastic lamination and ensure that the final paper-based product is free from harmful substances sustainable and “food-contact safe.” Additionally, we have digitalized the die-cutting process. This enables customers to request small, highly targeted print runs tailored to their actual needs, reducing warehouse stock levels as well as paper and energy consumption.*

”

## Esselunga | Client

### Astrid Palmieri

Corporate Sustainability Director

#### Project

- Through its double-materiality analysis, Esselunga is assessing material topics across its supply chain, which includes Fater

#### Resulting change

- Collaboration with its supply chain on major environmental and social topics, with a particular focus on working conditions

“

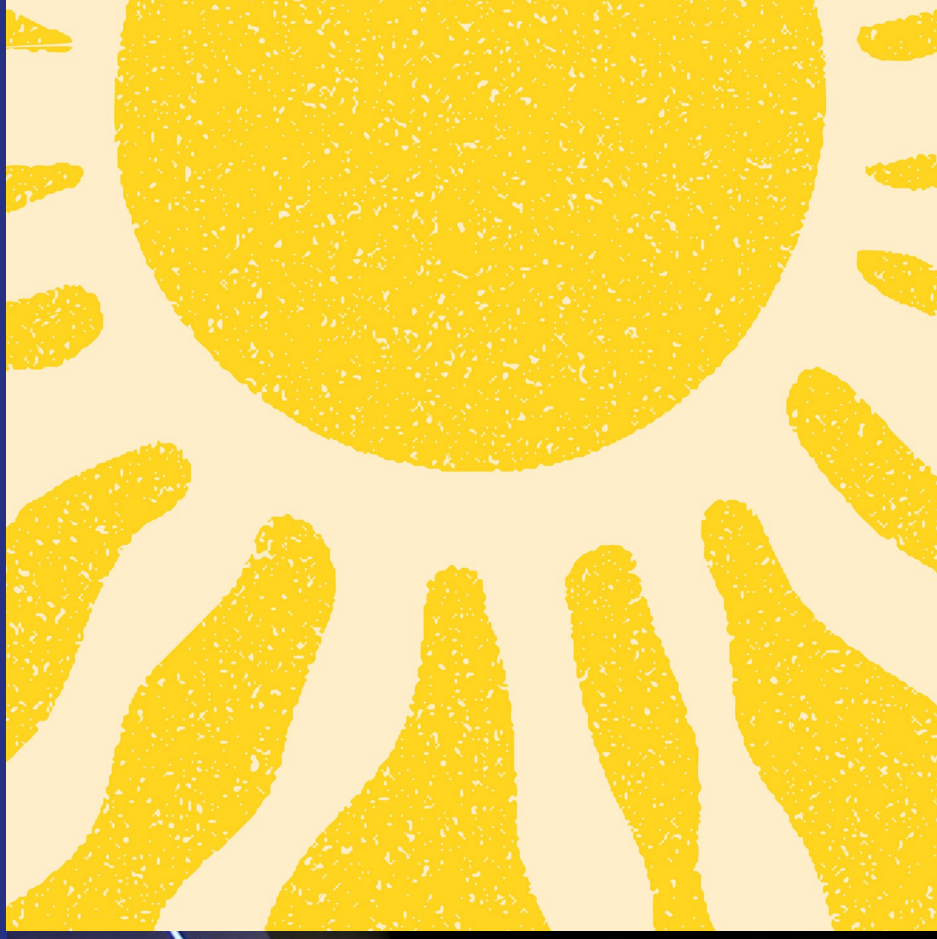
*Esselunga is committed to operating sustainably from a social, economic, and environmental standpoint, placing employees, local communities, the environment, and the supply chain at the center of its strategy. We ensure that our products are safe, high-quality, transparent, and traceable, while promoting ethical and sustainable supply chains and enhancing the value of local suppliers. From an environmental perspective, the company works to reduce its impact through energy efficiency, circular economy initiatives, food waste prevention, and lower-impact packaging. All these commitments are outlined in the Sustainability Plan, a document that embeds sustainability principles into both operational and strategic decisions. The Plan is structured around three priority areas (People & Community, Our Business, and The Planet) and defines concrete medium- to long-term objectives and initiatives. In our most recent double-materiality analysis, the role of our supply chain emerged as central across many topics, including all major environmental themes, from climate change to pollution, water use, biodiversity, and circular economy. Working conditions across the value chain were also identified as highly relevant. For this reason, we are actively working to identify joint solutions together with our suppliers.*

”





# Every Day Fater





# Our Identity

GRI 2-6

**Founded in 1958 in Pescara by Francesco Angelini, Fater has been a joint venture between Angelini Industries and Procter & Gamble since 1992.**

A leader in the Italian market for personal hygiene absorbent products with the brands Tampax, Lines, Lines Specialist and Pampers, Fater is also a key European player in home and fabric care with the brands ACE and Neoblanc, distributed both in Italy and abroad. Until December 2025, Fater distributed Hero Solo branded baby food products in Italy.

Fater's product portfolio is distinguished by its extensive breadth and depth, designed to meet the needs of consumers and distribution partners.



**Baby Care**

**Feminine Hygiene**

**Incontinence Care**

**Home and Fabric Care**

**Pampers**

**LINES** **TAMPAX**

**LINES**  
**SPECIALIST**

**ACE** **NEO BLANC**



## Two New Businesses – Amuchina and Infasil join Fater as of 1 January 2026

In July 2025, Fater signed an agreement with Angelini Pharma for the acquisition of two new brands, Amuchina and Infasil, effective 1 January 2026. This is a strategically significant transaction for both companies, with the objective of fully enhancing two historic and highly recognizable brands in the market.

Fater enthusiastically welcomes two major brands such as Amuchina and Infasil, which perfectly complement its current portfolio. Thanks to this addition, the company will be able to respond even more effectively to the needs of the many Italian families who choose the Group's products every day. The acquisition also includes the Casella production plant, where several Amuchina products are manufactured.



# Mission and Values Guiding Change

**“Every Day Matters” summarizes Fater’s daily commitment to building a better future**, through the work of its people and by taking care of what truly matters, with particular reference to home care and personal care products.

# Our History

For more than 60 years, Fater has lived through the evolution of society, the changes in habits and language, and the growing environmental and social awareness of citizens and consumers, always able to anticipate these changes thanks to continuous listening and a strong focus on innovation.

## **1958**

Pharmaceutical entrepreneur Francesco Angelini founds the company in Pescara

## **1992**

Fater becomes a joint venture between Angelini Industries and Procter & Gamble

## **2013**

Fater acquires ACE bleach for Western Europe

## **2022**

30 years of joint venture with Procter & Gamble and Angelini Industries

## **2023**

ESG strategy formalized and first Sustainability Report published

# Value-Creating Business

GRI 2-6

Fater products are distributed both in Italy and abroad. Specifically, products in the Paper category, personal absorbent products, are distributed exclusively in the Italian market, whereas products in the Fabric and Home Care category are distributed both in Italy and internationally.



**In 76%**  
of Italian households, at least  
one Fater product is present

## Markets and Value Chain

Fater operates primarily in the Fast-Moving Consumer Goods sector, in particular:

- **Baby absorbent products**, diapers and wet wipes
- **Feminine hygiene protection**, pads, liners, tampons
- **Adult incontinence care**, a segment that is growing due to the increasing over-55 population
- **Home and fabric care**, bleach, surface sprays, laundry detergents

In each of its markets, Fater stands out for the continuous introduction of innovative products, constant focus on enhancing its offering, and the strength of its core brands, confirming its leadership among Italian consumers.

The ability to ensure access to products for such a broad consumer base is supported by a strong partnership with the distribution network that Fater has built over the years through collaboration. Fater distributes its products through several channels, **Mass Market, Pharmaceutical, and Health Care**. In recent years, **online sales** have also been activated for Lines Specialist and Pampers products, available directly through their respective websites.

The Group's supply chain includes raw material suppliers located both within and outside the EU, finished goods suppliers, and service providers.

## Relationship with Customers and Consumers

In 76% of Italian households, at least one Fater product is present, source: Nielsen Household Panel, June 2025. This result reflects consumer trust in product quality and a well-structured network of partnerships with distribution channels. Fater strategy of creating value with our customers ("**Customer First**" strategy) is built on five pillars:

1. **Innovation and value creation**
2. **Listening to customer needs**
3. **Attention to in-store execution**
4. **Commercial speed and adaptability**
5. **Excellent service for distribution partners**

This approach has generated positive feedback from customers, reinforcing Fater’s leadership in the home and personal care sector. The results of The Advantage survey<sup>3</sup>, the annual Customer Satisfaction study in which retailers evaluate FMCG companies and on partnership, execution, reputation, and vision, further confirm this. In 2025, Fater ranked **first overall among the Top Manufacturers**, consolidating its position as a leader in home and personal care.

**2,500 m<sup>2</sup>**  
of laboratories, equipped areas, and pilot plants



## Innovation that Transforms

Innovation is Fater’s main driver of growth, and the company invests approximately 3 percent of its annual revenue in research and development. The Spoltore Campus hosts 2,500 square meters of laboratories, equipped areas, and pilot plants. The Technology Innovation department works to pursue three objectives: **improving the user experience** for our consumers, **reducing environmental footprint** across products’ life cycle, and **optimizing production costs**.

<sup>3</sup> Survey by The Advantage Group.

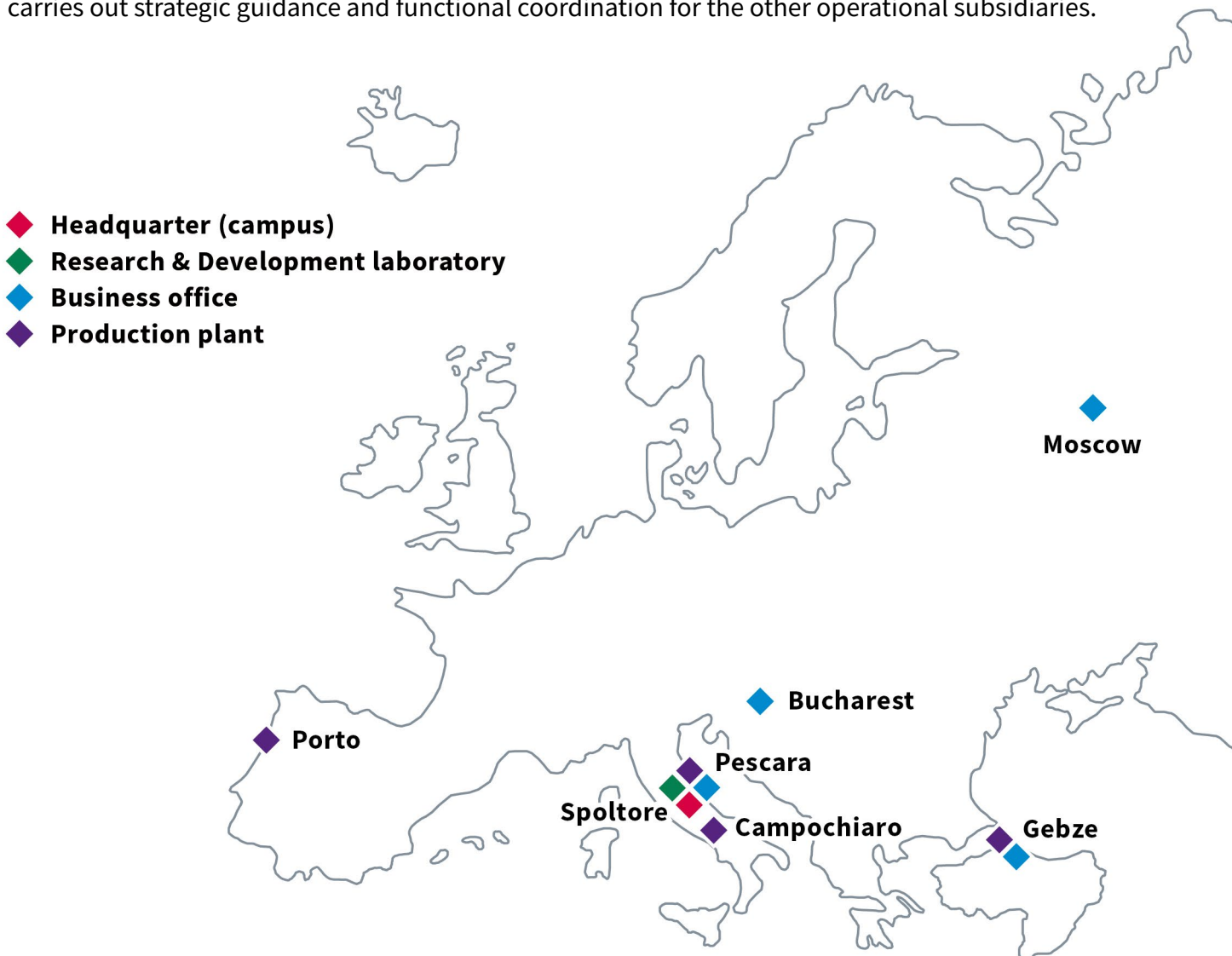
# Transparent Leadership

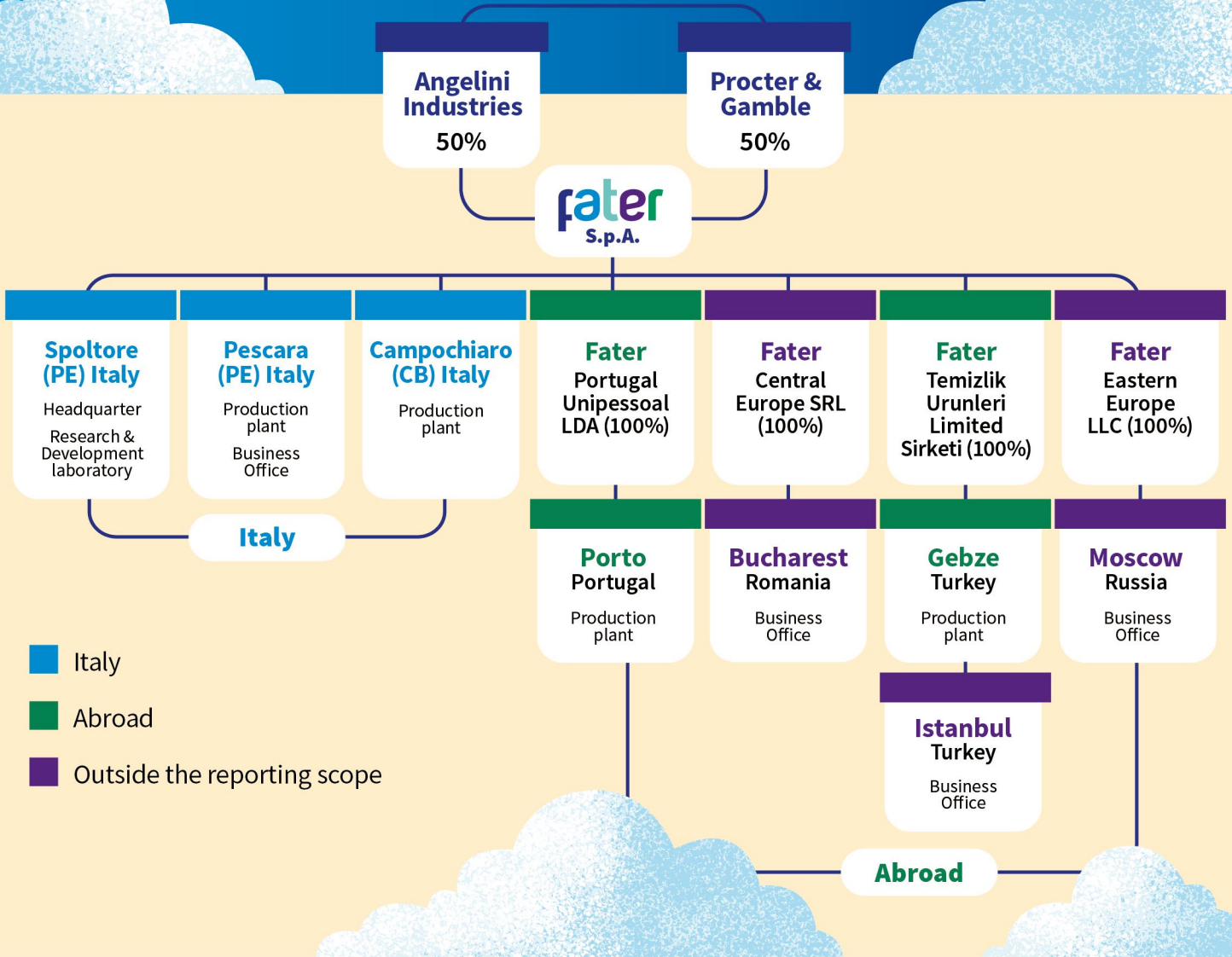
## Group Structure

GRI 2-1

Fater S.p.A. is a **fifty-fifty joint venture** established by Angelini Industries and Procter & Gamble. **The parent company, Fater S.p.A.**, is headquartered in Spoltore (PE), and operates in Italy through two production facilities, one in Pescara and the other in Campochiaro (CB). Abroad, Fater has two production plants located in Portugal and Turkey, and it operates through four foreign legal entities that are fully owned, 100 percent, by the company. Actually, commercial legal entity in Russia is inactive.

The current organizational structure of the Fater Group provides that the parent company also carries out strategic guidance and functional coordination for the other operational subsidiaries.





## Governance Bodies of Fater S.p.A.

GRI 2-9, 2-10, 2-11, 405-1

### Board of Directors

The Board of Directors is currently composed of six members appointed by the two Shareholders, including two executive and four non-executive members. The Chair of the Board and the non-executive directors do not hold operational roles. The Board of Directors delegates part of its responsibilities to an Executive Committee, composed of two members of the Board.



**Following the reporting period, a positive trend in female representation was recorded due to the appointment of a new female Board member who assumed the role of Chair.**

## **Executive Committee**

The Executive Committee is currently composed of two directors appointed by the Board of Directors and meets regularly to review the Group's economic and financial performance. Specifically, it assesses business performance against the approved budget, evaluates new product line projects, investment projects related to tangible and intangible assets, and reorganization initiatives. The Executive Committee periodically reports to the Board of Directors and to the Board of Statutory Auditors on the most significant transactions carried out by the Company.

## **General Manager**

The General Manager, appointed by the Board of Directors, leads the Leadership Team responsible for the strategic direction of sustainability. The current General Manager and Chief Operating Officer is Antonio Fazzari, in office since July 2020.

## **Board of Statutory Auditors and Supervisory Body**

The Board of Directors is supported by a Board of Statutory Auditors<sup>4</sup> and by a Supervisory Body<sup>5</sup>, appointed respectively by the Shareholders' Meeting and by the Board of Directors. The Board of Statutory Auditors, in accordance with the law and the Company's bylaws, oversees compliance with legal and statutory requirements and protects the integrity of the company's assets on behalf of Shareholders and third parties. It interacts with the Directors, the Shareholders, the Independent Auditor, the Supervisory Body, and the internal control functions. The Board of Statutory Auditors is composed of five members, three standing and two alternates.

The Supervisory Body is responsible for monitoring and regularly verifying the effectiveness of the Company's Organization, Management, and Control Model, and for recommending updates to the Model following regulatory or organizational changes. The Supervisory Body is composed of three members, all external professionals.

The statutory audit of the financial statements is performed by Deloitte and Touche S.p.A. For an overview of the composition by gender and age of the governance bodies, please refer to the Appendix.

<sup>4</sup> Appointed on 17 October 2024, and in office until the approval of the Financial Statements as of 30 June 2027.

<sup>5</sup> Appointed on 4 November 2024, and in office until the approval of the Financial Statements as of 30 June 2025.

# Governance as a Driver of Sustainability

GRI 2-12, 2-13, 2-14, 2-17

**Fater has undertaken a structured and ambitious journey to integrate sustainability into its strategic processes, involving all company departments.**

This is a cross-functional commitment that reflects the Group's intention to generate long-term value for its people, the community, and the environment, making sustainability an integral part of daily decision-making.



Despite the current context of regulatory uncertainty, Fater has chosen to continue actively measuring its actual impacts, risks, and opportunities related to sustainability.

Our sustainability governance structure is organized as follows:

**Leadership Team:** Led by the General Manager and composed of the Directors heading the main corporate functions, it approves the ESG strategic direction, plans, and targets proposed by the Teams overseeing the respective ESG areas.

**Corporate Sustainability Team:** The Team operates at the beginning and at the conclusion of the process that shapes the sustainability strategy, and performs the following functions:

- Raising internal awareness and ESG competencies, and supporting business functions in the creation of processes and in the implementation of projects
- Integrating ESG topics into decision-making processes
- Coordinating activities carried out by the ESG Teams across different departments
- Ensuring regulatory compliance on ESG topics
- Monitoring progress toward ESG strategy KPIs
- Drafting the Sustainability Report
- Internal and external communication and stakeholder engagement on ESG topics, in collaboration with Internal and External Communications

During the last fiscal year, Fater's sustainability governance evolved to improve process effectiveness and efficiency and to create value.

- The **Corporate Sustainability function**, previously reporting under Communications, now reports directly to the **Chief Financial Officer, CFO**, becoming part of the Finance and Administration department. This decision strengthens the integration of sustainability within company processes, ensuring alignment between strategy and objectives in the industrial plan and building new capabilities in alignment with CSRD requirements.
- In addition, a **Sustainability Steering Team** was established, sponsored by the General Manager and composed of the leaders responsible for the three ESG pillars (**Pillar E** led by the Chief Technology Innovation Officer, **Pillar S** led jointly by the HR Director and the Category Leader for the brands, and **Pillar G** led by the CFO). The joint responsibility of HR and the Category Leader for the Social pillar highlights the connection between the internal corporate environment and the external world, **“Outside-in”** and **“Inside-out”**. This Committee is responsible for guiding the process of adopting sustainability regulations, ensuring alignment between corporate strategy and legal requirements. It guarantees that the actions taken are consistent with shared objectives, defines an action plan, and continuously monitors its progress. Starting this year, it is also responsible for the internal validation of the Sustainability Report, making the entire process more efficient.



## Higher Quality and Reliability of Metrics with the New Data Collection Tool

During the year, a dedicated digital tool was introduced to support the sustainability reporting and governance process, enabling integrated support across the various corporate functions involved and facilitating the collection, management, and validation of the data required for reporting. Its adoption strengthened process governance by structuring operational workflows, defining clear responsibilities, and ensuring greater traceability of activities. The platform enables the company to collect data for CO<sub>2</sub> emissions calculation and for the sustainability report in a fully digital manner, and to monitor progress and results on the topics that are material to Fater's ESG strategy.

Using a single tool throughout the data collection process has reduced operational timelines and made it possible to consolidate a more robust data quality and data reliability model, ensuring greater accuracy, consistency, and transparency in the information reported.



## Transformational Governance: “Outside-In”

The company's approach to sustainability is cross-functional and involves all departments. The Corporate Sustainability Team collaborates with cross-functional working groups, or teams embedded within specific departments, to develop sustainability areas and projects, ensuring that external feedback and emerging trends are captured and incorporated.

### Environment

**Net Zero Team:** The Net Zero Team is a **multifunctional group** that guides Fater in implementing its **decarbonization strategy**, defining and executing actions aligned with SBTi targets. The Technology Innovation function ensures the adequacy of decarbonization plans. The team meets regularly to develop plans, review progress, and make decisions, periodically updating the **Leadership Team** on advancements. Its composition reflects various business areas, primarily **technological innovation, logistics, procurement, and marketing**, with the goal of turning Fater's decarbonization commitment into concrete action. The main initiatives for FY 2024/25 are detailed in paragraph *Sustainable Innovation: Ideas that Reduce Impact*.



# Environment

## Social



## Governance

### Social

**People First Team and Marketing Category:** The People First Team aims to ensure a **positive and inclusive internal environment** that values diversity and puts people and their wellbeing at the center. These same principles are reflected externally through projects designed in line with **each brand’s purpose** and addressed to the specific target groups of the various product categories.

### Governance

**Governance Team:** This team ensures the conditions for **responsible and transparent business management**.

### Transformational Governance: “Inside-Out”

Fater’s sustainability governance is oriented not only toward the sustainable and responsible management of its operations, but also toward reducing negative impacts along the entire value chain. This integrated approach reflects the company’s commitment to promoting sustainable practices that involve suppliers, partners, and stakeholders, with the goal of generating long-lasting shared value.

### **Sustainable Procurement Team**

The Procurement department is divided into two main areas, direct procurement, goods and services that enter directly into the composition of the final product, and indirect procurement, all purchases not directly related to products.

During FY 2024/25, the Group strengthened the team dedicated to **Sustainable Procurement**, enabling the transition from preliminary and non-formalized activities to a structured organizational model with clear responsibilities and defined processes, completing the transformation from **traditional Procurement** to **sustainable Procurement**.

The team **reports directly to the Procurement function**, ensuring oversight across all product categories, both direct and indirect. This central position allows the team to coordinate activities effectively and ensure consistent integration of ESG principles throughout the supply chain.

The team's main responsibilities include:

- ESG and supply chain risk analysis, paragraph *Sustainable Supply Chain* will address the consideration of social and governance aspects in Fater's supplier selection
- Definition of strategies and mitigation rationales for identified risks
- Direction and support of the entire Procurement function in adopting sustainable procurement practices
- Coordination of initiatives involving the supply chain
- Development of guidelines supporting Partner Plans, paragraph *Sustainable Innovation: Ideas that Reduce Impact* will illustrate this ongoing dialogue with suppliers on the decarbonization of their products and services

# Stakeholder Mapping and Engagement

GRI 2-9

In continuity with previous years, Fater has structured the sustainability reporting in this document based on the stakeholder identification analysis conducted in FY 2021/22, further strengthening their involvement in the sustainability reporting process. For additional details on external stakeholders, please refer to the dedicated section *Every Day Together*.

# Our ESG Priorities

GRI 2-29, 3-1, 3-2

The sustainability topics most relevant to stakeholders, and considered in this Report, are those identified during the listening and engagement activities carried out in FY 2021/22. These material topics are included in the chapters organized according to the ESG pillars.

## Environment

- Climate change
- Packaging and use of plastic
- Product innovation and lower environmental impact
- Chemicals
- Waste



## Social

- Employee health, safety and wellbeing
- Human and labour rights
- Product quality and safety
- DE&I and women's empowerment
- Talent attraction and development
- Parenting

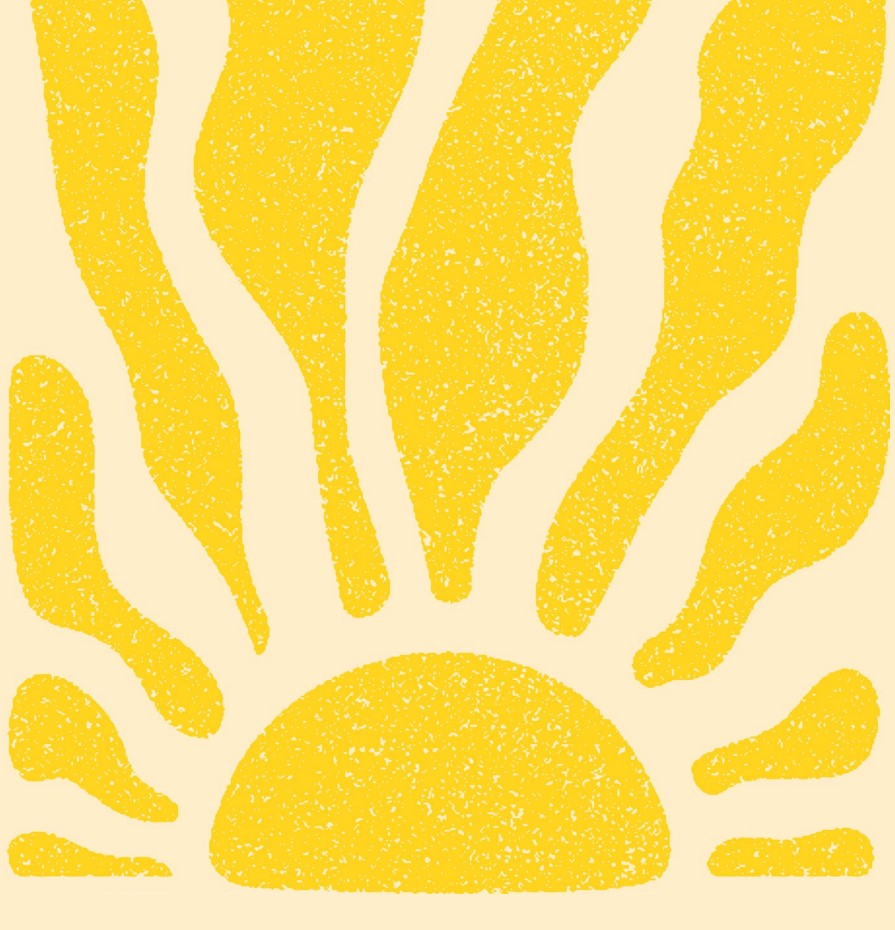


## Governance

Governance ESG and business ethics



# Every Day a Better Society



**Growth and stability:** 1,632 employees (+2.3%), 92% on permanent contracts

**Gender equity:** Gender pay gap reduced to 1.6%; women in managerial roles 38.5%

**Workplace climate:** 75% internal satisfaction, target achieved

**Social initiatives:** 622,000 people reached through projects and Brand Purpose activities

**Inclusion:** 66 employees with disabilities; +24% under 30

**Certified equality:** Gender Equality Certification obtained

**Protection:** Extended leave for women victims of gender-based violence (up to 6 months fully paid)

**Work-life balance:** Kids@Campus, smart working up to 5 days/week, No Meeting Zone before 9 a.m. and after 6 p.m.

**Safety:** Zero serious injuries

**Talent:** 56% under 30 among new hires; positive turnover 7.1% (9.2% for women)



- 3** GOOD HEALTH AND WELL-BEING  

- 4** QUALITY EDUCATION  

- 5** GENDER EQUALITY  

- 8** DECENT WORK AND ECONOMIC GROWTH  

- 10** REDUCED INEQUALITIES  

- 11** SUSTAINABLE CITIES AND COMMUNITIES  

- 12** RESPONSIBLE CONSUMPTION AND PRODUCTION  

- 17** PARTNERSHIPS FOR THE GOALS  




# Objectives: Where Do We Stand?

## FY 2024/25 marked a year in which Fater achieved two significant goals within its Social strategy.

First, the company reached the target level of internal satisfaction it had set for itself. The Happiness Survey, the company’s internal assessment of employee wellbeing, recorded a global score of 75%, meeting the established target.

The second completed KPI concerns Fater’s relationship with the communities in which it operates, encompassing all individuals engaged in Brand Purpose activities as well as those reached through donations to Banco Alimentare. More than 600,000 people were reached during FY 2024/25, surpassing the target value.

To further highlight the importance of Fater’s relationship with its communities, the company initiated a collaboration with partner ALTIS, detailed in the box *Relationship with Communities – Analyzing the Dimensions of Change* (p. 66).

### Better Society

Sustainability Topics	KPI	Baseline FY 2021/22	FY 2023/24	FY 2024/25	Target 2024/25	Target 2029/30	Target 2039/40
Diversity, Equity & Inclusion - DE&I	Gender pay gap	3.8%	2.4%	1.6%	-	0%	-
	Internal satisfaction survey	73%	73%	75%	≥75%	-	-
	Gender balance at managerial level	36%	37%	38.5%	-	-	50%
Community Relations and Brand Purpose	People reached	140k	343k	622k	≥600k	-	-

Below are the calculation methods for each KPI:

### Gender Pay Gap

Percentage difference between the average compensation of men and women, calculated as the arithmetic mean of the gaps identified across each job level, net of seniority. The calculation includes permanent contract categories: Executives, Middle Managers, Supervisors, and White-Collar Employees. Blue-collar workers are excluded, as their numerical distribution would be too unbalanced and the resulting gap non-representative.

### Gender Balance at Managerial Level

Ratio of women to men employed in managerial positions, considering the contractual classifications of the National Collective Agreement for White-Collar Employees, Supervisors, and Executives (including the Leadership Team).

### Internal Satisfaction Survey

Starting from FY 2023/24, the Happiness Survey (Fater's annual assessment of employee wellbeing) has been conducted using Microsoft Viva Glint, a new digital tool.

### People Reached

Includes the estimated number of individuals involved in the social responsibility projects described in the *Community* section (Lines WeWorld, Lines Domande Scomode, Pampers Village, ACE Retake), as well as those reached through the collaboration with Banco Alimentare.



# People First and Inclusion

GRI 405-1, 406-1, Extra GRI

**“People First” is Fater’s core strategy, aimed at ensuring the wellbeing of its people. The company is committed to offering the best possible employee experience within an inclusive work environment built on trust, one that enables individuals to express their potential and fully develop their talents.**

People First is structured around 6 strongly interconnected pillars: **Listen, Growth & Impact, Wellbeing, Inspire, Include, and Do the Right Thing.**

Each year, Fater defines a People First roadmap with the objective of advancing each pillar through strategic themes for the company. The approach is intentionally cross-functional, fostering an osmotic combination of initiatives without predefined conceptual boundaries.

## **Listen**

Active listening is the starting point of the strategy. Training programs were organized to strengthen managers’ psychological wellbeing, along with dedicated focus groups for Fater employees.

## **Growth & Impact**

The **“70-20-10” development model** enhances people’s talents and capabilities, offering a comprehensive professional growth experience.

## **Wellbeing**

In FY 2024/25, initiatives to support physical, mental, and emotional health continued, including communication campaigns, digital tools, workshops on Total Compensation and TRS, and programs focused on prevention as well as relational and financial wellbeing.

## **Include**

In FY 2024/25, in addition to projects on inclusive language, parenting, gender equity, gender-based violence, and caregiving, the company strengthened its commitment to cultural exchange and intersectionality, achieving positive results in the internal survey (a 7-percentage-point increase in the perception of inclusiveness).

## **Inspire**

Through the UXel Academy and meetings with external speakers, Fater promotes a people-centered culture, addressing topics such as a healthy relationship with failure, diversity, equity and inclusion, with a dedicated focus on LGBTQ+ issues.



### **Do the Right Thing**

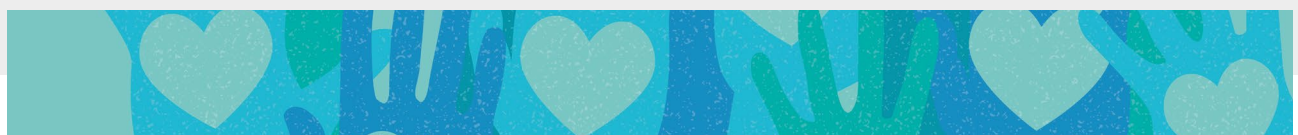
The “Do the Right Thing” pillar provides employees with information and training on legal matters (including consumer protection and competition law) as well as on personal data protection, privacy, and the central role of the Code of Ethics and the Organization, Management and Control Model adopted to ensure the legality of all company processes. In FY 2023/24, Fater launched the “Do the Right Thing Month”, a series of events open to all employees designed to raise awareness on these topics through concrete case studies and gamified learning experiences.

**Diversity, Equity & Inclusion (DE&I)** is a highly significant topic for Fater, as demonstrated by the Include Pillar and by the company’s cross-functional commitment expressed through the Brand Purpose initiatives of Lines, Pampers, and ACE.



### **Cultural Exchange DE&I**

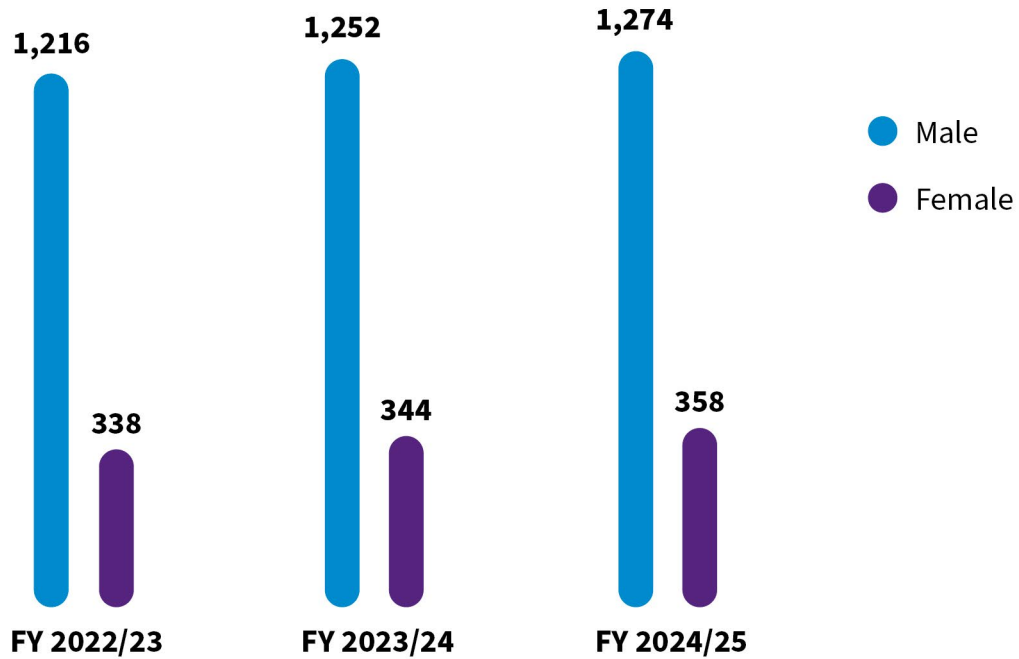
In FY 2024/25, Fater took a decisive step forward, transitioning from a phase of “compliance” to the beginning of a true “cultural exchange” phase: DE&I policies have evolved into widespread practices aimed at building an environment that values the coexistence of diverse identities beyond traditional categorizations. The company has adopted an intersectional approach, considering all identity dimensions — gender, age, sexual orientation, disability, cultural background, caregiving roles — that intersect and shape people’s experiences. Initiatives and policies are designed to reflect this complexity, ensuring equal opportunities and tangible inclusion throughout every stage of working life.



## Female Representation

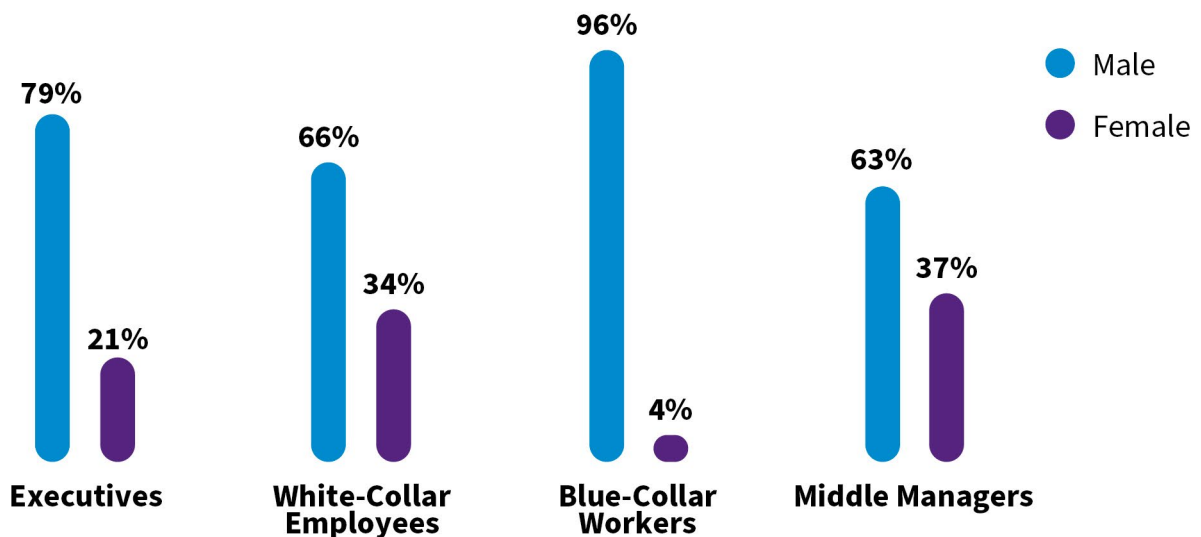
In FY 2024/25, the presence of women at Fater remained stable: **women accounted for 22% of employees**. This figure reflects the composition of our production plants, historically male-dominated, while still showing signs of gradual change.

## Employees by Gender



Looking at managerial positions, approximately 21% of all executives are women, while among white-collar employees the share rises to 34%. Women account for 37% of middle managers and 4% of blue-collar workers. These figures illustrate a tangible path toward gender balance, supported by policies that promote skills development and meritocracy.

## Percentage of Employee Category in Each of the Following Diversity Categories



In line with its **Diversity, Equity & Inclusion** strategy, Fater adopts a structured approach to pay equity, grounded in meritocracy, transparency, and the systematic analysis of processes. In FY 2024/25, the gender pay gap further decreased from 2.4% to 1.6%, confirming progress toward the medium-term objective of closing the gap entirely.

This journey is supported by initiatives such as the launch of the **UNI PdR 125 Gender Equality Certification**, as well as listening initiatives and continuous training on inclusion-related topics. Pay transparency is further enhanced through tools such as **Total Reward Workshops** and the **Total Reward Statement**, which improve employees' understanding of the company's remuneration levers. For Fater, pay equity goes beyond compliance: it is a key driver of trust, fairness, and motivation, contributing to an inclusive work environment focused on people development.

During FY 2024/25, Fater strengthened its commitment to valuing people and fostering inclusion through a series of innovative projects and initiatives designed to concretely address emerging needs and promote a corporate culture that is increasingly open, equitable, and sustainable.

Below find some examples:

#### **Gender Equality Certification – UNI/PdR 125:2022**

In FY 2024/25, Fater obtained the Gender Equality Certification, reaffirming its commitment to overcoming stereotypes and inequalities. The continuous improvement model required by the certification focuses on three areas: opportunities for growth and pay equity; policies supporting parenting and work–life balance; and policies governing internal business processes. New governance tools were introduced, including the Gender Policy (available on Fater's website <https://fatergroup.com/en/policies-certifications>), the Strategic Plan, and the Steering Committee.

#### **Extended Leave for Women Victims of Gender-Based Violence**

As of 25 November 2024, Fater has introduced enhanced support measures: extended leave of up to a total of 6 months with 100% pay, a minimum notice of 1 day, and a review of potential relocation requests within 14 days. These protections are fully integrated into the company policy and were developed with the support of legal experts, benchmarking activities, and consultation with Anti-Violence Centers.

#### **Kids@Campus**

Since December 2024, the Spoltore Business Campus has welcomed employees' children (aged 6 and above), supporting work–life balance and helping manage unforeseen family needs.

#### **Establishment of Employee Resource Groups (ERGs)**

The process to create employee groups within Fater has begun, aimed at promoting cultural change through initiatives on inclusive language and intergenerational dialogue.

## Protected Categories

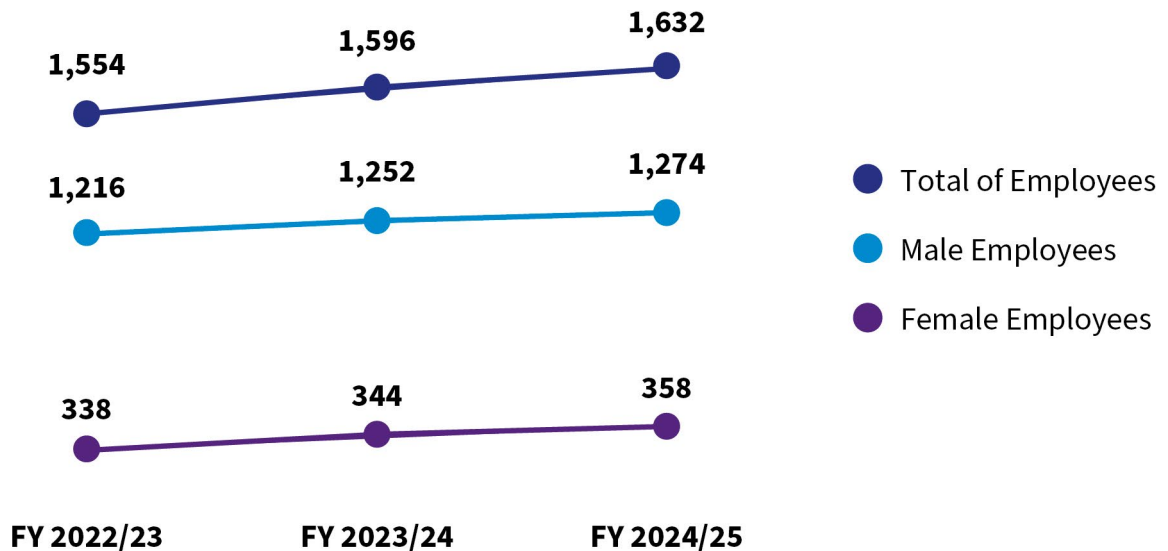
Diversity and inclusion remain fundamental pillars for Fater. In FY 2024/25, **66 people with disabilities** enrolled in targeted employment programs were part of the organization, including 49 men and 17 women, distributed across blue-collar workers, white-collar employees, middle managers, and executives. The age composition of this group highlights an interesting trend: 24% are under 30 (a significant increase compared to FY 2023/24), 36% are between 30 and 50, and 39% are over 50, confirming a balanced blend of experience and new generations.

# Our People

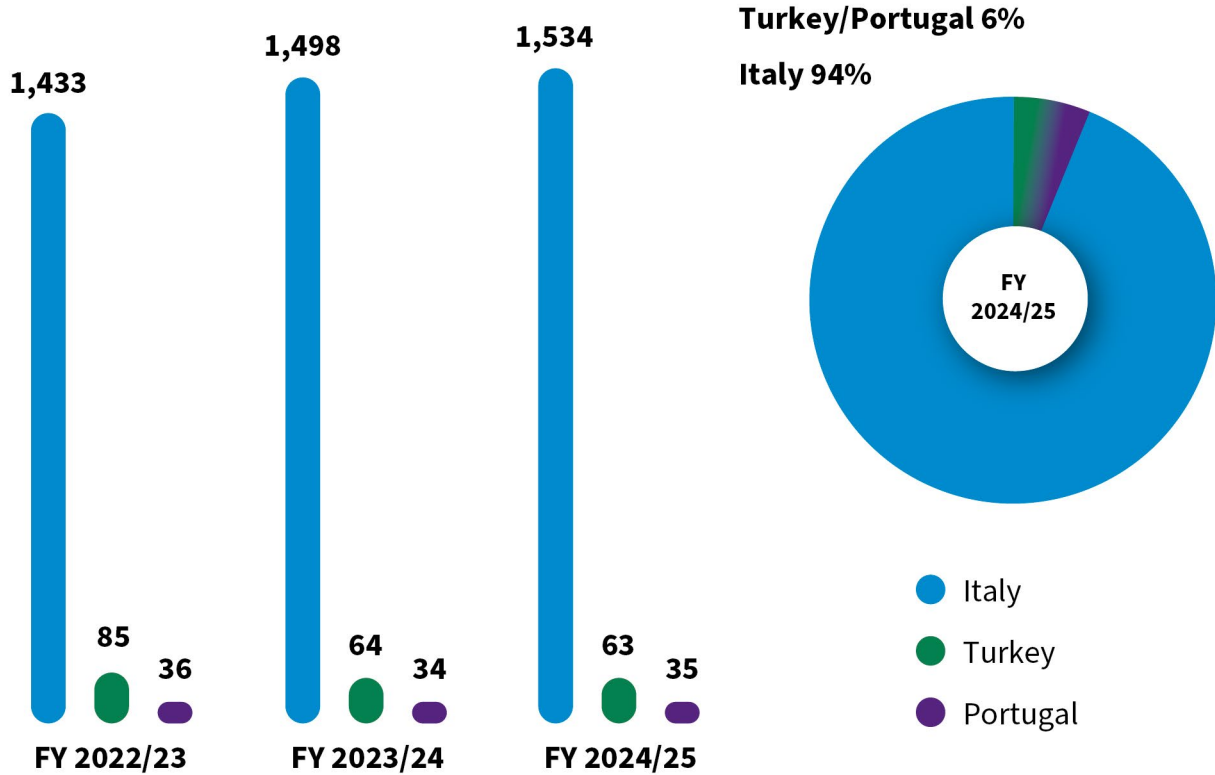
GRI 2-7, 2-8, 2-30, 401-1, Extra GRI

At the close of FY 2024/25, the Fater Group confirmed its growth trajectory and increasingly international footprint, with **1,632 employees** (+2.3% compared to the previous year).

## Number of Employees Over the Three-Year Period



## Employees Breakdown by Region

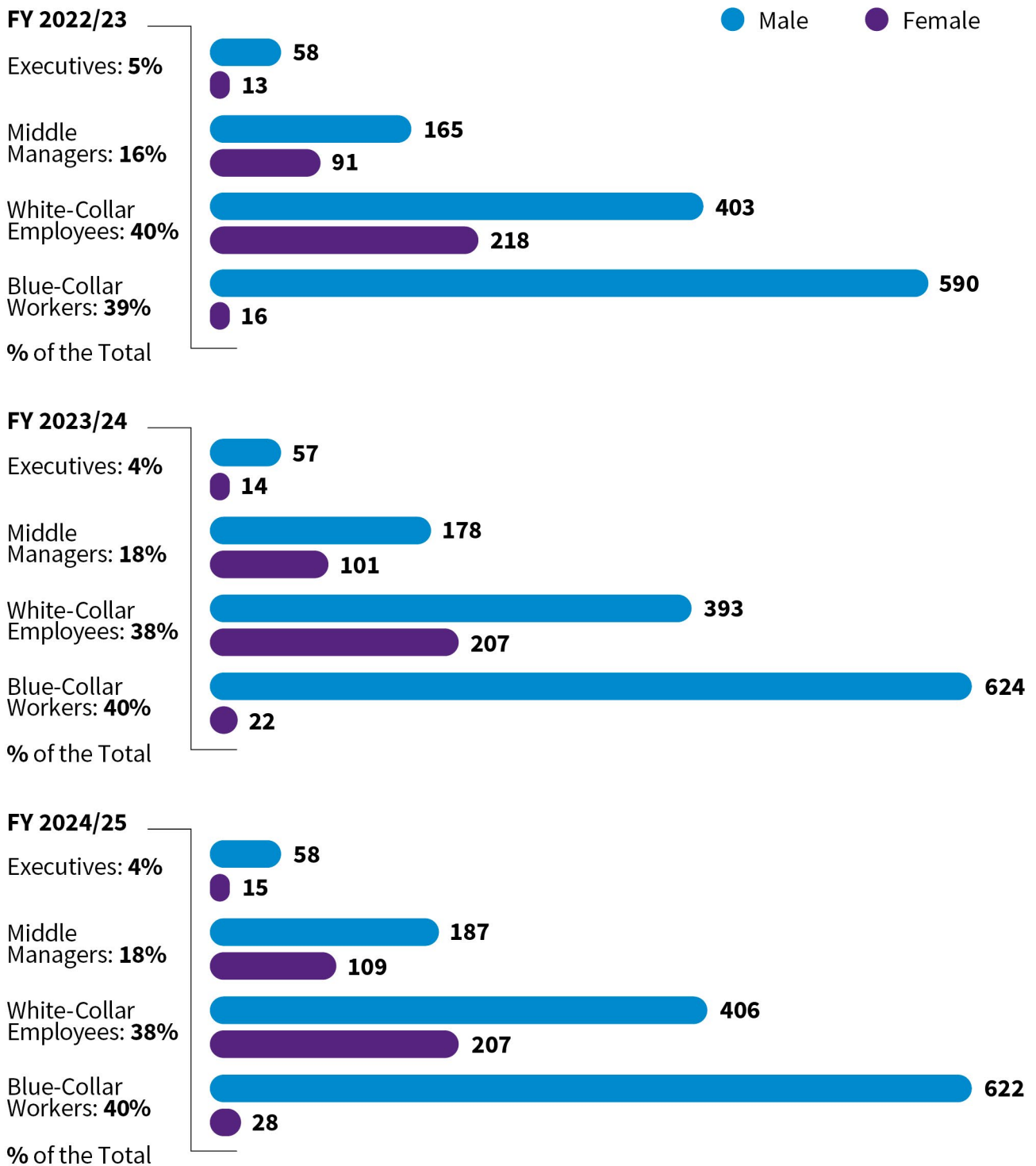


The company’s workforce is primarily concentrated in Italy, where **94%** of employees are based, while the remaining **6%** are distributed across the locations in Portugal and Turkey.

Fater continues to invest in **balanced generational mix** across different age groups. Employees **under 30 represent about 13% of the total**, with a higher concentration among white-collar and blue-collar roles, while **the 30–50 age bracket constitutes the largest share**. The presence of younger talent reflects the company’s ability to attract and develop new generations of professionals. Fater places emphasis on both stability and flexibility: approximately **95% of employees hold permanent contracts**, demonstrating trust and long-term investment in its people. The remaining 5% are employed on fixed-term contracts, allowing the company to respond with agility to innovation and evolving business needs. Additionally, **90% of the workforce is employed full-time**, while 10% has opted for part-time arrangements, underscoring the company’s commitment to wellbeing and work–life balance. All employees at Fater’s Italian sites and at the Porto facility - representing 96% of the total workforce - are covered by collective bargaining agreements. Employees abroad are hired in accordance with local legislation and under collective or individual employment agreements.

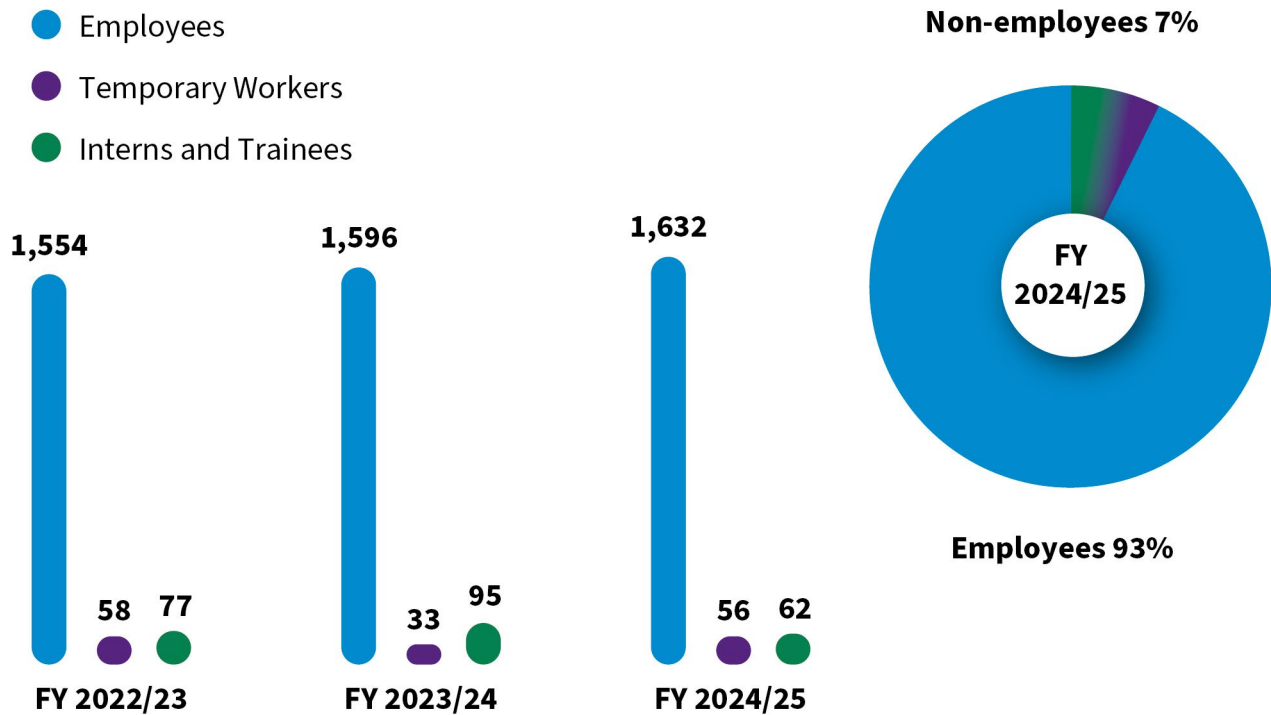
The organizational structure reflects the richness and diversity of roles within the company: **blue-collar workers account for 40%** of the workforce, followed by **white-collar employees (38%)**, **middle managers (18%)**, and **executives (4%)**. This structure reflects a dynamic organization capable of integrating technical, managerial, and innovative competencies.

## Employee Categories by Gender



In addition to employees, Fater engages **118 non-employee workers** (interns and temporary workers), representing approximately **7% of the overall workforce**. Interns are primarily recruited through direct hiring channels, while temporary workers are managed through specialized staffing agencies.

## Workers Who Are Employees and Not Employees



# Relationships That Create Value: Corporate Dialogue

In the Italian sites, as of 30 June 2025, **employees registered with trade unions represent 33% of the workforce**, reaching 40% among men and 9% among women. There are 30 union representatives, 12 of whom also serve as safety representatives.

The supplementary agreements signed by Fater in 2025 strengthen the People First culture with new measures effective from FY 2025/26, including: 100% pay coverage for mandatory maternity leave (including shift premiums) for the entire period, including any required early leave; 100% integration of parental leave for the months covered by INPS at 80%, with no impact on the 14th-month salary; diaper benefit extended to all sites; Unlimited vacation days for day-shift personnel across all locations; additional leave (ROL) for employees with disabilities; greater organizational flexibility to support work-care balance. Additional measures agreed with trade unions include the reduction of atypical work arrangements, the stabilization of temporary staff, and increased financial recognition for flexible part-time personnel in the production facilities. These innovations **combine employee wellbeing with economic sustainability for the company**, with gradual implementation planned through June 2028.

# Talent Attraction and Development

GRI 401-1

Recruitment and talent selection represent a key lever for Fater, supporting organizational development and ensuring competitiveness in the market<sup>6</sup>. Over the past year, Fater devoted particular attention to analyzing and redesigning its attraction and employer-branding activities, with the goal of defining a solid strategic framework. The process began with the identification of the **Employee Value Proposition**, a crucial element for attracting and retaining top talent.



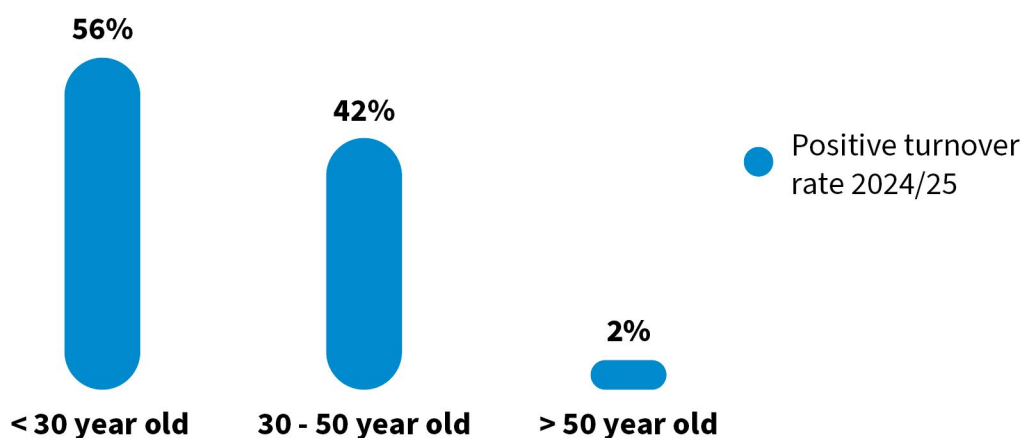
<sup>6</sup>For further details on Fater's recruitment process, please refer to the FY 2023/24 Sustainability Report.

Fater maintained a strong and consistent presence across university channels with which it has long-standing partnerships, reinforcing its connection with the academic world. The Group also hosted students at its Headquarters, creating opportunities for dialogue and mutual exchange between the corporate environment and universities through **hackathons organized in collaboration with academic institutions**. These initiatives allowed students to gain firsthand insight into Fater's reality, building a bridge between their studies and the world of work.

During the last fiscal year, the Fater Group hired **116 new employees**, confirming its ability to attract talent and strengthen its teams. The **positive turnover rate stands at 7.1%**, consistent with workforce growth and reflecting more hires than exits. Notably, the **positive turnover rate for women reaches 9.2%**, nearly 3 percentage points higher than that of men.

Fater's employability strategy places a strong emphasis on new generations: **65 new hires are under 30**, representing 56% of all new employees, with a positive turnover rate for this age group exceeding 35%. This figure demonstrates the company's capacity to attract young talent and invest in the future.

### New Hires FY 2024/25 by Age Group



On the side of leaves, 97 employees left the company during the year, including 27 under the age of 30. **The negative turnover rate remains low**, standing at around 5.9%. This result reflects the effectiveness of Fater's management and retention policies, which ensure stability and continuity within the organization.

# Training and Professional Development<sup>7</sup>

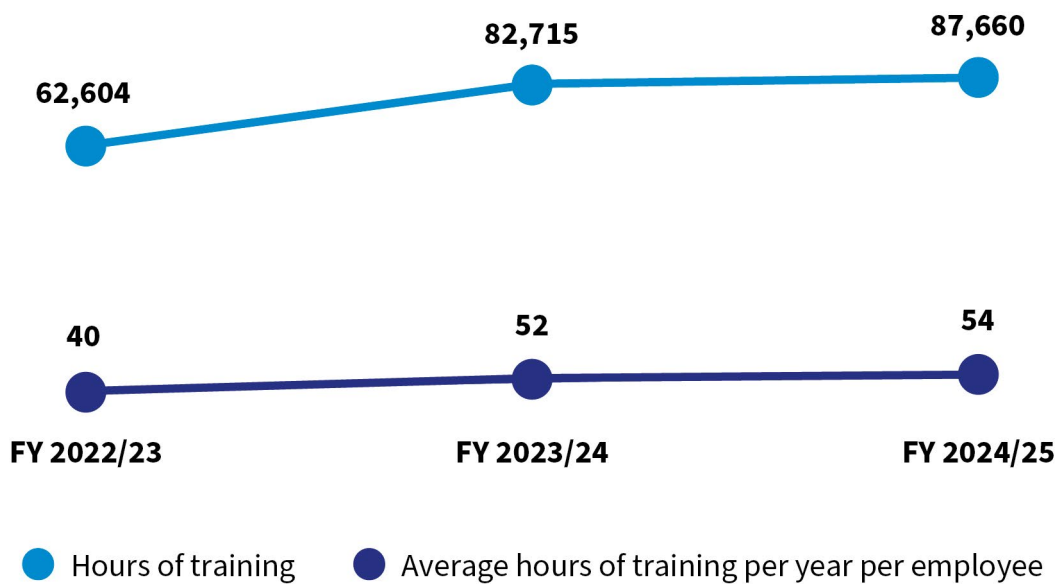
GRI 404-1, 404-2, 404-3

Fater adopts the “70-20-10” model for skills development:

- **70% On-the-job experience**
- **20% Coaching & Mentoring**
- **10% Formal training**

**In FY 2024/25 total training hours provided in Fater are 208,883, including both HSE and all other courses. Excluding HSE training, an average of 54 training hours per employee were delivered, marking an increase compared to FY 2023/24.**

## Training Hours Over the Three-Year Period



Total training hours have increased compared to FY 2023/24 mainly due to the introduction of two new courses in the training offer (Crucial Conversation and Getting Things Done) and the further expansion of Governance courses.

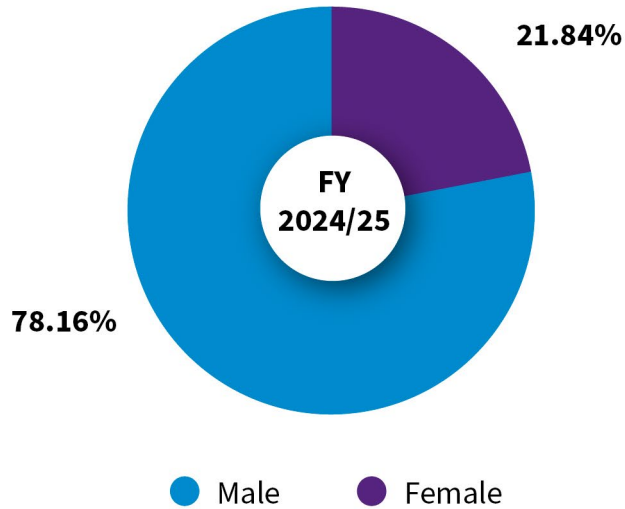
Fater also implements two employee evaluation phases: the Performance Review, which assesses individual contributions against the objectives assigned at the beginning of the fiscal year, and the Talent Development Review, which evaluates individual talent development and future potential.

<sup>7</sup> For further details on Fater’s training and development offering, please refer to the 2023/2024 Sustainability Report.



Below are the gender-based percentages of employees<sup>8</sup> who received a Performance Review in FY 2024/25.

### Percentage of Employees by Gender Who Received a Performance Review



# 87,660

total training hours in FY 2024/25



<sup>8</sup> Employees hired by Fater no later than 31 December 2024 on permanent contracts, apprenticeships, or assigned/expatriate positions undertaking an experience within the Fater Group are eligible to receive the Performance Review.

# Compensation Policies

GRI 2-18, 2-19, 2-20, 2-21

**Fater defines its compensation policies—applicable across the entire organization—with the objective of ensuring external competitiveness and internal equity.**

Fixed compensation and career progression paths are determined based on market salary benchmarks, the weight of each organizational role, and the annual assessment of individual performance.

The variable component of compensation depends on company results and individual performance, through several incentive tools: **LTI (Long Term Incentives)** for Fater Italy, **Welfare Bonus**, **Sales Incentives**, **Participation Bonus**, and the **MBO (Management By Objectives) Bonus**. This component is linked both to annual company results - determined by economic-financial indicators and their related multipliers - and to individual performance. Since FY 2023/24, “transformation factors” have also been introduced among the indicators, incorporating sustainability-related criteria.

The quantitative indicators underpinning the incentive systems are managed separately, independently determining the allocation of each bonus. Severance pay is provided in full compliance with applicable legislation and company procedures.





## Specific Targets for Carbon Impact Reduction

Within the MBO system, Fater is once again confirming for 2025 the cross-functional indicator linked to the reduction of CO<sub>2</sub> emissions, already in place in previous years. Alongside this shared objective, each employee is assigned specific carbon-impact reduction targets, calibrated according to their organizational area and the levers available within their role.

The approach has been further streamlined through the introduction of common reduction targets across multiple functions - for example, R&D and Procurement - broken down by product category. This ensures methodological consistency and a clear allocation of responsibilities.

**Fater defined these targets by considering each function's actual sphere of influence, while avoiding excessive fragmentation. The result is a single sustainability-related MBO, included in the objectives sheet and approved by the Executive Committee for all positions from middle management upward, complemented by more vertical objectives that involve the entire organization.**



The revision of fixed compensation is approved by the Shareholders, while variable compensation is finalized by the Finance & Administration Department and approved by the Executive Committee. To enhance transparency and understanding of the overall compensation offering, Fater provides:

- **Total Reward Workshop:** training sessions open to all employees, designed to deepen understanding of the structure and opportunities of the compensation system.
- **Total Rewards Statement:** a comprehensive document outlining the full annual compensation package - both monetary and non-monetary - available to all permanent employees of Fater Italy.

Overall, Fater's compensation levels are positioned in the upper range of the relevant market. The Appendix includes GRI 2-21 tables detailing the average compensation and remuneration of Fater Italy employees.

# Health and Safety

GRI 403-1, 403-2, 403-3, 403-4, 403-6, 403-7, 403-8

**Fater is committed to ensuring health, safety, and environmental protection for employees, contractors, visitors, and surrounding communities, by promoting safe and sustainable workplaces in full compliance with applicable regulations.**

The company implements concrete measures to prevent incidents, injuries, and occupational illnesses through risk identification and mitigation, continuous employee training, and the provision of HSE guidelines to contractors and visitors. Each year, improvement objectives are defined to strengthen health, safety, and environmental performance, minimizing the impact of production activities.

**All Fater sites, both in Italy and abroad, operate under an Occupational Health and Safety Management System compliant with ISO 45001:2018, covering all activities and personnel, including third parties.**

The Campochiaro plant is also subject to Seveso regulations, which aim to minimize the risk of major accidents. HSE governance is supported by formal committees and periodic meetings such as **Management Review sessions**, addressing topics including Risk Assessment Documents (DVR), ISO 14001 and 45001 compliance, improvement plans, and health protocols, and **monthly Safety Meetings** between the HSE team and site leadership. Risk assessment is carried out through **Job Safety Analysis (JSA)** and **DVR**, with dedicated countermeasures and improvement plans.

To strengthen its safety culture, Fater provides a range of operational tools designed to encourage the active involvement of workers in prevention efforts, such as:

**Ongoing Feedback System (OFS):** Anonymous procedures that allow employees to formally submit both positive and negative feedback.

**Behavior Ongoing System (BOS):** Observations related to the employee's department, formally recorded against a checklist, highlighting critical behaviors identified for monitoring.

**Vigilanza On Line (VON):** A tool that enables designated figures (e.g., people managers, supervisors, project leaders, key reference persons) to formally document safety oversight and compliance for both contractors and employees.

To complement the overall prevention system, the **QRP (Quick Risk Prediction)** tool allows employees to report non-compliant practices, while **Near Miss analysis** investigates potential incidents through Why-Why Analysis and the development of dedicated Action Plans. This approach is supported by training, information activities, and reward mechanisms, transforming risk reporting into a cornerstone of the company's safety culture.

## Safety and Prevention Network

Fater promotes a health and safety culture that goes beyond regulatory compliance, focusing on the sharing of good practices and the wellbeing of its people. The company is affiliated with **AIAS (Italian Association for Environment and Safety Professionals)** and is a member of the scientific committee of **ASSIDAL (Italian Employers' Association for Work Activities)**, actively participating in events and meetings with nationally recognized experts. These initiatives involve prevention professionals, employers, and public institutions, fostering dialogue and the dissemination of high standards in workplace safety.



In FY 2024/25, Fater further strengthened the Wellbeing pillar of the People First program in Italian sites, launching an integrated health and wellness project that included:

- **Airway obstruction response course** – 1st edition launched in Campochiaro and in FY 2025/26 also in other Italian sites
- **Blood donation initiative** in partnership with Donarosso (going in FY 2025/26)
- **2024 vaccination campaign**
- **Blood test campaign offered as a corporate benefit**
- **Psychological support** in partnership with Serenis
- **24/7 telemedicine service**
- **Time management seminar** with Cegos
- **Financial wellbeing seminars** (total compensation, personal budgeting, investment principles)
- **Low glycemic-index and low-cholesterol meal options in all site cafeterias**, with a vegetarian choice always available

In addition, at the Business Campus, Fater introduced innovative initiatives to support work-life balance: **Kids@Campus**, allowing employees to bring their children (aged 6 and above) to the workplace, and **Dog@Campus**, enabling employees to bring their dogs into company premises.

These actions demonstrate Fater's commitment to creating a safe, inclusive, and holistic work environment, integrating physical, mental, and social wellbeing.

## Health and Safety Training

GRI 403-5

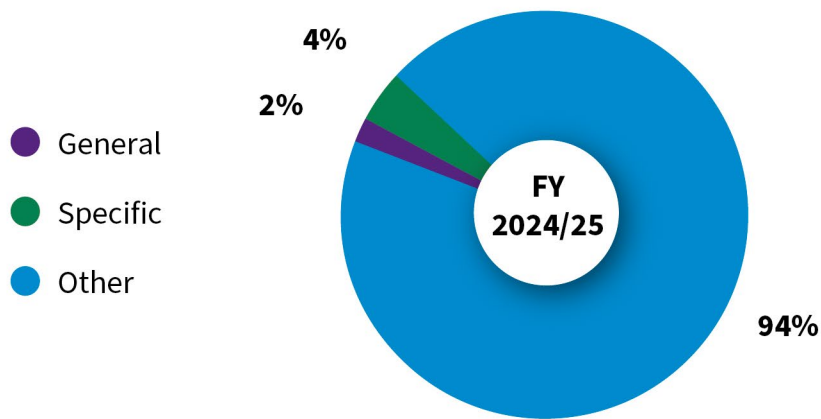
### **Fater places great importance on Health, Safety & Environment (HSE) training, considering it a fundamental pillar for ensuring worker safety and compliance with procedures.**

Mandatory training is delivered during the first days of employment, during onboarding, and before employees take on new tasks, anticipating the 60-day requirement set by law. In Italy, this training extends to all workers, regardless of contract type, including interns and trainees, and is calibrated according to the risk class defined by current regulations. The EasyTraining portal enables effective monitoring of completed courses and management of training plans, ensuring full traceability and continuous updates. EasyTraining is also used in Portugal to optimize training management, while at the Gebze plant all employees attend a mandatory 12-hour safety course and a 4-hour health course, both renewed annually.

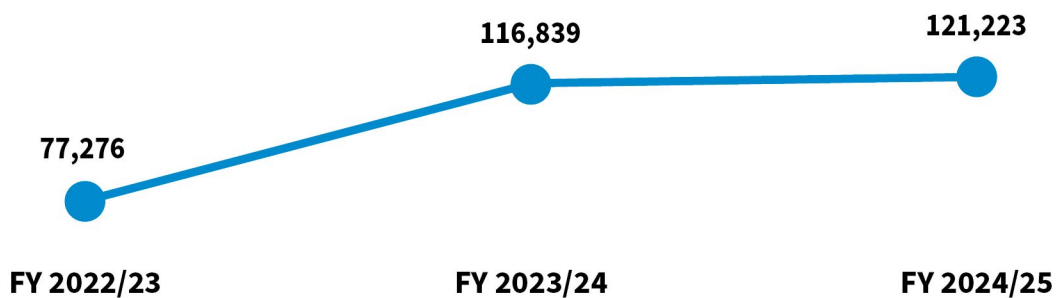
**In FY 2024/25, Fater delivered a total of 121,223 hours of Health and Safety training, confirming an upward trend of 57% growth since the beginning of the three-year period.**

Training activities include “general,” “specific,” and “other” courses (internal procedures, on-the-job training, emergency response team training, PPE use, environmental training, smart working, etc.), involving all Italian and international sites. In Portugal, more than 1,194 hours of training were delivered (707 general hours and 487 specific hours), while the Gebze site recorded 1,188 hours of HSE training. Special attention is given to employees with managerial or supervisory responsibilities, for whom training programs are customized beyond minimum legal requirements.

### Health and Safety Training



### HSE Training Hours



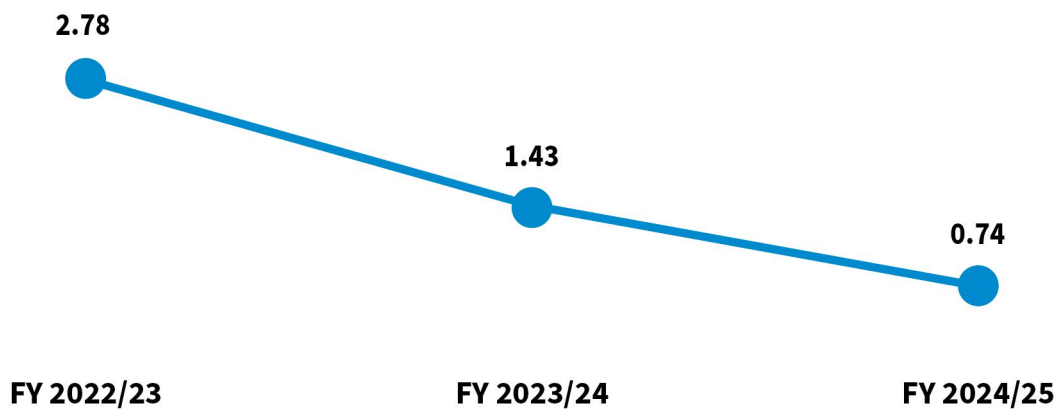
## Injuries and Occupational Diseases

GRI 403-9, 403-10

During FY 2024/25, no work-related injuries with serious consequences or cases of occupational diseases were recorded. A total of only 2 minor injuries occurred within Fater, none of which resulted in permanent consequences or fatalities.

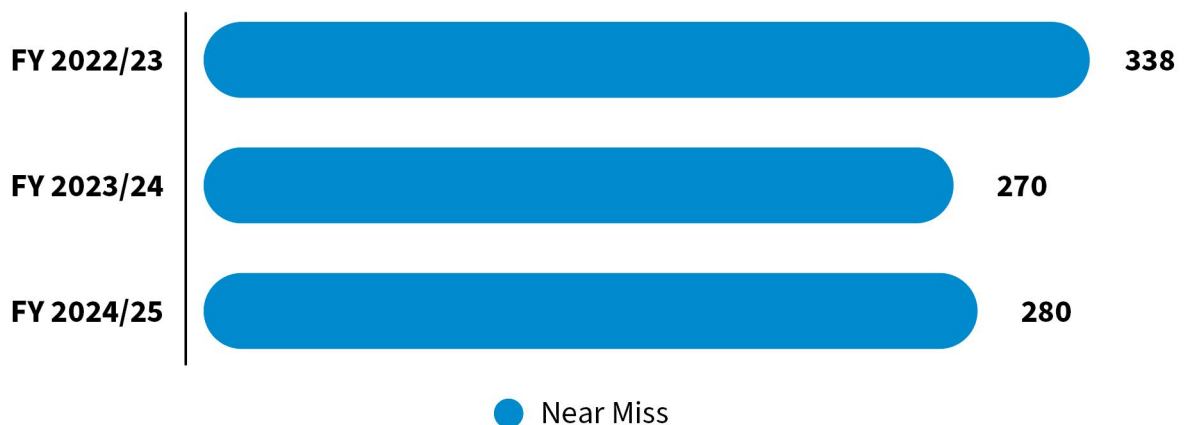
**The occupational injury rate (INAIL) remains very low at 0.74 per 1,000 workers, showing a decrease compared to previous years.**

### Recordable Work-Related Injury Rate for Employees



Recordable injury is calculated with GRI formula, recognised also by INAIL.<sup>9</sup>

### Near Miss Trend



<sup>9</sup> INAIL (Italian National Institute for Insurance against Accidents at work) recognizes following formula: Recordable injury rate = (N° recordable incidents at work/Worked hours) x 1.000.000.



The occupational injury rate (INAIL)  
remains very low at

**0.74**

At the core of its risk-mitigation strategy, Fater aims to eliminate any health risk for employees and, where this is not possible, to prevent and reduce potential hazards. In situations where risks cannot be fully eliminated, the organization defines operational procedures that enable employees to work safely - for example, by assessing the adoption of collective and individual protective equipment.

Risk analysis is documented in the **company's Risk Assessment Document (DVR)**, which evaluates both the likelihood and severity of potential harm and includes an action plan with measures to mitigate identified risks. Occupational risks, such as exposure to physical and chemical agents, repetitive use of display screens, manual handling of loads, and vibrations, are also assessed within the DVR.

# Tailored Welfare

GRI 401-2, 401-3

**Fater offers its employees a competitive benefits package, tailored by country and constantly evolving, with the goal of promoting wellbeing, inclusion, and work-life balance.**

## **Life and Disability Insurance**

All employees benefit from life and disability coverage, with specific solutions for executives and employees covered by the national collective agreement (CCNL), and optional supplementary extensions.

## **Healthcare Coverage**

In addition to insurance coverage, Fater provides on-site medical check-ups and a dedicated Wellbeing Week. This year, two new services were introduced:

- **Telemedicine:** 24/7 remote medical consultation through a dedicated app, offering access to general practitioners and specialists.
- **Flu Vaccination:** an annual campaign promoted by the company each November through the Corporate Medical Center; Sales Field personnel receive an additional welfare credit equal to the cost of the vaccine.

## **Disability and Invalidity Coverage**

Insurance covering the risk of death or severe permanent disability, with a basic premium paid by the company.

## **Supplementary Pension Funds**

Employees may join industry-specific supplementary pension funds (Previdai for executives, Fonchim for CCNL Chemical employees), with an additional employer contribution.

## **Leave and Absences**

Extended leave for same-sex parent families (for Fater Italy employees); bereavement leave beyond legal requirements; leave for court testimonies and for corporate volunteering.

## **Company Shop and Discounts**

Discounts on all Fater products and those of affiliated companies, as well as preferential rates for services offered by partner organizations.

## **Sports Activity Contribution**

An annual welfare credit for sports memberships, valid for the employee or a family member.

### **Psychological Support**

A service provided through an external partner with certified professionals, ensuring full confidentiality.

### **Additional Benefits**

Grocery vouchers, fuel vouchers, scholarships, and housing subsidies for newly relocated hires.

### **Smart & Hybrid Working**

Fater is among the first companies in Italy to adopt hybrid working, allowing employees in eligible roles to work from home up to five days a week. Ninety percent of employees consider this arrangement a true benefit, supporting a healthier work-life balance.

Key measures include:

- Right to disconnect (from 8:00 p.m. to 7:00 a.m.)
- “No meeting zone” before 9:00 a.m. and after 6:00 p.m.

For roles not compatible with remote work, Fater offers two additional vacation days, and three extra days for blue-collar employees over 50 to mitigate the impact of night shifts.

### **Solidarity Leave and Emergency Expenses Fund**

Employees can donate part of their vacation days to colleagues in need, or access a dedicated fund for unforeseen expenses with no repayment obligation.

### **Extended Benefits**

Most benefits are available to part-time and fixed-term employees, while some are reserved for full-time employees. Benefits are generally not offered to temporary workers or interns, except for specific initiatives.





## Parenting in the Workplace

### Parental Leave

In FY 2024/25, Fater reaffirmed its commitment to supporting parenthood through a structured journey that accompanies employees before, during, and after their leave. One month before the start of maternity leave, an individual meeting with the relevant People Manager is held to organize the handover, ensuring continuity and support throughout the employee's absence. Upon returning to work, an update meeting is scheduled to review processes and organizational changes, facilitating reintegration, along with a dedicated Talent Development Review to explore expectations and post-maternity growth opportunities.

For paternity leave, Fater continues to stand out with a measure introduced in FY 2022/23 and confirmed again this year: a three-month fully paid leave, to be taken within the child's first year of life. This underscores the central role of fathers and the importance of promoting a balanced integration of work and family life.

These initiatives reinforce Fater's vision of an inclusive workplace that cares for people and their needs at every stage of life.

**During the year, 77 employees took parental leave. Among them, 41 men benefited from the paternity leave with the three-month paid bonus, confirming the significance of this initiative in encouraging greater paternal involvement in family life.**



# Dialogue with Consumers

## Product Quality and Safety<sup>10</sup>

GRI 417-1

Fater ensures product quality and safety at every stage, from design to post-sales. Research and Development defines technical specifications and analytical methods, working in close collaboration with Procter & Gamble for products within the Paper business. Fater's plants in Italy (Campochiaro and Pescara) and abroad (Porto and Gebze) adopt a responsible approach, certified according to ISO 9001, ISO 14001, ISO 45001, and, for the Pescara plant, ISO 13485.

Rigorous controls ensure product quality and safety, through periodic audits and advanced tools to detect any non-conformities. The Campochiaro plant regularly updates its quality control systems, while the Pescara site continues to strengthen its management system to align with the BRCGS Consumer Products standard.

Product safety is also ensured through clear and comprehensive labeling. Fater's products fall into four main categories, each regulated by specific legislation:

- **Cosmetics:** Regulation (EC) No. 1223/2009 for the production of wet wipes
- **Medical devices:** Regulation (EU) 2017/745 for incontinence products
- **Medical-surgical products:** Presidential Decree 392/1998 and Ministerial Provision of 5 February 1999 for ACE products (one floor sanitizer and one laundry sanitizer)
- **Detergents:** Regulation (EC) No. 648/2004 for the Home Care line

Additional cross-cutting regulations also apply, including Regulation 1272/2008/EC (hazardous substances and mixtures), Law 690/1978 (metrological requirements), Regulation (EU) 2023/988 (general product safety), and Regulation 1907/2006/EC – REACH (chemical substances), all of which Fater fully complies with.

Each regulation sets mandatory labeling requirements, including: product type, intended use, batch number, instructions for use, list of ingredients, storage/handling conditions, and warnings. Furthermore, Legislative Decree 152/2006 requires that the nature of packaging materials be clearly indicated.

<sup>10</sup> For further details on Fater's commitment to quality and safety, please refer to the corresponding section of the Fater 2022/23 Sustainability Report. The procedures remain unchanged compared to previous reporting years.

# Community

Fater views social responsibility as a shared and concrete journey, guided by the social purpose of each brand. This is why, even though they are not covered by specific GRI disclosures, these initiatives have been included in the Report. Partnerships with the third sector are designed as long-term collaborations, ensuring continuity and measurable, tangible results. Each project is supported by annual investments and undergoes periodic reviews with partners to assess impacts and identify new opportunities for improvement. The principle that guides us is simple and transparent: **“we communicate exactly what we do.”** Through press releases, social media channels, and brand websites, we provide an authentic and accurate picture of our commitments, future milestones, and achieved results.

## Brands with a Purpose



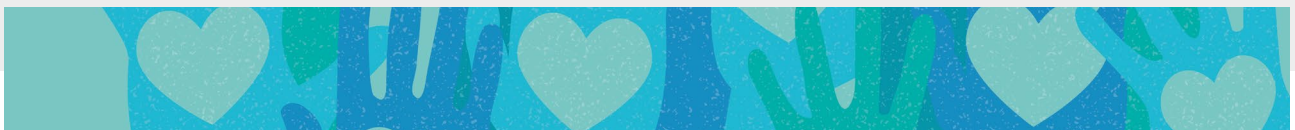
## Relationship with Communities – Analyzing the Dimensions of Change

Starting from FY 2024/25, Fater launched a process to further evolve and deepen the KPI “Relationship with Communities and Brand Purpose,” with the aim of analyzing the changes generated by the company’s Brand Purpose activities. As already introduced through the testimony of partner ALTIS Advisory (p. 16), and based on the Theory of Change, evaluation frameworks were developed to assess activities, involving both internal brand teams and the associations/organizations that support the initiatives.

Within each specific framework, three steps are foreseen:

- **Definition of KPIs** for each area of change
- **Classification of each brand’s KPIs** according to their strategic relevance
- **Construction of a brand index** encompassing all KPIs

In FY 2024/25, the first two phases were completed, while the development of the various indices is currently underway. Looking ahead, the goal is to create a single consolidated index capable of integrating the different social initiatives without losing their specificities, thus simplifying the overall assessment and interpretation of impact measurements.





## ACE – Promoting a New Culture of Cleanliness

ACE, an expert in household and fabric care, extends its commitment to public spaces by promoting an active movement of citizens who engage firsthand in caring for their communities. Since 2022, the partnership with the Retake association has given rise to the **“Scendiamo in Piazza”** project, aimed at raising awareness of the importance of reclaiming urban spaces.

In FY 2024/25, “Scendiamo in Piazza” continued to expand, with a strong focus on younger generations. Education on respect for places and people - and the rejection of all forms of discrimination - begins at school, where students experience diversity firsthand and lay the foundation for future active citizenship.

The third edition of the urban regeneration project “Scendiamo in Piazza” and the **awareness campaign “Formula Anti-Odio”** saw primary and middle school students become true ambassadors of a strong message against discrimination and in favor of caring for public spaces as places for social interaction and community.

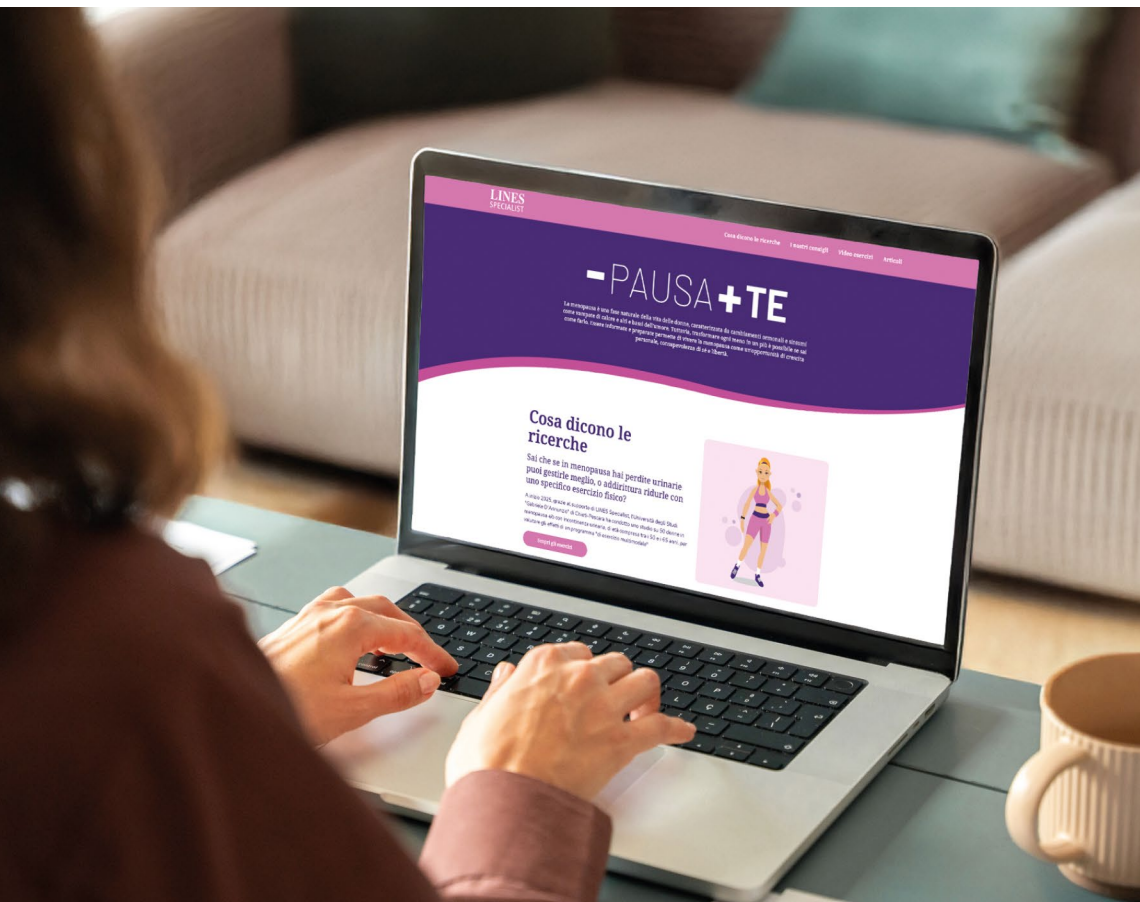
The 2024 edition featured a five-stop tour across Italy - Bari, Padua, Campobasso, Palermo, and Naples. In each city, approximately **1,200 students took part in activities led by Retake volunteers to rehabilitate urban areas they frequent**, with the goal of returning them to the community cleaner, revitalized, and ready for social gathering. In addition to hands-on work, students participated in workshops on inclusive language led by Diversity Lab educators, reinforcing messages of respect and belonging. The project is therefore confirmed not only as an environmental initiative, but also as a social one - promoting respect, inclusion, and the active participation of new generations in caring for the places they live every day.

## Pampers – Supporting Families

Fater has always been committed to the wellbeing of families, promoting innovative projects such as **Pampers Village**, designed to accompany parents in their children’s growth and help them navigate doubts and uncertainties so they can experience the most beautiful adventure of life in the best possible way. In the first years of a child’s life, many parents experience loneliness and a sense of inadequacy, as highlighted by the first Parenting Observatory promoted by Pampers. From this insight emerged the new Pampers Italia project, designed not only as a daily ally in childcare, but as a true companion for parents, strengthening human connection and offering families a concrete and accessible ecosystem of support.

**The new Pampers Village format was launched within the Coccole Pampers app Community, reaching 25,000 interactions by the end of FY 2024/25, just two months after launch.** The Community creates opportunities for families to connect, support one another, and access information through expert-developed content, podcasts, thematic columns, and a free psychological counseling service confirming Pampers as a constant reference point for people’s wellbeing and children’s development.





# LINES SPECIALIST



## Lines Specialist – “- PAUSA + TE”

Lines Specialist supports women experiencing incontinence and menopause with innovative products and communication campaigns aimed at promoting normalization and acceptance of these conditions. **The “-PAUSA +TE” campaign highlights the positive aspects of menopause, encouraging awareness, freedom, and confidence.** In collaboration with Fondazione Onda, Lines Specialist created a dedicated online platform offering support, practical advice, and free consultations to help women navigate menopause positively.

On the website [menopausa.lines-specialist.it](https://menopausa.lines-specialist.it) women can access a wide range of informative content that explores different aspects of this life stage in a simple yet comprehensive way, as well as practical tips (such as managing hot flashes, insomnia, or mood changes). A team of specialists including sexologists, psychologists, sleep medicine experts, and nutritionists, provides free, personalized consultations.

## Lines – A World Free from Gender Stereotypes and Discrimination

Lines continues its commitment to a world free from gender stereotypes and discrimination, where every woman can feel free to be herself. Within this framework, Lines collaborates with **WeWorld ONLUS**, active for over 50 years in protecting the rights of women and children in more than 25 countries, supporting women in vulnerable situations and promoting pathways to female empowerment. This collaboration has enabled the opening of two “Spazi Donna” in Bologna (2021) and Pescara (2022). These safe spaces offer listening, protection, psychological support, career guidance, and a relational network capable of countering the first enemy of violence: loneliness. **Since their opening, the Spazi Donna supported by Lines have welcomed over 700 women, including around 300 in FY 2024/25, confirming the continuity and tangible impact of the initiative.**

Alongside protection, Lines promotes prevention through the “**Domande Scomode @School**” program, which raises awareness among middle and high school students on key topics such as relationships, respect, consent, stereotypes, and gender discrimination - supported by experts and professionals. **The program has reached a total of 458,000 students, including 208,000 students and 7,417 classes in FY 2024/25.**

To further strengthen the initiative, numerous Fater managers, women and men, participated as Ambassadors, visiting schools to share their experience and foster constructive dialogue with students. In addition, 1,420 teachers completed the dedicated training program in FY 2024/25, contributing to more consistent and effective educational action on these crucial topics.



## Relationship with the Local Community

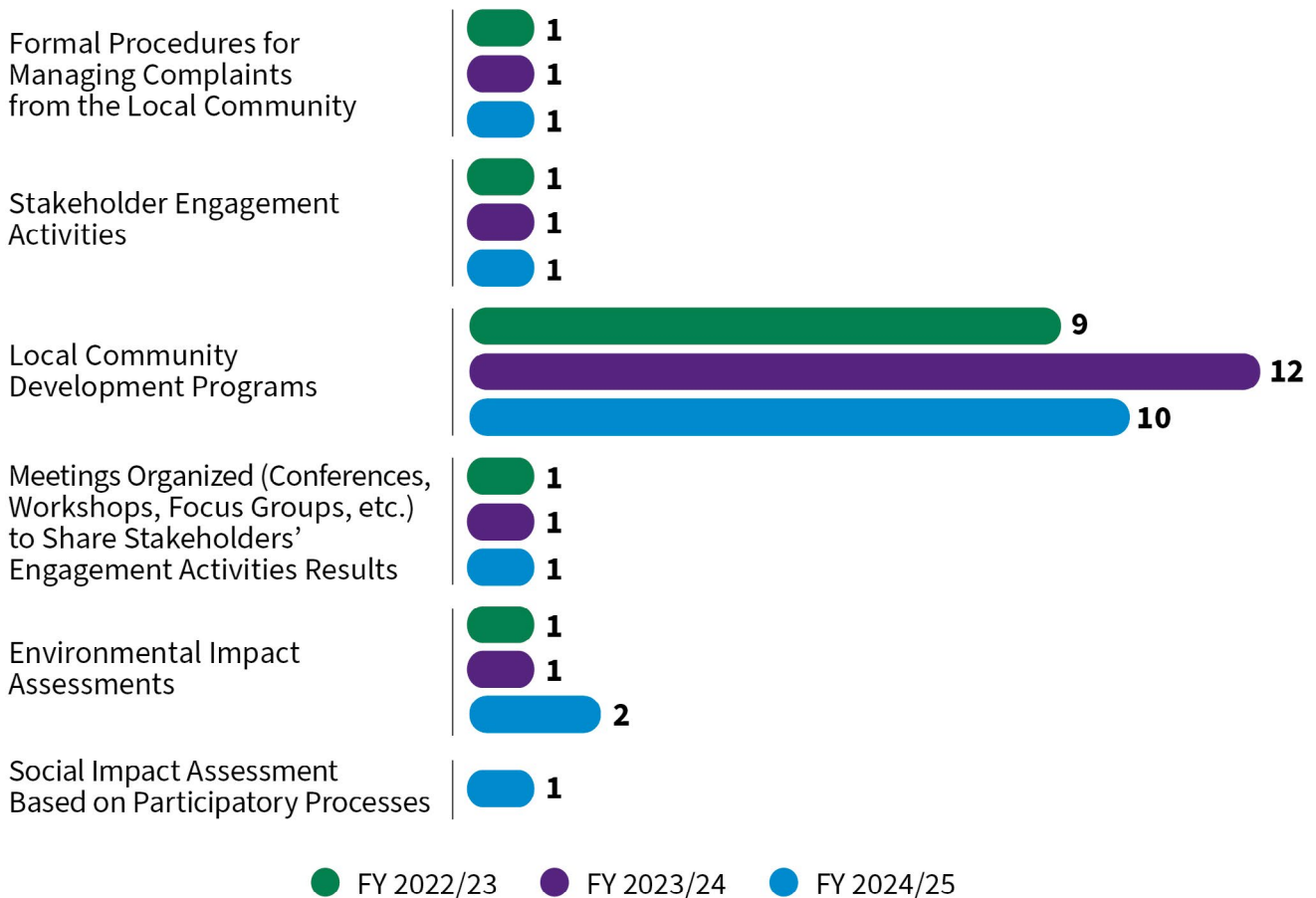
GRI 413-1

Fater considers its relationship with the local community essential, nurturing it through corporate volunteering and initiatives that involve local stakeholders, impact assessments, and development programs.

### Corporate Volunteering

Fater actively promotes corporate volunteering, recognizing it as a benefit for employees. Each employee is granted 8 paid hours to carry out volunteer activities with local associations identified either by employees themselves or through events organized at company sites.

### Activities Involving Local Communities, Impact Assessments and Development Programs



Among the local community development programs carried out in continuity with previous years, beyond those already mentioned in paragraph *Brands with a Purpose*, Fater has implemented the following corporate initiatives:

**Banco Alimentare:** In FY 2024/25, Fater strengthened its partnership with Banco Alimentare Abruzzo/Molise. Building on a long-standing collaboration, the company introduced a more systematic approach by channeling obsolete products—generated on a tri-/quadrimester basis directly to Banco Alimentare Abruzzo/Molise. Obsolete products are those no longer included in the commercial assortment for market-related reasons. During the reporting year, Fater donated approximately €190,000 (inventory value) of such products over three separate donations, in full compliance with tax regulations. The added value of partnering with Banco Alimentare lies not only in supporting families in need, but also in the organization’s ability to serve a large number of associations across the two regions, ensuring timely, rational, and needs-based distribution.

In FY 2024/25, the number of associations served through Fater product donations more than doubled, reaching around 230 (compared to approximately 100 in FY 2023/24). **As a result, over 36,000 people benefitted from Fater’s donations.** This increase is linked not only to the systematic donation model but also to the inclusion of home and fabric care products, usable by a broader audience than more niche items such as baby diapers.

In addition to community support programs, during FY 2024/25 Fater also supported the following initiatives:

**Gruppo Esperienza Fater Fameccanica:** An association made up of former Fater employees and current employees with more than 20 years of experience. It organizes cultural activities, local discovery events, hobby-enhancement opportunities, and recreational experiences for its members. Fater contributes with an annual monetary donation. The group counts 1,190 members (847 from Fater and 343 from Fameccanica).

**Cral Angelini:** This association organizes recreational activities—including tourism, sports, and cultural initiatives, and offers discounts for services to its members, who include active and retired employees of Fater and Fameccanica. Fater provides an annual financial contribution. The group includes 932 members: 580 active Fater employees, 260 from Fameccanica, and 93 retirees.

**ASD Fater:** An amateur sports association with its own management structure and independent from Fater. The company provides an annual financial contribution to support its statutory objectives (e.g., football school), with a particular focus on supporting a young women’s football team—aligned with the company’s commitment to gender equality. ASD Fater has 338 young registered athletes, including 68 girls.

## Driving Change Together

### GRI 2-28

Fater is a member of numerous industry associations that strengthen its network of collaborations and representation across various areas of the company's activities.

Among these, by way of example:

- **Assocasa**: represents manufacturers of household cleaning and hygiene products.
- **Centromarca**: promotes brand culture in markets and society.
- **Confindustria Pescara-Chieti**: brings together Italian companies of various sizes.
- **Confindustria Dispositivi Medici**: promotes and supports companies in the medical device sector.
- **EDANA**: the global voice of the nonwovens industry.
- **Federchimica**: supports and develops the Italian chemical industry.

#### **People Development, Health & Safety Sector:**

- **AIAS**: promotes occupational health and safety culture.
- **ASSIDAL**: supports workplace safety professionals.

#### **Logistics, Supply Chain and Packaging Sector:**

- **AILOG**: a leading organization in Italy for logistics and supply chain.
- **Assologistica**: represents logistics companies and promotes integrated logistics solutions.
- **CONAI**: private consortium overseeing packaging recycling systems.
- **GS1**: develops global standards for business-to-business communication.

#### **Market Research, Communication and Omnichannel Sector:**

- **ASSIRM**: represents the market research industry in Italy.
- **NETCOMM**: a key reference point for e-commerce and digital retail.
- **UPA**: gathers companies investing in advertising and communication.

#### **Sustainability Sector:**

- **ORSA**: Observatory on sustainability reporting for companies in the Abruzzo region, ensuring constant updates on the evolution of non-financial reporting regulations.
- **Sustainability Makers**: brings together sustainability professionals, promoting expertise and credibility in the field.

# Every Day Climate Protection\*



*\*Data relating to Fater S.p.A.'s headquarters are excluded.*

**CO<sub>2</sub> reduction:** - 15% vs. FY 2020/21 baseline

**Sustainable packaging:** -21% virgin plastic vs. FY 2020/21 baseline

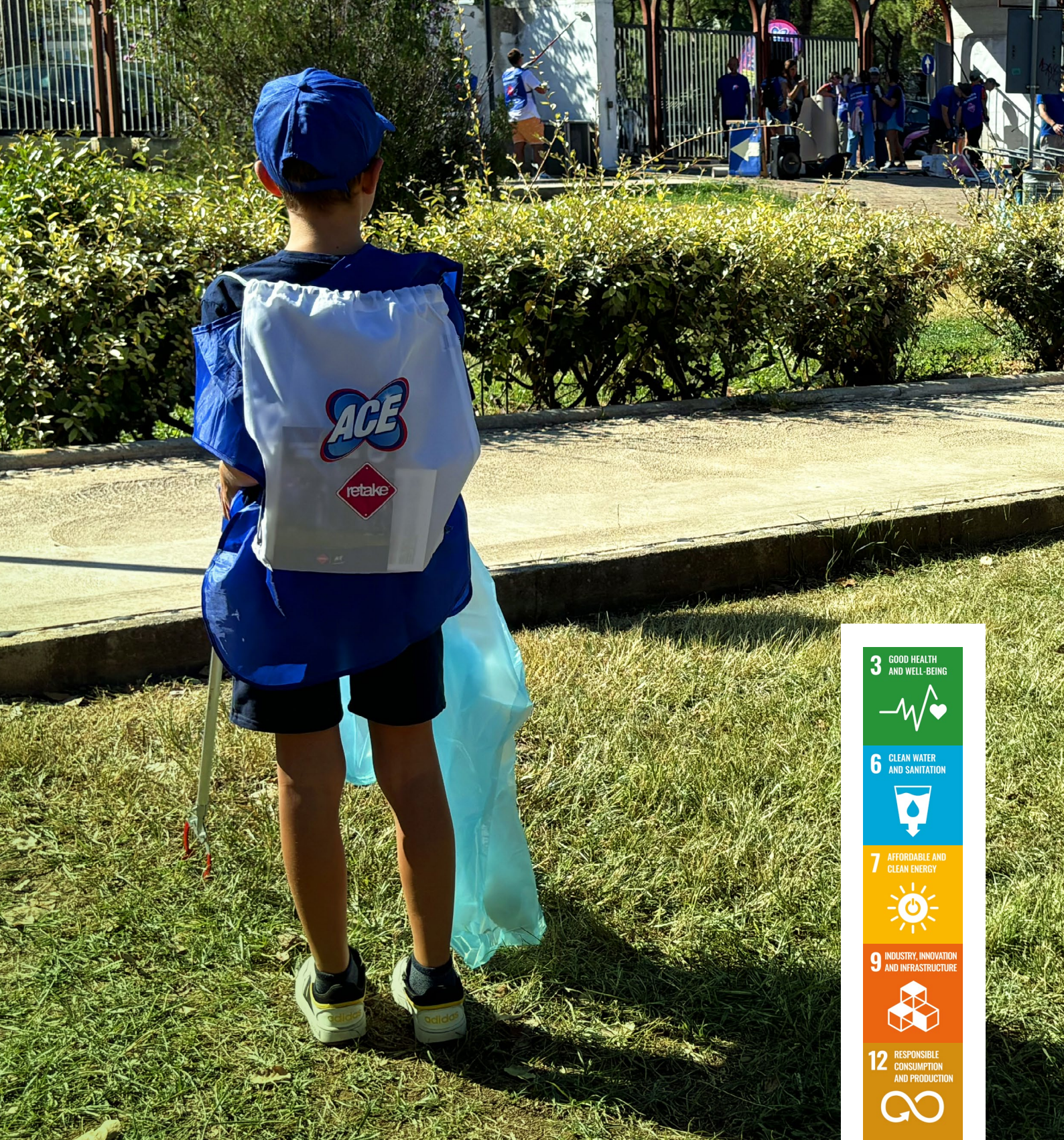
**Waste:** Zero direct landfill disposal<sup>11</sup>; 70% sent to recycling

**Energy consumption:** 551,718 GJ (+2% vs. FY 2023/24)

**Water use:** 398 megaliters (-2% vs. FY 2023/24)

**Sustainable logistics:** -15% CO<sub>2</sub> inbound logistics emissions vs. FY 2023/24

<sup>11</sup> Based on Fater industrial waste disposal suppliers' certificates.



3 GOOD HEALTH AND WELL-BEING



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



# Objectives: Where Do We Stand?

Following the update of the emission factor database used to calculate the Carbon Footprint - driven by methodological revisions and updated source data - the resulting emission values were no longer directly comparable with those from previous fiscal years. For this reason, the Group decided to recalculate the emission baseline for FY 2020/21, thereby realigning all subsequent values to the new reference framework.

As a result, Fater's emission-reduction targets are currently under review by SBTi: the reduction percentages set for FY 2029/30 remain valid, but will be applied to an updated baseline.

In any case, **FY 2024/25 marked a significant milestone in Fater's decarbonization pathway:** the company's overall Carbon Footprint continued its decreasing trend despite an increase in the total volume of products sold.



	Base Year FY 2020/21	FY 2023/24	FY 2024/25
<b>Total Emissions Generated (ktons CO<sub>2</sub>eq)</b>	664	611	564
<b>Reduction vs. Base Year</b>	-	-8%	-15%

Below is an update on the Climate Protection KPIs, relating to the 2030 and 2040 targets, as well as the reduction of virgin plastic in primary packaging.

## Climate Protection

Sustainability Topics	KPI	Baseline FY 2020/21	FY 2023/24	FY 2024/25	Target 2029/30	Target 2034/35	Target 2039/40
<b>Climate Change Mitigation*</b>	<b>Scope 1 &amp; 2</b>	31	45	29	18 (-42%)	-	-
	<b>Scope 3 (Target Categories<sup>12</sup>)</b>	459	398	388	344 (-25%)	-	-
	<b>Net Zero 2040 (Target Categories<sup>13</sup>)</b>	629	588	542	-	-	63 (-90%)
<b>Sustainable Packaging</b>	<b>Reduction of virgin plastic in primary packaging</b>	-	-8.7%	-26%	-60%	-75%	-

\*Figures in ktCO<sub>2</sub>eq

Below are the calculation methods for the KPIs:

### Climate Change Mitigation

Reduction of emissions impact (Scopes 1, 2 and 3), as detailed in paragraph *Emissions*.

### Reduction of Virgin Plastic in Packaging

Reduction of virgin plastic used during the fiscal year for the primary packaging of internally manufactured products, as well as for the main home and fabric care products purchased from third-party suppliers. The reduction is calculated in relation to production volumes and to the volumes of finished home and fabric care products purchased, using FY 2020/21 as the baseline year.

12 Target Categories: Scope 3.1 Purchased Goods and Services; 3.3 Fuel- and Energy-Related Activities; 3.4 Upstream Logistics.

13 Target Categories: Scope 1; Scope 2; Scope 3.1 Purchased Goods and Services; 3.3 Fuel- and Energy-Related Activities; 3.4 Upstream Logistics; 3.12 End-of-Life Treatment of Sold Products.

# Our Environmental Roadmap

**Fater integrates environmental protection into its strategic decision-making, committing to reducing the impacts of its operations while developing innovative and safe products and services.**

## Key Principles of the Environmental Strategy

- Implementation, maintenance, and continuous improvement of **Environmental Management Systems**.
- Ongoing reduction of **atmospheric emissions**.
- Monitoring and control to ensure **efficient use of energy and materials**.

## Why It Matters

- **Reducing CO<sub>2</sub> emissions** remains one of the material topics identified by stakeholders.
- Impact analysis covers **all stages of the value chain** (Scopes 1, 2 and 3).

## Collaboration Across the Value Chain

Upstream emission reductions benefit downstream stakeholders due to the direct interconnection among all actors in the value chain: Supplier – Fater – Customers – Consumers. Fater’s **decarbonization targets**, currently under review by SBTi following the baseline recalculation, remain aligned with the Paris Agreement, aiming to keep global temperature rise below 1.5°C.

## Actions and Targets

In line with the **GHG Protocol**, Fater has set ambitious (currently SBTi-under-review) emission reduction targets for Scopes 1, 2 and 3 (categories 3.1, 3.3, 3.4, and 3.12) by FY 2029/30, with category 3.12 also included in the Net Zero target set for FY 2039/40.

## Emissions

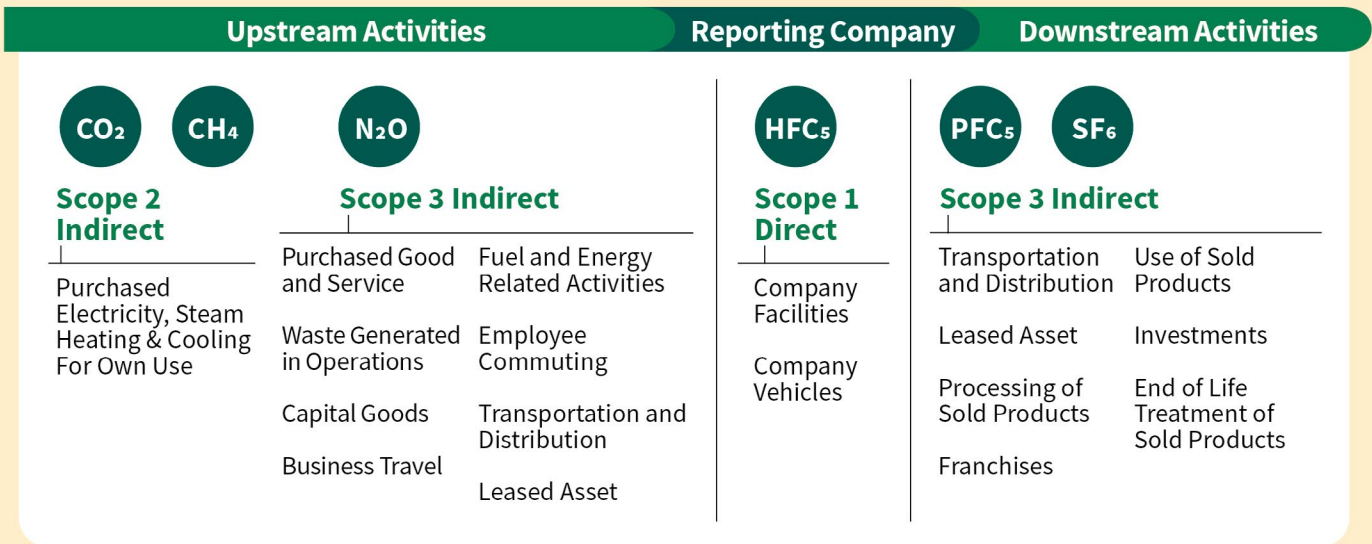
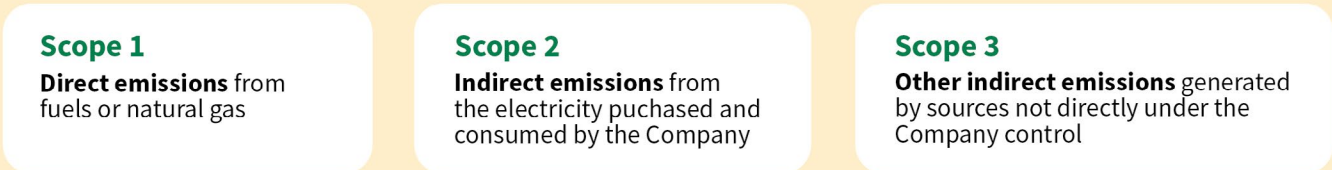
GRI 305-1, 305-2, 305-3, 305-4, 305-5

To define the quantitative parameters, timelines, and actions needed to achieve decarbonization goals, a Carbon Footprint analysis has been conducted since fiscal year 2020/21<sup>14</sup> in accordance with the Greenhouse Gas Protocol (GHG Protocol).

<sup>14</sup>The 2020/2021 baseline and FY 2023/24 have been recalculated using the updated emission factors from the Ecoinvent 3.10 database.

This analysis quantifies the Organization’s total emission impacts, estimating greenhouse gas emissions in tons of CO<sub>2</sub> equivalent across the entire life cycle of the system under evaluation.

## GHG (Greenhouse Gas) Protocol – Scope 1, 2, 3



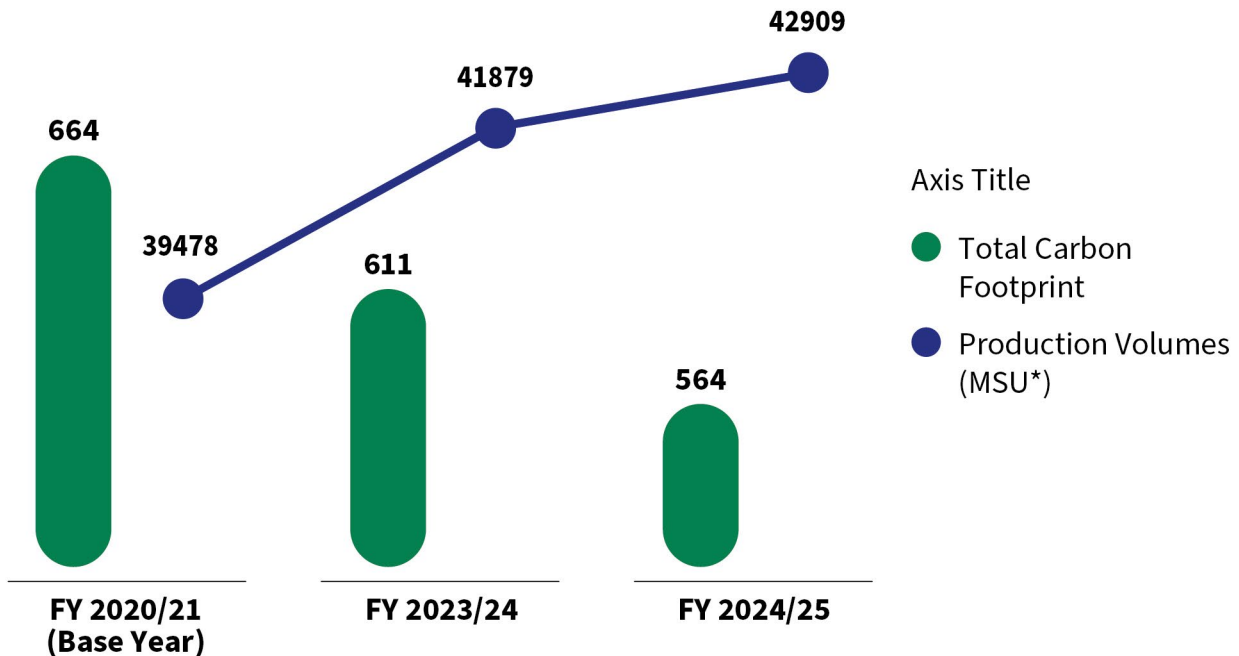
Fater considers all CO<sub>2</sub>-equivalent emissions across its entire supply chain, including production, energy consumption, raw materials, investments, and employee travel. The analysis covers all four production plants. In fiscal year 2024/25, the total carbon impact **amounted to approximately 564 thousand tons of CO<sub>2</sub> equivalent<sup>15</sup> to a 15% reduction compared to the base year.**

15 Since Fater does not sell products that generate direct emissions during use, these emissions were not included in the calculation, in accordance with SBTi guidelines.

## Emissions Generated (ktCO<sub>2</sub>eq)

Emissions Generated (ktCO <sub>2</sub> eq)	Base FY 2020/21	FY 2023/24	FY 2024/25	Target SBTi FY 2029/30 (Reduction vs. Base Year)	Target SBTi FY 2039/40 (Reduction vs. Base Year)
Scope 1 & 2	31	45	29	18 (-42%)	3 (-90%)
Scope 3	633	566	535	NA	NA
<b>Total</b>	<b>664</b>	<b>611</b>	<b>564</b>	NA	NA
Scope 3 Target Categories Net Zero 2029/30 <sup>16</sup>	459	398	388	344 (-25%)	NA
Scope 3 Target Categories Net Zero 2039/40 <sup>17</sup>	598	543	512	NA	60 (-90%)
Scope 1, 2, 3 Target Categories Net Zero 2039/40 <sup>18</sup>	629	588	542	NA	63 (-90%)

## Carbon Footprint (ktCO<sub>2</sub>eq)



\*Products volume in the graph are expressed as MSU, product conversion units of measure for Fater

16 Target Categories: 3.1 Purchased Goods and Services; 3.3 Fuel- and Energy-Related Activities; 3.4 Upstream Logistics.  
 17 Target Categories: Scope 3.1 Purchased Goods and Services; 3.3 Fuel- and Energy-Related Activities; 3.4 Upstream Logistics; 3.12 End-of-Life Treatment of Sold Products.  
 18 Target Categories: Scope 1; Scope 2; Scope 3.1 Purchased Goods and Services; 3.3 Fuel- and Energy-Related Activities; 3.4 Upstream Logistics; 3.12 End-of-Life Treatment of Sold Products.



# -50%

Scope 2 emissions  
compared to 2023/24

## Scope 1 & 2

**Scope 1** emissions increased in FY 2023/24 compared to previous years, primarily due to higher production volumes. Thanks to efficiency projects, despite a further increase in volumes, the value remained aligned with past performance. In view of decarbonization, the goal is to develop projects that collectively ensure the achievement of the target.

The variability in **Scope 2** emissions is linked to changes in the use of cogeneration systems for self-production. In particular, FY 2023/24 saw a significant rise in Scope 2 emissions, partly due to the greater use of purchased electricity, especially at the Pescara plant, following the phase-out of the biomass cogeneration facility. For the current reporting year, a major shift has been achieved: **Scope 2 emissions have decreased by 50% (market-based comparison) compared to the previous year**, thanks to the purchase of renewable electricity. This represents a significant improvement, especially in view of the 2030 decarbonization targets.

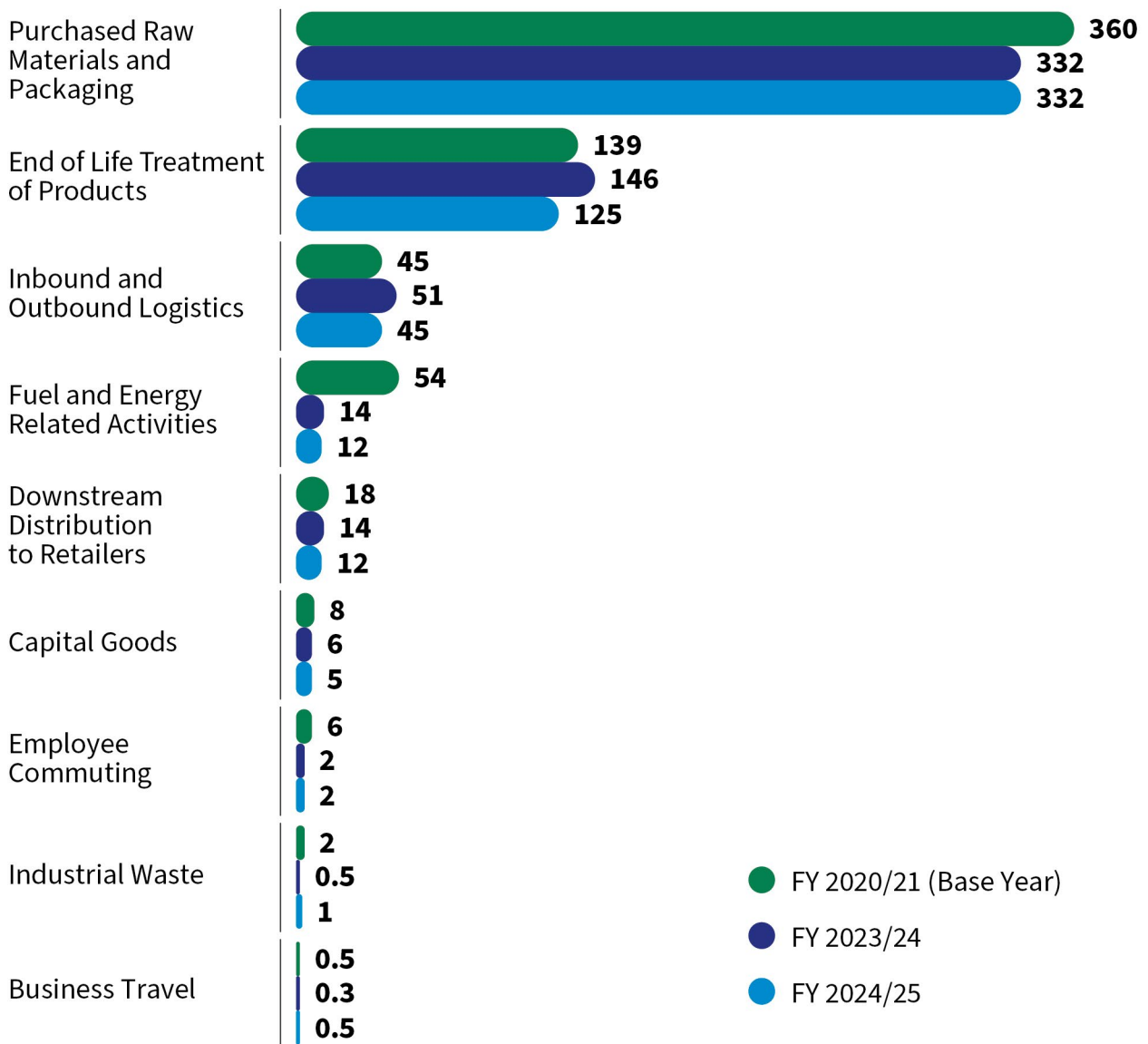
## Scope 1 & 2 (tCO<sub>2</sub>eq)

	FY 2020/21	FY 2023/24	FY 2024/25
<b>Total Scope 1 Emissions</b>	12,657	13,933	13,721
<b>Total Scope 2 Emissions</b>	18,376	30,980	15,382

### Scope 3

**Scope 3 emissions decreased by 16% compared to the base year.** They account for 97% of total emissions, amounting to approximately 535 thousand tons of CO<sub>2</sub>eq in fiscal year 2024/25. This reduction is primarily driven by: a 79% decrease in fuel-related emissions (from 54,255 tCO<sub>2</sub>eq to 11,625 tCO<sub>2</sub>eq), and an 8% reduction in emissions from purchased goods and services (from 360,430 to 332,162 tCO<sub>2</sub>eq).

### Scope 3 Emissions by Category (ktCO<sub>2</sub>eq)



The importance of raw material and packaging purchases—representing 59% of total Scope 3 emissions in the last fiscal year has increasingly driven Fater to place sustainability at the center of its relationships with supplier partners. The ambitious goal of reducing CO<sub>2</sub>-equivalent



emissions can only be achieved through increasingly virtuous collaboration between suppliers and customers across the entire value chain. Fater is currently conducting an analysis of the CO<sub>2</sub> emissions associated with the raw materials it uses. This assessment aims to identify hotspots and define decarbonization programs, with the objective of replacing high-impact materials with lower-impact alternatives or sourcing them from suppliers capable of ensuring lower emission profiles. The positive reduction in Scope 3.1 emissions is in fact the result of a more collaborative approach with suppliers, which has led to increasingly accurate analyses of primary emission factors and to targeted material substitutions.

## Energy Consumption

GRI 302-1, 302-3, 302-4

All four Fater plants are engaged in decarbonization, which represents the core of the company's environmental strategy. To achieve the Scope 1 & 2 decarbonization targets, Fater monitors energy consumption annually and evaluates the impact of strategic actions on emissions. Each plant implements different initiatives based on its specific characteristics and production processes.

The **Pescara facility** stands out for holding **ISO 50001 certification for its Energy Management System**, reflecting detailed analyses of energy use and improvement opportunities. At the Campochiaro plant, a continuous monitoring system is currently being implemented with the goal of achieving certification.

During the reporting year, the **Campochiaro plant** used **combustible gas for its cogeneration systems**, which produce electricity for self-consumption. At the Pescara site, the cogeneration plant is being phased out.

Regarding employee mobility, Fater has installed **charging stations for electric vehicles at the Pescara facility and at the Business Campus**, for a total of 24 charging points across 13 charging stations/wallboxes.

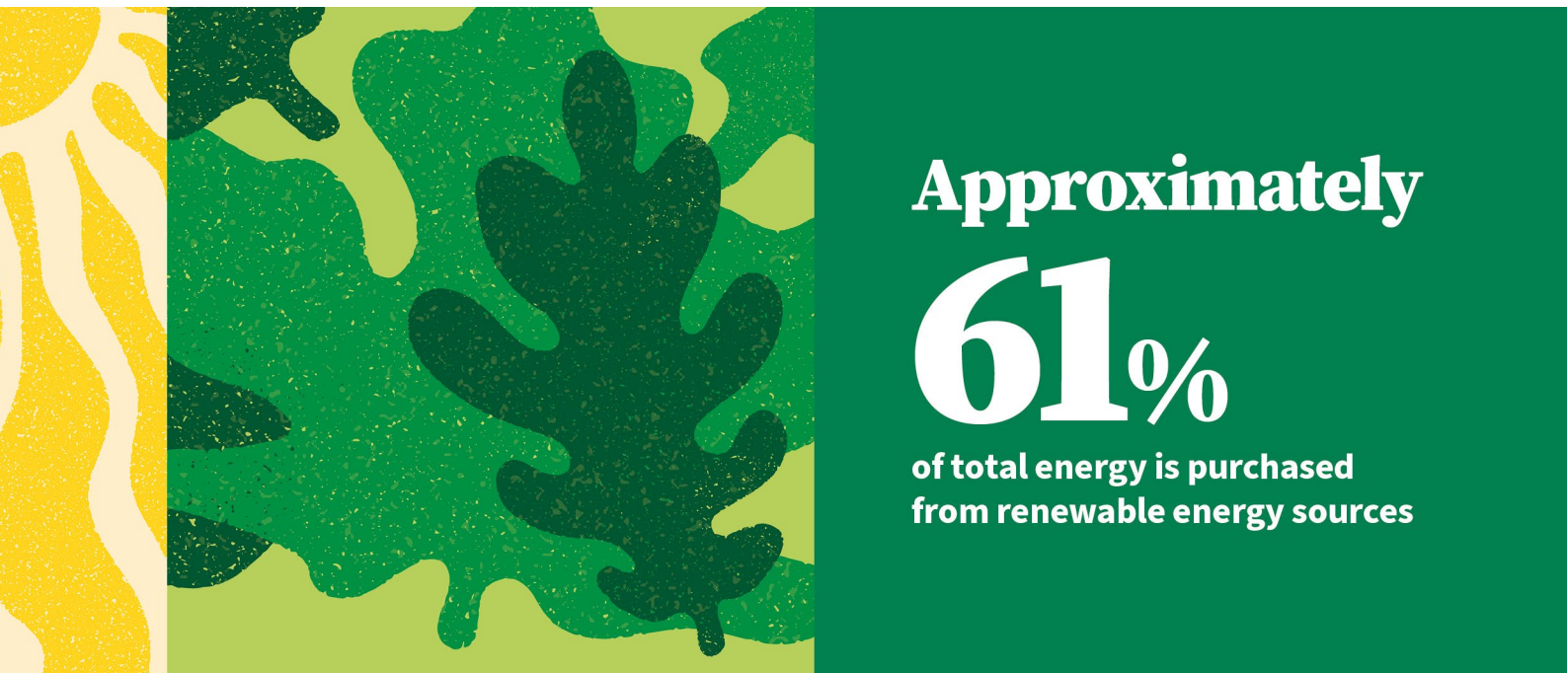
Considering total fuel consumption and purchased electricity - and subtracting sold electricity (see *Energy Consumption Appendix*) - Fater's net energy consumption in FY 2024/25 amounted to 551,718 GJ, representing a 2% increase compared to FY 2023/24, mainly due to higher production volumes.

However, in line with the company’s decarbonization strategy, the **purchase of renewable electricity** has increased significantly (approximately 61% of total energy purchased), allowing Fater to stay on track in its decarbonization pathway despite the rise in overall energy consumption.

### Energy Consumption (GJ)

	FY 2020/21	FY 2023/24	FY 2024/25
<b>Total Purchased Electricity</b>	189,077	247,784	229,898
<b>Total Fuel Consumption</b>	522,452	293,352	324,279

### Total Net Energy Consumption Over the Three-Year Period (GJ)



**Approximately**  
**61%**  
of total energy is purchased  
from renewable energy sources

# Water: Conscious Use and Innovation

GRI 303-1, 303-3, 303-4, 303-5

## Water Withdrawals and Consumption of the Group<sup>19</sup>

The continuous collection and analysis of water-related data allow us to maintain close oversight and **monitor consumption trends**, which feed into the Group's emissions analysis. In addition, even if water does not fall within material items, reporting allows Fater to be transparent towards its stakeholders. Although a monitoring system is in place, no specific targets have been defined at this stage. In the last fiscal year, 77.5% of the water withdrawn by the Fater Group came from third-party water networks, while the remaining 22.5% originated from groundwater sources. These values have remained relatively stable over the three-year period. Total water withdrawal decreased by 3.9% (from 753 to 724 megaliters), with variations in supply sources:

- 8% decrease in water withdrawn from suppliers → from 610 to 561 megaliters in FY 2024/25
- 13.6% increase in groundwater withdrawal → from 143 to 163 megaliters in FY 2024/25
- The total water consumption calculated as the difference between water withdrawn and water discharged amounted to 398 megaliters, a 2% decrease compared to the previous year.

### Total Water Withdrawal



<sup>19</sup> For details on the water performance of each individual plant, please refer to the Appendix.

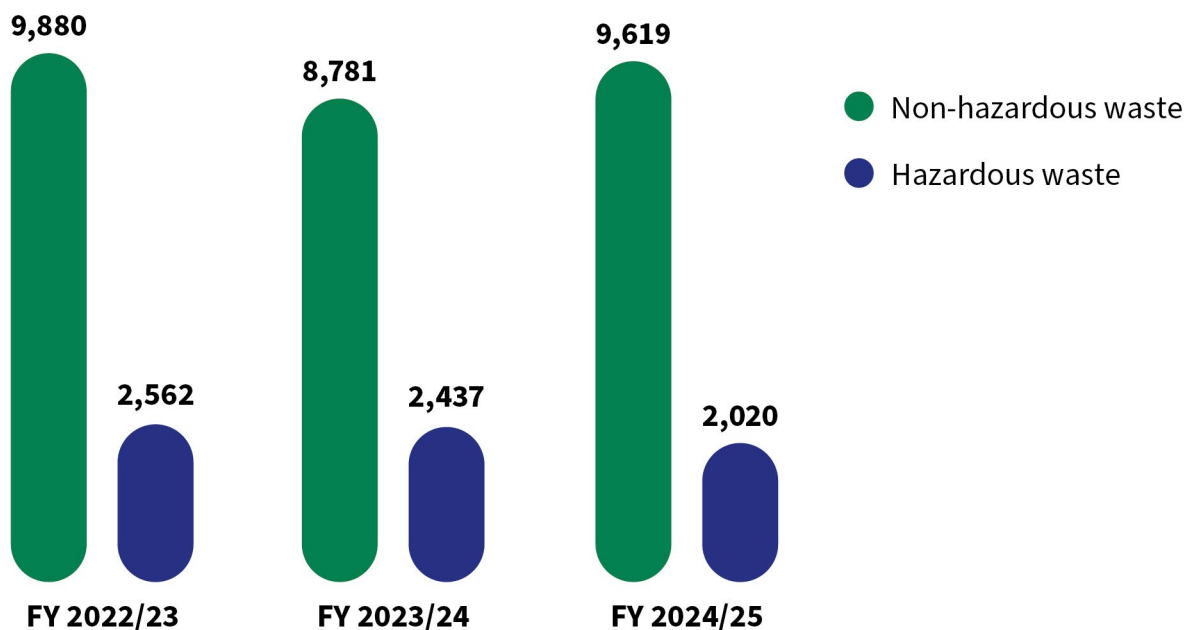
# Zero Waste Toward a Circular Economy

GRI 306-2, 306-3, 306-4, 306-5

Waste management is supported by systematic monitoring of generated waste flows and their respective destinations. Although a consolidated data-tracking system is in place, no quantitative targets have been defined yet. However, in line with the Group’s responsibility principles, once again this year, **0% of Fater’s industrial waste has been sent directly to landfill.**

All waste generated at Fater’s facilities is disposed of and/or recycled at external sites. In the last fiscal year, Fater generated a total of **11,639 tonnes of waste**, of which approximately **83% was non-hazardous** and **17% hazardous**. Non-hazardous waste amounted to 9,619 tonnes, while hazardous waste totaled 2,020 tonnes. Compared to previous years, there was a slight increase in total waste generation (+3% vs. FY 2023/24), mainly due to non-hazardous waste (from 8,781 tonnes in FY 2023/24 to 9,619 tonnes in FY 2024/25).

## Waste (ton)



The Campochiaro facility stands out for having the highest percentage of hazardous waste generation. The use of chemicals or hazardous materials within production processes contributes to a higher volume of hazardous waste compared to the other sites. To further reduce waste materials, two compactors for paper and cardboard were installed at this plant, fully integrated into the production process to reduce volumes. This initiative has optimized both logistical and environmental management. In addition, at the Campochiaro and Pescara facilities, waste monitoring and tracking are carried out through an electronic loading/unloading register, allowing precise oversight of quantities generated and cost management.

Before entrusting waste to a transport company, the plants verify the technical and professional suitability of the contractor, as required by Article 26 of Legislative Decree 81/08, by checking the validity of transport authorizations. The same verification is carried out for destination facilities, ensuring documentary compliance with technical, health, safety, and environmental requirements. In the last fiscal year, the Group directed **approximately 70% of its waste to recycling activities** (8,077 tonnes), while the remaining portion was sent for recovery (1,520 tonnes, equal to 13%) or disposal (2,041 tonnes, equal to 17%).

# Chemical Safety for Products and Processes

In Fater's production processes and in the research activities carried out in its laboratories, only authorized chemical substances are used, classified according to their intended use and the corresponding safety data sheets. The main categories include resins, fragrances, surfactants, as well as additives, preservatives, and colorants.

The **Technology Innovation function** is responsible for developing and defining the formulations of finished products, providing the plants with the necessary safety data sheets for risk assessment and regulatory compliance. Chemical risk assessment is managed through an internal HSE portal, which supports the definition of prevention and protection measures. For substances presenting a risk level above "negligible," additional environmental and/or personal exposure measurements are carried out. Fater ensures five-year chemical risk training for all employees involved. Moreover, the introduction of any new chemical substance requires a specific approval and evaluation process involving the Prevention and Protection Service (SPP) and the Company's Occupational Physician. In the event of non-compliance, an internal investigative analysis is initiated through the Near Miss tool integrated into the HSE portal. Parameters related to wastewater discharges are continuously monitored in accordance with the procedures established by the competent authorities.



## ACE Chemicals

At the Campochiaro plant dedicated to the production of ACE-brand products the use of sodium hypochlorite is essential. This chemical substance, produced in large quantities and stored on site as a finished product, makes the facility subject to Seveso regulations. As a result, all chemical substances regulated under this directive must be notified in advance to the competent authorities before they can be used. In addition, the plant is subject to AIA (Integrated Environmental Authorization) requirements, which mandate the preparation of an annual quantitative balance of all raw materials used in the production process. This information must be submitted to the relevant authorities through the IPPC (Integrated Pollution Prevention and Control) system. Any production scraps containing unused chemical substances are handled as waste, in full compliance with Legislative Decree 152/2006 and subsequent amendments, and no internal treatment is carried out at the facility.



# Sustainable Innovation: Ideas That Reduce Impact

Fater pursues a clear strategy: reducing CO<sub>2</sub> emissions across the entire pathway defined by its scorecard objectives, acting both on production operations and on products themselves. At the heart of this strategy lies the 4Rs, the pillars guiding product innovation and enhancing consumer experience while balancing environmental sustainability with economic efficiency.

The **4Rs** of Fater's Strategy:

- **DisRupt**: develop lower-impact products that encourage new usage behaviors.
- **Replac**e: substitute traditional materials with lower-impact alternatives.
- **PaRtner**: collaborate across the supply chain to reduce overall emissions.
- **Reduce**: optimize resource use to increase efficiency.

Each new project includes a dedicated sustainability section, with detailed analyses of emission impacts. This parameter plays an increasingly decisive role in the approval and implementation of initiatives.

In the **R&D laboratories at the Business Campus**, Fater develops sustainability-oriented innovations through consumer insights research, new material exploration, 3D packaging prototyping, performance testing, and extreme-condition simulations, culminating in process validation through pilot plants. Within this context, the “**Net Zero**” projects represent the most ambitious challenge: achieving carbon-neutral products by acting on Scope 3.1 – Purchased Goods and Services, which accounts for more than half of Fater's Carbon Footprint, without compromising quality or accessibility.

A concrete example is **Lines Cotone by Lines Natura**, which is a line of sanitary pads with a cotton topsheet designed for consumers who value the delicacy of materials in contact with the skin. The pads are biodegradable and compostable according to standard EN 13432, breaking down by more than 90% in under 90 days when treated in industrial composting facilities. This represents a tangible step toward more sustainable products without sacrificing the absorbency that defines Lines.

# Recyclable Packaging and Sustainable Solutions

**Starting in FY 2021/22, Fater launched a pathway to reduce the use of virgin plastic in the packaging of its products, introducing recycled plastic sourced from both industrial waste (PIR) and post-consumer waste (PCR).**

In FY 24/25, the virgin-plastic-reduction plan made significant progress toward its targets. Thanks to initiatives that strengthened the incorporation of recycled plastic in home and fabric care products, the Group achieved a 26% reduction in virgin plastic by the end of the fiscal year. Indeed, given that plastic packaging represents ~ 33% of Fater Scope 3.1, virgin plastic reduction represents a huge help also in decarbonization journey.

	FY 2020/21	FY 2023/24	FY 2024/25
<b>Reduction of Virgin Plastic</b>	100% virgin	-8.7%	-26%

Fater continues to work toward achieving its ambitious **goal of a 60% reduction by 2029/30**, fully aware that its attainment will also depend on external factors such as the availability of materials compatible with Fater’s and its suppliers’ production systems. The relevance of raw material and packaging purchases - representing the majority of Scope 3 emissions has led Fater to place sustainability, through the **Partner Plan**, at the center of its supplier relationships. This approach aligns with the company’s ambitious objective of reducing CO<sub>2</sub> equivalent emissions. Such a goal can only be reached through a virtuous collaboration across the value chain, enabled by open and continuous dialogue to support partners on their decarbonization journey. Fater has communicated its sustainability targets to its most strategic suppliers, requesting medium-term plans that demonstrate concrete commitment: some have already initiated significant initiatives, while others are still in the early stages. The Group has made itself available to support them through environmental impact assessments of their products - studies that, in some cases, were conducted for the first time - allowing for the identification of improvement opportunities and emissions-reduction levers. To reinforce this approach, **Top2Top meetings** between Fater’s top management and the leadership teams of Partner Plan suppliers include: the presentation of Fater’s 2030/2040 decarbonization strategy, the sharing of suppliers’ sustainability strategies, and the proposal of innovative solutions to meet shared goals. These initiatives foster a constructive and strategic dialogue, accelerating the transition toward a low-emission value chain.

# Efficient Logistics and Partners for the Future

**Fater has consolidated a procurement model in which the assessment of environmental impacts is an integral part of decision-making processes.**

In every dialogue with direct suppliers of raw materials, the topic of emission reduction is addressed, with requests aligned to Fater's targets.

To ensure consistency and comparability, the procurement procedure has been updated, now requiring suppliers to either hold an ESG rating/assessment or to take steps to obtain one<sup>20</sup>.

Climate considerations are now embedded in the standard criteria used to define projects. In addition to cost, quality, and service, the assessment of CO<sub>2</sub> impacts has become a decisive factor in purchasing decisions. This approach is already fully operational for direct procurement, while for indirect procurement a progressive integration of ESG criteria is currently being implemented.



## **-15% Emissions from Inbound Logistics**

The Fater Group recorded a significant reduction in emissions related to inbound logistics compared to the previous fiscal year, thanks to a combination of targeted initiatives and a more accurate analysis of the impact generated by suppliers during transportation activities. Fater first strengthened the calculation of actual transport-related emissions, achieving a clearer understanding of the supply chain's contribution to the overall Carbon Footprint. Based on these insights, intermodal transport solutions were introduced, combining truck routes with rail transport whenever possible. This approach reduced reliance on road-only logistics, introducing a more sustainable truck-train mix. In parallel, additional optimization measures were implemented for road transport, including better load utilization and more efficient route planning. To further reinforce the decarbonization pathway, the Group is also requesting that logistics partners use green certificates to support the transition toward lower-impact transportation solutions.

Thanks to this integrated set of initiatives, CO<sub>2</sub> emissions from inbound logistics decreased by approximately 15%, confirming the effectiveness of the new management model and Fater's concrete commitment to building a more sustainable supply chain.



<sup>20</sup> For more details on the sustainable procurement procedure, beyond environmental requirements, please refer to paragraph *Sustainable Supply Chain: Supplier Selection and Engagement*.

# Every Day Responsibility



**Sustainable suppliers:** 65% with ESG rating;  
100% of new suppliers assessed under SA8000

**ESG Excellence:** EcoVadis Gold Medal

**Value generated:** €1.128 bn; 95% distributed to  
stakeholders

**Production procurement:** €344 million; 97%  
from local/European suppliers

**Code of Conduct:** pilot roll-out initiated with a  
supplier panel

**Zero** confirmed cases of corruption



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



# Objectives: Where Do We Stand?

**From a sustainability governance perspective, Fater is fully aware that the procurement function is essential to achieving medium- and long-term ESG objectives.**

For this reason, alongside well-established internal tools, such as the environmental assessment (CO<sub>2</sub> and plastic) of product initiatives, Fater has equipped itself with instruments that enable mapping the supply chain from an ESG perspective, both in terms of risk and commitments.

## Responsibility

Sustainability Topics	KPI	FY 2023/24	FY 2024/25	Target 2024/25	Target 2029/30
<b>Responsible Procurement</b>	<b>Suppliers Assessed with ESG Criteria</b>	50% weighted relevant suppliers with an ESG rating	65% weighted relevant suppliers assessed with ESG criteria; 100% <sup>21</sup> of suppliers mapped for ESG risk	80% weighted relevant suppliers assessed with ESG criteria	100% of relevant suppliers engaged and assessed with ESG criteria

Below are the calculation methods for the KPIs:

### **ESG-Aligned Suppliers**

Assessment of relevant direct and indirect suppliers, those accounting for at least 0.1% of the Group's total spending, based on ESG criteria. This is a developing process aimed at engaging suppliers on ESG topics to support the achievement of shared goals.

<sup>21</sup> Suppliers with annual spending below €15k are excluded.





## EcoVadis Gold Medal

In July 2025, Fater achieved an important milestone by obtaining the EcoVadis Gold Medal, one of the most globally recognized platforms for assessing companies' ESG performance. This result places the Group among the top performers in its sector and demonstrates its ongoing commitment to integrating sustainability principles into its strategies and operational processes.

**The EcoVadis assessment evaluates key areas such as environment, labor and human rights, ethics, and sustainable procurement. The score obtained by the Group reflects the robustness of the policies implemented, its ability to monitor risks along the supply chain, and its continuous commitment to improving its ESG performance.**



# Business Ethics and Transparency

At Fater, corporate governance is structured around a **Governance Team** composed of risk experts and representatives from various functions, responsible for proposing updates to internal policies. A **smaller Governance Board** (comprising the CFO, CHRO, Head of Internal Audit, and Head of Legal & Compliance) defines compliance strategies and manages risks, assessing recommendations from the Governance Team together with the departments involved. In FY 2024/25, Fater people have received 33,630 training hours on Governance topics.

The **Internal Control System**, a central component of corporate governance, ensures the identification and monitoring of risks and safeguards the company's interests by enabling informed decision-making and ensuring regulatory compliance. The system is organized across three levels: **business functions**, **risk/governance experts**, and **Internal Audit**, the latter being an independent function that verifies the effectiveness of controls and reports directly to the General Manager.

In 2025, Fater launched a structured **Enterprise Risk Management (ERM)** process, led by Internal Audit to integrate ESG-related risks. Starting in January 2026, a dedicated assessment of climate-related risks will be introduced, evaluating potential effects, exposure and financial implications.

# Code of Ethics and Model 231: Corporate Integrity

GRI 2-26, 205-2, 205-3, 206-1

The **“Do the Right Thing”** principle is one of the pillars of Fater’s “People First” strategy. Within this framework, Fater has adopted an Organization, Management and Control Model pursuant to Legislative Decree 231/01 (“Model 231”) since 2004 and has established a Code of Ethics, both available on the website [www.fatergroup.com](http://www.fatergroup.com). Ethical business conduct is considered a non-negotiable value<sup>22</sup>.

The company has also activated a whistleblowing channel that allows employees to report - securely and, if desired, anonymously - any unlawful behavior or actions that violate the Code of Ethics and Fater’s values. Reports are managed by a dedicated cross-functional team (People & Culture, Internal Audit, and Legal & Compliance), which ensures an independent assessment and timely feedback while fully protecting confidentiality.

**Over the past three years, no cases of corruption and no legal actions related to anti-competitive behavior, antitrust violations, or monopolistic practices have been recorded.**

## “Do the Right Thing”

principle is one of the pillars of Fater’s “People First” strategy



<sup>22</sup> For details on the Code of Ethics and Fater’s Principles, as well as on Model 231 and the whistleblowing process, please refer to the FY 2023/24 Sustainability Report.

# Management Systems and Certifications

GRI 2-23, 2-24

Fater's commitment to continuous improvement in business management - in compliance with quality and safety standards - is supported by a structured management system and a set of certifications. Periodic audits, both internal and certified by external bodies, are carried out to verify the accuracy of formal procedures and the effectiveness of implemented practices. Fater's policies and certifications are available on the company website. For further details on data protection management and human rights compliance, please refer to the FY 2023/24 Sustainability Report. Below is the list of certifications held by each site.

Certifications	HQ (Spoltore)	Pescara	Campochiaro	Porto (Portugal)	Gebze (Turkey)
<b>ISO 9001:2015</b>	Yes	Yes	Yes	Yes	Yes
<b>ISO 14001:2015</b>	Yes	Yes	Yes	Yes	Yes
<b>ISO 45001:2018</b>	Yes	Yes	Yes	Yes	Yes
<b>ISO 13485:2016</b>	Yes	Yes			
<b>ISO 27001:2013</b>	Yes	Yes			
<b>ISO 50001:2011</b>		Yes			
<b>SA8000:2014</b>	Yes	Yes	Yes		
<b>PEFC ST 2002:2013</b>	Yes	Yes			
<b>EMAS</b>		Yes	Yes		
<b>CHEP</b>				Yes	

A special note on SA8000: Fater S.p.A. is committed to strengthening its social commitments, in line with the provisions of the international SA8000:2014 Standard and in compliance with the requirements set out therein, which are based on the Universal Declaration of Human Rights, ILO conventions and other international standards relating to human and labour rights.

# Economic Performance and Responsible Growth<sup>23</sup>

## Management Performance and Economic Value Generated and Distributed

GRI 201-1

In fiscal year 2024/2025, the Fater Group strengthened its market position. The Incontinence and Femcare segments recorded strong growth, offsetting the decline in Baby Care due to the falling birth rate in Italy. The Home Care sector grew mainly in volume, with more limited growth in value.

Fater's production plants contributed to improving customer service levels, enhancing on-shelf finished product quality, and reducing both production and inventory costs.

Research and development activities continued across all product categories, managed by the **Technology Innovation Department with approximately 75 researchers**, supported by external consultants and services.

Regarding the economic value distributed, this represents the share of the economic value generated by Fater that is allocated to its various stakeholder categories, including:

- **Suppliers:** all costs for purchasing resources, materials, goods and services.
- **Employees:** salaries, wages, social security and welfare contributions.
- **Financiers:** interest and other financial charges paid to financiers.
- **Shareholders:** the portion of dividends distributed from annual profits.
- **Public Administration:** all current taxes paid in compliance with the tax regulations of the countries in which Fater operates, net of public contributions received.
- **Community:** the portion of economic value allocated to local communities, including donations, grants, sponsorships and partnerships. With regard to the item "External Contributions", the decrease is attributable to a change in the initiative supporting non-profit organizations through the donation of our product.

The retained economic value, calculated as the difference between the economic value generated and the economic value distributed, represents the financial resources dedicated to economic growth, the Group's capital stability, and the creation of new value for stakeholders.

<sup>23</sup>The paragraph includes data relating to the scope of Fater S.p.A.

**In fiscal year 2024/25, the economic value generated amounted to over €1.128 billion, while the economic value distributed reached over €1.073 billion. This means that Fater distributed 95% of the value it generated to its various stakeholders. The retained economic value for FY 2024/25 amounted to over €55 million.**

Added Value (€)	FY 2022/23	FY 2023/24	FY 2024/25
Production Value	990,768,944	1,068,060,191	1,102,203,503
Other Income and Proceeds	25,745,054	15,702,335	23,228,680
Financial Income	3,392,319	2,260,352	3,411,743
<b>Economic Value Generated</b>	<b>1,019,906,317</b>	<b>1,086,022,878</b>	<b>1,128,843,926</b>
Operating Costs	767,018,295	788,659,979	827,711,992
Personnel Remuneration	129,678,500	133,177,800	138,147,721
Financiers' Remuneration	2,670,250	1,791,663	262,814
Shareholders' Remuneration	60,929,138	87,311,472	81,008,721
Public Administration Remuneration	8,096,448	28,140,588.95	25,748,027
External Contributions (Community Investments)	553,451	507,916.64	314,834
<b>Economic Value Distributed</b>	<b>968,946,082</b>	<b>1,039,589,419</b>	<b>1,073,194,109</b>
Depreciation, Amortization and Adjustments	44,820,099	41,337,968.19	43,610,388
Provisions for Risks and Other Allocations	6,140,136	5,095,490.51	12,039,430
Profit for the Year Allocated to Reserves <sup>24</sup> (Profit – Dividends Distributed)	0	0	0
<b>Economic Value Retained</b>	<b>50,960,235</b>	<b>46,433,459</b>	<b>55,649,818</b>

<sup>24</sup> The profit for the year is included within Shareholders' Remuneration.



# 73.6

## million €

invested by Fater over  
the three-year period  
to develop its activities



## Investments for the Future

GRI 203-1

Fater has invested over €73,6mln in the three-year period to develop its activities in the market and maintain a competitive position. The main investments focused on the development of **product and technological initiatives**, including machinery, plant, and facility upgrades, all carried out in full compliance with Safety and Quality Assurance procedures and timelines. In addition, all production departments continued their technological upgrade programs and modernization of production lines, including the replacement of equipment and spare parts.

## Transparent Taxation and Compliance

GRI 207-1, 207-2, 207-3

Fater is committed to managing taxation in full compliance with applicable laws. The approach adopted is grounded in **principles of prudence, responsibility, and transparency** toward tax authorities and all stakeholders<sup>25</sup>.

<sup>25</sup> For details on Fater's tax approach, please refer to the FY 2023/24 Sustainability Report.



# Sustainable Supply Chain: Supplier Selection and Engagement<sup>26</sup>

GRI 204-1, 308-1, 414-1

In line with the initiatives undertaken in previous years, the Group is carrying forward three key projects to strengthen the integration of ESG principles throughout the supply chain:

**Development of the Supplier Code of Conduct, designed to raise supplier awareness of the ethical, social, and environmental standards expected by the Company.** A pilot project on the Supplier Code of Conduct was launched and shared initially with a selected group of partners to gather feedback and improvements. The document has been published in a dedicated section of the corporate website, currently accessible only to suppliers involved in the test. Once feedback has been collected and incorporated, the Code of Conduct will be rolled out to the entire supplier base.

**Integration of ESG criteria into supplier selection and evaluation processes, supported by external tools and providers to ensure a structured and comparable approach.** During the year, the Fater Group completed the ESG risk assessment across its entire supplier base, reaching 100%<sup>27</sup> coverage.

**A dedicated engagement program for key suppliers, aimed at sharing sustainability strategies and targets, with particular emphasis on reducing CO<sub>2</sub> emissions** (ref. paragraph *Efficient Logistics and Partners for the Future*).

The Group has also initiated a structured **alignment process with the ISO 20400 standard**, the international guideline on sustainable procurement. The objective is to systematically integrate sustainability principles into procurement processes, strengthening Fater's ability to evaluate impacts, risks, and opportunities throughout the supply chain. To support adoption of the standard, four dedicated training sessions were developed for buyers, designed to provide practical skills and deepen understanding of the main ISO 20400 requirements:

- Principles and definitions of sustainable procurement.
- Integration of ESG criteria into purchasing decisions.
- Risk and opportunity assessment along the supply chain.
- Governance, monitoring, and continuous improvement.

<sup>26</sup> Data relating to Fater S.p.A.'s headquarters are excluded.

<sup>27</sup> Suppliers with annual spending below €15k are excluded.

The training involved the entire procurement team and represents a fundamental step toward consolidating a company culture oriented toward responsible procurement, in line with international best practices and the Group’s sustainability objectives.

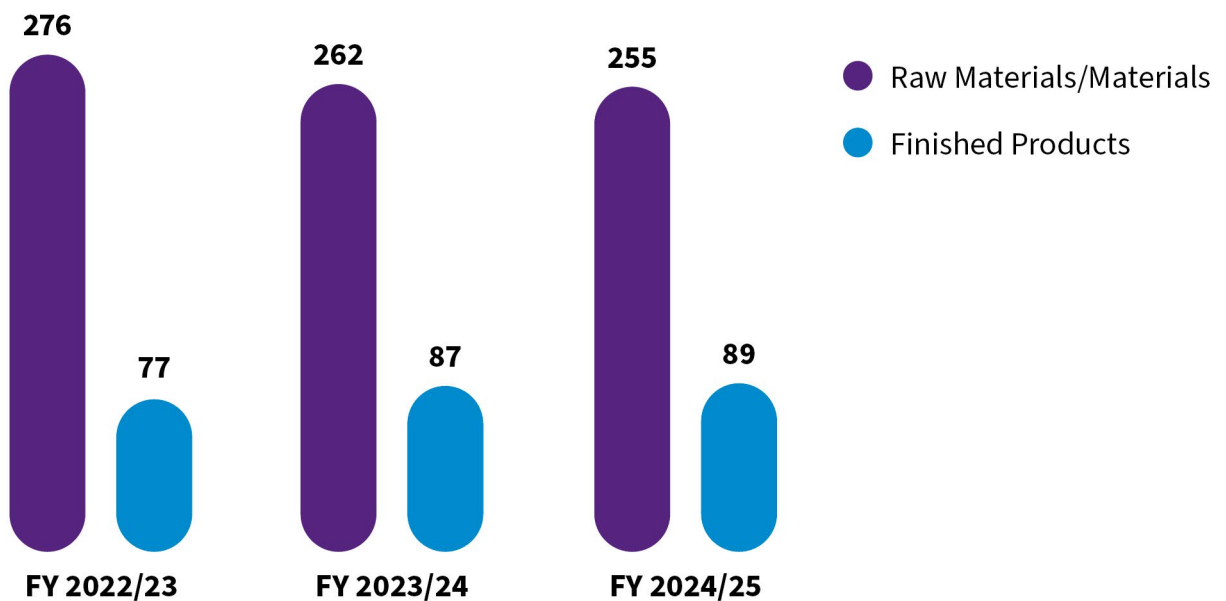
This evolution is further supported by strategic dialogue between Fater’s top management and that of key partners, with the aim of sharing long-term priorities and expectations.

In addition, Fater places great emphasis on respect for human rights, health and safety, and anti-corruption, in accordance with its Code of Ethics. Suppliers are required to uphold these principles and, during the qualification phase, must demonstrate compliance through SA8000 certification or by signing a self-certification of compliance with SA8000 requirements.

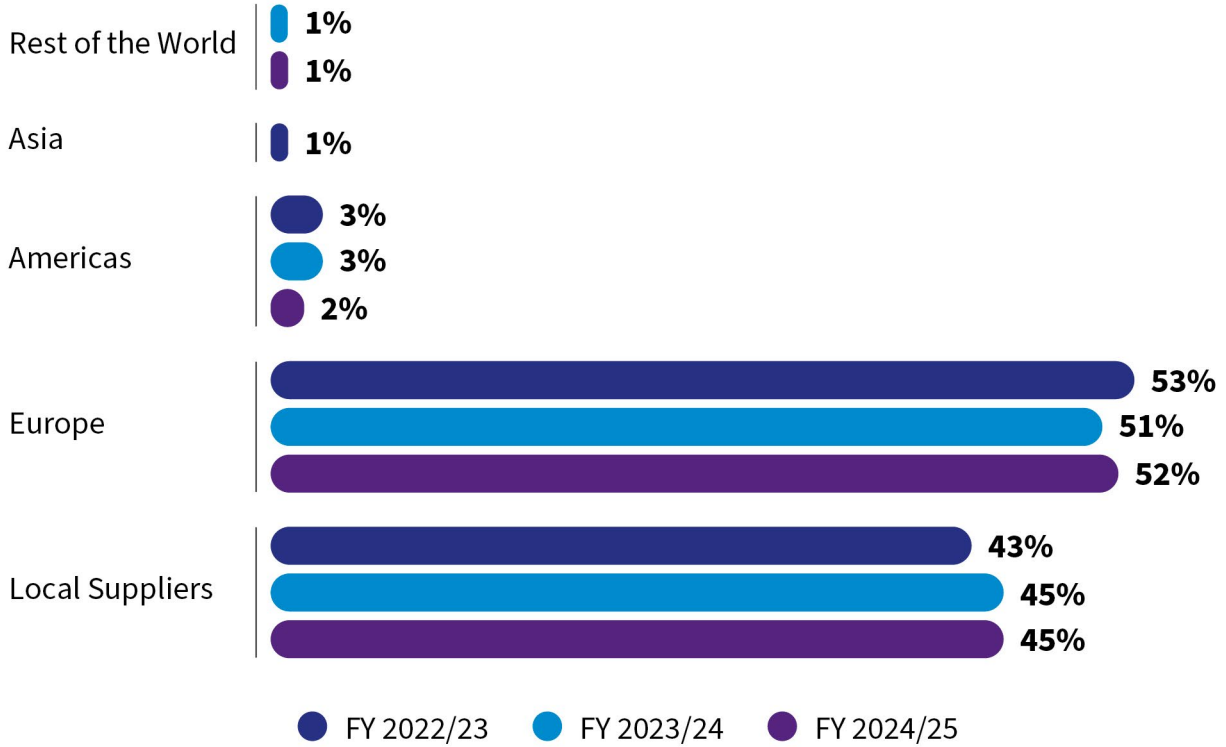
### Supplies for Production Activities

Considering the supply chain supporting production activities at the plants, in the last fiscal year Fater worked with 208 suppliers of raw materials and packaging and 26 suppliers of finished products (contractors and affiliates). In total, in fiscal year 2024/25, spending related to production procurement amounted to €344 million, a 1% decrease compared to the previous fiscal year. Purchases of raw materials and packaging totaled €255 million, representing 74% of total procurement spending, in line with previous years. Remaining part, equal to €89mIn, is dedicated to finished product purchase from contractors.

### Value of Supplies for Production Activities (Million Euro)

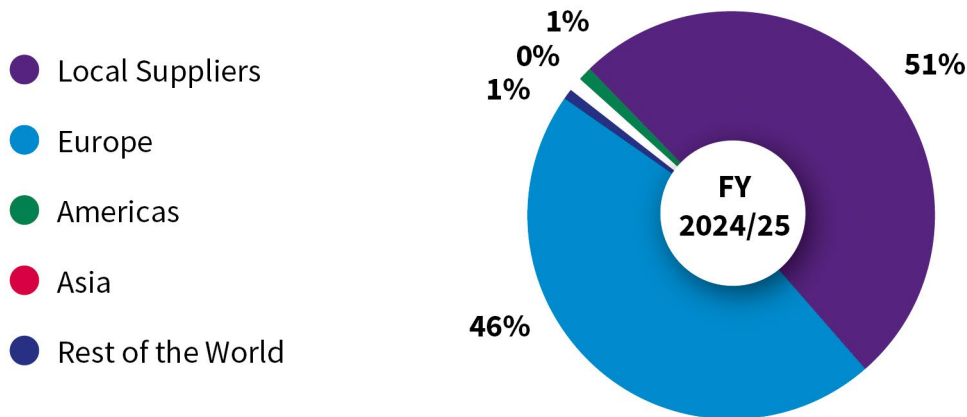


## Percentage of Spending on Raw Material and Packaging Suppliers by Geographical Distribution



In the last fiscal year, approximately 45% of spending on raw material and packaging suppliers was directed to suppliers based in Italy, Portugal and Turkey, where Fater’s plants are located and therefore classified as “local”, while 52% was allocated to suppliers located in Europe.

### Geographical Distribution of Raw Material and Packaging Suppliers FY 2024/25



In FY 2024/25, the network of raw material and packaging suppliers showed a strong concentration of local and European partners. Specifically, **51% of suppliers were classified as local**, while 46% were based in Europe, meaning that 97% of the supplier base was located in geographically close areas. The remaining regions such as Americas, Asia and Rest of the World, each accounted for approximately 1% of the total.

**In FY 2024/25, 100% of new suppliers were assessed according to SA8000 social criteria.**

Environmental indicators within the supplier selection process have also been progressively introduced in recent years, starting with cellulose procurement, a material of particular importance for the Group’s production processes. For this raw material, Fater purchases exclusively from PEFC-certified suppliers (Programme for the Endorsement of Forest Certification), promoting sustainable forest management. For certain high-volume products, Fater also purchases high-quality recycled plastic for primary packaging. In FY 2024/25, no new suppliers were assessed according to PEFC criteria, as this certification was not applicable to them since not relevant in their core business.

As illustrated at the beginning of this chapter, Fater has launched a comprehensive ESG assessment process for its suppliers, supported by external providers. To date, 65% of the Group’s relevant suppliers have been evaluated using ESG criteria, ensuring alignment with Fater’s sustainability approach. Following the implementation of the Partner Plan, and in line with decarbonization efforts, several suppliers have initiated concrete actions—primarily focused on Scope 1 and Scope 2 emissions.

The most common measures include evaluating the purchase of green energy certificates and analyzing opportunities to reduce or optimize their energy consumption. Many partners are also beginning to examine their overall sustainability impact in a more structured way, launching processes for emission monitoring and reporting. The shared objective is not limited to offsetting or certificate purchases, but to driving real transformation across the supply chain, addressing emissions generated upstream in production processes.

To reinforce this commitment, the Fater Group is implementing a dedicated **ESG Partner Program**, aimed particularly at small and medium-sized enterprises, with a broader scope than decarbonization alone. The program, developed with the support of Confindustria, aims to provide tools, training, and tailored support to help suppliers align with leading sustainability standards.

# Appendix



# Performance Tables

## GRI 2-7 | Employees

Employees by Contract Type and Gender	FY 2022/23		FY 2023/24		FY 2024/25	
	Women	Men	Women	Men	Women	Men
Permanent Contract	325	1,160	327	1,189	338	1,212
Fixed-term contract	13	56	17	63	20	62
<b>Total</b>	<b>338</b>	<b>1,216</b>	<b>344</b>	<b>1,252</b>	<b>358</b>	<b>1,274</b>

Employees by Contract Type and Gender	FY 2022/23		FY 2023/24		FY 2024/25	
	Women	Men	Women	Men	Women	Men
Full-time	323	1,087	311	1,122	323	1,138
Part-time	15	129	33	130	35	136
<b>Total</b>	<b>338</b>	<b>1,216</b>	<b>344</b>	<b>1,252</b>	<b>358</b>	<b>1,274</b>

Fiscal Year	Italy	Portugal	Turkey
FY 2022/23	1,433	36	85
FY 2023/24	1,498	34	64
FY 2024/25	1,534	35	63

Professional Category	FY 2022/23				FY 2023/24				FY 2024/25			
	Women	Men	Total	%	Women	Men	Total	%	Women	Men	Total	%
Executives	13	58	71	5%	14	57	71	4%	15	58	73	4%
Managers	91	165	256	16%	101	178	279	17%	109	187	296	18%
Office Staff	218	403	621	40%	207	393	600	38%	207	406	613	38%
Blue-Collar Workers	16	590	606	39%	22	624	646	40%	28	622	650	40%
<b>Total</b>			<b>1,554</b>				<b>1,596</b>				<b>1,632</b>	

Professional Category	FY 2022/23			FY 2023/24			FY 2024/25		
	Women	Men	% on total	Women	Men	% on total	Women	Men	% on total
Executives	13	58	5%	14	57	4%	15	58	4%
Managers	91	165	16%	101	178	17%	109	187	18%
Office Staff	218	403	40%	207	393	38%	207	406	38%
Blue-Collar Workers	16	590	39%	22	624	40%	28	622	40%

## GRI 2-8 | Non-Employee Workers

Fiscal Year	Interns and Trainees	Temporary Agency Workers	Employees
FY 2022/23	77	58	1,554
FY 2023/24	95	33	1,596
FY 2024/25	62	56	1,632

## GRI 2-9 | Governance Structure and Composition

Board of Directors Composition	
Chair	Thea Paola Angelini <sup>28</sup>
Vice Chair	Christian Eihausen
Director	Nicola Lopez
Director	Francesca Sagramora
Director	Enrica Dogali
Director	Massimo Marin
Executive Committee Composition <sup>29</sup>	
Director	Massimo Marin
Director	Christian Eihausen

<sup>28</sup> In replacement of Giovanni Ciserani as of 21 October 2025.

<sup>29</sup> Both members of the Executive Committee were appointed on 4 November 2024, and will remain in office until the approval of the Financial Statements as of 30 June 2025.

Composition of the Board of Statutory Auditors	
Chair	Marco Mignani
Statutory Auditor	Marco Massa
Statutory Auditor	Luigi Mandolesi

Composition of the Supervisory Body	
Chair	Giuseppe Emiliano Vaciago
Standing Member	Luca Geninatti Satè
Standing Member	Tommaso Luppino

## GRI 2-21 | Compensation and Remuneration of All Employees (Excluding the Highest-Paid Individual<sup>30</sup>)

FY	Average Total Annual Compensation (€)	Median Total Annual Compensation (€)	Average Total Annual Remuneration (€)	Median Total Annual Remuneration (€)
2022/23	47,400	39,400	53,100	41,900
2023/24	48,308	40,713	53,805	43,251
2024/25	47,940 <sup>31</sup>	41,547	54,642 <sup>32</sup>	44,290

30 Annual total compensation refers to the gross annual salary (fixed compensation components), while total annual remuneration includes both fixed components and merit-based variable components (incentive schemes). Data on the compensation and remuneration of the highest-paid individual are not reported, as disclosure would breach legal requirements on personal data confidentiality, given that such information would be attributable to a single identifiable individual. Total annual remuneration includes fixed components and merit-based variable components (incentive schemes) and excludes contractual allowances (such as overtime, travel allowances, and shift differentials).

31 The difference between FY 2024/25 and FY 2023/24 is due to changes in the composition of the observed employee population.

32 Increase in the MBO share for FY 2024/25.

## GRI 305-1, 305-2, 305-3, 305-4, 305-5 | Emissions

### Scope 1 Emissions (tCO<sub>2</sub>eq)

Net Energy Consumption	FY 2020/21	FY 2023/24	FY 2024/25
<b>Natural Gas</b>	10,147	13,517	12,646
<b>Diesel for emergency generators</b>	11	10	2
<b>Fuel for company fleet</b>	442	289	222
of which: Diesel	441	289	222
of which: Gasoline	1	0	0
of which: LPG	0	0	0
<b>Fuel oil for emergency pumps</b>	1	0	0
<b>F-gas leakage</b>	2,056	117	856
<b>Total</b>	12,657	13,933	13,721

### Biofuel Emissions (tCO<sub>2</sub>eq)

	FY 2020/21	FY 2023/24	FY 2024/25
<b>Biomass</b>	0	0	0
<b>Biodiesel</b>	5	0	0

### Scope 2 Emissions (tCO<sub>2</sub>eq)<sup>33</sup>

	FY 2020/21	FY 2023/24	FY 2024/25
<b>Electricity – Location-based</b>	13,675	16,803	17,873
<b>Electricity – Market-based</b>	18,376	30,980	15,382

<sup>33</sup> To ensure full alignment with the GRI Standards, Scope 2 emissions related to the purchase and consumption of electricity have been calculated using both the location-based and market-based approaches. While the location-based methodology considers the average greenhouse gas emission intensity of the electricity grids where consumption occurs—primarily using data from average grid emission factors—the market-based methodology reflects the emissions associated with the electricity that the organization has deliberately selected through contractual instruments. For SBTi target-setting purposes, the market-based methodology is applied, as required.

## GRI 302-1, 302-3, 302-4 | Energy Consumption

Self-Generated and Purchased Electricity (GJ)	FY 2022/23	FY 2023/24	FY 2024/25
<b>Purchased electricity</b>	189,077	247,784	<b>229,898</b>
from non-renewable sources	189,077	247,784	89,851
from renewable sources	0	0	140,047
<b>Self-generated electricity</b>	192,980	92,909	<b>93,985</b>
of which consumed internally	159,310	90,613	84,697
of which sold	33,670	2,295	2,459
<b>Total electricity consumed</b>	<b>348,386</b>	<b>338,397</b>	<b>314,595</b>

Net Energy Consumption (GJ)	FY 2022/23	FY 2023/24	FY 2024/25
<b>Natural Gas</b>	304,416	264,658	310,749
for heating	16,536	25,823	43,005
for cogeneration and other uses	287,881	238,835	267,744
<b>Biomass (palm oil)</b>	208,361	18,228	0
<b>Fuel for company fleet</b>	9,539	10,149	13,400
Diesel	9,539	10,149	13,400
Gasoline	0	0	0
LPG	0	0	0
Biodiesel	344	0	0
<b>Diesel for emergency generators</b>	113	305	130
<b>Fuel oil for emergency pumps</b>	23	12	0
<b>Purchased electricity</b>	189,077	247,784	229,898
<b>Electricity sold</b>	-33,670	-2,295	-2,459
<b>Total</b>	<b>678,203</b>	<b>538,840</b>	<b>551,718</b>

## GRI 306-2, 306-3, 306-4, 306-5 | Waste

Quantity (ton)	FY 2022/23	FY 2023/24	FY 2024/25
<b>Non-hazardous waste</b>	<b>9,880</b>	<b>8,781</b>	<b>9,619</b>
<b>destined for disposal</b>	<b>1,052</b>	<b>224</b>	<b>499</b>
of which: incineration with energy recovery	0	0	0
of which: incineration without energy recovery	0	0	0
of which: landfill	0	0	0
of which: other disposal operations	1,052	224	499
<b>not destined for disposal</b>	<b>8,828</b>	<b>8,557</b>	<b>9,120</b>
of which: preparation for reuse	0	0	0
of which: recycling	7,596	6,822	8,024
of which: other recovery operations	1,232	1,735	1,096
<b>Hazardous waste</b>	<b>2,562</b>	<b>2,437</b>	<b>2,020</b>
<b>destined for disposal</b>	<b>2,049</b>	<b>1,991</b>	<b>1,543</b>
of which: incineration with energy recovery	37	0	0
of which: incineration without energy recovery	0	0	0
of which: landfill	0	0	0
of which: other disposal operations	2,012	1,991	1,543
<b>not destined for disposal</b>	<b>513</b>	<b>446</b>	<b>477</b>
of which: preparation for reuse	0	0	0
of which: recycling	127	17	53
of which: other recovery operations	386	429	424
<b>Total</b>	<b>12,442</b>	<b>11,218</b>	<b>11,639</b>

## GRI 303-1, 303-3, 303-4, 303-5 | Water and Effluents

### Pescara Plant

In FY 2024/25, the Pescara plant maintained its total water withdrawal at levels broadly consistent with the previous fiscal year, increasing from approximately 170 to about 184 megaliters. Of this amount, 82% was sourced from artesian wells, reflecting a 5% increase in the use of well water compared to the prior fiscal year.

Specifically, the plant draws water from the following sources:

- **Potable water:** withdrawn from the municipal network through two supply points and used for domestic purposes within the facility (e.g., sinks, showers, cafeteria).
- **Well water:** sourced from three artesian wells and subsequently treated—iron removal, filtration, chlorination, and reverse osmosis—before being used in industrial processes (cooling towers, refilling of closed-loop systems, humidification systems, etc.).
- **Reclamation water:** withdrawn from a designated intake point managed by the local Consortium and used for irrigation and the replenishment of fire-fighting pump stations.

In addition, the site is equipped with tanks for first-flush rainwater treatment, and a wastewater volume meter has been installed. Water withdrawal and discharge are monitored in full compliance with the conditions established in the Integrated Environmental Authorization (*Autorizzazione Unica Ambientale*).

### Campochiaro Plant

Fater withdraws industrial water from wells owned by the Industrial Development Consortium of Campobasso-Bojano. Process water, sanitary wastewater, and first-flush and wash-water from outdoor areas are discharged into the Consortium's sewage system, which manages treatment through its own wastewater treatment plant. Both the water extracted from the wells and the discharged effluents are subject to **chemical analysis in accordance with the Monitoring and Control Plan (PMC)**, established in agreement with the competent authorities and in compliance with AIA (Integrated Environmental Authorization) and the Environmental Impact Assessment (VIA). Projects are also being developed to reduce water consumption through the formulation of more concentrated products and the use of raw materials that decrease the amount of water in the final product. The Campochiaro plant recorded its highest water withdrawal in FY 2024/25, reaching 418.5 megaliters. Total plant water consumption, however, decreased compared to the previous year, amounting to 256 megaliters (versus 277 megaliters in FY 2023/24), a reduction of 7.65%.

### Porto Plant (Portugal)

The Porto plant sources water from two main supply systems: well water, used in the production process, and the public water network, used for the sanitary facilities in social areas.

**The construction of a new well further reduced potable water withdrawals from the public network.**

The plant also holds an Environmental Impact Declaration, which reports annually on hydrogeological analyses performed on all water sources withdrawn and discharged, verifying their quality and compliance with legal limits. Water withdrawal from artesian wells decreased compared to the previous year, from 13 megaliters to 12 megaliters in FY 2024/25. Overall, total water withdrawal at the Porto site amounted to 74 megaliters (versus 80 megaliters in FY 2023/24), marking a 7.5% reduction. Water consumption also totaled 74 megaliters (down from 79 megaliters in FY 2023/24), corresponding to a 6.3% decrease.

### Gebze Plant (Turkey)

Water used at the Gebze plant is supplied exclusively by the **municipal network**. Industrial wastewater is treated by an external provider and is not discharged directly. Domestic wastewater, on the other hand, is discharged directly into the sewer system of the industrial zone. In the past fiscal year, industrial water consumption amounted to 47 megaliters, representing a 6% decrease compared with the previous year, when consumption totaled 50 megaliters.

### GRI 401-1 | New Hires and Turnover

Turnover Rate	FY 2023/24	FY 2024/25
< 30 years	4%	4%
30 - 50 years	4%	3%
> 50 years	0.13%	0.12%

	Hires	Terminations
FY 2022/23	85	37
FY 2023/24	124	86
FY 2024/25	116	97

## GRI 401-3 | Parental Leave

Parental Leave	FY 2024/25	
	Women	Men
Employees entitled to parental leave	31	46
Employees who took mandatory parental leave	9	2
Employees who took optional parental leave	4	23
Employees who took both mandatory and optional parental leave	18	21

Return to Work	FY 2024/25	
	Women	Men
Employees expected to return from mandatory leave during the fiscal year	45	31
Employees who actually returned	43	4
Employees who did not return	2	27
of which: resigned	0	0
of which: dismissed	0	0
<b>Return-to-work rate</b>	96%	13%

## GRI 405-1 a | Diversity in Governance Bodies

Aggregate Breakdown by Gender and Age	Women		Men	
	30-50	Over 50	30-50	Over 50
<b>FY 2022/23</b>				
Board of Directors	1	-	-	5
Executive Committee	-	-	1	1
Board of Statutory Auditors	-	-	-	3
Supervisory Body	-	-	1	2
<b>FY 2023/24</b>				
Board of Directors	-	1	1	4
Executive Committee	-	-	1	1
Board of Statutory Auditors	-	-	-	3
Supervisory Body	-	-	3	-
<b>FY 2024/25</b>				
Board of Directors	-	2	1	3
Executive Committee	-	-	1	1
Board of Statutory Auditors	-	-	-	3
Supervisory Body	-	-	3	-

## GRI 405-1 b | Diversity Among Employees

Employees by Category, Gender, and Age Group	Women	Men	Total
<b>Executives</b>	<b>15</b>	<b>58</b>	<b>73</b>
Total 30 - 50	7	30	37
Total > 50	8	28	36
<b>Office Staff</b>	<b>207</b>	<b>406</b>	<b>613</b>
Total 30 - 50	103	149	250
Total > 50	62	204	267
Total < 30	42	53	96
<b>Blue-collar Workers</b>	<b>28</b>	<b>622</b>	<b>650</b>
Total 30 - 50	18	321	339
Total > 50	3	202	205
Total < 30	7	99	106
<b>Managers</b>	<b>109</b>	<b>187</b>	<b>296</b>
Total 30 - 50	88	111	199
Total > 50	21	71	92
Total < 30	-	5	5
<b>Total</b>	<b>358</b>	<b>1,274</b>	<b>1,632</b>

Protected Categories by Professional Role and Gender	Executives	Office Staff	Blue-collar Workers	Managers	Total by Age Group
<b>Women</b>					
30 - 50	0	8	0	2	10
> 50	0	4	0	0	4
< 30	0	2	1	0	3
<b>Women Total</b>					<b>17</b>
<b>Men</b>					
30 - 50	0	5	8	1	14
> 50	0	9	11	2	22
< 30	0	8	5	0	13
<b>Men Total</b>					<b>49</b>
<b>Total Female and Male Workforce</b>					<b>66</b>

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# Auditor's Report

**FATER S.P.A.**

Independent Auditors' Report

Limited assurance engagement on the Sustainability Report  
of Fater Group for the year ended on 30 June 2025

STB/GPQ/aln/RC036892025BD0860

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## Independent Auditors' Report on the Sustainability Report 2025

To the Executive Committee of  
Fater S.p.A.

We have been engaged to perform a limited assurance engagement on the Sustainability Report of Fater Group for the year ended on 30 June 2025.

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### Responsibilities of the Executive Committee for the Sustainability Report

The Executive Committee of Fater S.p.A. is responsible for the preparation of the Sustainability Report in accordance with the "GRI Sustainability Reporting Standards (GRI Standards)" issued by the GRI - Global Reporting Initiative, as described in the "Methodological Note" of the Sustainability Report identified by them as reporting standards.

The Executive Committee is also responsible for such internal control as they determine is necessary to enable the preparation of a Sustainability Report that is free from material misstatements, whether due to frauds or errors.

The Executive Committee is also responsible for the definition of the objectives regarding the sustainability performance and the reporting of the achieved results, as well as for the identification of the stakeholders and the significant matters to report.

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### Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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### Auditors' responsibility

Our responsibility is to express, based on the procedures performed, our conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established in the *International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised")*, issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 Revised, and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional

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judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

Specifically, we carried out the following procedures:

1. analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the criteria applied to identify priorities for the different stakeholder categories and to the internal validation of the process results;
2. comparison of economic and financial data included in the specific paragraph of the Sustainability Report with those included in the Financial Statements of Fater S.p.A.;
3. analysis of processes that support the generation, collection and management of data and information to the department responsible for the preparation of the Sustainability Report.

In particular, we have performed interviews and discussions with the management of Fater S.p.A. to gather information about the accounting and reporting systems used in preparing the Integrated Report, as well as on the internal control procedures supporting the gathering, aggregation, processing and transmission of data and information to the department responsible for the preparation of the Sustainability Report.

Furthermore, for significant information, taken into consideration the activities and the characteristics of the Company:

- a) with reference to the qualitative information contained in the Sustainability Report, we carried out interviews and we have acquired supporting documentation to verify its consistency with the available evidence;
- b) with reference to quantitative information, we carried out both analytical procedures and limited checks to ascertain, on a sample basis, the correct aggregation of data.

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### Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Fater Group for the period ended on 30 June 2025 is not prepared, in all material respects, in accordance with the "GRI Sustainability Reporting Standards (GRI Standards)" issued by the GRI - Global Reporting Initiative, as described in the "Methodology" of the Sustainability Report.

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### Other matters

This report has not been issued in accordance with the Italian law, as the Company is not required to prepare a sustainability report.

Padua, 16 April 2026

Signed in the original by

BDO Italia S.p.A.

Stefano Bianchi  
Partner

*This report has been translated into English language from the original, which was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.*

**Editorial Project Coordination:**

Corporate Sustainability & Communication

**Art Direction and Graphic Design:**

Industree Hub

**Project Accessibility Review:**

AccessiBit

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