# Sustainability Report

*two thousand twenty-four*

FILI D'ORO
est. 1893
by GASTALDI

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# Letter to *Stakeholders*

Dear Stakeholders,

We are pleased to present our first **Sustainability Report**, a milestone that demonstrates our company's intention to blend tradition and innovation with a genuine commitment to a more responsible future.

We have chosen to begin this journey on a **voluntary basis**, aware that **sustainability** is not only a duty towards the environment and people, but also a **strategic lever** for competitiveness and for the evolution of the textile sector.

Deeply rooted in the Como district, we look to the future with the conviction that our role goes beyond production activities. We believe it is also our responsibility to contribute to promoting culture, support innovation, and build valuable relationships with the local community and international markets.

From this perspective, the report is not meant to be merely a reporting document, but a concrete sign of **accountability** and **transparency**. It represents our commitment to strengthening the foundations of a growth model capable of combining quality, innovation and respect for resources, in the belief that only in this way can we create **sustainable value** over time.

We also wish it to become a **tool for dialogue**, an opportunity to share our objectives, report on the progress achieved, and address together the challenges that await us in the coming years.

We are confident that this first step marks the beginning of a path that will strengthen our contribution to the textile sector, to the local area, and to the people with whom we create value every day.

Enjoy your reading.

*Marco Gastaldi*

*"It represents our commitment to strengthening the foundations of a growth model capable of combining quality, innovation and respect for resources, in the belief that only in this way can we create sustainable value over time."*

**GRI 2-22** Statement on sustainable development strategy
*ESRS 2 SBM-1*

# Highlights *2024*

## BUSINESS

**21,772,084€**
REVENUE - FY (FISCAL YEAR) 2024

**1,492,597€**
EBITDA

**4,933,641**
UNITS PRODUCED

**371**
CLIENTS

## PEOPLE AND THEIR ENGAGEMENT

**62**
NUMBER OF EMPLOYEES

**40%**
WOMEN

**60%**
MEN

## ENVIRONMENTAL RESPONSIBILITY

**6,383MWH**
TOTAL ENERGY CONSUMPTION

**100%**
ELECTRICITY FROM RENEWABLE SOURCES

**1,706MWH**
ELECTRICITY PURCHASED

**139MWH**
ELECTRICITY SELF-GENERATED FROM RENEWABLE SOURCES

**921.1**$TCO_2$
DIRECT EMISSIONS (SCOPE 1)

**-3%**
REDUCTION VS. 2023

**0**$TCO_2$
EMISSIONS FROM ELECTRICITY (SCOPE 2, MARKET-BASED)


# Corporate Identity

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# Corporate *Purpose*

## OUR MISSION

For over a century, Gastaldi & C. S.p.A. has carried forward a vision born from the courage and initiative of two young Italians who, in 1892, chose to believe in the future, despite the uncertainty of their time. Their decision to found an independent business, facing the challenges of their era, still represents the essence of our mission today.
We believe in the value of work, in continuous innovation, and in our responsibility towards people and the environment.

Our mission is to:

1. Create high-quality textile products, combining tradition and technological innovation, to provide excellent solutions to the most demanding clients, particularly in the luxury hospitality sector. We focus on the needs of top-tier hotels, resorts, and boutique accommodations, contributing to the creation of comfort, beauty and refinement in every textile detail.
2. Promote sustainable development by reducing the environmental impact of our operations and adopting increasingly responsible practices across the entire value chain.
3. Support the communities and territories where we operate, recognising the deep connection between the company and the social and cultural context in which it was born.
4. Empower people, our true asset, by investing in their skills, well-being and professional growth.

Today, as then, we face global challenges with the same spirit of passion, commitment and courage that inspired Carlo and Giovanni. We look to the future with the goal of contributing to a more just, innovative and sustainable world, where **industrial excellence** and **environmental and social responsibility** can grow together, offering textile solutions capable of meeting the highest standards of international hospitality.

# Ownership Structure *and Operational Facilities*

## OWNERSHIP STRUCTURE

Industria Tessile Gastaldi & C. S.p.A. has its registered office and administrative headquarters in **Via Roma 10, 22046 Merone (CO), Italy**.
The company is privately owned by the Gastaldi family, which leads the business with a governance model focused on continuity and sustainable development.
The company has no subsidiaries or parent companies.

## OPERATIONAL FACILITIES

The company's operational facilities include:

| PRODUCTION PLANT | DEPARTMENTS |
|---|---|
| Via Roma 10, Merone (CO) | Weaving, Warping, Winding, Dyeing, Finishing and Sewing |

| WAREHOUSES | OTHER BUILDINGS |
|---|---|
| Grey fabrics, yarns, finished products and shipping | Offices, quality laboratory, wastewater treatment plant, boiler room, staff canteen and changing rooms |

**GRI 2-1** Organizational details
**GRI 2-2** Entities included in the organization's sustainability reporting
*ESRS 2 BP-1*

# Our *History*

## 1893

Carlo Gastaldi, together with Francesco and Giovanni Terenzio, founded the company "**Gastaldi Terenzio & C.**", marking the beginning of the entrepreneurial activity.

## 1908

All looms were consolidated in a single, more efficient plant located in Merone.

## 1925

The company became **Industria Tessile Gastaldi & C. S.p.A.** and a new, modern facility was built.

## 1947-1956

A period of strong expansion with the introduction of new departments and technologies, including twisting, bleaching, dyeing and automatic looms.

## 1996

The company obtained its first major quality certification, **ISO 9002**, which was later updated.

## 2000

The **Fili d'Oro by Gastaldi** brand was established, dedicated to the luxury hospitality sector.

## 2004

The company obtained **ISO 14001** environmental certification, confirming its commitment to sustainability.

## 2005-2007

Significant technological upgrades were implemented, including a new dyeing facility and high-efficiency Dornier looms.

## 2009

The company achieved **GOTS (Global Organic Textile Standard)** certification, recognising its commitment to the use of organic yarns.

## 2020

The company adopted **ISO 45001** certification for occupational health and safety (replacing OHSAS 18001). In the same year, its **ESG pathway** for reducing environmental impacts was formalised.

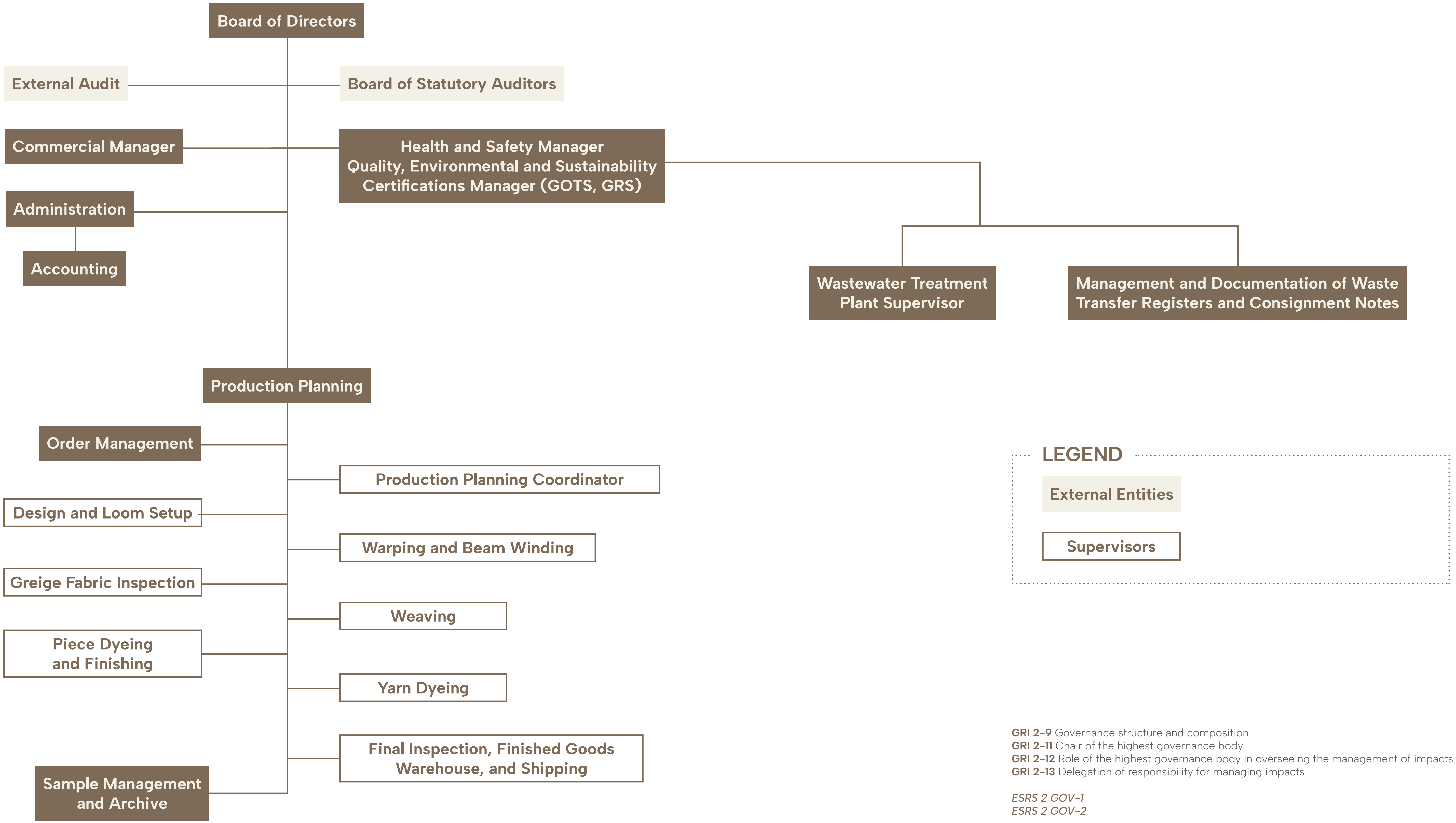
## 2021

**Commitment to the circular economy** was confirmed with the achievement of the **GRS (Global Recycle Standard)** certification.

As a tribute and recognition, we proudly remember all the members of **the Gastaldi family** who have marked the company's history, accompanying it with passion, competence and dedication:
**Carlo Gastaldi – Ezio Gastaldi – Carlo Gastaldi – Ezio and Giorgio Gastaldi**

# Corporate Governance

# Governance *Structure*




**GRI 2-9** Governance structure and composition
**GRI 2-11** Chair of the highest governance body
**GRI 2-12** Role of the highest governance body in overseeing the management of impacts
**GRI 2-13** Delegation of responsibility for managing impacts

*ESRS 2 GOV-1*
*ESRS 2 GOV-2*

# Corporate *Policies*

Industria Tessile Gastaldi & C. S.p.A. has developed over time a strong corporate identity based on values that go beyond mere economic results. Our philosophy places quality, environmental respect, people's protection, and ethical integrity at the core — fundamental pillars that guide every strategic decision.

We believe that a company's success must be measured not only by economic performance but also by the positive impact generated for workers, communities, and the territory. Therefore, we have adopted an **Integrated Management System** aligned with the most stringent international standards: ISO 9001 for quality, ISO 14001 for environment, ISO 45001 for occupational health and safety, and PAS 24000 for social responsibility.

Our **Policy on Quality, Environment, Ethics, and Safety** clearly expresses our commitment to:

- Ensure **customer satisfaction** through products that excellently meet explicit and implicit market needs.
- Strictly comply with all applicable national and international regulations, anticipating regulatory changes and adapting quickly and efficiently.
- Promote **environmental sustainability** by consciously using natural resources, developing innovative and sustainable products certified by GOTS (Global Organic Textile Standard) and GRS (Global Recycle Standard), and reducing environmental impacts across the entire supply chain.
- Invest in the **protection of workers' health and safety** with concrete preventive actions and continuous improvement of working conditions.
- Foster an **ethical and social responsibility** culture throughout the supply chain, raising awareness among suppliers, collaborators, and stakeholders on sustainability issues.

Supporting these principles, our **Code of Ethics** is a fundamental tool to ensure behaviors based on correctness, transparency, legality, and respect for human rights, thus building trust between the company and its interlocutors.

*ESRS 2 GOV-4*





# Certifications *and Recognitions*

Quality and sustainability are core values guiding every phase of work at Industria Tessile Gastaldi & C. S.p.A. Obtaining and maintaining the most prestigious certifications is a concrete commitment to clients, collaborators, and the environment.

The certifications obtained demonstrate the company's ability to operate according to the highest international standards regarding product quality, environmental management, occupational safety, and social responsibility. These achievements result from a continuous improvement journey aimed at ensuring excellence and transparency in every production process.

Certifications and recognitions achieved over the years include:

- **ISO 9001:2015** – Quality Management
- **ISO 14001:2015** – Environmental Management
- **ISO 45001:2018** – Occupational Health and Safety
- **GOTS 7.0** – Global Organic Textile Standard
- **GRS 4.0** – Global Recycle Standard
- **OEKO-TEX Standard 100** – Human-ecological certification for textile products
- **PAS 24000** – Social Responsibility
- **BCI – Better Cotton Initiative** – Environmentally, socially, and economically responsible cotton production

# Memberships *in Associations*

Gastaldi is a member of **SMI – Sistema Moda Italia**, **Confindustria Como**, and **AIFL – Italian Association of Laundry Suppliers**. Membership in these organizations reflects a concrete commitment to innovation, quality, and sustainability within the textile supply chain and industrial laundry services. Active participation enables the company to contribute to sector development, promote best practices, and maintain continuous dialogue with relevant stakeholders.

smi SISTEMA MODA ITALIA FEDERAZIONE TESSILE E MODA

CONFINDUSTRIA COMO

AIFL

# Value Creation

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# Strategy, Products, Markets, *and Resources Connected to Sustainability*

**GRI 2-6** Activities, value chain and other business relationships
*ESRS 2 SBM-1*

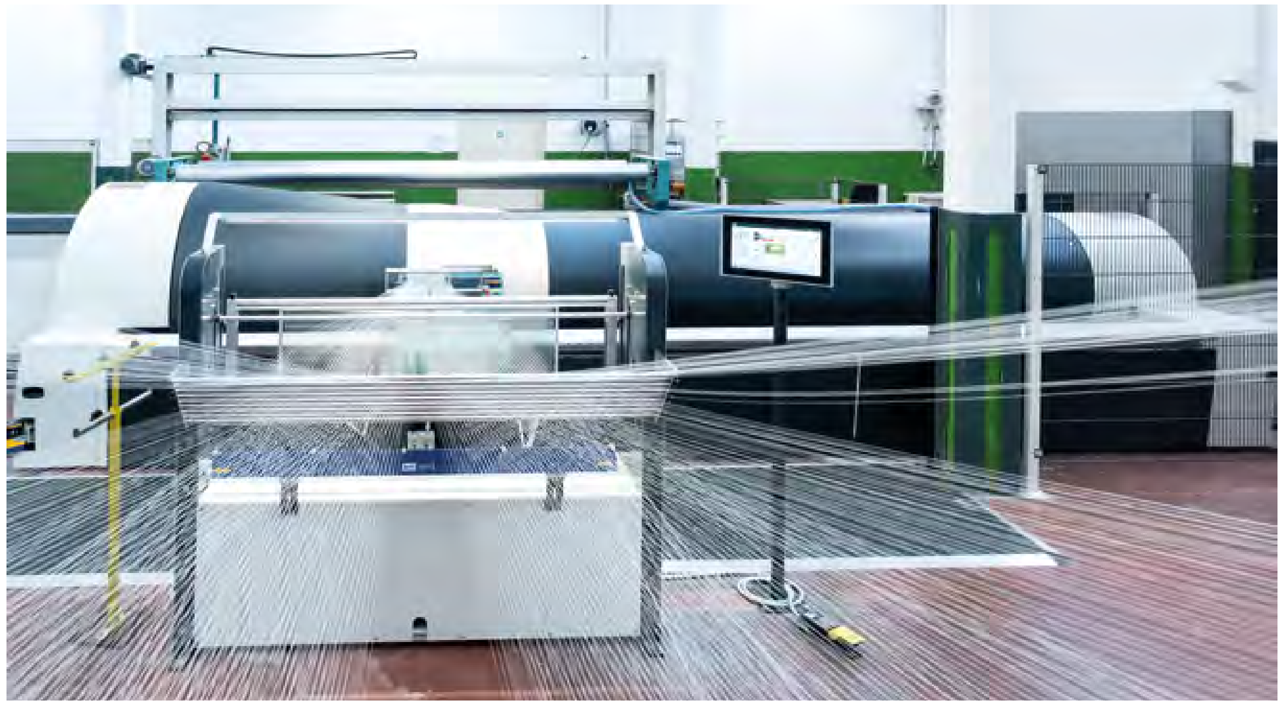
## ECONOMIC-FINANCIAL VALUE

During the fiscal year, the company reported revenues of approximately €22 million, marking a 12% decline compared to 2023. This decrease is mainly due to reduced tourism in key markets, partially offset by price increases applied to customers.

The macroeconomic and geopolitical context significantly affected the sector's performance: from US elections to ongoing instability in the Middle East and the Ukraine conflict, these factors generated uncertainty and a consequent contraction in tourism flows. Early 2025 also saw signs of instability, such as potential new US tariffs and ongoing inflationary pressures linked to energy costs. These dynamics fuel market uncertainty, negatively impacting demand.

At the national level, the structural crisis in the textile sector further impacted operations, limiting the ability to attract new resources, especially for lower-skilled roles. Concurrently, efforts to expand commercial presence in new foreign markets face challenges due to the weakness of the European economic framework, which seems more affected by international turmoil.

For early 2025, orders remain in line with the previous year, while revenues show a slight decline, possibly influenced by the late timing of Easter (end of April). However, due to careful cost center management and absence of extraordinary events, a generally positive trend is expected for the rest of the year.



## OPERATING CONTEXT

The textile sector in which Industria Tessile Gastaldi operates is characterized by complex and challenging dynamics. On one hand, globalization has intensified competition, especially from low-cost production countries; on the other, consumers and institutions increasingly demand certified quality products made with respect for the environment and human rights.

In this context, the company has positioned itself as a **reliable and innovative partner**, capable of combining tradition and modernity. The product offering focuses on **high-end textiles** for the hospitality, catering, and private markets, with constant attention to environmental and social aspects.

Key external factors influencing the company's activities include:

- Growing demand for sustainable and certified products.
- Rising costs of raw materials and energy, prompting investments in more efficient technologies and low-impact production processes.
- Increasingly stringent environmental and safety regulations, which the company views as opportunities for innovation and growth.
- The recognition that long-term value creation also depends on the quality of relationships with the territory and communities. For this reason, the company invests in **circular economy** practices, development of **eco-friendly products**, and **continuous training** of collaborators.

# Strategy, Products, Markets, *and Resources Connected to Sustainability*

## OUR CORE BUSINESS

Since its founding, Industria Tessile Gastaldi has pursued a clear objective: to offer textile products of excellence combining quality, design, and technological innovation, leveraging its unique vertical production cycle.

The company specializes in producing:
- Table linens, towels, and bed and bath linens for the hospitality sector
- Jacquard fabrics and finished products certified according to **OEKO-TEX Standard 100** for human compatibility

The production site, located in **Merone (CO)**, is the company's operational hub, with a daily production capacity of 2,400 kg of fabric and a total surface area exceeding 29,000 m², of which 14,000 m² are covered.

Technologies used include:
- State-of-the-art looms ensuring high performance and great production versatility
- Advanced dyeing and finishing plants designed to minimize water, energy, and chemical consumption

Product distribution occurs via direct channels to **industrial laundries**, **large hotel chains**, and **luxury brands** both in Italy and abroad.

The company's strength lies in its ability to anticipate market trends, offering innovative and sustainable solutions aligned with the needs of a clientele increasingly attentive to quality and social responsibility.

Completing the value proposition, Gastaldi provides a highly responsive and efficient service that distinguishes the company: rapid delivery of custom-made products, flexibility in managing personalized orders, reduced times for new project development and industrialization, and a customer service attentive and prompt in providing timely responses and constant support during collaboration phases. This ability to combine production performance and service quality allowing Gastaldi to build lasting relationships of trust with partners and customers worldwide.

**GRI 2-6** Activities, value chain and other business relationships
*ESRS 2 SBM-1*

# Strategy, Products, Markets, *and Resources Connected to Sustainability*

**GRI 2-6** Activities, value chain and other business relationships
*ESRS 2 SBM-1*

## THE VALUE CHAIN

### SUPPLIERS

- Raw materials mainly sourced from India, Pakistan, and Australia.
- The company relies primarily on stable suppliers, both domestic (Italian) and international.
- Selection criteria include price, service quality, and certifications.
- Purchases are made through direct relationships or intermediary agents, involving negotiation and contracts.
- No strategic partnerships are currently in place.
- Quality control procedures are actively applied to incoming materials, particularly yarns and fabrics.

### INBOUND LOGISTICS

- Incoming logistics are fully outsourced.
- Incoming materials undergo quality inspections to ensure conformity prior to production.
- Supplier selection and relationships are managed directly or via trusted agents.

### COMPANY OPERATIONS

- Product design is performed internally.
- Operational activities include design, dyeing, warping, weaving, finishing, external packaging, and customer support services.
- The production process is vertically integrated, from yarn processing to finished product, all carried out onsite except for packaging.
- Added value derives from the internal supply chain enabling customization, control, and independence.
- The company employs IT tools and industrial machinery with a focus on sustainability.
- Quality assurance is ensured through multiple controls (internal laboratory, sample inspection, final verification), aligned with EU regulations.
- An active Research & Development department focuses on innovation and certifications.

### OUTBOUND LOGISTICS

- Outgoing logistics are entrusted to third-party operators.
- Internal organization and ready stock enable prompt response to customer requests.

### CUSTOMERS

- Customers are mainly business clients (B2B) operating globally in the hospitality sector; B2C sales are marginal.
- Contact is maintained via direct sales force, agents, foreign distributors, trade fairs, and digital marketing.
- Value offered includes certified quality, fast service, customization, and immediate availability.
- Products are physically delivered.
- The company provides post-sale technical support and manages any non-conformities, including through laboratory analysis.
- Customer needs vary: immediate availability, product customization, or competitive pricing.
- Customer satisfaction is monitored via annual surveys.

# ESG *Process*

## DOUBLE MATERIALITY ASSESSMENT

Although Gastaldi is not subject to the obligations established by the European **CSRD** Directive, the company adopts the principle of **double materiality** as a reference framework to identify the most significant **ESG** topics relevant to its operations, analyzing them from two complementary perspectives:

- **Impact materiality**: the effects of the company's activities on the environment and society.
- **Financial materiality**: the economic and financial risks and opportunities related to ESG factors.

The analysis conducted by Gastaldi unfolded in **three main phases**:

1. **Mapping and assessment of impacts**: An interfunctional team identified the environmental and social impacts generated by company activities, involving external stakeholders through a survey. The subsequent quantitative assessment of impacts was carried out with the contribution of internal function managers, experts in their specific domains.
2. **Analysis of financial risks and opportunities**: With the support of the Finance Manager, Gastaldi examined how corporate impacts could generate economic risks or opportunities. External factors—such as regulatory changes or shifts in consumer preferences—that, while not directly arising from company activities, could affect the business, were also considered. Each risk and opportunity was then assessed quantitatively.
3. **Identification of material topics**: By cross-referencing impact and financial assessments, Gastaldi defined the ESG topics most relevant to the company. These topics form the foundation of the sustainability plan and guide future strategies.

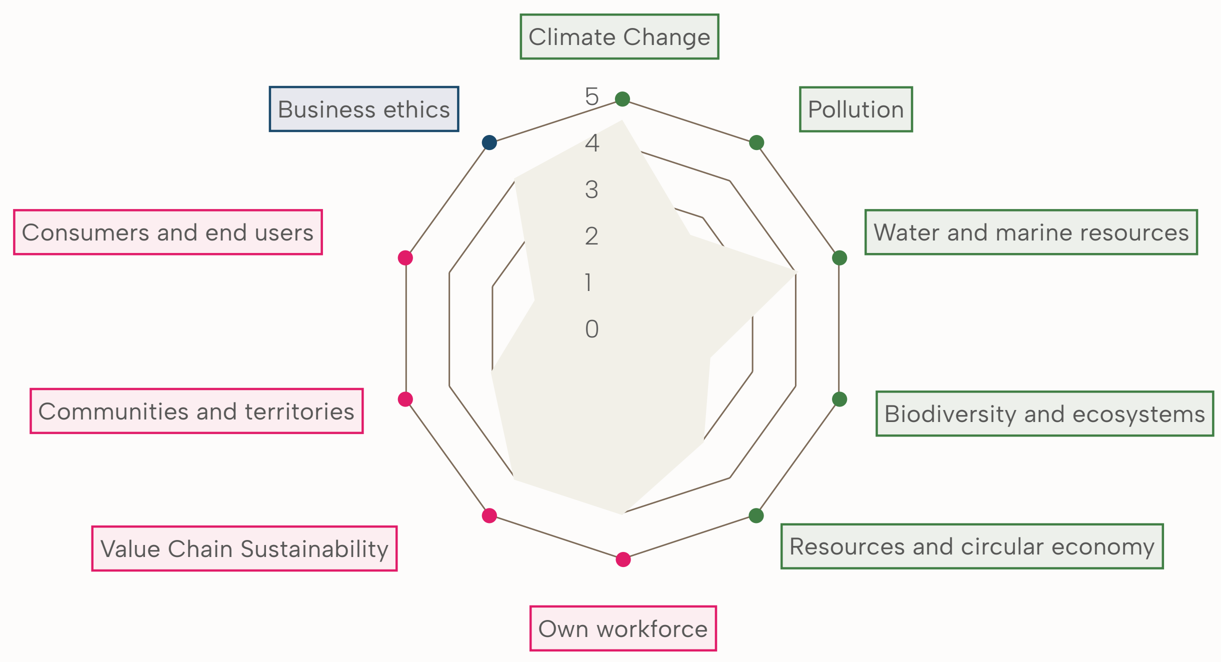
Through this approach, **Gastaldi** strengthens its ability to **manage risks**, **leverage opportunities**, and **create sustainable value** for all its stakeholders.

**GRI 3-1** Process to determine material topics
**GRI 3-2** List of material topics
*ESRS 2 IRO-1*

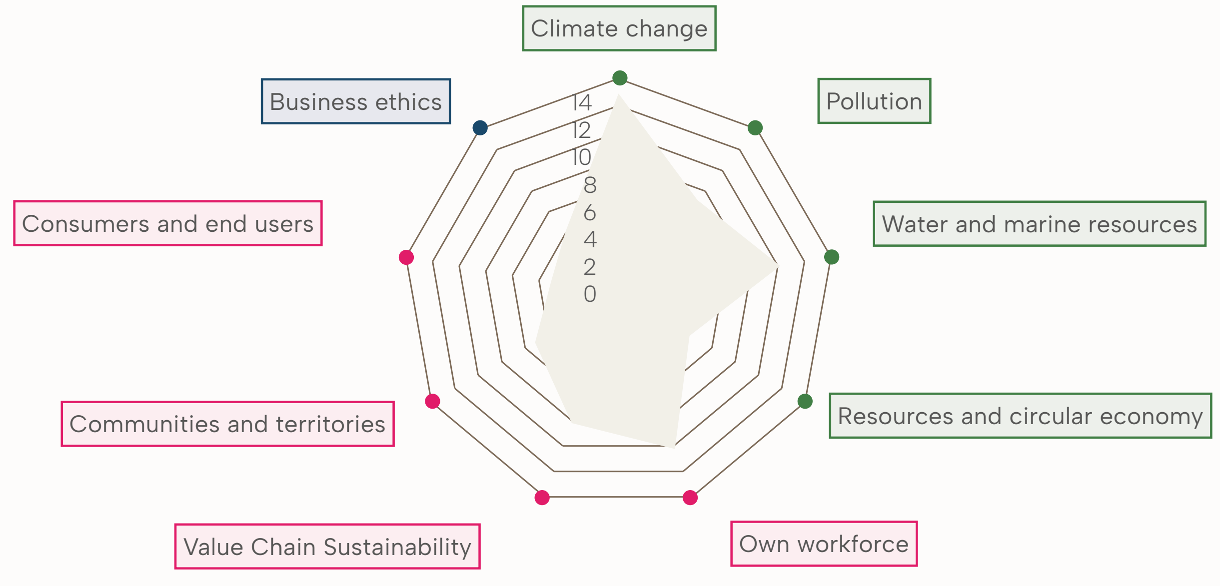
## IMPACTS, RISKS AND OPPORTUNITIES

The following charts highlight the materiality of ESG topics by analyzing both impacts (*Figure 1*) and financial risks and opportunities (*Figure 2*).

**Impact Materiality** *(Figure 1)*




**Financial Materiality** *(Figure 2)*



# ESG *Process*

## DOUBLE MATERIALITY MATRIX

The double materiality matrix presented here highlights the significance of the main ESG topics for Gastaldi, positioned based on objective criteria and quantitative parameters summarizing the assessments of individual impacts, risks, and opportunities.

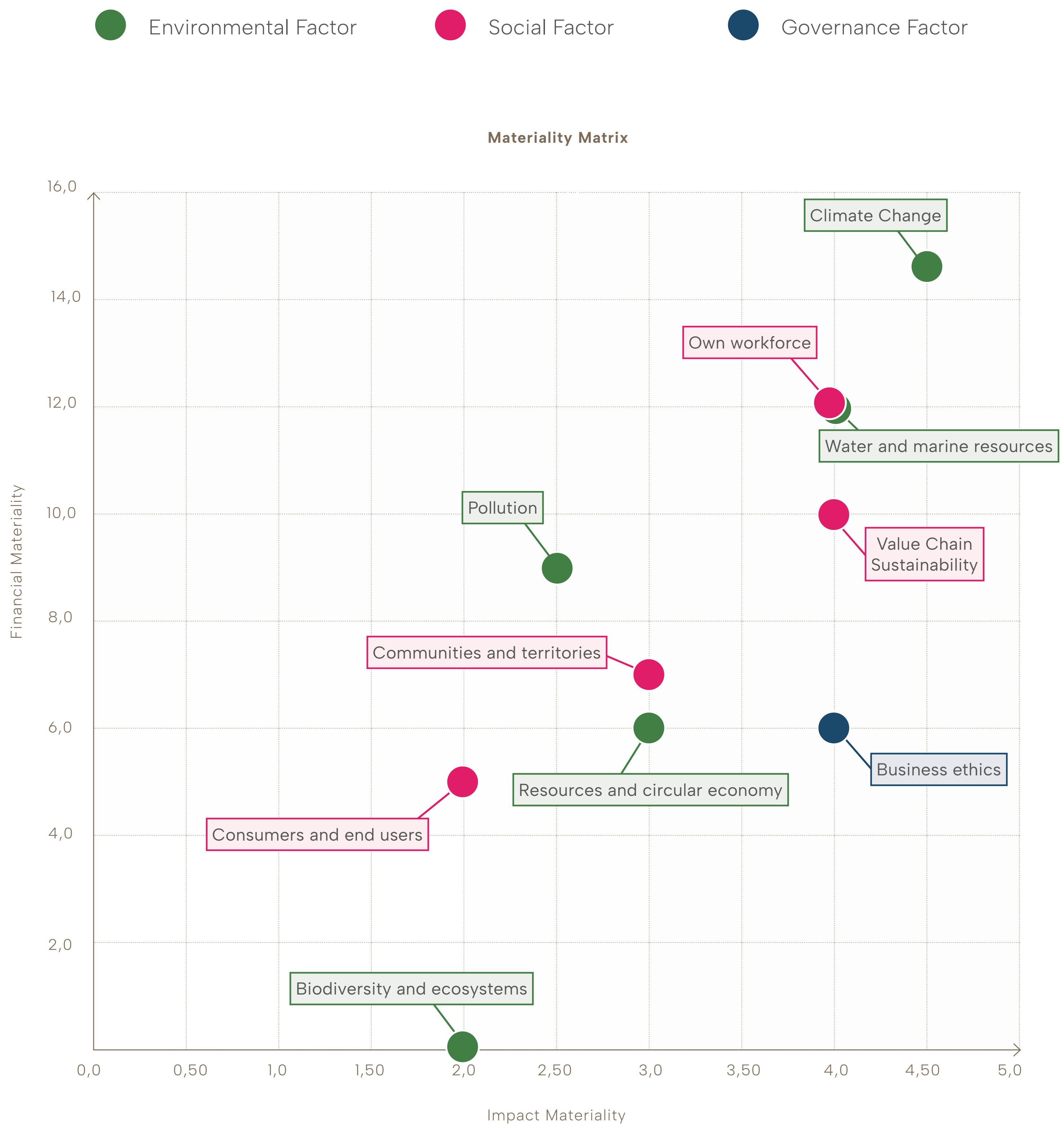
Topics located in the top-right quadrant are material both from an environmental and social impact perspective and from a financial perspective, representing the strategic priorities of the company's sustainability plan.

Key findings from the analysis include:

- **Climate Change**, related to direct emissions of $CO_2$ and other greenhouse gases (Scope 1 and 2) and the consumption of electricity and gas. Gastaldi acknowledges both a significant environmental impact and relevant economic-financial implications, such as energy price volatility, decreased product attractiveness in sustainability-sensitive markets, and, conversely, opportunities for access to ESG-linked financing.
- **Water and Marine Resources Management**, connected to water withdrawal for industrial use, potentially leading to risks of increased operational costs or production constraints in case of resource scarcity.
- **Own workforce**, with a focus on training, professional development, and employee well-being. The absence of structured development programs could result in turnover risks and loss of critical skills.
- **Value Chain Sustainability**, concerning the risk of indirect involvement with organizations exhibiting poor labor conditions, which may impact operational continuity and corporate reputation.
- **Business Ethics**, defined as the prevention of conduct inconsistent with principles of integrity and transparency, with potential negative effects on the trust of customers, suppliers, and financial stakeholders.

Other topics, although assessed as less material, remain subject to **ongoing monitoring** and management by the company, which pursues a continuous improvement approach.

Thus, the matrix serves as a **strategic tool guiding Gastaldi** in defining **priorities**, **objectives**, and **concrete actions** within the sustainability plan. This is a **dynamic and evolving approach**, periodically updated to reflect changes in the context and stakeholder expectations.




**GRI 2-29** Approach to stakeholder engagement
**GRI 3-1** Process to determine material topics

*ESRS 2 SBM-2*
*ESRS 2 IRO-1*

# ESG *Process*

## STAKEHOLDER ENGAGEMENT AND PERSPECTIVE

The company's main stakeholders (employees, customers, suppliers, and financial institutions) were engaged through a dedicated survey aimed at gathering their views and expectations regarding ESG-related matters.

They were asked to prioritize a list of sustainability topics based on their perceived relevance to Gastaldi's ability to generate long-term shared value.

The topics presented in the survey were identified through a thorough sector analysis and an assessment of the company's specific characteristics. The results, illustrated in the charts below, are categorized and ranked by relevance.

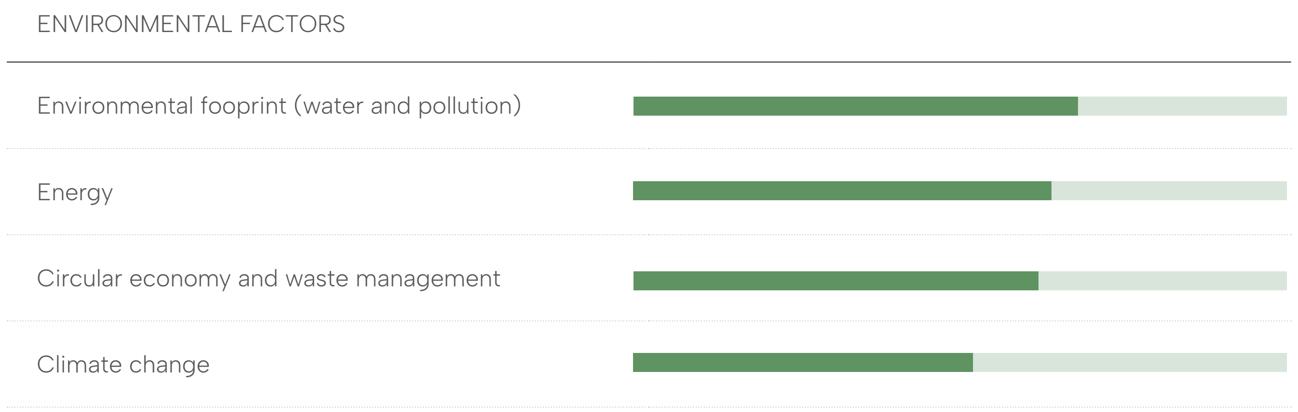
Among the twelve key ESG topics identified, those deemed most material by stakeholders directly informed the development of Gastaldi's three-year ESG Plan.

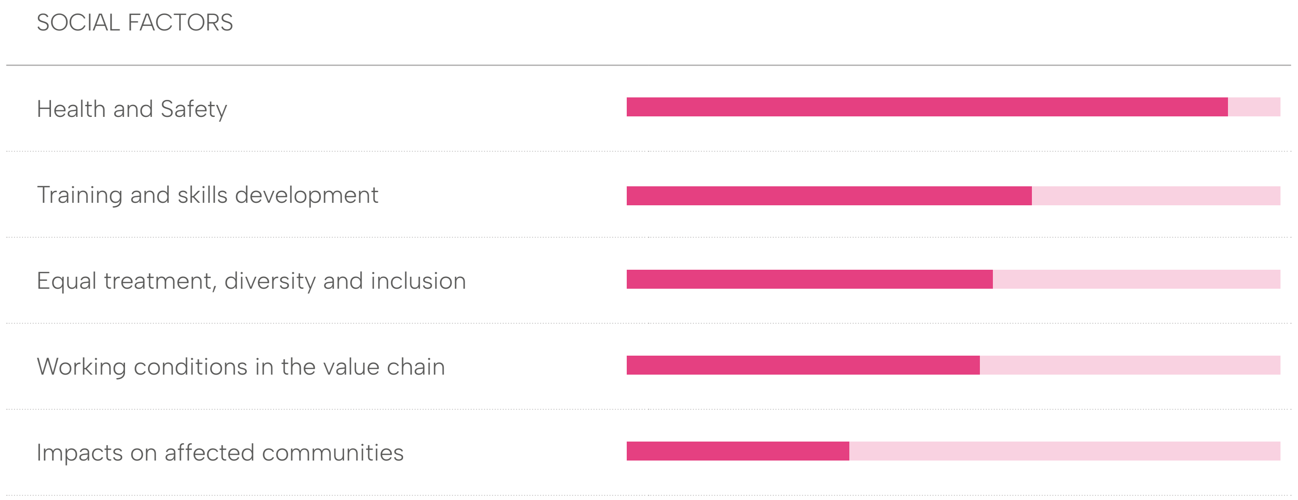
The survey also included a dedicated section for employees, who were invited to evaluate the company's performance in various areas, such as:

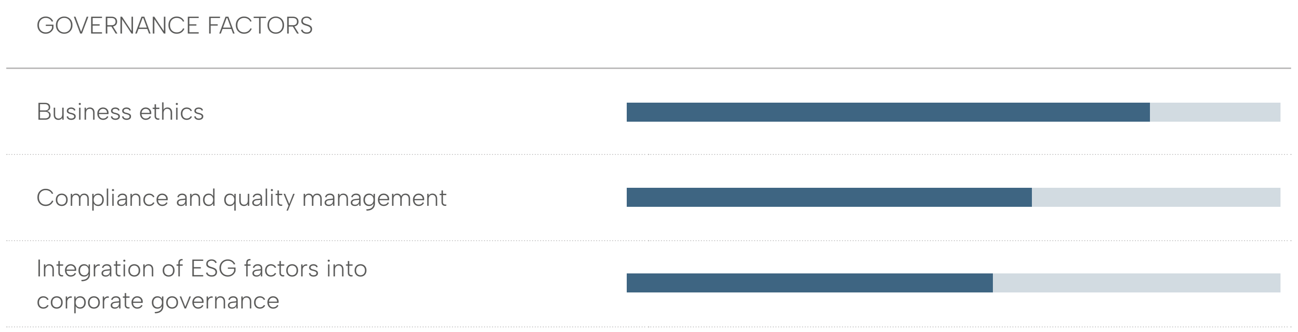
- Occupational health and safety
- Workplace well-being and flexibility
- Welfare and employee benefits
- Training and professional development
- Diversity and inclusion
- Participants also had the opportunity to share additional suggestions and proposals.

The feedback provided a generally very positive picture: **Gastaldi received high ratings across all assessed areas**, confirming the appreciation for its commitment to people and sustainability.

In addition to quantitative insights, the open comments revealed **strong stakeholder trust in the company's ESG path and a willingness to strengthen collaboration, particularly on joint sustainability initiatives** along the value chain.




**GRI 2-29** Approach to stakeholder engagement
**GRI 3-1** Process to determine material topics

*ESRS 2 SBM-2*
*ESRS 2 IRO-1*

# Sustainability *strategy*

**GRI 3-2** List of material topics
**GRI 3-3** Management of material topics

*ESRS 2 SBM-1*
*ESRS 2 SBM-3*

**GRI 2-22** Statement on sustainable development strategy

*ESRS 2 SBM-1*

| | TOPIC | OBJECTIVES | ACTIONS | 2025 | 2026 | 2027 |
|---|---|---|---|---|---|---|
| E | Climate Change Mitigation and Adaptation | Measurement and reduction of GHG emissions | Estimation of Scope 1 and Scope 2 GHG emissions | ● | | |
| | | | Preliminary assessment of Scope 3 GHG emissions | | ● | |
| | | | Evaluation and implementation of decarbonisation initiatives | | | ● |
| | | Energy resource optimisation | Continuous improvement in energy efficiency and optimisation of electricity use in industrial operations | ● | ● | ● |
| | | | Assessment of a 100% renewable electricity supply agreement (PPA or equivalent) | | | ● |
| | | | Evaluation of the feasibility of a photovoltaic (solar) plant installation | | | ● |
| | Environmental Footprint | Optimisation of water use efficiency | Continuous improvement in industrial water consumption efficiency | ● | ● | ● |
| | | | Assessment of initiatives for wastewater reuse and recycling | | | ● |
| | | Pollution risk mitigation | Implementation of preventive and mitigation measures to reduce pollution and the risk of accidental spills in finishing processes | | ● | ● |
| | | | Evaluation and adoption of alternative, less polluting substances in finishing operations | | ● | ● |
| S | Own workforce | Continuous improvement of working conditions and employee well-being | Ongoing enhancement of occupational health and safety management systems | ● | ● | ● |
| | | | Assessment of utilisation and employee satisfaction with the corporate welfare program | | ● | |
| | | | Evaluation and strengthening of corporate welfare and well-being initiatives | | | ● |
| | | Human Capital Development | Analysis of employee training and skills development needs | ● | ● | ● |
| | | | Design and implementation of an initial training plan with a dedicated budget allocation | | | ● |
| | Community and Territory | Strengthening of relationships and long-term engagement with the local community and territory | Activation of school-to-work transition programs and internships in collaboration with schools and technical institutes (ITS) | ● | ● | ● |
| | | | Participation in and organisation of community-based projects and local events | ● | ● | ● |
| | | | Sponsorships and partnerships with local organisations and associations to support social and cultural initiatives | ● | ● | ● |
| | | | Evaluation of potential joint initiatives with the Municipality of Merone aimed at enhancing local sustainability and community development | | ● | |
| G | Business Ethics and Corporate Culture | Strengthening of business ethics and integration of ESG aspects within the company's governance framework | Implementation of SA8000 / PAS 24000 certification for social responsibility and ethical business practices | ● | | |
| | | | Publication of the company's first sustainability report in alignment with ESRS disclosure requirements | ● | | |
| | | | Formalisation of an internal ESG Committee to oversee sustainability governance | | ● | |
| | | | Structuring of regular update and training activities for the ESG Committee to ensure continuous improvement and alignment with ESG best practices | | ● | ● |
| | Value Chain Sustainability | Mapping and improvement of the sustainability performance of upstream supply chain partners | Implementation of PAS 24000 certification for the social assessment and ethical management of suppliers | | ● | |
| | | | Formalisation of a Sustainable Procurement Policy integrating environmental and social responsibility principles | | ● | |
| | | | Introduction of ESG criteria into the company's vendor rating and supplier evaluation process | | | ● |


# Environment and People

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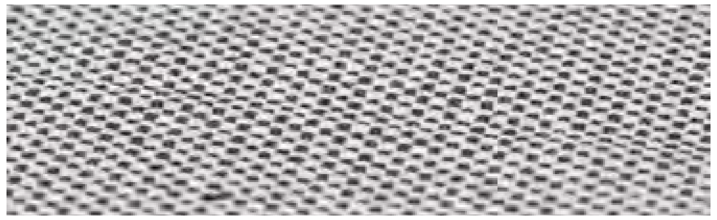
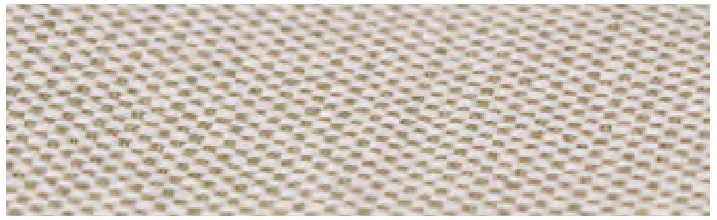
# Environmental *Sustainability*

For Gastaldi & C. S.p.A. in the Textile Industry, environmental sustainability is not just a goal but a daily commitment guiding every strategic and operational decision. Aware of the impact that production activities may have on ecosystems, we are firmly committed to practices aimed at **reducing emissions, saving energy, responsible use of natural resources, and sustainable management of production cycles**.

The adoption of innovative technologies, careful selection of raw materials, and implementation of processes based on circular economy principles enable us to offer products that respect the environment without compromising quality and performance. Through targeted investments and research and development projects, we strive for a future where our textiles represent both excellence and environmental responsibility.








# Environmental *Initiatives*

During 2024, Gastaldi & C. S.p.A. Textile Industry made significant progress in strengthening its commitment to environmental sustainability. In particular, an important project was completed to promote the use of **bio-based and biodegradable chemicals** within production processes.
This initiative represents a concrete outcome in the company's strategy to reduce its environmental impact, consistent with the principles of circular economy and green chemistry. The adoption of bio-based products reduces dependence on fossil resources, while the use of biodegradable substances minimizes harmful residues in emissions and improves effluent quality.
The project has contributed not only to lowering the ecological footprint of production cycles but also to consolidating the company's leadership in offering innovative and sustainable textile solutions, anticipating future regulations and increasingly demanding international market requirements.

Further supporting this pathway is the development of the **OPERA** and **MUSTAG** lines—innovative textile products derived from circular economy processes. Both lines are a tangible example of how end-of-life materials or textile waste can be transformed into new, high value-added resources, thereby reducing pressure on natural resources and promoting a more sustainable production model. Informational and technical materials related to these lines have also been shared with TIFF students, demonstrating the company's commitment to spreading sustainability culture among new generations.

# Social *Sustainability*

Social sustainability represents a fundamental pillar of Industria Tessile Gastaldi & C. S.p.A.'s vision. We believe that the value of a company is also measured by its ability to generate well-being for the people and communities it interacts with.

Our responsibility is reflected in concrete actions to ensure workplace **health and safety, inclusion, equal opportunities, and professional development** for all employees. At the same time, we maintain a strong connection with the local community through educational projects, cultural initiatives, and support for local sports and social activities.

Promoting dialogue with stakeholders and building relationships based on trust and ethics enables us to contribute to sustainable development that places people at the center.

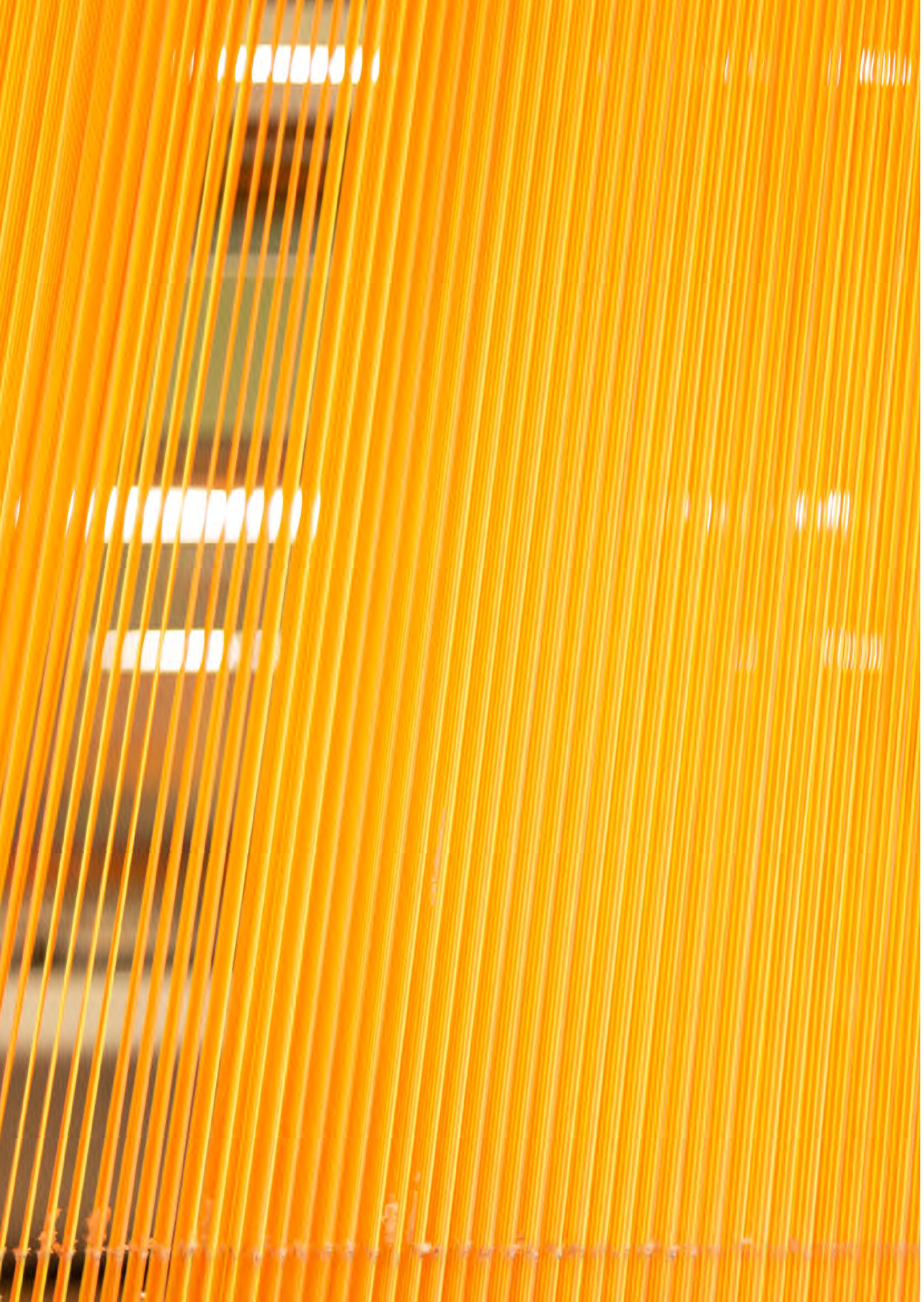
# Social *Initiatives*

In 2024, Industria Tessile Gastaldi & C. S.p.A. continued its commitment to social responsibility by promoting initiatives that strengthen ties with the people and communities in which it operates.

Among the most significant projects is the initiation of the **PAS 24000** certification process, an international standard that recognizes the company's commitment to responsible social and ethical management practices. This strategic step confirms Gastaldi's dedication to respecting human rights, enhancing human capital, and ensuring transparency throughout the entire supply chain.

Collaboration with the **Setificio di Como** also continues, involving students in a creative competition designed to encourage new generations to approach the textile world with innovation and sustainability in mind. This project serves as a bridge between tradition and the future, helping to develop tomorrow's talents.

Finally, in 2024, **local sports sponsorships** were once again confirmed, demonstrating the company's attention to the well-being and cohesion of the local communities.



# Appendix

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# Methodological *Note of the Report*

The **first Sustainability Report of Gastaldi** represents a communication tool aimed at transparently describing the Company's commitment to ESG (Environmental, Social, Governance) and sharing with its stakeholders the objectives, activities, and results related to sustainability.

The main objective of the document is to initiate a structured and responsible reporting process, aimed at creating long-term value for the Company and all stakeholders, promoting sustainable and responsible growth.

The reporting scope corresponds to that of the financial statements, referring to the year ending December 31, 2024.

This first sustainability report is a **voluntary disclosure document**, prepared in accordance with the provisions of the **European Corporate Sustainability Reporting Directive (CSRD)**, albeit within an evolving regulatory framework subject to revision through the so-called "Omnibus Package," ongoing during the drafting of this document.

Gastaldi has chosen to align with the **European Sustainability Reporting Standards (ESRS)** established by the CSRD, in order to provide readers with a transparent, structured framework oriented towards progressive alignment with European standards.

Furthermore, to facilitate comparability with international practices and foster a solid dialogue with stakeholders, the document also references the **Global Reporting Initiative (GRI)** standards and the **United Nations Sustainable Development Goals (SDGs)**.

With this first report, Gastaldi aims to lay the foundations for an evolving reporting process, intended to integrate sustainability into corporate strategies and promote a culture based on social and environmental responsibility.

# GRI Index *and ESRS Alignment*

*GRI Use Statement: Gastaldi & C. S.p.A. has reported the information cited in this GRI content index for the period from January 1, 2024, to December 31, 2024, in accordance with the GRI Standards.*
*GRI 1 – Foundation Principles – 2021 version.*

*ESRS Use Statement: Gastaldi & C. S.p.A. has also drawn inspiration from the ESRS standards in preparing this report.*

| Standard GRI | Informativa GRI | Standard ESRS | Informativa ESRS | Pagina |
|---|---|---|---|---|
| **GRI 2**: General Disclosures 2021 | **2-1** Organizational details | | | 12 |
| **GRI 2**: General Disclosures 2021 | **2-2** Entities included in the organization's sustainability reporting | ESRS 2 | BP-1 | 12 |
| **GRI 2**: General Disclosures 2021 | **2-6** Activities, value chain and other business relationships | ESRS 2 | SBM-1 | 25, 26, 29 |
| **GRI 2**: General Disclosures 2021 | **2-7** Employees | ESRS | S1-6 | 56 |
| **GRI 2**: General Disclosures 2021 | **2-8** Workers who are not employees | ESRS | S1-7 | 58 |
| **GRI 2**: General Disclosures 2021 | **2-9** Governance structure and composition | ESRS 2 | GOV-1; GOV-2 | 19 |
| **GRI 2**: General Disclosures 2021 | **2-11** Chair of the highest governance body | | | 19 |
| **GRI 2**: General Disclosures 2021 | **2-12** Role of the highest governance body in overseeing the management of impacts | ESRS 2 | GOV-1; GOV-2 | 19 |
| **GRI 2**: General Disclosures 2021 | **2-13** Delegation of responsibility for managing impacts | ESRS 2 | GOV-1; GOV-2 | 19 |
| **GRI 2**: General Disclosures 2021 | **2-21** Annual total compensation ratio | ESRS | S1-16 | 58 |
| **GRI 2**: General Disclosures 2021 | **2-22** Statement on sustainable development strategy | ESRS 2 | SBM-1 | 4, 37 |
| **GRI 2**: General Disclosures 2021 | **2-29** Approach to stakeholder engagement | ESRS 2 | SBM-2 | 32, 34 |
| **GRI 2**: General Disclosures 2021 | **2-30** Collective bargaining agreements | ESRS | S1-8 | 58 |
| **GRI 3**: Material Topics 2021 | **3-1** Process to determine material topics | ESRS 2 | IRO-1 | 30, 32, 34 |
| **GRI 3**: Material Topics 2021 | **3-2** List of material topics | ESRS 2 | SBM-1 | 37 |

# GRI Index *and ESRS Alignment*

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| Standard GRI | Informativa GRI | Standard ESRS | Informativa ESRS | Pagina |
|---|---|---|---|---|
| **GRI 3**: Material Topics 2021 | **3-3** Management of material topics | ESRS 2 | SBM-3 | 37 |
| **GRI 302**: Energy 2016 | **302-1** Energy consumption within the organization | ESRS | E1-5 | 52 |
| **GRI 303**: Water and Effluents 2018 | **303-3** Water withdrawal | ESRS | E3-4 | 54 |
| **GRI 305**: Emissions 2016 | **305-1** Direct (Scope 1) GHG emissions | ESRS | E1-6 | 53 |
| **GRI 305**: Emissions 2016 | **305-2** Energy indirect (Scope 2) GHG emissions | ESRS | E1-6 | 53 |
| **GRI 306**: Effluents and Waste 2016 | **306-3** Significant spills | ESRS | E5-5 | 55 |
| **GRI 306**: Effluents and Waste 2016 | **306-4** Transport of hazardous waste | ESRS | E5-5 | 54 |
| **GRI 306**: Effluents and Waste 2016 | **306-5** Water bodies affected by water discharges and/or runoff | ESRS | E5-5 | 54 |
| **GRI 401**: Employment 2016 | **401-1** New employee hires and employee turnover | ESRS | S1-6 | 57 |
| **GRI 403**: Occupational Health and Safety 2018 | **403-9** Work-related injuries | ESRS | S1-14 | 61 |
| **GRI 404**: Training and Education 2016 | **404-1** Average hours of training per year per employee | ESRS | S1-13 | 60 |
| **GRI 404**: Training and Education 2016 | **404-3** Percentage of employees receiving regular performance and career development reviews | ESRS | S1-13 | 60 |
| **GRI 405**: Diversity and Equal Opportunity 2016 | **405-1** Diversity of governance bodies and employees | ESRS | S1-9 | 59 |
| **GRI 405**: Diversity and Equal Opportunity 2016 | **405-2** Ratio of basic salary and remuneration of women to men | ESRS | S1-16 | 58 |

# Environmental *Performances*

**GRI 302-1** Energy consumption within the organization
*ESRS E1-5*

| Energy Consumption and Energy Mix | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Total energy consumption from fossil fuels** (natural gas) | MWh | 5,043 | 4,671 | 4,538 |
| **Share of fossil fuels** in total energy consumption | % | 70% | 70% | 71% |
| Consumption of **purchased or acquired renewable energy** (electricity, heat, steam, cooling) | MWh | 2,173 | 1,942 | 1,706 |
| Consumption of **self-produced renewable energy** (without fuel input) | MWh | - | 108 | 124 |
| **Total renewable energy consumption** (purchased + self-produced) | MWh | 2,173 | 2,049 | 1,829 |
| **Share of renewable sources** in total energy consumption | % | 30% | 30% | 29% |
| **Total energy consumption (renewable and non-renewable) *** | **MWh** | **7,215** | **6,720** | **6,367** |

** Conversion factors sourced from: ISPRA "National Standard Parameters Table" (2023)*

| Renewable Energy | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Renewable energy production** | MWh | - | 121.0 | 139.2 |
| of which: renewable electricity sold | MWh | - | 13.3 | 15.6 |

| Energy intensity (based on revenues) | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Total energy consumption / Revenues** | MWh / MLN € | 354 | 274 | 292 |

**GRI 305-1** Direct (Scope 1) GHG emissions
*ESRS E1-6*

| Direct GHG Emissions (Scope 1) | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Gross Scope 1 GHG emissions *** | $tCO_2eq$ | 1,023.1 | 948.0 | 921.1 |

** Conversion factors sourced from: "National Standard Parameters Table" 2023 (ISPRA) for methane, and DEFRA tables for refrigerant gases.*

**GRI 305-2** Energy indirect (Scope 2) GHG emissions
*ESRS E1-6*

| Indirect GHG Emissions from Imported Energy (Scope 2) | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Gross Scope 2 GHG emissions (location-based) **** | $tCO_2eq$ | 636.5 | 465.9 | 409.3 |
| **Gross Scope 2 GHG emissions (market-based) ***** | **$tCO_2eq$** | **0.0** | **0.0** | **0.0** |

*** Conversion factors sourced from ISPRA: "Emission factors for the production and consumption of electricity in Italy"*
**** Electricity 100% renewable*

| Total GHG Emissions | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| Total GHG emissions (location-based) | $tCO_2eq$ | 1,659.6 | 1,413.8 | 1,330.4 |
| **Total GHG emissions (market-based)** | **$tCO_2eq$** | **1,023.1** | **948.0** | **921.1** |

# Environmental *Performances*

**GRI 303-3** Water withdrawal
*ESRS E3-4*

| Water and Marine Resources | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| Water **withdrawal** | $m^3$ | 47,010 | 45,096 | 40,037 |
| Water **discharge** | $m^3$ | 33,597 | 32,994 | 29,154 |
| **Water consumption** | **$m^3$** | **13,413** | **12,102** | **10,883** |

**GRI 306-4** Transport of hazardous waste
*ESRS E5-5*

| Waste by Destination and Hazard Classification | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Non-hazardous** waste sent for **recovery** | kg | 104,440.00 | 160,386.00 | 125,470.00 |
| **Hazardous** waste sent for **recovery** | kg | 0.00 | 0.00 | 0.00 |
| **Total waste sent for recovery** | **kg** | **104,440.00** | **160,386.00** | **125,470.00** |

**GRI 306-5** Water bodies affected by water discharges and/or runoff
*ESRS E5-5*

| Waste sent for disposal | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Non-hazardous** waste sent for **disposal** | kg | 56,300.00 | 99,364.00 | 104,500.00 |
| **Hazardous** waste sent for **disposal** | kg | 250.00 | 4,310.00 | 1,730.00 |
| **Total waste sent for disposal** | **kg** | **56,550.00** | **103,674.00** | **106,230.00** |

**GRI 306-3** Significant spills
*ESRS E5-5*

| Waste by Material Type | unit of measure | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Total waste produced** | **kg** | **161,315** | **263,445** | **231,700** |
| Paper and cardboard (EWC 150101) | kg | 12,740 | 8,760 | 14,120 |
| Mixed packaging materials (EWC 150106) | kg | 33,820 | 42,940 | 39,480 |
| Plastic packaging (EWC 150102) | kg | 5,300 | 4,420 | 7,870 |
| Other oils (EWC 130208) | kg | 250 | 770 | 1,000 |
| Sludge from wastewater treatment (EWC 040220) | kg | 40,520 | 26,320 | 79,180 |
| Textile fibre waste (EWC 040222) | kg | 0 | 4,666 | 1,160 |
| Iron and steel (EWC 170405) | kg | 30,700 | 71,800 | 37,480 |
| Wooden packaging (EWC 150103) | kg | 21,880 | 24,040 | 19,660 |
| Biodegradable green waste (EWC 200221) | kg | 0 | 3,580 | 5,700 |
| Toner cartridges (EWC 080318) | kg | 0 | 49 | 0 |
| End-of-life electrical equipment (EWC 160214) | kg | 0 | 180 | 0 |
| Fluorescent tubes (EWC 200121) | kg | 25 | 180 | 0 |
| Paints and varnishes (EWC 080111) | kg | 340 | 0 | 0 |
| Dyes and pigments (EWC 040216) | kg | 340 | 0 | 0 |
| Aqueous liquid waste (EWC 161002) | kg | 15,400 | 72,200 | 25,320 |
| Organic waste containing hazardous substances (EWC 160305) | kg | 0 | 3,540 | 730 |

# Social *Performances*

**GRI 2-7** Employees
*ESRS S1-6*

| Employees by Contract Type | 2022 | 2023 | 2024 |
|---|---|---|---|
| **Total number of employees** | 50 (29 / 21) | 59 (34 / 25) | 62 (37 / 25) |
| **Permanent** employees | 50 (29 / 21) | 59 (34 / 25) | 62 (37 / 25) |
| **Fixed-term** employees | 0 (0 / 0) | 0 (0 / 0) | 0 (0 / 0) |
| **Variable-hour** employees | 0 (0 / 0) | 0 (0 / 0) | 0 (0 / 0) |
| **Full-time** employees | 40 (29 / 11) | 49 (34 / 15) | 52 (37 / 15) |
| **Part-time** employees | 10 (0 / 10) | 10 (0 / 10) | 10 (0 / 10) |

**GRI 401-1** New employee hires and employee turnover
*ESRS S1-6*

| Hires and exits | 2022 | 2023 | 2024 |
|---|---|---|---|
| **Total employees hired** | 2 (1 / 1) | 13 (8 / 5) | 7 (5 / 2) |
| **Hires** age **< 30** | 2 | 8 | 2 |
| **Hires** age **30 - 50** | 0 | 5 | 3 |
| **Hires** age **> 50** | 0 | 0 | 2 |
| **Total exits** | 10 (6 / 4) | 4 (3 / 1) | 4 (3 / 1) |
| **Exits** age **< 30** | 1 | 1 | 1 |
| **Exits** age **30 - 50** | 2 | 3 | 1 |
| **Exits** age **> 50** | 7 | 0 | 2 |

# Social *Performances*

**GRI 2-8** Workers who are not employees
*ESRS S1-7*

| Non-employee workers | 2022 | 2023 | 2024 |
|---|---|---|---|
| **Temporary** agency workers * | 15 | 30 | 14 |

* *Average number of employees over the reporting period*

**GRI 2-30** Collective bargaining agreements
*ESRS S1-8*

| Collective Agreements | 2022 | 2023 | 2024 |
|---|---|---|---|
| Percentage of **employees** covered by **collective agreements** | **100%** of employees are covered by the **National Collective Labour Agreement (CCNL) for the Textile sector** | | |

**GRI 2-21** Annual total compensation ratio
*ESRS S1-16*

| Remuneration Metrics | 2022 | 2023 | 2024 |
|---|---|---|---|
| Total **pay gap** * | 2.89 | 3.04 | 3.05 |

$$* \ \frac{\text{Total annual remuneration of the highest-paid employee}}{\text{Median total annual remuneration of employees (excluding the highest-paid employee)}}$$

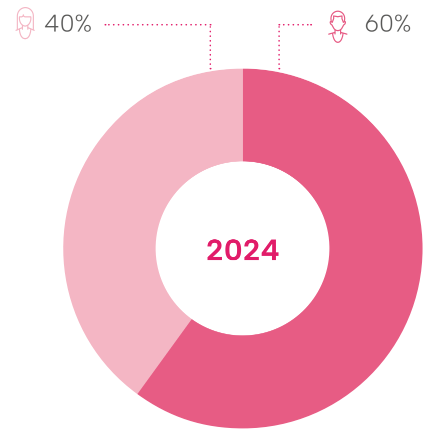
**GRI 405-2** Ratio of basic salary and remuneration of women to men
*ESRS S1-16*

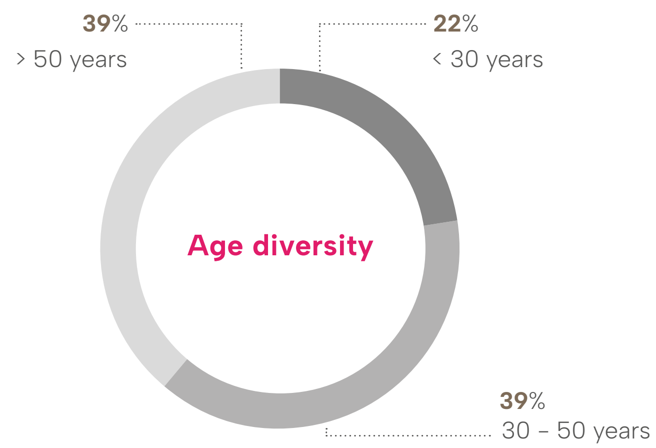
| Gender pay gap | 2022 | 2023 | 2024 |
|---|---|---|---|
| **Gender** pay gap * | 8.53% | 11.63% | 13.71% |

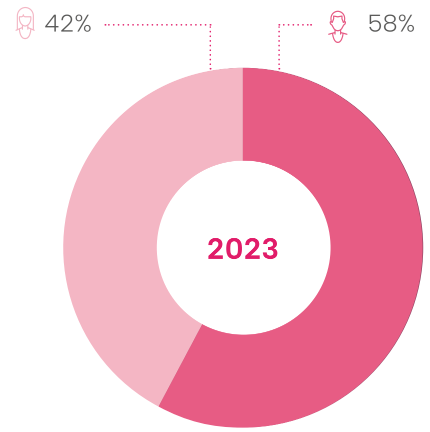
$$* \ \frac{\text{Average gross hourly pay of male employees} - \text{Average gross hourly pay of female employees}}{\text{Average gross hourly pay of male employees}} \times 100$$

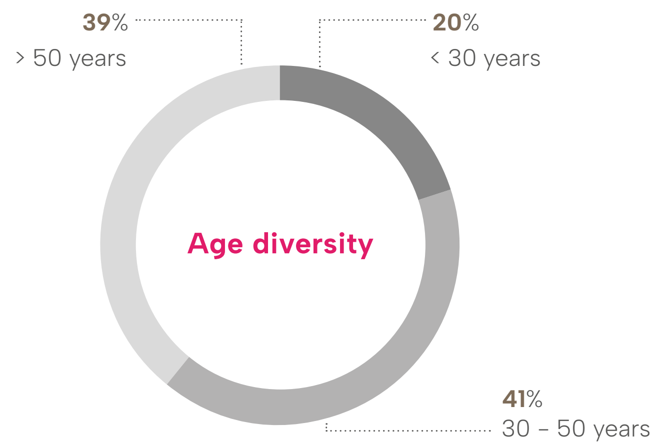
**GRI 405-1** Diversity of governance bodies and employees
*ESRS S1-9*

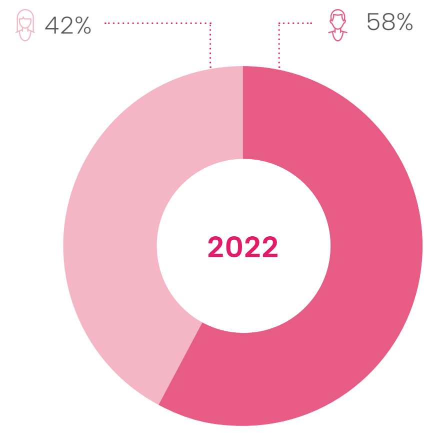
| Non-employee workers | 2022 | 2023 | 2024 |
|---|---|---|---|

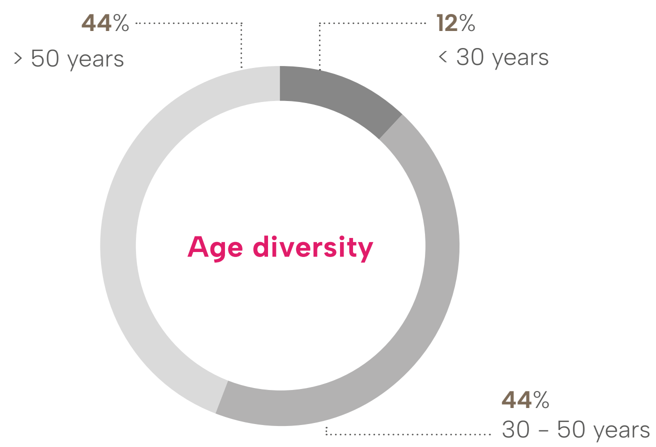


# Social *Performances*

**GRI 404-3** Percentage of employees receiving regular performance and career development reviews
*ESRS S1-13*

| Performance Evaluation | 2022 | | 2023 | | 2024 | |
|---|---|---|---|---|---|---|
| **Percentage of employees participating in periodic performance and career development reviews** | 2% | 3%<br>0% | 15% | 21%<br>8% | 40% | 43%<br>36% |

**GRI 404-1** Average hours of training per year per employee
*ESRS S1-13*

| Total Training | 2022 | | 2023 | | 2024 | |
|---|---|---|---|---|---|---|
| **Average training hours** per employee | 0.1 | 0.2<br>0.0 | 0.9 | 1.2<br>0.5 | 2.4 | 2.6<br>2.2 |
| **Total** training hours | 6 | 6<br>0 | 54 | 42<br>12 | 150 | 96<br>54 |

**GRI 405-1** Diversity of governance bodies and employees
*ESRS S1-12*

| Employees with Disabilities / Protected Categories | 2022 | | 2023 | | 2024 | |
|---|---|---|---|---|---|---|
| Total **percentage** of **employees** with **disabilities** | 2% | 0%<br>5% | 2% | 0%<br>4% | 3% | 0%<br>8% |

**GRI 403-9** Work-related injuries
*ESRS S1-14*

| Health and Safety Metrics | 2022 | 2023 | 2024 |
|---|---|---|---|
| **Number** of work-related **fatalities** | 0 | 0 | 0 |
| **Number** of recordable work-related **injuries** | 2 | 3 | 1 |
| Recordable **injury rate** | 23.4 | 33.6 | 10.4 |
| **Main types** of injury | bruise/contusion and cut/abrasion | bruise/contusion and cut/abrasion | bruise/contusion and cut/abrasion |
| Number of recordable **work-related occupational disease** cases | 0 | 0 | 0 |
| **Workdays lost** due to injuries | 32 | 82 | 26 |
| Total **hours worked** | 85,468 | 89,232 | 96,513 |

# Glossary

**Agenda 2030 for Sustainable Development**: The action plan for people, the planet, and prosperity adopted in September 2015 by the governments of the 193 UN member states. The Agenda includes 17 Sustainable Development Goals (SDGs).

**Carbon Footprint**: The total greenhouse gas emissions expressed in $CO_2$ equivalent, directly or indirectly associated with a product, organization, or service. This term is used to measure environmental sustainability of businesses.

**CSRD (Corporate Sustainability Reporting Directive)**: An EU directive that strengthens sustainability reporting obligations for companies, requiring detailed information on environmental, social, and governance (ESG) impacts.

**Circular Economy**: A production and consumption model that involves sharing, reusing, repairing, refurbishing, and recycling materials and products.

**ESG (Environmental, Social, Governance)**: The three dimensions of sustainability through which an organization's activities are assessed, considering not only economic and governance aspects but also environmental and social factors.

**European Sustainability Reporting Standards (ESRS)**: European standards for sustainability reporting, developed by EFRAG, specifying disclosure requirements for companies subject to CSRD, covering environmental, social, and governance (ESG) aspects.

**Global Reporting Initiative (GRI)**: An international non-profit organization that defines standards for sustainability performance reporting by organizations.

**Governance**: The people or bodies (e.g., board of directors or corporate officers) responsible for overseeing the strategic direction of an organization and its accountability and administration duties.

**Greenwashing**: The practice of misleading communication about sustainability to appear more responsible than is actually the case.

**Impact Report**: A mandatory document for Benefit Corporations illustrating the social, environmental, and economic effects generated by the organization, providing both qualitative and quantitative assessments of activities.

**Sustainability Report**: A communication tool summarizing how a company is committed to sustainability topics and measuring its performance.

**Benefit Corporation**: A company that, alongside pursuing profit, aims to achieve one or more common benefit purposes and operates responsibly, sustainably, and transparently towards people, communities, territories, and the environment.

**SDGs (Sustainable Development Goals)**: 17 United Nations goals to be achieved by 2030, serving as guidelines to contribute to global development, promote human well-being, and protect the environment.

**Stakeholder**: Entities, organizations, or individuals affected by an organization's activities, products, and services or capable of influencing the organization's decisions.

**Shared Value**: A business model in which pursuing economic success and competitive advantage also includes environmental and social decisions and strategies.

Report drafted in collaboration with:

whatmatters
Led by purpose

For any questions or further information regarding the contents of this report, please contact Gastaldi & C. S.p.A. at **marco@itgastaldi.com**.

Your feedback is valuable in helping us further improve our sustainability performance.

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INDUSTRIA TESSILE GASTALDI & C. S.P.A.

Via Roma, 10
22046 Merone (CO) Italy
tel. +39 031 650053
fax +39 031 650257