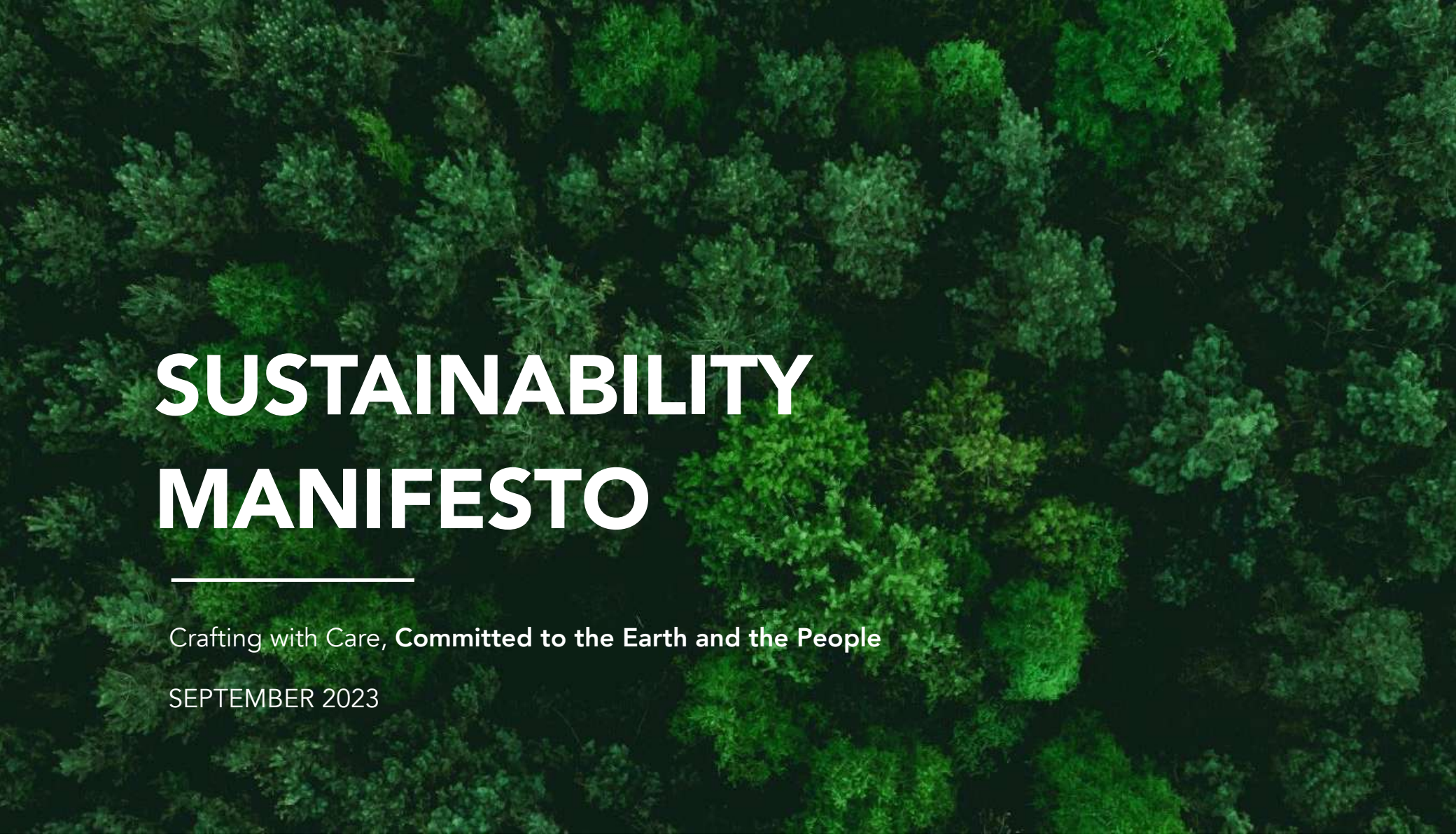

SUSTAINABILITY MANIFESTO

Crafting with Care, **Committed to the Earth and the People**

SEPTEMBER 2023

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CONTENT

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OUR COMMITMENT FOR A SUSTAINABLE FUTURE

In the context of increasing global temperatures and its severe consequences on the environment and human life, climate change has emerged as one of the most pressing issues facing our planet today. This long-term shift in global weather patterns is caused by human activities such as burning fossil fuels and deforestation which have resulted in increased concentrations of greenhouse gases, primarily carbon dioxide, in the Earth's atmosphere. Climate change is leading to a wide range of negative impacts, including more frequent and severe natural disasters, rising sea levels, and threats to ecosystems and human health.

In order to address this challenge, in December 2015, world leaders participating in the United Nations Framework Convention on Climate Change (UNFCCC) established a common goal through the historic Paris Climate Agreement (COP21): to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. This imperative decision was based on numerous scientific findings highlighting the perilous consequences for the planet of allowing global temperatures to surpass the 1.5 degrees Celsius threshold.

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To achieve the abovementioned goal, it is crucial to have a fundamental shift in how we generate energy, produce food, and move people and goods around the world. Companies across all industries have been called upon to contribute to the achievement of the Paris Agreement goal by reducing their carbon footprint over the next decade. The fashion industry, in particular, is responsible for 10% of global carbon emissions, a percentage higher than international flights and maritime shipping combined. As an industry leader since 1918, Industrie Chimiche Forestali (ICF) is aware of the importance of contributing to initiatives for global warming mitigation to ensure a sustainable future for generations to come. Therefore, the company is taking action not only to reduce the environmental impact of its operations but also to support its stakeholders, partners, collaborators in their journey towards more sustainable production and consumption practices.

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ICF has a strong sense of responsibility for protecting the environment with a view to continuously improving environmental performance and reducing impacts, such as the consumption of raw materials and water resources, waste production, water discharges, the emission of pollutants and energy consumption. These actions for the environment are particularly relevant considering that the company has an impact on a large share of products in diverse sectors, including the industries of footwear, leather goods, automotive and flexible packaging.

ICF firmly believes that businesses have a crucial role to play in the transition towards more sustainable production practices. The company is committed to leading by example and taking concrete steps to reduce its environmental footprint, promote sustainable practices, and contribute to the achievement of the goal of the Paris Agreement. Although it is not an easy task, the company is determined to make a difference through its work and by collaborating with other stakeholders to drive progress towards more responsible products. ICF believes that every business, regardless of its size or industry, can play a part in this effort and that together, we can create a better world for future generations.

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EUROPEAN PARLIAMENT, The impact of textile production and waste on the environment. Taken from: https://www.europarl.europa.eu/news/en/headlines/society/20201208STO93327/the-impact-of-textile-production-and-waste-on-the-environment-infographic

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LEADING THE WAY:
A STEP AHEAD IN TERMS OF SUSTAINABILITY

Founded in 1918, Industrie Chimiche Forestali has established itself as an industry leader in the production and commercialization of a wide variety of products, including adhesives, resins and impregnated special fabrics. ICF's production activity is carried out through four distinct divisions:

- **The ICF Division**, specialized in the production of adhesives and fabrics such as toe puffs, linings, and counters for the footwear industry, as well as solvent-based and water-based adhesives for the leather goods and upholstered furniture sectors.
- **The ABC Division**, which produces adhesives for automotive, flexible packaging, and industrial sectors.
- **The Morel Division** specialized in the production of fabrics such as toe-puffs and counters for the luxury footwear industry
- **Tessitura Langè Division**, specialized in the production of finishing high-end packaging fabrics and industrial textiles, equipped with state-of-the-art plant and first-class certifications.

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With 165 employees and a turnover of almost 88 million euros in 2022 (close to 100 million projected for 2023), ICF exports to over 80 countries worldwide with an exported turnover percentage of around 60%. Recognizing its significant influence on the market, ICF prioritizes sustainability as a core value and has demonstrated a longstanding commitment to minimizing its environmental impact and promoting responsible production practices both internally and at the level of its supply chain. In this sense, the present strategy is built on existing milestones and sustained efforts which constitute the baseline for the next steps of the company towards the continuous improvement of its environmental performance. The main milestones of the company in terms of quality and sustainability are described below.

Certified materials

ICF uses certified materials because it is committed to ensuring transparency and ethical sourcing of the materials it uses in its products and operations. By selecting materials that have been certified by independent third-party organizations, ICF can be confident that they meet rigorous environmental, social, and ethical standards. Certified materials are produced using sustainable practices that minimize environmental impacts, while also ensuring fair labor practices. The main material certifications obtained by the company are the following:

- **The Global Organic Textile Standard (GOTS)** is a certification for textiles made from organic fibers, such as cotton or wool which ensures that organic textiles are produced in an environmentally and socially responsible manner. The certification covers the entire textile supply chain, from the farming of the organic fibers to the finished product. The GOTS certification requires that the fibers are grown and processed without the use of harmful chemicals, and that social and environmental criteria are met throughout the entire supply chain. The certification also requires companies to implement strict wastewater treatment protocols, measures for water and energy conservation, and ethical working conditions.

- **The Global Recycled Standard (GRS)** is a certification that allows companies to verify the recycled content of their products, both finished and intermediate, while ensuring responsible social, environmental, and chemical practices are followed throughout their production. The GRS aims to achieve this by defining clear requirements that ensure accurate content claims, promote good working conditions, and minimize the negative environmental and chemical impacts of production processes.

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- **The Better Cotton Initiative (BCI)** is a certification program that aims to improve the sustainability of cotton production worldwide. The BCI works with farmers to promote the use of more sustainable farming practices, such as reducing water and pesticide use, improving soil health, and promoting biodiversity. The certification covers the entire cotton supply chain, from farming to manufacturing. The BCI certification requires that companies implement measures to minimize their environmental impact and promote ethical working conditions.

- **The Forest Stewardship Council (FSC)** certification ensures that forests are managed in a way that is environmentally responsible, socially beneficial, and economically viable. This certification helps consumers identify products that come from responsibly managed forests, such as wood and paper products. The FSC certification requires compliance with a set of principles and criteria that are based on the highest environmental and social standards. These principles include protecting biodiversity, preserving indigenous people's rights, and promoting responsible forest management practices.

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- The **OK biobased** certification is a product certification system that verifies the bio-based content of products. The certification is issued by TÜV Austria, an independent certification body, and is based on the European standard EN 16785-1. The OK biobased certification is awarded to products made from renewable resources, such as plant-based materials, that have a high bio-based content. To obtain the OK biobased certification, a product must meet specific criteria related to its bio-based content, as well as its biodegradability and environmental impact.

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- **Application of the guidelines of the OEKO-TEX STANDARD 100** on various lines of fabrics such as Flexan 0, Flexan 2, Termo 3 and Gemini. Although the company is still evaluating its possible application to the Oeko-Tex Standard 100 certification, it has already adopted the guidelines associated to the standard so as to ensure the absence of harmful substances and chemicals in all stages of production in all types of textile products, including yarns, fabrics, and finished goods.

- ICF is also in the process of obtaining the **Remade in Italy** certification, which aims to promote the reuse of discarded materials and the development of sustainable production practices in Italy. The certification is issued by the Italian National Consortium for the Collection, Recycling, and Recovery of Cellulose-based Packaging (Comieco). The Remade in Italy certification requires that a product or material is made in Italy and is produced using at least 50% recycled or recovered materials.

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For ICF, the obtention of certifications for its materials and products is not only a responsible choice but also a strategic one given that helps the company to measure and quantify the components and characteristics of its products to continuously improve its quality and sustainability performance. Moreover, they are a useful tool for transparently informing consumers and stakeholders about product characteristics.

R&D for the production of innovative materials and products

ICF's commitment to sustainability is rooted in the belief that innovative technologies are essential to creating products that have a lower environmental impact. By prioritizing innovation, ICF seeks to constantly improve the materials and products it offers, with the goal of reducing the environmental impact of its operations and helping customers make more sustainable choices. In practice, this means investing significant resources in research and development, and collaborating with industry partners to develop new, cutting-edge solutions. Additionally, ICF continuously seeks out new technologies and production methods that can help minimize waste and reduce greenhouse gas emissions. Among the main innovative products developed by the company are the following:

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- **Water-based adhesives**, including A+ certified adhesives for industrial and civil insulation. The A+ Certification for indoor air quality is the highest rating available and indicates that they release very low levels of VOCs. Water-based adhesives have a much lower environmental impact than solvent-based adhesives. They release fewer harmful volatile organic compounds (VOCs) into the atmosphere during the manufacturing process and application.
- **Solvent-free adhesives**, which are much better for the environment as they do not release harmful VOCs into the atmosphere. This means that they do not contribute to air pollution and have a much lower carbon footprint. Additionally, solvent-free adhesives are often safer for workers.
- **Toluene free adhesives and primers**. Toluene is a harmful VOC that can cause health problems such as headaches, dizziness, and irritation to the eyes, nose, and throat. By using toluene-free adhesives, workers and consumers are not exposed to these health risks. Additionally, toluene-free adhesives have lower VOC emissions, reducing the negative impact on the environment.

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- **BIOSTICK fabrics** made of 65% biobased Thermoplastic Polyurethane (TPU) and polylactic acid (PLA) from renewable plant sources and polymers derived partially from non-edible vegetable oils. These fabrics have a high responsible input.
- **Lumine fabrics with biodegradable content**. These fabrics are made of pure cotton impregnated with latex that can break down and decompose naturally, without causing harm to the environment. These fabrics can be used as alternatives to fabrics traditionally made with virgin plastics such as footwear reinforcements.
- **Fabrics with high recycled content.** ICF has multiple lines of fabrics with recycled content such as the line RICICLI™ dedicated to the production of toe caps, reinforcements, and counters for luxury footwear. Additionally, the company has numerous GRS certified extruded fabrics with recycled content up to 85%.
- **Recyclable packaging.** This type of packaging is designed to minimize the environmental impact of packaging waste by reducing the amount of waste sent to landfills. Recyclable packaging materials include paper, cardboard and plastic.

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- **Innovative automotive formulations devoid of hazardous substances** have been developed by ICF with a view to safeguarding the wellbeing of both individuals and the environment.
- **Biobased materials used in the bicomponent adhesives for flexible packaging for the food sector**. Biobased materials are made from renewable sources, which can be replenished naturally. This makes them a more sustainable alternative to traditional fossil fuel-based materials that are finite in supply.
- **Ad hoc development of products with sustainable characteristics at the request of customers and partners.** Multiple products have been designed specifically to meet a unique or specific requirement of a customer in terms of sustainability. One example is water-based adhesives that allow for product disassembling at specific temperatures for increased product recyclability.

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High quality and environmental standards

ICF respects the highest standards for quality, environmental management, and ethics as it is committed to consistently delivering high-quality products and services that meet customer requirements. By respecting national and international standards, the company actively works on improving customer satisfaction, reducing waste, increasing efficiency, and respecting regulations. ICF is compliant with the following standards:

- **ISO 9001 - Quality management systems.** This internationally recognized standard specifies requirements for a quality management system (QMS). The standard provides a framework for organizations to consistently meet customer and regulatory requirements, enhance customer satisfaction, and improve overall business performance. The ISO 9001 standard covers a wide range of areas related to quality management, including customer focus, leadership, process management, continuous improvement, and the involvement of people.

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- **IATF 16949 - Quality Management Systems - Requirements for Automotive Production and Relevant Service Parts Organizations.** This quality management system standard developed by the International Automotive Task Force for the automotive industry covers a wide range of areas related to quality management, including customer focus, leadership, process management, and the involvement of people. This standard ensures that ICF continuously improves quality, reduces defects and waste, enhance customer satisfaction, and improve overall business performance. Certification to the standard can help suppliers to demonstrate their commitment to quality and customer satisfaction and is often a requirement for suppliers seeking to do business with major automotive manufacturers.

- **ISO 14001: Environmental management systems.** This standard provides a framework for organizations to develop and implement an EMS that helps to manage their environmental impact and comply with environmental regulations. The standard covers a wide range of areas related to environmental management, including the establishment of environmental policies and objectives, the identification of environmental impacts and risks, the implementation of controls to prevent or mitigate environmental impacts, and the measurement and evaluation of environmental performance.

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- **Environmental Management and Audit Scheme (EMAS).** This is an environmental management system (EMS) standard developed by the European Union. EMAS is designed to help organizations manage their environmental impacts, comply with environmental regulations, and improve their environmental performance. EMAS requires organizations to undergo a rigorous external verification process, which includes regular environmental audits and reporting on environmental performance.

- **ISO 45001 - Occupational health and safety management systems.** This international standard provides a framework for ICF to develop and implement an OH&S management system that helps to identify and control health and safety risks, prevent work-related injuries and illnesses, and promote employee well-being. ISO 45001 covers a wide range of areas related to OH&S management, including leadership, worker participation, hazard identification and risk assessment, emergency preparedness and response, and continual improvement.

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- **Model 231 - Model of organization, management, and control.** This is a compliance model established by Italian Legislative Decree no. 231/2001. The model is designed to prevent and punish various types of crimes, such as corruption, fraud, and money laundering, committed by individuals acting on behalf of an organization. Model 231 requires organizations to establish a compliance program that includes specific measures, such as the adoption of a code of ethics, the appointment of a compliance officer, the implementation of internal controls and monitoring mechanisms, and the provision of training and communication activities to employees.

- **Ethical code** – Industrie Chimiche Forestali S.p.A. has implemented a code of ethics which aims to define the fundamental ethical principles and behavioral rules that its workers must respect to ensure legality, correctness, transparency, diligence, honesty, mutual respect, loyalty, and good faith. The application of this code safeguards the interests of stakeholders and ensures an efficient, reliable, and correct working methods, based on compliance with compliance with Italian laws and those of the countries in which it operates, regarding both activities carried out within the Italian territory and activities carried out in other countries.

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Responsible energy management

ICF is aware that energy is key when it comes to reducing its environmental impact. This is why the company has implemented multiple solutions to adequately measure, manage, and control its energy consumption to reduce its carbon footprint. The following actions have been undertaken by ICF for an energy management that is more responsible towards the environment:

- **Implementation of a photovoltaic system.** In 2023, a photovoltaic system was put into operation that will allow ICF to satisfy about 30% of its energy needs and avoid the emission of over 160 tons of CO2 per year.

- **Analysis and measurement of scope 1 and scope 2 greenhouse gases (GHG).** This analysis helps ICF to identify areas of the company's operations that produce the highest emissions to prioritize emission reduction efforts. Additionally, the results of the analysis are used to propose potential solutions for energy and resource efficiency improvements, reducing operating costs and reducing the company's environmental impact.

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- **Establishment of a new refrigeration unit with limited environmental impact.** In addition to focusing on product sustainability, we also concentrate on improving the energy efficiency of our production processes. In 2022 we installed an innovative refrigeration system for the adhesive production machinery.

- **Use of LED lightning in the premises.** LED lights consume significantly less energy than traditional incandescent and fluorescent lights and they last much longer than traditional lights, which means fewer replacements and less waste.

- **Use of point measurement systems to monitor energy and gas consumption.** Point measurement systems provide real-time monitoring of process parameters, allowing operators to quickly identify and correct any anomalies or deviations. By providing accurate and timely information, point measurement systems help improve process control, resulting in increased efficiency and reduced waste. These systems are also used to monitor hazardous environments and processes, ensuring that workers are safe, and that the environment is protected.

Yearly sustainability reports

For ICF, transparency and internal assessment is fundamental for continuous improvement in terms of environmental performance. Therefore, since 2019, the company has decided to carry out sustainability reports to increase transparency and accountability, providing stakeholders with information on the company's environmental performance, goals, and progress. These reports are also an instrument to identify areas where it can improve its environmental performance and implement measures to reduce its environmental impact. As a tool for communication, the annual reporting also creates opportunities for engagement and collaboration with stakeholders, such as customers and investors, who are increasingly interested in environmental issues and want to work with companies that share their values.

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Objectives

Even though ICF has made significant advancements in terms of actions to reduce its environmental footprint, the company is determined to improve its practices and products in terms of sustainability to enhance its positive impact on the market. ICF has established 5 short-term objectives and 4 long-term objectives to reduce its environmental impact in line with the ambitions of the Paris Agreement on Climate Change:

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Short-term objectives

1. To increase the share of impregnated and co-extruded fabrics containing recycled, biobased, and biodegradable materials by 20% by 2025.

2. To reduce the quantity of process solvent waste through an internal recovery system, by 20% for 2023, by 50% for 2024 and by 75% by 2025.

3. To modernize the aqueous wastewater treatment plant by 2025 for sludge reduction.

4. To increase product transparency by executing LCA studies on all water-based adhesives by 2025 and implementing Environmental Product Declarations (EPD) for all the fabrics by the end of 2023.

5. To develop water-based adhesives line with very low VOC specific for the automotive sector (lamination and flocking) by 2025.

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Long-term objectives

1. Ensure that at least 50% of the European footwear companies working with ICF use water-based adhesives by 2030.

2. Ensure that 60% of the production of ICF adhesives has a low environmental impact by presenting characteristics such as solvent-free or water-based by 2030.

3. Ensure that all the company's fabrics produced in Europe have a content of at least 50% recycled, biobased, or biodegradable materials by 2030.

4. Evaluate and identify possible biobased raw materials to be introduced into automotive and flexible package adhesive formulations by 2030.

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MAIN AREAS OF ACTION

ICF will focus on the following key areas to reduce its environmental impact:

1. **Responsible materials:** ICF will ensure to continuously increase the share of materials used for production with a responsible content, such as recycled, biobased, biosynthesized and biodegradable input. The use of responsible materials responds to a need of reduce the carbon footprint and waste levels of ICF, while maintaining the same quality and performance characteristics.

2. **Responsible sourcing:** ICF will prioritize the use of materials provided by suppliers that meet environmental, social, and ethical standards. In this context, material certifications will be requested when available to trace the origin and content of the materials.

3. **Innovation:** ICF will invest in research and development to create products with improved characteristics for lower environmental impact and higher quality. The company intends to minimize the negative impact on the environment while offering products that meet customers' expectations and needs.

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4. **Energy management and control of greenhouse gases emissions:** In terms of energy management, ICF will adopt production practices oriented towards the control of energy consumption, the increased use of renewable energies, and the minimizing of GHG emissions.

5. **Waste management:** ICF will focus on reducing waste both in terms of materials for production and water waste. This implies optimizing production processes, implementing recycling and reuse programs for production materials, and reducing water usage through water management systems.

6. **Recycling:** Where technically and economically feasible, ICF will reincorporate leftover materials and material scraps in the production cycle.

7. **Certified materials:** ICF will actively work on the certification of its materials in order to provide clear information about its composition and product characteristics to its stakeholders. This helps to ensure that the materials used in production are safe, sustainable, and of high quality, and it builds trust with customers and stakeholders.

8. **Training:** Provision of training and workshops to employees of ICF and partner companies in topics selected by the company for environmental impact reduction, such as energy saving measures in production, use of new packaging materials, use of materials with sustainable characteristics.

9. **Quality control and continuous improvement:** The company conducts regular monitoring and evaluation to ensure that its products maintain the established quality standards. This involves periodic inspections, testing, and gathering feedback from customers to identify any potential issues and make necessary adjustments. The company is also committed to maintaining the ISO 9000 standard and IATF certification to engage their staff in quality procedures.

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ACTION PLAN

The strategy of ICF to reach its environmental goals and address its key areas of interest is integrated by various actions described as follows:

Use of responsible materials

1. Conduct an inventory analysis of current fabric lines to identify the proportion of materials used that meet contain recycled, biobased, or biodegradable materials to use as a baseline for improvement.
2. Dedicate specialized resources to R&D to developing innovative materials products with higher responsible input and reduced CO2 impact.
3. Collaborate with suppliers to identify and develop new responsible materials that meet the company's performance and quality standards, especially in the domain of fabrics.
4. Yearly evaluate the progress of ICF towards reaching the target of ensuring that all the company’s fabrics produced in Europe have a content of at least 50% recycled, biobased, or biodegradable materials by 2030.
5. Conduct research and development to identify and test low VOC water-based adhesive formulations for the automotive sector.

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6. Conduct testing and quality assurance to ensure that the performance of the low VOC water-based adhesives meets industry standards.

7. To increase the adoption of water-based adhesives within the footwear industry by actively promoting their advantages and benefits to European footwear manufacturers working with ICF.

8. Collaborate with suppliers and manufacturers to develop new water-based adhesive products that meet the specific needs of the footwear industry.

9. Organize training sessions for footwear manufacturers to learn about the advantages and best practices of using water-based adhesives.

10. Use the information retrieved through the LCA of water-based adhesives to develop a plan to reduce the environmental impact of ICF adhesives by increasing the proportion of solvent-free and water-based products in the product portfolio.

11. Collaborate with academic and industry partners to develop and test new biobased adhesive formulations that meet the specific needs of the industries of automotive, fabrics and flexible packaging.

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Water management and solvent waste reduction

12. Conduct a process analysis to identify areas where solvent waste can be reduced.

13. Evaluate the need for additional internal recovery systems to recover solvents from waste streams and install them if necessary.

14. Train employees on the proper use and maintenance of the recovery systems present in the ICF premises.

15. Monitor and optimize the recovery systems to achieve the target reduction rates.

16. Collect data on the solvent waste reduction progress for annual KPI reporting.

17. Investigate and implement additional waste reduction measures as needed.

18. Acquire equipment for modernizing the aqueous wastewater treatment plant for sludge reduction.

19. Train employees on the operation and maintenance of the new aqueous wastewater treatment plant.

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Environmental impact measurement and transparency

20. Provide a verified third-party consulting firm with all necessary data on water-based adhesives for the completion of the LCA studies on these products.

21. Implement Environmental Product Declarations (EPD) for all the fabrics by the end of 2023. Publish the EPDs on ICF's website and make them available to customers and stakeholders.

22. Inform customers and stakeholders about new developments in terms of products with sustainable characteristics and improved production practices for low environmental impact through press releases and website posts.

23. Ensure that the website of ICF is continuously updated, providing clear information about the products offered in the market as well as their physical characteristics.

24. Yearly publish the company's sustainability report on its website.

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STRATEGIC PARTNERSHIPS

ICF is aware that a reduction of the environmental impact of the manufactured goods sector cannot be delivered by an enterprise alone and requires the collaboration of multiple actors in the public and private sector. Therefore, the company has taken part in various initiatives, including:

Responsible Care Program

In 1998 ICF decided to join the "Responsible Care" Program of Federchimica, an international voluntary program that promotes the Sustainable Development of the Chemical Industry according to values and behaviors aimed at protecting the environment, as well as the health and safety of workers. This commitment has been renewed in 2022, for the 24th consecutive year, through participation in a project measuring circularity indicators. This project, launched by Federchimica in collaboration with Ergo and Certiquality, aims to develop a methodology that transforms circular economy principles and guidelines into concrete tools to be applied specifically to chemical industry companies, in order to identify reliable and homogeneous data useful in assessing the circularity of organizations, products, and services, and to avoid greenwashing. ICF participates in the initial experimentation phase of this project as a pilot company, so that the tools developed can be tested and validated in the field.

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UNICHIM

During 2021, ICF joined UNICHIM (Association for the unification in the Chemical Industry Sector), committed to the development of new analysis methodologies, many of which are still used in national laboratories for legal devices or UNI standards. UNICHIM provides support to companies by developing new methodologies and analytical tools to measure and reduce the environmental impact of their production processes.

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TRANSVERSAL AREAS

Sustaining a responsible business requires a holistic approach that is not limited to environmental protection actions. To have a positive impact on people and the planet, ICF knows that there are fundamental aspects that need to be part of all the actions undertaken by the company, such as:

- **Health and safety at work:** The awareness that hazardous substances and chemical processes with significant risks are present in some of the production activities of ICF, drives the company to review and evaluate its production process, leaving no room for health and safety risks. In this context, the company has decided to implement the ISO 45001 standard on occupational health and safety management systems, a standard that helps ensure the safety and well-being of employees. With ISO 45001, there is a clear framework for managing health and safety risks, preventing accidents and work-related illnesses. Additionally, in 2021, ICF purchased two automated external defibrillators (AEDs) with the aim of improving the timeliness of any life-saving intervention as this kind of device can automatically analyze the heart rhythm, autonomously establish the need for a shock and guide the rescuer using voice instructions.

- **Quality control:** ICF is committed to maintaining high-quality standards for raw materials, production processes, and finished products through constant quality control measures. Clients can benefit from ICF's extensive experience and advanced technological resources. The integrity and reproducibility of the entire production cycle are also ensured by ICF's ISO 9001 Quality System Certification and IATF 16949 certification for the automotive sector. These certifications demonstrate ICF's dedication to maintaining the highest quality standards and providing clients with reliable and consistent products and services.
- **Transparency:** ICF recognizes that product transparency is fundamental in promoting more responsible consumption practices. By providing consumers with a clear understanding of the products they purchase, the company aims to help them make informed decisions about their purchases. This approach aligns with the company's goal to promote transparency and accountability in its business practices. For this reason, ICF discloses the content of its products through technical sheets and in multiple cases also product certifications and LCA.
- **Social responsibility:** Since 2012, the company has also supported the non-profit foundation "I Bambini delle Fate", to which it donated € 6,000 in 2021. The foundation provides financial support to social inclusion projects and programs managed by local partners for families with autism and other disabilities.

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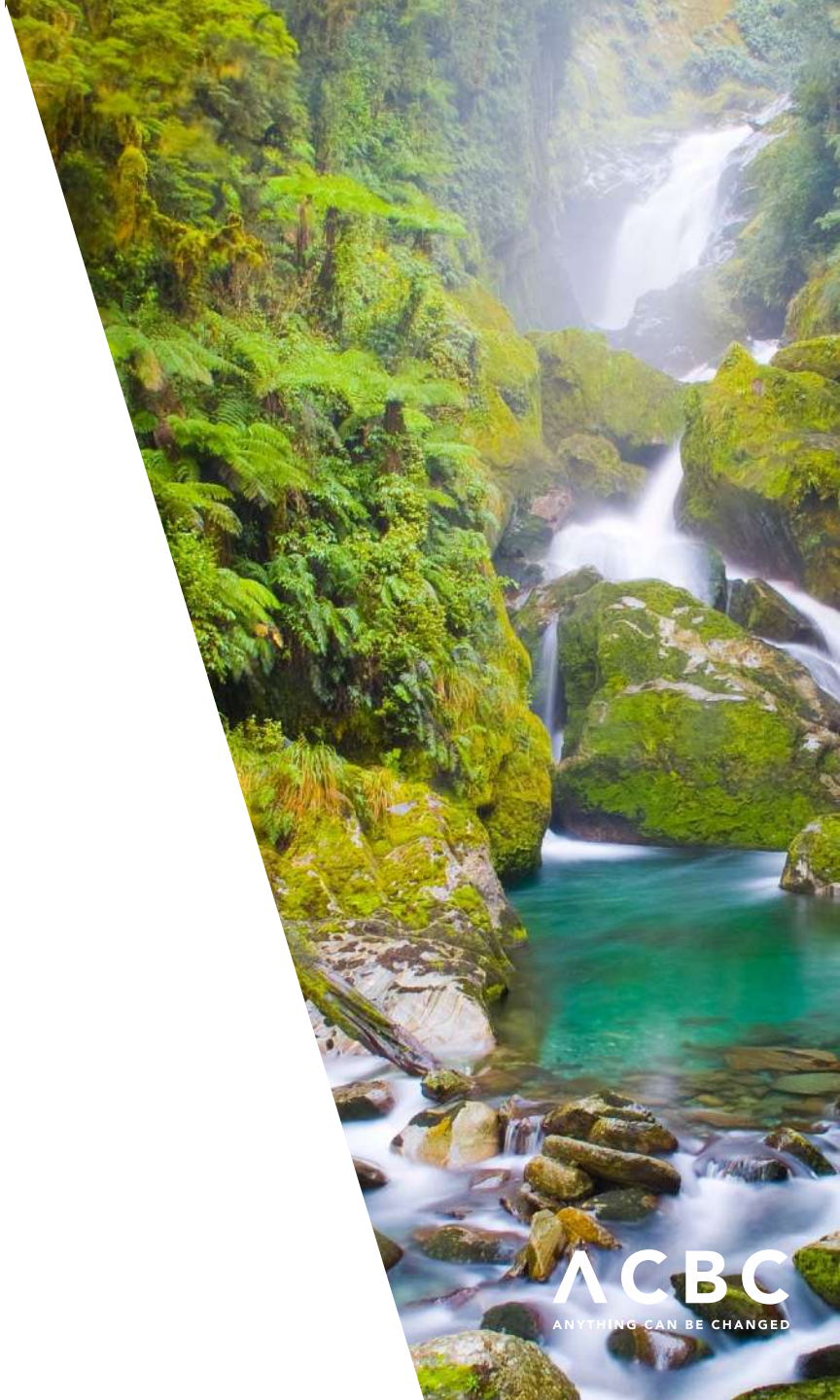
METHODOLOGY

ICF has defined multiple KPIs based on the ISO 9000 standard and the Global Reporting Initiative (GRI) framework to measure the progress in terms of quality management and environmental performance. The progress of the implementation of the present strategy will be measured through the analysis of the data collected for the KPI update carried out on a yearly basis by ICF. The data analysis will be used to ensure that the company is meeting the objectives of the present strategy and identifying areas for improvement.

The abovementioned data will be retrieved by means of direct interviews with managers of various company functions, through the submission of specific data collection forms, and through the analysis of the company's yearly sustainability report. Considering that ICF has a wide range of KPIs that might go beyond the boundaries of this document, it is worth noting that the main KPIs that will be analyzed in the framework of the present strategy are the following:



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- Indicator of washing solvents sent for disposal compared to the total production of automotive/packaging adhesives.
- Indicator of internally recovered washing solvents compared to the total amount of solvent intended for disposal.
- Indicator of selvedge quantity of discarded fabrics compared to the produced fabrics.
- Indicator of waste of water-based/solvent-based adhesives compared to the total water-based/solvent-based adhesives produced.
- Indicator for wash water disposed of in adhesive production.
- Number of accidents.
- Accident frequency index.
- Accident severity index.
- Electricity consumption indicator related to adhesives/fabric production.
- Methane gas consumption indicator related to the production of toecaps and counters.
- Direct GHG emissions (Scope 1).
- Indirect GHG emissions from consumption energy consumption (Scope 2).
- Waste generated.
- Waste not intended for disposal.
- Waste for disposal.

Moreover, ICF will also carry out an inventory of the composition of all the fabrics produced and yearly evaluate the percentage of recycled, biobased or biodegradable materials that are used in the total production of fabrics.

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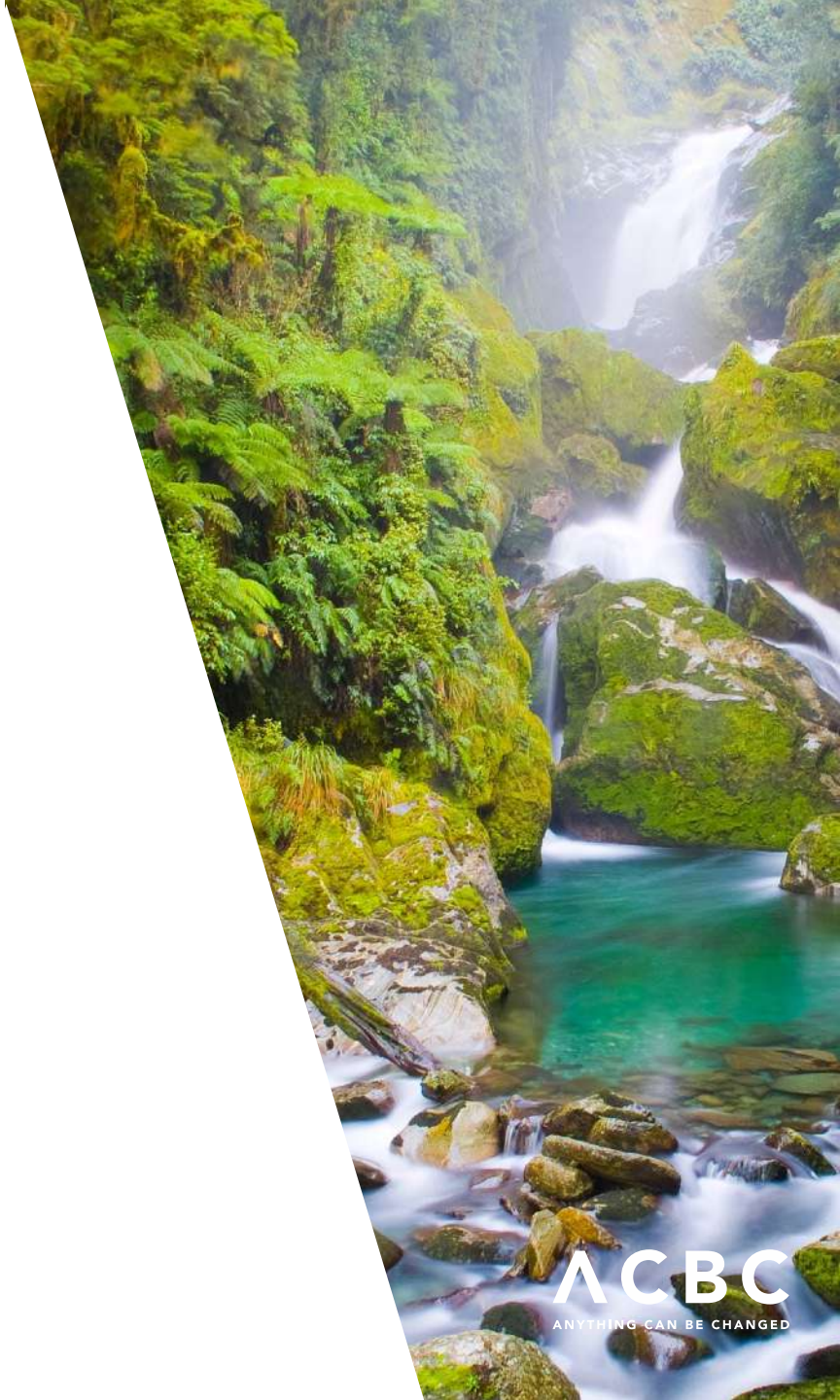

CONCLUSION

As a prominent player in the industry, ICF recognizes its responsibility towards the environment and society. It pledges to contribute to the global fight against climate change by taking necessary measures to reduce the environmental impact of its products and production methods. The company's course of action will be guided by principles of transparency, innovation, and ongoing improvement. ICF firmly believes that the implementation of sustainable production practices is not just an objective to achieve, but a fundamental business practice. By embracing sustainability as a core value, ICF is well-positioned to remain an industry leader in the years to come.

Ad maiora!

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