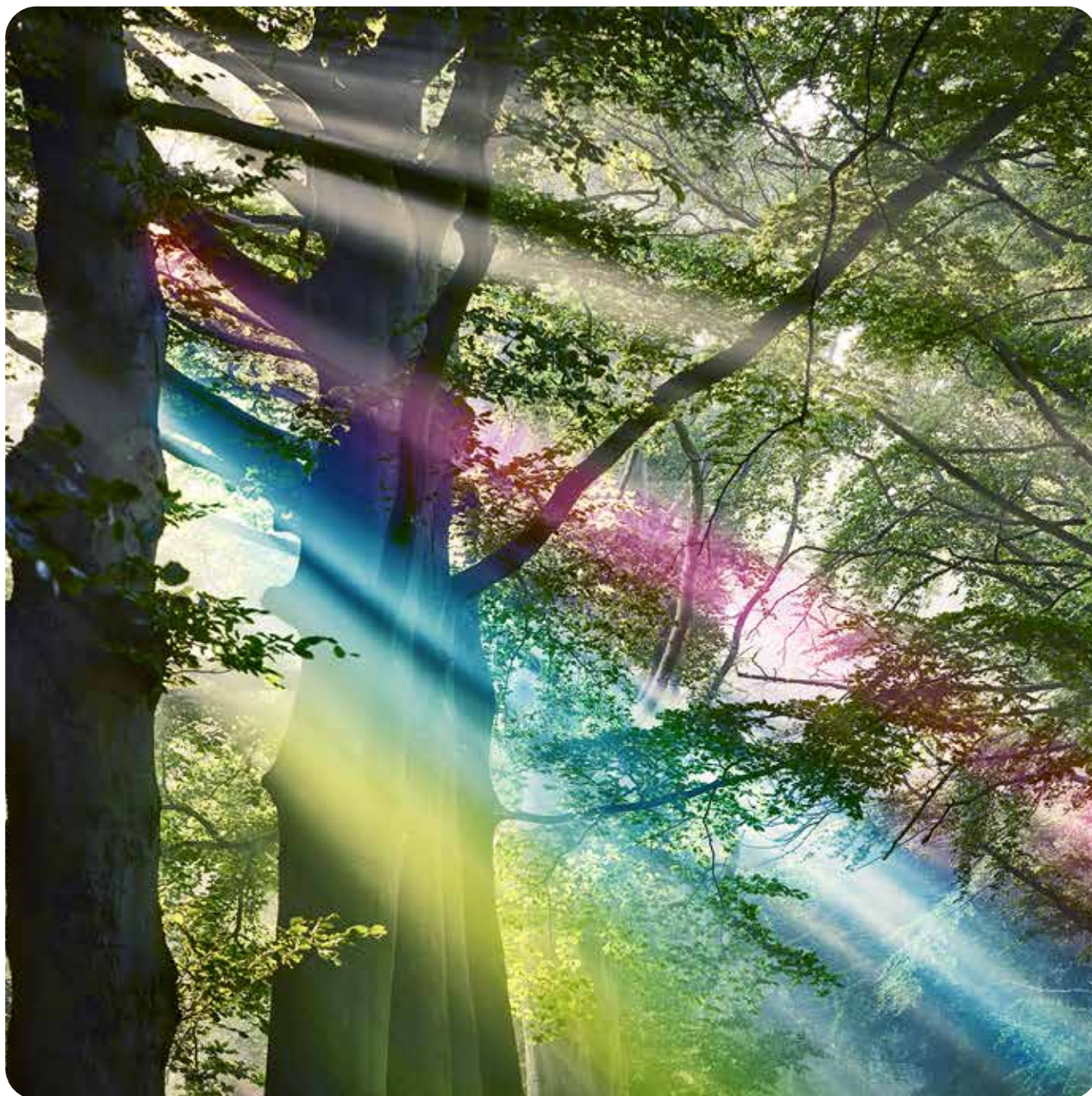


2023 Sustainability Report



fitt®
2023
sustainability
report

letter to the stakeholders



Alessandro Mezzalira
FITT Group's CEO

Dear partners,

The daily challenge is to turn our drive towards sustainable innovation into reality. We are aware that the ecological transition and social inclusiveness path generates critical issues, but it also leads to opportunities for experimenting. We became a Benefit Company in 2021 and every year we renew this decision by looking for the best way to create shared value. This is why, after improving our capabilities and activating some important projects within the scope of "The Responsible Flow" strategy, our 2030 strategy, in 2023 we reorganised our governance and sustainability processes to ensure the development of a capillary and engaging ecosystem for both our internal and external stakeholders.

The setting up of effective and adaptive governance became even more important in 2023, given the strong business expansion experienced. We started the year with the acquisition of Claber - an Italian company specialising in domestic irrigation – and ended it with that of ATE – a French company specialising in drainage pipes for the construction, infrastructure and civil engineering sectors. Moreover, our internationalization journey, which began in 2017 with the study of the American market and became a commercial strategy with a trading company in 2020, has evolved in 2023 into a full-fledged industrial plan that will lead to the establishment of a production and logistics plant in Anderson, Indiana.

Redesigning processes will enable us to manage new functions, relationships, activities and products, generated by our growth path: all these components will be of the utmost importance to enable us to achieve our sustainability goals.

2023 was a busy year: measuring the carbon footprint of all our products with a systematic and TÜV-certified approach based on ISO 14067, linking the company performance bonus to sustainability goals, installing a solar power plant and creating the Sustainability function, are some of the milestones that show how, like a flowing river, our business follows its path, tackling bends and encompassing obstacles.

Lastly, if I were to sum up 2023 in one word, it would be "involvement". Everything I have recounted above has been possible thanks to the engagement of our stakeholders, partners and the community that is most important to us: the FITT People.

We have had the opportunity of witnessing our journey on various stages, both at national level, at events such as ItalyPost's Green Week Festival and UniCredit's Road to Social Change, and at local level, welcoming the group of Young Entrepreneurs of Confindustria Vicenza, but our priority audience still remains the FITT People.

It was for our corporate people that we came up with the Social Talks, a series of events led by external speakers to explore current topics and offer a new way of looking at things. We talked about mindfulness, language and gender inequality, time perception and management, diversity, scientific research and health.

Moreover, in 2023 our connection with the three associations that we support - Fondazione Città della Speranza (City of Hope Foundation), Il PomoDoro and Women For Freedom - has become even stronger.

Volunteers and representatives of the three organisations visited our locations, attended company events and came into direct contact with the FITT People, sharing activities, stories and experiences. We, therefore, created a new way of bringing together the two faces of the Social medal: the internal one, consisting of the FITT People, and the external one, the community in which we operate.

I thank my collaborators who every day navigate this continuous flow with me, and who manage to transform the highest and most turbulent waves into generative energy.

A handwritten signature in black ink, appearing to be 'A. Mezzalira', written in a cursive style.

Alessandro Mezzalira

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Scan the QR code
and visit the section
of our portal dedicated
to all the sustainability
topics.



an evolutionary history

An international Group looking to the future,
where innovation and sustainability will shape
the way we live, produce and prosper
on the Planet.

→ 01

FITT, a leading international Group founded in Italy in 1969, and since 2021 a Benefit Company, is a pioneer in the production and development of highly innovative fluid transfer and management solutions for domestic, professional and industrial applications.

With 1,100 employees in 20 locations worldwide and a turnover of 298 million Euros in 2023, the FITT Group consists of 18 companies with both production sites and sales subsidiaries in 8 European and non-European countries, for a global market that reaches 100 countries worldwide.

FITT has ten sites in Italy: Sandrigo (HQ), Fara Vicentino, Lugo, San Pietro in Gu, Pianezze, Occhiobello, Monsampolo, Fiume Veneto, Maniago and Pasiano di Pordenone. There are seven sites in France: Tricot, St. Herblain, Grenay, Vitrolles and Château-gontier. One office is located in the Principality of Monaco, one in Wegrow, Poland, and one in Zaragoza, Spain. Two overseas sales offices, one in the USA, in Charlotte, and one in China, in Shanghai.

FITT is a family-owned company with a fully paid up share capital of 7,000,000 Euros and the following corporate structure:

- INNOVISION HOLDING S.R.L.
14,800,001 shares equal to € 5,180,000 - 74.00%, 97.13% of which owned by Alessandro Mezzalira
- ANCIGNANO MEZZALIRA S.A.S.
3,000,000 shares, equal to € 1,050,000 - 15.00%
- OTHER MEMBERS OF THE MEZZALIRA FAMILY
2,199,999 shares equal to € 770,000 - 11%

FITT GROUP S.P.A., based in Vicenza, is the Group's financial holding company and directly controls:

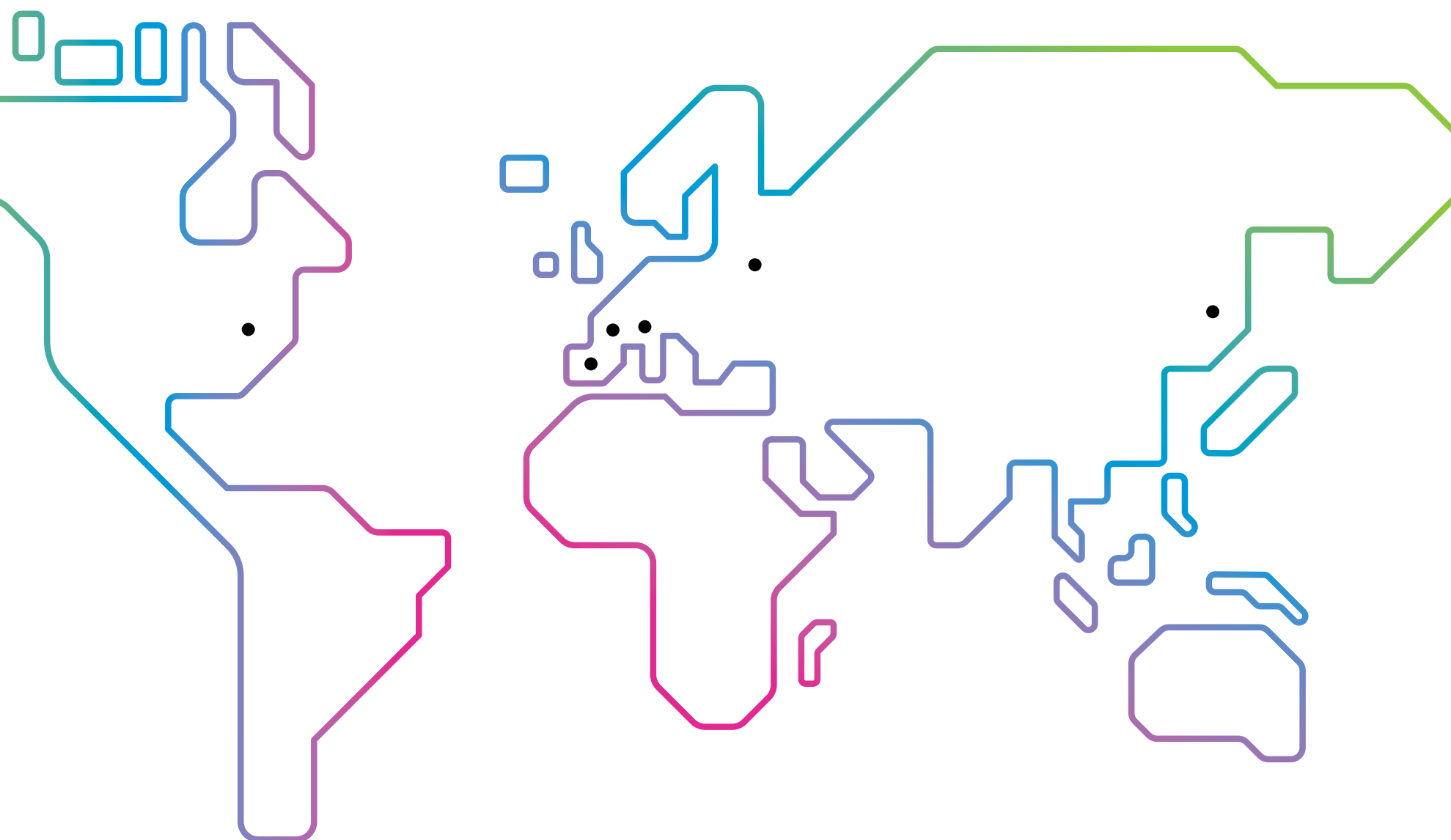
- FITT S.P.A.: sales subsidiary, 6 production plants and 1 logistics centre;
- S.A.M. FITT MC: commercial branch;
- LE ROUCAS VERT SCI: French real estate company that owns the buildings of the logistics hub of Lyon;
- PLAST MEC S.R.L: building division commercial branch;

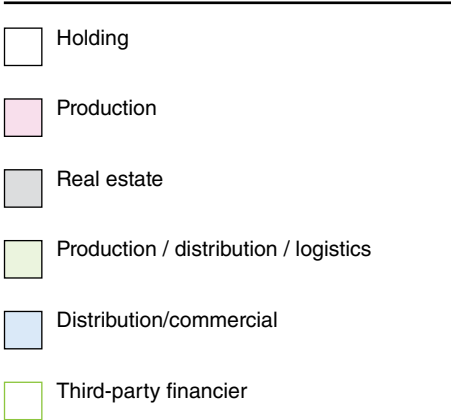
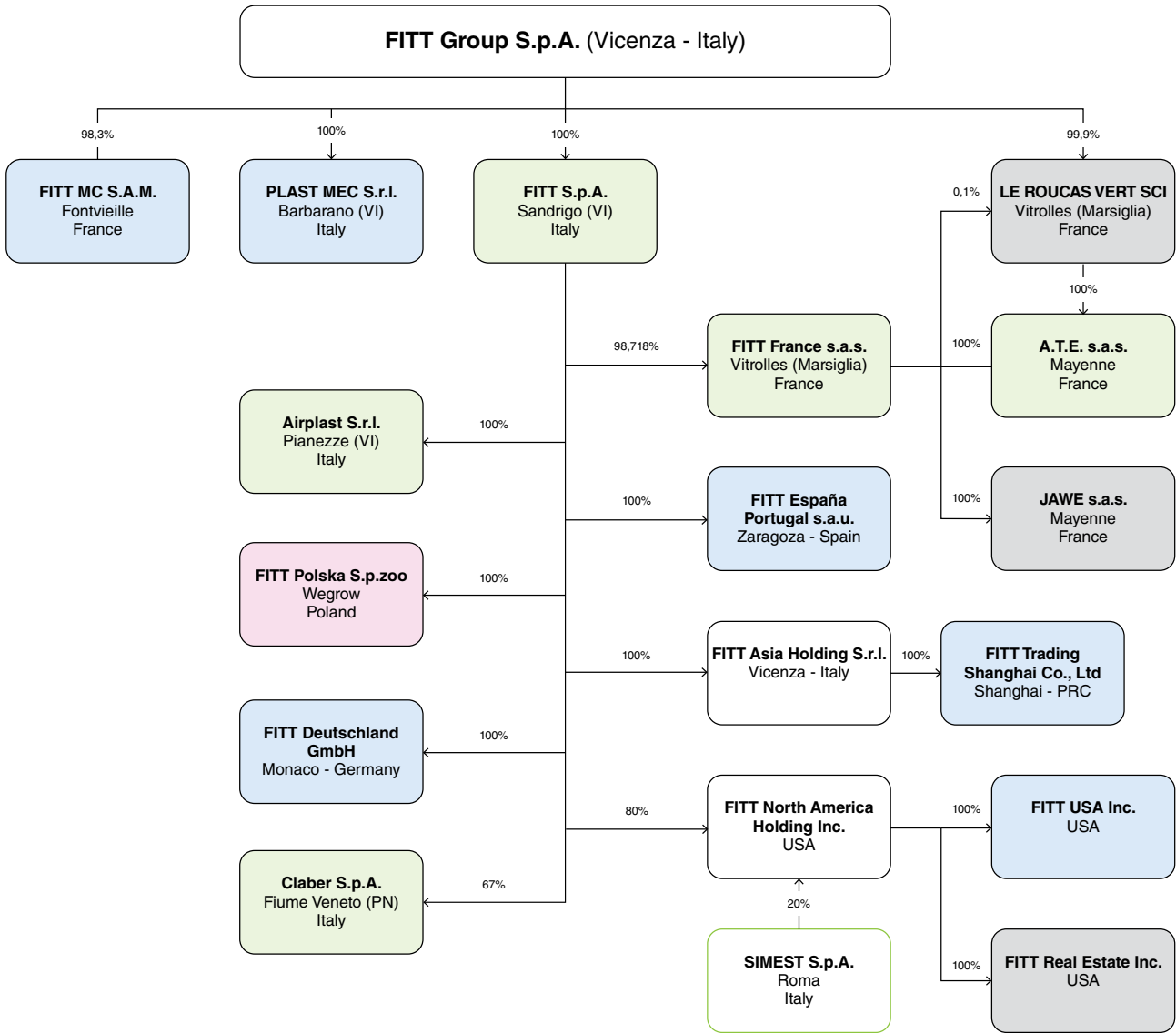
FITT GROUP S.P.A. also indirectly holds, through its operating parent company FITT S.p.A.:

- FITT FRANCE S.A.S.: commercial branch, 2 production plants and 3 logistics centres;
- FITT ESPAÑA PORTUGAL S.A.U.: Spanish commercial branch;
- FITT POLSKA SP. ZO.O.: production branch and logistics hub, both in Poland;
- FITT USA INC.: trading subsidiary and logistics partner based in Chicago, indirectly owned through FITT NORTH AMERICA HOLDING INC., based in North Carolina (USA);
- FITT TRADING SHANGHAI CO. LTD: commercial branch and logistics hub based in Shanghai indirectly owned through FITT ASIA HOLDING S.R.L.;
- FITT DEUTSCHLAND GMBH: German commercial branch (in liquidation);
- AIRPLAST S.R.L.: Italian company that designs and sells HRV system components;
- FITT REAL ESTATE, INC.: US real estate company based in Indiana (USA), indirectly owned through FITT NORTH AMERICA HOLDING INC., based in North Carolina (USA);
- CLABER S.P.A.: sales subsidiary, 2 production plants, 1 logistics centre.

FITT S.P.A. also indirectly holds, through its operating parent company FITT FRANCE S.A.S.:

- AGRI TUBE EXTRUSION – A.T.E. S.A.S.: sales subsidiary, 2 production plants, 1 logistics centre;
- JAWE S.A.S.: French real estate company owner of the immovable assets of the company A.T.E.





Composition of the Board of Directors
The Board of Directors of the FITT Group is made of 3 members. In the Boards of Directors of the main companies of the Group are 19 members, 14 male and 5 female.

1a Composition of the BoD	2023		
	Men	Women	Total
Under 30	0	0	0
30-50 years	2	2	4
Over 50	12	3	15
Total	14	5	19

INSIGHT

FITT's numbers
in 2023

Countries where FITT is present

100

Sites around the world

24

Production plants

14

Commercial branches

5

Logistic centres

15

Overseas logistics centres (USA+China)

2

Million Euro turnover

298

People

1,133

INSIGHT

Millions of metres of pipes
and hoses manufactured

241.6

Tonnes of rigid and corrugated pipe

36.1

Thousands irrigation controllers

260

Thousands Hose Trolleys

240

HRV system

600

Customers

5,568

Suppliers

3,577

Local suppliers (within 80 km)

37 %

1.2

business solutions

For more information, an in-depth section on FITT's solutions is available at [FITT.com/solutions](https://fitt.com/solutions).

FITT develops innovative and responsible solutions for transporting fluids, which are indispensable in everyday life. Its products are used in the following areas:

- 01



FITT Gardening Solutions
THIS IS the business area of the Group that produces gardening, irrigation, cleaning and outdoor living solutions, for both hobby and professional use.
- 02



FITT Infrastructure Solutions
THIS IS the business area of the Group that produces pipes and fittings for the pressure and gravity transfer of fluids – water and sewage – and dedicated to the integrated water service management utilities.
- 03



FITT Building Solutions
This is the business area of the Group that produces pipes, profiles, fittings and accessories for the passage of cables and the transfer of fluids in construction, such as rainwater and sanitary water.
- 04



FITT Ventilation Solutions
This is the business area of the Group that produces complete heat recovery ventilation systems, capable of guaranteeing the air quality of residential environments, energy savings and people's well-being.
- 05



FITT Industrial Solutions
This is the business area of the Group that produces professional pipes, hoses and fittings for the suction, compression, flow and supply of fluids – whether liquid, gaseous, aeriform or granular – in all industrial applications.

- 06



FITT Pool & Spa Solutions
This is the business area of the Group that produces pipes and hoses, fittings and accessories for water recirculation and the cleaning of swimming pools and whirlpools
- 07



FITT Food & Beverage Solutions
This is the business area of the Group that produces flexible and spiral hoses, for supply and suction systems, certified according to European and international standards, for the passage of liquids and foodstuffs.
- 08



FITT Marine Solutions
This is the business area of the Group that produces pipes and hoses for the transfer of boat fluids for various applications, such as sanitary drainage of grey and black water, ventilation, cleaning, engine cooling and bilge pumps.
- 09



FITT Agriculture Solutions
This is the business area of the Group that produces professional hoses for the irrigation of large areas, the transport of solid and liquid agricultural materials, the spreading of slurry, for low, medium and high pressure seeding machines, for pump irrigation and for cleaning livestock troughs.

Certifications for product conformity

IIP (ITALIAN INSTITUTE OF PLASTICS)

Accredited certification body for systems and products of the building division (sewer, building and pressure pipes).

LNE

French certification body for reaction to fire.

BUREAU VERITAS

Accredited certification body for the certification of the compliance of FITT products with UNI standards and with United States standards, for the sale of some products to the American market.

IMQ

Accredited national certification body for the certification of certain products: underground cable conduits for the Building division, and gas conduits for the Industrial division.

SGS ITALY

Certification body that awarded FITT BluForce and FITT Sewer EPD certification according to ISO 14025 standards. It also certifies the product Life Cycle Assessment (FITT Force, FITT NTS, FITT Ikon) according to ISO 14040 and ISO 14044 standards.

TÜV SUD ITALY

TUV SUD - certification body for swimming pool (EN ISO 3994) and compressed air (EN ISO 1402) piping systems. From 2023, it also monitors the product Carbon Footprint management system according to ISO 14067 - Systematic Approach.

LLOYD'S REGISTER

Accredited body for the certification according to ISO 8099 of hoses and pipes for the nautical sector

KIWA

Water adduction certifying body that certifies the suitability of products for the transfer of pressurised fluids, sewage and draining systems inside buildings and Heat Recovery Ventilation (HRV) systems.

CSTB

Accredited French Market body for the certification of products for the transfer of pressurised fluids and drainage systems inside buildings (pipes, hoses and fittings).

IPPR (INSTITUTE FOR THE PROMOTION OF RECYCLED PLASTICS)

Voluntary environmental product certification dedicated to products obtained from the recycling of plastic waste from separate waste collection or industrial waste.

Certifications for process conformity



TÜV SUD ITALY

ISO 9001:2015 - Quality Management System certification body for the FITT S.p.A, Plast Mec Srl and FITT Polska plants.

IMQ SPA

ISO 9001:2015 - Quality Management System certification body for the company Airplast Srl.

LLOYD'S REGISTER

ISO 9001:2015 - Quality Management System certification body for FITT France - French production site of Tricot.

APAVE CERTIFICATION

ISO 9001:2015 - Quality Management System certification body for FITT France - French production site of Saint Herblain.

1.3

mission, values
and vision

FITT mission

FITT exists to improve the business of its customers by supplying hoses, pipes and systems for the transport of liquid, gaseous and solid substances, with products at the forefront of technology, design and sustainability.

The value of identity

FITT is founded on simple but important values that, like in a constant flow, clearly and consistently show us what we should be and what we should do. Staying true to oneself is critical to achieving one's ambitions.

Experience	The independent pioneering approach has forged the soul of FITT, unchanged in over fifty years of history.
Innovation	Continuous technological research and creative thinking are the ingredients for the development of cutting-edge solutions.
Multiculturalism	The person at the centre and our international vision, are part of FITT's character and the way it operates.
Sustainability	The FITT Group has started an evolutionary process for improving its social and environmental impact.

FITT Vision

Passion to build together a sustainable future through innovative flow solutions.

The year 2023 marked the end of the vision that led to the integration of sustainability into the corporate strategy, and the start of a path that will define the vision of the Group for the coming years.

fitt believes that living in the present while also defining the future can allow to overcome the limits of imagination. to make a difference.

The history of the FITT Group

FITT, a leading international Group founded in Italy in 1969, is a pioneer in the production and development of highly innovative fluid transfer solutions for domestic, professional and industrial applications.

1969

The passion, innovative vision and creativity of Rinaldo Mezzalira spurred the start of this entrepreneurial adventure.

1975

In a few years, FITT gains a leadership position in Italy and consolidates its presence on the European market.

1993

FITT patents the revolutionary NTS (No Torsion System), which establishes its technological leadership in Europe and lays the foundations for entry into the US market.

2000

Decisive technological and commercial partnerships bring to an expansion of the commercial interests, taking the FITT range to America and Japan.

2019

FITT celebrates its 50th anniversary by including Sustainability among the pillars of its 2023 Vision and consolidating its presence in markets such as the United States and China.

2017

FITT implements an advanced digital ecosystem that allows direct access to the end user of the products.

2015

FITT looks to the future through its 2023 Vision. The pillars are the digital revolution, innovation and the centrality of the end user.

2007

The business enters its second generation: Alessandro Mezzalira takes control of the company.

2020

FITT starts measuring its sustainability baseline and the life cycle of its products through the Life Cycle Assessment (LCA).

2021

FITT becomes a Benefit Company and issues its first voluntary sustainability report.

2022

FITT releases "The Responsible Flow 2030", its sustainability strategy to 2030.

2023

FITT completes, through two strategic acquisitions, its move from offering single solutions to providing innovative and more sustainable fluid and air handling systems.

the business model, projected into a "glocal" future

The history of FITT is marked by two major turning points, bringing together its main strengths with an ambitious vision for the future, where the Group consistently strives to project itself, driving processes, products, and sustainable innovation forward.

With the start of its transformation in 2015 into a "market driven organisation", building on its operational leadership and established technology partnerships the Group has been implementing a strategy aimed at consolidating its brand through innovation and the central role of the customer.

It is precisely the strong focus of the organisation on listening to and reading the needs of markets and stakeholders, together with the generational transition and an increased awareness of its business, that has led in 2029 to a second major turning point, with the inclusion of sustainability among the pillars of the Vision and Mission of the company.

The decision to treat fluid transfer solutions as essential elements of everyday life in cities and production sectors, combined with research and innovation to make such solutions durable, effective and smart, leads to a virtuous challenge that meets contemporary and sustainable needs.



fitt has initiated the process of optimising its own industrial models with a look to doing business by generating economic, environmental and social value.



FITT has sales, logistic and production facilities in Europe (Italy, France, Spain and Poland), the US and China.

The Group operates on an international scale with multi-site production and logistics, to guarantee business continuity and the highest level of service to major customers, procurement centres and private individuals who purchase through digital channels, while at the same time centralising some of the functions that are of the utmost importance for its business model.

In particular, the parent company manages:

- The Research and Development area, which carries out innovation activities for the benefit of all the companies of the Group. Before being extended to the rest of the Group, new products and processes are initially tested at the Italian plants.
- Group marketing campaigns, delegating individual activities to the various branches of the target countries.
- Organisational and recruitment policies. FITT S.p.A. sets guidelines to be followed so that each company of the Group has an organisational structure capable of pursuing the corporate purpose. Recruitment activities are carried out at the respective locations, or at the Group headquarters for the more senior positions.
- Production planning. FITT S.p.A. oversees the production planning activities of the entire Group, delegating the implementation of such activities to the foreign branches. This allows for greater coordination and efficiency of the production processes.

FITT is a Benefit Company, and in addition to the object of making a profit, it has added in its statute the public and official commitment of a positive impact on society and the biosphere, operating in a sustainable and transparent manner.

FITT addresses sustainability challenges following a "glocal" approach, consolidating sustainable production and distribution models and combining a global vision with a local approach. This means bringing the production and raw material purchasing activities closer to the target markets. With this in mind, FITT is developing a strong growth plan that includes a strategy of mergers and acquisitions, to bring production and logistics closer to the end customer, with expansions into the US and French markets. The Group's projection into the future has already mapped out the next workflow: the transition from the development and marketing of a single product to its inclusion in the design of an integrated system allows FITT to present itself on the market with a broader and more complete offer and to generate a positive impact through more efficient water and air management. Concrete steps towards this new strategic direction were initiated in 2022 with the acquisition of Airplast Srl. The two acquisitions in 2023, Claber SpA and A.T.E. Drainage, represent its continuation.



Airplast is a company specialising in Heat Recovery Ventilation (HRV) and air distribution (HVAC) systems that has enabled the Group to increase its expertise and develop the FITT Agix offer, the new complete ventilation system particularly suited to the future transition to systems that can guarantee both cooler and healthier residential and commercial environments.



Claber is a company with more than fifty years of experience in the domestic irrigation sector, for which it offers innovative DIY solutions. For the Group, Claber is an opportunity to step into this market by developing integrated systems that ensure more effective and efficient water management.



A.T.E. is a company that designs and manufactures plastic solutions for the building sector, public works, green spaces, agriculture and sports fields, favouring the use of recycled materials wherever possible. Specialising in drainage and waste water management systems, A.T.E. has allowed FITT to enter the French market with a pipe-fitting system offer. With the acquisition of this manufacturing company, FITT is capable of reducing the environmental impact of its logistics activities by offering locally manufactured products to the market.

the responsible flow 2030

The scope of FITT's commitment towards sustainability is progressively growing: the strategy involves each and every level of the company, to ensure impact throughout the value chain.

→ 02

strategy and objectives for the future

The scope of FITT's commitment towards sustainability is progressively growing: the strategy involves each and every level of the company, to ensure impact throughout the value chain. "The Responsible Flow 2030" is FITT's sustainability strategy, developed during the year 2022 thanks to the work of the company Think Tank.

The strategy rests on three drivers – transparency, innovation and interdependence – which represent FITT's DNA, i.e. the characteristics that make it unique and define its way of doing business. As part of its strategy, FITT has defined qualitative-quantitative targets on the basis of the three ESG dimensions, with the aim of optimising its own industrial processes and create an increasingly sustainable business model.



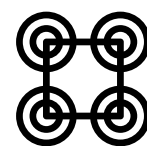
TRANSPARENCY

Know its own impacts by investigating the entire value chain and communicate them to the outside in a transparent manner.



INNOVATION

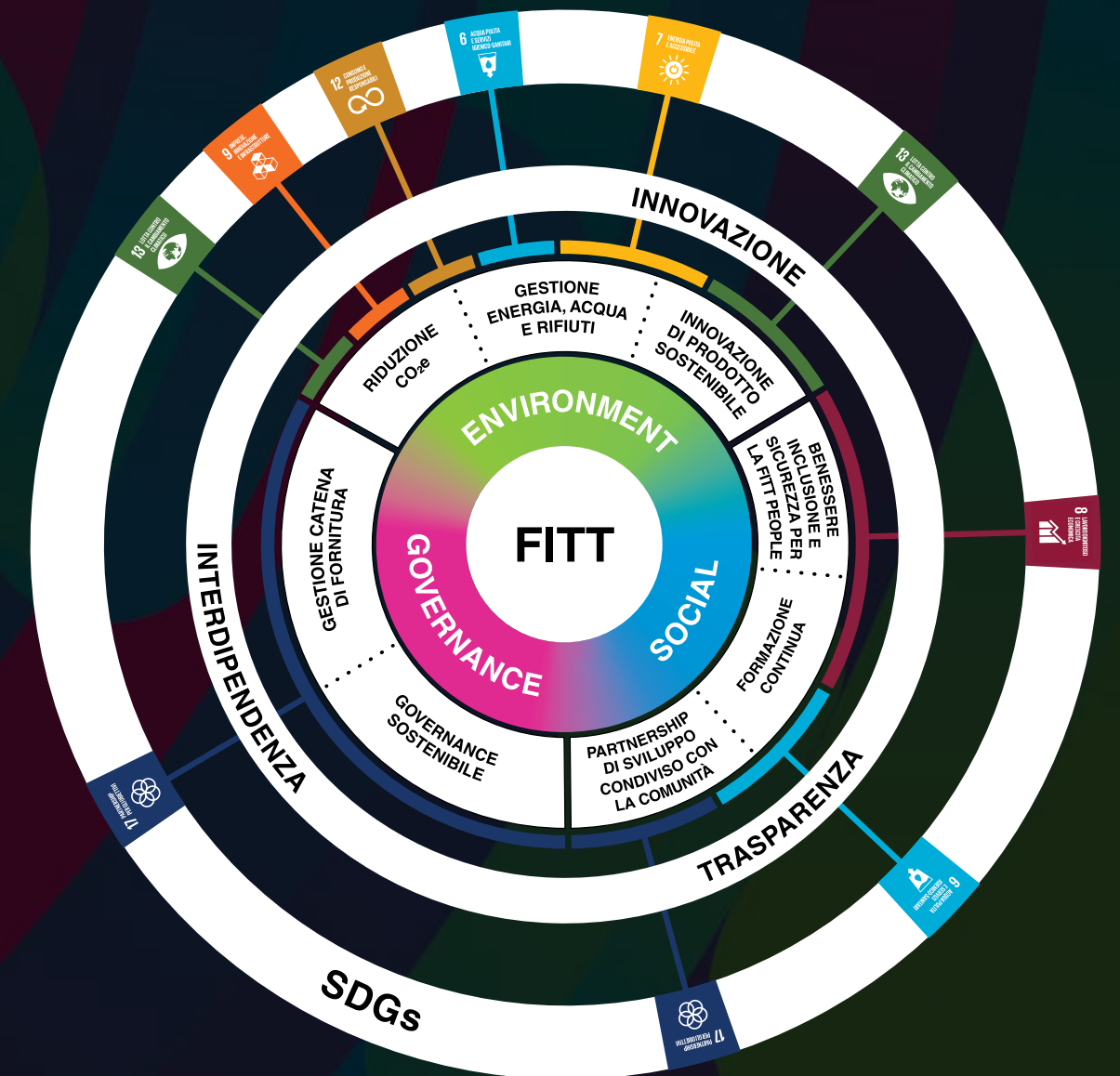
Invest in the continuous innovation of processes and products, and the culture of the FITT people, aware of the contribution it can bring to people and the planet, constantly evolving in its responsible way of doing business. The FITT People champion sustainable change inside and outside the organisation.



INTERDEPENDENCE

Maximise the positive impact on the community and the environment at the same time, and promote the responsible development of the sector, through partnerships with all the internal and external stakeholders.

The Sustainability Strategy of the FITT Group



These three drivers are both FITT's DNA, meaning the distinctive characteristics that define the

company and make it unique, and the way FITT implements its sustainability strategy.



For FITT, the concept of Responsibility is central to its awareness of its impact on the world and the community. An ideal balance needs to be found, which requires a path where time and work must be put at the service of continuous improvement at all company levels.



ENVIRONMENT

Invest in the research and innovation of processes and products to reduce the environmental impact by creating a synergy within its own value chain.



SOCIAL

Care for employees and the local and global community with the object of ensuring generative synergies and inclusion.



GOVERNANCE

Act as a responsible company by rewriting a new business model that creates shared value and positively affects the life of people and the environment.

PILLAR	TOPIC	OBJECTIVE
Environment	CO ₂ e reduction	10% self-generated energy by 2025. -10% energy intensity by 2030, calculated on the basis of the kWh to metres produced ratio.
	Energy, water and waste management	85% reuse of water at the production sites by 2025. No waste from the production plants to landfills by 2025.
Sustainable Product Innovation		8% turnover from innovative and sustainable products that produce -10% CO ₂ e than their traditional versions by 2025, LCA/EPD certified. Mapping the Carbon Footprint of 50% of our products by 2025 and 80% by 2030 (ISO 14067). Progressive recycled material use increase and investments for the study of post-consumer recycling chains.
Social	Create well-being, inclusion and safety for the FITT People	80% response to the company climate survey with 75% positive evaluations in 2025. Reduce workplace accidents by 50% by 2025 (FITT S.p.A.). Issue of a “diversity & inclusion policy”.
	Continuous education and career advancement	Activation of more than 90% performance dialogues. Ongoing sustainability training.
	Shared development partnerships with the community	Creating structural partnerships with local and international stakeholders to protect biodiversity and support initiatives in the areas of health, youth, women and people with disabilities. Involvement of the FITT People in partnership activities.
Governance	Sustainable governance	Refinement and consolidation of sustainability governance at business division level (Think Tank business). Recourse to ESG financing.
Supply Chain Management		Supply chain policy definition. Inclusion of all new suppliers in the sustainability assessment process.

reference sdgs and adhesion to the un global compact

FITT considers the United Nations 2030 Agenda and its 17 Sustainable Development Goals (SDGs) the main international framework for governments, businesses and the civil society.

FITT regularly analyses and compares the 169 specific targets to its common benefit objectives defined with its transformation into Benefit Company and its “The Responsible Flow 2030” strategy, in order to assess and map its own contribution to their realisation. The Group focuses on seven objectives.

2a The objectives of the FITT Group

SDG #6	SDG #7	SDG #8	SDG #9
			
Clean water and sanitation	Affordable and clean energy	Decent work and economic growth	Industry, innovation and infrastructure
SDG #12	SDG #13	SDG #17	
			
Responsible consumption and production	Climate action	Partnership for the goals	



Adhesion to the UN Global Compact

Since 2020, FITT has chosen to adopt international references by adhering to the UN Global Compact.

The UN Global Compact is an international network that brings together governments, businesses, United Nations agencies, trade unions and civil society organizations, to promote a sustainable global economy, respectful of human and labour rights, environmental protection and fight against corruption.

SUSTAINABLE DEVELOPMENT GOALS	FITT'S COMMITMENT FOR EACH SDG
SDG #6 Ensure availability and sustainable management of water and sanitation for all.	FITT complies with the quality standards for pipelines, to ensure safe water transport. FITT has set a target to reuse 85% of water in its production systems by 2025.
SDG #7 Ensure access to affordable, reliable, sustainable and modern energy for all.	FITT works to continuously improve the energy efficiency of its production processes and sites. FITT has chosen not to continue with the purchase of energy from renewable sources, embarking instead on the path towards self-generation of renewable energy, with a target of 10% self-generated electricity by 2025.
SDG #8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	FITT contributes to the social and economic context in which it operates. This means protecting the FITT People by ensuring adequate working conditions, promoting initiatives to improve health and well-being and skill development. FITT has set itself a target to reduce workplace accidents by 50% by 2025, to activate more than 90% of the performance dialogues, as well as training courses on sustainability issues.
SDG #9 Build a resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	FITT designs and manages its industrial processes with the best available technologies, for greater resource efficiency. FITT has set itself the target of achieving 8% of turnover from innovative certified low-impact products by 2025.
SDG #12 Ensure sustainable consumption and production patterns.	FITT measures all the production stages, from the supply of raw materials to the end of life, in order to reduce the environmental and social impact of its products. FITT has set itself the target of mapping 50% of its product range with a certified Life Cycle Assessment by 2025 and 80% by 2030.
SDG #13 Take urgent action to combat climate change and its impacts.	FITT is committed to reducing its environmental impact through mitigation and adaptation actions in its manufacturing, logistics and commercial activities. FITT has set itself the target of achieving 8% of turnover from innovative certified low-impact products by 2025.
SDG #17 Strengthen the means of implementation and revitalize the global partnership for sustainable development.	FITT promotes partnerships with its stakeholders (institutions, customers, voluntary organisations) at national and international level. FITT has set for itself the objective of creating partnerships with local and international stakeholders to protect biodiversity and support initiatives in the areas of health, youth, women and people with disabilities FITT adheres to the UN Global Compact.

from benefit company to strategy, 2023 at a glance

FITT's tradition of commitment has led to its transformation into a Benefit Company as an essential turning point in integrating sustainability into its corporate strategy.

2022 was the year of the development of "The Responsible Flow" strategy, while 2023 saw a change in governance, with the creation of the Sustainability Department and 3 new committees to oversee sustainability issues: social, procurement and environment.

In the light of the identified Sustainable Development Goals and consistently with the common benefit objectives, an action plan at all levels with focused targets has been issued for every year. Each action entails the involvement and responsibility of various area managers, in line with FITT's sustainability strategy, "The Responsible Flow 2030".

Continuing on the path started in 2021, FITT has renewed its commitment to the following environmental, social and governance activities.



managing change, aligning goals and expectations for a sustainable future: an energy flow that never stops, with constantly evolving forms of governance to keep it going.

INSIGHT

Timeline

2019

- FITT includes sustainability as one of the pillars of its corporate vision.

2020

- FITT starts measuring its own sustainability baseline.
- First materiality matrix.
- Sustainability training begins in the Office & Operations areas.
- Start of path for measuring products using the LCA.

2022

- FITT develops "The Responsible Flow 2030", its sustainability strategy to 2030.
- Second materiality matrix.
- FITT People awareness campaign regarding SDGs issues.
- Use of ESG financing.

2021

- FITT becomes a Benefit Company.
- FITT publishes its 1st Sustainability Report.
- Smartworking Policy (3wk).

2023

- Inclusion in the company chart of the Sustainability function and 3 new committees.
- FITT implements a product Carbon Footprint management system according to ISO 14067 - Systematic Approach

2024

- Start of the ISO 14001 certification process
- FITT aims to certify the carbon footprint of its organisation and to set emission reduction targets.



consistently with "the responsible flow 2030" strategy, annual action plans were defined at all levels, involving various area managers.



Environment

- FITT has chosen not to continue with the purchase of energy from renewable sources, embarking instead on the path towards self-generation of renewable energy, for which experience and skills need to be acquired within the company.
- In 2023, FITT completed the project for the installation of photovoltaic panels in the San Pietro in Gu production plant. This project will also be extended to the Sandrigo and Monsampolo production complexes in 2024, and other locations are also being evaluated (future Sandrigo car park, Fara Vicentino).
- In 2023, FITT started measuring all its own GHG emissions (Group Scope 1, 2, 3) with the aim, in 2024, to certify its company carbon footprint according to ISO 14064 and commit to reducing emissions by setting specific reduction targets.
- FITT has implemented a product carbon footprint management system according to ISO 14067 - Systematic Approach, verified by TÜV Italia S.r.l., in line with the strategic objective to map the carbon footprint of 50% of its products by 2025 and 80% by 2030.
- FITT has built a closed loop water circulation system in the Lugo plant and has started the construction of the same type of system also in the Fara Vicentino plant, which will be completed in 2024.
- 10% cent of the office targets of the 2023-2025 three-year Production Premium were linked to 3 objectives of "The Responsible Flow" strategy. Two of these are environmental objectives: achieving 3% of revenue from sustainable products by 2025 (-10% CO₂e emissions compared to the previous version of the product) and reaching 87 m³ in saturation level of vehicles during intercompany travel.



UN SDGs	PLANNED ACTION	2022	2023
#7	100% procurement from renewable energy sources.	✓	-
#12	Strengthening of ecodesign criteria for new products.	✓	✓
#13	Environmental Product Analysis (EPD) for new products.	✓	✓
#13	Purchase of carbon credits for compensating the production phase of innovative and sustainable products (-10% CO ₂ eq emissions compared to the previous version).	✓	✓
#13	Home-Work Travel Plan (HWTP).	WIP	WIP
#6	Reduction of water consumption in the production processes.	WIP	WIP
#12	Improved separate waste collection in all offices and facilities.	✓	✓
#13	Start of the ISO 14001 certification process	-	✓
#12	Evaluation of current and new suppliers from an ESG perspective.	✓	✓
#12	Procurement action plan following the Sustainability-ESG criteria.	WIP	WIP
#7	Design and construction of the first photovoltaic system (San Pietro in Gu plant).	✓	✓
#7	Design and realisation of additional photovoltaic systems.	✓	✓



Social

- Still ongoing in 2023 were the investments for improving safety measures on production facilities, to maximise the safety of workers and improve near miss awareness.
- FITT has implemented the improvement requests that emerged from the 2021 climate survey and the focus groups of 2022 in the Operations areas of the Sandrigo, San Pietro in Gu, Monsampolo, Occhiobello and Fara Vicentino production plants:
 - changes were made to the facilities of the factories: refurbishment of bathrooms, changing rooms and canteens, installation of HRV systems to improve air quality, new lighting, creation of waste collection areas, creation of coffee areas and prayer rooms for Muslim employees.
 - implementation of a process for mapping the capabilities of workers in Operations using the skill matrix and updating job descriptions.
 - continuation of the training program started in 2022, with courses aimed at improving the technical skills of staff, such as extrusion process training.
- 10% cent of the office targets of the 2023-2025 three-year Production Premium were linked to 3 objectives of "The Responsible Flow" strategy. One of these is a social objective: 100% of sustainability training participants passing the final exam.
- Increase of the sustainability training hours: from 791 to 934 hours of training delivered in 2023.
- FITT For School: FITT continues its commitment to raising awareness on sustainability issues in local schools, organizing events this year at the middle school of Fara Vicentino and the San Gaetano vocational school of Vicenza.
- FITT also maintains its partnerships with local non-profit organizations: Fondazione Città della Speranza, Il PomoDoro, and Women For Freedom.
- In May 2023, FITT collaborated with Women for Freedom to deliver a sustainability lecture during Professor Di Bari's Constitutional Law course at the University of Padua's Rovigo campus. In June, FITT participated in the "Social Sustainability and B Corp" event organized by Confindustria Vicenza, alongside Fondazione Città della Speranza.



UN SDGs		PLANNED ACTION		2022	2023
#8		Evaluation of employee skill profiles through a skill matrix. Annual follow-up of the "People Journey" of all employees, through the "People Review" (p. 151), collaborator vs. employee. Surveys translated into 4 languages (English, French, Spanish and Polish).		✓	✓
#8		Online survey on new needs in terms of welfare services/work life balance/volunteering/outreach to the external community.		-	✓
#8		Survey focusing on understanding job satisfaction and related working conditions and environment, skill development, pay satisfaction.		-	✓
#8		Online survey on perception of inclusion/diversity.		-	✓
#8		Corporate Welfare Plan with new dedicated agreements for employees.		✓	✓
#8		Drafting of a Diversity & Inclusion Policy.		WIP	✓
#17		Community Development actions with non-profit organisations.		✓	✓
#17		FITT for School - Social Skill Development Training School with Volunteer Employees.		✓	✓
#17		Corporate voluntary work days.		WIP	WIP
#17		Sustainability training for all the FITT People.		✓	✓



Governance

- In 2023, FITT obtained new financing lines totalling 70 million Euros from a pool of credit institutions - Crédit Agricole Italia, UniCredit, BNL, BNP Paribas, CDO, and SACE - to support its growth and internationalization plan. The transaction was linked to ESG improvement objectives, in line with "The Responsible Flow" sustainability strategy. The identified ESG KPIs are related to reducing energy intensity, decreasing workplace injuries, and promoting circularity with increased use of recycled raw materials.
- FITT's new suppliers have completed the SAQ supplier assessment questionnaire, a transparent way of qualifying suppliers with regard to ESG parameters.
- FITT implements its internal governance by creating the Sustainability Department and introduces 3 new Think Tank committees in addition to the 4 already in existence. The social committee starts operating in June 2023, with the aim of harmonising internal FITT People initiatives with community initiatives. The procurement committee starts operating in October 2023, with a 16-hour training course involving the purchasing, quality, finance, engineering, R&D, facility, logistics and sustainability departments. The environmental committee is planned to start in January 2024, with the addition of new strategic staff members.
- On request of its customers, FITT is present in the following rating platforms: Ecovadis, CDP, Integrity Next, Achilles and Smeta-Sedex. FITT received the Silver EcoVadis Medal in October 2023, with a lower score compared to the previous year, when it had obtained the Gold Medal. The worse result is primarily due to the change in the way points are allocated. Worth of notice is the score regarding the supply chain, which increased by 10 points thanks to the creation of policies and the promotion of actions on the subject.
- In 2023, FITT collaborated with B-Lab Italia to gather all the necessary information for the start of the certification audit. In light of its work with B-Lab, in 2023 FITT resubmitted its B Impact Assessment for the 2022 data, obtaining a submission score of 92.6, and is now awaiting a final audit by B-Lab Italia in order to obtain the certification.
- The ISO 14001 certification process has begun with the goal of certifying all Italian plants by 2026.



UN SDGs	PLANNED ACTION	2022 ¹	2023 ²
#17	FITT S.p.A. Legally becomes a Benefit Company	✓	✓
#17	Alignment of managers on shared environmental, social and economic sustainability objectives.	✓	✓
#17	Assessment of the performance of managers against sustainability targets.	✓	✓
#17	Issue of Sustainability Report with GRI criteria.	✓	✓
#17	Creation of the Sustainability Committee.	✓	✓
#17	Strengthening of the sustainability governance (creation of the Garden and Building Think Tanks).	✓	✓

materiality analysis

Sustainability reporting focuses on issues that reflect the impact, positive or negative and actual or potential, of the activities of the organisation on the economy, the environment and people – including on human rights –, and capable of significantly affecting the perception of the stakeholders. In addition to being the focus of sustainability reporting, these aspects are central in guiding the corporate strategy.

2022 led to an update of the materiality matrix through the filling of questionnaires, the organisation of focus groups and individual interviews with a larger group of internal and external stakeholders, with the aim of identifying a broader spectrum of needs and expectations.

For the preparation of this sustainability report, the analysis carried out the previous year and described below was considered representative and significant, as no significant changes in the internal and external context have emerged.

The company actively involved the FITT People in this process, with 65 workers responding to an online questionnaire and 9 individual interviews with Think Tank members.



through the materiality analysis, Fitt identifies issues of interest for its stakeholders, both internal and external.

To update its materiality matrix, in 2022 FITT interviewed 74 internal and 50 external stakeholders.



Special attention was paid to the involvement of external stakeholders through the distribution of 50 online questionnaires, with a 50% response rate.

In addition, a focus group was organised with 7 stakeholders (customers, suppliers and non-profit organisations) from different fields and countries.

This qualitative analysis tool made it possible to put the 7 stakeholders identified by FITT in direct contact with each other, creating an innovative way of approaching and investigating material issues. The focus group gave the possibility of identifying, for each country, different needs and ways of acting in connection with the topics discussed, although the objectives were often similar and shared.

A dashboard comparing the materiality analysis results, GRI requirements, ESG ratings, green finance commitments and targets and indicators relevant to The Responsible Flow 2030 was created, in order to build a cohesive and meaningful view of impacts and potential risks.

With respect to the three ESG areas, the creation of the comparison dashboard drove FITT to set out the activities that led to this sustainability report taking into account three key guidelines:

- Environment: substantial alignment between strategy, materiality analysis, Cerved's ESG rating and refinement of the set of monitored indicators;
- Social: substantial alignment to be completed with quantitative targets relating to community partnership activities;
- Governance: work area considered strategic by the Group; to be strengthened as far as some aspects regarding the definition of the goals.

This diagram shows the areas and topics of the questionnaire submitted to internal and external stakeholders.

		REF. MATRIX	DESCRIPTION
Environment	Resource circularity and process	1	Management practices to reduce raw materials and emissions throughout the product life cycle and production processes; reuse, recycling, recovery and redesign of various waste materials. It is important for FITT to ensure the responsible use of water resources by avoiding water waste and losses, to maximise the reuse of waste, know the impact of its products throughout their whole life cycle, using the Life Cycle Assessment tool, and use packaging with less environmental impact.
	Carbon reduction	2	Reduction of greenhouse gas emissions associated with the business activities.
	Product sustainable innovation	3	Research and development of new solutions and materials with low environmental impact for products and production processes. It is important for FITT to consider, starting from the design of its products and also during production, not just performance improvements but also innovative solutions that avoid water wastage and losses during use. FITT certifies the environmental performance of its products (e.g. EPD and Carbon Compensation).
	Customer health and safety	4	Prioritise end-user and customer satisfaction through the development of procedures and systems for monitoring and managing their satisfaction and any complaints.
Social	Employee professional growth	5	Programs and activities for the continuous update of the knowledge and skills of company employees.
	Employee well-being	6	Management of various activities to ensure psychological and physical well-being and work-life balance.
	Diversity, Equity and Inclusion	7	Gender, cultural, ethnic, social, religious diversity of employees and other stakeholders seen as a wealth of values and contributions for corporate change activities.
	Projects with local communities	8	Involvement of the company in various initiatives and projects in collaboration with the local community (schools, voluntary associations, small businesses), to support the social and economic development of the area.
Governance	Business ethics	9	In addition to ensuring compliance, ethical corporate behaviour (based on transparency and fairness towards all internal and external stakeholders) also sets the company apart in terms of its social sustainability values.
	Sustainability governance	10	The set of policies and procedures that govern the organisation and management of the activities of the company for positive environmental and social sustainability impacts.
	Risk management & shared value	11	Managing risks to the safety of employees, the environment and the business is a fundamental corporate obligation to ensure good economic performance and maintain a sustainable organisation over time, and to ensure positive benefits and impacts for both customers and the various stakeholders. It is important for FITT to build partnerships with stakeholders that have a positive impact on the community.
	Sustainable supply chain	12	A sustainable supply chain includes the evaluation and selection of suppliers also based on social and environmental criteria that follow the best existing standards.

The matrix is streamlined in terms of topics compared to the previous edition, due to a smaller number of topics for which definitions and links to FITT's business have been shared. The matrix shows the 12 issues considered of importance by FITT and its stakeholders, positioned on the relevant axes.

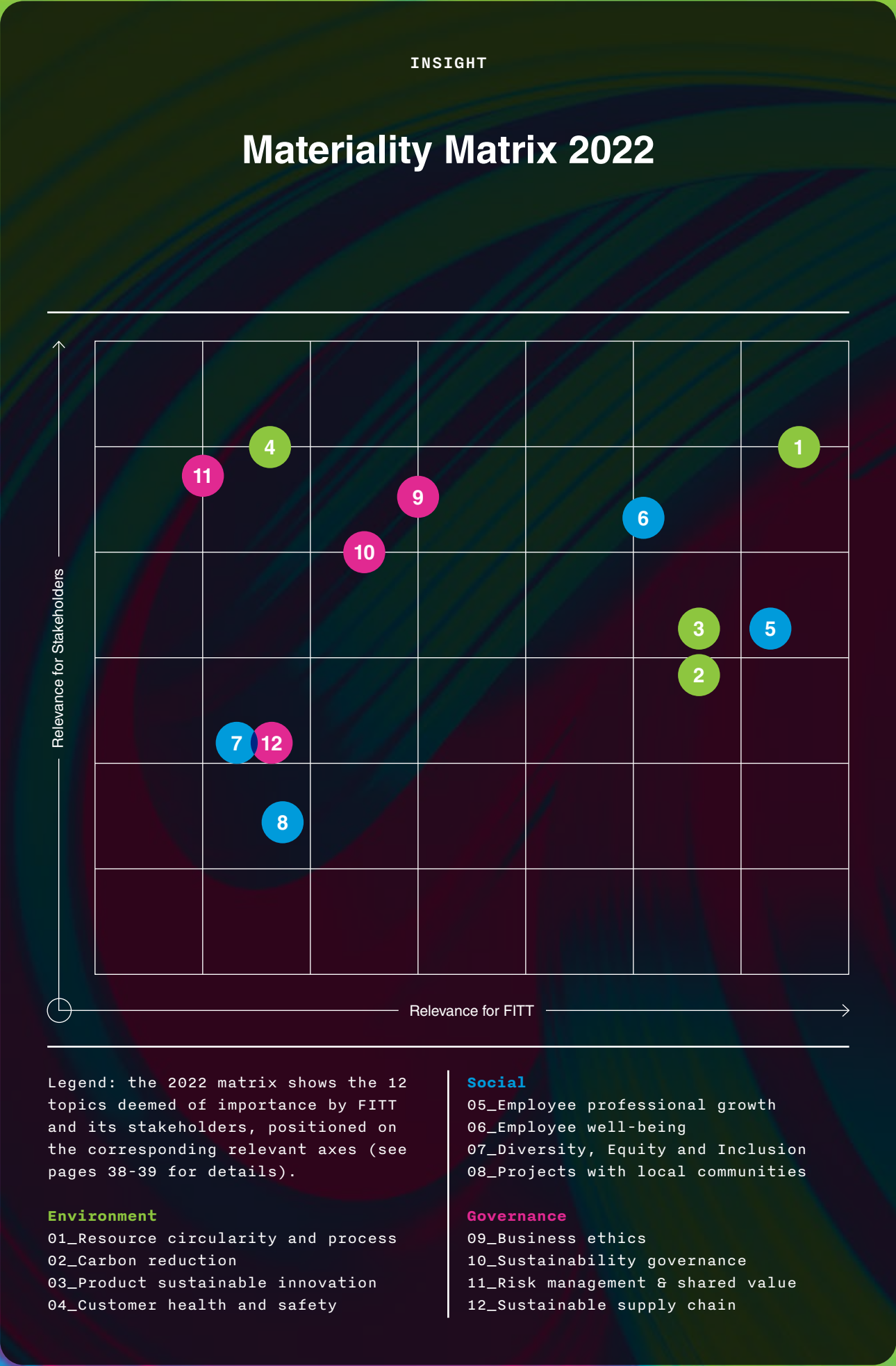
The materiality analysis shows a very clear focus on environmental issues related to circularity and sustainable innovation of products and processes and carbon reduction, as well as an area of work related to the FITT People in terms of well-being and professional growth.

With regard to the environmental dimension, FITT's approach is again focused on process and product innovation, supported by scientific analysis and certification. This can be seen in the application of the ecodesign guidelines, the extension of the Systematic Approach, the use of regenerated materials, in the investments for reducing emissions from Italian plants and the study of future post-consumer recycling chains. The chapters "Stream of production" and "Spreading innovation" describe in more detail the main environmental initiatives implemented during the year.

Issues relating to the well-being and professional development of the FITT People are also important to both stakeholders and FITT, having a central role in the company's development and the importance of developing talents and potential, including through work-life balance programs. The "Innervating people energy" chapter describes in more detail the main personnel initiatives dedicated to the FITT People implemented during 2023.



in 2022, the materiality matrix, the last version of which dated back to 2020, was updated through questionnaires, the organisation of focus groups and one-on-one interviews with internal and external stakeholders.



2.5 stakeholder engagement

The involvement of its Stakeholders represents for FITT an opportunity to understand their needs and expectations, which can then be used as guidelines for the definition of its business strategies.

In addition, FITT views the dialogue with the Stakeholders as a tool for managing and anticipating changes, with the aim of improving its offer of services and products but also for identifying the needs and expectations of its employees and the community.

Employees and external collaborators

They are highly competent individuals, with the interest of operating in an environment that recognises the value of people and stimulates their professional profile, guaranteeing opportunities for growth, professional development and good work-life balance.

International customers

Very different figures, such as: retailers, commercial distributors, private customers, construction companies, local retailers, companies of various sectors and agricultural and infrastructure consortia.

Suppliers of products and services

Mainly of raw materials needed to manufacture FITT products.

Public institutions

They set the standards for the sectors and the territories in which the company operates. They have an interest in FITT continuing to comply with the relevant regulations.

Local community

Entities belonging to the Third Sector, civil society, PA, and citizenship at large. They have an interest in FITT preserving its capability to operate in full respect of the territory and the environment, to nurture the local community and support social and cultural activities for the development of the territory.

Trade unions

They call for responsible business management, full enforcement of labour standards, involvement and timely information on issues relevant to the people of the company.

One of the challenges of the Group is to strengthen relationships with all organisations and individuals that are affected by or can affect our activities, in order to share improvement goals and create shared value together.

With this in mind, some stakeholders were involved in the process of reviewing the materiality matrix, as described in the dedicated chapter. The real cultural change came with the progressive contamination of the relational contexts and the engagement of the stakeholders in "The Responsible Flow 2030" strategy, which enriched the path defined by the Group with opportunities for sharing ideas and, above all, co-design.

Some examples of stakeholders engagement:

- Fondazione Città della Speranza (City of Hope Foundation)
- Women for Freedom
- Marcesina
- Adeo supplier meeting
- Greentech Conference
- Green Week - panel promoters and organisers
- Ukraine Business Compact
- FITT Experience
- Confindustria Vicenza
- Viveracqua
- Road to Social Change
- Global Compact
- Business and Finance Award
- Sant'Anna University School of Pisa | REACH & RoHS Conference
- GAFA
- JDC
- AQUANALE
- PROPAK CHINA
- BigMarket
- 16th YouTrade National Conference
- IATT No Dig Live
- ISH
- CYLC'EAU BORDEAUX



09 May 2023 | Sandrigo FITT HQ
Road to Social Change
"Train, transform and create systems"



05 May 2023 | Parma
Green Week
Green Economy Festival



13 July 2023 | Pisa
REACH & RoHS Conference
Sant'Anna University School



managing the flow

Managing change, aligning goals and expectations for a sustainable future: an energy flow that never stops, with constantly evolving forms of governance to keep it going.

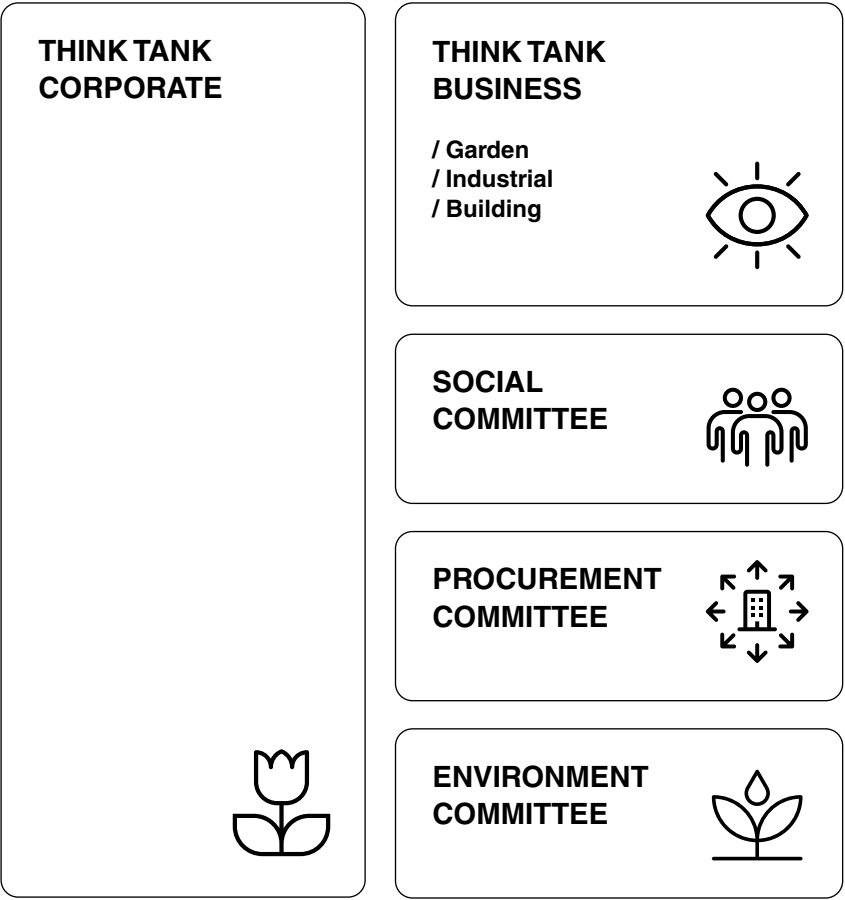
→ 03

3.1

sustainability
governance

A new governance structure for sustainability was introduced in 2023, aimed at implementing working processes that allow for greater involvement of the FITT People in the development of the sustainability strategy. This evolution responds to the need to adopt a business model that reflects FITT's commitment to generating a positive impact on sustainability issues. The company does not consider sustainability only as a compliance issue, but intends to have a governance structure capable of supporting the definition of the strategic orientation of the Group, closely integrating the sustainability strategy with corporate growth.

This is the reason that led to the creation of the Sustainability function and the strengthening of the sustainability bodies, already operational in 2022, through the introduction of three new committees. Therefore, to date we have:



INSIGHT

Think Tank
Corporate

The **Corporate Think Tank**, FITT's decision-making body on ESG issues, with the aim of monitoring strategic objectives and drive the implementation of the corporate strategy.

The committee brings together all the corporate functions.

Members:

- CEO
- CFO
- Division Directors
- HR Director
- Sustainability Manager
- Sustainability & Environmental Specialist
- Flexible Operations Director
- Group Quality Manager
- Community Manager
- R&D Manager

TOPICS:

During 2023, the **Corporate Think Tank** discussed and approved the following projects:

- the new sustainability governance structure that led to the creation of 3 new committees
- the extension and reorganisation of sustainability training for the creation of a widespread corporate culture
- the evaluation of renewable energy procurement methods
- ISO 14001 certification, ISO 14064 certification (GHG protocol - company carbon footprint)
- approval of the ESG KPIs linked with the bank loan agreed in 2023.



Think Tank Business

- 1_Garden Think Tank
- 2_Industrial Think Tank
- 3_Building Think Tank

The **Business Think Tanks** are the decision-making bodies of each division, to transform what is defined by the corporate strategy into concrete business plans. The Business Think Tanks represent the link between "The Responsible Flow 2030" and the market. It is here that the processes relating to market analysis, product development and the creation of strategic partnerships find the highest expression in terms of sustainability, supported by corporate processes.

Members:

- Division Director
- Division Marketing Manager
- Sustainability Manager
- Sustainability & Environmental Specialist
- Brand Manager
- Product Manager
- Sale Manager
- Product Developer

TOPICS:

During 2023, the topics dealt with were mainly product development issues based on ecodesign guidelines, with a special focus on communicating the product carbon footprint to both the consumer and the B2B worlds.

Disclosure to the market will take place in 2024.



Sustainability Committees

SOCIAL COMMITTEE

Members:

Sustainability Manager, Corporate & Learning Manager, Recruitment & Internal Mobility Manager, Community Officer.

The committee began its work by focusing on creating a shared overview of all the people and community activities carried out over the past two years. A contribution to the creation of the climate survey was made at the end of 2023.



PROCUREMENT COMMITTEE

Members:

Procurement Managers, Group Quality Manager, Sustainability Manager, HSE & Sustainability Specialist.

In order to create shared expertise on SUSTAINABLE SUPPLY CHAIN, the committee underwent training on "Procurement, Supply Management and Sustainability" before officially starting its work in January 2024.



ENVIRONMENT COMMITTEE

Members:

Facility & Energy Manager, HSE Manager, Logistic Manager, Sustainability & Environment Specialist, R&D Manager, Operations Director, Operations Manager Building Division, Sustainability Manager.

The committee will become fully operational in January 2024, after the addition of two new essential figures: the Facility & Energy Manager and the Operations Manager of the Building Division, to ensure effective operation of the team.





FITT Bluforce, made of PVA, is the high performance solution for drinking water networks and irrigation systems.

Building

In the Building trade, the awareness of the topic is developing in both the private and public sectors: the former is moving towards the definition of the sustainability requirements within products, but also the first requests for certifications attesting to the sustainability levels of the solutions offered by suppliers. On the other hand, the public sector pays attention to environmental impacts by including energy and environmental sustainability criteria in Legislative Decree 36/2023 "Public Contracts Code".

During 2023, the Business Think Tank developed two parallel routes to address specific challenges arising from two sectors: infrastructure and housing.

The section of the business dealing with infrastructures worked to meet the Minimum Environmental Criteria (MEC) requirements for public works contracts. Significant efforts were made during the year to align the products used in the sewerage sector with these requirements, which resulted in FITT Sewer Evo, the only MEC-compliant compact pipe, achieving an extremely competitive position in the market.

The increase in regulations on the environmental impact of products is having a major effect on the market and is creating ample growth opportunities for companies who, like FITT, have turned their sustainability commitments into tangible actions. One example is FITT Bluforce, a product that stands out for its innovative technical features that guarantee high quality, whilst also significantly reducing the environmental impact of its use, and which, therefore, represent a key competitive advantage in the market.

On the other hand, as far as the residential building sector, work has been done on the FDES certification of products, specifically for the French market, anticipating the regulatory obligations that will come into force in 2025.

Over the past two years, the division has been a key player in the change of strategy of the Group, increasingly focusing on offering an integrated system. This was made possible by the acquisition of Airplast in late 2022 and A.T.E. in 2023. The first operation led to the creation of air-conditioning systems that combine heat recovery ventilation with smart monitoring systems, for better air management in different rooms. The acquisition of A.T.E. not only paved the way for the development of complete drainage systems, but also allowed the relocation of part of the production to France, which reduced the impact of logistics activities.

During the year, FITT initiated a collaboration with Viacqua, the company that manages the integrated water service of the province of Vicenza, which led to FITT holding meetings to illustrate the reality of Benefit Companies and B Corporations. This collaboration will be described in more detail in the Community Connection chapter.



FITT NTS Eco is the garden hose that combines outstanding performance with a reduced environmental footprint.

Garden

Although the market is still in its infancy in terms of sustainability, FITT has been able to differentiate itself by developing expertise in measuring the environmental impact of its products. This represents one of the most significant innovation efforts in order to achieve a market leader position. Following the roadmap outlined by the Business Think Tank, the Garden division launched a series of products made from recycled materials, whose emissions were reduced and offset and whose packaging was revised.

The tangibility of FITT's actions is also recognised by major international players, who have helped the company achieve a significant increase in turnover in 2023 in the US market, thanks to an increased presence in large-scale retail.

Finally, the acquisition of Claber represents a fundamental step of the growth strategy of FITT, allowing it to present itself to the market with a greater capacity to generate a positive impact, offering products with a reduced carbon footprint and systems that enable the consumer to manage water resources efficiently.



B-Active Flex & Rigid hoses & pipes ensure maximum safety, strength and durability in any swimming pool.

Industrial

Market pressures on sustainability are very limited and depend largely on the specific sensitivity of the individual operator. Combining high performance and sustainability objectives is the challenge of the FITT's Industrial division on which the Business Think Tank is working, particularly in terms of reducing raw materials and using recycled materials.

It is important to note the positive trend of companies moving towards these issues. For this reason, FITT is committed to engaging customers and partners in sustainable collaborations. In addition to the two projects resulting from the partnership with Fluidra, 2023 also saw the design of a product also involving Renolit, an international company specialising in plastic films and products, with applications also in the swimming pool sector. The result of this project was threefold: the creation of a product made of regenerated materials following a circular perspective, the reduction of CO₂ impact, and the donation of a share of the turnover from the product to the Fluidra Foundation.

FITT Revix, the result of this collaboration, will be discussed in more details in the Spreading Innovation chapter.

3.2

business ethics

All the activities and relations of the FITT Group, both internal and external, are driven by respect for the principles, values and rules of conduct outlined in our Code of Ethics.

The Code of Ethics is for FITT a transversal guiding tool of corporate social responsibility addressed to the Directors, Auditors, Executives and Employees of FITT, as well as the confirmation of compliance with Italian Legislative Decree. 231/2001, and also a point of reference for new growth opportunities on many levels.

The values at the basis of its drafting are the result of an internal discussion process involving a cross-functional team which, through a collaborative bottom-up process, led to the identification of the values of the FITT People:

#respect

We care about our relationships with others, we take into account diversity, and the ideas of everyone in our company.

#responsibility

We all share the success of the company.
Each of us is responsible for our own role.

#teamwork

We work together to build our future.
Collaboration and sharing ideas and practices are part of our daily work.

#think positive

We love what we do and believe in the future, to the shaping of which we all contribute.
We face common challenges with a positive outlook.

#be brave

The future that we want to build is challenging and we want to face it with energy and courage.

The Code of Ethics is therefore the result of intensive internal participation and an inclusive approach, with the objective of guiding our strategic thinking, our chosen behaviours and the evaluation of those of others. In this way, we succeed in combining moral and managerial aspects, individual and corporate responsibilities, personal and collective.

INSIGHT

FITT's Ethical Principles

Every day, the FITT People are committed promoting the ethical principles that form the backbone of FITT:

- | | | |
|--|--|---|
| #1
The value of the individual | #2
Listening, respect and predisposition to dialogue | #3
Sharing and shared responsibility |
| #4
Integrity and Transparency | #5
Fairness and absence of conflicts of interest | #6
Confidentiality and privacy |
| #7
Fighting corruption | #8
Fair competition | #9
Anti-money laundering |
| #10
Financial integrity and accounting transparency | #11
Research, innovation and intellectual and industrial property | #12
Respect of human rights |
| #13
Protection of the environment | #14
Occupational health and safety | #15
Compliance with the laws and regulations of the countries in which FITT operates |

Every day, the FITT People are committed to upholding the ethical principles that form the basis of the existence of the company.

Since 2018, the most significant subsidiary in terms of size, FITT S.p.A., has adopted the organisational and management model pursuant to Legislative Decree 231/01, only relating to environmental and safety offences, which was then updated in 2022.

In 2021, FITT S.p.A. also adopted a “whistleblowing” procedure, updated in June 2023 with the entry into force of Legislative Decree no. 24/2023, which provides for various channels through which reports of unlawful behaviour can be forwarded. These channels guarantee the confidentiality and anonymity of the reporter in case of anonymous reporting.

In 2022, following the update of the model, a training program on Legislative Decree 231/2001 involving all the FITT People was also put in motion, and then continued in 2023.

To date, the training has been delivered to colleagues of the following areas: Health, Safety and Environment, Purchasing



and Administration, Human Resources, Building Division, Product Research and Development. The training will also continue in 2024 and will also involve newly appointed company personnel, in line with the "Induction" plan adopted by FITT S.p.A.

At the same time, in accordance with Legislative Decree 231/2001, the Supervisory Board appointed by the company carries out its activities for ascertaining and monitoring the compliance of the company with the Management Model, in accordance with its activity plan, approved every year and which entails approximately four audits per year.

The focus of the FITT Group on conducting its business ethically is evidenced by the fact that there were no cases of declared non-compliance with laws and regulations during the two-year period. In addition, all Group companies were analysed for corruption risk and no causes for concern were found.

risk analysis, green finance and esg ratings

Drought was one of the main challenges faced globally in 2023. Much of Europe has suffered from a lack of rainfall, with major impacts on agriculture, water supplies and the environment. In Italy, the lack of rain and snow caused a significant drop in lake and river levels, and led several municipalities to adopt drinking water rationing measures. Long periods of drought and extreme weather events linked to climate change will continue to pose significant challenges in the future.



the risk assessment is constantly monitored and updated at least once a year.

For FITT, these elements become constitutive of its strategic projection, in which water management becomes central, not only for its business, but also, and above all, for its potential to generate positive impacts in terms of rationalising consumption, resource management in residential, urban and industrial situations, and recoverability. In addition, the management of operational and market risks is increasingly linked to global processes (raw material sourcing, transport, etc.) that must necessarily be monitored and controlled with a view to sustainability.

In FITT, the risk assessment today mainly relates to financial risks and the Quality Management System (ISO 9001), and is carried out by FITT S.p.A., taking into account both internal and external factors. A SWOT Analysis is carried out on a regular basis, with the aim of identifying risks and opportunities for the company and the impact on stakeholders. The risk assessment is constantly monitored and updated at least once a year, or in case of significant internal or external events.

INSIGHT

Green Finance e rating ESG

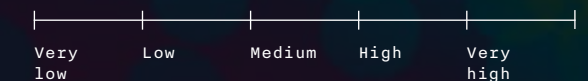
In addition to the 10 million Euro non-convertible bond loan based on financial and ESG covenants and the three green loans agreed in 2022, FITT obtained new financing lines of 70 million Euros from a pool of credit institutions, including Crédit Agricole Italia, UniCredit, BNL BNP Paribas and CDO, with SACE intervening to partially guarantee the credit line, linked to internationalisation in the American market.

ESG SCORE



VERY HIGH PERFORMANCE

BREAKDOWN OF ESG SCORE BY SECTION



In line with previous operations, this financing was linked to ESG targets relating to energy efficiency plans, reduction of workplace accidents and use of recycled raw materials.

This financing offers to FITT the opportunity to consolidate its presence in foreign markets, develop innovative products along ecodesign

lines and expand its product range to include complete systems for more effective resource management.

For these operations, FITT has been subjected to ESG rating by Cerved since 2022, achieving an ESG Score of 76 points out of 100 (corresponding to a "Very High" performance rating), which represents an improvement on the previous year.

The word to Unicredit

The word to the FITT stakeholders



GIANLUCA LEONARDI
ESG Expert Region Nord Est
ESG Italy - UniCredit SpA

1_UniCredit supports FITT's sustainable development plans through a solution designed to support companies committed to improving their sustainability profile. What are the characteristics of these products and how are issuers and companies selected?

UniCredit offers a comprehensive range of ESG products to finance the different needs of the companies, depending on their stage of transition towards sustainability. Products are selected according to the intervention priorities identified through the materiality matrix. The "use of proceeds" financing is intended for projects with a positive impact on the environment, such as renewable energy and green building, in line with EU Taxonomy.

Sustainability Linked Loans are an incentive for companies to achieve sustainability goals and make loans more profitable if these goals are met. All companies can - and indeed must - increasingly use tools consistent with their sustainability paths in order to achieve, by 2030, the intermediate targets set by the 2015 Paris Agreement, in view of the carbon-neutrality targets set for 2050.

Solutions can be standard or customised, adapted to the size of the company and the maturity of the transition path undertaken.



GIOVANNA IVANA NEFFAT
Responsabile Banking Academy Program
ESG Italy - Unicredit SpA

2_From your point of view, what are the prospects for sustainable financing provided to customers?

Climate change and acute phenomena represent a new risk factor that makes it necessary to financially support companies that have adopted transformation strategies. The finance sector must therefore channel investments towards low-emissions and circular economies, to improve working conditions.

All this is demanded by the market in its broadest sense: consumers, supply chain leaders and banking regulations (EBA). Sustainable financing is therefore set to grow, supporting companies in their medium-term investments and development plans.

3_How did Road to Social Change, which also saw the collaboration of FITT during the last edition, come about?

Road to Social Change is the training and culture creation path on integral sustainability, which UniCredit is offering free of charge from 2021 through the ESG Italy Banking Academy. Integral sustainability represents an important business approach capable of combining economic performance and the necessary reduction of environmental impacts with an inclusive perspective intentionally aimed at reducing inequalities.

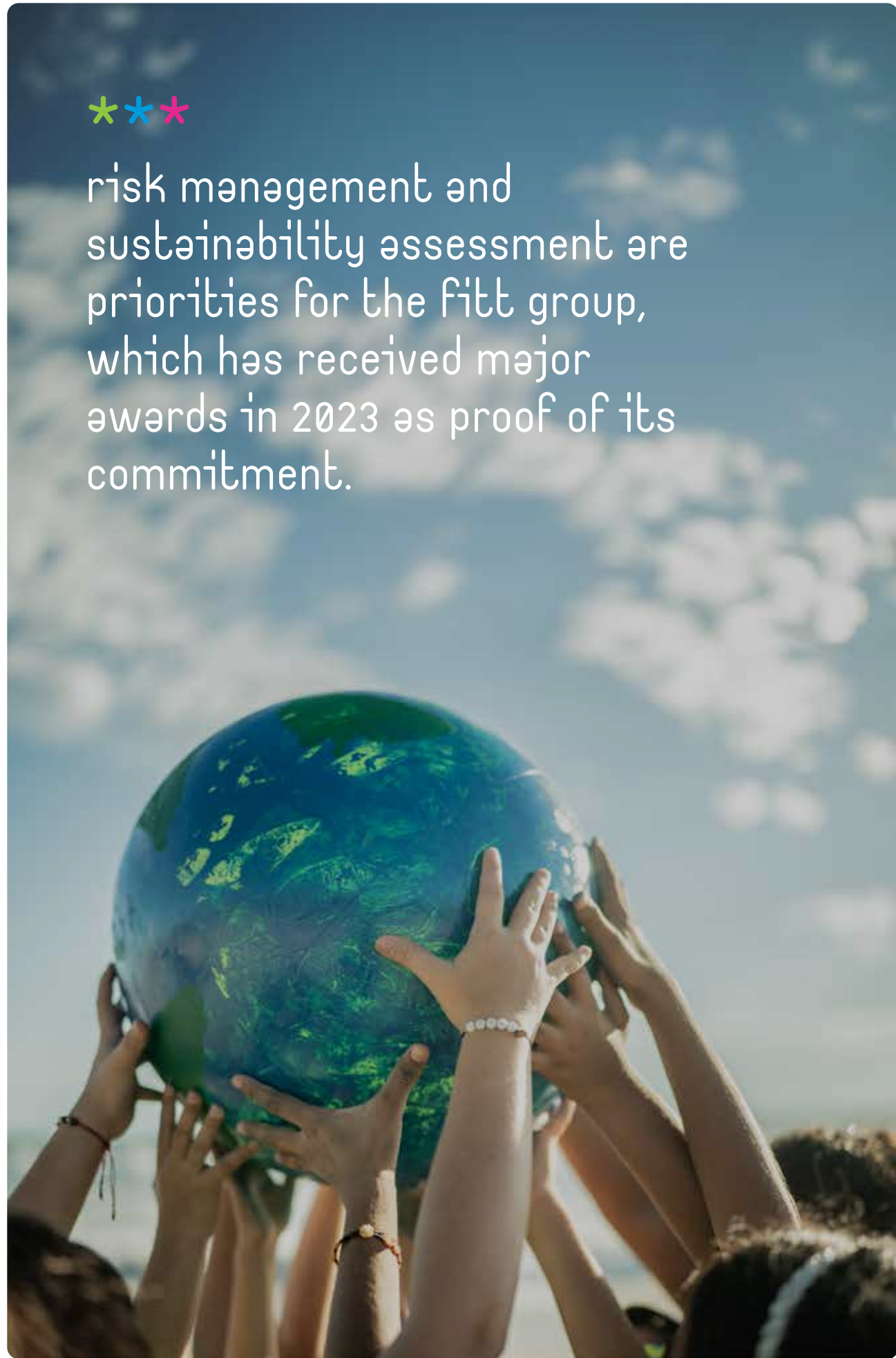
For this reason, the course is aimed at multiple recipients (companies, non-profit organisations, institutions) with the objective of supporting and encouraging a cultural change towards integral sustainability, involving all players

in a shared perspective of value creation to increase skills and motivation on environmental, social and economic issues, with the intention of linking and integrating them with the well-being and protagonism of communities. The third edition, which started in Vicenza in 2023, was attended by sector experts and companies from the profit and non-profit world that have made integral sustainability a pillar of their corporate strategy. Among them, FITT S.p.A. shared its best practice on creating economic value by improving the environment and people's lives.

4_ What are the results of these first 3 years of activity?

Since 2021, Road to Social Change has reached over 6,000 beneficiaries and involved 2,050 companies in Italy. In 2023, the program involved 1,800 beneficiaries among SMEs, non-profit organisations and representatives of institutions. During the three editions, 800 Social Change Managers, professionals capable of supporting sustainable transition within companies, were trained and certified, having completed a training course and a final assessment.





risk management and sustainability assessment are priorities for the Fitt group, which has received major awards in 2023 as proof of its commitment.

Ecovadis



As evidence of the Group's commitment and continuous improvement in the area of sustainability, here are the ratings obtained by the Group in 2023.

FITT obtained the Silver EcoVadis Medal and saw a decline in its score compared to the previous year.

This was due to a change in rating method, in which, however, the work done during the year in creating policies and promoting actions relating to the supply chain was also recognised, resulting in a 10-point increase for the category.

EcoVadis is the world's first and largest platform for sharing information on sustainability performance in the supply chain. It is based on major international standards, such as the Global Reporting Index (GRI), the 10 principles of the Global Compact and the ISO 26000 standard, and investigates four corporate areas: environment, labour and human rights, ethics and sustainable procurement.

Carbon Disclosure Project



In 2023, it obtained a score of C. Participation in the CDP allows FITT to manage its climate strategy by committing to carry out a thorough risk analysis and set timely reduction targets.

CDP (Carbon Disclosure Project) is an international non-profit organisation that enables companies to disclose and report their own risks connected with climate change and communicate their environmental performance to stakeholders.

Achilles



FITT was awarded a silver medal in its first year of participation to the Achilles platform.

The assessment takes into account the approach of the company as regards to ESG issues and sustainable supply chain management, and enables the same to monitor its performance with a view to delivering increasing value to customers.

3.4 creation and distribution of shared value

In 2023, the trend of declining demand continued, resulting in a drop in sales. Additionally, there was a decrease in energy and raw material costs compared to the previous year.

The distribution of turnover among the Business Units of the FITT Group remained at levels similar to the previous year, with a slight decrease in the Industrial BU (-5.7%) and an increase in the other two: +2.6% Building and +0.6% Garden.

3a		Voci	2022	2023
Fatturato per business unit (€)				
Fatturato totale			305.504.976	298.318.218
Garden			117.511.074	131.048.111
Industrial			50.595.619	47.922.400
Building			137.398.283	119.347.707

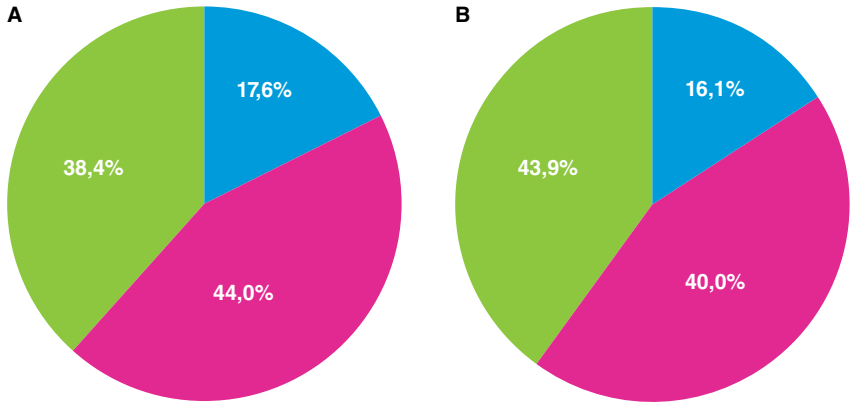
In line with the trend started the previous year, turnover from private customers increased by 16%. At the same time, the turnover generated by retail customers decreased slightly.

3b		Items	2022	2023
Revenue by customer type (€)				
Total revenue			305,504,978	298,318,018
Large Scale Retail customers			80,766,789	74,254,983
Private customers			665,432	773,448
Other			224,072,757	223,289,587

A Breakdown of turnover by business unit (year 2022).

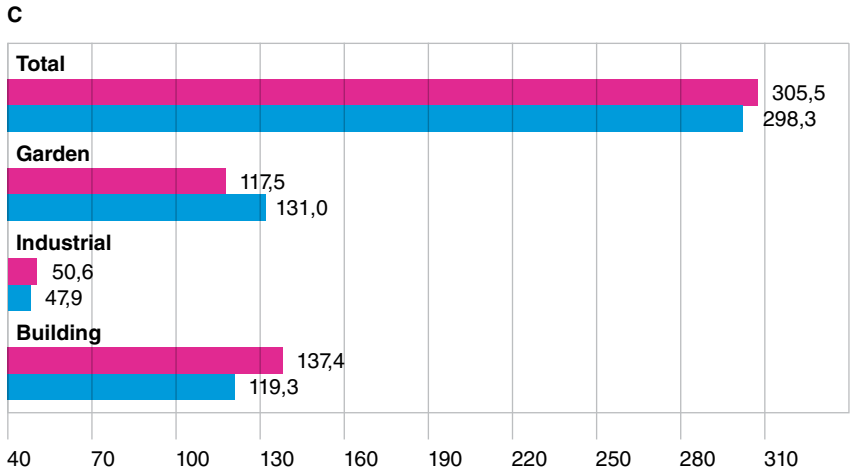
B Breakdown of turnover by business unit (year 2023).

Garden
Industrial
Building



C 2022 - 2023 turnover comparison by business unit (million Euros).

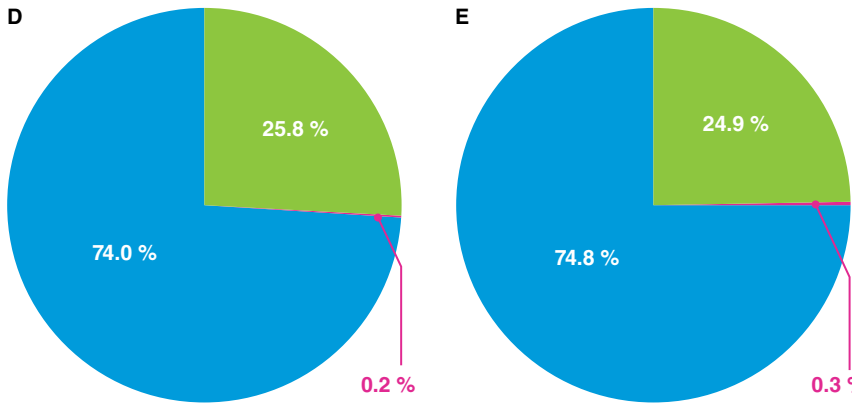
2022
2023



D Breakdown of turnover by customer type (year 2022).

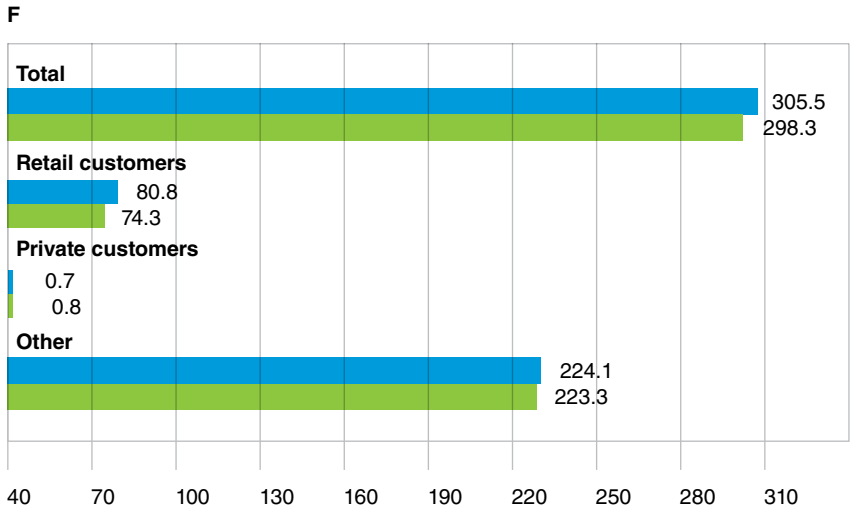
E Breakdown of turnover by customer type (year 2023).

Retail customers
Private customers
Other



F 2022 - 2023 turnover comparison by customer type (million Euros).

2022
2023

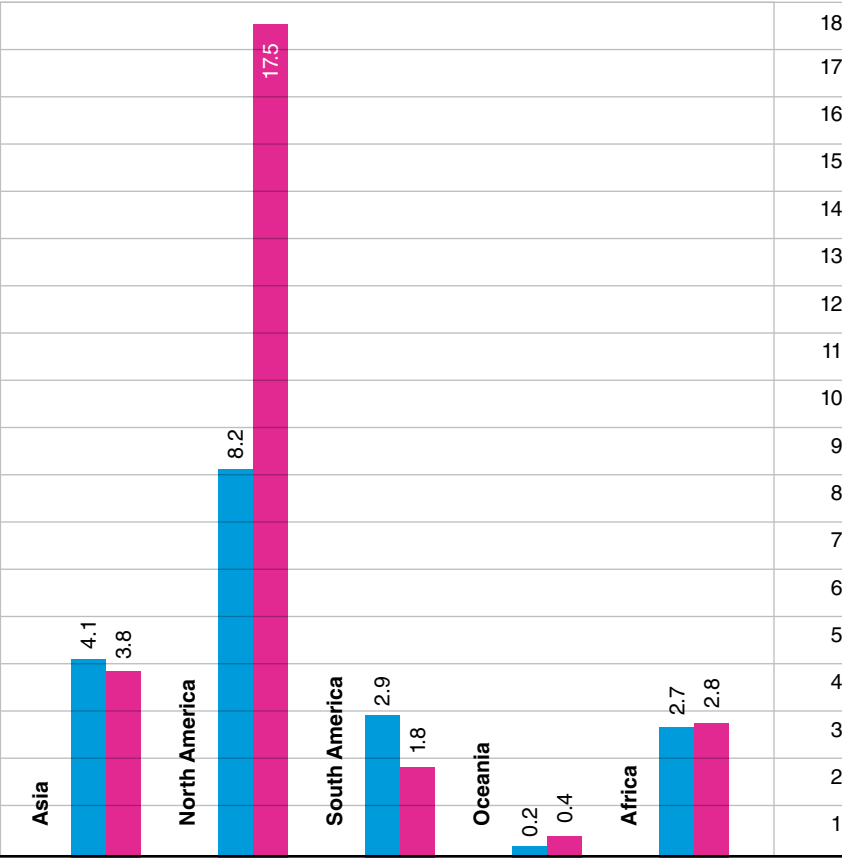


Although Europe remains FITT's largest market, generating 91% of global sales, North America is seeing considerable growth, rising from 2.7% to 5.9%.

3c Turnover by geographical area (€)	Items	2022	2023
	Total revenue	305,504,978	298,318,018
	Europe	287,104,608	271,823,722
	Asia	4,186,214	3,871,620
	North America	8,288,488	17,516,580
	South America	2,906,681	1,822,569
	Oceania	234,611	401,693
	Africa	2,784,376	2,881,834

Turnover comparison, non-European geographical areas (millions Euros)

2022 ■
2023 ■



Europe is FITT's largest market, generating 91% of global sales, North America is seeing considerable growth, from 2.7% to 5.9%.



The term added value is a numerical expression that represents the ability of a company to generate wealth, in the period of reference, to the benefit of the various stakeholders and in compliance with management cost efficiency and the expectations of the stakeholders themselves. Its objective is to highlight the economic (or economically expressible) effect that the activities of the company have had on the stakeholders who contribute most directly to the production of the economic wealth of the company and who participate in its distribution.

The added value generated was calculated, following the indications of GBS (Gruppo Bilancio Sociale), considering the difference between the overall value of production, the intermediate costs incurred for the purchase of production factors outside the company and the income net of bank charges.

During 2023, the downward trend in demand continued, resulting in lower sales;

3d / Generated added value (thousands Euros)			
Items		2022	2023
A / generated value		315,641.94	313,185.15
Revenue from products and services		305,504.98	298,318.02
Change in third-party inventory	1,604.16	8,445.56	
Other income		8,532.80	6,421.57
B / Operating costs		-250,909.29	-230,427.60
Raw material costs		-182,502.38	-154,239.07
Service costs		-65,370.25	-61,801.18
Provisions for risks		-109.00	-700.00
Adjustment of the value of tangible and intangible assets and trade receivables		-315.86	-1,018.94
Other operating costs		-2,611.80	-12,668.41
C / Income net of bank charges	-99.24	587.85	
Revenues from financial activities		394.18	810.43
Bank charges		-493.42	-222.58
Gross global added value		64,633.41	83,345.40

energy costs decreased compared to 2022 (by around 20% in Italy), while transport and freight costs remained at the same levels.

On the raw materials front, prices decreased steadily during the year.

In 2023, FITT's Gross Global Added Value reached 84 million Euros approximately, a 29% increase from 2022. In order to understand how the wealth produced by FITT's activities was split among the main categories of bearers of company interests, a calculation of the distribution of the added value among the stakeholders was completed.

In 2023, remuneration for all categories increased in absolute value due to the rise in Gross Global Added Value; the percentage distribution remained essentially stable compared to the previous year, with a slight increase in remuneration to the Public Administration and a slight decrease in personnel remuneration and the share retained by the company.

3e / Distributed added value (thousands of Euros)			
Items		2022	2023
A / Personnel remuneration		43,250.68	52,554.49
Personnel costs		43,250.68	52,554.49
B / Repayment to the public administration		2,484.08	5,047.12
Current, deferred and prepaid income taxes for the year		1,210.33	3,747.69
Other taxes and duties (non-deductible VAT)		1,273.75	1,299.43
C / Remuneration of loan capital		1,887.85	4,501.89
Short and medium term capital charges		1,887.85	4,501.89
E / Collectivity remuneration		250.01	403.66
Membership contributions and sponsorships		143.44	180.97
Contribution to Universities and Research Centres		68.84	63.68
Donations and gifts		37.73	159.01
F / Company remuneration		16,760.79	20,838.24
Result of the year allocated to reserves		6,950.88	9,802.16
Depreciation		9,809.91	11,036.08
Gross global added value		64,633.41	83,345.40

spreading innovation

The ingenuity of nature inspires us, the countless solutions for managing water, air and the interdependence of all living things make us look positively to the future to generate shared innovation.

→ 04

4.1

ecodesign and performance measurement

A key aspect in the development of innovative products at FITT is the attention to their possible social and environmental impacts. This is why FITT has chosen to make ecodesign a major tool for supporting the development of new goods: technological innovation, in terms of efficiency and quality, remains, therefore, in line with product sustainability. FITT has guidelines integrating circularity, performance and reduction principles.

These guidelines are applied both in the production of branded products, where there is more scope for experimentation, and of private label products for customers. Durability, which characterises all of FITT's production, is achieved through the use of suitably formulated PVC compounds or thermoplastic elastomers and the repairability of garden hoses, with the possibility for all ready-to-use systems to separate the accessories, cut the hose and carry out the necessary repairs.



by applying ecodesign guidelines, FITT manufactures products with reduced environmental impact during their life cycle.

As a consequence, the application of the ecodesign principles also involves the introduction of changes to the production process: these changes are developed in-house, as are the production lines, which are designed and developed by a dedicated in-house team, rather than purchased on the market.

Ecodesign has been a distinctive and defining topic since 2014, the year when the company developed FITT Yoyo, the first FITT-branded product that thanks to its patented structure stretches as a result of the pressure generated by the flowing water. Innovative design and the use of high-performance thermoplastic elastomers have reduced material usage by 50%,

INSIGHT

Ecodesign Guidelines

1_performance



A1_Safety for the consumer

FITT is committed to complying with market standards on chemical (REACH) and product safety, and is therefore committed to eliminating SVHC substances from its products.

A2_Duration of products

FITT is committed to guaranteeing product durability throughout the expected life for the application and to improving performance, so that it can be extended as long as possible.

A3_Repairability

FITT is committed to ensuring that all its products can be repaired by the user.

2_reduction



B1_Raw material reduction

FITT is committed to choosing the best materials, in order to reduce their use as much as possible, and therefore also their environmental impact.

B2_Packaging reduction

FITT considers packaging a useful tool to guarantee transport and non-deterioration of the product, and is committed to limiting its use to the minimum necessary.

B3_Space reduction

FITT is committed to identifying solutions to minimise the bulk of its products during transport.

3_circularity



C1_Use of recycled materials

In compliance with the above, FITT is committed to encouraging the use of second life materials, both post and pre consumer.

C2_Use of recyclable materials

FITT undertakes to give preference to materials for which a consolidated recycling chain already exists, particularly PE or PP-based materials, and to create or encourage the creation of new chains.

C3_Facilitate recyclability

FITT is committed to ensuring the use of easily separable single component design solutions, to simplify future recycling.

FITT translates the design of entire production lines into a competitive advantage.

while preserving the ease of use characteristics of the hose and increasing its durability compared to most extendable hoses. One project still in progress is the development of reinforcements made from polypropylene yarns, in order to achieve complete product circularity through the use of single-material structures, allowing easier recycling of industrial waste and, potentially, of the finished product.

The adoption of a system for measuring the impact of a single product over its entire life cycle, including the end-of-life, is the only tool to qualitatively and quantitatively objectify the performance achieved in the field of ecodesign and create a baseline for responsible and transparent continuous improvement, right from the product design stage.

The method used for this analysis is the Life Cycle Assessment (LCA), regulated by international reference standards such as UNI EN ISO 14040 and UNI EN ISO 14044. A total of ten drivers are used for the impact assessment, ranging from water consumption to ozone layer, or eutrophication of fresh and marine water.



The amount of CO₂eq produced by the product over its entire life cycle is the main driver chosen by FITT when assessing the environmental impact of its solutions.

FITT Force, the compact and lightweight garden hose, FITT NTS, the traditional PVC hose, and FITT Ikon, the lightweight and extendable garden hose, are already subject to LCA analysis, and will be joined by FITT Revix starting from 2023. FITT Bluforce is the first PVC-A product range to achieve EPD® marking in Europe. This is the environmental product declaration that provides certified data on the life cycle of products, following the ISO 14025 e EN 15804:2012+A2:2019. international standards. Other EPD certifications have been obtained for three FITT branded products in the construction industry: FITT Sewer Evo, FITT Batipro and FITT Interpact M1.



fitt's products are the ultimate expression of research into the reduction of raw material use, reusable packaging, efficiency of production processes and end-of-life.

The LCA method at the basis of ecodesign was extended to products representing 65.5 million Euro turnover. In 2023, the approach to LCA product certification was rethought in collaboration with the University of Padua. We moved from ISO 14040 and ISO 14044 to ISO 14067: the Systematic Approach allows for the creation of a standard calculation model that can be applied to the certification of an increasing number of products, makes studies more efficient, both technically and in terms of time scales, and also allows the company to reach its objectives in terms of number of products with certified carbon footprint (50% by 2025 and 80% by 2030).

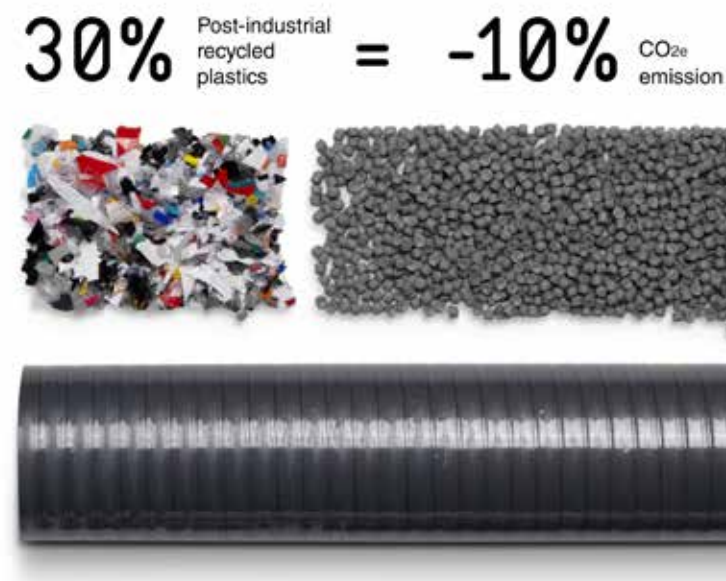
FITT Revix

The aim: to introduce to the market a swimming pool hose developed implementing the circularity principles, combining innovation and sustainability.



Fundació
FLUIDRA
Llegat Joan Planes

WATERisLIFE



1_Materials and Innovation

- 30% recycled material from the RENOLIT Group's production waste.
- Patented Coreshield technology that separates recycled material from virgin material and ensures maximum performance of pipes and hoses, just like their previous version. FITT Idroflex allows proper adhesion during the bonding stage and guarantees resistance to abrasion during the installation.
- The use of the Coreshield technology required the Technologies team to develop a new extrusion head to make it applicable.

- -10% CO₂e emissions compared to the previous version of FITT Idroflex, thanks to the use of recycled material (ISO 14067)
- New packaging: the complete product packaging was replaced with a protective band and the protection of the pallets on which the products are transported was increased. This has reduced the amount of plastic used, increased awareness of product care and decreased disposal costs.

2_Partnerships and compensation

- In addition to the CO₂eq reduction made possible by the partnership with Renolit, FITT has decided to offset all CO₂eq emissions generated during production through the purchase of Gold Standard certified carbon credits generated by the Water is Life project in partnership with Wami Water.
- In collaboration with Fluidra and its foundation, Fundació Fluidra, a social impact project was initiated, donating 1% of the FITT Revix sales revenue to the foundation, which, in turn, will allocate these resources to the CRAM foundation, dedicated to the protection of the marine environment and its animals.

CRAM Foundation - committed to the protection of the marine environment and its inhabitant species



Renolit

The word to the FITT stakeholders



ELISA ERBACH
Specialist Sustainability Communication
Corporate Sustainability



Production waste from the Renolit Group makes up 30% of the recycled plastic of FITT Revix

For 75 years, the RENOLIT Group has been producing high-quality films and plastic products.



1_ Sustainability is increasingly becoming a cornerstone of companies. What are your priorities and how are you working to integrate sustainable practices into your business model?

As a globally active company, RENOLIT has decided to make its own contribution to sustainability, ecologically, socially and economically. With regard to our core business - the production of high-quality polymer solutions and related products - we believe that we have a responsibility to safeguard resources, reduce emissions and prevent plastic from entering the environment. This is why we are committed to developing a more circular business model, promoting sustainable innovation and ensuring decent and safe working conditions

for our employees, always acting for their well-being. Sustainability is an integral part of our corporate strategy. We have set goals in all areas of sustainability, which we constantly pursue through our Sustainability Agenda, the heart of our strategy.

Our mission:
"we deliver sustainable and innovative polymer solutions".

2_Renolit and FITT are both committed to the promotion and adoption of circular economy principles. How did this collaboration come about? How long have you been working together?

We are committed to a more circular economy and promote the "RENOLIT Goes Circular" initiative. On the one hand, we minimise waste, while on the other hand we reintegrate recyclable materials and unavoidable residues into production. This would be impossible without partnerships, which is why for several years we have been working together with FITT, who recovers post-production materials and turns them into high-quality recycled materials.

3_How do you assess the adaptation of companies in the plastic sector in the face of the rapidly changing sustainability regulatory environment? What strategies or initiatives do you see emerging to successfully address these challenges?

RENOLIT already offers a range of plastic products with a high recycled content, 100% recyclable or partly made from renewable raw materials. We are committed to the highest quality standards, ensuring a long service life. The plastic industry is made up of numerous associations and initiatives, of which RENOLIT itself is a member, to ensure compliance with the regulatory requirements and the changes in the domain of sustainability. The industry has already made great progress in terms of sustainability in recent years and we are doing our part to ensure that this progress continues.

myAquaSolar

by Claber

Claber has developed an innovative irrigation controller that works with 100% natural technology, thanks to the integration of a state-of-the-art photovoltaic panel and the extraordinary performance of the integrated photovoltaic cells.

This innovative device not only reduces environmental impact by eliminating the need for batteries or electrical connections, but also ensures optimal energy efficiency. The advanced technology of these cells allows them to function even when the product is installed in areas without direct and prolonged exposure to the sun, thus adapting to different environmental conditions.

Thanks to these features, the irrigation controller designed by Claber represents a sustainable and innovative water management solution, perfectly aligned with FITT's strategic principles.

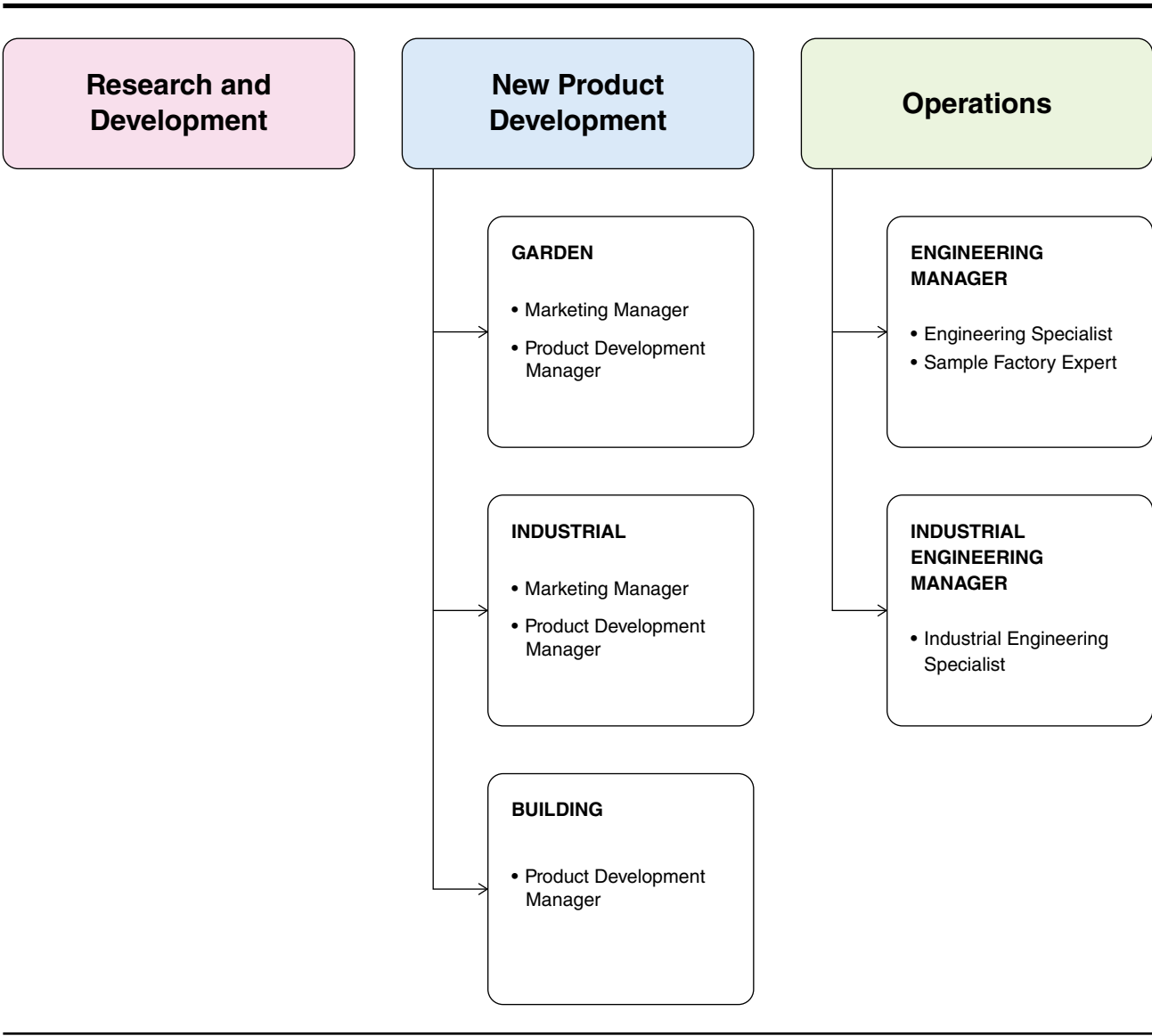
— LUCE SOLARE +



4.2 open innovation

Open Innovation, market analysis and market tests lead to the most revolutionary, ready-to-use products that make the daily activities of end users much simpler.

FITT strongly believes in the principle of Open Innovation and collaborates with an international network of partners, universities and research centres. Through external organisations, we validate our protocols and perform quality tests, as well as mapping the environmental impact of our products. To best meet the challenges of innovation, FITT has an Innovation&Technology structure as follows:



Innovation & Technologies in FITT

INNOVATION

R&D Corporate

- Entire team dedicated to the development of product innovation “Technology Bricks”, aligned with the three-year strategic plan and reporting directly to the CEO.
- Support to the divisional product development teams through its centres of competence.
- Knowledge management and sharing.

New Product Development (NPD) for each division

- Resources directly reporting to the Marketing Manager or the Divisional Director, to better intercept customer needs.
- Innovation of products already on the market or to be launched next year.

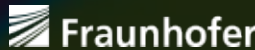
TECHNOLOGIES

Process innovation team reporting to the head of Operations.

Responsibility

- Product R&D support
- Operations Support
- Technological promotion of new products
- Equipment and machinery development support
- New plant development support.

EXTERNAL STAKEHOLDERS



FITT-X

We have reached the halfway point of the research project financed in collaboration with Ministero dell’imprese e del Made in Italy (MIMIT - Ministry of Enterprise and Made in Italy) and the Veneto Region, dedicated to the circular economy and the creation of new supply chains, precisely to fill the gap in the PVC world.

Structured in accordance with the guidelines of the ministerial program "Agreements for Innovation, Ministry Decree of 31.12.2021", the FITT-X project focuses on plastic recycling issues, with two main objectives: to investigate and make available in FITT the technologies and skills useful for the complete management of recycled polymers (characterisation, extrusion, recycling), and to set up supply chains for the recycling of PVC, both rigid and flexible, through the network of current customers, to whom it offers the opportunity for collaborative circular economy projects, such as the example of collaboration between FITT and RENOLIT.

FITT is a member of Gruppo Tubi PVC (PVC Pipes Group) and Gruppo Riciclatori PVC (PVC Recyclers Group), and thanks to the widespread presence of PVC collection and sorting centres, it aims at increasing the availability of recycled PVC and the ability to select lead-free PVC.

FITT promotes Open Innovation through the collaborating with a global network of partners and research centres, with the aim of moving towards a sustainable and innovative future.



Considering the high durability of PVC, many recoverable products were produced before the introduction of the ban on lead and other so-called legacy additives.

The funding for the PhD program in Industrial Engineering in collaboration with the University of Padua continues. Its aim is to support the FITT-X project. Among its objectives, is to delve deeper into the recycling processes through the physical dissolution of plastics, to verify its effectiveness in removing pollutants (heavy metals or phthalates) in recycled PVC. The project is also being developed to a deeper extent with the University of Ghent, an academic centre specialising in these issues. This study has a longer industrial implementation time horizon.

THE FOUR PATENT COMMITMENT AREAS OF THE FITT GROUP		
#1		Bio-based and biodegradable hose for the transport of fluids.
#2		Recyclable reinforced hose.
#3		Use of a thermoplastic elastomer containing a high percentage of post-consumer material to produce an environmentally friendly hose, and a hose made from such an elastomer.
#4		Spiral hose with low environmental impact, and the method for making it

customer health and safety

Product safety

Product safety for customers is paramount, for both FITT and the various sectors in which it operates. The company considers product safety much more than a simple regulatory requirement, which is why it also adheres to voluntary product and process certification systems. FITT directs a significant part of its investments to ensuring compliance with market standards for chemical product safety, in accordance with the REACH regulation.

In this respect, FITT carries out scrupulous screening processes on both the end products and the products and materials used in production, to verify the absence of contaminations that could alter their safety.

The selection of raw material or finished product suppliers is therefore influenced by the absolute need to ensure the highest quality and safety standards.

FITT's commitment in this direction is confirmed again this year by its excellent performance: there were no cases of non-compliance as far as either health and safety standards or correct product labelling, or information provided.



the commitment of fitt is reflected in an excellent performance of zero non-conformities in 2021, 2022 and 2023, both as far as health and safety standards and correct product labelling and information.



For FITT, managing the interaction with stakeholders, such as its own customers, is vital for sustainability and the creation of added value for its business. FITT manages relations among stakeholders with a view based on shared values and partnership.

Service quality and customer satisfaction

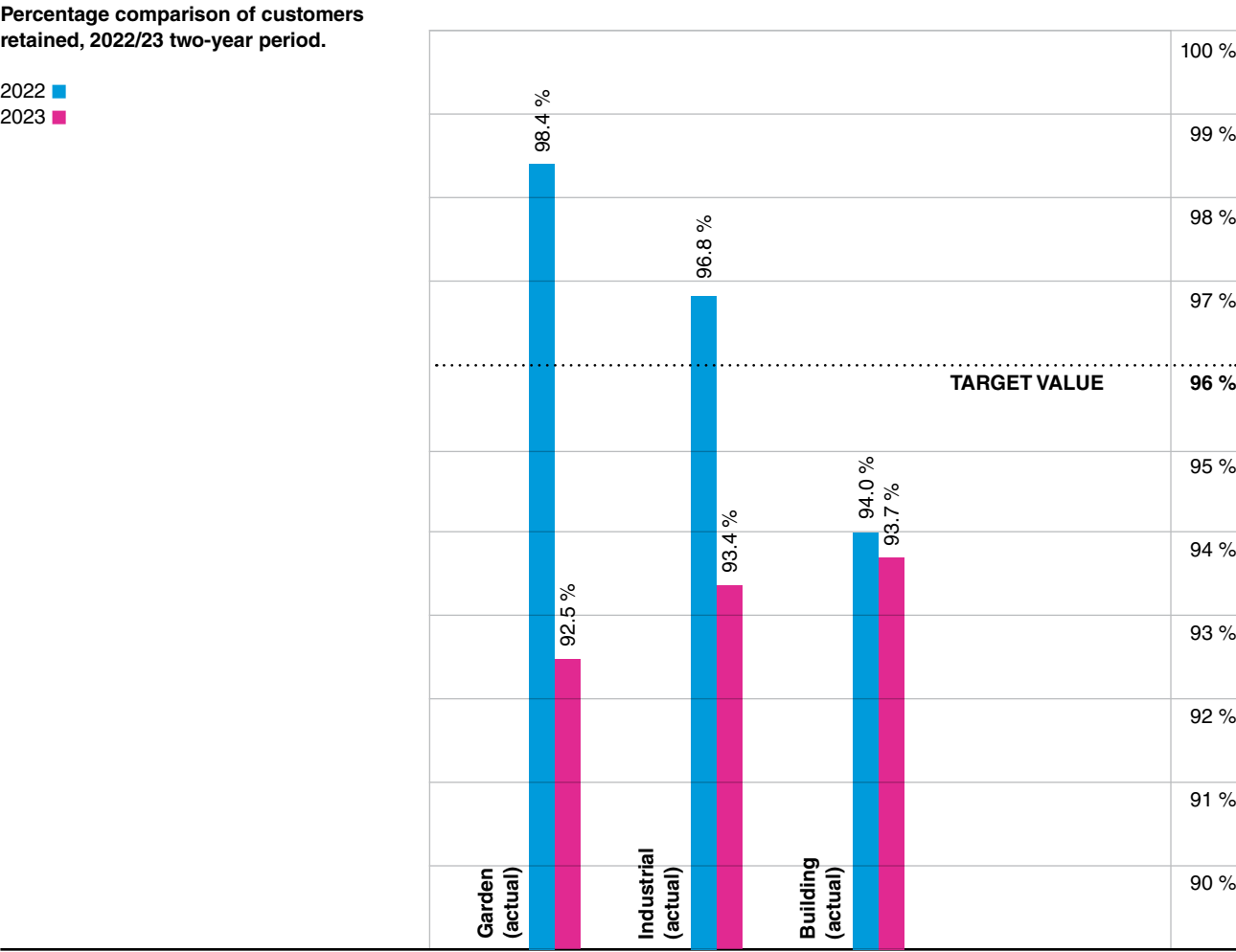
The customer is at the heart of FITT's strategy: meeting customer needs is one of the pillars of the company. FITT therefore pays maximum attention to the needs of different types of customers, from end consumers to retail operators.

For this reason, FITT has created a set of indicators to monitor the satisfaction levels of its customers and build customer loyalty, to test the ability to attract new customers and handle complaints. To this end, the indicators for which FITT sets targets are:

- percentage of customers retained;
- average response time for online requests;
- average rating on Marketplace (Amazon) in different countries;
- average time it takes to close technical complaints.

FITT's ability to retain customers is shown by the data regarding the percentage of customers retained in 2023. It can be seen that although the percentage of retained customers is very high, above 90%, there is a general decrease in the results achieved by all business units. This should be read in the light of the fact that all business units have increased the number of new customers by a considerable amount over the past year.

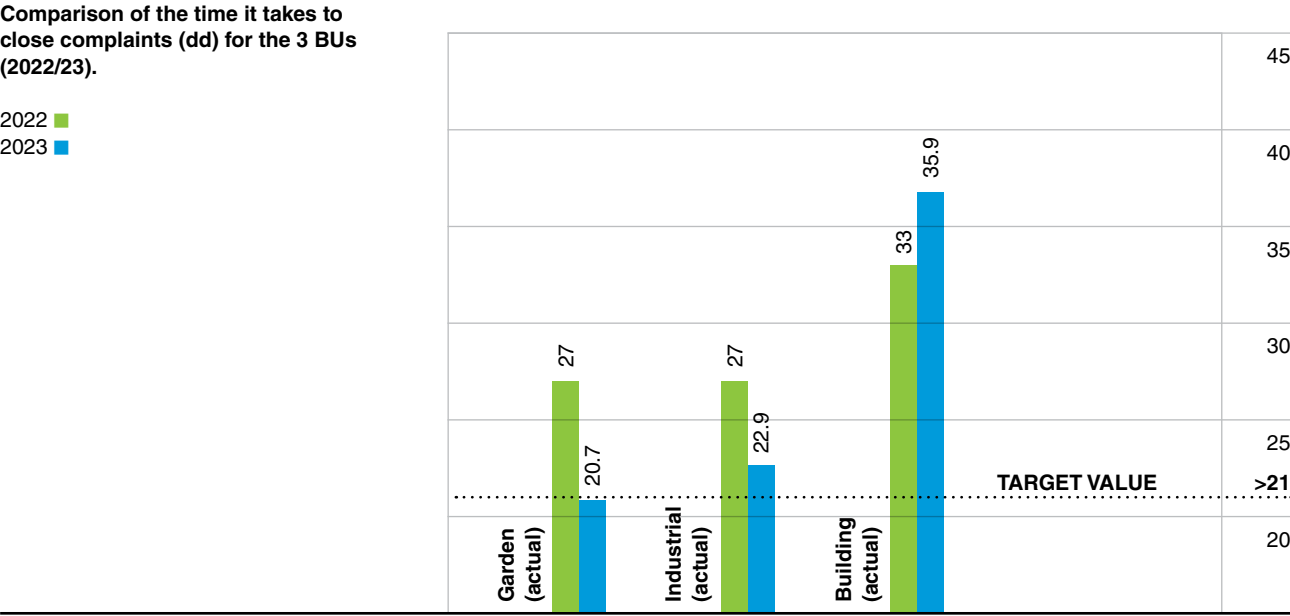
4a Percentage of customers retained in Italy	Division	Customer type	2022	2023
	Garden	Actual	98.4%	92.5%
		Target	96.0%	96.0%
	Industrial	Actual	96.5%	93.4%
		Target	96.0%	96.0%
	Building	Actual	94.0%	93.7%
		Target	96.0%	96.0%
		Actual	98.4%	92.5%
		Target	96.0%	96.0%



As evidence of the attention paid to customers, the average rating assigned through the third-party seller, Amazon, is higher than expected and up slightly from last year.

With respect to the indicators on complaint handling times, there is a significant decrease in two business units, industrial and garden, while there is a slight increase in the building unit: this is due to the leaving of a resource dedicated to this process during the year, and the indicator came back on target in the last months of 2023.

4b / Percentage customers retained in Italy			
Complaint handling time indicator	Customer type	2022	2023
Average response time for group online requests (dd)	Actual	11.3	5.0
	Target	5	5
Average Amazon seller rating (across countries) for the group (%)	Actual	96.0	96.3
	Target	>95	>95
Complaint closure times (days) Garden	Actual	27.0	20.7
	Target	<21	<21
Complaint closure times (days) Industrial	Actual	27.0	22.9
	Target	<21	<21
Complaint closure times (days) Building	Actual	33.0	35.9
	Target	<21	<21



stream of production

We design our industrial processes and directly design our machinery to create low-impact workflows and feed recycling and reuse processes.

→ 05

5.1 managing environmental aspects

FITT carries out its activities in compliance with environmental regulations, addressing all the issues (such as energy, air emissions, waste and water management), and in compliance with the Single Environmental Authorisations contemplated for the plants.

Working with a view to continuous improvement, FITT has standardised and updated its system procedures for managing emissions, discharges, waste and the assessment of environmental impacts in its entirety. This has led, already in the previous year, to a reorganisation of the internal audit plan for monitoring environmental compliance and continuous improvement actions.



in 2022, Fitt launched a data collection process to monitor environmental performance and improve the action plan of the company.

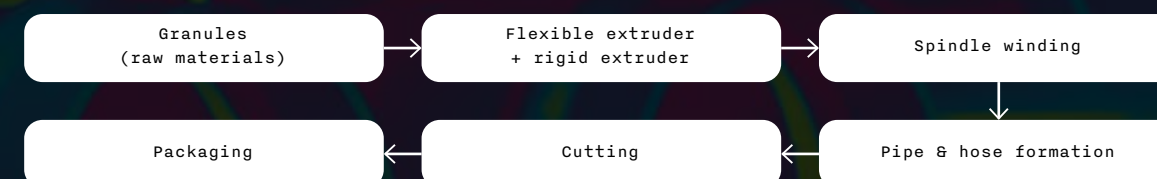
Aware of the importance of a certified Environmental Management System (EMS), FITT started its journey towards ISO 14001 certification in 2024, with the aim of extending it to all plants by 2026. This evolution is aimed at improving management efficiency and reducing the impacts generated, considering the Life Cycle perspective, and ensuring the necessary influence and control over the supply chain, to guarantee accurate monitoring of performance and the achievement of the environmental impact reduction goals.

INSIGHT FITT's production process

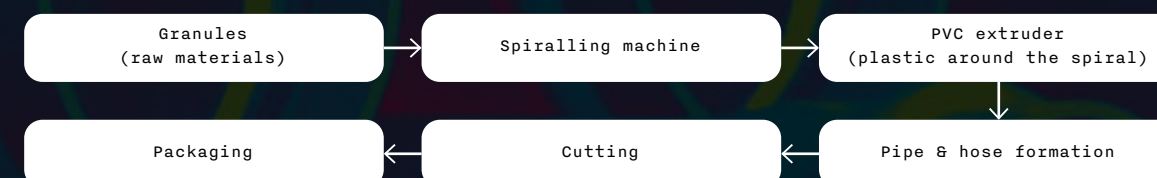
Knitted + Braided+ Weaved



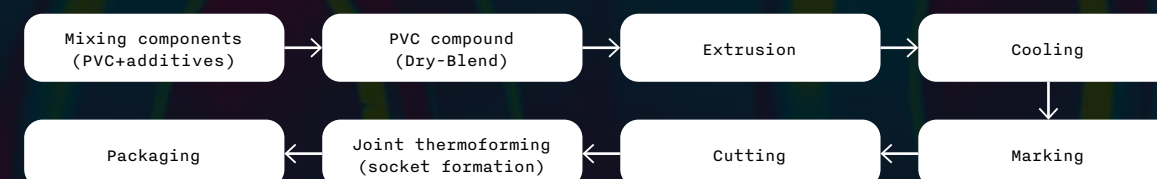
PVC spiralled



Steel spiralled



Rigid



In terms of manufacturing, the company takes advantage of two core technologies: material preparation and extrusion. The hose production cycle usually includes an intermediate step, consisting in the preparation of the granules. Chemical components and polymers are processed to create materials that meet

performance, quality and durability requirements. Automated assembly workstations cut, wind, join and test the pipe, which is then packed and shipped. Recycling plants handle PVC waste and the regeneration of post-industrial PVC waste from other production chains.

5.2 manufacturing and packaging raw materials

The more efficient use of raw materials in the production of durable goods, and the development of new technological solutions and more sustainable production chains, constitute the main framework of the Group's investments in research and development. These are guided by the principles of ecodesign, reducing waste, optimising recycling operations and conducting Life Cycle Assessment studies, which allow to measure the impacts of products in a timely manner.



each solution is designed for maximum performance, yield and durability, using a specific chemical formula with specific plastics.

This year, around 90,000 tons of materials were used in the production cycle, showing a slight decrease compared to the previous year (-9% compared to 2022), mainly due to some production stoppages that occurred during the period. In addition, there has been an update of the reporting scope to also include acquisition and merger operations, which is why reports now include materials that were not considered in the previous years, specific to the production of the other companies, such as Claber. This change also has an impact on the percentage of recycled material used, which is now 24%.

Polyvinyl chloride (PVC) is the main material used, accounting for 66% of the total, and is also the material that comes most from recycling processes. In fact, recycled PVC accounts for 73% of the 12.6 thousand tonnes of total recycled material.

1 In the table on the opposite page, all the materials used are of non-renewable origin

2 In the table on the opposite page, all the materials used are of non-renewable origin

5a Main materials used for production (t)	2022		2023	
	Used ¹	% recycled	Used ²	% recycled
Total material used	92,213	15.92%	87,901	14.13%
PVC	66,429	19.20%	59,526	17.88%
EVA-EBA	35	-	23	-
TPE (TPV-SEBS)	1,099	-	1,543	1.85%
Polyethylene	7,940	38,74%	5,277	29.08%
Polypropylene	62	8.76%	509	1.29%
PET tape	13	-	14	-
Resins (PA, polystyrene, TPU, POM, NBR)	88	-	130	-
Soaker hose rubber	582	100.00%	290	100.00%
Charge - Calcium carbonate	9,002	-	9,205	-
Plasticisers	8,762	-	8,536	-
Stabilisers (thermal)	1,459	-	1,383	-
Dyes	475	-	467	-
Lubricants	186	-	180	-
Additives	80	-	102	-
ABS		-	681	-
POM		-	84	-
PA		-	28	-
PC		-	1.8	-
PBT		-	0.8	-
ASA		-	0.4	-
PC/PBT		-	0.2	-
PB/ABS		-	0.01	-



rigid pvc is used in the production of pipes for construction, sewage and drinking water network pipelines, due to its resistance to mechanical stress in both hot and cold conditions, its intrinsic non-flammability and the fact that it is specifically formulated for contact with drinking water and chemically aggressive substances.

In addition to this material, other materials such as plasticisers, stabilisers and other additives are used in the production process to achieve the desired performance.

The characteristics of PVC allow the development of durable, versatile and lightweight products, suitable for a wide range of applications. In particular, a special characteristic of PVC, resistance to salt, is of the utmost importance for its use in rigid pipes. However, the recovery and recycling of this material poses some challenges.

In pursuit of its goals relating to an increased use of recycled materials, FITT both purchases regenerated PVC and processes and recovers PVC production waste not only from its own production cycles, but also from those of its partners, for example RENOLIT, as discussed in the Spreading Innovation chapter.

It is worth mentioning, as far as the other materials, the use of metals with significant recycling rates, also due to the characteristics of the market itself. An example is steel, of which 95% of the total is recycled.

Other materials worth mentioning are polyethylene, 29.1% of which is purchased from post-consumer recycling, and black rubber, entirely of recycled origin and used at the Monsampolo del Tronto plant for the production of soaker hoses for distributed irrigation.

5b Other materials (t)	2022		2023	
	Used	% recycled	Used	% recycled
Total material used	2,773	-	1,975	11.2%
PET yarn	2,078	-	1,081	-
PP yarn	4	-	14	-
Steel wire	250	90%	233	95%
Plastic Accessories	313	2%	445	-
Brass accessories	46	90%	70	-
Aluminium Accessories	40	-	75	-
Ferrous Accessories	26	60%	35	-
Rubber seals	5	-	11	-
Mechanical and plastic material lubricants	5	-	6	-
Marking Inks and solvents	6	-	5	-

The use of recycled materials and the related targets are also evaluated in accordance with current regulatory and performance safety limits. For example, the use of recycled materials is currently not allowed for hoses used in the liquid food sector.

Packaging
As for the packaging used for its products, FITT uses various types of materials: wood, plastic and paper, totalling 8.5 thousand tons consumed, a slight decrease compared to 2022. This is also a consequence of the new strategies implemented by FITT to reduce the use of packaging materials.

5c Main materials used in packaging (t) ³	2022			2023		
	Renewable	Non-Renewable	Total	Renewable	Non-Renewable	Total
Total material used	8,486	815	9,301	7,868	611	8,479
Wood	6,654	-	6,654	6,315	-	6,315
Plastic	-	727	727	-	510	510
Paper	1,843	-	1,843	1,553	92	1,645
Mixed	-	5	5	-	9	9
Steel	-	60	60	-	-	-
Packaging Screws	-	10	10	-	-	-

As part of the progressive use of low-impact materials, in 2023 almost all the paper used was FSC-certified, in line with the previous year. It should be noted that the paper used by FITT SpA is 100% certified, and there has also been an increase in the percentage of wood used for pallets with PEFC certification, which now represents 50%.

5d Certified materials used	2022	2023
Total	6,054	5,740
PEFC wood	2,589	2,314
FSC paper	1,683	1,864
EPAL	1,782	1,562





since 2022, fitt has intensified the raw material and waste circular approach, also by implementing ecodesign principles, reducing pvc use by 25% and improving packaging waste management.

5.3 circularity, from waste to water

FITT has placed circularity at the heart of its activities, consequently incorporating it into its ecodesign principles. Continuing from the previous year, there were two main areas of activity:

- developing new materials that use less raw material for the same performance, such as the PVC-A polymer alloy, which uses 25% less PVC than a standard PVC-U product manufactured according to ISO 1452-2:2009;
- continue with the objective of recovering production waste, with reintegration into the production cycle itself.

As a consequence of this recovery system, production waste from the processing of rigid pipes does not have an impact on the total value of the waste managed, as it is treated internally and fed back into the production cycle.

On the contrary, waste from hose production is accounted for, since this is destined for the Lugo plant, where it is shredded for the generation of other raw material, which is then used again in the other production plants.

The remaining waste generated is managed by relying on external suppliers. A significant area of focus in 2023 was the development of a new supplier selection system, supported by on-site audits to verify the measures implemented by suppliers for proper environmental and safety management.

In 2023, the amount of waste recorded was 3.8 million tons, of which 91% destined for recycling or other recovery operations. Volumes have returned to 2021 levels, confirming the exceptional nature of the events of 2022. Hazardous waste represents only a residual share of 1.4%.

5e Waste not destined for disposal (t)	2022			2023		
	Internal	Ext. Site	Total	Internal	Ext. Site	Total
Hazardous waste	0	28,221	28,221	0	26,465	26,465
Of which recycled	0	179	179	0	0	0
Of which other recovery operations	0	28,042	28,042	0	26,465	26,465
Non-hazardous waste	1,442,224	2,125,609	3,567,833	976,946	2,418,447	3,395,393
Of which preparation for reuse	1,442,090	0	1,442,090	976,814	0	976,814
Of which recycled	134	10,360	10,494	132	10,341	10,473
Of which other recovery operations	0	2,115,249	2,103,354	0	2,408,106	2,408,106
5f Waste for disposal (tonnes)	2022			2023		
	Internal	Ext. Site	Total	Internal	Ext. Site	Total
Hazardous waste	0	25,663	25,663	0	26,467	26,467
Non-hazardous waste	0	3,102,217	3,102,217	0	324,042	324,042
Of which incinerated (energy recovery)	0	57,080	57,080	0	276,762	276,762
Of which to landfill	0	386	386	0	0	0
Of which otherwise disposed 0	3,044,751	3,044,751	0	47,280	47,280	

Water is a crucial factor in sustainable development and, for FITT, this constitutes a priority area of intervention, as its products aim to provide increasingly effective and sustainable solutions for water management in the agricultural, civil, and industrial sectors. This is why it actively participates in the debate and promotion of a culture of water management innovation, in line with Sustainable Development Goal 6 (SDG 6).

Following the studies carried out in 2022 to define the path for reducing water withdrawals from the water network and enhancing recycling opportunities, the construction of the closed-loop water circulation system was completed in 2023 at the Lugo plant. At the end of the year, work started for the installation of the same type of system in the Fara Vicentino production plant. These investments have made it possible to increase water reuse levels at the Italian plants from 50% to 65%.

The Sandrigo and San Pietro in Gu plants have closed loop water recycling systems.



energy efficiency and carbon reduction

Climate change is at the heart of FITT's sustainability strategy, which is geared towards reducing emissions. To achieve these challenging goals, the company has implemented various initiatives at plant and product level, pursuing an approach in which measurement and innovation are closely linked.

In 2023, FITT introduced a product carbon footprint management system according to ISO 14067 - Systematic Approach, to efficiently measure the environmental impacts of its products. This introduction is instrumental in achieving the targets set out in "The Responsible Flow 2030" strategy regarding the share of turnover from innovative and sustainable products (8%) and the share of products with LCA by 2025 (50%) and 2030 (80%).

2023 was a year of awareness, leading FITT to decide not to continue purchasing electricity from renewable sources. Instead, the company focused on self-generating the energy needed for production, setting a target (for FITT SpA alone) of 7% of consumed energy to come from self-generated renewable sources by 2025.

FITT is committed to sustainable innovation and the reduction of CO₂e emissions: significant progress was recorded in 2023 towards these goals.



50 %

Expected share of FITT products with Life Cycle Assessment (LCA) by 2025.

80 %

Expected share of FITT products with Life Cycle Assessment (LCA) by 2030.

10 %

Expected share of energy generated by the company in 2025.

The project launched at the end of 2022 to install a 795 kWh photovoltaic park at the San Pietro in Gu production plant, capable of covering the entire energy demand, was completed in 2023, with its effects on energy consumption expected to be visible starting from next year. The installation of photovoltaic systems will also be extended to other plants, such as the one in Fara Vicentino. In order to continue along this path of continuous improvement and consumption efficiency, it was realised that it was necessary to include within FITT a figure who could provide the essential technical skills in this context, thus introducing the role of the energy manager.

The first project launched, which will continue in the coming years, was therefore the mapping of production lines, in order to ensure complete monitoring of consumptions, useful not only for reporting purposes, but above all for identifying areas for improvement.



decarbonisation is at the heart of Fitt's the responsible flow 2030 strategy.

As a first result, this led to the identification of an initial action for the optimisation of consumption, which resulted in the revamping of the compressor stations and the technological upgrade of some machines. These interventions have resulted in a 20% reduction in idle times in the compressor operating cycles, with a direct impact on total energy consumption. All this also revealed the need for air leakage control in the various production facilities, something the company will tackle in 2024.

Energy consumption is mainly due to the use of electricity and natural gas for the production process, lighting and office heating, and to a lesser extent fuel consumption for the company fleet.

Following the expansion of the company scope, there has been a slight increase in energy consumption from all energy sources, except for natural gas consumption, which has shown a slight decline.

FITT applies an automatic, agile and customised logistics system capable of adapting to the demands of the different sales channels of large customers, with a service that supplies both large central structures and the individual point of sale, down to the private individual buying online. FITT's network of logistics centres, strategically located throughout Europe, enables delivery in 48/72 hours to the main European markets, in addition to a reduction in environmental impact and the resulting CO₂ emissions. This logic led to important strategic choices, already anticipated in previous chapters, such as the acquisition of A.T.E. and the integration, among the office objectives, of the three-year Production Premium in case of vehicle saturation level during intercompany travel of 85 m³.

5g	Consumption detail	2022	2023
Energy consumption (GJ) ⁴	Total energy consumption	232,046	232,445
	Natural gas	92,069	82,659
	Heating LPG	-	7
	Heating oil	-	4,772
	Diesel for forklift trucks, generators and fire-fighting set	1,022	2,154
	Diesel for fleet	4,153	5,277
	Petrol per fleet	233	458
	Electricity from the grid	134,569	137,100
	Of which renewable	113,785	2,720 ⁵
	Electricity from on-site photovoltaic system ⁶	-	18

4
FITT's energy consumption was calculated in terms of Gigajoules (GJ), using the conversion factors as a source: "UK Government GHG conversion factors for company reporting 2023".

6
These values are derived from the production from the photovoltaic plant previously put in place by Claber.

5
Although FITT SpA has decided not to continue sourcing electricity from renewable sources, in 2023 FITT Polska continued to consume renewable electricity.

INSIGHT

CLABER

Hydroelectric power plant Pasiano di Pordenone



In the 2000s, Claber restored and reactivated a hydroelectric power plant that had been out of use since the late 1960s, also becoming an FAI heritage site. This site, a metaphor for water's ability to generate energy and life, serves a dual role: thanks to its restoration, it has

once again become a source of energy supply, producing about 1 million kWh in 2023. It also houses the Water School, a training and outreach center, and an excellent example of how humans can utilize nature intelligently, responsibly, and non-invasively.

The efficiency of the production process is reflected in the energy intensity data.

5h	Detail	2022	2023
Energy intensity	Energy intensity per metre produced (GJ/m)	0.000737	0.000879
	Energy intensity per turnover ⁷ (GJ/€)	0.000760	0.000779
	Electricity intensity per m produced (kWh/m) ⁸	0.149	0.162
7 The energy intensity per turnover was calculated using the turnover of the FITT Group. 8 The electricity intensity per metre produced is calculated taking into account the metres produced by the extrusion production activity, which represents approximately 85% of the total production activity of FITT SpA, FITT Polska, FITT France.			

Energy intensity data monitoring continued in line with the previous year. The electricity intensity per metre produced indicator is 0.162 Kwh/m. The figure is slightly up on the previous year, as the decrease in electricity consumption in the three companies included in the scope of the indicator (FITT SpA, FITT Polska and FITT France) was proportionally lower than the decrease in metres produced as a result of the drop in demand that occurred in 2023.

In 2023, FITT initiated a project to measure all its GHG emissions (Scope 1, 2 and 3) in order to obtain certification of its organisation's carbon footprint, in accordance with ISO 14064, and consequently define specific reduction targets. This certification process was completed in July 2024, including in the reporting scope FITT S.p.A and Claber, from which a very significant share of the Group's GHG emissions are derived.

The principles of the ISO 14064 standard provide for the quantification of direct and indirect GHG emissions, divided into 6 categories described below.

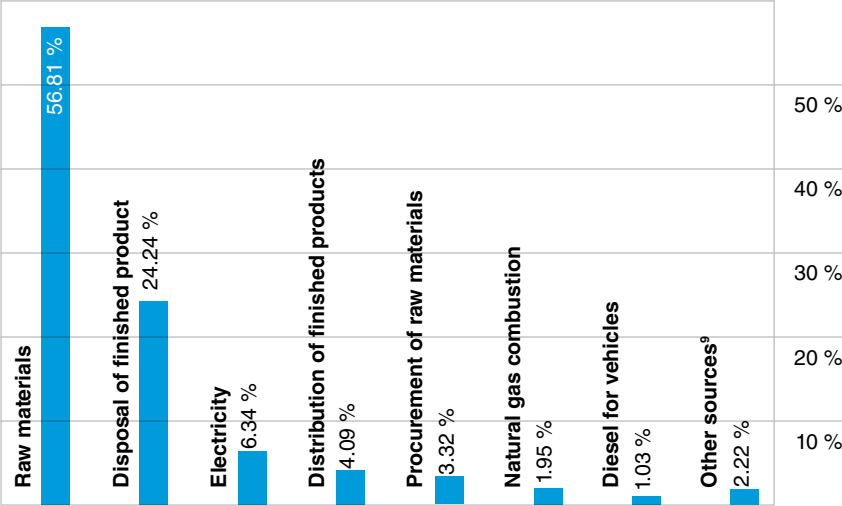
In total, FITT S.p.A. and Claber have contributed to the emission of 311,908 tonnes of CO₂e through their business processes. The prevailing impacts, corresponding to 61% of total emissions, derive from the procurement of raw materials, semi-finished products, marketed products and packaging, and from the treatment of special waste generated within the plants. Raw materials are responsible for almost all of this category of emissions, with 57% of the total.

TOTAL EMISSIONS (tCO ₂ e) - Analysis by category		
Category 1	Direct GHG emissions and removals, meaning from installations within the boundaries of the organisation (e.g. combustion plants, cogenerators).	5,683.10
Category 2	Indirect GHG emissions deriving from imported energy: emissions from the consumption of energy purchased or self-generated through photovoltaic panels.	13,736.31
Category 3	Indirect transport GHG emissions: calculation of emissions from incoming transport of raw materials, semi-finished products and packaging of sold products, distribution of finished products, commuting of employees and business trips.	25,300.28
Category 4	Indirect GHG emissions from products used by the organisation: with the quantification of impacts related to the production of raw materials, semi-finished products, marketed products and purchased packaging, from the treatment of special waste generated within the facilities.	191,583.92
Category 5	Indirect GHG emissions associated with the use of products from the organisation: quantification of impacts resulting from the end-of-life process of the products sold.	75,601.14
Category 6	Indirect GHG emissions from other sources.	3.06
Total		311,907.81

5i
Total emissions
by emission source (tCO₂e)

Emission Details

Total	311,907.81
Natural gas combustion	6,093.59
LPG combustion	0.68
Diesel fuel	363.66
Diesel for vehicles	3,205.02
Petrol for vehicles	698.06
Atmospheric emissions	617.18
Refrigerant gas emissions	4.51
Electricity	19,771.58
Procurement of raw materials	10,368.86
Distribution of finished products	12,748.48
Commuting	1,819.01
Business trips	363.93
Raw material	177,191.64
Factory waste	3,057.41
Disposal of finished product	75,601.14
Smartworking	3.06



9

Other sources:	
Factory waste	0.98%
Commuting	0.58%
Petrol for vehicles	0.22%
Atmospheric emissions	0.20%
Diesel fuel	0.12%
Business trips	0.12%
LPG combustion	0.00%
Refrigerant gas emissions	0.00%
Smartworking	0.00%

Other emissions

FITT monitors dust and pollutant emissions from its plants through specific measurements and regularly cleans its filters to ensure the best possible absorption of pollutants. In line with regulatory emission limits, there were variations on some emitted pollutants.

A variation has been recorded for each item reported, as a result of the expansion of the reporting scope, which now also includes emissions related to Claber's production activities, in addition to those reported in the previous year relating to FITT S.p.A. and FITT Polska.

10
The data relate to FITT S.p.A.,
FITT Polska and Claber.

5j Other polluting emissions (kg) ¹⁰	Detail	2022	2023
	Total organic carbon in gaseous form	4,145.74	3,657.12
	Dust	2,633.22	2,018.86
	Alkaline powders/Basic mist (e.g. NaOH) 11.85	15.48	
	Chlorides as HCl (Table C Class III)	52.85	853.40
	Table A1 Class I	0.00	0.01
	Table D Cls. I	85.53	111.67
	Table D Cls. II	316.05	408.51
	Table D Summary of Classes III+IV+V	3,914.43	2,782.02
	Table B Classes I+II+III	0.95	0.44
	Aluminium	-	1.61
	Naphtha Solvent	-	20.42
	Sum of substances Tab. A1, Cls. III (Acrylonitrile - Butadiene)	-	41.08

sustainable supply chain

Developing a sustainable supply chain is key to achieving FITT's sustainability goals in order to contribute to the 2030 Agenda promoted by the United Nations. For this reason, FITT has included in its "The Responsible Flow 2030" strategy specific commitments to establish a supply chain that meets both environmental and social sustainability criteria.

The guidelines for supplier relations are detailed in FITT's Code of Ethics, which guarantees fair and independent selection. Suppliers are required to share and comply with the principles of the Code of Ethics and to adhere to the established quality standards. In 2022, FITT introduced a "Sustainable Procurement Policy" in order to harmonise the responsible approach to the management of raw and packaging materials.



fitt has a "sustainable procurement policy" that applies to all the group's facilities, to ensure consistency in the group's responsible approach.

This policy is applied in all Group plants and sets a number of specific commitments:

- Where possible, give preference to suppliers who have incorporated and are pursuing sustainability practices within their organisation in line with the profile of "The Responsible Flow 2030" strategy;
- Purchase goods and use services in accordance with the international principles for the promotion and protection of human rights, as recognised by the United Nations Global Compact (as defined by the Universal Declaration of Human Rights) and the International Labour Organisation (ILO)

- Declaration on Fundamental Principles and Rights at Work for all those involved in the company supply chain;
- Promote a level of awareness among supply chain partners, to encourage them to adopt sustainable practices;
 - Give preference to suppliers who manufacture using energy from certified renewable sources;
 - Promote the sourcing of materials, products and services from local markets, within 300 km, wherever possible;
 - Give priority to purchasing equipment and facilities that can help reduce the environmental impact of the company production processes;
 - Collaborate with partners and stakeholders for continuous improvement and mutual growth, to progressively increase performance with a view to sustainability. To this end, it is also necessary to favour suppliers with characteristics consistent with the company objectives.



These commitments constitute fundamental safeguards to prevent or minimise potential negative impacts along the supply chain. To strengthen its sustainable supplier management framework, FITT has added to the policy the mapping of the environmental and social performance of its suppliers, extended to suppliers of raw materials, intermediate products and services.

Over the past few years, FITT has embarked on a supplier evaluation process that has led to the integration of sustainability criteria in 2021. This process includes a questionnaire based on a transversal and multi-thematic approach, asking suppliers to explain their positions regarding issues such as quality, environment, health and safety and social responsibility.

FITT's objective is to gain an overview of the impact of its activities, also outside the boundaries of the company perimeter. FITT subjects all new suppliers to a self-assessment questionnaire (SAQ) covering a wide range of data, in particular certifications obtained and specific aspects relating to business processes. This tool allows to assign a ranking and an associated risk level (high, medium, low).

According to the defined procedure, medium to low risk suppliers are immediately included in the list of active suppliers.

High risk suppliers undergo further examination before proceeding. Selected suppliers are subject to an annual evaluation of their performance, which includes a new risk assessment (vendor rating). If high risks are detected, the supplier is included in an audit plan.



fitt s.p.à., fitt monaco and fitt france have implemented an esg evaluation process for all suppliers of direct and ancillary goods, transport services and raw materials.

In 2023, six process audits were conducted on logistics and suppliers, focusing in particular on those involved in the regenerated material project. The audits, which were also carried out at a German recycler, dealt not only with the quality of the products, but also the safety aspects.

FITT has therefore launched a pilot project of social audits at its critical suppliers (on-site social supplier audit) in order to understand the actual working conditions through an assessment carried out at the site of the supplier by an auditor. All this was done following a value chain approach, partially aligned with the expectations of the Corporate Sustainability Due Diligence Directive, which will require companies to collaborate with business partners in improving performance and sharing responsibilities, rather than merely transferring obligations to them. This model represents an example that FITT wants to replicate along the supply chain through prevention, mitigation and, if necessary, improvement activities. The approach adopted aims at integrating the initial qualification assessment with continuous monitoring through vendor rating programs, therefore ensuring constant monitoring of the sustainability and safety of suppliers.

In line with the previous years, FITT S.p.A., FITT Monaco and FITT France submit both new and previously qualified suppliers to this evaluation process. In order to identify the extent of the suppliers to involve, an evaluation criterion was defined, according to which only suppliers of raw materials, direct and ancillary goods, indirect goods and transport making up at least 80% of turnover should be included. At the end of 2023, a total of 74 suppliers were evaluated, 19 more than in the previous year.

11
The values in the table include cumulative data relating to FITT S.p.A., FITT France and FITT Monaco.

5k	Detail	2022	2023
Suppliers evaluated on the basis of environmental and social criteria ¹¹	Total	55	74
	Of which existing suppliers	49	67
	Of which new suppliers	6	7

Among the commitments made by the Group, a significant role is assigned to the impacts generated in the territories in which it operates, thanks to sourcing from local suppliers¹³. In 2023, there was a considerable increase (+42%) in the number of suppliers, to a total of 3,577. Of these, 83% are located within the territories of the respective subsidiaries, while local suppliers account for 37%.

Although there was a slight decrease in these percentages compared to 2022, the company's supply cost shares remain aligned. National and local suppliers make up 63% and 21% respectively.

5I / Proportion of expenditure towards local suppliers¹²

Detail	2022	2023
Suppliers (no.)	2,515	3,577
Suppliers based in the country of the supplied branch (n.)	2,210	2,971
Local suppliers ¹³ (no.)	1,337	1,084
Share of domestic suppliers (%)	87.9%	83.06%
Share of local suppliers (%)	43.1%	37.4%
Value ordered (€)	251,350,249	248,528,574
Value ordered from suppliers based in the country where the ordering branch operates (€)	156,958,187	156,973,142
Value ordered from local suppliers ¹³ (€)	51,284,219	52,137,926
National percentage ordered (%)	62.5%	63.1%
Local percentage ordered (%)	20.4%	21.0%

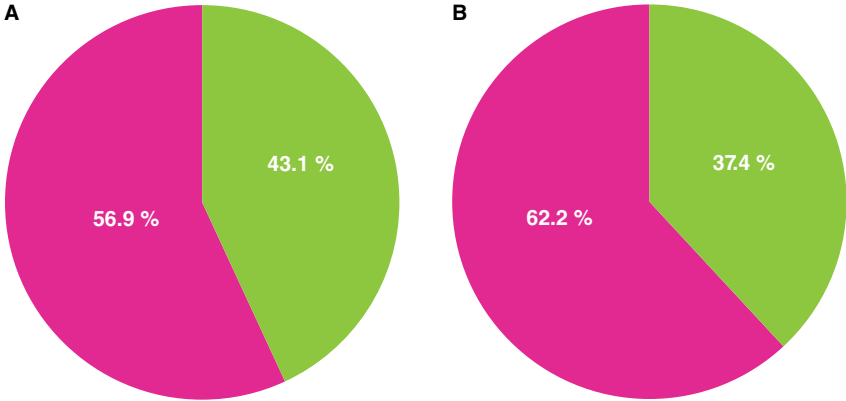
12
The values in the table are for FITT S.p.A., FITT France, FITT Monaco, FITT Polska and PLAST MEC.

13
Local suppliers are considered to be those whose head offices are at a maximum distance of 80 km from the FITT plant.

A
Share of local suppliers in the FITT Group (year 2022).

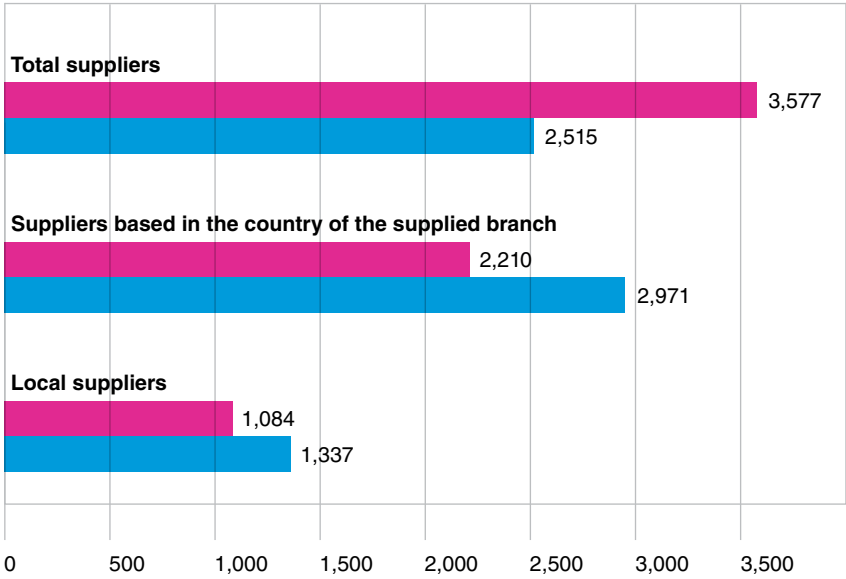
B
Share of local suppliers in the FITT Group (year 2023).

Local suppliers
Other suppliers



Comparison (year 2022 and 2023) of suppliers of the FITT Group (units).

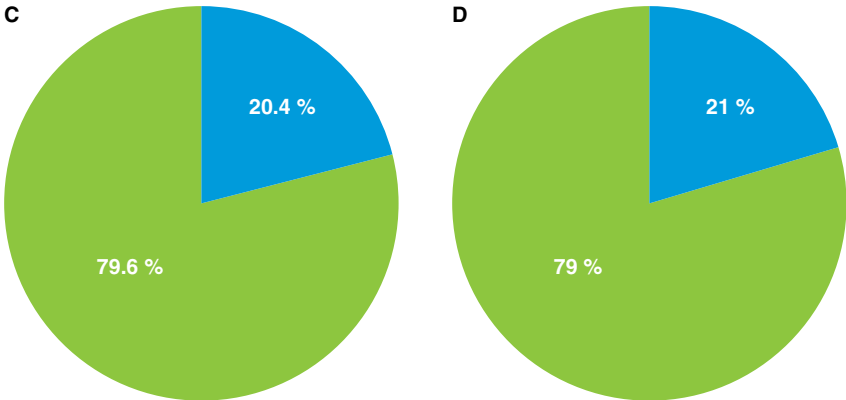
2022
2023



C
FITT Group locally ordered share (year 2022).

D
FITT Group locally ordered share (year 2023).

Local orders
Other orders



innervating people energy

It is the shared energy that gives FITT the drive to innovate, grow and improve together: an energy that is fuelled by creating a style of training, participation and well-being that is typical of the “FITT People”.

→ 06

people, employment and turnover

FITT People

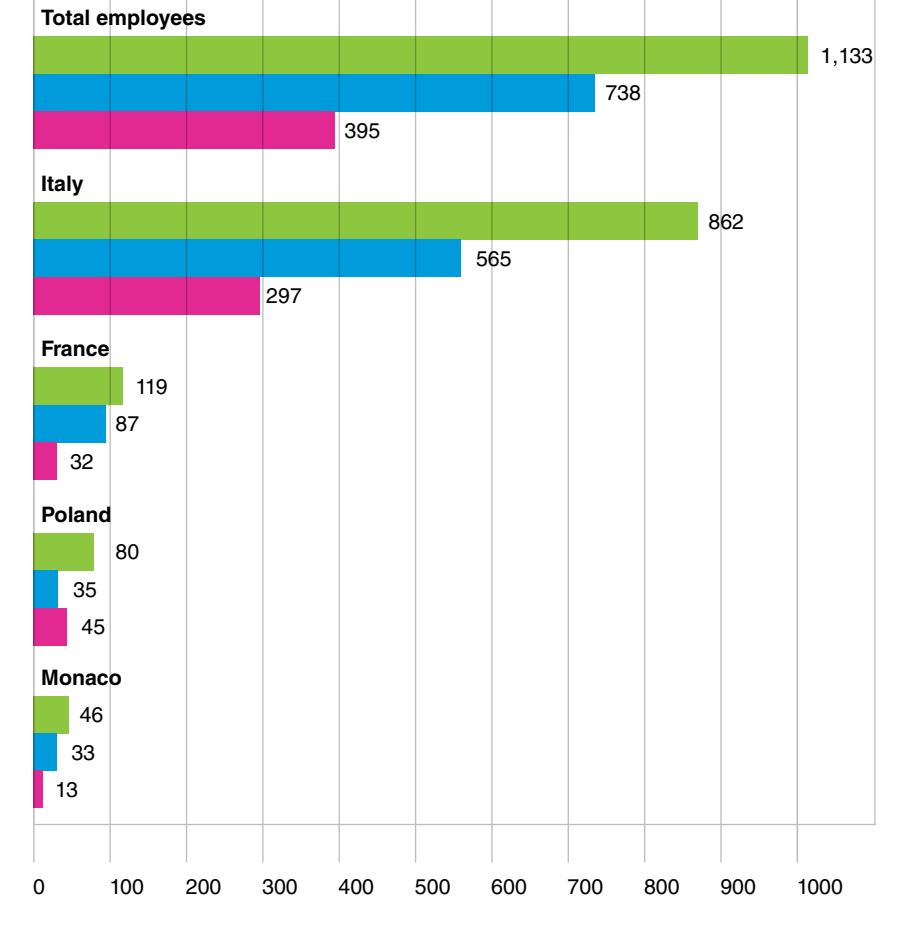
Being a community means living and working together, sharing goals and values. This is the concept behind the care for the FITT People. The FITT women and men are the backbone of the Group. Their input of ideas is decisive in the development of innovative and high quality products. In addition to the know-how, gained from its 50 years of experience, FITT has an important competitive advantage: successful teamwork, based on active participation, the ability to innovate and respond to the needs of stakeholders, and a strong sense of responsibility.

For this reason, the safeguard and the growth of the individual, both in terms of respect for their physical and moral integrity, and valorisation and growth of all internal resources, are key requirements of the organisation. In 2023, the FITT Group consisted of 1,133 employees, a sharp increase (+19%) compared to the previous year, as a direct result of three acquisitions. 76% of the employees are employed at the Italian plants, 11% in France, 7% in Poland, 4% in Monaco and the remaining 3% in Spain, China and the United States of America.

6a Employees: nationality	2022			2023		
	Men	Women	Total	Men	Women	Total
Total employees	681	292	973	738	395	1,133
Italy	525	197	722	565	297	862
France	80	34	114	87	32	119
Poland	29	40	69	35	45	80
Monaco	32	13	45	33	13	46
Spain	9	4	13	9	4	13
Rest of the world (USA, China)	6	4	10	9	4	13

Number of male and female employees across the FITT Group (year 2023, total and four main countries by staff).

Total ■
Male ■
Women ■



The commitment of the Group to the stability and security of its employees is evidenced by the fact that 95% of employees are on permanent contracts, 4% on fixed-term contracts and 1% on apprenticeship contracts. Permanent employees include 12 transfers from fixed term contracts and 13 transfers from apprenticeship contracts, as indicators of stabilisation and professional growth.

89% of employees globally, with exceptions also on the basis of specific country situations, are covered by collective bargaining agreements.

6b Staff: type of contract	2022			2023		
	Men	Women	Total	Men	Women	Total
Total employees	681	292	973	738	395	1,133
Permanent	659	266	925	709	368	1,077
Fixed-term	17	22	39	20	25	45
Apprenticeship	5	4	9	9	2	11

The number of atypical workers (temporary agency workers, project-based workers, interns) more than doubled (+160%) in 2023, reaching 200 workers. This increase is mainly due to an increase in the number of temporary staff employed by FITT SPA, whose external workforce rose from 51 to 114 due to an uneven trend in market dynamics impacting on production volumes, and the resources required to meet customer demands.

77% of the people falling into this category are temporary workers, 11% self-employed, 3% interns, 5% external collaborators and other employees, such as executive administrators.

6c Employees: full-time vs. part-time	2022			2023		
	Men	Women	Total	Men	Women	Total
Total employees	681	292	973	738	395	1,133
Full-time employees	668	238	906	728	344	1,072
Part-time workers	13	54	67	10	51	61



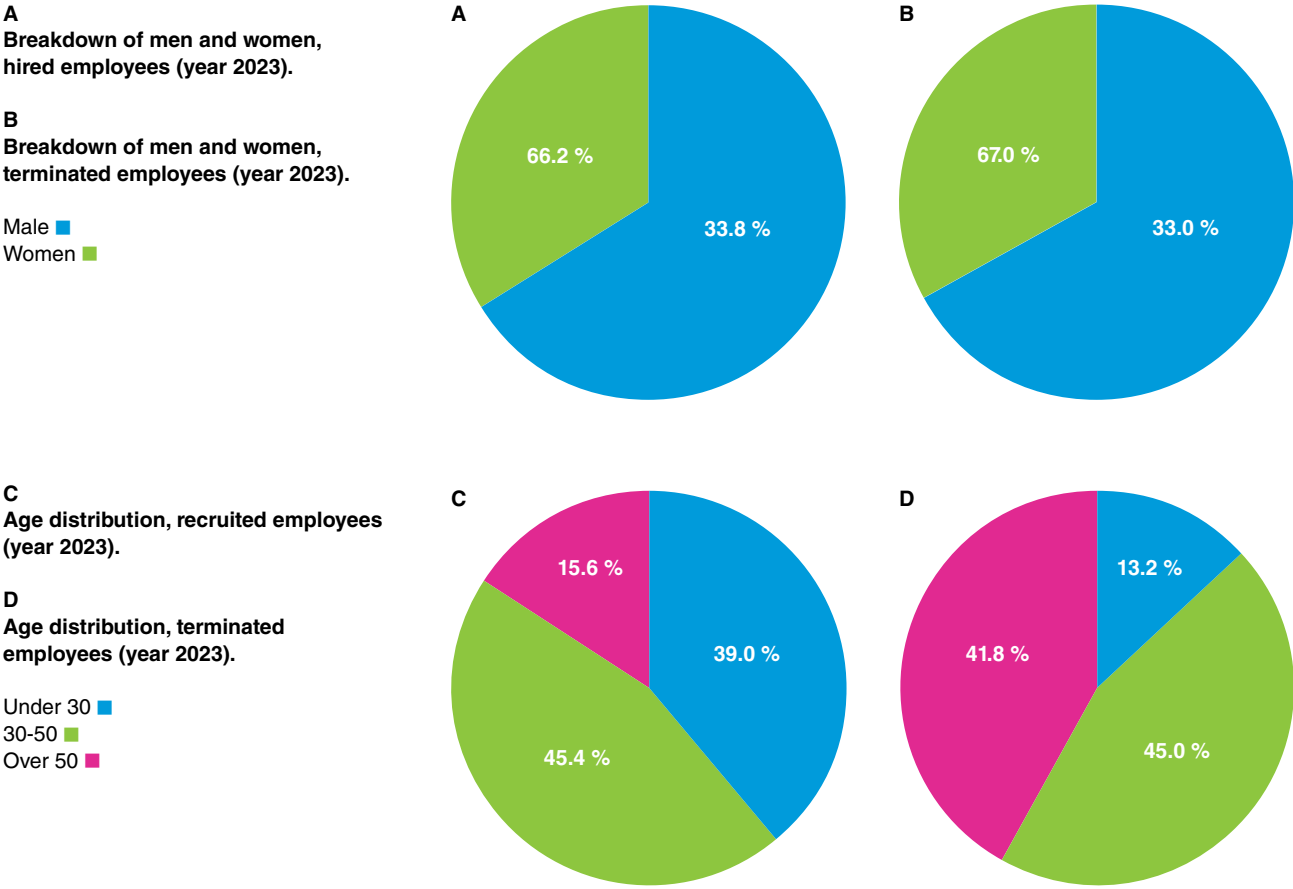
fitt's willingness to invest in young people is confirmed by the recruitment rate among the under-30, which stands at 25.3%

Employment and turnover

During 2023, 77 employees were recruited by the Group, 21 of whom made the transition from temporary agency workers to direct FITT employees. At the same time, the number of outgoing employees is at a similar level as 2022, with a total of 91. The recruitment rate is, therefore, 8.6%, down from the previous year. The termination rate of employees is slightly on the decrease, from 10.1% in 2022 to 8%. It is important to emphasise FITT's willingness to invest in young people, which consequently influences the hiring rate among the under-30, which stands at 25.3%.

6d Employees: hired vs. terminated (by gender)	2022			2023		
	Men	Women	Total	Men	Women	Total
Hired employees	71	49	120	51	26	77
Terminated employees	62	36	98	61	30	91
Recruitment rate	10.4%	16.8%	12.3%	6.9%	6.6%	6.8%
Termination rate	9.4%	12.3%	10.1%	8.3%	7.6%	8.0%

6e Employees: hired vs. terminated (by age)	2022				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Hired employees	47	57	16	120	30	35	12	77
Terminated employees	17	56	25	98	12	41	38	91
Recruitment rate	43.1%	8.5%	8.4%	12.3%	25.2%	4.6%	4.9%	6.8%
Termination rate	15.6%	8.3%	13.2%	10.1%	10.1%	5.3%	15.4%	8.0%



FITT cares about the well-being of its employees and offers comprehensive welfare solutions developed by listening to their needs and maintaining clear and continuous internal communication.

Service Platform

FITT's welfare policies include Flexible Benefits: a tax-free amount paid by the company that can be spent on goods and services, in compliance with Italian laws. Employees can choose to receive part or all of their annual performance bonus, before tax, increased by up to +25% if they select welfare bonuses, on an online platform where they can purchase goods and services.

Insurance for the health of staff

Since 2020, FITT S.p.A. implemented a policy to support its employees in the event of hospitalisation due to Covid-19. This was then extended in 2021 with the subscription of an insurance policy for the financial support of workers and their families in case of serious illnesses (the so called "Dread diseases").

This supplementary health care system also extends to other foreign legal entities such as FITT France and FITT MC. It guarantees improved medical cover and reduced healthcare costs for employees. The first one provides the entire company population with an insurance system that covers employees in the event of accidents. FITT MC has put in place an insurance that allows each employee (managerial and non-managerial) to benefit from reciprocal cover in addition to the CCSS reimbursement system.

Engagement and transparent communication

FITT endeavours to disclose the performance of the company in a transparent manner at all times through structured and regular internal involvement processes. A "Corporate Governance" section has been created in WeFITT (corporate intranet), where communications regarding strategic objectives and company trends are published.

Since 2017, FITT has developed a new way to share projects, goals and company successes with the FITT People: Let's Share Together.

INSIGHT

Focus groups on well-being

FITT regularly carries out company climate surveys to understand the level of satisfaction of its employees and identify critical points not yet highlighted. In light of the results of the survey conducted in 2021, the cycle of in-depth assessment activities was completed in 2023, which led to the organisation of 35 focus groups, 30 of which in Operations, involving 350 people. Particular attention was paid to the Operations area, where the most critical issues were found, also in terms of participation.

This series of meetings led to the definition of master plans for each plant in Italy. These master plans include specific interventions for their different sections: from improvements relating to the structural aspects of the plants, to actions to promote collaboration, to governance of communication processes.

Two years later, it was decided to repeat the survey in order to monitor the outcome of the actions undertaken during that period. Launched in August 2023 and concluded in January 2024, the new survey was submitted to employees in digital format and, to ensure the participation of all company staff, it was translated into 2 languages, English and French.

To further stimulate the participation of the Operations area, meetings were organised in the various production plants in order to make employees aware of the importance of these questionnaires.

These initiatives led to increased employee engagement compared to the previous edition.

The scope of the survey was expanded to cover 7 macro-areas: evaluation of FITT People initiatives, engagement, my work, environment and spaces, relationships, diversity and inclusion, youth.

The results, also influenced by greater participation compared to the previous survey, showed a slight decline in overall satisfaction, although the vast majority of the FITT People still consider themselves satisfied.



These events take place with different solutions: in person for employees working at the HQ of the Group, and in streaming for those in smart working or working in the other Italian locations.

Let's Share Together promotes the collaboration between different functions to achieve a common goal and the plurality of the business, institutional, sustainability and organisational projects in which FITT is engaged. The FITT People themselves can propose projects and topics to be addressed during Let's Share Together events, in full respect of the participatory culture that characterises the FITT way of doing business. The presentation to the company population is always the responsibility of the project team or leader.

In 2023, the company run 5 Let's Share Together events, one of which a special edition: on that occasion, the associations supported by FITT - Women For Freedom, Il PomoDoro and Fondazione Città della Speranza - took the floor and spoke about their missions and how they carry them out.

26 July 2023 | Sandrigo FITT HQ
Let's Share Together - Special Edition



Moreover, during 2023 the Group organised new events called Social Talks, dedicated to the FITT People and aimed at exploring contemporary and significant issues, looking at things from new perspectives, to promote thinking and confrontation. Leading the meetings, a series of external speakers, experts in the fields of health, youth, women and disability, linked to the associations that FITT supports.

FITT combined its two audiences - employees and stakeholders - together into one, talking about mindfulness, language and gender inequality, time perception and management, diversity, scientific research and health. A new way of bringing together the internal side of the Social coin - the corporate people - with the external side - the community in which FITT operates - to transform the well-being of the FITT People into an opportunity for multidimensional impact towards the community to which it belongs.

These events, characterised by active interactions between the speakers and the FITT People, have allowed to generate positive impacts, creating greater awareness and involvement in the topics discussed. An example of the success and importance of this type of involvement of employees is given directly by a FITT SPA employee who, after participating in the Social Talk on gender inequality and violence, became a volunteer for an association supported by FITT.

#1 Dr. Anna Neresini		Mindfulness for well-being in the workplace Meeting dedicated to promoting ways to manage stress, anxiety, difficult emotions and personal well-being, inside and outside the work environment.
#2 Dr. Anna Giacobbo Dr. Arianna Cortese		Gender inequality and violence: the language Meeting dedicated to gender inequality and violence: in-depth look at what they are, how they manifest themselves and how to combat them, starting with everyday language.
#3 Dr. Marco Maruzzo		Waiting time, caring time and the time that remains Time is a complex concept that can be explored in terms of individual perception and how life events influence its perceived duration. This topic was addressed through an account of everyday experiences and in the domain of health.
#4 Dr. Martina Piccoli		Miracles: a matter of research Meeting dedicated to scientific research and the progress achieved through it.
#5 Prof. Luca Trappolin		Diversity: origin, evolution and conflicts Diversity and inclusion are topical issues, but they have not always been so in the past. This meeting discussed the meaning of diversity and whether its safeguard can be a cause of conflict between competing social groups.

Paola Grendene & Women for Freedom

The word to the FITT People



PAOLA GRENDENE
Customer Service
Specialist

1_Thanks to FITT's partnership with Women for Freedom, the FITT People has become aware of this organization, of which you have become a volunteer. What led you to actively collaborate with the organisation?

I was looking for an organisation to volunteer for: I wanted to give a few hours of my time to do something practical, using my manual skills. The mission of WFF - combating violence against women and children - is a subject I feel very strongly about. I attended an introductory evening where various volunteer groups presented their activities, and I immediately felt a connection with the sewing group, which focuses on designing and creating handmade items using needle, thread, fabrics, crochet, and more.

Everything I do not do in my professional life. What we make is then sold, and the proceeds contribute to the realisation of WFF projects.

2_How do you think FITT's involvement as a partner of the organisation impacts on employees and the corporate culture? Have you noticed a change in the perspective of your colleagues?

Certainly, the dissemination of the volunteering culture as an act of gratuitousness, freedom, spontaneity, and not-for-profit, benefits the society in which we all live. I have noticed that the interest among colleagues in general has grown over the past year and can only grow in the future, given also the topicality of violence against women and the repercussions on the children around us.

3_What are the main benefits of the partnership between FITT and WFF?

I believe there is a real opportunity for FITT to apply corporate social responsibility and for WFF to have the solid backing of a large, well-structured company that can support their projects.

4_Can you share a significant experience you have had during these years of volunteering?

I have only been a volunteer for a year, but to date my active participation in the Liberamenti Festival, which took place last November in Bassano, was significant.

17 November 2023 | Liberamenti
Asmae Dachan - Italian-Syrian
journalist, photographer, poet and
writer. Together with her, journalist
Elena Ferrarese.



A festival that runs every two years and revolves around the International Day for the Elimination of Violence against Women, with the aim of making people reflect on women in the contemporary world through the different languages of art. Not only did we sell our handmade products, but we also participated in lectures, workshops and performances in a friendly and sharing atmosphere.

5_Do you have any advice for those who want to volunteer but do not know where to start?

Of course! Anyone who would like to become a volunteer can contact me for general information and can attend one of the monthly meetings held in Bassano, to get to know the association and see how they could contribute.

Sponsor

Liberamenti

Grazie per il prezioso contributo

fitt®



W Women For Freedom

Marika Zanin & Fondazione Città della Speranza

The word to the FITT People



MARIKA ZANIN
Customer Service
Specialist

1_What are the main benefits of the partnership between FITT and Fondazione Città della Speranza (City of Hope Foundation)?

This partnership offers a number of important benefits: first, it helps to raise awareness in the community about solidarity, encouraging each of us to become more involved in helping those in need; it allows us to support and sustain various activities and research projects, thus contributing to the development of new solutions and knowledge; it helps to improve the care and treatments offered by the Foundation, which become increasingly effective and targeted. However, the greatest benefit is for sick children: thanks to this partnership, they have extra hope of recovery, a real chance to overcome their difficulties and look to the future with greater confidence.

2_How do you think FITT's involvement as a partner of the organisation impacts on employees and the corporate culture? Have you noticed a change in the perspective of your colleagues?

FITT is made of people, and so everyone is involved. The dissemination of the projects that are supported, and their results, help to bring people closer to this reality, which is still taboo for many. Over the years, there has been an evolution in the collaboration between FITT and Fondazione Città della Speranza that has led to the Social Talks and "Let's Share Together" events in 2023, which aim precisely at promoting this involvement, with the hope of reaching as many colleagues as possible. I believe that the engagement of the FITT People is growing and becoming more and more widespread.

3_What voluntary activities do you carry out within the Foundation?

Like many other volunteers of the Foundation, my involvement stems from having first-hand experienced of the world supported and sustained by the Foundation: being a volunteer of the Foundation has allowed me to be able to transform a painful experience, the loss of my son, into a starting point to help many other children and families who struggle with the disease. I try to do this by spreading awareness regarding initiatives and campaigns, especially by promoting the sale of solidarity gifts in FITT during the Christmas and Easter periods, or by selling raffle tickets, or by organising cultural and sporting events, with the sole purpose of raising funds and donating them to the Foundation.

4_Can you share a significant experience you have had during these years of volunteering?

Dedicating our time to helping sick children is first of all the greatest gift that we can give them, but let us not forget that we are also giving it to ourselves. Volunteering gratifies us, boosts our confidence and helps us fill that void around us. One experience, however, that I will always carry with me, is that of bringing joy to hospitalised children and their parents on New Year's Eve in the Paediatric Oncohaematology ward in Padua: my father started this tradition back in 2007, when my son was hospitalised, and since then as a family we have been committed to gifting fireworks to the ward. Seeing the smiles and amazed eyes of the hospitalised children watching the fireworks display, with the hope that the coming year will be a better one, is priceless.

5_Are there skills that you acquired through volunteering that also proved useful in your profession?

I am convinced that volunteering offers us the opportunity to give our best: in our case, confronting the reality of Fondazione Città della Speranza, and therefore the world of paediatric diseases, teaches us to face certain taboos that unfortunately still exist, and to see difficulties with different eyes. But above all it helps us to give the right value to what we have in our lives. This applies to private life, but also to professional life.



5_ Do you have any advice for those who want to volunteer but do not know where to start?

Volunteering is simply putting our time, our skills, even the simplest ones, at the disposal of those in need, those less fortunate than ourselves. No great training or aptitude is required. For anyone who would like to start as a Fondazione Città della Speranza volunteer, I can recommend contacting the Foundation itself, which will be happy to suggest various activities for which support is required. I conclude with a quote from Mother Teresa of Calcutta, emblematic of the contribution a volunteer can make: "We cannot always do great things in life, but we can do small things with great love".



Fondazione
Città della Speranza
ONLUS

FITTogether 2023

2023 was the closing year of the vision that has accompanied the company since 2019 in the definition of its sustainability path. For this reason, FITT organised an event to celebrate this important milestone. The event, open to both employees and their families, was attended by more than 800 people. It was organised by a team of 6 employees, who on the final day involved a group of more than 30 colleagues, who took care of various services: reception, guided tours of the plants, distribution of food and beverages.

Several initiatives took place during the day, including solidarity team-building activities such as packing meals for some Sub-Saharan African countries, which brought benefits both in terms of group cohesion and to the global community. This was made possible thanks to the collaboration with the non-profit organization Rise Against Hunger, which promotes action against hunger, with the goal of actively involving the civil society through concrete and solidarity-based participation.

At the same time, an initiative was held to sell FITT-branded products, the proceeds of which were donated to Women For Freedom, Fondazione Città della Speranza and Il PomoDoro. In addition, each association had the opportunity to be physically present at the event, increase their visibility and create further opportunities for involvement with the FITT People.

23 September 2023 | San Pietro in Gu
FITTogether 2023



Finally, the collaboration with the Le Pleiadi Association made the event all the more interesting with talks focusing on scientific innovation and research. The children and young people who participated in the workshops organised by the Association were able to learn how FITT's solutions can be used for sustainable water management. Each foreign branch was asked to provide a personal interpretation of the FITTogether concept.

FITT Spain and FITT France facilitated interaction outside the work environment through the organisation of a series of days dedicated to team building activities.

FITT Monaco promoted a number of initiatives to improve workers' well-being, for example by raising awareness on the reduction of the risks of sedentary work.



the children and young people who participated in the workshops were able to learn how FITT's solutions can be used for sustainable water management.

Smart working

Following a path that started in 2018, well before the COVID-19 pandemic, FITT has, over time, structured its Smart Working solutions and implemented a Policy that allows up to three days a week of smart working for employees for whom this is feasible in view of their roles.

In Italy, 96% of white-collar workers benefit from this arrangement, while in Monaco the opportunity is open to 50% of eligible workers, with plans for extension to the rest of the workforce at the beginning of 2024. A trial has also been launched in France, involving 30% of the eligible workers.

A presence in the office of at least two days a week is meant to preserve the continuation of the necessary face to face discussions and collaborations, which contribute to strengthening relationships and teamwork.

This choice is also accompanied by a cultural activity centred on "goal attainment", based on trust and sense of responsibility of each employee.



In September 2023, the FITT People were involved in a training course for the use of the new electric company car fleet.



Car policy

The Car Policy of FITT is integrated with its sustainability strategy, and the company has introduced hybrid and electric company cars. In addition, the chosen climate-neutral fuel card mechanism, DKV CARD CLIMATE, allows for the offsetting of refuelling CO₂ through the Myclimate Deutschland's offsetting projects, which meant 228.08 tonnes of CO₂ for 2023.

Solidarity Gifts

For years, FITT's choice of Easter and Christmas corporate gifts has favoured solidarity products. This represents a double gift: for the recipient and for the not-for-profit organisation supplying it. As in the previous year, the partner for the Christmas gifts in 2023 was Altromercato.



in addition to its fifty years of experience and the excellence of its know-how, FITT's competitive advantage lies in its effective teamwork, the sharing of ideas and values to achieve goals together and make a sustainable difference.

diversity, equity and inclusion

In line with Sustainable Development Goals 5, 8 and 10 of the 2030 Agenda and the principles of the Code of Ethics, FITT integrates the principles of fairness and equal opportunities in all its business activities.

The company protects the physical and moral integrity of employees and promotes fundamental rights, rejecting any discrimination based on gender, race, political, religious and sexual orientation, or social and personal conditions.

In full compliance with the relevant legal and contractual regulations, FITT is committed to offering all staff regulatory and remuneration treatments solely based on merit and competence criteria, without any type of discrimination.

The topic of Diversity and Inclusion (D&I) was integrated into the corporate climate survey, which revealed general satisfaction among employees, but also an increased sensitivity to some specific issues, such as female representation in management positions and the way new talent is managed. This made it possible to raise awareness on these topics and define targeted actions.

In 2023, FITT developed a dedicated diversity and inclusion policy and participated in the UN Global Compact - Target Gender Equality Accelerator, which aims to provide companies with the necessary skills to accelerate the achievement of gender equality through participation in testimonials, workshops and peer learning meetings. This path led to the signing of the WEPs in March 2024.



in 2023, fitt drafted a diversity & inclusion policy and participated in the "un global compact: target gender equality accelerator" training path.

INSIGHT

What are the Women's Empowerment Principles (WEPs)?

The aim of the WEPs is to consolidate the position of women in the company. They can be used as an actual framework to refer to when defining internal strategies and policies, but also in the relations with stakeholders.

PRINCIPLE 1

Establish high-level corporate leadership for gender equality.



PRINCIPLE 2

Treat all women and men fairly at work - respect and support human rights and nondiscrimination.



PRINCIPLE 3

Ensure the health, safety and well-being of all women and men workers.



PRINCIPLE 4

Promote education, training and professional development for women.



PRINCIPLE 5

Implement enterprise development, supply chain and marketing practices that empower women.



PRINCIPLE 6

Promote equality through community initiatives and advocacy.



PRINCIPLE 7

Measure and publicly report on progress to achieve gender equality.



WOMEN'S EMPOWERMENT PRINCIPLE



The female presence within the Group is lower than the male presence and represents 35% of the company population. This percentage increased compared to 2022, with the number of women in the workforce rising from 286 to 395 (+38%).

With the new company structure, 49% of women fall into the blue collar category, but it is in the white collar category that women represent the majority.

As already mentioned, in the other company categories the male figure is predominant. In addition to a general increase in the number of figures at each category level, there was a significant increase (+38%) in the number of women in middle management roles.

6f Employees: categories	2022			2023		
	Men	Women	Total	Men	Women	Total
Total employees	681	292	973	738	395	1,133
Executives	14	4	18	16	2	18
Middle managers	55	17	72	73	26	99
Office workers	124	148	272	134	175	309
Factory workers	488	123	611	515	192	707

At global level, the average age of the FITT People is 41 years. 10% of staff is less than 30 years old, while about 67% belongs to the most represented age band, the 31-49 age group. The Over 50 represent 23% of the FITT's population worldwide. FITT is consistently working to achieve equal pay and equal tasks

6 g Employees: age groups	2022			2023		
	Men	Women	Total	Men	Women	Total
Total employees	681	292	973	738	395	1,133
Under 30 years	64	45	109	65	50	115
Between 30 and 50 years	491	183	674	513	247	760
Over 50 years	126	64	190	160	98	258

for men and women. All this is also confirmed by the improving trend in the pay gap between the two genders in 2023. In general, limited pay gaps can be seen in all categories, but this difference, in terms of Gross Annual Pay, is practically non-existent among managers, where the pay ratio for women is 0.99¹.

1
The closer the ratio is to the value, the smaller the gender pay gap.

6h Employees: pay ratio ¹	2022		2023	
	Men	Women	Men	Women
Executives - Gross Annual Pay	1.00	0.83	1.00	1.00
Executives - Global Annual Pay	1.00	0.82	1.00	0.99
Middle managers - Gross Annual Pay	1.00	0.86	1.00	0.76
Middle managers - Global Annual Pay	1.00	0.76	1.00	0.77
Office workers - Gross Annual Pay	1.00	0.93	1.00	0.89
Office workers - Global Annual Pay	1.00	0.76	1.00	0,79
Factory workers - Gross Annual Pay	-	-	1.00	0.84
Factory workers - Global Annual Pay	-	-	1.00	0.89





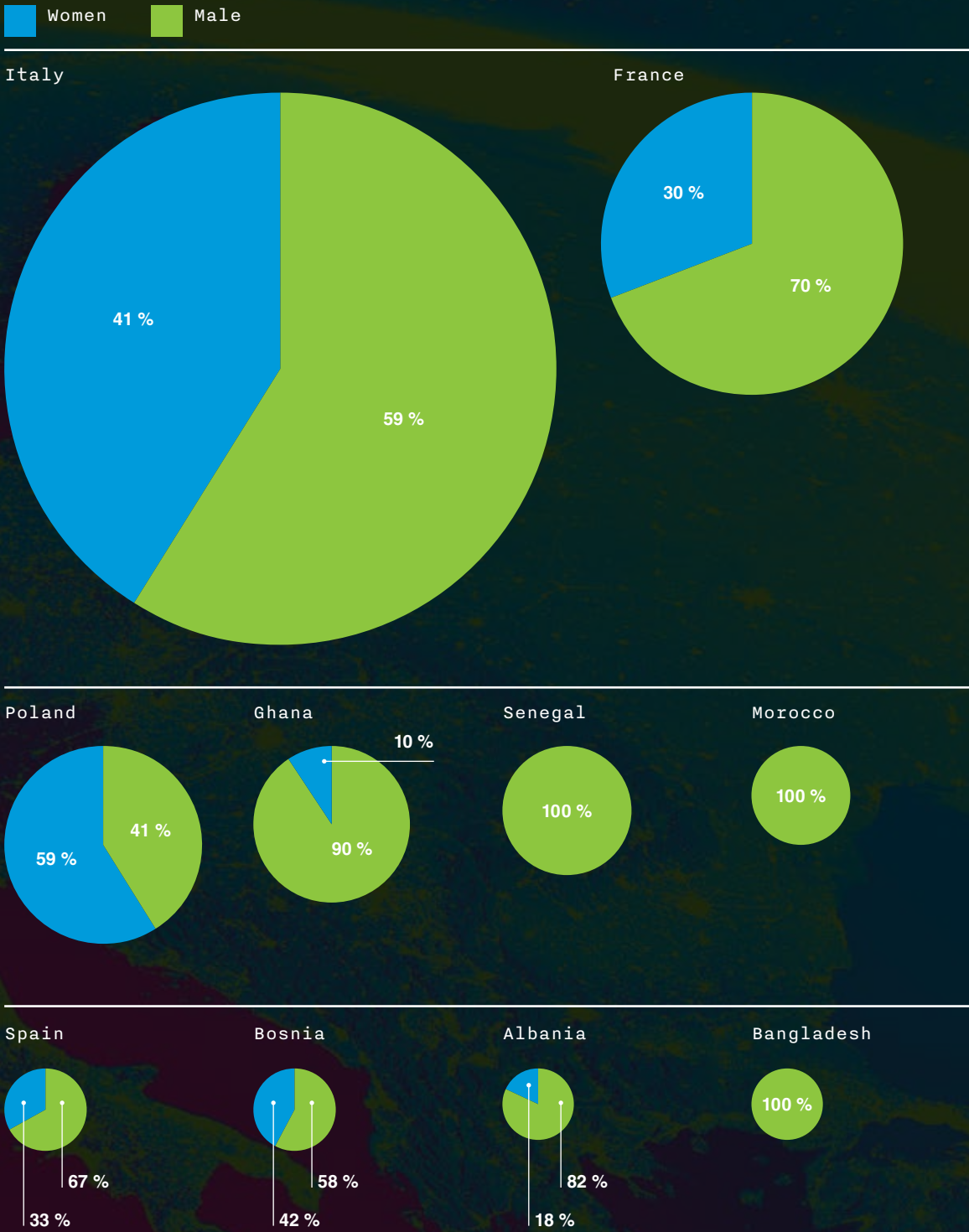
FITT promotes and defends the fundamental rights of people and repudiates all forms of discrimination.

In 2023, FITT's workforce consists of employees of more than 17 different nationalities. In order to facilitate the reunification with family members living in their countries of origin, FITT has for many years given to non-EU employees the possibility to take extended leave.

6i Employees: Countries of origin	2023			
	Country	Men	Women	Total
	Italy	388	267	655
	France	114	47	161
	Poland	32	46	78
	Ghana	43	5	48
	Senegal	28	0	28
	Morocco	20	0	20
	Spain	8	4	12
	Bosnia	7	5	12
	Albania	9	2	11
	Bangladesh	11	0	11
	Ivory Coast	10	0	10
	United States	4	4	8
	China	3	1	4
	Other countries	61	14	75

INSIGHT

Top 10 countries of origin of employees



6.4 continuous learning and career development

The chart on the opposite page shows the breakdown of training subject areas (top 8).

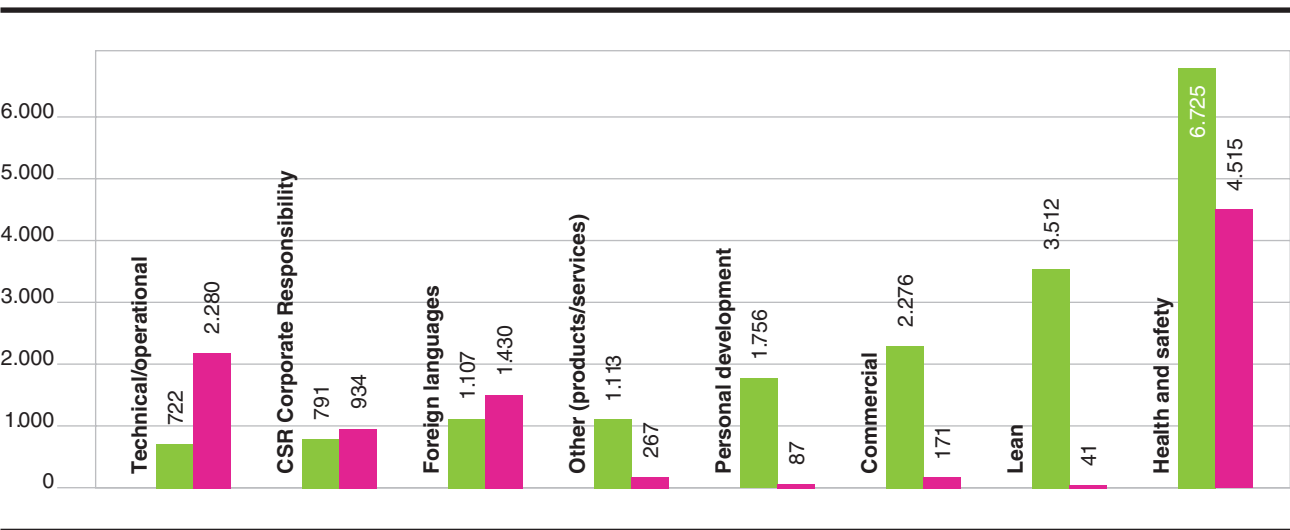
2022
2023

FITT considers the professional growth of its employees of fundamental importance, to enhance and support the growth prospects of individuals, whilst also improving company performance. For this reason, continuous training is a key element for the benefit of the entire company population, useful to further update the technical and transversal skills of the different company roles.

After the major investments in 2022 aimed at providing the FITT People with transversal skills, in 2023 the company decided to focus on specific technical skills, targeting certain tasks and consequently selecting participants accordingly. Hence the difference in the number of hours provided shown in the table, and consequently the reduction in the average number of hours per capita dedicated to training, equal to 11.3, and in the percentage of employees involved, which this year was 78%. This trend can be found in all the legal entities of the Group, but is particularly evident in FITT SPA and FITT MONACO.

6j Training hours	2022			2023		
	Men	Women	Total	Men	Women	Total
Average training hours	21.0	21.7	21.1	11.7	10.6	11.3
Executives	32.0	65.5	33.9	16.6	18.5	16.8
Middle managers	32.0	39.5	33.8	16.5	17.3	16.7
Office workers	27.2	25.0	26.0	15.8	11.8	13.5
Factory workers	18.5	14.8	17.7	9.7	8.4	9.4

Training initiatives focused mainly on the Operations area, where there was a need to update technical skills related to the core business, such as extrusion and time-cycle training.

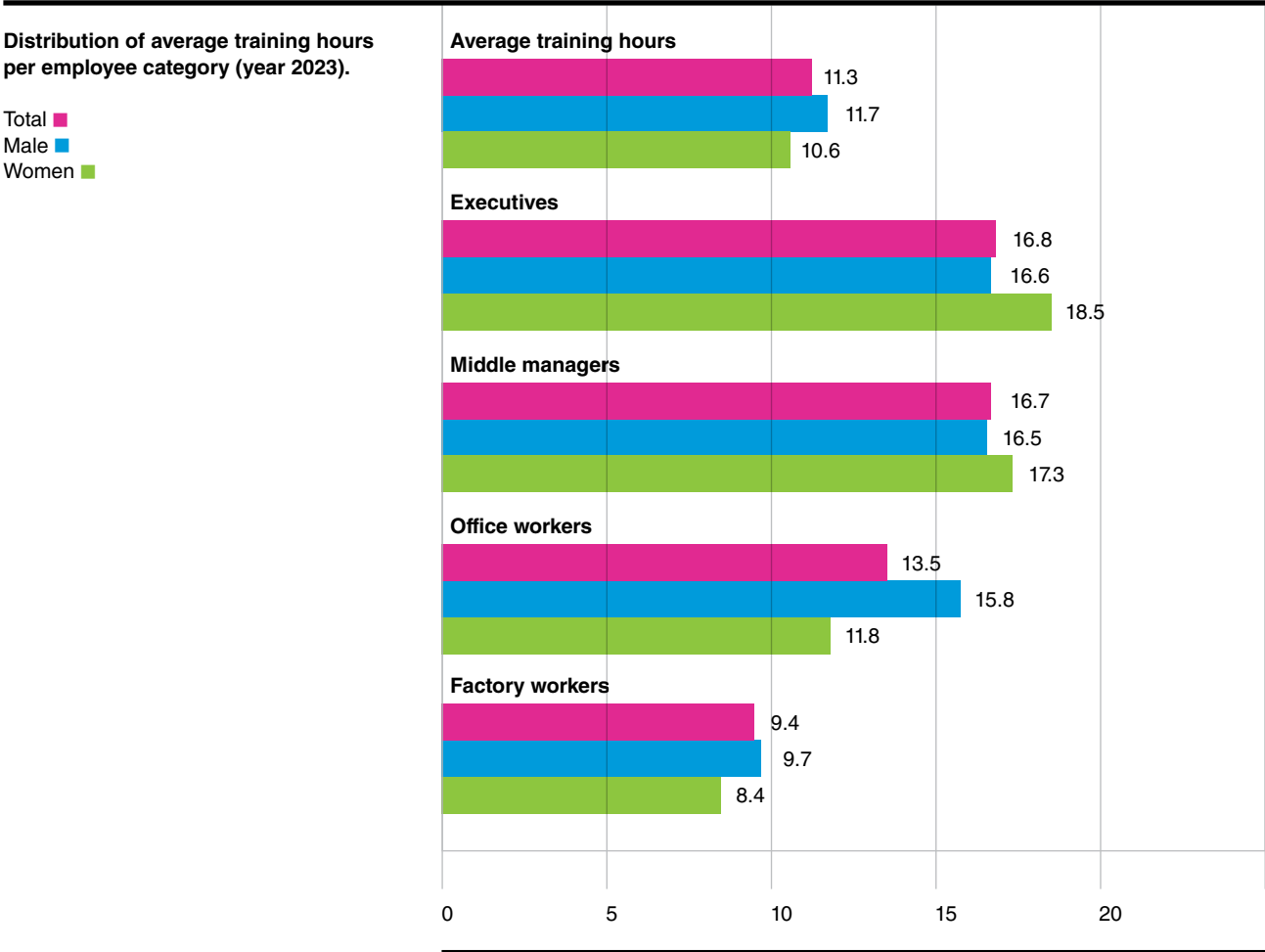


6k
Training hours

Thematic area	2022	2023
Total	20,536	11,741
Information technology	37	247
Economic and financial	608	124
Technical/operational	722	2,280
Managerial	515	840
Foreign languages	1,107	1,430
Commercial	2,276	171
Quality	417	504
Marketing & Communication	621	4
Legal	94	51
HR & Organisation	130	24
Innovation	82	214
Purchasing	32	8
Health and Safety	6,725	4,515
Lean	3,512	41
Personal development	1,756	87
CSR Corporate Responsibility	791	934
Misc. (products/services)	1,113	267

The training courses have been conceived as technical events, to enrich the skills of the technical operators who carry out these activities on a daily basis.

Furthermore, it is important to emphasise that although the training provided was set up differently, investments in health and safety training remain very high, given the constant attention to reducing the risks to which employees are exposed.



fitt continues to invest in training, talent culture and skill development, key elements on which to focus for the support of long-term business sustainability.

Sustainability training

FITT's social strategy is strongly focused on sustainability training, so much so that a quantitative KPI - ESG funding of 2021 - and a qualitative KPI - three-year Performance Bonus (PB) - are linked to this topic.

Of note is the strong interest shown by employees in sustainability training, in particular the ecodesign guidelines, the strategies for reducing and offsetting environmental impact and sustainable supply chain management - all of which directly influence their daily operations.

The needs that emerged led to the organisation of an *ad-hoc* training program in 2023, consisting of three clusters: Sustainability Basic, Sustainability Advanced and Sustainability Pro.

The structure of this training will provide all employees with a basic knowledge of sustainability, in order to be able to fully understand the company strategy, but also to acquire specific skills not currently available inside the company perimeter. One of the examples of the courses provided for Sustainability Pro was, as mentioned above, on sustainable procurement and supply chain, instrumental in the creation of the Sustainable Procurement Committee.

SUSTAINABILITY					
BASIC		ADVANCED		PRO	
Objective: provide FITT People with a basic sustainability culture.		Objective: analyse topics that are functional to the performance of specific activities.		Objective: filling internal gaps and/or mentoring on strategy related projects.	
Internal trainers: Sustainability Manager, Sustainability & HSE Specialist, R&D Manager, Sustainability & Environmental Specialist		Internal trainers: Sustainability & R&D Department		External trainers	
Target: FITT People Office		Target: FITT People Office at the request of the manager		Target: FITT People Office at the request of the manager	
Content: Introduction to Sustainability, COP and European Green Deal, Benefit Company and B Corp, Stakeholder Engagement, LCA, Ecodesign, FITT's Sustainability Strategy		Content: In-depth LCA, 14067 Systematic approach, EPD certification.		Course examples: Sustainable Procurement and Supply Chain Training, Global Compact Course: Diversity & Inclusion and Climate Ambition Accelerator, ISO 14001 Course...	

Academy path

FITT provided free training to 8 participants, chosen among the candidates for a job placement, in cooperation with the Umana Employment Agency and financed by the Forma. Temp. Fund. This course was created to develop theoretical and practical skills related to electromechanical maintenance, and opportunities for placement within the company. In specific, 132 hours of training were provided on three macro-topics: general safety, rights and duties of temporary agency workers, and techniques for the mechanical sector, covering the reading of mechanical drawings, measuring instruments, wire welding, machine tools and assembly.

After the training was delivered, 5 participants were hired with a temporary agency worker contract, and at the end of 2023 the company took on 3 of these on a permanent contract.

Performance Management

Performance management is a crucial element to ensure continuous personal improvement and to support the professional growth of the employees of the organisation. For this reason, FITT has defined a structured approach that is continually updated, and is committed to creating a working environment in which excellence, innovation and the well-being of its employees contribute directly to the achievement of the medium-to-long-term strategic objectives of the company.



Skill Matrix, People Review and Performance Dialogue are the three tools FITT has implemented for this purpose.

For some years, the company has been using the Skill Matrix to map the competencies of each employee, identifying any skill gaps that need to be addressed.

These matrices are updated regularly according to the roles held. In addition, a process of standardisation of the matrix formats was initiated in order to standardise the gathering methods among the different plants. This system was complemented by a People Review: A process during which HRBPs, through the feedback provided to them by the manager of the area being analysed, assess the potential and the risk of the employee's position being unfilled, and formulate a career development hypothesis. The process helps to identify possible action plans to be implemented.

Finally, the evaluation process is completed by the Performance Dialogues, in place since 2021 for all office staff and some key figures in the Operations area. This is a company performance management system consisting of annual appraisal interviews involving employees and their managers. The dialogue is complemented by a comparison with the previous year's results, the definition of the objectives for the coming year, the assessment of leadership attitudes and skills, a discussion regarding professional aspirations and the manager/collaborator relationship.

The evaluation process is carried out in FITT SpA, Plastmec, FITT France and FITT MC, with a total involvement of 623 employees, or 55% of the FITT People.

Almost all executives and middle managers are part of this process, 97% and 100% respectively. A very high percentage, 93%, is also evaluated among office workers, although slightly down on the previous year. The percentage of staff in the Operations area who are evaluated remains moderate, at 31%.

6I Employees subject to evaluation	2023			
	Detail	Men	Women	Total
	Total	304	319	623
	Executives	16	2	18
	Middle managers	71	29	100
	Office workers	120	164	284
	Factory workers	97	124	221

Performance Bonus

FITT includes in its remuneration scheme the Performance Bonus, which makes up a portion of the salary and is linked to company objectives and results, in order to create greater employee involvement in the achievement of such objectives.

As of 2023, the Performance Bonus relates to 4 objectives common to all business areas and specific objectives for the plants and logistics hub (2), and the office area (3). Common objectives include, for example, the reduction of waste and accidents, which for the first time is also a performance indicator for the Office area.

One of the specific objectives of the Office area, accounting for 10% of the three-year PB, relates to the implementation of the sustainability plan and is structured as follows:

#1 Turnover generated through the sale of eco-friendly products	Target 3%	Actual 7.2%
#2 Truck saturation level with intercompany shipments	Target 87%	Actual 92%
#3 Pass rate of the final sustainability training course test (Sustainability Basic)	Target 100%	Actual 100%



fitt includes the performance bonus in its remuneration scheme, with the aim of creating greater employee involvement.



health and safety in the company

The safeguard of the health and safety of its workers is for FITT an essential element. FITT is committed to maintaining the highest levels of safeguard in this area, implementing all the necessary prevention and protection measures to avoid or reduce occupational risks. For this reason, it is essential to insist on the dissemination of a safety-conscious corporate culture, promoting responsible behaviour.

The safety regulations and the Code of Ethics impose a precise knowledge of the risks to which individuals are exposed in the course of their activities and make the entire population covered by the Code responsible for creating a healthy and safe working environment, protecting the safety of those with whom they collaborate and promoting active participation in health and safety management by reporting near misses and aiming for continuous improvement. In 2023 there were 36 accidents during a total of 1.9 million hours worked, 9 of which involving agency workers. This increase is due to a broadening of the consolidation scope of the data, which now includes all the companies of the group except Airplast. This is also reflected in an increase in the accident rate and the severity index, currently 18.7 and 0.51 respectively.

In 2022, very significant investments were made in particular in Health and Safety training, with a focus on better highlighting and mapping of near misses, thus increasing the sense of individual and collective responsibility.



INSIGHT

Health and safety risks associated with labour-intensive processes



The introduction in the company of assembly and packaging operations for some of the company branded products has inevitably drawn attention to labour-intensive processes and the associated health and safety risks.

Therefore, with an investment of almost 200,000 Euros, a process automation experiment was initiated using palletizers, one of which Cartesian, and introducing a collaborative robot.

On the other hand, the figure for occupational diseases remained the same as the previous year: 1.
No accidents were recorded during the year among contractors' external workers.
At FITT S.p.A. level, the company has set a target of 50% reduction in the number of accidents by 2025, while at Group level (excluding FITT Monaco and FITT España), FITT is working towards a 5% annual reduction in the severity index.

6m	Detail	2022	2023
Accidents at work ²⁻³	Total number of deaths at work	0	0
	Total number of accidents at work	22	36
	Total hours worked	1,407,472	1,926,678
	Days lost	661	989
	Rate of accidents at work ⁴	15.6	18.7
	Accident Severity Index ⁵	0.47	0.51
2 The data reported include accidents among employees and agency workers.		4 The rate of accidents at work is calculated according to the GRI standard: number of accidents at work / total number of hours worked * 1,000,000.	
3 The figures refer to all Group companies, excluding Airplast, Plast Mec and FITT Trading Shanghai.		5 The accident severity index is calculated as follows: days lost / total hours worked + 1,000.	



fitt's sustainability strategy, "the responsible flow 2030", aims to reduce the number of accidents by 50% by 2025: a demonstration of the priority commitment to the health and safety of employees.

Through training, active participation and constant analysis, the employees of the FITT Group contribute to a significant reduction in accidents, ensuring a healthy and safe working environment for all.



The company organisation has implemented a risk prevention and management system that actively involves workers and supervisors and is based on the root cause analysis of events.
This system includes a process for the management of near misses, which focuses on the identification of unsafe behaviour, dangerous situations and missed incidents.
Near misses are managed through weekly and monthly meetings at various company levels involving various figures, to analyse causes, take corrective actions and assign responsibilities. In addition, the supervisors take part in specific monthly audits on various issues, with the aim of identifying anomalies and promoting continuous improvement.

In 2023, training activities focused on the figure of safety officers, with the aim of disseminating a safety culture, therefore improving the level of supervision on the issues. In order to do this, work was done both on their soft skills, which are especially useful in conflict management, and on the introduction of practical tools, such as special checklists, to facilitate the control process and the monitoring of activities. In fact, supervisors are not only responsible for supervising and monitoring compliance with the relevant obligations and informing workers of the risks and dangers to which they may be exposed, but also for promptly reporting any equipment malfunctions and non-compliances by workers, and for taking appropriate measures and action.

community connection

The Group is part of an ecosystem of relationships with various parties, both similar and different from FITT: the goal is to create long-term valuable and stable relationships.

→ 07

7.1

fitt for the community

The relationship between FITT and the community in which it operates is central to the vision of the company. FITT considers the three community levels that may be affected by its actions: the business community, the local community and the global community.

The corporate community is dedicated to the initiatives described in the previous chapter, while the global community is recognised as the interlocutor on major contemporary challenges. The local community, i.e. the territories in which the company operates, is given specific attention, which is described in the following pages.

Over the years, FITT has developed an ability to listen to the needs of the territories, which the internal dialogue then translates into concrete opportunities for intervention. These relationships aim at generating real and lasting impact, which manifests itself not only through donations, but also through a combination of factors such as subsidiarity in service delivery, educational collaboration and the direct involvement of FITT People with the territory.



fitt's sustainability strategy, the responsible flow 2030, sets the commitment to building partnerships with local and international stakeholders, to promote the inclusion of under-represented groups and the protection of biodiversity.

INSIGHT

The areas of social intervention outlined in the FITT's sustainability strategy for the Community

Disability

Promote the inclusion, autonomy and development of the potential of people with disabilities and their families.



Healthcare

Contribute to support activities and research in the field of oncological diseases and in local hospitals.



Youth

Raise the awareness of sustainability issues among young people and increase the opportunities for improving living and educational standards.



Women

Contribute to the fight against the alarming phenomenon of violence against women, giving them opportunities for independence and promoting gender equality as a tool for the betterment of the whole community.



Environment

Promote the environmental protection culture, also through the implementation of projects focused on improvement actions.



marcesina, searching for environmental and social change

In 2018, the Marcesina plain in the Vicentine Pre-Alps was hit by the biggest hurricane ever to hit Italy, hurricane Vaia. The wind, with a speed of 200 kilometres per hour, felled 42 million trees, equivalent to 300,000 cubic metres of wood. FITT has always had a historical connection with this area and wanted to undertake a multi-stakeholder collaboration project for the rehabilitation of the region affected by climate change.

In 2022, FITT decided to lead a study project for the recovery of the Marcesina plain, financed by the company itself, and culminating in a master plan. Although the project was not selected among the winners of the Life 2022 tender, FITT is continuing its efforts and is considering participating in other European tenders.



Students from local schools were entrusted with the planting of some plants, a symbolic gesture that was also an opportunity to educate the new generations regarding the need for caring for the land and enhancing biodiversity.

In 2023, the project was awarded the green flag by Legambiente and was resubmitted to the municipal administration following the administrative change in the municipality of Eneo.

The master plan "Proposal of forest, environmental and enhancement measures for the Marcesina plain" outlines a recovery plan for the area that considers the characteristics of the place and its tradition, including woods and pastures, allowing the creation of a biodiversity that can best cope with the climate changes that will occur in the coming years through the selection of different species of trees such as birch, poplar, larch, beech, spruce and fir.

FITT, in agreement with the new administration, presented the master plan to the community during an evening dedicated to the citizens of the plateau town.

The students of Eneo's middle and elementary schools were the protagonists of the rebirth of their territory, participating in the planting of plants donated by FITT during an event dedicated to them, which took place at the end of October. This enabled the students to actively contribute to the environmental restoration and to understand the importance of caring for their territory and protecting it.



the involvement of the elementary and middle school students of the municipality of enego is part of the larger reforestation project in the marcesina plain.

partners for change



The collaboration with Fluidra for the social pool is FITT's first social project with a customer, highlighting the ability to generate shared value beyond business.

2023 saw the continuation of the partnership with Fundació Fluidra, an organisation established in 2016 with the idea of guaranteeing access to water for all and promoting its sustainable use. FITT supported the Foundation by donating a share of the proceeds from the sale of FITT Revix.

Fundació Fluidra collaborates with Fundació CRAM - a non-profit organisation dedicated to the protection of the marine environment and its inhabitant species - on the renovation of a centre dedicated to the recovery of marine animals. The centre has a threefold function: it has an area dedicated to the recovery of marine species for interventions on cetaceans, turtles and seabirds, unique at European level; it carries out research to combat the reduction of marine fauna; it trains professionals involved in recovery activities and organises initiatives to raise visitors' awareness of marine conservation. The refurbishment and expansion of the facility requires changes to make the entire centre easily accessible, walkable and more sustainable.



partnerships are essential for a positive impact on the community and to promote responsible development.

Together with Fluidra, FITT is contributing to the renovation and expansion of the marine animal rescue centre, which will therefore become more easily accessible, walkable and sustainable.



February 2023 | Bassano del Grappa
FITT contributes to the planning of the 2023 activities of Women for Freedom at their headquarters of Bassano del Grappa



7.4 ecology of local relations

We need to set in motion projects capable of sustaining an economy that contributes to restoring meaning for urban and non-urban spaces and renewing social and cultural links: an economy that produces places and communities. The dimension of place adds to that of space the fact that, within the dimension of proximity, people have the need to create meanings, and thus work, living, and neighbourly relationships.

This is the driving force behind FITT's efforts to shape its relations with the local third sector in terms of shared objectives and mutual cooperation, so that the relationships generated by the partnerships become a constitutive factor of corporate culture, territorial coexistence and economic and skills support. A challenge that translates into formal partnerships, moments of shared reflection and an invitation to all the FITT People to participate.



FITT actively engages in various charitable and sustainability initiatives with local and national associations and organisations, helping to promote inclusion, medical research and fundamental rights

Confindustria Vicenza

The word to the FITT stakeholders

12 June 2023 | CUOA Business School
"Social Sustainability and B Corp" Event

CUOA Foundation - Villa Valmarana
Morosini in Altavilla Vicentina (VI)



SIMONE SINICO
Head of the Communication and Innovation
Area - Confindustria Vicenza



1_What kind of contribution can this model make to social cohesion in the community?

In terms of its contribution to social cohesion, FITT's approach can play an important role, thanks to both the quality and effectiveness of its business and the fact that a company as well known as FITT is perfectly suited to becoming an ideal role model. By collaborating with non-profit organisations and integrating their objectives into business processes, FITT not only supports beneficial projects for the community, but also promotes a more inclusive and participative business model. This type of commitment fosters integration between different sectors of society, improving the quality of life in the area and

strengthening the sense of belonging and community identity. With this in mind, companies become not only economic drivers, but also social and cultural points of reference.

2_What are in your opinion FITT's peculiarities in implementing this model?

As far as FITT's peculiarities in implementing this model, what clearly emerges is its ability to integrate social objectives within its corporate strategy in an organic and strategic manner. FITT does not just provide financial support, but actively participates in discussions and in the planning of the activities of non-profit organisations, ensuring that the impact of its actions is profound and lasting. Furthermore,

FITT's ability to involve different stakeholders, from the internal workforce to other companies and local authorities, demonstrates a holistic and innovative approach that could serve as a model for other companies in the sector.

3_How do you see this approach in relation to the needs of the territory?

Confindustria Vicenza recognises and supports FITT's approach based on partnership with non-profit organisations, particularly Fondazione Città della Speranza, which it has had the opportunity to get to know more closely. This collaboration is part of an effort to raise awareness and provide direct support to the needs of the

local community. It emphasizes the importance of scientific research and specialized medical care for children affected by serious diseases. The synergy between FITT and Fondazione Città della Speranza not only contributes to the well-being of the community, but also strengthens the culture of social responsibility and joint commitment towards crucial objectives, aspects that Confindustria Vicenza values and actively promotes.





Il PomoDoro Onlus

For over ten years, FITT has been linked to PomoDoro Onlus by a partnership based on the mutual exchange of goods and services. PomoDoro Onlus is a non-profit social farm organised on the basis of the social agriculture principles. It was established with the aim of helping young people with physical and mental disabilities and allow them as much as possible to enjoy an active and independent life, through inclusion in the job market.

After sponsoring a series of lectures for the community - "Between saying and doing. The possible autonomy" -, in 2023 FITT organised, in collaboration with PomoDoro and ASGE, an association of legal-economic studies, the conference "How to protect a frail person: provision of support" and "After us", which saw notaries and lawyers take turns in the chair in front of around 90 participants.

Furthermore, FITT recognises the value of skill volunteering as a key tool to promote social and environmental change. By sharing the expertise of the FITT People with third sector organisations, the aim is not only to provide tangible support to the communities in which it operates, but also to foster the personal development of employees and build strong and meaningful relationships with the organisations it supports. For this reason, a training course on the processing of personal data (EU Reg. 2016/679 - GDPR, Legislative Decree 101/2018) held by a FITT colleague specialised in the subject was run in 2023, open to members of the PomoDoro association and other associations of the social farm network.

Corporate Social Responsibility is also realised through a policy of attention to the territory in which the company lives and operates. It is thanks to the territory that the company exists and flourishes, which is why taking care of it is for FITT a tangible commitment.



The supply of products from PomoDoro to FITT continues, particularly in catering and Christmas gifts, both for the company and its personnel.



Fondazione Città della Speranza (City of Hope Foundation)

Since 2003, FITT has been close to the important foundation that conducts research into rare diseases and paediatric oncohaematology, to improve the physical and psychological well-being of sick children and support their families.

In specific, the Foundation invests the funds it raises in targeted care and scientific research projects, as well as in raising public awareness of the peculiar aspects of paediatric diseases and the research activities surrounding them.

FITT supports Fondazione Città della Speranza through direct funding, by taking part in the numerous self-funding events organised by the Foundation itself and by purchasing Città della Speranza branded gifts.

In 2023, FITT renewed the agreement signed the previous year for a three-year twinning with Fondazione Città della Speranza, contributed to the "Carabinieri Relay Race", which travelled across Italy to raise awareness on paediatric oncology research, and funded a three-year research scholarship.

10 May 2023 | Sandrigo FITT HQ
Let's Share Together - Special Edition
Stefania Fochesato - Found Raiser of Fondazione Città della Speranza presents to the FITT People the activities of the association she represents



FITT's commitment is also demonstrated by its role as "testimonial" of Fondazione Città della Speranza, with the aim of offering a tangible example of the importance and the opportunities that businesses have in contributing to the well-being of communities. This commitment is not limited to participation in events, but also takes the form of an ongoing dialogue with Fondazione Città della Speranza to explore new avenues for collaboration and for developing increasingly effective and meaningful initiatives to support people and families in need.

FITT's promotion of the activities of Fondazione Città della Speranza is an essential component of its "testimonial" role. In September 2023, this commitment was also extended to its internal community, the FITT People, who participated in the Social Talk entitled "Miracles: a question of research". The meeting was held by researcher and development doctor Dr. Martina Piccoli and discussed how far research has come and how much more needs to be done.



Social Talk

QUARTO INCONTRO

**Giovedì
14 settembre
2023**

Miracoli: una questione di ricerca

Tutto ciò che siamo è dovuto alla naturale evoluzione, ma quello che possiamo diventare è dovuto alla ricerca scientifica.

Progredire, innovare, curare, guarire, vivere sono tutti verbi che trovano significato grazie alla ricerca.



Dr.ssa Martina Piccoli

Biologa, ricercatrice e medico dello sviluppo. Responsabile del laboratorio di Ingegneria Tissutale della Fondazione Istituto di Ricerca Pediatrica Città della Speranza

Scopriamo insieme quanto siamo arrivati lontano e quanta strada c'è ancora da fare.

17:30 - Ritrovo in FITT Cube
17:45 - Inizio incontro
19:00 - Aperitivo e chiacchiere

Maggio ● **Mindfulness**
Giugno ● **Linguaggio e disparità di genere**
Luglio ● **La percezione del tempo**
Settembre ● **Benessere e stili di vita**
Ottobre ● **Diversità**

Scansiona il QRcode per iscriverti all'evento:





San Bortolo Foundation
FITT has been supporting the ULSS 8 hospitals in Vicenza for 15 years through the San Bortolo Onlus non-profit Foundation, which organises fundraising events to purchase high-tech machinery and other functional goods, such as ambulances and furniture. The foundation also supports training and research by awarding scholarships to people working in the hospital, taking the necessary steps to deal with local emergencies.

Youth



“Tommaso Andrighetto” Children’s Services Association
Since 1998, FITT has strongly been supporting the voluntary work carried out by the “Tommaso Andrighetto” association of Sandrigo. Born out of the desire of a few local volunteers to create a community that aims to support families in moral education, childcare and preparation for compulsory school, the association is mainly engaged in running the “Il sogno di Tommy” kindergarten and other activities for children and adolescents.

Schools and Universities

FITT is fully aware of the importance of focusing on young people and especially on university research. There are several active projects in this area. In the university sector, there are two PhD agreements and several research contracts with local universities.

In collaboration with the municipality of Fara Vicentino, FITT initiated the “FITT for School - Lessons in Sustainability” project. This takes the form of activities carried out at middle and high schools and aimed at spreading sustainability values, helping students to understand what it means to integrate sustainability into a business. In 2023, Fondazione Città della Speranza was also involved as an example of a collaboration with social impact.

In 2023, FITT contributed to the Sandrigo middle school “Sosteni-amo l’acqua” school diary project and the “Ci sto? Affare fatica” active citizenship for teenagers project of the Sandrigo municipality.



Women



Women for Freedom

FITT supports the humanitarian organisation Women for Freedom (WFF), whose mission is to help women and children who are denied their basic rights to achieve freedom. WFF is committed to building a better world through projects that prevent human trafficking, combat domestic violence, support education, and provide training and microcredit to women and children.

This collaboration led, in 2022, to the signing of an important agreement with the aim of making FITT an official partner of WFF, by promoting the organisation's activities and providing direct support for projects, which continued in 2023:

- "Energia Donna," Italy: aimed at supporting women on their way to regaining autonomy and social inclusion, through integration into the job market.
- "Life from the Source", Cameroon: in collaboration with local partner SERDIF, a number of stands will be set up in the African state, including one in Bawonwa funded by FITT, to ensure access to drinking water.

Access to drinking water brings better health, social and economic living conditions, particularly for women and children, who are more prone to waterborne diseases, reduces violence against them and creates more time for work, personal development and study.



WFF organised the third edition of the "Liberamenti: Balance" festival, actively supported by FITT. Held every two years and lasting for 9 days, the Festival reflects on the role of women in contemporary society and on social and humanitarian issues through various artistic expressions, such as exhibitions, concerts, readings, performances, workshops, conferences, and artistic cocktail events.

FITT and WFF were invited to participate as speakers in a stimulating lecture at the University of Padua, specifically in the Rovigo CUR campus of the Economics Law degree course. The discussion focused on the important issue of private economic activity directed and coordinated for social purposes, as defined in Article 41 of the Italian Constitution, which enshrines the principle of collaboration between the public and private sectors to achieve the common good. The presence of FITT and WFF as speakers enriched the academic debate and offered a practical and innovative perspective on how businesses can contribute to social welfare through their economic activities.

In addition, to give the FITT People an overview of the activities of WFF, two volunteers of the association gave speeches during a Social Talk dedicated to gender-based violence and the use of language free of discrimination. The Social Talks are described in the previous chapter.





Marcegaglia Foundation

Other active initiatives in this area include FITT's support for the non-profit Marcegaglia Onlus Foundation, which focuses on helping women in the fight against marginalisation and domestic violence, and support them in entering the job market by donating products.



CSV of Padua and Rovigo

Furthermore, in 2023 FITT collaborated with CSV Rovigo and AIDP to promote a Guide to Corporate Volunteering by sharing its own experience, which highlighted the direct benefits for recipients, as well as the positive effects within the organisation in terms of value harmony between the company and its employees, sense of belonging and corporate climate, loyalty, personal fulfilment and attraction for new generations.



born in a generous region, *fitt* is committed to sharing and giving back through social projects and a sense of community.

INSIGHT

The contribution of the FITT Group to local communities

FITT FRANCE

At the end of 2023, FITT France employees started a new solidarity project with two humanitarian associations: **Lions Clubs** and **Action Solidarité Internationale (ASI)**. Lions Club is dedicated to promoting human development and world peace through community projects in various fields, such as environmental protection, fighting hunger and support for the elderly and the disabled. ASI, on the other hand, supports the most vulnerable populations with emergency, reconstruction and development interventions.



Through these partnerships, FITT France donates pipes and accessories that will be used for the creation of a farm in Congo. The aim is to reintegrate and empower a community of socially disadvantaged young women by offering them training, work and income.

FITT MC

In 2023, the participation of FITT MC in the "No Finish Line" solidarity march in Monaco continued. The first edition of "No Finish Line" was held in 1999. Since then, it has grown significantly both in terms of participation and funds raised. The race takes place over a period of 8 consecutive days, 24 hours a day, allowing participants to run or walk at any time of the day or night. For every kilometre travelled, funds are donated to the Children & Future association, which promotes and contributes to the safeguard and



respect of the rights of children all over the world by implementing or supporting projects that improve their living conditions in terms of health, education, hygiene and nutrition.

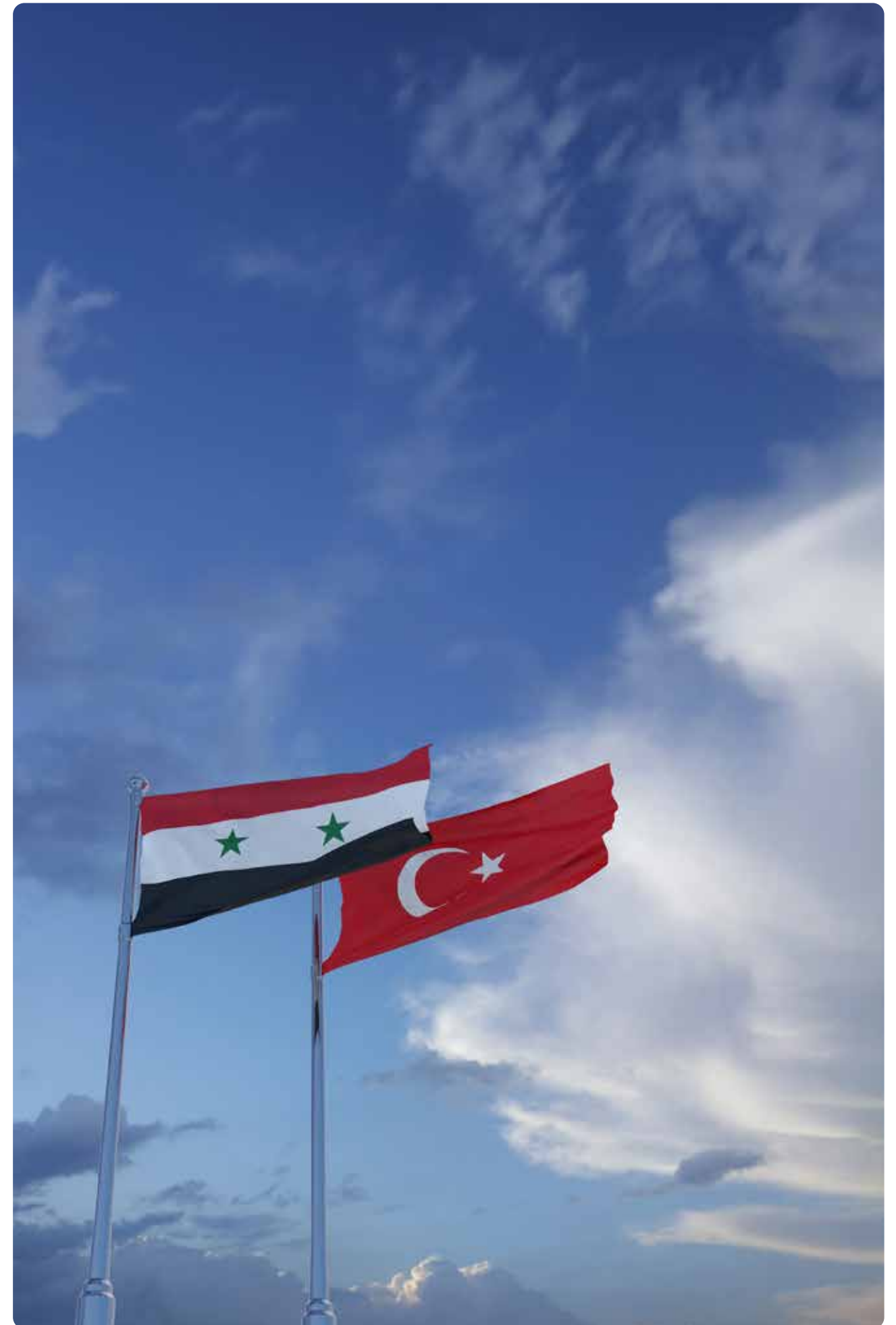
turkey and syria earthquake emergency

FITT is also involved in initiatives concerning global issues. In 2023, it came to the aid of those affected by the earthquake tragedy in Turkey and Syria.

FITT supported the work of the United Nations High Commission for refugees and people displaced by the earthquake in Turkey and Syria by promoting a fund-raising campaign among its employees, using the payroll giving formula, during which the sum contributed by the company matched the total raised among its staff.



as proof of its commitment,
fitt received the certificate
of "special enterprise"
from unchr.



promoting a culture of sustainability

In 2023, FITT participated to several sustainability-themed events and talks, through the voice of the FITT People, who shared FITT's experience on the issue.

Water springs

One example is the "WATER SPRINGS- Meetings for a sustainable present" event, organised by Viacqua, a company responsible for the integrated water service in 67 municipalities in the province of Vicenza. On this occasion, FITT presented the reality of Benefit Companies and B Corps from its own direct experience. Viacqua has completed its transition into a Benefit Company in recent months: below is an interview with the Head of Sustainability and Environmental Education of Viacqua, who shares her experience.



the bacchiglione river springs naturalistic area is managed by viacqua, a company responsible for the integrated water services (drinking water network, sewage, and purification) in 67 municipalities in the province of vicenza.



Viacqua

The word to the FITT stakeholders



SILVIA GARZIERA
Head of Sustainability and
Environmental Education - Viacqua



1_How has being a Benefit Company affected your corporate vision and mission? How is this approach reflected in your day-to-day operations, long-term goals and relationship with your stakeholders?

Viacqua has always been a company driven towards the pursuit of common benefits, but the transition to Benefit Company has strengthened its commitment to responsible business conduct in policy terms. Incorporating the common benefit purposes into the articles of association means in fact ensuring that they are pursued by directors and employees with the same commitment as for the corporate purpose.

2_Being a Benefit Company is a common trait. How did the collaboration with FITT come about and what value did it bring?

Putting sustainability at the centre also means giving attention to the entire value chain. Through its purchasing procedures for goods, services and works, Viacqua aims to be an important stimulus for all players to reduce their negative impacts on the environment and the community.

FITT is a company very close to our supply chain, located in the same area as us, and, as a Benefit Company, it is inclined to engage in dialogue with stakeholders and to hold them accountable for reducing environmental and social impacts.

A mutual support in the promotion of a culture of sustainability was therefore a natural progression, in the territory and sector of activity in which both companies are active.

3_An important role for benefit companies is the promotion of this business model. Is there any advice that you would like to share with other organisations wishing to embark on a similar path?

We believe that sustainability is not something that can simply be added to the normal business of a company, but an approach that permeates its activities. This is why we have chosen to integrate sustainability into corporate governance and planning.

17 April 2023 | Dueville (VI)
Viacqua headquarters, at the
Bacchiglione water springs area
Review: "Water springs - Meetings for
a sustainable present"

Bacchiglione water springs - Dueville



And this is why we would like to suggest to those who want to embark on this path that they analyse their impacts and develop consequent improvement projects as part of their strategic business planning and implementation.

VIACQUA



Green Week

FITT took part in Green Week, a festival that brings together companies, institutions and experts active in sustainability issues. In 2023, FITT's focus was on the proper communication of the impact of products to consumers. In addition, it gave the opportunity to visit the headquarters in Sandrigo (VI) and was the promoter, together with Sammontana, Consorzio del Formaggio Parmigiano Reggiano and the University of Padua, of the Parma panel "Low environmental impact companies and products: strategies, objectives and models".



Ukraine Business Compact

FITT has joined the Ukraine Business Compact, a non-binding declaration launched by the UK and Ukraine with the aim of contributing to the reconstruction and recovery of the country by pursuing trade and investment, skill sharing and pro bono work.



Young Entrepreneurs

FITT encourages young people on their path to entrepreneurship and, therefore, establishes a dialogue with the next generation of entrepreneurs. FITT opened the doors of its Sandrigo factory and laboratory to the group of young entrepreneurs from Confindustria Vicenza and told them about its sustainability strategy.



The people at the heart of sustainability: tools and good practices through adhesion to the United Nations Global Compact

This workshop organised by Niuko Innovation and Knowledge in collaboration with Confindustria Vicenza provided an opportunity to share the experience accumulated by FITT over the years on sustainability issues and, in particular, its approach to "social" topics.



Sant'Anna University School of Pisa - REACH & RoHS Conference

FITT participated in the REACH & RoHS conference, organised by Ecol Studio and 3A Laboratories of the Lifeanalytics group, with important testimonials from the European Commission, Scuola Sant'Anna, Electrolux Group and De'Longhi. During the event, held inside the Aula Magna of the Sant'Anna Superior University School of Pisa, FITT shared its experience in the application of the REACH Regulation, illustrated its strategy focused on the principles of circular economy and ecodesign, and highlighted the future responsibilities and opportunities for companies.



YouTrade 2023 Conference

In October Team Building participated in this important event, addressing the challenges and opportunities in the construction and building distribution sectors that must be faced with new technologies. In particular, FITT talked of its journey in becoming a Benefit Company and its commitment to digital innovation, a topic that is more and more crucial nowadays.



ADEO supplier meeting

The Garden team participated in the Partners' Day organised by ADEO, the European leader in the DIY sector. Working with ADEO for many years, FITT has developed Geolia-branded garden hoses and supplied technical hoses, and has been awarded the prestigious distinction of being the only industrial partner in the garden sector among ADEO's top 15 European suppliers.

The event has put the spotlight on sustainability, with a focus on ADEO's Home Index, which assesses the environmental impact of raw materials, the production process and end-of-life management. It was an important opportunity to share the results of FITT's sustainability strategy and celebrate the work of the team in creating reliable, innovative and sustainable solutions.

As it can be seen from the actions taken, FITT's impact on the community is a critical issue. For this reason, a Social Impact Plan has been put in place and is constantly updated and monitored, also thanks to a dedicated governance structure. In addition to the collaborations in place, there are also two company policies, described below.

Match Giving Policy +25%

During the sales and fund-raising campaigns for partner non-profit organisations, proposed to the entire population at different times of the year, FITT undertakes to donate an additional sum equal to 25% of the sum spent by the employees.



FITT is committed to making a positive impact on the community through a continuously monitored social impact plan, supported by a dedicated governance structure.

Corporate Gift Policy

The choice of corporate gifts favours solidarity products purchased from Bcorp companies, benefit companies, third sector organisations, or products with a sustainability value. In addition to the organisations mentioned above, AltroMercato Impresa Sociale - Società Cooperativa is another organisations on which FITT relies for Christmas gifts for employees.





note on methodology and gri content index

→ 08

8.1 methodological note

FITT has prepared this report, which covers the period from 1 January to 31 December 2023, on a voluntary basis. The scope of the data and information contained in the document extends to the companies FITT S.p.A., FITT France S.A.S., FITT Polska Sp. z o.o., FITT MC SAM, FITT España Portugal S.A.U., FITT USA INC, FITT TRADING SHANGHAI CO. LTD; AIRPLAST S.R.L, CLABER S.p.A, PLAST MEC S.R.L. The environmental data relate to all companies, both manufacturing and trading facilities, with the exception of the trading subsidiary FITT USA INC.

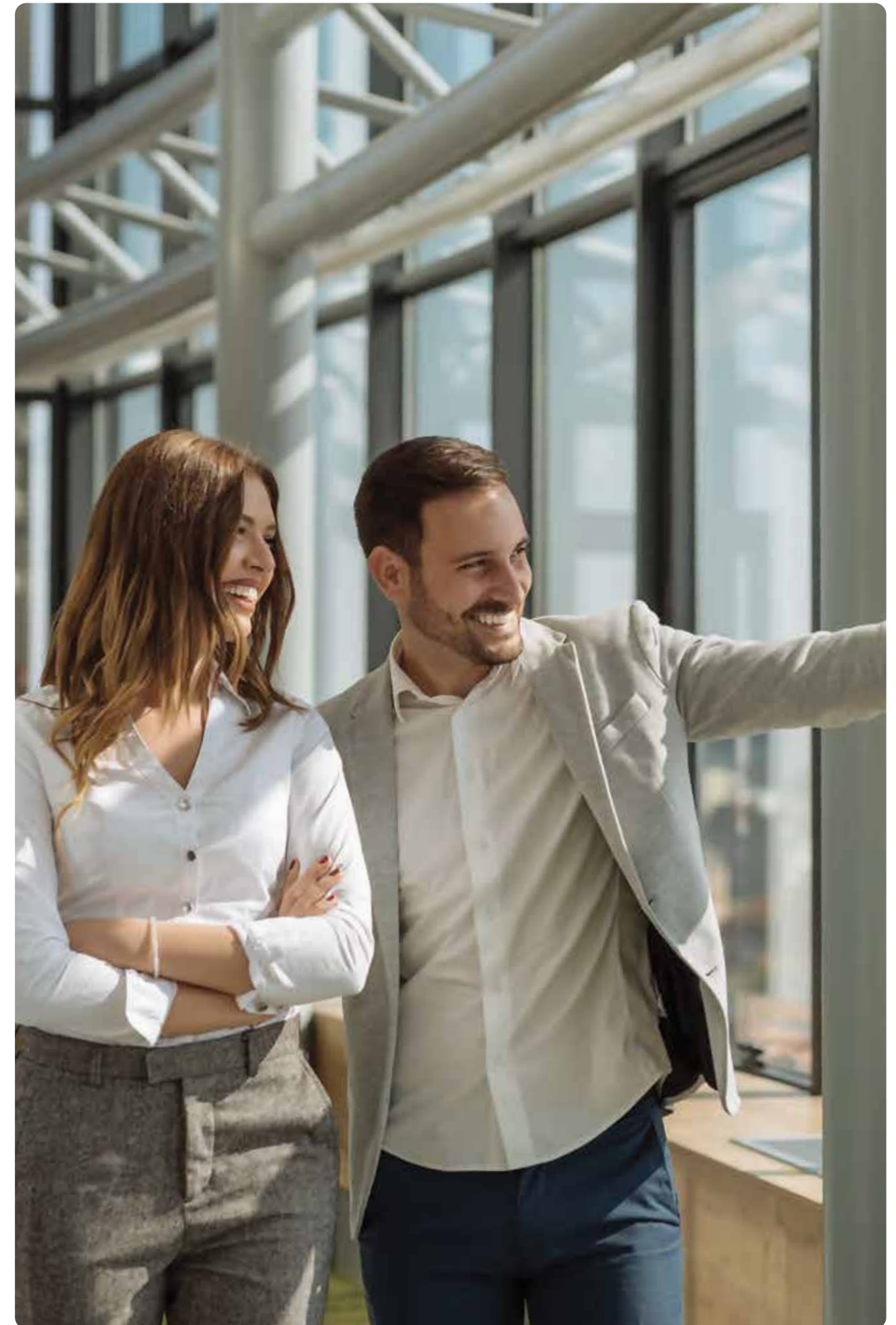
The Sustainability Report is issued annually. Trends in relation to the previous year have been included in order to show how results have evolved. Where useful for a better understanding and comparability of the data, the calculation method is also indicated.



the sustainability report follows the gri standards: the data, accurate and internally validated, comes from accounting, non-accounting and other company systems.

This sustainability report has been drafted following the Sustainability Reporting Standards of the Global Reporting Initiative (GRI). The report has not been independently verified. However, the table below demonstrates how its content aligns with the indicators of the standard. The data and information contained in this report have been reported in a timely manner with the accounting, non-accounting and other information systems used by the relevant functions and have been validated by the relevant managers.

This document is issued under the supervision of the Management Team of the company. For any information or further details, please write to: sarah.colpo@fitt.com



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FITT Group
2023
Sustainability Report

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Printed in Italy on FSC® certified paper

**FITT, a leading global group
established in Italy in 1969 - and today
a B Corp Certified - is a pioneer in the
production and development
of solutions for the transfer of fluids
for domestic, professional and
industrial applications.**