

DEDAR

MILANO

SUSTAINABILITY REPORT 2023

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MILANO

Letter to the stakeholders

Over the past three years, Dedar has demonstrated a steady and significant growth capacity. A consolidated turnover of 56.8 million euros highlighted a positive development trend, recording a 30% increase in revenues compared to 2021. This growth is also reflected in the Como textile industry, which this year has exceeded pre-pandemic productivity levels.

Our commitment to bringing quality and beauty to the spaces where people live goes along with the sustainable development path we have undertaken with conviction: elegance, and technical and aesthetic excellence are values that align with ethical principles and respect for the environment.

For this reason, we have invested in research on renewable, recycled, and certified fibers, aiming to identify viable alternatives and develop circular solutions, thereby expanding and renewing our collections of fabrics and wall coverings. We have also worked on creating partnerships with charitable associations to give new life to textile waste, generating a dual benefit in both environmental and social terms: in 2023, the first 150 meters of fabric were donated to a social tailoring. Additionally, tests have continued for the use of increasingly eco-friendly polyethylene packaging, with a growing recycled component and reduced thickness, aiming for an average reduction of 35% by 2024 compared to 2020. Our commitment to reduce the environmental impacts of our direct activities, along with purchasing electricity from renewable sources, resulted in the installation of a photovoltaic system at our Appiano Gentile facility, which became operational in May 2024. Thanks to stakeholder engagement activities carried out in recent years, we have deepened our dialogue with suppliers, introducing new methods for tracking raw materials and the origin of yarns, raising awareness on the topic and sharing best practices.

Moreover, our active commitment to our people and the community has continued. For our employees, we have expanded our training offerings and more than tripled the hours of training provided. The "Academy" project has been launched to enhance and digitize training content, and the "Job-Shadowing" project has offered field mentorship opportunities. Through collaboration with the French brand La Pelucherie, we sold 130 stuffed animals made with Dedar fabrics, with all proceeds donated to support the Recreational Therapy activities of Dynamo Camp. Activities supporting FAI and AIRC have also continued, including corporate volunteering initiatives. This has allowed us to provide concrete support for the development of services related to culture, health, and youth.

The past year was also a time of observation and preparation. Aware of the profound transition underway in the textile sector, we have initiated a structured and strategic path to align with new European regulations on sustainability, reporting, and transparency. Our journey continues, with the goal of implementing a business model that is aware and respectful of the expectations of all stakeholders.

Caterina and Raffaele Fabrizio
Chief Executive Officer and Creative Director

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READER'S GUIDE

This fifth edition of the Dedar S.p.A. Sustainability Report (hereinafter "Dedar", "company" or "firm") refers to the period between January 1 and December 31, 2023 and represents a tool for transparently communicating, to its stakeholders, the impacts of the company in the main areas of sustainability.

The reporting scope of this document only includes the company Dedar S.p.A., which has its operational headquarters in Appiano Gentile (Como) in Piazza della Repubblica 1/A and its registered office in Milan, in Via Solari 12. Therefore, subsidiaries are excluded from the reporting scope. Dedar France S.a.s., Dedar Asia Pacific, Dedar Middle East Fzco, Dedar UK Ltd, Dedar GmbH and Brio Immobiliare S.r.l. and Dedar Inc: since these are commercial offices of very limited size or non-operating companies, as a whole their overall responsibility for social and environmental impacts is not material.

The 2023 Sustainability Report was prepared by adopting the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2021 by the Global Reporting Initiative (GRI), according to the "with reference to the GRI Standards" option. The GRI is the most widespread international reference for sustainability reporting; it is an independent international association that promotes the development of voluntary reporting of economic, environmental, and social performance. The "GRI content index" is attached to the document, with details of the qualitative and quantitative information reported in accordance with the guidelines mentioned above.

The contents of this Report were identified through a materiality analysis process, which made it possible to determine the most relevant sustainability issues for Dedar and its stakeholders.

It should be noted that the restatements of comparative data previously published within the 2022 Sustainability Report are clearly indicated as such within this document.

A participatory process was at the basis of the drafting of the document, involving the Head of Strategic Marketing and the Head of Communications. The Sustainability Report has been evaluated by the corporate ownership.

This Report has not been audited by an independent third party.

 For information and communications on the Sustainability Report (available on the website www.dedar.com), refer to the email info@dedar.com



1
A passion between
tradition and a glimpse
into the future

1.1 A story of excellence

Italian textile company, Dedar creates furnishing fabrics and wall coverings since 1976.

Combining the tradition of Italian excellence with a distinctly contemporary sensibility, Dedar explores the vast universe of yarns, weaves, and colors free from preconceived stylistic codes, always with an eye to the future.

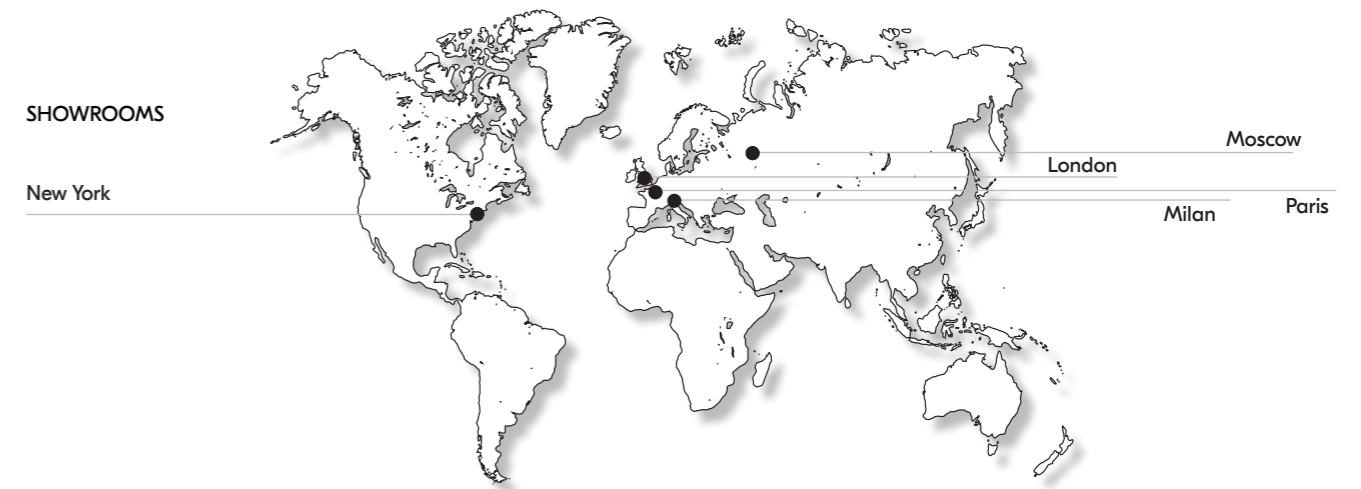
Within Dedar, creativity and experimentation are two aspects of a single process, driven by curiosity and the search for new perspectives. Production know-how and a careful selection of the best raw materials make it possible to convert sources of inspiration from heterogeneous worlds into meticulously crafted products, which remain faithful to their function of use.

Located in Italy, Dedar experiments through a continuous dialogue with artisans and textile specialists, drawing mainly on the know-how of the historic silk district in Como and the surrounding area, where a consolidated textile tradition has been handed down over time. The company employs carefully selected spinners and weavers specialized in the various processing techniques and raw materials, entrusting each phase of the product creation process to the most suited specialists. In addition to developing fabrics with its brand, the company markets third-party fabrics that are characterized by values similar to those of Dedar, to complete its offer.

The company reaches customers from all over the world through five single-brand showrooms in Milan, London, Paris, Moscow, and New York, and a carefully selected distribution network. Accurately decorated spaces and a consultancy experience with attention to the smallest detail guarantee a real closeness to the community of interior designers and architects, who share Dedar's passion for quality and beauty. Dedar fabrics and wall coverings decorate residential and public spaces around the world, from the most important hotel chains, boutique hotels, and restaurants to private yachts and exclusive boutiques, determining the identity and uniqueness of the environments.

Over the last decade, Dedar has shown constant economic growth. This is the result of its ability to interpret textiles and the solidity of management. In 2023, Dedar achieved a consolidated turnover of 56.8 million euros, up by 30% compared to 2021, making a profit of 5.7 million euros.

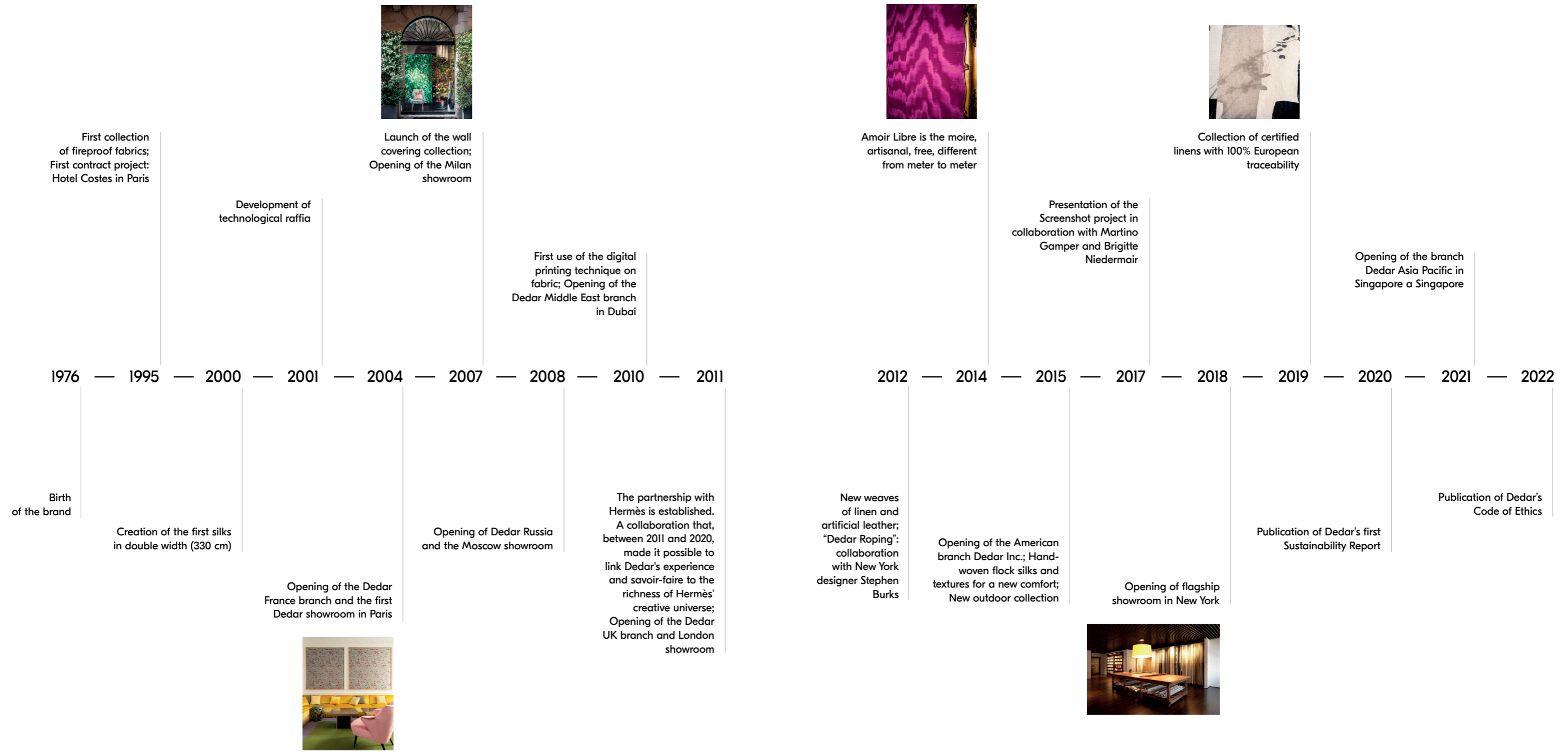
80+
n° Countries of distribution



56.8 million euros
turnover in 2023
(+30% vs 2021)

5.7 million euros
net profit in 2023
(+89% vs 2021)

A history of products, projects, and collaborations



A family company

Dedar was founded in 1976 by Nicola Fabrizio and his wife Elda, starting with the production of hand-made fabrics and purchasing ancient tribal rugs from all over the world. Since 1997, Caterina and Raffaele have supported their parents in the management of the company, sharing the same passion and making their contribution, with a gaze to the future and a further innovative drive. They also strengthened the organizational structure by setting up a strong managerial framework assisted by a management committee.

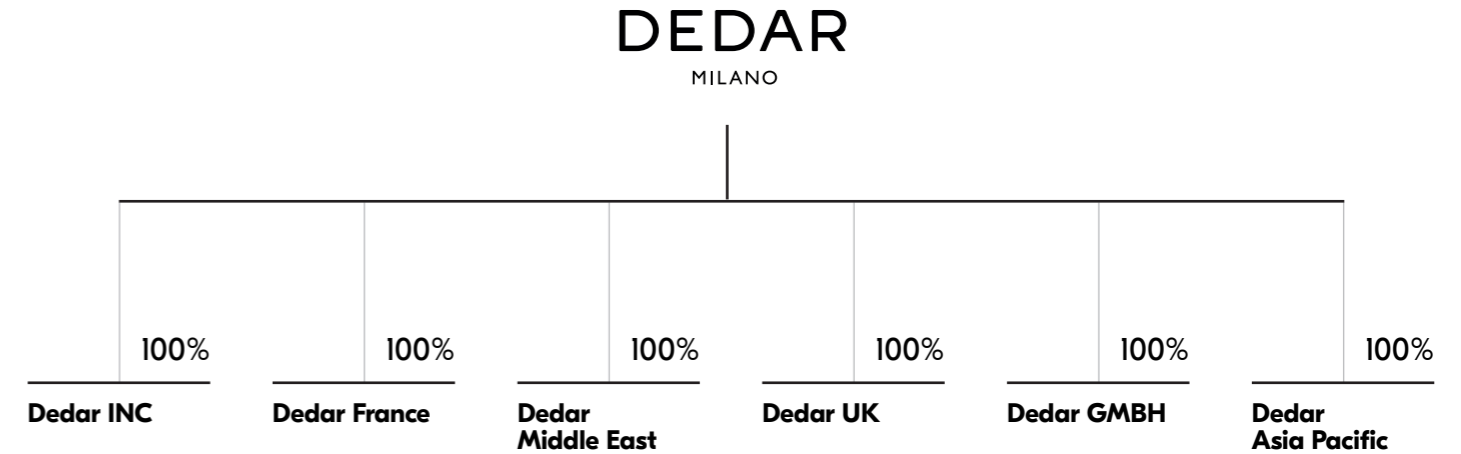
The family nature of the company is reflected in the shareholding structure. The share capital of Dedar S.p.A. is owned by Caterina and Raffaele Fabrizio, and by their mother Elda Perotta. Caterina Fabrizio is currently the company's CEO and Chairperson, while Raffaele Fabrizio holds the role of Creative Director.

The company structure of Dedar

Dedar S.p.A. is the parent company and controls with 100% Dedar France S.a.s. (France), Dedar Inc (United States), Dedar Middle East Fzco (United Arab Emirates), Dedar UK Ltd (United Kingdom), Dedar GmbH (Germany), and Brio Immobiliare S.r.l. (which groups corporate real estate). In 2021 the Group established its new branch Dedar Asia Pacific Pte Ltd in Singapore, of which the share capital is entirely owned by Dedar S.p.A. The Asian branch became operative in 2022.

The administration and control system of Dedar S.p.A. is structured according to the traditional model. The administrative body, responsible for determining and pursuing the strategic objectives of the company, is represented by a board of directors made up of four members of the Fabrizio family, of which Caterina Fabrizio is Chairperson. The Board also oversees the management of the impacts that the company generates on the economy, the environment, and people, and approves the information presented in the Sustainability Report. The Board of Statutory Auditors is made up of five members, three standing auditors, and two alternate auditors, who supervise compliance with the law, the Articles of Association as well as compliance with the principles of proper administration.

DEDAR'S OPERATING SUBSIDIARIES



Ethical and value-driven business conduct

Dedar has always pursued the mission of providing excellent and high-quality products and services, acting with responsibility and meeting the expectations of stakeholders. Dedar strongly believes that growth and sustainable development in the long term are not possible without integrating the principles of honesty, reliability, respect, fairness, and transparency in the business.

Dedar's Code of Ethics, published at the beginning of 2022, translates these principles in behavioral norms to guide the actions of all those who contribute every day to fulfill the corporate mission. In defining and regulating the corporate conduct, the Code of Ethics draws inspiration from the most recognized international standards and guidelines regarding human rights and corporate social responsibility, among which the Universal Declaration of Human Rights of the United Nations, the 10 Principles of the Global Compact, and the Conventions of the International Labor Organization.

Dedar bases its philosophy and its corporate culture on the values of integrity, responsibility, sharing, excellence, passion, style, and creativity. These are the virtues that inspire and guide the commitment of the company to spread beauty and improve the quality of the environments in which people and communities live, filling them with harmony and art.

In support of a business management approach that is not only deeply value-driven but also ethical and correct, in 2023, Dedar implemented all the preparatory activities for the introduction of an **Organizational, Management, and Control Model** according to **Legislative Decree 231/2001**. Additionally, a **Whistleblowing policy** was drafted. Both tools were formally adopted in the first half of 2024.

1.2 TOWARDS A SUSTAINABLE FUTURE

In the last years the global effects of climate change and the related consequences have become increasingly evident, further accelerating the need to act on the issue, also as a result of the growing sensitivity of consumers and all stakeholders.

Not only are consumers more responsible in their behavior: the general international context is changing thanks to the pressure of the institutions. In this regard, the UN has for decades been committed to promoting the sustainable development of countries, with inevitable consequences on the stakeholders who are part of the country systems. In 2015, 193 UN member countries signed up to the 2030 Agenda for Sustainable Development, an action program for people, the planet, and prosperity based on 17 Sustainable Development Goals of economic, social, and environmental nature. All countries are called to contribute to the achievement of these objectives, involving all actors, including companies.

Sustainability requires corporations not only to recognize the common problems the world is facing but also to **innovate and take action to make their contribution to a better future from an environmental and social point of view.**

For companies to be part of the change, it becomes essential to identify, among the many, the main challenges they are called to respond to concerning their sector, their business, and the objectives that can be set to generate long-term value.

The reference context

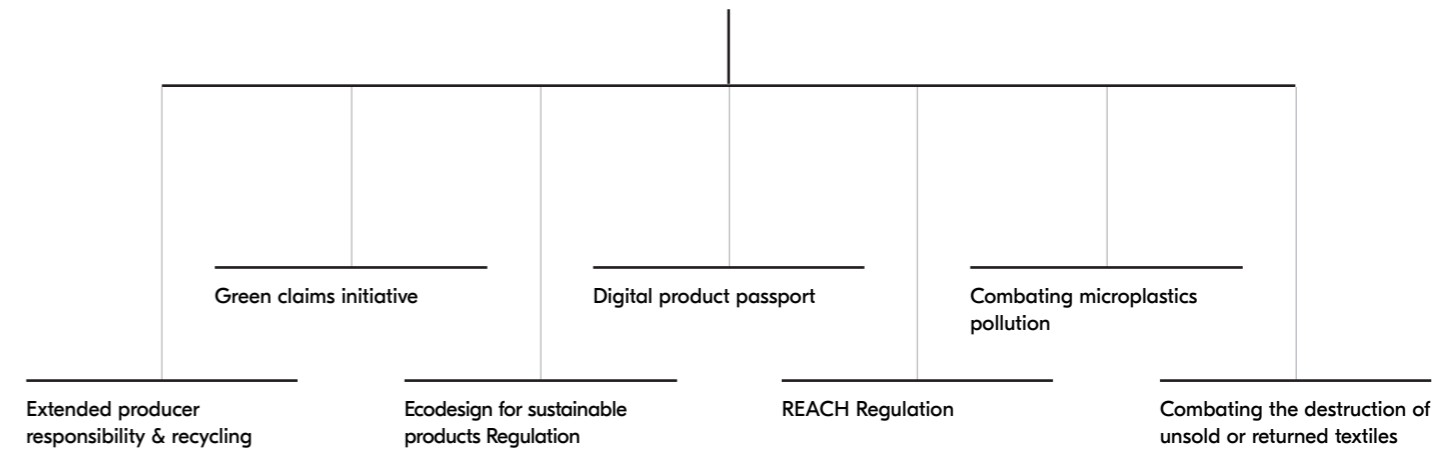
Although characterized by a very specific offer, **Dedar's business is part of the largest textile sector**, one of the industries with the most significant environmental impacts globally.

Between 2000 and 2020, global textile production nearly doubled, and a continuous growth is expected. The use of textile products has significant negative impacts on the environment. In Europe, the textile industry ranks as the fourth most impactful sector in terms of water and soil consumption and among the top five for greenhouse gas emissions and resource exploitation. Additionally, each year in the EU alone, approximately 5.8 million tons of textiles are discarded, equivalent to 11 kg per person¹.

In 2020, it is estimated that only 30-35% of total textile waste was destined for separate collection². In response, the European Union has defined clear strategic guidelines to **make the textile industry more sustainable and circular by 2030**. These guidelines include various regulatory measures related to extended producer responsibility, recycling, eco-friendly design, accurate environmental declarations, product passports, responsible management of chemical substances, combating microplastic pollution, and addressing the destruction of returned and unsold items.

The EU's strategy continues to evolve, in alignment with Member States' responses to contribute to this transition. One of the most pressing and widely discussed topics is the **end-of-life management of textile products**. The **Waste Framework Directive (WFD)** will require all Member States to establish a separate collection system for textile waste by 2025. Despite widespread collection systems, they primarily focus on reuse rather than recycling. Additionally, these systems are not entirely functional—urban collection points, for example, are

KEY ACTIONS OF THE EU STRATEGY



exposed to potential weather-related contamination and lack effective control. On average, only 12% of textile waste produced in the EU is diverted from landfills³.

Simultaneously, significant efforts will be required from businesses. During the WFD revision process, proposals have emerged to harmonize Extended Producer Responsibility (EPR) systems in the textile sector. This framework obligates producers to finance and organize collection, prepare for reuse, recycle, and recover waste within their industry.

States and companies are closely monitoring these developments to determine effective actions. Currently, the prevailing response seems to favour collective initiatives, such as consortia, to enhance compliance with the new European requirements.

Another critical issue in the current landscape is the presence of **PFAS** - synthetic chemical compounds - in textiles. These volatile substances can easily penetrate and accumulate in the human body through skin contact or inhalation, causing irreversible consequences. Moreover, PFAS are exceptionally persistent chemicals.

Public opinion, corporate communication, and institutional awareness have drawn attention to this issue. Several Member States - Denmark, Germany, the Netherlands, Norway, and Sweden - have independently initiated legislative measures to limit the use of PFAS. At the same time, there is a growing collective demand for the European Union to **significantly revise the REACH Regulation** concerning the registration, evaluation, authorization, and restriction of chemical substances. The European Chemicals Agency (ECHA) has proposed restrictions on PFAS within the European Regulation, published in February 2023⁴. Despite prolonged discussions about the European Commission's response, the process has been slow, and it is likely that we will need to await the new Commission's establishment following the June 2024 elections.

¹ European Communication, 30.03.2022. Communication – EU Strategy for Sustainable and Circular Textiles.

² Mauro Scalia, EURATEX Director Sustainable Businesses, 14.12.2022. Creating a more circular textiles sector: including the EcoDesign Regulation.

³ European Environmental Agency, 21.05.2024. Management of used and waste textiles in Europe's circular economy.

⁴ Confindustria, September 2023. Proposal for REACH restriction on PFAS Comments Confindustria.

Dedar's path

In 2019, Dedar embarked on a sustainability journey, becoming aware of the social and environmental impacts related to its business and beginning to implement the necessary measures and activities to manage them effectively.

Stakeholder engagement activities — particularly involving employees, suppliers, and B2B clients — and the materiality analysis conducted in 2021 represent an important phase of this process. From the results gathered during these activities and the assessments carried out by the company's ownership, 11 material topics emerged. These topics represent the most relevant economic, social, and environmental aspects for the company and its stakeholders, which can influence the company's ability to create value over time.

In 2022, aligning with the methodology introduced by the new release of the GRI Standards 2021, materiality analysis was improved through the analysis of the impacts associated to the material topics previously defined: for each topic Dedar identified the related impacts, namely the effects that the company produces on the economy, the environment, people and their human rights. Such effects can be positive or negative, actual or potential, directly or indirectly caused by business activities. The analysis, conducted with the support of external consultants with sustainability expertise, is available in Appendix.

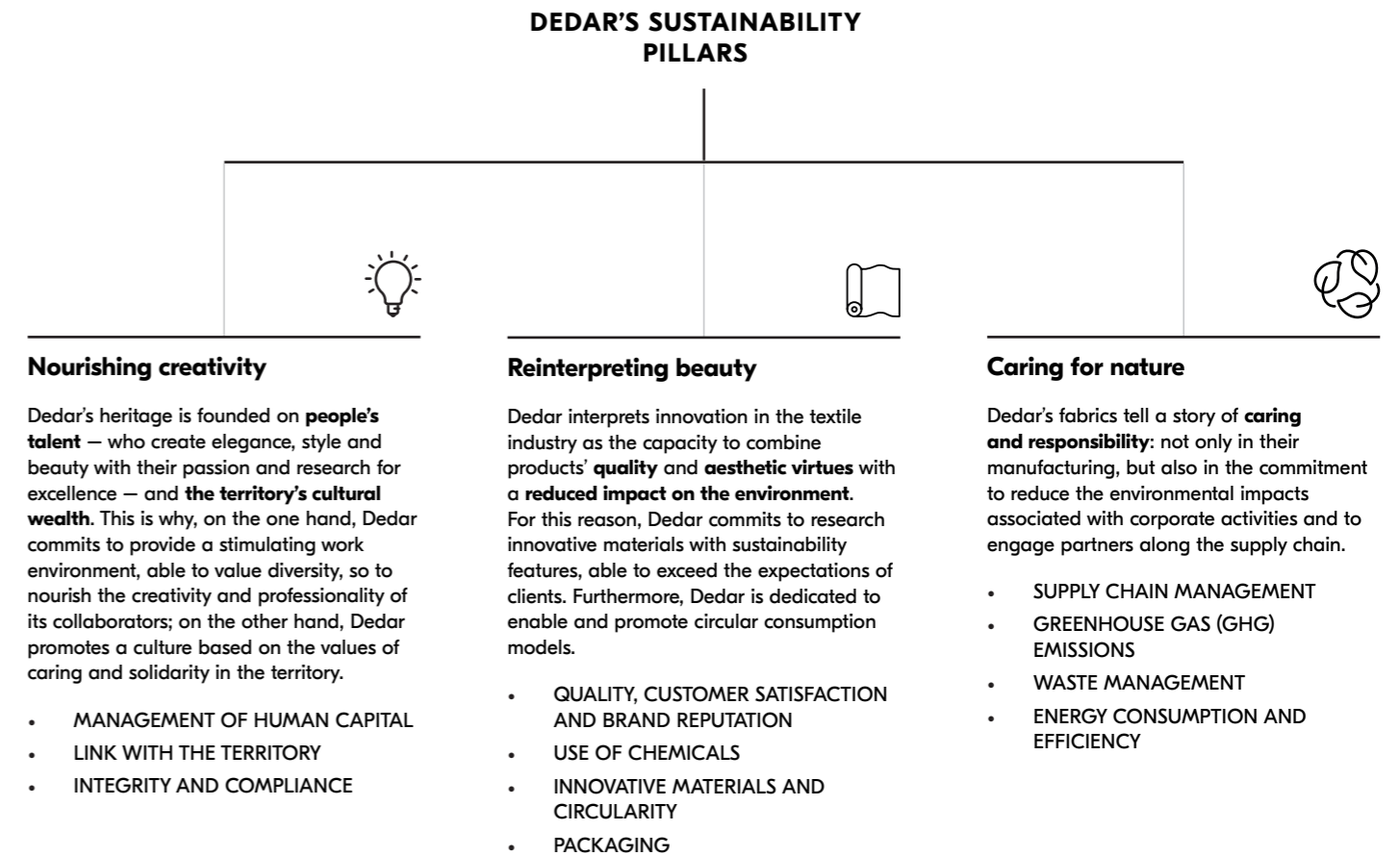
Subsequently, the 11 material topics were organized in a list and ranked according to their level of priority, determined on the basis of the assessment conducted by stakeholders in 2021 and by the company, updated in light of the evolution of the context.

The process will be renewed during 2024: in preparation for the introduction of the new reporting requirements of the Corporate Sustainability Reporting Directive (CSRD), Dedar will undertake a gradual adaptation path, starting with the inclusion of the financial perspective in the materiality analysis alongside the impact perspective.

Material topics


1. QUALITY, CUSTOMER SATISFACTION AND BRAND REPUTATION
2. MANAGEMENT OF HUMAN CAPITAL
3. SUPPLY CHAIN MANAGEMENT
4. GREENHOUSE GAS (GHG) EMISSIONS
5. USE OF CHEMICALS
6. WASTE MANAGEMENT
7. INNOVATIVE MATERIALS AND CIRCULARITY
8. INTEGRITY AND COMPLIANCE
9. PACKAGING
10. LINK WITH THE TERRITORY
11. ENERGY CONSUMPTION AND EFFICIENCY

Based on the analysis of the business impacts and the expectations emerged during the dialogue with stakeholders, Dedar started laying the foundation for the definition of a strategic vision that can lead the sustainable development of the business in a structured way.





Starting from the sustainability pillars and the identified material topics, in 2021, Dedar defined an action plan for 2024 in support of the company's strategy, integrating social and environmental sustainability goals.

Action plan 2022-2024

Pillars	Material topics	Actions	Timeframe	Completion
 Nourishing creativity	Integrity and compliance	Publication of Dedar's Code of Ethics	2022	✓
		Monitoring clients' requests with the aim of mapping and assessing the adoption of relevant policies	2022	✓
		Enhancing the communication of sustainability initiatives through the website in order to spread a culture of awareness and responsibility	2022	✓
		Implementation of a risk analysis and management system	2024	○
		Start of the certification process for the 231/2001 Organizational Model	2023	✓
	Management of human capital	Implementation of initiatives to improve wellbeing at work and the employees' sense of belonging to the company	2022	✓
		Development of onboarding programs for new hires	2022	✓
		Training program for the management	2022	✓
	Link with the territory	Definition and implementation of individual and collective training programs	2023	✓
		Support to organizations that act for the benefit of local communities	2022 and 2023	✓
Donation of textile scraps and textiles withdrawn from sale to social tailoring projects aimed at supporting vulnerable groups		2023 and 2024	○	
Use of chemicals	Involvement of employees in corporate volunteering activities, for the support of local nonprofit associations	2022	✓	
	Renewal of the Oeko-Tex® certification for the items already certified and increase of the number of items certified	2022	✓	
	Awareness raising among suppliers about the reduction of hazardous chemical substances	2023 and 2024	○	
	Development of new products made of recycled material	2022	✓	
 Reinterpreting beauty	Innovative materials and circularity	Development and communication of guidelines for sustainable product design ⁵	2023	○
		Mapping and evaluating relevant product certifications	2022	✓
		Start of an information collection process related to the origin of yarns composing new products that will be launched from 2024	2023	✓
	Reinterpreting beauty	Definition of targets for increasing the share of products made with sustainable materials (recycled, regenerated, and coming from organic yarns) ⁶	2023	○
		Comparative LCA analysis of a product made of virgin Trevira and one made of recycled Trevira	2024	○

⁵ The process of developing product sustainability guidelines has begun, but additional time will be needed to finalize the recommendations, based on the evolution of regulatory context and feasibility assessments of certain guidelines.

⁶ This activity is subject to the elaboration of product sustainability guidelines.

Pillars	Material topics	Actions	Timeframe	Completion	
 Reinterpreting beauty	Packaging	Increase of the share of recycled polythene for packaging	2022	✓	
		Substitution of plastic sleeves for samples with sleeves made of recycled plastics	2022	✓	
		Research and evaluation of alternatives to bubble wrap made of recycled material	2022	○	
		Installation of water dispensers at the Appiano Gentile premises to eliminate the consumption of plastic bottles	2022	✓	
 Caring for nature	Supply chain management	Sharing of Dedar's Code of Ethics with suppliers	2022	✓	
		Analysis of a strategic cluster of suppliers through a qualitative and quantitative questionnaire	2022	✓	
		Evaluation of adequate instruments and interventions to promote the sustainable development of the supply chain, on the basis of the analysis results	2023	✓	
	Energy consumption and efficiency	Elaboration of a system of data collection and analysis related to energy efficiency	2022	✓	
		Publication of the Policy for a sustainable fleet	2022	✓	
		Installation of charging stations for electric cars in the company parking area	2023	✓	
	GHG emissions	GHG emissions	Installation of a photovoltaic system ⁷	2023	○
			Calculation of GHG emissions derived from shipping activities	2022	✓
			Evaluation of measures to reduce emissions related to Dedar's shipping activities	2023	○

LEGENDA

- ✓ Completed
- Ongoing
- Delayed

⁷ The process of installation and start-up of the photovoltaic system has been slightly slowed down. The plant has been officially operational since May 2024.

Relations with stakeholders

Dedar has a continuous and direct relationship with its **clients**, a dialogue that takes place, mainly, in sales. In particular, in 2023 Dedar had the opportunity to meet customers during the "Three days of Design" event in Copenhagen, the Déco Off fair in Paris, and the annual participation in the Fuorisalone of the Milan Design Week, taking the opportunity to update them on its sustainability path and new products. In addition to this, clients have at their disposal a dedicated Customer Service to which they can address specific questions. Communication with **suppliers** is also ongoing, especially with fabric manufacturers, with whom collaboration for the development of new products is constant. **Employees**, on the other hand, benefit from the small size of the family organization which allows fluid communication with the top management. In addition, individual performance evaluation represents a further opportunity for dialogue. Finally, Dedar also boasts a strong relationship with the **media**, managed by the Communications Office in collaboration with the Press Offices: the company regularly meets the relevant media and organizes at least one press conference a year, as well as individual meetings with the various newspapers.

An important touch point for Dedar to interact with its stakeholders are the **digital channels**. In particular, Instagram is Dedar's social media channel on which clients and fans engage the most with the company. The website is also a fundamental platform where users can appreciate the wide range of products and collections in all their variants and accompanied by all the technical information. Moreover, it is a means through which stakeholders have the possibility to enter into contact with the identity and the values of the company. In 2021 the website underwent a restyling in order to provide clients and enthusiasts with the best user experience.

Dedar's presence on social media and digital channels

Channel	Unit of measurement	2023
Facebook	Fans	21,500
Instagram	Followers	158,000
Youtube	Video views	5,200
LinkedIn	Followers	19,900
Website	Page-views	3,300,000
	Users	435,000

Thanks to the stakeholder engagement activities carried out in recent years, Dedar has had the opportunity to deepen relations with stakeholders and initiate a dialogue with them about common objectives and specific topics, such as organic and recycled yarns, product certifications, traceability of raw materials and the need to raise awareness of the supply chain. In particular, in 2022 Dedar focused on the supply chain. Through a questionnaire distributed to a sample of 29 suppliers, Dedar assessed its partners' management practices and trends related to sustainable innovation. Such preliminary analysis has established the foundations for a deeper dialogue and understanding with strategic suppliers on the topics that are most important for the industry, such as materials, traceability, and circularity, with the objective of defining sustainable product guidelines and identifying opportunities for collaboration.





2 Production's quality and responsibility

2.1 QUALITY AND INTERNATIONALITY

Dedar bases its identity and raison d'être on its stylistic component, the constant innovative research of new products and the creation of a relationship of quality and trust with clients.

Over time, Dedar has perfected its ability to interpret the expectations of its clients, combining innovative techniques with artisan processes, by mixing natural fibers with technological yarns. The technical and stylistic research consequentially translates into visual and tactile pleasure, allowing to create environments that arouse emotions in the lives of the people who live in them.

The collection

The essence of Dedar's fabric, wall covering and trimming collection are the freedom of inspiration, a taste for experimentation, the love for precious qualities and a wide color range combined with the greatest attention to technical and functional aspects.

The numerous products in the collection can be divided into different categories:

PLAIN CLASSICS

Plain fabrics such as velvets, satins, silks, wools, linens that reveal great research in the art of weaving and color, thus becoming new classics;

CONTEMPORARY ARCHIVES

Jacquard or printed fabrics with wide-ranging geometric patterns, small-scale geometries and contemporary interpretations of archival designs;

WALLCOVERINGS

Wallpapers and wall coverings that bring creativity and texture to walls;

TEXTUROLOGIE

Textural fabrics, where the intertwining of different fibers animates fabrics as its texture enhances variations and irregularities;

ENJOYABLE OUTDOORS

Highly versatile outdoor fabrics. Classified as outdoor for their characteristics, they are also suitable for any interior setting requiring durability, practicality and ease of maintenance;

TRANSPARENCIES

Light veils, the result of a delicate combination of material and transparency;

FIRE-RETARDANT

Functional and easy-care fabrics, which embody the richness and variety of textures, intense colors and designs in a fire-retardant version.

The collection brings together **590 products and 3,700 color variations**; the 500,000 meters of fabric in stock allow the prompt lead-time of 68% of orders.

In addition to the extent of its collection, Dedar's versatility is also reflected in the ability to satisfy the most demanding expectations, by modifying a fabric in the collection to adapt to the particular requests of a design project or by creating ad hoc fabrics, fireproof or not, to meet every single creative idea.

590
products

3,700
color variations

Materials

Dedar uses many yarns in order to meet different needs and expectations, both aesthetic and technical. That is why Dedar's offer encompasses natural, artificial and synthetic fibers.

Silk, cotton, linen and wool are among the main **natural fibers** used to realize Dedar's collections and they make up about 68% of sales⁸. These are fibers that come from the animal or vegetable world.

SILK

Is made from the cocoons that the silkworms produce by feeding on mulberry leaves. Sericulture and, in particular, the cultivation of silkworms was exclusive to China for many centuries, until the production of silk was introduced to Europe from the East. In the 15th century silk art developed in the Como area, becoming, in the international luxury and fashion scene, an area of excellence. Silk is characterized by being a light, soft, thin, elastic and luminous fiber, all qualities that contribute to making it an elegant fiber;

COTTON

The most used textile fiber in the world, is derived from the homonymous plant cultivated and processed since ancient times. The yarn is obtained from the processing of cotton wool, that is the material that wraps the seeds produced by the fruits of the plant. Cotton is a resistant and breathable fabric;

LINEN

Is an ancient natural fiber of great beauty. Already used by the ancient Egyptians, it was introduced in Europe thanks to the Phoenician trade. The fiber is obtained from the stem of *Linum usitatissimum*, a plant that does not require irrigation and fertilizers. For this reason, linen is also an ecological fiber, as well as being resistant to wear as clothing, hypoallergenic, of great beauty, luminous and capable of enhancing colors and chromatic effects;

WOOL

Its processing dates back to prehistoric times. Wool is obtained from the fleece of some animals, including sheep and camelids, and when it comes from living animals, it is defined as "virgin wool". After shearing, washing, and degreasing, the fiber takes on a more or less defined color that can vary from ivory, to white, or black or brown, depending on the animal from which it was produced. This fiber is characterized by its shiny appearance, hygroscopicity, elasticity, unmistakable softness, and fire-retardant properties. Its pride is also embodied in the almost total waste free production.

Artificial fibers of natural origin, on the other hand, are the result of particular processes that combine natural fibers with some chemical components, to obtain a yarn with particular characteristics. These include **viscose**, produced from the wood pulp of trees dissolved in lye, to which carbon sulphide is added. The resulting fiber imitates the softness of plant fibers and the brightness of silk.

Finally, **synthetic fibers** are obtained by processing materials from the petrochemical industry. They are particularly durable, elastic, resistant to heat, humidity, and chemicals. Among the most common synthetic fibers in the Dedar collection are polypropylene and solution-dyed acrylic, ideal for outdoor use, resistant to stains and easy to wash, and FR polyester (flame retardant polyester). FR polyester fabrics are inherently flame retardant by virtue of their composition and structure: among these is **Trevira CS®**.

⁸ Products made of at least 50% of natural fibers.

To better understand its impact on natural resources and the purchasing trends of customers, Dedar started accounting the proportion of materials deriving from renewable and non-renewable sources used in its products. With reference to Dedar collection only⁹, in 2023, 22.3% of sold fabrics, trimmings, and wallcoverings is composed of 100% renewable fibers. Adding products composed of mixed textiles made of at least 50% of renewable fibers, the amount of mainly renewable fabrics sold increases to 64.1%, consistent with the previous year. The Collection fabrics is the product category in which the highest share of pure renewable fabrics is produced; in fact, the Collection includes all the curtains and furnishing textiles made of silk, wool, linen, cotton, viscose, and other artificial fibers not mixed with any synthetic fibers. As for trimmings and textile wall coverings, most of products sold are composed of mixed materials with at least 50% of renewable fibers.

Renewable and non-renewable fabrics¹⁰

Meters	U.m.	2023	2022	2021
Collection fabrics	%	100	100	100
of which 100% renewable	%	24.3	25.4	41.1
of which mixed composition of renewable fibers ≥ 50%	%	39.9	38.9	24.4
of which mixed composition of renewable fibers < 50%	%	5.9	4.7	4.7
of which 100% non-renewable	%	29.9	31.0	29.8
Trimmings	%	100	100	100
of which 100% renewable	%	5.0	4.8	4.5
of which mixed composition of renewable fibers ≥ 50%	%	60.8	62.7	65.1
of which mixed composition of renewable fibers < 50%	%	0.4	1.6	1.0
of which 100% non-renewable	%	33.8	30.8	29.4
Textile wall coverings	%	100	100	100
of which 100% renewable	%	1.7	0.0	0.0
of which mixed composition of renewable fibers ≥ 50%	%	60.0	59.3	38.1
of which mixed composition of renewable fibers < 50%	%	3.7	5.4	11.0
of which 100% non-renewable	%	34.6	35.4	50.8

Dedar also sold wallpaper rolls to be considered non-renewable being made of vinyl on non-woven fabric.

⁹ Excluding ad hoc creations and third-party products.

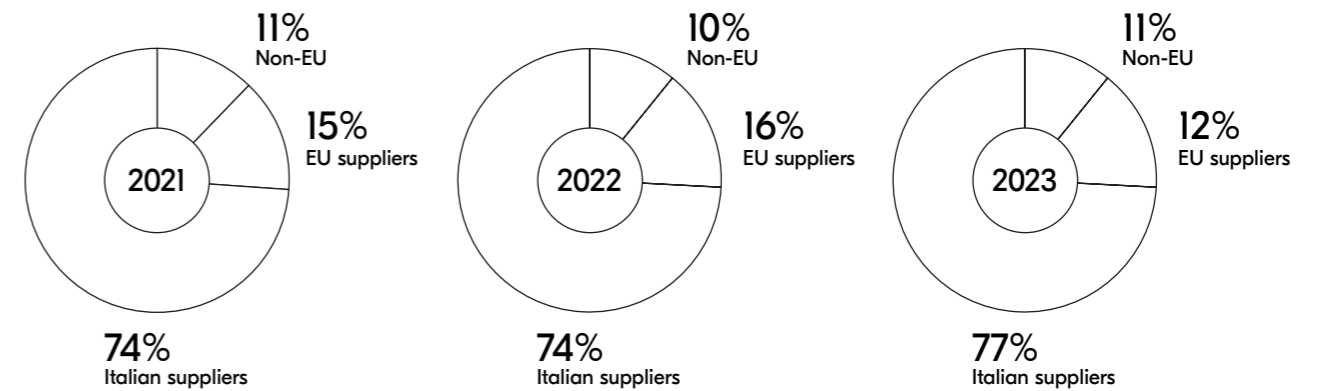
¹⁰ 100% renewable fabrics include, among others, 100% cotton, 100% silk, 100% viscose, 100% linen, 100% wool, 100% modal and 100% mohair. The second category includes all articles which have a percentage composition of renewable fibers equal to or higher than 50%. The third category includes articles with a percentage composition of renewable fibers which is lower than 50%, while the last category includes nonrenewable fabrics (e.g.: 100% FR polyester).

Supply chain

Once the expectations, the customer’s requirements, and the products to be made have been identified, the weaving activities are entrusted to Dedar’s qualified suppliers, chosen on the basis of their skills, their reliability, and the quality of their service.

While choosing its suppliers, Dedar maintains its strong calling for Made in Italy, but not without keeping in mind the rest of the world, especially those areas known for the presence of manufacturing companies with a strong artisan heritage in the textile field. 77% of Dedar’s spending¹¹ is on Italian suppliers and of this share 22% amounts on suppliers based in the province of Como. European suppliers amount to 12% of the spending, while the remainder is made up of non-EU suppliers located in areas characterized by a historical textile tradition.

Proportion of spending on local suppliers



In order to be qualified, all Dedar suppliers are required to sign a declaration of compliance with the **REACH Regulation** in reference to the chemicals, dyes, articles and processes that may come with producing fabrics, which have harmful properties towards human health and the environment. REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) is a regulation of the European Union that governs numerous chemical substances, with the aim of improving knowledge of the dangers and risks arising from them. Furthermore, in 2023, in response to the potential regulatory changes regarding the **removal of PFAS from textiles** and in accordance with the objectives of its 2022-2024 Action Plan, Dedar started a **mapping process** of all its articles containing these substances. The initiative, carried out with the valuable contribution of suppliers, aims to identify and implement alternative solutions that guarantee the performance of existing products, while reducing the environmental impact. Among the first practical activities in this direction, starting from the September 2023 collection the company has introduced only articles treated with WR (Water Repellency) **completely free of fluoride**.

¹¹ Value.

In regard to the topic of chemicals, the company has certified some of its Dedar brand products according to **Standard 100 by Oeko-Tex®**, an independent and uniform international control and certification system that certifies the absence of harmful substances. In 2023 the range of Dedar's Oeko-Tex® certified articles was significantly broadened, achieving 92 items. Some products are also **Masters of Linen** certified: the brand certifies linen fabrics when these are entirely grown and processed in Western Europe, wanting to give total transparency towards customers on product traceability. Furthermore, Dedar manufactures IMO¹² certified fabrics and supplies the maritime sector with IMO approved fire-retardant fabrics.

By wanting to make the supply chain increasingly transparent and responsible, since 2021 Dedar has been adopting a **purchase specification**, a set of guidelines requiring suppliers to align to the principles of social responsibility, environmental sustainability, and ethical responsibility. Dedar also invites suppliers to share the guidelines with their own suppliers and report on non-compliance cases, as a means to enhance sustainability along the entire value chain.

The theme of products and processes' **traceability** is gaining more and more relevance. However, ensuring traceability requires the implementation of sophisticated and integrated systems and a deep understanding of the supply chain, which is particularly complex in the case of the textile industry. Nevertheless, Dedar is analysing possible solutions to improve traceability of raw materials and yarns. In this regard, stakeholder engagement activities conducted in 2022 with main suppliers aim at raising awareness about this issue, sharing best practices, and identifying potential opportunities for collaboration, also considering obtaining specific certifications. Among the first solutions introduced, starting from the 2024 collections, Dedar has implemented a system for collecting information on the origin of yarns, to ensure greater transparency in the supply chain, by sending a dedicated questionnaire to suppliers.

¹² Fire protection requirements of Marine Equipment Directive (MED) 96/98/CE.

Quality

In order to offer a product of excellence, Dedar focuses on the chosen fabric's high quality and style, together with maximum service efficiency to guarantee customer satisfaction. In pursuit of this goal, Dedar has implemented precise and detailed quality control procedures that allow for a correct identification, storage, and management of the product.

At Dedar, the responsibilities of coordinating quality control procedures are carried out by the **Quality Control Manager**, who performs the following functions:

- release the quality system documentation, involving the relevant functions, providing for its updating and storing;
- organize the monitoring and measurement of processes by collecting and managing data relating to product quality, referring to quality indicators where possible;
- coordinate the operational functions involved in the management of product non-conformities and corrective actions that may be necessary in order to keep the quality system efficient and effective;
- verify the conformity of the quality system with what is described in the Quality Manual and in the procedures, making sure it is in compliance with the applicable standard, with the requirements for continuous improvement, with the quality policy and with the improvement objectives;
- monitor the quality objectives, assessing the need for resources in terms of personnel, infrastructures, and means necessary for the intended purposes;
- coordinate, with the necessary departments, the maintenance and / or calibration of the equipment and measuring instruments, ensuring that these activities are recorded on the required documentation.

Quality management is intrinsic in every phase of the production process: from the identification and transmission of specific customer requirements to suppliers, to the careful monitoring of the design phases by the Product Manager, up to the quality control of all inbound products to ensure their complete compliance with production requirements. The fabrics under development are all tested by external laboratories to verify the technical characteristics such as abrasion, pilling, light fastness, color fastness and fire resistance.

Dedar in the world

Thanks to its versatility and its continuous pursuit of excellence, Dedar proves to be an ambassador of luxury furniture design in **over 80 countries** around the world, which in 2023 accounted for **81% of turnover**.

The company's internationality began to assert itself from the very beginning, when in 1995 the first contract project was realized for the Hotel Costes in Paris. Since then, the notoriety of Dedar in Italy and abroad has grown continuously and today fabrics, wall coverings and trimmings are present in large hotel chains, international boutique hotels, cruise boats, private yachts and renowned boutiques including the JK Place Hotels in Rome, Florence and Paris, the Hotel Four Season in Rome, the Nomad Hotel in Las Vegas, the Loulou restaurant at the Palais du Louvre and the Bvlgari Hotel in Paris, Palazzo Fendi in Rome, the Boutique of the Redemption brand in New York, and the Mandarin Oriental Ritz in Madrid. In 2021 Dedar took part in the project "Arcimboldo Face to Face", exhibition opened at the Centre Pompidou-Metz, supplying fabric to the Campana brothers for the production of a 12-metre wide and 5-metre-high curtain which greets visitors at the Great Nave.

Dedar's internationality is also measured through important collaborations. Over the last few years, Caterina and Raffaele Fabrizio met with **some designers and stylists on the international scene**. Then, creative collaborations were born and gave life to unique objects and accessories: a synthesis of the spirit of the designer and of the creative universe of Dedar that inspired them. The designer Bruno Frisoni, the New York designer Stephen Burks, Michele Bönan, the designer Martino Gamper and the artist Brigitte Niedermair are the first to have started a creative path that continues year after year with the research, discovery, and experimentation of new insights.

The most recent collaboration is with **La Pelucherie**, a French peluches boutique designed in France and handmade in Italy. To celebrate the **Milan Design Week**, Dedar has launched the special project "**The Texture Club**": a limited edition of 130 stuffed animals, proposed in a range of seven animals made by the French brand in as many fabrics of the collection "Texturologie" by Dedar. The unique pieces were exhibited in the Dedar showroom for the duration of the event, in an exhibition - **Bestario Dedar** - specially designed by **Studio Ossidiana**. Starting from the common desire to produce not only beauty but also well-being for the community, the proceeds of the sales were entirely donated to **Dynamo Camp**, a non-profit organization that offers free recreational therapy programs for children suffering from serious or chronic diseases and support to brothers, sisters and their families.

After the opening of the branch in Singapore, strategic for strengthening its presence in the Asian market, in the next few years, Dedar aims to increase its presence in the **United States**, where it already has a branch.

2.2 INNOVATION AND SUSTAINABILITY

Dedar's success is based on the elevated craftsmanship and fabric production technique, but also on investments in research and development, with the aim of being able to respond to the demands of an ever-changing market. Particularly, the company invests 2% of its turnover in research and development. **Research and development**, together with savoir faire, helps to create an intrinsic value of high-quality furnishing fabric that makes it a product destined to last over time.

The function Style and Development, which designs and develops new fabrics and papers together with the supply chain, is the heart of the organization. This function, supported by the Technical Office, has the ability to combine textile art and beauty and to transform ideas into fabrics thanks to its stylists and designers' education, trained in the best schools and academies in Europe. The process of developing new textiles also involves clients and the market. In fact, Dedar is attentive to capture emerging trends and requests. Indeed, through its latest activities of stakeholder engagement the company detected a new interest for sustainable characteristics that will be taken into consideration to elaborate guidelines for the development of the next collection.

In 2023 20 new items in 111 variants were launched, of which:

- 3 items made in recycled cotton, in 11 variants;
- 17 items made of recycled polyester, in 100 variants.

During 2023, **three great classics** from the Dedar collection, an expression of quality, technical excellence and timeless beauty, were updated with a renewed chromatic sensitivity. Staying within the unities, a particularly careful look was given to the **size of the material**: on the one hand, natural yarns of alpaca wool, tussah silk and matka or linen; on the other hand, fireproof yarns, in which beauty is expressed through functionality.

As much emphasis was given to the **irregularity of the material** in the enlargement of the group of the "Texturologies": bouclé rich and full-bodied, soft chenille, and elegant chevron pay tribute to the material, in which the different workings and armor deliberately leave room for irregularities and imperfections. The fabric collection also explores the world of **great height**, with a large and complete collection inspired by the great classics of linen, as well as fireproof fibers: it ranges from heavier and covering fabrics to lightweight veils. A high-performance collection then celebrates the pleasant life and relaxed sociality, but always elegant, and that allows a seamless transition between interior and exterior. It combines the richness of yarns, textures and colors with an extraordinary durability, practicality, freedom of use and maintenance. The Outdoor collection includes all the classics of the textile tradition, ranging from canvases and twigs to bouclés and velvets, stripes and jacquard patterns.

Dedar's creative research finds expression in the **new Contemporary Archives** that intertwine techniques and suggestions: their common thread is the union of a lively character with a great textile knowledge. In 2023 the White Writings were also created: embroideries, jacquards and graphic designs immersed in a faceted and material white between couture, painting and sculpture.

Finally, there has been the **expansion of the offering of wall coverings**, metallic and non-metallic. The former bring to the walls a metallic glitter in continuous evolution and tell the most refined side of metals; the latter are characterized by irregular natural yarns and are also available in a coordinated fabric version to create an enveloping sense of continuity in the environment.

Product sustainability

Sustainability is a value and an ethical choice entailing that social and environmental responsibility plays a fundamental role in the development and growth of a company, where the use of innovative materials and respect for the environment can coexist, in favor of a business model that appreciates and respects stakeholders' expectations.

In this regard, Dedar has embarked on a process aimed at analyzing the different materials that make up its products with the objective of identifying possible alternatives with a lower environmental impact. The company has set itself the goal of approaching and making its own contribution to the theme of **circular economy** through the recycling of discarded materials in the textile supply chain.

In particular, the company has identified the opportunity to replace Trevira CS with recycled Trevira, obtained through the processing of factory waste, thus limiting the production of the petrochemical components from which it derives. In 2023 Dedar further increased the number of fabrics in the collection made in - or in the process of being made in - recycled Trevira, reaching a quota of 45 items for 258 variants. The volume of sales generated by recycled fabric is constantly increasing (+57% compared to 2022 and +522% compared to 2021), equal to 2.58 million euros in 2023, a proof of how, in addition to representing a virtuous choice from the environmental point of view, it is also widely appreciated by the market. In the meantime, Dedar is continuing to invest in research in order to explore the potential of other types of fibers and develop new circular solutions. In fact, the use of recycled fibers is being tested also on fabrics of plant origin in order to reduce Dedar's impacts on land and water, as evidenced by the introduction of the new items in cotton and silk with recycled content.

Dedar's environmental responsibility

For Dedar, technical and aesthetic excellence and elegance, are values that cannot be separated from ethical standards and respect for the environment: each product has a story to tell, which is not just about beauty and craftsmanship, but also about Dedar's way of doing business.

The company, in fact, carefully monitors the environmental impacts of its direct activities, carried out mainly in the Appiano Gentile headquarters: from energy consumption to greenhouse gas emissions, from the consumption of packaging materials to the production of waste. Over the years, Dedar has integrated increasingly effective management methods and tested new solutions for the reduction of these impacts.

As for **energy consumption**, this is mainly related to the consumption of methane gas for the operation of the thermal plant and electricity purchased from the national grid for lighting and, to a lesser extent, for heating and cooling systems. In 2023, the consumption of methane gas was 40,836 m³, down by 5.6% compared to 2022. Considering both the Appiano Gentile headquarters and the Milan showroom, the total electricity consumption was 400,540 kWh, 6.4% less compared to the previous year's consumption. Since September 2020, Dedar has powered the Appiano Gentile premises with electricity derived exclusively from renewable sources, in order to reduce its indirect emissions. Likewise, since 2021 the supply of electricity derived from renewable sources has been activated also for the Milan showroom. Following this course of action, there was the investment in the installation of **590 photovoltaic panels**: the plant, started in May 2024, will allow a reduction in the purchase of electricity from the grid. In addition, Dedar monitors the fuel consumption associated with its car fleet, which in 2023 amounted to 12,047 liters of diesel and 27,985 liters of petrol. Compared to the previous two years, following the introduction of the Policy for a sustainable fleet that defines the transition to a hybrid and electric vehicle fleet, there has been a gradual decrease in diesel fuel consumption, accompanied, however, by an increase in petrol consumption due to the progressive abandonment of diesel-powered cars. To date, the car fleet consists of only 2 diesel cars, 30 petrol cars, including hybrid and plug-in, and an electric vehicle. Overall, fuel consumption grew by 17% compared to 2022, due to the increase in petrol consumption. To support this transition, in late 2022 Dedar installed 5 charging columns for electric vehicles and plug-ins, which from 2024 will be powered directly from the new photovoltaic system.

Direct and indirect energy consumption

GJ	2023	2022	2021
Methane gas	1,593	1,687	2,187
Diesel for car fleet	456	758	955
Petrol for car fleet	953	492	110
Electricity purchased	1,442	1,541	1,477
of which for Appiano Gentile premises	1,407	1,505	1,446
of which for the Milan showroom	35	36	31
Consumption of energy from renewable sources	1,442	1,541	1,477
Consumption of energy from non-renewable sources	3,002	2,937	3,252
Total energy consumption	4,444	4,478	4,729
Energy intensity (kWh/meter) ¹³	2.137	1.839	2.211

Greenhouse gas emissions deriving from the consumption described above were equal to 172.2 tons of CO₂ equivalent with regard to the consumption of methane gas, diesel and petrol, slightly increased compared to 2022 (+2%). As for the electricity consumption, emissions were equal to 107.3 tons of CO₂ equivalent according to the Location-based calculation method. The decision of purchasing electricity exclusively from renewable sources (and with Guarantee of Origin) allowed to maintain Scope 2 emissions calculated according to the Market-based method¹⁴ equal to zero, as in 2023.

The circuits of the company's cooling systems use R410a refrigerant gas. Every six months, a certified company does a maintenance check of the cooling systems and records the interventions performed in the equipment register, including leak checks and any refilling of the quantities of gas dispersed. In the last two years there have been no losses, therefore, no consequential greenhouse gas emissions have been recorded.

Direct and indirect emissions (Scope 1 and 2)¹⁵

t CO ₂ e	2023	2022 ¹⁶	2021
Emissions Scope 1 ¹⁷	172.2	169.0	243.8
Emissions Scope 2 - Location-based ¹⁸	107.7	115.2	107.2
Emissions Scope 2 - Market-based ¹⁹	0	0	0
Total emissions Scope 1 + Scope 2 LB	279.9	284.2	351
Total emissions Scope 1 + Scope 2 MB	172.2	169	243.8
Emission intensity Scope 1 (kgCO ₂ e/meter)	0.298	0.250	0.410
Emission intensity Scope 2- Location-based (kgCO ₂ e/meter)	0.187	0.170	0.180
Emission intensity Scope 2- Market-based (kgCO ₂ e/meter)	0	0	0
Emission intensity Scope 1 + Scope 2 LB (kgCO ₂ e/meter)	0.485	0.420	0.591
Emission intensity Scope 1 + Scope 2 MB (kgCO ₂ e/meter)	0.298	0.250	0.410

With regard to scope 3 emissions, Dedar has recently started analyzing the environmental implications linked to **logistics**. In fact, shipments generate an impact that cannot be overlooked, considering that the company sells its products globally. In 2022, Dedar estimated²⁰ that the emissions associated with the shipments sent during the year were equal to 1,787 tons of CO₂e. The calculation was reperformed in 2023: the resulting estimate is 1,881 tons of CO₂e, which does not deviate significantly from the previous year (+5.3%). Based on this analysis, possible actions for shipment optimization have been assessed, in addition to measures already implemented in the last years, in order to reduce the carbon impact of transport. For example, in some cases, for significant quantities of products the shipment leaves Dedar's supplier premises and proceed directly to the client, to optimize routes and consequently limit its impact. Another recently introduced initiative is the reorganization of logistics flows between the central and the secondary warehouse and of the routes directed to the premises where quality control is performed. In this way it is possible to reduce the number of kilometers travelled every day and contain the associated GHG emissions. Apart from these measures, the opportunities to achieve a further improvement seem limited, given Dedar's business model. Nevertheless, the company remains committed to look for new shipment solutions, also in collaboration with its clients. Meanwhile, it is assessing the possibility of offsetting the share of emissions generated by the transport of Dedar's products by purchasing certified carbon credits.

Another important aspect of Dedar's direct environmental impacts concerns the **packaging materials**, the characteristics of which must be such as to guarantee the safety of the products transported.

The main materials used for packaging are cardboard and polyethylene. The cardboard boxes are made up of three layers, namely an external cover, an internal one and an additional internal corrugated core. Currently, the outer cover of the boxes is made from cellulose, while the internal parts are made from recycled cardboard. In percentage terms, the recycled cardboard represents 80% of the weight of the box. The cardboard used for the boxes is purchased from an FSC certified supplier, which guarantees the correct and responsible management according to strict environmental, social and economic standards of the forests from which the cardboard is

¹³ Considering the volume of sold fabric, in meters.

¹⁴ The first method reflects the average intensity of emissions related to the networks from which the energy is supplied, while the second reports the emissions related to electricity that the company has decided to purchase.

¹⁵ Data expressed in tons of CO₂ equivalent. For the calculation, the following GHG gases were considered: CO₂, CH₄, N₂O and HFC (R410A).

¹⁶ The 2022 and 2021 data on Scope 2 Location-based emissions were recalculated and restated following a reworking of the emission factor to also include the greenhouse gases CH₄, N₂O, with minimal variations.

¹⁷ Source of the emission factors for methane gas: DEFRA 2023, 2022, 2021.

¹⁸ Source of the emission factors: Ispra, Italian Greenhouse Gas Inventory 1990 – 2021 National Inventory Report 2023; Italian Greenhouse Gas Inventory 1990 – 2020 National Inventory 2022.

¹⁹ Source of the emission factors: Association of Issuing Bodies (AIB), European Residual Mixes 2023, 2022, 2021.

²⁰ Considering the large number of shipments and the variety of destinations, estimates were performed to establish the average distance of the routes travelled by the carriers, adopting a conservative approach.

supplied. As the supplier agreed to Dedar's request, from 2020 the FSC logo is printed on all Dedar's boxes for the benefit of transparency and awareness towards customers.

Polyethylene is the most common of the plastics and, given its aesthetic characteristics and its excellent insulating properties and chemical stability, it lends itself efficiently to wrap Dedar products. The company, aware of the impacts that plastic has on the environment, intervened on the gradual reduction of the film, to use a smaller amount of plastic without compromising the mechanical strength of protection necessary for the correct transport of the articles. In particular, for the rolls packaging line, through continuous experimentation, Dedar has managed to reduce the initial thickness of 190 microns to 140 microns. In addition, the first tests on 50% recycled co-extruded polythene wrappings with a thickness of 120 microns will be launched in 2024. For the parcels packaging line there has been an equally significant reduction in thickness: **from 210 to 140 microns**.

Moreover, Dedar in 2021 started a gradual substitution of virgin polythene with polythene composed of **50% recycled material**, reaching 100% of the needs in 2023. As for bubble wrap, in 2021 Dedar tested the introduction of a share made of recycled polymers. However, performances were disappointing: the material proved to be too soft and thin, compromising the adequate protection of delicate fabrics, like velvet.

Overall, in 2023 Dedar procured approximately 104,690 kg of boxes, corrugated cardboard, paper and blanks, 17,855 kg of polythene, and 2,010 kg of bubble wrap. While the use of polyethylene has slightly increased (+4.0% compared to 2022), consumption of carton board and bubble wrap has decreased by 5.0% and 6.7% respectively.

Among the other materials mainly employed by Dedar there is also the paper used for office activities. In 2023, Dedar consumed 3,058 kg of paper, down by 28.6% compared to 2022. In fact, with the aim of reducing the quantity of printing paper, the company decided to stop including a paper copy of the sales invoice for clients in the shipments and to send only a digital copy.

Materials

Kg	2023	2022	2021
Cardboard	104,690	110,200	105,000
Polyethylene	17,855	17,176	17,556
of which 50% recycled	17,855	16,152	8,320
Bubble wrap	2,010	2,155	1,335
Office paper ²¹	3,058	3,189	4,284

As for waste, all wastepaper and cardboard produced within the Appiano Gentile plant are recovered and sent to specialized platforms, which select the wastepaper. Once selected, these materials are pressed, tied into bales, and made available to the paper mills that do the actual recycling. The polythene waste, on the other hand, is kept separate from the rest of the plastic waste and is entrusted every two weeks to an authorized disposer who delivers them to a treatment platform for recycling. In 2023, the cardboard and paper waste amounted to 85,160 kg, while discarded polythene to 10,180 kg, recording, in the first case, an increase of 33.4% in the volume of waste produced compared to 2022, while in the second, a decrease of 21.3%.

In 2022, at the Appiano Gentile premises a water dispenser was installed. This allowed to reduce the quantity of plastics to be disposed of, registering a decrease of 33.3% compared to 2021. In 2023, the amount of plastic waste remained stable compared to the previous year.

Other waste produced by the company includes mixed materials (such as fabrics, obsolete samples, and defective wallpaper rolls), wooden pallets, waste similar to urban waste, recyclable plastic other than polythene and used toner. In general, hazardous waste - end-of-life equipment, glass and toner - accounts for a very small proportion of total waste. With the aim of optimizing the recovering and treatment of scraps, with the exception of urban waste and plastics which are delivered to the municipal collection and disposal service, other waste categories are sent to certified disposal companies in charge of their recycling or disposal.

²¹ Weight of office paper was estimated on the basis of the number of sheets used and the average weight of a ream, equal to 2.38 kg.

In 2023 fabric scraps amounted to 14,440 kg. Aware of the fact that the issue of textile waste is becoming a critical matter, from 2022 Dedar does not dispose of fabric scraps with the other mixed waste but collects them separately and delivers them to an external provider specialized in their collection and disposal. Furthermore, Dedar is working for establishing partnerships with non-profit associations to donate scrap material, taking the opportunity to generate a double benefit, both in environmental and social terms. In 2023 the first 150 m of fabric were given to a social tailor. This collaboration is expected to develop in an increasingly extended and structured approach in the coming years.

Waste production

t	2023	2022	2021
Non hazardous waste	128.58	96.29	111.29
Cardboard and paper packaging	85.16	63.86	65.28
Polythene for packaging	10.18	12.94	12.72
Fabric scraps	14.44	10.20	19.21
Wooden pallets	10.72	0	5.48
Scrap iron	1.62	1.91	0.20
Mixed waste and residual waste	1.26	2.18	1.90
Waste similar to urban waste	ca 4.20	ca 4.20	ca 5.00
Recyclable plastic	ca 1	ca 1	ca 1.50
Hazardous waste	0.76	2.67	0.04
Electronic equipment	0.01	0.41	0
Other equipment	0.49	2.16	0
Empty toner	0.10	0.10	0.04
Glass	0.16	0	0





3

Territory and people:
the origins of our
creativity

3.1 A LEGACY TO BE PRESERVED AND VALUED

The mastery with which Dedar combines textile interpretation and the search for new perspectives represents the legacy that the company proudly preserves, which will always be intertwined with the **handcraft and cultural heritage** of the Como area. Dedar entrusts this area to the creation of a significant part of its collections, which is also rooted in the Milan area, a reference point in the world of design and fashion.

The Como area is in fact dedicated to manufacturing, a district of competence and professionalism entrenched in the territory, which continues to contribute to the growth of Dedar thanks to the significant number of skilled craftsmen and textile experts.

Como is a **reference point for the luxury international market and the beauty industry**, and silk is its flagship product. The total turnover of the Como supply chain was equal to 2.2 billion euros in 2022, with a recovery of 29.1% compared to 2021, officially marking the overtaking compared to pre-Covid. The inflationary spiral exerted some downward pressure on demand in the last months of 2022, but did not prevent margins and profitability from continuing on the recovery path. The growth trend is positive, driven also by the theme of sustainability, increasingly relevant for companies and consumers. In perspective, it will be fundamental to direct investments on the enhancement of Made in Italy and the realization of the transition to more sustainable production models from an environmental and social point of view²².

The entrepreneurial fabric in Como is mainly made up of small and medium-sized enterprises, **artisan groups specialized in one phase of production**: precisely, this specialization, together with the flexibility guaranteed by their small size, has been the element of success of the area for decades. It has also been an important element for the production of Dedar's collections.

The structure of the Como area itself has fostered an environment of mutual growth, determining the exchange of knowledge and technologies and making it possible to develop high qualitative and technological **specific know-how** content, which represents the area's main asset.

Strengthened by this know-how, the textile companies in Como have been able to develop and anticipate the emergence of new trends, without compromising their competitiveness, but rather by innovating techniques and procedures to create high quality products.

Although Dedar naturally has a strong vocation for Made in Italy, the company also acts as an ambassador of foreign traditions, enhancing artisan techniques from other peoples and cultures. Dedar has turned to India, for their deep tradition linked to the artisan production of wild silk and matka silk.

Dedar products thus combine **ancient techniques and innovative methods**, fused together to create a fabric that lasts, and bears witness to beauty over time.

Dedar is actively committed to the territory and the **local community**, in the field of training young talents, protection of artistic and cultural heritage, as well as initiatives in support of health, both in terms of research, and of treatment paths aimed at fragile categories.

In 2023 Dedar started a three-year collaboration with the **Brebra Academy**, in favor of the students of the course Textile Culture of the Fashion Design program at the Department of Design and Applied Arts, with the intention of encouraging the growth of this teaching, intended as a real support to the world of textile production and enhancement of the talent of young students. The collaboration consists in the organization of a competition that rewards the best textile products for originality of design, color and type of yarn used, provided directly by Dedar. The first three students will be awarded a cash prize paid directly by the company.

The conservation of culture, art and beauty in Italy is also substantiated by the support that Dedar gives to FAI - Fondo Ambiente Italiano, of which it is Golden Donor, for the maintenance of the artistic and textile heritage of the territory.

Dedar's support for the **AIRC Foundation** was also confirmed for 2023, but in a new guise: the company has provided support in the sale of "Cioccolatini della Ricerca" at the events of the Foundation thanks to the direct contribution of its employees who have both worked as volunteers, and donated for the purchase of chocolates, azaleas and oranges. In addition to supporting cancer research, always in the field of health support, the company has donated important sums to Dynamo Camp, thanks to the creation of a special collection in collaboration with La Pelucherie (see page 32).

²² XXXIV edition of the Osservatorio del Distretto Tessile di Como.

3.2 A COMPANY OF TALENTED PEOPLE

According to Lev Tolstoy “One can live magnificently in this world if one knows how to work and how to love: work for those we love and love what we work for”. The inspiration for Dedar’s way of working is its passion for the pursuit of beauty, a quality that is continuously enhanced and nurtured through the inclusion of young talent from schools, academies and universities of design and fashion.

Dedar is committed to offering its personnel a work environment where they can develop their skills, fully reach their potential, and fulfill individual expectations, preserving tradition and at the same time contributing to improve and be innovative to achieve excellence.

Dedar guarantees equal job opportunities and professional growth to all employees based on their specific professional qualifications and performance capabilities, without discrimination, as the managers ensure the development path of employees considering exclusively criteria of competence and merit, starting from the recruiting phase.

The people of dedar

On December 31, 2023, Dedar employed 131 people, of whom 78 were women, with a slight prevalence (59.5%) compared to men over the total staff. 95.4% of people employed has a permanent contract, and almost everyone has a full-time contract (97.7%), while only 3 workers were hired on a part-time basis. Furthermore, on December 31, Dedar had 11 active internships, bringing the total number of Dedar employees and collaborators to 142.

Employees by employment contract, type of employment and gender

N. employees and collaborators	2023	2022	2021
Total employees	131	136	119
Total women	78	77	65
Total men	53	59	54
Permanent contract	125	120	112
Women	73	65	59
Men	52	55	53
Fixed-term contract	6	16	7
Women	5	12	6
Men	1	4	1
Full-time contract	128	134	118
Women	75	75	65
Men	53	59	53
Part-time contract	3	2	1
Women	3	2	-
Men	-	-	1
Internships and temps	11	19	16
Total collaborators	142	155	135

Dedar employees mainly belong to the 30-50 age group (54.2%); the under 30s represent 19.1% of the total, while the over 50s represent 26.7%.

Employees by professional category, gender and age

N. of employees	2023			2022			2021											
	Women	Men		Women	Men		Women	Men										
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50									
Senior executives		2	1	4		2		4	2	2	1							
Middle Management	4	5	4	1	4	5	5	1	8	2	5	3						
Employees	20	36	7	4	14	4	18	40	7	4	15	4	8	36	7	3	13	
Workers		4	1	8	12		1		2	12	12		1	1		16	14	
Total	20	44	14	5	27	21	18	45	14	6	32	21	8	45	12	-	26	31

Passion and pursuit of excellence are values that distinguish Dedar and, therefore, are characteristics sought as an essential trait in the recruitment phase by the qualified management. The selection process for candidates is based on the assessment of their roles and experience, which therefore guarantees equal admission opportunities.

Dedar’s **capacity to attract** employees is leveraged particularly by its **reputation** and **brand image**, which represents a reference point for the area, as demonstrated by the 49.6% of employees who come from the province of Como. With the brand’s development and internationalization, attracting highly qualified professionals able to respond to the company’s expectation of sustainable growth becomes an increasingly crucial challenge. Therefore, Dedar commits to implement new strategies and programs to attract and retain talents.

For the search and selection of new staff, Dedar collaborates with professional schools and universities, bringing young people closer to the labor market by offering internships to university students. Dedar also resorts to social networks and specialized external companies. Furthermore, the company started an Employer Branding process aimed at promoting Dedar among interested communities, like textile schools, specialization programs, and master’s degrees. In particular, during 2022 several initiatives to make Dedar known among young graduates were launched, by offering internships, delivering talks and lectures, and participating to recruiting days. The Scuola Professionale of the Associazione Cometa, the Marangoni institute, and the Accademia di Belle Arti of Brera were involved. In addition, other Technical Institutes were engaged thanks to our partnership with the recruitment agency Adecco. The three-year collaboration with the Brera Academy of Fine Arts launched in 2023, involving the competition for students of the Textile Culture course, is also part of the Employer Branding approach.

In 2023 19 employees were hired, while 24 terminated their employment due to the natural conclusion of fixed-term contracts, voluntary resignation, dismissals, and retirement.

Number of hires and terminations by gender and age group

N. of employees	2023		2022		2021	
	N.	%	N.	%	N.	%
Total hires	19		53		21	
<30	11	44.0	21	87.5	10	62.5
Women	8	40.0	16	88.9	7	53.8
Men	3	0.6	5	83.3	3	100.0
30-50	8	11.3	27	35.1	10	14.5
Women	6	13.6	12	26.7	6	15.8
Men	2	7.4	15	46.9	4	12.9
>50	-	-	5	14.3	1	2.9
Women	-	-	4	28.6	1	7.1
Men	-	-	1	4.8	-	-
Total terminations	24		36		24	
<30	7	28.0	7	29.2	1	6.3
Women	5	25.0	5	27.8	1	7.7
Men	2	40.0	2	33.3	-	-
30-50	13	18.3	15	19.5	13	18.8
Women	7	15.9	7	15.6	10	26.3
Men	6	22.2	8	25.0	3	9.7
>50	4	11.4	14	40.0	10	29.4
Women	2	14.3	8	57.1	3	21.4
Men	2	9.5	6	28.6	7	35.0

The company is committed to recognizing and enhancing the talent of the people who contribute with their passion and dedication every day to bring the elegance of Dedar fabrics to the world. In this regard, there is an **employee personnel evaluation system**, that in 2022 was applied to the entire company population, with regular feedback meetings aimed at periodically verifying the performance of each role based on the technical and transversal skills required, with recognition of the people who demonstrate a high potential for growth. Career paths are built ad hoc and according to the identified potential. Since 2022, new analytic systems have been introduced to investigate in depth the relationship between each manager and its team. In particular, results are analyzed in relation to the performances that the team could potentially achieve, in order to value everyone's contribution, the use of resources and synergies between managers and employees. In 2023, 95% of Dedar's people underwent performance assessments, up 7.2% from the previous year. Based on these analyses, the company started assessing the possibility of formalizing succession plans aimed at guaranteeing business continuity in the future.

The annual performance evaluation also represents an opportunity to identify any training needs. Except for compulsory training, additional training, coaching, and mentoring is being activated when individual needs related to specific technical skills arise. In 2021 Dedar established a monitoring system of training hours provided, in order to favor the assessment of training results and improve activity planning for the following years. In total, 2,429 hours of training were provided in 2023, with a significant increase compared to the 591 hours provided the previous year (+311%). In particular, a 32-hour English language course was organized, involving 12 employees, as well as training sessions dedicated to the sales team aimed at expanding their technical knowledge regarding the company's products, and onboarding training for new employees. The main objective of the latter was to provide a deeper understanding of the company, its operation, the context in which it operates and its products. Other training sessions focused on topics such as the use of digital tools, meeting management and remote communication, business writing.

In addition, the "**Academy**" project was launched, aimed at further improving and digitizing the training content provided, and a **project of skills assessment of the sales team**, consisting of a technical-theoretical and a practical-application section, to identify the most appropriate improvement actions. Finally, the "**Job-Shadowing**" project started, which offered opportunities for on field coaching, allowing employees to observe closely and better understand the work of colleagues from other departments.

Average yearly hours of training per employee, by gender and by professional category

N. of hours	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior executives	3.0	3.2	3.1	24.0	30.0	28.0	-	-	-
Middle management	21.7	22.0	21.8	13.3	16.0	14.4	-	-	-
Employees	24.5	19.6	23.3	1.7	4.2	2.4	1.9	1.3	1.7
Workers	2.0	5.5	5.0	0.0	0.0	0.0	-	1.6	1.5
Total	22.5	12.7	18.5	3.6	5.3	4.3	1.6	1.3	1.4

In 2023 the number of average hours of training per employee significantly increased, more than quadrupling compared to 2022. In particular, great attention has been paid to the training of executives and employees.

In addition to training programs and career development assessment, every day Dedar is committed to improve relations with its employees, through constant **communication**. In a periodic newsletter, Dedar shares with staff the main news regarding projects, events, and acknowledgments. The newsletter also includes a specific section that describe the main activities directly addressed to employees. Moreover, every year, at Christmas, employees are involved in a celebrating event and a photo contest. In 2022, the company launched the new project "Sharing Lunch", aimed at promoting the engagement of employees and acquaintance among colleagues. In fact, the activity provides an informal occasion for people to share information with their colleagues regarding their experience at Dedar's, projects, and achievements, encouraging the exchange of opinions and ideas useful to professional and personal development. Finally, volunteering for AIRC was also an important occasion to create cohesion and reinforce shared values, which are at the core of the company's culture.

Health & safety

Health and safety in the workplace are of fundamental importance for Dedar, which acts in the belief that all those who access the workplace must be able to operate in a **comfortable, quality, and safe environment**. In compliance with the provisions in force concerning health and safety in the workplace, Dedar is committed to implement the culture of safety, promoting awareness of risks and responsible behavior.

As required by the Consolidated Law on Safety at Work (T.U.S.L. - Legislative Decree 81/2008), Dedar has implemented an occupational health and safety management system, which covers all the people working at the Appiano Gentile premises and at the showroom in Milan. The company identified the people responsible for the Prevention and Protection Service and prepared a risk assessment document in order to identify and prevent work-related hazards. Adequate training and periodic meetings between the workers' safety representative, the head of the prevention and protection service, the company safety manager, and a qualified doctor guarantee general monitoring of the situation in terms of health and safety. In particular, updates regarding the risk assessment document, the suitability of individual protection equipment, the planning of the training and information programs, and other specific matters are being discussed during the meetings.

To minimize risks to employees' health, the qualified doctor is also responsible for the provision of specific occupational health services, which consist of assessing whether each worker is fit for his or her specific job duties, keeping a medical record of every worker exposed to particular risks (in compliance with privacy laws), conducting periodic medical checks on the employees to ensure they are still fit for their work, and informing them about the results of the assessment.

Training and information sessions on health and safety are organized by the Prevention and Protection Service with the help of personnel or entities outside the company. The workers in charge of first aid, firefighting and evacuation activities undergo specific training activities related to their appointed tasks. Following the suspension of training activities in 2020 as a measure to prevent the spread of Covid-19, in 2021 health and safety training was started again regularly. During 2022 Dedar provided 324 hours of training on health and safety matters.

In 2023 there were **2 work related injuries**, both without serious consequences, unlike the previous two-year period, in which none had occurred. Any accident is recorded on a specific register and examined during the periodic meetings in order to discuss possible preventive actions. Moreover, Dedar's workers can refer to the appointed qualified doctor to report any situations or circumstances they believe could cause injury or danger to their health.

Injury indexes

Health and safety indicators regarding employees	2023	2022	2021
Total worked hours	228,027	240,515	210,264
Number of high-consequence work-related injuries	-	-	-
Number of recordable work-related injuries	2	-	-
Rate of high-consequence work-related injuries ²³	-	-	-
Rate of recordable work-related injuries	1.75	-	-

In addition to the provisions of the legislation, Dedar provides its employees with the possibility of carrying out the flu vaccine.

During 2021 Dedar introduced for the first-time remote work to limit the presence of employees in the company, in response to the pandemic emergency. At the beginning of 2022, remote work was regulated through the drafting of a company policy that allows employees to work from home for a day a week. In addition, since January 2023, Dedar has introduced an hourly flexibility in entry and exit.

Although the turnover target was not reached in 2023 and, as a result, it was not possible to recognize the Result Award, the company decided to give anyway, in the form of welfare, 400 euros each for all staff not involved in other forms of variable remuneration, through the Edenred platform.

²³ The accident frequency rate is calculated as the ratio between the number of accidents and the total hours worked in the same period, multiplied by 200,000.

APPENDIX

Reconciliation between material topics and impacts

The following table shows the impacts associated to each material topic, specifying whether they are positive or negative, directly or indirectly caused by Dedar’s activities. Impacts were identified regardless of the actions already implemented by the company for their management.

Material topics	Impacts	Positive/ Negative	Direct/ Indirect	Stakeholder involved
Quality, customer satisfaction and brand reputation	Hazards to human health related to the use of products: effects derived from contact with or inhalation of hazardous substances present in the fabrics (chemical residues)	Negative	Indirect	Clients Consumers
	Client and consumer dissatisfaction	Negative	Direct	Clients Consumers
	Incorrect, ambiguous, or unverified communication that may influence clients and consumers’ choices	Negative	Direct	Clients Consumers
	Increase of consumers, employees, and other stakeholders’ awareness about environmental issues	Positive	Direct	Employees Suppliers and partners Clients Consumers
Management of human capital	Working environment and practices that do not favor the psychophysical wellbeing and the career development of employees	Negative	Direct	Employees and collaborators
	Violation of workers’ rights related to working practices, participation, freedom of association and expression	Negative	Direct	Employees and collaborators
	Inadequate or unequal remuneration of employees	Negative	Direct	Employees and collaborators
	Increase of professional and personal competencies of employees and collaborators	Positive	Direct	Employees and collaborators
Supply chain management	Accidents at work and occupational diseases that compromise workers’ health	Negative	Direct	Employees and collaborators
	Violation of workers’ rights and human rights along the supply chain	Negative	Indirect	Workers of the supply chain
	Hazards to the health and safety of workers along the supply chain	Negative	Indirect	Workers of the supply chain
	Land use and loss of biodiversity due to the production of natural raw materials	Negative	Indirect	Local communities Society
GHG emissions	Water consumption due to the procurement of raw materials and their processing	Negative	Indirect	Local communities Society
	Water pollution and release of microplastics due to upstream manufacturing processes	Negative	Indirect	Local communities Society
	Creation of opportunities for economic development for the industry and sector (e.g. job creation along the supply chain, partnerships for innovative projects, etc.)	Positive	Indirect	Workers of the supply chain Other businesses Local communities Society
GHG emissions	Direct release of greenhouse gases due to the consumption of fossil fuels for the execution of business activities	Negative	Direct	Society
	Indirect release of greenhouse gases due to upstream and downstream phases of the value chain	Negative	Indirect	Society

Material topics	Impacts	Positive/ Negative	Direct/ Indirect	Stakeholder involved
Use of chemicals	Ecosystem pollution due to the use of chemicals in the production processes of fibers and yarns	Negative	Indirect	Local communities Society
	Workers and consumers’ exposure to hazardous substances with consequent risks to human health	Negative	Indirect	Workers of the supply chain Employees Clients Consumers
Waste management	Soil, air, and water pollution due to the disposal of waste generated by office, warehouse, and showroom management activities	Negative	Direct	Society
Innovative materials and circularity	Release of microplastics in the water due to the washing of synthetic fabrics in the use phase	Negative	Indirect	Society
	Waste of resources and materials associated to lost sales due to product damage/defect or to product withdrawal from sale	Negative	Direct	Society
	Contribution to the creation of a collection and recycling system for end-of-life textiles	Positive	Indirect	Clients Consumers Society
Integrity and compliance	Damage to third parties or the Public Administration resulting from unethical conduct or offences in the management of the business	Negative	Direct	Public administration Competitors Suppliers Society
	Privacy breaches and improper use of sensitive data, also due to inadequate protection of information systems and procedures	Negative	Direct	Consumers Suppliers Clients Employees and collaborators
	Economic losses and/or lost earnings due to organisational inefficiencies or to reputational risks	Negative	Direct	Employees and collaborators Suppliers Corporate ownership
Packaging	Consumption of renewable and non-renewable materials for product packaging and secondary packaging	Negative	Indirect	Society
	Ecosystem pollution due to downstream dispersion of packaging waste	Negative	Indirect	Society
Link with the territory	Long-term economic value creation	Positive	Direct	Employees Suppliers Other businesses Local communities
	Contribution to the integration of young people into the labor market and to the development of their professional competencies, through collaboration with schools and universities	Positive	Direct	Young people of local communities
	Support to non-profit initiatives to the benefit of vulnerable groups or for the development of the territory through donations, sponsorships, collaborations, and social projects	Positive	Direct	Vulnerable groups Local communities Society
Energy consumption and efficiency	Promotion of the artisan and cultural heritage of the territory	Positive	Direct	Workers of the supply chain Local communities
	Consumption of energy resources/fossil fuels for the execution of business activities	Negative	Direct	Society
	Contribution to the energy transition thanks to self-production of renewable energy	Positive	Direct	Society

GRI content index

Dedar's 2023 Sustainability Report was prepared by adopting the GRI Standards according to the option "with reference to the GRI Standards". The table below shows the company information based on the GRI Standards with reference to the GRI indicators used. For all information provided, reference is made to the page of the Sustainability Report.

GRI Standard	Disclosure	Page Number
General disclosure		
	2-1 Organizational details	p. 7
	2-2 Entities included in the organization's sustainability reporting	p. 7
	2-3 Reporting period, frequency and contact point	p. 7
	2-4 Restatements of information	p. 7
	2-5 External assurance	p. 7
	2-6 Activities, value chain and other business relationships	In the period 2021-2023 no significant changes occurred in the supply chain.
	2-7 Employees	p. 46
	2-8 Workers who are not employees	The company resorts also to the collaboration of workers who are not employees, in particular trainees and temporary workers. The total number of trainees and temporary workers was 16 in 2021, 19 in 2022, and 11 in 2023.
	2-9 Governance structure and composition	a. Dedar established a steering committee to which Caterina Fabrizio, as CEO and President, and Raffaele Fabrizio, as Creative Director, take part, together with the directors of the other business areas. b. The highest governance body is responsible for decision making and overseeing the management of the organization's impacts. c. The three members of the highest governance body are also executive, independent, and do not belong to under-represented social groups.
	2-10 Nomination and selection of the highest governance body	Considered the family character of the corporate ownership and the dimension of the business, this disclosure is not applicable.
	2-11 Chair of the highest governance body	The President of the Board is also a Senior executive of the organization.
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate strategy is overseen and approved by the CEO and President and Creative Director. The Board assesses and approves the processes to identify and manage the organization's impacts conducted by the business functions and can directly intervene in the management of the relations with stakeholders, also with regard to environmental issues.
	2-13 Delegation of responsibility for managing impacts	The Board delegates to the business functions the task of engaging the stakeholders and identifying the impacts.

GRI Standard	Disclosure	Page Number
General disclosure		
	2-14 Role of the highest governance body in sustainability reporting	p. 14
	2-15 Conflicts of interest	Given the dimension and the family character of the business, it was not considered necessary to formalize specific procedures for the management of conflicts of interests at the highest governance body level. The Code of Ethics of the organization, among its principles, refers to the prevention of conflicts of interests.
	2-16 Communication of critical concerns	a. Dedar collects and analyze each piece of information received through its communication channels and, if any critical concern arises with regard to actual or potential negative impacts, these are reported to the highest governance body. b. No critical concerns to be reported to the highest governance body were registered during the reporting period.
	2-17 Collective knowledge of the highest governance body	Collective knowledge of the highest governance body on sustainability topics is updated through regular dialogue with consultants and other business enterprises and by participating to academic conferences.
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	Currently no formalized measures for the assessment of the performance of the highest governance bodies in overseeing the management of the organization's impacts on the economy, environment, and people are in place.
	2-19 Remuneration policies	Upon appointment, the shareholders' meeting establishes the remuneration for the members of the Board and the severance pay. The remuneration of senior executives is defined at the time of hiring and may be subject to subsequent variations with the Board's approval. Variable remuneration is delivered upon the achievement of objectives, not related to environmental targets.
	2-21 Annual total compensation ratio	The ratio of the annual total compensation for the organization's highest-paid individual (provided to the CEO and the Creative Director) to the median annual total compensation for all employees was equal to 4.81 in 2023, 5.10 in 2022 and 5.22 in 2021. In 2023, the ratio of the percentage increase of the two remuneration levels is equal to 15.51, unlike 2022 and 2021 when it was 0 because the total annual salary of the person receiving the maximum salary had remained constant during those years.

GRI Standard	Disclosure	Page Number
General disclosure		
	2-22 Statement on sustainable development strategy	p. 5
	2-25 Processes to remediate negative impacts	Different procedures and mechanisms are designed to remediate negative impacts. Information regarding the management of the various impacts is included in the appropriate sections of the Report, where applicable.
	2-26 Mechanisms for seeking advice and raising concerns	Stakeholders can seek clarification on the implementation of policies and raise concerns on business conduct through the reporting system described in the Code of Ethics.
	2-27 Compliance with laws and regulations	In the period 2020-2022 no instances of non-compliance with laws and regulations were reported.
GRI 2: General Disclosures 2021	2-28 Membership associations	Associazione Italiana Commercio Estero, AIDAF - Italian Family Business, Confindustria Como, Sistema Moda Italia.
	2-29 Approach to stakeholder engagement	p. 22
	2-30 Collective bargaining agreements	All Dedar's employees are covered by collective bargaining agreements, namely the National Collective Labor Agreement in commercial sector. Directors are covered by the National Collective Labor Agreement in tertiary sector. In 2022 a second level trade union agreement was signed for the recognition of a performance bonus to all employees who do not already have a variable remuneration. The agreement was renewed for 2023.

GRI Standard	Disclosure	Page Number
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p. 18
	3-2 List of material topics	p. 18
Use of chemicals		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 27
	416-1 Assessment of the health and safety impacts of product and service categories	All Dedar fabrics comply with the European REACH regulation with regard to harmful chemicals. Therefore, from the customer's point of view, there are no risks associated with the chemical nature of the fabrics, whether natural or synthetic. There is a residual risk linked to the flammability of the product, a risk that is reduced in the case of fireproof fabrics.
GRI 416: Customer health and safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In the period 2021-2023 the company was not reported for any incident of non-compliance concerning the health and safety impacts of products.
Supply chain management		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 29-30
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	p. 29
Innovative materials and circularity		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 27-28, 33
Packaging		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 38-39
GRI 301: Materials 2016	301-1 Materials used by weight or volume	p. 39

GRI Standard	Disclosure	Page Number
Management of human capital		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 46-49
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 48
	403-1 Occupational health and safety management system	p. 50
GRI 403: Occupational health and safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	p. 50
	403-3 Occupational health services	p. 50
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 50
	403-5 Worker training on occupational health and safety	p. 50
	403-6 Promotion of worker health	p. 51
GRI 404: Training and education 2016	403-9 Work-related injuries	p. 51
	404-1 Average hours of training per year per employee	p. 49
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	p. 14, 46-47
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	In the period 2021-2023 no incidents of discrimination within the company were registered.
Energy consumption and efficiency		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 35-36
GRI 302: Energy 2016	302-1 Energy consumption within the organization	p. 36
	302-3 Energy intensity	p. 36
GHG emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 36-37
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	p. 37
	305-2 Indirect (Scope 2) GHG emissions	p. 37
	305-4 GHG emissions intensity	p. 37
Waste management		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 39-40
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	p. 39-40
	306-2 Management of significant waste-related impacts	p. 39-40
	306-3 Waste generated	p. 40

GRI Standard	Disclosure	Page Number
Link with the territory		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 44-45
Integrity and compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 15
Quality, customer satisfaction and brand reputation		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 22, 31
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	Dedar products are accompanied by commercial documents in compliance with Regulation 1007/2011 / EU. Moreover, products are accompanied by information on the composition, height, use, maintenance, functional technical characteristics and main values, aimed at informing the customer as comprehensively as possible. The information is available in the price list, on the sample and on the website next to the product.
	417-3 Incidents of non-compliance concerning marketing communications	In the period 2021-2023 the company was not reported for any non-compliance with marketing communication regulations.

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Sustainability Report 2023

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