

SUSTAINABILITY REPORT 2024

SAMEG

PASSION FOR COMPRESSION

Sustainability Report 2024

SANYLEG⁺

PASSION FOR COMPRESSION

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LETTER TO THE STAKEHOLDERS

Dear Stakeholders,

also this year we are pleased to share with you the results achieved in our path of sustainable growth. **2024** wound up with the confirmation of **good business performance**, in line with the objectives set for 2024, and with a **prospect of gradual and steady development**, which continues to inspire confidence in the future of our business.

Our commitment to ESG remains the beating heart our business strategy. With a **strong, knowledgeable and deeply motivated team**, Sanyleg faces with enthusiasm and determination the challenges that will lead us to achieve our **ambitious goals for 2025 and 2026**.

Attention to the territory and local communities is a fundamental value for Sanyleg. We have always worked closely with local authorities and institutions, promoting initiatives and projects that strengthen the link with the context in which we operate. This ongoing relationship is an integral part of our vision of a responsible and locally rooted business.

A **significant investment** was earmarked for the purchase of a **new packaging machine**, with the aim of reducing

the impact of repetitive work in the department and **improving ergonomic and safety conditions for operators**, thus representing a further concrete step toward a **working environment that is increasingly focused on the health and quality of life of people**.

Among the most important strategic actions planned for 2025 are targeted marketing activities, which will allow us to focus our efforts on concrete and valuable goals, such as the prevention of occupational diseases and the **promotion of corporate well-being**, two central topics in our vision of **social sustainability and organizational well-being**.

In the medical industry, besides the historic participation in the **Medica trade fair**, in which Sanyleg has been taking part for over 30 years, for the first time we will be attending the **CMEF trade fair in Shanghai**, with the aim of further consolidating Sanyleg's position in the international medical and pharmaceutical industry under Private Label.

In the **sports industry**, we confirm our interest in continuing a positive growth path, supported by high expectations and an increasingly competitive in line with the needs of a **dynamic and constantly evolving market**.

Sanyleg will engage in **more structured coordination with its customers and market partners**, with the aim of planning and implementing shared actions to reduce the environmental impact of products. A goal that requires the active engagement and alignment of all players in the supply chain, in a logic of common responsibility and continuous improvement. More firmly than ever, **Sanyleg continues to consolidate an organization in line with ESG criteria**, through concrete initiatives such as signing a green energy contract and implementing supply chain monitoring, key elements of a continuous and responsible improvement path.

In addition, the **R&D area** was requested to develop **products with a high content of recycled raw material**, in compliance with quality and functional standards, confirming the **commitment in the environmental field**. This is accompanied by concrete action on the **traceability of the product**, which is essential for ensuring **transparency, control and accountability** throughout the production chain.

Our heartfelt gratitude goes to you all for the **support and trust** you lay in us each and every day. We will continue to **work with passion, professionalism and respect** for the environment, people and the territory.



Alberto Ghelfi
CEO & FOUNDER SANYLEG



CONTRIBUTION TO SUSTAINABLE DEVELOPMENT: SANYLEG ESG 2024

Economic value

Sales Value

€ 13.058.548

+19,90%

Economic Value Distributed

€ 10.448.682

+24%

Quantities produced

3.810.344

+25%

EDIBTA

€ 3.796.189

People

Collaborators 51

+27,5%

Open-ended contracts

83,6%

Accidents

0

Sustainable Packaging

Responsibly Sourced Paper

Kg 51.222

+1695%

Energy consumption

Kwh 1.732.275

-8,1%

Ton.CO₂e Totale (Scope 1 + Scope 2)

697,76 tons of CO₂ equivalent

-5,2%

Waste

Intended for recovery

100%

Local suppliers

Contractors

Province of Mantua

83%

Yarns and Packaging

Italy

93%

1. SANYLEG



Sanyleg transforms brand vision into high-quality compression socks, offering a dedicated partnership and comprehensive service from design to production.



1.1 OUR COMPANY

Sanyleg is the **global reference point** in the field of **medical and sports socks with graduated compression**. For years, we have been manufacturing and distributing **high-quality products** using the best **technologies and materials**. Our dedication to **well-being and health** is reflected in every thread we weave, carrying on the **Italian tradition and excellence**.

Our history as Sanyleg began from an **entrepreneurship idea** of **Alberto Ghelfi** who, along with the wife, solely using their own resources, incorporated **Mimosa Srl**, a company determined to stand out in the **compression socks industry**. However, life dealt Alberto Ghelfi a major blow when his wife suddenly passed on in **2006**. Nevertheless, under his steadfast guidance, the company continued undeterred in its mission, taking up the name **Sanyleg Srl** in **2014**. Since then, the renewed business continued steadfast operating in the **compression socks and elastic-compression sports socks market**.

Over the years, the organisation has changed significantly, investing in skilled staff and groundbreaking machines which helped it rise to the realm of the **Private Label compression and sports socks manufacturing industry**. Constant focus on **quality and attention to details** have been the driving force behind Sanyleg's expansion of its **production department** and strengthening its **sales presence** on the market. Today, the company channels its investments towards **advanced raw materials and new manufacturing technologies**, without forfeiting its commitment to excellence and innovation. **Located in Castel Goffredo**, the general headquarters is perched in the heart of the international hosiery hub, and this is where all manufacturing process steps take shape day in day out.



The District of Castel Goffredo

An industrial and commercial area located in the municipality of Castel Goffredo, in the province of Mantua, Lombardy. With its numerous companies and specialized workshops, it is known primarily as a major hub for the production of clothing, particularly textiles, socks and underwear.

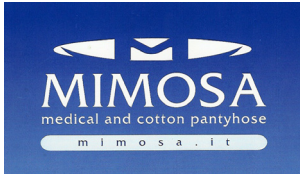
The Castel Goffredo district has a manufacturing history dating back to the 20s of the 20th century. Sanyleg is part and parcel of this district and, due to its advanced Made in Italy know-how, technological innovation and deep knowledge of the industry, it has become a global trendsetter that has enabled it to offer groundbreaking products capable of fully meeting the market demands.

1.1.1 OUR HISTORY

The milestones in the history of Sanyleg

1993

Alberto Ghelfi and his wife incorporated MIMOSA SRL.



2010

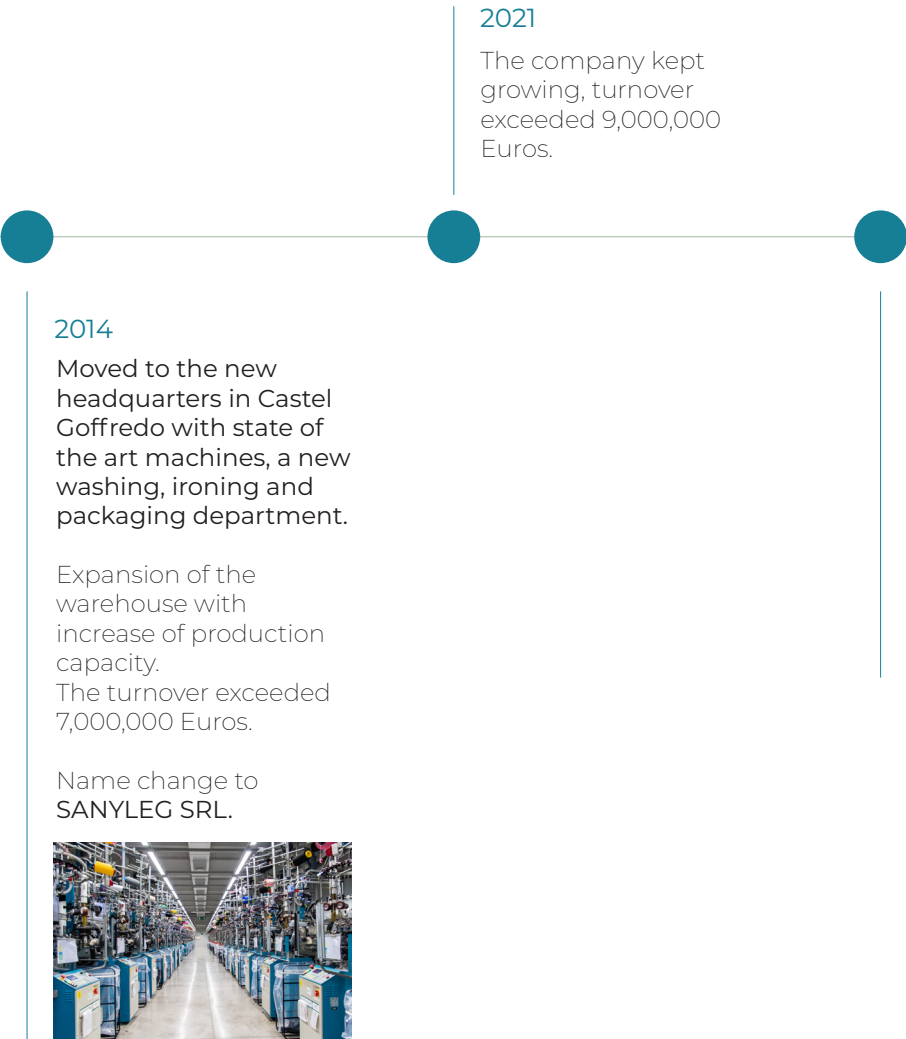
The new graduated compression socks for the sports industry production line was installed.

The turnover almost reached 5,000,000 Euros.



2008

The turnover reached 3,000,000 Euros.



The mission, vision and commitment of Sanyleg

Mission

Our mission at Sanyleg's is to **supply high-quality compression and sports socks to our business partners**, using **groundbreaking technologies** and **supreme quality materials** procured from **Europe's best yarn manufacturers**, with commitment to guarantee **durable and comfortable products**, adapted to the specific needs of our customers and end consumers.

Vision

Our vision instead aims at build a company that can be a **trendsetter in innovation and sustainability**, by developing **groundbreaking solutions that are environmental-friendly**, **respect the people and health of consumers**. Furthermore, the company aims at strengthening customer relations, offering **swift and flexible response** to their needs, as well as **create added value through talent and creativity**, offering **utmost satisfaction for our business partners**.

Efficiency

At Sanyleg we have always focused on supplying our customers not only the items agreed upon but also **exceeding their expectations** through an **efficient, dynamic and timely service**, identifying their needs with **skilfully and painstakingly**.

1.1.2 ACTIVITIES AND MARKETS

At Sanyleg we design and manufacture **compression socks and garments for sports and medical use**. Each product is designed to effectively provide **prevention and treatment of venous diseases** and obtain the right **graduated pressure** by using **highly elastic yarns and specialised machines**.

Thanks to the **elastic compression technique**, Sanyleg's socks exploit the capacity of materials used to exert an elastic pressure on the legs and other parts of the body. These products integrate various **groundbreaking technologies to ensure maximum comfort, effectiveness and adaptability**. Made from **wear-resistant and breathable technical materials**, these socks offer even and comfortable wearability. Furthermore, the use of **circular weaving techniques and innovative fabrics is conceived to improve blood flow**, promote circulation, reduce swelling, facilitate muscle recovery and decrease the risk of clots. The ergonomic design naturally fits the shape of the leg, offering an excellent support. Characteristics such as **temperature control, regulated elasticity and the reinforcing areas** contribute further to the duration and effectiveness of the socks.

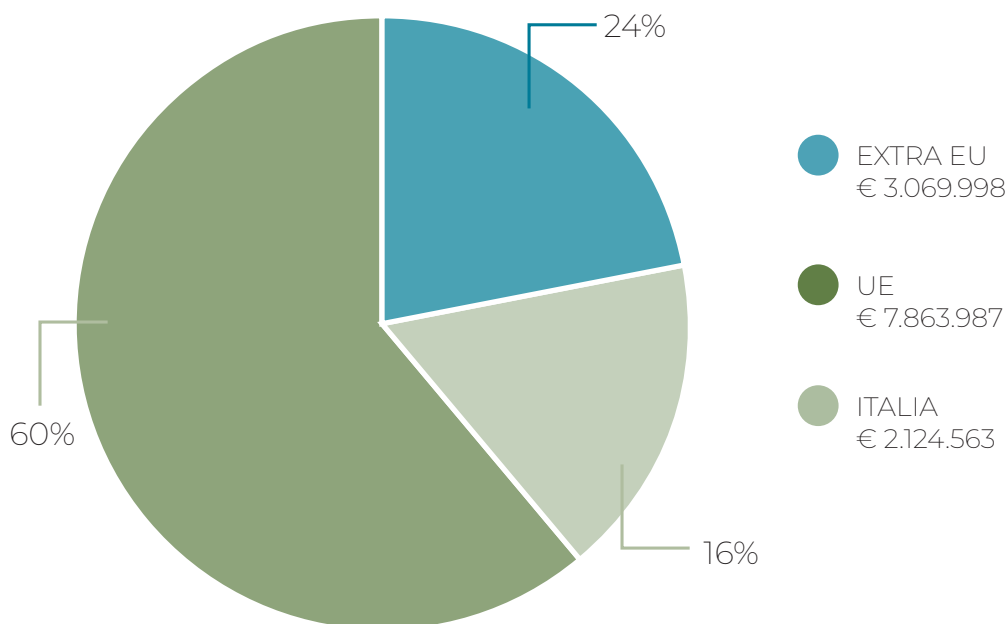


Exclusively made in Italy, Sanyleg socks are proof of our commitment as a company towards Italian excellence. Each step, from processing to product inspection, is carried out painstakingly according to coded and **refined management and control systems with the aim of maintaining high quality standards**, ensuring that all Sanyleg products are synonymous with reliable performance and durable comfort.

Sanyleg is considered among the **most reliable suppliers of graduated compression socks** under the **brand Sanyleg**, under Private Label and as an OEM (Original Equipment Manufacturer) for wellbeing and sports.

As Sanyleg, we are constantly **expanding in the markets** where we operate. In **2024** the company recorded: **60%** towards **European Union member-countries**, including Germany, Scandinavia and Holland; **24%** **Extra EU countries** strengthening relations with countries such as Japan and Russia; the **Italian market** still remains important and today it covers **16%** of the market share.

Geographical breakdown of turnover | 2024



1.1.3 PRIVATE LABEL AND SANYLEG BRAND



From design to manufacturing, we are committed to providing our customers with a complete and customised service, with the utmost attention to details at every stage of the process. Our team of experts will guide you through each step, offering advice and support to ensure that each product authentically reflects your brand.



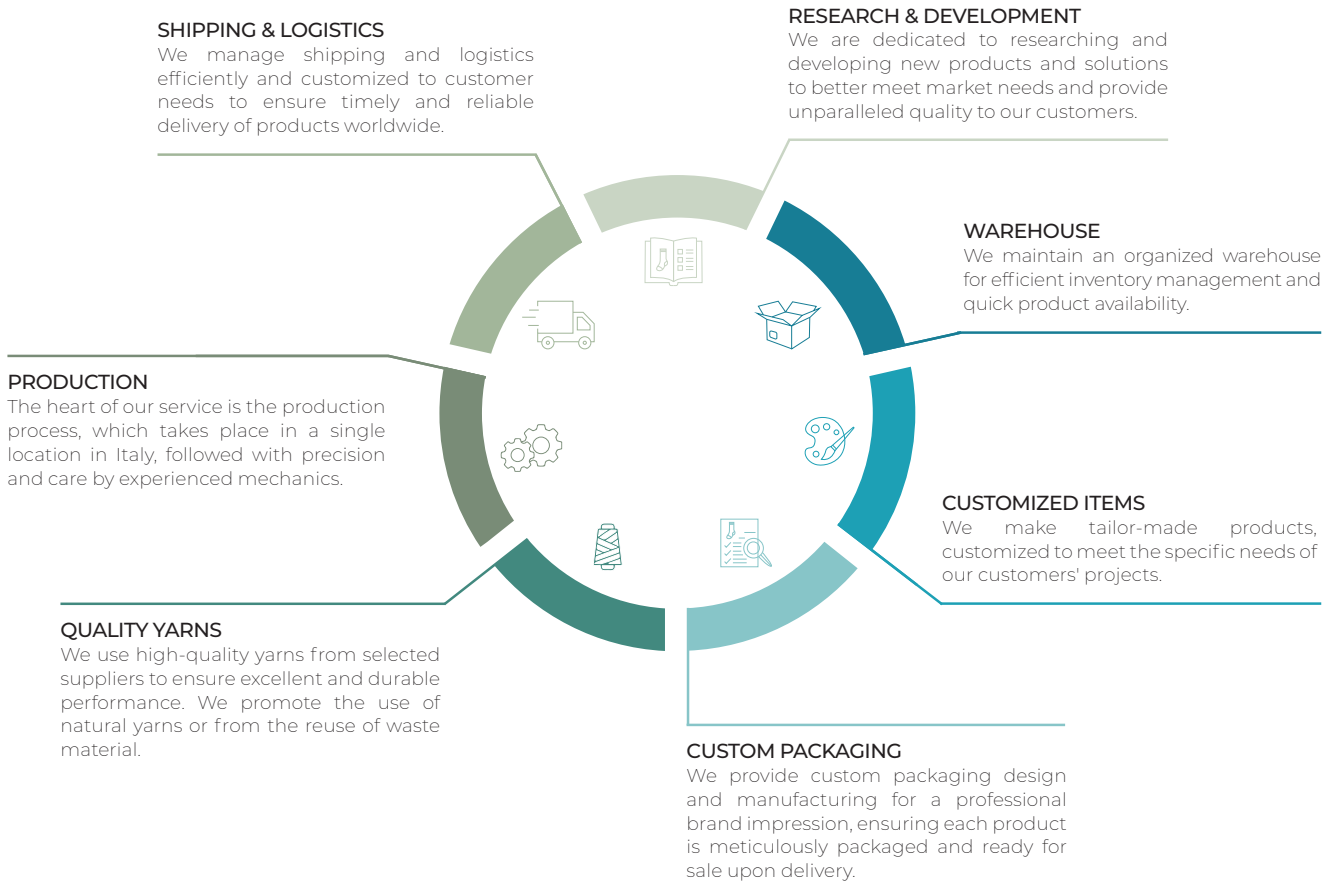
Sanyleg is one of the **Europe's biggest Private Labels producers** and under its own brand Sanyleg. Today, products introduced into the market by Sanyleg are widely used in **hospitals, pharmacies** as well as **medical devices** and **sports stores** worldwide.

To us at Sanyleg, there is much more to **Private Label service** than just production. As a matter of fact, it is a deep commitment to supporting brands, to shape one's identity and stand out in the market. By choosing Sanyleg, **customers obtain a close collaboration** with the company, which is committed to fully understand their **vision, their values and the brand's goals**. A **team of experts** guides the customer through each step, **offering consultancy and support** to ensure that each product authentically reflects the quality that has always been inherent in the brand. The experience consolidated in the industry and the specialized resources also allow to achieve tailored projects both in specific parts and throughout the process, depending on the detailed needs of the customers.

Through the **Private Label service**, Sanyleg undertakes to give shape to the vision that customers have on the brands. The company offers a **dedicated partnership** and an **all-around service, from design to production**, with a **strong financial base** and a **commitment to product and service quality**, ensuring garments made respecting the people and the environment.

Sanyleg is essentially meant for **large B2B customers**.

Tailored service



1.1.4 OUR STAKEHOLDERS



It is essential to build constructive, direct and effective dialogue with our stakeholders in order to better guide the way we do business. This is what we have done over the years, building strong, transparent and lasting relationships with our stakeholders, both internal and external. Understanding the needs of stakeholders helps us outline our goals.

These relationships with stakeholders in various capacities have enabled us to implement several initiatives to ensure the full transparency of our company.



Sanyleg's stakeholders are all individuals and entities that are **influenced by the Group's activities** and who come into contact with the Company through **partnerships**, to create lasting value. In particular, the relationships with stakeholders shall consist of:

- sharing goals to foster **sustainable social, economic and environmental growth**;
- **transparency** in relationships and focus on the role of all stakeholders in the **context** in which they operate;
- **willingness to interact** through a **close partnership** pursuing **mutual benefit** by sharing **economic and experience ideas**.

For the identification of stakeholders, Sanyleg asked itself the following questions:

- To whom does is the organisation bound legally?
- Who could be influenced positively or negatively by the decisions or activities of the organisation?
- Who could express concerns about the organization's decisions or activities?
- Who was involved in the past when similar concerns had to be addressed?
- Who can help the organisation address specific impacts?
- Who can influence the organisation's ability to meet its responsibilities? Who would be disadvantaged if excluded from engagement?
- Who is affected in the value chain?

Analysing the points mentioned above enabled to report all stakeholders in the stakeholder map.



The frequency of involvement for the different categories of entities depends on the instruments adopted, on the business strategies as well as, obviously, on the need to comply with any legislative requirements.

In general, Sanyleg has implemented tools that enable continuous dialogue with stakeholders (for example, company intranet, email inboxes, social network, and customer service), along with ways to engage on a regular basis or on a case-by-case basis.

The table below illustrates in relation to the the individual ways of interacting:

Macro category stakeholders	Sub-group stakeholders	Communication mode	Frequency	Goals	Commitment
Employees	- Administration staff - Blue-collar workers	- Internal communication - Training	Periodic	- Work programming - Drive	- Adequate pay - Production bonuses - Sharing ethical principles - Sharing goals
Suppliers	- Companies	- Email - Telephone	Costant	- Supply of raw materials	- Respect for human rights and quality standards
Contractors	- Third-party producers - External processing of the product	- Visits to third-party contractors - Telephone	Costant	- Processing of a quality product at fair prices	- Respect for human rights and quality standards
End consumer customers	- Customers	- Customer service - Newsletter - Mail	Costant	- Satisfaction/Retention - Swift response to market demands - Product quality	- Customer satisfaction - Development of new products
Community	- Foundations/Organisations - Schools - Local institutions	- Participation in events	On request	- Helping the community	- Contribute to the promotion and development of the community - Distribution of scholarships
Government audit agencies	- Audit and inspection bodies	- Email - Telephone - Meetings	Monthly	- Protect and support the category to which they belong	- Create a collaboration and problem-solving relationship for the industry

1.2 THE STRATEGY FOR A RESPONSIBLE FUTURE

Sanyleg is aware of the positive and negative impacts on the company's operations, a key element to implement continuous improvement. Economic, social, environmental and governance sustainability topics of the business therefore become a strongly pursued strategic choice implemented with awareness and consciousness.

The Board of Directors, the top governing body directly responsible for managing impacts, reviews and approves information referred to in the sustainability report, including material topics in a process of adhering with the GRI standards.

A strategic choice based on basic principles of the organisation expressed in the rules of conduct contained in the Code of Ethics reported below.

The main ethical goals are aimed at



Towards Sanyleg

Sanyleg, with its solid financial foundation, supports innovation and development while adapting to market changes. Ethical management is as central as reliability, fairness, and transparency. The Code of Ethics sets out the guiding principles for the entire organization, requiring compliance from employees and partners and ensuring protection for those who report violations.



Towards Customers

Sanyleg strives to fully understand and meet customer needs by offering high-quality, safe, and environmentally friendly Made in Italy medical hosiery. The company pursues continuous improvement, develops new products, maintains an excellent quality/price ratio, and promotes transparency and clear communication to build strong, long-lasting relationships.



Towards Employees

Sanyleg safeguards health and safety in the workplace by promoting prevention and compliance with regulations. It values the skills and creativity of employees, ensuring fair remuneration and an inclusive, respectful, and discrimination-free environment, based on equal opportunities and collaboration.



Towards **Technological Development**

Sanyleg constantly promotes research and development projects to support innovation and strengthen the company's competitiveness in a continuously evolving sector. The adoption of innovative technologies aims to guarantee environmental sustainability and optimize production processes.



Towards the **Environment**

Sanyleg implements concrete measures to protect the environment by reducing waste, energy consumption, and the use of natural resources. Sustainability is a core value, pursued through the responsible use of resources, recycling, and innovative solutions to minimize environmental impact.



Towards the **Community**

Thanks to strong financial stability and solid profitability, Sanyleg is able to independently support innovation and development. The company fosters the growth of new projects and adapts to market needs while maintaining its leadership position. Furthermore, it supports solidarity initiatives and projects that enhance collective well-being.



Towards **Suppliers**

Sanyleg collaborates with suppliers who share values of sustainability, social responsibility, and innovation, ensuring transparency, fairness, and quality. It promotes open communication, regular audits, and selection based on impartial criteria such as reliability, service, and competitive advantage.



Future goals for a sustainable growth

The following are the company's priority goals for sustainable growth, highlighting a constant commitment to the identified "goals".

Our Agenda 2030 SDGs



The United Nations 2030 Agenda for sustainable Development is the reference that allows Sanyleg to measure its contribution to sustainable development.

Today, more than ever, sustainability is a very broad and continuously evolving concept. It addresses social, environmental and corporate governance impacts, including economic impacts, which are crucial to ensuring business continuity. Going beyond the minimum required by the laws and regulations to which Sanyleg is implicitly subject is critical to emerging as a proactive player for sustainable development. To do this, there is need for a clear framework that can guide the path toward sustainability.

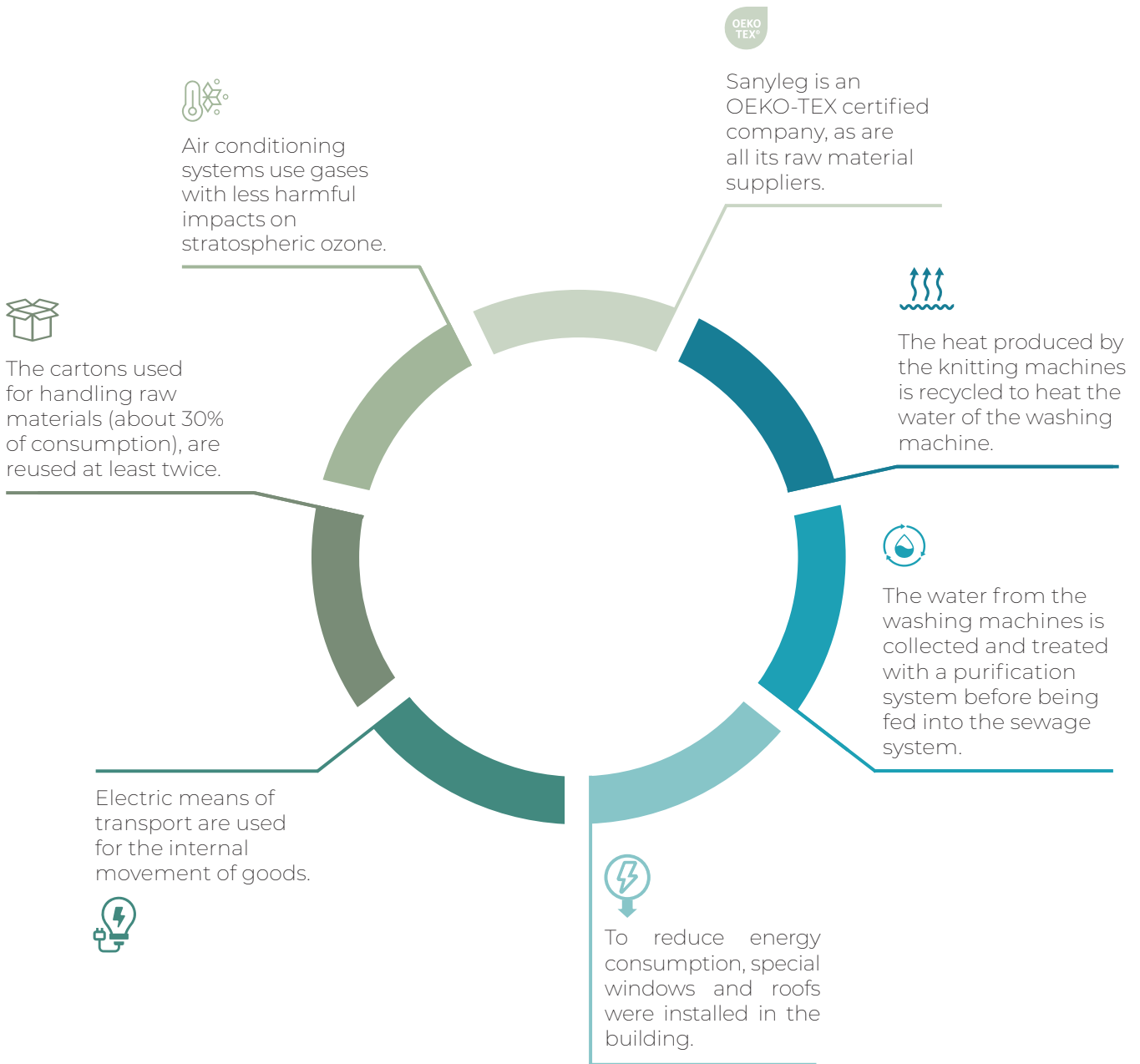
The choice of corporate ESG goals was guided by the intention to promote a balance between social, economic and environmental goals. These goals were chosen to be

integrated into the business and applicable to all aspects of the company's value chain:

2025 – 2026 ESG TARGETS
<p>Energy consumption: 100% use of renewable energy by 2025</p>
<p>Emissions into the atmosphere: 70% reduction of Ton. CO2 related to Scope2</p>
<p>Organization Carbon Foot Print: Start scope 3 calculation</p>
<p>2026: definition of Sanyleg's decarbonization strategy</p>
<p>Customers: Development of synergies for specific "Product Ecodesign" projects</p>
<p>Quality of work and well-being of workers: Zero accidents</p>
<p>Automation and digitization: Complete business process automation journey</p>
<p>Supply chain: initiate a systematic supplier audit project</p>

In addition to the new targets defined in relation to impact analysis, Sanyleg continues in its daily operational life.

Sanyleg's consistent commitment to responsible growth



The continuous improvement of the lives of employees, customers and their surroundings is a key objective, deeply rooted in Sanyleg's culture and sustainable growth path.

1.3 MATERIAL TOPICS

Description of the process for materiality analysis

Beside setting a course for sustainability, Sanyleg implemented, in accordance with the core concepts of the GRI standards, the process of determining and measuring material topics, i.e. the most significant ones, on which to report in depth for consistent continuous improvement.

Through a fruitful background work undertaken in 2023 and also implemented in 2024 on sustainability topics, the Board of Directors identified the potential and actual impacts of the company, while assessing their importance in order to give them an action priority and planning.

Macro-topics

To identify the key topics of its action, Sanyleg relied on the work carried out during 2023, which also included an industry analysis, website, governance documents, policies and the Code of Ethics, as well as an integrated assessment and international standards for customers, suppliers, competitors, trade associations and banks. This was integrated by press release analysis, therefore enabling to obtain an assessment aimed at the main relevant topics in the reference industry.

In 2024, this analysis was further expanded to assess and analyse the main customer requests.

Dialogue with the management







The new analysis was shared through a continuous and transparent dialogue with the management and in-house staff directly involved in the project, in order to be able to determine and/or validate the topics relevant to the company.





The analysis led to the identification of priority and more “materiality” areas for the reference industry, giving the organization the opportunity to adapt the most relevant topics to the current context, which are set out in this document.

The analysis was carried out taking into account the main impacts, risks and opportunities, with the aim of successfully mitigating the company’s footprint, working with commitment to improve sustainable performance.

The material topics have also been renamed taking into account the new nomenclature used by ESRS standards.

Table of the most significant ESG topics for impact materiality




MATERIAL TOPIC	IMPACT	IMPACT TYPE	MANAGING THE IMPACT
CIRCULAR ECONOMY	Recycling practices throughout the subsidiary with the aim of achieving an 85% recycling rate.	 DIRECT ACTUAL	Policy: compliance with regulatory reference for companies, adoption of Environmental Management System. Monitoring: GRI 306-3, 306-4, 306-5.
CLIMATE CHANGE	Increased CO2 concentration in air due to energy consumption and processes across the organization's entire value chain. Enhancing the efficiency of production processes.	 DIRECT ACTUAL	Policy: Commitment to reducing consumption Actions in place: use of renewable energy, adoption of technologies aimed at reducing energy consumption, maintenance of management systems aimed at ensuring the supervision and control of direct and indirect consumption. Monitoring: GRI 305-1, 305-2; GRI 302-1, 302-2.
WATER RESOURCES	Increased water consumption.	 DIRECT POTENTIAL	Policies: policies aimed at reducing consumption. Actions in place: projects for the recycling and recovery of water. Monitoring: consumption control GRI 303 – 3.
WORKERS' SAFETY	Occupational accidents and diseases. Lack of dedicated wellness programs and transparent and fair mechanisms that enhance each person's professional skills.	 DIRECT POTENTIAL	Policy: adoption of the Risk Assessment Document (RAD) which considers all risks to the health and safety of workers; compliance with the requirements laid down for Occupational Health and Safety Management Systems. Actions in progress: compliance with regulatory requirements. Monitoring: GRI 401, GRI 403.
TRAINING OF WORKERS	Training and empowering people through training, new generations and professional growth, disseminating corporate culture with initiatives aimed at schools and universities.	 DIRECT POTENTIAL	Policy: management procedure for the vetting, training and education of human resources Actions in place: reinforcement of training plan. Monitoring: GRI 404-1.
CUSTOMER HEALTH AND SAFETY	Design and manufacture of products that always guarantee the health and safety of the customer.	 DIRECT ACTUAL	Policy: Maintenance of the Quality Management System (QMS) in accordance with ISO 9001 standard, maintenance of product certifications, continued compliance with the regulations in force. Actions in progress: continuous controls and testing on products both in the development and production stage. Quality certificate UNI EN ISO 9001:2015. Monitoring: GRI 416, product test reports, quality manager reports, customer complaints management.






<p>WORK CONDITIONS</p>	<p>All workers have a decent salary and a fair career path fostering an inclusive work environment. However, performance assessment system has not been formalized. There are no specific policies for gender inclusion and equality.</p>	<p> DIRECT POTENTIAL</p>	<p>Policy: Code of ethics Actions in progress: monitoring corporate climate, ensuring compliance with the Code of Ethics, Whistleblowing procedure for anonymous reporting. Monitoring: GRI 405-1.</p>
<p>BUSINESS CULTURE</p>	<p>Increased investments for business competitiveness and impact mitigation. Pursuit of the sustainable development goals.</p>	<p> DIRECT POTENTIAL</p>	<p>Policy: continued technological investments. Actions in progress: continuity of the group's development activities. Monitoring: economic and financial performance trend and commitment to pursuing sustainability goals. Monitoring: GRI 201 – GRI 205 – GRI 401.</p>
<p>COMMUNITY</p>	<p>Contribution to the socio-economic development of local communities by supporting projects in the area, collaboration with schools in the area.</p>	<p> DIRECT POTENTIAL</p>	<p>Policy: compliance with relations with the territory and the local community. Actions in progress: economic support for local projects, collaboration with educational institutions in the area Monitoring: charitable donations and activation of internships and trainee programmes at the Group's premises.</p>
<p>SUPPLIERS</p>	<p>There is no structured system that evaluates supplier performance for their ESG requirements. Suppliers are retained mainly for the quality of their products/services.</p>	<p> DIRECT POTENTIAL</p>	<p>Policy: compliance with contractual conditions Actions in place: analysis of some specific requirements including environmental requirements for strategic and raw material suppliers. Monitoring: GRI 204, number of qualified suppliers taking into account ESG criteria.</p>



Risks and opportunities

For the sake of greater completeness, below is a high-level mapping of risks and opportunities, grouped by material topic and resulting from the benchmark analysis and assessments described above.

Table of the most significant ESG topics for impact materiality

RELEVANT TOPICS	RISKS	OPPORTUNITIES	IMPACT RELEVANCE	STAKEHOLDERS INVOLVED INDIRECTLY
CIRCULAR ECONOMY	Increased waste to be disposed of.	Environmental improvement, innovation, cost reduction, and greater recycling of materials from manufacturing waste.	OPPORTUNITIES 	Shareholders Customers Environment
CLIMATE CHANGE	Rising energy and fuel consumption costs, resulting in increased operating expenses. Increased CO2 emissions and deteriorating Carbon Footprint, contributing to worsening climate change and environmental degradation.	Implementation of the use of renewable sources of a photovoltaic system. Plant innovation and improvement, improvement of Sustainability rating score and certifications.	RISK 	Shareholders Community Environment
WATER RESOURCES	Increased water consumption.	Reduced water consumption, reduced pollution.	RISK 	Shareholders Community

RELEVANT TOPICS	RISKS	OPPORTUNITIES	IMPACT RELEVANCE	STAKEHOLDERS INVOLVED INDIRECTLY
WORKERS' SAFETY	Increased risk of accidents, increases in staff costs and increases in turnover and abstention. Loss of loyalty to the company by workers.	Safe plants and reduced risk of accidents. Good business environment, less abstention. Appeal.	RISK 	Human Resources
TRAINING OF WORKER	Loss of professional skills, increased loss of drive and resulting increased turnover.	Increased appeal, improved reputation and improved staff recruitment.	OPPORTUNITIES 	Human Resources
CONSUMER HEALTH AND SAFETY	Consumer health, reputation damage, loss of market share.	Improving corporate image, gaining market share, opening up to new markets, meeting consumer needs.	RISK 	Shareholders Customers End consumer
WORK QUALITY	Discrimination and lack of inclusiveness.	Gender Equality certificate.	OPPORTUNITIES 	Human Resources
COMMUNITY	Lack of liquidity, lack of support for the local community and deterioration of the company's reputation.	Improvement of relationships with stakeholders who are increasingly sensitive in choosing sustainable business models.	OPPORTUNITIES 	Community and territory Suppliers

RELEVANT TOPICS	RISKS	OPPORTUNITIES	IMPACT RELEVANCE	STAKEHOLDERS INVOLVED INDIRECTLY
BUSINESS CULTURE	Overdue payments, non-lending, higher costs and rates, lack of liquidity, deterioration of reputation, loss of competitiveness. Ineffective organization and loss of credibility. Financial risks, environmental risks, supply chain disruption risks.	Effective organization, compliant with the legislation and proper management. Greater engagement of the players in the LIC production chain, be they suppliers, customers or employees.	RISK 	Financial Community
SUPPLIERS	Reputational risks related to issues of violation of human rights or environmental regulations by suppliers.	Improved relationships with suppliers, choice of more sustainable business models.	OPPORTUNITIES 	Suppliers

Key:



High Relevance



Medium Relevance



Low Relevance

2. PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES.

With a view to sustainable development, Sanyleg aims to increasingly reconcile the high level of business performance with the reduction of our environmental impact.

According to this principle all staff are actively involved in the process and work to improve their environmental performance. As regards the responsible management of natural resources, one of our goals is the use of the resources with a cycle that protects the environment and promotes the principle of circularity.

The main aspects of environmental protection:

- **Pollution prevention and control:**
Limit CO2 emissions to air
- **Sustainable management of natural resources.**
Use resources such as water, soil, forests responsibly, avoiding excessive and harmful exploitation.
- **Legislation and regulation:**
Implement laws and regulations that govern human activities and ensure compliance with environmental regulations.
- **Product and technology innovation:**
Develop sustainable products to reduce the environmental impact of human activities.

The culture of environmental sustainability across all departments is established with the **4 Rs principle**:



Sanyleg's quality and environment policy

For Sanyleg, the **quality and environmental policy** is a fundamental reference framework on which the company bases its work and through which it sets its goals: **customer satisfaction by meeting the highest standards of environmental management.**

The management is personally committed to and fosters within the organisation operational management that ensures **continuous prevention of pollution** and careful management of the **quality system** through the **appropriate training of all staff.**

Sanyleg's **Code of Ethics** is designed and formulated to disseminate the **company's priority values** and the principles underlying its organisation:

- **prevent and minimise negative impact** on the environment and of the manufactured products, by implementing all the actions required for the protection thereof;
- **reduce waste**, in a more conscious use of energy and non-renewable raw materials;
- **comply with the standards required by the regulations** promoting all activities aimed at achieving compatibility between environmental protection and production process.

Furthermore, in recent years, **the production process** system has enhanced possible synergies **from a circular economy** perspective. For example, the **heat produced by knitwear production machines is recycled to heat the water** used for washing machines, thereby significantly **reducing waste** and the company's **environmental impact.**

The **shared management approach** also reflects **eco-sustainable behaviour.** In this respect, it is a well-established practice to **use raw material handling cartons at least twice**; while packaging is designed to ensure the **least environmental impact** and produced using fully recyclable materials.

In the financial year, there was **no damage to the environment** for which the Company was definitely found guilty, just like the company was not subjected to any **sanctions or penalties stemming from environmental crime or damage.**

Certification and protection of the natural environment

The Sanyleg plant is located in an area where there is no risk to the landscape and biodiversity, or to reserves and Natural Parks, Regional and National Parks, or natural monuments.

During the financial year, there was no damage to the environment, so the company was found definitively guilty and no fines or final penalties were imposed for offenses or environmental damage in addition to the administrative penalty for exceeding the limits of surfactants and iron concentration mentioned in the previous paragraph.

Aware of the negative impact that the textile industry can have on the environment and people, Sanyleg applied for and was granted ISO 14001 certificate, an international standard with voluntary participation applicable to any type of public or private organisation, specifying the requirements of an environmental management system.

In addition, Sanyleg requires that all of its raw material suppliers be Oeko-Tex certified. In particular, Oeko-Tex Standard 100 is a control and certification system for textile products, certifying that specific tests have been passed to verify the presence of harmful substances and that certain ecological requirements have been met.

To date Sanyleg holds an Oeko-Tex Class II certificate for all its items. In addition, dyed yarn products are Oeko-Tex Class I, suitable for infants and children up to 3 years of age, ensuring that no harmful substances are present. These are certifications through which Sanyleg intends to mitigate the negative environmental impacts of the traditional textile industry as much as possible.

SISTEMA DI GESTIONE
AMBIENTALE CERTIFICATO

COY
CERTIQUALITY

UNI EN ISO 14001:2015



2.1 ENERGY AND CLIMATE CHANGE

Sanyleg understands that **action can be taken to combat climate change** by pursuing and implementing policies and actions to limit environmental impacts.

Sanyleg contributes to the fight against climate change by **adopting several sustainable strategies**, including:

- **Reduction of greenhouse gas emissions:**
Implement more efficient production practices, optimize energy use and invest in environmentally friendly technologies to reduce CO₂ and other greenhouse gas emissions.
- **Use of renewable energy**
Use clean energy sources such as solar to power-supply its facilities and production processes.
- **Energy efficiency**
Improve the efficiency of the plants and of the company's means of transport to reduce overall energy consumption.

2.1.1 ENERGY CONSUMPTION

The electricity is used for the lighting of work spaces, for the operation of electrical and electronic equipment used in the office and for the operation of work equipment, machinery, installations and internal mobility used in the departments.

Natural gas is used exclusively for heating. The Sanyleg headquarters, which opened in 2014, was built with particular attention to reducing energy consumption, opting for the installation of state-of-the-art insulating windows and roofs, which allow the company to optimise its consumptions.

By monitoring and with an awareness campaign, Sanyleg aims to promote and implement virtuous energy-saving behaviours, as well as behavioural styles in and out of the company that are compatible with energy challenges and achieving goal 13 of the United Nations 2030 Agenda.

The following are data on energy consumption for the last two-year period:

ENERGY CONSUMED WITHIN THE ORGANISATION				
Consumption, purchase and production of energy		Unit of measurement	2023	2024
Consumption of fuel from non-renewable sources				
Natural gas		m ³	5829	5722
Consumption of fuel for fleet				
Consumption of fuel for conventional fleet	Petrol	Liters	8806	9667
	Diesel	Liters	242	143
Consumption of purchased indirect energy				
Consumption of electricity	Of which purchased from grid	Kwh	1498570	1.732.275

As can be seen from the table, energy consumption has increased. However, it should be noted in this respect that the increase was not generated by energy inefficiency, but by the increase in the hours/minutes worked and the amount of finished products placed on the market which rose from 3,049,000 products to more than 3,800,000, resulting in a significant increase in the minutes worked.

In order to contribute to the fight against climate change, Sanyleg intends to continue on the path of energy saving and strategic choices to reduce fossil fuel consumption.

For 2025, the company's main goal is to use only energy from renewable sources. A vision that not only saves money, but also contributes to the reduction of greenhouse gases (GHG).

2.1.2 EMISSIONS INTO THE ATMOSPHERE

Mitigation of emissions by reducing and controlling emissions to atmosphere through processes to reduce the amount of greenhouse gas (GHG).

In order to combat climate change, the European Parliament approved the European Climate Law. An amendment that raises the target of reducing net greenhouse gas emissions by at least 55% by 2030 (from the current 40%) and makes climate neutrality legally binding by 2050. Under Sustainable Development Goal 13, businesses are also called upon to contribute to emission mitigation. According to established protocols, the various types of emissions are greenhouse gases (GHG), ozone-depleting substances (ODS), nitrogen oxides (NO) and sulfur oxides (SO), as well as other significant emissions to air.

In the identification and measurement, the different greenhouse gases are divided into three categories:

- **Scope 1**, emissions directly controlled by the organisation, resulting from the use of fossil fuel directly from the company; e.g. natural gas, petrol, etc.
- **Scope 2**, indirect emissions related to the production of electricity, steam or heat used in the company.
- **Scope 3**, indirect emissions from the company's value chain.

In this report and reporting year 2024, Sanyleg decided to address Scope 1 and 2 emissions measurement, planning in the course of 2025 to initiate a process that will lead the company to map and deepen Scope 3 in 2026.

Direct GHG emissions (Scope 1) refer to energy sources owned or controlled by the organisation, which for Sanyleg correspond to fuels for the company's fleet and for the use of gas. The direct GHG emissions for Sanyleg's Scope 1 are equal to the previous year.

The GHG protocol provides that the measurement of gross *indirect GHG emissions from energy consumption (Scope 2)* is to be expressed in location-based tons of CO2 equivalent and, where relevant, market-based tons of CO2 equivalent. The former, location-based, reflects the average GHG emission intensity of the electricity grids where energy is consumed, using mainly data on the average emission factor in relation to the electricity grid, while the market-based approach reflects emissions resulting from the generation of electricity that an organisation has deliberately chosen depending on the choice of energy mix that it has voluntarily purchased.

The following are data on energy consumption for the 2023-2024 two-year period:

SANYLEG	UDM	NATURAL GAS	GAS OIL	PETROL	ELECTRICITY	TOTAL
2023	TON CO2eq	12,04	0,87	0,03	592,92	639,58
2024	TON CO2eq	11,82	0,52	0,04	685,38	697,76

The emission breakdown for Scope 1 And Scope 2 is as follows:

YEAR	SCOPE 1	SCOPE 2
2023	12,95	592,92
2024	12,37	685,38

It is noted that the **increase in emissions to air** was mainly due to the increase in production.

Details of the **production indices for air emissions** calculated for the **number of minutes worked for the number of pairs of socks produced** are given below, where it is observed that the indices remained stable.

PRODUCTION INDICES
2023 = total Ton.CO2 eq (Scope 1 + Scope 2) = 605.86
Quantities produced 3,049,775 = 0.00019 ton.CO2
Minutes worked 25,943,957 = 0.000023 ton.CO2 per minute worked
2024 = total Ton.CO2 eq (Scope 1 + Scope 2) = 697.76
Quantities produced 3,810,344 = 0.00018 ton.CO2
Minutes worked 28,424,879 = 0.000024 ton.CO2 per minute worked

Indirect GHG emissions (Scope 2), which represent the **main corporate impact**, relate to **energy consumption and CO2 emissions** from the generation of **electricity, heating, cooling and steam** purchased and consumed by Sanyleg.

It should be noted that the **increase in Scope2 emissions** is contextualized with the **increase in production**, which has led to a significant increase in **energy consumption**. To date, Sanyleg has not chosen an electricity supplier with special characteristics and the measurement is **focused only on location-based**, with the goal to purchase only energy from renewable sources from 2025.

The mix of primary energy sources is available on the energy provider's bill.

Characterised by a 100% made in Italy, Sanyleg's business model promotes low levels of greenhouse gas emissions attributable to a **zero-km supply**, where possible, that allows **reduce the use of fossil fuel for mobility**. Internal logistics, on the other hand, use electric means of transport, in order to ensure reduced carbon dioxide emissions.

In addition to **monitoring consumption**, the company invests in new technologies and promotes sustainable behaviour. For example, the **new generation air conditioning system** inaugurated in recent years not only **reduces energy consumption and related emissions**, but also uses **R32 refrigerant gas**, which has a **significantly lower global warming potential (GWP)**.

2.2 WATER

Encouraging the development of practices for optimising the use of water resources during the production cycle has always been the main goal pursued by the company. For Sanyleg, water consumption in 2024 increased slightly reflecting the increase in production.

Sanyleg’s commitment will be to promote a culture of responsibility in the use of water to all workers to raise awareness that water is a valuable commodity and is important for sustainable development to reduce consumption and safeguard its re-emission into the national water system.

WATER COLLECTION BY SOURCE (LITRES)		
Sampling site	2023	2024
Source	<i>Fresh water</i>	<i>Fresh water</i>
Groundwater (all areas)	0	0
Groundwater (areas with water stress)	0	0
Well	0	0
Water pipeline	3473	4271
Total	3473	4271

WATER COLLECTION BY SOURCE (LITRES)		
Destination of the discharge	2023	2024
Source	<i>Other types of water</i>	<i>Other types of water</i>
Groundwater (all areas)	0	0
Groundwater (areas with water stress)	0	0
Well	0	0
Water pipeline	1065	1384
Total	1065	1384



PRODUCTION INDICES

2023 = 3,473 Litres

Quantities produced 3,049,775 = 0.0011 Litres

Minutes worked 25,943,957 = 0.00013 Litres

2024 = 4,271 Litres

Quantities produced 3,810,344 = 0.0011 Litres

Minutes worked 28,424,879 = 0.00015 Litres

2.3 RESOURCE USE AND CIRCULAR ECONOMY

Part of Sanyleg's corporate identity is the adoption of a careful, ongoing and preventive environmental strategy that integrates production processes, products and services in order to improve overall efficiency and reduce the impact on the environment and humans from a circular economy perspective.

The circular economy proposes a production model capable of saving resources and giving new life to those used, by reducing the resources used and the waste generated, the reuse of goods and the recycling of materials.

The pursuit of a circular economic model is no longer just a compulsory choice for us, but rather an ethical model and an opportunity to relaunch the paper and paperboard sector with a view to sustainability.

2.3.1 RECYCLING AND WASTE DISPOSAL

Reduction of the environmental impacts generated by the company through the correct management of production processes with focus on waste management.

With a view to continuous improvement, every single design practice aims at the elimination of hazardous chemicals. Sanyleg is constantly looking for new products to eliminate those classified as hazardous waste. For this reason, Sanyleg operates consciously with regard to the difficulties in its disposal and elimination. In general, the waste management system aims to ensure efficient waste management at all levels of the business.

The amount of waste produced in 2024 was 28 tons, with an about 33.3 % increase due to the increase in production, compared to 2023. All waste generated shall be recovered.

In the weaving process, Sanyleg implements a management system according to the following hierarchies: prevention, preparation for re-use, recycling, recovery to other energy types and, finally, disposal.

WASTE GENERATED DURING THE YEAR (TONS)

Type of waste	2023	2024
Total waste generated	21	28
including hazardous	0	4
% hazardous	0%	14%
including non-hazardous	21	24
% non-hazardous	100%	86%
Total waste intended for recovery	100	86
% intended for recovery	100%	100%
Total waste intended for disposal	0	0
% intended for disposal	0	0
Total non-hazardous waste	21	24
% intended for recovery	100%	100%
% intended for disposal	0%	0%
Total hazardous waste	0	4
% intended for recovery	0%	100%
% intended for disposal	0%	0%

In order to **reduce its environmental impact**, Sanyleg increased its **waste recovery operations**, reaching **100% already in 2023**, with a particular focus on the reduction of hazardous waste, completely eliminated. The company aims to **maximise recovery and minimise landfill disposal**, while continuing to improve waste management, even though the overall waste total has slightly increased compared to the previous year.

The proper operation, maintenance and periodic monitoring of plant and equipment, as well as the verification of **possible disposal of hazardous and non-hazardous chemical substances and preparations**, also carried out through qualified third-party suppliers, support Sanyleg in implementing health and safety and environmental protection policies.

2.3.2 RENEWABLE AND NON-RENEWABLE MATERIALS

In order to offer a service as complete as possible, as a designer of its products, **Sanyleg** offered to its customers services of design and production of garments on request, particularly focusing on offering low environmental impact solutions.

Furthermore, as a technologically innovative company, both in terms of the product and the processing process. Besides offering the latest generation of yarns and packaging, in line with the latest developments in innovation, **Sanyleg** also focuses the use of responsible materials

Yarns

The exploration of state of the art yarns led the company to start an interesting collaboration with **ECONYL**, which uses yarn with the same quality characteristics as non-recycled yarn, but from the recovery of nylon from waste (carpets, fishing nets, plastic waste).

A proposal that the company offers to its customers and that it is considering in the production under the **Sanyleg** brand.

Sanyleg is also proud to be able to offer its customers **Repetita recycled yarn**, used for particular product lines.



On the other hand, for all its **wool products**, the company requires and proposes **“Mulesing Free” wool** in support of the culture of **animal welfare**. For the time being, these choices are still marginal, but **Sanyleg is ready to make further effort to be ahead of the curve and ready to meet a growing trend**. Sanyleg promotes and **encourages its customers to use organic cotton** for their sustainable and ecological textile needs.

This choice is part of Sanyleg’s wider commitment to value enhancement of **products made from materials of controlled origin**, in compliance with **environmental and social criteria**, extended to all steps of the production chain. The raw materials used by Sanyleg are **yarns made of cotton, polyamide, elastane (lycra), polypropylene, wool, silk**, woven to obtain stockings and stockings depending on the item being produced and the necessary characteristics of its use.

As part of a continuous **technological innovation** of the goods and production processes, the company uses its resources to **improve the technical characteristics of the products and the functionality of the production process**.

The **synthetic component** remains the prevalent due to its **technical characteristics**, but the **organic and animal welfare bio-component** is constantly increasing.

Sustainable Cotton

Sanyleg is committed to **promoting and supporting more responsible cotton cultivation practices**, aimed at making cotton production more **sustainable from an environmental, social, and economic perspective**.

The company’s goal is to **improve farmers’ living conditions** while **reducing the environmental impact** of cotton cultivation, by encouraging the use of cotton sourced from **more sustainable and controlled supply chains**.

This cotton is **grown separately from conventional cotton** and, once harvested and processed, enters the market through a **system that allows the monitoring of volumes** across the production and supply chain.

The initiative relies on the **involvement of an international network** of organizations and companies across the textile supply chain, working together to **reduce the negative impacts** of traditional cotton production and to **foster responsible practices**.

Packaging

In 2024, the **engagement of suppliers** in adopting environmentally conscious and sustainable practices enabled Sanyleg to introduce a **new packaging project** for one of its main customers: a **paper-based solution replacing plastic**, which was warmly welcomed.

Through this initiative, Sanyleg achieved its goal of **involving at least one customer and/or supplier per year** in its journey toward sustainability.

As highlighted by the data, the company has significantly increased the use of responsibly sourced paper, rising from 2,853 kg in 2023 to 51,222 kg in 2024.

Responsibly Sourced Paper

The use of paper from **responsibly managed supply chains** ensures **environmental, social, and economic benefits** across the entire value chain.

For this reason, Sanyleg considers the use of **traceable, low-impact paper** an important element of its **sustainability path**.

The **main materials used by the company** are as follows:

MATERIALS USED FOR UNIT OF MEASUREMENT (GRI 301-1)			
Materials used	Unit of measurement	2023	2024
NON-RENEWABLE MATERIAL			
Synthetic yarns	Kg	105387	139888
Plastic (bags)	Kg	17634	13303
RENEWABLE MATERIAL			
Paper	Kg	106658	182595
Responsibly Sourced Paper	Kg	2853	51222
Natural yarn	Kg	45957	362041
ORGANIC natural yarn	Kg	229	104

3. EMPOWERING OUR PEOPLE

Approccio alla sostenibilità sociale

Also in case of **social sustainability**, Sanyleg's management is personally committed to and promotes within the organisation operational management that ensures continuous compliance with the **highest standards in terms of personnel safety and training**. Supporting the **development of the abilities and skills of its staff through innovation, training and involvement of individuals**, in a spirit of mutual growth and interest, is a real commitment of Sanyleg's.

The skills of the human resources enable the company to elevate to the highest heights, operating in the industry through advanced technology, a painstaking and constant search for new raw materials and constantly developing know-how.

Sanyleg's Code of Ethics intends disseminate the company's **priority values and the underlying principles for sustainability** that is also strongly oriented toward social:

- fully understand customer needs;
- ensure consistently high levels of occupational health and safety;
- promote and enhance the experience, skills and creativity of all employees;
- ensure fair pay, aligned with the relevant national or local reference context;
- support the growth of new projects within the community;
- base the relationship with suppliers on the principles of transparency, fairness and quality, working exclusively with partners who share the values of environmental sustainability, social responsibility and innovation of the company;
- demand respect for human rights and ethical management in suppliers' operations, promoting a safe and dignified working environment;

- foster open and collaborative communication, with regular performance reviews to ensure that agreed standards are met;
- build long-term relationships based on mutual trust and shared success.

3.1 OUR PEOPLE

In Sanyleg, every person is at the **centre of the attention of Governance and is fundamental to productive activity**. Maintaining a **stable, intense and long-lasting relationship** with its customers can be achieved only through mutual trust.

The company is committed to ensuring **sustainable wellbeing**, creating **job stability** and **fostering open-ended employment contracts**. In addition, it promotes professional growth through **training, specialisation and empowerment of employees**.

Sanyleg recognizes the importance of having a **qualified workforce** to successfully address market challenges, basing collaboration on principles of transparency, loyalty and trust. The achievement of the strategic goals stems from **teamwork and human resources management geared toward respect for and enhancement of workers' rights**.

In recent years, Sanyleg has progressively strengthened its staff with the introduction of **new technicians and specialised personnel**. This increase will continue with a view to continued business development in terms of innovation, production capacity and business growth. The excellent **organisational climate facilitates the achievement of production goals and the involvement and motivation of the people working in the company**.

The figures for the **classification of workers for the 2023-2024 two-year period** are set out below, as can be seen from an increase in the number of workers from 44 to a total of 51.

EMPLOYEE INFORMATION BY CONTRACT TYPE (GRI 2-7)

Dipendenti per tipo di contratto	2023			2022		
	Man	Man	Total	Man	Man	Total
Full-time	18	15	33	20	21	41
Part-time	0	2	2	0	3	3
Total	18	17	35	20	24	44

EMPLOYEE INFORMATION BY CONTRACT TYPE (2-7)

Employees per contract type	2023			2024		
	Men	Women	Total	Men	Women	Total
N° of hours open-ended contracts	28425.5	29673	58098.5	27303.5	38376.5	65680
N° of hours fixed-term contracts	512	351	863	2460.5	1585.5	4046
N° of hours for non-guaranteed hours employees / Intermittent contracts	97	0	97	120	0	120
People under open-ended contracts	18	19	37	17	27	44
People under fixed-term contracts	1	1	2	5	1	6
People / Intermittent contracts	1	0	0	1	0	1
Total	20	20	31	23	28	51

Remuneration policies

The application of fair remuneration policies is the company's strategy and decision to determine, manage, and modify the payroll structure to ensure continued collaboration with our employees.

Sanyleg's remuneration policy aims to ensure fairness, competitiveness, motivation and economic sustainability, taking into account several factors, including:

- 1. Internal and external fairness:** ensure that wages are fair with respect to the responsibilities, skills and wages of other workers within the same organization (internal equity) and to the external market (external equity).
- 2. Competitiveness:** maintaining salaries that are sufficiently appealing to attract and retain talent, adapting to market conditions and industry practices.

3. Motivation and productivity: structure remuneration policies that drive performance and achievement of business goals.

4. Economic sustainability: ensure that wage policies are compatible with the financial resources of the organization in the medium and long term.

We fully comply with the provisions laid down by the **workers Articles of Association and the provisions of the National Collective Agreement**. As a matter of fact, all workers are covered by **collective bargaining agreements**.

% of employees covered by National Labour Collective Agreement	2023	2024
Total number of employees	35	44
Number of employees covered by the National Labour Collective Agreement	34	44

The **relationship between basic pay and women’s pay relative to men** is an important issue that reflects gender inequalities in the labour market. For Sanyleg, **wage transparency and equality policies are key tools for addressing and reducing this disparity**, the following figures are for the ratio of women’s basic pay to pay to men.

RATIO OF THE BASIC SALARY AND PAY OF WOMEN COMPARED TO MEN (GRI 405-2)		
Basic salary per position	2023	2024
Administration staff	87.59	84.6
Blue-collar workers	97.58	99.55
Total	99.76	100.35

3.2 DIVERSITY, CAREER GROWTH AND EMPLOYEE WELLBEING

Physical and professional integrity. In addition, we are committed to the **development and continuous support of professionalism and the involvement of staff at all levels.** The **recognition of people and their diversity as a value and heritage** is reflected in principles that shape our strategy for the **inclusion and empowerment of all people:**

- **Commitment to considering the needs of local communities,** as well as those of provincial and internal trade union representations;
- **Protection of equal opportunities,** maternity and paternity by means of welfare policies and a fair balance between working life and private life
- **Introduction of young generations** into the labour market.
- **The intergenerational empowerment** of collaborators.
- **Exchanging and sharing** expertise and experience between colleagues.

Furthermore, the company promotes **integration between the different members of the staff and the professional development** of each one of them.

To this end, it protects and promotes the disclosure of values such as **meritocracy, loyalty, seriousness, dedication and the spirit of cooperation.** Through the **continuous improvement of its professionalism and the involvement of staff at all levels,** the it aims to achieve excellence in its field of operation.

The **people and collaborators involved in the activities are a strategic and valuable asset.** Indeed, in order to promote the growth of each employee's professional heritage, and consequently to increase the competitiveness and impact of the company, respect for and protection of the individual is promoted fully. **During the 2022-2024 three-year period, no incidents of discrimination within the Organisation (GRI 406-1) were reported.**

Parental leave

With regard to parental leave, the following table illustrates the **return rate or the rate expressing the number of employees who returned to work after completing parental leave** in the reporting year on the total number of employees who have completed the parental leave period.

Parental leave	2023			2024		
	Men	Women	Total	Men	Women	Total
Employees who with right to parental leave	0	0	0	0	1	1
Employees who have taken parental leave	0	0	0	0	1	1
Employees who returned to work after taking parental leave	0	0	0	0	0	0
Employees who should have returned to work after taking parental leave	0	0	0	0	0	0
People under fixed-term contracts	0	0	0	0	0	0
Employees who returned to work after taking parental leave and who are still employees of the company in the 12 months subsequent to returning	0	0	0	0	0	0

Training and professional development

A winning team is a team that is trained and drilled to perform well with every new technology upgrade and business strategy. This approach makes it possible to enhance the experience, excellence, ability and creativity of all team members in their specific role.

Based on these principles, Sanyleg trains all employees with programs on occupational health and safety, as required by law, and also offers in-depth courses to support professional development.

The new staff who are introduced to the company are also accompanied by training and coaching that leads to a solid acquisition of skills.

The trend of training hours by gender for the 2023 to-2024 two-year period is as follows:

AVERAGE HOURS OF TRAINING BY POSITION AND GENDER (404-1)						
Professional categories	2023					
	Total hours men	Total hours women	Total hours of training	Average hours men	Average hours women	Total average hours
Executives						
Middle-ranking managers						
Administration staff	8	49	57	8	9,8	17,8
Blue-collar workers	137	10	147	9,13	0,83	9,96
Total	145	59	204	17,13	10,63	27,76
Professional categories	2024					
	Total hours men	Total hours women	Total hours of training	Average hours men	Average hours women	Total average hours
Executives						
Middle-ranking managers						
Administration staff	12	52	64	12	10	11
Blue-collar workers	97	136	233	5	7	6
Total	109	188	297	17	17	17

Staff are continuously trained on issues of interest to the business and its professionalization.

3.3 OCCUPATIONAL HEALTH AND SAFETY

The **worker's safety** is a key topic for Sanyleg, to avoid spillovers that can affect the company's success and growth. The current **Italian regulatory framework** implements the right balance between the **protection of workers and the need to simplify bureaucracy** for companies.

Below are the main aspects that distinguish the procedural system and the key elements of Sanyleg's operational control:

- **Reference legislation:** compliance with Legislative Decree 81/2008 (Consolidated act on occupational safety), which lays down obligations, responsibilities and procedures for the protection of workers.
- **Risk assessment:** assessment of all hazards present in the workplace, with a view to taking appropriate preventive and protective measures.
- **Training and information:** planning of training and information on the specific risks of their work and the safety practices to be adopted.
- **Prevention and protection measures:** promotion and awareness of the use of personal protective equipment (PPE).
- **Roles and responsibilities:** Dissemination of the health and safety organization chart.
- **Health surveillance:** monitoring of the health of workers, especially in the event of specific risks or prolonged exposure.

The Italian Legislative Decree No 81 and its additions of 9 April 2008 transposed the European Union Directives on occupational health and safety, providing a legislative act that provides for a participatory model of risk assessment aimed at **planning prevention against accidents and other damage** to the health of the worker.

In addition to the basic European and Italian regulations on occupational health and safety, which involve the Prevention and Protection Service Manager (RSPP), the Safety Workers Representative (RLS) mandatory figures assisted by the occupational doctor, Sanyleg established a **continuous dialogue between the parties to strengthen the active tools and implement continuous improvement**. Essential preconditions for growth in a safe workplace that can enhance the **know-how recognised and shared by all employees of the hosiery manufacturing district**. A workplace where well-being can be conducive to a knowledge-based dialogue and open to innovation, Industry 5.0 (for which Sanyleg is also gearing up), the circular economy for which companies are called upon to contribute, and the **ESG elements that characterize the current situation and affect, in particular, the hosiery industry**.

This approach had a positive impact on Sanyleg. In 2024, no accidents were recorded, maintaining a zero-accident rate.

ACCIDENTS AT WORK (GRI 403-9)		
Number of deaths and accident rate	2023	2024
Serious injuries	0	0
Accidents	1	0
Rate* of deaths due to occupational accidents	0	0
Rate* of severe occupational accidents (excluding deaths)	0	0
Rate* of recordable occupational accidents	2.22 PPM	0

During the financial year, there were no charges relating to occupational diseases.

Number of occupational diseases	2023	2024
Number of recordable cases of occupational diseases	0	0
of which cases of death caused by occupational diseases	0	0

Sanyleg is currently engaged in the structuring of corporate welfare activities for its employees, in collaboration with Banca Intesa.

These initiatives aim to improve the well-being and quality of working life of employees, offering them concrete support in various areas, including financial and social (medical care/ prevention).

The following are also the hours of training dedicated to health and safety that were organized in 2024:

Training provided for health and safety	2024	
	Number of hours	Number of participants
General information	40	10
Specific training	104	10
Designated persons/ASPP/RLS/First aid/Fire safety /Handling	54	7
Total	198	27

4. POSITIVE IMPACT ON THE TERRITORY AND ON THE COMMUNITY.

4.1 CREATING AND DELIVERING VALUE TO COMMUNITIES AND STAKEHOLDERS

General economic performance

2024 was a stability year for the Italian economy. GDP grew by 0.7%, in line with the growth recorded in 2023. This indicates that the economy is **slowly recovering**, thanks to a recovery in **consumption and investment**. However, growth remains **below pre-pandemic levels**.

The **unemployment rate** has remained **stable or slightly lower** than in previous years, a sign of a **strengthening labour market**. However, some areas of the country continue to suffer from high levels of youth unemployment. At the **end of 2024**, **international trade in goods recovered**, but expectations for **global trade remain negative** and are further exacerbated by the possible escalation of trade and geopolitical strife.

In 2024, more than 48% of the value of Italian exports was directed outside the EU, a share higher than those of Germany, France, and Spain. Among the main trade partners, the US has absorbed about 10% of Italy's foreign sales, and more than a fifth

of Italian products intended for non-European markets.

The analysis carried out by the Italian National Institute of Statistics suggests that the application of the tariffs announced by the US administration in respect of the EU could have a significant impact on Italy.

Demand development and trend of markets where the company operates

The Italian textile industry continues to be one of the pillars of the national economy, with a strong focus on quality, innovation, and design. Despite global challenges, such as competition from Asian countries, Italian companies have adapted to focus on high-quality products and sustainability. Italy exports a large part of its textile products, especially luxury clothing, fine fabrics and fashion accessories. Exports are growing, especially to markets such as the United States, China and some European countries. Italian textile companies are investing heavily in innovation, such as the use of recycled materials and eco-friendly technologies, to meet the growing demand for sustainable fashion. This has also helped to strengthen the reputation of the industry internationally.

The textile industry showed signs of growth in 2024, with exports increasing compared to the previous year. This is due to the growing demand for high-quality, sustainable products on international markets. Businesses are increasingly investing in innovative technologies and sustainable practices. This has led to more efficient production and more environmentally friendly products, strengthening the competitiveness of the sector.

The medical devices industry in Italy generates a market worth 18.3 billion euros between export and domestic market and has 4,641 companies, employing 117,607 employees. It is a very heterogeneous, highly innovative and specialized industrial fabric, where small companies co-exist with large groups. The entrepreneurial fabric of the industry is characterized by a strong prevalence of SMEs (almost 94% of the total).

The Italian medical industry is showing signs of growth in 2024, thanks to increased demand for medical devices, health technologies, and care services. The pandemic has accelerated innovation and investment in this area. Italian companies are investing heavily in research and development, with a focus on technologies such as remote medicine, wearable devices and health management digital solutions. Italy exports a large part of the medical devices produced, especially in Europe, the United States and some Asian countries. Exports are growing, backed by high-quality, innovative products.

Current social, political and trade situation

Given its medical sector, the company has always continued its operations, and even the macroeconomic difficulties and those generated by the Russian-Ukrainian conflict have not affected the favourable climate that characterises society.

Relations with staff and company trade unions are always very easy going. Both parties are committed to continuous cooperation aimed at achieving a continuous improvement of working conditions and business activity.

Management performance in the sectors where the company operates

With regard to Sanyleg, the last financial year can be considered broadly positive. The company maintained and strengthened its market share, in a generally unfavourable climate, with margins growing significantly.

Investment in marketing, with the introduction of additional professionals, will enable the company to further develop the markets in which it operates.



4.1.1 THE VALUE GENERATED AND DISTRIBUTED

The business model and the reclassification of the financial statements according to the value directly generated and distributed show Sanyleg's significant contribution to the local economy. In Sanyleg wealth is created by distributing the economic value generated, as shown in the tables below, relating to the last two years.

ECONOMIC VALUE CREATED		
ECONOMIC VALUE CREATED (EURO)	2023	2024
Net Sales Revenue - turnover	9,304,050	10.891.259
Various revenue and income	214.170	246.131
Change in inventories	243.731	-252.069
Total economic value generated	9.763.973	10.887.317
ECONOMIC VALUE DISTRIBUTED		
Supplier compensation	5.936.661	6.088.473
Employee remuneration (including benefits)	1.402.941	1.715.184
Miscellaneous	51.612	46.954
Corporate donations	0	0
Levies and taxes	203.563	417.987
Total economic value distributed	7.594.777	8.268.562
ECONOMIC VALUE WITHHELD		
	100%	0%
Consolidated profit (loss) for the financial year	660.131	1.169.457

SANYLEG'S STRENGTH		
	2023	2024
Net profit (profit or loss in the financial year net of income tax)	660.131	1.169.457
Cash flow from operational activities (financial transactions deriving from operational activities)	1.074.274	3.204.827
Total assets	11.674.292	9.409.076
EBITDA	2.370.737	3.034.716
Capitalised investments	3.579.409	2.222.54

A strong financial base, combined with strong profitability, enables Sanyleg to generate innovation and development independently. This supports the growth of new projects and gives the company the ability to adapt to changes and new market needs and generate shared economic value.

Tax transparency

As mentioned above, transparency is one of Sanyleg's core principles, which guides all its activities on the basis of the highest standards of clarity and reliability. Transparency means the need to maintain uniform, comprehensive and timely reports, ensuring that all stakeholders have the opportunity to make informed decisions by carefully assessing the alternatives and relevant consequences.

Following the principle of transparency of information, the Company states that "every action and transaction must be properly carried out, recorded, approved, verifiable, legitimate, consistent, and appropriate". This implies that each operation of the company must be properly recorded in the accounting system, following the statutory criteria and the applicable accounting principles. In addition, supporting appropriate documentation is essential to ensuring the veracity, exhaustiveness and transparency of the data.

Sanyleg operates in accordance with the values and principles that form the basis for the responsible management of tax activities. The contribution from the taxes paid represents, for the company, an important channel through which to contribute to the social and economic development of the country.

Commitment to the consolidation of the company's capital strength (i.e. its ability to maintain financial equilibrium in the medium to long term).

4.1.2 SUPPORT AND CLOSENESS TO COMMUNITIES

Sanyleg is strongly committed to **supporting the local community through several targeted initiatives**. The company actively participates in school collaborations, contributing to **empowering the youth through internship and training programs**.

Every year, **fifth-year high school classes** are hosted in the company, offering them the opportunity to get a close look at **Sanyleg's activity and innovative approach**. As a matter of fact, also in **May 2024** company held an open day for **Scuola Superiore di Asola – Indirizzo ITE, Articolazione Sistemi Informativi Aziendali** (Asola Secondary School - Technical-Economic, Business Computer Systems specialisation). In addition, the company provides young undergraduates with the **opportunity to complete internships**, facilitating entry into the job market and promoting the development of their professional skills.

In **November 2024**, Sanyleg availed itself for degree dissertation interview for the **University of Verona**, entitled **“L'internazionalizzazione del Distretto della Calza di Castel Goffredo in Asia: Il Giappone come mercato strategico per l'export a confronto con la Cina”** (The internationalization of the Castel Goffredo Hosiery District in Asia: Japan as strategic export market compared with China):

The meeting was held at the company headquarters, and the student asked a number of pre-defined questions to which Sanyleg responded transparently and willingly, providing a concrete insight into its experience of internationalization and approach to Asian markets.

This dissertation was concluded and defended in April 2025.

Sanyleg confirmed its **focus on the territory and the local community for 2024** too, through concrete actions of support and dialogue.

In particular, **the company made a donation of 10,000 euros to the Local Italian Red Cross Committee (Castel Goffredo)**, with the aim of supporting assistance and first aid activities carried out in the area. This is part of Sanyleg's wider commitment to health, well-being and concrete solidarity.

Sanyleg is willing to meet the needs of the community. This willingness translates into an active and responsible presence in the territory, through forms of collaboration and attention to the social and emergency needs that may arise.

For Sanyleg, these actions are a tangible sign of corporate social responsibility and a way of restoring value in the context in which it operates on a daily basis.

4.2 TRANSPARENCY UNDERPINNING COMMUNICATION

At the heart of Sanyleg's stakeholder relationships, transparency is critical to building trust, strengthening reputation, and fostering sustainable collaboration. Being transparent means sharing clear, accurate, and timely information about business practices, goals, outcomes, and challenges.

This attitude now allows stakeholders to better understand our decisions and feel involved in the organization's journey.

Sanyleg believes it is essential to promote transparency, which also helps prevent misunderstandings, reduce the risk of conflict, and foster open and constructive dialogue, which is essential for a long-term and successful relationship. Multi-directionality and transparency guide the company's communication and information strategy, creating grounds for availability to all our stakeholders, mainly using the website and the various social communication channels.

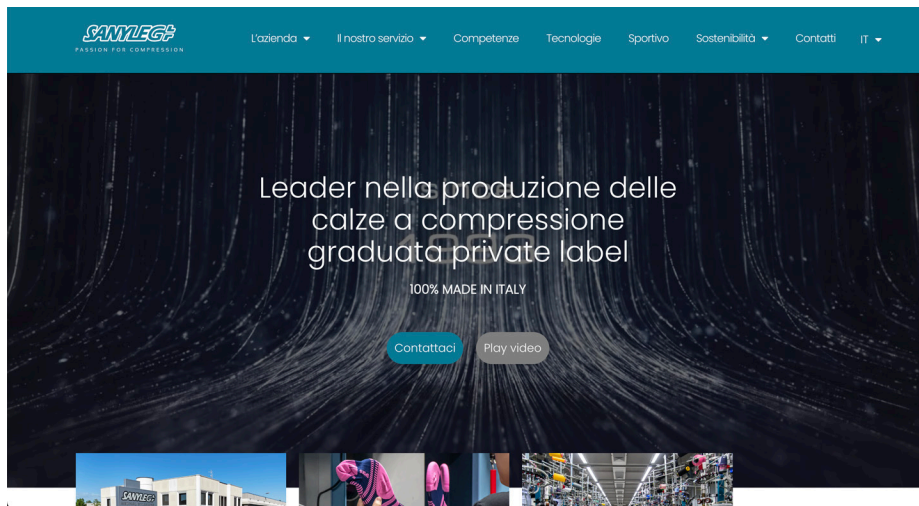
The main aspects of communication are:

- Provide accurate and verifiable information, avoiding greenwashing.
- Engage with stakeholders, communities and customers to create a shared positive impact.
- Choose effective and sustainable communication means, such as social media, awareness campaigns, events.
- Highlight concrete actions and initiatives aimed at environmental protection and social responsibility.
- Inform and train the community on environmental and sustainability issues.

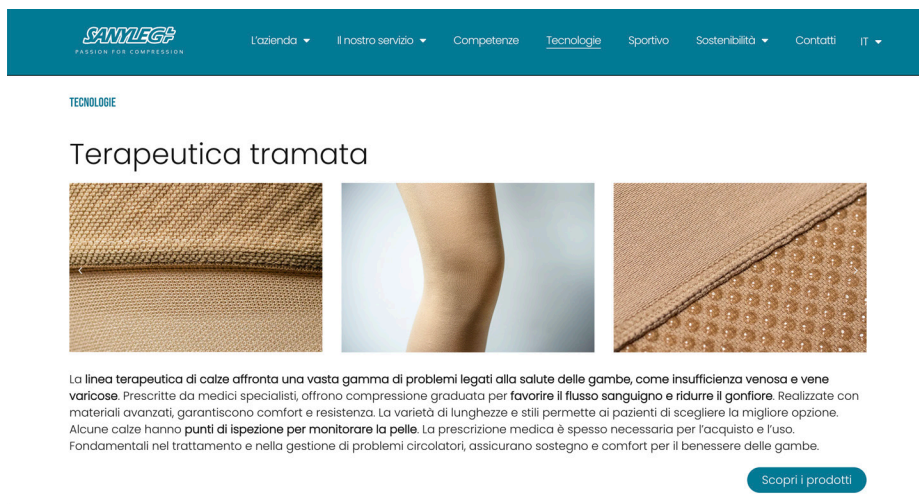
In 2024, Sanyleg strengthened its communication strategy, consolidating its online and offline activity to consistently and transparently describe its identity, values, and company developments.

Website

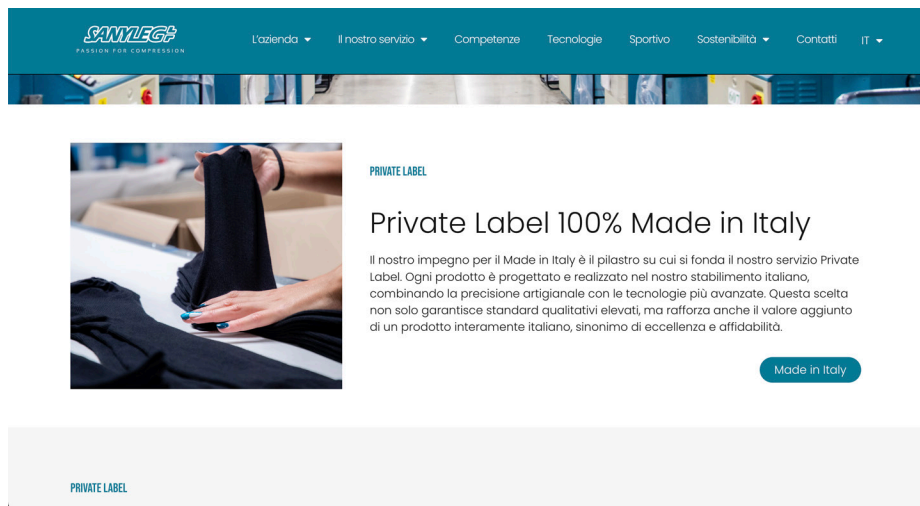
2024 marked the completion of the corporate website redesign process, which began in 2023 as a result of a shared strategic journey between management, marketing and key stakeholders. The new website is today an advanced B2B communication tool, designed to respond in a clear, technical and functional way to the needs of a professional public, in particular in the fields of health and medical and sports socks. The main goal was to focus on the service offered by Sanyleg, highlighting the production flexibility, customisation and technical excellence that characterise the company. The structure of the site has been reorganised in a more rational and legible way, clearly distinguishing the two main areas of activity: medical and sports, in order to enhance the identity and specialization in the respective areas.



Another key section production technologies area: a specific focus transparently shows the machinery, processing techniques and patented solutions that enable Sanyleg to deliver **high-quality standards and consistent performance**. This is an important added value in terms of innovation and competitiveness.



There is also ample room for the presentation of **Private Label Service**, one of the cornerstones of the business offer: it highlights the full support offered to customers, from design to production and product customisation. The site also **strongly emphasizes the 100% made in Italy identity**, as a guarantee of quality, craftsmanship and traceable supply chain, strengthening the value of the product and the territory in which it was incorporated.



Lastly, the new site allows ample room to address sustainability, highlighting the responsible choices taken along the production chain: from environmental certifications to the use of recycled yarns, to the attention to energy efficiency and the reduction of environmental impact.



The site is not just a showcase, but a **tool for relationships and transparency**: it reflects Sanyleg's current identity and strengthens dialogue with customers, suppliers, and partners in a spirit of shared and sustainable growth.

Newsletter

Throughout the year, there is a regular newsletter used both for institutional communication (announcements of events and fairs) and as a tool for commercial follow-up, in particular with the international contacts met in trade fairs. This channel has been effective in maintaining dialogue with customers and prospects.



We are excited to announce our participation in the 2024 edition of **Medica**, the leading international trade fair for medical technology and products, to be held in **Düsseldorf from 11 to 14 November 2024**. This is a must-attend event for those of us involved in innovative medical solutions.

Where to find us

We will be present at **stand no. 5K05**, where we will have the opportunity to present our latest innovations and wide range of high-quality compression stockings. With **over 30 years of experience**, Sanyleg is a reliable partner for the **Private Label service**, offering a complete service from design to production of customised medical and sports socks in line with specific market requirements.



Who you will find



Alberto Ghelfi
Founder & Owner



Cristina Marocco
Sales and export Manager



Simonetta Gobbi
Sales and export department



Barbara Sabbadini
Sales and export department



Francesca Bondoni
Marketing Manager

Our first sustainability report

This year we are particularly proud to mark an important milestone with the **publication of our first sustainability report**. This document testifies to our commitment to reducing our environmental impact, employee welfare and ethical and transparent governance. We are convinced that responsible and sustainable growth is key to building a better future, both for the company and for our customers. We will be happy to present the report and show you how we are working towards a more sustainable tomorrow.

See you at **Medica 2024!**



Sanyleg will be exhibiting at **ISPO Munich**, the world's leading trade fair for the sports industry, from **December 3-5, 2024**. As a leading name in compression therapy, we'll be showcasing our **sports compression socks** that offer enhanced support, comfort, and recovery for athletes.

Where to find us

We will be present at **stand no. A1.437**, where we will have the opportunity to present our innovative line of **graduated compression sports socks**, designed to support athletes, enhance performance, and promote muscle recovery. Each product combines our thirty years of expertise with the commitment to quality that defines true Made in Italy. With **over 30 years of experience**, Sanyleg is a reliable partner for the **Private Label service**, offering a complete service from design to production of customised sports socks in line with specific market requirements.

Who you will find



Alberto Ghelfi
Founder & Owner



Cristina Marocco
Sales and export Manager



Francesca Bondoni
Marketing Manager

Our first sustainability report

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See you at **ISPO 2024!**



Dear <<Name>>,

It was a pleasure to meet you yesterday at our stand and share our dedication to excellence in high-quality, Made-in-Italy compression stockings.

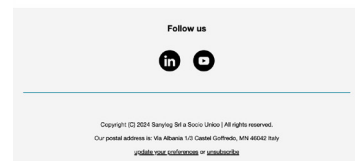
As a leading name in compression therapy, Sanyleg offers a dedicated sport line of **compression stockings** designed to support leg health and optimize performance. Our range of products are crafted with advanced materials and Italian craftsmanship, specifically developed to enhance endurance, reduce fatigue, and promote recovery. We're also **committed to sustainability**, integrating responsible sourcing and eco-friendly practices into every stage of production.

To explore our **sports collection** in more detail, please find attached a brochure that highlights our compression solutions for active lifestyles.



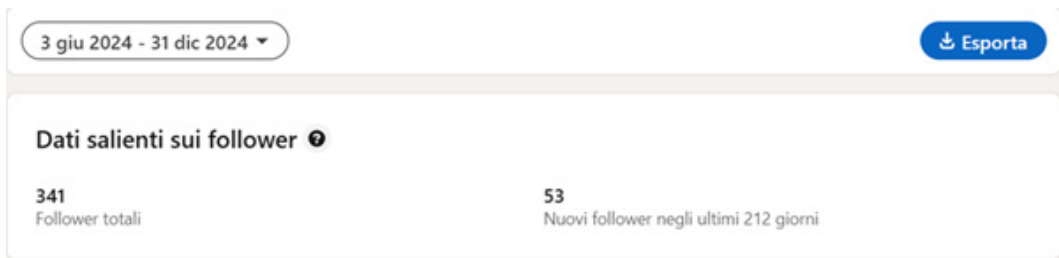
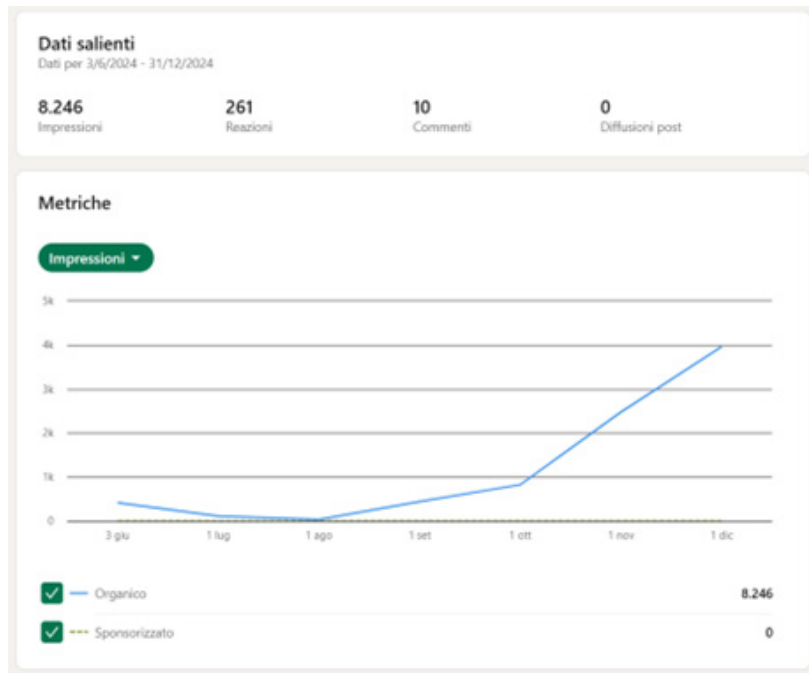
We will be happy to hear from you again shortly to send you a **personalised offer** and answer any questions. Thank you again for your time today, and we remain at your disposal for any further information.

Sanyleg Team



LinkedIn

The company's LinkedIn channel has been used consistently to strengthen Sanyleg's professional positioning. Several posts have been published addressing issues such as participation in international fairs, press release, corporate culture and commitment to sustainability. This has helped to build a solid and consistent image in the B2B landscape.



Press and media

In 2024, Sanyleg appeared in numerous articles in the industry and in local newspapers, talking about its entrepreneurial vision, technological evolution, "Made in Italy" brand and commitment to sustainability.

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SANYLEG e il suo primo Report di Sostenibilità

L'azienda leader nella produzione di calze medicali e sportive a compressione graduata ha celebrato un traguardo significativo con la presentazione del suo primo Report di Sostenibilità. L'evento che ha coinvolto tutti i dipendenti, ha sottolineato l'impegno costante di Sanyleg verso Sostenibilità, Innovazione e Miglioramento continuo.

IL SUO PRIMO REPORT DI SOSTENIBILITÀ

Il primo Report di Sostenibilità di Sanyleg è stato presentato il 15 maggio 2024 in un evento che ha coinvolto tutti i dipendenti. L'evento ha sottolineato l'impegno costante di Sanyleg verso Sostenibilità, Innovazione e Miglioramento continuo.

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SANYLEG

Leader della compressione graduata al suo primo bilancio di sostenibilità: impegno per crescita responsabile

Dal 1993, leader nella produzione di calze a compressione graduata.



www.sanyleg.com

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SANYLEG

Leader della compressione graduata al suo primo bilancio di sostenibilità: impegno per crescita responsabile



www.sanyleg.com

25

Sanyleg, una storia di visione e resilienza che celebra il suo primo report di sostenibilità

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Sanyleg rivoluziona la prevenzione per la circolazione

Moda e benessere nelle calze a compressione graduata

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Esellenze del made in Italy. Sanyleg punta sulla responsabilità sociale

Primo report di sostenibilità per il pioniere delle calze a compressione graduata

Il primo Report di Sostenibilità di Sanyleg è stato presentato il 15 maggio 2024 in un evento che ha coinvolto tutti i dipendenti. L'evento ha sottolineato l'impegno costante di Sanyleg verso Sostenibilità, Innovazione e Miglioramento continuo.

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Sanyleg, eccellenza Made in Italy e pioniere della sostenibilità nel settore della calzetteria

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TV interview – Class CNBC

A particularly significant moment was an interview of the founder Alberto Ghelfi with Class CNBC, concerning the “Eccellenze del Territorio – Mantova” Dossier.

In his remarks, Ghelfi outlined the company’s core values of excellence, innovation, quality and sustainability, and the journey that led Sanyleg to stand out in international markets.

The interview provided a prestigious showcase to reaffirm the connection with the territory and show that a local business can successfully compete globally, generating economic, employment, and cultural value.



Scan the QR code
and watch
the entire
interview

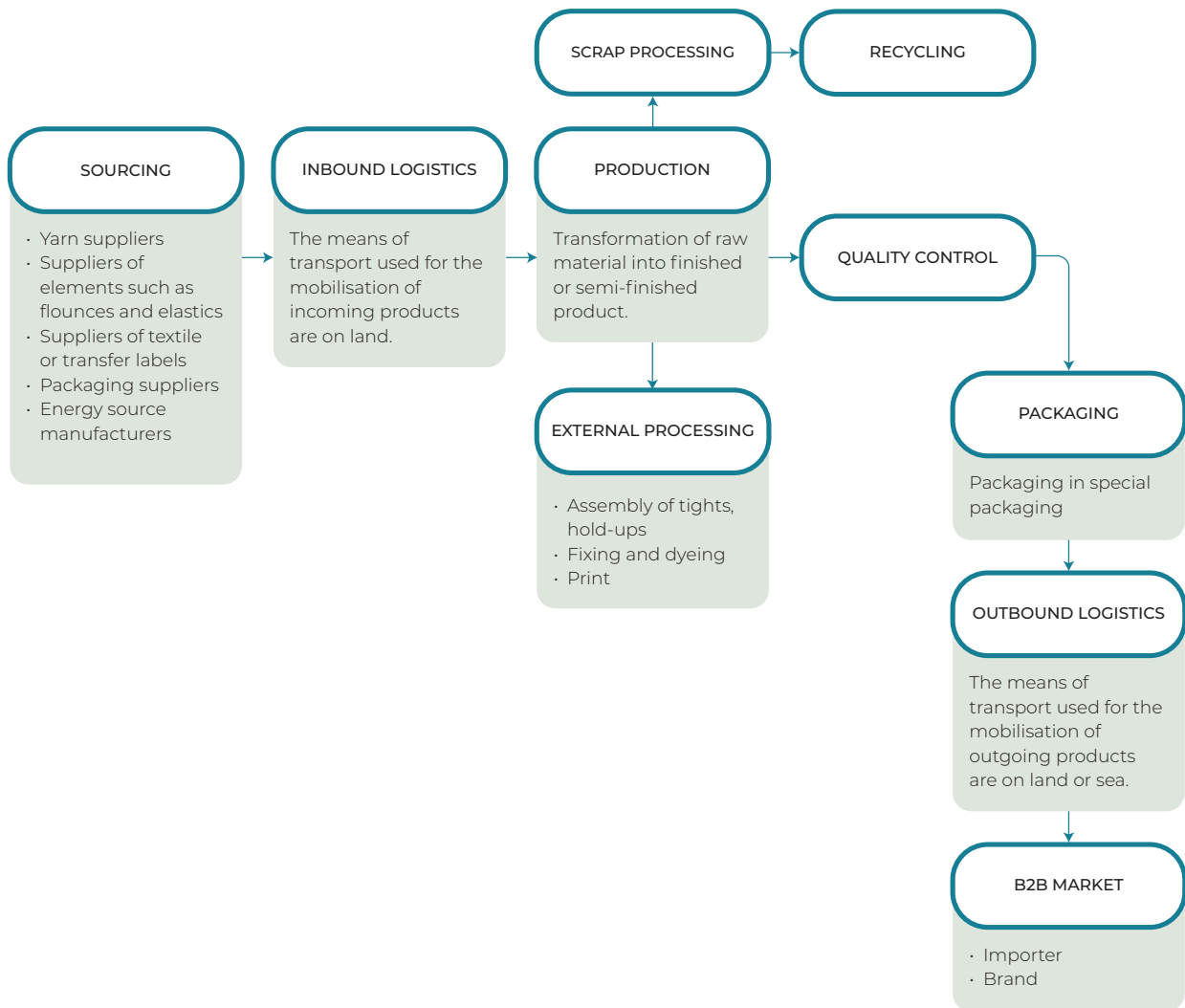


5. EXCELLENCE AND QUALITY THROUGHOUT THE VALUE CHAIN.

The Sanyleg product aims to be a reference point in both the medical and sports industries, where quality and prescriptions are essential, both for the Private Label customer, as well as for the end user and for the Sanyleg branded products sold in the various points of sale. The quality control step plays a major role in Sanyleg's production, especially for medical products, which must meet precise parameters.



None of this would have been possible without all the links in Sanyleg’s value chain:



By **value chain** we mean **operational activities** carried out by the company during the process for **transforming raw materials into finished products**. This theory takes into account how goods and services are supplied to customers and how the value accumulates along the series of events that reach that specific end customer: the added value is added in each stage. **Several players who join efforts to meet market demands for specific products or services are involved in the value chain.** Value flow is a sequence of activities required to design products and place goods or services on the market.

Sanyleg’s value chain starts from the procurement system. In-house production, flanked by design, processing and controls, contributes to creating tailored products to meet specific customer demands. Painstaking control before shipment guarantees supreme quality. Furthermore, **the logistics system, which allows the organisation to procure materials and ensure delivery at all times, plays a key role.** On the other hand, internal logistics allows for the proper performance of the works.

5.1 CUSTOMER SATISFACTION

Sanyleg's focus is essentially on a large type of B2B customers, on whose behalf the company takes care of all aspects of production, with attention to details that only large companies can recognise. The company's production capacity and flexibility offer the customer a prompt and positive response to every demand and need. A strict deadline and payment policy is in place with suppliers, which helps to maintain a good working environment in developing new demands or needs.

Customer services include research and development of new items, product customization, study and design of packaging, shipping and logistics.

Sanyleg management is aware that customer focus and customer satisfaction are an integral and essential part of the management's responsibilities. Therefore, it has made clear commitments, providing clear provisions on the rules of behaviour toward customers, designed in particular for staff called to have continuous and direct relations with customers. The management considers meeting the requirements requested and expected by the customer as a priority, whose loyalty is a decisive source for growth and development in the market.

Areas of excellence

Sanyleg has long set itself the goal of achieving high quality standards, which has been achieved by being awarded the UNI ES ISO 9001, UNI ES ISO 13485, UNI ES ISO 14001 certificates. In addition, the company is OEKO-TEX certified, same case applying to all our suppliers of raw materials.

Customer satisfaction

The customer can always count on a supreme-quality service, with the option to customise the product.

The high-quality product

The ultra-high quality of the product is achieved by:

- cooperation with the best selected yarn producers, which guarantee the company a consistent level of product quality, as well as the agreed innovation of the product itself;

- the temperature of the production hall, which is kept constant at 65 % humidity, so as to keep the characteristics of the yarn intact;
- the conditioning of yarn for 48 hours before it is put into production;
- electronic measurement of the yarn tension under production;
- the availability of a laboratory, which allows to carry out compression tests to ensure the correct functionality of the product;
- post-production washing and drying, which ensures the stabilisation of the product;
- quality testing before packaging;

Financial stability

It always allows for new investments in the best technologies.

Production capacity

The use of the latest technology allows to obtain more than 20,000 pairs of compression socks per day.



5.2 CONSUMER HEALTH AND SAFETY

Product Regulatory Compliance

Sanyleg's medical products are registered as Class I Medical Devices at the Italian Ministry of Health and therefore they are CE-marked CE according to the procedures laid down in MDR 2017/745. The new EU Regulation 2017/745 on Medical Devices introduced important changes to the regulation of the production and marketing of medical devices, introducing an EU device identification system based on a Unique Device Identifier (UDI), which facilitates product traceability. Sanyleg is registered in the EUDAMED database, in which, on a voluntary basis, it is already preparing to register its medical devices. All information on UDIs/devices placed on the EU market will be entered into the system.

Management ensures that for each order the risks and opportunities that may affect the conformity of products are determined and assessed. In addition, the ability to increase customer satisfaction is taken into account, a factor on which the whole company is called upon to focus on.

During the reporting period, there were no non-compliances related to the health and safety impacts of products and services (GRI 416-2).



5.3 THE APPROACH TO STRATEGIC INNOVATION

Sanyleg believes in the innovation and opportunities that Industry 5.0 and automation has to offer. The Sanyleg brand has always combined fashion needs with technological innovations.

Therefore, **research and development** of new products are considered **essential elements for continued growth** and for maintaining a position in the hosiery market and they are a major project for Sanyleg now more than ever. Today, more than ever, Sanyleg believes that it must increasingly **focus on raw materials and new production technologies** in order to offer its customers items specially designed for wellbeing and health, without forgetting fashion trends, but above all that they are always innovative and cutting-edge, ensuring competitive prices, without compromise.

As a matter of fact, the company carries out its activity as part of a **continuous technological innovation** of the goods and production processes, using its resources to improve the **technical characteristics of the products and the functionality of the production process**.

In addition, a **constant and active collaboration** is maintained with the most important producers of **raw materials (in particular yarns)** to study together **new items or improve performance**.

Last but not least, the company is carrying out **synergies and collaborations with customers** in order to be able to place on the market products with **increasingly environmentally friendly characteristics**.

Commitment to sustainable production is reflected several initiatives, which are continuously monitored and implemented



The heat produced by the knitwear production machines is recycled to heat the washing machines and the building.



Washing machine water is collected and treated with a treatment system before it is discharged into the sewer.



Air conditioning systems use gases not deemed harmful to the stratospheric ozone.



The use of environmentally sustainable yarn. To achieve this goal, the company has partnered extensively with a leading recycled yarn company, with the goal of producing compression socks using recycled materials. The process begins with the recovery of waste from different sources, such as discarded carpets, abandoned fishing nets and plastic waste accumulated in the oceans and landfills. These materials undergo a regeneration and purification process, resulting in recycled polyester and polyamide that offer the same performance and quality as virgin yarns.

Through this initiative, the company undertakes to:

- reducing the environmental impact of our production;
- contributing to the circular economy by recovering waste;
- offering consumers innovative and sustainable products.
- systematic and structured verification of the actual use of resources to prevent any form of waste;
- implementation of finished product traceability systems;
- active support for the short supply chain, a key component of the sustainable development strategy lies in promoting the short supply chain. **Sanyleg products** have always been designed and manufactured entirely in the Castel Goffredo hosiery district, in the province of Mantua. This approach allows us to restrict the movement of goods, thereby helping to reduce polluting emissions. The constant attention to quality, supported by the selection of high-level raw materials, has allowed us to obtain several certifications, including UNI EN ISO 9001, UNI EN ISO 13485 and UNI EN ISO 14001. In addition, all the raw materials used in the production of our socks are Oeko-tex certified, ensuring high safety and sustainability standards.
- a focus on sustainable packaging, Sanyleg is actively engaged in reducing the use of plastic by designing packaging with a reduced environmental impact. Each solution is customised in collaboration with the customer to best meet their needs, ensuring a packaging that reflects the brand identity and promotes environmental, social and economic sustainability.

In 2024, Sanyleg published its **first sustainability report** presenting data relating to 2023. This report provided stakeholders with a **comprehensive overview** of the progress and challenges faced in sustainability, while enabling the company to **assess results, identify areas for improvement, and set new goals**.

5.4 OVERSEEING AND MANAGING THE SUPPLY CHAIN

Sanyleg's value chain starts from the procurement system. In-house production, flanked by design, processing and controls, contribute to creating tailored products to meet specific customer demands. Painsstaking control before shipment guarantees supreme quality. Furthermore, the logistics system, which allows the organization to have the materials at its disposal and to ensure deliveries at all times plays a key role, while internal logistics allow the work to be carried out properly between the two production plants.

At Sanyleg, the supply chain is key, so we can best meet our customers' needs by providing safe products and services. The company strongly believes in the importance of working closely with the supply chain, establishing relationships based on loyalty, transparency and mutual cooperation and jointly defining the goals to ensure the maximum performance at all times. One of our main goals has always been to help develop the local community in which we operate, hence the preference given, where possible, to a short-range supply chain.

Besides standing out for their therapeutic effectiveness, the socks we manufacture are also an integral part of a sustainable development strategy.

Sanyleg actively promotes the short supply chain, designing and manufacturing our products entirely in the province of Mantua. This approach allows us to restrict the movement of goods, thereby reducing polluting emissions and supporting the local economy.



Procurement practices

The choice of yarns is crucial to ensure product excellence. Sanyleg works closely with selected suppliers in Italy, Germany and Switzerland, ensuring a constant supply of high-quality raw materials. Added value that ensures consistent quality, consultancy and product innovation to meet market needs.

PROPORTION OF EXPENDITURE ON YARN AND PACKAGING LOCAL SUPPLIERS (GRI 204-1)		
Geographical Area	2023	2024
Province of Mantua	25%	28%
Italy	70%	65%
Europe	3%	7%
Non-EU	0%	0%
Total	100%	100%

The raw materials, consisting of cotton, polyamide, elastane (lycra), polypropylene, wool, silk, are woven to obtain women's socks, stockings and men's socks. In particular, there are two types of finished products:

- **cotton socks** (usually made of yarns such as cotton, polyamide and elastane, and occasionally polypropylene, silk, wool);
- **nylon socks** (made of polyamide and elastane).

In this path of sustainable growth and development, Sanyleg understands that in the short term it will need to work toward a more structured system for **monitoring the ESG performance of its suppliers**.

As regards service providers, below is the proportional breakdown thereof with reference to the 2023-2024 two-year period:

PROPORTION OF EXPENDITURE ON LOCAL CONTRACTORS (GRI 204-1)		
Geographical Area	2023	2024
Province of Mantua	80%	83%
Italy	20%	17%
Europe	0%	0%
Non-EU	0%	0%
Total	100%	100%

Sanyleg's goal in the past years has been to develop and implement a specific ESG risk assessment policy starting from strategic suppliers.

In the 2024 financial year, we were able to report how many strategic suppliers (that is more than 10,000 Euro in expenditure) were assessed in the last two-year period according to social and environmental criteria respectively.

SUPPLIER ASSESSMENT		
Suppliers assessed on a social basis	2023	2024
Total number of suppliers	64	70
of which new numbers	2	3
The number of suppliers that have been assessed according to social criteria	0	0
of which new numbers	0	0
% of suppliers assessed according to social criteria	0	0
% of new suppliers assessed according to social criteria	0	0
Suppliers assessed according to environmental criteria	2023	2024
Total number of suppliers	64	70
of which new numbers	2	3
Number of suppliers assessed according to environmental criteria	0	0
of which new numbers	0	0
% of suppliers assessed according to environmental criteria	0	0
% of new suppliers assessed according to environmental criteria	0	0



The choice of suppliers and contractors shall be based not only on **qualitative and economic criteria**, but taking due account of specific characteristics such as: **technical and organisational capacity, suitability to carry out the required activities, respect for the environment and financial soundness.**

These assessments shall be conducted **without discrimination and prejudice and over a significant period of time.** In our supplier relationships, we consistently ensure the most cost-effective relationship **between quality, cost and delivery time**, but it is equally important to us to promote practices aimed at:

- **establishing efficient, transparent and collaborative relationships, maintaining open and frank dialogue in line with best business practices.**
- **enforcing the application of the contractually agreed conditions and principles of the Code of Ethics.**
- **operating within the scope of current legislation and enforcing prompt compliance.**
- **objectively assessing the performance of suppliers and contractors by highlighting the challenges and strengths that have emerged when carrying out the work.**

6. GOVERNANCE

The approach adopted by **Sanyleg's governance** has allowed **value creation**, particularly through medium- and long-term action planning, which has allowed the company to grow steadily to become a **strategic player**, positioning us among the **first players** in its industry in Italy.

6.1 GOVERNANCE STRUCTURE

Sanyleg's administration and supervision model is of the conventional type with sole shareholder **Arnaud holding S.r.l.**, **Alberto Ghelfi's** family-run assets management and control company.

The **Board of Directors** consists of **three members**, starting with the **Chairman, Alberto Ghelfi**, an entrepreneur with a strong competitive spirit and a great determination, through which it dictates the policies to take Sanyleg across the world minimising negative impacts and enhancing a culture of respect, discipline and team-work.

The Chairman's close cooperation and continuous dialogue with the other two members of the BOD, the **Chief Executive Officer, Cristina Marocco**, and the **Director, Fabio Aparo**, have created an entrepreneurial project in which business ethics has a strong value in all business choices, where critical concerns are collectively collected and discussed to provide the necessary elements for decision-making. There shall be no conflict of interests of the members of the BOD.

MEMBERS OF THE BOD	
APPOINTMENT	NAME
Chairman of the Board of Directors	GHELFI ALBERTI
Directors and Chief Executive Officer	MAROCCO CRISTINA
Director	APARO FABIO

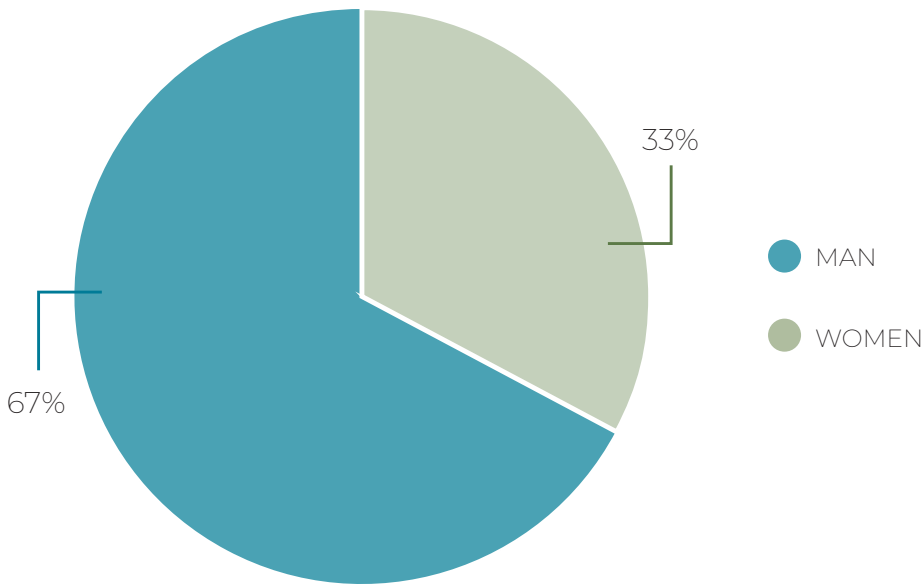
From 22-05-2020 until derogation, the Chief Executive Officer shall also hold the position of Proxy.

Since 2023, the company has appointed the **new statutory auditor**, Mr. Dino Terbaldi,

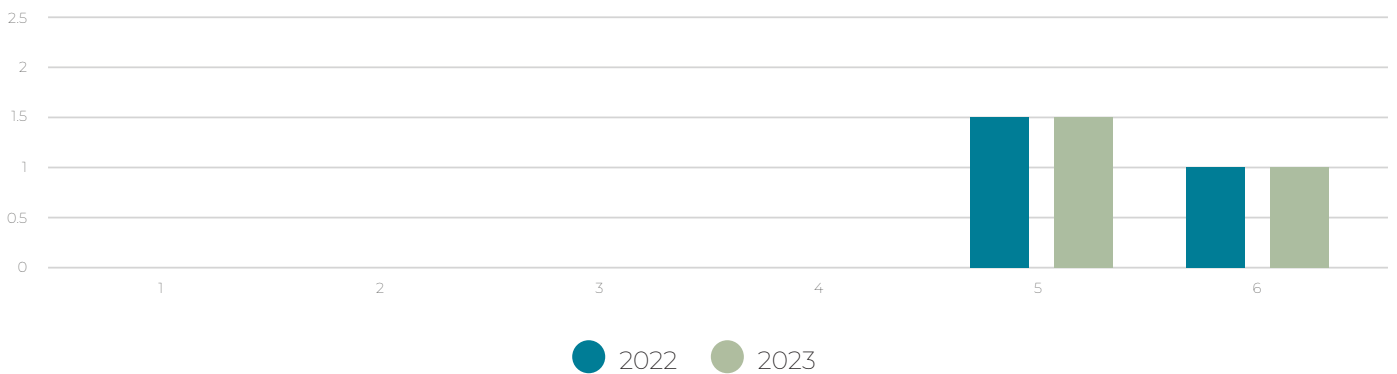
who will remain in office until the approval of the financial statements at 31-12-2025.

The board of directors of our company, whose composition takes **equal opportunities and diversity into account** with a view to enrichment, is agile and made up of highly qualified people who know the industry in which Sanyleg operates

BOD by gender | 2023



Diversity of the Governing Body | 2023



The Board of Directors plays a central role in the **strategic and decision-making direction of the Group**, with the ultimate aim of pursuing its sustainable success.

With this goal in mind, the Board of Directors is committed **taking all actions deemed necessary and appropriate**. In particular, the Board of Directors **examines and approves strategic, industrial and financial plans** and defines the nature and level of risk compatible with the strategic goals. In addition, it assesses the **adequacy of the internal audit and risk management system** and passes resolutions on transactions considered to be significantly relevant.

The Board of Directors shall be informed of any criticality observed. In accordance with the provisions laid down, each year the Board of Directors shall identify qualitative and quantitative criteria for assessing the independence of directors. Furthermore, still in accordance with the provisions laid down in the code of ethics, it shall verify the independence requirements by making available to all administrators the documentation and information proving the existence of the aforementioned independence requirements. In 2023, there were no cases of conflict of interest.



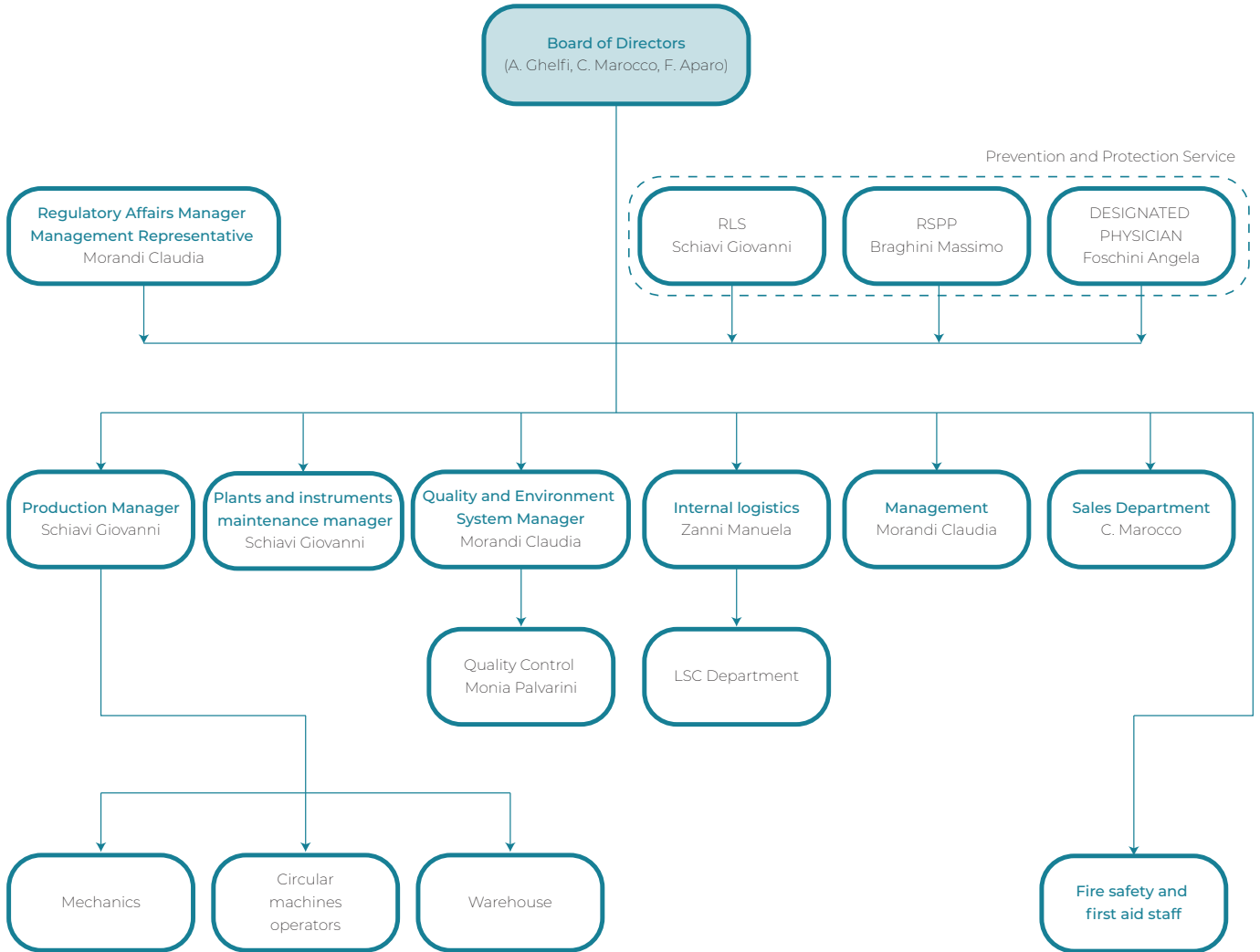
Organisational structure

The highest governing body did not delegate responsibility for managing Sanyleg's impacts on the economy, the environment and people beyond the legal minimum. Owner and founder Alberto Ghelfi, is the only one in charge of handling impacts and no employee was delegated to address these topics.

Impact management is developed and discussed with key individuals in each department driven by a relentless desire to excel also from the point of view of sustainability.

The context and related risk analysis carried out in 2024 showed that the increasingly integrated management system and the activities needed to manage impacts have been fully operational and continuous improvement has been activated.

The organizational set-up is as follows:



6.2 THE INTERNAL AUDIT SYSTEM AND RISK MANAGEMENT

Sanyleg's management model

Sanyleg's Management System field of application includes all design activities aimed at developing new product lines as well as meeting the demands and requirements of professional customers (distributors and companies with independent sales networks). Sanyleg carries out internal audits to verify its processes and ensure that they comply with the provisions laid down by the IMS and by the international standards recognised by the organisation.

Sanyleg's top management provides evidence of its commitment by implementing the following actions:

- notifying the staff members of the importance of meeting the customer's requirements and applicable regulatory requirements;
- drafting a quality policy document to be communicated within and outside the organisation. This document is verified and updated on at least an annual basis;
- carrying out management review on at least an annual basis;
- establishing quality-related goals and stating them in the management review document;
- regularly verifying the availability of resources and adapting them to the process needs, as well as allocating them depending on the development projects established by the management.

Risk management

In its business model, Sanyleg has always identified risk analysis as a key prevention element. The company clearly knows how to act to pursue the precautionary principle, an essential element for the growth of the organisation.

In pursuing its sustainability mission, Sanyleg takes a methodical and comprehensive approach to the process of analysing the internal and external context in which it operates. The process through which the company assesses and understands the various scenarios in which it carries out its activities is contained in the analysis that is carried out.

Using management systems, which are updated periodically, **the company assesses the risks and opportunities related to sustainability**, as well as the social, economic and environmental dynamics that affect business operations. Analysis of the internal and external context is crucial for guiding Sanyleg's actions and strategies. Through a rigorous and continuous assessment, **the company is able to identify and address the most relevant issues**, thus contributing to a gradual improvement and an increase in its positive impact.

The Company has identified and continuously monitors the risks it may be face with, both financial and non-financial, as reported below:

Credit risk

The solvency analysis of clients is carried out by the administrative and financial department, using research and surveys on customers' assets and financial situation. Any credits deemed difficult to recover are covered by the on-balance-sheet write-down fund. The fact that **uncovered credits** remain minimal demonstrates that the company is adequately protected against credit risk.

Liquidity risk

In order to meet its **liquidity needs** and thus meet its **obligations**, the company can rely on adequate own financial resources in terms of cash availability from **credit institutions**.

Exchange rate risk

With regard to exposure to **foreign exchange risk**, it is noted that **most transactions with foreign counterparties** are settled in **euro** and, therefore, this risk shall be considered non-existent.

Risk arising from interest rate changes

The company was found **not to be exposed to the risk of changes in cash flows**, and in particular those linked to interest rate changes, as it had **no payables to financial counterparties**.

Non-financial risks

Below are the main **non-financial risks** to which the company is exposed:

- **Risks from internal sources**

They are not significant given that the company's production is diversified in many products and in different product markets; furthermore, the corporate strategy is always aimed at seeking new outlets.

- **Risks from an external source**

- **Market:** the company is subject to **market performance**, so far there has been a **good rebound of the markets**, which has allowed the company to **maintain market shares and its order book**, allowing it to have a production visibility such that a good performance in line with the pre-set goals for the 2024 financial year is also expected.
- **Product and competition:** the reference markets **force the company to compare with its competitors**. In this respect, while **maintaining a great focus on efficiency and savings**, Sanyleg pursues technological differentiation goals. In addition, the company's capital and financial soundness will allow it to exploit any new market areas.
- **Customers:** at a time of **financial crisis** as sensitive as the current one, where the risk of insolvency is generally increasing, the company has not had in this financial year significant receivables in dispute and difficult to collect.

Relations with supervisory bodies

In their relations with the **supervisory bodies**, the parties involved are required to act with utmost **transparency, clarity, diligence, professionalism and fairness** in order to establish a **working relationship**, to promptly and readily **implement the requirements and any fulfilments requested** and to **clearly, exhaustively and objectively** provide all the information necessary to meet the request received.

Sanyleg is forbidden from offering or paying, directly or through intermediaries, money or other benefits to entities falling under the definition of Public Administration and Supervisory bodies in order to influence them in the performance of their duties and/or to take undue advantage. Gifts and acts of courtesy and hospitality towards subjects falling under the definition of Public Administration and Supervisory bodies, or to consultants/intermediaries designated to interact with these entities are not allowed, unless explicitly authorised by the Directors.

Business continuity

Through an accurate prevention strategy, Sanyleg ensures that business can run smoothly even under the most critical conditions. That is why **the company has set up an IT infrastructure by assessing all the causes that could compromise it and, therefore, by committing ourselves to ensuring business continuity at all times.**

Business continuity is ensured through:

- **monitoring of production machinery**, this allows for preventive actions or in any case swift reaction times;
- **technical support on-call service**;
- **careful planning of maintenance** in order to minimize downtime and avoid product unavailability.

Cyber security

Increasing digitisation, which has accelerated in all sectors especially in the wake of the pandemic, has led to an increased risk of cyber threats. Today, an increasing number of “cyber” threats, resulting from the evolution and increasing complexity of information systems and the increased vulnerability of ICT applications and infrastructures, require us to equip ourselves with systems and procedures capable of ensuring high levels of security in the processing of data and information both within and without the organisation.

The measures that Sanyleg has taken and implemented are designed to **protect the privacy and security of the data of our customers, suppliers and contractors**, and to protect the **data of our workers**.

Sanyleg has implemented an approach that aims to **prevent the risk of cyber attacks** on our systems, thus ensuring a **high level of protection against cyber threats**.

Data protection and information security

Compliance with the processing of personal data, pursuant to the new GDPR Regulation of the European Community in force since 25/5/2018, as laid down by article 13 of the Italian Legislative Decree N° 196/2003, is guaranteed by communicating an appropriate policy stating that **data is collected and processed** in full compliance with the provisions laid down in the Privacy Code.

In line with GDPR requirements, the company applies procedures for collecting consent to the processing of data and for the proper management of data. In addition, Sanyleg is committed to ensuring that all internal computer systems are adopted to prevent any data leakage and enable to prevent any form of privacy breach. There are no cases of non-compliance and breaches with respect to privacy (GRI 418-1).

The measures that Sanyleg has taken and implemented are designed to protect the privacy and security of the data of our customers, suppliers and contractors, and to protect the data of our workers.

Sanyleg has implemented an approach that aims to prevent the risk of cyber attacks on our systems, thus ensuring a high level of protection against cyber threats.

6.3 COMPANY CONDUCT

Sanyleg understands that in order to benefit the interests and rights of its customers, employees and suppliers, there arises the need to adhere strictly to the rules of its Code of Ethics. Moreover, Sanyleg recognizes that organizational effectiveness and harmony depend primarily on the quality, commitment and responsibility of the people involved.

Through the Code of Ethics, Sanyleg disseminates the company's priority values and the fundamental principles that guide its organization. The Company rejects any commercial practice that is contrary to the principles and rules set out in the Code of Ethics.

Code of ethics

Sanyleg's Code of Ethics defines the values and principles that inspire daily actions and foster a corporate culture of integrity, transparency and respect. All employees, contractors, partners, and suppliers are expected to understand and apply the principles contained in the Code, helping to create a responsible work environment.

The Code of Ethics is binding for everyone who works for Sanyleg, including directors, employees, and contractors, whether continuous or temporary. It will be widely distributed within the organization and communicated to external players. Sanyleg is committed to ensuring that the principles and rules set forth in this document are clearly understood and applied.

General principles

Sanyleg recognises that principles such as **compliance with laws**, **integrity**, **professional honesty**, and the **protection of confidentiality** are fundamental to **business success** and to maintaining **trustworthy relationships with all stakeholders**

- **Compliance with laws and regulations**
 - All Sanyleg employees and contractors are required to **comply with applicable laws, regulations and regulations**.
 - Any conduct that may lead to **breach of regulations**, even if it seems beneficial to the company, must be **avoided**.
 - Sanyleg requires its employees to **cooperate with regulators** during audits or requests for information.
- **Integrity and professional honesty**
 - **Ethical and fair conduct** is the basis of any transaction conducted by Sanyleg, avoiding **deceptive or unfair practices**.
 - Any form of **corruption** is prohibited; the company **requires transparency** in all transactions.
- **Protection of confidentiality and privacy**
 - Sanyleg considers the **protection of business information and personal information** essential.
 - Disclosure of information without permission is strictly prohibited.

Sanyleg's ethical goals

Sanyleg understands that a **good reputation**, reinforced by **systematically applied ethical principles**, helps **attract skilled resources**, facilitates relationships with **institutional and financial stakeholders**, strengthens **creditors' trust**, and improves relationships with **employees and suppliers**. On the contrary, **unethical behaviour** undermines the **trust relationship** and can lead to **hostile attitudes** toward the company.

The Sanyleg Code of Ethics aims to define the ethical commitments and responsibilities that **guide the company**, its directors, employees, contractors and customers in the conduct of its activities, thus outlining the **company's "ethics" profile**.

Sanyleg considers **business ethics** to be a key tool for promoting and protecting its **corporate image**, considering it as important as **reliability, fairness and transparency** toward all stakeholders.

To this end, Sanyleg has adopted this Code of Ethics, which, through **behavioural rules**, governs the business by establishing the **general principles** that the entire organization must comply with. All **employees and partners** of the company are required to **comply with the Code of Ethics**. Violations will be subject to **disciplinary measures**, ensuring confidentiality and preventing retaliation against those who report **non-compliant behaviour**.



Towards the Customer

Sanyleg believes that it is essential to **fully understand its customers' needs** to ensure adequate production and to offer the **highest quality products at fair costs**. The company aims to excel in all aspects of its activities, pursuing the **continuous improvement of quality, productivity and support services**.

As a leader in the production of medical socks entirely made in Italy, Sanyleg is committed to the continuous development of new products, maintaining a **high quality/price ratio** and carefully monitoring the market and competition.

The company **promotes transparency and clear communication** by providing **accurate and timely information** about its products and activities to **customers, partners and associates**. It avoids misleading information and ensures accurate and timely responses to requests for clarification.

Sanyleg is dedicated to **meeting customer needs**, by providing **safe, high quality and environmentally friendly products**. To build strong relationships, it organises professional meetings aimed at identifying and implementing improvement solutions.



Towards Employees

Occupational safety and health is a priority for Sanyleg, which is committed to maintaining high standards in these areas, promoting a culture of prevention and complying with the regulations in force. Employees are encouraged to **follow safety rules and report any risk situations**.

Sanyleg leverages the **experience, skills and creativity** of its employees to improve **operational and business performance**. The company ensures **fair pay** and promotes an **inclusive, respectful and non-discriminatory environment**.

The principles in which Sanyleg identifies himself:

Legality

All employees, the board of directors and its members, the trade union body and collaborators are compelled to comply with the laws and regulations in force.

Integrity

In relations with third parties, Sanyleg undertakes to acting in a fair and transparent manner by avoiding misleading information and behaviour that would unreasonably benefit from others' positions of weakness or unawareness. Sanyleg is committed to establishing good business relationships with third parties, long-term relationships with customers and suppliers, and recognising the contributions of its employees in its quest to maximize its financial and economic performance.

Gifts or other benefits, corruption

It is not permitted to directly or indirectly give or offer gifts, payments, material benefits or other benefits of any entity to third parties, public officials or private individuals. Acts of commercial courtesy, such as gifts or forms of hospitality, are permitted where they are of modest value and in any event do not compromise the integrity or reputation of one of the parties and cannot be construed as being intended to improperly gain advantage.

Loyalty

Relations with the external, relations with its collaborators and those among the latter must be based on the utmost loyalty, which consists in faithfulness to their word, promises and agreements, acting with a sense of responsibility, enhancing and safeguarding the assets of the company and applying a good faith attitude in every activity or decision.

Transparency

All Sanyleg's actions and relations with its stakeholders must ensure fairness, completeness, consistency and timely information, in accordance with the law, best market practices and within the limits of protecting the company's know-how and assets.

Work and human rights

Sanyleg respects people's fundamental rights by protecting their moral integrity and ensuring equal opportunities. Conduct which is discriminatory in terms of political and trade union opinions, religion, race, nationality, age, sex, sexual orientation, health condition and generally any intimate characteristic of the human person shall not be permitted in internal or external relations. The company is committed to ensuring that, as part of its activities, the rights provided for by the "Universal declaration of human rights" are guaranteed in the various countries in which it operates.



Sanyleg is committed to complying with all the above principles, to complying with all laws and regulations enacted at local, regional, national and European Union level, pursuing a progressive lowering of the threshold of acceptable risks. As a testament to the strong sense of legality and commitment to compliance with the rules and laws in force in the countries in which it operates, there have been no established cases of corruption (GRI 205-3) or legal actions for unfair competition conduct, competition authority and monopoly practices (GRI 206-1).

7. METHODOLOGICAL NOTE

The first Sustainability Report, aimed at all stakeholders and sets out to provide a **balanced and reasonable representation** of the company's **approach to sustainability**, taking into account both the **positive and negative impacts** generated by the management of this company.

This sustainability report:

- is the result of the **internal data collection process** shared between various corporate functions;
- has been prepared with the support of an **internal team**, in collaboration with an **external consultancy group** specializing in sustainability;
- was **overseen and approved** by the Board of Directors.

The document will be **disseminated** both inside and outside the company, in order to **communicate to employees and stakeholders** initiatives to achieve the goals of **greater efficiency and sustainability**.

With regard to **economic, social and environmental data and information**, the **reporting perimeter** is specified below for each **GRI indicator**, distinguished with respect to the field of operation.

Perimeter of the report

The **reporting perimeter** with evidence of the **material issues** and the **reference GRIs identified** is shown below.

Reporting criteria, standards, and goals

In order to ensure the **reliability of the data**, the use of **estimates** was **limited as far as possible**. Where available, **estimates** are **appropriately reported** and based on the **best available methodologies**.

This Report was drawn up based on the **Sustainability Reporting standards published in 2016 by the Global Reporting Initiative (GRI)**, taking into account the new **GRI 1, 2, 3**, which entered into force on first **January 2023**. All reported GRI indicators refer to this version, except for **indicators 303 and 403**, which refer to the 2018 version and **indicator 306**, which refers to the 2020 version.

This **first financial statement**, drawn up in compliance with **GRI**s and taking into account the **“With Reference” option**, is the instrument for reporting the company’s commitment to **ESG (Environmental, Social and Governance) criteria** and it was **approved by the Management Body**. The data contained therein are **updated to 31.12.2023** and are **correlated and compared with 2022**.

8. GRI CONTENT INDEX

Sanyleg reported the information mentioned in the following GRI content index for the 1st January 2024 – 31st December 2024 period with reference to the GRI standards.

Declaration of use	Sanyleg SRL reports in accordance with GRI Standard for the 01.01.2024 – 31.12.2024 period.
Used GRI 1	GRI 1– Fundamental Principles – Version 2021
Relevant GRI industry standards	For the current reporting period, GRI industry standards have not been published

GRI Standard	Information		Chapter
GRI 2: General Notice (2021)	2-1	Organizational details	1 SANYLEG SRL
	2-2	Entities included in the company's sustainability reporting	7 METHODOLOGICAL NOTE
	2-3	Reporting period, frequency and point of contact	7 METHODOLOGICAL NOTE
	2-4	Review of information	7 METHODOLOGICAL NOTE
	2-5	External assurance	N/A
	2-6	Business, value chain, and other business relationships	5 EXCELLENCE AND QUALITY THROUGHOUT THE VALUE CHAIN
	2-7	Employees	3 EMPOWERING PEOPLE
	2-8	Non-employed workers	3 EMPOWERING PEOPLE
	2-9	Structure and composition of Governance	6 GOVERNANCE
	2-10	Appointment and selection of the highest governing body	6 GOVERNANCE
	2-11	Chairman of the highest governing body	6 GOVERNANCE
	2-12	The role of the highest governing body in overseeing impact management	6 GOVERNANCE

GRI 2: Informativa Generale (2021)	2-13	Delegation of responsibility for impact management	6 GOVERNANCE	
	2-14	Position of the highest governing body in reporting sustainability	6 GOVERNANCE	
	2-15	Conflict of interest	6 GOVERNANCE	
	2-16	Communication of criticalities	6 GOVERNANCE	
	2-17	Collective knowledge of the highest governing body	6 GOVERNANCE	
	2-18	Assessment of the performance of the highest governing body	N/A	
	2-19	Remuneration rules	3 EMPOWERING PEOPLE	
	2-20	Salary setting procedure	3 EMPOWERING PEOPLE	
	2-21	Annual total pay ratio	3 EMPOWERING PEOPLE	
	2-22	Declaration on the sustainable development strategy	LETTER TO THE STAKEHOLDERS	
	2-23	Commitment to policy	1 SANYLEG SRL	
	2-24	Supplementation of commitments to policy	1 SANYLEG SRL	
	2-25	Processes to remedy negative impacts	6 GOVERNANCE	
	2-26	Mechanisms to request clarification and raise concerns	6 GOVERNANCE	
	2-27	Compliance with laws and regulations	6 GOVERNANCE	
	2-28	Union membership	N/A	
	2-29	Approach to stakeholder engagement degli	1 SANYLEG SRL	
	2-30	Collective agreements	3 EMPOWERING PEOPLE	
	Material topics			
	GRI 3: Material topics (2021)	3-1	Process for determining material topics	1 SANYLEG SRL
3-2		List of material topics	1 SANYLEG SRL	
SUPPLIERS				
GRI 204: Procurement practices (2016)	204-1	Proportion of expenditure carried out in favour of suppliers	5 EXCELLENCE AND QUALITY THROUGHOUT THE VALUE CHAIN	

CLIMATE CHANGE			
GRI 302: Energy (2016)	302-1	Energy consumption within the company	2 PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES
GRI 305: Emissions (2016)	305-1	Direct greenhouse gas (GHG) emission (Scope 1)	2 PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES
	305-2	Indirect greenhouse gas (GHG) emission (Scope 1)	2 PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES
CIRCULAR ECONOMY			
GRI 306: Waste (2020)	306-3	Waste generated	2 PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES
	306-4	Waste not delivered to landfill	2 PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES
	306-5	Waste delivered to landfill	2 PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES
BENESSERE E SALUTE E SICUREZZA			
GRI 403: Occupational health and safety (2018)	403-9	Occupational accidents	3 EMPOWERING PEOPLE
	403-10	Occupational diseases	3 EMPOWERING PEOPLE
TRAINING AND WORK QUALITY			
GRI 404: Training and education (2016)	404-1	Average number of hours of training per year for employees	3 EMPOWERING PEOPLE
GRI 405: Diversity and equal opportunities (2016)	405-1	Diversity in governing bodies and among employees	3 EMPOWERING PEOPLE
GRI 406: Non-discrimination (2016)	406-1	Incidents of discrimination and corrective measures taken	3 EMPOWERING PEOPLE
CONSUMER SAFETY			
GRI 416: Customer health and safety (2016)	416-1	Assessment of health and safety impacts by product and service categories	5 EXCELLENCE AND QUALITY THROUGHOUT THE VALUE CHAIN
GRI 418: Customer privacy (2016)	418-1	Proven complaints regarding customer privacy breaches and loss of customer data	6 GOVERNANCE
BUSINESS CULTURE			
GRI 201: Economic performance (2016)	201-1	Economic value directly generated and distributed	4 POSITIVE IMPACT ON THE TERRITORY AND ON THE COMMUNITY

GRI 205: Anti-Corruption (2016)	205-3	Confirmed corruption incidents and measures taken	6 GOVERNANCE
GRI 206: Anti-competitive behaviours (2016)	206-1	Legal actions related to unfair competition, trust activities and monopoly practices	6 GOVERNANCE
GRI 2: General information	2-27	Compliance with laws and regulations	6 GOVERNANCE
COMMUNITY			
Donations		KPI: Economic value of donation and sponsorships	4 POSITIVE IMPACT ON THE TERRITORY AND ON THE COMMUNITY
WATER RESOURCE			
GRI 303: Water and tributaries (2018)	303-3	Water collection	2 PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES
RESEARCH AND INNOVATION			
GRI 201: Economic value	201-1	Economic value	4 POSITIVE IMPACT ON THE TERRITORY AND ON THE COMMUNITY
REDUCTION OF MICRO PLASTICS			
GRI 301: Materials (2016)	301-1	Materials used by weight or volume	2 PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES
		Recycled materials by weight	2 PROTECTION OF THE ENVIRONMENT AND ITS RESOURCES

For further information and details, please visit the company website www.sanyleg.com.

For any comments, requests, or suggestions for improvement regarding the content presented, please send an email to marketing@sanyleg.com.

“I would like to thank the entire Organization and all my colleagues who actively contributed to the realization of our second Sustainability Report, a testimony to the path of continuity and improvement that we are carrying forward with commitment and responsibility.”



Alberto Ghelfi
CEO & FOUNDER SANYLEG

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PASSION FOR COMPRESSION

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SANYLEG

PASSION FOR COMPRESSION

“The best is yet to come”

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