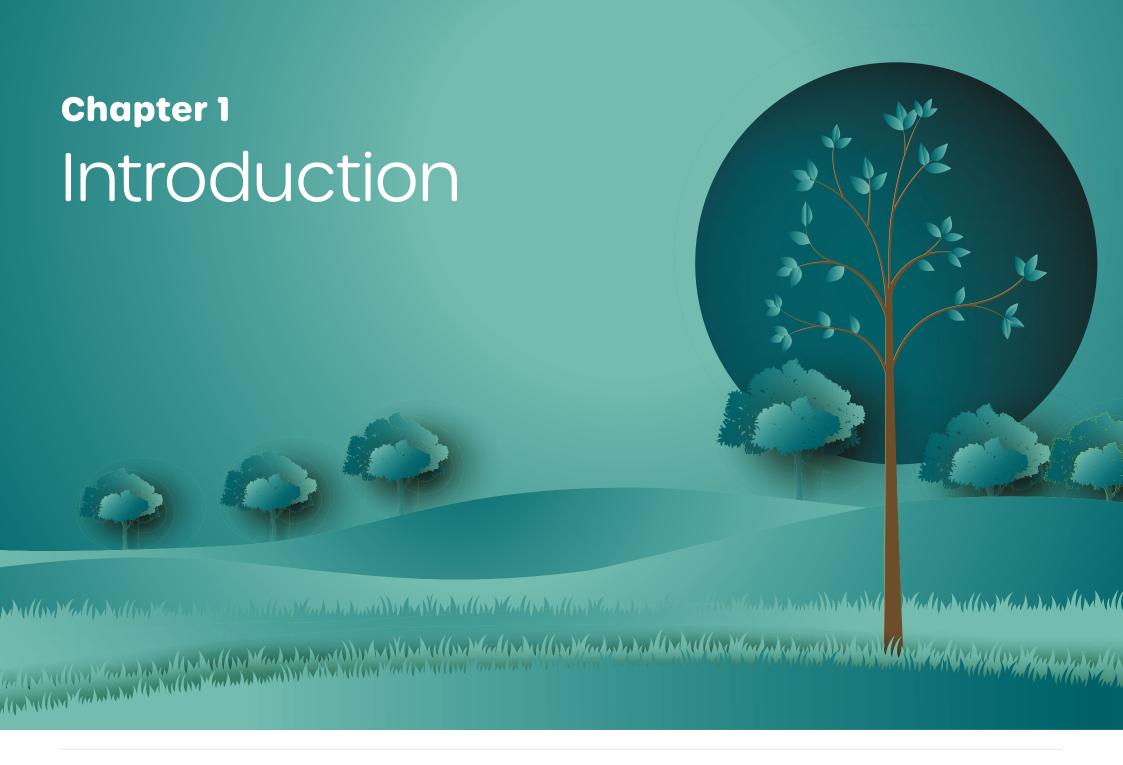


SUSTAINABILITY REPORT 2022

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A word from the CEO

GRI 2-22

The year 2022 was a challenging one. Fortunately, we could rely on our foundations to continue our journey towards business sustainability.

Despite the macroeconomic and geopolitical challenges experienced worldwide, our best corporate governance practices and long-term vision kept us focused on the commitments we have made to all our stakeholders.

Over the year, we remained close to **clients** through the numerous contact points during their journey with Fitesa. No research in the world can substitute the valuable feedback our teams collect in these daily interactions, which allow us to continually improve our products and services. Maintaining the status of a reliable business partner is a priority even – and particularly – through such challenging times.

The strong bonds with **suppliers** and **shareholders** were instrumental to enable these efforts, be through consistency, cooperation, and long-term commitment. We are mostly proud of the high ethical standards in which these relationships are based and complete another year with no incidents of corruption.

Our **employees** are the last part of this complex puzzle, and their dedication is what makes the difference between average and outstanding results. For this reason, we continue to reinforce our commitment to their safety and their development as priorities at Fitesa. As you will read here, we are happy to report an impressive

13% reduction in the recordable incident rate and will continue to work to guarantee that every person goes back home in the same – or better – health conditions as they came to work. As we continue to grow, we will also continue to employ our best efforts to develop our people and perpetuate our corporate culture.

Relying on our foundations does not mean halting the efforts focusing on long-term goals. Innovation and ESG remain strategic priorities for Fitesa, and in 2022 we registered important developments in both areas. Besides the numerous new products launched and under development, we started the construction of our two new spunlaid lines with state-of-the-art capabilities to convert more sustainable raw materials and produce high-loft products. As announced in 2021, these lines will be located in the United States and Europe, and the startup is planned for 2023. Our ESG committee remained very active, and we have commissioned a special study to evidence the importance of our foresting operation to the region's biodiversity. We also completed the year with four facilities certified by ISCC+ to supply biobased and circular nonwovens under the mass balance concept.

It has been 10 years since Fitesa published its first sustainability report. In 2013, I said that "our innovative processes provide us with an adaptive capacity that will allow us to quickly capitalize on market changes". I believe we have lived up to this statement, and I am confident that we will continue to do so in the years to come.

I hope you enjoy reading our report.



SILVERIO BARANZANO
CEO

CONTEXT

The year 2022 was defined by a challenging macroeconomic scenario, which translated into operational challenges for industries around the world. Throughout the year, we saw an inflationary increase in several economies that gradually lowered purchasing power and forced consumers to recalculate their spending, creating an imbalance between supply and demand for consumer goods. Furthermore, events like China's restrictions and the conflicts in Eastern Europe have also brought about other challenges, such as skyrocketing international industrial costs.

The escalation of the Russia-Ukraine war drove an unprecedented increase in energy prices, a highly sensitive resource to our operation. As a result, the increase in oil costs and maintaining a constant flow of inputs were additional challenges with raw materials.

In this scenario, our management system played an even more important role in sustaining our operations.

The work we have developed to solidify our culture and management practices over the years equipped us with resilience and tenacity to face difficult circumstances, convert risks and challenges into business opportunities, as well as strengthen bonds of trust with our customers and consumers.



"In 2023, we will be challenged to efficiently navigate unpredictable waters. Our success will depend on our

discipline to execute a series of small but fundamental actions, from human resources to cost management, maintaining our agility and keeping on top of consumers' changing needs."

RICARDO FASOLO
Vice-President for the United States and Canada

"Fitesa has always demonstrated its commitment to our customers and the markets we serve. We will continue collaborating with our tackle ongoing challenges of supply

partners to tackle ongoing challenges of supply chain, energy insecurity, and any other situations that comes our way."

MICHAEL BAUMGARTNER Vice-President for Europe, China, and Global Sales

"Those who are better prepared learn with crises and come out of them stronger. Economies in general, and the nonwovens industry in particular, are facing challenging scenarios. I am confident Fitesa is prepared for transforming these challenges into growth opportunities."

MATEUS INACIO Vice-President for Latin America and Global Operations

"As the world keeps changing at breakneck speed, we must step up into the leading role of defining the direction we want for the industry and our business. With the good combination of insight, grit, and agility, we will be poised to thrive not only at the more well-known paths but also beyond into the future."

JAMESON MIGUEL Vice-President for Southeast Asia and CEO FitesaCNC

About this Report

GRI 2-3 | 2-14

Fitesa's 2022 Sustainability Report was developed to show how our business creates value for people, the environment, and society, providing key environmental, social, and governance highlights from all of Fitesa's operations for the period between January 1 and December 31, 2022.

The information presented here was reviewed and approved by our Executive Management, and this report was prepared based on the Global Reporting Initiative (GRI) Standards, the global best practice for sustainability reporting.

At the start of each chapter, you will also find the Sustainable Development Goals (SDGs) and the Global Compact Principles related to the covered topics.



2022 Highlights



BUSINESS



Revenue of

billion USD

Capital Expenditure Investment of

2.3 million USD

for energy efficiency, quality, and safety projects



thousand training hours for employees

Launch of the **European Women** Program

SOCIETY

Launch of the Safety Golden **Rules**



13% reduction in the Recordable year-over-year



Incident Rate (RIR)



Installation of solar panels in our FitesaCNC Rayong (THA) facility

ENVIRONMENT

facilities achieved

zero waste to landfill

ISCC+ certified

facilities

844 thousand USD

contributed in donations to charities and community organizations



AWARDS & RECOGNITIONS

2022 World of Wipes Innovation Award FINALIST

Fitesa Dual Textured 3D Nonwoven

Following Fitesa's entrance in the US wipes market in 2020 with the acquisition of Fiber Dynamics, we continued to innovate and were finalists in the prestigious World of Wipes (WoW) Innovation Award for our Dual Textured 3D Nonwoven. With features like exceptional abrasion resistance and dual surface (scrubby and soft), this nonwoven is mostly used for hand and surface wipes.

2022 IDEA Sustainability Advancement Award FINALIST

Fitesa 100% Biobased BioPE/PLA

Our customers continue to introduce new sustainable products to their regional portfolios, expanding the reach of our biobased product line. In 2022, we were finalists in the prestigious IDEA Sustainability Advancement Award for our 100% Biobased BioPE/PLA.

P&G 2022 External Business Partner Excellence Award WINNER

Fitesa Europe

This award recognizes the external partners that support Procter & Gamble in the supply of materials, packaging, equipment, transportation, and logistics. The highlights include Commercial, Operational, Relationship and Citizenship performance.

2022 South Carolina Best in Business Awards BEST ADVANCED

MATERIALS AND
PLASTICS COMPANY

Fitesa Simpsonville (USA)

Winner of the "Best Advanced Materials and Plastics Company" Award sponsored by Integrated Media Publishing. The award aims to recognize companies from around the state of South Carolina that demonstrate strength and success in the business community.

Renewable Water Resources (Rewa) ENVIRONMENTAL STEWARDSHIP CERTIFICATE

Fitesa Simpsonville (USA)

Certificate awarded in May 2022 in recognition of Fitesa Simpsonville (USA) for providing a cleaner environment in the year 2021.

Ranking 500 Biggest in the South (Grupo Amanhã)

10TH LARGEST COMPANY IN THE STATE OF RIO GRANDE DO SUL 26TH LARGEST COMPANY IN SOUTHERN BRAZIL

Évora

Recognition of our parent company Évora for its operations in southern Brazil. Highlight for holding the highest net sales and profits in the plastics and rubber businesses.



ASSOCIATIONS

GRI 2-28

ABINT

Fitesa is a member of the Brazilian Nonwovens and Technical Textiles Industry Association. Our Vice-President for Latin America, Mateus Inacio, is the current president of the association.

EDANA

Fitesa is a member of the EDANA nonwovens association, engaging in several working groups. Our Vice-President for Europe and Asia, Michael Baumgartner, serves on the Board of Governors.

INDA

Fitesa is a member of the Association of the Nonwoven Fabrics Industry (INDA). Our Vice-President for US & Canada, Ricardo Fasolo, was elected for the 2023 Board of Directors.

EAfA

The European Alliance for Apprenticeships is an important unit of the European Commission which works to improve the quality, supply, and image of apprenticeships in Europe, and to promote the mobility of apprentices.



About Fitesa

GRI 2-1

We are proud to have a 50-year history, specializing in providing innovative nonwoven solutions to the hygiene, healthcare, and industrial markets.

COMPANY SNAPSHOT



Completing
50 years of
history
in 2023, 34
dedicated to
nonwovens
manufacturing



Operating with
23 manufacturing
locations in
13 countries



innovation centers

UN Global Compact Members

Sales office in **Japan**Corporate Office in **Brazil**



Brazilian
company with
the largest
international
presence
according to
Fundação Dom
Cabral

Our main technologies: Spunmelt, Carded, Airlaid, Films & Elastics We disclose our **ESG performance** in the EcoVadis and Sedex platforms



Pioneers in the production and commercialization of biobased nonwovens



OUR MISSION: Fitesa develops nonwoven solutions for the hygiene and healthcare industries. We manufacture and sell our products across the globe and build our business on the aligned values of the company and our employees. We are constantly seeking new ways to evolve and grow in dynamic and responsible ways.



OUR VISION: To be the preferred choice for the supply of nonwoven solutions to the global hygiene and healthcare industries.



OUR VALUES: Trust, Simplicity and Frugality, Respect for Individuals, Transparency, Honesty and Integrity.



OUR MANAGEMENT PRACTICES:

Empowerment and Responsible Autonomy, Teamwork, Meritocracy, Employee Development, Always Do More and Better with Less.



Our business

GRI 2-6

We apply different technologies such as extrusion and spinning to transform thermoplastic resins into roll goods that are used as raw materials in a variety of consumer products, mostly for the hygiene and healthcare markets.

We offer a large portfolio of innovative solutions to address our customers' most pressing needs, including materials that help reduce the carbon footprint and increase the circular content of their products.



Hygiene

- Baby diapers
- » Feminine/period care
- » Adult/incontinence care

Healthcare

- » Face masks
- » Surgical gowns
- » Surgical drapes
- » Sterilization packaging

Industrial

- » Agriculture
- » Bedding
- » Oil and other liquid sorbents
- » Clothing
- » Air and water filtration

OUR SOLUTIONS

Spunmelt

Spunmelt nonwovens are produced through the extrusion of one or more polymers, such as polypropylene (PP), polyethylene (PE), and polylactic acid (PLA), into filaments which are consolidated into a web through a thermal process, forming a flexible, fabriclike material with excellent mechanical properties ideal for use in the hygiene, healthcare, and industrial markets.

Fitesa owns one of the world's greatest bicomponent capacities and offers one of the largest renewable portfolios in the industry, with solutions ranging from 20% to 100% renewable content.

Meltblown

Meltblown nonwovens are produced through the extrusion of polypropylene (PP) into microfilaments, forming a fabric with greater surface area. This configuration can be optimized for superior adsorption or to form a barrier, depending on the desired application. Meltblown fabrics are best known for their use as filters for face masks and respirators, but they can also be applied in oil sorbents and wipes, among others.

Fitesa is a leader in the production of meltblown and composites for a variety of applications such as respiratory protection and sanitizing wipes.

Carded

Carded nonwovens are produced through the consolidation of a variety of fibers, such as polypropylene (PP), polyethylene (PE), polyethylene terephthalate (PET), rayon, and cotton, into a soft and thick web, using chemical, mechanical, or thermal processes. These nonwovens are widely used in personal care products, especially in elastic ears and in the liquid acquisition and distribution layers of disposable diapers.

Fitesa produces air-through bonded (ATB), resin bonded (RB), spunlaced, and thermobonded (TB) carded nonwovens

Airlad

Airlaid nonwovens are manufactured from cellulose pulp and consolidated into a web through chemical or thermal processes. They can be incorporated with super absorbent polymer (SAP) or combined with carded nonwovens to further improve their liquid absorption and distribution properties. These nonwovens are ideal for application in high quality fem care products, diapers, dry and premoistened wipes, as well as dry converted products such as food tray pads, napkins, and medical substrates.

Fitesa produces thermobonded (TBAL), latex bonded (MBAL), and multibonded (MBAL) airlaid nonwovens.

Films & Elastics

Films are produced through the extrusion of a variety of polymers, such as polyethylene (PE) and elastomers.

Fitesa produces elastic and nonelastic films that can be laminated with one or more layers of nonwovens or embossed and perforated.



GOVERNANCE STRUCTURE

GRI 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-17 | 2-23

We strive to apply the best governance practices in all our locations to guarantee a global standard of responsibility, ethics, and purpose in conducting our business.

Our board of directors is made up of directors from our parent company, Évora, with a two-year term of office. The main responsibility of the board is to oversee Fitesa's business, including economic, environmental, and social topics. This level of governance acts collectively on decision making, with no committee breakdown on its structure.

Fitesa's board of directors is briefed monthly on operational performance, economic impacts, environmental, and social aspects of the business. Fitesa's CEO and executive management report to the board yearly on midterm and long-term strategy reviews.

Fitesa is a privately held company, and many of its board seats are held by members of the Corporation's controlling family; however, with acceptance of their roles they vowed professional behavior with impartial decision-making. All our board members avoid

influence and constraints that could prevent proper actions or decisions from being taken. Moreover, all decisions made by the board of directors are unbiased and made in the best interest of all company shareholders. As an additional governance measure, Fitesa bylaws demand some decisions are submitted for shareholders' approval, and subsequently to the approval of Évora's own board of directors, which is composed of eight non-executive members, including five market professionals.

Our executive management is composed of regional leaders that have full Profit & Loss (P&L) responsibility over a region, including economic, environmental, and social topics; and functional leaders, that are responsible for specific areas such as finance, innovation, human resources, procurement, and marketing.

Environmental topics are managed by Fitesa's Global Director of Quality Assurance, Health, Safety & Environment, Management System & Process Improvement, reporting to the Vice-President of Global Operations. Social topics are managed by Fitesa's Corporate HR Director, reporting to the CEO.



Fitesa Board Member

William Ling

Fitesa Board Member

Wilson Ling

Fitesa Board Member and Director of Évora

Anthony Ling

Fitesa Board Member and CFO of Évora

Eduardo Lubisco

The performance and initiatives in environmental and social areas are consolidated and monitored under the umbrella of the Environmental, Social, and Corporate Governance (ESG) Committee, led by a senior executive and reporting directly to the CEO.

The ESG Committee and the Corporate HR Director periodically provide information to the board of directors about Fitesa's environment and social performance and practices.





CEO Silverio Baranzano



HAL SINGLEY
CFO and Corporate IT
Director

LAVINIA LEITECorporate Controller

RENE RUSCHEL VP of Technology, Innovation, and Engineering

FERNANDA GASTAL
VP of Procurement,
Marketing and Head of
the ESG Committee

RODRIGO AZAMBUJA Corporate HR Director



REGIONAL LEADERS

MICHAEL BAUMGARTNER

Regional VP for Europe, China, and Global Sales

MATEUS INACIO

Regional VP for Latin America and Global Operations

RICARDO FASOLO

Regional VP for the United States and Canada

JAMESON MIGUEL

Regional VP for Southeast Asia and CEO of FitesaCNC



ETHICS & INTEGRITY

GRI 2-23 | 2-24 | 2-26 | 205-2

Our commitment to conducting our business ethically is reflected in our values, corporate policies and external commitments. Our operations and business practices comply with all laws and regulations of the countries in which we operate as well as international frameworks.

We are signatories of the United Nations Global Compact and strive to internalize its 10 principles, which aim to curb human rights violations, ensure a fair and healthy work environment, prevent environmental impacts, and fight corruption.

Our code of conduct is Fitesa's main policy on anti-corruption, setting high expectations about the behavior of all our employees and suppliers. The code of conduct is updated by Corporate Human Resources, which is also responsible for introducing it to new employees during the employment onboarding process. In addition, area managers must conduct refresher training routinely as needed. The company's leadership receives additional training aimed at reinforcing topics such as anti-bribery/anti-corruption, competition law, and business ethics.

Apart from the code of conduct, we have a number of policies that guide our business and the actions of our employees:

- » Sustainability Policy
- Health & Safety Policy
- » Anti-Harassment
- » Equal Employment

- » Workplace Violence
- » Supplier Code of Conduct
- **Purchasing Policy**
- » Privacy Policy

Fitesa's code of conduct is presented to all employees during the employment onboarding process as a new hire. Therefore, 100% of employees have been communicated about the organization's anti-corruption policies and procedures.

Moreover, we conduct recurrent training on the theme, which in 2022 reached 30.2% of our employees, including 100% of the executive management.

Employees who witness violations of any law, regulation, or company policy are encouraged to report it immediately through the whistleblower channels available at each facility: Lighthouse or Canal Ético (Ethical Channel). The channels are outsourced to third parties, making it possible for reports to be made anonymously, in local language, via email or telephone. Promotion of these resources to employees include wallet cards, posters, and verbal communication at various company-wide meetings. The information explaining how to use these reporting channels are in the local language spoken at each facility and company's chosen language of English. Every report received is kept with strict confidence, investigated by unbiased and trained colleagues, then followed through with actions, when necessary, to close the report. Employees that make themselves known when filing reports are guaranteed to be free from any retaliatory action.

During the year of 2022, we had a total of eighteen reports made about topics consisting of work environment concerns, policy/procedure violation concerns, or illegal/unethical activity concerns. After the applicable investigations, we attest there were zero incidents of corruption and a satisfactory resolution for all other concerns.

TOTAL NUMBER AND PERCENTAGE OF EMPLOYEES WHO RECEIVED TRAINING ON ANTI-CORRUPTION POLICIES

GRI 205-2

	2020			2021		2022	
	NUMBER	%	NUMBER	%	NUMBER	%	
Board of Directors	0	0.0%	0	0.0%	0	0.0%	
Executive Management	8	88.9%	8	88.9%	9	100%	
Management	154	75.5%	177	88.5%	183	94.3%	
Operations	127	9.3%	30	1.6%	202	11.3%	
Office	88	38.8%	103	40.4%	150	66.4%	
Technical	47	15.5%	46	20.6%	201	58.8%	
Sales	31	68.9%	35	58.3%	47	77.0%	
Total	455	21.1%	399	15.1%	792	30.2%	

TOTAL NUMBER AND PERCENTAGE OF EMPLOYEES WHO RECEIVED TRAINING ON ANTI-CORRUPTION POLICIES GRI 205-2

	NUMBER	%
United States	179	27.6%
Latin America	323	39.1%
Europe	210	28.9%
Asia	80	19.0%
Total	792	30.2%

THE FITESA MANAGEMENT SYSTEM (FMS)

GRI 2-24

The Fitesa Management System (FMS) consists of all policies, guidelines, and procedures that collectively describe why we exist, what we stand for, what we do, why, and how we do it. Ultimately, it provides guidance on the standards to be followed at all facilities.

Everything we do, that is, all of Fitesa's processes, are guided by one or more company drives:
Safety, Quality, Efficiency, and Sustainability.

Each company drive has a policy that describes the main stakeholder it serves and how it is implemented in our daily work.



HEALTH AND SAFETY

Stakeholders: Employees **Corporate Policy:** Safety Policy

For Fitesa, safety is the number one priority. As a result, we are fully committed to having a healthy and safe workplace for all our employees. We will achieve this by:

- » Understanding and fully complying with all applicable legal and other requirements regarding health and safety. *Following the law is the minimum standard, not the maximum.*
- » Creating a working environment where all our employees take responsibility for their own health and safety, and for that of their colleagues. No activity is so urgent that it cannot be performed in a safe manner.
- » Proactively working towards prevention of workrelated injury and ill health through continual improvement. *All injuries are avoidable*.
- » Considering health and safety aspects when planning changes in the organization, work content and methods, work environment and procurement of new equipment and services. Employee involvement is encouraged to ensure a good end result. We think before we do.



EFFICIENCY

Stakeholders: Shareholders **Corporate Policy:** Efficiency Policy

Fitesa will ensure long term success by managing our time and efforts so investments in people and resources are optimized. We will achieve this by:

- » Designing our processes so they deliver the required results smoothly and without stress. Do it right the first time.
- Ensuring flexibility in our processes so we adapt to new realities without overburdening. Adapt to change in a controlled manner.
- Minimizing wastes in our processes by continually improving our working methods and procedures. Accept the existence of wastes but always strive to reduce them.
- » Combining discipline, knowledge and creativity in our everyday work. *The limits to what we can achieve are set by ourselves.*



SUSTAINABILITY

Stakeholders: Society

Corporate Policy: Sustainability Policy

At Fitesa, we advocate responsible management of resource use to emphasize our commitment to contributing to a sustainable society. We will achieve this by:

- » Ensuring company stability and profitability, enabling us to share with society through employment opportunity, taxation and social contribution. Sustainability is reached through progression, not regression.
- » Understanding and fully complying with all applicable legal and other requirements regarding environmental and social issues. Following the law is the minimum standard, not the maximum.
- » Working continuously towards reducing our environmental impact:
 - Minimizing the amount of material sent to landfill from our operations. *Reduce, reuse, recycle.*
 - Improving our energy profile through choice of energy type, choice of energy source and reduction of direct specific energy use. *Our energy systems serves our needs without compromising the needs of future generations.*
 - Addressing the issue of climate change by reducing our greenhouse gas footprint. We do not inherit the earth from our ancestors; we borrow it from our children.
- » Taking social and moral responsibility in the regions we are present. Do good, be just.



QUALITY

Stakeholders: Customers and Consumers

Corporate Policy: Quality Policy

Fitesa understands the foundation of reaching our goal of being the preferred choice in the market is built through excellence in quality and customer satisfaction. We will achieve this by:

- » Creating an environment where every employee understands the impact of their work on quality and is driven by a culture that believes every detail matters. We are never stronger than our weakest link.
- » Fully understanding the needs and expectations of our present and potential customers. We know our business and our products better than anyone else.
- » Investing in know-how and state-of-the-art assets to be able to provide world-class products and quality assurance that meet our customers' requirements and expectations. We deliver what we promise.
 - Supplying the right product, in the right amount at the right time.
 - Ensuring that our product is free from contaminations and unwanted components.
 - Delivering product that meets all the requirements for physical properties.
- Continuously developing and improving our management processes, products and services with the aim of being one step ahead of market demands. We come with the solution before the customer comes with the problem.

OPERATIONAL STRATEGY

Our operational strategy can be seen as a five-level pyramid shape.

The potential severity of an incident increases as we move up to higher levels of the pyramid. For this reason, we believe focusing on behavior is the most effective tool to prevent potentially critical situations. Each level has its own specific mitigation procedures, and the pyramid applies to all our four company drives.

After an investigation, an internal responsible person is assigned to develop a plan to reduce or eliminate the risk or hazard that caused the accident. The approval of this plan, as well as the follow-up of its implementation, is also managed in our global system.

CRITICAL FAILURE

4
FAILURE

SAFETY NET

PREVENTIVE/
PREDICTIVE
SYSTEMS

MPLOYEES

LEVELS 4 AND 5: FAILURES AND CRITICAL FAILURES

Failures and critical failures are the result of problems in behavior (level 1) and/or systems (level 2). Addressing events on levels 4 and 5 is always a corrective and late approach. Nevertheless, we must learn from them, which includes investigation and treatment of events in all company drives.

LEVEL 3: SAFETY NET

We design safety nets to catch behavior and system weaknesses before they lead to a problem. This includes, for each company drive, near-miss reporting, audits, and everyday interaction with employees.

LEVEL 2: PREVENTIVE/PREDICTIVE SYSTEMS

This level encompasses the prediction and prevention of problems. We apply robust systems and a systematic approach to guarantee the discipline, stability, and reliability necessary to reach our goals. This means applying strong policies, procedures, and tools for each company drive.

LEVEL 1: EMPLOYEES/BEHAVIOR

The base of the pyramid is related to people and their behavior. We employ training and capacity-building to achieve the knowledge, the creativity, and the will to do the right things and to do things right. This means adopting a behavioral-based approach for each company drive.

Risk Assessment

As one of the pillars of prevention, we apply risk assessments with the purpose of identifying necessary improvements and increasing awareness about the risks involved and the control measures required when performing routine and non-routine tasks.

The basic principle of risk assessment is the hierarchy of controls. For the safety drive, this means that:

"Risk assessment is an important part of our management system. Its principles are equally applied to all our company drives: safety, quality, efficiency, and sustainability"

ANDERS FOGELBERG

Global Director of Quality Assurance, Health, Safety & Environment, Management System & Process Improvement



Once the risks and/or hazards are identified, we take measures to eliminate them.



When a risk and/ or hazard cannot be eliminated, we develop solutions to reduce them based on the risk priority number (RPN), a classification based on the frequency of the exposure, and the probability and potential consequences of a possible occurrence.



When a risk and/or a hazard cannot be reduced to acceptable levels, we:

- Apply engineering controls (such as safety engines and blocks) aiming to reduce and control the risk/hazard at source.
- Apply administrative controls (such as procedures, inspections, and trainings) aiming to minimize the risk/hazard through safer work systems.



Finally, we employ Personal Protective Equipment (PPE) to reduce the severity of accidents due to residual risks/hazards.

All routine and non-routine tasks should only be started if risks are known and understood and once control measures are in place.

The quality of these processes is based on two pillars:

- » Expertise. All people performing risk assessments are experts in the topics.
- » Training. All people performing the described activities are trained in the applicable policies and procedures, as well as in general risk-assessment methods.

The information generated through these processes is the starting point for the management system continuous improvement cycle. The risk assessments are documented using our global system to ensure identification of priority risks and deployment of corrective actions. The follow-up of its implementation is also managed in our global system.

Moreover, we rely on other initiatives to reduce our operation's risks, such as:

» Risk observation and near miss reporting: Employees are continually encouraged to identify and report conditions that could pose a risk to one of our drives We have a corporate tool to record, manage and investigate events quickly and in a timely manner. Information on events is rapidly communicated to all our facilities, requiring implementation of relevant changes that emerge from the

Communication of near misses and failures:

- Information on events is rapidly communicated to all our facilities, requiring implementation of relevant changes that emerge from the investigation. These changes could involve investments in new equipment, infrastructure modification, or updates to procedures.
- » Worker participation and consultation:

The main form of paticipation is through everyday interaction between managers and employees. This strenghtens our corporate culture and the foundation of our strategic pyramid (behavior). Another form of participation is through the risk assessment and reports, which are the basis of the continuous improvement cycle of our management system.

- » Access to relevant information: All relevant policies and procedures are available on our global document system.
- » Committees: All facilities have health and safety and quality committees where employees are represented by their leadership with the goal of evaluating the local performance and defining improvement strategies and measures. Each

- location has the autonomy to define the form and frequency of the meetings.
- Culture: Our deep commitment to our company drives has helped us build, over our fifty years of history, a culture that goes beyond the policies, procedures, and systems. It is part of our daily lives, and the number of contributions to our voluntary risk observations and near-miss reporting are the evidence that no worker is at risk of reprisal for participating in this area.

In 2022, more than 4,392 near misses or risky conditions were reported. All contributions were evaluated and 3,791 (86%) had their respective actions fully implemented by the end of the year, ensuring an even more robust and effective health and safety system thanks to the direct participation of our employees.

BUSINESS LONGEVITY

To ensure the longevity of our business, we have established 2030 directions in the areas of



When setting short-term goals and strategies for running our business, our leaders must consider these long-term directions, aligning our present practices with our future objectives.

In addition to our 2030 directions, we also have sustainability targets specifically related to the environmental footprint of our operations. Set in 2018 with 2017 as the baseline, we aim to achieve by 2025:



50% reduction in the production waste sent to landfills (kg of waste/tonne of product).

More on page 45



reduction in CO₂ emissions (tons of CO₂ scope 1 and scope 2/tonne of product).

More on page 44



reduction in energy consumption (KWh/tonne of product).

More on page 42





Sustainable Evolution

We are a future-oriented organization. To achieve longevity, we continuously analyze our positive and negative impacts, as well as the way changes in the ESG context may affect our business. Our prioritization process is based on our materiality matrix and complemented with stakeholder input.

Moreover, our innovation efforts are key in boosting value creation for all stakeholder groups.

MATERIALITY

GRI 3-1 | 3-2

Our materiality matrix is composed of five material topics representing the most relevant themes for our business sustainability.

The process to define the priority themes was carried out in 2020 and included an analysis of the main sustainability frameworks in the market in conjunction with consultation with our key stakeholders. Those chosen to participate were defined based on an analysis of our value chain and included suppliers, customers, and employees.

We also correlated our material topics with the Sustainable Development Goals and the Global Compact Principles.

MATERIAL TOPICS

SAFETY AND CONVENIENCE FOR CONSUMERS

RELATED UNITED NATIONS SDGS





MATERIAL TOPICS RISK MANAGEMENT

RELATED UNITED NATIONS SDGS



MATERIAL TOPICS ETHICS AND FIGHT AGAINST CORRUPTION

RELATED UNITED NATIONS SDGS



RELATED UNITED NATIONS GLOBAL COMPACT PRINCIPLE

10) Businesses should work against corruption in all its forms, including extortion and bribery.

MATERIAL TOPICS

ENVIRONMENTAL IMPACTS

RELATED UNITED NATIONS SDGS











RELATED UNITED NATIONS GLOBAL COMPACT PRINCIPLE

- 7) Businesses should support a precautionary approach to environmental challenges;
- 8) undertake initiatives to promote greater environmental responsibility; and
- 9) encourage the development and diffusion of environmentally friendly technologies.

MATERIAL TOPICS

EMPLOYMENT AND WELL-BEING

RELATED UNITED NATIONS SDGS



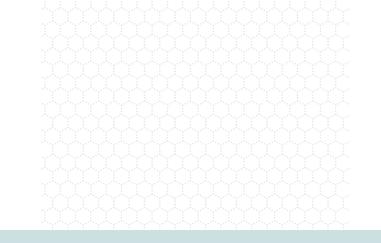
RELATED UNITED NATIONS GLOBAL COMPACT PRINCIPLE

- 1) Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2) Make sure that they are not complicit in human rights abuses.
- 3) Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4) the elimination of all forms of forced and compulsory labor;
- 5) the effective abolition of child labor; and
- 6) the elimination of discrimination in respect of employment and occupation.

STAKEHOLDER ENGAGEMENT

GRI 2-25 | 2-29

We value assertive and transparent communication with our stakeholders. We nurture close relationships with them based on continuous contact to understand their priorities and perspectives. We employ proper forms of communication with each Stakeholder group to collect their invaluable feedback.



STAKEHOLDER GROUP



Employees



Communities



Shareholders



Customers



Consumers



Suppliers

FORM OF ENGAGEMENT

To understand the points of view of our employees, we periodically carry out an Engagement Survey, in addition to assessing performance through periodical reviews. We also promote open communication within all levels of the organization.

We are proud to support the needs of the communities in which we operate. Our most effective tools for this are creating jobs and paying taxes, but we also partner with third-party organizations for targeted projects.

As a privately held company, we maintain a close relationship with our shareholders through monthly meetings with our board of directors.

We routinely collect feedback from our key customers on Fitesa's performance in critical areas and dedicate technical and sales resources to encourage ongoing communication. We connect with end consumers through our customers, by consulting market research, and participating in events. We also have technical teams working with key customers to design innovative solutions to meet the needs of end consumers.

We believe that the growth of our business is connected to maintaining lasting relationships with our supply chain. Even though we are a global company, we maintain local contact with critical suppliers through our purchasing teams.

INNOVATION

In our Innovation Centers, we channel our efforts into developing technologies that meet the key objectives of our customers and consumers to ensure that Fitesa is the preferred choice of the hygiene and healthcare industries.

More Sustainable

A major focus of our research and innovation is on the use of raw materials that reduce the carbon footprint and increase circularity of our products, seeking not only to meet the growing expectations of the consumer market, but also to drive our industry towards an increasingly sustainable future.

New Products

Fitesa started developing biobased nonwovens more than ten years ago, partnering with customers to successfully introduce diapers manufactured with BioPE and PLA materials around the globe. In 2022, we were happy to take part in projects that extended this concept even further.

In Europe, we increased the supply of ISCC+ certified biobased nonwovens under the mass balance concept. We also started negotiations with customers to introduce circular nonwovens produced from mass balance resins in other regions.

In the US, our customers have successfully launched new lines of face masks produced with our 100% biobased material.

We also used our vast biobased polymers experience to develop a 100% biobased film for the hygiene market.

Projects

In 2022 we started the construction for the new Multibeam Reicofil 5 lines in Europe and the US. The new machines will be capable of converting bio and circular polymers into high quality spunlaid nonwovens. The investment in state-of-the-art technology not only increases the availability of such materials but will also provide customers with more technological and efficient solutions to increase the sustainable content of their products.

Fitesa is constantly testing new technologies, raw materials, inputs, and product configurations to improve the sourcing and end of life sustainability profile of our solutions.

WHAT IS ISCC+?

The ISCC+ certification attests our ability to produce and commercialize materials from renewable and recycled sources, through the mass balance system. The mass balance system is based on the principle of mass conservation, with the possibility of gradually increase the use of biobased and/or circular raw materials in the production process.

Learn more about ISCC+ certification at www.iscc-system.org





More Performance

The search for solutions with increased protection or differentiated beneficial action is also an important innovation driver.

New Products

In Latin America, our customers developed new lines of sanitizing wipes and antibacterial face masks manufactured with our Fitesa Shield product family.

In the healthcare market, we developed a composite material to deliver two or more layers of a surgical face mask in one single roll. This solution contributes to our customers' production efficiency and inventory control.

In 2022, we also employed our development efforts to help our customers optimize costs through basis weight reductions, without compromising the performance of the products. This is only possible through the combination of modern technology and technical expertise and has also the additional benefit of reducing the plastic content of the final products manufactured with our materials. On average, the basis weight of our products reduced by 2.6% from 2021 to 2022.

Projects

In September, we announced the agreement with LifeSavers to incorporate their award-winning technology into Fitesa's substrates, resulting in

materials that would change color when in contact with abnormal indicators in bodily fluids, such as urine.

Fitesa is constantly testing new technologies, raw materials, inputs, and product configurations to improve the performance of our solutions.

More Comfort

The market is always changing, but consumers continue to place high priority on the comfort of personal care products. Fitesa is continuously working to address the different attributes that can help making more comfortable hygiene products, such as softness, drapeability, flexibility, and fluid management.

Value to Our People

OUR EMPLOYEES

GRI 2-7 | 2-23 | 2-24 | 2-30 | 401-1 | 405-1

Our international presence means that we are in constant contact with different cultures and ways of living. We understand that we must respect and enjoy the benefits of this diversity, while establishing a single corporate identity, based on our values and management practices.

We envision a workplace where people have opportunities to develop based on their own merit, and a work environment that is free of harassment, violence, and discrimination of any kind.

To achieve that, we rely on our corporate culture (values and management practices), and we have policies that formalize our commitment to nonnegotiable topics such as ethics, anti-harassment, equal employment, workplace violence, and open communication.

Regional operations have the autonomy and responsibility to analyze, prioritize, and implement action plans to close the gaps towards this standard and boost employee engagement.

We believe that engaged people will chose to continue working for Fitesa, deliver better results, and be promoted as growth opportunities arise. For this reason, we monitor the tenure of our employee base and the rate of leadership positions filled through internal recruitment as key metrics in our HR system.

Our average global tenure is nine years. Europe is the region with the highest tenure average, at fourteen years, followed by Asia (eleven years), Latin America (six years) and the United States (six years). A total of 54.3% of our employees have been working at Fitesa for more than five years, and 69% of our management team were promoted to their current positions, that is, were hired internally.

We believe engagement is also the result of a welcoming work environment. Therefore, our facilities are encouraged to promote local celebrations in honor of families and other dates important to each location. of our employees have been working at Fitesa for over 10 years.

We also have a

6

9

leadership
retention rate,
a result of our
internal training and
promotion efforts.



We participate in collective bargaining in those countries where unions or employee associations are present, such as in the **United States**, **Europe**, **Brazil**, **Mexico**, and **China**.





Our employees are distributed across four regions, spanning **13 countries.**





EMPLOYEE DISTRIBUTION BY CONTRACT TYPE AND WORKING TIME

GRI 2-7

	2020			2021		2022	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Temporary	126	10	133	9	85	12	
Permanent	1,687	336	2,086	417	2,094	432	
Full-time	1,810	334	2,213	410	2,176	427	
Part-time	3	12	6	16	3	17	
Total by gender	1,813	346	2,219	426	2,179	444	
Total	2	2,159		2,645		2,623	

In 2022, our hiring and turnover rates were impacted by a mix of macroeconomic factors and specific challenges in the markets in which we operate, especially in Europe, Latin America, and Asia, where we halted the Tianjin (CHI) carded operation. Throughout the year, we recorded a reduction in the turnover rate in all of these regions. In the case of Latin America, this movement was offset by new hires at the end of the period, due to ongoing expansion projects.



IN LATIN AMERICA, WE HAVE FOCUSED OUR EFFORTS ON MAINTAINING THE LEADERSHIP DEVELOPMENT PIPELINE, WHILE FACING THE CHALLENGES OF RECRUITING AND ONBOARDING EMPLOYEES FOR OUR NEW LINES IN JACAREÍ (BRA) AND COSMÓPOLIS (BRA).

We have promoted interns, expanded our training offerings, and reviewed the performance of employees. As part of our development strategy, twenty employees rotated jobs, either by changing departments or by transferring to different locations. This exposure helps spread our values across locations while delivering new experiences and knowledge.

We have increased training hours by 12.2% with a highlight on the ESG training implemented in our Brazilian facilities, which involved one hundred and sixty participants.

Finally, we are proud that our plant located in Gravataí (BRA) is home to the 2022 Smart Solutions winning project.

In 2023 we will continue working to deliver results while developing and engaging our teams."

Angelo Ferreira

HR MANAGER SOUTH AMERICA

JOB CREATION IN 20221

GRI 401-1

	TOTAL NUMBER OF EMPLOYEES	NUMBER OF HIRES	NUMBER OF TERMINATIONS	HIRING RATE	TURNOVER RATE
BY REGION					
United States	648	327	284	50.5%	43.8%
Latin America	827	207	192	25.0%	23.2%
Europe	726	27	55	3.7%	7.6%
Asia	422	14	64	3.3%	15.2%
BY GENDER					
Male	2,179	472	500	21.7%	22.9%
Female	444	103	95	23.2%	21.4%
BY AGE GROUP					
Under 30 years	568	240	214	42.3%	37.7%
30-50 years	1,425	278	306	19.5%	21.5%
Over 50 years	630	57	75	9.0%	11.9%
Total	2,623	575	595	21.9%	22.7%

¹Temporary employees are not accounted for in the hiring and termination figures, but only make up the total number of the Company's workforce.

Starting just before the pandemic, we were facing talent attraction and retention difficulties in our United States operations. We are pleased to report that the stability in 2022 turnover metrics appoint to the beginning of

a reversal trend, as a result of the robust action plan implemented in the region. The vast majority of leaves in the reporting period refer to employees with six months or less tenure within the company.



IN LATE 2021, THE US REGION EMBARKED ON A MULTI-YEAR INITIATIVE, INVIGORATE AND CELEBRATE, TO ENHANCE OUR TEAM MEMBERS' EXPERIENCE AT WORK. OUR EFFORTS TO DATE HAVE FOCUSED ON LEADERSHIP AND EMPLOYEE DEVELOPMENT, RECOGNITION AND CELEBRATION; DIVERSITY EQUITY AND INCLUSION (DEI); AND COMMUNICATION. THIS CAN BE EVIDENCED BY THE REMARKABLE INCREASE OF 183% IN TRAINING HOURS.

So far, our employee engagement scores have been increasing continuously, and staff turnover has started to decrease while new hires are onboarding and successfully ramping up faster and seeing results from enhanced training. In general, as a result of our focused efforts, we are seeing a higher level of enthusiasm, innovation, and commitment to our customers, services, and each other."

Matthew Lewis

HR DIRECTOR USA

DIVERSITY

The gender and generational diversity remained similar to previous years, with a slight increase in female participation in all job categories except technical.

We also celebrated the Global Diversity Awareness Month with a social media campaign on our Instagram and LinkedIn accounts. During the month of October, people from different teams and regions shared their personal experiences with gender and generational diversity at Fitesa.

Fitesa Europe Mentoring Program



In 2022 Fitesa lauched its first formal mentoring program, targered to the women in our European facilities. The mentees were paired with mentors from around the globe based on their background and expectations to embark in a mentoring journey throughout 2023. This pilot initiative aims to empower women in our company and give them the opportunity to support each other in their professional and personal growth.

GENDER DIVERSITY BY FUNCTIONAL LEVEL

GRI 405-1

	MEN	%	WOMEN	%
Board of Directors*	4	100%	0	0.0%
Executive Management	7	77.8%	2	22.2%
Management	143	73.7%	51	26.3%
Office	101	44.7%	125	55.3%
Operations	1,682	93.9%	109	6.1%
Technical	228	66.7%	114	33.3%
Sales	18	29.5%	43	70.5%
Total	2,179	83.1%	444	16.9%

^{*}The board of directors is not included in the total

AGE DIVERSITY BY FUNCTIONAL LEVEL

GRI 405-1

	< 30	%	30 - 50	%	> 50	%
Board of Directors*	0	0.0%	1	25.0%	3	75.0%
Executive Management	0	0.0%	4	44.4%	5	55.6%
Management	6	3.1%	107	55.2%	81	41.8%
Office	42	18.6%	131	58.0%	53	23.5%
Operations	407	22.7%	972	54.3%	412	23.0%
Technical	98	28.7%	181	52.9%	63	18.4%
Sales	15	24.6%	30	49.2%	16	26.2%
Total	568	21.7%	1,425	54.3%	630	24.0%

^{*}The board of directors is not included in the total.



"I enjoy working at Fitesa because it is a people-oriented company that encourages people ownership and gives opportunities to grow. Fitesa gave me the opportunity to learn by doing, and the leaders gave me constant coaching along my development path. I believe this is one of the reasons that Fitesa attracts and retains many of the talents to work and grow with Fitesa."

HELEN LIU Sales Director - Fitesa Tianjin (CHI)

"Fitesa encouraged us to extend the limit of our comfort zone: we had the opportunity to challenge ourselves by working on something new and not typical, and we got exposed to different perspectives in our work environment and colleagues. The more we embrace the challenge, the more we grow."

LAURA DONIZETTI

Process Improvement - Fitesa Trezzano Rosa (ITA)

ISABELLA ACCASCIO

Planning - Fitesa Trezzano Rosa (ITA)





Synergy is the main gain observed in a multigenerational team, where the experience of the oldest can equalize the knowledge, and the questions of the younger generations can shortcut the solutions."

ALEXANDRE RAMOS: Gen-X GUSTAVO MARTINS: Gen-Y BRUNA ALBELLA: Gen-Z



OUR EUROPEAN OPERATION ENCOMPASSES FIVE COUNTRIES WITH UNIQUE AND RICH CULTURES, WHICH SERVES AS A CONSTANT REMINDER OF THE IMPORTANCE OF DIVERSITY, EQUITY, AND INCLUSION (DEI).

In 2022, Fitesa Europe embraced its diversity through several initiatives, including a **DEI training series for senior leaders,** that promoted knowledge and skills in cultural differences, cognitive bias, and inclusion; **the Fitesa Europe Diversity Week**, held during European Diversity Month to promote knowledge on Gender Equality; and the **Fitesa Europe Women Mentoring Program**, the first formal mentoring program within the company. The region has also engaged in several humanitarian initiatives, notably the fundraising campaign that raised more than 80 thousand EUR for UNHCR (the UN Refugee Agency) to support Ukrainian refugees.

We were pleased to witness the high engagement of our European team during this challenging year and will continue to work to honor and promote their commitment in the years to come."

Rodrigo Azambuja

CORPORATE HR DIRECTOR

EMPLOYEE DEVELOPMENT

GRI 404-1

We acknowledge that our people are the main strategic component to ensure the excellence of our products and services and the longevity of our business. Therefore, we hold employee development as one of our corporate values, something we practice by promoting training and knowledge-recycling actions throughout the year at all levels of the organization.

Besides global training programs on common priorities such as safety, each of our locations has the autonomy and responsibility to promote specific training to suit each operation's needs.

In 2022, we offered 115,188 hours of training, an average of 44 hours per employee.

The 45.5% increase in total training hours when compared to 2021 is the result of a number of actions, particularly the extension of our compliance training to more people and the expansion of its content offering of cybersecurity, as well as the increased efforts related to our engagement survey. In Latin America, we have increased hours of sustainability training, and in Europe we intensified efforts with focus on leadership and DEI topics.

Our employee development cycle ends with annual feedback. In 2022, 54.1% of our employees were given performance evaluations in the form of individual KPI reviews and/or an assessment from direct leadership.



IN CHINA, WE SUCCESSFULLY DELIVERED OUR ENGAGEMENT SURVEY ACTION PLAN BASED ON EMPLOYEES' PERCEPTIONS AND RETURNED TEAM ACTIVITIES THAT WERE ON HOLD SINCE THE BEGINNING OF THE PANDEMIC.

Focusing on maintaining our team morale, we have reinforced our communication channels with employees to deliver critical information, such as the carded operation halt, without negative effects on team engagement."

Susan Zhang

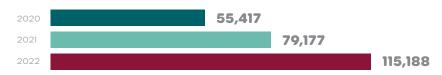
HR MANAGER CHINA



Évora's Leadership Trainer Award

In 2022 Mateus Inacio (SVP for Latin America and Global Operations) received the Évora Leadership Trainer Award. Promoted by our parent company, the honor aims to recognize executives who contributed in a distinctive way to the development of the next generation of leaders at Fitesa and Crown Embalagens. The award ceremony was led by Anthony Ling during Évora's end-of-year meeting.

TOTAL TRAINING HOURS



TRAINING HOURS PER REGION

	TOTAL	AVERAGE PER
	TOTAL	EMPLOYEE
United States	50,228	78
Latin America	43,146	52
Europe	14,188	20
Asia	7,626	18
Total	115,188	44

PERCENTAGE OF EMPLOYEES WHO RECEIVE PERFORMANCE REVIEW

	TOTAL TRAINING
	TOTAL TRAINING
	HOURS
Executive Management	100%
Management	95.3%
Office	71.6%
Operations	43.4%
Technical	67.4%
Sales	83.3%

PERCENTAGE
OF EMPLOYEES
WHO RECEIVE
PERFORMANCE
REVIEW

GRI 404-3





Smart Solutions

The Smart Solutions award is a global initiative to recognize and highlight our employees' best practices in our four company drives: safety, quality, sustainability, and efficiency. The winners for best project are awarded a monetary prize and the opportunity to present their project to Évora's executives at Évora's end-of-year meeting, in Brazil.

The 2022 edition received thirty-nine applications and recognized a team from Fitesa Gravataí (BRA) for their Smart Solution on efficiency.





HEALTH AND SAFETY

GRI 403-1 | 403-2 | 403-4 | 403-8 | 403-9

Protecting our employees' physical integrity is Fitesa's number one priority. We operate at various levels to mitigate risks and accidents in our operations, as well as promote the well-being of our team.

Fitesa facilities meet all legal requirements, have a management system that is certifiable in accordance with ISO 45001, and maintain a behavior-based safety program.

We are proud of operating modern facilities with safe equipment, and we foster a culture of care, based on risk awareness and reduction.

We ensure our employees are aligned with the best practices in occupational health and safety through training and qualifications specific to our type of operation.

Adherence to the application of these systems is monitored though a yearly corporate assessment.

From time to time, we also have a third-party risk assessment audit, organized in conjunction with one of our insurance partners, to further ensure we are taking all necessary steps and implementing market best practices to ensure safety and accident avoidance in our operations.

Our health and safety management system covers all the work performed in our production facilities, in all operational areas, and including all employees and third-party workers.



THE FOCUS OF THE TEAM IN INDIA WAS ON THE ESG AND SAFETY PROGRAMS TO KEEP IMPROVING ITS GOOD PERFORMANCE.

In Thailand, we continue to work on developing our talent pipeline by enabling new opportunities for employees and maintaining training efforts across all levels of the organization.

FitesaCNC is also proud to hold the highest women representation in leadership positions across all Fitesa sites."

Jameson Miguel

VICE-PRESIDENT FOR SOUTHEAST ASIA AND CEO FITESACNC



GOLDEN RULES

In 2022 we launched the "Safety Golden Rules", a set of "unbreakable" rules aiming to simplify the communication and understanding of our main risk areas, thus helping us to eliminate fatalities, significant and high potential accidents related to behavioral factors. It applies to all employees and sub-contractors.

According to our Safety Golden Rules, every member of the workplace has the obligation and authority to stop unsafe work. This procedure has the clear stated goal of "promote safe attitudes and reinforce the right to refuse work."



LOCKOUT TAGOUT

Whenever a worker performing service or maintenance may be exposed to any form of hazardous energy, LOTO (Lock Out Tag Out), should be employed. Rule of thumb is to use LOTO whenever: a machine guard must be bypassed and/ or a worker must place any part of their body is a danger zone or point of operation.



PERSONAL PROTECTIVE EQUIPMENT

All PPE should be worn when around potential hazards as described by the procedures and work instructions of the location. The PPE should be worn as instructed to full maximize the protection of the wearer.



MACHINE SAFEGUARDING

Machine guards and safety devices should be on, functioning, and protect the worker from hazards. The guards should prevent contact, be secured and tamper proof, create no new hazard and not interfere with the machine's operation.



HANDS & FINGERS

Always be aware of where your hands and fingers are placed in and around machines and tools. Pinch points/Nip points are extremely hazardous to hands and fingers, avoid at all costs.



RISK **ASSESSMENT**

Plants should do a complete risk assessment of their lines, processes, and any other activity done routinely. After assessing the different activities higher risks should be prioritized and reduction projects planned. Non-routine tasks should have a risk assessment done prior to start.



PROTECTION

Working from heights require an assessment and the following of local regulations. Wearing of the required fall restraint is mandatory above the local elevation threshold.



TOOLS & **EQUIPMENT**

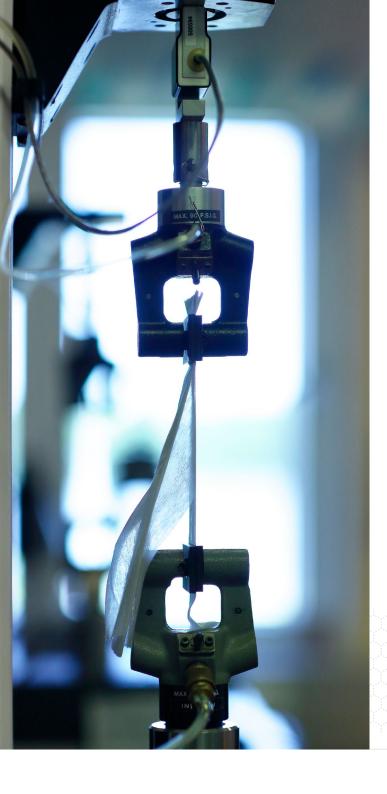
All tools and equipment should be inspected prior to use and any issues addressed. Only authorized and trained associates are allowed to use certain tools and equipment, check with supervisor or safety team.



EQUIPMENT

When using any powered lifting equipment inspect the device and attachments (report any defective equipment), know your path, and make sure pedestrians are always in a safe distance away. Only certified operators should use powered lifting equipment.





Accident investigation and prevention

Accidents are investigated using our workflow tools in FMS to ensure the identification of root causes and the deployment of corrective actions. Registered incidents are assessed by internal investigators with the goal of clarifying what happened. When an incident is suspected to be a recordable, or is serious in nature, a safety alert is distributed to communicate it to the organization.

Historically, unsafe behavior, lack of risk awareness, and people not following procedures are the main hazards that pose a risk of high-consequence injuries.

We are constantly working to reduce or eliminate risks and hazards (more on page 38).

In 2022, we invested close to 2 million USD in CAPEX for health and safety projects. As a result, we achieved a recordable accidents rate of 0.85.

Although they are covered by our health and safety management system, third parties are not included in our injury tracking system. The main reason for that is that Fitesa does not employ third-party workers in its core activities.

HEALTH AND SAFETY INDICATORS

GRI 403-9

	2020	2021		2022
TYPE OF INJURY	RATE	RATE	NUMBER	RATE
Fatality	0.04	0.0	0.0	0.0
High Consequence	0.0	0.0	0.0	0.0
Recordable	0.95	0.98	23	0.85

Value to the Environment

ENERGY

GRI 302-1 | 302-3

Our production processes are energy intensive, so we continually invest in energy efficiency strategies and more sustainable energy sources to reduce our environmental impact.

Our facilities monitor energy consumption and are working to reduce and eliminate losses. We prioritize LED lighting and most of our facilities use electric forklifts.

We also maintain an energy committee, responsible for monitoring energy consumption and disseminating best practices among our plants.

In 2022, FitesaCNC completed the installation of solar panels in our Rayong (THA) facility. The energy generation forecast is of 3,477 MWh, which is expected to avoid 1,877 tonnes of emissions in 2023.



In 2022, energy consumption declined by 1.9%. This is explained by a 3.7% drop in electrical energy (attributed to reduction in production) partially offset by a 2.7% increase in fuel consumption (mostly natural gas for heating).

The increase in energy intensity is attributed to changes in our product mix, in particular the 2.6% reduction in the average basis weight of our products, motivated by initiatives to reduce costs and plastic waste.

When normalized to production, our 2022 energy consumption was 25.1% higher than in 2017, the baseline for our 2025 environmental goal. On a like-for-like basis, there was a 10.9% reduction. This is mostly due to our growth in the films and elastics business, wherein the energy profile is very different from the nonwovens operations that were used as reference for target-setting.

ENERGY CONSUMPTION

Target: 10% reduction vs. 2017 actual



TOTAL ENERGY CONSUMPTION (GJ)

GRI 302-1

	2020	2021	2022
Nonrenewable	1,615,974	2,100,223	2,054,335
Renewable	787,473	904,351	894,067
Total	2,403,447	3,004,574	2,948,402

ENERGY CONSUMPTION BY TYPE (GJ)

GRI 302-1

	2020	2021	2022
Nonrenewable	67.2%	69.9%	69.7%
Renewable	32.8%	30.1%	30.3%

ENERGY INTENSITY (GJ/MT)

GRI 302-3

2020	2021	2022
6.23	7.43	8.04

EMISSIONS

GRI 305-1 | 305-2 | 305-4

Energy consumption is the main source of emissions in our operations. Our consumption profile is strongly dependent on the energy matrix of the countries in which we operate, so that, within our feasibility and cost possibilities, we seek alternative sources that permit us to reduce our carbon footprint.

In 2022, emissions remained stable as a result of the reduction in energy consumption (attributed to lower production) offset by the increase in the intensity factors of the energy used. Emissions intensity increased, following the trend in energy intensity.

When normalized to production, our 2022 emissions were 37.0% higher than in 2017, the baseline for our 2025 environmental goal. On a like-for-like basis, there was a 15.2% reduction. This is mostly due to our growth in the films and elastics business, wherein the energy profile is very different from the nonwovens operations that were used as reference for target setting.

DIRECT GREENHOUSE GAS EMISSIONS - SCOPE 1 (TCO₂)

GRI 305-1

2020	2021	2022
31,110	43,732	44,909

INDIRECT GREENHOUSE GAS EMISSIONS - SCOPOE2 (TCO₂)

GRI 305-2

2020	2021	2022
155,647	197,765	187,231

EMISSIONS

Target: 10% reduction vs. 2017 actual



INTENSITY OF GREENHOUSE GAS EMISSIONS (TCO₂/MT OF ADJUSTED PRODUCTION)

GRI 305-4

2020	2021	2022
0.48	0.60	0.63

WATER CONSUMPTION

GRI 303-5

The use of water resources in our operations is very limited. Process water represented approximately 58% of our total consumption. Water for cooling, which represents around 21% of the total, runs mostly in closed loops.

Water consumption decreased by 2.6% in 2022, due to a 6.8% decline in process water (attributed to a reduction in production), partially offset by a 6.4% increase in "other water". The increase in "other water" is observed due to overall warmer temperatures.

No water leaks or other extraordinary events were observed in 2022.

WATER CONSUMPTION (MEGALITERS)

GRI 303-5

2020	2021	2022
532	671	653

WASTE MANAGEMENT

GRI 306-1 | 306-2 | 306-3 | 306-4 | 306-5

Fitesa's manufacturing waste comes mostly from trims from the process of cutting the edges of the nonwoven rolls. Other sources of waste include production changeovers (such as colors or treatments) and products that were not approved by quality control.

Our first and main action to prevent waste generation is the continuous improvement of our efficiency as stated in the Efficiency Policy. Where waste is generated, we employ internal recycling capabilities to reduce disposal. In cases where waste needs to be disposed, we seek to reduce or eliminate landfilling. All facilities monitor and manage waste generated and disposal with the ultimate goal of eliminating or reducing waste to landfill. Results are reported quarterly to corporate and consolidated for analysis against our 2025 goals.

Waste was reduced by 16.4% in 2022 due increased efficiency and waste-control initiatives implemented by the facilities. When normalized to production in tonnes, overall waste was reduced by 7.8%.

TOTAL WASTE GENERATED (KG)

GRI 306-3

2020	2021	2022
17,766,379	26,827,386	22,418,302

HAZARDOUS WASTE DESTINATION (KG)*

GRI 306-3 | 306-4 | 306-5

2020 2021 2022 0 \cap 0 Composting 628,667 599,449 522,086 Incineration Landfill 49,955 24,379 15,629 123,586 106,432 102,558 Recovery Recycling 23,410 47,097 75,460 0 Reuse 16,400 11 824,019 777,368 715,732 Total

NON-HAZARDOUS WASTE DESTINATION (KG) *

GRI 306-3 | 306-4 | 306-5

2020	2021	2022
41,917	88,284	97,965
575,736	607,805	767,139
1,576,376	1,389,690	1,457,919
325,172	1,127,002	1,438,695
13,621,267	21,580,020	17,060,219
783,893	1,257,217	880,633
16,924,360	26,050,019	21,702,570
	41,917 575,736 1,576,376 325,172 13,621,267 783,893	41,917 88,284 575,736 607,805 1,576,376 1,389,690 325,172 1,127,002 13,621,267 21,580,020 783,893 1,257,217

^{*}Values in the total row may be off by one due to rounding.

^{*}Values in the total row may be off by one due to rounding.

Within this context, fourteen locations recorded the impressive volume of less than 1 kg of waste per tonne of production sent to landfill, ten of which achieved ZERO waste to landfill.

However, construction related to the expansion of our operations was responsible for an increase in the year's waste-to-landfill figures.

Another significant impact on landfilling comes from the fact our High Point, NC (USA) facility lost a customer that purchased its nonrecyclable waste. A solution has already been developed, and this material is now destined for energy recovery, which will reflect in our 2023 results.

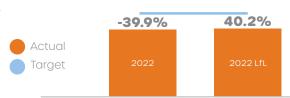
When normalized to production, our 2022 waste to landfill was 39.9% lower than in 2017, the baseline for our 2025 environmental goal. On a like-for-like basis, there was a 40.2% reduction.

We believe in consistency when practicing our values: what we do in large scale should also be reflected in smaller, daily activities. For this reason, we encourage our facilities to separate their waste and take advantage of recycling programs available in their regions.

Besides the traditional waste separation and collection processes, FitesaCNC Rayong (THA) also collects PET bottles for recycling. In partnership with WeCycle, this material is used to produce bags for students. Fitesa Gravataí (BRA) collects plastic caps that are destined for recycling through Tampinha Legal, a circular economy initiative from Latin America's plastic producers.

WASTE TO LANDFILL

Target: 50% reduction vs. 2017 actual





MATERIAL CONSUMPTION

GRI 301-1 | 301-2

Raw materials represent 95.3% of our total material consumption, from which 95.6% are polymers derived from fossil fuels. We are pioneers and continue to work in developing biobased alternatives to reduce the environmental footprint of our products.

Moreover, Fitesa facilities have been working on the reduction of packaging materials, with a focus on the reduction of pallets. Besides impacting material consumption, pallets are also a potential source of contamination and have a negative impact on the capacity of trucks and containers, resulting in potentially higher scope 3 emissions.

Material consumption decreased by 7.4% from 2021 to 2022, mostly driven by a 9.3% decline in the production volume in tonnes. The variation in material consumption is not a direct

reflection of the variation in production volumes due to other factors that affect our efficiency levels, with a highlight on the 2.6% reduction in the average basis weight of our products, motivated by initiatives to reduce costs and plastic waste. When normalized to production in square meters, material consumption decreased by 0.6%.

The consumption of renewable raw materials declined for the first time in recent years because of market conditions. Nevertheless, the rate of renewables remained stable at 4.1%.

The consumption of recycled input materials grew by 2.3%, impacted by the use of recycled packaging. This does not account for our internal recycling processes.

CONSUMPTION OF MATERIALS (KG)

GRI 301-1

2022	2021	2020
470,267,839	507,777,823	472,388,424

SOURCE OF MATERIALS CONSUMED (KG)

GRI 301-2

4.1%
2.5%
93.4%

BIODIVERSITY

GRI 304-3

Fitesa also manages a reforestation operation through its subsidiary Rio Novo Florestal Ltda. Located in the Brazilian state of Santa Catarina, Rio Novo develops eucalyptus foresting and supplies wood products for multiple uses. The high quality of its timber makes it ideal for durable applications in lamination, sawmills, construction, agriculture, and biomass.



In 2022, we reached a total planted area of 2,713.54 ha, where we apply the best environmental practices from soil preparation to harvest, with the purpose of maintaining a sustainable long-term business that has a positive impact on climate and biodiversity. This ultimately means that, while the main goal of our operation is commercial, our long-term commitment of preserving this area cultivated (that would otherwise be destined for non-forestry use) results in mitigating the release of close to 1,000,000 tCO $_2$ e into the atmosphere.

A study carried out by an expert consulting group during the last quarter of 2022 estimated a local potential environmental wealth of 942 species, of which 661 are flora species and 281 are wild fauna.

Three out of the eleven ecosystem services observed in the region are considered "extremely relevant": air quality and climate regulation, water quality regulation and provision, and provision of habitats and maintenance of the genetic diversity. The monetary value of these services was estimated at more than 115 million USD for all reforestation operations owned by the group.

These records testify to the importance of protected areas for the maintenance of local biodiversity, pointing out that the environments are effective in supporting the typical flora and fauna of the region.



Studies carried out in the area were able to physically observe:

226PLANTS

57
BIRDS

17
MAMMALS

10 AMPHIBIANS

> 2 REPTILES

Among the total three hundred and twelve observed species, seven are listed as endangered.

Value to Society

CUSTOMER RELATIONSHIP

GRI 3-3 | 416-1

Our vision is to be the preferred choice for the supply of nonwoven solutions to the global hygiene and healthcare industries. To achieve this, we must be particularly aware of our customers' needs, as well as the unique characteristics of the products and services they supply, which have a considerable impact on the health and safety of millions of people around the world.

We value the close relationship with our customers and were pleased to resume the face-to-face contact with them in during 2022, after pandemic-related restrictions were softened.

In 2022, the strength of these relationships was put to the test as we had to codevelop solutions for challenges like inflation and increasing energy prices. In this scenario, we not only met our contracts, sustaining supply in face of all adversities, but were also able to quickly answer customers' new demands, strengthening our bonds even further.

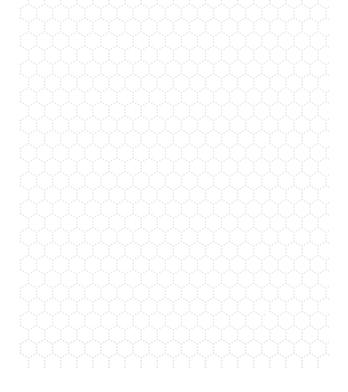
PRODUCT QUALITY AND SAFFTY

Quality assurance and product safety are cornerstones in our business model

Fitesa facilities have a management system that is certifiable in accordance with ISO 9001 and follow our Quality Assurance Policy.

Among the corporate systems developed to guarantee quality in production, we have risk assessment (FMEA), process control, validation/change control, inline QA systems, standardization, testing, and material release. Adherence to the application of these systems is monitored though a yearly corporate assessment.

Our Quality Policy also addresses material safety, with the aim of ensuring that our products are free of unwanted contaminants. This is particularly important since most of our nonwovens, films, and elastics are raw materials for products, such as face masks and baby diapers, that make



direct contact with end consumers' most sensitive body areas.

For this reason, we carry out rigorous safety tests of raw materials in 100% of our nonwovens categories, evaluating, where necessary, properties ranging from toxicity to irritability in contact with the skin.

We have also developed a strategy for the control of Substances of Interest (SOI). By monitoring raw materials and internal processes, we seek to identify and eliminate possible sources of these substances.

Our regulatory department is responsible for complying with legal and product safety requirements in each region where we operate.



Certifications as of 2022

Certification Name

ISO 9001:2015

Гуре

Product Quality

Plants

- » Tianjin (CHI)
- » Peine (GER)
- » Sulmona (ITA)
- » Trezzano Rosa (ITA)
- » Norrköping (SWE)
- » Washougal, WA (US)
- » High Point, NC (US)
- » FitesaCNC (THA)
- » Gravataí (BRA)
- » Jacareí (BRA)

Certification Name

ISO 14001:2015

Type

Environmental Management System

Plants

- » Peine (GER)
- » Sulmona (ITA)
- » Trezzano Rosa (ITA)
- » FitesaCNC (THA)
- » Jacareí (BRA)

Certification Name

ISO 45001:2018

Type

Health and Safety of Employees

Plants

- » Tianjin (CHI)
- » Peine (GER)
- » Trezzano Rosa (ITA)
- » Norrköping (SWE)
- » Sulmona (ITA)

Certification Name

Oeko Tex

Турє

Confidence in Fabrics

Plant

- » Peine (GER)
- » Trezzano Rosa (ITA)
- » Jacareí (BRA)
- » Norrköping (SWE)

Certification Name

Green Label (ISO 14024 Type Ecolabel)

Туре

Sustainable Products

Plant

» FitesaCNC (THA)

Certification Name

ISO 50001:2018

Type

Energy Management

Plant

» Peine (GER)

Certification Name

ABNT Ecological

Type

Sustainable Products

Plant

» Gravataí (BRA)

Certification Name

IFS HPC

Туре

Safe and Quality
Products/Processes

Plant

» Sulmona (ITA)

Certification Name

HACCP

Type

Hazard Analysis and Critical Control Point

Plant

» Rétság (HUN)

Certification Name

ISCC Plus

Туре

Responsible Approach to Sustainable Development for Biobased Materials

Plan

- » Norrköping (SWE)
- » Trezzano Rosa (ITA)
- » Peine (GER)
- » Sulmona (ITA)

OUR SUPPLIERS

GRI 2-23

Maintaining a lasting and healthy relationship with our suppliers is crucial to the sustainability and vitality of our business.

Our Supplier Code of Conduct is publicly available on our website and addresses the principles and guidelines that these companies must follow in their relationship with Fitesa. Purchasing teams are responsible for informing our business partners about the code and our other policies and standards.

Global suppliers to Fitesa go through a vetting process that ensures their business behaviors are in line with Fitesa standards and requires adherence to all applicable laws. Our Purchasing teams are also expected to follow the company Purchasing Policy, which outlines the process for long-term, global procurement strategy and underlying principles, rules, and procedures for all Fitesa goods and services.



We take responsible sourcing seriously. All of our business partners, including suppliers, distributors, consultants and independent contractors are expected to:

- » Adopt and comply with applicable laws, regulations, rules and procedures.
- » Show respect for human rights.
- » Commit to the elimination of discrimination, forced or compulsory labor, and child labor.

- » Engage in environmental preservation activities.
- » Implement health and safety initiatives.
- » Believe in freedom of association and right to collective bargaining.
- » Support elimination of discrimination and anti-corruption.
- » Along with focus on social contributions and recognition of social responsibilities with their business partners.

OUR COMMUNITIES

Located in Brazil, Instituto Ling is our main partner for generating positive impact on society through the direct investment in social projects. They select and manage Fitesa's donations in the areas of culture, sports, youth, and the elderly. The benefiting organizations include local and nationally renowned institutions such as APAE, SPAAN, and Sogipa.

Besides curating initiatives developed by third parties, Instituto Ling also promotes activities in its Cultural Center, such as concerts, workshops, and exhibitions.

In 2022, Fitesa donated the equivalent of 452 thousand USD to these projects, in addition to smaller donations of nonwovens and face masks for other local ventures. Monetary donations were also made to organizations in Sweden, Italy, Hungary, United States, and Thailand. In Italy, we sponsored a project from Trezzo Sull'Adda City Council and Protezione Civile to make one vehicle available to provide transportation for the elderly, children, and disabled population in the need of medical assistance, emergencies, and other services.





Instituto Ling was founded in 1995 by the Ling family, controller and founder of Évora (our holding company), with the aim of contributing to the transformation of Brazilian society. Learn more at: www.institutoling.org.br.

To encourage solidarity and care among our teams, facilities also promote fundraising campaigns. In 2022, our teams at Fitesa Gravataí (BRA), Diadema (BRA), Cosmópolis (BRA), Jacareí (BRA), Trezzano Rosa (ITA), Simpsonville (USA), and Terre Haute (USA) collected and donated clothing, food, books, and personal care items for local organizations. Fitesa Rétság (HUN) organized two blood drives with a total of thirty-five donations. At Fitesa Simpsonville (USA), volunteers donated fifty-four hours to pack 706 period packs with more than 15,300 feminine hygiene items in support of The Period Project, a non-profit organization that provides free feminine care products to schools, medical clinics, and homeless shelters, to name a few.

Furthermore, our European facilities organized a fundraising campaign in support of Ukrainian refugees. Employee donations were tripled by Fitesa, and more than 80 thousand USD was donated through the United Nations High Commissioner for Refugees (UNHCR).

SOCIAL INVESTMENT AND DONATIONS (USD)

Fitesa donations to Instituto Ling's projects	452,203
Fitesa donations to other projects	295,538
Fitesa & Fitesa employees Donations to UNHCR	81,139
Other employee donations	15,000
Total	843,881

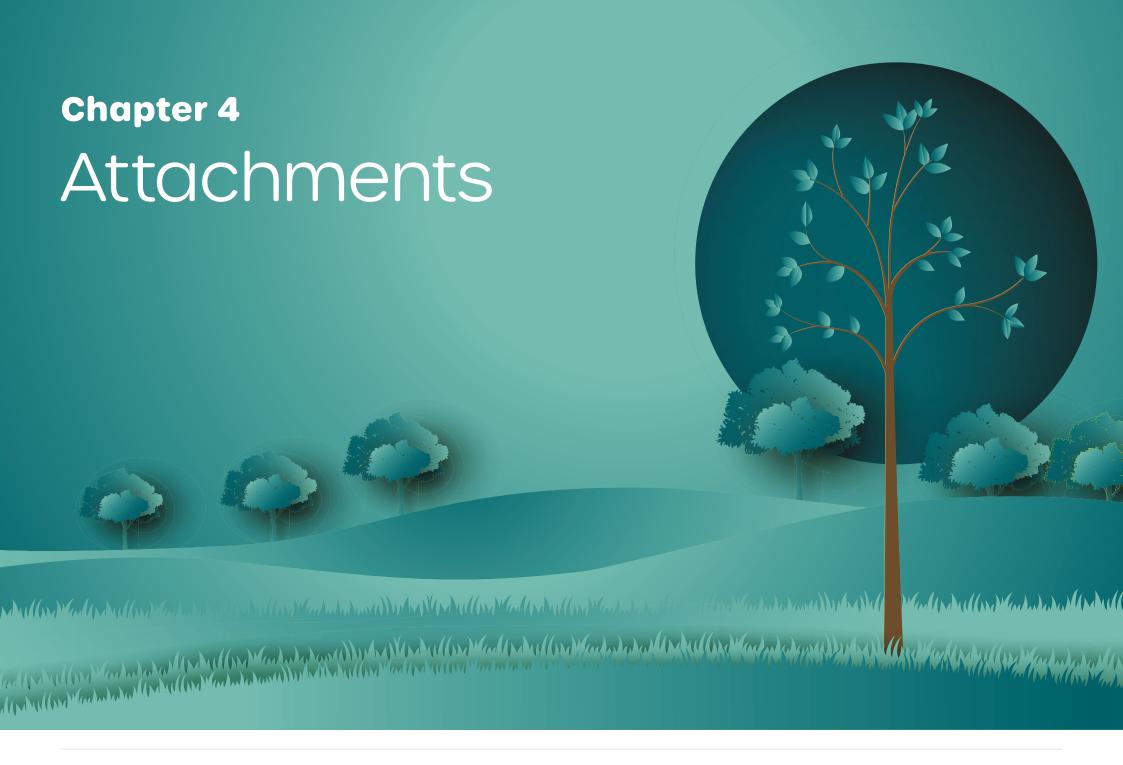
Oficina de Choro

As a way to promote Brazilian culture, in 2022 Instituto Ling offered 115 students the opportunity to participate in a Choro Workshop. Out of the total number of participants, 20 socially vulnerable students received scholarships.

Brazilian Popular Music (MPB) workshops were offered at public schools in the municipality of São Francisco de Paula (RS), the city chosen to host the Choro da Serra Gaúcha Festival.

Workshop students performed in an end-of-year concert, in which they played original compositions that they developed throughout 2022 in collective composition classes.





GRI Content Index

STANDARD		DISCLOSURES	REFERENCE / DIRECT ANSWER
General Disclosure	es		
GRI 2: General Disclosures 2021	2-1	Organizational Details	Fitesa Nãotecidos S.A.
	2-2	Entities included in the organization's Sustainability reporting	Fitesa Italy Srl, Fitesa Washougal Inc, Fitesa Nonwovens Inc, Fitesa Simpsonville Inc, Fitesa Germany GmbH, Fitesa Sweden AB, Fitesa (China) Airlaid Company Limited, Fitesa (Tianjin) Nonwovens Company Limited, Fitesa Nonwovens Mexico S.A. de CV, Fitesa Peru SAC, Pantex International SpA, Pantex Mena FZ LLC, FitesaCNC Co Ltda, FitesaCNC Japan Co Ltd, Fitesa High Point Inc, Fitesa Indiana LLC, Fitesa Kerkrade B.V., Fitesa Rétság Kft, Fitesa Pune Private Limited.
			No mergers, acquisitions or disposal of entities recorded in the period. Numbers of partially owned entities (FitesaCNC) is reported in full. Rio Novo Florestal is not included in the indicators reported, although its revenue is included in the consolidated revenue.
	2-3	Reporting period, frequency and contact point	The sustainability report is published annually. Contact point for information: fitesamarketing@fitesa.com
	2-4	Restatements of information	The implementation of a new consolidation system for ESG data improved our analysis capabilities, enabling the identification and adjustment of mistakes reported in the past. Adjustments to material consumption, water consumption, waste disposal, energy consumption, and emissions figures: 301-1;303-5; 302-3; 305-1; 305-2; 305-4; 302-1
	2-5	External assurance	Fitesa chooses not to externally assure its report.
	2-6	Activities, value chain and other business relationships	Page 13
	2-7	Employees	Pages 30 and 32

STANDARD		DISCLOSURES	REFERENCE / DIRECT ANSWER
	2-8	Workers who are not employees	 This disclosure is not considered relevant to the organization's impacts because: Fitesa does not employ workers that are not employees in core activities. Third-party workers are hired for tasks such as cleaning. Third-party employees are not recruited and selected directly by Fitesa, and Fitesa does not conduct performance reviews on this type of worker. Interns and apprentices, which are also not accounted in the company's headcount, are employed in learning/development roles.
	2-9	Governance structure and composition	Page 15
	2-10	Nomination and selection of the highest governance body	Page 15
	2-11	Chair of the highest governance body	Page 15
GRI 2: General Disclosures 2021	2-12	Role of the highest governance body in overseeing the management of impacts	Page 15
	2-13	Delegation of responsibility for managing impacts	Page 15
	2-14	Role of the highest governance body in sustainability reporting	Page 6
	2-15	Conflicts of interest	Confidentiality constraints: As a private company, Fitesa considers the information about the work of its governance body confidential and cannot report it publicly.
	2-16	Communication of critical concerns	Confidentiality constraints: As a private company, Fitesa considers the information about the work of its governance body confidential and cannot report it publicly.
	2-17	Collective knowledge of the highest governance body	Page 15
	2-18	Evaluation of the performance of the highest governance body	Confidentiality constraints: As a private company, Fitesa considers the information about the work of its governance body confidential and cannot report it publicly.
	2-19	Remuneration policies	Confidentiality constraints: As a private company, Fitesa considers all information about remuneration confidential and cannot report it publicly.
	2-20	Process to determine remuneration	Confidentiality constraints: As a private company, Fitesa considers all information about remuneration confidential and cannot report it publicly.
	2-21	Annual total compensation ratio	Confidentiality constraints: As a private company, Fitesa considers all information about remuneration confidential and cannot report it publicly.
	2-22	Statement on sustainable development strategy	Page 4
	2-23	Policy commitments	Pages 15, 17, 30 and 51

STANDARD		DISCLOSURES	REFERENCE / DIRECT ANSWER
	2-24	Embedding policy commitments	Pages 17, 19 and 30
	2-25	Process to remediate negative impacts	Page 27
	2-26	Mechanisms for seeking advice and raising concerns	Page 17
GRI 2: General	2-27	Compliance with laws and regulations	Confidentiality constraints: As a private company, Fitesa considers all information about compliance confidential and cannot report it publicly.
Disclosures 2021	2-28	Membership associations	Page 9
	2-29	Approach to stakeholder engagement	Page 27
	2-30	Collective bargaining agreements	Page 30 For employees not covered by collective bargaining agreements, Fitesa follows the standard local industry practices, always respecting labor laws.
GRI 3: Material	3-1	Process to determine material topics	Page 26
Topics 2021	3-2	List of material topics	Page 26
MATERIAL TOPIC:	SAFETY	AND CONVENIENCE FOR CUSTOMERS	
Product safety and	quality		
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of customer health and safety impacts of product and service categories	Page 49
MATERIAL TOPIC:	EMPLOY	MENT AND WELL-BEING	
Occupational Healt	h and Safe	ety	
GRI 3: Material Topics 2021	3-3	Management of material topics	
	403-1	Occupational health and safety management system	Page 38
	403-2	Hazard identification, risk assessment, and incident investigation	Page 38
GRI 403: Occupational Health	403-4	Worker participation, consultation, and communication on occupational health and safety	Page 38
	403-4		Page 38 Page 38

STANDARD		DISCLOSURES	REFERENCE / DIRECT ANSWER
Talent attraction an	nd retentio	n	
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Pages 30 and 33
CDI 404: Training	404-1	Average hours of training per year per employee	Page 36
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews, by gender and employee category	Page 37
GRI 405: Diversity 2016	405-1	Diversity of governance bodies and employees with percentage of individuals by gender, age group, minority or vulnerable groups and other indicators of diversity	Pages 30 and 34
MATERIAL TOPIC:	ETHICS A	ND FIGHT AGAINST CORRUPTION	
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 205: Anti- Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Pages 17 and 18
MATERIAL TOPIC:	RISK AND	OPPORTUNITY MANAGEMENT	
Risk management f	ramework	and best practices	
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	The company does not report its financial information for strategic reasons. Only social investment data is reported.
MATERIAL TOPIC:	ENVIRON	MENTAL IMPACTS	
Management of gre	enhouse g	as emissions	
GRI 3: Material Topics 2021	3-3	Management of material topics	
	305-1	Direct (Scope 1) GHG emissions	Page 44
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	Page 44
2010	305-4	GHG emissions intensity	Page 44

STANDARD		DISCLOSURES	REFERENCE / DIRECT ANSWER
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GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 302: Energy	302-1	Energy consumption within the organization	Pages 42 and 43
2016	302-3	Energy intensity	Pages 42 and 43
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	
	306-1	Waste generation and significant waste-related impacts	Page 45
	306-2	Management of significant waste-related impacts	Page 45
GRI 306: Waste 2020	306-3	Total weight of waste generated in metric tons	Page 45
	306-4	Total weight of waste diverted from disposal in metric tons	Page 45
	306-5	Total weight of waste directed to disposal in metric tons	Page 45
Use of materials			
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 301: Materials	301-1	Materials used by weight or volume	Page 47
2016	301-2	Recycled input materials used	Page 47
Water use managen	nent		
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 303: Water and Effluents 2018	303-5	Water consumption	Page 44

Safe Harbor Statement

This report includes forward-looking statements. You can identify our forward-looking statements by words such as "anticipate", "believe", "estimate", "expect", "forecast", "intend", "may", "plans", "predict", "project", "schedule", "seeks", "should", "target" or other words that convey the uncertainty of future events or outcomes. Although we believe that the expectations reflected in those forward-looking statements are reasonable, they have been based on certain beliefs and assumptions as to future events, and those expectations may prove to be incorrect.

These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict.

Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements.

Forward-looking statements speak only as to the date of this report.

Important factors that could cause actual results to differ materially from those discussed in such forward-

looking statements include, among other things, general economic factors; cost and availability of raw materials and labor and other resources; changes to selling prices to customers which are based, by contract, on an underlying raw material index; potential inability to maintain sufficient liquidity to finance our operations and make necessary capital expenditures; ability to meet existing debt covenants or obtain necessary waivers; ability to achieve successful or timely start- up of new or modified production lines; reliance on major customers and suppliers; domestic and foreign competition; information and technological advances; risks related to operations in foreign jurisdictions; and changes in environmental laws and regulations.

Other factors that could cause actual results to differ materially from those described in the forward-looking statements in this report include other economic, business, competitive and/or regulatory factors affecting Fitesa Nãotecidos S.A.'s business generally. Fitesa Nãotecidos S.A. is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

Contact

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