



SUSTAINABILITY REPORT 2019/2020



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# MESSAGE FROM THE CEO

## STATEMENT FROM THE MOST SENIOR DECISION-MAKER IN THE ORGANISATION

Dear Reader,

It is with great pride and excitement that we present our fifth sustainability report. Over the past years, we have continued along our chosen path towards implementing a consistent sustainability management approach. While we focus on what distinguishes us - quality, innovation and responsibility - we are also considering how other factors, such as increased transparency and disclosure of our impacts, community engagement, corporate governance and stakeholder engagement may influence our business.

We saw extensive consolidation in 2019 and our efforts paid off. Therefore, we are able to improve our financial results, enhance our environmental and social performance and strengthen the sustainability of our organisation.

We achieved this through combined efforts and new strengths. Above all, the fact that we are on the right path was confirmed by two important events.

First, Klopman was included in the specialist list of “green” exhibitors at Techtextil 2019, where we presented our increased Greenwear fabric range produced with sustainable raw materials (organic cotton, recycled PES and TENCEL™). Today around 10% of our product portfolio is characterised by the Greenwear Range.

Second, in recognition of our outstanding performance and improvements in sustainability our company was awarded “Sustainable Enterprise 2019” promoted by the local Unindustria, the most important Italian entrepreneurial association.

The purpose of the award is to promote projects dedicated to environmental sustainability and the circular economy presented by companies associated with Unindustria.

The award was given to Klopman for the new cogeneration plant, an investment which allows the company to reduce CO<sub>2</sub> emissions by over 15%, with positive consequences

for the entire territory in terms of environmental impact.

In 2020 we will move forward with our corporate sustainability initiatives. Klopman has joined the United Nations Global Compact as a signatory, confirming our commitment to support the principles of the UNGC. In this way we are determined to drive environmental and social improvement in line with business growth, addressing global challenges and delivering deeper value to our stakeholders.

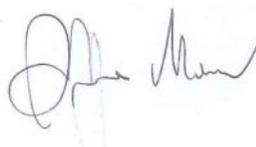
As we finalise this report, the spread of COVID-19 is affecting people, communities and businesses all over the world. This health crisis involves us all and affects us personally. The current state of emergency imposes significant changes and radically modifies our normal lifestyle.

It is still too early to accurately assess the economic and social impact of what is happening; there is no doubt that there will be consequences, but it can also be a turning point that propels us forward, including in the fight against climate change.

The role that we have always played in economic and social development – and want to continue to play – cannot ignore these difficulties. The only thing we can assure is that we will always be there. We will continue to act rapidly and proactively through our people and our services to build a future of sustainable growth.

Finally, I would like to thank our clients, employees and partners for their continued support and commitment in this unique journey.

**Alfonso Marra**  
Chief Executive Officer.

A handwritten signature in blue ink, appearing to read "Alfonso Marra".



Chapter 02

# Highlights

## Responsible Business Practice



Recognized  
**Sustainable Exhibitor**  
at Techtextil fair 2019



Awarded  
**“Sustainable Enterprise 2019”**  
by Confindustria



**+ 300**  
New Local  
Suppliers



**Over 4.0 Million Euros**  
of new investments  
/maintenance  
spent in 2019-2020

## Environmental Management



**-40%**  
waste reduction



**Emissions decreased**  
by 4127 tons/year

## Product Responsibility

**+25%** of fabrics with  
sustainable raw materials



**+20 new fabrics**  
presented at A+A fair.



Cooperating on **sustainable workwear** together with garment manufacturers on the "Supporting Fairtrade Cotton" project



**8,049,272**  
plastic bottles recycled,  
thanks to the use of recycled polyester

Renewal of the **STeP**  
by **Oeko-Tex® certification**,  
achieved **Level 3**



## Communication & Customer Care



During the lockdown, Klopman continued to guarantee the **production of fabrics** to all the customers and to the healthcare staff involved on the front line



**18 years** of achieving **ISO 9001 certification**.

Over **400 customers** using our **Customer Portal**



Intensive communication through our **social channels** ensures clients and stakeholders are always informed of all our relevant news and updates

## Social Commitment and Human Rights



**Code of conduct and code of ethics** to guarantee equal opportunities, fair treatment, respecting the dignity of each individual and each employee



**Direct connection to our territory** thanks to supporting different initiatives and **Sponsorships of cultural events**



Campaign to raise client awareness around bees safeguarding **#beethechange**



8% of our investments were allocated to the **Health, Safety and Wellbeing** of our people



**Decrease** in the number of injuries by **60%**



Chapter 03

# Organisational Profile

# ORGANISATIONAL PROFILE

## A STRONG COMMITMENT TO SUSTAINABILITY FOCUSING ON QUALITY, COMFORT AND SAFETY

We understand the role our products play in the markets we serve, as well as the impact that the manufacturing, distribution, and processing of our products can have on the environment.

We have a longstanding commitment to conduct business responsibly, built on trust, transparency and integrity.

These values are reflected in our approach to sustainability, as evidenced by our commitment to operating all elements of our business in a manner that advantageously serves the needs and expectations of future generations to live with clean water and air, responsibly managed forests and oceans, and a habitable climate.

Responsible sourcing, occupational health and safety, environmental management, anti-corruption, human rights and other areas are covered by various Klopman policies, directives and processes.

Since the company began in 1967, Klopman International has been committed to producing high-performance fabrics to guarantee protection, comfort and durability to its wearers.

Klopman is actively involved in the production process, from selection of the raw material through spinning, weaving, dyeing and finishing, to ensure the best quality

at every stage. Our goal is to deliver ultimate satisfaction to all our customers at all times.

Our fabrics, produced in over 500 different styles and 600 active colours, can also be custom-developed according to customer requests. They offer durability with outstanding colour performance, even when subjected to industrial laundry processes. These fabrics are designed for use in the most demanding working environments, offering versatility and fitness for purpose.

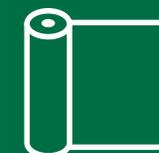
Klopman produces poly/cotton fabrics and cotton-rich fabrics with characteristics such as antibacterial, antistatic, flame-retardant and high-visibility for PPE applications. We work with well-known fibre suppliers like Cordura, Lycra, Kermel, Nega-Stat, Proban, Sanitized, Teflon and Epic to make their finishes available on our fabrics and our company one of the world's most respected textile producers. We also offer laminated and softshell solutions in our collection.



The company is the **market leader** in the European workwear market



Klopman group achieved **€140 millions** in consolidated sales.



Klopman produces **42 million metres** of fabric annually (equivalent to the earth's circumference)



More than **400 employees** in Europe + **80** in Indonesia



Its fabrics are sold and distributed in **72 countries**

# HEADQUARTERS AND COUNTRIES OF OPERATIONS

Klopman is the biggest player in the production and commercialisation of technical fabrics for the protective wear, workwear and corporate wear markets. One in three of today's workwear garments in Europe is made with Klopman fabrics, with over 40 million metres produced annually. Klopman's Frosinone plant is one of the most important industrial locations in the Lazio region. Klopman maintains its headquarters in Frosinone, Italy and has commercial branch

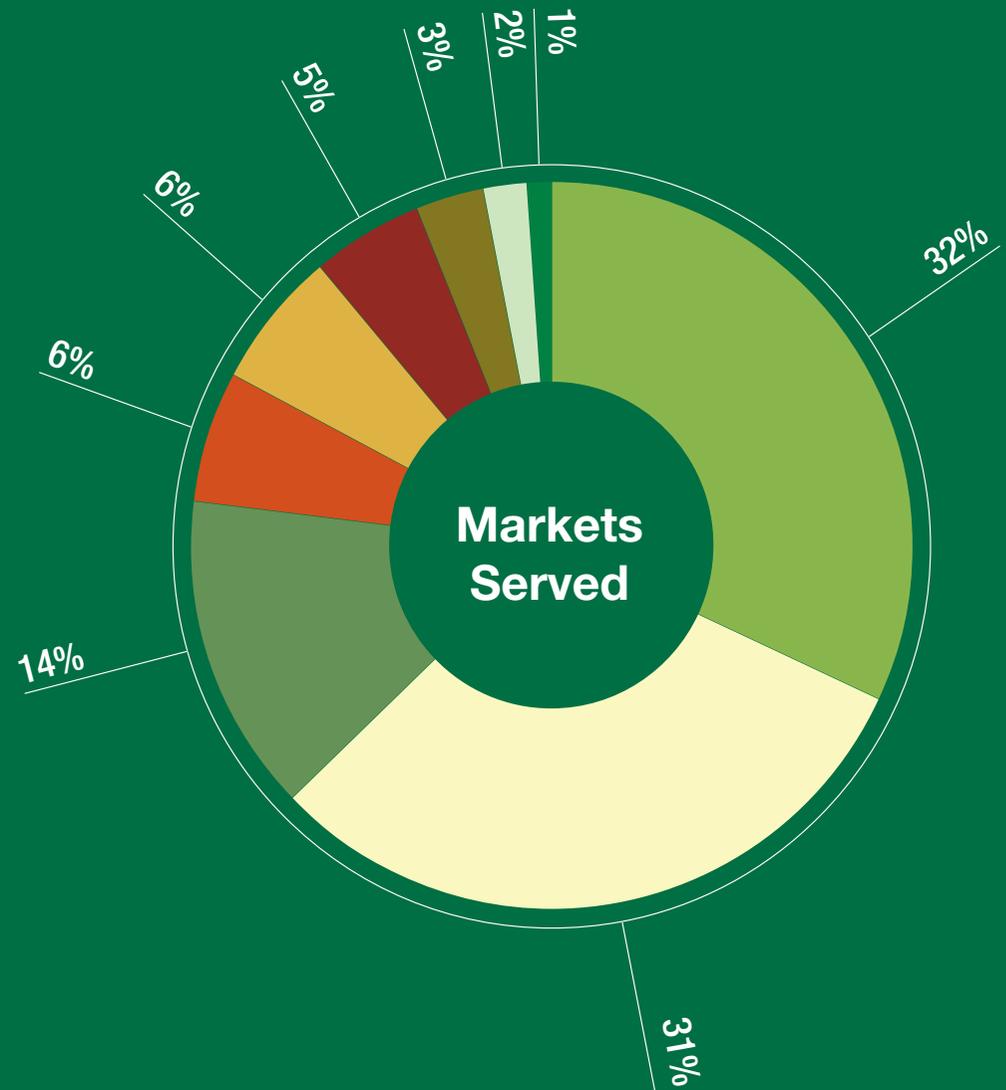
offices in Düsseldorf, Lyon, Moscow, Borås (Sweden), Dubai and Bangkok. Klopman is proud to announce its entrance into the South African market. This follows an agreement with Servworx, the second largest workwear rental company in South Africa. The agreement is a significant milestone, further increasing Klopman's international reach, which today includes fabrics in 72 countries and total export production of 94%.



# MARKETS SERVED

We understand the role our products play in the markets we serve as well as the impact that the manufacturing, distribution, and processing of our products can have on the environment. We strive to continuously conduct our business with the highest level of honesty, integrity and respect. These values are reflected in our approach to sustainability, as evidenced by our commitment to operating all elements of our business in a manner that advantageously serves the needs and expectations of our customers.

- Germany, Austria & Switzerland
- France & Belgium
- Scandinavia
- Italy
- Russia
- Poland, Hungary & Slovenia
- Uk & Holland
- Spain & Portugal
- Asia



# SUPPLY CHAIN

## KLOPMAN BELIEVES ACTING ETHICALLY IS PARTNERING WITH SUPPLIERS WHO BEHAVE WITH SIMILAR ETHICAL STANDARDS

Klopman maintains an extensive global supply chain consisting of more than 1100 suppliers of production materials, chemicals, packaging, supplies, capital equipment and other equipment and services.

Maintaining a resilient supply chain to support our sales and operations depends on our suppliers operating in an ethical manner with respect to human rights, workers' safety and environmental practices.

Klopman gathers information on their compliance with standards on quality, hygiene, health and safety in the workplace and on their environmental policies, by requiring ISO 9001, ISO 14001 and OHSAS 18001 certification.

This is enforced through contract terms, purchasing terms and conditions, and on-site social compliance visits.

Furthermore, we make sure our suppliers are aware of our company's Code of Conduct through a qualification questionnaire and ensure that the principles are strictly adhered to. We focus on building strong, long-term relationships characterised by trust and transparency.

We are committed to working together with our suppliers on improvements rather than terminating relationships.

Our organisation does not have a policy that favours locally based suppliers but, although there is no stated company policy to do so, we currently give them preference where appropriate.

Ensuring our suppliers meet high social, ethical, human rights and environmental standards is a fundamental part of our responsible business approach.

We work actively to address human rights across our value chain, where our zero-tolerance approach to bribery and corruption is equally applicable. Our approach to responsible sourcing goes beyond monitoring to engage our suppliers in continuous improvement.

Our major suppliers were screened through a supplier practice questionnaire in order to determine if they are in line with our company Code of Conduct.



Over the years, Klopman has built strong, long-term relationships with its suppliers, characterised by mutual trust and transparency. The company relies on European suppliers, with over 659 based in Italy, and with important partnerships and international strategic cooperation, ensuring business continuity and reliability.

# OUR APPROACH TO CORPORATE SOCIAL RESPONSIBILITY

Corporate responsibility and the reporting of our corporate responsibility strategies and programmes at Klopman continues to be a work in progress. While we discuss initiatives and programmes, as well as progress from year to year, we recognise the need to report quantifiable metrics and targets, in particular as they relate to our social performance and economic impact. Klopman defines the content of the Sustainability Report by asking company management and its stakeholders for their opinion on the different aspects to be considered. This enables the company to more thoroughly report on sustainability issues that affect its stakeholders' judgements and decisions.

All strategic and overarching goals of our sustainability activities are defined by company management. The definition of objectives and implementation of sustainable corporate processes are therefore conceived and supported by the very highest levels of management within Klopman. Each goal and measure is signed off by the relevant member of management, committing the company to its achievement.

It is implemented in our Code of Conduct, which establishes basic standards to ensure that executives and employees of the company shall act in accordance with social ethics and in full compliance with the law and in-company regulations.

Our starting point is to report on topics where we have the largest impact. In defining material interests, we identify our economic, social and environmental impacts and the aspects that have the greatest influence on stakeholder assessment and decisions. The aspects identified as material to our stakeholders provide the basis for the selection of indicators that we measure our performance against and for our sustainability reporting.

The reporting principles for defining content were selected in close collaboration with internal stakeholders (mid-level and senior executives from Human Resources, Finance, Purchasing and Procurement, Manufacturing, Product and Sales departments, as well as other staff) and feedback from external stakeholders, with whom we evaluated topics with regards to their business value, significance to our value chain and relevance to stakeholder expectations.



# STAKEHOLDER ENGAGEMENT



Our stakeholder engagement aims to create meaningful dialogue and build relationships that can help achieve shared goals.

A number of employees from management, human resources, accounting, manufacturing and sales areas have been involved in the preparation of this report.

Klopman is committed to understanding the needs and expectations of its people and

involving them in projects to develop skills and expertise. We are focused on constantly monitoring our customers' satisfaction and play an active part in handling relations with local communities, be they municipal authorities, citizen associations, companies or local labourers. We also participate in research and training projects with institutions and universities.

# TRADE FAIRS

In Klopman's opinion, the trade fair is without a doubt one of the most important platforms as well as a sales and marketing tool where privileged contact is made between the exhibitor company and stakeholders. It is a strategic tool for being in the front line and for building customer relations.

The main objectives that Klopman sets for itself by taking part in a trade fair are improving its image, strengthening the brand, entering new markets and presenting new technologies and products.

**In 2019 Klopman products were displayed at several textile exhibitions.**



## Techtextil

Techtextil is certainly one of the industry's most important events. We participated with a 96 sqm stand mainly focusing on our Greenwear range, to raise awareness in the market to adopt greener solutions.

We are very proud to have been included in the specialist list of green exhibitors of Techtextil 2019, where we presented our Greenwear fabric range, which is produced with sustainable raw materials (organic cotton, recycled PES and TENCEL®).

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# TRADE FAIRS



## A + A Trade Fair

This trade fair is a leading event for personal protection equipment, corporate security and health at work. Klopman participated with a 180 sqm stand, mainly focusing on Greenwear. In total, we presented over 20 new fabrics across four different categories (greenwear, workwear, protectivewear and corporatewear). Among the most important creations are: fabrics in recycled polyester/Tencel blend, natural fibre extracted from wood pulp; the range of stretch fabrics that stretches both in the direction of the weft and of the warp; the first high-visibility fabric made with recycled polyester and TENCEL™ and new flame-retardants and fabrics made with prints and embossing techniques that allow new graphic and colour combinations.

## A-OSH Expo 2019

A-OSH Expo is the trade show that takes place annually in Johannesburg, South Africa, with the aim of promoting a culture of occupational health and safety in the African continent. With our new local partner, we exhibited our latest innovations in comfort and wearer protection.



## Adipec

The Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC) is the most important exhibition for the Oil & Gas sector in the Middle East. Klopman focused the presentation of its products on the K-Flame range of fabrics: inherently and fireproof fabrics that offer breathability and maximum comfort to those who work in the hottest weather conditions.



## Biot

Biot was a four-day event held in December 2019 at the VDNH Expo in Moscow, Russia. This event showcases products like garments, textiles and shoes, personal and collective protective equipment, measurement instruments, fire prevention and fire-fighting equipment and accessories.



## ETHICS AND INTEGRITY

**Our commitment to be ethical throughout our operations is firmly rooted in our corporate values.**

To achieve its growth objectives and maintain its leadership in the textile industry, Klopman bases its business on solid values and principles through the Code of Conduct and Code of Ethics.

There are regular training courses covering values, principles and standards of conduct and norms for members of the governance board and our employees. New stakeholders are required to read and sign our principles, standards of conduct and norms.

Being ethical is about doing the right thing. This means respecting human rights, taking a clear stance against corruption and embracing diversity and inclusion. It also means, of course, respecting the laws and regulations wherever we operate and paying taxes accordingly.

We interact with millions of people across various countries and cultures. Whether you are a customer, colleague, business partner or any other stakeholder, we believe that mutual respect, integrity, transparency and honesty are essential to our business.

The Code of Conduct has been developed to define the key labour standards that Klopman is committed to respecting in our workplace. Our employees understand that complying with this policy is no less important than meeting our existing high quality standards in terms of product and service.

The Code of Ethics outlines the mission and values of our business, how we are supposed to approach problems and the ethical principles of operation, based on the organisation's core values.





Chapter 04

# Economic

## ECONOMIC

As a major textile producer, Klopman believes it is important to take responsibility for our actions. Our customers have always demanded high standards from us when it comes to products and services and, quite rightly, they expect high standards in terms of corporate social responsibility and trust us to work ethically.

We aim to pioneer new solutions for sustainable development, while continuing to shape our business responsibly and increase our economic success.

We believe that a responsible approach to business contributes to our commercial success in the marketplace.

Responsible business practice is about making money in a way that minimises negative

impact and maximises the positive benefits of our business for people and the planet. Our commitment to leadership in sustainability is embedded in our values; maintaining a balance between economic success, protection of the environment, and social responsibility have been fundamental to our corporate culture for decades. This approach applies to every business function and our employees, all over the world, have embraced the principles of sustainable development in their daily work, and think and act accordingly.

We see excellent economic performance and sustainable management growth as an investment in our future capability.



# ENVIRONMENT

At Klopman, we understand that a commitment to sustainability today provides a healthy world for future generations.

We are proud of our environmental stewardship over our 52-year history, but we recognise that we can, and should, continue to evolve with goals that protect, preserve and improve our planet.

We have learned how important it is to make it clear and transparent to any interested audience that we take our corporate responsibility seriously. Klopman carries out all its activities in compliance with strict environmental criteria, in accordance with the principles set out in its environmental policy.

Day by day, we look at our manufacturing practices, product lifecycle and supply chain to assess our net impacts and what we can do to reduce them. This has led us to seek even greater efficiencies and develop entirely new technologies to avoid using harmful materials altogether.

Our approach is to integrate environmental strategy into core operations. Therefore, we focus our efforts on the continuous improvement of the environmental performance of our operations, developing products with a positive environmental record, and working with our customers to ensure that these benefits are communicated to the end user.

Such attention to detail and commitment has helped our manufacturing facilities to obtain the ISO 14001 certification — the highest global standard for environmental responsibility. This standard incorporates both internal and external audit.

We are proud to have confirmed Level 3 with our recertification of STeP by Oeko-Tex®.

**WE ACHIEVED LEVEL 3 (THE HIGHEST ONE) IN STEP CERTIFICATION. AND WE ARE ISO 14001 CERTIFIED**



# ENERGY - Keeping a focus on energy efficiency

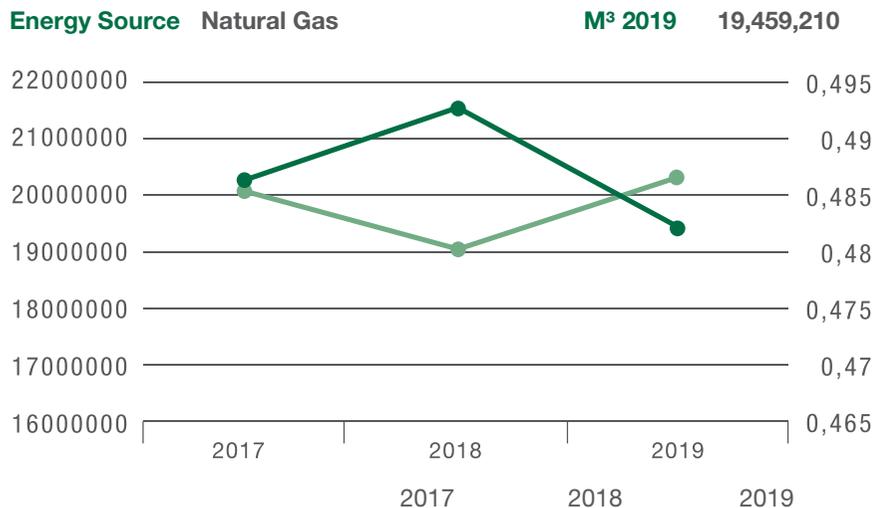
Our drive to improve energy efficiency and minimise our CO<sub>2</sub> emissions is unwavering at Klopman and it's one that continues as we meet new challenges and show results through investments in technology and innovation.

In 2019 KLOPMAN installed a new cogeneration system to enhance the quality and reliability of the power supply coming to the plant. The main factors that led us to invest in this innovative solution were significant reduction of CO<sub>2</sub> emissions, lower energy consumption and greater plant efficiency.

## ENERGY CONSUMPTION WITHIN THE ORGANISATION

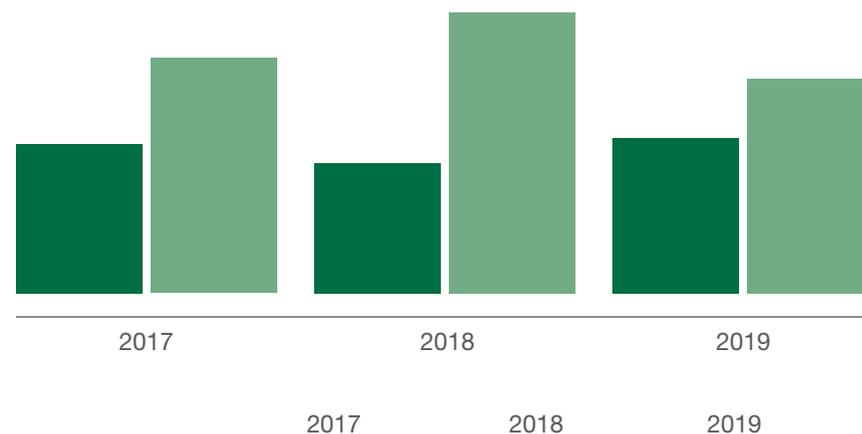
In line with our commitment to using natural resources responsibly, we are proud to have achieved a great goal: our energy consumption remains consistent, although we have seen a slight increase within the incidence per metre, mainly due to the introduction of more sophisticated product blends and more demanding product processes in particular within the protectivewear range of products.

## NATURAL GAS CONSUMPTION M<sup>3</sup>



|                                    |          |          |          |
|------------------------------------|----------|----------|----------|
| ■ M <sup>3</sup> Total Consumption | 20469548 | 21509617 | 19459210 |
| ■ M <sup>3</sup> /MTR Produced     | 0,492    | 0,487    | 0,52     |

## TOTAL ENERGY CONSUMPTION KW/h



|                  |          |          |          |
|------------------|----------|----------|----------|
| ■ Purchased      | 9350700  | 9604590  | 10349750 |
| ■ Self Generated | 16686300 | 17714000 | 14966000 |

# WATER

## WATER STEWARDSHIP IS ABOUT MORE THAN JUST SAVING WATER

Water is an important resource in textile production and therefore responsible water management is vital for future communities, the environment and a sustainable business.

Water is a vital component throughout the manufacturing process. Once this process is complete, water containing residual dyes and other organic and inorganic compounds must be treated properly so as not to affect the communities in which we operate.

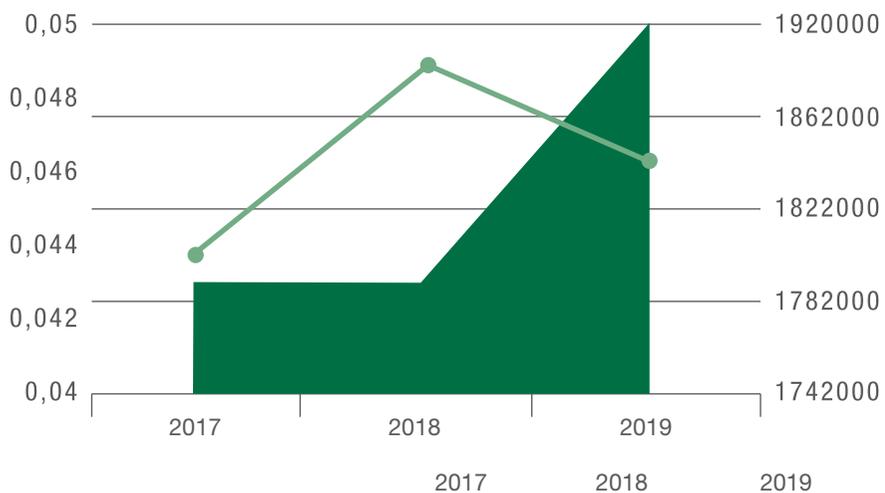
Klopman takes this obligation seriously and has invested significant capital in water

recycling systems and resources to train and equip our wastewater treatment operators to run the systems efficiently and effectively.

Responsible water management is a fundamental challenge for the future of humanity and we are all called to contribute.

The measures adopted by Klopman in our production process made it possible to biologically treat 43,000 m<sup>3</sup> of waste water per week and recycle 410,000 m<sup>3</sup> of water a year

### WATER CONSUMPTION M<sup>3</sup>



|                               |         |         |         |
|-------------------------------|---------|---------|---------|
| ■ M <sup>3</sup> /MT Produced | 0,043   | 0,043   | 0,050   |
| ■ Total water consumption     | 1804954 | 1894635 | 1854126 |

### VOLUME OF RECYCLED AND REUSED WATER

| Name of water source | Type of water recycling or reuse  | Volume of water recycled and reused m <sup>3</sup> | Measuring method | Used measuring standards and assumptions |
|----------------------|---|--|------------------|--|
| Cold water recovery  | Wastewater recycled and reused in a different process, but within the same facility | 162,125.00   | Water meter      | Foxboro system                           |
| Hot water recovery   | Wastewater recycled into the same process or another part of the process cycle      | 103,400.00   | Water meter      | Foxboro system                           |

**Total of water reused** **265,525.00**

# GREENHOUSE GAS (GHG) EMISSIONS

Climate change is one of the major challenges of our time. We believe that we all have a responsibility to meet climate change challenges. Our organisation is a typically energy-intensive one, subject to special CO<sub>2</sub> regulations with statutory emission limits. In order to minimise GHG emissions related to our operations, Klopman assesses energy use and optimises processes to reduce emissions and reduce cost. We research and invest in energy-efficient equipment and energy reduction measures. Directive 2003/87/EC sets limits of greenhouse gas emissions for companies operating within the EU.

Klopman is not only compliant with this but is performing far more effectively than required. Reducing our emissions is an important goal, but it is not enough. The calculation of the company carbon footprint (including scope 3) is the next step in our efforts to reduce GHG emissions. Only by measuring our carbon footprint we can set up a climate action strategy, including reduction measures or calculating the carbon balance of each product. Emissions produced during 2019 were 38,736 tons (scope 1 and 2).



# WASTE MANAGEMENT

Effective waste management is a priority for our business and for the planet. It improves operating efficiency, reduces costs and cuts demand for virgin resources, reducing our environmental impact. Waste management is a key strategy to ensure Klopman operates as a responsible corporate citizen.

Klopman is committed to operating its plant and facilities in complete compliance with all applicable environmental regulations and to operating in a manner that protects the quality of our environment and the health and safety of our people.

We are striving for a goal of zero waste to landfill. This goal will guide the conduct of our manufacturing operations, the development of new products and our interaction with our suppliers and customers. Recycling of materials is an integral part of this ongoing effort. We also reaffirm our commitment to work with local, state and federal authorities to develop effective environmental solutions that meet tests of practicality and feasibility.

**In 2019 alone, we redirected 3752 tons of waste from landfill due to efforts to recover and re-cycle.**

The chart indicates the significant waste reduction achieved in 2019 compared to 2018, mainly due to a reduction of sludge volumes in our wastewater treatment area.

## ENVIRONMENTALLY FRIENDLY PACKAGING

Klopman uses various mixes of packaging materials - plastic, cardboard, paper and wood - of which 100% is totally recyclable.

Packaging matters and paper is a valuable resource.

All Klopman paper and cardboard packaging is recyclable because it helps to preserve forests, conserving resources and generating less pollution during the manufacturing process, as well as reducing solid waste.

All our printed communications are made using FSC (Forest Stewardship Council) certified paper, to ensure paper is coming from a responsible source and that responsible forestry practices are taking place.

WASTE MANAGEMENT (DESTINATION TONS)





Chapter 05

# Social

# SOCIAL

On 25 September 2015, the United Nations approved the Global Agenda for sustainable development and defined 17 Sustainable Development Goals (SDGs) structured in 169 targets to be reached by 2030. The Agenda requires significant engagement from all members of society, including businesses, civil companies, the public sector, philanthropic institutions, universities, research centres, news operators and cultural

organisations. Klopman is proud to announce a step forward within its commitment to sustainable growth by joining - as signatory - the UN Global Compact to integrate the Sustainable Development Goals (SDG's) into our core business and performance management. We shall report on our progress in the next sustainability report, to be published next year.



# LABOUR PRACTICES AND DECENT WORK

In the same way we take pride in being responsible producers of high-quality fabrics, solutions and services on a worldwide scale, we place the highest value on the safety and wellbeing of our employees, our customers and shareholders.

Our products are manufactured by people, used by people, and serve people within their daily duties. That is why human rights are so important to Klopman. We make sure that our activities are in line with our Code of Conduct, based on the declaration of the ILO Convention. We respect and recognise the unique role of each employee and his/her contribution to the success of the company.

All colleagues - regardless of their position, nationality, gender, religion, age - are treated and supported equally by the executives.

## FOR OUR EMPLOYEES:

- we offer training and career development opportunities
- we have an efficient communications, information and co-determination system
- we pay appropriate salaries and wages
- we provide safe and hygienic working environments, with adequate ventilation, lighting and temperature control.

Our people are the key to our success, and our achievements are the result of their engagement and commitment. Offering good working conditions and keeping our people safe, healthy and engaged is always a top priority.

Helping people achieve their potential is one of our HR goals. Within this philosophy our company has been working on competency model development and implementation and over the past year has been working on the **competency lab methodology**.

After the renewal of our ISO 9001: 2015, ISO 14001: 2015 and OHSAS 18001 (moving soon to ISO 45000) certifications, it is important that we proceed along the path of continuous improvement with the proactive involvement of the entire company.





Chapter 06

# Occupational Health and Safety

# OCCUPATIONAL HEALTH AND SAFETY

The commitment to making health and safety an integral part of daily operations is strong all across management levels. We have appointed a Health & Safety Committee at facility level. Klopman’s assurance of the highest level of health and safety performance is demonstrated by its international certification to the standards of OHSAS18001 (soon to be ISO 45000).

As one of the first major textile companies to receive such certification, this demonstrates that the company has adopted the strong risk-based and data-driven management systems needed to identify and control health and safety risks, reduce the potential for accidents and proactively improve overall health and safety performance, year on year.

Klopman undertakes to:

- ensure and maintain a safe and healthy workplace environment and prevent injuries, illnesses or damage to the health of employees, suppliers, customers and visitors;
- continuously improve the aforementioned management system’s performance, not only with respect to the prevention of injuries and work-related illnesses, but also in terms of more general employee wellbeing;
- adopt risk assessment criteria for all dangers relating to work activities, in compliance with national and international legislation, and aim to introduce best practices;
- increase the training and updating of all employees in order to make them more aware of the risks related to their activities;
- continue developing activities to spread a culture of safety with all suppliers and concerned parties.



This policy is shared with all Klopman personnel and all concerned parties online and via the company communication tools.

Our organisation has formal agreements with trade unions concerning safety and health issues at the workplace.

# HEALTH AND SAFETY PERFORMANCE

## KLOPMAN IS SERIOUS ABOUT SAFETY.

The health & safety of our people and our customers is a number one priority. The consistent focus on improving workplace safety is measured through the high investments we made in 2019 – over 300,000 euro in equipment, training, safety measures, etc – to maintain our high standards and go beyond legal compliance.

By implementing robust health and safety strategies and practices, continually working to better assess and manage risk has helped to achieve a significant decrease in the number of accidents reported: from 11 in 2018 to 4 in 2019.

The main initiatives concerned are:

- the latest safety measures on machinery
- increased hours of safety training
- use of PPE is better regulated and certain PP devices – such as safety helmets - were extended to all production staff for less common activities such as inspections in restricted spaces or at high altitudes
- specific qualification for the use of elevating platforms was extended and released to all maintenance personnel
- signage affixed to tanks and storage of chemical substances has been updated according to the latest legal requirements, with clearer indications (pictograms and description of the danger).
- the certification issued by the Fire Brigade (CPI - Fire Prevention Certificate) has been renewed, updated and expanded.

During the lockdown period due to the Covid-19 emergency, which began in March 2020, Klopman managed to work with the same production capacity as always, thanks to the invaluable collaboration of its employees and suppliers.

During this challenging period, the company, with great pride, continued to guarantee the production of fabrics to all customers and to the healthcare staff involved on the front line.



# HEALTH AND SAFETY PERFORMANCE

KLOPMAN IS SERIOUS ABOUT SAFETY.



During this period and for the months to follow, Klopman ensured the security of its employees through the implementation of all possible containment measures:

- inviting all staff with higher health risks to inform the company and to take a leave period;
- promoting smart-working where applicable;
- imposing a safety distance between staff while working and in all common areas;
- limiting access from external personnel to a minimum;
- installing systems for hand disinfection in all common areas;
- checking body temperature for all external personnel who would be in contact with employees;
- all meetings, including internal ones, taking place through electronic devices;
- further disinfection of all surfaces and use of ozone disinfection systems in all applicable areas.

To face this difficult times Klopman also began **production of filtering face masks for the Italian market**, to answer the growing needs of the current medical emergency.

This has been done with maximum transparency, always disclosing the filtering capacity of the mask offered to the market. We also donated a consistent number of masks to the local authorities.

# HUMAN RIGHTS

Our human rights obligation is particularly evident in our management approach.

In our Code of Conduct, based on the ILO Declaration on the Fundamental Principles and Rights at Work, we commit ourselves to respecting human rights in all our actions and activities. Klopman upholds and promotes human rights in every context in which it operates, by creating equal opportunities for its people and fair treatment for all - regardless of race, nationality, political creed, religion, gender, age, minority status, disability, sexual orientation, personal or social condition – and always respecting the dignity of each individual and each employee. (Please see our Code of Ethics).

Klopman offers equal opportunities, ensuring fair treatment on the basis of individual expertise and abilities, and hiring people under legal employment contracts, mainly on an open-ended basis, in accordance with laws, national labour agreements, company agreements and current regulations.

Our workers are free to join trade unions, and the company sees that its relationships with the unions are cooperative and friendly, so that workers may report their opinions to Human Resources directly or via delegates.

Klopman does not allow and does not tolerate employment situations that violate current regulations on child, women and immigrant labour. This also applies to its external contractors, suppliers and business partners.

## TRAINING ON ASPECTS OF HUMAN RIGHTS AND COMPLIANCE

The main vehicle to ensure that all workers and employees are fully aware of the standards and principles on human rights and fully understand the Code of Conduct is training programmes.

The implementation of the training hours on this issue is one of the goals we set on a short- to mid-term basis.

Klopman's headquarters in Italy is also closely examined with regard to human rights and potential impacts.

We have adopted various measures to avoid impacts on human rights.

As a company with employees from different nationalities, there are neither cultural nor language barriers. All employees at Klopman are supported, challenged and treated equally. Our training concepts are provided to the entire workforce.

In this context, Klopman's employees agree in their employment contract to respect each country's local tradition.

This includes avoiding any interference in political and religious affairs of the host countries. Our aim is to make sure that neither the host, nor the home country, nor Klopman is depicted negatively.



Chapter 07

# Society

# SOCIETY

Social commitment is firmly embedded in our corporate identity. One of the keys to sustained success and a sustainable future is having the right partners - partners as dedicated to responsible practices and innovative ways to improve performance on every level as we are.

**Klopman is proud to be part of the MaxTex association,** a network that promotes proven environmentally compatible actions, the assumption of social responsibility and social cooperation in the textile industry and textile service sector.

The willingness and ability to cooperate are among the most important resources for the future. MaxTex members give each other mutual support and views on downstream bilateral or multilateral economic cooperation.

This allows forces to be bundled in order to increase the effectiveness of activities. Through joint projects and campaigns, through coordinated public relations work, through the development of strategies and through the development of qualification instruments, MaxTex further advances cooperation, social and societal responsibility and sustainable action in the textile and clothing industry or in the contract business.



### Cooperating on sustainable workwear

Klopman is currently cooperating with garment manufacturers Bierbaum & Proenen, Greiff Mode GmbH & Co., Kubler Workwear and Weitblick – Gottfried Schmidt OHG to increase the share of Fairtrade cotton in the workwear sector.

The “Supporting Fairtrade cotton” project was launched by the five partners in close consultation with Fairtrade and is strongly focused on the people right at the beginning of the textile value chain: the farmers.

# LOCAL COMMUNITIES

Social strategy aims to establish relationships based on trust and collaboration that integrate the company within the social, environmental and institutional networks of the local territories where our projects and programmes are implemented through collaboration agreements.

Projects and programmes carried out in 2019 include actions geared towards promoting sustainability, supporting local and regional communities, and contributing to cultural and educational projects.

## A LIBRARY FOR CHILDREN

To further consolidate its loyalty towards the territory and benefit the small children who represent the future of the communities in which the company operates, Klopman decided to donate a library for children to the Pediatric Division of the San Benedetto Hospital in Alatri (Frosinone). The initiative was carried out in collaboration with Giunti al Punto bookshop in Frosinone, which is part of Italy's leading chain of bookstores in Italy. In 2019, Klopman undertook several actions to promote events and projects within the educational scope.

- Co-sponsored the annual “Multiform Intelligence Award”, also known as the Sinopoli award in memory of Giuseppe Sinopoli, involving national artists who have distinguished themselves in many artistic and musical disciplines.
- Actively involved with Project Alternation between school and work, allowing students to accumulate valuable experience at Klopman’s headquarters.
- Opened our doors to several high schools and universities interested in visiting our company facilities.
- Charity donation to the Foundation Telethon to support research on genetic diseases.
- Our day-to-day work requires us to use sophisticated technology. Once equipment becomes outdated, it does not end its useful life in a landfill;

we donate refurbished equipment to non-profit organisations and company employees where it can still be put to very good use. These organisations are usually schools and foundations we have come into contact with during our community work.

## PROMOTING ENVIRONMENTAL EVENTS IN OUR LOCAL TERRITORY

Klopman celebrated the National Energy Saving and Sustainable Lifestyles Day called “M’illumino di Meno” by creating more greenery around us.

Klopman has taken up the call to action by planting over 30 trees at its Frosinone headquarters.



# AWARDS AND INTERNATIONAL RECOGNITION

External assessments of our sustainability performance also include awards by local and national environmental, business or governmental organisations, as well as international recognition.

## KLOPMAN HIGHLIGHTS SUSTAINABILITY FOR TECHTEXTIL

Our company was included in the special list of Techtextil exhibitors officially recognised as sustainable by the fair’s special jury. The Greenwear range is a concrete expression of Klopman’s attention to the environment and investment in production that makes our company a pioneer in the production of sustainable fabrics for workwear.

## KLOPMAN RECEIVES SUSTAINABLE ENTERPRISE 2019 AWARD

The purpose of the award is to promote projects dedicated to environmental sustainability and the circular economy, presented by companies associated with Unindustria. The award, promoted by Unindustria, the most important Italian entrepreneurial association, and ANCE, the most important Italian building contractors association, was given to Klopman for the new cogeneration plant, an investment which allows the company to reduce CO2 emissions by over 15%. This means that the new cogeneration plant has positive consequences for the entire territory in terms of environmental impact, as it reduces both fuel consumption and emissions, and also has positive effects in terms of self-produced electricity: a total of 491000 kWh per year.





Chapter 08

# Product Responsibility

# PRODUCT RESPONSIBILITY

Our products are manufactured by people, used by people, and serve people in their daily duties.

We aim to contribute to society through the advanced fabrics we develop.

While focusing on product innovation, Klopman never forgets its purpose: high ethical standards, market leadership and safe products for the wearer.

Klopman products are intended to help reduce energy and resource consumption, promote recycling, and prevent global warming. Our commitment to fabric performance and continuous development in advanced technologies, together with our respect for the environment, runs through all aspects of our manufacturing process - from fibre selection, weaving and dyeing through to finishing.

Our R&D departments and our production engineers constantly work towards the minimisation of toxic substances, alternatives for existing raw materials, waste reduction, reduction of energy use and renewable energies.

## THE GREENWEAR RANGE

Based on environmentally and people-friendly raw materials: polyester fibre from recycled plastic or wood pulp, cotton certified according to Fairtrade standards, the BCI (Better Cotton Initiative) which takes into account the conditions of cotton producers in developing countries, and organic cotton which is cultivated in the absence of chemicals.

This year, the Greenwear range was enriched with three new fabrics -Showstar, Oxford and Helford - made with recycled polyester and, in the case of the latter, two, also with natural Tencel™ fibre.

Fabric featuring a smooth and soft effect, excellent moisture absorption and great breathability. All combined with maximum sustainability thanks to the use of recycled polyester in the fabric.

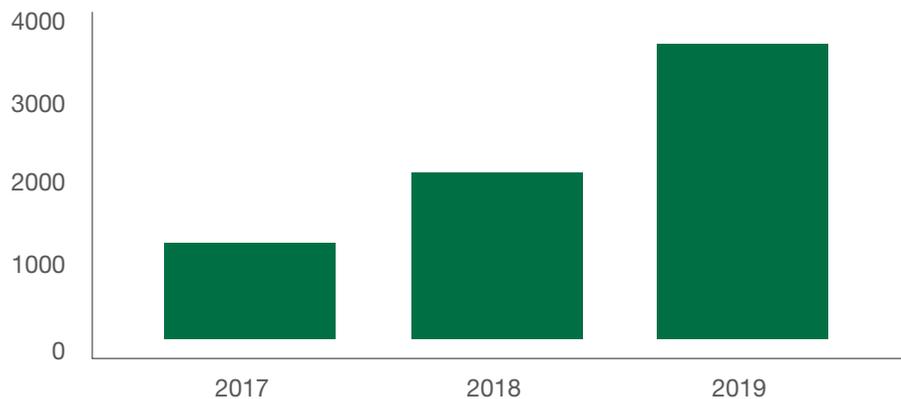
To have an idea of the recycled polyester used to produce the fabrics featuring in the Greenwear range, it is the equivalent of **8,049,272 plastic bottles**.

Klopman has not only reached but gone beyond the goal to change to Oeko-Tex® OC1 finish all products involving our new Stretch line, Tencel™ fabric range and styles produced with Fairtrade cotton, BCI, Organic Cotton and recycled PES.



# PRODUCT RESPONSIBILITY

## GREENWEAR FABRIC COLLECTION



**AS A RESULT, 10% OF KLOPMAN'S PRODUCTION IN 2019 IS REPRESENTED BY THE GREENWEAR RANGE. A SIGNIFICANT RESULT THAT CONFIRMS OUR COMMITMENT TO ENVIRONMENTALLY FRIENDLY PRACTICES.**

During the reporting period, we introduced new innovations to enhance the versatility of our finished products. For the first time in our history, more than 20 new fabrics across the four different categories were presented all together at the A + A Fair:

**The Workwear range** is enhanced by the new Weavex 130 e Weavex 175 stretch fabric, made from 100% polyester, and characterised by the exclusive ability to stretch in the direction of both weft and warp and then return without change to its original, characteristic condition, to guarantee maximum comfort and adaptability to the most diverse industrial uses. In the Protectivewear range, Klopman launched a Luminex 10CL version composed of 50% recycled polyester and 50% Tencel. This

new solution, in addition to the traditionally invaluable performance in terms of visibility and protection of the fabric, combines the comfort, softness and breathability typical of Tencel fibre.

## NEW FINISHES

For the first time, Klopman presented two fabrics which can be customised with any kind of print, thanks to two new printing and embossing techniques. This is designed to guarantee that companies can choose a wide range of combinations of colours and graphics, for personalised results to meet any branding or aesthetic design requirements. The new **HYDROGREEN finish** is a fluorine-free finish that respects the environment while ensuring the water-repellency of the fabric.



## KLOPMAN FABRICS NOW "MADE IN GREEN"

We know how important social responsibility and sustainability are for our customers and the Made in Green by Oeko-Tex® label ensures our sustainability initiatives are visible to our clients. The label shows the consumer that the textiles concerned are tested for harmful substances and sustainably produced and the unique product ID provides full traceability.



# CUSTOMER HEALTH AND SAFETY

## OUR CONTRIBUTION TO SUSTAINABLE TEXTILES

We have been complying with the specifications and guidelines of the OEKO-TEX® Standard 100 for many years.

We are also committed to avoiding the use of certain chemicals in our production. In addition, we also comply strictly with the European chemicals regulation REACH and to the MRSLL list.

### STeP BY OEKO-TEX®

STeP stands for Sustainable Textile Production. Production facilities along the textile value creation chain show that they are mastering the growing market requirements for sustainable production.

Through the achievement of this important certification, our company proves its continuous improvement in environmental performance and socially responsible working conditions, and can communicate this to its stakeholder groups in a transparent way.

**KLOPMAN HAS ACHIEVED LEVEL 3, THE MAXIMUM RANKING LEVEL OF STeP.**



## PRODUCT AND SERVICE LABELLING AND INFORMATION

Klopman ensures the products which it develops and delivers are:

- \* safe, in compliance with Italian and international laws applicable to the textile industry;
- \* reliable, pursuant to its customers' needs and the company's own internal quality standards.

Each product has a technical data sheet (TDS) that summarises its performance and other technical characteristics useful to the customer/end user.

The TDS also reports compliances to standard norms and the Oeko-Tex® classification.



Klopman has developed a new labelling/hangtag system to provide a more prominent message for the end user, following the belief that the garment makers choose Klopman fabric because it's the best on the market to protect you.

A literature review was performed across different topics, as well as the introduction of literature specifically dedicated to the launch of new fabric lines such as Stretch fabrics and Laminates.

The structure of our new website provides visitors with an easier way to learn about our products and services.

# CUSTOMER SATISFACTION

Business growth runs parallel with customer satisfaction.

The world is changing and customer demands are changing even more rapidly, which is why at Klopman we consider customer satisfaction one of the main aspects of our management system. It is seen as a key performance indicator within business and increasingly has become a key element of business strategy. Markets evolve and customers change, so it's vital to investigate whether our products and services offer the right solutions.

Klopman personnel work closely with customers to understand and support the challenges they are facing.

## KLOPMAN'S CUSTOMER PORTAL

As part of our continuous commitment to customer care we have launched the online Customer Portal, with four important objectives in mind:

- improve collaboration
- increase flexibility
- provide easy access to information
- enable secure file sharing.

The portal provides customers with a wide range of documents and information, including:

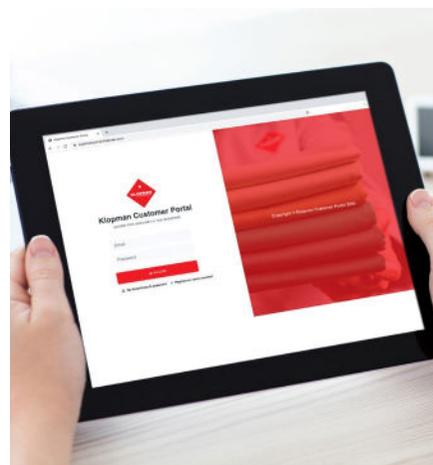
- order confirmations
- open orders report
- invoices
- shipping lists
- ASCII files
- late notices
- certificates of conformity for PPE class 3 products
- lab dip reports
- COC
- courier tracking numbers
- price lists.

With over 400 customers already linked to our portal, this new service has definitely improved flexibility and responsiveness between Klopman and our customers. In September 2020 the portal was updated and enhanced with new, advanced functions.

## CRM - CUSTOMER RELATIONSHIP MANAGEMENT

We have integrated this application with several more processes to further increase customer satisfaction. The CRM traces the relationship of potential and existing customers in order to ensure maximum service and information.

At Techtextil we also integrated the CRM with an app to trace contacts at the stand. It included some important functionalities in order to integrate the information directly into the CRM for a complete event follow-up.



# MARKETING AND COMMUNICATION ACTIVITIES

Responsible marketing is an important part of being a responsible company.

We take it into consideration right from the start when planning our communication campaigns and advertising our products, as we believe that responsible marketing builds trust between the company and its customers.

## PRODUCT MARKETING

New communication material has been created to showcase our products for our customers and end users and to communicate their effectiveness and benefits. The material includes new labels, swatch cards, hangtags and brochures.

In 2019 we also launched a restyling of our product folders.



# MARKETING AND COMMUNICATION ACTIVITIES

To present the Greenwear line, positioned as a real alternative to Workwear, we developed a dedicated brochure (focused on products) that shows the real possibilities we offer to the market. It presents a genuine collection of already produced fabrics.

We also decided to organise a mail-out directed to the decision-makers within our clients/potential clients, each receiving two samples, one made of recycled polyester, the other one normal.



We also developed a dedicated hangtag. The hangtag is divided in two - one for cotton, one for recycled PES - to be used together or separately. At the show we also distributed bags made with our recycled polyester fabric.



# MARKETING AND COMMUNICATION ACTIVITIES

## THE NEW WEBSITE

In May 2019, Klopman launched its new website, completely refreshed in terms of design and technology, and offering the most innovative and advanced features.

With a new way of presenting our products, the website includes a section dedicated to our commitment to sustainability and focuses more on products, featuring a smart “norms and risk filter”.

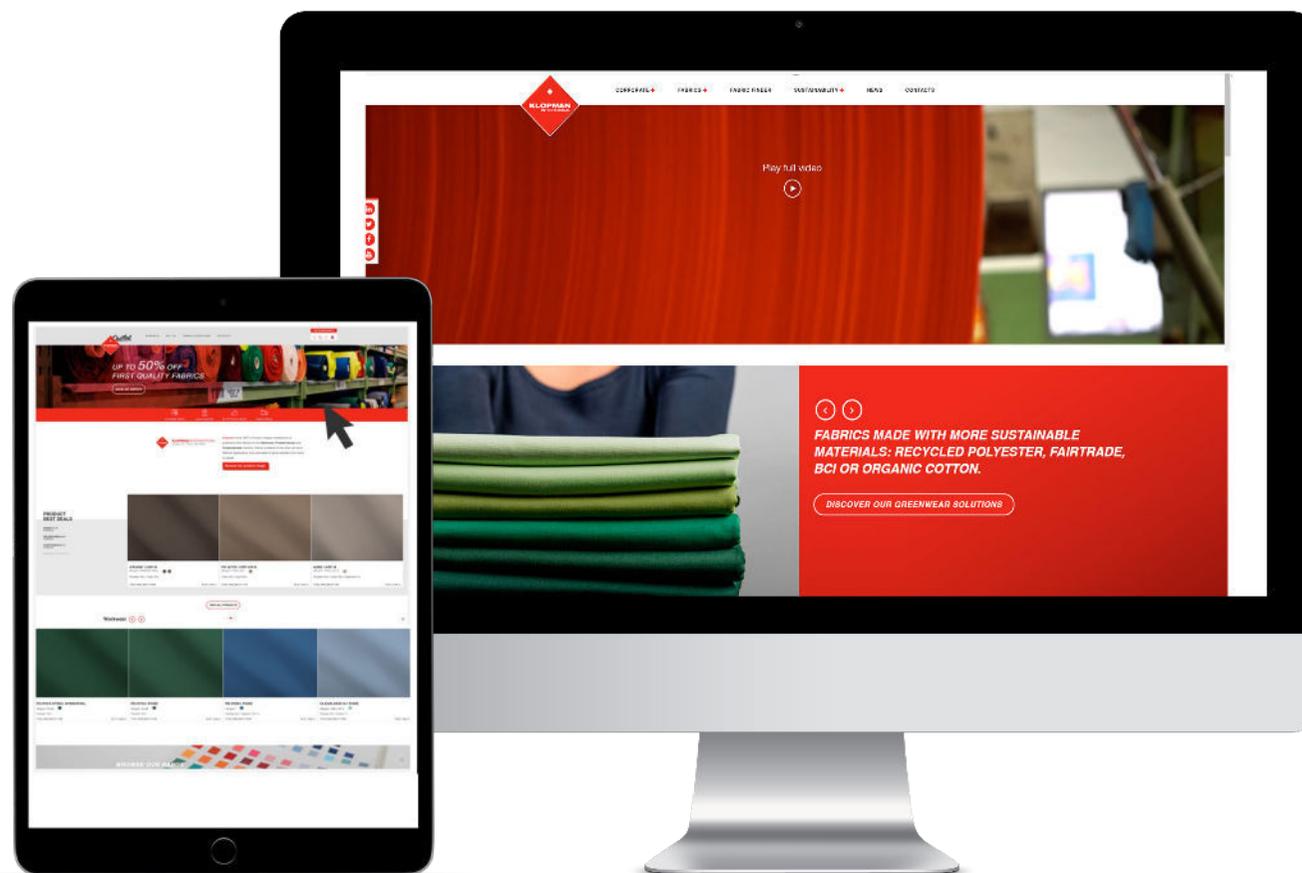
The site provides a clear message of who we are, what we stand for and where our values lie when developing, manufacturing and delivering our products.

The website was also optimised for Google in **seven languages**.

In line with the new web strategy, in 2019 we also updated the e-commerce function.

The new website gives easier access to information and an enhanced user experience.

<https://www.klopman.com/>  
<https://www.klopmanstore.com/>



# MARKETING AND COMMUNICATION ACTIVITIES

## SOCIAL ACTIVITY

We also communicate to our stakeholders through press releases published on national and international media and by posting news on our social media feeds: LinkedIn, Twitter and Facebook.

In 2019, our digital activity intensified, gaining high engagement and a significant increase in followers, thanks to our campaigns aimed at supporting our “Green” approach.

Significant attention was given to posts highlighting **our commitment to sustainable initiatives**, such as:



## WORLD ENVIRONMENT DAY

At Klopman we are committed to reducing our impact on the environment every day, and making our philosophy a real gesture with impact. That’s why, in 2019, we produced more than 3.5 million metres of sustainable fabric thanks to our Greenwear range.



## NATIONAL TREE DAY

National Tree Day. All our printed communications are made using FSC (Forest Stewardship Council) certified paper, to ensure paper is coming from a responsible source and that responsible forestry practices are taking place.



## MI ILLUMINO DI MENO

“M’illumino di meno”, the Italian day of energy conservation and sustainable lifestyles, created by Rai Radio2 to ask people to turn off any lights that are not essential. A way to rethink together how much our consumption affects the planet’s resources.



# MARKETING AND COMMUNICATION ACTIVITIES

## CHRISTMAS PARTY

Every year the company also holds an event inviting all employees to celebrate Christmas together. The event is always structured in order to create a great gathering with initiatives where the employees are called to work together in a team-building activity.



**DURING THE EVENT PEOPLE WERE INVITED TO BUY A CHRISTMAS DECORATION AND THE MONEY COLLECTED WOULD BE DONATED TO CHARITY.**



The background is a solid green color with a subtle, wavy, fabric-like texture. The folds and creases of the material are visible, creating a sense of depth and movement. The lighting is soft, highlighting the texture of the fabric.

**Wear  
the  
Future**



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