



**SUSTAINABILITY
REPORT
2021/2022**



KLOPMAN INTERNATIONAL

OVER 50 YEARS OF TEXTILE EXCELLENCE

■ In the fiscal year 2021-2022, Klopman achieved more than
€148 millions
in consolidated sales

■ The company is
Market Leader
in the European
workwear market

■ Fabrics sold and
distributed in more than
70 countries

■ About
400
employees
in Europe
+ 60
in Indonesia

■ **24h non-stop**
production

■ Klopman produces
more than
**40 million
metres**
of fabric annually

■ Klopman achieves
94%
of its annual
turnover in exports.

Message from the CEO

Dear Reader,

The world is facing greater uncertainty regarding the future, as we have experienced more than two years of COVID-19 pandemic, and today a very serious energy crisis. I believe the capability to respond to emergencies and bring situations under control quickly is certainly part of Klopman's DNA. The company has overcome various challenges in the past through its capabilities; not least its strong corporate culture.

For over 50 years, Klopman has continuously executed its founding mission of creating value. Today, the company is moving forward into the future with confident steps. Our history, our brand and global player status, visionary approach, innovation capabilities and commitment to sustainability booster our leadership position in the industry.

The distinctive element of Klopman is to combine economic responsibility with social responsibility, which creates tangible and intangible values for everything around the company. Winning values for the company, for people, for the territory and for the environment.

We adopt the best environmental practices first and foremost along these lines, solutions and strategies that aim to reduce energy consumption, waste and emissions. This is why we recently decided optimizing all core operations in our plants, with a new, independent power cogeneration station, the set-up of over 50 of all our new looms, a new warping and sizing line to efficiently serve the new looms and the installation of two new finishing lines. With these changes, we also aim to combine the highest quality standards with the maximum energy saving and efficiency.

Klopman's strength comes from its long-held core values and its devoted employees who enable the company to look toward the future with confidence. I would like to take this opportunity to thank all my colleagues, our supportive business partners and our valued customers.



Alfonso Verdoliva
Chief Executive Officer

Message from the Managing Director

Dear Reader,

We are pleased to announce the publication of our seventh annual Sustainability Report, which looks at everything we focused on and achieved in the fiscal year 2021-2022.

Responsibility has always been a strong, guiding value at Klopman, with responsible management being an intrinsic component of the company's value creation strategy. We understand that as a company, we play an important role in addressing the many environmental and societal challenges faced today.

Klopman is driven by its advanced R&D activities and innovation-centred approach and aims to create value by developing sustainable products that are innovative and environmentally friendly. We want our products to be ground-breaking and drive change in the global textile industry.

Thanks to its focused efforts of recent years, Klopman has successfully presented the circular economy model and launched its first eco-circular blended fabric. It is an absolute novelty for the market, as the project makes it possible to recycle 65/35 polycotton blended fabric mechanically at an industrial scale. The project aims to promote innovative and sustainable developments, and at the same time to protect natural resources by minimising waste and by increasing the reduce / reuse / recycle of all kinds of resources, in an end-to-end circular economy. This is where we are investing all our recent efforts as we strongly believes the future of textiles is circular.

This is a key part of our commitment to creating sustainable products. We are implementing a range of forward-looking projects by closely monitoring the latest industrial developments.

In addition, we are a signatory to the United Nations Global Compact (UNGC), formally adhering to the UNGC's principles in the areas of human rights, labour, environment, and anti-corruption.

There are many new challenges facing the world of textiles. We want to lead the way in this fast-changing industry and we commit everyday to make this objective a reality.

Amaury Sartorius
Managing Director



The year in brief

PRODUCTION MANAGEMENT

INSTALLATION OF

24

NEW LOOMS
OF THE LATEST
GENERATION

IN PROCESS OF INSTALLING

2

NEW
FINISHING
LINES

0

WASTE
PROGRAMME
IMPLEMENTATION



WATER
RECYCLING

on all preparation lines



HEAT
RECOVERY
OF ALL
WATER
USED



The year in brief



We have recently introduced
**FABRICS MADE
FROM POST-CONSUMER
RECYCLED FABRICS.**

We have recycled

15
MILLION
plastic bottles

Thanks to our fabrics
with recycled polyester



All the Tencel
**IN OUR
RANGE IS
CARBON ZERO**

OVER 3MILLION

**METRES
OF
FABRICS**

produced with sustainable
RAW MATERIALS:
+36% compared to the
previous year

A SOLID GROUP



Klopman and TDV Industries, together since 2016

The Klopman-TDV Group has strong financial and industrial foundations in Italy and France, covering the entire European market and Asia.

Klopman is the biggest player in the production and commercialisation of technical fabrics for the protectivewear, workwear and corporatewear 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.

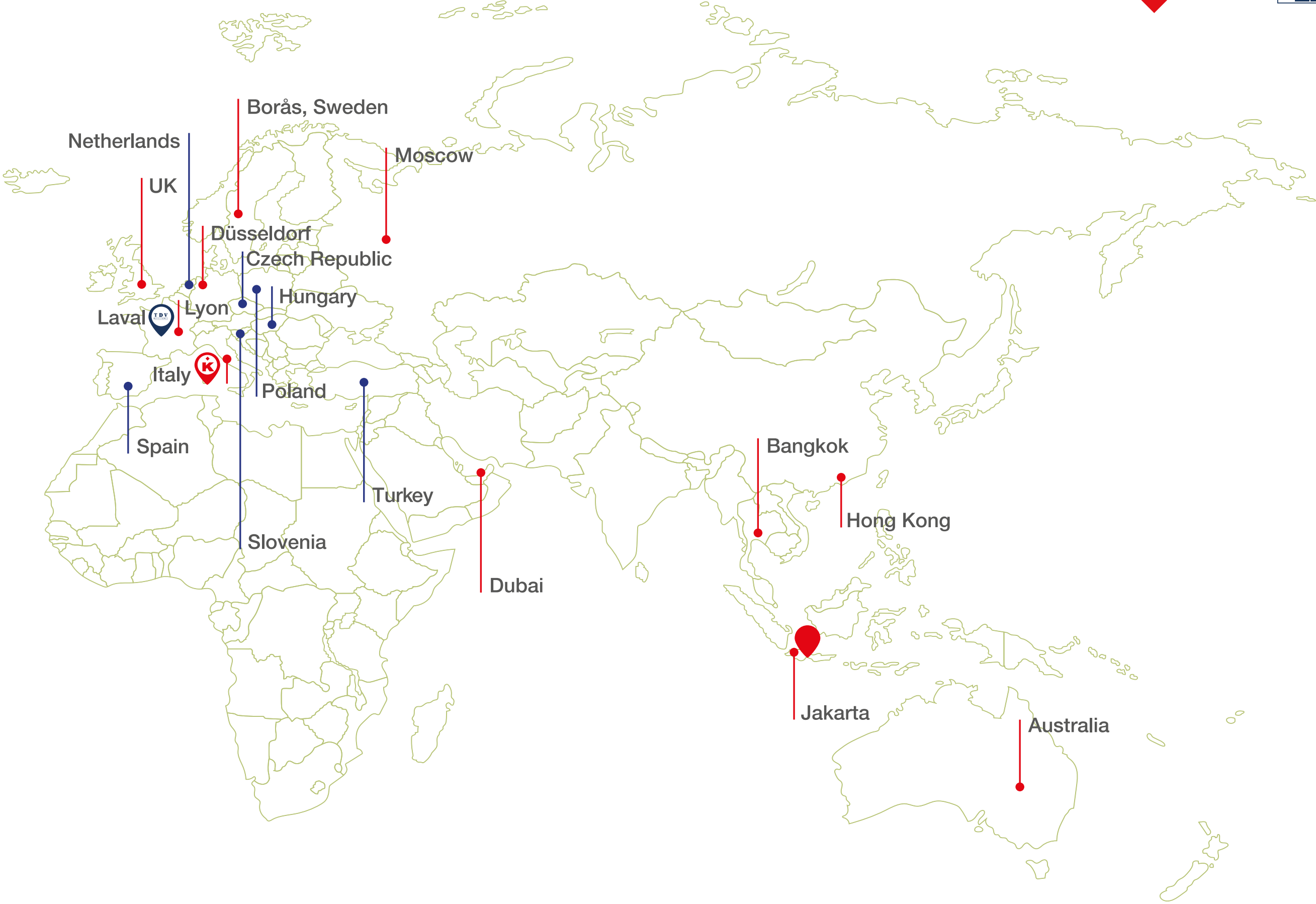
Klopman maintains its headquarters in Frosinone, Italy and has commercial branch offices in Düsseldorf, Lyon, Moscow, Borås (Sweden), Dubai and Bangkok.

Klopman process is **ISO** certified, including ISO 9001, ISO 14001 and ISO 45001 (previously 18001), and we're always looking for ways to improve our already effective environmental management system.

Both Klopman and KAI - Klopman Argo International (our joint venture in Indonesia) - has reached level 3 in the prestigious STeP (SustainableTextile Production) certification released by Oeko-Tex® Association to measure manufacturing performances in terms of environmental performance, workers' health and safety, social responsibility, chemical products and their use, and environmental management.



A WORLDWIDE PRESENCE



OUR VALUES

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 has 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.



Quality



Sustainability



Service



Tradition



People



The future is circular.

#GOCIRCULAR IS THE CONCEPT THROUGH WHICH KLOPMAN AND TDV INDUSTRIES ARE DEVELOPING VARIOUS PROJECTS TO RECYCLE FABRICS AND SO PROTECT THE PLANET.

The project starts with collecting clothes and fabrics made of 65% Polyester and 35% Cotton at the end of their first lifecycle and recycle them to generate new fibres.

These new fibres will be used in creating new fabrics, so that more new clothes are made with an increasing amount of recycled fibre.





Leading the change.

Klopman
and TDV
are together
leading the
change in the
sustainable
fabric sector

We are the first in Europe to be ready to promote circular economy multifibre fabrics at an industrial scale.

We partner with major players in the market in order to promote innovative circular economy projects that promise to revolutionise textiles at the end of their first lifecycle.

The project aims to achieve significant energy savings and localise the supply chain in Europe, currently 85% dependent on non-European countries.





OUR PHILOSOPHY

Business responsibility at the core of all our operations

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.

MISSION

To improve the quality of life and protection of people with innovative, sustainable fabrics.

VISION

To be the best manufacturer of workwear, protectivewear and corporatewear fabrics by providing a broad and innovative mix of industrially launderable, high-performance textiles and superior customer service.

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.

OUR PHILOSOPHY

We take product responsibility seriously

Klopman fabrics,
produced in over
500 different
styles and 600
active colours,
can also be
custom developed
according to
customer requests.

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 always deliver ultimate satisfaction to all our customers.

Our products 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.

You can choose from poly/cotton fabrics and cotton-rich fabrics with characteristics such as antibacterial, antistatic, flame-retardant and high-visibility for PPE applications. Klopman works with well-known chemical 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.



Environment

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Klopman International
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Certified
Sustainable approach



STeP
Level 3 certified

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 55-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, for their reassurance and to encourage ethical purchasing.

Such attention to detail and commitment is confirmed through our

ISO 14001 certification — the highest global standard for environmental responsibility.

This standard incorporates both internal and external audit.



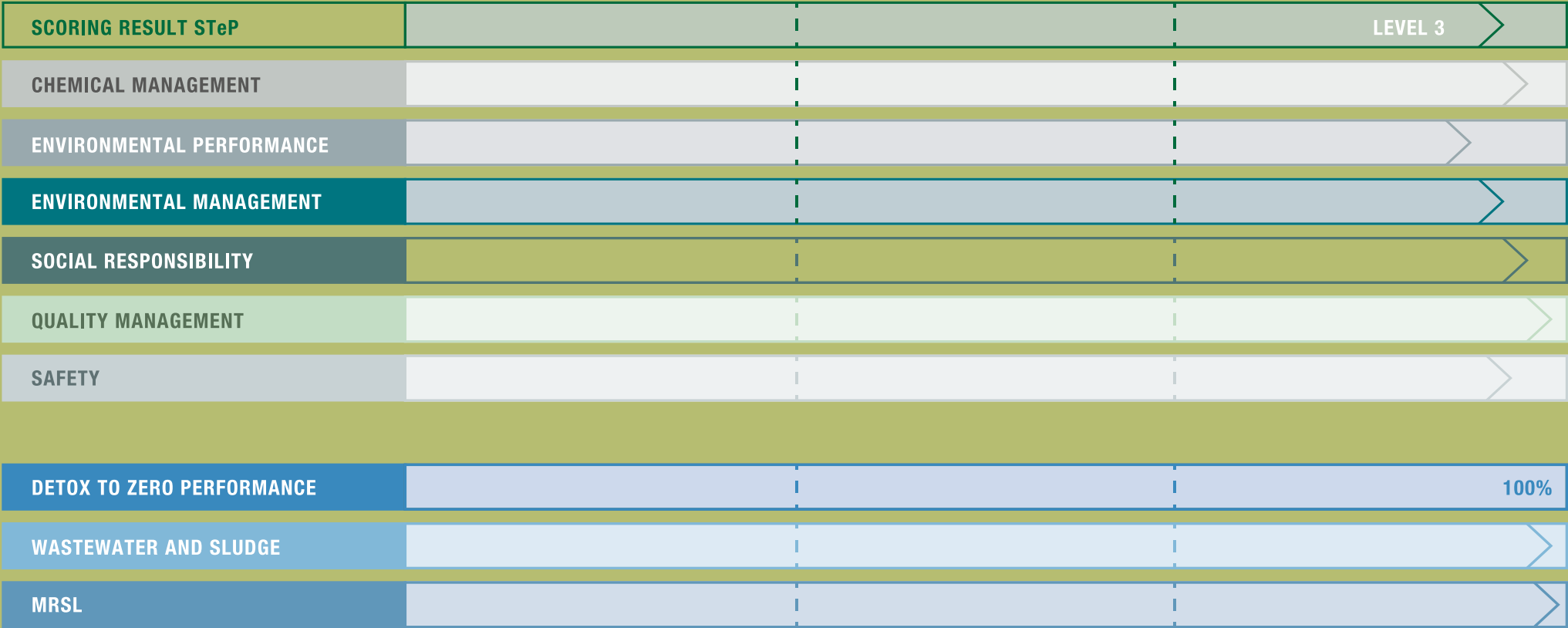


A CERTIFIED SUSTAINABLE APPROACH

A sustainable approach to business is at the core of the Group’s success in the marketplace. We want to contribute to a positive economy in a way that combines technicality, new textile solutions, impact control, transparency, traceability and excellence.

The Group has achieved the most prestigious certifications in the market both for its products and processes: ISO 9001, ISO 14001, ISO 45001, OEKO-TEX® STANDARD 100 class 1 to 4, OEKO-TEX® MADE IN GREEN,

Fairtrade Certificate, STEP - Sustainable textile production. We are proud to have confirmed Level 3 within the re-certification of STeP by OEKO-TEX® and Detox to Zero Performance.



OEKO-TEX®
INSPIRING CONFIDENCE

STeP 

16000007 HOHENSTEIN HTTI

Sustainable Textile & Leather Production.
www.oeko-tex.com/step

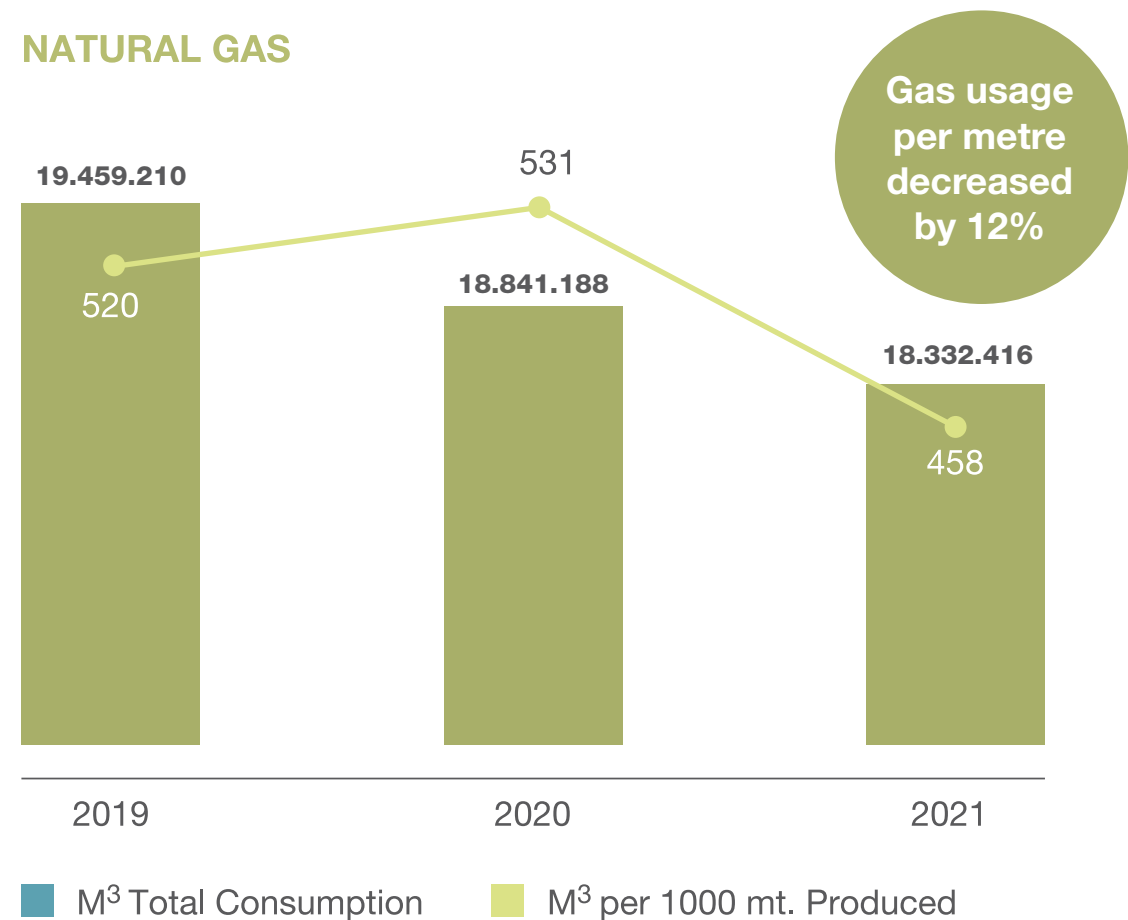
Environment

Our drive to improve energy efficiency and minimise our CO₂ 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.

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 totals overall remain consistent.**

NATURAL GAS



“Using energy more efficiently is one of the fastest, most cost-effective ways to save money, reduce greenhouse gas emissions, create jobs, and meet growing energy demand. In Klopman we are extremely conscious of how important this topic is for the future of our company and for the whole world. This is why, for example, we invested on 24 new looms (with another 26 to be installed next year) and two new stenter frame in order to improve efficiency and customer satisfaction.”

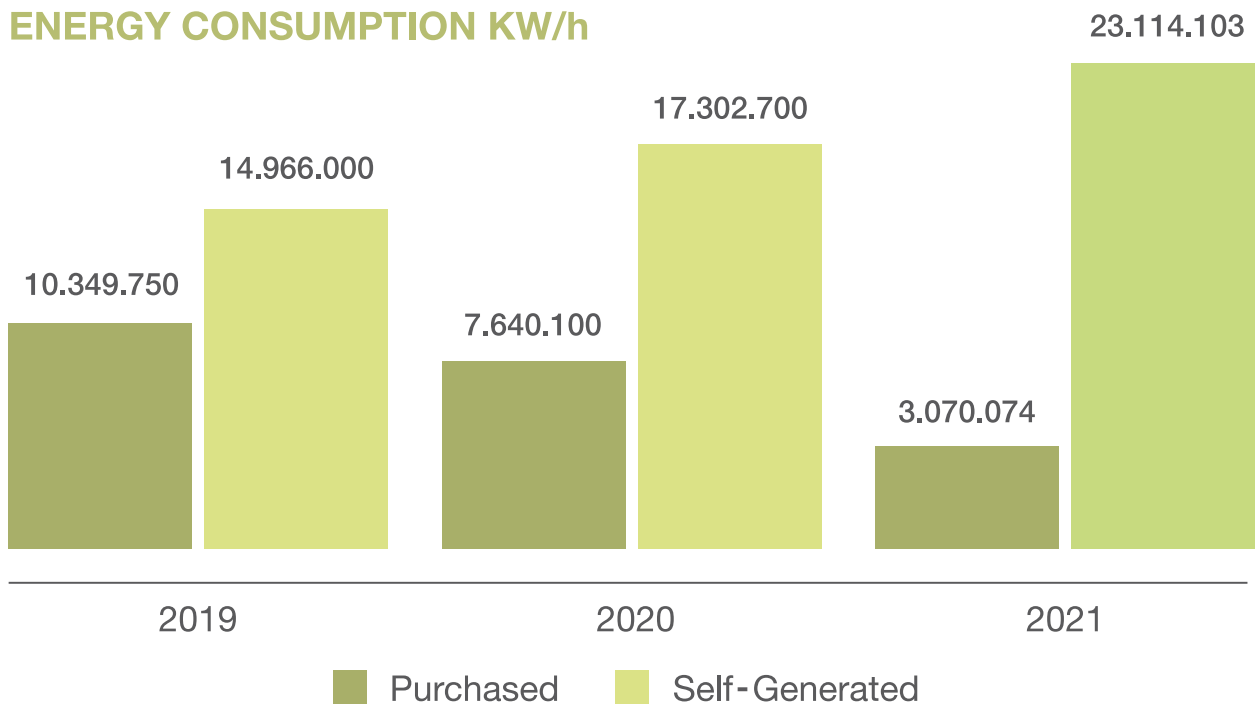
Claudio Mazzuoccolo - *Plant Director*

NEW INVESTMENTS

In order to improve the energy efficiency, competitiveness and product offer of our plant, we have made some important investments:

- We have a new, independent power cogeneration station for maximum sustainability and efficiency.
- We are installing a total of 50 new looms of the latest generation. The new installation will guarantee great efficiency and sustainability of the entire greige department.
- We are also working on the installation of a new warping and sizing line to efficiently serve the new looms.
- Two new finishing lines are being installed to ensure resource savings and quality of the finished product in order to satisfy new market trends.
- We will also shortly install a new equipment for dimensional stability control.

ENERGY CONSUMPTION KW/h

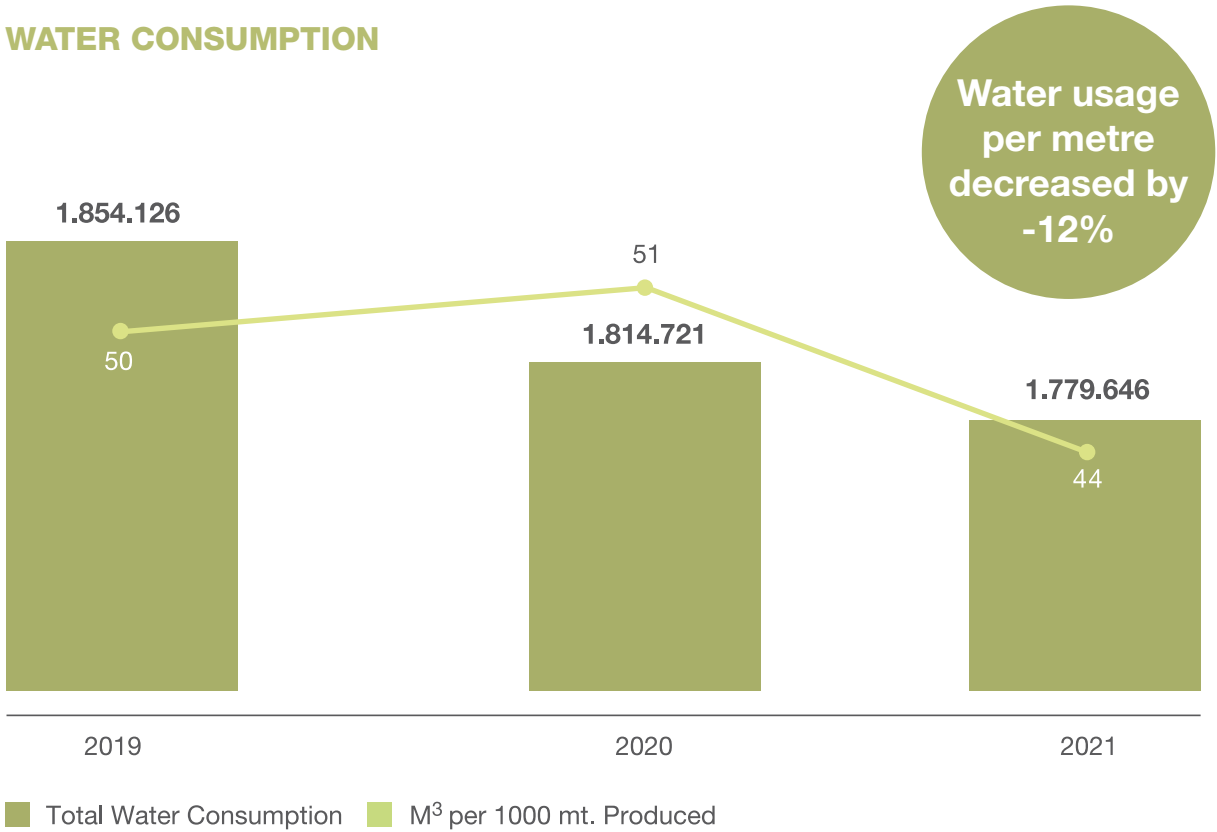


WATER STEWARDSHIP IS ABOUT MORE THAN JUST SAVING WATER

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

Water is an important component throughout the manufacturing process. Any 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 considerable capital in water recycling systems and resources to train and equip our wastewater treatment operators to run the systems efficiently and effectively.

WATER CONSUMPTION



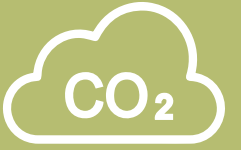
Advanced **heat recovery system** to drastically **reduce CO₂ emissions** through the thermal power recovery

34,900 m³ of wastewater treated per week and **recycle 250,830 m³** of water a year.

Responsible water management is a fundamental challenge for the future of humanity, and we are all called upon to contribute. The measures adopted by Klopman in our production process have made it possible to biologically treat 34,900 m³ of wastewater per week and recycle 250,830 m³ of water a year.

VOLUME OF RECYCLED AND REUSED WATER

Name of water source	Type of water recycling or reuse	Volume of water recycled and reused m3	Measuring method	Measuring standards and assumptions
Cold water recovery	Wastewater recycled and reused in a different process, but within the same facility	143760.00	Water meter	Foxboro system
Hot water recovery	Wastewater recycled into the same process or another part of the process cycle	107070.00	Water meter	Foxboro system
Total of water reused		250830.00		



GREENHOUSE GAS (GHG) EMISSIONS

Climate change is one of the major challenges of our time.

Over the last few years, we have been witnessing the first real effects of climate change: temperatures are generally rising, rainfall is changing, ice and snow are melting, and the average sea level is rising globally.

We believe that we all have a responsibility to meet climate change challenges.

Our organisation is a typically energy-intensive one, subject to special CO₂ regulations with statutory emission limits.

To minimise GHG emissions related to our operations, Klopman assesses

energy use and optimises processes, reducing emissions and reducing cost.

We research and invest in energy-efficient equipment and energy reduction measures.

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 CO₂ emissions, lower energy consumption and greater plant efficiency.

Directive 2003/87/EC sets limits of greenhouse gas emissions for companies operating within the EU. Klopman is not only compliant with the directive, but is performing far more effectively than required.

Reducing our emissions is an important goal, but it is not enough.

Direct emissions produced during 2021 were 38.905 tons.

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 can we set up a climate action strategy, including reduction measures or calculating the carbon balance of each product.

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.

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 operate in a manner that protects the quality of our environment and the health and safety of our people.

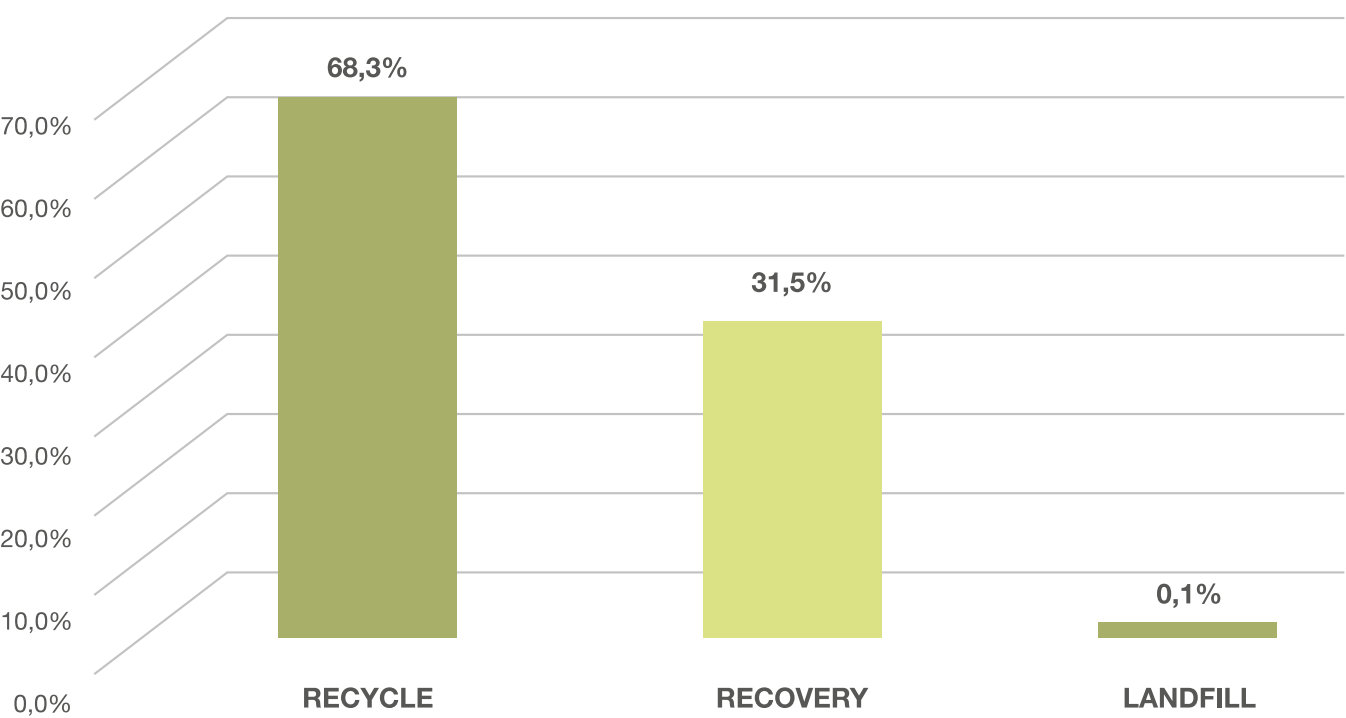
We are striving for a goal of zero waste to landfill.

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 2021 alone, we redirected 3231 tons of waste from landfill due to our efforts to recover, reuse and recycle.

WASTE MANAGEMENT DESTINATIONS (tons)



ZERO WASTE PROGRAMME

At the end of 2020 we started a programme called Zero Waste that continued all year through.

The main figures are highlighted below:

- Reuse of waste material for a total of **19200 kg of cardboard saved**
- Recycling plastic from processing for a total of **36000 kg of recycled plastic**
- Reuse on pallets for a total of **6500 kg of wood saved**
- Use of new compacting system for a total of **3000 km saved every year**



“Waste is not only found in the production process but it can be improved everywhere. This is why we adopted a “paperless approach” in our company. The optimisation of the printing procedures and the digitalisation of most processes allowed us to significantly reduce the paper, ink and resources in our daily operations.”

Pierluigi Trillo - Group IT Director

Environmentally friendly packaging

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



Supply chain integrity

02

Klopman International
Sustainability Report 2021/2022



AEO
Certification



Portal
Klopman Supplier Portal

Supply Chain Integrity

KLOPMAN BELIEVES ACTING ETHICALLY MEANS PARTNERING ONLY WITH SUPPLIERS WHO HOLD AND ADHERE TO SIMILAR ETHICAL BELIEFS

Maintaining a resilient supply chain in support of Klopman's sales and operations depends on our suppliers operating in an ethical manner with respect to human rights, workers' safety, and environmental practices. In 2021, more than 800 suppliers were engaged by Klopman; they represent key partners with whom the company had a commercial relationship during the year.

Klopman gathers information on their compliance with quality, hygiene, health and safety in the workplace standards, and their environmental policies, by requiring ISO 9001, ISO 14001, and ISO 45001 certification.

Promoting transparency along the Supply Chain

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

Furthermore, we make sure our suppliers meet the standards 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 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 uphold human rights across our value chain and take a zero-tolerance approach to bribery and corruption. Our approach to responsible sourcing goes beyond monitoring to engage our suppliers in continuous improvement.



"In a rapidly changing world, supply chain traceability is increasingly becoming a requirement for all our customers. This is why we have recently implemented a document entitled Fiber-to-gate, which we issue at the request of our customers in order to show, with maximum transparency, the entire chain of origin of our raw materials."

Manlio Ferragni - *Group Supply Chain & Purchasing Director*

A stylized illustration of a hand holding a magnifying glass. The magnifying glass is focused on a document that features the Klopman International logo (a red diamond with 'KLOPM' and 'INTERNAT' inside) and the text 'Superbandmaster traceability from fibre to gate'. The background of the document is white, and the magnifying glass frame is a thick, dark teal line.

**Superbandmaster
traceability from fibre to gate**

Supply Chain Integrity

Klopman has obtained the AEOF certification (Authorised Economic Operator – Full).

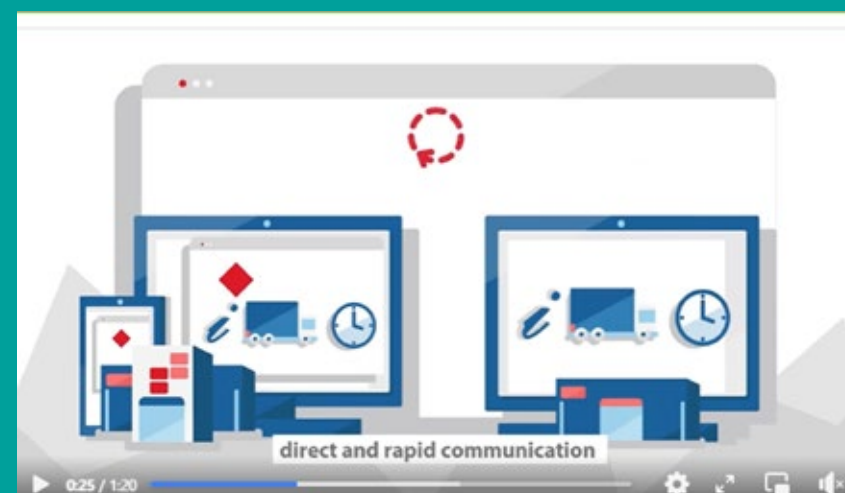
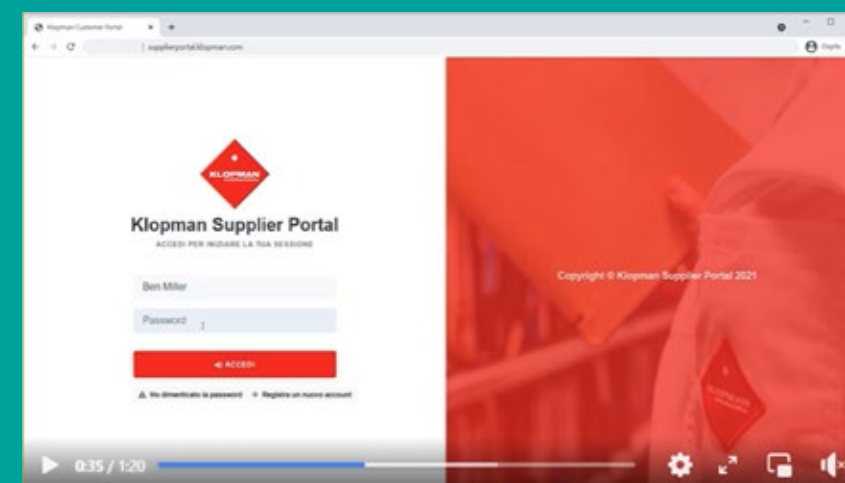
This certification is the highest level achievable in the EU programme for AEO and comprises 'Customs Simplifications and Security'. An AEO is a party involved in the international movement of goods that has been approved by or on behalf of a national customs administration as complying with World Customs Organization chain security standards.



ENHANCING SUPPLY CHAIN TRANSPARENCY AND EFFICIENCY WITH NEW SUPPLIER PORTAL:

Klopman has designed and implemented an innovative web-based application called Supplier Portal. This portal is shared with suppliers and aims to speed up the entire information flow between all parties, optimising time and processes. Klopman's Supplier Portal provides a shared end-to-end vision of the Supply Chain process, generating interaction with suppliers and promoting transparency in the supply chain.

supplierportal.klopman.com



Sustainable Development Goals

03

Klopman International
Sustainability Report 2021/2022



Targets
to be reached by 2030



Take care
of our employees



Sustainable Development Goals

THE UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

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 a signatory - the UN Global Compact to integrate the Sustainable Development Goals into our core business and performance management.

Our 2030 sustainability goals support 7 of the 17 United Nations Sustainable Development Goals that will be updated year by year to contribute to the United Nations 2030 Agenda.

Klopman has identified the team, governance structure and strategies needed to meet them.





Sustainable Development Goals

THE UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

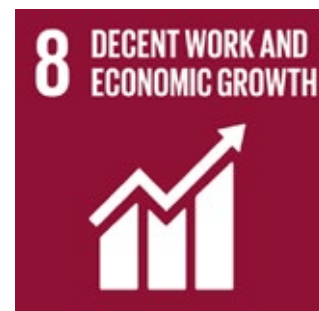


Human Rights

We have chosen these SDGs because our people are the key to our success, and our achievements are a result of their engagement and commitment.



Klopman upholds and promotes human rights in every context, by creating equal opportunities for its people and fair treatment for all and always respecting the dignity of each individual and each employee. We also carry out wellness projects, put a welfare plan in place for our employees, and keeping our people safe, healthy and engaged is always a top priority.



Labour

Klopman always promotes fair labour practices. Our company fully complies to the principles set in Italian Legislative Decree 81/2008 regarding protection and prevention and providing a healthy, safe workplace to all workers.

Within this framework we have our own risk assessment document and have appointed an HSE manager to monitor its application. Commitment to protect the health and safety of all workers is also guaranteed through the high safety standards set according to UNI EN ISO 45001.



Environment

Dealing responsibly with people and the environment has become a key factor in doing business successfully. This is why we have chosen to adhere to these Sustainable Development Goals.

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

Day by day, we look at our manufacturing practices, product life cycle 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, to develop entirely new technologies to avoid using harmful materials, and to develop products of the very highest quality, safety and environmental standards.

Anticorruption

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.

Klopman has adopted an organisational model in line with the ex Italian Legislative Decree 231/2001 on a voluntary basis. This organisational, management and control model promotes prevention of a large number (174 as of Dec 2018) of offences and principles envisaged by Italian law. Legislative Decree 231/2001 is a flagship piece of anti-corruption legislation, recognised worldwide.

Sustainable Development Goals

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 their contribution to the success of the company.

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

For our employees, we:

- offer training and career development opportunities
- have efficient communications, information and co-determination systems
- pay appropriate salaries and wages
- 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 are always top priorities.



Product development



04

Klopman International
Sustainability Report 2021/2022



SBM Circular
the first eco-circular fabric



Greenwear
RANGE

Product Responsibility



jointhefabricrevolution.com

#gocircular is the concept through which Klopman and TDV industries are developing various projects to recycle fabrics and so protect the planet. Our R&D laboratory works constantly to find the best solution to make recycling projects a reality.



We partner with Lenzing to successfully promote that all the TENCEL™ in our range is **carbon neutral**



Our Greenwear™ offer grows significantly every year. Last year we produced +36% of fabrics with sustainable raw material, from organic cotton to BCI, to Fairtrade, recycled polyester, etc

Launch of new sustainable fabric solutions:



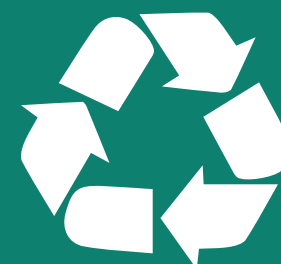
Vitalys, manufactured with the recycling of cotton scraps



Hydrogreen finish, a new ecofriendly water-repellent finish without perfluorinated chemical products



Luminex C50 RPES, high-visibility and recycled polyester combined.



Of all our R&D developments
25% are recycling projects

Product Development

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, exploring alternatives for existing raw materials, waste reduction, reduction of energy use and increasing our use of renewable energies.



SBM Circular

Klopman launched the SBM Circular: the first and only eco-circular fabric on the market.

The SBM circular process is from garment to garment: it involves turning existing, worn garments into new clothing, by collecting post-consumer textiles to create new raw materials that can be transformed into finished products.

The fabric SBM circular is the first eco circular fabric on the market that:

- Uses and promotes sustainable fibres
- Gives new life to objects that would otherwise become waste
- Represents the real application of the 3 Rs principle: Reduce Reuse Recycle



Product Development

THE GREENWEAR™ RANGE

Greenwear™ is a registered Klopman trademark that promotes a wide range of fabrics based on environmentally and people-friendly raw materials made with such sustainable solutions as organic cotton, recycled polyester, Fairtrade certified cotton, Tencel and Better Cotton.

With these offerings, the company is committed to saving millions of plastic bottles from landfills and eliminating the use of pesticides in cotton production, while ensuring just pay for farmers.

“Be the change you want to see in the world”



Product Development

THE GREENWEAR™ RANGE

The Greenwear™ range this year was enriched with:

Tencel Zero

All the TENCEL™ fibres used in our range are carbon neutral. By reducing carbon emissions and using renewable energy during production, TENCEL™ Lyocell goes beyond carbon offsetting to lower its carbon footprint, offering carbon-zero products certified as CarbonNeutral® by Natural Capital Partners. By choosing clothing made with carbon-zero TENCEL lyocell fibres, you contribute to reducing climate impact. Carbon-zero TENCEL™ lyocell fibres have a certified carbon-neutral footprint, supporting actions against global warming in line with UN Sustainable Development Goals. These fibres have been developed based on three pillars:

- reducing production emissions
- using renewable energy
- supporting verified global carbon reduction projects.



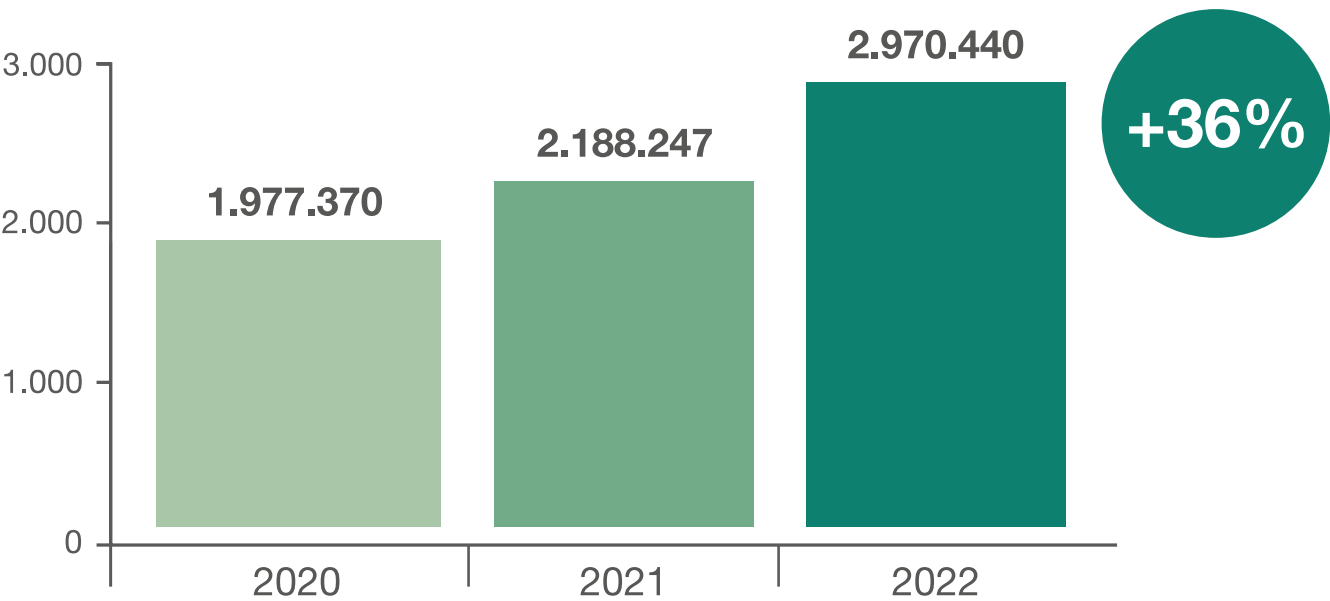
Vitalys 195 and Vitalys 235

Klopman's Vitalys range of fabrics is the first fabric range in the market using TENCEL™ X REFIBRA™ fibres. The pioneering REFIBRA™ technology involves upcycling cotton scraps, e.g. from garment production, in addition to wood pulp, where the raw materials are transformed to produce new virgin TENCEL™ Lyocell fibres to make fabrics and garments.



Fabric	Weight	Blend
Vitalys 195	195 g/m²	50% Lyocell (TENCEL™) - 50% Recycled Polyester REFIBRA™ Technology
Vitalys 235	235 g/m²	50% Lyocell (TENCEL™) - 50% Recycled Polyester REFIBRA™ Technology

GREENWEAR FABRIC COLLECTION (metres)



Our Greenwear™ range recycled 5.459.983 bottles last fiscal year.

Since the operation we have recycled 15 million plastic bottles thanks to our fabrics with recycled polyester.

Klopman fabrics Made in Green

Many Klopman fabrics are 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.



During the reporting period, we introduced new innovations to enhance the versatility of our finished products.

Product Development

PROTECTIVE WEAR RANGE

Luminex C50 RPES & Luminex 10CL

Our first Protectivewear style with recycled PES, composed of 50% recycled polyester and 50% cotton.

Luminex 10CL is composed of 50% polyester and 50% TENCEL™ Lyocell fibres, guaranteeing a double advantage: outstanding performance and superior sustainability.

These new styles integrate sustainable fibres within our Protectivewear range without affecting performance in terms of visibility and protection of the fabric.



K-Flame new fabrics

K-Flame Pro Flex 320 is the new high-performance flame-retardant fabric with stretch properties.

The fabric includes the XLANCE fibre in the blend, an innovative and advanced elastomeric fibre that bring new levels of performance, guaranteeing the wearer maximum protection together with superb comfort and freedom of movement. With a medium weight of 320 g/m2, this fabric's characteristics make it suitable for many industry applications. K-Flame Pro Flex 320 combines efficiency and performance with exceptional comfort.

K FLAME PRO 140:

lightweight inherent flame-retardant fabric, to be used as lining

K FLAME XTRA 245:

softshell for heat and flame and electric arc protection

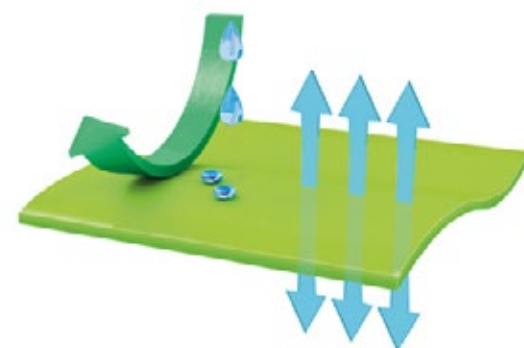
Luminex FLEX 280: first high-visibility stretch fabric.



Hydrogreen Finish

Hydrogreen is an exclusive Klopman formulation that guarantees maximum water-repellent finish without the use of perfluorinated chemical products.

This new finish offers the wearer the possibility of staying dry without the use of potentially harmful substances. Our Hydrogreen finish is based on paraffins - hydrophobic substances - guaranteeing minimal impact on the environment and offering excellent durability in domestic washing conditions and also in industrial washing, with reproofing of paraffin-based chemicals.

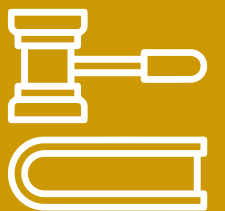




Social commitment & human rights

05

Klopman International
Sustainability Report 2021/2022



Definition

Code of Conduct



Ethics

Code of Ethics

Social commitment & human rights

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 position 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. In addition to this, Klopman has implemented measures to prevent and avoid corruption and bribery by adopting the Organisational Model 231.



“Employees are the foundation of every successful business. This is why human resource management is so important. All the companies of our group have their major strength in the know-how of its employees. Our people are the key to our success and we wish to strengthen their satisfaction and sense of belonging daily.”
Alessandro Musto - Human Resources Director

QR codes to download



Code of Conduct



Code of Ethics





EQUAL OPPORTUNITIES FOR EVERYONE

Our commitment to meeting our human rights obligations is particularly evident in our management approach.

In our Code of Conduct, based on the rights of 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 for more information.

Klopman offers equal opportunities, ensuring fair treatment based on 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.

Klopman believes that if the company is to achieve its business objectives, we really need support and cooperation from all of our people.

We believe that achieving a gender balance at leadership level can aid business strategy; to this end, and to help guide our strategic choices, we recently hired four female managers to work on various aspects of product development and marketing.

Klopman's 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 required standards and principles on human rights and fully understand the Code of Conduct is training programmes.

Klopman's headquarters in Italy is also examined for human rights and potential impacts.

We have adopted various measures to avoid negative 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 traditions.

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, are depicted negatively.

Social commitment & human rights

EMPLOYEE OVERVIEW, DEVELOPMENT AND TRAINING

INVESTING IN THE PROFESSIONAL VALUE OF OUR EMPLOYEES

Helping people achieve their potential is one of our HR goals.

Within this philosophy our company has been working on competency model development and over the past year has started a new project named People Strategy to respond to changes in the business that require more specialised professional figures, skills and competencies.

The goal of this project is to design and implement a new human resource model to:

- support corporate strategic policies defined in the Business Plan
- contribute to the spread of organisational behaviour consistent with the desired corporate culture
- identify and develop the managerial and technical skills, current and future, necessary for the implementation of corporate strategies.

Despite the pandemic prompting limitations in the way we work, with social distancing perhaps most significant among them, the company was able to fulfil its commitment to support and promote employees' professional growth through an amount of training hours.



- **+150 training hours** dedicated to the improvement of language skills
- **180 hours** dedicated to the training of SAFETY rules & updates within the workplace

After the renewal of our ISO 9001: 2015, ISO 14001: 2015 and ISO 45001 certifications, it is important that we proceed along the path of continuous improvement with the proactive involvement of the entire company.

Gift card for employees

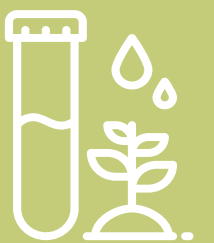
Also this year, the company has arranged for its employees to receive two Conad prepaid cards worth 30 and 50 euros, a small gesture to thank its people for their valuable and important contribution.



Customer Health and Safety

06

Klopman International
Sustainability Report 2021/2022



Textiles

European chemicals regulation



Safety

health and safety strategies



Support

local and regional communities

Occupational health & safety



The commitment to making health and safety an integral part of daily operations is strong 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 shown by its international certification to the standards of ISO 45001.

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 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 training and updates for all employees to make them more aware of the risks related to their activities and working environment
- continue developing activities to spread a culture of safety to 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.

Klopman is serious about Safety!

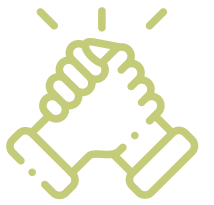
The health and safety of our people and our customers is a number one priority. The consistent focus on improving workplace safety is measured through the high investments carried out in 2021 – over 400,000 euro in equipment, training, safety measures etc – to maintain our high standards and go beyond legal compliance.

In confirmation of Klopman's constant commitment to implement health and safety strategies and practices, and continuous work to better assess and manage risk, only two reportable incidents occurred in 2021.

The main initiatives for the prevention of injuries and accidents are:

- latest safety measures on machinery (e.g., fixed platforms with handrails for the maintenance of various production machines)
- warehouse racks totally inspected and overhauled
- 180 training hours for H&S
- increased number of internal auditors to further monitor compliance to ISO procedures, H&S rules and risk reduction
- ISO 45001 certification renewal.





INVESTING IN THE SOCIETY WE LIVE IN

Social commitment is firmly anchored 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.

Local Communities

Klopman makes sure its social sustainability commitment helps communities, supporting local and regional communities, and contributing to cultural and educational projects.

Save the children Christmas cards

As Christmas greetings cards, the company decided to stand in solidarity by purchasing the Save the Children Christmas cards, to send to customers, suppliers, and stakeholders. A small gesture of solidarity to help children in need all around the world, ensuring them food, water, medical care and quality education.



Initiative “Progetto di Mobilità Garantita” (PMG)

The company, also this year, contributed towards the purchase of a new vehicle specifically to transport people with disabilities in the Frosinone area.

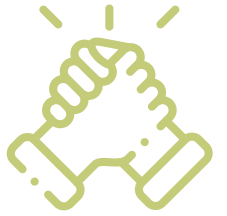
The collaboration aims to promote autonomy and social integration and continues thanks to the support of local companies that continue investing in a project with high ethical and social value.

Solidarity for Caritas

Klopman had personalised mugs made for charity, with the entire proceeds donated to the local Caritas Diocesana of Frosinone to help people in need.

Our solidarity mugs helped us to support our commitment to the local territory and community.





INVESTING IN THE SOCIETY WE LIVE IN

Klopman for the bees

Bees are at risk. And our ecosystem too. More than 80% of plant species and food production in Europe depends on the constant work of bees. Bees, in fact, not only produce honey, but play a very important role in maintaining the biodiversity that is the basis of our planet's survival.

So Klopman launched an initiative to contribute to the installation of new hives for a local apiary in the province of Latina.



A library for children

Last year, Klopman donated a library for children with more than 100 new books at “Scuola della Pace”, part of Sant’Egidio community of Frosinone, confirming and renewing its commitment and attention to our local area.

The initiative “Aiutaci a crescere. Regalaci un libro” is a collaboration with the bookshop Giunti Al Punto di Frosinone, which is part of the foremost chain of bookstores in Italy in terms of number of shops.

For 2021, activities and projects involving students, schools and universities were not promoted due to COVID 19.

However, despite social distancing rules, Klopman supports more vulnerable organisations as follows:

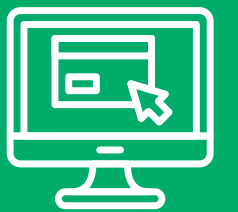
- donation for charitable purposes and for non-profit associations
- our day-to-day work requires us to use sophisticated technology. Once equipment becomes outdated for our exacting needs, it does not end its useful life in landfill; we donate refurbished equipment to non-profit organisations and company 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.

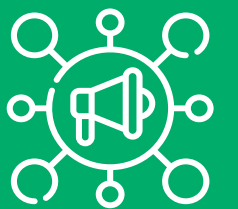




Communication & customer care



Showroom
Klopman's virtual showroom



Marketing
corporate and product



Service
excellent customer service

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 comply strictly with the European chemicals regulation REACH and to the MRSL list, performing Detox to Zero analysis.

Product and service labelling and information

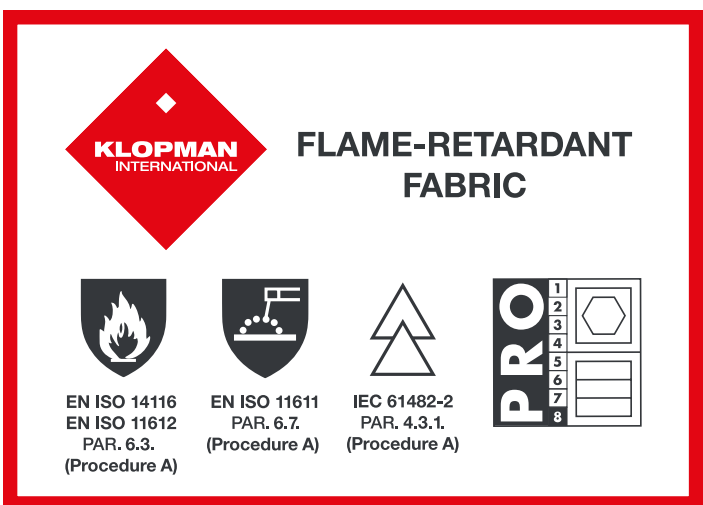
Klopman ensures that the products which it develops and delivers are:

*safe, in compliance with Italian and international laws applicable to the textile industry.

*reliable, pursuant to its customers' needs and its 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 labelling/hangtag system to strengthen the informative message for the end user, following the belief that garment makers choose Klopman fabric because it's the best on the market to protect you.

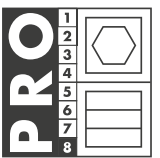


FABRIC MADE FROM RECYCLED POLYESTER



POLY-COTTON

Fabric composition:
65% Recycled Polyester
35% Cotton



L154

Communication & Customer Care



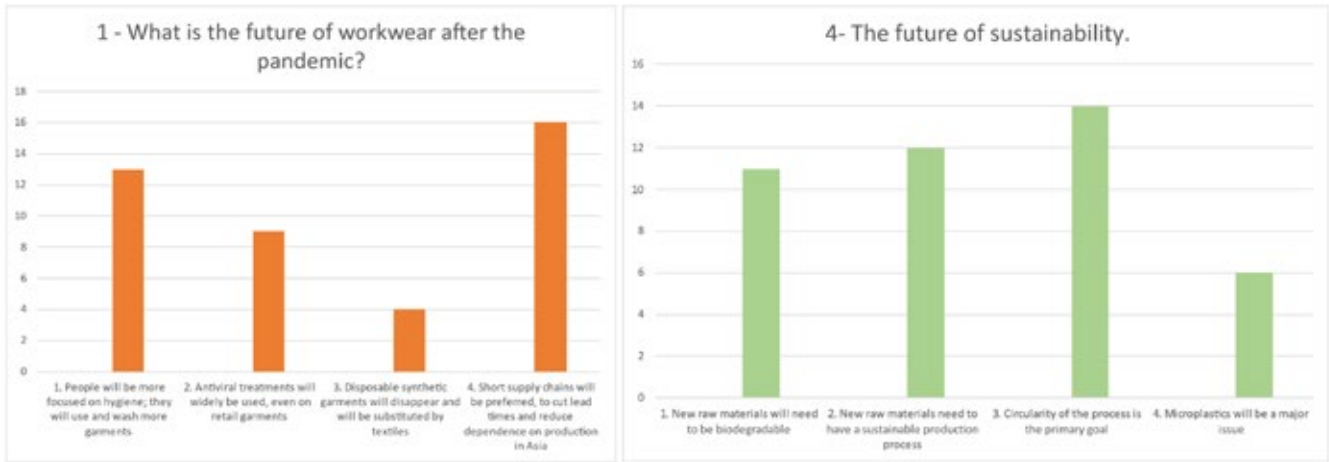
EVENTS

Virtual showroom

Launched in May 2021, the new virtual showroom, an immersive digital experience especially conceived for our customers, to present the company’s newest products and create a digital space to interact with customers. Many videos have been produced and displayed on this platform to present all the features and benefits of the products.

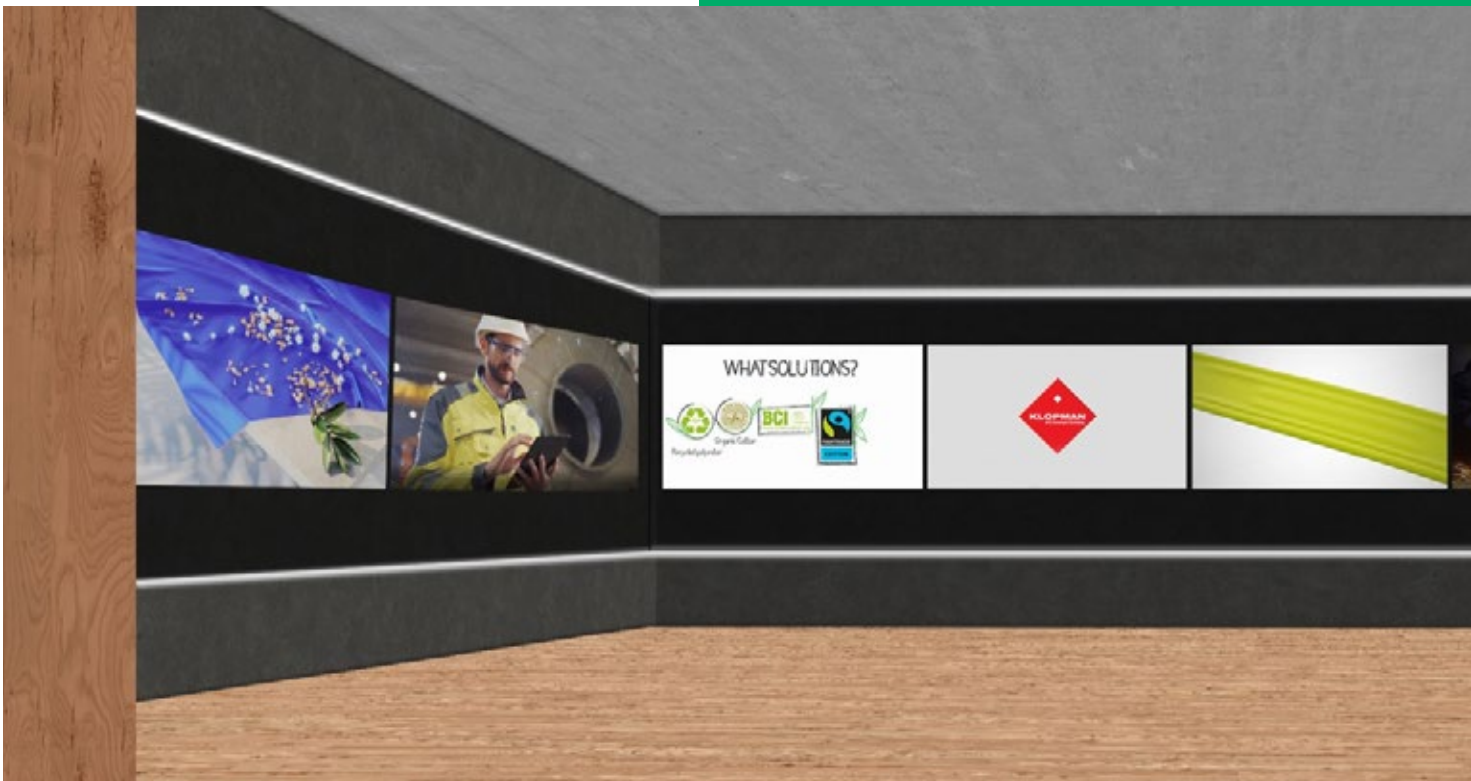
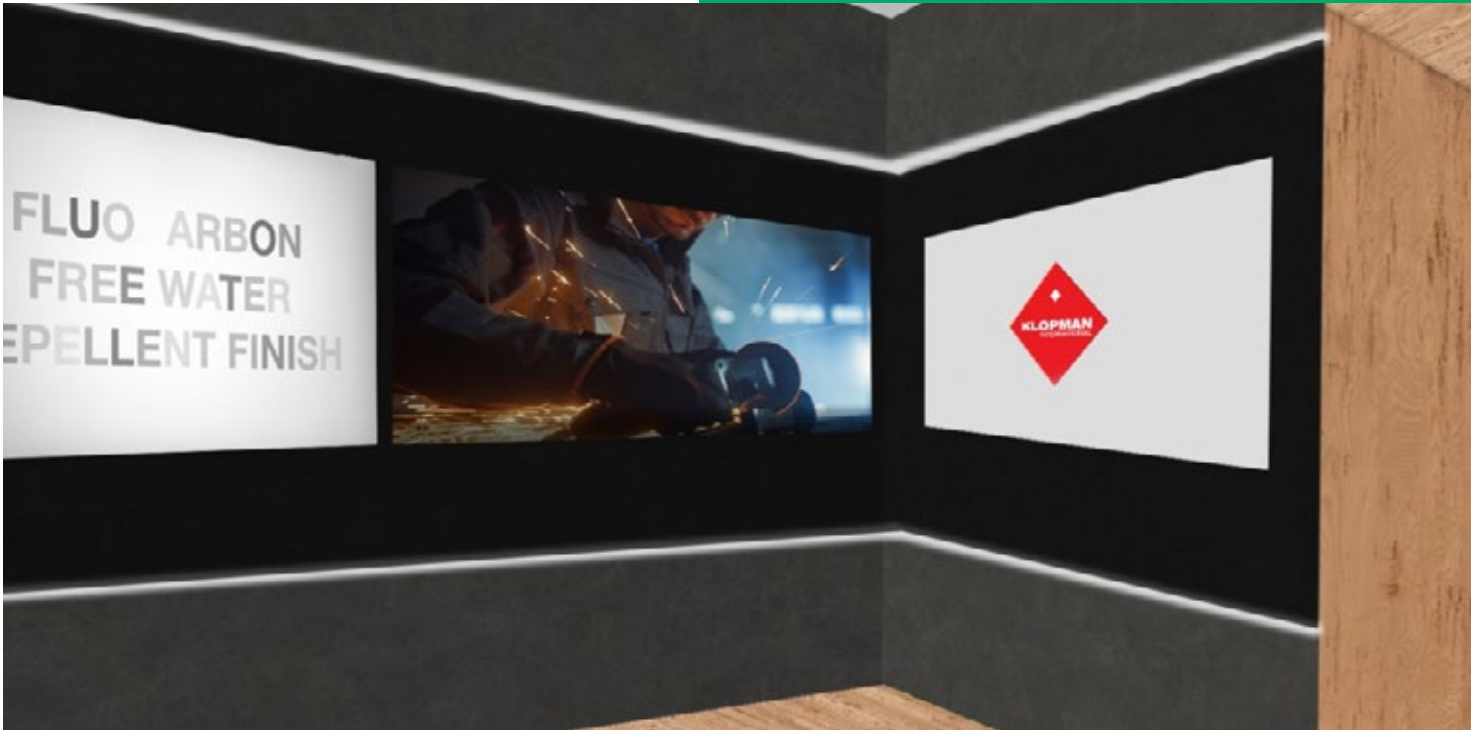
Survey

The showroom has been conceived as an interactive tool. During the visit, users could answer a survey about the future of workwear. Giving their opinion and vision of the future. Some of the most significant test results are shown below.



“Communication for us is not only a sales initiative but a way to create value for our clients. We have very long-lasting relationships with our customers based on trust and mutual respect.”

Rossella De Angelis - *Group Communication Director*





EVENTS

ECOTEC project

The ECOTEC project aims to establish a technological platform for developing innovative formulations and industrial processes with low environmental impact.

The Ecotec platform will allow us to expand our range of fabric specialist partner KLOPMAN, project leader, to expand its range of high-visibility personal protective equipment (PPE) with a strong emphasis on creating value and employment through the entire supply chain in the territories involved.

The objective of the ECOTEC project is to develop a new range of smart protective fabrics, based on eco-sustainable methodologies.

The project is divided into five implementation goals, at the end of which we will have achieved a smart fabric prototype.

Klopman sponsored the event Nanoinnovation 2021.

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

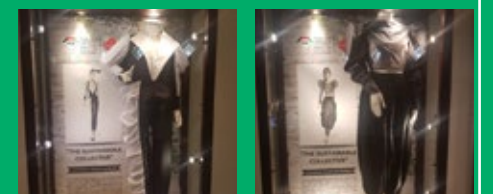


International Design Conference

Klopman's fabrics sustainability initiative joined the International Design Conference organised by FDI -Fashion and Design Institute Mauritius. Hosted at the French Pavilion at Expo 2020 Dubai on 17/3/2022, Klopman's sustainable fabrics were used for the collection coordinated by Sustainable fashion brand ROOTS (a collaboration between Stay Grounded and students from the London College of Arts). The conference focused not only on design processes and concepts, but also on the research of methods, design & materials for sustainability and innovative technologies. The event was well attended, demonstrating the topic's crucial importance.



Good fabrics can be used for many applications. Thank you to the American University in the Emirates for the ready-to-wear design using Klopman sustainable fabrics.



Participation in BIOT

Klopman exhibited at the Biot fair in Russia. This event is a four-day event that showcases products like garments, textiles and shoes, personal and collective protective equipment, measurement instruments, fire-prevention and fire-fighting equipment and accessories etc. We presented our collection of fabrics and newest innovations, and had the chance to meet sector experts and customers.





CORPORATE AND PRODUCT COMMUNICATIONS

Responsible marketing is an important aspect 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.

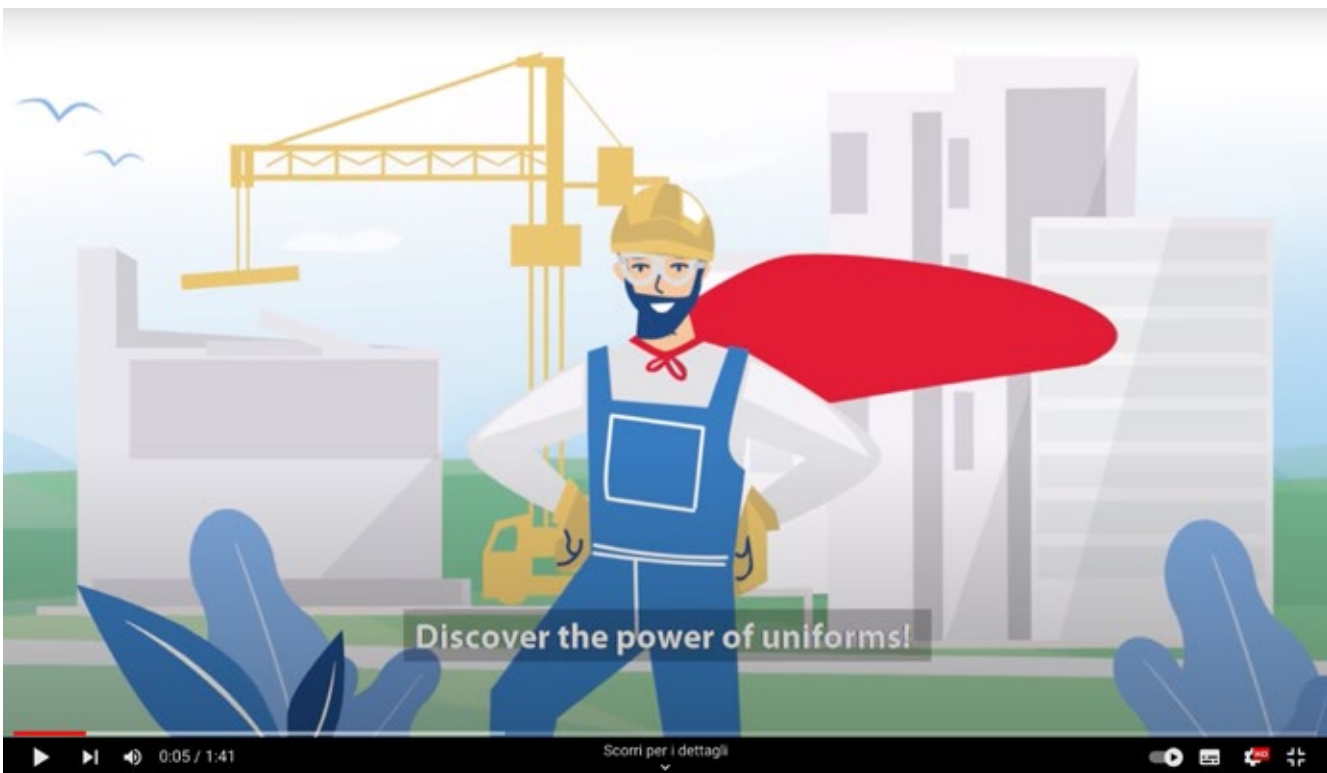
Product marketing

New communication material has been created to showcase our products for our customers and end users, and to communicate our fabrics' effectiveness and benefits. The material includes new leaflets, swatchcards, brochures and videos.



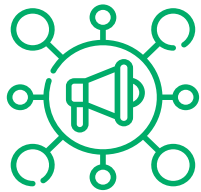
Video - What makes a good uniform?

Educational approach: Klopman has released a new video to explain to customers the benefits and features of high-quality fabrics and uniforms. A virtual and important tool to help users to educate the audience and help them to understand all the elements involved in producing a workwear fabric.



[CLICK HERE TO WATCH THE VIDEO](#)

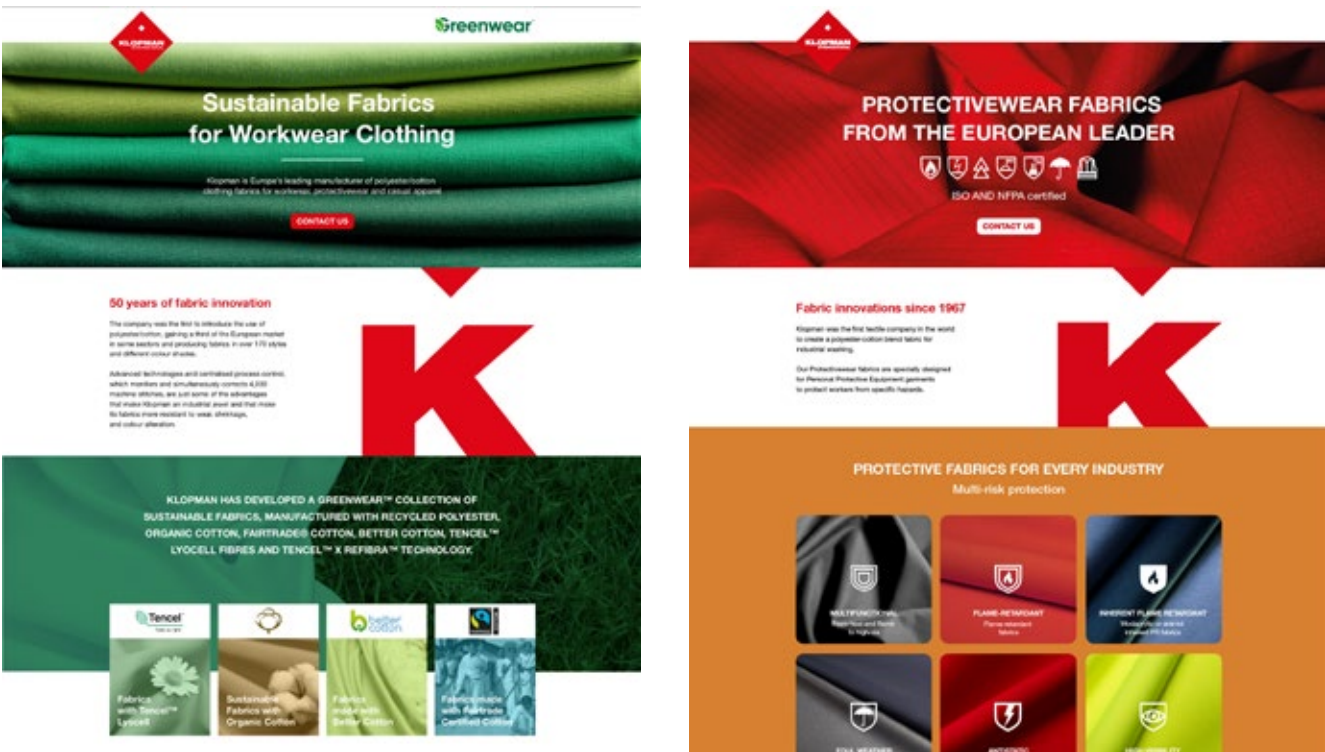
Communication & Customer Care



CORPORATE AND PRODUCT COMMUNICATIONS

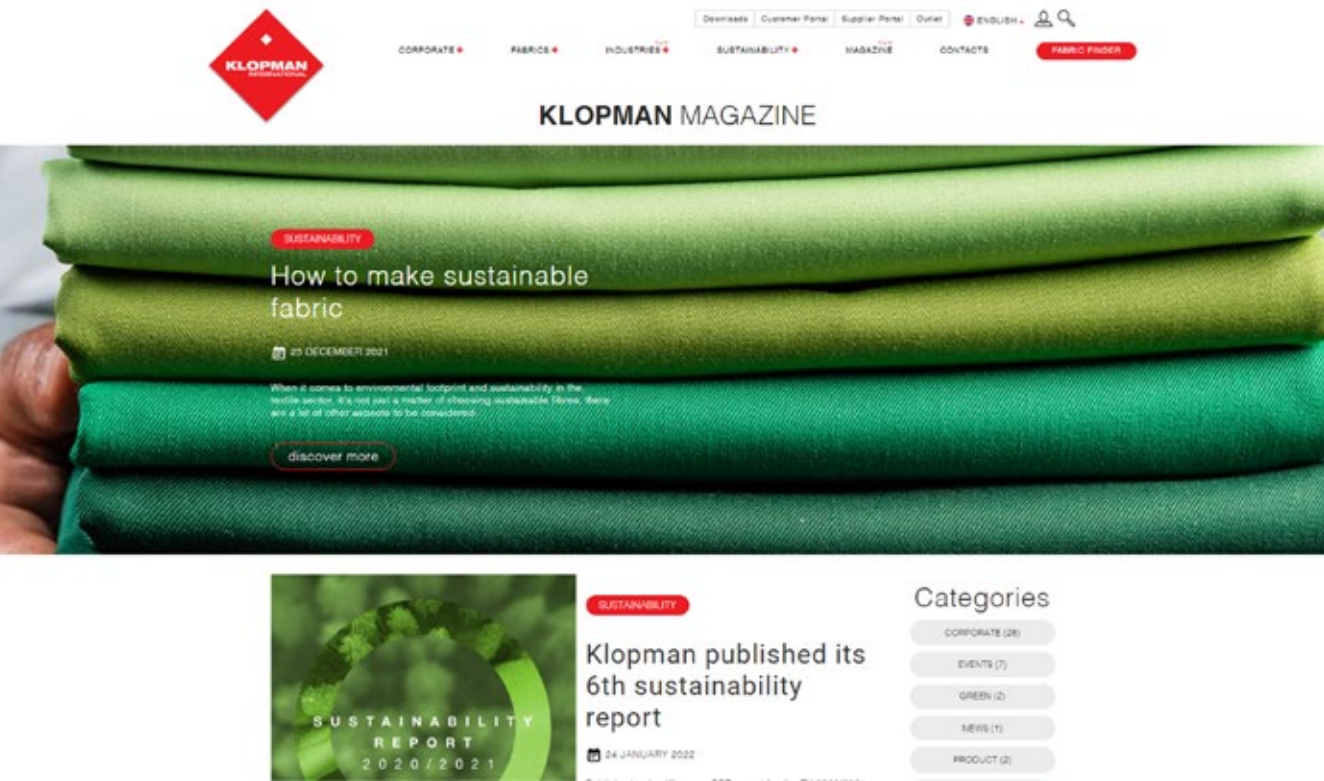
Educating our customers

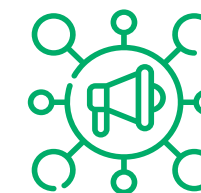
In 2021, we launched online advertising campaigns to show the importance of choosing a sustainable fabric or garment, and the difference it makes when wearing a protective uniform with specific features and certifications. To do this, we created two web pages giving readers more information about protectivewear and sustainable fabrics, plus a dedicated contact form.



Website

We refreshed the Klopman website home page, and added a new section, called MAGAZINE, featuring the latest industry trends and company developments.



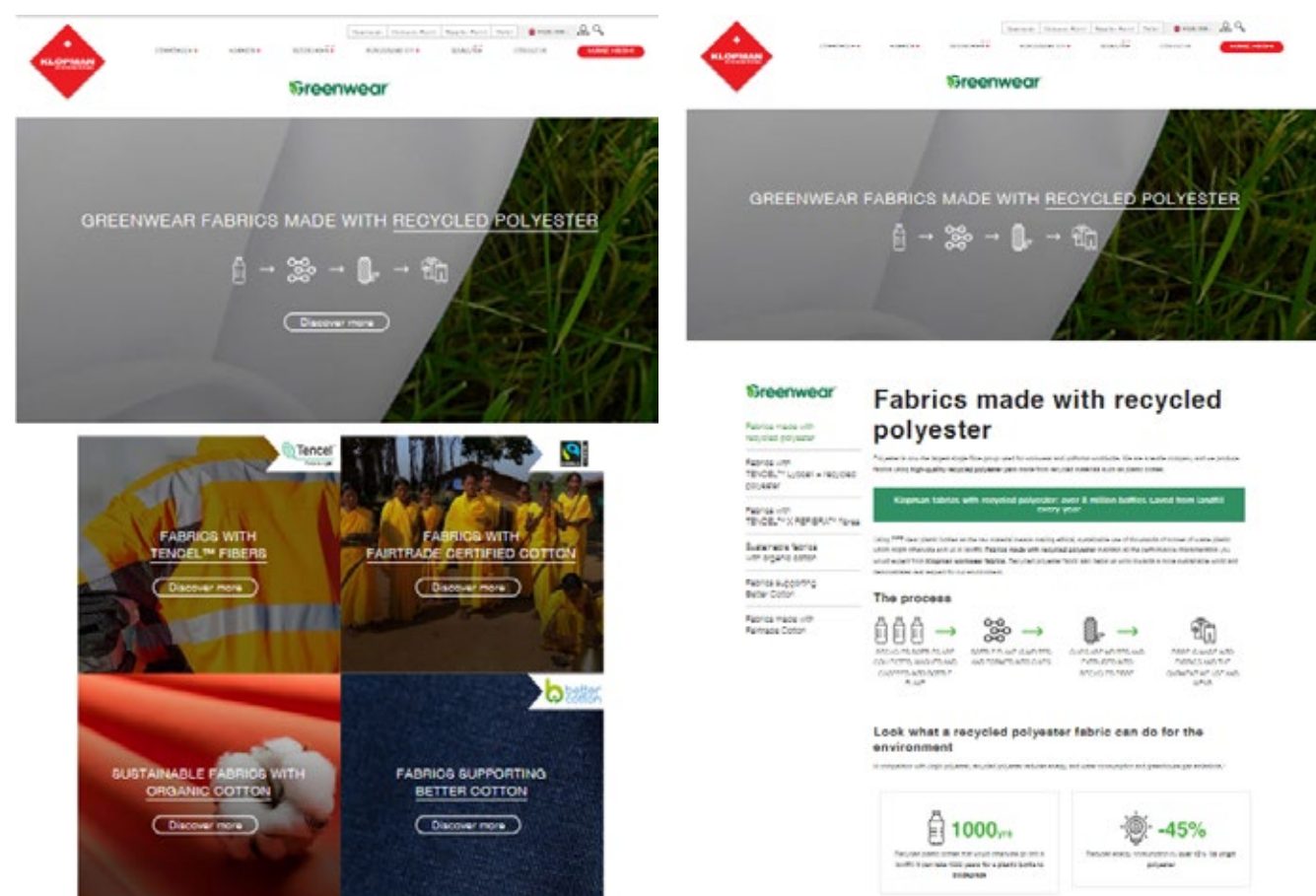


Communication & Customer Care

CORPORATE AND PRODUCT COMMUNICATIONS

Website - new Greenwear section

The website now has a new section dedicated to the Greenwear range, detailing all our sustainable fabrics.



In 2021, Klopman provided its expertise to the USA-based Network Association of Uniform Manufacturers & Distributors (NAUMD), for two webinars in its Uniform Trends series: The increasing role of sustainability
Flame resistant developments and innovations.

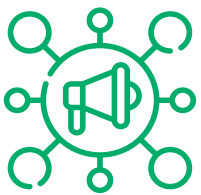


Fairtrade Pratima Organic Grower Group is a Fairtrade producer organisation that benefits from Klopman's sourcing and processing of Fairtrade cotton to make workwear uniforms.

Klopman was pleased to participate in Journées d'Etudes from June 9 to 11 in Annecy, France, an event organized by Geist - Groupement des Entreprises Industrielles de Services Textiles.

Of particular interest was the event's focus on digitisation, an integral part of Klopman's corporate culture, which has always implemented systemic initiatives for the development of digital technology to create new opportunities for growth.





INTERNAL COMMUNITY

Photo contest

Klopman asked its employees to submit a photo that represents what innovation means to them. Out of the many images received, 13 were chosen to create the 2022 Klopman calendar and to receive a reward.



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 2021 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

Sustainable fabric solutions

Klopman produced more than four million metres of fabrics using sustainable raw materials.

Earth Day

Klopman celebrated World Earth Day, an international event for environmental sustainability and the preservation of our planet.

Reducing our impact on the environment is an integral part of Klopman’s culture and operations.





Klopman International

Via Armando Vona, 34

03100 Frosinone - Italy