

DO YOUR SKIN A FAVOR

BACK LABEL SRL – Società Benefit: **SUSTAINABILITY REPORT 2023**



Back Label specializes in developing and crafting Wellnesswear™, encompassing athletic, leisure, and yoga attire under its Weargrace line. Our garments are meticulously crafted from **certified fabrics that guarantee safety for direct skin contact.**

Our materials feature blends of natural fibers such as bamboo, algae, eucalyptus intricately woven with layers of premium-quality cottons.

When synthetic fibers like elastane are required, they are used sparingly for elastic bands, waistbands, or other minor details.

Our brand philosophy is rooted in "Back to Origins, Back to How Products Should Be Made, Back to Quality, Back to Nature," complemented by slogans like ***"STOP WEARING PLASTIC"*** and ***"DO YOUR SKIN A FAVOR."***

Entirely made in Italy, Back Label exclusively distributes its ongoing collections through high-end hotel spas and boutique outlets globally. Additionally, we offer a White Label service for personalized logo apparel design and manufacturing to cater to our discerning clientele.

“BACK to Earth”:

Long-Term Sustainability Commitment

For Back Label, sustainability means striving for long-term development. “Sustainability involves taking present-day responsibility for the welfare of future generations, acting consciously, preserving natural resources, and working together as consumers and business owners to combat climate change by minimizing environmental impact.

In essence, long-term growth is achievable only through responsible behavior.” ~ BL Alessandra Perricone, Commercial Director and Impact Specialist.

Back Label recognizes that sustainable development requires stringent policies, tools, and actions concerning environmental issues. Commitment to future generations necessitates careful use of scarce natural resources and reducing the impact of business activities.

Adoption of Environmental Policy

Since 2020, Back Label has demonstrated its environmental commitment by adopting an Environmental Policy and becoming a Benefit Company, under Italian and International Law. This policy emphasizes adherence to legislative and regulatory requirements while formalizing the company’s pledge to continually improve environmental performance by minimizing impacts from its production sites, offices, activities, services, products, and logistics.

Focus on Direct Environmental Impacts

CONSUMI ENERGETICI DIRETTI

(tCO2eq)

	2019	2020	2021	2022	2023
<i>Da fonti non rinnovabili:</i>					
Gas naturale	20,62	11,65	11,08	7,79	6,16
Carburante auto	14,35	8,8	9,12	8,53	4,36

CONSUMI ENERGETICI INDIRETTI

(tCO2eq)

	2019	2020	2021	2022	2023
<i>Da fonti non rinnovabili:</i>					
Elettricità	1,29	1,97	0	0	0

EMISSIONI TOTALI

	2019	2020	2021	2022	2023
(tCO2eq)	36,26	22,42	20,20	16,32	10,52

For direct environmental impacts (scope 1 and scope 2) generated by offices, logistics centers, and production sites, Back Label focuses on:

- Evaluating and monitoring environmental impacts to identify and implement improvements through yearly updated KPIs.
- Purchasing electricity from renewable sources.
- Using technologies that support employee interaction to reduce travel.
- Efficient resource use and responsible sourcing.

- Promoting awareness and guidelines to reduce consumption of paper, plastic, toner, energy, and enhance waste separation.

Energy consumption at Back Label relates to heating, lighting, and the operation of office and production equipment.

Emissions Offsetting and Afforestation Project

In 2023, Back Label not only reduced its environmental impacts but also continued offsetting emissions through collaboration with South Pole Carbon Asset Management Ltd. The highlight of

2023 was the Liugui Afforestation Project in Central China, where Back Label offset 6.2 tCO₂ by converting wasteland into a thriving forest.

This project enhances forest connectivity, prevents erosion and desertification, improves soil and water quality, and creates stable jobs and training opportunities, particularly for young people.

To reduce the indirect impact of raw material procurement, production, and distribution, Back Label communicates sustainability practices and B Corp philosophy with its suppliers, aiming for

common environmental goals, particularly in production and logistics.

Energy Efficiency and Renewable Energy Initiatives

Back Label's initiatives include:

- Sourcing *100% green energy*.
- Enhancing energy efficiency, such as optimizing cutting activities based on workload.
- Reducing travel impacts by adopting a *fully electric company car* for all company-related travel and increasing the use of trains for business trips.

- Implementing energy-efficient washing machines and dishwashers.
- Upgrading lighting systems to LED, achieving up to 80% energy savings and less residual heat.

Additionally, Back Label leverages technology to facilitate remote work and reduce travel impacts, allowing employees to work from home up to four days a month, reducing CO2 emissions associated with commuting.

Circular Economy and Fabric Waste Solutions

Back Label values the circular economy and collaborates with partners and organizations to find solutions for re-evaluating waste, particularly fabric processing waste.

This includes donations of cashmere yarn to *LoFolo* (Regenerating wool company based in Prato, Italy) and keeping monitored future developments at *Euratex* with regards to efficient fabric waste disposal.

About general waste management, Back Label generates waste primarily from packaging and office/textile processing.

In 2023, about 90% of this waste was recycled. Offices are equipped with separate waste collection containers for various materials, and employees are encouraged to follow proper disposal and recycling practices.

Sustainable Logistics

Practices

Back Label promotes sustainable logistics by:

- Defining efficient routes for raw material procurement and customer shipments.
- Optimizing packaging space.

- Using environmentally friendly transport methods

As a matter of fact the company prefers land shipments over air whenever possible and monitors CO2 emissions from all product transport through partners like DHL GoGreen.

“BACK to People and Community”:

Inclusive Corporate Culture and Community Support

Back Label fosters an inclusive corporate culture, valuing diversity and expression, and actively supports local communities and

charitable organizations through donations and support for new talents. The company's initiatives focus on scientific research, social development, poverty alleviation, and emergency support.

Back Label's Code of Ethics ensures no discrimination based on various personal characteristics.

Back seeks to provide business opportunities to purpose-driven businesses and those with traditionally underrepresented or marginalized ownership. In 2023, Back Label expanded its workforce by 2%, *welcoming three women from war-torn regions.*

Collaborative Opportunities for Persons with Disabilities

In 2023, the company continued its inclusion and diversity plan through work programs for persons with disabilities in collaboration with local organizations like A.I.P.D and Associazione Tantemani.

For the 3rd consecutive year, Back Label collaborates with AIPD and the Tantemani Laboratory to provide opportunities for persons with disabilities, integrating them into various roles and responsibilities, enhancing both their skills and the company's efficiency.

Back Label's program for integrating people with disabilities involves:

1. Familiarization with company procedures.
2. Internships to test skills and foster colleague interaction.
3. Gradual delegation of responsibilities.
4. Final integration based on company and individual needs.

“With G. the developments became rapid from the first day. G. helps with small tasks such as cleaning, tidying up of work tools and cafeteria services. Her cheerfulness and transparency have given a strong input to all colleagues and collaborators who relate to her with a positive spirit and a genuine desire

for interaction. Also, with G. we are increasing the load of the hours and therefore the engagement I would like to clarify that the approach described above pursues the looming goal of profit which remains the primary index of the company's health. **This approach also adds a new evaluation index that derives from being together well, doing everyone good for good.** ~ Filippo Perricone, Back Label Managing Director

“BACK to Governance”:

In 2023, Back Label strengthened its commitment to the B Corp culture by amplifying ownership to include three additional employees: two women and one man in their 30s. This strategic move underscores the company's dedication to sharing its success with valued and deserving team members.

Furthermore, Back Label has deepened its involvement in promoting B Corp principles by partnering with the Bergamo University of Economics.

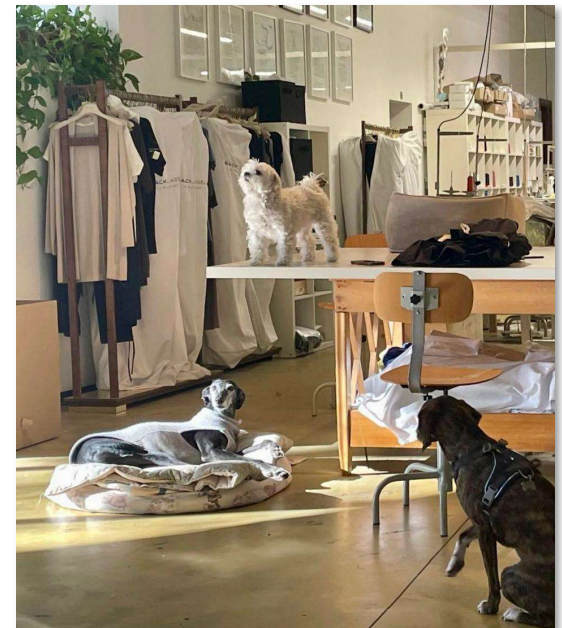
Beyond financial support, the company actively mentors students from all over the country on their theses and projects to advance understanding and implementation of these principles.

“Back to ANIMALS”:

Since day one in 2011, Back Label has proudly maintained its status as a pet-friendly company, firmly believing in the therapeutic benefits of pets.

In Back Label, *all animals are warmly welcomed*, recognizing their integral role in promoting a positive and inclusive work environment.

We actively promote vegetarianism and veganism and passionately share insights on the ethical, environmental, and social benefits of these lifestyles, offering shopping tips and guidance on best practices to encourage animals love.





GOGREEN CERTIFICATE 2023

BACK LABEL SRL

offset a total of **3,524.59 kg CO₂e**
for 2023 with GoGreen Products and Services.

DHL Group has offset the greenhouse gas emissions generated by transportation and logistics through worldwide, registered climate protection projects.

More details about the DHL GoGreen Projects Portfolio and selection criteria can be found at:
<https://group.dhl.com/climate-gogreen-projects>

Michiel Greeven
Executive Vice President
Global Commercial DHL Express

This certificate is issued by DHL Group. The greenhouse gas emissions stated on this certificate (reported as CO₂e*) include emissions from transport and logistics as well as upstream emissions from fuel and energy production. The emissions have been calculated and offset via expenditures on climate protection projects as mentioned above. SGS (Société Générale de Surveillance) has verified the tracked greenhouse gas emissions and the related offsets against the Carbon Management System and according to the „Greenhouse Gas Protocol - Product Life Cycle Accounting and Reporting Standard“ for the period of 01.01.2023 to 31.12.2023.

* CO₂e: The CO₂ equivalents for emission compensation include carbon dioxide (CO₂) as well as further GHG emissions such as methane (CH₄).



DHL GOGREEN



GoGreen

CERTIFICATO

DI ENERGIA PRODOTTA DA FONTI RINNOVABILI

Power.it attesta che l'energia fornita a

BACK LABEL SRL

È prodotta esclusivamente da impianti che utilizzano fonti rinnovabili quali idroelettrica, geotermica, eolica e solare, in conformità con la Direttiva 2009/28/CE e con la Deliberazione dell'Autorità per l'Energia Elettrica e il Gas - ARG/elt 104/11

B2001104 - N°13

CERTIFICATO N.

2023

PERIODO DI VALIDITÀ



RILASCIATO DA

 south pole The Climate Company

Certificate of climate protection

This certificate verifies that

BACK LABEL SRL

has funded climate action through verified contributions.

6.2 tCO₂e

has been removed or reduced from the atmosphere through supporting South Pole's climate action

Project Name	Project Id	Volume
Liugui Afforestation	303431	6.20 tonnes



Daniel Klier
CEO, South Pole

OFFSET EMISSIONS

**STOP WEARING
PLASTIC!**
