

2015 SUSTAINABILITY REPORT

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G4 Sustainability Reporting Guidelines

LETTER FROM THE PRESIDENT

Our company is based on People and Technologies. We have always invested on these two assets, since they are fundamental for our growth and to offer our Clients the best on the market services and products. Some years ago, we realized that this was not enough because the fact of “doing business” cannot be separated from the respect for the context in which we operate. This idea prompted us to question ourselves and today it is pushing us to work on a third strategic aspect: sustainability. Intellectual capital, design and production cutting-edge technologies and our business sustainability are Pattern’s three pillars.

This is why in 2012 we decided to prepare ourselves and then in 2013 obtain the international SA8000 Social Accountability certification, which regards corporate social responsibility in terms of safety, environment and human resources. From 2015, this approach has begun to be transferred to the entire supply chain; in particular, following two guidelines: the first regards the certification of the companies working for us in terms of adherence to the SA8000 Standard. The second concerns the raw materials we purchase, verifying that they are produced by following the REACH regulations but also without toxic substances or agents.

Our Board and Executive Committee think that all these efforts may appear at the beginning as a cost but they are actually a big

investment for the future, since in the market where we operate there is a huge polarization between those who want to do really well and those who just think that relocating means lower costs. We distrust of those who sells cashmere at the same price of synthetic fibres: or they are not paying their workers properly or it is not cashmere.

We believe that real quality in the long run can be accomplished only in one way: by investing in people, technology and sustainability. For this reason, starting from 2015 we have drawn up our Annual Report together with this Sustainability Report: we believe that the latter has a tremendous value for everybody that has a relation with us (stakeholders) in the territory, such as Clients, suppliers, banks, employees, cities and schools.

We hope that reading this document will be interesting for you, becoming also an incentive for other companies to act in the same way. We also hope that this report will contribute to underline how much a Small/Medium Enterprise like ours can do to improve the context in which it operates.

Francesco Martorella

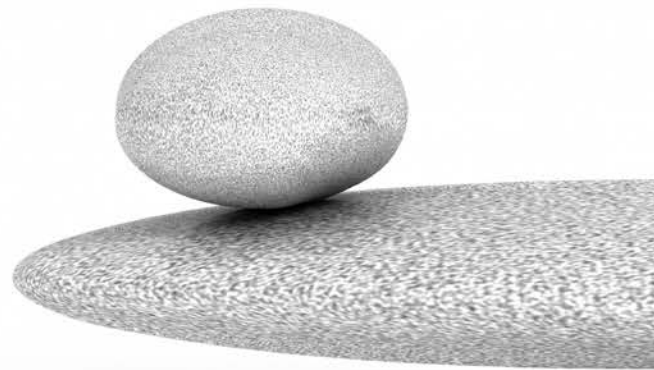


Pattern's Sustainability Report, drawn up for the first time for the year 2015, is a comprehensive expression of a corporate culture based on the implementation of the "Triple Bottom Line" approach. This method is exploited in the day-by-day strategic and operational choices with the aim of developing sustainable corporate decisions and investments, starting from the bottom of the business pyramid. Furthermore, it involves the simultaneous pursuit of three goals: social equity, environmental quality and economic prosperity.

The Sustainability report has been drawn up according to the Sustainability Reporting Guidelines issued by the GRI (Global Reporting Initiative) G4, and the principles of inclusiveness, materiality and responsiveness set out in the Standard AA1000.

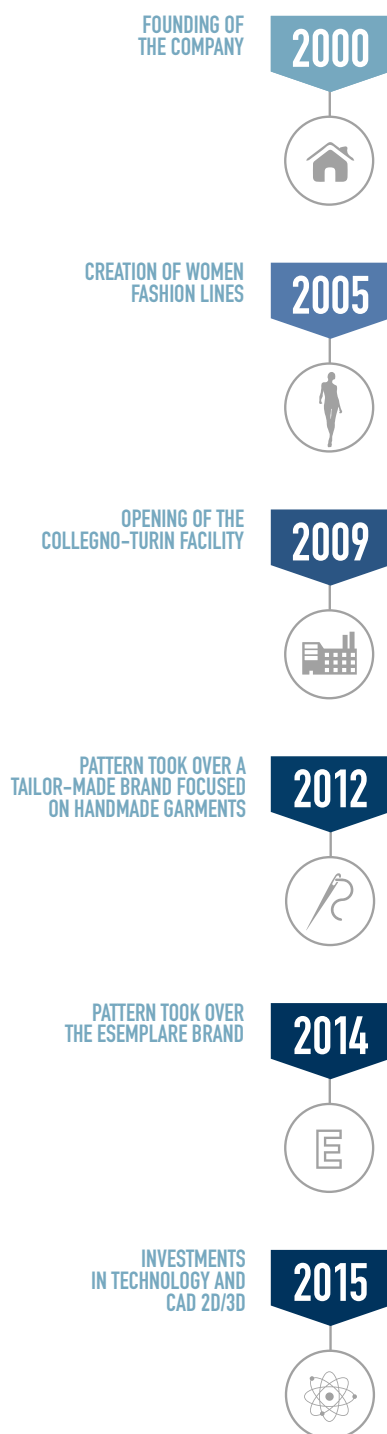
The analysis of the sustainable (economic, environmental and social) performance is based on a series of Key Performance Indicators (KPIs), developed on the basis of GRI-G4 guidelines. The sections regarding the economic and social dimensions have also drawn on the Reporting Standards issued by the Italian Sustainability Report Study Group (GBS - Gruppo di Studio per il Bilancio Sociale). The information and numerical data contained in the Sustainability Report refer to 2015 and are based on the activities performed by Pattern S.r.l (Ltd.) and its subsidiary Pattern Project S.r.l (Ltd.). The economic and financial figures refer to Pattern S.r.l (Ltd.) and they are taken from the company's financial statements as at 31st December 2015. The content of the financial statements, focused on the most significant issues for Pattern's stakeholders, proves the evolution made by the company in 2015, compared to the previous years. This progress allowed to draw up an evaluation of Pattern's dynamic growth throughout the year. The Summary Table, which you can find at the end of this Sustainability Report, illustrates the topics discussed in the text with reference to the specific GRI-G4 indicators.

The Report has been published both in Italian and English on Pattern's website www.patterntorino.it under the heading "Sustainability".





3 COMPANY



3.1 HISTORY

Pattern S.r.l. (Ltd.) was founded at the end of 2000 by Fulvio Botto and Francesco Martorella (pattern-makers coming from Gruppo Finanziario Tessile, the biggest Italian garment concern until the end of nineties), who decided to set up their own company of design & engineering of garments, after experiencing many years working for the most important national and international fashion houses. The founders' business idea is closely linked to the fashion industry and it is based on activities implemented on a vertical basis within the company. Everything starts from the garments design, engineering and development; then there are the prototyping and samples manufacturing phases, which end with the garments production for the most prominent international brands. The design of the main fashion lines for men was the starting point of their entrepreneurial activity.



Fulvio Botto



Francesco Martorella

In 2005, the business became bigger and more diversified: Pattern started to design and produce women fashion lines. The opening of the Collegno-Turin facility took place in 2009. In 2012, Pattern took over a tailor-made brand focused on handmade garments to respond more effectively to the Clients' need for a higher product customisation. In 2013, thanks to its choices and to its internal processes tailored in accordance with environmental protection, safety in terms of internal Human Resources management and supply chain, Pattern became the first Italian clothing manufacturing company to obtain the SA8000 Social Accountability international certification.

In July 2014, Pattern took over the Esemplare brand, specialised in urban/sportswear. In Spring/Summer 2015, Esemplare launched the woman collection, which was presented at Pitti Firenze and Berlin Premium international fashion trade shows: this was the beginning of the international growth phase of the brand.



PATTERN TODAY

Today Pattern has an organisational structure based on production units and it employs around 100 highly-skilled workers. With around 4000 m² of working departments, Pattern has extended and improved its workspaces for every phase of the design and production processes, paying special attention to the pattern-making, product development and prototyping phases. Every year Pattern produces more than 30 collections, thanks to a flexible and constantly growing organisational structure, which takes care of every step of the process, guaranteeing the Client the best quality, flexibility and dispatch. Such an excellent service is possible thanks to the verticalisation of the production phases. Pattern's strength is the ability to follow many different collections overseeing all the design and productive processes in such different categories (from coats and jackets to any other item of clothing).







3.2 MISSION

At first Pattern aimed at garments design and pattern development but the growth of the business allowed the company to extend its business activity by producing “turnkey collections” for well-known international high fashion brands: the garments produced by Pattern walk down the London, Milan, Paris and New York catwalks every season.

In the current competitive economic environment, Pattern’s mission is the full accomplishment of the projecting and production cycles in the fashion industry: from paper patterns to prototypes, from the production of garments ready for the fashion shows to the actual lines production. Pattern has always tried to achieve a balanced mix between craftsmanship and technology, thanks to the internal workforce and the investments in the most advanced CAD systems and in ground-breaking productive machines. Starting from 2012, Pattern has adopted an internal Code of Ethics, which helped to define in writing a precise corporate policy regarding social and organisational responsibility and working conditions.

Pattern has always structured its growth path by basing it on two pillars: technology and Human Resources. Recently, another pillar has been added: business sustainability.

3.3 GOVERNANCE AND ORGANISATION

At the helm of Pattern, there are people who have a global vision of the processes and activities of the company. This is essential to guarantee a global and innovative management of a small/medium-sized enterprise.

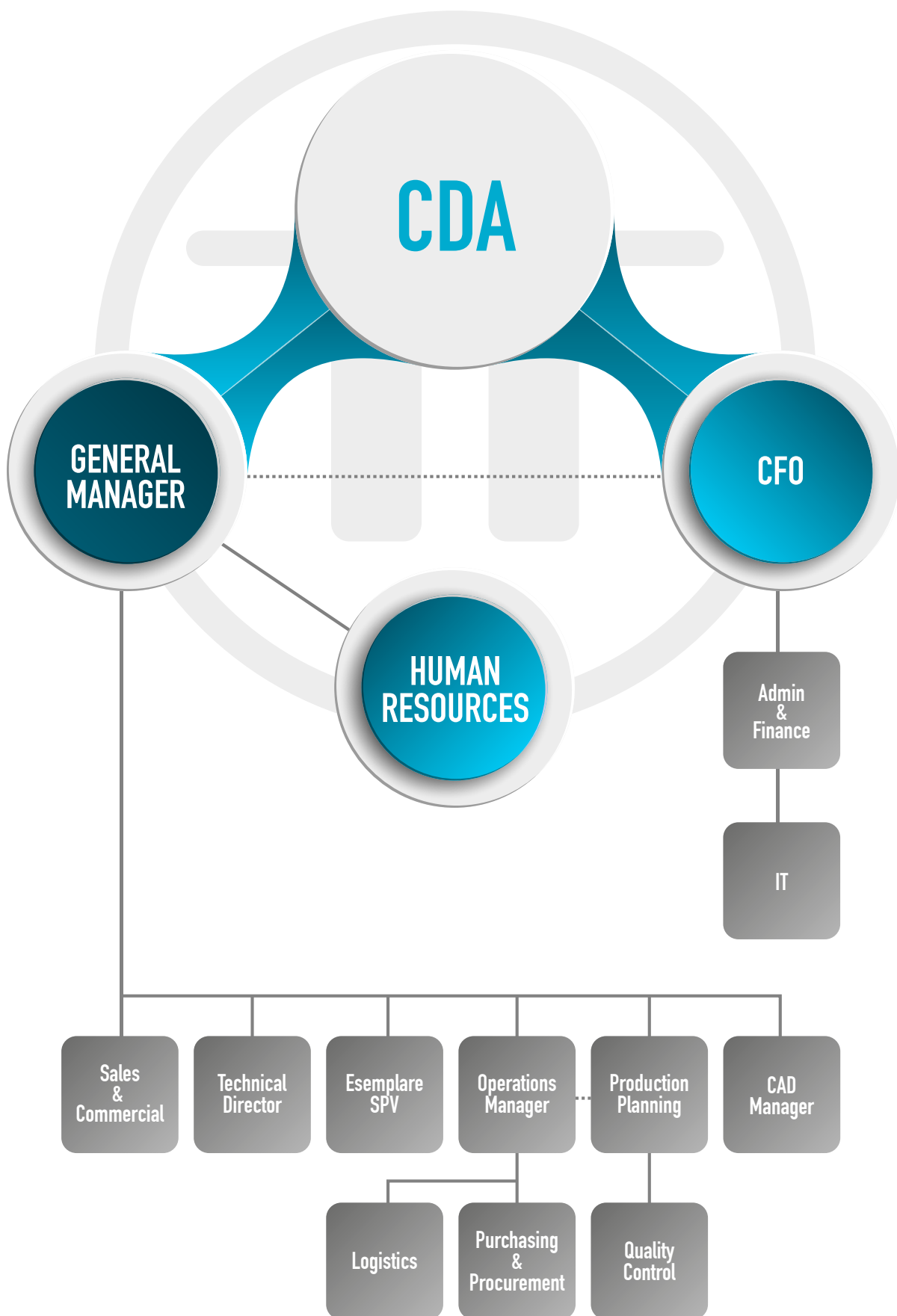
Furthermore, in the last 3 years, the company has structured itself according to a delegation process, which has led to an organisational structure based on a Client/Function matrix. This organisation of the company is based on total supervision: from the first contact with the designer to the delivery of the finished garment to the Client. The constant presence in the firm of the two founders, playing the roles of Technical Directors, is another fundamental element in the process of the garments design management and in the operational aspects of Pattern’s activities.

The Board of Directors is composed of:

- Francesco Martorella
- Fulvio Botto
- Francesco Mazza

Audit firm: Revi.tor S.r.l.

You can find the organisational chart of the company in the next table:



3.4 STAKEHOLDER

Pattern has decided to give voice to its socially responsible nature, by letting it emerge with the aim of reporting its strengths, weaknesses and core values. This choice made necessary the mapping of its stakeholders. This was a fundamental step to identify accurately the people that have economic, social and environmental interests linked to Pattern's activities.

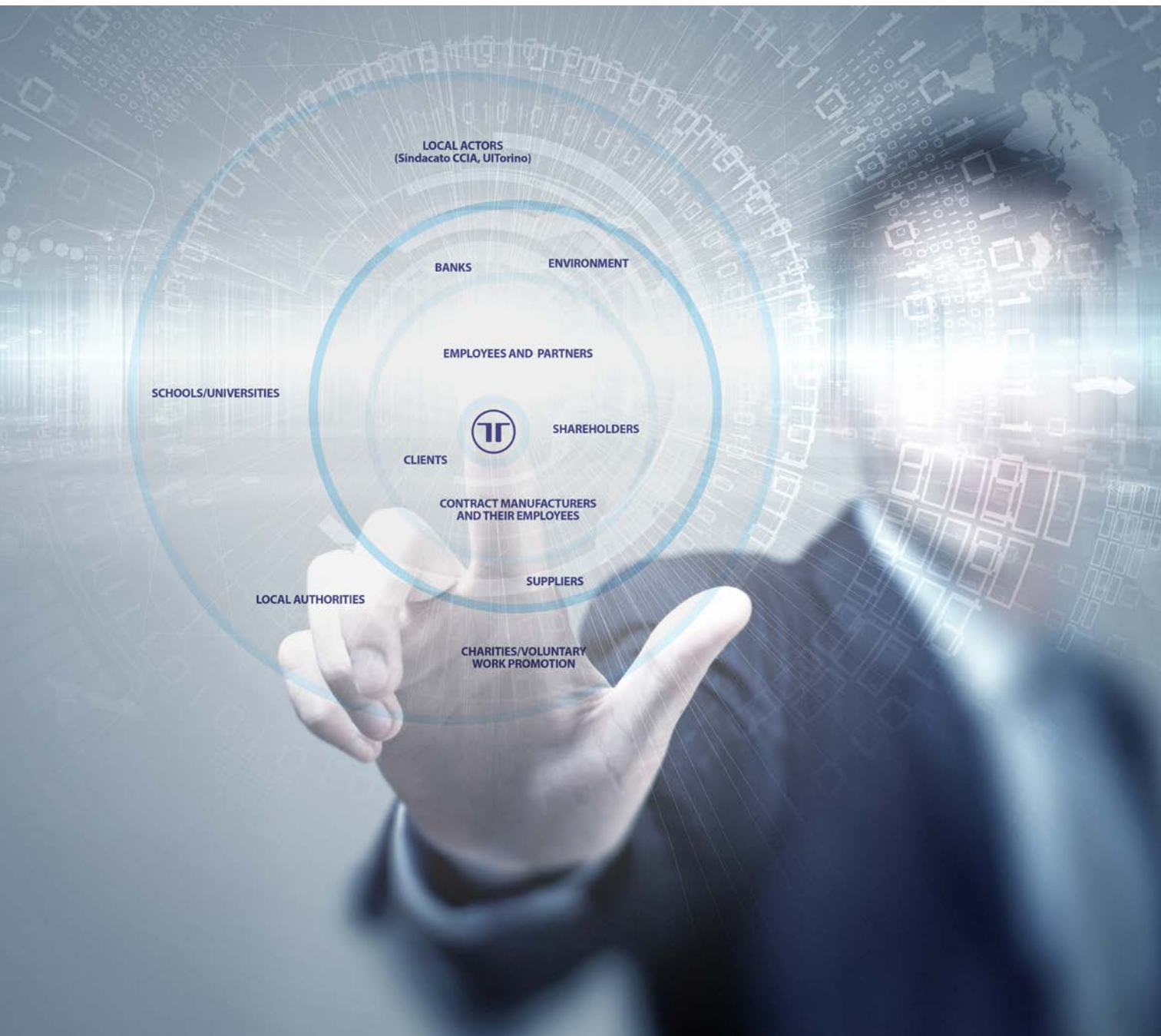
In particular, it was decided to split the stakeholders into three different groups, according to the influence they have on Pattern, following the GRI international classification method.

1. Primary stakeholders are those that have "absolute" expectations about their relation with Pattern. Without their constant and continuous participation, it would not be possible to achieve the objectives of the company and it would be difficult for the business to last. Consequently, Pattern's primary stakeholders are: Clients, employees and partners, contract manufacturers and their employees, and lastly shareholders.
2. Secondary stakeholders are non-essential for the sustainability of the company, but they have an interest in Pattern's business because they are influenced by its activities. Banks, environment (the physical-natural ecosystem) and suppliers are secondary stakeholders.
3. Finally, tertiary stakeholders are schools and Universities, local authorities and Charities.

The "mapping" of the different types of people or organisations contributing, with different degrees of involvement, to the creation of value for Pattern, is represented in the "Map of Pattern's stakeholders".

STAKEHOLDER

WITHIN AN OPEN BUSINESS ENVIRONMENT, INSIDE WHICH RELATIONS WITH MANY DIFFERENT PARTIES ARE ESTABLISHED, STAKEHOLDERS ARE THOSE WHO, VOLUNTARILY OR INVOLUNTARILY, HAVE AN INTEREST LINKED TO THE ACTIVITY OF THE COMPANY. THESE PARTIES ARE INFLUENCED, DIRECTLY OR INDIRECTLY, BY THE COMPANY AND THEY HAVE OR CAN HAVE AN INFLUENCE ON IT. .



3.5 MATERIALITY MATRIX

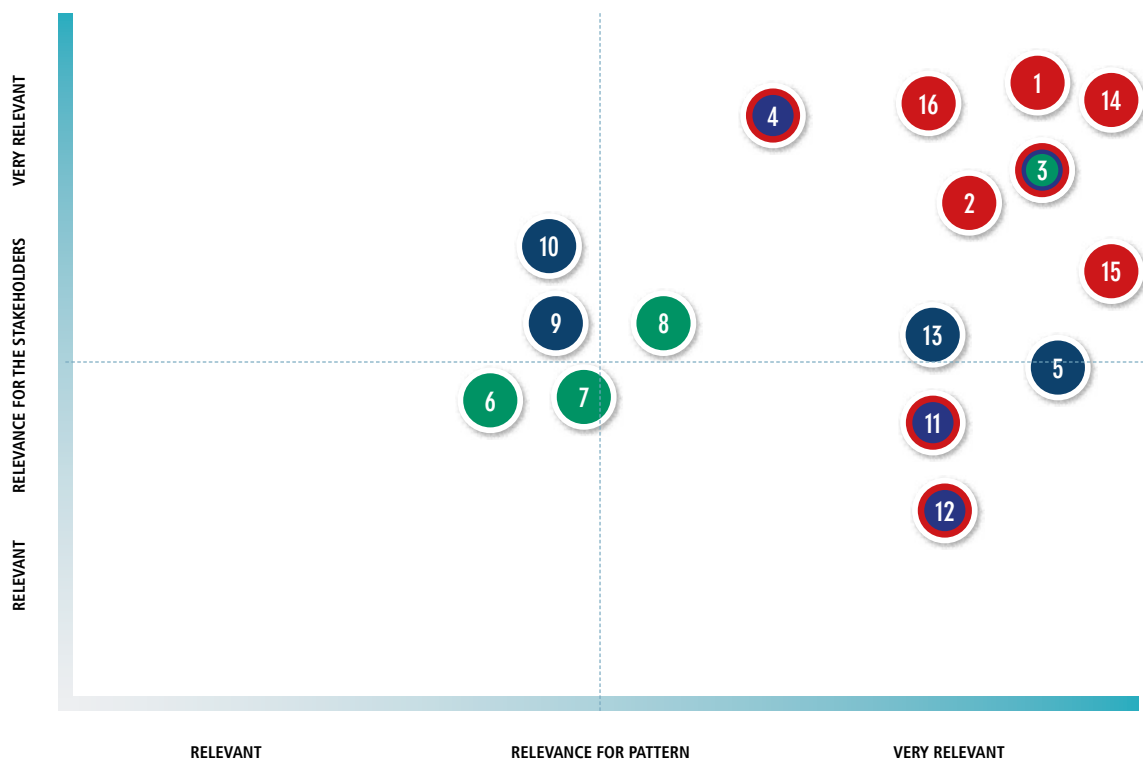
The Materiality Matrix is a typical instrument internationally used in Sustainability reports. It is an indicator through which the company plots its most important distinctive features, charting them according to an importance scale. This allows to clarify the framework of the company and the activities that are thought to be fundamental for its sustainability, by highlighting the elements on which it is important to channel the energies on. The Materiality analysis allowed the definition of a system based on monitoring and account rendering indicators, reported in the Sustainability Report.

The phases of the Materiality Matrix definition are:

1. Identification: analysis of the main trends influencing the business model and the relevant aspects of the principal areas of activity, which contribute to the value creation;
2. Priorities definition: individuation of the most relevant aspects for internal and external stakeholders in order to evaluate their economic, social and environmental importance, understanding the influence they have on the decisions and the expectations of the company.
3. Validation: internal confirmation of the Materiality Matrix result by the directors and by a pool of managers to ensure that the Matrix represents a reasonable indication of the company key elements.

As mentioned, Pattern defines its strategic policies also by internalizing the Corporate Social Responsibility principles. The assessment of the company and its stakeholders' relevancy to the main "real" aspects linked to Pattern's activity is shown in the Materiality map.





LEGEND - MATERIALITY MATRIX

- RED - Economic and Financial governance
- GREEN - Environmental Responsibility governance
- BLUE - Social Responsibility Governance

TANGIBLE ELEMENTS

1. Sustainability of the Supply chain
2. Contract manufacturers loyalty
3. Continuity in the collaboration with suppliers
4. Contract manufacturers reputation
5. "Italianity" of suppliers
6. Energy consumption
7. Materials consumption
8. Packaging
9. Human rights and working conditions
10. Certifications
11. Talents and creativity development
12. Investment in the know-how (technical ability, non-substitutability)
13. Training
14. Clients
15. Technology
16. Real time ability to answer to Clients

4 CREATION OF SUSTAINABLE VALUE

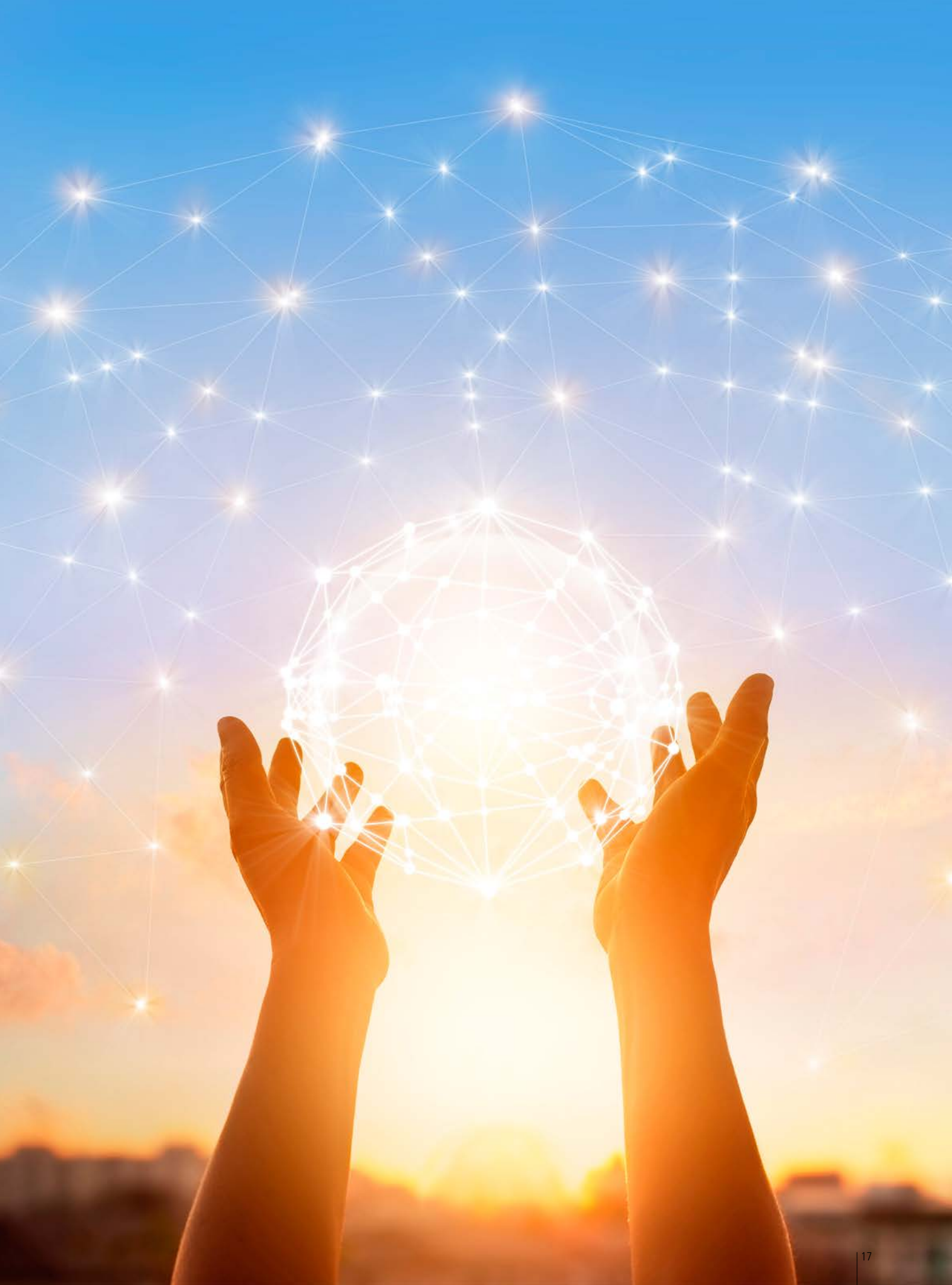
The distinctive values of the company originate from the founders' "vision". These values are: people and technology. Their mix allows Pattern to combine style and quality through its products. The actual Pattern's competitive challenge is to add to these two original values a third pillar: sustainability. People, technology and sustainability represent the investment, which underpins Pattern's development and the consequent creation of future value.

Revising the business process in terms of environmental, economic and social sustainability means proceeding with a new approach towards the stakeholders and the business activities. This process started with the implementation of an internal ethical code regarding social and organisational responsibility, together with working conditions. The ethical code was written according to the SA8000 Standard, which includes a six-monthly review of the business policy and the performance results. The ethical code is available at this web address: <http://www.patterntorino.com/wp-content/uploads/2012/09/SA8000CodiceEticoSept12.pdf> The adherence to the SA8000 Standard has allowed to establish a precise landmark for the stakeholders, defining the mutual relations among them. The three core values guiding Pattern

- people's talent, new technologies and business sustainability - represent the essential cornerstones for the creation and the distribution of value. Starting from them, Pattern creates its sustainable value and consequently defines how the value added is assigned to stakeholders.

VALUE OF TECHNOLOGY

The international up-market fashion brands of the Luxury segment consider Pattern the ideal partner for the garments design, engineering and production of their main clothing lines. Pattern can quickly, flexibly and precisely meet the needs of the brands that require a rapid service of prototypes, runway samples and samples realisation. This is possible thanks to the internal verticalisation of the design and production processes implemented in the last few years. Such operational flexibility is feasible thanks to a complete know-how and an internal operational autonomy: this allows Pattern to manage all the phases starting from the design and the patterns creation, until the delivery to the Clients. By doing so, Pattern exploits both innovative and traditional technological techniques, respecting its values and its corporate social responsibility.



4.1 STAGES OF THE BUSINESS PROCESS

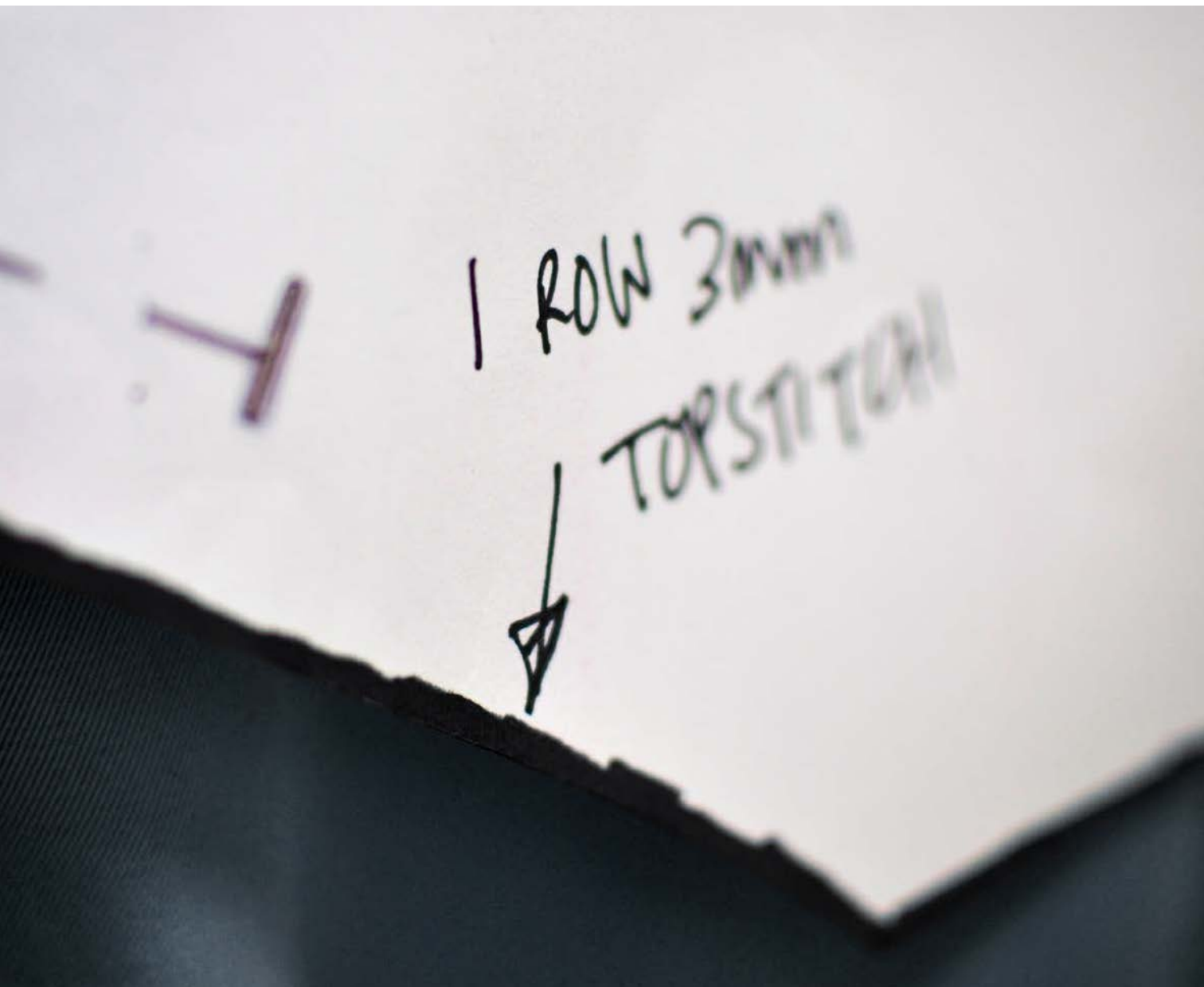
PATTERN AND GARMENT ENGINEERING

The heart of the company is the Pattern Room. Everything Pattern does, starts from the sketches of the big fashion labels designers. Thanks to talent, technical expertise and know-how of Pattern's employees, the Pattern Room is always able to find the perfect combination between the idea of the designer and the best processes and technical solutions. The designers' ideas are developed both in the traditional way (manually) or thanks to the best and newest software. The Product Development department is constantly in contact with the Clients and it takes care of every phase of the prototype development, so everything proceeds in due time. The Product Development department also deals with the production launch, by as well giving information about the fabrics and the garments trimmings. The CAD department fulfils the placement of all textiles and fills in the technical documentation refereeing to the cutting process. At the same time, the warehouse prepares the garments trimmings and provides the textiles for the cutting process. Pattern is equipped with automatic cutting machines, ground-breaking laser cutting machines and a manual cutting station if needed on custom requests.

PROTOTYPES AND SAMPLES

After the cutting process, Pattern makes the first prototype in its laboratories. These prototypes are checked for defects and then shown to the Client for fitting, last check and approval. The final prototypes, with all the changes decided with the Client, contribute to the creation of the garment sample and to the whole clothing production, which is managed in a dedicated area. At this point, the collections are ready to be launched at Runways, Show Rooms & Fashion Shows. Subsequently, Pattern manages production orders for the final distribution. Even at this stage, Pattern supports its top brands and designers by assisting them during the Fashion Shows with its highly-skilled staff.









MANUFACTURING & PRODUCTION CHAIN

At the Client's request, before the launch of the collection, Pattern can make a pre-production sample to verify one last time the garment. The "Product and Production" team will take care of all production steps, paying great attention to the quality of every garment and also to the delivery timing. Every production step and all Pattern's suppliers are followed through certification processes, specifically through the SA8000 Standard.

The company also deals with a wide management area. The clothing manufacturing phase is coordinated by Pattern in close cooperation with its contract manufacturers, chosen through a certification process. Being primary stakeholders of the supply chain, they have to follow the management and social responsibility lines undertaken by the company. This has allowed the building of a trust-based relation between the contract manufacturers and Pattern. The solidity of these collaborations has reached such an extent that Pattern initially asks the contract manufacturers to sign a letter of intent and common values.

QUALITY CONTROL

The final phases of quality control are the most delicate and for this reason great attention is dedicated to them: Pattern's Quality department works together with the Clients' Quality Team before the final delivery. The collections and the garments are then ready to be presented and distributed by Pattern's Clients worldwide.

4.2 PATTERN'S INVESTMENTS IN TECHNOLOGY AND SKILLS: INNOVATIVE CRAFTSMEN

Pattern's main characteristic is the combination of craftsmanship and technology: this is a factor of success and a way to guarantee perpetuity to the firm and to its Clients. Pattern models in 2D and 3D using the most advanced software on the market. Furthermore, bucking the trend, in the last years Pattern has launched an in-sourcing process linked to the design and productive phases, which are today completed at 100% at the Collegno premises. From the design to the cutting phases, from manufacturing to quality control of prototypes and runaway samples, everything is carried out inside the premises of the company. Recently, in this respect, Pattern has invested by purchasing ultimate cutting machines, like laser cutting machines. Pattern, despite being a small company operating in a sector where the stages of manual and craftsman work are crucial, has always invested in technology, preferring the best solutions on the market, which normally, due to their costs and complexity are created for medium and large companies.

Time has shown that this choice was not fond. Firstly, because Pattern has experienced a growth, by becoming a medium enterprise and this has allowed to generate a return on the capital invested; secondly because Pattern's Clients are multinationals with which, consequently, it is necessary "to speak the same language" also from the IT perspective. The aim was and still is to become an ever-growing international centre of expertise in this operational segment. The choice of placing the emphasis on technology, by focusing on CAD solutions for the design of items of clothing, is confirmed every year since Pattern invests mainly in this area. The investments, as it is explained in the last pages of the report, concern all the aspects of a modern IT infrastructure.

Introduction of the PDM

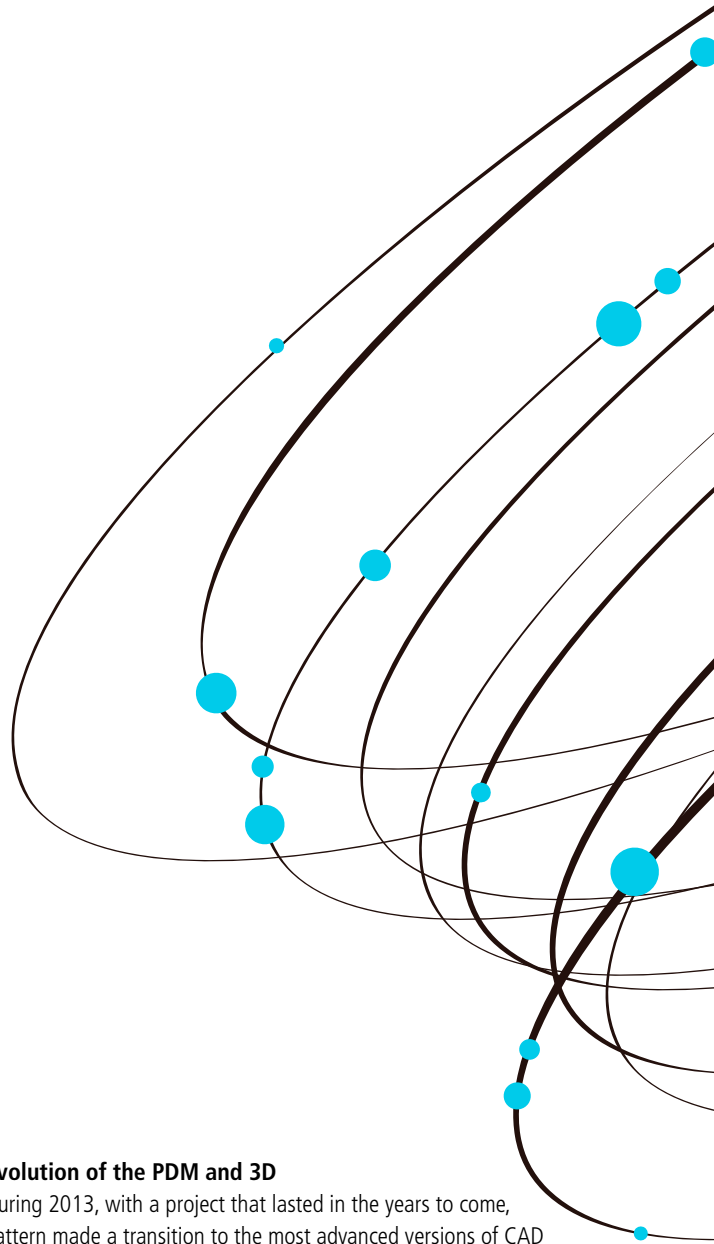
An important step forward compared to the simple installation and employment of CAD machinery took place in 2011-2012 with the implementation of the PDM (Product Data Management) for the complete management of the finished product, from its ideation to the samples realization with all the needed information, even in graphic.

The project was subsequently improved through the integration of a new management system implemented in the same years, with the aim of creating a single workflow from the Pattern Room. It is here that everything starts: from the design to the productions launches, ending with the delivery of finished garments to the Clients and the corresponding management of the warehouses.

Evolution of the PDM and 3D

During 2013, with a project that lasted in the years to come, Pattern made a transition to the most advanced versions of CAD and PDM, targeted to enable the use of more complete and more effective industrialization tools. This evolution aimed at reaching a better productivity and at making possible a wider harmonization with other design systems.

These improvements involved both the Pattern Room and the CAD department, which deals with grading and marker making. Eventually, this evolution mainly concerned the possibility of prototyping virtually in 3D, exploiting workstations aimed at particularly complex manufacturing processes.





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Introduction of new and more advanced Plotter machinery

The complexity of the before described updates required several hours of training for the employees of the concerned departments. In the meantime, to make the best of the new technologies, the connected hardware was upgraded and new Plotters for full-scale printing of the cutting chart and for the cardboard cutting of the models details were bought.

Cutting Area

The attention to technology and the consequent adoption of best-performing tools can be observed also in the Cutting Area, where there are two automated cutting systems: a brand-new one and a laser cutting one bought in 2014/2015.

Implementation of the ERP Business management software and need for customisation

Between the end of 2010 and the beginning of 2011, Pattern had to choose an ERP for the integrated management of its business activities because of a first increase of its turnover. This development led to a more complex business management and in the meantime, it was clear that almost all the products on the market, even the most proven ones, were developed for clothing companies working for their trademarks.

Pattern's activity, which is focused on collections development on behalf of third parties, requires much flexibility during the phases

of prototyping, production logistics and launches, and purchase management for the Clients. This made necessary a customisation development. A distinguishing aspect that must be considered regards the specific need of being able to establish the quantity of raw materials and trimmings needed for each season/collection to answer rapidly to the Clients' demands. This is crucial, for example, for substitution of productions, cancellations, repetitions and, equally important, to attribute to the single Client the warehouse residues at the end of the production seasonality.

To meet those needs and avoid a cumbersome management of raw materials in the warehouse, it was necessary to track all the movements, linking them to the information of the season/line in a semi-automatic mode. The one just described is a customization process that made necessary the creation of specific functions for inventories analysis, virtual exchanges management of season/line and the re-sampling or sale of the same stocks at the end of the season.

Adaptation of HW infrastructure and SW base system.

The proper functioning of this complex system, which includes and links the management environment and the modelling, is guaranteed by a double redundant server platform with double NAS (Network Attached Storage). The NAS should guarantee the data stability and the speed of machinery interfacing. Everything is managed by a virtualization system with VMware technology and a firewall for safe remote connections.

5 VALUE OF TALENT AND RELATIONAL CAPITAL



Employees, whose number has been constantly growing in the last years, have a high profile know-how with skills developed to satisfy the most different expectations and needs of both Italian and international designers or brands.

According to Pattern's philosophy, each employee contributes to improve the quality and the awareness of the value of everyone's work. For these reason, Pattern adheres to the SA8000 Social Accountability international certification, which safeguards the personnel and encourages its participation in achieving the goals of the company. Furthermore, the SA8000 Standard monitors whether Pattern's partners, suppliers and contractors implement these principles. The compliance with the SA8000 requested requirements - universally applied regardless of the size of the company, the geographic location or the industrial sector - allows Pattern to develop, maintain and implement policies and procedures, with the aim of managing situations, which could control or have an influence in terms of management, training and growth of the personnel, working climate, health and safety at work.

Number of employees	2013	2014	2015
Blue-collar workers	18	19	32
White-collar workers Managers/Cadres/Administrator	44	45	48
Apprentices	7	9	9
Total	69	73	89

5.1 BUILDING THE FUTURE THANKS TO TALENTS

In Pattern, the human capital is expressed through its employees' talent and professionalism. Their skills and know-how are fundamental to give continuity to Pattern's business operations. In other words, every job is a major reservoir of skills exploited in the present and valued for the future.

Over the years, Pattern has collected and enhanced these skills, thus its employees are real talents and, as such, represent the fundamental pillars of the company. Pattern has always put in place a regular dialogue in the workplace, paying particular attention to the expectations of employees and main stakeholders. Pattern has also always worked to ensure that employees are able to actively participate in the implementation of the Social Responsibility system, involving them through information training and meetings as well as through an anonymous questionnaire regarding the working environment, whose results were published.

With the aim of achieving integration between the people who daily carry out operational tasks and processes of responsible value creation, Pattern involves its employees through the adoption and distribution of information material related to the Internal Code of Ethics, the Code of Conduct and the SA8000 procedures, all shared on the corporate intranet.

Pattern's workforce is made up of a stable core of direct employees and employees of its contract manufacturers and partners, with which the company has formed a solid partnership network. Pattern, in a negative economic context, has invested in labour force, increasing the number of employees in relation to specific company requirements. This was done to ensure greater support to its Clients. The recent acquisition of a production complex already active in

Bricherasio is an expression of this line of action. It is a clear choice in terms of extension and maintenance of certain technical and operational expertise in the prototypes and samples area (including the highest level of "tailor-made" know-how). Moreover, this acquisition presents also economic benefits for the local territory, through the sale of tailor-made suits, formal suits and dresses.

Promoting key talents in the light of the business structure of the company is one of the cornerstones on which Pattern is based. The company is fully aware of the talent and know-how importance as these features are considered Pattern's main strength. The strategic value recognized to the specialized internal employees becomes an expression of an ability to develop, for the Clients' benefit, excellent services and productions both from the technical/business point of view, and in terms of creative partnership development. Pattern's technical and design skills in particular allow to create and innovate while remaining faithful to the quality of the service offered.

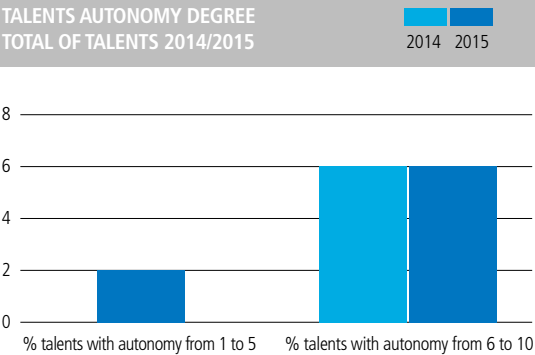
The autonomy granted to its human resources and talents is fundamental to the company. The availability of internal segments, that, thanks to their high professionalism, are able to manage and maximize talents and skills with the support of the productive structure, allows a unique dynamism.

As seen in the chart, in the 2014-2015 biennium, the percentage of talents with a degree of autonomy between 1 and 5 grew in 2015, reaching 6%, while in the previous year was zero. The talents with a degree of autonomy between 6 and 10 remained constant and stable.

TAB. G - PROFESSIONAL SKILL/SPECIALISATION MATRIX

SPECIALISATION	HIGH	Not easily replaceable employees	Very difficult to replace employees
		10	5
	LOW	Easily replaceable employees	Quite easily replaceable employees
		18	57
		LOW	HIGH
PROFESSIONAL SKILL			

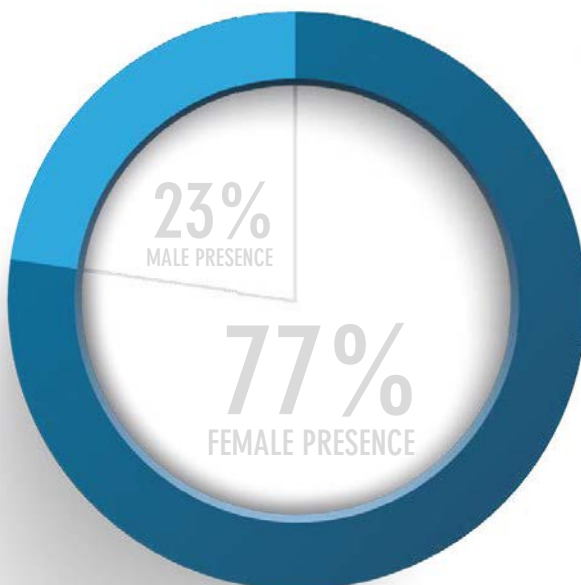
TALENTS AUTONOMY DEGREE
TOTAL OF TALENTS 2014/2015



5.2 FULLY DEVELOPED HUMAN RESOURCE MANAGEMENT: DIVERSITY AND EQUAL OPPORTUNITIES

Pattern pays special attention to the management of gender issues, avoiding any discrimination and difference, including subtler forms of women discrimination and attitudes that could be offensive to human dignity.

By believing strongly in the value that may arise from diversity, Pattern promotes and encourages the presence of both genders in the working teams, creating an atmosphere of mutual respect among colleagues.





Human Rights - Pattern's points

Pattern is committed on many different fronts, regarding the implementation of a Social Responsibility system compliant with GRI norms.

- Pattern refuses any exploitation of child labour. The company maintains relations with local training schools and hosts internships and training projects in collaboration with educational institutions, because it strongly believes in improving the skills of the young people living in the local area.
- the attention to its employees, and in general, to all the personnel involved in the collaborations network of the company has encouraged Pattern to monitor periodically the activities of its manufacturing supply chain partners, so they could adapt to its values and lines of action.
- the work performance is carried out voluntarily in compliance with the provisions of the Textile - Industry (CCNL Industria-Tessile) Collective Bargaining Agreement that Pattern has joined;
- the precise and careful creation of a pleasant, healthy and safe working environment helps to prevent potential accidents and

health issues. In compliance with the law, an external Manager of the Prevention and Protection Service (RSPP) is appointed by the Management in order to ensure a safe working environment, which conforms to the provisions established by the current law and by the adopted certification standards;

- the personnel are given full rights to freedom of association and to trade unions organisation and they can freely elect their trade union representatives (RSU), with whom they maintain an ongoing dialogue;
- the internal organisation bans all forms of discrimination regarding aspects such as recruitment, remuneration, access to training, promotion, dismissal or retirement;
- the standard working week is of 40 hours, in line with the provisions of the Collective Bargaining Agreements (CBA). Overtime work is also regulated according to the CBA. It must be carried out voluntarily, upon the request of the Directorate, to support special requests of the Clients during the two traditional annual production peaks (winter and summer).

5.3 TRAINING

Training is crucial for Pattern because culture can contribute to the creation of value. According to Pattern, cultural and technical knowledge is fundamental for personal and business growth. The employees' know-how is essential: for these reasons every year Pattern organises internal training courses concerning different business areas (technical area, CAD, product development, administrative area etc.). Pattern's training courses for the know-how growth employ both internal and external expertise. Pattern also organises training programs funded in collaboration with Fondimpresa and Fondirigenti.

The training courses carried out in the years 2014-2015 were:

1. Development of a style strategy for the Esemplare brand (design and style areas);
2. Commercial strategy for the Esemplare brand (commercial and administrative areas);
3. Web & Digital Marketing Strategies for Pattern (commercial and communication areas);
4. Pathways of Strategic Innovation in Small and Medium Piedmont enterprises (strategic planning area).

These courses were attended by 26 working units altogether, which received approximately 2000 hours of training with an 80 hours per capita average. The entire workforce has also taken part in the courses required by law regarding environment and workplace safety.



Relations with the territory and the training world

Pattern pays special attention to relations with institutions and training/education institutions related to its productive sector. With the aim of spreading the style culture in the fashion world through its business case, Pattern put in place the following initiatives:

- Esemplare contest: numerous Italian design schools take part in this contest for young designers.
- lectio Magistralis: Pattern's management team took part in some sessions of the Master in Foreign Trade at the Business Administration School (SAA) of Turin, being also a guest lecturer of the course of Economics and Business Management at the University of Turin, Department of Foreign Languages and Literature;
- Corporate testimony: presence at a conference at the IAAD (the Italian University for Design).
- Management of the Management Course at the IED (European Design Institute)

In addition, Pattern organised work experiences for vocational schools' students, with which the company maintain a close partnership for internships or training. On the one hand, these initiatives allow students to get to know the potentialities of the local area but on the other hand to come in contact with a production characterized by a strong international commercial and training perspective. From this point of view, it is important to remember the collaboration with foreign education institutions, such as the Xarxa of Barcelona.

The organisations and the education institutions involved in these projects (in addition to those already mentioned above) are the following:

- Nuova Accademia di Belle Arti (NABA) (New Art School) in Milan;
- I.I.S. (Higher education institution) N. Bobbio in Carignano (TO);
- Association of technical schools San Carlo in Turin;
- Consortium for Training and Innovation in Pinerolo (TO);
- ITS - College for new "Made in Italy" technologies in Biella.
- Crafts Consortium SCS - Walfareitalia "Individual Project for support and socio-professional integration of people with disabilities".

5.4 INTERNAL COMMUNICATION

The internal communication and the one among Clients, contract manufacturers and suppliers is fundamental for Pattern. In addition to the institutional internal communications and the two annual conventions with the employees, Pattern has taken steps so that everyone could have a channel to express any request, concern or solicitation, even anonymously. The creation of a physically present in the company mailbox has been Pattern's response to this matter.



Furthermore, in line with what is required by the SA8000 Standard, the names and the contacts of three external people have been put up on the company notice boards. Their task is to collect any solicitations by the employees. In recent years, Pattern has carried out a survey on how the internal working climate is perceived by the employees: the results of the analysis on all the aspects of the employees/ company relation were released through internal channels (posting up on the company notice boards and sharing on the intranet of the company).

ECONOMIC VALUE AND SUSTAINABILITY CREATION AND DISTRIBUTION OF THE VALUE ADDED

6.1 PATTERN IN THE INTERNATIONAL MARKET

The company enters the international market of design and clothing production with dynamism, both from the production profile and in terms of being always on the lookout for new partnerships. These new opportunities complement the regular and loyal Clients, which are some of the largest players in the fashion industry. The well-established business relations with these companies are an expression of the way of Pattern works: oriented to establish close and lasting partnerships, supported by integration and productive collaboration.

Know-how

As evidence of this dynamism and appreciation at a global level, there is also a high level of exports, amounting to about 80% of production. The production, understood in terms of design - developed entirely in Italy - makes Pattern a crucial key player for the Made in Italy and its know-how. Pattern's know-how and its technical operational skills, together with the acquired reputation, are aspects and values widely appreciated by Clients such as large Italian, English, French and American companies, working in the fashion and luxury sector. These businesses turn to Pattern since they do not have such specific skills on their territory, although it would be the easiest and most obvious solution and, in some cases, even the logistically and economically more convenient one. The result of this trend was the creation of fashion collections, which are expression of the Made in Italy quality in the design and pattern engineering. These fashion lines were produced in collaboration with the major global clothing businesses, thus

taking Pattern to a higher level of internationalization. During this process of growth, development and internationalization, Pattern felt the need to involve also its suppliers in order to improve the business performances and to increase awareness towards the company. This is why Pattern requires its suppliers to sign a letter of intent, which asks "to ensure the chemical legislative compliance of all their products".

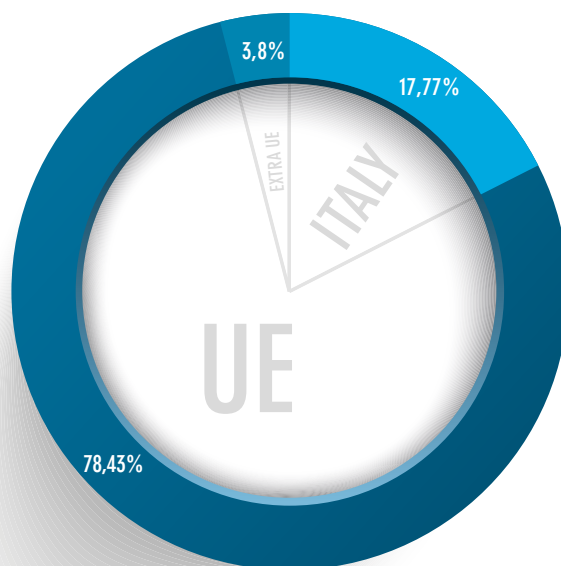
The goal is to create a healthy and responsible supply chain, which starts from raw materials and ends with the delivery of the product to the final Client. This process follows a pioneering philosophy of "Social Responsibility chain", which tries to avoid the risk of a non-uniform Social Responsibility. According to this idea, stability and constancy of business relations with Clients are the key points, since the aim is to create stable and long lasting relations with them. Starting from such cooperation, it is possible to develop a Social Responsibility chain process able to contribute to the creation of more and more pieces of work in line with market expectations.

CLIENTS' LOYALTY	2015
Period	Share
<3 years	3.41 %
3-10 years	14.54%
> 10 years	82.03%



6.2 CREATION OF SUSTAINABLE ECONOMIC VALUE

Pattern's long-term economic sustainability is linked to the ability to attract the best Clients and provide them with an adequate product/service. To do this, it is necessary that the plurality of people participating actively in the value formation processes are adequately remunerated. To demonstrate the best practices followed by Pattern in respect of this matter, there are two different tables linked together that summarise, on one hand, the method of value added determination and, on the other hand, the way in which the generated economic value is distributed among stakeholders.



CLIENTS DIVIDED BY INVOICING AREAS

The ability to create enduring value in the competitive environment is highlighted in the table below. (values are expressed in thousands of euros)	2014		2015	
Revenues from ordinary activities	18.623	100,00%	24.389	100,00%
External costs of production (contract manufacturers excluded)	8.879		11.922	
Specific value added	9.744		12.467	
Global value added (gross contract manufacturers ¹⁾)	9.749	52,35%	12.497	51,24%

1) In determining the value, Pattern has chosen not to insert among the external business costs the one met to acquire the productions made by contract manufacturers (external clothing manufacturers). This exclusion is ordinary as it is common practice in the sector in which Pattern operates. In fact, contract manufacturers have been considered as a special category of stakeholders that cannot simply be part of the macro category of external suppliers. They actually represent a class of suppliers vertically integrated in Pattern's productive activity.

To better understand how value added is created and how the economic sustainability (considered as the stabilised ability to generate revenue) is evaluated, please note that Pattern produces about 92% of its revenues in Europe (17% in Italy), operating with about 96% of its total Clients, while about 8% of the revenues is realised outside Europe, from about 4% of Clients.

In particular, Pattern has chosen to focus its operations on a limited number of Clients characterized by commercial and organisational reliability. In this way the risks and the problems related to the management of a large number of active commercial relations are reduced. However, there is a downside: a higher risk of drastic revenue reductions due to the loss of even a single Client.

During these years, Pattern has sought to ensure and strengthen the collaboration with some of the greater Italian and foreign fashion labels. These businesses are famous for their tradition and prestige, being characterized by a multiannual solid business plan. The stability of these Clients' business activity and, in some cases, the improvement of their performances despite the negative economic period, are expression and guarantee of solidity and growth for Pattern. This underlines how the revenues trend has an influence on the business economic sustainability.

For these reasons, Pattern is well aware of the traditional risks associated with the possibility of Clients and revenue loss. However, by virtue of the process of collaboration and stability of relations, Pattern believes that the risks are more manageable than it might appear to external stakeholders. This positive trend is the result of a precise choice made by Pattern, since it constantly invests in the improvement of the work cycle phases. This path is a fundamental lever to win the Clients' loyalty over time.

The complete analysis of the composition and nature of the revenues must highlight how the acquisition and the development of Pattern's own brand represent the improvement of the strategic

perspectives of the company through a diversification of revenue sources and a profit margins improvement.

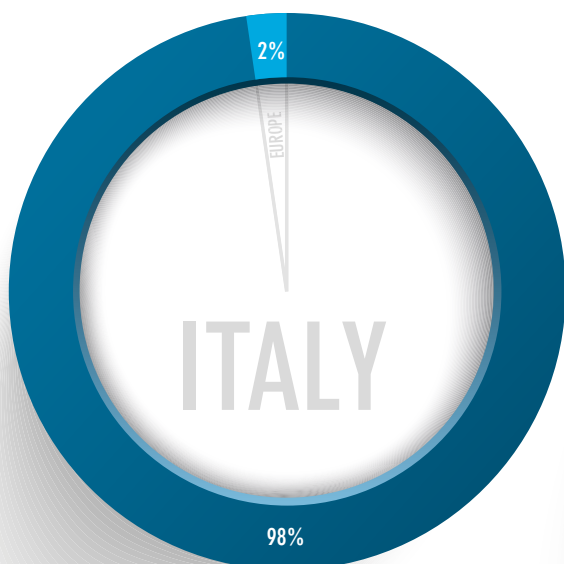
The Esemplare project - being Pattern's own brand - should allow better planning and better monitoring of sales volumes, although this benefit appears to be counterbalanced by higher economical and financial risks related to higher fixed expenses and wider payment terms granted to Clients.

The analysis of the loyalty degree of the main Clients shows that over 80% of them entertain stable and lasting relations with Pattern, helping it to achieve and maintain economic sustainability over time.

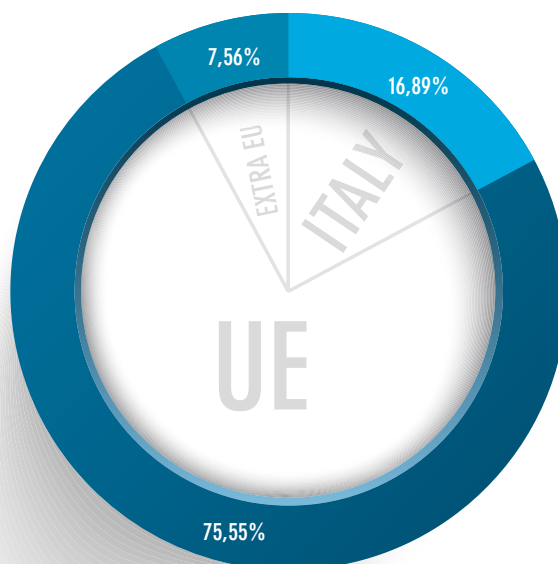
The breakdown of costs analysis has pointed out that Italian suppliers are mainly providing "core" raw materials. Again, Pattern aims to establish stable and lasting business relations, helping to support the growth of suppliers, first of all the Italian textile producers. This category is deemed to be an essential complementary element of the production process, since the Italian textile producers are representative of the already mentioned know-how characterizing the "Made in Italy".

Since Pattern is rooted in the territory, it is a reference point and a job opportunity for the companies, which managed to consolidate their business activity in this area. Moreover, Pattern has managed to create benefits that affect the national economy through its network of suppliers and contract manufacturers: 98% of the raw materials used by Pattern are Italian. The clothing manufacturing and the production confirm this trend, since they occur predominantly in Italy, and, more generally, in Europe.

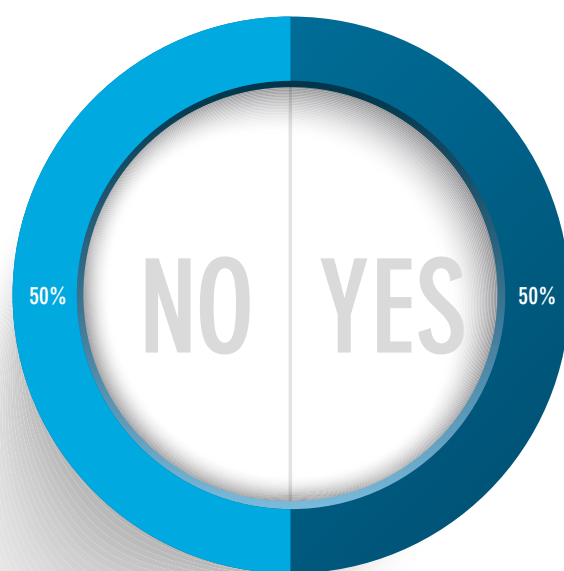
These choices motivate the reason why Pattern is a remarkable Italian company from a macroeconomic point of view: its production is mainly exploiting Italian workforce, while the largest volume of sales is generated outside the national borders.



GEOGRAPHICAL BREAKDOWN
OF THE "CORE" RAW MATERIALS PURCHASE



GEOGRAPHICAL REVENUE BREAKDOWN



PRESENCE OF QUALITY CERTIFICATIONS AND/OR
QUALITY CHECK PROCESSES BY "CORE"
RAW MATERIALS SUPPLIERS.

6.3 DISTRIBUTION OF VALUE ADDED

The distribution of value added table shows how the wealth is distributed among the different groups of stakeholders who, through their activities and their interaction with Pattern, have helped to generate it.

(values are expressed in percent)

	2014	2015
Personnel remuneration	35,8%	32,4%
Contract manufacturers remuneration	55,9%	51,8%
Public Administration	2,1%	4,8%
Banking system	0,4%	0,3%
Business management system	5,4%	10,2%
Donations and sponsorships	0,5%	0,5%

About 32% of the value added is intended to remunerate the production of labour, which, because of the specific nature of the related activities and the sector in which Pattern operates, is one of the critical factors of Pattern's success.

The appreciation of the Clients and the turnover consolidation, especially towards historical Clients, offered Pattern the opportunity to strengthen the relation with some key players of the organisational structure. These two factors also helped to attract new key figures to be shaped up, in order to make them grow internally in a stimulating and rich in learning opportunities environment. The already highlighted turnover trends are also an expression of collaboration with financially structured companies, which have high levels of liquidity.

This factor has helped over the years to prevent Pattern from facing short-term financial tensions on the invested working capital, achieving more than satisfactory bank credit ratings, which resulted in a lower percentage of the cost of money. The short-term financial trends saw Pattern tap into the banking system to fund already sold orders. This, given the highlighted features of Pattern's Clients, will result in regular receipts at the agreed deadlines.

In 2015, thanks to such dynamics, Pattern increased employment rate, raising the level of professional qualification as a direct result of the increased turnover. This has also highlighted the need to redefine the organisational structure and the allocation of responsibilities, moving towards more structured and more specific corporate procedures.

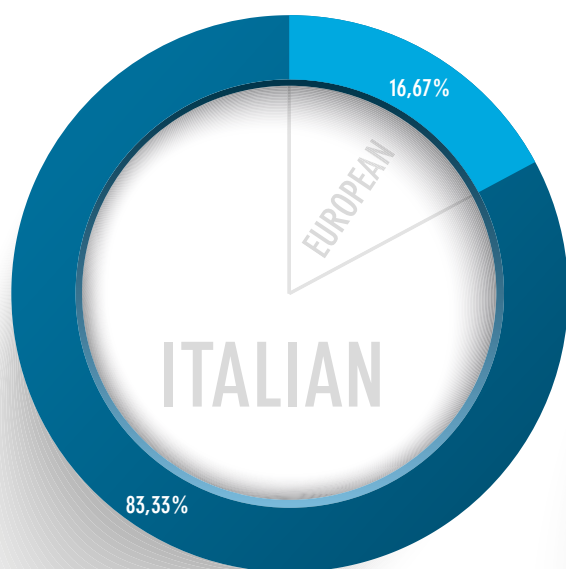
The active involvement of the human factor takes place both directly, considering Pattern's employees and partners, and indirect-

ly, considering the workforce employed by the suppliers-contract manufacturers. This last category has a strategic role of partnership, since it expands the scope of talent and professionalism. More than 50% of the created value added is intended for a selected group of contract manufacturers. The business relation with them is managed in compliance with the rules of the SA8000 certification.

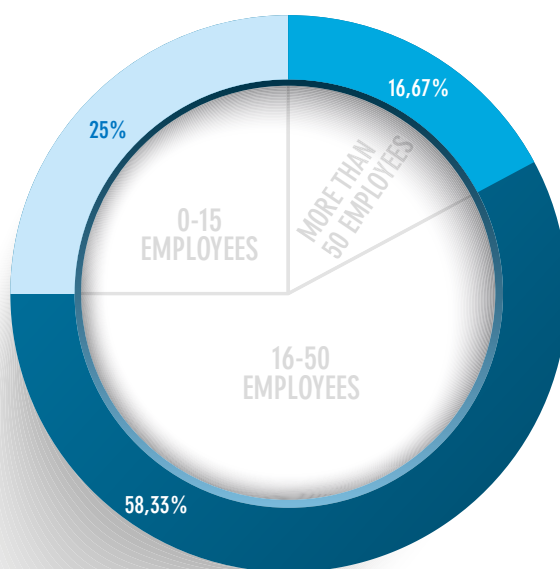
The Pattern-contract manufacturers relation is significant in a two-way perspective because, on one hand, clothing manufacturers absorb about half of the created value added. On the other hand, on average Pattern absorbs about 29% of their turnover². During the analysis of the contract manufacturers characteristics, it appeared clear that these key players are mainly Italian small/medium enterprises, with an average number of 105 employees. In spite of the close collaboration with clothing manufacturers - linked to the specific nature of Pattern's core business - Pattern is constantly looking for new forms of cooperation, in order to avoid excessive operational, economic and strategic dependence on the clothing manufacturers. Nevertheless, Pattern still remains oriented towards collaboration reliability, professional qualification and cooperation relation strengthening over time.

In the hypothesis of business relations with external clothing manufacturers or other forms of collaboration variously articulated, the (professional) relations are always oriented towards continuous monitoring, results control, compliance with deadlines in terms of production delivery and quality control, and finally, compliance with the legislation in the field of personnel management and environment protection.

2. By relating the contract manufacturers turnover value absorbed by Pattern and its number of employees, you can ideally determine the contract manufacturers workforce dedicated to the realisation of the production absorbed by Pattern. In numerical terms, this hypothesis translates into approximately 250 employees of the related companies dedicated to Pattern.



CONTRACT MANUFACTURERS NATIONALITY



CONTRACT MANUFACTURERS DIVIDED BY EMPLOYEES' CLASSES

6.4 THE ESEMPLARE BRAND

Esemplare was born from the desire of moving down a new path in the clothing field, focusing especially on coats and jackets. For Pattern, Esemplare represents a new useful experience to expand its business. In this way, Pattern completed a growth path by remaining always focused on two pillars: innovative technologies for garments design and production, and people with their unique-on-the-market skills, in particular regarding the pattern making area.

Esemplare is an upmarket brand, which combines perfect fit and Italian taste with new technologies devised for materials and for the garment-making process. This allows Esemplare to create an innovative sportswear collection for both men and women, combining elegance, technology and comfort.

On the strength of these strategic choices and in accordance with sustainability principles, starting from 2015 Esemplare has completely removed from its collections furs and goose down. Moreover, Esemplare has become deeply engaged in the sustainability area: a part of the collection of the brand is made with zero-kilometre or "green" certified fabrics. In addition, Esemplare bases its production in Italy, exploiting the "Made in Italy" benefits, or in Europe, avoiding the delocalisation of any production form in the Far-East.

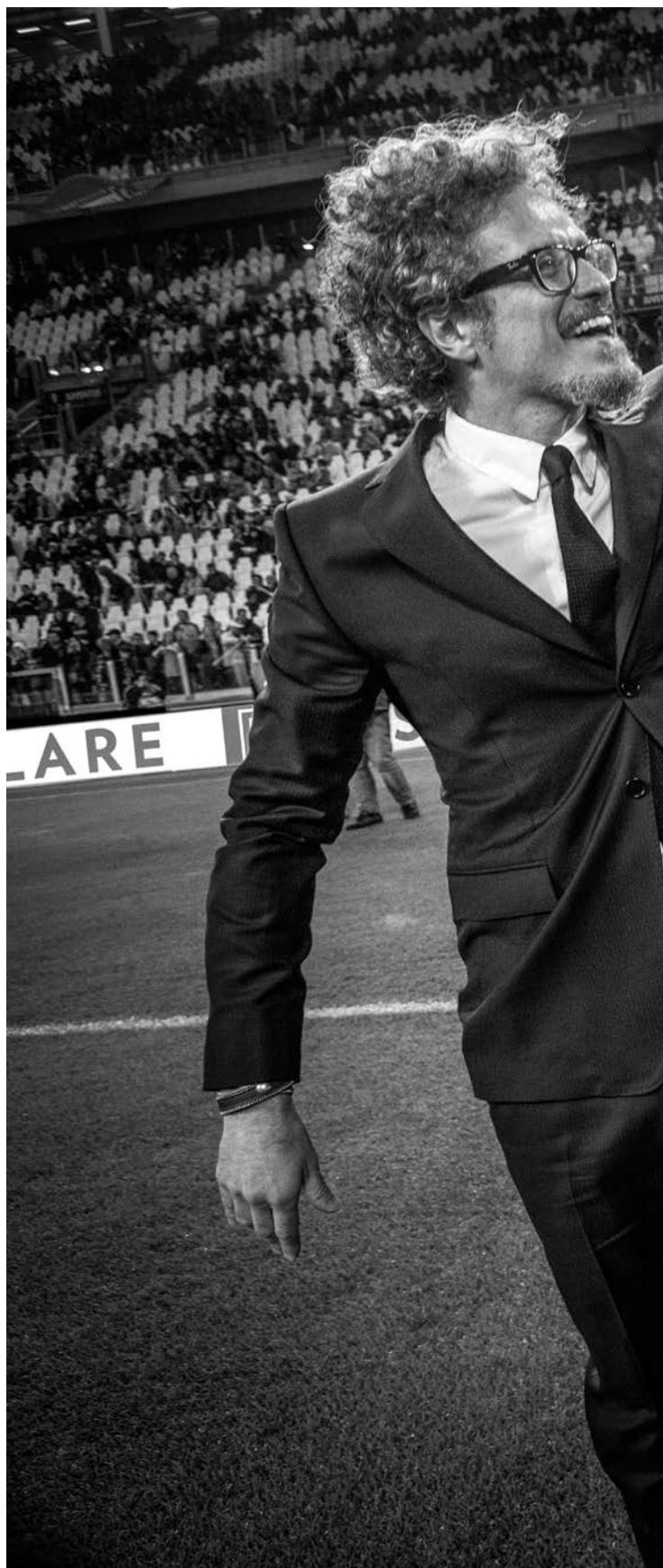
The garments of the Spring/Summer 2016 collection were laser-cut and heat-sealed using techniques, which allow the fabrics to become high-performing, by also enhancing their characteristics. The distinctive features of the collection are the heat-sealed red geranium bands, placed at the bottom of the garment, and laser transpiration holes, which embellish the items of clothing without prejudice to its functionality.

Strongly believing in the network and social media potentiality, Pattern has defined for Esemplare a specific digital strategy, which optimizes the online presence, by transforming it in concrete development opportunities, also through digital press campaigns. 40% of the advertising budget is actually allocated for this purpose and, in addition, in 2016 Esemplare has developed an important paper-based media campaign promoted on some of the most important Italian fashion magazines.



6.5 CHARITY

Pattern, through the brand Esemplare, is the technical sponsor of the "Nazionale Italiana Cantanti" (Italian National Singers Team). Esemplare sponsored the twenty-fourth edition of the "Partita del Cuore" (Match of the Heart), by clothing the Singers team. This activity was carried out exclusively for support and charity. The "Partita del Cuore" (Match of the Heart) is a match between the "Nazionale Italiana Cantanti" (Italian National Singers Team) and other Teams. Nowadays, this Match is one of the most important charity events organized in Italy. In 2015, the opponent of the Singers Team was the team "Campioni per la Ricerca" (Champions for Research). Every euro donated by those who bought the ticket or made a donation via SMS contributed to the activities of the Institute for Cancer Research and Treatment in Candiolo (TO). The Candiolo facility is a pioneering centre for the cancer diagnosis and treatment. A part of the raised funds was donated to support the Telethon Foundation, which since 1990 carries out research activity aimed at the eradication of rare genetic diseases involving 1,547 researchers studying 450 different diseases. Some of the raised funds were donated to purchase defibrillators, which will be donated to sports clubs, in the framework of the "Life Project".





A COMPANY WITH A LOW ENVIRONMENTAL IMPACT

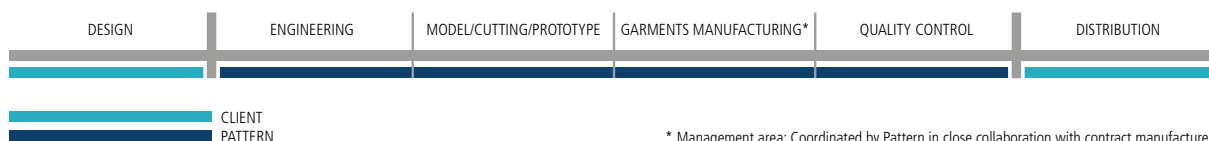
7.1 SUSTAINABILITY OF THE SUPPLY CHAIN

In recent years, the fashion industry has experienced a strong evolution of the value chain concerning production cycles and methods developments. Significant improvements have also been recorded in the relation among design, manufacturing and distribution. On the basis of this development, there is a final consumer with specific needs, who requires these needs to be met in the shortest possible time. It may happen that such requests collide partially with the choices of the great fashion houses, since they are focused on the relocation of the production. This trend provides strong advantages in terms of production costs reduction, although there is a lengthening of the supply chain.

Pattern is not a subcontractor of the fashion houses, but a real partner for them. The big fashion firms entrust the delicate phases of design, prototyping, cutting and manufacturing to Pattern, thanks to its recognized autonomy, which is the result of professionalism, experience and high level technology exploited in the production phases. Pattern develops, therefore, a horizontal

process in which dialogue and support are continuous throughout the entire manufacturing process. Pattern's supply chain starts, therefore, by supporting the Client during the concept and design phases; it continues with the distribution phase, during which Clients are supported in choosing the best distribution methods and it finishes with the control quality phase. It was already highlighted that the relations stemming from the supply chain have risk factors that can be mitigated through systematic checks. These procedures are often extended to indirect suppliers, who are required to present certifications and to carry out checks on their internal procedures. Thanks to its design skills, Pattern obtains very important orders. This allows Pattern to be considered a real strategic partner, with which the companies realise joint improvement and sustainable innovation initiatives. These projects are aimed at creating value added both for the Clients and for Pattern. Consequently, Pattern transfers this philosophy also to its suppliers, creating a linear supply chain integration.

FASHION INDUSTRY SUPPLY CHAIN: PATTERN'S WORLD



SA8000

The standard SA (Social Accountability) 8000 is an international standard developed in 1997 by the American Organisation SAI (Social Accountability International). It contains nine performance criteria oriented towards the increase of competitiveness of those organisations that voluntarily guarantee the ethical suitability of their production chain and cycle.

SA8000® is based on different international conventions such as the ones by the ILO (International Labour Organisation), the United Nations Convention on the Rights of the Child and the Universal Declaration of Human Rights. This standard consists in the conformity assessment of the social responsibility system implemented by an organisation with the requirements of the SA8000 standard. This conformity is checked through a certification released by an independent third party with a mechanism similar to the one used for the quality management systems according to UNI EN ISO series 9000, or environment management according to UNI EN ISO norms of the series 14000.

- It is the first international standard that MEASURES the ethical degree and the social responsibility of a company
- It is applicable internationally to ANY market sector
- Compliance with the standard rules is guaranteed by a certification of AN INDEPENDENT THIRD PARTY, issued by ACCREDITED BODIES.
- It requires, in addition to behaviour, to highlight publicly the MANAGEMENT SYSTEM.

The standard addresses a broad range of issues including child labour and forced labour, health and safety, freedom of association and right to collective bargaining, discrimination, disciplinary practices, working hours, remuneration and management systems for the control of the supply chain, management of external communication and other company.



7.2 THE “EUROPE 2020” PROJECT AND ITS APPLICATION

Pattern is evolving in accordance with the “Europe 2020” strategy designed to boost the European Union economy. In a constantly changing world, the European Union aims to develop a smart, sustainable and inclusive economy. These three development lines are intended to help the EU and its Member States to achieve high levels of employment, productivity and social cohesion.

Specifically, the Union has set five ambitious objectives - regarding employment, innovation, education, social integration and climate/energy - to be reached by 2020. Each Member State has adopted for each of these areas its specific national targets. The aim is to develop targeted interventions, both at European and national levels, to strengthen the overall European strategy.

Starting from 2015, Pattern has engaged in a process aimed at eliminating the substances deemed to be toxic or harmful by the main international standards. This procedure has been followed

in conformity with the “Europe 2020” community project and in some cases, even in a more restrictive manner than required in the protocols. The harmful substances will have to be completely eliminated from products and all suppliers are required to follow these guidelines for all the textiles orders.

Regarding this choice, suppliers are asked to sign a letter of intent and to enclose the documentation certifying the compliance of the materials to the protocol. Moreover, to make the supply chain more transparent and certified, Pattern’s Clients have set out some tests to check the quality of materials and the compliance with the standards of the products chemical composition, which is considered essential for sale and use of the items of clothing.

The table below presents the substances to which Pattern’s suppliers have agreed to give up for their fabrics/materials starting from the 2016 productions.

Classes of chemicals NOT ALLOWED	Typical use in the textile industry or leather industry (indicative)	Specific process of use of the substances (indicative)
APEO (Alkylphenol Ethoxylates/Alkylphenols)	Stain removers, cleansers, products for washing or dyeing preparation etc..	Preparation for washing or dyeing/washing, dyeing, fabric softening, degreasing
PFC (Per-and-poly-fluorinated chemicals) Compounds C6 - C7 - C8	Water repellent products and their derivatives	Functional finishing (Water repellent and stain-resistant products)
PHthalATES (Ortho-phthalates)	Plasticisers	Dyeing, printing, rubberizing, plastic coating, fabric softeners

7.3 ENVIRONMENTAL REPORT

Given the internal production structure, Pattern's energy consumption and its environmental impact are reduced and not relevant. Nonetheless, Pattern is committed, within its areas of activity, to reduce energy waste and to raise awareness of the main categories of stakeholders.

An example of this inner "green" effort is identifiable in the efficiency of energy consumption between 2014 and 2015. Pattern's environmental performance is calculated by relating the value added to the total consumption of electricity and gas in the two considered years. Despite Pattern's growth and the consequent increase of energy consumption, the total consumption of energy compared to the value added of each year has decreased.

CONSUMI 2014 - 2015		
	2014	U.M.
meters of fabric	131,363.62	MT
cutting materials (fabrics, lining, stickers)	453,736.05	MT
purchase of pattern paper	11,985.00	KG
purchase of paper for "under mattress" cutting	30.00	ROLLS
packaging purchase for shipments	3,601.00	PZ
adhesive tape purchase	1,113.00	PZ
	2015	U.M.
meters of fabric	166,954.81	MT
cutting materials (fabrics, lining, stickers)	657,187.67	MT
purchase of pattern paper	11,851.00	KG
purchase of paper for "under mattress" cutting	25.00	ROLLS
packaging purchase for shipments	4,454.00	PZ
adhesive tape purchase	4,151.00	PZ

EACH PIECE PRESENTS THE FOLLOWING PACKAGING FEATURES	
Garments withdrawn from contract manufacturers	Hanging garments packaging: <ul style="list-style-type: none"> • hanger • plastic wrapping
Garments sent to Clients	Packaging: <ul style="list-style-type: none"> • travelling case one every 12 garments

CONSUMPTION	2014	2015
Electricity	189,224	205,693
Electricity Bricherasio	42,488	32,490
Electricity Cherasco	230	//
Total of electricity	231,942	238,183
VALUE ADDED	9,749	12,497
SPECIFIC INDICATOR OF ENERGY CONSUMPTION - ENVIRONMENTAL RENDERING INDEX	23,791	19,059
Gas	25,548	26,589
Gas Bricherasio	6,225	4,991
Gas Cherasco	162	//
Total of Gas	31,935	31,580
VALUE ADDED	9,749	12,497
SPECIFIC INDICATOR OF GAS CONSUMPTION - ENVIRONMENTAL RENDERING INDEX	3,276	2,527

8. TABLE OF THE GRI INDICATORS		
This report contains Standard Disclosures by the GRI (Global Reporting Initiative) G4 Sustainability Reporting Guidelines		
G4 1	Statement from the most senior decision-maker of the organisation	1. Letter from the president
G4 2	Description of key impacts, risks, and opportunities	6. Economic value and sustainability - creation and distribution of the value added
G4 3	Name of the organisation.	3.1 History
G4 4	Primary brands, products, and/or services.	3.3 Governance and organisation 6. Economic value and sustainability - creation and distribution of the value added
G4 5	Location of organisation's headquarters	3.1 History
G4 6	Number of countries where the organisation operates	6. Economic value and sustainability - creation and distribution of the value added
G4 7	Nature of ownership and legal form	3.1 History 3.3 Governance and organisation
G4 8	Markets served	6. Economic value and sustainability - creation and distribution of the value added
G4 9	Scale of the reporting organisation	4. Creation of sustainable value
G4 10	Characteristics of the workforce	5. Value of talent and relational capital
G4 11	Percentage of employees covered by collective bargaining agreements	5. Value of talent and relational capital
G4 12	Description of the organisation's supply chain	4. Creation of sustainable value
G4 13	Significant changes during the reporting period regarding the organisation's size, structure, ownership or its supply chain	3.1 History
G4 14	Application of the precautionary approach to the risks management	4. Creation of sustainable value
G4 15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	4. Creation of sustainable value Stakeholders Map
G4 16	Memberships of associations (such as industry associations) and national or international advocacy organisations	Stakeholders Map
G4 17	Entities included in the Consolidated Financial Statements and list of the firms not shown in the financial statements	3.3 Governance and organisation
G4 18	Process for defining report content	2. Methodology, 4. Sustainable value creation
G4 19	Material Aspects identified	3.5 Materiality Matrix
G4 20	Material aspects within the organisation	3.5 Materiality Matrix
G4 21	Material aspects outside the organisation	3.5 Materiality Matrix
G4 24	Categories and groups of stakeholder engaged by the organisation.	3.5 Stakeholders map
G4 25	Process of stakeholders' identification	3.5 Stakeholders map
G4 26	Organisation's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group,	7. Pattern: a company with a low environmental impact
G4 27	Key topics and concerns that have been raised through stakeholder engagement	Stakeholders map
G4 28	Reporting period of the Sustainability Report	2. Methodology
G4 29	Date of most recent previous report (if any)	-
G4 30	Reporting cycle	2. Methodology
G4 31	Contacts and addresses	2. Methodology
G4 32	GRI content index	8. TABLE OF THE GRI INDICATORS
G4 33	Organisation's policy and current practice with regard to seeking external assurance for the report.	SA8000
G4 34	Governance structure of the organisation	Organisational chart
G4 56	Organisation's values, principles, standards and norms of behaviour	4. Creation of sustainable value 5. Value of talent and relational capital
G4-EC1	DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED	6.3 Distribution of value added
G4-EN6	REDUCTION OF ENERGY CONSUMPTION	7. Pattern: a company with a low environmental impact
G4-EN24	TOTAL NUMBER AND VOLUME OF SIGNIFICANT SPILLS	7. Pattern: a company with a low environmental impact
G4-LA1	TOTAL NUMBER AND RATES OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY AGE GROUP, GENDER AND REGION	5. Value of talent and relational capital

GRI - GLOBAL REPORTING INITIATIVE - The Global Reporting Initiative (GRI) is a non-profit organisation born as useful support to the reporting of sustainable performance of organisations of all sizes, from all sectors. The GRI Reporting Framework is a universally accepted model for the reporting of economic, environmental and social performances of an organisation. The model also includes practical-applicative considerations common to a wide range of organisations - from smaller companies to bigger and structured ones, regardless of their geographical location.

To ask for clarification on the Social Responsibility policies of Pattern SRL and the information contained in the Sustainability Report, you can write to the following address: pattern@pattern torino.it

FROM 2013
PATTERN IS A
SA8000
CERTIFIED COMPANY



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