

IMPACT REPORT 2021



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Part 1

Company Philosophy

Who we are

“Without data, you are just another person with an opinion.” - William E. Deming

The world of fashion, perhaps more than others, is the result of a legacy made up of slogans, perceptions, and opinions.

At this point, if we want to measure the impact of our actions, it is essential to replace slogans with data.

The data itself aren't good or bad – it's just a matter of choosing how to use them. We can continue to use them to defend ourselves from external attacks, or we can be proactive and start putting them in support of strategic choices.

Let's take sustainability: up to now, sustainability has been a goal, the reaction to insistent requests for laws, compliance, or investors.

But sustainability is not a goal, but a starting point and a necessary condition for fashion to become the protagonist of the transition to a regenerative economy.

Without data, no measurement is possible, and without a tracking system, this condition is unlikely to be fulfilled.

Before continuing, we need to go back ten years, to November 2012 precisely.

We are in Hong Kong, in front of a Zara shop.

At the time, Massimo Brandellero, the founder, traveled to China often.

It was time for The Detox campaign, a document that brands like Nike, Adidas, and Puma have signed as public commitments.

Some Greenpeace activists had stood in front of Zara shop windows with signs: Invisible fashion victim.

All this happened a few months before the collapse of the Rana Plaza factory building in Bangladesh, which we probably remember as the worst ever industrial incident to hit the garment industry, in which 1,132 people dead and more than 2,500 were injured.

This event brought worldwide attention to deathtrap workplaces within the garment industry.

Why am I telling you about this? Because that fact changed my way of seeing business forever.

After November 2012 (and in the following months), the gap between how the fashion market was and how it should be was huge: on the one hand, there was a lack of visibility along the supply chain, which made it difficult to find and systematize the data.

On the other hand, a lot of claims but no guarantee of transparency, which is also required by customers.

Some questions began to be nagging: how can we ensure the traceability of materials throughout the supply chain? Can stakeholders speak the same language? How do we make traceability and transparency in vogue in the fashion industry?

In 2015 The ID Factory was born.

The ID Factory is a supply chain traceability platform that, through the creation of a product passport, allows fashion companies to gain end-to-end transparency over their global supply chain.

Our mission is to empower brands in making timely, informed, and data-driven decisions that are the most effective for their business.

Only by having structured information and complete visibility along the supply chain can we understand where there are areas for improvements, can we solve critical issues and have a positive impact.

All this means giving brands the possibility to choose consciously and strategically, based on their purpose.

Putting the fashion industry at the service of man by making it as traceable and transparent as possible.

That's our mission, our dream.

But dreams don't come true without working hard.



15 BRANDS

HUGO BOSS **ck** **s.Oliver®**
Calvin Klein



Tamaris
GEOX

+600 STAKEHOLDERS

22 COUNTRIES WORLDWIDE

500M PRODUCTS TRACKED





Massimo Brandellero

Interview with the founder

Massimo Brandellero is the founder of The ID Factory, an Italian Benefit company and a B Corp, that has developed a digital platform to manage the supply chain of companies and brands in the clothing and footwear fields. The entrepreneur is an expert in new technologies applied to the fashion sector.

What made you decide to deal with traceability?

It all started towards the end of November 2012 when I was in Hong Kong for work and I found myself in the same place where a few days earlier Greenpeace activists had demonstrated showing the “Invisible fashion victim” sign against the use of toxic substances that pollute water in the textile supply chain.

This moment marked the beginning of the Detox my fashion campaign which has radically changed my way of seeing fashion and doing business.

At the time, I was working in the leather industry, supporting the procurement department of numerous European shoe brands that purchased finished products from Asia and the East, acting as a link between Asian factories and brands.

The Detox my fashion campaign coincided with the beginning of a change but it was shortly thereafter, with the collapse of the Rana Plaza complex in Bangladesh and the birth of the Fashion Revolution movement that radically changed the approach to the supply chain concept of the entire fashion industry.

In this type of environment and in an ecosystem that was opening up to a new awareness, The ID Factory was born.

Could you explain to us what global supply chain management involves?

The ID Factory is a digital platform that allows complete traceability and digitalization of the production chains of major fashion brands which, by their nature, have such a fragmentation as to generate extreme management and monitoring complexity.

Digitizing the supply chain allows brands and all stakeholders involved to exchange strategic and operational information to improve both the communication between the players in the chain and the operational management of the supply chain, as they are: faster, more flexible, accurate, efficient and sustainable.

Who are your customers?

Today The ID Factory works with major brands in the apparel and footwear sector including Hugo Boss, Tommy Hilfiger, Calvin Klein, Geox, Tamaris, S.Oliver and many others.

The platform is jointly used by brands and their production chains for a total of +600 stakeholders.

What are the major obstacles encountered in implementing a traceability system in the supply chains of the leather/footwear sector?

Technology in itself makes sense to exist when it facilitates and not when it creates obstacles and complexity however, as in all sectors with a strong tradition such as leather and footwear and as in all cases of radical change, the problems are mainly due to the mindset of users: once this is faced, obstacles become new opportunities.

Benefit Company

At The ID Factory, we strongly believe in the power of fashion to inspire people and shape behaviors. For this reason, we want to support the transition to a more traceable and transparent industry that uses technology to connect suppliers, manufacturers, designers, and final users, because only together we can empower a shift to more responsible and sustainable business practices.

However, to share our story and commit ourselves to the greatest purpose, we decided to become a Benefit Company and to formalize our three main impact areas in our statute.

Part 2

Impact Areas

Impact Areas

Traceability

We work to boost supply chain traceability and transparency in the fashion industry to make information easily accessible and sharable empowering better decision making

Inclusive Organization

We strive to create a safe and positive working environment that values the authenticity and unique contribution of each

Community Support

We want to have a positive impact on the wider community with which we operate and share best practices to improve ourselves and support others

B Corp Certification

Since June 2021, The ID Factory has been certified as B Corp.

Being a B Corp means rewriting the way of doing business: in addition to pursuing profit, we keep innovating to maximize our positive impact on employees, the communities in which we operate, the environment, and all stakeholders.

As B Corp, we believe in responsibility, transparency, inclusion, and regeneration.

Inspire, innovate and follow new paths are the values that move us every day.

B Impact Assessment

To further institutionalize our commitment and measure our impact, since we became certified B Corp we use the B Impact Assessment (BIA) by B Lab, which assessed our impact on various stakeholders, including workers, community, customers, and the environment.

Based on the B Impact Assessment, we earned an overall score of 100.1, meaning that we are a regenerative business which gives back more value to its own stakeholders compared to the value it extracted. However we are not satisfied yet and we are setting new and ambitious standards to improve and support our partners in achieving the vision of a more traceable and sustainable fashion & luxury industry.

This management tool helps companies assess their impact on various stakeholders, including their workers, community, customers, and the environment.

Based on the B Impact Assessment, The ID Factory Srl earned an overall score of 100.1 out of 200.

The median score for ordinary businesses who complete the assessment is currently 50.9.

Overall B Impact Score

Based on the B Impact assessment, The ID Factory Srl earned an overall score of 100.1. The median score for ordinary businesses who complete the assessment is currently 50.9.



- 100.1 Overall B Impact Score
- 80 Qualifies for B Corp Certification
- 50.9 Median Score for Ordinary Businesses

B Initiatives

This is why we have engaged in several projects to spread the B values.

We've recorded A Traceability Journey, a podcast with which we interview fashion industry experts to figure out how the brands they represent are working on traceability.

We have also created an online community, B Corp B Fashion, that nowadays counts +180 members, highly profiled and carefully selected.

B Corp B Fashion is the first community within the B Corp ecosystem that aims to bring together in one place all the B Corp of the fashion world, but also those fashion brands that want to become one.

We want to promote a regenerative and sustainable fashion model and we do it by sharing best practices, ideas and ideas among our members, which can come both from consolidated realities, but also from those who have just entered the world of B Corp.

Finally, we planted 3 forests (660 trees) in 6 different countries in Africa, Caribbean and South America.

It was possible thanks to a collaboration with Treedom, which is a B Corp too.

We want to try to do our best to give back to this planet more than we take. Not only words but also practical activities to make a difference.

We are still at the beginning.

TRACEABILITY

“We work to promote innovative traceability systems that make it easy and transparent to monitor the information and materials flows across global fashion supply chains.”

Traceability is a set of information connected and between the various players in the supply chain. Having this information available in a structured way allows you to make strategic choices.

Priority SDGs



Goal 12

Ensure sustainable consumption and production patterns

Goal 13

Take urgent action to combat climate change and its impacts

The ID Factory is a supply chain traceability platform (SaaS) that, through the creation of a Digital ID, allows fashion companies to gain end-to-end transparency over their global supply chain.

We digitize operations like quality control, compliance, extended procurement and traceability through a dynamic database integrated with any management system.

A product passport enabled by a physical and digital traceability at scale.

Our goal is to make the fashion industry as transparent and traceable as possible.

For this reason we support and empower fashion brands and their supply chains in a co-evolution process towards

a strategic commitment for continuous improvement and the creation of shared value.

Less than 10% of brands have a complete knowledge about the full supply chain, with only 30 brands out of 200 publishing their processing facilities further down the supply chain, and 10 going further down to raw material suppliers*.

We promote the adoption of technology and the transition to the Industry 4.0 as a key enabler for more transparent and traceable supply chains.

We provide fashion companies to make informed, data-driven decisions that are the most effective for their business.

Lack of traceability

Less than 10% of brand have complete 100% knowledge about the full supply chain. Very few stakeholders have all the information below tier 2 and tier 3.

Lack of transparency

30 of 200 fashion brands published their processing facilities further down the supply chain, and 10 brands published some of their raw material suppliers.

Supply chain disruption risk

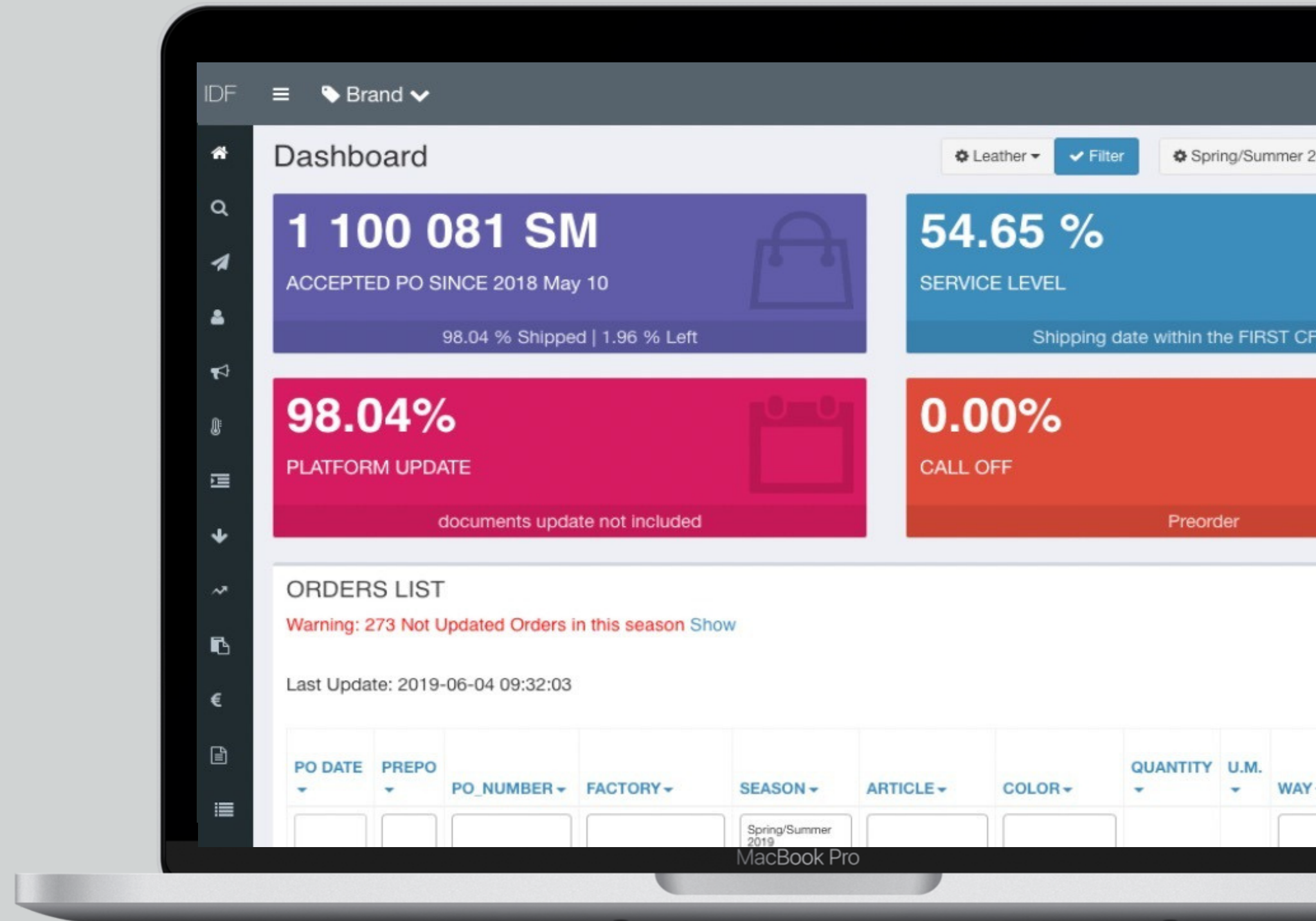
Only 9% of supply chain executive said that they could assess the impact of disruption within hours.

Supply chain sustainability risk

The UN Guidelines and the upcoming Due Diligence Law make it explicit that brands are responsible human rights violations and the environmental impact along their value chain.

Raw Material platform

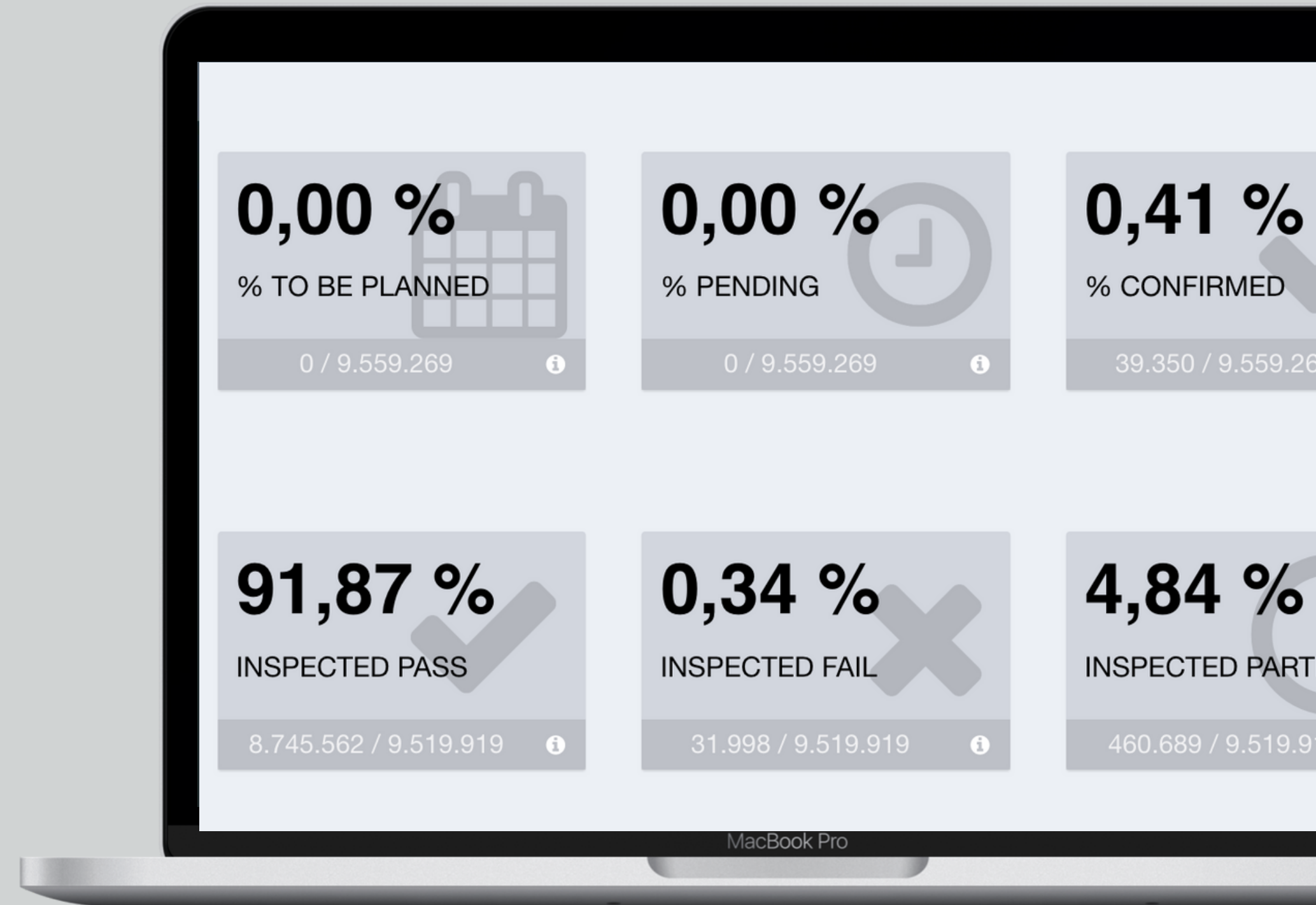
Real-time information for the effective management of orders, bill of materials, delivery lead time and the forecast of orders.



Quality Control platform

Digitalize the quality control, the chemical and physical compliance of raw materials and finished products with a system that interacts with lab such as Bureau Veritas, UL, SGS, Tuv.

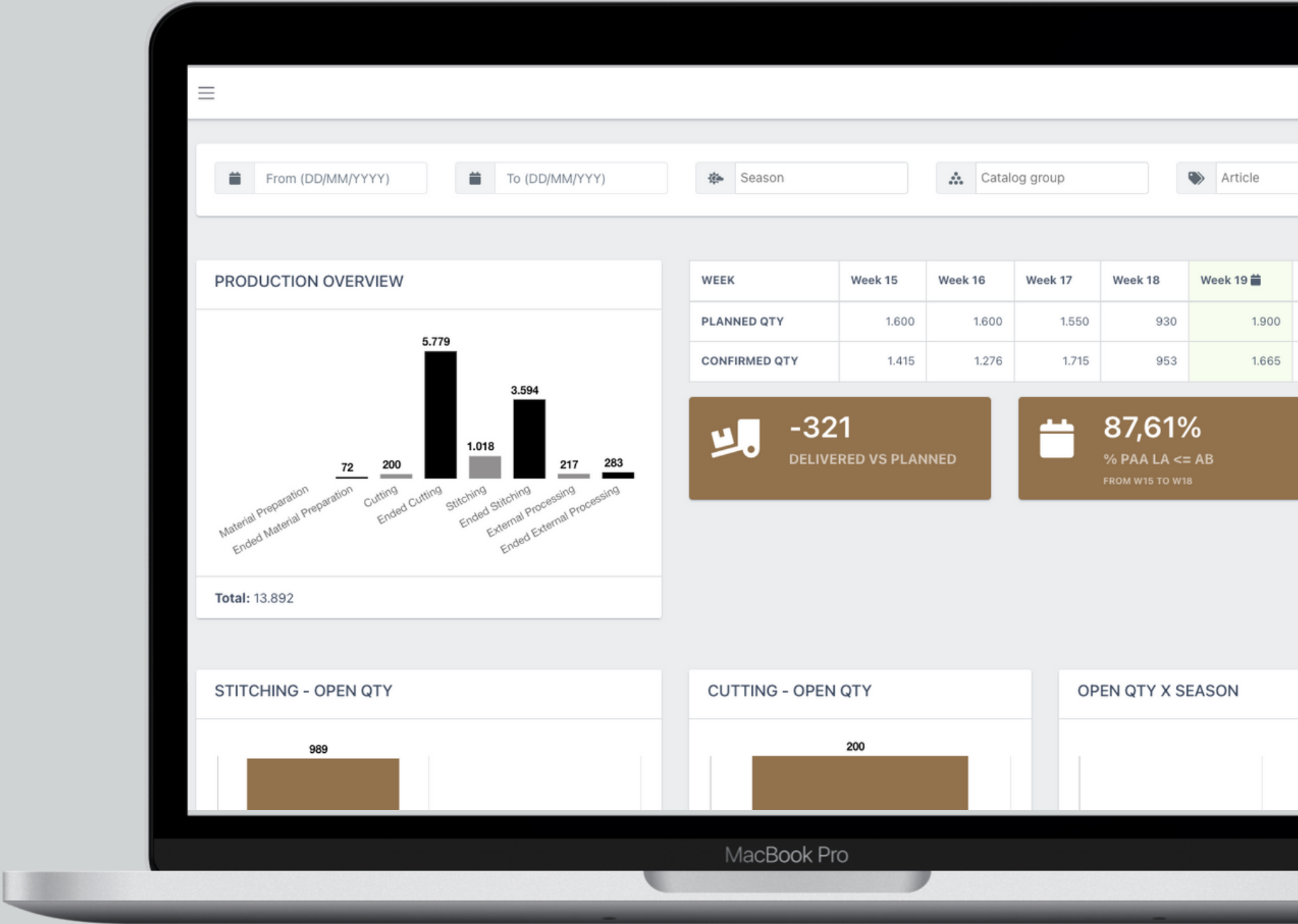
The Quality Platform collects and connects data from Raw Materials to Finished Products, links them automatically to Restricted Substance Limit test reports and performance once, registers any inspector activity, and provides a Real-Time picture of all related Quality Control activities.



Traceability platform

Track your material flows throughout your global supply chain thanks to an integrated solution enabled by the physical traceability of materials, giving insights into your suppliers' performance.

It follows the Raw Material flow along the manufacturing process to set up an intuitive tool to monitor real-time the product WIP (Work In Process), production Down Time, and Inventory status.



Key Activities



Engage brands



Engage the value chain



Share the traceability story
behind the product



Work on materials'
traceability rate



Engage brands

The ID Factory has the vision to make the fashion industry as traceable and transparent as possible.

To achieve our purpose, we aim to partner with fashion brands, and to work with them to gradually onboard any supply chain tier, starting from the first one and going beyond until the farm.

Today we have been able to engage 15 international brands in the traceability process, including Geox, Tommy Hilfiger, Calvin Klein, Hugo Boss, and more than 600 stakeholders among factories and material suppliers.

With some companies we are on progress to map third tier suppliers and go even further to an end-to-end traceability.

In 2021 we took part to StartupBootcamp FashionTech accelerator program as we were selected among the top 12 FashionTech startups globally, with the opportunity to engage with a network of over 26 brand partners for presenting them our solution.



Engage the value chain

"How can we share best practices and allow supply chain players to see the value of traceability".

We decided to award those supply chain players among our network of around 600 companies that performed better on tracing materials and associating and activating the digital id on each row of textile, piece of leather or box of accessories, before shipping the orders.

We awarded the top 10 performer based on the following criteria:

- % of shipped order rows (balance) with qr code traceability

- % of shipped quantities (balance) with qr code traceability
- % of shipped quantities (balance) compared to the biggest shipped quantities (balance) for the same material type.

These three criteria had respectively the following weight for calculating the final score : 40%, 40%, 20%.

We wanted to award not only the companies with the highest traceability rate but also those having a biggest impact and complexities to manage because of the high ordered volumes.



Share the traceability stories behind the product

"Around 90 % of fashion's environmental impact occurs in the supply chain, and while customers cannot see these impacts directly, this is where the real change can happen and where the majority of targets and actions must be directed."

Marie-Claire Daveu, Chief Sustainability and Institutional Affairs Officer at Kering

Sharing is Caring, this is why at The ID Factory we are not selling a service but sharing a vision for more responsible and transparent fashion.

For doing that in 2020 we planned to interview the top 10 traceability performers on our platform to share their stories on our official channels.

Unfortunately we are sorry to say that still a lot of work needs to be done in the industry and only 4 out of 10 top performers agreed to share their story.

This is the reason why we made a step back as we understood that the majority of the fashion supply chain still need to be trained about the importance of traceability before being able to share its own story.

We planned for 2021 a year long training sessions not only about how to implement and boost traceability but mainly focusing on the reason why traceability matters and it is not a trend but it is going to last in tomorrow's future economy.

We launched for this reason a YouTube video series entitled [A Traceability Journey](#), interviewing experts in the field.



Work on materials' traceability rate

In order to have accurate data and updated orders material, traceability is the key.

The corporate objective for 2021 was to get to the 75% traceability rate, meaning that 75% of main material orders require the QR code activation in order to be visible.

If a material order doesn't have a series of QR code activations based on the quantities, in case of non compliance (chemical, physical or incomplete documents), the physical traceability of the order is lost and the problem is difficult to solve.

For this reason, within the OKR methodology (which we use to map and measure every activity, internal and external to the company), we have dedicated an OKR to traceability.

For each of the four quarters of 2021, we have established a micro objective to feed a process of greater awareness of the platform's users on the issues of traceability and transparency.

We implemented gamification by creating a reward system based on the results achieved by users, involved the brands, and worked on the QRs activation for the raw materials' traceability.

Measuring Progress

Performance indicator KR (Key Results) are used to transparently share and monitor progress towards the achievement of the common benefit objectives.



Key objective	Activity	Fulfilment
Raise the number of brands tracing their supply chain	Partecipate at Surtupbootcamp Fashion Tech to present our solution to the corporate partners	We presented our solution to 14 corporate partners out of 26
Share suppliers traceability stories	Rank suppliers traceability performance to award and interview the top 10 performers	We were able to interview 4 out of 10 of the top traceability providers
Share best practices to raise awareness about the role of traceability	Perform a series of interviews entitled a Traceability Journey	We interviewed 9 fashion experts and professionals
Work on main materials' traceability rate	Train suppliers in order to achieve a 75% materials' traceability rate	We achieved 73% (leather), 57% (PU), 56% (Fabric) and 20% (outsole)

INCLUSIVE ORGANIZATION

" We aim to Create a strong group identity that values the authenticity and unique contribution of each "

It is based on the sharing of our values and mission without the need for a rigid hierarchical structure, promoting integration between personal and professional life and contributing to growth constant confidence and satisfaction in the workplace.

Priority SDGs



Goal 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

We strongly believe in the value of happiness, trust, and responsibility.

For this reason, we are committed to promoting them among all our people.

First of all, trust: establishing a pact of trust commits the management as much as the employees.

Giving trust means not wanting to constantly check and having the certainty that collaborators will commit to completing their tasks.

Receiving trust means not being bound to physical places or subjected to rigid schedules, but taking the freedom to work towards goals, reach them and have the chance to do it wherever you want.

This is why The ID Factory adopts an agile way of working and managing employee relationships, leaving them the choice if they prefer to work from home or in the office.

Responsibility: it means transforming one's passion into one's work; it means taking risks to carry out something you believe in, something you are competent in and think will benefit the whole organization. It also means having the freedom to make mistakes and the ability to take full responsibility, grow and never repeat the same mistake.

With this in mind, The ID Factory fosters the entrepreneurial spirit of all collaborators, inviting them to propose ideas and acquire ownership, always providing support and mentorship.

Last but not least, happiness: if all employees are happy and satisfied, we are confident that they will do their utmost to contribute to The ID Factory's growth and its positive impact on the planet.

Being free to work anywhere in the world, having time to devote to your passions, and having the opportunity to grow within the company, both as professionals and as people. We think this is the key to happiness.

Even after the pandemic, we have chosen to keep the smart working formula: 50% of the resources in the company decided to work from home instead of moving to Vicenza, which means that our company is spread throughout Italy with people from Lombardy, Emilia Romagna, Tuscany, and Marche. Some also work from abroad, from Berlin to the Canary Islands.

To go beyond physical distance, we continue to value the identity of each of our people by building a strong, compact, and aligned team.

We promote a series of weekly and monthly activities that allow us to always stay in touch and share moments, even off-screen.

Key Activities



Power Walking



Tutoring Hour



Happy Hour



Personal growing



ID Days



Fuck Hour



Power Walking

The ID Factory wants to promote not only the personal wellbeing but also the physical activity.

Walking while working is strongly promoted at work as it encourages innovation, and also makes people feeling better and more energetic.

The power walking is a bi-weekly meeting occurring on Friday morning where each member of the team shares the activities and projects he/she is working on while walking in the park in a google meet call.



Tutoring Hour

The Tutoring hour is a bi-weekly meeting which is held on Friday evening where every time a different member of the team shares a topic that he/she finds interesting in order to support creative and lateral thinking and learn each one from the other.

The objective is to share interests but also to strengthen the idea of a flat organization where anyone how has a specific filed of expertise can become a tutor.



Happy Hour

The Happy Hour is a monthly meeting aimed at taking an aperitivo all together digitally as a team building activity where it is prohibited to speak about work.

This activity has born after the breakout of COVID-19 which has obliged many of us to stay at home.

We learned from that experience and decided to take out the most of it.



Personal growing

As part of our main impact focus, we want to incentivize our people to spend time in learning and pursuing their personal interests.

For this reason The ID Factory has dedicated 1% of the annual revenues to promote educational activities and courses.



ID Days

In September 2021, the whole team gathered on Lake Garda for a team-building day in the open air and contact with nature.

We divided into two groups: one had an experience on horseback, while the other tested endurance in a jungle adventure in the park between ropes and suspension bridges.

Then there was a moment to discuss together the state of the company, the results achieved, and to plan the goals for the following months.
An opportunity also to get to know each other or meet in person, out of the screen.



Fuck Hour

In the last quarter of 2021, we included the Fuck Hour among the online team building appointments.

The Fuck Hour is an hour in which, in turn, a member of the team lends itself to receiving constructive criticism and suggestions from the other members of the company.

Among the protagonists of the Fuck Hour there also were the founder and the CEO, who reiterated the Teal model at the base of our organization.

ID Days

Two days to stay in touch, to know each other, to do team building, to reflect on the past and plan the future. Together.



Measuring Progress

Key objective	Activity	Fulfilment
Promote sharing within the team	Bi-monthly Power walking meetings	We went from twice a month, to doing it every Friday morning
Learn from each other	Monthly Tutoring Hour	68,75% completed We did 8 tutoring out of 12.
Create team building opportunities	Monthly Happy Hour meeting	We replaced it with ID Days as we found it to be more effective
Promote personal growth	Allow employees to participate to at least one learning course every quarter	1% of the budget was aimed at this purpose but only 7 employees took advantage of the opportunity

COMMUNITY SUPPORT

"We want to have a positive impact on the wider community with which we operate."

"Together we stand, divided we fall" is our motto. We work with our technology providers and sustainability partners in fashion to deliver our values and educate people.

Priority SDGs



Goal 4
Ensure inclusive and equitable quality
education and promote lifelong learning
opportunities for all

"Together we stand, divided we fall" is our motto.

We work with our technology providers and sustainability partners in fashion to deliver our values and educate people.

Global citizenship is the idea that everyone's identity goes beyond geography or ethnicity and that responsibilities and rights come after membership in a broader class: HUMANITY.

We believe that through knowledge and awareness, people can have the tools needed to promote sustainable development, fair and equal human rights, gender equality, and a culture of peace and non-violence that appreciate and value cultural diversity.

We do not make distinctions of age, gender, or borders: this is why we promote and participate in training courses, webinars, and free digital events aimed at professionals, students or enthusiasts of these issues, while we raise awareness among the actors of our customers' supply chains of the importance to collect data, learn to read them to make better choices oriented towards well-being.

Based on the BIA, we have developed the intention to activate a volunteering policy that involves the entire team, and we have chosen Ocean Clean Up as the first project to implement it.

Key Activities

- 1 STEM in the city
- 2 Politecnico calzaturiero
- 3 ITS Cosmo
- 4 Fashion Revolution
- 5 B Corp B Fashion
- 6 Ocean Clean Up

1 STEM IN THE CITY 2021

The ID Factory participated at STEM IN THE CITY 2021 virtual edition with a project entitled "CLIMATE CHANGE MAKERS | Fashion and digital towards sustainability." in order to raise awareness among students about the environmental and social impact of the fashion industry which alone accounts for 4% of the overall CO2 emissions.

The objective of the course was to teach students the importance of data to measure impact and improve performance, while also proving them the toolkit for making more responsible choices.

Thanks to this volunteering activity STEM in the City created the first STEM forest "bosco delle STEM" in Milan.



2

Teaching session at Politecnico calzaturiero

Enrico Purgato, the CEO of The ID Factory has held a masterclass at Politecnico Calzaturiero the 29th of April for high school teachers focusing on the role of technology and the Industry 4.0 in order to boost the production efficiency of the footwear highly fragmented supply chains, explaining how The ID Factory works based on relevant case studies.

3

Sustainable fashion course at ITS COSMO

The course "Sustainable_leather and circular innovation fashion" was designed in collaboration with the Green Leather Manager specialization course of Vicenza at ITS COSMO, in order to teach students about how the fashion and footwear industry has been changing in the last years and about the raising role of sustainable production and consumption with a deeper focus on supply chain traceability advantages and tools for boosting performance.

4 Fashion Revolution campaign

Fashion Revolution Week is the time when we come together as a global community to call for a better fashion industry.

2021 Fashion Revolution campaign explored issues of exploitation and inequality in the fashion supply chain, and we as The ID Factory supported the movement through a social media activism campaign to highlight the social and environmental issues of the industry and to call our brand partners and network to action, together partnering for the goal.

Linkedin's posts:

- [Martina](#)
- [Kelly](#)
- [Damiano](#)
- [The ID Factory](#)



5 B Corp B Fashion community

As a certified B Corp we strongly believe in the role of business to create a positive impact, for this reason we created the first fashion b corp community, to empower collaborations and to inspire fashion for good.

B Corp B Fashion aims to put together in one place all fashion b-corps and fashion brands want to become it. We want to promote regenerative and sustainable fashion, sharing the best practices from consolidated realities, newcomers, and curious people from the fashion world who want to know the B Corp world.

- Weekly sharing of an interview with a b-corp of the fashion community
- Weekly update on best practices from leading fashion brands committed to sustainability
- Weekly insight into the importance of supply chain traceability for the transition to a regenerative business
- Questions and surveys to share opinions and best practices among the fashion community
We'll talk about what it means to be a B Corp, why a fashion company should decide to start this path and how the business changes after becoming B Corp.

6 Ocean Clean Up

We at The ID Factory are confident in the power of people to shape better world and to face the complex realities from rising joblessness to growing inequality to the increasing dangers of climate change.

Even small actions have can make the difference if they become part of our way of living and working, for this reason we committed one of our ID days to clean up the sea (actually there is no ocean near by Vicenza).

Unfortunately, because of different business priorities and the worsening situation of the COVID pandemic, we have not been able to meet up and clean the beaches near the area Venezia and Chiampo.

We accept failure and take on new challenges, so in order to make up we decided to formalize our commitment through the creation of a Volunteering policy for the following year.

Measuring Progress

Key objective	Activity	Fulfilment
Raise Fashion Climate awareness among students	CLIMATE CHANGEMAKERS at STEM in the CITY 2021	We have gathered enthusiastic feedback from the participants
Share our experience with the local communities	We hosted lectures at Politecnico Calzaturiero	We taught in a class of 15 students
Share our experience with the local communities	We hosted lectures at ITS Green manager course	We spoke about The ID Factory and shared our experience in front of 60/80 young students

Key objective	Activity	Fulfilment
Support the Fashion Revolution campaign	Post about the need for fair pay and living in the fashion industry during the Rana Plaza collapse anniversary	All team was involved in posting on social media about the campaign and enjoyed it
Commit to volunteering in the nearby community	Ocean clean up activity near the seaside of Venezia	Not able to do it due to Covid pandemic
Create a place for fashion B Corps and pending B Corps	We created the first fashion B corp community of B Hive	In the first six months, around 60 members joined us to share their ideas, missions and needs

Part 3

Next Steps

2021 Highlights and Milestones

"No improvement is possible without measurement and no measurement is possible without a tracking system."

Impact

We tracked more than 500 millions of products digitalizing fashion supply chains worldwide and working with over 600 stakeholders in 22 countries.

Freedom & Responsibility

We strive to create a happy, trustful, and responsible workplace. If our people are happy and satisfied, we are confident that they will do their utmost to contribute to The ID Factory's growth and its positive impact on the planet.

Awareness

We participated in accelerator programs, we growth our network by creating valuable partnerships, and keep promoting training courses, webinars, and free digital events to raise awareness among all our stakeholders.

2021 Highlights and Milestones

**Cambiare
il mondo è
un'impresa.
Possibile.**



**#Unlock
TheChange**



Startupbootcamp
FashionTech

Objectives for 2022

This Impact Report is a continuous work in progress, a way for our organization to track our impact, progress towards the goals and improve over time. This section outlines our strategy for continuing the good work done so far.

1

Embrace Transparency

2

Keep Innovating

3

Measure the impact

4

Partnership for the goal

5

Volunteering policy

6

Climate Pledge

Embrace Transparency

For 2022 we want to continue working and growing in terms of transparency. In order to gain this objective, we're working to developing a DIGITAL ID, a blockchain integrated solution for fashion traceability.

In 2021 we partially missed this goal: we managed to increase our network of brands, but we have not yet managed to convince them to name the suppliers and manufacturers.

This is why we will pursue this goal also in the new year, with the aim of guaranteeing complete transparency: not only towards our customers, but towards everyone.

1

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Governance & Customers



Keep **Innovating**

Technological innovation is part of our DNA, and we believe it is the best tool to achieve our goals, as well as our customers and partners.

After taking part in fashion tech innovative acceleration programs, we want to continue participating in events that allow us to grow as an Innovation Provider and the chance to get in touch with stimulating companies, which make us come to desire to raise the bar.

That's why we hope to participate in the 2022 edition of the Global Fashion Summit in Copenhagen, promoted by Global Fashion Agenda.

Measure **the impact**

In order to change the things, awareness is needed.

We want to give fashion brands the change to know which is their social and environmental impact, whenever they need.

That's why in 2022 we'll work to launch an innovative start-up for the growth and scalability of the 4sustainability framework.

To create the startup we'll do a joint venture between The ID Factory and Process Factory Srl.

3

Community & Environment



4

Governance & Community

Partnership for the goal

We profoundly believe that to achieve our mission to make the fashion industry as traceable and transparent as possible, we can only succeed if we cooperate with companies that share our values and mission.

That's why for 2022 we want to keep growing our partners network around the world and co-create events, projects and initiatives with them.

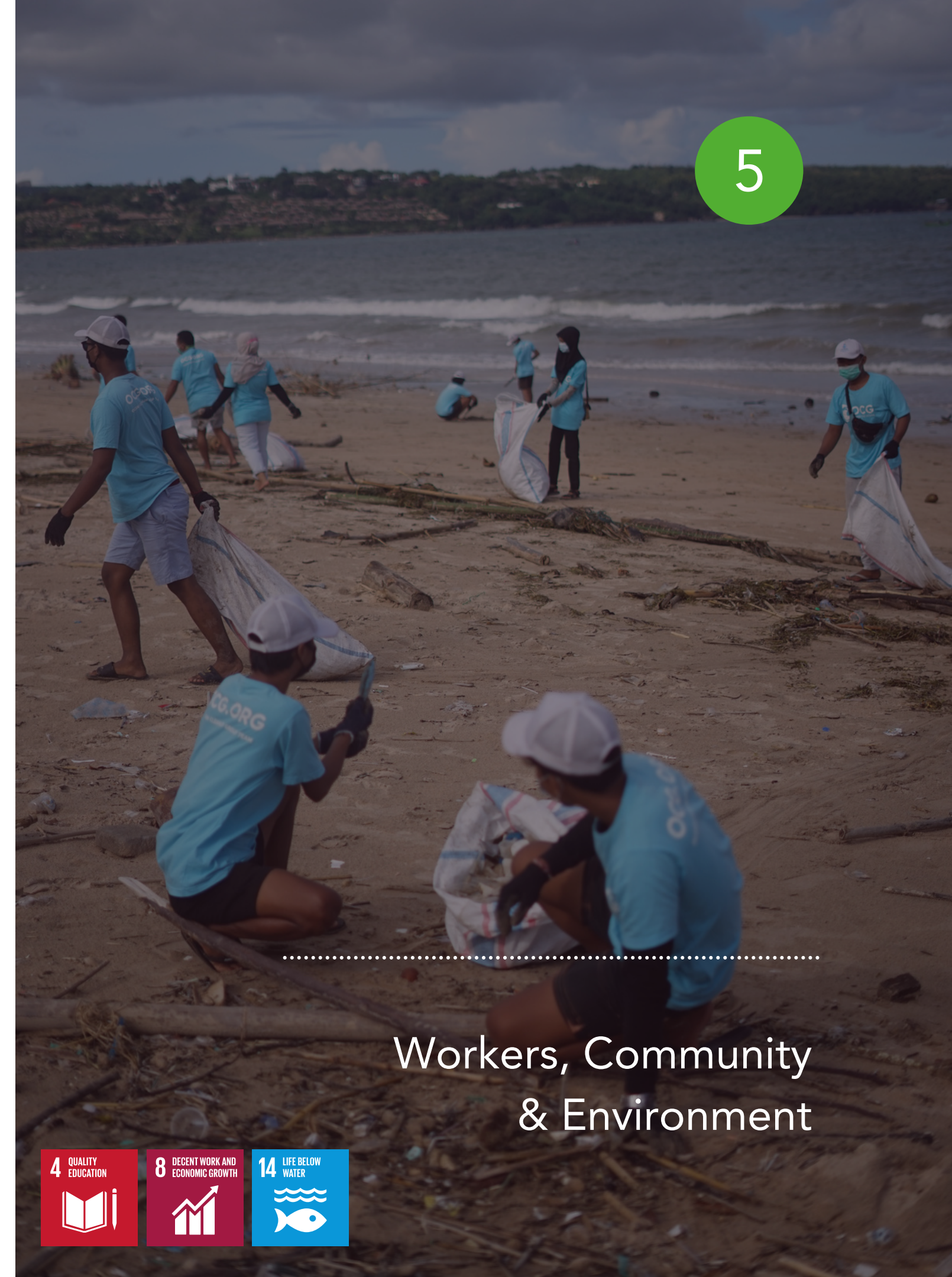
One of the partner we want to work with is Factory Berlin, in Germany, the strongest innovation network in Europe: a curated community of 3500+ startups, tech, and corporates.

Volunteering policy

We want to work and act as a team, inside and outside the office, giving our contribution to clean the planet and leave it better than we found it.

For this reason, a goal we have for 2022 is to create a volunteer policy, which involves all collaborators, to lend a hand to the environment and strengthen the team spirit.

On a social level, we have decided to donate 1% of annual revenue to subsidize a scholarship to educate and increase awareness regarding social and environmental topics.



Workers, Community
& Environment



Climate Pledge

As a Benefit Company, we have chosen to exist to generate not only profit, but also a positive impact on people and the planet.

We believe that the role of business is fundamental in limiting global warming and contributing to the achievement of the climate neutrality goals set by the European Union.

That's why in 2022 we'll participate in CO2alizione Italia and formalize this commitment within the Social Object of our Statute, assigning to our future management a mandate to pursue the evolution towards a zero-emission economy.

A commitment that we will report by publishing the actions and objectives achieved year by year.

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Environment



THANK YOU!

We thank you for your continued support in our efforts to contribute to the SDGs and make the fashion industry as traceable and transparent as possible.

**The ID Factory Srl Società
Benefit Unipersonale
L.go Danilo Danieli, 9,
36071 Arzignano, Italy
Phone: +39 0444 451789
P.IVA e C.F. 03970050245
info@theidfactory.com
www.theidfactory.com**