



SUSTAINABILITY REPORT



Sustainability, next level
is a fundamental value for us.
Our commitment for the environment
and respect for people to build a
better world for the new generations.
Every day."

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1 LETTER FROM THE PRESIDENT TO THE STAKEHOLDERS

Choosing to publish our own sustainability report shows our commitment to all our stakeholders as well as our Corporate Social Responsibility which is a must today for business development in a context in which all international policies are increasingly oriented towards circular economy business models.

Therefore, Gruppo Mastrotto, for the first time, wanted to write and publish its own sustainability report to testify with facts a commitment that started many years ago, when these topics were not yet as popular as they are today.

Indeed, the company has always had its roots in a business model based on its attention to customers, the environment and people. We have been determined in building our own business model over the years and have always considered crucial the environmental and social issues necessary for the sustainable development on which we have made important investments. "Sustainability, next level" has become for us much more than a claim created to gather a series of real actions of social responsibility, but it is the manifesto of a fundamental value, because we are sure we can give real help to build a better world for the new generations.

We are, therefore, proud today to tell you,

in our first sustainability report, the roots from which we come, giving space to a path that has become a strategic asset for our company and that we will continue to trace in the coming years with the utmost commitment and the same courage and determination that have always characterized the actions of our founders. Bovine leather, which represents the core of our production process, is a natural, organic product that human beings have been working for centuries and which allows us to enhance the waste from the processing of the meat industry (which would otherwise be disposed of), creating durable products and saving resources.

But this report does not only tell us about Gruppo Mastrotto Green Innovation, nor does it only focus exclusively on all the efforts made to be ever closer to the customer, providing products of ever greater quality and increasingly attentive to sustainability issues; in this report, we also wanted to tell the Group's commitment to job inclusion achieved by a specific project, and the enhancement of the human resources by a welfare system that we have been implementing with new initiatives for several years.

The global crisis due to the pandemic, which profoundly marked the last few years and

which will also have its effects felt in the years to come, has forced us to think further about the business development model we intend to pursue and has highlighted, once again, how fundamental it is to give life to a new economy, capable of not exclusively putting profit at the center, certainly essential for the future of any business, but above all people and the environment. Gruppo Mastrotto will continue to pursue this goal vigorously and show it through documents such as this one.

A great thank you from me and from the Board of Directors to all the work teams who actively participated in the preparation of this report: production, technical, commercial, marketing, quality, sustainability, environment, safety, human resources, controlling and finance offices as well as to each person from Gruppo Mastrotto who contributes to make the "Sustainability, next level" manifesto a reality and works with us day after day to create a better world.

Chiara Mastrotto
Gruppo Mastrotto President



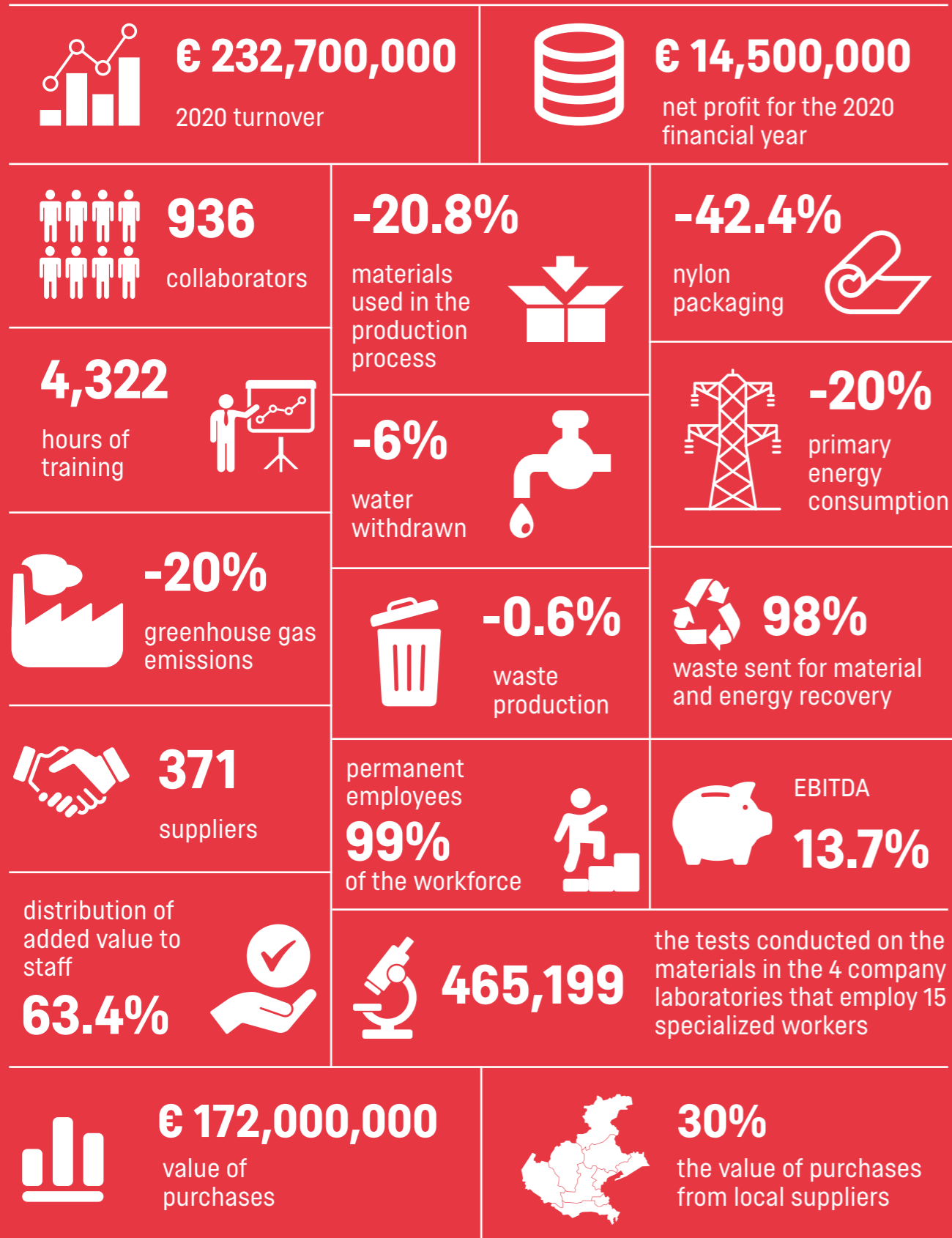


2 GRUPPO MASTROTTO AT A GLANCE

HIGHLIGHTS AND KPIs

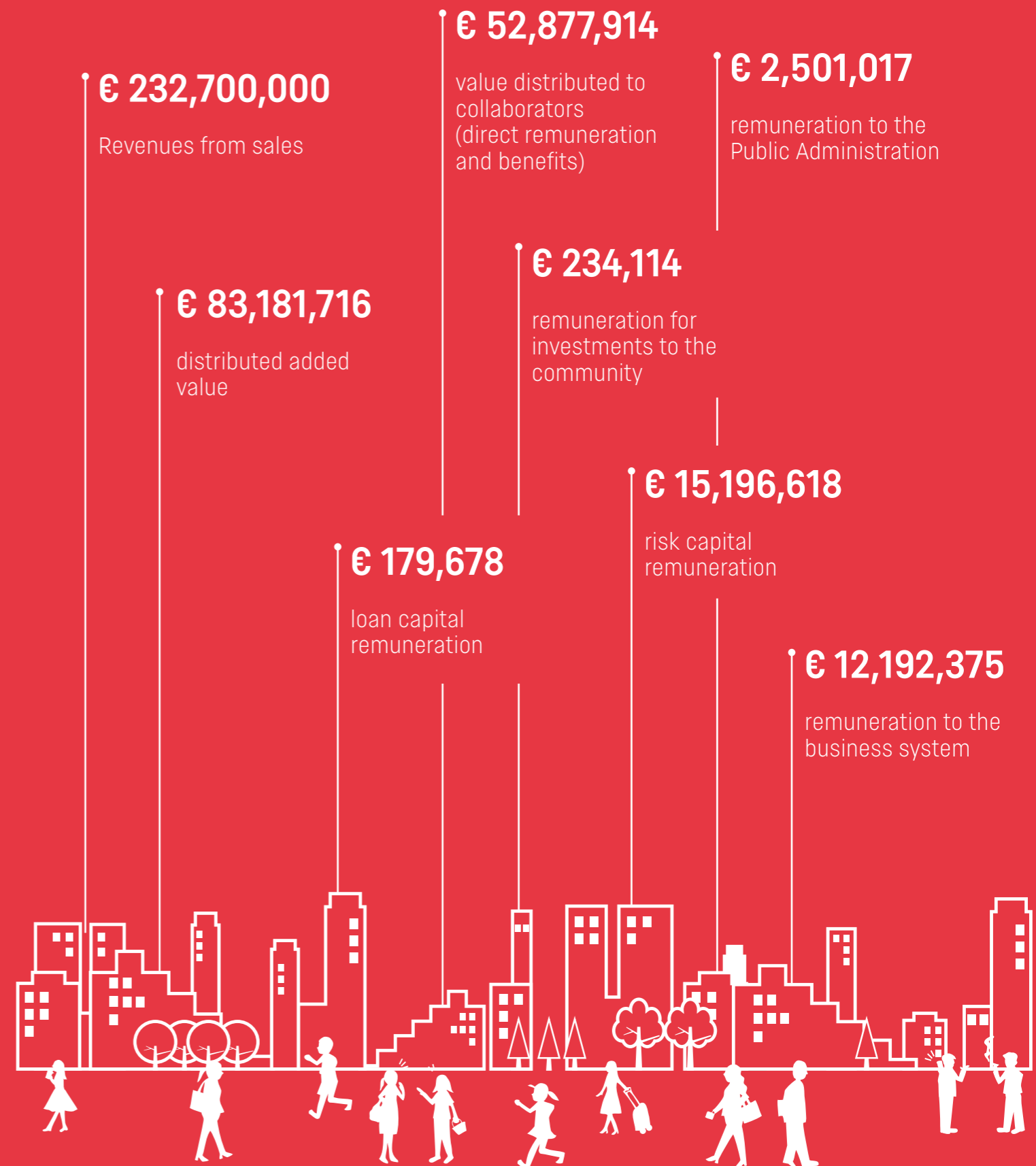
CREATION AND DISTRIBUTION OF ADDED
VALUE

HIGHLIGHTS AND KPIs



THE ABSOLUTE VALUES AND PERCENTAGES RELATE TO 2020; THE PERCENTAGE CHANGES REFER TO THE THREE-YEAR PERIOD 2018-2020

CREATION AND DISTRIBUTION OF ADDED VALUE



3 GRUPPO MASTROTTO

THE EXTERNAL CONTEXT

COMPANY PRINCIPLES AND CODE OF
ETHICS

SYSTEM AND PRODUCT CERTIFICATIONS

CORPORATE GOVERNANCE

3

GRUPPO MASTROTTO



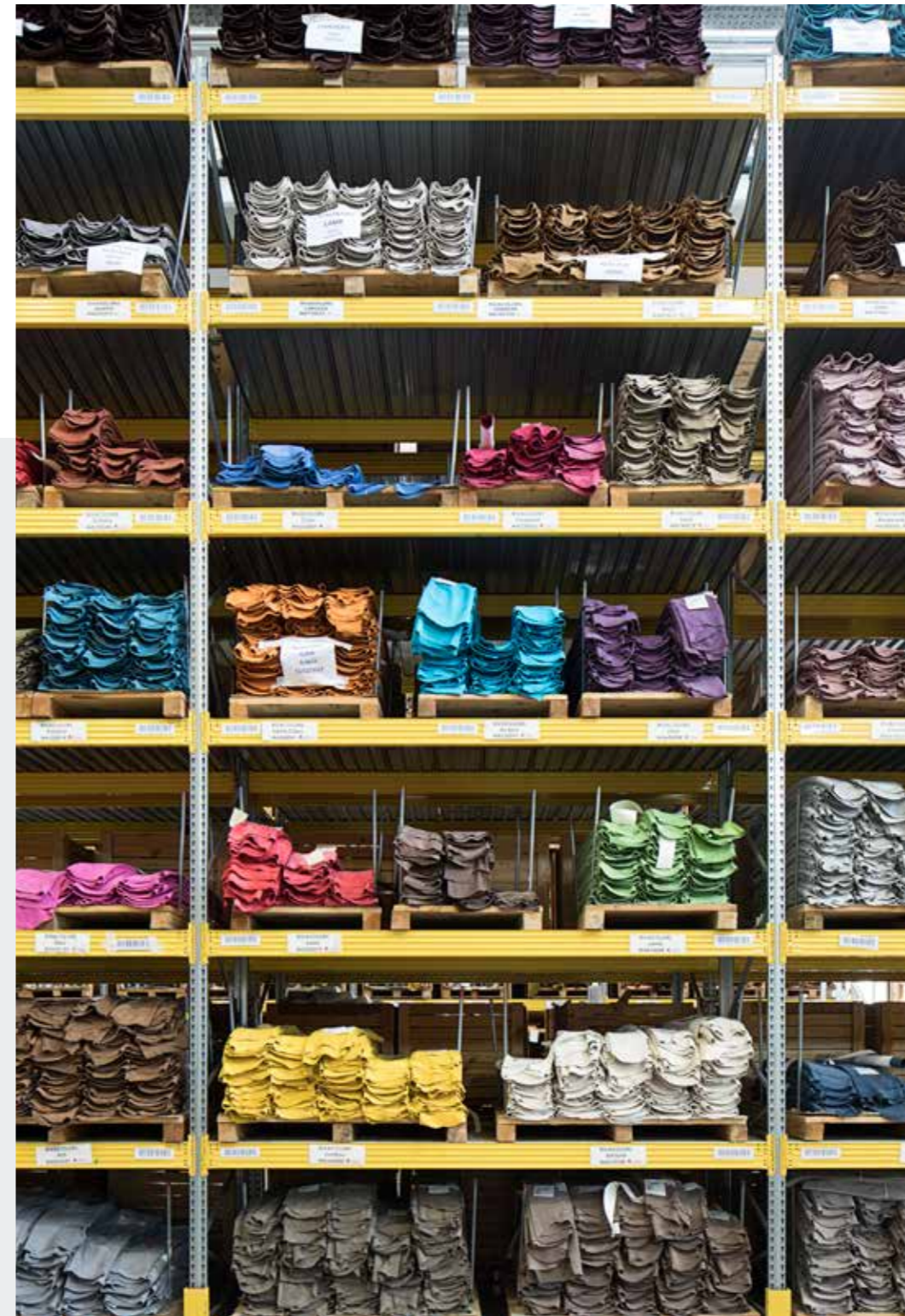
Gruppo Mastrotto was established in 1958, when Santo and Bruno, with their father Arciso, laid the foundations of what is now a global industrial player and one of the main international players in the tanning sector.

There are over **2,000** workers operating in the **15** factories of the Group



In Italy, Gruppo Mastrotto, with a production of approximately **11,5 million** square meters of finished leathers, includes **11** factories employing almost **1,000** people; 10 factories are located in the tanning district of Arzignano (Vicenza) and 1 factory is in Santa Croce sull'Arno (Pisa). This sustainability report refers to these 11 plants. The headquarters are in Arzignano, 7 Via Quarta Strada.

4 other production facilities are located in Brazil, Indonesia, Tunisia and Mexico and they employ over **1,000** people. These facilities are part of the holding company that rules the entire corporate Group.



Gruppo Mastrotto specializes in the processing of cowhides for furniture, footwear, leather goods, and the interiors for cars, boats and planes. Their products are exported all over the world, thanks to an articulated and comprehensive strategy of product and geographical diversification.

Gruppo Mastrotto has always stood apart for constant technological innovation, the ability to anticipate new style trends, the attention to customer needs and for the concern of worker safety and the environment. These characteristics are confirmed by several quality and environmental certifications issued by the best accrediting agencies.

In this context, the sustainability report represents a further evolutionary stage of the company to enhance its social function and satisfy its stakeholders' expectations.

3.1

THE EXTERNAL CONTEXT

The 2018-2020 three-year period was characterized by a first two-year period of generalized decline, both for the economy and the tanning industry, due to the uncertainties of the international economy and the policies of cost containment implemented by the sectors that use leather.

The importance of the Italian tannery industry has remained unchanged and Italy confirms its leading position in Europe (65% of the total value of production) and in the world (22% of the total value of production).

The situation completely changed between 2019 and 2020 following the Covid-19 pandemic, which caused a sharp contraction in the demand from all economic sectors.

The sectoral data released by UNIC, the trade association representing Italian tanneries, show a 23% reduction in turnover and 16% in the production volume for 2020 compared to 2019.

This negative situation involved all the Italian tanning districts with it being slightly less in the Arzignano district (-18.7% on turnover) which specializes in supplying leather for the furniture

industry, compared to sectors related to fashion, which was greatly affected by the effects of the pandemic that caused a restriction in the freedom of moving around.

However, the desirable recovery of the sector's activity shall take the utmost account of some trends that the pandemic has even strengthened.

First, the climate change caused by the increase in greenhouse gas emissions and the impacts of pollution, the reduction in the availability of resources on the planet and the loss of biodiversity and the increase in social inequalities and, second, Italian and European policies that support the development aimed at the following key issues: ecological transition and circular economy, digitization and social inclusion.



Gruppo Mastrotto intends to take up this challenge by integrating the three dimensions of sustainability into its strategic choices.

3.2

COMPANY PRINCIPLES AND CODE OF ETHICS

An essential condition for the creation of value and the long-term success of a company involves committing ethically to their stakeholders.

At the basis of Gruppo Mastrotto's business activities, there are the following principles:



transparency



legality



law compliance



economic sustainability



integrity



fairness



responsibility to stakeholders

In 2010, Gruppo Mastrotto approved a Code of ethics that formally expresses the general principles and rules of conduct adopted by directors, employees, collaborators and all those who work in the name and on behalf of the company, as well as third parties in their contractual relationships with the company.

In particular, Gruppo Mastrotto pays particular attention to the following:

- » to protect the dignity and psychophysical health of workers

- » to promote high standards of work, environmental protection and fight against corruption

- » to favor policies of reconciliation between work and family, with interventions and initiatives in the social sphere

- » to encourage policies to promote and protect the cultural, linguistic, ethnic and religious diversity of workers with a view to inclusion

- » to ensure the formal and substantial legitimacy of the conduct of the corporate bodies and its employees, as well as accounting transparency and the dissemination of procedures to control and rule the business activities

The Code of Ethics is inspired by the main Italian and international regulations and guidelines, including the following:

- International Declaration of Human Rights - United Nations
- Charter of Fundamental Rights - European Union
- Declaration on Fundamental Principles and Rights at Work - International Labor Organization (ILO)
- The Ten Principles of the United Nations Global Compact
- Guidelines for Multinational Enterprises - Organization for Economic Cooperation and Development (OECD)

The Code of Ethics is the formal guideline for all companies of Gruppo Mastrotto, also based in foreign countries, and it is the founding element of the Organizational Model and the control system pursuant to Legislative Decree 231/2001.

3.3

SYSTEM AND PRODUCT CERTIFICATIONS

The process and product certifications have a double value:

- to encourage continuous improvement processes in all company areas by introducing and perfecting advanced organizational models;
- to guarantee transparent and scientifically based communication to all stakeholders through certification by independent third parties.

The certifications are a tool for cultural and organizational evolution and represent a tangible value, both for Gruppo Mastrotto and for their customers and employees, as well as for the territory and the local community.

System certifications



ISO9001:2015
Quality Management System



ISO14001:2015
Environmental Management System



IATF 16949:2016
Automotive production



Council Directive
2014/90/EU
on Marine Equipment



GRU 001
LWG Gold Rated
Environmental Protocol

Product certifications



Der Blauer Engel



Green Life Project

3.4

CORPORATE GOVERNANCE



Gruppo Mastrotto is a joint stock company with share capital consisting of 600,000 ordinary shares with a value of € 51.65 each, for a total value of € 30,990,000.

The share capital is fully paid up and is divided as follows:

Shareholder	Share number
Gruppo Mastrotto Holding SpA	479,998
Mastrotto Graziano	60,000
Azalea Srl	60,000
Mastrotto Bruno	1
Mastrotto Santo	1

The company is ruled by the Shareholders' Assembly and the Board of Directors.


On 31st December 2020, the Board of Directors included 6 executive Directors as follows:

Title	Name/Surname	Gender
President and Managing Director	Chiara Mastrotto	F
Managing Director	Bruno Mastrotto	M
Managing Director	Graziano Mastrotto	M
Managing Director	Santo Mastrotto	M
Managing Director	Renata Sartori	F
Managing Director	Fabio Soldà	M

Since 26th May 2021, the Board of Directors has included Giovanna Mastrotto; Bruno Mastrotto resigned and was appointed Honorary President as well as Santo Mastrotto. Chiara Mastrotto has powers in the "Sustainability" and "Environment" areas, Fabio Soldà is responsible for "Occupational Safety and Health". The Board of Directors approves the Sustainability Report and is responsible for the development, approval and implementation of corporate strategies in economic, environmental and social fields.



The main control bodies are the Board of Statutory Auditors and the Supervisory Body pursuant to Legislative Decree 231/2001.

On 31st December 2020, the Board of Statutory Auditors included the following people:

Title	Name
Chairman	Nevio Dalla Valle
Auditor	Primo Ceppellini
Auditor	Antonio Pasquino
Alternate auditor	Davide Lombardi
Alternate auditor	Alessandro Pegoraro

EY Spa is the accounting firm.

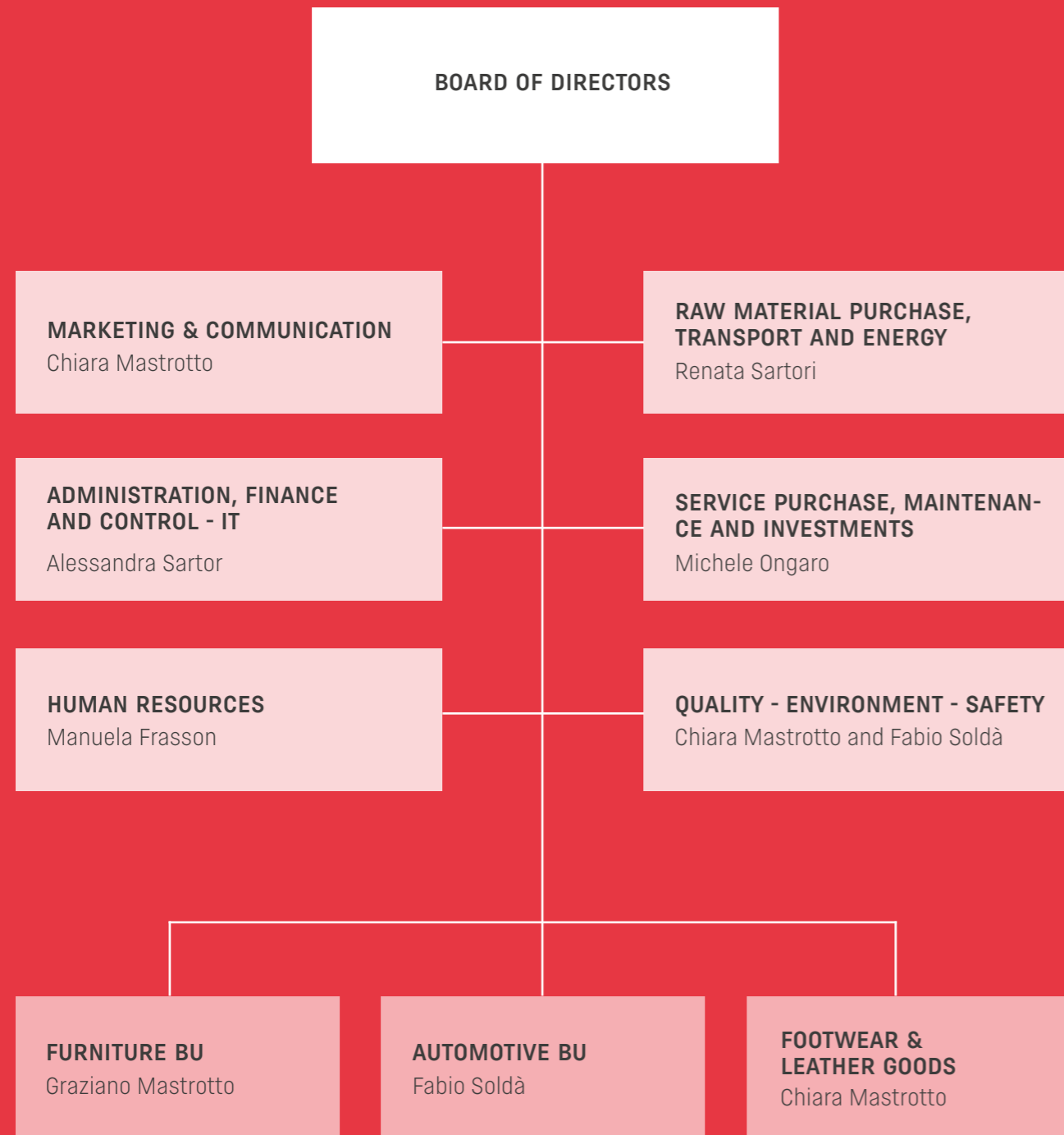

Pursuant to the Law Decree 231/01, on 31st December 2020 the Supervisory Body includes the following people:

Title	Name
Chairman	Nevio Dalla Valle
External member	Francesco Falavigna
Internal member	Massimo Lechthaler

The organizational structure of Gruppo Mastrotto is ruled by the Board of Directors to which the following report to:

- three Business Units specialized in product segments (i.e. are footwear/leather goods, furniture and automotive)
- general corporate services, such as administration/finance/check, purchases, investments and maintenance, human resources, marketing and communication and quality/environment/safety.

The following is the organization chart on 31st December 2020





4 APPROACH TO SUSTAINABILITY

STAKEHOLDERS' EXPECTATIONS: THE MATERIALITY ASSESSMENT

THE MATERIALITY MATRIX

4.1

STAKEHOLDERS' EXPECTATIONS: THE MATERIALITY ASSESSMENT

The methodology adopted to identify the issues that have a significant impact on the company and its stakeholders is called "Materiality Assessment". Materiality Assessment is the process of identifying, refining and assessing relevant issues that start from the analysis of the stakeholders' requests and business strategies.

The process of evaluating and constructing the materiality assessment starts from the risk and opportunity analysis carried out within the integrated "quality-environment" management system and includes numerous issues related to the concept of sustainability through the involvement of its stakeholders.

The stakeholders, by means of their company referees, have provided an initial indication of the issues on which Gruppo Mastrotto should focus.

In this process of the organization's cultural growth, Gruppo Mastrotto acknowledges the importance of creating a transparent and constructive dialogue with their stakeholders, whose expectations shall be considered when the company outlines economic, environmental, and social strategies.

The mapping of stakeholders and the identification of their expectations are shown in the following table

Stakeholders	Expectations
Employees	Adequate salary to help support the family Professional growth Serene and collaborative work environment Implementation of the company agreement relevant to the productivity premium and welfare
Financial Backers	Constant dialogue and communication on the overall company performance
Clients	Realization of customized products in short time and with high quality standards Overall approach to sustainability Product innovation Service
Leather suppliers	Implementation of clear and defined quality protocols Getting repeated orders Collaboration to define the sustainability protocols
Chemical suppliers	Definition of clear protocols to evaluate the quality and performance characteristics of the products Active involvement in improvement projects

Plant and service providers	Clear communication on the characteristics of the plants and services, as well as on the basis of sustainability criteria
Water supply and water purification company	Systematic compliance with the limits set for the qualitative and quantitative composition of wastewater Active collaboration in consortium initiatives in the districts where Gruppo Mastrotto factories are located
Institutions and control bodies	Information and collaboration relationship in activities subject to authorization and control
Training and research institutions	Partnership and direct participation in research and development projects on new products and processes Projects for the development of professional skills
Local community	Clear and transparent information on issues related to safety and the environment Direct and indirect support to the social initiatives of the local communities
Trade associations	Participation in sector events and workshops, exchange of information on good practices and business services

Based on the analysis of company documents (integrated quality and environment policy, safety policy, model 231, code of ethics), external documents (analyses and scenarios in the UNIC and Linea Pelle areas and forecasts in the tanning districts) and international standards (including the Sustainable Development Goals, the Global Compact, the OECD Guidelines for Multinational Enterprises, the European Commission's Agenda on CRS and the UNI ISO 26000 guidelines for the Social Responsibility of organizations), the sustainability issues are defined and classified into 4 thematic areas that outline the application field of Gruppo Mastrotto's sustainability strategies:



ECONOMIC RESPONSIBILITY AND MARKETS



PRODUCT AND CORPORATE RESPONSIBILITY



SOCIAL RESPONSIBILITY

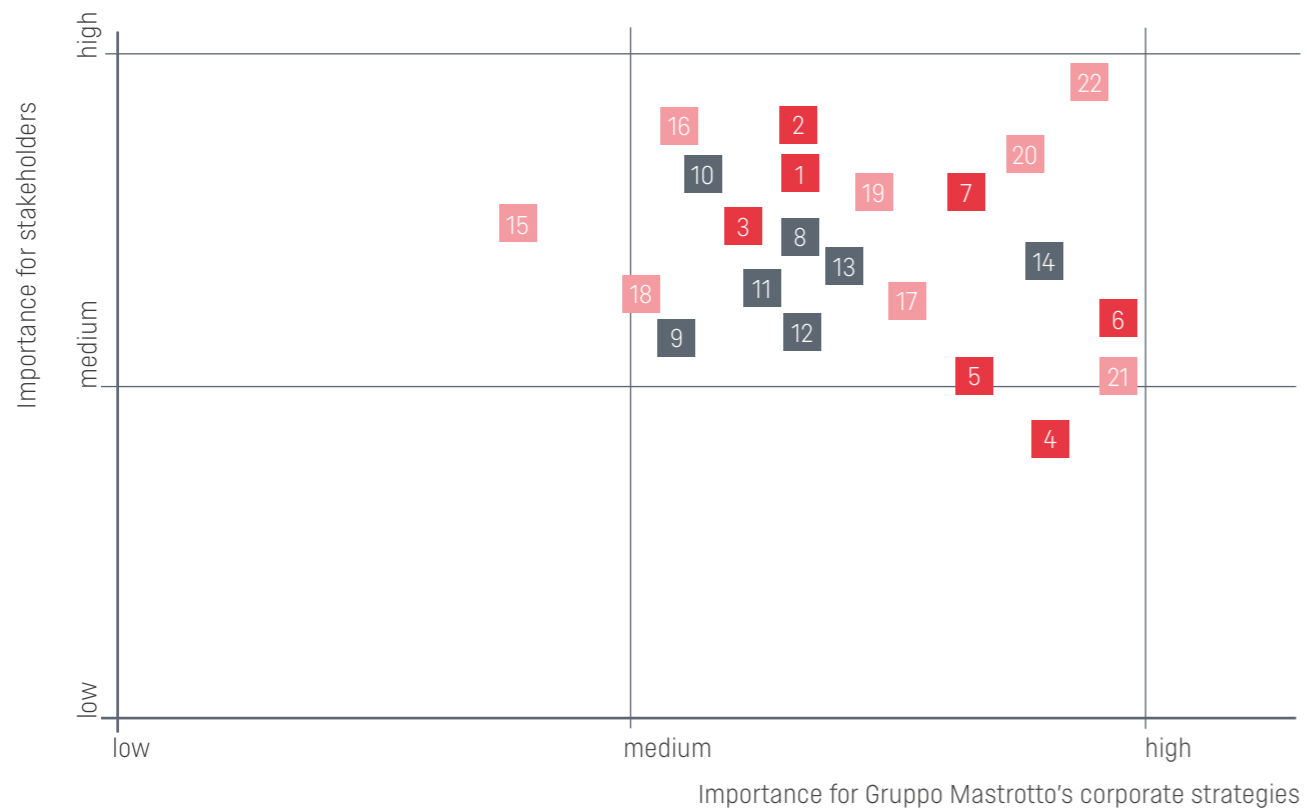


ENVIRONMENTAL RESPONSIBILITY

4.2

THE MATERIALITY MATRIX

The materiality matrix represents the outcome of the assessment carried out with the collaboration between the owners and a representative group of all the main corporate management functions.



Environmental sustainability	Social sustainability	Economic sustainability
1 environmental control	8 dialogue and investments for local communities	15 indirect economic impacts
2 chemical product management	9 diversity and social inclusion	16 sustainable management of suppliers
3 greenhouse gas emissions	10 ethics	17 creation and distribution of added value
4 sustainable use of resources	11 corporate welfare	18 markets and sales channels
5 energy management	12 job opportunities	19 compliance and corporate responsibility
6 water resource management	13 formation	20 customer satisfaction
7 R&D products	14 work safety	21 economic results
		22 product quality and safety

The result of the assessment phase clarified the strong interest of the company to customers, workers and the correct use of natural resources.

Gruppo Mastrotto's sustainability model has identified the following priorities:



In the economic field:
 economic results and business continuity
 the creation and distribution of value for stakeholders
 the sustainable management of suppliers



In the field of product and corporate responsibility:
 research and development activities
 environmental assessment of products
 corporate compliance (model 231)



In the social field:
 ethics
 work safety
 corporate welfare
 training
 improvement of the working environment
 diversity and social inclusion



In the environmental field:
 the reduction of greenhouse gas emissions
 the management of water resources and energy

5 HUMAN RESOURCES

WHO WE ARE

WORKERS' HEALTH AND SAFETY

TRAINING AND EMPOWERMENT OF
PEOPLE

CASE HISTORY: THE DEVELOPMENT OF
HEADS OF DEPARTMENT

THE "INCLUSION" PROJECT

CORPORATE WELFARE TO SUPPORT
FAMILIES



5 HUMAN RESOURCES

People are the heart and engine of the company.

Gruppo Mastrotto believes it is essential to preserve people's integrity as well as to promote their personal and professional development in a serene and stimulating environment, helping them in their family daily life.

In the following pages, will be presented:

- » a brief description of Gruppo Mastrotto staff structure
- » a presentation of the management system for the health and safety of workers as well as the main indicators
- » a summary of the training activities



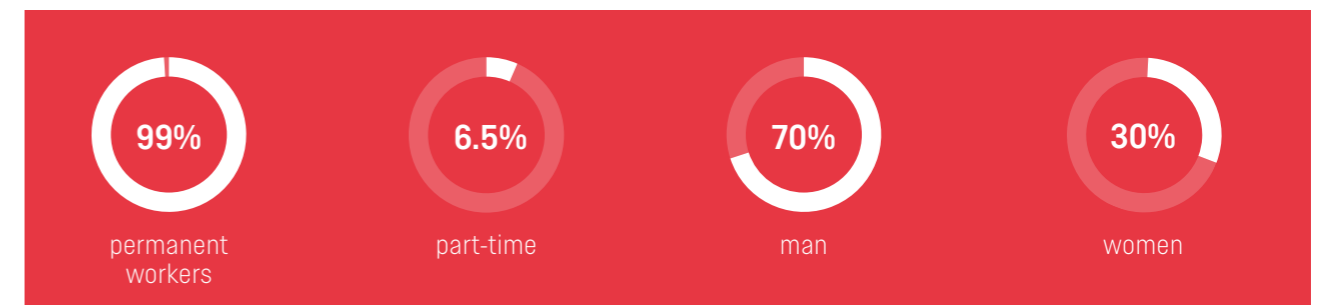
5.1 WHO WE ARE

At the end of 2020, **963 people** worked for Gruppo Mastrotto, a slight decrease compared to 2019 when there were 1,012.

Number of workers by gender and type of contract (absolute values)

Description	on 31.12.2019			on 31.12.2020		
	Men	Women	Total	Men	Women	Total
Permanent workers	699	300	999	663	293	956
- Permanent part-time workers	5	56	61	6	56	62
Temporary workers	10	3	13	7	0	7
- Temporary part-time workers	2	1	3	0	0	0
Workers employed with other types of contract (i.e. internships, apprenticeship)	0	3	3	2	0	2
Total workers Gruppo Mastrotto	709	303	1.012	670	293	963
	70%	30%	100%	70%	30%	100%

Permanent workers represent over 99% of the workforce and that proves the company attention to security and stability of workers. There are also 91 collaborators with temporary employment contracts, down to 131 compared to 2019. This reduction is mainly caused by a decrease in placed orders due to the economic contraction caused by the Covid19 pandemic. **There are 62 part-time workers**, 56 of which are women. Part-time workers make up 6.5% of the staff, proving the company commitment in promoting the effective balance between work and family. 70% of the workers are male, 30% female, this percentage has remained constant over the years. The human resources' distribution in the company is similar to that of other companies in the sector and is due to the structural characteristics of the tanning transformation process which requires significant physical effort in some phases.





Operators represent 79% of the entire staff and this confirms the typically manufacturing nature of the tanning industry. Office workers make up 18% and middle managers/executives make up (2%).

Distribution of workers by gender and category (absolute values)

Description	on 31.12.2019			on 31.12.2020		
	Men	Women	Total	Men	Women	Total
Executive managers	6	2	8	5	3	8
Middle managers	12	5	17	13	5	18
Office workers	87	96	183	81	93	174
Workers	604	200	804	571	192	763
Total amount of assessed workers	709	303	1.012	670	293	963

The National Collective Labor Contract for the "Tanning" sector applies to all workers.

The average age of workers is 46, this figure has been constant over the last few years. There are no major differences between men and women.

The median tenure is 12.6 years; this figure indicates that workers feel comfortable at work and are proud of being part of the company.

Workers under 30 are 78 (8% of the workforce). About half belong to the 30-50 age group and the remaining 42% are over the age of 50.

46 years

The average age of workers

12.6 years

The median tenure

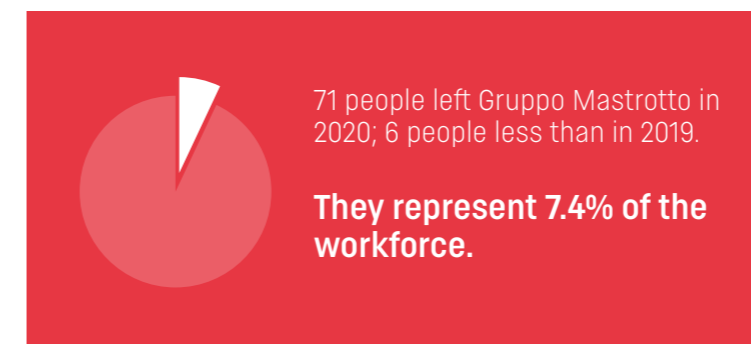
50%

The workers that belong to the 30-50 age group

Distribution of workers by gender and age (absolute values)

Age	on 31.12.2019			on 31.12.2020		
	Men	Women	Total	Men	Women	Total
<30 years old	62	23	85	56	22	78
30-50 years old	324	167	491	315	165	480
>50 years old	323	113	436	299	106	405
Total	709	303	1,012	670	293	963

Italian workers are more than 2/3 of the total; 30% are from extra-communitarian countries. By combining the figures relevant to gender and origin, we can see that 80% of women are Italian while Italians make up 61% of the men.



The analysis by age group shows that just under half (34 people) were over 50, 25 of them between 30 and 50 and 12 of them were less than 30.

The main reasons for resigning were retirement due to age limits.

Distribution of workers who resigned or were dismissed divided by gender and age (absolute values)

Age	on 31.12.2019			on 31.12.2020		
	Men	Women	Total	Men	Women	Total
<30 years old	12	2	14	10	2	12
30-50 years old	22	5	27	21	4	25
>50 years old	27	9	36	26	8	34
Total	61	16	77	57	14	71

In 2020, **22 workers were hired**, 2/3 of them in the age group between 30 and 50 years. There is a substantial decrease in new hires compared to 2019, when there were 99; this is because of the Covid19 pandemic.



Distribution of workers hired by the company, divided by gender and age (absolute values)

Age	on 31.12.2019			on 31.12.2020		
	Men	Women	Total	Men	Women	Total
<30 years old	19	6	25	4	1	5
30-50 years old	54	9	63	12	2	14
>50 years old	7	4	11	2	1	3
Total	80	19	99	18	4	22

Looking at the management positions, at the end of 2020, there were 26 middle managers and executives, equal to over 2% of the workforce.

70% of these people are over 50; the others are younger.

The percentage of managers residing in the province of Vicenza is similar.

Men make up 2/3 of the managerial staff, while women make up 1/3.

A deeper analysis of the figure shows that the 8 managers consists of 3 women between 30 and 50 and 5 men over 50.

It's an unusual situation in the Veneto region and it proves the evolutionary trend of Gruppo Mastrotto to support a policy of equal opportunities; even the Board of Directors, consisting of 6 people, shows a perfect gender equality.

Directors

Age	on 31.12.2019			on 31.12.2020		
	Men	Women	Total	Men	Women	Total
<30 years old	0	0	0	0	0	0
30-50 years old	0	1	1	0	1	1
>50 years old	6	1	7	5	2	7
Total	6	2	8	5	3	8
Origin	Men	Women	Total	Men	Women	Total
Italy	6	1	7	5	2	7
from the province of Vicenza	4	1	5	4	1	5
EU	0	0	0	0	0	0
Extra EU	0	1	1	0	1	1

Middle Managers

Age	on 31.12.2019			on 31.12.2020		
	Men	Women	Total	Men	Women	Total
<30 years old	0	0	0	0	0	0
30-50 years old	3	3	6	4	3	7
>50 years old	9	2	11	9	2	11
Total	12	5	17	13	5	18
Origin	Men	Women	Total	Men	Women	Total
Italy	11	4	15	12	4	16
from the province of Vicenza	8	3	11	8	3	11
EU	1	1	2	1	1	2
Extra EU	0	0	0	0	0	0

5.2

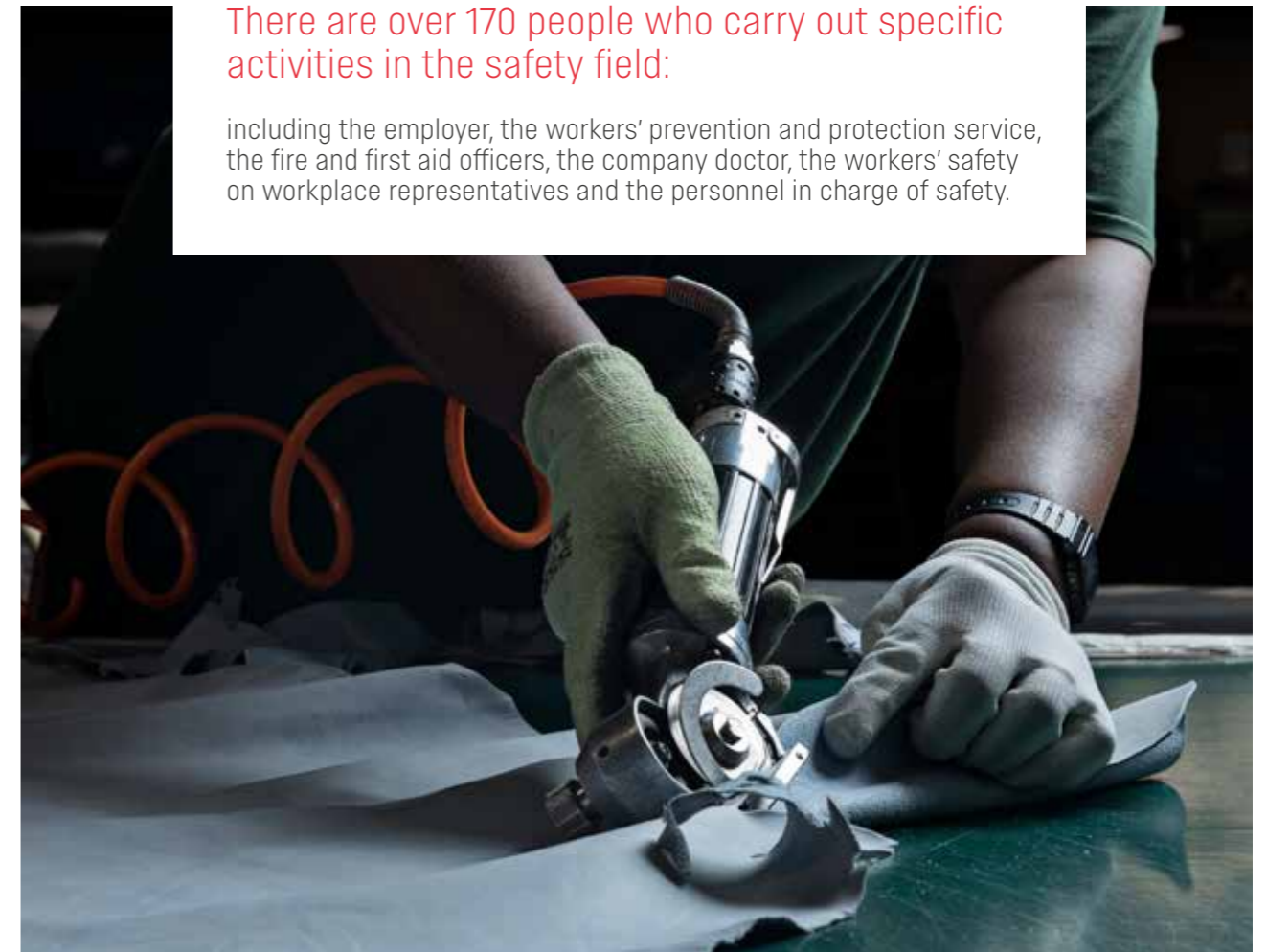
WORKERS' HEALTH AND SAFETY

Gruppo Mastrotto considers the workers' safety a crucial issue of proper business management. The company has adopted a systemic approach aimed at enhancing the leadership role of the company managers as well as at promoting the awareness of the workers to encourage their careful and responsible behaviors and ensure compliance with legislation. In this context, the company systematically carries out risk analyses for the safety and health of workers to use resources and investments as much effectively as possible.

A large number of investments has been made in machines and equipment to get innovative, interconnected and safer machinery.

There are over 170 people who carry out specific activities in the safety field:

including the employer, the workers' prevention and protection service, the fire and first aid officers, the company doctor, the workers' safety on workplace representatives and the personnel in charge of safety.

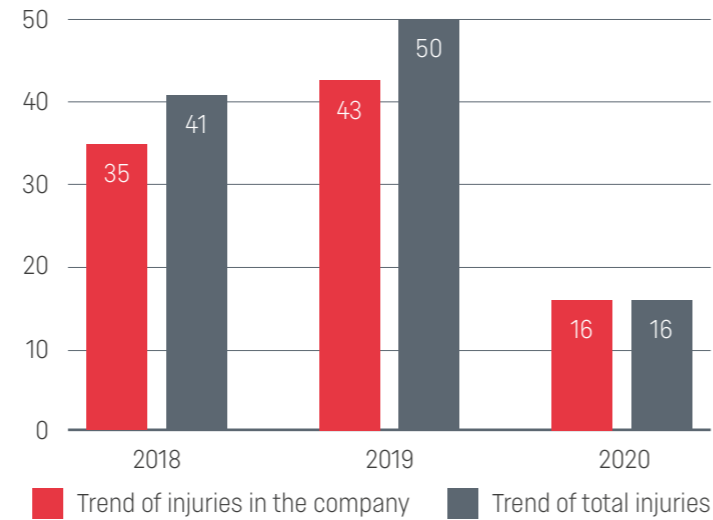


Injury statistics

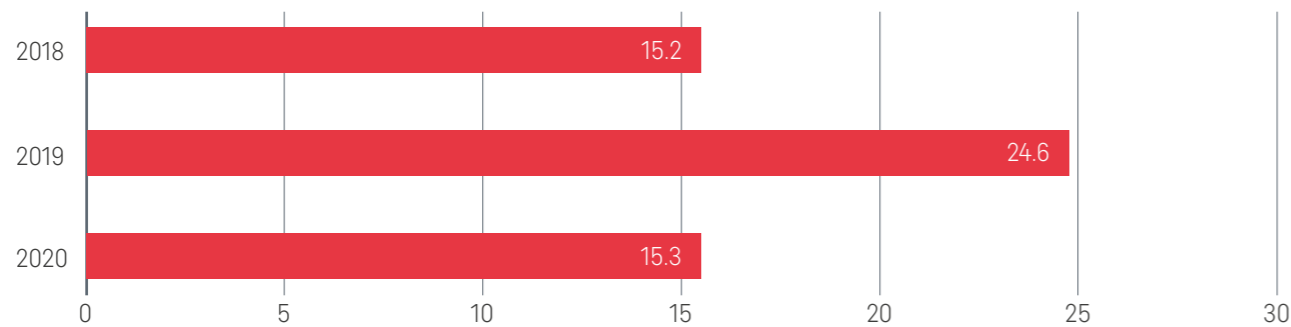
The injury statistics summarize all the accidents reported in the company register, according to the regulations in force, including the accidents involving less than 3 days of absence.

In 2020, there were no accidents involving external personnel.

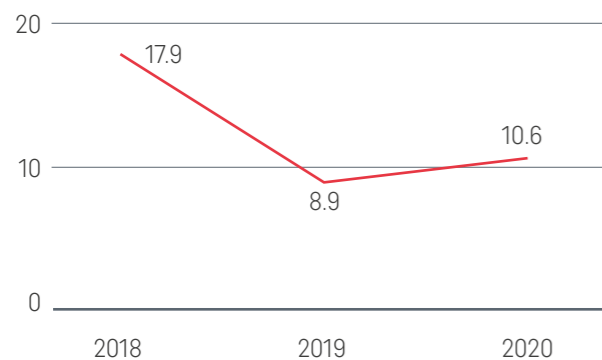
In 2020, there were 16 total injuries, none in transit. There is a decrease in accidents at work, an improvement compared to 2018 and 2019.



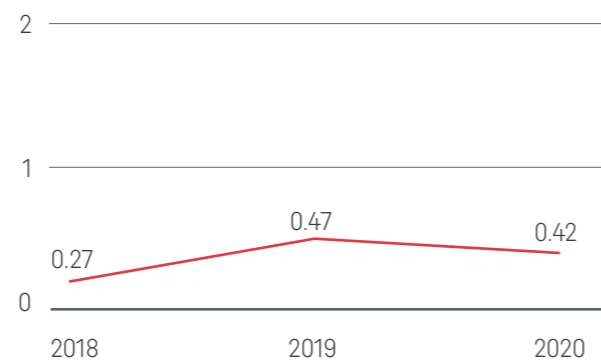
The average duration of absences is approx. 15 days, 9 days less than in 2019 and similar to the figure in 2018.



The frequency index increases slightly compared to 2019, but it is quite different from the index in 2018.



The severity index remains quite high but it is affected by an accident that caused an absence of 354 days.



In order to decrease the figures relevant to accidents, the company has paid particular attention in training the foremen often in charge of a line and the factory personnel.

5.3

TRAINING AND EMPOWERMENT OF PEOPLE

The formation and training are essential aspects for the growth of the people who work at Gruppo Mastrotto. Training needs are planned through the involvement of function managers who are supported by the human resources office, and they identify the training gaps of their collaborators as well as the issues to be treated by the training activities.

The training needs are included in the annual training plan developed by the personnel manager and approved by the company management.

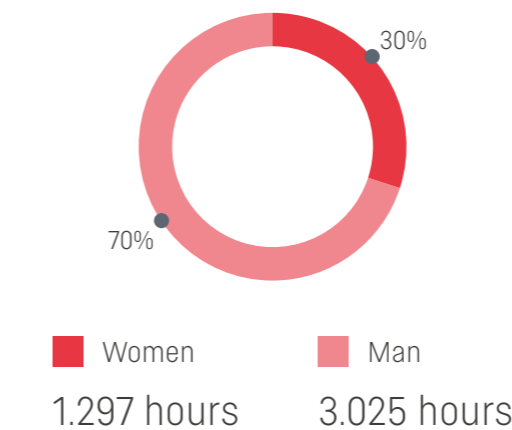


In 2020, the total number of training hours was 4,322.

The hours are down from about 6,000 hours in the previous year.

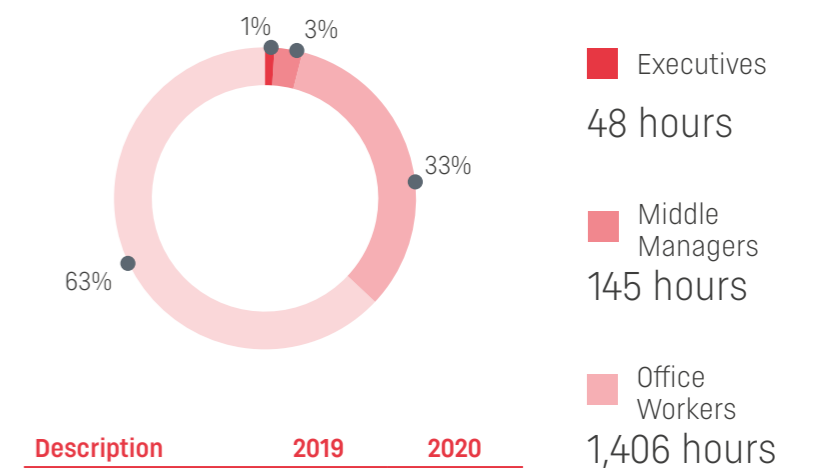
Training activities were reduced because of the restrictions resulting from the Covid19 pandemic. The obligations set out in the Contagion Containment Protocol published on 14th March 2020 were fully implemented by Gruppo Mastrotto and consequently the ban on gatherings significantly impacted the management of training.

The distribution of training by gender is in line with the percentage of male and female workers at Gruppo Mastrotto.

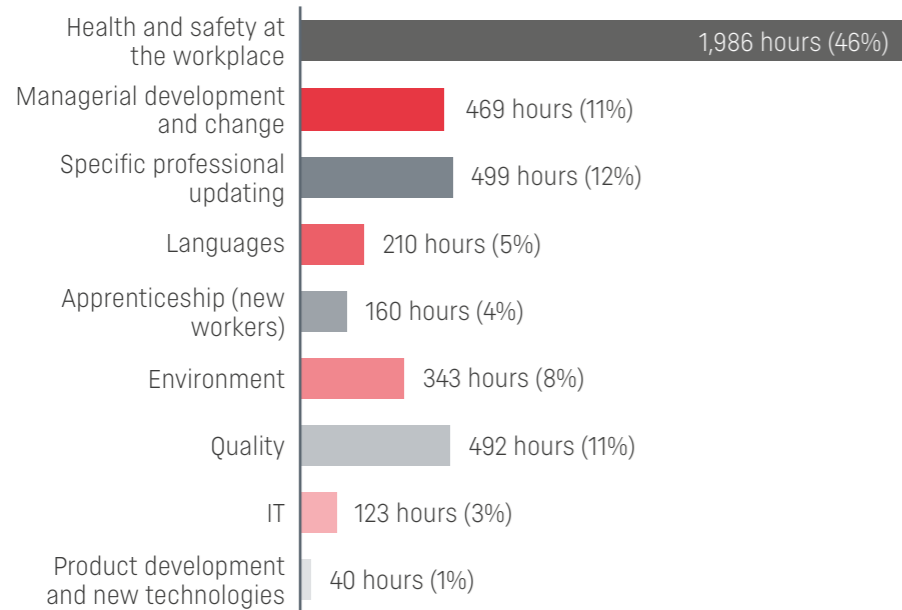


Description	2019	2020
Man	4,293	3,025
Women	1,685	1,297
Total	5,978	4,322

The distribution by categories shows that 63% of training was meant for workers, 33% for office workers and the remaining part for middle managers and executives.



Description	2019	2020
Executives	77	48
Middle Managers	181	145
Office Workers	1,706	1,406
Workers	4,014	2,724
Total	5,978	4,322



In 2020, training was mainly focused on workers' health and safety as well as quality issues and specific updating.

Finally, as regards the hours of training per person, the figure in 2020 is approximately 4.5 h/person, down compared to 2019 when it was 6 h/person. The training activities focused mostly on office workers and middle managers with an average training of 8 h/person.

5.4

CASE HISTORY: THE EMPOWERMENT OF DEPARTMENT HEADS

In an increasingly articulated organizational context and in an increasingly complex external framework, middle managers are more and more important. In the future, the department managers will have to be authoritative and able to motivate and improve their employees' performances. Consequently, the focus will be on motivating factors other than on behaviors. For these reasons, Gruppo Mastrotto organized a **course that involved 55 foremen** who were trained on:



The course increased the skills of the participants and outlined the organizational initiatives to improve both the communication and involvement of staff in every department.

5.5

THE "INCLUSION" PROJECT

Gruppo Mastrotto has devised a path of social and work inclusion dedicated to disability in working age.

The company created a production department for the assembly of color charts of Gruppo Mastrotto Express department and hired four new permanent workers with disabilities.



The company aims at achieving a level of productivity that makes the department sustainable over time.

The project allows disabled people to fulfill themselves both personally and professionally. The project also benefits the other employees because it stimulates the feeling of belonging to a group and encourages them to support new colleagues as well as to share values and experiences with them. In this case, inclusion promoted the values of hospitality and equality.

Gruppo Mastrotto was supported by the social cooperative Rinascere based in Montecchio Maggiore and by Studio Progetto based in Valdarno which were responsible for the selection and training of candidates.

The project involved several phases. First, an analysis of the needs of disabled people was carried out; then the selection phase took place in collaboration with public services, such as the Labor Integration Service (SIL) and the Employment Agencies based in Arzignano.



Finally, there was the preparation phase in which the selected people acquired the required skills through a job placement internship conducted at the Rinascere cooperative. A simulated department was created in the cooperative's premises in which the operators trained the trainees to assemble folders and color cards in order to improve their working skills and to keep proper behaviors in the work context.

In the last stage of the project, the trainees were included in the actual assembly department at the company. At the same time, Gruppo Mastrotto launched an awareness-raising activity among their employees by promoting training sessions and presenting the initiative in order to facilitate the relationship between employees and newcomers.



The performances of the trainees are constantly supervised and monitored by three supervisors as follows:

- **a company tutor**, which is one of Gruppo Mastrotto employees who has undergone specific training consisting of connecting the newcomers with the other employees;
- **a relational tutor**, who comes from the Studio Progetto cooperative and has the task of monitoring the newcomers' insertion process and supporting them in their work relationships;
- **the operators of the Rinascere cooperative** who have the task of adapting the organization of work on a daily basis to increase the performance of the trainees through a constant educational support.



The "Inclusion" project has received numerous awards, including the Agenda 2030 award, organized by SHR Italia.



5.6

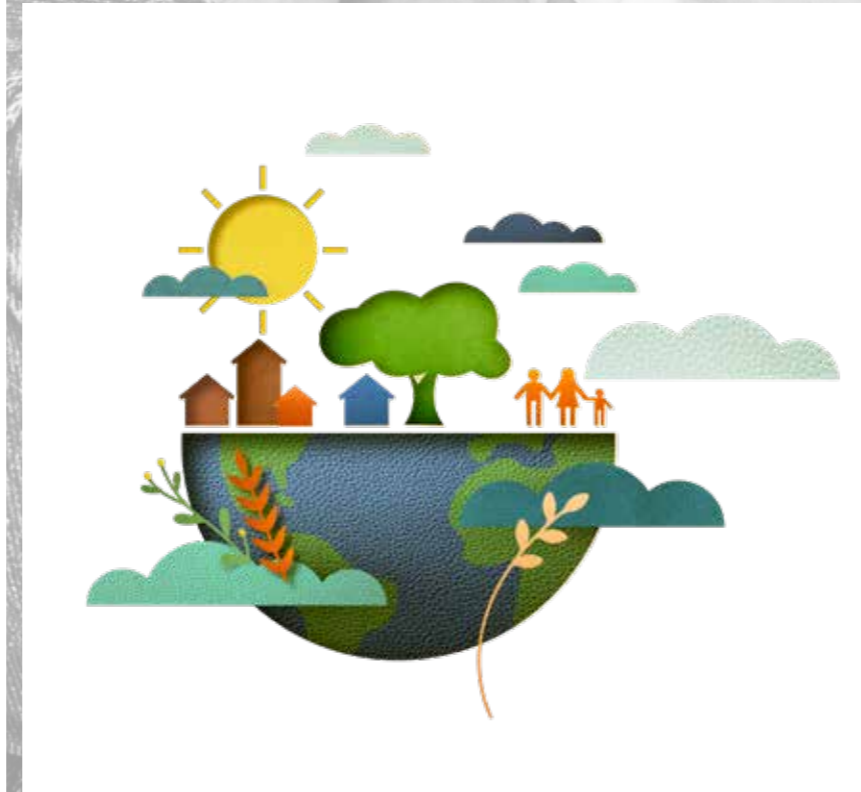
CORPORATE WELFARE TO SUPPORT FAMILIES

Gruppo Mastrotto has designed and implemented a plan of initiatives to support workers and their families as well as to increase their involvement in the company.

Gruppo Mastrotto has implemented several activities: services and benefits for employees ranging from shopping vouchers or fuel to free flu vaccination campaigns; from the company canteen to scholarships for employees' children; from thematic workshops aimed at personal empowerment to support for educational expenses; from care for children, the elderly and those not self-sufficient to financing to culture, health, well-being and entertainment.

To provide their personnel constantly with these measures, Gruppo Mastrotto has activated a welfare platform with a leading service company. The IT platform gives access to all the services provided for by current legislation; it is, therefore, possible to make payments to supplementary social security funds, to request reimbursements for medical or school expenses and for services intended for family care and/or to use the credit ceiling for well-being and free time.

The project received several prestigious awards, including the "WelfaRevolution 2019 award" as the best plan for people's wellbeing and inclusion.



The "Welfare Desk"

These results were achieved, thanks to the establishment of the "Welfare Desk" in the company that provides the employees with personalized advice. Thanks to this service, employees have gained a growing awareness and autonomy in the management of the welfare plan and have made the services suitable to their evolving personal and familiar needs.



The results are encouraging, indeed, thanks to a communication and training procedure for using the IT platform:

Over **85%** of employees have used their credit ceiling

47% The services concerned personal services

26% The services concerned food shopping vouchers

6 ENVIRONMENT

LWG GOLD MEDAL

THE MANAGEMENT OF RESOURCES: RAW HIDES AND PACKAGING

WATER: A RESPONSIBLE COOPERATIVE MANAGEMENT

ENERGY

THE GREEN FACTORY IN TUSCANY

GREENHOUSE GAS EMISSIONS

OTHER EMISSIONS INTO THE ATMOSPHERE

BY-PRODUCTS AND WASTE

6 ENVIRONMENT

The tanning process requires water, energy and chemicals and creates water discharges, waste and emissions into the atmosphere. The process involves three macro-phases, each one of them with specific characteristics in terms of resource consumption and environmental impact.

From raw hides to tanned leather

The first stages of the tanning process require significant quantities of water which is subsequently purified at a consortium plant serving the entire tanning district. The provided treatments reduce pollutants, such as COD, suspended solids, chlorides, sulphates, organic nitrogen and chromium III, and bring them to values that are not dangerous for the environment. The treatments lead to the production of sludge, which is currently disposed of in landfills. This phase gives rise to by-products such as leather trimmings that are sent for recovery.



From tanned leather to crust leather

The wastewater from the dyeing operations is sent to the purification plant, where water is adequately treated. The mechanical drying operations require poor quantities of electrical and thermal energy.









From crust leather to finished leather

The intermediate and final finishing operations cause powders and volatile organic substances (VOCs) that are conveyed to filters, blast chillers and post-combustion systems compliant with the limits set by the law.

The intermediate and final finishing operations cause powders and volatile organic substances (VOCs) that are conveyed to filters, blast chillers and post-combustion systems compliant with the limits set by the law. The environmental aspects relating to the tanning activity are governed by a complex legislation, which is implemented by specific environmental authorizations issued by the Public Administration. The authorizations include several environmental requirements that the company must meet to carry out its business. During the reporting period, there are no sanctions associated with violations of the environmental regulations.

The complexity of the rules and, above all, the desire to guarantee an effective and organized management of the environmental issues have led Gruppo Mastrotto to adopt the Environmental Management System that establishes the company policy, appoints specific supervisors both in the company and in each plant and provides an environmental improvement program and adequate monitoring indicators.

In addition to its EMS, the company implements an even stricter environmental monitoring plan for the 3 plants that have obtained the Integrated Environmental Authorization (located in Via Quarta Strada, 7 and Via della Concia, 156 in Arzignano and in Santa Croce sull'Arno) and have adopted the best technologies available in the sector:

 <p>reuse of water in some phases of the production process</p>	 <p>scheduled checks of water discharges</p>
<p>differentiation of waste and shipment for its recovery and reduction of packaging waste</p> 	<p>elimination of solvent-based chemicals</p> 
 <p>adoption of advanced technologies in some spraying plants (finishing) to save chemical products and reduce emissions into the atmosphere</p>	 <p>abatement of VOC emissions into the atmosphere through the construction of a post combustion plant, which reduces emissions of over 90%</p>



6.1

LWG GOLD MEDAL

Gruppo Mastrotto achieved high environmental standards and reduced the use of resources as well as its environmental impact. Consequently, the Group was awarded with the certification of compliance with the "LWG" Environmental Protocol and the gold medal.

This prize is given to factories that produce leather for footwear and clothing and it's promoted by the Leather Working Group (LWG). LWG is a multi-stakeholder (manufacturers, suppliers, end users) organization whose institutional purpose is to develop and maintain a protocol that evaluates the environmental compliance and corporate practices regarding environmental sustainability and it promotes improvements in the leather industry through the evolution of corporate organizational models and the interactions with suppliers.

During these two years, Gruppo Mastrotto has reduced water and energy consumption, increased recovery and recycling activities, as well as improved tidiness and cleanliness in the whole company. The protocol is appreciated by world-class companies and multinational companies that use it as one of the criteria for selecting suppliers.

6.2

THE MANAGEMENT OF RESOURCES: RAW HIDES AND PACKAGING

As concerns raw materials, Gruppo Mastrotto relies on producers who meet precise standards of quality and reliability. The main materials are raw hides and semi-finished leather, water (the data will be given in the "Water: a responsible collective management" paragraph), chemicals used in the liming, tanning and dyeing phases (i.e. acid and alkaline solutions, tanning agents, enzymes, tannins, dyes, etc.) and final finishing (mainly resins, pigments, waxes and oils). The following table gives the details of the weight of materials in the reporting period and their variations over time, strictly related to the production trend.

Used materials – tons/year

Types of incoming materials	2018	2019	2020	% variation in 2018-2020
Raw hides and semi-finished leather	86,723	74,098	66,801	-23.0%
Chemical products	23,314	22,207	18,974	-18.6%
Total	112,056	98,324	88,794	-20.8%

This trend is due first to a different composition of the starting mix of the hides and to the contraction of business activity due to the Covid-19 pandemic. Packaging is mainly secondary and tertiary, as it is intended for the packaging of finished leathers once they are ready for shipment. The table shows the trend of purchases over time, which have been reduced in the last two years thanks to a responsible use of resources and to the contraction of activities due to the pandemic.

Packaging

Purchased packaging	2018	2019	2020	% variation in 2018-2020
Purchased kilograms of nylon	219,221	177,274	128,120	-41.6%
Purchased pieces of plastic pallets	2,420	2,670	1,893	-21.8%
Purchased pieces of cardboard	680,253	639,030	514,722	-24.3%
Purchased pieces of wooden pallets	41,773	44,362	28,379	-32.1%

The policies aimed at reducing the environmental impacts of packaging (resulting from the use of non-renewable resources) have been considered in recent years. Therefore, packaging with a lower environmental impact was purchased (i.e. packaging made of materials with different percentages of recycled fibers or fibers made from renewable sources), as well as packaging that can be recovered and recycled after being disposed of. Currently, wood and plastic pallets are made of 100% fibers and recycled materials that are certified by their suppliers; cardboard has a 22% average content of recycled material. All the materials the packaging is made of are recyclable.

6.3

WATER: A RESPONSIBLE COOPERATIVE MANAGEMENT

Gruppo Mastrotto draws the water necessary for production and other process from different sources. In 2020, about 66% of the water came from the industrial aqueduct, down compared to 2018 when it was 81% of the total supply. The quantity of water withdrawn from the well went from 17.8% in 2018 to 33.9% in 2020. This change in the figure is due to the start-up of the new production plant in Santa Croce sull'Arno (Tuscany), whose district is not supplied by an industrial aqueduct.



The total volumes of incoming water fell by 6% in the three years.

Before being discharged, water is reused several times in the factories to optimize its consumption.

The water discharges are destined for the industrial purification system of Acque del Chiampo, the public company that deals with the aqueduct, sewerage and purification services for all companies in the tanning district of Arzignano.

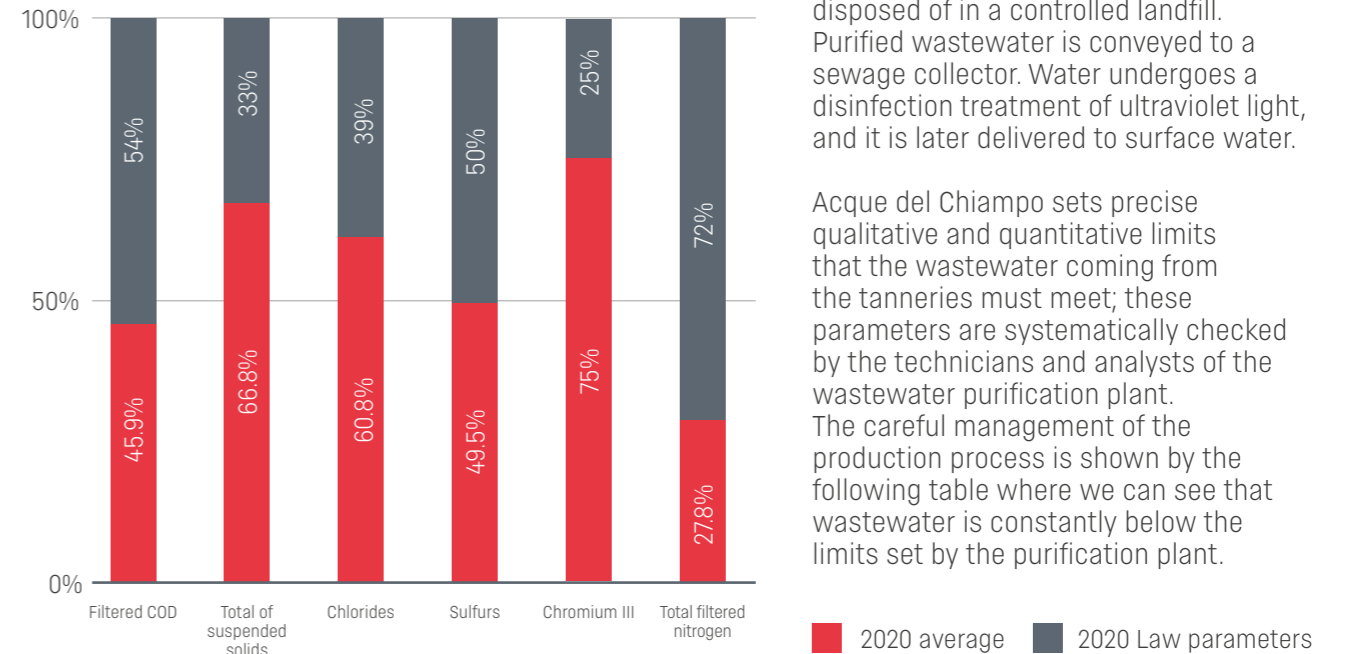
Tanning waste is treated in an industrial line which provides for a series of treatment phases such as:

- fine screening and sand trapping
- homogenization and odor treatment
- primary sedimentation
- oxidation-nitrification and denitrification treatments of activated sludge
- separation of activated sludge by the dissolved air flotation system
- clariflocculation

The purifier has high abatement performances:

99%	96.6%	97.3%	99%
Suspended solids	Filtered COD	Total nitrogen	Chromium III

Quality of wastewater – comparison with the limits authorized in 2020



The sludge from the purification process undergoes a series of accumulation, thickening, mechanical dehydration and thermal drying treatments before being disposed of in a controlled landfill. Purified wastewater is conveyed to a sewage collector. Water undergoes a disinfection treatment of ultraviolet light, and it is later delivered to surface water.

Acque del Chiampo sets precise qualitative and quantitative limits that the wastewater coming from the tanneries must meet; these parameters are systematically checked by the technicians and analysts of the wastewater purification plant. The careful management of the production process is shown by the following table where we can see that wastewater is constantly below the limits set by the purification plant.



To reduce water consumption, Gruppo Mastrotto has made important investments in recent years in systems for the hydraulic regulation of discharges and for monitoring environmental parameters.

Water consumption is given by the difference between the amount of water withdrawn from the aqueduct and the amount of water discharged into the industrial sewer. The consumption (-60% over the period) is therefore limited to water which, due to the effects of production processes, undergoes phenomena, such as evaporation resulting from contact with heat. The table shows a reduction in consumption over the three-year period, both in absolute values and in the quantity of used water per kg of processed leather.

Use and consumption of water

	2018	2019	2020	% variation in 2018-2020
Withdrawn water – cubic meter	1,132,359	1,094,675	1,064,373	-6%
Purified discharged wastewater - m³	1,091,429	1,075,814	1,047,863	-4%
Consumed water - m³	40,930	18,861	16,510	-60%
Percentage of consumption from withdrawal	3.6%	1.7%	1.6%	-57%
Specific consumption (liter per kg of production)	0.48	0.22	0.20	-59%

6.4 ENERGY



Electricity and methane gas are the main sources of energy for Gruppo Mastrotto.

Electricity consumption is caused by lighting premises, powering production machines, systems and office machines as well as systems for heating, air conditioning and air treatment.

Methane gas is used for other purposes, such as the production of steam for the production process, the heating of workplaces and the production of hot water.

The trend in total energy consumption shows a reduction over the three-year reporting period (-22.1%) with a particular reduction at the turn of the last two years, also due to the production restrictions resulting from the Covid19 pandemic. The percentage of energy produced by the cogeneration plants installed in several premises guaranteed just over 15% of the total energy requirement in 2020.



Several management measures were taken for using electricity and gas more efficiently and saving and optimizing energy resources, such as the following measures:

the replacement of traditional lighting devices in factories with LED systems (92% of the project has been completed)

energetic optimization and **reduction of losses** in the compressed air distribution systems (60% of the project has been completed)

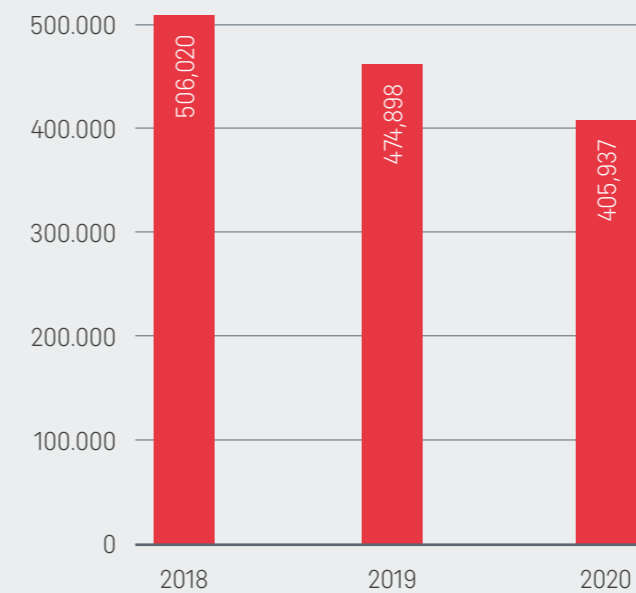
a few **spraying systems** and **the electric motors** of production machines were **replaced** by more performing systems (70% of the project has been completed)

4 cogeneration plants, which recover thermal energy, **were built**

a new plant in Santa Croce sull'Arno, equipped with the latest generation of technological systems that minimize energy consumption, was built and a 500 kW photovoltaic system was installed.

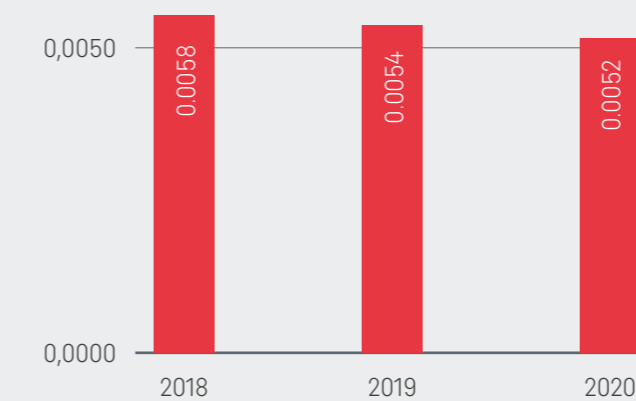
Total reduction of energy used

Consumptions of primary energy (GJ)



Energy consumption compared with production volumes shows a light reduction in the intensity of total energy used per kg of production, going from 0.0058 GJ/kg of product in 2018 to 0.0052 GJ/kg of product in 2020¹.

Energy intensity (GJ/kg of worked material)



¹ The energy intensity indicator was determined by inserting the quantity of material put into work (expressed in kg) as the denominator, instead of the quantity of finished material produced (expressed in m²), which is usually the most used. This choice reflects more realistically the volume of activity carried out by the company, to which energy consumption is linked. In a process of constant improvement of data quality and correct identification of the areas of intervention, we are carrying out an internal study to improve the representation and representativeness of data regarding energy flows in view of the next editions of the report.

6.5

THE GREEN FACTORY IN TUSCANY

An investment of about 25 million euros in the heart of the Tuscan tanning district in **Santa Croce sull'Arno**, subject to the strict regulations of the Integrated Environmental Authority.

A strategic choice in which digitization, environmental sustainability, quality and productivity mutually evolve and improve, giving job opportunities to 50 skilled workers and technicians.

In short, this is the new factory built by Gruppo Mastrotto for the transformation of raw hides into tanned leather; a one-of-a-kind, world-class plant expressly designed for the transformation of raw hides into tanned leather.

The new plant covers about 13,000 square meters and is included in a total area of 25,000 square meters of land.

It was designed to fully satisfy all the logistical needs of production: internal lay-out, arrivals and departures areas, loading/ unloading areas and warehouses are the result of precise studies of the production cycles.

It is the latest generation of production plants, fully automated and monitored. The production cycle takes place autonomously with the supervision of a computerized system that supervises and manages all the production, progress and priorities. Few manual operations are also supervised to prevent errors.

The plant is managed from an office where a single operator constantly monitors the processes in progress, controls all the machines connected to the network for the execution of production recipes, manages the store of all the chemical products, stores and exports processing data and guides an operator in performing different tasks.

However, automation doesn't only manage the production phases, but also controls other



Gruppo Mastrotto plant in Santa Croce sull'Arno at a glance:

operations related to production. For example, a single software program manages the entry of water, its treatment and its storage.

To minimize energy consumption, only state-of-the-art machinery using low-consumption technologies was installed. The drums, the essential pieces of the plant, are made of polypropylene that allows operating while respecting the original qualities of the product without damaging the hides being processed. Loading, unloading and recovery of the hide washing are also automated operations.

A photovoltaic system is installed at the plant with double productivity compared to the minimum required by law.

The plant is a Green Factory that self-produces 500 kw of electricity with photovoltaic modules positioned on the glazed shed roof which also provides for the comfortable diffusion of indirect natural light in all departments as well as for air recirculation.

60 years of work experience
combined with the latest technologies

attention to worker safety

large production capacity (28 drums)

optimization of the production phases
for using less chemicals

15% of water reused in each
production process

22% of the energy required, deriving
from photovoltaic panels

automation of hide handling

automatic dosing of all liquid products
directly into the drum

6.6

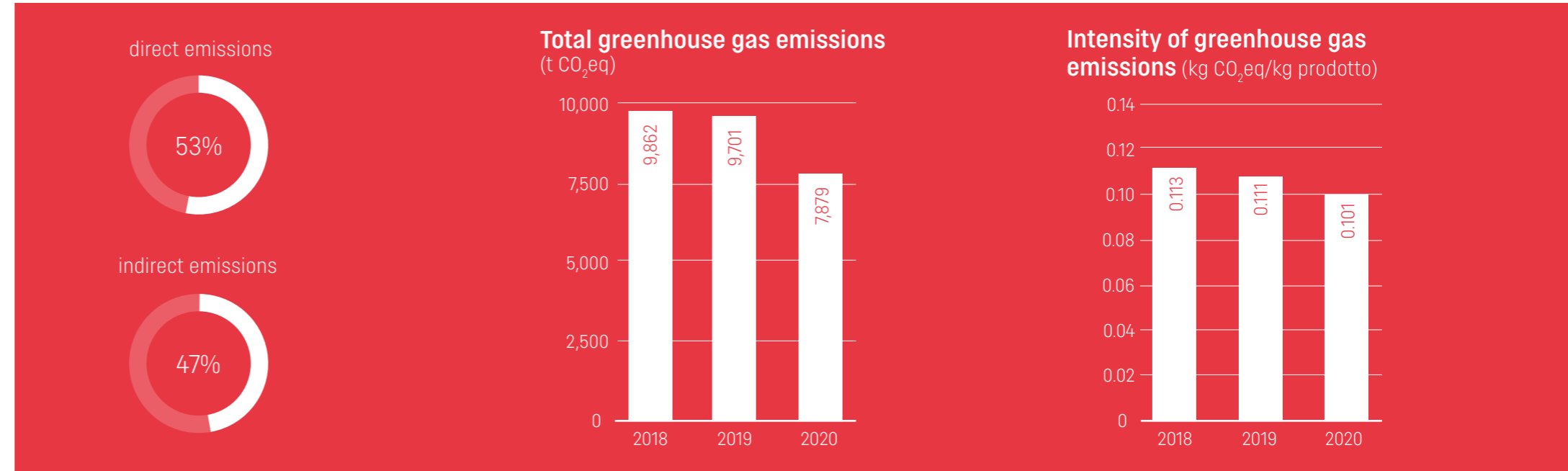
GREENHOUSE GAS EMISSIONS

Gruppo Mastrotto calculates direct and indirect greenhouse gas emissions starting from direct and indirect energy consumption according to the GHG Scope 1 and 2 methodology.

The main greenhouse gas emissions derive from direct energy consumption; direct emissions originate from the activity of energy production plants (cogeneration plants and process boilers). Indirect emissions, on the other hand, depend on the purchase of electricity.

In 2020, direct emissions represented 53% of the total, indirect ones 47%.

The graphs alongside show that during the reporting period there was a reduction in both direct and indirect emissions. The decrease also affects the intensity of greenhouse gas emissions in relation to the amount of production carried out over the three years. A decrease in intensity of almost 10% is reported.



The decision to purchase, starting from 2021, exclusively electricity certified from renewable sources proves the constant commitment to reduce greenhouse gas emissions.



6.7

OTHER EMISSIONS INTO THE ATMOSPHERE

The emissions of dust, hydrogen sulfide, nitrogen oxides and solvents deriving from the production departments are constantly monitored and managed in accordance with the authorizations issued by the supervisory bodies and they always have concentrations below the limits set by the law. To control dust emissions, air is treated by water scrubbers, bag filters and cyclone separators. Solvent emissions (VOCs) are managed by post-combustion systems in accordance with the management plan required by law. The emissions of hydrogen sulfide are controlled by water and soda scrubbers.

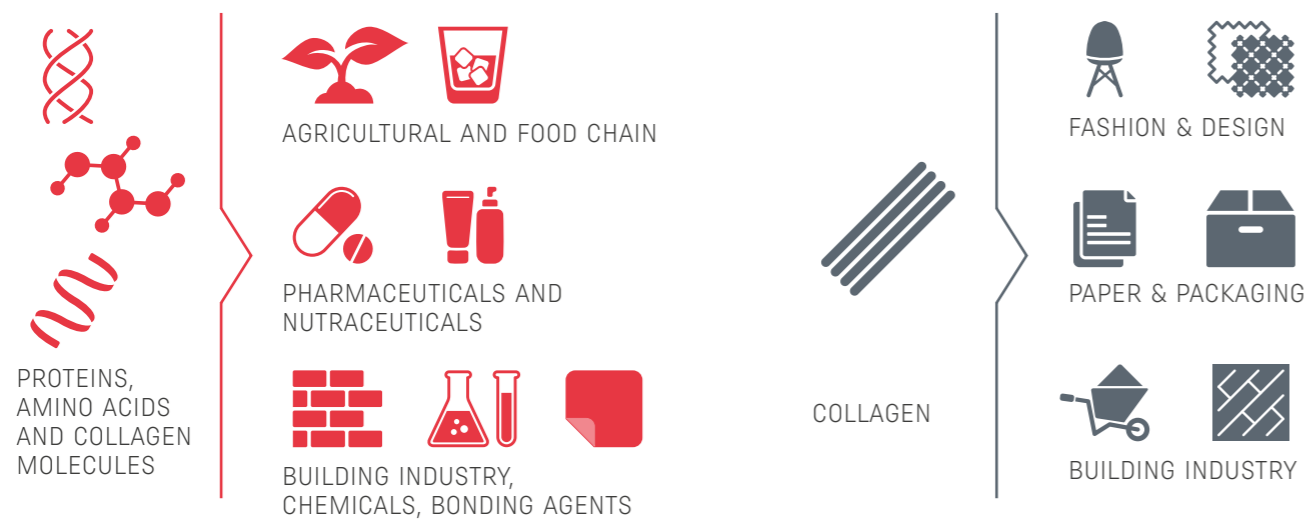


The values of emissions in the last three years are constantly decreasing.

6.8

BY-PRODUCTS AND WASTE

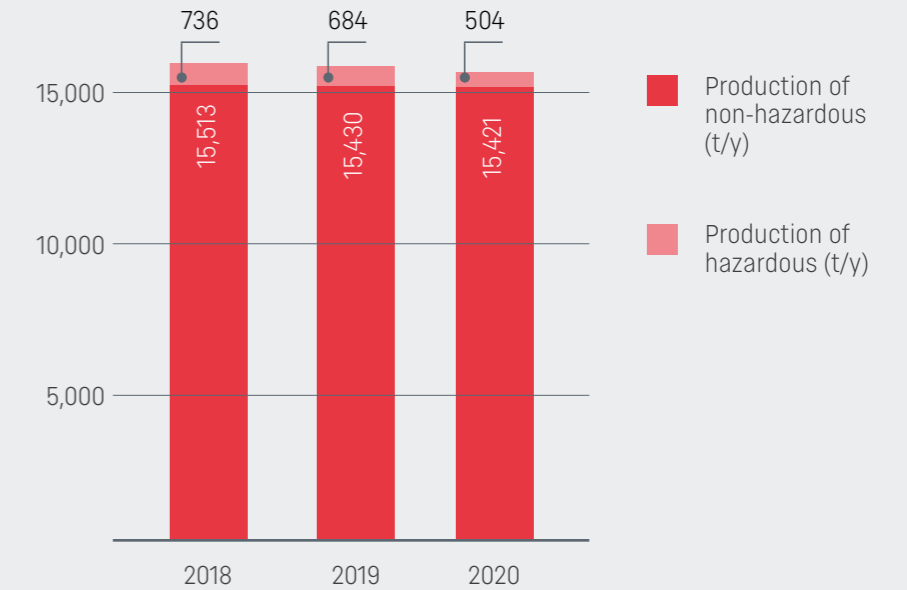
The by-products of the tanning cycle are rich in proteins, amino acids and collagen molecules. Therefore, they can be treated and used as raw materials in other sectors, making an effective contribution to recycling.



The waste from the production process consists of tanned hide shaving, polishing powders and packaging waste. In 2020, the by-products were almost 10,600 tons, an increase of 27% compared to 2018.



The production of waste was stable in the 2018-2020 three-year period, with a slight decrease (-0.6%)



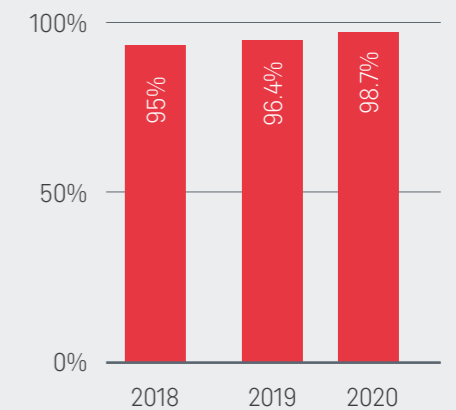
3.2%

The amount of hazardous waste decreased compared to the total waste produced, going from 4.5% in 2018 to 3.2% in 2020.

98.7%

The percentage of waste disposed of for recycling is over 98%; the figure shows an increase compared to 2018; indeed, between 2018 and 2020, Gruppo Mastrotto increased the amount of waste disposed of for recycling by 8.2%.

Production of waste disposed of for recycling





7 CUSTOMERS, PRODUCT AND MARKET

PRODUCT SAFETY

LEATHER: A NATURAL AND BIODEGRADABLE PRODUCT

THE FIRST IN THE WORLD WITH "BIOBASED" CERTIFIED LEATHER

ANTI-BACTERIAL AND ANTI-VIRAL PATENT

HIGH ENVIRONMENTAL PERFORMANCE PRODUCTS: "BLAUER ENGEL" CERTIFICATION

PRODUCTS AND INNOVATIVE PROCESSES: COMMITMENT IN RESEARCH AND DEVELOPMENT

7

CUSTOMERS, PRODUCT AND MARKET

 **€ 232.7 million**
turnover amounted in 2020

In 2020, turnover amounted to € 232.7 million, distributed quite equally among the three Business Units into which the Group is divided.



The footwear and leather goods line

realizes full grain, smooth or grained cowhide, nubuck, suede or finished splits. The most appreciated characteristics of these products are resistance, elegance and softness, in addition to the properties of water repellency and breathability.



The furniture line

produces full-grain, half-grain and nubuck leathers for all applications: residential, turnkey projects, hospitality and maritime industry. The attention to the customer's needs, trends and designs makes the items suitable for different needs and applications.



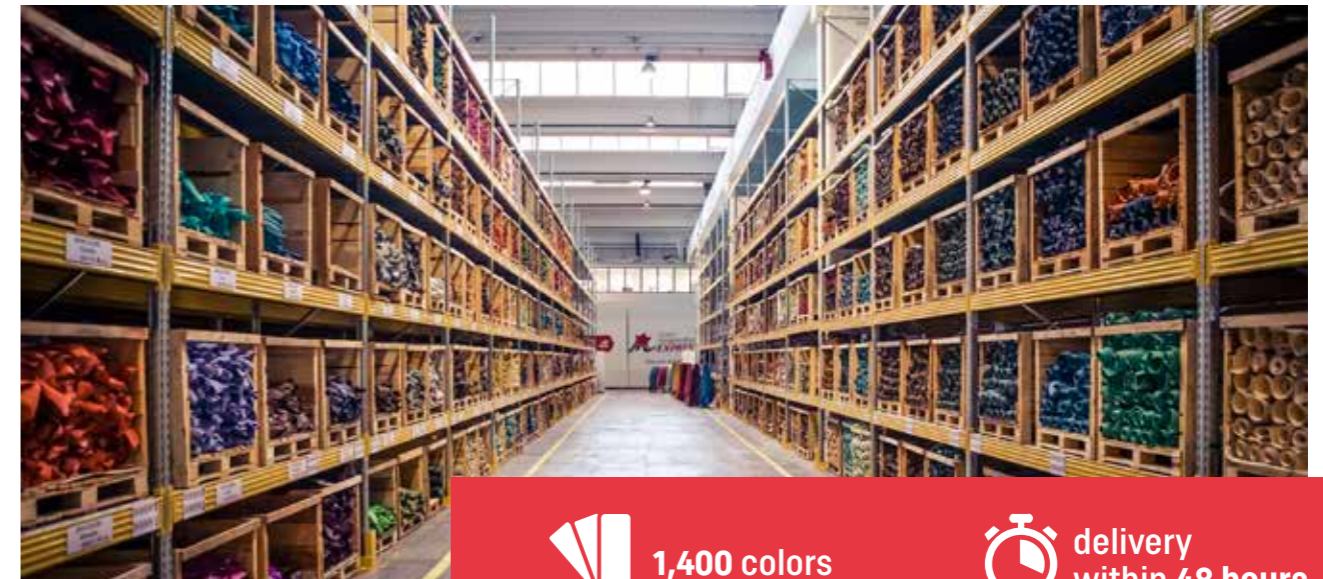
The automotive line

produces high quality leathers for car interiors in accordance with the specifications and standards of world-class manufacturers. The company's wide selection ranges from seats to steering wheels and car interiors.

Gruppo Mastrotto considers the customer as a crucial stakeholder and, for this reason, they are making all their efforts to guarantee high quality standards for both the product and service. The relationship with customers is aimed at building lasting relationships, in some cases even partnerships.

Gruppo Mastrotto Express

Finally, a special service: Gruppo Mastrotto Express service is entirely dedicated to leather ready for delivery. Gruppo Mastrotto Express service can provide more than 1,400 colors within 48 hours from the order; the service is one-of-a-kind and allows customers to order and, in a very short time, receive the leather amounts they need in any sector, such as footwear, leather goods, and furniture as well as for the automotive, maritime and aviation industries.



1,400 colors

delivery
within 48 hours

Relationship with customers

Most of the turnover comes from the European and Asian markets with a share of 60% and 27% respectively. America follows with just under 10%.

7.1

PRODUCT SAFETY

To provide their customers with the maximum guarantee on the safety and quality of the final product, Gruppo Mastrotto has been organizing rules, operating procedures and management standards for over 10 years.

One of them is the internal specification called "Finished leather's chemical specification" which includes

all the mandatory regulations and laws applicable to leather, in addition to the main requirements of the markets in which the company operates.

This specification applies to all articles produced and is updated at least every 6 months simultaneously with the release of the new substances included in the SVHC list.

Gruppo Mastrotto also receives from their customers a growing number of chemical-toxicological specifications, systematically analyzed to give detailed answers, which often take the form of training/consultancy activities that are sometimes included in the following revisions of the specifications. This procedure is reported in the Customer Declaration Protocols Register, which includes 83 protocols in 2018, 105 in 2019 and 94 in 2020.

The guarantee of conformity with the rules and procedures is carried out as follows:



the raw material suppliers sign specific supply specifications



qualified external laboratories analyze a new project/item and perform a validation process or they control quality according to a schedule agreed with the customer



analyses are performed in the company's internal laboratories according to pre-established frequencies to collect systematic and representative data relevant to the trend of the parameters



Gruppo Mastrotto guarantees its customers both quality and safety by the systematic analysis of the leather requirements.



The company is equipped with **3 laboratories** that support each Business Unit for the verification of leather performances, and **1 central chemical laboratory** for the analysis of raw materials and the chemical-toxicological parameters of finished products. The capability of providing independent analyses is a unique case in the tanning sector.



15 people work in the company's laboratories and they carry out all types of analyses required by the various type of industries that the Group serves.

Over 465,000 tests were carried out in 2020, equal to over 2,100 tests/day. 92% concerns physical-mechanical analyses and the remaining 8% concerns chemical analyses, the incidence of chemical analysis is constantly growing and that further guarantees the absence of unwanted substances in leather.



PHYSICAL-MECHANICAL ANALYSES



CHEMICAL ANALYSES

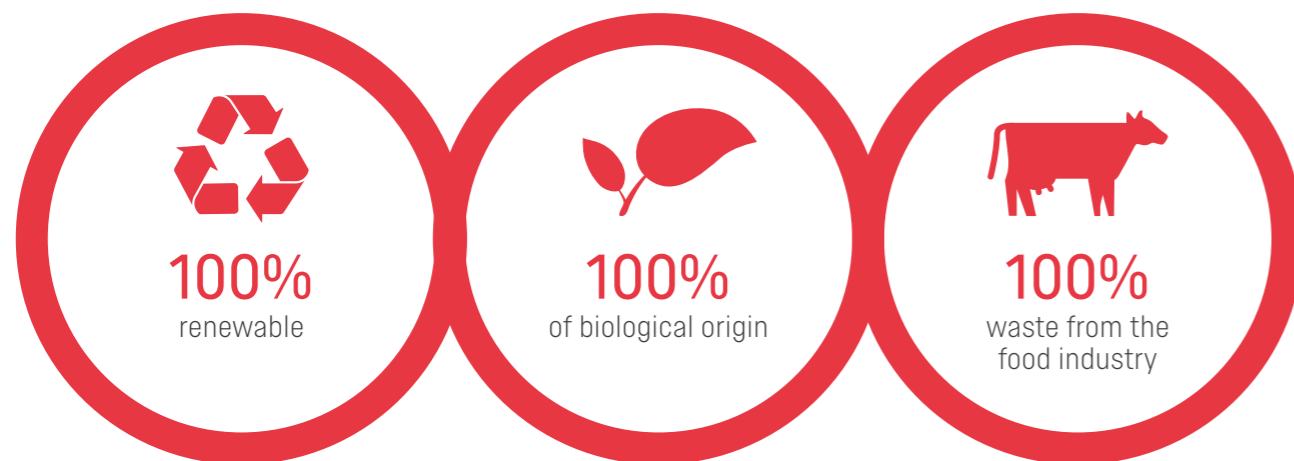
465,000
tests carried out in 2020

2,100
tests/day

7.2

LEATHER: A NATURAL AND BIODEGRADABLE PRODUCT

Leather has unique characteristics, as it is:



These characteristics make the leather an easily recyclable material. Moreover, another typical characteristic of leather should be emphasized: leather lasts much longer than other materials.

The recyclability of the leather and its inimitable organoleptic characteristics make it the object of misappropriation, sometimes fraudulent, of its own name, which is also applied to other materials. Let's think of words like eco-leather, vegan leather and many other words referring to materials that have nothing to do with leather.

For this reason, the approval of Legislative Decree 9th June 2020, No. 68, was fundamental for the leather industry and for protecting consumers. The decree establishes the rules for the correct use of the word "leather" as well as a set of sanctions for those who use "leather" in an incorrect way.

The decree states that the word "leather" can only be used to designate the animal's skin or hide that has retained its original fibrous structure and has been tanned so that it does not rot.



7.3

THE FIRST IN THE WORLD WITH "BIOBASED" CERTIFIED LEATHER



Leather is a completely renewable material.

Renewability means having a renewal cycle of between 1 and 5 years, in balance with the natural cycle of the ecosystem. Unlike non-renewable resources, such as plastics and synthetic fibers, which impoverish the ecosystem and will not be available for future generations.

Gruppo Mastrotto measured the renewable content of its leathers, in terms of the percentage of recent organic carbon compared to the amount of total carbon contained in its leathers.

To give its customers a further guarantee, the company had this measurement certified by the United States Department of Agriculture (USDA), through the Biobased certification for products from renewable sources.



Gruppo Mastrotto was the **first tannery in the world** to obtain this certification that shows the portion of the product that comes from renewable sources such as vegetable, animal, marine or forestry raw materials. Gruppo Mastrotto leather has a renewability value ranging from 70% to 90%.

7.4

ANTI-BACTERIAL AND ANTI-VIRAL PATENT

Gruppo Mastrotto has developed a new patented technology capable of responding to the needs of the critical historical period we are experiencing and has created an antibacterial and antiviral treatment that guarantees high safety standards, almost totally reducing the presence of bacteria and viruses on surfaces.

» Gruppo Mastrotto has filed the patent of this innovative treatment which allows the non-survival of bacteria and viruses on leather, with an effective protection level up to 99.9%.

This sort of barrier is capable of preventing the replication of pathogens that may eventually come into contact with the leather. The surfaces of objects, especially those that are touched and used by many people, can be contaminated by pathogenic bacteria and viruses, transforming the object into a vector of contagion. This new treatment is applicable to all leathers currently produced by Gruppo Mastrotto, which cover every area of application of leather: footwear, leather

goods, clothing, and furniture, as well as the automotive, aviation and nautical industries, with a range of use that involves several types of accessories, public places and lounges, furnishing accessories, seats and means of transport.

This technology is the result of an extensive experimentation program aimed at identifying treatments capable of giving further guarantees to customers. After an initial screening, the most promising treatments were perfected and tested on a pilot, semi-industrial and industrial scale, and then other laboratory tests were carried out to check their performances. This approach guarantees the efficiency of this technology and the correctness of the results.



7.5

HIGH ENVIRONMENTAL PERFORMANCE PRODUCTS: "BLAUER ENGEL" CERTIFICATION

The environmental certifications aim at promoting products with a low consumption of natural resources and low impact by disclosing verifiable and accurate information.

The "type I environmental labels" certify that a product has better environmental performances than those set in a specific regulation and, therefore, that product is better than others belonging to the same category.



The "Blauer Engel" is an environmental product label recognized throughout the world. "Blauer Engel" certified leathers guarantee compliance with high environmental standards, stricter than those required by law. The "Blauer Engel" requirements are established by the German Ministry of the Environment and are checked by RAL (the German Technical Body that manages the certification).

"Blauer Engel" certified leathers guarantee:



compliance with high environmental standards in the tanning production process



low consumption of natural resources



high air quality in residential environments thanks to the absence of harmful chemicals in leather

without forgetting the importance of appearance and comfort for consumers.



7.6

PRODUCTS AND INNOVATIVE PROCESSES: COMMITMENT IN RESEARCH AND DEVELOPMENT

The activity of the Research and Development department aims at searching new technologies capable of guaranteeing product safety, improving the environmental impact of treatments and, at the same time, increasing the technical performance of leathers.

The main research activities developed in the last two years have concerned the following:



THE FORMULATION OF FINISHING PROCESSES ABLE TO PREVENT THE SUPERFICIAL BACTERIAL PROLIFERATION AND THE DIFFUSION OF VIRUSES (I.E. THE BACTERIAL AND ANTIVIRAL PATENT)



THE APPLICATION OF FINISHES FOR THE AUTOMOTIVE SECTOR ABLE TO RESIST THE COMMON SANITIZING AGENTS IN USE



THE "RE-LEATHER" PROJECT, WHICH INVOLVES THE PRODUCTION OF REGENERATED ROLLS FROM LEATHER TRIMMINGS COMBINED WITH OTHER MATERIALS



RESEARCH IS CONSTANTLY FOCUSED ON THE STUDY OF ALTERNATIVE CHEMICAL PRODUCTS FOR THE FINISHING AND WET PHASE, WITH SPECIAL ATTENTION TO MEET THE ENVIRONMENTAL IMPACT PARAMETERS



8 THE SUPPLIERS'
MANAGEMENT

CODE OF CONDUCT FOR SUPPLIERS

8

THE SUPPLIERS' MANAGEMENT

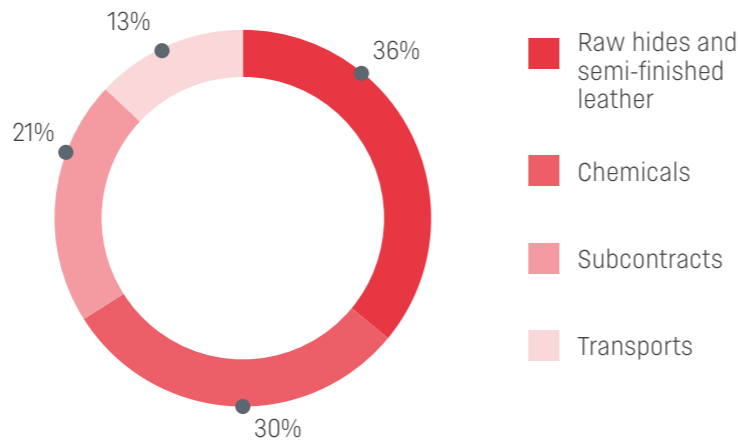


In the economy of a tannery, suppliers play a crucial role.

They can provide an essential contribution to those companies that are moving towards a business model that is simultaneously attentive to economic, environmental and social aspects. For this reason, Gruppo Mastrotto's supplier policy focuses on the development of long-lasting relationships based on loyalty, transparency and mutual collaboration. These values are clearly established in a specific Code of Conduct that the Gruppo Mastrotto asks its suppliers to adopt. The Code provides rules relevant to human rights, the health and safety of workers, environmental protection and the fight against corruption.

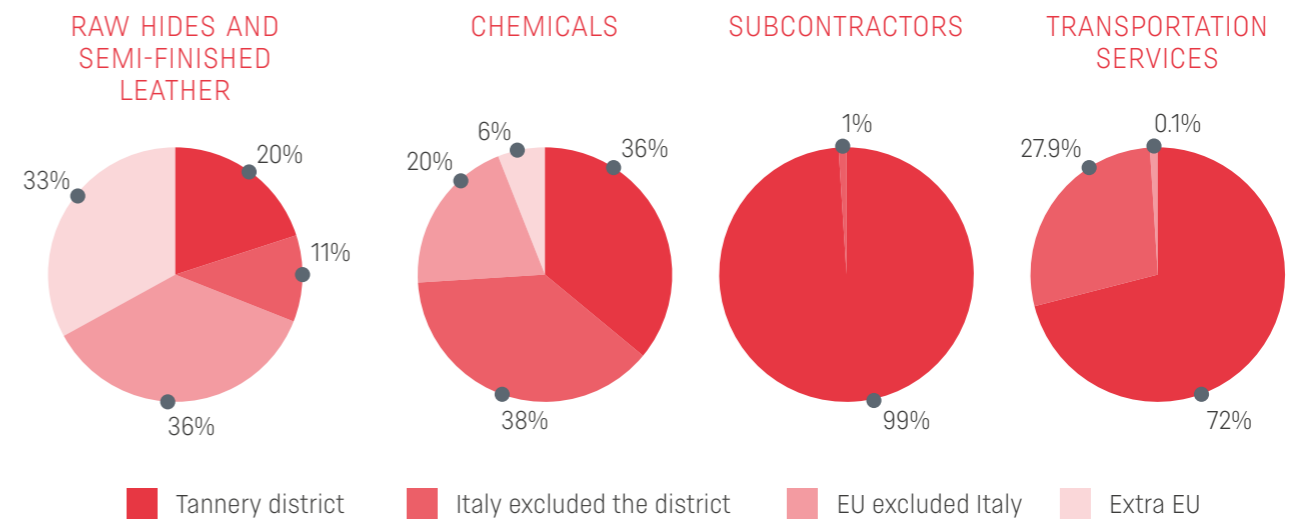
Gruppo Mastrotto uses only suppliers who operate in compliance with current legislation and the rules set out in its Code of Ethics. Considering the activities related to the main leather processes (i.e supply of leather, chemical products, processing carried out by subcontractors, transport services), in 2020, Gruppo Mastrotto worked with **371 suppliers**, with whom the Group has built a consolidated relationship.

Distribution of suppliers by type (average for the 2018-2020 three-year period)



The average expense in the same three-year period for these categories of suppliers was approximately 172 million Euros. 30% of this expense concerns local suppliers based in the tanning districts where the Company has its factory headquarters. The data shows the positive impact for the related industries in the territories where Gruppo Mastrotto operates (for example, the tanning district of Arzignano and, in more recent years, the district of Santa Croce sull'Arno, where there is the new factory). If we analyze the different categories of supply, it is possible to note that, in the case of subcontractors and transport services, for example, the percentage of expenses regarding local suppliers is particularly significant (respectively about 98.7% and 71.7%).

Percentage breakdown of expense by supplier categories in relation to geographic location



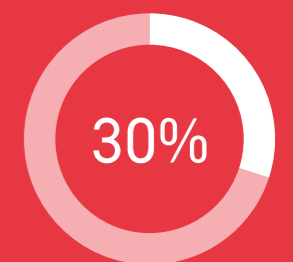
172 million

The average expense in the same three-year period for these categories of suppliers.



371

The suppliers, with whom the Group has built a consolidated relationship.



local suppliers

The partnership relationship established between Gruppo Mastrotto and its suppliers is defined by the company management system procedures that qualify the suppliers of leather and chemical products as well as the activities carried out by subcontractors and service providers (i.e. transport, maintenance, analysis laboratories, energy).

With regard to the procurement of hides in most recent years, Gruppo Mastrotto has introduced some evaluation criteria that refer to the "traceability declarations" necessary for achieving the LWG certification that was already obtained for the premises in Arzignano and Santa Croce sull'Arno.

In the case of chemicals suppliers, Gruppo Mastrotto has established some restrictions on the use of certain categories of chemicals, (the restrictions are mainly based on the law in force in the European Union and the United States), to protect the health of workers, the environment and users of finished products. **All chemical product suppliers are asked to sign a technical specification in which they undertake to follow the restrictions and provide for periodical check audits.**

From the point of view of reducing the environmental impact, an active collaboration relationship has been developed for about 10 years with the chemical suppliers who undertake to reduce sulphates. Moreover, Gruppo Mastrotto purchases polyurethane-based paints for finishing and suppliers are asked to declare the percentage of VOCs (volatile organic compounds) in their purchased product, the datum is included in the company management system and kept under control.



8.1

CODE OF CONDUCT FOR SUPPLIERS

One of the qualifying points of Gruppo Mastrotto's improvement and sustainability plan is the updating and distribution of the Supplier Code of Conduct by the end of 2021.

Consequently, the suppliers will have to guarantee compliance with the following:

- » labor and human rights (i.e. child labor, forced labor, freedom of trade union association, discrimination, health and safety in the workplace, working hours and pay)
- » ethics (i.e. anti-corruption, competition protection, anti-money laundering, privacy and data protection)
- » environmental protection (i.e. restrictions on chemical substances, responsible use of resources and reduction of atmospheric emissions, proper waste management)
- » supply of hides
- » compliance with the legislation on "animal welfare"
- » the absence of dangerous chemicals



9

CREATION AND
DISTRIBUTION OF
ADDED VALUE

ECONOMIC PERFORMANCE

DISTRIBUTION OF ADDED VALUE

9.1

ECONOMIC PERFORMANCE

The 2020 turnover amounted to approximately 232.7 million euros, achieved in an extremely difficult context due to the pandemic.

» **232.7 million**

Sales Revenue in 2020

Gruppo Mastrotto, however, managed to guarantee good profitability with a Gross Operating Margin of 31.8 million euros, equal to 13.7% of turnover.

This margin made it possible to contain the decrease in added value and to compensate the main stakeholders of the company.

For a detailed analysis, refer to Gruppo Mastrotto Spa's financial statements, which contain information on the economic and equity situation. After being approved by the shareholders' meeting, the financial statements are available at the Business Register Office.

» **14.5 million**

Operating income in 2020

» **13.7%**

Gross operating margin

9.2

DISTRIBUTION OF ADDED VALUE

The determination of the added value from the business activity shows the company's ability to create value and identifies the different stakeholders.

The stakeholders include the company personnel, investments, loans, public services, social programs and they are managed according to the corporate policies.

The main stakeholders of Gruppo Mastrotto are the following:

- staff (wages, salaries and other costs);
- shareholders and credit capital lenders to whom profits and interest on the debt are destined;
- Public Administration (payment of taxes and duties);
- the community and the territory (they take advantage of social and cultural projects);
- the business system (i.e. the allocation of resources intended for the development of the organization).

In 2020, the distributed added value amounted to 83.1 million euros, down compared to previous years when it settled steadily above 100 million euros.

The reduction is due exclusively to the effects of the Covid19 Pandemic, which caused the contraction of business activity in 2020. The business contraction was limited by a program of interventions aimed at saving resources and using them more efficiently as well as repositioning the business towards the medium-high and high niches of the market.

The following table shows the distribution of the added value over the three-year period of 2018-2020.

Distribution of the added value (Euro)

	2020
Direct remuneration of staff	46,145,367
Benefits distributed to staff	6,732,547
Remuneration of financial capital	15,376,297
- referred to the credit capital	179,678
- referred to risk capital	15,196,618
Remuneration of relational/social capital	2,735,132
- of which remuneration to the Public Administration	2,501,017
- of which remuneration for investments in the community	234,114
Remuneration to the business system	12,192,375
Total	83,181,716

83.1 million

the distributed added value in 2020

In the three-year period considered, the added value was distributed as follows:

63.5%
to internal staff

It shows the commitment undertaken by Gruppo Mastrotto to its collaborators

23.7%
to the business system

To testify to the relevant investment policies aimed at making the company more innovative and modern

7.5%
to lenders

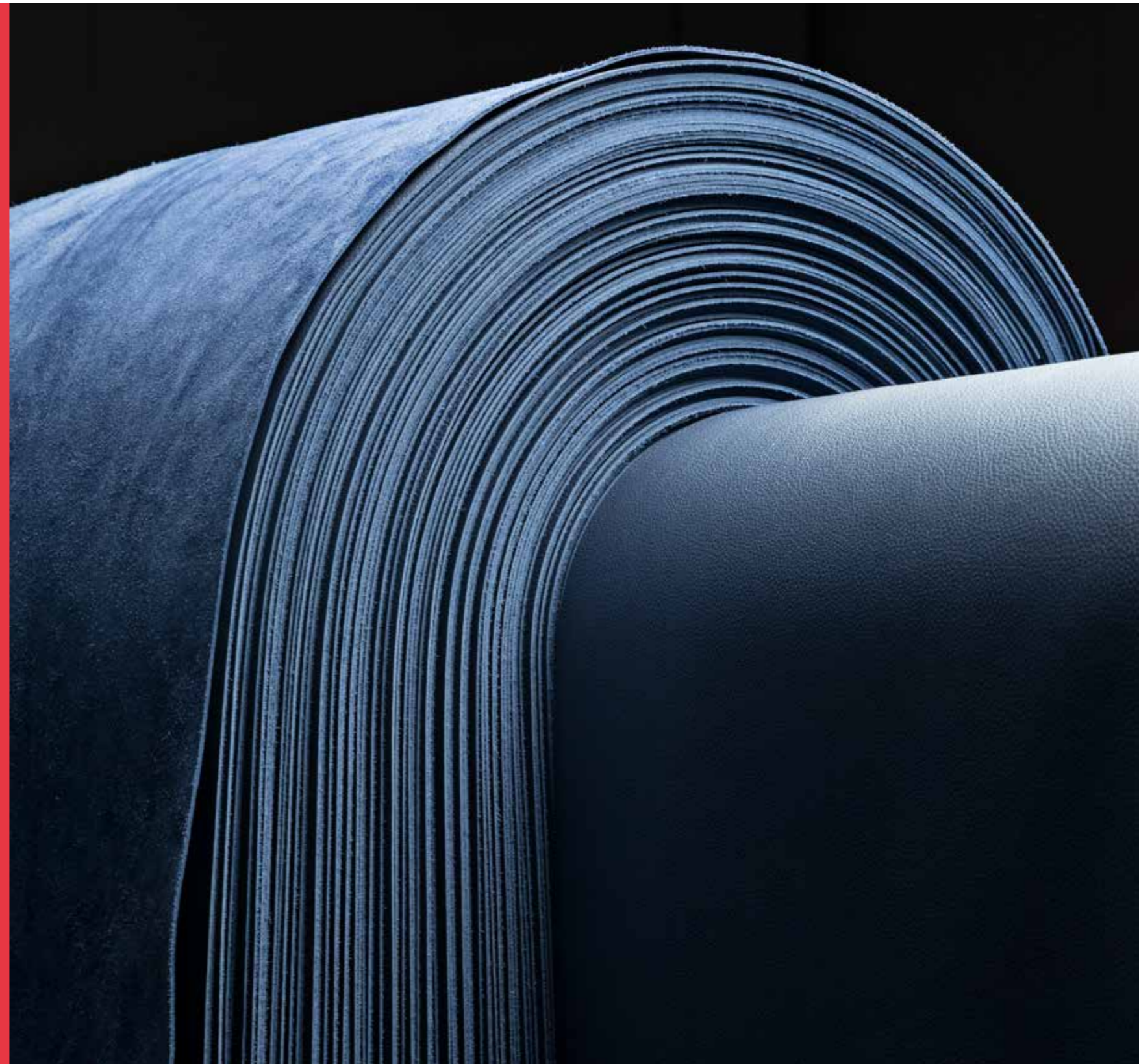
Through the payment of interest to the banking system and the distribution of to shareholders

0.3%
to the community

Through donations as a direct economic contribution to local communities for social purposes

5.2%
to the Public Administration

Through direct and indirect taxes





10

TERRITORY AND CORPORATE CITIZENSHIP

SOCIAL COMMITMENT AND
RELATIONSHIP WITH THE LOCAL
COMMUNITY

THE ROOTS OF THE FUTURE _500
TREES FOR THE TERRITORY

COMMITMENT TO THE EDUCATIONAL
AREA

SCHOLARSHIPS FOR EMPLOYEES'
CHILDREN

RELATIONSHIPS WITH PUBLIC
INSTITUTIONS AND/OR OTHER BODIES

10.1

SOCIAL COMMITMENT AND RELATIONSHIP
WITH THE LOCAL COMMUNITY

Being a reference company for a territory means building stable relationships with all stakeholders in order to understand their needs and give a positive contribution. Healthcare, senior citizens and young people are the areas in which Gruppo Mastrotto has historically shown its interest and closeness to the territory, both through financial support and an active contribution to various initiatives.

The main initiatives promoted by Gruppo Mastrotto in the last few years were as follows:



contribution for the construction of the "Arciso Mastrotto" Senior Leisure Center, including a bar, a lounge, a multipurpose room with spaces for reading, outpatient and administrative activities, and an outdoor park



donation for the construction of the bowling alley at the Arciso Mastrotto Senior Center



financial support to the San Bortolo Foundation, a non-profit association active in raising funds for the Vicenza hospital, to help combat the COVID-19 health emergency through the purchase of materials useful for the protection of health personnel and equipment intended for the San Bortolo Hospital in Vicenza

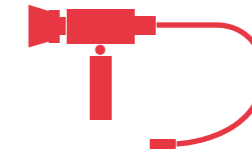


support for the new Red Cross outpatient clinic in Sarnano (Macerata), with a doctor for assistance at night and on holidays and a pediatric outpatient clinic that replaces the clinic damaged by the 2016 earthquake in the Marche region



support for sports activities through the sponsorship of the soccer team in Arzignano and volleyball in Santa Croce sull'Arno

Moreover, Gruppo Mastrotto was also the promoter of social initiatives which involved its suppliers, such as the following:



In collaboration with the Amici del Cuore Ovest Vicentino Onlus Association, the donation of the latest generation equipment to perform minimally invasive laparoscopic oncological surgery; the equipment includes a 30° three-dimensional camera that allows the angled vision, extremely relevant in the case of interventions to remove tumors of the bladder, kidney and prostate; the piece of equipment supports other existing instruments and allows more precise and effective surgery.



To support the National Association for Breast Operated Women (ANDOS) and the Hospital of Montecchio Maggiore (VI), they donated the "Mammotome Revolve" instrument that allows both an early diagnosis and the collection of greater, safer, and less invasive tissue sampling which can be used for carrying out biopsies in cases where the mammography examination has raised suspicion of a malignant formation.



Donation to the Arzignano hospital of innovative software called "Rapid", which drastically reduces the diagnosis time of ischemic stroke; time goes from the current 20 minutes to a maximum of 2 minutes, with a substantial increase in the probability of survival of patients affected by ischemic stroke.

10.2

THE ROOTS OF THE
FUTURE _500 TREES FOR
THE TERRITORY

"The roots of the future: five hundred trees for the territory" is one of Gruppo Mastrotto's initiatives to foster their effective collaboration with the territory in the environmental field.

Gruppo Mastrotto, donated 500 trees to the entire valley of Chiampo: 300 to its employees, who were able to order the trees online, receive them at home and plant them in their gardens; the remaining 200 trees were planted at the Giacomo Pellizzari Sports Park in Arzignano and along the cycle/pedestrian path that connects the towns of Arzignano and Chiampo. The selected trees are the ones that best adapt to the territory and can favor biodiversity. 100 cherry trees will grow in the "Giacomo Pellizzari" Sports Park, the cycle and pedestrian path leading to Chiampo will be enriched with 20 cherry trees, 20 cornel trees, 15 hornbeams and 15 lime trees, for a total of 70 trees. In autumn, the remaining 30 trees were planted at the Kindergarten in Castello di Arzignano.

Gruppo Mastrotto's initiative was created in collaboration with BeLeafing (a web platform that allows you to plant a tree for free in your garden and show everyone how it grows) and it was a part of a project that involved five major companies, Sicit, Dani Spa, The Bridge, Gruppo Mastrotto and Conceria Trust based in the valley of Chiampo.

The 500 trees will absorb about 10,000 kg of CO₂ and capture more than 35,000 g of fine dust (PM10); they will also provide a safe habitat for bees.

AND NOT ONLY ITALY

The awareness of the role that plants can play in the absorption of carbon dioxide has led to an important planting initiative even at the Brazilian head offices of Gruppo Mastrotto.

Over the years, over 75,000 eucalyptus trees have been planted and they will absorb approximately 1,500 tons of CO₂ per year.

Eucalyptus is also a plant with very long and hygroscopic roots, useful in the reclamation of marshy soils.



10.3

COMMITMENT TO THE EDUCATIONAL AREA



Gruppo Mastrotto believes that it is important to strengthen the relationship between the business world and schools, in particular technical training institutes.



For this reason, the company fosters stable collaborations with local schools by sharing its knowledge in several ways such as:

- High school classes visit the tannery, especially technical schools located in the Arzignano district
- young students perform internships at the company
- there are collaborations with design institutes
- teaching and business testimonials are provided at university and post-diploma courses
- the children of Gruppo Mastrotto employees are provided with scholarships



10.4

SCHOLARSHIPS FOR EMPLOYEES' CHILDREN

Since 2017, Gruppo Mastrotto has rewarded deserving students selected among the children of their employees. This year, fifteen scholarships have been assigned to students attending the last three years of high school and the first year of university; the students have distinguished themselves for the results achieved during the 2020-2021 school year.

The initiative is part of the "People, Next Level" corporate welfare project, which focus on people and their professionalism. Once again, the initiative proves the social responsibility of the company.

A call for proposals and a selection process led to the identification of the most deserving students. Seven students attending the first year of university in the departments of Law, Dietetics; Urban Planning and Territorial Planning, Medicine and Surgery, Statistics for Economics and Business and Sports Sciences were awarded a scholarship. Four students attending the fifth year of High school, one attending the fourth year and three students attending the third year were also awarded.

10.5

RELATIONSHIPS WITH PUBLIC INSTITUTIONS AND OTHER BODIES

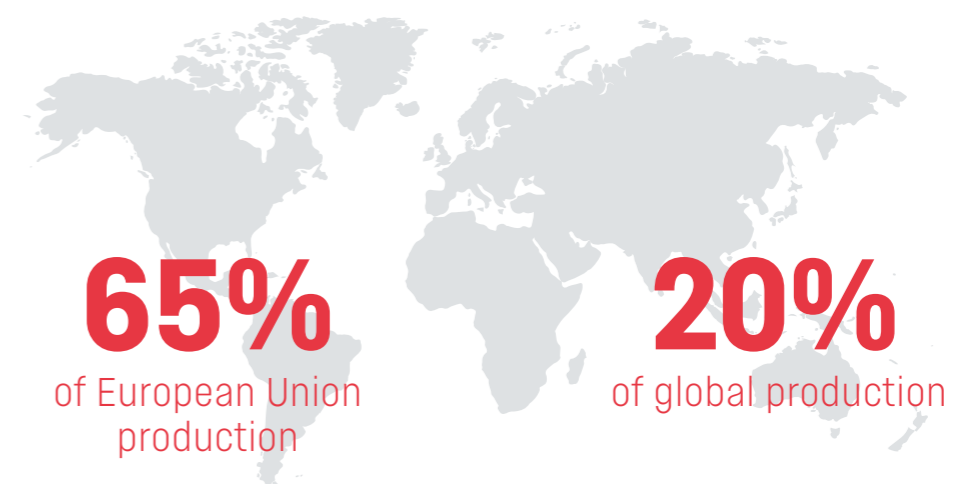
Gruppo Mastrotto bases their relationships with public institutions and sector bodies on principles of correctness, transparency and respect for roles. Constant communication inspires the relationships with these stakeholders in order to identify the most suitable forms of development and collaboration.

Gruppo Mastrotto is a member of the National Tanning Industry Union (UNIC), the association that represents the Italian tanning industry. The Italian tannery industry is the most important in Europe with a production value equal to 65% of the European Union production, and in the world, with an incidence equal to 20% of the global production value. Gruppo Mastrotto, represented by the President Chiara Mastrotto, is a member of the UNIC Board of Directors.

Gruppo Mastrotto is also a member of "Leather Naturally" an international non-profit sector organization that focuses on the promotion of leather and its processes. The organization promotes the use of sustainable leather and informs designers, creators and consumers about the beauty, quality and versatility of leather.

Gruppo Mastrotto also maintains direct relationships with public institutions, such as the Veneto Region and the European Union and other authorities that are in charge of checks and authorizations, such as the Province of Vicenza and Acque Del Chiampo. The relationships are based on mutual respect and loyalty so that the company is felt as a proactive party for the whole community.

The Italian tannery







11 SUSTAINABILITY
TARGETS



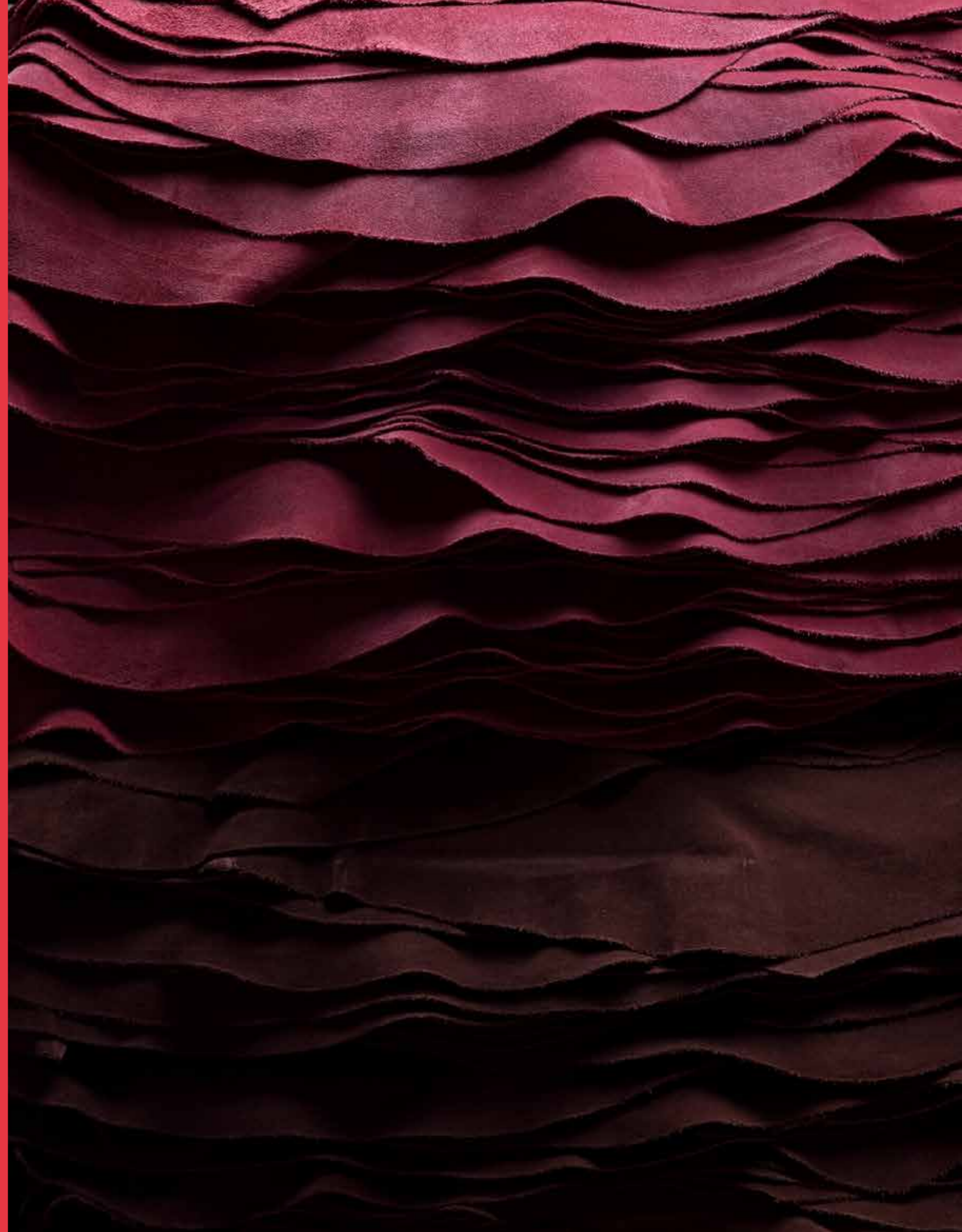
11 SUSTAINABILITY TARGETS

Finally, the following thematic areas are the pillars of Gruppo Mastrotto's sustainability strategy in accordance with the UN 2030 Agenda (SDGs).

PILLARS OF THE STRATEGY	SDGS TARGETS	MATERIAL THEME	DESCRIPTION OF THE TARGETS AND ACTIONS OF GRUPPO MASTROTTO
Economy and markets		Economic results and business continuity	Implementation of the Supply Chain Security management system according to the ISO 28.000: 2020 standard
		Market presence and customer consolidation	Communication plan for the new collection of antibacterial and antiviral leathers
		Sustainable management of suppliers (raw materials, chemicals, transport)	Updating and dissemination of a supplier code of conduct
Product and company responsibility		Development of new products and services, research and development on raw materials	Obtaining the "LWG" certification for the plant in Tuscany
		Evaluation of the environmental quality of products in the life cycle	Implementation of two Life Cycle Assessments (LCA) regarding the "Automotive" product line
		Product quality and safety	10% increase in chemical analyses carried out by the laboratory
		Corporate responsibility compliance	Update of the company Code of ethics

Environment		Greenhouse gas emissions and carbon neutrality plan	2% reduction in volatile organic compound emissions Determination of the organization's climatic footprint according to the ISO 14064 standard
		Sustainable management of water resource	3% reduction in unit water consumption Improvement in monitoring the quality of withdrawn water
		Waste	reduction in waste production
		Energy management	Purchase of electricity entirely from renewable sources Reduction of energy consumption in the spraying phase
People and social responsibility		Impacts on biodiversity in the places of production of raw materials	Purchase of electricity entirely from renewable sources Participation in the Be Leafing project for planting trees in urban areas
		Work context, employee involvement, job opportunities, corporate welfare	Expansion of the services offered by the corporate welfare plan
		Health and safety in the workplace	5% increase in training hours for plant managers and staff
		Formation	Preparation of a company training plan in the "soft skills" area
		Diversity, social inclusion, ethics	Extension of the "Inclusion" project

12 THE APPLIED METHODOLOGY



12

THE APPLIED METHODOLOGY

For the preparation of this first report, we have chosen to follow the Standard of the Global Reporting Initiative (GRI) - "CORE" option. This is the most widespread and internationally accredited standard for reporting on the sustainability of an organization.

This Sustainability Report refers to the 2018-2020 period. In the application of the GRI Standard, this report refers to the plants of Gruppo Mastrotto Spa based in Italy.

As concerns the materiality analysis, we considered the assessment of the important aspects for the organization such as the Management's strategy, the results of an indirect analysis from the stakeholders in 2019 and the results of a questionnaire to the company supervisors and managers in 2021. The list of topics relevant to materiality analysis were selected by two groups during the sustainability workshop held in May and July 2021.

The information for developing the indicators relevant to sustainability was collected from databases that were completed according to the Global Reporting Initiative Standard (GRI). The company personnel entered the data and also provided for the sources they came from so that the traceability and reliability of the data was guaranteed.

Each database includes the methodology for the direct calculation of sustainability indicators. In this way, it was possible to obtain directly in the files used for data collection, the final value referred to each key indicator of the financial statements. The following list gives the description of specific methodologies for the calculation of some indicators.

Energy consumption	<p>Total energy consumption is expressed in primary energy (GJ). Primary energy depends on energy needs, on the type of fuel used to produce energy and on production efficiency. The calculated values consider the energy vector, the respective transformation efficiency, the primary energy factor (the source of this datum is the Decree of the Ministry of Economic Development of 26/06/2015). In the case of electricity, this factor is equal to the inverse of the electricity efficiency and varies according to the national electricity mix. As regards the conversion of the Cubic meter standard to GJ, a PCI of 35.134 MJ was considered, while for diesel, a Lower calorific value of 42.877, as per the table of national standard parameters in the context of the ETS Directive (source ISPRA 2017), was considered.</p>
Greenhouse gas emissions	<p>The emission factors (expressed in kgCO₂eq) derive from the following sources: 1) modeling of the cogeneration plant and boiler plant at the Tecno plant carried out for the purposes of the LCA study of two products for the Automotive BU; 2) for the purchase of electricity, the emission factors of the most recent ISPRA Report on greenhouse gas emissions (referred to 2019, not yet validated by The Intergovernmental Panel on Climate Change); 3) for the purchase of diesel, the conversion factors as per annex Regional Decree of the Veneto region No. 90 of 27 January 2020 (financing of energy efficiency projects).</p>

Water consumption	<p>The information in this part refers to the GRI 303 methodology: Water and wastewater. The unit of measurement used is the cubic meter. The information sources are the readings of the water meters, the water consumption register of the environmental management system and the analyses on the water content in the waste. The data on the total water withdrawal measures the quantity of water withdrawn and its source (GRI 303 -3).</p>
Quality of drains	<p>The data on the water analyses come from the checks carried out by the Water Consortium of Chiampo and Aquarno. It is about 470 analyses/year on the typical parameters of the tanning sector. The contribution of the S. Croce sull'Arno plant refers only to 2020, as the plant started up in November 2019. The comparison with the legal parameters was carried out considering the maximum limits and the weight of each category compared to the overall volume authorized.</p>
Emissions in the atmosphere	<p>The sources of information derive from: self-control analyses (field measurements) carried out every six months/year/three years (about 90 analyses/year on the parameters prescribed by the respective authorizations); for solvents, the data of the "solvent management plan" and the related calculation method, in addition to the post-burner register with continuous measurements. When more analyses were available per year, we considered the data with the highest polluting load.</p>
Personnel	<p>For the indicators relating to personnel, the number of employees is presented as the "actual number of workers" on an annual basis. The information is taken from the internal management software.</p>
Added value	<p>The determination of the added value derives from the reclassification of the items of the statutory financial statements (taken from the internal management software), dividing the report items among those that determine the production of the added value and its distribution to personnel, public administration, credit capital, capital of risk, company remuneration and external donations. We used the methodology that was codified by the Scientific Association on the Corporate Financial Statements http://www.gruppobilanciasociale.org/ (GBS 2013).</p>



13

TABLE OF
CORRESPONDENCE TO
THE GRI STANDARDS

13

TABLE OF CORRESPONDENCE TO THE GRI STANDARDS

GRI STD	Description of STD indicators	Reference to the Sustainability Report
102-1	Organization name	3
102-2	Activities, brands, products and services	3
102-3	Headquarters location	3
102-4	Place of activities	3
102-5	Ownership and legal form	3.4
102-6	Markets served	7
102-7	Organization size	5.1 - 9.1
102-8	Information on employees and other workers	5
102-9	Supply chain	8
102-10	Significant changes to the organization and its supply chain	3.4 - 8
102-11	Precautionary principle	3.2
102-12	External initiatives	10.5
102-13	Membership of associations	10.5
102-14	Top management statement on the relevance of sustainability and related strategies	1
102-16	Values, principles, standards and rules of conduct	3.2
102-17	Mechanisms for seeking advice and reporting critical issues relating to ethical issues	3.2
102-18	Governance structure	3.4
102-19	Delegation of authority	3.4
102-20	Responsibility at the executive level on economic, environmental and social issues	3.4
102-21	Stakeholder consultations on economic, environmental and social issues	4.1
102-22	Composition of the highest governing body	3.4
102-23	Chairman of the highest governing body	3.4
102-26	Role of the highest governance body in establishing goals, values and strategies	3.4

102-29	Identification and management of economic, environmental and social impacts	4.1
102-31	Review of economic, environmental and social issues	4.1
102-32	Role of the highest governance body in sustainability reporting	3.4
102-40	List of stakeholder groups	4.1
102-41	Collective bargaining agreements	5.1
102-42	Identification and selection of stakeholders	4.1
102-43	Methods for involving stakeholders	10
102-44	Key issues and issues raised	4.1 - 4.2
102-45	Subjects included in the consolidated financial statements	Methodological note
102-46	Definition of the content of the report and outline of the themes	Methodological note
102-47	List of material topics	4.1
102-50	Reporting period	Methodological note
102-51	Date of the most recent report (if any)	n.a.
102-52	Reporting periodicity	annual
102-53	Contacts to request information regarding the report	sostenibilita@mastrotto.com
102-54	Declaration of compliance with the GRI standard ("core" "comprehensive")	Methodological note
102-55	GRI content index	Correspondence table
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GRUPPO MASTROTTO

Quarta Strada, 7 - 36071 Arzignano
(Vicenza) - Italia
tel. +39.0444.621200
sales@mastrotto.com

mastrotto.com

