



GRUPPO
VECCHIA TOSCANA S.p.A.

2022 SUSTAINABILITY REPORT



Gruppo Vecchia Toscana SpA with registered office and headquarters in Fucecchio (Florence, Italy) via Sicilia 1, registered in the Companies' Register of Florence under number 00490830460, Share Capital Euro 5,000,000 fully paid-up Disclosure 2-1 Organisational details



**A sustainable path
can only be achieved
with everyone's commitment.**

Changing the present to build the future.



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Letter to the Stakeholders

Dear Reader,

GVT's second sustainability report is published today in a particularly complex overall context.

The international scenario is characterised by ever-increasing conflict in many areas of the world: history teaches us that, since time immemorial, conflicts only lead to death and destruction for mankind.

To a large extent, there is an undeniable responsibility of the so-called Western world, which, over the last two centuries, has indiscriminately taken advantage of the natural and human resources of emerging and developing countries.

And today, the populations of these countries are gradually trying to react to this distortion in the most diverse contexts.



Our commitment, both as individuals and as a company, is and must be to try, albeit in a small way, to stop this downward spiral. Starting from our daily lives, we must help restore the necessary balance between those who have the natural resources and those who exploit them, promoting the diversity of cultures and the dialogue between them. We believe this is the only way we can create well-being and value.

With reference to the macroeconomic context, we cannot ignore that the financial year 2022 was particularly complex, mainly due to the uncertainties and concerns of the various economic players triggered by the outbreak of the Russia-Ukraine conflict, which led to significant increases in the cost of energy, raw materials and logistics and to the return of double-digit inflation.

The company was nevertheless able to grow and maintain its economic and financial balance, thus confirming its ability to react promptly to adverse external situations, thanks also to a well-structured internal organisation, strong governance and long-standing relationships with its suppliers.

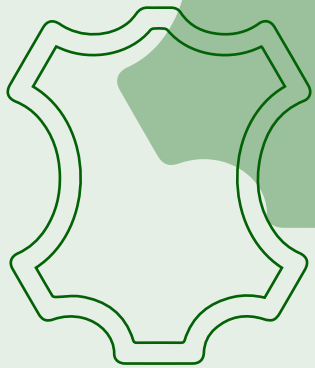


The feedback received from the publication of our first sustainability report, drawn up for 2021 already according to GRI standards, has been decidedly flattering, and we are therefore encouraged to expand and improve this disclosure, partly through the progressive involvement of external stakeholders.

Our goal is for an increasingly broader public, and not only insiders, to get to know our corporate culture and future projects, aimed at progressively reducing the environmental impact of our production, respecting people and promoting the different cultures that characterise our small — but for us large — family.

Enjoy your reading and thank you for your time.

Highlights



Protection of environment and natural resources

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

UNI EN 16484
Designation of Italian origin of leather

TS_SC410
Traceability of raw materials

ISO 14001
Certified quality management system

13 CLIMATE ACTION

Reduction in energy consumption
-14%

Reduction in air emissions
-25%

Crescita responsabile

8 DECENT WORK AND ECONOMIC GROWTH

LWG silver rated
Environmental protocol

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

83%
added value distributed

Salute e benessere

3 GOOD HEALTH AND WELL-BEING

UNIC
Code of conduct and social accountability

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

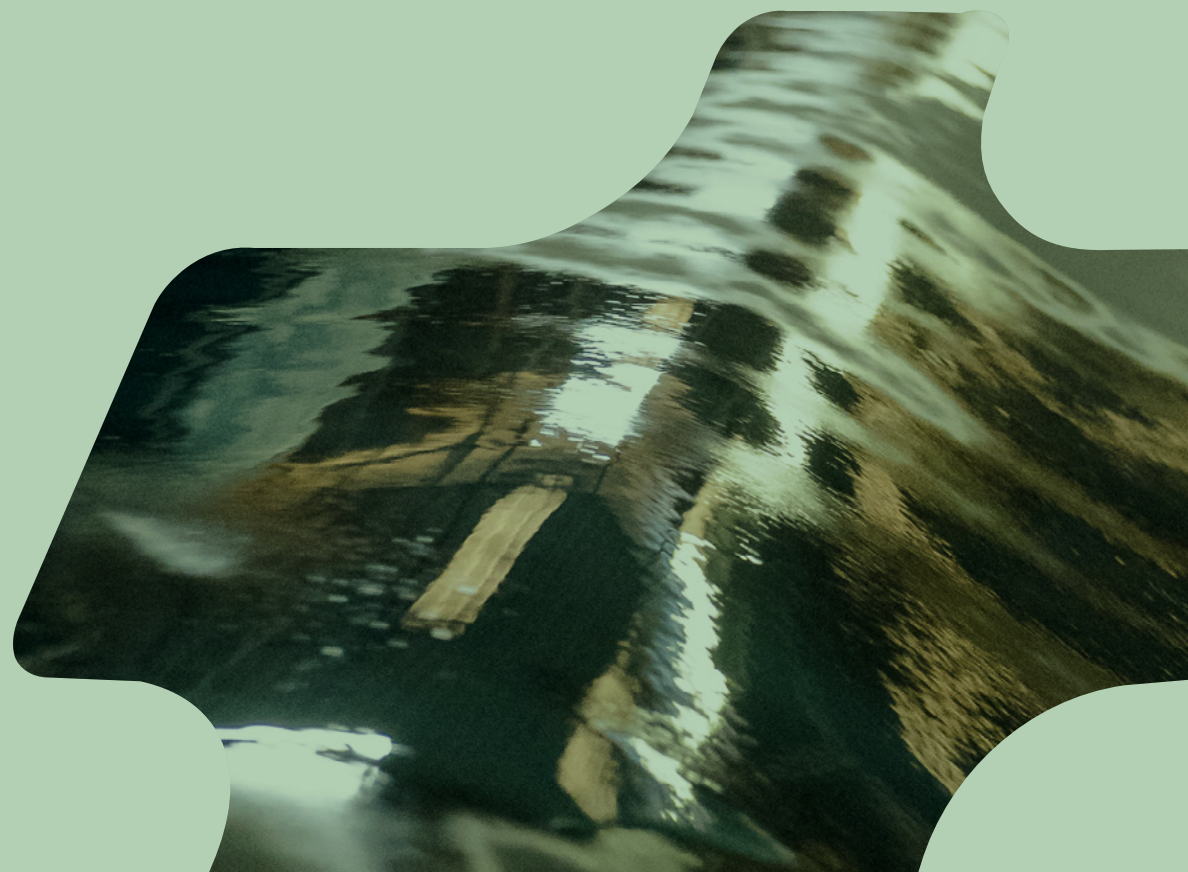
15 LIFE ON LAND

only 0.002% of waste
sent to landfill

CHAPTER

1

What Sustainability means for Vecchia Toscana



1.1 Reference context

Disclosure 2-22 Sustainable development strategy statement

In 2022, GVT published its first sustainability report for the financial year 2021. As already mentioned on that occasion, the company has long been aware of the **pivotal role that transparency plays in informing the various stakeholders not only of economic and financial performances but also socio-environmental ones**. In 2023, with reference to the year 2022, the company intends to continue on its non-financial reporting path as it is fully aware that, in order not to jeopardise the ability of future generations to meet their own needs, the only possible strategy for a manufacturing company is to **make the entire production cycle 100% sustainable**, and this remains GVT's main objective in its daily operations.

As a result of the geopolitical events linked to the Russia-Ukraine conflict, the international economic and political framework remains particularly uncertain since, after the post-COVID-19 recovery phase, most economic indicators have decreased and are still decreasing quite significantly. The main challenges that the company had to face in the past financial year were related to high energy prices and strong inflationary pressure, the latter induced both by tensions in the energy market and the raw material supply issues that arose during the pandemic period.



We are pleased to make available to you the non-financial information that is rightfully among the key elements to be taken into account when assessing the prospects for continuity of a manufacturing business. Furthermore, the forward-looking nature of such information is evident from the stated goals for improvement in terms of progressive reduction of environmental impact.

Drawing on best practices from companies that have already adopted integrated reporting for some time, we hope that the entire tanning industry can quickly comply with the stakeholders' ever-increasing demands for disclosure and involvement.

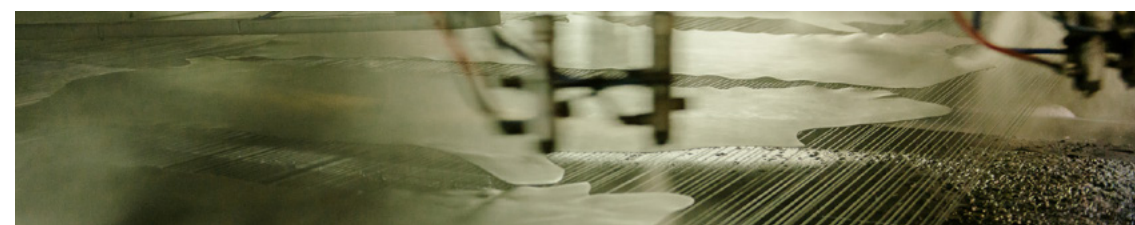
As is well known, **the tanning industry is one of the manufacturing sectors that many media outlets commonly associate with environmental pollution**, and only to a small extent is it perceived as a reality that systematically recovers waste material, otherwise intended for disposal as organic waste.

This further motivates us to explain, in concrete terms, the distinctive features of the tanning industry, which, despite the necessary and **progressive performance** improvement driven by continuous technical progress, already appears to be largely in line with the **'circular' model**.



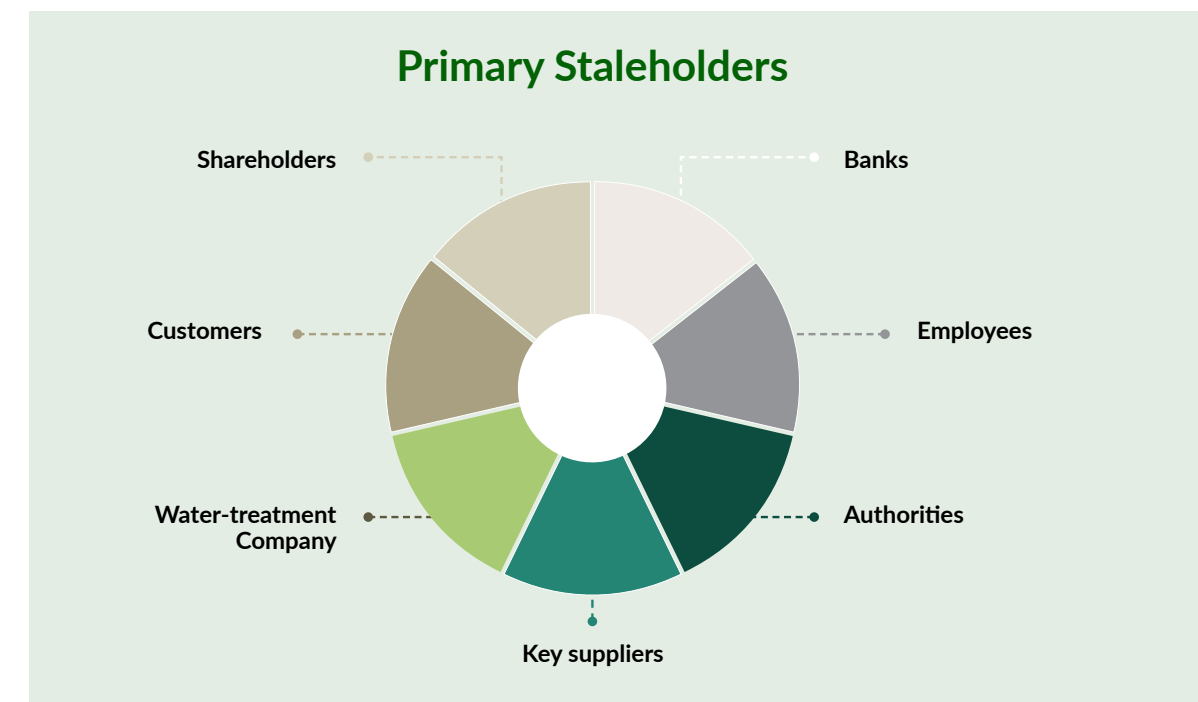
This model, as we know, depicts a future where there is no waste but only products and resources that, after having been used for their primary purposes, **are re-used again by being transformed into new products and objects**. Abandoning the so-called linear model (raw material/processing with production scraps/finished product/waste) will make it possible to maintain adequate growth prospects for new generations, through a **conscious and responsible use of natural resources**, putting an end to the common belief that they are infinite.

Lastly, we should especially welcome the increasing interest and commitment that major luxury and fashion brands are showing on these issues, by involving upstream operators in the production chain (cattle breeding and tanning industry). In fact, we develop and fine-tune each new article by working closely with the technical department of our client companies, and the issues of sustainability and minimising environmental impact are at the heart of our cooperation.



1.2 GVT's stakeholders

Starting from this reporting period, the Company initiated a discussion with some of the identified stakeholders through dedicated questionnaires that confirmed the **prioritisation of material topics** carried out by the Company.

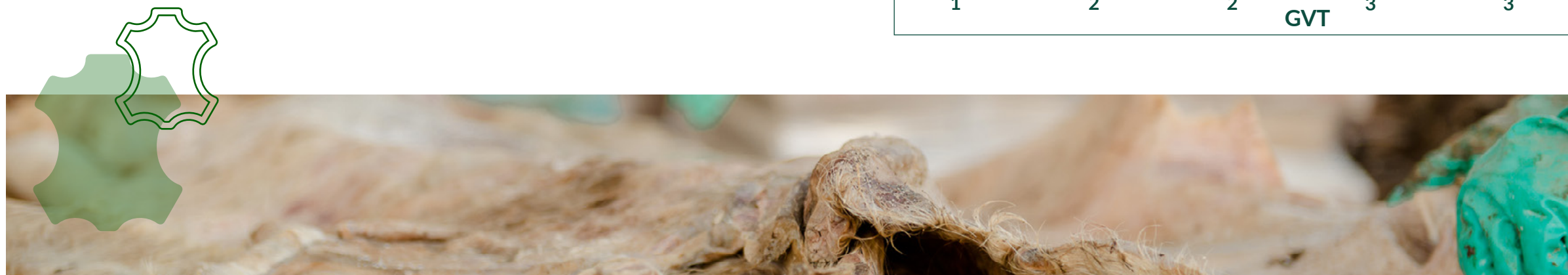
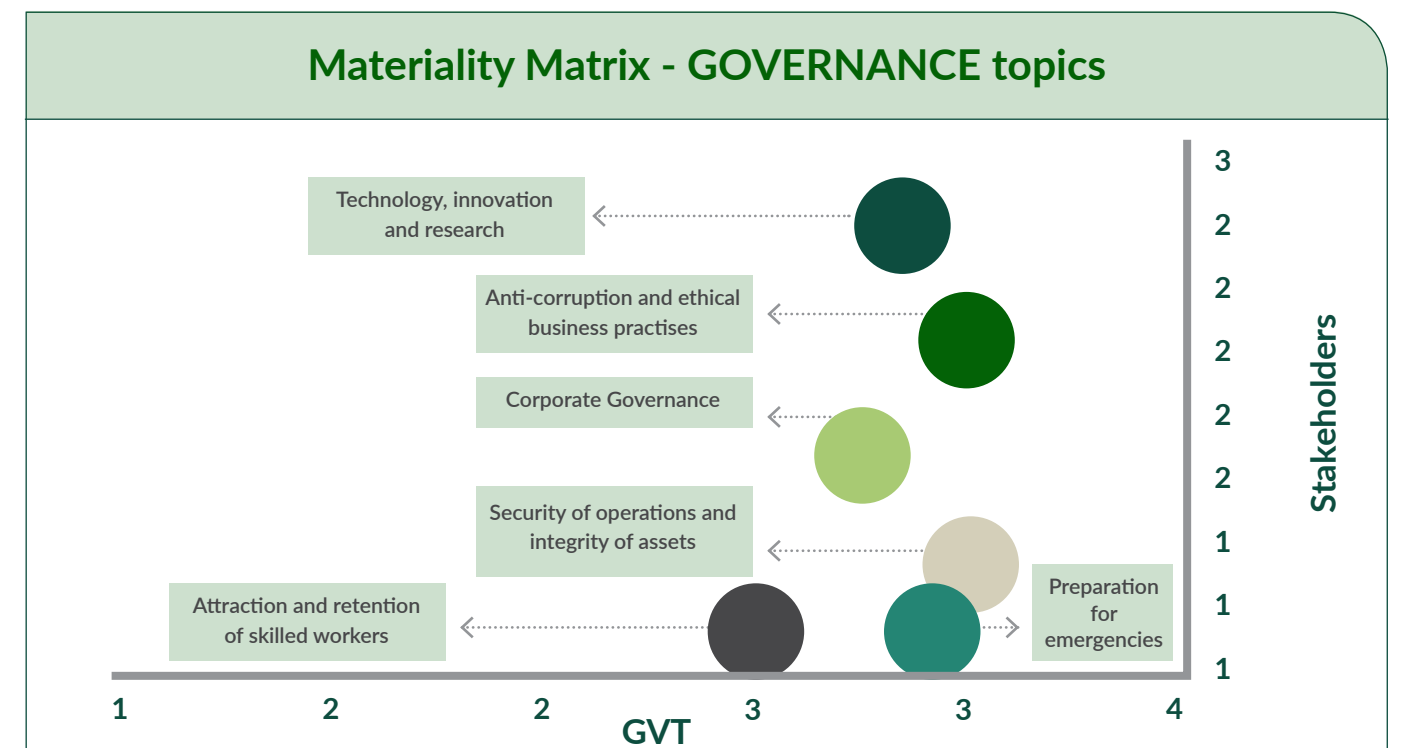
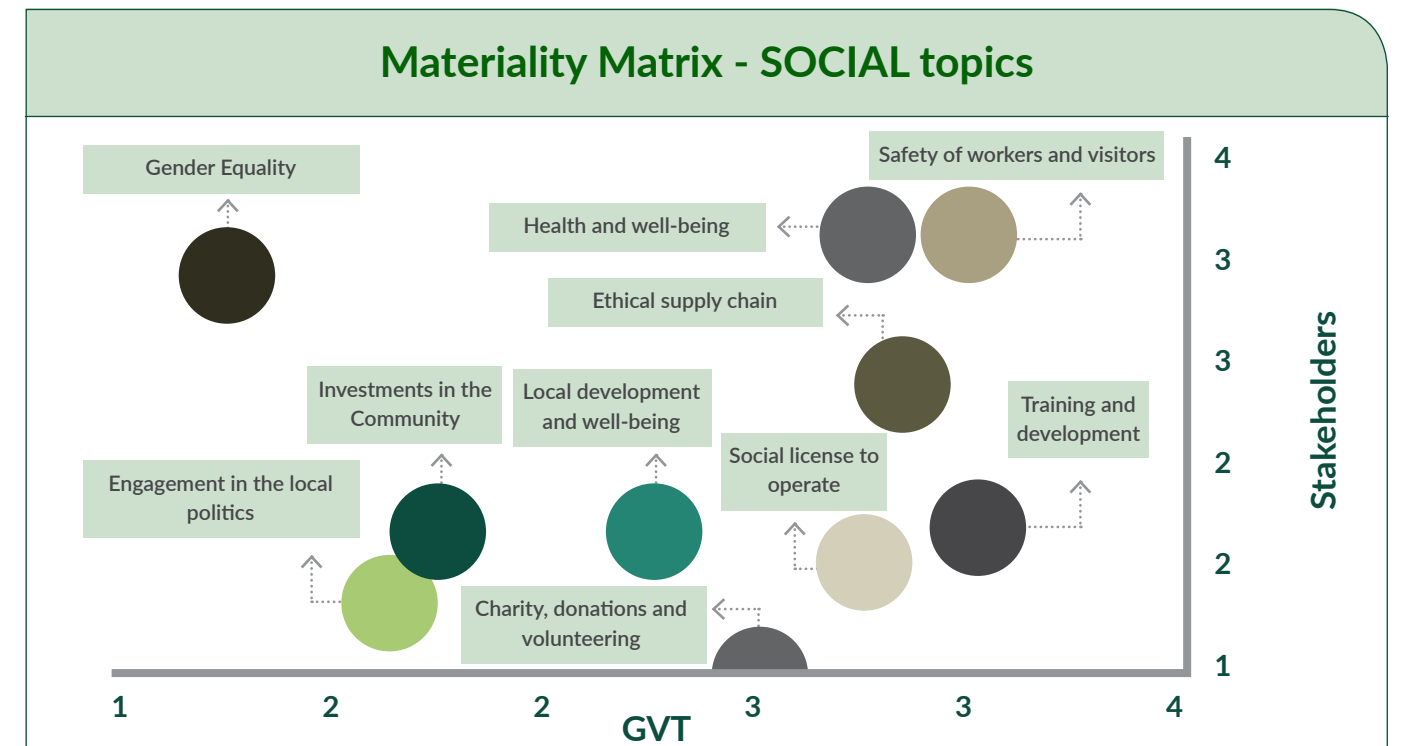
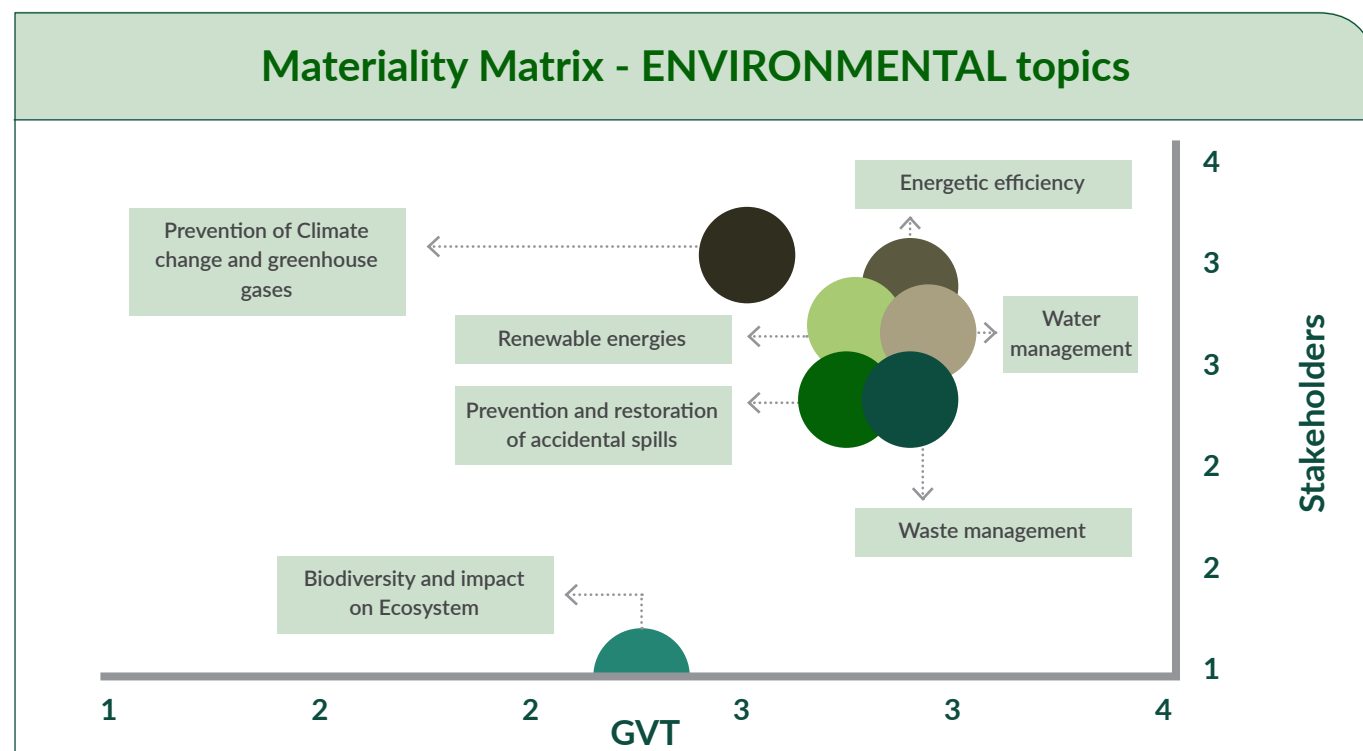


1.3 Materiality Matrix

In accordance with the reporting standards adopted, the methodological references used to create the **materiality matrix** are the **GRI Standards**, especially 'GRI 3: Material Topics 2021', which defines the process used by the organisation to identify the 'material topics' for reporting.

The **governance body** assessed whether the prioritisation made for the previous year complied with the new definition of dual materiality, and the analysis led to a positive outcome

Disclosure 2-29 Approach to stakeholder involvement



1.4 Mitigating negative impacts

Disclosure 2-25 Actions aimed at mitigating negative impacts

Gruppo Vecchia Toscana is committed to **minimising negative or undesirable impacts related to its activities**. An 'impact' is defined as the effect — be it actual or potential, positive or negative — that an organisation can have **on the economy, the environment and the people, including impacts on human rights**. An impact can be 'material' according to its significance, the latter being determined according to the criteria of the Standard used for this report.

POSITIVE IMPACTS

creation and distribution of economic value to the organisation's stakeholders

preservation of employment levels

use of energy from renewable sources and reduction of emissions

product and process innovations to reduce resource consumption with a focus on water

improvement of workers' well-being also through welfare plans

responsible waste management with a view to recycling and reuse

dissemination of good practices on anti-corruption and business ethics throughout the value chain

greater social cohesion through good inclusion practices

promotion of leather as up-cycling process of a food industry by-product

NEGATIVE IMPACTS

environmental and social impacts along the supply chain without monitoring practices for ESG factors

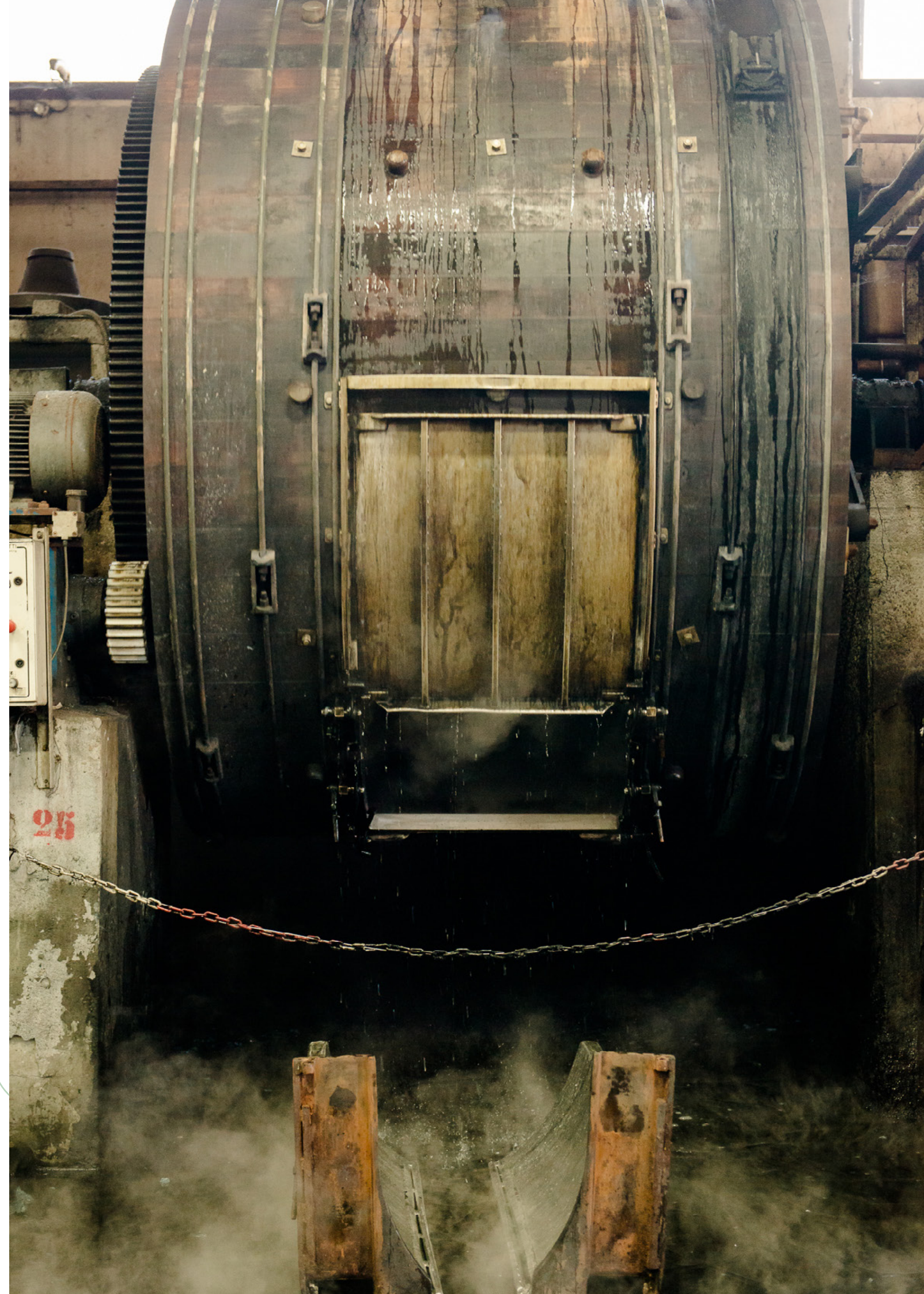
impact on global warming

use of energy from non-renewable sources

depletion of water resources in terms of quantity and quality of waste water and possible groundwater pollution

generation of waste intended for disposal

low attractiveness to new generations and challenging recruitment of skilled labour also due to limited career paths



CHAPTER

2

Group Identity
and Values2.1 The manufacturing district
and the history of GVT

Disclosure 2 – General information

GVT is part of the tanning district of Santa Croce sull'Arno, one of the largest tanning districts in Europe, with more than 250 companies. For more details on the characteristics of the district, please refer to the following links:

<https://www.distrettosantacroce.it/>

<http://www.assoconciatori.com/>

The tanning industry in Italy

Undisputed leader at international level, the Italian tanning industry accounts for about two thirds of European production and about 15% of world production. It is no coincidence that almost all the raw materials used by the main luxury brands come from Italian factories.

According to the latest data available
(<http://www.unic.it/conceria-italiana/industria-conciaria-italiana>),
the Italian tanning industry employs more than:

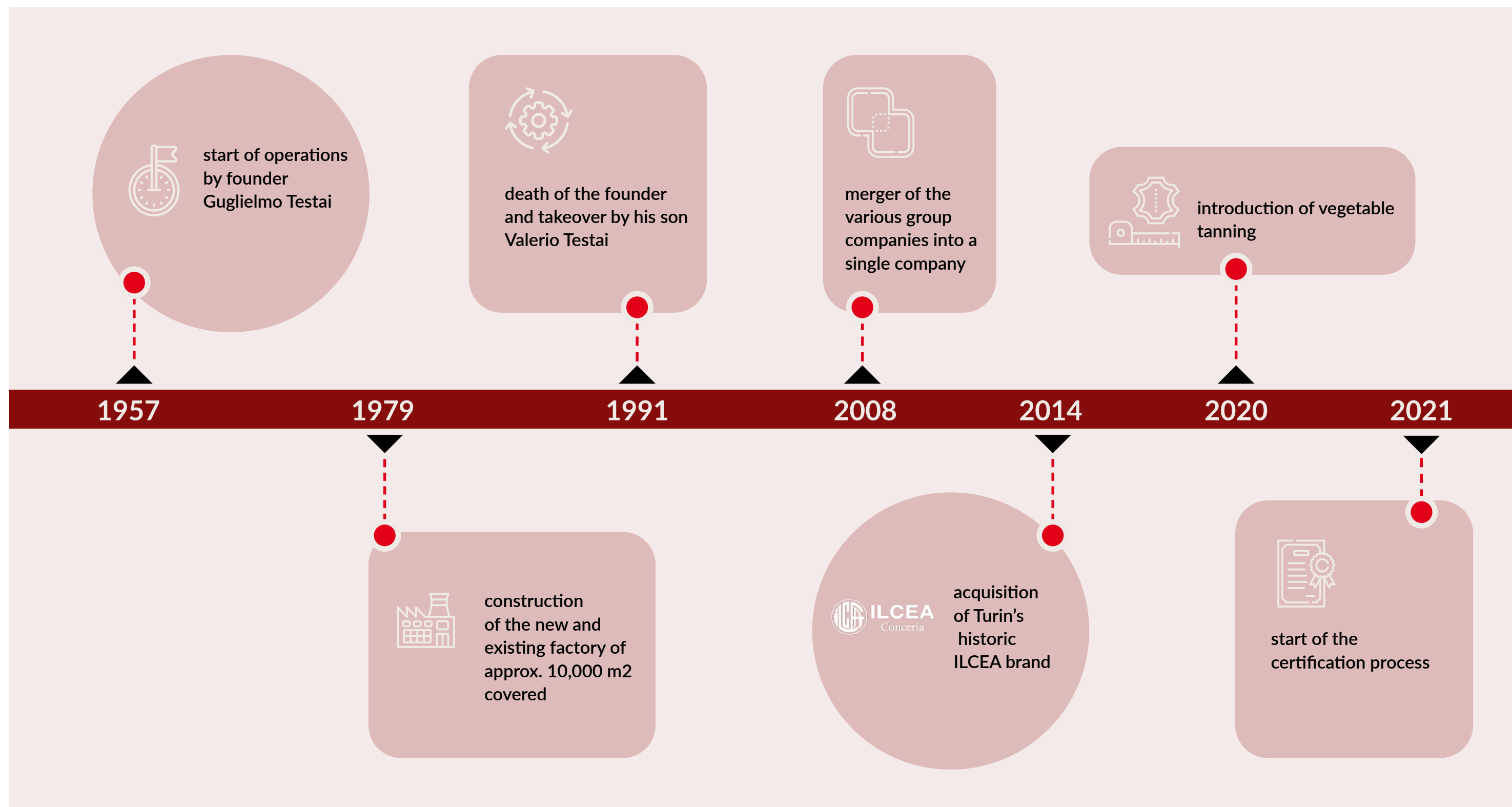
18mila
people

in more than
1.100
companies

generating an annual revenue
of approximately EUR
4,6 mld
billion

70%
of which is exported

The manufacturing district and the history of GVT



Vecchia Toscana has always processed its leather with an artisanal approach and with wide opportunities to customise each article, being able to satisfy the most diverse needs of its customers. This level of craftsmanship must be taken into account when assessing the diversity of products and articles offered in the time period taken as a reference, compared to other tanning businesses serving the furniture and automotive markets.

As of today, Vecchia Toscana has a manufacturing complex of over



25.000 square metres

including 18,000 covered square metres in the historic site in Ponte a Cappiano (Florence).



Leather waste

END-OF-LIFE WASTE

it can be re-used through the following processes:

- ▶ **MECHANICAL:** splitting and separation, direct re-use
- ▶ **THERMAL:** incineration, blending

MANUFACTURING PROCESS WASTE

it can be reused through the following processes:

- ▶ **MECHANICAL:** splitting and separation, direct re-use
- ▶ **THERMAL:** incineration, blending
- ▶ **CHEMICAL:** alkaline hydrolysis

TANNING WASTE

it can be reused through the following processes:

- ▶ **MECHANICAL:** splitting
- ▶ **THERMAL:** incineration, pyrolysis and gasification
- ▶ **BIOLOGICAL:** composting, anaerobic digestion
- ▶ **CHEMICAL:** alkaline hydrolysis

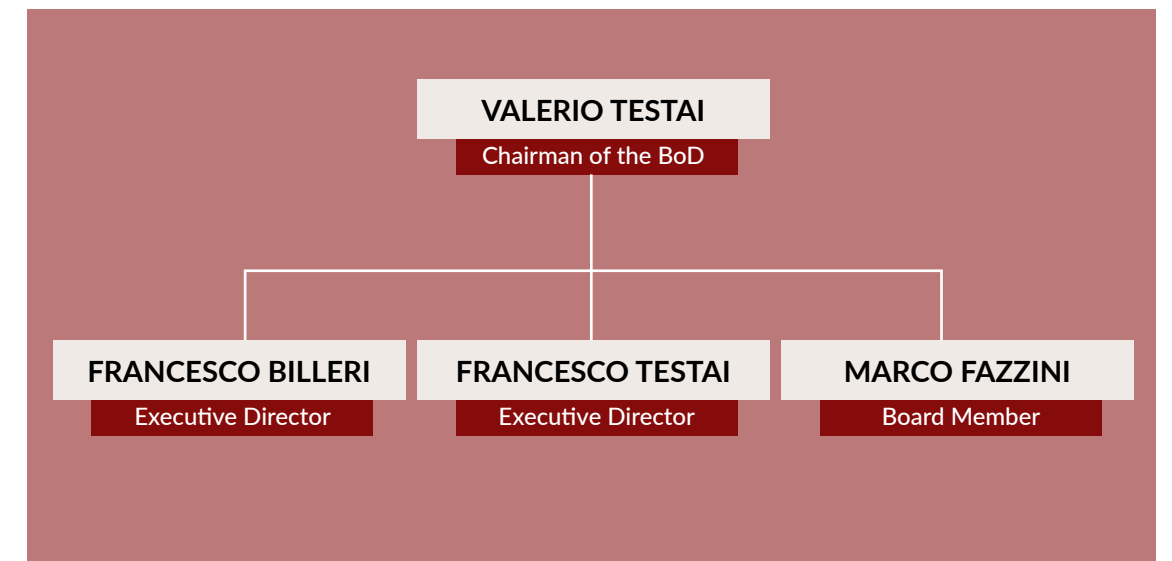


2.2 Organisation profile

The company's strategy has always been to **carry out full-cycle leather processing**, i.e. starting with the purchase of raw hides directly from slaughterhouses/breeders/food industry, and ending with the finished product, mainly sold to luxury brands, with only limited manufacturing steps being outsourced to third parties.

The company's customers are not end consumers, but rather mostly haute couture groups that use the material supplied by GVT to **produce goods for the luxury market**.

The composition of the governance body is shown below:

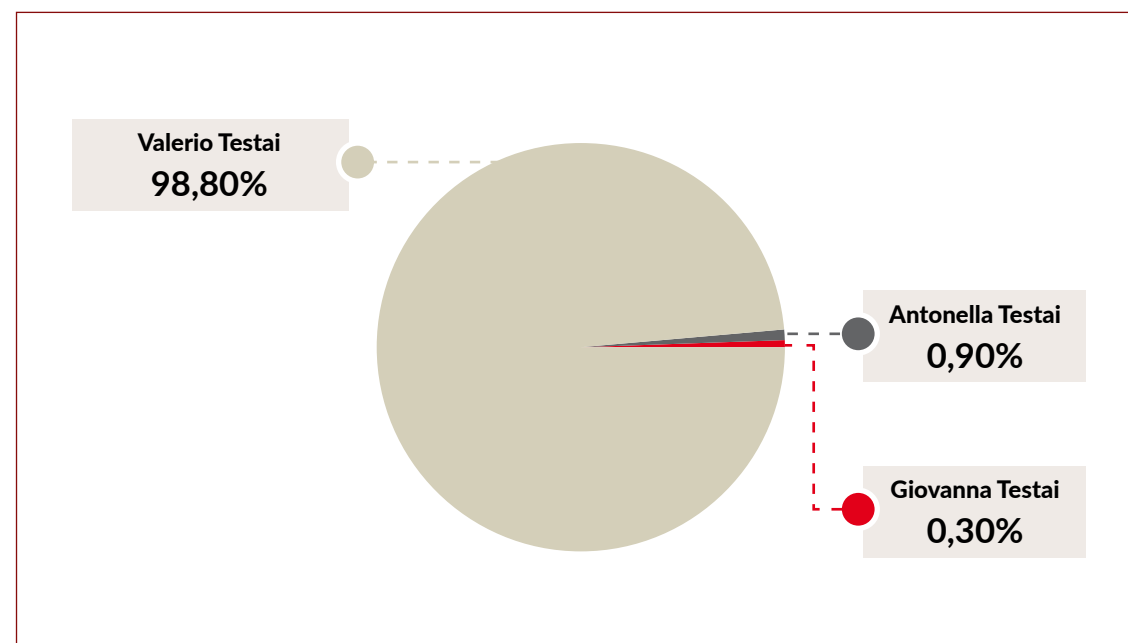


The board, in the outlined composition, will remain in office until the approval of the budget for the financial year 2025.

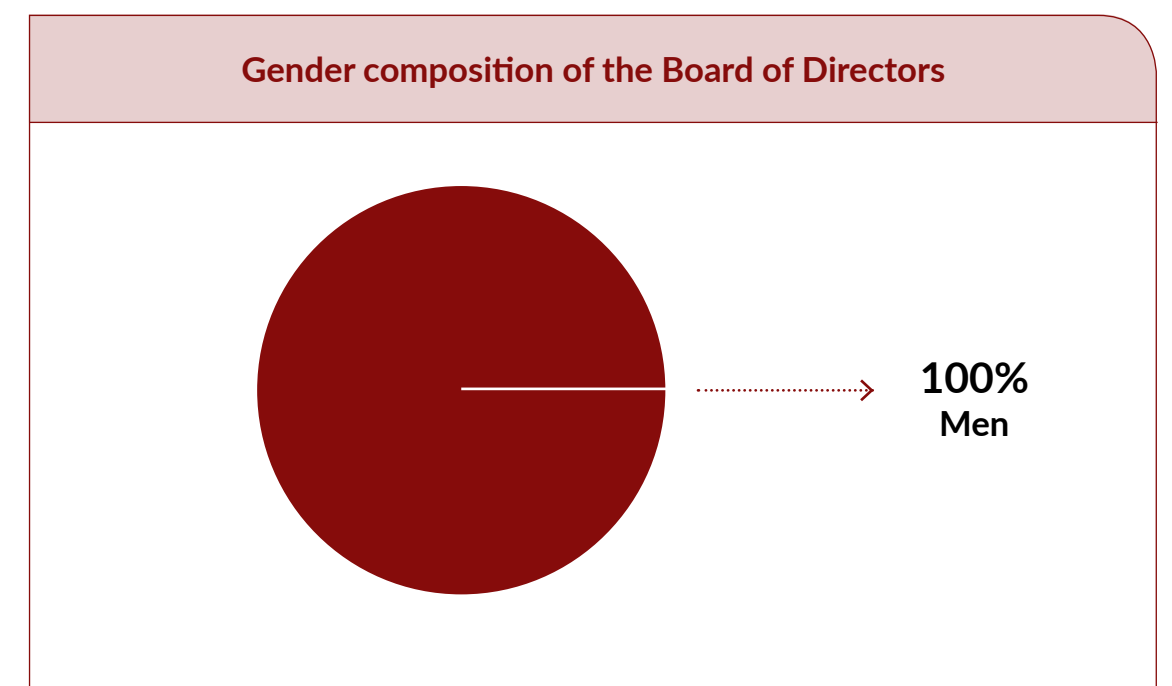
2.3 Ownership structure and Governance

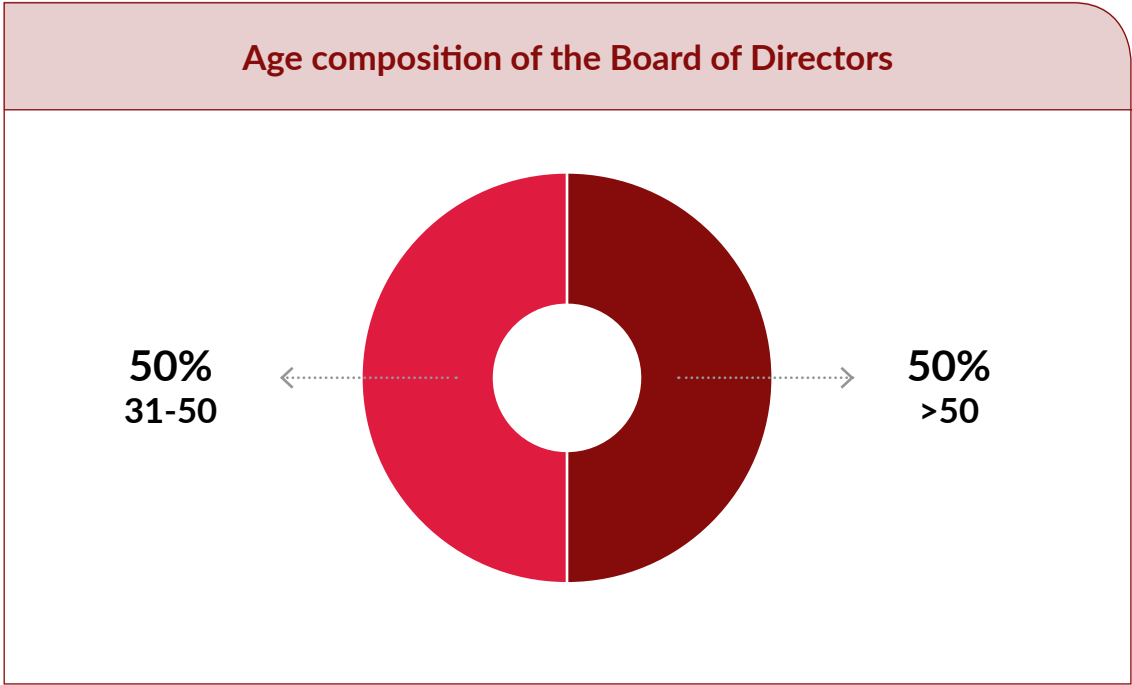
Disclosure 2-9 Governance structure and composition

The composition of the corporate structure is shown below:



Gender composition of the Board of Directors





The **Chairman of the Board of Directors**, who also holds the position of Chief Executive Officer, **is entrusted with all powers of ordinary and extraordinary administration**. With the exclusion of specific powers delegated to other directors, who are also individually responsible for the signature and representation of the company, the Chairman is vested with all powers in relation to the management of business activities. The reasons for such a broad attribution of powers in favour of the Chairman lie in the fact that it is **a family-run company founded by the current Chairman's father. Mr. Testai** holds slightly less than 99% of the share capital and it is therefore quite clear that the procedure for appointing the Board of Directors, while taking place in full compliance with the law and the Articles of Association, is a clear expression of his will.

The Chairman of the BoD also holds the management position of Head of Sales.

Given the ownership structure and family-based organisation of the company as well as the utmost transparency in communications between the members of the Board of Directors, there is no evidence of potential conflicts of interest

Disclosure 2-15 Conflicts of interest

Disclosure 2-19 Rules on remuneration

The ratio of the Chairman's annual salary to the median annual salary of all employees is 3.08.

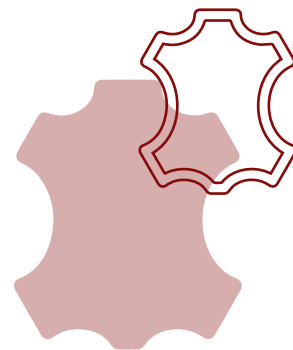
TOTAL REMUNERATION OF THE BOARD OF DIRECTORS	VALUE (€)
Chairman	
Executive Directors	
Non-executive Directors	
Total	151.240

Disclosure 2-21 Annual total remuneration ratio

	2021	2022
average number of employees	55,84	53,53
cost of employees (item B9a of P&L)	2.223.491,00	2.378.924,00
median remuneration	29.138,47	32.470,68
ratio of median employee remuneration to Chairman's remuneration	3,43	3,08
2022/2021 increase in employee remuneration		11,44%
2022/2021 increase in Chairman's remuneration		0,00%

Disclosure 2-10/11/12/13/16

With regard to the role of the highest governance body in **impact management control**, **the strategies** are developed and implemented exclusively within the Board of Directors, with no delegation of powers to third parties.



The Board of Directors and its Chairman have total control over data collection and evaluation and over the actions to be put in place for the **continuous improvement of the company's socio-environmental impact**. With regard to environmental data, the Board receives a report on a monthly basis.

It is also the responsibility of the highest governance body to review and approve the reported information, including the material topics and the definition of the procedure for reviewing and approving the information.

Given the proximity of the highest governance body with the various departments and functions of the company, critical issues that emerge on a day-to-day basis are addressed without special formalities as soon as they arise.

No power is delegated regarding the responsibility for managing the organisation's impacts on the economy, environment and people.



2.4 Trade associations

Disclosure 2-17/18

The Board is constantly informed about **news and innovations in the field of sustainability** thanks to industry-specialised media and the company's membership of the main trade associations. Additionally, one Board member has specific professional expertise in the field of **sustainability reporting**.

The company is a member of the **Associazione Conciatori**, a non-profit association set up in Santa Croce sull'Arno in 1976 as a trade association for tanning companies.

Around 150 tanneries specialising in chrome tanning, vegetable tanning and sole leather manufacturing are currently associated with the Associazione Conciatori, and they are located in the municipalities of Santa Croce sull'Arno, San Miniato and Castelfranco di Sotto (province of Pisa) and Fucecchio (province of Florence).

The Associazione Conciatori played a pivotal role in the development and growth of the tanning industry. The tanneries, also with the help of the association, are tackling major environmental issues, such as the construction of centralised sewage treatment plants, the

creation of industrial areas suitable to relocate tanneries from urban areas, the recovery of leather processing by-products, and the reuse of sewage sludge. Through the association, the tanning entrepreneurs have set up an articulate organisation of **'associated companies'**, which lead the industry regarding the **new environmental regulations on water, soil and atmosphere, in an effort to minimise their impact on the environment**.

In detail, the services offered by the Associazione Conciatori are as follows:

- a.** trade representation in dealings with public administrations at all levels, workers' trade unions, and economic bodies and organisations;
- b.** assistance to member companies on environmental regulations, accident prevention and hygiene in the workplace, financial incentives, professional training, contracts, exhibitions, international fairs.



2.5 Anti-corruption and legality

Disclosure 205-2 Communication and training on anti-corruption regulations and procedures

	2020	2021	2022
Total number of transactions assessed for risks of corruption	0	0	0
% of transactions assessed for risks of corruption	%	%	%

The company regularly conducts a **risk assessment** focused on corruption or, more generally, on the inclusion of corruption as a risk factor in the overall assessment of corporate risks. All Board members are adequately informed about anti-corruption policies.

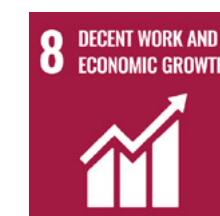
Ascertained incidents of corruption and actions taken

	2020	2021	2022
Total number of ascertained anti-corruption incidents, of which:	0	0	0
• led to dismissals/disciplinary actions against employees	0	0	0
• resulted in the termination of contracts with partners	0	0	0
Total number of public lawsuits involving GVT	0	0	0

Please note that on 29/08/2023 (ref. RT19116), the Antitrust Authority issued the following legality rating in favour of the **AGCM** Company:



2.6 Economic value distributed



Disclosure 201-1 Direct economic value generated and distributed

Added Value is a numerical expression representing the ability of a company to produce wealth and distribute it to its stakeholders.

A company's Added Value is, therefore, the point of contact between the Financial Statements and the Sustainability Report:

the Financial Statements provide **information on the operating profit** calculated by subtracting costs from revenues, while the Sustainability Report shows, among other things, the **composition of wealth produced by the company and its distribution** to the various stakeholders.



		2020	2021	2022
+	Revenues from sales	17.313.608	21.153.593	23.959.544
+/-	Variation in inventories	(2.169.590)	334.473	(574.695)
-	Remuneration of non-employees	(1.191.314)	(1.314.058)	(1.497.686)
-	Remuneration of suppliers	(11.503.252)	(15.840.970)	(17.884.587)
=	ADDED VALUE	2.449.452	4.333.038	4.002.576
-	Remuneration of employees	(2.708.748)	(3.052.157)	(3.274.595)
=	GROSS OPERATING MARGIN	(259.295)	1.280.881	727.981
-	Amortisation and depreciation	(258.841)	(562.871)	(583.012)
=	NET OPERATING MARGIN	(518.136)	718.010	144.969
+/-	Remuneration of Public Administration	27.854	(193.051)	166.156
+/-	Company remuneration	173.138	61.907	56.548
-	Donations	(10.200)	(15.596)	(12.450)
=	EBITDA MARGIN	(327.345)	571.271	355.222
-	Return of loan capital	(260.140)	(222.786)	(214.636)
=	RETURN OF EQUITY CAPITAL (OPERATING RESULT)	(587.484)	348.485	140.586

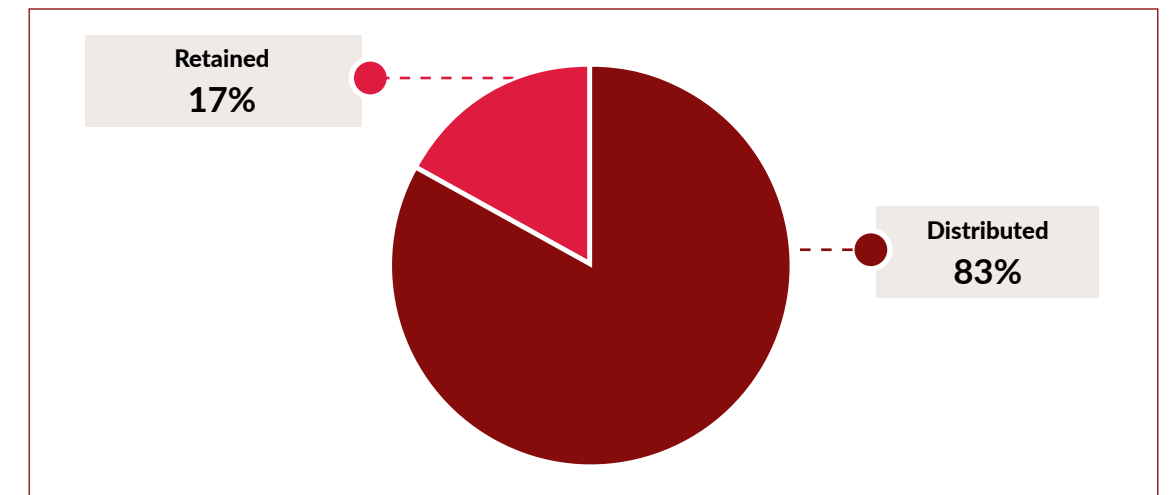
The table first shows the total Economic Value Generated by the company's ordinary operations and then the breakdown in terms of Economic Value Distributed and Retained.

The share of **Economic Value Distributed** is divided among the main stakeholders:

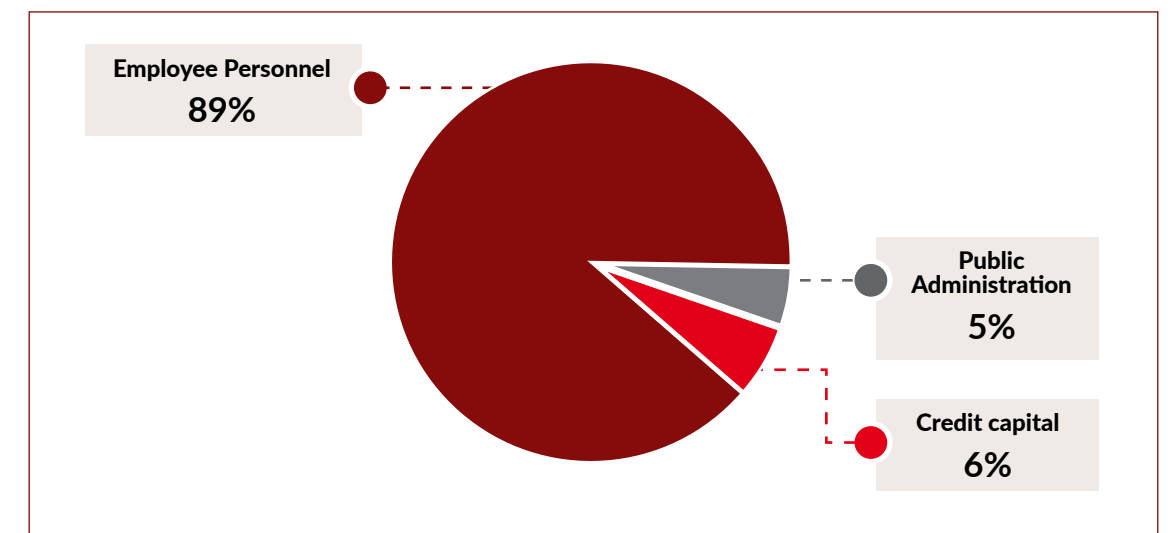


Economic Value Retained refers to **value adjustments, deferred tax assets and liabilities, allocations to provisions and operating profit.**

Allocation of 2022 Added Value



Details of 2022 Added Value Distributed



Disclosure 201-4 Financial assistance offered by the government

	2020	2021	2022
Grants	16.600	-	-
Tax credit	4.986	-	238.693
Total			238.693

(2022) electricity and gas tax credit for non-energy-intensive enterprises, investment credit
 (2021) SIMEST call for internationalisation, investment credit
 (2022) SIMEST call for internationalisation, sanitisation credit (ex-Covid-19), investment credit

2.7 Approach to taxation

Disclosure 207-1 Approach to taxes

It is confirmed that the Company does not hold any assets or engage in any transactions with parties residing in tax havens and, since it does not have any subsidiaries abroad, it does not use any incentives or specific strategies related to transfer pricing policies, and therefore GVT does not resort to any specific tax strategies, limiting **itself to compliance with Italian tax regulations in relation to each individual item of the financial statements.**

Disclosure 207-2 Governance related to taxes, risk control and management

All governance and tax risk control activities are entrusted to an external consultancy firm of chartered accountants experienced in taxation. Professionals are constantly in touch with the Chairman of the Board of Directors who **verifies that the company's activities comply with tax regulations.** The administrative staff in charge of the daily processes of active and passive invoicing are adequately trained in the relevant tax legislation.

No so-called 'aggressive' tax practices are consciously implemented by the company.

GVT pursues a policy of minimising the uncertainty of tax positions, avoiding any tax practices that could adversely impact the company's objectives or lead to financial or reputational damage. Additionally, the company is subject to the **auditing and verification** activities of the control body, identified by Italian law as the Board of Statutory Auditors, which **constantly monitors the tax policies adopted by the management**, verifying that they are compliant with Italian regulations and that they cannot be identified as 'risky'.

The control body did not ever report any issues of any kind regarding the tax policies adopted by the Company.

No change has therefore occurred compared to the previous year.



CHAPTER

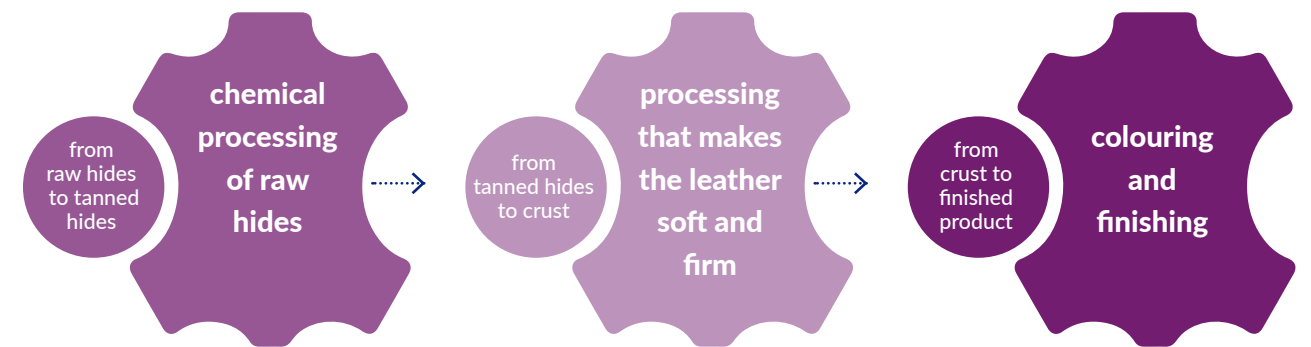
3

The Market



3.1 The tanning process

The tanning process can be divided into three stages:



From raw **to wet blue** (or wet white, depending on the process adopted): a set of processes aimed at obtaining the 'base' for all the articles produced and sold.

From wet blue (wet white) **to semi-finished or crust**: at this stage, the leather takes on the texture, colour and softness that will be further improved in the next stage.

From semi-finished (crust) **to finished product**: the final processing stage gives the leather their final appearance in terms of colour, brilliance and texture according to the end customer's specifications.



In order to maintain a high level of quality at all stages of manufacturing, GVT has implemented a **quality control** system in accordance with **UNI EN ISO 9001**.

In the event that ‘Non-Conformities’ are found on the manufactured leather, the Technical Director of each production area is responsible for implementing the envisaged procedures called ‘Non-Conformities, Corrective Actions and Preventive Actions’.

GVT has also obtained the ICEC_SC410 certification, which is aimed at checking the traceability of incoming hides and is applicable to a system of products made from those raw materials.



TS SC 410 ‘for a product system’

The search for market transparency also relates to the degree of control that tanneries (or raw hide traders) have over their supplies, including knowledge of the countries of origin of the raw materials (hides), slaughterhouses and farms from which they come.

Certification includes the analysis of a wide range of products (including those of multiple origins). **The traceability of the hides upstream of the tannery/ raw hide trader is mapped;** traceability checks on the production stages of the hides in the tannery are not included, however they are provided for in the UNI EN ISO 9001 procedure described above.

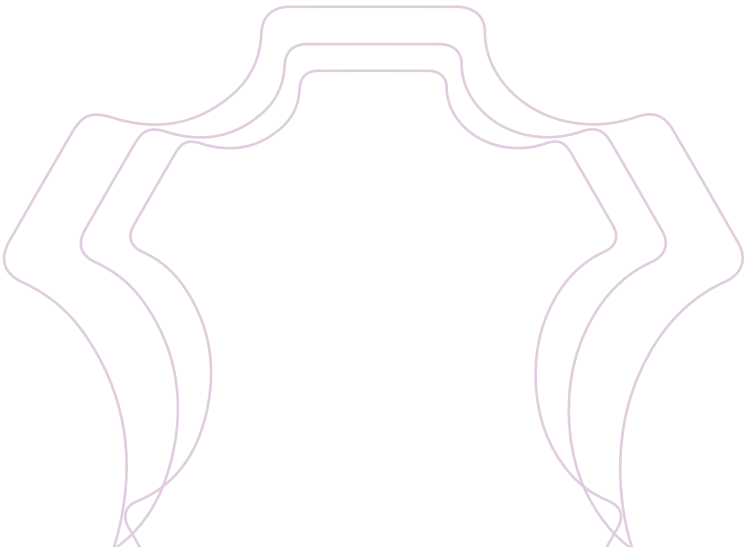
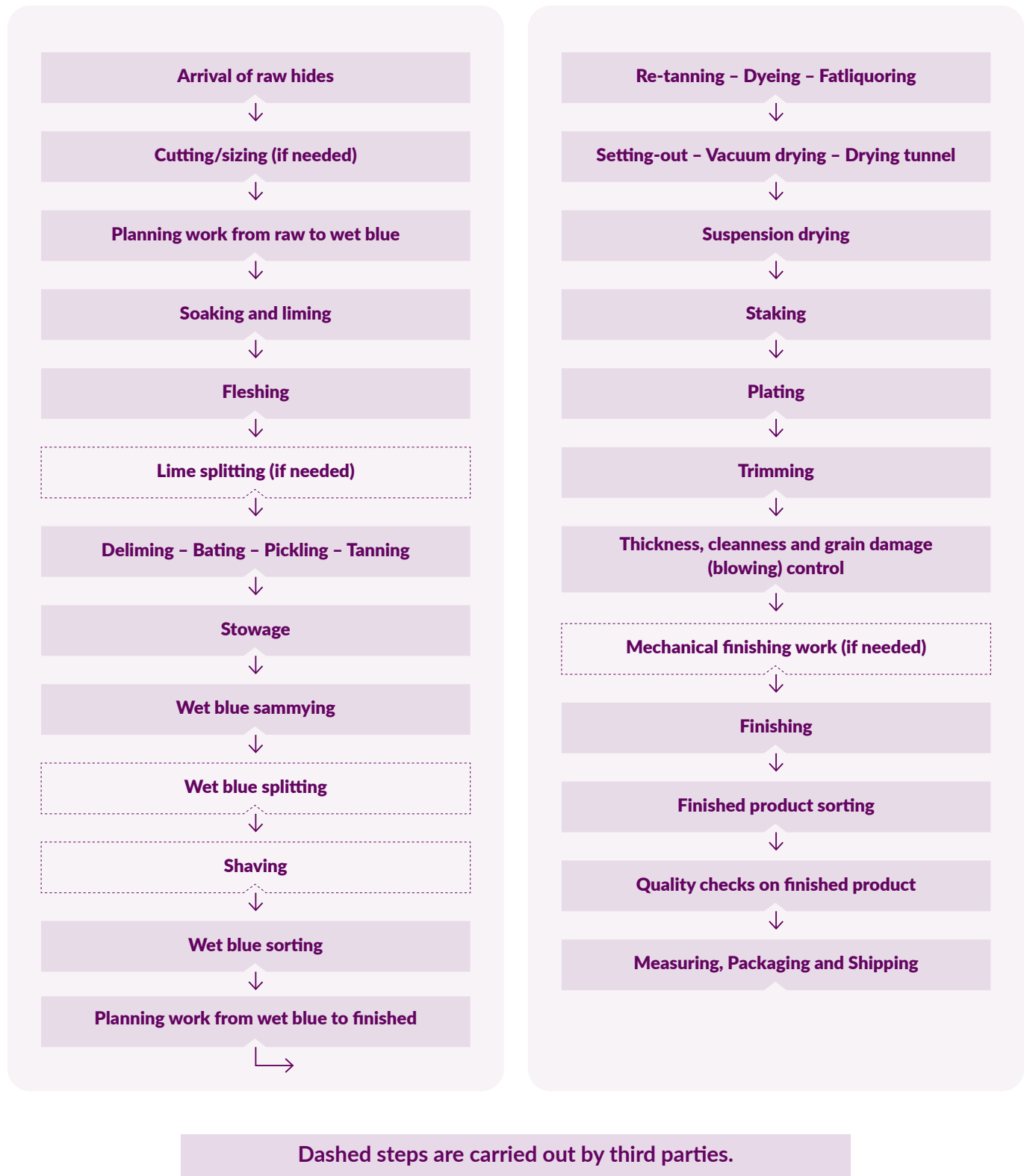


Chart of the Production Cycle



3.2 The supply chain

Disclosure 2-6 Activities, value chain and other business relations

The **sourcing of raw hides and skins** is of crucial importance in the context of the circular economy, since its processing consists of the recovery of a food industry waste.

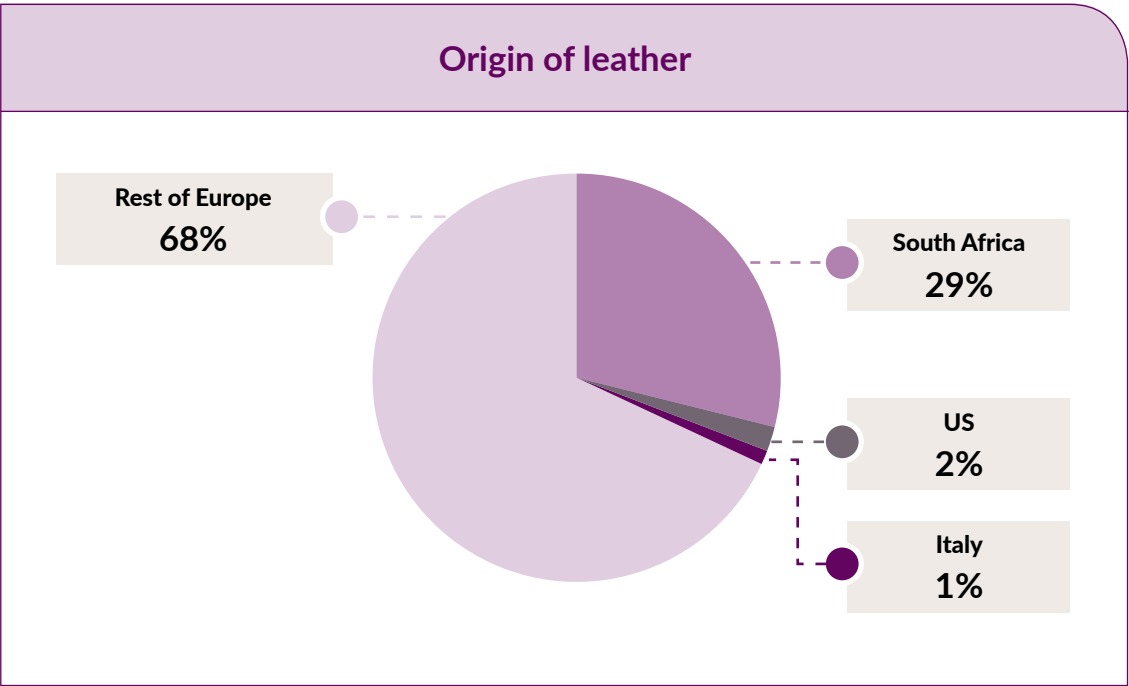
CHEMICAL OR CHROME TANNING

This is a leather manufacturing process based on the ability of trivalent chromium, through appropriate chemical reactions, to transform the raw hide into a waterproof and unalterable semi-finished product (so-called wet blue), on which various dyes can then be easily applied. To dispel a myth, chrome tanning is not harmful to human health and the waste from such process has always been recovered by using appropriate technical procedures

VEGETABLE OR TRADITIONAL TANNING

With 'vegetable' tanning, the transformation of the raw hide into a semi-finished product takes place by using substances of vegetable origin: these are tannins, i.e. natural extracts derived exclusively from vegetable sources such as wood, chestnut, quebracho, etc. Once its life cycle is over, a vegetable-tanned leather article can be disposed of more easily thanks to its chemical-biological characteristics





Disclosure 204-1 Proportion of expenditure to local suppliers

These are the key figures of the **supply chain**, in terms of:

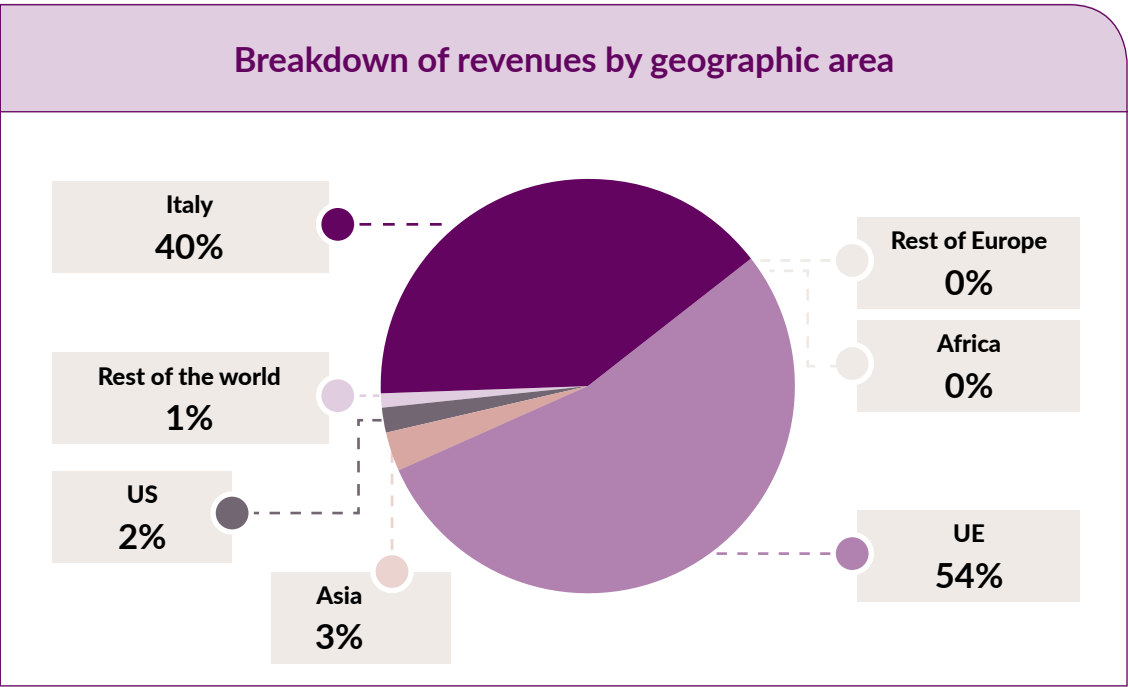
- type of good or service purchased;
- dependence on the main supplier for each category;
- location of the supplier in relation to the plant.

Type of purchase	Incidence of the item on total external costs	% from own manufacturing district	% from main supplier
Chemicals	23,77%	80% (Tuscany)	22,11%
Raw hides and skins	35,92%	13% (Italy)	17,82%
Sewage treatment	5,32%	100% (Tuscany)	100,00%
Externalised processes	7,25%	70% (Tuscany)	21,42%
Energy costs	6,92%	100% (Italy)	95,16%
Other	20,82%	100% (Italy)	n/a
Total	100,00%		

3.3 The Group’s products

Disclosure 2-1 Organisational details and 2.6

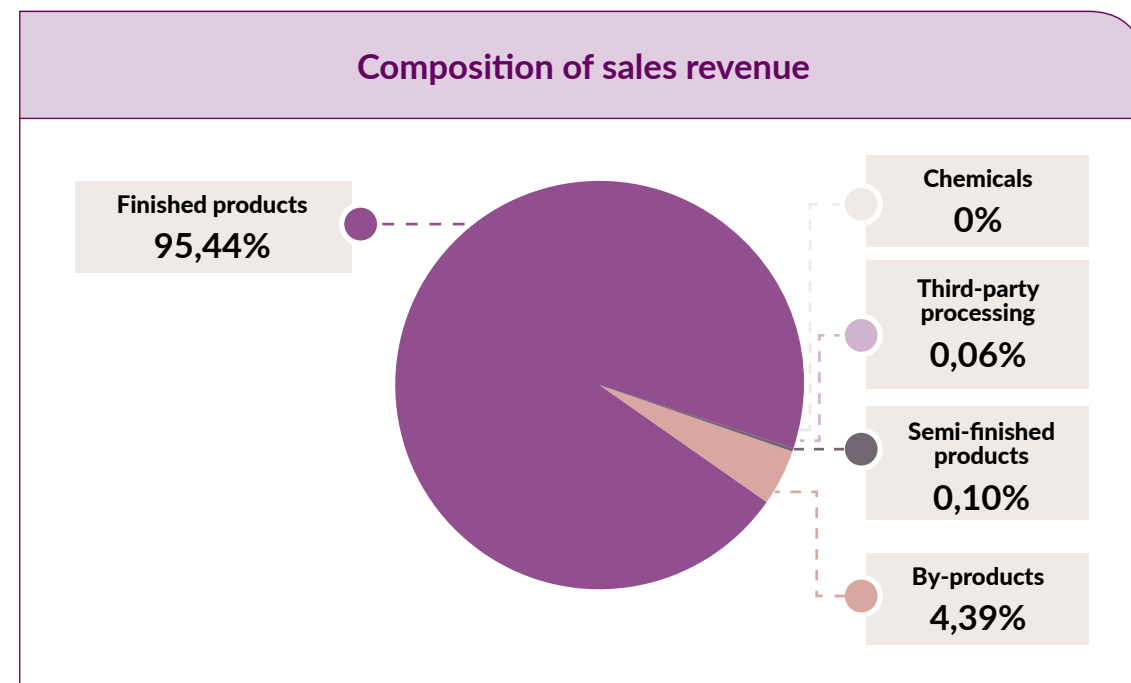
Below are some figures on the **breakdown of revenues by geographic area**. Compared to the financial year 2021, there was a slight decrease in the share of export revenues (-2%) in favour of the domestic market



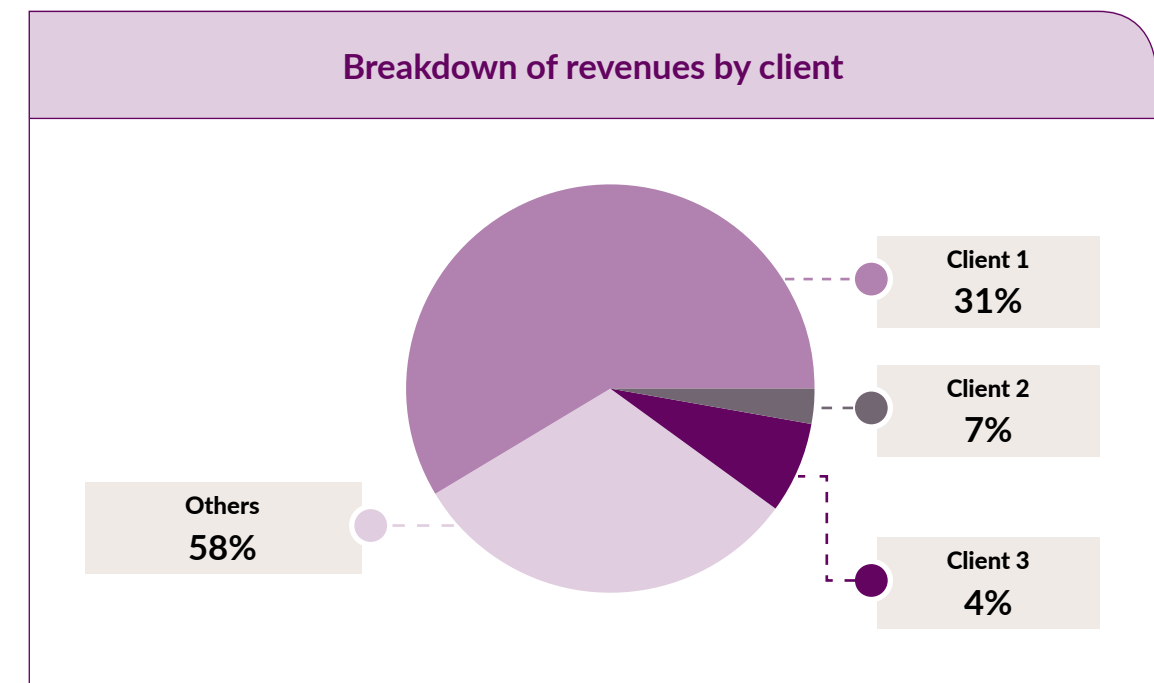
It is reiterated that no products handled by GVT are banned in certain markets; furthermore, none of them are subject to public debate by stakeholders.

Composition of sales revenue:

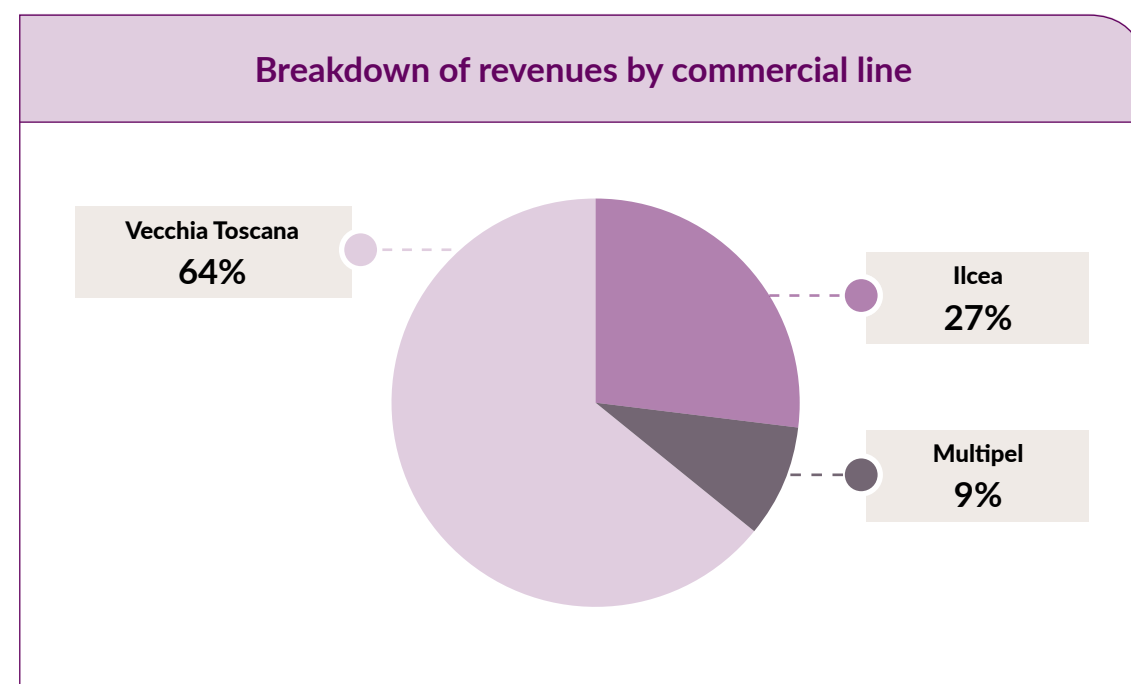
by product type



by client



by commercial line



3.4 Vecchia Toscana's trademarks

Gruppo Vecchia Toscana SpA is the owner of several registered trademarks.

Below are those that are commercially exploited as of the reporting date:



Changing the present
to build the future.

CHAPTER

4

Environment

As far as the environment is concerned, the concept of sustainability indicates the transformation process in which the exploitation of resources, the investment plan, the orientation of technological development and institutional changes are all in tune and enhance the current natural potential by preserving it for the future in order to meet human needs and aspirations.

Gruppo Vecchia Toscana believes that every country, every economic entity and every individual has a role to play in this **process of change**. The organisation, in compliance with the environmental laws applicable at the time, is committed to **implementing actions to reduce the impact of its activities on the environment**.



The organisation adopts appropriate procedures in order to identify relevant environmental aspects and assess the impacts related to all its activities and processes.

The company's activities are analysed, considering the different manufacturing processes and the facilities involved, and then the **relevance** of the **impacts** is assessed according to the following criteria: hazard, magnitude, duration, quantity and likelihood. The related impacts on the company in terms of reputation, cost of the 'remedy', licence to operate, and related economic and financial impacts are also analysed.

4.1 Certifications

GVT has implemented and maintains an **Environmental Management System** that meets the requirements of **UNI EN ISO 14001-2015**.

The certifications obtained by GVT

ICEC	UNI EN 16484 DESIGNATION OF ITALIAN ORIGIN OF LEATHER	
ICEC	ISO 9001 CERTIFIED QUALITY MANAGEMENT SYSTEM	
ICEC	TS_SC410 TRACEABILITY OF RAW MATERIALS (*)	
ICEC	ISO 14001 CERTIFIED QUALITY MANAGEMENT SYSTEM	
LWG	ENVIRONMENTAL PROTOCOL	
ICEC	SUSTAINABILITY CERTIFICATE	
UNIC	CODE OF CONDUCT AND SOCIAL ACCOUNTABILITY	

(*) ottenuta nel corso del 2022 e riferita anche al rispetto del welfare animale

4.2 Materials



Disclosure 301-1 Materials used by weight or volume

In order to guarantee high-quality products whose traceability can be verified at any time, GVT manages the purchase of materials for its manufacturing activities in a responsible and conscious manner.

Materials used by weight or volume

		renewable		estimated figure		2020	2021	2022
		yes	no	yes	no			
RAW MATERIALS	mq	●			●	690.000	795.775	886.901
RELATED MATERIALS (chemicals)	kg		●		●	1.635.669	2.152.884	2.451.432
SEMI-FINISHED	mq	●			●	-	40.323	54.456
PACKAGING MATERIALS	kg				●	60.170	107.835	92.174
Total Kg						2.030.483	2.443.012	2.805.486

Goals for improvement:

AUXILIARY MATERIALS		
OBJECTIVES	INTERMEDIATE	1% reduction in 2019 indicator for the year 2022
	MEDIUM-TERM	5% reduction in 2019 indicator by 2024
INDICATORS	kg chemicals / m2 leather produced	
ACTIONS	Analysis of finishing recipes/increased dilution in spray cleaning activities	
WORTH	2019 WORTH	1,81
	2022 WORTH	2,74
		Variation +51%

The apparent increase in the quantity of chemicals consumed per square metre of leather produced must be attributed to the change, expansion and, above all, the increasing differentiation of the range of products offered according to customer demands.

Furthermore, in the year under review, products were produced with a higher incidence of finishing steps leading to the inevitable increase in the consumption of auxiliary products, despite the increasingly **accurate controls** and **actions aimed at reducing waste**. However, the company maintains the goal of reducing this parameter.

During 2023, the company purchased **new solvent recovery equipment** that will lead to a **substantial reduction in the consumption of chemicals** in terms of both quantity and costs, as well as the resulting waste produced. The solvents thus recovered are used to clean the finishing machinery.

AUXILIARY MATERIALS (tannin)			
OBJECTIVES	INTERMEDIATE	n.a.	
	MEDIUM-TERM	90% use of environmentally sustainable tannin (FSC-labelled)	by 2023
INDICATORS	Certified tannin/purchased tannin		
ACTIONS	Purchasing 100% of the FSC-labelled tannin used in one year		
WORTH	2021 WORTH	78%	Variation
	2022 WORTH	n.d.	



Disclosure 301-3 Recovered products and their packaging materials

Packaging details:

	2020	2021	2022	%(*)
PLASTIC PACKAGING PURCHASE (kg)	7.322	10.766	8.739	(18,8%)
CARDBOARD PACKAGING PURCHASE (kg)	22.929	38.677	31.335	(19,0%)
WOODEN PACKAGING PURCHASE (kg)	29.919	58.392	52.100	(10,8%)
Total	60.170	107.835	92.174	(14,5%)

(*) % deviations in 2022 compared to 2021

It is noted that the actions taken to reduce the amount of packaging used and shift towards recyclable materials were successful.



4.3 Energy

Disclosure 302-1 Energy consumption within the organisation

Energy consumption is a significant component of manufacturing activities in the tanning industry; energy is consumed during all processing steps.

Therefore, GVT considers it crucial to be aware of its energy consumption and efficiency in order to implement the most effective **solutions and strategies to achieve significant industrial energy savings**. This is why GVT has the tools and technologies to **introduce, implement and monitor an energy management system**.

For the power supply of all other machinery and equipment located in the production site, **non-self-generated electricity** is used, including the power supply of all forklift trucks.



During the year under review, electricity produced from certified renewable sources was purchased to a large extent.

Energy consumption within the organisation

	U.M.	2020	2021	2022
a) total fuel consumption from non-renewable sources, of which:				
- natural gas	GJoule/s	22.898	26.472	21.116
- diesel fuel	GJoule/s	332	443	447
- liquefied petroleum gas		22	-	-
c) total energy consumed	GJoule/s	8.486	9.359	6.116
d) total energy sold	KWh			
total energy consumption a) +b)+c)-d)		31.738	36.274	35.312

source of the conversion factors used: <https://www.snam.it/it/stoccaggio/strumenti/convertitore.html>



Disclosure 302-3 Energy intensity Energy intensity(*)

	2020	2021	2022
a) energy consumption in GJoule/m2 of leather sold	0,0460	0,0456	0,0398
energy consumption in GJoule/Kg put into production	0,0156	0,0148	0,0126
c) type of energy included in the energy intensity:	fuel, electricity, heating, cooling, steam		

(*) internal only: consumption data from outside the organisation are not available

Disclosure 302-4 Reduction in energy consumption Goals for improvement:

ELECTRICITY			
OBJECTIVES	INTERMEDIATE	1% reduction in 2019 indicator for the year 2022	
	MEDIUM-TERM	5 % reduction following the introduction of a new steam boiler	by 2024
INDICATORS	kWh energy consumed / m2 produced leather		
ACTIONS	Commissioning of a new heating plant (steam boiler + hot water boiler) in October 2021		
WORTH	2019 WORTH	2,47	Variation -14%
	2022 WORTH	2,13	

Note: Thanks to the commissioning of the new boiler and more careful management of the production cycle, the results have gone well beyond expectations, having already achieved the medium-term target.

NATURAL GAS			
OBJECTIVES	INTERMEDIATE	1% reduction in 2019 indicator for the year 2022	
	MEDIUM-TERM	5 % reduction following the introduction of a new steam boiler	by 2024
INDICATORS	SCM gas consumed / m2 produced leather		
ACTIONS	Commissioning of a new heating plant (steam boiler + hot water boiler) in October 2021		
WORTH	2019 WORTH	0,58	Variation -17%
	2022 WORTH	0,48	

Note: Thanks to the commissioning of the new boiler and more careful management of the production cycle, **the results have gone well beyond expectations**, having already achieved the medium-term target.

NATURAL GAS			
OBJECTIVES	INTERMEDIATE	10% reduction after replacing the old boiler in use at finished goods warehouse	
	MEDIUM-TERM	20% reduction after replacing the old boiler in use at finished goods warehouse	by 2024
INDICATORS	SCM gas consumed		
ACTIONS	December 2020: replacement of the old boiler in use at the finished goods warehouse (which has a separate point of delivery compared to the tannery's main site) with a new generation boiler		
WORTH	2019 WORTH	13.170	Variation -13,17%
	2022 WORTH	12.714	

L'obiettivo intermedio è stato ampiamente raggiunto tuttavia il tasso di riduzione rilevato è in sostanza maggiore di quello calcolato in quanto, a valle delle azioni indicate negli obiettivi, nel PDR sono confluite ulteriori due caldaie (contro la sola del 2019) in precedenza alimentate a GPL e a gasolio.

4.4

Water

Disclosure 303-3 Water withdrawal

The world's need for water is constantly growing, while water reserves are limited and increasingly exposed to pollution. The challenge on a global level is to manage water in a sustainable way and to distribute it fairly between households, agriculture and industry, as well as among countries. GVT is committed to an efficient and sustainable use of water resources, undertaking to invest in implementing industrial processes that reduce the incidence of consumption per quantity of product processed. By 'sustainable use of water', GVT means both smart use and monitoring of consumption. Indeed, it is important to record successful company choices in order to maintain a high level of attention and to identify possible areas for improvement.



Water required for tanning processes is extracted from underground aquifers through special wells.



Water withdrawal

Fucecchio	U.M.	water stress area (*) Y/N	fresh water (**) Y/N	2020	2021	2022
a) b) and c) total water withdrawal, of which: groundwater	cubic metres	Y	Y	78.073	89.276	82.824

(*) Source: World Resources Institute (WRI)

The **quality of the water returned to the environment** after the production process is another topical issue in industrialised countries. In accordance with the applicable legal provisions, GVT constantly **monitors compliance with the parameters of waste water sent for sewage treatment**.

Waste water is sent to the centralised sewage treatment plant in Santa Croce sull'Arno managed by Consorzio Aquarno SpA. ¹

The centralised plant in Santa Croce sull'Arno receives water discharges from the manufacturing sites of the entire Tuscan tanning district located on the right bank of the Arno River; the inflow undergoing this treatment is similar to a mixture of tanning discharges, since they make up approximately **95%** of the volume.

The issues related to the treatment of this type of waste water has required **special care in the design and use of the plant**. Please refer to Consorzio Aquarno Spa's website for more detailed information on the treatment processes implemented in the plant's current set-up.



Quality of discharged water (annual average value) (*)

	PH	SS	COD	CHLORIDE	CHROMIUM	SULFATE	FIL COD	AMMONIA	M3
2020	7,43	2461	7817	3952	99	2004	3633	355	1707
2021	7,77	3085	8732	4100	104	2156	4142	413	1891
2022	7,46	3872	10162	5221	86	2341	4243	543	1595
var %	(3,99%)	25,51%	16,38%	27,34%	(17,31%)	8,58%	2,44%	31,48%	(15,65%)
benchmark	4-13	7000		8000	100	2500	8000		

(*) fresh water: up to 1,000 mg/L of total dissolved solids

As already highlighted in the comments under 'Materials', the change and expansion of the product mix has also led to an increase in chloride and sulphate values. Production is in fact increasingly oriented towards the luxury and premium market. For the manufacturing of these products, both the raw materials used (e.g. calves) and the recipes for tanning, retanning and finishing involve higher concentrations of certain chemical components, despite GVT's utmost attention to potential waste and continuous research into alternative chemical compounds to reduce concentrations in waste water.

In 2023, the company won a tender for the analysis, design and industrialisation of a liming and tanning water recovery system that will significantly reduce both water consumption and sewage treatment costs (what happens to the sewage sludge at the end of the cycle?).

1. For the operating methods of the sewage treatment system, please refer to the relevant documentation available on Consorzio Aquarno Spa's website: <http://www.depuratoreaquarno.it>



Disclosure 303-4 Water discharge

Water discharge

	U.M.	water stress area Y/N	fresh water (**) Y/N	2020	2021	2022
a) b) and c) total water discharge, bound to: surface water	cubic metres	Y	Y	75.798	89.635	79.600

(**) fresh water: up to 1,000 mg/L of total dissolved solids

Disclosure 303-5 Water consumption

Water consumption

	U.M.	water stress area Y/N	fresh water (**) Y/N	2020	2021	2022
total water withdrawal	cubic metres	Y	Y	80.553	95.296	87.724
total water discharge	cubic metres	Y	Y	75.798	89.635	79.600
difference = consumption				4.755	5.661	8.124
total water consumption	cubic metres	Y	Y	4.755	5.661	8.124
total water withdrawal	cubic metres	Y	Y	80.553	95.296	87.724
consumption/withdrawal incidence				5,90%	5,94%	9,26%
incidence of consumption per m2 produced				0,007	0,007	0,009
incidence of consumption per kg produced				0.002	0.002	0.003

(**) fresh water: up to 1,000 mg/L of total dissolved solids



The increase in water consumption actually represents an **improvement in environmental performances** for the following reasons:

- the increased amount of waste water sent to the Consorzio Recupero Cromo (Chromium Recovery Consortium), which after the treatment processes returns 'clean' water to the environment, should not be considered as consumed water. Since the Company does not have the exact quantities of water reintroduced into the environment, in compliance with strict reporting criteria, this is not included in 'total water discharge' but in 'waste not intended for disposal';
- the CRC returns a significant portion of the chromium delivered in solution to the Company, thus implementing a virtuous policy of recovery and reuse of raw materials;
- all of the above has undoubtedly positive economic and financial impacts.

Goals for improvement:

WATER WITHDRAWAL			
OBJECTIVES	INTERMEDIATE	1% reduction in 2019 indicator for the year 2022	
	MEDIUM-TERM	4% reduction in 2019 indicator	by 2024
INDICATORS	m3 water withdrawn / m2 produced leather		
ACTIONS	Raising awareness of a more careful management of resources		
WORTH	2019 WORTH	0,11	Variation -15%
	2022 WORTH	0,09	

Note: Thanks to the optimisation of the production process, **the result was achieved.**

4.5 Emissions

In the transition towards sustainability, there is a crucial variable for companies, organisations and the entire environmental ecosystem: it is the so-called **'carbon footprint'**, which is used to estimate the greenhouse gas emissions caused by a product, a service, an organisation, an event.

GVT calculates direct and indirect greenhouse gas emissions based on direct and indirect energy consumption according to the **GHG Scope 1 and 2** methodology and using the following sources:

- a** ABI energia: linee guida sull'applicazione in banca degli standards GRI in materia ambientale 2021;
- b** ISPRA - Italian Greenhouse gas inventory 1990-2019 National Inventory Report 2021;
- c** FIRE - law 10/91, appointment of the Energy Manager.



Disclosure 305-1

Indirect emissions of direct GHG (Scope 1)

	2020	2021	2022	% Var previous year
a) direct GHG emissions in tonnes of CO ₂ equivalents (natural gas, diesel fuel and LPG), of which:	1.180	1.367	1.095	(19,94%)

Disclosure 305-2

Indirect emissions of indirect GHG (Scope 2) – location-based

	2020	2021	2022	% Var previous year
a) GHG emissions from energy consumption (gas and electricity) - location-based, of which:	1.839	2.093	1.687	(19,41%)
Indirect (electricity)	658	726	592	
Electricity on total consumption (%)	36%	35%	35%	

Indirect emissions of indirect GHG (Scope 2) – market-based

	2020	2021	2022	% Var previous year
a) GHG emissions from energy consumption (gas and electricity) - market-based, of which:	n/a	n/a	n/a	
Indirect (electricity)	1.087	1.200	194	(83,83%)
Electricity on total consumption (%)	n/a	n/a	n/a	

Indirect emissions of total GHG (Scope 1 and 2)

	2020	2021	2022	% Var previous year
a) total GHG emissions (gas and electricity), of which:	2.926	3.293	1.881	(42,89%)
Indirect (electricity)	1.745	1.926	786	
Electricity on total consumption (%)	60%	58%	42%	

Disclosure 305-4 Intensity of greenhouse gas (GHG) emissions

Intensity of GHG emissions

	2020	2021	2022
a) GHG emission intensity - CO2 equivalent per Kg produced	0,843(*)	0,857(*)	0,601

(*) Please note that the 2020 and 2021 figures were revised during 2022 due to benchmark error.

Disclosure 305-7 Nitrogen oxides (NOx), sulphur oxides (SOx) and other

Nitrogen oxides (NOX), sulphur oxides (SOX) and other relevant emissions

Emissions of dust, hydrogen sulphide, nitrogen oxides and solvents from the various production departments (emissions controlled through constant monitoring) are managed within the authorisations issued by the control bodies and always show concentrations below the legal limits.

For dust emissions, the air is treated by means of:



Emissions of solvents (VOCs, Volatile Organic Compounds) are managed within the relative management plan transmitted on a six-monthly basis to the Region of Tuscany, **Environment and Energy Department** and to **A.R.P.A.T.**, as required by the regulations and by the **air emission authorisation (art. 275 of Legislative Decree 152/06)**, and with the provision of wet scrubbers on the automatic pigmentation lines for the abatement of water-soluble compounds.



VOC per product unit	
VOC/m2	
2019	77g
2020	70g
2021	74g
2022	58g

The company also **recovers and disposes of spent solutions** containing organic solvents classified under code **CER 140603**.

Goals for improvement:

OBJECTIVES	AIR EMISSIONS		
	INTERMEDIATE	1% reduction in 2019 indicator for the year 2022	
	MEDIUM-TERM	5% reduction in 2019 indicator	by 2024
INDICATORS	g COV / m2 produced leather		
ACTIONS	Analysis of finishing recipes / Increased dilution in spray cleaning activities Raising staff awareness of spray cleaning activities		
WORTH	2019 WORTH	77	Variation -25%
	2022 WORTH	58	

Note: Thanks to more careful management of solvents in the manufacturing process, the result has been achieved and the medium-term target has already been reached.



4.6 Waste

It should be noted that during 2022, the Company carried out a major **reclamation of asbestos roofing in its production facilities**. Please find below the actions taken together with the respective goals for improvement:

Goals for improvement:

ASBESTOS RECLAMATION (main plant)			
OBJECTIVES	INTERMEDIATE	to reclaim in 2022 =>1,500 m2 out of total 9,000 m2	
	MEDIUM-TERM	Completion of reclamation work	31/12/2026
INDICATORS	m2 reclaimed / total m2 to be reclaimed		
ACTIONS	Awarding the contract to a specialised company and dividing work into 5 lots		
WORTH	Due to delays on the part of the supplier, the first stage will be completed in the first half of 2023		
ASBESTOS RECLAMATION (minor plant)			
OBJECTIVES	INTERMEDIATE	to reclaim 20% in 2022=>600 m2 out of total 2,700 m2	
	MEDIUM-TERM	Completion of reclamation work	31/12/2027
INDICATORS	m2 reclaimed / total m2 to be reclaimed		
ACTIONS	Awarding the contract to a specialised company and dividing work into 5 lots		
WORTH	Due to delays on the part of the supplier, the first stage will be completed in the first half of 2023		

Disclosure 306-3 Waste produced



The only sustainable way to dispose of industrial waste is through separate collection. Recycling, which was created to protect the environment, generates positive impacts and creates value for society, since its effects improve the quality of life, and also has positive effects on employment.

GVT considers the **adoption of sustainable behaviour** to be a priority, and when it comes to waste, its aim is to extend the life cycle of the products used as much as possible. Furthermore, GVT is committed to differentiating waste by category to allow re-use of all materials that can be reprocessed and re-used for new applications.

GVT pursues good waste separation practices, i.e. identifying specific technologies and processes for the disposal, treatment and compaction of hazardous and non-hazardous special waste, and of waste that can be treated as municipal waste (e.g. plastics, steel, aluminium, paper, glass, wood, etc.).

In the **‘outside-in’** view of dual materiality, one of the objectives is also the reduction of costs from services and taxes associated with waste production.



Waste produced

	2020	2021	2022
total weight in tonnes of waste produced	4.141	4.331	6.891
Impact on total quantities produced (kg)	0,204%	0,177%	0,246%

Disclosure 306-4 Waste not landfilled
Waste not intended for disposal

	2020	2021	2022
a) total weight in tonnes of waste not intended for disposal, of which:	4.009	4.259	6.833
hazardous	39	38	51
non-hazardous	3.971	4.220	6.782
on-site			
at an external site	4.009	4.259	6.833

To fully understand the reasons for the increase in waste produced, see the box in section 4.4 on water sent to the Consorzio Recupero Cromo (CRC).



Disclosure 306-5 Waste landfilled
Waste intended for disposal

	2020	2021	2022
a) total weight in tonnes of waste intended for disposal, of which:	132	72	58
hazardous	4	4	15
non-hazardous	128	68	43
bound to:			
incineration with energy recovery			
incineration without energy recovery			
landfilling			
other disposal procedures	132	72	58
disposed:			
on-site			
at an external site	132	72	58
% incidence on quantities produced (kg)	0,006%	0,003%	0,002%

Goals for improvement:

WASTE			
OBJECTIVES	INTERMEDIATE	1% reduction in 2019 indicator for the year 2022	
	MEDIUM-TERM	3% reduction in 2019 indicator	by 2024
INDICATORS	kg chemicals / m2 leather produced		
ACTIONS	Raising staff awareness of a more careful management of activities		
WORTH	2019 WORTH	5,25	Variation +48%
	2022 WORTH	7,76	

Note: The total value has increased, but if we exclude the wet section (CER 04.01.04 and 04.01.99) the value has significantly decreased; the new target will be to focus on the wet section.

CHAPTER

5

Investing in People



Disclosure 401-1, 405-1



- The preservation of employment levels, the enhancement of skills, and the health and safety of workers are core values of GVT's relationship with its employees.



- GVT has long internalised the concept that **investing in people** means protecting the company's future.

Recent tragic world events have shown that GVT's workforce is united and motivated, but also properly organised, and the company has therefore managed to overcome the challenges related to the pandemic and the macroeconomic consequences of the war in Ukraine and other ongoing tensions and conflicts without serious consequences.



- GVT is also fully aware that investing in personnel means having strong roots and creating an **efficient 'mechanism'** capable of responding to pressures and stress and working as one for the same goal: sustainable growth.

The aim is to work as a team, in order to add value to the outcomes of individual work and to increase the sense of belonging.

The well-being of people is a key factor in GVT's business strategies, which is why a corporate welfare plan was implemented in 2022.

5.1 GVT's Welfare Plan

CORPORATE WELFARE makes it possible to meet the individual and family needs of our people, without any charge, through the enjoyment of a series of benefits, which also derive from collective bargaining and reflect local industry agreements.

More in detail, each employee has the opportunity to **convert the entire gross amount of the performance bonus into welfare tools** such as, for instance, travel purchases, cinema and gym subscriptions, dental care, medical check-ups, or the reimbursement of expenses incurred for the purchase of school books, school trips, study trips and university fees for their children. This also includes additional payments to the supplementary pension fund Previmoda and the supplementary health care fund Sanimoda, with the possibility of extending supplementary health care to the whole family.



Finally, adherence to company welfare plans provides an additional incentive such as a 10% annual revaluation of the gross bonus amount.



In recent years, the development of Diversity & Inclusion has also emerged in Italy as an essential condition for growing business and promoting efficiency and competitiveness. On our pathway to the 2030 Agenda, the focus on people and the promotion of diversity cannot be ignored, and governments and companies are called upon to do their part through the ‘Leave No One Behind’ call.

For private companies, it is well-established that heterogeneity, together with inclusion, **improves company performance** and, consequently, **financial performance**. Good D&I practices attract talent, support innovative and creative processes, improve the company’s internal atmosphere and reputation.

GVT **condemns all forms of discrimination** and strives to ensure that people feel their **personal dignity** is respected, that they are evaluated fairly, and that their skills are recognised without discrimination based on gender or any other element unrelated to job performance.

The clear numerical predominance of one gender within the company’s workforce does not contradict this statement. It is in fact not a symptom of a gender gap or discrimination but only the consequence of a manufacturing process that in some departments requires considerable physical strength and in general does not have much appeal to other genders.

Moreover, GVT is characterised by a significant and **growing inclusion** of non-European nationals. This figure, if read together with employees’ domicile within 40 km of their workplace, makes it possible to assess the positive impact on local development and employment.

	2021	2022
Italy	89,47%	89,00%
EU	1,76%	0,00%
Non-EU	8,77%	11,00%

5.2 New hires and turnover

Disclosure 401-1

	2020	2021	2022
a) total number and rate of new hires in the reporting period of which:	57	57	55
Full-time	54	54	53
Part-time	3	3	2
of which:			
Fixed-term	7	9	2
Permanent	50	48	53
of which men:	45	45	46
Age < 30 years	3	3	3
Age > 30 years and < 50 years	17	19	16
Age > 50 years	25	23	27
of which women:	12	12	9
Age < 30 years	2	2	1
Age > 30 years and < 50 years	5	5	4
Age > 50 years	5	5	4
Total hours worked	62.578	85.007	83.835
Hirings	7	7	6
Resignations	5	7	5
Firings	1	0	1

TEMPORARY WORKERS	2020	2021	2022
Total	9	8	10

INCIDENCE	2020	2021	2022
Full-time incidence on the total	95%	95%	96%
women's incidence on the total	21%	21%	16%
under-30 incidence on the total	9%	9%	7%
30/50 incidence on the total	39%	42%	36%
over-50 incidence on the total	53%	49%	56%
temporary workers' incidence on the total	16%	14%	18%

The analysis of the data confirms the considerations and trends already discussed in the budget for the financial year 2021: very low turnover level and consequent stability in relationships with consolidation of employees' skills. There also remains the problem of finding skilled workers in the lower age groups to ensure the transfer of knowledge and skills in connection with retirement and generational change.

Disclosure 401-3 Parental leave

	2020	2021	2022
Number of employees who were entitled to parental leave, of which:			
Women	n/a	n/a	1
Men	n/a	n/a	3
Number of employees who took parental leave, of which:			
Women	n/a	n/a	1
Men	n/a	n/a	3
Number of employees who returned to work at the end of parental leave, of which:			
Women	n/a	n/a	1
Men	n/a	n/a	3

5.3 Health and safety at work

Disclosure 403 - Health and safety at work

For GVT, **safety** is an extremely important aspect. In full compliance with the regulations in force, **the company draws up the risk assessment document** required by Articles 17 and 28 of the Consolidated act on safety in the workplace.

The risk assessment document contains:

- a report on the assessment of all risks, specifying the criteria that were used to carry out the assessment;
- the indication of the prevention and protection measures implemented and the personal protective equipment adopted as a result of the assessment;
- the programme of measures to ensure the improvement of safety levels over time;
- the identification of the procedures for implementing such measures and the roles in the company organisation who must provide for them and who must have adequate skills and powers;
- the indication of the person in charge of the prevention and protection service, of the workers' safety representative or the local representative and of the competent doctor who contributed to the risk assessment;
- the identification of the tasks that expose workers to specific risks and that therefore require recognised professional capacity, specific experience, adequate education and training.

The health and safety management system covers all employees and also workers who are not employed but whose work and/or workplace is controlled, even temporarily, by the organisation.

The validity of the system adopted is evidenced by the absence of occupational diseases and the irrelevant number of accidents.

Disclosure 403-9 Occupational accidents

Occupational accidents

	2020	2021	2022
(a) for all employees:			
i. number and rate of deaths as a result of occupational accidents	0	0	0
ii. number and rate of occupational accidents with serious consequences	0	0	0
iii. number and rate of occupational accidents recorded	1	0	2

For non-employee personnel, no accidents were recorded for the three-year period 2020-2022.

Disclosure 403-10 Occupational diseases

Occupational diseases

	2020	2021	2022
(a) for all employees:			
i. number of deaths resulting from occupational diseases	0	0	0
ii. number of cases of occupational diseases that can be recorded	2	0	0

For non-employee personnel, no occupational diseases were recorded for the three-year period 2020-2022.

Disclosure 404-1 Average number of annual training hours per employee

Average annual training hours per employee

	2020	2021	2022
a) average hours of training provided to employees:			
i. by gender:			
Men	1,78	4,04	3,13
Women	6,75	7,00	2,67
ii. by category:			
Workers	2,58	4,85	7,06
Office workers	2,25	2,13	2,82

Note On Gri Methodology

Disclosure 2-3

This **Sustainability Report** was approved by the **Board of Directors** on 15/12/2023 and published on the company's website (www.vecchiatoscana.com).

This Sustainability Report is prepared on a voluntary basis since GVT is not one of the entities obliged to apply Legislative Decree 254/2016. The company decided to draw up this Sustainability Report with the aim of **fostering a transparent dialogue with its stakeholders, based on mutual trust and cooperation.**

Reporting period

This document contains data and information for the financial year ended 31 December 2022 in comparison with the years 2021 and 2020 and coincides with the economic and financial reporting period.

Reporting scope

Reported information refer to the activities carried out in the production site located in Fucecchio (Florence).

References to international standards

The document, with the aim of data reliability and comparability, was drawn up on the basis of the **2021 GRI STANDARDS** issued by the Global Reporting Initiative with the application level 'in accordance with'.

The indicators were chosen on the basis of the **materiality analysis** conducted. The data and information were provided by the various corporate functions and refer to internal management sources. In order to ensure the reliability of the information reported, preference was given to the use of measurable quantities, avoiding the use of estimates as much as possible. It should be noted that information for previous periods was not reviewed.

External audit

This report has not been subject to an **independent external audit**. It should be noted, however, that GVT has obtained and continuously renews the quality certifications referred to in Section 4.1. These certifications are issued by an independent third party and therefore the processes underlying this non-financial disclosure are largely protected from the risk of self-referral.

The reporting areas disclosed in this Sustainability Report have been identified according to the principle of materiality and by applying the reporting principles that define its content and quality: **inclusion of stakeholders, completeness of information, sustainability context, balance, comparability, clarity, timeliness, reliability and accuracy.**



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GRUPPO
VECCHIA TOSCANA S.p.A.

**Gruppo Vecchia Toscana Spa thanks
all those who participated and
contributed to the creation of this
Sustainability Report.**



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