

The background of the entire page is a dense, overlapping pattern of green leaves, creating a textured, natural look. The leaves are in various shades of green, from light to dark, and their veins are visible.

# **Sustainability Report 2023**



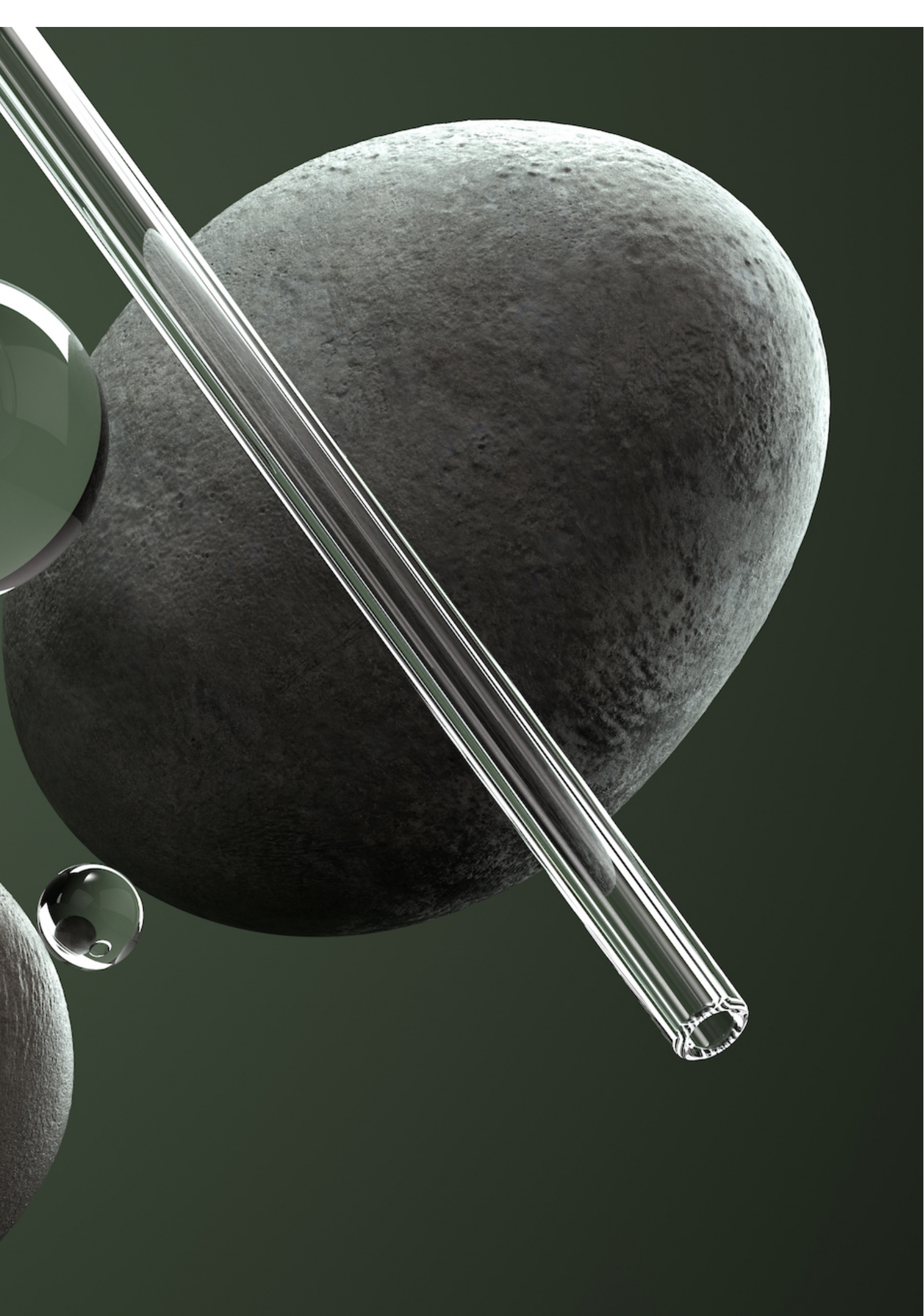


# driving leather FORWARD

**Since 1955, we have been supporting the circular economy.**

In Pasubio, we value ethics and sustainable practices and honor our commitments, ensuring the utmost respect for our people, our planet, and our company.









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## Dear Readers,

through the fourth edition of the Sustainability Report, **Pasubio Group confirms and renews the commitment it has made to people, the environment and animal welfare** by promoting the integration of sustainability principles into every area of its business.

In addition to global challenges such as climate change and energy TRANSITION, 2023 also saw the entry into force of the EUDR *“Regulation (EU) 2023/1115 concerning the making available on the Union market and the export of certain raw materials and products associated with deforestation and forest degradation”* which has introduced new challenges into some sectors, including the tanning industry. The Group, which has always been attentive to the quality and certified origin of the leather used, is actively working with all stakeholders involved in order to meet the requirements of this European Regulation.

During 2023, the Group continued its growth path by launching new production sites in the Veneto region, South Africa and Mexico, and expanded the range of products offered

to customers with to include new high-performance polyurethane-based products with minimal environmental impact thanks to the use of biopolymers.

Our R&D department in collaboration with the entire Management Team is continuously engaged in the process of introducing and implementing new technologies, including robotics and artificial intelligence, in order to optimise products and processes by promoting the circular economy and continuous improvement of the impact of our business on the environment and people.

The path towards the sustainability of our business does not end in 2023, but will continue next year and into the future as an ongoing journey devoted to continuous improvement with the ultimate goal of zero impact.

I wish everyone a good read.



**LUCA PRETTO**  
CEO



# Pasubio Group

## SUSTAINABILITY KPI'S 2023

**RETAINED** value

**17 M€**

6





GOVERNANCE

354 M=€

Total  
VALUE CREATED

336 M=€

Total  
VALUE DISTRIBUTED

9,049,085 m²

Square metres  
OF FINISHED LEATHER SOLD

PEOPLE

1,588

Including internal employees  
AND EXTERNAL CONTRACTORS

ENVIRONMENT

19,190  
tCO<sub>2</sub> eq

Total CO<sub>2</sub> eq. emissions  
INTO THE ATMOSPHERE

202,090  
GJ

Total energy  
CONSUMPTION

996  
MEGALITRES

Total water  
DISCHARGED



# OUR APPROACH WITH stakeholders

The centrality of the relationship with stakeholders is embodied daily in constructive and effective dialogues and discussions to help in guiding how Pasubio Group does business.

Understanding the needs of stakeholders helps to outline future business objectives effectively. In line with its mission, Pasubio Group has always placed its stakeholders at the centre, considering them the main catalysts for creation of value, through a model based on relationship and listening. For each type of stakeholder, the following chart shows the specific channels of dialogue are identified that allow direct and continuous interactions to be managed over time.

The impetus driven by the growing importance of sustainability issues and awareness of the impact on the territory, society and environment of business processes have helped to accelerate the Group's focus on sustainability issues and the implementation of continuous improvement in managing ESG aspects.

It is on this basis and with this ambition that Pasubio Group assumes the responsibility to make its stakeholders even more involved in its commitment to society and the territory, its attention to human resources and the environment throughout the value chain.





# COMMUNICATION

Pasubio Group believes it is essential to preserve direct relations with all stakeholders, while aware that technology can help to establish a more agile dialogue. Its objective is to promote the most

direct communication channels possible in the medium term, focused on listening, sharing and active dialogue with all stakeholders regarding the sustainability path and business issues.

The main active communication channels with stakeholders are listed below:

STAKEHOLDERS	ENGAGEMENT, INTERACTION AND DIALOGUE ACTIVITIES
<b>Employees and contractors</b>	Corporate welfare projects and/or initiatives Whistleblowing Company meetings with RSU (Amalgamated Trade Union Representatives) to share results and objectives Refresher and training courses Information bulletin boards at factories and offices Operational focus points Feedback encounters, individually or in working groups
<b>Suppliers</b>	Meetings Sharing of the Code of Ethics
<b>Trade associations</b>	Discussion meetings
<b>Commercial intermediaries</b>	Meetings Exchange of product-related technical documentation
<b>Customers</b>	Meetings Surveys and market research Ongoing dialogue through communication channels (e.g., e-mail, telephone, social media, website) Ability to access customer services
<b>NGOs (non-governmental organisations)</b>	Occasions for discussion
<b>Local community</b>	Projects to support and/or sustain social initiatives Participation in local events Interaction with citizens and their representative bodies Sharing of communications via website and social networks
<b>Universities and research institutions</b>	Implementation of projects targeting academia to foster innovation and research Participation in university fairs and career days to showcase the organisation Presentation of Pasubio as a case study during university lectures Discussion with new possible collaborators from universities and schools
<b>Public administrations and institutions</b>	Website and social networks Institutional and specific meetings dedicated to sustainability issues Corporate disclosures and press releases
<b>Investors and Shareholders</b>	Meetings Corporate disclosures
<b>Media</b>	Institutional website and social media Invitation of communication partners to public events organised by Pasubio Group Press releases
<b>Trade Union organisations</b>	Periodic meetings with Amalgamated Trade Union Representatives to review performance and define and share initiatives Communications and meetings on individual situations to be addressed



# Materiality

## ANALYSIS

Materiality analysis is a key process for identifying the ESG issues most relevant to Pasubio Group and its stakeholders and for defining the sustainability topics to be included in the reporting document.

Following the changes introduced by the GRI Universal Standards 2021, organisations have had to address the concept of “impact materiality”, transforming the way they assess and communicate their impacts on the economy, environment and society.

Specifically, the new standards require material topics to be considered not only on the basis of the relevance attached to them by organisations and stakeholders, but also by assessing the associated impacts that are generated or could be generated on the economy, the environment and people, including human rights. Analysing the individual impacts produced from the inside-out (the so-called “inside-out” perspective) makes it possible to determine the organisation’s overall contribution to sustainable development.

This holistic approach makes it possible not only to identify the issues that are actually relevant to a business in a more timely manner, but also to focus attention on them in strategic planning and in the Sustainability Report.

In 2022, Pasubio Group conducted a first update of the materiality analysis in line with these principles and chose to represent it using the materiality matrix tool, where it plotted the impacts generated on the x-axis and the relevance of the issues according to the Group’s stakeholders on the y-axis.

In the second update conducted in 2023, the Group took a further step forward, revising – where appropriate – the wording of the material topics and, for each of them, identifying a detailed and timely description of the positive and negative impacts, actual and potential, generated by the Group in dealing with the external context.

Specifically, the update consisted of the following steps:

- **Understanding of the context**

An analysis of the Group’s activities, business relationships, sustainability context and relevant stakeholders was carried out, with the aim of gathering the necessary information in order to identify impacts. In addition, a detailed benchmark analysis of the main industry peers was conducted.

- **Identification of the nature of impacts**

The impacts identified were classified as positive and negative, actual and potential, direct and generated through business relationships, short term and medium to long term.

- **Assessment of the materiality of impacts**

Impacts were assessed through a workshop involving the company’s front lines. Specifically, the assessment of impacts involved assigning a score from one to five and was based on the following parameters: scale, scope and level of remediability (the latter only for negative impacts). When assessing potential impacts, the level of likelihood of their occurrence was taken into account. The combination of these factors defined the level of materiality of the impact.

This process resulted in the definition of the following impacts:

## Pasubio's impacts

SUSTAINABILITY THEME	POSITIVE IMPACT	NEGATIVE IMPACT	LEVEL OF MATERIALITY
<b>Business ethics</b>	Promotion of strong business relationships through raising awareness of the principles of responsible conduct	Violation of relevant laws and regulations (e.g., anti-corruption, tax regulations, environmental regulations, etc.) and unethical business practices	●●●●○
<b>Customer satisfaction and safety</b>	Improvement of business relationships through careful management of customer needs and expectations	Deterioration of the service delivered due to insufficient monitoring of non-compliance and failure to collect feedback	●●●●○
	Customer engagement through sharing the Code of Ethics, company policies, and ISO 9001:2015 management practices		
<b>Supply chain management</b>	Enhancement of the local economy and district dynamics through the promotion of nearby supplies	Negative environmental and/or social impacts generated by the supply chain and caused by failure to implement policies for responsible supply chain management	●●●●○
<b>Economic performance</b>	Economic contribution to the territory and stakeholders guaranteed by business continuity and robustness		●●●●○
<b>R&amp;D and Innovation</b>	Reduced environmental impact of the product processing stage through the development of new technological solutions		●●●●○
	Maintaining competitiveness through investment in research and innovation and partnering with universities and research institutions		
<b>Worker health and safety</b>	Adequate worker knowledge of workplace hazard and risk reporting systems and identification of corrective actions	Increase in injuries and near-miss incidents due to insufficient prevention and monitoring activities	●●●●○
	Extension of 45001:2018 certification to all Group sites for better management of health and safety issues		
<b>Working conditions</b>		Increased outgoing turnover due to lack of retention initiatives	●●●●○
	Promotion of retention by opening channels for dialogue, discussion and feedback by the HR department		

● Governance ● Social ● Environment



SUSTAINABILITY THEME	POSITIVE IMPACT	NEGATIVE IMPACT	LEVEL OF MATERIALITY
<b>Diversity and Inclusion</b>	Creation of an inclusive environment through training activities, feedback systems and discrimination management	Limited presence of women in top positions due to lack of specific initiatives	● ● ● ● ● ○
<b>Relationship with the community</b>	Improved performance related to the circular economy underpinned by industrial district dynamics		● ● ● ● ● ○
<b>Biodiversity and deforestation</b>	Protection of biodiversity through responsible sourcing that aligns with the key conservation requirements for ecosystem functions	Indirect contribution to loss of biodiversity and deforestation due to raw material sourcing activities	● ● ● ● ● ○
<b>Animal welfare</b>	Responsible sourcing and use of meat industry co-products within a circular business model		● ● ● ● ● ○
<b>Pollution (emissions in water, air and soil)</b>	Coordination of monitoring initiatives to reduce risks of environmental contamination from volatile substances and solvents	Contamination of environmental matrices caused by the release of chemicals related to production processes into the environment	● ● ● ● ● ○
<b>Management of chemical products</b>	Implementation of control systems for the safe management of chemicals in production processes in line with ZDHC principles	Health impacts on workers and users of the finished product caused by the use of harmful chemicals in production processes	● ● ● ● ● ○
<b>Climate change</b>	Active support for conservation of the biosphere by assessing its own impacts and commitments to decarbonisation along the supply chain	Contribution to climate change due to lack of commitment to Carbon Footprint reduction	● ● ● ● ● ○
<b>Management of water resources</b>	Reduced water consumption of production processes through implementation of innovative technologies and proper wastewater management	Increased water demand caused by the lack of water resource management measures	● ● ● ● ● ○
<b>Waste and circular economy</b>	Reduction in the total amount of waste produced through initiatives that promote circularity of materials	Lack of specific initiatives on circularity of materials due to deficient technology scouting initiatives	● ● ● ● ● ○

Regarding future development, the Group envisions a gradual and structured path involving stakeholders that results in further updating the

analysis from a “double materiality” perspective, in line with the new European standards for sustainability reporting.

## ESG RISK ASSESSMENT

A path of change and mitigation of the impacts of business activities also requires constant risk assessment, which Pasubio Group carries out based on periodically checked and updated schemes. The subject of these assessments are both strategic decisions to ensure the responsible growth of the company as well as the implementation of industrial and sustainability plans.

The Board of Directors, a Governance body supported by the company's management for day-to-day management, is working on ESG risk assessment and any mitigation actions in the following areas:

- quality;
- health;
- safety;
- environment.

The assessment takes into account the sector in which Pasubio Group operates, stakeholder expectations, and the following aspects:

- macro-processes;
- macro-areas;
- business activities;
- events that may impact processes;
- events that may impact business continuity.

Among business risks, the main aspects identified, monitored and actively managed are as follows:

- general economic performance;
- financial resource requirements;
- market;
- environment and territory;
- human rights of workers;
- corporate integrity.

Pasubio Group places particular focus on the environmental impacts of its operations, a focus that also extends to the supply chain.

The main ESG areas are as follows:

- supply chain;
- greenhouse gas emissions and pollution;
- health, safety and the environment;
- human rights and working conditions throughout the value chain;
- business ethics and supply chain ethics;
- potential business disruption.

In facing a competitive, technologically increasingly developed and demanding marketplace, risk assessment and implementation of mitigation actions constitute a monitoring system to meet the demands of customers and stakeholders in achieving better results.



# Section I

## **Introduction**

## 1 About Pasubio Group

- 1.1 Mission and values
- 1.2 Governance
- 1.3 History of the Group
- 1.4 Pasubio Group leathers
- 1.5 Quality and excellence in Pasubio Group's choices
- 1.6 Economic performance and responsible growth
- 1.7 Choices for the common benefit: community and territory



# ABOUT Pasubio Group

One of the main players in the leather processing industry on the international scene, recognised worldwide as a leading producer of luxury car leather, obtained from raw materials treated with traditional and alternative tanning methods. Its success stems from the determination and entrepreneurial spirit of the Pretto family, who founded the company and established the benchmark in terms of quality, innovation and reliability in the leather industry.

The Group is convinced that its commitment to sustainability must also be transformed into concrete goals, without merely declaring lofty ideals. That is why it has decided to pursue corporate pol-

icies that aim for more efficient production and consciously address the reduction of dependence on fossil fuels, pollution and waste generation, and the scarcity of natural resources.

Through this systemic, inclusive and transparent approach, Pasubio Group has established sustainability as one of the main pillars of its constant process of expansion and internationalisation, engaging in the search for innovative solutions capable of responding to the needs of the moment and working closely at all times with all its stakeholders to combine economic growth, environmental protection and respect for society.

The continuous expansion of production has resulted in twelve production plants to date, distributed geographically as follows:

## PRODUCTION PLANTS

**7** plants in Italy

**1** plant in Serbia

**1** plant in Mexico

**2** plants in Germany

**1** plant in South Africa<sup>1</sup>

The Group plans to strengthen its presence in Mexico and develop an industrial plant for leather production in North America. To this end, it plans to start up a new factory by 2024-2025 in the city of Leon, already known as an industrial park where several tanneries are operating.

1. The registered office was established in 2023. The plant will become operational during 2024.

## STRUCTURE OF PASUBIO GROUP

The corporate structure in itself shows the group's readiness for growth in the territory and international expansion, both distinguishing factors that reflect Pasubio Group's vocation:

<b>CONCERIA PASUBIO S.p.A. - ARZIGNANO PLANT - HEADQUARTERS (ITALY)</b> Via II Strada 38, 36071 Arzignano (Vicenza) Headquarters and production plant, stages: retanning, dyeing, finishing and measuring of hides.	<b>CONCERIA PASUBIO S.p.A. - ZERMEGHEDO PLANT (ITALY)</b> Via Valdichiampo 11, 36050 Zermeghedo (Vicenza) Production plant, stages: retanning, dyeing and mechanical processing.	<b>CONCERIA PASUBIO S.p.A. - ALMISANO DI LONIGO PLANT (ITALY)</b> Via Casette, 5, 36045 Almisano (Vicenza) Production plant, stage: finishing.
<b>CONCERIA PASUBIO S.p.A. - TRIM DIVISION (ITALY)</b> Via Vicenza 34/c, 36071 Arzignano (Vicenza) Production plant, stage: cutting.	<b>CONCERIA PASUBIO S.p.A. - PASUBIO INTERNAL DESIGN DIVISION (ITALY)</b> Via VI Strada 65, 36071 Arzignano (Vicenza) Warehouse	<b>CONCERIA PASUBIO S.p.A. - SABAC PLANT (SERBIA)</b> Filipa Visnjica Sabac Street, Misar (Serbia) Production plant, stage: cutting.
<b>CONCERIA PASUBIO S.p.A. - PRETORIA PLANT (SOUTH AFRICA)</b> 322 Alwyn St, Waltloo 0184 Pretoria (South Africa) Production plant, stage – not active in 2023	<b>ARZIGNANESE S.r.l. (ITALY)</b> Via del Lavoro 14, 36071 Arzignano (Vicenza) Production plant, stage: liming, tanning and dyeing.	<b>INNOVA S.r.l. (ITALY)</b> Via Lucio Cosentino, 10, 37041, Albaredo d'Adige (VR) (Verona) Production plant, stage: coating on leather and leather-like synthetic material.
<b>GD SERVICIOS INTERNACIONALES DEL NORTE (MEXICO)</b> Parque Industrial Finsa del Norte H. Matamoros, Tamps 87316 Production plant, stage: cutting.	<b>GDI Assemblies LLC<sup>2</sup></b> 700 E. Washington St. Brownsville, Texas 78520 Offices	<b>HEWA LEDER GmbH (GERMANY)</b> 1) An d. Zugspitze 42, 09599 Freiberg, Germany 2) Draisendorfer Weg 8, 95111 Rehau, Germany Production plants, stages: retanning, dyeing, finishing and measuring of hides.



2. The Company has one registered office with three employees, who work in the company GD Servicios Internacionales del Norte. For the purposes of this report, the three employees have been included as employees of GD Servicios Internacionales del Norte and consequently also included in the various indicators provided on the following pages related to Health and Safety in GD Servicios Internacionales del Norte.



# 1.1

## Mission AND VALUES

### VISION

“To be a global, innovative and reliable benchmark in making each car interior a unique experience”.

### MISSION

“To create sustainable value through international growth, operational excellence and team spirit”.

## CODE OF ETHICS

Pasubio Group bases the conduct of its activities on the five fundamental principles contained in its Code of Ethics:

Respect for the environment and the health and safety of employees and collaborators

Professionalism and due diligence

Fairness, courtesy, and respect in relationships among colleagues

Loyalty of employees and collaborators towards the Company

Ethically correct behavior of the Company and its various stakeholders in compliance with the laws





These principles underlie the Group's strategic choices and behaviours, in the belief that a quality product can only be obtained where these values constitute a common and shared ethos throughout the value chain.

Pasubio Group strives to make the principles of its Code of Ethics a reality, assuming the responsibilities that flow from them while strengthening trust, cohesion and corporate spirit. This translates into training and information actions on the content of the Code, with the following objectives:

- to disseminate the standards, procedures and practices to be followed;
- to promote and strengthen the corporate culture around the recognised values;
- to broaden consensus around the principles underlying the Code.

The ethical standards of conduct that Pasubio Group seeks to pursue are as follows:

- **fairness and equality in the treatment and recognition of the value of human resources;**
- diligence, transparency, honesty, confidentiality and impartiality in carrying out business activities;
- **protection of the individual and the environment.**

The impetus dictated by the increased awareness that good ethical actions can also generate value in the territory drives Pasubio Group to consider its principles as the foundations on which to build ongoing relationships with the community and responsible growth.

# 1.2 Governance

Pasubio Group is wholly owned by the Italian company Leather S.p.A. In addition, it has adopted a functional organisational structure that rewards the specialisation of functions and encourages dialogue and cooperation among all its constituent Companies.

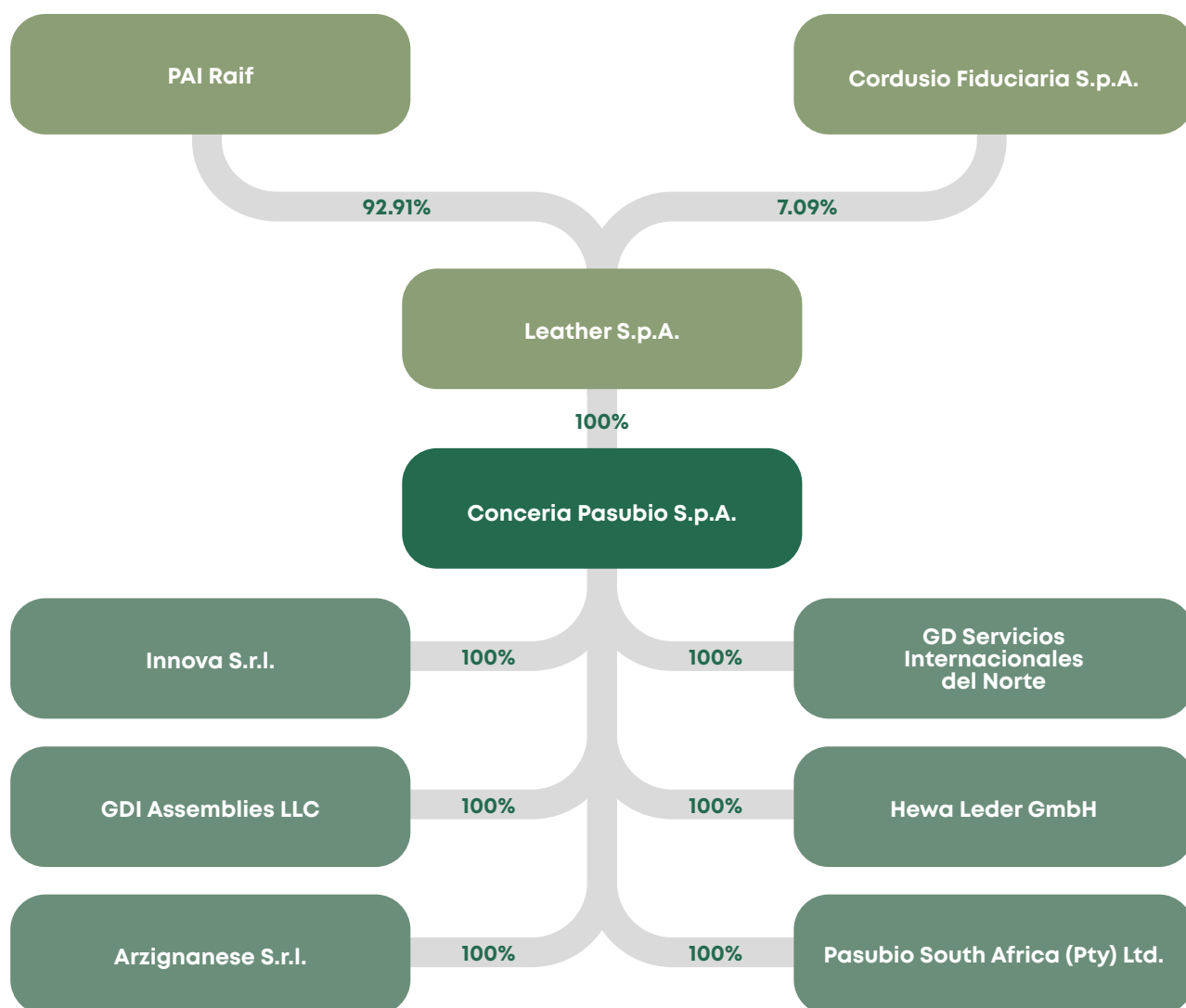
Conceria Pasubio S.p.A., delegated as the Group's parent company, assumes the operational and

functional control of all Subsidiaries, always ensuring full compliance with corporate principles, operations and commitment to business sustainability.

To accommodate business needs, the Board of Directors (hereafter BoD) defines all strategic decisions and choices, including the oversight of ESG objectives.

## OWNERSHIP STRUCTURE

To understand the management of Pasubio Group, the ownership structure as of 12/31/2023 is shown below:



The majority shareholding is held by PAI Partners, while the minority shareholding is held by the Management Team.



## GOVERNANCE

Governance is the set of principles, rules and procedures underlying the entire decision-making process. Pasubio Group has defined and implemented Governance mechanisms with the two-fold objective of strengthening ties with relevant stakeholders and promoting dissemination of the principle of integrity and ethically correct behaviour among all shareholders and employees. The corporate governance model includes the presence of the BoD and the Board of Statutory Auditors.

### Board of Directors as at 31/12/2023:

NAMES	POSITION
<b>Laura Rovizzi</b>	Chairperson of the Board of Directors
<b>Luca Pretto</b>	CEO <sup>3</sup>
<b>Simone Cavalieri</b>	Director
<b>Stefano Shuster</b>	Director
<b>Albin Pierre Paulin Louit</b>	Director
<b>Franck Temam</b>	Director
<b>Laurent Jean-Louis Rivoire</b>	Director
<b>Fabrizio Curci</b>	Director
<b>Andreas Thumm</b>	Director
<b>Gideon James Jewel</b>	Director

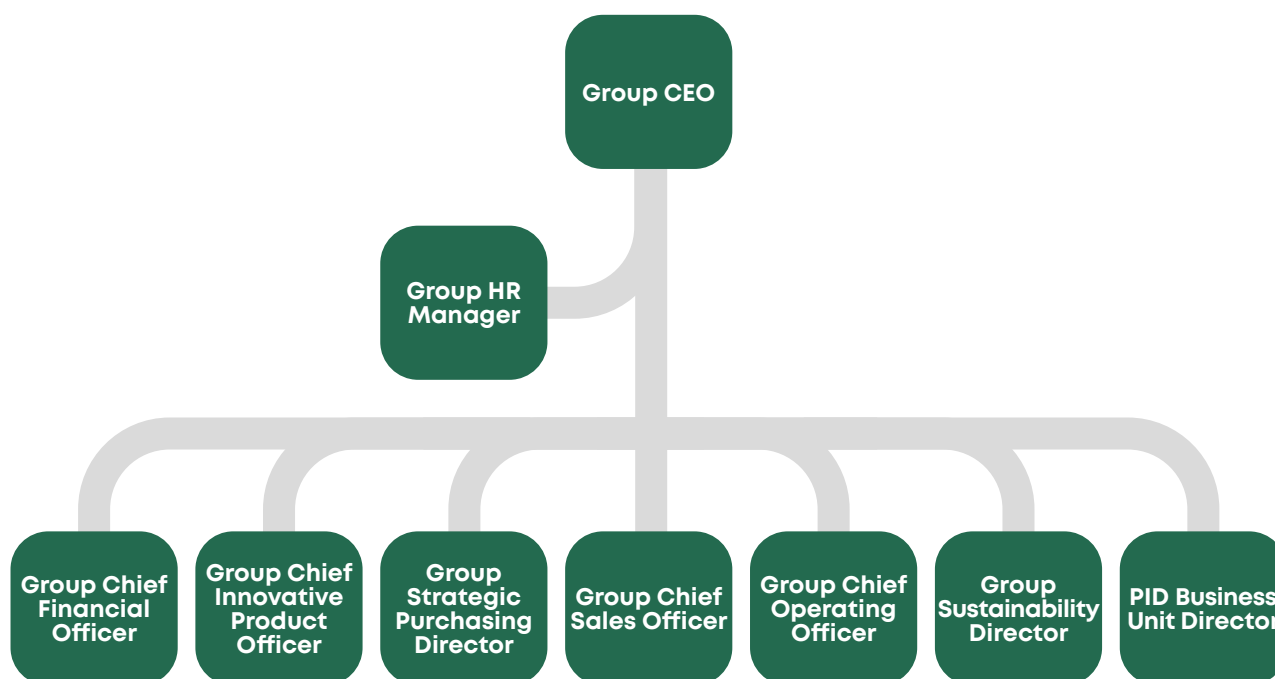
Constant discussion with company management as fundamental support for the actions carried out by the BoD, combined with a proper flow of information from the Chief Executive Officer on management performance and the exercise of his delegated powers, has produced an optimal collaborative climate for the achievement of company objectives.

The Board of Statutory Auditors, the body responsible for supervising the management of the Company within the terms of the law, was appointed by the Shareholders' Meeting as follows:

### Board of Statutory Auditors

NAMES	POSITION
<b>Mario Stefano Luigi Ravaccia</b>	Chairman of the Board of Statutory Auditors
<b>Alberto Brandolese</b>	Statutory Auditor
<b>Francesco Molinari</b>	Statutory Auditor
<b>Vito Morriello</b>	Substitute Auditor
<b>Roberto Fracassi</b>	Substitute Auditor
<b>Deloitte &amp; Touche S.p.A.</b>	Auditing firm

Concluding with leadership, the following is a graphic representation of Pasubio Group's front line as of 31/12/2023:



3. Luca Pretto also holds the position of Employer for the purposes of Italian Legislative Decree 81/2008 and Company Representative.

## ORGANISATION, MANAGEMENT AND CONTROL MODEL 231

Conceria Pasubio S.p.A. has adopted an Organisation, Management and Control Model that complies with the regulations of Italian Legislative Decree 231/2001, dedicated to the administrative responsibility of entities. The BoD has appointed an independent Supervisory Board composed of three members, who carry out periodic checks and audits in all company areas and periodically inform the BoD and the Board of Statutory Auditors.

## RESPECT FOR PRIVACY

Respect for the processing of personal data, in accordance with the European Union's GDPR 2016/679 regulation, in force since 25/05/2018, and Italian Legislative Decree 196/2003 Article 13, is guaranteed by communicating a regular privacy policy, which states that the data is collected and processed in full compliance with the provisions of the Privacy Code. The commitment on this matter is included in the Code of Ethics.

## ANTI-CORRUPTION

Pasubio Group is aware that behaviour based on the principles of legality, loyalty, honesty, fairness and transparency are an important driver for economic and social development. Through a risk assessment and monitoring system, the Group manages the risk of corruption, preserving customer confidence in its products and implementing internationally recognised best practices for anti-corruption controls. Each recipient of the

Compliance with the law is the fundamental principle by which Pasubio Group guarantees that its activities are carried out in line with the regulations of the countries in which it operates. Its aim is to perfect the processes of corporate transparency and efficiency.

In line with the provisions of the GDPR, the Group uses procedures to collect consent for data processing and the proper handling of data. In addition, all internal computer systems have been adapted to avoid any data leakage. Should such an incident occur, the event could be handled promptly through the application of internal procedures.

During the three-year period 2021-2023, there were no cases of non-compliance with privacy.

Code of Ethics is required to be familiar with it and to implement it, as well as to report any deficiencies or breaches.

As a testament to Pasubio Group's strong sense of legality and commitment to compliance with current regulations and laws, it is confirmed that during the three-year period 2021-2023, no cases of corruption were recorded.

## COMMERCIAL RELIABILITY

Pasubio Group relies on the expertise of CRIBIS to report to customers and suppliers on the absolute reliability of its business. Obtaining CRIBIS "Prime Company" status based on "CRIBIS Rating" confirms the strength of the company's credibility over time.

This rating calculates the probability of default and analyses numerous variables such as financial ratios, payment experiences and detrimental information, as well as, of course, registry data related to the legal form, geographic location, company size, and company age. For the year 2023, Conceria Pasubio S.p.A. has once again obtained certification of its business reliability.







CONCERIA ARTIGIANA  
PRETTO E FIGLI  
ARZIGNANO

# 1955

24

## 1.3 History OF THE GROUP

### 55

Conceria Pasubio was established in Arzignano in 1955, equipped with all the necessary machinery for leather processing, from raw material to finished product, including stitching for the footwear industry. Production was 3,000 square meters per day and concentrated in just one factory.

### 96

In 1996, Conceria Pasubio was one of the first Italian companies to obtain ISO 9001 certification, with the distinction of being the first Italian company in the field of dyeing to achieve the certification.

### 77

Over the years, the Company expanded, also acquiring Arzignanese S.r.l., and in 1977 it became a public limited company ("S.p.A."). Between the 1980s and 1990s, production became specialised in products for the automotive sector.

### 10

Starting in 2010, the company implemented leather processing activities with a cutting process (production of cut pieces).



# 17

In 2017, another dyeing factory was acquired in Zermeghedo (VI).

Pasubio Group, with more than 800 staff and six production plants, was acquired by CVC Capital Partners, under whose leadership it has experienced significant growth, becoming a multinational leader in the industry through organic growth and strategic acquisitions aimed at expanding its market presence and its already considerable customer base.

# 21

In June 2021, Pasubio Group acquired control of Hewa Leder GmbH, a German tannery.

In mid-2021, the cutting factory located in Trissino (VI) moved to its new, modern location on Viale Vicenza in Arzignano (VI).

In the last quarter of 2021, ownership of Pasubio Group passed from CVC Capital Partners to PAI Partners.

25

# 19

In 2019, production expanded with the Almisano di Lonigo (VI) site, dedicated to leather finishing. The factory entered production from 2020.

Pasubio Group also acquired control of GD Servicios Internacionales del Norte, a factory based in Mexico, and GDI Assemblies LLC, based in the United States. Both companies are specialised in the cutting and sewing process for the automotive industry.

# 23

In the first quarter of 2023, the acquisition of Innova S.r.l., a manufacturing site specialising in the production of synthetic leather-like material located in the Albaredo d'Adige (VR) area, was completed.

In 2023, a new registered office was established in South Africa, which will become operational during 2024.

# 2024

# 1.4

## Pasubio Group LEATHERS

The business is “B2B”: Pasubio Group operates as an OEM (Original Equipment Manufacturer) supplier and sends its leathers to the so-called “Tier 1” link in the supply chain, which in this case consists of OEM suppliers who cut, sew, and assemble items such as seats, steering wheels, dashboards, door panels, etc. for auto manufacturers.

Since its inception, Pasubio Group has been committed to finding solutions to innovate its prod-

ucts, by responding positively to a market that is keenly focused on sustainability issues and seeking new opportunities and solutions to meet the demands of its target market. The objective is also to create value, limit impacts, optimise processes, and support the various local contexts in which it operates. Pasubio market can be analysed as follows:

### 2023 Net Revenues Breakdown by application



**66%**  
Seats



**21%**  
Interiors

### 2023 Net Revenues Breakdown by geography



**88%**  
Europe



**3%**  
North America

The customers to whom Pasubio sells both directly and through Tiers include leading companies in the sector: JLR, Porsche, Bentley, BMW, Rolls Royce and Skoda.





**5%**  
Steering Wheels



**8%**  
Other - AFTM



**3%**  
Asia



**6%**  
Other

# 1.5

## Quality and excellence IN PASUBIO GROUP'S CHOICES

For Pasubio Group, offering quality and sustainable products is a fundamental pillar of its corporate mission and vision. For this reason, the Group's goal is to differentiate its product offerings and enter the market for leather tanned with alternative solutions, allowing it to provide more sustainable products.

Customer satisfaction also plays a crucial role in the prosperity of the entire Group, which is why special attention is paid to understanding customers' needs and expectations. In particular, the following activities are guaranteed:

- organisation and monitoring of processes so that they are always effective and efficient in meeting customer demands;
- adoption of continuous improvement systems, such as *LEAN production*, to minimise waste, inefficiencies and the costs of poor quality;
- dissemination of knowledge and application of all CSRs (*customer specific requirements*) within the Group.

Aware of the critical importance of meeting customer needs while preserving the environment, the Group is committed to providing products that meet the highest quality standards while being respectful of the ecosystem and the communities involved.

Applicable third-party certifications required to supply OEM customers in the automotive sector are guaranteed by third-party inspection visits. These visits also have the value of establishing and ensuring customers of the entire organisation's drive towards improving customer satisfaction. In addition to these certifications, the Group has an internal auditing system in place to verify and maintain far-reaching oversight of the adoption of the rules and procedures established by top management.



The following are the certifications held by each Pasubio Group factory:

## Site certifications

ORGANISATIONAL STRUCTURE	FACILITY	LOCATION	STANDARD
Conceria Pasubio S.p.A.	Arzignano Via II Strada (headquarters)	ITALY	ISO 14001 - Environment ISO 45001 - Safety ISO 9001 - Quality IATF 16949 - Quality Leather Working Group GOLD - Industry
Conceria Pasubio S.p.A.	Arzignano Via VI Strada	ITALY	ISO 14001 - Environment ISO 45001 - Safety
Conceria Pasubio S.p.A.	Arzignano Viale Vicenza	ITALY	ISO 9001 - Quality IATF 16949 - Quality
Conceria Pasubio S.p.A.	Zermeghedo	ITALY	ISO 14001 - Environment ISO 45001 - Safety ISO 9001 - Quality IATF 16949 - Quality LWG GOLD - Industry
Conceria Pasubio S.p.A.	Almisano di Lonigo	ITALY	ISO 14001 - Environment ISO 9001 - Quality IATF 16949 - Quality LWG GOLD - Industry
Conceria Pasubio S.p.A.	Sabac	SERBIA	ISO 9001 - Quality IATF 16949 - Quality ISO 14001 - Environment 45001 - Safety
Arzignanese S.r.l. controlled by Conceria Pasubio S.p.A.	Arzignano	ITALY	ISO 9001 - Quality Leather Working Group GOLD - Industry
GD Servicios Internacionales del Norte Subsidiary of Conceria Pasubio S.p.A.	Matamoros	MEXICO	ISO 9001 - Quality IATF 16949 - Quality
GDI Assemblies LLC subsidiary of Conceria Pasubio S.p.A.	Texas	UNITED STATES	ISO 9001 - Quality
Hewa Leder GmbH subsidiary of Conceria Pasubio S.p.A.	Rehau	GERMANY	ISO 14001 - Environment ISO 50001 - Energy Leather Working Group AUDITED - Industry
Hewa Leder GmbH subsidiary of Conceria Pasubio S.p.A.	Brand-Erbisdorf	GERMANY	ISO 14001 - Environment ISO 50001 - Energy ISO 9001 - Quality IATF 16949 - Quality Leather Working Group AUDITED - Industry

Finally, in 2023 Pasubio was awarded a SILVER medal in the sustainability assessment issued by Ecovadis.



# 1.6

## Economic performance AND RESPONSIBLE GROWTH

Pasubio Group does not seek to merely maximise profits, but is also committed to generating benefits for all its stakeholders, including the local community and the environment, all the way up the value chain.

This is where the concept of shared value becomes most relevant, expressing the Group's ability to create and distribute wealth for the benefit of its stakeholders and to contribute through its business operations to address the needs and challenges posed by society.

The reclassification of the income statement according to GRI 201-1 provides a basic indication of how Pasubio Group has embraced this principle, creating wealth for the benefit of all stakeholders. Specifically, the reclassification involves the redistribution of income statement values into the following basic components:

- **direct economic value generated:** this is the value generated directly by an organisation through its main operations. It is usually the same as revenues;

- **economic value distributed:** this is the portion of direct economic value generated that is distributed or shared with stakeholders. It includes operating costs, employee wages and benefits, payments to suppliers, investments in the community etc.;

- **undistributed (or retained) economic value:** this is the economic value generated that remains within the organisation, after considering distribution to stakeholders, and is retained and reinvested in the business to support its growth, expansion or other strategic objectives. It includes valuation adjustments, deferred tax assets and liabilities, accruals to provisions – including also depreciation and amortisation – and operating income net of dividends to be distributed to shareholders.

The following items illustrate performance with reference to the consolidated financial statements for the year 2023:

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### VALUE CREATED

Revenues	353,567,895 €
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<b>Total value created</b>	<b>353,567,895 €</b>
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### VALUE DISTRIBUTED

Operating costs	245,820,759 €
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Employee wages and benefits	50,566,527 €
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Payments to capital providers	36,560,032 €
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Payments to the Public Administration***	3,168,528 €
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Investments in the community*	48,000 €
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<b>Total value distributed</b>	<b>336,163,846 €</b>
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### RETAINED VALUE

<b>Total retained value**</b>	<b>17,404,049 €</b>
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\* among the main investments in the community, under “Other Initiatives” below we include donations of Conceria Pasubio S.p.A. amounting to 42,500 €.

\*\* Below is the reconciliation between the Retained Value, as defined by GRI 201-I, and Pasubio Group’s Net Profit.

According to OIC 9, and to support the valuation of intangible and tangible assets in the balance sheet, an impairment test is performed whenever an impairment indicator is detected.

Considering that the results achieved by the Group in the 2023 financial year and the forecasts formulated in the 2024-2027 business plan, approved during the Board of Directors’ meeting on 29 March 2024, both are lower than the expect-

tations formulated at the time of the acquisition by Leather 2 S.p.A., and taking into account the changed economic reference context, an impairment test was performed.

When the value of the assets net of the depreciation/amortisation already accounted for exceeds the recoverable value, an impairment loss is recognised and an impairment loss is recorded in the income statement.

The outcome of the impairment test, with regard to the year 2023, resulted in recognition of impairment losses of 136,854,183 € in reference to Goodwill.

\*\*\*Payments to the public administration disbursed by Pasubio Group were distributed by country as follows:

## PAYMENTS TO THE PUBLIC ADMINISTRATION BY COMPANY\*\*

Italy	1,958,596 €
Serbia	1,117,506 €
Germany	28,465 €
Mexico	67,281 €
South Africa	-3,320 €
<b>Total value of payments</b>	<b>3,168,528 €</b>

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Financial contributions received from the Public Administration during 2023 were allocated to various efficiency projects, upgrading of company facilities, and energy management. These contributions concerned the following Pasubio Group Companies:

## FINANCIAL ASSISTANCE RECEIVED FROM THE PUBLIC ADMINISTRATION

Conceria Pasubio S.p.A. - ITALY	2,009,207 €
Arzignanese S.r.l.	121,301 €
INNOVA S.r.l.	3,647€
<b>Total value of assistance</b>	<b>2,134,155 €</b>

The following are financial liabilities for obligations to banks and other lenders. Payables to shareholders, amortised cost value and balance sheet are not considered.

2023	CONSOLIDATED
Financial debts	365,331,136 €
Shareholders’ equity	100,650,354 €

The data in the financial statements were audited by DELOITTE & TOUCHE S.p.A. letter dated 30 April 2024.

# Choices for the common benefit:

## COMMUNITY AND TERRITORY

Pasubio Group considers the protection and enhancement of the environmental and cultural heritage of the geographical areas in which it operates as foundational elements of its corporate identity. It also seeks to promote an ongoing relationship of dialogue and collaboration with institutions and communities, so as to support them in their path towards economic, social and civil growth and development.

Therefore, it is actively engaged in supporting and promoting cultural and social initiatives, as well as enhancing training for the benefit of the community. In its desire to open up to society and interact with the outside world, the Group's intent is and always will be to return part of the value and wealth generated to the territory that hosts its activities.

### ENHANCEMENT OF THE TERRITORY

In 2023, Conceria Pasubio S.p.A - Italy became a user member of the "Arzignano Capitale della Pelle" ("Arzignano Leather Capital") brand promoted by the Town of Arzignano (VI). This member-

ship confirms its commitment to promoting and enhancing its territory, characterised by a particular economic and industrial fabric and recognised as a world hub of tanning entrepreneurship.

### PARTNERING WITH EDUCATIONAL INSTITUTIONS

The Italian Companies and the German Company Hewa Leder GmbH partner with educational institutions in their respective territories within the framework of school-work alternation projects. For the Group, in fact, two-way communication between the world of education and the world of work contributes positively to the professional development of the local community and future well-being, as it helps to bridge the gap between job opportunities and skills acquired by young people.

For this reason, Pasubio also actively participates in orientation and training events. For 2023, we highlight participation in events involving the Ettore Motterle secondary school in the Arzignano-Montorso (VI) district, the ITS (Higher Technical Institute) Fashion Sustainability Manager program in Valdagno (VI) and the ITIS Rossi (State Industrial Technical Institute) in Vicenza (VI).

### PROMOTING DIVERSITY IN STEM SUBJECTS

In 2023, the HR and Sustainability Teams of the HQ collaborated to launch an initiative to promote the empowerment of young women in the area in STEM subjects and the high-tech sector. Specifically, Pasubio provided financial and operational support to the "Girls Code It Better" project promoted by Officina Futuro Fondazione W-Group.

The initiative addresses the problem of the shortage of women in STEM career paths, often caused by the false belief that these are exclusively "male" fields, and aims to encourage female secondary

school students into the fields of computer science and technology. The idea is to create an equitable and inclusive environment where boys and girls can compete constructively, encouraging innovation through diversity of perspectives.

In 2023 – which will be repeated in 2024 – Pasubio women provided young female students with their skills and experience, encouraging them to develop technology project proposals that can support the Group in the treatment of generated waste.





## OTHER INITIATIVES

The Group offered additional community support during the reporting period through financial donations and support initiatives to the following entities:

- Sustainability Makers: an association that promotes and qualifies professionals dedicated to sustainability strategies and projects through training, networking, study, research, conferences, workshops and webinars;
- ASDCalcio Arzignano, a sporting association;
- Fondazione Giardino di infanzia Ines Bonazzi, a kindergarten.

Finally, to complement and guarantee compliance with ethical principles, Pasubio Group is committed to actively contributing to the sector in which it operates. For several years it has participated in the National Union of the Tanning Industry (UNIC), the world's leading association of tanning industrialists. UNIC is in turn a partner of - among others - COTANCE, the non-profit organisation that represents the European leather industry and promotes its interests internationally.

# Section II

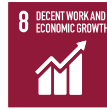
**Pasubio's  
sustainability  
expressed through  
the life cycle of its  
products**





- 2 Procurement
- 3 Research and Development
- 4 Production and Technology
- 5 Distribution and B2B relationship
- 6 Waste





The leather industry has always been an example of how it is possible to recover potential waste from the food industry and turn it into a valuable product, through an industrial process that fits fully into a circular economy logic.

This section aims to illustrate the life cycle that characterises Pasubio Group's products. It begins by describing procurement practices and relationships with suppliers, continues by exploring R&D projects that lead to the development of alternative solutions to traditional tanning methods, focuses on the actual production phase up to distribution and customer satisfaction, and con-

cludes with the management of surplus resources, namely those that constitute excess products of the production process.

Each life stage corresponds to certain material topics and impacts, which will be addressed appropriately in the relevant chapters. Note that although a material topic may be covered only in some life stages, this does not mean that it never applies to the others, since most of the ESG themes included in this section can in fact apply across the board to all life cycle stages of Pasubio products.

# 2 Procurement

Pasubio's product life cycle begins with the responsible sourcing of the raw materials that the Group needs. Sourcing involves careful selection of suppliers, mitigation of sourcing-related impacts – for example, on animal welfare and deforestation – and transparent management of relationships along the supply chain.

Pasubio Group, a member of the United Nations Global Compact, has embraced the latter's definition of supply chain sustainability, understood as *"the management of environmental, social and economic impacts and the encouragement of good governance practices throughout the life cycle of goods and services"*.

Increasingly, companies in the sector, like Pasubio Group, are adopting sustainable production systems that reduce environmental impact and ensure respect for workers' health and rights

throughout the supply chain. Growth in this direction includes the active involvement of suppliers and the evaluation of their ESG performance.

This is an ambitious but necessary program, which in the coming years will enable even greater engagement with the supply chain at all levels, with which it will share all the sustainability principles promoted by Pasubio Group.

The goal is to monitor the following with particular attention:

- the areas of greatest risk and opportunity regarding specific exposures within the supply chain;
- pragmatic approaches, principles and processes that can generate positive changes in the Group's business.

## PROCUREMENT OF RAW MATERIALS

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The raw materials procured belong to the following categories:

- raw and/or semi-finished hides;
- chemicals;
- subcontractors.

The quantity of hides purchased by Pasubio Group during the reporting period is shown below:

HIDES PURCHASED <sup>4</sup>	UNIT OF MEASUREMENT	2021	2022	2023
Raw hides	no. hides	206,839	224,072	256,810
Chromium-tanned hides (Wet Blue)	no. hides	694,664	737,545	485,543
Skins tanned without chromium (Wet White)	no. hides	888,871	788,746	825,135
Dyed hides (grain crust)	no. hides	19,533	794	7,828
Dyed crusts	no. hides	115,250	4,720	383,825
Alternative tanning methods	no. hides	1,090	295,016	4,516
<b>Total</b>	<b>no. hides</b>	<b>1,926,247</b>	<b>2,050,893</b>	<b>1,963,657</b>

4. Compared to the previous reporting period, the reclassification has been updated and the values corrected.

Chemicals are one of the main strategic supply categories and are used for leather processing. The quantities purchased for the various production processes are shown below:

<b>CHEMICALS PURCHASED BY PRODUCTION PROCESSES</b>	<b>UNIT OF MEASUREMENT</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>REHYDRATION</b>	t	3,276	3,276	3,262
<b>TANNING</b>	t	4,648	4,509	3,584
<b>DYEING</b>	t	13,520	11,459	10,780
<b>FINISHING</b>	t	3,722	3,223	3,468
<b>Total</b>	<b>t</b>	<b>25,166</b>	<b>22,467</b>	<b>21,094</b>

## ANIMAL WELFARE

“Animal welfare” refers to the state of complete physical and mental health that allows the animal to live in harmony with its environment. It is an issue of growing concern to society and to those working in the livestock sector, such as breeders, transporters, and slaughterhouse workers, who make great efforts to improve animal welfare and address other threats to their social entitlement to operate, such as climate change, water scarcity, and declining biodiversity.

Pasubio Group is the first to recognise its duty of care in safeguarding animal welfare and, to this end, is committed to the Animal Welfare Policy approved and adopted by the entire Group since 2021.

In addition, Pasubio Group is inspired by the so-called “five freedoms” contained in the 1965 Brambell Report, now internationally recognised as essential conditions for ensuring the welfare of

animals under human care. The following are the definitions of these freedoms:

1. Freedom from hunger, thirst and poor nutrition through easy access to fresh water and a health-promoting diet;
2. Freedom to have a suitable physical environment, including shelters and a comfortable resting area;
3. Freedom from disease, injury and trauma through prevention or prompt diagnosis and prompt treatment;
4. Freedom to manifest species-specific behavioural characteristics by providing sufficient space, appropriate premises and the company of other individuals of the same species;
5. Freedom from fear by ensuring conditions that avoid mental suffering.



## RELATIONSHIPS WITH SUPPLIERS

The Group strongly believes in the importance of working closely with the supply chain, establishing relationships based on fairness, transparency and mutual cooperation, and setting goals jointly to ensure maximum performance at all times.

Suppliers are selected based on the following criteria:

- Technical capacity and suitability to perform the required activities;
- organisational capacity;
- financial soundness;
- respect for the environment;
- protection of human rights;
- respect for animal rights;
- adherence to high quality standards;
- relationship between quality, cost and delivery times.

In 2022, the Group conducted a thorough review and update of all supply chain relationship documentation, in response to the market's increasingly stringent sustainability requirements.

The documents that reflect the Group's commitment to transparency and legality are the Code of Ethics and the Code of Conduct. The latter specifies the behavioural criteria to be observed in dealings with the Group and commits suppliers to operate with integrity in the areas of the environment, human rights and animal rights. It also includes a mechanism for reporting non-compliance and breaches of the Code. In 2023, the percentage of leather purchased from suppliers who have signed the Code of Conduct is 85.4%.

The following are the highlights of the Document:

<b>Ethics and legal compliance</b>	<ul style="list-style-type: none"> <li>• Corruption</li> <li>• Counterfeiting</li> <li>• Antitrust and unfair competition</li> <li>• Intellectual property</li> <li>• Accountability and accuracy in tax and financial record keeping</li> <li>• Export control</li> <li>• Traceability of supplies</li> <li>• Conflict of interest</li> <li>• Gifts and gratuities</li> </ul>
<b>Protection of Pasubio Group's assets, information and reputation</b>	<ul style="list-style-type: none"> <li>• Intellectual property</li> <li>• Confidential information, data security and privacy</li> <li>• Record management and cooperation with inspections, audits and investigations</li> </ul>
<b>Labour and human rights</b>	<ul style="list-style-type: none"> <li>• Workers' contracts</li> <li>• Non-discrimination</li> <li>• Prohibition of forced labour</li> <li>• Child labour</li> <li>• Hours worked</li> <li>• Remuneration and benefits</li> <li>• Privacy and protection of personal identity</li> <li>• Freedom of association and prohibition of retaliation</li> <li>• Gender equality and inclusion</li> <li>• Indigenous peoples</li> </ul>
<b>Health and safety</b>	<ul style="list-style-type: none"> <li>• Accidents, injuries and occupational diseases</li> <li>• Emergencies</li> <li>• Working conditions</li> </ul>
<b>Environment</b>	<ul style="list-style-type: none"> <li>• Environmental impact and hazardous substances</li> <li>• Sustainability</li> <li>• Resource conservation and climate protection</li> <li>• Biodiversity</li> <li>• Deforestation and land grabbing</li> <li>• Animal welfare</li> </ul>

# PURCHASING MANAGEMENT

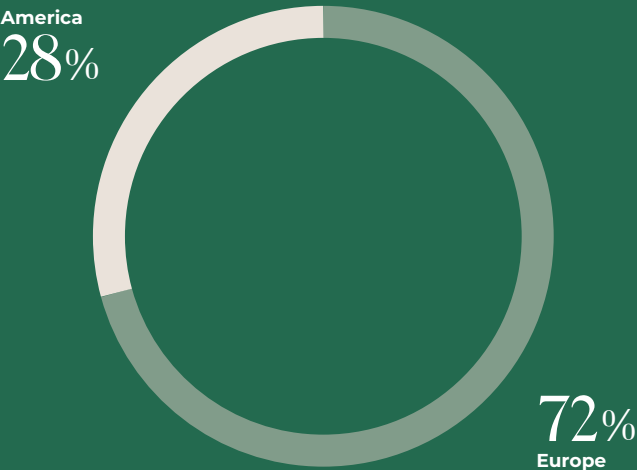
Purchasing management is conducted by individual Pasubio Group Companies and therefore the definition of “local” or “non-local” can be distinguished as follows:

- local: the supplier is located in the same province/region where the factory is located;
- country: the supplier is located in the same country as the factory, but outside the province/region;

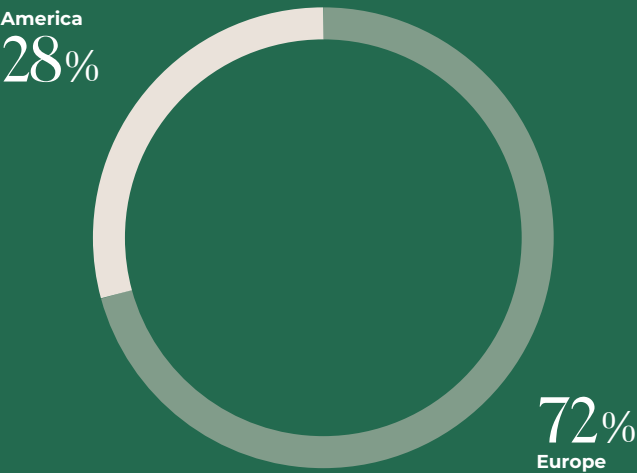
- continent: the supplier is located in the same continent where the factory is located, but outside the country;
- world: the supplier is outside the continent where the factory is located.

The breakdown by continent of hides purchased hides in the three-year period 2021-2023 is shown below:

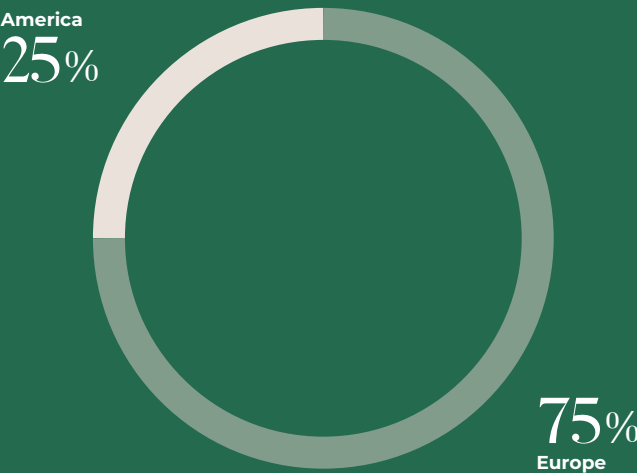
2021



2022



2023



The following tables show the detailed geographical breakdown regarding the volume of purchases from the main supplier categories:

<b>SUPPLIERS OF HIDES</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Local</b>	48%	47%	46%
<b>Country</b>	10%	12%	14%
<b>Continent</b>	35%	34%	35%
<b>World</b>	7%	7%	5%

<b>CHEMICAL SUPPLIERS</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Local</b>	92.1%	91.2%	93.0%
<b>Country</b>	6.2%	6.7%	5.6%
<b>Continent</b>	1.7%	1.4%	1.4%

<b>SUBCONTRACTORS</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Local</b>	91.1%	86.6%	91.2%
<b>Country</b>	0.2%	0.3%	0.1%
<b>Continent</b>	8.7%	13.1%	8.7%

As can be seen from the data shown above, in recent years the Group has sourced its raw materials mainly from the local area and from countries on the European continent. These choices not only contribute significantly to the local economy, but also limit impacts in areas prone to deforestation.

Finally, an important innovation dating back to 2023, aimed at integrating sustainability more fully into procurement, is the introduction of ESG indicators into the performance targets of 100

percent of the Group's purchasing managers. The most significant consequence relates to the intertwining of work performance with the achievement of outlined environmental, social and governance objectives. In this way, even the awarding of MBO (Management By Objectives) bonuses is inevitably subject to respect for ethics, individuals and the environment by the various figures in the carrying out their work.



## PROTECTING FORESTS

Pasubio Group pays particular attention to the issue of deforestation both in its dealings with its suppliers – the issue is specifically addressed in the Code of Conduct submitted to them – and in its strategic choice of sourcing countries for hides, where it chooses, where possible, not to contribute further to the degradation of areas subject to deforestation.

In addition, in order to comply with the new EUDR regulation *“Regulation (EU) 2023/1115 concerning the making available on the Union market and the export of certain raw materials and products associated with deforestation and forest degradation”* published on 31 May 2023, which will come into force on 1 January 2025, the Group is actively working with the industry associations UNIC (Italian), and COTANCE (European), and with its suppliers. In fact, all (100%) leather suppliers have been informed individually about the new directive through special meetings, after which briefings on the subject were shared with them.

Pasubio Group consider protecting forests a value as a natural ecosystems vital for:

- Biodiversity and ecosystem services, as habitats for wildlife;
- Maintaining essential natural global functions, such as water cycling and CO2 capture and storage, biodiversity preservation and climate regulation, as well as being essential for the health

and livelihoods of indigenous and/or uncontacted peoples with their culture;

- Human beings in general and many forms of vegetables and animals, including some at risk of extinction, or not yet known.

The Group commitment is fight deforestation and conversion of natural vegetation-land, such as forests, meadow lands, protected lands and lands contested by indigenous and/or uncontacted populations, in all own operations for hides and/or leathers along the Supply Chains, including cattle breeding and the production of fodder for animals provided to cattles, part of our hide and/or leather Supply Chain.

Pasubio Group collaborates with Suppliers, industry peers, NGOs and other stakeholders to promote responsible forest management practices to be aligned to all relevant local, national, international laws and regulations pertaining to the responsible management of forests.

As a result of NGOs collaboration and dialogue, Survival International Italia's case on the deforestation in the PNCAT was successfully concluded on December 20, 2023, with a joint press release in which the Group declared its commitment to fight deforestation in the Ayoreo Totobiegosode territory in Paraguay by excluding hides linked to PNCAT deforestation from its supplies.

Once raw materials have been secured, their use is guided by a vision of ongoing innovation, guaranteed by the research and development phase of the product life cycle, through which the Group explores and invests in new technologies and methodologies to make its products more durable, sustainable and of high quality.

The issue of technological innovation is central to Pasubio, which aims to constantly strengthen its competitiveness in the market and develop a portfolio of products that have an ever decreasing environmental impact throughout their life cycle.

Investments in innovation, research and develop-

ment enable the Group not only to explore new possibilities and initiate innovative projects, but also to plan for the future with greater awareness and strategic vision.

Through an ongoing commitment to R&D, the Group is able to identify and anticipate emerging trends, responding promptly to market challenges. This ability to predict and adapt reflects the foresight of Pasubio, which has always been focused on progress and excellence.

The focus on sustainable innovation is clearly demonstrated by the alternative products developed by the Group, described below:

### Alternative tanning methods

**AVO:** this tanning method is based on the use of vegetation water, a waste product of the oil industry, which needs to be disposed of in special purifiers. Rich in polyphenols, this type of water is exploited as a 100% bio-based natural tanning agent in a process that converts them from waste to resource. The R&D team has completed the first phase of the project, and AVO tanning has been in production since 2023. The development of new items will subsequently continue according to specific customer requests.

**WET GREEN:** this tanning method is based on a product derived from the extraction of olive tree leaves, and is therefore bio-based. The substances used in the process are free of heavy metals and aldehydes. This alternative tanning method has received the necessary approval and is currently in production for three customers.

**ZEOLITE:** this tanning method is based on alumino-silicates, elements that stabilise leather properties, and is free of chromium, heavy metals, and aldehydes. The R&D team continues to work on the design of various items based on specific customer requests.

**GOAST:** this process, subsidised by the European LIFE project, uses a synthetic tanning agent based on tannins and resins. It is free of heavy metals and aldehydes and allows for drastic reductions in hazardous substances, with positive impacts on both the environment and the health and safety associated with production. The R&D team continues to work based on specific customer requirements.

### Recycled products

**VITANOVA:** this type of leather is produced using waste from the cutting, shaving and trimming stages of production. During the process, shaving scraps and trimmings are transformed into fibres through a mechanical process. The fibre support is finished using the same finishing lines as for standard leathers. The support is 60% produced from leather fibres (in Wet White) from the shaving, trimming and cutting stages in factories in Italy and Serbia (90% finished trim, 10% Wet White shavings). The remaining 40% of the support is composed of a mixture of chemicals used to hold the leather fibres together, which are crushed and agglomerated with binders and other resins. The R&D team continues to work on improving and evolving the product.

**PasuBio-based leather:** this item was developed with the goal of maximising the amount of bio-based chemicals in all process steps, including tanning, retanning and finishing. The semi-finished product (crust) is based on AVO technology, while the finishing involves the use of innovative automotive products with high bio-based content. The total bio-based content of the chemicals used, on a dry basis, is about 65 percent. The R&D team continues to work based on specific customer requirements.

**RE-NOVA:** this new item contains recycled leather fibres on a polyester core, primarily intended for the production of soft-finish components, including steering wheel (SW) or seats. In this process, the semi-finished leather fibres are deposited on a polyester cloth in order to impart mechanical properties to the product. The finishing process is carried out using a paintwork line. The R&D team continues to work based on specific customer requirements.

# 4 PRODUCTION and Technology

At the production stage, the raw materials procured are transformed into products to be distributed to the Group's customers through efficient and sustainable processing techniques aimed at waste reduction and optimisation of water and energy resources. Each stage of the production process is carefully monitored to ensure high standards of quality and compliance with environmental regulations.

The company sites located in Arzignano in Seconda Strada, Zermeghedo and Almisano are subject to the Single Environmental Authorisation (AUA), in accordance with current legislation. The AUA is a fundamental authorisation that integrates various sectoral environmental authorisations into a

single measure, simplifying administrative procedures and ensuring coordinated and coherent environmental management.

Pasubio is committed to complying with all the conditions and requirements established by the AUA. This includes the constant monitoring of production activities, the adoption of measures to reduce environmental impact and compliance with regulations on emissions, waste management and water protection. Pasubio is committed to implementing the best available practices to ensure sustainable and responsible environmental management, thus demonstrating its ongoing commitment to environmental protection and legal compliance.

## ENERGY CONSUMPTION AND EFFICIENCY

Although the tanning industry is not considered an energy-intensive sector, one of Pasubio Group's priority goals is to use resources in an increasingly responsible manner in order to contribute to the transition to more sustainable production systems with low environmental impact. To achieve this goal, the Group implements targeted energy efficiency monitoring and improvement processes.

For its industrial processes, as shown in the table below, Pasubio Group mainly uses electricity, natural gas, and diesel fuel. Specifically, **electricity** is used to power machinery and equipment, **natural gas** is used to reach process temperatures in some stages of processing (liming, tanning, and dyeing) and to heat workplaces, and **diesel fuel** is used for internal movement of equipment and cars.

ENERGY CONSUMPTION WITHIN THE ORGANISATION		UNIT OF MEASUREMENT	2021	2022	2023
Energy carriers	Natural Gas	GJ	120,069	120,439	124,832
	BTZ	GJ	5,109	-	-
Total		GJ	125,177	120,439	124,832
Electricity* purchased from the grid		GJ	67,015	69,269	73,183
Car fleet fuel	Diesel	GJ	7,896	3,648	3,720
	Petrol	GJ	551	264	353
	LPG	GJ	0	43	2
Total		GJ	8,446	3,955	4,075

\*please note that electricity from the national grid includes a renewable component



In order to achieve its sustainability goals, the Group has adopted innovative solutions, such as installing advanced technologies aimed at monitoring key operating parameters and optimising performance. In recent years, an industrial plan has been developed that has seen the replacement of the main production lines with state-of-the-art lines that help reduce factory energy requirements. These upgrades are producing tangible results through reducing energy consumption of individual processes, thus creating a new starting point for assessing global factory consumption.

The reduction in energy consumption is not immediately apparent from the above table for the three-year period 2021-2023, as it does not take into account the increase in production and sales recorded by the Group. Actual consumption related to factories can only be assessed by reference to the actual amount of finished product in the same period.

In line with the initiatives already implemented, Pasubio Group is actively engaged in a long-term energy efficiency plan that includes energy efficiency measures from energy diagnostics for certain sites (Zermeghedo and Seconda). Some of the initiatives are outlined below:

- installation of inverters and replacement of electric motors;
- interventions to install lighting sources with lower energy consumption;

- optimisation of production processes;
- maintenance and periodic leak detection of compressed air distribution systems;
- continuation of the installation of two cogeneration plants purchased in 2022 by Conceria Pasubio S.p.A. - Italy, which will allow the plants to produce electricity and hot water/steam for the production cycle while lowering costs;
- monitoring of the cogeneration plant activated in 2022 in Arzignanese S.r.l.

In addition, in 2023, the process of evaluating the purchase of renewable energy for its factories in Arzignano Seconda Via II Strada, Zermeghedo, Almisano di Lonigo, Via Vicenza, Arzignano Sesta Via VI Strada has been started.

Pasubio Group's commitment to sustainability is therefore tangible and is manifested daily not only through the development of decision-making processes based entirely on sustainable development approaches, which take into account every phase of the life cycle of products and activities, but also through actions that include compliance with all applicable laws and regulations, obtaining voluntary environmental certifications (LWG and ISO 14001), and continuous investment in Research & Development.

## CLIMATE CHANGE AND EMISSIONS

Aware that the climate crisis requires a commitment from everyone, including companies, Pasubio Group has identified Goal 13 of Agenda 2030 as its priority, with the aim of combating climate change on all fronts. Under this principle, Pasubio is committed to promoting practices that mitigate the effects of climate change, reduce impacts and offset emissions generated by activities.

In order to provide a comprehensive overview of emissions generated by the Group, the following

table shows “**Scope 1**” and “**Scope 2**” emissions. Specifically, “**Scope 1**” emissions refer to direct emissions generated internally by the Group from the energy sources that it controls. These emissions result from the combustion processes of fossil fuels, natural gas, and vehicle and machinery fuel. “**Scope 2**” emissions include indirect emissions from energy purchased or acquired by the Group, whether in the form of steam, heat or cooling.

PASUBIO GROUP	UNIT OF MEASUREMENT	2021	2022	2023
<b>Scope 1</b>	t CO <sub>2</sub> eq.	7,730	7,120	7,593
<b>Scope 2 - Location Based</b>	t CO <sub>2</sub> eq.	9,975	10,509	11,597
<b>Total Scope 1 and Scope 2 (Location Based)</b>	<b>t CO<sub>2</sub>eq.</b>	<b>17,704</b>	<b>17,629</b>	<b>19,190</b>

With a particular focus on the impacts from atmospheric emissions, the Group is constantly seeking technological solutions and efficiency strategies that can help reduce the tons of CO<sub>2</sub> equivalent emitted.

Such plants include in particular:

- heat generators for the working environment;
- boilers/heating plants serving production;
- fixed air-conditioning/cooling systems;
- emission systems serving production (with or without abatement systems).

The company sites of Arzignano in Seconda Strada, Zermeghedo and Almisano, which are subject to the Single Environmental Authorisation (AUA),

are in line with the limit values for atmospheric emissions prescribed by the AUA. In particular, periodic checks are carried out to monitor dust emissions generated by production machinery and nitrogen oxides (NOx) produced by boilers.

Through the implementation of advanced monitoring systems and regular plant maintenance, Pasubio ensures that emissions are constantly within legal limits. This commitment to compliance with environmental regulations not only protects air quality, but also reflects Pasubio's dedication to sustainability and environmental responsibility. Data collected during periodic inspections is analysed and used to continuously improve production processes, reducing the environmental impact of activities.



## RESPONSIBLE USE OF WATER

Tanning, retanning, fatliquoring and dyeing processes constitute a significant part of the Group's operations and require considerable water use. These processes are characterised by an open water cycle by default, in which water resources are initially used to support production and subsequently discharged as wastewater. The wastewater resulting from such operations generally contains a high content of organic matter, which is subjected to a specific process in wastewater treatment plants before final discharge.

With the aim of reducing water consumption and playing an active role in mitigating the severe water crisis that, according to estimates, will characterise the coming years, Pasubio Group is committed to researching and implementing innovative solutions aimed at optimising the water requirements of the various production stages.

The main activities carried out and currently underway are:

- Installation of a new finishing line with experimental technology that allows water savings in the Base Coat application phase (-47%);
- Research and development activities for water reduction in retanning recipes (-6% on a specific recipe);

- Investment for installation of a pilot plant in 2024 for the treatment and recirculation of water resulting from the retanning process (2 cubic meters per day of treatment – estimated recovery of 96% of process water).

In 2022, Conceria Pasubio S.p.A. - Italy launched a feasibility study for the design, construction and installation of a pilot plant for treating wastewater resulting from the retanning, dyeing and fatliquoring processes at the Arzignano factory - Headquarters. In this context, the Company invested in a pilot plant for recirculation of process water in order to assess the actual opportunities provided by the selected technologies and develop a solution that can be replicated on an industrial scale. Installation of the plant and the start of tests to validate the continuous process is planned for 2024.

It should be noted that the reporting scope of the table below is limited to process water used in production activities only. Water for sanitation/utilities is therefore not reported. As a result, the two cutting sites do not use water in the process and are excluded.

The following tables report water withdrawal, consumption, and discharge data for the entire Pasubio Group for the three years 2021-2023:

ORGANISATIONAL STRUCTURE	UNIT OF MEASUREMENT	AUTHORISED WATER DISCHARGE 2023
Conceria Pasubio S.p.A. – ARZIGNANO II (ITALY)	m <sup>3</sup> /d	820
Conceria Pasubio S.p.A. - ZERMEGHEDO (ITALY)	m <sup>3</sup> /d	1,300
Conceria Pasubio S.p.A. - LONIGO (ITALY)	m <sup>3</sup> /d	350
Arzignanese S.r.l. - ARZIGNANO (ITALY)	m <sup>3</sup> /d	1,258
Hewa Leder GmbH - REHAU, BRAND-ERBISDORF (GERMANY)	m <sup>3</sup> /d	320

WATER WITHDRAWAL	UNIT OF MEASUREMENT	2021	2022	2023
Surface water	ML	47	48	44
Groundwater	ML	834	900	969
Sea water	ML	-	-	-
Produced water	ML	-	-	-
Third-party water resources	ML	-	-	25
<b>Total</b>	<b>ML</b>	<b>881</b>	<b>948</b>	<b>1,038</b>



<b>WATER DISCHARGE</b>	<b>UNIT OF MEASUREMENT</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Surface water</b>	ML	34	35	32
<b>Groundwater</b>	ML	0	0	0
<b>Sea water</b>	ML	0	0	0
<b>Third-party water resources</b>	ML	873	900	957
<b>Total</b>	<b>ML</b>	<b>907</b>	<b>935</b>	<b>989</b>

Regarding Pasubio Group's water discharge, water from the production processes of the Italian factories where tanning, dyeing and finishing operations are carried out is piped into the industrial water network and sent to the Consortium's purification plant managed by Acqua del Chiampo S.p.A. or Medio Chiampo S.p.A., depending on the location of the factory. The Arzignano and Lonigo sites rely on the Acque del Chiampo purifier, while the Zermeghedo site uses the Medio Chiampo purifier.

Through the AUA (Single Environmental Authorisation), the Consortia establish strict discharge parameters for the quantity and quality of water, with particular emphasis on the presence of pollutants such as chemical oxygen demand (COD), total suspended solids (TSS), chlorides and sulphates. Although these parameters are defined, they may be subject to change based on specific circumstances, such as discharge quantities and effluent type, in order to match operational and environmental requirements. Temporary variations in discharge parameters may be established to respond to special situations or environmental emergencies, ensuring that environmental standards are maintained.

Through periodic checks, such as daily COD testing, and careful scheduling of production, it is ensured that the wastewater discharged complies with established limits, minimising the environmental impact of operations and strictly adhering to quantitative discharge limits. In Germany, the district of Mittelsachsen (Landkreis Mittelsachsen) is the competent environmental authority for the Hewa factory in Brand-Erbisdorf and has granted a permit under the German Federal Emission Control Act with respect to the existing leather production plant. According to this environmental authority, the amount of wastewater is limited.

Finally, Pasubio takes all necessary measures to mitigate the risk of soil and subsoil contamination in its operations. The Group is aware of the importance of preserving the environmental integrity of the sites where it operates and those it may acquire. To ensure that acquired sites are free of pollution and comply with environmental regulations, it carries out environmental soil and subsoil sampling prior to acquisition. These samplings allow the environmental quality of the soils to be ascertained and any contamination to be identified at an early stage, ensuring that operational sites are safe and compliant with applicable regulations.

# 5

## DISTRIBUTION

# and B2B relationship

Once the production phase is finished, the products are distributed to business partners. Customer satisfaction is central at this stage, which is why the Group's efforts focus on ensuring that products reach their recipients in a timely manner and in perfect condition.

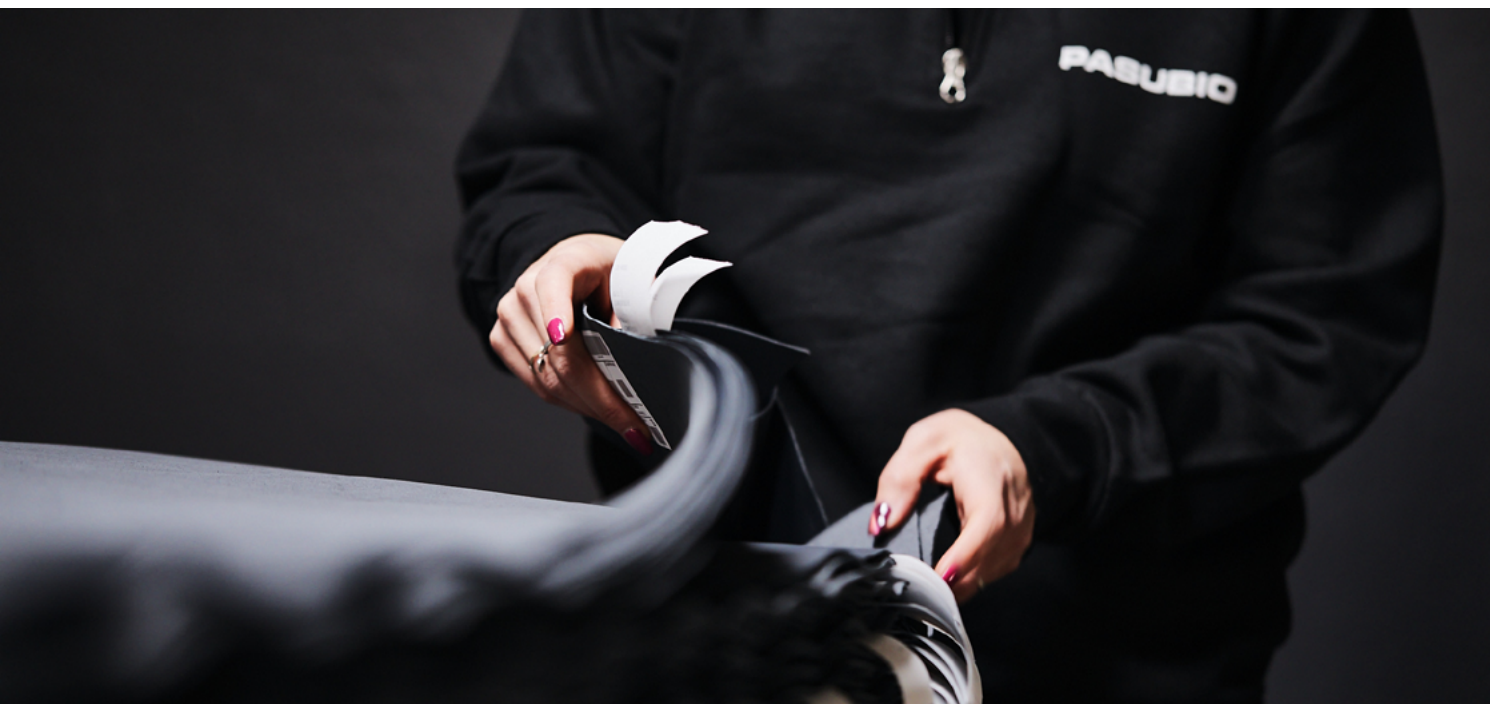
Pasubio Group's approach to the market has always been guided by the goal of understanding the customer's needs to the fullest extent and producing products that fully meet the highest quality standards.

Constant attention focused on specific needs of customers has enabled Pasubio Group to establish itself as a point of reference, a trusted and competent partner, a true facilitator of technical and commercial decisions, able to identify and implement custom solutions and therefore to contribute in creating added value.

To ensure the best purchasing experience for customers, the Group supports the entire process of implementing customised solutions with an integrated service organisation. The corporate structure is designed to efficiently coordinate and manage all supply planning activities flexibly and precisely.

With a view to developing and maintaining lasting and favourable relationships with its customers, Pasubio Group is specifically committed to:

- basing relationships with customers on the principles of utmost professionalism, fairness, efficiency, cooperation and courtesy;
- meeting commitments and obligations undertaken;
- providing accurate, complete, truthful and timely information so that customers can make informed decisions;
- informing customers of the principles of the Code of Ethics and company policies;
- operating within the framework of applicable regulations and requiring precise compliance;
- not giving gifts or acts of courtesy and hospitality to customers (or potential customers), except where the value is so low that it does not compromise integrity and independence, and provided that such types of expenditure are authorised and documented.



# 6 Waste

The life cycle of the Group's products concludes with responsible management of the waste generated, which consists of the optimal management of scraps, by-products and waste in order to minimise the environmental impact of production.

In general, the tanning industry generates different types of waste, which can be divided, under macro-classification, into hazardous and non-hazardous waste.

The hazardous waste category includes all those types of waste that, if not managed properly, are liable to generate potential risks to human health and the environment. They include, for example,

toxic, infectious, flammable or reactive substances and require specialised treatment and disposal.

On the other hand, non-hazardous waste includes materials that, in the quantities in which they are generated, are not considered harmful to human health or the environment. These materials can include a wide range of substances and materials, such as paper, plastic, glass, wood, and other common solid wastes.

In order to provide a comprehensive overview of the amount of waste generated by Pasubio Group, data for the three-year period 2021-2023 are shown:

## Waste generated

TYPE OF WASTE	UNIT OF MEASUREMENT	2021	2022	2023
Hazardous waste	t	232 (1%)	220 (1%)	273 (1%)
Non-hazardous waste	t	19,696 (99%)	19,828 (99%)	20,977 (99%)
<b>Total</b>	<b>t</b>	<b>19,928 (100%)</b>	<b>20,048 (100%)</b>	<b>21,250 (100%)</b>

To further distinguish between the types of waste generated by leather production processes, these can include:

- sludge, produced particularly from the on-site treatment of effluents;
- tanned leather waste (e.g., scraps, cuttings, powders);
- wastes from packaging and finishing operations;
- waste paints and varnishes;
- packaging of various kinds.

Pasubio is committed to ensuring that all its sites comply with current waste management regulations, thereby ensuring responsible and sustainable operations. In Italy, sites operate in compliance with Legislative Decree 152/2006 (Consolidated Environmental Act), which regulates waste man-

agement, including transport, recovery and disposal. In Germany, they comply with the KrWG (Kreislaufwirtschaftsgesetz), the Waste Cycle Management Act, which promotes recycling and waste reduction. In Serbia, the site follows the provisions of the Waste Management Law, which regulates safe and sustainable waste management. In Mexico, Pasubio complies with the General Law for the Prevention and Comprehensive Management of Waste ("Ley General para la Prevención y Gestión Integral de los Residuos"), which establishes requirements for integrated waste management.

Each site adopts waste management practices that include separate collection, recycling and proper disposal, in line with local and international laws. Processes are constantly monitored to ensure that they comply with the highest en-

environmental standards, minimising the impact of waste generated by the Group's activities.

At Pasubio, waste products are managed through strict adherence to procedures established by the Management System, which clearly defines the roles, responsibilities and activities assigned to each person involved. In addition, in order to assess the effectiveness of the procedures adopted and to correct any non-conformities to maintain high standards of regulatory compliance, regular audits are carried out both internally and externally.

In order to ensure that disposal practices take place in accordance with current environmental regulations and do not pose a danger to the eco-

system or people, a thorough evaluation process is carried out to determine the proper destination of waste. Criteria taken into account in determining the most appropriate method of management include the nature of the waste and the possible presence of toxic substances in the waste materials. Indeed, materials such as paper, plastics, glass and metals can be recycled through appropriate material recovery processes, while other types of waste require specific disposal methods, including thermal treatment and landfilling.

Data on the quantities of waste recovered and disposed of during the three-year period 2021-2023 are provided below:

## Waste generated during the year

TYPE OF WASTE	UNIT OF MEASUREMENT	2021 <sup>5</sup>	2022	2023
Waste sent for recovery	t	6,563 (39%)	8,357 (42%)	10,565 (50%)
Waste disposed of	t	10,179 <sup>6</sup> (61%)	11,691 (58%)	10,685 (50%)
<b>Total</b>	<b>t</b>	<b>16,742 (100%)</b>	<b>20,048 (100%)</b>	<b>21,250 (100%)</b>

Aware that a true transition requires not only optimal waste management but also waste reduction, Pasubio Group has instituted a series of provisions aimed at maximising the reuse of materials and

supports in subsequent production cycles, minimising waste and laying a solid foundation for the implementation of future circular economy initiatives.



5. Only waste generated by Conceria Pasubio S.p.A. is shown Italy.

6. An adjustment has been made from the originally reported value (10,178 t).

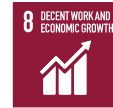


# Section II

## The essence of Pasubio Group: people



- 7 Corporate population
- 8 Protection of people and non-discrimination
- 9 Training and development of resources
- 10 Health and safety



Pasubio Group has always dedicated strong strategic attention not only to product quality, but also, and above all, to the protection of the health and safety of the working environment and of people, a key element of the company's success.

This commitment is reflected in the adoption of an integrated system with constant processes of updating internal procedures and policies, in line with the company's needs and the regulatory de-

velopments in the individual countries where the Group operates.

Through the aid of new technologies and specific initiatives, Pasubio is actively engaged in continuously improving the safety conditions of the company's plants and processes, with the aim of promoting a corporate culture characterised by environmental protection, as well as risk reduction and accident prevention.

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# 7 CORPORATE population

*“The uniqueness of Pasubio Group lies in its People, whose positivity, passion, dedication and pride create an innovative, goal-oriented working environment every day where it is possible to grow and dream together”.*

Over the years, through structured meetings of dialogue and sharing, the Group has built a strong and lasting bond with its employees, based on a feeling of mutual trust and nurtured with care and constancy.

In line with the company's values, relationships with staff are aimed at fostering the growth of the Group as a social good, with an approach based on teamwork, sharing, communication and, above all, respect for individuals. For Pasubio Group, in fact, the active involvement of employees and their well-being are priority elements that form the core of its corporate policies, aware that each individual has potential talents that, if properly developed and promoted, can represent a true competitive strength.

In Pasubio Group, the corporate population is divided as follows:

- **internal employees:** workers employed by Pasubio Group Companies;
- **external contractors:** workers not employed by Pasubio Group Companies, subdivided into associate executives, operational collaborators, and temporary staff classified as blue-collar and white-collar workers.

The following figures show the changes in the Group's workforce over the three-year period 2021-2023, divided into men, women and non binary:

PASUBIO GROUP	2021				2022				2023			
	M	W	NB	TOT.	M	W	NB	TOT.	M	W	NB	TOT.
TOTAL EMPLOYEES	832	775	-	1,607	734	698	7	1,439	710	724	-	1,434
TOTAL EXTERNAL CONTRACTORS	80	33	-	113	114	46	-	160	108	46	-	154
<b>Total</b>	<b>912</b>	<b>808</b>	<b>-</b>	<b>1,720</b>	<b>848</b>	<b>744</b>	<b>7</b>	<b>1,599</b>	<b>818</b>	<b>770</b>	<b>-</b>	<b>1,588</b>

In 2023, the number of staff was essentially unchanged from previous reporting periods, with a slight decrease in the total number of contractors and employees from 1,599 to 1,588 (-0.7%).



In fulfilling its responsibility to protect employees, Pasubio Group regulates professional activities using collective and individual agreements. Through collective bargaining, the Group enters into agreements and contractual obligations, which result in autonomous agreements, establishing the fundamental parameters and rules that to which individual employment contracts must adhere. Pasubio Group applies the provisions of the country in which it operates.

For a comprehensive overview of this subject, the following is a description of the management of contracts entered into in Pasubio:

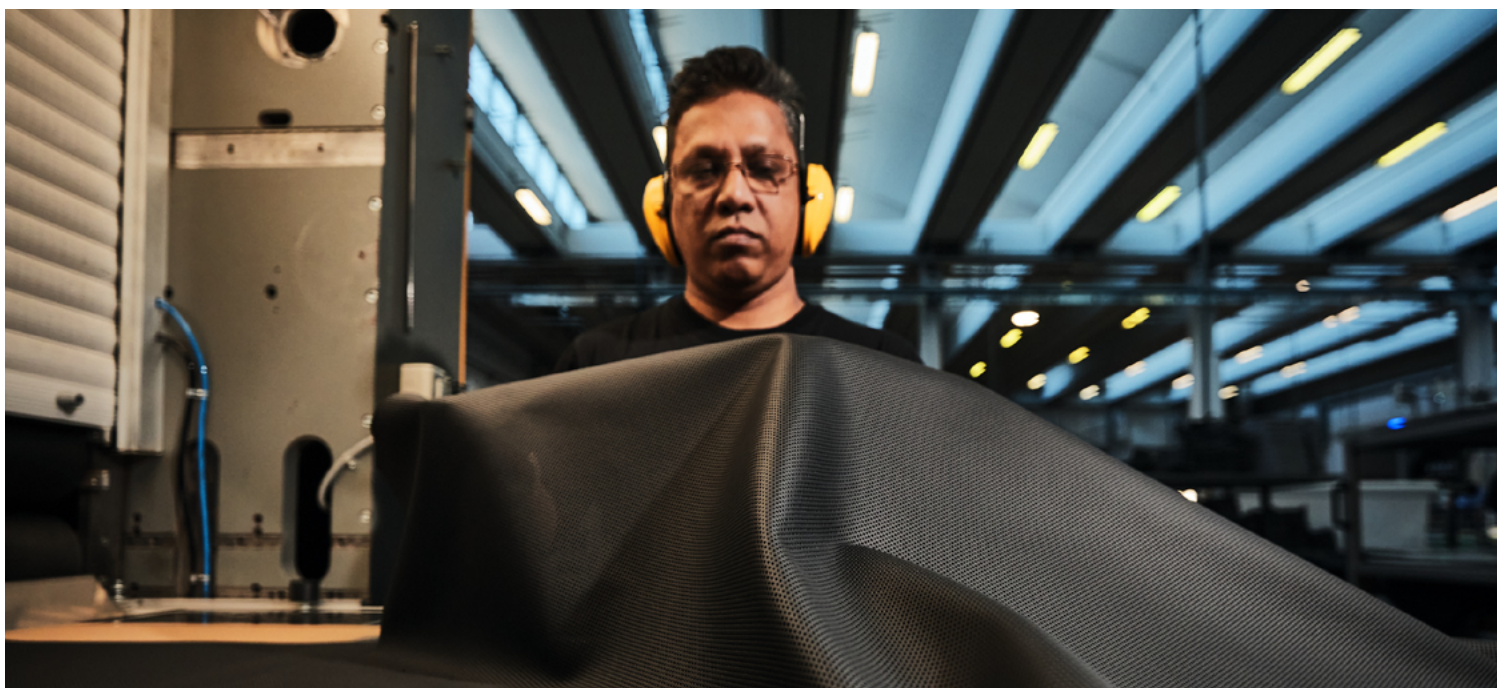
- **companies in Italy:** the Italian companies are obliged to regulate labour activities using the national collective bargaining agreements (CCNL) of the sector they belong to, both for internal employees and for temporary staff classified as blue-collar and white-collar staff. Regarding as-

sociate executives and external contractors, individual employment contracts of employment or collaboration are stipulated;

- **companies in Germany and Serbia:** in Germany and Serbia, there are general legal regulations establishing the rights and obligations of employers and employees. In both countries, establishment of labour relations requires the help of individual-type bargaining between employee and employer. In addition, in Germany, compliance with the minimum wage measure is mandatory.
- **companies in Mexico:** in Mexico, the relationship between employers and workers is regulated by the federal labour law. According to its provisions, collective bargaining is applied to employees classified as blue-collar workers, while individual bargaining is applied to employees classified as white-collar staff.

The percentage of total employees classified under collective and individual bargaining agreements is shown below:

STRUCTURE OF PASUBIO GROUP	BARGAINING TYPE	2021	2022	2023
Conceria Pasubio S.p.A. - ITALY	Collective agreement	99%	99%	99%
	Individual agreement	1%	1%	1%
Arzignanese S.r.l. - ITALY	Collective agreement	98%	98%	98%
	Individual agreement	2%	2%	2%
Conceria Pasubio S.p.A. - SERBIA	Individual agreement	100%	100%	100%
Hewa Leder GmbH - GERMANY	Individual agreement	100%	100%	100%
GD Servicios Internacionales del Norte - MEXICO	Collective agreement	77%	86%	77%
	Individual agreement	23%	14%	23 %
INNOVA S.r.l.	Collective agreement			100%



The table below shows the breakdown of the workforce by permanent and fixed-term employees in the three-year period 2021-2023.

PASUBIO GROUP	2021				2022				2023			
	M	W	NB	TOT.	M	W	NB	TOT.	M	W	NB	TOT.
TOTAL PERMANENT	734	609	-	<b>1,343</b>	664	581	7	<b>1,252</b>	621	575	-	<b>1,196</b>
TOTAL FIXED-TERM	98	166	-	<b>264</b>	70	117	-	<b>187</b>	89	149	-	<b>238</b>
<b>Total</b>	<b>832</b>	<b>775</b>	<b>-</b>	<b>1,607</b>	<b>734</b>	<b>698</b>	<b>7</b>	<b>1,439</b>	<b>710</b>	<b>724</b>	<b>-</b>	<b>1,434</b>

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The distribution remains largely unchanged over the years, with a slight decrease in the percentage of fixed-term employees from 16% of the total in 2021 to 13% in 2023.

A breakdown of the internal workforce of the entire Group by professional categories and the three main age groups (<30 years, 30-50 years, >50 years) is provided below:

INTERNAL CLASSIFICATION	2021				2022				2023			
	<30	30-50	>50	TOT.	<30	30-50	>50	TOT.	<30	30-50	>50	TOT.
EXECUTIVES	0	2	8	<b>10</b>	0	3	9	<b>12</b>	0	4	12	<b>16</b>
MIDDLE MANAGERS	3	29	12	<b>44</b>	2	34	11	<b>47</b>	3	33	11	<b>47</b>
WHITE-COLLAR STAFF	84	149	31	<b>264</b>	52	129	29	<b>210</b>	60	134	23	<b>217</b>
BLUE-COLLAR STAFF	503	548	238	<b>1,289</b>	378	552	240	<b>1,170</b>	348	541	265	<b>1,154</b>
<b>Total</b>	<b>590</b>	<b>728</b>	<b>289</b>	<b>1,607</b>	<b>432</b>	<b>718</b>	<b>289</b>	<b>1,439</b>	<b>411</b>	<b>712</b>	<b>311</b>	<b>1,434</b>

Also in 2023, mainly for reasons related to production needs, the numerically highest share in terms of workforce is in the blue collar category, followed in order by classified as white-collar workers and middle management, and finally by executives. In terms of age groups, the majority of workers are in the middle range, 30-50 years old (50 percent), followed by a large proportion of people under 30 (30 percent).

The tables below show the Group's employees – first contains the details of all companies, while the second shows the data at the consolidated level – broken down by employment category, gender and age group. Generally, the balance between men and women is more even at the classified as white-collar level, while it is less proportionate in top positions and among blue-collar workers.

There is a countertrend in this regard in the Mexican company GD Servicios Internacionales del Norte, where women represent the majority among both middle managers and “blue collar” workers.

## Total number of internal employees and external contractors by professional category, age group and gender

		2023				
PROFESSIONAL CATEGORIES		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL	
PASUBIO GROUP 2023	Total Executives	M	-	4	12	16
		W	-	-	2	2
		NB	-	-	-	-
	Total Middle Managers	M	1	26	12	39
		W	2	7	2	11
		NB	-	-	-	-
	Total White-collar Workers	M	36	58	16	110
		W	29	76	7	112
		NB	-	-	-	-
	Total Blue-collar Workers	M	198	307	148	653
		W	189	322	134	645
		NB	-	-	-	-
	Total	M	235	395	188	818
		W	220	405	145	770
		NB	-	-	-	-
Total		455	800	333	1,588	



Finally, we provide data on the Group's external contractors and temporary staff, also divided by age group. Again, most of the contractors are classified as blue collar.

	2021			
EXTERNAL WORKER CLASSIFICATION	<30	30-50	>50	TOT.
Associate executives	0	0	2	2
Sales agents	0	1	2	3
Temporary white collars	0	0	0	0
Interns	0	0	0	0
Temporary blue collars	38	59	11	108
<b>Total</b>	<b>38</b>	<b>60</b>	<b>15</b>	<b>113</b>

	2022			
EXTERNAL WORKER CLASSIFICATION	<30	30-50	>50	TOT.
Associate executives	0	0	2	2
Sales agents	0	0	3	3
Temporary white collars	0	0	0	0
Interns	0	0	0	0
Temporary blue collars	44	95	16	155
<b>Total</b>	<b>44</b>	<b>95</b>	<b>21</b>	<b>160</b>

	2023			
EXTERNAL WORKER CLASSIFICATION	<30	30-50	>50	TOT.
Associate executives	0	0	2	2
Sales agents	0	0	3	3
Temporary white collars	2	0	0	2
Interns	3	0	0	3
Temporary blue collars	39	88	17	144
<b>Total</b>	<b>44</b>	<b>88</b>	<b>22</b>	<b>154</b>

# 8

## PROTECTION OF PEOPLE and non-discrimination

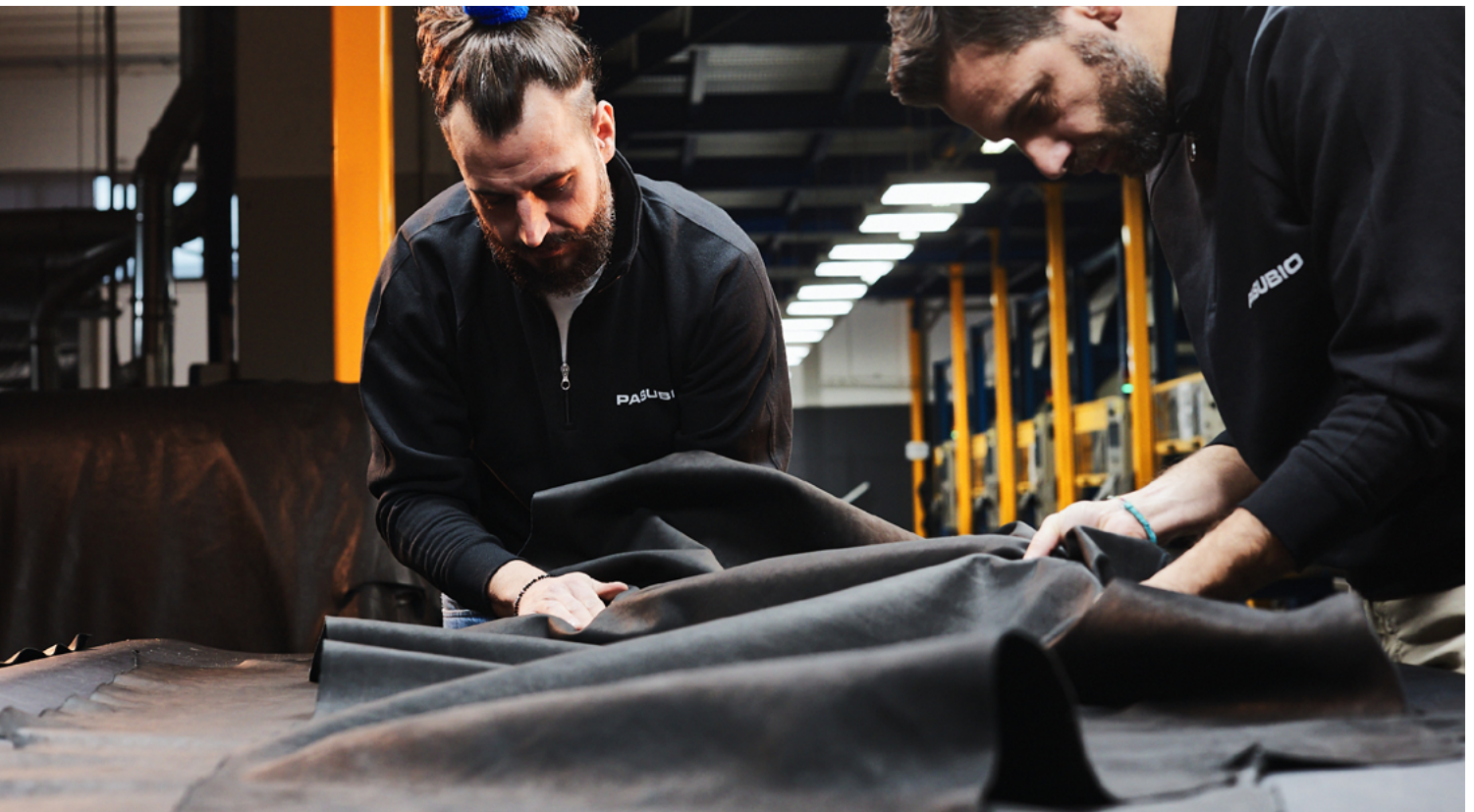
Pasubio Group pays particular attention on human rights, actively promoting respect for and protection of the individual, ensuring maximum opportunity for expression of moral, cultural, physical and professional integrity, and is committed to the continuous development and support of professionalism and the involvement of personnel at all levels.

The recognition of people and their diversity as a fundamental value and asset is translated into four interventions:

- commitment to engaging with the demands of local communities and trade union representatives, whether provincial or internal;
- protection of equal opportunities, maternity and paternity through welfare policies and a fair work-life balance;

- inclusion of the younger generation in the world of work;
- exchange and sharing of professionalism and experience among colleagues from different companies.

By way of example, a number of initiatives aimed at supporting the continuous involvement of Pasubio people are listed below.



1.

## HR MEET ONE TO ONE:

the HR department of Conceria Pasubio S.p.A. - Italy organises one-to-one meetings with employees, on an annual basis and by homogeneous areas. The meetings, which take the form of an “open dialogue”, seek to explore the person’s state of well-being in the company under several aspects: satisfaction with professional and skills growth; satisfaction in their relationship with the line manager; satisfaction with the work environment, understood both figuratively as the collective of people and physically as the environment and equipment.

During the interview, areas of strength and improvement in the organisation and the person interviewed are also analysed. The outcomes of the meetings are analysed and aggregated to identify common factors, generating plans of action aimed, on one hand, at supporting the development of the individual within the organisation, and on the other, at fostering the development of the organisation through the individual.

Some examples of initiatives designed precisely from one-to-one approaches are: organisation of team-building sessions, formalisation of ad hoc training paths for the work team, line manager or individual employee, and changes in organisational developments of individual positions or the team as a whole.

2.

## FEEDBACK SUPPORT ACTIONS:

following professional training activities aimed at team management, each manager and supervisor is supported by the HR department of Conceria Pasubio S.p.A. - Italy, Conceria Pasubio S.p.A. - Serbia and Hewa Leder GmbH - Germany, in conducting periodic feedback interviews with their own people. During the meetings, activities are carried out to facilitate dialogue and formulation of genuine evaluations between manager and employee.

One such support activity consists of administering a quick pre-meeting survey, intended for both managers and employees, in which the manager is asked to evaluate the employee, and the employee is asked to evaluate the manager and the work environment. Managers/supervisors are trained, including external training actions, on how to generate feedback.

3.

## QUARTERLY MEETINGS WITH UNIFIED TRADE UNION REPRESENTATIVES (RSU):

the year 2021 saw the establishment of a Unified Trade Union Representation (RSU) consisting of 15 employees in the Italian factories of Conceria Pasubio S.p.A. – Italy. This allowed the establishment of a relationship of mutual exchange aimed at safeguarding the welfare of workers and valuing their contributions to company development.

In addition to guaranteeing the right of assembly of representatives and workers, quarterly meetings between RSUs and management have been formalised. These meetings, led by the HR Manager, provide an opportunity for the RSUs to present information gathered in the preceding period and allow Management to update the trade union representatives on company development, special projects, and specific oversight issues related to workers’ welfare, health, and safety. Each meeting ends with a follow-up and definition of actions to be taken in the following quarter.

4.

## INDIVIDUAL MEETINGS AT THE REQUEST OF EMPLOYEES:

the HR teams of all Pasubio Group’s companies are available, at the employee’s request, for individual meetings aimed at addressing any issues that have arisen for the employee, including possible administrative matters or personal reconciliation needs, difficulties in the workplace, and well-being or health issues. In this case, the Human Resources Department acts as a facilitator for the employee in communicating with managers, colleagues, and third parties (e.g., occupational health doctor, HSE manager, payroll office, pension funds, insurance companies). Where necessary, the presence of a trade union representative is facilitated as a third party to support interactions between Worker and Company.



5.

**GEMBA HR:**

the “Gemba HR” initiative was launched in Conceria Pasubio S.p.A. - Italy, Conceria Pasubio S.p.A. - Serbia and Hewa Leder GmbH - Germany factories, a day when a HR official physically travels to one of the other factories.

During the day, which is organised on a monthly basis, a member of the HR team physically travels through the factory and makes him/herself available to employees in order to gather insights and check working conditions. After this phase of direct observation and interaction, the HR officer is given a specially dedicated room, where he or she remains available to meet with employees and address their specific needs, of an administrative or any other nature.

The goal of this initiative is twofold: first, to bring HR closer to employees, ensuring more immediate and personalised support; and second, to identify specific situations and opportunities that may not be apparent from the office’s perspective. This direct and proactive approach makes it possible to continually improve the work environment and respond to the needs of Group employees in a timely and effective manner.

6.

**EXIT MEETING:**

in Conceria Pasubio S.p.A. - Italy, Conceria Pasubio S.p.A. - Serbia and Hewa Leder GmbH - Germany, the HR department holds a meeting with every employee who submits a resignation. The purpose of the meeting is to collect feedback related to the experience in the company, to maintain an organic view of the state of company engagement and detect possible points of improvement for the Organisation and the relevant manager.

7.

**ORGANISATIONAL CLIMATE ANALYSIS:**

in order to ensure an objective and as representative as possible picture of the company climate trend, the first organisational climate analysis path has been formalised in Serbia. In 2024, this initiative will also be extended to Italy and Germany.

8.

**COMMUNICATION MEETINGS, STRATEGIC OBJECTIVES AND TEAMBUILDING:**

in 2023, the path of interconnection between the various teams of the Group Companies was continued through the organisation of in-person meetings to facilitate the exchange of information on the Group’s performance, strategic directions and objectives. The initiative was completed through team building initiatives.

9.

**CODE OF CONDUCT AND SOCIAL RESPONSIBILITY CERTIFICATION:**

in 2023, the certification process for Code of Conduct and Social Responsibility according to UNIC (National Union of the Tanning Industry) standards was successfully concluded for all Conceria Pasubio S.p.A. Italian factories.

10.

**SKILLS AS A KEY COMPONENT:**

due to the innovative technological evolution currently underway in the Group’s production and organisational processes, and the potential adaptation challenges this may create in terms of skills for Pasubio staff, the HR, OPS, and Innovation teams, in partnership with Strategy Innovation, have launched a project to analyse important, critical, and emerging skills that will be strategic over the next ten years.

The analysis project included the development of a benchmarking activity for local manufacturing companies that have faced critical periods of technological innovation. The analysis led to the definition of key skills for the future of Pasubio and its Staff and will be translated, from 2024, into empowerment actions for Pasubio Staff through personalised training.

# 11.

## **SUGGESTIONS AND IDEAS:**

Conceria Pasubio Serbia, as the project's pilot, has launched an important initiative to support the Group's continuous improvement. The goal is to value each employee's ideas, analysing their feasibility and providing detailed feedback to the proposers. The most virtuous initiatives, which generate tangible improvements for the Company, are rewarded, fostering an environment of innovation and active participation.

# 12.

## **OPEN DOORS TO NEXT GENERATION AND INTERNSHIP PROGRAMS:**

In 2023, the long and fruitful collaboration with colleges, ITS, universities and business schools was further strengthened, following a strategy of mutual development. Group Companies have opened their doors to visits, focus groups and thematic workshops with students from a variety of backgrounds, including economic-financial, technical-chemical-tanning, engineering, technical-mechanical or sustainability-focused disciplines.

These initiatives led to very positive encounters with new and future generations of workers. Some students, in particular, have shown a deep interest in undertaking internships and traineeships at the Group's facilities, successfully completing them and going on to establish a more permanent employment relationship through the signing of a contract with the Group.

# 13.

## **WORKING CONDITIONS:**

In 2023, an assessment of working conditions was conducted in all Group Companies, with a focus on improving the physical working environment. This inspired a number of initiatives, including projects to overhaul refreshment areas and focus point spaces within Gemba. For 2024, the goal is to continue to analyse and implement additional initiatives aimed at improving working conditions, to make them increasingly responsive to the needs and expectations of Pasubio staff.

Pasubio Group promotes integration among the different members of the workforce and the professional development of each person. To this end, it protects and fosters the dissemination of values such as meritocracy, loyalty, seriousness, dedication, and collaborative spirit. Through the continuous improvement of its professionals and the involvement of personnel at all levels, Pasubio Group aims to achieve excellence in the industry.

In order to foster the growth of the professional capabilities of each individual in Pasubio, and consequently to increase the company's competitiveness and impact on the market, respect and protection for the individual in his or her moral, cultural, physical and professional integrity are promoted internally. During 2023, no incidents of discrimination were reported within the Group, in line with the previous reporting period.

# 9

## TRAINING AND DEVELOPMENT of resources

In order to promote the development of its employees' skills, Pasubio Group develops annual training plans that cover technical aspects (hard skills), behavioural aspects (soft skills), and mandatory safety and certification training.

In addition, the Group provides internal training programs aimed at transferring company skills, especially in the case of personnel changes in key roles, and technical-professional training plans aimed at enhancing the individual worker and supporting him or her so that he or she has the means

to operate independently whenever new technological tools are introduced in the production line.

The main objective of these initiatives is to ensure that each employee has the necessary skills to adapt to changes and contribute to continuous improvement, both on a personal and corporate level.

The following tables provide specific data on the training hours dedicated to internal employees and external contractors for the three-year period 2021-2023:

PASUBIO GROUP	2021	2022	2023
Total training hours for internal employees and external contractors	9,620	11,817	9,147
Total internal employees and external contractors	968	990	1,155

### Average hours of annual training per internal employee

2021			
PROFESSIONAL CATEGORIES	Average no. hours - men	Average no. hours - women	Average no. hours - total
Executives	58.4	36.0	53.9
Middle managers	35.7	55.6	38.8
White-collar staff	17.0	16.0	16.5
Blue-collar staff	1.7	1.7	1.7
<b>Total</b>	<b>6.3</b>	<b>4.6</b>	<b>5.5</b>

2022			
PROFESSIONAL CATEGORIES	Average no. hours - men	Average no. hours - women	Average no. hours - total
Executives	23.10	17.00	22.08
Middle managers	37.19	53.10	40.57
White-collar staff	23.59	13.06	17.88
Blue-collar staff	5.47	4.25	4.87
<b>Total</b>	<b>9.59</b>	<b>6.43</b>	<b>8.05</b>

**2023**

PROFESSIONAL CATEGORIES	Average no. hours - men	Average no. hours - women	Average no. hours - total
Executives	109.67	18.00	86.75
Middle managers	35.56	14.04	29.20
White-collar staff	14.66	12.08	13.22
Blue-collar staff	4.20	5.21	4.54
<b>Total</b>	<b>8.39</b>	<b>7.93</b>	<b>8.21</b>

## Average hours of annual training per external contractor

**2021**

PROFESSIONAL CATEGORIES	Average no. hours - men	Average no. hours - women	Average no. hours - total
Temporary staff	7.05	5.58	6.6
Other contractors	8	-	8
<b>Total</b>	<b>7.07</b>	<b>5.58</b>	<b>6.61</b>

**2022**

PROFESSIONAL CATEGORIES	Average no. hours - men	Average no. hours - women	Average no. hours - total
External contractors	1.00	2.27	1.34
<b>Total</b>	<b>1.00</b>	<b>2.27</b>	<b>1.34</b>

**2023**

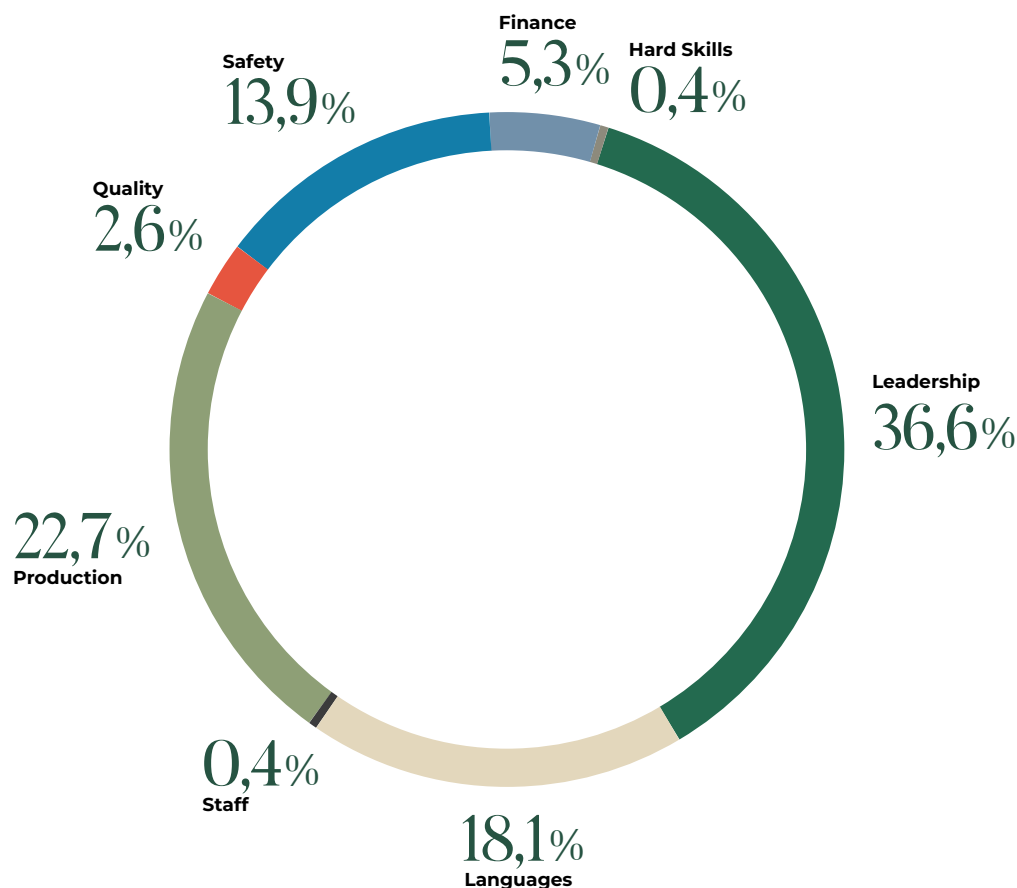
PROFESSIONAL CATEGORIES	Average no. hours - men	Average no. hours - women	Average no. hours - total
External contractors	0.78	8.10	2.61
<b>Total</b>	<b>0.78</b>	<b>8.10</b>	<b>2.61</b>

In terms of staff training, the courses provided in 2023 fall primarily under the following categories:

- health and safety;
- languages;
- finance;
- production, product and process;
- leadership and soft skills;
- hard skills;
- quality.



The main training topics of Conceria Pasubio - Italy are outlined below:



66

Pasubio Group has organised numerous training programs aimed at building comprehensive professional skills, enabling individuals to perform at their best not only in their own work area but also, and especially, within the Group as a whole, fostering a spirit of constant collaboration between departments. Some examples:

- **product and process:** training aimed at all Pasubio employees, especially those unfamiliar with these matters and who, thanks to this opportunity, are enabled to express their skills with greater autonomy;
- **individual language training:** training organised with the aim of enabling all workers to communicate with colleagues belonging to the various Group Companies;
- **soft skills:** preparatory training for the development of effective leadership, regardless of the level of responsibility in the various managerial roles. During the training events, supervisors, team leaders and new managers were encouraged to work on their communication approach, empathic skills, team leadership skills and the ability to give and receive feedback.

For Pasubio Group, training is fundamental in enhancing human capital. In fact, it is precisely from this principle that the on-boarding process was launched and developed, which provides new people joining the Group with the opportunity to participate in a comprehensive induction process, meeting with a variety of company stakeholders - including HR, EHS, ICT, QUALITY, PRODUCTION, R&D, GOVERNANCE RISK AND COMPLIANCE and SUSTAINABILITY departments - and visiting plants, in order to facilitate their entry into the new company and to adapt smoothly to the organisation.

Finally, health and safety training is tailored to the roles of Pasubio Group employees and covers fundamental concepts such as risk, harm, prevention and protection, as well as the rights and duties of the various corporate entities. Topics related to supervisory, control and support bodies are also covered, along with specific risks related to the tasks performed and the hazards present in work environments. In addition, training also includes emergency management, such as fire emergencies, first aid procedures and chemical emergency management. In addition to mandatory training with regular courses, the EHS team participates in the on-boarding of all new Pasubio employees.

# 10 HEALTH and safety

Workers' health and safety are top priorities for the Group, which strives constantly for their protection through preventive activities, adoption of new technologies and continuous training. Aware of the importance of ensuring a safe and healthy working environment for its staff and third parties, Pasubio Group strives to constantly improve its performance in this area, subjecting it to rigorous ongoing monitoring.

To achieve this, Group Companies have implemented advanced health and safety data collection systems that record reports and identified corrective actions, sharing them with management for timely implementation. The Group's health and safety management system currently meets the requirements of the ISO 45001 standard, maintaining full compliance with current regulations.

Below is the schedule of activities planned for the year 2024 in relation to ISO 45001 certification:

ORGANISATIONAL STRUCTURE	PLANT	LOCATION	ACTIVITY
<b>Conceria Pasubio S.p.A. – ITALY</b>	Arzignano HEADQUARTERS	ITALY	Surveillance
	Zermeghedo	ITALY	Surveillance
	Arzignano Via VI Strada	ITALY	Surveillance
	Arzignano Viale Vicenza	ITALY	Surveillance
	Almisano di Lonigo	ITALY	Surveillance
<b>Conceria Pasubio S.p.A. – SERBIA</b>	Sabac	SERBIA	Surveillance

To ensure compliance with current laws and regulations regarding risks to the health and safety of workers, Pasubio Group conducts an assessment of the risks present in the workplace. To do this, it uses a methodology that involves a quantitative assessment of the risk associated with specific hazardous situations for the health and integrity of workers. This assessment primarily takes two factors into account: the severity of the risk and the probability of harm occurring as a result.

Pasubio Group divides the risk assessment into five macro areas:

1. hazard identification and recording;
2. assessment of hazards to determine the level of risk;
3. identification of prevention and protection measures;
4. implementation of measures;
5. monitoring and review.

The first key process is hazard identification, which is the inherent property or quality of a given factor to cause potential harm. In Pasubio, six potential hazards have been identified that could lead to serious consequences:

- impacts from work machinery such as forklifts, pallet trucks and spider lifts;
- burns from contact with corrosive chemicals;
- falling from heights from work platforms;
- grasping and/or contact with equipment performing mechanical work;
- serious occupational diseases;
- manual handling of loads and performing repetitive tasks.

After identifying the hazards, the analysis involves assessing the relative risk to the organisation. At this stage, prevention and protection actions are identified for each hazard to eliminate or minimise it.

From the assessment and analysis of injuries that occurred during 2021-2023, it appears that workers were most exposed to mechanical hazards during activities involving contact with work equipment. In particular, the most affected body regions were the hand, head, and knee.

The tables below show the injury data for internal employees and external contractors, with their frequency rates, recorded during the three-year period 2021-2023:

<b>INJURIES – INTERNAL EMPLOYEES</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Number of deaths as a result of work-related injuries</b>	0	0	0
<b>Number of work-related injuries with serious consequences (excluding deaths)*</b>	0	0	0
<b>Number of recordable work-related injuries**</b>	35	27	27

\* Work-related injury that results in death or injury from which the worker cannot recover, does not recover or it is unrealistic to expect them to recover fully by returning to their pre-accident state of health within six months as per GRI 403-9 (2018).

\*\* Work-related injuries or occupational illnesses that result in any of the following: death, days off work, restriction of work duties or transfer to other duties, medical treatment beyond first aid or unconsciousness, significant injury or illness diagnosed by a physician or other licensed health care provider, even if not the cause of death, days off work, restriction of work duties or transfer to other duties, medical treatment beyond first aid or unconsciousness as per GRI 403-10.

<b>FREQUENCY INDEX – INTERNAL EMPLOYEES</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Rate of deaths due to work-related injuries</b>	0	0	0
<b>Rate of serious work-related injuries (excluding deaths)<sup>7</sup></b>	0	0	0
<b>Rate of recordable work-related injuries</b>	12.41	9.18	10.02

<b>INJURIES – EXTERNAL CONTRACTORS</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Number of deaths as a result of work-related injuries</b>	0	0	0
<b>Number of work-related injuries with serious consequences (excluding deaths)</b>	0	0	0
<b>Number of recordable work-related injuries</b>	3	1	6

7. The injury rate was calculated as the ratio of the total number of injuries to the total hours worked, using a multiplication factor of 1,000,000.

## FREQUENCY INDEX – EXTERNAL CONTRACTORS

2021 2022 2023

Rate of deaths due to work-related injuries	0	0	0
Rate of serious work-related injuries (excluding deaths) <sup>8</sup>	0	0	0
Rate of recordable work-related injuries <sup>***</sup>	1.06	0.34	2.23

\*\*\* The injury rate was calculated as the ratio of the total number of injuries to the total hours worked, using a multiplication factor of 1,000,000 as per GRI 403-9 (2018).

Safe and calm working conditions ensure people's mental and physical well-being, which also has a positive impact on the performance of the entire Group. Work-life balance, promoted through dedicated initiatives, further consolidates the climate of calmness and follows the corporate philosophy of attention to the needs of the people who work with the Group. Work planning is designed to take

account not only of the company's production needs, but also the individual needs of workers.

In order to provide a comprehensive overview of this topic, the hours worked (including on-site, smart working and overtime hours) recorded during the three-year period 2021-2023 are shown below:

## PASUBIO GROUP – HOURS WORKED

2021 2022 2023

Conceria Pasubio S.p.A. - ITALY	923,412	880,620	885,369
Conceria Pasubio S.p.A. - SERBIA	657,137	959,456	909,546
Hewa Leder GmbH - GERMANY	229,583	295,780	201,140
GD Servicios Internacionales del Notre - MEXICO	923,179	722,614	597,193
Arzignanese S.r.l. - ITALY	86,432	82,510	88,467
INNOVA S.r.l.	NA	NA	21,258
<b>Total</b>	<b>2,819,743</b>	<b>2,940,980</b>	<b>2,702,973</b>

In addition to the presence of the Occupational Medicine Control Institutes, which oversee the health of employees, each worker is protected by a personalised health plan. The plan identifies the employee's specific task and establishes the mandatory examinations to be carried out, with a precise schedule, to ensure his or her well-being and safety in the workplace.

Pasubio Group also ensures that personal information about workers' health and their participation in occupational health services is not used in any way to further favourable or unfavourable treatment of workers.

8. The injury rate was calculated as the ratio of the total number of injuries to the total hours worked, using a multiplication factor of 1,000,000.



# ADDITIONAL data

## 4. PRODUCTION AND TECHNOLOGY

ENERGY INTENSITY INDEX	UNIT OF MEASUREMENT	2022	2023
Total energy consumption	GJ	193,663	202,090
Revenues	M€	364.74	353.57
<b>Energy intensity</b>	<b>GJ/M€</b>	<b>531</b>	<b>572</b>

EMISSION INTENSITY INDEX	UNIT OF MEASUREMENT	2022	2023
Scope 1 + Scope 2 - Location Based	t CO <sub>2</sub> eq.	17,629	19,190
Revenues	M€	364.74	353.57
<b>GHG Emission Intensity</b>	<b>t CO<sub>2</sub>eq./M€</b>	<b>48</b>	<b>54</b>

WATER WITHDRAWAL	UNIT OF MEASUREMENT	2021	2022	2023
Fresh water (=1,000 mg/l total dissolved solids)	ML	881	948	1,038
Other types of water (>1,000 mg/l total dissolved solids)	ML	-	-	-
<b>Total</b>	<b>ML</b>	<b>881</b>	<b>948</b>	<b>1,038</b>

WATER WITHDRAWAL	UNIT OF MEASUREMENT	2021	2022	2023
No water stress low (<10%) / low-medium (10-20%)	ML	95%	95%	100%
Medium-high (20-40%) / high (40-80%) water stress	ML	5%	5%	0%
Extremely high water stress (>80%)	ML	0%	0%	0%
<b>Total</b>	<b>ML</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>WATER WITHDRAWAL</b>	<b>UNIT OF MEASUREMENT</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
No water stress low (<10%) / low-medium (10-20%)	ML	834	900	1038
Medium-high (20-40%) / high (40-80%) water stress	ML	47	48	0
Extremely high water stress (>80%)	ML	0	0	0
<b>Total</b>	<b>ML</b>	<b>881</b>	<b>948</b>	<b>1,038</b>

<b>WATER DISCHARGE</b>	<b>UNIT OF MEASUREMENT</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Fresh water (=1,000 mg/l total dissolved solids)	ML	908	935	989
Other types of water (>1,000 mg/l total dissolved solids)	ML	0	0	0
<b>Total</b>	<b>ML</b>	<b>908</b>	<b>935</b>	<b>989</b>

<b>WATER DISCHARGE</b>	<b>UNIT OF MEASUREMENT</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
No water stress low (<10%) / low-medium (10-20%)	ML	875	900	989
Medium-high (20-40%) / high (40-80%) water stress	ML	33	35	0
Extremely high water stress (>80%)	ML	0	0	0
<b>Total</b>	<b>ML</b>	<b>908</b>	<b>935</b>	<b>989</b>

<b>WATER DISCHARGE</b>	<b>UNIT OF MEASUREMENT</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
No water stress low (<10%) / low-medium (10-20%)	ML	96%	96%	100%
Medium-high (20-40%) / high (40-80%) water stress	ML	4%	4%	0%
Extremely high water stress (>80%)	ML	0%	0%	0%
<b>Total</b>	<b>ML</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

WATER DISCHARGE	UNIT OF MEASUREMENT	2021	2022	2023
Low <10%	ML	-	-	-
Low-medium (10-20%)	ML	875	900	989
Medium-high (20-40%)	ML	32	34	
High (40-80%)	ML	1	1	0
Extremely high (>80%)	ML	-	-	
<b>Total</b>	<b>ML</b>	<b>908</b>	<b>935</b>	<b>989</b>

WATER DISCHARGE	UNIT OF MEASUREMENT	2021	2022	2023
Low <10%	ML	0%	0%	0%
Low-medium (10-20%)	ML	96%	96%	100 %
Medium-high (20-40%)	ML	4%	4%	0%
High (40-80%)	ML	0%	0%	0%
Extremely high (>80%)	ML	0%	0%	0%
<b>Total</b>	<b>ML</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

WATER CONSUMPTION	UNIT OF MEASUREMENT	2021	2022	2023
Total water withdrawal	ML	881	954	1,046
Total water discharge	ML	908	935	996
<b>Total water consumption</b>	<b>ML</b>	<b>-27</b>	<b>19</b>	<b>50</b>

## 7. CORPORATE POPULATION

PROFESSIONAL CATEGORIES		2021						2022				2023		
		<30	30-50	>50	TOT.	<30	30-50	>50	TOT.	<30	30-50	>50	TOT.	
Conceria Pasubio S.p.A. ITALY	Executives	M	0	2	5	7	0	3	6	9	-	3	8	11
		W	0	0	1	1	0	0	2	2	-	-	2	2
	Middle managers	M	0	13	6	19	0	17	5	22	-	18	9	27
		W	0	3	1	4	0	3	1	4	-	5	1	6
	White-collar staff	M	17	37	7	61	14	35	8	57	20	36	9	65
		W	15	44	6	65	16	47	3	66	19	43	4	66
	Blue-collar staff	M	51	102	75	228	47	113	76	236	63	174	83	320
		W	39	57	36	132	29	63	32	124	41	75	47	163
Conceria Pasubio S.p.A. SERBIA	Executives	M	0	0	0	0	0	0	0	0	-	-	-	-
		W	0	0	0	0	0	0	0	0	-	-	-	-
	Middle managers	M	0	6	0	6	0	7	0	7	1	5	-	6
		W	0	1	0	1	1	2	0	3	-	1	-	1
	White-collar staff	M	4	10	0	14	4	10	0	14	5	10	-	15
		W	3	9	0	12	2	9	0	11	4	14	-	18
	Blue-collar staff	M	76	55	6	137	64	51	6	121	69	59	13	141
		W	103	153	24	280	76	162	28	266	101	190	46	337
Arzignanese S.r.l. ITALY	Executives	M	0	0	0	0	0	0	0	0	-	-	1	1
		W	0	0	0	0	0	0	0	0	-	-	-	-
	Middle managers	M	0	0	0	0	0	0	0	0	-	-	-	-
		W	0	0	0	0	0	0	0	0	-	-	-	-
	White-collar staff	M	0	1	2	3	0	1	2	3	-	2	2	4
		W	1	1	1	3	1	1	1	3	-	2	1	3
	Blue-collar staff	M	0	15	23	38	0	12	23	35	2	11	21	34
		W	0	0	1	1	0	0	1	1	-	-	1	1
GD Servicios Internacionales del Norte MEXICO	Executives	M	0	0	0	0	0	0	0	0	-	1	2	3
		W	0	0	0	0	0	0	0	0	-	-	-	-
		NB	-	-	-	-	-	-	-	-	-	-	-	-
	Middle managers	M	3	4	4	11	0	2	2	4	-	2	1	3
		W	0	2	0	2	1	1	1	3	2	1	1	4
		NB	-	-	-	-	-	-	-	-	-	-	-	-
	White-collar staff	M	26	22	5	53	6	7	3	16	10	6	2	18
		W	17	14	5	36	8	7	4	19	5	9	1	15
		NB	-	-	-	-	-	-	-	-	-	-	-	-
	Blue-collar staff	M	133	46	1	180	83	47	4	134	53	32	4	89
		W	91	63	5	159	66	55	4	125	46	42	8	96
		NB	-	-	-	-	4	3	0	7	-	-	-	-
Hewa Leder GmbH GERMANY	Executives	M	0	0	1	1	0	0	1	1	-	-	1	1
		W	0	0	1	1	0	0	0	0	-	-	-	-
	Middle managers	M	0	0	1	1	0	2	2	4	-	1	2	3
		W	0	0	0	0	0	0	0	0	-	-	-	-
	White-collar staff	M	0	3	3	6	0	3	3	6	-	4	3	7
		W	1	8	2	11	1	9	5	15	1	7	1	9
	Blue-collar staff	M	7	31	29	67	8	27	30	65	11	27	23	61
		W	3	26	38	67	1	19	36	56	1	12	31	44
INNOVAS.r.l. ITALY	Executives	M	-	-	-	-	NA	NA	NA	NA	-	-	-	-
		W	-	-	-	-	NA	NA	NA	NA	-	-	-	-
	Middle managers	M	-	-	-	-	NA	NA	NA	NA	-	-	-	-
		W	-	-	-	-	NA	NA	NA	NA	-	-	-	-
	White-collar staff	M	-	-	-	-	NA	NA	NA	NA	1	-	-	1
		W	-	-	-	-	NA	NA	NA	NA	-	1	-	1
	Blue-collar staff	M	-	-	-	-	NA	NA	NA	NA	-	4	4	8
		W	-	-	-	-	NA	NA	NA	NA	-	3	1	4
Total			590	728	289	1,607	432	718	289	1,439	455	800	333	1,588



## AT 31 DECEMBER 2021

FACILITY	GROUP WORK FORCE	AT 31 DECEMBER 2021			
		MEN	WOMEN	NON BINARY	TOTAL
Conceria Pasubio S.p.A. ITALY	Total employees	315	202	-	517
	External contractors	78	33	-	111
Conceria Pasubio S.p.A. SERBIA	Total employees	157	293	-	450
	External contractors	-	-	-	-
Arzignanese S.r.l. ITALY	Total employees	41	4	-	45
	External contractors	1	-	-	1
GD Servicios Internacionales del Norte MEXICO	Total employees	244	197	-	441
	External contractors	-	-	-	-
Hewa Leder GmbH GERMANY	Total employees	75	79	-	154
	External contractors	-	-	-	-
<b>PASUBIO GROUP 2021</b>	<b>Total employees</b>	<b>832</b>	<b>775</b>	<b>-</b>	<b>1,607</b>
	<b>Total external contractors</b>	<b>79</b>	<b>33</b>	<b>-</b>	<b>112</b>
<b>Total</b>		<b>911</b>	<b>808</b>	<b>-</b>	<b>1,719</b>

## AT 31 DECEMBER 2022

FACILITY	GROUP WORK FORCE	AT 31 DECEMBER 2022			
		MEN	WOMEN	NON BINARY	TOTAL
Conceria Pasubio S.p.A. ITALY	Total employees	324	196	-	520
	External contractors	102	45	-	147
Conceria Pasubio S.p.A. SERBIA	Total employees	142	280	-	422
	External contractors	-	-	-	-
Arzignanese S.r.l. ITALY	Total employees	38	4	-	42
	External contractors	1	-	-	1
GD Servicios Internacionales del Norte MEXICO	Total employees	154	147	7	308
	External contractors	-	-	-	-
Hewa Leder GmbH GERMANY	Total employees	76	71	-	147
	External contractors	11	1	-	12
<b>PASUBIO GROUP 2022</b>	<b>Total employees</b>	<b>734</b>	<b>698</b>	<b>7</b>	<b>1,439</b>
	<b>Total external contractors</b>	<b>114</b>	<b>46</b>	<b>-</b>	<b>160</b>
<b>Total</b>		<b>848</b>	<b>744</b>	<b>7</b>	<b>1,599</b>

**AT 31 DECEMBER 2023**

<b>FACILITY</b>	<b>GROUP WORK FORCE</b>	<b>MEN</b>	<b>WOMEN</b>	<b>NON BINARY</b>	<b>TOTAL</b>
Conceria Pasubio S.p.A. ITALY	Total employees	318	191	-	509
	External contractors	105	46	-	151
Conceria Pasubio S.p.A. SERBIA	Total employees	162	356	-	518
	External contractors	-	-	-	-
Arzignanese S.r.l. ITALY	Total employees	38	4	-	42
	External contractors	1	-	-	1
GD Servicios Internacionales del Norte MEXICO	Total employees	113	115	-	228
	External contractors	-	-	-	-
Hewa Leder GmbH GERMANY	Total employees	70	53	-	123
	External contractors	2	-	-	2
INNOVA S.r.l. ITALY	Total employees	9	5	-	14
	External contractors	-	-	-	-
<b>PASUBIO GROUP 2023</b>	<b>Total employees</b>	<b>710</b>	<b>724</b>	<b>-</b>	<b>1,434</b>
	<b>Total external contractors</b>	<b>108</b>	<b>46</b>	<b>-</b>	<b>154</b>
<b>Total</b>		<b>818</b>	<b>770</b>	<b>-</b>	<b>1,588</b>

**AS AT 31 DECEMBER 2021<sup>9</sup>**

CONTRACT TYPE		MEN	WOMEN	NON BINARY	TOTAL
Conceria Pasubio S.p.A. ITALY	Permanent	308	200	0	508
	Fixed-term	7	2	0	9
Conceria Pasubio S.p.A. SERBIA	Permanent	80	139	0	219
	Fixed-term	77	154	0	231
Arzignanese S.r.l. ITALY	Permanent	39	4	0	43
	Fixed-term	2	0	0	2
GD Servicios Internacionales del Norte MEXICO	Permanent	244	197	0	441
	Fixed-term	0	0	0	0
Hewa Leder GmbH GERMANY	Permanent	63	69	0	132
	Fixed-term	12	10	0	22
PASUBIO GROUP 2021	Total permanent	734	609	-	1,343
	Total fixed-term	98	166	-	264
Total		832	775	-	1,607

9. Data have been revised (permanent-fixed term inverted for GDI).

## AT 31 DECEMBER 2022

CONTRACT TYPE		MEN	WOMEN	NON BINARY	TOTAL
Conceria Pasubio S.p.A. ITALY	Permanent	313	191	0	504
	Fixed-term	11	5	0	16
Conceria Pasubio S.p.A. SERBIA	Permanent	97	175	0	272
	Fixed-term	45	105	0	150
Arzignanese S.r.l. ITALY	Permanent	38	4	0	42
	Fixed-term	0	0	0	0
GD Servicios Internacionales del Norte MEXICO	Permanent	154	147	7	308
	Fixed-term	0	0	0	0
Hewa Leder GmbH GERMANY	Permanent	62	64	0	126
	Fixed-term	14	7	0	21
<b>PASUBIO GROUP 2022</b>	<b>Total permanent</b>	<b>664</b>	<b>581</b>	<b>7</b>	<b>1,252</b>
	<b>Total fixed-term</b>	<b>70</b>	<b>117</b>	<b>-</b>	<b>187</b>
<b>Total</b>		<b>734</b>	<b>698</b>	<b>7</b>	<b>1,439</b>

## AT 31 DECEMBER 2023

CONTRACT TYPE		MEN	WOMEN	NON BINARY	TOTAL
Conceria Pasubio S.p.A. ITALY	Permanent	309	189	0	498
	Fixed-term	9	2	0	11
Conceria Pasubio S.p.A. SERBIA	Permanent	95	214	0	309
	Fixed-term	67	142	0	209
Arzignanese S.r.l. ITALY	Permanent	38	4	0	42
	Fixed-term	0	0	0	0
GD Servicios Internacionales del Norte MEXICO	Permanent	113	115	0	228
	Fixed-term	0	0	0	0
Hewa Leder GmbH GERMANY	Permanent	57	48	0	105
	Fixed-term	13	5	0	18
INNOVA S.r.l. ITALY	Permanent	9	5	0	14
	Fixed-term	0	0	0	0
<b>PASUBIO GROUP 2023</b>	<b>Total permanent</b>	<b>621</b>	<b>575</b>	<b>-</b>	<b>1,196</b>
	<b>Total fixed-term</b>	<b>89</b>	<b>149</b>	<b>-</b>	<b>238</b>
<b>Total</b>		<b>710</b>	<b>724</b>	<b>-</b>	<b>1,434</b>

PASUBIO GROUP	2021				2022				2023			
	M	W	NB	TOT.	M	W	NB	TOT.	M	W	NB	TOT.
Total Full Time	830	760	0	1,590	730	669	7	1,406	704	702	0	1,406
Total Part Time	2	15	0	17	4	29	0	33	6	22	0	28
<b>Total</b>	<b>832</b>	<b>775</b>	<b>0</b>	<b>1,607</b>	<b>734</b>	<b>698</b>	<b>7</b>	<b>1,439</b>	<b>710</b>	<b>724</b>	<b>0</b>	<b>1,434</b>

#### AT 31 DECEMBER 2021

CONTRACT TYPE		MEN	WOMEN	NON BINARY	TOTAL
Conceria Pasubio S.p.A. ITALY	Full Time	314	188	0	502
	Part Time	1	14	0	15
Conceria Pasubio S.p.A. SERBIA	Full Time	157	293	0	450
	Part Time	0	0	0	0
Arzignanese S.r.l. ITALY	Full Time	40	3	0	43
	Part Time	1	1	0	2
GD Servicios Internacionales del Norte MEXICO	Full Time	244	197	0	441
	Part Time	0	0	0	0
Hewa Leder GmbH GERMANY	Full Time	75	79	0	154
	Part Time	0	0	0	0
<b>PASUBIO GROUP 2021</b>	<b>Total Full Time</b>	<b>830</b>	<b>760</b>	<b>-</b>	<b>1,590</b>
	<b>Total Part Time</b>	<b>2</b>	<b>15</b>	<b>-</b>	<b>17</b>
<b>Total</b>		<b>832</b>	<b>775</b>	<b>-</b>	<b>1,607</b>

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#### AT 31 DECEMBER 2022

CONTRACT TYPE		MEN	WOMEN	NON BINARY	TOTAL
Conceria Pasubio S.p.A. ITALY	Full Time	323	183	0	506
	Part Time	1	13	0	14
Conceria Pasubio S.p.A. SERBIA	Full Time	142	280	0	422
	Part Time	0	0	0	0
Arzignanese S.r.l. ITALY	Full Time	37	3	0	40
	Part Time	1	1	0	2
GD Servicios Internacionales del Norte MEXICO	Full Time	154	147	7	308
	Part Time	0	0	0	0
Hewa Leder GmbH GERMANY	Full Time	74	56	0	130
	Part Time	2	15	0	17
<b>PASUBIO GROUP 2022</b>	<b>Total Full Time</b>	<b>730</b>	<b>669</b>	<b>7</b>	<b>1,406</b>
	<b>Total Part Time</b>	<b>4</b>	<b>29</b>	<b>-</b>	<b>33</b>
<b>Total</b>		<b>734</b>	<b>698</b>	<b>7</b>	<b>1,439</b>



## AT 31 DECEMBER 2023

CONTRACT TYPE		MEN	WOMEN	NON BINARY	TOTAL
Conceria Pasubio S.p.A. ITALY	Full Time	316	179	0	495
	Part Time	2	12	0	14
Conceria Pasubio S.p.A. SERBIA	Full Time	162	356	0	518
	Part Time	0	0	0	0
Arzignanese S.r.l. ITALY	Full Time	37	3	0	40
	Part Time	1	1	0	2
GD Servicios Internacionales del Norte MEXICO	Full Time	113	115	0	228
	Part Time	0	0	0	0
Hewa Leder GmbH GERMANY	Full Time	68	44	0	112
	Part Time	2	9	0	11
INNOVA S.r.l. ITALY	Full Time	8	5	0	13
	Part Time	1	0	0	1
<b>PASUBIO GROUP 2023</b>	<b>Total Full Time</b>	<b>704</b>	<b>702</b>	<b>-</b>	<b>1,406</b>
	<b>Total Part Time</b>	<b>6</b>	<b>22</b>	<b>-</b>	<b>28</b>
<b>Total</b>		<b>710</b>	<b>724</b>	<b>-</b>	<b>1,434</b>

## TOTAL NUMBER OF INCOMING INTERNAL EMPLOYEES BY GENDER, AGE GROUP AND GEOGRAPHIC AREA

## AT 31 DECEMBER 2021

		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Conceria Pasubio S.p.A. ITALY	Men	19	16	4	39
	Women	5	4	1	10
Conceria Pasubio S.p.A. SERBIA	Men	60	41	2	103
	Women	59	88	10	157
Arzignanese S.r.l. ITALY	Men	-	-	-	-
	Women	-	-	-	-
GD Servicios Internacionales del Norte MEXICO	Men	115	42	-	157
	Women	86	49	1	136
Hewa Leder GmbH GERMANY	Men	3	11	2	16
	Women	1	3	2	6
<b>PASUBIO GROUP 2021</b>	<b>Total Men</b>	<b>197</b>	<b>110</b>	<b>8</b>	<b>315</b>
	<b>Total Women</b>	<b>151</b>	<b>144</b>	<b>14</b>	<b>309</b>
<b>Total</b>		<b>348</b>	<b>254</b>	<b>22</b>	<b>624</b>

RATE OF INCOMING EMPLOYEES BY GENDER AND GEOGRAPHIC AREA		AT 31 DECEMBER 2021			
		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Conceria Pasubio S.p.A. ITALY	Men	N.D.	N.D.	N.D.	9%
	Women	N.D.	N.D.	N.D.	3%
Conceria Pasubio S.p.A. SERBIA	Men	N.D.	N.D.	N.D.	24%
	Women	N.D.	N.D.	N.D.	40%
Arzignanese S.r.l. ITALY	Men	N.D.	N.D.	N.D.	0%
	Women	N.D.	N.D.	N.D.	0%
GD Servicios Internacionales del Norte MEXICO	Men	N.D.	N.D.	N.D.	56%
	Women	N.D.	N.D.	N.D.	65%
Hewa Leder GmbH GERMANY	Men	N.D.	N.D.	N.D.	N.D.
	Women	N.D.	N.D.	N.D.	N.D.
<b>PASUBIO GROUP 2021</b>	<b>Total Men</b>	<b>N.D.</b>	<b>N.D.</b>	<b>N.D.</b>	<b>40%</b>
	<b>Total Women</b>	<b>N.D.</b>	<b>N.D.</b>	<b>N.D.</b>	<b>50%</b>

TOTAL NUMBER OF INCOMING INTERNAL EMPLOYEES BY GENDER, AGE GROUP AND GEOGRAPHIC AREA		AT 31 DECEMBER 2022			
		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Conceria Pasubio S.p.A. ITALY	Men	19	17	5	41
	Women	6	4	2	12
Conceria Pasubio S.p.A. SERBIA	Men	60	41	2	103
	Women	59	88	10	157
Arzignanese S.r.l. ITALY	Men	-	-	-	-
	Women	-	-	-	-
GD Servicios Internacionales del Norte MEXICO	Men	115	42	-	157
	Women	86	49	1	136
	Non binary	2	3	-	5
Hewa Leder GmbH GERMANY	Men	3	11	2	16
	Women	1	3	2	6
<b>PASUBIO GROUP 2022</b>	<b>Total Men</b>	<b>197</b>	<b>111</b>	<b>9</b>	<b>317</b>
	<b>Total Women</b>	<b>152</b>	<b>144</b>	<b>15</b>	<b>311</b>
	<b>Total Non binary</b>	<b>2</b>	<b>3</b>	<b>-</b>	<b>5</b>
<b>Total</b>		<b>351</b>	<b>258</b>	<b>24</b>	<b>633</b>

**RATE OF INCOMING  
EMPLOYEES BY GENDER,  
AGE GROUP AND  
GEOGRAPHIC AREA**
**AT 31 DECEMBER 2022**

		<b>&lt;30 YEARS</b>	<b>30-50 YEARS</b>	<b>&gt;50 YEARS</b>	<b>TOTAL</b>
Conceria Pasubio S.p.A. ITALY	Men	28%	11%	5%	13%
	Women	11%	4%	5%	6%
Conceria Pasubio S.p.A. SERBIA	Men	75%	58%	33%	66%
	Women	56%	54%	42%	54%
Arzignanese S.r.l. ITALY	Men	0%	0%	0%	0%
	Women	0%	0%	0%	0%
GD Servicios Internacionales del Norte MEXICO	Men	71%	58%	0%	64%
	Women	80%	62%	10%	69%
	Non binary	1%	2%	0%	1%
Hewa Leder GmbH GERMANY	Men	43%	32%	6%	21%
	Women	25%	9%	5%	8%
<b>PASUBIO GROUP 2022</b>	<b>Total Men</b>	<b>62%</b>	<b>32%</b>	<b>5%</b>	<b>38%</b>
	<b>Total Women</b>	<b>56%</b>	<b>38%</b>	<b>12%</b>	<b>40%</b>
	<b>Total Non binary</b>	<b>1%</b>	<b>2%</b>	<b>0%</b>	<b>1%</b>

**TOTAL NUMBER OF  
INCOMING INTERNAL  
EMPLOYEES BY  
GENDER, AGE GROUP  
AND GEOGRAPHIC AREA**
**AT 31 DECEMBER 2023**

		<b>&lt;30 YEARS</b>	<b>30-50 YEARS</b>	<b>&gt;50 YEARS</b>	<b>TOTAL</b>
Conceria Pasubio S.p.A. ITALY	Men	14	9	4	27
	Women	10	7	1	18
Conceria Pasubio S.p.A. SERBIA	Men	42	28	11	81
	Women	52	55	12	119
Arzignanese S.r.l. ITALY	Men	2	3	1	6
	Women	-	-	-	-
GD Servicios Internacionales del Norte MEXICO	Men	5	2	-	7
	Women	2	4	-	6
	Non binary	-	1	-	1
Hewa Leder GmbH GERMANY	Men	3	5	-	8
	Women	-	-	-	-
INNOVA S.r.l. ITALY	Men	1	4	4	9
	Women	-	4	1	5
<b>PASUBIO GROUP 2023</b>	<b>Total Men</b>	<b>67</b>	<b>51</b>	<b>20</b>	<b>138</b>
	<b>Total Women</b>	<b>64</b>	<b>70</b>	<b>14</b>	<b>148</b>
	<b>Total Non binary</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>Total</b>		<b>131</b>	<b>122</b>	<b>34</b>	<b>287</b>

RATE OF INCOMING EMPLOYEES BY GENDER, AGE GROUP AND GEOGRAPHIC AREA		AT 31 DECEMBER 2023			
		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Conceria Pasubio S.p.A. ITALY	Men	24%	16%	7%	47%
	Women	24%	7%	2%	9%
Conceria Pasubio S.p.A. SERBIA	Men	56%	38%	85%	57%
	Women	50%	27%	26%	33%
Arzignanese S.r.l. ITALY	Men	100%	27%	5%	18%
	Women	0%	0%	0%	0%
GD Servicios Internacionales del Norte MEXICO	Men	8%	5%	0%	6%
	Women	4%	8%	0%	5%
	Non binary	0%	1%	0%	0%
Hewa Leder GmbH GERMANY	Men	27%	16%	0%	11%
	Women	0%	0%	0%	0%
INNOVA S.r.l. ITALY	Men	100%	100%	100%	100%
	Women	0%	100%	100%	100%
PASUBIO GROUP 2023	Total Men	31%	14%	9%	18%
	Total Women	32%	17%	9%	20%
	Total Non binary	0%	1%	0%	0%

TOTAL NUMBER OF OUTGOING INTERNAL EMPLOYEES BY GENDER, AGE GROUP AND GEOGRAPHIC AREA		AT 31 DECEMBER 2021			
		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Conceria Pasubio S.p.A. ITALY	Men	10	9	7	26
	Women	1	3	3	7
Conceria Pasubio S.p.A. SERBIA	Men/Women	80	71	1	152
Arzignanese S.r.l. ITALY	Men	-	2	2	4
	Women	-	-	-	-
GD Servicios Internacionales del Norte MEXICO	Men	140	64	4	208
	Women	80	49	2	131
Hewa Leder GmbH GERMANY	Men	-	-	-	-
	Women		1	0	1
Total		311	199	19	529



RATE OF OUTGOING EMPLOYEES BY GENDER AND GEOGRAPHIC AREA		AT 31 DECEMBER 2021			
		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Conceria Pasubio S.p.A. ITALY	Men	N.D.	N.D.	N.D.	8%
	Women	N.D.	N.D.	N.D.	4%
Conceria Pasubio S.p.A. SERBIA	Men	N.D.	N.D.	N.D.	66%
	Women	N.D.	N.D.	N.D.	40%
Arzignanese S.r.l. ITALY	Men	N.D.	N.D.	N.D.	8%
	Women	N.D.	N.D.	N.D.	0%
GD Servicios Internacionales del Norte MEXICO	Men	N.D.	N.D.	N.D.	44%
	Women	N.D.	N.D.	N.D.	46%
Hewa Leder GmbH GERMANY	Men	N.D.	N.D.	N.D.	N.D.
	Women	N.D.	N.D.	N.D.	N.D.
<b>PASUBIO GROUP 2021</b>	<b>Total Men</b>	<b>N.D.</b>	<b>N.D.</b>	<b>N.D.</b>	<b>59%</b>
	<b>Total Women</b>	<b>N.D.</b>	<b>N.D.</b>	<b>N.D.</b>	<b>18%</b>

TOTAL NUMBER OF OUTGOING INTERNAL EMPLOYEES BY GENDER, AGE GROUP AND GEOGRAPHIC AREA		AT 31 DECEMBER 2022			
		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Conceria Pasubio S.p.A. ITALY	Men	8	18	7	33
	Women	3	7	7	17
Conceria Pasubio S.p.A. SERBIA	Men	69	44	2	115
	Women	72	89	7	168
Arzignanese S.r.l. ITALY	Men	0	3	0	3
	Women	0	0	0	0
GD Servicios Internacionales del Norte MEXICO	Men	94	29	0	123
	Women	64	32	0	96
	Non binary	0	0	0	0
Hewa Leder GmbH GERMANY	Men	0	6	2	8
	Women	0	3	3	6
<b>PASUBIO GROUP 2022</b>	<b>Total Men</b>	<b>171</b>	<b>100</b>	<b>11</b>	<b>282</b>
	<b>Total Women</b>	<b>139</b>	<b>131</b>	<b>17</b>	<b>287</b>
	<b>Total Non binary</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>		<b>310</b>	<b>231</b>	<b>28</b>	<b>569</b>

RATE OF OUTGOING EMPLOYEES BY GENDER, AGE GROUP AND GEOGRAPHIC AREA		AT 31 DECEMBER 2022			
		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Conceria Pasubio S.p.A. ITALY	Men	12%	12%	8%	10%
	Women	6%	7%	16%	8%
Conceria Pasubio S.p.A. SERBIA	Men	86%	62%	33%	73%
	Women	68%	55%	29%	57%
Arzignanese S.r.l. ITALY	Men	0%	19%	0%	7%
	Women	0%	0%	0%	0%
GD Servicios Internacionales del Norte MEXICO	Men	58%	40%	0%	50%
	Women	59%	41%	0%	49%
	Non binary	0%	0%	0%	0%
Hewa Leder GmbH GERMANY	Men	0%	18%	6%	11%
	Women	0%	9%	7%	8%
PASUBIO GROUP 2022	Total Men	54%	29%	7%	34%
	Total Women	51%	34%	14%	37%
	Total Non binary	0%	0%	0%	0%

TOTAL NUMBER OF OUTGOING INTERNAL EMPLOYEES BY GENDER, AGE GROUP AND GEOGRAPHIC AREA		AT 31 DECEMBER 2023			
		<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Conceria Pasubio S.p.A. ITALY	Men	9	18	5	32
	Women	7	16	0	23
Conceria Pasubio S.p.A. SERBIA	Men	43	36	9	88
	Women	39	51	10	100
Arzignanese S.r.l. ITALY	Men	0	2	4	6
	Women	0	0	0	0
GD Servicios Internacionales del Norte MEXICO	Men	26	20	0	46
	Women	22	21	0	43
	Non binary	0	1	0	1
Hewa Leder GmbH GERMANY	Men	0	5	7	12
	Women	0	6	10	16
INNOVA S.r.l. ITALY	Men	0	0	0	0
	Women	0	0	0	0
PASUBIO GROUP 2023	Total Men	78	81	25	184
	Total Women	68	94	20	182
	Total Non binary	0	1	0	1
Total		146	176	45	367

**RATE OF OUTGOING  
EMPLOYEES BY GENDER,  
AGE GROUP AND  
GEOGRAPHIC AREA**

**AT 31 DECEMBER 2023**

		<b>&lt;30 YEARS</b>	<b>30-50 YEARS</b>	<b>&gt;50 YEARS</b>	<b>TOTAL</b>
Conceria Pasubio S.p.A. ITALY	Men	16%	11%	5%	10%
	Women	17%	16%	0%	12%
Conceria Pasubio S.p.A. SERBIA	Men	57%	49%	150%	54%
	Women	37%	25%	36%	28%
Arzignanese S.r.l. ITALY	Men	0%	15%	17%	16%
	Women	0%	0%	0%	0%
GD Servicios Internacionales del Norte MEXICO	Men	41%	49%	0%	41%
	Women	42%	40%	0%	37%
	Non binary	0%	0%	0%	0%
Hewa Leder GmbH GERMANY	Men	0%	16%	19%	17%
	Women	0%	21%	24%	30%
INNOVA S.r.l. ITALY	Men	0%	0%	0%	0%
	Women	0%	0%	0%	0%
<b>PASUBIO GROUP 2023</b>	<b>Total Men</b>	<b>37%</b>	<b>25%</b>	<b>14%</b>	<b>26%</b>
	<b>Total Women</b>	<b>34%</b>	<b>24%</b>	<b>14%</b>	<b>25%</b>
	<b>Total Non binary</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

## Employees belonging to protected categories (2021)

TYPE OF EMPLOYMENT	MEN	WOMEN	TOTAL
Executives	0	0	0
Middle managers	0	0	0
White-collar staff	1	2	3
Blue-collar staff	6	3	9
<b>Total</b>	<b>7</b>	<b>5</b>	<b>12</b>

## Employees belonging to protected categories (2022)

TYPE OF EMPLOYMENT	MEN	WOMEN	TOTAL
Executives	0	0	0
Middle managers	0	0	0
White-collar staff	3	2	5
Blue-collar staff	8	9	17
<b>Total</b>	<b>11</b>	<b>11</b>	<b>22</b>

## Employees belonging to protected categories (2023)

TYPE OF EMPLOYMENT	MEN	WOMEN	TOTAL
Executives	0	0	0
Middle managers	0	0	0
White-collar staff	2	1	3
Blue-collar staff	7	7	14
<b>Total</b>	<b>9</b>	<b>8</b>	<b>17</b>



# METHODOLOGICAL note and scope

The Sustainability Report is the tool through which Pasubio Group communicates the results of its sustainability journey to stakeholders.

Details of the internal content within the scope of the Sustainability Report 2023 can be found in the Reporting Scope and Period Analysed section.

Pasubio Group's Sustainability team coordinated the preparation of the Sustainability Report, involving all the various area specialists to collect quantitative and qualitative data.

This report is prepared according to the Sustainability Reporting Standards published in 2021 by the Global Reporting Initiative - GRI (with "*with reference to*" application level).

It should be noted that all GRI indicators reported refer to the version published in 2016, except for GRI 1-2-3 indicators adopted as of 01/01/2023, GRI 303 and GRI 403, which refer to the 2018 version, and GRI 306, which refers to the 2020 version.

References to GRI Standards can be found in the GRI Content Index at the end of the document. This Report is the tool for reporting the company's commitment to ESG criteria.

This Report has been approved by the Board of Directors and certified by a Third Party entity - Certiquality.

## **Reporting scope and period analysed**

The data included in this document refer to Pasubio Group as of 31/12/2023 and report data for the three-year period 2021-2023. The economic data presented in this document refer to the Group Companies that amount to a near total of Pasubio Group's consolidated financial statements as of 31/12/2023, with 2022 and 2021 comparison.

## **Composition of Pasubio Group and scope of consolidation**

The consolidated financial statements include the financial statements of the Parent Company Conceria Pasubio S.p.A. and its Subsidiaries, in which the Parent Company holds control pursuant to Article 26 of Italian Legislative Decree 127/91, which are consolidated on a line-by-line basis.

With reference to the economic, social, and environmental data and information, the reporting scope is specified below for each GRI indicator, distinguished by sector.

## SCOPE OF INDICATORS

MATERIAL TOPIC	GRI STANDARD	SCOPE OF INDICATORS
Economic performance	201 (2016)	Pasubio Group - Consolidated
Supply chain management	204 (2016) 301(2016)	Pasubio Group
Business ethics	205 (2016)	Pasubio Group
Climate change	302 (2016) 305 (2016)	Pasubio Group
Management of water resources	303 (2018)	Pasubio Group
Waste and circular economy	306 (2020)	Pasubio Group The waste allocation criterion is derived from the recovery and disposal activity that the waste undergoes
Working conditions	401 (2016)	Pasubio Group
Diversity and inclusion	405 (2016) 406 (2016)	Pasubio Group
Worker health and safety	403 (2018)	Pasubio Group
Human resource training	404(2016)	Pasubio Group
Customer satisfaction and safety	418 (2016)	Pasubio Group

To ensure the reliability of the data, the use of estimates has been limited as much as possible, which, if present, are appropriately reported and based on the best available methodologies.

It should be noted that in 2023, a new registered office was established in South Africa, Conceria Pasubio S.p.A. - Pretoria factory, which will become

operational during 2024. Therefore, data related to this location are not included in this Report.

For further information and suggestions regarding Pasubio Group Sustainability Report, please contact [sustainability@pasubio.com](mailto:sustainability@pasubio.com)

This document is also available at [www.pasubio.com](http://www.pasubio.com)

# REPORTING IN ACCORDANCE WITH GRI Standards

The Group provides its stakeholders with detailed information to enable them to make an informed assessment of Pasubio's operations and contribution to sustainable development. The Group ensures compliance with all nine mandatory requirements defined by the GRI Standards 2021, listed in the table below.

For each requirement, it specifies the reference chapter or paragraph or, alternatively, it specifies the manner in which the Group ensures compliance.

GRI REQUIREMENTS 1	CHAPTER/PARAGRAPH
1) Application of reporting principles	All parts of this document adhere to the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability
2) Reporting on GRI 2 disclosures: General Disclosures 2021	GRI Content Index
3) Identification of material topics	Materiality analysis
4) Reporting on GRI 3 disclosures: Material topics 2021	Materiality analysis; Management of material issues is dealt with in more detail in the chapters dedicated to each topic
5) Reporting of disclosures required by GRI Specific Standards for each material theme	GRI Content Index
6) Presentation of reasons for omission for disclosures and requirements with which the organisation cannot comply	GRI Content Index
7) Publication of the GRI content index	GRI Content Index
8) Preparation of a statement of use	Methodological note and scope
9) Notification to GRI	This Document was notified to the Global Reporting Initiative (GRI) on 07.31.2024 using the email address <a href="mailto:reportregistration@globalreporting.org">reportregistration@globalreporting.org</a>

# content index

The content index lists the indicators reported in this Sustainability Report. For each GRI indicator, reference to the chapter or section is provided or,

where the data or information is not contained in the text, a description of the indicator itself is provided.

GRI	DISCLOSURES	CHAPTER / PARAGRAPH	NOTES	CAUSE FOR OMISSION
<b>GRI 2 GENERAL DISCLOSURES (2021)</b>				
<b>The organisation and its reporting practices</b>				
2-1	Organisational details	Methodological note and scope; Chapter 1: About Pasubio Group		
2-2	Entities included in the organisation's sustainability reporting	Methodological note and scope		
2-3	Reporting period, frequency and point of contact	Methodological note and scope		
2-4	Revision of information		Any revisions are appropriately noted in the document	
2-5	External assurance	Assurance report	This report has been externally audited	
<b>Activities and workers</b>				
2-6	Activities, value chain and other business relationships	1.4. Pasubio Group's leathers; Chapter 2: Procurement		
2-7	Employees	Chapter 7: Corporate population; Additional data		
2-8	Non-employee workers	Chapter 7: Corporate population; Additional data		
<b>Governance</b>				
2-9	Governance structure and composition	1.2. Governance		
2-10	Appointment and selection of the highest governing body	1.2. Governance		
2-11	Chairperson of the highest governing body	1.2. Governance		
2-12	Role of the highest governing body in impact management control		The Chairperson of the Board of Directors is not a senior executive of the Group	
2-13	Delegation of responsibility for impact management		The Chief Executive Officer is responsible for approval and updating of the Group's purpose, value, or mission statements, strategies, policies and goals related to Sustainable Development, and management of impacts on the economy, environment and people	



GRI	DISCLOSURES	CHAPTER / PARAGRAPH	NOTES	CAUSE FOR OMISSION
2-14	Role of the highest governing body in sustainability reporting		Ref. 2-12	
2-15	Conflicts of Interest		Conflicts of interest are managed as governed by the Italian Civil Code	
2-16	Communication of critical issues		Conceria Pasubio S.p.A. has a dedicated whistleblowing channel intended for employees, managers, directors, contractors, consultants, suppliers, customers and more generally stakeholders of the Company. The whistleblowing policy is posted on the Company's website and on those of its subsidiaries. A copy of the policy is also posted on special bulletin boards within the Company's factories and offices. The possible methods for submitting reports are appropriately explained within the said policy.	
2-17	Collective knowledge of the highest governing body		During the reporting period, no induction activities regarding sustainable development were carried out for the Board of Directors	
2-18	Performance evaluation of the highest governing body		There are currently no mechanisms for evaluating the performance of the Board of Directors in managing impacts on the economy, environment and people	
2-19	Rules regarding remuneration		Remuneration for members of the Board of Directors is set at a fixed amount	
2-20	Procedure for determining remuneration		Remuneration for members of the Board of Directors is determined by the Shareholders' Meeting at the time of appointment	
2-21	Annual total remuneration ratio			This information is confidential

### Strategy, policies and practices

2-22	Sustainable development strategy statement	Letter to Stakeholders		
2-23	Commitment in terms of policy	Letter to stakeholders; 1.1. Mission and values; 1.5. Quality and excellence in Pasubio Group's choices		
2-24	Integration of commitments in terms of policy			Policies in the area of ESG are being developed
2-25	Processes to remedy negative impacts.		During 2023, no reports were received regarding negative impacts in the management of ESG issues	
2-26	Mechanisms for requesting clarification and raising concerns		The email address <a href="mailto:sustainability@pasubio.com">sustainability@pasubio.com</a> can be used to request clarification on the implementation of the Group's policies and practices for responsible conduct	
2-27	Compliance with laws and regulations		There were no instances of non-compliance with laws and regulations during the reporting period	
2-28	Membership of associations	1.7. Choices for the common benefit: community and territory		

GRI	DISCLOSURES	CHAPTER / PARAGRAPH	NOTES	CAUSE FOR OMISSION
<b>Stakeholder involvement</b>				
2-29	Approach to stakeholder involvement	Stakeholders		
2-30	Collective bargaining agreements	Chapter 7: Corporate population		
<b>SPECIFIC STANDARDS</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-1	Process for determining material topics	Materiality analysis		
3-2	List of material topics	Materiality analysis		
<b>MATERIAL TOPIC: ECONOMIC PERFORMANCE</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	1.6. Economic performance and responsible growth		
<b>GRI 201 Economic performance (2016)</b>				
201-1	Directly generated and distributed economic value	1.6. Economic performance and responsible growth		
201-4	Financial assistance received from the government	1.6. Economic performance and responsible growth		
<b>MATERIAL TOPIC: RELATIONSHIP WITH THE COMMUNITY</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	1.7. Choices for the common benefit: community and territory		
<b>MATERIAL TOPIC: BUSINESS ETHICS</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	1.2. Governance		
<b>GRI 205 Anti-corruption (2016)</b>				
205-3	Established incidents of corruption and actions taken	1.2. Governance		
<b>MATERIAL TOPIC: SUPPLY CHAIN MANAGEMENT</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 2: Procurement		
<b>GRI 204 Procurement practices (2016)</b>				
204-1	Proportion of spending made to local suppliers	Chapter 2: Procurement		
<b>GRI 301 Materials (2016)</b>				
301-1	Materials used by weight or volume	Chapter 2: Procurement		Innova's raw materials are omitted, as they are in the test phase
<b>MATERIAL TOPIC: BIODIVERSITY AND DEFORESTATION</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 2: Procurement		

GRI	DISCLOSURES	CHAPTER / PARAGRAPH	NOTES	CAUSE FOR OMISSION
<b>MATERIAL TOPIC: ANIMAL WELFARE</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 2: Procurement		
<b>MATERIAL TOPIC: R&amp;D AND INNOVATION</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 3: Research and Development		
<b>MATERIAL TOPIC: CLIMATE CHANGE</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 4: Production and technology		
<b>GRI 302 Energy (2016)</b>				
302-1	Energy consumed within the organisation	Chapter 4: Production and technology		
302-3	Energy intensity index	Additional data		
<b>GRI 305 Emissions (2016)</b>				
305-1	Direct GHG emissions (scope 1)	Chapter 4: Production and technology		
305-2	Direct GHG emissions from energy consumption (scope 2)	Chapter 4: Production and technology		
305-4	Intensity of GHG emissions	Additional data		
<b>MATERIAL TOPIC: MANAGEMENT OF WATER RESOURCES</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 4: Production and technology		
<b>GRI 303 Water and effluent (2018)</b>				
303-1	Interaction with water as a shared resource	Chapter 4: Production and technology		
303-2	Management of impacts related to water discharge	Chapter 4: Production and technology		
303-3	Water withdrawal	Chapter 4: Production and technology; Detailed information		Only process water
303-4	Water discharge	Chapter 4: Production and technology; Detailed information		
303-5	Water consumption	Detailed information		
<b>MATERIAL TOPIC: POLLUTION (EMISSIONS IN WATER, AIR AND SOIL)</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 3: Research and Development; Chapter 4: Production and technology		

GRI	DISCLOSURES	CHAPTER / PARAGRAPH	NOTES	CAUSE FOR OMISSION
<b>MATERIAL TOPIC: MANAGEMENT OF CHEMICAL PRODUCTS</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 3: Research and Development; Chapter 4: Production and technology		
<b>MATERIAL TOPIC: WASTE AND CIRCULAR ECONOMY</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 6: Waste		
<b>GRI 306 Waste (2020)</b>				
306-1	Waste generation and significant waste-related impacts	Chapter 6: Waste		
306-2	Management of significant impacts related to waste	Chapter 6: Waste		
306-3	Waste generated.	Chapter 6: Waste		
306-4	Waste diverted from disposal	Chapter 6: Waste		
306-5	Waste sent for disposal	Chapter 6: Waste		
<b>MATERIAL TOPIC: WORKING CONDITIONS.</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 7: Corporate population		
<b>GRI 401 Employment (2016)</b>				
401-1	New hires and turnover	Chapter 7: Corporate population; Detailed information		
<b>MATERIAL TOPIC: DIVERSITY AND INCLUSION</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 8: Protection of people and non-discrimination		
<b>GRI 405 Diversity and equal opportunities (2016)</b>				
405-1	Diversity in governing bodies and among employees.	Chapter 8: Protection of persons and non-discrimination; Detailed information		
<b>GRI 406 Non-discrimination (2016)</b>				
406-1	Incidents of discrimination and corrective measures taken	Chapter 8: Protection of people and non-discrimination		
<b>MATERIAL TOPIC: WORKER HEALTH AND SAFETY</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 10: Health and safety		

GRI	DISCLOSURES	CHAPTER / PARAGRAPH	NOTES	CAUSE FOR OMISSION
<b>GRI 403 Occupational health and safety (2018)</b>				
403-1	Occupational health and safety management system	Chapter 10: Health and safety		
403-2	Hazard identification, risk assessment and accident investigation	Chapter 10: Health and safety		
403-3	Occupational health services	Chapter 10: Health and safety		
403-4	Worker participation and consultation and communication on occupational health and safety	Chapter 10: Health and safety		
403-5	Worker training in occupational health and safety	Chapter 9: Staff training and development		
403-6	Worker health promotion	Chapter 10: Health and safety		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	Chapter 10: Health and safety		
403-8	Workers covered by health and safety management system	Chapter 10: Health and safety		
403-9	Work-related injuries	Chapter 10: Health and safety		
<b>MATERIAL TOPIC: HUMAN RESOURCE TRAINING</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	Chapter 9: Staff training and development		
<b>GRI 404 Training and education (2016)</b>				
404-1	Average annual hours of training per employee	Chapter 9: Training and development of staff		
<b>MATERIAL TOPIC: CUSTOMER SATISFACTION AND SAFETY</b>				
<b>GRI 3 Management of material topics (2021)</b>				
3-3	Management of material topics	1.2. Governance; Chapter 5: Distribution and B2B relationship		
<b>GRI 418 Customer privacy (2016)</b>				
418-1	Proven complaints regarding customer privacy breaches and loss of customer data	1.2. Governance	There were no cases of complaints arising from customer privacy breaches during 2023	



# Reconciliation

As stated in the methodological note, this Sustainability Report has been prepared in accordance with the GRI Standards under the “in accordance with” option. However, as of fiscal year 2025, Pasubio Group will enter the scope of the Corporate Sustainability Reporting Directive (CSRD) and will be required to report sustainability information according to the European Sustainability Reporting Standards (ESRS) developed by the European Financial Reporting Advisory Group (EFRAG).

In order to identify which disclosure requirements have already been met and which ones require further adjustments in order to comply with the new directive, a reconciliation table was created between the current GRI indicators and the new ESRS standards.

The information included in the table below is taken from the document “GRI-ESRS Interoperability Index” prepared jointly by GRI and EFRAG and updated as of 30 November 2023. Any regulatory de-

velopments and information updates will be duly reported.

The reconciliation table serves as an operational guide, allowing areas of overlap and discrepancy between the two sets of standards to be clearly identified by assigning each GRI indicator its corresponding ESRS. It is important to note that any discrepancies between ESRS indicators and GRI standards are justified by the integration of missing information into the concepts of strategy, objectives and metrics, which are imposed across the board by ESRS.

The creation of the GRI-ESRS reconciliation table represents a key element of Pasubio’s strategy: by taking a proactive approach in advance of its implementation obligations, Pasubio Group will be able to meet the challenges of the new directive, minimising operational and administrative impacts and increasingly consolidating its commitment to transparent and accountable reporting.

GRI STANDARDS.	GRI DISCLOSURE REQUIREMENTS	ESRS DISCLOSURE REQUIREMENTS
GRI 2: General Disclosures	2-2 Entities included in the organisation's sustainability reporting	ESRS 1 5.1; ESRS 2 BP-1 §5 (a) and (b) i
	2-3 Reporting period, frequency and point of contact (2-3-a and 2-3-b)	ESRS 1 §73
	2-4 Restatement of information	ESRS 2 BP-2 §13, §14 (a) - (b)
	2-5 External Assurance	Refer to the requirements for assurance outlined in Directive (EU) 2022/2464
	2-6 Activities, value chain and other business relationships	ESRS 2 SBM-1 §40 (a) i - (a) ii, (b) - (c), §42 (c)
	2-7 Employees	ESRS 2 SBM-1 §40 (a) iii; ESRS S1 S1-6 §50 (a) - (b) and (d) to (e), §51 - §52
	2-8 Non-employee workers	ESRS S1 S1-7 §55 - §56
	2-9 Governance structure and composition (2-9-b, 2-9-c-i, c-ii, c-v to c-viii)	ESRS 2 GOV-1 §21, §22 (a), §23; ESRS G1 §5 (b)
	2-10 Appointment and selection of the highest governing body	This topic is not included in the list of sustainability issues in ESRS 1 RA §16
	2-11 Chairperson of the highest governing body	This topic is not included in the list of sustainability issues in ESRS 1 RA §16
	2-12 Role of the highest governing body in overseeing impact management	ESRS 2 GOV-1 §22 (c); GOV-2 §26 (a) - (b); SBM-2 §45 (d); ESRS G1 §5 (a)
	2-13 Delegation of responsibility for Impact management	ESRS 2 GOV-1 §22 (c) i; GOV-2 §26 (a); ESRS G1 G1-3 §18 (c)

GRI STANDARDS.	GRI DISCLOSURE REQUIREMENTS	ESRS DISCLOSURE REQUIREMENTS
	2-14 Role of the highest governing body in sustainability reporting	ESRS 2 GOV-5 §36; IRO-1 §53 (d)
	2-15 Conflicts of Interest.	This topic is not included in the list of sustainability issues in ESRS 1 RA §16
	2-16 Communication of critical issues	ESRS 2 GOV-2 §26 (a); ESRS G1 G1-1 RA 1 (a); G1-3 §18 (c)
	2-17 Collective responsibilities of the highest governing body	ESRS 2 GOV-1 §23
	2-18 Performance evaluation of the highest governing body	This topic is not included in the list of sustainability issues in ESRS 1 RA §16
	2-19 Remuneration policies (2-19-b)	ESRS 2 GOV-3 §29 (a) - (c); ESRS E1 §13
	2-20 Processes for determining remuneration	ESRS 2 GOV-3 §29 (e) Refer to the requirements set out in Directive (EU) 2017/828 for listed companies
	2-21 Report on total annual remuneration (2-21-a and 2-21-c)	ESRS S1 S1-16 §97 (b) - (c)
	2-22 Sustainable development strategy statement	ESRS 2 SBM-1 §40 (g)
	2-23 Commitments made through policy (2-23-a-i and a-iv; 2-23-b, 2-23-d, 2-23-e, 2-23-f)	ESRS 2 GOV-4; MDR-P §65 (b) - (c) and (f); ESRS S1 S1-1 §19 - §21, and §RA 14; ESRS S2 S2-1 §16 - §17, §19, and §RA 16; ESRS S3 S3-1 §14, §16 to §17 and §RA 11; ESRS S4 S4-1 §15 to §17, and §RA 13; ESRS G1 G1-1 §7 and §RA 1 (b)
<b>GRI 2: General Disclosures</b>	2-24 Integration of commitments in terms of policy	ESRS 2 GOV-2 §26 (b); MDR-P §65 (c); ESRS S1 S1-4 §RA 35; ESRS S2 S2-4 §RA 30; ESRS S3 S3-4 §RA 27; ESRS S4 S4-4 §RA 27; ESRS G1 G1-1 §9 and §10 (g)
	2-25 Processes to remedy negative impacts	ESRS S1 S1-1 §20 (c); S1-3 §32 (a), (b) and (e), §RA 31; ESRS S2 S2-1 §17 (c); S2-3 §27 (a), (b) and (e), §RA 26; S2-4 §33 (c); ESRS S3 S3-1 §16 (c); S3-3 §27 (a), (b) and (e), §RA 23; S3-4 §33 (c); ESRS S4 S4-1 §16 (c); S4-3 §25 (a), (b) and (e), §RA 23; S4-4 §32 (c)
	2-26 Mechanisms for requesting clarification and raising critical issues	ESRS S1 S1-3 §RA 32 (d); ESRS S2 S2-3 §RA 27 (d); ESRS S3 S3-3 §RA 24 (d); ESRS S4 S4-3 §RA 24 (d); ESRS G1 G1-1 §10 (a); G1-3 §18 (a)
	2-27 Compliance with laws and regulations	ESRS 2 SMB-3 §48 (d); ESRS E2 E2-4 §RA 25 (b); ESRS S1 S1-17 §103 (c) - (d) and §104 (b); ESRS G1 G1-4 §24 (a)
	2-28 Membership of associations	"Political engagement" is a sustainability issue for G1 covered by ESRS 1 §RA 16. Therefore, this GRI disclosure requirement is covered by MDR-P, MDR-A, MDR-T, and/or may be treated as an entity-specific metric to be reported under ESRS 1 §11 and MDR-M (2b)
	2-29 Approach to stakeholder involvement	ESRS 2 SMB-2 §45 (a) i - (a) iv; ESRS S1 S1-1 §20 (b); S1-2 §25, §27 (e) - §28; ESRS S2 S2-1 §17 (b); S2-2 §20, §22 (e) and §23; ESRS S3 S3-1 §16 (b); S3-2 §19, §21 (d) and §22; ESRS S4 S4-1 §16 (b); S4-2 §18, §20 (d) and §21
	2-30 Collective bargaining agreements	ESRS S1 S1-8 §60 (a) and §61
	3-1 Processes for determining material topics	ESRS 2 BP-1 §RA 1 (a); IRO-1 §53 (b) ii - (b) iv
	3-2 List of material topics	ESRS 2 SBM-3 §48 (a) and (g)
<b>GRI 3: Material topics</b>	3-3 Management of material topics	ESRS 2 SBM-1§ 40 (e); SBM-3 §48 (c) i and (c) iv; MDR-P, MDRA, MDR-M, and MDR-T; ESRS S1 S1-2 §27; S1-4 §39 and RA 40 (a); S1-5 §47 (b) to (c); ESRS S2 S2-2 §22; S2-4 §33, §RA 33 and §RA 36 (a); S2-5 §42 (b) - (c); ESRS S3 S3-2 §21; S3-4 §33, §RA 31, §RA 34 (a); S3-5 §42 (b) - (c); ESRS S4 S4-2 §20, S4-4 §31, §RA 30, and §RA 33 (a); S4-5 §41 (b) - (c)

GRI STANDARDS.	GRI DISCLOSURE REQUIREMENTS	ESRS DISCLOSURE REQUIREMENTS
<b>GRI 201: Economic performance</b>	201-1 Directly generated and distributed economic value	This topic is not included in the list of sustainability issues in ESRS 1 RA §16
	201-4 Financial assistance received from the government	This topic is not included in the list of sustainability issues in ESRS 1 RA §16
<b>GRI 204: Procurement practices</b>	3-3 Management of material topics	ESRS G1 G1-2 §12
	204-1 Proportion of spending on local suppliers.	"Economic, social and cultural rights of communities" is a sustainability issue for S3 covered by ESRS 1 §RA 16. Therefore, this GRI reporting requirement is covered by MDR-P, MDR-A, MDR-T, and/or may be treated as an entity-specific metric to be reported under ESRS 1 §11 and MDR-M
<b>GRI 205: Anti-corruption</b>	3-3 Management of material topics	ESRS G1 G1-1 §7; G1-3 §16 and §18 (a) and §24 (b)
	205-3 Established incidents of corruption and actions taken	ESRS G1 G1-4 §25
<b>GRI 301: Materials</b>	3-3 Management of material topics	ESRS E5 E5-1 §12; E5-2 §17; E5-3 §21
	301-1 Materials used by weight or volume	ESRS E5 E5-4 §31 (a)
<b>GRI 302: Energy</b>	3-3 Management of material topics	ESRS E1 E1-2 §25 (c) - (d); E1-3 §26; E1-4 §33
	302-1 Energy consumed within the organisation (302-1-a, b, c, e, g)	ESRS E1 E1-5 §37; §38; §RA 32 (a), (c), (e) and (f)
	302-3 Energy intensity	ESRS E1 E1-5 §40 - §42
<b>GRI 303: Water and water discharge</b>	3-3 Management of material topics	ESRS E2 §AR 9 (b); E2-1 §12; E2-2 §16 and §19; E2-3 §20; ESRS E3 E3-1 §9; E3-2 §15, §17 to §18; E3-3 §20
	303-1 Interactions with water as a shared resource	ESRS 2 SBM-3 §48 (a); MDR-T §80 (f); ESRS E3 §8 (a); §RA 15 (a); E3-2 §15, §RA 20
	303-2 Management of impacts related to water discharge (303-2-iv)	ESRS E2 E2-3 §24 (2b)
	303-3 Water withdrawal	"Water withdrawal" is a sustainability issue for E3 covered by ESRS 1 §RA 16. Therefore, this GRI reporting requirement is covered by MDR-P, MDR-A, MDR-T, and/or may be treated as an entity-specific metric to be reported under ESRS 1 §11 and MDR-M
	303-4 Water discharge.	"Water discharge" is a sustainability issue for E3 covered by ESRS 1 §RA 16. Therefore, this GRI reporting requirement is covered by MDR-P, MDR-A, MDR-T, and/or may be treated as an entity-specific metric to be reported under ESRS 1 §11 and MDR-M
	303-5 Water consumption	ESRS E3 E3-4 §28 (a), (b), (d) and (e)
	3-3 Management of material topics	ESRS E1 E1-2 §22; E1-3 §26; E1-4 §33 and §34 (b); E1-7 §56 (b) and §61 (c); ESRS E2 §AR 9 (b); E2-1 §12; E2-2 §16 and §19; E2-3 §20
<b>GRI 305: Emissions</b>	305-1 Direct GHG emissions (Scope 1)	ESRS E1 E1-4 §34 (c); E1-6 §44 (a); §46; §50; §RA 25 (b) and (c); §RA 39 (a) - (d); §RA 40; RA §43 (c) - (d)
	305-2 Indirect GHG emissions from energy consumption (Scope 2)	ESRS E1 E1-4 §34 (c); E1-6 §44 (b); §46; §49; §50; §RA 25 (b) and (c); §RA 39 (a) - (d); §RA 40; §RA 45 (a), (c), (d), and (f)
	305-4 Intensity of GHG emissions.	ESRS E1 E1-6 §53; §54; §RA 39 (c); §RA 53 (a)
<b>GRI 306: Waste</b>	3-3 Management of material topics	ESRS E5 §AR 7 (a); E5-1 §12; E5-2 §17; E5-3 §21
	306-1 Waste generation and significant waste-related impacts	ESRS 2 SBM-3 §48 (a), (c) ii and iv; ESRS E5 E5-4 §30
	306-2 Management of significant waste-related impacts (306-2-a and c)	ESRS E5 E5-2 §17 and §20 (e) and (f); E5-5 §40 and §RA 33 (c)
	306-3 Waste generated	ESRS E5 E5-5 §37 (a), §38 - §40

GRI STANDARDS.	GRI DISCLOSURE REQUIREMENTS	ESRS DISCLOSURE REQUIREMENTS
<b>GRI 306: Waste</b>	306-4 Waste not intended for disposal (306-4-a, b, c, e)	ESRS E5 E5-5 §37 (b), §38 and §40
	306-5 Waste intended for disposal (306-5-a, b, c, e)	ESRS E5 E5-5 §37 (c), §38 and §40
<b>GRI 401: Employment</b>	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §RA 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §RA 33; §RA 36 (a); S2-5 §39, §42 (b) and (c)
	401-1 New hires and turnover (401-1-b)	ESRS S1 S1-6 §50 (c)
<b>GRI 403: Occupational health and safety</b>	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §RA 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §RA 33; §RA 36 (a); S2-5 §39, §42 (b) and (c)
	403-1 Occupational health and safety management system (403-1-a)	ESRS S1 S1-1 §23 (1a)
	403-2 Hazard identification, risk assessment and accident investigation (403-2-b)	ESRS S1 S1-3 §32 (b) and §33
	403-3 Occupational health services.	"Health and Safety" and "Training and Capacity Building" are sustainability issues for S1 covered by ESRS 1 §RA 16. Therefore, this GRI reporting requirement is covered by MDR-P, MDR-A, MDR-T, and/or may be treated as an entity-specific metric to be reported under ESRS 1 §11 and MDR-M
	403-4 Worker participation and consultation and communication on occupational health and safety	
	403-5 Worker training in occupational health and safety	
	403-6 Worker health promotion	"Social protection" is a sustainability issue for S1 covered by ESRS 1 §RA 16. Therefore, this GRI reporting requirement is covered by MDR-P, MDR-A, MDR-T, and/or may be treated as an entity-specific metric to be reported under ESRS 1 §11 and MDR-M
	403-7 Prevention and mitigation of occupational health and safety impacts within commercial relationships	ESRS S2 S2-4 §32 (a)
	403-8 Workers covered by an occupational health and safety management system (403-8-a and b)	ESRS S1 S1-14 §88 (a); §90 (2c)
	403-9 Work-related injuries (403-9-a-i, a-iii, b-i, b-iii, c-iii, d, e)	ESRS S1 S1-4, §38 (a); S1-14 §88 (b) and (c); §RA 82
<b>GRI 404: Training and education</b>	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §RA 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §RA 33; §RA 36 (a); S2-5 §39, §42 (b) and (c); ESRS S1 §24 (a)
	404-1 Average annual hours of training per employee	ESRS S1 S1-13 §83 (b) and §84
<b>GRI 405: Diversity and equal opportunities</b>	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §RA 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §RA 33; §RA 36 (a); S2-5 §39, §42 (b) and (c)
	405-1 Diversity in governing bodies and among employees (405-1-a-i and iii, 405-1-b)	ESRS 2 GOV-1 §21 (d); ESRS S1 S1-6 §50 (a); S1-9 §66 (a) - (b); S1-12 §79
<b>GRI 406: Non-discrimination</b>	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); §24 (a) and (d); S1-2 §27; S1-4 §38; §39; §RA 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §RA 33; §RA 36 (a); S2-5 §39, §42 (b) and (c); ESRS S4 §10 (b); S4-1 §13; §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b); §35; §RA 30; §RA 33 (a); S4-5 §38; §41 (b) and (c)
	406-1 Incidents of discrimination and corrective measures taken	ESRS S1 S1-17 §97, §103 (a), §RA 103

GRI STANDARDS.	GRI DISCLOSURE REQUIREMENTS	ESRS DISCLOSURE REQUIREMENTS
GRI 418: Customer privacy	3-3 Management of material topics	ESRS S4 §10 (b); S4-1 §13 and §16 (c); S4-2 §20; S4-4 §31, §32 (a) and (b), §35, §RA 30, §RA 33 (a); S4-5 §38, §41 (b) and (c)
	418-1 Proven complaints regarding customer privacy breaches and loss of customer data	ESRS S4 S4-3 §RA 23; S4-4 §35



# ASSURANCE report



**Certiquality Srl**  
Via G. Giardino, 4  
20123 Milano - IT  
Ph. +39 02 8069171  
[certiquality.it](http://certiquality.it)

C.F. e P.I. 04591610961  
R.I. MI 04591610961  
R.E.A. MI 1759338  
Cap. Soc. € 1.000.000 i.v.  
[info@certiquality.it](mailto:info@certiquality.it)

## REPORT OF THE "PASUBIO GROUP SUSTAINABILITY REPORT 2023"

### Scopo

Certiquality S.r.l. has been engaged by Conceria Pasubio S.p.A. for the limited assurance engagement on the Pasubio Group Sustainability Report for the year 2023 Italian version, to verify its alignment with the GRI (Global Reporting Initiative) Standards 2021, consistently with the statement of use "with reference to the GRI Standards", which does not require a minimum number of disclosures or performance indicators. This letter describes the activities performed, reports the verification results, and provides recommendations for improvement.

The verification was carried out with reference to the "GRI Standards" published in 2021 by the Global Reporting Initiative, limited to the disclosures and indicators listed in the GRI content index, and specifically involved:

- verifying the reporting principles (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, verifiability);
- defining the scope of the report and the individual disclosures.
- ensuring the disclosures and indicators included in the content index meet the relevant GRI Standards guidelines requirements.

We conducted our engagement in compliance with the procedures adopted by Certiquality for audits in accordance with the UNI EN ISO 19011:2018 standard. The engagement was carried out partially in person and partially (particularly for foreign companies) remotely, by interviewing the relevant functions by videoconference and by examining the documentation shared on screen.

### Methods

The activity was carried out according to the following operational methods:

- analysis of the document "Sustainability report ESG Gruppo PASUBIO 2023," with particular reference to the principles and contents provided by the GRI Standards 2021 guidelines;
- interviews with functions involved, directly or indirectly, in the preparation of the document and in the data and information management process (from collection to subsequent processing);
- operational site visits, examination of documents, and records at the operational headquarters of Conceria Pasubio S.p.A. at Via Vicenza – Arzignano (VI) and at a representative sample of production plants included in the report's scope: Via Il Strada 38, 36071 Arzignano (Vicenza), Via Valdichiampo 11, 36050 Zermeghedo (Vicenza), Via Vicenza 34/c, 36071 Arzignano (Vicenza). The analysis covered both the procedures adopted for data collection, storage, and processing, as well as the technical-regulatory aspects of the activities carried out.

Economic-financial data were extracted from the financial statements of Conceria Pasubio S.p.A. as of 31.12.23, already audited (as per Deloitte & Touche letter dated 30/04/2024), and thus were not further verified. Verification activities related to data and information management contained in the Report were conducted on a sample basis, ensuring adequate coverage of all aspects addressed in the document.

### Results and recommendations

The verification of the "Sustainability report ESG Gruppo PASUBIO 2023", Italian version, showed substantial alignment with the principles of the GRI Standards 2021 guidelines and with the contents provided for the reported indicators, consistently with the statement of use "with reference to the GRI Standards", albeit with some areas for improvement. The identified improvement opportunities can be addressed by the



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Membro degli Accordi di Mutuo Riconoscimento EA, IAF e ILAC,  
Signatory of EA, IAF and ILAC Mutual Recognition Agreements.  
SGS n. 0084 - SGA n. 0010 - SCR n. 002F - FSM n. 0061  
PRD n. 0088 - DAP n. 003H  
SSI n. 007G - SGE n. 001M - ISP n. 066E - GHG n. 0010  
EMAS n. 008P - ITX n. 004L - PRS n. 100C

Organization in anticipation of future editions, especially considering the need, known to the Organization, to comply with the Corporate Sustainability Reporting Directive (CSRD) from the fiscal year 2025, for which it will be required to report sustainability information according to the European Sustainability Reporting Standards (ESRS) developed by the European Financial Reporting Advisory Group (EFRAG). To identify which informational obligations are already met and which require further adjustments for compliance with the new directive, a reconciliation table between the current GRI indicators and the new ESRS standards has been created.

The report was prepared in continuity with the previous year, maintaining the same scope, excluding acquisitions made in 2023 (e.g., Conceria Pasubio S.p.A. plant - Pretoria, South Africa). Overall, the principles of Accuracy, Balance, Clarity, Comparability, Sustainability Context, Timeliness, and Verifiability were ensured. The principle of Completeness requires the improvements listed below.

The data management and consolidation system, although improved compared to last year, still shows room for improvement. Some limitations in scope remain, as well as differences in the level of detail of data on certain issues, which should be more standardized.

The stakeholder engagement process in defining material topics has not yet been provided for direct involvement of interested parties, and the materiality definition process is now described in the report and supporting procedures.

In the presence of different regulatory references in the various countries where the group's facilities are located, homogeneous criteria for data collection (e.g., classification of injuries, classification of waste, etc.) were defined based on GRI definitions. The report includes a reference matrix listing the content index and the reported indicators; for each GRI indicator, if the 2021 GRI requirement is not applied, reference is made to previous editions of the GRI guidelines. Only certain elements are excluded from reporting, justified appropriately, such as salary data considered confidential, and ESG policies still under development.

The verification did not reveal any significant elements that would suggest that the information declared in the GRI content matrix is not aligned with the "with reference" approach to the GRI Standards 2021. The data management system and complete traceability of calculations to the primary data sources used have also been improved.

The verification confirmed some areas for improvement, particularly regarding:

- the data management system (preparation of a documented procedure; traceability of processing; implementation of data consistency checks before inserting processed data into the report);
- the reporting and homogeneity of collected data in relation to the need to standardize the use of GRI indicators to a single revision of the guidelines (some refer to GRI 2016, others to 2021) and to provide for the inclusion of some specific indicators related to production to evaluate process efficiency and compliance level, not just the absolute impact;
- the description of the stakeholder engagement process and the actual direct involvement of stakeholders in materiality analysis;
- the description of how the Organization respects human rights in all the countries where it operates and gender equality, which require more details.

### Conclusions

The verification of the "Pasubio Group Sustainability Report" for 2023, Italian version, did not reveal any significant deficiencies concerning compliance with the principles of the GRI Standards guidelines and the content in terms of information and performance indicators, albeit with some areas for improvement. The verification did not reveal any significant elements that would suggest the Report is not compliant with the application level "with reference to the GRI Standards" of the GRI Standard 2021.

29 Luglio 2024



Certiquality S.r.l.  
Il Presidente  
Marco Martinelli

Supporto interno per lo sviluppo  
del presente documento ed editoriale:

TEAM ENVIRONMENTAL, HEALTH & SAFETY

TEAM RISORSE UMANE

TEAM RICERCA & SVILUPPO

TEAM FINANCE

TEAM ACQUISTI

Supporto metodologico tecnico:

WST

Progetto grafico e impaginazione:

TWENTY8STUDIOS S.r.l.

**PASUBIO**

**Conceria Pasubio S.p.A.**

Via Il Strada, 38

36071 Arzignano (VI) - Italia

tel. +39 0444 472601

fax +39 0444 676921 (dip. Amministrazione)

fax +39 0444 675848 (dip. Commerciale)



