

MISSION TO THE FUTURE

Sustainability
Report
2025



For leather, for you

Embracing the future

Welcome to our Annual Sustainability Report, an overview of the results achieved, the progress made and our ongoing commitment to excellence over the course of the year.

MISSION TO THE FUTURE

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Letter to Stakeholders

Dear Stakeholders,
2025 was a complex year. Geopolitical tensions, international economic uncertainty and the slowdown of the main European economies put markets under severe strain. Added to this was the negative trend that has been affecting the tanning industry for some years now.

Yet, in this challenging scenario, GSC GROUP S.p.A. achieved encouraging results. Our financial solidity, our ability to diversify and innovate, but above all the dedication of our people, have enabled us to confirm the strength of the Group. The integration of our companies has unlocked new internal synergies; we are consolidating our processes while keeping intact the agility and speed of decision-making that set us apart.

Alongside our economic results, our strategy continues to rest on three fundamental pillars: the safety of our employees and an inclusive working environment, the protection of the environment through the reduction of the impact of our activities, and social responsibility, promoting sustainable practices along the entire value chain.

The path taken in 2025 also brought certain areas for improvement to light. We welcome them as an opportunity: we are already working on them with determination to ensure the fullest consistency with our values and our mission. We look to 2026 with confidence, ready to turn new challenges into opportunities for lasting and sustainable development. Thank you for standing beside us on this journey.

Adriano Serafini
Chairman

Methodological Note

GSC Group recognises the importance of the Sustainability Report as the primary instrument through which it undertakes to communicate to its stakeholders, both internal and external, the results and performance of its journey towards a management model that is responsible and geared towards improving and minimising environmental and social impacts.

The Report provides a clear representation of the commitments, targets, actions and results achieved in the environmental, social and governance spheres.

The information and data contained in this Sustainability Report relate to the 2025 financial year, from 1 January to 31 December (in line with the annual financial statements), and are reported on a

consolidated basis for the entire Group, covering all sites.

This document has been prepared in accordance with the VSME standards published by EFRAG; specifically, the Comprehensive approach has been applied, covering the disclosures of the Basic Module supplemented by the relevant disclosures of the Comprehensive Module.

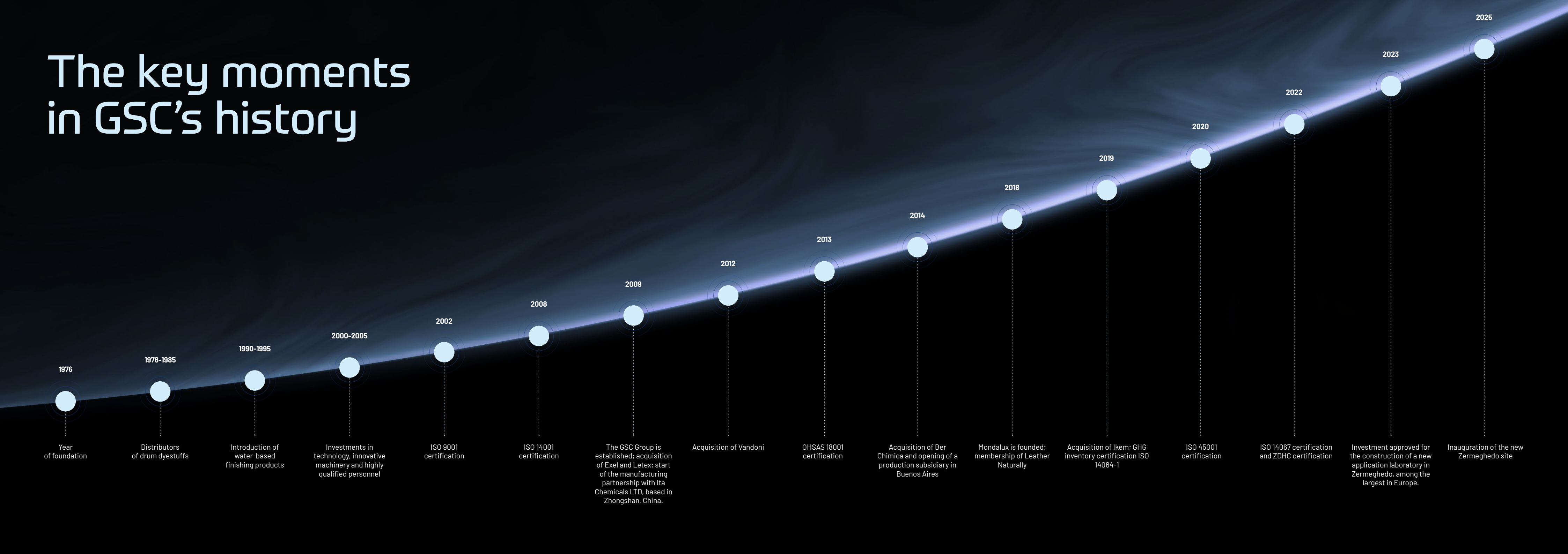
Adherence to these standards, which are recognised by the European Commission, ensures the comparability, reliability and transparency of the information presented.

A structured internal process was adopted for the preparation of the Sustainability Report, involving

various company functions, including Quality, Human Resources and R&D: each department was responsible for collecting and verifying the information relating to its own areas of competence. The entire process was coordinated by the consultancy firm Aequilibria Srl – SB, which supported GSC in drafting this document.

The disclosures and topics relevant to sustainability reporting were identified through the Materiality Analysis carried out in 2020 and confirmed by Management as still relevant for the year 2025.

The key moments in GSC's history



The core values adopted by the GSC Group are one of the keys to the company's success, inspiring the daily work of its people and helping to align economic activity with respect for the environment, human rights and ethics.

At their foundation lies the Group's Philosophy, built around the principles of Corporate Social Responsibility and the Sustainability of production processes, recognising the need to place at the centre of its activity the requirement to respect the planet, to make conscious use of available resources, to protect the environment, to respect human rights and to adopt ethical working practices.

Our constant commitment is to contribute concretely to the well-being of society and, in particular, of the communities and territories in which GSC operates, working to minimise the negative impacts that may arise from its sites.

These objectives are also pursued through Innovation, which is another of the Group's core values.

GSC's Research and Development, characterised by constant intergenerational dialogue and by the exchange of skills and knowledge, adopts an

approach aimed at creating products with ever-better environmental performance. Innovation also encompasses Creativity, a distinctive trait of the company's DNA: products, technologies and expertise developed outside our sector are adapted, studied, formulated and applied to other markets, keeping the bar high in the development of new solutions for our customers.

Flexibility takes concrete form in the search for exclusive, versatile chemical products, formulated to measure for each specific requirement, made possible by diversification within the tanning sector and across different leather treatments.

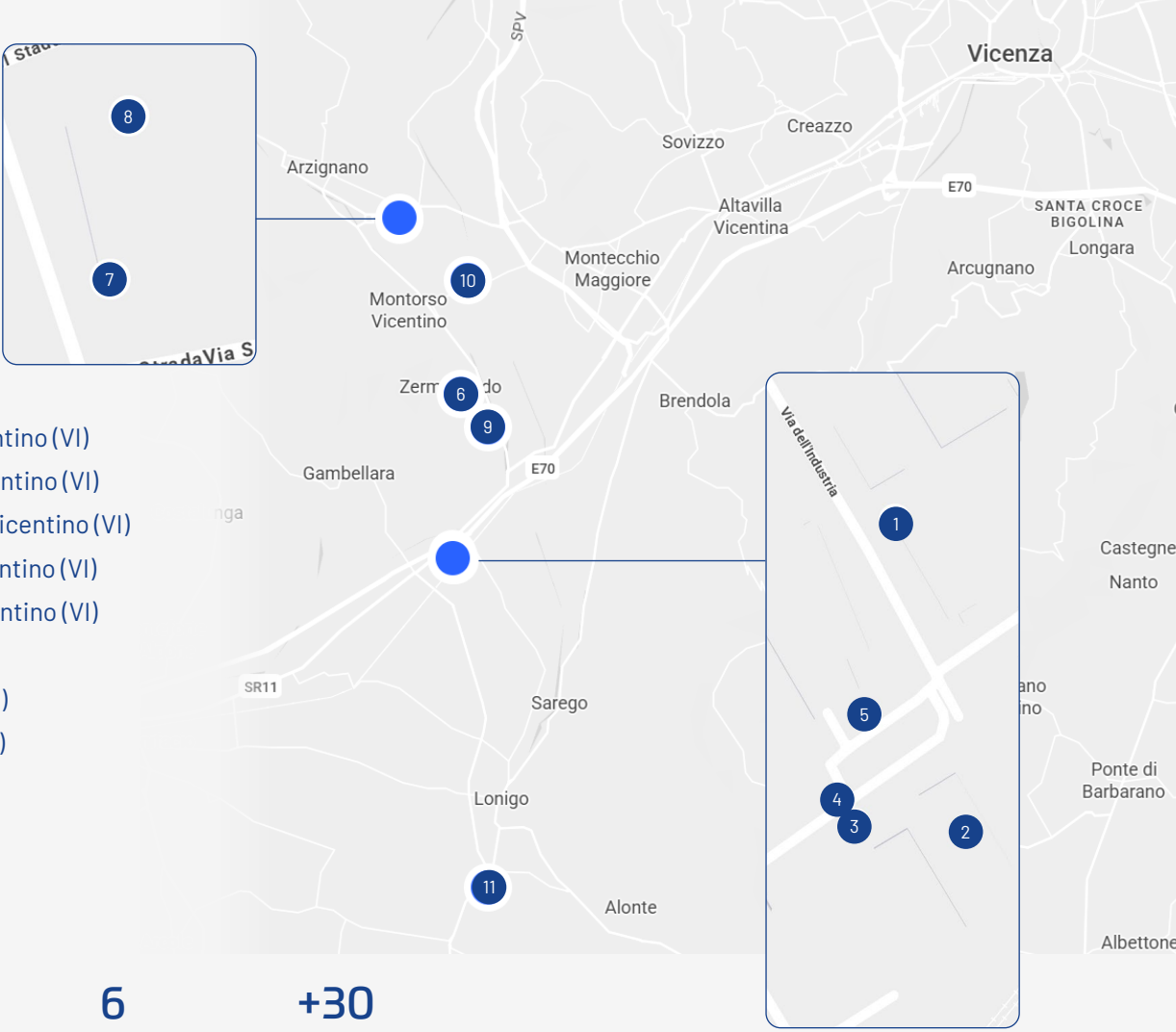
Through internal management processes, all production stages are subject to complete and constant control that guarantees the Reliability and Quality of the Group's products. This is essential in maintaining solid relationships with customers, based on trust and active collaboration, offering creative, technical and industrial know-how to meet every specific need.

Company structure

The Group's structure comprises 6 wet-processing plants, 13 finishing plants, 2 powder plants, 6 pigment plants, 6 aniline plants and more than 30 storage silos. This configuration makes GSC one of the most complete companies in the sector, with the capacity to cover the entire production process, from raw material through to finished product.

The sites included in the Group are listed below:

- 1 **Montebello District**, site at Via dell'Industria, 5 – 36054 Montebello Vicentino (VI)
- 2 **Montebello District**, site at Via dell'Industria, 14 – 36054 Montebello Vicentino (VI)
- 3 **Montebello District**, site at Via dell'Industria, 15/16 – 36054 Montebello Vicentino (VI)
- 4 **Montebello District**, site at Via dell'Industria, 17 – 36054 Montebello Vicentino (VI)
- 5 **Montebello District**, site at Via dell'Industria, 18 – 36054 Montebello Vicentino (VI)
- 6 **Zermeghedo site**, Via Roveri, 1 – 36054 Zermeghedo (VI)
- 7 **Historic headquarters**, Via Seconda Strada 109/111 – 36071 Arzignano (VI)
- 8 **Historic headquarters**, Via Seconda Strada 115/117 – 36071 Arzignano (VI)
- 9 **Vigazzolo**, Via Vigazzolo 78/80/82 – 36054 Montebello Vicentino (VI)
- 10 **Warehouse**, Via Roggia di Mezzo, 49 – 36050 Montorso Vicentino (VI)
- 11 **Lonigo**, Via Baden Powell, 26 – 36045 Lonigo (VI)



6 wet-processing plants 13 finishing plants 2 powder plants 6 pigment plants 6 aniline plants +30 storage silos

philosophy Innovation Flexibility Reliability Quality

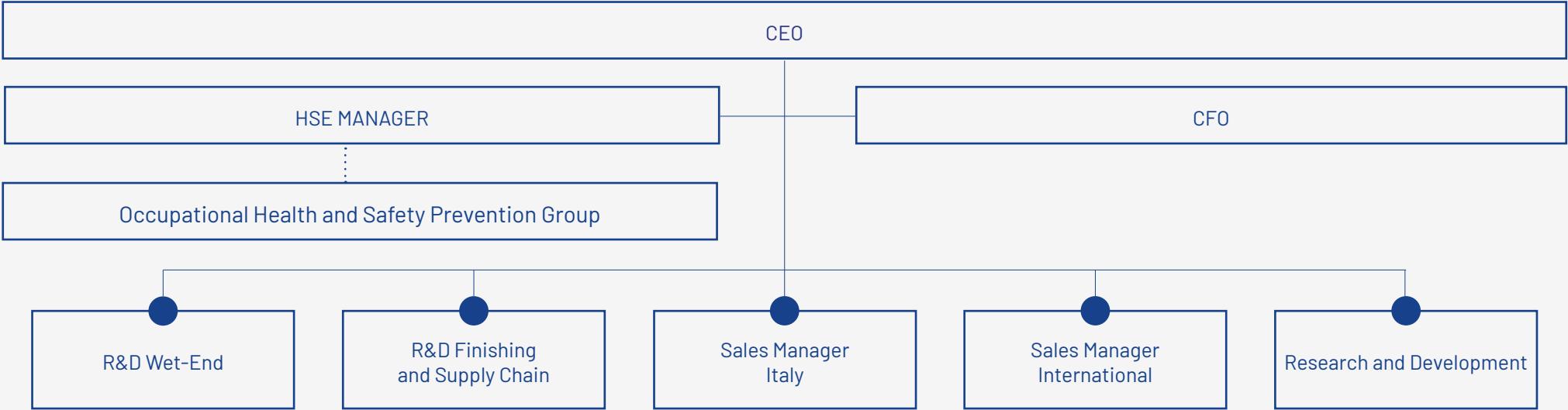
The values that guide us

The Governance of the GSC Group is structured around two key bodies:

- Board of Directors (BoD), composed of the CEO, the CFO, and the Heads of Research and Development, Research and Development Finishing and Supply Chain, Research and Development Wet-End, Sales Italy and Sales International;
- Supervisory Body (described in the “Compliance” chapter).

The Board of Directors is the body responsible for the strategic direction of the GSC Group; it promotes a corporate culture geared towards long-term value creation, periodically assesses the organisation’s sustainability policies, commitments and performance, and monitors the adequacy of internal control systems. It also oversees the consistency between stakeholder expectations and interests and the company’s activities, fostering transparency, accountability and continuous improvement.

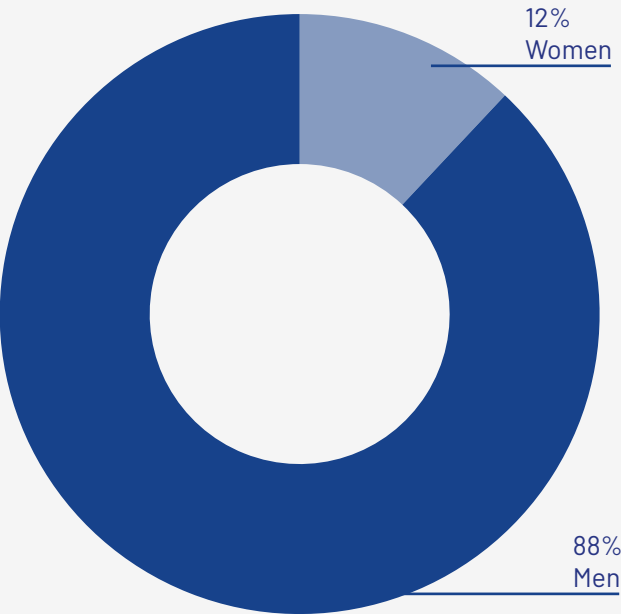
Composition



Our governance

In terms of gender breakdown, the Board of Directors is composed as follows:

Board members	2024	2025
Men	7	7
Women	1	1
Total	8	8



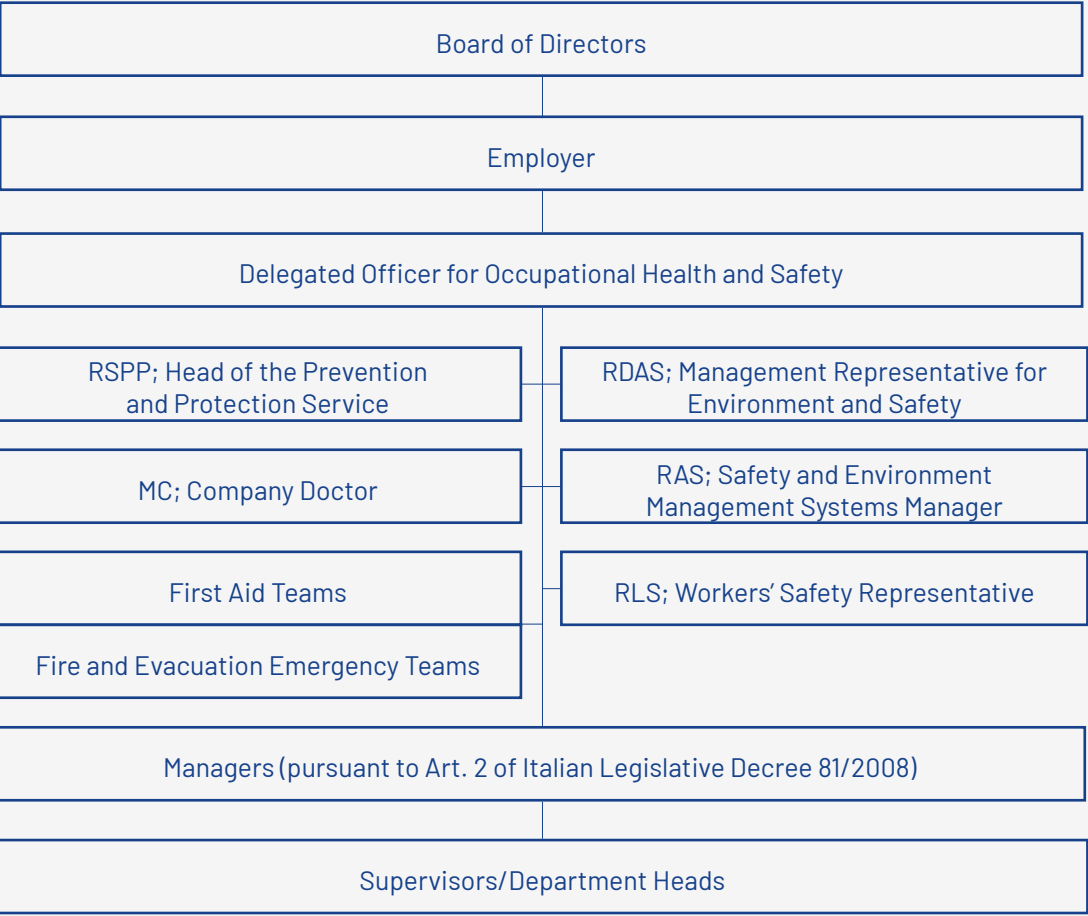
Sustainability management

The Board of Directors is responsible for managing the sustainability topics that are material to the Group, and for adopting strategies and targets to improve ESG-related performance. It monitors and oversees the correct implementation of the company Management Systems and of the actions aimed at achieving the

targets, as well as verifying compliance with the principles set out in the Code of Ethics and with the rules established for the 231 administrative Model.

Through the presence on the Board of figures responsible for Research and Development, the

To complete the description of governance, the Group’s organisational chart is also shown:



body is fully involved in innovation processes aimed at reducing the environmental and social impacts associated with the Group’s production and final products.



Nicola Lombardo



Ludovico Vignaga



Francesco Serafini



Diego Cisco



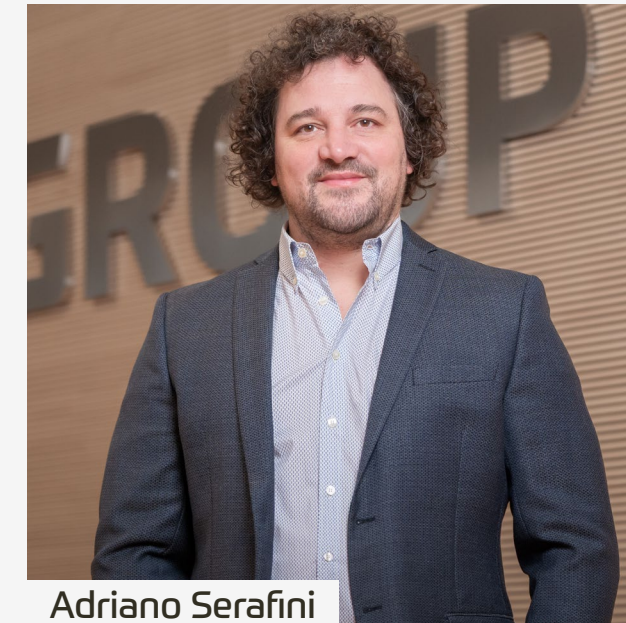
Claudio Bortolati



Caterina Serafini



Donato Serafini



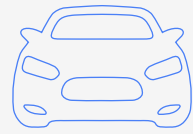
Adriano Serafini

Transparency, accountability and
continuous improvement.
Together, towards the future.

Products, services and sectors of GSC

Sectors

The main sectors in which the GSC Group operates, through the design and creation of products for leather treatment capable of guaranteeing comfort, durability and style, are:



Automotive;



Upholstery;



Footwear, leather goods and apparel.

The GSC Group comprises a range of diverse and specialised production companies, each with advanced technologies for creating chemical products intended for tanning, retanning, dyeing and finishing processes. Diversification has enabled the Group to keep growing over time and to respond to the needs of the various sectors by adapting its solutions.

GSC's product portfolio currently falls into four macro-categories: Pigments, Wet-End, Finishing, Touchmill.

Pigments

Colourants that enhance the aesthetic properties of treated finished articles. Eco-friendly pigments ensure the sustainability and vitality of the leather industry without compromising its artistic and creative dimension. The efficiency and quality of the pigments are guaranteed through the application of light fastness testing.

Wet-End

A broad range of chemical products dedicated to the wet-end stage of the leather process, a fundamental part of leather treatment. This category includes auxiliaries for tanning, retanning, fatliquoring and drum dyeing processes.

Finishing

Because of leather's many uses, different types of auxiliaries have been developed to deliver the best results in terms of appearance, abrasion and fire resistance, lightness, softness, moisture impact and many other characteristics required by the market. The optimisation of the properties of this product type is carried out through more than 60 different physical tests.

Touchmill

A product line designed to enhance the aesthetic and physical qualities of leather. The treatment is carried out in milling drums to obtain the most from each product in a controlled environment. The research, study and formulation of new solutions for the Touchmill line are designed to respond to the "customisation" needs of leather. By injecting Touchmill products into the milling drum and controlling temperature and humidity, a natural effect is achieved on the leather along with considerable savings in production costs.

Services

Alongside its products, the Group also distinguishes itself from competitors through the services it makes available to customers. In particular, technical customer support is considered a strategic factor of differentiation and value creation, in which GSC has firmly decided to invest, dedicating a new site entirely to customer support and to a training centre for young people. Logistics also plays a central role in this service model: the construction of the new Arzignano facility, conceived as a single warehouse, responds to the need to guarantee fast and efficient response times to customer requests.

Markets

The countries in which GSC operates are: Algeria, Argentina, Australia, Austria, Bangladesh, Brazil, China, Colombia, South Korea, Ecuador, United Arab Emirates, Philippines, France, Germany, Japan, Hong Kong, India, Indonesia, Macao, Mexico, Netherlands, Pakistan, Portugal, United Kingdom, Slovakia, Spain, Sri Lanka, United States of America, South Africa, Thailand, Tunisia, Turkey, Uruguay, Zimbabwe.

The Group's supply chain is dominated by partners active in the supply of raw materials, covering approximately 4,000 references in total.

The main suppliers belong to the chemical sector and consist of manufacturers of organic and inorganic bases. Among these, it is worth noting that the supply flow of basic chemical raw materials, such as ammonia, formic acid and polyurethane foams, currently comes largely from China, with an estimated share of 60-70%. In order to strengthen the resilience of its supply chain and reduce the risk of dependence on single operators, GSC Group pursues a strategy of diversifying suppliers for each raw material.

Furthermore, the Group is pursuing a policy of building primary partnerships with entities that develop innovative products derived from biomass or that have developed LCA (Life Cycle Assessment) studies or mass-balance processes. In this way GSC is able to pursue its policy of investing in the research, development and creation of low-environmental-impact products.

Research and development

Innovation is a central feature of the Group's day-to-day activity, including with a view to improving its products and processes in terms of impact reduction. For this reason, GSC invests firmly in Research and Development, having created over time various equipped laboratory areas dedicated exclusively to the application phase of products and to technical customer support.

In this area, the Group has a new tanning application laboratory, set to become one of the largest and most advanced in Europe. The inauguration of the facility, named the GSC Leather Innovation Hub, took place in September 2025. The new space is configured as a centre of excellence for research, development and innovation in leather applications, further strengthening the company's ability to respond in a qualified and timely manner to market needs.

Our business model



The new tanning application laboratory (+6,500 sqm)



Environmental and workplace safety policy

The integrated corporate Environment and Safety Policy guides GSC's action in guaranteeing the highest standards in safety and environmental sustainability and forms the basis of its Management Systems, as well as being an integral part of the system that includes Model 231 and the Code of Ethics.

The document is periodically revised to respond to regulatory changes and developments in the sector. The most recent version of the Policy is dated 23 November 2022.

The Policy acknowledges the importance of continuously improving the company's environmental performance and the commitment to pursue a policy to that end, minimising – where technically feasible and economically sustainable for the company – any negative environmental impact arising from its activities. In this way it not only pursues concrete

commercial and economic benefits deriving from reputation and from the ability to respond to customer requirements, but also contributes to preserving and improving the territory in which it operates.

The environmental pillars of the Policy are:

- Awareness-raising, training and information addressed to all personnel, to ensure a prompt and effective response to any environmental emergencies;
- Minimisation of impacts linked to the supply chain, through the development of forms of direct cooperation with the Group's main suppliers and through systems for assessing suppliers in terms of the environmental sustainability of the procurement of raw materials and services;
- Quantification of the environmental footprints of products, through LCA and Product Carbon Footprint (CFP), in order to develop, formulate and

promote products with reduced environmental impact;

- Research into new technologies and processes capable of guaranteeing reduced environmental impact of GSC's production operations;
- Careful management of plants and rational use of raw materials, in order to limit and minimise any waste;
- Involvement and empowerment of personnel with regard to the environment, through the adoption of appropriate training, information and instruction initiatives.

The highest performance in health and safety

The Policy also sets out the Group's commitment to managing company activities and processes with a view to guaranteeing the highest performance in health and safety, in compliance with current legislation, and to creating a working environment that is safe and adequate to the needs of personnel, with attention also to the healthiness of the premises.

The objectives pursued by GSC in this area are:

- To minimise hazards and risks for personnel;
- To prevent injuries, occupational illnesses and accidents;
- To encourage personnel to maintain a high level of attention in all activities carried out, whether routine or extraordinary, using correctly the plant, equipment and means made available to them and exercising the utmost caution in carrying out all activities.

In addition to what is established for the areas covered by the Management System, through the Policy GSC adopts the following general principles and guidelines, ensuring the human, technological and financial resources needed to implement them:

- compliance with all European, national and local regulations on the environment and workplace safety;
- systematic and periodic assessment of its own environmental performance;
- the integration of company performance indicators with systems for calculating the carbon footprint and other environmental impacts;
- the prevention and reduction of pollution linked to its activities, products and services;
- the greatest possible reduction of hazards and risks for personnel;

- the sharing with all interested parties of the principles underpinning its Management Systems;
- the consultation and participation of personnel or their representatives, where established, in the phases of development, planning and implementation, performance assessment and improvement actions;
- the continuous involvement of all personnel in implementing the processes relating to the Management Systems.

Policies, certifications, targets and actions related to sustainability

Code of Ethics

The Code of Ethics sets out the principles and standards of conduct that all those acting on behalf of the GSC Group must know, respect and apply in carrying out their duties and daily work activities.

The document covers the three dimensions of sustainability (environmental, social and governance) and also governs the conduct expected of suppliers as a basis for fruitful collaboration.

The effective application of the Code's provisions is ensured by appropriate information and awareness-raising activity, implemented through the dissemination of the document via official communication channels, including the website, and delivery to all those who operate on behalf of the company. Furthermore, the Board of Directors and the Supervisory Body (ODV) constantly monitor its

correct implementation, and the ODV itself has the function of suggesting and proposing appropriate adjustments and/or amendments in order to keep the document up to date and alive, also on the basis of any reports of violations received.

Where a violation is established, GSC activates its disciplinary system to sanction unlawful conduct.

Ethical principles

- Legality
- Honesty
- Respect for the individual
- Protection of health, safety and the environment
- Impartiality of conduct and rejection of discrimination
- Integrity of conduct and fairness in relations, including with competitors
- Confidentiality and protection of personal data

Certifications

The GSC Group's commitment to its journey towards a management model that is responsible and geared towards improvement has taken shape over time through the implementation of Management Systems based on internationally recognised standards, certified by independent third-party bodies.

In particular:

- ISO 9001 attests to the effectiveness of the quality management system, aimed at ensuring controlled processes, operational efficiency and customer satisfaction;
- ISO 14001 certifies the systematic approach to managing environmental aspects, with the aim of preventing impacts and promoting more efficient

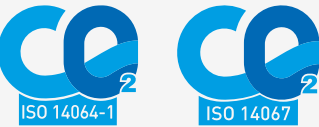
use of resources;

- ISO 45001 demonstrates the attention paid to occupational health and safety, through the adoption of prevention measures and the protection of people;
- ISO 14064-1 supports the quantification and reporting of greenhouse gas emissions at organisational level;
- ISO 14067 allows the carbon footprint of products to be assessed and communicated using a life-cycle-based approach.

ISO 14064-1 and 14067 certification has enabled GSC to join the Italian Carbon Footprint Italy (CFI) register in order to promote transparent communication of the

results achieved in measuring the carbon footprint of the organisation and of products.

CFI is the Italian carbon management programme dedicated to communicating the results of the quantification of greenhouse gas (GHG) emissions of products and organisations, of their reduction and of the achievement of carbon neutrality. Participation in the programme is open to all organisations and products holding accredited third-party attestation. Obtaining the Carbon Footprint Italy logo is further confirmation of the solidity and reliability of the work carried out to quantify emissions, with the support of external consultants.



Actions and targets

Climate change and energy

The GSC Group has, over time, launched various initiatives aimed at reducing the emissions connected with its production processes, above all those linked to energy: indeed, over the years several photovoltaic plants have been installed at the Montebello, Montorso and Vigazzolo sites, contributing to the increase in the share of energy consumed and produced from renewable sources. In parallel, a progressive renewal of internal handling equipment has been undertaken, with diesel forklifts being replaced by electric ones, along with the installation of charging points for electric vehicles.

Furthermore, a collaboration with Todesco led to the development and implementation of Project Purple, which introduced an industrialised system for drying chemical products by means of UV rays. This makes it possible to reduce energy consumption and, consequently, the emissions connected to it in the leather processing cycle: drying is in fact one of the most energy-intensive stages of the entire finishing process and has a significant impact on the overall carbon footprint. Through the application of UV drying technology, energy savings of up to 66% compared with traditional steam methods and up to 73% compared with infrared systems have been measured. In parallel, CO2 emissions are reduced by 57% compared with steam-powered systems and by 75% compared with infrared systems.

Pollution

As a company operating in the development of chemical products, GSC is well aware of the potential pollution impact connected with its production. For this reason, concrete actions and initiatives have been adopted over the years to prevent, reduce and, over time, minimise any negative impact.

A first concrete action, testifying to its commitment to the responsible management of chemical substances, is membership of the Zero Discharge of Hazardous Chemicals (ZDHC) programme, an international initiative aimed at eliminating hazardous chemicals along the supply chain of the tanning and textile sectors. More than 500 of the Group's products have been registered in compliance with ZDHC standards, contributing to concrete results, including a 15% reduction in the substances included in the MRSL (Manufacturing Restricted Substances List) sold during the year. The publication of company data on the ZDHC Gateway platform further confirms the Group's determination to promote transparency, environmental responsibility and continuous improvement, including through collaboration with its supply chain partners.

On the front of chemical safety and regulatory developments, the Group monitors developments relating to substances considered critical for the tanning sector. Since 2023, when BPS and BPF were included by ECHA, the European Chemicals Agency, in the category of "Bisphenols of Concern" within the list of Substances of Very High Concern (SVHC), GSC has begun developing a new range of low-bisphenol retanning agents, capable of reducing potential risks to human health and the environment while maintaining high quality standards.

Within research and development, GSC is pursuing a line of work focused on formulating low-solvent products: analyses conducted on leather show the presence of various categories of solvents deriving from the different types of products used in the production process. For this reason, projects have been launched to create a product line based on the use of more sustainable raw materials and additives, capable of replacing or minimising the use of solvents.

In parallel, research has also focused on the topic of volatile organic compounds (VOCs), with the aim of reducing their content; thanks to the optimisation of raw material procurement, the Group is today able to produce finishing products with low, down to zero, VOC content, compatible with all the main application equipment.

Finally, at the main Montebello site, the company has installed a first-flush tank with a capacity of 50 cubic metres, intended for the management of potentially contaminated rainwater. First-flush runoff is in fact one of the main sources of contamination of water bodies, particularly in the open areas of chemical plants, where runoff can carry hazardous substances. The tank operates through settling and filtration processes and is regulated to close automatically once the height corresponding to the first flush of 5 mm has been reached, thereby allowing only uncontaminated second-flush water to be discharged externally. The system is also equipped with a submersible pump for the separation of treated water.

Water

Aware of the importance of water resources, which are used at every stage of the production process, GSC adopts a closed-loop system enabling the recovery and recycling of the water used, with the aim of optimising its use, reducing overall consumption and limiting the environmental impacts connected with production activity. This approach forms part of the company's broader commitment to resource efficiency and to promoting models of resource circularity.

Health and safety

GSC adopts an Occupational Health and Safety Management System, developed in compliance with the requirements of the international standard ISO 45001, as a structured tool for systematically overseeing the risks connected with company activities and promoting safe and healthy working conditions in all operating contexts. Adopting a management system makes it possible to integrate health and safety protection into business processes, strengthening an approach oriented towards prevention, personal accountability and the continuous improvement of performance.

The system is founded on a structured process of hazard identification, risk assessment and the definition of the related prevention and protection measures, with the aim of reducing the probability of injuries, accidents and occupational illnesses. In this area, GSC promotes constant monitoring of its working environments, equipment and operating methods, in order to identify any critical issues promptly and adopt the appropriate corrective and preventive actions.

Canteen cost coverage

The company covers 75% of the costs of the company canteen, guaranteeing employees a quality daily meal on favourable terms. Added to this is the tradition of the year-end company hamper, a tangible gesture of recognition and closeness that includes a fuel voucher and a selection of local food and wine products, at the same time promoting local excellence and the bond with the community of reference.



Materiality analysis

The identification of the topics that are relevant to GSC in environmental, social and governance terms was carried out by conducting a Materiality Analysis, in line with the GRI standards and structured in the following four phases:

- Identification and engagement of stakeholders;
- Identification of impacts;
- Assessment of relevance;
- Identification of material topics (impacts).

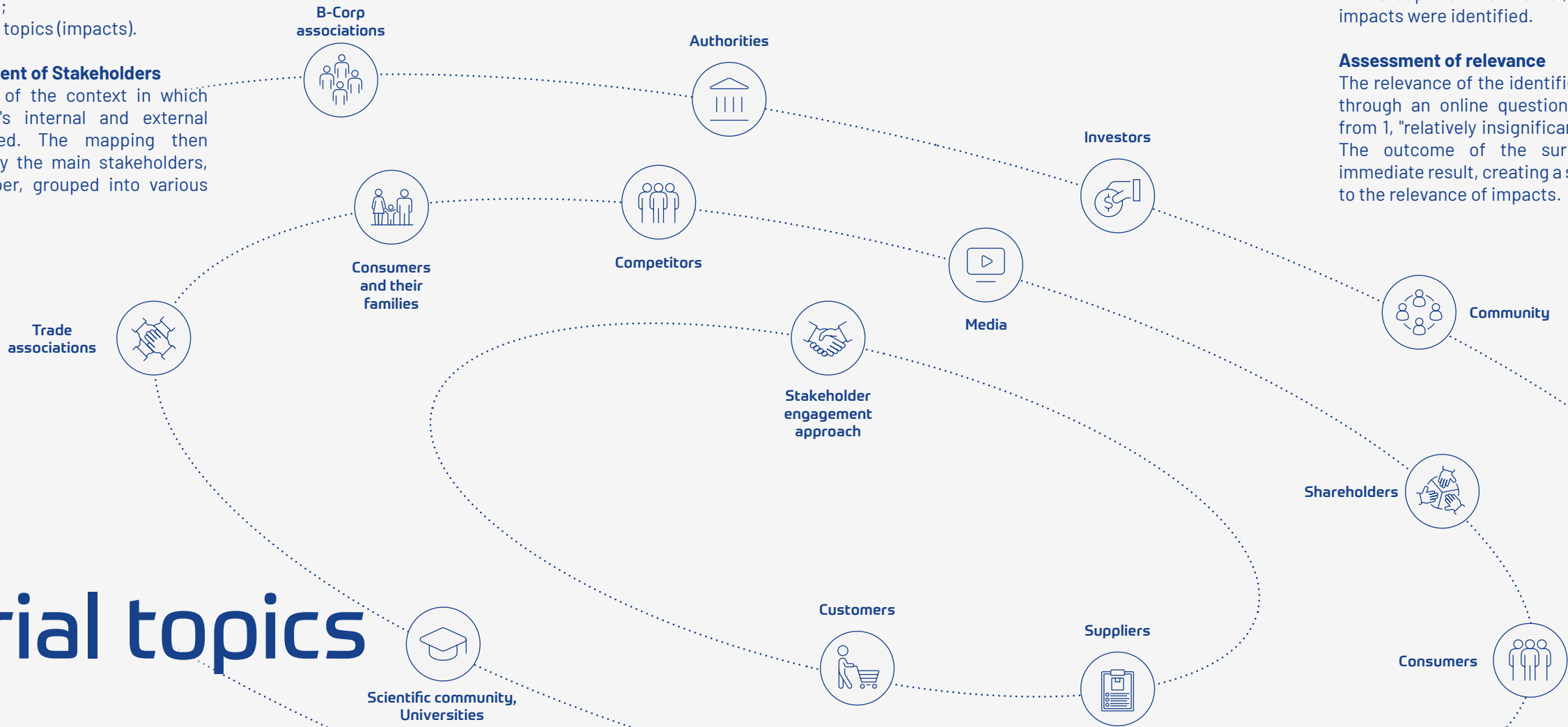
Identification and engagement of Stakeholders

Through an understanding of the context in which the Group operates, GSC's internal and external stakeholders were mapped. The mapping then made it possible to identify the main stakeholders, approximately 150 in number, grouped into various categories.

Stakeholder list:

- B-Corp associations
- Consumers
- Authorities
- Scientific community, Universities
- Consumers and their families

- Trade associations
- Shareholders
- Customers
- Investors
- Media
- Suppliers
- Competitors
- Community



The stakeholders thus identified were then engaged throughout the remainder of the materiality analysis process, in particular in the assessment phase.

Identification of impacts

Through an exercise integrating Key Performance Indicators (KPIs) with the indicators proposed by the GRI, and drawing on GSC's strategic corporate vision, the Group's environmental, social and governance impacts were identified.

Assessment of relevance

The relevance of the identified impacts was assessed through an online questionnaire, rating importance from 1, "relatively insignificant", to 4, "highly relevant". The outcome of the survey provided an initial immediate result, creating a scale of priority in relation to the relevance of impacts.

Identification of material topics (impacts)

Once the quantitative analysis was completed, a group of 10 stakeholders was selected to carry out a qualitative analysis through one-to-one interviews, allowing the questionnaire results to be explored in greater depth. All these elements were then taken into account in order to construct the materiality matrix, comparing the results of the analyses with stakeholders against the importance attributed by GSC's Management to the various impacts. At the end of this phase, the Group's material topics were identified.

The material topics are set out below

Environment

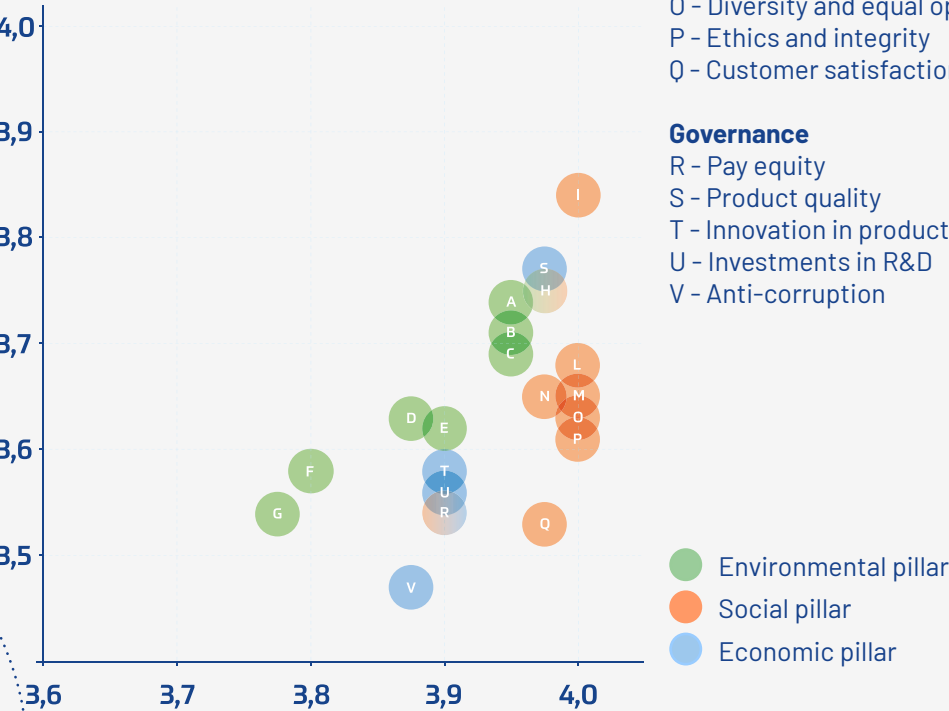
- A - Waste management
- B - Water effluent management
- C - Air emissions management
- D - Low-environmental-impact products
- E - Environmental compliance
- F - Use of renewable sources
- G - Traceability of raw materials and products

Social

- H - Product safety
- I - Occupational health and safety
- L - Principle of non-discrimination
- M - Assessment of workers' rights
- N - Professional development
- O - Diversity and equal opportunities
- P - Ethics and integrity
- Q - Customer satisfaction

Governance

- R - Pay equity
- S - Product quality
- T - Innovation in production
- U - Investments in R&D
- V - Anti-corruption



GSC's material topics

Our strength: the people of GSC

GSC recognises that its business success is closely linked to the talent, skills and professionalism of its people, who are considered a central resource for the Group's growth and continuity. For this reason, GSC promotes the constant development of human capital through the strengthening of internal skills, the enhancement of talent and the attraction of qualified professionals, supporting their growth over time.

In this context, the Human Resources function adopts management tools and practices geared towards effectiveness, with the aim of fostering the engagement and retention of people, contributing to the maintenance of high quality standards in the services offered and to the continuous improvement of company performance.

GSC's strategy is also aimed at promoting a collaborative and inclusive working environment in which operators, researchers, office staff, technicians and managers can work in a context founded on equality, diversity and mutual respect. Consistent with these principles, the Group rejects all forms of discrimination, in particular those based on age, gender, religion, race, sexual orientation, nationality or disability.

Workforce composition

The quantitative information regarding the Group's employees was extracted from the management system used by the human resources department to monitor workforce data and is expressed in terms of headcount.

The data refer to personnel employed by the Group as at 31 December 2025.

Compared with 2024, there was an increase in the size of the workforce (+4.3%), due mainly to a shortfall in previous years in certain departments of the company – principally production and warehouse activities.

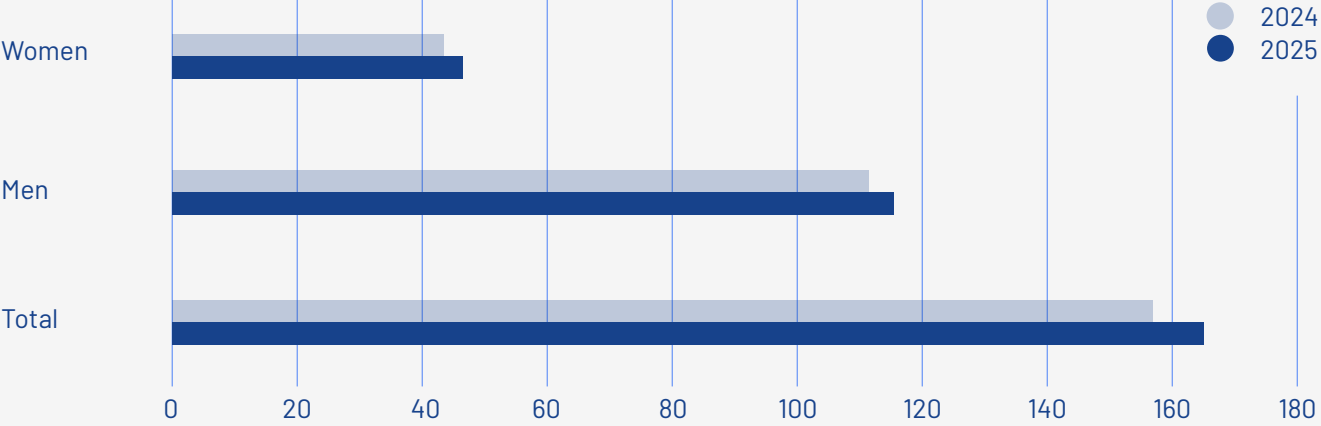
Currently, the number of women employed represents 28.6% of the total, slightly up on the previous year (28.0%), a share that the Group is constantly committed to increasing in order to help promote female participation in the world of work.

Business success is closely linked to the talent, skills and professionalism of its people



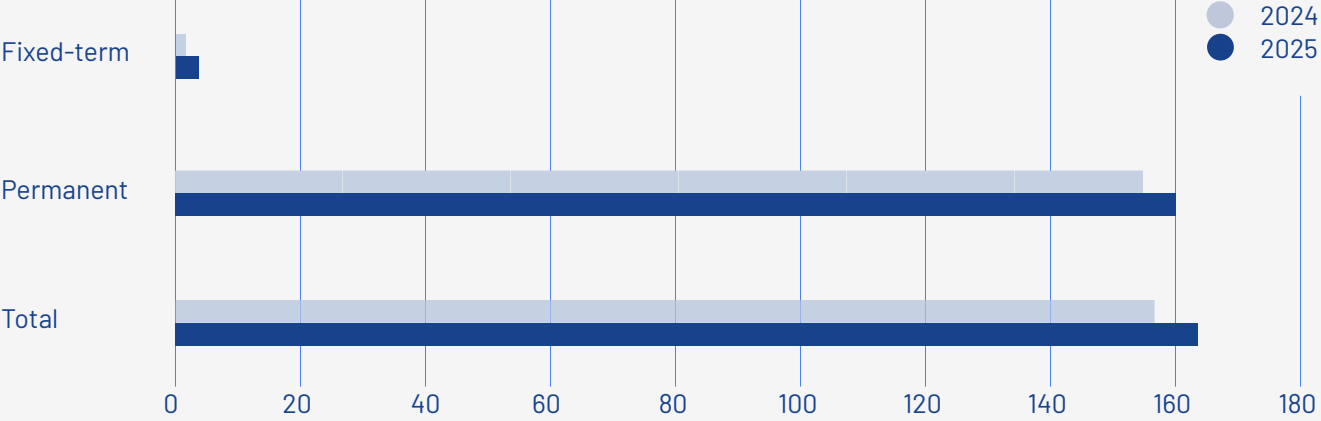
Social responsibility

Employees by gender



No. of workers	2024	2025
Men	113	117
Women	44	47
Other	0	0
Not declared	0	0
Total employees	157	164
No. of non-employee workers	9	11
Total workforce	165	175

Employees by contract type

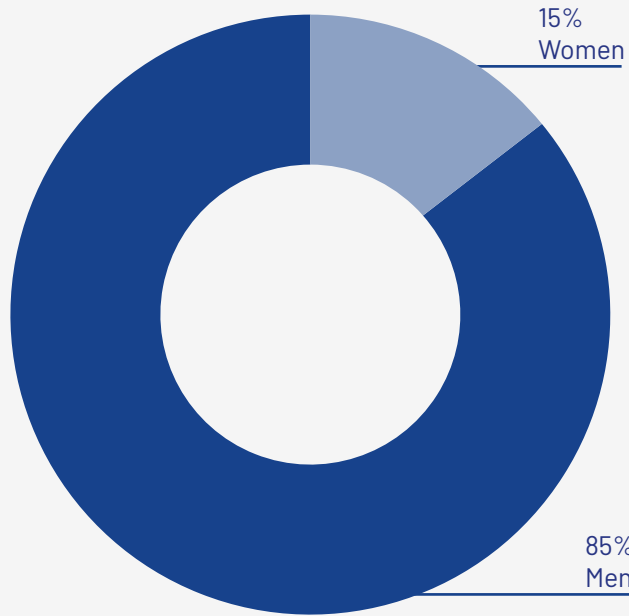


GSC intends to guarantee continuity of employment and the retention of the skills developed by its personnel. For this reason, the use of fixed-term contracts concerns a minority of cases, while permanent contracts cover approximately 96% of workers.

Contract type	2024	2025
Fixed-term	155	160
Permanent	2	4
Total	157	164

The table below shows the data relating to the gender breakdown of GSC's managers.

Managers	2024	2025
Men	6	6
Women	1	1
Total	7	7



Collective bargaining

All employees are covered by the National Collective Labour Agreement (CCNL) for the chemical sector (100%).

Remuneration

All employees receive remuneration equal to or above the minimum pay scales established by the National Collective Labour Agreement.

Training

Training is a strategic asset for GSC. The Group develops its training programmes starting from the mandatory courses required by European and Italian legislation on health, safety and the environment, aimed at all employees and external workers. These initiatives are accompanied by specific training paths addressed to management, aimed at promoting responsible behaviour and spreading good practices at all levels of the organisation.

Within the production sites, the onboarding paths of new people are supported by tutors who accompany them through the training process and progressively monitor their development until an adequate level of autonomy is reached.

Average training hours	2025
Men	7,2
Women	4,5
Other	0
Not declared	0
Average hours per employee	5,8



Occupational health and safety

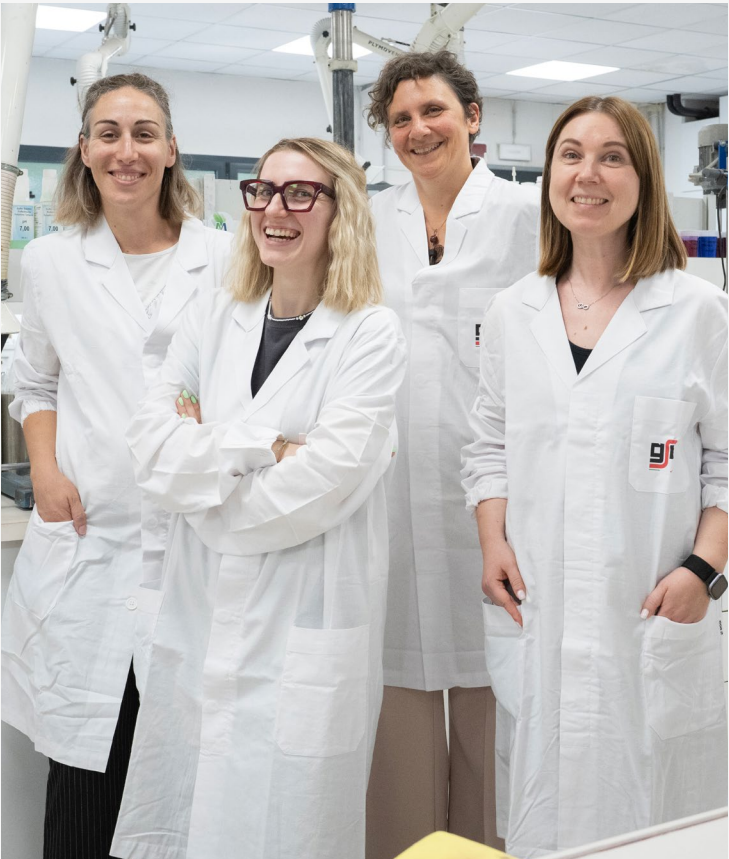
In 2025, as in the previous year, no injuries were recorded among GSC employees. This attests to the full effectiveness of the measures put in place by the Group, such as the implementation of the Health and Safety Management System and constant training, which testify to the seriousness and responsibility with which GSC has taken on the commitment to guarantee safe and healthy workplaces.

Employee injuries	2024	2025
Recorded injuries	0	0
of which fatal	0	0

Employee injury rate	2024	2025
INJURY RATE (no. of injuries / hours worked × 200,000/hours worked)	0	0
Fatality rate	0	0

Human rights

At GSC, respect for human rights is a non-negotiable principle that guides not only the Group's internal policies and decisions, but also its relationships with suppliers. The Code of Ethics establishes an absolute prohibition on any form of irregular work and on working conditions that violate human rights, as well as the rejection of any type of discrimination, harassment and psychological violence.



The Group actively promotes an inclusive and respectful environment. This principle applies to every aspect of the employment relationship, starting from the selection and recruitment of new personnel.

During the reporting period, no cases of human rights violations or discrimination were recorded.

Climate change

The GSC Group is fully aware that climate change is one of the main global challenges of this century and that it places on every actor, businesses included, the responsibility to act in order to help limit its scale and effects. GSC's commitment is to play its part, internally adopting a carbon management policy whose first step is the quantification of emissions, both at organisational level (Corporate Carbon Footprint – CCF) and at product level (Product Carbon Footprint – PCF), in order to understand both the extent of its impact and the areas in which it can act.

The results of the quantification analyses provide a basis on which GSC identifies appropriate strategies and implements concrete actions to mitigate the emissions associated with its production activity, its processes and its products.

Organisational GHG emissions inventory

Since 2019, GSC has been developing its GHG emissions inventory – the first company in the Italian chemical industry in the leather auxiliaries sector to do so – using the methodology of the internationally recognised standard ISO 14064-1:2018.

The methodology adopted requires that direct emissions (connected mainly to fuel consumption for plants or company vehicles) be reported on a mandatory basis, while, for indirect emissions, the company must quantify only the significant indirect emissions among those identified in the following five categories defined by the standard:

- 1. imported energy;
- 2. indirect emissions from transport;
- 3. emissions from products used by the organisation;
- 4. emissions from the use of the organisation's products;
- 5. emissions from other sources.

To identify the significant categories, a significance analysis was carried out, as required by the standard, which identified the following categories of indirect emissions:

- Indirect emissions from the production and consumption of electricity;
- Emissions from upstream transport and distribution of goods;
- Emissions relating to downstream transport and distribution of goods;
- Emissions from goods purchased by the organisation;
- Emissions from capital goods;
- Emissions from waste disposal (liquid or solid).

The calculation is performed using the "IPCC 2021 GWP100 V1.03" assessment method, whereby emissions are obtained by multiplying the activity data of the specific category by the relevant emission factors calculated on the basis of GWPs.

The GHG inventory, updated annually, is at the same time submitted to third-party verification, a choice that guarantees the accuracy and reliability of the quantification results.

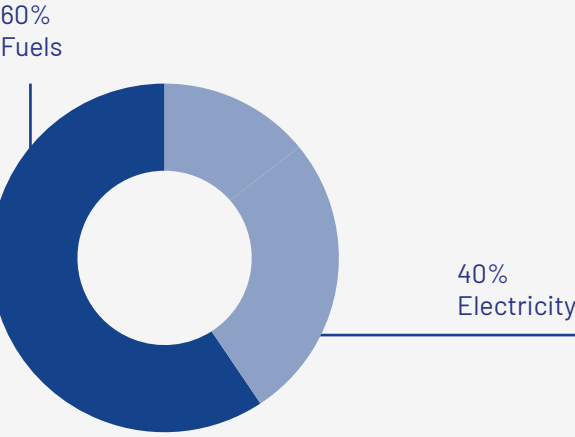
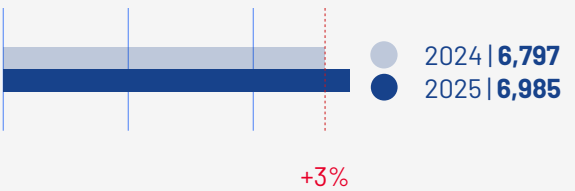
Scope	Emissions (tCO ₂ e) 2024	Emissions (tCO ₂ e) 2025
Scope 1	928	922
Scope 2 location-based	479	543
Scope 3	96,953	57,332
Upstream transport emissions	2,119	1,865
Downstream transport emissions	1,172	1,715
Commuting emissions	/	360
Business travel emissions	/	117
Capital goods emissions	2,698	2,844
Purchased materials emissions	90,625	50,211
Waste treatment and disposal emissions	337	215
Total GHG emissions	98,360	98,360

Compared with 2024, the value of the GHG inventory emissions has decreased, mainly with regard to indirect emissions from purchased materials, which account for more than 85% of total greenhouse gas emissions. The main reason for the reduction is linked to the purchase of a smaller quantity of raw materials; in addition, the quantity of raw materials actually consumed in the production process also decreased.

Product Carbon Footprint

Since 2020, the GSC Group has adopted the "Carbon Footprint Systematic Approach" (CFP-SA) model, developed in compliance with the international standard ISO 14067:2018, for quantifying the climate footprint of products. The CFP-SA model makes it possible to calculate accurately and systematically the greenhouse gas emissions associated with products, applying the LCA (Life Cycle Assessment) methodology and starting from real data relating to the raw materials used, energy consumption and materials in production processes. The LCA methodology makes it possible to analyse the entire life cycle of products, from cradle

Trend 2024-2025 Energy consumption



to grave, that is, from raw materials through to end of life, identifying critical points and environmental hotspots, i.e. the phases of the production cycle with the greatest impact in terms of emissions. Product carbon footprint analysis enables GSC to provide its customers with transparent, precise and verifiable information regarding the carbon footprint of the products they purchase.

Environmental responsibility

Climate change is one of the main global challenges of this century.



Energy

GSC bases its energy requirements mainly on the use of natural gas and electricity. Natural gas is used predominantly for steam production and heating processes, while electricity powers almost all company equipment, including reactor mixers, forklifts, pallet trucks and equipment used for packaging and laboratory activities.

Other fuels used are diesel and petrol, associated with the company vehicle fleet and covering consumption linked to employees' business travel and downstream national services.

In order to limit energy losses and encourage energy recovery, GSC adopts specific efficiency measures, including the adequate insulation of heat exchangers and process flows, as well as the management of the process network in a closed loop. Plants are also subject to periodic monitoring and maintenance and overhaul work, aimed at ensuring their correct operation and promoting the continuous improvement of energy performance. These activities are subject to both internal and external verification.

Energy data is collected directly from company utility bills, using the national standard parameters developed by ISPRA.

Scope	Consumption (MWh) 2024	Consumption (MWh) 2025
Electricity from renewable sources	333	249
Electricity from non-renewable sources	2,280	2,580
Total electricity	2,613	2,829
Renewable fuels	0	0
Non-renewable fuels	4,184	4,156
Total fuels	4,184	4,156
Total	6,797	6,985

Pollution prevention

Pollution prevention at the Group's production sites is achieved through the presence of scrubbers, bag filters and advanced techniques to keep air pollutant emissions under control, in line with regulatory requirements. Data collection for monitoring pollutant emissions is carried out directly from the analyses performed on our flues to check compliance with the limits set by the environmental permits of the Group's sites.

With regard to water pollution emissions, GSC's sites do not have any direct discharge into water bodies: production effluents, which contain concentrations of substances such as COD, BOD and TKN, are transported by tanker trucks to local wastewater companies for disposal.

The metrics relating to the types of pollutant emissions that are most significant in terms of quantity for the Montebello, Arzignano and Vigazzolo sites are shown below.

The 2025 data do not include the Zermeghedo site because, although it was inaugurated in September 2025, it does not allow full comparison with the previous year, which was subject to a full year of monitoring.

The data on annual pollutant emissions including the new site will be included in the next sustainability report.

The increase in the reported TOC (Total Organic Carbon) figure compared with the previous year is due mainly to the discontinuous operation of the flues of the Via Roveri laboratory, which therefore entails year-on-year variability in quantities that is not determined by any deterioration in GSC's management.

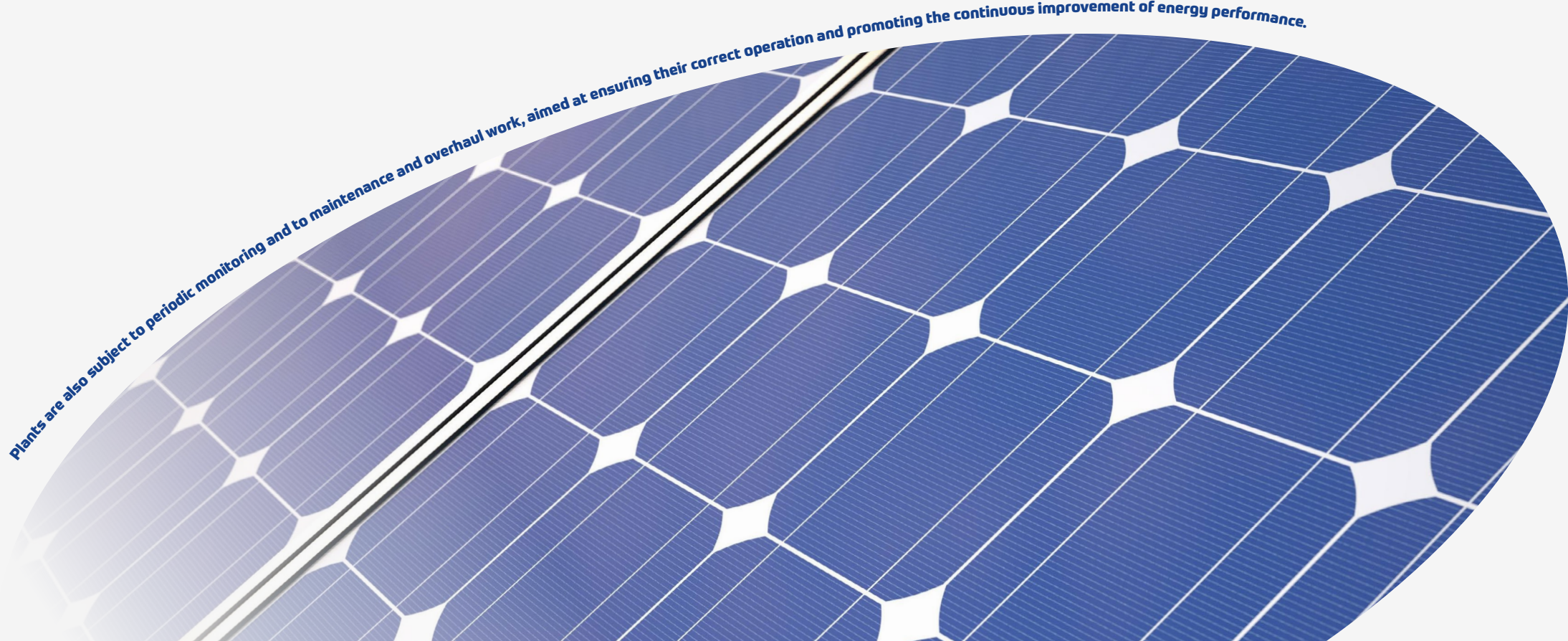
Pollutant	Emissions (kg) 2024	Emissions (kg) 2025	Medium of release (air, water, soil)
TOC	330	615	Air
Dust	71	58	Air

Biodiversity

Through the Protected Planet platform, the GSC Group has carried out an analysis regarding the presence of its sites within or in proximity to areas sensitive to biodiversity.

The platform makes it possible to explore the World Database on Protected Areas (WDPA), the World Database on OECMs, the Global Database on Protected Area Management Effectiveness (GD-PAME) and a wide range of associated information in order to obtain an effective and complete mapping of protected areas for the purposes of impact analysis. This makes it a particularly authoritative source for carrying out this type of analysis.

The mapping shows that, although in the vicinity of the Colli Berici protected area, no site of the Group lies wholly or partly within the boundaries of the area. This outcome does not, however, entail any lesser responsibility on GSC's part in protecting the territory and in committing to mitigate its environmental impacts, as declared in the Group Policy.



Water consumption

For GSC, the protection of water resources is fundamental, as water is a central element at every stage of our production chain. It is used as a solvent for most of the products of the wet-end department, and as a coolant or cleaning agent in process operations. For this reason, as already described, a closed-loop system has been implemented that ensures recirculation and reduces the quantity of water withdrawn.

GSC's sites operate in an area classified as low-to-medium water stress (image 2). This assessment was carried out using open-source data from the Aqueduct Water Risk Atlas platform, developed by the non-profit organisation World Resources Institute, which maps and analyses current and future water risks in all locations worldwide.

Below are the data relating to water withdrawal and consumption, understood as the difference between the volume withdrawn and the volume subsequently discharged in connection with the Group's production processes.

	Water withdrawal (m³)	
	2024	2025
All sites	26,691	49,545

For GSC, the protection of water resources is fundamental, as water is a central element at every stage of our production chain.

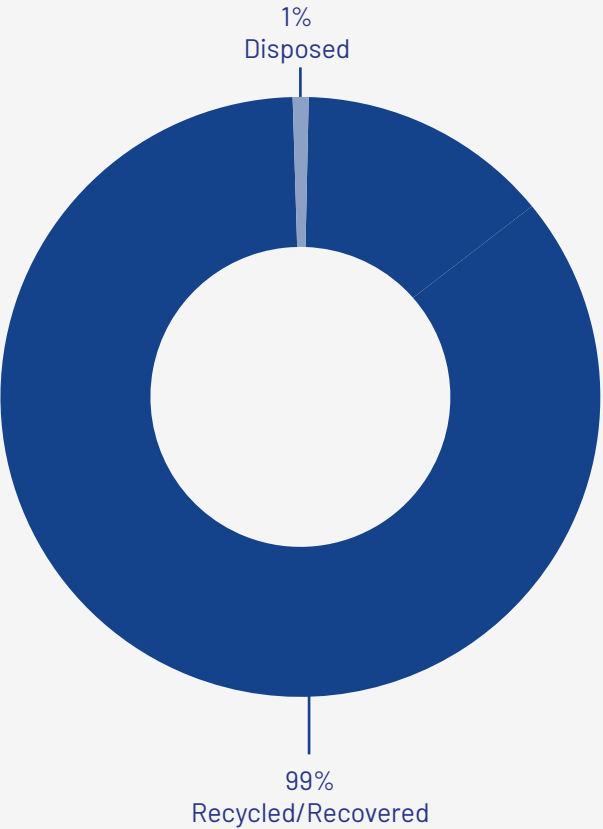
The significant increase in water withdrawal figures derives from two main factors. Firstly, the opening of the Via Roveri 1 facility, where research and development activity is mainly carried out, has entailed greater water use; secondly, the improvement in consumption reporting has made it possible to quantify water withdrawal data more precisely.

	Waste generated (tonnes) of which:			
	Recycling/reuse 2024	Recycling/reuse 2025	Disposal 2024	Disposal 2025
Hazardous waste	146	385	62	44
Non-hazardous waste	163	231	6,076	5,885
Total waste	307	616	6,138	5,929

Waste management

At its various production sites, GSC adopts specific operating procedures aimed at monitoring the entire waste management cycle, from the generation phase through to final destination.

The data reported below refer to the quantities of waste produced and to the related final destinations, distinguishing between hazardous and non-hazardous waste. The reporting was prepared on the basis of information collected through the procedures established by the Environmental Management Systems, as well as the quantities declared in compliance with the environmental legislation in force in the various countries in which the Group operates.

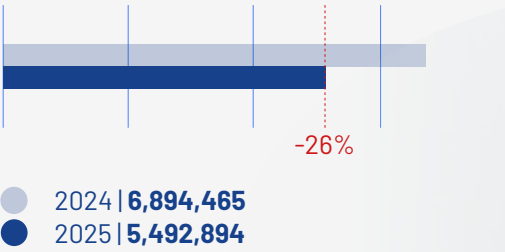


Raw materials

GSC records the quantities of incoming raw materials through the analysis of incoming material flows. The related data were collected as part of the process of updating the greenhouse gas (GHG) emissions inventory, making it possible to obtain an overall picture of the materials purchased for production activities. This recording also includes information on the type of material, the supplier, the origin and the quantities purchased.

The table below shows the most significant raw materials purchased by the Group for production processes at its sites.

Trend 2024–2025 Raw materials



Type of relevant materials	Flow (kg) 2024	Flow (kg) 2025
Thickeners	21,473	24,950
Tanning auxiliaries	1,405,990	1,184,856
Finishing auxiliaries	571,674	430,038
Fatliquors	1,631,294	1,251,398
Pigments	852,420	611,725
Polyurethans	723,227	306,807
Acrylic Resins	347,875	345,405
Tanning resins	813,451	802,238
Silicones	71,857	110,160
Liquid tannins	162,227	185,981
Powder tannins	292,977	239,336
Total	6,894,465	5,492,894

Promoting the circular economy

Given the nature of the products it manufactures, the GSC Group cannot currently apply the European circular economy principles (usability, reusability, reparability, disassembly, remanufacturing or refurbishment, recycling, return to the biological cycle, other potential ways of optimising the use of the product or material), except for the reuse of water as described in the relevant paragraph under "Actions and targets".

Nevertheless, GSC continuously implements circular economy practices in its production processes.

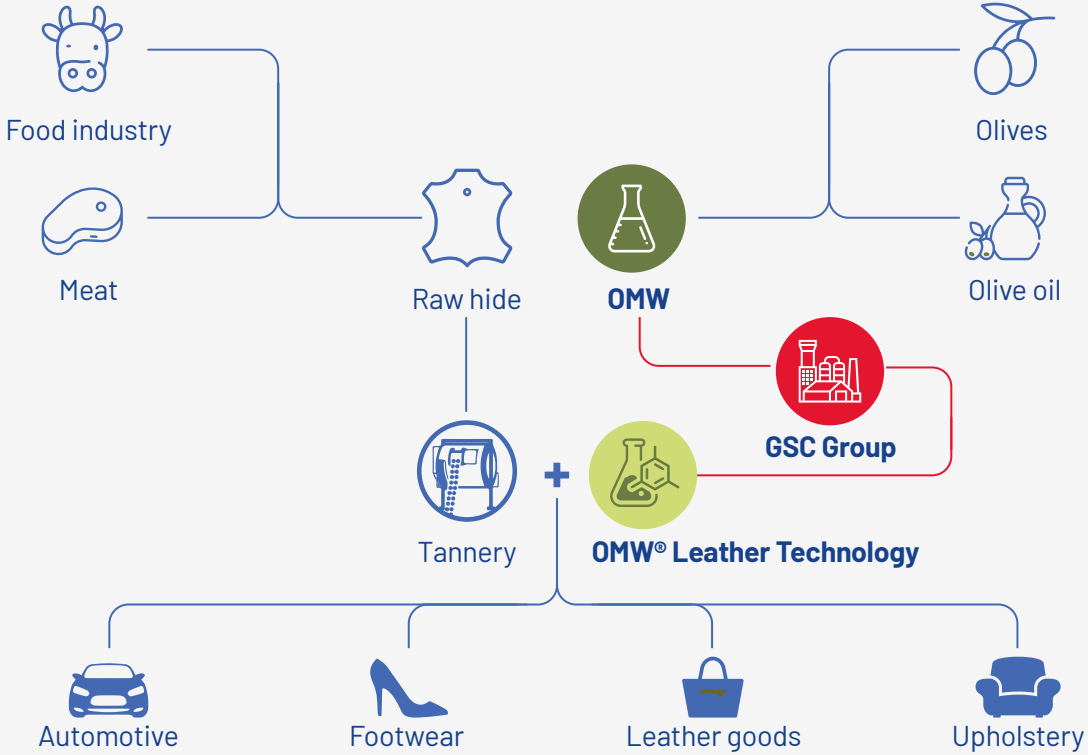
For example, it promotes the recovery and reuse of secondary raw materials, including the recycling of the iron oxide used in pigments. This approach makes it possible to add value to recovered materials, contributing to the reduction of virgin raw material consumption and to limiting the environmental impacts associated with procurement.

Another initiative makes use of the waste by-product deriving from the pressing and centrifugation processes of olives for olive oil production (OMW, Olive Mill Wastewater), which possesses natural tanning properties. After years of research and collaboration, an OMW tanning line has been developed which is more environmentally sustainable and metal-free, and which allows a reduction in virgin raw materials.

In terms of packaging, GSC Group has launched a refurbishment project in collaboration with Repack S.r.l., a company operating within the Arzignano tanning district. The initiative involves the Group delivering drums and tanks to Repack S.r.l., which, through specific washing and refurbishment processes, returns the same packaging to the usage

cycle, allowing its subsequent reuse by GSC Group for the storage of its own products.

In parallel, in cases where the purchase of new packaging is necessary, the Group has for years favoured solutions made from post-consumer recycled (PCR) plastic. Thanks to this approach, 99% of the packaging used consisted of refurbished packaging or packaging made from recycled material.



Compliance (Model 231 and Supervisory Body)**Model 231**

The Organisation, Management and Control Model was introduced by the Board of Directors in 2018, structured on the basis of the requirements set out in Legislative Decree No. 231. This important step introduced the principle of the administrative liability of entities for certain offences and unlawful acts committed in their interest or to their advantage by senior figures or by persons subject, including indirectly, to their direction or supervision.

The legislation includes, among the relevant areas, offences connected with occupational health and safety, environmental protection, relations with Public Administration, the confidentiality of information, corporate offences, environmental offences, as well as cases of market manipulation and abuse and other types of offence provided for by law. In this context, the Model was introduced to reduce the risk of unlawful conduct, safeguard the propriety of company action and define precisely the roles and responsibilities of the parties involved in the company's activities. The document also clearly expresses the company's determination to prevent any conduct that is inconsistent with the principles and rules adopted.

Supervisory Body

To oversee Model 231, the Board of Directors appointed a specific Supervisory Body, whose primary task is to verify the effective application of and compliance with the Organisation, Management and Control Model and the Code of Ethics, and to ensure that they are kept constantly up to date.

The Body, which is independent of the company structure, carries out periodic checks on the activities performed and oversees the correct functioning of the disciplinary system provided for in the event of failure to comply with the provisions of the Model, a system that is defined according to the different categories of recipients. Its responsibilities also include reporting any violations identified to the competent bodies.

Whistleblowing

Whistleblowing constitutes a fundamental tool for promoting legality, transparency and propriety within the organisation, enabling employees and collaborators to report unlawful conduct, management anomalies, improper practices or violations of internal rules, while guaranteeing anonymity and the absence of retaliation.

In this way, the relationship of trust within the company is strengthened, encouraging people's active participation in the continuous improvement of company activities and in the solidity of the culture of ethics and legality. It also contributes to making governance more effective, since it makes it possible to intercept any critical issues promptly and intervene before they become more significant.

Whistleblowing is an integral part of the company's journey in sustainability and social responsibility. For this reason, the company continues to invest in developing an open, responsible and transparent working environment, in which every report is considered with seriousness and respect. The commitment is to strengthen and update the dedicated policies over time, so as to guarantee people a reporting system that is ever more effective, protective and accessible.

Anti-corruption

The full effectiveness of the system introduced with Model 231 is evidenced by the absence of any cases attributable to active corruption (an offence committed by a private party who offers, promises or gives money or other benefits to a public official or a person entrusted with a public service in order to induce them to perform or omit an official act) or passive corruption (an offence that occurs when a public official or a person entrusted with a public service accepts or solicits money or other benefits in order to perform acts contrary to their official duties or to omit/delay an act). Consequently, no convictions attributable to the company have been recorded.

Ethical responsibility and business conduct

Dott.ssa Caterina Serafini
Chief Financial Officer (CFO)





For leather,
for you

MISSION
TO THE
FUTURE

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VSME Content Index



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