



Consolidated non-financial statement 2023

pursuant to Italian Legislative Decree 254/2016

Colours of Hope: GVS and *Bimbo Tu* together



In collaboration with the non-profit association *Bimbo Tu*, GVS embraced the opportunity to be able to use the children's drawings to graphically present its 2023 Consolidated Non-Financial Statement. Together, we showcased the works of great little artists, making a donation to support their mission. The Association's aim is to support children, adolescents and their careers with passion, skill and determination throughout the entire journey when coping with solid tumours, epilepsy and autism.

It welcomes and supports families during their most difficult moment, assisting doctors in diagnosis and treatment and supporting researchers. Volunteers assist patients and their families in the paediatric neurosurgery and neuropsychiatry departments at various hospitals in the Bologna area on a daily basis.

We not only wanted to share the results of GVS through this collaboration, but also to celebrate the beauty and resilience of children battling various diseases. Each drawing is a tribute to their ability to find joy even in the most difficult moments. We are happy to be able to contribute, even in a small way, to supporting the children and their families.

Therefore, we invite you to browse through our Statement not only for its content, but also for the stories of hope behind each design. Each chapter includes a drawing that tells a story of courage and strength.

CONTENTS

Contents	3
CEO letter to stakeholders	5
2023 at a glance	6
1. GVS Group	8
1.1 Corporate identity	9
1.2 The Group's guiding values	10
1.3 44 years of history	11
1.4 Business Divisions	13
1.5 Corporate governance model	15
1.6 Certifications and awards	19
1.7 Stakeholder engagement and materiality analysis	23
2. Ethical conduct	29
2.1 Ethics and Anti-Corruption	30
2.2 Internal Control and Risk Management System	32
2.3 Group ESG Policies	34
2.4 Taxation	36
2.5 Supporting Communities	37
3. Ecological transition	39
3.1 Materials used for production	43
3.2 Energy consumption and greenhouse gas emissions	44
3.4 Water consumption	50
3.5 European Taxonomy for sustainable activities	51
4. Valuing people	60
4.1 Enhancement of human capital	63
4.2 Employee welfare	67
4.3 Diversity and equal opportunities	70
4.4 Employee health and safety	71
4.5 Human rights	73
5. Responsible innovation	74
5.1 Research and development	76
5.2 Product quality and safety	79
5.3 Responsible supply chain management	81
Note on Methodology	84
Appendix	86



Ethical conduct	89
Ecological transition	90
Valuing people	96
Responsible innovation	106
GRI Content Index	107
Independent auditor's report	109

CEO LETTER TO STAKEHOLDERS

Dear Stakeholders,

I am pleased to present the Consolidated Non-Financial Statement for the year 2023. This document reflects GVS's vision for a more sustainable future and provides an account of activities and achievements related to the environmental, social and governance areas over the past year.

We diligently continued to pursue our motto "We make it happen" in 2023, continuing on the path of sustainable growth while constantly respecting the founding elements of our strategy: Ecological transition, Valuing people, Responsible innovation and Ethical conduct.

For more than 40 years, the core of our business has been the development of innovative products characterised by a single shared goal: protecting people's health and ensuring their safety. We ambitiously continue to do so thanks to the work of our research and development centres present worldwide and the daily commitment of our employees. During 2023, we worked to bring new solutions to the market, designed not only to ensure the health and safety of our customers, but also to reduce environmental impacts.

In the past year, we also decided to establish the Cross-functional Sustainability Committee, with the aim of creating a formal space to discuss future sustainability challenges and to define our strategic priorities. One of the first challenges for 2024 will be the definition of an ambitious Group-wide Sustainability Plan, in which we will consolidate our vision by setting targets and objectives.

We have been following the direction provided by the United Nations for three years now, supporting the ten principles promoted by the Global Compact. We formalised our commitment to sustainability in 2021 by joining this programme, with the aim of promoting a global economy based on respect for human and labour rights, environmental protection and the fight against corruption. Thanks to the Group's commitment to sustainability issues, Ecovadis awarded GVS a gold medal in 2023, an achievement that places us among the top 5% of companies assessed by Ecovadis globally for sustainability management and of which we are deeply proud.

We believe that the work done in 2023 is a further step towards increasingly responsible management, which will benefit not only GVS, but also the planet and people.

I would like to take this opportunity to once again thank all the people of the GVS Group and all the stakeholders for their fruitful cooperation and their unparalleled contribution to overcoming the challenges faced along the way.

Massimo Scagliarini

Amministratore Delegato GVS S.p.A.



2023 AT A GLANCE

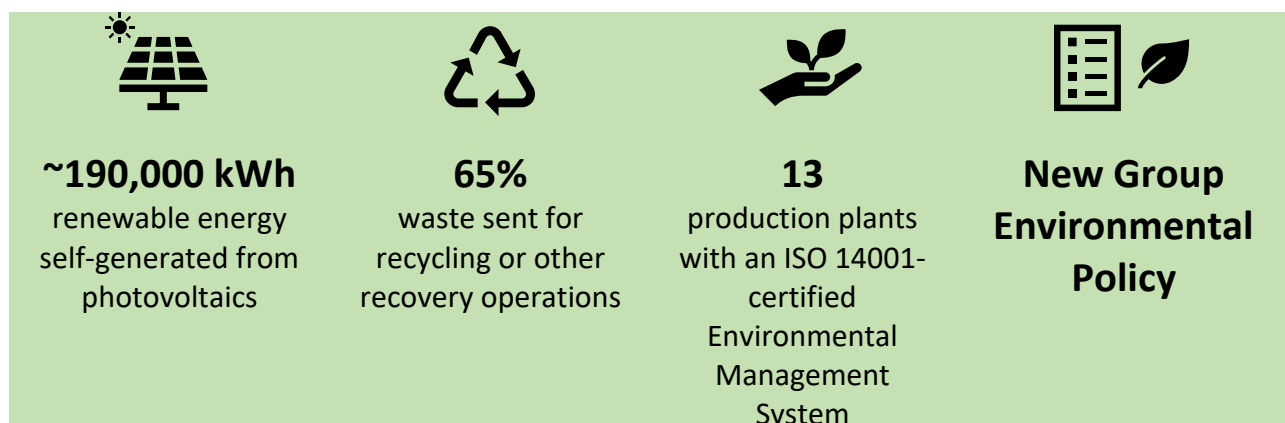
GVS Group



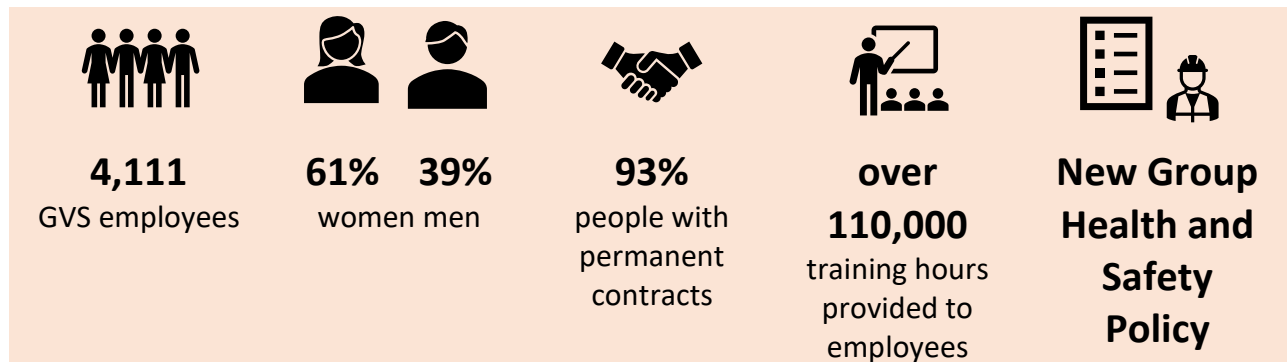
Ethical conduct



Ecological transition



Valuing people



Responsible innovation



1 GVS Group

We have been bringing innovation to promote the protection of people's health and safety for over 40 years. Over time we have grown to operate in 17 countries, constantly striving to improve our efficiency and reduce the impacts of our activities on the planet and people. We believe in ethical and responsible management, consistent with the values and principles that have always distinguished us and in line with our motto: "We Make It Happen."

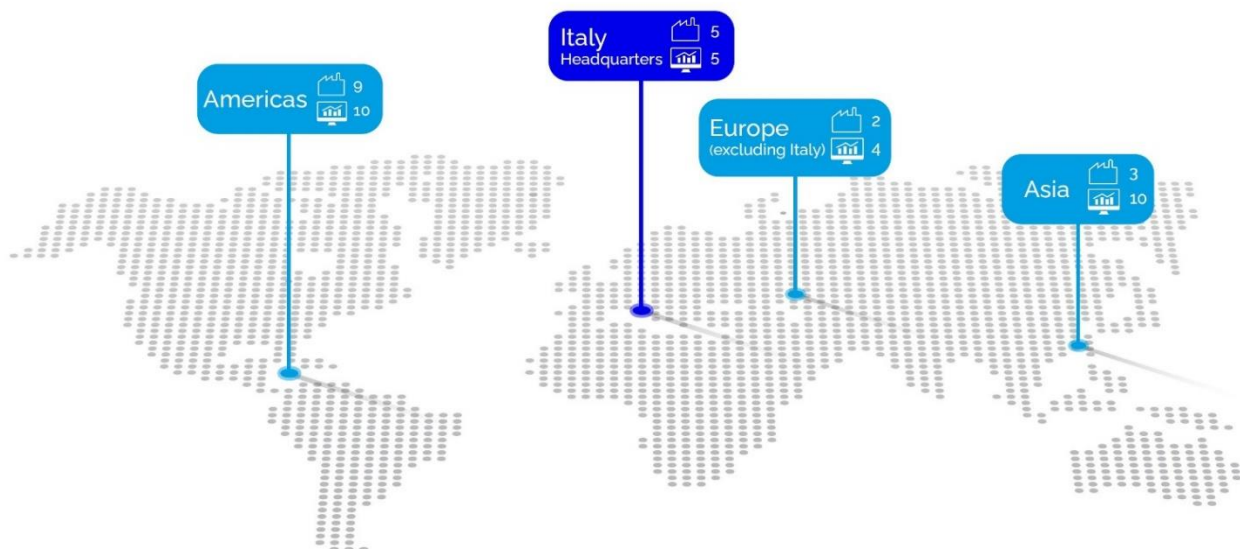
1.1 Corporate identity

GVS S.p.A. is an Italian company based in Zola Predosa (Bologna), listed on the Italian Stock Exchange's electronic share market (MTA), the leader in the supply of advanced filtration solutions for critical applications in various highly regulated sectors. The company operates through the following divisions: *Healthcare & Life Sciences*, *Energy & Mobility* and *Health & Safety*.

The Group is structured as follows:

- the **headquarters** are the decision-making and administrative centre where the Group's strategies are defined: GVS S.p.A. is located in Zola Predosa (Bologna), Italy;
- **19 production plants** located in Brazil (1), China (3), Italy (5), Mexico (2), Puerto Rico (1), the United Kingdom (1), Romania (1) and the United States (5);
- **29 sales offices** located in Argentina, Brazil, China, South Korea, Japan, India, Italy, Malaysia, Mexico, Puerto Rico, the UK, Romania, Russia, the USA, Thailand, Turkey and Vietnam;
- **Over 4,000 employees** worldwide.

In order to effectively support customers in the development and implementation of their projects, GVS has always placed great emphasis on the constant improvement of the quality of its products and the innovation of its production processes. Since its origins, the Group has shown a strong tendency to develop in global markets and has established, through its collaborators and foreign branches, an international sales and production network to closely support its clients and offer them a more efficient service.



1.2 The Group's guiding values

All activities carried out by GVS are in compliance with the laws and regulations of the countries in which it operates. In addition, GVS undertakes to respect its ethical principles in the performance of its activities at all company levels, as set out in its Code of Ethics:

- **Integrity:** honesty and responsibility are the foundations of all business interactions and stakeholder relations, and we strongly condemn all forms of harassment, threats or violence, including moral violence;
- **Fairness:** we demand a polite and respectful attitude towards others at all times, diligently observing internal procedures and rules, and avoiding situations of conflict of interest, even if only potential;
- **Honesty:** we refuse to pursue personal or business interests in violation of civil or ethical standards;
- **Transparency:** we work to ensure the utmost transparency in communications and information disseminated, as well as in the choice of suppliers on the basis of objective and predetermined criteria;
- **Impartiality:** we always act impartially, rejecting any discrimination towards anyone interacting with GVS;
- **Efficiency:** we always apply the utmost professionalism, diligence and dedication to our work;
- **Confidentiality:** we always act with the utmost confidentiality in the handling of sensitive information, refraining from disclosing our or third party information and always adopting a discreet and unobtrusive behaviour in the performance of duties.

1.3 44 years of history

The GVS Group has always paid close attention to the research, development and innovation of its products and processes, and since the very beginning, has always shown a strong tendency towards development in global markets. In more than 40 years, the Group has succeeded in transforming itself from a component supplier for the healthcare sector to a world leader in the supply of filtering solutions mainly for Healthcare & Life Sciences applications.

Over time, the Group has been able to successfully seize the growth opportunities offered by its reference market, combining a solid path of organic growth with a series of targeted acquisitions, which have enabled the expansion of its product portfolio, access to new proprietary technologies and the development of its international presence.

1979 - 1992: The birth and first steps of the growth path

The story of GVS begins in 1979, the year in which Grazia Valentini - with the support of her father Renato, one of the first Italian designers of insert moulds - founded the company with goal of producing medical filters for blood treatment. Towards the end of the 1980s, the Energy & Mobility division was created and two more plants were opened in Monteveglio and Zola Predosa (Bologna).

1993 – 1999: The first phase of internationalisation

With the intention of growing in new markets and increasing its production capacity, the company began its internationalisation in 1993 with the opening of three factories in Belgrade, Buenos Aires and São Paulo.

2000 – 2019: The development of GVS in the world

The internationalisation strategy continued in the following years with the opening of new sales offices in China, the United States and Mexico, and new production facilities in Manocalzati (Avellino), Italy, and the United States, also assisted by the acquisition in 2001 of a minority stake (about 20%) in GVS by the private equity fund B Group. The share previously sold to B Group was bought back in 2006 by the Scagliarini family, and the company's growth continued from 2007 with the acquisition of new companies in China, Spain, Italy and the UK and the expansion of the production capacity of the Brazilian plant.

In 2011, the private equity fund Mandarin Capital Partners acquired a minority stake (around 18.2%) in the share capital of the parent company GVS S.p.A. (a stake which was then repurchased in 2015). Meanwhile, a new phase of international growth was started with the inauguration of new production facilities in Italy, Romania, China, Puerto Rico, Japan, the United Kingdom, the United States, Korea and Russia. In the following years GVS concluded a new series of acquisitions and openings worldwide, in particular in 2015 the Group acquired a disposable mask manufacturing company in Brazil, a biohazard protective equipment manufacturer in Italy and a company in Sweden. In 2017 the U.S. Kuss Group was acquired, active globally in the production and marketing of strainer filters for the automotive, sport & utility and off-road sectors, and then in 2019 it built a new production plant in Mexico.

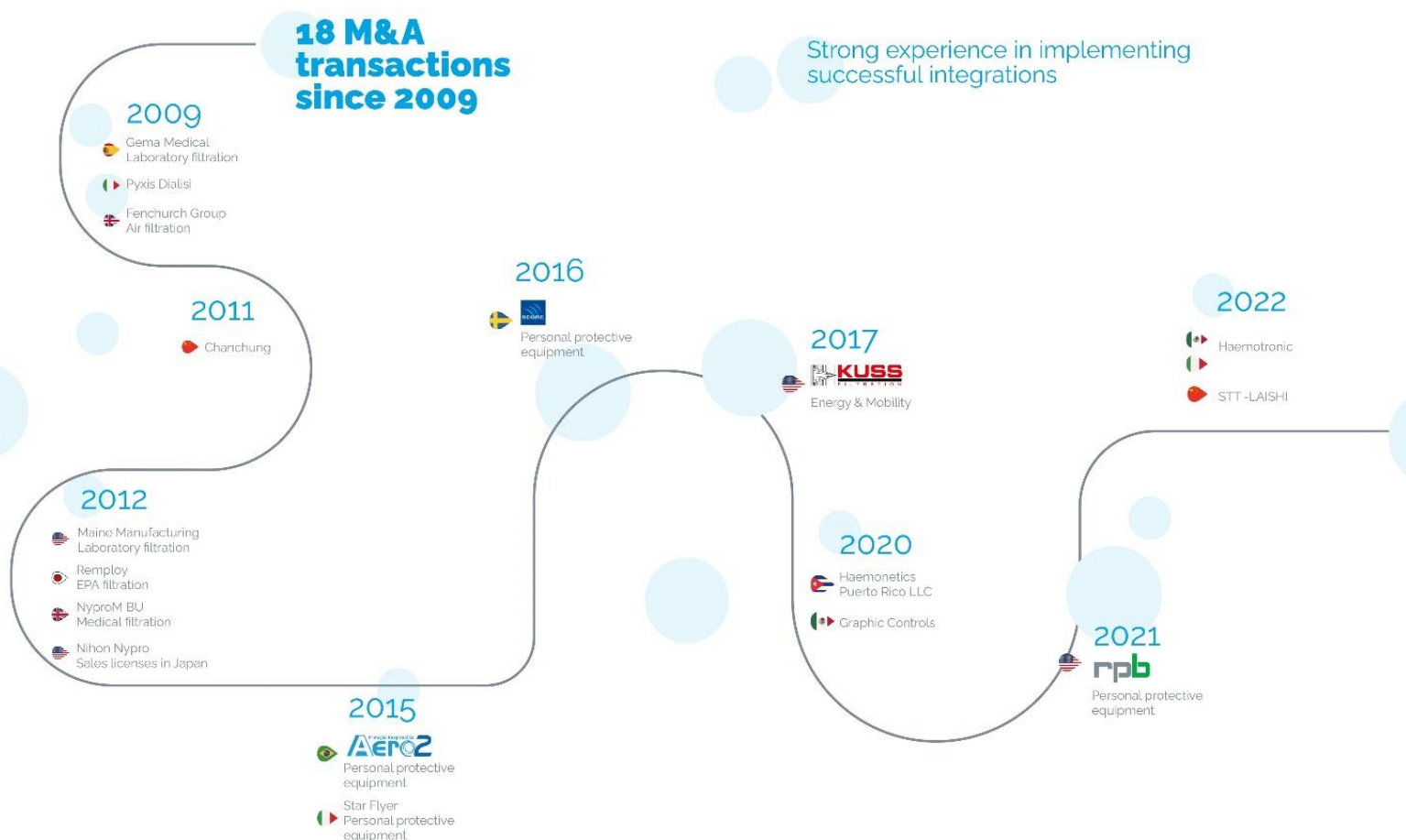
2020 – 2023: IPO and the consolidation phase

2020 marked the transition to a listed company; on 19 June 2020, GVS completed the listing process on the MTA market of the Italian Stock Exchange. In the same year, the GVS Group completed the acquisition of a business related to products of the Life Sciences business. In addition, it signed a contract to acquire the equity investment in Haemonetics Puerto Rico LLC, a company operating in the Healthcare business; In 2021, the Group completed the opening of sales offices in India, Thailand and Malaysia. GVS's acquisition of 100% of the RPB Group, an American player specialising in respiratory protection, fits into this context of development on international markets. The aim is to complete GVS's product range in the area of

professional masks and to acquire technical knowledge. The latest acquisitions took place in 2022, when GVS acquired 100% of the share capital of the Italian Haemotronic Group specialising in the production of disposable medical devices used to support advanced medical technologies, and of Shanghai Transfusion Technology, a Chinese company specialising in the production of blood bags and transfusion sets. In 2022, the Group began working to reorganise its production sites, with the aim of rationalising processes and increasing profitability, always under the banner of sustainability. This path continued throughout 2023, focusing in particular on the integration and streamlining of the systems and processes of the newly acquired companies.

18 M&A transactions since 2009

Strong experience in implementing successful integrations

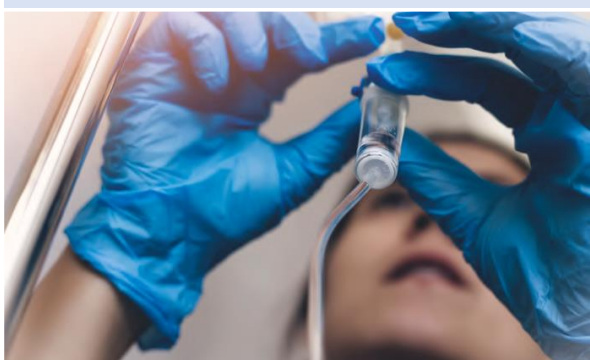


1.4 Business Divisions

GVS has developed a dynamic and flexible business model, in line with its mission "**We Make It Happen,**" which enables it to successfully meet the changing demands of the market and customers. Flexibility, quality and attention to detail are the Group's strengths, which have enabled it to develop the three business areas in which it operates, focusing on a "Local For Local" approach to the customer and spreading its technical production know-how in the world.

Healthcare & Life Sciences (67.7% of turnover)

We innovate healthcare using science. Health and science are the key to continuous evolution.



The Healthcare & Life Division manufactures a wide range of filters and components covering numerous gas/air and liquid filtration applications, for example filters for breathing and anaesthesia, surgery, insufflation, suction and ventilation and for drug delivery, parenteral nutrition, transfusion and haemodialysis.

The research and development department makes a major contribution to product development, which also carries out projects in cooperation with OEM (Original Equipment Manufacturer) customers, working closely with companies around the world to provide state-of-the-art solutions or finished products. The division's distinctive feature is the in-house production of microporous and track-etched membranes used in its own products and also sold in the Life Sciences and Healthcare sectors.

Health & Safety (16.7% of turnover)

We promote health and safety in the most critical environments. Health is the priority for increasing safety for all.



The Health & Safety division designs and manufactures filtration devices for personal and collective respiratory protection. From the reusable, lightweight and compact protective respirators used in industry (Eclipse), to the disposable masks used in the healthcare sector, as well as a complete range of energy-saving air adapters.

In September 2021, GVS completed its product range in the world of positive-pressure respirators through the acquisition of the RPB Group, a manufacturer specialising in the design and production of respiratory protection, including supplied-air respirators and air-purifying respirators.

Energy & Mobility (15.7% of turnover)

We combine reliability with the technology of tomorrow. Energy & Mobility for a sustainable future.



The Energy & Mobility Division produces filters for the vast majority of applications on all types of vehicles, both traditional and new (hybrid, electric, hydrogen), as well as filtration solutions for batteries and for hydrogen production. Through its numerous research and development centres around the world and a global network of production facilities, the division has the goal of successfully meeting the needs of its customers on an international scale, guaranteeing constant support from the development phase to product design, from

prototype creation to industrial production, carried out with the most modern and competitive techniques and a strong focus on innovation.

1.5 Corporate governance model

GVS S.p.A. has defined its corporate governance structure with the aim of operating according to a solid set of rules, practices and processes and in line with its ethical values and strategic objectives. More specifically, the Group has adopted a traditional administration and control system which includes the following main bodies:

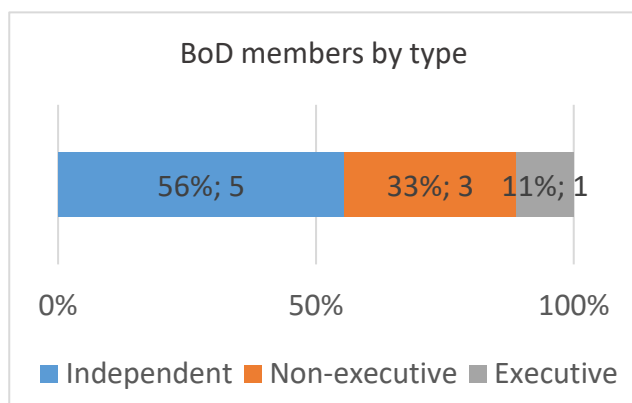
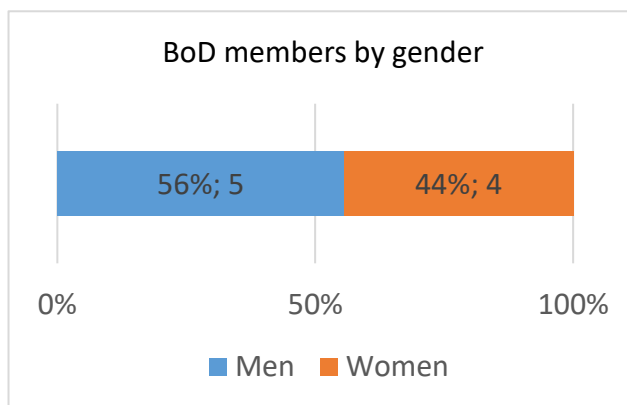
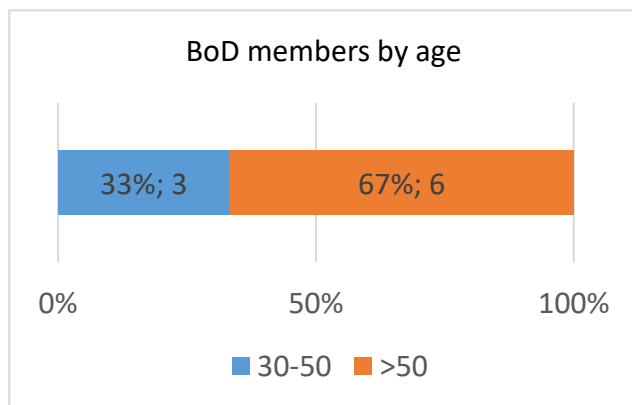
- Shareholders' Meeting
- Board of Directors
- Board of Statutory Auditors
- Supervisory Body

The Group is constantly striving to maintain and strengthen good governance in line with national and international best practices, also to ensure a clear and sustainable development strategy.

The **Board of Directors** (BoD) exercises and organises business activities with the aim of pursuing sustainable success through the creation of long-term value for the benefit of shareholders, taking into account the interests of other relevant stakeholders. On 3 May 2023, the Ordinary Shareholders' Meeting set the number of directors at nine and appointed the current Board of Directors, which will remain in office until the approval of the financial statements as at 31 December 2025.

Composition of the Board of Directors

Chair	Alessandro Nasi	Independent
Chief Executive Officer	Massimo Scagliarini	Executive
Directors	Simona Scarpaleggia	Independent (Chair of the Appointments and Remuneration Committee)
	Anna Tanganelli	Independent (Chair of the Control, Risks and Sustainability Committee)
	Pietro Cordova	Independent
	Marco Pacini	Non-executive
	Marco Scagliarini	Non-executive
	Michela Schizzi	Independent
	Grazia Valentini	Non-executive



- More than 50% of the Directors, including the Chair, are independent
- 44% of Directors are women, 56% men
- 44% of Directors have ESG expertise

The Board of Directors has also appointed two permanent Internal Board Committees, both composed of three independent members of the Board:

- **Control, Risks and Sustainability Committee:** its task is to support the Board of Directors by carrying out adequate preliminary activities before evaluations and decisions relating to the Internal Control and Risk Management System, as well as in those relating to the approval of periodic financial reports and sustainability issues. The Committee is also assigned the tasks set out in the CONSOB Related Parties Regulation and the Company's Procedure for Related Party Transactions;
- **Appointments and Remuneration Committee:** the committee is responsible for matters related to appointments and determining remuneration as recommended by the Corporate Governance Code.

The supervisory functions are entrusted to the **Board of Statutory Auditors**, while control over compliance with the Organisation and Management Model is the responsibility of the **Supervisory Body**, which consists of three members. PricewaterhouseCoopers S.p.A. currently acts as the Independent Auditor.

Further information can be found in the "Governance" section of the website GVS.com and in the Corporate Governance and Ownership Report published annually.

1.5.1 Sustainability governance

The Group's commitment to sustainability issues has also translated into a progressive strengthening of the governance structure through the creation of ad hoc controls.

The definition of the corporate strategy on sustainability issues, and thus the pursuit of sustainable success, is entrusted to the **Board of Directors**, which also approves the Consolidated Non-Financial Statement (NFS)

Sustainability governance structure

pursuant to Italian Legislative Decree no. 254/2016. In performing this task, the Board is supported by the **Control, Risk and Sustainability Committee**, which reviews the NFS and makes proposals on processes, initiatives and activities aimed at overseeing GVS's commitment to sustainable development along the value chain.

In addition, the **cross-functional Sustainability Committee** was activated in 2023, consisting of the CEO and those members of the company's senior executives that are most involved in managing sustainability issues. The Committee's main role is to implement the strategic direction on sustainability issues by proposing, supervising and monitoring the achievement of the defined strategic objectives. Regular meetings ensure constant updates on GVS's progress on sustainability issues and also allow for discussions on the Group's strategic priorities, also in the light of regulatory changes. The Group Sustainability Director is responsible for coordinating the Committee.

In addition to reporting to the Control, Risk and Sustainability Committee, the **Group Sustainability Department** is responsible for proposing and coordinating initiatives related to the ESG sphere and monitoring the performance of the main sustainability indicators managed operationally by the various Group companies. Lastly, it is responsible for coordinating the drafting of the annually published NFS.



Remuneration and sustainability goals

In order to support the company's pursuit of growth in line with the Group's commitment to sustainability, it was decided to give greater weight to **ESG objectives** in the new **Remuneration Policy** approved in 2023. More specifically, the policy sets out two types of variable incentives, short-term and medium- to long-term, both linked to the achievement of specific objectives, including one related to sustainability. The above programmes are specifically for key figures, including the Chief Executive Officer, the other Executive Directors as well as Executives with Strategic Responsibilities.

As regards the Short-Term Variable Incentive Plan, the programme includes an annual incentive whose amount is commensurate with the achievement of annual targets (both Group and individual) and annual strategic Group targets, the relative weight of which is differentiated according to role. **The sustainability target included in the short-term variable incentive plan 2023** was linked to an indicator related to waste production, i.e., the reduction to the intensity index measured as **Tonnes of Waste Generated/Total Group Turnover**, which was achieved at the end of the year. For more details, please refer to section 3.3 "Waste generation and management."

With regard to the **2024 short-term variable incentive plan**, the Group's strategic objective related to sustainability is linked to the reduction of the workplace injury rate (relative to employees and agency workers) compared to the 2023 results (calculated as total no. workplace injuries / hours worked * 200,000), with the awareness that workplace safety is a necessary and essential condition in the performance of all company activities and is a central pillar in the Group's priorities.

With regard to the **medium to long-term variable incentive plan**, the **ESG indicator is linked to the quality and safety of products placed on the market**, measured in terms of the ratio of the number of products recognised as non-compliant to the total number of products placed on the market (parts per million sold).

These sustainability targets are also integrated into the objectives assigned to General Managers and/or other relevant strategic figures to incentivise the pursuit of the corporate strategy in the Group entities.

For further information, please refer to the Remuneration Policy and Compensation Report published annually at GVS.com.

1.6 Certifications and awards

1.6.1 Quality, Environment, Health and Safety Certifications

The GVS Group operates in several highly regulated sectors where ensuring high quality standards and meeting customer expectations are of paramount importance. This is why the Group applies the highest quality standards and the principle of continuous improvement.

100%	10 companies	5 companies
manufacturing companies with a certified Quality Management System	(13 production plants) with an ISO 14001-certified Environmental Management System	(6 production plants) with an ISO 45001-certified Health and Safety Management System

GVS obtained its first certifications in 1995; to date, the Group and its plants hold numerous certifications globally. Details are given below:

Country	Company/Plant	Environment	Quality	Health and safety
Italy	GVS S.p.A. - 2 plants in Bologna	ISO 14001:2015	IATF 16949:2016 ISO 13485: 2016 ISO 9001:2015	ISO 45001:2018
	GVS S.p.A. - Avellino	ISO 14001:2015 EMAS 2009	IATF 16949:2016 ISO 9001:2015	ISO 45001:2018
	Haemotronic S.p.A.		ISO 13485:2016	
Mexico	GVS de Mexico		IATF 16949: 2016 ISO 13485:2016 ISO 9001:2015	
	Haemotronic de Mexico	ISO 14001:2015	ISO 13485:2016	
United Kingdom	GVS Filter Technology UK	ISO 14001:2015 ISO 50001:2018	ISO 13485:2016 ISO 9001:2015	ISO 45001:2018
Romania	GVS Microfiltrazione	ISO 14001:2015	IATF 16949:2016 ISO 13485: 2016 ISO 9001:2015	ISO 45001:2018
United States of America	GVS Filtration - Bloomer	ISO 14001:2015	ISO 9001:2015 ISO TS 16949:2016	
	GVS Filtration – Findlay	ISO 14001:2015	ISO 9001:2015 IATF 16949:2016 ISO 13485:2016	

	GVS North America – Westborough and Sanford	ISO 14001:2015	ISO 9001:2015 IATF 16949:2016 ISO 13485:2016	
	GVS Puerto Rico		ISO 13485:2016	
	RPB Safety		ISO 9001:2015	
Brazil	GVS do Brasil	ISO 14001:2015	IATF 16949:2016 ISO 9001:2015	
China	GVS Technology Suzhou	ISO 14001:2015	IATF 16949:2016 ISO 13485:2016 ISO 9001:2015	ISO 45001:2018
	Shanghai Transfusion Technology	ISO 14001:2015	ISO 13485:2016 ISO 9001:2015	
	Suzhou Laishi Transfusion Equipment		ISO 13485:2016 ISO 9001:2015	

For an up-to-date list of the Group's certifications and awards, please refer to the "Quality and Certifications" section of the website GVS.com.

1.6.2 Awards and participation in external sustainability initiatives

Ecovadis

GVS's ongoing commitment to sustainability was confirmed with the awarding of the EcoVadis Gold Medal, a result that places the Group among the top 5% of companies globally that took part in the EcoVadis assessment in 2023.

EcoVadis is one of the leading international corporate sustainability assessment platforms, with over 100,000 companies assessed worldwide. The EcoVadis assessment is based on international standards and covers the four key pillars of sustainability: Environment, Labour & Human Rights, Ethics and Sustainable Procurement.



United Nations Global Compact

In 2021, the GVS Group decided to further formalise its commitment to sustainability by joining the United Nations Global Compact, a strategic corporate citizenship initiative that aims to promote a sustainable global economy that respects human and labour rights, protects the environment and combats corruption. Specifically, joining means voluntarily subscribing to a set of principles that promote long-term sustainability values through policies, business practices, social and civic behaviour that are responsible and also take into account future generations.



"Using science to promote people's safety and well-being, bringing innovation to the health sector and contributing to clean energy production and sustainable mobility are our commitments to ensure, through industrial innovation, health and safety as universal rights.

With this spirit, to contribute to the United Nations Climate Action, we aim to be carbon neutral by 2040. We believe that improving awareness of diversity, mutual respect and inclusion in the workplace is an integral part of our commitment to value People."

Massimo Scagliarini, CEO

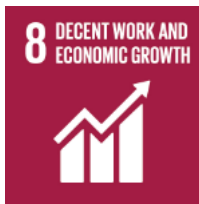
Among the UN's 17 Sustainable Development Goals, GVS has identified six as priorities for its activities and products:



- **3 - Good health and well-being SDG3**

The products of all GVS divisions are aimed at promoting user safety, health and well-being. To promote good health as a universal right, GVS constantly strives to innovate and ensure product reliability through the research and development of new solutions. The health and safety of its employees is also a priority issue for GVS. To this end, the company is committed to ensuring a serene and safe working environment and to preventing the occurrence of injuries and illnesses resulting from work activities.

For more details, please see Chapter 4. Valuing people and Chapter 5. Responsible innovation



- **8 - Decent work and economic growth**

GVS is firmly convinced of the value of human resources for the development of the entire Group. The company is committed to implementing initiatives to promote employee well-being and development. People management is based on a working environment that is free of discrimination and ensures that workers' rights are respected throughout the supply chain.

For more details, please see Chapter 4. Valuing people.



- **9 - Industry, innovation, and infrastructure**

Responsible innovation is one of the pillars of the GVS strategy. The continuous improvement of products and processes, with particular attention to energy and resource consumption, and the assurance of high-quality standards are key factors in the company's success. GVS invests in research and development to offer the market innovative solutions and pursues projects that can also lead to reduced environmental impacts.

For more details, please see Chapter 3. Ecological transition and Chapter 5. Responsible innovation



- **12 - Responsible consumption and production**

GVS recognises the importance of environmental protection and is committed to reducing the use of resources in its production processes, favouring energy from renewable sources and minimising water consumption and waste production. Production processes are constantly monitored to include, where possible, greater use of recycled materials, to reduce energy consumption and production waste, thereby reducing environmental impacts.

For more details, please see Chapter 3. Ecological transition.



- **13 - Climate action**

The environmental policy defined by GVS is the guideline for improving the environmental impacts of its activities. It aims to reduce and mitigate all forms of pollution and climate-changing emissions and provides a reference for setting and evaluating environmental objectives and targets. GVS is committed to increasing the share of energy consumed from renewable sources, with the ultimate goal of reducing its greenhouse gas emissions.

For more details, please see Chapter 3. Ecological transition.



- **16 - Peace, justice, and strong institutions**








Responsible and ethical conduct is one of the central pillars of business conduct, and therefore plays a central role in the Group's activities. In particular, GVS has numerous policies, procedures and tools that seek to establish internal processes that outline the principles, rules and responsible behaviour shared by all employees and partners with whom GVS collaborates.







For more details, please see Chapter 2. Ethical conduct.

1.7 Stakeholder engagement and materiality analysis

1.7.1 Stakeholder engagement

The Group operates globally and interacts with a variety of entities worldwide in the course of its activities. GVS has always recognised the importance of maintaining continuous dialogue and, in order to guarantee management that also considers the needs and interests of its stakeholders, it has carried out an analysis that has led to the identification of 13 categories considered most relevant and their respective channels of dialogue, indicated below:

Stakeholder category	Engagement methods
Trade associations 	GVS also actively engages with trade associations through participation in meetings and events. Discussions with associations also allows the Group to assess best practices and regulatory provisions governing the activities of the sector in which the various Group companies operate.
Shareholders and investors 	GVS intends to encourage the utmost transparency towards investors and the financial community, by building, maintaining and developing an active relationship with them. Dialogue with shareholders and investors is entrusted to the Investor Relations Department and is ensured by the Policy for managing dialogue with shareholders and other stakeholders (published on the GVS website).
Customers 	Over the years, GVS has established strategic relationships with its business partners in terms of product quality and responsible business conduct, including through audits carried out by its customers. In general, customer relations are managed constantly through direct contact, and occasionally through trade fairs and visits.
Competitors 	Within the framework of the Code of Ethics, the Group has defined the guidelines and conduct to be adopted in relations with competitors in order to avoid any agreements or communications aimed at influencing free competition. All contacts that could even merely create the appearance of an anti-competitive agreement are therefore prohibited.
Local communities 	Local communities play an important role for GVS, which promotes building close ties with local communities in the countries in which it operates. The relationship with the community is made concrete through dialogue with the local authorities and participation and promotion of projects and initiatives to support the territory.
Employees and partners 	The Group is committed to the protection, enhancement and development of its employees. In managing its people, the company has set up a performance evaluation system that ensures regular dialogue between the employee and management, in addition to the more traditional communication channels (e-mail, noticeboards, training and meetings). As far as collaborators are concerned, GVS is committed to maintaining constant dialogue oriented towards integrity and transparency.
Distributors 	GVS collaborates, mainly in the Health & Safety and Healthcare & Life Sciences Divisions, with the main distributors in the sector, operating in compliance with the Group's principles of loyalty, integrity, confidentiality, transparency and professionalism. To ensure the respect of with these principles, GVS is in constant dialogue with its distributors through various channels (e-mail, meetings).

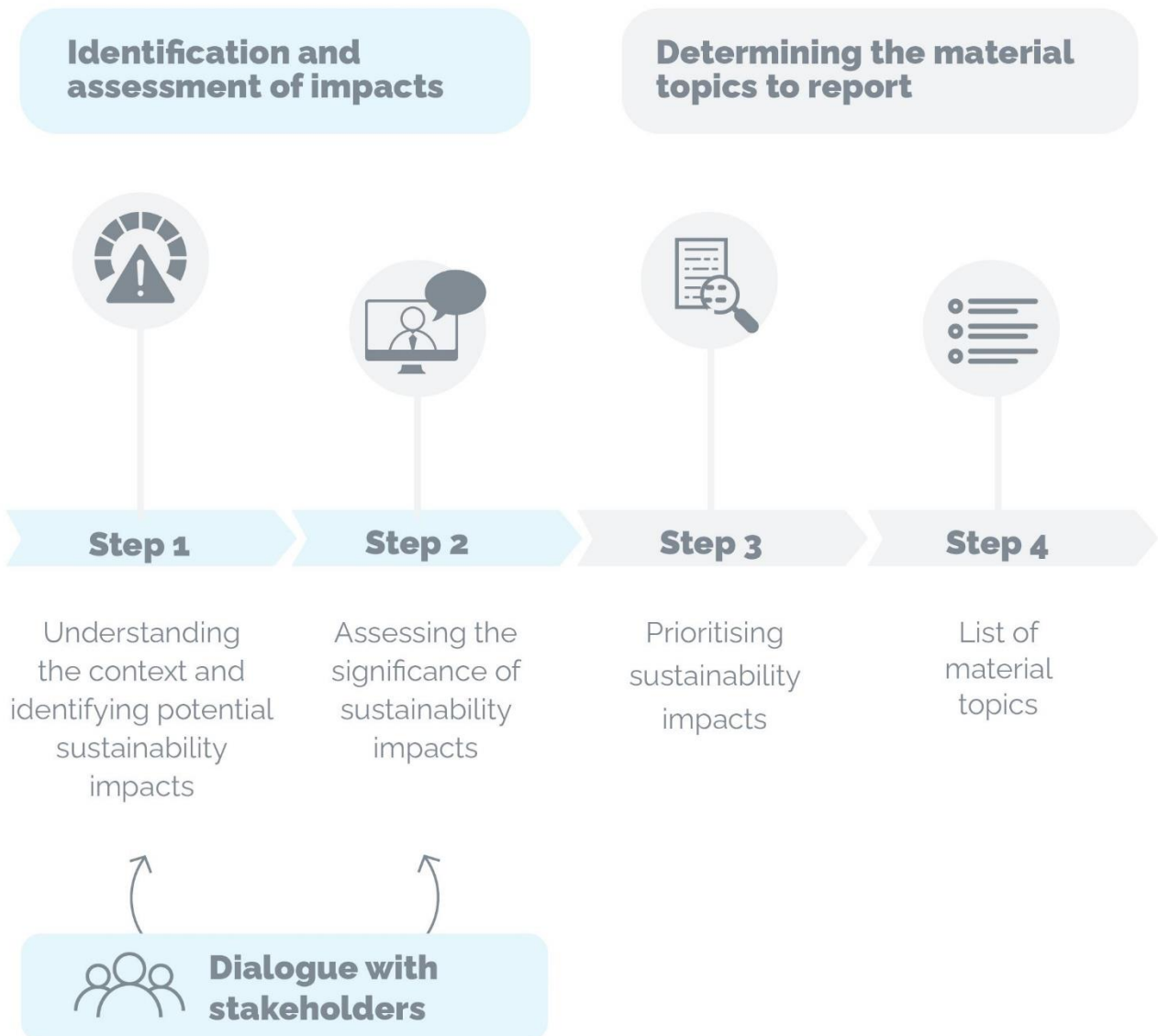
<p>Regulatory bodies</p> 	<p>GVS is subject to controls by the institutions and the Antitrust and market regulatory authorities, actively collaborating with them while ensuring the utmost transparency. Likewise, with regard to its product portfolio, the Group is in continuous dialogue with the relevant sectoral regulators.</p>
<p>Suppliers</p> 	<p>GVS's suppliers are selected through a qualification process aimed at assessing professionalism, product quality and fairness in the performance of activities, including by carrying out on-site audits with the most strategic suppliers. The Group has also prepared the Supplier Code of Conduct, a document setting out GVS's expectations in terms of its suppliers' sustainability practices. Supplier relations are managed with direct contact through various channels (e-mail, meetings and visits).</p>
<p>Financial institutions</p> 	<p>The treasury department is entrusted with the relationship with financial institutions, which support the Group in day-to-day operations and extraordinary projects. Communication with financial institutions is characterised by maximum transparency in order to ensure a correct assessment of the risks inherent in their activities and maximise cooperation with the Group.</p>
<p>Academic world</p> 	<p>Training and skills development paths within the Group are of paramount importance, which is why the relationship with the academic world holds an indispensable position in external relations. GVS actively invests in research and development projects carried out in cooperation with universities and research institutes.</p>
<p>Non-profit organisations</p> 	<p>The Group supports various organisations and associations for scientific research and in the social sphere, also paying attention to local non-profit organisations.</p>
<p>Public Administration</p> 	<p>In its operations, GVS has relations with local Public Administrations in which it is committed to maintaining conduct which complies with the provisions of Italian Legislative Decree 231/2001, in order to prevent the commission of the offences contained therein.</p>

During 2023, the Group also carried out a specific stakeholder engagement activity to update the materiality analysis, as detailed below.

1.7.2 Materiality Analysis

GVS updated its materiality analysis in 2023 with the aim of identifying the significant negative and positive impacts that the Group generates or could generate on the economy, the environment and people, including human rights (known as "impact materiality"). The analysis was carried out with reference to the GRI Universal Standards 2021 (GRI 3) and was implemented through a process structured as follows:

The steps for updating the materiality analysis



Step 1 - Understanding the context and identifying potential sustainability impacts: starting with the analysis conducted in 2022, the mapping of potential sustainability impacts was supplemented with:

- a benchmark analysis of sustainability reporting practices developed by operators working in comparable sectors to GVS;
- a review of relevant internal policies and procedures;
- an analysis of sustainability issues relevant to the sectors in which GVS operates by consulting guidelines and external sources.

The analysis revealed 27 potential impacts divided into five macro-areas: *Environment, People & Human Rights, Social, Products and Business Conduct*.

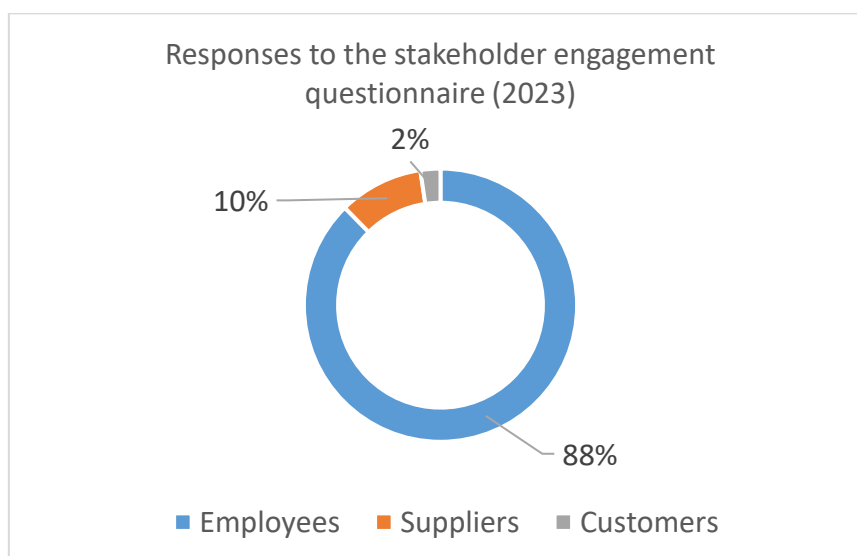
Step 2 - Assessing the significance of sustainability impacts: the significance of potential sustainability impacts was assessed through meetings with the heads of the relevant business areas. At the methodological level, impact significance was determined based on the severity of the impacts and the likelihood of occurrence (only for potential impacts). The following factors were considered in determining impact severity:

- **Scale:** how relevant are the consequences of the impact?
- **Scope:** how widespread is the impact?
- **Irreparable character:** how difficult it is to mitigate or repair the damage resulting from the impact?

At the end of the meetings, an overall analysis of the significance assigned to potential sustainability impacts was carried out, involving the CEO and the Control, Risk and Sustainability Committee.

Stakeholder dialogue: parallel to the analysis carried out with company management, discussions were opened with the main stakeholder categories: Employees, Customers and Suppliers. An online questionnaire was conducted with the aim of collecting stakeholders' opinions on the impacts generated by GVS.

The questionnaire had questions differentiated according to the stakeholder involved, and was constructed with the aim of being simple and intuitive so as to make it accessible to as wide an audience as possible. The questions were aimed at gathering information on the impacts generated by the company on stakeholders, and were translated into 11 languages and resulted in over 750 responses from 16 different countries.



The questionnaire revealed alignment between the assessments made by the company and stakeholder expectations, and no potential impacts emerged that had not already been assessed in the internal analysis.


Step 3 - Prioritising the sustainability impacts identified: following the assessments carried out, the impacts were prioritised according to their significance on a scale from "High" to "Low." The materiality threshold for impacts was set at "Medium," i.e., all impacts with "High," "Medium-high" and "Medium" significance were considered material.


Step 4 - List of material topics: starting from the list of sustainability impacts considered as significant, the list of material topics for GVS was created. Compared to the complete list of material impacts, some of these were merged because they pertain to homogeneous and broader topics, forming the list of material topics. Each material topic was traced back to one of the three strategic sustainability pillars of GVS: Responsible


Innovation, Ecological Transition and Valuing people, as well as a transversal pillar underpinning all the Group's activities: Ethical conduct. The results of the materiality analysis are shown below, i.e., the list of material topics associated with the strategic sustainability pillars, the related Sustainable Development Goals and the Group's objectives. The latter reflect the Group's current vision and the commitments it intends to pursue; this vision will be further elaborated in 2024 through the definition of a multi-year Sustainability Plan that will include quantitative targets to guide the Group's operations in the coming years.

STRATEGIC SUSTAINABILITY PILLARS AND MATERIAL TOPICS

Ecological transition

9 INDUSTRY INNOVATION AND INFRASTRUCTURE


12 RESPONSIBLE CONSUMPTION AND PRODUCTION


13 CLIMATE ACTION


We believe that corporate sustainability stems from the respectful use of natural resources and the transition to renewable energy as a means of combating climate change. We are committed to global synergistic action, with the aim of reducing our emissions and impact on the planet.

MATERIAL TOPICS

- Energy consumption and greenhouse gas emissions
- Waste management

OBJECTIVES

- Reducing greenhouse gas emissions
- Switching to renewable energy sources
- Obtaining an ISO 14001-certified Environmental Management System (where not already held)

Responsible innovation

3 GOOD HEALTH AND WELL-BEING


9 INDUSTRY INNOVATION AND INFRASTRUCTURE


We contribute to a future where good health is a universally attainable target with our products, used in applications where health and safety are key factors. We are committed to bringing innovation while guaranteeing respect for the environment and people.

MATERIAL TOPICS

- Product safety and quality
- Product innovation and eco-design

OBJECTIVES

- Continuous improvement of product quality and safety
- Innovation and product development with sustainability features

Valuing people



We promote initiatives whose main aim is to enable employees to work to the best of their ability, while striving to create a safe and inclusive workplace that promotes people's well-being and development.

MATERIAL TOPICS

- Health and safety
- Managing and enhancing human capital
- Discrimination, diversity and equal opportunities
- Human rights protection

OBJECTIVES

- Reducing the number of accidents
- Obtaining ISO 45001-certified Security Management System (where not already held)
- Staff involvement and turnover reduction.
- Analysis on diversity and pay equity issues

Ethical conduct



We are committed to conducting our activities in compliance with applicable regulations and laws. We promote conduct in line with our values and ethical principles, for the responsible management of all business processes.

MATERIAL TOPICS

- Responsible supply chain management
- Business ethics and anti-corruption

OBJECTIVES

- Development of a new Group programme for assessing significant suppliers based on sustainability criteria
- Continuous involvement of people in business ethics training

For a description of the material topics and associated GRI indicators, please refer to the section "Correlation Table with Material Topics and Italian Legislative Decree 254/2016."

2

Ethical Conduct

Integrity is a fundamental part of our identity and one of the founding principles of our Code of Ethics. We promote responsible behaviour not only within our organisation but also from all partners with whom we collaborate in the conduct of business activities.

2.1 Ethics and Anti-Corruption

Responsible and ethical conduct is one of the central pillars of business conduct, and therefore plays a central role in the Group's activities. GVS is therefore not only committed to promoting compliance with the relevant regulations, but also to developing an internal regulatory system to prevent and reduce the risk of offences being committed. For this reason, the Group has numerous policies, procedures and tools that seek to establish internal processes that outline the principles, rules and responsible behaviour shared by all employees and partners with whom GVS collaborates.



The cornerstone of the system is the **Code of Ethics**, a document that promotes the principles for responsible conduct within the Group and aims to ensure transparent and appropriate behaviour by all recipients. The occurrence of risky events may lead to the application of sanctions, loss of

profit, compromise of business relations and damage to the image, which may be to the detriment of the entire Group. In order to mitigate this risk, in addition to the adoption and distribution of the Code of Ethics, specific communication and training plans are promoted for all employees on anti-corruption principles and general principles of conduct.

[Learn more in our Code of Ethics](#)

In addition, the system in place consists of the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 ("OMM") and the Global Compliance Programme, which together form an integrated system of controls aimed at a more effective management of the risk of offences being committed.

More specifically, the **Global Compliance Programme** has the goal of defining the guidelines, principles and controls which all Group companies must follow and adopt in the conduct of company activities in order to prevent the perpetration of offences. The Global Compliance Programme is inspired by the most important national and international regulations, as well as by international best practices in the field of corporate liability and prevention of offences.

[Learn more about our Global Compliance Program](#)

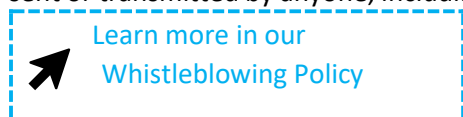
The **Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 ("OMM")**, adopted by both Italian companies of the Group (GVS S.p.A. and Haemotronic S.p.A.) and constantly updated, aims to establish a set of control measures and procedures for preventing the commission of the different types of offences contemplated in the Decree, including, for example, tax, environmental, corruption, fraud and money laundering offences. When defining the OMM, GVS S.p.A. and Haemotronic S.p.A. carried out an analysis of all (100%) of their activities and processes in order to identify the significance of those relevant under Italian Legislative Decree 231/2001, including corruption and bribery, and the existence of adequate controls (risk assessment and gap analysis).

The **Anti-Corruption Policy** has been adopted as part of the Global Compliance Programme. It is an integral part of the system of control of business ethics, aimed at guaranteeing the compliance of GVS with the Anti-Corruption Laws, both national and international, and

[Learn more in our Anti-Corruption Policy](#)

with the best international standards in the fight against corruption. The Policy enshrines the GVS Group's commitment to a zero tolerance principle in relation to corruption and requires compliance with all national anti-corruption legislation where the Group operates. The commitment to zero tolerance includes a prohibition on offering or receiving money or other benefits to obtain undue advantage or otherwise influence the decisions of others. The prohibition includes those actions that may even generate the doubt of having corrupt purposes. The Policy applies to employees, collaborators and all other persons who in various ways have dealings with GVS. The Policy provides for specific rules and controls in relation to activities identified as potentially "at risk" (e.g. relations with public officials, donations, sponsorships, relations with suppliers) and activities concerning the effective implementation of anti-corruption provisions (e.g., adoption of written procedures, segregation of roles, formalisation of powers, traceability and documentation of decisions, assessment of business partners). Finally, in order to guarantee the effectiveness of the provisions, the Policy provides for control systems (audits), training and communication activities, disciplinary measures, as well as channels for reporting, including confidential ones ("whistleblowing"). A total of **1,396 employees**, or **83% of new employees** (34% of total employees) **were trained on ethics and anti-corruption issues in 2023**.

In order to make the commitment to responsible conduct effective, those who report violations of laws, regulations or company rules must be protected; with this in mind, the Group approved a specific **Whistleblowing Policy** in 2023. The Policy governs the process of receiving, analysing and processing reports sent or transmitted by anyone, including in confidential or anonymous form, in compliance with EU Directive



no. 1937 of 23 October 2019, converted in Italy by Legislative Decree no. 24 of 10 March 2023. The system put in place includes the possibility of anonymous reporting through multiple channels, including an IT platform, voicemail box and regular mail. 17 reports

were received through the new IT platform in 2023, of which only three were considered relevant according to the characteristics defined in the Whistleblowing Policy. In all the relevant cases, an internal investigation was completed and corrective action was taken where necessary. Lastly, it should be noted that even for those reports considered not relevant, feedback was given, possibly redirecting to the internal contact to be addressed.

In conclusion, the Group is committed to spreading a culture of compliance in the various countries in which it operates, to ensure maximum dissemination and adherence to its ethical principles for the fight against corruption. As a confirmation of the Group's commitment to responsible conduct, there were no occurrences records during the reporting period of:

- Proven incidents of corruption;
- Legal actions for anti-competitive behaviour, antitrust and monopolistic practices;
- Significant cases¹ of non-compliance with laws and regulations.

¹ The materiality threshold was set at 100,000 euros.

2.2 Internal Control and Risk Management System

The GVS internal control and risk management system is the set of guidelines, rules and organisational structures aimed at identifying, measuring, managing and monitoring the main corporate risks. The internal control and management system contributes to management in line with the corporate objectives defined by the Board of Directors, encouraging informed decision-making. It contributes to ensuring the safeguarding of corporate assets, the efficiency and effectiveness of corporate processes, the reliability of information (not only financial) provided to corporate bodies and the market, compliance with laws and regulations as well as with the Articles of Association and internal procedures.

Articulation of control levels



The **internal control and risk management system involves**, each within its own sphere of competence:

- the **Board of Directors**, which plays a role in providing guidance and assessing the adequacy of the system and identifies from among its members one or more directors, responsible for establishing and maintaining an effective internal control and risk management system; and a Control, Risk and Sustainability Committee;
- the **Chief Executive Officer**, with the task of implementing the internal control and risk management system and supervising its application;
- the **head of the Internal Audit Department**, responsible for verifying that the internal control and risk management system is functioning and adequate;
- other **corporate roles and functions with specific tasks in terms of internal control and risk management**, broken down in relation to the size, complexity and risk profile of the company;
- the **Board of Statutory Auditors**, also in its capacity as the Internal Control and Audit Committee, which oversees the effectiveness of the internal control and risk management system;
- the **Supervisory Body**, which verifies the observance and proper implementation of the principles of conduct contained in the Organisational Model pursuant to Legislative Decree No. 231/2001.

The internal control and risk management system is supported by GVS S.p.A.'s risk assessment process developed through the direct involvement of management and the main process managers, including the Chief Executive Officer. The analysis is updated at least annually and more frequently if necessary, and has as its starting point a catalogue of risks classified according to the following categories: strategic, operational,


financial, compliance & regulatory. The process also considers potential risks related to sustainability issues impacting the categories analysed, including environmental, ethical and anti-corruption issues, human resources, product quality and safety, and recent sustainability regulations (more details are presented within the individual chapters of this document). The results of the risk assessment are lastly presented to the Control, Risk and Sustainability Committee, the Board of Auditors and the Board of Directors. More details on the activities carried out during the reporting year can be found in the Corporate Governance and Ownership Structure Report, published annually on GVS.com.

2.3 Group ESG Policies

The articles of our Code of Ethics



Group's main policies and procedures

 Click below to access the policies
Global compliance program
Anti-corruption Policy
Whistleblowing Policy
Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 ("OMM")
Quality Policy
Environmental Policy
Health and Safety Policy
Suppliers Code of Conduct
Internal dealing procedure
Procedures for related party transactions
Procedure for the Management and Disclosure of Material Information and Inside Information
Policy for managing dialogue with shareholders and other stakeholders
Information Technology Management Policy and Privacy Policy (internal procedures available upon request)

2.4 Taxation

The GVS Group is aware of its responsibilities deriving from the correct and transparent management of fiscal aspects, both in terms of compliance with the regulations in force and in terms of contribution to the social contexts in which it develops its business.

In each of the jurisdictions in which the Group operates (listed below), the local company is supported by tax advisors: Italy, USA, China, Romania, Mexico, UK, Brazil, Puerto Rico, Argentina, Japan, Turkey, Korea, Russia, Malaysia, India, Thailand, New Zealand² and Vietnam.

Tax governance, control and risk management

The Group is oriented towards making choices on tax matters as a direct consequence of strategic business decisions. The objective of the tax approach is to minimise the tax burden of the Group, while fully respecting the regulations of the various jurisdictions. We note in this regard that the taxes paid by the Group in the periods prior to the listing have been audited by an external party, as required by the Initial Public Offering (IPO) procedure.

With a view to reducing the tax burden, in compliance with current regulations, GVS S.p.A. has submitted an application for access to the preliminary agreement procedure, related to the determination of the income generated by tax-advantaged intangible assets as provided for by the Patent Box regulations; the agreement in question, which has not yet been finalised, is expected to take effect for FY 2019 and the following 4 tax periods.

Responsibility for and control over tax matters rests primarily with the Board of Directors, supported by the Group Tax Department and external consultants, which defines activities to comply with regulatory requirements. In fact, the process of determining taxes derives from a true and fair view of the financial statements, in accordance with the relevant accounting standards.

In order to ensure that tax risks are adequately monitored, roles and responsibilities assigned to the various sectors of the organisation have been defined, including by means of specific safeguards included in the Organisation and Management Model pursuant to Legislative Decree no. 231/01. The Supervisory Body, for the companies in which it is in charge, periodically verifies the correct application of the procedures prepared and the correct and consistent conservation of the documentation of the operations, through periodic meetings with the Managers.

Stakeholder engagement and addressing tax concerns

Included in the administrative and fiscal management processes are elements of control, at various levels, related, for example, to:

- adherence to the GVS Code of Ethics when carrying out activities on behalf of the Group;
- the mapping and updating the chart of accounts and setting it up according to the tax rules applicable to individual cases;
- the verification of the way in which management events and the related taxation are recognised when calculating the taxes to be recognised in the financial statements, and when preparing the tax return;
- the signing of tax declarations by the legal representative for group companies and filing of such declarations;
- the periodic verification between taxes paid and taxes accounted for;
- the preparation of a specific document for the management of transfer pricing topics with the support of external consultants.

² The company in New Zealand, RPB Safety Limited, is currently in liquidation and has no employees as at 31.12.2023.

2.5 Supporting Communities

Always aware of the importance of the role that companies play vis-a-vis the community and the territory, GVS decided to contribute to support various local realities through donations or sponsorships again in 2023.

Moreover, the Group's activities are managed in close contact with local populations, in geographically and culturally diverse situations, also working to involve its employees.

Contributions to sport and social inclusion

Numerous contributions are given for sport and social inclusion. For example, among the local non-profit organisations in Italy, GVS S.p.A. supports the Fondazione per Lo Sport, a non-profit organisation which organises, supports and promotes projects and activities with the aim of giving people with disabilities and/or in situations of social hardship the chance to practise sport, thereby contributing towards their social inclusion. In 2023, GVS renewed its support for the foundation by giving employees and their families the opportunity to participate in the activities proposed and organised by the foundation in 2024 as well.

During the year, GVS S.p.A. also supported the **Bologna School & University League** project to organise two extracurricular football and volleyball tournaments for students from high schools and the University of Bologna, and was a **partner of the Eolie Music Fest**, providing a fully electric boat to enable people with disabilities to reach the islands during the event.

The contribution to local realities

In Brazil, GVS supported a retirement home and a local orphanage through donations of cash, clothing and cleaning products.

Moreover, during the days of the flood emergency in the Emilia-Romagna region, GVS wanted to make its contribution by donating material to support the communities in the damaged areas.

Lastly, GVS S.p.A. also supports other types of initiatives, including the Rizzoli Foundation, Save The Children and the Parish of San Giovanni in Bosco in Bologna through annual donations or sponsorships.



Recognition for GVS support during the SARS-CoV-2 pandemic emergency

In June 2023, GVS S.p.A. was awarded the Medaglia di Benemerenzza (Medal of Merit) by the Italian Red Cross for its support during the SARS-CoV-2 pandemic emergency. During the pandemic period, GVS S.p.A. supported the Italian Red Cross by donating masks at a time when they were hard to find.

Our contribution to the creation of the Rizzoli Foundation

Furthermore, GVS is one of the founding promoters and a member of the Board of Directors of the Rizzoli Foundation in Bologna, which aims to support the Rizzoli Orthopaedic Institute in improving the quality of care, treatment and welcome to patients, contributing to the support of scientific research activities and to the enhancement, promotion and protection of the Institute's cultural heritage, ensuring the best conditions for its preservation and public use. GVS continued to support the work of the Foundation in 2023 and participated in the implementation of the charity concert "Together for Lymphoedema."

"In the context of GVS's commitment to sustainability and its strong focus on the territory and people, the decision to be one of the nine Emilian companies that contributed to the establishment of the Rizzoli Orthopaedic Institute Foundation is part of this. GVS is honoured to support an Italian excellence like the Rizzoli Institute, with which it shares the same values and the same goal of innovating the medical sector through science."

3

Ecological Transition

We recognise the importance of environmental protection and are committed to conducting our activities in an environmentally responsible manner. This is why the preservation of natural resources and the reduction of our environmental impact are essential commitments for us to protect the planet and future generations.

To prevent and minimise the environmental impact of its production processes, GVS monitors and manages its activities with a view to continuous improvement. The Group's commitment is formalised within the Code of Ethics and the **Environmental Policy**, updated during 2023 with the final version published at the beginning of 2024. The policy applies to all Group companies and defines GVS's commitments to carefully managing environmental issues and to reducing its impacts; the document also includes a commitment to train and increase employees' level of awareness on the contents of the policy.

THE PILLARS OF OUR ENVIRONMENTAL POLICY

WASTE



- Reducing waste and increasing the share sent for recycling
- Monitoring production waste

ENERGY AND EMISSIONS



- Monitoring energy consumption to reduce consumption and related greenhouse gas emissions
- Preference purchasing from local suppliers

WATER



- Reducing water consumption

POLLUTION



- Environmental protection and preventing water and air pollution

PRODUCTS



- Minimising the environmental impact generated by the direct use and end-of-life of our products

COMMUNITY



- Care in conducting activities to ensure that they are carried out with minimal impact on local communities

SUPPLIERS



- Careful supplier qualification to ensure that their practices are aligned with those of GVS



Find out more about our Environmental Policy

Within the scope of the materiality analysis and on the basis of the internal analyses carried out periodically, the most significant environmental impacts generated at Group level can be connected to the following areas:

- energy consumption mainly related to the use of fuel and electricity for production activities (plastics processing), heating, cooling and use of the car fleet;
- greenhouse gas emissions related to energy consumption and the marginal release of refrigerant gases used mainly in cooling systems;
- production and disposal of waste related to production activities;

- use of materials for production and packaging.

With respect to the main impacts, GVS is progressively favouring the supply of electricity from renewable sources and processes are geared towards minimising production waste and maximising the recycling of unavoidable production waste.

Further environmental impacts found to be less significant and therefore not material relate to water consumption and the release of pollutant emissions (other than greenhouse gases) into the atmosphere. In the first area, the use of water for production purposes is limited only to the two companies producing membranes and the two Chinese companies carrying out sterilisation activities; the rest of the companies use limited water and the discharge is mainly for sanitary use. With respect to pollutant emissions, some production processes and thermal power plants release limited emissions of this nature that are monitored according to legal requirements. Where necessary, atmospheric emissions are monitored annually by sampling the pollutants released from the chimneys to verify their compliance with legal authorisations.

In terms of potential risks on environmental issues, there is a risk of non-compliance with relevant environmental legislation, including that related to the management of waste and pollutant emissions and the risk of spills and/or emissions of harmful substances due to breakdowns or malfunctions.

In order to minimise the risks and impacts generated, the Group has started a process to certify its sites to ISO standards related to environment and/or energy management systems, with the aim of continuing to improve the monitoring, management and minimisation of the use of natural resources. In addition, the procedures and control activities defined within the OMM pursuant to Italian Leg. Decree 231/2001 adopted by GVS S.p.A. and Haemotronic S.p.A. are aimed at preventing various types of offences envisaged by the Decree, including those of an environmental nature.

Over 1,700 hours of employee training on environmental issues in 2023

Specifically, a significant number of the Group's production companies³ have UNI EN ISO 14001 certification for their environmental management system, while the other sites are in the process of certification and/or are carrying out specific procedures for the management of environmental aspects. In addition, GVS Filter Technology UK Ltd also obtained the UNI ISO 50001 energy management system certification.

Compliance with the contents of the Environmental Management System in accordance with ISO 14001 aims to achieve improvement in its environmental performance through an orderly path of continuous improvement of the system itself. To ensure this, the standard requires certified sites carry out systematic and documented audits to:

- know and assess, with objective evidence, whether the organisation's environmental management system complies with the audit criteria defined by the organisation;
- communicate the results of this process to management.

Another core activity of the aforementioned environmental management system is the assessment of negative impacts and risks to the environment. As part of the analysis, all business processes under normal plant operating conditions and possible abnormal or emergency conditions are taken into account. Through the environmental risk analysis, impacts are concretely assessed and actions are defined for a transition to practices that ensure a reduction of negative impacts on the environment, both in terms of mitigation and reduction of this risk. For this reason, 100% of Group companies with production activities⁴ have carried out an environmental risk analysis, which is updated periodically in the event of significant changes to production

³ GVS S.p.A., GVS North America Inc., GVS do Brasil Ltda, GVS Technology (Suzhou) Co., Shanghai Transfusion Technology Co., Ltd., Haemotronic de Mexico, GVS Filtration Inc., GVS Filter technology UK Ltd, GVS Microfiltrazione Srl.

⁴ Excluding trading companies or those with only warehouse/assembly activities where environmental risks are considered less significant due to the processes performed.

processes or any areas for improvement identified through audits. Lastly, more than 50 environmental audits were carried out in 2023 internally at sites certified according to environmental management systems and several audits were also carried out by third parties (mainly customers or certifying bodies), covering a significant percentage (more than 70%) of the Group's production companies.

3.1 Materials used for production

The materials used for production are a particularly relevant element for GVS products, as they are closely related to their quality and safety. Specifically, the applications are intended for the protection of people's health and safety and therefore each material is selected to ensure the highest technical and quality standards based on industry regulations.



Each material is carefully selected to ensure the highest technical and quality standards to protect people's safety

In line with the required technical specifications, the main types of raw materials used are plastic granules⁵ used for moulding all filters produced by the Group's three divisions (Energy & Mobility, Healthcare & Life Sciences and Health & Safety) and in the production of filtering elements. Secondary raw materials include steel metal inserts, mainly used in the Energy & Mobility sector. Finally, the process related materials used are solvents, oil and silicone. With regard to packaging, the main materials used are plastic and cardboard, which is mostly derived from recycled paper, while secondary raw materials are wood for pallets and plastic bags.

With respect to the materials used and with a view to circularity, the Group aims to reduce its impacts through:

- the efficiency of production processes by monitoring and reducing production waste and the consequent use of raw materials;
- periodic analysis of the materials used in products and packaging in order to identify possible low-impact solutions.

During 2023, this commitment took the form of several actions, including the launch of a project to replace the packaging (from plastic to paper) of the Elixir product line and a study to develop the first intravenous filter with materials with a lower environmental impact and reduced carbon footprint (for more details, see chapter 5 "Responsible Innovation"). The distribution of the materials used is substantially in line with the previous year, with some variations mainly due to the different mix of products and their related materials.

Percentage of materials purchased by type⁶

	2023	2022	2021
Plastic filter media	12%	16%	33%
Plastic granules and polymers	38%	30%	20%
Packaging	8%	9%	11%
Microporous membrane rolls	4%	7%	6%
Mesh	6%	9%	6%
Membranes	7%	4%	5%
Metal	4%	6%	4%
Glue and Polyurethane	3%	5%	4%
Other	18%	14%	11%

⁵ The main polymers used include: Polyvinyl chloride (PVC), Acrylonitrile-butadiene-styrene (ABS), Polyethylene, Polypropylene, Polystyrene, Nylon, Thermoplastic elastomers (TPE), Polyvinylidene fluoride (PVDF), Polyethersulphones (PES) and Polytetrafluoroethylene (PTFE).

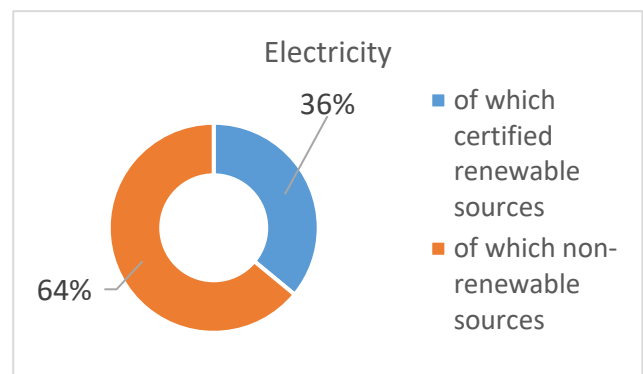
⁶ All materials fall into the category of "non-renewable" materials, i.e., resources that do not regenerate in short periods of time.

3.2 Energy consumption and greenhouse gas emissions

3.2.1 Energy consumed within the organisation and energy efficiency initiatives

GVS's energy consumption is attributable to its own production processes and a residual part to heating, cooling and the use of its car fleet. Specifically, the main source of energy used is electricity (78% of total consumption), as it is needed to process the plastic materials of which the Group's main product categories are composed. Additional energy sources are natural gas (16%) for heating and fuels, mainly used for generators and the company fleet (6%).

With the aim of reducing the use of energy from non-renewable sources, the Group is gradually converting its electricity supplies to renewable sources through the purchase of guarantees of origin or RECS (Renewable Energy Certificate System), i.e., certificates attesting to the renewable origin of the energy purchased. In line with previous years, GVS S.p.A. in both Italian production sites of Bologna and Avellino, GVS Filter Technology UK Ltd and GVS do Brasil purchased 100% of their energy from renewable sources in 2023; while the other Group companies periodically analyse offers from local distributors to increase the use of renewable energy sources; at the Haemotronic site in Italy, there is also a photovoltaic plant for the self-production of renewable energy.



In overall terms, 2023 saw a slight reduction in fuel consumption (-4%) and an increase in electricity consumption (+12%), in line with the growth in revenues and related production processes. In particular, the increase in electricity consumption is also attributable to the fact that 2023 is the first year in which the total consumption of the companies acquired in the previous year is taken into account; in fact, the energy consumption for 2022 refers exclusively to the period of GVS's ownership of the newly acquired companies.

Group energy consumption by type of source (Gigajoule⁷)

	2023	2022 ⁸	2021
Fuels from non-renewable sources	75,030	78,040	44,735
Natural gas	52,905	50,661	33,445
Other fossil fuels ⁹	22,125	27,379	11,290
Electricity	258,776	231,354	202,054
of which from certified renewable sources	64,848	82,440	85,039
of which self-generated through photovoltaics	692	298	0
Total energy consumed	333,806	309,394	246,792

⁷ For the conversion of energy consumption into Gigajoules (GJ), the Department for Environment Food & Rural Affairs (DEFRA) conversion factors were used, respectively published in 2023, 2022 and 2021.

⁸ The electricity consumption figures for 2022 were updated from those published in the 2022 NFS following an update of the methodology for calculating the consumption of a company acquired during the year.

⁹ The category includes Diesel, Petrol, LPG and Kerosene.

Energy intensity

As far as energy intensity is concerned, the consumption trend is substantially in line with the increase in hours worked by employees and the Group's revenues, and there is no change in the intensity index compared to the previous year.

Group energy intensity (Gigajoules/Hours worked)

	UoM	2023	2022	2021
Total energy consumed	GJ	333,806	309,394	246,792
Number of hours worked	N.	9,225,455	8,197,551	6,810,666
Energy intensity	GJ/N.	0.04	0.04	0.04

Group energy intensity (Gigajoules/€000)

	UoM	2023	2022	2021
Total energy consumed	GJ	333,806	309,394	246,792
Revenues from contracts with customers	€ 000	424,737	387,591	338,126
Energy intensity	GJ/€000	0.8	0.8	0.7

Initiatives to reduce energy consumption

The Group evaluates solutions aimed at reducing energy consumption through different types of interventions on an annual basis. During 2023, the gradual replacement of conventional lighting with LED technology continued at several GVS plants in order to increase energy efficiency.

At GVS S.p.A., a project to recover heat from compressors was completed, which resulted in a consequent reduction in natural gas consumption. In Brazil, some plants have instead been replaced with more modern and energy-efficient models.

Finally, in order to increase the power factor and thus reduce variations and power spikes in the electrical voltage in the Haemotronic de Mexico plant, capacitors were installed to stabilise the power inflow and consequently reduce the risk of damage to the electronic components.

An energy diagnosis was also carried out at Haemotronic S.p.A. in 2023 to assess and analyse the energy consumption of the plants and identify potential improvement actions.

Lastly, various awareness-raising and training activities are promoted annually within the Group on environmental issues, including energy issues, to promote more responsible behaviour by employees.

3.2.2 Direct and indirect greenhouse gas (GHG) emissions

The Group measures its greenhouse gas emissions annually, in particular:

- **Scope 1:** direct consumption-related emissions from plants, assets and vehicles operated directly by GVS. This category includes emissions from the combustion of fossil fuels for production and heating, refrigerant gas leaks in air conditioning systems, and the use of fossil fuels in the company fleet;
- **Scope 2:** indirect greenhouse gas emissions from electricity generation purchased by GVS. With these purchases, the Group indirectly contributes to the emissions generated by electricity suppliers.

In general, there is a reduction in Scope 1 emissions compared to 2023 and an increase in indirect Scope 2 emissions in line with the growth in revenues and related production processes. It should be noted that the above is also reflected in the trend of the emission intensity indexes with respect to hours worked and Group revenues, both unchanged with respect to 2022.

Direct and indirect GHG emissions (tonnes of CO₂ equivalent)

	2023	2022	2021
Total direct emissions (Scope 1)¹⁰	4,661	4,735	2,657
Natural gas	2,980	2,865	1,886
Other fossil fuels	1,541	1,873	770
Refrigerant gases	140	0	0
Total indirect emissions (Scope 2 Market-based)¹¹	26,546	23,678	18,483
Electricity purchased from the grid	26,546	23,678	18,483
Total emissions (Scope 1 + Scope 2 Market-based)	31,206	28,413	21,140

Group emission intensity (tonnes CO₂ equivalent / Hours worked)

	UoM	2023	2022	2021
Total GHG emissions (Scope 1 + Scope 2 Market-based)	tCO ₂ eq	31,206	28,413	21,140
Total number of hours worked	N.	9,225,455	8,197,551	6,810,666
Emission intensity	tCO ₂ eq / N.	0.003	0.003	0.003

¹⁰ For the calculation of Scope 1 greenhouse gas emissions, the Department for Environment Food & Rural Affairs (DEFRA 2021) emission factors published in 2023, 2022 and 2021 were used, respectively. It should also be noted that the figure for emissions from refrigerant gas leaks is not available for the years 2022 and 2021.

¹¹ The calculation of emissions using the market-based method takes into account the purchase of energy from certified renewable sources (through contractual instruments such as Guarantees of Origin), for which greenhouse gas emissions are considered zero. The share of non-renewable electricity is multiplied by a national residual emission factor. For the calculation of Scope 2 (market-based) greenhouse gas emissions, the following sources were used for the residual mix emission factors: "European Residual Mix" published by the Association of Issuing Bodies (AIB) in 2021 and 2022, "Green-e Energy Residual Mix Emissions Rates" published by Center for Resource Solutions in 2021, 2022 and 2023 (data 2019, 2020 and 2021). With respect to those countries for which, at the time of writing, residual mix factors were not available from accredited public sources, the emission factors applied in the location-based calculation were used. It should also be noted that the historical data (2022 and 2021) have been updated from what was previously published following a change in methodology in the calculation of Scope 2 emissions, which involved updating the sources of the emission factors applied; the historical data has therefore been updated in order to make the three-year data more comparable.

Group emission intensity (tonnes CO₂ equivalent / €000)

	UoM	2023	2022	2021
Total GHG emissions (Scope 1 + Scope 2 Market-based)	tCO ₂ eq	31,206	28,413	21,140
Revenues from contracts with customers	€ 000	424,737	387,591	338,126
Emission intensity	tCO ₂ eq / €000	0.07	0.07	0.06

Logistics and transport

The company also monitors the progress of indirect transport related to the delivery of products to its customers. The objective of GVS is not only to deliver within the agreed terms, but also to use appropriate means of transport for the delivery, limiting as far as possible the use of extraordinary transport, or emergency air transport, which has a greater environmental impact as well as a greater cost for the company. In addition, logistical movements are considered fundamental in the product design phase from the first industrialisation stage, and these are rationalised with the aim of minimising them.

With reference to the mobility of its employees, in 2023 GVS S.p.A. extended the validity of its remote work policy and thus enabled the reduction of home-work journeys and the consequent emissions resulting from such movements. Lastly, GVS is gradually replacing the medium- to long-term rental cars used by its employees with plug-in hybrid or electric types.

3.3 Waste production and management

GVS is committed to reducing its environmental impact related to waste production and disposal through careful process design and by tracking and reducing waste, with a view to production efficiency. The most significant production of waste comes from the production departments, in particular from moulding, from which plastic scrap is generated. In addition to scrap, waste from both assembly and moulding comes from moulded products.

In line with local regulations, the waste is confined and identified at production sites before being sent for disposal. In order to minimise the risk of soil and sewage pollution in the event of spills and runoff from yards, the use of covered warehouses for storage is preferred, and where necessary, special containment basins are provided to prevent accidental spills.

After being temporarily stored within the sites, the waste is transported to be disposed by authorised specialised companies in accordance with the legislation of the various countries where it is generated. Generally, the waste follows different procedures or is destined for disposal or recycling depending on the type of waste. Where possible, the Group prefers recycling, which is mainly used for waste, paper, cardboard, packaging and wood. More specifically, most plastic scrap is recovered by companies that use this waste as raw material for other plastic products, allowing to give the scrap material a second life. As far as hazardous waste is concerned, a significant part of which consists of wastewater from the membrane production process, it is disposed of through specialised companies and is mainly intended for recycling operations.

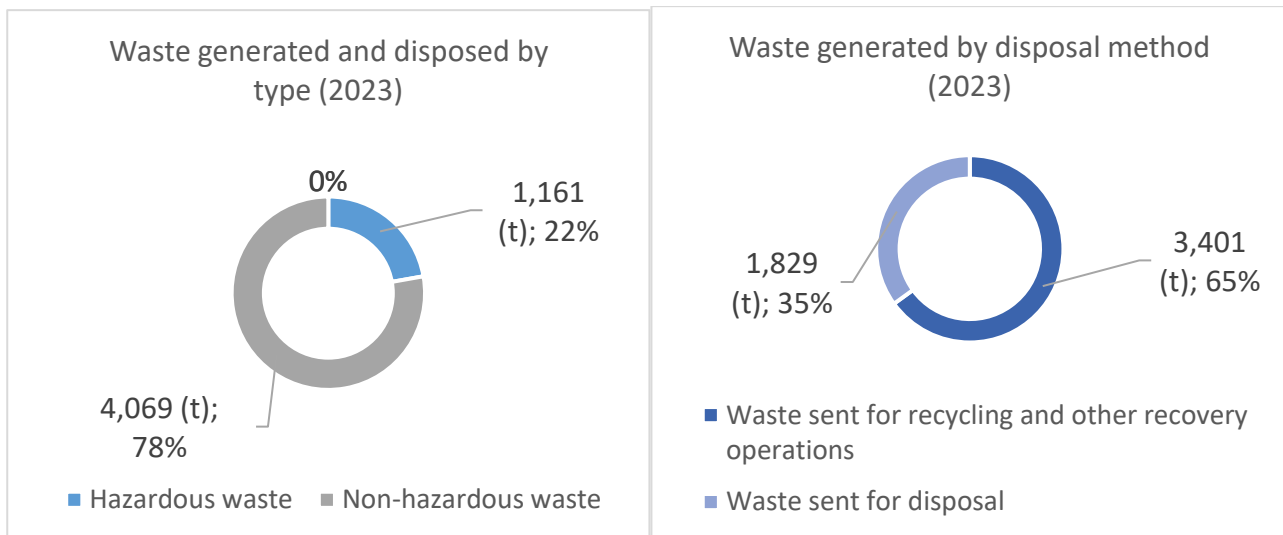
2023 waste intensity reduction target achieved (tonnes of waste / revenue from customer contracts)

To confirm the Group's commitment to this issue, it has also set a **waste reduction target** (Tonnes of waste generated/ Revenues from contracts with customers) linked to the 2023 Short-Term Variable Incentive Plan, i.e., the annual incentive programme for key figures, including the CEO, other Executive Directors and Executives with Strategic Responsibilities.

Intensity of Group waste compared to revenue (tonnes / €000 * 100)

	UoM	2023	2022	2021
Total waste	Tonnes	5,230	4,917	4,638
Revenues from contracts with customers	€ 000	424,737	387,591	338,126
Waste intensity	(Tonnes / €000)*100	1.23	1.27	1.37

The joint efforts of the various companies has therefore led to the defined **target being reached, and surpassed**, with a **reduction in the waste index from 1.37% in 2021 to 1.23% in 2023**. In absolute terms, 5,230 tonnes of waste were generated and disposed of, an increase in absolute terms compared to 2022 but still less than the growth in revenue.



The **majority** of waste production consists of **non-hazardous waste (78%)**, mostly consisting of plastic scrap from moulding operations. As regards disposal methods, 65% went to recycling or other recovery operations (excluding energy recovery). If incineration with energy recovery were also counted, the percentage would rise from 65% to 77%.

3.4 Water consumption

Water is mainly supplied through the public aqueduct (third-party water resources) or, residually, through withdrawal from on-site wells (groundwater). For assembly and moulding processes, water is not used as an integral part of the production process, and therefore for most of the production sites, consumption is linked to the utilities served such as offices, firefighting tanks and the plant's air conditioning system.

For the two production sites where the processes of making filter membranes take place (Italy and the United States), the use of water is an integral part of the process, in addition to the above-mentioned civil users served by water within the plant. In addition, a limited use of water for production purposes is also present at a Chinese plant where steam sterilisation activities are carried out, and at two further plants that manufacture products requiring extrusion processes. In order to reduce water consumption in the membrane production processes, an **internal recirculation system with activated carbon filters** is in operation at the Italian plant of GVS S.p.A. **This has allowed to save more than 280,000 litres of water in the year it was installed.** GVS is also studying the implementation in 2024 of a new filtration system that will allow greater water savings. As far as water discharge is concerned, wastewater from membrane manufacturing processes is handled differently depending on the permits of the individual sites. In Italy, the wastewater is mostly collected in collection tanks and collected as waste by a specialised company that carries out the necessary treatment for disposal. As for the United States, depending on the process, the wastewater is managed in the same way as in the Italian plant, or is treated internally and then disposed of in the public sewage system. More specifically, there is a water treatment system complete with monitoring to correct the pH of wastewater and return it to the sewage system.

Lastly, where necessary, the Group has internal procedures for handling environmental emergencies, including accidental spillage of pollutants that could contaminate the soil or sewage system. With regard to the total water withdrawal, there is an increase in 2023 compared to the previous year (+23%), mainly due to the increase in production and related revenues. The water intensity of 0.03 remains unchanged from the previous year.

Water withdrawal by type of source (megalitres - ML)

	2023	2022	2021
Groundwater	10	9	12
Third-party water resources	129	104	59
Total water withdrawal	139	113	71

Water intensity (megalitres / €000)

	Unit of measure	2023	2022	2021
Total water withdrawal	ML	139	113	71
Revenues from contracts with customers	€ 000	424,737	387,591	338,126
Water intensity	(ML / €000) *100	0.03	0.03	0.02







It should be noted that several of the Group's plants are located in water-stressed areas¹². For a total withdrawal from these areas of 104 megalitres.

¹² Water stress was assessed on the basis of the classification reported by the Acqueduct World Resources Institute, selecting as water stress areas those with "High" and "Extremely High" values.

3.5 European Taxonomy for sustainable activities

Introduced by EU Regulation 2020/852 (hereinafter referred to as the Regulation), the European Union Taxonomy (hereinafter also referred to as the Taxonomy) is part of the Sustainable Finance Action Plan launched in 2018 by the Commission and of the broader EU strategy to achieve the Green Deal goals and make Europe climate neutral by 2050.

Specifically, the Taxonomy provides a classification system to define which economic activities can be considered environmentally sustainable and therefore which can substantially contribute to the achievement of one of the following six objectives:

-  Climate change mitigation (CCM)
-  Climate change adaptation (CCA)
-  Protection of water and marine resources (WTR)
-  Transition to a circular economy (CE)
-  Pollution prevention and control (PPC)
-  Protection of biodiversity and ecosystems (BIO)

The Regulation therefore requires companies subject to the obligation to publish a non-financial statement to provide information on how and to what extent their activities are associated with economic activities that are considered environmentally sustainable according to the six environmental objectives, through the declaration of the proportion of turnover, capital expenditure ("CapEx") and operating expenditure ("OpEx") that is eligible ("Taxonomy-eligible") and aligned ("Taxonomy-aligned") according to the following criteria defined by the Taxonomy:

- **Eligibility** refers to an economic activity described in the list of activities identified by the Regulation itself.
- **Alignment** refers to an eligible activity that jointly satisfies the following criteria:
 - **complies with the technical screening criteria** set by the European Commission. In particular, the economic activity:
 - must make a substantial contribution to one of the environmental objectives defined in Article 9 of the same Regulation
 - must not cause significant harm (Do No Significant Harm - DNSH) to any of the above environmental objectives
 - is carried out in **compliance with the minimum safeguards** set out in Article 18 of the Regulation, recognising the importance of international rights and standards (including OECD, UN and the International Labour Organisation)

With regard to the reporting required by the regulations, the European Commission has called for the progressive reporting of the above-mentioned KPIs. Specifically, for the first year of application (2021), companies were only required to report on the proportion of eligible and non-eligible activities in relation to the two climate change-related environmental targets. Subsequently, in 2022, reporting also required the

disclosure of the proportion of activities aligned with the two climate objectives, i.e., those eligible activities that meet all the criteria listed above (technical screening criteria and minimum safeguards).

With reference to this reporting year (2023), in addition to what was reported for the previous year (eligibility and alignment with climate targets), the regulations also require reporting the eligible and non-eligible proportion of turnover, OpEx and CapEx with respect to the new activities listed in the Delegated Regulations published during 2023, i.e.:

- additional eligible economic activities with respect to the two climate objectives (Regulation 2023/2485) not present in the previous regulations;
- eligible economic activities with respect to the remaining four environmental objectives (Regulation 2023/2486).

Since this is a recently implemented international standard that is constantly being updated, all the criteria and assumptions made and included in this section are based on the information and requirements that are currently available, which may be subject to future revisions.

Analyses performed

Eligibility analysis

In order to meet regulatory requirements, the Group implemented several analysis activities in 2023. In particular, an analysis of the activities carried out by GVS was conducted in order to identify which of them is classified by the Taxonomy as being able to substantially contribute to all six of the environmental objectives set out in the Regulation (eligible activities).

This analysis showed that one of the revenue lines, related to the sale of certain types of automotive filters, could be considered eligible with respect to a new activity introduced in 2023 and related to the **manufacture of automotive and mobility components (3.18)** (climate change mitigation objective). Specifically, based on the description of this activity, only those filters in the GVS range that were assessed as essential to guarantee and/or improve the environmental performance of vehicles were considered for eligibility, as follows:

Oil-transmission filters: E-Axle	Snap range filters	Battery filter
<p>The E-Axle system combines an electric motor, transmission, and power electronics into a single unit; this guarantees significant weight and space savings and significant improvements in overall efficiency.</p> <p>The new generation of E-Axle integrates one or more filters that serve to keep transmission oil clean, increasing system performance and durability.</p>	<p>This type of filter is used to ensure proper ventilation and to equalise pressure wherever there are Electronic Control Units - ECUs.</p> <p>At the same time, it does not allow water and moisture, which would be extremely harmful to the electronics, to penetrate the unit. Given the ever-increasing presence of electronics in vehicles, the number of these ventilation systems is growing exponentially.</p>	<p>To extend the life of the battery pack and increase its safety, GVS has developed a specific explosion-proof cap. This dual-stage solution prevents damage to the battery pack and ensures pressure equalisation between the inside of the battery pack and the outside.</p>

With regard to the eligible activity mentioned above, it should be noted that the alignment analysis was not carried out, as it was not foreseen for the first year of application of the Delegated Regulation to which it refers.

At the end of the eligibility analyses on the Group's product lines, a limited number of solutions were confirmed as falling under the Taxonomy with a 1% proportion of eligible turnover. The main reason for this exclusion is related to the fact that the Regulation refers to the manufacture of end products and therefore, unless explicitly stated, the manufacture of components and intermediate products such as GVS is largely excluded to date.

In accordance with the provisions of Regulation 2021/2178 (Annex I, Art. 8, 1.1.2.2 and 1.1.3.2, point c), in addition to the core activities that generate turnover, the following individual investments made during the reporting year relating to the purchase of outputs from eligible economic activities with respect to the six environmental objectives were also identified as eligible, namely:

- **Transport by motorbikes, passenger cars and light commercial vehicles (6.5 CCM):** in connection with the purchase or new leasing of company vehicles;
- **Construction of new buildings (7.1 CCM¹³; 3.1 CE):** referring to the new production plant under construction in China;
- **Renovation of existing buildings (7.2 CCM; 3.2 CE):** referring to renovation activities carried out at some Group sites;
- **Acquisition and ownership of buildings (7.7 CCM):** with reference to new leases of buildings or the renewal of existing contracts.

Alignment analysis

Starting with the activities identified as eligible (excluding the activities recently introduced by the regulation, for which no further analysis is required), alignment against the technical screening criteria (substantial contribution and DNSH) and minimum safeguards was also verified. Based on the analysis, briefly described below, the activities are not aligned with the technical screening criteria to date, specifically:

- **Transport by motorbikes, passenger cars and light commercial vehicles (6.5 CCM):** the substantial contribution criterion for defining alignment with the climate change mitigation target requires that vehicles purchased or leased have zero emissions or less than 50 g CO₂/km (until 31 December 2025). The Group has defined a policy that will gradually replace vehicles using fuel with plug-in hybrids or electric vehicles. During 2023, this approach led GVS to include 19 hybrid or electric vehicles in its car fleet with emissions below the 50 g CO₂/km threshold. However, it was not possible to deepen the DNSH criteria requirements pertaining to the activity with the right level of detail, as some of the information required the direct involvement of suppliers. Therefore, as a precautionary measure, GVS considered investments related to the above-mentioned eligible activities for the reporting year 2023 as not aligned with the Taxonomy.
 - **Construction of new buildings (7.1 CCM):** the substantial contribution with respect to the climate change mitigation objective is defined in terms of the energy efficiency of buildings under construction, i.e., performance 10% higher than the highest standard available today (*Nearly Zero-Energy Building* (NZEB) Standard); despite the Group's commitment to increasing the energy efficiency of its buildings and in particular new buildings, to date the production plant under construction does not meet the requirements described above;
 - **Renovation of existing buildings (7.2 CCM):** the substantial contribution criterion to be met in order to be able to define the activity aligned with the climate change mitigation objective requires that the renovation entails a significant improvement in the building's energy performance; the renovation activities carried out during the reporting year are attributable to minor interventions that had the primary objective of making the working environment more comfortable for employees and/or expanding the available space. For this reason, there was no alignment with the previously described requirements;
- Acquisition and ownership of buildings (7.7 CCM):** the substantial contribution with respect to the climate change mitigation objective is defined in terms of the energy efficiency of the building, i.e.,

¹³ CCM: Climate Change Mitigation; CE: Circular Economy

compliance with the above criteria for activity 7.1 (for buildings built after 2020) or a high energy class level is required; despite the Group's commitment to increasing the energy efficiency of its buildings, to date the buildings do not meet all the above requirements.

Minimum Safeguards: the criteria set out in the Regulation refer to an organisation's practices to ensure that it complies with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Group promotes responsible behaviour by all its people and partners, adopting specific policies and procedures aimed at preventing the risk of committing offences. Specifically, GVS has taken the following measures on the following issues:

- **Bribery and fair competition:** the Group has implemented a structured regulatory system consisting of the Code of Ethics, which promotes the principles for responsible conduct, the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 ("OMM") and the Global Compliance Programme, which together form an integrated system of controls aimed at more effective management of the risk of offences being committed (for more details, see the section "Ethics and Anti-Corruption")
- **Human rights:** the protection of these rights is included in the Group's Code of Ethics and in the Suppliers' Code of Conduct, a document which sets out GVS's expectations on the sustainability practices of its suppliers, including respect for human rights (for more details see the sections on "Human Rights" and "Responsible Supply Chain Management")
- **Taxes:** in order to ensure that tax risks are adequately monitored, roles and responsibilities assigned to the various sectors of the organisation have been defined, including by means of specific safeguards included in the OMM (for more information, see the section "Taxes")
- **Protecting the interests of customers and end users:** safeguarding the quality and safety of products is one of the pillars of the Code of Ethics and one of the Group's main priorities. Customer relations are inspired by criteria of professionalism, fairness, transparency, and clarity in order to create stable relations based on continuous listening. GVS has adopted a Quality Policy at Group level and carries out its activities by implementing specific procedures to guarantee product quality, based on what is established by the quality management systems in place (for more details, please refer to the section "Product Quality and Safety")

Contextual information on the indicators in the Taxonomy

For the elaboration of the three KPIs, the Group's administrative-accounting structures were involved in order to identify the accounting items to be associated with the different KPIs, starting from the items of the Consolidated Financial Statements indicated in the following sections. In accordance with the Regulation, revenue and cost items generated by intra-group transactions have not been taken into account. In order to avoid double counting, the share of CapEx and OpEx associated with the activity Manufacture of automotive and mobility components was counted only once, and therefore excluded from the values for the individual investments related to the purchase of outputs from eligible economic activities with respect to the six environmental objectives.

TURNOVER

For the denominator, reference was made to the item relating to the sale of goods and services shown as "Revenue from contracts with customers" in the Group's consolidated financial statements. For the calculation of the numerator, on the other hand, we proceeded by separating the portion of revenues relating to the sale of the filters previously indicated and identified as eligible in relation to the activity Manufacture of automotive and mobility components (3.18), excluding any intragroup transactions.

CAPEX

For the calculation of the denominator, increases in value presented during the year to tangible and intangible assets (as per IFRS 16), including those arising from business combinations, were included, considered before depreciation, amortisation, impairment and any revaluation and excluding changes in fair value. These values correspond to what is indicated as "investments" and "business combinations" in the following sections of the Notes to the Consolidated Financial Statements of the Group: "8.3 Tangible Assets" and "8.1 Intangible Assets."

In order to determine the numerator, an analysis was carried out on the increases incurred during the year with reference to the activities identified as eligible listed in the previous section. As for the portion related to Activity 3.18, an estimate was made by re-proportioning the increases in value attributable to the manufacture of products related to the identified activity. To this end, a percentage was calculated of the incidence, in terms of turnover, of the product lines identified as eligible in relation to the total turnover for each site where these product lines are produced.

OPEX

For the calculation of the denominator, an analysis was performed on the consolidated values by identifying the values pertaining to non-capitalised direct costs related to research and development, building renovation measures, short-term leases, maintenance and repair. These values are included in the following sections of the Notes to the Consolidated Financial Statements of the Group: 16. Research and development (excluding capitalised costs), 8.5 Costs of services (line item related to "maintenance"), 8.6 Other operating costs (line item related to "lease-related costs"). For the purpose of determining the OpEx numerator, the expenses associated with the eligible activities listed above were taken into account. With regard to the portion related to Activity 3.18, the same estimate was applied as indicated in the section "CapEx."

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2023¹⁴

Financial year: 2023				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, 2022	Category enabling activity	Category transitional activity
Economic Activities	Code	Turnover (thousands €)	Proportion of Turnover, 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0%	E	
Of which transitional		0	0%	0%						n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of automotive and mobility components	CCM 3.18	4,042	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								n.a.		
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4,042	1%	1%	0%	0%	0%	0%	0%								0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		4,042	1%	1%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities		420,695	99%																
TOTAL		424,737	100%																

¹⁴ Legend of terms used in the table: E - Enabling, T - Transitional, EL - Eligible, N/EL - Not eligible

Proportion of CapEx arising from products or services associated with Taxonomy-aligned economic activities – disclosure covering 2023¹⁵

Financial year: 2023				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, 2022	Category enabling activity	Category transitional activity
Economic Activities	Code	CapEx (thousands €)	Proportion of CapEx, 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0%	E	
Of which transitional		0	0%	0%						n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0%	T	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) ⁽⁶⁾																			
Manufacture of automotive and mobility components	CCM 3.18	64	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								n.a.		
Transport by motorbikes, passenger cars and light commercial vehicles'	CCM 6.5	717	2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Construction of new buildings	CCM 7.1, CE 3.1	3,953	12%	EL	N/EL	N/EL	N/EL	EL	N/EL								1%		
Renovation of existing buildings	CCM 7.2, CE 3.2	489	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Acquisition and ownership of building	CCM 7.7	2,984	9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		8.207	25%	25%	0%	0%	0%	0%	0%								7%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		8.207	25%	25%	0%	0%	0%	0%	0%								7%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		27,648	84%																
TOTAL		32,871	100%																

¹⁵ Legend of terms used in the table: E – enabling, T – Transitional, EL - Eligible, N/EL - Non eligible. In cases where an expenditure or investment contributes to multiple environmental objectives, the main activity is highlighted in bold.

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023¹⁶

Financial year: 2023				Substantial contribution criteria						DNSH criteria (“Does Not Significantly Harm”)						Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, 2022	Category enabling activity	Category transitional activity
Economic Activities	Code	OpEx (thousands €)	Proportion of OpEx, 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0%	E	
Of which transitional		0	0%	0%						n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of automotive and mobility components	CCM 3.18	24	0.1%	<i>EL</i>	<i>N/EL</i>	<i>N/EL</i>	<i>N/EL</i>	<i>N/EL</i>	<i>N/EL</i>								n.a.		
Renovation of existing buildings	CCM 7.2, CE 3.2	441	2%	<i>EL</i>	<i>N/EL</i>	<i>N/EL</i>	<i>N/EL</i>	<i>EL</i>	<i>N/EL</i>								1%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		465	2%	2%	0%	0%	0%	0%	0%								1%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		465	2%	2%	0%	0%	0%	0%	0%								1%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		25,004	98%																
TOTAL		25,469	100%																

¹⁶ Legend of terms used in the table: E – enabling, T – Transitional, EL= Eligible, N/EL - Non eligible. In cases where an expenditure or investment contributes to multiple environmental objectives, the main activity is highlighted in bold.

In addition to the above information, the Regulation requires the degree of eligibility and alignment for each environmental objective to be reported:

Proportion of turnover/ Total turnover		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	1%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Proportion of CapEx/ Total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	25%
CCA	0%	0%
WTR	0%	0%
CE	0%	14%
PPC	0%	0%
BIO	0%	0%

Proportion of OpEx/ Total OpEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	2%
CCA	0%	0%
WTR	0%	0%
CE	0%	2%
PPC	0%	0%
BIO	0%	0%

4

Valuing People

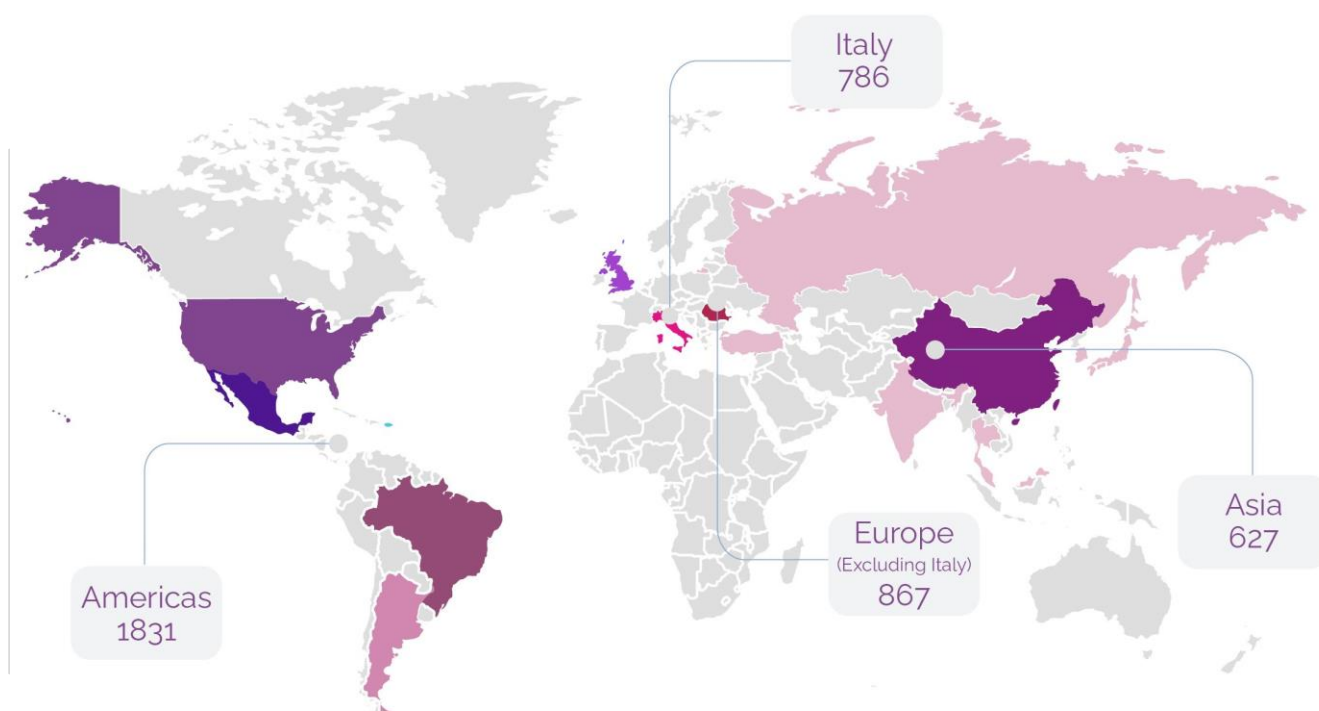
We strongly believe that our People are at the base of our success and we therefore set the foundation of our work as the protection, enhancement and development of all those who contribute to the achievement of the Group's goals every day. We are committed to ensuring an inclusive working environment that protects the rights, dignity and well-being of people.

The Group promotes a working environment for all its employees that is based on the ethical principles contained in its Code of Ethics and in which the following are always guaranteed:

- respect for health and safety in the workplace;
- the promotion and enhancement of the worker's ideas and potential;
- a fair and decent remuneration for one's work;
- the possibility to express themselves at their best, even beyond specific skills or abilities;
- opportunities for training and introduction to work for the youngest and most disadvantaged.

Organisational structures and business processes are designed to ensure inclusion and multiculturalism and strive for gender equality. In fact, the company forbids any form of discriminatory attitude, not only relating to gender, ethnicity or religious belief, but also to economic, personal or social conditions, as well as any form of harassment, whether it be bullying, physical or moral violence. Furthermore, specific programmes are being developed or already in place to integrate young people in their first work experience, and for the inclusion of people with disabilities, giving them the opportunity to integrate socially and feel relevant to society. GVS is proud to be an international company with **4,111 employees** and a global presence in **17 countries**: the majority of employees (45%) are located on the American continent, 40% are located in Europe, and the remaining 15% are employed in Asia.

GVS employees worldwide (2023)

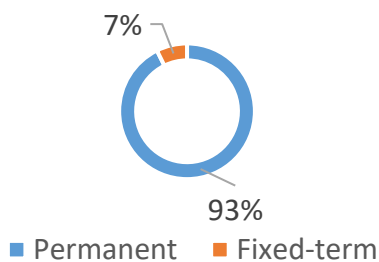


The Group has a female predominance in its workforce; in fact, about **61% of its employees are women**. About half of the employees (52%) are between 30 and 50 years old, while people over 50 make up 21% of employees and those under 30 reach 27%.

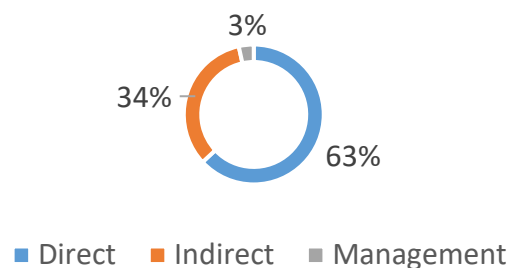
As at 31 December 2023, **almost all of the people (93%) were employed with permanent contracts**, confirming GVS's objective of promoting lasting, stable relationships with its workers. Similarly, the Group is committed to fostering a flexible working environment and, depending on the job description, employees can benefit from flexible working hours and work part-time, which to date has been adopted by only 32 workers globally.

Direct workers, i.e., those whose work is closely related to production processes, make up 63% of the Group's workforce; indirect workers account for 34% and management for the remaining 3%.

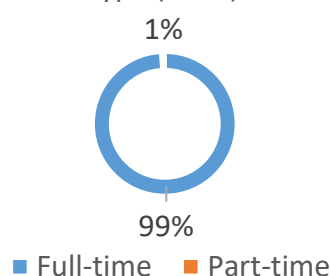
Percentage of employees by contract type (2023)



Percentage of employees by category (2023)



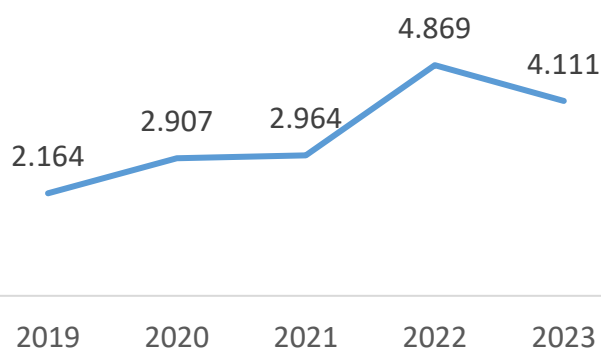
Percentage of employees by contract type (2023)



The last few years have been a period of great expansion for the Group, which is reflected in the significant increase in the number of employees until 2022, also as a result of the acquisition processes. On the other hand, 2023 was the first year of consolidation in which the company reorganised and streamlined its production sites, resulting in a 16% decrease in employees.

Change in the workforce

Number of Group Employees



2023	Employees hired			Employees that left the organization		
	Men	Women	Total	Men	Women	Total
<30	348	402	750	548	588	1,136
30-50	288	518	806	461	718	1,179
>50	54	65	119	87	109	196
Total	690	985	1,675	1,096	1,415	2,511

In accordance with local legislation, GVS applies the relevant collective agreements in the countries where it operates and regardless guarantees fair working conditions for all workers. At Group level, 69% of the workforce is covered by collective bargaining agreements. Where possible, GVS also offers better conditions than the legal requirements through company contracts or second-level supplementary agreements that offer better conditions than the national collective agreement or country standards.

4.1 Enhancement of human capital

GVS considers the value of its human capital an indispensable element of development for the entire Group.

Given the centrality of people, the Group has identified potential risks related to employee management, including:

- high employee turnover rate, which could lead to the premature loss of important knowledge from the Group's workforce;
- possible inadequate vocational training;
- risk of decreasing staff motivation levels;
- lack of objective assessment of performance for all employees;
- limited attractiveness to new talents.

The parent company GVS S.p.A., also in order to prevent and mitigate the potential risks connected to people management, has defined a procedure for the management of human resources which has the objective of describing the activities to guarantee a coherent management of the process of selection, insertion, training, incentivisation and monitoring of the human resources involved, in order to guarantee an organisational system which is centred, aware, supportive and motivated.

The company's organisational structure defines a series of tasks that, together with the complex of relationships that the individual establishes in the company, define the individual's role. The efficiency and effectiveness in carrying out the activities foreseen in the job description of each individual depends directly on the personal skills of the employee, and therefore on the complex of five dimensions that each employee brings into play in our daily work:

1. **Skills**, i.e., the body of technical and professional knowledge acquired either through work experience or training;
2. **Experience**, i.e., the cultural background of the individual both socially and practically;
3. **Individual profile**, i.e. the set of psychophysical qualities possessed by the individual;
4. **Relational skills**, i.e. the individual's ability to listen to interlocutors and convey information, to team up, to provide feedback;
5. **Motivation**, represented on the one hand by the drive for action that fuels the activities of the individual, which is expressed through behaviours of proactivity, self-control, tenacity and adaptability; on the other hand by the degree of satisfaction and complacency that determine the individual's commitment to carry out a certain role profitably.

For these reasons, care in human capital management starts right from the staff selection phase, which is considered strategic for the Group. The planning of placement needs, the market search and placement of the best talent, and the focus on alignment with the organisational culture as well as with the positions' technical requirements are decisive factors for the organisation's long-term success.

Furthermore, with a view to the transparency of the employment relationship, GVS undertakes to provide, upon recruitment and in line with the regulations applicable to the various countries in which it operates, information on contractual conditions, including remuneration, and contacts to which one can refer for any further information.

Subsequently, to ensure the adequate professional development of its employees, the Group is **committed to promoting training courses based on training needs and an appropriate performance evaluation system**. Lastly, with a view to promoting the empowerment of people and increasing the awareness level of the

importance of their role in achieving the company's objectives, individual and collective incentive systems are envisaged. The entire process is aimed at supporting the motivation and satisfaction of individuals in seeing their contribution valued in relation to the achievement of company objectives.

New Global Onboarding Programme

The GVS Group is introducing a new global onboarding policy, as it recognises the crucial importance and sensitivity that this period represents for every employee. Therefore, the company's primary commitment is to create immediate involvement and make the employee feel at ease from their very first moment in the new working environment.

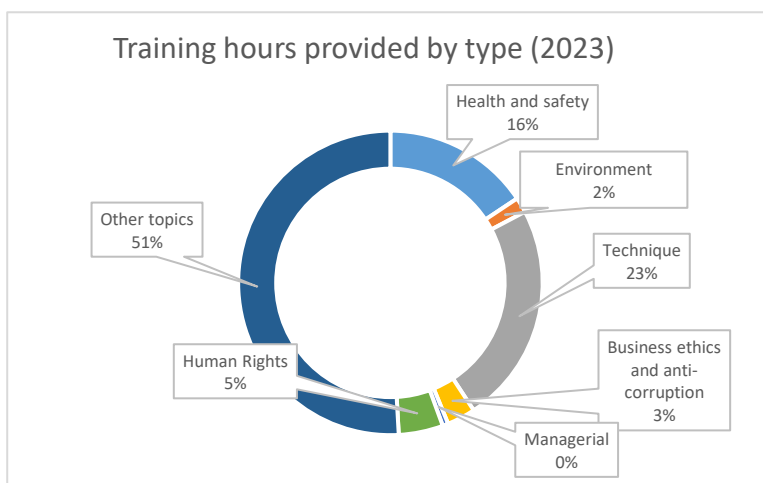
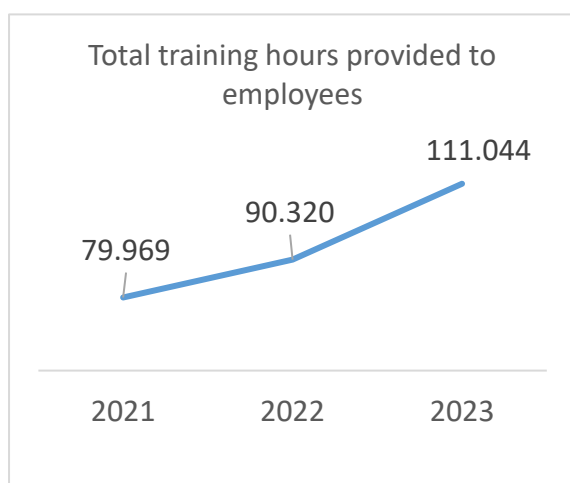
Despite the different procedures adopted in the various plants, the company has developed and is implementing a global policy to ensure a consistent experience across all locations in the many countries where the group operates. The aim is to ensure that every new member of the Group, wherever they are, receives a professional welcome that fosters engagement from the outset, and has access to adequate training on company procedures to reduce the time needed for full and effective induction.

4.1.1 Employee training

A great deal of attention is paid to both in-house training and staff training and development. The definition of the annual training programme is the result of the budget preparation activity, which takes into account the needs of new staff, changes in activities, reinstatements of personnel already on staff but temporarily absent, the introduction of new technologies or measurement and control instruments, new investments and training needs also assessed in accordance with the quality system, as well as the need for personal and/or managerial development.

Where foreseen at local level, at the end of each training course, the employee is required to evaluate the efficiency of the institution where they took the course and of the lecturers who held the course by filling in a specific form; a few months after the conclusion of the course, the employee is evaluated by the Area Manager by filling in a specific evaluation session certifying the acquisition of a new skill or the development of existing skills.

In the evaluation of the efficiency it is important to know the validity of the initiative and is used as a stimulus for the design of other educational interventions, while the verification of the effectiveness of the education is carried out after a period of time to allow the person to assimilate the lessons learned and apply them on the job in the company. Training activities are carried out by the person directly in charge of the staff to be trained, who organises and defines the tutor to accompany the training user according to the time and organisational needs of the area in question.



More than 110,000 hours of training and development were provided in 2023, totalling 27.0 hours per capita, an increase of 40% compared to 2022.

Average hours of training per year per employee

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Direct	27.9	29.7	29.2	21.1	20.4	20.6	27.7	28.3	28.1
Indirect	23.1	23.5	23.2	11.9	17.4	14.0	24.6	28.3	25.9
of which are Management	14.4	14.4	14.4	13.2	20.2	16.4	10.0	13.8	11.5
Total	25.1	28.3	27.0	16.3	19.6	18.3	26.2	28.3	27.4

4.1.2 Performance evaluation and professional development

Since 2017, a performance evaluation system has been in place through the use of the *MyByz* platform, designed to connect employees and department managers and provide information on the progress of the objectives set at the beginning of the year; thanks to this software, it is possible to monitor the results of employees, mainly included in the indirect category, guaranteeing transparency on the progress achieved and providing an objective and shared basis for the allocation of any annual bonuses, ensuring that everyone receives feedback on their work. In fact, GVS's success also depends on its employees' ability to fulfil their individual goals and thus contribute to the achievement of the company's goals.

Effective two-way communication is essential to ensure cooperation between the various levels of the Group. For this reason, the *MyByz* system, in addition to allowing users to upload set objectives, subject to the approval of the reference manager, requires a quarterly self-assessment of the results achieved and a meeting to verify and validate the same with the employee's manager. The platform is currently used by almost all Group companies and there are plans to extend it where it is not yet present. As far as direct employees are concerned, different performance evaluation methods apply depending on the role and task, mainly related to the achievement of production and/or individual targets.

In 2023, **75% of the Group's total workforce received a performance evaluation**; details of the percentages broken down by gender and employee category are shown in the table below. The reduction recorded, in percentage terms, compared to the previous year is attributable to both certain changes made to the evaluation procedures and to the fact that the first deadline for the evaluation of people who joined the Group during the year falls in 2024, in order to ensure adequate time for setting personal targets on which to carry out evaluations.

Percentage of employees who received a periodic performance evaluation

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Direct	96%	75%	80%	71%	77%	75%	93%	83%	86%
Indirect	65%	65%	65%	86%	72%	81%	91%	84%	89%
of which are Management	77%	63%	73%	77%	67%	72%	35%	34%	35%
Total	78%	73%	75%	84%	78%	81%	94%	84%	88%

4.2 Employee welfare

The Group implements a set of initiatives aimed at maximising employee well-being and helping to maintain a high quality of life. In addition, GVS makes it a point of honour to comply with all local regulations applicable in the countries in which it operates and, with reference to contractual conditions, where foreseen, provides various benefits and economic treatment, including payment and/or compensation for working extra hours, parental leave, compensatory rest, paid annual leave, etc.

4.2.1 Employee benefits

Benefits that are normally provided to GVS Group employees include: life insurance, health care, disability and invalidity insurance coverage, parental leave, pension contributions and annual leave, cars for mixed use and work tools, transportation at agreed rates or free transportation to and from work. These benefits are different in the different Group companies, depending on the country, local needs and the minimums already stipulated in collective agreements. By way of example, GVS RPB increased the number of days of paid leave that employees can take during the year, as well as included an additional day of public holidays, and implemented a wellness policy that provides additional hours of leave that employees can use each month. For its employees hired through the end of 2022, the parent company GVS S.p.A. has provided enrolment in the Enfea Supplementary Health Care Fund. All employees with a permanent, fixed-term and apprenticeship employment relationship are entitled to this benefit if the relationship has been stipulated for a period of more than 12 months. For employees hired as of 2023, GVS S.p.A. has enrolled in the FASG&P Supplementary Health Care Fund, as envisaged in the Rubber-Plastics Industry CCNL¹⁷. There is also a specific health insurance, in addition to that provided for by collective bargaining, for certain categories of employees. Lastly, GVS S.p.A. also retains the possibility of converting part of the production bonus of its employees into welfare services, recognising an additional 10% increase in the conversion, which is paid by the company for the purchase or direct reimbursement of services such as:

- Purchase shopping vouchers, fuel and more
- Child education reimbursement, daycare fees
- Health, appointments, exams and health services
- Subscriptions to gyms, pools and sports activities
- Repayment of interest on loans and mortgages
- Travel packages fun and wellness
- Reimbursement babysitting and care for the elderly
- Leisure time, cinemas, museums and more

In addition, under the travel policy applicable to all employees, additional benefits are provided for travelling staff, including: reimbursement of sports, recreation, entertainment, laundry and other travel-related comforts. For seconded staff, in addition to housing, all benefits are provided for a long-term stay abroad, not only for employees but also for their families.

¹⁷ It should also be noted that workers entitled to enrolment in the FASG&P supplementary healthcare fund are all blue- and white-collar workers and middle managers who have a permanent employment relationship, or a fixed-term employment relationship of more than 12 months and who have passed the probationary period, with the possibility of extending coverage to family members

GVS Newsletter

Over the years, the GVS Group has expanded to 17 different countries. This extension brought the need to create an internal communication channel to keep all employees updated with company news, industry insights and plant achievements and to create a sense of community within the organisation.

The GVS letter was created in 2023 with this purpose. The project involves simple communication in order to create an engaging, interesting and dynamic experience, designed specifically for all people in the Group. In addition to corporate content, the newsletter features a section dedicated to exploring the cultures of the countries in which GVS is present with culinary specialities, travel tips and reading to add a distinctive and appealing touch to the project.

Content is created by directly involving company staff, and every employee is encouraged to actively participate in the project by becoming a newsletter correspondent. Everyone can share professional and personal experiences, reading and travel tips, thus contributing to enriching the newsletter.

GVS also invested in the renovation and improvement of its offices and plants in 2023. In particular, renovations were carried out in the offices of the Zola Predosa (Bologna) plant of GVS S.p.A. in order to improve the environment and make it more comfortable for employees.

In the UK, there are plans to move the current factory to a new purpose-built facility in 2024 on a brownfield site in Lancaster. The new facility will bring improvements in terms of business process efficiency, comfort for people and reduction of plant impacts. In particular, the plant will recover waste heat from production processes to improve the building's efficiency, and photovoltaic panels and charging stations for electric vehicles will be installed.



Similarly, it is planned to move offices and production to a new building in China. Improvements are planned in terms of comfort and safety for employees, as well as measures to reduce the building's impacts, including, for example, the implementation of a rainwater collection and utilisation system.

4.2.2 Support for parents

GVS bases its actions on compliance with all applicable local regulations in the countries where it operates and provides parental leave in accordance with the relevant local regulations. In 2023, 52 men and 74 women took parental leave, with a return-to-work rate of 98% and 66%, respectively. A gradual accompaniment to the return to work is also guaranteed, favouring the full use of holidays, the return to work with temporary part-time hours, and where possible the more extensive use, compared to normal company policy, of remote work so as to support the reconciliation of work-family time in the first year of children's lives.

Moreover, again as part of the policies supporting parenthood and in order to fully guarantee inclusion and gender equality, the legal provisions on compulsory parental leave are extended to same-sex parents as well.



4.3 Diversity and equal opportunities

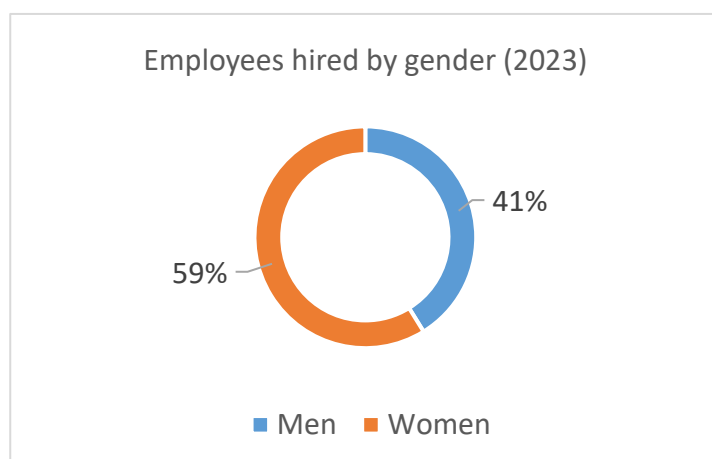
The GVS work environment is based on inclusion and respect, it is multicultural and focused on the application of gender equality. Particular attention is paid to respect for fundamental human freedoms and the principles of non-discrimination as stated in the Code of Ethics, **within GVS "all forms of violence, physical or moral, harassment and discrimination, whether based on gender, ethnicity or religious belief, are radically prohibited."** With regard to equal opportunities, they are guaranteed from the selection and recruitment of personnel and continue throughout the employee's working life.

In 2023, more than half (61%) of the GVS Group's employees, i.e., 4,111 people, were women and the remaining 39% were men. This distribution is even greater when considering only the category of direct employees, where the share of women rises to 74%.

Breakdown of employees by gender and category

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Direct	667	1,926	2,593	940	2,291	3,231	495	1,445	1,940
Indirect	947	571	1,518	1,015	623	1,638	664	360	1,024
of which are Management	96	46	142	130	110	240	69	46	115
Total	1,614	2,497	4,111	1,955	2,914	4,869	1,159	1,805	2,964

In addition, **1,675 people were hired during the year**, of whom 59% were women and 41% men.



Equal pay is something that GVS keeps under control through the Human Resources Department at the parent company's head office in Italy and managers in local offices. A Group company also prepares an annual report specifically related to the gender pay gap, and in all countries pay reviews are carried out exclusively considering criteria of merit, motivation, experience and responsibility using appropriate market benchmarks.

Incidents of discrimination and corrective actions taken

GVS places the principle of non-discrimination at the basis of its values and orients its *modus operandi* towards the protection of people. Confirming its commitment, there were no proven incidents of discrimination during the reporting period.

4.4 Employee health and safety

The commitment to protecting and promoting the health and safety of workers in the workplace is one of the Group's most important challenges. To confirm this commitment, at the end of 2023, GVS initiated the updating of the **Health and Safety Policy** to ensure alignment with corporate priorities and best available practices. The process was concluded in early 2024, with the approval and publication of the updated policy; the document sets out the Group's commitments, including:

 [Find out more in our Health and Safety Policy](#)

- reducing health and safety risks;
- informing and training staff in order to qualify them and properly involve them;
- establishing and maintaining an appropriate, safe and healthy working environment;
- involving suppliers of goods and services in the common goal of improving the health and safety of operators;
- working under the banner of continuous improvement in monitoring the systems and procedures adopted.

GVS is committed to spreading and consolidating the culture of safety by developing awareness of risks and promoting responsible behaviour on the part of all employees. The Group works to ensure that workers use personal protective equipment appropriately, actively participate in drills and report any hazards or risks to their immediate supervisor in a timely manner.

For the type of activity carried out, depending on the specifics of each production site, the risks may be of a different nature, with the main ones being:

- Physical (spills on floors or tripping hazards, machinery, electrical equipment);
- Noise and vibrations;
- Load handling;
- Chemical;
- Biological;
- Ergonomic (repetitive movements, handling of loads);
- Due to the overuse of video terminals (visual overload);
- Mechanical.

The actions taken to reduce the main injuries risks listed above follow the risk reduction hierarchy and are systematically monitored by the Health and Safety Manager. In addition, at sites with ISO 45001-certified health and safety management systems, improvement targets are set, results are monitored periodically and compliance audits are also carried out by independent third-party companies.

The Group implements various procedures to ensure that employees work in a safe workplace and pays attention to ensuring that adequate training and information is provided, based on the activities performed by the person and the risks identified. Confirming the commitment to training, **17,375 hours of health and safety training were provided at the various Group companies in 2023.**

During the year, 53 Work-related injuries were recorded (with an incidence in relation to hours worked of 1.15), most of them without serious consequences. In four cases, the injuries resulted in an absence from work of more than six months and/or had consequences that did not allow the employee's full recovery and were therefore considered "with serious consequences." In particular, three of these injuries occurred in production departments while operating machinery or moving material, while one occurred outside the

offices of a Group site. In addition, GVS also considered three injuries related to an accident at a plant's electrical substation to be serious. The reason for this classification is related to the fact that, although the employees did not suffer injuries falling within the above-mentioned cases, the event could potentially have led to even more severe consequences.

Following these injuries, in-depth analyses were carried out to understand the causes that led to the accident and, where necessary, protection was increased on machinery and additional training was provided to employees to prevent similar injuries from occurring in the future. In general, the Group works to continuously improve its health and safety management systems in line with its Health and Safety Policy.

Given the trend in injury rates and the Group's growth in recent years, it was identified as a priority to continue consolidating the culture of safety and the dissemination of prevention programmes at all Group companies. For this reason, the sustainability target included in the Short-Term Variable Incentive Plan 2024 relates to the improvement of the workplace injury rate of employees and agency workers. The commitment made by the Group by linking variable remuneration to the injury rate confirms GVS's intention to consolidate its internal culture on these issues, in the knowledge that the health and safety of employees is a necessary and essential condition in the performance of all company activities and is a central pillar in the Group's priorities.

Work-related Injuries (employees and agency workers)¹⁸

	2023	2022	2021
Work-related Injuries ¹⁹	53	32	60
of which high-consequence injuries	7	0	1
Hours worked	9,225,455	8,197,551	7,726,036
Work-related injury rate ²⁰	1.15	0.78	1.55

No deaths resulting from occupational diseases were recorded in 2023, while there were two occupational diseases recorded in the year.

¹⁸ The workplace injury rate is calculated as: number of work-related injuries/hours worked*200,000. The values for the reporting years 2022 and 2021 published in the previous NFS also included commuting injuries and therefore the workplace injury rate has been updated by considering only work-related injuries and excluding commuting injuries not related to work activities (e.g., home-to-work trips).

¹⁹ The value excludes non-work-related commuting injuries (e.g., home-to-work trips).

²⁰ The rate is calculated as follows: total number of Work-related injuries/hours worked*200,000.

4.5 Human rights

There is no business activity without respect for Human Rights, which is why this theme is considered a priority factor. **The Group is committed to identifying, managing and preventing any risk of human rights violations in the conduct of its business**, in line with the commitment laid out within the **Code of Ethics**.

In fact, the latter contains the values, principles and guidelines expressed by **GVS** and, specifically, **promotes the universality of human rights and supports the principles expressed in the Universal Declaration of Human Rights adopted by the United Nations**. Furthermore, the Group strongly condemns slavery, human trafficking and the exploitation of labour, whether child, forced or under threat of corporal punishment.

Managers have the task of preventing possible risks of unethical conduct, so as to reduce the likelihood of it occurring; whilst employees and collaborators must understand the rules of good conduct and immediately report any possible violation of human rights and cooperate in case of investigation. In addition, reports can be sent, also anonymously, through the whistleblowing system.



[Learn more in our Code of Ethics](#)

As proof of GVS's commitment to this issue, **no cases of human rights violations were recorded in 2023**.

Lastly, the GVS Supplier Code of Conduct was published in 2022, which includes GVS's expectations regarding the responsible conduct of its suppliers, including the respect of Human Rights (for more details, see the section "Responsible Supply Chain Management").



[Learn more in our Supplier Code of Conduct](#)

Employee training on human rights policies or procedures

According to their role and job description, employees receive training on policies and procedures concerning human rights aspects relevant to the Group's activities and, in particular, on the contents of the Code of Ethics; more than 4,000 hours of training on these topics were provided during 2023 as part of more extensive training programmes.

5

Responsible Innovation

Our work is based on constant innovation to improve products and processes through pioneering strategic choices and continuous investment in Research & Development. We are committed to developing technologies that improve the quality of our products to ensure maximum end-user safety while improving the environmental performance of our processes and solutions.

The Group operates in sectors with critical and highly regulated applications, with products that directly promote the health and safety of users. This exposes GVS to risks related to the quality and safety of its products, i.e., the risk that the product is not manufactured in full compliance with the requirements received from clients or that it does not meet the expected quality and technical standards.

For these reasons, the **Group has always been committed to developing of innovative, safe, cutting-edge technologies**. In carrying out its processes, GVS is committed to meeting and exceeding the expectations of its stakeholders through innovation, quality management system excellence, regulatory compliance and a high level of customer focus.

Research and development of products that meet new and more complex requirements is a focal point of the Group's activities. The focus on product quality means that GVS is constantly striving to find innovative solutions that can help maintain the highest levels of product safety and reliability, and this commitment permeates all relevant phases: from product conception, to the selection of reliable raw materials, up to the quality control of the processing carried out and the delivery of the finished product.

Achieving the highest quality standards for products and services means ensuring the involvement of all relevant company departments. The role of the Group's quality management system is therefore central, as it aims to ensure that processes are in place to achieve the requirements of all applicable standards and regulations.

Lastly, filter production is a process that requires the use of plastic resins, polymers and filtering media in order to be carried out. The Group is therefore focusing on responsible supply chain management in order to reduce its impacts. When choosing its suppliers, GVS not only assesses the quality level of the raw materials supplied, but also social and environmental criteria; in doing so, it also favours a "Local for Local" approach aimed at minimising the costs and impacts of the supply chain.

5.1 Research and development

Research and development activities are at the core of the GVS business model. The Group invests with the aim of ensuring the continuous innovation and improvement of its products and processes, with research expenditure amounting to approximately 6% of revenues in 2023. GVS has 11 research centres around the world, with highly qualified employees and coordinated globally by the parent company.

The initiation of new projects can arise from multiple sources, usually starting with a request from a customer (existing or potential) or internal evaluations. The research and development process can therefore be articulated in different ways in order to best meet customer requirements and the technical complexities of the project. The development project is subject to continuous monitoring and evaluation throughout its duration, from conception to release into production, in order to examine any critical issues and assess changes to be made to the project to keep it aligned with its objectives. The research and development process includes the following phases:

- **Estimate:** this consists of the conception of the product and verification of its specifications and contract requirements, and then verification of GVS's ability to comply with them and alignment with reference standards. It is essential to collect information such as product specifications, process capability, target market and target price in this phase, which are useful for a risk analysis before the next steps can be initiated;
- **Feasibility:** when the product or technology to be developed is uncertain, it may be necessary to enter the feasibility phase after approval of the estimate. This includes the technical analysis of materials and the identification of potential raw materials to confirm project feasibility. In this phase, analyses of potential conflicts with existing intellectual property are also carried out and, if necessary, the possibility of applying for new patents;
- **Research and Development:** this phase begins when the product or technology is to be verified, and can therefore be excluded when the product and process are well known. GVS makes product samples to test their functionality or certain process types to test and demonstrate process capability;
- **Low or large scale industrialisation phase:** low scale or high scale industrialisation begins when the customer or GVS needs industrial samples to test the product or when rapid entry into production is required. In this phase, the same materials, specifications and technology are used as in the final industrial phase;
- **Optimisation of production processes:** in the case of particularly complex processes, it may be appropriate to include an additional phase of optimisation and refinement of production lines. This phase can include, for example, the revision of line layouts to streamline material handling, the improvement of workstation ergonomics for manned production, the introduction of technical improvements following the identification of higher reliability components, etc.

As described above, GVS's research, development and innovation process is focused both on seizing opportunities that come from customers for customized solutions and on developing an independent product portfolio, consistent with the Group's multi-year development plan. In fact, to date, the Group holds more than 130 patents and, during 2023, has filed three new patent applications, one for each business division and each with sustainability features.

GVS solutions to reduce the impact of its products

The Group's research and development activities have resulted in new products and alternative packaging to help reduce the impact of products throughout their life cycle.

Eliminating plastic from Elipse product packaging

A further area of improvement in which GVS is investing is the use of low-impact materials in the packaging of its products. GVS started a project to renew the packaging of the Elipse product range and its replacement filters, replacing old packaging with new packaging made of easily recyclable materials such as cardboard display boxes and biodegradable bags. In total, new cardboard boxes were created for 32 product lines, while for six replacement filter lines the plastic bags in the packaging will be replaced with biodegradable material. The format and materials chosen for the new packaging were selected so as to use as few raw materials as possible while providing the necessary protection for the product, while the graphics and printing of the packaging use bio-based inks. Similarly, a project was launched in 2023, still under development, to eliminate the plastic packaging components of RPB-branded GVS products with lower-impact and more easily recyclable alternatives.

Diaphragm for green hydrogen production by alkaline electrolysis (AWE)

Thanks to the experience gained over the years in the various applications and divisions of the Group, GVS has developed a green gas separator membrane for the production of hydrogen which guarantees excellent performance in terms of efficiency and mechanical and chemical stability in a limited thickness.

Green hydrogen is produced through the water electrolysis process, (the separation of water molecules into oxygen and hydrogen), carried out using energy from renewable sources. Hydrogen production from renewable sources is a key tool to ensure the EU's decarbonisation targets, which aim to increase the amount of hydrogen produced by member states.

The development of new materials for optimising the green hydrogen production process, both in terms of plant yield and cost-effectiveness, is a key part of the emerging research. During 2022, together with the University of Modena and Reggio Emilia and Industrie Denora, GVS promoted a national partnership for the development of innovative components for electrolysis cells that will last 36 months (until September 2025).²¹.

²¹Application code RSH2B_000032 with reference to the ministerial announcement <https://www.mase.gov.it/bandi/avvisi-pubblici-la-selezione-di-progetti-di-ricerca-nel-settore-dell-idrogeno-pnrr-m2-c2>

Research projects for developing solutions with reduced environmental impact

For GVS, sustainability is a constant challenge that involves researching and developing production technologies and materials that reduce the impacts of its products and processes. In this area, GVS makes use of **international collaborations with companies and research institutions**. Below is a list of the main research projects currently underway with a potential impact on environmental performance.

New solutions for filtering production water: the "Measured" project - Membrane scale-up for chemical industries²²

Through its participation in this HORIZON Europe project coordinated by the University of Eindhoven, GVS is investigating new solutions to create innovative membranes for the recovery and recycling of water/alcohol mixtures contained in wastewater generated by industrial membrane production plants. As part of this project, GVS will host a pilot plant in one of its factories to treat waste water from its production process. At the same time, GVS is developing innovative membranes that can enter the market for waste water treatment with applications in various industries.

New material with increased recyclability for the production of transfusion bags: Terra - highly recyclable thermoplastics with high barrier properties

Funded by the Ministry of Enterprise and Made in Italy, the project aims to create blood transfusion bags with new materials that are highly recyclable and free of polyvinyl chloride (PVC) and the organic plasticisers (additives used to increase product flexibility) currently used. The law dictates that disposable PVC medical devices currently in use, such as blood bags, must be disposed of by incineration or in special waste landfills at their end-of-life. Eliminating PVC and using materials with a naturally lower environmental impact helps to remove new inputs of plasticisers into the environment, reducing CO₂ emissions and making products highly recyclable after use, thereby limiting incineration and landfilling.

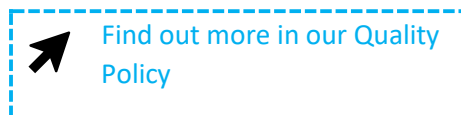
The first intravenous filter with environmentally friendly materials and reduced carbon footprint: Greenflow

Thanks to this research funded by the Ministry of Enterprise and Made in Italy, GVS aims to create the first commercially available intravenous filter made from biopolymers and containing a membrane made with environmentally friendly solvents. In line with the European Green Deal and in accordance with the Sustainable Development Goals of Agenda 2030, the final goal is to develop a new filter that has a lower carbon footprint with the same technical performance compared to the market reference, thus becoming a viable alternative with lower environmental impact within the entire supply chain, from production to disposal of the finished product. To achieve this result, GVS carried out a Life Cycle Assessment (LCA) of this new product with the contribution of the University of Bologna, confirming the lower environmental impact of this alternative. The project has the ambitious goal of changing the current production process of filtering material by replacing chemically synthesised solvents with more environmentally sustainable solvents, thus anticipating possible future updates of European legislation.

²² HORIZON call – CL4-2022-RESILIENCE-01-14 (ID 1010918087)

5.2 Product quality and safety

GVS's mission is to provide the highest levels of quality, offering its customers products that are safe and protect the health and safety of those who use them. To this end, the Group has established a structured quality management system geared to meet the specific requirements of the various product families manufactured. As part of its improvement programme, GVS has completed **Quality Policy update**, which is applicable to all the companies in the Group and formalises GVS's commitment to the above issues.



All GVS production facilities have a certified quality management system according to at least one of the following standards:

- ISO 9001
- ISO 13485
- IATF 16949

The GVS quality system has many distinctive features, in particular:

- a manufacturing information system that incorporates quality elements, combining product traceability and evidence of controls within the system;
- a strong customer orientation in the timeliness of interactions on quality issues: we set ourselves the ambitious target of responding to the customer within 48 hours and closing any reports received within 15 working days, everywhere;
- constant sharing of quality information between the different business units and between the business unit and headquarters, in order to share good practices and areas for improvement.

In addition, in order to enable the continuous monitoring of the company's performance in terms of quality, Group companies are required to produce a monthly Management Report that includes the main Key Performance Indicators (KPIs) used internally to measure the quality levels achieved. Based on the findings of the report, any opportunities for improvement of the quality management system, potential new targets on business process indicators, the need for resources and training and the company's continuous improvement plan are identified. Furthermore, in the medium- to long-term variable incentive plan, the ESG indicator is linked to the quality and safety of the products placed on the market.

Protecting the health and safety of end users is a crucial issue for GVS, particularly for medical products due to the very nature of the applications. For the Group, guaranteeing the highest level of quality therefore means protecting the health of the people who use the products, aiming to minimise the risk of defects and anomalies that could endanger the health of patients and users. Through the monitoring system in place, all (100%) GVS products are evaluated from the point of view of quality and relative safety, also in order to identify possible areas for improvement.

Information provided to customers on GVS products

Providing accurate information on the characteristics of products and their correct use is central to user protection. Specifically, the information provided differs between the different applications and more detailed information is required for regulated products. In general, 100% of GVS products contain or may be accompanied by essential information on at least one of the following categories:

- **information provided with or on products:**
 - **labels** containing various types of information, including for example the batch number, product identification code and expiry date, and some mandatory symbols on product characteristics (e.g., sterile, latex-free, etc.)
 - **use**, i.e., instructions and warnings on how to use the products
- **additional supporting documentation (provided on request):**
 - technical documentation and product data sheets

- information on raw materials used and other regulatory information (REACH²³, RoHS²⁴, Conflict Mineral, etc.).

If, despite the safeguards put in place by the Group, non-compliance of products with client or regulatory requirements should occur, GVS has established specific internal procedures. In general, the Group endeavours to handle cases of non-compliance with a particular customer orientation, seeking to promptly respond to reports received. In its relationship with the client, GVS aims to respond to complaints within 48 hours and to close them within 15 working days. Once a notification of non-compliance has been received, depending on the seriousness of the non-compliance and the product category on which it was found, GVS proceeds to establish, along with the client, the most effective way to isolate products that may fall within the scope of the non-compliance, up to and including recalling the defective products for reprocessing or scrapping. Following the detection of a non-compliance, the system in place aims to identify and eliminate the cause through corrective actions. Once the corrective action has been implemented, its effectiveness is verified by the quality department and if it is effective, it is extended to similar processes.

GVS's quality system is set up to detect and correct any non-compliances, as described above, also in the direction of continuous prevention of potential non-compliance. In fact, preventive action is carried out precisely to eliminate potential causes of non-compliance.

²³ Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH): Regulation (EC) 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals.

²⁴ Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS): Directive 2011/65/EU restricts the use of hazardous substances.

5.3 Responsible supply chain management

Always aware of the importance of the supply chain, GVS has created close relationships with its suppliers both globally and locally. The Group considers its suppliers a fundamental part of the production process and is committed to requiring that they comply with quality requirements and behavioural principles corresponding to the Group's values.

More specifically, the choice of suppliers is oriented towards the criteria of professionalism, quality and fairness in the performance of activities. Relations with suppliers consist of business partnerships, based on healthy competition and a long-term relationship, in terms of reliability, quality and continuity of production.

In order to be even more incisive in protecting sustainability in the supply chain, the **Supplier Code of Conduct** was published in 2022. The document encapsulates all GVS's expectations regarding the responsible conduct of its suppliers. In particular, in line with what is set out in the Code, GVS expects its suppliers to comply with all applicable local labour laws and regulations, including but not limited to minimum wage, maximum working hours, rest days, freedom of association, the right to organise and collective bargaining, as well as respect for all human rights, environmental protection, workplace health and safety, the fight against corruption, the quality of raw materials and products supplied, the protection of privacy and the management of cybersecurity risks..

The pillars of our Supplier Code of Conduct

- Labour and human rights
- Health and safety
- Environment
- Ethics
- Information technology & Privacy



Learn more in our [Supplier Code of Conduct](#)

GVS has chosen to manage suppliers using an interdisciplinary approach, involving departments that are part of the Quality Assurance Area, Purchasing Office, Programming and Selection, Technical Office, each area intervenes in the qualification, monitoring and development of the supplier, as well as in the procurement process, as far as it is concerned.

The parent company GVS S.p.A. operates following a formalised procedure for the qualification, monitoring and development of suppliers. Similar procedures are adopted by the other Group companies for supply chain management, in compliance with the respective national reference regulations and quality systems adopted locally.

To ensure strategic management, GVS distinguishes its suppliers according to the type of supply:

- **suppliers of materials** (raw materials, semi-finished products): suppliers necessary for the production process;
- **technical suppliers**: used to purchase moulds, equipment, spare parts and special processes.
- **suppliers of products/services by catalogue and contract, tender, work and supply**: suppliers that are not directly involved in the type of components required to feed production (e.g., transport, technical services, consultancy, maintenance, test/calibration laboratories), or that do not have a direct impact on production (e.g., headphones, disposable gowns, soaps, various consumables, stationery, etc.);

The supplier qualification process varies according to the type of product or service provided and the impact it could have on GVS's final product. For this reason, a further classification used concerns the potential impact of supply on product quality, distinguishing between:

- **direct impact:** suppliers that directly influence the quality of the final product;
- **indirect impact:** suppliers that do not directly influence the quality of the final product.

For the qualification of its suppliers, the parent company GVS S.p.A. refers, together with other tools, to a questionnaire that is sent to the supplier, whose completion constitutes a self-assessment by the supplier of the company's potential and management system for quality, environment and safety. A very important requirement for GVS to **ensure compliance with quality requirements** is that the quality management system of its suppliers is certified according to ISO 9001:2015 - "Quality Management System." In addition, specific certifications such as IATF 16949:2016 - "Quality Management System" for the automotive sector or EC marking are required for some sectors, as well as the applicable requirements of Regulation (EU) 2016/425 for Personal Protective Equipment (PPE).

It should be noted that in the procurement of materials from its suppliers, the Quality Department of GVS supervises the compliance of the products acquired in relation to the international requirements established by the REACH and RoHS regulations for the European Union. GVS does not use Substances of Concern (SoC) and Substances of Very High Concern (SVHC) in its processes, and requires suppliers to ensure that no supplied material falls under these categories.

For suppliers deemed critical, i.e., those who provide a product or service that may influence the safety and functionality of the end product in medical products, ISO 13485:2016 - "Quality Management System for Medical Devices" certification is also required. Additional certifications such as ISO 14001 - "Environmental Management System," ISO 45001 - "Occupational Health and Safety Management System" and ISO 50001 - "Energy Management System," as well as the availability of a Code of Ethics and adherence to sustainability policies are considered elements of added value for the supplier's qualification, and become a minimum essential requirement if expressly requested by GVS's end client.

The parent company GVS S.p.A. also has a formalised procedure for the management of activities in the case of assigning works, services and supplies under contract, with a contract of work or supply. The aim is to define the activities, methods and roles involved in the management of suppliers in compliance with the requirements of Italian Leg. Decree 81/08 and subsequent amendments and additions concerning the protection of health and safety in the workplace in order to prevent the relative risks.

8%

new suppliers
evaluated
according to
social criteria

10%

new suppliers
evaluated
according to
environmental
criteria

The percentages of suppliers assessed with social and environmental criteria were in line with previous years, at 8% and 10% respectively. However, it should be noted that compared to the previous year, the number of new suppliers has increased and consequently so has the number of suppliers assessed according to these criteria.

The procedures adopted by the parent company GVS S.p.A. call for the following activities to monitor compliance with the requirements ascertained during the supplier qualification phase:

- incoming material checks;
- development of performance indicators;
- quality audits at production sites;
- verification of quality, environmental, health and safety management system certification status.

A further criterion of preference when choosing suppliers is geographical proximity. GVS focuses, where possible, on local suppliers, pursuing economic objectives and reducing the environmental impact generated by transport-related CO₂ emissions.

Proportion of spending on local suppliers

	2023	2022	2021
Goods and services purchased from local suppliers ²⁵	77%	67%	66%

²⁵The term local suppliers refers to suppliers within the same country as the local unit; for example, Italian suppliers are considered local for GVS S.p.A.; Brazilian suppliers for GVS do Brasil, and so on. For Haemotronic Italy, European suppliers were considered local suppliers in 2022.

NOTE ON METHODOLOGY

The purpose of this document is to illustrate what was carried out in the year 2023 by GVS S.p.A. (parent company) and its companies consolidated on a line-by-line basis (also identified in the text as "GVS" or "Group") in relation to environmental, social, personnel topics, respect for human rights, the fight against active and passive corruption and governance, providing the consolidated non-financial data for the financial year from 1 January to 31 December 2023. For comparative purposes, by way of reference, data for 2022 and 2021 is also provided, with the latter years already audited by a third party.

It should further be noted that the 2022 data of the companies acquired in the same reference year was estimated by reportioning the actual full-year value to the GVS ownership period, considering that there are no significant phenomena, such as seasonality, that could distort the representativeness of the data. This approximation was considered an accurate representation of reality.

The Non-Financial Statement ("NFS") is prepared in accordance with Articles 3 and 4 of Italian Legislative Decree 254 of 30 December 2016 and it references the "Sustainability Reporting Standards" published in 2016 by the GRI (Global Reporting Initiative) and subsequent amendments, according to the "With-Reference To" approach.

The Non-Financial Statement was approved by the Board of Directors of GVS S.p.A., on 26.03.2024, in accordance with the provisions of Italian Legislative Decree no. 254/2016.

In order to provide an accurate representation of the sustainability performance achieved, priority has been given to the inclusion of directly measurable quantities, avoiding as far as possible the use of estimates, which, where necessary, are based on the best available methodologies or on sample surveys and their use is indicated within the individual indicators.

The purpose of this document is to present stakeholders with the management model and policies practised by the Group in the field of sustainability, illustrating the most significant results achieved during the year and relating them to the business activity, its performance and results.

The Group identified the significant sustainability impacts through the materiality analysis conducted according to the GRI 3 - 2021 edition (for more details, please refer to section 1.7.2 "*Materiality Analysis*").

In order to collect the data and information regarding the significant impacts that are subject to reporting, the company has prepared data collection forms that have been sent to the responsible persons involved in several areas of the Group companies.

The following is a summary overview of the fully consolidated Group companies included in the reporting scope of this document:

- **GVS S.p.A. - Parent Company**²⁶ (production and commercial)
- **GVS Filter Technology UK Ltd** (production and commercial)
- **GVS do Brasil Ltda** (production and commercial)
- **GVS Technology (Suzhou) Co.** (production and commercial)
- **Suzhou GVS Trading Co. Ltd.** (commercial)
- **Shanghai Transfusion Technology Co.Ltd** (production and commercial)
- **Suzhou Laishi Transfusion Equipment Co.Ltd** (production and commercial)
- **GVS North America Inc.** (production and commercial)
- **GVS Filtration Inc** (production and commercial)
- **Yuyao Yibo Medical Device Co. Ltd**²⁷ (commercial)
- **GVS Microfiltration Srl** (production and commercial)

²⁶ Following the merger on 31.12.2022, GVS S.p.A. also includes the company previously named GVS Sud Srl

²⁷ The production plant was closed at the end of 2021 and the licence has been maintained active.

- **GVS Filtre Teknolojileri** (commercial)
- **GVS Korea Ltd** (commercial)
- **GVS Japan KK** (commercial)
- **GVS Russia LLC** (commercial)
- **GVS Argentina S.A.** (commercial)
- **GVS Filter Technology de Mexico S. de. R.L. de C.V.** (production and commercial)
- **GVS Puerto Rico LLC** (production and commercial)
- **GVS Filter India Private Limited** (commercial)
- **Gvs Filtration SDN. BHD.** (commercial)
- **GVS Filtration Co.Ltd** (commercial)
- **Abretec Group LLC** (production and commercial)
- **Haemotronic S.p.A.** (production and commercial)
- **Htmex Inc. and Haemotronic de Mexico S DE RL DE CV** (production and commercial)

With regard to the companies listed below, it should be noted that they do not contribute to the social and environmental performance indicators reported in this document, as they had no operations and no employees as at 31.12.2023: **GVS Vietnam LLC, Goodman Brands LLC, GVS Fortune Holding Ltd, GVS NA Holdings Inc., Fenchurch Environmental Group Ltd, RPB Safety LLC, RPB Manufacturing LLC, RPB IP LLC**. For the year 2023, it should also be noted that with regard to the company **RPB Safety Limited**, only employees that were hired and that left the organization during the year were counted, as the company is currently in liquidation and there were no employees as at 31.12.2023.

In addition, during December 2023, GVS Technology (Suzhou) Co. Ltd, resolved and completed the demerger of its subsidiary Shanghai Transfusion Technology Co. Ltd ("STT"), a long-established Chinese company, a leader in the manufacture and sale of products related to blood treatment. Following the demerger, a new company was created, GVS Logistics Management (Shanghai) Co. Ltd, a direct subsidiary of GVS Technology (Suzhou) Co. Ltd, to which the logistics and warehouse management business unit of STT itself was transferred. The scope of consolidation relevant for NFS purposes does not change, as no new production plants or sales offices were created by the demerger.

The independent audit of the Non-Financial Statement was performed by PricewaterhouseCoopers S.p.A. and was concluded with the issuance of the "Report of the Independent Auditor on the Consolidated Non-Financial Statement" pursuant to Article 3, par. 10 of Italian Legislative Decree 254/2016 and Article 5 CONSOB regulation adopted with resolution no. 20267 of January 2018. The limited review carried out by the auditors on the NFS does not extend to the information, provided in accordance with the Taxonomy Regulation, contained in the section "European Taxonomy for Sustainable Activities." The Report is attached to this document.

For information on this NFS, please refer to:

e-mail: sustainability@gvs.com

APPENDIX

Correlation Table with Material Topics and Italian Legislative Decree 254/2016

Scope of Italian Legislative Decree 254/2016	Material topic	Description of the material topic	Reference GRI
Environment	Energy consumption and greenhouse gas emissions	The Group's activities (direct and indirect) involve the consumption of energy, resulting in greenhouse gas emissions that contribute to climate change. In order to reduce these impacts, the Group is gradually converting electricity supplies to renewable sources and identifying energy efficiency initiatives. For more information, please refer to Chapter 3 "Ecological transition" and in particular Section 3.2 "Energy consumption and greenhouse gas emissions."	302-1 Energy consumption within the organization
			302-3 Energy intensity
			305-1 Direct (Scope 1) GHG emissions
			305-2 Energy indirect (Scope 2) GHG emissions
			305-4 GHG emissions intensity
	Waste management	GVS's production activities involve the production of waste, a significant part of which is related to plastic scrap from moulding operations. Inadequate management of disposal activities could lead to impacts on the environment and communities; in order to reduce these risks, the Group implements the necessary measures for timely management, preferring recycling or other recovery operations. For more information, please refer to Chapter 3 "Ecological transition" and in particular Section 3.3 "Waste generation and management."	306-1 Waste generation and significant waste-related impacts
			306-2 Management of significant waste-related impacts
			306-3 Waste generated
			306-4 Waste diverted from disposal
			306-5 Waste directed to disposal
Staff	Health and safety	Protecting the health and safety of employees is a priority issue for GVS. In carrying out its activities, the Group is committed, through the adoption of policies, procedures and training activities, to reducing the potential risks of occupational injuries or illnesses to which people may be exposed in the performance of their duties. For more information, please refer to Chapter 4 "Valuing people," and in particular Section 4.4 "Employee health and safety."	403-9 Work-related injuries
			403-10 Work-related ill health
	Managing and enhancing human capital	GVS firmly believes in the importance of the role its employees play in the Group's success. In order to develop people's skills and well-being, as well as to prevent the risk of high employee turnover, the Group implements training and performance evaluation programmes. Different benefits are also offered to employees depending on the company and the applicable collective	401-1 New employee hires and employee turnover
			401-2 Benefits to employees
			401-3 Parental leave
			404-1 Average hours of training

		agreements. For more information, please refer to Chapter 4 "Valuing people" and in particular to Sections 4.1 "Enhancement of human capital" and 4.2 "Employee welfare."	404-3 Percentage of employees receiving performance reviews
	Discrimination, diversity and equal opportunities	As stated in the Code of Ethics, GVS pays particular attention to respect for fundamental human freedoms and the principles of non-discrimination. The Group has adopted policies and implemented actions to avoid the potential risk of incidents of discrimination and to protect the respect of corporate values. For more information, please refer to Chapter 4 "Valuing people" and in particular Section 4.3 "Diversity and equal opportunities."	405-1 Diversity of governance bodies and employees
			406-1 Incidents of discrimination and corrective actions taken
Human rights	Human rights protection	The protection of human rights is always at the core of the Group's activities. To avoid potential human rights violations, the Group follows the values, principles and guidelines expressed in its Code of Ethics. In order to mitigate the risk of rights violations in the supply chain, the Group has adopted a Supplier Code of Conduct, which includes GVS's expectations regarding the responsible conduct of its suppliers. For more information, see Chapter 4 "Valuing people" and in particular Section 4.5 "Human rights."	406-1 Incidents of discrimination and corrective actions taken
Social	Responsible supply chain management	In the course of its activities, the Group procures materials and services that could be related to social and environmental risks. In order to prevent them, the Group has adopted a Supplier Code of Conduct and conducts supplier assessments based on social and environmental criteria. For more information, please refer to Chapter 5 "Responsible innovation" and in particular Section 5.3 "Responsible supply chain management."	308-1 New suppliers screened using environmental criteria
			414-1 New suppliers screened using social criteria
			204-1 Proportion of spending on local suppliers
	Product safety and quality	The products manufactured by GVS are aimed at protecting the health and safety of those who use them, which is why the Group pays great attention to the potential risk of defects and anomalies that could endanger the health of patients and users. To this end, the Group is committed to ensuring the highest quality standards in the manufacture of its products. For more information, please refer to Chapter 5 "Responsible innovation" and in particular Section 5.2 "Product quality and safety."	416-1 Assessment of the health and safety
			417-1 Requirements for product and service information and labelling
Product innovation and eco-design	For GVS, the topic of material selection is extremely relevant as it is closely linked to the quality and safety of its products, as well as the impact they might have on the environment. GVS therefore carries out quality management assessments of its suppliers, and where possible, seeks solutions to make production processes more efficient and reduce the use of raw materials. For more information, please refer to Chapter 3 "Ecological transition" and in	301-1 Materials used by weight or volume	

		particular to Section 3.1 "Materials used in production."	
Fight against corruption	Business ethics and anti-corruption	GVS is committed to conducting its business in line with the values set out in its Code of Ethics and in compliance with laws and regulations, in order to prevent and reduce the risks of non-compliance. For further information, please refer to Chapter 2 "Ethical conduct" and in particular to Sections 2.1 "Ethics and anti-corruption" and 2.4 "Taxation."	205-3 Confirmed incidents of corruption and actions taken
			206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices
			207-1 Approach to tax
			207-2 Tax governance, control, and risk management
			207-3 Stakeholder engagement and management of concerns related to tax

The sustainability indicators required by the GRI reporting standard can be found below, broken down by area.

Ethical conduct

GRI 2-27: Compliance with law and regulations

	2023	2022	2021
Significant instances of non-compliance with laws and regulations ⁵⁶	0	0	0

GRI 205-3: Confirmed incidents of corruption and actions taken

	2023	2022	2021
Confirmed incidents of corruption	0	0	0
Confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0
Confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0	0	0

GRI 206-1: Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices

	2023	2022	2021
Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation	0	0	0

⁵⁶ The materiality threshold was defined as 100,000 euros.

Ecological transition

GRI 301-1: Materials used by weight or volume

Percentage of materials purchased by category⁵⁷

	2023	2022	2021
Plastic Filter Media	12%	16%	33%
Plastic Granules and Polymers	38%	30%	20%
Packaging	8%	9%	11%
Microporous Membrane Rolls	4%	7%	6%
Mesh	6%	9%	6%
Membrane	7%	4%	5%
Metals	4%	6%	4%
Glue & Polyurethane	3%	5%	4%
Other	18%	14%	11%

GRI 302-1: Energy consumption within the organization

Energy consumption by source⁵⁸

Gigajoule (GJ)	2023	2022 ⁵⁹	2021
Fuels from non-renewable sources	75,030	78,040	44,735
Natural gas	52,905	50,661	33,445
Diesel	17,264	21,309	5,679
LPG	1,720	1,891	1,560
Gasoline	2,567	3,552	3,264
Kerosene	574	627	787
Electricity	258,776	231,354	202,054
of which from certified renewable sources	64,848	82,440	85,039
of which self-generated by photovoltaics	692	298	0
Total energy consumption	333,806	309,394	246,792

Percentage of energy from renewable sources in total energy consumed

Gigajoule (GJ)	2023	
Total energy consumed	333,806	100%
Non-renewable sources	268,266	80%
Renewable sources	65,540	20%

⁵⁷ All materials in the table fall into the category of "non-renewable" materials, that is, resources that do not regenerate in short periods of time.

⁵⁸ The conversion factors used to convert energy consumption into Giga Joules (GJ) are the ones published by the Department for Environment Food & Rural Affairs (DEFRA) in 2023, 2022 and 2021, respectively.

⁵⁹ Electricity consumption figures for 2022 have been updated from those published in the NFS of 2022 due to an update in the methodology for calculating the consumption of a company acquired during the year.

Percentage of electricity from renewable sources in total electricity consumption

<i>Gigajoule (GJ)</i>	2023	
Electricity consumption	258,776	100%
Non-renewable sources	193,236	75%
Renewable sources	65,540	25%

GRI 302-3: Energy intensity

Group's energy intensity for worked hours

	UdM	2023	2022	2021
Total energy consumption	<i>Gigajoule (GJ)</i>	333,806	309,394	246,792
Worked hours	<i>No.</i>	9,225,455	8,197,551	6,810,666
Energy intensity	<i>GJ/No.</i>	0.04	0.04	0.04

Group's energy intensity for revenues

	UdM	2023	2022	2021
Total energy consumption	<i>Gigajoule (GJ)</i>	333,806	309,394	246,792
Revenues from contracts with customers	<i>000 €</i>	424,737	387,591	338,126
Energy intensity	<i>GJ/000 €</i>	0.8	0.8	0.7

GRI 305-1 e GRI 305-2: Direct and indirect GHG emissions⁶⁰**Direct (Scope 1) and indirect (Scope 2) GHG emissions**

<i>Tons of CO₂ equivalent (t CO₂ eq.)</i>	2023	2022	2021
Total direct emissions (Scope 1)	4,661	4,735	2,657
Natural gas	2,980	2,865	1,886
Diesel	1,219	1,514	396
LPG	110	121	100
Gasoline	167	238	220
Kerosene	46	0	54
Refrigerant gases	140	0	0
Total indirect emissions (Scope 2 Market-based)	26,546	23,678	18,483
Electricity purchased from the grid	26,546	23,678	18,483
Total direct and indirect emissions (Scope 1 + Scope 2 Market-based)	31,206	28,413	21,140
Total indirect emissions (Scope 2 Location-based)	27,560	26,142	22,069
Electricity purchased from the grid	27,560	26,142	22,069
Total direct and indirect emissions (Scope 1 + Scope 2 Location-based)	32,220	30,877	24,726

GRI 305-4: GHG emissions intensity

Group's emissions intensity for worked hours

	UdM	2023	2022	2021
Total GHG emissions (Scope 1 + Scope 2 Market-based)	<i>Tons of CO₂ equivalent (t CO₂ eq.)</i>	31,206	28,413	21,140
Worked hours	No.	9,225,455	8,197,551	6,810,666
Emissions intensity	<i>t CO₂ eq. / No.</i>	0.003	0.003	0.003

⁶⁰ For the calculation of Scope 1 greenhouse gas emissions, the Department for Environment Food & Rural Affairs (DEFRA 2021) emission factors published in 2023, 2022 and 2021 were used, respectively. It should also be noted that the figure for emissions from refrigerant gas leaks is not available for the years 2022 and 2021. The calculation of emissions under the location-based methodology involves the use of an average emission factor derived from the national energy mix. The following sources were used for the location-based methodology based on the most recent versions available for each reporting year: "Greenhouse gas emission intensity of electricity generation in Europe" published by European Environment Agency (EEA), "UK Government GHG Conversion Factors for Company Reporting" published by the Department for Environment Food & Rural Affairs (DEFRA), "Confronti Internazionali" published by Terna, "Notice on the management of greenhouse gas emission reports for enterprises in the power generation industry" published by the Ministry of Ecology and Environment in China, "Factor de emisión del sistema eléctrico nacional" published by Mexico's Secretaria de medio ambiente y recursos naturales, "Baseline Carbon Dioxide Emission Database" published by the Ministry of Power in India, and "GHG Emission Factors Hub" published by United States Environmental Protection Agency (EPA) for the United States and Puerto Rico. The calculation of emissions using the market-based method takes into account the purchase of energy from certified renewable sources (through contractual instruments such as Guarantees of Origin), for which greenhouse gas emissions are considered zero. The share of non-renewable electricity is multiplied by a national residual emission factor. For the calculation of Scope 2 (market-based) greenhouse gas emissions, the following sources were used for the residual mix emission factors: "European Residual Mix" published by the Association of Issuing Bodies (AIB) in 2021 and 2022, "Green-e Energy Residual Mix Emissions Rates" published by Center for Resource Solutions in 2021, 2022 and 2023 (data 2019, 2020 and 2021). With respect to those countries for which, at the time of writing, residual mix factors were not available from accredited public sources, the emission factors applied in the location-based calculation were used. It should also be noted that the historical data (2022 and 2021) have been updated from what was previously published following a change in methodology in the calculation of Scope 2 emissions, which involved updating the sources of the emission factors applied; the historical data has therefore been updated in order to make the three-year data more comparable.

Group's emissions intensity for revenues

	UdM	2023	2022	2021
Total GHG emissions (Scope 1 + Scope 2 Market-based)	Tons of CO₂ equivalent (t CO₂ eq.)	31,206	28,413	21,140
Revenues from contracts with customers	000 €	424,737	387,591	338,126
Emissions intensity	t CO₂ eq. / 000 €	0.07	0.07	0.06

GRI 306-3, 306-4 e 306-5: Waste generated and disposed

Waste produced and disposed by category

Tons	2023	2022	2021
Hazardous waste	1,161	739	729
Non-hazardous waste	4,069	4,177	3,908
Total weight of waste	5,230	4,917	4,638

Waste generated by disposal mode

Tons	2023			2022		
	Waste directed to recycle or other recovery operations	Waste directed to disposal	Total waste	Waste directed to recycle or other recovery operations	Waste directed to disposal	Total waste
Hazardous waste	980	181	1,161	473	266	739
Non-hazardous waste	2,421	1,648	4,069	2,487	1,690	4,177
Total waste	3,401	1,829	5,230	2,960	1,956	4,916

Waste generated and directed to recycle or other recovery operations

Tons	2023		
	Onsite	Offsite	Total
Total hazardous waste	0	980	980
Preparation for reuse	0	0	0
Recycling	0	974	974
Other recovery operations	0	6	6
Total non-hazardous waste	0	2,421	2,421
Preparation for reuse	0	102	102
Recycling	0	1,796	1,796
Other recovery operations	0	524	524
Total waste directed to recycle or other recovery operations	0	3,401	3,401

Tons	2022		
	Onsite	Offsite	Total
Total hazardous waste	2	471	473
Preparation for reuse	2	0	2
Recycling	0	464	464
Other recovery operations	0	7	7
Total non-hazardous waste	168	2,320	2,488
Preparation for reuse	168	0	168
Recycling	0	1,837	1,837

Other recovery operations	0	483	483
Total waste directed to recycle or other recovery operations	170	2,791	2,960

Waste generated and directed to disposal

Tons	2023		
	Onsite	Offsite	Total
Hazardous waste	0	181	181
Incineration (with energy recovery)	0	48	48
Incineration (without energy recovery)	0	14	14
Landfilling	0	0	0
Other disposal operation	0	119	119
Non-hazardous waste	0	1,648	1,648
Incineration (with energy recovery)	0	563	563
Incineration (without energy recovery)	0	43	43
Landfilling	0	687	687
Other disposal operation	0	354	354
Total waste directed to disposal	0	1,829	1,829

Tons	2022		
	Onsite	Offsite	Total
Hazardous waste	49	217	266
Incineration (with energy recovery)	0	155	155
Incineration (without energy recovery)	0	14	14
Landfilling	0	0	0
Other disposal operation	49	48	97
Non-hazardous waste	95	1,594	1,690
Incineration (with energy recovery)	0	266	266
Incineration (without energy recovery)	92	150	243
Landfilling	0	1,054	1,054
Other disposal operation	3	124	128
Total waste directed to disposal	144	1,811	1,957

Waste production intensity on Group's revenues

	UdM	2023	2022	2021
Total waste production	Tons	5,230	4,917	4,638
Revenues from contracts with customers	000 €	424,737	387,591	338,126
Waste production intensity	(Tons / 000 €)*100	1.23	1.27	1.37

GRI 303-3: Water withdrawal

Water withdrawal by source and category⁶¹

<i>Megaliters</i>	2023			2022			2021		
	Fresh water	Non-fresh water	Total	Fresh water	Non-fresh water	Total	Fresh water	Non-fresh water	Total
Groundwater	5	5	10	9	0	9	12	0	12
Third-party water	129	0	129	104	0	104	59	0	59
Total water withdrawal	134	5	139	113	0	113	71	0	71

Water withdrawal by source in areas with water stress⁶²

<i>Megaliters</i>	2023	
	Total	of which from areas with water stress ⁶³
Groundwater	10	0
Third-party water	129	104
Total water withdrawal	139	104

⁶¹ The type of water is determined by the amount of total dissolved solids: "fresh water" < of 1gr/liter; "non-fresh water" > 1gr/liter. In cases of water withdrawals from aqueducts, it was classified as "fresh water".

⁶² Water stress was assessed based on the classification reported by Acqueduct World Resources Institute, selecting as water stress areas those with "High" and "Extremely High" values.

⁶³ Total water withdrawn from water-stressed areas is classified as "fresh water".

Valuing people

Workforce data were measured in headcount (HC) and refer to the number of persons at the end of the reporting period (31/12) of each reporting year, unless otherwise specified.

GRI 2-7: Employees

Number of employees by gender and contract type by geographical area⁶⁴

No. of people (HC)	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	361	425	786	384	435	819	231	180	411
Permanent	358	414	772	383	435	818	227	180	407
Fixed-term	3	11	14	1	0	1	4	0	4
Europe (excluding Italy)	213	654	867	172	695	867	200	764	964
Permanent	138	561	699	165	549	714	188	503	691
Fixed-term	75	93	168	7	146	153	12	261	273
Americas	856	975	1,831	1,186	1,242	2,428	624	701	1,325
Permanent	856	975	1,831	1,177	1,208	2,385	618	689	1,307
Fixed-term	0	0	0	9	34	43	6	12	18
Asia	184	443	627	219	536	755	104	160	264
Permanent	158	350	508	199	449	648	104	160	264
Fixed-term	26	93	119	20	87	107	0	0	0
Total permanent	1,510	2,300	3,810	1,924	2,641	4,565	1,137	1,532	2,669
Total fixed-term	104	197	301	37	267	304	22	273	295
Total	1,614	2,497	4,111	1,961	2,908	4,869	1,159	1,805	2,964

Number of employees by gender split between full-time and part-time⁶⁵

No. of people (HC)	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time	1,611	2,468	4,079	1,957	2,874	4,831	1,239	1,920	3,159
Part-time	3	29	32	4	34	38	5	31	36
Total	1,614	2,497	4,111	1,961	2,908	4,869	1,244	1,951	3,195

⁶⁴ The table does not include "non-guaranteed hours employees" as this type is not used by the Group.

⁶⁵ In 2021, the figure also included the number of workers who are not employees.

GRI 2-8: Workers who are not employees

Number of workers who are not employees by gender

No. of people (HC)	2023		
	Male	Female	Total
Agency workers/Temps	76	154	230
Interns	1	6	7
Total	77	160	237

No. of people (HC)	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of workers who are not employees	77	160	237	57	25	82	85	146	231

GRI 2-30: Collective bargaining agreements

	2023
Percentage of total employees covered by collective bargaining agreements on working conditions ⁶⁶	68.7%

⁶⁶ The term collective bargaining refers to negotiations that take place between one or more employers or employer organizations and one or more employee organizations. The value is calculated as: number of employees covered by collective bargaining/total number of employees.

GRI 401-1: New employee hires and employee turnover

The data were calculated in headcount (HC) and refer to the total number of recruitments and/or terminations during the reference year.

Number of new employee hires by age group, gender and region

No. of hires	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	25	24	49	55	92	147	57	54	111
<30 years old	10	10	20	32	33	65	24	8	32
30-50 years old	9	13	22	20	52	72	29	41	70
>50 years old	6	1	7	3	7	10	4	5	9
Europe (excluding Italy)	51	189	240	31	163	194	83	419	502
<30 years old	34	62	96	20	59	79	43	125	168
30-50 years old	11	89	100	9	83	92	27	210	237
>50 years old	6	38	44	2	21	23	13	84	97
Americas	579	630	1,209	868	770	1,638	390	685	1,075
<30 years old	288	301	589	332	425	757	184	366	550
30-50 years old	253	304	557	456	277	733	173	294	467
>50 years old	38	25	63	80	68	148	33	25	58
Asia	35	142	177	52	194	246	51	72	123
<30 years old	16	29	45	20	44	64	16	24	40
30-50 years old	15	112	127	28	150	178	31	48	79
>50 years old	4	1	5	4	0	4	4	0	4
Total <30 years old	348	402	750	404	561	965	267	523	790
Total 30-50 years old	288	518	806	513	562	1,075	260	593	853
Total >50 years old	54	65	119	89	96	185	54	114	168
Total	690	985	1,675	1,006	1,219	2,225	581	1,230	1,811

Rate of new employee hires by age group, gender and region

Rate of hires ⁶⁷	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	0.6%	0.6%	1.2%	1.1%	1.9%	3.0%	1.9%	1.8%	3.7%
<30 years old	0.2%	0.2%	0.5%	0.7%	0.7%	1.3%	0.8%	0.3%	1.1%
30-50 years old	0.2%	0.3%	0.5%	0.4%	1.1%	1.5%	1.0%	1.4%	2.4%
>50 years old	0.1%	0.0%	0.2%	0.1%	0.1%	0.2%	0.1%	0.2%	0.3%
Europe (excluding Italy)	1.2%	4.6%	5.8%	0.6%	3.3%	4.0%	2.8%	14.1%	16.9%
<30 years old	0.8%	1.5%	2.3%	0.4%	1.2%	1.6%	1.5%	4.2%	5.7%
30-50 years old	0.3%	2.2%	2.4%	0.2%	1.7%	1.9%	0.9%	7.1%	8.0%

⁶⁷ The hiring rate is calculated as the ratio of the number of hires to the total number of employees in the reporting year.

>50 years old	0.1%	0.9%	1.1%	0.0%	0.4%	0.5%	0.4%	2.8%	3.3%
Americas	14.1%	15.3%	29.4%	17.8%	15.8%	33.6%	13.2%	23.1%	36.3%
<30 years old	7.0%	7.3%	14.3%	6.8%	8.7%	15.5%	6.2%	12.3%	18.6%
30-50 years old	6.2%	7.4%	13.5%	9.4%	5.7%	15.1%	5.8%	9.9%	15.8%
>50 years old	0.9%	0.6%	1.5%	1.6%	1.4%	3.0%	1.1%	0.8%	2.0%
Asia	0.9%	3.5%	4.3%	1.1%	4.0%	5.1%	1.7%	2.4%	4.1%
<30 years old	0.4%	0.7%	1.1%	0.4%	0.9%	1.3%	0.5%	0.8%	1.3%
30-50 years old	0.4%	2.7%	3.1%	0.6%	3.1%	3.7%	1.0%	1.6%	2.7%
>50 years old	0.1%	0.0%	0.1%	0.1%	0.0%	0.1%	0.1%	0.0%	0.1%
Total <30 years old	8.5%	9.8%	18.2%	8.3%	11.5%	19.8%	9.0%	17.6%	26.7%
Total 30-50 years old	7.0%	12.6%	19.6%	10.5%	11.5%	22.1%	8.8%	20.0%	28.8%
Total >50 years old	1.3%	1.6%	2.9%	1.8%	2.0%	3.8%	1.8%	3.8%	5.7%
Total	16.8%	24.0%	40.7%	20.7%	25.0%	45.7%	19.6%	41.5%	61.1%

Number of terminated employees by age group, gender and geographical area

No. of terminations	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	47	36	83	68	63	131	24	12	36
<30 years old	15	9	24	27	17	44	6	1	7
30-50 years old	20	21	41	27	22	49	13	8	21
>50 years old	12	6	18	14	24	38	5	3	8
Europe (excluding Italy)	55	193	248	58	232	290	108	381	489
<30 years old	27	61	88	20	53	73	47	135	182
30-50 years old	21	90	111	28	135	163	42	193	235
>50 years old	7	42	49	10	44	54	19	53	72
Americas	953	1,011	1,964	969	572	1,541	489	749	1,238
<30 years old	484	489	973	741	321	1,062	243	393	636
30-50 years old	404	466	870	153	194	347	195	301	496
>50 years old	65	56	121	75	57	132	51	55	106
Asia	41	175	216	61	243	304	107	197	304
<30 years old	22	29	51	23	56	79	38	54	92
30-50 years old	16	141	157	36	184	220	69	141	210
>50 years old	3	5	8	2	3	5	0	2	2
Total <30 years old	548	588	1,136	811	447	1,258	334	583	917
Total 30-50 years old	461	718	1,179	244	535	779	319	643	962
Total >50 years old	87	109	196	101	128	229	75	113	188
Total	1,096	1,415	2,511	1,156	1,110	2,266	728	1,339	2,067

Turnover rate by age group, gender and geographical area

Turnover rate ⁶⁸	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	1.1%	0.9%	2.0%	1.4%	1.3%	2.7%	0.8%	0.4%	1.2%
<30 years old	0.4%	0.2%	0.6%	0.6%	0.3%	0.9%	0.2%	0.0%	0.2%
30-50 years old	0.5%	0.5%	1.0%	0.6%	0.5%	1.0%	0.4%	0.3%	0.7%
>50 years old	0.3%	0.1%	0.4%	0.3%	0.5%	0.8%	0.2%	0.1%	0.3%
Europe (excluding Italy)	1.3%	4.7%	6.0%	1.2%	4.8%	6.0%	3.6%	12.9%	16.5%
<30 years old	0.7%	1.5%	2.1%	0.4%	1.1%	1.5%	1.6%	4.6%	6.1%
30-50 years old	0.5%	2.2%	2.7%	0.6%	2.8%	3.3%	1.4%	6.5%	7.9%
>50 years old	0.2%	1.0%	1.2%	0.2%	0.9%	1.1%	0.6%	1.8%	2.4%
Americas	23.2%	24.6%	47.8%	19.9%	11.7%	31.6%	16.5%	25.3%	41.8%
<30 years old	11.8%	11.9%	23.7%	15.2%	6.6%	21.8%	8.2%	13.3%	21.5%
30-50 years old	9.8%	11.3%	21.2%	3.1%	4.0%	7.1%	6.6%	10.2%	16.7%
>50 years old	1.6%	1.4%	2.9%	1.5%	1.2%	2.7%	1.7%	1.9%	3.6%
Asia	1.0%	4.3%	5.3%	1.3%	5.0%	6.2%	3.6%	6.6%	10.3%
<30 years old	0.5%	0.7%	1.2%	0.5%	1.2%	1.6%	1.3%	1.8%	3.1%
30-50 years old	0.4%	3.4%	3.8%	0.7%	3.8%	4.5%	2.3%	4.8%	7.1%
>50 years old	0.1%	0.1%	0.2%	0.0%	0.1%	0.1%	0.0%	0.1%	0.1%
Total <30 years old	13.3%	14.3%	27.6%	16.7%	9.2%	25.8%	11.3%	19.7%	30.9%
Total 30-50 years old	11.2%	17.5%	28.7%	5.0%	11.0%	16.0%	10.8%	21.7%	32.5%
Total >50 years old	2.1%	2.7%	4.8%	2.1%	2.6%	4.7%	2.5%	3.8%	6.3%
Total	26.7%	34.4%	61.1%	23.7%	22.8%	46.5%	24.6%	45.2%	69.7%

⁶⁸ The termination rate is calculated as the ratio of the number of terminations to the total number of employees in the reference year.

GRI 401-3: Parental leave

Total number of employees that were entitled to parental leave, that took parental leave and hat returned to work in the reporting period after parental leave ended by gender⁶⁹

Number and rate	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of employees that were entitled to parental leave	97	110	207	61	78	139	1.185	1.896	3.081
Total number of employees that took parental leave	52	74	126	57	71	128	11	61	72
Total number of employees that returned to work in the reporting period after parental leave ended	51	49	100	55	39	94	10	33	43
Return to work rate of employees that took parental leave	98%	66%	79%	96%	55%	73%	91%	54%	60%

GRI 403-9: Work-related injuries

Number and rate of recordable work-related injuries of employees and workers who are not employees

No.	2023	
	Employees	Agency workers
Work-related injuries	43	3
High-consequence work-related injuries	6	1
Fatalities as a result of work-related injury	0	0
Total number of work-related injuries⁷⁰	49	4
Injuries as a result of commuting incidents	7	1
Worked hours	8,773,617	451,838
Rate of work-related injuries ⁷¹	1.12	1.77
Rate of high-consequence work-related injuries ⁷²	0.14	0.44
Injury severity rate ⁷³	27.26	39.39
Rate of fatalities as a result of work-related injury ⁷⁴	0	0

⁶⁹ In 2021, all employees were considered as "entitled" because of the fact that potentially all employees can access parental leave. Beginning in 2022, only employees for whom the conditions (parenting) for taking leave are met were considered as "entitled."

⁷⁰ The number of work-related injuries excludes commuting injuries where the movement was not arranged by GVS and/or did not occur in the course of the work activity, reported in the "commuting injuries" row.

⁷¹ The rate is calculated as follows: total number of work-related injuries/hours worked*200,000.

⁷² The rate is calculated as follows: number of high-consequence work-related injuries/hours worked*200,000.

⁷³ The rate is calculated as follows: days lost due to work-related injuries/hours worked*200,000.

⁷⁴ The rate is calculated as follows: number of fatalities/hours worked*200,000.

Number	2023	2022	2021
	Employees + workers who are not employees		
Work-related injuries	46	32	59
High-consequence work-related injuries	7	0	1
Fatalities as a result of work-related injury	0	0	0
Total number of work-related injuries⁷⁵	53	32	60
Injuries as a result of commuting incidents	8	13	11
Worked hours	9,225,455	8,197,551	7,726,036

Rate of work-related injuries ⁷⁶	1.15	0.78	1.55
Rate of high-consequence work-related injuries	0.15	0.00	0.03
Rate of fatalities as a result of work-related injury	0.00	0.00	0.00

Percentage	2023
Percentage of production sites where a workplace health and safety risk assessment has been carried out ⁷⁷	100%

GRI 403-10: Work-related ill health

Number of cases and fatalities as a result of work-related ill health

Number	2023	2022	2021
Cases of work-related ill health	2	0	3
Fatalities as a result of work-related ill health	0	0	0

GRI 404-1: Average hours of training per year per employee

Average hours of training per year per employee by gender and category⁷⁸

No. of average hours	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Direct	27.9	29.7	29.2	21.1	20.4	20.6	27.7	28.3	28.1
Indirect	23.1	23.5	23.2	11.9	17.4	14.0	24.6	28.3	25.9
of which Management	14.4	14.4	14.4	13.2	20.2	16.4	10.0	13.8	11.5
Total	25.1	28.3	27.0	16.3	19.6	18.3	26.2	28.3	27.4

⁷⁵ The values for reported for reporting years 2022 and 2021 published in previous NFSs also included commuting injuries, which are reported separately in this document.

⁷⁶ Compared to what was published in previous DNFs, the rates for reporting years 2022 and 2021 were recalculated on workplace injuries only (excluding commuting injuries).

⁷⁷ Excluding trading companies or those with only warehouse/assembly activities.

⁷⁸ Average training hours are calculated as follows: total number of training hours provided during the year by gender and category / number of employees (HC) at the end of the reporting period by gender and category.

GRI 404-3: Percentage of employees receiving regular performance and career development reviews
Percentage of employees receiving regular performance and career development reviews by gender and category

% of evaluated employees ⁷⁹	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Direct	96%	75%	80%	71%	77%	75%	93%	83%	86%
Indirect	65%	65%	65%	86%	72%	81%	91%	84%	89%
of which Management	77%	63%	73%	77%	67%	72%	35%	34%	35%
Total	78%	73%	75%	84%	78%	81%	94%	84%	88%

⁷⁹ The rate was calculated as follows: number of employees (HC) evaluated/total number of employees (HC) at the end of the period.

GRI 405-1: Diversity of governance bodies and employees

Number and percentage of employees by gender, age group and category

No. of people	2023														
	<30 years old			30 – 50 years old			>50 years old			Group (no.)			Group (%) ⁸⁰		
	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot
Direct	279	412	691	265	1,074	1,339	123	440	563	667	1,926	2,593	16.2%	46.8%	63.1%
Indirect	253	149	402	471	331	802	223	91	314	947	571	1,518	23.0%	13.9%	36.9%
of which Management	2	3	5	56	31	87	38	12	50	96	46	142	2.3%	1.1%	3.5%
Total	532	561	1,093	736	1,405	2,141	346	531	877	1,614	2,497	4,111	39.3%	60.7%	100.0%

No. of people	2022														
	<30 years old			30 – 50 years old			>50 years old			Group (no.)			Group (%) ⁸¹		
	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot
Direct	423	566	989	382	1,303	1,685	135	422	557	940	2,291	3,231	19.3%	47.1%	66.4%
Indirect	295	176	471	499	345	844	221	102	323	1,015	623	1,638	20.8%	12.8%	33.6%
of which Management	13	27	40	83	70	153	34	13	47	130	110	240	2.7%	2.3%	4.9%
Total	718	742	1,460	881	1,648	2,529	356	524	880	1,955	2,914	4,869	40.2%	59.8%	100.0%

No. of people	2021														
	<30 years old			30 – 50 years old			>50 years old			Group (no.)			Group (%) ⁸²		
	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot
Direct	130	229	359	261	853	1,114	104	363	467	495	1,445	1,940	16.7%	48.8%	65.5%
Indirect	117	60	177	378	218	596	169	82	251	664	360	1,024	22.4%	12.1%	34.5%
of which Management	1	8	9	45	34	79	23	4	27	69	46	115	2.3%	1.6%	3.9%
Total	247	289	536	639	1,071	1,710	273	445	718	1,159	1,805	2,964	39.1%	60.9%	100.0%

⁸⁰ The percentage is calculated as follows: number of employees (HC) by category and gender/total number of employees (HC) at the end of the period.

⁸¹ The percentage is calculated as follows: number of employees (HC) by category and gender/total number of employees (HC) at the end of the period.

⁸² The percentage is calculated as follows: number of employees (HC) by category and gender/total number of employees (HC) at the end of the period.

Percentage of employees by gender, age group and category⁸³.

Percentage	2023						2022 ⁸⁴						2021					
	<30		30 - 50		>50		<30		30 - 50		>50		<30		30 - 50		>50	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Direct	40%	60%	20%	80%	22%	78%	43%	57%	23%	77%	24%	76%	36%	64%	23%	77%	22%	78%
Indirect	63%	37%	59%	41%	71%	29%	63%	37%	59%	41%	68%	32%	66%	34%	63%	37%	67%	33%
of which Management	40%	60%	64%	36%	76%	24%	33%	68%	54%	46%	72%	28%	11%	89%	57%	43%	85%	15%
Total	49%	51%	34%	66%	39%	61%	49%	51%	35%	65%	40%	60%	46%	54%	37%	63%	38%	62%

Number of GVS S.p.A.'s members of the Board of Directors by gender and age group

No. of people	2023											
	<30 years old			30 – 50 years old			>50 years old			Total		
	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot
Members of BoD	0	0	0	1	2	3	4	2	6	5	4	9

No. of people	2022											
	<30 years old			30 – 50 years old			>50 years old			Total		
	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot
Members of BoD	0	0	0	2	3	5	3	1	4	5	4	9

Percentage of GVS S.p.A.'s members of the Board of Directors by gender and age group

Percentage	2023							
	<30 years old		30 – 50 years old		>50 years old		Total	
	M	F	M	F	M	F	M	F
Members of BoD	0%	0%	33%	67%	67%	33%	56%	44%

Percentage	2022							
	<30 years old		30 – 50 years old		>50 years old		Total	
	M	F	M	F	M	F	M	F
Members of BoD	0%	0%	40%	60%	75%	25%	56%	44%

GRI 406-1: Incidents of discrimination and corrective actions taken

Number	2023	2022	2021
Proven incidents of discrimination	0	0	0

⁸³ The percentage is calculated as follows: number of employees (HC) by gender, age group and category/total number of employees (HC) at the end of the period for each reference category.

⁸⁴ Data on employee percentages for 2022 have been updated from what was published in NFS 2022.

Responsible innovation

GRI 204-1: Proportion of spending on local suppliers⁸⁵

Percentage	2023	2022	2021
Goods and services purchased from local suppliers	77%	67%	66%

Proportion of spending on local suppliers for each significant country

Percentage	2023
Brazil	93%
China	88%
Italy	75%
Mexico	78%
Puerto Rico	79%
United Kingdom	84%
Romania	64%
United States	76%

GRI 308-1: New suppliers that were screened using environmental criteria

Percentage	2023	2022	2021
Percentage of new suppliers that were screened using environmental criteria	10%	10%	23%

GRI 414-1: New suppliers that were screened using social criteria

Percentage	2023	2022	2021
Percentage of new suppliers that were screened using social criteria	8%	11%	5%

⁸⁵ The term Local suppliers refers to suppliers within the same country as the local entity, for example, Italian suppliers for GVS S.p.A., Brazilian suppliers for GVS do Brasil, and so on are considered Local suppliers. In 2022 for Haemotronic Italia, European suppliers were considered Local suppliers.

GRI CONTENT INDEX

GRI content index		
Statement of use	GVS S.p.A. has reported the information cited in this GRI content index for the period 01.01.2023 to 31.12.2023 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures (2021)	2-1 Organization Details	Pag. 9
	2-2 Entities included in the organization's sustainability reporting	Pag. 84-85
	2-3 Reporting period, frequency and contact point	Pag. 84-85
	2-4 Restatements of information	Pag. 43, 45, 72, 90, 92, 102, 105
	2-5 External assurance	Pag. 109-111
	2-6 Activities, value chain and other business relationships	Pag. 6, 9, 13-14, 81-82
	2-7 Employees	Pag. 61-62, 96
	2-8 Workers who are not employees	Pag. 97
	2-9 Governance structure and composition	Pag. 15-18
	2-24 Embedding policy commitments	Pag. 15-18, 30-35, 73, 81
	2-27 Compliance with law and regulations	Pag. 30, 89
	2-29 Approach to stakeholder engagement	Pag. 23-24
	2-30 Collective bargaining agreements	Pag. 62, 67, 97
GRI 3: Material Topics (2021)	3-1 Process to determine material topics	Pag. 25-28
	3-2 List of material topics	Pag. 27-28, 86-88
	3-3 Management of material topics	Pag. 30-31, 40-50, 63-64, 67, 69
GRI 204: Procurement Practices (2016)	204-1 Proportion of spending on local suppliers	Pag. 83, 106
GRI 205: Anticorruption (2016)	205-3 Confirmed incidents of corruption and actions taken	Pag. 31, 89
GRI 206: Anti-competitive Behavior (2016)	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Pag. 31, 89
GRI 207: Tax (2019)	207-1 Approach to tax	Pag. 36
	207-2 Tax governance, control, and risk management	Pag. 36
	207-3 Stakeholder engagement and management of concerns related to tax	Pag. 36
GRI 301: Materials (2016)	301-1 Materials used by weight or volume	Pag. 43, 90
GRI 302: Energy (2016)	302-1 Energy consumption within the organization	Pag. 44, 90-91
	302-3 Energy intensity	Pag. 45, 91
GRI 303: Water and Effluents (2018)	303-1 Interactions with water as a shared resource	Pag. 50

	303-2 Management of water discharge-related impacts	Pag. 50
	303-3 Water withdrawal	Pag. 50, 95
GRI 305: Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	Pag. 46, 92
	305-2 Energy indirect (Scope 2) GHG emissions	Pag. 46, 92
	305-4 GHG emissions intensity	Pag. 46-47, 92-93
GRI 306: Waste (2020)	306-1 Waste generation and significant waste-related impacts	Pag. 48-49
	306-2 Management of significant waste-related impacts	Pag. 48-49
	306-3 Waste generated	Pag. 48-49, 93-94
	306-4 Waste diverted from disposal	Pag. 48-49, 93-94
	306-5 Waste directed to disposal	Pag. 48-49, 94
GRI 308: Supplier Environmental Assessment (2016)	308-1 New suppliers that were screened using environmental criteria	Pag. 82, 106
GRI 401: Employment (2016)	401-1 New employee hires and employee turnover	Pag. 62, 98-100
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pag. 67-68
	401-3 Parental leave	Pag. 69, 101
GRI 403: Occupational Health and Safety (2018)	403-9 Work-related injuries	Pag. 71-72, 101-102
	403-10 Work-related ill health	Pag. 71-72, 102
GRI 404: Training and Education (2016)	404-1 Average hours of training per year per employee	Pag. 65, 102
	404-3 Percentage of employees receiving regular performance and career development reviews	Pag. 66, 103
GRI 405: Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees	Pag. 15-16, 70, 104-105
GRI 406: Non-discrimination (2016)	406-1 Incidents of discrimination and corrective actions taken	Pag. 70, 105
GRI 414: Supplier Social Assessment (2016)	414-1 New suppliers that were screened using social criteria	Pag. 82, 106
GRI 416: Customer health and safety (2016)	416-1 Assessment of the health and safety impacts of product and service categories	Pag. 79-80
GRI 417: Marketing and labeling (2016)	417-1 Requirements for product and service information and labeling	Pag. 79-80

INDEPENDENT AUDITOR'S REPORT



Independent auditor's report on the consolidated non-financial statement

pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 and article 5 of CONSOB Regulation adopted with resolution No. 20267 of January 2018

To the board of directors of
GVS SpA

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 (the "Decree") and article 5, paragraph 1 g), of CONSOB Regulation No. 20267/2018, we have undertaken a limited assurance engagement on the consolidated non-financial statement of the GVS Group for the year ended 31 December 2023, prepared in accordance with article 4 of the Decree, and approved by the board of directors on 26 March 2024 (the "NFS").

Our review does not extend to the information set out in the "European Taxonomy of eco-sustainable activities" paragraph of the NFS, required by article 8 of European Regulation 2020/852.

Responsibilities of the Directors and the Board of Statutory Auditors for the NFS

The directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with the selection of the Global Reporting Initiative Sustainability Reporting Standards updated to 2021 by the GRI - Global Reporting Initiative (the "GRI Standards"), identified by them as the reporting standard.

The directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the GVS Group and to the extent necessary to ensure an understanding of the GVS Group's activities, its performance, its results and related impacts.

Finally, the directors are responsible for defining the business and organisational model of the GVS Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the GVS Group and for identifying and managing the risks generated and/or faced by the latter.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

PricewaterhouseCoopers SpA

Sede legale: Milano 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880135 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: Ancona 60131 Via Sandro Totti 1 Tel. 071 2132311 - Bari 70122 Via Abate Gimma 72 Tel. 080 5640211 - Bergamo 24121 Largo Belotti 5 Tel. 035 229691 - Bologna 40124 Via Luigi Carlo Farini 12 Tel. 051 6186211 - Brescia 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - Catania 95129 Corso Italia 302 Tel. 095 7532311 - Firenze 50121 Viale Gramsci 15 Tel. 055 2482811 - Genova 16121 Piazza Piccapietra 0 Tel. 010 20041 - Napoli 80121 Via dei Mille 16 Tel. 081 36181 - Padova 35138 Via Vicenza 4 Tel. 049 873481 - Palermo 90141 Via Marchese Ugo 60 Tel. 091 349737 - Parma 43121 Viale Tanara 20/A Tel. 0521 275911 - Pescara 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - Roma 00154 Largo Fochetti 29 Tel. 06 570251 - Torino 10122 Corso Palestro 10 Tel. 011 556771 - Trento 38122 Viale della Costituzione 33 Tel. 0461 237004 - Treviso 31100 Viale Felissant 90 Tel. 0422 696911 - Trieste 34125 Via Cesare Battisti 18 Tel. 040 3480781 - Udine 33100 Via Poicolle 43 Tel. 0432 25780 - Varese 21100 Via Albuzzi 43 Tel. 0332 285039 - Verona 37135 Via Francia 21/C Tel. 045 8263001 - Vicenza 36100 Piazza Pontelandolfo 9 Tel. 0444 393311

www.pwc.com/it



Auditor's Independence and Quality Control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. In the period this engagement refers to our firm applied International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintained a comprehensive system of quality control including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed, regarding the compliance of the NFS with the Decree. We conducted our engagement in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the NFS is free from material misstatement. Therefore, the procedures performed were less in extent than for a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and consisted in interviews, primarily of company personnel responsible for the preparation of the information presented in the NFS, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. Analysis of the relevant matters reported in the NFS relating to the activities and characteristics of the GVS Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
2. Analysis and assessment of the criteria used to identify the consolidation area, in order to assess their compliance with the Decree;
3. Comparison of the financial information reported in the NFS with the information reported in the GVS Group's consolidated financial statements;
4. Understanding of the following matters:
 - a. Business and organisational model of the GVS Group, with reference to the management of the matters specified by article 3 of the Decree;
 - b. Policies adopted by the GVS Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - c. Key risks generated and/or faced by the Group with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under point 5 a) below;



5. Understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS.

In detail, we held meetings and interviews with the management of GVS SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of non-financial information to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the GVS Group:

- at a group level,
 - a. with reference to the qualitative information included in the NFS, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidences;
 - b. with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of aggregation of the information.
- for the following companies, GVS SpA e Haemotronic SpA, which we selected on the basis of their activities, their contribution to the key performance indicators at a consolidated level and their location, we carried out site visits during which we met local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the indicators.

Limited Assurance Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the NFS of GVS Group for the year ended 31 December 2023 is not prepared, in all significant respects, in accordance with articles 3 and 4 of the Decree and with the selection of the GRI Standards.

Our conclusion on the NFS of GVS Group does not extend to the information set out in the “European Taxonomy of eco-sustainable activities” paragraph of the Group’s NFS required by article 8 of European Regulation 2020/852.

Bologna, 15 April 2024

PricewaterhouseCoopers SpA

Signed by

Giuseppe Ermocida
(Partner)

This report has been translated from the Italian original solely for the convenience of international readers.



www.gvs.com

