

# Non-Financial Statement 2022





# CONTENTS

Chapter 1	Introduction	4
Chapter 2	The environment	46
Chapter 3	People and Human Rights	72
Chapter 4	Suppliers	92
Chapter 5	Social commitment	96
Chapter 6	Fighting corruption	100
Chapter 7	ESG Data and Policies	106

# CHAPTER 1 Introduction

1.1	Guidelines	4
1.2	Corporate identity	6
1.3	Our Principles	8
1.4	43 years of history	10
1.5	The Value Chain	14
	1.5.1 Business Lines	14
	1.5.2 Processes	16
	1.5.3 Suppliers	16
	1.5.4 Research and Development	18
1.6	Governance	20
1.7	CEO letter to stakeholders	22
1.8	UN Sustainable Development Goals	24
1.9	Taxation	28
	1.9.1 Approach to tax	28
	1.9.2 Tax governance, control and risk management	28
	1.9.3 Stakeholder engagement and addressing tax concerns	28
1.10	Compliance with laws and regulations	30
1.11	Certifications and awards	31
1.12	Stakeholder engagement	32
	1.12.1 Stakeholders	32
	1.12.2 Dialogue	34
	1.12.3 The result of the dialogue	36
1.13	Impact Analysis: Environmental and Social Materiality	40
	1.13.1. Impact analysis process	40
	1.13.2 List of material topics	42
	1.13.3 Management of material topics	43



# 1.1 Guidelines (GRI 2-1; 2-2; 2-3; 2-5)

The purpose of this document is to illustrate what GVS SpA (hereinafter also referred to as "GVS" or the "Group" or the "Company") did in 2022 in connection with environmental, social and human capital topics, respect for human rights, the fight against active and passive corruption and governance, by providing the consolidated non-financial data for the financial year running from 1 January to 31 December 2022. For comparative purposes, by way of reference, data for 2021 and 2020 is also provided, with the latter year already audited by a third party.

The 2022 figures reported in this document refer to the perimeter of the GVS companies already reported in 2021, also including the companies acquired in 2022, i.e. **Shanghai Transfusion Technology Co.Ltd** and **Suzhou Laishi Transfusion Equipment Co.Ltd** (acquired on 28 February 2022) and **Haemotronic SpA**, **Haemotronic de Mexico S DE RL DE CV** and **Htmex Inc.** (acquired on 14 June 2022).

The 2022 data of the acquisitions 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 Legislative Decree 254 of 30 December 2016 and takes as its reference the "Sustainability Reporting Standards" published in 2021 by the GRI (Global Reporting Initiative) and uses the "With-Reference To" approach.

The Non-Financial Statement was approved by the Board of Directors of GVS S.p.A., on 21.03.2023, in accordance with the provisions of Legislative Decree 254/2016.

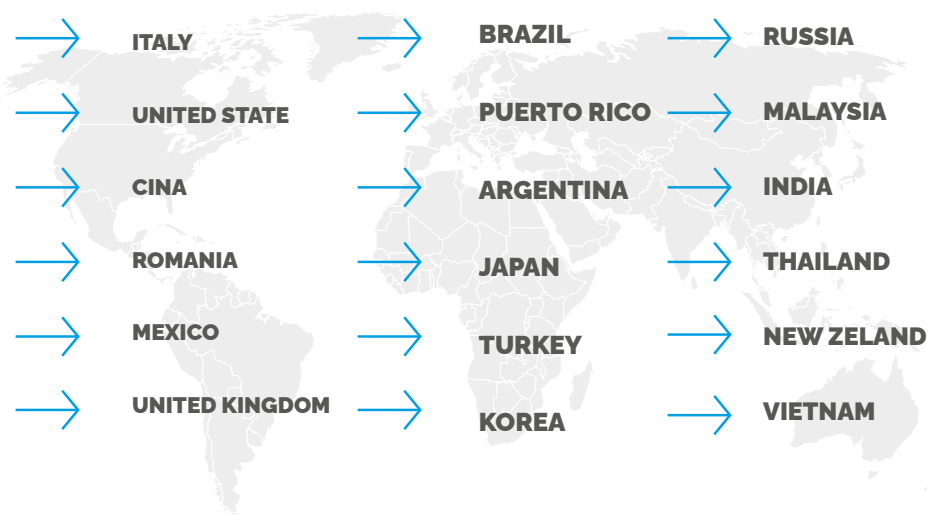
In order to provide an accurate representation of the sustainability performance achieved, priority has been given to the inclusion of directly measurable quantities, avoiding as far as possible the use of estimates, which, where necessary, are based on the best available methodologies or on sample surveys 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 has identified significant social and environmental impacts by means of a risk analysis conducted according to the dictates of GRI 3 - edition 2021.

As will be explained below, the findings of the risk analysis conducted by the Company were confirmed by the outcome of the dialogue with stakeholders on material topics.

In order to collect the data and information regarding the significant impacts that will be subject to reporting, the Company has prepared data collection forms that have been sent to the contacts involved in the various areas, of the Group companies.



The following is a summary overview of the Group companies included in the scope of analysis for preparing this NFS:

- **GVS S.p.A. - Parent Company** - produces and markets products relating to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Sud Srl<sup>1</sup>** manufactures products related to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Filter Technology UK Ltd** manufactures and markets products relating to the *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS do Brasil Ltda** produces and markets products relating to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Technology (Suzhou) Co.** produces and markets products relating to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **Suzhou GVS Trading Co. Ltd.** markets products related to the *Healthcare & Life Sciences* business line
- **Shangai Trasfusione Tecnology Co.Ltd** manufactures and markets products relating to the *Healthcare & Life Sciences* business line
- **Suzhou Laishi Transfusion Equipment Co.Ltd** manufactures and markets products relating to the *Healthcare & Life Sciences* business line
- **GVS North America Inc.** manufactures and markets products related to the *Healthcare & Life Sciences* business line
- **GVS Filtration Inc.** produces and markets products relating to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **Yuyao Yibo Medical Device Co. Ltd<sup>2</sup>** manufactures and markets products relating to the *Healthcare & Life Sciences* business line
- **GVS Microfiltrazione Srl** produces and markets products relating to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Filtre Teknolojileri** markets products related to the *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Korea Ltd** markets products related to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines

- **GVS Japan KK** markets products related to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Russia LLC** markets products related to the *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Argentina S.A.** markets products related to the *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Filter Technology de Mexico S. de. R.L. de C.V.** produces and markets products relating to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Puerto Rico LLC.** manufactures and markets products relating to the *Healthcare & Life Sciences* business line
- **GVS Filter India Private Limited** markets products related to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **Gvs Filtration SDN. BHD.** markets products relating to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS Filtration Co.Ltd** markets products related to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **GVS VIETNAM LLC<sup>3</sup>** markets products related to the *Energy & Mobility*, *Healthcare & Life Sciences* and *Health & Safety* business lines
- **Abretec Group LLC** manufactures and markets products relating to the *Health & Safety* business line
- **RPB Safety Limited** mainly carries out research and development of products related to the *Health & Safety* business line
- **Goodman Brands LLC<sup>4</sup>** markets products relating to the *Health & Safety* business line
- **Haemotronic SpA** manufactures and markets products relating to the *Healthcare & Life Sciences* business line
- **Haemotronic de Mexico S DE RL DE CV** manufactures and markets products relating to the *Healthcare & Life Sciences* business line
- **Htmex Inc.<sup>5</sup>** markets products relating to the *Healthcare & Life Sciences* business line

<sup>1</sup> On 31.12.2022 the merger between GVS Spa and GVS Sud took place, in this reporting the two units are reported separately.

<sup>2</sup> Yuyao Yibo Medical Device Co. Ltd the production plant was closed at the end of 2021 we only have an active licence.

<sup>3</sup> GVS Vietnam LLC. as at 31.12.2022 the address refers to a virtual office and there are no employees for this reason it will not be accounted for.

<sup>4</sup> Goodman Brands LLC the address refers to a virtual office and there are no employees for this reason it will not be accounted for.

<sup>5</sup> Htmex Inc. the address refers to a virtual office and there are no employees for this reason it will not be accounted for.



The independent audit of the Non-Financial Statement was entrusted to 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.C.10, Legislative Decree 254/2016 and Article 5 CONSOB regulation adopted with resolution no. 20267 of January 2018. The Report is attached to this document.

For information on this NFS, please refer to:

Roberta Frulla - Sustainability Manager

[e-mail: roberta.frulla@gvs.com](mailto:roberta.frulla@gvs.com)



## 1.2 Corporate identity

GVS S.p.A. is an Italian company based in Zola Predosa (Bologna), leader in the supply of advanced filtration solutions for critical applications in various highly regulated sectors.

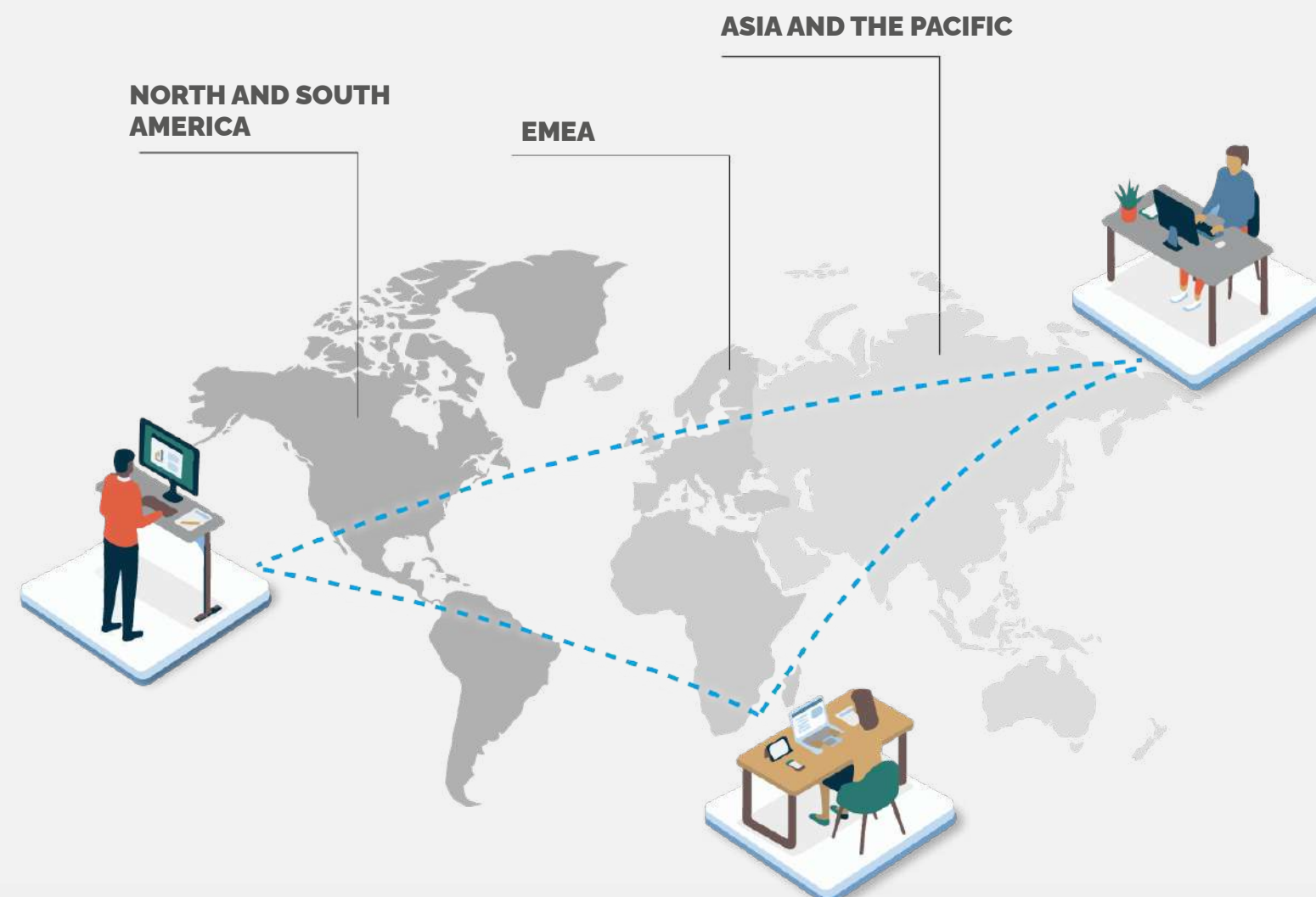
The Group operates through the following business divisions: Healthcare & Life Sciences, Energy & Mobility and Health & Safety.

The Group is structured as follows:

- The **Headquarters**, the decision-making and administrative centre and seat of the board of directors, where the Group's strategies are defined, is located in Italy (Bologna) at the GVS Spa headquarters;
- **(19) production plants** located in Italy (5), United Kingdom (1), Brazil (1), United States (5), China (3), Mexico (2), Romania (1) and Puerto Rico (1);
- **(10) sales offices** located in Argentina, Russia, Turkey, Japan, Korea, Malaysia, India, Thailand, Vietnam, China, New Zealand and the United States;
- number of employees of approximately **4,869** excluding temporary workers.

Since it was first established, GVS has always paid great attention to the constant improvement of the quality of its products and to the innovation of its production processes in order to effectively support its clients in the development and implementation of their projects.

Since its origins, GVS 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.



## 1.3 The Principles



GVS undertakes to comply with the laws and regulations of the countries in which it operates and to operate according to the general principles listed in the Code of Ethics, to which the Group adheres in carrying out its activities:

### Integrity:

we are guided by our Code of Business Conduct and Ethics at all levels of the company. We are honest and responsible in all our business interactions and in all our relations with stakeholders. We apply our code of ethics to the entire value chain, from our suppliers to our end customers. We refuse and firmly 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.

### Sustainability:

we believe that long-term value creation can only be achieved through sustainable business from an economic, social and environmental perspective.



### Honesty:

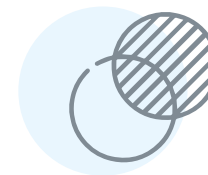


we refuse to pursue personal or business interests in violation of civil or ethical standards.



## Protecting your Life's Best Moment It's a Purpose and a Vision of Life

### Transparency:



we opt for the utmost transparency in communications and information given out by the Company, 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 GVS or third party information and always adopting a discreet and unobtrusive behaviour in the performance of duties.



# 1.4 43 years of history

In more than 40 years, GVS has transformed itself from a supplier of components for the healthcare sector to a global Group providing advanced filtration solutions for critical applications in various highly-regulated sectors.

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.

Below is an outline of the main steps of the Group's growth:

Between **1983** and **1990** the *Energy & Mobility* division was created and the Group opened two more plants in Montevoglio and Zola Predosa (Bologna);

**From 2000 to 2020 - GVS worldwide**  
**The second phase of internationalization takes place in the early 2000s: in 2001** the private equity fund B Group acquires a minority share (about 20%) of GVS - a share then repurchased in 2006 by the Scagliarini family - in order to promote and support the growth of the Group, with the opening of new sales offices in China, the United States and Mexico and new production plants in Italy at Manocalzati (AV) and the USA. In **2004** GVS opens the new commercial office in Guadalajara, Mexico. In 2007 the Brazilian production plant doubled its production capacity and between **2007** and 2009 the Group acquired new companies in China, Spain, Italy and the United Kingdom.



**From 1979 to 1999 - The birth and first steps of the growth path**  
In **1979**, Grazia Valentini - with the support of her father Renato, one of the first Italian designers of insert moulds - founded GVS, initially engaged in the production of medical filters for blood treatment;

In the period between **1993** and **1999**, GVS embarked on **the first phase of internationalisation**, opening three factories in Belgrade, Buenos Aires and San Paolo respectively, with the intention of expanding into new markets and increasing its production capacity;

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 SpA (a stake which was then repurchased in 2015).

Between **2012** and **2015**, the Group launched its third phase of expansion by acquiring companies and opening new production facilities in Italy, Romania, China, Puerto Rico, Japan, the United Kingdom, the United States, Korea and Russia;

In **2017** GVS acquires the U.S. Kuss Group, active globally in the production and marketing of strainer filters for the automotive, sport & utility and off-road sectors.

**2020 stock exchange listing**  
On 19 June 2020, the Company completed the listing process on the MTA market of Borsa Italiana. During the first half of 2020, GVS Group, through its subsidiary GVS Filter Technology de Mexico S. de R.L. de C.V., completed the acquisition of a business related to products of the Life Sciences business. In addition, towards the end of the first half of the year, it signed a contract to acquire the equity investment in Haemonetics Puerto Rico LLC, a company operating in the Healthcare business;

**In 2022**  
GVS acquired 100% of the share capital of the Italian group Haemotronic, which specialises in the production of disposable medical devices used in support of advanced medical technologies, whose products are mainly used by companies operating in the hospital sector (hospitals, clinics, home care), pharmaceuticals and research centres.

Also during the year, the Group completed the acquisition of Shanghai Transfusion Technology (STT), a Chinese player specialising in the production of blood bags and transfusion sets, which are sold in major haematology centres and hospitals in China.

The year 2022 also saw GVS engaged in the reorganisation and restructuring of its production sites, a process that is to continue throughout 2023, with the aim of rationalising processes and increasing the group's profitability, always with a view to sustainability. This led to the merger of GVS Spa with GVS Sud in December.



In addition, 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 **2019**, GVS builds a new production facility in Mexico through its subsidiary GVS Filter Technology de Mexico S. de R.L. de C.V.

The GVS Group, which has shown a strong tendency to develop in global markets since its inception, in 2021 completed the opening of sales offices in India, Thailand and Malaysia. The acquisition by GVS of 100% of the RPB group, an American player specialised in the design and production of respiratory protection, is part of this context of development on international markets. The purpose of this operation is to complete GVS's product range in the field of professional masks and to acquire technical know-how.

# 18 M&A TRANSACTIONS SINCE 2009

🔍 Increase of production capacity and strengthening of presence in China, United Kingdom and North America.

🔍 Strong M&A team with track-record of execution and successful integration





## 1.5 The Value Chain (GRI 2-6)

### 1.5.1 The Business Lines

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 our customers. Flexibility, quality and attention to detail are the Group's strengths, which have enabled it to develop the 3 business areas through which it operates, focusing on a “*Local For Local*” approach to the customer and bringing the uniqueness of its technical production know-how to the world.



**We Make it Happen!**



We bring innovation in Healthcare using Science

**63% turnover**



### Healthcare & Life Sciences

GVS manufactures a wide range of filters and components covering numerous gas/air and liquid filtration applications (filters for breathing and anaesthesia, surgery, insufflation, suction and ventilation and for drug delivery, parenteral nutrition, transfusion and haemodialysis).

A major contribution to the development of Healthcare products is provided by the GVS Scientific Laboratory, accredited by the Italian Ministry of Research (MIUR), which supports the company divisions in research and development, working in synergy with numerous national and international hospitals and universities. The Laboratory division can also carry out projects on an OEM (Original Equipment Manufacturer) basis, working closely with companies around the world to provide cutting-edge solutions or finished products, for example, for medical devices, diagnostics, food & beverage or environmental monitoring.



We promote Health and Safety in the most critical environments

**17% turnover**



### Health & Safety

We manufacture a wide range of air filters used in the field of respiratory protection as well as a wide range of filters for industrial and commercial applications (e.g. molecular filtration products that trap chemicals, environmental contaminants and odours).

GVS also offers complete filter maintenance services, energy and air quality diagnostics.



We bridge reliability with tomorrow's technology

**20% turnover**



### Energy & Mobility

The GVS Group is one of the world's leading manufacturers of filter solutions for the Energy & Mobility sector; GVS produces filters for the vast majority of applications on all types of vehicles, both current and new (hybrids, electric, hydrogen), as well as filtration solutions for Green energy, Batteries and Hydrogen.

Thanks to its numerous Development Centres around the world and a global network of production facilities, GVS Energy & Mobility successfully meets the needs of its customers on an international scale, guaranteeing constant support from the development phase to product design, from prototype realisation to industrial production, carried out with the most modern and competitive techniques and a strong focus on innovation.



## 1.5.2 Processes

GVS acquires plastic resins and polymers from the market to transform them with its own processes into filter materials and subsequently into finished filters.

The manufacturing processes convert the filter media we produce into formats suited to the specificity of the finished filter, while the transformation of plastic resins enables the components to be turned into filters. Assembly systems aggregate filters, components and filter materials into systems ready for final use or to be incorporated into larger systems.

The Local for Local approach makes products available to customers while minimising supply chain costs.

The business is mainly B2B, with goods made available to customers at GVS locations, which act as distribution centres. The B2C customer is served via an external distribution network and directly through e-commerce systems.

## 1.5.3 Suppliers

Always aware of the importance of the supply chain, GVS has created close relationships with its suppliers both globally and locally. Suppliers are a fundamental part of the Group's production process, and GVS undertakes to require them to respect behavioural principles corresponding to its values and to social and environmental best practices. The Group mainly chooses local suppliers, pursuing economic and social responsibility objectives.

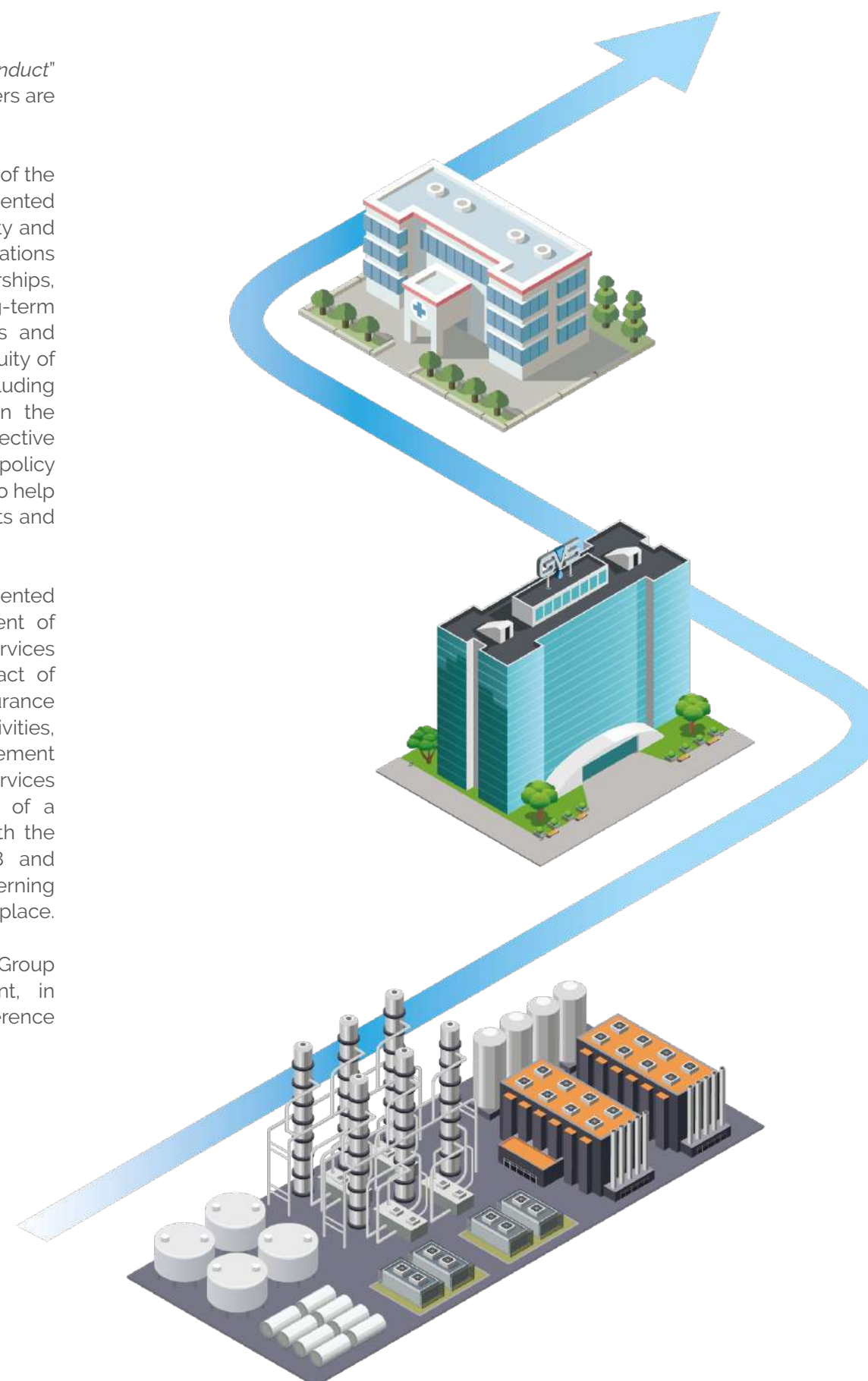
One of the most important topics resulting from the 2022 survey of the Group's suppliers is the risk of non-compliance by these suppliers with sustainability topics deemed essential for the Group, including respect for human rights, environmental protection, occupational health and safety and anti-corruption.


To this end, the GVS *"Supplier Code of Conduct"* was drawn up in 2022, to which all our suppliers are required to adhere.

With regard to the responsible management of the supply chain, 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, with solid financial foundations and great reliability in terms of quality and continuity of production. The Group is oriented towards including specific environmental and social criteria in the evaluation of suppliers, with the future objective being to disseminate a *"green purchasing"* policy and establish multi-channel communication to help suppliers improve the quality of their products and services from a sustainability standpoint.

The parent company GVS S.p.A. has implemented 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, approved by the Quality Assurance department. The purpose is to define the activities, methods and roles involved in the management of suppliers to whom contracted works, services and/or supplies are entrusted, by means of a works or supply contract, in compliance with the requirements of Legislative Decree 81/08 and subsequent amendments and additions concerning the protection of health and safety in the workplace.

Similar procedures are adopted by the other Group companies for supply chain management, in compliance with the respective national reference regulations.



 The Group is oriented towards including specific environmental and social criteria in the evaluation of suppliers, with the future objective being to disseminate a *"green purchasing"* policy and establish multi-channel communication to help suppliers improve the quality of their products and services from a sustainability standpoint.



Find out more about our  
"Code of Ethics"

## 1.5.4 Research and development

R&D activities are at the heart of GVS's business model, with research expenses reaching 6% of revenues in 2022, equally divided in order to improve processes and products. The Group has 9 research centres around the world, with 118 highly qualified employees supervised by a global coordinator.

The development process depends on the complexity of the project, and results in continuous monitoring and economic evaluation until release into production. The R&D process involves a succession of 4 phases: quotation, feasibility, R&D, and the industrial phase.

The quotation consists in the conception of the product, the collection of essential information such as its specifications, the reference market and the target price;

Feasibility includes technical analysis of materials, benchmark competitors and identification of potential raw materials. 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;

Product development is the core phase of the process, where tests are performed on the required specifications and the prototype is made;

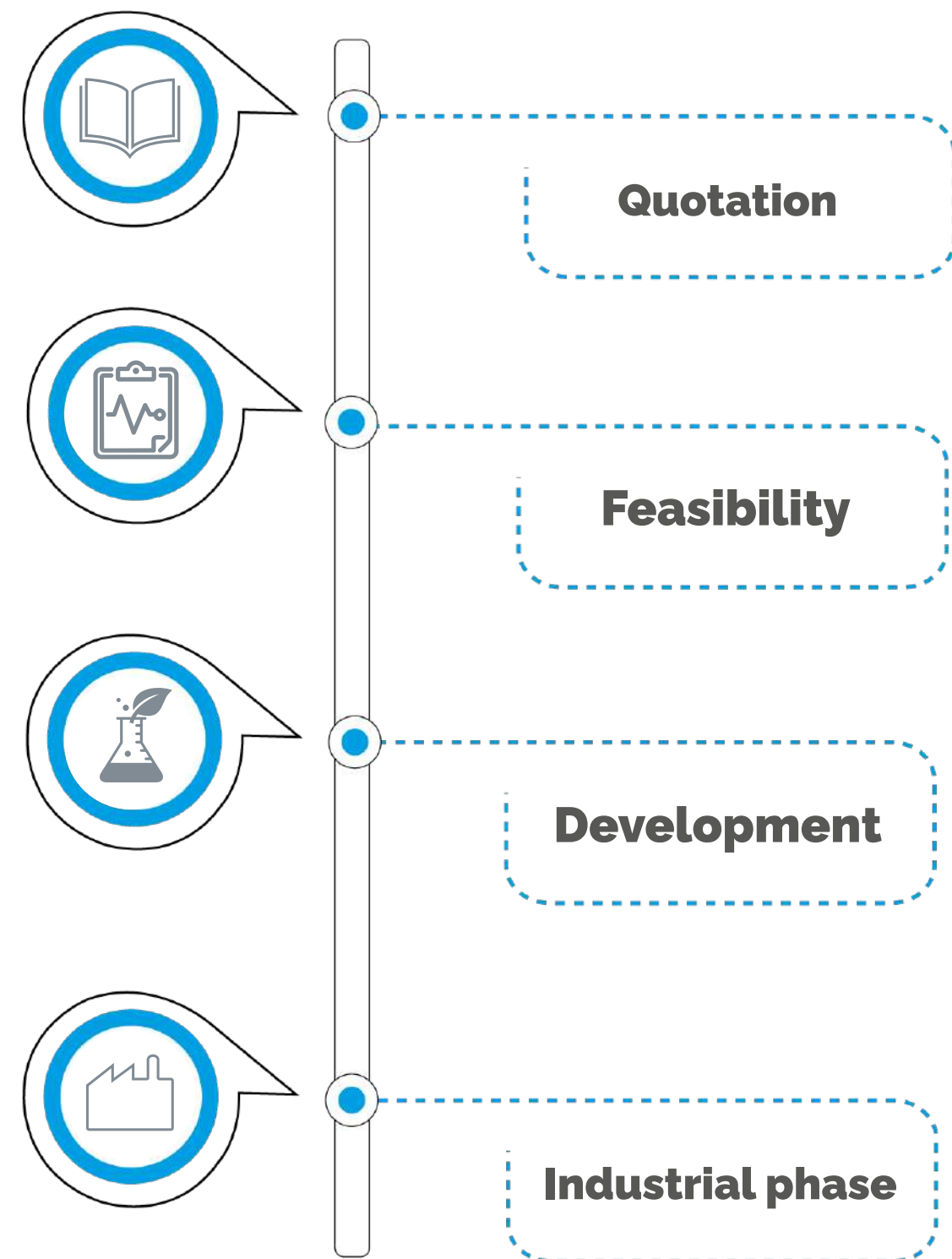
The low scale industrial phase is used when industrial samples are needed to test the product without large investments or when there are time constraints. In this phase, the same materials, specifications and technology are used as in the high industrial phase, which also meets the economic requirements of the project.

GVS's product development process is focused both on seizing opportunities from customers for customised solutions and on developing an independent product portfolio consistent with GVS's multi-year development plan.

In the area of proprietary products, GVS filed two invention patent applications in 2022: one for a valve used in healthcare systems and one for materials used in the production of green hydrogen, for the Energy & Mobility division.

To ensure the sustainability of its products, GVS pays attention to production technologies that use environmentally friendly materials and require intelligent use of energy. In this area, GVS has international collaborations with companies and research institutions, such as participation in European Community-funded consortia, for example for the development of environmentally-friendly polymeric membranes for use in energy-efficient filtration systems (Project Measured "Membrane scale-up for chemical industries")<sup>6</sup>.

The investment programme is part of the wider strategy of production and commercial growth of the GVS Group, which envisages significant expansion in the Bologna area and in other key areas at a global level.



<sup>6</sup> Call ORIZON - CL4-2022-RESILIENCE-01-14 (ID 1010918087).

9 research centers around the world

118 highly qualified employees

6% of revenues invested in Research and Development in 2022



# 1.6 GVS Governance (GRI 2-9)

GVS maintains the highest standards of corporate governance and ensures that its decision-making process incorporates its values and ethics, operating according to a robust set of rules, practices and processes as required by Law 231/2001.

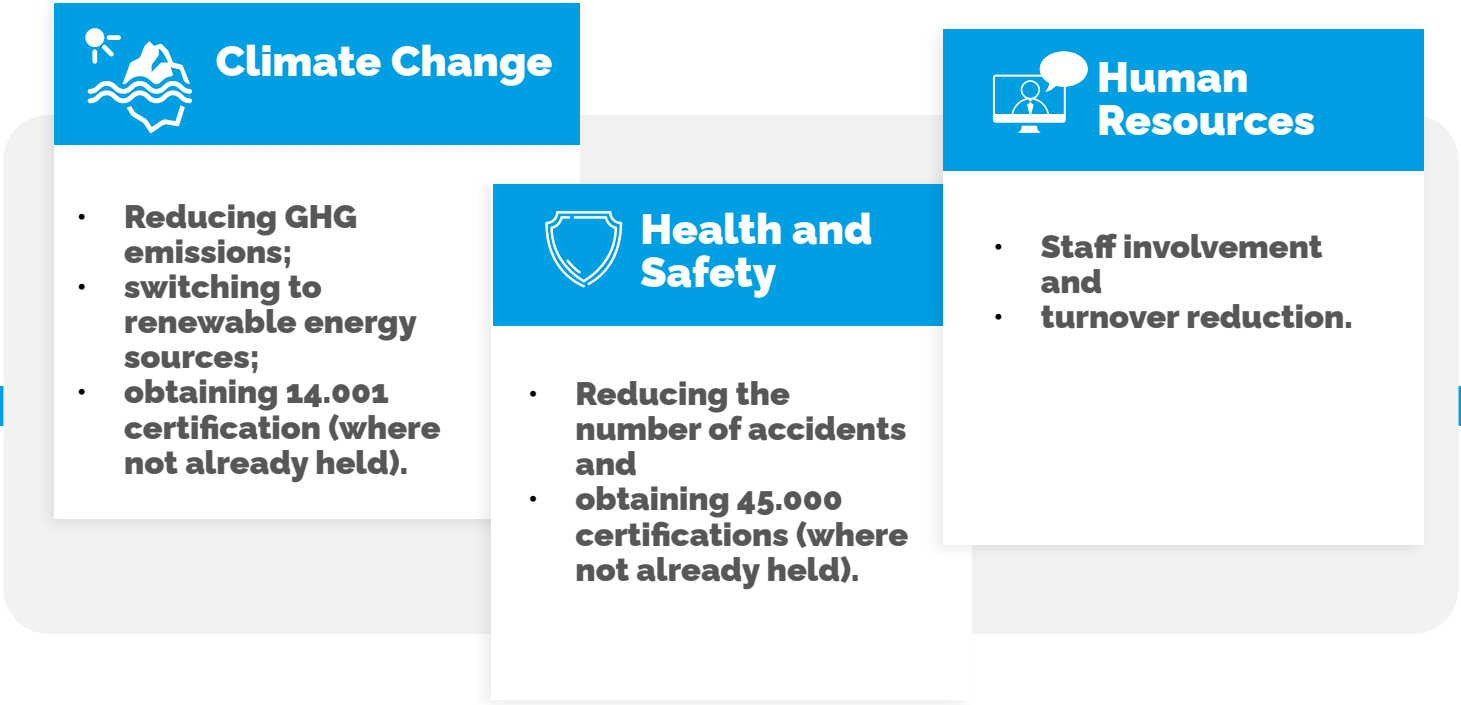
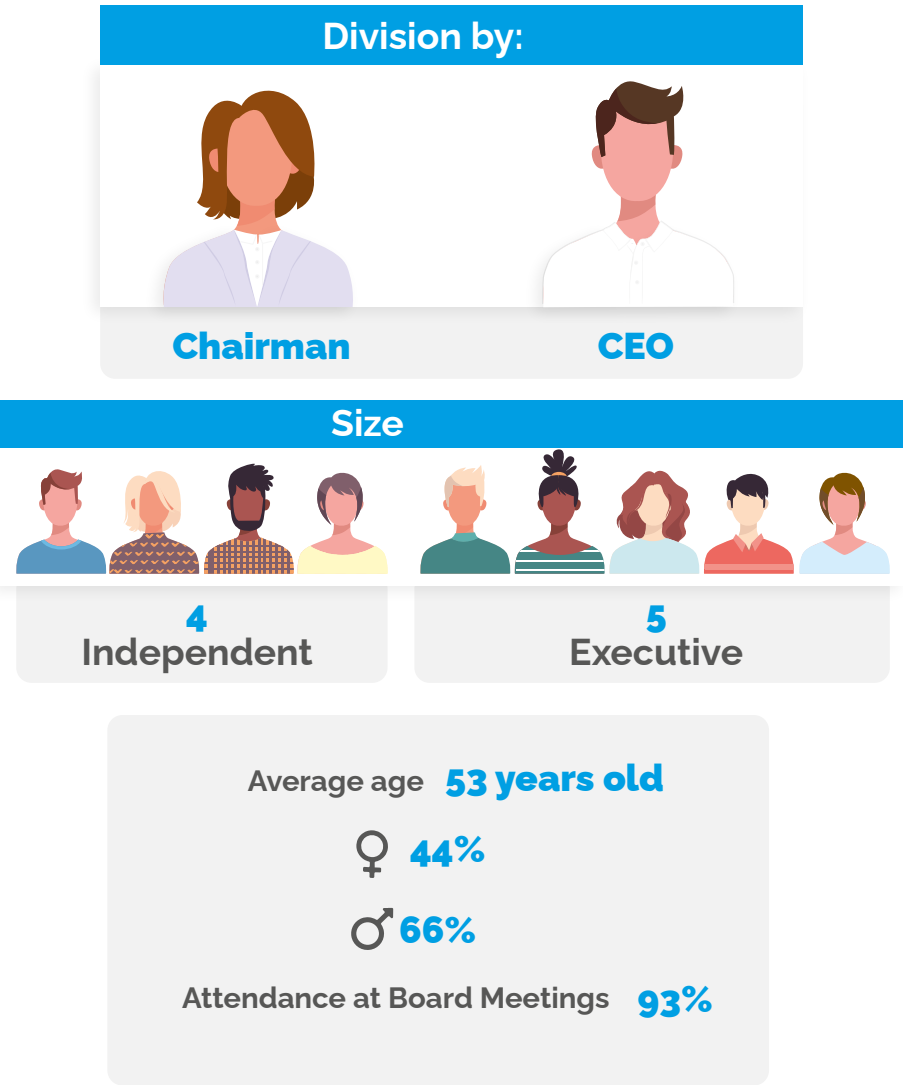
The Board of Directors has the primary responsibility for promoting the short- and long-term success of the company and sets the standards of conduct for the company.

There are also two permanent committees: the Appointments and Remuneration Committee and the Control, Risk and Sustainability Committee ("CCRS"), whose task is to support the Board of Directors in their areas of competence.  
Further information can be found on the GVS website in the Corporate Governance section.

The Board of Directors approves the necessary procedures, ESG policies and investments and is responsible for defining the company's ESG strategy.

ESG targets, linked to our impact GRIs (as described in paragraph 1.13 of this report) are cascaded to the General Manager of each entity and reviewed quarterly by the Group Chief Operating Officer ("COO").

The objectives are both short-term and long-term, in order to ensure a gradual achievement of the long-term strategy, and mainly related to the following material topics:



Manager Corporate ESG prepares and disseminates to the entire Group on a quarterly basis the "ESG Report", which illustrates the performance of GRI indicators at the date of publication and ensures maximum employee awareness and involvement in sustainability topics.

## 1.7 CEO letter to stakeholders

*In the past year, marked by the instability of the financial markets and the dramatic consequences of the war so close to us, the people of GVS have faced the difficulties that have emerged in the new economic and social context with determination, demonstrating not only resilience, but also the ability to adapt in continuing the path of growth and creating an even more solid and successful company, although proudly rooted in its roots.*

*We have moved out of our comfort zone, engaging in new technological challenges (such as green membranes, green hydrogen membranes, filters for electric vehicles, tracheostomy humidifiers and cell culture bag systems), entering new markets and significantly increasing our size through new acquisitions.*

*We are visionary and at the same time thoughtful and responsible. We want to create a sustainable future, determined to contribute innovative products to the well-being of society and reduce the impacts of our activities on a global scale.*

*The protection of people's health and safety has always been GVS's raison d'être, which we further strengthen by adhering to the 10 principles of the UN Global Compact, knowing that a sustainable approach improves business performance and competitiveness in the long term, ensuring greater inclusion and equality.*

*We are creating our own story, we believe in our choices and we are proceeding determinedly, step by step, driven by our motto 'We Make it Happen'.*

*We firmly believe that what we have achieved and what we will achieve will bring significant and lasting benefits to those who work with us and to the community.*

*I would like to take this opportunity to once again thank the GVS team and all stakeholders for their valuable cooperation and support in addressing the challenges we encounter along the way.*

**Massimo Scagliarini**  
GVS Chief Executive Officer

## CHIEF EXECUTIVE OFFICER





# 1.8 UN Sustainable Development Goals


Since 2021, the Group has been committed to making the UN Global Compact and its principles part of the company's strategy, culture and day-to-day operations and to engaging in collaborative projects that promote the broader sustainable development goals of the United Nations.

"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  
GVS Chief Executive Officer




The three pillars of the GVS sustainable strategy are:



## Strategic Pillars



## Responsible Innovation

With our products, used in applications where Safety and Well-being are key factors, GVS contributes to a future where Good Health is a target that is universally accessible.

While innovating, we are committed to respecting the environment and offering people an inclusive workspace where ideas are born from diversity.



## Ecological transition

We are convinced that corporate sustainability stems from the respectful use of natural resources and the transition to renewable energy as a means of combating climate change.

Our entire team is committed to taking synergic actions to achieve Zero Emissions.



## Enhancing people


The GVS Group implements a set of initiatives with the main aim of enabling employees to work to the best of their ability.

GVS has identified five priority goals within the seventeen identified by the United Nations: Industry, innovation, and infrastructure (SDG9); Responsible consumption and production (SDG12); Climate action (SDG13); Good health and well-being (SDG3); Decent work and economic growth (SDG8).



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

Promoting safety and wellness, innovating healthcare through science, and combining reliability with tomorrow's technology are GVS's commitments to sustainable industry innovation and good health as a universal right. GVS promotes and guarantees a serene and safe working environment, based on respect for people, solidarity, non-discrimination of any kind and careful observance of the law and regulations.



- 8 - Decent work and economic growth**

GVS is firmly convinced of the value of human resources for the development of the entire Group. In defining the organisational development and empowerment of the different corporate functions, we designed and implemented an incentive system based on shared objectives and individual evaluation. The entire process aims to create a business environment, in which employees maintain a high level of motivation and satisfaction.




- 9 - Industry, innovation and infrastructure**

GVS considers innovation one of the pillars of its strategy. Continuous process improvement, with a focus on energy consumption, and waste minimisation are key success factors for GVS.



- 12 - Responsible consumption and production**

GVS takes care of the natural resources used in its production process, favouring renewable energy and minimising the consumption of water and non-recyclable waste.



- 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 provides a reference for setting and evaluating environmental objectives and targets. GVS is very active in raising the awareness of its employees to reduce the environmental impact of CO<sub>2</sub> emissions, and a gradual conversion of the company fleet to only electric or hybrid cars started in 2022.



## 1.9 Taxation ( GRI 207-1; 207-2; 207-3)

### 1.9.1 Approach to tax

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 always supported by tax advisors:

- Italy, USA, China, Romania, Mexico, UK, Brazil, Puerto Rico, Argentina, Japan, Turkey, Korea, Russia, Malaysia, India, Thailand, New Zealand and Vietnam.

### 1.9.2 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 IPO procedure.

With a view to reducing the tax burden, in compliance with current regulations, GVS SpA 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

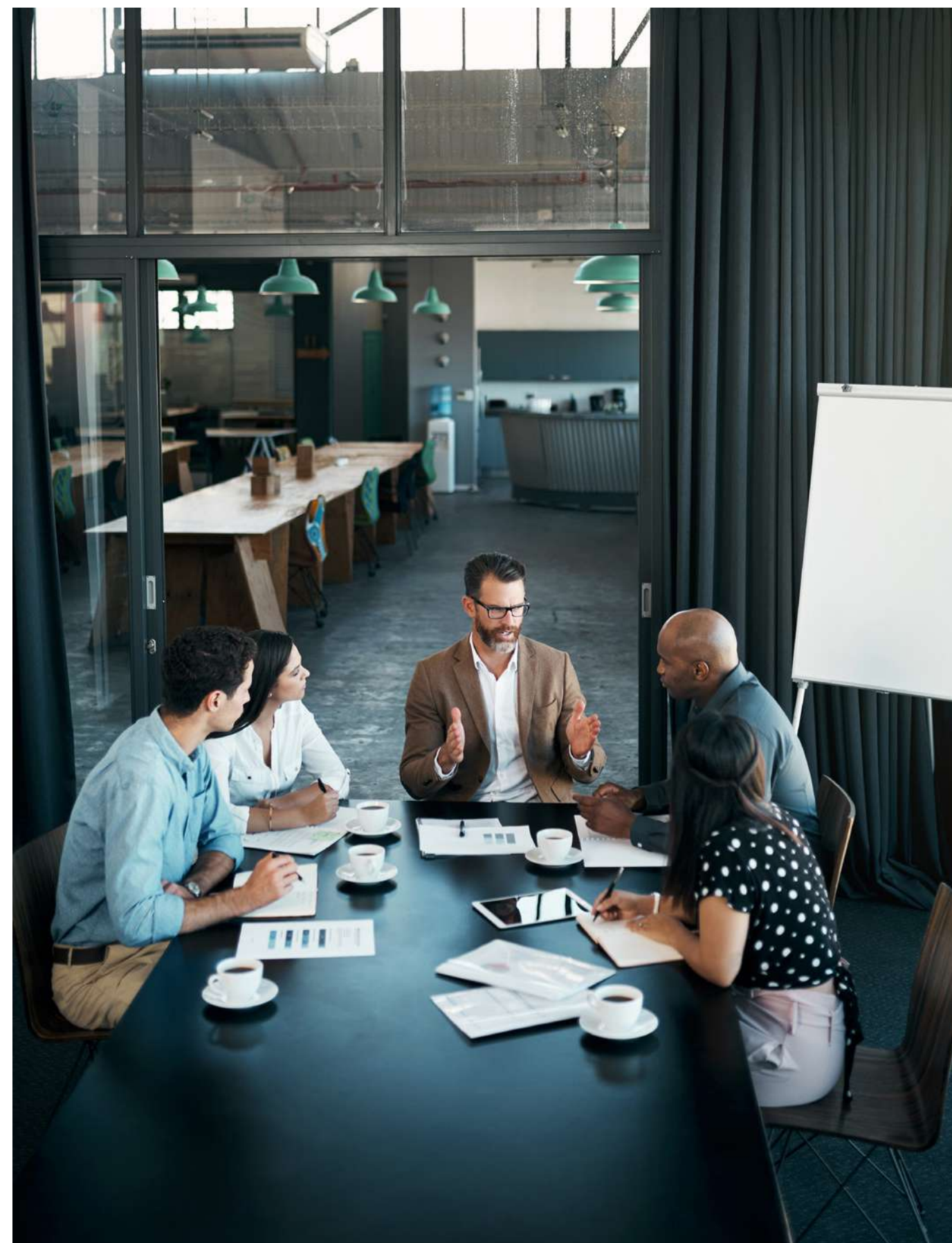
requirements. In fact, the process of determining taxes derives from a true and fair view of the financial statements, in accordance with the relevant accounting standards.


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 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.

### 1.9.3 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.



 GVS obtained the first certifications in 1995 and today the Group and its plants hold numerous certifications globally.

# 1.10 Compliance with laws and regulations

(GRI 2-7)

Laws and regulations may be issued by various local, regional and national bodies, such as governments, regulatory authorities and public agencies. Compliance and adherence to laws and regulations is a fundamental aspect of running a business and has a direct effect on the Group's ability to maximise its results.

In 2022, there were no significant cases of non-compliance with laws and regulations and no fines were paid during the period from 1 January 2022 to 31 December 2022.

# 1.11 Certifications and awards

Quality, Environment, Health and Safety Certifications

Acknowledgements



GVS GROUP			
	ENVIRONMENT	QUALITY'	HEALTH AND SAFETY
ITALY	EMAS 2019 - GVS Sud  ISO 14001 2015 - GVS S.p.A.  ISO 14001 2015 - GVS Sud	IATF 16949 2016 - GVS S.p.A.  IATF 16949 2016 - GVS Sud  ISO 9001 2015  ISO 13485 Med	ISO 45001 2018 - GVS S.p.A.  ISO 45001 2018 - GVS Sud
UK	ISO 50001:2018  ISO 14001:2015	ISO 9001 2015  ISO 13485:2016	Safe Contractor Accreditation  ISO 45001:2018
ROMANIA	ISO 14001	ISO 9001 2015  ISO 13485:2016  IATF 16949 2016	ISO 45001:2018
USA	ISO 14001: 2015 GVS North America - Sanford, ME  ISO 14001:2015 GVS Filtration - Findlay, OH  ISO 14001:2015 GVS Filtration - Bloomer, WI	IATF 16949:2016 GVS North America - Sanford, ME  ISO 13485:2016 GVS North America - Sanford, ME  IATF 16949:2016 GVS Filtration - Findlay, OH  ISO 9001:2015 GVS Filtration - Findlay, OH  ISO 13485:2016 GVS Filtration - Findlay, OH  ISO TS 16949:2016 GVS Filtration - Bloomer, WI  ISO 9001:2015 GVS Filtration - Bloomer, WI  ISO 13485:2016 GVS Puerto Rico, PR  ISO 9001, GVS North America - Sanford, ME  ISO 9001, GVS RPB, MI	
CHINA	ISO 14001 2015	IATF 16949:2016  ISO 9001 2015  ISO 13485 2016	ISO 45001:2018
MEXICO		ISO 9001 2015  ISO 13485:2016  IATF 16949 2016	
BRAZIL	ISO 14001	NBR ISO 9001  IATF 16949:2016	
















# 1.12 Stakeholder Engagement (GRI 2-29; 3)

## 1.12.1 Stakeholder

In 2022, GVS updated the definition of stakeholders in light of the GRI standard issued in 2021 and below: "Stakeholder is an individual or group that is or could be affected positively or negatively by the organisation's activities".

We have reclassified our stakeholders into 14 Classes.

	<b>1) Public Administration</b> In its relations with the Public Administration, GVS maintains conduct which complies with the provisions of Legislative Decree 231/2001, in order to prevent the commission of the offences contained therein.
	<b>2) Regulatory Bodies</b> The Group ensures full compliance and adherence to current national and international regulations. GVS is subject to controls by the institutions and the Antitrust and Market Regulatory Authorities, showing active collaboration and ensuring the utmost transparency. Likewise, with regard to its product portfolio, the Group is in continuous dialogue with the relevant sectoral regulators.
	<b>3) Suppliers</b> GVS bases its relationship with suppliers on close cooperation and observance of the principles of loyalty, integrity, confidentiality, transparency and professionalism. Suppliers are selected and evaluated according to defined methods and criteria (professionalism, quality of collaborators and correctness in carrying out activities) and adhesion to our <a href="#">"Supplier Code of Conduct"</a> .
	<b>4) Shareholders and investors</b> The Group's interest coincides with that of its shareholders and investors: the growth of corporate value and the concrete commitment to sustainability goals. GVS intends to encourage the utmost transparency towards investors and the financial community, by building, maintaining and developing an active relationship of trust with them, which will bring benefits both to investors and to the Company. Dialogue with Shareholders and investors is entrusted to the Investor Relations Department and guaranteed by the <a href="#">"Policy for the management of dialogue with the general public and other interested parties"</a> , which governs the methods by which GVS S.p.A. intends to manage dialogue with current and potential Shareholders and with other interested parties, in order to implement Recommendation 3 of the Code of Corporate Governance, also taking into account the engagement policies adopted by institutional investors and asset managers.
	<b>5) Financial institutions</b> 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.

	<b>6) Employees and partners</b> The Group shows constant attention to the well-being and professional and personal fulfilment of its employees. There is a constant commitment on the part of the company to building employment stability for its employees, meritocratic remuneration policies and incentive systems. The company culture is based on the protection of the health and safety of employees, as well as the inclusion and enhancement of diversity.
	<b>7) Trade associations</b> GVS actively consults with trade associations, which represent a key to understanding best practices and regulatory provisions governing the activities of the sector in which the various companies of the Group operate.
	<b>8) Academic world</b> 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. These activities emphasise the relationship between the economy, society and universities as fundamental institutions of scientific and cultural development in the country, being primarily responsible for the dissemination and sharing of knowledge.
	<b>9) Local communities</b> Local communities play an important role for GVS, which continually promotes the building of close ties with local communities in the countries in which it operates, working together to promote sustainable development. The relationship with the community is made concrete on the one hand through dialogue with the local authorities and on the other through participation and promotion of projects and initiatives to support the territory.
	<b>10) Non-profit organisations</b> The Group supports various organisations and associations for scientific and social research, while also paying attention to local charitable and non-profit organisations.
	<b>11) Competitor</b> Relations with competitors are fundamental for the definition of common strategies, for the consolidation of sector policies and for the protection of free competition.
	<b>12) Agents</b> GVS works with a group of commercial agents, operating in compliance with and observing the Group's principles of loyalty, integrity, confidentiality, transparency and professionalism.
	<b>13) Distributors</b> GVS collaborates, mainly in the Health&Safety division and in the Life & Sciences sub-division, with the main distributors in the sector, operating in respect and observance of the Group's principles of loyalty, integrity, confidentiality, transparency and professionalism.
	<b>14) Customers</b> Over the years, strategic relationships have been defined with its business partners in terms of product and service quality, proper environmental management and adequate working conditions. The focus on the principles of fairness and honesty in market practices ensures a transparent and long-term relationship between the Group and its customer base.

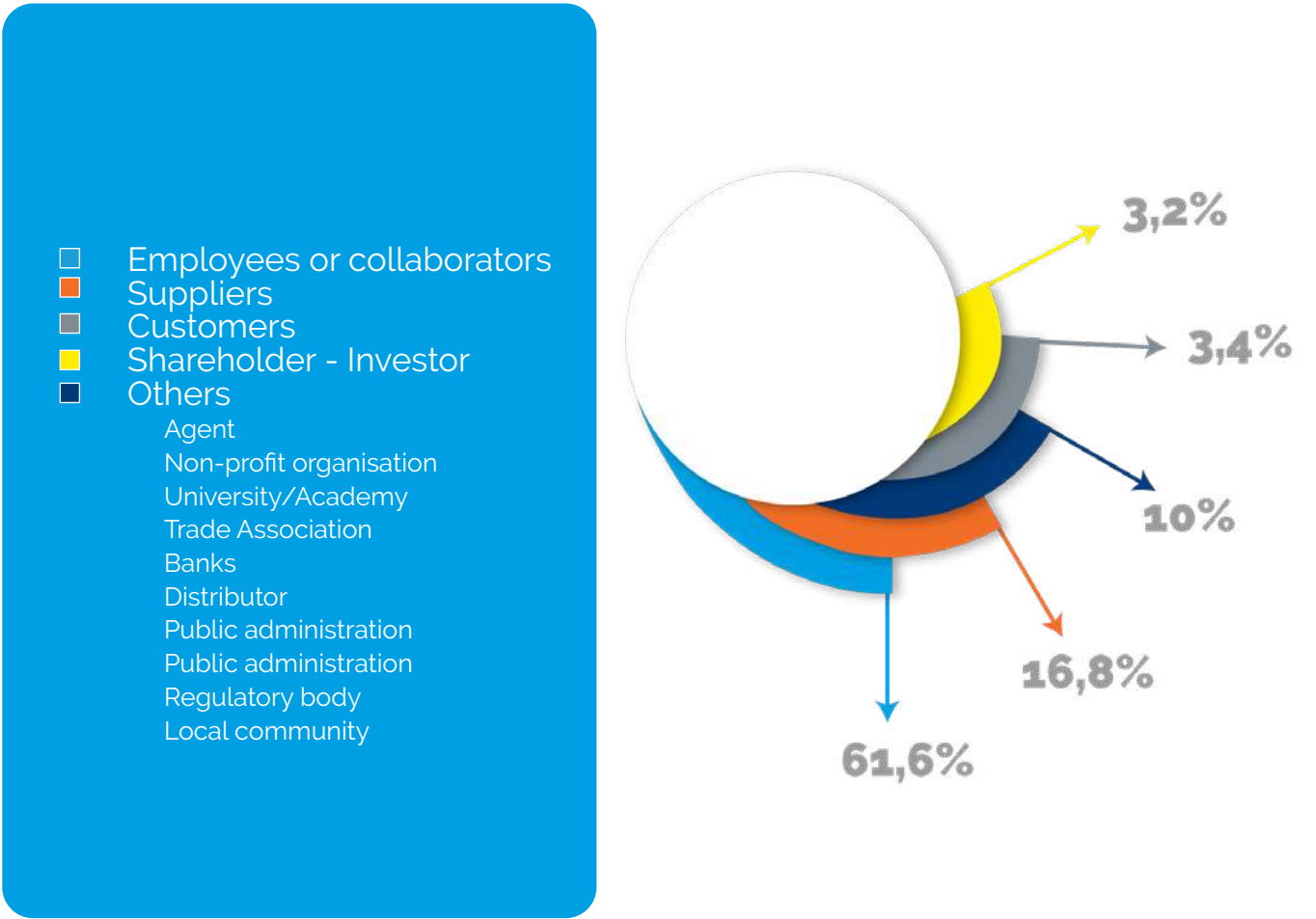


1.12.2 Dialogue

In its growth GVS has realised the importance of maintaining a continuous, open and dynamic dialogue with Stakeholders in order to enhance the common good and its competitiveness.

In 2022, GVS launched a sample survey of the 13 Stakeholder classes, excluding only the Competitor class. The survey was aimed at understanding the priority ESG topics for Stakeholders, starting with the material topics identified in 2021. All top management was involved in the identification of priority ESG topics for GVS to be evaluated by our Stakeholders. Subsequently, the survey questionnaire was drawn up and sent to the stakeholders.

Below is a breakdown of responses by class of Stakeholder:



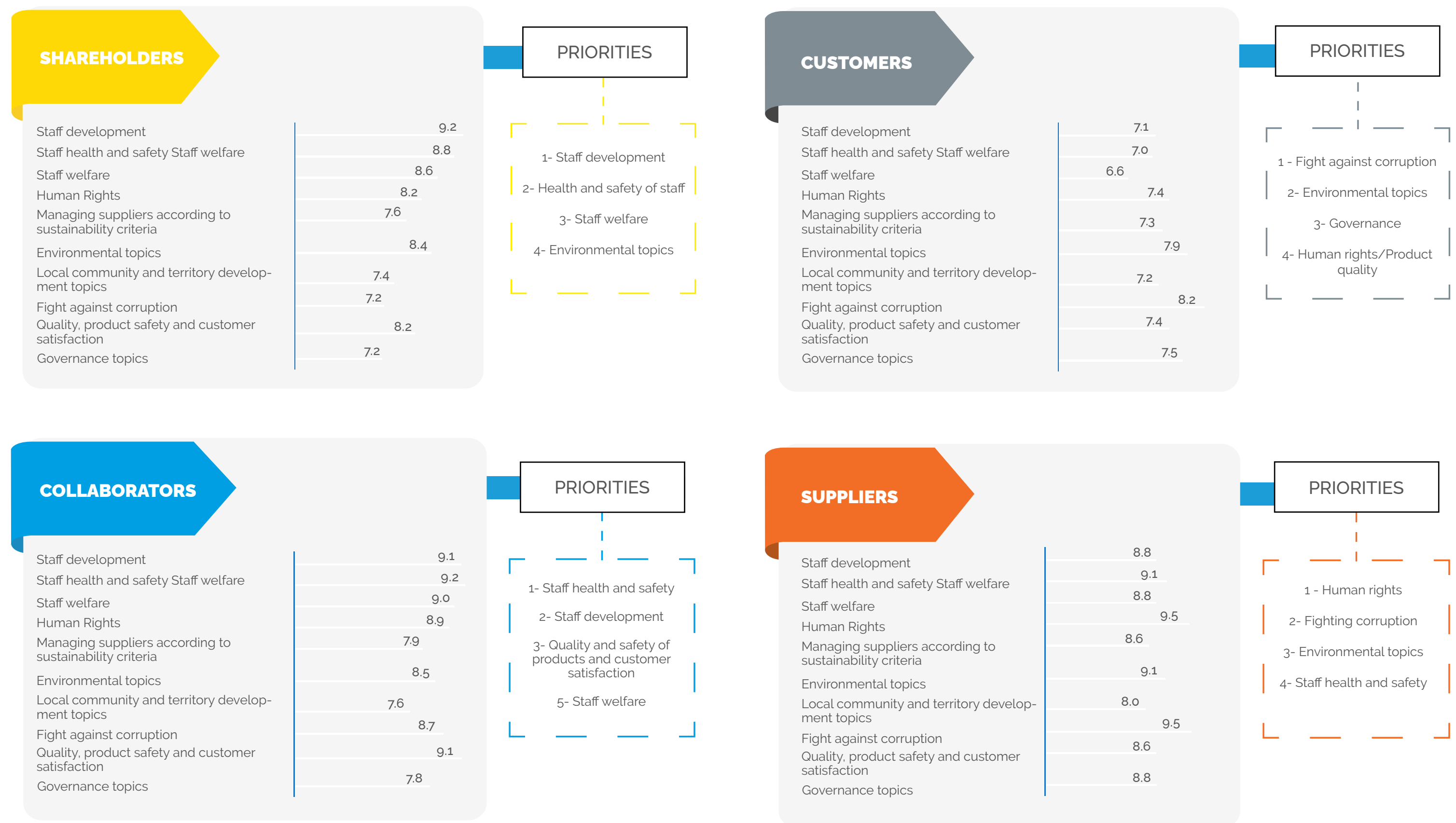
The breakdown by class of Stakeholder shows that the largest contribution is made by employees and collaborators, for whom sampling was by Region (EU/NAFTA/South America/China). The near future goal is to extend the survey to all production entities and business locations, promoting and encouraging participation in the survey.





### 1.12.3 The outcome of the dialogue

Below is the result broken down by Stakeholder class



COLLABORATORS

Staff development	9.1
Staff health and safety	9.2
Staff welfare	9.0
Human Rights	8.9
Managing suppliers according to sustainability criteria	7.9
Environmental topics	8.5
Local community and territory development topics	7.6
Fight against corruption	8.7
Quality, product safety and customer satisfaction	9.1
Governance topics	7.8

PRIORITIES

1- Staff health and safety

2- Staff development

3- Quality and safety of products and customer satisfaction

5- Staff welfare

SUPPLIERS

Staff development	8.8
Staff health and safety	9.1
Staff welfare	8.8
Human Rights	9.5
Managing suppliers according to sustainability criteria	8.6
Environmental topics	9.1
Local community and territory development topics	8.0
Fight against corruption	9.5
Quality, product safety and customer satisfaction	8.6
Governance topics	8.8

PRIORITIES

1 - Human rights

2- Fighting corruption

3- Environmental topics

4- Staff health and safety

It follows from the above findings that, for both shareholders and employees and collaborators, the main material topics are those relating to the development and welfare of human capital. For the Shareholders, environmental protection is also important, while for collaborators, the safety and quality of the products developed is paramount, reflecting the deep-rooted culture of quality assurance and customer satisfaction orientation.

In dialogue with suppliers, customers and other classes of Stakeholders, the topic of safeguarding our planet manifests itself as a priority, followed by the fight against corruption, respect for human rights and governance.

Overall, taking into account the contribution of all those who participated in the survey, the priority themes of the stakeholders are clearly identified, which are related to the UN Sustainable Development Goals, as outlined below.

GVS stakeholder perspective





### 1.13 Impact Analysis: Environmental and Social Materiality (GRI 3-1; 3-2; 3-3)

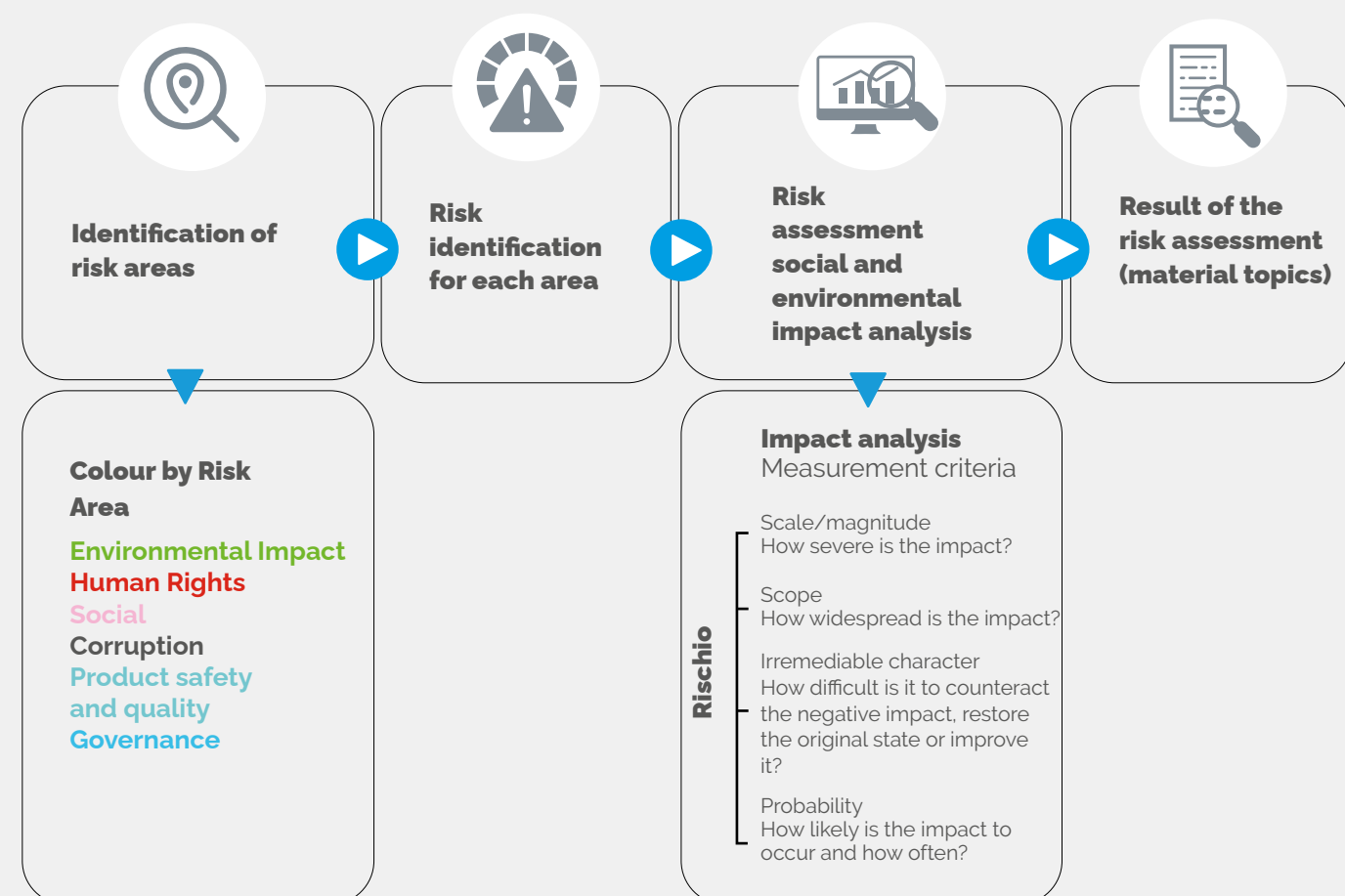
### 1.13.1 Impact analysis process

The analysis of impacts was conducted in order to clearly define, supported by evidence, which environmental and social aspects are relevant for GVS. The analysis covers the activities of GVS across the entire value chain.

Both the CEO and all top management were actively involved in the risk analysis, always considering human rights as a priority impact.

For the sake of simplicity, the different risk areas have been classified with a specific colour code and the potential or actual external impacts generated by GVS have been associated with each of them.

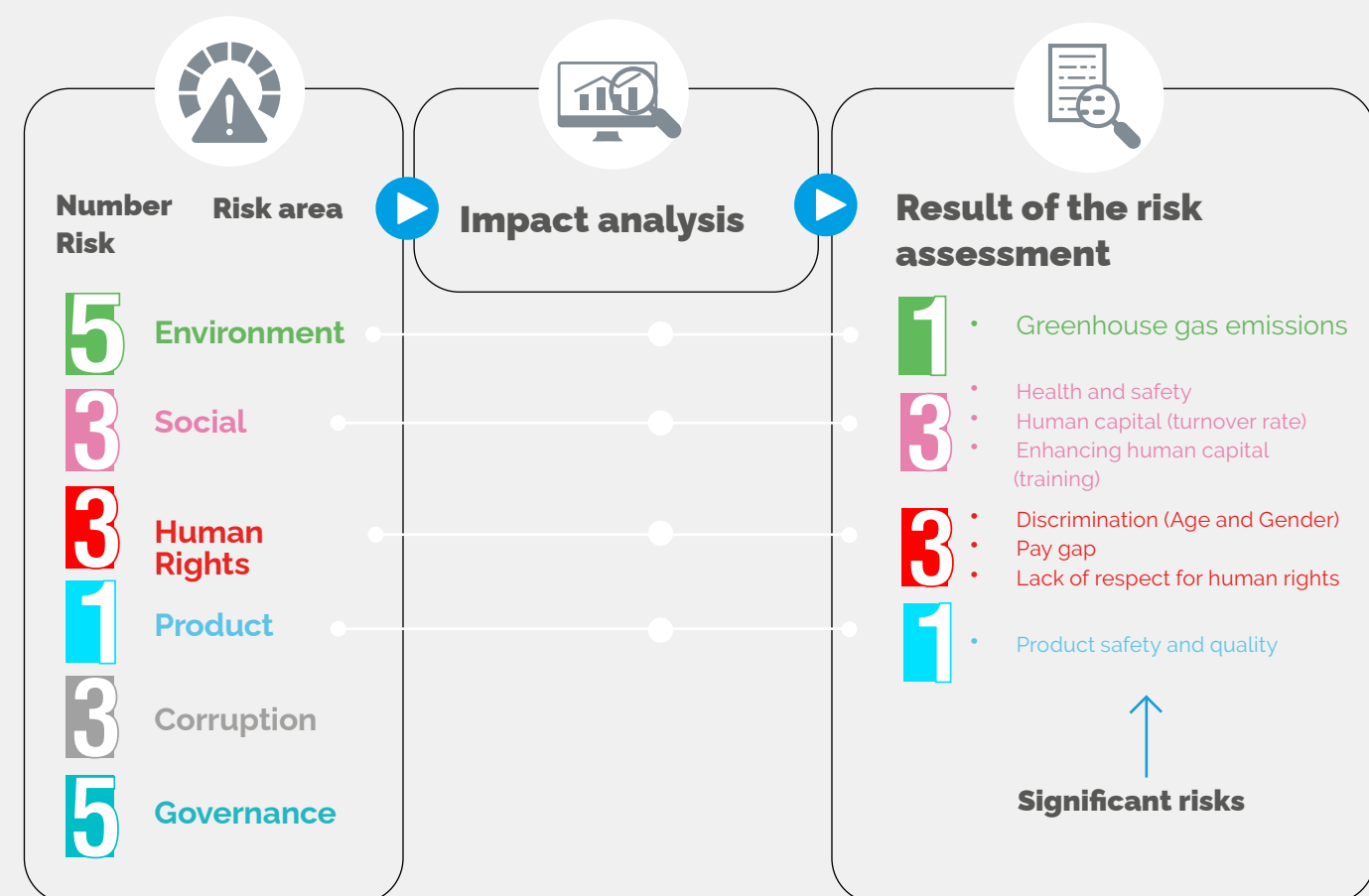
The evaluation criteria for impact analysis, also known as social and environmental risk analysis, were those of GRI 3, assessing risk as a product of the severity of the impact x the extent of the scope of the impact x the possibility of remedying the event that occurred x the probability of the risk occurring. The process is summarised in the diagram below.



The threshold for assessing the significance of the risk was set to be "medium impact", i.e. all impacts found to be "high", "medium-high" and "medium" were considered significant.

The process of risk identification and impact finding is illustrated in the figure below and shows that starting from the identification of (20) potential risks, we assessed in (8) the actual impacts, keeping each human rights risk always a high priority.

The actual (8) impacts are broken down as follows: (1) relating to the environment, (3) relating to health and safety and human capital development, (3) relating to human rights, (1) relating to product safety and quality and customer satisfaction.



### 1.13.2 List of material topics

The identification of material topics is the result of a multidisciplinary, complex process of identification, evaluation and classification of the topics that affect the Group's ability to sustainably create value in the short, medium and long term.

It is a dynamic process involving GVS and all Stakeholders, and keeping this process effective and active is a priority objective for the Group.

It should be noted that in determining the material topics, external stakeholders only commented on the importance of the material topic and not on their impact. The impact analysis was carried out by internal stakeholders only.

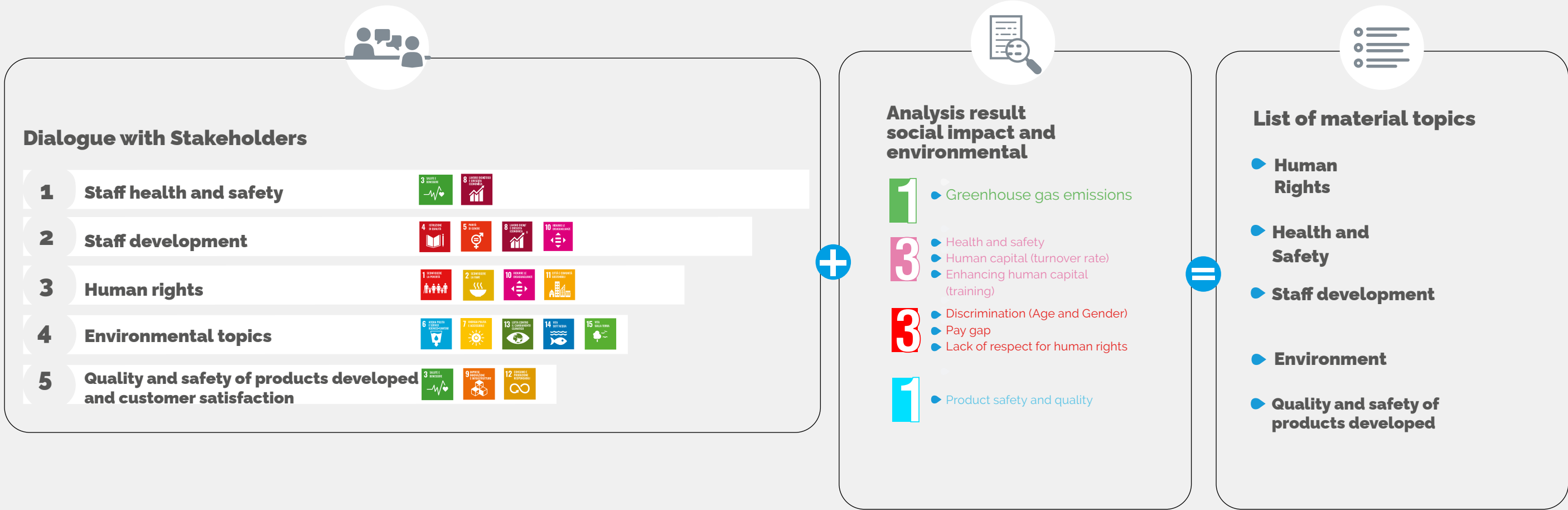
The material topics identified through the dialogue with stakeholders are congruent with the topics arising from the social and environmental impact analysis.

Combining the result of the stakeholder dialogue with the social and environmental impact analysis, we obtain the list of material topics of GVS. The results of the process are illustrated in the figure below:

The material topics identified by the analysis do not differ from what was identified last year and were submitted for approval by the CEO, CCRS and the Board of Auditors.

### 1.13.2 Management of material topics

The material topics were related to GRIs, except those related to product quality and safety and customer satisfaction, which are instead linked to internal performance indicators (KPIs) in order to measure the effectiveness of actions taken to mitigate impacts over time.







# CHAPTER 2    The environment

2.1	Materials used	48
	2.1.1 GRI 301-1 Materials used by weight or volume	48
2.2	Energy Consumed	50
	2.2.1 GRI 302-1 Energy consumption within the organisation	50
	2.2.2. GRI 302-3 Energy intensity	52
	2.2.3 GRI 302-4 Reduction of energy consumption	52
2.3	Water	54
	2.3.1 GRI 303-1 Interaction with water as a shared resource	54
	2.3.2 GRI 303-2 Management of water discharge-related impacts	55
	2.3.3 GRI 303-3 Water withdrawal	55
2.4	Atmospheric emissions	56
	2.4.1 GRI 305-1 and GRI 305-2 Direct and indirect GHG emissions	57
	2.4.2 GRI 305-4 GHG emissions intensity	58
	2.4.3 Logistics and transport	60
2.5	Waste	61
	2.5.1 GRI 306-1 Waste generation and significant waste-related impacts	61
	2.5.2 GRI 306-2 Management of significant waste-related impacts	61
	2.5.3 GRI 306-3 Waste generated	62
	2.5.4 GRI 306-4 Waste diverted from disposal	63
	2.5.5 306-5: Waste directed to disposal	64
	2.5.6 GRI 307-1 Non-compliance with environmental laws and regulations	65
2.6	Taxonomy	66
	2.6.1 Transmission Oil Filters for Hybrid and Electric Vehicles E-AXLE	69
	2.6.2 Diaphragm for Green Hydrogen Production by Alkaline Electrolysis (AWE)	69
	2.6.3 Battery Pack Ventilation Filter with Anti-Explosion Function	69





Through the environmental risk analysis, impacts were concretely assessed and actions were defined for a transition to business practices and production processes that ensure a positive impact on the environment, both in terms of mitigation and reduction of this risk.

GVS stands out by being at the forefront, both technologically and production-wise, in the manufacture of its products, respecting the environment surrounding its production sites and sales offices.

GVSS.p.A., GVS North America Inc., GVS do Brasil Ltda, GVS Technology (Suzhou) Co., GVS Filtration Inc., GVS Filter technology UK Ltd, GVS Microfiltrazione Srl are in possession of ISO 14001 certification, while the other production sites are in the process of certification and have procedures for the management of environmental aspects.

The environmental policy defined by GVS stands out for (i) being appropriate to the type, size and environmental impacts of its activities; (ii) including a continuous commitment to improvement and prevention of pollution; (iii) including a commitment to compliance with applicable legal requirements concerning its environmental aspects; (iv) providing a reference for establishing and reviewing environmental objectives and targets; and (v) being documented, implemented and maintained, and communicated to all persons working for the company or on its behalf.

Compliance with the contents of the Environmental Management System in accordance with EC REGULATION No. 1221/2009 of 22-12-2009 (EMAS III) and the UNI EN ISO 14001-2015 standard aims to achieve improvement in its environmental performance through an orderly path of continuous improvement of the System itself.

To ensure this, systematic and documented audits shall be carried out (i) to find out and assess, with objective evidence, whether the organisation's environmental management system complies with the criteria defined by the organisation; and (ii) to communicate the results of this process to management.

As part of the definition of the environmental management system, the actual and potential negative impacts that GVS has towards the environment were assessed, taking into consideration short, medium and long term time horizons. The analysis carried out is a multidisciplinary process and involves internal technicians, energy saving experts and external consultants, as illustrated in the previous chapter. 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 were concretely assessed and actions were defined for a transition to business practices and production processes that ensure a positive impact on the environment, both in terms of mitigation and reduction of this risk.

The GVS Group is mainly active in the processing of plastics, using electricity, the supply of which is based on renewable sources.

Processes are geared towards minimising production waste and unavoidable production waste is recycled as much as possible; only in limited cases does end-of-life coincide with collection. GVS's production processes make limited use of water, which is not a scarce resource in the geographical locations where GVS is present.

From the environmental risk analysis carried out, the priority that emerged is related to GHG emissions, the reduction of which is the main environmental objective on which the Company is focused; it should also be noted that five new production sites were acquired in 2022, and despite the actions taken, emissions are increasing.

A risk analysis of the potential or actual impacts, positive or negative, of climate change on GVS has not been carried out.

The tables below show some numerical information, of a non-financial nature, relating to environmental aspects, ordered by GRI indicator.



Find out more about our "Environmental Policy"



## 2.1 Materials used

### 2.1.1 GRI 301-1 Materials used by weight or volume

The main raw materials used by the company in the production process are plastic granules and polymers: PVC, ABS, Polyethylene, Polypropylene, Polystyrene, Nylon, TPE, PVDF, PES and PTFE.

Polymers are used in the production of membranes and filter materials, while plastic granules are used in the moulding of all filters produced by the Group's three divisions (Energy & Mobility, Healthcare & Life Sciences and Health & Safety).

Secondary raw materials include steel metal inserts, mainly used in the Energy & Mobility sector.

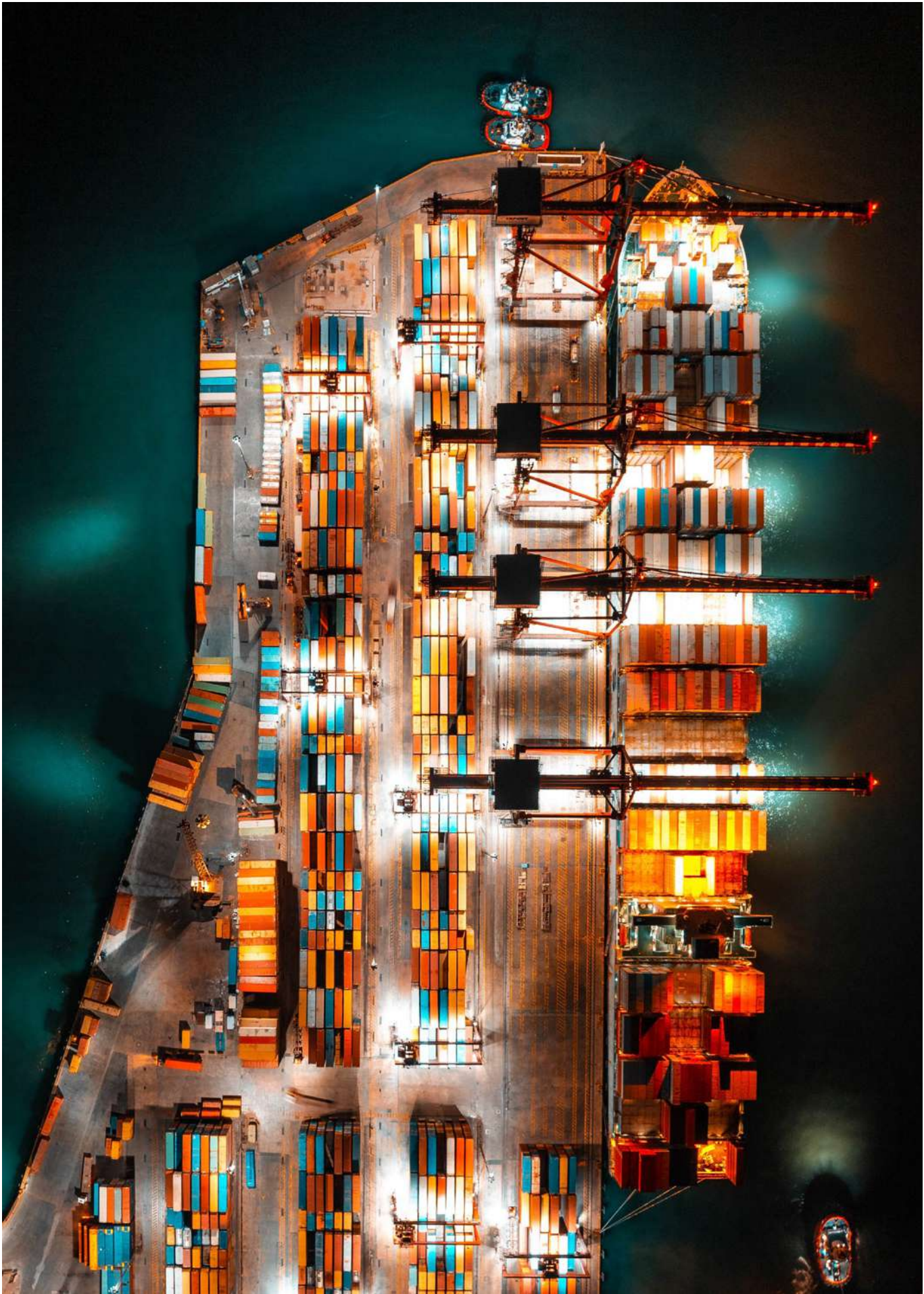
Finally, the process related materials used are solvents, oil and silicone.

As regards packaging, the main raw materials used are plastic and cardboard, which is mainly derived from recycled paper. While secondary raw materials are pallet wood and plastic bags.

The following table shows the percentage breakdown by material type of the Group's purchases of raw materials, with a comparison to the previous year.

GRI 301-1 Purchase Category	2021	2022
Plastic Filter Media	33%	16%
Plastic Granules and Polymers	20%	30%
Packaging	11%	9%
Microporous Membrane Rolls	6%	7%
Mesh	6%	9%
Membrane	5%	4%
Metal	4%	6%
Glue & Polyurethane	4%	5%
Other	11%	14%

The increase in the incidence of consumption of plastic granules is due to the considerable contribution of plastic moulding of medical components by newly acquired companies.



## 2.2 Energy Consumed

### 2.2.1 GRI 302-1 Energy consumption within the organisation

The following table shows the Group's total fuel consumption, highlighting quantities from renewable energy sources.

In this respect, it should be noted that the GVS Group is in the process of gradually converting electricity supplies from non-renewable sources to renewable sources. Gvs Spa, in both the Italian production sites of Bologna and Avellino, GVS Filter Technology UK Ltd, GVS do Brasil and PRB New Zealand during 2022 purchased 100% of their energy from renewable sources; while the other group companies periodically analyse offers from local distributors to increase the use of renewable energy sources.

GRI 302-1 <sup>7</sup>	UoM	2022	2021	2020
Natural gas	GJ	50,661	33,445	33,775
Diesel fuel for generators	GJ	15,594	980	519
LPG	GJ	1,891	1,560	1,705
Diesel	GJ	5,715	4,699	6,034
Petrol	GJ	3,552	3,264	2,677
Kerosene	GJ	627	787	629
Electricity	GJ	229,125	202,054	163,135
<i>of which from non-renewable sources</i>	GJ	146,685	117,014	124,919
<i>of which from renewable sources</i>	GJ	82,440	85,039	38,216
<b>Total energy consumed<sup>8</sup></b>	GJ	<b>307,166</b>	<b>246,792</b>	<b>208,474</b>
Self-produced electricity	GJ	298	0	0
<i>of which electricity sold</i>	GJ	0	0	0

<sup>7</sup> For the calculation, reference was made to invoiced data.

<sup>8</sup> For the calculation of 2022 consumption, conversion factors published by the Department for Environment Food & Rural Affairs (DEFRA 2022) were used; for the calculation of 2021 consumption, conversion factors published by the Department for Environment Food & Rural Affairs (DEFRA 2021) were used; and for the calculation of 2020 energy consumption, conversion factors (DEFRA 2020) were used.

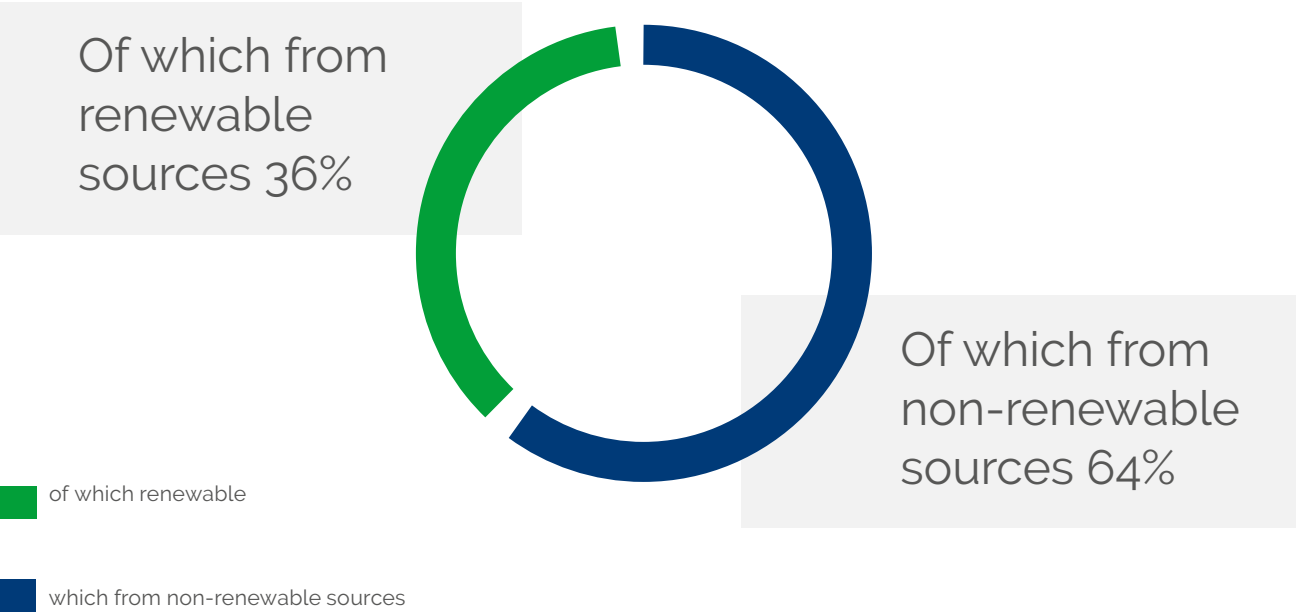
Below is the % of energy from renewable sources in the total energy

Total electricity	UoM GJ	307,166	100%
Non-renewable source	UoM GJ	224,726	73 %
Renewable source	UoM GJ	82,440	27 %

Below is the % of energy from renewable sources in the total electricity

Total energy	UoM GJ	229,125	100%
Non-renewable source	UoM GJ	146,685	64%
Renewable source	UoM GJ	82,440	36%

## Electricity





### 2.2.2. GRI 302-3 Energy intensity

The table below reports the energy intensity of the organisation, taking into account the number of hours worked and the Group revenues.

GRI 302-3	UoM	2022	2021	2020
Total energy consumed	GJ	307,166	246,792	208,474
Total number of hours worked	N.	8,197,551	6,810,666	7,922,861
Energy intensity	GJ/N.	0.04	0.04	0.03

GRI 302-3	UoM	2022	2021	2020
Total energy consumed	GJ	307,166	246,792	208,474
Total Group revenue	o €	387,591	338,126	363,296
Energy intensity	GJ/000 €	0.8	0.73	0.57

### 2.2.3 GRI 302-4 Reduction of energy consumption

GVS Group has started a process aimed at reducing the energy consumed, through various structural and managerial interventions.

During 2022, the gradual replacement of NEON lighting with LED technology continued. In addition, sensors were installed to automatically switch off the lighting and indicators were installed to monitor energy consumption on a monthly basis.

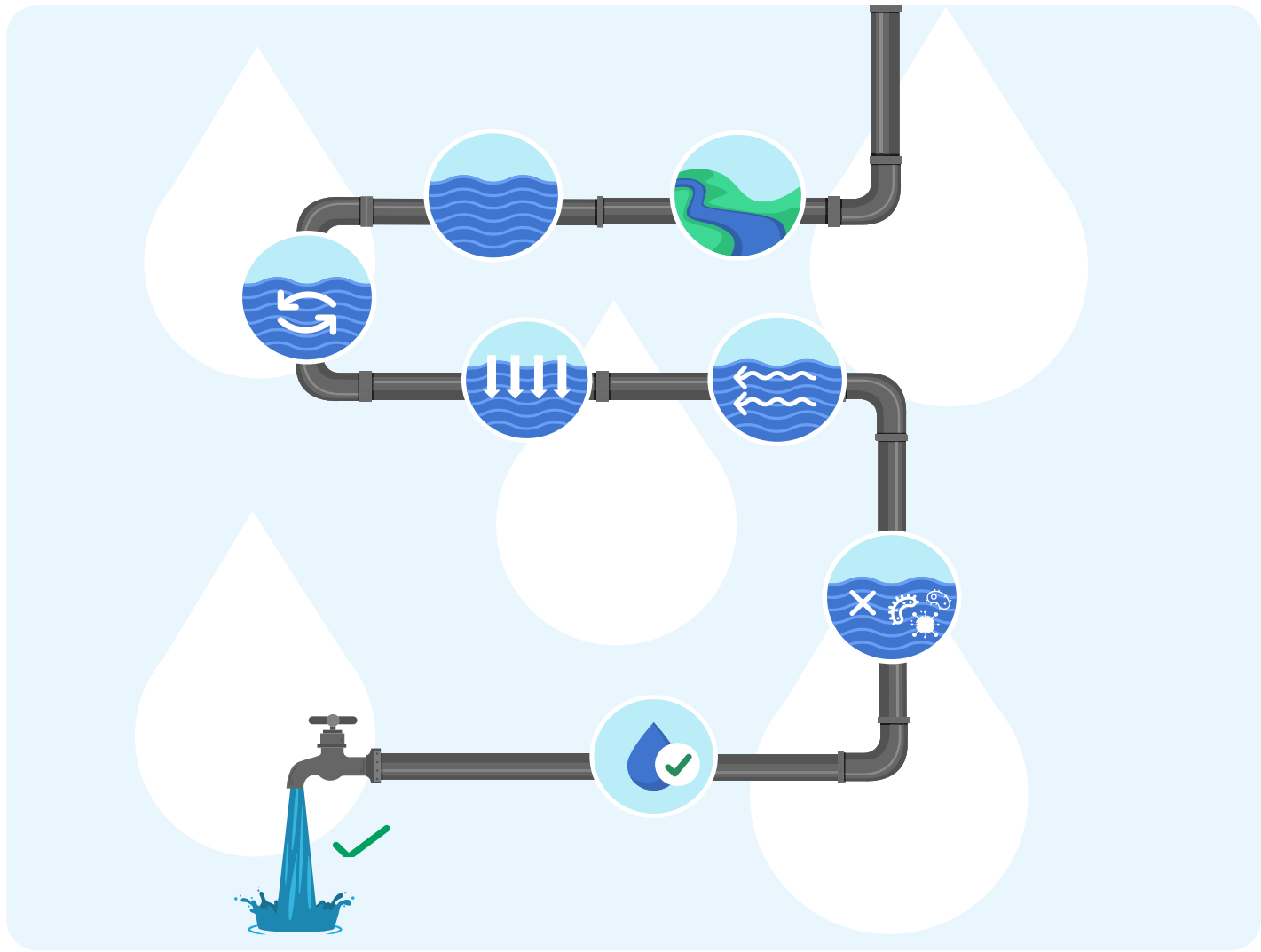
Temperature control rules have been defined for both summer air conditioning and winter heating at each production site and commercial office.

At the GVS spa plant, the heat exchangers of the cooling system were replaced with new, less energy-consuming products, and a project was launched to reuse, for space heating purposes, thermal energy from industrial activities, which would otherwise be wasted.

Finally, many awareness-raising activities are promoted within the Group on topics such as energy saving, renewable energy sources, conscious use of natural resources and lifestyle changes, to promote sustainable behaviour such as, for example, switching off devices not in use and minimising the use of printed paper by using digital methods.



## 2.3 Water



### 2.3.1 GRI 303-1 Interaction with water as a shared resource

The water supply is mainly through the public aqueduct or, preferably and where possible, through withdrawal from on-site wells.

For assembly and moulding processes, water is not used as an integral part of the production process, and therefore for 16 production sites, consumption is linked to the utilities served such as offices, fire fighting tanks and the plant's air conditioning system.

For the 2 production sites of GVS S.p.A. and GVS N.A., where the processes of making filter membranes take place, 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. Finally, for the GVS STT China production site, water use relates to steam sterilisation processes of medical components.

In order to reduce water consumption in the Italian plant's membrane production processes, an internal recirculation system was installed in 2022, saving 280 KL/year.

Finally, water consumption is monitored monthly and discussed annually in the environmental review.

### 2.3.2 GRI 303-2 Management of water discharge-related impacts

The main impacts are linked to waste water, related to membrane manufacturing processes. These processes concern the GVS SpA plant in Italy and the two plants in Sanford and Westborough belonging to GVS North America Inc. In Italy, waste water is collected in collection tanks and collected as waste by a specialised disposal company. The service water of the offices is, on the other hand, conveyed into the municipal sewer network.

In GVS North America Inc., depending on the process, waste water is managed in the same way as in the Italian plant, or is treated internally and then disposed of in the public sewage system.

As of 21 December 2020, the GVS SpA plant obtained a new Single Environmental Authorisation for the discharge of water from membrane treatment into the sewer system, as the process water is comparable with domestic waste water. The remaining waste water is disposed of as waste as described above.

The Group has internal procedures for handling environmental emergencies, including accidental spillage of pollutants that could contaminate the soil or sewage system.

The company GVS North America Inc. has a water treatment system, complete with monitoring, which makes it possible to correct the pH of the waste water and return it to the sewage system, while in other companies of the group the production waste is managed as waste and disposed of accordingly.

### 2.3.3 GRI 303-3 Water withdrawal

The Group's water is supplied mainly through the public water supply network and, to a lesser extent, only in the plants in Brazil and Romania, through underground resources. The tables show the amount of total water withdrawal.

GRI 303-3	UoM	2022	2021	2020
		Freshwater (1.0000 mg/l total dissolved solids)	Freshwater (1.0000 mg/l total dissolved solids)	Freshwater (1.0000 mg/l total dissolved solids)
Surface waters	m³	0	0	0
Groundwater <sup>9</sup>	m³	9,315	11,935	8,174
Sea water	m³	0	0	0
Water produced	m³	0	0	0
Third-party water resources <sup>10</sup>	m³	103,738	59,122	64,659
<b>Total water withdrawal</b>	<b>m³</b>	<b>113,053</b>	<b>71,057</b>	<b>72,833</b>

The increase in water withdrawal 2022 is due to the acquired GVS SST production site, where the steam sterilisation process uses the water source as raw material.

It should be pointed out that none of the Group's production plants is located in a geographical area subject to water stress; on the other hand, as regards the commercial offices, only GVS Korea Ltd, whose consumption is irrelevant with respect to the Group, comes from a geographical area that can be considered as subject to water stress.

<sup>9</sup> Brazil and Romania samples come from well water.  
<sup>10</sup> For groundwater the value also includes freshwater (>1,000 mg/l total dissolved solids).



## 2.4 Atmospheric emissions

Atmospheric emissions are mainly due to air conditioning systems, production processes and fumes generated by thermal power plants.

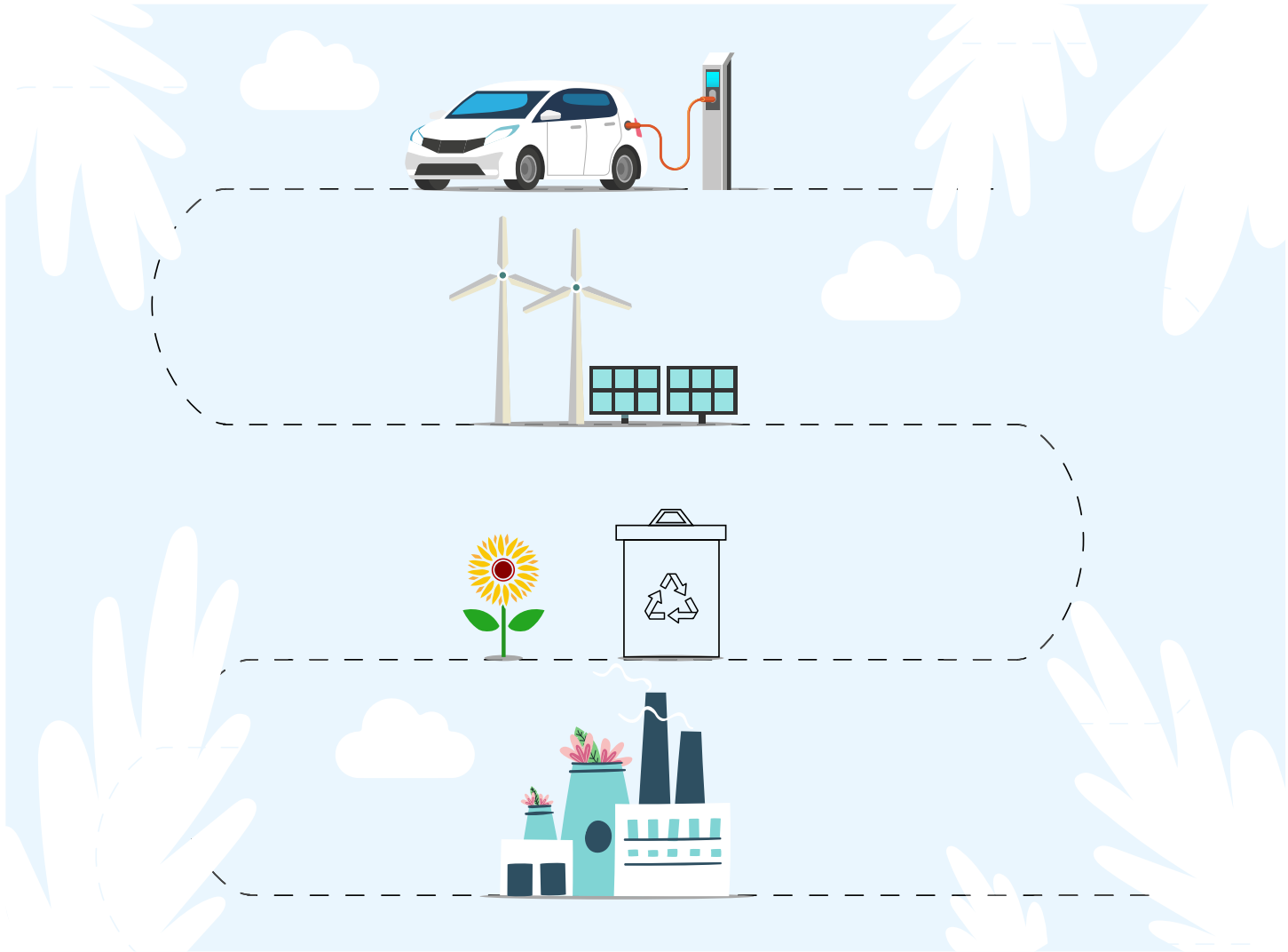
The emissions (fumes) produced during the injection moulding of plastic materials derive from the melting of the plastic granule, which takes place near the die-casting of the materials inside the mould, at a temperature that can vary between 160-180°C for the majority of thermoplastic resins (e.g. PVC), and 280-300°C for polycarbonate.

The quali-quantitative environmental impact of fumes in the atmosphere, due to the fact that chemical substances (volatile organic substances, dusts and oily mists) is kept under control by the limits provided for by Legislative Decree 152/2006 Consolidated Environmental Act.

Emissions from the processing of materials in production processes are channelled into chimneys equipped, where necessary, with suitable pollutant abatement systems. Atmospheric emissions are monitored annually by sampling all chimneys.

The environmental impact due to greenhouse gas emissions from air-conditioning systems, for the part relating to fluorinated gases, is monitored by means of "leakage control" performed with adjustable periodicity depending on the amount of coolant gas contained within the refrigeration circuit.

CO2 emissions related to the consumption of electricity, CH4 and other sources are constantly monitored.



### 2.4.1 GRI 305-1 and GRI 305-2 Direct and indirect GHG emissions

The Group reports direct and indirect GHG emissions. The first ones (Scope 1) are those coming from the company's own sources or controlled by the company, while the indirect ones (Scope 2), are those not physically produced by the company and not directly under its control.

GRI 305-1 and 305-2 <sup>11</sup>	UoM	2022	2021	2020
Direct emissions (Scope 1)				
Natural gas	tCO2eq	2,865	1,886	1,910
Diesel fuel for generators	tCO2eq	1,108	68	37
LPG	tCO2eq	121	100	109
Diesel	tCO2eq	406	328	429
Petrol	tCO2eq	238	220	180
Kerosene	tCO2eq	0	54	43
Total direct emissions	tCO2eq	4,735	2,657	2,708
Indirect emissions (Scope2) - market based <sup>12</sup>				
Electricity purchased from the grid for consumption	tCO2eq	15,850	1,510	16,665
Total indirect emissions	tCO2eq	15,850	16,510	16,665
Total emissions	tCO2eq	20,584	19,167	19,373

<sup>11</sup> For the calculation of 2020 greenhouse gas emissions, the conversion and emission factors were used published by Terna S.p.A. in 2019 and by the Department for Environment Food & Rural Affairs (DEFRA 2020) were used, while to calculate the greenhouse gas emissions for 2021, conversion and emission factors published by Terna S.p.A. in 2019 and by the Department for Environment Food & Rural Affairs (DEFRA 2021) were used, and for 2022, the conversion and emission factors published by Terna S.p.A., were applied. 2019 and by the Department for Environment Food & Rural Affairs (DEFRA 2022) are used.

<sup>12</sup> The market-based approach considers specific emission factors reported by GVS providers.

2.4.2 GRI 305-4 GHG emissions intensity

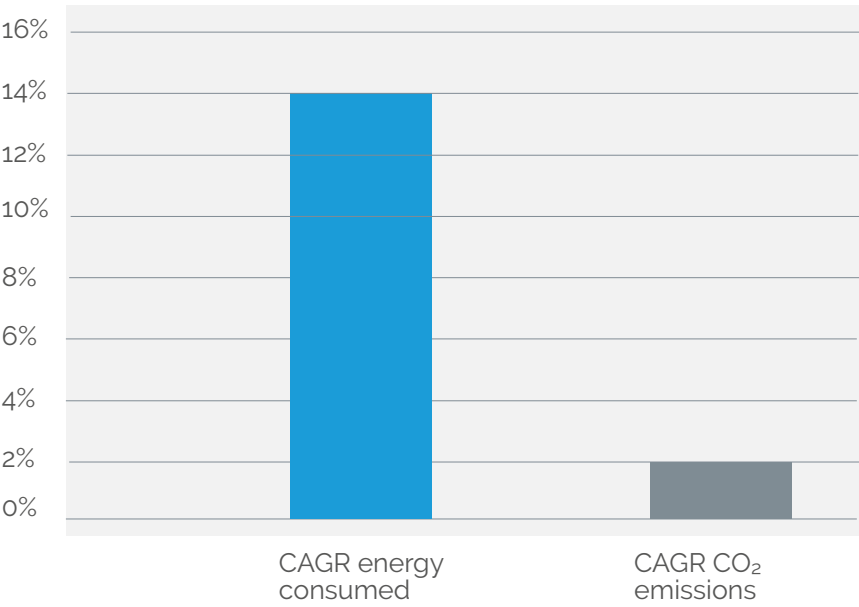
The table shows the intensity rate of the Group's GHG emissions.

GRI 305-4	UoM	2022	2021	2020
Total GHG emissions	tCO2eq	20,584	19,167	19,373
Total number of hours worked	N.	8,197,551	6,810,666	7,922,861
Emission intensity	tCO2eq / N.	0.003	0.002	0.002

GRI 305-4	UoM	2022	2021	2020
Total GHG emissions	tCO2eq	20,584	19,167	19,373
Total Group revenue	€ o	387,591	338,126	363,296
Emission intensity	tCO2eq / € 000	0.05	0.05	0.05

Emission intensity with respect to hours worked increases from 2021 to 2022 due to increased production in clean rooms and departments such as moulding and the Haemotronic acquisition not yet optimised.

2020-2022 CAGR Energy consumed  
VS Market based Emission



Comparing the percentage growth rate of energy consumption in the three-year period 2020-2022 with the same figure for emissions, it can be seen that CO<sub>2</sub> emissions have increased proportionally less than energy consumption on the basis of Market Based emissions.





 Sustainability has always been fundamental for the growth of the GVS Group and determines its strategies both in terms of product development and in terms of decisions and choices that impact each of us.

## 2.4.3 Logistics and transport

The company monitors not only the trend of direct consumption, but also that of indirect transport, generated during product delivery 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 regard to the mobility of its employees, GVS is very active in awareness-raising activities to reduce the environmental impact due to emissions.

In this regard, a mobility survey was carried out in 2022 involving all GVS Spa employees in order to outline actions to reduce CO<sub>2</sub> emissions due to commutes between home and work.

In addition, the Company is gradually replacing its employees' rental cars with hybrid or electric types.

## 2.5 Waste

### 2.5.1 GRI 306-1 Waste generation and significant waste-related impacts

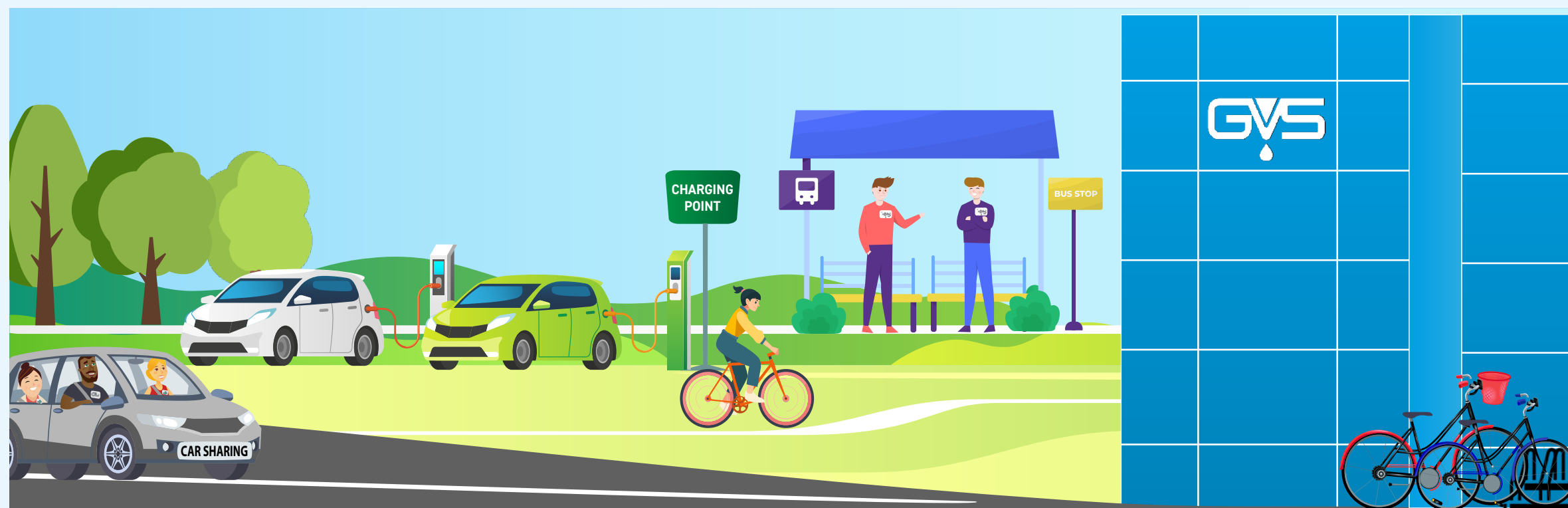
As far as raw materials are concerned, the most significant production of waste comes from clean room production departments, in particular from moulding, from which plastic scrap is generated. In addition to scrap, waste from both assembly and moulding comes from moulded products. Most plastic scrap is recovered by companies that use this waste as raw material for other plastic products. The process also generates oily waste, which is disposed of appropriately.

### 2.5.2 GRI 306-2 Management of significant waste-related impacts

GVS is committed to reducing environmental impact from the design stage, through the choice of materials with less environmental impact and the design of lower consumption production process designs. Where possible, we prefer packaging made of biodegradable and/or recycled materials. GVS SpA has implemented the novelties introduced by the recent update of the Environmental Consolidation Act, with reference to the environmental labelling of packaging, in order to provide the consumer of the packaged product with the correct information on separate collection.

Waste is collected, transported and recovered or disposed of through authorised specialised companies in accordance with the legislation of the various countries in which it is generated.

Generally, waste follows different procedures or is destined for disposal or recovery depending on the type of waste.



In particular, hazardous waste may be destined for recycling or disposal and is mainly disposed of through incineration.

Non-hazardous waste may be destined for disposal or recycled. The main method of disposal is in a landfill, while for wood, cardboard, paper, packaging and scrap, recycling is mainly used.

GVS monitors that the management of its own waste entrusted to third parties for disposal complies with legislative and contractual obligations, requesting from specialist companies a description of the processes used, and controls internally the processes to collect and monitor data relating to waste, in order to minimise the risks of non-compliance with the environmental regulations of the various countries and environmental impacts.

### 2.5.3 GRI 306-3 Waste generated

The following is information on waste, divided into hazardous and non-hazardous waste.

GRI 306-3	UoM	2022	2021	2020
Hazardous waste	t	739	729	684
Non-hazardous waste	t	4,177	3,908	3,330
Total waste weight	t	4,917	4,638	3,798

GRI 306-3 Waste Composition in Tonnes (t)	2022		
	Waste generated	Waste not sent to landfill	Waste sent to landfill
Waste composition			
Hazardous waste	739	473	266
Non-hazardous waste	4,177	2,487	1,690
Total waste	4,916	2,960	1,956

It should be noted that the production of waste, for the most part non-hazardous, consisting mostly of plastic scrap from moulding operations, increased compared to the previous year as the number of pieces produced also increased due to the expansion of the scope of consolidation of the legal entities acquired during 2022.

## Waste Composition



### 2.5.4 GRI 306-4 Waste diverted from disposal

The Group reports the total weight in tonnes of waste not destined for disposal broken down by waste composition.

TABLE 2. WASTE NOT SENT TO LANDFILL THROUGH RECOVERY OPERATIONS, IN TONNES (T)

GRI 306-4 Waste not sent to landfill, in Tonnes	2022		
	On site	Off site	TOTAL
Hazardous waste			
Preparation for reuse	2	0	2
Recycling	0	464	464
Other recovery operations	0	7	7
Total			473
Non-hazardous waste			
Preparation for reuse	168	0	168
Recycling	0	1,837	1,837
Other recovery operations	0	483	483
Total			2,488



### 2.5.5 306-5: Waste directed to disposal

Below is the total weight in tonnes of waste for disposal broken down by waste type and disposal method.

TABLE 3. WASTE SENT TO LANDFILL THROUGH RECOVERY OPERATIONS, IN TONNES (T)


GRI 306-5 Waste sent to landfill, in Tonnes	2022		
	On site	Off site	TOTAL
Hazardous waste			
Incineration (with energy recovery)	0	155	155
Incineration (without energy recovery)	0	14	14
Assigned to landfill	0	0	0
Other disposal operations	49	48	97
Total waste			266
Non-hazardous waste			
Incineration (with energy recovery)	0	266	266
Incineration (without energy recovery)	92	150	243
Assigned to landfill	0	1,054	1,054
Other disposal operations	3	124	128
Total waste			1,690

The waste produced is mainly plastic residues from moulding operations and packaging and workshop residues. It is all properly confined, identified and disposed of through authorised companies. A further risk is the pollution of the soil and sewage in the event of spills and run-off from yards, for this, as a rule, waste is stored in a covered warehouse, and where necessary, with special containment basins to prevent soil and sewage pollution. Near areas where accidental spills could occur (the zone for charging forklifts, waste oil cabinet), anti-spill kits were placed.

A large part of the non-hazardous waste is recycled at an external site, while the remainder is recovered by companies that use the discarded plastics as raw materials for other plastic products. With regard to hazardous waste, consisting mainly of waste water from the membrane production process, the transport and recovery of all waste is carried out by companies authorised under current legislation and is indicated in the table in the column "Other recovery operations".

### 2.5.6 GRI 307-1 Non-compliance with environmental laws and regulations

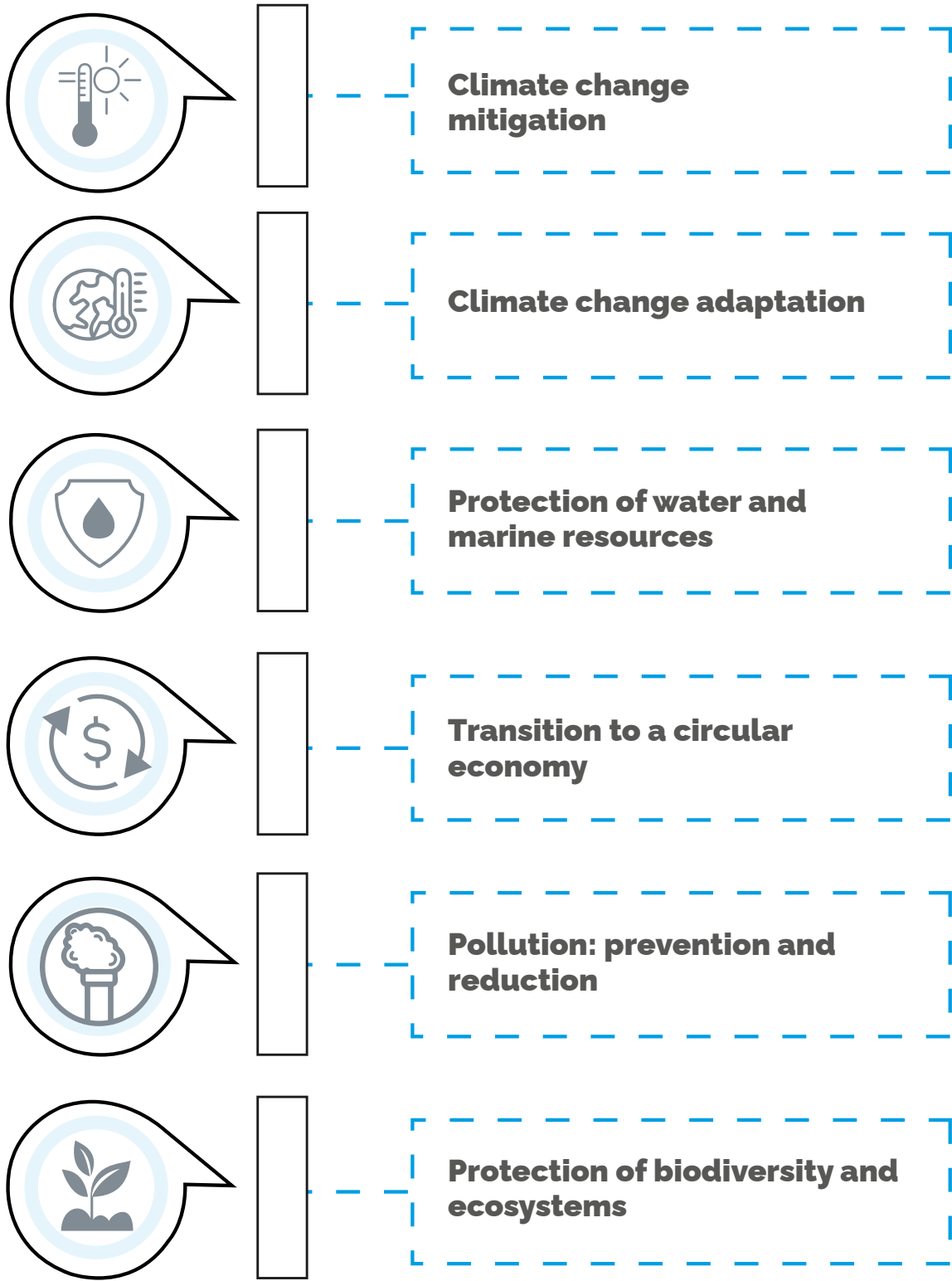
During the year, the Group did not identify any non-compliance with environmental laws and/or regulations.



The waste is stored in a covered warehouse, and where necessary, with special containment basins to prevent soil and sewage pollution.

## 2.6 Taxonomy

Pursuant to Art. 8 of Reg. EU 2020/852, companies subject to the obligation to publish non-financial data are required to provide information on how and to what extent their activities are associated with economic activities considered environmentally sustainable according to the six environmental objectives:



As a result, the GVS Group put in place several analytical activities during 2022 to meet regulatory obligations.

In particular, a screening process was carried out involving all business lines and all products within each line, according to the classifications of activities in the environmental taxonomy, in order to identify any business assets (revenue) that could be assessed from the point of view of the taxonomy.

Upon completion of the analyses, despite GVS's commitment to the ecological transition and attention to the environment, the Group's activities were not eligible for Taxonomy in FY 2022.

The main rationale for this exclusion is related to the fact that the taxonomy establishes criteria per sector and activity and not per product line or company, and activities and processes within the value chain of an activity are only admissible if they are explicitly included in the description of the activity. Therefore, if the description established in the taxonomy refers to the manufacture of final products, intermediate activities in the value chain, such as the supply of components, cannot be considered eligible.

As a result, the manufacturing of specific components in the Energy & Mobility division, within which there are several component

products to supply activities classified within the environmental Taxonomy, did not fall under the "manufacturing of low carbon technologies for transportation" section described within the taxonomy.

However, it should be noted that, within the GVS Group, investments were made in 2022 to develop innovative products for electric vehicles, which will generate revenue from 2023 and it is assumed they will be eligible for the climate objectives already defined in the taxonomy, with particular reference to the activities:

- Manufacture of low-carbon technologies for transportation
- Manufacture of equipment for the production and use of hydrogen
- Manufacture of other low-carbon technologies

Specifically, we are referring to the development projects "Transmission Oil Filters for Hybrid and Electric Vehicles E-AXLE", "Diaphragm for the Production of Green Hydrogen by Alkaline Electrolysis Process - AWE", "Battery Pack Ventilation Filter with Anti-Explosion Function" described below, which once again demonstrate GVS's commitment to environmentally-sustainable topics.





Reliability and advantages of space reduction and high efficiency are its main features.



During 2022 GVS, together with the University of Modena and Reggio Emilia and Industrie Denora, promoted a national partnership for the development of innovative components for electrolysis cells.



To protect battery life and safety, GVS has developed specific pressure equalisation caps with an integrated safety function.



### 2.6.1 Transmission Oil Filters for Hybrid and Electric Vehicles E-AXLE

The E-Axle oil filter development project combines an electric motor, transmission, and power electronics into a single unit; which provides significant weight and space savings and significant improvements in overall efficiency. The filter sees its main applications E-mobility, Hybrid vehicles, Fuel Cell - Hydrogen vehicles.

E-Axle can be adapted to different classes of vehicles (passenger cars, sports cars, compact or commercial vehicles) thanks to the easy scalability of the system, guaranteeing a key role in reducing the time and cost of next-generation vehicle development.

Its main properties are the protection and reliability of the system, ensured by a single oil circuit for lubrication and cooling, designed to be as compact and efficient as the whole system. Reliability and advantages of space reduction and high efficiency are its main features.

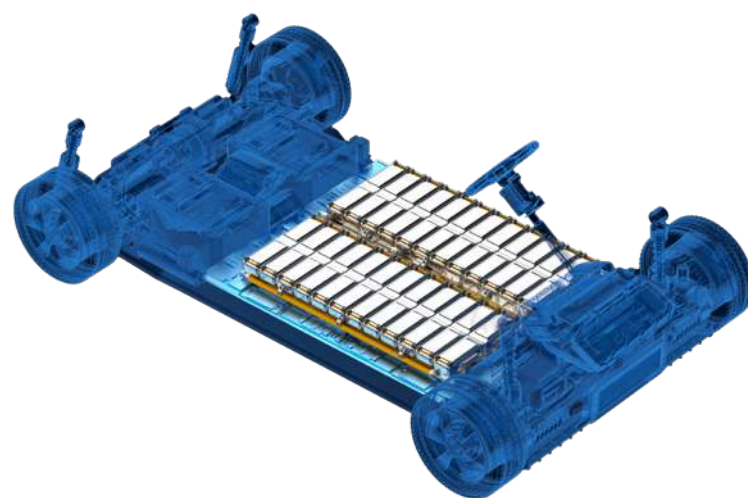


### 2.6.2 Diaphragm for Green Hydrogen Production by Alkaline Electrolysis (AWE)

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. Water can be converted to hydrogen and oxygen using an electrolyser. In actual fact, electrolysis plays a central role in the deployment of renewable hydrogen.

The development of new materials for components with increased performance and convenience is a key part of emerging research. Fuel cells consist of an alternative energy technology that generates electricity through the reaction between Hydrogen (or a hydrogen-rich fuel source) and oxygen. Its main applications are: E-mobility, Fuel Cell/Hydrogen and Batteries.

During 2022 GVS, together with the University of Modena and Reggio Emilia and Industrie Denora, promoted a national partnership for the development of innovative components for electrolysis cells<sup>13</sup>.



### 2.6.3 Battery Pack Ventilation Filter with Anti-Explosion Function

To protect battery life and safety, GVS has developed specific pressure equalisation caps with an integrated safety function. In addition to the function of pressure compensation between the inside and outside of the battery pack, the GVS Ventilation Filter is able to temporarily open a cross-section, allowing an increase in air flow and the rapid evacuation of gases formed in the event of a malfunction, thus preventing bursting and restoring controlled pressure equalisation as quickly as possible.

<sup>13</sup>Application code RSH2B\_000032 with reference to the ministerial announcement [www.mase.gov.it](http://www.mase.gov.it)





## CHAPTER 3 People and human rights

<b>3.1</b>	Employee health and safety	73
<b>3.2</b>	The enhancement of human capital	73
<b>3.3</b>	Employee welfare	76
	3.3.1 GRI 401-2 Employee Welfare and Benefits	76
<b>3.4</b>	Information on employees	78
	3.4.1 GRI 2-7 Employees	78
	3.4.2 GRI 401-1 New employee hires and employee turnover	80
	3.4.3 GRI 401-3 Parental leave	81
	3.4.4 GRI 404-1 Average hours of training per year per employee	83
	3.4.5 GRI 404-3 Percentage of employees receiving regular performance and career development reviews	83
	3.4.6 GRI 405-1 Diversity of governance bodies and employees	83
	3.4.7 GRI 403-9 Work-related injuries	85
	3.4.8 GRI 403-10 Work-related ill health	86
<b>3.5</b>	Human rights	87
	3.5.1 Respect for human rights	87
	3.5.2 Pay gap	88
	3.5.3 GRI 406-1 Incidents of discrimination and corrective action taken	88
	3.5.4 Training employees on human rights policies or procedures	88



 The Company considers the value of human resources as an indispensable development tool for the entire Group.

The Company considers the value of human resources as an indispensable development tool for the entire Group. With a view to promoting organisational development and the empowerment of the various company departments, as well as increasing the level of awareness of the importance of one's role in achieving Group objectives, an incentive system has been devised to maximise the performance of each employee. The entire process is aimed at increasing the motivation of employees by maximising the level of satisfaction of individuals in relation to their working environment and the achievement of their goals.

The common goal is to operate and develop a workplace based on strong ethical principles that are recognised by all, i.e. an environment where the worker is guaranteed:



The working environment must be based on inclusion, be multicultural and strive for gender equality. With this aim in mind, the Company is promoting specific programmes to integrate young people in their first work experience, and for the inclusion of the disabled, giving them the opportunity to integrate socially and feel relevant to society.

The Company categorically rejects 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.

From the impact analysis and dialogue with employees, material themes emerged:

- Employee health and safety
- The enhancement of human capital
- Staff welfare

## 3.1 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 key priorities.

GVS is committed to spreading and consolidating a culture of safety by developing awareness of risks and promoting responsible behaviour on the part of all employees. Each of them must therefore use their personal protective equipment appropriately, participate actively in drills and report any hazards or risks to their immediate supervisor in a timely manner. The main health and safety risks are the risk of injury and/or permanent disability and the risk of occupational disease as a result of accidents in the workplace.

A number of procedures have been put in place to ensure that employees work in a safe workplace and that they receive annual training/information on various topics related to employee health and safety, based on job profiles (tasks), hazards, risk assessment. In verification of this process, periodic

audits are carried out to identify risks and implement corrective/preventive actions.

## 3.2 The enhancement of human capital

In the area of human capital development, the following risks have emerged for all Group companies, regardless of their activity:






- high turnover, which could lead to the premature loss of important knowledge from the Group's workforce;
- inadequate vocational training activities;
- risk of decreasing staff motivation levels;
- lack of objective assessment of performance;
- company policies and practices that do not adequately inform the worker;
- low attractiveness of talent.

Given the risk factors listed above, possible negative consequences for the Group include loss of quality and quantity in production and damage to the company's reputation.

GVS S.p.A. 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. In addition, the Company has formally established its commitment to the above prerogatives by adopting a Code of Ethics, which represents the foundation of the corporate culture.

The company's organisational structure defines a series of positions/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 depends directly on the personal skills of the resource, and therefore on the complex of 5 dimensions that each employee brings into play in our daily work:

	<ul style="list-style-type: none"><li>• Know-how, i.e., the body of technical and professional knowledge acquired either through work experience or training;</li></ul>
	<ul style="list-style-type: none"><li>• Experience, i.e., the cultural background of the individual both socially and practically;</li></ul>
	<ul style="list-style-type: none"><li>• The individual profile, i.e. the set of psychophysical qualities possessed by the individual;</li></ul>
	<ul style="list-style-type: none"><li>• Communications and relationships, i.e. the individual's ability to listen to interlocutors and convey information, to team up, to provide feedback;</li></ul>
	<ul style="list-style-type: none"><li>• 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.</li></ul>

**Personnel Selection:** The selection process is a key element in the recruitment of new resources within the Group. The planning of placement needs is closely related to the Business Plan, which contains the general objectives of structure sizing, education and training.

**Education and training:** Training is a training intervention that involves an internal employee as trainer, and therefore takes place mainly within the company. Since this is employee-to-employee teaching, it generally does not involve incremental costs. Education, on the other hand, constitutes any type of course or educational intervention, held exclusively by non-employee personnel, which can take place either inside or outside the company and which generally does involve incremental costs.

The definition of the annual educational programme is the result of budgeting activities, which take into account the needs of new staff, changes in activities, the reinstatement of staff already on the payroll but temporarily absent, the introduction of new technologies or measurement and control instruments, new investments and the training needs arising from the "Continuous Quality Improvement Plan".

At the end of the educational course, the employee is required to evaluate the efficiency of the institution where the course was held and of the teacher(s) who held the course, by filling out an ad hoc form.

A few months after the conclusion of the course, the employee, still in force, is evaluated by the Area Manager through the compilation of a specific evaluation session in the personnel management software. If the result is positive, it will be specified if a new skill has been acquired or if the value of an existing skill has been increased or not.

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 trainee 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.

Starting in 2017, a system for evaluating the company's activities was set up using the MyByz platform, which connects employees and department managers and provides information on the progress of the objectives set at the beginning of the year; thanks to this software, it is possible to constantly monitor the performance of employees, ensuring transparency on the progress achieved.

The success of GVS depends on the ability of its employees to maintain and deliver the highest standards of quality in their work, while remaining in line with the company's objectives.

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 performance achieved.

The Company assesses results on a fair and proportional basis, taking into account the weight of the target set, which testifies to the great trust it places in all the staff present in the company and the merit it acknowledges in individual operators.



## 3.3 Employee welfare

### 3.3.1 GRI 401-2 Employee Welfare and Benefits

The GVS Group implements a set of initiatives aimed at maximising employee well-being and helping to maintain a high quality of life.

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. In some locations, not all of the measures listed above are provided, but only some of them such as health care and insurance coverage in case of disability and invalidity. GVS Filtration Inc. - Bloomer's plant offers the option of extending voluntary life insurance to employees' spouse and children, while GVS Puerto Rico provides tuition reimbursement. GVS Italia is enrolled in the Enfea Supplementary Health Care Fund to which all employees with a permanent employment relationship, and/or with an apprenticeship contract, and/or with a fixed-term contract, if stipulated for a period of more than 12 months, are entitled.

Again for 2022, Gvs Spa maintains the possibility of converting up to a maximum of 50% of the PPO to its employees in Welfare services, recognising on the conversion an additional 10% increase to be paid by the company.

The services that can be converted are:

- Purchase shopping vouchers, fuel and more
- Child education reimbursement, daycare fees
- Health, visits, 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 the entire group and 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.

At the end of 2022, the refreshment area renovation project for GVS spa was completed, through which a bright and comfortable space was created for all employees.



In 2022, Gvs do Brasil continued to fund university specialisation courses for its employees. This opportunity offered by the Brazilian plant to workers has led to high enrolment and attendance, especially by female staff, of advanced training courses concerning quality, engineering and finance and a considerable increase in staff skills.

# 3.4 Information on employees

The tables below show some numerical information, of a non-financial nature, relating to Group personnel.

## 3.4.1 GRI 2-7 Employees

The total number of employees by contract type (permanent or fixed-term), gender and geographical area is shown below.

GRI 2-7 <sup>14</sup>	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Italy</b>	<b>384</b>	<b>435</b>	<b>819</b>	<b>231</b>	<b>180</b>	<b>411</b>	<b>209</b>	<b>155</b>	<b>364</b>
Permanent	383	435	818	227	180	407	201	152	353
Fixed-term	1	0	1	4	0	4	8	3	11
<b>Europe (excluding Italy)</b>	<b>172</b>	<b>695</b>	<b>867</b>	<b>200</b>	<b>764</b>	<b>964</b>	<b>238</b>	<b>724</b>	<b>962</b>
Permanent	165	549	714	188	503	691	224	494	718
Fixed-term	7	146	153	12	261	273	14	230	244
<b>America</b>	<b>1,186</b>	<b>1,242</b>	<b>2,428</b>	<b>624</b>	<b>701</b>	<b>1,325</b>	<b>637</b>	<b>691</b>	<b>1,328</b>
Permanent	1177	1208	2385	618	689	1,307	628	667	1,295
Fixed-term	9	34	43	6	12	18	9	24	33
<b>Asia</b>	<b>219</b>	<b>536</b>	<b>755</b>	<b>104</b>	<b>160</b>	<b>264</b>	<b>100</b>	<b>153</b>	<b>253</b>
Permanent	199	449	648	104	160	264	100	153	253
Fixed-term	20	87	107	0	0	0	0	0	0
<b>Total</b>	<b>1,961</b>	<b>2,908</b>	<b>4,869</b>	<b>1,159</b>	<b>1,805</b>	<b>2,964</b>	<b>1,184</b>	<b>1,723</b>	<b>2,907</b>

Below is the total number of employees divided into Full Time and Part Time

GRI 2-7 <sup>15</sup>	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time	1,957	2,874	4,831	1,239	1,920	3,159	1,502	2,234	3,736
Part-time	4	34	38	5	31	36	2	26	28
<b>Total</b>	<b>1,961</b>	<b>2,908</b>	<b>4,869</b>	<b>1,244</b>	<b>1,951</b>	<b>3,195</b>	<b>1,504</b>	<b>2,260</b>	<b>3,764</b>

<sup>14</sup> The table does not include "on-call personnel" as this type is not used by the Group.

<sup>15</sup> In 2020 and 2021, the figure also included the number of contracted workers.

Below is the number of workers not directly employed by GVS.

GRI 2-8	2022			2021			2020		
	Men	Women	Totale	Men	Women	Totale	Men	Women	Total
Number of workers who are not employees	57	25	82	85	146	231	320	537	857

## 3.4.2 GRI 401-1 New employee hires and employee turnover

The Group reports the total number of new hires, including those on fixed-term contracts, as well as the total number of turnovers in the reporting period, broken down by age group, gender and geographical area.

GRI 401-1	Employees hired								
	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Italy</b>	<b>55</b>	<b>92</b>	<b>147</b>	<b>57</b>	<b>54</b>	<b>111</b>	<b>21</b>	<b>12</b>	<b>33</b>
<30	32	33	65	24	8	32	8	5	13
30-50	20	52	72	29	41	70	13	6	19
>50	3	7	10	4	5	9	0	1	1
<b>Europe (excluding Italy)</b>	<b>31</b>	<b>163</b>	<b>194</b>	<b>83</b>	<b>419</b>	<b>502</b>	<b>68</b>	<b>277</b>	<b>345</b>
<30	20	59	79	43	125	168	24	72	96
30-50	9	83	92	27	210	237	32	152	184
>50	2	21	23	13	84	97	12	53	65
<b>America</b>	<b>868</b>	<b>770</b>	<b>1,638</b>	<b>390</b>	<b>685</b>	<b>1,075</b>	<b>447</b>	<b>689</b>	<b>1,136</b>
<30	332	425	757	184	366	550	257	339	596
30-50	456	277	733	173	294	467	164	309	473
>50	80	68	148	33	25	58	26	41	67
<b>Asia</b>	<b>52</b>	<b>194</b>	<b>246</b>	<b>51</b>	<b>72</b>	<b>123</b>	<b>128</b>	<b>261</b>	<b>389</b>
<30	20	44	64	16	24	40	83	134	217
30-50	28	150	178	31	48	79	45	127	172
>50	4	0	4	4	0	4	0	0	0
<b>Total</b>	<b>1,006</b>	<b>1,219</b>	<b>2,225</b>	<b>581</b>	<b>1,230</b>	<b>1,811</b>	<b>664</b>	<b>1,239</b>	<b>1,903</b>



GRI 401-1	Employees made redundant								
	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	68	63	131	24	12	36	8	4	12
<30	27	17	44	6	1	7	2	1	3
30-50	27	22	49	13	8	21	5	2	7
>50	14	24	38	5	3	8	1	1	2
Europe (excluding Italy)	58	232	290	108	381	489	65	176	241
<30	20	53	73	47	135	182	28	49	77
30-50	28	135	163	42	193	235	26	94	120
>50	10	44	54	19	53	72	11	33	44
America	969	572	1,541	489	749	1,238	276	442	718
<30	741	321	1062	243	393	636	150	212	362
30-50	153	194	347	195	301	496	109	206	315
>50	75	57	132	51	55	106	17	24	41
Asia	61	243	304	107	197	304	72	195	267
<30	23	56	79	38	54	92	49	100	149
30-50	36	184	220	69	141	210	22	95	117
>50	2	3	5	0	2	2	1	0	1
Total	1,156	1,110	2,266	728	1,339	2,067	421	817	1,238


### 3.4.3 GRI 401-3 Parental leave

The Group provides parental leave for new parents, which is why the table below provides various numerical information about the staff with the right (which arises at the time the condition starts) to parental leave.

GRI 401-3 <sup>16</sup>	Parental leave								
	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total number of employees entitled to parental leave	61	78	139	1,185	1,896	3,081	1,269	1,933	3,202
Total number of employees who took parental leave	57	71	128	11	61	72	14	47	61
Total number of employees who returned to work during the reporting period after taking parental leave	55	39	94	10	33	43	14	39	53
Rate of return to work of employees who took parental leave	96%	55%	73%	91%	54%	60%	100%	83%	87%

For GVS, it is important to provide parental leave for new parents and, above all, to give them equal opportunities to be present with their newborns. Paternity leave has been shown to support more equal parental responsibility and has a great positive effect on a mother's life after childbirth, with partners increasingly involved in childcare and household activities.

<sup>16</sup> In 2021 the incorrect assumption was made that all were entitled without taking into account that the right arises at the time of the onset of the condition.



Paternity leave has been shown to support more equal parental responsibility and has a great positive effect on a mother's life after childbirth



### 3.4.4 GRI 404-1 Average hours of training per year per employee

Details of the total training hours per capita are given below

GRI 404-1 Average number of hours of training per year per employee	2022		2021		2020	
	Men	Women	Men	Women	Men	Women
Direct	21.08	20.42	27.7	28.27	22.07	22.46
Indirect	11.87	17.40	24.62	28.26	22.16	24.84
of which are Management	13.22	20.19	9.99	13.83	8.64	8.61
Total	16.31	19.62	26.16	28.26	22.11	23.65

### 3.4.5 GRI 404-3 Percentage of employees receiving regular performance and career development reviews

The table shows the total percentage of employees who received a performance review, broken down by gender and category.

GRI 404-3	2022		2021		2020	
	Men	Women	Men	Women	Men	Women
Direct	71 %	77%	93%	83%	48%	54%
Indirect	86%	72%	91%	84%	83%	73%
of which are Management	77%	67%	35%	34%	32%	20%

### 3.4.6 GRI 405-1 Diversity of governance bodies and employees

The percentage of individuals on the Organisation's Board of Directors is shown below, broken down by gender, age group and other indicators where relevant (including minority or vulnerable groups).

GRI 405-1	2022											
	<30			30 - 50			>50			Group		
	M	W	Tot	M	W	Tot	M	W	Tot	M	W	Tot
Members of the Board of Directors	0	0	0	2	3	5	3	1	4	5	4	9

GRI 405-1	2022					
	<30		30 - 50		>50	
	%M	%W	%M	%W	%M	%W
Members of the Board of Directors	0	0	40%	60%	75%	25%



The tables below show the percentage of employees directly engaged in the production process (“direct”) and not directly involved in the production process (“indirect”), broken down by gender, age group and other indicators where relevant (including minority or vulnerable groups). We report 2022 and 2021 in two separate tables for ease of reading.

GRI 405-1	2022											
	<30			30 - 50			>50			Group		
	M	W	Tot	M	W	Tot	M	W	Tot	M	W	Tot
Direct	423	566	989	382	1,303	1,685	135	422	557	940	2,291	3,231
Indirect	295	176	471	499	345	844	221	102	323	1,015	623	1,638
of which are Management	13	27	40	83	70	153	34	13	47	130	110	240
<b>Total</b>	<b>718</b>	<b>742</b>	<b>1,460</b>	<b>881</b>	<b>1,648</b>	<b>2,529</b>	<b>356</b>	<b>524</b>	<b>880</b>	<b>1,955</b>	<b>2,914</b>	<b>4,869</b>

GRI 405-1	2021											
	<30			30 - 50			>50			Group		
	M	W	Tot	M	W	Tot	M	W	Tot	M	W	Tot
Direct	130	229	359	261	853	1,114	104	363	467	495	1,445	1,940
Indirect	117	60	177	378	218	596	169	82	251	664	360	1,024
of which are Management	1	8	9	45	34	79	23	4	27	69	46	115
<b>Total</b>	<b>247</b>	<b>289</b>	<b>536</b>	<b>639</b>	<b>1,071</b>	<b>1,710</b>	<b>273</b>	<b>445</b>	<b>718</b>	<b>1,159</b>	<b>1,805</b>	<b>2,964</b>

GRI 405-1	2022					
	<30		30 - 50		>50	
	%M	%W	%M	%W	%M	%W
Direct	42.77%	57.23%	22.67%	77.33%	29.73%	75.76%
Indirect	62.63%	37.37%	59.12%	40.88%	66.48%	31.58%
of which are Management	32.50%	67.50%	54.25%	45.75%	71.74%	27.66%
<b>Total</b>	<b>49.18%</b>	<b>50.82%</b>	<b>34.84%</b>	<b>65.16%</b>	<b>43.58%</b>	<b>59.55%</b>

GRI 405-1	2021					
	<30		30 - 50		>50	
	%M	%W	%M	%W	%M	%W
Direct	36.2%	63.8%	23.4%	76.6%	22.3%	77.7%
Indirect	66.1%	33.9%	63.4%	36.6%	67.3%	32.7%
of which are Management	11.1%	88.9%	57.0%	43.0%	85.2%	14.8%
<b>Total</b>	<b>46.1%</b>	<b>53.9%</b>	<b>37.4%</b>	<b>62.6%</b>	<b>38.0%</b>	<b>62.0%</b>

### 3.4.7 GRI 403-9 Work-related injuries

The Group reports below information on work-related injuries to employees and temporary workers that occurred during the reporting period.

GRI 403-9 Employees and temporary workers	2022	2021	2020
The number of deaths resulting from accidents at work	0	0	0
The number of accidents at work with serious consequences (excluding deaths)	0	1	2
The number of recordable occupational accidents	45	71	78
Ongoing	13	11	7
At work	32	60	71
Hours worked	8,197,551	7,726,036	7,922,861
The rate of deaths as a result of work-related injuries	0	0	0
The rate of accidents at work with serious consequences (excluding deaths)	0	0.03	0.045
The rate of recordable occupational accidents	1.1	2.0	2.0

During 2022, the number of serious and non-serious accidents decreased.

For the type of activity carried out, the main risks are:

- 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.

All these risks are discussed and analysed at the various training sessions. The actions taken to reduce the main accident risks listed above follow the risk reduction hierarchy and are systematically monitored by the Health and Safety Manager of each plant.

### 3.4.8GRI 403-10 Work-related ill health

The Group reports below information on occupational diseases of employees and non-employees that occurred during the reporting period.

GRI 403-10 Employees	2022	2021	2020
The number of deaths resulting from occupational diseases	0	0	0
The number of cases of occupational diseases recorded	0	3	5

## 3.5 Human Rights

There is no business activity without respect for human rights, which is why respect for human rights is always considered as a priority factor in the Social Impact Analysis. In particular, in addition to respect for human rights as a whole, age and gender discrimination and wage inequality were also considered.

### 3.5.1 Respect for human rights

The Group is committed to identifying, managing and preventing any risk of human rights violations in the conduct of its business. This commitment is explicitly mentioned in the Code of Ethics and in the internal procedures. Together with the Code of Ethics, in order also to ensure respect for human rights, the Parent Company resolved to adopt the Organisation and Management Model pursuant to Legislative Decree 231/2001.

The Code of Ethics contains the values, principles and guidelines expressed by GVS. The reputation of the Company is closely linked to the behaviour of the people who act on behalf of or with GVS, and they must therefore operate in compliance with the ethical rules established in the Code. The Code recipients are all personnel of GVS Group and third parties with whom it maintains relations.




Find out more about our  
"Code of Ethics"

With this in mind, 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.

Compliance with the provisions of the Code of Ethics is an integral part of the contractual obligations of all those who work in the name of and on behalf of one of the Companies of the Group.

Furthermore, the GVS Code of Ethics for Suppliers was published in 2022, the observance of which is a condition *si ne qua* non for being part of the GVS value chain.



Find out more about our  
"Supplier code of Conduct"

♥ The Group is committed to identifying, managing and preventing any risk of human rights violations in the conduct of its business.



### Equal opportunities

Equal opportunities are guaranteed from the selection and recruitment of personnel and continue throughout the employee's working life. GVS prohibits any form of discrimination on the basis of gender, sexual orientation, age, marital status, physical appearance, nationality, disability, political or religious beliefs, and any form of abuse or harassment in the workplace, or any behaviour that violates the freedom and dignity of the employee. Furthermore, the Company strongly condemns slavery, human trafficking and the exploitation of labour, whether child, forced or under threat of corporal punishment.

The GVS work environment is based on inclusion and respect, it is multicultural and aimed at the application of gender equality.

Particular attention is paid to respect for fundamental human freedoms and the principles of non-discrimination, especially with regard to the most vulnerable groups, such as women, children, the disabled, LGBTQ+ people, migrants and asylum seekers, and people belonging to ethnic and religious minorities.

### 3.5.2 Pay gap

Equal pay is something that GVS keeps constantly under control, through the Human Resources Department at GVS's head office in Italy and Managers in local offices. For example, in some manufacturing plants such as GVS UK there is annual gender pay gap reporting.

### 3.5.3 GRI 406-1 Incidents of discrimination and corrective action taken

GVS places respect for human rights at the basis of its values and orients its *modus operandi* towards the protection of people. There were no incidents of convicted discrimination during the reporting period. All employees or third parties with whom the Group has business dealings must, if they become aware of any discriminatory action, report it to the Legal Department.

### 3.5.4 Training employees on human rights policies or procedures

Employees are constantly trained on policies and procedures concerning human rights' aspects relevant to the Group's activities.

The table below shows some numerical information, of a non-financial nature, related to the protection of human rights.

GRI 2-24	UoM	2022	2021	2020
Total number of hours devoted to training on human rights policies or procedures that are relevant to activities	N.	1,224.00	1,302.25	914.09
Percentage of employees who have been trained on policies or procedures concerning human rights aspects relevant to their activities	%	32%	65.83%	59.71%







# CHAPTER 4 Suppliers

4.1	Suppliers	92
4.1.1	GRI 2.6 Supply chain	93
4.1.2	GRI 204-1 Proportion of spending on local suppliers	94
4.1.3	GRI 414-1 New suppliers that were screened using social criteria	95
4.1.4	GRI 308-1 New suppliers that were screened using environmental criteria	95
4.1.5	GRI 419-1 Non-compliance with laws and regulations in the social and economic area	95





Always aware of the important role they play in the value chain, GVS has created a strong partnership with its suppliers in the different realities in which the group companies do business.

Suppliers are a fundamental part of the Group's production process, and GVS undertakes to require them to respect behavioural principles corresponding to its own and to social and environmental best practices.

In order to be ever more incisive in protecting human rights and operating in compliance with laws and regulations, the "supplier code of conduct" was published in 2022 and is a fundamental tool in the management of our suppliers.

Within the framework of its relationship with GVS, the supplier agrees to comply with all the requirements of the code of conduct, while GVS has the right to verify compliance and, in the event of a breach, may avail itself of the right to unilateral termination of any agreement entered into with the supplier and to claim damages.

GVS requires its suppliers to comply with all applicable local labour laws and regulations, including but not limited to the 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, health and safety in the workplace, the fight against corruption and the quality of raw materials and products supplied.



Find out more about our  
"Supplier code of Conduct"

The Company focuses mainly on choosing local suppliers, pursuing economic, social responsibility and logistical objectives and reducing the environmental impact generated by transport-related CO<sub>2</sub> emissions.

With regard to the responsible management of the supply chain, the choice of suppliers is oriented towards the criteria of professionalism, quality and fairness in the performance of activities. Supplier relationships consist of business partnerships, based on transparent competition, a financially strong and reliable supply chain in terms of quality and continuity of production. The Group is oriented towards including specific environmental and social criteria in the evaluation of suppliers, the future objective is to adopt a "green purchasing" policy and establish multi-channel communication to help suppliers improve the quality of their products and services.

GVS S.p.A. 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, approved by the Quality Assurance department. On the other hand, the other Group companies follow established practices for supply chain management.

## 4.1.1 GRI 2.6 Supply chain

Successful and sustainable supply chain management requires adherence to 6 core principles, followed at each stage by all Group companies:



**Minimize business interruptions**



**Protect the company's reputation and value**



**Reduce energy/material usage and transportation costs**



**Increase labour productivity**



**Meet the growing demands of customers and business stakeholders**



**Innovate to change markets**

It should be noted that in the procurement of materials from its suppliers, GVS ensures complete compliance with the international requirements established by the REACH and RoHS regulations for the European Union.

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 suppliers of GVS S.p.A. are classified on the basis of (i) the type of purchase, (ii) the environmental impact and (iii) the impact on the quality of the product. With reference to the type of purchase, GVS suppliers are classified into:

- Suppliers of materials (raw materials, semi-finished products): suppliers necessary for the production process;
- 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.);
- Technical suppliers, used to purchase moulds, equipment, spare parts and special processes.

The second classification takes into account the environmental impacts of the company and provides for the identification of these two categories as illustrated below:

- High risk: suppliers who carry out work inside GVS S.p.A.'s plants, and/or who may significantly influence the environmental impact of the company (e.g. suppliers who influence consumption, suppliers who may cause the company to incur penalties or who may create spillage of dangerous substances/waste in the company). For these

suppliers, the "Report on inspection, coordination and cooperation" (DUVRI) is delivered.

- Low risk: suppliers that do not significantly affect the company's environmental impacts.

Finally, the following two categories were identified for the product quality impact classification:

- 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 we refer, 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. The minimum requirement of GVS is that the Quality Management System is certified in accordance with ISO 9001:2015. Suppliers that do not meet the minimum requirement do not have access to subsequent qualification activities.

The Group's supply chain is constantly monitored according to a process that includes:

- Incoming material checks;
- Development of performance indicators;
- Audit at the production site;
- Verification of quality, environmental, health and safety management system certification status.

### 4.1.2 GRI 204-1 Proportion of spending on local suppliers

Choosing local suppliers is part of the GVS Group's strategy, as explained by the data in the table below. All Group companies tend to give preference to suppliers within their own territory, even if small, not only to minimise supply risks, reduce environmental impact and transport costs, but also to contribute to the growth of the local community.

GRI 204-1	UoM	2022	2021	2020
Total goods and services purchased <sup>17</sup>	(€/'000)	195,296,101	151,880.70	139,594.53
Goods and services purchased from local suppliers	(€/'000)	130,122,370	100,820.41	106,373.77
Goods and services purchased from local suppliers <sup>18</sup>	%	67	66	76

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

The table below shows the number and percentage of new suppliers that have been assessed using social criteria, i.e. through due diligence procedures for social impacts.

GRI 414-1	UoM	2022	2021	2020
New suppliers	N.	808	1,229	1,165
New suppliers selected according to social criteria	N.	89	59	106
Percentage of new suppliers selected according to social criteria	%	11	5	9

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

Finally, the table shows the number and percentage of new suppliers that have been evaluated using environmental criteria.

GRI 308-1	UoM	2022	2021	2020
New suppliers	N.	788	1,229	1,165
New suppliers selected using environmental criteria	N.	79	281	129
Percentage of new suppliers selected using environmental criteria	%	10	23	11

### 4.1.5 GRI 419-1 Non-compliance with laws and regulations in the social and economic area

The Group is aware that compliance with the regulations in force in the various countries in which it operates is an essential principle and is committed to preventing violations of any form. As a confirmation of its commitment, to date the organisation has not identified any non-compliance with laws and/or regulations. All actions are carried out in strict compliance with the relevant laws and regulations in each country. As further evidence of the diligence of all its employees, in FY 2022 no penalties, monetary or non-monetary, were found for non-compliance with laws and/or regulations in the social and economic spheres.

<sup>17</sup> Data comes from purchase orders

<sup>18</sup> The term local suppliers refers to suppliers within the same country of the Business Unit. For example, Italian suppliers for GVS Spa; Brazilian suppliers for GVS do Brasil and so on are considered local suppliers; only for Haemotronic Italia were European suppliers considered as local suppliers.



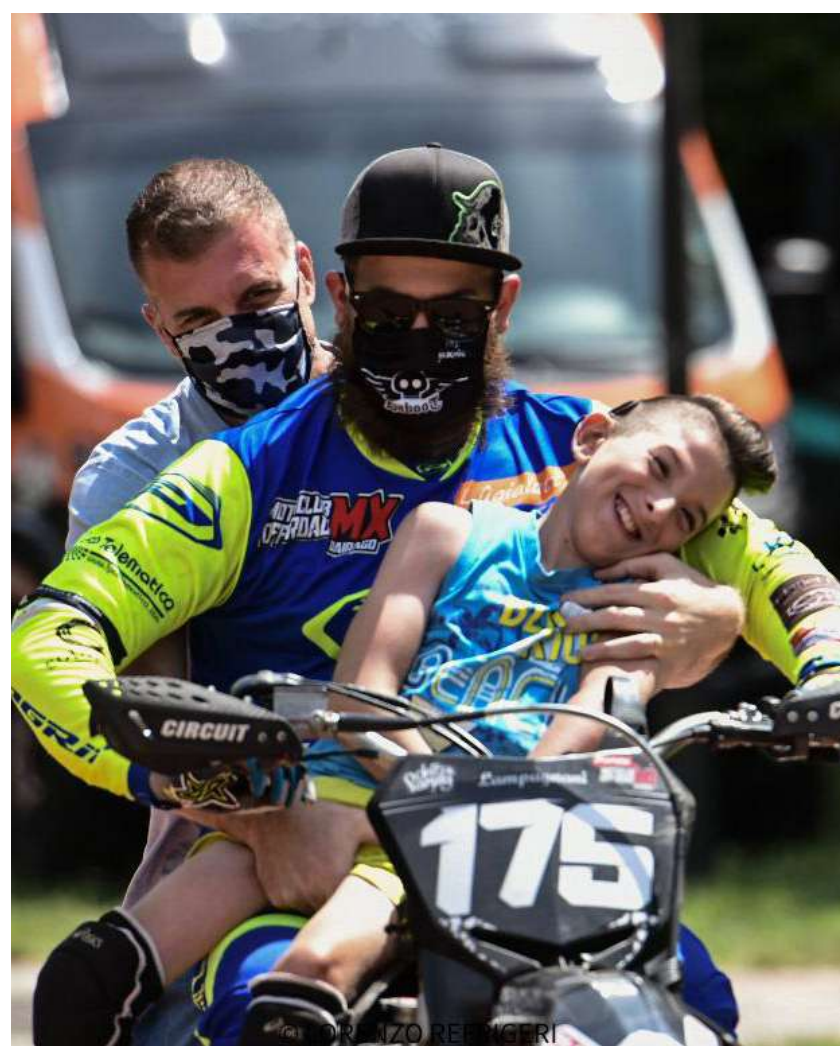
## Chapter 5 Social commitment

Always aware of the important role that companies play in the community and the territory, GVS considers its social commitment a priority.

The Group's activities are managed in close contact with local populations, in geographically and culturally diverse situations. GVS supports them through numerous projects and initiatives to support their social welfare, ensuring the full involvement of its employees and collaborators.

Below are some examples of the Group's activities.

In terms of sports, in Italy, among the local non-profit organisations, 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. Throughout 2022, GVS supported the foundation by giving all group employees and their families the opportunity to participate free of charge in activities proposed and organised by the foundation.

Also in 2022, GVS sponsored the "Canoa Club Bologna", which promotes activities with the disabled and works with Paralympic athletes, encouraging participation in this sport among its employees.

In the Sao Paulo region of Brazil, youth sports are encouraged, supporting the "Sociedade Esportiva Itapireense" football team, which participates in the Paulista under-11 and under-13 championships.

As part of its support for scientific research, GVS contributes to the "Fondazione Il Bene", a non-profit organisation engaged in research in the field of rare neurological and neuro-immune diseases, with a focus on the latest therapeutic methods.

Furthermore, GVS is one of the founding promoters and a member of the board of directors of the "Fondazione Rizzoli 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 optimisation, promotion and

protection of the institute's cultural heritage, ensuring the best conditions for its preservation and public use.

Also in the medical field, GVS-Haemotronic Reynosa in 2022 donated medical supplies such as sterile gloves, alcohol, medical soap, and syringes to the local "Croce Rossa"; it also conducted an information campaign for the women of the Mexican Community of Reynosa to promote awareness of the importance of breast cancer prevention.

In the social sphere, in Italy, GVS sponsored a day of sports activities in Lipari in cooperation with "Mai Paura Onlus"; during the day, diving activities for the disabled were held with the Lipari Diving Center and DisabiliNoLimits. The day ended with the meeting "Senza Barriere - Lo Sport come Terapia" between Umberto Pellizzari, a multiple world champion in apnea, and Andrea Stella, an Italian sailor in a wheelchair due to paraplegia.

GVS Italy also supports "Save The Children" and the Parish of "San Giovanni in bosco" in Bologna with annual donations.

In Mexico, again in support of the local community of Reynosa, donations of clothes and toys were made to children, as part of a project to integrate and support the neediest social groups.

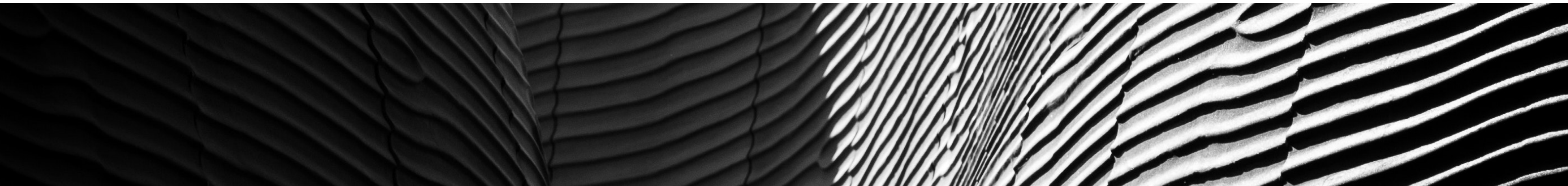






# Chapter 6 Fighting corruption

6.1	Fight against corruption	100
6.1.1	GRI 205-3 Confirmed incidents of corruption and actions taken	102
6.1.2	GRI 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	102
6.1.3	Total number and percentage of employees having received anti-corruption training	102





Integrity is a fundamental part of the identity of GVS, and one of the founding principles of the Group's Code of Ethics. In carrying out its activities, the Company places integrity at the basis of its economic and social relations, and recognises the phenomenon of corruption as a serious threat to its development.

GVS promotes the performance of its activities in compliance with the regulations and the fight against corruption at national and international level, both in relations with public officials and with private individuals.

The risk of corruption is present in various areas of business activity, involving all relationships on various levels. The occurrence of wrongdoing could result in penalties and possible repercussions on the conduct of business, as well as serious damage to the Group's reputation.

Directors and all employees in positions of autonomy or responsibility must report in writing the cases in which there are relationships of an organisational nature (e.g. customer - supplier) with persons, entities or organisations capable of influencing their judgement in the performance of their activities, for reasons of family or other relationships of a personal nature.

GVS is committed to constant compliance with national and international antitrust regulations and the guidelines of the Competition and Market Authority. The Group avoids any kind of agreement or communication aimed at influencing free competition.

In the course of their business activities, all employees and managers of the Group must adhere to professional and commercial integrity. Acts of violence or threats, capable of damaging free competition or misleading third parties into believing that the competitor is not financially capable of meeting the obligations contracted, shall not be tolerated.

As a company operating at international level, GVS Group is exposed to a number of risks in carrying out its ordinary activities, including the commission of crimes of active and passive corruption.

For this reason, the Group strictly prohibits any form of

favouritism, corruption or collusion with third parties or representatives of public power (public officials, politically exposed persons or persons closely linked to them) is strictly prohibited.

The pursuit of the Group's interest or advantage shall never be justification for unethical and dishonest conduct. No employee may receive gifts, presents or personal gratuities of any form or value, in relation to the performance of their activities, from persons, entities or organisations with which they have any kind of relationship.

The aforementioned risks associated with corruption, in some cases also entail the administrative liability of the entity in the event of violations of the rules.

GVS S.p.A., in order to ensure the correctness and transparency of company operations, consider it appropriate to adopt an Organisation, Management and Control Model in accordance with Legislative Decree 231/2001 (MOG). The purpose of the model is to constitute a set of procedures and control activities aimed at preventing the commission of the various types of offences provided for in the Decree.

GVS has set up the Supervisory Board in order to supervise the operation of and compliance with the Model, and to propose its updating. A further tool for reporting violations of 231 regulations is the so-called "Whistleblowing", defined as one or more channels that allow all recipients of the Model 231 to report unlawful conduct to the detriment of the entity. The Code of Ethics also incorporates Whistleblowing, thus overcoming the national limitations of the Model 231, since the Code of Ethics has been adopted by all Group companies.

The Code of Ethics aims to ensure transparent and appropriate conduct 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 training plans are promoted for all employees on anti-corruption principles and general principles of conduct.

All subjects who come into contact with GVS reality, such as managers, employees, suppliers, clients and public administration are required to avoid any situation of corruption or collusion. The relationship with public authorities requires transparency and correctness, as does the management of public funds (contributions, subsidies, loans, etc.), which must presuppose maximum transparency both in the truthfulness of every related document and in the correct destination of the money. Finally, in the event of inspections or investigations by public authorities, GVS personnel are required to cooperate fully in order to protect the integrity and reputation of the Group.

On 17 December 2021, the Board of Directors adopted the Global Compliance Programme, a Group-wide programme to prevent perpetration of offences. As part of this programme, the Anti-Corruption Policy has also been adopted, as 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 with the best international standards in the fight against corruption.

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.

**Find out more about our "Anti-corruption Policy"**

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 compliance (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").

In conclusion, it can be said that 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.

**Find out more about our "Global Compliance Program"**

The Anti-Corruption 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

### 6.1.1 GRI 205-3 Confirmed incidents of corruption and actions taken

During the reporting period there were no confirmed incidents of corruption.

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

In its relations with its competitors, GVS does not propose or accept market-distorting agreements with competitors, such as selective pricing or discounts. Reflecting this, there were no legal actions for anti-competitive behaviour, antitrust or monopolistic practices during the reporting period.

### 6.1.3 Total number and percentage of employees having received anti-corruption training

As a whole, 1539 employees were trained in 2022, representing 30% of the total.





# Chapter 7 Summary of ESG data and Policies

<b>7.1</b>	<b>GRI</b>	<b>106</b>
	7.1.1 GRI Content Index	106
	7.1.2 GRI data tables	110
<b>7.2</b>	<b>List of GVS policies</b>	<b>124</b>
<b>7.3</b>	<b>Correlation Table with Material Topics and Legislative Decree 254/2016</b>	<b>126</b>
<b>7.4</b>	<b>Independent auditor's report on the consolidated non-financial statement</b>	<b>130</b>





# 7.1 GRI

## 7.1.1 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 01.01.2022 to 31.12.2022 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	NFS Chapter 1 paragraph 1.1
	2-2 Entities included in the organization's sustainability reporting	NFS Chapter 1 paragraph 1.1
	2-3 Reporting period, frequency and contact point	NFS Chapter 1 paragraph 1.1
	2-5 External assurance	NFS Chapter 1 and Chapter 7 paragraph 7.4
	2-6 Activitiesm value chain and other business relationships	NFS Chapter 1 paragraph 1.5
	2-7 Employees	NFS Chapter 3
	2-8 Workers who are not employees	NFS Chapter 3
	2-9 Governance structure and composition	NFS Chapter 1 paragraph 1.6
	2-24 Embedding policy Commitments	NFS Chapter 3
	2-27-Compliance with law and Regulations	NFS Chapter 1 paragraph 1.10
	2-29 Approach to stakeholder engagement	NFS Chapter 1 paragraph 1.12
GRI 3: Material Topics 2021	3-1 Process to determine material topics	NFS Chapter 1 paragraph 1.13
	3-2 List of material topics	NFS Chapter 1 paragraph 1.13
	3-3 Management of material topics	NFS Chapter 1 paragraph 1.13
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	NFS Chapter 4
GRI 205: Anticorruption 2016	205-3 Confirmed incidents of corruption and actions taken	NFS Chapter 6
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	NFS Chapter 6

GRI 207: Tax 2019	207-1 Approach to tax	NFS Chapter 1 paragraph 1.9
	207-2 Tax governance, control, and risk management	NFS Chapter 1 paragraph 1.9
	207-3 Stakeholder engagement and management of concerns related to tax	NFS Chapter 1 paragraph 1.9
GRI 301: Materials 2016	301-1 Materials used by weight or volume	NFS Chapter 2 paragraph 2.1
GRI 302: Energy 2016	302-1 Energy consumption within the organization	NFS Chapter 2 paragraph 2.2
	302-3 Energy intensity	NFS Chapter 2 paragraph 2.2
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	NFS Chapter 2 paragraph 2.3
	303-2 Management of water discharge-related impacts	NFS Chapter 2 paragraph 2.3
	303-3 Water withdrawal	NFS Chapter 2 paragraph 2.3
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	NFS Chapter 2 paragraph 2.4
	305-2 Energy indirect (Scope 2) GHG emissions	NFS Chapter 2 paragraph 2.4
	305-4 GHG emissions intensity	NFS Chapter 2 paragraph 2.4
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	NFS Chapter 2 paragraph 2.5
	306-2 Management of significant waste-related impacts	NFS Chapter 2 paragraph 2.5
	306-3 Waste generated	NFS Chapter 2 paragraph 2.5
	306-4 Waste diverted from disposal	NFS Chapter 2 paragraph 2.5
	306-5 Waste directed to disposal	NFS Chapter 2 paragraph 2.5
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	NFS Chapter 4



GRI 401: Employment 2016	401-1 New employee hires and employee turnover	NFS Chapter 3 paragraph 3.4
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	NFS Chapter 3 paragraph 3.4
	401-3 Parental leave	NFS Chapter 3 paragraph 3.4
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	NFS Chapter 3 paragraph 3.4
	403-10 Work-related ill health	NFS Chapter 3 paragraph 3.4
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	NFS Chapter 3 paragraph 3.4
	404-3 Percentage of employees receiving regular performance and career development reviews	NFS Chapter 3 paragraph 3.4
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	NFS Chapter 3 paragraph 3.4
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	NFS Chapter 3 paragraph 3.4
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	NFS Chapter 4

## 7.1.2 GRI data tables

Below are the ESG data broken down by scope in order of GRI.

### Environment

#### GRI 301-1 Materials used by weight or volume

GRI 301-1 Purchase Category	2021	2022
Plastic Filter Media	33%	16%
Plastic Granules and Polymers	20%	30%
Packaging	11%	9%
Microporous Membrane Rolls	6%	7%
Mesh	6%	9%
Membrane	5%	4%
Metal	4%	6%
Glue & Polyurethane	4%	5%
Other	11%	14%

#### GRI 302-1 Energy consumption within the organisation

GRI 302-1 <sup>7</sup>	UoM	2022	2021	2020
Natural gas	GJ	50,661	33,445	33,775
Diesel fuel for generators	GJ	15,594	980	519
LPG	GJ	1,891	1,560	1,705
Diesel	GJ	5,715	4,699	6,034
Petrol	GJ	3,552	3,264	2,677
Kerosene	GJ	627	787	629
Electricity	GJ	229,125	202,054	163,135
of which from non-renewable sources	GJ	146,685	117,014	124,919
of which from renewable sources	GJ	82,440	85,039	38,216
<b>Total energy consumed<sup>8</sup></b>	GJ	<b>307,166</b>	<b>246,792</b>	<b>208,474</b>
Self-produced electricity	GJ	298	0	0
of which electricity sold	GJ	0	0	0

#### GRI 302-3 Energy intensity

GRI 302-3	UoM	2022	2021	2020
Total energy consumed	GJ	307,166	246,792	208,474
Total number of hours worked	N.	8,197,551	6,810,666	7,922,861
Energy intensity	GJ/N.	0.04	0.04	0.03

GRI 302-3	UoM	2022	2021	2020
Total energy consumed	GJ	307,166	246,792	208,474
Total Group revenue	€ 0	387,591	338,126	363,296
Energy intensity	GJ/ € 000	0.8	0.73	0.57

#### GRI 303-3 Water withdrawal

GRI 303-3	UoM	2022	2021	2020
		Freshwater (1.0000 mg/l total dissolved solids)	Freshwater (1.0000 mg/l total dissolved solids)	Freshwater (1.0000 mg/l total dissolved solids)
Surface waters	m <sup>3</sup>	0	0	0
Groundwater <sup>9</sup>	m <sup>3</sup>	9,315	11,935	8,174
Sea water	m <sup>3</sup>	0	0	0
Water produced	m <sup>3</sup>	0	0	0
Third-party water resources <sup>10</sup>	m <sup>3</sup>	103,738	59,122	64,659
<b>Total water withdrawal</b>	<b>m<sup>3</sup></b>	<b>113,053</b>	<b>71,057</b>	<b>72,833</b>

<sup>7</sup> For the calculation, reference was made to invoiced data.

<sup>8</sup> For the calculation of 2022 consumption, conversion factors published by the Department for Environment Food & Rural Affairs (DEFRA 2022) were used; for the calculation of 2021 consumption, conversion factors published by the Department for Environment Food & Rural Affairs (DEFRA 2021) were used; and for the calculation of 2020 energy consumption, conversion factors (DEFRA 2020) were used.

<sup>9</sup> Brazil and Romania samples come from well water.

<sup>10</sup> For groundwater the value also includes freshwater (>1,000 mg/l total dissolved solids).



GRI 305-1 and GRI 305-2 Direct and indirect GHG emissions

GRI 305-1 and 305-2 <sup>11</sup>	UoM	2022	2021	2020
Direct emissions (Scope 1)				
Natural gas	tCO <sub>2</sub> eq	2,865	1,886	1910
Diesel fuel for generators	tCO <sub>2</sub> eq	1,108	68	37
LPG	tCO <sub>2</sub> eq	121	100	109
Diesel	tCO <sub>2</sub> eq	406	328	429
Petrol	tCO <sub>2</sub> eq	238	220	180
Kerosene	tCO <sub>2</sub> eq	0	54	43
Total direct emissions	tCO <sub>2</sub> eq	4,735	2,657	2,708
Indirect emissions (Scope2) - market based <sup>12</sup>				
Electricity purchased from the grid for consumption	tCO <sub>2</sub> eq	15,550	1,510	16,665
Total indirect emissions	tCO <sub>2</sub> eq	15,850	16,510	16,665
Total emissions	tCO <sub>2</sub> eq	20,584	19,167	19,373

GRI 305-4 GHG emissions intensity

GRI 305-4	UoM	2022	2021	2020
Total GHG emissions	tCO <sub>2</sub> eq	20,584	19,167	19,373
Total number of hours worked	N.	8,197,551	6,810,666	7,922,861
Emission intensity	tCO <sub>2</sub> eq / N.	0.003	0.002	0.002

GRI 305-4	UoM	2022	2021	2020
Total GHG emissions	tCO <sub>2</sub> eq	20,584	19,167	19,373
Total Group revenue	€ 0	387,591	338,126	363,296
Emission intensity	tCO <sub>2</sub> eq / € 000	0.05	0.05	0.05

<sup>11</sup> For the calculation of 2020 greenhouse gas emissions, the conversion and emission factors were used published by Terna S.p.A. in 2019 and by the Department for Environment Food & Rural Affairs (DEFRA 2020) were used, while to calculate the greenhouse gas emissions for 2021, conversion and emission factors published by Terna S.p.A. in 2019 and by the Department for Environment Food & Rural Affairs (DEFRA 2021) were used, and for 2022, the conversion and emission factors published by Terna S.p.A., were applied. 2019 and by the Department for Environment Food & Rural Affairs (DEFRA 2022) are used.

<sup>12</sup> The market-based approach considers specific emission factors reported by GVS providers.

GRI 306-3 Waste generated

GRI 306-3	UoM	2022	2021	2020
Hazardous waste	t	739	729	684
Non-hazardous waste	t	4,177	3,908	3,330
Total waste weight	t	4,917	4,638	3,798

GRI 306-3 Waste Composition in Tonnes (t)	2022		
	Waste generated	Waste not sent to landfill	Waste sent to landfill
Waste composition			
Hazardous waste	739	473	266
Non-hazardous waste	4,177	2,487	1,690
Total waste weight	4,916	2,960	1,956

GRI 306-4 Waste diverted from disposal

GRI 306-4 Waste not sent to landfill, in Tonnes	2022		
	On site	Off site	TOTAL
Hazardous waste			
Preparation for reuse	2	0	2
Recycling	0	464	464
Other recovery operations	0	7	7
Total			473
Non-hazardous waste			
Preparation for reuse	168	0	168
Recycling	0	1,837	1,837
Other recovery operations	0	483	483
Total			2,488

GRI 306-5 Waste directed to disposa

GRI 306-5 Waste sent to landfill, in Tonnes	2022		
	On site	Off site	TOTAL
Hazardous waste			
Incineration (with energy recovery)	0	155	155
Incineration (without energy recovery)	0	14	14
Assigned to landfill	0	0	0
Other disposal operations	49	48	97
Total waste			266
Non-hazardous waste			
Incineration (with energy recovery)	0	266	266
Incineration (without energy recovery)	92	150	243
Assigned to landfill	0	1,054	1,054
Other disposal operations	3	124	128
Total waste			1,690

People

GRI 2-7 Employees

GRI 2-7 <sup>14</sup>	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	384	435	819	231	180	411	209	155	364
Permanent	383	435	818	227	180	407	201	152	353
Fixed-term	1	0	1	4	0	4	8	3	11
Europe (excluding Italy)	172	695	867	200	764	964	238	724	962
Permanent	165	549	714	188	503	691	224	494	718
Fixed-term	7	146	153	12	261	273	14	230	244
America	1,186	1,242	2,428	624	701	1,325	637	691	1,328
Permanent	1177	1208	2385	618	689	1307	628	667	1,295
Fixed-term	9	34	43	6	12	18	9	24	33
Asia	219	536	755	104	160	264	100	153	253
Permanent	199	449	648	104	160	264	100	153	253
Fixed-term	20	87	107	0	0	0	0	0	0
Total	1,961	2,908	4,869	1,159	1,805	2,964	1,184	1,723	2,907

Below is the total number of employees divided into Full Time and Part Time

GRI 2-7 <sup>15</sup>	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time	1,957	2,874	4,831	1,239	1,920	3,159	1,502	2,234	3,736
Part-time	4	34	38	5	31	36	2	26	28
Total	1,961	2,908	4,869	1,244	1,951	3,195	1,504	2,260	3,764

<sup>14</sup> The table does not include "on-call personnel" as this type is not used by the Group.

<sup>15</sup> In 2020 and 2021, the figure also included the number of contracted workers.



Below is the number of workers not directly employed by GVS.

GRI 2-8	2022			2021			2020		
	Men	Women	Totale	Men	Women	Totale	Men	Women	Total
Number of workers who are not employees	57	25	82	85	146	231	320	537	857

### GRI 401-1 New employee hires and employee turnover

GRI 401-1	Employees hired								
	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	55	92	147	57	54	111	21	12	33
<30	32	33	65	24	8	32	8	5	13
30-50	20	52	72	29	41	70	13	6	19
>50	3	7	10	4	5	9	0	1	1
Europe (excluding Italy)	31	163	194	83	419	502	68	277	345
<30	20	59	79	43	125	168	24	72	96
30-50	9	83	92	27	210	237	32	152	184
>50	2	21	23	13	84	97	12	53	65
America	868	770	1,638	390	685	1,075	447	689	1,136
<30	332	425	757	184	366	550	257	339	596
30-50	456	277	733	173	294	467	164	309	473
>50	80	68	148	33	25	58	26	41	67
Asia	52	194	246	51	72	123	128	261	389
<30	20	44	64	16	24	40	83	134	217
30-50	28	150	178	31	48	79	45	127	172
>50	4	0	4	4	0	4	0	0	0
Total	1,006	1,219	2,225	581	1,230	1.811	664	1,239	1,903

GRI 401-1	Employees made redundant								
	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	68	63	131	24	12	36	8	4	12
<30	27	17	44	6	1	7	2	1	3
30-50	27	22	49	13	8	21	5	2	7
>50	14	24	38	5	3	8	1	1	2
Europe (excluding Italy)	58	232	290	108	381	489	65	176	241
<30	20	53	73	47	135	182	28	49	77
30-50	28	135	163	42	193	235	26	94	120
>50	10	44	54	19	53	72	11	33	44
America	969	572	1,541	489	749	1,238	276	442	718
<30	741	321	1062	243	393	636	150	212	362
30-50	153	194	347	195	301	496	109	206	315
>50	75	57	132	51	55	106	17	24	41
Asia	61	243	304	107	197	304	72	195	267
<30	23	56	79	38	54	92	49	100	149
30-50	36	184	220	69	141	210	22	95	117
>50	2	3	5	0	2	2	1	0	1
Total	1,156	1,110	2,266	728	1,339	2,067	421	817	1,238

GRI 401-3 <sup>16</sup>	Parental leave								
	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total number of employees entitled to parental leave	61	78	139	1.185	1.896	3.081	1.269	1.933	3.202
Total number of employees who took parental leave	57	71	128	11	61	72	14	47	61
Total number of employees who returned to work during the reporting period after taking parental leave	55	39	94	10	33	43	14	39	53
Rate of return to work of employees who took parental leave	96%	55%	73%	91%	54%	60%	100%	83%	87%

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

GRI 404-1 Average number of hours of training per year per employee	2022		2021		2020	
	Men	Women	Men	Women	Men	Women
Direct	21.08	20.42	27.7	28.27	22.07	22.46
Indirect	11.87	17.40	24.62	28.26	22.16	24.84
<i>of which are Management</i>	13.22	20.19	9.99	13.83	8.64	8.61
<b>Total</b>	<b>16.31</b>	<b>19.62</b>	<b>26.16</b>	<b>28.26</b>	<b>22.11</b>	<b>23.65</b>

<sup>16</sup> In 2021 the incorrect assumption was made that all were entitled without taking into account that the right arises at the time of the onset of the condition.

## GRI 404-3 Percentage of employees receiving regular performance and career development reviews

GRI 404-3	2022		2021		2020	
	Men	Women	Men	Women	Men	Women
Direct	71 %	77%	93%	83%	48%	54%
Indirect	86%	72%	91%	84%	83%	73%
<i>of which are Management</i>	77%	67%	35%	34%	32%	20%

## GRI 405-1 Diversity of governance bodies and employees

GRI 405-1	2022											
	<30			30 - 50			>50			Gruppo		
	M	W	Tot	M	W	Tot	M	W	Tot	M	W	Tot
Members of the Board of Directors	0	0	0	2	3	5	3	1	4	5	4	9

GRI 405-1	2022					
	<30		30 - 50		>50	
	%M	%W	%M	%W	%M	%W
Members of the Board of Directors	0	0	40%	60%	75%	25%

The tables below show the percentage of employees directly engaged in the production process ("direct") and not directly involved in the production process ("indirect"), broken down by gender, age group and other indicators where relevant (including minority or vulnerable groups). We report 2022 and 2021 in two separate tables for ease of reading.

GRI 405-1	2022											
	<30			30 - 50			>50			Group		
	M	W	Tot	M	W	Tot	M	W	Tot	M	W	Tot
Direct	423	566	989	382	1,303	1,685	135	422	557	940	2,291	3,231
Indirect	295	176	471	499	345	844	221	102	323	1,015	623	1,638
<i>of which are Management</i>	13	27	40	83	70	153	34	13	47	130	110	240
<b>Total</b>	<b>718</b>	<b>742</b>	<b>1,460</b>	<b>881</b>	<b>1,648</b>	<b>2,529</b>	<b>356</b>	<b>524</b>	<b>880</b>	<b>1,955</b>	<b>2,914</b>	<b>4,869</b>



GRI 405-1	2021											
	<30			30 - 50			>50			Group		
	M	W	Tot	M	W	Tot	M	W	Tot	M	W	Tot
Direct	130	229	359	261	853	1,114	104	363	467	495	1,445	1,940
Indirect	117	60	177	378	218	596	169	82	251	664	360	1,024
of which are Management	1	8	9	45	34	79	23	4	27	69	46	115
Total	247	289	536	639	1,071	1,710	273	445	718	1,159	1,805	2,964

GRI 405-1	2022					
	<30		30 - 50		>50	
	%M	%W	%M	%W	%M	%W
Direct	42.77%	57.23%	22.67%	77.33%	29.73%	75.76%
Indirect	62.63%	37.37%	59.12%	40.88%	66.48%	31.58%
of which are Management	32.50%	67.50%	54.25%	45.75%	71.74%	27.66%
Total	49.18%	50.82%	34.84%	65.16%	43.58%	59.55%

GRI 405-1	2021					
	<30		30 - 50		>50	
	%M	%W	%M	%W	%M	%W
Direct	36.2%	63.8%	23.4%	76.6%	22.3%	77.7%
Indirect	66.1%	33.9%	63.4%	36.6%	67.3%	32.7%
of which are Management	11.1%	88.9%	57.0%	43.0%	85.2%	14.8%
Total	46.1%	53.9%	37.4%	62.6%	38.0%	62.0%

### GRI 403-9 Work-related injuries

GRI 403-9 Employees and temporary workers	2022	2021	2020
The number of deaths resulting from accidents at work	0	0	0
The number of accidents at work with serious consequences (excluding deaths)	0	1	2
The number of recordable occupational accidents	45	71	78
Ongoing	13	11	7
At work	32	60	71
Hours worked	8,197,551	7,726,036	7,922,861
The rate of deaths as a result of work-related injuries	0	0	0
The rate of accidents at work with serious consequences (excluding deaths)	0	0.03	0.045
The rate of recordable occupational accidents	1.1	2.0	2.0

GRI 403-10 Employees	2022	2021	2020
The number of deaths resulting from occupational diseases	0	0	0
The number of cases of occupational diseases recorded	0	3	5

Human Rights

GRI 2-24	UoM	2022	2021	2020
Total number of hours devoted to training on human rights policies or procedures that are relevant to activities	N.	1,224.00	1,302.25	914.09
Percentage of employees who have been trained on policies or procedures concerning human rights aspects relevant to their activities	%	32%	65.83%	59.71%

Suppliers

GRI 204-1 Proportion of spending on local suppliers

GRI 204-1	UoM	2022	2021	2020
Total goods and services purchased <sup>17</sup>	(€/000)	195,296.101	151,880.70	139,594.53
Goods and services purchased from local suppliers	(€/000)	130,122.370	100,820.41	106,373.77
Goods and services purchased from local suppliers <sup>18</sup>	%	67	66	76

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

GRI 414-1	UoM	2022	2021	2020
New suppliers	N.	808	1,229	1,165
New suppliers selected according to social criteria	N.	89	59	106
Percentage of new suppliers selected according to social criteria	%	11	5	9

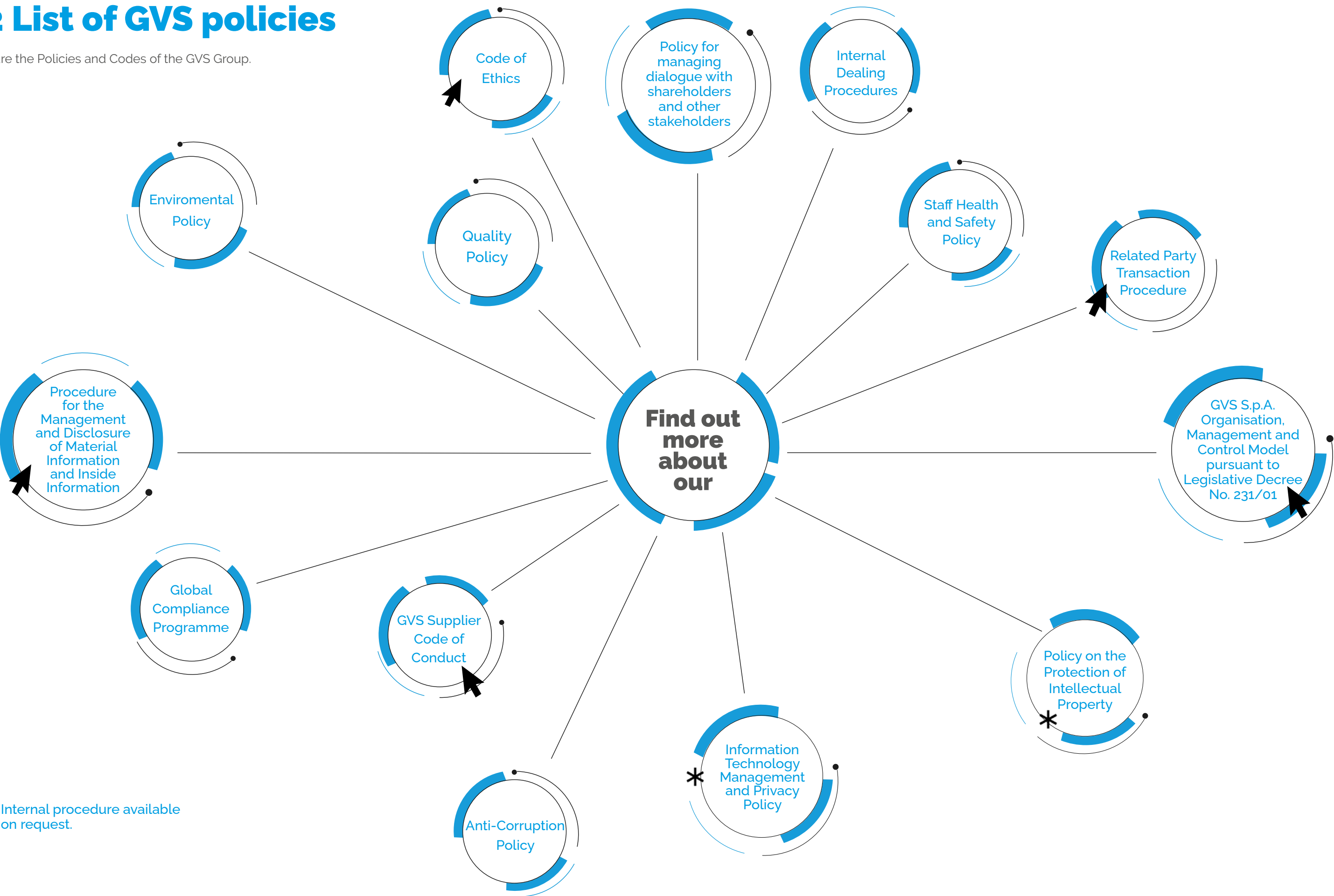
GRI 308-1 New suppliers that were screened using environmental criteria

GRI 308-1	UoM	2022	2021	2020
New suppliers	N.	788	1,229	1,165
New suppliers selected using environmental criteria	N.	79	281	129
Percentage of new suppliers selected using environmental criteria	%	10	23	11



# 7.2 List of GVS policies

Below are the Policies and Codes of the GVS Group.



\* Internal procedure available on request.

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

TOPIC of Italian Legislative Decree no. 254/2016	Material topic	Risks e management methods	Reference GRI for reporting	Reporting perimeter
Environment	Focus on the environmental impact	Chapter 1 and 2	301-1 Materials used by weight and volume	Group companies as defined in chapter 1
			302-1 Energy consumption within the organisation	
			302-3 Energy intensity	
			303-1 Interaction with water as a shared resource	
			303-2 Management of water discharge-related impacts	
			303-3 Water withdrawal by source	
			305-1 Direct GHG emissions	
			305-2 Indirect GHG emissions	
			305-4 GHG emissions intensity	
			305-2 Management of significant waste-related impacts	
			306-3 Waste generated	
			306-4 Waste diverted from disposal	
			306-5 Waste directed to disposal	
			306-1 New suppliers evaluated according to environmental criteria	
Social and human resources	Attention to the impact on people, health and safety in the workplace Attention to and enhancement of human resources. Responsibility in the supply chain. Product safety and quality	Chapter 1, 3, 4 and 5	2-7 Information on employees and other workers	
			2-8 Number of workers who are not employees	
			102-9 The supply chain	
			204-1 Proportion of spending on local suppliers	
			414-1 New suppliers screened using social criteria	
			400-1 New hires and cessations	
			401-2 Employee welfare and benefits	
			401-3 Parental leave	
			403-9 Work-related injuries	
			403-10 Work-related ill health	
			404-1 Average hours of training per year per employee	
			404-3 Percentage of employees receiving regular performance and career development reviews	
			405-1 Diversity of governance bodies and employees	



Human rights	Discrimination (age and gender), Pay gap. Failure to comply with all principles of the human rights charter	Chapter 1 and 3	2-24 Number of employees who have received training on human rights
Fight against corruption	Fight against active and passive corruption throughout the value chain	Chapter 1 and 6	205-3 Confirmed incidents of corruption and actions taken
			206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices
			2-27 Compliance with laws and regulations
Transversal topics	Transversal topics	Chapter 1	207-1 Approach to taxes
			207-2 Tax governance, control and risk management
			207-3 Stakeholder engagement and addressing tax concerns

Zola Predosa, 22 Marzo 2023

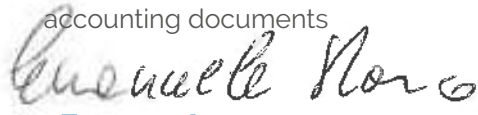
Massimo Scagliarini

GVS Chief Executive Officer



Emanuele Stanco

Manager responsible for preparing the corporate accounting documents



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



GVS SPA

INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE NO. 254/2016 AND ARTICLE 5 OF CONSOB REGULATION NO. 20267 OF JANUARY 2018

YEAR ENDED 31 DECEMBER 2022



**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 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 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 2022, prepared in accordance with article 4 of the Decree, and approved by the Board of Directors on 21 March 2023 (the, “NFS”).

Our review does not extend to the information set out in the “Taxonomy” 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 the identification and management of risks generated or faced by the Group.

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

**PricewaterhouseCoopers SpA**

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### 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 published by the International Ethics Standards Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behaviour. Our audit firm adopts International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains an overall quality control system which includes processes and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

### Auditor's responsibilities

We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000 Revised”), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The standard requires that we plan and apply procedures in order to obtain limited assurance that the NFS is free of material misstatement. Therefore, the procedures performed are less in scope than those performed in a reasonable assurance engagement 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, aggregation, 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 obtained supporting documentation to verify its consistency with available evidence;
  - 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 and Suzhou GVS Trading Co. Ltd., which were selected on the basis of their activities, their contribution to the performance indicators at a consolidated level and their location, we carried out site visits during which we met the persons in charge and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the indicators.

### Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of GVS Group for the year ended 31 December 2022 is not prepared, in all material 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 ABC Group does not extend to the information set out in the “Taxonomy” paragraph of the NFS, required by article 8 of European Regulation 2020/852.

Bologna, 12 April 2023

PricewaterhouseCoopers SpA

*Signed by*

Giuseppe Ermocida  
(Partner)

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



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