



SUSTAINABILITY POLICY

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1. Purpose and Objectives of the Policy

This Policy, which reflects the philosophy of SICIT Group S.p.A. (“SICIT”) and its subsidiaries and affiliates (collectively, “SICIT Group”), identifies the values that inspire and guide the Group and its strategies across all dimensions of Sustainability: environmental, social, and governance (ESG).

Specifically, the purpose of this Policy is to establish directives for directors, managers, employees, agents, consultants, intermediaries, and other third-party representatives in the field of Sustainability, with the aim of promoting respect for people, the natural environment, and communities.

For SICIT Group, Sustainability represents a commitment to act responsibly toward all stakeholders in the course of its activities, with the goal of contributing to an economic development model that creates value without harming the environment or depleting natural resources—thus supporting long-term ecological and social balance.

This Policy is therefore intended to provide guidance for directors, managers, employees, agents, consultants, intermediaries, and other third-party representatives of SICIT Group S.p.A. and its subsidiaries and affiliates in the field of Sustainability, and as such it forms an integral part of SICIT Group’s Vision, Mission, and day-to-day activities.

2. Scope of Application

This Policy establishes a minimum set of rules for sustainable growth that are valid and applicable to all companies within the SICIT Group.

At the local level, each company is required to adopt stricter rules and procedures in accordance with local laws and regulations.

While exercising its oversight and coordination activities, SICIT Group respects the managerial autonomy of each affiliated company, while managing and controlling operations as a whole in line with the legitimate interests of both majority and minority shareholders, and in accordance with applicable local laws and confidentiality requirements.

3. SICIT Group’s Approach to Sustainability

For SICIT Group, being sustainable means anticipating and managing current and future risks and opportunities in the economic, social, and environmental spheres. This approach generates a competitive advantage and enables long-term value creation for shareholders and stakeholders.

Sustainability refers to the integrated management of both positive and negative impacts arising from business activities from an economic-financial, social, and environmental perspective, through:

- the long-term consolidation of the company’s value;
- behaviours aligned with SICIT Group’s values and stakeholder expectations;
- transparency and dialogue with stakeholders.

To ensure more effective risk management and benefit from related opportunities, an efficient Sustainability program must be:

- aligned with corporate objectives;
- integrated into policies and processes;
- regularly monitored and controlled.

SICIT Group believes in the respect of human rights and considers the protection of the integrity, health, rights,

and well-being of its employees—as well as environmental protection—a fundamental part of its activities.

SICIT Group's development strategies are inspired by continuous improvement in the areas of environment, quality, and health and safety, including product safety.

This Policy, in line with the values expressed in the Code of Ethics and consistent with the internal regulatory framework, expresses in an integrated and structured way the Group's vision of sustainable growth as a foundational element of long-term value creation.

4. Relevant Regulations and Standards

In carrying out its activities, SICIT Group is committed to promoting and taking into account the following key standards and regulatory frameworks:

- **2030 Agenda for Sustainable Development:** an action plan adopted in September 2015 by the governments of the 193 United Nations member states, structured around 17 goals focused on people, planet, and prosperity;
- **European Green Deal:** promotes a vision of a sustainable and socially inclusive European democracy, addressing climate and social challenges in an integrated manner and aiming for a science-based, fair ecological transition both within and beyond EU borders;
- **Directive (EU) 2022/2464 – Corporate Sustainability Reporting Directive (CSRD);**
- **Legislative Decree No. 125 of 6 September 2024**, implementing Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC, and Directive 2013/34/EU regarding corporate sustainability reporting;
- **Delegated Regulation on European Sustainability Reporting Standards (ESRS) – C(2023) 5303;**
- **The Ten Principles of the United Nations Global Compact (UNGC);**
- **The eight fundamental Conventions of the International Labour Organization (ILO)** (Nos. 29, 87, 98, 100, 105, 111, 138, 182);
- SICIT Group's **Code of Ethics**.

5. General Principles

At SICIT Group, sustainability is deeply rooted in the company's history and culture. It represents a process of continuous improvement that involves the entire Group, aimed at setting and achieving long-term sustainability objectives while enhancing development and value creation.

Sustainability also contributes to more effective business management, stronger long-term performance, improved reputation, and the growth of intangible assets.

This Policy defines the values that inspire and guide SICIT Group and its strategies across all dimensions of Sustainability: environmental, social, and governance (ESG).

Together with the Code of Ethics, this Policy reflects the Group's moral principles and operational approach. It also defines how to act in situations not specifically regulated by laws or policies, but which may impact relationships with shareholders, management, employees, suppliers, local communities, or other external stakeholders.

SICIT Group's Sustainability Policy is structured around five key pillars that reflect the Group's culture and business objectives:

- **Climate Action:** SICIT has long promoted responsible and efficient energy use (electricity and natural gas) and continuously monitors emissions of air pollutants generated by its production plants to safeguard health and protect the environment.
- **Human Rights and Inclusion:** the respect for human rights is a fundamental value to which the Group devotes its full commitment. SICIT develops and implements processes designed to identify actual or potential risks and impacts of its activities on human rights. By promoting respect for human rights, SICIT aims to support sustainable progress that strengthens both the Group and the communities in which it operates—making them more inclusive, resilient, and diverse.
- **Customer Value:** the Group is committed to generating value for its customers by
 - establishing trust-based relationships grounded in transparency, fairness, and reliability;
 - promoting responsible consumption by reducing the environmental footprint of its products;
 - developing eco-friendly and sustainable products, reducing waste and emissions, and increasing the use of renewable energy sources;
 - offering high value-added, biodegradable products that pose no risk to public health or the environment;
 - regularly checking the consistency and performance of its products, continuously improving formulations;
 - collaborating with customers by sharing environmental data related to its products, including information for calculating their carbon footprint;
 - contributing to the value chain by phasing out fossil fuel use and supporting low-carbon technologies and “net positive” transition strategies.
- **Local Value Creation and Circular Economy:** SICIT has built a strong relationship with the local territory, promoting solidarity and supporting the communities it interacts with daily, while contributing to social, economic, and environmental development.

By its very nature, SICIT’s business model fully embodies the concept of a circular economy. The Group sources residues from tanneries and offers a paid collection service that provides an alternative to costly landfill disposal or treatment in facilities with higher environmental impact. This service allows the tanning industry to manage residues in a sustainable way that avoids high-impact disposal methods.
- **Sustainable Governance:** SICIT has implemented a system of structures, bodies, and governance mechanisms that guide executive decision-making on sustainability issues.

The Group is committed to the ongoing improvement of its policies and programs, enabling the local adoption of all procedures, rules, and directives necessary to apply and monitor the principles outlined in this Policy—with the aim of having a positive impact on employees’ lives.

By adopting this Policy, SICIT Group contributes to improving the conditions of both current and future generations, providing tools that support a better quality of life.

The Group manages sustainability not only as an employer—current or potential—but also as a supplier of products to its customers.

SICIT Group’s operating principles define how the Group engages with all stakeholders, namely:

- **People:** employees and external consultants;
- **Market:** customers, distributors, suppliers, project partners, representatives, competitors, and institutional investors;
- **Environment:** local communities and future generations;
- **Governance:** shareholders, management, and control bodies;

- **Community:** society, regulatory authorities, the financial community, public administration, universities, and research institutes.

SICIT Group's approach to applying sustainability principles to its projects includes the following aspects:

- planning;
- execution;
- monitoring and reporting;
- communication with the financial community;
- internal communication and implementation;
- external and institutional communication;
- stakeholder engagement.

5.1. Planning and Execution

The planning of Sustainability activities at SICIT—both at Group level and local level—must be consistent with the Group's Vision and Mission, identifying areas for improvement and related projects.

Sustainability projects may include:

- corporate-level projects, approved by and under the responsibility of the Board of Directors of SICIT Group S.p.A.;
- Group-wide projects, approved by and under the responsibility of the Group's Chief Executive Officer (CEO);
- local projects, approved by and under the responsibility of local management, in coordination with the Group CEO.

5.2. Monitoring and Reporting

Monitoring and reporting activities are intended to ensure the achievement of Sustainability objectives, to revise them where necessary, and to provide accurate communication—both internal and external—regarding Sustainability performance.

These monitoring and control activities are guided by the Global Reporting Initiative (GRI) Framework and involve the collection of qualitative and quantitative Sustainability data, comparison with defined targets, and subsequent analysis of any deviations.

Key sustainability performance indicators calculated at the local level must be aligned with Group-level indicators, while also addressing the information needs of local businesses and stakeholders.

SICIT Group prepares an annual Sustainability Report—a document that transparently and comprehensively describes the results achieved in economic, social, and environmental areas, providing a snapshot of the Group's commitments and initiatives in support of sustainable development.

Each company within SICIT Group ensures reliable and accurate non-financial disclosure and reporting.

5.3. Communication with the Financial Community

The financial communication process aims to provide accurate and timely information to the market community and sustainability rating agencies regarding SICIT Group's Sustainability performance.

Key activities include:

- identifying the key elements of the financial communication process in order to deliver timely and adequate information;
- preparing a set of relevant disclosures.

5.4. Internal Communication and Implementation

Internal communication and implementation activities are aimed at defining and executing specific programs on Sustainability-related topics.

Key activities include:

- defining internal communication and implementation programs on Sustainability issues at Group level, representing the minimum set of programs to be followed in accordance with Group policies;
- integrating these implementation efforts at the local level, in order to account for all applicable local laws and requirements;
- carrying out internal communication and implementation activities on Sustainability topics at the local level.

5.5. External and Institutional Communication

External and institutional communication focuses on defining strategies and actions for SICIT Group's external communication on Sustainability topics.

Key activities include:

- defining strategies and action plans for SICIT Group's external and institutional communication on Sustainability, in line with established goals and priorities;
- drafting Group-level guidelines on external and institutional communication related to Sustainability;
- preparing, at central level, press releases and media briefings on SICIT Group's Sustainability initiatives.

5.6. Stakeholder Engagement

The stakeholder engagement process is aimed at defining methodologies, programs, and operational guidelines for managing dialogue between SICIT Group and its stakeholders on Sustainability matters.

Key activities include:

- identifying relevant stakeholder categories at Group level;
- identifying relevant stakeholder categories at local level;
- defining methodologies, programs, and operational instructions to manage stakeholder engagement on Sustainability topics;
- implementing stakeholder engagement processes at local level;
- briefing and reporting on key outcomes achieved locally to be shared at Group level.

These activities must be carried out in accordance with the following principles:

- traceability, fairness, and transparency in planning, monitoring, and control processes;
- consistency of defined programs with SICIT Group's strategic/industrial plan;
- alignment of Sustainability objectives with business and operational goals, both locally and at Group level;

- a consistent methodological approach and evaluation of Sustainability initiatives across all SICIT Group companies;
- coherence, transparency, and integrity in stakeholder engagement activities.

The Board of Directors of each Group company is responsible for defining procedures and related actions on Sustainability, in line with the Group's Sustainability strategies and under its general supervision.

6. Reporting

SICIT Group encourages anyone who becomes aware of facts or behaviors that violate this Policy—or applicable sustainability laws and regulations—to file a report.

For operations within Italy, SICIT Group has established a dedicated internal whistleblowing channel as a secure communication tool to ensure the confidentiality of the information provided and the identity of the whistleblower:

Reports can be submitted by filling out the form available on the GlobaLeaks platform:

<https://whistleblowing.SICITgroup.com/#/>

7. Implementation and Monitoring

SICIT Group is committed to assessing the implications of sustainability-related issues within the scope of its operations. Given the potential impacts of violations of this Sustainability Policy, the Group prioritizes appropriate actions aimed at identifying, preventing, or mitigating such impacts across its value chains.

SICIT Group periodically reviews and updates the progress of its commitments and communicates results annually through its Sustainability Report and other communication tools.

8. Review, Communication and Training

This Policy is subject to periodic review to ensure its continued relevance and effective implementation. Any revision will be submitted to the Board of Directors for approval.

SICIT Group is committed to making this Policy accessible and available to all relevant stakeholders, both within and outside the company, through internal communication channels and publication on the corporate website:

<https://www.SICITgroup.com/policy-di-gruppo/>

Employee engagement is considered a key starting point to ensure the full implementation of this Policy. For this reason, SICIT Group delivers training and awareness initiatives to promote understanding of the principles set out herein, as well as of applicable legal requirements and the most rigorous internal standards and procedures.

SICIT Group S.p.A.

Chairman

Rino Mastrotto