



GRUPPO MASTROTTO

Sustainability, next level

Over the years, we have created a business model that put the environment and the social aspects first; that inspires a sustainable development through targeted investments, constant attention to people to the production processes and to the impact on the environment.

"Sustainability, next level" is a fundamental value for us. We believe we can significantly contribute to build a better world for the new generations.

WHAT IS SUSTAINABLE DEVELOPMENT?

"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs"

cit. Gro Harlem Brundtland, Our common future, 1987, chairman of the World Commission on Environment and Development sponsored by the United Nations.

For Gruppo Mastrotto, this approach represents **the milestone of sustainable development** upon which we base all our actions of environmental, social and economic responsibility.



LEATHER: THE ADVANTAGES OF THIS NATURAL AND SUSTAINABLE PRODUCT, PROVIDING HIGH PERFORMANCE AND CUSTOMIZATION POSSIBILITIES

Leather tanning – namely, cowhides – represents a traditional craft that man has been practicing since ancient times for the production of high-quality everyday products. Over time, the fields of application have diversified, embracing a wide range of sectors: from leather goods to footwear, from automotive to nautical, from furnishing upholstery to aviation.

The reasons for this success...

Bovine leather is a **natural and durable** material.

On the one hand, it allows the reuse of waste from the livestock industry according to the principles of the **circular economy**; on the other hand, its **extreme durability** and the capacity of improving the appearance over time allow a considerable saving of resources. The **technological advancements** achieved in recent years in the production process allow a considerable **saving of resources**, in particular, water, a key element in the tanning industry.

Leather has a whole range of qualities that make it an exceptional material:

1 IT IS BREATHABLE AND OFFERS THE MAXIMUM COMFORT IN CASE OF MOISTURE.

This is the case of footwear, which protects against weather conditions while allowing the feet to 'breathe' and expel moisture, keeping them dry.

2 IT IS SCRATCH-RESISTANT.

Leather is so resistant that it is the chosen material for bikers' suits, effectively protecting them in the event of falling. It can also be used in all contexts where durability is an important added value: car interiors, furniture upholstery, various types of seating, and even jackets or bags that undergo intense wear and tear.

3 IT IS SOFT.

An intrinsic quality of leather is its natural softness, which can be emphasised during the processing phase. This exceptional peculiarity allows it to be used in different sectors.

4 IT IS WATER-RESISTANT.

Its unique characteristics allow the production of very high-quality products that have excellent performance in adverse weather conditions and thanks to specific treatments the material is waterproofed.

5 IT IS HIGHLY CUSTOMIZABLE.

Thanks to recent technological developments, leather can be treated in many different ways to change its colour, look, resistance, texture, allowing endless customisation possibilities. This feature makes it an extraordinary material with a very high intrinsic value, that can effectively meet the needs of an increasingly demanding market always looking for higher customization levels.

6 IT ADDS VALUE TO PRODUCTS.

Leather has always been associated with quality and luxury. A leather product is immediately perceived as superior, acquiring an intrinsic value both for the suppliers and end-users.

LEATHER AS A RENEWABLE MATERIAL

Resources that are drawn **from agriculture and industrial farms are renewable**, whereas materials made from fossil reserves cannot be considered as such.

The livestock industry is functional to the production of **leather**, as it is made of **by-product skins** from slaughtering plants.

Leather tanning is one of the **oldest forms of recycling** which transforms a material that cannot be used as food (and would be disposed of as waste) into a **product with a higher added value**.



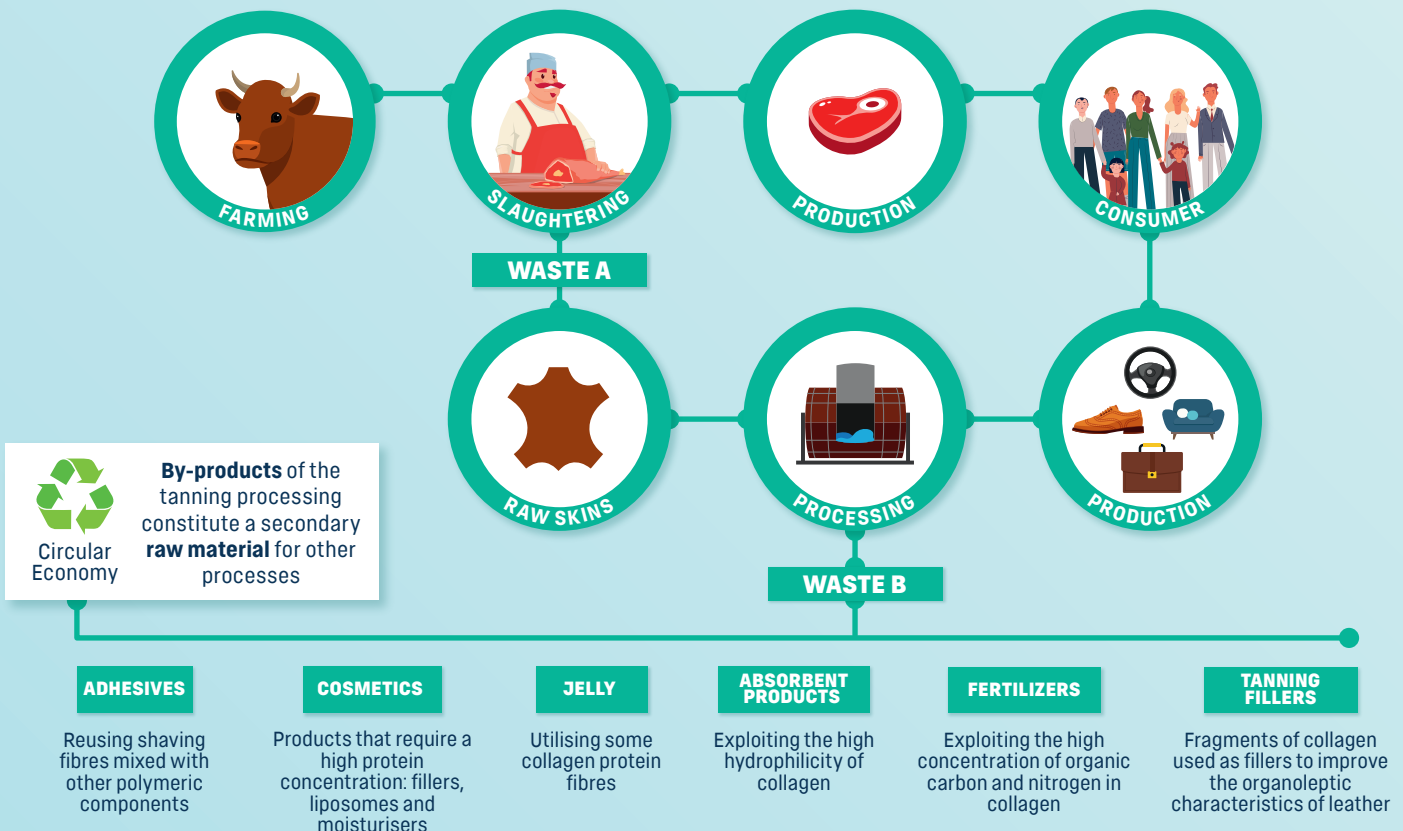
Synthetic fibres (polyester, nylon, etc.) and plastic materials
RENEWING CYCLE:
MILLIONS OF YEARS



Natural fibres (cotton, wool, etc.) wood, paper, food, leather
RENEWING CYCLE:
1 TO 5 YEARS

GRUPPO MASTROTTO AND SUSTAINABILITY OF THE LEATHER PRODUCTION PROCESS

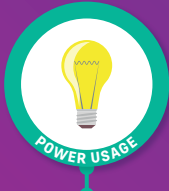
Raw hides and skins, as waste material from the livestock industry, enter the leather production cycle. This application favours the **reduction of global pollution** by preventing skins to become a waste and thus incinerated. The destruction process of animal skins would contribute substantially to the production of greenhouse gases. Therefore, the tanning production process is a **highly sustainable industrial activity from an environmental point of view**.



GRUPPO MASTROTTO'S SUSTAINABLE DEVELOPMENT

INVESTMENTS AND ENVIRONMENTAL KPIS OF GRUPPO MASTROTTO

Gruppo Mastrotto invests in continuous improvement of the industrial production framework: energy consumption, water supply, industrial wastewater discharges, emissions into the atmosphere, and structural investments.



-4%
DELTA %
2017-2018

- Greater **energy efficiency** thanks to **cogenerators**;
- Gradual installation/replacement of appliances (more efficient engines and boilers, LED lights, inverters)



-6%
DELTA %
2017-2018

- Changes to **production formulas**;
- **Processing technology** change: from spray to roller;
- **Reduction of production waste** through the optimisation of water consumption and chemical products



-4%
DELTA %
2017-2018



4 COGENERATION PLANTS
The advantages of cogeneration

- Reduction of **CO2 emissions**;
- Reduction of energy **production costs**;
- Improvement of energy efficiency thanks to the **recovery of thermal energy**



VOC POST-COMBUSTION PLANT
Features and benefits of combustion

- Rated capacity 80,000 m³/hr;
- **Reduction of VOC emissions** in the atmosphere above **90%**

GRUPPO MASTROTTO AND ENVIRONMENTAL RESPONSIBILITY



The ISO 14001:2015 certification refers to the international standard that provides organisations with a **framework to protect the environment and to respond to the change of the environmental conditions according to the needs of the socio-economic context**. It specifies the requirements for an environmental management system that an organisation can use to enhance its environmental performance with a view to continuous improvement.



Gruppo Mastrotto was awarded the **Gold Rated**, the maximum score of the **LWG** certification. The objectives of Leather Working Group are **to develop and maintain a protocol that assesses environmental compliance and business practices regarding sustainability by promoting improvements in the leather industry**.



The Blue Angel label certifies the **eco-friendly quality of the leather produced by Gruppo Mastrotto**. Blue Angel certified products better **protect the environment and people's health**, through concrete benefits:

- limited water consumption in the production process;
- raw hides and skins must be sourced in a sustainable way;
- prudent use of resources during use or disposal;
- the absence of harmful consequences on health and the environment because of their low-emission content;
- recycle-friendly.



Gruppo Mastrotto is a member of Leather Naturally, an association that promotes **the use of globally-manufactured sustainable leather and seeks to inspire and inform designers, creators and consumers about its beauty, quality and versatility**.

GRUPPO MASTROTTO AND SOCIAL RESPONSIBILITY

PEOPLE next level

A PROJECT FOR WORKING AND SOCIAL INCLUSION WITHIN THE COMPANY

This project focuses on people by creating a real production department aimed at integrating and hiring permanently people with disabilities.

SUPPORT FOR THE CONSTRUCTION OF THE "RECREATIONAL CENTRE FOR SENIORS ARCISO MASTROTTO"

Gatherings, recreational activities and cultural initiatives are held in a 500 sqm space comprising 1250 members.



DONATIONS TO LOCAL HOSPITALS

Gruppo Mastrotto has donated cutting-edge technological equipment for diagnostics and complex oncological surgeries, such as an innovative 3D camera, the Mammotome Revolve system and an isolation chamber for the paediatric oncology department.

Parkinson Café

PARKINSON CAFÉ FOUNDATION

It is an open space for meeting and support for Parkinson's patients, their families and caregivers. Specific motor, recreational and information exchange activities are organised thanks to the help of volunteers.