Venchi
1878

SUSTAINABILITY REPORT
2023

Venchi
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01

INTRODUCTION

1.1 LETTER TO STAKEHOLDERS

"

Dear Stakeholders,
We are proud to present to you Venchi's first Sustainability Report. As President and CEO, I am proud to share with you for the first time through this document, the significant progress made in 2023 towards our sustainable growth journey. This inaugural report marks the beginning of a comprehensive and progressive analysis of the economic, environmental, and social impact of our business activities.

At Venchi, sustainability is not just a value; it is a commitment to ensuring everyday well-being.

Our sustainability strategy embraces an holistic approach that aims to integrate responsible practices into every aspect of our business operations. By carefully selecting sustainable raw materials and collaborating with suppliers who share our values, we strive to reduce our environmental impact and improve the quality of our products. This commitment to sustainability extends beyond mere production, positively influencing the communities and ecosystems involved. Transparency in the value chain is essential to building trust with consumers. Moreover, investing in people, both within and outside the organization, promotes a positive work environment and increases innovation, contributing to long-term sustainable growth.

In this regard, 2023 has been a year of improvement for us in various aspects.

PRODUCT
In selecting raw materials, we have always sought to favor small producers that characterize the economic context of the Piedmont IGP hazelnut, while for cocoa, we have begun to consider sustainability principles as an essential factor in selecting our suppliers.

PLANET
We continue to focus on reducing our environmental impact by promoting the use of renewable energy in our facilities. In the production process, we have tried to minimize waste and pollution at every stage, from the movement of raw materials to the facilities to the delivery of the finished product to our stores. The same attention has been paid to the development of packaging, seeking to increase the use of recycled and recyclable materials without sacrificing the aesthetics of our packaging that have always enriched the beauty of our stores with their Made in Italy style.

PEOPLE
During the year, great importance was given to the well-being of our employees, encouraging initiatives aimed at creating a healthy, safe, and inclusive work environment. Continuing from 2022, in 2023 we also invested in training and development activities for our staff, giving those who join Venchi the opportunity to participate in training courses aimed at enriching their professional skills. Especially in the retail sector, thanks to our "Retail Academy," the training activity has allowed our employees to acquire the necessary skills in order to pass frombeing a sales associate to one day being a store manager.

We are well aware that our impact on society extends far beyond the walls of our facilities. In 2023, we participated in projects for the fight against cancer with the AIRC association. Moreover, we have committed to collaborating with local communities, supporting social, supporting charities dedicated to food collection for people in need and promoting solidarity: an example is our adherence to the "PANE AL PANE" initiatives.

The 2023 fiscal year closed, on a consolidated level, with a production value of 208 million euros (+24% compared to 2022) and a net profit of about 20 million euros. This result, unattainable without your support, confirms our growth over time and strengthens our determination to always push further, aiming to make a valid contribution to building a better future for everyone.

This Sustainability Report, drafted voluntarily, will be followed by further editions in the coming years, giving you the opportunity to be informed about the initiatives and progress we will achieve over time.

We thank you for your continued support and the trust you place in us.

We are and will continue to be enthusiastic about continuing this journey towards sustainability with you.

Sincerely,

Daniele Ferrero
President and CEO, Venchi

1.2 INTRODUCTION OF FIRST SUSTAINABILITY REPORT OF VENCHI GROUP

Venchi Group is pleased to present the 2023 Sustainability Report, published this year for the first time with the aim of reporting to various stakeholders the news, projects, and results achieved during 2023 in terms of economic, social, and environmental performance. The non-financial information in this document is prepared in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" defined by the GRI – Global Reporting Initiative (hereinafter "GRI Standards"), according to the option "with reference to the GRI Standards".

The topics covered in the chapters are as follows:

02 THE VENCHI GROUP
Discusses the history of Venchi, from its foundation to the present day, the business model, and the governance model;

03 THE VENCHI GROUP'S SUSTAINABILITY STRATEGY
Presents the materiality analysis process that led to the identification of relevant ESG themes from the perspective of internal and external stakeholders and introduces the first Sustainability Plan, which collects the main ESG objectives;

04 OUR PRODUCTS
Addresses issues related to product quality, consumer safety, and responsible marketing approach;

05 THE VALUE OF PEOPLE
Discusses initiatives to support Venchi employees in terms of well-being, training, health and safety, and the promotion of equal opportunities;

06 THE RESPONSIBLE SUPPLY CHAIN
Covers management processes and the protection of human rights along the value chain;

07 OUR COMMITMENT TO THE ENVIRONMENT
Outlines the environmental impacts of the Group and the related sustainable practices adopted;

08 APPENDIX
Includes a methodological note aimed at presenting the methods, scope, and period considered in the reporting, and the index of the GRI contents and standards.

This document represents the instrument through which we aim to report on the commitments made by the Venchi Group in the pursuit of the Sustainable Development Goals (SDGs) defined by the United Nations. In particular, the goals which we have identified as priority and laid out within our first Sustainability Plan.
Furthermore, with this first Sustainability Report, Venchi takes its first step towards non-financial reporting according to the guidelines of the Corporate Sustainability Reporting Directive (CSRD).

02

VENCHI GROUP

2.1 HISTORY

The story of Venchi began in Piedmont in the second half of the 19th century, thanks to the passion for chocolate of Silviano Venchi, who arrived in Turin at the age of 14 in 1863 to learn the art of the "confectioner". During this period, the capital of Savoy was bustling, and the pioneering era of the confectionery industry was increasingly taking over. In 1878, the first Venchi laboratory was born in Borgo Vanchiglia, on Via degli Artisti, a short walk from the Po River.

In the year of its foundation, Venchi launched its first product within its artisanal laboratory, the Gianduiotto, made with 32% IGP Piedmont hazelnuts. In a short time, Silviano Venchi's pastry shop became one of the most renowned in the city, especially appreciated for the quality and unparalleled presentation of the products inside the store, making it a true "chocolate boutique".

Silvano Venchi.

In 1905, the joint-stock company "S. Venchi & C" was established, with a share capital of 1 million and 300 thousand lire (equivalent to over 5 million euros today). Two years later, with the collaboration of the engineer Pietro Fenoglio, the first Venchi factory was built in Turin, occupying an entire block on Corso Regina Margherita.

S. VENCHI & C. - TORINO

On February 21, 1909, Silviano Venchi was appointed Knight of Labour, in recognition of his ability to become, within 35 years, the owner of a confectionery manufacturing establishment with over 200 workers, quickly establishing himself as one of the best in the art of confectionery in the city of Turin.

Thirty-three years later, Venchi merged with UNICA (National Union of Chocolate and Related Products) to create Venchi-Unica. However, it was between 1960 and 1978 that the company experienced its greatest expansion throughout Italy with the birth of Venchi-Unica-Talmone, following the merger of Venchi-Unica and Talmone. This led to the creation of over 300 points of sale for sweets, chocolate, and party favors, and a workforce that reached 5,000 employees. In 1978 however, Venchi-Unica faced a decline, resulting in the layoff of over 1,500 employees and the transformation of the company into a small local entity.
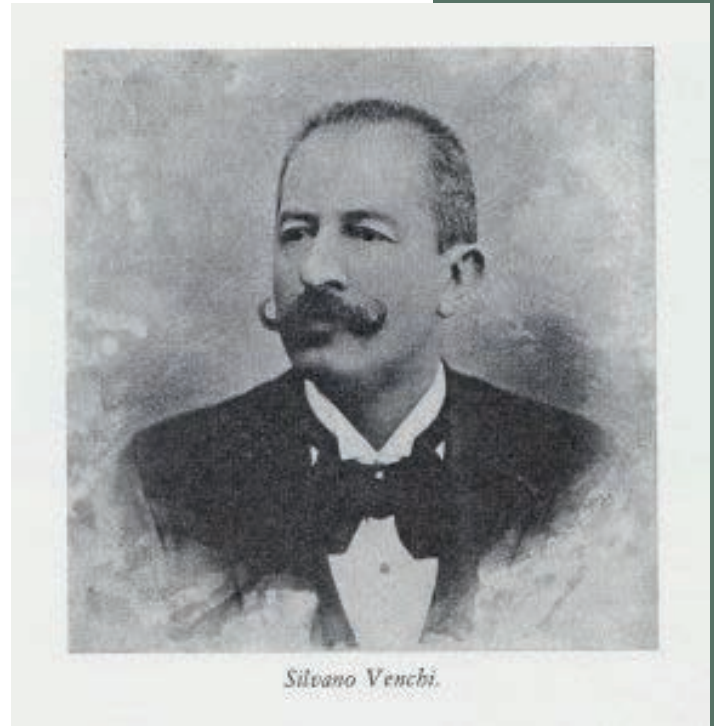
During 2000, a group of young entrepreneurs took over another historic Piedmontese chocolate factory, Cuba (Cussino Biscotti e Affini), known for producing rhum Cuneesi (pralines filled with rum cream, encased in a shell of dark chocolate), and changed the company's name to Cuba Venchi. In January 2003, the company transformed into 'Venchi' while maintaining a line of Cuba products to continue the tradition started by Cussino. In 2005, a 13,000 square meters industrial plant was inaugurated in Castelletto Stura, a few kilometers from Cuneo, which still employs over 170 people, mostly women. The year 2007 marked the birth of the first Venchi Cioccogelaterie, through the acquisition of the startup Camelot S.r.l., which provided know-how for an innovative method of gelato production. In 2018, Venchi celebrated its 140th anniversary, reaching over 100 stores worldwide.

Today, Venchi S.p.A. is a joint-stock company under Italian law, operating in the production of chocolate and gelato, with its legal headquarters at Via Vincenzo Monti 8 (Milan) and administrative headquarters and production site at Via Venchi 1, Castelletto Stura (Cuneo).

GRI 3-3
GRI 2-7
GRI 2-30
GRI 401-1
GRI 401-2
GRI 401-3

The company covers EMEA, America, and APAC markets, also through its group companies located in Italy, France, Germany, the United Kingdom, United States, China, Hong Kong, Macau, Singapore, Malaysia and Australia.

MILESTONES
Venchi's history

1878
Silviano Venchi establishes the company and release GIANDUIOTTO VENCHI

1905
National recognition and release of NOUGATINE

1949
Release CUBA RHUM

1960
Release SPREAD CREAM

1878/1970
Venchi, with 300 points of sale and 500 employees in Italy, achieves MAXIMUM RECOGNITION IN THE CHOCOLATE MARKET

1997
RENAISSANCE thanks to three young ENTREPRENEURS

2020
Venchi achieves extensive international recognition with:

350 chocolate recipes
90 gelato flavors
70 countries
1,000 employees
135 stores worldwide

2018
Celebration of its 140th ANNIVERSARY, surpassing 100 stores worldwide

2007
Release of iconic CHOCOVIAR

2006
Birth of the VENCHI GELATO and launch of the first CIOCCOGELATERIA

2000
Opening of the FIRST VENCHI STORE

2.2 OUR VALUES

Through our Italian spirit, we offer products of the highest quality, designed to create moments of joy. At the same time, we are committed to being sustainable both in the supply chain and in the production process.

Our values can be summarized in the following terms:

VERISSIMO

We are Piedmontese and the art of chocolate is part of our DNA. Our know-how and our spirit have remained unchanged since 1878.

ALLEGRISSIMO

The Italian style is inherent in our products. For this reason, among the ingredients, we never forget generosity, art, unpredictability, family, friendship, exuberance, warmth, and everything that makes Italy so Italian.

BUONISSIMO

Genuine ingredients and recipes, inspired by the Mediterranean diet. We like good things that make you feel good. All our chocolate recipes are based on the "Very Good Indeed" rule (100% natural ingredients, less sugar, no artificial components), are gluten-free and palm oil-free. Moreover, our vegan-friendly recipes are continuously increasing.

Venchi
1878

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WE HAVE A MISSION: WE WANT TO BECOME THE MOST IMPORTANT PREMIUM BRAND OF CHOCOLATE AND GELATO IN THE WORLD.

"

2.3 OUR BUSINESS MODEL: THE MULTICHANNEL PRESENCE

We are an industrial company operating in the food sector with a global turnover in 2023 amounting to 204 million euros, 60% of which is generated outside Italy. Our products are distributed through a multi-channel strategy divided into retail channel (which represents the 77% of total turnover), wholesale, digital, and corporate gifting.

RETAIL

Customers who visit our Cioccogelaterie have a unique experience. Here they can try the authentic Italian gelato made fresh every day in our labs, indulge in a delicious break with hot chocolate, a crepe, or a smoothie, find the perfect gift for any occasion, or discover the latest news about our chocolate.

At the group level, we rely on the presence of 171 active stores worldwide, with the majority located in Asia.

*Store*_**SHANGHAI_XINTIANDI**

*Store*_**EUROMA**

US 7%
FRANCHISEE 13%
APAC 47%
EMEA 33%
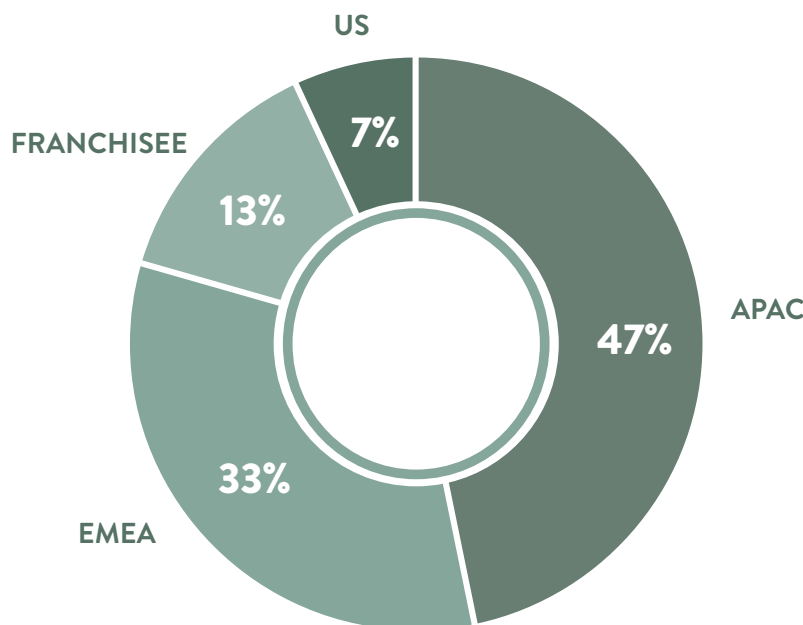
Within our stores, the best-selling products in 2023 were mainly chocolate (52% of total retail turnover), gelato (46% of total retail turnover), and food & beverage (2% of total retail turnover). We have also embraced new sales methods through "Pop Up shops" or "Temporary Stores", which are relatively recent retail concepts through which we sell our products for a defined period of time.

BEST PERFORMING STORE

In 2023, a ranking was compiled identifying the top ten highest-performing stores. Overall, these retail point of sales generated a turnover of **2.6 million euros and represent 13% of the total group revenues.**
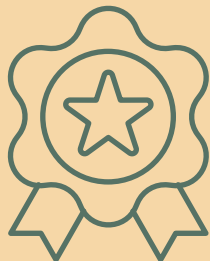
STORE	CITY	COUNTRY
Via del Corso	Rome	Italie
Via dei Calzaiuoli	Florence	Italie
Nanijing Mall Deji Plaza	Nanchino	China
Xintiandi	Shanghai	China
Via Calimaruzza	Florence	Italie
Fiumicino avancorpo	Rome	Italie
Columbus Circle	New York	USA
Marina Bay sand	Singapore	Singapore
Broadway	New York	USA
Beijing Mall Taikoo Lee Sanlitun	Beijing	China

Each element in our stores is designed to ensure a satisfying customer experience:

- The display of colored cones in our stores is a combination of Italian craftsmanship and elegance;
- A tailored experience: we allow our customers to personalize gift packages with their favorite products;
- "My Venchi Mix": our customers can choose and mix our chocolates, selecting from more than 50 different items;
- The "Chocolate wall": we create a real wall with our chocolate bars to display all our recipes; the aesthetic appeal of this presentation has allowed us to improve the sales of our bars, ensuring steady growth in all seasons;

- Gelato Gourmet: the "Gourmet Cone", customizable with a choice of spreadable chocolate sprinkles, blends our chocolate and our gelato into a unique tasting experience;
- The chocolate fountain: a chocolate cream with a high percentage of hazelnuts from Piedmont, cocoa, and olive oil. Our chocolate cream can be enjoyed with our gourmet gelato or with our crepes;
- The praline showcase: a display designed to enhance the beauty and quality of our pralines.

PRALINE SHOWCASE

MY VENCHI MIX

GELATO GOURMET

CHOCOLATE WALL

DISPLAY CONE

CHOCOLATE FOUNTAIN

WHOLESALE

In addition to retail sales, we also sell our products in the wholesale market. In Italy, Venchi is present throughout the country through a dense network of specialized shops, pastry shops, bars, cafès and other commercial activities.

Venchi's wholesale channel abroad is one of the main sources of growth and brand dissemination in the world. Venchi collaborates with selected partners in different countries that include both single-brand stores and corners in department stores, duty-free shops, and specialized stores: Venchi is present in more than 15 iconic global shopping centers, such as Harrods, La Rinascente, Eataly, Kadewe, El Corte Ingles, Selfridges, Neiman Marcus, and John Lewis, totaling our presence in more than 8,000 shopping centers worldwide.

Furthermore, we are present in over 20 travel retailers, such as Dufry, Lagardère, Bahrain Duty Free, Qatar Duty Free, MSC, Hainan Duty Free, and Hong Kong DFS Plaza.

*Store_*DUBAI_MALL

*Store_*MSC_SEASCAPE

*Store_*EATALY_DUBAI

*Store_*BAHREIN

DIGITAL

The global digital turnover represents 5% of the Company's net turnover. We are present in key countries through e-commerce, online marketplaces, and e-retailers.

CORPORATE GIFTING

In the corporate field, we have opened up to the provision of corporate gifts. Companies that purchase our products to give them to employees or clients opt for an effective strategy aimed at the loyalty of the recipients: corporate gifting is in itself a gesture that creates a lasting bond with the beneficiary. Companies that choose our products for gifting have a wide selection of gift ideas for all occasions where the protagonist is always Venchi chocolate in all its varieties.

2.4 ETHICAL AND TRASPARENT GOVERNANCE

We have adopted principles of transparency, integrity, and honesty by establishing policies in anti-corruption, antitrust, whistleblowing, and taxation, setting up adequate internal control safeguards, and ensuring compliance with current and future regulations.

SUSTAINABILITY PLAN TARGET

- Expansion of the sustainability report's scope by 2025
- Increase in the level of independence on the Board by 2025
- Update of the Code of Ethics by 2023
- Implementation of anti-corruption training courses (Model 231) by 2024
- Establishment of a whistleblowing procedure by 2023

VENCHI SPA CORPORATE GOVERNANCE COMPOSITION

The governance structure follows a traditional model, consisting of the Board of Directors and the Board of Auditors.

BOARD OF DIRECTORS AS OF THE 12.31.23

NAME	ROLE
DANIELE FERRERO	President of the BoD
GIOVANNI BATTISTA MANTELLI	Executive director/BoD member
CECILE MARIE SYLVIE DE VERDELHAN DES MOLLES	Executive director/BoD member
NIKKO SRL	Executive director/BoD member
PIETRO BOROLI	BoD member
MARCELLO COMOLI	BoD member
LUCA SEBASTIANO BAFFIGO FILANGERI	BoD member
ANTHONY GROSSI	BoD member
TOMMASO PAOLI	BoD member

INTERNAL CONTROL AND BOARD OF STATURORY AUDITORS AS OF THE 12.31.23

NAME	ROLE
FRANCESCO BAVAGNOLI	Chairman of the Board of Statutory Auditors.
GIOVANNI QUAGLIA	Auditor
ANTONELLA BERETTA	Auditor
GIUSTO LA MASA	Alternate auditor
GIULIA BARLETTA	Alternate auditor

AUDITING FIRM

ERNST & YOUNG SPA

SUPERVISORY BOARD AS OF THE 12.31.23

NAME	ROLE
LORENZO LEONE	Supervisory board member

The main function of the Board of Directors is to ensure a strategic direction for the Company and guidance towards its mission. The directors of Venchi S.p.A. are appointed by the shareholders' meeting according to Italian law, and have a term of three years.

Given the importance of sustainability topics, in 2023 an ESG committee was established, and is responsible for the supervision and guidance of ESG strategies and practices. The committee is composed of internal personnel at Venchi, who convene quarterly and work to ensure that ESG issues are integrated into the overall company strategy. The creation of an ESG Committee demonstrates Venchi's formal commitment to sustainability and social responsibility.

Furthermore, in 2023, a whistleblowing procedure was created both inside and outside the workplace to ensure that individuals directly or indirectly associated with Venchi can report illicit behaviors, whether by action or omission, that may constitute a violation or an inducement to violate the principles and values upheld by the Group. Venchi does not have access to the data or information about the reported wrongdoings, thus making the whistleblowing channel completely independent and fully guaranteeing the anonymity of the users.

ETHICAL APPROACH TO GOVERNANCE

The sustainable development strategy for the coming years will focus on three main pillars:

- **PRODUCT:** artisanal preparation of products aimed at satisfying and delighting the end consumer, made with genuine and sustainable ingredients; increasingly clean labels, free from chemical and/or artificial additives, continuous research in the development of products with low sugar content, free of animal fats and more vegan products;
- **PEOPLE**: growth of our employees by pushing their creativity and personal development, focus on transparent, responsible, and ethical governance, activation of social projects;
- **PLANET HEALTH**: optimization of food resource consumption and promotion of a recycling program that allows for zero food waste/scrap generation; increased investments in solutions aimed at reducing energy consumption; measurement of our carbon footprint of the company and definition of initiatives to reduce emissions.

Aiming to pursue the establishment of a governance system that ensures responsible business conduct, a new Code of Ethics was revised and drafted over the course of 2023. Starting from 2024, the document will be submitted for signature to suppliers and made available for employees and customers to view as part of the operations we will carry out with them.

We pay close attention to compliance with legislative and regulatory provisions.
Not by chance, in the three-year period, there have been no significant cases of corporate responsibility that have led to the payment of monetary penalties or the incurrence of non-monetary sanctions.

Membership in associations, on the other hand, allows our Company and employees to benefit from the services provided by them, such as educational and informative seminars, and to realize collaborations and comparisons necessary and instrumental to the performance of our activities.

As of 2023, we are part of the following associations:

FOOD

HUMAN RESOURCES

FISCAL AND ADMINISTRATIVE COMPLIANCE

Within the Board of Directors, the role of the chairman coincides with that of the CEO: although the overlap of these two positions may lead to potential conflicts of interest, such risk is prevented and mitigated through the Organization and Management Model 231 (D.Lgs 231/01 see below).

ORGANIZATION, MANAGEMENT, AND INTERNAL CONTROL MODEL (D.LGS. 231/01)

The Company, in accordance with Legislative Decree 231/01, has adopted a Model of Organization, Management and Internal Control and a Code of Ethics, and has appointed a Supervisory Body in a monocratic form. During 2023, an updated version of the Company's Code of Ethics was also approved. The Code of Ethics gathers the ethical principles and values that inform Venchi's corporate culture and should inspire the conduct and behavior of those who operate in the interest of Venchi both within and outside the corporate organization.

The control activity of the application of the Model was carried out by the Supervisory Body through a series of audits in the areas of greatest risk, as identified by the Model, based on the planning of the activities scheduled for the year 2023. It is expected that the audit activities will also continue during 2024 in a perspective of continuity and consistency with the work done in the previous year. In its annual report, the Supervisory Body confirmed that the model and its protocols applied to date have been substantially observed and applied by the various recipients and have therefore been adequate to counteract the crimes for which they were established. The Supervisory Body did not find any violations regarding the application of the organizational model in the period examined.

We follow a business approach based on transparency, and ensure our compliance with anti-corruption practices.

Transparency is confirmed above all by the possibility given to our managers access to the same set of information that all shareholders access, in addition to the possibility of participating in the entrepreneurial risk by investing in type B shares, thus increasing their level of involvement.

B SHARES
Shares that recognize the same equity rights as shareholders with type A shares (dividends, profit-sharing) but do not grant voting rights or participation in meetings, and have different constraints and rules for circulation (transfers, sales, assignment, etc.).

The presence of a supervisory body within the organization, on the other hand, ensures the prevention of corruption incidents. Moreover, when participating in public tenders, such as projects with European funding and the PNRR, we regularly submit all the necessary and updated anti-mafia forms.

Furthermore, as highlighted in the following table, anti-corruption policies and procedures have been communicated to all governing bodies.

GOVERNANCE BODIES		2021	2022	2023
Governance body members	N°	9	9	9
Total number of governance body members that the organization's anticorruption policies and procedures have been communicated to		9	9	9
Percentage of governance body members that the organization's anticorruption policies and procedures have been communicated to	%	100	100	100

To confirm our commitment in the fight against corruption, we can state that during the three-year period between 2021 and 2023, there were no confirmed incidents of corruption. Consequently, there have been no employee dismissals or contract terminations with partners due to corruption-related violations that required action.

Finally, we can proudly affirm that during the three-year period, we were not involved in any legal actions motivated by our participation in any anti-competitive behavior or violations of antitrust laws.

GROUP STRUCTURE AND BOARD COMPOSITION

Venchi is a group of companies formed by Venchi S.p.A. and its subsidiaries. The Group is composed of 11 controlled companies held by Venchi S.p.A. and other shareholders. The composition of Venchi Group's shareholding is represented as follows:
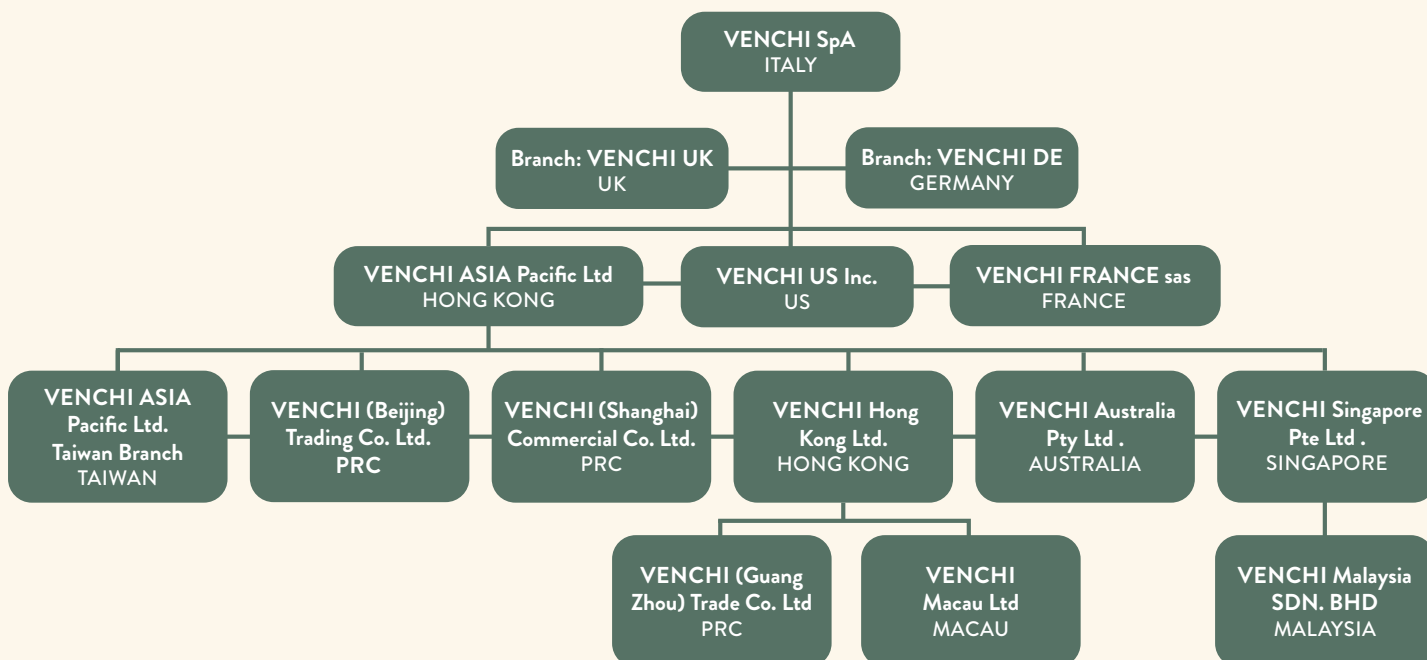
COMPANY	COUNTRY	% THIRD PARTIES	OTHER SHAREHOLDERS
Venchi France Sas	France	10,00%	Others
Venchi US Inc	USA	36,20%	Simest
Venchi Asia Pacific Limited	Hong Kong	0,00%	
Venchi GC Taiwan branch	Taiwan	0,00%	
Venchi (Beijing) Trading Co. Ltd	China	0,00%	
Venchi (Shanghai) Commercial Co. Ltd	China	0,00%	
Venchi HK Ltd	Hong Kong	0,00%	
Venchi (Guang Zhou) Trade Co. Ltd	China	0,00%	
Venchi Macau Limited	Macao	0,00%	
Venchi (Singapore) PTE	Singapore	49,00%	Bluebell Group
Venchi Malaysia SDN. BHD	Malaysia	49,00%	Bluebell Group
Venchi Australia Pty Ltd	Australia	49,00%	Bluebell Group

Below is the composition of the Board of Directors for each company belonging to the Group, divided by geographical area:

EMEA

VENCHI SPA 🇮🇹

NAME	GENDER	ROLE	IN OFFICE UNTIL
DANIELE FERRERO	M	President	2024 Financial Statement approval
GIOVANNI BATTISTA MANTELLI	M	Member	2024 Financial Statement approval
CECILE MARIE SYLVIE DE VERDELHAN DES MOLLES	F	Member	2024 Financial Statement approval
NIKKO SRL	M	Member	2024 Financial Statement approval
PIETRO BOROLI	M	Member	2024 Financial Statement approval
MARCELLO COMOLI	M	Member	2024 Financial Statement approval
LUCA SEBASTIANO BAFFIGO FILANGERI	M	Member	2024 Financial Statement approval
ANTHONY GROSSI	M	Member	2024 Financial Statement approval
TOMMASO PAOLI	M	Member	2024 Financial Statement approval

VENCHI FRANCE SAS 🇫🇷

NAME	GENDER	ROLE	IN OFFICE UNTIL
NICCOLO' CANGIOLI	M	Member	31/12/2028
LUDOVICO MAZZA	M	President	31/12/2028
CECILE MARIE SYLVIE DE VERDELHAN DES MOLLES	F	Member	31/12/2028

USA

VENCHI US INC 🇺🇸

NAME	GENDER	ROLE	IN OFFICE UNTIL
NICCOLO' CANGIOLI	M	Director	Indefinite period
DANIELE FERRERO	M	President	Indefinite period
MATTIA PARUZZA	M	Director	Indefinite period

APAC

VENCHI ASIA PACIFIC LIMITED

NAME	GENDER	ROLE	IN OFFICE UNTIL
MARCO GALIMBERTI	M	President	Indefinite period
MATTIA PARUZZA	M	Director	Indefinite period
KA WING LEUNG	F	Director	Indefinite period
DANIELE FERRERO	M	Director	Indefinite period
BRENDA SHUM KAPO	F	Director	Indefinite period

VENCHI HK LTD

NAME	GENDER	ROLE	IN OFFICE UNTIL
DANIELE FERRERO	M	Director	Indefinite period
MARCO GALIMBERTI	M	President	Indefinite period
MATTIA PARUZZA	M	Director	Indefinite period
KA WING LEUNG	F	Director	Indefinite period
WONG SOK MAN	F	Director	Indefinite period

VENCHI SINGAPORE LTD

NAME	GENDER	ROLE	IN OFFICE UNTIL
ASHLEY JAMES MICKLEWRIGHT	M	Director	Indefinite period
NELLY NGADIMAN	F	Director	Indefinite period
MICHEL ADRIEN GOEMANS	M	Director	Indefinite period
MARCO GALIMBERTI	M	President	Indefinite period
DANIELE FERRERO	M	Director	Indefinite period
CHUN CHUN CHANG	F	Director	Indefinite period

VENCHI AUSTRALIA PTY LTD

NAME	GENDER	ROLE	IN OFFICE UNTIL
GERALDINE DIELENBERG	F	Director	Indefinite period
ASHLEY JAMES MICKLEWRIGHT	M	Director	Indefinite period
CHUN CHUN CHANG	F	Director	Indefinite period
KA WING LEUNG	F	Director	Indefinite period
MARCO GALIMBERTI	M	President	Indefinite period
NELLY NGADIMAN	F	Director	Indefinite period

For the Chinese branches there is no board of directors; instead, there is a sole administrator represented currently by Marco Galimberti.

03

VENCHI SUSTAINABILITY STRATEGY

3.1 MATERIALITY ASSESSMENT

With this Sustainability Report, we are committed to measuring and reporting non-financial issues directly or indirectly related to our activities. In the process of reporting such issues, it is essential to engage with our stakeholders. It is fundamental to understand their opinions, needs, and to develop strategies that take into account their expectations. Our constant stakeholder engagement activity allows us to understand the direction we are heading, and whether the path we have taken is in harmony with their interests.

The main categories of stakeholders involved in the engagement process can be categorized into two main types: internal stakeholders, Venchi employees or individuals directly involved in the growth of the company, (top management, retailers, and producers), and external stakeholders, namely all those who influence or are influenced by the actions of our Company.

SHAREHOLDERS

OUR PEOPLE

CUSTOMERS

SUPPLIERS

COMMUNITIES
LOCAL AREA

In accordance with the GRI Standards used for in this report, the stakeholder engagement process has proven to be an essential step in the materiality process which led us to the identification of material topics.

IDENTIFICATION

Identification of the positive and negative impacts, both current and potential, that the company generates or could generate in the conduct of its activities.

EVALUATION

Engaging internal and external stakeholders to assess the significance of the identified impacts, taking into account their influence on the economy, environment, and people.

PRIORITISATION

Collection of results and prioritization of themes based on the values obtained and definition of a materiality threshold.

In accordance with the new GRI Standard 3 "Material Topics", following an analysis of the external context in which Venchi operates, we identified the negative, positive, current, and potential impacts on people and the environment directly connected to our activities, products, and services, including upstream and downstream activities in the value chain. Subsequently, these impacts were subjected to a stakeholder evaluation process, primarily involving our top functions, who were given questionnaires aimed at assessing the significance of each individual impact (combination of magnitude and probability associated with each - taking into account the influence this can have on the economy, environment, and people). The impacts were then grouped into themes to facilitate the analysis of the various impacts related to the same theme. By defining a threshold of materiality, we then classified each theme based on the significance of the impacts associated with it.

The process described above allowed us to then define the following material themes:

RANKING	MATERIAL TOPICS	SIGNIFICANCE

1 RESPECT FOR THE ENVIRONMENT IN BUSINESS OPERATIONS
Adopt policies for the efficient management of energy and water resources and for the valorization of waste materials and refuse, ensuring the reduction and mitigation of greenhouse gas emissions in all business activities and along the supply chain.

2 RESPONSIBLE MANAGEMENT OF RAW MATERIALS AND SUPPLY CHAIN
To promote a responsible approach in the sourcing of raw materials, adopting principles of traceability, transparency, and sustainability throughout the entire supply chain, and requiring suppliers to comply with the company's regulatory framework.

3 PROTECTION OF HUMAN RIGHTS ALONG THE VALUE CHAIN
To respect and protect human rights throughout the Company's value chain, promoting and adopting policies against all forms of slavery, violence, and discrimination in line with international standards, and valuing elements of diversity (age, gender, sexual orientation, disability, ethnic origin, nationality, political opinions, and religious beliefs).

4 BIODIVERSITY RESPECT
Working closely with farmers and suppliers to promote ecosystem protection through the spread of anti-deforestation practices and regenerative agriculture that preserve soil health and protect plant and animal biodiversity.

5 SUSTAINABLE PRACTICES IN PACKAGING DEVELOPMENT
Research and develop packaging that ensures the reduction of the company's environmental impact, promoting the choice of recyclable, reusable, and compostable materials, in order to achieve a reduction of the use of plastic materials (lightweighting), while preserving the quality of the product itself.

6 TERRITORIAL DEVELOPMENT AND COMMUNITY RELATIONS
To strengthen relationships with the communities that Venchi engages with, through strategic investments and the provision of livelihoods that ensure the socio-economic growth of the area and the improvement of the quality of life of the communities themselves.

7 RESPONSIBLE MARKETING AND COMMUNICATION

Develop advertising and marketing campaigns segmented by age groups and audiences, conveying accurate product information in accordance with national and international regulations and/or self-regulatory codes, in order to encourage responsible consumption and a healthy and balanced lifestyle.

8 PROCESS AND TECHNOLOGICAL INNOVATION

To contribute to the digital and technological transformation of the territory and the food sector, promoting the adoption of new digital technologies within business processes and offering products that are designed in an innovative way, in order to effectively respond to changes in the external context and the needs of consumers.

9 PRODUCT QUALITY AND CONSUMER WELL-BEING

Adopt policies and procedures with high standards of quality and food safety, aimed at obtaining safer products that have nutritional value, in order to promote a healthy lifestyle and a balanced diet.

10 HEALTH AND SAFETY IN BUSINESS OPERATIONS

To create a work environment that ensures and protects the right to wellbeing, as well as the physical and psychological integrity of workers, adopting an approach of continuous improvement of their health and safety systems at work by adhering to the highest applicable industry standards.

11 EMPLOYEE WELL-BEING

To provide employees with benefits and solutions that help balance work life with private life, leading to improved productivity (e.g., flexible work initiatives, healthcare services, introduction of parenting support policies, etc.).

12 PROMOTION OF HUMAN RESOURCES DEVELOPMENT AND EQUAL OPPORTUNITIES

To attract talents who share the same goals and values of our company, ensuring their loyalty through the provision of development paths that consolidate and enhance their knowledge and skills, and by resorting to fair performance evaluation processes that guarantee equal opportunities in the career development of individuals.

13 ETHIC AND TRANSPARENT GOVERNANCE

Adopt principles of transparency, integrity, and honesty by establishing policies of anti-corruption, antitrust, whistleblowing, and taxation, setting up adequate internal control safeguards, and ensuring compliance with current and future regulations.

3.2 SUSTAINABILITY PLAN

During the year 2023 we have sought to reaffirm our commitment to sustainable development, responding to global challenges and contributing to the creation of sustainable value creation in the medium to long term for all stakeholders.

To confirm this, the ESG Committee approved the Group's first Sustainability Plan, which defines strategic priorities for Venchi. It identifies strategic sustainability directions related to the ESG dimensions. Each direction has specific goals and targets linked to material issues for the company that contribute to the achievement of the United Nations Sustainable Development Goals (SDGs). The responsibility for achieving the goals included in the Sustainability Plan lies with the representatives of the involved functions.

The Plan will be monitored annually to report on the state of implementation of initiatives and the level of achievement of goals and targets, with the possibility of setting new goals in a perspective of continuous improvement, keeping in mind that sustainability is not a destination, but a process of continuous improvement.

The Sustainability Plan is structured into 5 strategic directions, 13 goals, and 26 targets, to which 31 areas of operational initiatives are linked, as listed below.

ENVIRONMENT

STRATEGIC DIRECTION	SDGs	GOALS	TARGET	OPERATIONAL INITIATIVES TO BE IMPLEMENTED	BASELINE	TIMING
Directions on which objectives and targets will be defined	Sustainable Development Goals to which the strategic directions are connected	Defined objectives based on the chosen strategic direction, which translate into qualitative/ quantitative targets	Quali/quantitative Targets aimed at achieving the objectives	Initiatives already started or to be launched to achieve the targets	The year of start of the initiatives to achieve the target	Operational initiatives implementation deadline
1. To counter climate change and reduce carbon footprint	15 LIFE ON LAND / 13 CLIMATE ACTION	1.1 Improving management systems to reduce carbon footprint	1.1.1 Achieving 100% of cocoa and derivatives purchases under the Rainforest certification	Engage only with Rainforest certified suppliers for cocoa	2023	2025
		1.2 Reduce by 50% CO2 emissions	1.2.2 Decarbonization roadmap definition	Obtain external certification on the measurement of Scope 1, 2, and 3 emissions	2023	2024
				Identify energy efficiency initiatives to reduce Scope 1 and 2 emissions	2023	2025
				Measure Scope 3 emissions	2023	2026
				Obtain external certification on the measurement of Scope 3 emissions	2023	2026
			1.2.3 Emission compensations	Obtaining guarantees on energy origin compensation credits	2023	2026

ENVIRONMENT

STRATEGIC DIRECTION	SDGs	GOALS	TARGET	OPERATIONAL INITIATIVES TO BE IMPLEMENTED	BASELINE	TIMING
Directions on which objectives and targets will be defined	Sustainable Development Goals to which the strategic directions are connected	Defined objectives based on the chosen strategic direction, which translate into qualitative/ quantitative targets	Quali/quantitative Targets aimed at achieving the objectives	Initiatives already started or to be launched to achieve the targets	The year of start of the initiatives to achieve the target	Operational initiatives implementation deadline
			1.3.1 Air freight reduction	Increase sea-freight	2023	Continuous
		1.3 Reduce by 50% fuel and energy consumption	1.3.2 Energy consumption reduction	Photovoltaic installation at factory site	2023 ~~TARGET COMPLETED~~	2023
			1.3.3 Optimization and reduction of electric energy consumption.	BEMS system installation in factory & pilot project for retail stores	2023	2024
		1.4 Counteracting the waste of water resources	1.4.1 Reduction in water consumption by about 40%	Install a water treatment plant	2023	2024
		1.5 Reduce waste generation	1.5.1 Creating a more sustainable packaging	Increase the use of compostable and/or recyclable materials	2022	2026
			1.5.2 Waste reduction from expired products that cannot be sold to feed mills	Study and analyze alternative solutions to disposal	2023	2025
		1.6 Improve the environmental management of the plant	1.6.1 Obtain ISO 14001 certification	Initiate the necessary procedures to obtain ISO 14001 certification, within the framework of the plant's Environmental Management System	2023	2024
		1.7 Reduce the use of paper in office activities	1.7.1 Finance paperless, reduce the consumption of about 100,000 A4 sheets of paper	Reducing the printing of active and passive invoices in Italy	2023	2024

SOCIAL

STRATEGIC DIRECTION	SDGs	GOALS	TARGET	OPERATIONAL INITIATIVES TO BE IMPLEMENTED	BASELINE	TIMING
Directions on which objectives and targets will be defined	Sustainable Development Goals to which the strategic directions are connected	Defined objectives based on the chosen strategic direction, which translate into qualitative/ quantitative targets	Quali/quantitative Targets aimed at achieving the objectives	Initiatives already started or to be launched to achieve the targets	The year of start of the initiatives to achieve the target	Operational initiatives implementation deadline
2. Ensure high quality in production processes	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE / 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**2.1 Encourage the creation of healthy and sustainable products**	2.1.1 Creating more vegan-friendly products	Develop new products without added sugars or with non-animal origin ingredients, while maintaining the same quality of traditional products.	2023	2026
				Open a second store 100% vegan-friendly	2023	2024
			2.1.2 Clean labels realization	Always develop clear labels free of chemical and/or artificial additives.	2023	Continuos
3. Ensure health and safety in business operations.	3 GOOD HEALTH AND WELL-BEING / 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**3.1 To ensure safe and continuous production**	3.1.1 Obtain ISO 45001 certification	Initiate the necessary procedures to obtain ISO 45001 certification, within the framework of the Occupational Health and Safety Management System in the manufacturing plant	2023	2024
			3.1.2 Activation of insurance for production shutdown caused by accidents or exposure to pathogens	Studying sector peers in Italy to prevent negative events	2023	2024
4. To strengthen the relation between employees and the company	3 GOOD HEALTH AND WELL-BEING / 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**4.1 Increase employee engagement level**	4.1.1 Continue with the share acquisition plan	Keep the share acquisition plan for managers active	2022	Continuos
			4.1.2 Annual Global Survey launch	Conduct annual "Global Surveys" aimed at gathering proposals/feedback from employees within the Group	2023	2024
			4.1.3 Reconciliation of work and family activities in situations of evident difficulty	Activate a solidarity hour bank for employees in the Italian industry sector	2022	2024
			4.1.4 Employee engagement and transparency	Meet every year with all employees to share plans and results	2022	Continuos
			4.1.5 Enhancing digital skills and employability of employees	To enhance the initiatives for information and skills training and to increase the investment in training per employee	2023	Continuos
		4.2 To ensure equal opportunities and inclusion	4.2.1 Activation of a business plan to ensure inclusion and equal opportunities	Define a diversity and inclusion roadmap	2024	2025

GOVERNANCE

STRATEGIC DIRECTION	SDGs	GOALS	TARGET	OPERATIONAL INITIATIVES TO BE IMPLEMENTED	BASELINE	TIMING
Directions on which objectives and targets will be defined	Sustainable Development Goals to which the strategic directions are connected	Defined objectives based on the chosen strategic direction, which translate into qualitative/ quantitative targets	Quali/quantitative Targets aimed at achieving the objectives	Initiatives already started or to be launched to achieve the targets	The year of start of the initiatives to achieve the target	Operational initiatives implementation deadline
5. Guarantee an ethic and transparent governance	8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	5.1 To maintain a governance system aligned with best practices, integrated with sustainability profiles.	5.1.1 Ethic code update	Develop and publish a new Code of Ethics, replacing the existing	2023 *TARGET COMPLETED*	2023
			5.1.2 Create a whistleblowing procedure	Realize and activate a whistleblowing procedure	2023 *TARGET COMPLETED*	2023
			5.1.3 Activate training course on anti corruption themes (231 model)	Conduct training courses on the topic of anti-corruption aimed at all employees.	2023	2024
			5.1.4 Increase in the level of independence on the Board	Include independent members in the next Board of Directors, one of whom should be an independent head of the Nomination and Remuneration Committee and another responsible for ESG issues.	2023	2025
		5.2 Prepare a voluntary non financial reporting	5.2.1 Expansion of the susainability reporting perimeter	Include the other group geographies within the sustainability report	2023	2025

02

OUR
PRODUCTS

4.1 RESPONSIBLE MARKETING AND COMMUNICATION

We develop advertising and marketing campaigns targeted at specific age groups and audiences, conveying accurate product information in accordance with national and international regulations and/or self-regulatory codes, in order to encourage responsible consumption and a healthy, balanced lifestyle.

SUSTAINABILITY PLAN TARGET

- Realize clean labels

PRESENCE ON WEBSITE AND SOCIAL MEDIA • ADVERTISING INVESTMENTS • COMPLIANCE IN MARKETING COMMUNICATIONS

Our communication activity is primarily focused on the dissemination of our brand and the promotion of our primary products: chocolate and gelato. We are committed to pursuing sustainable goals with these product categories, aiming to create a positive social and environmental impact. The positive social impact is achieved by reducing the amount of sugar in our chocolate and gelato, thus offering healthier products.

The positive environmental impact is pursued through projects aimed at reducing plastic in packaging and replacing it with paper mainly used in chocolate packaging. An example is the launch of Easter eggs wrapped in completely sustainable plastic.

All communication related to our products, our mission, and all promoted initiatives and achieved results is appropriately carried out on our main communication channels. These include our institutional website, Venchi's monobrand stores, the wholesale channel (through the publication of a dedicated catalogue), and our active social media channels across the globe from east to west, where we ensure a strong presence by creating multi-week advertising campaigns.

Our digital promotion is primarily carried out through advertising in newspapers and various media channels, including social media. In this context, we have set goals to increase online and offline sales and to develop brand awareness among consumers. In 2023, (a continuation of 2022), we promoted a major communication initiative that involved all our commercial channels. The communication campaign titled "Chocoviar whoyouare" which took place in all our stores around the world, in media and social media channels globally, and through billboard advertising in the cities of Milan, Rome, Turin, Bologna, Genoa, Florence, Padua, and Bari. The communication activity aimed to promote the Venchi brand during the pre-Christmas period through our most iconic product, the Chocoviar, in all its taste variations. The campaign was so successful that we plan to propose it again for 2024. Furthermore, we have activated a new customer loyalty program called V-Club to promote communications and offers dedicated to customers.
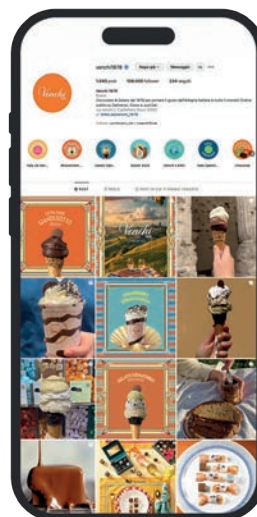
We aim to create a 360-degree brand awareness, not limiting ourselves to just advertising our products. To this end, over the course of the year, we have initiated various public relations activities and factory tours, primarily inviting customers to fully savor the Venchi experience starting from the production of the products.

Finally, in our retail channel, we have adopted a service model worldwide where store employees are called to follow best practices in customer service, aimed at ensuring the end consumer the "Venchi Experience": our internal staff is trained and prepared regarding our products and is able to offer a complete service to the customer, both for chocolate as well as the gelato . When the consumer enters the store, they are guided by our staff in selecting the type of chocolate or gelato that suits their preferences. This service model was implemented and tested first in Italy in 2022 and then extended throughout all geographies over the course of 2023.

VENCHI GROUP SOCIAL MEDIA PRESENCE

VENCHI GROUP	31/12/2021	31/12/2022	31/12/2023
# FOLLOWER INSTRAGRAM	68.000	82.000	99.810
# FOLLOWER FACEBOOK	111.000	113.000	118.394
TOTAL SESSIONS (TRAFFIC) EMEA + US	3.415.519	4.275.409	4.363.102

#followers on **Instagram** increase compared to 2021: **+46,7%**
#followers on **Facebook** increase compared to 2021: **+6,6%**
Total sessions **EMEA + US** increase compare to 2021: **+27,7%**

ADVERSTISING & PROMO COSTS	2021	2022	2023
HEADQUARTER ITALY	€ 1.072.000	€ 2.026.000	€ 3.398.654
VENCHI GROUP	€ 3.069.000	€ 5.713.762	€ 10.807.550

Advertising & promo investments compared to 2021 (Headquarter): **+217,0%**
Advertising & promo investments compared to 2021 (Venchi Group): **+252,1%**

RESPONSIBLE PRODUCT COMMUNICATION

We place particular emphasis on the responsible communication of our products to customers, especially regarding the ingredients that compose them. For this purpose, we have initiated a traceability program for raw materials, focusing especially on the IGP hazelnut produced and shelled in Piedmont, as well as for almonds and pistachios from Bronte. Moreover, during 2023 we certified our first supplier with Rainforest, and in 2024-2025 we will cover the rest of the offer under this certification.
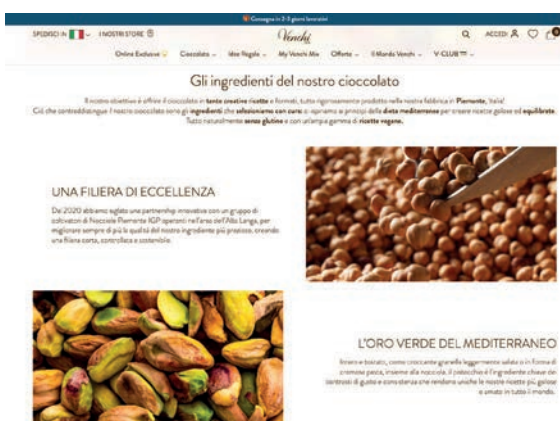
Pursuing a strategy of transparency towards the customer, we include very detailed information about the ingredients that make up each individual product on the packaging, appropriately affixing a QR code or specific labels. Our goal is to create labels that are increasingly clean, simple, and free of dyes, chemical additives, or artificial ingredients. As for digital channels, we pursue a transparent approach by regularly publishing and updating the "Book of Ingredients and Allergens" in the "Gelato" section of our website.

Regarding the information we are required to report on our products, as per company procedures, below is a list:

INFORMATION REQUIRED BY PROCEDURES FOR PRODUCT AND SERVICE INFORMATION AND LABELING	2021	2022	2023
The sourcing of components of the product or service (for specific ingredients such as nuts, pistachos, almonds..)	✔	✔	✔
Content, particularly with regard to substances that might produce an environmental or social impact	✔	✔	✔
Safe use of the product or service	✔	✔	✔
Disposal of the product and environmental or social impacts	✔	✔	✔

Regarding the indication of the product's origin, we only report this information in cases where we aim to enhance the importance of the origin of certain categories of raw materials, such as the IGP hazelnuts from Piedmont, the pistachios from Bronte in Sicily, and the almonds and oranges from Sicily.

Both categories of products considered relevant, namely chocolate and gelato, comply with company procedures and are evaluated in relation to this compliance.

SIGNIFICANT PRODUCT OR SERVICE CATEGORIES COVERED BY AND ASSESSED FOR COMPLIANCE WITH SUCH PROCEDURES	u.m.	2021	2022	2023
Significant product or service categories	N°	2	2	2
Significant product or service categories compliant to such procedures		2	2	2
Percentage of significant product or service categories covered by and assessed for compliance with such procedures	%	100	100	100

Regarding regulations and/or voluntary codes concerning labeling and information on products and services, in the last three years we have not recorded any case of non-compliance that has resulted in a fine.

NON-COMPLIANCE INCIDENTS	2021	2022	2023
Incidents of non-compliance with regulations resulting in a fine or penalty	0	0	0
Incidents of non-compliance with regulations resulting in a warning	0	0	0
Incidents of non-compliance with voluntary codes	0	0	0

To prevent the commercialization of products with non-compliant labeling we have an internal control processes in order to verify the correctness of regulatory compliance. Compliance verification is managed by the quality office, which validates various new product and their relevant label. In case of detected non-compliance, it is the same quality office that manages the non-compliance and its resolution. Moreover, upon receipt of the labels printed by the supplier, the quality control checks the correspondence with the documents approved for printing. Since 2022, and especially in 2023, we have improved the collection of non-compliance notices received from customers, store staff, and other branches of the Group. Regarding marketing communications, over the past three years, we have not recorded any instances of non-compliance. The absence of irregularities is mainly due to our preventive activities: all communication texts are always reviewed and shared before external publication, so that the communication is aligned with the company's policies and guidelines.

Our commitment to combat food waste is also visible in our manufacturing processes: in our business plan, we foresee actions to recover processed raw materials, especially concerning unsold chocolate. Near the production site for example there is an outlet that distributes Venchi chocolate which does not conform to sales requirements due to aesthetic characteristics.. Regarding the gelato business, we have also developed new gelato recipes that allow us to use chocolate close to expiration. To minimize waste, we constantly monitor the cost of sold chocolate and gelato in our stores.

Moreover, during the Covid-19 pandemic, we developed new forms of distribution like "Too Good To Go" to sell products close to expiration. Initially, this channel was activated only in our Italian stores due to the contingencies related to the pandemic. Over the course of 2023, however, the collaboration was expanded to other countries worldwide, with the goal of saving unsold food. The activation of the collaboration with Too Good To Go is just one of the tools in the fight against food waste. Venchi has set the goal of "Zero food waste," which means optimizing resources and a 360° recycling program to reduce waste to zero by 2025.

4.2 PRODUCT QUALITY AND CUSTOMER WELLBEING

We adopt policies and procedures with high standards of quality and food safety, aimed at obtaining safer products that are enhanced from a nutritional standpoint, in order to promote a healthy lifestyle and a balanced diet.

SUSTAINABILITY PLAN TARGET

• Development of more vegan-friendly products by 2026

QUALITY AND SAFETY CERTIFICATION

Achievement of quality and safety certification

OPTIMAL STORAGE FOR HAZELNUT

Keeping an optimal storage temperature for hazelnut

We comply with the current regulations of all the countries where we export our products and guarantee their safety to the end consumer, both for gelato and chocolate.

A key point in our journey to achieving high-quality standards is the total absence of chemical additives or sweeteners in our recipes: the deep respect for the intrinsic characteristics of the raw materials we process drives us to constantly seek production means that allow us to obtain finished products with very high nutritional value, combining the maintenance of minimally invasive production techniques with the most advanced control and quality standardization.

Furthermore, in the three-year period 2023-2025, we aim to expand our range of vegan-friendly products. Many of the gelato recipes currently in use, especially fruit gelato , are water-based and milk-free. We also aim for the continuous selection of vegan recipes, carefully crafted to ensure a rich and intense chocolate flavor, without the use of animal-derived products. This approach allows us to create delicious recipes that enhance the pure and authentic taste of our ingredients. To confirm this, in July 2022 we opened our first 100% vegan store in Hong Kong and aim to open a second one in the coming years.

Scientific research, conducted with highly skilled partners, is the foundation of the company's qualitative and quantitative growth. We believe that tradition should be supported by a deep understanding of the chemical-physical laws that govern the life of the product and allow the maintenance of its qualitative characteristics over time.

The guaranty of healthiness and safety are linked to the level of productive culture present in the company. Participation in research projects in the food sector testifies to this attention: for Venchi, quality is achieved through knowledge.

Below we report the key points of our manufacturing strategy aimed at pursuing the quality and safety of the products:

- Total control of process parameters with increasingly in-depth technical-scientific knowledge of the product;
- Very low staff turnover with high specialization;
- A training program for personnel that ensures cultural growth on the importance of product quality;
- High technological level applied, the result of constant research for solutions that allow the simultaneous presence of the optimal quality profile with guarantees for the protection of consumer health;
- High integration profile of self-control procedures with the production reality (strong training commitment with high involvement of factory personnel);
- Rapid warehouse rotation of finished products with reduced storage time to ensure the highest taste profile.

The continuous training activity in quality control and safety to which we subject our employees contributes to the effectiveness of the control processes: Newly hired employees are informed of our commitments and trained in our procedures in terms of quality and control and manufacturing processes. We have also increased the training hours provided to the manufacturing staff, who are also sensitized to the quality control audits that are carried out internally.
Regarding internal audit and controls, we can affirm that all raw materials from any batch that enter our plant are always controlled and checked. For this purpose, we rely on certified external laboratories for chemical and microbiological analyses.

Venchi chocolate is produced at the Castelletto Stura plant. To increase its quality in terms of food safety, we have decided to embrace voluntary certifications: since 2021 we have obtained BRCGS and IFS certificates, internationally recognized standards, demonstrating our commitment to safety and product quality; during the month of November, we renewed the two certifications with the highest score (AA-Top level). These standards guarantee the consumer that all the raw materials we process are controlled and that every supplier (both of food raw materials and packaging) is subjected to verification and validation before we source from them.

I BRCGS (Brand Reputation through Compliance) is a specific global standard for the safety of agri-food products. The goal of BRCGS certification is to ensure the quality and safety of food products offered to consumers by suppliers and retailers of Organized Large-Scale Distribution.

IFS (International Featured Standards) develops globally recognized product safety and quality standards and development programs with the support of retailers, manufacturers, certification bodies, and other experts. By adhering to such standards, companies increase the reliability of their products and their customers' branded products through a culture of product and food safety.

Specifically regarding hazelnuts, we were able to shorten the supply chain and identify optimal storage solutions.

The IGP Piedmont hazelnuts we receive come from the nearby Langhe region and are harvested within a relatively small area, approximately 30 km from our facility. The harvest takes place from August 15th to September 15th, while delivery is carried out until February. For quality reasons, we have required our suppliers to deliver all remaining hazelnuts for the season by the final deadline of March 31st, in order to prevent the rise in temperatures which can compromise their quality.

In addition to preservation, great attention is paid to the impact on health and safety generated by our main products, chocolate and gelato, that are always controlled.

PERCENTAGE OF SIGNIFICANT PRODUCT AND SERVICE CATEGORIES FOR WHICH HEALTH AND SAFETY IMPACTS ARE ASSESSED FOR IMPROVEMENT.	u.m.	2021	2022	2023
Total number of product/service categories	N°	2	2	2
Number of product and service categories for which health and safety impacts are assessed for improvement.		2	2	2
Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	%	**100**	**100**	**100**

To guarantee product safety we have adopted best practices applied in the manufacturing process: all manufacturing lines are equipped with a metal detector installed at the end of the line, aimed at detecting the presence of ferrous bodies, even small ones. Moreover, two production lines have an X-ray system on the multi-heads used to check for foreign bodies and ferrous, non-ferrous, and stainless steel contaminants.

Additionally, we have converted the manual packaging of some ingredients intended for the processing of gelato in our stores with a new automatic packaging line equipped with a metal detector that ensures the absence of foreign bodies.

Our gelato is prepared directly in the stores: the dairy and fruit ingredients are sourced directly from the store, while gelato bases and chocolate come directly from the plant. Direct contact with the consumer allows us to receive immediate feedback on the appeal of a product and also on any issues related to it, which can be reported to our customer service. In the gelato laboratories of the stores, we have initiated analysis activities to check for potential critical points in terms of quality and identified possible actions to take. For example, in our stores, we monitor the temperature of the refrigerators daily by filling out dedicated manual logs.

We adopt an internal non-compliance procedure to assess whether each complaint has grounds or not and, if so, an immediate treatment of the non-compliance and an analysis aimed at identifying the cause is implemented. Once the cause is identified, if necessary, a corrective action is implemented with the purpose of preventing the recurrence of the non-compliance in the future. The effectiveness of the implemented corrective actions is periodically evaluated.

In 2023, we identified 554 cases of non-compliance with regulations and voluntary codes on product health and safety.

TOTAL NUMBER OF INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND/OR VOLUNTARY CODES CONCERNING THE HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES	u.m.	2021	2022	2023
Incidents of non-compliance with regulations resulting in a fine or penalty		3	11	14
Incidents of non-compliance with regulations resulting in a warning	N°	0	0	0
Incidents of non-compliance with voluntary codes		147	460	554
Total incidents		**150**	**472**	**568**

Regarding the complaints received, there has been a significant increase in 2023, primarily caused by the global expansion of the reporting procedure (in 2021 the system was limited only to Italian perimeter).

COMPLAINTS	u.m.	2021	2022	2023
Total complaints received	N°	147	460	554

Until 2021, there was no well-defined and shared process for the collection, reporting, and management of non-compliance reports. Most of the reports came from customer services, and only from Italy, while reports from our stores or our wholesale sales network were rarely compiled and recorded. In 2022, a new data collection module was developed and the new procedure was shared with all the subsidiaries of the group. In 2023, we implemented a simplification process in the collection of non-compliance complaints in order to map and track any type of non-compliance, always aiming at continuous improvement.

05

THE VALUE OF
PEOPLE

5.1 EMPLOYEE WELLBEING

We offer our employees benefits and solutions that help to balance work life with private life, leading to an improvement in their productivity.

SUSTAINABILITY PLAN TARGETS

- Continue to offer the share acquisition plan
- Launch of annual "Global Surveys" by 2024
- Balance of work-family activities in situations of evident difficulty by 2024
- Employee involvement and transparency

SUSTAINABLE DEVELOPMENT GOALS

PERFORMANCE BONUS   DIALOGUE WITH EMPLOYEES   PARENTING SUPPORT

Venchi is an organization experiencing significant growth, and in the last three years, new subsidiaries have been established abroad as well as new stores, which consequently has led to an increase in the number of employees.
In particoular, the opening of new stores worldwide has resulted in an expansion of the staff and manufacturing structure to support the sales network. In the manufacturing plant and Italian offices there has been an increase in both production and administrative staff. Over the course of 2022 and 2023, we expanded the production facility to create new production departments and to provide more space for employees.

In 2023, the number of our employees reached 660, of which 486 were hired on permanent contracts and 174 on fixed-term contracts. Additionally, 397 employees are on full-time contracts and 263 on part-time contracts, to better meet the needs of individual employee. The entirety of our staff is 100% covered by collective bargaining agreements.

TOTAL NUMBER OF EMPLOYEES

| | 2021 | | | 2022 | | | 2023 | | |
| WOMEN | MEN | TOTAL | WOMEN | MEN | TOTAL | WOMEN | MEN | TOTAL |

TEMPORARY EMPLOYEES   PERMANENT EMPLOYEES
EMPLOYEES IN ITALY
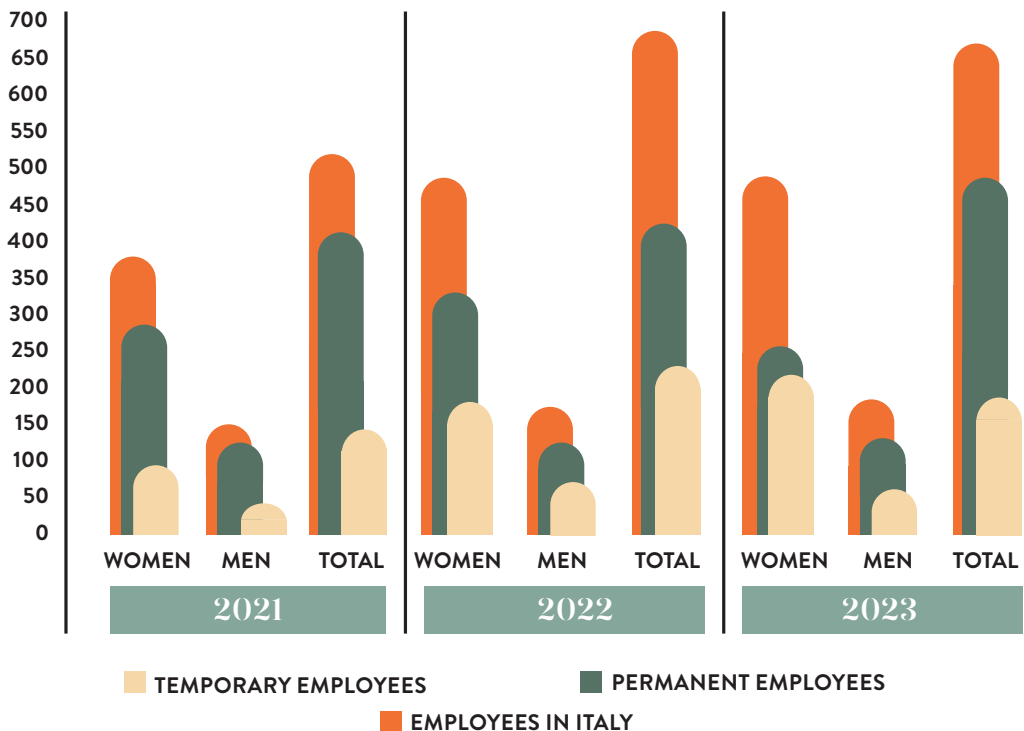
TOTAL NUMBER OF EMPLOYEES
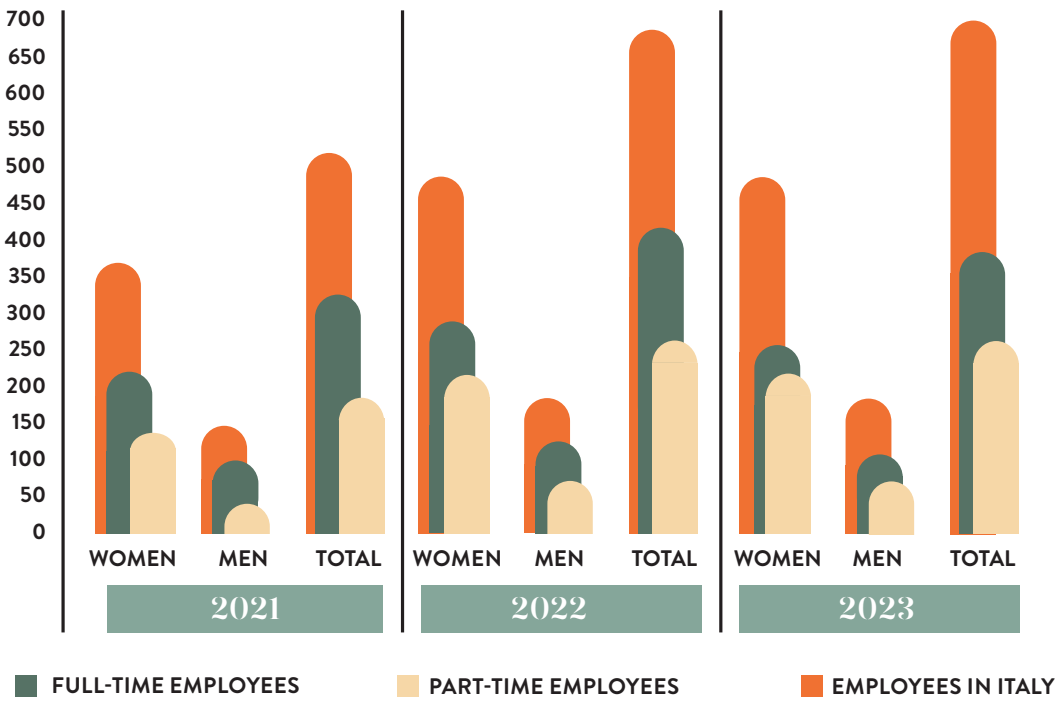
Total number of employees covered by collective bargaining agreements	u.m.	2021	2022	2023
Total number of employees	N°	517	657	660
Total number of employees covered by collective bargaining agreements	N°	517	657	660
Percentage of employees covered by collective bargaining agreements	**%**	**100**	**100**	**100**

Comparing the data from the three-year period 2021-2023, we can state that the number of employees increased by approximately 27%, going from 517 employees in 2021 to 660 in 2023.
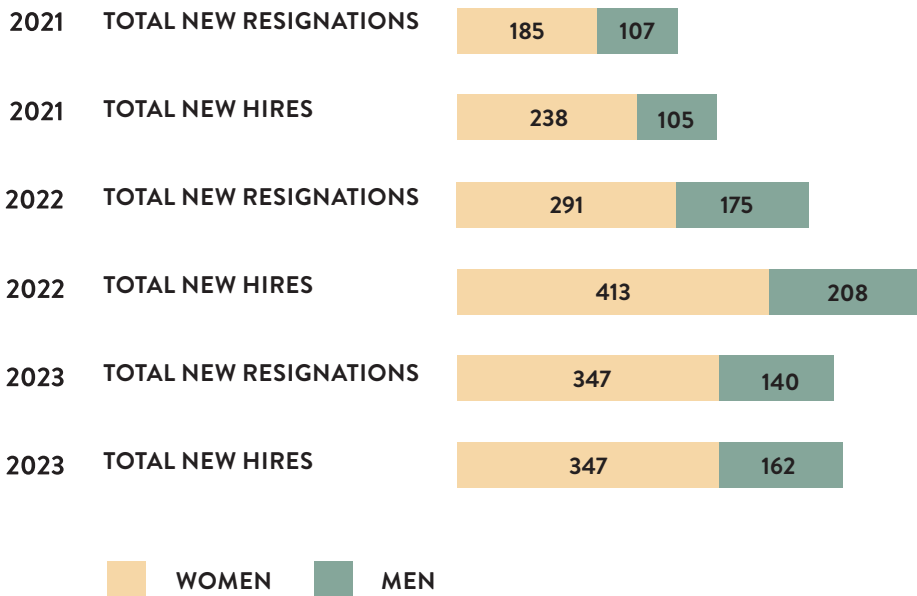
The employee increase is primarily due to new hires, which in 2023 amounted to 509, with a new hire rate recorded at 77.1%. Furthermore, 62.3% of the new hires are represented by individuals under the age of 30. This demonstrates our constant commitment to seeking new staff, especially young people, not only to grow our Company but also to enhance the new knowledge and skills available to the Company.

Employees	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total.	Women	Men	Total
Total new hires		238	105	**343**	413	208	**621**	347	162	**509**
Italy										
Up to 30 years	N°	172	75	**247**	310	144	**454**	289	122	**411**
Over 30 years to 50 years		59	26	85	93	60	153	55	39	94
Up to 50 years		7	4	11	10	4	14	3	1	4

Employees	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Turnover rate		50,3%	71,8%	**56,5%**	60,4%	100,0%	**70,9%**	73,5%	74,5%	**73,8%**
Up to 30 years	%	31,8%	49,7%	**36,9%**	39,0%	65,7%	**46,1%**	55,9%	51,6%	**54,7%**
Over 30 years to 50 years		15,5%	19,5%	**16,6%**	18,7%	31,4%	**22,1%**	15,5%	22,3%	**17,4%**
Up to 50 years		3,0%	2,7%	2,9%	2,7%	2,9%	2,7%	2,1%	0,5%	1,7%

In the job market in which we operate, we need to ensure benefits that are at least aligned with, or exceed those of our competitors in order to retain our people in our company and attract new talents. Among the main initiatives in the area of human resources that we implemented during 2022 and 2023 is the revaluation of the compensation/benefit ratio of our employees aimed at adjusting their purchasing power to inflation. In the retail sector, on the other hand, we have already reviewed and continue to reassess the basic hourly wages of the staff working in our stores. Globally, not having collective bargaining and the presence of social parties as in Italy, we are aiming to offer our employees remuneration that increasingly approaches or exceeds the living wage, that is, a minimum wage that guarantees acceptable living conditions.

In 2023, we began introducing meal vouchers for a large part of the Italian corporate population working in offices, factories, and our retail stores. In the same period, in line with our corporate DNA based on meritocracy and rewarding results, we introduced an additional monthly award in our Italian locations linked to the achievement of specific goals within the stores. This entails that, upon reaching predefined KPIs by the team, the economic benefit achieved is shared with all the people of the retail point and proportionate to the individual contribution in terms of hours worked in the month. For workers or employees we have a second-level negotiation with the social parties expressed with corporate supplementary contracts that, by accessing our welfare platform, there is the possibility to convert bonuses into flexible benefits. Furthermore, we provide all employees with access to supplementary health coverage beyond that provided by the National Collective Bargaining Agreement, and we are committed to regulating the "ethical/solidarity hour bank" initiative with the union, which will give our employess the opportunity to donate hours to colleagues who may need them for serious personal problems, encouraging an ethical approach to work. For every hour donated, Venchi will commit to offering an additional hour to the beneficiary employee.

In other countries, particularly in the United Kingdom and the United States, we have provided supplementary health coverage for all employees or for specific categories of employees, along with other benefits that vary by country. In Asia, for example, we are developing a wellbeing program with sports initiatives and stress management activities.

Another very important aspect for our company is listening to our corporate staff and those employed in our stores. This is why, in 2023, we conducted surveys on the corporate climate to receive feedback on how the company operates and what it can do to improve and better adapt to the needs of our people. This activity has allowed us to create initiatives that best meet the needs of our employees. The listening activity and dialogue with the Unitary Union Representations of the offices (RSU) highlighted the need for greater support on the cost of living and more work flexibility, as well as the issue of remote working. Consequently, our company has responded by introducing not only a more flexible work schedule policy but also the aforementioned recognition of meal vouchers for all employees. Lastly, regarding remote working, a specific policy has been structured that we are also applying in other countries worldwide

Moreover, we have equipped ourselves with an effective communication tool, the "Venchipedia" app, available to all retail employees, through which we can communicate both operationally and through surveys to understand their level of satisfaction with our company's actions. In addition, through the app, we provide the opportunity to stay updated on the latest news from production, Venchi's activities, operational guides, and new product campaigns.

We always strive to perfect our business processes and continuously ask for internal feedback from our employees. In the retail channel, since 2022, at least once a year, a meeting is held with managers from all over Italy to share with them the company's results, the achievements of their division, and the ongoing programs and projects. In this context, we organize engagement sessions to receive their input on the actions that the company should implement to improve the service model towards the customer.
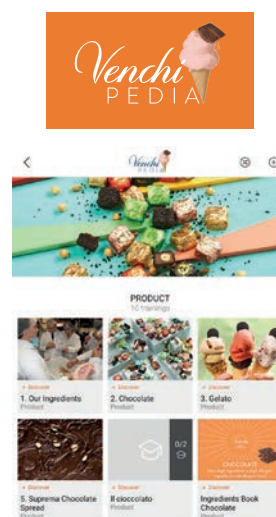
The constant engagement with our employees and the open dialogue established with them allows us to prevent extreme incidents such as strikes. Not by chance, during the year, there have been no protest actions or strikes against the company.

0%

CASE OF PROTESTS OR STRIKES BY OUR EMPLOYEES IN 2023

Regarding support for parenthood, in Italy, we have institutionalized a third child bonus to address the problem of low birth rates, providing a financial contribution at the birth of the third child.

For us at Venchi, training and internal knowledge of our products are fundamental: for this purpose, we conduct thematic seminars, especially on digital topics, aiming to constantly increase the adoption of digital systems and knowledge about cybersecurity, and we involve all our employees in tasting paths, especially on the occasion of launching new products.

We strive to continually increase engagement and transparency towards our employees: managers at Venchi have access to the same set of information that all shareholders do, participating and being involved in the development of corporate strategic plans. Moreover, since 2022, our managers now have the opportunity to participate in entrepreneurial risk by investing in type B shares. As a result, most managers have decided to invest in Venchi and after one year are still with the company.

We must also consider potential negative implications internally resulting from our business activities. An example is seen with the inherent seasonality of our business which can affect the work organization within our headquarters, if we neglect to plan office activities effectively. Such difficulty can create complications in managing the work-life balance of our employees. However, we strive to mitigate this risk by aiming to maintain our workforce at all times in a balanced way.

We always support and guarantee continuity for our employees: if we close a store, employees are always given the opportunity to transfer to other stores or other solutions are found to ensure job continuity as much as possible.

In terms of employee protection, we have a life insurance policy provided by the National Collective Bargaining Agreement and an additional one for certain categories of workers. In the event of an employee's death, a portion of the amount is paid to the heirs in proportion to their age.

The table below provides a summary of the benefits available for each category of employees for the three-year period 2021-2023:

Financial benefits	2021			2022			2023		
	Full time employees	Temporary employees < 9 months	Part-time employees	Full time employees	Temporary employees < 9 months	Part-time employees	Full time employees	Temporary employees < 9 months	Part-time employees
Life insurance	✓	✗	✓	✓	✗	✓	✓	✗	✓
Health care	✓	✗	✓	✓	✗	✓	✓	✗	✓
disability and invalidity coverage	✗	✗	✗	✗	✗	✗	✗	✗	✗
Parental leave	✓	✓	✓	✓	✓	✓	✓	✓	✓
Retirement provision	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stock ownership	✗	✗	✗	✓	✗	✓	✓	✗	✓

✓ AVAILABLE   ✗ NOT AVAILABLE

Regarding parental leave, over the three-year period 2021-2023, the majority of the beneficiary employees are women, and the rate of return to work after the leave has remained high over time.

Financial benefits	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Total number of employees that were entitled to parental leave	368	149	517	482	175	657	472	188	660
Total number of employees that took parental leave	54	2	56	51	1	52	53	7	60
Parental leave percetange	96%	4%	100%	98%	2%	100%	88%	12%	100%
Hours parental leave	37.174	504	37.678	32.370	24	32.394	31.952	320	32.271
Parental Leave Hours percentage	99%	1%	100%	100%	0%	100%	99%	1%	100%
Total number of employees that returned to work in the reporting period after parental leave ended	47	1	48	43	1	44	41	7	48
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	37	1	38	37	1	38	32	1	33
Return to work rate	87%	50%	86%	84%	100%	85%	77%	100%	80%
Retention work rate	79%	100%	79%	86%	100%	86%	78%	14%	69%

5.2 PROMOTION OF HUMAN RESOURCES DEVELOPMENT AND EQUAL OPPORTUNITIES

We attract talents who share the same goals and values of the Company, retaining them through the offer of development paths that consolidate and enhance their knowledge and skills, resorting to fair performance evaluation processes that ensure equal opportunities in the career development of individuals.

SUSTAINABILITY PLAN TARGETS

- Enhancement of digital skills and employability of employees

- Implementation of a corporate plan to ensure inclusion and equal opportunities by 2025

CAREER DEVELOPMENT · DIGITAL IT AND SOFT SKILLS TRAINING · PERFORMANCE EVALUATION

Within the organization, especially in the retail business, we aim to provide employees with the opportunity to grow, ensuring that a sales associate can one day become a store manager.

RETAIL ACADEMY

In retail markets all over the world, we are creating career paths that allow us to define, together with our employees, their future growth within our company, identifying internal opportunities for them and guiding them in their growth through feedback processes. We are structuring a Retail Academy, which is an internal educational platform made up of internal and external teaching staff, which, with training and informative activities and tools, allows our employees to acquire all the necessary skills to create a professionalism useful in managing our stores. This enables our employees to be more promotable within the company and to position themselves more effectively in the job market. Those who pass through Venchi come out with an enhanced skill set and better career opportunities in the future.

Staff training is a crucial aspect for Venchi as it not only provides the necessary skills to perform specific tasks but also contributes to develop individual potential, turning human resources into true talents. This growth process not only improves productivity and efficiency but also fosters innovation. Moreover, investing in training means valuing human capital, a key element for the long-term sustainability of a company.

Throughout the year, we have continued to promote training on digital competencies and the development of soft skills. In line with 2022, office employees were also involved in a specific training course on effective communication. We have continued with language training activities, useful for international collaboration. Such courses are also very useful in case of international mobility paths that, above all, contribute to the exchange of skills within the Company.

In the first months of 2023, we launched training programs to train new leaders, providing them the necessary means and tools to manage their teams, thus encouraging professional growth.

Below we report the data related to the training provided in the three-year period 2021-2023, expressed in hours of training and the number of employees involved. During 2023, 13,135 hours of training were provided, involving all our employees. 83% of these training hours were allocated to workers (528) in order to provide them with all the information regarding manufacturing processes and marketed products, the regulations that must be respected to avoid possible incidents of workplace accidents and product contamination. Especially in terms of safety, the hours of training have been increased with both internal and external teachers, to ensure the activities are carried out according to the provisions on safety and health in the workplace established by Legislative Decree 81/2008 and the EC Regulation 852/2004 of the European Parliament and of the Council concerning the hygiene of food products.

Hours of training for employee by gender and category	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Directors	Hours	0	72	72	0	121	121	0	77	77
Managers		100	67	167	141	59	200	185	50	235
Employees		295	312	607	1.091	382	1.472	1.104	784	1.888
Workers/Sales assistants		2.562	1.128	3.690	5.465	2.301	7.766	8.044	2.892	10.936
Total		2.957	1.579	4.536	6.697	2.863	9.559	9.333	3.803	13.135

Total employees by gender and category	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Directors	N°	0	2	2	0	5	5	0	7	7
Managers		6	8	14	6	7	13	8	6	14
Employees		65	33	98	84	43	127	74	37	111
Workers/Sales assistants		297	106	403	392	120	512	390	138	528
Total		368	149	517	482	175	657	472	188	660

Our company is committed to ensuring that all employees have access to training activities. In fact, in 2023, out of a total of 13,135 hours of training provided, on average each manager received about 11 hours of training, each executive and employee about 17 hours, and finally each worker about 20 hours.

Total employees by gender and category	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total hours of training	Ore	2.957	1.579	**4.536**	6.697	2.863	**9.559**	9.333	3.803	**13.135**
Total number of overall employees	N°	368	149	**517**	482	175	**657**	472	188	**660**
Average training hours	Ore/N°	**8,04**	**10,60**	**8,77**	**13,89**	**16,36**	**14,55**	**19,77**	**20,23**	**19,90**
Total training hours provided to directors	Ore	0	72	**72**	0	121	**121**	0	77	**77**
Total number of directors	N°	0	2	**2**	0	5	**5**	0	7	**7**
Average training hours per director	Ore/N°	**0,00**	**36,00**	**36,00**	**0,00**	**24,20**	**24,20**	**0,00**	**10,97**	**10,97**
Total training hours provided to managers	Ore	100	67	**167**	141	59	**200**	185	50	**235**
Total number of managers	N°	6	8	**14**	6	7	**13**	8	6	**14**
Average training hours per manager	Ore/N°	**16,67**	**8,38**	**11,93**	**23,50**	**8,43**	**15,38**	**23,13**	**8,25**	**16,78**
Total training hours provided to employees	Ore	295	312	**607**	1.091	382	**1.472**	1.104	784	**1.888**
Total number of employees	N°	65	33	**98**	84	43	**127**	74	37	**111**
Average training hours per employee	Ore/N°	**4,54**	**9,45**	**6,19**	**12,98**	**8,87**	**11,59**	**14,91**	**21,20**	**17,01**
Total training hours provided to workers/ sales assistants	Ore	2.562	1.128	**3.690**	5.465	2.301	**7.766**	8.044	2.893	**10.937**
Total number of workers/sales assistants	N°	297	106	**403**	392	120	**512**	390	138	**528**
Average training hours per worker/sales assistant	Ore/N°	**8,63**	**10,64**	**9,16**	**13,94**	**19,18**	**15,17**	**20,63**	**20,96**	**20,71**

The majority of the training hours provided to employees over the three-year period focus on themes related to regulations, soft skills, specialized and technological training.

Training hours by topic	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Soft skills training										
Directors	Hours	0	72	**72**	0	120	**120**	0	4	**4**
Managers		100	0	**100**	132	30	**162**	4	4	**8**
Employees		68	8	76	408	180	588	208	68	276
Workers/Sales assistants		0	0	**0**	16	30	**46**	882	262	**1.144**
Total		168	80	**248**	556	360	**916**	1.094	338	**1.432**
Compliance training										
Directors	Hours	**0**	**0**	**0**	**0**	**0**	**0**	**0**	71	71
Managers		0	67	67	8	28	36	59	8	67
Employees		227	304	**531**	641	180	**821**	448	309	**757**
Workers/Sales assistants		**2.518**	**1.075**	**3.593**	**5.063**	**1.932**	**6.994**	**7.142**	**2.588**	**9.730**
Total		2.745	1.446	**4.191**	5.711	2.140	**7.850**	7.649	2.976	**10.625**
Specialist training										
Directors	Hours	0	0	**0**	0	0	**0**	0	0	**0**
Managers		0	0	**0**	0	0	**0**	120	36	**156**
Employees		0	0	**0**	0	0	**0**	429	398	**827**
Workers/Sales assistants		44	53	**97**	387	340	**726**	20	43	**63**
Total		44	53	97	387	340	726	569	477	1.046
Technology training										
Directors	Hours	0	0	**0**	0	1	**1**	0	2	**2**
Managers		0	0	**0**	2	1	**3**	2	2	**4**
Employees		0	0	**0**	42	22	**64**	19	9	**28**
Workers/Sales assistants		0	0	**0**	0	0	**0**	0	0	**0**
Total		**0**	**0**	**0**	44	24	**67**	21	13	**34**

In 2023 we can state that workers received not only regulatory and compliance training but also soft skills training. On the other hand office staff training was focused most specifically on specialized content.

Employees by topic and category	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Number of employees involed in Soft skills training										
Directors		0	1	1	0	4	4	0	1	1
Managers		3	0	3	6	5	11	1	1	2
Employees	N°	9	2	11	60	28	88	24	9	33
Workers/Sales assistants		0	0	0	8	15	23	38	13	51
Total		12	3	15	74	52	126	63	24	87
Number of employees involed in Compliance training										
Directors		0	0	**0**	0	0	**0**	0	7	**7**
Managers		0	4	**4**	1	4	**5**	8	4	12
Employees	N°	14	9	**23**	32	12	**44**	86	46	**132**
Workers/Sales assistants		183	78	**261**	370	115	**485**	661	241	**902**
Total		14	13	27	33	16	49	755	298	1.053
Number of employees involed in Specialist training										
Directors		0	0	**0**	0	0	**0**	0	0	**0**
Managers		0	0	**0**	0	0	**0**	6	3	**9**
Employees	N°	0	0	**0**	0	0	**0**	30	25	**55**
Workers/Sales assistants		8	10	**18**	130	82	**212**	1	1	**2**
Total		8	10	18	130	82	212	37	29	66
Number of employees involed in Technology training										
Directors		0	0	**0**	0	2	**2**	0	7	**7**
Managers		0	0	**0**	3	2	**5**	8	6	14
Employees	N°	0	0	**0**	84	43	**127**	74	37	111
Workers/Sales assistants		0	0	**0**	0	0	**0**	0	0	**0**
Total		0	0	0	87	47	134	82	50	132

In addition to external mobility encouraged by language courses, we offer employees the possibility of internal mobility, in cases of transferring professional figures from one department to another due to company needs or the individual's predisposition for other duties. In these cases, internal training courses supported by RSPP, operators, or supervisors are provided to assist staff in their transition.

All our employees receive a periodic evaluation of their performance to varying degrees: all employees who work in offices an annual evaluation; in the retail area, all store managers and deputies are evaluated twice a year; in the manufacturing department, however, we have noy yet established a formal evaluation mechanism.

Percentage of total employees who received a regular performance and career development	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Directors		0,0%	100,0%	**100,0%**	0,0%	100,0%	**100,0%**	0,0%	100,0%	**100,0%**
Managers		100,0%	100,0%	**100,0%**	100,0%	100,0%	**100,0%**	100,0%	100,0%	**100,0%**
Employees	%	100,0%	100,0%	**100,0%**	100,0%	100,0%	**100,0%**	100,0%	100,0%	**100,0%**
Workers/Sales assistants		22,2%	24,5%	**22,8%**	18,1%	24,2%	**19,5%**	13,3%	17,4%	**14,4%**
Total		37,2%	46,3%	**39,8%**	33,4%	48,0%	**37,3%**	28,4%	39,4%	**31,5%**

Regarding equal opportunities, we can affirm that our workforce is predominantly represented by women. In 2023, 72% of employees are women. Moreover, compared to 2021, the number of female employees has increased by +28%.

" 72% OF OUR EMPLOYEES ARE WOMEN "
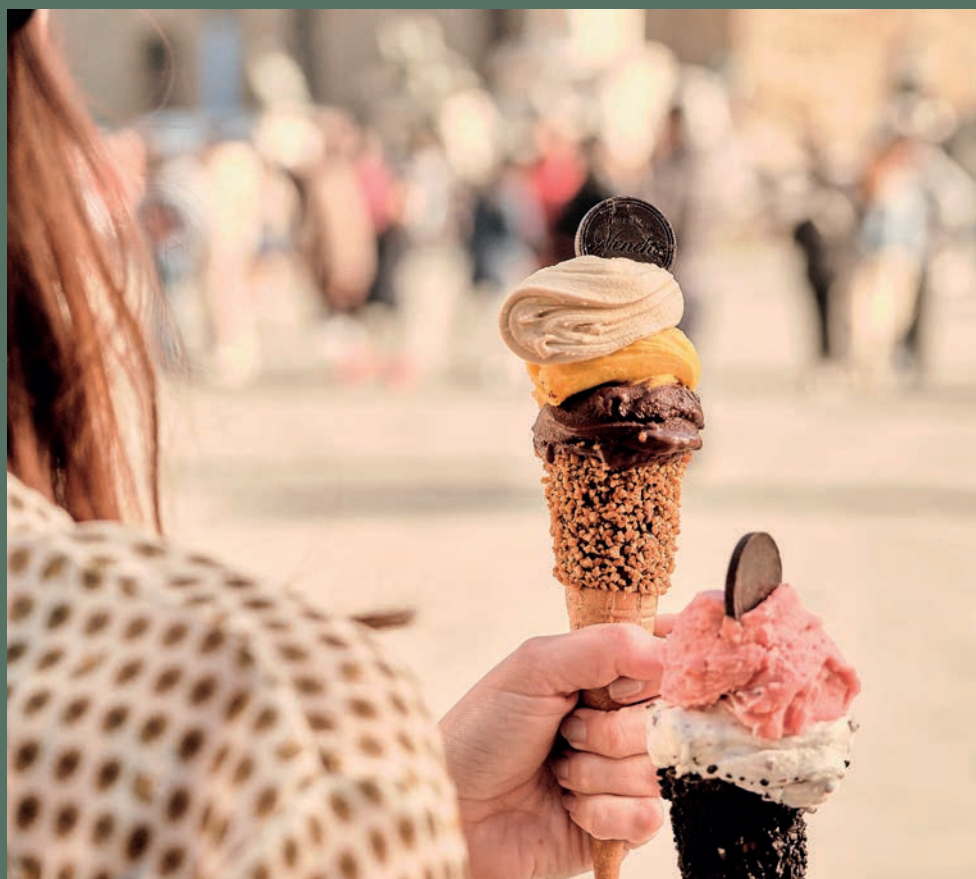
Considering the employment position, the majority of women overall are represented in the positions of employee (67%) and worker (74%), while there is still a scarce presence among executive managers and the governing body.

Governance body members (head count)	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Up to 30 years	N°	0	0	**0**	0	0	**0**	0	0	**0**
Over 30 years to 50 years		1	1	**2**	1	1	**2**	0	1	**1**
Up to 50 years		0	7	**7**	0	7	**7**	1	7	**8**
Total		**1**	**8**	**9**	**1**	**8**	**9**	**1**	**8**	**9**
Up to 30 years	%	0,0%	0,0%	**0,0%**	0,0%	0,0%	**0,0%**	0,0%	0,0%	**0,0%**
Over 30 years to 50 years		100,0%	12,5%	**22,2%**	100,0%	12,5%	**22,2%**	0,0%	12,5%	**11,1%**
Up to 50 years		0,0%	87,5%	**77,8%**	0,0%	87,5%	**77,8%**	100,0%	87,5%	**88,9%**
Total		**100,0%**	**100,0%**	**100,0%**	**100,0%**	**100,0%**	**100,0%**	**100,0%**	**100,0%**	**100,0%**

Regarding the average age of employees we can state that managers have an average age between 30 and 50 years, as the 79% of middle management, while the remaining 21% is over 50 years old. The average age tends to be lower among administrative and workers, where the majority of employees are under 30, accounting for 51% and 55% respectively.

Employees (head count)	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Directors		**0**	**2**	**2**	**0**	**5**	**5**	**0**	**7**	**7**
Up to 30 years	N°	0	0	**0**	0	0	**0**	0	0	**0**
Over 30 years to 50 years		0	2	**2**	0	5	**5**	0	7	**7**
Up to 50 years		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Directors	%	**0,0%**	**100,0%**	**100,0%**	**0,0%**	**100,0%**	**100,0%**	**0,0%**	**100,0%**	**100,0%**
Up to 30 years		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Over 30 years to 50 years		0,0%	100,0%	100,0%	0,0%	100,0%	100,0%	0,0%	100,0%	100,0%
Up to 50 years		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Managers		**6**	**8**	**14**	**6**	**7**	**13**	**8**	**6**	**14**
Up to 30 years	N°	0	0	0	0	0	0	0	0	0
Over 30 years to 50 years		3	6	9	4	6	10	6	5	11
Up to 50 years		3	2	5	2	1	3	2	1	3
Managers	%	**42,9%**	**57,1%**	**100,0%**	**46,2%**	**53,8%**	**100,0%**	**57,1%**	**42,9%**	**100,0%**
Up to 30 years		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Over 30 years to 50 years		50,0%	75,0%	64,3%	66,7%	85,7%	76,9%	75,0%	83,3%	78,6%
Up to 50 years		50,0%	25,0%	35,7%	33,3%	14,3%	23,1%	25,0%	16,7%	21,4%

Employees (head count)	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees	N°	**65**	**33**	**98**	**84**	**43**	**127**	**74**	**37**	**111**
Up to 30 years		36	10	**46**	48	24	**72**	44	13	**57**
Over 30 years to 50 years		25	21	**46**	33	18	**51**	27	23	**50**
Up to 50 years		4	2	**6**	**3**	**1**	**4**	**3**	**1**	**4**
Employees	%	**66,3%**	**33,7%**	**100,0%**	**66,1%**	**33,9%**	**100,0%**	**66,7%**	**33,3%**	**100,0%**
Up to 30 years		55,4%	30,3%	**46,9%**	57,1%	55,8%	**56,7%**	59,5%	35,1%	**51,4%**
Over 30 years to 50 years		38,5%	63,6%	**46,9%**	39,3%	41,9%	**40,2%**	36,5%	62,2%	**45,0%**
Up to 50 years		6,2%	6,1%	**6,1%**	3,6%	2,3%	**3,1%**	4,1%	2,7%	**3,6%**
Workers/sales assistants	N°	**297**	**106**	**403**	**392**	**120**	**512**	**390**	**138**	**528**
Up to 30 years		137	56	**193**	220	61	**281**	215	75	**290**
Over 30 years to 50 years		127	42	**169**	142	52	**194**	146	56	**202**
Up to 50 years		33	8	**41**	30	7	**37**	29	7	**36**
Workers/sales assistants	%	**73,7%**	**26,3%**	**100,0%**	**76,6%**	**23,4%**	**100,0%**	**73,9%**	**26,1%**	**100,0%**
Up to 30 years		46,1%	52,8%	**47,9%**	56,1%	50,8%	**54,9%**	55,1%	54,3%	**54,9%**
Over 30 years to 50 years		42,8%	39,6%	**41,9%**	36,2%	43,3%	**37,9%**	37,4%	40,6%	**38,3%**
Up to 50 years		11,1%	7,5%	**10,2%**	7,7%	5,8%	**7,2%**	7,4%	5,1%	**6,8%**
Total	N°	**368**	**149**	**517**	**482**	**175**	**657**	**472**	**188**	**660**
Total	%	**71,2%**	**28,8%**	**100,0%**	**73,4%**	**26,6%**	**100,0%**	**71,5%**	**28,5%**	**100,0%**

The percentage of employees with disabilities is very limited, averaging around 2.7% in 2023.

Employees (head count)	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Disabled directors	N°	0	0	**0**	0	0	**0**	0	0	**0**
Percentage of Disabled directors	%	0	0	**0**	0	0	**0**	0	0	**0**
Disabled managers	N°	0	0	**0**	0	0	**0**	0	0	**0**
Percentage of disabled managers	%	0	0	**0**	0	0	**0**	0	0	**0**
Disabled other managers	N°	0	0	**0**	0	0	**0**	0	0	**0**
Percentage of disabled other managers	%	0,0%	0,0%	**0,0%**	0,0%	0,0%	**0,0%**	0,0%	0,0%	**0,0%**
Disabled employees	N°	0	0	**0**	1	0	**1**	0	0	**0**
Percentage of disabled employees	%	0,0%	0,0%	**0,0%**	1,2%	0,0%	**0,8%**	0,0%	0,0%	**0,0%**
Disabled workers/sales assistants	N°	5	3	**8**	4	2	**6**	8	6	**14**
Percentage of disabled workers/sales assistants	%	1,7%	2,8%	**2,0%**	1,0%	1,7%	**1,2%**	2,1%	4,3%	**2,7%**
Total	N°	**5**	**3**	**8**	**5**	**2**	**7**	**8**	**6**	**14**
Total disabled employees on total employee	%	**1,4%**	**2,0%**	**1,5%**	**1,0%**	**1,1%**	**1,1%**	**1,7%**	**3,2%**	**2,1%**

Considering our compensation policies, we ensure a base salary parity between women and men for all employee categories. In the tables below, we report the ratio of the base salary and the average remuneration of women compared to men, distinguished by bargaining category (Industrial National Collective Bargaining Agreement and Commercial National Collective Bargaining Agreement) and by employee category.

INDUSTRIAL NATIONAL COLLECTIVE BARGAINING AGREEMENT

Ratio of basic salary of women to men	u.m.	2021	2022	2023
Directors	%	100	100	100
Managers		100	100	100
Employees		100	100	100
Workers/ sales assistants		**100**	**100**	**100**

Ratio of remuneration of women to men	u.m.	2021	2022	2023
Directors	%	0	0	0
Managers		78	90	93
Employees		96	92	90
Workers/ sales assistants		**99**	**97**	**100**

COMMERCIAL NATIONAL COLLECTIVE BARGAINING AGREEMENT

Ratio of basic salary of women to men	u.m.	2021	2022	2023
Directors	%	100	100	100
Managers		100	100	100
Employees		100	100	100
Workers/ sales assistants		**100**	**100**	**100**

Ratio of remuneration of women to men	u.m.	2021	2022	2023
Directors	%	0	0	0
Managers		79	88	89
Employees		81	82	88
Workers/ sales assistants		**103**	**101**	**102**

Finally, regarding the salary contributed by the employee and the employer, the percentage stands at 7% of the total.

Salary contributed* (Italy only)	u.m.	2021	2022	2023
Total salaries (included pension funds)	€	777.573	950.154	1.100.359
Salary contributed by employee		24.966	31.391	40.393
Salary contributed by employer		25.358	33.317	41.298
Percentage of salary contributed	%	**6%**	**7%**	**7%**

5.3 OCCUPATIONAL HEALTY AND SAFETY

We aim to create a work environment that ensures and protects the right to health and physical and psychological integrity of workers, adopting a continuous improvement approach to health and safety systems at work by adhering to the highest applicable industry standards.

SUSTAINABILITY PLAN TARGETS

• Activation of insurance for production shutdown caused by accidents or exposure to pathogens by 2024.
• Achievement of ISO 45001 certification by 2024.

TRAINING ON SAFETY — WELFARE PLATFORM — SAFETY IN MANUFACTURING

We care about the health of our employees and want to ensure their safety within our facilities. Although we recorded a low number of accidents, we also have a specific procedure for managing accidents that occur in the store or plant. During work activities, there is always a person in charge of first aid, and in the event of an accident, the employee must assess its severity.

It is then the responsibility of the healthcare service to evaluate the duration and stage of the injury, while the employee is required to send all the accident documentation to the store manager, who will then forward it to our personnel office. Venchi is responsible for reporting the accident to INAIL (the Italian National Institute for Insurance against Workplace Injuries).

At Venchi, we adhere to the safety standards of the territories in which we operate by providing mandatory general and specific training for employees, both internally and externally, on issues related to health and safety in the workplace.

We have an internal health and safety management system that is not certified, but our goal is to obtain an ISO 45001 certified management system by 2024.

The current management system, which has been subjected to an internal audit, covers 100% of our employees.

GOAL FOR 2024 → **ISO 45001**

Employees covered by an occupational health and safety management system	u.m.	2021			2022			2022		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees covered by an occupational health and safety management system	N°	368	149	**517**	482	175	**657**	472	188	**660**
Total employees		368	149	**517**	482	175	**657**	472	188	**660**
% employees covered	%	**100%**	**100%**	**1 00%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Regarding non-employee subjects, they are covered by the health and safety management system provided by the Company with which they have their employment contract.

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CASES OF DEATHS OF NON-EMPLOYEE WORKERS

We regularly verify that the cooperative managing our warehouses and the packaging department complies with the necessary documentation, such as certificates of attendance at general health and safety courses, to ensure work performance in accordance with the law.
In the three-year period 2021-2023, no work-related or commuting accidents resulted in the death of employees, and the recordable work injury rate continues to decline.

Employees	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Other recordable work-related injuries (**)	N°	14	6	**20**	19	6	**25**	16	5	**21**
at work		10	5	**15**	13	5	**18**	12	2	**14**
commuting incidents		**4**	**1**	**5**	5	1	**6**	4	3	**7**
commuting accidents rate	%	**20,00%**	**5,00%**	**25,00%**	**20,00%**	**4,00%**	**24,00%**	**19,05%**	**14,29%**	**33,33%**
Fatalities	N°	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
at work		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
commuting incidents		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total number of work-related injuries with serious consequences (excluding fatalities) exceeding six month		**0**	**0**	**0**	1	1	**2**	**0**	**0**	**0**
at work		**0**	**0**	**0**	1	1	**2**	**0**	**0**	**0**
commuting incidents		**0**	**0**	**0**	0	0	**0**	**0**	**0**	**0**
Toal working hours (all the hours worked)	Hours	452.651	206.609	**659.260**	655.024	276.940	**931.964**	704.321	301.246	**1.005.567**
Total number of workable hours		625.981	269.919	**895.900**	773.951	311.260	**1.085.211**	841.680	340.535	**1.182.215**
Number of fatalities as a result of work-related injury	N°	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Number of high-consequence work-related injuries (excluding fatalities)(***)	N°	**0,00**	**0,00**	**0,00**	**0,31**	**0,72**	**0,43**	**0,00**	**0,00**	**0,00**
Number of recordable work-related injuries	N°	**4,42**	**4,84**	**4,55**	**3,97**	**3,61**	**3,86**	**3,41**	**1,33**	**2,78**
Total absence hours	N°	198.494	73.235	**271.729**	159.190	49.807	**208.997**	160.295	47.572	**207.867**
of which absence due to work-related injuries	N°	1.424	526	**1.950**	2.891	2.472	**5.363**	1.847	394	**2.241**

Out of the 21 cases of employee injuries registered in 2023 67% were caused by sprains, bruises, and traumas, 14% by lacerated wounds, and 19% by fractures and bone infractions.

Injury by type	u.m.	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Sprains, bruises and traumas	N°	9	3	**12**	13	3	**16**	11	3	**14**
Lacerated wounds		3	3	**6**	2	1	**3**	2	1	**3**
Fractures and bone infractions		1	0	**1**	3	2	**5**	3	1	**4**
Other injuries		1	0	**1**	1	0	**1**	0	0	**0**
Total		**14**	**6**	**20**	**19**	**6**	**25**	**16**	**5**	**21**

Hours not worked by type	u.m.	2021	2022	2023
Work-related Injuries	N° hours	1.950	5.363	2.241
Illness and diseases		26.619	40.780	38.377
Parental leave		37.678	32.394	32.271
Others (include holidays and other work permits)		205.482	130.460	134.978
Total		**271.729**	**208.997**	**207.867**
Injuries	%	0,7%	2,6%	1,1%
Illness and diseases		9,8%	19,5%	18,5%
Parental leave		13,9%	15,5%	15,5%
Others (include holidays and other work permits)		75,6%	62,4%	64,9%
Total		**100,0%**	**100,0%**	**100,0%**

Out of total absences, work-related injuries accounted only for 1.1% of the total hours. During the same period, no cases of occupational disease caused by exposure to work-related hazards were recorded among all our employees.

With our employees, we conduct periodic consultations on health and safety issues through various methods: in addition to intensive training activities during which specific questions are asked, employees are given the opportunity to write down ideas, proposals, and concerns about health and safety and leave them inside a box located at the exit of the plant.

We promote the health of employees through various initiatives: through access to our welfare platform, employees are given the opportunity to convert the company bonus into expenses for health services in specific registered facilities. In addition, the health insurance provided by the National Collective Bargaining Agreement (CCNL) is offered, through which it is possible to facilitate invoice reimbursements in certain health facilities, as well as a supplementary health insurance to that provided by the CCNL for certain categories of people.

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CASES OF OCCUPATIONAL DISEASES AMONG EMPLOYEES AND EXTERNAL WORKER

To ensure the hygienic safety of the workforce, from this year onwards, the uniforms of the production staff are washed and sanitized by certified industrial laundries. In order to prevent negative impacts on health and safety at work directly related to operational activities, an intensive process of controlling incoming raw materials is also implemented. Each material entering our facilities undergoes a visual check to assess its integrity. Subsequently, specific samples of the raw materials are taken, which are subjected to chemical analysis in the laboratories.

5.4 TERRITORIAL DEVELOPMENTS AND LOCAL COMMUNITY RELATIONS

We aim to strengthen relationships with the communities with which we collaborate through strategic investments and compensation that guarantee socio-economic growth.

COMMUNITY SUPPORT INITIATIVES — GOVERNMENT FINANCIAL SUPPORT — MINIMAL INFRASTRUCTURAL IMPACT

Through our consistent growth we as a company contribute both directly and indirectly to the growth of the Italian economy itself. In the three-year period from 2021 to 2023, our company has grown from 517 to 660 employees, thus providing employment to new people within the Castelletto Stura plant, the Milan offices, and the various stores across the national territory.

The expansion of our business in the reference three-year period has allowed us at Venchi to generate direct positive impacts in our country, not only in terms of employment, given the growth of the workforce, but also in terms of generating new work incomes. This has also strengthened our relationships with suppliers promoting the expansion of their own facilities.

WE FIGHT AGAINST FOOD WASTE

To continue generating positive impacts on the national territory, not only economically but also socially we have committed to strengthening relationships with the community we interact with. For this reason, we at Venchi promote charitable initiatives in support of various associations operating in the area. We donate chocolate to charitable associations and schools in the area and consistently make liberal donations to various charity organizations. We also strive to implement initiatives to fight against food waste and support less affluent communities by participating in NGO projects like "Pane al Pane", an association to which we donate products nearing their expiration date every year. Finally, starting from September 2023, Venchi has committed to social engagement projects in Italy to support cancer research and care (AIRC).

The initiatives and projects launched in collaboration with the association have facilitated the funding of a scholarship awarded to a young Phd researcher to find new treatments for cancer.

Our activities generate an economic impact predominantly in Italy, as this is where our actual production site is located while in the rest of the world we have a growing numer of sales points, distribution networks and offices.

We distribute about 91% of the wealth we produce during the year to our stakeholders.

Of the distributed, 65.6% was given in the form of operational costs for external payments to the organization, 22.8% in the form of wages and benefits distributed to our employees, respectively 6.3% and 5.3% in the form of payments to capital suppliers and to the Public Administration, and 0.03% in the form of investments in the communities.

EVG&D	u.m.	2021	2022	2023
Revenues		79.887.408	114.217.559	133.326.540
Operating Costs		58.382.876	79.169.602	85.303.702
Employees salaries and benefits		17.842.823	24.959.719	29.635.481
Payments to capital suppliers		4.393.257	5.222.830	8.249.084
Payments to the Public Administration by Country	€	355.184	2.894.669	6.845.003
Investments in communities		22.547	2.510	39.863
Other economic value distributed (please specify)				
Economic value distributed		80.996.687	112.249.330	130.073.133
Direct economic value generated and distributed		- 1.109.279	1.968.229	3.253.407

22,8%
EMPLOYEE WAGES AND BENEFITS

65,6%
OPERATING COSTS

5,3%
PAYMENTS TO THE PUBLIC ADMINISTRATION BY COUNTRY

6,3%
PAYMENTS TO CAPITAL SUPPLIERS
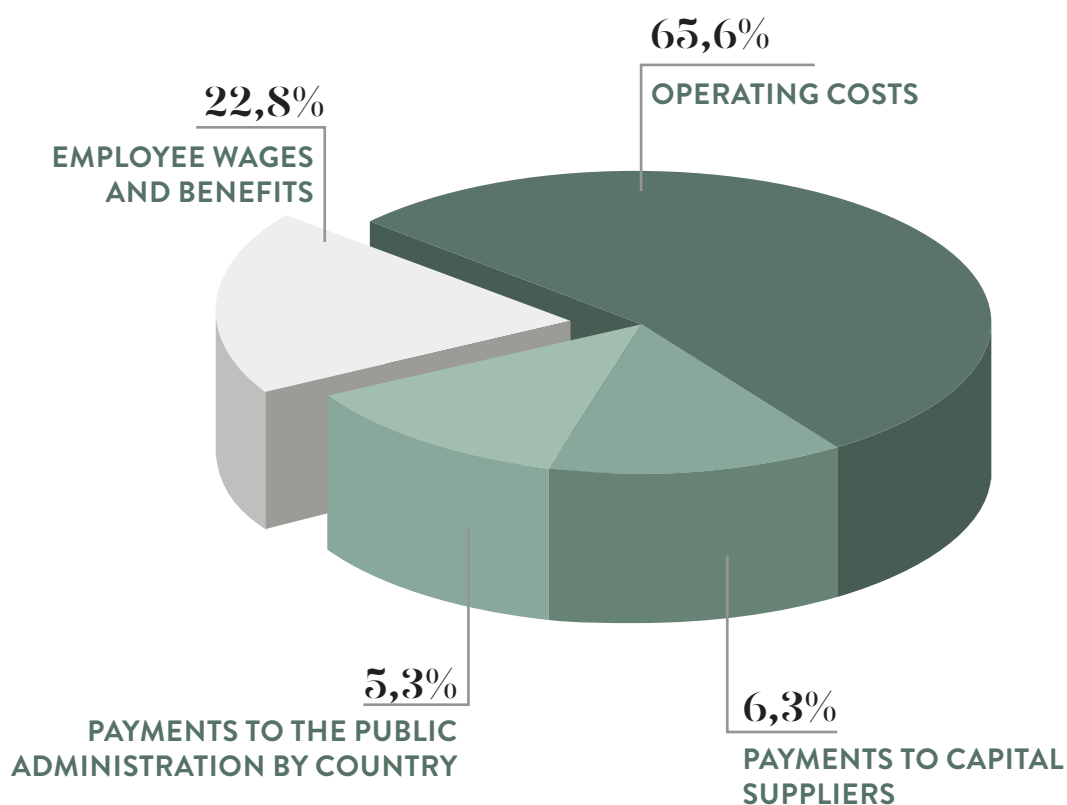
Climate change has implications on our ability to continue generating economic impact in the area we operate especially regarding our value chain. Indeed, we are closely tied to the land's resources, especially in the production that involves the use of IGP Piemonte hazelnuts from the Langhe. For this reason, in the event of climatic disasters that result in a shortage of hazelnut production, our total production could be at risk.

From the perspective of financial assistance received from the Government in the three-year period 2021-2023, we have carried out various tax credit activities in advertising, training, research, and development. Regarding investment grants, we have always participated in various projects by drawing on European or Italian funds (such as the PON FESR in 2020 for energy efficiency), other funds with SIMEST projects in technological innovation, or funds with the Ministry of Economic Development (MISE) for innovation and research and development projects. The monetary value of the financial assistance received from the government in the year amounts to €1.048.142. The difference from the previous year is due to the conclusion of a project related to the MISE innovation tenders in 2022.

Financial assistance received from government	u.m.	2021	2022	2023
Tax relief and tax credits	€	807.174	561.420	415.015
Investment grants, research and development grants, and other relevant types of grant		798.761	3.150.130	633.126
Total		1.605.935	3.711.550	1.048.142

In the three-year period 2021-2023 the tax reliefs and credits include:
• Tax credit on R&D activities (years 2021-2022)
• Tax credit on advertising activities (year 2021)
• Tax credit on industry 4.0 activities (years 2021-2023)
• Tax credit " Covid support decree" (year 2021, Covid-19 contribution)
• Tax credit for non-gas-intensive and non-energy-intensive companies (years 2022-2023)
• Tax credit for capital goods (years 2021-2023)

Investments grants instead include:
• Subsidized financing with Finpiemonte, project "POR FESR energy efficiency" (years 2021-2022): in our Castelletto Stura plant the entire lighting system has been replaced with LED lights, new photovoltaic panels have been installed and some more energy-efficient refrigeration units have been replaced.
• Subsidized financing in Simest projects for business development abroad, the launch of the e-commerce website in the USA and the opening of the first "shop in shop" in the UK and China (years 2021-2022).
• Subsidized financing and grant financing for MISE innovation tenders (years 2021-2023);
• Incentive fee (RID) for photovoltaic system (years 2021-2023)
• Grants on cogenerator (years 2021-2023)
• Grant "New skill fund" for employee training courses (year 2022)
• Training courses funded by Fondimpresa (years 2021-2022): contributions for employee training courses.

**PARTICIPATION IN THE MISE
(MINISTRY OF ECONOMIC DEVELOPMENT) INNOVATION TENDERS**

Over the three-year period, Venchi participated in three projects related to the Fund for Sustainable Growth. The first project was titled: "Study, development, design, and implementation of a highly innovative line of eco-sustainable 'food-tech' chocolate-based products equipped with a new generation of active packaging, specifically developed and refined for high shelf-life expectancy and also aimed to improve consumer well-being." The project lasted from July 2019 to June 2022.

The second project participation is titled: "Study, development, design, and implementation of an innovative technological structure based on modern Cloud technologies that allows not only the digitalization of finance and control processes and the supply chain, but also allows a closer and omnichannel relationship with the Venchi consumer – D2C. This generates a data analysis system that allows the analysis and prediction of sales." The project was developed over the three-year period from February 2020 to February 2023.

Finally, the third project is titled: "Study, development, design, and implementation of an integrated and automated prototype platform for the production of innovative 'Vegan', no animal ingredient products, eco-sustainable, recyclable and qualified for the new corporate frozen supply chain." The project was initiated in mid-2022 and is currently ongoing.

To conclude , even at the infrastructural and development level, we are committed to minimizing negative impacts. Indeed, in Italy, our production facility is located in a confined area, while the Milan office and other structures are owned by third parties. In other countries, however, we limit our activity to the distribution of products without encroaching on the territory with infrastructural facilities.

Regarding the Castelletto Stura facility, charging stations for electric cars have been made available. In the same municipality, at the end of 2023, we began work on the development of a water purification plant in collaboration with ACDA S.p.A. (Azienda Cuneese dell'Acqua), aimed at improving the management of local wastewater. The project will be launched and concluded by 2024.

06

RESPONSIBLE
SUPPLY CHAIN

6.1 PROTECTION OF HUMAN RIGHTS AMONG THE VALUE CHAIN

We respect and protect human rights throughout the entire value chain of the Company, promoting and adopting policies against all forms of slavery, violence, and discrimination in line with international reference standards and valuing elements of diversity (age, gender, sexual orientation, disability, ethnic origin, nationality, political opinions, and religious beliefs).

COMPLAINT AND WHISTLEBLOWING PROCEDURES

EXTERNAL AUDITS FOR ETHICAL WORK

ALIGNMENT WITH THE COUNTRIES' REGULATIONS

In Venchi we promote an inclusive culture free of gender distinctions, religious orientation, or geographical origin, ensuring equal job opportunities for all. To counter any discriminatory incidents, we have implemented a whistleblowing procedure both inside and outside the workplace to ensure that individuals directly or indirectly associated with Venchi can report illicit behaviors, whether by action or omission, that may constitute a violation or an inducement to violate the principles and values established by the Group. As evidence of our commitment against discrimination, no discriminatory incidents based on sex, color, race, political opinion, religion, or social origin were recorded within our facilities from 2021 to 2023. Using so-called colonial raw materials, particularly cocoa, it is crucial for us to safeguard the minimum welfare conditions of the workers employed, as without protection, there is a high risk of exploitation. We apply labor protection clauses in every contract with mandatory acceptance, under penalty of cancellation, and require suppliers to comply with the provisions of the corporate code of ethics, considered an integral part of every purchase or service provision action.

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INCIDENTS OF DISCRIMINATION IN THE THREE-YEAR PERIOD 2021/2022/2023

In addition to monitoring actions on internal operations and those of our partners, we believe it is ethically necessary to support the improvement of the socioeconomic conditions of the areas where we operate directly: the quality of the product cannot be separated from the quality of life of every individual who works daily for us at Venchi.

Furthermore, we want to maintain a governance system aligned with best practices and integrated with sustainability profiles. For this reason, during 2023, we updated our Code of Ethics and shared it with our suppliers.

In Venchi we respect and align with the regulations protecting human rights in all the countries where we operate, and we constantly rely on legal consultants to assess any necessary adjustments in our relationship with workers following possible changes in local laws.
In terms of remuneration, in all the countries where we operate, our employees are always paid regularly and above the minimum wage levels set by law.
Unlike countries outside of Italy, where there are no forms of organized association, at the Castelletto Stura facility, there are Unitary Union Representations (RSU) that are regularly voted on and involved, thus playing a supportive role and acting as primary protection in resolving any disputes with workers. Despite this additional protection, in general, we have good relations with the entire union network.

6.2 TECHNOLOGICAL AND PROCESS INNOVATION

We contribute to the digital and technological transformation of the territory and the food sector, promoting the adoption of new digital technologies within business processes and offering products that are designed in an innovative way, in order to effectively respond to changes in the external context and the needs of consumers.

Our approach to innovation follows a dual path: on one hand, we aim to renew our digital tools; on the other, we strive to revamp processes within our facilities, aiming for Industry 4.0.

DIGITAL INNOVATION

We take the digitalization theme very seriously and constantly evaluate how to integrate it into our work dynamics. As proof of this, we are on a path to internalize digital processes by hiring IT staff dedicated to developing new applications.

At the corporate network level, in recent years we have developed a corporate management system valid for the entire Group, implemented through cloud systems. This platform ensures greater efficiency in business processes that, while not directly related to production, contribute to all activities related to it, such as planning and operation scheduling.

In 2023, we launched a significant HR digital transformation project called "Chocopeople": a unique digital platform at the group level for managing employee records. This platform was initiated in Europe at the end of the year and will be extended to the rest of the group during 2024 with the goal of also including performance management & compensation.
The internal expense management system has been fully digitized, allowing not only easier and better operability by the employee but also a significant reduction in printed paper.
Our employees are constantly updated and trained on the use of new digital tools, particularly on the use of the management systems themselves, cybersecurity, and new Generative AI tools. Especially regarding artificial intelligence, the focus has been on the safe adoption of such tools by training company staff on their use to improve productivity and/or create new sales opportunities without compromising data protection.
Over the course of the year, the so-called "Venchi Tech Talks" were also established, occasions where the company discussed technological innovation, software development, AI, or offered training sessions on specific applications with employees from the entire group.
We have also modernized the company's data architecture by moving it to a modern Data Lake and improving the availability and quality of data, making them easily usable and viewable in an interactive mode to create reports and dashboards.
The customer management platform has also been significantly innovated. We have launched a new loyalty program, the V-Club, which is entirely digital and integrated with the wallet on one's mobile phone and/or electronic device.
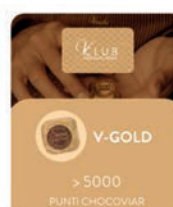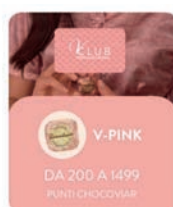
PROCESS INNOVATION

From a process perspective, we aim for automation and digitalization, using machines integrated with the company's Manufacturing Execution System (MES), a software system that allows monitoring, tracking, and documenting the production process of goods, raw materials, and finished products. We are also installing new machinery that improves the control of processed products through weight control systems and foreign body detection.

In the last three years, the plant production has been expanded to allow the installation of new, more efficient production lines. In 2023, €6.7 million was invested in new machineries. Among these is the expansion of modeling line number two, which has increased both the production capacity and the efficiency level of the department, the increased capacity of external liquid chocolate storage, the introduction of new vision systems for mold cleanliness control, and the implementation of several new fake product formats. Additionally, the first anthropomorphic robot was tested on a production line.

Process innovation must ensure an improvement in product quality and a facilitation of production processes. Replacing our machinery with more innovative ones has allowed us to save energy consumed in processing our products over the last 5 years. In our facilities, we are increasingly aiming for "Industry 4.0", automating processes and creating lean flows in our plants. By lean flows, we mean the ability to connect different production lines: previously, our chocolate was processed and subjected to molding lines, then placed in molds and subsequently transported to refrigerated warehouses; in the following days, the preserved product was taken to the wrapping machines. We have now connected the wrappers to the molders: by doing so, our chocolates are wrapped immediately after molding, avoiding the risk of their deterioration or possible spills on the ground of the mixture, improving quality and efficiency in terms of manual labor and avoiding the movement of the processed product from one line to another.

Increasingly innovative machinery allows us to reduce the operator's work, but above all to eliminate all those alienating and repetitive jobs that also cause workplace injuries. We have paid more and more attention to the ergonomics of the tools and equipment used by operators, such as the purchase of pallet trucks automatically adapted to the height of the operators. There is also a focus on reducing the weight of loads. The use of manipulators in the company allows operators to handle heavy loads without any physical effort, preventing excessive strain and consequent injuries.

In order to achieve capacitive development at the Castelletto Stura plant, it has also been decided to proceed with the outsourcing of logistics through the identification of an external partner in the form of DHL, a primary global operator in the sector, selected also considering its commitment to ESG issues.

Discussing potential negative impacts arising from process innovation, we can affirm that it has not led to layoffs of our workforce, as there has been strong hiring in recent years. The renewal of the process structure has indeed had rather positive impacts resulting from the reduction of low-added-value manual operations.

6.3 RESPONSIBLE MANAGEMENT OF RAW MATERIALS AND SUPPLY CHAIN

We promote a responsible approach in the sourcing of raw materials, adopting principles of traceability, transparency, and sustainability throughout the entire supply chain, and requiring suppliers to comply with the corporate regulatory frameworks

SUSTAINABILITY PLAN TARGETS

- Reduction of air transport during the purchasing and selling of products.
- 100% of cocoa purchases and cocoa derivatives certified Rainforest Alliance

QUALITY CONTROL OF INCOMING RAW MATERIAL

ETHICAL STANDARD IN SUPPLY SELECTION

SUPPORT FOR SMALL LOCAL PRODUCERS

We invest in researching and sourcing raw materials that ensure superior quality in organoleptic properties and the protection of consumer health. We aim to protect and support the culture and tradition of the agriculture processes that underly the cultivation and production of the raw materials necessary for the preparation of our recipes. The knowledge, dedication to work, and authenticity typical of classic agricultural traditions are becoming increasingly rare, and we at Venchi want to safeguard this wealth from disruptive market dynamics and product practices often in conflict with respect for local biodiversity, and resources.

The raw materials used in our recipes play a decisive role in the final results of production. For this reason, we select our raw material suppliers based on the guarantees of certified self-control systems they can provide. We have a register made up of "supplier cards" obtained from the results of questionnaires, surveys, and audits conducted by specialized internal staff.

Furthermore, we carry out analyses and checks on incoming products to ensure their freshness and integrity.

The raw materials we use are chosen based on consolidated and structured criteria that consider:

- The provisions of the specifications
- The workability characteristics
- The quality-price ratio

Currently we have several warehouses located in Castelletto Stura, Robilante, Verzuolo, and Borgo S. Giovanni (for the storage of finished products). The latter warehouse (owned by DHL), is in fact powered by electricity produced from geothermal sources. The Verzuolo warehouse, owned and managed by third parties is dedicated to the storage of hazelnuts,

chocolate, and cocoa masses, and is also powered with energy from renewable sources. Incoming goods are controlled in the warehouse by two different operators: the warehouse manager for the wrapping and packaging, and the quality manager for the acceptance of food raw materials.

Regarding the procurement of raw materials, we conduct the following activities:

- Organoleptic evaluations (to verify the quality of the goods and the preventive determination of possible fermentation and microbial growth phenomena);
- Examinations of the integrity and suitability of the packaging, wrapping, and packing;
- Checks on the expiration, the minimum shelf life (MSL), and the production date of the received products;
- Checks on the conformity of the order and the correct transport temperatures (where specified);
- Checks for potential particulate contamination from foreign bodies and/or substances dangerous to consumer health.

For each product delivery, at the time of receipt, we conduct a supply monitoring evidenced by the completion of the corresponding control card.

The quality control on incoming goods is recorded and includes organoleptic checks and, in case of doubt, a subsequent analytical check.

Incoming products that do not present the predefined characteristics with the supplier are not accepted into the facility. If not immediately returned to the supplier, such goods are isolated from the accepted lots and withdrawn as soon as possible; they are also marked so that they cannot be used by mistake.

The storage of raw materials takes place in premise and under conditions suitable for the hygienic protection of the product, depending on the temperature of conservation.
Proper planning of orders and warehouse management according to the First In First Out (F.I.F.O.) technique prevents the raw materials from "aging" beyond what is allowed. To this end, a consumption program is delivered weekly to the managers of all the involved lines.
In the selection of resources, we aim to pursue an ethical purpose as well: we want to be promoters in the search for products and agricultural areas that represent true treasures in terms of taste and organoleptic quality, while simultaneously supporting the creation of development conditions that raise the socioeconomic level of the populations, the quality of the productions, and the cultivation areas of interest.

Regarding raw materials, chocolate, along with cocoa beans and masses are our principle materials we source; while hazelnuts are the second most significant raw material source (considering the value of purchase and use).

We primarily purchase chocolate from West Africa through intermediaries who handle the transformation from bean to liquid chocolate. We also source from other regions (South America, Papua New Guinea, other areas of Africa) through traders or cooperatives. In such cases, we buy the beans or cocoa mass directly and manage the processing into liquid chocolate internally.

We use West African chocolate as a base for our recipes, adding cocoa from other origins as "spices". We work on the taste of the final product, doing so by selecting the best raw materials with the right blend of chocolates.

DOMINICAN REPUBLIC

COLOMBIA

ECUADOR

PERÙ

VENEZUELA

IVORY COAST

PAPUA NEW GUINEA

The importance of a sustainable chocolate supply chain is crucial not only for the quality of the final product but also for the social and environmental impact it entails. A sustainable supply chain focuses on ethical production practices, which include respect for workers and the environment. This approach ensures that cocoa is cultivated in a way that preserves biodiversity and improves the living conditions of farming communities. For this reason, in April 2023, we obtained our first Rainforest Alliance certification and aim to cover 100% of our cocoa purchases under this certification by 2025. For us, the Rainforest Alliance certification is however not our ultimate goal, but only the beginning of a journey towards increasingly sustainable raw material management.

In this context, we have been carrying out a project in close collaboration with an NGO for the development of a sustainable supply chain in Tanzania for several years. The goal here is to purchase the vanilla produced by this supply chain for our needs as soon as the plantations yield their first fruits.

For other key raw materials, we have always paid particular attention to sustainability and ethics in our relationship with our suppliers, constantly verifying their ethical code where available.

Regarding the hazelnuts that we purchase, the are exclusively certified as Piedmont IGP. We have further structured ourselves through the formalization of agreements and sustainability requests towards the various actors in the supply chain, initiating a partnership with all intermediaries involved in the procurement process (such as shellers and direct producers of hazelnuts). Within the hazelnut supply chain, we have reduced the impact of transporting this raw material during the shelling phase: initially, the hazelnuts collected in Piedmont were transported to Lazio, where they were shelled by a third-party supplier, and then returned to Piedmont. Now, however, we have reached an agreement with the cooperative responsible for the collection so that the shelling of the hazelnuts is carried out by a local trusted sheller.

For the shelling process, we have a direct contract with the supplier that includes the adoption of sustainability procedures that can be implemented in the management of resource consumption and ensuring their origin from sustainable sourcing. In this context, our suppliers have obtained certifications in terms of quality and sustainability of the processing plants.

With the hazelnut producers, on the other hand, we have sought to establish a multi-year supply relationship, and supporting especially the small producers that characterize the economic context of the Piedmont IGP hazelnut, favoring

quality over the quantity of the harvest. This quality is annually rewarded by identifying the best producer based on the highest quality supply of hazelnuts received. We have an agreement with cooperatives for the transport of hazelnut via trucks using a non-fossil fuel. In the countryside, we ensure that technical agricultural production does not occur with the use of unnecessary pesticides or other chemical additives that may contaminate the land.

In managing other raw materials, we do not have specific protocols in terms of sustainability. however from a quality perspective, we ensure that the pistachio used in the production of our ice creams sold worldwide is Bronte DOP green pistachio.

All the nuts we purchase comes from companies with a transparent supply chain, including quality checks to verify characteristics that conform to the specifications we require at the time of purchase and ensuringthe conformity to certain sustainable and ethical principles. As for sugar, its origin is almost entirely European and is produced without exploiting forests; the only exception is cane sugar, of Caribbean origin (Guatemala), which also does not come from areas at risk of deforestation.

Regarding milk, in Italy, France, and Germany, we always select high-quality milk, as we do in other countries where we perform a quality check in terms of technical sheets. However, managing this resource is more difficult, especially in Asia, where there is more fragmentation of milk supplies. Despite this, in the verification of the technical sheets, we always rely on specific qualitative and quantitative parameters to maintain a high product standard: the milk we choose must have a certain amount of fat and protein, be free of thickeners or antibiotics, as well as pass in the qualitative taste test.

Considering the potential negative impacts, we are aware that adverse events can affect our supply. From a packaging perspective, we follow a preventive sourcing strategy from suppliers: we have about three suppliers in Italy (which we plan to increase to four) from whom we source in rotation, thus diversifying the risk of a potential shortage of packaging. We rarely give 100% of the supply to a single supplier.

For hazelnuts, on the other hand, we have never encountered cases of a total lack of IGP hazelnuts. A possible shortage in the harvest can lead to a consequent increase in purchase prices. In such cases, Venchi absorbs the incremental cost. The main cases of adversity that can affect the hazelnut harvest are drought, frost on the buds, hail, and excessive snowfall that can break the branches of the hazelnut trees.

As for chocolate, we are implementing risk analysis in our facility, mitigating actions to have backup processes, in addition to expanding our molding plants with the addition of a new molding line that connects to four new tanks located outside and separated from the other molding plants, so as to "break" the circuit to prevent contamination of a chocolate tank from affecting the entire production and allow us to return to production in a short time.

Venchi
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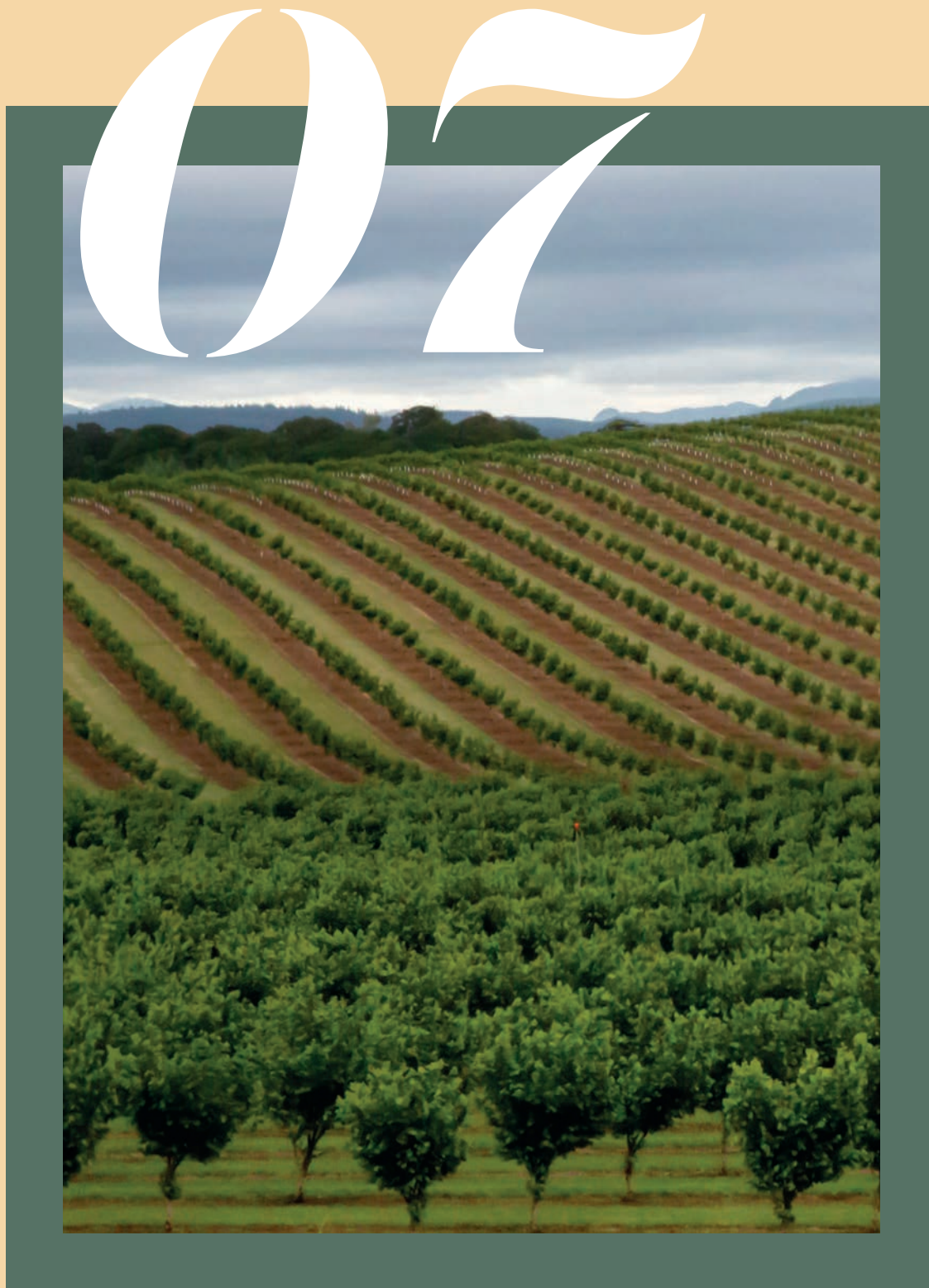
OUR COMMITMENT TO THE ENVIRONMENT

7.1 RESPECT FOR THE ENVIRONMENT IN BUSINESS OPERATIONS

We adopt policies for the efficient management of energy and water resources, and for the enhancement of waste materials and refuse, ensuring the reduction and mitigation of greenhouse gas emissions in all business activities and along the supply chain.

SUSTAINABILITY PLAN TARGETS

- Measurement of CO_2 emissions by 2024
- Definition of a decarbonization roadmap by 2026
- Reduction of waste from expiring products that cannot be sold to feed mills by 2025
- Installation of BEMS system in the facility & pilot project for stores by 2024
- Reduction of the facility's water consumption by about 40% by 2024
- Finance paperless: reduce the consumption of about 100,000 sheets of A4 paper by 2024

In Venchi, we are committed to managing environmental issues by trying to limit the externalities produced by our activities. We constantly monitor our impacts in terms of energy consumption, water resources, and waste production, aiming for continuous improvement.

ENERGY

In Italy, we have 47 P.O.D (Point of Delivery) including stores, plants, and offices. In 2023, the Castelletto Stura plant alone consumed about 552.000 kWh of electricity, which is a 33% reduction in consumption compared to the previous year. We were able to contain energy costs in the plant because we have a cogeneration system that has a capacity of 357 kW. Over the past years, we have embarked on a path aimed at energy efficiency, also thanks to the installation of photovoltaic panels. Indeed, in 2010 we installed about 100 kW of photovoltaic panels in the plant, adding another 200 kW in 2020. In addition, in 2023, two new photovoltaic plants were completed for internal renewable energy production: the first of 500 kW for the Castelletto Stura production site and the second of 110 kW at the Robilante site. The total renewable energy now installed on Venchi's premises is close to 1000 kW.

In terms of consumption, in 2023, 32.837 Gj of fuels were consumed, exclusively from non-renewable sources, particularly methane gas and diesel, as indicated in the table below.

Energy consumption within the organization	u.m.	2021	2022	2023
Total		29.115	30.430	32.837
Natural Gas		29.043	30.395	31.758
LPG	GJ	0	0	0
Diesel fuel		72	36	871
CNG		0	0	0
Petrol		0	0	208

The values of diesel and gasoline were estimated based on the kilometers traveled by company cars, and the Defra 2020 and Defra 2023 factors were used for the conversion of consumption into GJ. The data on the methane gas consumption of the Robilante plant were obtained from estimates in the calculation, and the Defra 2023 factor was used for the conversion of the 2023 consumption into GJ.

From an energy consumption perspective, as the table below indicates, the total energy consumption produced during the year is exclusively attributable to electricity and amounts to 4.912.630 kWh. Of this, 232.245 kWh comes from renewable sources, which can be attributed to the photovoltaic panels we have installed over the years, including the new agrivoltaic park installed in 2023.

Energy consumption	u.m.	2021	2022	2023
Energy consumption		3.978.783	5.136.608	4.912.630
Total		134.430	201.410	232.245
from renewable resources	kWh	3.844.353	4.935.198	4.680.385
from non renewable resources		3.978.783	5.136.608	4.912.630
Electrical energy		134.430	201.410	232.245
from renewable resources		3.844.353	4.935.680	4.680.385

The total energy consumption for the three-year period 2021-2023 is primarily due to the plant of Castelletto Stura, Robilante, the legal headquarters' office, and, most importantly, to the retail stores operating in Italy.

Perimeter	u.m.	2021	2022	2023
Castelletto Stura plant		348.631	830.000	552.470
Robilante warehouse		157.425	186.074	134.398
Retail stores	kWh	3.330.000	3.910.000	3.982.366
Milan office		8.297	9.124	11.151
Total		3.844.353	4.935.198	4.680.385

The values refer only to the energy purchased from the grid and do not include the renewable energy produced by the photovoltaic panels.

The peak in energy consumption at the Castelletto Stura facility during 2022 was due to a malfunction in the cogeneration system that forced the plant to shut down for over a month. In accordance with the requested GRI Standards, the following are the energy consumptions by type, expressed in GJ, attributable to the Castelletto Stura facility, the Robilante warehouse, and the stores operating in Italy. The Defra 2023 factor was used for the conversion into GJ.

Energy consumption	u.m.	2021	2022	2023
Total		14.324	18.492	17.685
from renewable resources		484	725	836
from non renewable resources	GJ	13.840	17.767	16.849
Electrical energy		14.324	18.492	17.685
from renewable resources		484	725	836
from non renewable resources		13.840	17.767	16.849

Perimeter	u.m.	2021	2022	2023
Castelletto Stura plant		1.255	2.988	1.989
Robilante warehouse		567	670	484
Retail stores	GJ	11.988	14.076	14.337
Milan office		30	33	40
Total		13.840	17.767	16.849

In the chart below, we represent the total energy consumption expressed in GJ, taking into account both renewable and non-renewable sources, amounting to 50.522 GJ.

Total energy consumption	u.m.	2021	2022	2023
Consumption from renewable resources		484	725	836
Consumption from non renewable resources	GJ	42.955	48.197	49.686
Total energy consumption		43.439	48.922	50.522

Despite an increase in total energy consumption over the three-year period, with a majority produced from non-renewable sources, we have recorded a 73% increase in the use of renewable sources compared to 2021. Furthermore, in order to measure the annual electrical energy requirement related to the work activity of all employed staff, the energy intensity index called "Electricity consumption per staff" is calculated below, given by the ratio of total electrical consumption to the total number of full-time employees. In 2023, this ratio stands at 127 (Gj/p).

Energy consumption by employee	u.m.	2021	2022	2023
Number of full time employees	p	325	401	397
Total energy consumption	GJ	43.439	48.922	50.522
Energy intensity ratio	GJ/p	133,66	122,00	127,26

p= Total number of full time employees

As previously mentioned, the major energy consumption can be attributed to electricity, which is primarily used to maintain our premises at a controlled temperature between 16 and 18°C both in summer and winter. Regarding our cooling system we have in fact 5 refrigeration units, of which:

- 3 refrigerators are used for the glycolated water circuit at 2°C for the Air Treatment Unit (U.T.A) and internal cooling;
- 1 refrigerator is used to keep the water at 0°C for the modelers;
- 1 refrigeration unit, installed in 2017, is designated for cooling the warehouses of Lots 1 and 2.

We also use energy in our stores, mainly to power refrigeration systems such as gelato fridge groups and the refrigeration plants of the store and warehouses.

We are considering continuous improvement both in the plant and in the stores regarding the regulation and management of cooling and refrigeration systems.

In the second half of 2023, a project was initiated to overhaul the management of the entire monitoring and energy regulation of the production areas and warehouse storage at the facility. The new management is based on a new hardware controlled by cutting-edge software that utilizes predictive algorithms aimed at further reducing the consumption of air conditioning systems, refrigeration, and heating systems. This same activity is being evaluated for retail points, always with the goal of optimizing their air conditioning systems. The monitoring and efficiency project plans to integrate predictive logic also in the management of boilers for the production of process hot water and for the winter heating of premises, the control of thermal energy storage, and the cogeneration plant, which allows producing at full load 360 kW of electrical energy and recovering about 430 kW of thermal energy as hot water reused in the production cycle.

Finally, with the aim of renewing the lighting systems, both in the Castelletto Stura and Robilante facilities, we have replaced incandescent bulbs with LED system bulbs to further reduce consumption and make our buildings more energy-efficient.

WATER RESOURCES

At Venchi, we believe it is essential to respect the environment, which includes a concrete commitment to the effective management of water resources. In 2023, our facility consumed approximately 18 megaliters of water. The entirety of this water came from third-party sources, namely the municipal water supply of Castelletto Stura. Although the water does not come from an area subject to water stress, we are aiming to reduce water consumption in the plant by 30% to 50% over the next three years, focusing particularly on the water we use to wash our equipment.

Water consumption	u.m.	2021	2022	2023
Water consumption from all areas	mL	17	21	18

Estimated consumption based on ACDA's (the water service operator) periodic declarations

The type of water collected is exclusively freshwater, as highlighted in the table below.

Total water withdrawal by source	u.m.	2021		2022		2023	
		Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids).	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids).	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids).
Third-party water (Aqueduct)	mc	17.000	0	21.000	0	18.000	0
Total	mc	17.000	0	21.000	0	18.000	0
Total in Liters	L	17.000.000	0	21.000.000	0	18.000.000	0
Totale in Megaliters	mL	17,0	0,0	21,0	0,0	18,0	0,0

Estimated withdrawals based on periodic meter readings

The water drawn and used in the facility was then discharged, amounting to 15 megalitres in 2023, into the Castelletto Stura municipal water treatment plant.

Water discharge by type of destinations	u.m.	2021	2022	2023
Third-party water (Aqueduct)	mc	14.000	18.000	15.000
Total	mc	14.000	18.000	15.000
Total in Liters	L	14.000.000	18.000.000	15.000.000
Total in Megaliters	mL	14,0	18,0	15,0

Water discharge by type of destinations	u.m.	2021		2022		2023	
		Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids)	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids)	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids)
Third-party water (Aqueduct)	mc	14.000	0	18.000	0	15.000	0
Total	mc	14.000	0	18.000	0	15.000	0
Total in Liters	L	14.000.000	0	18.000.000	0	15.000.000	0
Total in Megaliters	mL	14,0	0,0	18,0	0,0	15,0	0,0

During the three-year period from 2021 to 2023, we recorded a single incident, dating back to 2021, associated with the failure to comply with discharge limits. Beyond this sole episode, we strictly adhere to the measures related to water discharge.

Number of incidents of non-compliance with discharge limits.	u.m.	2021	2022	2023
Incidents of non-compliance with discharge limit	N°	1	0	0

We aim to make the discharge mechanism more efficient: for this reason, in November 2023, we started construction in collaboration with ACDA S.p.A. (the water service operator) to enhance the sewage treatment of the Castelletto Stura municipality together, by expanding the current treatment plant. The project involves an investment with 2/3 of the costs borne by Venchi and the remaining part by ACDA S.p.A. The project   to be initiated in 2024 with the installation of a facility for water treatment at the Castelletto Stura plant that will be able to treat, through a physicochemical system, the quantity of water discharged from Venchi's production containing suspended and dissolved solids resulting from chocolate production, particularly following the equipment washing. The reduction yield on the total dissolved solids is expected to be between 50% and 60%, and 90% regarding phosphorus and total suspended solids.

EMISSIONS

CO_2e emissions in general can be generated from either direct or indirect emission sources. The following table displays the direct emissions which, in our case, arise from the combustion of methane gas and diesel for building operations, and from the use of fuel for the company car fleet (for the latter, data has been accounted for starting from 2023). For calculating emissions related to the consumption of methane gas, diesel, and gasoline, emission factors obtained from Ecoinvent 3.9.1 were applied. Meanwhile, for calculating emissions associated with potential refrigerant gas leaks, emission factors from the Defra 2023 and the IPCC Sixth Assessment Report were adopted for the refrigerant gases R448a and R290, respectively.

Emissions from non-renewable sources	u.m.	2021	2022	2023*
Natural gas		1.636	1.707	2.102
LPG		0	0	0
Diesel		5	3	125
CNG	t CO_2e	0	0	0
Petrol		ND	ND	32
Refrigerant gas		ND	ND	83
Total		**1.641**	**1.710**	**2.342**

* The CO2 emissions conversion for 2022-2023 was carried out using the Ecoinvent indicator; for the emissions of the 2021 period, the Defra conversion factor was used.

The following table presents the values related to indirect emissions according to the dual Market-Based and Location-Based approach: in the former, the reported CO_2e emissions were obtained by applying the emission factor from Ecoinvent 3.9.1 (referring to AIB 2022, data from 2021) for the amount of energy supplied from non-renewable sources; in the latter, the CO_2e emissions are obtained by applying the emission factor from Ecoinvent 3.9.1, for the total amount of Energy.

Scope 2 emissions (Market Based)	u.m.	2021	2022	2023
Electrical energy	t CO$_2$e	1.763	2.052	1.947
Heat energy		0	0	0

Scope 2 emissions (Location Based)	u.m.	2021	2022	2023
Electrical energy	t CO$_2$e	1.253	1.244	1.134
Heat energy		0	0	0

The data presented in the tables show a decrease in the level of tCO$_2$e in 2023, thanks to an increase in the consumption of electricity considered "green".

Taking into account the ratio of direct (Scope 1) and indirect (Scope 2) emission intensity, in line with the GRI Standards, the number of full-time employees has been used as an optional denominator. As shown in the following table, the emission intensity increased in 2023 compared to 2022 by about 15%.

GHG emissions intensity	u.m.	2021	2022	2023
GHG Scope 1 total emissions	kgCO2e	1.640.990	1.709.894	2.341.969
GHG Scope 2 total emissions		1.762.905	2.052.415	1.946.752
Total number of full time employees	N°	325	401	397
GHG Scope 1 and Scope 2 direct and indirect emissions intensity ratio	tCO2e/p	**10.474**	**9.382**	**10.803**
p= Total number of full time employees				

WASTE

In recent years, despite an increase in the number of facilities, we have been able to keep waste production contained.

For 2023 the total amount was calculated to be 344 tonnes. Below we report the composition of the waste, according to a distinction between waste generated, recovered, and disposed of over the three-year period. What emerges is that our main waste is related to the packaging of raw materials, various materials (e.g., cardboard boxes, various packaging) and food scraps. As for the first category, we are increasingly moving towards reducing or converting plastic packaging with paper or compostable and recyclable materials.

Composition of the waste	u.m.	2021 Waste generated	2021 Waste diverted from disposal	2021 Waste directed to disposal	2022 Waste generated	2022 Waste diverted from disposal	2022 Waste directed to disposal	2023 Waste generated	2023 Waste diverted from disposal	2023 Waste directed to disposal
	t	71,3		71,3	86,3		86,3	94,7		94,7
Paper										
Woods		14,8		14,8						
Metals		7,0		7,0	4,6		4,6	15,3		15,3
Mixed packaging		124,7		124,7	97,8		97,8	141,0		141,0
Discarded equipments		4,9		4,9	3,9		3,9	6,6		6,6
Lead acid batteries					0,2		0,2			
Other materials*		10,0		10,0	78,2		78,2	38,7		38,7
Food waste		23,4		23,4	39,6		39,6	47,6		47,6
Total waste		**256,1**	**0**	**256,1**	**310,5**	**0**	**310,5**	**343,9**	**0**	**343,9**

* They also include waste collected by the municipality classified as CER 20 03 01 (non-separated urban waste)

Of the waste generated, 2 tons of hazardous waste were disposed of during the year. This category of waste represents a minimal part of the total waste disposed of (0.65%).

Total weight of hazardous waste directed to disposal	u.m.	2021		2022		2023	
		Onsite	Offsite	Onsite	Offsite	Onsite	Offsite
Landfilling	t						
Incineration							
Other disposal operations			0,8		2,4		2,2
Total		0,0	0,8	0,0	2,4	0,0	2,2
Total hazardous waste directed to disposal		0,8		2,4		2,2	
Total hazardous waste directed to disposal							

The total amount of non-hazardous waste recovered was calculated as approximately 95 tonnes, which is about 27.4% of the total waste produced.

TOTAL WEIGHT OF NON-HAZARDOUS WASTE DIVERTED FROM DISPOSAL	u.m.	2021		2022		2023	
		Onsite	Offsite	Onsite	Offsite	Onsite	Offsite
Total	t		71,3		86,3		94,7
Total non-hazardous waste diverted from disposal		71,3		86,3		94,7	

Finally, the non-hazardous waste direct to disposal in 2023 amounted to 247 tons.

Total weight of non-hazardous waste direct to disposal	u.m.	2021		2022		2023	
		Onsite	Offsite	Onsite	Offsite	Onsite	Offsite
Landfilling	t						
Incineration							
Other disposal operations			184,1		221,8		246,9
Total		0	184,1	0	221,8		246,9
Total non-hazardous waste directed to disposal		184,1		221,8		246,9	

Regarding waste classification, we record organic products as non-recoverable products and sell them to a company that deals with the production of animal feed. Paper recognized as waste is instead withdrawn and subsequently sold to third parties, while pallets are sold as scrap without being recorded in the waste register. Other possible organic scraps are classified as waste and managed by specific companies. In general, scraps not coded as waste do not fall within the waste register.

Other wastes such as paper and plastic are deposited through the local company Cuneo Ecologia (CEC), while iron, wood, and other bulky materials are disposed of with specialized firms. We do not have hazardous materials to dispose of, apart from printer toners and lubricating oil used for pump engines, with consumption of the latter amounting to about 1200l/year.

7.2 SUSTAINABLE PRACTICES IN PACKAGING DEVELOPMENTS

We research and develop packaging that ensures the reduction of the company's environmental impact, promoting the choice of recyclable, reusable, and compostable materials, in order to achieve a reduction in the use of plastic materials and their weight, while preserving the quality of the product.

SUSTAINABILITY PLAN TARGETS

- Development of more sustainable packaging by 2026.

Regarding our packaging, as of today, 80% of the paper materials we use are Forest Stewardship Council (FSC) certified, while the remaining part is not marked as such because the packaging is usually very small in size, or because some local suppliers do not yet have this certification. However, these cases are very limited.

We have replaced a significant amount of plastic materials with eco-sustainable materials, mainly composed of PLA and Mater-BI, which are naturally derived compostable and biodegradable bioplastics. All the plastic we purchase is now recyclable or compostable. However, not all plastic suppliers provide us with recycled material, especially concerning packaging that comes into direct contact with the product itself. This occurs both due to the supplier's production limits and our machines' production limits. The only easily usable recycled plastic in processing is polyethylene terephthalate (PET), which, however, is not suitable for all types of wrapping: it is used only for wrappings that are easy to adapt, such as bows and double bow wrappings, and not for products that require more specific modeling.

Here we report the total purchases of materials for 2023.

Packaging materials purchased	u.m.	2023	%
PAPER		932.255	67%
PLASTIC		236.427	17%
Of which recycled		1.422	0%
Of which non-fossil based		46.796	3%
METAL		115.157	8%
GLASS	kg	43.837	3%
COUPLED MATERIALS		37.554	3%
WOOD		18.014	1%
FABRIC		6.059	0%
ALUMINUM		3.449	0%
CANS		1.122	0%
Total		**1.393.873**	**100%**

TYPES OF PLASTIC USED FOR PACKAGING

- Recycled plastic (between 70%-90% recycled content, we do not have 100% recycled plastic);
- Compostable plastic (biodegradable materials for the retail channel);
- Bio-plastic – ISCC certification;
- Non-recycled PP plastic: for food safety reasons, all recycled PP plastics are not suitable for contact with food, unlike recycled PET
- Non-recycled PET plastic: industrially, low-thickness recycled plastic is not always readily available.

Most of our packaging is produced in Italy. However, some packaging production is carried out in China, especially concerning the production of tin boxes and round paper gift boxes which cannot be produced in Italy. Where possible, we try to source locally in Italy to produce packaging for national and international trade, thus avoiding long supply times and additional CO_2 emission impact. In some cases however, the production of certain packaging remains in China, especially when the packaging is intended for Chinese stores: this policy has been in place since 2021-2022. In the retail sector, from 2023, some materials that China previously purchased from Italy are now being bought directly on-site, such as paper shoppers, gelato cups, transparent bags for the My Venchi Mix, and all consumable materials like forks and gelato spatulas.

Inspired by an objective of continuous improvement, we have set a goal of also studying a possible mechanism for recycling certain materials, such as supports for adhesive labels.

At the end of our packaging's life-cycle, a potential negative impact can be associated: every year, at the end of the commercial campaigns, some packaging remains in warehouse stock, such as boxes and dies, and are not reused, but are instead destined for landfill. Before definitively disposing of the product in the landfill however, we always look for an alternative use, such as reselling it through various business channels, giving it away to employees during Easter and Christmas holidays, or also gifting to third parties such as schools or kindergartens.

We try to pursue a packaging reuse strategy: we have tried to start a refill service by reusing the glass jars of the spreadable cream, reducing the production of glass waste and extending the life of the containers. However, due to product preservation quality and consumer safety, these policies are not feasible. Moreover, our packaging has always been an integral part of corporate marketing.

For certain items, recovery activities are not possible. Tin materials, as well as aluminum wrappers and flexible plastic materials, cannot be reprinted because the reprinting costs are high and do not make it economically feasible to carry out such an operation strategically.

For Easter 2022, we used recycled materials for the packaging of the eggs. Although initially this strategy was not appreciated by the customer, we decided to continue with our action and for Easter 2023 we reused the same materials, replacing the polyester ribbons with cotton ones, ultimately gaining appreciation for our increasingly sustainable packaging. At the production level, we tried to standardize the various sizes of the different eggs in order to use a single wrapping, and above all, in smaller quantities.

For Easter 2024, we will only use ISCC-certified suppliers for the Easter egg wrappers: a renewable "plastic" derived from biological waste, such as used oils, rather than petroleum.

ISCC PLUS CERTIFICATION

The ISCC PLUS scheme allows for the demonstration, through a management system, of the traceability and sustainability of raw materials, intermediate products, and final products within the production chains of:

- Food products
- Feed
- Technical/chemical products
- Bio-based products
- Biomass for energy applications

The standard is based on the fundamental concept that a product's sustainability must be certified throughout the entire production chain, allowing each actor in the chain to access a "sustainable" product from suppliers who hold a valid certificate for that product.

Under ISCC PLUS, various categories of raw materials can be covered:
- Bio (Corn, Cotton, Sugarcane, etc.);
- Bio-Circular (Used Cooking Oil, Forest residues, straw, Tall oil, etc.);
- Circular (Mixed plastic waste, textile waste, etc.);
- Renewable (Power to gas, power to liquid).

For the Easter 2023 campaign, for the egg sheets, we have purchased Bio-circular raw materials: polypropylene (PP5) packaging produced with raw materials derived from the recovery of used oils, replacing fossil-based raw materials such as "naphthas". Unlike other raw materials recognized as ecological, for example, corn derivatives, Bio-Circular raw materials are not in competition with those usable in the food supply chain. In addition the carbon footprint is much lowercompared to the fossil alternative.

Within our Cioccogelaterie, we serve gelato with completely recyclable cups and compostable spoons. As for the takeaway container, up until a few years ago, it was made of polystyrene, but now we are moving towards the use of cardboard containers. The market is increasingly developing towards compostable polystyrene materials; however, at the moment we believe it is appropriate to continue using cardboard containers due to the ease of their disposal and their ability to effectively preserve the product.

In our stores, the displays used are still made of plexiglass, however we are increasingly moving towards the use of recycled plexiglass.

Our commitment to the research and use of recycled and recyclable materials involves all our sales channels, including digital channels.

In 2023, we modified the shipping packaging for orders received on our official website using boxes made with FSC-certified materials and entirely plastic-free. The box, perfectly in line with the design and layout of our stores, includes information not only on the composition material but also on its disposal and how to best preserve the purchased products. The ice packs needed for shipping orders during the warmer seasons have also been renewed: they are made of recyclable materials too and are still able to ensure the intact condition of the product during delivery.

7.3 BIODIVERSITY PROTECTION

We work closely with farmers and suppliers to promote ecosystem protection through the spread of anti-deforestation practices and regenerative agriculture that preserve soil health and protect plant and animal biodiversity.

SUSTAINABILITY PLAN TARGETS

- Achievement of 100% of cocoa and derivatives purchases under the Rainforest certification by 2025.
- Attainment of the ISO 14001 certification by 2024.

RAINFOREST ALLIANCE CERTIFICATION → PURCHASES FROM CERTIFIED SUPPLIERS → CERTIFICATION EXTENSION

In 2023, our objective has been to achieve Rainforest certification. One of the highlights of the certification is the protection of biodiversity in the cocoa's places of origin. Our goal is to include all purchases of cocoa, chocolate, and derivatives under this certification by 2025. In 2023, we have indeed already begun to acquire Rainforest-certified raw materials.

Rainforest Alliance is an international non-profit organization that aims to create a more sustainable world by leveraging social, market, and governmental forces to protect nature and improve the lives of farmers and farming communities. Rainforest Alliance works with agricultural and forestry communities to promote sustainable management and exploitation of resources while fully respecting the ecosystem. However the supply chain must continue to be sustainability even after leaving the farm. This is why buyers in certified supply chains must provide greater support to the farmers so they can work in a more sustaibale way.

The standards under the certification are designed to add more value to the many individuals and companies around the world that use the Rainforest Alliance certification as an essential tool to support sustainable agricultural production and supply chains.

The 2020 Certification Program includes three main components, designed to work closely together:

1. SUSTAINABLE AGRICULTURE STANDARD
Requirements for farms and the entire supply chain.

2. ASSURANCE SYSTEM
- Certification rules to set out how auditors evaluate compliance with the farm and supply chain requirements
- Auditing Rules to ensure that Certification Bodies consistently deliver Rainforest Alliance audits of the highest quality
- Rules for Authorizing Certification Bodies to determine which organizations can carry out audits according to the new Rainforest Alliance standards
- Requirements for Certification Bodies' Personnel

3. DATA SYSTEMS AND TOOLS
Certificate holders at Farm and Supply Chain level will register for membership, manage audit processes and record sales transactions of certified products in a new IT platform. For farmers, certificate holders, and supply chain actors, new IT tools will gradually be made available that will allow them to better follow and manage their sustainability performance according to the requirements of the Sustainable Agriculture Standard.

Referring to point 1, during the audit conducted by Rainforest Alliance at Venchi, the following requirements were analyzed:

1. Management:
1.1   Management
1.2   Administration
1.3   Internal Inspection and Self-Assessment
1.4   Grievance Mechanism
1.5   Gender Equality

2. Traceability:
2.1   Traceability
2.2   Traceability in Online Platform
2.3   Mass Balance

3. Income and Shared Responsibility:
3.1   Sustainability Differential
3.2   Sustainability Investments
3.3   Supply Chain Contributions for Living Wage Payment (Self-selected)

4. Social:
4.1   Assess-and-Address Child Labor, Forced Labor, Discrimination, Workplace Violence and Harassment
4.2   Freedom of Association
4.3   Wages and Contracts
4.4   Working Conditions
4.5   Health and Safety

5. Environment:
5.1   Wastewater Management

Our company will be certified as a business that purchases Rainforest products, processes, and sells its own products under this label. In this regard, in addition to supporting an audit that allows us to use this label, it is necessary to purchase products that have such certification so that the entire supply chain is certified. On the corporate side, we already collaborate with organizations that offer us the opportunity to buy chocolate and derivatives with this certification: in 2023, we purchased 12 tons of cocoa mass with this certification.

12 tons
of cocoa mass
purchased under
Rainforest certification

However, we plan to extend the volume of purchases. In pursuit of covering the entire supply chain under this certification, we have also requested our hazelnut supply chain producers to obtain Rainforest certification, as the certification includes hazelnuts among the protected raw materials.

Our focus on sourcing from certified suppliers aligns with the proposals of the European Union (EU), which in 2023 definitively approved a law to counteract deforestation practices. This law mandates that companies must certify that their chosen suppliers do not contribute to deforestation and the exploitation of biodiversity. This can be certified by the supplier issuing a "due diligence" declaration, confirming that the product does not come from deforested lands and has not contributed to the degradation of forests, including irreplaceable primary forests.

The need to create a sustainable supply chain that protects biodiversity mainly arises from the awareness of the scarcity of resources we use to produce our products: primarily, cocoa is a resource that in Africa faces the similar risks of extinction as palm oil, due to deforestation.

The same criticality does not apply to hazelnuts, which have an average lifespan of about 80 years and are planted every 40 years in the same territories. The hazelnut trees in the Piedmont regions were planted in the past in cool territories where vines or other plants could not be cultivated. However, in recent years, we have begun to see hazelnut plantations also in more hilly territories.

Venchi
1878

08
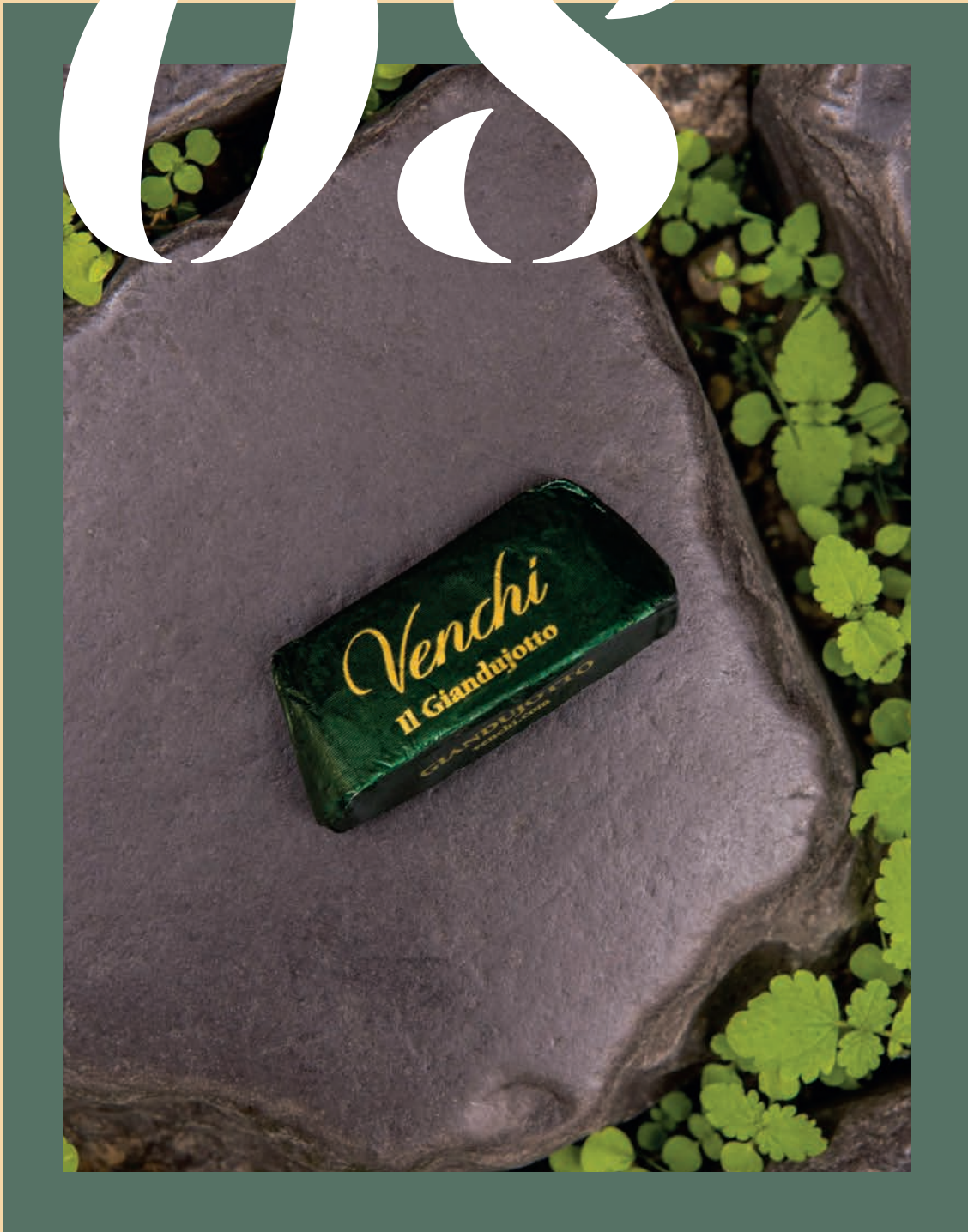
APPENDIX

8.1 REPORTING PRINCIPLES

The reporting perimeter of the data and qualitative and quantitative information presented in this document refers to the performance of Venchi S.p.A., within the Italian perimeter, thus excluding the permanent establishments Venchi UK and VENCHI SpA Niederlassung Deutschland. Where the information also includes the performance of all subsidiaries operating in the rest of the world (ROW) and part of the Venchi Group, such extension is appropriately clarified by referring to the "Group". The reporting, which is annual, considers a time horizon from January 1st, 2023, to December 31st, 2023, coinciding with the financial reporting period.

The economic-financial data related to section 6.4 refer to the Venchi S.p.A. perimeter.

In order to allow a comparison of data over time and the evaluation of Venchi's activities trend, where possible, performance trends for the three-year period 2021-2023 are reported. In these cases, any changes to the reporting period are explicitly indicated within the same Report.

To provide as accurate a representation as possible of the sustainability performance achieved, the inclusion of directly measurable quantities has been favored, avoiding as much 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. Estimates have been made on water consumption and withdrawals, based on historical data and readings from measurement meters, on gasoline and diesel consumption based on the kilometers traveled by the company's car fleet, and on methane gas consumption for the Robilante plant.

The 2023 Sustainability Report was presented for review to the Board of Directors of Venchi S.p.A. on 25/07/2024.

The document is available in a dedicated section on the Venchi website, at www.venchi.com.

For further clarifications regarding the information reported, please contact **esg@venchi.com.**

8.2 GRI CONTENT INDEX

Statement of use	Venchi S.p.A. has reported all information and data included In this GRI conten index for the period 1st January 2023 – 31st December 2023 with reference to the GRI Standards
GRI 1 Used	GRI 1 - Foundation 2021

GRI Standard	Discolsure	Location (page)
GENERAL DISCLOSURES		
GRI 2 – General disclosures (2021)	**The organization and its reporting practices**	
	2-1 Organizational details	7
	2-2 Entities included in the organization's sustainability reporting	87
	2-3 Reporting period, frequency and contact point	87
	Activities and workers	
	2-6 Activities, value chain and other business relationships	11 66
	2-7 Employees	40
	Governance	
	2-9 Governance structure and composition	15
	2-10 Nomination and selection of the highest governance body	15
	2-11 Chair of the highest governance body	15
	2-12 Role of the highest governance body in overseeing the management of impacts	15
	2-13 Delegation of responsibility for managing impacts	15
	Strategy, policies and practices	
	2-22 Statement on sustainable development strategy	15
	2-23 Policy commitments	15
	2-27 Compliance with laws and regulations	15
	Stakeholder engagement	
	2-30 Collective bargaining agreements	40
Material topics		
GRI 3 – Material topics (2021)	3-1 Process to determine material topics	23
	3-2 List of material topics	23
	3-3 Management of material topics	23

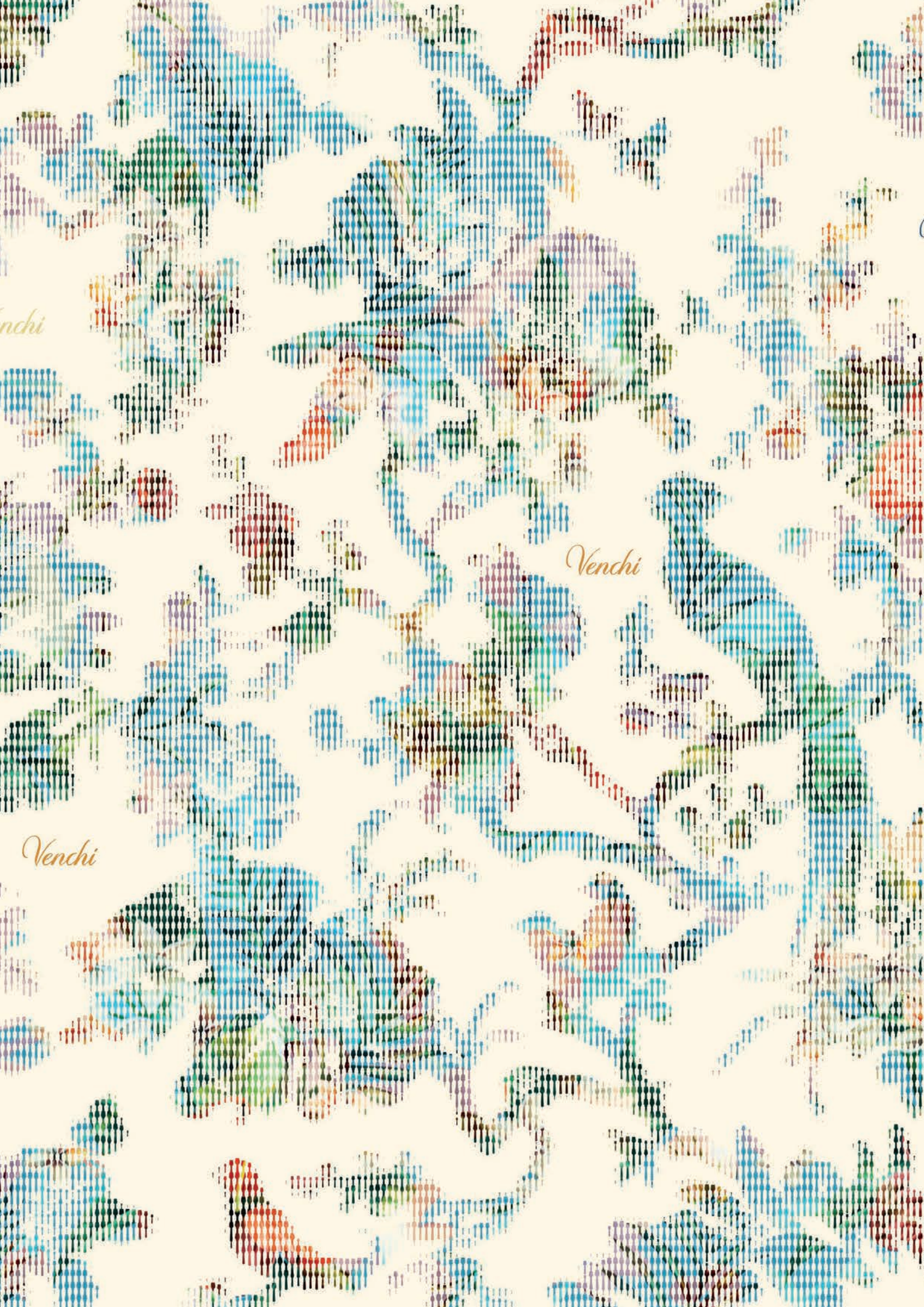| **FINANCIAL AND GOVERNANCE TOPICS**		
GRI Standard	Disclosure	Location (page)
Material topics		
GRI 200: economic performance indicators		
TERRITORIAL DEVELOPMENTS AND LOCAL COMMUNITY RELATIONS		
GRI 3 – Material topics (2021)	3-3 Management of material topics	58
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	58
	201-4 Financial assistance received from government	58
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	58
ETHICAL AND TRASPARENT GOVERNANCE		
GRI 3 – Material topics (2021)	3-3 Management of material topics	15
GRI 205: Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	15
	205-3 Confirmed incidents of corruption and actions taken	15
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	15

ENVIRNOMENT TOPICS		
GRI Standard	**Disclosure**	**Location (page)**
Material topics		
GRI 300: ENVIRONMENTAL PERFORMANCE INDICATORS		
SUSTAINABLE PRACTICES IN PACKAGING DEVELOPMENTS		
GRI 3 – Material topics (2021)	3-3 Management of material topics	79
RESPECT FOR THE ENVIRONMENT IN BUSINESS OPERATIONS		
GRI 3 – Material topics (2021)	3-3 Management of material topics	71
GRI 302: Energy	302-1 Energy consumption within the organization	71
	302-3 Energy intensity	71
GRI 303: Water and Effluents (2018)	303-1 Interactions with water as a shared resource	71
	303-3 Water withdrawal	71
	303-4 Water discharge	71
	303-5 Water consumption	71
GRI 305: Emissions	305-1 Direct (Scope 1) greenhouses gas (GHG) emissions	71
	305-2 Energy indirect (Scope 2) greenhouses gas (GHG) emissions	71
	305-4 greenhouses gas (GHG) emissions intensity	71
GRI 306 – Waste (2020)	306-3 Waste generated	71
	306-4 Waste diverted from disposal	71
	306-5 Waste directed to disposal	71
BIODIVERSITY PROTECTION		
GRI 3 – Material topics (2021)	3-3 Management of material topics	83
RESPONSIBLE MANAGEMENT OF RAW MATERIALS AND SUPPLY CHAIN		
GRI 3 – Material topics (2021)	3-3 Management of material topics	66

SOCIAL TOPICS		
GRI Standard	**Disclosure**	**Location (page)**
Material topics		
GRI 400: SOCIAL PERFORMANCE INDICATORS		
EMPLOYEE WELLBEING		
GRI 3 – Material topics (2021)	3-3 Management of material topics	40
401: Employment	401-1 New employee hires and employee turnover	40
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	40
	401-3 Parental leave	40
OCCUPATIONAL HEALT AND SAFETY		
GRI 3 – Material topics (2021)	3-3 Management of material topics	54
GRI 403: Occupational Health and Safety (2018)	403-1 Occupational health and safety management system	54
	403-4 Worker participation, consultation, and communication on occupational health and safety	54
	403-6 Promotion of worker health	54
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	54
	403-8 Workers covered by an occupational health and safety management system	54
	403-9 Work-related injuries	54
	403-10 Work-related ill health	54
PROMOTION OF HUMAN RESOURCES DEVELOPMENT AND EQUAL OPPORTUNITIES		
GRI 3 – Material topics (2021)	3-3 Management of material topics	45
GRI 201: Economic Performance	201-3 Defined benefit plan obligations and other retirement plans	45
GRI 404: Training and Education	404-1 Average hours of training per year per employee	45
	404-2 Programs for upgrading employee skills and transition assistance programs	45
	404-3 Percentage of employees receiving regular performance and career development reviews	45
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	45
	405-2 Ratio of basic salary and remuneration of women to men	45

PROTECTION OF HUMAN RIGHTS AMONG THE VALUE CHAIN		
GRI 3 – Material topics (2021)	3-3 Management of material topics	63
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	63

PRODUCT QUALITY AND CUSTOMER WELLBEING		
GRI 3 – Material topics (2021)	3-3 Management of material topics	35
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	35
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	35

RESPONSIBLE MARKETING AND COMMUNICATION		
GRI 3 – Material topics (2021)	3-3 Management of material topics	31
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	31
	417-2 Incidents of non-compliance concerning product and service information and labeling	31
	417-3 Incidents of non-compliance concerning marketing communications	31

TECHNOLOGICAL AND PROCESS INNOVATION		
GRI 3 – Material topics (2021)	3-3 Management of material topics	64