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# Sustainability Report 2022





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COMMUNICATION  
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

ITALMOBILIARE  
Società per Azioni  
Registered office: Via Borgonuovo, 20 20121 Milan - Italy  
Share capital Euro 100,166,937 fully paid  
Milan Companies Register

**Translation from the Italian original version which remains the definitive one.**



## ITALMOBILIARE GROUP

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**ITALMOBILIARE**  
INVESTMENT HOLDING

**ITALMOBILIARE  
GROUP**

# STRATEGIC PROFILE

## ITALMOBILIARE INVESTMENT HOLDING

Italmobiliare Investment Holding, founded in 1946 and listed on the Milan Stock Exchange since 1980, is one of the leading Italian investment holding companies. Controlled by Efiparind (Pesenti family), it owns and manages a diversified portfolio of equity and other investments with a strategic vision based on a financial and industrial history that goes back more than 150 years.

Italmobiliare Investment Holding plays an active and continuous role in the process of portfolio growth and enhancement by combining development, internationalisation and innovation with an effective governance and risk management model, and full ESG integration at all stages of investing.

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**1946** Italcementi, founded in 1864, transferred to the new company Italmobiliare all of its investments that were not to do with the building materials sector.

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**1950s - 60s** Diversification of investments into insurance (RAS), banking (Finter Bank, Banca Provinciale Lombarda, Credito Commerciale and 8 banking institutions that later became Istituto Bancario Italiano) and public transport (SAB Autoservizi).

Purchase of a stake in Franco Tosi, an industrial company in the electromechanical sector..

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**1970s - 80s** Acquisition of a minority interest in Bastogi, which joined the one held in Falck.

In 1979, Italmobiliare became the holding company for the entire Group when it acquired a majority of the ordinary shares in Italcementi.

In 1980, Italmobiliare was admitted for trading on the Milan Stock Exchange.

The investments in RAS and Banca Provinciale Lombarda were sold and a minority shareholding was acquired in Poligrafici Editoriale.

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**1990s** Italcementi went international and rose to be a world leader in the construction materials sector through the acquisition of Ciments Français, the largest international acquisition carried out by an Italian group up to that point.

Franco Tosi sold its industrial activity to the ABB Group, reinvesting the proceeds in the food packaging sector (Sirap) and in the water and gas sector (Crea). It was then merged with Italmobiliare after the favourable outcome of a takeover bid.

Entry into the capital of Credito Italiano

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**2000s - 2015s** Portfolio diversification into RCS and Mediobanca. Sale of SAB Autoservizi and of the shareholding in Poligrafici Editoriale.

In 2014, Italmobiliare participated pro-quota in the recapitalisation and simplification of the Italcementi Group, maintaining a controlling interest of 45%.

In September 2015, Finter Bank was sold to the Swiss group Vontobel, acquiring a minority interest in it.

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**2016** After acquiring direct control of Italgen and BravoSolution, the equity investment in Italcementi was sold to HeidelbergCement, acquiring a minority interest in it.

Conversion of the Italmobiliare savings shares.

Clessidra SGR, the main Italian private equity operator, was bought and Italmobiliare became anchor investor of the CCP3 fund.

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**2017** Purchase of a 40% interest in Tecnica Group, leader in outdoor footwear and ski equipment with historical brands such as Tecnica, Nordica, Moon Boot, Lowa, Blizzard and Rollerblade.

Entry into the Jaggaer group, operating in the eProcurement sector, by contributing BravoSolution.

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<p><b>2018</b></p>	<p>Purchase of a 60% stake in Caffè Borbone, one of the leading Italian coffee producers in the compatible pods and capsules sector.</p> <p>Purchase of a 39% shareholding in Iseo Serrature, leader in the production and design of locking and access control systems.</p> <p>Private equity investments increased, including the BDT Capital Partners funds.</p>
<p><b>2019</b></p>	<p>Purchase of a 30% shareholding in Autogas-AGN Energia, a national leader in the distribution of LPG gas for domestic, commercial and industrial use.</p> <p>Purchase of an 80% shareholding in Capitelli, active in the production and marketing of cooked ham and other high-quality products.</p> <p>Italmobiliare joins in the STAR segment of the Italian Stock Exchange in September.</p> <p>The investment in Jaggaer was sold to Cinven</p>
<p><b>2020</b></p>	<p>Purchase of an 80% interest in Officina Profumo-Farmaceutica di Santa Maria Novella, a historic manufacturer of high-end perfumes and cosmetics.</p> <p>Purchase of a 92.5% interest in Casa della Salute, a network of specialist outpatient clinics.</p> <p>Purchase of a 60% stake in Callmewine, an eCommerce platform for the sale of wines.</p> <p>The Italmobiliare Group joined the United Nations Global Compact Network, the largest strategic corporate citizenship initiative in the world.</p>
<p><b>2021</b></p>	<p>Exit from the food plastic packaging sector by disposing Sirap Group's assets.</p> <p>Co-investor with Clessidra SGR in the Botter wine group.</p> <p>Investment in Farmagorà, chain of pharmacies closely linked to the local area.</p> <p>Anchor investor of the Clessidra Capital Partners 4 fund.</p> <p>Increased stake in Officina Profumo Farmaceutica di Santa Maria Novella to 100%.</p>
<p><b>2022</b></p>	<p>Purchase of a 19.99% interest in Bene Assicurazioni, an innovative technology company in the Italian non-life insurance market.</p> <p>Purchase of 100% of Sidi Sport, an iconic Italian brand specialising in the production and sale of cycling and motorcycling footwear.</p>

## FOCUS 2022: A RENEWED COMMITMENT TO LOW-CARBON TRANSITION

*In its long history as an investment holding company in the industrial and financial fields, Italmobiliare was one of the forerunners in Italy to have an innovative approach to sustainability. Already in the 1990s it had structured ambitious sustainability programmes in the main industrial holdings, fully integrated into the strategic development priorities and coordinated by dedicated functions. Thanks to this experience, a constant commitment to best practices has matured, from principles to policies, from processes to products, from local and global initiatives to reporting tools.*

*Through the flow of investments and divestments and the active management of the investments held in the portfolio, Italmobiliare aims at the sustainable success of the Group, assigning priorities and mobilizing financial resources in a targeted and selective way. The goal is contributing to the global challenges and, at the same time, protecting and strengthening the financial performance, for the benefit of shareholders and all other stakeholders.*

*As confirmation of its commitment, in 2020 Italmobiliare joined the United Nations Global Compact, aiming at an even more deep ESG integration into the business strategy of the holding and at an increasingly effective monitoring of subsidiaries and affiliated companies.*

*In 2021, taking inspiration from the highest global references, Italmobiliare updated the Code of Ethics and the Sustainability Policies with the precise aim of emphasizing its sustainable strategy, supported by the Responsible Investment Policy, which clearly identifies the Sustainable Development Goals as the paradigm for value creation.*

*As a coherent development of an evolutionary pathway that involves the entire investment portfolio, during 2022 Italmobiliare has matured a further acceleration of pace.*

*Fighting against climate change was already the focal element of the environmental action, with initiatives to rationalize raw materials, design increasingly sustainable products, capable of promoting responsible lifestyles and targeted activities to reduce the carbon footprint across the entire value chain. In 2022, Italmobiliare reduced direct CO<sub>2</sub> emissions by 35% compared to 2020 and eliminated indirect emissions thanks to the exclusive use of renewable electricity. In the wake of these achievements, the Board of Directors has approved the adherence to the Science Based Targets initiative (SBTi), by which Italmobiliare has committed to set near-term company-wide emission reductions in line with net-zero scenario.*

*The challenge of decarbonisation has been definitively accepted, fully aware that the energy crisis we are facing is only a symptom. The climate crisis is the real disease and without the right vision it will continue even when the current geopolitical tensions are - hopefully soon - overcome. Italmobiliare was born from a 150-year industrial history and has experienced the birth of the crisis at the forefront since the 1990s and has followed its evolution by gradually developing its antibodies.*

*A lot has already been done, but the planet is strongly asking to aim for renewed ambitions Today, with the adherence to the Science Based Targets initiative, Italmobiliare is ready to give full scientific and strategic solidity to its actions for climate.*



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



## PORTFOLIO COMPANIES

The portfolio of investments in a growing number of subsidiaries or associates makes use of Italmobiliare's experience in the management of business activities at national and international level. The investment horizon is medium-long term and marked by the creation of value. The Portfolio Companies' sustainable strategy is detailed in this report. The consolidation perimeter is detailed in the Reporting section is clarified in the section Reporting.

Company % held	Investment date	Description	Notes
<b>Italgen</b> 100%	Jul 2016	Italgen operates in Italy as a producer and distributor of electricity from 100% renewable sources.	Registered office in Villa di Serio (BG). 28 hydroelectric plants in Lombardy, Piedmont and Veneto. 3 photovoltaic plants, 74 MW power. 300 kilometres of transmission lines. Investments in two wind plants in Bulgaria, 18 MW total capacity.
<b>Clessidra</b> 100%	Sep 2016	Clessidra Holding S.p.A. is the parent company of the Clessidra Group one of the main financial operators active in alternative investments (private equity and private credit) and in factoring, by means of three specialised companies, each with its own operating autonomy	Registered office in Milan. Clessidra Private Equity portfolio: Nexi, L&S, Argea, Viabizzuno, Impresoft. Clessidra Capital Credit portfolio (Restructuring Fund): Sisma, Acque Minerali d'Italia, Italtel and other non-equity. Clessidra Capital Credit portfolio (Private Debt Fund): Casa del Dolce/Liking, MGM/Rekord, Trime, Florence Group.
<b>Tecnica Group</b> 40%	Nov 2017	Tecnica Group is a leading manufacturer of outdoor footwear and ski equipment with the brands: Tecnica (ski boots and footwear), Nordica (skis and boots), Moon Boot (footwear), Lowa (trekking shoes), Blizzard (skis) and Rollerblade (in-line skates).	Registered office in Gaverana del Montello (TV). Production sites in Austria, Germany, Italy, Slovakia, Ukraine and Hungary.
<b>Caffè Borbone</b> 60%	May 2018	Caffè Borbone is one of the leading coffee producers specialising in compatible capsules and pods, with a strong distribution network throughout Italy.	Registered office and production site in Caivano (NA).
<b>Iseo</b> 39.24%	Oct 2018	Iseo is a leader in the design, production and sale of mechanical and electronic locks, solutions for security and access management.	Registered office in Pisogne (BS). Production sites in Italy, Romania, France, Germany, Spain and South Africa.
<b>AGN ENERGIA</b> 30%	Jan 2019	AGN Energia has established itself as a leader in the LPG market, operating throughout the Italy in the domestic, agricultural, industrial and automotive sectors. The commercial offer expands to all energy sectors: supply of natural gas and 100% green electricity, technical gases, production from renewable sources, energy efficiency solutions and electric mobility solutions.	Registered office in Genoa. 44 offices throughout the country.
<b>Capitelli</b> 80%	Dec 2019	Capitelli operates in the production and sale of cooked and smoked cured meat characterised by a careful choice of meats of selected origin, and an original craft manufacturing process, which make them refined and niche products positioned among the Italian food excellences.	Registered office and production site in Borgonovo Val Tidone (PC).
<b>Officina Profumo-Farmaceutica di Santa Maria Novella</b> 95%	Jan 2020	Officina Profumo-Farmaceutica di Santa Maria Novella is an unicum in the panorama of cosmetics and fragrances. It is considered the oldest historical pharmacy in Europe, and in 2021 it celebrated 800 years of uninterrupted activity in the same place.	Registered office in Florence. Over 300 owned shops and corners in different countries of the world.
<b>Casa della Salute</b> 84,63%	Dec 2020	Casa della Salute is a network of specialist diagnostic, dental, physiotherapy clinics. Its aim is to help protect the right to health and to ensure that people had rapid access to high-quality healthcare.	Registered office in Genoa. 13 outpatient clinics between Liguria and Piedmont.
<b>Callmewine</b> 60%	Dec 2020	Callmewine is an e-commerce platform that specialises in the sale of wine, where it ranks as one of the market leaders in Italy.	Registered office in Milan. Online business with deliveries throughout Italy.
<b>Bene Assicurazioni</b> 19.99%	Apr 2022	Bene Assicurazioni is an insurance technology company specialized in the non-life insurance retail market with a focus on the motor segment.	Registered office in Milan.
<b>SIDI Sport</b> 100%	Ott 2022	SIDI Sport specialises in the production and sale of cycling and motorcycling footwear. Its products, which are used by the most important professional and amateur athletes all over the world, are synonymous with excellence, quality, tradition, craftsmanship and design.	Registered office in Maser (TV).h Production sites in Maser and Bucharest (Romania)

## PRIVATE EQUITY AND ALTERNATIVE INVESTMENT FUNDS

The purpose of investing in Private Equity and Alternative Investment funds is to take advantage of growth opportunities in geographical areas or business sectors not directly covered by Italmobiliare and potentially to allow its shareholdings to develop and diversify. In 2022, with reference to the NAV, 51% of investments are represented by products of companies that are signatories to the UN PRI, 43% by products of companies that adopt an ESG Policy, 37% is represented by SFDR "article 8" products, i.e., that explicitly promote social or environmental characteristics and verify that the investee companies comply with good governance practices.

Asset Manager	UN PRI	ESG Policy	Invested Fund	SFDR Regulation		
				Art. 6	Art. 8	Art. 9
Clessidra Private Equity SGR	✓	✓	Clessidra Capital Partners 3		✓	
			Clessidra Capital Partners 4		✓	
Clessidra Capital Credit SGR	✓	✓	Clessidra Private Debt Fund		✓	
			Clessidra Restructuring Fund	✓		
BDT			BDT Capital Partners Fund II			
			BDT Capital Partners Fund III			
Iconiq Capital			Iconiq Strategic Partners IV			
			Iconiq Strategic Partners V			
Isomer Capital	✓		Isomer			
			Isomer II			
JAB Holding Company	✓	✓	Isomer Opp.			
			JAB Consumer			
Connect Ventures			Connect Ventures III			
			Connect Ventures IV			
Lindsay Goldberg	✓		LG Lindsay Goldberg V			
Expedition Growth Capital			Expedition Growth Capital			
Lauxera Capital Partners	✓	✓	Lauxera Capital Partners	✓		
8-bit Capital			8-bit Capital			
Lakestar	✓	✓	Lakestar Growth			
			Lakestar Early			
La Famiglia			La Famiglia	✓		

## INVESTMENTS AND CO-INVESTMENTS

The portfolio of investments in various different sectors is focused on listed and unlisted companies that offer attractive growth prospects or constant returns on the investment.

In the industrial sector, HeidelbergCement, one of the world leaders in cement and building materials, embeds the sustainable heritage of Italcementi, adhering to the UN Global Compact and adopting a sustainable strategy built on innovation, a culture of safety, reduction of the environmental footprint, circular economy, business citizenship and integrity. Its main focus is the fight against climate change.

The co-investment with Fondo Italiano d'Investimento Sgr and Vam Investments for the creation of Florence, the first production hub for luxury clothing in Italy growing also upon the adhesion to sectoral platform 4SUSTAINABILITY®, is of considerable importance.

In the financial sector, it is worth mentioning the investments in Mediobanca and Vontobel, a Swiss private bank that specialises in asset management for private and institutional customers. It has been a pioneer of sustainable investments ever since the 1990s with numerous international awards. It is also a signatory of the UN Principles for Responsible Investment and a member of the Swiss Sustainable Finance association.

## CASH, CASH EQUIVALENTS AND OTHER ASSETS

Liquidity under management and financial assets constitute a reserve of cash and cash equivalents, allocated to instruments with a conservative risk profile, available to the Company for possible new investment opportunities. At the end of 2022, this reserve represented approximately 10% of the entire NAV. In addition to this activity, there is the management of the real estate assets owned by the Company, including its head office building in Milan.

## Highlights

	<b>Governance and supply chain</b>	<b>Climate strategy</b>	<b>Health, safety and well-being</b>	<b>Gender and human capital development</b>
<i>The foundation for Holding and Portfolio</i>	Adoption of Code of Ethics and Sustainability Policies, with application extended to the entire value chain.	Monitoring with analytical detail of carbon footprint (scopes 1, 2 and 3).	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles (WEPs), incorporating them into identity documents.
<i>The 2022 key results</i>	<b>100%</b>	<b>-35% CO<sub>2</sub></b> Scope 1 vs 2020	<b>-18%</b> Injuries vs 2020	<b>100%</b>
	It is the percentage of entities, including Holding and Portfolio Companies, that have adopted Code of Ethics and Sustainability Policy, and business integrity model.	From 2020, Holding and Portfolio Companies reduced the consumption of fossil fuels for production and mobility	Improvement of the frequency rate, strong improvement also vs 2021. It is the starting point for the zero- injuries goal.	This is the percentage of entities, including Holding and Portfolio Companies, that have used WEPs Gender Gap Analysis Tool and performed Gender Pay Gap analysis.
	<b>81%</b>	<b>Zero CO<sub>2</sub></b> Scope 2, from 2022	<b>75%</b>	<b>+31 h/pp</b> Training vs 2020
	It is the percentage of entities, including Holding and Portfolio Companies, that have adopted a Supplier Charter, the foundation of building a responsible supply chain.	From 2022, Holding and Portfolio Companies will use only renewable electricity.	It is the percentage of entities, including Holding and Portfolio Companies, that have adopted voluntary initiatives for the health, safety, and welfare of people.	Training activities have resumed in full swing after the COVID-19 lock-down period with new skill development initiatives.
<i>Next challenges</i>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
	Portfolio Companies	Pathway to Net Zero	Portfolio Companies	Portfolio Companies
	Adopting ESG prequalification models of all suppliers.	With scope 1 and 3 mitigation and offsetting plans	Of the Portfolio companies adopting a plan for performance evaluation and career accompaniment	Of the Portfolio companies adopting a plan for GHG reduction

### ESG Ratings



#### ESG Rating

Total score resulted at 66° percentile in the reference industry.

Scored 100% for the quality of social and environment reporting

#### ESG Risk Rating

“Low risk”, combination of “Low Exposure” and “Strong Management”.

#1 among comparable companies by level of capitalization.

#### CDP Climate Change

Rating “C - Awareness” for climate change management.

#### ESG Score

73/100







#8 out of 63 investment holding.

#### ESG Ranking

93/100

Among the 4 best-ranked companies in the sector.

## Strategic objectives

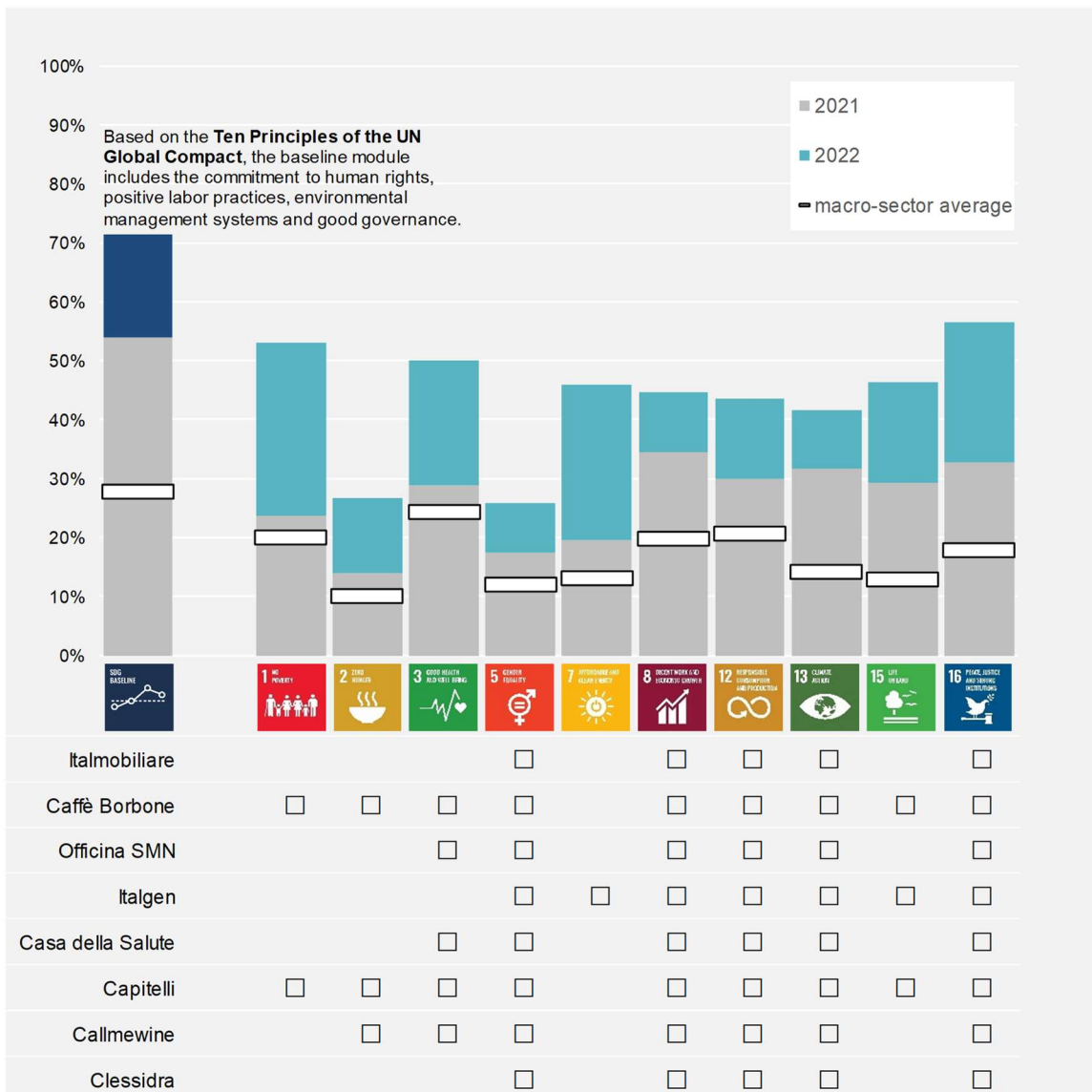
		Target 2025	2018	2019	2020	2021	2022
	<b>Objective: GENDER EQUALITY</b>						
	Supported by adherence to the Women Empowerment Principles, the goal is to create conditions of inclusiveness and social culture that nurture a pathway aimed at achieving gender equality, starting from management positions.						
Women in managerial positions	%	> 40%	15%	19%	22%	33%	31%
Gender pay gap unadjusted	%	positive trend	--	--	--	--	-44%
	<b>Objective: DECENT WORK</b>						
	Every accident at work is unacceptable, therefore the only acceptable goal is Zero Accidents. Only the creation of a culture of safety, well beyond the legal obligations, allows to record progresses.						
Injury frequency rate (> 24h)	# / million worked hours	0	8.9	6.0	4.8	6.8	4.0
Hours of training	hours / person	> 40	7.4	5.0	5.0	28.9	33.0
	<b>Objective: RESPONSIBLE PRODUCTION</b>						
	Renewable or recycled materials out of the total materials used support the transition to a regenerative economy.						
Responsible resources: raw materials	%	> 80%		30%	46%	90%	90%
Responsible resources: packaging	%	> 60%		58%	64%	59%	54%
	<b>Objective: NET-ZERO</b>						
	The Group is committed to setting short- and long-term emission reduction targets in line with the science-based net-zero scenario according to SBTi.						
Carbon intensity: scope 1		0	23	19	17	15	13
Carbon intensity: scope 2		0	84	69	62	8	0
Carbon intensity: scope 3 subsidiary companies	t CO <sub>2</sub> / million Euros revenues	to be defined according to SBTi	--	--	593	437	506
Carbon intensity: scope 3 affiliate companies and other investments			--	--	2329	2127	2567
	<b>Objective: BUSINESS INTEGRITY</b>						
	Organization and Control Model 231. For new investments, adoption is expected no later than the second year of active management.						
Companies with formalized instruments to combat offenses	%	100%	80%	100%	83%	88%	100%
	<b>Objective: SUSTAINABLE PARTNERSHIP</b>						
	Code of Ethics explicitly oriented toward sustainability; Evolved Sustainability Policies; Supplier Charter with ESG pre-qualification. For all new investments, implementation is planned within the first year of active management.						
Companies with Code of Ethics		100%	60%	60%	67%	100%	100%
Companies with Sustainability Policies	%	100%	10%	40%	33%	100%	100%
Companies with Supplier Charter		100%	--	--	--	--	81%

## Contribution to SDGs

Italmobiliare Investment Holding intends to be an inspiration, an example and a reference for all those who want to identify, accelerate and enhance their long-term transformation potential and actively contribute to global challenges, creating sustainable, innovative and therefore more competitive and resilient businesses.

By joining the **United Nations Global Compact**, the Italmobiliare Group confirms its commitment - both formal and substantial - to promote a healthy, inclusive and sustainable global economy, respectful of human and labour rights, capable of protecting the environment and actively involved in every aspect of business integrity. To this end, Italmobiliare shares, supports and applies the fundamental **Ten Principles** of the Global Compact in its sphere of influence and actively contributes to the achievement of the United Nations **Sustainable Development Goals** (SDGs). Among them, six are set as common targets, integrated by those specific for the business sectors of the portfolio companies

The **SDG Action Manager** analysis tool integrates B Lab's **B Impact Assessment**, the **Ten Principles** of the UN Global Compact and the **SDGs**, allowing effective self-assessment of the progress achieved by the holding and all the portfolio companies. Due to its multidimensional and participatory nature, SDG 17, although among the six selected as a common reference, cannot be evaluated. The following graph represents the weighted contribution of holding and portfolio companies, constituting a solid strategic reference.

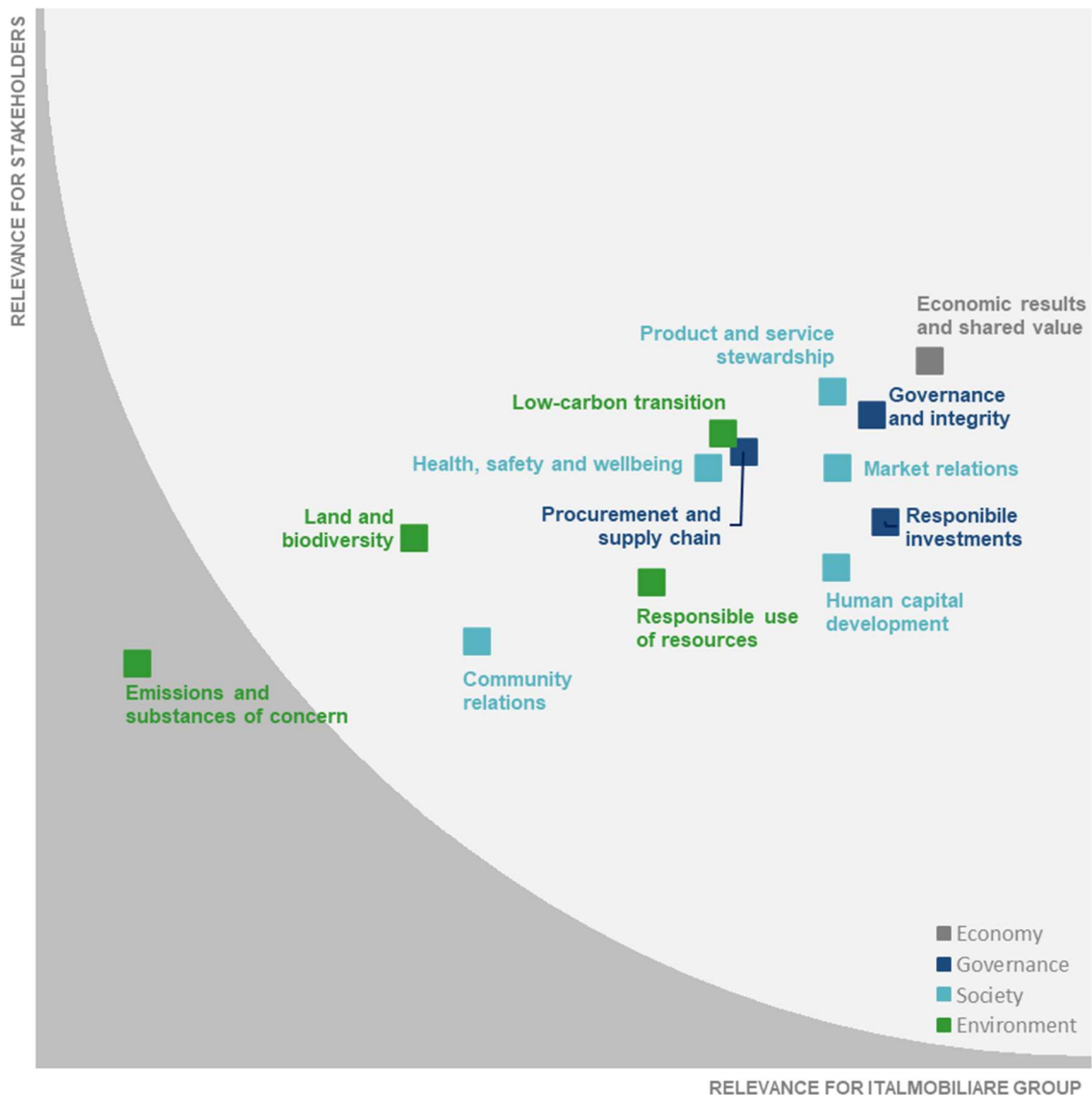


## Materiality

In defining the strategy and related action plans, the **materiality analysis** offers effective tool to identify the governance, economic, social and environmental issues that are relevant for the Group matching the interests of the business with the expectations of stakeholders.

Identifying, understanding, measuring and managing all the success levers and potential impacts, positive or negative, of the business in the best possible way means valorising all the capitals that the Group has to manage responsibly. **Financial and manufactured capital** includes financial and operating instruments used in obtaining the result. **Human capital** brings together the individual skills and experience of everyone in the Group. **Intellectual capital** is fuelled by innovation and by technological and managerial know-how. **Social and relational capital** represents the importance of stakeholders, communities, supply chains, customers, market, institutions in generating social consensus. **Natural capital** defines the set of natural assets, intended as providers of environmental resources and services for economic production and social well-being.

SDGs and materiality are the reference for the action plans adopted by the holding and all the portfolio companies, coordinated and monitored with the support of the Sustainability Department, discussed in the Sustainability and Social Responsibility Committee and included in the variable remuneration of the management.





## Economic result and shared value

The Italmobiliare Group manages the flow of investments and disposals in order to guarantee its sustainable success through the creation of shared value in the long term.

The commitment signed with the United Nations Global Compact confirms the Group's willingness to contribute to global challenges, at the same time protecting and strengthening financial performance for the benefit of shareholders and all other stakeholders.

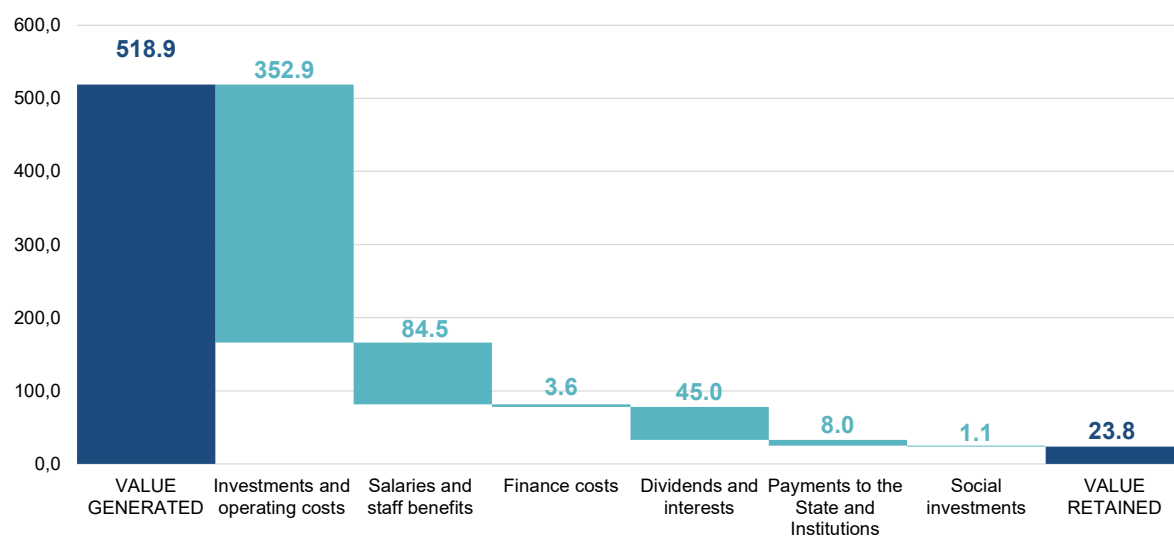
		2020	2021	2022	
<b>Economic value generated</b>		<b>600.3</b>	<b>568.7</b>	<b>518.9</b>	
Revenue and income	<i>millions euro</i>	575.5	492.3	483.6	
Public financing receives *		0.2	0.6	0.6	
Other		24.6	75.9	34.6	
<b>Economic value retained</b>	<i>millions euro</i>	<b>72.2</b>	<b>105.0</b>	<b>23.8</b>	Amortisation and depreciation, retained earnings and provisions for new investments
<b>Economic value distributed</b>		<b>528.1</b>	<b>463.7</b>	<b>495.1</b>	<b>Stakeholders who benefit</b>
Investments and operating costs		372.3	255.7	352.9	Suppliers of goods and services
Salaries and staff benefits		111.6	72.1	84.5	Personnel
Dividends and interests **	<i>millions euro</i>	62.6	84.0	45.0	Shareholders and Minorities
Payments to the State and Institutions ***		-26.5	48.8	8.0	State and Public Administration
Finance costs		5.8	2.2	3.6	Capital providers
Social investments		2.3	0.9	1.1	Communities

\* The 2022 figure includes operating and capital grants. Including other pertinent items, the total funding received is about 5 million euros.

\*\* The 2022 figure includes the distribution of profits for the year which the Board of Directors of Italmobiliare S.p.A. will propose to the Shareholders' Meeting.

\*\*\* The figures are net of tax credits, which in 2022 amounted to 3.3 million euros.

### Economic value distributed to the stakeholder in 2022 (million euro)



## Governance

### GOVERNANCE AND INTEGRITY

The annual **Report on Corporate Governance and the Ownership Structure** details the corporate governance system, the composition and operations of the Board of Directors, the Board of Statutory Auditors and the four Board Committees (Remuneration and Nominations, Transactions with Related Parties, Control and Risk, Sustainability and Social Responsibility).

The **Board of Directors** defines the strategic guidelines of the Company and the Group and is responsible for its management with a view to sustainable success. It is vested with all powers of ordinary and extraordinary administration of the Company, as all matters not expressly reserved for the Shareholders' Meeting by law and the By-laws fall under its remit. The **Committee for Sustainability and Social Responsibility**, set up in 2020 and chaired by the Chief Executive Officer, has a duty to provide the Board of Directors with advice and proposals in order to implement a development strategy focused on sustainability, consistent with Italmobiliare's mission in all its components: governance, economic, social and environmental (ESG). At corporate level, a **Sustainability Department** is established. The Chief Sustainability Officer has secretarial and management functions for the Committee for Sustainability and Social Responsibility. The composition and management of the governance bodies ensure representativeness, competence and the absence of conflicts of interest, aiming at maximum operational efficiency and integrity. Women participation in the Board of Directors is at 42% (5 directors out of 12). In addition to what is reported in the Report on Remuneration in theme of transparency and balancing of the remuneration of top management figures, the ratio between the total remuneration of the Chief Executive Officer and the median of Italmobiliare employees in 2022 is equal to 27 (59 on the Group).

The Portfolio Companies have governance systems that are consistent with the Group's approach. The presence on the Boards of Directors of members representing the Parent Company, together with independent directors, creates continuity of vision towards sustainable success.

The **Code of Ethics** explicitly recalls the Ten Principles of the United Nations Global Compact, which is internationally recognised as an advanced point of reference, also in terms of corporate governance. Through a sustainable approach aimed at creating shared value for the society and for the environment, the Italmobiliare Group intends to explore further levers of success to increase turnover and profit margins, mitigate business risk, attract capital and investors, motivate its people and consolidate the brand. Further guidance is provided by the various policies adopted and periodically updated, particularly the **Sustainability Policies**, which commit, among other things, to enforce and ensure transparent governance and integrity, implementing appropriate models and effective organisational procedures. All the Portfolio Companies have aligned their Codes of Ethics and Sustainability Policies during their first year of active ownership.

Italmobiliare has adopted an **Organisation, Management and Control Model**, regulated by law but voluntary. It is designed to limit the risk of committing certain types of crimes, mainly in terms of corruption, bribery, fraud against the State, corporate offences, fencing, unintentional serious injuries or fatalities due to non-compliance with safety norms, serious environmental crimes, terrorism or violations against the individual, market abuse, tax offences, trafficking in illicit influences. In 2022, crimes related to non-cash payments and against cultural heritage assets have been integrated. The Supervisory Body, appointed on the basis of autonomy and independence, is responsible for the control activity. In addition, the control functions that supervise compliance with regulations have been identified. They have the support of the Legal and Corporate Affairs and Internal Audit departments of the holding company. Compliance risks are identified and evaluated at least once a year as part of the risk assessment process. In addition to specific periodic training, the approach adopted includes the whistleblowing procedure for reporting unlawful behaviour, in order to offer employees and third parties confidential channels to raise concerns or violations of the procedure, without fear of retaliation, discrimination or disciplinary action. The Model adopted by the Parent Company acts as a point of reference for the systematic adoption of consistent approaches by the Portfolio Companies.

More generally, the **Internal Control and Risk Management System** (ICRMS) adopted by Italmobiliare has risk management bodies, systems and processes aligned with international best practices. These allow constant monitoring and effective management of risks of an economic-financial, social and environmental nature at Group level and conscious decision-making on the matter. It consists of rules, procedures and organisational structures

to allow the identification, measurement, management and monitoring of the main risks to which the Company and its subsidiaries are exposed.

The Board of Directors, with the opinion of the **Control and Risk Committee**, defines the Guidelines and assesses their adequacy and effectiveness at least once a year. These Guidelines are sent to the subsidiaries so that they can take them into account when defining and maintaining their own ICRMS, without prejudice to each other's autonomy and independence. Under the coordination of the **Internal Audit Department**, which is responsible for risk management, and with the support of Sustainability Department, the process of assessment was refined in 2022 with an even more detailed view of the medium/long-term trends and with an ESG methodological approach based on the materiality analyses and consolidated performance. The assessment of climate risk, carried out since 2021 according to the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD), was further detailed. The Group's sustainable approach is in itself a strategy of risk anticipation and mitigation, particularly for the categories shown in the table.

Main risks mitigated through the ESG approach	Key levers affected	Parent Company	Portfolio Companies
Consistency with ESG commitments and effective execution of related action plans	Governance and integrity	medium	from low to medium/high
<b>Climate change:</b>		medium/low	from low to high
<i>Physical risks</i>	Responsible investments Market and communities Responsible use of resources Low-carbon transition	low	from low to medium/high
<i>Transition risks</i>		medium/low	from low to high
Trends in the ESG and regulatory framework (sector, health, safety, environment, quality, product, or other corporate aspects)	Governance and integrity Market and communities	medium	from low to high
Competitive sector trends, including ESG policies, innovation and M&A processes	Governance and integrity Responsible investments Market and communities	medium	from low to high
Marketing and commercial processes	Governance and integrity Market and communities	-	from low to high
Sustainability, availability and cost-effectiveness of supplies and raw materials	Governance and integrity Responsible investments Procurement and supply chain	-	from low to medium
Organisational structure, internal processes and skills	Governance and integrity Human capital development	low	from low to high
IT infrastructure and cyber risk	Governance and integrity Market and communities	low	from low to high
Quality of products and services in line with expectations of the Group and customers, also in ESG terms	Governance and integrity Responsible investments Product and service stewardship	-	from low to medium

The Group's approach to **tax** is grounded on the principle of legality and rigorously follows the legislation in force in Italy and in the other countries in which it operates. The Model 231, subject to the control of the Supervisory Body, includes effectively actions against tax crimes and the updated risk assessment did not reveal any significant aspects in this area. In any case, considering the Group's geography, 99% of taxes is paid to Italian institutions.

Confirming the overall effectiveness of the integrity and compliance safeguards adopted by Italmobiliare and its subsidiaries, in 2022 there were no cases of corruption, anti-competitive behaviour or non-compliance with socio-economic and environmental regulations. The Supervisory Body has not received any reports of alleged illegal behaviour or conduct contrary to the Code of Ethics.

## CLIMATE: RISKS AND OPPORTUNITIES

Italmobiliare Investment Holding recognizes the urgency of the fight against climate change and the need to take into account the risks and opportunities it generates in its strategic planning and operational management. In addition to the mitigation initiatives already undertaken, has committed to set near- and long-term company-wide emission reductions in line with science-based net-zero with the **Science Based Targets initiative (SBTi)**.

The ultimate responsibility for ESG **governance** and in particular for climate-related risks and opportunities lies with the Board of Directors. At Board level, the Sustainability and Social Responsibility Committee has been established since 2020 to help overseeing the full ESG integration in business processes. The Sustainability and Social Responsibility Committee is chaired by the Group CEO and has as permanent members the Board Chair and three independent Directors. The Committee is animated by the Chief Sustainability Officer and is always attended by the Investment Management Director. Together, they have the responsibility to align the strategy of the Portfolio Companies to Group ESG objectives.

ESG performance is the first item in the agenda of any Board meeting, at Holding or Portfolio Companies' level, at least checking the progress of yearly ESG Plans for all Portfolio Companies and aggregation at corporate level. All ESG Plans include specific climate-related actions. Holding and Portfolio Companies' CEOs and first line Managers have 20% of their variable compensation linked to the progress of the annual ESG Plans.

Italmobiliare Investment Holding's **strategy** assigns priorities and mobilises financial resources in a targeted and selective manner, thereby contributing to global challenges and, at the same time, protecting and strengthening financial performance for the benefit of shareholders and all other stakeholders. It also actively contributes to achieving the Sustainable Development Goals. SDG 13 "Climate Action" is one of the six reference Goals for value creation. The Responsible Investment Policy adopted constitutes the first mitigation layer, for example by excluding investments in high-carbon sectors and by submitting potential targets to extensive positive screening and due diligence process, including the assessment of climate risks and alignment with EU Taxonomy.

In line with its role as an active shareholder, since 2021 Italmobiliare applies the recommendations of the Guidelines of the Task Force on Climate Related Financial Disclosures (TCFD) for the assessment of climate risk. In 2022 the assessment has been further enhanced, assisting Portfolio Companies in identifying risks and opportunities linked to climate change scenarios (see summary table below). The risks identified helped to confirm the already ongoing mitigation initiatives or to inform additional action plans addressing the Net Zero pathway, turning risks in opportunities. The financial impacts have been first estimated through sectoral data. The calculation will be refined by benchmarking the current climate plans of Portfolio Companies against the scenario chosen as strategic reference.

Within the **risk management** process, transition risks are identified against the preferred "Net Zero 2050" scenario set the Network for Greening the Financial System (NGFS). Physical risks are identified against the "Current Policies" scenario set by NGFS.

The climate risk assessment is embedded in the annual risk assessment performed by the Holding and all the Portfolio Companies under the coordination of risk management function and the support of the Chief Sustainability Officer and the Chief Financial Officer. The assessment weighs the risks across the entire value chain and considers the different geographies involved. The results are presented to the Control and Risk Committee and approved by the Board of Directors.

Reliable **metrics** is needed to support carbon footprint analysis and **targets** setting. Scope 1, 2 and 3 GHG emissions, including category 15 "investments" are fully disclosed in this Report, aggregating detailed accountings for all material components of Net Asset Value. Projected trends of carbon pricing, on institutional or voluntary markets, are used for the first assessment of the reduction efforts to be deployed. Other variables will be added in time.

While many short-term or medium-term targets have been already met – as an example, since 2022 the Holding and all controlled Portfolio Companies use only renewable source of electric power, thus cancelling the Scope 2 emissions - the commitment taken to define a Science-Based Target will indicate the way for the strategic management of climate-related risks and, above all, of the related opportunities.

Description	Exposure	Mitigation and opportunities
<b>Transition risks and opportunities</b>		
<b>Increase of carbon price</b>	medium-high on entire value chain	<p>In addition to adopting carbon footprint mitigation initiatives, Holding and Portfolio Companies anticipate potential impacts, internalising the cost of carbon to evaluate future investments and strategic choices.</p> <p>The selection of suppliers and the strength of strategic partners based on specific requirements are essential.</p> <p>Emission compensation as a transitional leverage is a further incentive towards carbon neutrality.</p>
<b>Investors attraction and access to capitals</b>	medium-high on direct activities	<p>Italmobiliare supports Portfolio Companies in the continuous comparison with emerging trends and sector performances.</p> <p>With the formal SBTi commitment, Italmobiliare will identify objectives that will guide the development of specific climate strategies and effective communication at corporate and portfolio level.</p>
<b>Investments for low-carbon technology</b>	medium-low on entire value chain	<p>In 2022, the Italmobiliare Group zeroed its Scope 2 emissions, through direct production of renewable energy, renewable electricity supply contracts or the purchase of guarantees of origin.</p> <p>Many Portfolio Companies have renewed their equipments and are optimizing internal processes to improve energy efficiency and material consumption. Furthermore, supply agreements with strategic partners ensure supplies with a decreasing carbon footprint.</p> <p>Finally, active monitoring of emerging solutions for direct operations and along the supply chain enables strategic collaborations along the entire supply chain.</p>
<b>Transparent communication and disclosure</b>	medium-low on direct activities	<p>Italmobiliare is progressively refining its reporting capabilities, with metrics capable of highlighting the initiatives and progress of the Portfolio Companies in reducing their carbon footprint.</p> <p>Science based targets setting will further help define and align strategies and an effective narrative.</p>
<b>Transition risks and opportunities</b>		
<b>Extreme events</b>	medium-low on entire value chain	<p>Portfolio Companies carefully monitor upstream operators, downstream distribution channels and market segments.</p> <p>Specific attention to potential physical climate risks will enable to assess the resilience of the value chain in ever greater detail, so that potential alternatives can be identified.</p>

## RESPONSIBLE INVESTMENTS

In line with its identity, inspired by its Vision, Mission and Values, adopting the principles and rules of conduct defined by the Code of Ethics and following the guidelines provided by the Sustainability Policies, Italmobiliare Investment Holding manages its flow of investments and disposals in order to guarantee the sustainable success of the Group through the creation of shared value.

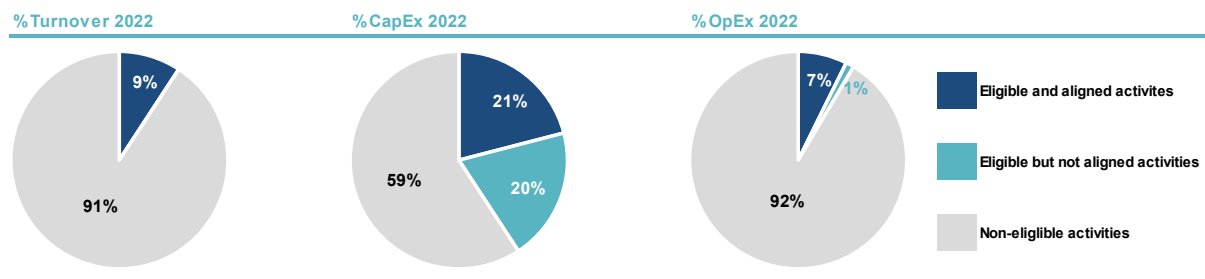
The [Responsible Investment Policy](#) explains all stages of the investment process: sector criteria, pre-investment, ownership and divestment. It covers all the components that contribute to Italmobiliare's Net Asset Value: portfolio companies, equity investments in listed and unlisted companies, investments in private equity funds, financial assets held for trading and cash management.

Contribution to the SDGs is a fundamental metric for evaluating the sustainable success of the Group. Among the various elements to be assessed, the prospects for improving the ESG positioning and alignment with Italmobiliare's sustainable strategy play a significant role. To this end, Italmobiliare refrains from any investment or involvement, whether direct or indirect, with entities involved in the production, marketing, use or trade of illegal products or activities. Other ascertained direct or indirect practices also lead to exclusion: for example, corruption, money laundering, human rights violations, activities in conflict zones, violations of the fundamental principles of labour, production of goods harmful to health, the environment and morality, an obstacle to sustainability in general. Furthermore, the activities and sectors subject to particular attention are detailed in the chapter "Sectoral criteria" of the Responsible Investment Policy.

Italmobiliare assigns priorities and mobilises financial resources in a targeted and selective manner, thereby contributing to global challenges and, at the same time, protecting and strengthening financial performance for the benefit of shareholders and all other stakeholders. The choices of capital allocation, with limited use of financial leverage, are aimed at long-term "core" majority shareholdings, with clear development and enhancement objectives, as well as minority shareholdings with a main focus on stable dividend generation or strong growth. In 2022, 10 dossiers were analyzed against around 90 screening investment opportunities. Preliminary due diligence, including ESG, was carried out for 2 of these in order to formalize the non-binding offer. 1 operation has been closed (SIDI Sport) after full due diligence, including ESG.

The attention paid to the sustainability profiles finds continuity in the management phase of the companies in the portfolio, through an active dialogue with the investee companies aimed at fully integrating sustainability into the business strategy. In the organisation of Italmobiliare, the task of translating the strategic indications received from the Board of Directors into current management operations is the responsibility of the Investment Management Department, supported by the other functional departments at holding company level.

In the active ownership of Portfolio Companies, the strategic and operational references of the **European Taxonomy** for sustainable finance are duly considered. Below is a graphical representation of the eligibility and alignment of the Group's turnover, CapEx and OpEx. Details are available on page F107.



Still on the subject of sustainable finance, the full enforcement of Regulation 2019/2088 on sustainability-related disclosures in the financial services sector (**SFDR**) progressively makes direct information available on the ESG approach and performance of asset managers of private equity and private credit funds, venture capital and other alternative investments, with progressive levels of transparency and commitment. Accordingly, related investment procedures have been updated. Details of Italmobiliare's specific investments are shown on page F12.

## Society

As expressed by the Sustainability Policies, in relations with all the companies or counterparties of the Group and in the active involvement of all stakeholders in its sphere of influence, Italmobiliare commits:

- To support and respect internationally proclaimed human rights, which are universal and belong equally to every person.
- To implement work practices based on fair employment, equal opportunities, skills development and inclusiveness, considering diversity as a source of value.
- To ensure the health, safety and well-being of all parties involved by providing adequate working conditions, equipment, information and training.
- To create and maintain relationships with shareholders, investors and the market based on partnerships, transparency, exchange of information and sharing of commitments.
- To invest time, skills and resources in supporting community and fostering local development with the regular involvement of all interested parties.
- To guarantee constant improvement in the quality and in the environmental and social value of processes, products, applications and services, promoting research and innovation.

## HUMAN CAPITAL DEVELOPMENT

The growth of the Group also depends on the ability to attract and retain, at the Holding Company and at all the other companies, people with different, complementary skills and leaders capable of guiding the evolution of companies by aligning the interests of management and shareholders and promoting the sustainable success of the Group through the creation of shared value in the long term.

The Group considers the management and development of human capital a clear responsibility of all its managers, not only to respect and protect their skills and diversity, but above all to develop and enhance them to the full.

Equal opportunities are a particular point of attention, with steps being defined to encourage the presence and representation of women in senior positions. In particular, Italmobiliare believes that promoting gender equality is not only indispensable for creating and maintaining an inclusive working environment, but also that it constitutes an essential element for the professional growth of the Group.

By way of confirmation of this specific commitment, since 2020 Italmobiliare subscribes and promotes the Women Empowerment Principles, explicitly recalled in the Code of Ethics of all Group's companies.

<b>HOLDING (% female participation)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Board of Directors	42%	42%	<b>42%</b>
Board of Statutory Auditors ( <i>including alternate auditors</i> )	50%	50%	<b>50%</b>
Management positions*	35%	37%	<b>40%</b>
Total personnel	50%	50%	<b>49%</b>
Gender pay gap	--	--	<b>-50%</b>

<b>PORTFOLIO COMPANIES (% female participation)</b>			
Boards of Directors	10%	14%	<b>16%</b>
Boards of Statutory Auditors ( <i>including alternate auditors</i> )	19%	25%	<b>35%</b>
Management positions*	20%	31%	<b>29%</b>
Total personnel	27%	40%	<b>46%</b>
Gender pay gap	--	--	<b>-44%</b>

Confirming the value given to people, permanent full-time contracts are by far the main type of employment. Part-time jobs constitute an element of flexibility to meet individual needs for work-life balance, but they are limited. 97% of the Group's employees are covered by collective bargaining agreements.

All Group companies prefer to develop and enhance skills and professionalism of people from their local communities. As confirmation, 72% of the Group's executives reside in the same region in which the operational headquarters are located.

With 295 new hires versus 156 terminations, staff turnover in 2022 was significant (45%), confirming dynamic and competitive sectors also in terms of professional skills. In any case, the assessment of management and the improvement of all levers of attraction and retention of talents remains open, including structured training programmes and individual performance assessment schemes linked to merit-based remuneration policies.

In addition to employees, the Group relies on the support of 859 non-employee workers, mostly temporary or self-employed workers and agents.

	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Personnel</b>	<b>481</b>	<b>1,294</b>	<b>1,775</b>	<b>338</b>	<b>489</b>	<b>827</b>	<b>463</b>	<b>542</b>	<b>1,005</b>
<i>Managers</i>	13	58	71	11	42	53	13	48	61
<i>Middle managers</i>	26	78	104	28	38	66	37	64	101
<i>Office workers</i>	208	256	464	266	114	380	374	123	497
<i>Production workers</i>	234	902	1,136	33	295	328	39	307	346
Permanent contracts	90%	94%	<b>93%</b>	80%	92%	<b>87%</b>	84%	92%	<b>88%</b>
Full time contracts	90%	97%	<b>95%</b>	56%	94%	<b>79%</b>	55%	95%	<b>77%</b>
<b>Training (hours per capita)</b>	<b>0.7</b>	<b>4.8</b>	<b>5.0</b>	<b>45.1</b>	<b>17.7</b>	<b>28.9</b>	<b>47.9</b>	<b>20.4</b>	<b>33.0</b>
<i>Managers</i>	9.7	6.4	7.0	15.5	7.8	9.4	28.2	19.1	21.0
<i>Middle managers</i>	7.6	3.0	4.3	13.0	7.6	9.9	20.6	20.8	20.7
<i>Office workers</i>	6.0	13.2	10.0	53.8	57.5	54.9	54.1	34.5	49.2
<i>Production workers</i>	0.0	3.5	3.4	12.4	5.1	5.8	20.9	14.8	15.5
<b>Performance assessment (%)</b>	<b>44%</b>	<b>20%</b>	<b>23%</b>	<b>17%</b>	<b>25%</b>	<b>22%</b>	<b>64%</b>	<b>38%</b>	<b>50%</b>
<i>Managers</i>	100%	97%	98%	91%	83%	85%	100%	92%	93%
<i>Middle managers</i>	56%	83%	75%	46%	71%	61%	76%	84%	81%
<i>Office workers</i>	33%	44%	39%	13%	32%	19%	64%	60%	63%
<i>Production workers</i>	0%	0%	0%	0%	9%	8%	38%	11%	14%

	2020	2021	2022
<b>Gender pay gap</b>	--	--	<b>-44%</b>
<i>Managers</i>	--	--	-18%
<i>Middle managers</i>	--	--	-14%
<i>Office workers</i>	--	--	-35%
<i>Production workers</i>	--	--	-40%



## HEALTH, SAFETY AND WELLBEING

Italmobiliare considers safety, protection and promotion of the health and wellbeing of the person as fundamental values to be integrated into all of the Group's activities and in business or social relations with all stakeholders in its sphere of influence. This principle extends to employees, businesses, suppliers, visitors, local communities and any other interested parties within its sphere of influence.

The Group is committed to taking concrete measures to eliminate accidents, injuries and illnesses caused by work, reducing the risks in all its activities. It also aims to achieve the highest levels of collective and individual awareness, encouraging a process of continuous improvement by adopting effective management systems and visible leadership as the key to success.

All personnel are adequately trained and equipped to carry out their role in conditions of complete safety and health, according to operating procedures aimed at minimising exposure to risk factors and taking into consideration the different needs and requirements of men and women. Also in 2022, no cases of occupational disease were reported throughout the consolidated perimeter.

All Group companies undertake initiatives to promote the psychological and physical wellbeing of their people.

		2020	2021	2022
<b>Employees injuries</b>		<b>12</b>	<b>8</b>	<b>6</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	1
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	12	8	5
Frequency rate	number of injuries per million hours worked	4.8	6.8	4.0
Severity rate	lost days per thousand hours worked	-	0.1	0.2
<b>Non-employees injuries</b>		<b>3</b>	<b>2</b>	<b>0</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	3	2	0
Frequency rate	number of injuries per million hours worked	7.8	33.3	0.0

## PRODUCT AND SERVICE STEWARDSHIP

Italmobiliare promotes commercial policies and strategic choices in line with best practices and the principle of professional loyalty towards customers and consumers in all Group companies, in particular those with services and products intended for national or international business or consumer markets.

All Group companies work to ensure and continually improve the quality of processes, products and services, adopting a systematic approach aimed at satisfying increasingly challenging requirements and creating value along the life cycle of products and improving relationships with customers and suppliers. Furthermore, they provide customers and consumers with complete, updated, verified and transparent information on the characteristics and quality of products and services, well beyond legal obligations, including, when necessary, aspects related to environmental and social performance.

Initiatives aimed at promoting and encouraging the purchase of products and services must respect the regulations that protect the interests of consumers and customer satisfaction. In addition, customers and consumers must have complete, updated, verified and transparent information on the characteristics and quality of products and services, including, when necessary, aspects related to environmental and social performance. This is not only to allow free and informed choices, but also to promote responsible lifestyles and consumption.

By combining this vision with the growing demands of the market, the Group aims to understand, control and communicate the technical, environmental and social performance of its products and services throughout their life cycle, from the procurement of raw materials to production and final disposal or reuse.

<b>Caffè Borbone</b>	82% of the raw materials and packaging materials used are of renewable origin.
<b>Officina Profumo-Farmaceutica di Santa Maria Novella</b>	The ingredients used in the formulations are 81% of renewable origin. 71% of the materials used for packaging are renewable or recycled.
<b>Italgen</b>	The electricity sold is 68% renewable hydroelectric, with a total carbon footprint of approximately 100 g CO2/kWh.
<b>Casa della Salute</b>	High quality healthcare service, with short waiting times, affordable prices and low carbon footprint.
<b>Capitelli</b>	95% of the raw materials and packaging materials used are of renewable origin.
<b>Callmewine</b>	Packaging is made exclusively by cardboard, 100% FSC. From 2023, all activities will be CO2 compensated internally.
<b>Clessidra</b>	3 out of 4 managed funds (75%) are "Art. 8" SFDR, i.e. they promote environmental or social characteristics.

## MARKET AND COMMUNITIES

The sustainable success of the Group also involves transparent information, from holding companies to subsidiaries or investee companies, from the single operating site to the corporate level, from local communities to society in general, including institutions, non-governmental organizations and representatives of the public and private sector.

The Parent Company Italmobiliare and all the companies of the Group aim at creating and maintaining relationships with the community and with stakeholders based on long-lasting shared commitments, trust, transparency and active collaboration.

The dialogue methods adopted depend on the nature and specific expectations of the respective stakeholders, also promoting the active involvement of their collaborators. The following table describes the multidimensional approach towards stakeholders, identified by categories.

Stakeholders	Relational modalities	Topics	Group companies
<b>Personnel: employees and their representatives</b>	Continuous manager/team dialogue, safety initiatives, thematic events, industrial relations	Work organisation, corporate climate, health, safety and wellbeing, strategy and sustainability	All
<b>Management: holding company and portfolio companies</b>	Continuous management	Strategy and sustainability, investments	All
<b>Financial community: investors, analysts, shareholders, capital providers, rating agencies</b>	Dedicated meetings, road shows, corporate and web documents	Strategy and sustainability, governance, economic, environmental and social performance, risk management, investments	Italmobiliare Clessidra
<b>Customers: B2B, B2C and end-users</b>	Fairs, forums and sector events, direct individual contacts, customer satisfaction and quality	Customer services and logistics for products and solutions, also with reference to environmental and social performance	Caffè Borbone Officina Profumo-Farmaceutica di Santa Maria Novella Casa della Salute Capitelli
<b>Supply chain: suppliers of goods and services</b>	Strategic partnerships, supply chain management, direct individual contacts, qualification audits	Pre-qualification and qualification requirements, contractual terms and conditions, supply chain disciplinary, audit feedback	Callmewine
<b>Communities, media and NGOs: local and global</b>	Interviews, conferences, dialogue with the community, social initiatives	Transparent communication on strategy and sustainability, social and environmental performance, investments for the community	All
<b>Associations: partnership and academia</b>	Meetings, conferences, shared initiatives, partnerships, research	Strategy and sustainability, governance, individual and sectoral contribution	All
<b>Authorities and institutions</b>	Individual or collective interactions (e.g. meetings, conferences, events)	Governance, legal compliance, strategy and sustainability	All

Considering the nature of an investment holding company, relations with the financial community are particularly relevant, both for Italmobiliare and all the major Portfolio Companies. Italmobiliare is listed on the STAR segment of the Italian Stock Exchange, which groups together mid-cap companies committed to meeting the requirements of excellence in terms of transparency, share liquidity and corporate governance. Relations with Italmobiliare's shareholders are coordinated by the Investor Relator, following the instructions of the Chief Executive Officer - Chief Operating Officer in collaboration with the other Departments and Corporate Functions involved.

In 2022, Investor Relations activities mainly concerned:

- Maintaining a stable coverage by leading equity research analysts, with Equita and Kepler Cheuvreux which today follow the Italmobiliare stock with constant updates on the Group's activities.
- Taking part in the main investor conferences organised by investment banks and Borsa Italiana.
- One-to-one meetings with Italian and international investors.

In support of Investor Relations activities and for the benefit of all interested stakeholders, Italmobiliare constantly updates the contents of its website in order to improve the usability and clarity of information. The periodic newsletter, sent to a list of selected recipients but made available to all through the website, adds further elements of transparency.

All Group companies create relationships with local communities by understanding their needs, promoting sustainable local projects that do not generate relationships of dependency and regularly involving stakeholders. An important role in supporting local communities is played in parallel by the Pesenti Foundation, named after the Cavaliere del Lavoro Carlo Pesenti, one of the protagonists of Italian industry and finance of the last century.

Although they operate in different industrial sectors and different markets, Italmobiliare and its Group companies are united in that they apply the highest possible standards of safety and integrity in the products and services that they offer to customers, as well as the regulatory obligations, which are combined with careful monitoring of the transparency and correctness of communications to customers and effective protection of personal data belonging to customers and other key stakeholders.

In order to comply with the regulatory provisions on privacy and the security of sensitive data, the Italmobiliare Group has defined its own model for the protection of personal data. Through it, the Group aims to guarantee respect for the rights of people subject to the treatment of personal data, to fulfil obligations, to prevent possible violations by monitoring and controlling all obligations and implementing adequate security measures. In 2022, Group companies did not receive any complaints about violations of customer privacy, nor did they suffer any data losses or leaks.

Lastly, active participation in associations is also relevant, encouraging or supporting common initiatives and the adoption of responsible business practices.

Company	Affiliations
<b>Italmobiliare</b>	AIDAF - Italian Association of Family Businesses, American Chamber of Commerce in Italy, Assolombarda, Assonime, Business Forum Italy/ Thailand, Europeanissuers, United Nations Global Compact, Global Compact Network Italy (Foundation), Group of Italian Initiative of the Embassy of Italy in Brussels, ISPI - Institute for International Political Studies
<b>Caffè Borbone</b>	Comitato Italiano del Caffè at Unione Italiana Food, CONFIDA - Association of Italian Vending Industry
<b>Officina SMN</b>	Cosmetica Italia - member of Cosmetics Europe
<b>Italgen</b>	Confindustria Bergamo, Elettricità Futura
<b>Casa della Salute</b>	Confindustria (Genoa, Alessandria, Savona e La Spezia)
<b>Clessidra</b>	AIFI, AODV (Association of Members of Supervisory Bodies), Invest Europe, ItaSIF (Italian Sustainable Investment Forum), UN PRI - Principles for Responsible Investment

## Environment

As expressed by the Sustainability Policies, in relations with all the companies or counterparties of the Group and in the active involvement of all stakeholders in its sphere of influence, Italmobiliare commits, among other things:

- To promote responsible access to natural resources over the entire life cycle and adopt management methods aimed at reducing consumption and preserving availability and quality.
- To tackle pro-actively the challenge of climate change, with the purpose of an overall reduction of greenhouse gas emissions over the entire life cycle, implementing measures aimed at energy saving, the efficiency of plants and the supply and distribution chain and designing products and services that contribute to the global goal of the Paris Agreement.
- To protect the quality of water and soils, to safeguard the collective usability and to preserve biodiversity even outside protected areas, ensuring the best environmental and historic management of any contamination.

## RESPONSIBLE USE OF RESOURCES

Group companies make responsible use of renewable resources of biological origin and non-renewable resources of extractive or fossil origin, favouring whenever possible those originating from virtuous recycling processes according to technological evolution and in compliance with sector regulations.

Applying the same principle, secondary products, co-products and by-products are intended for use by other parties in the supply chain. The waste generated in the process or in the auxiliary and maintenance activities are best exploited as resources for other consumption or production cycles and only as a last resort is it sent to controlled disposal sites, where further partial valorisation is possible, at least in terms of energy.

Production processes, heating, sanitary uses and company fleets require thermal and electrical energy. Excluding initiatives to raise plant or operational efficiency, attention is focused on choosing fuels that are more favourable to the environment and renewable sources. Italgas plays a fundamental role in the energy transition, producing and marketing renewable hydroelectric energy. Caffè Borbone, Capitelli and Officina Profumo-Farmaceutica di Santa Maria Novella have photovoltaic systems that produce renewable energy used directly or fed into the grid. Overall, the Portfolio Companies use exclusively renewable electricity, from direct production, supply contracts or coverage with guarantees of origin.

	units	2020	2021	2022
<b>Raw materials, semifinished goods and ancillaries</b>		<b>78,748</b>	<b>34,530</b>	<b>34,050</b>
Renewable		28,178	30,950	30,792
% of total from recycling	t	0%	0%	1%
Non-renewable		50,570	3,580	3,257
% of total from recycling		15%	0%	0%
<b>Packaging materials</b>		<b>15,207</b>	<b>11,217</b>	<b>11,513</b>
Renewable		9,612	6,515	6,150
% of total from recycling	t	59%	42%	41%
Non-renewable		5,595	4,702	5,363
% of total from recycling		2%	1%	1%

	units	2020	2021	2022
<b>Energy consumed</b>		<b>477,823</b>	<b>193,754</b>	<b>186,042</b>
Renewable		126,763	123,241	110,298
<i>% of total</i>	<b>GJ</b>	27%	64%	59%
Non-renewable		351,060	70,514	75,744
<i>% of total</i>		73%	36%	41%
<i>Energy fed into the grid</i>				0
<b>Renewable</b>		<b>1,115,476</b>	<b>1,084,508</b>	<b>622,641</b>
<i>From hydroelectric</i>	<b>GJ</b>	1,115,039	1,084,115	622,226
<i>From photovoltaic</i>		436.6404	392.4936	415.2564
				0
<b>Water</b>		<b>65,451</b>	<b>14,616</b>	<b>16,065</b>
<i>From water-stressed areas</i>	<b>m3</b>	11,505	3,508	4,169
				0
<b>Valorisation of waste generated</b>		<b>7,363</b>	<b>2,791</b>	<b>2,540</b>
Hazardous waste		151.9	61.6	129.1
<i>% Recovery</i>		18%	26%	64%
<i>% Energy recovery or disposal</i>	<b>t</b>	82%	74%	36%
Non-hazardous waste		7,210.7	2,729.3	2,411.1
<i>% Recovery</i>		65%	59%	68%
<i>% Energy recovery or disposal</i>		35%	41%	32%

## LOW-CARBON TRANSITION

The Group is aware of the priority dimension of the fight against climate change. Direct emissions (Scope 1) derive from the use of fuels and fuels used in the company perimeter. Indirect emissions (Scope 2) derive from the electricity purchased and used. Value chain emissions (Scope 3) include other indirect emissions in specific categories to be considered, if relevant. Within Scope 3, Category 15 - "investments" is particularly relevant for Italmobiliare and Clessidra.

The Group has committed to set near- and long-term company-wide emission reductions in line with science-based net-zero with the Science Based Targets initiative (SBTi). The SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science, accelerating companies across the world to halve emissions before 2030 and achieve net-zero emissions before 2050.

	units	2020	2021	2022	2022
<b>Carbon Footprint</b>		<b>1,728,033</b>	<b>1,273,527</b>	<b>1,492,258</b>	
<b>Scope 3 Upstream</b>		<b>198,481</b>	<b>117,759</b>	<b>144,327</b>	<b>10%</b>
1. Purchased products and services		158,281	87,357	95,087	6%
2. Capital goods		--	6	9	0%
3. Fuel-and energy-related activities		26,270	10,667	27,336	2%
4. Upstream transportation and distribution		13,930	19,632	19,734	1%
5. Waste generated by the sites		--	96	132	0%
6. Business travel		--	--	211	0%
7. Employee commuting		--	--	1,817	0%
8. Upstream leased assets		n.m.	n.m.	n.m.	0%
<b>Scope 1</b>	<b>t CO<sub>2</sub></b>	<b>9,742</b>	<b>7,151</b>	<b>6,331</b>	<b>0%</b>
<b>Scope 2 market based</b>		<b>35,737</b>	<b>3,914</b>	<b>0</b>	<b>0%</b>
<i>location based</i>		31,655	6,170	6,628	
<b>Scope 3 Downstream</b>		<b>1,484,073</b>	<b>1,144,703</b>	<b>1,341,600</b>	<b>90%</b>
9. Downstream transportation and distribution		4,644	8,075	10,579	1%
10. Processing of sold products		--	--	18,382	1%
11. Use of sold products		76,627	88,757	70,697	5%
12. End-of-life treatment of sold products		61,499	715	712	0%
13. Downstream leased assets		n.m.	n.m.	n.m.	0%
14. Franchises		n.m.	n.m.	n.m.	0%
15. Investments		1,341,303	1,047,157	1,241,231	83%
<b>Emissioni evitate (location based)</b>		<b>107,060</b>	<b>100,943</b>	<b>63,593</b>	
From photovoltaic production		101	134	138	
	<b>t CO<sub>2</sub></b>	106,958	97,327	56,827	
From renewable electricity purchased		0	3,481	6,628	
<b>Carbon Intensity</b>					
Scope 1+2 market based	<b>t CO<sub>2</sub> / M€ Revenues</b>	79.0	22.5	13.1	



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**ITALMOBILIARE**  
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## Italmobiliare

The Parent Company Italmobiliare S.p.A. has the duty to ensure know-how, professionalism and internal processes suitable to best support its role as an Investment Holding Company, managing the flow of investments and disposals in order to guarantee the sustainable success of the Group through the creation of shared value over the long term.

### HIGHLIGHTS

	<b>Governance and supply chain</b>	<b>Strategy climate</b>	<b>Health, safety and well-being</b>	<b>Gender and human capital development</b>
<i>The foundation</i>	Adoption of Code of Ethics and Sustainability Policies with application extended to the entire investment portfolio.	Monitoring with analytical detail of carbon footprint (scopes 1, 2 and 3).	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles (WEPs), incorporating them into identity documents.
<i>The 2022 key results</i>	<b>100%</b>  ESG investments  All investment asset classes are managed through procedures aiming at full ESG integration.	<b>Zero CO<sub>2</sub></b>  Scope 2 since 2022  From 2022, Italmobiliare Headquarter will use only renewable electricity.	<b>Zero</b>  Injuries  Commitment to ensuring a safe working environment by promoting people's mental and physical well-being must be continuous.	<b>+9 h/pp</b>  Training  Training activities have resumed in full swing after the lock-down period with renewed skills development initiatives.
<i>Next challenges</i>	<b>100%</b>  Investment and finance aimed at creating positive ESG impact.	<b>100%</b>  Investment and finance Aligned with carbon footprint mitigation and offset plans.	<b>100%</b>  People capable of promoting a culture of safety in all managed financial investments and activities.	<b>100%</b>  People covered by development plans aimed at growth, inclusion and gender equality.

### HUMAN CAPITAL DEVELOPMENT

At the end of 2022, it has a team of 47 motivated and specialized people (overall turnover 9% with 4 new hires and no exit). Direct employees are all covered by a collective bargaining agreement. 40% of managerial positions are held by women.

The selection of human resources aims only to find the required skills and aptitudes, the most suitable types of contracts and the correct timing, without any discrimination or constraints. The hiring of resources at any level is assisted by a dedicated induction programme. Correctness, loyalty, transparency and mutual respect are the guiding elements of personnel management, well beyond the contractual aspects and the regulations in force on labour matters. Consistently with this approach, the remuneration policy is based on a merit matrix that matches performance and benchmarks with the outside market.

Each year, the Human Resources Department plans training initiatives starting from an analysis of individual needs and then follows delivery of the courses and their assessment. In 2022, training mainly involved governance and strategy issues, such as ethics and sustainability, and managerial and technical-operational aspects, such as management, safety and the environment, information systems and data privacy. Following a structured training plan a total of 1229 hours of training were provided.



The annual assessment of individual performance, extended to all staff even if not formalised, accompanies the development of human capital. Direct interviews between the Head of Human Resources and the managers of the company department or function in question and interviews between the latter and their collaborators feed the assessment. This combines quantitative elements, i.e. achieving the results expected in the particular role held, and qualitative elements, such as the ability to complete tasks autonomously, meeting deadlines, being proactive, continuity and other soft skills that may have been developed.

Middle managers and office workers can join the Fondo Fonte supplementary pension plan, while the managers the Fondo Previp. In both cases, the participation of the company becomes mandatory the moment the employee registers. In 2022, the contribution paid by Italmobiliare was 2.2% for members of the Fondo Fonte and 4% for members of the Fondo Previp.

	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Personnel</b>	19	19	38	22	21	43	23	24	47
<i>Managers</i>	5	11	16	6	14	20	6	14	20
<i>Middle managers</i>	3	4	7	4	2	6	6	4	10
<i>Office workers</i>	11	4	15	12	5	17	11	6	17
Permanent contracts	100%	100%	<b>100%</b>	100%	95%	<b>98%</b>	100%	96%	<b>98%</b>
Full time contracts	100%	95%	<b>97%</b>	95%	95%	<b>95%</b>	96%	96%	<b>96%</b>
<b>Training (hours per capita)</b>	<b>9.5</b>	<b>13.6</b>	<b>11.6</b>	<b>22.3</b>	<b>16.8</b>	<b>19.6</b>	<b>28</b>	<b>24</b>	<b>26</b>
<i>Managers</i>	13.9	14.3	14.2	25.3	16.9	19.5	42	21	27
<i>Middle managers</i>	20.2	15.4	17.4	48.0	21.8	39.3	29	40	33
<i>Office workers</i>	4.6	9.8	6.0	12.2	14.3	12.8	21	22	21
<b>Performance assessment (%)</b>	<b>26%</b>	<b>58%</b>	<b>42%</b>	<b>100%</b>	<b>81%</b>	<b>98%</b>	<b>30%</b>	<b>58%</b>	<b>45%</b>
<b>Managers</b>	100%	100%	100%	100%	93%	95%	100%	86%	90%
<i>Middle managers</i>	0%	0%	0%	100%	100%	100%	17%	50%	30%
<i>Office workers</i>	0%	0%	0%	100%	100%	100%	0%	0%	0%

	2020	2021	2022
<b>Gender pay gap</b>	--	--	<b>-50%</b>
<i>Managers</i>	--	--	-38%
<i>Middle managers</i>	--	--	37%
<i>Office workers</i>	--	--	17%
<i>Production workers</i>	--	--	--

## HEALTH, SAFETY AND WELLBEING

Italmobiliare promotes the health, safety and wellbeing of all employees, creating and maintaining safe offices and other workplaces as an essential condition for the professional growth and enhancement of its resources.

The approach adopted is aligned with the applicable national regulations, starting with a solid risk assessment, updated periodically with the support of qualified third parties. A dedicated professional contact, the presence of a doctor for both institutional and voluntary health promotion activities and the formal involvement of the social partners constitute the support organisation. Preventive reporting of anomalous or risk conditions by everyone, an accurate analysis of accidental events, even if not serious, and adequate training activities ensure continuous improvement.

In the last three years there have been no accidents of any kind to employees or non-employee workers.

The psychological and physical wellbeing of people is promoted through the offer of health and social security benefits. For middle managers, office workers and intermediate staff, the Company provides a health plan for medical examinations and specialist tests, which covers all or part of the expense. As for management staff, a free annual check-up is provided at accredited facilities.

Starting from 2022, Italmobiliare consolidated and increased the welfare initiatives introduced in previous years, including smart working for all employees, the flexibility of working hours and the portal dedicated to corporate welfare, now with a doubled budget, offering with the possibility of purchasing goods and services for themselves and their families, such as health care, leisure, tuition and book reimbursement. Finally, with the completion of the restructuring of the headquarters, the company restaurant was opened, entirely free for all employees, designed as a people-friendly space that offers healthy food, respects the environment and inspires collaboration.

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**ITALMOBILIARE**  
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**PORTFOLIO  
COMPANIES**  
controlled



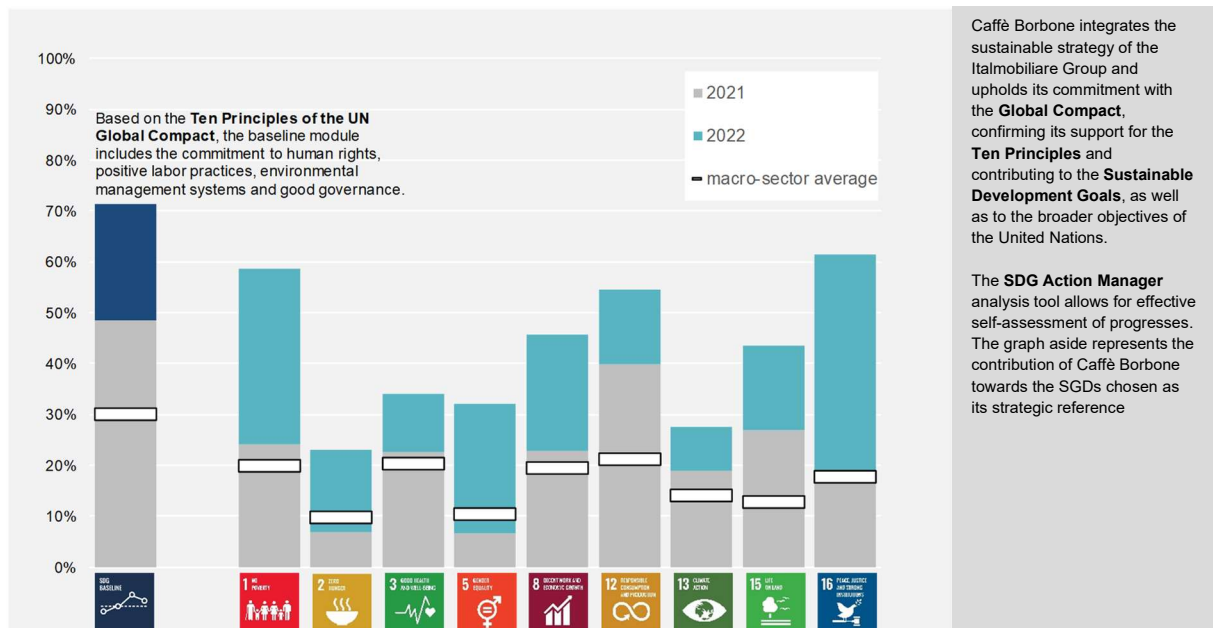
## Caffè Borbone

Caffè Borbone was founded in 1997 in Caivano (Naples) as a coffee roasting and packaging business, later becoming one of the main producers specialized in compatible capsules and pods, with a dense commercial network in Italy. It has been part of the Italmobiliare Group since May 2018, as a **subsidiary with a 60% stake**.

### HIGHLIGHTS

	Governance and supply chain	Strategy climate	Health, safety and well-being	Gender and human capital development
<i>The foundation</i>	Adoption of Code of Ethics and Sustainability Policies, with application extended to the entire value chain.	Monitoring with analytical detail of carbon footprint (scopes 1, 2 and 3).	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles (WEPs), incorporating them into identity documents.
<i>The 2022 key results</i>	<p>EcoVadis' Silver Medal reflects the quality of the sustainability management system.</p>	<p><b>Zero CO<sub>2</sub></b></p> <p>Scope 2 since 2022</p> <p>From 2022, Caffè Borbone uses only renewable electricity. Activated a new 500 kW photovoltaic system.</p>	<p><b>-42%</b></p> <p>Injuries vs 2021</p> <p>Improvement of the frequency rate, strong improvement also vs 2020. It is the starting point for the zero- injuries goal.</p>	<p><b>96%</b></p> <p>People trained</p> <p>Training activities have resumed in full swing after the lock-down period with renewed skills development initiatives.</p>
<i>Next challenges</i>	<p><b>100%</b></p> <p>Value chain</p> <p>aligned with Caffè Borbone's model, including through increasing certified coffee supplies.</p>	<p><b>100%</b></p> <p>Products &amp; services</p> <p>Aligned with carbon footprint mitigation and offset plans.</p>	<p><b>100%</b></p> <p>People</p> <p>with full safety culture as a model of ethics and business efficiency.</p>	<p><b>100%</b></p> <p>People</p> <p>covered by development plans aimed at growth, inclusion and gender equality.</p>

### CONTRIBUTION TO SDGs



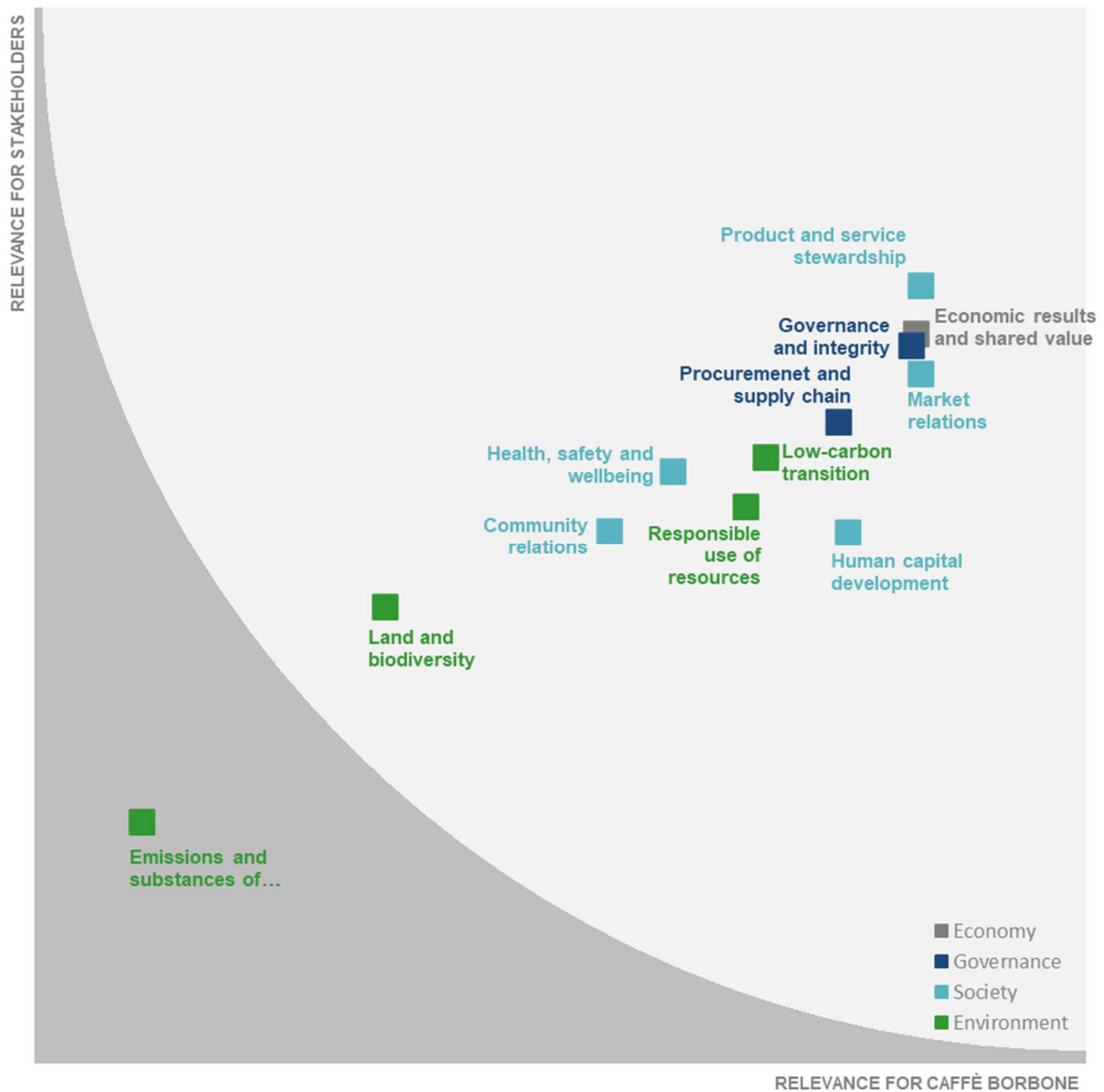
## MATERIALITY

Italmobiliare and Caffè Borbone recognize the sensitive aspects of the sector, highlighting important issues for the sustainable success of the business, economic, social and environmental issues, which cover the entire value cycle, from the procurement of raw materials to management of the products' end of life.

In defining the sustainable strategy and related action plans, the materiality analysis offers an effective tool for identifying the relevant governance, economic, social and environmental issues, matching the interests of the business with the expectations of stakeholders.

The materiality matrix is built by systematically evaluating risks, opportunities, positive or negative impacts, analysing all the aspects relevant for the business with the contribution of the first line of management, the majority shareholder and finally collecting the positions expressed by the most representing stakeholders.

The result is graphically represented in the graph hereunder.



## GOVERNANCE

### GOVERNANCE AND INTEGRITY

The composition and management of the governance bodies, starting with the **Board of Directors**, ensure representativeness, competence and the absence of conflicts of interest, aiming at maximum operational efficiency and integrity. Women participation in the Board of Directors is at 17% (1 director out of 6).

In line with the Group's approach, the **Code of Ethics** and the **Sustainability Policies** adopted by Caffè Borbone explicitly recall the Ten Principles of the United Nations Global Compact and inspired by the highest global references. Through a sustainable approach aimed at creating shared value for the society and for the environment, Caffè Borbone intends to explore further levers of success to increase turnover and profit margins, mitigate business risk, attract capital and investors, motivate its people and consolidate the brand.

Based on that of the Parent Company and considering the specificities relating to the nature, size, type of activity or structure of internal powers, Caffè Borbone has adopted an **Organisation, Management and Control Model**, which is foreseen by law but not mandatory, to limit the risk of committing specific relevant crimes. The Supervisory Body, appointed on the basis of autonomy and independence, is responsible for the control activity. In addition to specific periodic training, the approach adopted includes a whistleblowing procedure, in order to offer employees and third parties confidential channels to raise concerns or violations of the procedure, without fear of retaliation, discrimination or disciplinary action.

More generally, Caffè Borbone implements and strengthens the **Enterprise Risk Management** system over time, according to the management framework and the risk catalogue defined at Group level, which integrate ESG issues. The process adopted allows the identification, measurement, monitoring and management of the risks, including climate risks, and helps consolidating the Group's approach.

At an operational level, the **management systems adopted for quality, food safety and environment**, represent fundamental assets to guarantee activities that are fully aligned with the corporate strategy, in a logic of continuous improvement. The integration with business processes helps to consolidate the organisational, technological and behavioural methods.

### PROCUREMENT AND SUPPLY CHAIN

The main areas in the supply chain are the procurement of raw coffee, packaging materials and logistics and distribution services, which together accounted for over 60% of the total spending. In 2022, the main countries of origin of the coffee used were Uganda, India, Vietnam, and Brazil.

Coffee supplies require particular attention to the risks associated with respect for human and labour rights, as well as for environmental aspects such as deforestation and those of business integrity. To this end, Caffè Borbone creates partnerships with coffee suppliers, relying on selected international intermediaries committed to sustainability, who offer ample guarantees to align with international standards and to actively promote a sustainable coffee supply chain. Caffè Borbone aims at combining quality with responsibility and integrity in the supply chain to favour agricultural practices in balance with ecosystems, resilient to climate change and attentive to social needs, women, indigenous peoples and farmers' families.

In 2022, it has adopted the **Supplier Charter**, defining the principles to which the suppliers of goods or services and contractors shall align, in their direct activities, in contractual relations with their possible sub-suppliers or subcontractors and, in general, in the creation and management and of their respective value chains. Moreover, it has started sourcing with **certified supply lots**, in particular with the AtSource+ program by Olam Food Ingredients (Ofi), which ensures:

- Traceability of origin, with data and insights by geographical area.
- Third-party verification, covering also the application of the Olam Food Ingredients Supplier Code.
- Initiatives and programs aimed at the economic, social and environmental development of farmers.

In 2022, this supply represented 10% of coffee purchases, with a clearly increasing trend also involving other traders with similar certification schemes.

## SOCIETY

### HUMAN CAPITAL DEVELOPMENT

Caffè Borbone benefits from the value of 278 specialized and motivated people (overall turnover 16%, 31 new hires and 13 exits). Direct employees, by choice mainly of local origin, are all covered by collective bargaining agreements. 18% of managerial positions are held by women.

A significant use of non-employee workers, partly to enable job rotations. In 2022, there were 48 temporary agency workers, agents, self-employed workers and interns. Social dialogue flows in an open and constructive way, ensuring the protection of workers' health and the continuity of production activities and supporting the provision of training at all levels.

	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Personnel</b>	<b>8</b>	<b>210</b>	<b>218</b>	<b>17</b>	<b>243</b>	<b>260</b>	<b>22</b>	<b>256</b>	<b>278</b>
<i>Managers</i>	1	5	6	1	7	8	1	7	8
<i>Middle managers</i>	0	4	4	0	4	4	2	7	9
<i>Office workers</i>	7	19	26	16	30	46	19	31	50
<i>Production workers</i>	0	182	182	0	202	202	0	211	211
Permanent contracts	100%	90%	<b>91%</b>	94%	93%	<b>93%</b>	86%	93%	<b>93%</b>
Full time contracts	100%	98%	<b>98%</b>	82%	98%	<b>97%</b>	86%	97%	<b>96%</b>
<b>Training (hours per capita)</b>	<b>1.0</b>	<b>3.5</b>	<b>3.4</b>	<b>85.5</b>	<b>6.7</b>	<b>11.9</b>	<b>35</b>	<b>10</b>	<b>12</b>
<i>Managers</i>	0.0	0.0	0.0	4.0	5.7	5.5	33	37	37
<i>Middle managers</i>	0.0	0.0	0.0	0.0	7.0	7.0	20	15	16
<i>Office workers</i>	1.1	0.4	0.6	90.6	19.0	43.9	36	19	25
<i>Production workers</i>	0.0	4.0	4.0	0.0	4.9	4.9	0	8	8
<b>Performance assessment (%)</b>	<b>63%</b>	<b>10%</b>	<b>10%</b>	<b>24%</b>	<b>8%</b>	<b>9%</b>	<b>36%</b>	<b>13%</b>	<b>14%</b>
<i>Managers</i>	100%	100%	100%	100%	57%	63%	100%	100%	100%
<i>Middle managers</i>	0%	100%	100%	0%	100%	100%	100%	86%	89%
<i>Office workers</i>	57%	42%	46%	19%	33%	28%	26%	48%	40%
<i>Production workers</i>	0%	0%	0%	0%	0%	0%	0%	2%	2%

	2020	2021	2022
<b>Gender pay gap</b>	--	--	<b>32%</b>
<i>Managers</i>	--	--	53%
<i>Middle managers</i>	--	--	-24%
<i>Office workers</i>	--	--	-12%
<i>Production workers</i>	--	--	--

## HEALTH, SAFETY AND WELLBEING

Caffè Borbone promotes the health, safety and wellbeing of all employees, including companies, suppliers, visitors, customers and the local community in the approach.

The approach adopted is aligned with the applicable national regulations, starting with a solid risk assessment, updated periodically with the support of qualified third parties. The interaction between people and mobile vehicles, process machines with moving mechanical parts and the presence of flammable materials are the prevailing risk conditions identified. A dedicated internal contact, the availability of a doctor for both institutional and voluntary health promotion activities and the formal involvement of the social partners constitute the support organisation. Preventive reporting of anomalous or risk conditions by everyone, an accurate analysis of accidental events, even if not serious, and adequate training activities ensure continuous improvement.

In line with the adopted Sustainability Policies, Caffè Borbone intends to further develop the safety management, starting from management leadership that supports a motivational, organisational, and operational system. Far beyond simple legislative compliance, this approach aims to build a true culture of safety, protecting the safety of anyone involved in operational activities and, at the same time, improving managerial skills and motivations for achieving broader results objectives.

In parallel, the process of alignment the safety management system to the ISO 45001 standard has been initiated, targeting the certification.

		2020	2021	2022
<b>Employees injuries</b>		<b>3</b>	<b>5</b>	<b>3</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	1
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	3	5	2
Frequency rate	number of injuries per million hours worked	8.1	11.5	6.6
Severity rate	lost days per thousand hours worked	0.0	0.1	0.3
<b>Non-employees injuries</b>		<b>0</b>	<b>2</b>	<b>0</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	0	2	0
Frequency rate	number of injuries per million hours worked	0.0	34.6	0.0

## PRODUCT AND SERVICE STEWARDSHIP

Caffè Borbone creates, produces and markets coffee in capsules, pods, beans or ground coffee according to quality regulations.

Adding sustainable value to a recognised quality product is a clear line of strategy for Caffè Borbone. In addition to the responsible procurement of raw materials and the efficient management of the production site, particular attention is paid to the choice of materials used for the production of pods, capsules, ground coffee or beans and related wrapping and packaging.

In 2022, 34% of production volume consists of coffee in pods certified as compostable and distributed in packaging, easily recyclable as paper. In addition, the product range includes growing shares of coffee in compostable and aluminium capsules, both solutions that allow for easier post-consumer valorisation. Finally, the coffee sold as ground or in beans through e-commerce qualifies as "Climate Pledge Friendly" thanks to packaging with an efficient design for shipping.

The paper and cardboard used for packaging are FSC MIX certified, with at least 70% FSC certified or recycled materials.



## MARKET AND COMMUNITIES

Food quality and safety are ensured throughout the entire production process with advanced and integrated management systems, which thanks to the effectiveness demonstrated and verified over time have obtained formal third-party certification.

<b>ISO 9001</b>	<p>The ISO 9001 standard lays down the requirements of an organisation quality management system.</p> <p>It is the reference standard for companies that want to submit their production process to quality control in a cyclical manner, starting with the requirements of customers, expressed or otherwise, through to the monitoring of the entire production process, from the procurement of raw materials and utilities to the finished products.</p>	<b>System certified by DNV-GL</b>
<b>IFS FOOD STANDARD</b>	<p>The IFS standard, which is applicable to companies in the food sector, identifies the specific elements of a management system focused on product quality and safety from a hygiene and health point of view.</p> <p>It provides for the adoption of reference good practices, a Hazard Analysis Critical Control Point (HACCP) system, a documented quality management system, control of standards for the workplace, for the product, for the process and for the staff. It also requires defined specifications for raw materials, intermediates/semifinished products and products, monitoring of suppliers and the pro-active management of environmental aspects such as waste management and industrial hygiene.</p>	<b>System certified by DNV-GL</b>

Attention to customers and consumers is completed by the management of customer satisfaction and data protection, adopting and continuously improving its application of the legislative and voluntary standards. This approach also includes the shopping experience through digital channels, which the company tries to optimise in terms of user-friendliness and security.

Caffè Borbone actively promotes responsible lifestyles through its brand. Wrappers contain clear and detailed information on the correct way to dispose of waste after use, in order to benefit fully from the products' characteristics of compostability and recyclability.

Caffè Borbone is aware that some activities in the value chain can have significant potential and actual negative impacts on local communities. Promoting sustainability also means taking care of those who, at the origin of the coffee supply chain, are committed to improving the yield and quality of crops, supporting fair and inclusive ways of working and contributing to global challenges by adopting sustainable agricultural practices. In 2022 Caffè Borbone launched a project in Uganda in partnership with Olam Food Ingredients (Ofi), called **Mwany** (coffee in the local language). Thanks to a contribution of €100k per year for five years, the project aims to increase the participation of young people and women in the sustainable production of coffee, increasing employment, providing better product quality, improving profitability for small producers and fighting precariousness and rural exodus. Financial literacy, sustainable cultivation competences and facilitation of access to credit are the main levers.

The many social initiatives on the national territory and for the community close to the production plant in Italy also fit into this same logic.

Caffè Borbone supports with scholarships, donations, in-kind activities and the provision of people, non-profit organizations committed to the recovery of complicated quarters of five Italian cities selected according to commitment and need, to combat early school leaving.

Finally, Caffè Borbone chooses the most active universities in the field of research to start collaborations aimed at improving the circularity of its production, for example by enhancing the use of coffee as a raw material for the production of bioplastics and pallets.

## ENVIRONMENT

## RESPONSIBLE USE OF RESOURCES

Raw materials and energy are procured on the basis of production demand, with the aim of maximising process efficiency and minimising waste. As an example, in the roasting phase, coffee beans have a weight loss of 15-20%. Two by-products are recovered from the roasters: silverskin, the film that wraps the coffee bean, and screening coffee powders. Both fractions are sent for composting or other forms of valorisation. Even the coffee jute bags are partially sold to manufacturing activities managed by a social enterprise.

The computerised management of the entire cycle makes it possible to monitor the use of resources and improve traceability, which is also essential for guaranteeing food safety. The environmental management system adopted has received the certification according to the ISO 14001 standard.

Water consumption at the plant is limited to sanitary uses. However, Caffè Borbone is aware of the significant water footprint of its supply chain.

	units	2020	2021	2022
<b>Raw materials</b>		<b>39,680</b>	<b>43,150</b>	<b>42,017</b>
Coffee		25,829	28,619	28,147
Compostable paper for pods and capsules		444	412	341
Aluminium for capsules		0	0	5
Plastic for capsules		2,388	2,614	2,568
Compostable plastic for capsules		0	3	2
CO <sub>2</sub> refrigerant	t	761	700	511
Packaging		10,258	10,803	10,443
Aluminium		286	147	189
Cardboard		6,577	6,440	6,072
Plastic		323	299	284
Poly laminate (plastic prevalence)		3,072	2,526	1,657
Poly laminate (paper prevalence)		0	1,391	2,242
	units	2020	2021	2022
<b>Energy consumed</b>		<b>126,330</b>	<b>134,605</b>	<b>123,605</b>
Thermal: natural gas		102,091	105,897	92,398
Non-renewable energy purchased		24,239	25,470	0
Renewable energy self-produced	GJ	0	2,183	29,678
Automotive: diesel		0	1,054	1,376
<b>Energy sold to the grid</b>		<b>392</b>	<b>379</b>	<b>407</b>
Renewable energy self-produced		392	379	407

The waste generated by the production process can become a resource for other consumption or production cycles. With this awareness, in 2022 around 1,600 tons of waste were sent for valorisation. In any case, the remainder is sent to energy recovery or controlled disposal destinations, where further partial valorisation is possible.

	units	2020	2021	2022
<b>Valorisation of waste generated</b>		<b>2,114</b>	<b>2,046</b>	<b>1,829</b>
Hazardous waste		0	1	0
% Material recovery		57%	71%	50%
% Energy recovery or disposal	t	43%	29%	50%
Non-hazardous waste		2114	2045	1829
% Material recovery		77%	77%	87%
% Energy recovery or disposal		23%	23%	13%

## LOW-CARBON TRANSITION

Caffè Borbone supports Italmobiliare in his commitment to company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). The SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science, accelerating companies to halve emissions before 2030 and achieve net-zero emissions before 2050.

Caffè Borbone is committed to mitigating the climate-altering effects of its activity along the entire value chain. Supplier selection, production process efficiency, eco-design of product and packaging, logistics optimization are the areas of greatest attention. Two photovoltaic systems are active at the plant. The first, of around 50kW, feeds over 100,000 electric kilowatt hours into the grid a year. The second, of 500 kW, went into operation at the end of 2022 and is entirely dedicated to self-consumption. Since 2022, the Caffè Borbone production plant has used exclusively renewable electricity, through self-production, dedicated supply contracts or the purchase of certificates of guarantee of origin.

	units	2020	2021	2022	2022
<b>Carbon Footprint</b>		<b>156,055</b>	<b>180,122</b>	<b>183,817</b>	
<b>Scope 3 Upstream</b>		<b>65,421</b>	<b>79,696</b>	<b>87,828</b>	<b>48%</b>
1. Purchased products and services		51,491	60,380	66,527	36%
2. Capital goods		n.m.	n.m.	n.m.	0%
3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions)		--	--	--	0%
4. Upstream transportation and distribution		13,930	19,316	19,424	11%
5. Waste generated by the sites		n.m.	n.m.	0	0%
6. Business travel		n.m.	n.m.	60	0%
7. Employee commuting		n.m.	n.m.	1,817	1%
8. Upstream leased assets		--	--	--	0%
<b>Scope 1</b>	<b>t CO<sub>2</sub></b>	<b>5,767</b>	<b>6,046</b>	<b>5,304</b>	<b>3%</b>
<b>Scope 2 market based</b>		<b>3,138</b>	<b>3,244</b>	<b>0</b>	<b>0%</b>
<i>location based</i>		2,262	2,420	2,597	
<b>Scope 3 Downstream</b>		<b>81,729</b>	<b>91,136</b>	<b>90,685</b>	<b>49%</b>
9. Downstream transportation and distribution		4,484	4,969	5,493	3%
10. Processing of sold products		--	--	18,382	10%
11. Use of sold products		76,627	85,492	66,148	36%
12. End-of-life treatment of sold products		617	675	662	0%
13. Downstream leased assets		--	--	0	0%
14. Franchises		--	--	0	0%
15. Investments		--	--	0	0%
<b>Emissioni evitate (location based)</b>		<b>37</b>	<b>224</b>	<b>2,632</b>	
From photovoltaic production	<b>t CO<sub>2</sub></b>	37	33	36	
From hydroelectric production		0	0	0	
From renewable electricity purchased		0	191	2,597	
<b>Carbon Intensity</b>					
Scope 1+2 market based	<b>t CO<sub>2</sub> / M€ Revenues</b>	40.6	36.8	20.2	



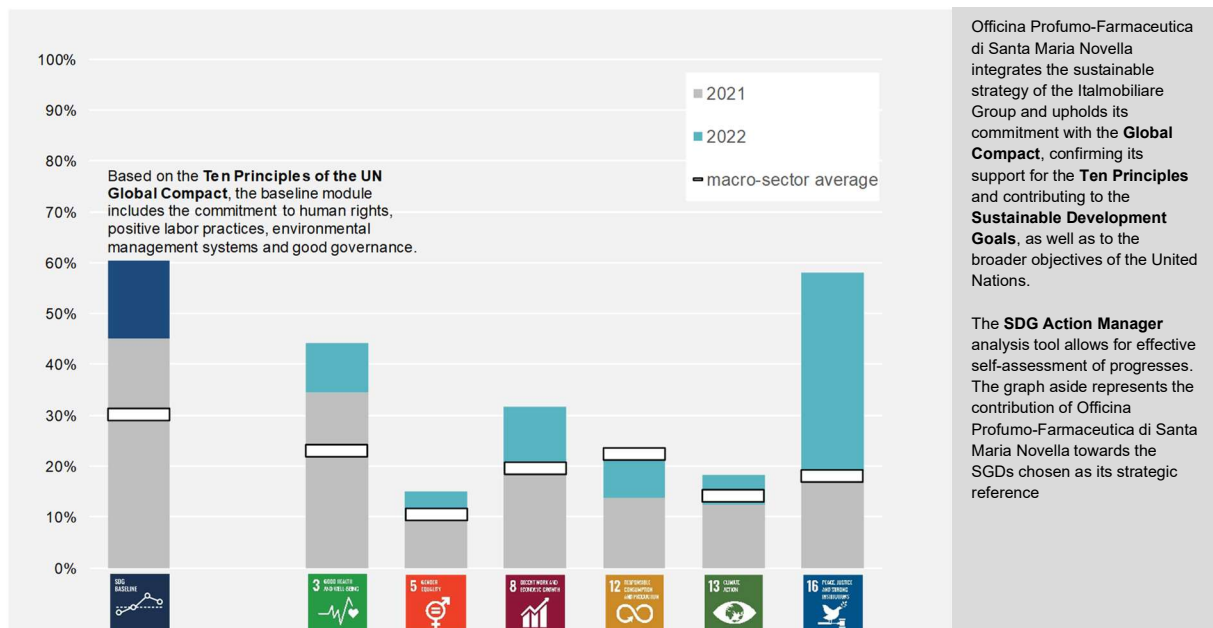
## Officina Profumo-Farmaceutica di Santa Maria Novella

In Florence, for eight centuries and always in the same places, Officina Profumo-Farmaceutica di Santa Maria Novella creates, produces and distributes high-end perfumes and cosmetics, and products for health and well-being. It has been part of Italmobiliare Group since January 2020, as a **subsidiary with a 95% stake**.

### HIGHLIGHTS

	<b>Governance and supply chain</b>	<b>Strategy climate</b>	<b>Health, safety and well-being</b>	<b>Gender and human capital development</b>
<i>The foundation</i>	Adoption of Code of Ethics and Sustainability Policies, with application extended to the entire value chain.	Monitoring with analytical detail of carbon footprint (scopes 1, 2 and 3).	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles (WEPs), incorporating them into identity documents.
<i>The 2022 key results</i>	<b>&gt;75%</b> Qualifies suppliers  With the adoption of the Supplier Charter, all supply chain partners were sent a detailed ESG pre-qualification questionnaire.	<b>70%</b> Renewable/recycled  Raw materials used for packaging with renewable or recycled origin help reduce the carbon footprint.	<b>81%</b> Renewables  The pursuit of well-being begins with the selection of ingredients of renewable origin, in line with society's expectations.	<b>+17 h/pp</b> Training  Training activities resumed at full capacity after the lock-down period, with new initiatives to develop competences.
<i>Next challenges</i>	<b>100%</b> Value chain  aligned with Officina Profumo-Farmaceutica di Santa Maria Novella's model, including through increasing certified coffee supplies.	<b>100%</b> Products  aligned with carbon footprint mitigation and offset plans.	<b>100%</b> People  with full safety culture as a model of ethics and business efficiency.	<b>100%</b> People  covered by development plans aimed at growth, inclusion and gender equality.

### CONTRIBUTION TO SDGs



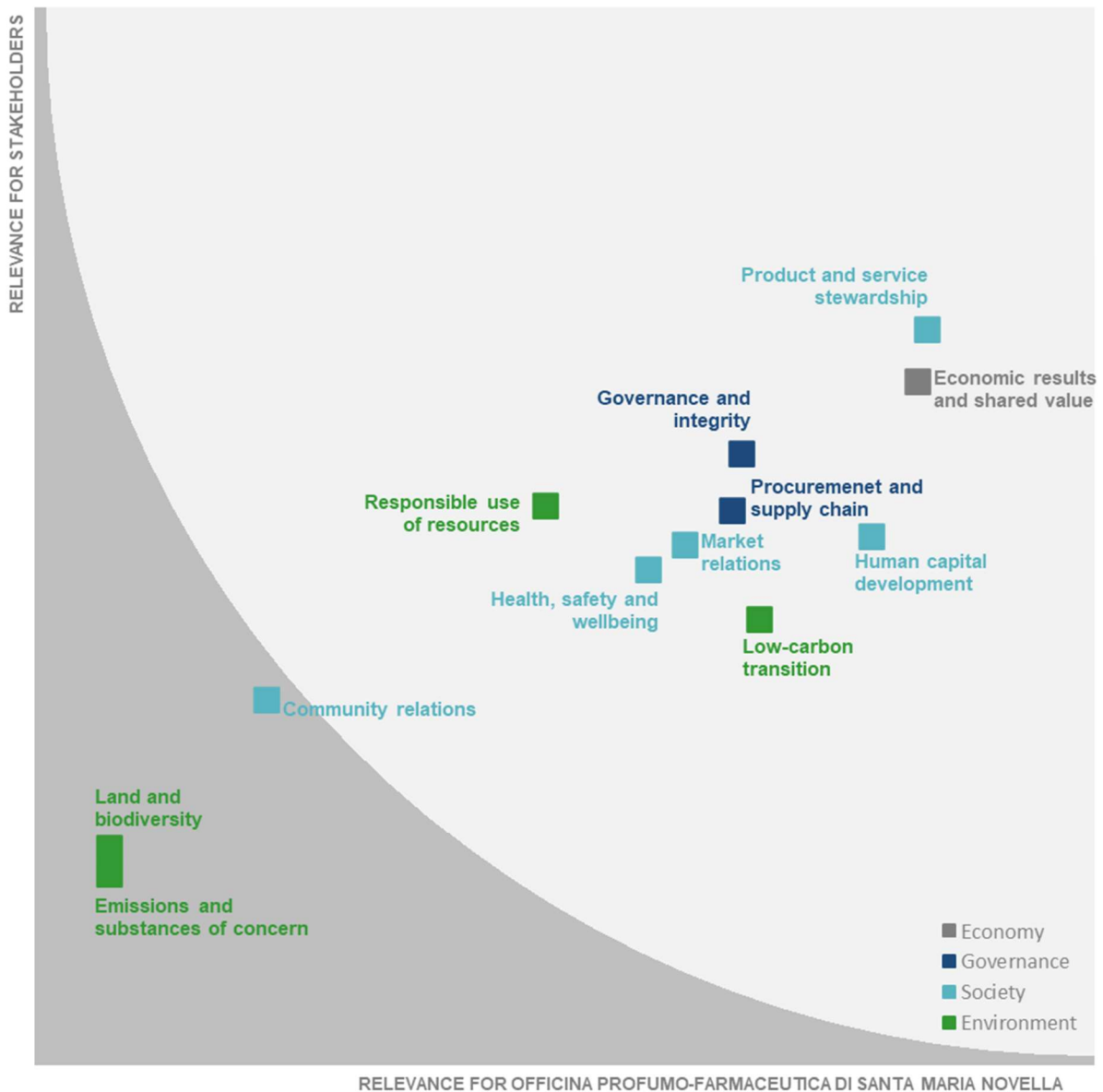
## MATERIALITY

Italmobiliare and Officina Profumo-Farmaceutica di Santa Maria Novella recognize the sensitive aspects of the sector, highlighting important issues for the sustainable success of the business, economic, social and environmental issues, which cover the entire value cycle, from the procurement of raw materials to management of the products' end of life.

In defining the sustainable strategy and related action plans, the materiality analysis offers an effective tool for identifying the relevant governance, economic, social and environmental issues, matching the interests of the business with the expectations of stakeholders.

The materiality matrix is built by systematically evaluating risks, opportunities, positive or negative impacts, analysing all the aspects relevant for the business with the contribution of the first line of management, the majority shareholder and finally collecting the positions expressed by the most representing stakeholders.

The result is graphically represented in the graph hereunder.



## GOVERNANCE

### GOVERNANCE AND INTEGRITY

The composition and management of the governance bodies, starting with the **Board of Directors**, ensure representativeness, competence and the absence of conflicts of interest, aiming at maximum operational efficiency and integrity. Women participation in the Board of Directors is at 29% (2 directors out of 7).

In line with the Group's approach, the **Code of Ethics** and the **Sustainability Policies** adopted by Officina Profumo-Farmaceutica di Santa Maria Novella explicitly recall the Ten Principles of the United Nations Global Compact and inspired by the highest global references. Through a sustainable approach aimed at creating shared value for the society and for the environment, Officina Profumo-Farmaceutica di Santa Maria Novella intends to explore further levers of success to increase turnover and profit margins, mitigate business risk, attract capital and investors, motivate its people and consolidate the brand.

Based on that of the Parent Company and considering the specificities relating to the nature, size, type of activity or structure of internal powers, Officina Profumo-Farmaceutica di Santa Maria Novella has adopted an **Organisation, Management and Control Model**, which is foreseen by law but not mandatory. It is designed to limit the risk of committing specific relevant crimes. The Supervisory Body, appointed on the basis of autonomy and independence, is responsible for the control activity. In addition to specific periodic training, the approach adopted includes the whistleblowing procedure for reporting unlawful behaviour, in order to offer employees and third parties confidential channels to raise concerns or violations of the procedure, without fear of retaliation, discrimination or disciplinary action.

More generally, Officina Profumo-Farmaceutica di Santa Maria Novella implements and strengthens the **Enterprise Risk Management** system over time, according to the management framework and the risk catalogue defined at Group level, which integrate ESG issues. The process adopted allows the identification, measurement, monitoring and management of the risks, including climate risks, and helps consolidating the Group's approach.

At an operational level, the ongoing implementation of **management systems** represent an additional asset to guarantee activities that are fully aligned with the corporate strategy, in a logic of continuous improvement. The integration with business processes helps to consolidate the organisational, technological and behavioural methods.

### PROCUREMENT AND SUPPLY CHAIN

The supply chain of Officina Profumo-Farmaceutica di Santa Maria Novella mainly includes the basic raw materials, ingredients and fragrances that enter the formulation of a complex range of products. Equally significant are the supplies of packaging materials and logistic-distribution services.

In 2022, the **Supplier Charter** was adopted, defining the principles to which the suppliers of goods or services and contractors shall align, in their direct activities, in contractual relations with their possible sub-suppliers or subcontractors and, in general, in the creation and management and of their respective value chains. In the prequalification process all suppliers were asked to complete an online questionnaire covering human and labour rights, respect for the environment and business integrity.

In the following selection of suppliers and supplies, with the same characteristics, ingredients from the national or European territory and from recovery are preferentially selected, made by companies with certifiable processes according to international standards for the quality and safety of products. The ingredients identified as critical for aspects of product quality or safety, but also for social aspects, including risks connected to human and labour rights, or environmental aspects in the supply chain are replaced with alternative products.

With the aim to mitigate the dependence on a small number of suppliers, in recent years Officina Profumo-Farmaceutica di Santa Maria Novella has internally reformulated some fragrances not covered by intellectual property rights, starting their direct production.

Moreover, the company maintains partnerships with suppliers of selected packaging materials, with the aim of increasing the share of recyclable and recovered packaging.

## SOCIETY

### HUMAN CAPITAL DEVELOPMENT

Officina Profumo-Farmaceutica di Santa Maria Novella benefits from the value of 187 specialized and motivated people (overall turnover 67%, 86 new hires and 40 exits). 2022 saw a strong restructuring of the headquarters staff and the opening of new owned stores. The direct employees, who work mainly in the production plant and in the shops on the Italian territory, are fully covered by a collective bargaining agreement. The 35 employees of businesses in France, UK and US comply with local labor regulations. 60% of managerial positions are held by women.

A significant use of non-employee workers was made. In 2022, there were 84 temporary workers, self-employed workers and interns. The social dialogue, even in the absence of trade union organizations, flows in an open and constructive way, ensuring the protection of workers' health and the continuity of production activities, and supporting the delivery of training at all levels.

	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Personnel</b>	--	--	--	<b>98</b>	<b>43</b>	<b>141</b>	<b>131</b>	<b>56</b>	<b>187</b>
<i>Managers</i>	--	--	--	1	4	5	2	5	7
<i>Middle managers</i>	--	--	--	9	3	12	12	10	22
<i>Office workers</i>	--	--	--	68	19	87	97	19	116
<i>Production workers</i>	--	--	--	20	17	37	20	22	42
Permanent contracts	--	--	--	89%	98%	<b>91%</b>	82%	88%	<b>83%</b>
Full time contracts	--	--	--	59%	98%	<b>71%</b>	66%	96%	<b>75%</b>
<b>Training (hours per capita)</b>	--	--	--	<b>14.4</b>	<b>11.7</b>	<b>13.6</b>	<b>27</b>	<b>41</b>	<b>31</b>
<i>Managers</i>	--	--	--	8.0	6.5	6.8	19	10	12
<i>Middle managers</i>	--	--	--	13.2	2.7	10.6	25	11	18
<i>Office workers</i>	--	--	--	16.7	17.2	16.8	28	28	28
<i>Production workers</i>	--	--	--	7.7	8.3	8.0	25	72	50
<b>Performance assessment (%)</b>	--	--	--	<b>1%</b>	<b>5%</b>	<b>2%</b>	<b>8%</b>	<b>13%</b>	<b>10%</b>
<i>Managers</i>	--	--	--	100%	50%	60%	100%	60%	71%
<i>Middle managers</i>	--	--	--	0%	0%	0%	67%	30%	50%
<i>Office workers</i>	--	--	--	0%	0%	0%	1%	5%	2%
<i>Production workers</i>	--	--	--	0%	0%	0%	0%	0%	0%

	2020	2021	2022
<b>Gender pay gap</b>	--	--	<b>-34%</b>
<i>Managers</i>	--	--	-11%
<i>Middle managers</i>	--	--	-1%
<i>Office workers</i>	--	--	-29%
<i>Production workers</i>	--	--	-10%

## HEALTH, SAFETY AND WELLBEING

Officina Profumo-Farmaceutica di Santa Maria Novella promotes the health, safety and wellbeing of all employees, including companies, suppliers, visitors, customers and the local community in the approach.

The approach adopted is aligned with the applicable national regulations, starting with a solid risk assessment, updated periodically with the support of qualified third parties. The interaction between people and mobile vehicles, process machines with moving mechanical parts and the presence of flammable materials are the prevailing risk conditions identified. A dedicated internal contact, the availability of a doctor for both institutional and voluntary health promotion activities and the formal involvement of the social partners constitute the support organisation. Preventive reporting of anomalous or risk conditions by everyone, an accurate analysis of accidental events, even if not serious, and adequate training activities ensure continuous improvement.

In line with the adopted Sustainability Policies, Officina Profumo-Farmaceutica di Santa Maria Novella intends to further develop the safety management, starting from management leadership that supports a motivational, organisational, and operational system. Far beyond simple legislative compliance, this approach aims to build a true culture of safety, protecting the safety of anyone involved in operational activities and, at the same time, improving managerial skills and motivations for achieving broader results objectives.

In order to improve well-being and work-life balance, smart working has been introduced for all compatible functions.

		2020	2021	2022
<b>Employees injuries</b>		<b>0</b>	<b>1</b>	<b>1</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	0	1	1
Frequency rate	number of injuries per million hours worked	0.0	5.3	3.4
Severity rate	lost days per thousand hours worked	0.0	0.1	0.3
<b>Non-employees injuries</b>		<b>0</b>	<b>0</b>	<b>0</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	0	0	0
Frequency rate	number of injuries per million hours worked	0.0	0.0	0.0

## PRODUCT AND SERVICE STEWARDSHIP

Officina Profumo-Farmaceutica di Santa Maria Novella operates in full compliance with the complex regulatory system applicable to the sector. The launch of new products is subjected to rigorous testing procedures, conducted in accordance with the law, which also concern the effects on health and those deriving from possible incorrect use. continuous quality and safety standards.

The continuous research and development activity of Officina Profumo-Farmaceutica di Santa Maria Novella has among the main drivers the reduction of the environmental footprint generated by the production, use and end-of-life of the products marketed. This happens both through a progressive reformulation of the recipes, aimed not only at improving the customer experience but also at increasing the presence of ingredients of natural origin or, in any case, with a higher environmental value, such as a lower carbon or water footprint, and the low water demand in the use phase.

Similar attention is paid to the evolutionary development of packaging, primary and secondary, through dimensional resizing, aimed at reducing its weight, or by introducing increasing quantities of materials of renewable origin, coming from recycling or in any case easily recyclable. Currently, the glass supplied contains on average 15% of material recovered directly in the production cycle. For some references, the satin-finished glass



has been replaced with transparent glass to reduce the necessary processing steps and the consequent energy consumption. On the main product lines, the plastics used are switching from PE to recyclable PET and, in a second step, to R-PET, that is recycled PET. The paper and cardboard are FSC certified.

Finally, R&D design formulations and packaging according to a specification for ESG footprint evaluation, which must return indications in line with the company's objectives for products under development and launch and clearly evolutionary results for updates to existing products.

## MARKET AND COMMUNITIES

Compliance with the relevant regulations, quality and, for some product lines, even food safety, are ensured throughout the entire production process with constantly evolving management systems. In fact, for the production of cosmetics, the formal certification process of the management system adopted according to good manufacturing practices (GMP - ISO 22716), in terms of quality and safety for the consumer, is in progress. This harmonized standard, specially designed for the cosmetic industry, provides guidelines for the production, control, storage and shipping of cosmetic products.

The attention to customers and consumers is completed by the management of customer satisfaction and data protection, with the alignment and continuous improvement of the application of the applicable legislative and voluntary standards, including the optimization of the shopping experience through digital channels, in terms of usability and safety. The company constantly detects customer complaints, through customer care, digital channels and the distribution network, as a continuous stimulus for improvement

## ENVIRONMENT

## RESPONSIBLE USE OF RESOURCES

Cosmetic quality water and ethyl alcohol of agricultural origin are the main raw materials used. To these are added, according to the different product lines, a wide variety of ingredients, fragrances, and essences mainly of natural origin. Primary and secondary packaging, mainly in glass, plastic and paper, constitute a significant fraction of the material consumption.

Energy needs are limited. The electricity used is exclusively renewable, self-produced by a photovoltaic system or purchased with a guarantee of origin.

The withdrawal of water is mainly (over about 85%) intended for sanitary uses. The resource is managed with particular attention, as the plant is in an area at risk of water stress.

	units	2020	2021	2022
<b>Raw materials</b>		<b>0</b>	<b>501</b>	<b>1,142</b>
Renewable		0	137	168
<i>Water</i>		0	65	134
<i>Ethanol</i>		0	21	34
<i>Other</i>		0	51	0
Non-renewable		0	44	0
Packaging	t	0	320	974
<i>Glass</i>		0	188	422
<i>Paper</i>		0	80	454
<i>Ceramics</i>		0	22	37
<i>Plastic</i>		0	18	27
<i>Metals</i>		0	10	23
<i>Other</i>		0	2	11
	units	2020	2021	2022
<b>Energy consumed</b>		<b>0</b>	<b>9,932</b>	<b>11,284</b>
<i>Thermal: natural gas</i>		0	5,935	6,919
<i>Non-renewable energy purchased</i>		0	3,485	3,744
<i>Renewable energy self-produced</i>	GJ	0	420	433
<i>Automotive: diesel</i>		0	94	188
<b>Energy sold to the grid</b>		<b>0</b>	<b>420</b>	<b>433</b>
<i>Renewable energy self-produced</i>		0	1	1
<b>Water</b>		<b>0</b>	<b>3,551</b>	<b>4,211</b>
<i>Withdrawn from wells</i>	m3	0	43	42
<i>Withdrawn from an aqueduct</i>		0	0	0

The waste generated from the production process can become a resource for other consumption or production cycles. With this awareness, in 2022 almost 70 tons of waste were sent for valorisation. In any case, the remainder is sent to energy recovery or controlled disposal destinations, where further partial valorisation is possible.

	units	2020	2021	2022
<b>Valorisation of waste generated</b>		<b>0</b>	<b>48</b>	<b>96</b>
Hazardous waste		0	24	34
<i>% Materia recovery</i>		0%	35%	59%
<i>% Energy recovery or disposal</i>	t	0%	65%	41%
Non-hazardous waste		0	25	62
<i>% Material recovery</i>		0%	93%	92%
<i>% Energy recovery or disposal</i>		0%	7%	8%

## LOW-CARBON TRANSITION

Officina Profumo-Farmaceutica di Santa Maria Novella supports Italmobiliare in his commitment to company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). The SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science, accelerating companies to halve emissions before 2030 and achieve net-zero emissions before 2050.

Direct emissions (Scope 1) are limited while indirect emissions (Scope 2) are already totally neutralised. The carbon footprint depends almost entirely on the emissions of the value chain (Scope 3), which Officina Profumo-Farmaceutica di Santa Maria Novella strives to analyse more and more in detail to highlight mitigation opportunities. The ongoing initiatives on packaging go in this direction.

	units	2020	2021	2022	2022
<b>Carbon Footprint</b>			<b>6,984</b>	<b>11,372</b>	
<b>Scope 3 Upstream</b>			<b>557</b>	<b>1,463</b>	<b>13%</b>
1. Purchased products and services			557	1,396	12%
2. Capital goods			n.m.	n.m.	0%
3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions)			--	--	0%
4. Upstream transportation and distribution			n.m.	n.m.	0%
5. Waste generated by the sites			n.m.	n.m.	0%
6. Business travel			n.m.	67	0%
7. Employee commuting			n.m.	n.m.	0%
8. Upstream leased assets			--	--	0%
<b>Scope 1</b>	<b>t CO<sub>2</sub></b>		<b>341</b>	<b>403</b>	<b>4%</b>
<b>Scope 2 market based</b>			<b>0</b>	<b>0</b>	<b>0%</b>
<i>location based</i>			342	365	
<b>Scope 3 Downstream</b>			<b>6,086</b>	<b>9,507</b>	<b>84%</b>
9. Downstream transportation and distribution			2,814	4,937	43%
10. Processing of sold products			--	--	0%
11. Use of sold products			3,265	4,549	40%
12. End-of-life treatment of sold products			7	21	0%
13. Downstream leased assets			--	--	0%
14. Franchises			--	--	0%
15. Investments			--	--	0%
<b>Emissioni evitate (location based)</b>			<b>342</b>	<b>365</b>	
From photovoltaic production			37	38	
From hydroelectric production	<b>t CO<sub>2</sub></b>		0	0	
From renewable electricity purchased			305	328	
<b>Carbon Intensity</b>					
Scope 1+2 market based	<b>t CO<sub>2</sub> / M€ Revenues</b>		11.4	8.6	



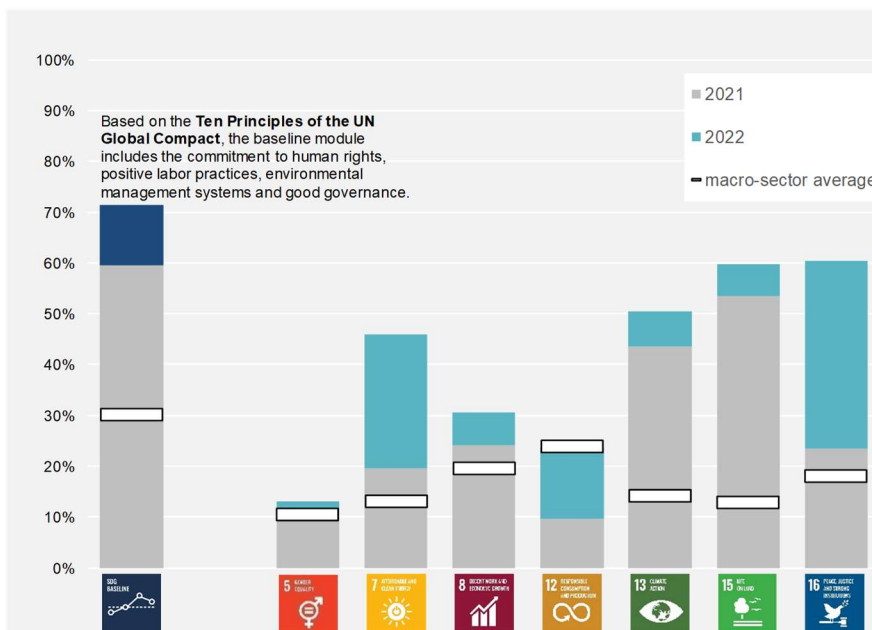
# Italgen

Founded in 2001, capitalising on the experience gained as part of the Italcementi Group, Italgen operates as a producer and distributor of electricity from renewable sources, thanks to a production structure consisting of 28 concessions for hydroelectric derivation located in Lombardy, Piedmont and Veneto. It has been part of the Italmobiliare Group since May 2016, as a **subsidiary with a 100% stake**.

## HIGHLIGHTS

	<b>Governance and supply chain</b>	<b>Strategy climate</b>	<b>Health, safety and well-being</b>	<b>Gender and human capital development</b>
<i>The foundation</i>	Adoption of Code of Ethics and Sustainability Policies, with application extended to the entire value chain.	Monitoring with analytical detail of carbon footprint (scopes 1, 2 and 3).	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles (WEPs), incorporating them into identity documents.
<i>The 2022 key results</i>	<p>The legality rating is a summary indicator of companies' compliance with high standards of legality.</p>	<p><b>1,8 MW</b></p> <p>Photovoltaic</p> <p>Photovoltaic systems installed at third-party companies are in addition to the well-established hydroelectric generating capacity.</p>	<p><b>Zero</b></p> <p>Injuries</p> <p>Commitment to ensuring a safe working environment by promoting people's mental and physical well-being must be continuous.</p>	<p><b>+12 h/pp</b></p> <p>Training</p> <p>Training activities resumed at full capacity after the lock-down period, involving 100 percent of the people.</p>
<i>Next challenges</i>	<p><b>100%</b></p> <p>Value chain</p> <p>aligned with Italgen's virtuous model</p>	<p><b>100%</b></p> <p>Services</p> <p>aligned with the carbon footprint mitigation and offset needs of Italian companies.</p>	<p><b>100%</b></p> <p>People</p> <p>able to promote to all stakeholders the culture of safety by inviting the adoption of virtuous behavior.</p>	<p><b>100%</b></p> <p>People</p> <p>covered by development plans aimed at growth, inclusion and gender equality.</p>

## CONTRIBUTION TO SDGs



Italgen integrates the sustainable strategy of the Italmobiliare Group and upholds its commitment with the **Global Compact**, confirming its support for the **Ten Principles** and contributing to the **Sustainable Development Goals**, as well as to the broader objectives of the United Nations.

The **SDG Action Manager** analysis tool allows for effective self-assessment of progresses. The graph aside represents the contribution of Italgen towards the SDGs chosen as its strategic reference

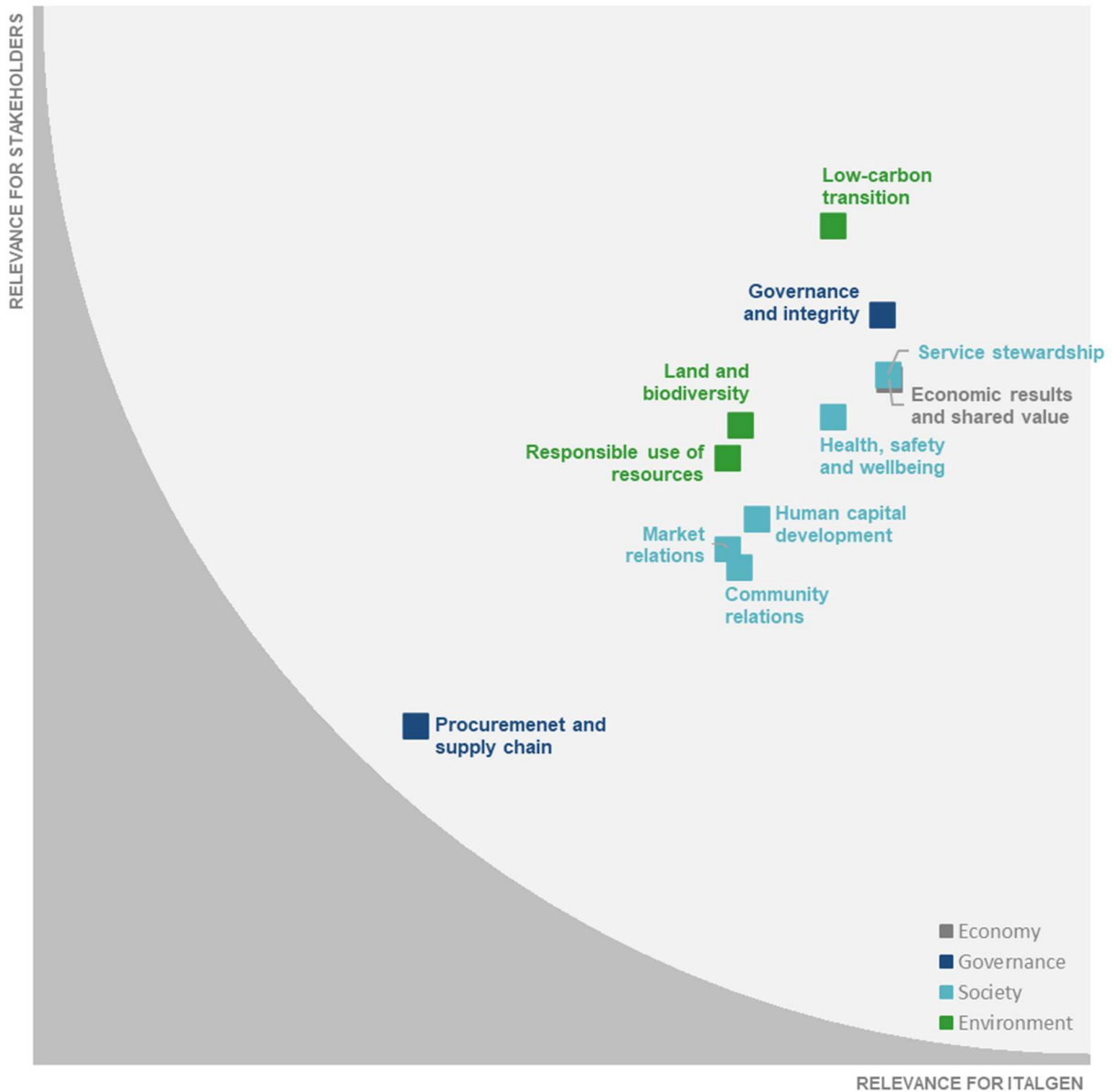
## MATERIALITY

Italmobiliare and Italgas recognize the sensitive aspects of the energy sector and share the key role of renewable energy in the transition to a low-carbon economy and in promoting responsible lifestyles.

In defining the sustainable strategy and related action plans, the materiality analysis offers an effective tool for identifying the relevant governance, economic, social and environmental issues, matching the interests of the business with the expectations of stakeholders.

The materiality matrix is built by systematically evaluating risks, opportunities, positive or negative impacts, analysing all the aspects relevant for the business with the contribution of the first line of management, the majority shareholder and finally collecting the positions expressed by the most representing stakeholders.

The result is graphically represented in the graph hereunder.



## GOVERNANCE

### GOVERNANCE AND INTEGRITY

The composition and management of the governance bodies, starting with the **Board of Directors**, ensure representativeness, competence and the absence of conflicts of interest, aiming at maximum operational efficiency and integrity. Women participation in the Board of Directors is at 20% (1 director out of 5).

In line with the Group's approach, the **Code of Ethics** and the **Sustainability Policies** adopted by Italgas explicitly recall the Ten Principles of the United Nations Global Compact and inspired by the highest global references. Through a sustainable approach aimed at creating shared value for the society and for the environment, Italgas intends to explore further levers of success to increase turnover and profit margins, mitigate business risk, attract capital and investors, motivate its people and consolidate the brand.

Based on that of the Parent Company and considering the specificities relating to the nature, size, type of activity or structure of internal powers, Italgas has adopted an **Organisation, Management and Control Model**, which is foreseen by law but not mandatory. It is designed to limit the risk of committing specific relevant crimes. The Supervisory Body, appointed on the basis of autonomy and independence, is responsible for the control activity. In addition to specific periodic training, the approach adopted includes the whistleblowing procedure for reporting unlawful behaviour, in order to offer employees and third parties confidential channels to raise concerns or violations of the procedure, without fear of retaliation, discrimination or disciplinary action. In addition, Italgas has defined and adopted the Anti-Corruption Guidelines.

More generally, Italgas implements and strengthens the **Enterprise Risk Management** system over time, according to the management framework and the risk catalogue defined at Group level, which integrate ESG approach. The process adopted allows the identification, measurement, monitoring and management of the risks, including climate risks, and helps consolidating the Group's approach.

At an operational level, the **management systems adopted for quality and environment** represent a fundamental asset to guarantee activities that are fully aligned with the corporate strategy, in a logic of continuous improvement. Integration with business processes helps to consolidate the organisational, technological and behavioural methods implemented.

### PROCUREMENT AND SUPPLY CHAIN

Italgas uses suppliers mainly for the construction, installation, commissioning and maintenance of mechanical, electrical and instrumental equipment for power plants, for the renovation or repair of buildings, intake and derivation works and for design and engineering consultancy activities. The supply chain involves almost exclusively national operators.

The choice of suppliers starts with gathering information on the ethical, dimensional, product and technical profile, including the necessary certifications, reserving the right to carry out direct audits. In the contract, all suppliers are required to sign the compliance clause of the Code of Ethics and the Organisation, Management and Control Model adopted by Italgas. In any case, the type and geography of the subjects involved in Italgas's value chain do not highlight specific risks of violation of human and workers' rights.

In 2022, the **Supplier Charter** was adopted, defining the principles to which the suppliers of goods or services and contractors shall align, in their direct activities, in contractual relations with their possible sub-suppliers or subcontractors and, in general, in the creation and management and of their respective value chains. In the prequalification process all suppliers will be asked to complete an online questionnaire covering human and labour rights, respect for the environment and business integrity.

## SOCIETY

### HUMAN CAPITAL DEVELOPMENT

Italgen benefits from the value of 65 specialized and motivated people (overall turnover around 11% with 2 new hires and 5 exits). Procedures are in place for the hiring of personnel, for the post-hiring induction programme and for remuneration, based on a merit matrix that matches performance and benchmarks with the outside market.

In 2022, 1,355 hours of training were provided, covering topics well beyond legislative compliance. In addition, the activity of the Internal Academy continued with the aim of enhancing the skills and experience present in the company, sharing know-how at all levels and increasing the level of engagement, raising awareness among staff on the most important issues, both managerial and technical-operational, such as ethics, sustainability, finance, energy management, planning and control.

The skills, behaviours and technical knowledge acquired by the staff are also monitored as part of their performance assessment, which is carried out annually through direct interviews. Furthermore, Italgen offers executives the possibility of joining the Concreto-Previp pension fund, to which the company voluntarily contributes with a share that in 2022 represented 26% of total payments.

	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Personnel</b>	<b>5</b>	<b>65</b>	<b>70</b>	<b>4</b>	<b>64</b>	<b>68</b>	<b>4</b>	<b>61</b>	<b>65</b>
<i>Managers</i>	0	3	3	0	3	3	0	4	4
<i>Middle managers</i>	2	11	13	1	11	12	1	10	11
<i>Office workers</i>	3	12	15	3	12	15	3	11	14
<i>Production workers</i>	0	39	39	0	38	38	0	36	36
Permanent contracts	100%	100%	<b>100%</b>	100%	98%	<b>99%</b>	100%	100%	<b>100%</b>
Full time contracts	80%	98%	<b>97%</b>	75%	98%	<b>97%</b>	75%	98%	<b>97%</b>
<b>Training (hours per capita)</b>	<b>26.2</b>	<b>10.0</b>	<b>11.2</b>	<b>19.6</b>	<b>7.7</b>	<b>8.4</b>	<b>37</b>	<b>20</b>	<b>21</b>
<i>Managers</i>	0.0	15.0	15.0	0.0	4.0	4.0	0	18	18
<i>Middle managers</i>	0.0	35.0	29.7	6.0	11.6	11.2	66	26	30
<i>Office workers</i>	43.7	8.5	15.6	24.2	20.4	21.2	27	26	26
<i>Production workers</i>	0.0	3.1	3.1	0.0	2.9	2.9	0	17	17
<b>Performance assessment (%)</b>	<b>80%</b>	<b>32%</b>	<b>36%</b>	<b>100%</b>	<b>41%</b>	<b>44%</b>	<b>100%</b>	<b>41%</b>	<b>45%</b>
<i>Managers</i>	0%	100%	100%	0%	100%	100%	0%	100%	100%
<i>Middle managers</i>	50%	100%	92%	100%	100%	100%	100%	100%	100%
<i>Office workers</i>	100%	58%	67%	100%	100%	100%	100%	100%	100%
<i>Production workers</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%

	2020	2021	2022
<b>Gender pay gap</b>	--	--	<b>-14%</b>
<i>Managers</i>	--	--	--
<i>Middle managers</i>	--	--	-26%
<i>Office workers</i>	--	--	-12%
<i>Production workers</i>	--	--	--

## HEALTH, SAFETY AND WELLBEING

Italgen promotes the health, safety and wellbeing of all employees, including companies, suppliers, visitors, customers and the local community in the approach.

The approach adopted is aligned with the applicable national regulations, starting with a solid risk assessment, updated periodically with the support of qualified third parties. Electric shock, night work, working at a height and in isolated places, process machines with moving mechanical parts, the presence of flammable materials and the use of vehicles are the prevailing risk conditions that have been identified. A dedicated internal contact, the availability of a doctor for both institutional and voluntary health promotion activities and the formal involvement of the social partners constitute the support organisation. Preventive reporting of anomalous or risk conditions by everyone, also through the Supervisory Body, accurate analysis of accidental events, even if not serious, near-accidents and system non-conformities, and intense training activities ensure continuous improvement and correct response to emergencies.

In line with the Sustainability Policies adopted, Italgen has developed the management method far beyond simple legislative compliance, finding a foundation in the managerial leadership that supports the motivational elements, the organisational structures and the necessary operational tools, such as risk assessment and the analysis of accidental events. The goal is to build and maintain a true culture of safety, protecting the safety of anyone involved in operational activities and, at the same time, improving managerial skills and motivation for the achievement of more ambitious objectives.

The correct functioning of the entire management system adopted in compliance with the UNI-NAIL Guidelines is subject to annual verification by an internal audit team coordinated by an external team leader.

		2020	2021	2022
<b>Employees injuries</b>		<b>0</b>	<b>1</b>	<b>0</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	0	1	0
Frequency rate	number of injuries per million hours worked	0.0	8.7	0.0
Severity rate	lost days per thousand hours worked	0.0	0.2	0.0

In addition to health and safety, Italgen actively promotes psychological and physical wellbeing and work-life balance, making a range of flexible benefits available to its employees and managers. The activation of remote working, made structural from 2021, will allow the people involved a better work-life balance.

Lastly, it has to be noticed that since 2020 Italgen converted part of the buildings and areas of the former Villa di Serio power plant into a clubhouse with a living area, dining area, changing rooms and a large outdoor green space. The facility allows employees more convenient access to the cycle/foot path and the exercise circuit near the headquarters, along the river Serio.



## SERVICE STEWARDSHIP

Italgen aims at the continuous improvement of service quality, in order to guarantee customer satisfaction and safety. The key elements are to supply electricity with the lowest possible carbon footprint and to guarantee production efficiency and distribution continuity and safety.

The Fibra Project, which began in 2019, has automated remote monitoring of the entire production process, with high-precision sensors and cameras installed at the plants to monitor production parameters in real time and continuously, as well as any anomalies and situations of emergency. The centralized control room at the Villa di Serio headquarters processes the information collected and is able to promptly react remotely or locally, activating the intervention teams. In the following years, the project saw the automation and connection to the remote control system of the waterways of the Villa di Serio plant and of the electrical transformation and transmission equipment. In 2022, the process of improving the monitoring of the production system continued and almost all of the recently acquired plants were also interfaced with the system.

Thanks to the remote-control system, in 2022 there were neither accidents or plant malfunctions that could have caused physical injury to people, nor episodes of general service interruptions, while 7 events affected individual distribution lines, without affecting the service as a whole, for a total of 4992 minutes. These episodes are mainly to do with extreme weather conditions resulting in heavy storms or falling trees. Italgen mitigates this risk by contributing to the maintenance of the wooded areas adjacent to the plants and transmission networks.

The 2021-23 Strategic Plan, now being completed, is aimed at further reducing the risk of unscheduled outages, thanks to production indicators and active diagnostics, capable of anticipating the state of integrity of assets and generating automatic alerts in the event of performance below the expected values or critical maintenance issues. Furthermore, a process of mapping, monitoring and evaluation of new technologies capable of offsetting the volatility of energy demand has been launched, activating tenders and research funding programs in partnership with public and private bodies, in support of technological innovation in the sector energetic.

In 2022 the Company continued the R&D project started in 2021 with the support of the Milan Polytechnic. The aim of the project is the technical-economic evaluation of the production of green hydrogen using the company's current assets. In particular, two sites were selected and evaluated to develop a case study, which gave encouraging results. To date, the project is paused, pending the identification of one or more potential off-takers and the consolidation of the regulatory and incentive framework.

## MARKET AND COMMUNITIES

Protecting the transparency and correctness of customer information is a guiding value for Italgen. Given that an electricity bill is a document that is not particularly easy to understand, together with the tax invoice appropriate explanatory documentation is attached that specifies all of the items that make up the total amount to be paid, their meaning and, in compliance with the law, the energy procurement mix used to supply end-users.

To ensure the protection of its customers' and users' data and to ensure compliance with the requirements of the privacy regulations, Italgen has adopted the data protection model of the parent company Italmobiliare. Particular attention is also paid to the continuity and protection of production data, thanks to a back-up system that duplicates all signals through two suitably configured servers. As regards the company's IT systems, a disaster recovery plan has been activated, which backs up the entire database on a daily basis and stores it in a place other than the primary server. From 2021, an intrusion detection system has been implemented to identify unauthorised access to computers or local networks.

In addition to business relationships, Italgen cultivates ties with the local area and local community, by promoting responsible lifestyles and initiatives to support social and cultural values.

Lastly, Italgen opens up to global transparency by making available to all stakeholders the Sustainability Report, published ever since 2019.

## ENVIRONMENT

## RESPONSIBLE USE OF RESOURCES

The main natural resource used by Italgas is the water that passes through the turbines at its hydroelectric plants. It is a process in which water is neither consumed nor modified in its chemical and physical characteristics.

The company's production and administrative structures consume limited quantities of thermal and electrical energy and well water.

	units	2020	2021	2022
<b>Energy consumed</b>		<b>31,576</b>	<b>28,866</b>	<b>27,994</b>
<i>Thermal: natural gas</i>		106	83	130
<i>Non-renewable energy purchased</i>		30,945	28,197	27,230
<i>Automotive: diesel</i>	<b>GJ</b>	429	533	574
<i>Automotive: gasoline</i>		96	52	61
<b>Energy sold to the grid</b>		<b>1,396,505</b>	<b>1,195,773</b>	<b>920,597</b>
<i>Renewable energy self-produced</i>		1,115,039	1,084,115	622,226
<i>Energy purchased from the grid and sold</i>		281,466	111,658	298,371
<b>Water</b>		<b>6,089</b>	<b>5,580</b>	<b>4,525</b>
<i>Withdrawn from wells</i>	<b>m3</b>	6,089	5,580	4,525
<i>Withdrawn from an aqueduct</i>		1,310	755	879
<i>Discharged into sewers</i>		1,310	755	879

The operation of the plants produces limited quantities of waste. The main type of waste originates from the cleaning of waterways at the intakes by means of grids installed at the entrance to the plants to hold back the various materials carried by the current, such as wood, plants, leaves, plastic and other organic or inorganic matter, that are collected in special bins waiting to be sent for recovery or disposal according to specific procedures.

The waste generated can become a resource for other consumption or production cycles. With this awareness, the 2021-23 Strategic Plan provides for the identification of objectives for each plant relating to the share of waste sent for recovery.

Due to the specificity of the activities, waste is to energy recovery or controlled disposal destinations, where further partial valorisation is possible.

	units	2020	2021	2022
<b>Valorisation of waste generated</b>		<b>267</b>	<b>332</b>	<b>318</b>
Hazardous waste		9	7	63
<i>% Material recovery</i>		95%	92%	100%
<i>% Energy recovery or disposal</i>	<b>t</b>	5%	8%	0%
Non-hazardous waste		259	324	256
<i>% Material recovery</i>		0%	0%	0%
<i>% Energy recovery or disposal</i>		100%	100%	100%

## LOW-CARBON TRANSITION

Italgen supports Italmobiliare in his commitment to company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). The SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science, accelerating companies to halve emissions before 2030 and achieve net-zero emissions before 2050.

Italgen actively contributes to the low-carbon transition with hydroelectric plants in Lombardy, Piedmont and Veneto. Self-consumption is extremely limited and decreasing constantly thanks to the continuous updating of the structures. Full implementation of the centralised remote control system and the progressive modernisation of the company's car pool further reduces its carbon footprint. The purchase of energy on the Power Exchange integrates contractual commitments that exceed production.

Hydroelectric and photovoltaic production sent to the grid and sold makes it possible to avoid the emission of significant quantities of greenhouse gases compared with the average output currently available on the market.

	units	2020	2021	2022	2022
<b>Carbon Footprint</b>		<b>26,317</b>	<b>9,817</b>	<b>26,171</b>	
<b>Scope 3 Upstream</b>		<b>26,270</b>	<b>9,770</b>	<b>26,114</b>	<b>100%</b>
1. Purchased products and services		--	--	--	0%
2. Capital goods		n.m.	n.m.	n.m.	0%
3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions)		26,270	9,770	26,107	100%
4. Upstream transportation and distribution		--	--	--	0%
5. Waste generated by the sites		n.m.	n.m.	0	0%
6. Business travel		n.m.	n.m.	6	0%
7. Employee commuting		n.m.	n.m.	n.m.	0%
8. Upstream leased assets		--	--	--	0%
<b>Scope 1</b>	<b>t CO<sub>2</sub></b>	<b>47</b>	<b>47</b>	<b>57</b>	<b>0%</b>
<b>Scope 2 market based</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<i>location based</i>		2,888	2,467	2,383	
<b>Scope 3 Downstream</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
9. Downstream transportation and distribution		--	--	--	0%
10. Processing of sold products		--	--	--	0%
11. Use of sold products		--	--	--	0%
12. End-of-life treatment of sold products		--	--	--	0%
13. Downstream leased assets		--	--	--	0%
14. Franchises		--	--	--	0%
15. Investments		--	--	--	0%
<b>Emissioni evitate (location based)</b>		<b>106,958</b>	<b>97,327</b>	<b>56,827</b>	
From photovoltaic production					
From hydroelectric production	<b>t CO<sub>2</sub></b>	106,958	97,327	56,827	
From renewable electricity purchased					
<b>Carbon Intensity</b>					
Scope 1+2 market based	<b>t CO<sub>2</sub> / M€ Revenues</b>	1.6	1.0	1.2	

## LAND AND BIODIVERSITY

Italgen's energy source is water, taken from the waterways Adda, Oglio, Brembo e Serio, nonché i torrenti Vò, Dezzo, Povo, Cassiglio, Canalone, Stabina, Mora (Lombardy), Gesso, Vermenagna, Strona, San Giovanni, Ganna, Nivia e dai Rii Passone, Egua, Airola, Scoccia, Piana, Sanfaié e Rovale (Piedmont) e Meschio (Veneto). Thanks to intake and collection works, basins and penstocks or by simple direct flow, the water reaches the hydroelectric power plants where it passes through the turbines connected to the alternators that generate electricity. The total amount of turbine water is extremely significant, but it is released immediately downstream of the plant, without being consumed or modified in its chemical and physical characteristics. The cooling circuits of the machinery lubrication oil do not come into contact with the water flowing through the turbines.

7 out of 26 hydroelectric plants are located in or near protected geographical areas. Since ever, Italgen undertakes to ensure that its plants do not alter the balance of the ecosystem in which they are located, in particular by not hindering the movements and migrations of fish fauna. The release of the ecological flow, the installation of fish ladders, the restocking of fish species in the waterways on which the power plants are located represent a concrete commitment to the protection of biodiversity. The data of the microclimatic monitoring carried out by Italgen are made available to entities, institutions and other persons upon request.

To protect against any form of unintentional spillage on the ground, the high voltage electrical transformers present in most hydroelectric power plants are placed above a tank which in the event of an emergency intercepts any leakage of dielectric oil. Similarly, all product or waste storage tanks and containment tanks are subject to periodic controls planned according to the environmental management system adopted. The oil used at the shut-off devices is contained in tanks built above ground, making it easy to detect and resolve any leaks. In addition, Italgen has identified biodegradable lubricating oils on the market, undertaking to extend their use progressively to all plants subject to revamping or plant modifications. Since 2019, there has been only one case of accidental hydraulic oil spillage, which occurred in August 2022 at the Vaprio d'Adda power plant. Prompt action by the plant's internal staff and relevant authorities allowed the containment of the leaked oil in the very first section of the outflow water return channel, before its removal with environmental remediation.


In order to contain land consumption, the 2021-23 Strategic Plan provides for systematic mapping of any abandoned or unproductive industrial areas and sites owned by Italgen, where new production activities could be installed. In 2022 redevelopment of the former cement plant at Modugno (BA) and its quarry has continued. This will see the construction of a new photovoltaic park, an area of high naturalistic value and an artificial lake that can be used by the local community.



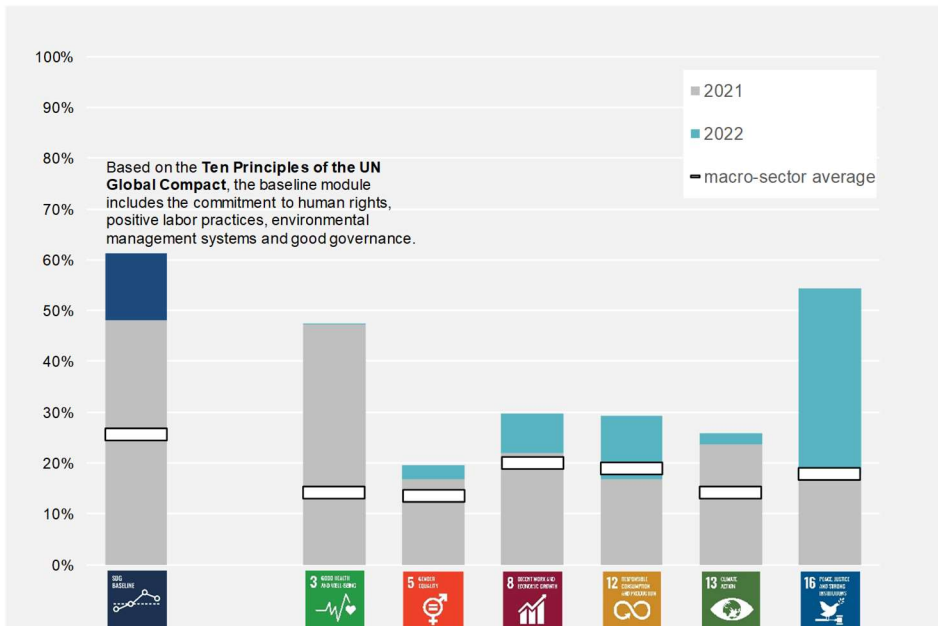
## Casa della Salute

Casa della Salute is a network of specialist clinics, diagnostics, dentists, physio-kinesitherapy, with numerous facilities in Liguria and Piedmont, with the common goal of contributing to the protection of the right to health and guaranteeing citizens a high-quality health service and short waiting lists. It has been part of the Italmobiliare Group since December 2020, as a **subsidiary with an 84,67% stake**.

### HIGHLIGHTS

	Governance and supply chain	Strategy climate	Health, safety and well-being	Gender and human capital development
<i>The foundation</i>	Adoption of Code of Ethics and Sustainability Policies, with application extended to the entire value chain.	Monitoring with analytical detail of carbon footprint (scopes 1, 2 and 3).	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles (WEPs), incorporating them into identity documents.
<i>The 2022 key results</i>	 The legality rating is a summary indicator of companies' compliance with high standards of legality.	<b>Zero</b> Fossil fuels Operating facilities use only renewable electricity for heating and motive power needs.	<b>100%</b> Facilities improved All operating facilities have seen improvements in employee facilities, starting with the Break Area.	<b>63 h/pp</b> Training Educational activity is an indispensable asset for ensuring health service excellence.
<i>Next challenges</i>	<b>100%</b> Value chain aligned with the virtuous model of Casa della Salute	<b>100%</b> Products & services Aligned with carbon footprint mitigation and offset plans.	<b>100%</b> People updated to best-practice for employees and patients, including through the coordination efforts of new facility managers.	<b>100%</b> People covered by development plans aimed at growth, inclusion and gender equality.

### CONTRIBUTION TO SDGs



Casa della Salute integrates the sustainable strategy of the Italmobiliare Group and upholds its commitment with the **Global Compact**, confirming its support for the **Ten Principles** and contributing to the **Sustainable Development Goals**, as well as to the broader objectives of the United Nations.

The **SDG Action Manager** analysis tool allows for effective self-assessment of progresses. The graph aside represents the contribution of Casa della Salute towards the SDGs chosen as its strategic reference

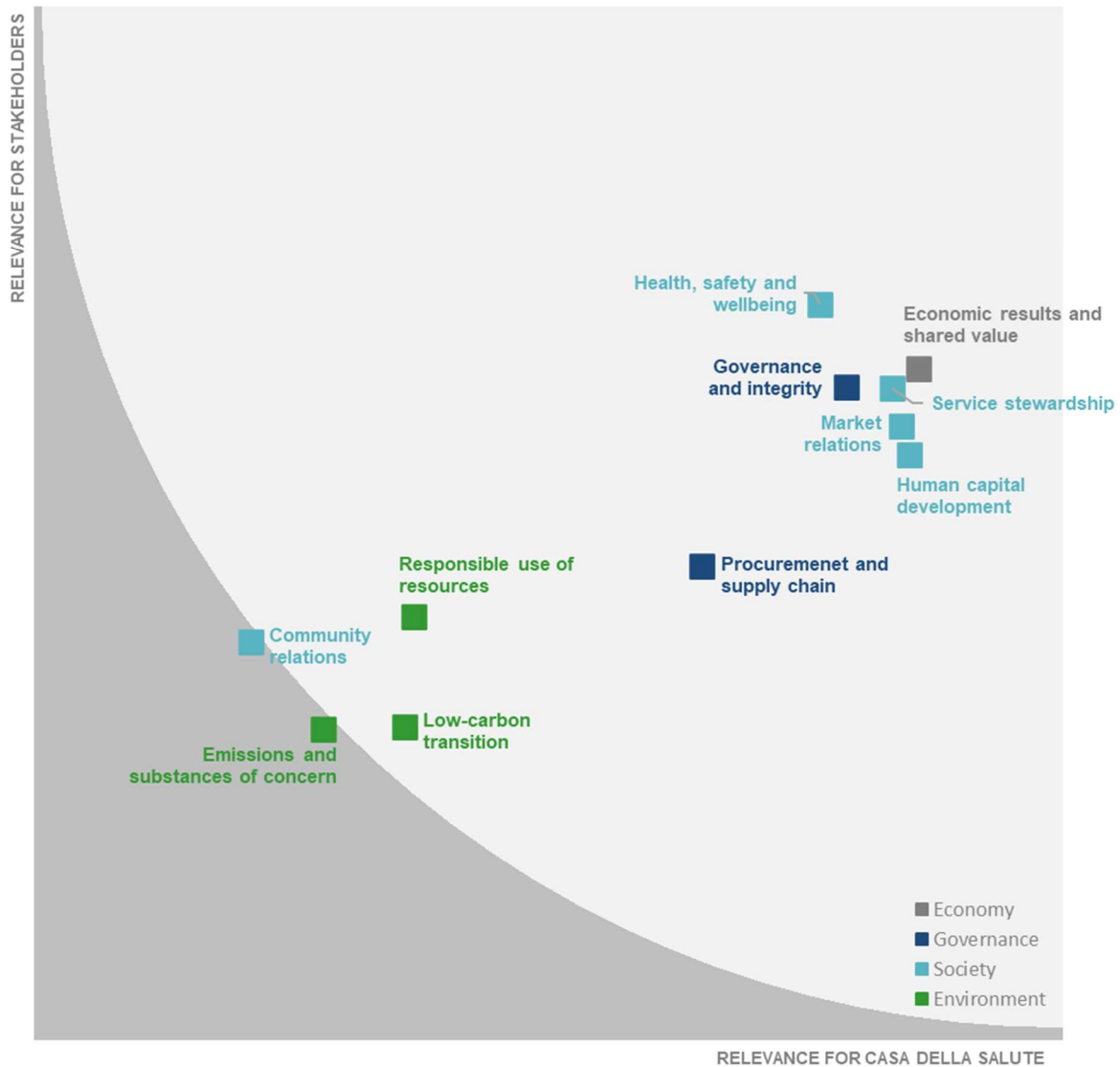
## MATERIALITY

Italmobiliare and Casa della Salute recognize the sensitive aspects of the sector, aiming at innovative and highly digitized healthcare.

In defining the sustainable strategy and related action plans, the materiality analysis offers an effective tool for identifying the relevant governance, economic, social and environmental issues, matching the interests of the business with the expectations of stakeholders.

The materiality matrix is built by systematically evaluating risks, opportunities, positive or negative impacts, analysing all the aspects relevant for the business with the contribution of the first line of management, the majority shareholder and finally collecting the positions expressed by the most representing stakeholders.

The result is graphically represented in the graph hereunder.



## GOVERNANCE

### GOVERNANCE AND INTEGRITY

The composition and management of the governance bodies, starting with the **Board of Directors**, ensure representativeness, competence and the absence of conflicts of interest, aiming at maximum operational efficiency and integrity. At the moment, there is no women participation in the Board of Directors (5 directors).

In line with the Group's approach, the **Code of Ethics** and the **Sustainability Policies** adopted by Casa della Salute explicitly recall the Ten Principles of the United Nations Global Compact and inspired by the highest global references. Through a sustainable approach aimed at creating shared value for the society and for the environment, Casa della Salute intends to explore further levers of success to increase turnover and profit margins, mitigate business risk, attract capital and investors, motivate its people and consolidate the brand.

Based on that of the Parent Company and considering the specificities relating to the nature, size, type of activity or structure of internal powers, Casa della Salute has adopted an **Organisation, Management and Control Model**, which is foreseen by law but not mandatory. It is designed to limit the risk of committing specific relevant crimes. The Supervisory Body, appointed on the basis of autonomy and independence, is responsible for the control activity. In addition to specific periodic training, the approach adopted includes the whistleblowing procedure for reporting unlawful behaviour, in order to offer employees and third parties confidential channels to raise concerns or violations of the procedure, without fear of retaliation, discrimination or disciplinary action.

More generally, Casa della Salute implements and strengthens the **Enterprise Risk Management** system over time, according to the management framework and the risk catalogue defined at Group level, which integrate ESG issues. The process adopted allows the identification, measurement, monitoring and management of the risks, including climate risks, and helps consolidating the Group's approach.

At an operational level, the planned implementation of **management systems** is expected to represent an additional asset to guarantee activities that are fully aligned with the corporate strategy, in a logic of continuous improvement. The integration with business processes helps to consolidate the organisational, technological and behavioural methods.

### PROCUREMENT AND SUPPLY CHAIN

Casa della Salute's supply chain includes suppliers of medical-surgical devices, diagnostic systems (managed on the basis of global service contracts), IT solutions and maintenance, cleaning and sanitizing services for the premises.

In the selection process, in addition to the quality and safety requirements of the products, offers are preferentially evaluated that guarantee supply conditions and timing that align with the company targets. With the same technical requirements, interaction with realities rooted in the area is also preferred. At present, the environmental and social criteria evaluated during the selection process concern the presence of environmental certifications for consumables and data security certifications for IT solutions. Scientific partnerships are active with imaging equipment suppliers for testing and improving solutions.

In 2022, the **Supplier Charter** was adopted, defining the principles to which the suppliers of goods or services and contractors shall align, in their direct activities, in contractual relations with their possible sub-suppliers or subcontractors and, in general, in the creation and management and of their respective value chains. In the prequalification process all suppliers will be asked to complete an online questionnaire covering human and labour rights, respect for the environment and business integrity.

## SOCIETY

## HUMAN CAPITAL DEVELOPMENT

For Casa della Salute, making use of competent and qualified collaborators is an essential condition for the success of the company, which is constantly growing. At the end of 2022, the staff of Casa della Salute numbered 296 motivated and specialized people. In a year characterized by new openings, the turnover was significant (44% incoming, with 129 hires and 26% outgoing, with 77 terminations). 33% of managerial positions are occupied by women. Furthermore, in line with the sector specificity, the use of non-employees was significant. In 2022, there were 629 self-employed workers and interns, largely represented by specialized and loyal medical personnel.

The dialogue with the social partners, even in the absence of trade unions, flows in an open and constructive way, ensuring the protection of the health of workers and the continuity of the service and supporting the provision an intense training program at all levels, in the classroom and in the field. A week of intensive training is provided for the call center and acceptance personnel, carried out by the heads of the business units and the main company functions, aimed at providing a transversal knowledge of the activities and procedures of Casa della Salute, followed by a period of coaching on -the-job of at least three weeks. For technical professionals, the theoretical training relating to the management of equipment and on-the-job takes place alongside the staff in force at the clinics, for a duration of not less than three weeks. In order to allow for adequate organizational flexibility, the laboratory technicians are prepared to use all the equipment in use at the centers. The people involved in administrative activities follow a similar path to that of the technical figures. Continuing training is provided following the induction period, planned on the basis of the needs of the business units.

In terms of welfare, employees enjoy free health insurance and discounts on services provided by Casa della Salute for themselves and for first-degree relatives.

	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Personnel</b>	--	--	--	159	46	205	237	59	296
<i>Managers</i>	--	--	--	0	0	0	0	0	0
<i>Middle managers</i>	--	--	--	5	6	11	6	12	18
<i>Office workers</i>	--	--	--	145	33	178	215	39	254
<i>Production workers</i>	--	--	--	9	7	16	16	8	24
Permanent contracts	--	--	--	69%	85%	72%	83%	85%	83%
Full time contracts	--	--	--	41%	80%	50%	36%	83%	45%
<b>Training (hours per capita)</b>	--	--	--	72.3	118.3	82.6	68	49	64
<i>Managers</i>	--	--	--	0.0	0.0	0.0	0	0	0
<i>Middle managers</i>	--	--	--	6.4	5.3	5.8	11	34	26
<i>Office workers</i>	--	--	--	77.3	157.8	92.2	74	59	71
<i>Production workers</i>	--	--	--	28.3	28.6	28.4	20	18	20
<b>Performance assessment (%)</b>	--	--	--	0%	0%	0%	98%	95%	98%
<i>Managers</i>	--	--	--	0%	0%	0%	0%	0%	0%
<i>Middle managers</i>	--	--	--	0%	0%	0%	100%	100%	100%
<i>Office workers</i>	--	--	--	0%	0%	0%	99%	95%	98%
<i>Production workers</i>	--	--	--	0%	0%	0%	94%	88%	92%
						2020	2021	2022	
<b>Gender pay gap</b>						--	--	--	-31%
<i>Managers</i>						--	--	--	--
<i>Middle managers</i>						--	--	--	-38%
<i>Office workers</i>						--	--	--	-15%
<i>Production workers</i>						--	--	--	-17%



## HEALTH, SAFETY AND WELLBEING

Casa della Salute promotes the health, safety and well-being of all employees and collaborators, including companies, suppliers, visitors, patients and the local community in the approach.

The management adopted is in line with the applicable national regulations, starting with a solid risk assessment, periodically updated with the support of qualified third parties. The main source of risk for workers is the potential malfunction of medical systems and equipment, which are subject to an intense program of periodic checks and maintenance. A dedicated internal structure, the presence of the doctor for both institutional and voluntary health promotion activities and the formal involvement of the social partners constitute the reference organization. The preventive reporting by everyone of anomalous or risk conditions, the accurate analysis of accidental events, even if not serious, and adequate training support continuous improvement. It should be noted the adoption of a radiation protection program with a higher profile than the regulatory classification of radio-exposed workers and a ticketing system that allows you to report risk situations due to the state of surfaces or furnishings and to request maintenance.

In line with the Sustainability Policies adopted, Casa della Salute aims to continuously evolve safety management, starting from management leadership to support a motivational, organizational and operational system. Far beyond simple legislative compliance, this approach aims to build a true culture of safety, protecting the safety of anyone involved in operational activities and, at the same time, improving managerial skills and motivations for achieving broader results objectives.

		2020	2021	2022
<b>Employees injuries</b>		<b>0</b>	<b>0</b>	<b>1</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	0	0	1
Frequency rate	number of injuries per million hours worked	0.0	0.0	2.6
Severity rate	lost days per thousand hours worked	0.0	0.0	0.0

## SERVICE STEWARDSHIP

The offer of a high quality and accessible health service is based on the Vision and Mission of Casa della Salute.

In order to allow a timely and regular assessment of patient satisfaction, with a view to continuous improvement, from 2021 a Mystery Client system is operational, managed by a private investigation company, which carries out the entire cycle of care undercover, providing monthly monitoring of the quality of patient acceptance and management and of the punctuality and courtesy of professionals.

Following the increase in activity and the expansion of the specialties covered by Casa della Salute in recent years, a formalization and standardization of the intervention models and reporting processes has been initiated, in order to combine objectives of effectiveness and efficiency. For this purpose, in 2022 a standard report model has been extended to all the specialties covered.

Technological innovation is a key element in providing patients with high quality services at a low cost. Thanks to strategic partnerships with leading manufacturers of non-invasive imaging and diagnostic solutions such as Esaote, Casa della Salute benefits from the best technologies available and actively contributes to equipment testing and improvement activities.

## ENVIRONMENT

## RESPONSIBLE USE OF RESOURCES

Casa della Salute uses drugs, medical-surgical aids, health protection devices and other consumables.

Water withdrawals are carried out for the operation of magnetic resonance systems or hygienic-sanitary purposes and are of modest entity. Similarly, the discharges affect only domestic wastewater.

	units	2020	2021	2022
<b>Energy consumed</b>		<b>0</b>	<b>5,298</b>	<b>8,954</b>
<i>Renewable energy self-produced</i>		0	4,762	7,970
<i>Automotive: diesel</i>	<b>GJ</b>	0	464	726
<i>Automotive: gasoline</i>		0	72	251

Healthcare activities generate hazardous and non-hazardous waste with infectious risk, which are managed according to a specific procedure and entrusted to a specialized company with the aim of maximizing the chances of recovery. Administrative activities also generate solid municipal waste, sorted on site and collected by local waste companies.

	units	2020	2021	2022
<b>Valorisation of waste generated</b>		<b>0</b>	<b>15</b>	<b>17</b>
Hazardous waste		0	15	16
<i>% Material recovery</i>		0%	100%	99%
<i>% Energy recovery or disposal</i>	<b>t</b>	0%	0%	1%
Non-hazardous waste		0	0	1
<i>% Material recovery</i>		0%	0%	0%
<i>% Energy recovery or disposal</i>		0%	100%	100%

## LOW-CARBON TRANSITION

Casa della Salute supports Italmobiliare in his commitment to company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). The SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science, accelerating companies to halve emissions before 2030 and achieve net-zero emissions before 2050.

Direct emissions (Scope 1) of Casa della Salute are limited to the operation of the small company fleet, which is being updated with hybrid or electric vehicles. The health clinics of Casa della Salute have newly or recently installed heating and cooling systems, characterized by high levels of energy efficiency and, by choice, powered exclusively with certified electricity from renewable sources. Therefore, indirect emissions (Scope 2) are zero. The carbon footprint depends almost entirely on the emissions of the value chain (Scope 3), which Casa della Salute analyses more and more in detail to identify mitigation opportunities.


	units	2020	2021	2022	2022
<b>Carbon Footprint</b>			<b>2,128</b>	<b>2,793</b>	
<b>Scope 3 Upstream</b>			<b>1,986</b>	<b>2,721</b>	<b>97%</b>
1. Purchased products and services			907	1,242	44%
2. Capital goods			6	9	0%
3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions)			897	1,229	44%
4. Upstream transportation and distribution			80	78	3%
5. Waste generated by the sites			96	132	5%
6. Business travel			n.m.	31	1%
7. Employee commuting			n.m.	n.m.	0%
8. Upstream leased assets			--	--	0%
<b>Scope 1</b>	<b>t CO<sub>2</sub></b>		<b>142</b>	<b>72</b>	<b>3%</b>
<b>Scope 2 market based</b>			<b>0</b>	<b>0</b>	<b>0%</b>
<i>location based</i>			417	697	
<b>Scope 3 Downstream</b>			<b>0</b>	<b>0</b>	<b>0%</b>
9. Downstream transportation and distribution			--	--	0%
10. Processing of sold products			--	--	0%
11. Use of sold products			--	--	0%
12. End-of-life treatment of sold products			--	--	0%
13. Downstream leased assets			--	--	0%
14. Franchises			--	--	0%
15. Investments			--	--	0%
<b>Emissioni evitate (location based)</b>			<b>417</b>	<b>697</b>	
From photovoltaic production			0	0	
From hydroelectric production	<b>t CO<sub>2</sub></b>		0	0	
From renewable electricity purchased			417	697	
<b>Carbon Intensity</b>					
Scope 1+2 market based	<b>t CO<sub>2</sub> / M€ Revenues</b>	0	5.5	2.3	



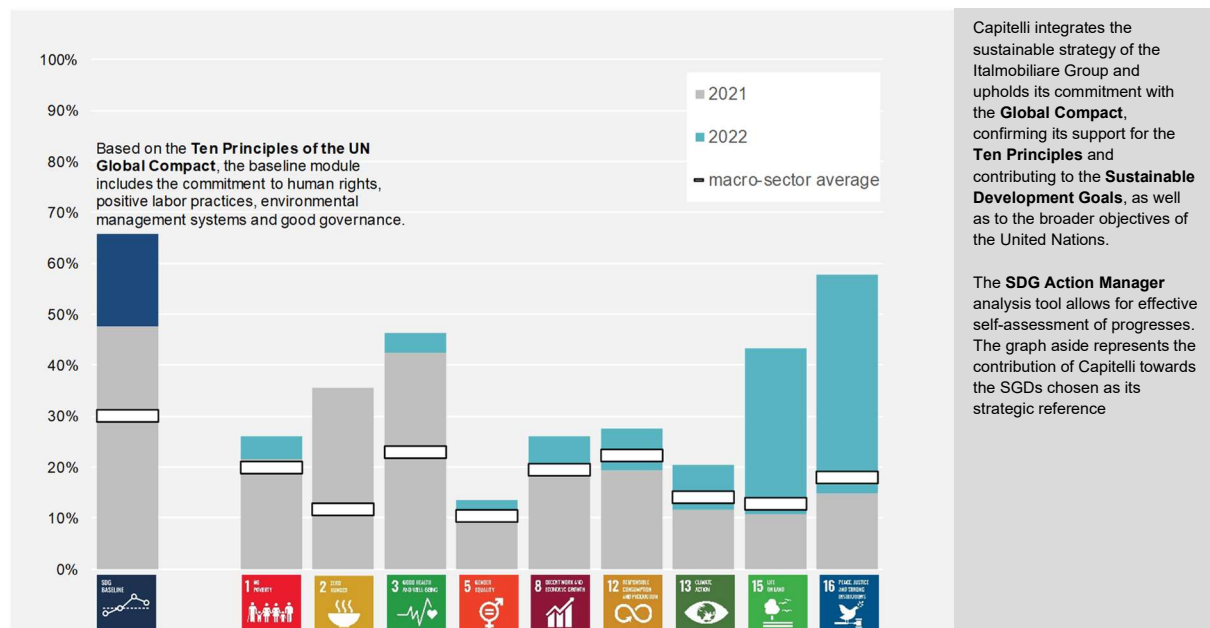
# Capitelli

Capitelli, which was founded in 1976 in Borgonovo Val Tidone (Piacenza), produces premium-range cooked ham. It is characterised by a careful choice of meats of selected origin and an original craft process, which make it a sought-after, niche product positioned among Italy's food excellences. It has been part of Italmobiliare Group since December 2019, as a **subsidiary with an 80% stake**.

## HIGHLIGHTS

	Governance and supply chain	Strategy climate	Health, safety and well-being	Gender and human capital development
<i>The foundation</i>	Adoption of Code of Ethics and Sustainability Policies, with application extended to the entire value chain.	Monitoring with analytical detail of carbon footprint (scopes 1, 2 and 3).	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles (WEPs), incorporating them into identity documents.
<i>The 2022 key results</i>	 <p>To share the highest ethical, social, environmental, animal welfare, quality and food safety standards.</p>	<p><b>Zero CO<sub>2</sub></b></p> <p>Scope 2 since 2022</p> <p>Since 2022, Capitelli has used only renewable electricity, including through a photovoltaic system.</p>	<p><b>60%</b></p> <p>Facilities improved</p> <p>3 new entrance/exit compasses from departments. First tranche of a project that also coiinvolves locker rooms and offices.</p>	<p><b>45 people</b></p> <p>Welfare</p> <p>100 percent of the people who contribute to Capitelli's excellence have been placed on an evolved welfare plan.</p>
<i>Next challenges</i>	<p><b>100%</b></p> <p>Value chain</p> <p>aligned with Capitelli's model.</p>	<p><b>100%</b></p> <p>Products &amp; services</p> <p>aligned with carbon footprint mitigation and offset plans.</p>	<p><b>100%</b></p> <p>Facilities</p> <p>updated to production and administrative best-practice.</p>	<p><b>100%</b></p> <p>People</p> <p>covered by development plans aimed at growth, inclusion and gender equality.</p>

## CONTRIBUTION TO SDGs



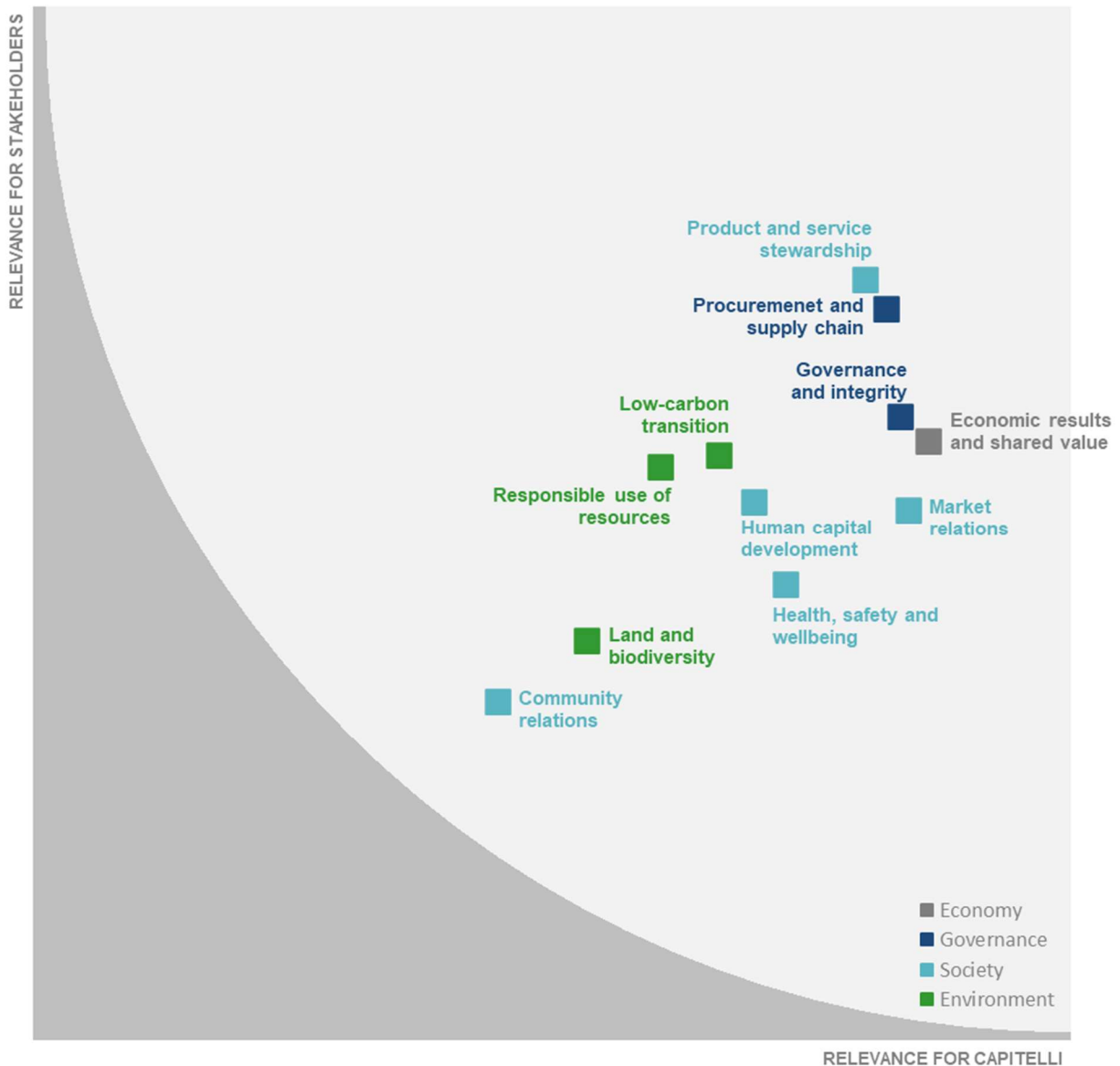
## MATERIALITY

Italmobiliare and Capitelli recognize the sensitive aspects of the animal-based commodity sector. In particular, the sector highlights important issues for the sustainable success of the business, economic, social and environmental issues, which cover the entire value cycle, from the procurement of raw materials to the promotion of responsible consumption.

In defining the sustainable strategy and related action plans, the materiality analysis offers an effective tool for identifying the relevant governance, economic, social and environmental issues, matching the interests of the business with the expectations of stakeholders.

The materiality matrix is built by systematically evaluating risks, opportunities, positive or negative impacts, analysing all the aspects relevant for the business with the contribution of the first line of management, the majority shareholder and finally collecting the positions expressed by the most representing stakeholders.

The result is graphically represented in the graph hereunder



## GOVERNANCE

### GOVERNANCE AND INTEGRITY

The composition and management of the governance bodies, starting with the Board of Directors, ensure representativeness, competence and the absence of conflicts of interest, aiming at maximum operational efficiency and integrity. At the moment, there is no women participation in the Board of Directors (3 directors).

In line with the Group's approach, the **Code of Ethics** and the **Sustainability Policies** adopted by Capitelli explicitly recall the Ten Principles of the United Nations Global Compact and inspired by the highest global references. Through a sustainable approach aimed at creating shared value for the society and for the environment, Capitelli intends to explore further levers of success to increase turnover and profit margins, mitigate business risk, attract capital and investors, motivate its people and consolidate the brand.

Based on that of the Parent Company and considering the specificities relating to the nature, size, type of activity or structure of internal powers, Capitelli has adopted an **Organisation, Management and Control Model**, which is foreseen by law but not mandatory. It is designed to limit the risk of committing specific relevant crimes. The Supervisory Body, appointed on the basis of autonomy and independence, is responsible for the control activity. In addition to specific periodic training, the approach adopted includes the whistleblowing procedure for reporting unlawful behaviour, in order to offer employees and third parties confidential channels to raise concerns or violations of the procedure, without fear of retaliation, discrimination or disciplinary action.

More generally, Capitelli implements and strengthens the **Enterprise Risk Management** system over time, according to the management framework and the risk catalogue defined at Group level, which integrate ESG issues. The process adopted allows the identification, measurement, monitoring and management of the risks, including climate risks, and helps consolidating the Group's approach.

At an operational level, the planned implementation of **management systems** is expected to represent an additional asset to guarantee activities that are fully aligned with the corporate strategy, in a logic of continuous improvement. The integration with business processes helps to consolidate the organisational, technological and behavioural methods.

### PROCUREMENT AND SUPPLY CHAIN

The procurement of quality pork constitutes over 60% of Capitelli's total spending, buying largely from national suppliers, chosen on the basis of quality and certified food safety standards.

In addition, the "Filiere Capitelli" project was launched in. In 2022, the "**Filiere Capitelli**" Policy was defined, with which Capitelli shares the highest ethical, social, environmental and animal welfare standards with all partners along the value chain, guaranteeing qualitative excellence and respect for the most advanced food safety standards. To this end, Capitelli intends to guide the active commitment of each partner with training, managerial and economic support, all essential conditions for obtaining a raw material that meets the quality standards sought for premium-range products. Thanks to this approach, Capitelli also intends to mitigate the dependence of farmers on consolidated market logics which require the adaptation of the offer to the trend in price lists, in favour of direct negotiation between the processing company, the farmers and the slaughterhouses

In 2022, the **Supplier Charter** was adopted, defining the principles to which the suppliers of goods or services and contractors shall align, in their direct activities, in contractual relations with their possible sub-suppliers or subcontractors and, in general, in the creation and management and of their respective value chains. In the prequalification process all suppliers will be asked to complete an online questionnaire covering human and labour rights, respect for the environment and business integrity.

Suppliers of packaging and subsidiary materials are also required to comply with environmental standards, preferably certified, even without a formal procedure.

## SOCIETY

### HUMAN CAPITAL DEVELOPMENT

Capitelli benefits from the value of 45 specialized and motivated people (overall turnover 40%, 8 new hires and 10 exits), by choice mainly from the local area, including a fair number of non-EU citizens. A significant use of non-employee workers was made. In 2022, they were 81, mostly agents.

From 2021, an organic review of the corporate organization model was carried out, which saw a formalization of internal functions and responsibilities, the enhancement of female figures, and the definition of the main internal procedures in conjunction with the renewal of company information systems.

At the same time, the training offer was expanded with the inclusion of digital skill courses preparatory to the use of new IT applications and a specific path on food safety as part of the certification process according to IFS - International Food Standard, edited from the Catholic University - Piacenza site.

An incentive system is active, anchored to an assessment of performance at company, function / area and individual level. The results obtained by the figures with organizational responsibilities include qualitative parameters regarding food safety and sustainability.

The teleworking methods introduced for administrative functions in 2020 were confirmed in 2023 as a flexibility tool, accompanied by the provision of welfare initiatives.

	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Personnel</b>	<b>13</b>	<b>37</b>	<b>50</b>	<b>12</b>	<b>35</b>	<b>47</b>	<b>11</b>	<b>34</b>	<b>45</b>
<i>Managers</i>	0	1	1	0	1	1	0	1	1
<i>Middle managers</i>	0	0	0	0	0	0	0	0	0
<i>Office workers</i>	8	3	11	8	3	11	8	3	11
<i>Production workers</i>	5	33	38	4	31	35	3	30	33
Permanent contracts	54%	59%	<b>58%</b>	58%	69%	<b>66%</b>	73%	74%	<b>73%</b>
Full time contracts	46%	65%	<b>60%</b>	42%	74%	<b>66%</b>	45%	79%	<b>71%</b>
<b>Training (hours per capita)</b>	<b>0.0</b>	<b>0.6</b>	<b>0.5</b>	<b>22.6</b>	<b>4.4</b>	<b>9.1</b>	<b>17</b>	<b>21</b>	<b>20</b>
<i>Managers</i>	0.0	0.0	0.0	0.0	0.0	0.0	0	13	13
<i>Middle managers</i>	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<i>Office workers</i>	0.0	0.0	0.0	33.9	30.0	32.8	23	54	31
<i>Production workers</i>	0.0	0.7	0.6	0.0	2.1	1.9	0	18	17
<b>Performance assessment (%)</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>67%</b>	<b>83%</b>	<b>79%</b>	<b>73%</b>	<b>82%</b>	<b>80%</b>
<i>Managers</i>	0%	0%	0%	0%	100%	100%	0%	100%	100%
<i>Middle managers</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Office workers</i>	0%	0%	0%	100%	100%	100%	100%	100%	100%
<i>Production workers</i>	0%	0%	0%	0%	81%	71%	0%	80%	73%

	2020	2021	2022
<b>Gender pay gap</b>	--	--	<b>-10%</b>
<i>Managers</i>	--	--	--
<i>Middle managers</i>	--	--	--
<i>Office workers</i>	--	--	<b>-18%</b>
<i>Production workers</i>	--	--	--

## HEALTH, SAFETY AND WELLBEING

Capitelli promotes the health, safety and wellbeing of all employees, including companies, suppliers, visitors, customers and the local community in the approach.

The approach adopted is aligned with the applicable national regulations, starting with a solid risk assessment, updated periodically with the support of qualified third parties. The use of cutting tools, potentially slippery surfaces, interaction between people and moving vehicles and process machines with moving mechanical parts are the prevailing risk conditions identified. A dedicated internal structure, the presence of the company doctor and the formal involvement of the social partners constitute the reference organisation. Preventive reporting of anomalous or risk conditions by everyone, an accurate analysis of accidental events, even if not serious, and adequate training activities ensure continuous improvement.

In line with the Sustainability Policies adopted, Capitelli intends to develop the management method, finding a foundation in the managerial leadership that supports the motivational elements, the organisational structures and the necessary operational tools, such as risk assessment and the analysis of accidental events. Far beyond simple legislative compliance, this approach aims to build a true culture of safety, protecting the safety of anyone involved in operational activities and, at the same time, improving managerial skills and motivations for achieving broader results objectives.

		2020	2021	2022
<b>Employees injuries</b>		<b>2</b>	<b>1</b>	<b>1</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	2	1	1
Frequency rate	number of injuries per million hours worked	37.6	16.9	16.5
Severity rate	lost days per thousand hours worked	0.0	0.3	0.1

## PRODUCT AND SERVICE STEWARDSHIP

The ultimate goal of Capitelli's entire business is quality excellence, repeatedly appreciated by the market. Also in 2022, the "San Giovanni" cooked ham was confirmed with the assignment of five pins by the Guide to Salumi d'Italia de L'Espresso, the only cooked ham in Italy to obtain this result since the first edition. These awards are the result of careful research conducted in the field since the foundation of the company by Angelo Capitelli, starting from the rediscovery of traditional processing methods to pursue a progressive refinement of the individual phases.

The sustainable value of the products arises from the supply chain, with responsible choices for procurement that will be further consolidated with the full implementation of the "Capitelli Supply Chain". It continues with initiatives aimed at reducing the environmental footprint of production, from renewable energy to the search for business partners for the enhancement of processing waste. In addition, thanks to the close relationship with suppliers, Capitelli monitors the technological opportunities for the introduction of recycled and recyclable packaging and subsidiary materials.

For Capitelli, the pursuit of qualitative excellence is inextricably combined with compliance with the highest food safety standards.

The main suppliers of pork used by the company have certifications in the field of food safety (BRC / IFS). Capitelli also started the certification process according to IFS standards in 2021 and planned the necessary adjustments. Compliance with the HACCP system of the individual processing stages carried out in the plant is ensured by analytical plans for controlling the physical, chemical and biological characteristics of the meat and by the bimonthly carrying out of sample analyzes on the finished product by an external analysis laboratory. Furthermore, every two months, analyzes are carried out on incoming meat samples and swabs on processing surfaces, cold rooms and technical equipment. For the "San Giovanni" terracotta line, an additional analysis of sample units for the search for bacteria and pathogens is also provided on a six-monthly basis, as well as checks for determining the nitrite and nitrate content. The pork legs are subjected to pasteurization, ensuring a better shelf life.



In addition to direct production, for a marginal portion of its business volume, Capitelli distributes national cured meats made by selected producers and with the highest guarantees of quality and food safety.

The company actively participates in the audits carried out periodically by large-scale distribution chains, whose specific evaluation parameters are integrated from time to time into the HACCP self-control protocol. In order to ensure greater control of the distribution phase, the company has introduced a digital system that allows timely tracking of batches.

## MARKET AND COMMUNITIES

Capitelli adopts the utmost transparency criteria in product communication, to allow its customers and the end consumer to appreciate its distinctive characteristics and to promote responsible consumption. In addition to the mandatory information on the product label, the company website provides additional elements, such as nutritional values, ingredients and origin of raw materials, any allergens, packaging materials, advice for use and storage methods.

By virtue of its B2B business model, the company does not collect sensitive data relating to end-consumers.

## ENVIRONMENT

## RESPONSIBLE USE OF RESOURCES

In addition to pork legs, Capitelli consumes packaging materials, during cooking and pasteurisation, as well as during moulding and packing. Meat processing creates a significant quantity of by-products. At the slaughterhouse, an initial fraction is separated for use by other subjects in the food chain. At Capitelli, trimmings, bones, fat and gelatine are entrusted to specialist operators for direct commercial use or for transformation into animal feed, for the chemical industry, for the production of biofuels and for the production of fertilizers.

The water from internal wells is mainly consumed in the daily sanitation of facilities. However, Capitelli is aware of the significant water footprint of its supply chain.

	units	2020	2021	2022
<b>Raw materials</b>		<b>1,793</b>	<b>2,097</b>	<b>2,140</b>
Pork meat		1,632	1,906	1,951
Other ingredients		77	97	93
Packaging	t	83	94	95
Aluminium		2	2	1
Cardboard		62	76	78
Plastic		20	16	16
	units	2020	2021	2022
<b>Energy consumed</b>		<b>8,650</b>	<b>10,522</b>	<b>9,677</b>
Thermal: natural gas		4,914	6,184	5,021
Non-renewable energy purchased		2,581	3,047	3,332
Renewable energy self-produced	GJ	649	722	4,059
Automotive: diesel		507	569	544
<b>Energy sold to the grid</b>		<b>693</b>	<b>734</b>	<b>735</b>
Renewable energy self-produced		44	13	8
<b>Water</b>		<b>9,782</b>	<b>14,810</b>	<b>14,365</b>
Withdrawn from wells		406	300	444
Withdrawn from an aqueduct	m3	9,000	14,000	13,398
Discharged into sewers		0	0	0

For the “out of mould” cooking and pasteurisation of the legs, bags made of temperature-resistant polymeric materials are required, currently available only in virgin material and not recyclable except as energy recovery. Agreements with suppliers envisage introducing products with recycled content by 2025. Capitelli's finished products are packaged in bags made of poly laminates in virgin materials, which can be sent for material recovery after differentiation or for energy recovery. The packaged products are delivered to the carrier in FSC MIX certified cardboard packaging, i.e. partially recycled and completely recyclable.

Currently, the waste generated is all sent to controlled disposal destinations, where it is possible to valorise the energy, at least partially.

	units	2020	2021	2022
<b>Valorisation of waste generated</b>		<b>215</b>	<b>335</b>	<b>264</b>
Non-hazardous waste		215	335	264
% Material recovery	t	0%	0%	0%
% Energy recovery or disposal		100%	100%	100%

## LOW-CARBON TRANSITION

Capitelli supports Italmobiliare in his commitment to company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). The SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science, accelerating companies to halve emissions before 2030 and achieve net-zero emissions before 2050.

The carbon footprint largely depends on the management of pig farms. Since 2022, Scope 2 emissions, from the use of electricity, have been completely eliminated, thanks to self-production, specific supply contracts and the purchase of certificates of guarantees of renewable origin. While improving the analytical assessment of the emissions of the value chain (Scope 3), Capitelli is committed to mitigating the climate-altering effects of its business.

In 2021 the heating and refrigeration systems were completely renovated with the adoption of highly energy efficient solutions, which entered full capacity at the beginning of 2022.

In addition to the efficiency of the production processes, the plant owns an active photovoltaic system that produces almost 200,000 kilowatt hours of electricity per year, most of which is reused directly.

	units	2020	2021	2022	2022
<b>Carbon Footprint</b>		<b>21,720</b>	<b>25,384</b>	<b>25,412</b>	
<b>Scope 3 Upstream</b>		<b>20,901</b>	<b>24,393</b>	<b>24,960</b>	<b>98%</b>
1. Purchased products and services		20,901	24,393	24,960	98%
2. Capital goods		n.m.	n.m.	n.m.	0%
3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions)		--	--	--	0%
4. Upstream transportation and distribution		n.m.	n.m.	n.m.	0%
5. Waste generated by the sites		n.m.	n.m.	n.m.	0%
6. Business travel		n.m.	n.m.	0	0%
7. Employee commuting		n.m.	n.m.	n.m.	0%
8. Upstream leased assets		--	--	--	0%
<b>Scope 1</b>	<b>t CO<sub>2</sub></b>	<b>324</b>	<b>415</b>	<b>365</b>	<b>1%</b>
<b>Scope 2 market based</b>		<b>334</b>	<b>388</b>	<b>0</b>	<b>0%</b>
<i>location based</i>		241	330	355	
<b>Scope 3 Downstream</b>		<b>161</b>	<b>189</b>	<b>87</b>	<b>0%</b>
9. Downstream transportation and distribution		160	186	85	0%
10. Processing of sold products		n.m.	n.m.	n.m.	0%
11. Use of sold products		--	--	--	0%
12. End-of-life treatment of sold products		2	2	2	0%
13. Downstream leased assets		--	--	--	0%
14. Franchises		--	--	--	0%
15. Investments		--	--	--	0%
<b>Emissioni evitate (location based)</b>		<b>65</b>	<b>64</b>	<b>356</b>	
From photovoltaic production	<b>t CO<sub>2</sub></b>	65	64	64	
From hydroelectric production		0	0	0	
From renewable electricity purchased		0	0	292	
<b>Carbon Intensity</b>					
Scope 1+2 market based	<b>t CO<sub>2</sub> / M€ Revenues</b>	44.4	45.9	19.0	



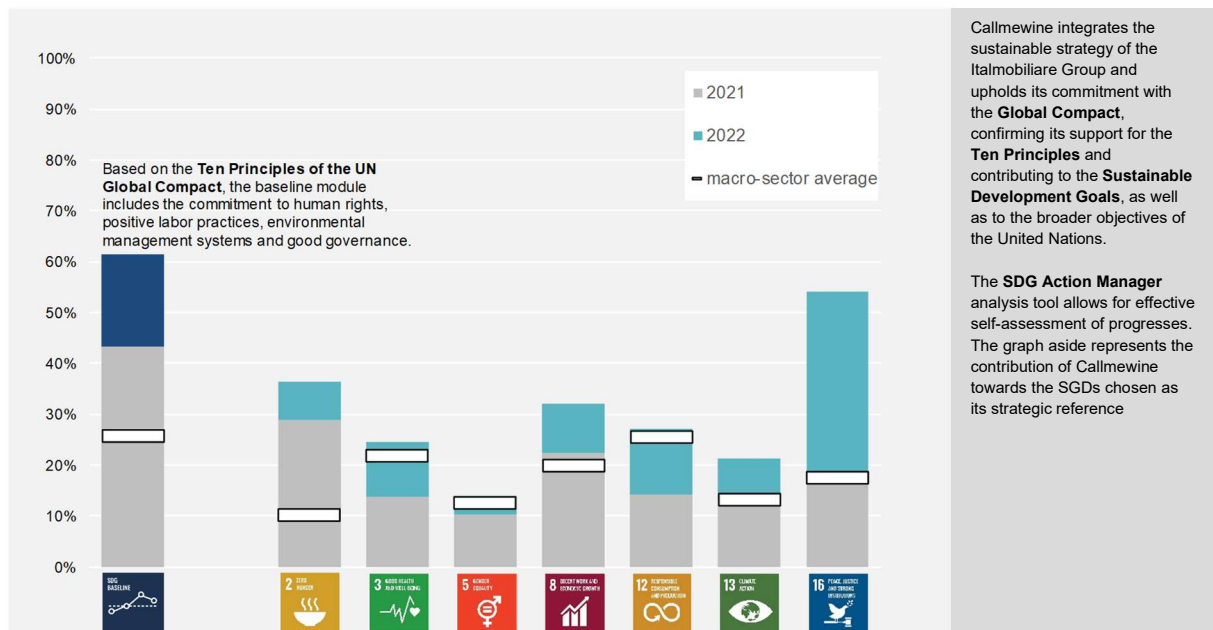
# Callmewine

Callmewine, established in 2010, is an e-commerce platform that specialises in the sale of wine, where it ranks as one of the market leaders in Italy. It boasts an extensive catalogue of wines with around 10,000 labels on offer, ranging from big names on the global wine scene to small producers. It has been part of the Italmobiliare Group since December 2020, as a **subsidiary with a 80% stake**.

## HIGHLIGHTS

	Governance and supply chain	Strategy climate	Health, safety and well-being	Gender and human capital development
<i>The foundation</i>	Adoption of Code of Ethics and Sustainability Policies, with application extended to the entire value chain.	Monitoring with analytical detail of carbon footprint (scopes 1, 2 and 3).	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles (WEPs), incorporating them into identity documents.
<i>The 2022 key results</i>	<b>80%</b> Suppliers  With the adoption of the Supplier Charter, they received a detailed ESG pre-qualification questionnaire.	<b>Zero CO<sub>2</sub></b> 2023-2024  In 2022 it acquired credits to offset the entire carbon footprint for at least the next 2 years.	<b>Zero</b> Injuries  Commitment to ensuring a safe working environment by promoting people's mental and physical well-being must be continuous.	<b>30 h/pp</b> Training  Training activities resumed at full capacity after the lock-down period, involving 100 percent of the people.
<i>Next challenges</i>	<b>100%</b> Value chain  aligned with Callmewine's virtuous model.	<b>100%</b> Products & services  aligned with carbon footprint mitigation and offset plans.	<b>100%</b> People  able to promote to all stakeholders the culture of safety by inviting the adoption of virtuous behavior.	<b>100%</b> People  covered by development plans aimed at growth, inclusion and gender equality.

## CONTRIBUTION TO SDGs



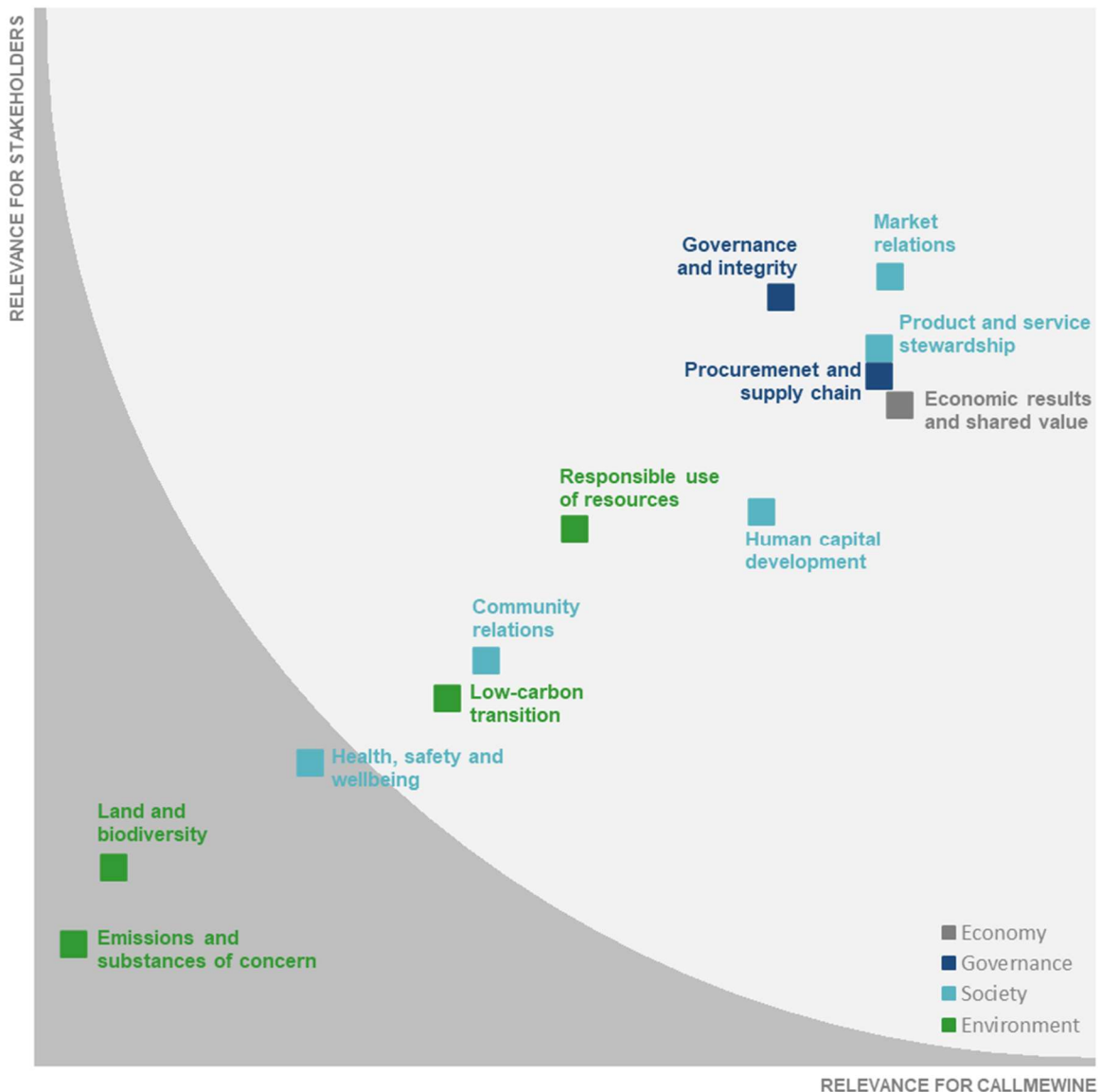
## MATERIALITY

Italmobiliare and Callmewine recognize the sensitive aspects of the food e-commerce sector, which highlights important issues for the sustainable success of the business, economic, social and environmental, which cover the entire value chain, from the procurement of products and raw materials for packaging to logistics services for widespread delivery.

In defining the sustainable strategy and related action plans, the materiality analysis offers an effective tool for identifying the relevant governance, economic, social and environmental issues, matching the interests of the business with the expectations of stakeholders

The materiality matrix is built by systematically evaluating risks, opportunities, positive or negative impacts, analysing all the aspects relevant for the business with the contribution of the first line of management, the majority shareholder and finally collecting the positions expressed by the most representing stakeholders.

The result is graphically represented in the graph hereunder.



## GOVERNANCE

### GOVERNANCE AND INTEGRITY

The composition and management of the governance bodies, starting with the **Board of Directors**, ensure representativeness, competence and the absence of conflicts of interest, aiming at maximum operational efficiency and integrity. Women participation in the Board of Directors is at 20% (1 director out of 5).

In line with the Group's approach, the **Code of Ethics** and the **Sustainability Policies** adopted by Callmewine explicitly recall the Ten Principles of the United Nations Global Compact and inspired by the highest global references. Through a sustainable approach aimed at creating shared value for the society and for the environment, Callmewine intends to explore further levers of success to increase turnover and profit margins, mitigate business risk, attract capital and investors, motivate its people and consolidate the brand.

Based on that of the Parent Company and considering the specificities relating to the nature, size, type of activity or structure of internal powers, Callmewine adopts an **Organisation, Management and Control Model**, which is foreseen by law but not mandatory. It is designed to limit the risk of committing specific relevant crimes. The Supervisory Body, appointed on the basis of autonomy and independence, will be responsible for the control activity. In addition to specific periodic training, the approach will include the whistleblowing procedure for reporting unlawful behaviour, in order to offer employees and third parties confidential channels to raise concerns or violations of the procedure, without fear of retaliation, discrimination or disciplinary action.

More generally, Callmewine implements and strengthens the **Enterprise Risk Management** system over time, according to the management framework and the risk catalogue defined at Group level, which integrate ESG issues. The process adopted allows the identification, measurement, monitoring and management of the risks, including climate risks, and helps consolidating the Group's approach.

At an operational level, the adopted **management procedures** represent a fundamental asset to guarantee activities that are fully aligned with the corporate strategy, in a logic of continuous improvement. The integration with business processes helps to consolidate the organisational, technological and behavioural methods.

### PROCUREMENT AND SUPPLY CHAIN

The company purchases products from suppliers selected through solid personal relationships, making them available for purchase on its web portal.

An outsourced logistics system guarantees retail delivery within the deadlines indicated at the time of purchase.

In 2022, the **Supplier Charter** was adopted, defining the principles to which the suppliers of goods or services and contractors shall align, in their direct activities, in contractual relations with their possible sub-suppliers or subcontractors and, in general, in the creation and management and of their respective value chains. In the prequalification process all suppliers are asked to complete an online questionnaire covering human and labour rights, respect for the environment and business integrity.

## SOCIETY

### HUMAN CAPITAL DEVELOPMENT

Callmewine benefits from the value of 21 motivated and specialized people, in a growing reality (total turnover 57%, 10 new hires and 2 exits). Direct employees are covered by a collective bargaining agreement. 20% of managerial positions are occupied by women. In 2022, 1 intern was also present.

A performance appraisal system including top levels and key people has been adopted, also aimed at increasing the level of attraction and retention. A corporate welfare plan introduced in 2021 allows each employee to take advantage of the bonus linked to company results on the DoubleYou platform. Furthermore, employees benefit from special discounts on the purchase of company products. From 2022, all employees will be able to do smart working for one day a week.

	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Personnel</b>	--	--	--	<b>6</b>	<b>7</b>	<b>13</b>	<b>10</b>	<b>11</b>	<b>21</b>
<i>Managers</i>	--	--	--	0	1	1	0	1	1
<i>Middle managers</i>	--	--	--	1	2	3	1	3	4
<i>Office workers</i>	--	--	--	5	4	9	9	7	16
Permanent contracts	--	--	--	100%	100%	<b>100%</b>	50%	100%	<b>76%</b>
Full time contracts	--	--	--	100%	100%	<b>100%</b>	100%	100%	<b>100%</b>
<b>Training (hours per capita)</b>	--	--	--	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>39</b>	<b>21</b>	<b>30</b>
<i>Managers</i>	--	--	--	0.0	4.0	4.0	0	19	19
<i>Middle managers</i>	--	--	--	4.0	4.0	4.0	25	19	20
<i>Office workers</i>	--	--	--	4.0	4.0	4.0	41	22	33
<b>Performance assessment (%)</b>	--	--	--	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>36%</b>	<b>24%</b>
<i>Managers</i>	--	--	--	0%	0%	0%	0%	100%	100%
<i>Middle managers</i>	--	--	--	0%	0%	0%	100%	100%	100%
<i>Office workers</i>	--	--	--	0%	0%	0%	0%	0%	0%

	2020	2021	2022
<b>Gender pay gap</b>	--	--	<b>-47%</b>
<i>Managers</i>	--	--	--
<i>Middle managers</i>	--	--	-21%
<i>Office workers</i>	--	--	-17%

## HEALTH, SAFETY AND WELLBEING

Callmewine promotes the health, safety and wellbeing of all employees, creating and maintaining safe offices and other workplaces as an essential condition for the professional growth and enhancement of its resources.

The approach adopted is aligned with the applicable national regulations, starting with a solid risk assessment, updated periodically with the support of qualified third parties. A dedicated professional contact, the presence of a doctor for both institutional and voluntary health promotion activities and the formal involvement of the social partners constitute the support organisation. Preventive reporting of anomalous or risk conditions by everyone, an accurate analysis of accidental events, even if not serious, and adequate training activities ensure continuous improvement.

In 2022, there have been no accidents of any kind to employees or non-employee workers.

		2020	2021	2022
<b>Employees injuries</b>		<b>0</b>	<b>0</b>	<b>0</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	0	0	0
Frequency rate	number of injuries per million hours worked	0.0	0.0	0.0
Severity rate	lost days per thousand hours worked	0.0	0.0	0.0

## PRODUCT AND SERVICE STEWARDSHIP

Callmewine is characterised by a consistent selection of certified craft, organic and bio-dynamic wines, but also wines that macerated and produced in amphora. Above all, the craft wines are produced by independent artisans with their own vineyards according to an agricultural model as natural as possible, one that completely excludes the use of synthetic pesticides, herbicides or insecticides. This same approach includes support for small wineries, offering their wines on the market at fair prices, creating and maintaining solid relationships with niche or little-known producers: all realities that find in Callmewine a commercial partner and an incomparable virtual showcase.

Wine is environment. Callmewine protects it even with attention to the smallest operating details, such as the use of packaging entirely in cardboard, 100% recyclable, and without the use of polystyrene or other plastics.

In 2022, Callmewine purchased CO<sub>2</sub> credits to offset the entire carbon footprint for at least the next two years, neutralizing every order that will be placed in 2023 and 2024.

## MARKET AND COMMUNITIES

Callmewine is an e-commerce platform designed to be a sort of personal sommelier, stimulating, simple and intuitive, available 24 hours a day, 7 days a week, able to guide all wine lovers, expert tasters or simple enthusiasts, to the discovery of new wines and perfect combinations.

In this role, it is important to gain and maintain the customer's trust, dedicating a lot of time to tasting and selecting the products on sale, whose quality and food safety are ensured by advanced and integrated management systems, which thanks to the proven effectiveness and verified over time, they have obtained the formal third-party certification.

The shopping experience is also important: the products that can be bought on Callmewine are all actually available and are stored at a controlled temperature in suitable places. The technical and organoleptic characteristics of the product, as well as the possible presence of potential allergens, provided directly by the production companies or distributors, are widely described on the site.



## ENVIRONMENT

### RESPONSIBLE USE OF RESOURCES

Callmewine pays particular attention to packaging, using exclusively cardboard, and no polystyrene or other plastics. In 2022, 275 tons of cardboard packaging were used, of which 65% comes from recycling.

### LOW-CARBON TRANSITION

Callmewine supports Italmobiliare in his commitment to company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). The SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science, accelerating companies to halve emissions before 2030 and achieve net-zero emissions before 2050.

The carbon footprint largely depends on the supply of wine and packaging.

In 2022, Callmewine purchased CO<sub>2</sub> credits (overall 3000 tons) to offset the entire carbon footprint at least for the next two years. The credits derive from a project developed in Ethiopia by the Italian NGO COOPI in collaboration with Carbonsink. The project involves the construction of solar energy systems for the supply of safe drinking water for domestic use, with positive effects on hygienic, social, economic and environmental conditions.

	units	2020	2021	2022	2022
<b>Carbon Footprint</b>			<b>1,492</b>	<b>1,285</b>	
<b>Scope 3 Upstream</b>			<b>1,356</b>	<b>1,195</b>	<b>93%</b>
1. Purchased products and services			1,121	963	75%
2. Capital goods			n.m.	n.m.	0%
3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions)			--	--	0%
4. Upstream transportation and distribution			236	231	18%
5. Waste generated by the sites			n.m.	n.m.	0%
6. Business travel			n.m.	1	0%
7. Employee commuting			n.m.	n.m.	0%
8. Upstream leased assets			--	--	0%
<b>Scope 1</b>	<b>t CO<sub>2</sub></b>		<b>0</b>	<b>0</b>	<b>0%</b>
<b>Scope 2 market based</b>			<b>0</b>	<b>0</b>	<b>0%</b>
location based			2	2	
<b>Scope 3 Downstream</b>			<b>136</b>	<b>90</b>	<b>7%</b>
9. Downstream transportation and distribution			105	63	5%
10. Processing of sold products			--	--	0%
11. Use of sold products			--	--	0%
12. End-of-life treatment of sold products			31	27	2%
13. Downstream leased assets			--	--	0%
14. Franchises			--	--	0%
15. Investments			--	--	0%
<b>Emissioni evitate (location based)</b>			<b>2</b>	<b>2</b>	
From photovoltaic production	<b>t CO<sub>2</sub></b>		0	0	
From hydroelectric production			0	0	
From renewable electricity purchased			2	2	
<b>Carbon Intensity</b>					
Scope 1+2 market based	<b>t CO<sub>2</sub> / M€ Revenues</b>		0	0	

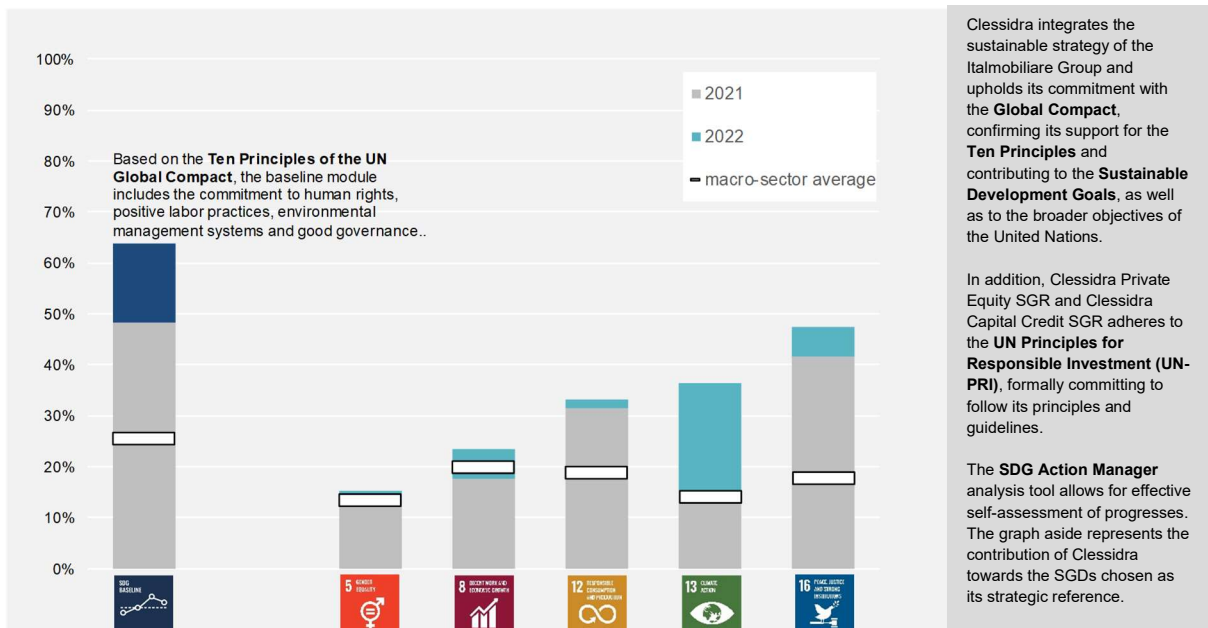
## Clessidra

Clessidra was founded in 2003 as an asset management company operating in private equity, becoming today now one of the main financial operators active in alternative investments (private equity and private credit) and in factoring, by means of three specialised companies, each with its own operating autonomy, under the coordination of Clessidra Holding. In September 2016 it became part of the Italmobiliare Group, which took a **100% stake**.

### HIGHLIGHTS

	Governance and supply chain	Strategy climate	Health, safety and well-being	Gender and human capital development
<i>The foundation</i>	Adoption of Code of Ethics and Sustainability Policies. Adhesion to UN Principles for Responsible Investment.	Monitoring with analytical detail of carbon footprint (scopes 1, 2 and 3).	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles (WEPs), incorporating them into identity documents.
<i>The 2022 key results</i>	<b>75%</b> ESG funds  3 out of 4 funds managed are SFDR Art.8 funds, which promote environmental and social characteristics and good governance practices.	<b>Zero CO<sub>2</sub></b> Scope 2 since 2022  From 2022, Clessidra Headquarters will use only renewable electricity.	<b>Zero</b> Injuries  Commitment to ensuring a safe working environment by promoting people's mental and physical well-being must be continuous.	<b>66 people</b> Training  100% of the people who contribute to Clessidra excellence have benefited from training activities.
<i>Next challenges</i>	<b>100%</b> Investment and finance aimed at creating positive ESG impact.	<b>100%</b> Investment and finance Aligned with carbon footprint mitigation and offset plans.	<b>100%</b> People capable of promoting a culture of safety in all managed financial investments and activities.	<b>100%</b> People covered by development plans aimed at growth, inclusion and gender equality.

### CONTRIBUTION TO SDGs



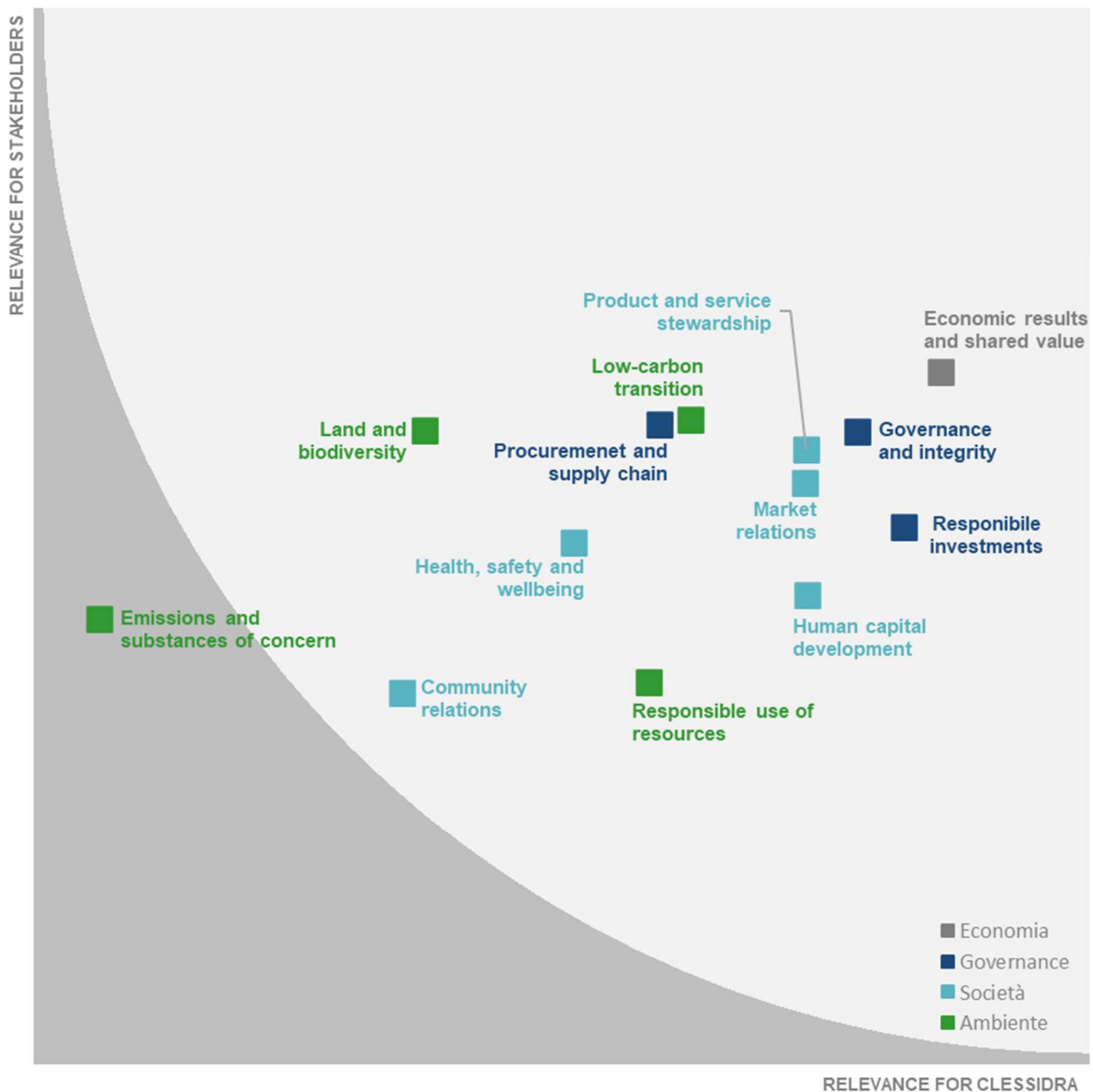
## MATERIALITY

Italmobiliare and Clessidra recognize the importance of integrated risk assessment in investments and other financial transactions, but also the interconnected transformative capacity. In particular, the private equity business offers the opportunity to prioritize and mobilize financial resources in a targeted and selective manner, thus contributing to global challenges and, at the same time, protecting and strengthening financial performance for the benefit of investors and all other stakeholders.

In defining the sustainable strategy and related action plans, the materiality analysis offers an effective tool for identifying the governance, economic, social and environmental issues relevant for Clessidra and its portfolio, matching the interests of the business with the expectations of stakeholders.

The materiality matrix is built by systematically evaluating risks, opportunities, positive or negative impacts, analysing all the aspects relevant for Clessidra and its investment portfolio the business with the contribution of the first line of management, the majority shareholder and finally collecting the positions expressed by the most representing stakeholders.

The result is graphically represented in the graph hereunder.



## GOVERNANCE

### GOVERNANCE AND INTEGRITY

The composition and management of the governance bodies, starting with the **Board of Directors**, ensure representativeness, competence and the absence of conflicts of interest, aiming at maximum operational efficiency and integrity. Women participation in the Board of Directors of Clessidra Holding is at 14% (the Chief Executive Officer out of 7 directors). It rises to 20% for Clessidra Private Equity SGR and Clessidra Capital Credit SGR (2 directors out of 5, each) and to 40% for Clessidra Factoring (2 directors out of 5).

In line with the Group's approach, the **Code of Ethics** and the **Sustainability Policies** adopted by all Clessidra Group Companies explicitly recall the Ten Principles of the United Nations Global Compact. Coherently with the commitment undertaken by joining the UN Principles for Responsible Investment (UN PRI). Clessidra also recognizes the link between investment returns and environmental, social and governance (ESG) issues. Through a sustainable approach aimed at creating shared value for the society and for the environment, Clessidra supports its investees in exploring further levers of success to increase turnover and profit margins, mitigate business risk, attract capital and investors, motivate its people and consolidate the brand.

Clessidra Group's companies have adopted an **Organisation, Management and Control Model**, which is foreseen by law but not mandatory. It is designed to limit the risk of committing specific relevant crimes, but also terrorism or violations against the individual, market abuse and others. The Supervisory Body, appointed on the basis of autonomy and independence, is responsible for the control activity. In addition to specific periodic training, the approach adopted includes the whistleblowing procedure for reporting unlawful behaviour, in order to offer employees and third parties confidential channels to raise concerns or violations of the procedure, without fear of retaliation, discrimination or disciplinary action.

In its investment activities, Clessidra undertakes to promote compliance with applicable regulations and the highest ethical standards at the portfolio companies. In particular, it collaborates with the portfolio companies in order to adopt or update their own Organisational, Management and Control Models, including ethical principles, codes of conduct, control tools, procedures and training activities.

As it is not subject to management and control by Italmobiliare, Clessidra plays a role similar to that of the holding company in relation to its subsidiaries. The **Risk Management function** holds an independent position with respect to the operating structures and reports directly to the Board of Directors. It measures, manages and controls all financial and operational risks inherent to the assets managed, as well as those of the SGR such as strategic, operational and reputational risks, and climate risks, supported by the Sustainability & ESG Director. Specifically, the Risk Management function:

- Implements effective policies and procedures to identify and monitor on an ongoing basis the risks inherent to the investment strategy envisaged in the Regulation of each fund and to which each fund is currently or potentially exposed.
- Monitors compliance with the risk limits set in the Regulation of each fund and ensures that the risk profile communicated to investors during the marketing phase is compliant.
- Updates the Board of Directors at least every six months on the adequacy and effectiveness of the management process and on any actual or foreseeable violation of the risk limits set, thus allowing the prompt adoption of corrective actions.
- Reviews the policies and procedures adopted for the valuation of assets in the portfolio, ensuring consistency between the results of the valuation process and the measurement of the riskiness of the assets themselves.

The integration of the ESG approach in the management processes of Clessidra Group's companies in itself constitutes an element of risk mitigation.

Main risks mitigated through the ESG approach	Key levers affected
Consistency with the ESG commitments of Clessidra, including those related to the full alignment with SFDR Regulation, and its subsidiaries and effectiveness of the execution of action plans	ALL
Physical and transition climate risks	RESPONSIBLE INVESTMENTS RESPONSIBLE USE OF RESOURCES LOW-CARBON TRANSITION
Alignment with the evolution of the regulatory framework for health, safety and the environment	GOVERNANCE AND INTEGRITY
Alignment with the evolution of the regulatory framework on data privacy	GOVERNANCE AND INTEGRITY
Identification and prevention of potential cases of active and passive corruption	GOVERNANCE AND INTEGRITY

## RESPONSIBLE INVESTMENTS

The Code of Ethics defines the set of fundamental principles and rules of conduct to which all the companies of Clessidra Group adhere, with the additional guidance provided by the Sustainability Policies. In particular, for Clessidra Private Equity SGR and Clessidra Capital Credit SGR, they guide the sustainable strategy, aiming at the creation of shared value, and constitute the reference for the Responsible Investment Policies adopted.

**Clessidra Private Equity SGR's** business involves investments in the private equity sector, with particular focus on the Italian upper-middle market segment. **Clessidra Capital Credit SGR's** business mainly involves investments in the private credit sector, with a focus on turnaround funds and corporate credit, managing alternative investment funds with a focus on credit market, both distressed and performing. **Clessidra Factoring** provides Italian SMEs with a wide range of services specialising in financing and in the sale and management of trade receivables.

All the managed activities require careful assessment of market counterparties with which to undertake investments, partnerships, and contractual relationships. Each component, managed according to specific internal procedures, helps to achieve the objectives of return on investment, risk diversification and value creation. Among the various elements to be assessed, the prospects for improving the ESG positioning and alignment with the adopted sustainable strategy play a significant role. To this end, Clessidra Private Equity SGR and Clessidra Capital Credit SGR refrain from any investment or involvement, whether direct or indirect, with entities involved in the production, marketing, use or trade of illegal products or activities. Other ascertained direct or indirect practices also lead to exclusion: for example, corruption, money laundering, violations of human rights, violations of the fundamental principles of labour, production of goods harmful to health, the environment and morality, an obstacle to sustainability in general.

Clessidra Private Equity SGR and Clessidra Capital Credit SGR assign priorities and mobilises financial resources in a targeted and selective manner, thereby contributing to global challenges and, at the same time, protecting and strengthening financial performance for the benefit of investors, shareholders, enterprises and all other stakeholders.

In line with the strategic vision of the entire Clessidra Group regarding responsible investment, the integration of environmental, social and governance (ESG) risks and opportunities is a fundamental element in all phases of the management process of all its investment activities of Clessidra Private Equity SGR and Clessidra Capital Credit SGR. In particular, in order to prevent or mitigate exposure to risks and benefit from opportunities of value creation, Clessidra Private Equity SGR and Clessidra Capital Credit SGR subjects all new investments to a verification of alignment with its own value references (Code of Ethics and Sustainability Policies), the requirements of its Responsible Investment Policy and the rules set by the Regulations of the Funds managed and a due diligence process which also assesses the environmental, social and governance aspects.

As a responsible investor, Clessidra Private Equity SGR and Clessidra Capital Credit SGR promote the evolution towards sustainable business models among all the companies in the portfolio of all the managed Funds, providing transformative capacity, specific expertise and full support in the management of risks and opportunities in ESG matters.

However, with reference to the level of detail and transparency required by the SFDR Regulation, Clessidra Private Equity SGR and Clessidra Capital Credit SGR adopt approaches differentiated by asset class of financial

product, especially in consideration of the investment timeline of the individual Funds currently under management, as duly described in the SFDR Disclosure published on the web:

In 2022, significant ESG interactions took place with all the companies in the portfolio, in particular within Art.8 SFDR Funds. The ESG management methods differ according to the level of control, the maturity of the investee and the time spent in the portfolio.

Portfolio Companies at end of 2022		Main ESG activities in 2022
<b>Clessidra Private Equity SGR Funds (Art. 8 SFDR)</b>		
CCP3 Fund	Nexi	The stake held in the investee and the level of governance exercisable by Clessidra do not allow direct influence on sustainability issues. However, the company has a high-level commitment to sustainability and Clessidra records its progress annually. As a listed company, it fully complies with the obligations relating to non-financial transparency.
	L&S	Preparation for new Code of Ethics, Sustainability Policies and Supplier Charter Follow-up and update of ESG Plan 100% Renewable Power for Italian operationsa ESG metrics and data collection, upon SFDR requirements
CCP3 CCP4 Funds	Argea	Drafting and issuance of first Sustainability Report Wine sector Equalitas certification ISO 45001 certification Adoption of Supplier Charter Follow-up and update of ESG Plan 100% Renewable Power ESG metrics and data collection, upon SFDR requirements
		ESG Induction to Board of Directors and first-line managers
CCP4 Funds	Viabizzuno	Workshop to define the Materiality Matrix Completion of B Corp Impact Assessment and SDG Action Manager Update of ESG Plan 100% Renewable Power ESG metrics and data collection, upon SFDR requirements
	Impresoft	ESG Induction to Board of Directors and first-line managers Workshop to define the Materiality Matrix Completion of B Corp Impact Assessment and SDG Action Manager Update of ESG Plan 100% Renewable Power ESG metrics and data collection, upon SFDR requirements
<b>Clessidra Capital Credit SGR Funds (art. 8 SFDR)</b>		
CPD Fund	all investees	ESG due diligence Definition of contractual ESG targets Support on ESG integration

## SOCIETY

### HUMAN CAPITAL DEVELOPMENT

Clessidra has a team of 66 motivated and specialized people. The overall turnover was 52%, with 25 new hires and 9 exits. Direct employees are all covered by a collective bargaining agreement. 28% of managerial positions are held by women.

Clessidra has adopted a remuneration and incentive system in line with the long-term corporate strategy. This means that it integrates the objectives, values and interests of its Alternative Investment Funds and their investors with the financial and socio-environmental performance, corporate values, development and retention of professional skills.

In order to accompany the development of human capital, Clessidra has adopted an individual performance assessment system extended to all staff based on individual annual qualitative and quantitative objectives, to which the variable element of annual remuneration is related.

	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Personnel</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>20</b>	<b>30</b>	<b>50</b>	<b>25</b>	<b>41</b>	<b>66</b>
<i>Managers</i>	2	13	15	3	12	15	4	16	20
<i>Middle managers</i>	4	4	8	8	10	18	9	18	27
<i>Office workers</i>	4	3	7	9	8	17	12	7	19
Permanent contracts	100%	90%	<b>93%</b>	100%	90%	<b>94%</b>	100%	98%	<b>98%</b>
Full time contracts	80%	100%	<b>93%</b>	90%	100%	<b>96%</b>	100%	100%	<b>100%</b>
<b>Training (hours per capita)</b>	<b>2.4</b>	<b>1.2</b>	<b>1.6</b>	<b>1.1</b>	<b>2.5</b>	<b>1.9</b>	<b>11</b>	<b>13</b>	<b>12</b>
<i>Managers</i>	4.0	0.6	1.1	2.3	0.8	1.1	11	13	13
<i>Middle managers</i>	2.0	2.0	2.0	1.4	4.1	2.9	11	13	12
<i>Office workers</i>	2.0	2.7	2.3	0.3	3.1	1.6	11	13	12
<b>Performance assessment (%)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>95%</b>	<b>93%</b>	<b>94%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>Managers</i>	100%	100%	100%	67%	100%	93%	100%	100%	100%
<i>Middle managers</i>	100%	100%	100%	100%	100%	100%	100%	100%	100%
<i>Office workers</i>	100%	100%	100%	100%	75%	88%	100%	100%	100%

	2020	2021	2022
<b>Gender pay gap</b>	--	--	<b>-54%</b>
<i>Managers</i>	--	--	-22%
<i>Middle managers</i>	--	--	-30%
<i>Office workers</i>	--	--	-24%

## HEALTH, SAFETY AND WELLBEING

Clessidra promotes the health, safety and wellbeing of all employees and a safety culture that is also shared with the companies in its portfolio. The approach adopted is aligned with the applicable national regulations, starting with a solid risk assessment, updated periodically with the support of qualified third parties. The main risk conditions that have been identified are external to the workplace and mainly concern the use of company cars. A dedicated internal contact, the availability of a doctor for both institutional and voluntary health promotion activities and the formal involvement of the social partners constitute the support organisation. Preventive reporting of anomalous or risk conditions by everyone, an accurate analysis of accidental events, even if not serious, and adequate training activities ensure continuous improvement.

All employees benefit from health insurance: full cover for middle managers and white collar workers and supplementary cover for managers. Managers are also entitled to an annual check-up at a leading hospital.

		2020	2021	2022
<b>Employees injuries</b>		<b>0</b>	<b>0</b>	<b>0</b>
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Injuries</i>	<i>with absence from work between 1 and 180 days</i>	0	0	0
Frequency rate	number of injuries per million hours worked	0.0	0.0	0.0
Severity rate	lost days per thousand hours worked	0.0	0.0	0.0

## MARKET AND COMMUNITIES

Clessidra Private Equity SGR and Clessidra Capital Credit SGR offer their investors quality services, creating and maintaining solid relationships built on transparency and trust. Communicating with subscribers guarantees an adequate and equal level of information for all investors, safeguards the confidentiality of processed information and protects the successful outcome of investments and divestment in progress.

Within 60 days from the end of each year, Clessidra Private Equity SGR and Clessidra Capital Credit SGR prepares a management report on each of its funds in accordance with the Bank of Italy's Collective Savings Management Regulation. The report includes a balance sheet, income statement, notes and directors' report and is subject to certification by the Independent Auditors. On a voluntary basis and in agreement with investors and according to international practice, the two companies also prepare a quarterly report called the LP Report which contains information based on official data similar to that of the management report. Those in charge of drafting respond jointly to requests for clarifications or insights about the communications sent, assessing the advisability of providing additional information to the general public of investors.

In addition to the communications due by law and voluntary reporting, Clessidra Private Equity SGR and Clessidra Capital Credit SGR convey information in response to specific requests from investors in the event that they express the need to be aware of foreseeable developments in investment management, also in order to allow them to assess potential sales of their shares. The information provided to investors is checked periodically by the independent auditors and by internal control bodies and functions.

Clessidra Private Equity SGR and Clessidra Capital Credit SGR fully adopt the principle of transparency also in the reporting of ESG performance, preparing the communications to the market and investors required by the SFDR Regulation, responding annually to the UN PRI questionnaire, and publishing the Transparency Report. Furthermore, to ensure transparency towards investors, in the financial reports prepared in accordance with the Bank of Italy's instructions, there is a specific paragraph about responsible investments. In addition, there is a quarterly report, based on guidelines for the presentation of financial information (IPEV Reporting Guidelines) and for valuations (International Private Equity and Venture Capital Valuation Guidelines), which highlights any critical issues and management's approach, also to issues of responsible investment.

Clessidra pays the utmost care and attention to data protection and the protection of the rights and freedoms of natural persons and to this end applies the technical and organisational measures needed to ensure implementation of the ruling regulations. In particular, the SGR implements appropriate and specific measures to avoid the violation of personal data, above all the risk of data loss or access by unauthorised parties. The Policy



on the Protection of Personal Data and Data Breach is constantly updated with respect to regulatory changes and amendments to internal processes.

In addition, through active participation in AIFI, the Italian Association of Private Equity, Venture Capital and Private Debt, and Invest Europe, the corresponding European trade association, and Assifact, Italian association for factoring, Clessidra supports the numerous initiatives and guidelines on ESG. In addition, Clessidra actively participates in the Italian Sustainable Investment Forum (ItaSIF), a non-profit association that promotes the knowledge and practice of responsible and sustainable investment.

## ENVIRONMENT

## LOW-CARBON TRANSITION

Clessidra supports Italmobiliare in his commitment to company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). The SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science, accelerating companies to halve emissions before 2030 and achieve net-zero emissions before 2050.

Clessidra is aware of the priority dimension of the fight against climate change and a key objective of its investment strategies. According to the GHG Protocol, the international reference for the accounting of greenhouse gases, direct emissions (Scope 1) derive from the heating of offices and the company fleet. Indirect emissions (Scope 2) derive from the electricity purchased and used in the offices. Value chain emissions (Scope 3) include other indirect emissions in specific categories to be considered if relevant. For Clessidra, the relevant category is "investments", which includes Scope 1,2 and 3 emissions calculated or estimated for all companies with majority participation in the portfolio of managed funds.

	units	2020	2021	2022	2022
<b>Carbon Footprint</b>		<b>200,662</b>	<b>271,678</b>	<b>499,736</b>	
<b>Scope 3 Upstream</b>		<b>0</b>	<b>0</b>	<b>25</b>	<b>0%</b>
1. Purchased products and services		--	--	--	0%
2. Capital goods		--	--	--	0%
3. Fuel and energy-related activities (not included in Scope 1 and Scope 2 emissions)		--	--	--	0%
4. Upstream transportation and distribution		--	--	--	0%
5. Waste generated by the sites		--	--	--	0%
6. Business travel		n.m.	n.m.	25	0%
7. Employee commuting		n.m.	n.m.	n.m.	0%
8. Upstream leased assets		--	--	--	0%
<b>Scope 1</b>	<b>t CO<sub>2</sub></b>	<b>0</b>	<b>38</b>	<b>44</b>	<b>0%</b>
<b>Scope 2 market based</b>		<b>0</b>	<b>112</b>	<b>0</b>	<b>0%</b>
<i>location based</i>		0	77	69	
<b>Scope 3 Downstream</b>		<b>200,662</b>	<b>271,528</b>	<b>499,667</b>	<b>100%</b>
9. Downstream transportation and distribution		--	--	--	0%
10. Processing of sold products		--	--	--	0%
11. Use of sold products		--	--	--	0%
12. End-of-life treatment of sold products		--	--	--	0%
13. Downstream leased assets		--	--	--	0%
14. Franchises		--	--	--	0%
15. Investments		200,662	271,528	499,667	100%
<b>Emissioni evitate (location based)</b>		<b>0</b>	<b>0</b>	<b>0</b>	
From photovoltaic production	<b>t CO<sub>2</sub></b>	0	0	0	
From hydroelectric production		0	0	0	
From renewable electricity purchased		0	0	0	
<b>Carbon Intensity</b>					
Scope 1+2 market based	<b>t CO<sub>2</sub> / M€ Revenues</b>	0	8	1.4	



## SIDI Sport

SIDI Sport was founded in 1960 and specialises in the production and sale of cycling and motorcycling footwear. Its products, which are used by the most important professional and amateur athletes all over the world, are synonymous with excellence, quality, tradition, craftsmanship and design. In October 2022 it became part of the Italmobiliare Group, as **controlled company with a 100% stake**.



The consolidation of ESG performance will take place with the 2023 Sustainability Report. By the end of 2023, SIDI Sport will have completed the onboarding plan dedicated to companies joining the portfolio.

### IMPRINTING

- Constitution of the Board of Directors with a composition that meets the criteria of competence, independence and gender representation.
- Consumption of electricity 100% certified renewable.

### STRATEGY

- ESG induction and ongoing training for the members of the Board of Directors and managers.
- Workshop for the definition of the Materiality Matrix.
- Assessment of ESG Maturity with B Corp Impact Assessment and SDG Action Manager.
- Definition of the 2024 ESG Plan.

### CORPORATE IDENTITY AND GOVERNANCE

- Vision, Mission and Values.
- Code of Ethics.
- Sustainability Policies.
- Supplier Charter.
- Model 231 (formalized instrument to combat offenses).

### MONITORING

- Structure of the agenda of the Board of Directors with the progress of the ESG Plan and relevant events.
- ESG Dashboard for monthly monitoring of the ESG Plan.
- Annual data collection for the Italmobiliare Sustainability Report.
- Risk assessment workshops, including climate risks



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## Tecnica Group

Founded in 1962 by Giancarlo Zanatta, today it is an international group with 10 direct branches and agencies, and over 40 distribution partners, to serve a total of more than 80 countries around the world. 3,150 employees, including about 300 in Italy, almost all of whom work at the head office in Gaiavera del Montello (TV). It has been part of the Italmobiliare Group since November 2017, as an **affiliate with a 40% stake**.



Tecnica Group is a leading manufacturer of outdoor footwear and ski equipment with a portfolio that includes some of the industry's longest standing brand names: Tecnica (ski boots and footwear), Nordica (skis and boots), Moon Boot® (footwear), Lowa (hiking and outdoor shoes), Blizzard (skis) and Rollerblade (in-line skates).

Tecnica Group mirrors the sustainable strategy of the Italmobiliare Group, through policies, management, operating methods and initiatives designed according to its specific characteristics, helping to promote a healthy, inclusive and sustainable global economy, respectful of human and labour rights, capable of safeguarding the environment and actively involved in every aspect of business integrity. Italmobiliare and Tecnica Group recognize the sensitive aspects of the sector, from the procurement of raw materials to the end-of-life of the products marketed and share the commitment to contribute positively to global challenges.

To confirm this, from November 2021, Tecnica Group formally adheres to the **United Nations Global Compact**, adopting policies and operational management in support of the Ten Principles and committing itself to actively contribute to the Sustainable Development Goals.

The group's industrial strategy sets people at the center. On the market side, the reference is the consumer to whom the group offers extraordinary experiences through exceptional products and inspiring an active outdoor life. Internally, the focus is on human capital, through the promotion of health, safety and well-being in an inclusive and progressive work environment and the supply chain, preferring goods and services with social value.

The measures defined to strengthen the Blizzard, Lowa, Moon Boot, Nordica, Rollerblade and Tecnica brands focus on innovation to design highly differentiated products, new distribution channels and programmes to make production and logistics more efficient. In addition, investments to reduce energy consumption, the installation of photovoltaic systems, the updating of industrial lighting systems and the promotion of electric mobility reflect its climate-friendly commitment. The group already applies these and other targeted actions, be they optimisation of the use of non-renewable resources, such as plastic materials, use of recycled materials, biodegradable packaging and the reduction of single-use ones. Furthermore, the durability of products is in itself a mitigation of the environmental footprint. Outdoor footwear is designed and built to last, thanks to the quality of the raw materials used, virgin or recycled, to the technology and the competence and passion of the Group's people. Dedicated repair laboratories permit further creation of sustainable value, thus extending products life cycle.

Finally, the group considers the awareness and involvement of all its stakeholders to be fundamental, also through full transparency on its activities and performance: in 2022, Tecnica Group has published its first Sustainability Report.



## AGN Energia

Founded in 1958 along with the distribution of LPG for domestic, agricultural, industrial and automotive use, AGN Energia is today a leading energy multi-utility at national level. Over the years, the offer has been diversified to include the supply of electricity and natural gas, energy efficiency solutions, solar and photovoltaic renewables and support for electric mobility. It has been part of the Italmobiliare Group since October 2018, as an **affiliate with a 30% stake**.



AGN Energia mirrors the sustainable strategy of the Italmobiliare Group, through policies, management, operating methods and initiatives designed according to its specific characteristics, helping to promote a healthy, inclusive and sustainable global economy, respectful of human and labour rights, capable of safeguarding the environment and actively involved in every aspect of business integrity.

Over years, AGN Energia continued the diversification and expansion of its offer into all energy sectors: supply of natural gas and green electricity, technical gases, production from renewable sources, energy efficiency solutions and electric mobility solutions. Today, the company represents a point of reference for all energy needs with the aim of guiding its customers down the path of energy transition, guaranteeing positive effects on the environment through advantageous solutions and access to more sustainable energy resources; also thanks to the strong domestic presence that characterises the company's actions and its orientation towards a type of economic development that enhances the local territory and the communities to which it belongs.

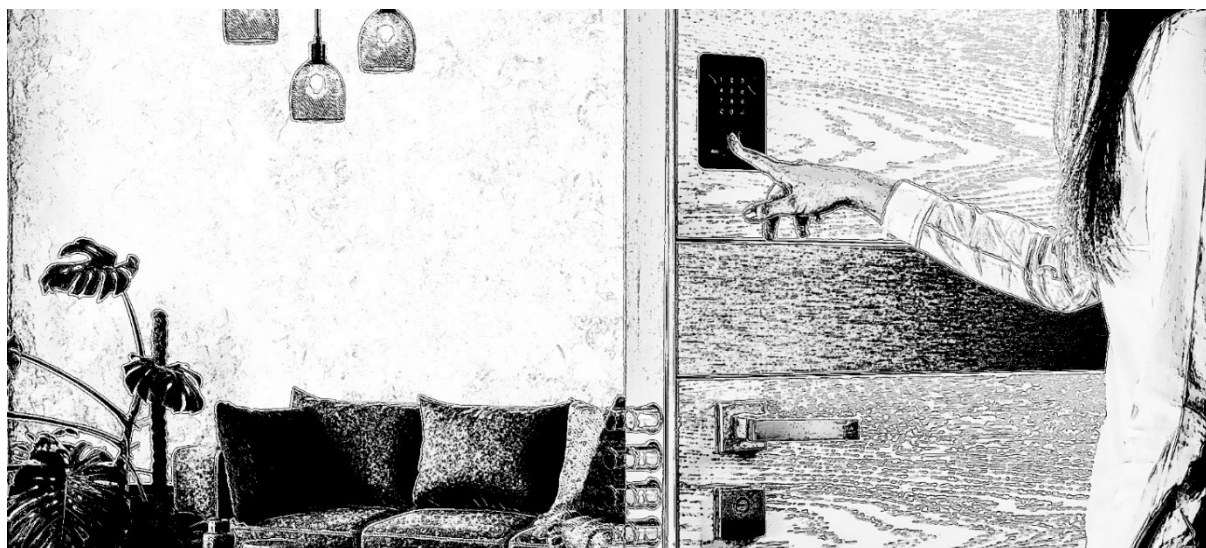
Italmobiliare and AGN Energia recognize the sensitive aspects of the energy sector and share the key role of multi-utilities in the transition to a low-carbon economy and in promoting responsible lifestyles. In 2022, the Autogas Group strengthened internal initiatives to increase management competence and further integrate sustainability into business strategies.

Also with the support of the Italmobiliare sustainability team, the ESG aspects relevant to the success of the activities managed by the group were assessed, crossing them with the perception of its multiple stakeholders. The same exercise made it possible to evaluate the Sustainable Development Goals in detail, identify the most significant ones for the group and define the metrics to evaluate the contribution of the many sustainable initiatives already undertaken and planned.



## Iseo

Founded in 1969 in Pisogne (Brescia), Iseo is a European leader in the design, manufacture and sale of products for intelligent access management and anti-intrusion security. Thanks to the acquisitions made over time, the Iseo Group has production sites in Italy, France, Germany, Spain, the United Kingdom and South Africa and commercial companies in China, Asia, Romania, the Middle East and South America. It has been part of the Italmobiliare Group since October 2018, as an **affiliate with a 39.24% stake**.



Iseo mirrors the sustainable strategy of the Italmobiliare Group, through policies, management, operating methods and initiatives designed according to its specific characteristics, helping to promote a healthy, inclusive and sustainable global economy, respectful of human and labour rights, capable of safeguarding the environment and actively involved in every aspect of business integrity.

Italmobiliare and Iseo recognize the sensitive aspects of the sector and share a passion for safety, with a vision that extends from the technical aspects of the products marketed to the perception of the value of people and the environment in which they live and work.

For Iseo, sustainability is a commitment built on values that unite ethics, environment, energy, safety and respect for the interests of all parties involved in the quality and reliability of innovative products. Advanced and participatory management systems constitute not only a guarantee of environmental, energy, health, safety and quality performances for the benefit of the market and the community, but also a continuous stimulus for the professional and motivational growth of the people in the group, at all levels. Thanks to an effectively integrated management policy, Iseo has ISO 9001 (quality), ISO 14001 (Environment), ISO 50001 (energy) and ISO 45001 (health and safety) certifications.

Attention to the people in the group is also important, with training plans for the development of human capital, the promotion of corporate welfare or the creation of a solidarity fund dedicated to staff and family members to support expenses related to health, study, physical activities and other individual needs.

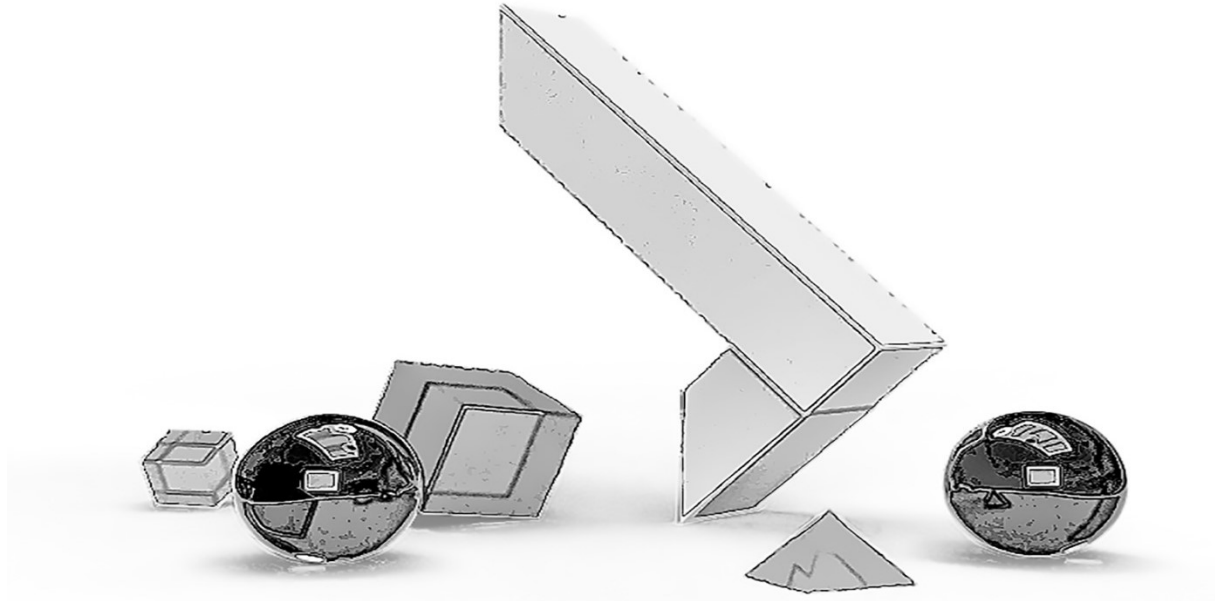
In 2022, with the support of the Italmobiliare sustainability team, the competence and awareness of management on ESG aspects was strengthened and updated, also activating the process of assessing the materiality matrix, the starting point for defining even more challenging sustainable objectives.





## Bene Assicurazioni

Bene Assicurazioni is an insurance technology company founded in 2016 and specialized in the non-life insurance retail market with a focus on the motor segment. The company is characterized by the high level of automation and digitization of all business processes and the flexibility of the application architecture that allows a lean, efficient, scalable and innovative business model. It has been part of the Italmobiliare Group since April 2022, as an **affiliate with a 19.99% stake**.



Bene Assicurazioni operates on the insurance market through a technological approach, based on continuous innovation. Innovating means facilitating access to insurance, in a personalized way, through new products, full of services and clear in their formulation. A tech company based on an integrated digital platform, an insurance license, own funds and an innovative distribution model, which, through an "open" product architecture, pursues a pure omnichannel approach.

These skills and the operational efficiency shown in its first years of commitment to giving birth and growing a native-digital insurance and aimed at streamlining procedures and giving greater satisfaction to end customers, in terms of safety and service, are the basis to face the sustainability challenges, also with the support of the dedicated Italmobiliare team.



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# SUPPLEMENTARY DATA

## GRI 2-7 Employees

### TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (OPEN-ENDED AND FIXED-TERM), BY GENDER

		2020			2021			2022		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
GROUP	<b>TOTAL</b>	<b>481</b>	<b>1,294</b>	<b>1,775</b>	<b>338</b>	<b>489</b>	<b>827</b>	<b>463</b>	<b>542</b>	<b>1,005</b>
	Open-ended	433	1,214	1,647	271	448	719	387	498	885
	Fixed-term	48	80	128	67	41	108	76	44	120
Italia	<b>TOTAL</b>	<b>133</b>	<b>679</b>	<b>812</b>	<b>323</b>	<b>479</b>	<b>802</b>	<b>442</b>	<b>528</b>	<b>970</b>
	Open-ended	126	630	756	259	438	697	367	485	852
	Fixed-term	7	49	56	64	41	105	75	43	118
United Kingdom	<b>TOTAL</b>	<b>18</b>	<b>61</b>	<b>79</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>3</b>	<b>8</b>
	Open-ended	18	61	79	2	3	5	5	3	8
	Fixed-term	0	0	0	0	0	0	0	0	0
USA	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13</b>	<b>7</b>	<b>20</b>	<b>12</b>	<b>10</b>	<b>22</b>
	Open-ended	0	0	0	10	7	17	12	9	21
	Fixed-term	0	0	0	3	0	3	0	1	1
France	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>1</b>	<b>5</b>
	Open-ended	0	0	0	0	0	0	3	1	4
	Fixed-term	0	0	0	0	0	0	1	0	1

\*2020 data also include the Sirap perimeter, not consolidated in 2021 and in 2022. For Sirap, the data for the countries not present in the current perimeter of the Group are not shown, namely France, Germany, Poland, Spain, Hungary.

### TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (FULL-TIME AND PART-TIME), BY GENDER

		2020			2021			2022		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
GROUP	<b>TOTAL</b>	<b>481</b>	<b>1,294</b>	<b>1,775</b>	<b>338</b>	<b>489</b>	<b>827</b>	<b>463</b>	<b>542</b>	<b>1,005</b>
	Full-time	432	1,259	1,691	190	462	652	255	514	769
	Part-time	49	35	84	148	27	175	208	28	236

\* 2020 data also include Sirap perimeter, not consolidated in 2021 and in 2022.

## GRI 2-8 Workers who are not employees

### NON-EMPLOYEE WORKERS, BY GENDER

	2020	2021	2022
<b>TOTAL</b>	<b>334</b>	<b>670</b>	<b>859</b>
<b>GROUP</b>			
Temporary workers, self-employed workers, project workers	261	564	764
Interns	2	14	16
Agents	71	92	79

\* 2020 data also include Sirap perimeter, not consolidated in 2021 and in 2022.

## GRI 2-6.b.ii Supply chain

### TOTAL NUMBER OF SUPPLIERS AND LIST OF MAIN TYPES OF GOODS AND SERVICES PROVIDED TO THE CONTROLLED COMPANIES

	2020	2021	2022
<b>GROUP *</b>			
<b>Total number of suppliers</b>	<b>4,302</b>	<b>4,127</b>	<b>4,168</b>
<b>Spending on local suppliers (with headquarters on national territory)</b>	<b>--</b>	<b>88%</b>	<b>86%</b>
Italmobiliare S.p.A.	Management software		
	Consulting services		
Caffè Borbone	Raw coffee		
	Packaging materials		
	Logistic services		
Officina Profumo-Farmaceutica di Santa Maria Novella	Base raw materials, cosmetic ingredients and fragrances		
	Packaging materials		
	Logistic services		
Italgen	Supply, installation, implementation and maintenance of mechanical, electrical and instrumental equipment for power plants		
	Renovation and/or repair of buildings, intake and derivation works		
	Engineering services		
Casa della Salute	medical-surgical devices		
	diagnostic systems		
	IT solutions		
	maintenance, cleaning and sanitizing services.		
Capitelli	Pork meat		
	Trading services		
Callmewine	Bottled wines		
	Packaging materials		
	Logistic services		
Clessidra	Management software		
	Consulting services		

\* 2020 data also include Sirap perimeter, not consolidated in 2021 and in 2022.

## GRI 2-30 Collective bargaining agreements

### PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

	2020	2021	2022
<b>GROUP *</b>	<b>64%</b>	<b>97%</b>	<b>97%</b>
Italmobiliare S.p.A. CCNL Commercial Confcommercio and CCNL Industry Managers	100%	100%	100%
Caffè Borbone CCNL Food Industry	100%	100%	100%
Officina SMN CCNL Chemical Industry	-	82%	84%
Italgen CCNL Cement and CCNL Industry Managers	100%	100%	100%
Casa della Salute CCNL Private Health	-	100%	100%
Capitelli CCNL Food Industry	-	100%	100%
Callmewine CCNL Commerce	-	100%	100%
Clessidra CCNL Commerce and Services	100%	100%	100%

\* 2020 data also include Sirap perimeter, not consolidated in 2021 and in 2022

## GRI 205-2 Communication and training about anti-corruption policies and procedures

### TOTAL NUMBER AND PERCENTAGE OF EMPLOYEES AND STAKEHOLDERS TO WHOM THE ORGANIZATION'S ANTI-CORRUPTION PROCEDURES HAVE BEEN COMMUNICATED, DIVIDED BY EMPLOYEE CATEGORY

### TOTAL NUMBER AND PERCENTAGE OF GOVERNMENT MEMBERS AND EMPLOYEES WHO HAVE RECEIVED ANTI-CORRUPTION TRAINING, DIVIDED BY EMPLOYEE CATEGORY

	2022	2022
<b>Communication anti-corruption policies and procedures</b>	Governing body members	49 83%
	Managers	58 95%
	Middle managers	72 71%
	Office workers	194 39%
	Production workers	322 93%
	Suppliers	625 21%
	Customers	1392 29%
	<b>Anti-corruption training</b>	Governing body members
Managers		39 43%
Middle managers		60 59%
Office workers		147 30%
Production workers		78 23%
Suppliers		44 2%
Customers		23 0%

## GRI 305-1/2 Direct (Scope 1) and indirect (Scope 2) GHG emissions, by country

### TONNES OF CO2 EMITTED

	2020	2021	2022
<b>Italy</b>			
Scope 1	9,331.50	7,151.10	6,331.25
Scope 2 (location based)	18,477.6	6,169.94	6,627.59
Scope 2 (market based)	21,621.00	3,914.19	0.00

\* 2020 data also include Sirap perimeter, not consolidated in 2021 and in 2022.

### CONVERSION FACTORS USED

	units	2020	2021	2022
<b>Electricity</b>	GJ/kWh	0.036	0.036	0.036
	GJ/t	44.76	45.03	45.20
<b>Natural gas (methane)</b>	kg/mc	0.8	0.8	0.8
	GJ/mc	0.035808	0.036024	0.03588483
<b>Gas oil</b>	GJ/t	42.57	42.57	42.57
	l/t	1,171	1,171	1,184
<b>Diesel</b>	GJ/l	0.036353544	0.03635269	0.035953547
	GJ/t	42.64	42.47	42.602
<b>Petrol</b>	l/t	1,189.54	1,181.80	1,185.78
	GJ/l	0.035845789	0.035940152	0.035927437
<b>LPG</b>	GJ/t	43.83	43.8	43.616
	l/t	1,357.02	1,343.79	1,342.86
	GJ/l	0.032298713	0.032594379	0.032479931
	GJ/t	45.94	45.94	45.944
	l/t	1,889.47	1,887.69	1,887.843
	GJ/l	0.024313696	0.024338807	0.02433677

Source:  
UK Government -  
GHG Conversion  
Factors for  
Company Reporting  
2020/2021/2022

### CO<sub>2</sub> EMISSION FACTORS USED

	units	2020	2021	2022	
Source: UK Government - GHG Conversion Factors for Company Reporting 2018/2019/2020	<b>Natural gas (methane)</b>	tCO <sub>2</sub> e/m <sup>3</sup>	0.00202266	0.00202135	0.00201574
	<b>Gas oil for production processes and heating</b>		0.00254603	0.00275857	0.00275857
	<b>Diesel</b>	tCO <sub>2</sub> e/l	0.00275776	0.00251233	0.0026988
	<b>Petrol</b>		0.00216802	0.00219352	0.00216185
	<b>LPG</b>		0.00155537	0.00155709	0.00155709
Source: European Regulation on F-gases 517/2014	<b>R-407C</b>		1,774	1,774	1,774
	<b>HFC R134</b>	GWP	1,100	1,430	1,430
	<b>R-22</b>		1,810	1,810	1,810
	<b>R-404A</b>		3,922	3,922	3,922
Source: Terna, International Comparisons 2019, 2018	<b>Italy</b>	tCO <sub>2</sub> /kWh	0.000336	0.000315	0.000315
<b>Electricity location based *</b>					
Fonte: European Residual Mixes 2021, 2020, 2019	<b>Italy</b>	tCO <sub>2</sub> /kWh	0.000466	0.000459	0.00045657
<b>Energia elettrica market based</b>					

\* Due to the delay in the publication of the updated emission factor, the value of the previous year was maintained for 2022.

## GRI 303-3/4/5 Water withdrawal, discharge and consumption

Data expressed in Megaliters (MI), for the whole Italmobiliare Group

	2020	2021	2022	
Volume and source of water withdrawal	Surface water	0	0	0
	<i>from water stressed areas</i>	0	0	0
	Groundwater	405.5	20.4	18.9
	<i>from water stressed areas</i>	10.6	0.0	0.0
	Aqueduct	27	9.3	11.9
	<i>from water stressed areas</i>	1.7	3.6	4.2
	<b>TOTAL</b>	<b>432.6</b>	<b>29.7</b>	<b>30.8</b>
	<i>in water stressed areas</i>	<b>12.3</b>	<b>3.6</b>	<b>4.2</b>
	<i>in freshwater</i>	<b>432.6</b>	<b>29.7</b>	<b>30.8</b>
	<i>in other water bodies (&gt;1,000 mg/l total dissolved solids)</i>	<b>0</b>	<b>0.0</b>	<b>0.0</b>
Volume and destination of water discharge	Surface water	331.7	14.0	13.4
	<i>in water stressed areas</i>	0	0.0	0.0
	Groundwater	4.9	0.0	0.0
	<i>in water stressed areas</i>	0	0.0	0.0
	Sewage	30.6	1.1	1.4
	<i>in water stressed areas</i>	0.8	0.0	0.0
	<b>TOTAL</b>	<b>367.1</b>	<b>15.1</b>	<b>14.8</b>
	<i>in water stressed areas</i>	<b>0.8</b>	<b>0.0</b>	<b>0.0</b>
	<i>in freshwater</i>	<b>367.1</b>	<b>15.1</b>	<b>14.8</b>
	<i>in other water bodies (&gt;1,000 mg/l total dissolved solids)</i>	<b>0</b>	<b>0.0</b>	<b>0.0</b>
Water consumption	<b>TOTAL</b>	<b>65.5</b>	<b>14.6</b>	<b>16.1</b>
	<i>in water stressed areas</i>	11.5	3.5	4.2



## GRI 401-1 Total number and rate of new hires and turnover rate by age group, gender and region

### NUMBER AND TURNOVER RATE (HIRES AND TERMINATIONS) IN ITALMOBILIARE GROUP, BY COUNTRY

The rate of new hires is the ratio between employees hired during the reporting period and the total number of employees. The turnover rate is the ratio between employees who have terminated their relationship with the Company and the total number of employees, by age group.

		2020				2021				2022			
		Women	Men	Total	rate %	Women	Men	Total	rate %	Women	Men	Total	rate %
Group*	<b>Entry</b>	<b>40</b>	<b>129</b>	<b>169</b>	<b>10%</b>	<b>147</b>	<b>103</b>	<b>246</b>	<b>30%</b>	<b>175</b>	<b>120</b>	<b>295</b>	<b>29%</b>
	rate %	8%	10%	10%	0%	43%	21%	30%	0%	38%	22%	29%	0%
	< 30	10	33	43	22%	58	38	96	60%	69	34	103	53%
	30-50	23	81	104	10%	71	57	128	25%	89	77	166	26%
	> 50	7	15	22	4%	10	12	22	14%	17	9	26	14%
	<b>Exit</b>	<b>41</b>	<b>114</b>	<b>155</b>	<b>9%</b>	<b>45</b>	<b>43</b>	<b>88</b>	<b>11%</b>	<b>81</b>	<b>75</b>	<b>156</b>	<b>16%</b>
	rate %	9%	9%	9%	0%	13%	9%	11%	0%	17%	14%	16%	0%
	< 30	4	24	28	15%	17	14	31	19%	29	17	46	24%
	30-50	25	48	73	7%	21	19	40	8%	38	40	78	12%
	> 50	12	42	54	10%	7	10	17	11%	14	18	32	17%
Italy *	<b>Entry</b>	<b>6</b>	<b>61</b>	<b>67</b>	<b>8%</b>	<b>134</b>	<b>105</b>	<b>239</b>	<b>30%</b>	<b>157</b>	<b>109</b>	<b>266</b>	<b>27%</b>
	rate %	5%	9%	8%	0%	41%	22%	30%	0%	36%	21%	27%	0%
	< 30	1	17	18	17%	56	37	93	60%	61	31	92	50%
	30-50	3	39	42	9%	70	56	126	25%	81	69	150	25%
	> 50	2	5	7	3%	8	12	20	14%	15	9	24	14%
	<b>Exit</b>	<b>4</b>	<b>44</b>	<b>48</b>	<b>6%</b>	<b>43</b>	<b>40</b>	<b>83</b>	<b>10%</b>	<b>69</b>	<b>68</b>	<b>137</b>	<b>14%</b>
	rate %	3%	6%	6%	0%	13%	8%	10%	0%	16%	13%	14%	0%
	< 30	2	8	10	10%	16	12	28	18%	24	14	38	21%
	30-50	1	20	21	4%	20	18	38	8%	35	38	73	12%
	> 50	1	16	17	8%	7	10	17	12%	10	16	26	15%
UK*	<b>Entry</b>	<b>1</b>	<b>11</b>	<b>12</b>	<b>15%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>38%</b>
	rate %	6%	18%	15%	0%	0%	0%	0%	0%	60%	0%	38%	0%
	< 30	0	3	3	30%	0	0	0	0%	1	0	1	100%
	30-50	1	6	7	17%	0	0	0	0%	2	0	2	67%
	> 50	0	2	2	7%	0	0	0	0%	0	0	0	0%
	<b>Exit</b>	<b>4</b>	<b>13</b>	<b>17</b>	<b>22%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
	rate %	22%	21%	22%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	< 30	0	4	4	40%	0	0	0	0%	0	0	0	0%
	30-50	3	4	7	17%	0	0	0	0%	0	0	0	0%
	> 50	1	5	6	22%	0	0	0	0%	0	0	0	0%
USA	<b>Entry</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>5</b>	<b>2</b>	<b>7</b>	<b>35%</b>	<b>10</b>	<b>10</b>	<b>20</b>	<b>91%</b>
	rate %	0%	0%	0%	0%	38%	29%	35%	0%	83%	100%	91%	0%
	< 30	0	0	0	0%	2	1	3	60%	6	3	9	129%
	30-50	0	0	0	0%	1	1	2	29%	3	7	10	91%
	> 50	0	0	0	0%	2	0	2	25%	1	0	1	25%
	<b>Exit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>25%</b>	<b>11</b>	<b>7</b>	<b>18</b>	<b>82%</b>
	rate %	0%	0%	0%	0%	15%	43%	25%	0%	92%	70%	82%	0%
	< 30	0	0	0	0%	1	2	3	60%	4	3	7	100%
	30-50	0	0	0	0%	1	1	2	29%	3	2	5	45%
	> 50	0	0	0	0%	0	0	0	0%	4	2	6	150%
France	<b>Entry</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>120%</b>
	rate %	0%	0%	0%	0%	0%	0%	0%	0%	125%	100%	120%	0%
	< 30	0	0	0	0%	0	0	0	0%	1	0	1	0%
	30-50	0	0	0	0%	0	0	0	0%	3	1	4	100%
	> 50	0	0	0	0%	0	0	0	0%	1	0	1	100%
	<b>Exit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>20%</b>
	rate %	0%	0%	0%	0%	0%	0%	0%	0%	25%	0%	20%	0%
	< 30	0	0	0	0%	0	0	0	0%	1	0	1	0%
	30-50	0	0	0	0%	0	0	0	0%	0	0	0	0%
	> 50	0	0	0	0%	0	0	0	0%	0	0	0	0%

\*2020 data also include the Sirap perimeter, not consolidated in 2021 and in 2022. For Sirap, the data for the countries not present in the current perimeter of the Group are not shown, namely France, Germany, Poland, Spain, Hungary.

## GRI 401-3 Parental leave

	Women	Men	Total
Total number of employees that were entitled to parental leave	25	30	55
Total number of employees that took parental leave	25	30	55
Total number of employees that returned to work in the reporting period after parental leave ended	10	30	40
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	18	31	49
Return to work rate	40%	100%	73%
Retention rate	--	--	--

## GRI 403-9 Number and rate of recordable work-related injuries, with high-consequence or fatalities, by country

### NUMBER AND RATE OF INJURIES PER MILLION HOURS WORKED

Data include work-related injuries, injuries with high consequences and fatalities, excluding events occurring on the commute from home to work not organized by the Group companies.

High-consequence injuries are those from which a worker cannot recover, does not recover or it is not realistic to foresee that they will fully recover by returning to their pre-accident state of health within 6 months.

		2020	2021	2022	
Italy *	Employees	Number of fatalities	0	0	0
		Number of high-consequence injuries (excluding fatalities)	0	0	1
		Number of recordable injuries	6	8	5
		Hours worked	1291460	1131633	1451325
		Rate of fatalities	0.0	0.0	0.0
		Rate of high-consequence injuries (excluding fatalities)	0.0	0.0	0.7
	Non-employees	Rate of recordable injuries	4.6	7.1	3.4
		Number of fatalities	0	0	0
		Number of high-consequence injuries (excluding fatalities)	0	0	0
		Number of recordable injuries	1	2	0
		Hours worked	116480	60052	57752
		Rate of fatalities	0.0	0.0	0.0
United Kingdom * **	Employees	Rate of high-consequence injuries (excluding fatalities)	0.0	0.0	0.0
		Rate of recordable injuries	8.6	33.3	0.0
		Number of fatalities	0	0	0
		Number of high-consequence injuries (excluding fatalities)	0	0	0
		Number of recordable injuries	1	0	0
		Hours worked	148030	8832	12553
	Non-employees	Rate of fatalities	0.0	0.0	0.0
		Rate of high-consequence injuries (excluding fatalities)	0.0	0.0	0.0
		Rate of recordable injuries	6.8	0.0	0.0
		Number of fatalities	0	0	0
		Number of high-consequence injuries (excluding fatalities)	0	0	0
		Number of recordable injuries	0	0	0
USA **	Employees	Hours worked	4069	0	0
		Rate of fatalities	0.0	0.0	0.0
		Rate of high-consequence injuries (excluding fatalities)	0.0	0.0	0.0
		Rate of recordable injuries	0.0	0.0	0.0
		Number of fatalities	0	0	0
		Number of high-consequence injuries (excluding fatalities)	0	0	0
	Non-employees	Number of recordable injuries	0	0	0
		Hours worked	0	0	1367
		Rate of fatalities	0.0	0.0	0.0
		Rate of high-consequence injuries (excluding fatalities)	0.0	0.0	0.0
		Rate of recordable injuries	0.0	0.0	0.0
		Rate of recordable injuries	0.0	0.0	0.0

		2020	2021	2022	
France	Employees	Number of fatalities	0	0	0
		Number of high-consequence injuries (excluding fatalities)	0	0	0
		Number of recordable injuries	0	0	0
		Hours worked	0	0	3904
		Rate of fatalities	0.0	0.0	0.0
		Rate of high-consequence injuries (excluding fatalities)	0.0	0.0	0.0
	Non-employees	Rate of recordable injuries	0.0	0.0	0.0
		Number of fatalities	0	0	0
		Number of high-consequence injuries (excluding fatalities)	0	0	0
		Number of recordable injuries	0	0	0
		Hours worked	0	0	0
		Rate of fatalities	0.0	0.0	0.0
	Rate of high-consequence injuries (excluding fatalities)	0.0	0.0	0.0	
	Rate of recordable injuries	0.0	0.0	0.0	

\* 2020 data also include the Sirap perimeter, not consolidated in 2021. For Sirap, the data for the countries not present in the current perimeter of the Group are not shown, namely France, Germany, Poland, Spain, Hungary.

\*\* the hours worked relating to the UK and US activities of Officina Profumo Farmaceutica di Santa Maria Novella are estimated

## GRI 405-1b Diversity of employees

### NUMBER OF EMPLOYEES BY GENDER AND AGE GROUP

ITALY		2022	2022
<b>Managers</b>	<b>Total</b>	<b>60</b>	
<b>Manager - Women</b>	<b>Total</b>	<b>12</b>	<b>20%</b>
	Under 30	0	0%
	30-50	8	13%
	Over 50	4	7%
<b>Manager - Men</b>	<b>Total</b>	<b>48</b>	<b>80%</b>
	Under 30	1	2%
	30-50	30	50%
	Over 50	17	28%
<b>Middle managers</b>	<b>Total</b>	<b>91</b>	
<b>Middle Manager - Women</b>	<b>Total</b>	<b>34</b>	<b>37%</b>
	Under 30	0	0%
	30-50	22	24%
	Over 50	12	13%
<b>Middle Manager - Men</b>	<b>Total</b>	<b>57</b>	<b>63%</b>
	Under 30	4	4%
	30-50	41	45%
	Over 50	12	13%
<b>Office workers</b>	<b>Total</b>	<b>473</b>	
<b>Office workers - Women</b>	<b>Total</b>	<b>357</b>	<b>75%</b>
	Under 30	101	21%
	30-50	207	44%
	Over 50	49	10%
<b>Office workers - Men</b>	<b>Total</b>	<b>116</b>	<b>25%</b>
	Under 30	20	4%
	30-50	76	16%
	Over 50	20	4%
<b>Production workers</b>	<b>Total</b>	<b>346</b>	
<b>Production workers - Women</b>	<b>Total</b>	<b>39</b>	<b>11%</b>
	Under 30	3	1%
	30-50	24	7%
	Over 50	12	3%
<b>Production workers - Men</b>	<b>Total</b>	<b>307</b>	<b>89%</b>
	Under 30	56	16%
	30-50	202	58%
	Over 50	49	14%

## European Taxonomy

### Regulation (UE) 2020/852

The volumes of turnover, capital expenditures, and operating expenses appearing in the denominator of the indicators coincide with those reported within the 2022 Financial Report (insert reference to the relevant budget items).

The turnover volume related to the aligned and eligible activity "Production of electricity through solar photovoltaic technology" coincides with the overall 2022 turnover of the company Solar Rooftop S.r.l, a subsidiary of Italgas S.p.A. The volume of turnover related to the aligned and eligible activity "Production of electricity from hydropower" includes the entire turnover of the companies Idrodezza S.r.l, Idroenergy S.r.l and Rovale S.r.l, which are subsidiaries of Italgas S.p.A. and entirely dedicated to production from hydropower, as well as the share of turnover attributable to production from hydropower of Italgas itself, determined on the basis of the company's analytical accounting.

The allocation of capitalized (CapEx) and non-capitalized (OpEx) expenses to the numerator was conducted through a reconciliation of the accounting information collected from the management systems of the individual portfolio companies, the NACE/ATECO codes referring to the aligned and eligible activities, and the respective description. With the exception of Italgas S.p.A. and its subsidiaries, which carry out eligible activities that comply with the criteria of substantial contribution to climate objectives and Do Not Significant Harm in compliance with minimum safeguards, the remaining companies included in the Italmobiliare Group's consolidation scope as of 12/31/2022 do not carry out activities eligible for climate objectives; consequently, they do not have CapEx plans aimed at increasing the share of aligned activities. The trend in CapEx and OpEx expenses is therefore attributable to the investments made by the companies, as part of their ESG Plans, with the aim of reducing the carbon footprint of the activities carried out, to strategic business development objectives and to specific production and management needs.

Economic activities	Code (s)	Absolute turnover €	Proportion of turnover %	Climate change mitigation		Climate change adaptation		Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of turnover, year N %	Taxonomy-aligned proportion of turnover, year N-1 %	Category (enabling activity) A	Category (transitional activity) T
				%	Y/N	%	Y/N									
<b>NON-ELIGIBLE ACTIVITIES</b>																
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																
4.1. Power generation by solar photovoltaic technology	D 35.11	12,979.50 €	0.0%	100.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	0.0%	0.0%		
Power generation from hydropower	D 35.11	45,308,300.00 €	9.2%	100.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	9.2%			
<b>Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>45,321,279.50 €</b>	<b>9.2%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>							<b>9.2%</b>			
<b>A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																
<b>Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>																
		0	0.0%													
<b>(A.1 + A.2)</b>		<b>45,321,279.50 €</b>	<b>9.2%</b>											<b>9.2%</b>		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																
<b>Turnover of Taxonomy-non-eligible activities (B)</b>																
		446,966,720.50 €	90.8%													
<b>(A + B)</b>		<b>492,288,000.00 €</b>	<b>100.0%</b>													

Substantial contribution criteria  
(‘Does Not Significantly Harm’)  
DNSH criteria







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**ITALMOBILIARE**  
INVESTMENT HOLDING

# REPORTING

# REPORTING

## Scope and methodology

The Sustainability Report includes the services, data and information on the parent company Italmobiliare and on all the companies consolidated on a line-by-line basis in the Annual Report, excluding those which, due to the insignificance of the business (% NAV, assets, number of employees) or due to the absence of significant environmental, social or governance aspects or because of the type of business, are considered irrelevant in order to represent the Group's sustainable strategy.

In the event of changes to the scope of consolidation during the year, such as the acquisition or sale of companies or changes in the percentage of control, the data and information relating to these companies will in principle be included or excluded in accordance with the Annual Report or in any case in the following cases:

- For companies that entered the scope of consolidation in the first 6 months of the year, figures and information are normally included in the Sustainability Report for the entire year.
- For companies that entered the scope of consolidation in the last 6 months of the year, the figures and information are normally excluded from the Sustainability Report.
- For companies that were excluded from the scope of consolidation in the first 6 months of the year, the situation is considered case by case whether to include or exclude the figures and information in the Sustainability Report for the entire year.

For Portfolio Companies that are controlled but not yet consolidated and other affiliates, key figures and information are provided. The following table summarizes the evolution of the reporting perimeter, over years.

	Investment date	2020	2021	2022
<b>Parent Company and controlled Portfolio Companies</b>				
Italmobiliare		✓	✓	✓
Sirap	1990-2021	✓		
Italgen	July 2016	✓	✓	✓
Clessidra	September 2016	✓	✓	✓
Caffè Borbone	May 2018	✓	✓	✓
Capitelli	December 2019	✓	✓	✓
Officina Profumo-Farmaceutica di Santa Maria Novella	January 2020		✓	✓
Casa della Salute	December 2020		✓	✓
Callmewine	December 2020		✓	✓
SIDI Sport	October 2022			info
<b>Affiliated Portfolio Companies</b>				
Tecnica Group	November 2017	info	info	info
Iseo	October 2018	info	info	info
AGN ENERGIA	January 2019	info	info	info
Bene Assicurazioni	apr-22			info

Although fully controlled and consolidated, Franco Tosi Ventures, Crédit Mobilier de Monaco, Italmobiliare Servizi (only energy consumption is accounted), Punta Ala and SEPAC are not included, as their activities are not relevant to the Group's sustainable strategy. Together they represent less than 5% of NAV, have a very limited number of employees, and have no significant environmental, social or governance aspects.

The scope of the economic and financial data and information in this Report is the same as that of the Consolidated Financial Statements of the Italmobiliare Group on 31 December 2022, but may vary according to the materiality of these topics for the various Group companies, as detailed in the document. Minor administrative and commercial offices, which are not relevant to the Group's sustainable strategy, are excluded.

		Italmobiliare Group and Parent Company			Consolidated Portfolio Companies					
		Italmobiliare Group	Italmobiliare	Caffè Borbone	Officina SMN	Italgen	Casa della Salute	Capitelli	Callmewine	Clessidra
<b>Governance</b>	Economic result and shared value	✓								
	Governance and integrity	✓		✓	✓	✓	✓	✓	✓	✓
	Responsible investments	✓								✓
	Procurement and supply chain	✓		✓	✓	✓	✓	✓	✓	
<b>Society</b>	Human capital development	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Health, safety and wellbeing	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Product and service stewardship	✓		✓	✓	✓	✓	✓	✓	
	Market and community	✓		✓	✓	✓		✓	✓	✓
<b>Environment</b>	Responsible use of resources	✓		✓	✓	✓	✓	✓	✓	
	Low-carbon transition	✓		✓	✓	✓	✓	✓	✓	✓
	Land and biodiversity					✓				

With specific reference to the accountings of the carbon footprint, the following categories were considered as material and included in calculations or estimates.

		Italmobiliare	Caffè	Officina	Italgen	Casa della Salute	Capitelli	Callmewine	Clessidra
<b>SCOPE 1</b>	Direct GHG emissions	✓	✓	✓	✓	✓	✓	✓	✓
<b>SCOPE 2</b>	Electricity indirect GHG emissions	✓	✓	✓	✓	✓	✓	✓	✓
<b>SCOPE 3</b> Other indirect GHG emissions	1 Purchased goods and services		✓	✓		✓	✓	✓	
	2 Capital goods					✓			
	3 Fuel- and energy-related activities				✓	✓			
	4 Upstream logistics		✓			✓		✓	
	5 Waste generated in operations					✓			
	6 Business travel	✓	✓	✓	✓	✓	✓	✓	✓
	7 Employee commuting		✓						
	8 Upstream leased assets								
	9 Downstream logistics		✓	✓			✓	✓	
	10 Processing of sold products		✓						
	11 Use of sold products		✓	✓					
	12 End-of-life treatment of products		✓	✓			✓	✓	
	13 Downstream leased assets								
	14 Franchises								
	15 Investments		✓						✓

Estimates were used as little as possible to give a true representation of performance and to ensure that the figures are reliable. Where estimates have been used, they are based on the best available methodologies and appropriately reported. The data relating to the financial year 2020 and 2021 are reported for comparative purposes in order to facilitate the understanding of the performance trend. The 2022 Sustainability Report was drawn up in accordance with the most recent "Reporting Standards" defined by the Global Reporting Initiative (GRI).

The "Supplementary Data" section is an integral part of this document. It contains the detailed information and data, in order to give complete evidence of the coverage of the GRI indicators associated with each theme that emerged as material. The Group has implemented a reporting process of non-financial information which involved the subsidiaries, both in the definition of material issues and by sharing the reporting model established by the Parent Company.

The materiality matrix is built as the weighted aggregation of the individual materiality matrices of Italmobiliare and each Portfolio Company. The applied methodology provides for three evaluation phases:

- With the support of Italmobiliare Sustainability Department, the first-line functions of the Portfolio Company assess systematically risks, opportunities and positive or negative impacts, analysing all the important aspects for the business and interpreting the point of view of their respective reference stakeholders.
- Subsequently, the functions of the Holding examine the evaluation carried out by the Portfolio Company, proposing alternatives or additions, when necessary.
- Eventually, the position expressed directly by the other relevant stakeholders for the specific Company is collected through dedicated questionnaires, interviews, or other engagement tools.

The 2022 update saw the refinement of the assessment of some particularly strategic topics, such as the low-carbon transition and greater involvement of internal stakeholders and external experts chosen from the academic world and associations. The matrix was presented and discussed in the Sustainability and Social Responsibility Committee, approved by the Board of Directors and made operational by management.

The data collected on the three evaluation levels are appropriately weighted and graphically represented (page F16). To make the matrix more communicative, material topics have been aggregated into macro-issues, following the reconciliation table hereunder.

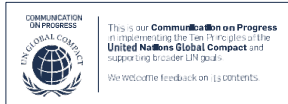
Macro-issues	Material impacts	GRI standard	
Economic results and shared value	Continuity of creation of the economic value and safeguard of the capital soundness Fair distribution of the economic value to stakeholders (business partners, employees, clients, communities,...) Capability to mitigate related financial risks through a sustainable strategy, including climate action	201	Economic performance
Governance and integrity	Compliance with the law, for example, as regards anti-corruption, antitrust, environment, human rights and labour Active contribution to the dissemination of ethics, legality, and sustainability along the value chain (e.g.: suppliers, clients)	205	Anti-corruption
		206	Anti-competitive behavior
		207	Tax
Procurement and supply chain	Selection of suppliers based on ethical criteria and environmental and social performances aligned with the Company Establishment and maintenance of solid and mutually advantageous partnerships with suppliers of goods and services, also considering local companies Shared attention to environmental, social and governance aspects with suppliers, and engagement in the implementation of responsible practices	204	Procurement practices
		407	Freedom of association and collective bargaining
		408	Child labor
		409	Forced or compulsory labor
Human capital development	Compliance with labour rights ( e.g. child labour, forced labour, freedom of association) Enhancement of gender equality and diversity in its different aspects, for example by ensuring non-discriminatory practices in terms of employees recruitment, management and remuneration Promotion of personal growth through skills mapping, continuous training, performance evaluation and development paths Provision of supplementary benefits and work-life balance opportunities	202	Market presence
		401	Employment
		402	Labor/management relations
		404	Training and education
		405	Diversity and equal opportunity
		406	Non-discrimination
Health, safety and wellbeing	Support and compliance of the health and safety of employees and people accessing the workplace (suppliers, guests, clients)	401	Employment
Product and service stewardship	Compliance of products and services with regulations and voluntary codes, health, safety, environment, labelling, product/service communication and marketing Development of sustainable and innovative products and services, through attention to components, ingredients, production processes, packaging, distribution methods, and end-of-life management Promotion of responsible consumption and lifestyles conscious of social and environmental impacts	403	Occupational health and safety
		416	Customer health and safety
Market and community	Development and maintenance of strong relationships with markets, even through the communication of economic and ESG performances	417	Marketing and labeling
		418	Customer privacy
Responsible use of resources	Optimization and reduction in consumption of raw, associated process or for packaging materials, with a preference for renewable or recycled materials Optimization and reduction in thermal and electric energy consumption Optimization and reduction in direct and indirect water consumption, particularly if withdrawn from areas with water stress Containment of by-products and waste generation and promotion of their recovery and reuse	301	Materials
		302	Energy
		303	Water and effluents
		306	Waste
Low-carbon transition	Reduction of GHG emissions generated by company operations Reduction of GHG emissions generated by upstream and downstream companies (e.g. supply of raw materials, logistics, distribution and use of products) Contribution to energy transition and climate change mitigation through the production and use of energy from renewable sources	305	Emissions
Land and biodiversity	Prevention and mitigation of negative impacts generated by water discharge	304	Biodiversity

This Sustainability Report, which is drawn up on an annual basis, was approved by the Risks and Sustainability Committee of Italmobiliare S.p.A. at its meeting of February 22, 2022 and by the Board of Directors on March 8, 2022.

The Report is also subject to a limited review (or "limited assurance engagement" according with the criteria indicated by ISAE 3000 Revised) by Deloitte & Touche S.p.A. which, at the end of its work, releases a specific report on the consistency of the information provided in the consolidated non-financial statement prepared by Italmobiliare S.p.A. in accordance with Legislative Decree 254/2016.

This document is available at: <https://www.italmobiliare.it/en/sustainability/sustainability-report>. For information or clarification, contact the company at the email address [IR@Italmobiliare.it](mailto:IR@Italmobiliare.it).

## UN Global Compact: Communication On Progress (COP)



The Italmobiliare Group adheres to the United Nations Global Compact by means of a declaration of commitment - both formal and substantial - to promote a healthy, inclusive and sustainable global economy, respectful of human and labour rights, capable of protecting the environment and actively involved in every aspect of business integrity. To this end, Italmobiliare shares, supports and applies the 10 fundamental principles of the Global Compact in its sphere of influence and actively contributes to the achievement of the United Nations Sustainable Development Goals.

The Sustainability Report contains the information necessary for the Communication on Progress (COP), formally due to report on progresses in the implementation. The following table makes reference to the appropriate sections of the Report. The graph on page F15 details the direct and indirect contribution to the SDGs.

Principles of the Global Compact		Material topics and sections of the Report
<b>HUMAN RIGHTS</b>		
<b>Principle 1</b>	Businesses should support and respect the protection of internationally proclaimed human rights; and	GOVERNANCE AND INTEGRITY RESPONSIBLE INVESTMENTS PROCUREMENT AND SUPPLY CHAIN HUMAN CAPITAL DEVELOPMENT HEALTH, SAFETY AND WELLBEING PRODUCT AND SERVICE STEWARDSHIP
<b>Principle 2</b>	make sure that they are not complicit in human rights abuses.	MARKET AND COMMUNITIES RESPONSIBLE USE OF RESOURCES LOW-CARBON TRANSITION LAND AND BIODIVERSITY
<b>LABOUR</b>		
<b>Principle 3</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	GOVERNANCE AND INTEGRITY RESPONSIBLE INVESTMENTS PROCUREMENT AND SUPPLY CHAIN
<b>Principle 4</b>	the elimination of all forms of forced and compulsory labour;	HUMAN CAPITAL DEVELOPMENT
<b>Principle 5</b>	the effective elimination of child labour; and	
<b>Principle 6</b>	the elimination of discrimination in respect of employment and occupation.	
<b>ENVIRONMENT</b>		
<b>Principle 7</b>	Businesses should support a precautionary approach to environmental challenges;	RESPONSIBLE INVESTMENTS PRODUCT AND SERVICE STEWARDSHIP
<b>Principle 8</b>	undertake initiatives to promote greater environmental responsibility; and	RESPONSIBLE USE OF RESOURCES
<b>Principle 9</b>	encourage the development and diffusion of environmentally friendly technologies.	LOW-CARBON TRANSITION LAND AND BIODIVERSITY
<b>ANTI-CORRUPTION</b>		
<b>Principle 10</b>	Businesses should work against corruption in all its forms, including extortion and bribery.	GOVERNANCE AND INTEGRITY RESPONSIBLE INVESTMENTS PROCUREMENT AND SUPPLY CHAIN MARKET AND COMMUNITIES

## Non-Financial Report (NFR)

The Sustainability Report contains the information necessary to meet the requirements of the consolidated non-financial report (NFR) in compliance with Legislative Decree 254/16. As required by Art. 5 of the Decree itself, is published separately from the management report.

The document reports on the issues deemed relevant and foresees by Art. 3 and by Art. 4 of Legislative Decree 254/2016 with reference to the 2022 financial year (from 1 January to 31 December), to the extent necessary to ensure the understanding of the business activity, its trend, results, social and environmental impacts.

The definition of the relevant issues for the Italmobiliare Group and its stakeholders took place on the basis of the structured materiality analysis process described in the “Strategy, materiality and SDGs” paragraph of this document.

The following table summarises the main elements.

Themes requested by Legislative Decree 254/16	Material topics and sections of the Report
a) The business model for the management and organization of the company's activities, including any organization and management models adopted pursuant to article 6, paragraph 1, letter a), of legislative decree 231, also with reference to the management of the aforementioned issues	GOVERNANCE AND INTEGRITY RESPONSIBLE INVESTMENTS PROCUREMENT AND SUPPLY CHAIN
b) The policies enforced by the company, including those related to due diligence, the results achieved and the key performance indicators of non-financial nature	
c) The policies enforced by the company, including those related to due diligence, the results achieved and the key performance indicators of non-financial nature	
<b>Environment</b>	
a) The use of energy resources, distinguishing between those produced from renewable and non-renewable sources, and the use of water resources	
b) Greenhouse gas emissions and polluting emissions into the atmosphere	RESPONSIBLE USE OF RESOURCES LOW-CARBON TRANSITION LAND AND BIODIVERSITY
c) The impact, where possible on the basis of hypotheses or realistic scenarios even in the medium term, on the environment as well as on health and safety, associated with risk factors or other relevant environmental and health risk factors	
<b>Social aspects related to personnel and respect for human rights</b>	
c) The impact, where possible on the basis of hypotheses or realistic scenarios even in the medium term, on the environment as well as on health and safety, associated with risk factors or other relevant environmental and health risk factors	
d) Social aspects and aspects relating to personnel management, including the actions taken to guarantee gender equality, the measures aimed at implementing the conventions of international and supranational organizations on the subject, and the ways in which dialogue with the social partners	HUMAN CAPITAL DEVELOPMENT HEALTH, SAFETY AND WELLBEING PRODUCT AND SERVICE STEWARDSHIP MARKET AND COMMUNITIES
e) Respect for human rights, the measures adopted to prevent violations, as well as the actions taken to prevent discriminatory attitudes and actions	
<b>Fight against active and passive corruption</b>	
f) Fight against both active and passive corruption, with indication of the tools adopted for this purpose	GOVERNANCE AND INTEGRITY RESPONSIBLE INVESTMENTS



## GRI standards

	Page / Remarks	Omissions
<b>GRI 2 General Disclosures 2021</b>		
2-1	Organizational details	F3, F11
2-2	Entities included in the organization's sustainability reporting	F110
2-3	Reporting period, frequency and contact point	F116
2-4	Restatements of information	F114
2-5	External assurance	F116
2-6	Activities, value chain and other business relationships	F11, F26, F100
2-7	Employees	F98
2-8	Workers who are not employees	F99
2-9	Governance structure and composition	F18
2-10	Nomination and selection of the highest governance body	Report on Corporate Governance and the Ownership Structure, II. Board of directors, "Appointment and replacement of Directors"
2-11	Chair of the highest governance body	Report on Corporate Governance and the Ownership Structure, II. Board of Directors, "Composition"
2-12	Role of the highest governance body in overseeing the management of impacts	F18, F20
2-13	Delegation of responsibility for managing impacts	F18, F20
2-14	Role of the highest governance body in sustainability reporting	F114
2-15	Conflicts of interest	Report on Corporate Governance and the Ownership Structure 2023, VI. Codes of conduct, procedures and other corporate governance practices, "Directors' interests and transactions with related parties"
2-16	Communication of critical concerns	F18-19
2-17	Collective knowledge of the highest governance body	Report on Corporate Governance and the Ownership Structure 2023, II. Board of directors, "Role and duties"
2-18	Evaluation of the performance of the highest governance body	Report on Corporate Governance and the Ownership Structure, II. Board of directors, "Role and duties"; Remuneration Report 2022, Section I, Report on the Remuneration Policy in 2022
2-19	Remuneration policies	Remuneration Report 2022, Section I, Report on the Remuneration Policy in 2022
2-20	Process to determine remuneration	Remuneration Report 2022, Section I, Report on the Remuneration Policy in 2022
2-21	Annual total compensation ratio	F18 - Global annual remuneration received during the year by employees present as at 31/12/2022, including the fixed component and variable remuneration from overtime work, allowances, benefits and performance-related bonuses. The remuneration of people with part-time employment contracts and of people hired during the year was calculated in terms of Full Time Equivalent. People with intermittent employment contracts under Capitelli and people who did not receive remuneration in 2022 are excluded from the calculation, for a total of 12 units.  The reporting of the ratio was started in 2022 and the annual percentage change (GRI 2-21-b) will therefore be reported starting from 2023.
2-22	Statement on sustainable development strategy	Letter to stakeholder
2-23	Policy commitments	F18

		Page / Remarks	Omissions
<b>GRI 2</b>	<b>General Disclosures 2021</b>		
2-24	Embedding policy commitments	F18	
2-25	Processes to remediate negative impacts	F18	
2-26	Mechanisms for seeking advice and raising concerns	F18	
2-27	Compliance with laws and regulations	F19	
2-28	Membership associations	F27	
2-29	Approach to stakeholder engagement	F26	
2-30	Collective bargaining agreements	F100	
<b>ECONOMIC RESULTS AND SHARED VALUE</b>			
3-3	Management of material topics	F17, F115	
<b>GRI 201</b>	<b>Economic performance 2016</b>		
201-1	Direct economic value generated and distributed	F17	
201-4	Financial assistance received from government	F17	
<b>GOVERNANCE AND INTEGRITY</b>			
3-3	Management of material topics	F18-19, F115	
<b>GRI 205</b>	<b>Anti-corruption 2016</b>		
205-2	Communication and training about anti-corruption policies and procedures	F101	
205-3	Confirmed incidents of corruption and actions taken	F20	
<b>GRI 206</b>	<b>Anti-competitive behavior 2016</b>		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	F20	
<b>GRI 207</b>	<b>Tax 2019</b>		
207-1	Approach to tax	F20	
207-2	Tax governance, control, and risk management	F20	
207-3	Stakeholder engagement and management of concerns related to tax	F20	
207-4	Country-by-country reporting	F20	
<b>RESPONSIBLE INVESTMENTS</b>			
3-3	Management of material topics	F22, F115	
<b>PROCUREMENT AND SUPPLY CHAIN</b>			
3-3	Management of material topics	F38, F46, F54, F64, F70, F78, F115	
<b>GRI 204</b>	<b>Procurement practices 2016</b>		
204-1	Proportion of spending on local suppliers	F100	
<b>HUMAN CAPITAL DEVELOPMENT</b>			
3-3	Management of material topics	F23-F24	
<b>GRI 201</b>	<b>Economic performance 2016</b>		
201-3	Defined benefit plan obligations and other retirement plans	F33, F55	

		Page / Remarks	Omissions
<b>GRI 202</b>	<b>Market presence 2016</b>		
202-2	Proportion of senior management hired from the local community	F24	
<b>GRI 404</b>	<b>Training and education 2016</b>		
401-1	New employee hires and employee turnover	F103	
401-3	Parental leave	F104	
<b>GRI 404</b>	<b>Training and education 2016</b>		
404-1	Average hours of training per year per employee	F24	
404-3	Percentage of employees receiving regular performance and career development reviews	F24	
<b>GRI 405</b>	<b>Diversity and equal opportunity 2016</b>		
405-1	Diversity of governance bodies and employees	F18, F106	
<b>GRI 406</b>	<b>Non-discrimination 2016</b>		
406-1	Incidents of discrimination and corrective actions taken	In 2022 there were no episodes of discrimination	
<b>HEALTH, SAFETY AND WELLBEING</b>			
3-3	Management of material topics	F25, F115	
<b>GRI 401</b>	<b>Employment 2016</b>		
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	F34, F40, F48, F54, F65, F72, F80, F88	
<b>GRI 403</b>	<b>Occupational health and safety 2018</b>		
403-1	Occupational health and safety management system	F34, F40, F48, F54, F65, F72, F80, F88	
403-2	Hazard identification, risk assessment, and incident investigation	F34, F40, F48, F54, F65, F72, F80, F88	
403-3	Occupational health services	F34, F40, F48, F54, F65, F72, F80, F88	
403-4	Worker participation, consultation, and communication on occupational health and safety	F34, F40, F48, F54, F65, F72, F80, F88	
403-5	Worker training on occupational health and safety	F34, F40, F48, F54, F65, F72, F80, F88	
403-6	Promotion of worker health	F34, F40, F48, F54, F65, F72, F80, F88	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	F34, F40, F48, F54, F65, F72, F80, F88	
403-9	Work-related injuries	F25, F106	
<b>PRODUCT AND SERVICE STEWARDSHIP</b>			
3-3	Management of material topics	F25, F115	
<b>GRI 416</b>	<b>Customer health and safety 2016</b>		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	In 2022 there were no episodes of non-compliance with regulations and / or voluntary codes.	
<b>MARKET AND COMMUNITY</b>			
3-3	Management of material topics	F26, F115	
<b>GRI 413</b>	<b>Local communities 2016</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	F41	

		Page / Remarks	Omissions
<b>GRI 417</b>	<b>Marketing and labeling 2016</b>		
417-2	Incidents of non-compliance concerning product and service information and labeling		In 2022 there were no episodes of non-compliance with regulations and / or voluntary codes.
<b>GRI 417</b>	<b>Marketing and labeling 2016</b>		
417-3	Incidents of non-compliance concerning marketing communications		In 2022 there were no episodes of non-compliance with regulations and / or voluntary codes.
<b>GRI 418</b>	<b>Customer Privacy 2016</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	F27	
<b>RESPONSIBLE USE OF RESOURCES</b>			
3-3	Management of material topics	F28, F115	
<b>GRI 301</b>	<b>Materials 2016</b>		
301-1	Materials used by weight or volume	F28	
301-2	Recycled input materials used	F28	
<b>GRI 302</b>	<b>Energy 2016</b>		
302-1	Energy consumption within the organization	F29	
<b>GRI 303</b>	<b>Water and effluents 2018</b>		
303-1	Interactions with water as a shared resource	F28, F42, F50, F58, F66, F74	
303-2	Management of water discharge-related impacts	F28, F42, F50, F58, F66, F74	
303-3	Water withdrawal	F102	
303-4	Water discharge	F102	
303-5	Water consumption	F102	
<b>GRI 306</b>	<b>Waste 2020</b>		
306-1	Waste generation and significant waste-related impacts	F28, F42, F50, F58, F66, F74	
306-2	Management of significant waste-related impacts	F28, F42, F50, F58, F66, F74	
306-3	Waste generated	F29	
<b>LOW-CARBON TRANSITION</b>			
3-3	Management of material topics	F30, F115	
<b>GRI 305</b>	<b>Emissions 2016</b>		
305-1	Direct (Scope 1) GHG emissions	F30, F101	
305-2	Energy indirect (Scope 2) GHG emissions	F30, F101	
305-3	Other indirect (Scope 3) GHG emissions	F30	
305-4	GHG emissions intensity	F30	
<b>LAND AND BIODIVERSITY</b>			
3-3	Management of material topics	F60, F115	
<b>GRI 304</b>	<b>Biodiversity 2016</b>		
304-2	Significant impacts of activities, products and services on biodiversity	F60	



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**INDEPENDENT AUDITOR'S REPORT  
ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3,  
PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016  
AND ART. 5 OF CONSOB REGULATION N. 20267 OF JANUARY 2018**

To the Board of Directors of  
Italmobiliare S.p.A.

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5 of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of Italmobiliare S.p.A. and its subsidiaries (hereinafter "Italmobiliare Group" or "Group") as of December 31, 2022 prepared on the basis of art. 4 of the Decree, and approved by the Board of Directors on March 8, 2023 (hereinafter "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "European Taxonomy - Regulation (EU) 2020/852".

**Responsibility of the Directors and the Board of Statutory Auditors for the NFS**

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" established by GRI - *Global Reporting Initiative* (hereinafter "GRI Standards"), which they have identified as reporting framework.

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

The Directors are moreover responsible for defining the contents of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the activities and characteristics of the Group, and to the extent necessary in order to ensure the understanding of the Group's activities, its trends, performance and the related impacts.

Finally, the Directors are responsible for defining the business management model and the organisation of the Group's activities as well as, with reference to the topics detected and reported in the NFS, for the policies pursued by the Group and for identifying and managing the risks generated or undertaken by the Group.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

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### Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our auditing firm applies *International Standard on Quality Control 1* (ISQC Italia 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with the criteria established in the "*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on NFS are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

1. analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the selection process in place in light of the provisions of art.3 of the Decree and taking into account the adopted reporting standard;
2. analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance with the Decree;
3. comparison between the financial data and information included in the NFS with those included in the consolidated financial statements of the Italmobiliare Group;
4. understanding of the following matters:
  - business management model of the Group's activities, with reference to the management of the topics specified by article 3 of the Decree;
  - policies adopted by the entity in connection with the topics specified by article 3 of the Decree, achieved results and related fundamental performance indicators;
  - main risks, generated and/or undertaken, in connection with the topics specified by article 3 of the Decree.

Moreover, with reference to these matters, we carried out a comparison with the information contained in the NFS and the verifications described in the subsequent point 5, letter a);

5. understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the NFS.

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In particular, we carried out interviews and discussions with the management of Italmobiliare S.p.A. and with the employees of the subsidiary Caffè Borbone S.r.l., Casa della Salute S.r.l. and Capitelli Fratelli S.r.l. and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the parent company's and subsidiaries' level:
  - a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
  - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;
- for the following companies and sites, Milano site for Italmobiliare S.p.A., Caivano (NA) site and production plant for Caffè Borbone S.r.l., Genova site for Casa della Salute S.r.l. and Borgonovo Val Tidone (PC) site and production plant for Capitelli Fratelli S.r.l., which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out site visits, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

### Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the Italmobiliare Group as of December 31, 2022 is not prepared, in all material aspects, in accordance with articles 3 and 4 of the Decree and the GRI Standards.

Our conclusion on the NFS of the Italmobiliare Group does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "European Taxonomy - Regulation (EU) 2020/852".

DELOITTE & TOUCHE S.p.A.

Signed by  
Massimiliano Semprini  
Partner

Milan, Italy  
March 17, 2023

*This report has been translated into the English language solely for the convenience of international readers.*

This document has been compiled with the methodological support of

**ALTIS** advisory

