

Sustainability Report 2022



FdA
group

2022 /

SUSTAINABILITY

REPORT

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FdA
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Chapter 01

1 METHODOLOGICAL NOTE /

01

01 Methodological note

This second edition of the Sustainability Report of the FDA Group has been prepared in accordance with the Global Reporting Initiative (GRI) standards, continuing the ongoing process of reporting and communicating the Group's social, economic, and environmental impacts.

The purpose of this document is to provide stakeholders with a clear, comprehensive, and transparent view of the Group's activities, projects, commitments, short- and medium-term goals, and achievements, with the aim of creating long-term value.

The figures and information in this Report cover the period from 1 January to 31 December 2022. Comparative data for 2021 has been included where available to provide a broader picture of the Group's performance.

The FDA Group initiated its reporting efforts by establishing a dedicated internal team, under the coordination of the consulting and engineering firm eAmbiente S.r.l., with the aim of communicating its commitment to sustainable social, environmental, and economic development to all stakeholders.

The information in this Sustainability Report refers to the following business units of the Forno d'Asolo Group:

FORNO D'ASOLO S.P.A.

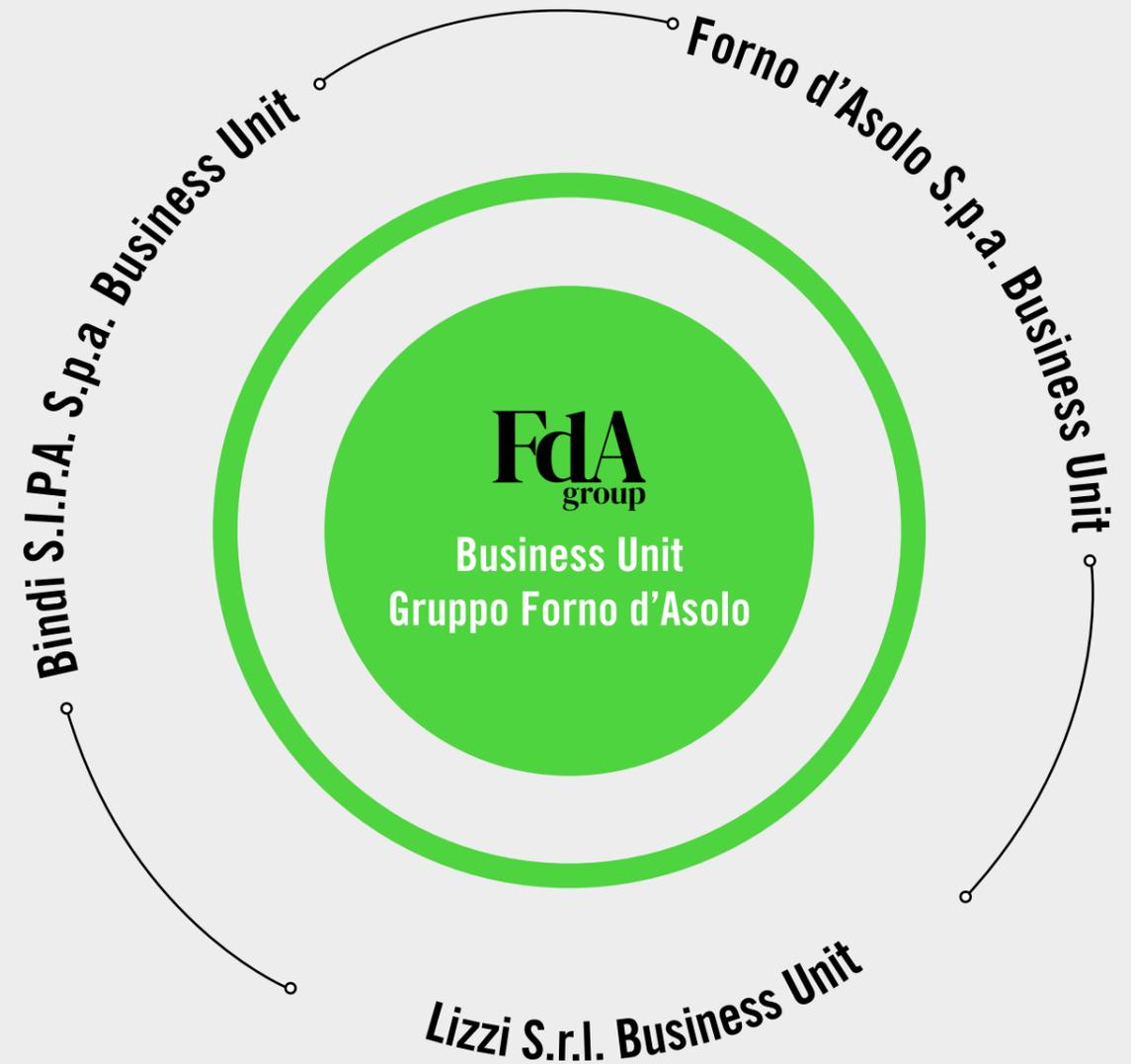
- Via Nome di Maria, 1, 31010 Crespignaga, TV
- Via B. Cristofori, 14, 30016 Lido di Jesolo, VE
- Via Kennedy, 27, 20053 Rodano, MI

BINDI S.I.P.A. S.P.A.

- Via della Liberazione, 1, 20098 San Giuliano Milanese, MI
- Karol Woityla, 56043 Lorenzana, PI
- Via Collatina, 321, 00155, Roma, RM
- 25 Rue de la Pougé, 87310 Saint-Auvent, Francia
- 630 Belleville Turnpike Kearny, NJ 07032 USA
- 507 Main St., Belleville, NJ 07109 USA

LIZZI S.R.L.

- Via Mario Idiomi, 4, 20090 Assago, MI
- Località Riddone, 1, 12040 Sommariva Perno, CN
- Via stazione 67, 12066 Monticello d'Alba, CN
- Via Asiago, 626, 21042 Caronno Pertusella, VA



In accordance with the reporting standards for defining the content and quality of the Sustainability Report, the FDA Group provides general background information and details of sustainability reporting practices such as profile, strategy, ethics and integrity, governance, and stakeholder engagement and dialogue.

The 2022 Sustainability Report provides details to our stakeholders are provided of

how the material topics have been handled. Each material topic is accompanied by an explanation of why it is considered material, the locations of impact, and how the enterprise manages these topics.

For further information regarding the report, please contact:

sustainability@fdagroup.it

2 LETTER TO STAKEHOLDERS /



02 Letter to stakeholders

Dear Stakeholders,

Our commitment to helping protect the planet and implement ethical and value-based processes in our work is constantly evolving. To this end, we are delighted to present to you our Sustainability Report 2022, a key part of our contribution towards achieving tangible and measurable sustainability. The FdA Group has invested substantial resources in implementing innovative projects aimed at reducing the environmental impact of our internal processes and strengthening our programme of social activities.

Starting in 2022, we have embarked on a strategic course towards sustainability with the goal of measuring and improving our ESG performance. Measuring our carbon footprint, including direct (Scope 1-2) and indirect (Scope 3) emissions, has been a fundamental part of this project because it reflects our ambition to achieve what we set out in our long-term vision: “net zero” by 2050, in line with the UN global goals.

In line with our goal of becoming an integral part of a truly sustainable approach, which is vital for our collective future, we have invested significantly in sustainability, improving the efficiency of our production processes and adopting renewable energy sources. This commitment is reflected in tangible initiatives, such as our two 1.2 MW and 800 kW trigeneration plants at the San Giuliano Milanese and Maser factories, as well as our solar panels, installed on the roofs of those factories, which generate over 900 kW of power. By 2024, we will add an additional 520 kW of self-generated solar power with a new photovoltaic installation at the Assago factory.

These initiatives clearly demonstrate our vision to ensure that all electricity used in our internal production, procurement, and operational processes comes from renewable sources.

As part of our commitment to responsible practices, we pay special attention to the use of raw materials that have the lowest possible environmental impact, and we comply with the strictest food quality standards. Notable examples of this include the purchase of RSP0-certified margarine, Rainforest Alliance-certified cocoa, and free-range eggs.

Owing to our continuous efforts to enhance our processes, we have obtained various acknowledgements over the years: IFS certification (Assago, Jesolo and Maser factories) and BRC certification (San Giuliano, Maser, Jesolo, Sommariva, Monticello and Saint-Auvent factories).

Investments aimed at achieving high quality standards have been complemented by a broader inclusive vision, with products that have obtained gluten-free and organic certifications.

The same innovation and development processes have also been used for our packaging. We have initiated several projects focused on avoiding excess packaging, sourcing materials from renewable sources, minimising waste, and reducing packaging weight, all aimed at reducing its environmental and climate impact.

In addition to our careful attention to the environment, our Group’s sustainability efforts also focus on the social sphere with initiatives dedicated to employees and local communities. This includes allocating resources to enhance the wellbeing of our employees and their families, such as bonuses upon the birth of a child or a child’s graduation, and providing resources and products to local charities to support the communities in which we operate.

Particularly noteworthy is our participation in the PizzAut Onlus project, #100mattoni, which promotes the training and employment of young people with autism, including the opening of a new PizzAut establishment in Monza.

In terms of corporate governance, we have aligned our internal organisational structure with the latest EU and national regulations on data privacy and corporate responsibility, through the implementation of specific organisational models, codes of ethics, and procedures. Additionally, we have set up a data privacy system that brings together the various legal entities under a unified model, as part of the harmonisation process among the various companies within our Group.

Our commitment to the environment, the constant pursuit of the highest quality in our offerings, and attention to people and local communities will continue to be the foundations underpinning our growth. These will be the key themes guiding our development and will serve as the distinguishing features of our companies. Our wide-ranging strategy is supported by investment and the certainty that our DNA is rooted in these values.

The FdA Group is determined to drive change to help build a better future for our planet and future generations. Our journey is one we share with you. We will continue to work together to create a more sustainable world.

Thank you for your continued support, which makes all our efforts possible.

Alessandro Angelon | CEO FdA Group



Chapter 03

3 ABOUT US /

03

03 About us

The FdA Group is one of the leading Italian groups at international level in the manufacture of premium frozen sweet and savoury bakery products.

HIGHLIGHTS / 2022



03.1 The FdA Group

From the very beginning, the FdA Group’s mission has been to become the leading Italian group in the manufacture and sale of premium frozen sweet and savoury bakery products, combining Italian tradition and excellence with a variety of international specialities.

In 2022, the FdA Group achieved an annual turnover of around **Euro 400 million**, up sharply from 2021, a year that was still significantly impacted by the post-pandemic effects. The Group offers a range of **over 4,000 sweet and savoury products** involving **over 300 partner distributors** worldwide and has **50 production lines**. Its distribution network includes over **550 agents and delivery staff**, serving over **80,000 business in 50 countries worldwide**.

The FdA Group’s story began in 2014, with **acquisition of Forno d’Asolo** by a private equity fund with the goal of leveraging the company’s unique assets and grow its sales network throughout Italy and the world. In the following years, the Group pursued organic growth through acquisitions of several leading companies in the savoury bakery and frozen confectionery industry, which transformed Forno d’Asolo from a family-run business into a large group comprising various complementary businesses.

“We owe our success to the quality of our products and the satisfaction of our ever-growing client base”



The FdA Group uses state-of-the-art technology to ensure maximum freshness and quality in its products. It is a specialist in the food service, HoReCa, and bakery sector, serving high quality retail chains, supermarkets and cash & carry shops, both in Italy and abroad.

It provides a consistent and meticulous service, featuring a high degree of professional advice that is valued by its clients.

The FdA Group is made up of three separate organisational entities:

- Forno d’Asolo
- Bindi
- Progetto FornoItalia

Together, these entities constitute the Group, focused on providing superior quality products to consumers. The Group strives to constantly innovate and explore new opportunities, reflecting a dedication to representing Italian excellence around the world.

PRODUCTION AND PREMISES



03.1.1 Forno d'Asolo



Forno d'Asolo is a company specialising in the **manufacture and distribution of high quality frozen sweet and savoury bakery products**, maintaining traditional artisanal approaches. Its story began in **1985** among the rolling hills of Asolo, when Fabio Gallina started the business together with his brother Paolo, continuing a long family tradition of baking and pastry making. The pair implemented their innovative idea of bringing frozen croissants to customers of restaurants, bars and bakeries throughout Italy, introducing the **innovation of large-scale refrigeration technology** and a direct sales and logistics network.

Today, Forno d'Asolo is one of the largest producers of frozen bakery goods in Italy. The company specialises in the manufacture and distribution of a wide range of frozen products, including uncooked croissants, fried krapfen doughnuts and traditional pastry products, with operations in Maser (TV) and Jesolo Lido (VE).

It also **sells frozen bakery products** such as bread, savoury focaccia, pizzas, ready meals and snacks. The company operates across both the retail distribution and Ho.Re.Ca. sectors.

Sales Platform
(in Italy) **>30**

Sales agent
& Dealers **420**

Clients served **40_k**





03.1.2 Bindi



MAESTRI DEL DESSERT

Founded by Attilio Bindi in Milan in 1946 as a small pastry shop, it then evolved the modern concept of confectionery, becoming a leading brand in the **dessert sector** thanks to its premium products (like its custards), the quality of its service and its support for clients wanting to grow their business.

Through cutting-edge creative and practical solutions that meet the needs of the international catering industry, Bindi further strengthened its role in the dessert segment within the FdA Group, becoming a leader both in Italy and abroad.

This was achieved through a network of direct sales affiliates and a network of dealers and business partners that ensure the distribution of products in Italy, the United States and major European markets.

In 2020, the Belleville (USA) factory joined the Bindi Group, followed by the French company Gelpat in 2022.

Exclusive Distributors (in Italy)

> 70

Direct Platforms (in Italy)

6

Key Accounts

150

Distributors in the world (ex.US)

> 40

Items in foodservice

1 k

03.1.3 Progetto FornoItalia

This project has brought together some of the top Italian producers of savoury baked products and frozen patisserie into one group to perpetuate the artisanal tradition of excellence.

Progetto **FORNOITALIA**

SLOW-PROOFED PASTRIES



Since 1973, Lizzi has been producing frozen croissants using the traditional leavening method: 36 hours of preparation (including 24 hours of rest) allowing unhurried, natural development of the dough. Drawing on this dedication to the Milanese pastry-making tradition, Lizzi operates in a modern production facility located in Assago, and has 8 production lines. Here, the company makes its typical specialties, including stuffed croissants, vegan recipes, filled doughnuts and other typical Italian desserts.

CONTEMPORARY MASTER BAKERS



Forno della Rotonda was established in the late Eighties to tap into the potential for pre-baked frozen bread, meeting the demands of modern distribution while offering the highest quality standards for consumers. The company produces a wide variety of premium breads on its four production lines at the factory in Caronno Pertusella (VA): original baguettes, traditional loaves and rolls, focaccia in trays and filled focaccia. Forno della Rotonda is one of the top producers and distributors of premium bread products for the modern trade and hospitality sectors.

LONG-PROOFING SPECIALISTS



SPAR (Società Panificatori Artigiani del Roero) was founded in 1982 as a traditional family-run bakery. Today the company has two state-of-the-art factories in the Roero area of Piedmont, with two production lines which produce delicious ciabatta, rolls, focaccia and its famous “I Roero” breadsticks. The secret to its success lies in its ability to apply traditional, indirect bread-making methods with long proofing, to modern production processes, delivering a range of premium baked products.

THE ART OF VENETIAN DESSERTS



La Donatella was established in 1946 and produces baked and filled cakes, desserts – including tiramisù – as well as single-serving frozen desserts. It is one of the top patisserie companies in Italy today, with a modern factory in Jesolo (VE) with seven lines which produces superior products for the global market.





03.1.4 Gelpat



GELPAT was established in the village of Saint-Auvent, in the south of France, when in 1976 a local baker created the first laboratory dedicated to the preparation of frozen desserts.

Today, GELPAT prepares high-end artisanal products on a daily basis for pastry shops and bakeries across the country, with the aim of offering consumers the best French pastry creations.

Additionally, as part of the company's new development strategy, GELPAT products will go beyond national borders to offer a wider audience the very best of iconic French artisanal creations, in terms of flavours, texture, aesthetics, and longevity.

GELPAT'S artisanal know-how ensures authentic flavours and aesthetics, while meeting the strictest health standards. The cream puffs are frozen at -30°C to ensure a long shelf life for clients.

The éclair is undoubtedly the dessert most loved by the French, who treat themselves to at least one every day. Prepared in the GELPAT laboratory according to the traditional recipe with carefully selected local ingredients, GELPAT's exclusive éclairs have established themselves as a standard of excellence for choux pastry in France. They are filled with chocolate, coffee, vanilla or fruit custard, providing an assortment of different flavours, each distinguishable by its decoration with delicious coloured glossy icing.

03.2 Our story

The story of the FdA Group began in March **2014** when a consortium of **private equity funds**, led by 21Invest acquired Forno d'Asolo, a well-established family-run business and a leader in the frozen croissant market.

The main aim was to leverage the industrial heritage and brand, building on its reputation for premium Italian bakery products, and to drive growth in Italy and abroad.

In March 2016, Forno d'Asolo further expanded its international presence by **acquiring La Donatella**, a leading producer of frozen pastries and cakes. This expansion included establishing a **branch in the United States and a subsidiary in Germany**.

In 2017, the **new headquarters of the Forno d'Asolo Academy** was inaugurated in Maser (TV), representing an investment focused on the cultural enrichment and professional development of clients.

The Academy helps them to expertly navigate an ever-changing market, improving their image, and engages clients to choose the most suitable products for the success of their business, from how to present their offering in

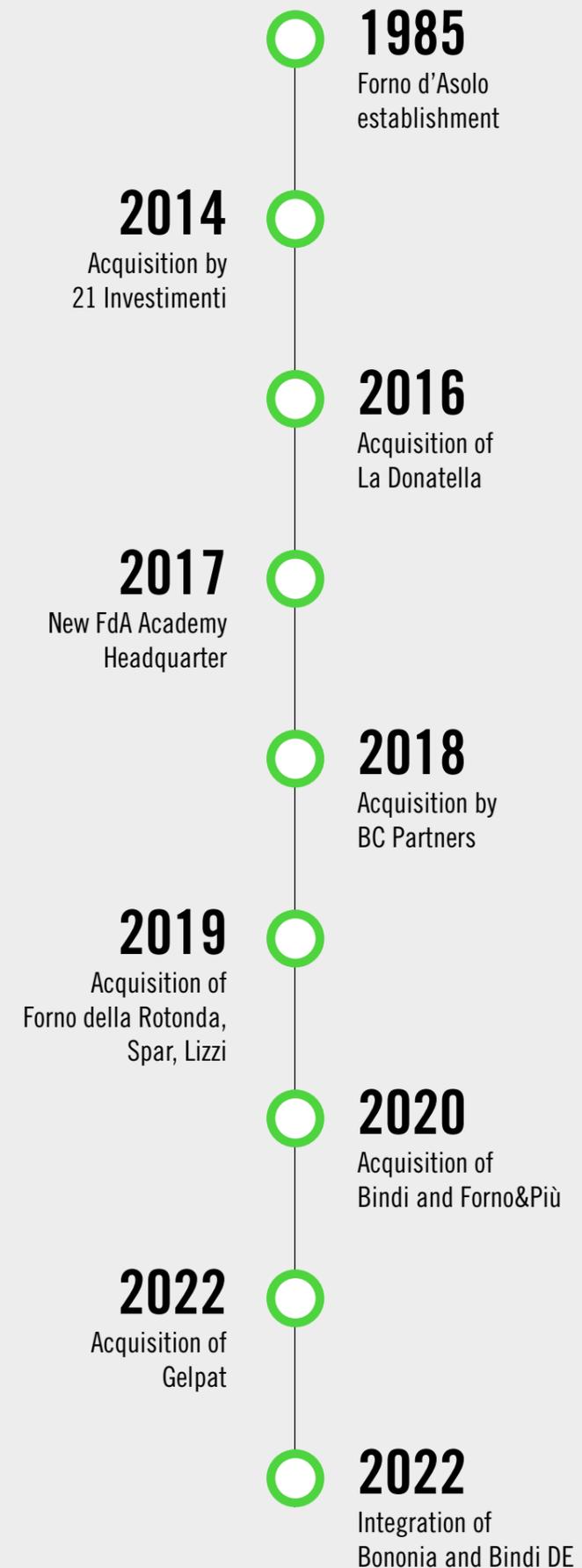
counter and window displays, to the best ways to handle the product, to support for staff training.

In August 2018, Forno d'Asolo became part of **BC Partners**, one of the leading alternative investment fund managers in Europe.

In 2019, the company expanded significantly with the acquisition of **Forno della Rotonda, SPAR and Lizzi**, forming a large, unified production and distribution group serving the wholesale foodservice and modern trade sectors.

In **2020**, the acquisition was completed of Bindi, a company established in Milan in 1946, renowned as a leading producer of frozen pastry products, including desserts, pastries and single-serving ice cream desserts, cakes and ice cream.

In the past year, the FdA Group has continued to grow with the acquisition of **Gelpat**, a French pastry-making company, and has added Bononia (France) and Bindi Deutschland GmbH (Germany) to its array of distributors.



03.3 Our values

The FdA Group is an enterprise with a precise and ambitious vision:

“We aim to be global leaders and a benchmark for excellence in the production and distribution of bakery goods and frozen desserts”

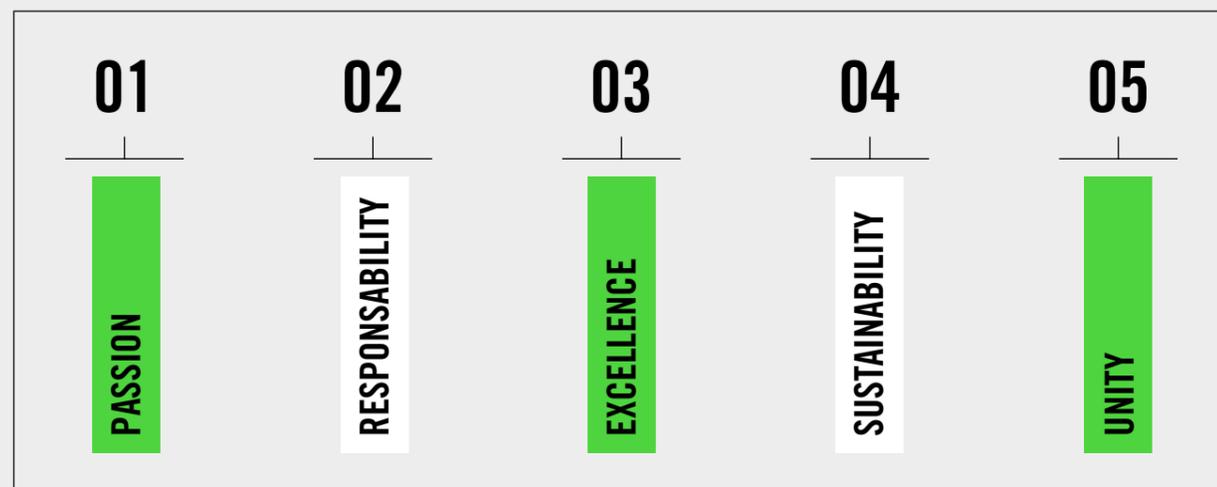
We pursue this goal by bringing together the best Italian and international companies specialising in frozen bakery and pastry products, while fully respecting their unique qualities and characteristics.

The **artisan tradition** associated with bakery and pastry making has been brought together **under one large group**, distinguished by its superior service, unparalleled quality and vast range of products. The goal of this approach is to meet the specific needs of different regions and to respond to the continual demand for innovation.

This distinctive approach is the key to the Group’s considerable competitive edge, which has propelled it to the status of undisputed leader in the manufacture and distribution of sweet and savoury pastry products. The

enterprise has embarked on a journey of integration of different businesses, each with their own distinct characteristics but offering highly complementary products and services. This story steeped in quality is the bedrock that allows the Group to successfully pursue its mission of international excellence, becoming an unrivalled standard bearer in the market.

To ensure its processes meet the needs of all its key internal and external stakeholders, the FdA Group respects the principles of lawfulness, fairness and transparency in the management of its business relations. All actions and behaviour adopted within the enterprise and by stakeholders must therefore be guided by the **principles of honesty, fairness, integrity, transparency, legitimacy, clarity and mutual respect.**



03.4 Corporate structure and management model

The governance of the FdA Group, namely the way the Group responds efficiently and effectively to its management needs, is based on a business model which fosters growth and the creation of shared value.

The **corporate governance structure** of the FdA Group is based on the **traditional system** and is made up of the:

- a) Shareholders’ Meeting
- b) Board of Directors (management body)
- c) Board of Statutory Auditors

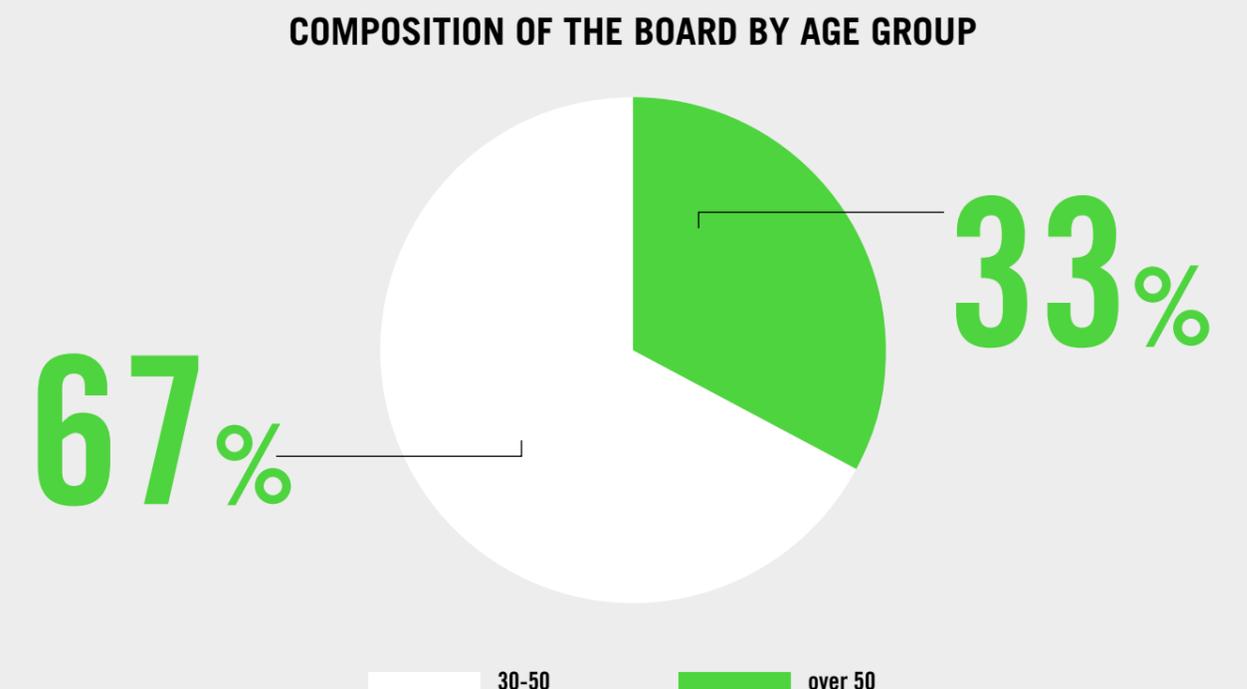
The Shareholders’ Meeting decides the direction the business should take, monitors its progress and performs the activities

required by law and the articles of association.

The management body – namely the Board of Directors – is vested with all the powers of ordinary and extraordinary management of the Company, with no exceptions, and can take all the actions it deems necessary to implement and achieve the corporate purpose.

The Company is represented by the President and/or the CEO within the limits of the powers granted to them. The Board of Statutory Auditors monitors compliance with the law and the articles of association, observance of the principles of correct management and, in particular, that the organisational, administrative and accounting systems are appropriate and fully functional.

The Board of Directors consists of 3 men including 1 member from the FdA Group and 2 members from the BC Partners fund as follows:



The FdA Group has adopted an **Organisation, Management and Control Model** to ensure that the conduct of all those acting on behalf of or in the interest of the Enterprise is always in full compliance with applicable laws and regulations. This model is carefully structured to reflect the principles of fairness and transparency in the management of the company business and activities, in full alignment with the provisions of Italian Legislative Decree 231 of 2001 and the guidelines established by Confindustria.

With the approval of the **Organisation, Management and Control Model** pursuant to Italian Legislative Decree 231/01, of which the Code of Ethics is an integral and substantial part, Forno d'Asolo S.p.A. set up its **Supervisory Body**. This body is responsible for monitoring the implementation of the Model and ensuring it is kept up to date. In 2022, the Supervisory Body reported that no circumstances, irregularities or censurable events had emerged following verification of the sensitive processes referred to in Italian Legislative Decree 231/01 that warranted reporting to the Board of Directors, the Board of Statutory Auditors or the Shareholders' Meeting concerning the correct reporting of the Enterprise's operations.

To encourage the reporting of all instances of non-compliance with laws or regulations, policies, standards, or company procedures, such as instances of fraud, corruption, or other violations of the Code of Ethics or the Organisational Model, the Group has established communication channels for both senior and lower ranked personnel that guarantee the anonymity of whistleblowers (**Whistleblowing System**).

The **Whistleblowing System** is the mechanism that guarantees protection to those who report any unlawful or fraudulent conduct attributable to employees, members of company bodies, and third parties (clients, suppliers, consultants, collaborators) in good faith to the Supervisory Board.

The Enterprise ensures the confidentiality of the whistleblowers, avoiding the possible threat of retaliation and/or discrimination against them. The Group's goal over the next two years is to create **harmonised anti-corruption procedures** across all the Group companies, including Bindi USA and Gelpat (France). Specifically, for the international companies, the Group will carry out a preliminary **risk-offence analysis** in accordance with local legislation, based on which specific procedures will be implemented at a later stage. With regard to the management of **data privacy**, the Group has updated and implemented the data privacy procedures across all the Group companies in recent years in accordance with the regulatory update of EU Regulation 679/2016, better known as the GDPR (General Data Protection Regulation). To improve the management of data privacy, the Group – despite not having a regulatory obligation to do so – plans to **appoint an external Data Protection Officer (DPO)** in 2024 to assist the various Group companies in managing these aspects more effectively.

The Operations and Business Development Department, in conjunction with the factory Managers and the Engineering Department, is responsible for drawing up **strategies and guidelines** and developing projects to promote **sustainable development**, as well as monitoring specific sustainable risks.

With a view to strengthening the sustainability elements of its strategy, the Group is currently considering the establishment of a **Sustainability Committee**, which would **make proposals and provide advice to the Board of Directors**.

Specifically, the Sustainability Committee would:



a. supervise sustainable issues related to business activities and oversee the Enterprise's interaction with all its stakeholders



b. examine sustainability-related projects to be put to the Board of Directors for its approval and monitor their implementation



03.5 Our approach to risk and our management systems

Adopting a more sustainable approach in the FdA Group's business model inevitably entails **analysing the risks** related to these issues. This analysis, related to food safety and product quality, has been addressed in detail in the BRC and IFS systems, which represent system certifications covering all the Group

companies. In compliance with the requirements of the Organisation, Management and Control Model, in accordance with Italian Legislative Decree 231/01, the Group has **mapped out the risks-offences** of its environmental, social and governance issues.

Below is a summary of the main sustainability-related risks and the measures taken by the Company to minimise their extent and effects:

MAIN SUSTAINABILITY-RELATED RISKS	MEASURES ADOPTED BY THE FORNO D'ASOLO GROUP TO MINIMISE RISK
	<p>Environment</p> <p>Respect for the environment and its protection are key issues for the Group and it is actively committed to mitigating its risks, particularly as regards the supply chain and raw material management, water withdrawal, waste management and atmospheric emissions. The Engineering Department currently oversees all projects for improving energy efficiency and optimising consumption for the Group companies. With regard to climate change risks, the FdA Group has commissioned the calculation of the organisation's carbon footprint throughout the life cycle, from raw material production to product consumption and waste disposal. This calculation highlights the hotspots or most critical issues – expressed in tons of CO2-equivalent – that will need to guide decarbonisation efforts throughout the supply and distribution chain, resulting in the targeted and effective reduction of the associated physical and transitional risks.</p>
	<p>Ethical conduct</p> <p>The Enterprise's Code of Ethics focuses on respect of human rights, it rejects any form of discrimination, recognises a person's worth and fosters the dignity of all workers, and the Code is signed by all stakeholders involved with the Enterprise. The fight against corruption is another important issue for the Enterprise which, in recent years, has introduced its own whistleblowing system.</p>

MAIN SUSTAINABILITY-RELATED RISKS	MEASURES ADOPTED BY THE FORNO D'ASOLO GROUP TO MINIMISE RISK
	<p>Compliance with environmental and occupational safety regulations</p> <p>The Enterprise has adopted an Organisation, Management and Control Model in accordance with Italian Legislative Decree 231/01 to mitigate risks/offences arising from non-compliance in relation to environmental, social and governance issues.</p>
	<p>Client satisfaction</p> <p>The Enterprise's aim is to ensure appropriate levels of quality in its products and services, while maintaining due regard for the environment and other aspects of sustainability (social, economic, and governance). To optimise its internal processes, the Group has obtained BRC and IFS food safety certifications. The BRC and IFS quality standards were developed by operators in the modern trade sector, with the intent of managing processes and minimising the risks of accidents. The framework for these standards are quality management systems, the HACCP methodology and a combination of GMP (Good Manufacturing Practice), GLP (Good Laboratory Practice) and GHP (Good Hygiene Practice) requirements.</p>
	<p>Supply chain management</p> <p>Managing the supply chain and outsourced activities is key to the success of the business. The Group monitors its strategic suppliers as regards quality and food safety and is planning to introduce monitoring of the supply chain to detect risks of an environmental and social nature. Suppliers who interact with the Enterprise are also required to abide by the principles of the Code of Ethics and ensure full compliance with the UN declarations on human rights and International Labour Organization (ILO) conventions.</p>
	<p>Human resources</p> <p>Human resources are managed without preclusion or discrimination based on gender, race, nationality or religion and in accordance with the law, employment contracts and the Code of Ethics. The Enterprise is committed to creating a dynamic and productive working climate which respects everyone's needs. All FdA Group employees are also required to abide by the principles of the Code of Ethics.</p>

Chapter 04

SUSTAINABILITY STRATEGY

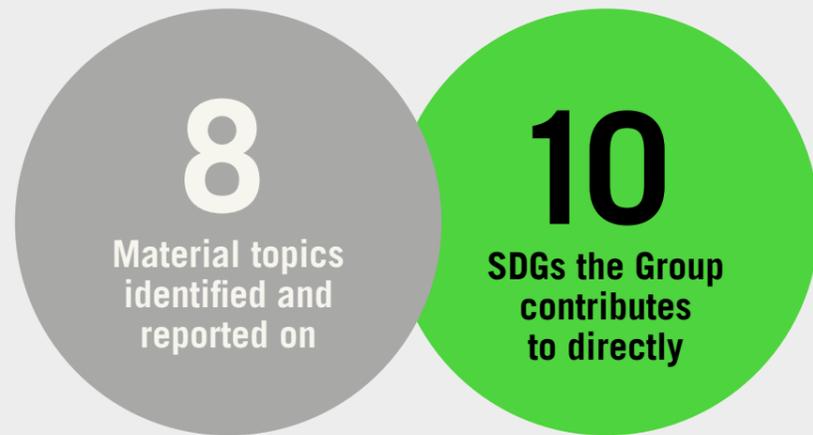
AND GOVERNANCE /

04

04 Sustainability strategy and governance

Materiality is the foundation of a sustainability strategy based on the analysis of risks and opportunities aimed at identifying the areas where the Group can maximise its positive impacts and prevent or mitigate the negative impacts.

HIGHLIGHTS / 2022



04.1 Materiality of the impacts

Material topics are topics that represent the organisation’s most significant impacts on the economy, environment, and people, including impacts on their human rights. **Materiality** is a strategic criterion that enterprises should use to guide the reporting process by including information on aspects that significantly affect their ability to create value over time, both for the business and for key stakeholders. “Material” is defined as all topics that

influence the decisions, actions and performance of the enterprise and its stakeholders. With this in mind, in 2021 the FdA Group initiated a process of consultation and dialogue on sustainability issues relevant to its strategy and stakeholders and carried out its **first materiality analysis**. By engaging and dialoguing with key stakeholders, the Group is able to ensure that it stays aligned to its **stakeholder expectations and demands**,

and to capitalise on their requests with a view to value creation.

It is important to note, however, that in 2021 the **Global Reporting Initiative (GRI)** released an update of the reporting standards. An important aspect of this review was the identification of material topics.

Through the new process, called **Impact Materiality**, the standard seeks to emphasise impact metrics as a key factor in objectively and, as far as possible, quantitatively determining the true magnitude of the material topics identified.

To comply with the update, the FdA Group conducted an in-depth analysis of its material topics in terms of impact, by identifying the

main impacts for each material topic. The goal is to provide the most objective view possible of how the enterprise is creating (or subtracting) value for people, the environment and itself.

On the one hand, the updating of the material topics was based on the materiality analysis already conducted in 2021 (materiality matrix) in order to emphasise the expectations and perceptions of internal and external stakeholders, and, on the other hand, it included an additional step, which involved analysing the **framework of reference** – by consulting various sources – in order to identify the relevant topics:

Sustainability Accounting Standards Board (SASB) guidelines for the Processed Foods sector

Sector-Impact Map created by UNEP FI

EFRAF guidelines for the Food & Beverages sector

MSCI ESG Materiality Map for the Packaged Foods & Meats Sector

This analysis has led the Group to update its material topics with a view to increasing the accuracy of the information to be reported. The updated list of material topics is as follows:

GOVERNANCE	PEOPLE	ENVIRONMENT
Ethical governance and risk management	Quality and labelling	Water resource management
	Nutrition and wellbeing	Packaging and waste
	Occupational health and safety	Management of suppliers and raw materials
		Energy consumption and fight against climate change

This first “impact materiality” analysis conducted by the FdA Group marks the beginning of an ongoing process. It is not meant to be an end point, but rather the starting point for an ongoing process of monitoring the risks and opportunities related to these topics. This monitoring process will be updated annually and will involve an increasing number of stakeholders.

The goal is to create awareness of these critical topics and develop the ability to make informed and strategic decisions. Below is a summary of this analysis.

Material Topic and Correlation with SDGs	Description of the main impacts	Type of impact
GOVERNANCE AND RISK MANAGEMENT 	<p>Ethical business conduct is vitally important to remain competitive in a rapidly evolving socio-economic regulatory environment, especially in relation to sustainability issues. Specifically, compliance with laws and regulations on health and safety, the environment, food safety, and human rights are essential to reduce the risks of penalties, fines, reputational risk, and loss of market share.</p> <p>In addition, sound risk management and ethical business conduct that goes beyond mere legal compliance can have a positive impact on society and the environment. This can enhance client trust and the positive perception of the enterprise, which can result in greater brand appeal and employee retention, business success, and long-term competitiveness.</p> <p>Lastly, good corporate governance and transparent communication help in fulfilling responsibilities towards external investors, lenders, shareholders, employees, suppliers and contractors, clients, regulators, society, and the environment.</p>	POSITIVE
	<p>Unethical business conduct that fails to comply with minimum legal requirements or leads to corruption can result in fines, penalties, and loss of brand reputation, and consequent distrust of clients, investors and lenders. In addition, poor business conduct can affect the enterprise's ability to attract and retain talent.</p>	NEGATIVE
QUALITY AND LABELLING  	<p>Obtaining food safety-related certifications or ensuring that suppliers comply with food safety guidelines can help safeguard product safety and communicate product quality to retailers and consumers.</p>	POSITIVE
	<p>Communication with consumers through product labelling and marketing is an essential aspect. The accuracy of information conveyed through food labelling is increasingly important to buyers and regulators. In order to make conscious and informed purchases, consumers are increasingly seeking additional information about product ingredients, their provenance, and health and nutrition impacts. Enterprises that do not comply with these principles of transparency and proper communication may face disputes or legal challenges for having made misleading statements or having failed to respond to the regulatory demands for greater transparency.</p>	NEGATIVE
NUTRITION AND WELLBEING 	<p>Increasing consumer awareness of the content of foods and their nutritional value, and the impact they can generate on health, is shaping the competitive landscape of the food industry. The demand for food products made with natural ingredients or certified as organic, low-fat and low-sugar, or produced without genetically modified organisms (GMOs), has driven the growth of the industry in recent years. Consumers are showing preferences for food categories perceived to be healthier. Recognising the risks and opportunities arising from changing consumer preferences and swiftly adapting to them can help improve market positioning in order to take full advantage of all the opportunities, while also offering a healthier product.</p>	POSITIVE
	<p>Maintaining the quality and safety of products is crucial for the food industry, as contamination by pathogens, hazardous substances or spoilage can pose risks to human health. Contamination can occur at any stage of the value chain, including raw material production, processing, transportation, distribution, and sale.</p>	NEGATIVE
OCCUPATIONAL HEALTH AND SAFETY 	<p>Due to the nature of the activities performed, the risk of work-related injuries is low. Nevertheless, the risks relating to the health and safety of employees mainly concern the danger of crushing, severing and dragging of workers' body parts due to improper use of machinery, contact with moving parts, falls, and contusions. Other risks include the danger of cuts and burns due to the presence of ovens. The activities carried out by the Group may also cause occupational illnesses, repetitive motion, and hearing loss.</p>	NEGATIVE
WATER RESOURCE MANAGEMENT 	<p>The Group companies use water for cooking and processing, and this is a key factor in the economics of the products. Water used in the food industry must be of high quality and comply with health standards and regulations. The enterprise must ensure that the water used is safe from a microbiological and chemical perspective to avoid contamination problems and potential health risks for consumers. The enterprise may be exposed to the risk of water pollution through its own operations or through external environmental pollution. Accidental chemical spills, unregulated industrial discharges or product spills could contaminate water resources and cause damage to the surrounding environment.</p>	NEGATIVE

Material Topic and Correlation with SDGs	Description of the main impacts	Type of impact
PACKAGING AND WASTE 	<p>Efforts to reduce the number of materials used in packaging can cut down on transportation costs, exposure to supply and price volatility, the amount of virgin materials extracted, and environmental impacts.</p> <p>Working with packaging manufacturers on packaging redesign can generate cost savings, improve brand reputation, and reduce environmental impacts. Innovations such as lighter materials can lead to cost benefits in the transportation of goods. Other innovations can improve the end-of-life management of products, for example through the use of recyclable or compostable materials. Partnerships with other industry players or waste processors can pre-empt regulations, help achieve cost savings, and reduce environmental impacts.</p>	POSITIVE
	<p>Food waste includes edible or otherwise useful food that does not reach consumers, as well as food that spoils or is damaged during transport, storage, or while on shop shelves. Food loss and waste represent a loss of saleable commodities for food businesses and, more generally, a loss of resources used for food production, including land, water, labour, and energy. In addition, food waste can generate greenhouse gas (GHG) emissions during decomposition. Effective food waste management can provide opportunities for reducing costs associated with the loss of stocks, as well as helping to improve community food security by more efficiently redirecting food resources to beneficial purposes.</p>	POSITIVE
MANAGEMENT OF SUPPLIERS AND RAW MATERIALS 	<p>Consumers are increasingly aware of the production methods, origins, and externalities associated with the food they buy, which can affect the reputation of the enterprise. Enterprises that can effectively address these concerns by engaging suppliers, implementing sustainable sourcing guidelines, and improving supply chain transparency are likely to be in a stronger position to improve their overall resilience and ensure business continuity, mitigate reputational risks, and increase consumer demand or capture new market opportunities.</p>	POSITIVE
	<p>The enterprise sources products from a wide range of suppliers. These suppliers face many challenges related to sustainability, including resource conservation, water scarcity, animal welfare, fair labour practices, and climate change. If not managed properly, these issues can affect the price and availability of food.</p>	NEGATIVE
ENERGY CONSUMPTION AND FIGHT AGAINST CLIMATE CHANGE  	<p>Decisions on the use of alternative fuels, renewable energy, and on-site generation of electricity instead of buying from the grid can greatly influence both the cost and reliability of energy supply.</p> <p>Growing geopolitical challenges in energy supply chains, on the one hand, and greenhouse gas (GHG) emission regulations and new incentives for energy efficiency and renewables, on the other, could lead to increased volatility in the prices of fossil fuels and conventional electricity, while also making alternative sources more competitive.</p> <p>Energy efficiency in manufacture and distribution can mitigate exposure to volatile energy costs and reduce an enterprise's contribution to direct and indirect greenhouse gas (GHG) emissions.</p> <p>Manufacturers can further reduce the risk posed by the volatility of energy costs of fossil fuels, particularly natural gas, which is widely used in the industry, by diversifying their energy portfolio across a range of sources through increased efficiency and the use of alternative energy sources, which can lead to increased profitability by lowering costs and risks.</p>	POSITIVE
	<p>Energy is mainly used for refrigeration, heating, ventilation, air conditioning (HVAC), and lighting. In addition, energy is used to run manufacturing facilities for cooking, refrigeration and packaging, distribution centres, and warehouses.</p> <p>Energy generation and consumption contribute to environmental impacts, including climate change and air pollution. Fuel consumption of the vehicle fleets generates direct and indirect greenhouse gas (GHG) emissions. In particular, refrigeration used in production facilities and transportation equipment contributes to a large part of the enterprise's overall emissions.</p>	NEGATIVE

04.2 Sustainability goals

	MATERIAL TOPICS	GOALS		
ENVIRONMENT	Energy consumption and fight against climate change	Net Zero Emissions	Group carbon footprint measurement	2024
			Development of an emission reduction strategy in line with SBTi targets	2024
		Renewable Energy	Increase and efficiency improvement of photovoltaic panels for self-generation of electricity (+560 kwh)	2024: Assago
		Renewable Energy	Purchase of electricity derived 100% from renewable sources	2024
	Packaging and waste	Sustainable packaging	Packaging reduction and optimisation measures	2024
	Water resource management	Reduction in water consumption	Reduction of water consumption (with a focus on the San Giuliano Milanese factory)	2025
PEOPLE	HR management	Welfare	Harmonisation of welfare procedures within the Italian and international factories	2023
		People Training	Development of Human Resources managers through ad hoc projects (e.g. profiling)	2023
	Nutrition and wellbeing	Nutrition and wellbeing	Expansion of the offering of healthy products, with low sugar content and healthy fats	2023
	Occupational health and safety	Healthy work environment	In-depth analysis of near misses, on all Group sites to prevent potential hazardous situations	2023
GOVERNANCE	Ethical governance and risk management	Anti-corruption	Bringing the Group into line with Italian legislation	2023
		Data Privacy	Appointment of a Data Protection Officer (DPO), even though not subject to requirement	2025
		Sustainability committee	Formal establishment of the Sustainability Committee, aimed at monitoring and implementing ESG initiatives	2025

5 FINANCIAL CAPITAL /



05 Financial capital

Financial capital includes the main economic results achieved by the FdA Group in 2022, with a particular focus on the economic value that the Group's activities generated and that was distributed to its stakeholders.

HIGHLIGHTS / 2022



05.1 Sharing Value

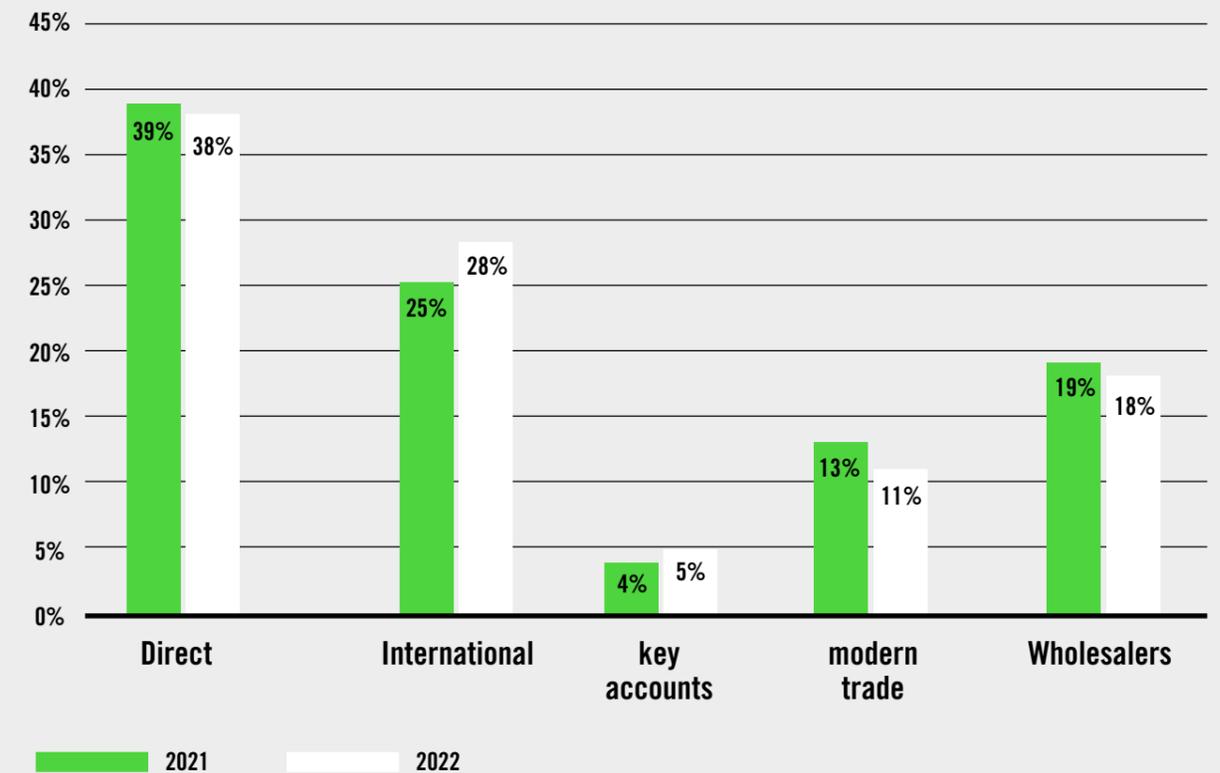
Reporting the economic value generated and distributed connects the Group's **economic-financial reporting with its sustainable reporting**, highlighting the relations between the FdA Group and the socio-economic environment it operates in. By reclassifying the figures in the consolidated financial

statements, we are able to monitor how and to what extent the wealth generated by the FdA Group has been **distributed to the main stakeholder categories**, namely suppliers of goods and capital, workers, public administration entities, and local communities.

In 2022, the FdA Group recorded a 42.5% increase in revenue, from Euro 277.6 million to Euro 395.6 million.

This increase was primarily due to the rise in sales through direct and wholesale channels, as well as the growth in sales through the international channel, largely thanks to the gradual easing of restrictions imposed by national governments in response to the COVID-19 pandemic. Please note that the reported turnover for 2022 also includes the contribution of the minor acquisitions in 2022 such as Bindi - Deutschland GmbH and Bononia S.à.r.l.

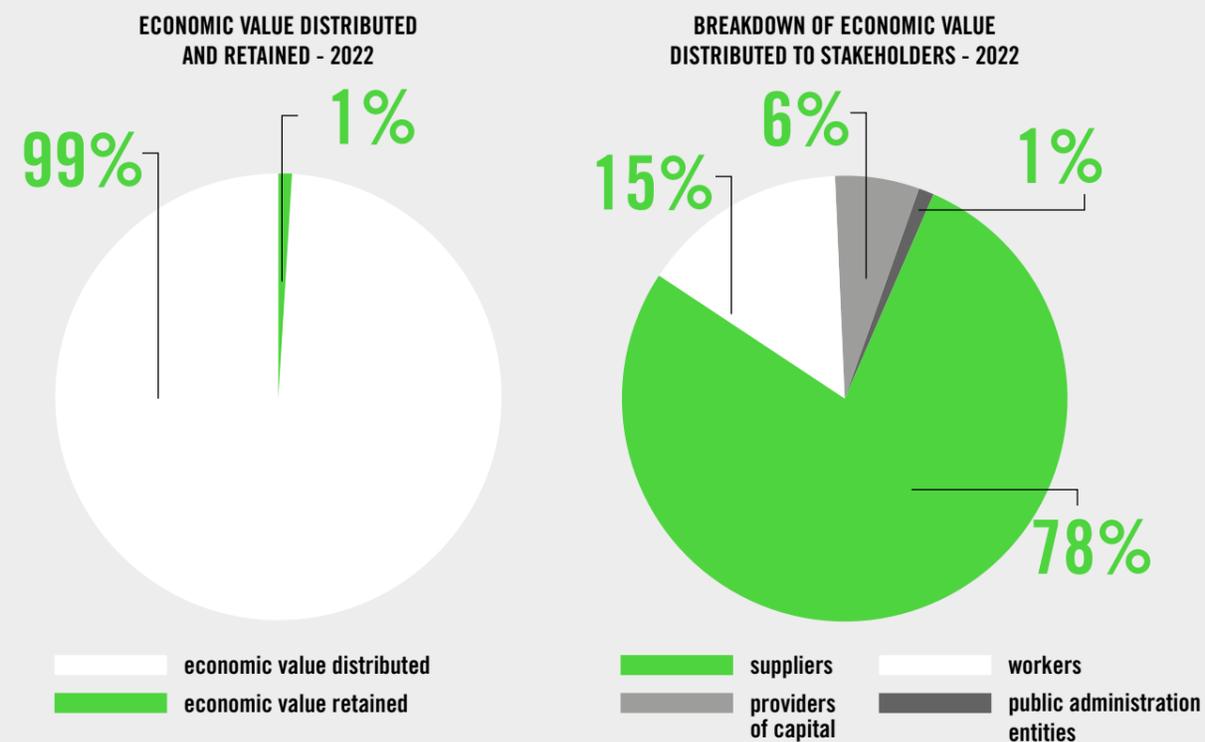
Sales by channel 2021-2022



- "Direct" refers to a sales channel consisting mainly of HoReCa clients in Italy;
- "International" refers to a sales channel consisting of countries outside Italy;
- "Key Accounts" refers to a sales channel consisting of large catering suppliers, restaurant chains, and other out of home clients in Italy;
- "Modern Trade" refers to a sales channel consisting mainly of supermarkets in Italy;
- "Wholesalers" refers to a sales channel consisting of distributors to HoReCa clients in Italy.

Economic value generated by the FdA Group - 2021-2022

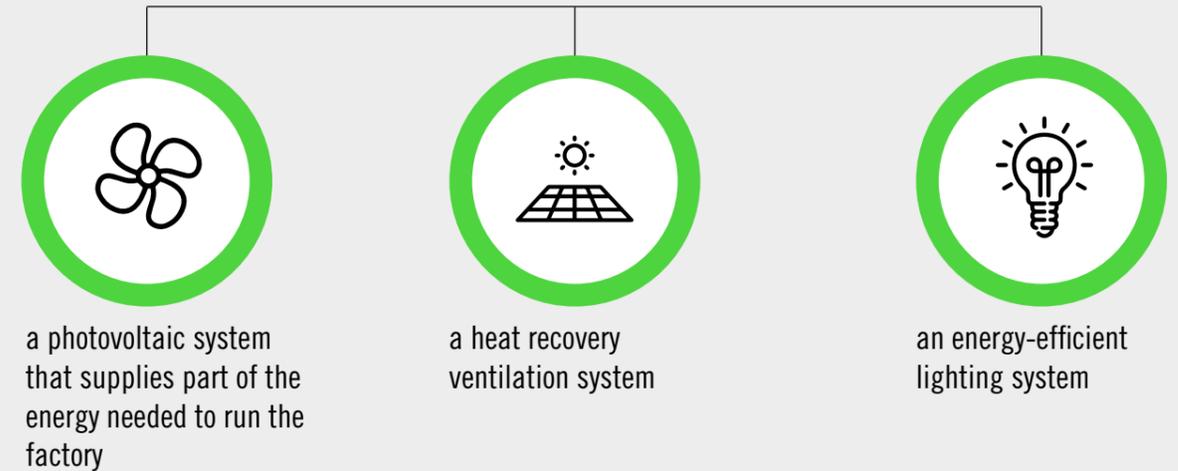
	2021	2022	% Chg
ECONOMIC VALUE GENERATED	270,64	353,2	31%
ECONOMIC VALUE DISTRIBUTED	252,66	350,75	39%
Suppliers	182,18	273,33	50%
Workers	46,78	51,53	10%
Providers of capital	21,70	22,39	3%
Public administration entities	1,93	3,35	74%
Local communities	0,08	0,14	79%
ECONOMIC VALUE RETAINED	17,98	2,5	-86%



In 2022, the FdA Group generated approximately **Euro 353.2 million** of economic value, around 1% of which was reinvested back into the business at year-end and 99% was distributed to shareholders through payments to suppliers of goods and services, salaries and benefits paid to workers, interest payable to providers of capital, government taxes, and donations to local communities. This figure shows how strongly the Group's activities impact local communities. In fact, throughout 2022 the FdA Group transferred around **Euro 350.7 million to its stakeholders.**

05.2 Sustainable growth

The FdA Group strives year after year to reduce the impact of its business activities on the environment. One of the most notable actions that has been carried out in the various factories was at the Maser site, which involved the installation of:



Other initiatives planned for the coming years include a system for the combined and efficient supply of cold air, heat, and energy (trigeneration).

The **proper management of refrigerant gases** is a key issue for the FDA Group. During 2022, **renovation work** started at the Assago factory on the refurbishment of areas and facilities aimed at **converting the refrigeration systems** from cryogenic tunnel freezers to **ammonia refrigeration systems.**

This change will lead to a **30% reduction in the consumption of nitrogen gas**, whose cost has risen sharply in recent years, and will provide **much higher refrigeration efficiency** than the previous installation, **reducing energy costs.**

The conversion of the facilities, which started in 2022, will continue over the next two years.

From a strategic perspective, the Group has chosen to pursue **projects to expand the business into key foreign markets.** At the beginning of 2022, the FdA group acquired **Gelpat**, a French company operating in the manufacture, distribution, and sale of traditional local frozen sweet products. This is a reflection of the strong commitment to continue investing in key businesses for the development of international markets, also through mergers and acquisitions.

MANUFACTURED CAPITAL /



06 Manufactured capital

Manufactured capital includes infrastructure and technologies used for production and for the provision of services, as well as product quality and safety guarantees. It describes the Company's main activities and the management systems adopted over the years to promote sustainable development in these areas.

HIGHLIGHTS / 2022



06.1 Raw material management

The Group is committed to the careful selection of **fresh, high-quality ingredients** to ensure high product standards. Raw materials are produced and processed using all necessary precautions, choosing **reliable and certified suppliers**. Trust is given to the suppliers so that their experience can enhance the quality of FdA's products. However, this trust is based on solid foundations:

Certificates or declarations of conformity of their raw materials

The Group has adopted **ISO 22005** traceability in the feed and food chain and introduced detailed internal procedures to precisely record the history of each product. This certification enables the identification of the location and origin of each item at any time, as well as the precise documentation of the entire journey of each product within the supply chain. Before being incorporated into product formulations, new raw materials are assessed by the **Head of Research and Development**, with the assistance of the **Head of Quality Assurance**. This assessment is carried out by analysing the technical data sheet of the raw materials to ensure they match the ingredients stated on the label and comply with allergen requirements and the client's specific needs.

The main ingredients provided by suppliers are:

- Flour
- Mixed pasteurised eggs
- Sugar
- Yeast
- Palm oil (certified sustainable by RSPO)

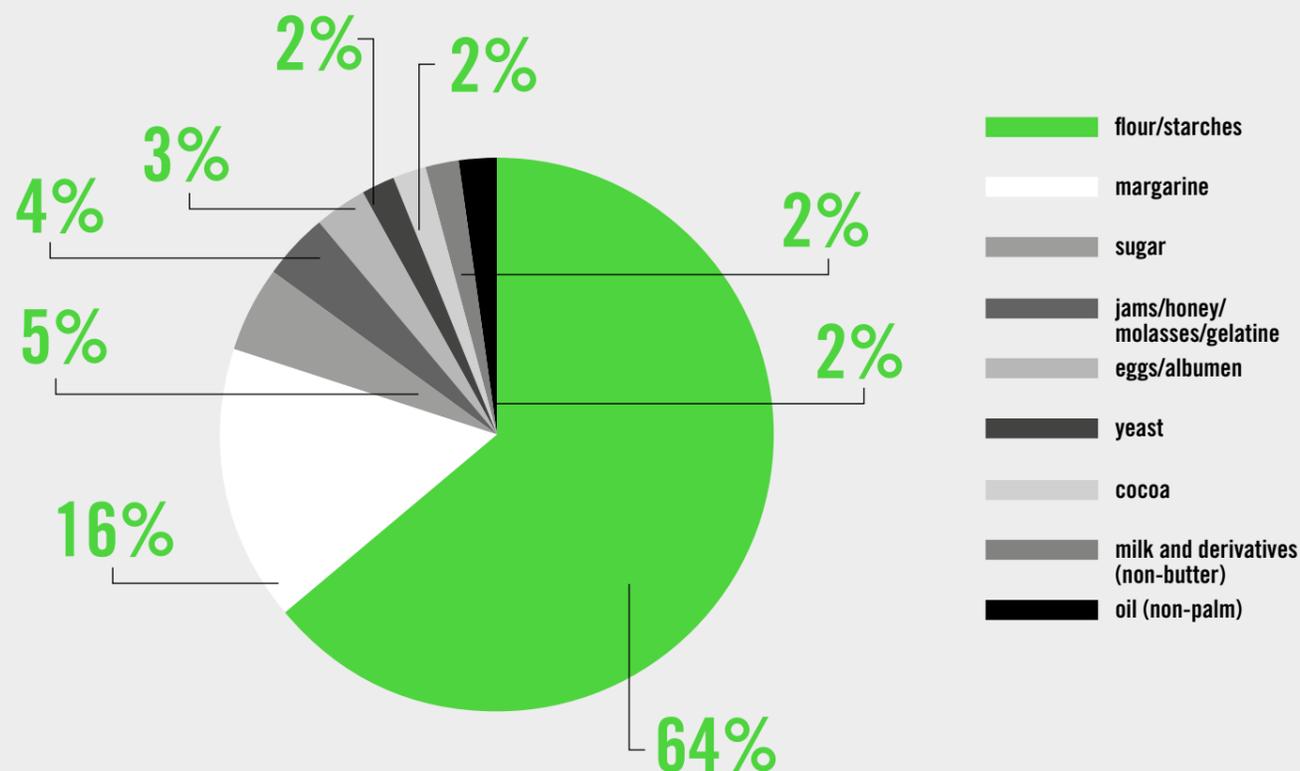
Technical data sheets of their products

This ensures that new raw materials meet all the necessary requirements before being used in production. Suppliers of raw materials and primary packaging are also required to complete a questionnaire, which gathers information on the characteristics and nature of the raw materials and the materials they use and their compliance with the law and internal **food safety** standards. The FdA Group guarantees the highest possible degree of product safety, meticulously choosing suppliers and demanding good manufacturing practices to ensure safety and quality. To this end, the Group uses the **HACCP** system as its benchmark model, whose guidelines ensure food safety and quality consistency for its clients.

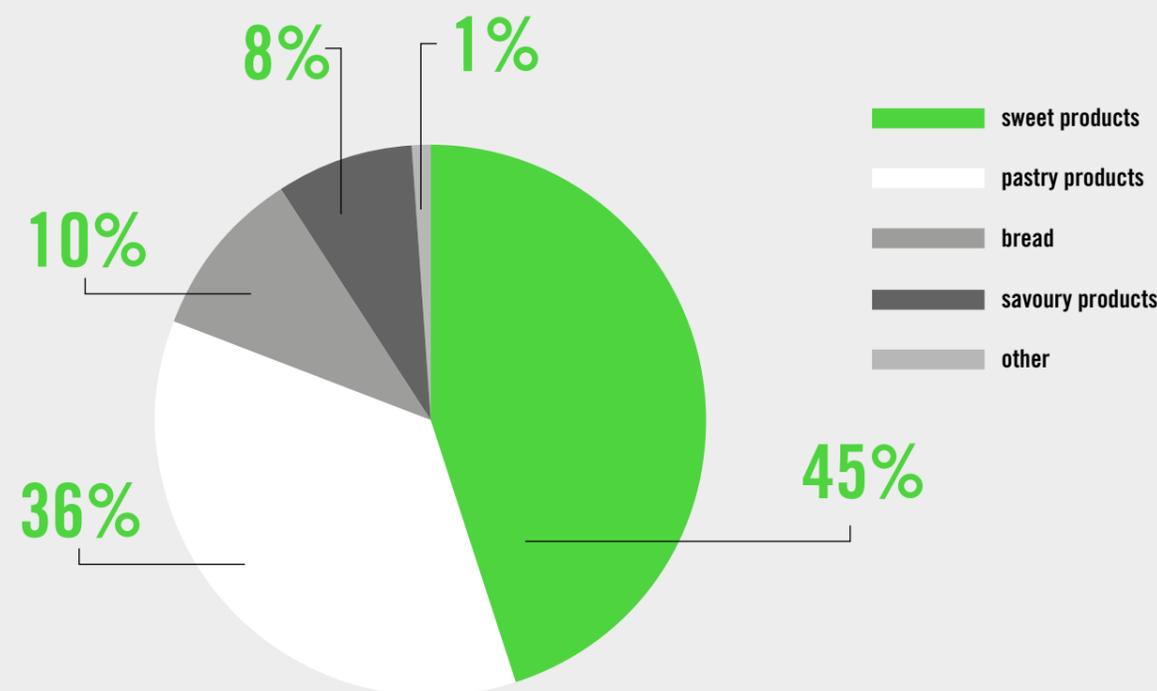
The Group is gradually introducing more and more regional Italian specialties in its products: the PGI products already currently used are:

- Lemons from Sorrento
- Hazelnuts from Piedmont
- Late tangerines from Ciaculli

**RAW MATERIALS PURCHASED (BY WEIGHT IN KG)
FDA GROUP - 2022**



**FDA GROUP GROSS SALES
2021**



The products emerging from this careful selection are classified into five categories:

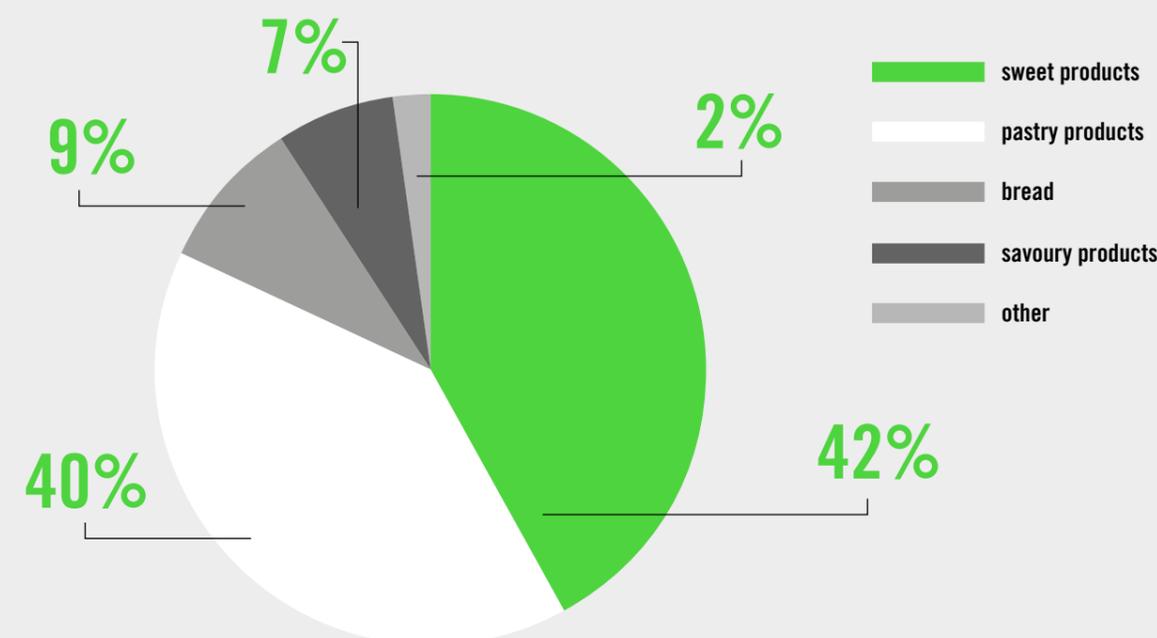
- **sweet baked goods**, which include classic and regional breakfast specialties such as croissants, pastries, and filled and ring doughnuts (including vegan versions);
- **patisserie products**, which include single-portion cakes and desserts such as tiramisu, cheesecake, traditional cakes, soufflés, and ice cream (including vegan versions) for the catering sector;
- **bread**, which includes ciabatta, special breads, rolls, focaccia and breadsticks;
- **savoury snacks**, including pizzas, pies, savoury cakes, focaccia, mini pizzas and savoury appetisers (also in vegan form);

- **other** products include convenience foods such as lasagna and tagliatelle, and some semi-finished baked goods and pastries.

The **gross sales of FdA** products over the two-year period 2021-2022 are reported below, showing the production macro-categories that have established the Forno d'Asolo Group as a leading player in the industry over the years.

The comparison of the two years shows that the figures have remained more or less stable, barring minor percentage changes, and taking into account the largest increase in sales for the "Pastry products" category (+4%).

**FDA GROUP GROSS SALES
2022**



06.2 Nutrition and wellbeing

For the FdA Group, **product quality** and **client satisfaction** are essential for achieving its **corporate mission**. They are the principles that embody the core values underpinning the enterprise's entire business model. Client wellbeing and satisfaction are aligned with one of the key goals of the FdA Group and its workers, namely, to make its **products healthier** by focusing on their nutritional aspects.

This relates especially to the **levels of fats and sugars** contained in new products released on the market, which are being monitored more closely according to the recommendations of food experts and the World Health Organisation (WHO), in order to minimise quantities of sugar, salt, and saturated fats and increase the use of fibre and unsaturated fats.

At the same time, the Group's pursuit of continuous improvement and research have led over the past few years to the **systematic reduction of sugars and animal fats in certain product ranges**.

This gradual change can already be seen in the **pastry products**, particularly in the cream-based semi-finished products. From 2022, the products marketed have been prepared using **plant-based cream** produced in house. This promotes the use of "healthy" fats, such as unsaturated fats, and the inclusion of plant-based fibres in the products. This approach greatly reduces the nutritional calorie content, which is responsible for cholesterol levels and, consequently, for many cardiovascular diseases.

Cream production is one of the main processes, with around 1,500 tons processed

annually for a range of 400 products. For the FdA Group, the use of plant-based cream as a substitute for animal-derived cream represents a major transformation in terms of nutrition. It reflects a tangible commitment to health and environmental stewardship: products derived from plants consistently have a smaller ecological impact than those of animal origin.

Overall, the improvements seen in 2022 were a reduction in sugars in the main semi-finished products of around **20%**, and an estimated **10%** reduction in sugars for finished products.

Again with regard to products and production processes, the FdA Group places particular focus on using **raw materials** that have a **lower environmental** impact and **comply with** the strictest food **safety** and **quality** assurance standards.

A good example of this is the **cocoa** used in the Group's products, purchased with the **Rainforest Alliance** accreditation, the world's most prestigious certification for support to sustainable cocoa farming, which guarantees ecosystem and social sustainability while respecting the living conditions of the workers involved.



In the FdA Group's products, **50% of the eggs** used come from **free-range** farming. Hens are reared outdoors, with access to more space, fresh food and clean water, yielding more nutrient-rich resources, with healthy fats and rich in protein and vitamins. The goal for the coming years is to extend this qualitative choice to 100% of the eggs used. Thanks to this constant commitment to improving processes, the Group has obtained several important certifications over the years, including **IFS** (International Food Standard) for the factories in Assago, Jesolo and Maser, and **BRC** (Brand Reputation Compliance) for the factories in San Giuliano, Maser, Jesolo, Sommariva, Monticello and Saint-Auvent.

The FdA Group is highly committed to the health of its clients, particularly when it comes to the sensitive issue of **palm oil**. This ingredient is widely used in the food industry

and, if consumed in excessive quantities, it can lead to health problems, such as increased risk of cardiovascular disease. The Group provides clear information about the source and impact of the palm oil used in their products, because caring for the health of our clients means being aware of the negative effects that over-consumption of certain substances can have on people. Specifically, in the products made by Forno d'Asolo, La Donatella and Lizzi, 100% of the margarine used is certified by the NGO Roundtable on Sustainable Palm Oil (**RSPO**), which sets social, economic and environmental criteria to minimise the impacts of palm oil cultivation. This certification demonstrates the Group's commitment to preserving the **product supply without harming the living conditions of local communities and the biodiversity of the ecosystems concerned**.

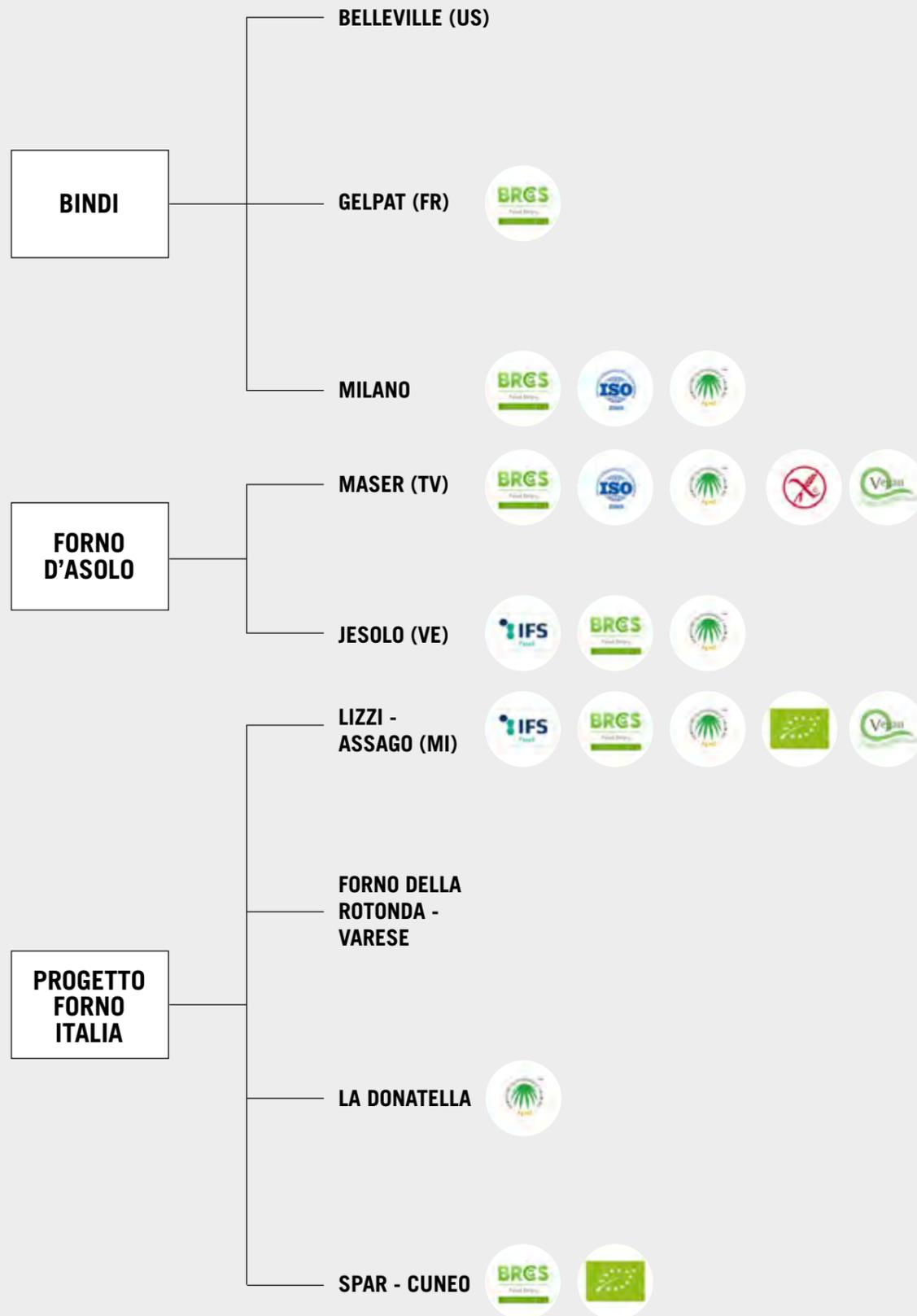
FACTORY	RSPO SUPPLY CHAIN MODEL
Forno d'Asolo and La Donatella	RSPO MB ¹ (Mass Balanced)
Lizzi	RSPO SG ² (Segregated)
Bindi	RSPO SG (Segregated)

¹ Mass Balanced (MB): this model allows the mixing of sustainable palm oil (SPO) and conventional palm oil (PO) during transportation and storage. It includes a management control and a final mass balance (the quantities of sustainable palm oil procured and used must constantly match the quantities declared and used in the products).

² Segregated (SG): this model ensures that the palm oil used in SG-certified products comes from RSPO-certified sources and is kept separate throughout the supply chain without blending with conventional palm ingredients. Under no circumstances can conventional oils be included in a SG-certified product.

By combining inclusivity with nutritional wellbeing, the FdA Group provides a comprehensive range of alternative confectionery products to meet the needs of people who have to follow particular dietary restrictions. Investments aimed at achieving high standards of product quality assurance have been accompanied by an increase in the assortment of bakery and confectionery products also designed to meet the needs of **vegan** consumers, with some of the FdA Group's product lines also having obtained **gluten-free** certification. Additionally, in accordance with the regulations on **organic** products, every stage in the production chain for certified organic products – from raw materials to distribution – is inspected and controlled annually to ensure the highest possible quality and guarantee product provenance.

FDA GROUP CERTIFICATIONS



VEGAN LINE

Forno d'Asolo's **Vegan** range meets the strict standards of the specification approved by the Italian Vegetarian Association, enabling it to obtain the Vegan® Vegetarian Quality label. A product line designed for those who have chosen an animal protein-free dietary lifestyle, or are looking for light and healthy foods, was launched in March 2022.

VEGAN LINE – BEST PERFORMING PRODUCTS

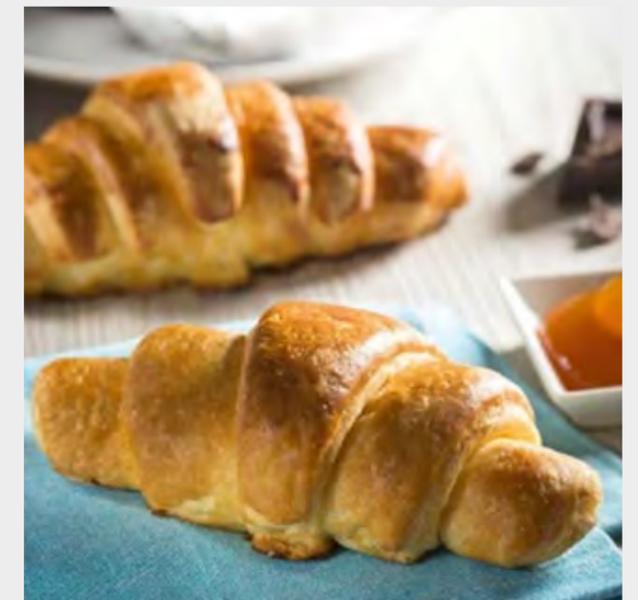
1) Vegan Mango Papaya Cornetto

2) Vegan Buckwheat and Currant Cornetto

3) FDB Vegan Fagottino

GLUTEN FREE LINE

Forno d'Asolo's **Gluten-Free** range is sold in single-serving packages, to avoid contamination, offering our coeliac clients the certainty of 100% safe food, coupled with the authentic taste and flavour of the Forno d'Asolo products.



06.3 Distribution platforms

In Italy, the Group's products are distributed exclusively by road by a logistics network specialised in transporting refrigerated products.

Outgoing products from the Group are distributed through around thirty platforms located strategically throughout Italy. Daily schedules are drawn up for the deliveries to individual clients to ensure effective distribution, reduce mileage and optimise fuel consumption.

Every day approximately **210 Bindi and Forno d'Asolo delivery vans** take to the roads, clocking up a daily mileage of about **180 km**; this has a significant impact, especially in terms of CO₂-eq. emissions.

To keep its emissions to an absolute minimum, the Group **optimises the loading capacity** of its vehicles (on average Forno d'Asolo vehicles are currently 98% full and those of Lizzi and Bindi 85%).

In 2022, the **Bindi BU** also implemented a project focused on reducing the height of the soufflé packaging to **increase storage and transportation efficiency**.

This project enabled the optimisation of loads: 192 more soufflés stored on average per pallet, resulting in a reduction in road transport equivalent to 10 fewer lorries per year.

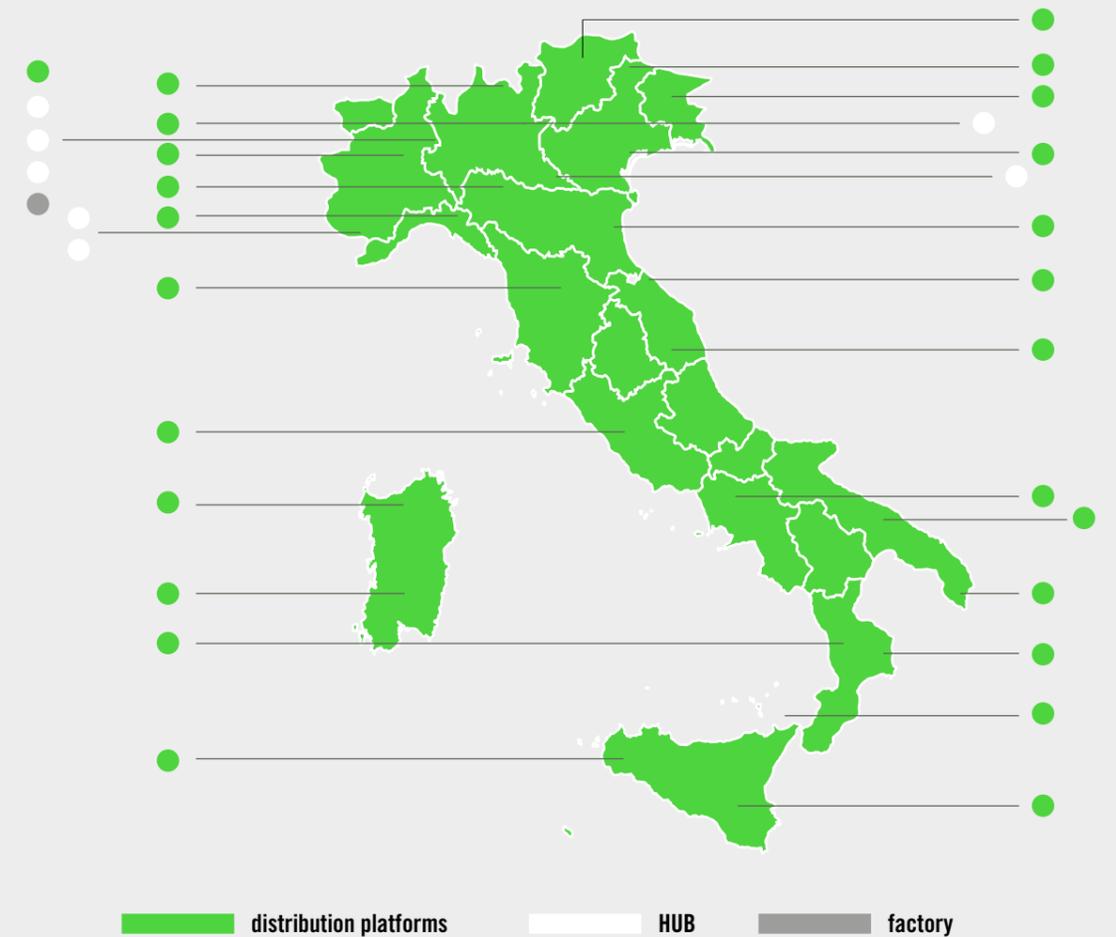
In **2023**, **Bindi** will be implementing another packaging optimisation project, which will

involve replacing the plastic lids on glass cups with cardboard alternatives. This project is expected to **save 2,700 kg of plastic and reduce the number of road transport vehicles used**.

A new policy is in the pipeline and, when it comes into effect in **2023**, it will impact **loads and deliveries of minimum orders**, which account for around 9% of turnover but actually take up roughly 30% of the Company's fleet. Blocking deliveries which are out of schedule will have a positive impact both economically but also in terms of CO₂ emissions. The Group's other **goals** in terms of **distribution strategies** include:

- **Measure and report its transport-related emissions from 2023;**
- **Draw up guidelines for the hauliers the Group works with to help them reduce their indirect Scope 3 emissions.**

PRODUCTION AND LOGISTICS IN ITALY



Chapter 07

HUMAN CAPITAL /

07

07 Human capital

Human capital focuses on the fundamental role people play in the Company's performance and prosperity. This capital reflects the personnel practices, know-how and management policies. It recognises the ways the Enterprise creates wellbeing and fosters a safe working environment.

HIGHLIGHTS / 2022

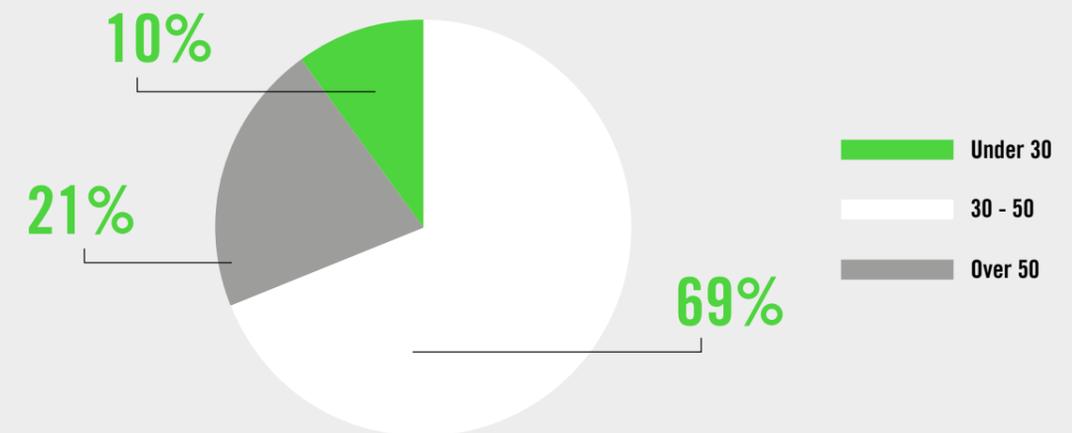


07.1 HR management

As at 31 December 2022, the FdA Group had a total of 1,103 employees, broken down by gender and age group as follows³:

2022												
GROUP	Under 30			30-50			Over 50			Total		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	0	0	0	4	0	4	10	0	10	14	0	14
Managers	0	0	0	12	3	15	14	4	18	26	7	33
Office staff	14	19	33	75	56	131	76	33	109	165	108	273
Manual workers	47	15	62	350	193	543	47	25	72	444	233	677
Total	61	34	95	441	252	693	147	62	209	649	348	997

TOTAL EMPLOYEES BY AGE GROUP - 2022



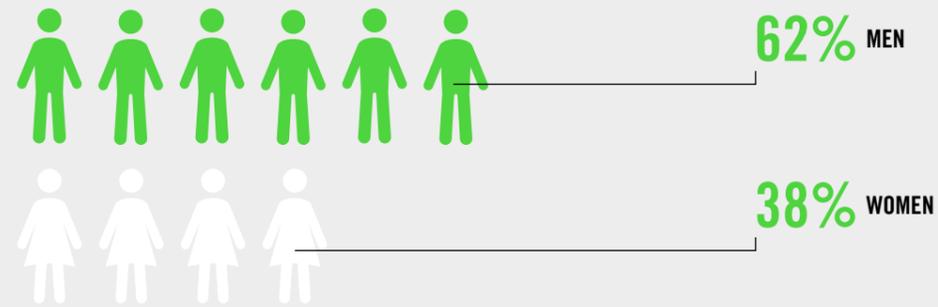
The majority of the total employees are in the 30-50 age group, which primarily consists of the **manual workers** category, the beating heart of the Group, and mainly comprised of **men (66%)**. The second largest category is **office staff**, which has the highest concentration of **female** employees in the enterprise, at **40%**.

Around **99%** of the total workforce are covered by permanent employment contracts, while **100%** are covered by collective bargaining arrangements⁴.

³ The table, graph and numerical data in the text concerning the distribution of personnel in terms of job category, gender and age do not include the Belleville US factory.

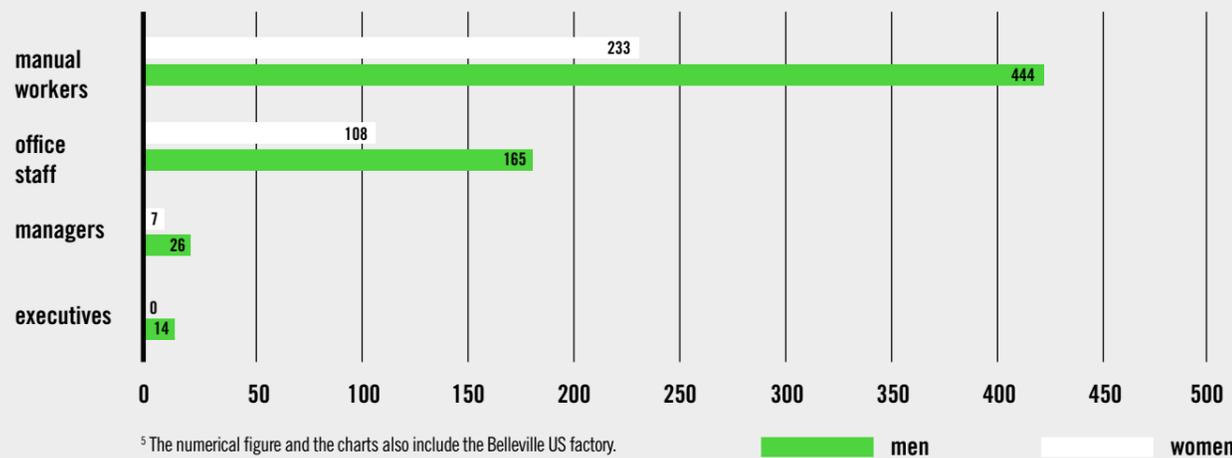
⁴ This percentage refers to countries where the Group's employees are covered by collective bargaining arrangements (Italy and France). Employees in Belleville (US) are not included in the scope.

TOTAL EMPLOYEES BY GENDER - 2022



In 2022, the number of female workers reported amounted to 419⁵, around one third of the total. Their representation in various professional categories that make up the overall Group workforce is shown below:

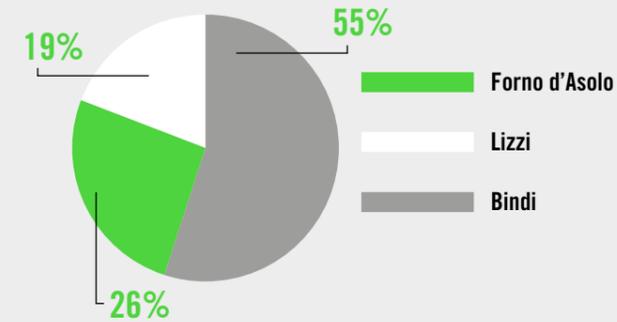
EMPLOYEES BY OCCUPATIONAL CATEGORY AND GENDER - 2022



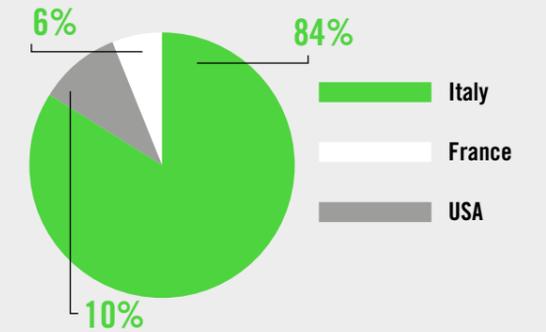
The Group has a significant presence of women among office staff and manual workers, while the job categories where women are absent or underrepresented are the **senior management** and **executive** positions. The Group's commitment is centred on the importance of its staff, safeguarding both their physical and moral integrity, and promoting the **development of their professional and personal skills**. Any form of discrimination, exploitation, harassment and offence against individuals, their honour and their dignity is strictly forbidden.

Accordingly, the management of personnel is governed exclusively by criteria of merit, recognition and enhancement of the abilities, skills and potential of each individual, which is how the Group ensures equal opportunities, equity and fairness. In line with the enterprise's values, which are shared by the Group's human resources, there were no reported incidents of discrimination or other forms of marginalisation involving internal and/or external stakeholders in any of the organisation's activities during the reporting year.

EMPLOYEES BY BUSINESS UNIT 2022



EMPLOYEES BY GEOGRAPHIC AREA 2022



The chart above shows an increase in **employees**. This was due to the fact that compared to 2021 the reporting boundary in this sustainability report has been extended to include international sites (Bindi USA and Gelpat in France). Considering only the Italian sites, there was a slight decrease (3%) from 959 employees in 2021 to 926 in 2022, largely driven by the incentivisation of a number of early retirements.

These changes are part of a more general trend of introducing **automated processes** – for example, in 2022 in the **San Giuliano Milanese** factory – leading to a review of roles and responsibilities. The various plant **automation measures** enabled efficiency and productivity improvements, creating new professional roles. Automation has enabled the replacement of repetitive and intensive work tasks, allowing the FdA Group to create more sophisticated roles and tasks for staff.

This process of automation of the San Giuliano Milanese factory is also being accompanied by the intergenerational change of the workforce, providing incentives for future recruitment and opportunities for the upskilling of existing staff. In the meantime, at the San Giuliano factory, redeployment is underway of workers previously employed in the three production steps that have been automated through the following processes:

- **A continuous cake production line has been installed to increase speed and production flexibility. The new system does not lead to an increase in production, but rather to the optimisation of its use of energy and labour.**
- **Installation for storing liquid butter, which now arrives in tankers. This brings economic and production benefits by optimising the product transport process and eliminating all the packaging needed to handle this ingredient in its solid state.**
- **Lastly, a tray handling system has been installed on the soufflé production line, which is now fully automated.**

In terms of **incentives**, in 2022 employee wellbeing continued to be a key aspect of employee care, maintaining the specific bonuses already in place for births or graduations of children of employees (or of the employees themselves in the case of graduations), which have been extended to the entire Group⁶. Other benefits provided to all full-time employees include life insurance, supplementary health care, parental leave, insurance cover for disability and invalidity, canteen, supply work clothes and laundry service (where necessary), and company car for sales and management staff. The Enterprise recognises the importance of

its **welfare** policies in positively influencing work-life balance, which is becoming an increasingly crucial factor in measuring the wellbeing of an enterprise's human capital. With a view to improvement, following on from the welfare cards issued to employees the previous year, the Group has established company-level agreements with employees to join a welfare scheme shared by all the FdA Group companies from 2023. This will allow employees to access performance bonuses or convert them to the welfare system, benefiting from a 25% premium thanks to the social security savings for the FdA Group.

Promoting a **diverse and inclusive working environment** allows the Group to take a broader view of its surrounding environment, to consider new perspectives and to seek more advanced and satisfying solutions for all. For FdA, embracing diversity also means recognising and supporting different lifestyles, taking into account the emerging needs linked to them, which are becoming increasingly crucial to professional success.

Work-life balance is a key aspect of employee wellbeing. One of the initiatives taken by Bindi to foster this balance is the implementation of **remote working**, which allows employees to work from home or other locations outside the office. Currently, Bindi employees have 24 remote working days per year, while other sites have up to **48 days**. The aim is to bring Bindi into line with the other companies by increasing the number of remote working days to 48 from 2024, in order to promote better work-life balance for all employees.

Another important consideration is the management of leave time for specialist medical examinations. Bindi currently offers 16 hours of leave for diagnostic appointments. This represents a best practice the company is implementing in order to create procedures and policies that ensure the standardisation

of conditions among employees, seeking to converge towards a single model whenever possible.

There were a total of **121 new hires** in 2022 (down 15% from the previous year), around **66% of whom were men**. Of the new hires, **52% were individuals aged between 30 and 50**, while nearly **35% were young people** under the age of 30 and the remaining **13%** consisted of men and women over the age of 50.

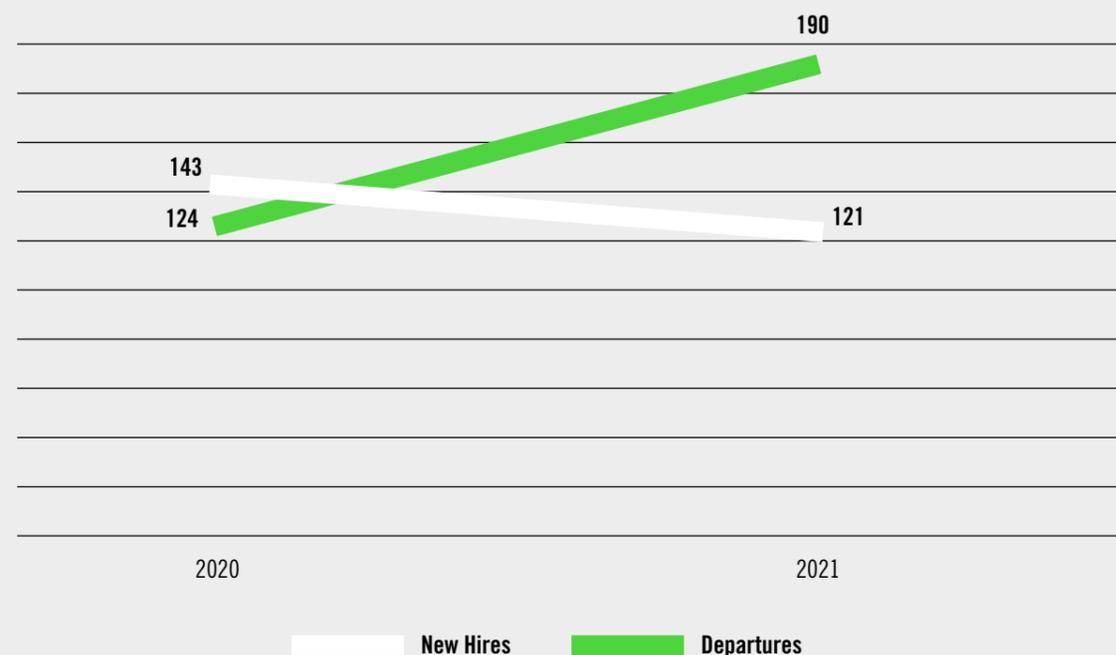
In contrast, there were **190 departures**, of which **12** due to retirement, **32** due to contract expiry, **86** due to voluntary resignation, and **60** due to layoffs. Overall, there was a general decline in new hires between 2021 and 2022, accompanied by an overall increase in departures. This increase in the number of departures was mainly due to the gradual process of automation of production lines.



CATEGORIE	NO. NEW HIRES		NO. DEPARTURES		NEW HIRE RATE		DEPARTURE RATE	
	2021	2022	2021	2022	2021	2022	2021	2022
Men	98	80	74	119	15.53%	11.11%	11.73%	16.53%
<30 yrs. old	39	27	29	31				
30-50	46	45	22	56				
>50 yrs. old	13	8	23	32				
Women	45	41	50	71	13.72%	10.70%	15.24%	18.54%
<30 yrs. old	18	15	16	12				
30-50	22	18	21	32				
>50 yrs. old	5	8	13	27				
Total	143	121	124	190	14.91%	10.97%	12.93%	17.23%

⁶ Ad eccezione di Lizzi.

RECRUITMENTS AND DEPARTURES OVER THE TWO-YEAR PERIOD - FDA GROUP



Sustainability for the Group also means involving the staff in social activities. A notable example of this is the already mentioned collaboration with Pizzaut Onlus and the **100 Mattoni** project, which promotes the training and employment of people with

autism. There are also several initiatives aimed at enhancing the social commitment of the Group and its employees to local communities, by allocating funds and the free supply of food products to charities.

07.2 Training

Ensuring a process of continuous and gradual professional growth and development of employees means fostering collaboration and collective intelligence, enabling the enterprise to **grow as a whole**. To achieve this goal, the FdA Group has established guidelines and methods for planning and implementing its training activities.

The training provided is divided into compulsory training, in particular on **health and safety**, which is of fundamental importance to ensure a healthy workplace and safe conduct for all workers, with a focus on food production hygiene and safety. In 2022, the FdA Group provided **5,289 hours** of training in this area to its employees.

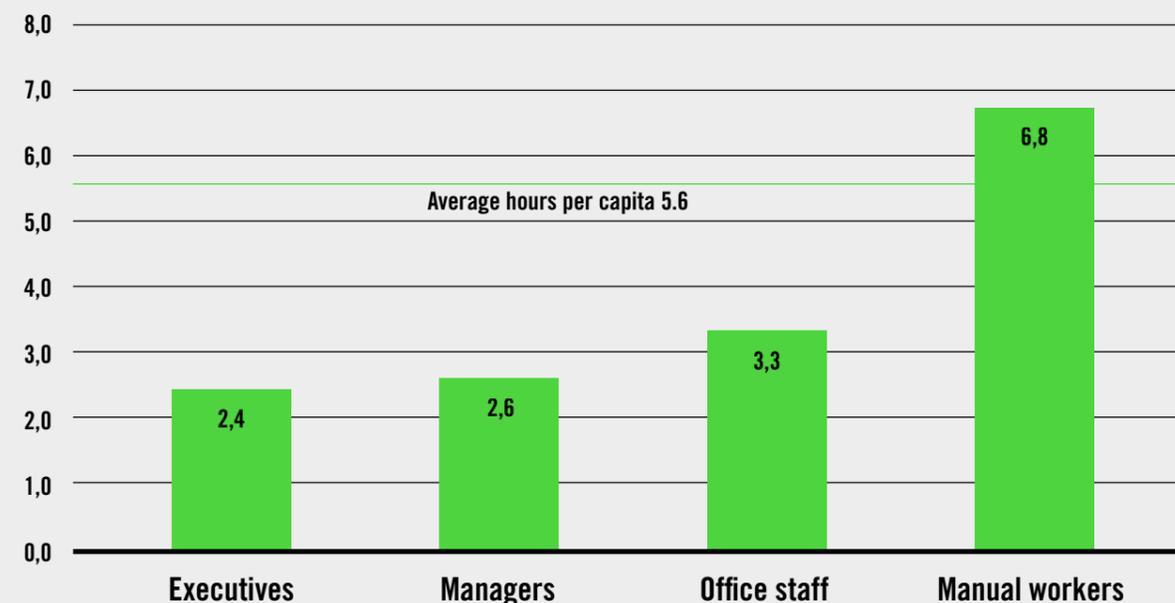
This is accompanied by training on **code of ethics and anti-corruption (38 hours)**, mainly for executives and managers. The other component is the hours devoted to **voluntary training**, which totalled **264**, consisting of:

- **Role-based training of new employees for all placements. New hires are assisted in acclimatising and adapting as quickly as possible, while getting acquainted with the values and culture of the enterprise;**
- **Specialised refresher courses for certain members of staff (for instance refresher courses in regulatory affairs for Employees and Management Staff);**
- **Career advancement training for all workers who show potential, in line with the HR strategy;**

- **Training to develop core skills (for example proficiency in the English language and IT systems) for those who need them and show learning potential.**

Bindi's US site in **Belleville (NJ, USA)** has a comprehensive HR support service, which uses an e-Learning portal to provide employees voluntary learning resources, alongside the occupational health and safety topics, for potentially unlimited professional and personal advancement. The number of **total training hours** provided by the FdA Group in **2022** amounted to **5,591⁷**, equating to an average of 5.6 hours per employee.

HOURS OF TRAINING PER CAPITA - 2022



⁷ The figure does not include the Belleville US factory because it does not yet have detailed data that can precisely quantify the hours delivered.

Following the plant automation measures implemented at the **San Giuliano Milanese** site discussed above, in 2022 **specific training packages** needed to be developed for new professional roles capable of managing production in the new layout, focused on technological and operational efficiency, moving away from the previous, much more labour-intensive and repetitive tasks.

The identification of human resources for this skill development pathway, which has been underway since 2022, will continue into the years ahead, as employment positions keep on gradually evolving.

To this end, in October **2022**, the factory initiated the “**Factory of the Future**” project, a process of human resource development and redistribution of work responsibilities following the retirement of many of the employees involved in production coordination. Targeted training courses were set up for the internal human resources considered optimal for the new roles, including personnel belonging to the production service areas (maintenance, quality, product development, etc.), involving a total of **22** employees.

Through partnerships with specialist firms, employees were able to benefit from classroom training content tailored based on their previous skills and speed of assimilation of new skills. This reflects the Enterprise’s focus and dedication to the professional and personal growth of its employees, in order to achieve the best possible reorganisation and qualitative improvement of work.

In 2022, the FdA Group started a profiling project covering almost all frontline employees, aimed at mapping and assessing the skills needed for each role. This

information was used to plan a professional development programme, through coaching sessions held over a whole year. This **profiling** project also involves completing the profiling for new hires in 2023, as well as covering the sales area (previously excluded) and other employees who have not taken part previously.

This affirms the Group’s commitment and desire to offer training services designed in the form of **personalised support** to effectively meet the **learning and refresher training needs of employees of every kind and job category**.

With this in mind, the training strategy implemented by the FdA Group includes group coaching for Board members in 2023. Indeed, while in 2022 the training involved the frontline and to some extent the second line, in 2023 it will also target the higher job categories and focus more on the development of soft skills.

In fact, in 2022 the Group created the **Change Leading Academy**, a training solution designed to encourage employees to advance their careers. The project, which will run over the two-year period **2023-2024**, is based on a growth model built on the social ideals the Group is committed to, which focus above all on wealth of skills, the importance of receiving feedback and performance evaluations.



07.3 Occupational health and safety

The FdA Group is committed to providing a **safe and healthy workplace** for all employees. It therefore takes all necessary measures to prevent accidents and potential harm to health that may occur in the Enterprise. To this end, the Group has appointed a **company doctor** (CD) and implemented health monitoring based on the health protocol drawn up by the CD.

The Risk Assessment and Risk Assessment Statement contain the **Prevention and Protection Measures** (PPMs) implemented and the **PPE** adopted to prevent and mitigate risks associated with operational activities. Similarly, the Risk Assessment contains a programme of measures considered necessary to ensure improved safety levels over time.

The update of the Risk Assessment identifies the **hazards** – namely the elements and situations that contribute to generating a risk (listed in the Risk Assessment Statement) – **that apply to the different areas and tasks**. At least once a year, a meeting is held with the Employer, Health and Safety Officer, CD and Worker Safety Representative (WSR), which analyses the results of these processes and sets the resulting improvement goals.

In addition, each site has a **WSR** to whom any issues can be reported, which are referred anonymously to management. There is also a **system for reporting near misses⁸ and dangerous situations**. In addition, noise level assessments are carried out on a regular basis and workers are provided with ear defenders.

⁸ Near miss means any work-related event that could have caused an injury or damage to health (illness) or death but, for whatever reason, did not end up doing so.

Another key factor in creating a **culture of safety** is continuing education.

The Group provides a **training programme**, related to health and safety issues, consisting of **basic training** courses for new hires and **specialist training courses** based on the tasks new hires will be performing.

The following **basic courses** were delivered in **2022**:

- **safety training for new maintenance workers**
- **mandatory training for staff in Italy who work on electrical installations**
- **worker safety representative training**

And **refresher courses** for the following:

- **forklift drivers**
- **first aid officers**
- **worker safety representatives**

To prevent potential occupational injuries and illnesses, while embracing the industrial 4.0 revolution, the **FdA Group** is investing significant resources each year in **automating processes in order to reduce the Manual Handling of Loads (MHL)** – an example of which is the whipped ice cream production line.

In 2022, a total of **46 injuries** occurred at the Group level, **70% of which involved men**. Of these injuries, most (91%) happened **during working hours**. One case of **occupational illness** due to repetitive movements was also reported.



2022				
Work-related injuries of FdA Group employees ⁹	UOM	Men	Women	Total
Total number of work-related injuries	n.	32	14	46
In the workplace		29	13	42
While travelling		3	1	4
Total number of fatalities as a result of work-related injury		-	-	-
In the workplace	-	-	-	
While travelling	-	-	-	
Total number of high-consequence work-related injuries (excluding deaths)	h.	2	1	3
In the workplace		2	1	3
While travelling		-	-	-
Near miss⁸		32	14	46
Days lost due to injury		753	548	1,301
Hours of work (thousand hrs)		1,076	563	1,826
Rate of recordable work-related injuries	n.	28.81	23.08	25.19
Rate of fatalities as a result of work-related injury		-	-	-
Rate of high-consequence work-related injuries (excluding deaths)		1.86	1.76	1.83
Severity Rate		0.70	0.97	0.71

⁹ Bindi USA is not included in the count.

Although the FdA Group is constantly striving to ensure a safe and healthy work environment, there are still **areas for improvement**.

Indeed, next year the Group intends to carry out an in-depth near miss analysis on all its sites to prevent potential hazardous situations.

Chapter 08

INTELLECTUAL CAPITAL /



08 Intellectual capital

Intellectual capital means all the tangible and intangible assets, combined with the value of the Enterprise's knowledge, which contribute to the development and advancement of process and product research and innovation.

HIGHLIGHTS / 2022



08.1 Deep freezing technology

Deep freezing is one of the most effective methods for long-term food preservation, while also reducing waste. This technology also **maintains the organoleptic properties of the food** and **limits the use of preservatives**. The preservation of food is a crucial process for maintaining its nutritional value over time. This normally involves the use of preservatives to slow down the natural effect of biological components. However, thanks to deep freezing, the only preservative needed for the food is cold. Deep freezing is based on an ultra-fast and efficient cooling process, which rapidly cools products to a temperature of **-18/-22°C**.

This speed generates the formation of micro-crystals of water that do not compromise the biological structure of the food.

The organoleptic and nutritional properties of products, such as protein, vitamins, carbohydrates, etc., as well as the texture and flavour of foods, remain unaltered in the deep-freezing process. By using this process, the Group ensures that its leavened dough or puff pastry products are not damaged in any way – they come out of the oven as crisp and fragrant as when freshly baked, and desserts, once defrosted, are as soft and creamy as ever.

08.2 Shaping the future by investing in education

In 2017, the FdA Group inaugurated the **Forno d'Asolo Academy** in Maser (TV). Since then the Academy has been involved in the promotion and advancement of the **professions in the food and HoReCa industry**, sharing its expertise, knowledge and good practices with clients and young people, with the main long-term objective of raising awareness of the importance of **quality and excellence** in the industry.

Forno d'Asolo offers **training** and **refresher** courses for its **clients** in order to improve its image through them, in addition to better satisfying end consumers and ensuring their satisfaction and loyalty.

This is primarily achieved through the management of shop spaces, with particular focus on the following aspects:

choosing the best product assortment

eye-catching window displays

optimal product handling in all phases

support in staff training

Additionally, 2022 clearly showed that process of growth continues to extend beyond the FdA Group's factories through **talent recruiting**. A prime example is Bindi, which, during the year, extended and expanded the scope of its **post-diploma training** for pupils of technical institutes.

In addition to the opportunities for cultural exchange and growth, this initiative has provided training for young interns to become **specialists with transversal skills**, in line with the current demands of the job market.



Chapter 09

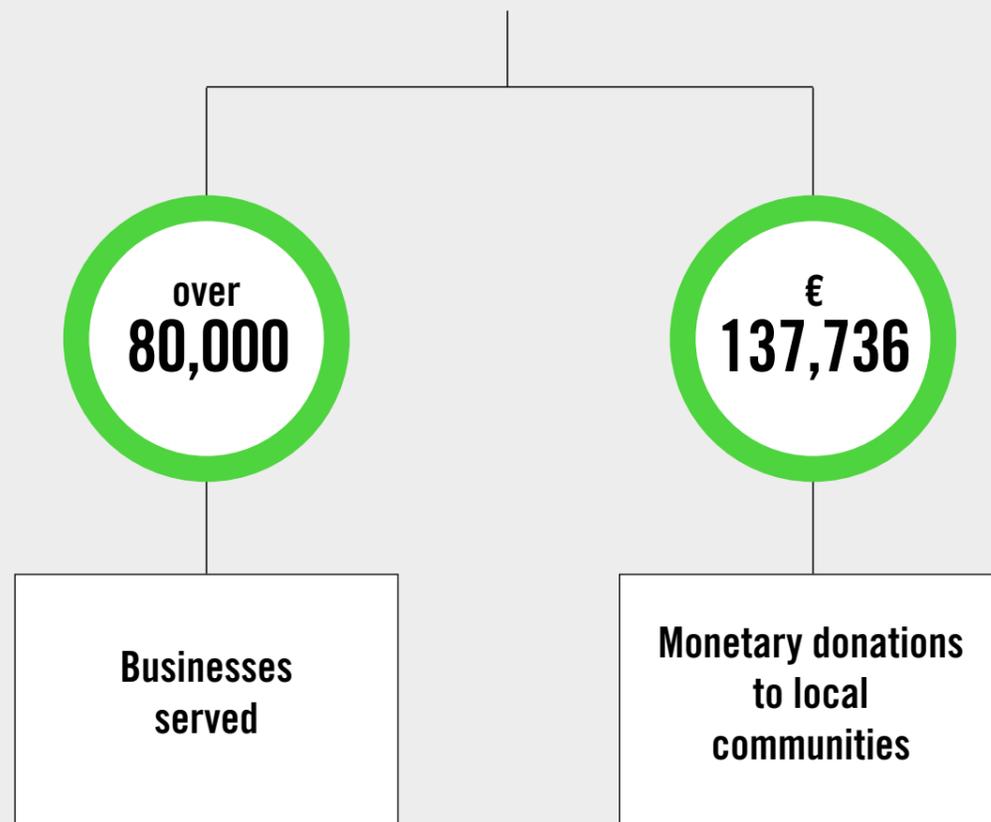
SOCIAL CAPITAL /



09 Social capital

Social capital describes the relations between the FdA Group and its main external stakeholders, with a special focus on its suppliers, clients, end consumers, the local communities and vulnerable people.

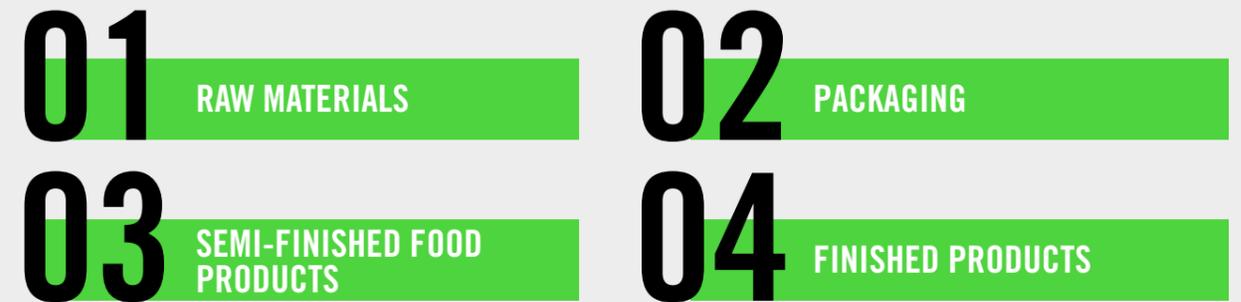
HIGHLIGHTS / 2022



09.1 Supply chain

The FdA Group recognises the importance of the supply chain in the agri-food business and its strategic importance for the quality of its products. It therefore strives to build **business partnerships** based on **dialogue, transparency and respect**.

The Group's supply chain office uses four categories of buyers, depending on the type of product:



Its main raw material suppliers are distributors based in Italy who procure their products primarily from abroad. Eggs are the only main raw materials supplied by Italian suppliers and producers; suppliers may be qualified with the Company if they meet food quality and safety requirements. The introduction of **ISO 22005** certification (see section 4.1 "Raw material management") on the traceability of food products not only allows for the identification of

product batches but also enables tracing back to the batches of raw materials, processes, and shipping records. The introduction of this certification had positive effects on food safety, it has also **improved relations with strategic suppliers**. The Group has set itself the target of using only **BRC-** or **IFS-certified** suppliers over the next few years. It also aims to gradually introduce supplier assessment of social and environmental matters.

09.2 Trasparency towards consumers

The success of the FdA Group is inextricably linked to the quality of its products, growth and **client satisfaction**. This is an aspect of vital importance for the Group over both the short- and long-term. Maintaining high levels of client satisfaction

not only contributes to the **Enterprise's reputation**, but also has a significant **economic impact**. Developing a **loyal client base**, which consistently returns to buy the products offered, is far more cost-effective than needing to constantly acquire new clients.

Listening to the **demands, needs** and **feedback** of clients and end consumers is therefore crucial. The wide reach of the **sales network** is testimony of the high levels of client satisfaction enjoyed by the FdA Group and is an important driver of improvement for the Group. The success of this approach is also evident in the identifying and handling of non-compliances, whether they concern systems, processes or products, and when analysing and removing the underlying causes. In 2022, there were **4** incidents of non-compliance at the Lizzi factory (out of a million pieces sold), concerning self-regulatory codes for products and services. To best handle these and other similar and potential cases, the Group manages the procedure in **compliance with the right to information**, the guiding principle for the **FdA Group's communications**.

To ensure transparent communication, the Group endeavours to provide product **labelling** that complies with the regulations of the countries where the products are sold.

For countries outside Europe, the Group does this with the aid of specialist external consultants, including the use of translation services. The **essential information** that must be stated on the label includes the name of the product, the list of ingredients, the net quantity, instructions for storage and use of the product, the batch number, the expiry date (or date of minimum durability, DMD), details of the person responsible for the information on the label, including the address of the production site, and the nutritional values. The label must also clearly indicate the presence of allergens either as ingredients or in the same or adjacent production lines, to ensure the safety of buyers with specific food separation requirements.

In 2022, the product information legally required for **"environmental labelling"**, namely instructions on how to dispose of the packaging and how to use the product safely, was gradually added to labels and packaging.



09.3 Combatting wastage and committed to communities

The FdA Group operates in the food sector and plays a role in contributing to the social welfare of communities. The enterprise has subscribed to the United Nations-sponsored **2030 Agenda**, which includes 17 Sustainable Development Goals (SDGs), and aims to actively promote this cultural and behavioural change. The Group is therefore committed to supporting and helping communities and people in vulnerable

situations, focusing primarily on Goal 2: Zero hunger. The FdA Group's commitment to communities, which combines social responsibility and the combatting food waste, is mainly expressed through donations and the gifting of products to organisations working in local communities.

These include collaborations with:



Chapter 10

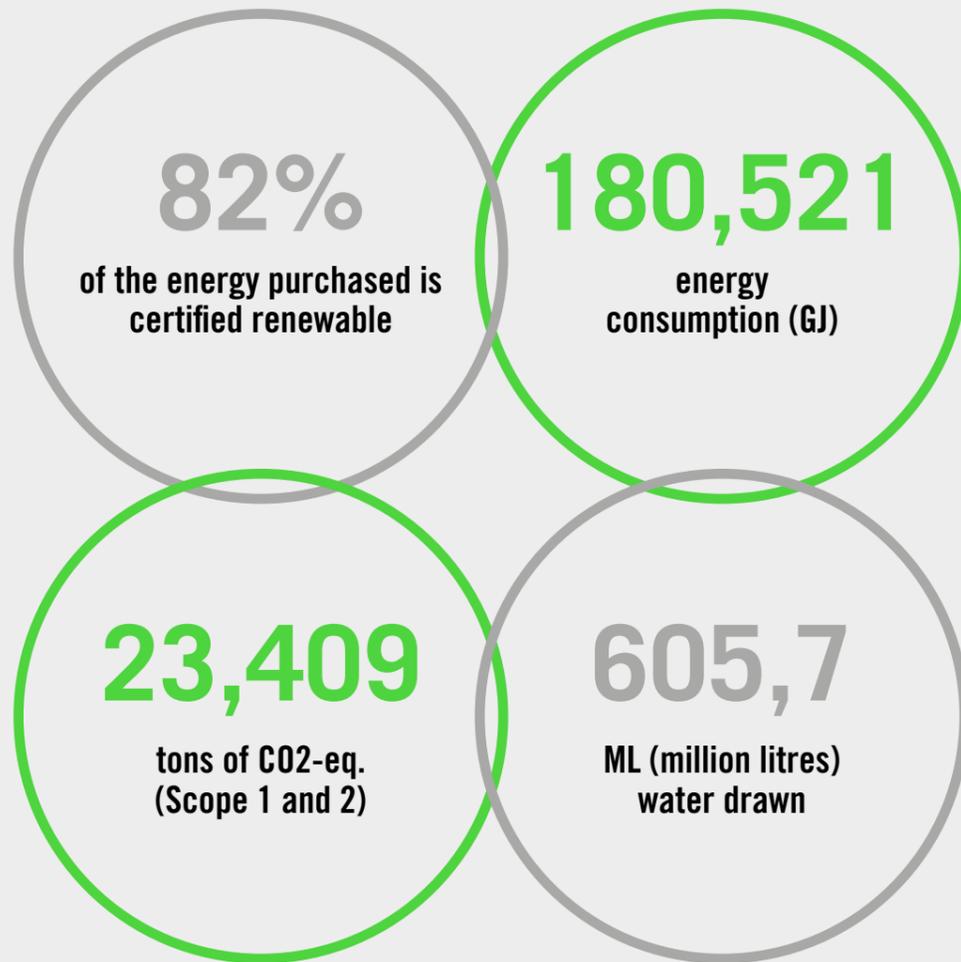
NATURAL CAPITAL /

10

10 Natural capital

Natural capital is the ecosystem within which all human activities take place and without which they would not be possible. It explains how the Enterprise manages the use of natural resources to provide goods and services.

HIGHLIGHTS / 2022



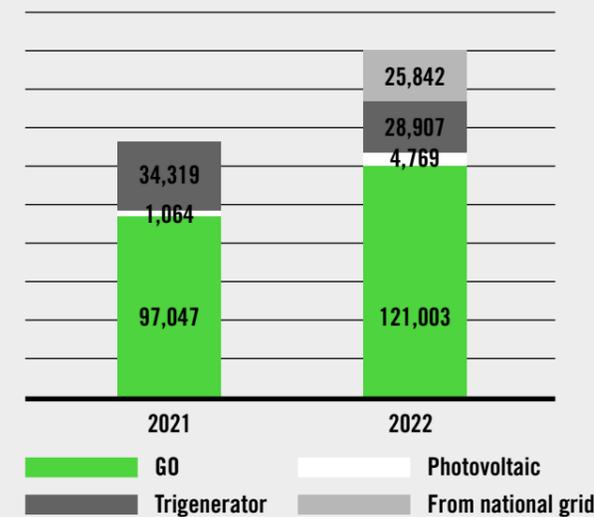
10.1 Energy consumption

Energy consumption is a key aspect of the FdA Group's business. Over the past few years, it has introduced cutting-edge technologies to all its factories to **reduce energy consumption**. In addition, the Group has adopted a policy of choosing **self-generation of energy** wherever possible and – for the grid sourced electricity of the Italian companies – of only using electricity from 100% certified renewable sources. A total of **3%** of the energy consumption in 2022 came from the Group's own photovoltaic systems, compared to around 1% in 2021.

The Group's self-generation policy led to the installation of a **new 688 KWh photovoltaic system** at Bindi in 2022, which covered 5% of the site's consumption. This is in addition to the installations already present in Maser and Caronno Pertusella.

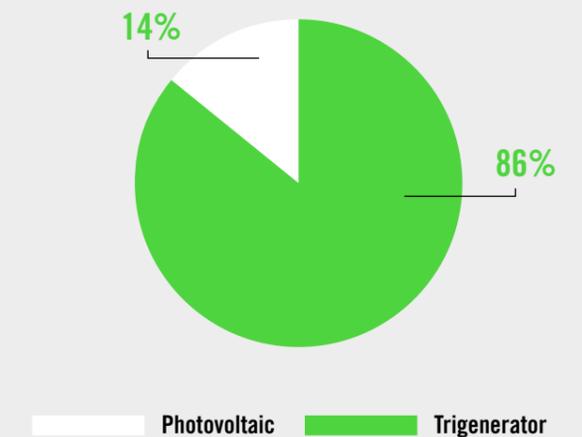
In 2022, there was a 36% increase in electricity consumption compared to the previous year. This was due to the increase in production which took place and the inclusion of the international factories in the reporting boundary.

ELECTRICITY CONSUMED FDA GROUP 2021-2022



The energy consumed during 2022 amounted to **180,521 GJ**. Of this, **81%** was purchased from the grid and around **120,000 GJ** came from certified renewable sources (GO). A total of **19%** of the energy consumed was **self-generated** in the FdA Group's factories by **photovoltaic or trigeneration plants**. Some of

FDA GROUP SELF-GENERATED ELECTRICITY (%) 2022



the energy generated by the installations is fed back into the grid, for a total of around 50 GJ in 2022. Natural gas, the consumption of which has decreased by 13%, is used for the ovens and boilers, as well as powering a trigeneration plant at the San Giuliano Milanese factory.

During 2022, the FdA Group invested in a new 800KWe trigeneration plant at the Maser site, which will be activated in 2023. The plant consists of a cogeneration group and an absorption chiller which uses the heat recovered from the cogeneration group to produce coolant (water + ethylene glycol 35%).

	UOM	2021	2022
Natural Gas	GJ	209,453	181,794
Electricity consumed		132,430	180,521
of which purchased with Guarantee of Origin		97,047	121,003
of which purchased from the national power grid		-	25,842
of which self-generated from renewable sources		1,064	4,769
of which self-generated from non-renewable sources		34,319	28,907

The increase in energy consumed between 2021 and 2022 was proportional to the increase in turnover. The **energy intensity** increased from 0.49 GJ/k€ to 0.46 GJ/k€ in the reporting year.

Fuel Consumption		2021	2022
Diesel	GJ	7,179	5,953
Petrol		24	229
Methane		-	43
Petrol for hybrid vehicles		-	2,107

Over the course of 2022, there was a significant decrease in diesel consumption by 17% and an accompanying increase in petrol consumption (though lower in absolute terms), which is also used in hybrid vehicles, resulting in savings in terms of CO2 emitted by the company fleet and lower particulate emissions. In line with the FdA Group's car policy, which envisages a **gradual replacement of its diesel vehicles** with plug-in hybrid or full electric vehicles, five out of seven of its factories already have recharging stations.

10.2 CO² EQ emission

Accurate measurement of emissions is the starting point for developing a robust and credible climate strategy. Identifying emission sources is key to taking timely action to reduce impact and give credibility to the decarbonisation process.

The FdA Group already calculated its carbon footprint in 2021, focusing on Scope 1 and 2 emissions, while Scope 3 emissions were included in the scope of analysis in 2022. The GHG 2022 inventory is the starting basis for the decarbonisation target setting process.

In fact, the FdA Group aims to adopt reduction

targets aligned with the most ambitious scenarios (1.5°C), ensuring the enterprise's commitment to the **climate transition**. These targets will be developed in the second half of 2023 with the aim of submitting them to the **SBTi** for validation in 2024.

The target setting will be supported by an analysis of the drivers of reduction already present in the enterprise (e.g. electricity supply from renewable energy sources and renewable self-generation) and an assessment of possible reduction actions to be implemented to achieve the climate targets.

Scope 1

Scope 1 emissions include direct emissions from the company sources or sources controlled by it. In calculating these emissions, the FdA Group has therefore included all emissions generated by fuel use at its production sites:

- **methane gas and other fuels;**
- **fugitive emissions from refrigeration systems;**
- **emissions from fuel used by the company vehicles.**

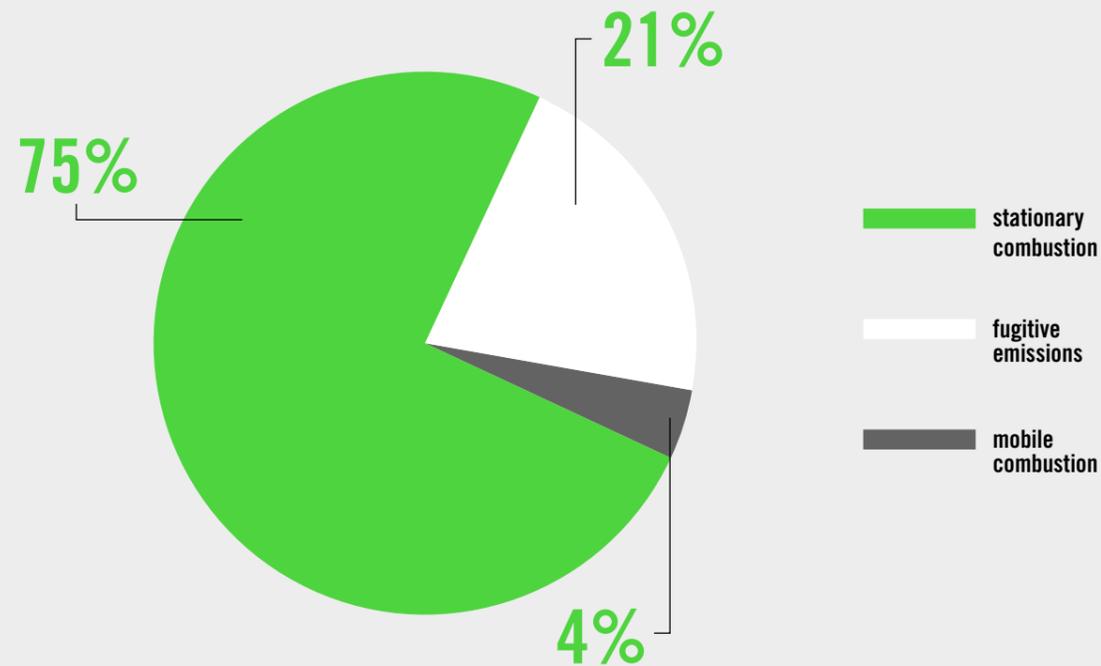
Group-owned vehicles are not used to transport products but purely for commercial use. As the Group makes and sells frozen food products, it has large industrial refrigeration systems which use **refrigerant gases**.

Correct management of refrigerant gases is therefore a key issue for the FDA Group, which has decided to invest in CO2 and ammonia refrigeration systems.

Systems using ammonia (NH3) are very versatile, with refrigeration levels of between 2°C–40°C (freezing). Their performance is also much more efficient than that of other fluids, which means they use less energy to generate the same cooling power, especially in large plants.

CO2 plants enable energy savings of up to 30% compared to traditional HFC plants and have lower running costs. CO2 does not damage the ozone layer and its impact in terms of potential global warming is as much as 4,000 times lower than traditional refrigerants (depending on the refrigerant gas used).

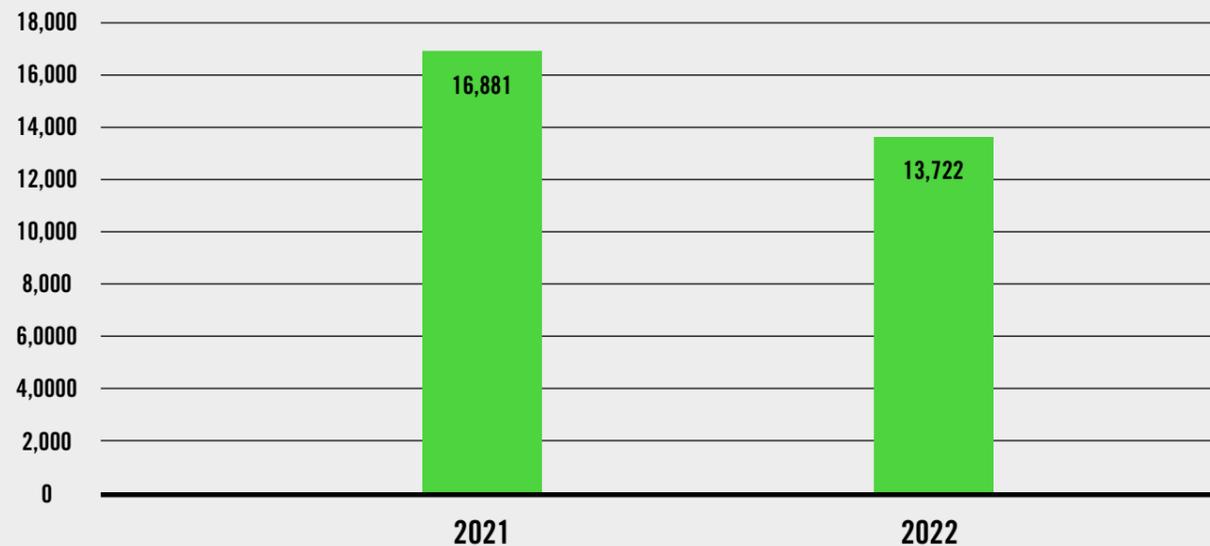
SCOPE 1 BREAKDOWN 2022 (TCO²E)



The analysis of the Group's Scope 1 emissions shows that 75% of the total emissions are due to the use of natural gas, 21% to refrigerant gases and 4% to emissions from Group-owned vehicles.

Compared to 2021, the Group decreased its Scope 1 emissions by 19%. This decrease was mainly attributable to a reduction in emissions related to refrigerant gas leakage in 2022.

SCOPE 1 (TON CO²E), 2021-22



Scope 2

Scope 2 emissions include emissions generated from the energy purchased from an external provider, in the form of electricity, cold, heat and steam. In calculating its Scope 2 emissions, the Group has used the location-based and market-based methodologies to report these emissions.

This approach enables the FdA Group to promote the virtuous practice of **buying electricity covered by Guarantees of Origin** (through market-based reporting) and

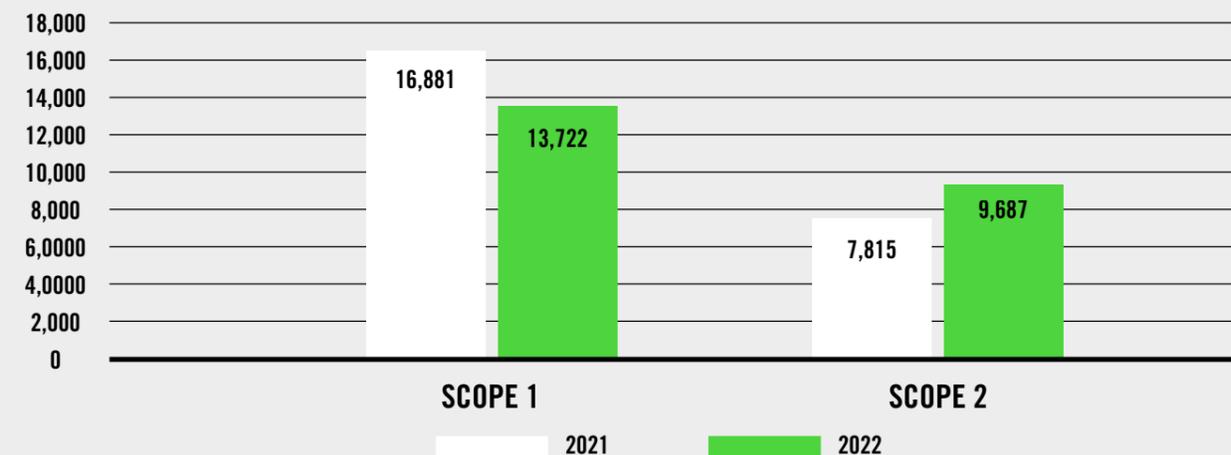
potential decreases in electricity usage owing to efficiency gains and/or self-generation of electricity from renewable sources (through location-based reporting).

In all of the Group's factories, with the exception of Bindi USA and Gelpat, sourcing from the grid is done through guarantee of origin.

As the **trigenerator** at the Bindi factory is owned by the Group, its emissions were classified as fuel consumption (methane) and therefore included in Scope 1.

SCOPE 2	2021	2022
SCOPE 2 (location based)	7,815	9,687
SCOPE 2 (market based)	0	977

SCOPE 1 E 2, 2021-22 (TCO²EQ)



Scope 2 (location based) emissions **rose by 24%** compared to 2021, due to both an increase in production and a change in the reporting boundary (2 new Gelpat and Bindi USA factories). For the Scope 2 market-based emissions, the increase was due a change in the boundary: the purchase of the two new factories included in the reporting do not have guarantees of origin.

Scope 3

The GHG 2022 inventory is FdA Group's first reporting also containing indirect Scope 3 emissions. Before starting data collection for the Scope 3 calculation, the relevance of the 15 GHG Protocol categories was assessed, selecting the Scope 3 categories relevant to the business in which the Group operates and excluding the categories that were not applicable or not relevant.

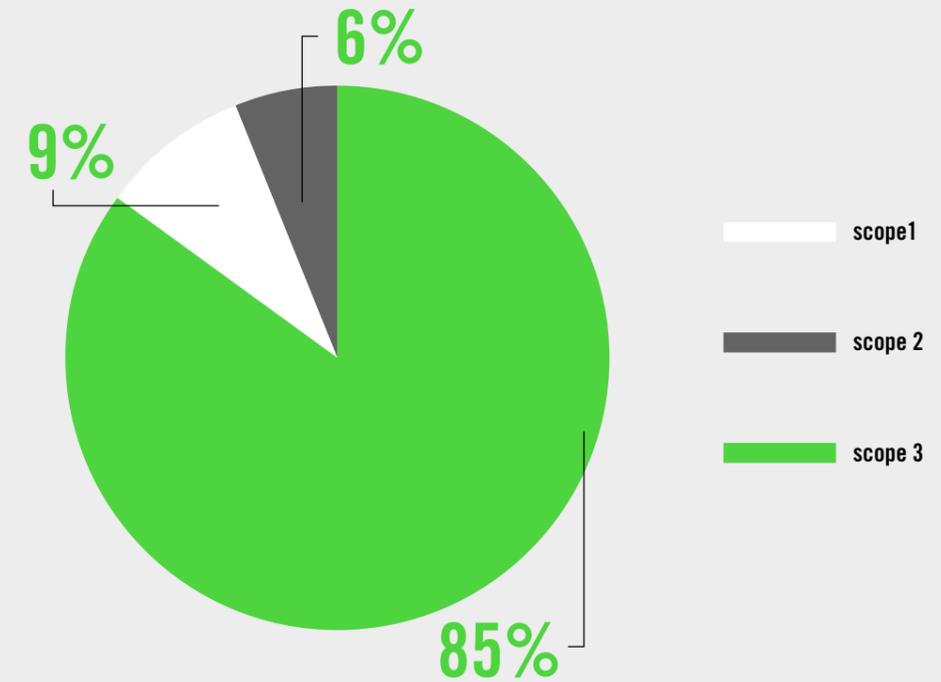
The categories considered in the calculation are:

1. Purchased Goods and Services
2. Capital Goods
3. Fuel and Energy Related Activities
4. Upstream and Downstream Transportation and Distribution
5. Waste Generated in Operations
6. Business Travel

GHG EMISSIONS BY TYPE		
GHG Protocol Categories	Emission (tCO ₂ e)	Proportion of Total (%)
Location-based		
Scope 1	13,722	9%
Scope 2	9,687	6%
Scope 3	130,521	85%
Total	153,930	100%

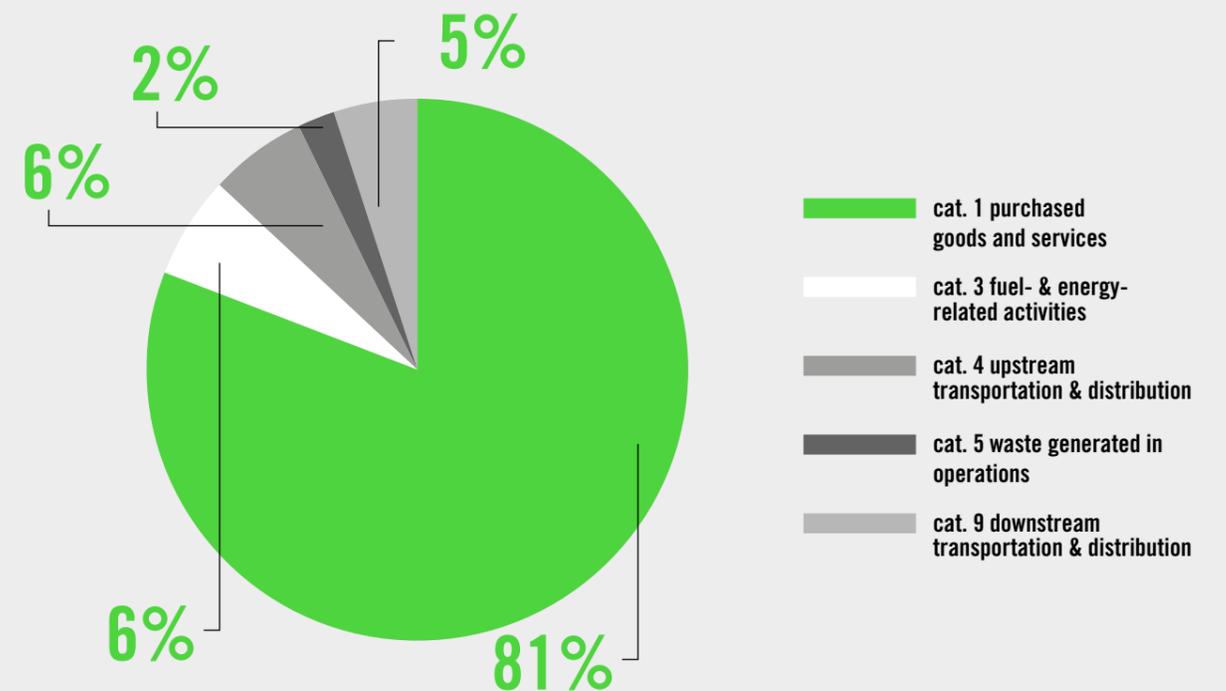


FDA GROUP TOTAL EMISSIONS 2022



The analysis of the Scope 3 emissions clearly shows that the category with the most impact is **purchased goods and services**, which covers **80% of emissions**. This will be one of the main categories the Group will focus on in developing its emission reduction strategy.

SCOPE 3 EMISSIONS BROKEN DOWN BY CATEGORY

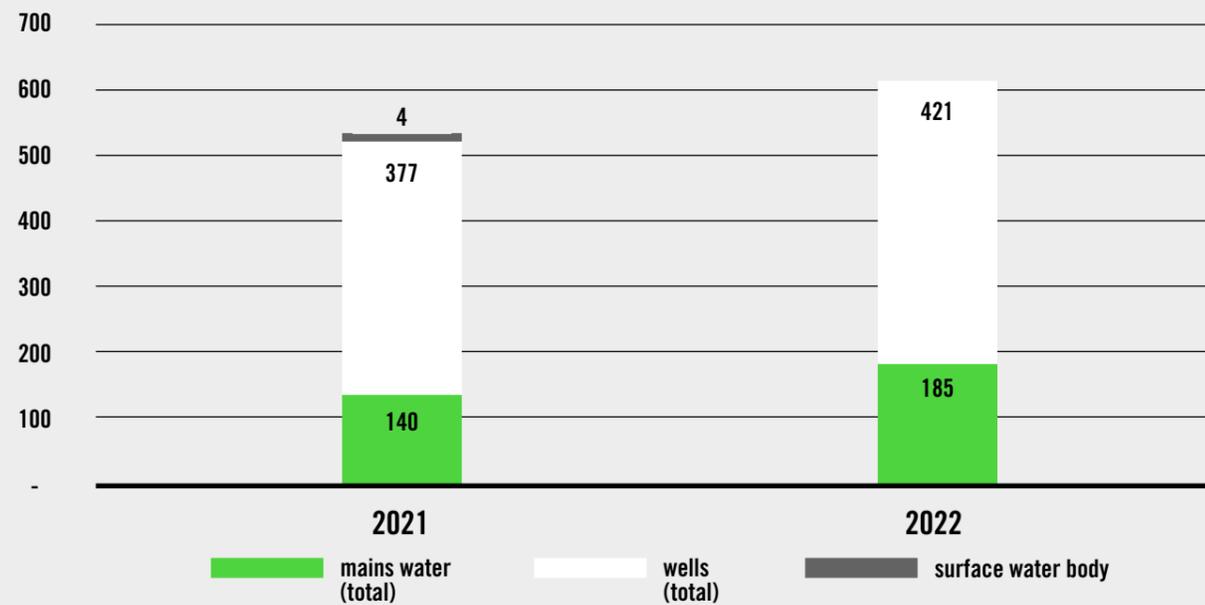


10.3 Water resource management

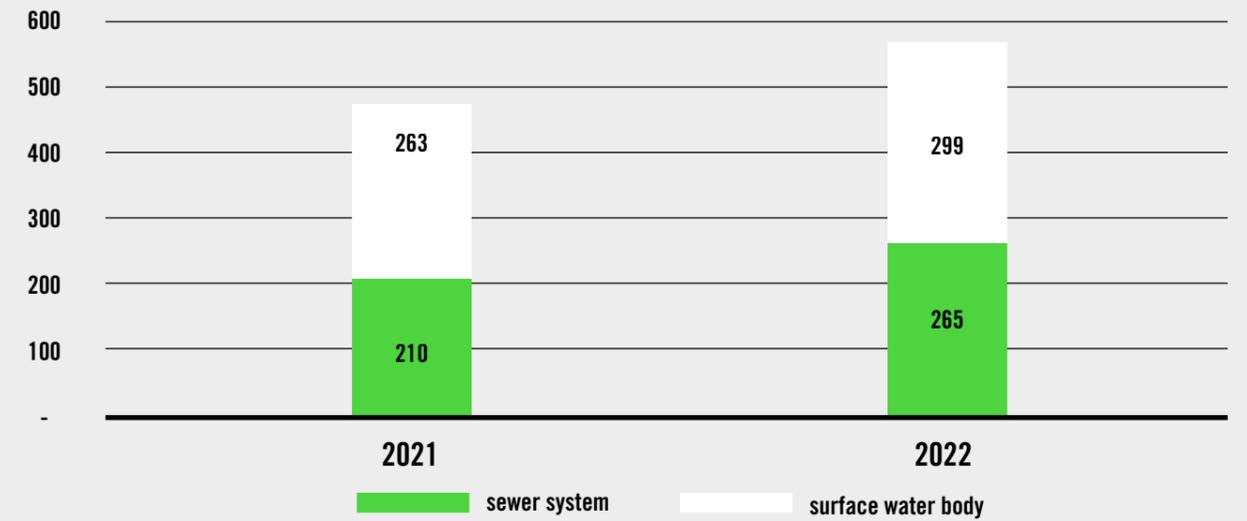
Water withdrawal plays an important part in the Group's activities and water is drawn from both the mains for production and from wells to cool the rooms and for toilet facilities. The Group is implementing strategies to reduce its water consumption. However, the reuse of wastewater is still an aspect that offers little room for improvement,

as it is mainly incorporated in the food production process. With regard to the quality of the water resources, on the other hand, there are also two water purification plants at the Forno d'Asolo and Bindi factories. Water is discharged into the local sewer system and a surface water body.

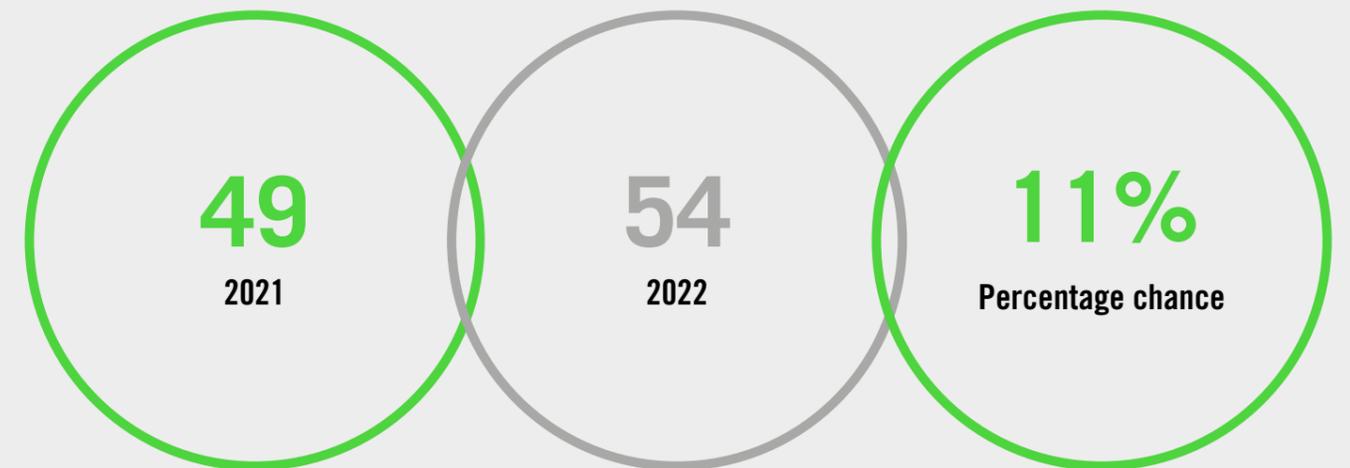
WATER WITHDRAWALS (ML), 2021-22



EFFLUENTS (ML), 2021-22



WATER CONSUMPTION (Total water withdrawal-total effluents)



The analysis of the data shows that the 2022 water withdrawals increased by 19% compared to 2021, connected to an increase in production. Water consumption also increased, but only by 11% from the previous year.

10.4 Packaging and waste

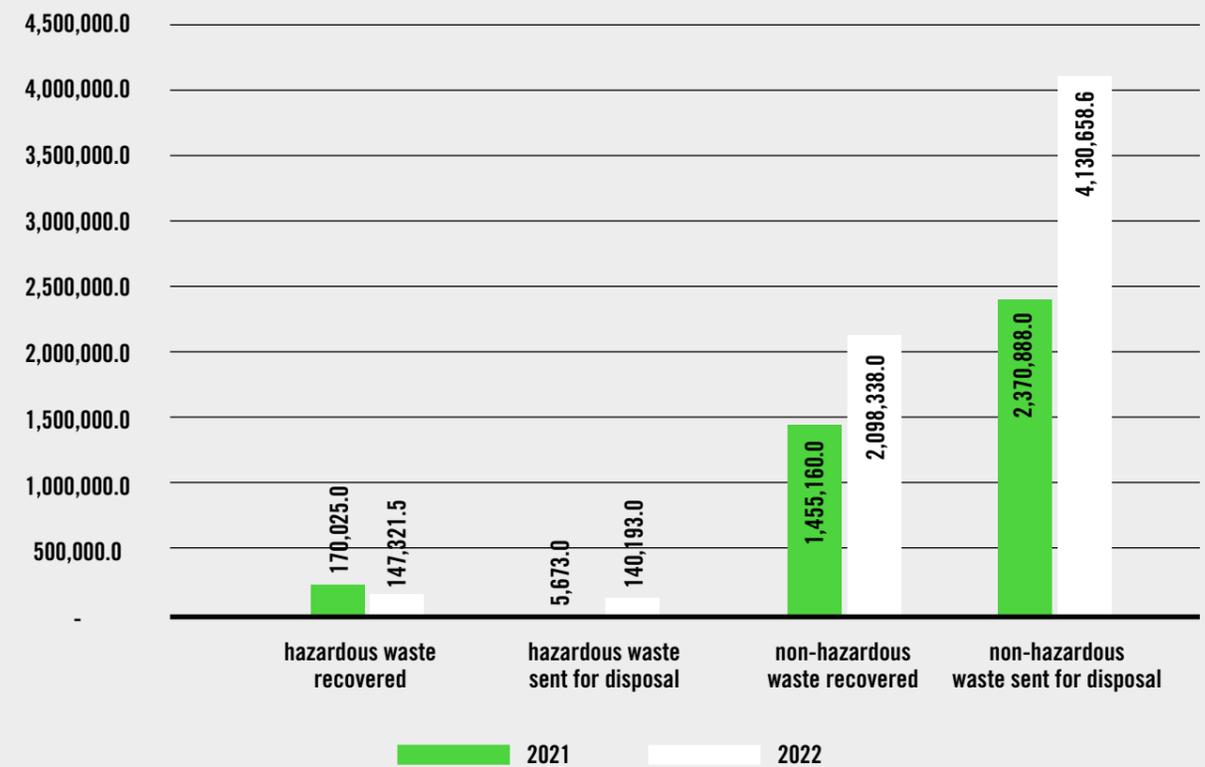
The Enterprise has always striven to use as much recyclable material in production as possible: the main waste generated by the Enterprise is plastic, paper and cardboard packaging and waste which cannot be either reused or transformed. A strategy adopted across the Group is to achieve better sorting of mixed packaging materials to maximise the amount of plastic or paper/ cardboard waste recovered. Food waste generated during production which is treated as by-products is sent to biogas plants. A project is in the pipeline for 2023 which will recover this waste to produce animal feed.

In 2022, **waste generation increased by around 63%** in absolute terms compared to 2021. This increase was mainly due to a change in the reporting boundary, with the addition of the Bindi USA factories and the newly acquired company Gelpat in the reporting for 2022, and a significant increase in production.

The largest quantities of hazardous waste generated in 2022 consisted of discarded equipment containing chlorofluorocarbons. This waste was generated in substantial quantities in 2022 due to a phased programme aimed at replacing the most obsolete refrigeration equipment.

WASTE GENERATED 2021-2022			
	2021	2022	Percentage change
Hazardous waste recovered	170,025.0	147,321.5	-13%
Hazardous waste sent for disposal	5,673.0	140,193.0	2371%
Total hazardous waste	175,698.0	287,514.5	64%
Non-hazardous waste recovered	1,455,160.0	2,098,338.0	44%
Non-hazardous waste sent for disposal	2,370,888.0	4,130,658.6	7%
Total non-hazardous waste	3,826,048.0	6,228,996.6	63%
Total waste recovered	1,625,185.0	2,245,659.4	38%
Total waste sent for disposal	2,376,561.0	4,270,851.6	80%

WASTE GENERATION (TONS), 2021-22



Where possible, and in most cases, the data has been presented with the geographic specification (e.g., departure/arrival and place of overnight stay). Where this information has not been specified, an average of the emission factors has been estimated.

Where it was possible to derive passenger*km and room*night measurements, specific emission factors taken from the BEIS&DEFRA database have been applied.

In other cases, where the input data was expressed in Euro spent, the CEDA 6 database has been used.



Chapter 11

GRI INDICATORS /



11 GRI indicators

The FdA Group has reported the information listed in this GRI content index for the period 01/01/22 - 12/31/22 on a with reference to basis.

GRI STANDARD	DISCLOSURE	PARAGRAPH - NOTES
GRI 2: General disclosures 2021		
2-1	Organisational details	01. Methodological Note
2-2	Entities included in the organisation's sustainability reporting	01. Methodological Note
2-3	Reporting period, frequency and contact point	01. Methodological Note
2-4	Restatements of information	01. Methodological Note
2-5	External assurance	This report is not subject to external assurance
2-6	Activities, value chain and other business relationships	3.1 The FdA Group
2-7	Employees	7.1 HR management
2-9	Governance structure and composition	3.4 Corporate structure and management model
2-10	Nomination and selection of the highest governance body	3.4 Corporate structure and management model
2-15	Conflicts of interest	3.4 Corporate structure and management model
2-16	Communication of critical concerns	3.4 Corporate structure and management model
2-22	Statement on sustainable development strategy	02. Letter to stakeholders
2-23	Policy commitments	3.4 Corporate structure and management model
2-26	Mechanisms for seeking advice and raising concerns	3.4 Corporate structure and management model
2-28	Membership associations	International Dairy Deli Bakery Association, Specialty Food Association, Associazione Univa, and Unionfood
2-30	Collective bargaining agreements	7.1 HR management

GRI STANDARD	DISCLOSURE	PARAGRAPH - NOTES
GRI 3: Material topics		
3-1	Process to determine material topics	4.1 Materiality of the impacts
3-2	List of material topics	4.1 Materiality of the impacts
3-3	Management of material topics	4.1 Materiality of the impacts 4.2 Sustainability goals
ECONOMIC ISSUES		
GRI 201: Economic performance		
201-1	Direct economic value generated and distributed	5.1 Sharing value
GRI 205: Anti-corruption 2016		
205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption have been found
GRI 206: Anti-competitive behaviour 2016		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	First instance ruling on Sammontana vs. Forno d'Asolo concerning the determination of acts of unfair competition, pursuant to Article 2598(3) of the Italian Civil Code, carried out by Forno d'Asolo to the detriment of Sammontana, with request for issuance of an order for their immediate cessation and consequent order to pay damages, which concluded with the rejection of all the claims brought by the latter
ENVIRONMENTAL ISSUES		
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	10.1 Energy consumption
302-3	Energy intensity	10.1 Energy consumption
302-4	Reduction of energy consumption	10.1 Energy consumption

GRI STANDARD	DISCLOSURE	PARAGRAPH - NOTES
GRI 302: Energy 2016		
303-1	Interactions with water as a shared resource	10.3 Water resource management
303-3	Water withdrawal	10.3 Water resource management
303-4	Water discharge	10.3 Water resource management
303-5	Water consumption	10.3 Water resource management
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	10.2 CO ₂ eq emissions
305-2	Energy indirect (Scope 2) GHG emissions	10.2 CO ₂ eq emissions
	Other indirect GHG emissions (Scope 3)	10.2 CO ₂ eq emissions
305-4	GHG emissions intensity	10.2 CO ₂ eq emissions
305-5	Reduction of GHG emissions	10.2 CO ₂ eq emissions
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	10.4 Packaging and Waste
306-3	Waste generated	10.4 Packaging and Waste
306-4	Waste diverted from disposal	10.4 Packaging and Waste
306-5	Waste directed to disposal	10.4 Packaging and Waste
SOCIAL TOPICS		
GRI 401: Employment 2016		
401-1	New hires and turnover	7.1 HR management
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	7.1 HR management

GRI STANDARD	DISCLOSURE	PARAGRAPH - NOTES
GRI 403: Occupational health and safety 2018		
403-2	Hazard identification, risk assessment, and incident investigation	7.3 Occupational health and safety
403-3	Occupational health services	7.3 Occupational health and safety
403-4	Worker participation, consultation, and communication on occupational health and safety	7.3 Occupational health and safety
403-5	Worker training on occupational health and safety	7.2 Training 7.3 Occupational Health and Safety
403-6	Promotion of worker health	Membership of the FASA (Fondo Assistenza Sanitaria Alimentaristi) to aid employees and families in booking specialist examinations of any kind with shorter waiting times and lower or reimbursed costs for the examinations. The enterprise pays a contribution for each worker to FONDO FASA, which is supported by the UNISALUTE insurance policy and provides employees with medical benefits (e.g., shorter waiting times, cost reimbursement, etc.)
403-9	Work-related injuries	7.3 Occupational health and safety
403-10	Work-related ill health	7.3 Occupational health and safety
GRI 404: Training and education 2016		
404-1	Average hours of training per year per employee	7.2 Training
GRI 405: Diversity and equal opportunity 2016		
405-1	Diversity of governance bodies and employees	7.1 HR management
GRI 417: Customer Privacy 2016		
417-2	Incidents of non-compliance concerning product and service information and labelling	9.2 Transparency towards Consumers

11.1 Appendix - GHG emissions

SCOPE 1 EMISSIONS

The following emission factors have been considered in the calculation of the direct Scope 1 emissions:

- Indicatori di efficienza e decarbonizzazione del sistema energetico nazionale e del settore elettrico (Indicators of efficiency and decarbonization of the national energy system and the electricity sector), ISPRA (Italian Institute for Environmental Protection and Research) 2022 Report
- UK Government GHG Conversion Factors for Company Reporting, BEIS&DEFRA 2022

SCOPE 2 EMISSION

The following emission sources have been considered in the calculation of the indirect Scope 2 emissions:

- Indicatori di efficienza e decarbonizzazione del sistema energetico nazionale e del settore elettrico (Indicators of efficiency and decarbonization of the national energy system and the electricity sector), ISPRA (Italian Institute for Environmental Protection and Research) 2022 Report
- European Residual Mixes, AIB 202
- Annual GHG Emission Factors for World countries from electricity and heat generation, IEA 2022

SCOPE 3 EMISSIONS

Cat. 1 Purchased Goods and Services

The following purchases have been considered in the calculation of Scope 3 Category 1, goods and services purchased: Water withdrawals, Packaging purchases, and Purchase of ingredients, raw materials and marketed products. The data have been collected for all the factories and operations within the boundary considered.

The emission factors used are specific to the type of good purchased, taking into account the unit of measurement (kg, m3, lt or Euro) and have been extrapolated from:

- UK Government GHG Conversion Factors for Company Reporting, BEIS&DEFRA 2022
- Ecoinvent v3.9.1
- Comprehensive Environmental Data Archive, CEDA 6

Cat. 2 Capital Goods

The following purchases have been considered in the calculation of Scope 3 Category 2, capital goods:

- IT purchases (computers, monitors, laptops, tablets, phones...)
- Office purchases (furniture)

The FdA Group did not make any other purchases in the year 2022 that could fall under Category 2. The data have been collected for all the factories and operations within the boundary considered. The emission

factors used are specific to the type of good purchased and expressed in kgCO2e/Euro because the available input data was expenditure.

The reference database is:

- Comprehensive Environmental Data Archive, CEDA 6

Cat.3 Fuel and energy related activities

Upstream emissions related to the extraction, generation and transportation of fuels and electricity consumed by the FdA Group in the year 2022 were considered for the calculation of Scope 3 Category 3.

- Natural gas consumption
- Fuel consumption for the car fleet (diesel, petrol, and methane)
- Consumption of purchased electricity

The emission factors have been selected according to fuel and energy type and have been obtained from the following databases:

- UK Government GHG Conversion Factors for Company Reporting, BEIS&DEFRA 2022
- European Residual Mixes, AIB 2021
- Annual GHG Emission Factors for World countries from electricity and heat generation, IEA 2022

Cat.4 e 9 Upstream e Downstream Transportation and Distribution

For the calculation of categories 4 and 9, respectively upstream and downstream transportation and distribution services bought or sold by the enterprise but performed by third-party (non-fleet) means, information

was collected for all movements in 2022. Specifically: departure and arrival (addresses), type of transport (refrigerated truck, ship...), weight of cargo transported.

The reference database for the emission factors is:

- UK Government GHG Conversion Factors for Company Reporting, BEIS&DEFRA 2022

Cat.5 Waste generated in operations

For the calculation of emissions from waste generated in operations, Scope 3 Category 5, the amounts of waste disposed of by the Group in 2022 were considered.

Specifically, information was collected for: type of waste (paper, plastic, organic, mixed...), type of disposal (incineration, recycling, landfill...), and quantity of waste in kg.

Each quantity of waste was associated with an emission factor that took into account the type of waste and disposal. The following databases were used:

- UK Government GHG Conversion Factors for Company Reporting, BEIS&DEFRA 2022
- Ecoinvent v3.9.1

Cat.6 Business travel

All travel by the FdA Group and overnight stays were taken into account in the calculation of Scope 3 Category 6, business travel. Specifically, the data collected were air travel, trains, rental cars and/or cabs, buses, and nights in hotels.

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