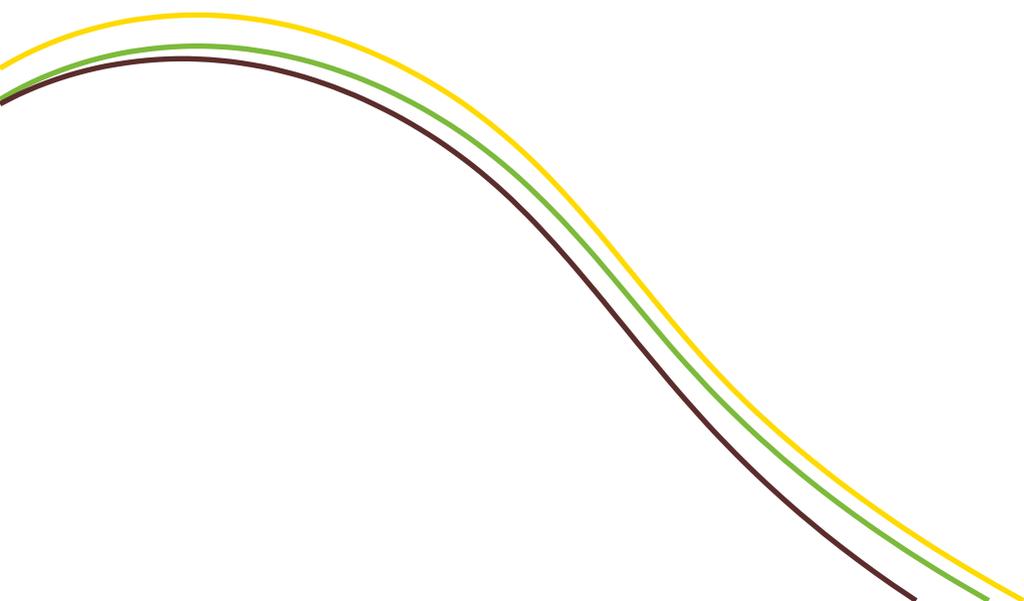




SUSTAINABILITY REPORT 2022





SUSTAINABILITY REPORT 2022

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Foreword

"Continuous evolution: our commitment, our responsibility, our passion."

We present the Sustainability Report of the Parmacotto Group, which gives evidence of our strong commitment in doing business, through innovation and creation of sustainable value.

It is a tangible project, in line with our philosophy #FeelinGood: well-being of communities, well-being of the environment and well-being at mealtimes.

Over the last few years, we have faced important challenges, which we have proved able to address thanks to our strong commitment and professionalism, turning them into opportunities for growth and improvement. We have succeeded in successfully navigating market difficulties, in keeping on top of the evolving requirements of consumers, in addressing sustainability and the brand's international vision.

We have invested considerable resources in R&D, to create products that are excellent in terms of taste and in terms of quality, and to use more and more sustainable packaging.

This document gives evidence of our commitment to social responsibility and to creating value for the communities we operate in.

We believe that, in order to pursue the well-being of all, true commitment to environmental sustainability is a must. This is the reason why we have joined the Science Based Targets initiative with the goal of zeroing our CO2 direct emissions by 2026.

All this would not have been possible without the participation of all our community #ParmacottoPeople, thanks to whom our dreams come true and whom I personally give thanks.

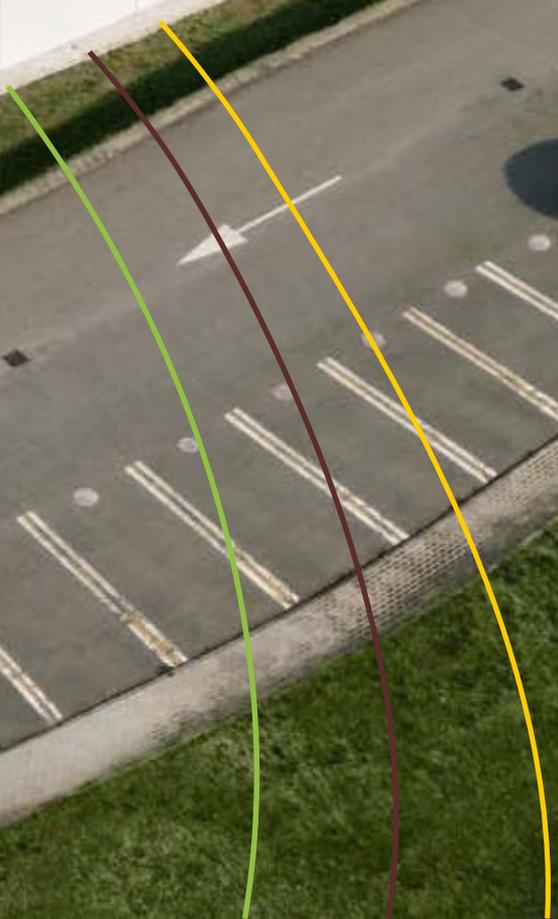
Andrea Schivazappa
Parmacotto Group's CEO







01
OUR GROUP



"This report is the tangible expression of our commitment in creating value for all. We believe that individual well-being must be pursued in an environmental and social sustainability framework."

—
Andrea Schivazappa
Parmacotto Group's CEO



PARMACOTTO

GRAZIE AL NOSTRO IMPEGNO QUOTIDIANO,
CREIAMO VALORE E BENESSERE
PER LA NOSTRA COMUNITÀ E I NOSTRI CLIENTI.

IL NOSTRO SAPERE HA RADICI LONTANE,
È ESPRESSIONE DI **UNA TRADIZIONE**
CHE GUIDA LA NOSTRA VISIONE DEL FUTURO.

NEL NOSTRO NOME C'È LA NOSTRA STORIA E
L'ORGOGGIO DI ESSERE **GLI AMBASCIATORI DELLA**
CULTURA ALIMENTARE ITALIANA NEL MONDO.

#FeelinGood

Who we are

The Parmacotto Group works every day to promote the excellence of Italian food, with quality and sustainability at the top of its priority list.

We work to supply the market with products combining tradition and innovation, being fully aware of the importance of our commitment in promoting healthy and balanced eating habits.

All our products are based on thorough selection of raw materials and on the implementation of state-of-the-art technologies to meet consumers' requirements in the best possible way. Furthermore, we acknowledge and cherish our bond with the regions where we operate and the priceless cultural heritage that they represent. It is a resource we are committed to preserving and promoting internationally.



PARMACOTTO

**"Our goal is to
create value.
In terms of growth,
brand reputation and
sustainability.
How? Doing our job
well."**

–

Giovanni Zaccanti
Parmacotto Group's Chairman



Our evolution

A journey to excellence.



Parmacotto was founded in Parma, the epicenter of Italian charcuterie and has since then specialized in producing cooked hams.

16



We started to operate in the segment of packed cold cuts.



We acquired Salumi Boschi Fratelli, completing our range of products with dry-cured ones.



Our international footprint was further boosted with the incorporation of Parmacotto Suisse.

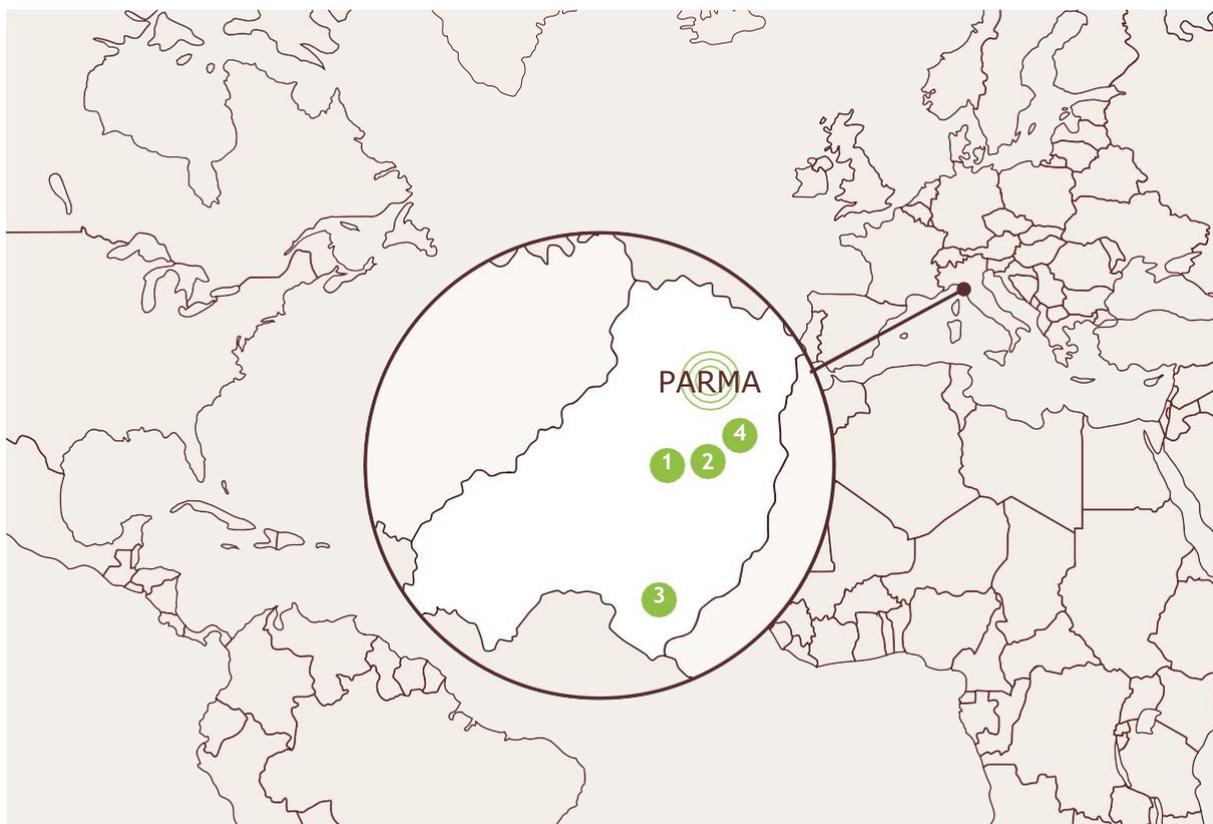
The plant in Marano, our headquarters, was opened.

We extended our portfolio adding poultry products, giving more options and diversifying our range for consumers.

Following our global vision, we entered the US market through the acquisition of Cibo Italia, which then became Parmacotto LLC.



| | | |
|---|---|---|
| Workforce: 220 Skilled employees | Brand identity: 3 Distinctive brands | Production hubs: 4 Strategic production plants |
|---|---|---|



- 1 **San Vitale Baganza:** Focusing on cooked hams, mortadelle and poultry products.
- 2 **Felino:** Specializing in the production of dry-cured deli meats.
- 3 **Pratopiano:** Plant exclusively used for final curing of Prosciutto di Parma PDO.
- 4 **Marano:** A crucial hub for slicing and logistic operations, as well as management headquarters.

Our brands

Vision of the future: commitment. Awareness. Synergy.

Our 3 brands are:

Parmacotto High quality.

Technology and careful selection of raw materials are the basis to supply our consumers with high-quality, healthy and balanced products. We supply a full range of deli meats and snacking food on the go, We are committed to meeting the emerging requirements in terms of well-being and mindful eating, with proposals combining quality and service.



Boschi Fratelli Tradition meets innovation.

Our essence lies in curing mastery and high selection of raw materials, true to a vision that exalts traditional methods also through modern technologies.



Parmacotto Selection Excellence is selection.

Parmacotto Selection is the signature range of high-end charcuterie, a range of black pig meat products conceived for catering and hospitality professionals.



Our economic performance

A journey of challenges. A journey of growth.

In a very difficult macroeconomic scenario we have stood true to our commitments to the environment, people and communities, resulting in a higher and higher renown domestically and internationally.

Expanding international markets

Expanding international markets is the pillar in our growth process over the coming years. We have firmly established operations in the United States and we have entered new markets, such as Switzerland, the United Kingdom and France.

Research and Development, at the core of Innovation:

Our curiosity and our will to explore new frontiers have driven us to increase our investments in R&D, in order to propose products that are more and more in line with consumers' evolved requirements.

The achieve progress is for us but the starting point rather than a finishing line. We know how crucial always looking ahead is and we are proud to do so with a team whose dedication is unparalleled and with the constant support of our customers. This group spirit and confidence in the future are the most important resource to address new challenges.

Relying of these strong foundations, the economic value generated by the Parmacotto Group in 2022 was close to 120 million Euros. The most part of this value (approx. 82%) was allocated

To operating costs The portion allocated to personnel remuneration was approx. 14%. The economic value generated and retained by the Company was about 2.26%,

which was entirely allocated to investments in sustainability projects and projects for the digitalization of business processes.

Beyond Products - Parmacotto People:

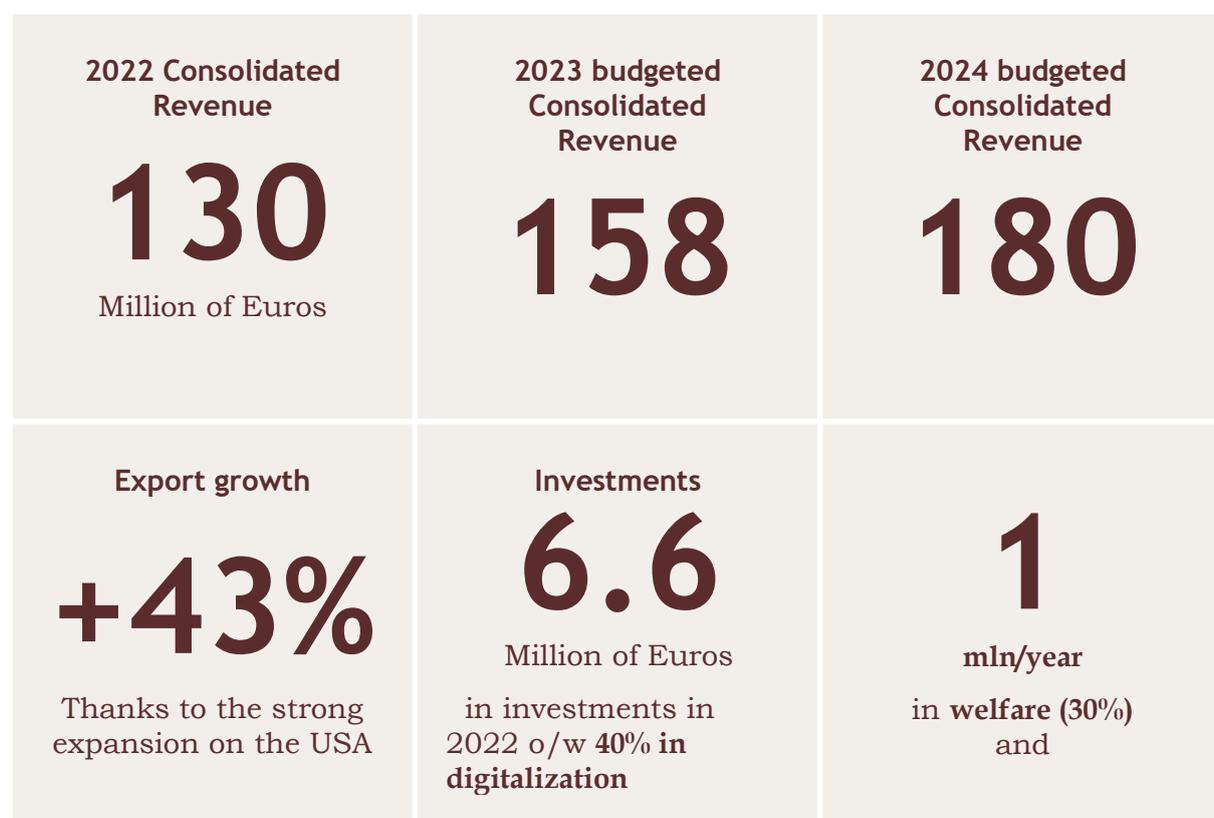
Our internal community is the beating heart of our Company. This is why we have deployed projects aimed at providing support to our people's families.

Digitalization and business efficiency:

Future is digital and we are going in that direction. Our ambitious digitalization project, which has gone live, with the new ERP, will improve efficiency and, at the same time, will ensure that all our business processes are cutting edge, being fully aware that sustainability can be pursued only within a digital organization.

| Economic value thousands | Consolidated € |
|--|----------------|
| Direct economic value generated (revenues) | 119,785 |
| Economic value distributed | 117,048 |
| o/w operating costs | 98,012 |
| o/w employees' wages and benefits | 16,965 |
| o/w payments to lenders | 1,788 |
| o/w payments to governments | 236 |
| o/w investments in the community | 47 |
| Economic value not distributed | 2,737 |

Table 1 — GRI 201-1 Direct economic value generated and distributed



Our vision

The Parmacotto Group has an entrepreneurial vision centered on a modern approach in the food industry. Balancing tradition and innovation we are committed to giving a significant contribution to promoting the Italian food culture worldwide, to the advantage of all our stakeholders.





Our values

"Dedication is a core concept in our philosophy. The determination and passion of our people have been key to build what we are today and will be more and more so in order to build what we will be tomorrow."

—
Doriana Sena
Parmacotto Group's Quality & HR Director



Our values

**Generating value and promoting well-being is our commitment.
Putting people at the center is our priority.**

Excellence

Search for excellence guides each one of our decisions. From the choice of raw materials all the way to the finished product, we always aim at the very best in order to supply high-quality products.

Commitment

We make, contributing to the well-being of the people following us, products that are safe and balanced. In everything we do, we are guided by our responsibility to the environment and to the communities we operate in, being true to our strong social and environmental

Tradition

We are the keepers of a food tradition that we are committed to take forward. Each deli meat that we produce is the result of artisanal mastery that combines with modern technology.

Innovation

Future is built by innovating. This belief drives us to constantly search for new solutions in order to meet the ever-changing market requirements and to forestall trends, embracing change as an opportunity.

Transparency

We are committed to operating and communicating with integrity, ensuring transparency and clarity to our stakeholders in all aspects.

Our goals

We aim at fostering **mindful consumption**, by promoting lifestyles centered on **well-being and sustainability**.

We contribute to the **well-being of the community** we operate in, **enriching and preserving culture**, with special attention to the **new generations**.

We commit our resources and skills to ensure **people's well-being**, through **tangible initiatives**.

"Timeliness, quality, food safety: production is based on these three aspects. To achieve long-term success being able to adapt to market requirements, to keep standards always high and to make the most of digitalization is a must."

—
Massimo Pizzigoni
Parmacotto Group's Chief Operating Officer



Constant cooperation, dialogue and exchange of views: this is how we operate.

Our governance is based on a traditional management system, which provides for the division of responsibilities and powers among the General Meeting of Shareholders, the Board of Directors and the Board of Auditors.

We are part of the group of companies led by the Group Holding AZ S.r.l., which holds 99.98% of the share capital of ASZ S.r.l., the present Sole Shareholder of Parmacotto and the subholding entity. At present, the Parmacotto Group is the Sole Shareholders of the following companies:

- **Salumi Boschi Fratelli S.p.A.**, a company incorporated and operating under the Italian law, whose core business is the production, curing and trade of fresh, preserved and frozen meat products.
- **Parmacotto GZ Inc.**, a company incorporated and operating under the US law and the subholding entity of Parmacotto LLC, a company incorporated and operating under the Us law, whose core business is the marketing of deli meats and food products in general.
- **Parmacotto Suisse**, a company whose core business concerns deli meats and food products in general.

Our Organizational Model

We are committed to ensuring fairness and transparency in pursuing our corporate and business objectives. We have long had a project underway aimed at making our organizational arrangements fully compliant with Italian Legislative Decree no. 231/01, following the guidelines provided by Confindustria (the main organization representing Italian manufacturing and service companies) and the case law issued over the years on this matter. This entails constant monitoring of our Organizational Model, adapting it as necessary, also to respond to changes in the Group. Furthermore, we have set up our Company's *Organismo di Vigilanza*, the body in charge of office prevention required under Italian Legislative Decree 231/01, which is vested with independent control powers, in order to ensure full compliance with our Model.

The Group’s various legal entities operate under the management and control exercised by the Parent Company Parmacotto S.p.A. The Board of Directors of Parmacotto S.p.A. is vested with the widest management powers to pursue its corporate purpose.

As at 31 December 2022, the Board members were 5 men and 1 woman, 4 of whom over 50 years old and 2 between 30 and 50 years old.

| First name and last name | Office |
|--------------------------|--------------------------------------|
| Giovanni Zaccanti | Chairman of the BoD ¹ |
| Andrea Schivazappa | Chief Executive Officer ² |
| Gaia Zaccanti | Director |
| Tiziano Fantoni | Director |
| Lorenzo Rutigliano | Director |
| Stefano Ballabeni | Director |

Table 2 — Parmacotto S.p.A. Board of Directors as at 31 December 2022

| First name and last name | Office |
|--------------------------|-----------------------------------|
| Giampaolo Perini | Standing Auditor |
| Alessandra Pederzoli | Alternate Auditor |
| Massimiliano Pizzi | Standing Auditor |
| Matteo Tiezzi | Alternate Auditor |
| Andrea Foschi | Chairman of the Board of Auditors |

Table 3 — Parmacotto S.p.A. Board of Auditors as at 31 December 2022

The Board of Auditors is the control body and is responsible for supervising the work of the Directors and for verifying full compliance with the law and with the Articles of Association of the Company’s management and administration. As at 31 December 2022, the members of Parmacotto S.p.A. Board of Auditors were 4 men and 1 woman, 4 of whom over 50 years old and 1 between 30 and 50 years old.

¹ The BoD Chairman is not a senior manager of the Company ² Senior Manager in charge of Sales

Our Code of Ethics

Respect always the top priority.

Our actions and relations with our stakeholders are based on core principles and values, which are stated in our Code of Ethics. We aim at excellence and responsible and transparent behaviours, guided by the principles and values listed below:

- **Loyalty and Trust**
- **Respect and Responsibility**
- **Integrity and Passion**

The Code of Ethics is binding for everyone belonging to the Group, including its Directors, employees, suppliers and business partners. Full compliance with the Code is essential in performing our jobs and in our behaviour.

We require that the conduct of all those that have relations with our Group is compliant with our Code of Ethics. Any conflicts of interest must be prevented and reported without delay to the *Organismo di Vigilanza*.

The reporting of any situations that may be fraudulent or in breach of the Code is ensured with a whistleblowing mechanism. The Code of Ethics can be accessed online and via our intranet, and specific training is provided to new employees.

We are committed to working with honesty, integrity and dedication, in line with the values set out in our Code of Ethics, in any and all aspects of our operations.



Our stakeholders

Value and awareness: a shared path.

Attention to the relationships with our various stakeholders is a strategic driver for us to create economic and social value and to acquire awareness of the perception of our brands.

This is way we carried out a process to map our stakeholders, in order to pinpoint the identification of our main stakeholders, internal and external, directly or indirectly involved in projects or operations of the Company.

This process involved various senior managers and resulted in the identification of 10 groups of stakeholders:

- **Shareholders**
- **Employees**
- **Customers**
- **Suppliers**
- **Consumers**
- **Competitors**
- **Trade Associations**
- **Institutions**
- **Media**
- **Local communities**



Materiality assessment

Together for sustainable corporate social responsibility.

We have developed a corporate social responsibility culture that is consistent with the values of our stakeholders. In 2022, we identified 16 material topics through an in-depth assessment process, which involved various corporate roles.

Those topics guided the selection of the indicators in our Sustainability Report and steered our commitment towards sustainable management, in order to generate a positive impact on society and on the environment.

| Material topics | Description |
|--|---|
| Sustainable procurement of raw material and animal welfare | Promoting the use of food raw materials with low environmental impact and from responsibly managed supply chains. Respecting animal welfare throughout the value chain. |
| Sustainable management of packaging | Promoting the use of materials having low environmental impact throughout their lifecycle, preferring, whenever possible, the use of recovered, reused or recycled materials. |
| Occupational health and safety | Adopting management policies, practices and systems aimed at ensuring a healthy and safe workplace for the people engaged in all the Company's operations. |
| Diversity, equal opportunities and development of employees | Ensuring an inclusive and fair work environment, which protects diversity and minorities from any and all forms of discrimination. Ensuring the best possible work conditions and respect for workers' rights, enabling the expression of talents and the enhancement and development of our human resources. Promoting welfare initiatives aimed at increasing the well-being of our workers and their families. |
| Sustainable management of the supply chain | Integrating sustainability criteria in the management of our supply chain, through procurement processes that enable the assessment and selection of suppliers based on environmental and social criteria, encouraging responsible and sustainable practices throughout the value chain. |
| Energy management | Developing initiatives to enhance the energy efficiency of the Company structures and processes, in order to reduce energy consumption. |
| Fight against climate change | Promoting initiatives aimed at reducing the emissions of greenhouse gases, such as, for example, production and purchase of energy from renewable sources, the electrification of the heating system at the Company's premises and of its fleet. Offsetting residual emissions through offsetting projects. |
| Management of waste and food waste | Reducing, wherever possible, the generation of waste and food waste to a minimum. Adopting circular economy practices to turn waste into resources, through initiatives for the recovery or reuse of material and/or of raw material waste. |
| Product quality and safety | Ensuring that our products meet the highest quality and safety standards. |
| Management of water resources and effluents | Efficiently managing water resources, monitoring both withdrawal and discharge processes, enhancing consumption efficiency and adopting good practices that promote its responsible use. Implementing, where possible, and monitoring water recirculation and reuse systems. |
| Innovation | Committing to improving our sustainability performances every year thanks to innovative projects. |
| Economic performance | Improving the main economic KPIs and increasing the generated economic value for stakeholders. |
| Responsible marketing and labelling | Ensuring that customers have access to accurate and appropriate information on the positive and negative impacts in economic, environmental and social terms of the products they consume, from the point of view of both labelling and marketing communication. |
| Business ethics | Running business operations in accordance with the highest ethical and moral standards, through full compliance with the applicable legislation and regulations and operating with transparency and integrity. |
| Protection of human rights | Ensuring respect for human rights laid down in the core international instruments throughout the value chain and adopt monitoring systems for the prevention of their violation. |
| Development of local communities | Fostering a positive economic, social, cultural and/or environmental impact on local communities through the Company's operations or targeted actions. Promoting initiatives aimed at providing support to vulnerable groups. |

Table 4 — GRI 3-2 List of material topics





02

**OUR PATHWAY TO
SUSTAINABILITY:
#FEELINGGOOD**

"Tangible actions and measurable results: this is #FeelinGood. True commitment, as the expression of our way of doing business, aimed at people's well-being."

–

Gaia Gualerzi

Parmacotto Group's Marketing Executive and International Development Coordinator



2030 Agenda Goals

Our commitment to the Planet. Our responsibility to people. The 2030 Agenda.

Promoting healthy lifestyles, social inclusion and protection of the environment. This is our contribution to the Sustainable Development Goals set by the United Nations.



Zero hunger (SDGs 2)

End hunger, achieve food security and improved nutrition and promote sustainable agriculture.



Good health and well-being (SDGs 3)

Ensure healthy lives and promote well-being for all at all ages.



Decent work and economic growth (SDGs 8)

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Responsible consumption and production (SDGs 12)

Ensure sustainable consumption and production patterns.



Climate action (SDGs 13)

Take urgent action to combat climate change and its impacts.



Life on land (SDGs 15)

Protect, restore and promote sustainable use of terrestrial ecosystems.



#FeelinGood

Shared well-being: a circular approach for 360° sustainability.

Our pathway follows three strategic directions:

Well-being at mealtimes

We work every day to develop products that not only taste good but can also combine quality with healthy and balanced lifestyles.

Well-being of communities

We invest in culture and social responsibility, through projects and actions for our employees and for local communities, which strengthen our bond with the regions.

Well-being of the environment

We have started on a path that, through a scientific approach, analytical KPIs and monitored goals will take us to the achievement of our goal of zero emissions by 2026.



PARMACOTTO[®]
Group

#FeelinGood

WELL-BEING AT MEALTIMES
WELL-BEING OF
COMMUNITIES WELL-BEING
OF THE ENVIRONMENT







03

WELL-BEING AT MEALTIMES

"Well-being at mealtimes is a daily commitment. It means taking small steps with perseverance towards change. Indeed, food is core for all sustainable development goals: the food we eat generates a cascade effect on our health and on the health of the Planet."

—
Fabio Amadei

Gastronomic culture teacher at ALMA Scuola Internazionale di Cucina Italiana



Roadmap

**Quality. Safety.
Care.
Well-being at
mealtimes starts
here.**





Products with reduced salt and fat content



Constant upgrading of processes and technologies



Short and transparent ingredients lists



Use of natural flavourings only



Improved nutrient profiles

Our projects

Feeding the future: our projects for a sustainable lifestyle.

Feeding the future with good, safe and sustainable products is a goal that we pursue with passion and rigour. We work every day to combine quality and healthy lifestyles, through careful selection of raw materials, short list of ingredients and optimization of production processes. Constant focus on product safety and consumer protection is of the utmost importance for us, as proved by the adoption of rigorous control protocols throughout our entire production chain. A process that contributes not only to ensuring the quality of our products but also to reducing our environmental impact.



CAREFUL SELECTION OF RAW MATERIALS

The selection of raw materials is at the basis of our commitment to quality. It enables us to supply products that are processed with attention to details and to provide our customers with constantly high quality. Our philosophy is based on the constant search for the most reliable suppliers: each and every product is the result of a rigorous selection process, in which we take into account several factors, such as provenance, quality, sustainability and respect for the environment.



REDUCTION IN PRESERVATIVES

Reducing preservatives in deli meats is a challenge that requires higher attention to process control and to the quality of ingredients, besides deep knowledge of the production practices. In order to do that, it is crucial that very high food safety standards be met at all times: this choice aims at ensuring that the processing method is always as natural as possible in all the various production phases.



PRODUCTS WITH REDUCED SALT AND FAT CONTENT

Today, the deli meat production process targets higher and higher quality, which concerns the selection of raw materials, the processing methods and the choice of ingredients and additives. With Prosciutto Cotto di Alta Qualità iposodico (high-quality cooked ham with low sodium content), produced with 25% less salt vs. the market average and with as low a fat content as 3%, we want to meet the demand for healthier foods, which can retain their full taste and texture without affecting food safety.



SHORT AND TRANSPARENT INGREDIENTS LIST

We work with short lists of ingredients: clear evidence of our will to offer a range of simple and natural options targeting a careful and balanced diet and a healthy lifestyle. Ensuring that the ingredients list is transparent means giving clear and detailed information and, therefore, helping consumers to make aware decisions. This is why we are committed to being honest and straightforward when it comes to the composition and traceability of our products, in order for our consumers to be able to make informed choices based on their diet requirements and personal values.



CONSTANT UPGRADING OF PROCESSES AND TECHNOLOGIES

Technological progress and innovation are key to optimize resources and ensuring environmental sustainability. We constantly improve our processes and technologies in order to supply top-quality products and to meet the requirements of consumers that attach importance to sustainability and the origin of raw materials. We have made several steps forward in our production processes to maximize respect for selected raw materials.



IMPROVED NUTRIENT PROFILES

Continuous improvement in nutrient profiles is our response to the requirements of consumers for whom nutrients are important, without affecting the good taste and quality of the products. We constantly invest in research and development to find new production technologies and formulations whereby we can supply healthy and nutritious products.



USE OF NATURAL FLAVOURINGS ONLY

To meet the increasing well-being requirements expressed by consumers, all our cooked hams and white meat are produced exclusively with flavourings that are 100% natural.

Our consumers' satisfaction and the protection of their well-being: our priority

Consistently with this approach, we have chosen to be proactively committed through significant improvement in the nutrient profiles of our products.

We have set ourselves the ambitious yet realistic goal of completing this path by 2023: we work putting the utmost care in selecting raw materials in accordance with

the highest quality standards and we invest in the upgrading of production processes and techniques that are fit to fully meet them; we develop products with modest fat content, salt content below the market standards, lower levels of nitrites and nitrates and replacement

of artificial flavouring with natural ones. All the above combined with a transparent ingredients list enabling consumers to be as aware as possible in their choices.

Our key goals for 2023

- **Keeping all our voluntary quality certifications in force**
- **Reducing the number of nonconformities encountered in the previous year**
- **Keeping the ISO 22005 traceability certification in force**
- **Decreasing the percentage weight of returned**

products on sales Quality, safety and certifications

We have implemented and we keep constantly in force an HACCP system at all our production plants. For each product category, there is a manual based on the development

of the 7 fundamental principles of the HACCP:

- 1. Identifying potential risks**
- 2. Determining points and procedures that can be controlled**
- 3. Establishing critical limits for each CCP**
- 4. Setting up a monitoring system**
- 5. Establishing corrective actions**
- 6. Establishing procedures**
- 7. Establishing an audit of procedures**

We follow the highest quality standards in each and every scope. In 2022, our Parmacotto and Boschi Fratelli production plants in Italy once again achieved certification AA (High level)

for BRC (British Retail Consortium) and IFS (International Food Standard), besides the certification in accordance with the ISO 22005 standard of the Parmacotto plants in Marano and San Vitale.

Every year we a Management review process is carried out, involving our Top Managers in order to share and analyze our performance figures. Thanks to this process, we can set more and more ambitious goals, ensuring continuous improvement.

During the review process, we analyze any nonconformities encountered during the year and we deploy preventive and corrective actions. In 2022, we posted significant improvement, with as few as 27 nonconformities with the self-regulation codes concerning hygiene and safety of our products, vs. 49 nonconformities in 2021.

Our constant care and attention to quality extends also to the management of complaints and of items reported by end consumers, which are managed carefully and without delay by our Quality Office and through a special toll-free number.

Our commitment is constant and, thanks to our determination to always ensure the utmost quality and to further and further strengthen our positioning as a leading player in the industry.

| Product type for which the impact on health and safety are assessed | Plant |
|---|-------------------------------------|
| Deli meat slicing and storing of marketed products | Marano (Parmacotto S.p.A.) |
| Sandwiches and Snack Kits | Marano (Parmacotto S.p.A.) |
| Trimming | Marano (Parmacotto S.p.A.) |
| Cooked products | San Vitale (Parmacotto S.p.A.) |
| USA cooked products | San Vitale (Parmacotto S.p.A.) |
| Mortadella | San Vitale (Parmacotto S.p.A.) |
| USA Mortadella | San Vitale (Parmacotto S.p.A.) |
| Pork shoulder | San Vitale (Parmacotto S.p.A.) |
| Coppa | Felino (Boschi Fratelli S.p.A.) |
| Pancetta | Felino (Boschi Fratelli S.p.A.) |
| Salame | Felino (Boschi Fratelli S.p.A.) |
| Parma ham | Pratopiano (Boschi Fratelli S.p.A.) |

Table 5 — GRI 416-1 Assessment of the health and safety impacts of product and service categories

Transparency: a matter of label

We believe that the information on nutritional values given on the packaging can be a very powerful educational tool. Ethical, transparent and detailed communication is at the basis of the commitment we constantly stay true to, via research and development, in order to succeed in meeting the requirements of consumers, who are more and more evolved, informed and aware.

Joining the “aware label” campaign with Too Good To Go to reduce food waste

63% of Italians misunderstand the wording “use by” and “best before” on food products (Altroconsumo, 2020). This misinformation generates a huge impact on our planet: in Europe 10% of food waste is generated by misinterpretation of the wordings on the labels.

This is why, in 2022, we chose to join the Aware Label project of Too Good To Go, to inspire, educate and provide all the appropriate tools to understand this difference and thus to reduce food waste in our daily behaviours.

Our endorsers

**The energy of
sports, our
commitment to
well-being.**

We believe that practising sports, which is certainly fundamental for physical well-being, is also a powerful way of promoting mental balance and social bonds. This is the start of "Carattere Vincente" (Winning Personality), a project whereby we want to be a supporter of individual development and of cohesion among people, through the bond between the Parmacotto brand and sports.

We have chosen to partner with young elite athletes, competing in various sports, who are the very embodiment of a winning mindset consistent with our values: dedication, respect, loyalty, fair play and determination.

Through this partnership, we have the ambition of being a source of inspiration, especially for new generations, motivating them to start, with passion and determination, on their sports path and beyond. The goal is to convey the message that, with the right mindset, you can succeed, both in the field of sports and in daily life.

Our team



“Facing disappointments is part of sports and life. But when you really love what you do, starting over is no sacrifice, it’s passion.”

—

Fausto Desalu

A champion on the track and in life. Very fast not only in his performances on the track, but also in adapting to life challengers. Winner of the 4 × 100 metres relay at the 2020 Olympic Games Tokyo.

“Often, facing our goals, we may be overwhelmed with doubt. But it is exactly by not giving in to those thoughts that we can find our way

in playing and in life.”

—

Lorenzo

Musetti Maestria tra le linee bianche (Mastery inside white lines). With two ATP titles under his belt, the tennis player knows how difficult remaining concentrated may be.



“To reach the top, you must show up on the competition day with a clear mind. It’s not a matter of concentration only, but you need also to give yourself some fun to find the right key.”

—

Thomas Ceccon

Fluidity and precision in the water. World champion in the 2022 World Aquatics Championships in Budapest and holder of the 100 m backstroke world record, Ceccon knows that reaching perfection requires balance.





04
**WELL-BEING OF
COMMUNITIES**

"Supporting projects and relations to meet people's needs. This is the way to go in order to make society fairer, more supportive and more inclusive."

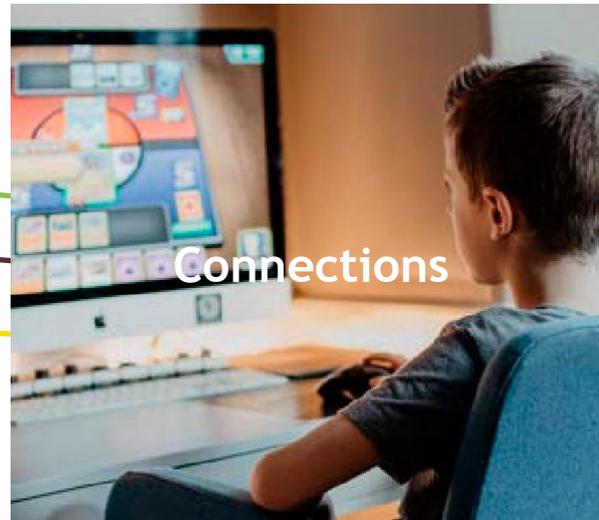
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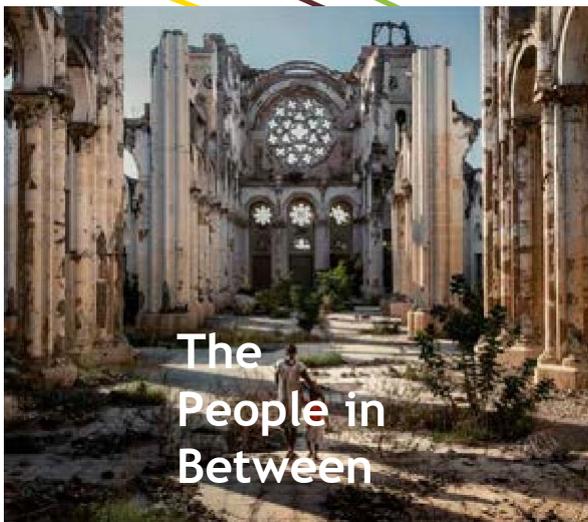
Reverend Antonio Loffredo
Parish priest of the Sanità district in Naples



Roadmap

Support. Care. Inclusion. The well-being of communities starts here.





Our projects

Our recipe for more inclusive society? Shared well-being.

Culture, social inclusion, dietary education are the scopes on which we have chosen to focus our resources and investments. We support projects and relations that are perfectly consistent with our will to generate shared value and to protect the well-being of the communities we operate in.



Learning about Cooked Ham

A dietary education workshop at primary schools, having the main goal of disseminating knowledge about healthy eating among new generations. A one-of-a-kind educational experience, having the ambition of raising awareness about consumption choices regarding food and about the importance of a balanced diet.



Connections

A 12-month project, carried out between 2021 and 2022, designed for our internal community and developed in cooperation with the Pediatrics Postgraduate School of the Department of Medicine of the University of Parma. An initiative that was conceived to respond to the increasing difficulties experienced by families and to young people's uneasiness of mind caused by the Covid-19 pandemic. A framework of meetings, debates and webinars to address – with the help of experts – the big topics concerning parents-children relationships: cyberbullying, emotional unease and disorders in eating behaviours.



La Paranza Onlus

We have chosen to support the restoration of the San Gennaro catacombs – one of the most visited monuments in Italy – which not only contributes to enhancing the art and history of Naples, but also generates opportunities of training and employment for young people living in that neighbourhood.



Giocampus

Eating, sustainability, physical education, inclusion. These are the pillars Giocampus rests on, a public-private educational alliance, which we have supported for years. The project promotes the well-being of future generations via a physical education and dietary education programme, resting on the notion – which is scientific hard evidence – that healthy eating, combined with appropriate physical activity, is key to ensure a good future quality of life.



WellDone

We are part of the network of enterprises that want to share their best practices and promote corporate welfare culture. We believe that promoting cooperation spirit and social responsibility, proving our commitment to contributing to the well-being of communities, means working together to address the common challenges and finding innovative solutions that generate benefits for all.



The Emporio Solidale project

we support Emporio Solidale, an association set up in Parma for the purpose of fighting poverty and promoting social inclusion. This project comprises targeted actions to help vulnerable groups and people experiencing financial difficulties, trying to provide them with appropriate support and assistance, through tangible initiatives.



A School for Camilla

A project that has a big social value and that we have strongly wanted to pay our respects to the child Camilla Orioli, the daughter of one of our employees, who died very young. The new room, built at the school of Shelallà (Ethiopia) in cooperation with Parma Per gli Altri, is a token of our commitment to putting people's well-being at the center, with special attention to supporting new generations.



The People in Between

Parma, from 2 to 29 May 2022

Courage, humanness, future are the topics of the photographic exhibition by Marco Gualazzini – the winner of the World Press Photo 2019 Photo Contest – which we organized and promoted in our local community. This exhibition also gave us the opportunity to contribute with a donation, which, along with the proceeds from the exhibition, was used to buy solar panels for the “Agostino Chietti” literacy center, in Kalundu, South Kivu Democratic Republic of Congo, an IT literacy center for young people.



Center Against Domestic Violence

We promote an inclusive corporate culture, we believe that the well-being of communities most of all requires education and listening, and this is the reason why we stand by the Parma Center Against Domestic Violence, to support their initiatives aimed at protecting freedom of choice and the rights of women.

| Project | Impact |
|----------------------------------|--|
| Learning about Cooked Ham | 7,000 children involved since 2017, in 18 schools in 5 cities of the Emilia-Romagna Region |
| Catacombs of Naples | 160,000 visitors a year +34 people employed No. 3 most visited monument in Italy |
| Connections | 4 modules 500 people involved |
| Emporio Solidale | 12,201 kg of products close to their use-by date transferred |
| Center Against Domestic Violence | Donation of 2,250 Euros in 2 years |

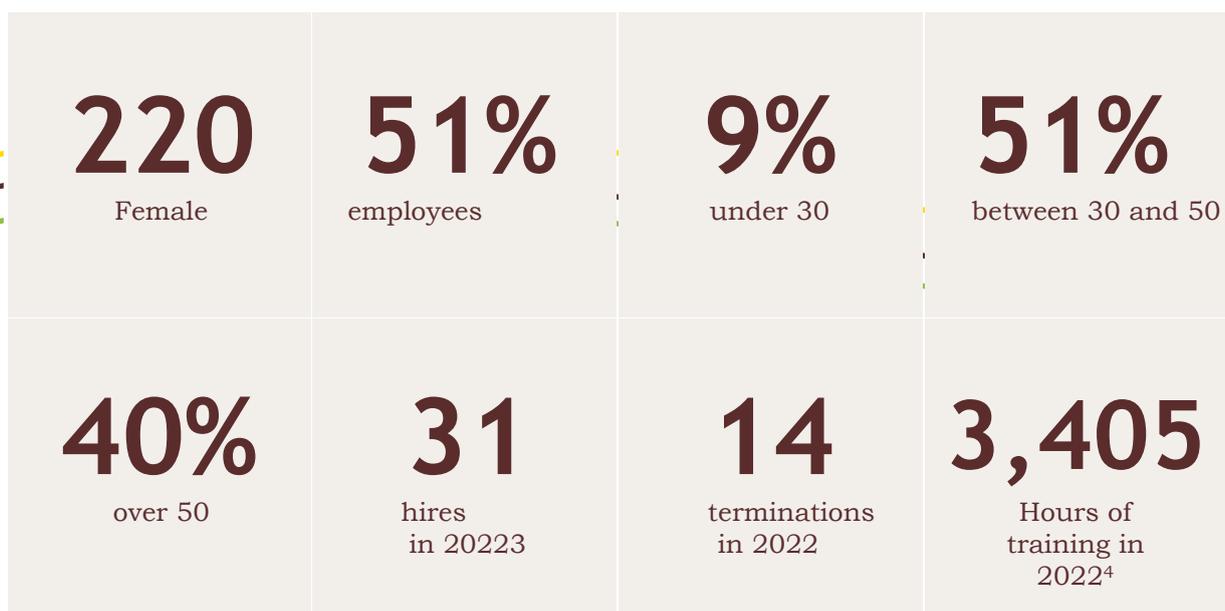
Table 6 — Operations with local community engagement, impact assessment and development programmes

Our people

**Being good with courage.
Much more than a
challenge:
it is our approach.**

Our people are the most important asset driving the growth and success of our Group. Together, we have built a now strong, sound and competitive business.

It is thanks to our people's daily commitment, energy and courage that we could reach prestigious results. This is why we ensure their growth through constant training in soft and hard skills.



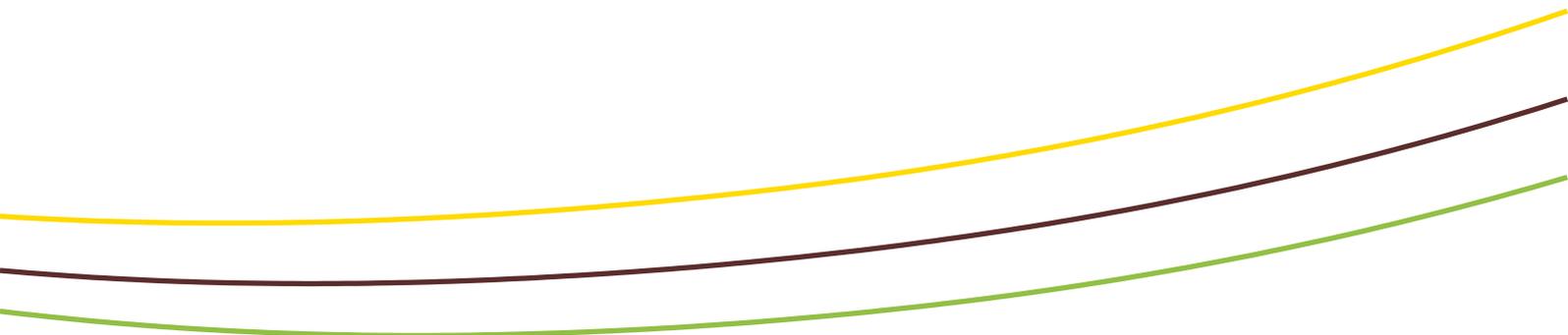
³ As at 31 December 2022, total number, excluding temporary agency work contracts

⁴ Total number of hours of mandatory training on safety in Italy

| Gender | <30 years | 30-50 years | >50 years | Total |
|----------------------|-----------|-------------|------------|-------------|
| Senior Managers | 0% | 2% | 2% | 4% |
| O/w men | 0% | 1% | 2% | 3% |
| O/w women | 0% | 1% | 0% | 1% |
| Junior managers | 0% | 1% | 1% | 2% |
| O/w men | 0% | 1% | 1% | 2% |
| O/w women | 0% | 0% | 0% | 0% |
| White-collar workers | 4% | 15% | 5% | 24% |
| O/w men | 0% | 4% | 1% | 5% |
| O/w women | 4% | 11% | 4% | 19% |
| Blue-collar workers | 5% | 33% | 32% | 70% |
| O/w men | 4% | 22% | 13% | 39% |
| O/w women | 1% | 11% | 19% | 31% |
| Total | 9% | 51% | 40% | 100% |
| O/w men | 4% | 28% | 17% | 49% |
| O/w women | 5% | 23% | 23% | 51% |

Table 7 — GRI 405-1 Diversity of governance bodies and employees

In 2022, there were 31 hires in the Group perimeter, specifically 7 women and 24 men; concomitantly, there were 14 terminations. specifically 7 women and 7 men.



| Average hours of training per year per employee | | | |
|---|-----------|-----------|-----------|
| Category | Women | Men | Total |
| Senior Managers | 56 | 18 | 27 |
| Junior managers | - | 14 | 14 |
| White-collar workers | 25 | 35 | 27 |
| Blue-collar workers | 6 | 21 | 12 |
| Total | 15 | 18 | 17 |

Table 8 — GRI 404-1 Training of employees – Average hours of training

| Hours of training per subject | | | |
|----------------------------------|--------------|--------------|--------------|
| Category | Women | Men | Total |
| Safety | 481 | 1,291 | 1,772 |
| Administration, finance, control | 9 | - | 9 |
| Sustainability | - | 10 | 10 |
| Quality | 153 | 70 | 223 |
| English | 217 | 86 | 303 |
| Trade marketing | - | 3 | 3 |
| R&D | 12 | - | 12 |
| HR | 99 | - | 99 |
| Soft Skills | 35 | 44 | 79 |
| Welfare | 40 | 93 | 133 |
| Digital | 496 | 266 | 762 |
| Total | 1,542 | 1,863 | 3,405 |

Table 9 — GRI 404-1 Training of employees – Hours of training per subject

Gender gap: where we are now

In 2022 the average pay was the same for blue-collar workers and white-collar workers irrespective of their gender, whereas the pay of senior managers was on average higher for men than for women by approximately 1%5.

Our workers’ well-being, always at the center

We believe that a business’ sustainability depends also on its ability to ensure its workers’ safety, health and well-being. For us, our corporate policies aimed at protecting people are not simply a way to comply with regulatory requirements, but also an element qualifying the entire organization and a goal that must be continuously pursued.

Our results

- Automated External Defibrillators (AED) are now at each one of our plants in Italy and specific training is provided
- Introduction of bespoke hearing protection devices able to filter noise and to leave voice frequency and danger signs audible, for all workers at the San Vitale plant

In 2022, in accordance with the UNI ISO 45001 standard, we built a management system consisting of procedures, operating instructions and modules instrumental to obtain the voluntary certification. The international standard specifies the requirements for an occupational health and safety (OHS) management system and gives guidance for its use, in order to enable organizations to prepare safe and healthy workplaces, preventing work-related injuries and diseases, as well as proactively improving performances in terms of OHS6. In 2022, the number of work-related injuries for the whole Group was 30.

| Type of work-related injury | 2022 | 2022 |
|---|-----------|-------------------------------|
| | Employees | Workers who are not employees |
| Number of fatalities as a result of work-related injury | 0 | 0 |
| Number of high-consequence work-related injuries | 0 | 0 |
| Number of work-related injuries | 9 | 0 |
| Total | 9 | 0 |

Table 10 — GRI 403-9 Work-related injuries

5 This figure does not include the levels and pays of Parmacotto Suisse SA and Parmacotto LLC
 6 Source: uni.com

Irrespective of the plants where they work, employees can be categorized as blue-collar workers deployed in production and white-collar workers (various levels: from clerical employee to junior managers to senior managers). In Italy, all jobs are assessed in the Risk Assessment Document for each plant, where the risks associated with the specific jobs are also described.

As our goal is 360-degree improvement in safety at our company, besides being updated every time any changes are made to the production process, the Risk Assessment Document is also modified following any reported issues, near-miss analysis, accidents and injuries.

The employees are required to inform the person they report to of any and all situations that can be deemed anomalous or non-conforming with regard to systems, machinery, equipment and work environment.

Reported items are processed, analyzed and managed by the OHS team.

Furthermore, a system is in place enabling anonymous reporting of any issues and there is mutual sharing and cooperation among the Workers' Representatives for Safety and the Head of the Prevention and Protection Service. A joint on-site inspection is carried out at least every 3 months. Employee training is managed in accordance with an internal procedure, which describes the whole process for each role, including the minimum number of hours required and frequency of refreshers.

Our goals for the coming years

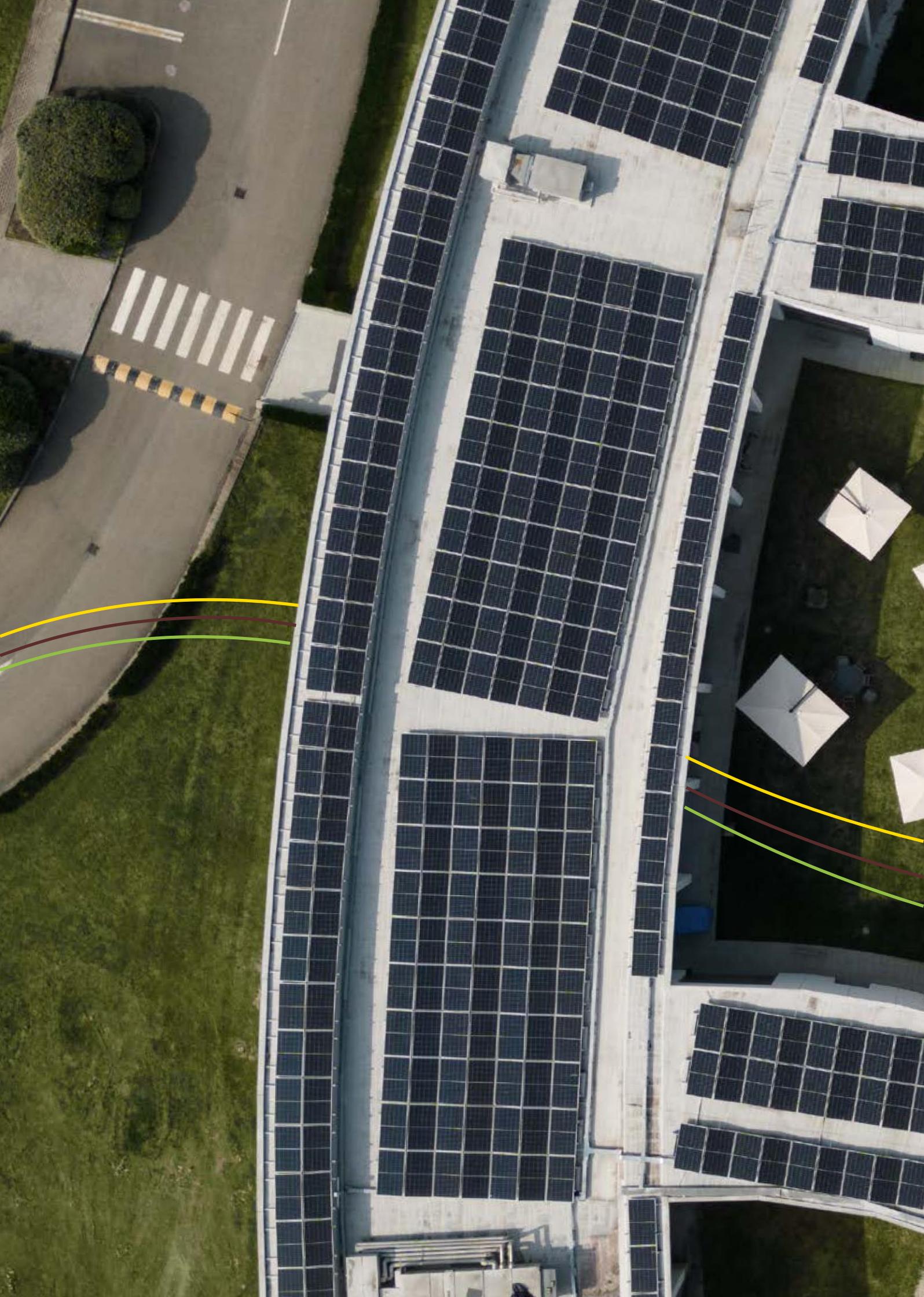
- Achieving zero work-related injuries/accidents, as a continuous goal
- Obtaining the ISO 45001 certification for all the entities of the Group. In 2023, to start with, the Parmacotto plants (Marano and San Vitale) will be involved, and then the initiative will extend to the Boschi Fratelli plants. The related procedures will in any case be applied also in the following years to all the entities of the Group
- Carrying out a higher number of emergency drills than the one required by the applicable legislation and increasing the number of workers trained to use the AED
- Improving the emergency signage between 2023 and 2025 at the Marano plant and competing it at the San Vitale plant, where there is LED emergency signage
- Improving the information on safety provided to all workers and visitors when entering our plants

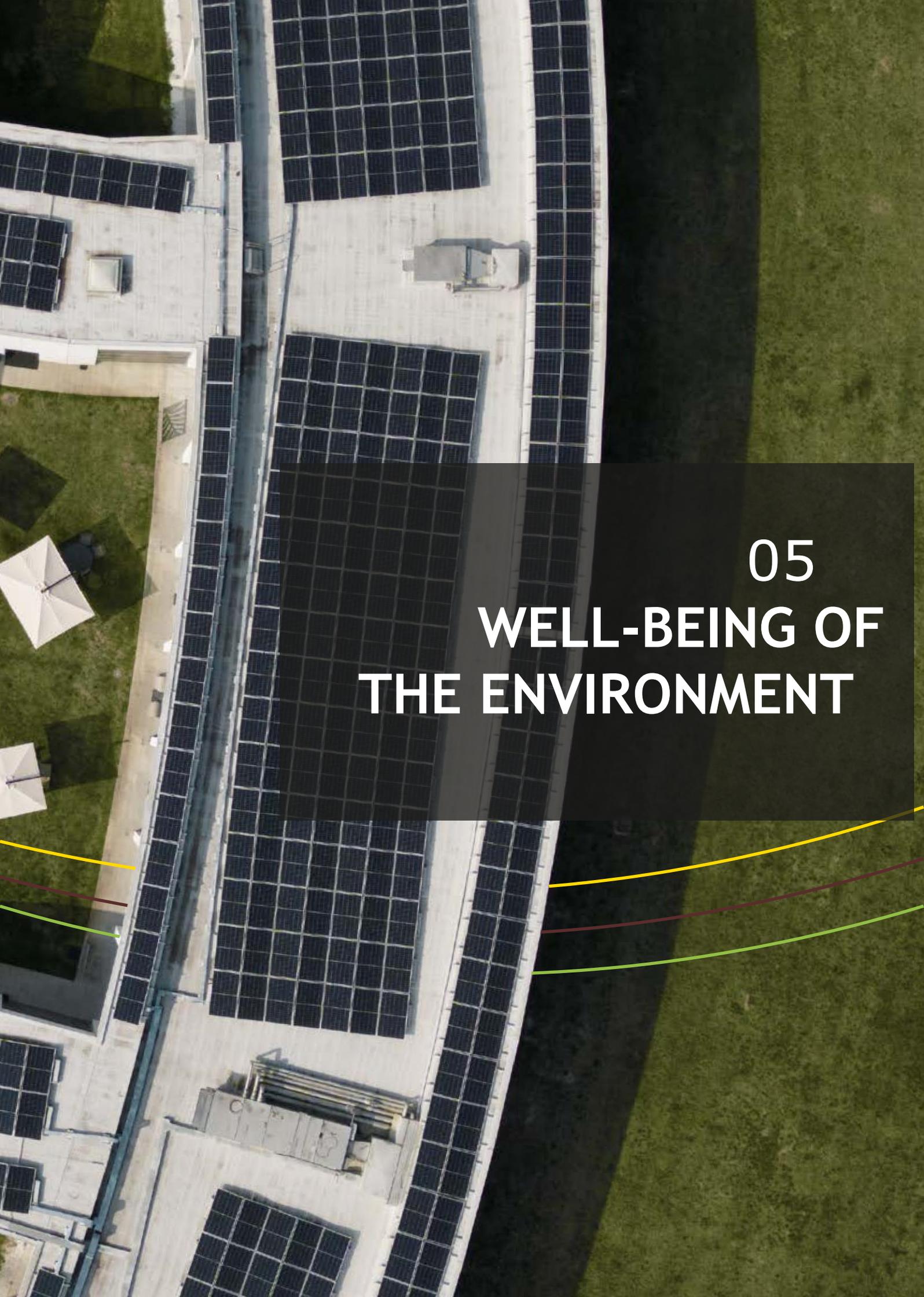


i racconti di **PARMACOTTO**
IL COTTO DI PARMA

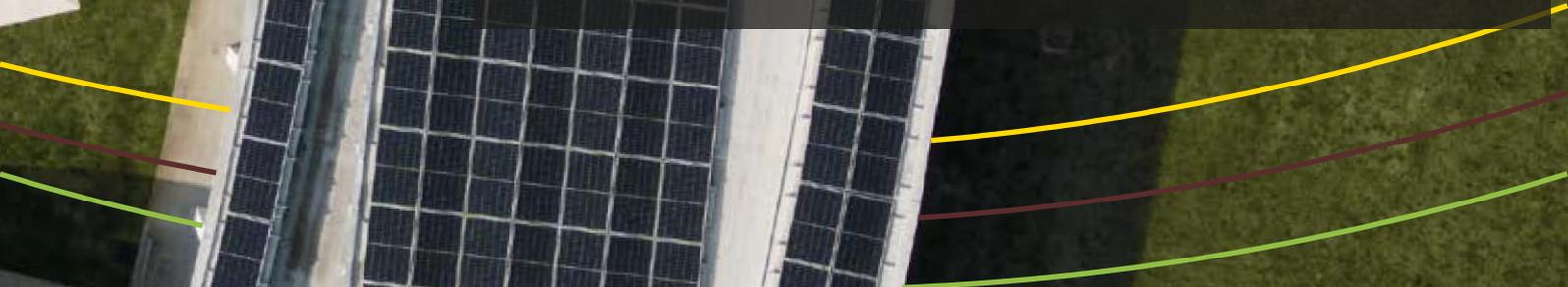
ORIGINE CARNE ITALIA

FILIERA CONTROLLATA





05
WELL-BEING OF
THE ENVIRONMENT



"The well-being of the environment does not concern only the planet on which we live, but, also and foremost, ourselves: it is clear that, in some way or the other, the environment will survive. It is mankind that is at risk of extinction."

—
Pierangelo Soldavini
Journalist from Nòva24, Il Sole 24 Ore

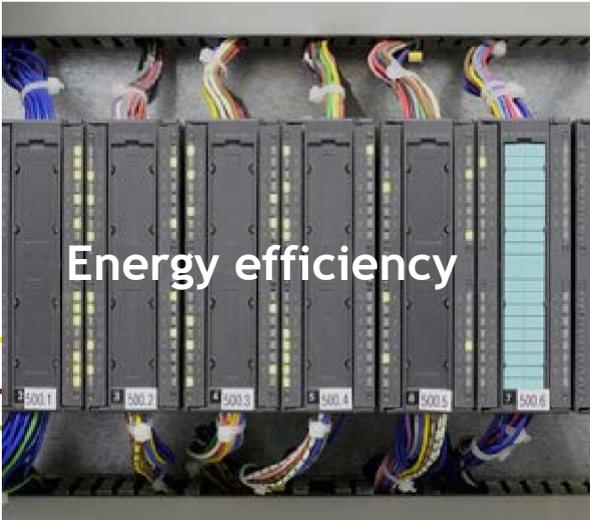


Roadmap

Protection, commitment, future.

The well-being of the environment starts here.





Our projects

2026 time horizon: carbon neutrality goal.

We believe that it is important to make our commitment to the environment concrete through actions that are tangible and measurable.

We have set ourselves the goals of reaching zero direct emissions by 2026.

We invest in green production practices, reduce the environmental impact of our products and promote a sustainable lifestyle.

We are working to obtain the ISO 14001 certification for all the Group's plants and to constantly improve our environmental performances.



Joining the Science Based Targets initiative

The initiative, which is the result of cooperation among international institutions, such as the United Nations' Global Compact, the World Resources Institute and the World Wide Fund for Nature, aims at the preventing climate changes and at reducing GHG emissions.

The Science Based Targets initiative helps businesses that want to engage in the fight against climate change to define goals in terms of reduction of their emissions in line with the world-wide goal of keeping global temperature under the critical threshold, and regularly verifies compliance with the submitted plan.

Since 1 January 2022, we have joined the Science Based Targets initiative as we want to contribute to keeping the temperature increase below 1.5 degree by 2030.

For the Parmacotto Group, pursuing that target means the commitment to reducing its Scope 1 and Scope 2 emissions by 50% vs. 2018 (the baseline year) by 2030 and to design a plan of actions/initiatives aimed at reducing Scope 3 emissions.

Taking action now is crucial for a transition to a low-carbon economy and to preserve the ecological stability of our planet.

Fight against climate change: management of energy, energy efficiency and photovoltaic panels

We have rolled out an ambitious roadmap to progressively reduce carbon emissions and our goal is zeroing Scope 1 and Scope 2 emission by 2026, by working tangibly on many action lines. Within this initiative, proper management of energy is very important and generates several advantages:

- Energy savings thanks to lower consumption and to the elimination of waste and inefficiency
- Optimization of costs and time, to be achieved through monitoring and continuous targeted actions on specific equipment or systems
- Lower environmental impact thanks to the decrease in CO2 emissions

Maximizing our energy independence by reducing energy waste and, at the same, by using renewable sources: this is one of our priority goals. To this end, we have set up an “Energy Committee”, whose members are the CEO, the Sustainability Manager, the Technical Manager, the Head of Administration and the Chief Operating Officer, in order to monitor progress in the started activities.

At the Committee meetings, the obtained results are analyzed and new energy efficiency and decarbonization projects are assessed. The Committee meetings are held every two weeks. In 2022, in terms of energy efficiency, several actions were deployed, including:

Relamping at the Felino production plant (Boschi Fratelli):

- Replacement of 158 light fixtures with LED ones
- Expected energy saving: approx. 6,934 kwh/year

Relamping at the Pratopiano production plant (Boschi Fratelli):

- Replacement of 95 light fixtures with LED ones
- Expected energy saving: approx. 5,833 kwh/year

Start of relamping at the Marano production plant (Parmacotto)*:

- Replacement of 350 light fixtures
- Expected energy saving: 41,682 kwh/year

Start of the works for the photovoltaic system at the San Vitale plant (Parmacotto)*

- Estimated capacity: 342 KWp
- Estimated production: 396 MWh
- Estimated coverage = about 8% of the production plant’s energy needs

Start of the works for the photovoltaic system at the Marano plant (Parmacotto)*

- Estimated capacity: 910 KWp
- Estimated production: 990 MWh
- Estimated coverage = about 20% of the production plant’s energy needs

*Implementation underway

From 1 January to 31 December 2022, our energy consumption amounted to a 89,483 GJ, mainly related to production activities⁷. Of that figure, about 2% is associated with consumption of non-renewable fuels (Diesel, Petrol, LPG)⁸, whereas 51% resulted from consumption of electricity from the national grid. Natural gas consumption accounted for 47% of total energy consumption.

| Type of consumption | Unit of measurement | Total | Total GJ |
|--|---------------------|------------|-----------------|
| Non-renewable fuels | Litres | 75,855 | 1,997 |
| Natural gas | SCM | 1,183,845 | 41,766 |
| Electricity consumption | kWh | 12,699,946 | 45,720 |
| Electricity purchased | kWh | 12,699,946 | 45,720 |
| of which from non-renewable sources | kWh | 0 | 0 |
| o/w from renewable sources | kWh | 12,699,946 | 45,720 |
| Electricity self-produced and consumed | kWh | 0 | 0 |
| o/w from non-renewable sources | kWh | 0 | 0 |
| o/w from renewable sources | kWh | 0 | 0 |
| Total energy consumption | GJ | % | Total GJ |
| Renewable Energy | GJ | 51% | 45,720 |
| Non-renewable energy | GJ | 49% | 43,763 |

Table 11 — GRI 302-1 Energy consumption within the organization

In 2022, our total direct emissions of GHG (Scope 1) came to 3,377.869 tonnes of Co2eq₁₀ and resulted from stationary fuel combustion (about 70%), from fugitive emissions of refrigerant gases (about 28%) and from the Company’s cars (about 2%), which travelled a total of 142,369 km from 1 January to 31 December 2022¹¹.

Having regard to Scope 2 indirect emissions, in accordance with the GRI Sustainability Reporting Standards and with the GHG Protocol, both calculation approaches have been used (Location- and Market-based¹²).

⁷ Data not including the Parmacotto Suisse and Parmacotto LLC commercial branches
⁸ Figure obtained from travelled KMs (conversion source: IEA)

⁹ Scope calculation

¹ Stationary: Table on Italian national parameters, UNFCCC, 2022. It can be found by clicking on link: <https://www.mase.gov.it>

² Mobile combustion: Ecoinvent 2 (IPCC, 2021); Refrigerant gases: Regulation (EU) 517/2014 on F-gases - Table of HFO products and alternatives Low GWP Blends https://www.generalgas.it/storage/fgas/Tabella_ITA_GWP_marzo_2020.pdf; R-427 A - Miscela refrigerante HFC A1 <https://nippongases.com/it-it/gas/r427a>; GWPs for blended refrigerants https://www.epa.gov/sites/default/files/2015-07/documents/emission-factors_2014.pdf

¹⁰ Total market-based Scope 1 and Scope 2 emissions. The sources of the emission factors used to calculate Scope 1 GHG emissions is the UK Government GHG Conversion Factors for Company Reporting (DEFRA & BEIS)

¹¹ Figure not including company cars for mixed use

¹² The Location-based approach uses average emission factors relating to energy generation by geographical borders (Location-based emission factor (kgCO₂eq/kWhe), source IEA). The Market-based approach calculates electricity-related emissions that businesses have deliberately chosen (or have failed to choose), using emission factors specific to the supplier or emission factors relating to the residual mix and, if present, Guaranteed Origin certificated (Location-based emission factor (kgCO₂eq/kWhe), source IEA).

Guarantee of Origin certificate

Climate change is already here: we can see it and we experience it on a daily basis.

Global warming, caused by greenhouse gas emissions, is reaching the point of no return: this is why we can no longer afford to wait. The use of renewable energy is crucial to reduce environmental impacts and to promote sustainability. This is why we have decided to use exclusively electricity from renewable sources at all our plants. In 2022, Scope 2 GHG emissions, calculated with the Market-based approach, amounted to 0 ton of CO₂eq, thanks to the fact that we purchased electricity 100% from renewable sources, with evidence given by Guaranteed Origin certificates. On the other hand, the emissions calculated with the Location-based approach amounted to 3,619 tCO₂eq.

| Type of emission | Unit of measurement | Emissions |
|--|---------------------|-----------|
| Scope 1 | tCO ₂ eq | 3,377.86 |
| Stationary combustion | tCO ₂ eq | 2,357.17 |
| Mobile combustion | tCO ₂ eq | 77.92 |
| Fugitive emissions of refrigerant gases | tCO ₂ eq | 942.77 |
| Location-based Scope 2 emissions | tCO ₂ eq | 3,619 |
| Market-based Scope 2 emissions | tCO ₂ eq | 0 |
| Total emissions | | |
| Location-based Scope 1 + Scope 2 emissions | tCO ₂ eq | 6,996.86 |
| Market-based Scope 1 + Scope 2 emissions | tCO ₂ eq | 3,377.86 |

Table 12 — GRI 305-1 Direct (Scope 1) GHG emissions, GRI 305-2 Energy indirect (Scope 2) GHG emissions

Sustainable packaging

We are steadily going towards the use of sustainable and renewable materials for our food-grade packaging, which must meet technical and technological features that can preserve the product shelf-life, protect the product and reduce food waste.

Our actions:

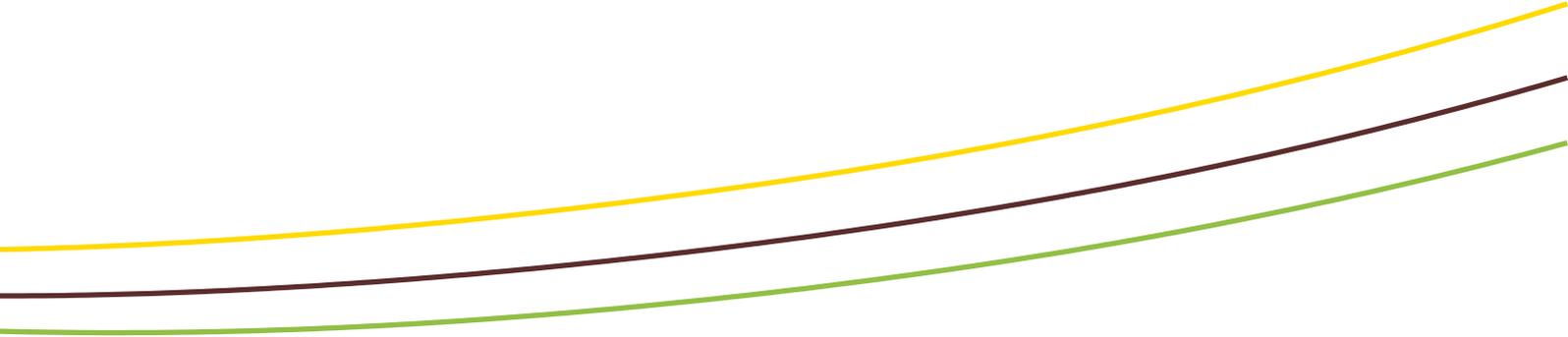
- 18% reduction in plastic used for sliced deli meat trays
- Use of materials made at least by 70% of recycled PET, equivalent to 50% of recycled PET on the final pack
- Mixed pack: use of FSC-certified paper and trays that are recyclable in the paper waste stream
- Replacement of the aluminium layer and simplification of the bags for cooked hams to be sliced
- Conversion of carton boxes with no background printing, thus reducing the printed surface

The quantities of material used for packaging and the percentage of recycled material contained therein are given below.

In the reporting year, on average, 30% of the materials used for our packaging contained recycled material.

| Type of material | Total material | % of recycled material |
|--------------------------------------|----------------|------------------------|
| Plastic films | 341.6 | 50% |
| Labels | 211.6 | 0% |
| Carton | 118.4 | 70% |
| Bags (plastic-coated aluminium film) | 70.7 | 0% |

Table 13 — GRI 301-2 Recycled input materials used¹³



13 Estimate made for 2022 as a whole based on the data available at the time this report was prepared

Our next goals

Management of waste and food waste

Our care and attention in managing waste and food waste are both high and constant. Our goals:

- Reducing production waste by improving production technologies and processes
- Developing projects to recover and/or recycle compostable and non-compostable materials

Our waste-prevention action

- **RafCycle®:** we have renewed our partnership for the recovery of silicone-coated paper used in labels, with a 20% increase in the recycled portion vs. the previous years. This programme, which has been developed by UPM Raflatac, aims at recovering the reusing label waste throughout their lifecycle. Results: 22,680 kg of silicon-coated paper recovered and recycled at the UPM paper mill in Plattling
- **ZeroZeroToner:** partnership for the recovery of exhausted toners. Results: 90 kg of exhausted toners recovered at Parmacotto and Boschi Fratelli premises
- **Waste prevention:** we have a project underway for the reuse of products after their shipping deadline (Termine Ultimo di Spedizione), to donate them at the end of their life. Results: 16,001.42 kg of products from the Group logistic hub (Marano), of which 12,201 kg to Emporio Solidale

| Type of waste | Unit of measurement | Waste generated |
|--|---------------------|-----------------|
| Packaging in mixed materials | Kg | 467,813 |
| Waste generated during repackaging or storage (category 3) | kg | 217,101 |
| Paper and cardboard packaging | kg | 128,600 |
| Waste that cannot be consumed or processed | kg | 33,120 |
| Waste not otherwise specified | kg | 15,147 |
| Adsorbent, filtering materials (including oil filters not otherwise specified), rags and protective clothing, contaminated with hazardous substances | kg | 4,742 |
| Inorganic waste | kg | 3,510 |
| Plastic packaging | kg | 2,580 |
| Chlorine-free mineral oils for engines, gears and lubrication | Kg | 1,196 |
| Packaging containing residues of hazardous substances or contaminated with said substances | Kg | 1,068 |

| | | |
|---|-----------|------------------|
| Category 1 waste | Kg | 480 |
| Decommissioned equipment | kg | 380 |
| Oil filters | kg | 362 |
| Fluorescent tubes and other waste containing mercury | kg | 186 |
| Organic waste containing hazardous substances | Kg | 180 |
| Metal packaging containing hazardous porous solid matrices, including empty pressure containers | Kg | 5 |
| Total | kg | 1,391,740 |
| Total hazardous waste | kg | 7,339 |
| Total non-hazardous waste | kg | 1,384,391 |

Table 14 — GRI 306-3 Waste generated¹⁴

Management of water resources and effluents

In the last few years, when topics are demographic growth, urbanization and climate change, we have seen water-related crises more and more often. As a consequence, proper management of water is undoubtedly an urgent issued to be mandatorily addressed.

Therefore, water saving is a key aspect for sustainable development, as much as proper management of energy. This is why we have also set water audits at our production plants as one of our goals, in order to assess the risks and opportunities for improvement in the management of water resources.

At the San Vitale, Marano and Pratopiano plants, water purifiers are in operation and are managed in compliance with the applicable legislation.

| Type of source | Unit of measurement | Water withdrawn |
|-------------------|---------------------|-----------------|
| Well | Megalitres | 96 |
| Public waterworks | Megalitres | 54 |
| Total | Megalitres | 150 |

Table 15 — GRI 306-3 Water withdrawals

| Type of destination | Unit of measurement | Water discharged |
|---------------------|---------------------|------------------|
| Sewage | Megalitres | 82 |
| Total | Megalitres | 82 |

Table 16 — GRI 306-4 Water discharge

¹⁴ The data refer to all the premises and production plants located in Italy, the data about Parmacotto USA and Parmacotto Suisse SA premises are not included ¹⁵ The Parmacotto Suisse SA and Parmacotto USA have not been considered in the calculation

¹⁶ Parmacotto Suisse SA and Parmacotto USA premises have not been considered in the calculation





06

WHAT'S NEXT?

What's next?

The new horizon of the Parmacotto Group? More digital, more sustainable, more ethical.

Back to the future: our digital transformation

We are proud to be the first Italian player in the meat and deli meat sector to have implemented a digital ecosystem able to rationalize all our business processes. Thanks to advanced software solutions, tailor-made for us and integrated one with the other, we have implemented cloud solutions whereby we can monitor energy consumption and costs and, consequently, increase our production capacity. In this way our corporate structures and departments can work in a more streamlined, fast and efficient manner.

This is “Back to the future”, our digital transformation system, which has been designed to further facilitate our growth, with impacts not only on revenue but also on the environment. Thanks to this 100% digital system, we can increase our data analysis capacity to support the management in the various decision-making steps. This means more rationalization and more productivity. All with a sustainable approach, in order to achieve 45% energy independence in the coming years and to ensure traceability and authenticity throughout the supply chain.

One of the main advantages of our digital ecosystem is the cooperation among the various corporate structures, which, besides data exchange, ensures better communication between structures and departments, both in qualitative and quantitative terms. This is how business digitalization is going to give a competitive advantage to the Group's new organization in addressing the challenges of the coming years.



B Corp certification: ethics, sustainability and well-being

In the coming years, we are going to start the procedure to obtain the B Corp Certification, an important acknowledgement for all businesses that are committed to balancing social and environmental purposes. It is a commitment to a business management that is ethical, sustainable and oriented to the well-being of people and of the environment, consistently with our sustainability strategy.

Towards a sustainable future: the new eco-pack that is 100% disposable through the paper waste stream

We put in practice our commitment to environmental sustainability also by searching for eco-sustainable solutions in order to reduce the use of non-recyclable materials.

In cooperation with our technical partner SEDA International Packaging Group, we conducted several technical-analytical studies on packaging and on the products. These studies included the assessment of the material compatibility with the product category, control of microbiological parameters, the analysis of preservation duration and tests to measure the container resistance in normal conditions of use, including transportation.

A process that comprises several phases: from reducing the packaging volume by 18% vs. traditional trays - with a pack made by 50% of recycled plastic - to FSC-certified recycled paper trays. All the way up to packaging fully made of materials that are 100% disposable through the paper waste stream.

Our new eco-pack is going to go live in 2023 as the outcome of this significant and complex research and development process.



07
APPENDIX:
APPROACH AND
REPORTING

Appendix: approach and reporting

This is the first Sustainability Report of the Parmacotto S.p.A. Group and describes the main sustainability performances achieved in 2022 by the Group as a whole.

Any changes in the perimeter of the reported data have been specified in the notes.

This Report has been prepared based on a selection of the "GRI Sustainability Reporting Standards" published by the Global Reporting Initiative (GRI), as stated in table "GRI content index".

Specifically, the contents being reported have been selected based on the results of the materiality assessment conducted in 2022, whereby the material aspects for the Group and its stakeholders could be identified, as described in paragraph "Materiality assessment" of this document.

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