

# SUSTAINABILITY AND IMPACT REPORT

# 2023



## SAMMONTANA ITALIA



*Responsibility*

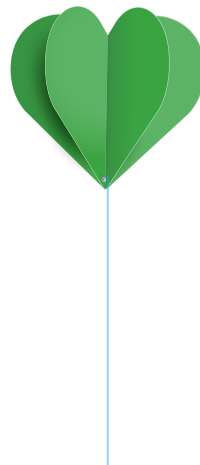




## | INSPIRATION |

THIS IS WHAT WE ARE MADE OF.  
HEARTS AND MINDS,  
HISTORY AND FUTURE PLANS,  
TRADITION AND INNOVATION,  
COMMITMENT TO OUR DAILY WORK.  
AND THESE VALUES WILL CONTINUE  
TO INSPIRE HOW WE DO BUSINESS  
EVERY DAY.

*The Bagnoli Family*





See also our ANNUAL REPORT 2023

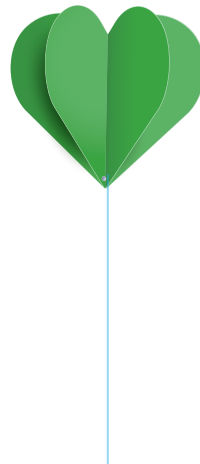




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# IMPACT REPORT



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2023

SUSTAINABILITY  
REPORT







*Generating Social Responsibility*



**SAMMONTANA  
ITALIA**





## | LETTER FROM THE BAGNOLI FAMILY |

Dear stakeholders,  
presentation of the **Sustainability Report** provides a renewed opportunity to reflect on the long and meaningful path that our company is taking, fulfilling a commitment born within the family and the Board of Directors and which has become a team effort involving the entirety of Sammontana Italia.

We are a family business, founded by three brothers out of love for their children and, to this day, we believe that Love is what motivates us to take action and ensure a future for coming generations.

With the same spirit and values, we are set to embark on a new phase in the company's history. Following the difficult years of the pandemic, uncontrolled cost increases and complex geopolitical scenarios, the determination of Sammontana Italia has provided record financial results in 2022 and 2023, laying the foundations for an extraordinary operation that allows us to look ahead to the future with a grand new vision.

Sammontana grows by incorporating new forces, new brands and new products, launching the company and its history into a future yet to be written, and one in which our values will continue to guide every choice we make.

The company is focused on growth more strongly than ever, but we will continue to seek it together with the wellbeing of the environment and the society we strive to be an integral and active part of, committed to healthy and ethical living for all and always guided by the Love that feeds us and serves as a constant source of inspiration.

We are also celebrating the first anniversary of our decision to become a **"Benefit Corporation"**\*. We saw this as a natural step in formalising the unique development model that has guided the company since its origins, when three young brothers, eager to ensure a future for their families, began their entrepreneurial adventure. Our economic value must uncompromisingly go hand in hand with ethical rigour and complete responsibility — as individuals and business leaders, and as an organisation — with the aim of having a positive impact on the local areas and communities in which we operate.

**Sammontana will continue on this path built on daily commitments. For our company, growth means being able to have an ever greater and more positive impact on the equitable development of our country and our world.**

---

\*according to Italian Law no. 208 of 28/12/2015



We will remain true to our identity, enriching our profile with new possibilities, guided as always by the Smile that represents the driving force of our Vision.

We are motivated by a desire for our business model to live on, with a commitment to do our part, as a family business, ensuring the Future of all Young People is a future with a Smile.

Our intentions will nourish our roots and our **Purpose will guide us to the right choices.**

**And we will continue to bring the Sammontana Smile to Coming Generations,** generations committed to a future of all.

This is who we are and who we always will be. We believe this is the only way to do business.

The Bagnoli Family



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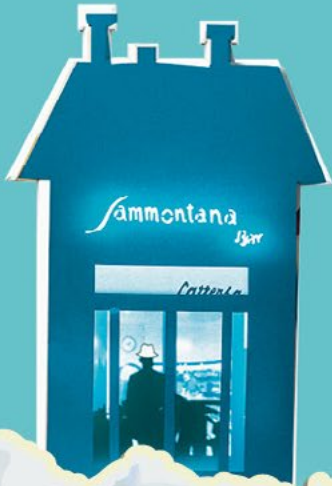




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**SAMMONTANA S.P.A.  
BENEFIT  
CORPORATION**



# 1. SAMMONTANA S.P.A. BENEFIT CORPORATION

## 1.1 SAMMONTANA IN FIGURES

### LEGAL STATUS

Sammontana S.p.A. Società Benefit is a joint-stock company that has incorporated five Common-Benefit Aims into its Bylaws. It is a wholly Italian-owned company with registered office in Empoli, Italy.

Sammontana S.p.A. Società Benefit, generally known simply as Sammontana, is a food company primarily engaged in the manufacturing and distribution of ice cream and frozen pastry goods and the sale of frozen products. **It is the second largest ice-cream producer in Italy**, with around one third of the domestic market, and it is **leader in the production and distribution of frozen pastry goods**.

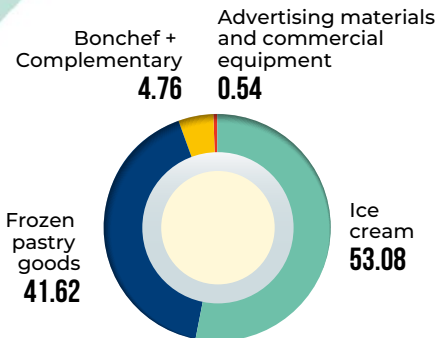
Sammontana's product range contains 1,237 lines that are produced and/or sold. Of these, 580 are ice-cream products, 313 pastry, 174 frozen ready meals/lunch-snacks and 170 other products.

Sammontana operates in both the Italian and European/non-European markets, including Germany, Austria, the United Kingdom, Eastern Europe and Australia. Ice cream and pastry goods are sold both in Italy and abroad, while other products are sold almost exclusively in Italy.

The company has more than 1,000 employees and in 2023 it achieved turnover of € 549 million, with 99.46% of this attributable to finished products. The small remaining portion of sales is attributable to advertising material (0.45%) and commercial equipment (0.09%).

Considering finished products, the majority of economic value comes from ice-cream sales, which account for 53% of turnover, followed by sales of pastry products (42%) and sales of other products (5%) (Fig. 1).

**FIG. 1 | 2023 SALES BY PRODUCT TYPE AS A PERCENTAGE OF TURNOVER (%)**

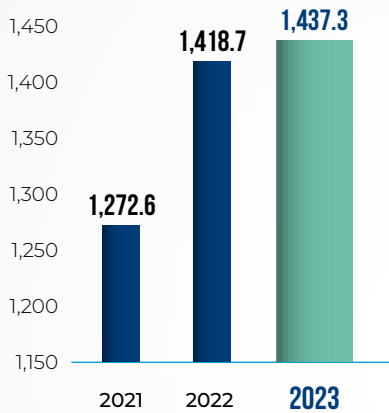




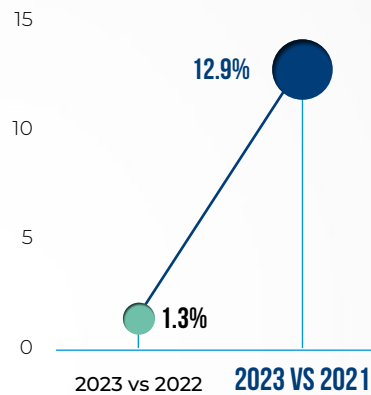
## SAMMONTANA PRODUCTS: SALES VOLUMES IN MILLIONS OF PORTIONS

Sales in 2023, expressed in millions of portions, increased by 1.3% on the previous year and 12.9% on 2021 (Fig. 2).

**FIG. 2 | PRODUCTS SOLD (MILLIONS OF PORTIONS)**



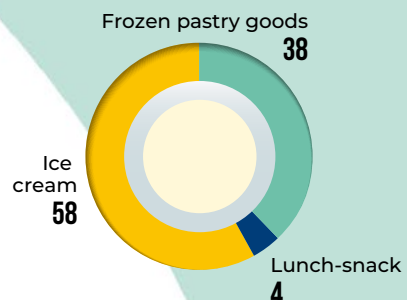
**FIG. 3 |  $\Delta\%$  VOLUMES VS. 2021**



In 2023, the ice-cream category accounted for the majority of sales, with 58% of the total.

This was followed by frozen pastry goods with about 38%, while other lunch-snacks accounted for 4% (Fig. 4).

**FIG. 4 | 2023 SALES VOLUMES BY PRODUCT CATEGORY (%)**

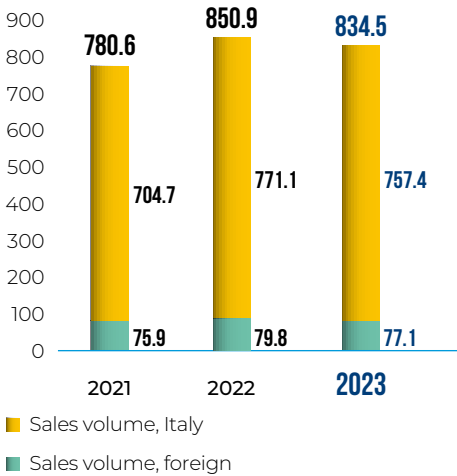


## SALES OF ICE-CREAM PRODUCTS

Overall, sales of ice cream portions decreased slightly in 2023 (-1.8%) compared to 2022, which saw a substantial increase (9.4%) on the previous year. The drop in 2023 is attributable to own-brand products in the large-scale retail trade channel (Fig. 5).

Foreign sales also decreased slightly (-3.3%) compared with 2022.

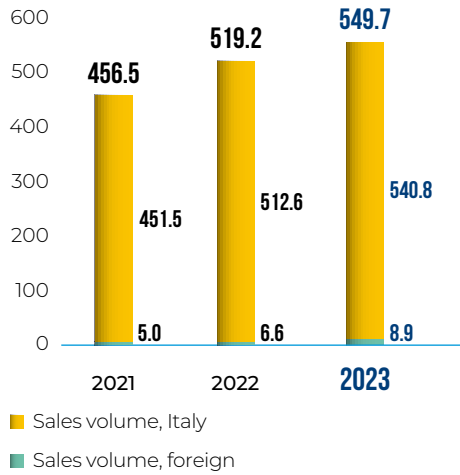
**FIG. 5 | SALES VOLUMES FOR ICE CREAM (MILLIONS OF PORTIONS)**



## SALES OF FROZEN PASTRY PRODUCTS

Sales volumes of frozen pastry products show constant growth over the three years (Fig. 6).

**FIG. 6 | SALES VOLUMES FOR FROZEN PASTRY PRODUCTS (MILLIONS OF PORTIONS)**



In 2023, a total sales volume of 549.7 million portions of frozen pastry products was achieved, which is higher than previous years (519.2 million in 2022 and 456.5 million in 2021).

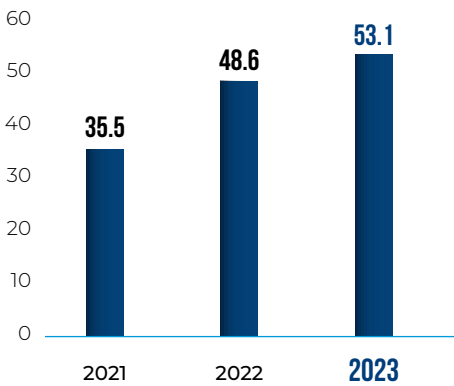
The total sales volumes of frozen pastry products in millions of portions in 2023 increased by 5.9% compared to the previous year, and by around 20% compared to 2021.



### SALES OF LUNCH-SNACK PRODUCTS

Sales volumes for the lunch-snack category also grew strongly over the three years (Fig. 7).

**FIG. 7 | SALES VOLUMES FOR LUNCH-SNACK PRODUCTS (MILLIONS OF PORTIONS)**



In 2023, a total lunch-snack sales volume of 53.1 million portions was achieved, which is higher than previous years (35.5 million in 2021 and 48.6 million in 2022).

In 2023, sales in the lunch-snack category showed significant growth, up 9.3% compared to 2022 and 49.5% compared to 2021.

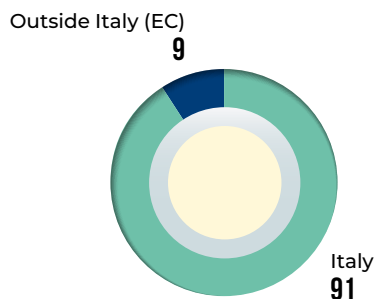


## SUPPLIERS

Sammontana deals with a high number of suppliers (around 1,500): according to a **purchasing costs** classification, there are 200 main suppliers accounting for 83% of the company's total purchases.

Of these 200, 91% are based in Italy and 9% elsewhere in Europe (*Fig. 8*).

**FIG. 8 | LOCATION OF SUPPLIERS, 2023 (%)**



Sammontana's suppliers can be grouped into the following categories:

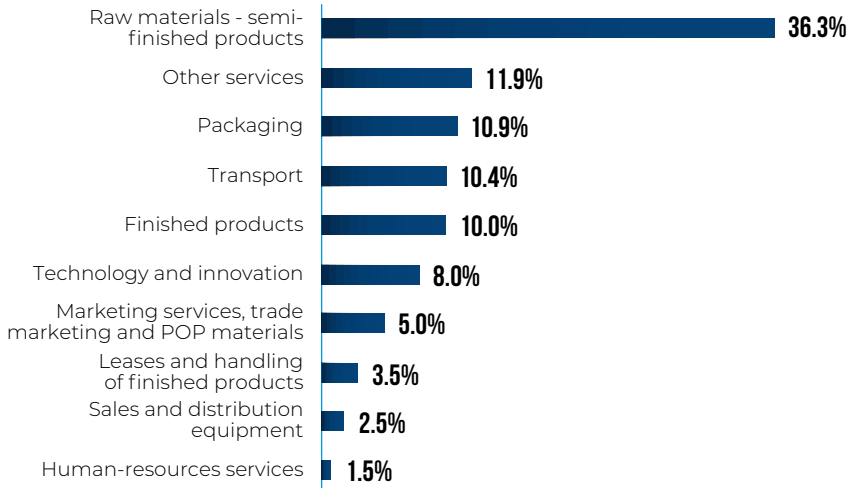
**TABLE 1 - SUPPLIERS BY CATEGORY**

Category	Description
Raw materials and semi-finished products for food	Foodstuffs for industrial production used in recipes, often composed of various raw materials and also originating from industrial food production
Packaging	Materials used to package products
Technology and innovation	Investment, maintenance services, spare parts and consulting
Transport	Distribution logistics
Leases and handling	Premises and logistics warehousing of finished products
Finished food products	Pre-packaged food products that cannot be further processed
Sales and distribution equipment	Refrigerator units, ovens and other point-of-sale equipment
Marketing services, trade marketing and POP materials	Point-of-purchase communication, advertising and trade marketing
Human-resources services	Temporary employment agencies and recruitment
Other services	<ul style="list-style-type: none"> <li>• IT services and mobility</li> <li>• Other warehousing activity</li> <li>• Cleaning</li> <li>• Watchmen</li> <li>• Canteen</li> <li>• Quality</li> <li>• Environment</li> <li>• Legal</li> <li>• Miscellaneous Materials</li> </ul>

The category with the highest percentage of suppliers, **calculated out of 200**, is “Raw materials and semi-finished products”, which

accounts for 36% of the total. Overall, this category, finished products and packaging account for 57% of suppliers (Fig. 9).

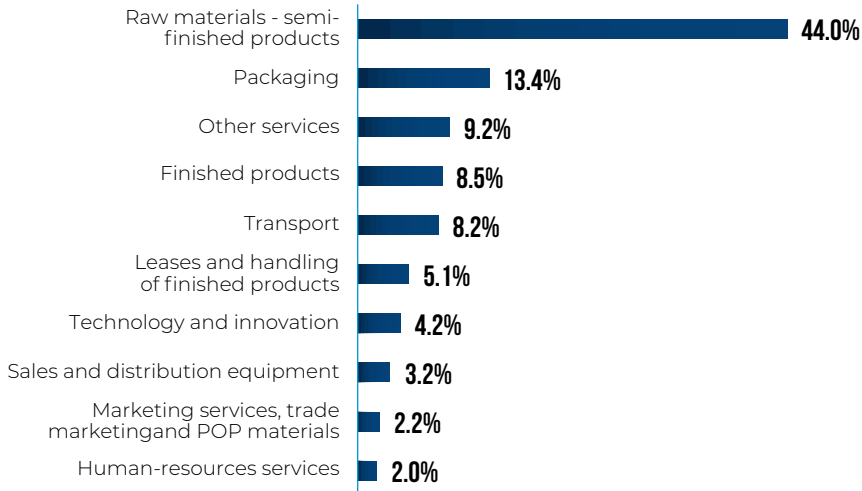
**FIG. 9 | SUPPLIER BREAKDOWN BY CATEGORY, 2023 (NUMBER %)**



Looking at **purchasing spend** per category, considering the 200 main suppliers, the highest percentage is for suppliers of “Raw materials and

*semi-finished products*”, at around 44%. Together, this category, finished products and packaging total approximately 65% (Fig. 10).

**FIG. 10 | SPENDING ON SUPPLIERS BY CATEGORY, 2023 (COST %)**



## EMPLOYEES

The final employee count at the end of 2023 is 1,093 (1,108 including the subsidiary Transfrigo), up on previous years (Fig. 11).

Grouped by gender (Fig. 12), female employees represent 31% of the company population, in line with previous years.

FIG. 11 | TOTAL EMPLOYEES (NO.)

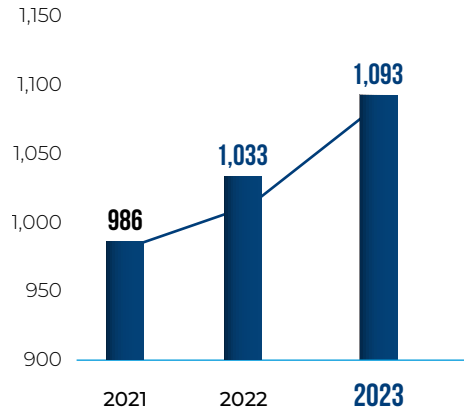
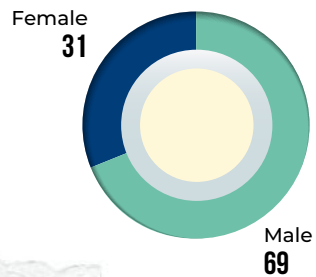


FIG. 12 | EMPLOYEE BREAKDOWN BY GENDER, 2023 (%)



## | 1.2 OUR HISTORY |



1940s

### The Sammontana story begins.

*Romeo Bagnoli*, father of six, buys the Sammontana dairy on Via del Giglio, in Empoli, to provide a living for his large family.

The dairy is named after the farm from which it sources its milk.

1946

### Sammontana ice cream is born.

*Renzo*, the eldest son of *Romeo*, transforms the dairy into a bar and ice-cream parlour.

He learns the basics of ice-cream and becomes a real master of flavour.

Production of Sammontana ice cream has begun.

1955

### From bar and ice-cream parlour to artisan production space.

Ice-cream sales increase.

*Renzo* and his brother *Sergio* begin selling their ice-cream beyond Empoli and design a 6-litre tin can to transport it.

Production of single-portion ice creams begins.

1960

### From small-scale production to full company.

Demand continues to increase beyond Sammontana's home region of Tuscany.

These years see a great entrepreneurial leap. *Renzo* and his brothers *Renzo*, along with his brothers *Sergio* and *Loriano*, inaugurate a production facility in Empoli, which remains the headquarters of Sammontana to this day.

1980

### The "slurping cone" logo.

*Milton Glaser*, the creator of cult images recognised throughout the world, such as the famous **I LOVE NY**, creates the new Sammontana logo: the "slurping cone", which remains the symbol of the company.

1988

### Il Pasticcere is born. The ritual of enjoying breakfast at the bar is taking off.

Acquisition of a frozen pastry business launches the adventure of *Il Pasticcere*, using a "mother dough" as leavening agent.

This new direction is also marked by innovation: croissants are pre-proofed so that all the bar owner has to do is bake them.

2016

### A new milestone in the Company's environmental commitment.

Sammontana consolidates its path towards environmental sustainability by signing a Voluntary Agreement with the Ministry of the Environment in order to understand, measure and offset the carbon footprint of *Barattolino*, becoming the first company in Italy in the ice cream sector to do so.

2018

### A family business. From Italy to the world.

There is a growing push towards internationalisation, with full respect for the company's Italian roots.

The passion, pride and determination with which the *Bagnoli* family continue to offer the best of Italian flavour and quality remain unchanged. Products from the company's factories are increasingly sold all across the world.

2020

### Close to customers, even during the dark times of Covid.

In the midst of the Covid-19 pandemic, with people locked in their homes and often separated from their loved ones, Sammontana sends a message of resilience and togetherness through its "**Solo a un cucchiaino di Distanza**" [Only a teaspoon away] campaign.

The campaign wins "*The Prize*" awarded by UNACOM for the best Purpose-Driven Campaign.



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# OVER 70 YEARS OF ITALIAN QUALITY THROUGH FAMILY, PASSION AND INNOVATION.

1957

## Renzo chooses the winning slogan “Gelati all’Italiana”

[Italian ice cream], to distinguish his ice cream from the foreign version introduced in Italy by American soldiers, during and after the Second World War.

1959

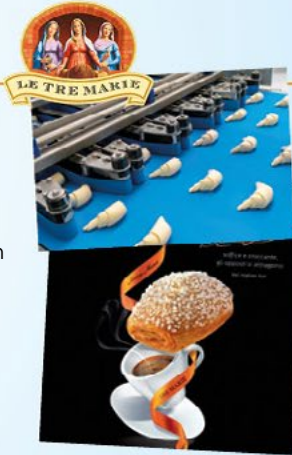
Sammontana launches its legendary **Barattolino**, which remains an iconic Sammontana product: a pre-packaged tub of traditional Italian ice cream, providing the ideal quantity for family consumption.



2008

## Acquisition of GranMilano

(and its brands Sanson, Tre Marie and Mongelo) propels Sammontana into the top one hundred Italian agro-food companies and places it at the top of the Italian industrial ice-cream market, alongside leading chilled-food multinationals.



2009

## The strategic importance of Tre Marie.

The Tre Marie brand enables Sammontana to establish itself as a leader in the frozen pastry goods sector, with the first and second top brands in terms of market share: **Tre Marie** and **Il Pasticcere**.

2013

## Sammontana consolidates its leadership in the cold chain.

Sammontana divests Tre Marie's special occasions business, retaining ownership of the frozen-pastry-goods brand.

Thus begins a new journey for the company, enabling it to consolidate its leadership in the cold chain.

2021

## Increasingly tangible commitment to sustainability.

As part of its path towards environmental sustainability, Sammontana strengthens its own pact towards a better future and commits itself to reduce CO<sub>2</sub> emissions by 55% by 2030.

2022

## First important recognition of the company's sustainability efforts.

Commitment to “meeting the challenges of climate change” and towards an “effective management model guided by a vision of a long-term perspective in favour of future generations” is recognised with the awarding of the “*Strategy&Vision*” prize at the *Sustainability Awards*, sponsored by Credit Suisse Italy and Kon Group, with the scientific contribution of Altis Università Cattolica, recognising companies that place a focus on environmental policies.

2023

## We become a Benefit Corporation.

In May, Sammontana becomes a Benefit Corporation. As a Benefit Corporation, Sammontana's mission is to operate profitably, generate benefits for society and operate in a responsible, sustainable and transparent way vis-à-vis people, the territory, the environment and other stakeholders.



## 1.3 THE BRANDS

The Company operates through the following brands: Sammontana Gelati all'Italiana, Tre Marie, Il Pasticcere, Mongelo and BonChef.



### Sammontana Gelati all'Italiana

Sammontana Gelati all'Italiana is the Group's historic brand for ice-cream products.



### Tre Marie

Tre Marie is another historic brand, a symbol of the Milanese pastry tradition, linking those very first “modern” pastry shops of 19th century Milan — the meeting places of intellectuals — to modernised production of high-quality frozen pastry goods. In 2023, Sammontana co-managed the brand with Galbusera, marking a change in its image.



### Il Pasticcere

Il Pasticcere is the brand with which Sammontana entered and established itself in the frozen-pastry market in 1989.



### Mongelo

Mongelo is the frozen-pastry brand that came under Sammontana's ownership in 2008 through acquisition of GranMilano.



### BonChef

BonChef is a brand under which Sammontana sells savoury products designed and selected through its own research and development and produced by carefully chosen suppliers.

## 1.4 PRODUCTION FACILITIES

Sammontana owns **three production facilities** located in Empoli (FI), Colognola ai Colli (VR) and Vinci (FI) and has a logistics hub in Montelupo (FI). The company also has **an extensive distribution network** comprising more than 100 agents, distributors and 17 branches spread across Italy.



### EMPOLI

Empoli is home to **Sammontana's historic production facility, specialising in the production of ice cream and serving as the company headquarters.** It has 16 production lines and a floor area of around 85,000 m<sup>2</sup>, with 31,500 m<sup>2</sup> of indoor space, 5,900 m<sup>2</sup> of warehousing space and 6,000 m<sup>2</sup> dedicated to low-temperature storage units for finished products. Its size makes it one of the largest ice-cream factories in Europe.

The facility produces around **603** million portions each year and is equipped with a state-of-the-art cone line and a fully robotic tub line dedicated to ice-cream products.

Connected to the facility via a covered bridge over the through road, there is a 3,000 m<sup>2</sup> ambient-temperature warehouse with space

for 5,000 pallets, used to store raw materials and packaging. This warehouse is fully automated.



Adjacent to the production facility, there are also two other warehouses for packaging and materials, with floor areas of 2,500 m<sup>2</sup> and 900 m<sup>2</sup> respectively, and an additional 2,400 m<sup>2</sup> of cold storage.

Production at the facility is BRC (Brand Reputation Compliance) and IFS (International Food Standard) certified.



### COLOGNOLA AI COLLI

The Colognola ai Colli plant is **specialised in the production of both ice cream and frozen pastry goods.**

It was completely refurbished in 2013 and has a floor area of around 67,000 m<sup>2</sup>, with 37,700 m<sup>2</sup> of indoor space and 3,300 m<sup>2</sup> of warehousing space for raw materials and packaging.

In 2023, it was extended (on the south-eastern side) to increase the size of the temperature-controlled storage area, and add a new packaging warehouse and new changing rooms. The total covered floor area for this zone is 1,870.03 m<sup>2</sup>.

After the extension works, the total floor area of the facility is now 69,000 m<sup>2</sup>.

It has three production lines for frozen pastry goods and eight production lines for ice cream, including the new line dedicated solely to Gruvi products. This line, which will be fully operational by the end of 2023, has increased productivity by 80% compared to the existing range.

The facility has two finished-product refrigerated storage units: 1,500 m<sup>2</sup> for pastry products and 5,260 m<sup>2</sup> for ice-cream products.

The facility annually produces approximately **260** million portions of ice cream and **305** million croissants. Ice cream production starts in January and ends in November, while pastry production continues throughout the year.

Production at the Colognola ai Colli facility is also BRC and IFS certified.



## VINCI

The Vinci production site was **built in 2003** and is **specialised in the production of frozen pastry goods**. It has a floor area of 38,000 m<sup>2</sup>, with around 18,500 m<sup>2</sup> of indoor space: 1,500 m<sup>2</sup> used for warehousing and around 6,300 m<sup>2</sup> for finished-product refrigerated storage.

It has five production lines with approximately **204** million pastry products produced annually and relatively stable production throughout the year.

Production at the Vinci facility is also BRC and IFS certified.



## MONTELUPO FIORENTINO LOGISTICS HUB

The Montelupo logistics hub is **Sammontana's national logistics hub**, where finished products are stored and where picking operations are carried out to create pallets with multiple load units ready to be shipped.

In addition to the pallet-storage area for finished products, the facility also houses the offices of the Logistics Department and has an indoor floor area of around 26,200 m<sup>2</sup> with 28,000 pallet storage spaces at a temperature of -27°C and 17 loading bays.



## 1.5 THE PRODUCTION PROCESS

Ice-cream and pastry production flows are described below.

### ICE CREAM

The ice cream production process starts with the initial storage and quality-control phase, according to precise quality standards, aimed at evaluating incoming raw materials and launching the pre-treatment phase for the preparation of ice-cream mixtures.

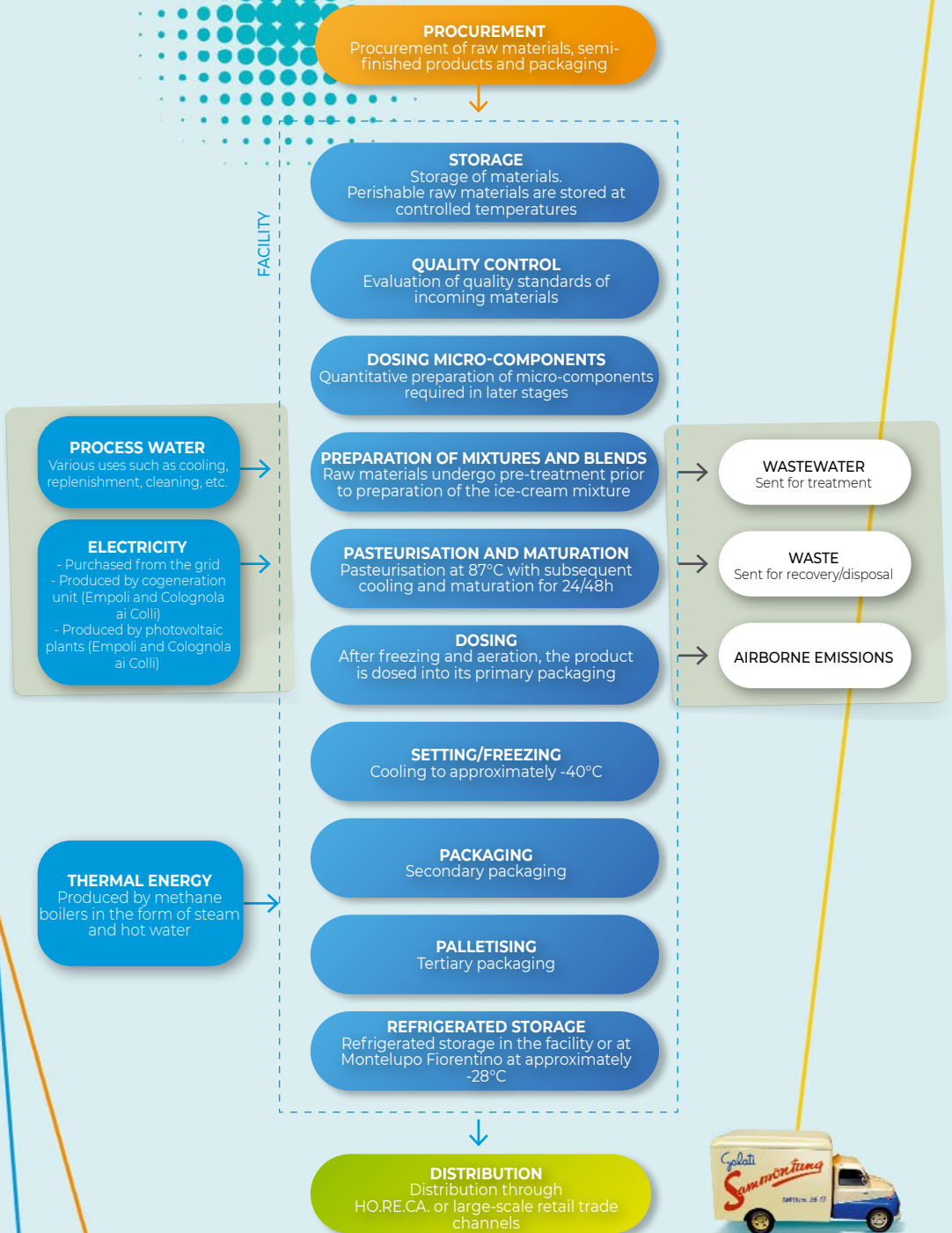
Mixtures are subsequently homogenised and pasteurised at 87°C. The pasteurised mixture, after microbiological quality control, is sent via pumps to the production line, where a freezer enables its transformation into ice cream.

The ice cream leaves the freezer at a temperature of -5°/-6°C. It is then dosed and transported through a cooling tunnel before packaging.

Packaged products are then palletised and transferred to refrigerated storage, where products reach a temperature between -28°C and -30°C.

Once the finished product is obtained, it is generally transported to the logistics hub and then distributed through the HO.RE.CA. (Hotellerie-Restaurant-Café) and/or large-scale retail trade channels.





## PASTRY GOODS

The pastry production process involves an initial storage and quality-control phase, according to precise quality standards, aimed at evaluating incoming raw materials and beginning dough preparation through specific pre-treatments. These processes make the dough suitable for cutting and shaping. Then, for certain products, the dough is left in a refrigerated resting chamber to be cut and folded into the desired shape.

This is where the main production processes begin. The product passes

into the proofing tunnel, the cooling tunnel and, finally, into refrigerated storage.

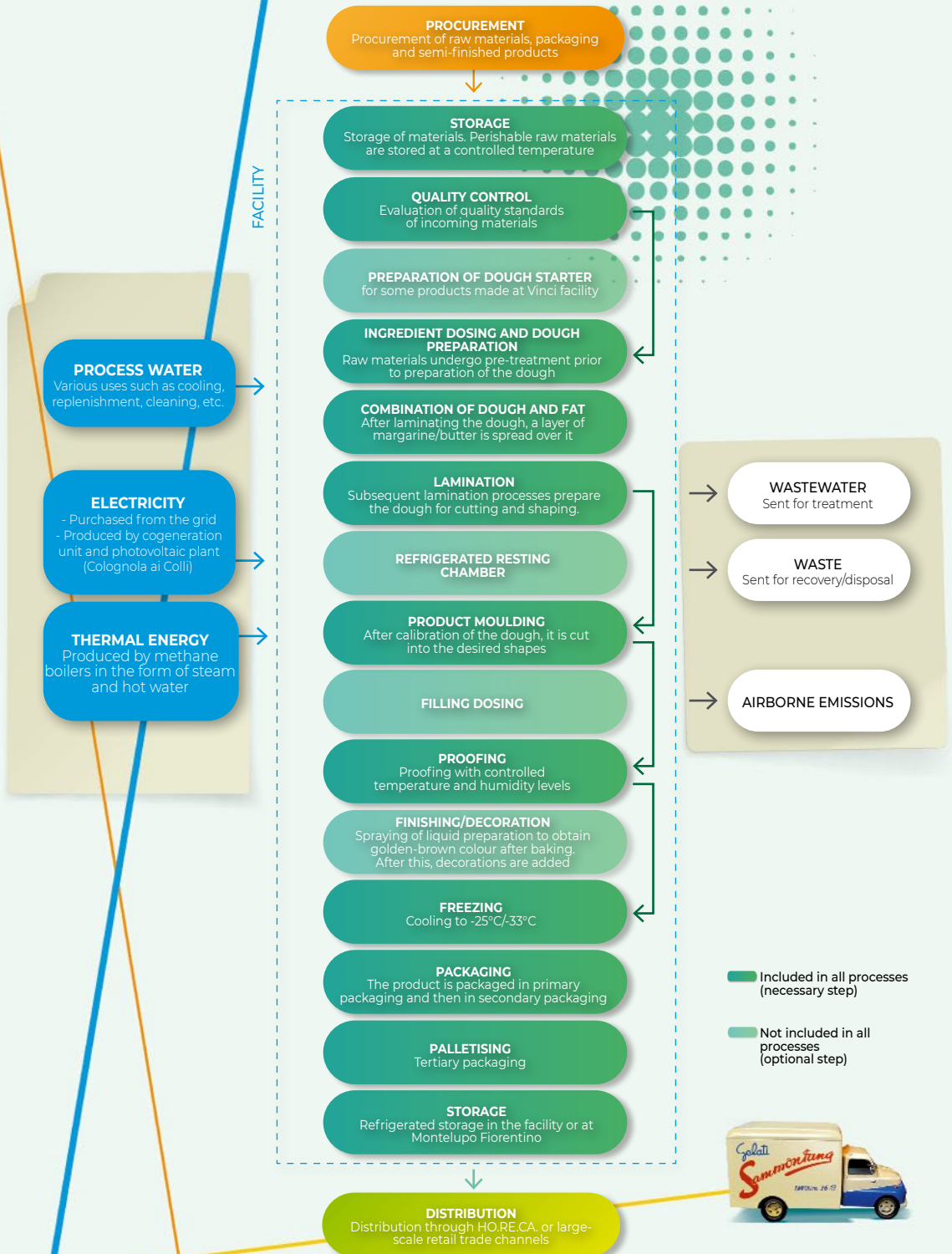
In the proofing tunnel, the dough is exposed to controlled temperatures and humidity levels to ensure proper proofing. Meanwhile, a sugary liquid coating is sprayed onto the dough to ensure it has a golden brown colour after baking.

The product is then sent to the cooling tunnel, which has a temperature of approximately  $-25^{\circ}\text{C}/-33^{\circ}\text{C}$ .

The product is then packaged and palletised before being placed in refrigerated storage and transported to the logistics hub, where it is then distributed through the HO.RE.CA. or large-scale retail trade channel.







## NEW PRODUCT DEVELOPMENT

Sammontana's new product-development process starts with the product-conception phase, conducted by the marketing department.

Having defined the new product concept, a series of testing activities are performed in a continuous cycle, involving the following company departments:

- the **research and development department**, which handles creation of the product and the related functional testing, along with evaluation of organoleptic and structural properties of the new product.
- the **sustainability department**, which performs ESG risk assessment on the materials used and assesses the environmental impact of the product using the LCA (*Life Cycle Assessment*) methodology.

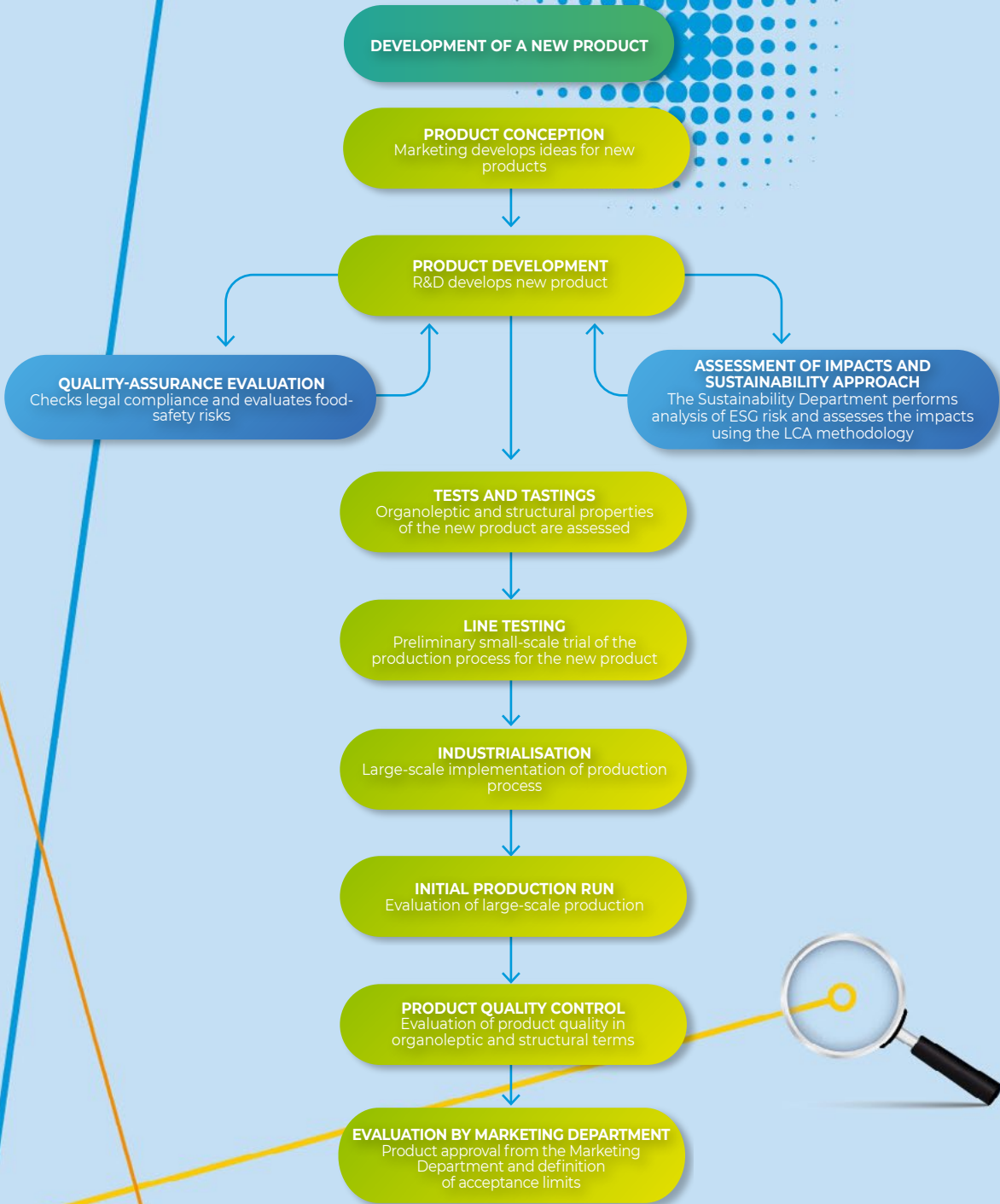
- the **quality assurance department**, which checks legal compliance and evaluates possible food-safety risks.

Once the product-conception and testing phase has been completed, production trials follow. These involve a preliminary evaluation phase with a scaled-down version of the production process for the new product.

The next step is a full-scale production, performing an initial full production run and establishing industrial scalability.

This is followed by a product-quality control phase, which includes an evaluation of organoleptic and structural properties and ends with evaluation and approval by the marketing department.





## INVESTMENT IN RESEARCH AND INNOVATION

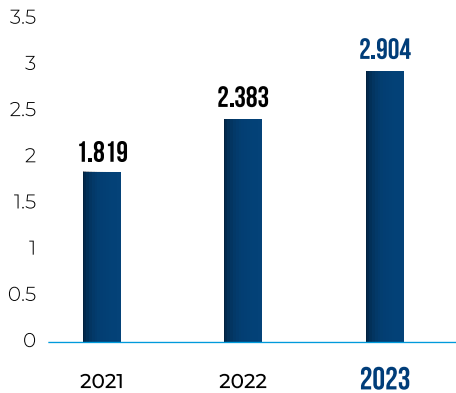
Sammontana invests heavily in the development of new products.

Specifically, total R&D and innovation costs (relative to personnel) recorded an upward trend over the three-year period 2021–2023. The 2021 figure is entirely attributable to the Covid-19 pandemic, which saw a slowing compared to previous years. Over the years, there has been a progressive increase in investment, as demonstrated by the increase from € 1.819 million in 2021 to € 2.383 million in 2022, and then € 2.904 million in 2023 (Fig. 13).

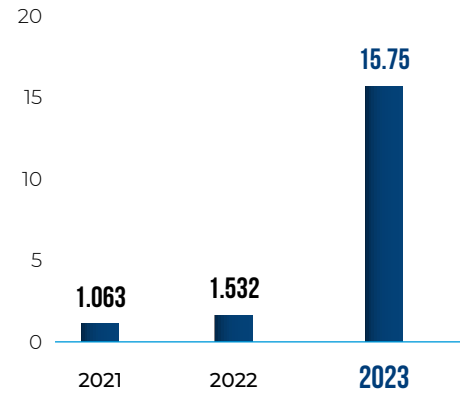
The costs of assets<sup>1</sup> (machinery, plant, know-how, etc.) supporting innovation follow a similar trend over the three years: there is a slowing in investments due to the pandemic in 2021, with a recovery in 2022. In fact, in 2021, investment in R&D and Innovation totalled € 1.063 million.

In 2022, the spend was € 1.532 million and rose again to € 15.750 million in 2023, primarily due to development of the new Gruvi range (Fig. 14).

**FIG. 13 | INVESTMENT IN R&D AND INNOVATION (MILLIONS OF €) - PERSONNEL**



**FIG. 14 | INVESTMENT IN R&D AND INNOVATION (MILLIONS OF €) - ASSETS**



<sup>1</sup> Investment figures for assets are net of any decreases. Therefore, investments disposed of within the same year are not considered.







**GOVERNANCE**

## 2. GOVERNANCE

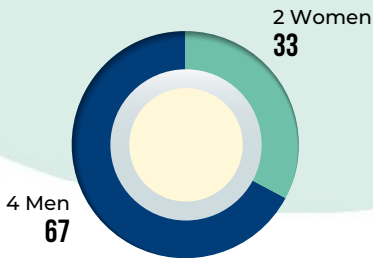
Sammontana's governance system is made up of the Board of Directors, the Board of Auditors, the Shareholders' Meeting, the Executive Committee and the Supervisory Body.

### Sammontana became a Benefit Corporation in 2023.

In 2024, in accordance with the regulatory requirements under the new Bylaws, the first Impact Report will be prepared and the company will disclose the score obtained for the *Benefit Impact Assessment* (<http://bimpactassessment.net/>), which uses a scale from 0 to 200 points.

Sammontana aims to pursue B Corp certification in 2024.

FIG. 15 | COMPOSITION OF BOARD OF DIRECTORS, 2023 (%)



### 2.1 THE GOVERNANCE SYSTEM

#### A. BOARD OF DIRECTORS

The Board of Directors (hereinafter BoD) is in charge of the ordinary and extraordinary management of Sammontana and is responsible for defining the guidelines for strategic plans, assessing the general operational performance and verifying the adequacy of the organisational, administrative and accounting structure.

The current BoD consists of six members, including two women (33%) over the age of 50, and four men (67%), one aged between 30 and 50, and three over the age of 50 (Fig. 15).



Each branch of the Bagnoli family has two seats on the BoD and one seat on the Executive Committee. (Table 2).

**TABLE 2 - EXECUTIVE COMMITTEE**

Member	Role in Sammontana
Loriano Bagnoli	Chairman of the Board of Directors
Marco Bagnoli	Vice-Chairman of the Board of Directors and Member of the Executive Committee
Leonardo Bagnoli	Chief Executive Officer and Member of the Executive Committee
Paola Bagnoli	Member of the Executive Committee
Francesca Bagnoli	Director
Carlo Mazzi	Director

## B. BOARD OF AUDITORS

Sammontana's Board of Auditors is the auditing body responsible for supervising and verifying the adequacy of the company's organisational, administrative and accounting structure, as well as carrying out inspections and audits. It consists of five auditors, one of whom is female. (Table 3).

**TABLE 3 - BOARD OF AUDITORS**

Member	Role
Carlo Sarra	Chairman
Antonio Guido Falchi Picchinesi	Standing Statutory Auditor
Andrea Taddei	Standing Statutory Auditor
Chiara Masi	Alternate Auditor
Luigi Franceschi	Alternate Auditor

## C. SHAREHOLDERS' MEETING

The Shareholders' Meeting appoints and dismisses the Directors, appoints the Auditors and the Chairman of the Board of Auditors, approves the Annual Financial Statements, and determines the remuneration of the BoD and of the Board of Auditors.

## D. EXECUTIVE COMMITTEE

The Executive Committees monitor the progress of the strategic plans approved by the BoD or specific steering committees. Each Executive

Committee is composed of certain members of the BoD and Heads of Departments, according to the committee's focus.

## E. SUPERVISORY BODY

Sammontana's Supervisory Body (hereinafter SB) is the body entrusted with the task of ensuring and supervising the correct implementation of the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01.

Specifically, the SB ensures compliance with the Code of Ethics by informing the BoD of any reports of violations, and contributes to the periodic review of the Code of Ethics itself, submitting specific proposals.

Members of the SB are appointed and selected by the BoD according to requirements of autonomy, honour, independence, professionalism and continuity. These qualities and compatibility for office are jointly attested by the Chairman of the BoD and the Chairman of the Board of Auditors.

The SB can consult with the governance bodies and their members, employees, other personnel and third parties acting on behalf of Sammontana.

All parties are obliged to offer their utmost cooperation to the body in order to facilitate the performance of its functions.

## F. DELEGATED DEPARTMENTS AND ORGANISATIONAL STRUCTURE

To the extent permitted by law, the BoD has resolved to delegate all powers to the Chief Executive Officer, who, in turn, has delegated them to the executives within the limits of applicable laws. The Directors delegated possess all the requirements of professionalism and experience to perform the specific roles entrusted to them by the BoD and coordinate an adequate functional and hierarchical organisational structure, aimed at performing the operational duties outlined by the same management.



## 2.2 SUSTAINABILITY GOVERNANCE

For a number of years, the Bagnoli family and Sammontana has recognised the need to respond to sustainable development issues along its supply chain. With this goal, Sammontana has accepted the challenge set by Europe to contribute, as a *non-party stakeholder*, to a conscious and equitable ecological transition — respecting the principles of interdependence between human beings and the environment to which they belong — through economic management of the common good.

In addition to the foundational documents underlying the Sustainability Strategy, based on three pillars<sup>2</sup>, the company has adopted the regulatory obligations upon Benefit Corporations, aimed at the reporting and pursuit of five common-benefit aims, arising from interpolation of the guiding principles of Sammontana's sustainability strategy and its purpose.

For this reason, Sustainability Governance in 2023 saw a shift in terms of structure:

- **The BoD** approves the guidelines of the Company's sustainability path, ensuring that it is fully aligned with Sammontana's identity and the Sustainable Development Goals identified as achievable for Sammontana, and the company's strategic plans.
- **The Sustainability and Environment Executive Committee** monitors the progress of the strategic plans



approved by the BoD. This is made up of three members (one from each branch of the Bagnoli family), the Sustainability Manager, the Industrial and Environmental Director and the Environmental Manager. It meets at least once a year and participation is open to all Departments.

- **Impact Managers** are charged with functions and duties aimed at the pursuit of common-benefit aims. The positive impact generated by Sammontana is measured using the *B Impact Assessment* standard. The report on the pursuit of common benefit is prepared by the Impact Managers and published on Sammontana's website.

Impact Manager roles are fulfilled by the Sustainability Manager and the CFO.

<sup>2</sup> Inspiration, Values, Purpose, Vision and Mission: govern and inspire the path, in line with corporate identity; the 17 Sustainable Development Goals (SDGs): Sammontana identifies 9 of these to which it contributes directly and which are set out within the company strategy; and the European Green Deal and its Farm-to-Fork strategy.

• **The Sustainability Steering Committee**, coordinated by the Sustainability Manager, is informed on strategy and sometimes involved in the corresponding decision making. The CEO and representatives of the following functions sit on the Steering Committee: the Impact Managers, the Industrial and Environmental Department, the Marketing Department, the R&D, Innovation & Quality Department and the Human Resources Department. The Head of Institutional and Commercial Relations and the Head of Internal Communication also participate. Based on the issues requiring decisions to be made, other departments (Legal, Safety and Commercial) may also be involved where called upon. The committee meets quarterly with the task of

understanding, sharing and, in some cases, approving the proposals of the Sustainability and Impact Managers.

- **The Donations, DEI (Diversity, Equity and Inclusion) and Internal Communication committees** play an active role with regard to the social and/or environmental issues they are associated with:
  - monetary and product donations and sponsorship with social and environmental implications
  - diversity, equity and inclusion
  - internal communication, with the aim of promoting and enhancing a sense of belonging and corporate citizenship.

These committees interact with the Steering Committee and the Impact Managers.

## NEXT STEPS

In the closing months of 2023, it was decided to create a group of Sustainability Ambassadors. This group, made up of members from all areas of the company, will receive in-depth training in 2024 on the five common-benefit aims and their underlying principles, enabling them to become disseminators of sustainability, both within the organisation and externally.



## 2.3 ETHICS AND INTEGRITY

### 2.3.1 ORGANISATIONAL MODEL

Recognising the need to disseminate and consolidate a culture of transparency and integrity, and acknowledging the importance of ensuring business and company activities are conducted properly and fairly, to safeguard its own position and image and meet the expectations of shareholders and contractual counterparties, Sammontana implements an Organisation, Management and Control Model as defined by Italian Legislative Decree no. 231/01. The main objective of the Model is to establish a structured and organic system of procedures and audit activities to prevent inappropriate conduct.

One of the most important steps for implementation of the model is the *risk-assessment* phase. This feeds into a performance appraisal and focuses on the correspondence between the tasks and responsibilities set out in company organisational charts and the activities actually performed.

The following form essential core components of the Model:


- the Code of Ethics
- the disciplinary system
- the Bylaws and Supervisory Body regulation
- organisational procedures and internal protocols
- the Model's training and communication plan.

The BoD is responsible for decisions regarding adoption of the Model and subsequent amendments and additions, whether substantive or merely formal. The Supervisory Body, which is independent and appointed by the Board of Directors, has the task of supervising the effective and proper functioning of the Document itself. The SB, therefore, by means of periodic reports summarising its activities, informs the BoD of any critical issues in the context of Italian Legislative Decree 231/2001 and recommends improvement actions where necessary, in order to ensure the Model is upheld. After acquiring and evaluating information from the SB, the BoD may decide to refine the Model, assigning tasks to the relevant Company Departments, which will handle updating and dissemination.

### 2.3.2 CODE OF ETHICS

The Code of Ethics sets out the ethical values and principles of conduct underlying Sammontana's activities, in line with the common-benefit aims pursued as a Benefit Corporation, with the firm belief that ethics and sustainability in business are objectives that go hand in hand with the success of the company's operations.

The principles of conduct and guiding values described in the Code of Ethics express the ethical commitments and responsibilities assumed by all those who, in various capacities, work to achieve the Company's goals, including owners of capital, employees, other personnel, external consultants,



suppliers, customers and, more generally, everybody acting to further achievement of the corporate purpose.

The Code of Ethics contains:

- **guiding values and general criteria for conduct** addressed without distinction to all those who, in various capacities, work to achieve the Company's goals (compliance with laws and regulations, rejection of any form of discrimination, valuing of human resources and protection of individual personality, protection of corporate assets, and protection of the environment)
- **criteria for conduct** in relations with key stakeholders, such as employees, government bodies, customers and suppliers
- **methods for implementation** of the principles set out in the Code of Ethics and monitoring of compliance and observance of the Code of Ethics.

The Code of Ethics is addressed to the Company, directors, auditors, employees, other personnel, freelancers, consultants, shareholders, business partners and, more generally, everybody acting, in various capacities, to further achievement of the corporate purpose. All those to whom the Code of Ethics is addressed must observe and enforce the ethical values and conduct set out therein.

Sammontana undertakes to disseminate the Code of Ethics, using appropriate means of communication and company tools, including the website ([www.sammontanaitalia.it](http://www.sammontanaitalia.it)), meetings, personnel training and the company intranet.

The Company, partly on the basis of indications from the Supervisory Body, prepares and executes a permanent training plan aimed at ensuring awareness of the principles and ethical standards set out in the Code of Ethics.

Training initiatives are differentiated, depending on the role and responsibility of participants. A special training programme illustrating the contents of the Code of Ethics, which they must observe, is provided to new employees.

Each individual, especially management, has the responsibility to include the contents of the Code of Ethics in training programmes and to refer to it in all company procedures, policies and guidelines.

The Code of Ethics expressly prohibits any conflict of interest between personal and family economic activities and duties held within the Company. Anyone who finds themselves in a situation of conflict of interest with the Company, including through a close relative, is required to inform their superiors or company contacts and the Supervisory Body without delay. Individuals will respect the decisions taken by the company in this regard. Those to whom the Code of Ethics is addressed, in the event of a conflict of interest, must refrain from participating, directly or indirectly, in any decision or deliberation relating to the matter which the conflict regards.

The Supervisory Body monitors compliance by suggesting appropriate updates, including on the basis of information flows and reports

submitted through the Company's whistleblowing platform.

Anyone who becomes aware of a violation of the principles of the Code of Ethics and/or operating procedures contained in the Organisational Model or the internal audit system generally, is required to submit a report through the Company's whistleblowing platform, adopted pursuant to the "Whistleblowing Decree".

In accordance with the Whistleblowing Decree, Sammontana has established its own internal whistleblowing platform, accessible via the following link <https://sammontanaitalia.integrityline.com/>, and has appointed a Whistleblowing Manager to receive and manage such reports.

The procedure to manage internal reports, i.e. the requirements and methods for collecting, managing and filing them, the prerequisites for making external reports, and the information flows between the Whistleblowing Manager, appointed by the Company, and the other corporate bodies/functions which, depending on the type of report, may be involved in its management, are governed by the Whistleblowing Procedure, attached to the "231" Organisational Model.


## VERIFICATION AND REDUCTION OF NEGATIVE IMPACTS

Sammontana ensures constant dialogue with inspection bodies to mitigate and reduce potential negative impacts.

Following any reports from third-party authorities, a dialogue is always established between the company and the inspection body aimed at defining necessary changes and additions.

Depending on the nature of the impact, the person in charge of managing this may be: the Environment Director, the Safety Director or the Facility Manager, who, coordinating with the company's top management, take action to remedy negative impacts.





In the event of reports of violations of the Code of Ethics with impacts relevant in the context of the “231” Decree or “231” Organisational Model, the Whistleblowing Manager shall involve the Supervisory Body so that the latter may assess the facts and organise the necessary investigations, also with the support of the Company’s audit functions, in full compliance with the confidentiality and data-protection obligations set out in articles 12 and 13 of the Whistleblowing Decree.





## REMUNERATION

Remuneration of directors and board members is determined by the Shareholders' Meeting. All members are entitled to fixed remuneration.

The pay gap is calculated as the difference between the pay level of the highest earning employee and the average annual pay of all other employees.

From 2020 to 2022, the pay gap had decreased, while it increased in 2023 (Table 4).

**TABLE 4 - ANNUAL TOTAL REMUNERATION RATIO**

Annual total remuneration ratio	2021	2022	2023
Percentage increase in the average annual remuneration of the highest earning employee	0%	0%	35.75%
Percentage increase in the average annual remuneration of all employees excluding the highest earning employee	1.27%	1.63%	5.13%
Remuneration ratio (between the pay of the highest earning individual and the median pay of all employees)	6.27	6.17	7.96
Comparison of rates of remuneration increase	-	-	0.14





## 2.4 MATERIALITY ASSESSMENT AND STAKEHOLDER ENGAGEMENT

Sammontana carried out its first materiality assessment in 2022 and **plans to perform a double materiality assessment in 2024.**

The analysis involved a stakeholder engagement activity aimed at understanding views on economic, governance, environmental and social issues and based on the methodology defined by *AccountAbility* in the "AA1000 2015 Stakeholder Engagement Standard (SES)" and the 2021 GRI (*Global Reporting Initiative*) Standards.

Identification of the stakeholder categories to be involved was performed via an initial desk analysis of key company documents, through management involvement and considering relevance to each business area. During the evaluation process, management considered three characteristics identified by Standard AA1000: dependence, influence, and opportunity for action.

At the end of the identification and validation phase, Sammontana engaged with 441 stakeholders belonging to the categories listed below.

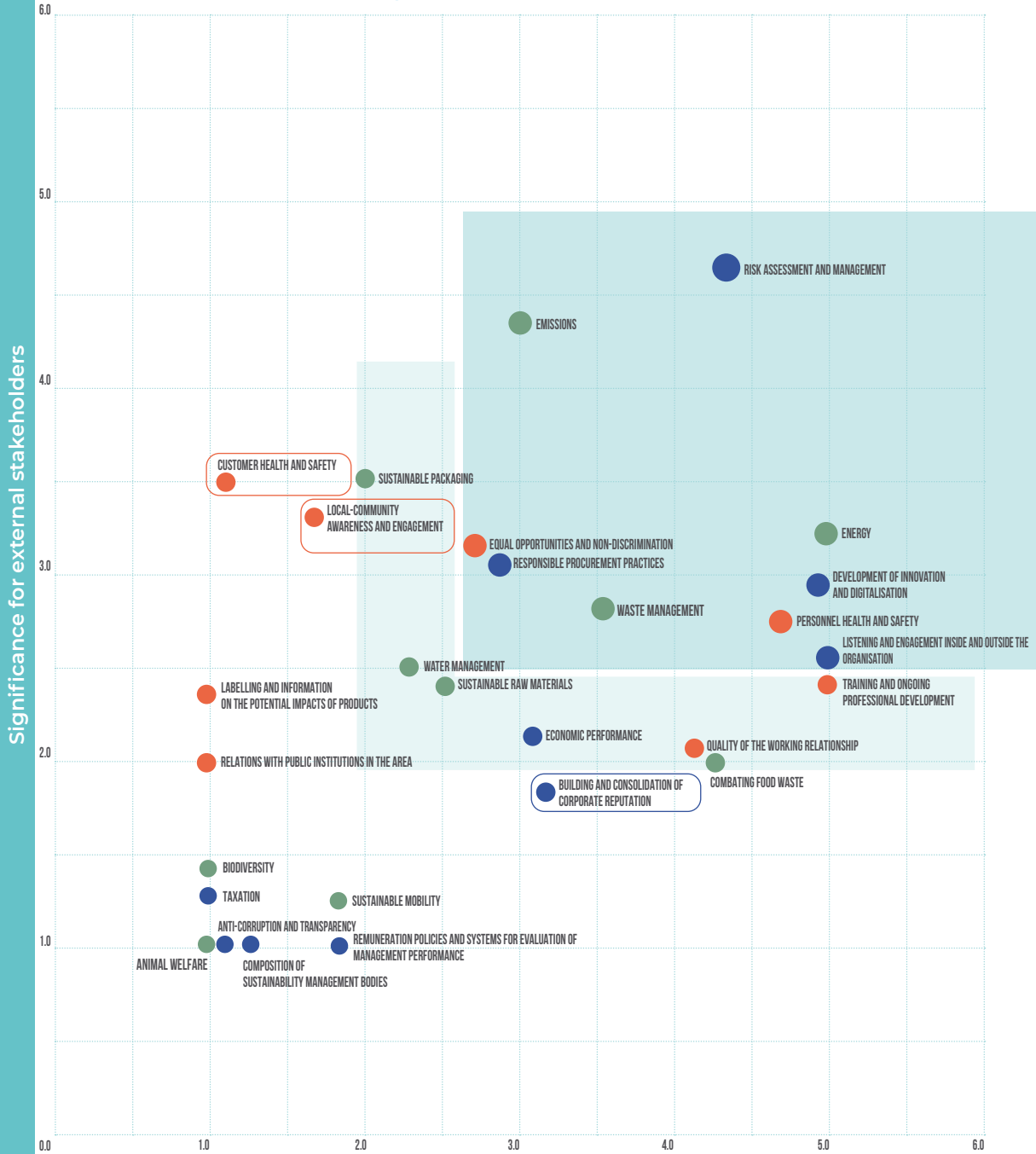
- **Sammontana personnel:** Safety Department, Human Resources Department, Administration, Finance, Audit and IT Department, Legal Department, Research & Development - Innovation and Quality Department, Industrial and Environmental Department and General Sales Department.

- **Customers:** large retailers, agents and direct sales outlets.
- **Suppliers:** raw materials, packaging, finished products, cold storage, services and consulting.
- **Local communities:** food banks, sports communities, communities supporting local services and non-profit organisations.
- **Administrative institutions:** municipal, regional, ministerial, consortia and Confindustria industrial confederations.
- **Universities and research centres.**
- **Other stakeholders:** auditing centres, certification bodies and associations.


Using an online questionnaire-based survey, stakeholders were consulted on a series of sustainability issues representing potential material topics for the company, according to economic, governance, environmental and social classification. Each stakeholder was invited to evaluate and select the most significant core issues in relation to Sammontana.

The responses of stakeholders who participated in this engagement activity were then mapped onto a numerical scale. This enabled clear identification of material topics for the different categories of interests and definition of the materiality matrix, which draws on the views of Sammontana (internal stakeholders) and external stakeholders (*Fig.16*).

FIG. 16 | MATERIALITY MATRIX



● ENVIRONMENTAL TOPICS ● SOCIAL TOPICS ● ECONOMIC AND GOVERNANCE TOPICS



The x-axis indicates the level of relevance attributed to topics by Sammontana personnel, while the y-axis indicates the level of relevance attributed by suppliers, customers, institutions, local communities, universities and other external stakeholders. The most important topics are located further from the origin for both axes, and the top-right-hand quadrant of the matrix contains those of greatest importance.

The topics included in area 2.5–5 are perceived to have a high level of importance for both Sammontana and its external stakeholders. Given their significance, these issues are considered a priority for sustainability reporting. Sammontana has chosen to expand this area to include topics in the area 2–2.5, recognising the priority that the sector gives to these topics, and their significance for the company's strategic positioning. Finally, three other topics were classified as material. Although not included within the aforementioned areas, these were identified as important on the basis of the type of material topic and significance attributed by the stakeholder category.

The topics of **Energy and Emissions** were considered particularly significant. Other environmental aspects related to the *food and beverage* industry also emerged as significant: the **Fight against food waste** was perceived as paramount in terms of its:

- environmental and economic contribution, which can be guaranteed by limiting the consumption of raw materials,

recovery of processing by-products and streamlining of production

- social contribution, through donation of near-end-of-life products.

Issues related to **Waste Management** and **Water Management** are also highly important. The industry has a significant water footprint and efficient and effective waste management remains one of the major challenges. Other material topics include **Sustainable Raw Materials** and **Sustainable Packaging** considering the amount of recycled content and recyclability of resources.

With regard to social issues, the most important topics are **Personnel Health and Safety, Personnel Training and Refresher Courses, and Quality of Labour Relations**. Other material topics include **Diversity, Equal Opportunities and Non-Discrimination, Local-Community Awareness and Engagement** and **Customer Health and Safety**.

With regard to economic and governance issues, the topics of greatest importance are **Risk Assessment and Management, Development of Innovation and Digitalisation** and **Responsible Procurement Practices**. These topics are perceived as highly strategic for the sector and as key issues to cover in the Sustainability Report. Other material topics include **Listening and Engagement Inside and Outside the Organisation, Economic Performance** and **Building and Consolidation of Corporate Reputation**.

## 2.5 RISK ASSESSMENT

Sammontana has analysed the real and potential risks associated with manufacturing of its products in strategic areas of operations and the Company works to ensure economic, environmental and social risks are measurable, in order to assess not only direct risks, but also those within the supply chain and take appropriate measures to mitigate them.

To this end, in 2023, together with its business partners, it co-created a code of conduct. This was followed by a questionnaire for suppliers, aimed at evaluating them based on a set of ESG indicators, starting from the first level and moving throughout the entire value chain.

More details of this initiative can be found in Section 5 of this document, as well as in the Impact Report.

Through this activity, Sammontana intends to manage the direct, potential negative effects of its activities, taking into account both human rights and environmental risks, such as water pollution or greenhouse gas emissions, which can, in turn, also have a negative impact on human rights.

The analysis is intended to cover all stages of the value chain, from extraction of raw materials to manufacturing of the finished product.





The following risk categories have been identified:

• **Social Risks**

- **Child labour:** employment of school-age children in hazardous working conditions
- **Forced labour:** human trafficking, coercion, threats, withholding of wages (or part of them) at source or financial pressure such as through high agency fees for labour contracts
- **Insufficient workers' rights:** wages below subsistence level, damage to health due to lack of safety in the workplace, restrictions on freedom of association, inhuman working hours, discrimination, harassment or abuse in the workplace
- **Discrimination:** abuse or unequal treatment based on gender, sexual orientation, ethnic/national origin or religion

• **Environmental risks**

- **Climate:** vulnerability due to adverse impacts of climate change
- **Water risk:** water shortages, lack of access to water supply and water pollution
- **Land use and deforestation:** deforestation of forest areas in favour of other uses and habitat loss
- **Biodiversity:** loss of ecosystem services and its variety and variability.



The major social and environmental risks for the raw materials used by Sammontana, in relation to possible countries of origin, are modelled on the basis of international risk indices.

The raw materials currently identified as at risk and which are therefore subject to mitigation initiatives are:





## COCOA

SOCIAL RISKS

- Child labour:**  
Ivory Coast, Ghana and Nigeria
- Forced labour:**  
Ivory Coast, Ghana and Indonesia
- Workers' rights:**  
Brazil, Ivory Coast and Indonesia
- Discrimination:**  
Ivory Coast, Ghana and Indonesia

ENVIRONMENTAL RISKS

- Climate:**  
Dominican Republic and Nigeria
- Water risk:**  
Brazil, Ghana and Nigeria
- Land use and deforestation:**  
Brazil, Ecuador, Ivory Coast and Ghana
- Biodiversity:**  
Ivory Coast, Ghana and Indonesia

**Mitigation activities:** UTZ certification since 2016 and Rainforest Alliance certification since 2022, and currently all cocoa powder purchased is Rainforest Alliance mass balance or Fair Trade certified.

## COFFEE

SOCIAL RISKS

- Child labour:**  
Ethiopia and Colombia
- Forced labour:**  
Ethiopia, Indonesia and Colombia
- Workers' rights:**  
Brazil, Guatemala and Indonesia
- Discrimination:**  
Ethiopia, Honduras and India

ENVIRONMENTAL RISKS

- Climate:**  
Brazil, India and Vietnam
- Water Risk:**  
Brazil, Indonesia and Vietnam
- Land use and deforestation:**  
Brazil, Indonesia and Colombia
- Biodiversity:**  
Indonesia, Honduras and Vietnam

**Mitigation activities:** Since 2019, part of the coffee used in our products has had Rainforest Alliance segregated certification. In 2023, the certified share represents 25% of the total.

## PALM OIL

SOCIAL RISKS

- Child labour:**  
Ivory Coast and Nigeria
- Forced labour:**  
Indonesia, Malaysia and Thailand
- Workers' rights:**  
Indonesia, Colombia and Malaysia
- Discrimination:**  
Guatemala, Indonesia and Papua New Guinea

ENVIRONMENTAL RISKS

- Climate:**  
Indonesia, Malaysia and Thailand
- Water risk:**  
Indonesia, Nigeria and Thailand
- Land use and deforestation:**  
Indonesia, Malaysia and Thailand
- Biodiversity:**  
Ecuador, Indonesia and Papua New Guinea

**Mitigation activities:** Since 2016, Sammontana has renewed its RSPO certification and from 2019 all palm oil used in pastry products has RSPO Mass Balance certification. Ice cream production has excluded use of this raw material.

## CELLULOSE

SOCIAL RISKS

- Child labour:**  
China, Indonesia and Russia
- Forced labour:**  
China, Indonesia and Russia
- Workers' rights:**  
Brazil, China and Indonesia
- Discrimination:**  
Brazil and Indonesia

ENVIRONMENTAL RISKS

- Climate:**  
Japan, Canada and USA
- Water risk:**  
Brazil, China and USA
- Land use and deforestation:**  
Brazil, China and Indonesia
- Biodiversity:**  
Indonesia, Canada and Russia

**Mitigation activities:** Since 2021, Sammontana has been using FSC-certified paper packaging for its iconic Barattolino products.







**SUSTAINABILITY  
STRATEGIES**

### 3. SUSTAINABILITY STRATEGIES

For a number of years, Sammontana has recognised the need to respond to the challenges of sustainable development in the value chain, making commitments and setting goals on the basis of national and international guidelines, including the *UN 2030 Agenda*, the *EU Green Deal* and the *Farm-to-Fork strategy*.

The Sustainability Strategy was designed on the basis of these commitments, based on Three Pillars.

#### 3.1 THE FOUNDATIONAL DOCUMENTS

Since 2016, Sammontana has been working in pursuit of the goals of the *2030 Agenda*, founded on integration of the three dimensions of sustainable

development: environmental, social and economic.

Since 2020, in pursuit of the objectives of the *European Green Deal*, Sammontana has fully adopted the *Farm-to-Fork* strategy for a fair, healthy and environmentally friendly food system, aimed at:

- ensuring sustainable food production
- ensuring access to food by promoting equity in the supply chain
- driving sustainable food processing and distribution
- promoting healthier and more sustainable diets, reducing wastage and food waste, and combating fraud throughout the food supply chain.



### 3.2 SAMMONTANA'S THREE PILLARS OF SUSTAINABILITY

On the basis of the European context and the commitments undertaken, **Sammontana has defined its own strategy** aimed at pursuing and complying with the objectives defined in the field of sustainability. This is **built on three pillars** that bring together economic, social and environmental aspects.



**The first pillar focuses on development of activities that target human beings, their health, the right to food, food security and their satisfaction and wellbeing.**

- **Nutrition, special nutritional requirements and a focus on wellbeing and satisfaction**  
Activities are geared towards qualitative and nutritional improvement of new products and progressive improvement of existing products, reviewing ranges and developing new products for “vulnerable” and “demanding” consumer targets, altering existing recipes, in line with characteristics of indulgence and satisfaction.

- **Animal Welfare**

The safety of the food chain is directly linked to animal welfare. Sources of stress and poor welfare conditions can result in an increased susceptibility to communicable diseases in animals, which can pose a risk to consumers. In this context, the company pays particular attention to:

**Poultry**, favouring use of eggs from free-range hens and progressively eliminating use of eggs from caged birds.

**Cattle**, including a commitment to Animal Welfare in suppliers' specifications.

This topic was also included within the basic practices required in the Code of Conduct, shared with all suppliers.

- **Combating food waste**

Activities are geared towards increasing the use of trimmings and by-products to promote a circular economy and, where possible, donating products approaching their minimum shelf life.

- **Caring for people**

Activities are geared towards making the Company an increasingly inclusive place and developing a sense of belonging, respecting diversity and people's rights, and promoting activities to connect with communities in places where the Organisation operates.



Filiera  
Sostenibili

**The second pillar focuses on ensuring economic, social and environmental sustainability throughout the value chain, rooted in the principle of interdependence.**

In terms of procurement, Sammontana recognises the importance of establishing certified sustainable supply chains. Attention has been focused on the supply chains with the highest levels of risk (cocoa, palm oil, coffee, etc.), those of materials (paper and plastic) and those considered key to creating the finished product.

In accordance with the principle of interdependence, Sammontana participates in and promotes co-creation, co-design and stakeholder-analysis activity.





**The third pillar has a purely environmental focus, aimed at reducing the environmental impact through progressive decarbonisation.**

Activities are geared towards:

- Promoting **Circular-Economy** solutions and, where possible, **harnessing** waste, as a primary resource to be rationalised, promoting **reuse** and **reducing wastage**.
- Promoting **energy efficiency** and **renewable energy**.
- Measuring carbon emissions and implementing a strategy to **reduce them to the absolute minimum levels**.

Data and information on the following pages have been prepared according to the Three Pillar structure.









**4**

**PILLAR 1  
HEALTH AND WELFARE**

## 4. PILLAR 1 HEALTH AND WELFARE

The first pillar focuses on development of activities that target human beings, their health, the right to food, food security and their satisfaction and wellbeing.

### 4.1 CONSUMER HEALTH AND WELLBEING

#### 4.1.1 NUTRITION, FOOD AND WELLBEING

R&D activity has been constantly focused on product and packaging innovation, improving the organoleptic and qualitative characteristics of products and validating **new production technologies** considered as investments in process innovation.



The study, research and sampling of new raw materials and new materials for flexible packaging are also key, increasing visual appeal and functional standards, and mindful of the environmental impact.

The continuous application of specific methodologies, from market research to product concepts, and from product tests to panel tests on consumer samples, enables the Company to identify new consumer

trends and related opportunities to develop new products and appropriate line extension. This applies to both the Company's main core businesses: ice cream and frozen pastry products.





## ICE-CREAM

The goals of the ice-cream department's R&D team include **pursuit of qualitative and nutritional improvement of new products and progressive improvement of existing products without compromising on the pleasure associated with eating ice cream.**

Currently, the lines in the “wellbeing” ice-cream range are:

- **Amando Vegetal OK-certified dairy-free and gluten-free ice creams**

In 2023, the Amando range, made with almond milk and without cow's milk, features 10 products (3 for the bar & café channel and 7 for the large-scale retail trade channel). These include products in the categories of sticks, cones, sandwiches and tubs for take-away and sale by the scoop.

The range was created for consumers who, by choice or necessity, require products with specific nutritional characteristics due to milk and/or gluten intolerance or because they prefer a vegan diet.

- **Fruttiamo and Frutta & Verdura products**

The Fruttiamo and Frutta & Verdura range features a selection of 100% plant-based products made with fruit or fruit and vegetables.

The range currently features 16 products: 12 for the bar & café channel and 4 for the large-scale retail trade channel. Of those distributed through bars & cafés, eight consist of liquid preparations for drinks and slushies made with 100% plant-based ingredients and free from colourings, added sugars and flavourings.

In 2023, compared to 2022, no recipe changes were implemented for existing products.

- **Levia**

The Levia range features sugar-free ice lollies using the plant-based sweetener Stevia. Products are rich in fibre, fat-free and gluten-free.

Levia is currently sold through the large-scale retail trade channel and has two different types.

- **Products designed for children<sup>3</sup>**

In 2023, Sammontana introduced 5 new products for the bar & café channel that meet the relevant requirements.

<sup>3</sup> In 2020, Unione Italiana Food, in agreement with its ice-cream-company members, established nutritional constraints for products aimed at children, with values of less than 110 kcal and 12 g of sugar per portion.



## FROZEN PASTRY GOODS

For a number of years, Sammontana's Pastry division has been pursuing a **path of qualitative and nutritional improvement of existing recipes and new products**, offering solutions to meet the nutritional needs of "vulnerable" and "demanding" consumer targets, whilst maintaining characteristics of indulgence and satisfaction. In this context, R&D also implements actions aimed at progressively eliminating preservatives and colourings, reducing the number of ingredients and additives, and seeking simpler lists of ingredients.



Activity to improve pastry ingredient lists in 2023 is detailed below:

- Removal of the ingredient spraymalt: this project aimed to remove, where present, the dose of spraymalt from all doughs without affecting the quality of finished products.
- Pastry trim recovery project: The aim of this project was the unification of "puff" doughs to significantly reduce the amount of trimmings sent for disposal, without affecting the quality of the products involved.
- Reduction of egg yolk and elimination of milk powder for the "flaky" pastry product range.

Products in the **wellbeing range** of pastry goods for 2023 are:

- **MIDI Vegan Croissant**  
Unfilled croissant made with vegan dough, added to enhance the "hotel" product range. This product is certified by Vegan OK.





#### 4.1.2 PRODUCT QUALITY

Sammontana places great importance on consumer protection and safety: **100% of its products undergo an assessment of possible impacts on people's health and safety.**

The Sammontana Research & Development - Innovation and Quality Department includes:

- **Quality Assurance**

This unit supervises the entire production chain and works daily to enforce the stringent parameters and rules of the Sammontana Quality System. The latter consists of procedures, instructions and indicators to identify, analyse and prevent possible risks, fully incorporating GMP (*Good Manufacturing Practices*) and HACCP (*Hazard Analysis Critical Control Points*) standards. In addition, Sammontana has an internal auditing system implemented across the Ice Cream and Pastry divisions and implements continuous monitoring and periodic assessment of various quality indicators.

- **Research and Development**

This unit works on issues of product and process innovation in line with the company's strategy, in close contact with Marketing, Sales, Sustainability departments and the heads of production departments, and in consultation with internal Quality Assurance.

In 2023, the company performed more than 140 internal audits and received 30 third-party and customer audits, achieving top scores. More than 1,000,000 analyses on raw materials and packaging materials and more than 121,000 in-house analyses on finished products were carried out in 2023 to ensure the safety of production, in addition to organoleptic analysis of products by a professional in-house panel, trained in 2020.





The following is a summary of the various operations that took place in 2023 in Quality, Food Safety and Sustainability areas (*Table 5*).

**TABLE 5 - N° QUALITY AND SAFETY AUDITS/INSPECTIONS**

	Colognola ai Colli		Vinci	Empoli
	Pastry goods	Ice cream	Pastry goods	Ice cream
N° of hygiene inspections	12		12	12
N° hygiene inspections with cleaning-company representative	45	20	-	-
N° internal audits in accordance with BRC-IFS plans	32	47	32	32
N° Third-party BRC-IFS audits	1	1	1	1
N° third-party sustainability audits	1 (ISCC PLUS) 1 (RSPO)	1 (ISCC PLUS)	1 (ISCC PLUS) 1 (RSPO) 1 (RA)	3 (Rainforest Alliance, Fairtrade and ISCC PLUS)
N° other third-party audits		2 (AIC and Kosher)		2 (AIC and Organic)
N° external audits (customers)		3	2	8
N° of inspections by authorities (local health bodies, forestry police, etc.)	1	2	1	7
N° of in-house analyses of finished product	42,390	18,360	39,430	21,090
N° of in-house analyses of raw materials/packaging materials		> 1,000,000		
N° of external analyses	900	378 (analysis reports)	1,100	603 (analysis reports)
Hours of training provided to quality personnel (professional skills)		160		

Since 2019, the Colognola ai Colli facility has adopted the *lean manufacturing* approach of the SLIM (Sammontana *Lavorando Insieme Migliora* - Working Together for Improvement) project. In subsequent years, the approach was extended to the Vinci site, and has also involved the Empoli site since 2023.

With a view to product improvement, the company has implemented several production lines over the years to increase the quality of finished products in both the Ice Cream and Pastry divisions.

In 2023, there were no reports, withdrawals or product recalls and no fines or penalties were received for non-compliance concerning consumer health and safety.

Activities within the facilities are formalised through Quality System procedures. Involving all company functions, customers and suppliers, we work together to achieve the standards and objectives set.

**The effectiveness and efficiency of the Quality System is measured by considering the judgement of consumers and customers, on whom the improvement of product**

quality and the company's economic results depend, and through analysis of complaints and cases of non-compliance.

Production at the facilities is *Brand Reputation Compliance* (BRC) and *International Food Standard* (IFS) certified. BRC certification rated Sammontana's food-safety quality very highly. Since 2020, the Empoli and Cognola ai Colli facilities for ice-cream production have been AA+ certified. All three facilities are almost 100% IFS certified. The Empoli facility is also certified for the production of organic products (*Table 6*).

**TABLE 6 - BRC AND IFS STANDARDS AT SAMMONTANA FACILITIES**

International rules and standards	EMPOLI			VINCI		
	2021	2022	2023	2021	2022	2023
BRC	AA+	AA+	AA+	AA	A+	AA
IFS	98.65%	99.67%	99.00%	99.14%	97.03%	98.40%

International rules and standards	COGNOLA AI COLLI (PASTRY PRODUCTION LINE)			COGNOLA AI COLLI (ICE-CREAM PRODUCTION LINE)		
	2021	2022	2023	2021	2022	2023
BRC	AA	AA+	AA	AA+	AA+	AA+
IFS	99.22%	99.03%	99.01%	99.34%	98.35%	98.68%

### 4.1.3 ZERO WASTE

In synergy with the *Farm-to-Fork* Directive, Sarmontana has implemented a strategy based on various actions to limit and eliminate waste of raw materials and products.

In pursuit of this goal, Sarmontana takes action on:



#### 1. Optimisation of the raw-material ordering system

#### 3. Circular management of production “waste” (rework and trimmings)

#### 2. Optimisation of product shelf-life

#### 4. Donation of unsold products or those considered “imperfect” according to aesthetic quality criteria

#### 1. Optimisation of the raw-material ordering system

In order to avoid the deterioration of raw materials, and therefore avoid their non-use and wastage, Sarmontana acts at the source of the possible impact, establishing a **low stock level** and implementing **stock rotation**. In addition, Sarmontana has an **optimised ordering system** and **computerised tracking**, enabling it to keep track of all products and corresponding stock levels in the warehouse.

#### 2. Optimisation of product shelf-life

##### Ice cream

The cold chain requires complex management of product *shelf-life*. It is challenging to guarantee a shelf-life that is as long as possible, while at the same time avoiding deterioration of the product due to changes in temperature. For this reason, Sarmontana works to define **recipes** and use **raw materials that enable the product to withstand any temperature changes and critical conditions**, particularly during transport and following delivery.



### Pastry goods

Freezing of pastry goods makes it possible to guarantee a fairly long product *shelf-life* (7–12 months). However, the specific characteristics of the products, which are basically semi-finished products, being raw and “ready to bake”, means that ingredients must be carefully evaluated to ensure sufficient development in the oven, even weeks after initial production. For this reason, and with a view to reducing waste, Sammontana manages ingredients and the production process to optimise *shelf-life*.

### 3. Circular management of production waste

Sammontana takes every precaution to avoid the generation of “waste”, including expert planning of production and circular management of raw materials and semi-finished products: examples of this include ice-cream “rework” and reuse of pastry “trimmings” generated during the production process.

Ice-cream production generates a **low percentage of waste**. Some of this is recovered and managed as rework, with reprocessing of material for the production of new mixtures, following pasteurisation and careful consideration of the compatibility of ingredients to ensure food safety and organoleptic quality, respectively.

Similar to ice-cream rework, the use of puff-pastry trimmings also considers the compatibility of recipes for reuse in the production process, with a view to food safety, labelling and quality performance of the finished product.

In general, the percentage of reuse of pastry-production “waste” is higher than in ice-cream production.

Where it is not possible to utilise rework and trimmings in the production process, these products are delivered to biodigestion plants for the production of energy.

At the Colognola ai Colli plant, the percentage of reused pastry trimmings is 86.2%, while the figure for ice-cream rework is 55%. At the Empoli ice-cream production facility, the reuse rate is 44.3%. The pastry production facility in Vinci achieved a reuse rate of 69%. (Table 7)

**TABLE 7 - PERCENTAGE CALCULATION OF PRODUCTION RECOVERY, 2023**

<b>PRODUCTION SITE</b>	<b>TRIMMINGS/ REWORK PERCENTAGE</b>
Colognola ice-cream production	55%
Colognola pastry production	86.2%
Empoli	44.3%
Vinci	69%

Overall, considering all three facilities, the percentage of total reuse (both ice cream and pastry production) is around 63.5% (Table 7).

#### 4. Voluntary product donation initiatives

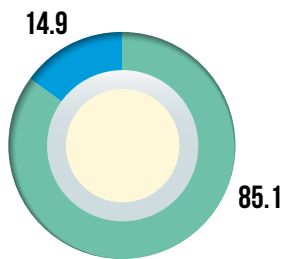
With a view to combating food waste, for several years Sammontana has paid particular attention to forms of **circular management of unsold products**, especially through donations to non-profit associations, increasing the proportion of products donated over the years, also on a voluntary basis. To this end, since September 2022, it has partnered with the **Regusto** platform to manage product donations.

The Regusto platform is the first donation management portal based on a sharing-for-charity model that uses blockchain technology to ensure transparency and traceability in the management of flows of goods

and products. Through the Regusto platform, Sammontana gets in touch with non-profit organisations to which it donates its products, digitising and tracking all flows for transparency.

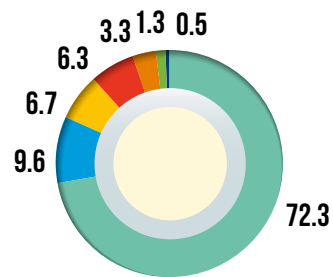
In 2023, the Company donated a total of more than 38 tonnes of food products, 85% of which were at risk of being wasted because they were approaching their minimum shelf life, divided variably between the categories of frozen products produced and/or sold under its own brands, and supporting five non-profit organisations.

#### TYPE OF DONATION



- At risk of waste
- Voluntary donation

#### CATEGORY



- Croissant
- Ice-cream multipacks
- Hamburgers
- Ice-cream tubs
- Potatoes
- Snacks
- Meals

Based on the tool developed by **Regusto**<sup>4</sup>, in accordance with ISO14040-44 standards, the donated product quota contributed to distribution of the equivalent of 76,615\* meals, avoiding 99,190 kg of CO<sub>2</sub> emissions, saving 61,969 m<sup>3</sup> of water and avoiding 4,585 m<sup>2</sup> of soil consumption.

The total economic value of the donated products is € 372,522.

# 38,308 Kg

*Total products donated in 2023*  
*Total surpluses + Voluntary donations*



\* 1 "meal equivalent" corresponds to a mix of 500 g of food according to LARN, Reference Intake Levels of Nutrients and Energy for the Italian population.

## 4.2 EMPLOYEE HEALTH AND WELFARE

### 4.2.1 EMPLOYEES

Looking after people has always been a key characteristic of the **Company**, which focuses its attention on employees and all people who come into contact with "the world of Sammontana".

In 2023, Sammontana and its subsidiary Transfrigo had 1,108 employees: this represents an increase of 5.82% compared to the previous year (1,047), and 10.58% compared to 2021 (1,002).



<sup>4</sup> Regusto's impact indices are developed in partnership with the Department of Civil and Environmental Engineering of the University of Perugia with reference to specific international standards. They are calculated utilising proprietary algorithms on each donation recorded on the platform and blockchain tracked/certified. In particular, for the calculation of environmental indicators, a specific LCA (Life Cycle Assessment) was carried out considering the different product categories that Regusto saves from ending up in the waste cycle. This process generates multiple environmental benefits (no waste of donated and recovered products, and avoidance of the production of new products).

Approximately 96% of the total number of employees over the three-year period are employed on a permanent contract. Of these, the percentage of people employed purely on a full-time basis was 97% in 2023, in line with the previous year. The remainder is made up of fixed-term employment relationships and part-time contracts. (Table 8)

**TABLE 8 - EMPLOYEES BY TYPE OF CONTRACT AND GENDER**

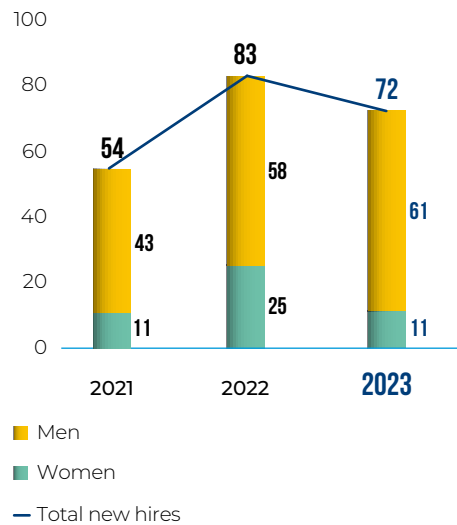
Breakdown of employees by type of contract	2021			2022			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Open-ended	686	297	983	711	313	1024	738	315	1053
Fixed-term	9	10	19	14	9	23	30	25	55
Full-time	686	266	952	722	297	1019	763	312	1075
Part-time	9	41	50	3	25	28	5	28	33

In 2023, considering the Empoli, Vinci and Cognola plants, Sammontana used 342 seasonal workers (310 in 2022, and 375 in 2021), during peak production periods, with a prevalence of workers hired on fixed-term contracts.

The following data excludes employees with a labour supply contract.

At 31 December 2023, 72 new employees had joined Sammontana, 11 of whom were women and 61 men, representing a decrease of 13.3% compared to 2022 and an increase of 33.3% compared to 2021. (Fig. 17)

**FIG. 17 | NEW RECRUITS BY GENDER, 2021, 2022 AND 2023**



Sammontana's recruitment policy is oriented towards intermediate and qualified figures, with a view to generational turnover. The breakdown of new hires by age group shows that

in 2023, 62.5% of employees fall into the 30–50 age group (45 individuals), 29.2% of personnel fall into the under-30 age group (21 individuals), and 8% are over 50 (6 individuals). (Table 9)

**TABLE 9 - EMPLOYEES HIRED BY GENDER AND AGE**

<b>New hires (headcount)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>&lt; 30 years</b>	<b>15</b>	<b>32</b>	<b>21</b>
Women	8	10	5
Men	7	22	16
<b>30-50 years</b>	<b>33</b>	<b>34</b>	<b>45</b>
Women	3	13	5
Men	30	21	40
<b>&gt; 50 years</b>	<b>6</b>	<b>17</b>	<b>6</b>
Women	0	2	1
Men	6	15	5

• **Positive Turnover Rate<sup>5</sup>**

Similarly, from 2022 to 2023 positive turnover decreased from 8% to 7%. Considering gender, the figure results

from an increase from 8% to 9% for men and a decrease from 8% to 4% for women. (Table 10)

**TABLE 10 - POSITIVE TURNOVER RATE BY GENDER**

<b>2021</b>			<b>2022</b>			<b>2023</b>		
<b>Women</b>	<b>Men</b>	<b>Total</b>	<b>Women</b>	<b>Men</b>	<b>Total</b>	<b>Women</b>	<b>Men</b>	<b>Total</b>
4%	6%	5%	8%	8%	8%	4%	9%	7%

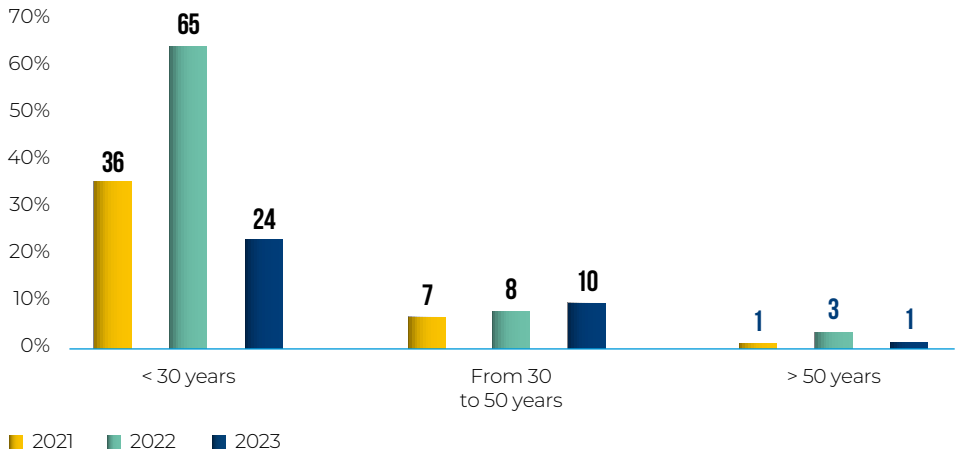
<sup>5</sup> Positive turnover shows the extent of inflows of new personnel.

This figure is calculated for each reporting year as: N° new employees hired/personnel on 1 January of the year.



Looking at the breakdown of the turnover rate by age group, in line with the targets for generational turnover, the highest percentage in 2023 is for under-30s, at 24%. (Fig. 18)

**FIG. 18 | POSITIVE TURNOVER RATE BY AGE GROUP**



A breakdown by age group and gender shows that in 2023 the under-30 age group had a turnover

rate of 16% for women and 29% for men. (Table 11)

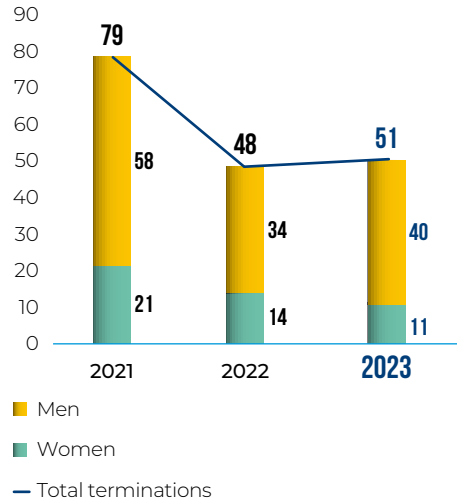
**TABLE 11 - POSITIVE TURNOVER RATE BY GENDER AND AGE**

Positive turnover rate	2021	2022	2023
<b>&lt; 30 years</b>	<b>36%</b>	<b>65%</b>	<b>24%</b>
Women	47%	45%	16%
Men	28%	81%	29%
<b>30-50 years</b>	<b>7%</b>	<b>8%</b>	<b>10%</b>
Women	2%	9%	3%
Men	10%	7%	13%
<b>&gt; 50 years</b>	<b>1%</b>	<b>3%</b>	<b>1%</b>
Women	0%	1%	1%
Men	2%	4%	1%

The number of terminations of employment relationships as at 31 December 2023 was 51, 11 of which for women and 40 for men. In 2023, the number of outgoing personnel remained virtually unchanged from the previous year and increased by only 6% compared to 2022. Of the total number of terminations, the proportion of women decreased from 29% in 2022 to 21.6% in 2023. (Fig. 19)

A breakdown of the number of terminations by gender and age group shows that in 2023 only 7.8% of the outgoing personnel (4 individuals) were in the under-30 age group, 41.2% in the 30–50 age group (21 individuals), and 51% were over 50 (26 individuals). (Table 12)

**FIG. 19 | TERMINATIONS BY GENDER, 2021, 2022 AND 2023**



**TABLE 12 - EMPLOYEES RESIGNED BY GENDER AND AGE**

Resigned (headcount)	2021	2022	2023
<b>&lt; 30 years</b>	<b>0</b>	<b>2</b>	<b>4</b>
Women	0	2	2
Men	0	0	2
<b>30-50 years</b>	<b>22</b>	<b>20</b>	<b>21</b>
Women	10	6	3
Men	12	14	18
<b>&gt; 50 years</b>	<b>57</b>	<b>26</b>	<b>26</b>
Women	11	6	6
Men	46	20	20

• Negative turnover rate<sup>6</sup>

Over the three-year period, the negative turnover rate decreased from 8% in 2021 to 5% in 2023. (Table 13)

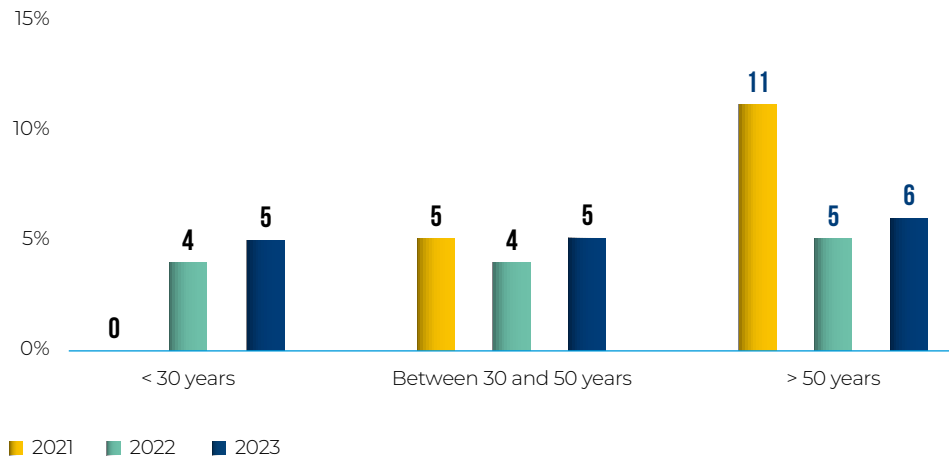
**TABLE 13 - NEGATIVE TURNOVER RATE BY GENDER**

2021			2022			2023		
Women	Men	Total	Women	Men	Total	Women	Men	Total
7%	8%	8%	5%	5%	5%	4%	6%	5%

In relation to age group, the highest negative turnover figure is for employees over 50, which is

determined not only by voluntary resignations but also retirements. (Fig. 20)

**FIG. 20 | NEGATIVE TURNOVER RATE BY AGE GROUP**



<sup>6</sup> Negative turnover provides a measure of outgoing employee mobility. This figure is calculated for each reporting year as: N° terminations/personnel on 1 January of the year.

Analysing the negative turnover rate according to gender and age group shows that for the under-30 age group, the highest rate is for women at 9% in 2022, while for the over-50

age group, the highest figure for the three-year period is for 2021, at 11%, more specifically 8% for women and 12% for men. (Table 14)

**TABLE 14 - NEGATIVE TURNOVER RATE BY GENDER AND AGE**

Negative turnover rate	2021	2022	2023
<b>&lt; 30 years</b>	<b>0%</b>	<b>4%</b>	<b>5%</b>
Women	0%	9%	6%
Men	0%	0%	4%
<b>30-50 years</b>	<b>5%</b>	<b>4%</b>	<b>5%</b>
Women	6%	4%	2%
Men	4%	5%	6%
<b>&gt; 50 years</b>	<b>11%</b>	<b>5%</b>	<b>6%</b>
Women	8%	4%	5%
Men	12%	6%	6%



In compliance with current regulations, all Sammontana employees, regardless of gender, may take parental leave (guaranteed in Italy by law). There is no disparity between maternity and paternity leave, encouraging a high personnel return rate. As can be seen from Table 15, the parental leave offered by Sammontana safeguards the career opportunities of employees (women and men) and encourages them to return to their jobs and remain with the company for up to 12 months after their leave.

**TABLE 15 - PARENTAL LEAVE**

Parental leave	2021			2022			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees who were entitled to and took parental leave (N°)	5	16	21	9	15	24	11	13	24
Employees who returned to work in the reporting period at the end of parental leave (N°)	5	15	20	9	14	23	11	12	23
Employees who returned to work at the end of parental leave and who were still employed by the company 12 months after returning to work (N°)	4	15	19	9	14	23	9	14	23

**TABLE 16 - RATE OF RETURN TO WORK AFTER PARENTAL LEAVE**


Parental leave	2021			2022			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Rate of return to work (%)	100%	94%	95%	100%	93%	96%	122%	86%	100%
Loyalty rate	80%	100%	95%	90%	100%	96%	-	-	-

### Initiatives for employees

Smart-working was introduced in 2022. Additionally, flexible working hours have been made available to all Sammontana personnel since January 2023.

Sammontana organises initiatives to promote corporate citizenship and a sense of belonging to the company, as a priority welfare issue.

In this context, in 2023 the Company implemented a series of employee dialogue and engagement initiatives, through implementation of an intranet platform to inform and enable employees to connect with life in Sammontana and get involved in its activities. The success of the platform (launched at the end of the year) will be monitored during 2024, by logging visits.



Sammontana has proposed cancer-prevention activities for its employees in 2023, as part of the “Wellness and Nutrition” strategic project. In this context, the Melanoma Prevention Campaign conducted eight public awareness and education days at Sammontana, aimed at raising awareness about melanoma, a type of skin cancer.

The company is a member of ALIFOND, the National Supplementary Pension Fund for workers in the food industry and related sectors. Approximately 35% of employees were signed up to the fund in 2023, marking an upward trend compared to previous years, and Sammontana covers its obligations under the plan using its own resources. As stipulated in the CCNL collective labour agreement, ALIFOND contributions are made up of a fixed component borne by Sammontana of 1.2% of the employee’s salary and a contribution deducted from their pay, which is chosen by the employee. In addition to this, there is an annual severance-pay (TFR) amount of 28.94% or 100% depending on the employee’s choice and date of hire. All workers are entitled to severance pay in the event of termination of employment.

For all executives and middle managers, long-term-care insurance cover is available, and executives also have access to a life-insurance policy. In addition to the life-insurance policy for executives, the CASSA VITA insurance policy covers all permanent employees (it does not cover fixed-term and/or seasonal contracts).

The company health fund is available for white-collar workers, middle managers and blue-collar workers at the Empoli and Vinci facilities.

For all employees, Sammontana guarantees **one extra day of parental leave** beyond the three days required by law, for the care of first and second-degree family members with serious health problems.

All employees can take advantage of discounts on the purchase of Sammontana products, the use of the company canteen with a minimal cost for the employee and a company car for those who need to travel.

#### 4.2.2 DIVERSITY AND INCLUSION

Sammontana’s **employee engagement strategy is built on principles of diversity, equity and inclusion**. This is reflected in the creation of a work environment rooted in principles of equal opportunity, regardless of differences in gender, religion, nationality, sexual orientation, social status, physical abilities or age.

Right from *talent-attraction* and *talent-acquisition* processes, Sammontana avoids discriminatory conduct towards candidates of both genders. This enables Sammontana to promote an inclusive culture within the organisation, through development of a flexible and current mindset.

Sammontana is committed to a set of actions to promote **equality between women and men in the workplace**,

based on the following principles:

- facilitating and promoting career paths and the quality of women's work
- fostering participation and rebalancing of women's positions in roles of responsibility (with a particular focus on female workers returning from maternity leave)
- improving work-life balance through the introduction of initiatives such as part-time working, flexitime, smart working and other mechanisms such as parental care and training leave, to safeguard the career opportunities of female employees
- considering skills and abilities without gender discrimination in the assignment of tasks.

Sammontana has established the role of **Gender Equality Officer**, in charge of raising awareness around gender equality and women's empowerment amongst management and personnel (of the group) through dedicated training sessions at least once a year within the "Diversity and Inclusion" training module.

Over the last three years, around 31% of total employees were female.

Looking at the breakdown of personnel by age group and professional category, in 2023, 44% of employees were in the 30-50 age group (490 individuals), 46% of personnel were over 50 years old (511 individuals), and 9.7% were in the under-30 age group (107 individuals), representing an increase on 2022 when only 91 employees were under 30. It should be noted that during the



three years there were no significant fluctuations in the composition of personnel by professional category.

In 2023, about 59% of the workforce was classified as blue-collar workers (651 individuals) and 36% of the workforce as white-collar workers (393 individuals), while middle managers and executives accounted for the remaining 5% (64 individuals).

"White-collar workers" is the professional category with the highest proportion of women (41%), followed by "blue-collar workers" (27%).

In 2023, the number of people belonging to vulnerable groups was 34.

**TABLE 17 - EMPLOYEE DIVERSITY IN 2023**

	Men				Women				Total
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	
Executives	0 0%	6 24%	18 72%	24 96%	0 0%	0 0%	1 4%	1 4%	25
Middle managers	0 0%	9 23%	29 74%	38 97%	0 0%	1 3%	0 0%	1 3%	39
White-collar workers	17 4%	108 28%	105 27%	230 59%	30 8%	99 25%	34 8%	163 41%	393
Blue-collar workers	52 8%	204 31%	220 34%	476 73%	8 1%	63 10%	104 16%	175 27%	651

**TABLE 18 - EMPLOYEE DIVERSITY IN 2022**

	Men				Women				Total
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	
Executives	- -	6 23%	19 73%	25 96%	- -	- -	1 4%	1 4%	26
Middle managers	- -	9 23%	28 72%	37 95%	- -	2 5%	- -	2 5%	39
White-collar workers	12 3%	105 29%	98 27%	215 59%	26 7%	93 25%	33 9%	152 41%	367
Blue-collar workers	45 8%	199 32%	204 33%	448 73%	8 1%	66 11%	93 15%	167 27%	615

**TABLE 19 - EMPLOYEE DIVERSITY IN 2021**

	Men				Women				Total
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	
Executives	- -	6 24%	18 72%	24 96%	- -	- -	1 4%	1 4%	25
Middle managers	- -	10 29%	24 69%	34 97%	- -	1 3%	- -	1 3%	35
White-collar workers	6 2%	109 30%	100 28%	215 59%	25 7%	88 24%	34 9%	147 41%	362
Blue-collar workers	30 5%	216 37%	176 31%	422 73%	4 1%	65 11%	89 15%	158 27%	580

**TABLE 20 - EMPLOYEE DIVERSITY: VULNERABLE GROUPS**

	2021			2022			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
White-collar workers	1 0.5%	1 0.7%	2 0.6%	0 0%	1 0.7%	1 0.3%	1 0.4%	0 0%	1 0.3%
Blue-collar workers	22 5%	6 4%	28 5%	26 6%	6 4%	32 5%	26 5.6%	7 4%	33 5.2%



### Remuneration Policies

Remuneration policies are an indicator of the company's support for gender equality, and at Sammontana there is near-absolute parity in

terms of both basic salary and remuneration, generating equality amongst female and male workers. (Table 21)

**TABLE 21 - RATIO OF AVERAGE BASIC SALARY (ABOVE) AND REMUNERATION (BELOW) OF WOMEN TO MEN BY EMPLOYEE CATEGORY**

	2021	2022	2023
<b>Ratio of average basic salary of women to men</b>			
Executives	1.00	1.00	1.00
Middle managers	1.00	1.00	1.00
White-collar workers	0.87	0.86	1.00
Blue-collar workers	0.94	0.95	1.00
<b>Ratio of average remuneration of women to men</b>			
Executives	1.14	1.14	1.19
Middle managers	0.92	1.01	1.06
White-collar workers	0.77	0.87	0.80
Blue-collar workers	0.84	0.86	0.92

During the reporting period, no instances of discrimination were reported. In the event of disrespectful treatment, workers can use the reporting channels provided by Sammontana, including the whistleblowing platform. An external service responds to reports, guaranteeing complete confidentiality on the part of Sammontana regarding the identity of whistleblowers, who will not be subject to any form of retaliation, discrimination or penalisation.

Doubling down on its commitment, Sammontana has introduced a Diversity, Equity and Inclusion (DEI) Committee.

This Committee is chaired by the Gender Equality Officer and its primary mission is to propose internal initiatives, launching new diversity projects and constantly tracking progress. The Committee connects with the Sustainability Steering Committee to share actions and progress in the implementation of programmes.

### 4.2.3 PERSONNEL TRAINING

#### Sammontana recognises personnel training as a primary and qualifying value underlying its operations.

The company invests in structured, continuous personnel training, devoting sufficient resources, tools, and time to ensure that all employees can perform their assigned duties efficiently and realise their professional potential.

Training ensures that personnel feel involved and empowered with regard to the behavioural objectives that Sammontana aims to achieve, with particular attention to Food Safety, Occupational Health and Safety, Data Processing Security and the principles of the Code of Ethics.

Additional training modules were added in 2023, focused on Human Rights in the Workplace, the principles of *Diversity and Inclusion*, and the common-benefit aims characterising the statutory commitment of Benefit-Corporation status and Sustainability, in line with ESG requirements.

Sammontana has made information and training tools available to its personnel, including access to “bitesize” training via the Intranet platform. Training sessions are organised in-house, making use of external support where necessary.

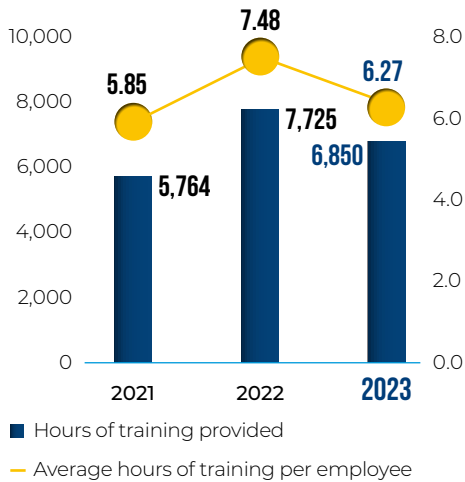
Training is assigned to groups or individuals, based on specific professional development needs,

with the aim of enhancing specific skills and maintaining professional expertise.

The institutional training plan ensures that each person receives adequate training both at the time of recruitment and at any subsequent professional transition, such as a change of role. The plan includes an ongoing training and awareness-raising programme.

**From 2021 to 2023, a total of 20,339 training hours were provided,** involving more than 80% of personnel annually. In 2023, an average of almost 6.3 hours of training were provided per employee. (Fig. 21)

**FIG. 21 | AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE**



**TABLE 22 A - AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE BY GENDER**

Average number of training hours	2021	2022	2023
Women	3.72	6.25	4.74
Men	6.81	8.03	9.96

**TABLE 22 B - AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE BY PROFESSIONAL CATEGORY**

Average number of training hours	2021	2022	2023
Executives	1.52	3.77	5.04
Middle managers	5.49	5.05	6.74
White-collar workers	3.34	5.47	3.82
Blue-collar workers	7.67	9.02	7.79

By upholding equal opportunities, a central pillar of Sammontana's way of doing business, all employees benefit from training, regardless of gender. Similarly, all professional categories are involved, with special emphasis on training for administrative employees and production and maintenance personnel.

In addition to personnel training to fulfil legal obligations on safety (Italian Legislative Decree 81/2008 art. 30) and Italian law 231/2001, training has been included on the company's sustainability path, along with DEI principles, Human Rights in the Workplace and the Code of Ethics.

All employees are guaranteed access to study leave as required by the relevant CCNL collective labour agreement. Employees are supported in their continued employment and retraining through shadowing activity.

In 2023, the performance and career development review system was introduced for some employees, indicated by percentage in Table 23. These figures will be monitored and reviewed annually..

**TABLE 23 - PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS**

	2023	
	N°	%
<b>By gender</b>		
Women	110	32%
Men	240	32%
<b>Total number of employees</b>	<b>350</b>	<b>32%</b>
<b>By category</b>		
Executives	25	100%
Middle managers	39	100%
White-collar workers	286	73%
Blue-collar workers	0	0%
<b>Total number of employees</b>	<b>350</b>	<b>32%</b>



#### 4.2.4 EMPLOYEE HEALTH AND SAFETY

Sammontana has long been committed to **ensuring a high standard of health and safety for all its employees working at the group's sites** (production facilities, branches and warehouses), especially during a phase of growth in production, increasing employee numbers, new lines and equipment and, therefore, greater general complexity compared to previous years.

To ensure adequate control of workers' health and safety in addition to compliance with mandatory regulations, since 2013, Sammontana has implemented a voluntary management system based on the OHSAS (*Occupational Health and Safety Assessment Series*) standard. This system covers all workers, whether permanent, seasonal or temporary, at the Empoli, Vinci and Colognola ai Colli facilities. The system is not certified, but Sammontana carries out regular internal audits.

In 2019, the Safety Department launched a project to review the Health and Safety Management System for all facilities. Organisational charts were revised for each plant and *job descriptions* were drawn up for supervisors and managers, defining their responsibilities in guaranteeing workplace safety. Once *job descriptions* have been defined, the Management System requires the sharing and signing of these documents by supervisors and managers of production departments and those connected with production. This activity has

been successfully completed at the Empoli and Vinci facilities, and work is in progress at the Colognola ai Colli facility.

Sammontana also revised the rules of conduct for second-level operations, and drafting of the management system manual and revision of procedures specific to first-level operations are underway.

The logistics hub in Montelupo, on the other hand, is managed differently, being made up of two separate areas, containing offices and the logistics area. At the offices with Sammontana personnel, the rules of the company management system are in force, and all criteria for identifying risks, carrying out training and managing health surveillance (pertinent to head-office employees) apply. The second area, on the other hand, is a logistics area where only third-party personnel work. Sammontana periodically supervises their activity to ensure compliance with health and safety requirements as contracted.

Sammontana brings the company's Code of Ethics and Code of Conduct to the attention of all parties with whom it has business dealings, and formally invites them to comply with current health and safety laws and regulations. Through the Code of Ethics and the Code of Conduct, Sammontana disseminates and consolidates a culture of safety rooted in prevention, developing risk awareness and promoting responsible behaviour by all to protect

people, whilst constantly seeking necessary synergies with suppliers and companies.

With regard to work contracted out to external companies, Sammontana first undertakes qualification of each external company that is to carry out activities, at its own premises. This is followed by a documentary check, in accordance with Title I and Title IV of Italian Legislative Decree N° 81/08 (Safety Consolidation Act) and in accordance with defined company procedures.

All interference risks are assessed and specific prevention and protection measures are defined, which workers must carefully observe.


The Risk Assessment Document (*DVR*) identifies workplace hazards and assesses the risks present at the Empoli, Vinci and Colognola ai Colli facilities. The main risk categories identified are: general risk, risk related to manual handling of loads and repetitive handling, risk from vibrations, risk from electromagnetic fields, chemical risk and risk of working in confined spaces.

During the years when Sammontana was dealing with the Covid-19 health emergency, the company set up a specific committee to manage cases of personnel who tested positive. This committee met weekly or twice monthly, based on how the pandemic was developing, and took various actions to safeguard worker health.

In order to eliminate dangers and minimise risks, after carrying out an analysis of accidents, injuries and near misses, Sammontana also performs periodic inspections using safety checklists to systematically gather any reports from workers and ensure that everything is in order.

The checklist covers seven areas:

- safety exits and passageways in departments
- chemicals
- behaviour of workers
- waste
- internal traffic
- behaviour of third-party personnel contracted to work in the department
- machine and equipment reports.



The different aspects to be checked are specified for each area. In the event that checks are failed, the person responsible for filling in the checklist must specify the problems identified for the element being checked, any hazardous conditions encountered, the solutions immediately adopted, and proposals for improvements. Once critical issues have been flagged and a level of urgency assigned (high, medium or low), a plan of activities is defined and the Safety Department prioritises actions to be taken.

To ensure the quality of hazard-identification and risk-assessment processes, Sammontana uses external consultants who are evaluated on the basis of submitted work projects, CV, professional experience and *problem-solving* skills.

The results of assessments are analysed considering the number of accidents, severity index, frequency index, accident analysis and level of worker satisfaction, with input from the Workers' Safety Representative (*RLS*). This data is used to systematically update Sammontana's safety improvement plan.

Workers can report dangers and dangerous situations in the workplace via the safety checklist and/or directly to the Prevention and Protection Service Manager (*RSPP*), who carries out daily inspections on the production premises.

The Service Manager meets periodically with the Workers' Representatives (*RLS*) to analyse reports received.

Meetings with Sammontana management, held two to three times a year, are attended by all Workers' Representatives. At the Vinci facility, meetings are also open to Trade Union Representatives (*RSU*).

Company policy prohibits any retaliation against workers who have made reports, and the role of the Manager and Representatives is also to prevent this.

In order to ensure worker health and safety, in the event of a situation that may lead to injury and/or represent an obvious risk, the individual must stop the activity in question.

In the event of accidents, injuries or near misses, the *RSPP* promptly analyses the hazards and risks causing the event and shares the findings with the Safety Department, which determines priority corrective actions.

A further measure to protect individuals involves pre-employment medical examinations for employees, aimed at verifying that there are no risks to their health at work. In addition, all workers periodically undergo health surveillance to protect their health in relation to occupational hazards, the working environment and how their work is carried out. In any case, general medical examinations are guaranteed at the request of the worker or the Safety Department where necessary and in the event of medical problems. The Workers' Safety Representatives safeguard workers and ensure that they are not subjected to any unfair treatment.

In order to maintain the confidentiality of health information, only the company doctor has access to workers' health records. In order to promote employee health, Sammontana has signed various agreements offering medical care at a reduced cost. In addition, during the safety training held at the Empoli facility at the end of the year, a health promotion programme was presented, including free medical examinations on request for workers in production departments.

To prevent hazards and mitigate risks, Sammontana disseminates procedures and operating instructions, provides training and education, invests in safety and carries out inspections at its facilities. Workers receive general safety training, qualification courses and instruction. In terms of general safety, in compliance with current regulations, all workers receive pre-employment training, and refresher training is held at the end of each year for permanent workers and prior to re-employment for seasonal workers. Qualification courses are conducted in accordance with the requirements of Italian Legislative Decree 81/08 and training is carried out in accordance with the procedures and time frames set out in the State-Region agreements currently in force. Training is provided to all new employees and based on specific requirements, such as the introduction of new machinery.

The main types of accident are impacts caused by contact with machinery or equipment, falls and slips, while potential work-related ill health regards manual handling of loads and repetitive handling. Sammontana's contractors recorded an average of one or two accidents per facility due to mechanical work, minor cuts and bruises. Hazards at Sammontana facilities posing a risk of accident with serious consequences are primarily mechanical risks, traffic risks, risks of working in confined spaces, chemical/biological risks, electrical risks, risks of working at height, and risk of explosive atmospheres (ATEX). These were reported through the Risk Assessment Document (*DVR*), analysis of accidents and incidents, worker reports, and internal audits.

In the three reporting years, there was only one case of work-related ill health, affecting one employee. All employees are potentially exposed to work-related ill health, associated with manual handling of loads and repetitive handling. Sammontana has taken specific action on the risks associated with manual handling of loads and repetitive handling by implementing staff rotation at production-line workstations and ergonomic principles in production-line design, training personnel on correct operating methods and improving existing production lines.



From 2021 to 2023, there were no fatalities as a result of accidents, nor deaths resulting from work-related ill health, nor accidents with serious consequences, either at Sammontana or at its contractors.

**TABLE 24 - NUMBER AND RATE OF FATALITIES/WORK-RELATED INJURIES WITH SERIOUS CONSEQUENCES, AS A RESULT OF WORK-RELATED INJURIES AND WORK-RELATED ILL HEALTH**

	2021	2022	2023
Number and rate of fatalities due to work-related injuries for all employees and workers who are not employees under Sammontana's control	0/-	0/-	0/-
Number and rate of work-related injuries with serious consequences for all employees and workers who are not employees under Sammontana's control <sup>7</sup>	0/-	0/-	0/-
Number and rate of fatalities due to work-related ill health for all employees and workers who are not employees under Sammontana's control	0/-	0/-	0/-

<sup>7</sup> Serious injuries are those from which the worker does not recover within 6 months, or permanent or semi-permanent injury.



Table 25 shows the number of hours worked at each facility in the three-year reporting. Hours worked at the

Montelupo Logistics Hub and the other Sammontana branches are included in the Empoli figures.

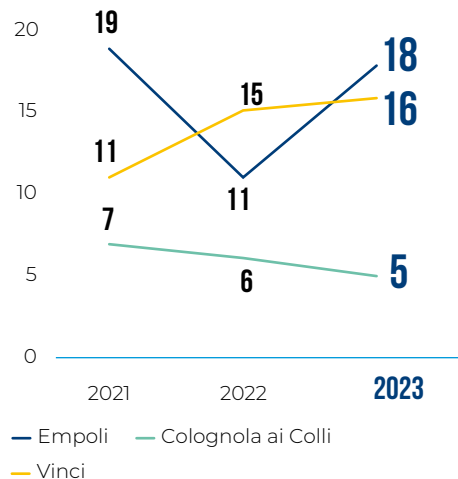
**TABLE 25 - HOURS WORKED BY PRODUCTION-FACILITY EMPLOYEES**

	Empoli			Vinci			Colognola ai Colli		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Hours worked	1,091,761	1,229,522	1,271,361	307,711	334,163	350,448	502,338	558,089	613,549

The increase in the number of accidents and, consequently, in occupational health and safety indices at some facilities from 2021 to 2023 is primarily attributable to an increase in production volumes and production-department complexity, as evident from the number of hours worked.

At production facilities, the number of accidents increased significantly in Empoli and slightly in Colognola, while a slight reduction was seen in Vinci. The frequency index<sup>8</sup> shows an increase only for the Empoli facility while, in contrast to the previous year, there was a slight decrease for Colognola and a continuing downward trend for Vinci. Severity indices<sup>9</sup>, increased for Empoli and Colognola, while progressively decreasing for Vinci.

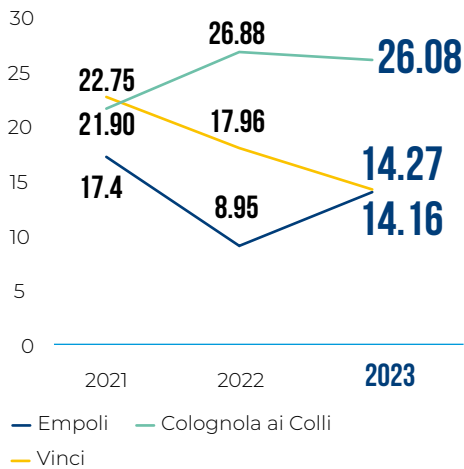
**FIG. 22 | N° INJURIES**



<sup>8</sup> The frequency index has been calculated as = (N° accidents/hours worked) x 1,000,000 - The index is calculated according to the methodology given in UNI 7249:2007.

<sup>9</sup> Severity index= (injury days/hours worked) x 1000. The index is calculated according to the methodology given in UNI 7249:2007.

**FIG. 23 | FREQUENCY INDEX**



In general, production volumes and, consequently, hours worked increased considerably at all facilities.

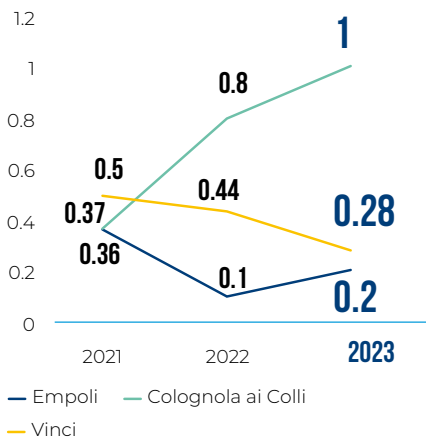
More specifically, the increase was 22.14% at the Colognola ai Colli facility, 16.45% at the Empoli facility and 13.89% at the Vinci facility.

As a result, over the three years, the facilities saw a continuous increase in the number of employees working on production lines and an increase in the activities of several production lines operating simultaneously.

These two factors, combined with the presence of outside firms at the facilities, often represent complicating factors, especially in the highly seasonal period of ice-cream production, i.e. from March to August.

This is why the facilities with the worst accident performance are those where ice cream is produced.

**FIG. 24 | SEVERITY INDEX**



Below is a summary of the Health and Safety indicators for 2023, regarding days of illness and maternity absence for Sammontana employees:

**TABLE 26 - HEALTH AND SAFETY INDICATORS**

<b>Illness and maternity days</b>	<b>Illness (days)</b>	<b>Maternity (days)</b>
Employees with a permanent contract	8,093	2,857
Employees with a fixed-term contract	1,237	1



## 4.3 LOCAL COMMUNITIES AND NEW GENERATIONS

The commitment to the environment and social issues translated into various initiatives in the region in 2023. The Donations Committee, established at the end of 2022, works to guide collection of donations and select social responsibility initiatives to sponsor during the year, with dedicated budgets. In addition to this, taking concrete action to promote corporate citizenship, all employees were given a list of ten charities to choose from, to which the company population would gladly direct any voluntary financial donations.

From this list of ten charities, workers' selected:

- **AIMS** (*Italian Multiple Sclerosis Association*)
- **ASTRO** (*Non-Profit Association for Therapeutic and Rehabilitation Support in Oncology*)

The questionnaire was sent via personal email to 1,311 people, of whom 272 responded, corresponding to 21% of those contacted. These two associations were added to a list already decided upon by the Donations Committee, consisting of:

- **Legambiente** - This partnership has lasted for several years: more details are provided in the Impact Report. In particular, Sammontana partnered on the long-standing **Clean Beaches and Seabeds** campaign dedicated to monitoring and cleaning up rubbish abandoned along Italian coastlines.
- **Meyer Paediatric Hospital of Florence** - Support for the Meyer Foundation was renewed this year at Christmas time and Sammontana took part at the Foundation's traditional Christmas meal. Every year, this event hosts major donors and institutions, with the dual aim of nurturing relationships and raising funds to support the important challenges awaiting Meyer as a new Research Hospital (**IRCCS**). Sammontana's aid will help the Meyer Foundation to continue supporting the acquisition





of new and important equipment, financing research projects and offering happy moments to young patients during their time in hospital. Additionally, over the years, this partnership has also seen an important contribution to updating the **recipe** of the **Mix Max** chocolate-and-cream cup, **even more nutritious and beneficial to children thanks to input from the professional paediatric nutritionists at the Meyer Hospital.**

- **ANT Italy Foundation** (National Tumour Foundation). The Foundation offers free medical care at home to young cancer patients and adults. In addition to being chosen as a beneficiary, Sammontana actively participated in the **a Night for ANT** event, held in the heart of Florence's historic centre.
- **Dynamo Camp** - By participating in the New Year session, Sammontana has chosen to support Dynamo Camp's Recreational Therapy Mission for children and young people with serious illnesses and their families.

In addition to financial donations, as in some of the examples mentioned above, during 2023, Sammontana actively participated in the promotion and development of numerous initiatives in the region, discussed in detail in the Annual Report.

Sammontana's commitment to younger generations characterises the grounding of its corporate purpose. Through the **ICO HUB** association, in 2023, Sammontana helped support start-ups in Empoli and develop innovation in the local ecosystem.

As a founder and member of the Technical Committee, Sammontana has had the opportunity to select ideas and projects to promote positive impacts on local needs and problems.

Through **ARCO di PIN S.c.r.l.**, Sammontana carried out an analysis of the Empolese Valdelsa community, to understand the needs of young people in the 15–29 age bracket. More details can be found in the impact stories of the Benefit Corporation Impact Report.

Other initiatives will be guided by the findings of ongoing analyses of local areas and communities; see the section on "Next Steps".



## NEXT STEPS: SAMMONTANA AND YOUNG PEOPLE

- 1) In December 2023, Sammontana joined the **Impact Education Coalition**, the first multi-stakeholder coalition that aims to accelerate change through systemic education and activism initiatives with a positive impact on ecosystems and communities. The main purpose is to promote and systematise best practices, raise standards and measure impacts through shared methodologies, in order to avoid fragmentation and with a view to dissemination and replicability of virtuous models, convergence and networking of efforts and intentions.
- 2) In 2025, Sammontana intends to proceed with the establishment of an association to represent the coalition for young people in Tuscany. The association will bring together stakeholders from a range of sectors: companies, associations, institutions and private individuals, and the young people themselves and their families. A manifesto and strategy will be drawn up. The base for this activity has been identified as a school in the Empolese Valdelsa area, thanks to the amenability of the school's management, while the business membership campaign is underway.
- 3) At the end of 2023, Sammontana joined the **B Corp School project with InVento Innovation Lab Impresa Sociale s.r.l.** in the Verona area. The project will involve two high-school classes in the area, both from the Copernico Pasoli School, which has signed up groups with two different study paths:
  - 3C ss, economics and technical study path focused on business information systems - 24 students
  - 4B sa, applied-sciences study path - 18 students.

The challenges that the two classes will be set, in line with their respective courses of study, to conclude at the end of the school year, are:

- **Counteracting climate change:** devise a service and/or technological product for the milk and dairy chain that reduces packaging pollution, both in terms of GHG emissions and waste production.
- **Reducing packaging pollution:** develop creative and regenerative solutions to solve packaging pollution, both in terms of waste and GHG emissions.









**5**

**PILLAR 2  
SUSTAINABLE SUPPLY  
CHAINS**



## 5. PILLAR 2 SUSTAINABLE SUPPLY CHAINS



The second pillar focuses on sustainable procurement of raw materials and other materials and, where they exist, sustainability certifications, applying the principle of interdependence throughout the value chain.

### 5.1 ECONOMIC VALUE GENERATED AND DISTRIBUTED

Economic value generated and distributed (EVG&D) is the first basic indicator of the value the company has created for its stakeholders.

The distribution of directly generated value is based on a reclassification of the income statement in the Annual Financial Statements.

The economic value generated represents the economic wealth produced during the year and the analysis of the economic value distributed enables assessment of the economic-social impact, measuring the wealth produced for the benefit of all stakeholders.

Retained economic value is positive, with an upward trend, and represents the difference between the economic value generated and the economic value distributed, adjusted by the typically non-monetary components of depreciation, amortisation and write-downs as well as allocations to provisions.

Sammontana continues its value-generation strategy in 2023 through investments in innovation and sustainability.

The table below illustrates the continuous improvement in the generation of distributed value. In fact, 2023 shows improvement of a further 10 percentage points compared to 2022, which was affected by the strong inflationary pressures

on raw materials, energy and gas. Although the period in question continued to see inflationary effects, albeit only partially, on production factors, Sammontana continues to adopt forward-looking strategies aimed at the growth targets set.

**TABLE 27 - REMUNERATION OF THIRD PARTIES**

VALUES IN THOUSANDS OF €	2021	2022	2023
Operating revenues	392,440	485,638	562,168
<i>of which Income Statement Item A1</i>	<i>387,637</i>	<i>484,639</i>	<i>548,867</i>
Income from financial management	3,340	8,910	4,127
Other revenues and income	11,354	6,778	6,442
<b>A - ECONOMIC VALUE GENERATED</b>	<b>407,134</b>	<b>501,326</b>	<b>572,737</b>
Remuneration of suppliers	295,018	377,657	412,290
Remuneration of personnel	71,793	75,452	80,809
Remuneration of lenders	1,592	1,679	4,610
Government remuneration	2,803	6,045	14,702
Remuneration of third parties (Community, Local Area and Trade Associations)	372	360	521
<b>B - ECONOMIC VALUE DISTRIBUTED</b>	<b>371,578</b>	<b>461,193</b>	<b>512,932</b>
<b>C - ECONOMIC VALUE RETAINED</b>	<b>35,556</b>	<b>40,133</b>	<b>59,805</b>
Depreciation and amortisation	30,064	34,180	35,189
Provisions	29	550	268
Profit for the year (*)	5,463	5,404	24,347

(\*) With regard to Shareholder remuneration, it should be noted that in relation to FY 2020, the Shareholders' Meeting of 28 May 2021 resolved to distribute a total dividend of € 3 million to Shareholders, drawing said amount in part from the Special Reserve.

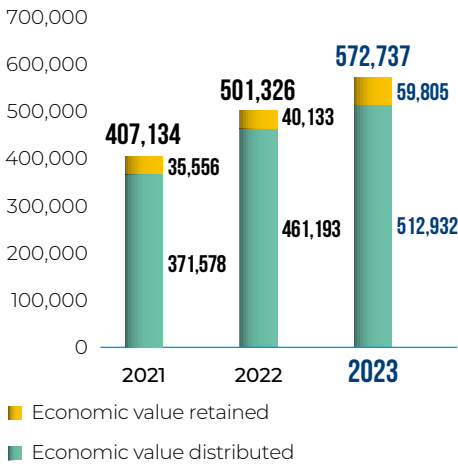
The economic value is distributed among the different stakeholders, divided into: **“Reclassified operating costs”** (primarily purchases of raw materials, goods and services from third-party suppliers), **“Remuneration of personnel”** (direct remuneration consisting of wages, salaries and severance indemnities as well as indirect remuneration consisting of social-security contributions), **“Remuneration of lenders”**

(interest expense), **“Government remuneration”** (mainly taxes) and **“Community”** (donations and contributions).

In the three-year period 2021–2023, Sammontana successfully generated value thanks to a business model and strategy focused on growth, innovation and sustainability. The economic value generated is, in fact, positive and has an upward trend (*Table 27*).

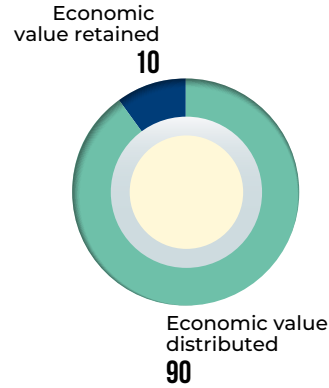
For Sammontana, economic sustainability also translates into support for local growth and for all parties in the corporate value chain. In fact, the economic value distributed has increased over the years, rising from approximately € 371 million in 2021 to € 461 million in 2022 (up 24%), to approximately € 513 million in 2023 (up 11% on 2022). This was achieved despite strong inflationary pressures affecting commodities, energy and gas (Fig. 25).

**FIG. 25 | ECONOMIC VALUE GENERATED (THOUSANDS OF €)**



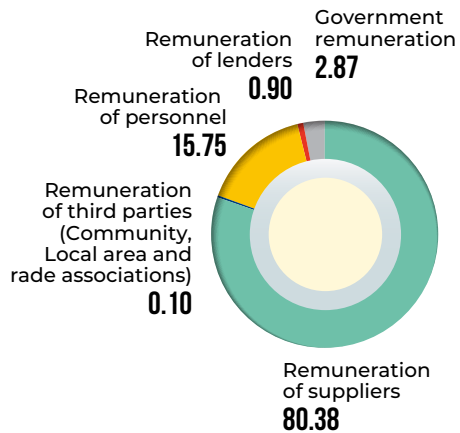
The main driver of this result was sales, which increased by around 13% in 2023 compared to 2022, to a value of nearly € 549 million.

**FIG. 26 | ECONOMIC VALUE GENERATED (%)**



The graph of Economic Value Distributed (Fig. 27) shows the detail of the Economic Value Generated graph (Fig. 26). Specifically, in 2023, the total economic value generated was € 572,737 million, of which 89.56% was distributed among the various stakeholders in the chain.

**FIG. 27 | ECONOMIC VALUE DISTRIBUTED, 2023 (%)**



In particular:

- 15.75% was distributed to employees in the form of remuneration and social-security contributions
- 80.38% was distributed to suppliers of raw materials and services
- the remainder was distributed to lenders, institutions and the community through the payment of interest, taxes, fees and other forms of contributions.

It is important to highlight how the company has maintained a constant commitment to the community, allocating a significant


portion of the economic value generated to charities and sustainable-development projects in the areas in which it operates.

In addition, Sammontana has adopted a fair remuneration policy for its employees, fostering a calm and productive atmosphere in the workplace. Sammontana has also worked hard to improve the efficiency and profitability of its operations, investing in innovative technologies and increasingly sustainable production processes to ensure a stable and lasting future for the entire community.

## Financial Assistance Received from the Government

<b>TABLE 28 - CONTRIBUTIONS 2021-2023</b> <b>(VALUES IN THOUSANDS OF €)</b>	<b>CONTRIBUTION RECEIVED 2021</b>	<b>CONTRIBUTION RECEIVED 2022</b>	<b>CONTRIBUTION RECEIVED 2023</b>
ADVERTISING INVESTMENT BONUS <i>State Aid (de minimis) - art. 57-bis Italian Decree Law no. 50 of 24 April 2017</i>	108	91	0
RESEARCH & DEVELOPMENT TAX CREDIT	248	335	278
TRAINING 4.0 TAX CREDIT	65	50	0
TAX CREDIT FOR ENERGY-INTENSIVE AND NON-GAS-INTENSIVE ENTERPRISES	0	6,678	2,136
TAX CREDIT FOR INVESTMENTS IN NEW CAPITAL GOODS <i>Budget Law 2020 - art. 1, paragraphs 185-197, Italian Law 160/2019</i>	200	120	0
<b>TOTAL RECEIVED</b>	<b>640</b>	<b>7,274</b>	<b>2,414</b>

The company is committed to responsibly managing financial support received from the government, using it to fund sustainable and innovative projects in line with its vision.



As shown by the data in *Table 28*, in the three-year period 2021–2023, state subsidies were mainly issued in the form of tax credits. These funds were granted primarily to support technological innovation and competitiveness of the sector by stimulating research and development.

Part of the contributions were also derived from classification as an energy-intensive enterprise. Around € 2 million were received to cope with rising energy costs, through the “Tax credit for energy-intensive and non-gas-intensive enterprises” to partially offset the higher charges incurred for the purchase of electricity.

In line with company policy, all investments are characterised by a significant level of technological innovation, in accordance with Industry 4.0 requirements, enabling the company to achieve its goals of process efficiency, digitalisation, reduced energy requirements and a general focus on sustainability. Sammontana S.p.A. pursued innovative activities in FY 2023, focusing its efforts in particular on projects that will, for the most part, be developed over the next few years.

In 2023, Sammontana carried out the following main activities:

- **Research and Development:** continuation of activities aimed at ongoing experimentation with innovative and original recipes and formulations, focusing heavily on performance wellness and new consumer trends
- **Digital Innovation:** the study and development of business-process transformation opportunities continued with the integration, digitalisation and interconnection of internal and external factors in the production, distribution and logistics departments, for the Company’s main core businesses
- **Ecological Transition:** continuation of analysis of CO<sub>2</sub>eq emissions in accordance with the GHG protocol, LCAs, critical investigations on circularity indices and process optimisation, aimed at ecological transition and improvement of the environmental performance of products in relation to the company’s core businesses
- **Technological Innovation:** continuation of technological product innovation, with improved recipes, performance, nutritional components and production

phases, in addition to introduction of new or significantly improved processes in the production and logistics departments, in order to streamline supply management and reducing waste

- **Design and Aesthetic Innovation:** design of symbols, layout definition and graphic development of components associated with digital tools; preliminary analyses for the development of promotional videos; design of new graphic symbols and layouts associated with new lines or the promotion of existing ones; design and aesthetic concept of new catalogues/style books; design and aesthetic concept of new folders.

The company spent approximately € 2.9 million on Research & Development projects and intends to access the benefits provided by the Tax Credit for research, development, technological innovation, design and aesthetic conception activities pursuant to article 1, paragraphs 198–209 of Italian Law no. 160 of 27 December 2019, as amended.



## 5.2 RESPONSIBLE PROCUREMENT

Sammontana uses a **highly trained and structured pool of suppliers** to guarantee a consolidated and traceable production chain. As detailed in Section 1 of this Report, the total number of active suppliers in 2023 was around 1,500.

Of Sammontana's 1,500 suppliers, the 200 main suppliers were identified based on percentage of total purchasing spend. In 2023, a group of these was involved in the co-creation of the Code of Conduct.

This project is discussed in detail in the Impact Report.

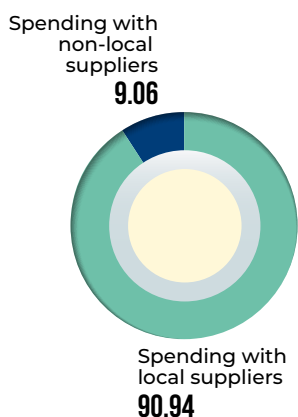
Sammontana confirms its strategic choice to collaborate with long-standing business partners, selected with care and attention, building and sustaining solid and lasting relationships.

In 2023, spending with the 200 main suppliers totalled approximately € 328 million, corresponding to 83% of the company's total expenditure. Spending with Italian (local) suppliers accounted for 90.94% of the total, approximately € 299 million (*Fig. 28 and Table 29*).

**TABLE 29 - PROPORTION OF SPENDING BY SUPPLIER GROUP IN 2023**

Spending with local suppliers	€ 299 million
Spending with non-local suppliers	€ 29 million
<b>Total spending with 200 main suppliers</b>	<b>€ 328 million</b>

**FIG. 28 | PROPORTION OF 2023 SPENDING BY SUPPLIER GROUP (%)**





There are 183 Italian suppliers, while only 17 of the 200 are based abroad. **Sammontana favours partnerships with local suppliers** to guarantee a controlled and reliable supply chain, promoting the local area and the economic and manufacturing ecosystem in the regions in which it operates. The choice of local suppliers is also rooted in the company's intention to minimise the environmental impact associated with goods transport.

## SUSTAINABILITY OF MAIN SUPPLIERS

Sammontana has evaluated the sustainable contribution of its 200 main suppliers over the past three years, mapping suppliers of raw materials, finished products, and packaging according to the types of certification held.


The main type is **organic certification**, held by 65 suppliers, followed by **sustainability certifications (Rainforest Alliance, ISCC PLUS and Fairtrade)** for 29 suppliers, **environmental commitment certification (ISO14001 and EMAS)** for 29 suppliers, **social commitment certification (SA8000, Sedex/SMETA, etc.)** for 18 suppliers, and **FSC or PEFC certification on packaging** for 10 suppliers.

For Sammontana, these certifications guarantee the origin and production conditions of raw materials, respect for environmental resources, inclusion and the health and safety of workers in the companies it buys from.

In line with this, together with a selection of its main suppliers, Sammontana drew up a Code of Conduct, as a tool aimed at making suppliers aware of sustainability principles. Specifically, the Code is also intended as a tool to highlight potential negative impacts that may emerge along the supply chain and to provide the necessary guidance to prevent, mitigate and address these.

## NEXT STEPS

In 2024, Sammontana will distribute a sustainability performance assessment questionnaire to all 200 suppliers. This assesses alignment with practices set out in the Code, to categorise suppliers and involve them in engagement activities and sharing of best practices.



The Code provides a set of social criteria constituting basic requirements that all suppliers dealing with Sammontana must adhere to:

- **Human rights:** respect for and protection of the fundamental human rights of workers, guaranteeing of their full freedom, including freedom of movement, condemnation of forced labour practices and/or inhuman treatment, guaranteeing of the right to free association and correct information on employment conditions.
- **Diversity and non-discrimination:** upholding of the right to diversity and guarantee of equal opportunities to all workers.
- **Working Practices and employee wellbeing:** compliance with all applicable laws, regulations and ILO conventions concerning working hours, maximum working hours, holidays, break entitlements, overtime, leave and holidays, ensuring fair remuneration, and allocation of resources and time adequate for development of employees' skills.
- **Personnel health and safety:** training for all personnel on safety in the workplace, assessment and

prevention of risks and emergency situations and adoption of continuous improvement plans, recording and analysis of any form of accidents at work, and ensuring compliance with all current regulations related to occupational health and safety issues.

Any violations of the contents may be reported through the Whistleblowing channel to ensure anonymity of the reporting party and the confidentiality of the facts reported, without prejudice to legal obligations and the protection of corporate rights.

In drafting the Code of Conduct, Sammontana relied on a combination of international rules and standards issued by bodies such as the World Labour Organisation (ILO), the World Health Organisation (WHO), the US Department of Health and Human Services federal agency (FDA), the Global B-Corp Movement and the United Nations.

To reach as far as possible along the supply chain, Sammontana has requested that suppliers share the Code of Conduct with their employees and partners, and that they promote it within their own supply chains.

### 5.3 SUSTAINABLE PROCUREMENT OF RAW MATERIALS

Sammontana is committed to ensuring the sustainability of its raw materials through a series of certifications, listed below:



Since 2022, all wheat flour used in the production of pastries has been ISCC PLUS certified, according to the Mass Balance chain-of-custody model: for every tonne of wheat flour used in production, Sammontana ensures that an equal amount is grown in compliance with the requirements of the standard.



Since 2016, palm oil in the margarine used in pastry production has been RSPO Mass Balance certified. This internationally recognised chain-of-custody model requires that an equivalent amount of palm oil to that used comes from crops managed in line with environmental and social sustainability criteria.



For certain products, Sammontana promotes sustainable COCOA certified by Rainforest Alliance (RA) according to the Mass Balance chain-of-custody model. This guarantees that the social and living conditions of workers and agricultural and environmental conditions in the countries where the cocoa is grown are met for the equivalent quantity of cocoa used in the product, according to sustainability criteria established by the certification scheme.



Sammontana guarantees that cocoa-based products comply with fair-trade criteria through FAIRTRADE certification according to the Mass Balance chain of custody.



## 5.4 SUSTAINABLE PROCUREMENT OF PACKAGING

Every year Sammontana explores **innovative solutions to reduce the environmental impact of product packaging**. To this end, the company prepares an annual programme based on three main components:

- promote end-of-life recycling of packaging
- pursue the use of recycled materials
- raise consumer awareness of proper waste disposal.

When designing its packaging, Sammontana pays close attention to the selection and use of materials. Numerous LCAs have been conducted by the company to identify solutions with a lower *carbon footprint* that guarantee both quality and functionality of packaging.

Consistent with its identity, in order to ensure the sustainability of its packaging, Sammontana has implemented an eco-design procedure based on the LCA methodology. This allows comparison of the environmental impacts of different alternatives on the basis of three indicators: *climate change*, *water use* and *land use*.

Just under 30% of packaging used for ice-cream products undergoes LCA. Specifically, the number of codes analysed and compared using this methodology was 26% in 2021, 28% in 2022 and 34% in 2023.

For pastry products, on the other hand, LCA covered 15% of pastry packaging codes in 2021, 33% in 2022 and 34% in 2023. These percentages confirm an increasing focus on the assessment of environmental impacts throughout the product life cycle.

Solutions implemented by Sammontana to reduce the environmental impact of its packaging include the adoption of paper material as the primary packaging for ice cream, in place of plastic, which has supported an increase in circularity and, at the same time, a reduction in carbon emissions resulting from the production of the material using fossil sources.

**The decision to switch from plastic to paper packaging has confirmed by comparative LCA.** In addition to this, Sammontana has implemented several initiatives aimed at reducing the amount of materials used in packaging, both in the Ice-Cream and Pastry divisions.

Alongside initiatives to use less plastic use, over the last 3 years, have led to a reduction in the index from 0.26 to 0.16<sup>11</sup>, another key initiative to reduce waste and improve the efficiency of box formats involves optimisation of the weight of corrugated cardboard boxes used for the Gruvi range. Since 2023, this has led to a weight saving of 19% per unit, saving around 55 tonnes of corrugated cardboard annually.

<sup>11</sup> Index definition: total plastic packages [kg]/total packages [kg]

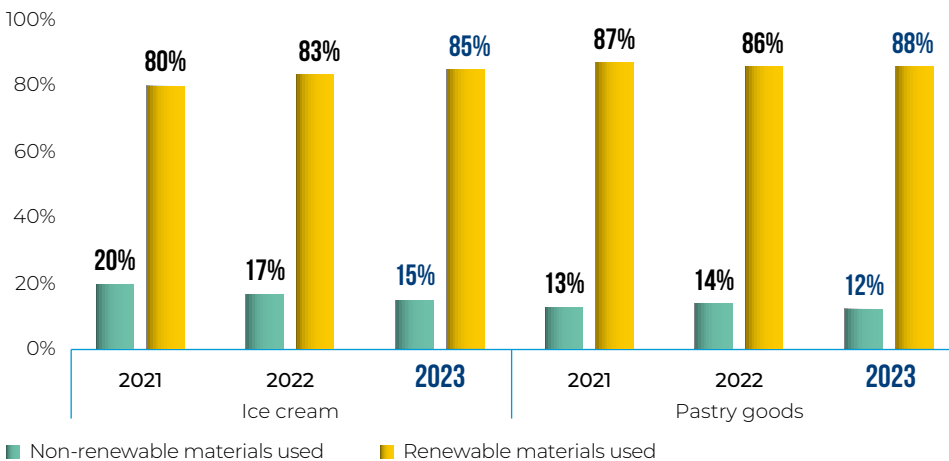
In fact, choosing the right box size means using less packaging material, but also reduces the volume of empty space during transport, which in turn minimises the environmental impact of company logistics.

Over the past three years, Sammontana has demonstrated its commitment to reducing the environmental impact of its packaging, including through the use of **renewable materials: paper and ISCC PLUS BIO-CIRCULAR plastic** (*International Sustainability & Carbon Certification*). These materials accounted for 80%, 83% and 85.1% of the total packaging used in the ice-cream product category over the three-year period.

In the pastry category, on the other hand, the company used renewable materials for 87% of its packaging in 2021, 86% in 2022, and 87.6% in 2023 (*Fig. 29*).

These figures highlight the company's commitment to using renewable packaging materials: the percentage is steadily rising, with a corresponding decrease in the use of non-renewable materials such as plastic and aluminium. 2022 saw achievement of the primary target to reduce plastic-based packaging from 17.9% in 2021 to 16.4% in 2022, with an absolute saving of 100 tonnes of plastic packaging going into the market<sup>12</sup>.

**FIG. 29 | MATERIALS USED IN OWN PACKAGING, 2021, 2022 AND 2023**



<sup>12</sup> The indicator is calculated as the sum of the weights of primary, secondary and tertiary packaging consumed from 01/01/22 to 31/12/22, which enter the direct production cycle, subject to the CO.NA.I. contribution for the plastics material band/Sum of the weights of primary, secondary and tertiary packaging purchased from 01/01/22 to 31/12/22, which enter the direct production cycle, subject to the CO.NA.I. contribution for all bands of materials used (Plastic + Paper + Wood + Aluminium).

Examples of renewable packaging include the Barattolino range and the Mini Sorbettiera range, made of **FSC (Forest Stewardship Council)** certified poly-coated paper, allowing 100% recyclability of lid and bottom. FSC certification guarantees that the paper used for packaging comes from responsibly managed forests, respecting the environment and local communities.

Overall, the actions taken by Sammontana (between 2020 and 2021) regarding the Barattolino range have resulted in a percentage reduction of CO<sub>2</sub> equivalent of approximately 9% compared to the previous plastic packaging: this reduction corresponds to approximately 3,300 tonnes CO<sub>2</sub>eq of emissions avoided.

Sammontana also has **ATICELCA<sup>13</sup>** certification for the majority of its packaging containing paper. This means that the primary paper wrappers of Sammontana's own-brand products can be disposed of with paper waste, thus making it easier for consumers to recycle. In addition to this, again with a view to facilitating separated waste collection, Sammontana includes information regarding ATICELCA certification on packaging.

In addition to the use of paper packaging, Sammontana uses bio-circular plastic materials wherever possible. For example, the Sorbettiera range uses more than 50% ISCC PLUS-certified bio-circular plastic, according to the Mass Balance chain-of-custody model. The certified quota refers to materials derived from residues and waste of biogenic origin from agriculture. This limits the extraction of fossil materials normally used for the production of plastics by an equivalent amount.

ISCC PLUS certification for the use of certified bio-circular plastic tubs is renewed annually.



<sup>13</sup> The Aticelca 501:2019 system is an evaluation method capable of determining the level of recyclability of cellulosic materials and products (paper and cardboard).

For pastry products, non-renewable materials are currently used for both large-scale retail trade and HO.RE.CA channels. However, Sammontana has made several improvements with a view to containing the environmental impact by reducing packaging weight and using mono-material packaging.

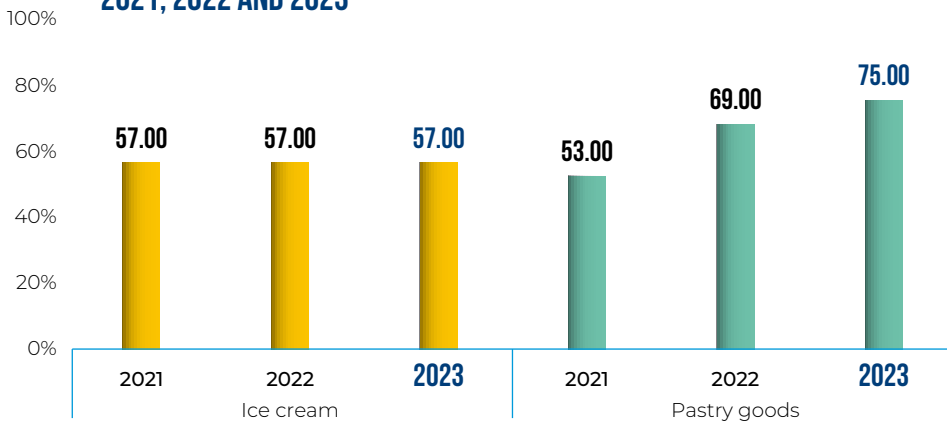
Furthermore, as of 2023, Sammontana has adopted mono-material packaging with an even higher recyclability index, enabling a 10–15% reduction in plastic weight.

The use of Materials with a higher degree of recyclability and recycled content (in compliance with Food Safety Regulations) are two

challenges that Sammontana is tackling in line with the principles contained in proposals to update the Packaging Directive and the market's demand for ever greater attention and awareness around these aspects.

Here too, the data concerning the percentage of recycled packaging materials, compared to total packaging materials, confirm the company's commitment to solutions with a lower environmental impact. Through special studies and improvement programmes, this percentage has been steadily increasing in recent years, and particularly in 2023, for the pastry sector, it stood at 75% (Fig. 30).

**FIG. 30 | PERCENTAGE OF PACKAGING MATERIALS CONTAINING RECYCLED MATERIAL, 2021, 2022 AND 2023**



In terms of secondary and tertiary packaging, the company uses paper and cardboard boxes in which goods are delivered for both the HO.RE.CA. CA. and the large-scale retail trade channels.

The company uses 98% recycled paper packaging for all cases containing ice creams and for cases containing pastry bags for sale through the large-scale retail channel.

Pastry products for the HO.RE.CA. channel have a secondary packaging consisting of a cardboard box made of a percentage of recycled paper as per the table below (Table 30).

**TABLE 30 - PERCENTAGE OF RECYCLED MATERIALS IN PASTRY PAPER PACKAGING**

NO. OF TOTAL 82 CODES ACTIVE IN 2023	% ITEMS	RECYCLED
44	53.7%	98%
38	46.3%	30-65%





The tertiary packaging for ice-cream products is made of 98% recycled-cardboard boxes.

In addition to action for the use of recycled materials and

reduction of material thicknesses, Sammontana also considers the recyclability of its packaging during its design and aims to maximise the percentage of recyclable content.

**TABLE 31 - PERCENTAGE OF RECYCLABLE PACKAGING**

	Ice cream			Pastry goods		
	2021	2022	2023	2021	2022	2023
Percentage of recyclable packaging	98%	98%	98%	96%	95%	98%

The percentage of recyclable packaging used is very high. In fact, (Table 31) shows that the figure for ice-cream products has been 98% for four years, including 2020. For pastry products, it has been 98% since 2023.

The few lines that are not yet recyclable will soon be replaced. In fact, Sammontana has already launched studies to identify replacement materials in order to achieve 100% recyclable packaging.







**6**

**PILLAR 3  
ENVIRONMENT**



## 6. PILLAR 3 ENVIRONMENT



The third pillar focuses on actions aimed at progressively reducing environmental impacts, through the use of more environmentally sustainable energy sources, attention to the procurement of water, virtuous waste management, use of raw materials and other materials with a lower environmental impact, and pursuit of decarbonisation goals.

### 6.1 ENVIRONMENTAL MANAGEMENT SYSTEM

Proper handling of the Environmental Management System is key to preventing the impacts of industrial activities on the environment. In 2023, at the Empoli facility, the Environmental Management System gained ISO14001 certification through the CSQA accredited body.

Certification activity involved the Technical Department, all plant teams and various other departments, operating together for this common goal. Appointment of a co-ordinator, environmental managers for the three different production sites and emergency teams covering all shifts at



### NEXT STEPS

For 2024, Sammontana plans to gain ISO14001 certification for the Colognola ai Colli and Vinci facilities as well.

the facilities, has enabled a coordinated effort that will see the other sites in Colognola ai Colli and Vinci gain ISO14001 certification by 2024. This process has increased knowledge and attention, promoting greater awareness of the environmental risks generated by operations, based on a risk matrix that is now subject to ongoing management and monitoring. Thorough training is provided annually, ensuring knowledge of operating instructions and practical aspects for the emergency team.

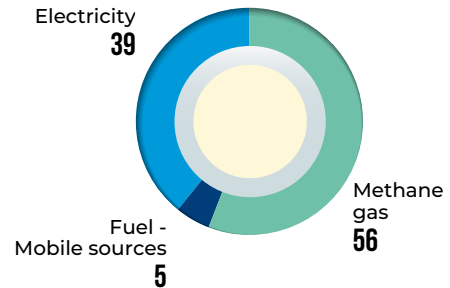
## 6.2 ENERGY

This section focuses on the company's energy efficiency, with the aim of reducing energy consumption, greenhouse gas emissions and dependence on fossil fuels.

The section on energy consumption presents 2023 data, along with trends from previous years to illustrate the overall trend in energy consumption and company performance.

Some details are also provided for individual facilities and data is presented in units (GJ<sup>14</sup>) enabling comparison between different energy carriers.

**FIG. 31 | TOTAL ENERGY CONSUMPTION (%) - 2023**



The main source of energy in 2023 is **methane gas**, which accounts for **56% of Sammontana's total consumption** (268,741 GJ).

This is followed by electricity, which represents 39% of total energy consumption (188,190 GJ), including both electricity purchased from non-renewable sources and electricity purchased from renewable sources, including those with Guarantees of Origin (GO). A small percentage of fuel consumption (mobile sources), corresponding to 5% (22,015 GJ), comes from diesel for generators, petrol for vehicles, and diesel for vehicles (Fig. 31).

<sup>14</sup> conversion to GJ uses ENEA-specific conversion factors: data are updated annually.

Since 2011, Sammontana has been producing around 200,000 kWh per year from its own photovoltaic plant at the Empoli facility.

This was expanded in 2020 with an additional 50 kWp system, installed during the construction of an automated warehouse in the same year.

Over the years, lighting has been progressively replaced with energy-efficient LED lamps.

In 2020, Sammontana installed a trigeneration plant at Colognola ai Colli.

This covers 60% of the facility's energy requirements, equal to roughly 16% of the company's total energy demand. In 2023, expansion at Colognola enabled installation of a photovoltaic plant with a rated power of 100 kWh. In 2020, an absorber was installed at Empoli, transforming the previous cogeneration plant, installed in 2016, into a trigeneration plant.

**TABLE 32 - ENERGY CONSUMPTION WITHIN THE ORGANISATION**

<b>Fuel and energy purchased from non-renewable and renewable sources</b>	<b>Units of measurement</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2021-2023 Trend</b>
Methane fuel	GJ	279,839	276,517	268,741	-4%
Diesel for generators	GJ	15	17	26	73%
Petrol for vehicles <sup>15</sup>	GJ	2,517	3,689	4,826	92%
Diesel for vehicles	GJ	18,619	17,398	17,163	-7.82%
Electricity purchased from non-renewable sources	GJ	175,350	150,925	124,192	-29%
Electricity purchased or produced from renewable sources, including with GO	GJ	774	24,038	39,551	5002%
<b>Total fuel and energy purchased from non-renewable and renewable sources</b>	<b>GJ</b>	<b>477,114</b>	<b>472,584</b>	<b>454,499</b>	
<b>Electricity consumption (demand)</b>	<b>Units of measurement</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2021-2023 Trend</b>
Total electricity consumption	GJ	298,283	296,025	280,323	-6%
Total demand <sup>16</sup>	GJ	298,283	296,025	280,323	-6%
Total thermal energy consumption for heating	GJ	26,150	24,416	21,573	-18%
Total thermal energy consumption for processes	GJ	65,789	63,913	69,493	6%
<b>Electricity sold</b>	<b>GJ</b>	<b>149</b>	<b>323</b>	<b>248</b>	<b>66%</b>

<sup>15</sup> The increase in petrol for vehicles in 2022 was due to a substantial increase in the number of hybrid cars in the fleet, with increased petrol consumption.

<sup>16</sup> TOTAL INCLUDING BRANCHES Total electricity demand represents the demand for production process and includes both energy purchased and energy generated.

Total absolute energy consumption by source over the three years (*Table 32*) shows that the production of electricity from photovoltaics and the purchase of electricity from renewable sources with GO, enabled Sammontana to reduce its reliance

on non-renewable energy by 29% in 2023. At the same time, the company increased its use of renewable electricity. This saw particularly significant growth of 5010%, rising from 774 GJ in 2021 to 39,551 GJ in 2023.

**TABLE 33 - ENERGY INTENSITY**

	Units of measurement	2021	2022	2023	2021-2023 Trend
Organisation energy intensity indicator	GJ /t product	5.80	5.36	5.01	-14%
Organisation-specific parameter (denominator) used to calculate energy intensity	t of product	86,004	92,492	95,538	11%
<b>Reductions in energy consumption achieved as a direct result of energy savings and energy-efficiency initiatives</b>	GJ /t product	-	0.120	0.207	/

Since 2023 **Sammontana has reduced energy consumption per tonne of product** compared to base year figures. Specifically, there was a 14% decrease in energy consumption over the three years, against an 11% increase in production (*Table 33*).

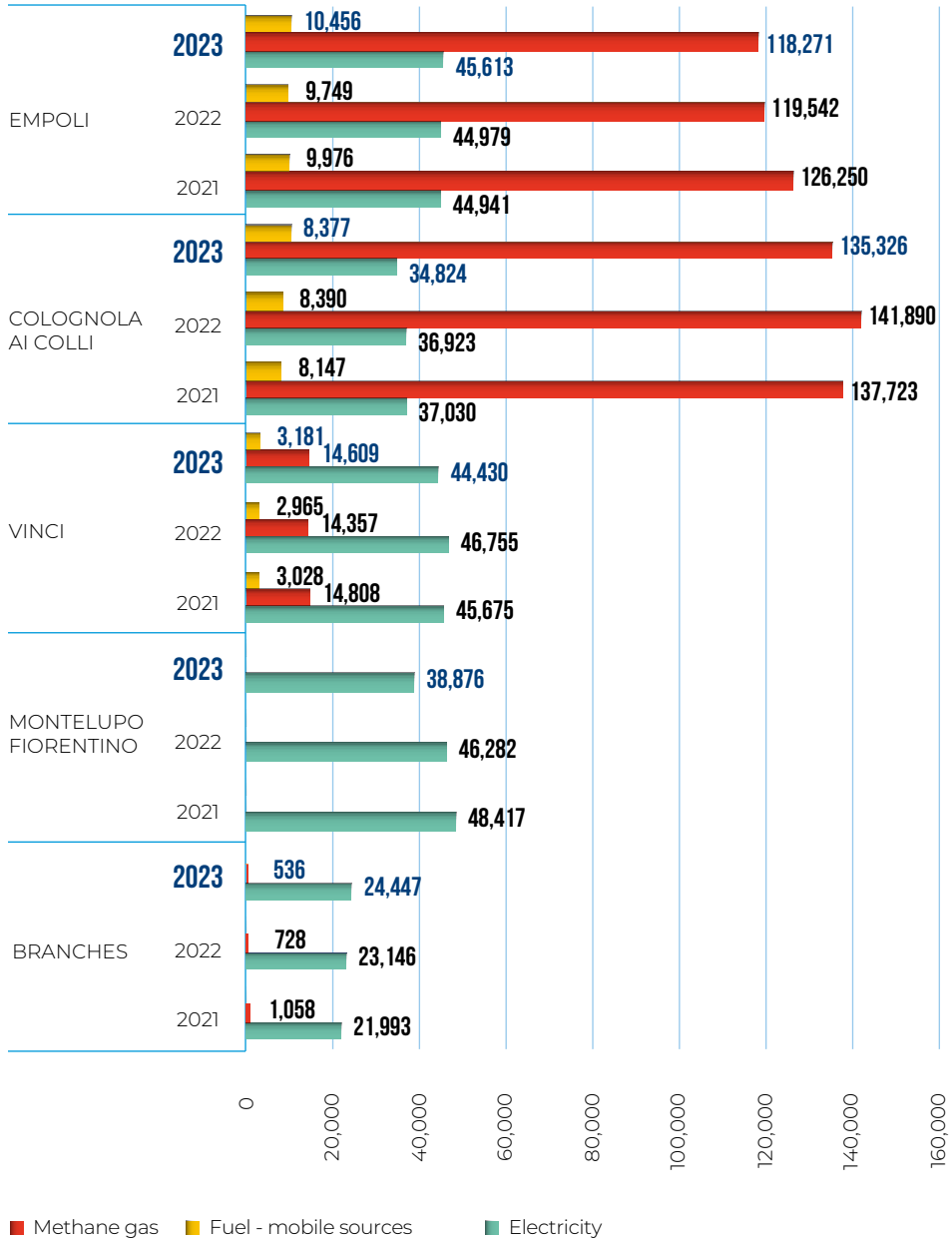
Overall, Sammontana, as a direct result of energy savings and efficiency initiatives, reduced consumption by 0.207 GJ/tonne in 2023 compared to 2022.

This result is the product of specific targeted actions related to investments, such as:

- new air compression station at Empoli
- LED lamps
- inverters on certain main motors of refrigeration systems to improve overall efficiency

as well as better organisational management. In 2022, Sammontana appointed an Energy Consumption Manager (*RCE*) for each facility, who coordinates a multidisciplinary team, with the aim of involving each department in improved and more precise management of consumption.

**FIG. 32 | ENERGY CONSUMPTION BY SOURCE AT EACH FACILITY (GJ)**





Looking in detail at the absolute values for energy consumption at each facility over the three years (Fig. 32), the prevalence of natural gas consumption is confirmed.

Energy consumption at the Empoli facility includes self-generated renewable electricity (774 GJ in 2021, 702 GJ in 2022 and 675 in 2023). The increase in methane consumption in 2020 and 2021 at the Colognola ai Colli facility is due to use of the trigenerator system in the self-generation process throughout the calendar year.

The box below indicates, by factory and in GJ/tonne of product:

- the maximum energy demand target, which the company should fall below, set for 2023
- the actual figure for 2023
- the maximum energy demand target, which the company should not exceed, set for 2024, based on results achieved and metrics adopted.

**TOTAL ENERGY DEMAND INDICES (GJ/tonne)**

	<b>2023 Target</b>	<b>2023 Actual value</b>	<b>2024 Target</b>
Empoli	3.38	3.14	3.14
Colognola ai Colli	3.15	3.04	3.04
Vinci	4.45	4.10	4.20



## 6.3 EMISSIONS

Sammontana has embarked on a path to reduce its greenhouse gas emissions. In line with the *GHG protocol corporate standard*<sup>17</sup>

methodology, Sammontana calculated a baseline for its greenhouse gas emissions expressed in tonnes of CO<sub>2</sub> equivalent.

The GHG Protocol classifies emission sources into three different groups:



### SCOPE 1

In this category, the *GHG Protocol* places emissions that are **under the direct control of the organisation** and generated **within its boundaries**.

For example, this category includes emissions from the consumption of fuels, such as natural gas or diesel, used for heating and power generation, emissions related to the vehicle fleet, and emissions due to gas leaks from refrigeration systems.



### SCOPE 2

In this category, the *GHG Protocol* places **indirect emissions** of greenhouse gases from electrical or thermal energy purchased, generated externally to the company and consumed internally.



### SCOPE 3

In this category, the *GHG Protocol* places all other **indirect emissions**, which are not under the control of the organisation, excluding those included in the Scope 2 category.

These are indirect emissions due to the supply chain (*upstream*) and the distribution chain (*downstream*). Scope 3 emissions, for example, include climate-change impacts associated with raw materials, waste treatment and management, work travel and personnel commuting, etc. There are 15 subcategories of emissions.

<sup>17</sup> The *GHG protocol* is an important and recognised standard for reporting greenhouse gas emissions at an organisational level and represents a scientific reference for carbon-footprint calculation. This approach was followed for the definition of system boundaries, compiling of inventory and, finally, calculation of greenhouse gas emissions.

### CONSOLIDATION APPROACH

The *GHG protocol* recommends two core approaches to define organisational boundaries for carbon-footprint analysis, enabling identification of emission sources to include under *Scope 1* and *Scope 2*: a *control approach* and an *equity-share approach*. The control approach requires the organisation to report emissions only from operations over which it has direct control. Control can either be *operational* or *financial*. The “equity share” approach, on the other hand, requires the organisation to report the emissions associated with an operation in relation to its financial stake in said operation. Organisations may consider one or both approaches.

Sammontana currently adopts an “operational and financial control” approach, reporting the CO<sub>2</sub> equivalent emissions directly under its control in operational and financial terms under *Scope 1* and *Scope 2*. Up to 2020 this therefore includes all production facilities: Empoli, Colognola ai Colli, Vinci, Pomezia (site no longer operational as of 2020), the logistics hub of Montelupo Fiorentino and company

cars, and, consequently, up to that year, dealers, branches (primary distribution) and the vehicle fleet owned by the company supporting this primary distribution were not included in the baseline calculation (*Scope 1* and *Scope 2*).

In fact, although a proportion of these operations could be associated with Sammontana’s organisational boundaries, the financial and operational complexity of the distribution phase, together with the large number of structures involved, makes it necessary to carry out a significant and advanced mapping of activities and operators, in order to gather data for further refinement of the boundaries.

Sammontana plans to extend the boundaries of the *Scope 1* and *Scope 2* categories in the future, based on the analyses conducted, in line with *GHG protocol* guidelines.

From 2020 onwards, however, Sammontana’s baseline (*Scope 1* and *Scope 2*) takes into account production facilities, the logistics hub, company cars and branches. The remaining emissions sources are categorised as *Scope 3*.

## BASELINE YEAR

For baseline calculation, Sammontana gathered data on activities for all available years in line with the requirements of the international decarbonisation criteria of SBTi (*Science-Based Target Initiative*). In detail, the data collected and converted into emissions begins from 2016 and defines a multi-year baseline over the period 2016–2023. With respect to boundary set for this Sustainability Report, for the years 2016–2020 the baseline data includes emissions associated with the Pomezia production facility, with a view to complete transparency in relation to all production-facility emissions.

## INVENTORY OF EMISSION FACTORS

Following the criteria set out by the *GHG protocol*, Sammontana used a combination of international databases with regard to the emission factors used for conversion to CO<sub>2</sub> equivalent of the activity-data for individual emission sources. These databases are included among those accepted and present in the repository of the *GHG Protocol*: <https://ghgprotocol.org/life-cycle-databases>.

Specifically, the following were used:

- Defra international database for Scope 1 emission factors
- national ISPRA location-based Scope 2 emission factor

- residual AIB market-based Scope 2 emission factor
- Ecoinvent database included in the LCA SimaPro Scope 3 software.

## THE RESULTS

Carbon-footprint calculation was conducted for all years starting from 2016 and is up to date for 2023. Sammontana has a methodological document that describes development of the study in comprehensive detail. Key methodological notes and results are summarised below.

## SCOPE 1

The following emission sources were taken into account for calculation of *Scope 1* greenhouse gas emissions:

- methane gas
- diesel for own vehicle fleet
- diesel for generators
- petrol for vehicles
- refrigerant gas leaks
- direct use of CO<sub>2</sub> for pasty production.

The emission factors used for fuels (natural gas, diesel and petrol for vehicles, and diesel for generators) are derived from the QUES<sup>18</sup> database, considered to be one of the most reliable international and national databases for company reporting.

<sup>18</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

The emission factors used for refrigerant gases refer to the IPCC Fifth Assessment Report (AR5)<sup>19</sup>. The values used to calculate the carbon footprint of refrigerant gases are real and correspond to refrigerant gas losses, which are considered equal to the amount of replenishment needed annually during maintenance activities of each facility considered.

At frozen-pastry production facilities, CO<sub>2</sub> is used directly for production purposes and, being of fossil origin, a GWP of 1 was considered.

## SCOPE 2

Scope 2 involves the calculation of carbon emissions associated with the generation phase alone (life-cycle impacts not included in the generation phase are considered as Scope 3).

The *GHG protocol* requires consideration of two approaches: *location-based* and *market-based*.

The *location-based* approach involves use of average conversion factors of the national grid from which electricity is purchased.

The *market-based* approach, on the other hand, reflects the company's commercial choices, using conversion

factors if they are present in contracts (e.g. Guarantee of Origin certificates for the purchase of renewable energy or use of a specific emission factor declared by the supplier) or using *residual mix* emission factors. For the purposes of baseline calculation, Sammontana used a *residual mix* factor that takes into account the real Italian energy mix, after electricity from renewable sources tracked and allocated to a specific end consumer has been deducted.

Sammontana has selected the *market-based* approach to define its baseline. It is on these values that the company can act and thus reduce its Scope 2 emissions. However, for transparency, the *location-based* approach is also reported, in accordance with the *GHG Protocol*.

For the *market-based* conversion factors, the values derived from studies conducted annually by the *Association of Issuing Bodies (AIB)*<sup>20</sup> were used, as defined by the *GHG Protocol*. For the *location-based* approach, the Italian conversion factors calculated by ISPRA<sup>21</sup> were used.

Energy consumption data are real and derived from meter readings at each facility considered.

<sup>19</sup> [http://www.climatechange2013.org/images/report/WGIAR5\\_ALL\\_FINAL.pdf](http://www.climatechange2013.org/images/report/WGIAR5_ALL_FINAL.pdf). GWPs: IPCC's Working Group I, "Climate Change 2013: The Physical Science Basis." Ch. 8, p. 731-738, Table 8.A.1, 2013. [https://www.ipcc.ch/pdf/assessment-report/ar5/wgi/WGIAR5\\_Chapter08\\_FINAL.pdf](https://www.ipcc.ch/pdf/assessment-report/ar5/wgi/WGIAR5_Chapter08_FINAL.pdf)

<sup>20</sup> <https://www.aib-net.org/facts/european-residual-mix>

<sup>21</sup> <https://www.isprambiente.gov.it/files2022/pubblicazioni/rapporti/r363-2022.pdf>

### SCOPE 3

Sammontana has made an initial attempt to measure indirect emissions, which are outside Sammontana's sphere of influence as defined by the initial Scope 1 and 2 boundaries. In this initial attempt, with the aim of providing a reliable estimate of CO<sub>2</sub>eq for Scope 3, Sammontana used LCA studies of average pastry and ice-cream products for 2020, calculating a conversion factor (kg CO<sub>2</sub>eq/kg of product) without taking into account direct emissions and energy consumption for the production phase (already included in Scope 1 and 2). This conversion factor, multiplied by the kg of finished ice cream and pastry products for the years 2016–2023, enabled estimation of Scope 3 emissions for ice-cream and pastry products.

In addition, the products that Sammontana does not produce but sells under the *BonChef* brand and as complementary items (overall, lunch-snack products), also fall into the Scope 3 category. In order to estimate emissions, a literature-based study was therefore conducted to identify a kg CO<sub>2</sub>eq/kg product conversion factor, based on the most important categories sold (bread, pizza and ready meals) that is representative for each year of the period 2016–2023.

This enabled an estimate of the tonnes of CO<sub>2</sub>eq of Sammontana's Scope 3 emissions by multiplying the specific emission factors of the ice-cream, pastry and ready-to-eat and complementary food sectors by the corresponding annual quantities of finished products or products sold. The value for Scope 3 emissions is the sum of tonnes of CO<sub>2</sub>eq of the three sectors (Scope 3 ice-cream production + Scope 3 pastry production + Scope 3 sale of lunch-snack products).



## RESULTS OF SAMMONTANA'S CARBON FOOTPRINT ASSESSMENT

Thanks to the organisation's carbon-footprint assessment, Sammontana has defined a baseline for its greenhouse gas emissions, divided by scope (*Scope 1*, *Scope 2* and *Scope 3*).

The following table (*Table 34*) shows the trend of Sammontana's absolute emissions, according to the boundaries and considerations above, expressed in tonnes of CO<sub>2</sub> equivalent. The period considered is 2016–2023<sup>22</sup>.

**TABLE 34 - SAMMONTANA EMISSIONS TREND 2016–2023\***

	2016	2017	2018	2019	2020	2021	2022	2023
Scope 1	20,261	21,975	20,742	26,811	25,143	30,590	34,242	29,068
Scope 2 - location-based	23,130	20,101	19,664	18,963	14,859	13,828	14,590	13,863
Scope 2 - Market-based	34,491	31,130	33,048	32,892	27,045	24,901	21,887	18,844
Scope 3	220,510	233,622	231,909	247,713	217,265	246,392	246,871	250,260
TOTAL SCOPE 1 and 2 (market-based)	54,752	53,105	53,791	59,703	52,188	55,491	56,129	47,912
TOTAL SCOPE 1, 2 (market-based) and 3	275,263	286,728	285,700	307,416	269,453	301,883	303,000	298,172

\* From 2020 onwards, Montelupo and branches were also considered in the calculation of Scope 1, 2 and 3 emissions

The results of this assessment enabled Sammontana to recognise that greenhouse gas emissions are primarily *Scope 3* (i.e. indirect emissions): in fact, these account for approximately 84% of the total. These emissions are associated with the upstream and downstream supply chain of the organisation, and are therefore not directly under Sammontana's control, although they can be indirectly influenced through Sustainable Supply Chain initiatives<sup>23</sup>.

With regard to *Scope 1* and *Scope 2* greenhouse gas emissions, over which Sammontana has direct control, the company has set itself targets for improvement in line with the European Green Deal strategy to achieve climate neutrality by 2050 and the European Climate Regulation (Regulation [EU] 2021/1119), which has introduced an additional interim target to be achieved by 2030, with a reduction in emissions of at least 55% compared to 1990 levels.

<sup>22</sup> For calculation of 2023 emissions, Sammontana has used the same conversion factors applied in *Scope 1*, *Scope 2* and *Scope 3* for 2022, pending updating of these factors later this year. For this reason, the figure for 2023 may vary from that provided here.

<sup>23</sup> Link to Pillar 2 "Sustainable Supply Chains"

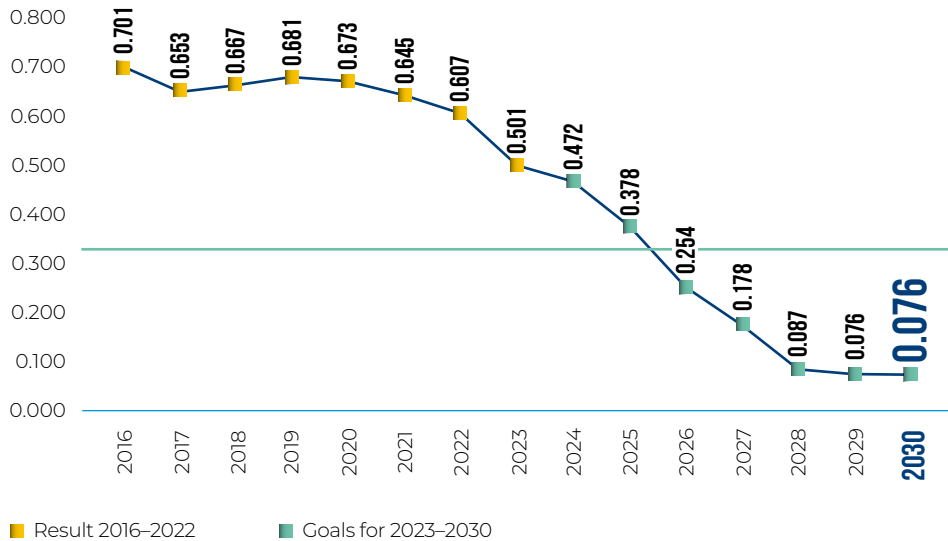
## GHG EMISSION INTENSITY AND EMISSIONS REDUCTION

Below is a graph of the trend for the performance indicator expressing Sammontana's relative emissions in relation to the total tonnes of production in the period 2016–2023. The graph also provides a forecast for this indicator up to 2030. This indicator considers the total tonnes of CO<sub>2</sub> eq for Scope 1 and Scope 2 (market-based) and total pastry and ice-cream production. Sammontana's performance indicator for the year 2023, which is therefore based on the ratio between Scope 1 and Scope 2 (Market-based) emissions in 2023 of 47,912 CO<sub>2</sub> eq and the tonnes of product produced


by the organisation in the same year (95,538), reached a value of 0.501, perfectly in line with the final target (Fig. 33).

In fact, planning of actions aimed at reducing energy consumption, the purchase of electricity generated from renewable sources and specific investments, enabled Sammontana to set itself the target of reducing relative Scope 1 and 2 emissions by 55% by 2027 compared to 2016 levels. This is in line with European targets and three years ahead of the targets set out by Regulation (EU) 2021/1119.

**FIG. 33 | SCOPE 1 AND 2 EMISSIONS INDEX/PRODUCTION (TCO<sub>2</sub>EQ/T FINISHED PRODUCT)**







Sammontana is committed to reducing greenhouse gas emissions related directly and indirectly to the organisation.

In 2023, it also decided to offset CO<sub>2</sub> equivalent (eq) emissions considered unavoidable, included under Scope 1 and Scope 2, related to its production activities.

Sammontana offsets greenhouse gas emissions with projects on a global scale through the purchase of CER (Certified Emission Reduction) credits, according to the CDM (Clean Development Mechanism, CP2) standard, described in more detail in the Impact Report.

During 2023, Sammontana offset 47,912 t CO<sub>2</sub>eq to cancel out Scope 1 and 2 emissions for the Amando range of products, calculated for the entire life cycle, ice cream sold at “Lidi Green” outlets and a company event in December attended by all Sammontana people.



## 6.4 WATER RESOURCES

Sammontana considers water a fundamental resource, both from its perspective as a food company and because of the vital and finite nature of this resource. On this basis, Sammontana is committed to promoting **responsible use and increasingly precise management of water** through strategic approaches aimed at:

- improving its performance indicators with efficiency measures and minimising water withdrawals
- reducing and eliminating possible causes of environmental pollution associated with wastewater discharge.

Water is used in the production process, both as an ingredient for the finished product and for washing processes, which requires intensive use of water, especially for the sanitisation of ice-cream production lines. Nevertheless, wherever possible, Sammontana strives to reuse the water by preventing it from being immediately discharged.

A further use of water arises from the need to condense ammonia in the evaporative condensers of the refrigeration circuit feeding freezers, tunnels, cold storage and other refrigeration loads.

With a view to limiting water withdrawals, the company has implemented water-monitoring KPIs to track water usage at each facility.

Highlighting its commitment to the protection of water resources, Sammontana periodically conducts LCA studies for a series of representative product lines from ice-cream and pastry production. There is a particular focus on the *Water Scarcity Footprint*, assessing the impacts related to water consumption and identifying possible solutions for mitigation.

The relative *Available Water Remaining (AWARE)* indicator was adopted for analysis of *water scarcity*. This indicator measures the amount of water remaining in a basin after demand for water resources for human activities and ecosystems has been met.



### RESULTS OF REDUCING WATER WITHDRAWALS

**Sammontana has set annual targets to reduce water withdrawals at each facility.**

**For the facilities over which it has full control (Empoli, Colognola ai Colli and Vinci), in 2023 Sammontana reduced specific water withdrawal by 6.33% compared to 2022.**

The indicator assesses the potential for deprivation of water resources, both for individuals and ecosystems, based on the assumption that water unavailability is closely linked to the deprivation of an individual or entire system.

using a special questionnaire, based on the provisions of the Supplier Code of Conduct, with the aim of fostering greater attention to water consumption and promoting mitigation actions and collaboration throughout the supply chain.

In addition to internal actions, in 2023 Sammontana launched an external process with its suppliers that involves gathering water consumption data,

Sammontana uses water from mains supplies and wells for its production process. Specifically, each facility is organised as follows:

**TABLE 35 - WATER WITHDRAWAL BY FACILITY**

<b>Empoli</b>	<b>Vinci</b>	<b>Colognola ai Colli - ice-cream production</b>	<b>Colognola ai Colli - pastry production</b>	<b>Montelupo Logistics Hub</b>
<p>Water withdrawal <b>from mains supply used for:</b></p> <ul style="list-style-type: none"> <li>• Product recipes</li> <li>• Pasteurisation techniques</li> <li>• Final washing of production lines.</li> </ul>	<p>Water withdrawal <b>from mains supply used for:</b></p> <ul style="list-style-type: none"> <li>• Product recipes</li> <li>• Washing tunnels and production equipment.</li> </ul>	<p>Water withdrawal <b>from mains supply used for:</b></p> <ul style="list-style-type: none"> <li>• Product recipes</li> <li>• Pasteurisation techniques</li> <li>• Final washing of production lines.</li> </ul>	<p>Water withdrawal <b>from mains supply used for:</b></p> <ul style="list-style-type: none"> <li>• Product recipes</li> <li>• Washing tunnels and production equipment.</li> </ul>	<p>Sammontana does not own the site, but has a lease and <b>does not have direct control over use of the resource.</b></p> <p>This is <b>drawn from the mains supply</b> for direct use.</p>
<p>Water withdrawal <b>from four wells used for:</b></p> <ul style="list-style-type: none"> <li>• Refrigeration-cycle cooling</li> <li>• Technical services</li> <li>• Initial and intermediate washing in the production process.</li> </ul>	<p>Water withdrawal <b>from three wells used for:</b></p> <ul style="list-style-type: none"> <li>• Refrigeration-cycle cooling</li> <li>• Technical services.</li> </ul>	<p>Water withdrawal <b>from two wells used for:</b></p> <ul style="list-style-type: none"> <li>• Refrigeration-cycle cooling</li> <li>• Technical services</li> <li>• Initial and intermediate washing in the production process.</li> </ul>	<p>Water withdrawal <b>from two wells used for:</b></p> <ul style="list-style-type: none"> <li>• Refrigeration-cycle cooling</li> <li>• Technical services.</li> </ul>	<p>Water withdrawal <b>from two wells used for:</b></p> <ul style="list-style-type: none"> <li>• Refrigeration-cycle cooling.</li> </ul>

Before use in the facilities, water is treated through various processes via an iron-removal plant and water-softening system (not present at Vinci).

The box below indicates, by factory and in m<sup>3</sup>/tonne of product:

- the maximum water withdrawal target, which the company should fall below, set for 2023
- the actual figure for 2023
- the maximum water withdrawal target, which the company should fall below, set for 2024, based on results achieved and metrics adopted.

In line with its focus on water resources, Sammontana has developed a number of efficiency measures within its facilities:

- at the Empoli plant, there is a water reuse system as well as a reverse-osmosis process to utilise the water in the trigenerator and partly in plants
- there is a reverse-osmosis process at the Colognola ai Colli plant to utilise water in the trigenerator
- there is a reverse-osmosis process and a membrane system at Vinci that enables recovery of wastewater from the purification plant and its subsequent reuse in the refrigeration circuit. This allows a significant reduction in the amount of water drawn from wells.

**Sammontana plans further projects to reduce water consumption over coming years.** A portion of these are simple organisational actions, while others are projects to switch systems and processes over to less water-intensive alternatives.

The following are monitored, for example:

- mapping and execution of closure of open circuits with water discharged
- reduction of automatic and manual washing times, through the validation of detergents/sanitiser that enable shorter washing cycles
- installation of special nozzles for manual rinses, which switch off automatically.

The various actions taken by Sammontana between 2021 and 2023 allowed **an 11.3% reduction in the company's water requirements.**

This figure was calculated considering the facilities of Empoli, Vinci, Colognola, the Montelupo logistics hub and the other Sammontana branches.



### WATER WITHDRAWAL (m<sup>3</sup>/tonne)

	2023 Target	2023 Actual value	2024 Target
Empoli	7.25	6.68	6.68
Colognola ai Colli	7.11	6.82	6.82
Vinci	3.33	3.24	3.20

### WATER WITHDRAWAL BY SOURCE

Sammontana procures its water resources from wells and mains supplies (public network).

From Fig. 34 it is evident that wells represent the main source of water, while water drawn from the public mains supply represents a marginal portion of total water withdrawal.

For food safety reasons, Sammontana has stipulated that drinking water that comes into contact with products and operators, as well as the water needed for washing production lines, comes exclusively from the municipal mains supply, while water from wells is used only for cooling the equipment.

Overall, due to higher productivity, water withdrawal values over the three years increased from 2021 to 2022 from an initial 672.505 Megalitres in 2021 to 699.147 Megalitres in 2022, and decreased from 2022 to 2023 with withdrawal of 662.65 Megalitres. There was a 3.96% increase in water withdrawal in 2022 compared to the previous year. In 2023, however, there was a 5.22% decrease in water withdrawal compared to 2022 (Fig. 34).

Analysing the trend in water withdrawal in relation to the quantity of product (Fig. 35), there was a reduction in the intensity of total water withdrawal over the three years, confirming Sammontana's commitment to reduce water withdrawal through efficiency measures and reuse.

FIG. 34 | WATER WITHDRAWAL BY SOURCE

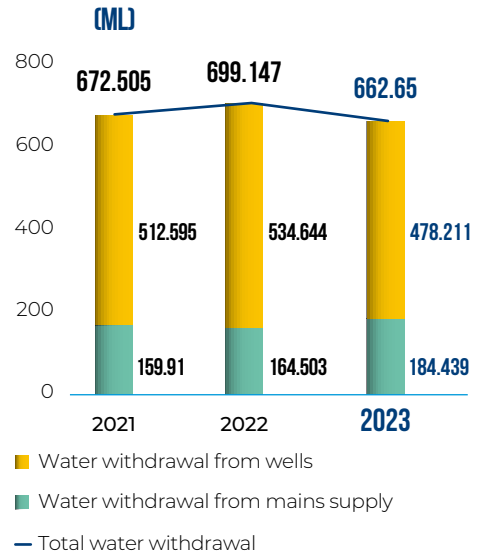
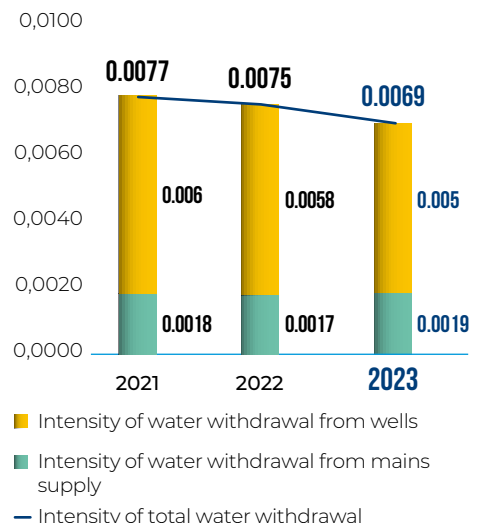


FIG. 35 | WATER WITHDRAWAL INTENSITY IN RELATION TO QUANTITY OF PRODUCT



The figure for water withdrawal intensity against quantity of product in 2021 was 0.0077. This fell in the following years to approximately 0.0075 in 2022 and down to 0.0069 in 2023.

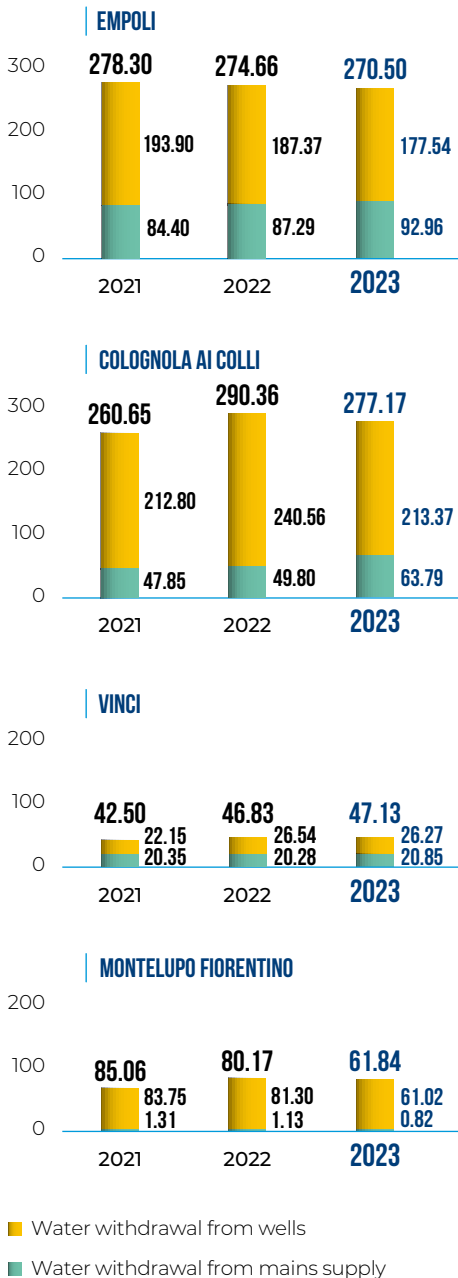
In percentage terms in 2022, total water withdrawal intensity against quantity of product decreased by 2.6% compared to the previous year (2021) due to a decrease in both sources. Similarly in 2023, the total water withdrawal intensity against quantity of product decreased by a greater percentage: 10.4% compared to 2022.

Looking at the main source of water withdrawal for each facility (Fig. 36), the general trend is towards greater use of wells, confirming the above.

There was also a decrease in total water withdrawal in 2023 at the Colognola ai Colli and Vinci facilities. The Empoli facility, like the Montelupo Fiorentino facility, shows a decrease in overall water withdrawal over the three years.

Finally, it can be seen that the other branches use mains supplies (public network) as sole source of withdrawals.

**FIG. 36\* | WATER WITHDRAWAL BY SOURCE AT EACH FACILITY**



## WATER WITHDRAWAL BY AREA

In addition to a breakdown of water withdrawal by source, it is important to distinguish the area from which water is withdrawn, i.e. whether it is classified as a water-stressed area or non-water-stressed area.

A water-stressed area refers to a geographical area where the demand for water exceeds long-term availability of renewable water resources. In other words, an area is considered water-stressed when the amount of available water is insufficient to meet the needs of the population, businesses and the local ecosystem.

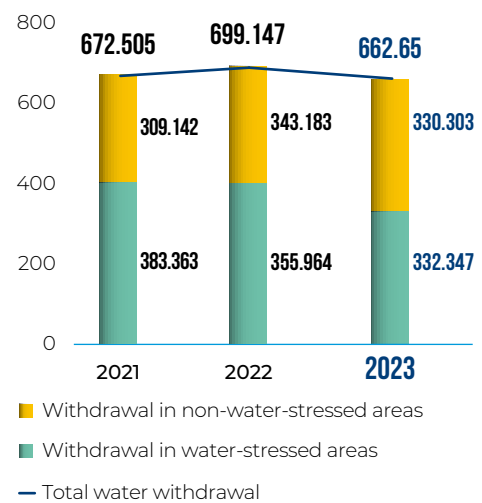
Sammontana's Empoli, Vinci and Montelupo production sites are located in areas classifiable as water stressed, while Colognola ai Colli is located in an area classifiable as non-water stressed<sup>24</sup>.

The location of these sites is obviously based on reasons of industrial development and pre-dates the classification of water stressed areas.

In all three years considered, although water withdrawal trends varied across areas, those subject to greater water withdrawal were water-stressed areas rather than non-stressed areas (Fig. 37).

In 2023, total water withdrawal was 332.347 Megalitres from water-stressed areas and 330.303 Megalitres from non-water-stressed areas. However, the amount of water withdrawal from water-stressed areas is lower than the previous year.

**FIG. 37 | TOTAL WATER WITHDRAWAL BY AREA (ML)**



## WATER DISCHARGE

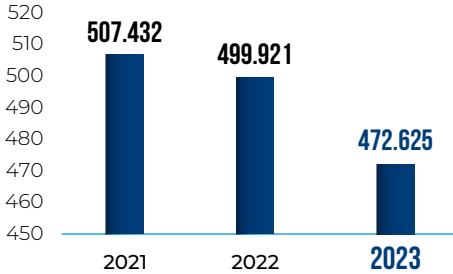
With regard to water discharge, the production facilities which Sammontana controls directly must comply with the values laid down by law and set out in table 3, annex 5 of Italian Legislative Decree 152/2006<sup>25</sup>.

Sammontana's water discharges are all sent to the municipal treatment plant.

<sup>24</sup> Because the data for classification by area of production sites in different locations are not uniform, it was deemed appropriate to use the accredited "Acqueduct Water Risk Atlas" tool. We reserve the right to perform further analyses in subsequent years. Source: Aqueduct Water Risk Atlas (wri.org).

<sup>25</sup> The Vinci plant has derogation limits for suspended solids, BOD, COD and total surfactants.

**FIG. 38 | TOTAL WATER DISCHARGE (ML)**



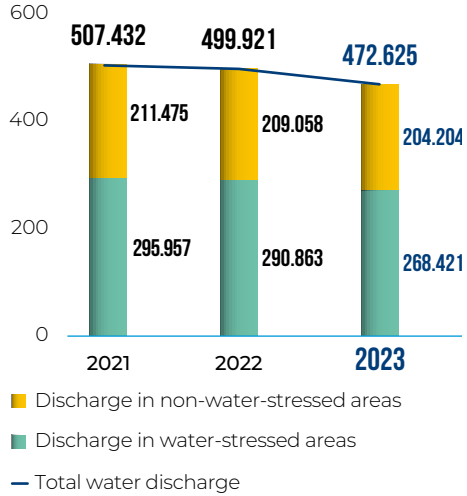
The total water discharge trend (Fig. 38), over the three years does not appear constant due to variation in quantities produced.

A progressive decrease in total water discharge is seen over the three years. Specifically, the discharge was 472.625 Megalitres in 2023, compared to 499.921 in 2022, which translates into a decrease of 5.46% on the previous year.

Water discharge values by area (Fig. 39) show that the majority of water discharges in all three years were in water-stressed areas.

Here too, however, comparing the numerical values for water discharge in 2023 with 2022 figures shows a decrease in water-stressed areas, partly due to the overall decrease in discharge.

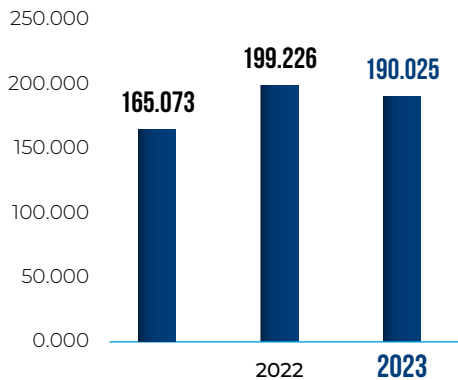
**FIG. 39 | TOTAL WATER DISCHARGE BY AREA (ML)**



**WATER CONSUMPTION**

Values for total water consumption (Fig. 40) show a variable trend over the three years.

**FIG. 40 | TOTAL WATER CONSUMPTION (ML)**



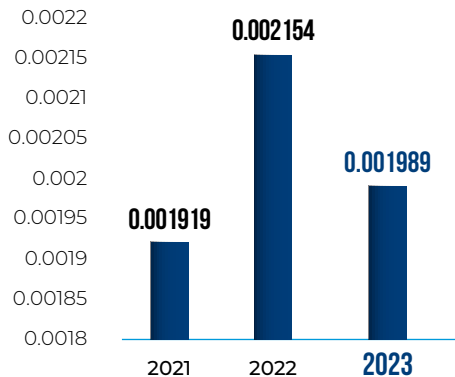
2021 Water consumption of 165.073 Megalitres increased by around 34 units in 2022, reaching a value



of 199.226 Megalitres and then decreased in 2023 by around 9 units, to a value of 190.025 Megalitres.

In percentage terms, from 2021 to 2022, there was a 20.68% increase in total water consumption. In 2023, the value decreased by 4.62% compared to 2022.

**FIG. 41 | TOTAL WATER CONSUMPTION INTENSITY IN RELATION TO QUANTITY OF PRODUCT**



However, analysing water consumption in relation to the quantity of product, changes in percentage values differ compared to those in absolute values, as seen by comparing *Fig. 40* and *41*.

Overall, variation in the intensity of water consumption depends on both productivity and climate. In fact, it is derived both from use as a recipe ingredient, and use in evaporative condensers.

## 6.5 WASTE MANAGEMENT

Sammontana has been committed to reducing levels of waste for several years. This goal is pursued through numerous activities aimed at avoiding waste generation and minimising input materials destined to become waste.

In line with national and EU waste management priority criteria, the company focuses its efforts on substantially reducing waste generation through prevention, reduction, reuse and recycling.

**For each type of waste, Sammontana undertakes to identify recovery techniques that are compatible with the characteristics of the waste,** minimising the environmental impact and maximising waste sent for recovery, with the goal of sending zero waste to landfill. This is pursued through widespread and shared efforts on the part of all personnel and through increasingly precise forms of waste sorting.

## EDIBLE WASTE GENERATED BY THE PRODUCTION AND DISTRIBUTION PROCESS

Sammontana has always created products of the highest quality and, to ensure this, it conducts tests and numerous quality controls on its products, starting in production. Due to the complexity of production processes and Sammontana's commitment to food quality and safety, a certain amount of waste that cannot be reused in processes is inevitable.

On this basis, recognising the importance of involving as many players as possible to increase supply-chain sustainability, Sammontana

has established partnerships with companies that can utilise production waste as a by-product. Such waste is primarily used for the production of biogas, which will then be utilised in the production of heat and electricity. Where it is not possible to manage such waste as a by-product, the company is forced to manage it as waste and send it for recovery at specialised plants which, in any case, send it for biodigestion.

In conclusion, the amount of edible product that cannot re-enter the cycle as trimmings or *rework* and that is directly destined for biodigestion as a by-product is quantified as:

**TABLE 36 A - BY-PRODUCT (KG) SENT TO BE PROCESSED FOR GENERATION OF ELECTRICITY/HEAT\***

	2021	2022	2023
Empoli	138,340	142,682	1,002,237
Vinci	1,003,060	1,058,000	1,269,180
Cognola ai Colli	1,223,160	1,472,660	1,718,060
Montelupo Fiorentino	1,231,307	1,064,370	1,218,422

\* TABLE METHODOLOGY: Production sites are associated with the relevant by-product (dough scraps or unpackaged ice cream). All by-product from the various warehouses is associated with Montelupo regardless of the warehouse of departure.

The substantial increase in by-product generated by the Empoli production site is explained by prioritisation of this use rather than generation of waste. Over the three years, the ratio of by-product to waste provides a percentage

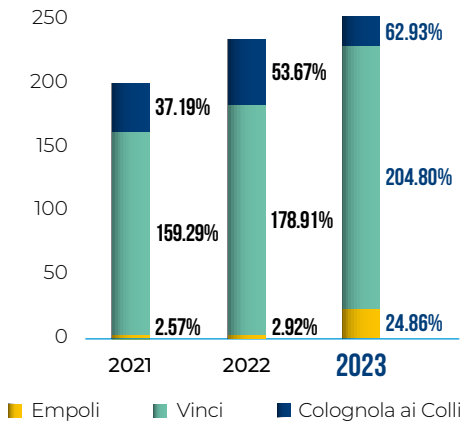
index that steadily increases across all production sites. By 2023, for the Empoli site the percentage value has increased almost tenfold, demonstrating company policy increasingly pursuing a circular economy (Fig. 42 a).

**TABLE 36 B - INTENSITY OF PROVISION OF BY-PRODUCT TO BE PROCESSED FOR GENERATION OF ELECTRICITY/HEAT\***

	2021	2022	2023
Empoli	2.57%	2.92%	24.86%
Vinci	159.29%	178.91%	204.80%
Colognola ai Colli	37.19%	53.67%	62.93%

\*compared to waste generated

**FIG. 42 A | INTENSITY OF PROVISION OF BY-PRODUCT TO BE PROCESSED FOR GENERATION OF ELECTRICITY/HEAT\***



\*compared to waste generated


With a view to reducing waste, Sammontana has implemented the Lean Manufacturing *SLIM (Sammontana Lavorando Insieme Migliora - Working Together for Improvement)* project. This involves actions to simplify production (in terms of the number and variety of finished product lines, semi-finished products, etc.) and combat waste, improving the overall efficiency of production lines.

Sammontana maintains a quota of product in its refrigerated storage units, enabling it to respond to sales peaks and avoid product shortages. This can lead to the risk of products approaching their minimum shelf life, making them no longer saleable. However, as noted above, for several years Sammontana has paid particular attention to circular forms of management of unsold products, in particular through donations to non-profit associations.

As detailed in section 4, since September 2022 Sammontana has partnered with the Regusto platform to manage unsold products in its warehouses with the aim of increasing the amount of donations to those in need.

**PACKAGING-RELATED WASTE (INCOMING)**

Sammontana is committed to **preventing waste from incoming packaging**, which, by virtue of the type of product handled, can be managed in cooperation with packaging and raw-material suppliers through *reverse logistics* solutions or reusable packaging.



For raw materials such as flour, sugar, glucose syrup and chocolate, Sammontana uses 1,000 kg IBCs<sup>26</sup>, while milk powder is delivered in 25 kg sacks.

Regarding tertiary packaging, which consists mainly of pallets, Sammontana has achieved an excellent level of circularity: after using pallets for storage in warehouses and depots, they are sent back to the supplier who reprocesses them and re-introduces them into new production cycles. This solution promotes economic savings and implementation of an environmentally friendly process.

**Sammontana has decided to increase the use of CHEP (shared) pallets for return to the supplier,** achieving a usage rate of 93% in 2023, in line with the previous year's target.

Reuse of secondary packaging, on the other hand, is more complex as cardboard packaging is disposed of and sent for recycling. The large amount of cardboard produced makes it difficult to manage internal space and maintain the quality of the material to be reused for food packaging. For this reason, cardboard is currently sent for recycling and feeds the flow of secondary raw materials entering paper-mill chain for the production of recycled cardboard.

Other packaging, such as tanks and boxes, used to store and transport raw materials and chemicals, are utilised for water collection or for production waste, which then feeds the treatment plant when production is stopped for annual maintenance.

For the management of waste produced at its production sites, Sammontana uses software enabling real-time monitoring of inventory, deadlines, and authorisations for all figures involved along the waste-management chain. This software supports management of loading and unloading logs and completion of forms, as well as facilitating drafting of the Single Environmental Declaration Form (*MUD*). With this integrated system, Sammontana can maintain complete and accurate control over its waste management.

Table 37 shows the quantities of waste:

- by factory
- by year
- by type of hazard
- by type of treatment: recovered (not intended for disposal i.e. "recycled", "prepared for use"/"recovered") or disposed of.

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<sup>26</sup> IBCs (Intermediate Bulk Containers) are polyethylene tanks used for the transport and storage of various materials.

TABLE 37 - TOTAL WASTE (TONNES)\*

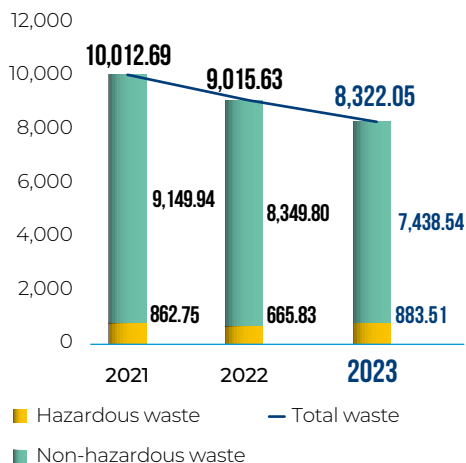
Facility	Category	2021		2022		2023	
		Recovery	Disposal	Recovery	Disposal	Recovery	Disposal
Empoli	Hazardous	283.24	8.15	36.90	8.15	49.06	32.09
	Non-hazardous	4,979.21	121.19	4,794.87	43.36	3,766.47	184.61
	<b>Total waste generated</b>	<b>5,262.45</b>	<b>129.34</b>	<b>4,831.76</b>	<b>51.51</b>	<b>3,815.53</b>	<b>216.7</b>
		<b>5,391.79</b>		<b>4,883.27</b>		<b>4,032.23</b>	
Colognola ai Colli	Hazardous	15.52	0.22	22.57	14.91	32.14	15.34
	Non-hazardous	2,555.82	717.4	2,620.64	85.94	2,676.13	6.49
	<b>Total waste generated</b>	<b>2,571.34</b>	<b>717.62</b>	<b>2,643.21</b>	<b>100.85</b>	<b>2,708.27</b>	<b>21.83</b>
		<b>3,288.96</b>		<b>2,744.06</b>		<b>2,730.1</b>	
Vinci	Hazardous	5.77	0.07	7.84	0.22	6.61	0
	Non-hazardous	607.05	16.82	578.88	4.4	611.94	1.18
	<b>Total waste generated</b>	<b>612.82</b>	<b>16.89</b>	<b>586.73</b>	<b>4.62</b>	<b>618.55</b>	<b>1.18</b>
		<b>629.71</b>		<b>591.35</b>		<b>619.73</b>	
Montelupo LOGISTICS HUB	Hazardous	0.08	0	0	0	0	0
	Non-hazardous	53.52	0	45.36	0	18.21	0
	<b>Total waste generated</b>	<b>53.60</b>	<b>0</b>	<b>45.36</b>	<b>0</b>	<b>18.21</b>	<b>0</b>
		<b>53.60</b>		<b>45.36</b>		<b>18.21</b>	
Branches	Hazardous	291.09	0	331.74	0	378.62	0
	Non-hazardous	95.6	0	174.48	0	171.83	0
	<b>Total waste generated</b>	<b>386.69</b>	<b>0</b>	<b>506.22</b>	<b>0</b>	<b>550.45</b>	<b>0</b>
		<b>386.09</b>		<b>506.22</b>		<b>550.45</b>	
Agents and branches (WEEE)	Hazardous	258.61	0	243.50	0	369.65	0
	Non-hazardous	3.33	0	1.87	0	1.68	0
	<b>Total waste generated</b>	<b>261.94</b>	<b>0</b>	<b>245.37</b>	<b>0</b>	<b>371.33</b>	<b>0</b>
		<b>261.94</b>		<b>245.37</b>		<b>371.33</b>	
Sammontana total	Hazardous	854.31	8.44	642.55	23.28	836.08	47.43
		862.75		665.83		883.51	
	Non-hazardous	8,294.53	855.41	8,216.11	133.70	7,246.26	192.28
	9,149.94		8,349.80		7,438.54		
<b>Total waste generated</b>	<b>9,148.84</b>	<b>863.85</b>	<b>8,858.65</b>	<b>156.98</b>	<b>8,082.34</b>	<b>239.71</b>	
	<b>10,012.69</b>		<b>9,015.63</b>		<b>8,322.05</b>		

\* 2023: Waste figures for the Colognola plant also includes the Lavagno warehouse

Detailed analysis of data on the amount of total waste generated (Fig. 42) total generation for 2021–2023 is indicated considering the amount of hazardous and non-hazardous waste generated by Sammontana.

The graph clearly shows that the majority of waste produced by Sammontana is non-hazardous. In 2021, this represented 91% of the total, in 2022 93% and in 2023 89%.

**FIG. 42 B | TOTAL WASTE PRODUCED (TONNES)**



**TABLE 38 - TYPE OF WASTE PRODUCED (TONNES)**

	2021	2022	2023
Sludge from on-site treatment of effluents	3,672.92	2,929.91	2,846.33
Paper and cardboard packaging	1,502.72	1,590.59	1,582.93
Wood packaging	1,324.04	1,075.31	1,034.81
Mixed-material packaging	799.96	923.48	896.39
Other	1,020.36	988.85	816.87
Waste unsuitable for consumption or processing	1,286.14	1,109.66	633.26
WEEE	261.94	245.37	371.33
Plastic packaging	144.61	152.46	140.14
<b>TOTAL</b>	<b>10,012.69</b>	<b>9,015.63</b>	<b>8,322.05</b>

In particular, non-hazardous waste generated in 2023 consists of sludge from on-site treatment of effluents (Table 38). This type of waste is quantitatively higher than the others (Fig. 43) and is generated by the use of water for cleaning systems, equipment and production premises. These activities generate wastewater that is sent to treatment plants located on production sites. These produce

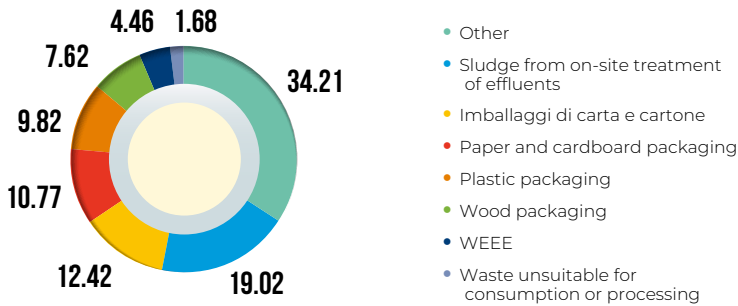
sludge, which is managed as waste and sent to specialised companies for the production of energy, biofuels and natural fertilisers. The remaining non-hazardous waste consists of packing in paper and cardboard, wood, mixed materials, plastic, and other materials and unusable edible waste that, for various reasons, could not be sent for biodigestion. The table concludes with the amount of non-hazardous WEEE.

Sammontana also generates some hazardous waste, although this is a very small portion of the total. This waste is managed according to all current regulations, ensuring the safety of people and the environment.

Maintenance activities carried out by Sammontana on its equipment

generate certain types of typical hazardous waste, such as lead batteries, motor oils and waste lubricants. These are collected in special containers in the waste disposal areas and handed over for recovery to companies authorised to treat these types of waste.

**FIG. 43 | TYPE OF WASTE GENERATED - 2023 (%)**

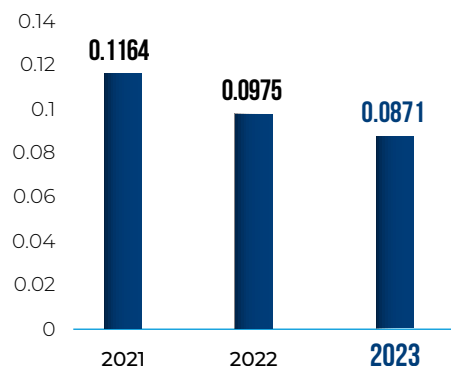


Furthermore, in order to guarantee the quality and food safety of its products, Sammontana carries out specific analyses to verify hygiene levels and the effectiveness of the sanitisation system for machinery and surfaces. This activity also generates hazardous waste that must be disposed of according to special precautions to avoid infection. For this reason, Sammontana has defined specific procedures for the management of waste generated by in-house chemical and microbiological laboratories, in order to guarantee the safety of people and the environment.

In this context, the company has also implemented a CIP (*Cleaning in Place*) sanitisation system that allows the recovery of chemicals used for cleaning, such as soda ash, helping to reduce waste. In addition, a periodic check is carried out to verify the correct use and precise dosage of soaps and other chemicals. This has led to a reduction in the amount of chemicals required for washing the proofing and cooling tunnel for croissants at the Colognola ai Colli facility.

In addition to a decrease of waste generated in absolute terms (Table 39), the intensity of waste generated, i.e. the ratio of the company's total waste to production of ice cream and pastry goods in the year, is also steadily decreasing, confirming the general policy of preventing and reducing the amount of waste (Fig. 44).

**FIG. 44 | INTENSITY OF WASTE GENERATED**



**TABLE 39 - DETAILS OF INTENSITY OF WASTE GENERATED**

	2021	2022	2023
Quantity generated (t)	86,004.26	92,492.28	95,541.37
Total waste (t)	10,012.69	9,015.63	8,322.05
Intensity of waste generated	0.1164	0.0975	0.0871

In 2022, the amount of waste generated decreased by 10% compared to 2021, with a 7% increase in weight of product produced, for a 25.65% decrease in waste generated per unit of product.

**In 2023, the amount of waste generated decreased by 7.69%** with an increase of 3.30% in weight of product produced, resulting in a decrease of 10.67% in waste generated per unit of product compared to 2022.

Confirming these figures, Sammontana has made significant efforts in recent years to reduce, sort and correctly separate waste. Strict separated collection is carried out at every facility, with particular attention to the separation of different sub-types of packaging waste, including plastic, metal and wood. In addition, for the factories in Tuscany, a partnership has been set up with an advanced mixed-packaging recovery plant, which enables sorting of 34 different types of material.



**TABLE 40 - WASTE SENT FOR RECOVERY**

Waste by type (tonnes)	2021	2022	2023
	External site	External site	External site
<b>Total hazardous waste</b>	<b>854.31</b>	<b>642.55</b>	<b>836.08</b>
Recycling	0.00	10.90	14.46
Other recovery operations	854.31	631.65	821.62
<b>Total non-hazardous waste</b>	<b>8,294.53</b>	<b>8,216.10</b>	<b>7,246.26</b>
Recycling	5,839.49	5,294.27	4,668.7
Other recovery operations	2,455.03	2,921.84	2,577.57

**TABLE 41 - DETAILS OF WASTE SENT FOR RECOVERY AND DISPOSAL**

	2021	2022	2023
Waste sent for recycling	91.4%	98.3%	97.1%
Waste directed to disposal	8.6%	1.7%	2.9%

**TABLE 42 - WASTE DIRECTED TO DISPOSAL**

Waste by type (tonnes)	2021	2022	2023
	External site	External site	External site
<b>Total hazardous waste</b>	<b>8.44</b>	<b>23.28</b>	<b>47.43</b>
Other disposal operations	8.44	23.28	37.64
<b>Total non-hazardous waste</b>	<b>855.41</b>	<b>133.70</b>	<b>192.28</b>
Other disposal operations	855.41	133.70	97.02

From tables 40, 41 and 42, it can be seen that almost all waste, both hazardous and non-hazardous, is destined for recovery and the proportion for disposal is minor. Recovery is always favoured over disposal, considered the last resort by the company, when there is no alternative. 97.1% of waste was sent for recovery in 2023.

All waste sent for recovery in the three years was managed at an external site and was recycled or subject to other recovery operations (*Table 40*). Waste sent for disposal, on the other hand, also managed at an external site, underwent other disposal operations through “physical-chemical or biological treatment not specified elsewhere” as set out in annex B of part IV, Italian Legislative Decree No. 152 of 03 April 2006 (*Table 41 and Table 42*).





**7**

**APPENDIX**

## 7. APPENDIX

### 7.1 METHODOLOGICAL NOTE

Sammontana presents the **second edition of its Sustainability Report**, a document drawn up with the aim of consolidating the reporting process initiated with the 2022 Report.

Sammontana is within the scope of consolidation of Sammontana Finanziaria S.r.l. together with its subsidiary Transfrigo S.r.l., whose figures, although relatively insignificant, have been included in reporting.



The analysis scope of the report therefore includes Sammontana S.p.A. Società Benefit with production facilities in Empoli, Colognola ai Colli and Vinci, a logistics site in Montelupo Fiorentino, warehouses and branches, which house employees of Sammontana S.p.A. Società Benefit and Transfrigo S.r.l..

The sustainability report has been prepared in accordance with the *GRI Sustainability Reporting Standards*, defined by *Global Reporting Initiative*.

The materiality assessment, carried out in 2022, was based on the 2016 GRI Standards, and the qualitative-quantitative information for material topics has been described according to the updated version of the 2022 GRI Standards. This results from drafting of the Report in the period between elimination of the old standards and entry into force of the new standards: a new Double Materiality Assessment will be conducted in 2024.

Sammontana has made a voluntary decision to draw up this Report with the aim of consolidating the process of structuring and preparing for mandatory reporting in accordance with the requirements of the *Corporate Sustainability Reporting Directive (CSRD)*, to which the company will be subject in subsequent years. For this reason, and because this document accompanies the Impact Report that is a mandatory regulatory requirement for Benefit Corporations, it was not deemed appropriate to submit it to *External Assurance*.

Both documents, together with the Impact Report drawn up to fulfil the regulatory obligations of the benefit corporation, were submitted to the BoD for approval on 30 April 2024.

The contact person for the Sustainability Report is Chiara Di Cesare, Sammontana's Sustainability Manager, Impact Manager and Gender Equality Officer.

## 7.2 GRI INDEX

GRI content index			
Declaration of use	Sammontana has prepared this report in accordance <sup>27</sup> with the GRI Standards for the period (01/01/2021–31/12/2023)		
GRI 1 used	GRI 1: Foundation 2021		
General disclosures	Disclosure details	Paragraph of Sustainability Report	Omissions/Notes
GRI 2: General Disclosures 2021	2-1 Organisational details	<i>Sammontana in figures</i>	
	2-2 Entities included in the organisation's sustainability reporting	<i>Methodological note</i>	
	2-3 Reporting period, frequency and contact point	<i>Methodological note</i>	
	2-4 Restatements of information	<i>Methodological note</i>	
	2-5 External assurance	<i>Methodological note</i>	
	2-6 Activities, value chain and other business relationships	<i>Sammontana in figures</i>	
	2-7 Employees	<i>Sammontana in figures</i> <i>Employees</i>	
	2-8 Workers who are not employees		There are no workers who are not employees at the operating sites. Interns are included in the employee section.
	2-9 Governance structure and composition	<i>Governance</i>	
	2-10 Nomination and selection of the highest governance body	<i>Governance</i>	
	2-11 Chair of the highest governance body	<i>Governance</i>	
	2-12 Role of the highest governance body in overseeing the management of impacts	<i>Sustainability Governance</i>	
	2-13 Delegation of responsibility for managing impacts	<i>Governance</i>	

<sup>27</sup> The sustainability report was prepared in accordance with the GRI Sustainability Reporting Standards. However, the materiality assessment, carried out in 2022, was based on the 2016 GRI Standards, and the qualitative-quantitative information for material topics has been described according to the updated version of the 2022 GRI Standards. This results from drafting of the Report in the period between elimination of the old standards and entry into force of the new standards.

General disclosures	Disclosure details	Paragraph of Sustainability Report	Omissions/Notes
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	<i>Sustainability Governance</i>	
	2-15 Conflicts of interest	<i>Ethics and integrity</i>	
	2-16 Communication of critical concerns	<i>Ethics and integrity</i>	
	2-17 Collective knowledge of the highest governance body	<i>Sustainability Governance</i>	
	2-18 Evaluation of the performance of the highest governance body	<i>Governance</i>	
	2-19 Remuneration policies	<i>Ethics and integrity</i>	
	2-20 Process to determine remuneration	<i>Ethics and integrity</i>	
	2-21 Annual total compensation ratio	<i>Ethics and integrity</i>	
	2-22 Statement on sustainable development strategy	<i>Letter from the CEO</i>	
	2-23 Policy commitments	<i>Ethics and integrity</i>	
	2-24 Embedding policy commitments	<i>Ethics and integrity</i>	
	2-25 Processes to remediate negative impacts	<i>Ethics and integrity</i>	
	2-26 Mechanisms for seeking advice and raising concerns	<i>Ethics and integrity</i>	
	2-27 Compliance with laws and regulations		For the current reporting year, this information is not available due to difficulties in retrieving data. For future years, the organisation will provide further disclosure.
	2-28 Membership associations	<i>Local communities</i>	
	2-29 Approach to stakeholder engagement	<i>Materiality Assessment and Stakeholder Engagement</i>	
2-30 Collective bargaining agreements	<i>Employees</i>		



General disclosures	Disclosure details	Paragraph of Sustainability Report	Omissions/Notes
<b>Material topics</b>			
GRI 3: Material topics 2021	3-1 Process to determine material topics	<i>Materiality Assessment and Stakeholder Engagement</i>	Identification of material topics and materiality assessment, carried out in 2022, was based on the 2016 GRI Standards. (This results from drafting of the Report in the period between elimination of the old standards and entry into force of the new standards.) Nevertheless, the requirements of the GRI3 disclosure were taken into account as far as possible when drafting the individual materials topics.
	3-2 List of material topics	<i>Materiality Assessment and Stakeholder Engagement</i>	
	3-3 Management of material topics	<i>Materiality Assessment and Stakeholder Engagement/Individual Material Topics</i>	
<b>Economic topics</b>			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	<i>Economic Value Generated and Distributed</i>	
	201-2 Financial implications and other risks and opportunities due to climate change	<i>Risk assessment</i>	
	201-3 Defined benefit plan obligations and other retirement plans	<i>Economic Value Generated and Distributed</i>	
	201-4 Financial assistance received from government	<i>Economic Value Generated and Distributed</i>	
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	<i>Responsible procurement</i>	
Innovation		<i>Nutrition, Food and wellbeing</i>	
			The material topic does not have a GRI reference and was reported considering KPIs derived from an industry benchmark analysis.



General disclosures	Disclosure details	Paragraph of Sustainability Report	Omissions/Notes
<b>Environmental Topics</b>			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	<i>Energy</i>	
	302-2 Energy consumption outside of the organisation		For the current reporting year, this information is not available due to difficulties in retrieving data. For future years, the organisation will provide further disclosure.
	302-3 Energy intensity	<i>Energy</i>	
	302-4 Reduction of energy consumption	<i>Energy</i>	
	302-5 Reduction in energy requirements of products and services	<i>Water resources</i>	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	<i>Water resources</i>	
	303-2 Management of water discharge-related impacts	<i>Water resources</i>	
	303-3 Water withdrawal	<i>Water resources</i>	
	303-4 Water discharge	<i>Water resources</i>	Number of incidents of non-compliance with discharge limits Empoli: 0 cases of non-compliance in 3 years Vinci: 0 cases of non-compliance in 3 years Verona: 2 cases of non-compliance in 2021, 1 case of non-compliance in 2022 and 1 case of non-compliance in 2023
	303-5 Water consumption	<i>Water resources</i>	

General disclosures	Disclosure details	Paragraph of Sustainability Report	Omissions/Notes
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	<i>Emissions</i>	Sammontana relied on the carbon footprint study for emissions reporting. Consumption data regard 2023, while emissions factors are updated for 2022 and will be updated in the current year as soon as new values are available. Small variations in the final result are therefore expected for 2023.
	305-2 Energy indirect (Scope 2) GHG emissions	<i>Emissions</i>	
	305-3 Other indirect (Scope 3) GHG emissions	<i>Emissions</i>	
	305-4 GHG emissions intensity	<i>Emissions</i>	
	305-5 Reduction of GHG emissions	<i>Emissions</i>	
	305-6 Emissions of ozone-depleting substances (ODS)		For the current reporting year, this information is not available due to difficulties in retrieving data. For future years, the organisation will provide further disclosure.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		For the current reporting year, this information is not available due to difficulties in retrieving data. For future years, the organisation will provide further disclosure.
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	<i>Waste Management</i>	
	306-2 Management of significant waste-related impacts	<i>Waste Management</i>	
	306-3 Waste generated	<i>Waste Management</i>	
	306-4 Waste diverted from disposal	<i>Waste Management</i>	
	306-5 Waste directed to disposal	<i>Waste Management</i>	
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	<i>Responsible procurement</i>	
	308-2 Negative environmental impacts in the supply chain and actions taken		For the current reporting year, this information is not available due to difficulties in retrieving data. For future years, the organisation will provide further disclosure.

General disclosures	Disclosure details	Paragraph of Sustainability Report	Omissions/Notes
GRI 301: Materials 2016	301-1 Materials used by weight or volume	<i>Sustainable Procurement of Raw Materials</i>	For the current reporting year, this information is incomplete due to difficulties in retrieving data. For future years, the organisation will provide further disclosure.
	301-2 Recycled input materials used	<i>Sustainable Procurement of Packaging Raw Materials</i>	
	301-3 Reclaimed products and their packaging materials	<i>Sustainable Procurement of Packaging Raw Materials</i>	
Combating food waste		<i>Zero Waste</i>	The material topic does not have a GRI reference and was reported considering KPIs derived from an industry benchmark analysis.
<b>Social Topics</b>			
	401-1 New employee hires and employee turnover	<i>Employees</i>	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<i>Employees</i>	
	401-3 Parental leave	<i>Employees</i>	



General disclosures	Disclosure details	Paragraph of Sustainability Report	Omissions/Notes
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<i>Employee Health and Safety</i>	
	403-2 Hazard identification, risk assessment and incident investigation	<i>Employee Health and Safety</i>	
	403-3 Occupational health services	<i>Employee Health and Safety</i>	
	403-4 Worker participation, consultation, and communication on occupational health and safety	<i>Employee Health and Safety</i>	
	403-5 Worker training on occupational health and safety	<i>Employee Health and Safety</i>	
	403-6 Promotion of worker health	<i>Employee Health and Safety</i>	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<i>Employee Health and Safety</i>	
	403-8 Workers covered by an occupational health and safety management system	<i>Employee Health and Safety</i>	
	403-9 Work-related injuries	<i>Employee Health and Safety</i>	
	403-10 Work-related ill health	<i>Employee Health and Safety</i>	
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	<i>Personnel Training</i>	
	404-2 Programmes for upgrading employee skills and transition assistance programmes	<i>Personnel Training</i>	
	404-3 Percentage of employees receiving regular performance and career development reviews	Personnel Training	

<b>General disclosures</b>	<b>Disclosure details</b>	<b>Paragraph of Sustainability Report</b>	<b>Omissions/Notes</b>
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	<i>Governance/Diversity and Equal Opportunities</i>	
	405-2 Ratio of basic salary and remuneration of women to men	<i>Diversity and Equal Opportunity</i>	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	<i>Diversity and Equal Opportunity</i>	
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments and development programmes	<i>Local communities</i>	
	413-2 Operations with significant actual and potential negative impacts on local communities	<i>Local communities</i>	
GRI 414: Social assessment of suppliers (2016)	414-1 New suppliers that were screened using social criteria		
	414-2 Negative social impacts in the supply chain and action taken		For the current reporting year, this information is not available due to difficulties in retrieving data. For future years, the organisation will provide further disclosure.
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	<i>Product Quality</i>	
	416-2 Instances of non-compliance concerning the health and safety impacts of products and services	<i>Product Quality</i>	







# 2023

## IMPACT REPORT





*The Benefit footprint*



**SAMMONTANA  
ITALIA**





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## | LETTER TO STAKEHOLDERS |

A year ago, Sammontana S.p.A. embraced a new identity, becoming Sammontana S.p.A. Società Benefit - Benefit Corporation. Sammontana's first Impact Report marks this transformation, which will bring social and environmental development to the same level of importance as economic success, aligning the company with its vocation, with transparent and measurable results.

In 2016, we embarked on a serious path to address the environmental impacts of our products, forging significant institutional relationships, such as joining the Ministry of the Environment's programme to assess our environmental footprint. We have adopted an approach rooted in measurement: no goal can be achieved without first defining tools and metrics.

Our five common-benefit aims have guided us in the definition of short, medium and long-term objectives, summarised below:

- **Creating tasty and sustainable experiences**, offering high-quality products and innovative recipes, respecting our Italian roots and promoting conscious consumption.
- **Contributing to the growth of the community**, helping new generations to realise their potential, facilitating intergenerational exchange and creating opportunities for growth.
- **Promoting sustainable models**, adopting responsible production, distribution and trade practices, reducing waste and promoting the use of environmentally friendly resources.
- **Fostering interdependence and cooperation**, involving our partners to improve the sustainability of the entire supply chain, recognising that only together can we maximise the positive impact.
- **Decarbonising the business model**, transforming it in the direction of a zero-emissions economy, in line with European and national targets.

These ambitious goals require strong coordination between the different corporate functions, organised through dedicated committees under the aegis of a Steering Committee.

In this first year as a Benefit Corporation, it was our dedication, passion and commitment to realising this vision of the common good that

really made a difference. This attitude has fuelled synergies, creativity and action, enabling us to approach sustainable development for our company and the world it is a part of.

**Stefano Giusti**  
**Chiara Di Cesare**  
Impact Managers





## METHODOLOGICAL NOTE

With Law 208/2015, paragraphs 376–384, Italy introduced Benefit Corporations as of 1 January 2016, recognising them as companies with a dual aim and the expression of a more advanced paradigm, targeting a regenerative business model. Benefit Corporations integrate profit goals with a broader purpose: that of creating a positive impact on society and the environment. This allows entrepreneurs, managers, shareholders and investors to preserve the company's vocation and to stand out from all other forms of company thanks to a special, virtuous and innovative legal status.

Sammontana gained Benefit Corporation status in May 2023, integrating our vocation and common-benefit aims into our bylaws, with the aim of generating value for all our stakeholders. At the same time, we launched a process to measure our environmental and social impact through the Benefit Impact Assessment (BIA) standard, which we also used to highlight areas and actions for improvement.

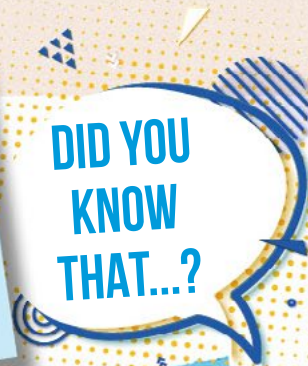
This document is the first Impact Report of Sammontana S.p.A. Società Benefit, (hereinafter referred to as “Sammontana” or “the Organisation”) with which we have decided to tell the story of our journey towards sustainability, part of the vision and vocation of our Organisation. With this first Report, we have carried out an initial exercise in analysing, monitoring, reporting and communicating our sustainability performance linked to our aims. We wish to communicate our commitments transparently to all our stakeholders, bringing them closer to our business and taking them on our journey.

This first document contains:

- Reporting on results and initiatives as at 31 December 2023, in connection with Sammontana's common-benefit aims, telling some important success and impact stories from the year
- The commitments and goals that Sammontana intends to achieve in 2024 in the continued pursuit of its common-benefit aims
- The overall impact assessment obtained through the BIA standard.

The Impact Managers identified are Stefano Giusti, Director of Administration and Finance, and Chiara Di Cesare, Sustainability Manager and Gender Equality Officer. The scope of the information and data contained within this document includes the companies Sammontana S.p.A. Società Benefit and its subsidiaries Gelfrigo Srl, Transfrigo Srl, Sammontana Holding Hong Kong Ltd and Bagnoli Icecream Co. Ltd., for the period from 1 January 2023 to 31 December 2023.

Updating of the BIA and drafting of the Impact Report were carried out by the B Team, with the aim of supporting the company on its path to sustainability. These activities were conducted with the support of NATIVA, Regenerative Design Company, in order to assess the Report's compliance with legal requirements, the reliability and consistency of information and the robustness of the BIA score.



2024 GOALS

2023 IMPACT STORIES



## SUSTAINABILITY GOVERNANCE

The Bagnoli family and Sammontana have long recognised the importance of addressing sustainable development challenges throughout the value chain. In response to this need, at Sammontana we have embraced the challenge set by Europe to contribute, as a non-party-stakeholder, to a conscious and fair ecological transition. This commitment has given rise to new directions in corporate governance, with a renewed focus on environmental, social and economic issues.

Sustainability governance has been structured in the following way:

- The **Board of Directors** oversees and approves the company's sustainability strategy, ensuring that it is in line with the company's values and sustainable development goals.
- The **Sustainability Executive Committee** monitors the progress of strategic plans approved by the BoD and meets regularly to evaluate developments. It is composed of three members, one from each branch of the Bagnoli family, in addition to the Sustainability Manager and the Industrial and Environmental Director.
- The **Sustainability Steering Committee**, coordinated by the Sustainability Manager, is informed regarding strategy. The CEO and representatives of the following functions sit on the Steering Committee: the Impact Managers, the Industrial and Environmental

Department, the Marketing Department, the R&D, Innovation & Quality Department and the Human Resources Department. The Head of Institutional and Commercial Relations and the Head of Internal Communication also participate. Based on the issues requiring decisions to be made, other departments (Legal, Safety and Commercial) may also be involved where called upon. The committee meets quarterly with the task of understanding, sharing and, in some cases, approving the proposals of the Sustainability and Impact Managers.

In order to address social and environmental issues in a more targeted manner, we have also established **special committees** dedicated to **Donations, Diversity and Inclusion** and **Internal Communication**. These have a proactive role with respect to:

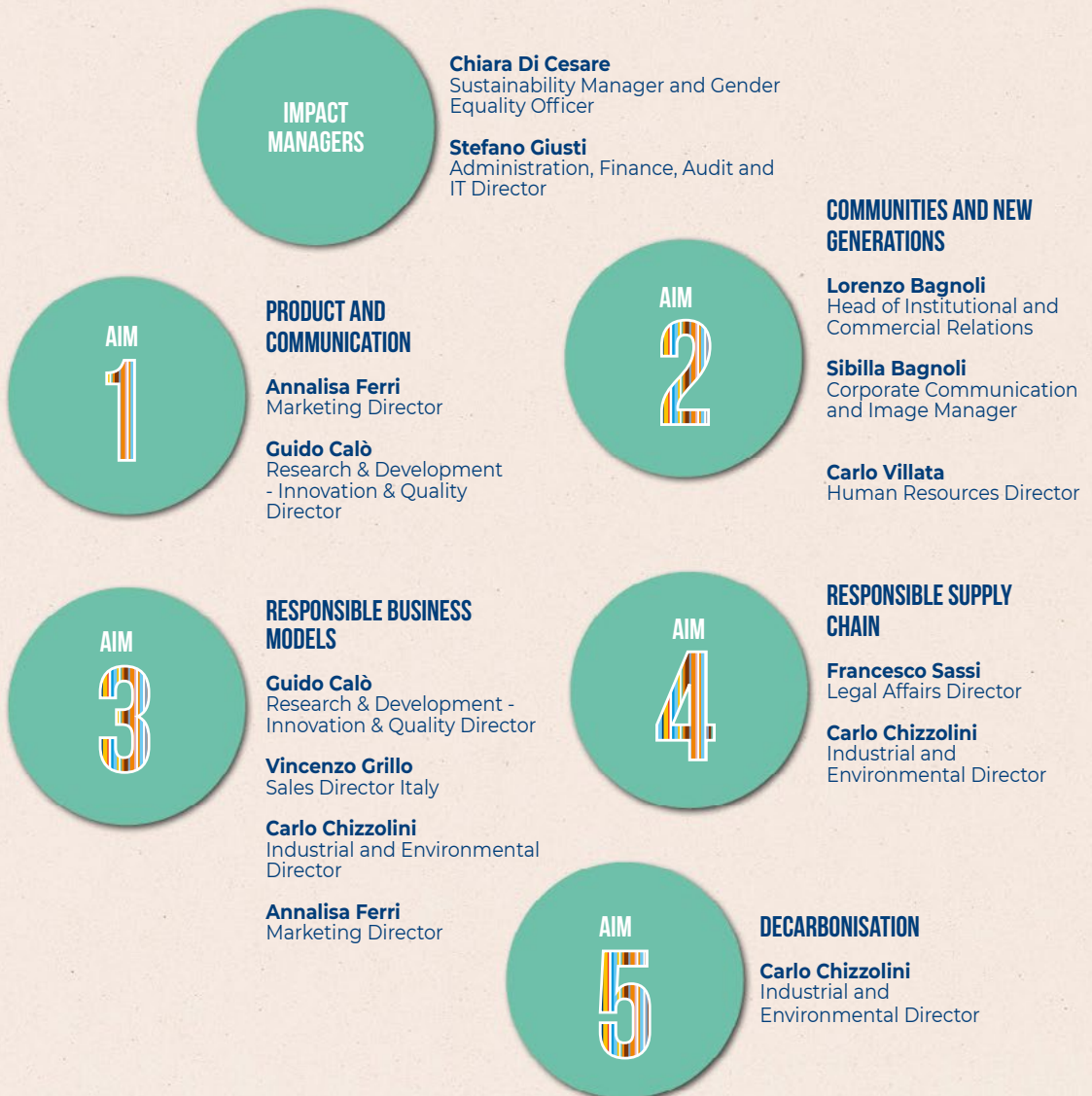
- monetary and product donations and sponsorship with social and environmental implications
- diversity, equity and inclusion
- internal communication, with the aim of promoting and enhancing a sense of belonging and corporate citizenship.

These committees interact with the Steering Committee and the Impact Managers.

With Sammontana's transformation into a Benefit Corporation, we also



formally designated **Impact Managers** to support the Directors in pursuit of the common-benefit aims and oversee the related corporate procedures. Together with them, a dedicated **working group** is committed to achieving the Aims set out in the bylaws, actively involving the various corporate departments, as illustrated in the diagram below:



The report on the pursuit of common benefit is prepared by the Impact Managers and published on Sammontana's website. Impact Manager roles are fulfilled by the Sustainability Manager and the CFO.

Finally, in the closing months of 2023, it was decided to create a group of Sustainability Ambassadors. During 2024, this group, made up of members from all areas of the company, will receive in-depth training on the five common-benefit aims and their underlying principles, enabling them to become disseminators of sustainability, both within the Organisation and externally.



## SAMMONTANA: BENEFIT CORPORATION

At the heart of our transformation, we have embraced a momentous change: transformation into a Benefit Corporation. This is far more than a legal formality, representing **a profound commitment that runs right to the heart of Sammontana.**

To achieve this, we explored Sammontana's raison d'être, defining our vocation and integrating a core objective into the very essence of our business model: **to generate a positive impact on the actors in our ecosystem**, represented by our consumers, our community, future generations, the supply chain and the environment.

This commitment has been formalised through **five common-benefit aims** within our organisation's bylaws, becoming the driving force of our actions, alongside the pursuit of profit.

Being a Benefit Corporation is a long-term commitment reflected in a corporate culture centred on the values and history that Sammontana, as a family business, has handed down over the generations.

With this step, we have committed ourselves to exist **not only to generate profit, but also to support the future of new generations.**

Our journey towards sustainability is a daily effort, a commitment involving each and every one of us. We know that a truly positive impact can only be achieved by joining forces, working together for a brighter and more sustainable future for all.

THE SMILE THAT FEEDS  
THE FUTURE OF  
NEW GENERATIONS

AIM

1

## PRODUCT QUALITY AND CONSUMER CARE

*High-quality food products, with recipes designed to offer a pleasurable experience for all, interpreting new dietary preferences and differing consumer needs with respect for our Italian roots, using messages aligned with principles of ethics and sustainability, promoting conscious consumerism.*



## 2023 IMPACT STORIES

### COMMUNICATING SUSTAINABILITY:

At Sammontana, in addition to constantly dedicating ourselves to the development of increasingly sustainable products, we firmly believe in the importance of engaging consumers and raising awareness. We aim to provide them with clear and detailed information so that they can fully understand our guiding values, our commitment to sustainability, and the fundamental role of their choices in shaping the future.

Our commitment to sustainability is clearly reflected on the packaging of all our ice creams, which carry concise indications and links for further information. This approach gives consumers access to different levels of detail, to suit their interest and knowledge of the subject.

This is especially true for products with strong environmental performance or that have been designed with a focus on their environmental impact.



#### Our commitment:

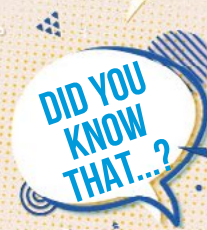
Sammontana is actively engaged in reducing greenhouse gas emissions from its production facilities and was one of the first in the industry to offset them.

### SAMMONTANA: DIALOGUE THROUGH ICE CREAM

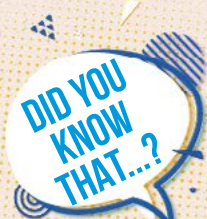


Sammontana adopts an **eco-design approach** to reduce the environmental impact of its products.

**Scan the QR code** to find out more about each individual product.



In just two years, the **Barattolino** range has **reduced CO<sub>2</sub>e<sub>q</sub> emissions over its entire life cycle by 13%**, thanks to new recipes and the use of paper in packaging.



The **Amando** range is focused on promoting sustainable agriculture in the almond supply chain. This line is **entirely made with plant-based ingredients**, enabling a **26% reduction** in CO<sub>2</sub>eq emissions compared to the same line made with milk and dairy products.

## THE AMANDO ICE CREAM: A CHOICE FOR THE FUTURE

Our Ice-Cream mission is to bring smiles into people's lives by offering them tasty, satisfying products. This vision, inspired and guided by our common-benefit aims, gives meaning to our daily work: we want people with differing needs from every background to be able to find satisfaction in products that are not only aligned with their tastes but are also good for them and for the planet.

Our Amando range fully embodies this spirit: it is a product made with plant-based ingredients, dairy and gluten free, designed for those with specific dietary needs or preferences. But above all, it is delicious, thanks to the use of almond milk, which provides a satisfying flavour experience.

The decision to use Italian almonds reflects our commitment to promoting our traditions and home. The story behind Amando is one of **inclusion**, being a product for people with different dietary needs, of **sharing**, thanks to its irresistible flavour, and of the **future**, because choosing it shows how even a small everyday gesture, like enjoying an ice cream, can help the planet.

With Amando, we aim to show that every single action can make a difference, shaping a better future for all of us.



## SAMMONTANA AND THE WORLD OF PASTRY



Tre Marie is committed to promoting **sustainable agriculture in the common-wheat supply chain**, with ISCC PLUS MB certification.

**DID YOU KNOW THAT...?**

Our packaging uses **recyclable mono-material solutions**.

Try **air-fryer cooking**: compared to cooking in an electric oven, it saves time, energy and reduces CO<sub>2</sub>eq emissions.

### TRE MARIE AND IL PASTICCERE: AUTHENTIC RELATIONSHIPS

In the world of pastry, with Tre Marie and Il Pasticcere, one of our primary goals is to build authentic relationships with bar and café owners, those who choose to offer our products to their customers every morning.

These relationships are founded on **trust** established over time, nurtured by the **quality** of our products and our constant **attention** to their needs.

We constantly strive to interpret these needs and support business owners in their daily work.

In the context of long-term partnerships, it is essential to share common values and goals.

Our customers need to understand the fundamental principles that guide our company and inspire our daily activity.

Every opportunity for communication thus becomes a valuable chance to tell our story, share our ideals and promote a culture based on values and sustainability, engaging with the widest possible audience.





A tangible example of this approach is the **HO.RE.CA. initiative, together with Sammontana B green**, conducted in 2023.

We sent a questionnaire to the professionals in our database and offered prizes to those

familiar with the company, its values and its commitment to sustainability.

This fun initiative garnered interest and participation, confirming a widespread desire to keep informed on these issues.



We will monitor the effects of this and other initiatives over time, using customer satisfaction and value-alignment questionnaires.

We expect increasingly relevant and informed responses, highlighting the path our company has taken towards greater sustainability and social responsibility.

## 2024 GOALS

### ACTIONS AND TARGETS FOR 2024

TOPICS	GOALS
Product quality	<b>Analysis of trends</b> concerning consumer perceptions of the quality of Sammontana products, emerging from <b>brand-health-check</b> surveys.
Products aimed at meeting new consumer needs	Rationalise range and promote products designed for new nutritional needs and specific dietary preferences, currently numbering 28 lines ( <i>for more details, please refer to the impact story "Il Gelato Amando: a choice for the future"</i> ). This is all aimed at greater promotion of the top-performing products in this group and <b>incentivising consumers by increasing their awareness</b> .  Increase the <b>percentage of turnover</b> compared to 2023 (4%) of products designed to meet <b>new dietary needs and preferences</b> .
Products with social certifications	Increase in the <b>percentage of turnover</b> compared to 2023 (3%) for products with the following certifications: <ul style="list-style-type: none"> <li>• <b>VEGAN OK</b></li> <li>• <b>VEGETAL OK</b></li> <li>• <b>AIC (Italian Celiac Association)</b></li> </ul> based on total products sold in the year.
Ethical marketing	Development of an <b>action plan</b> linked to the Sammontana Ethical Marketing Policy and identification of corresponding KPIs and targets to formalise the organisation's commitment to <b>responsible marketing practices</b> .
Consumer satisfaction & transparency	Development of a <b>consumer comments and feedback analysis system</b> (now transparent and public) with specific metrics to analyse trends.



5 cereali

AIM

2

## ENHANCEMENT OF THE COMMUNITY AND SUPPORT FOR FUTURE GENERATIONS

*Promote development and enhancement of the community in which Sammontana operates by helping new generations to realise their full potential and actively creating opportunities that foster their growth, recognising the importance of intergenerational exchange.*





## 2023 IMPACT STORIES

### STUDY IN COLLABORATION WITH ARCO

In 2023, we appointed the ARCO research centre to conduct a detailed analysis of the **needs and opportunities of young people in the Empolese Valdelsa area**. The main objective was to understand the challenges and opportunities characterising the lives of young people aged between 15 and 29 in the area in question. This initiative was launched based on the strong historical connection we have with this area, home to some of our most important production facilities.

The analysis had two key objectives: - first of all, to provide a comprehensive overview of a theme of vital importance for the wellbeing of local communities: the relationship between young people and the local area - secondly, to identify priority areas on which Sammontana could focus its future efforts.

One key aspect of the analysis was assessment of the area's capacity to offer young people opportunities for personal development and active participation in community life. This plays a crucial role in determining the medium-term future of these regions.

It emerged that the Empolese Valdelsa Union of Municipalities is not perceived by young people as a place to escape from, but rather as a valuable resource to be harnessed in order to build a prosperous local future.

The analysis revealed a wide variety of experiences and challenges among young people, with multiple dimensions of social exclusion and difficulties related to psychological wellbeing.

As a result, different needs emerged regarding services and support in the area, with a focus on employment opportunities and psychological wellbeing.

One key element was **recognition of the importance of creating not only physical spaces, but above all active and participatory communities for young people**. This involves creating environments that foster participation and innovation, leaving young people free to experiment and fail on their growth path.

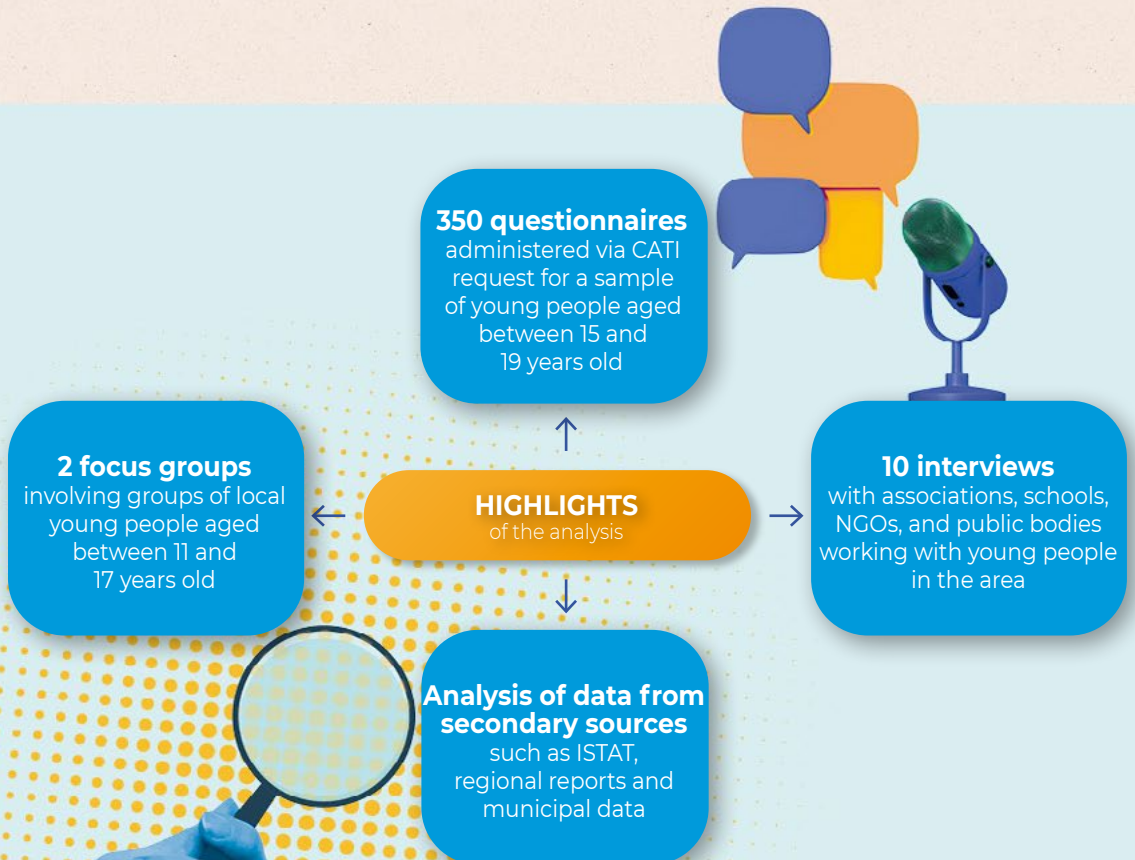
The research emphasised the importance of **valuing existing resources in the area, rather than focusing exclusively on the creation of new infrastructure**, and enhancing the essential role of public institutions in supporting and promoting initiatives for the inclusion and active participation of young people.



In response to the research results, Sammontana intends to proceed with the establishment of an association to represent the youth coalition.

The association will bring together stakeholders from a range of sectors: companies, associations, institutions and private individuals, and the young people themselves and their families.

A manifesto and strategy will be drawn up. The base for this activity has been identified as a school in the Empolese Valdelsa area, thanks to the amenability of the school's management, while the business membership campaign is underway, which is being met with enthusiasm.



## PARTNERSHIP WITH REGUSTO

Since September 2022, we have partnered with Regusto, a cutting-edge platform that aims to manage unsold products through donations.

Regusto represents a revolution in the field of donations, as it uses blockchain technology to ensure maximum transparency and traceability of the flow of goods and products. This innovative partnership has enabled us to connect directly with the non-profits we donate our products to, ensuring flawless data processing and full traceability of every donation.

Through Regusto, Sammontana donations are evaluated based on the five key parameters below:

- **Products distributed:** calculation of the total number of kg of products donated and tracked on the platform, recovered and distributed to non-profit organisations nationwide.
- **Equivalent meals distributed\*:** assessment of the social impact, expressed in terms of equivalent meals, distributed through donation, recovery and redistribution of food products.



REGUSTO

\* 1 "meal equivalent" corresponds to a mix of 500 g of food according to LARN, Reference Intake Levels of Nutrients and Energy for the Italian population.

- **CO<sub>2</sub> emissions avoided:** quantification of the environmental impact in terms of carbon dioxide emissions avoided through the redistribution of products.
- **Water consumption avoided:** measurement of the positive environmental effect in terms of water saved through redistribution of donated products.
- **Soil-consumption avoided:** calculation of the positive environmental impact, expressing it in terms of soil consumption avoided through the donation and redistribution of products.

These parameters reflect Sammontana's commitment to environmental and social sustainability, highlighting the tangible benefits of its donations.

Product life-cycle assessments are carried out adopting a certified methodology compliant with ISO 14040 and ISO 14044 standards. Impact indices are calculated through proprietary algorithms developed in cooperation with the University of Perugia according to international reference standards. Every transaction is tracked on the blockchain, ensuring the transparency of information.

This initiative not only avoids wastage of unsold products, but actively contributes to a healthier and more sustainable environment, having a positive impact from a social and environmental perspective.



## 2024 GOALS

### ACTIONS AND TARGETS FOR 2024

TOPICS	GOALS
<b>Governance initiatives for the community</b>	Establishment of governance on issues related to donations (monetary and goods/services): The <b>"Donations Committee"</b> consists of an operational and steering team with 9 members, meeting quarterly.
<b>Donations to the community</b>	<p>Definition of a donation budget, with the following structure:</p> <ul style="list-style-type: none"> <li>• end-of-life product donations to combat food waste</li> <li>• product donations</li> <li>• financial donations</li> </ul> <p>The target is to donate an <b>amount exceeding € 700,000</b>, in line with 2023.</p>
<b>Engagement of Sammontana employees</b>	<p>Development of <b>partnerships/donations to the associations Meyer, Legambiente, Ant and Dynamo Camp</b> chosen by the Donations Committee and to the associations <b>AIMS</b> and <b>ASTRO</b> chosen by employees through the engagement survey sent out in 2023.</p> <p><b>Increase in donations made by employees</b> to their chosen associations, more than doubling the amount in 2023 (equal to <b>€ 1,000</b>).</p>
<b>Youth Initiatives - community of Empoli</b>	<p>Development of actions/follow-ups based on analysis of the <b>initiative carried out in collaboration with ARCO</b> (for more details on the initiative in 2023, please refer to the impact story on this partnership).</p> <p>Involvement of companies in the Empoli area in a joint project to support young people, through coordination with Confindustria Empolese Valdelsa.</p>
<b>Youth Initiatives - community of Verona</b>	Participation of Sammontana in the B Corp School project. This is the first sustainable entrepreneurship course for high-school students, promoted by InVento Innovation Lab, to educate and raise awareness among young people in the community on climate-change issues. Specifically, the project involves lessons on sustainability topics related to Sammontana's business (packaging, supply-chain control, combating climate change, etc.) at <b>two technical high-schools</b> in the municipality of Verona with the involvement of <b>42 students</b> .

## TOPICS

## GOALS

**Impact education coalition**

Participation in the *impact education coalition* promoted by InVentoLab together with **32 other Italian companies**.

Collaboration and participation in the following initiatives organised by the coalition:

- education programmes on regenerative models and paradigms for young people, workers and stakeholders of coalition-member organisations
- activism, training and volunteering initiatives that encourage young people and corporate populations to become agents of positive, profound and lasting change
- advocacy aimed at advancing international standards in regenerative education and activism
- measurement, evaluation and reporting of the impact generated, using robust assessment tools.

**Volunteering at Sammontana**

Reach **at least 100 employees** requesting paid hours for voluntary activities for a total of **2,000 hours** offered by Sammontana for such activities by 2024.

**Public dialogue & membership of associations related to development of the local area and sustainability issues**

Continue Sammontana's participation in **debates and other public dialogue** concerning social and environmental issues.

Participation in conferences with the following organisations:

- Assobenefit
- RSF (Regenerative Society Foundation)
- Unione Italiana Food
- Confindustria Firenze, Confindustria Toscana and Confindustria Verona
- IICC (International Ice-Cream Consortium)
- Euroglaces (European Ice-Cream Association).

Membership of the following **associations**, related to development of the local area and sustainability issues:

- RSF (Regenerative Society Foundation)
- Assobenefit
- IICC (International Ice-Cream Consortium)
- Italia del Gusto
- Euroglaces (European Ice-Cream Association)
- Confindustria industrial confederations
- Unione Italiana Food
- Impact Education Coalition
- All in continuity with 2023 with the exception of the **Impact Education Coalition** activated in 2024.

TOPICS	GOALS
<p><b>Stakeholder Engagement</b></p>	<p>Increase stakeholder engagement in Sammontana's materiality assessment, through the achievement of:</p> <ul style="list-style-type: none"> <li>• <b>35%</b> of employees involved (100%)</li> <li>• <b>50%</b> of suppliers involved (80%)</li> <li>• <b>70%</b> of customers involved (40 main customers)</li> <li>• <b>50%</b> of local authorities involved (four main authorities)</li> <li>• <b>50%</b> of institutions involved (six institutions selected)</li> <li>• <b>100%</b> of universities/research centres involved (three selected)</li> <li>• <b>100%</b> of other relevant external stakeholders involved (five entities selected).</li> </ul>
<p><b>Training on Sammontana values and initiatives</b></p>	<p>Development and activation of the intranet platform accessible to all Sammontana employees. This tool provides access to training modules on topics related to vocation and values and keeps users connected with the initiatives promoted by the company.</p> <p>The target is to achieve at least <b>80%</b> of employees active on the platform.</p> <hr/> <p>Delivery of <b>4</b> classroom <b>training modules</b> on issues related to vocation, values and material sustainability topics for Sammontana. The target is to achieve <b>active participation of 80%</b> of all personnel.</p> <hr/> <p>Delivery of training courses aimed at increasing the culture of feedback and conflict resolution involving <b>44 employees</b> (managerial figures) for a total of <b>24 hours</b>.</p> <hr/> <p>Offer <b>5 days per capita</b> to each employee for training during 2024.</p>
<p><b>Employee satisfaction</b></p>	<p>Development of an <b>annual survey</b> shared with all Sammontana employees to evaluate their level of satisfaction.</p>
<p><b>Vulnerable groups in Sammontana</b></p>	<p>Launch a partnership with <b>2</b> territorial bodies (Cooperativa Chicco di Grano and Mestieri Toscana) aimed at <b>bringing people into the company</b> from the community <b>who belong to vulnerable groups</b> (e.g. victims of violence and people with disabilities).</p>

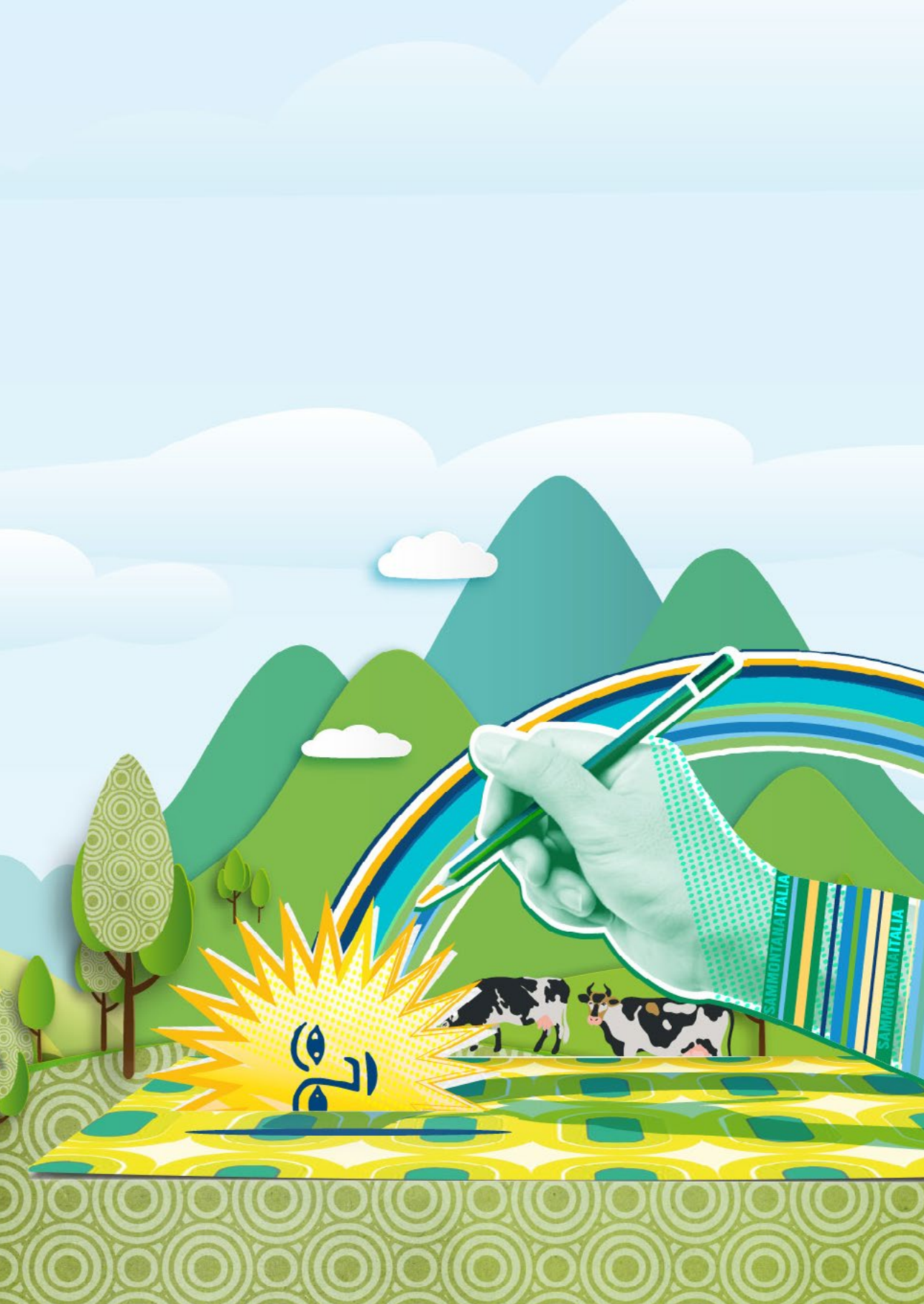
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## SUSTAINABLE BUSINESS MODELS

*Adopt responsible models of production, distribution, trade and commercial negotiation that uphold sustainability principles, promoting the use of raw materials with the least possible environmental impact, circularity of resources and waste minimisation.*





## 2023 IMPACT STORIES

### WATER: A VITAL RESOURCE

Water is a vital resource for our planet and fundamental in the production process of Sammontana ice cream. In order to promote responsible use of this precious resource, at Sammontana we have introduced measurement systems aimed at identifying the critical aspects of our water consumption, with the goal of evaluating potential **solutions to reduce the environmental impact of our processes**, with a view to minimising the water footprint of process efficiency, with a focus on circularity.

Through analysis of the primary data collected, we **have optimised our environmental impact by taking action with regard to certain raw materials associated with high water consumption**, such as Californian almonds, replaced in 2023 with more environmentally sustainable Sicilian almonds. In the same year, we also reduced water extraction from wells and the mains supply, alongside a decrease in water discharge.

At the Colognola facility, a system was implemented for more accurate monitoring of consumption at all stages of ice cream production.

At Empoli, this was achieved by closing cooling-water circuits, while at Vinci, we improved the water-recovery system from the purification plant using a reverse-osmosis system, which has been in place for several years.

These efficiency initiatives have enabled greater water recovery and reduced the need to draw water from wells in areas already under water stress.

### OUR PLASTIC-REDUCTION JOURNEY

For several years now at Sammontana, we have initiated a gradual and methodical process to eliminate the use of plastic in product packaging. This reduction goes hand-in-hand with a lower environmental impact, both in upstream, linked to the use of fossil fuels, and downstream, linked to proper recycling of plastic products at the end of their life cycle.

Other packaging solutions have been explored, including the reduction of plastic material thicknesses and the **introduction of tubs in ISCC PLUS-certified bio-circular plastic**. Use of plastics derived from biogenic agricultural waste makes it possible to limit extraction from fossil sources, following the principles of a circular economy, where agricultural waste becomes a secondary raw material for the manufacture of goods.

Where possible, the company opted for **replacement of plastic with paper certified in accordance with standards.**

One example is the Barattolino product, packaged in FSC-certified paper containers since 2022, replacing plastic packaging with responsibly manufactured packaging. This transition from plastic to paper for primary packaging has ensured the organoleptic qualities of the product remain unchanged.



### SAMMONTANA: LIDI GREEN

In 2018, Sammontana launched the **“Lidi Green”** initiative in collaboration with Scuola Superiore Sant’Anna of Pisa, promoting conscious ice-cream consumption.

A targeted questionnaire was used to select a number of retail outlets, mainly located on Italian beaches, which were eligible to participate in the project. The selected partners have demonstrated that their management practices are rooted in a high level of environmental and, from 2023, also social sustainability.

Each selected outlet has been given the opportunity to offer customers ice cream for which greenhouse-gas emissions have been reduced and offset throughout its life cycle, raising awareness among business partners and end consumers with a single initiative.



## 2024 GOALS

### ACTIONS AND TARGETS FOR 2024

TOPICS	GOALS
<b>Environmental Management System</b>	Achievement of <b>ISO 14001</b> certification for the Cognola ai Colli and Vinci facilities, together with the Empoli facility, already certified in 2023.
<b>Increased efficiency of water consumption</b>	Recovery of <b>100% (+40,000 m<sup>3</sup>)</b> compared to 2023) of <b>water</b> thanks to special projects at the Empoli and Vinci facilities.  <b>Reduction of m<sup>3</sup> of water consumed</b> for the same number of tonnes of finished product through initiatives to increase efficiency at the main facilities (reverse-osmosis plant at Vinci, replacement of resins at Cognola and closure of cooling circuits at Empoli).
<b>Reduction of waste produced</b>	Reduction of waste produced to achieve <b>19.9%</b> of <b>tonnes of waste produced against total finished product produced</b> during the year.
<b>Eco-designed products</b>	Achieve <b>30%</b> volume of products developed through <b>eco-design</b> , out of total product sales (in terms of turnover), adding new production lines for ice creams developed in this way.
<b>Product impact analysis</b>	Expansion of the scope of products subject to LCA.
<b>Product sustainability certification</b>	Achieve <b>52%</b> of products sold with <b>sustainability certifications</b> , in relation to total products sold (in terms of turnover), including leading certifications: ORGANIC, CTM, FAIRTRADE, ISCC PLUS, RAINFOREST ALLIANCE and RSPO.
<b>Procurement of raw materials</b>	<b>Procurement of 36%</b> of raw materials with <b>sustainability certification</b> , in relation to total procured materials (in terms of turnover). Leading certifications include (Organic Raw Materials, CTM, Fairtrade, Rainforest Alliance, RSPO and ISCC PLUS).
<b>Responsible packaging</b>	<b>Packaging used from recyclable Materials representing 96%</b> of total of packaging volume purchased in the year.  Use of <b>packaging with certified</b> reduced environmental impact representing <b>60%</b> of the total packaging volume purchased.
<b>Responsible business initiatives</b>	<b>Analysis and evaluation of results of questionnaires</b> sent to Sammontana partner retail outlets on top Italian beaches, in the context of the “Lidi Green” initiative.





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## ECOSYSTEM CO-EVOLUTION

*Promote interdependence within the ecosystem in which Sammontana operates, through collaboration and engagement with its partners, to stimulate its evolution and improve the sustainability performance of the entire supply chain, recognising that collective efforts are required to maximise the positive impacts.*





## 2023 IMPACT STORIES

### CO-CREATION OF CODE OF CONDUCT WITH SUPPLIERS

During 2023, in **collaboration with NATIVA**, we conducted an in-depth analysis of our supply chain in order to develop a management system based on sustainability principles.

This systemic approach enabled in-depth exploration of the relationships between the different areas of the organisation and its suppliers, identifying the strategic importance, significance and solidity of numerous business relationships established over time.

This analysis produced a list of **around 50 strategic partners**, supplying Sammontana with a wide range of products and services, who were actively engaged in order to co-create Sammontana's first Supplier Code of Conduct.

This document, which aims to define the sustainability standards and principles guiding Sammontana's operations and relations with suppliers, is based on the topics considered most significant and aligned with the Organisation's aims and materiality assessment.

Guidelines have been defined for each topic, divided into basic requirements, which represent minimum levels for the company and our suppliers in the context of operational activities.



Development practices have also been outlined, indicating possible future commitments for us and our suppliers to progressively improve our impact on people and the environment.

The document was then shared and discussed with the selected suppliers, who actively contributed to its co-creation through joint discussions and review, with the aim of gathering their views and ensuring that the document was aligned with the expectations and needs of the entire supply chain.

This process, based on the principle of interdependence, maintaining Sammontana at the centre, represented an example of strong collaboration and alignment of intentions, further consolidating ties with key players in the value chain.



### SAMMONTANA AND REVET

Sammontana's commitment to sustainability translates into valuable partnerships with institutions, academic bodies and other influential partners who guide us towards the most conscious choices using the best available tools. These partnerships not only provide us with growth opportunities, but also opportunities to compare our business with similarly sustainability-oriented entities. Together, we share experiences and visions of possible ways to improve our impact on the environment, local areas and communities, with a commitment to future generations.

This is the context for our partnership with Revet, a Tuscan company specialising in the management of materials for recycling. Together we

designed **environmentally friendly bar furniture kits**, using recycled materials.

The project has enabled us to introduce bar furniture kits made of recycled plastic, 30% of which comes from post-consumer household materials from more than 200 Tuscan municipalities, to our partner beach clubs and the main retail outlets we collaborate with. This initiative marks an important step in Sammontana's promotion of a culture of recycling and safeguarding of marine ecosystems.

The result of collaboration between Sammontana and Revet, this project contributes to propagation of circular-economy principles in Italy, improving the sustainability of Sammontana-affiliated beach clubs and enhancing the Lidi Green project.

### SAMMONTANA AND LEGAMBIENTE FOR ITALIAN AND MEDITERRANEAN BEACHES

For several years now, Sammontana has confirmed its commitment to supporting Legambiente and its **Clean Beaches and Seabeds** project, a historic campaign dedicated to cleaning beaches, riverbanks and lake shores, now in its 34th edition in 2024.

In 2023 alone, through its support for the Clean Beaches and Seabeds campaign, Sammontana helped to clean 90 beaches across Italy, with initiatives involving more than 7,000 volunteers and over 75 Legambiente groups, in 18 regions, for an estimated total of 16 tonnes of waste removed from beaches. These 90 beaches are joined by more than 110 other beaches across the Mediterranean, as Clean Beaches and Seabeds is part of



**Clean Up the Med**, an international campaign for prevention and clean beaches in the Mediterranean.

Three events were organised with direct participation of Sammontana in 2023:

- in Jesolo on 3 May 2023
- in Marina di Grosseto on 12 May 2023
- and in Marina di Massa on 26 May 2023.

These events saw the participation of over 130 people including schools and/or volunteers from other associations, citizens, etc., resulting in the collection of no less than 77 sackfuls full of waste.

## 2024 GOALS

## ACTIONS AND TARGETS FOR 2024

## TOPICS

## GOALS

## Responsible supply chain management system

Development of a **procedure for responsible supply chain management.**

Sharing of the **Supplier Code of Conduct** with all Sammontana's main suppliers covering 80% of the procurement spend.

Development of an internal **supplier evaluation system (questionnaire) incorporating sustainability criteria.**

Sharing of the sustainability questionnaire **with all Sammontana's main suppliers** (80% of procurement spend).

## Development of supply chain management

Organisation of **workshops/working groups with a range of suppliers selected** based on the findings of the sustainability questionnaire, with the aim of sharing best practices to improve the sustainability performance of Sammontana's supply chain.

Activation of another **2 partnerships** (in addition to existing ones) with strategic business partners, in order to develop synergies aimed at improving the supply chain from an environmental and social perspective.

## Supply chain evolution - Almonds

Continuation of the almond supply-chain project with the aim of **certifying the entire ISCC PLUS supply chain** according to the segregated chain of custody model by the end of the year and integrating compliance with requirements on issues such as water consumption, emissions, biodiversity management and circularity and fair pricing.

## Supply chain evolution - Wheat

Ensure that **99% of purchased wheat volumes contain ISCC PLUS-certified raw material.**

Increase the number of pastry lines produced for us by ISCC PLUS-certified co-packers to 95% of the total sold.

## Supply chain evolution - Milk

Analysis and mapping of the milk supply chain in order to develop at least **3 partnerships** with the most virtuous European business partners.

## Initiatives in partnership with the ecosystem

Partnership with Legambiente on the **"Clean Beaches and Seabeds" project**, with the goal of organising at least **4 events.**



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## DECARBONISATION OF THE BUSINESS MODEL

*Implement progressive evolution of business and operational models towards a zero-GHG-emissions economy, in line with European targets of climate neutrality and national ecological-transition goals.*







## 2023 IMPACT STORIES

### OUR DECARBONISATION PATH

#### Energy-efficiency initiatives

In recent years, we have made significant progress in terms of optimising production-process energy efficiency, in line with our sustainability strategy and statutory goal of decarbonising the business.

**Two trigeneration units** have been installed at Empoli and Colognola ai Colli, which will enable self-generation of approximately 40% of the company's total energy requirement (GJ). These units generate electricity, heat and cooling energy using methane gas, heat and cooling energy for the facilities' on-site needs. Thanks to this initiative, the company saw a significant reduction in CO<sub>2</sub> emissions, less dependence on the national power grid, and a 5% reduction in energy losses during long-distance transmission.

Meanwhile, several optimisation measures were taken at production facilities, including the installation of **inverters in ammonia compressor rooms** and the replacement of conventional bulbs with **low-energy LED lighting**, achieving a replacement rate of 78%.

Other significant improvements include the installation of high-efficiency motors, raising of storage temperatures in certain refrigerated

storage units, installation of the latest-generation air compressors and the reduction of compressed-air leakage in some areas.

Finally, work was carried out to optimise the use of aeration blowers for the oxygenation of wastewater in treatment plants, helping to reduce overall electricity consumption.

In 2023, as a result of these initiatives, compared to the 2016 baseline, **Scope 1 and 2 emissions were reduced by a total of 6,797 tonnes** and **Scope 1 and 2 emissions indexed to the tonnes of finished product in the year fell by 29%**.

#### Offsetting

Use of fluorinated gases is necessary to ensure optimal storage of our products in refrigerator units. To mitigate the environmental impact of these emissions, the company has focused its offsetting efforts on projects aimed at reducing the amount of these gases in the environment.

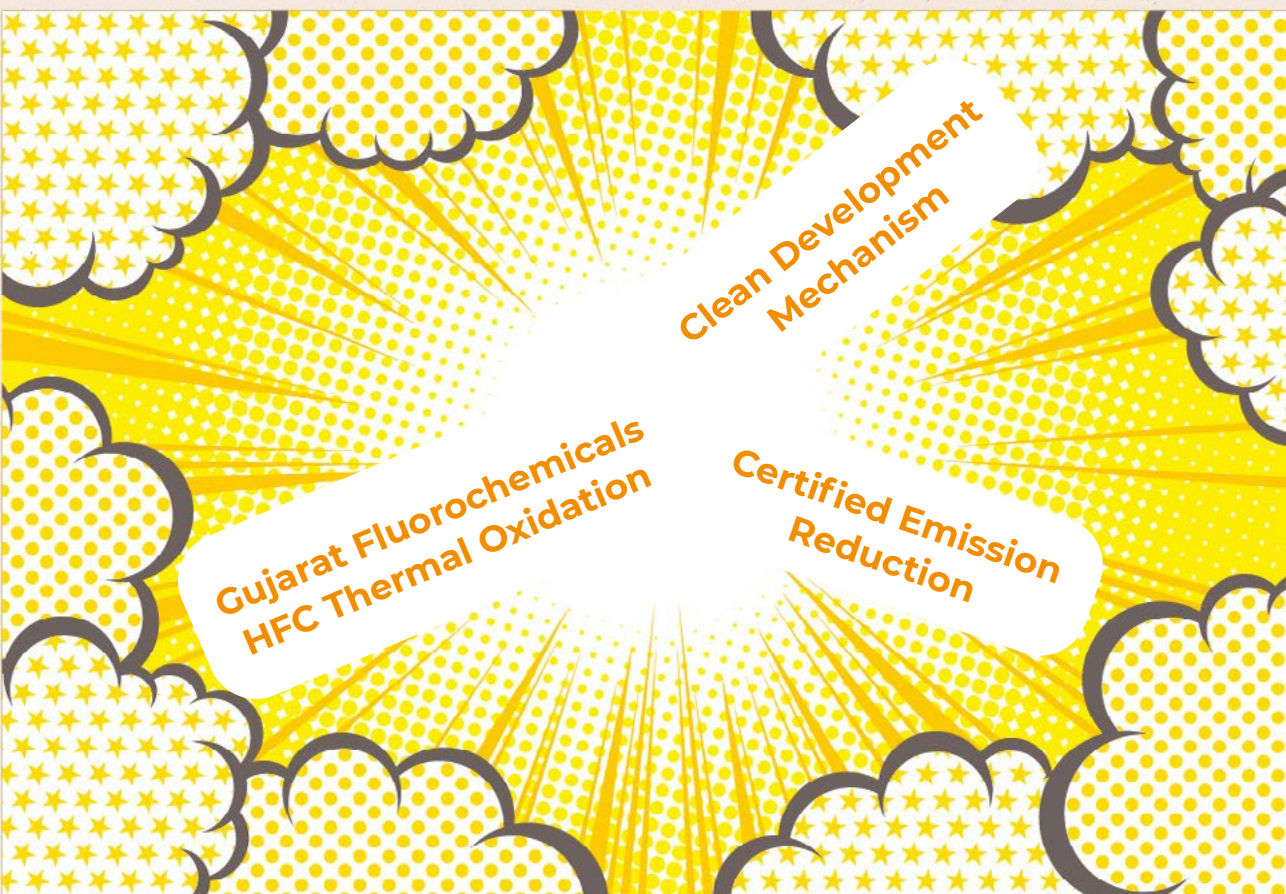
With this goal, greenhouse gas emissions have been offset through global projects over the past year, purchasing **CER** (Certified Emission Reduction) credits that comply with the **CDM** (Clean Development Mechanism, CP2) standard.

In particular, the company invested

in credits related to the **Gujarat Fluorochemicals - HFC Thermal Oxidation** project in the Gujarat region of India. This project involves the construction and operation of an HFC gas oxidation plant, which allows HFC-23 gas (a by-product of HCFC-22 refrigerant production) to be burned without release into the atmosphere, reducing greenhouse gas emissions.

The thermal oxidation system has made it possible to avoid atmospheric emissions of HFC-23 gas with a global warming potential (GWP) of 11,700.

In 2023, **100% of Scope 1 and 2 emissions were offset** and **21% of overall Scope 1, 2 and 3 emissions were offset**.



# 2024 GOALS

## ACTIONS AND TARGETS FOR 2024

TOPICS	GOALS
Monitoring and reducing emissions	Reduction of <b>12,156 t</b> of Scope 1 and 2 emissions compared to the 2016 baseline. Reduction of <b>33%</b> of Scope 1 and 2 emissions indexed to the tonnes of finished products produced in the year, compared to the 2016 baseline.
Increased efficiency of machinery (Scope 2)	Saving of an additional <b>2.5 million kWh</b> due to the various efficiency initiatives launched in 2023 <i>(for more details on efficiency initiatives, please refer to the Impact Story: "Our decarbonisation path" - "Il percorso di decarbonizzazione del nostro business")</i>
Electricity from renewable sources (Scope 2)	Installation of <b>new solar panels</b> at the Colognola facility for a power output of <b>115 kWh</b> , for production of <b>100,000 kWh/year</b> .  Achievement of <b>65%</b> of electricity consumption from <b>renewable sources</b> , through self-generation from photovoltaics and purchasing energy with Guarantees of Origin (GO).



**Reduction in car-fleet emissions (Scope 1 & 3)**

Drafting of the **Mobility Policy** for sustainable mobility aimed at decreasing the environmental impacts of business travel and commuting by encouraging **smart working, car-pooling, and modernisation of the car fleet** in terms of vehicle type and fuel.

**Monitoring of Sammontana's car-fleet journeys** for drafting of a plan for transition to electric cars.

Sharing with all employees of an **app aimed at incentivising environmentally friendly commuting choices** using reward systems.

Installation of an additional **4 charging stations**, equally distributed, at the Vinci and Colognola sites in addition to the **7 charging stations** already present at the Empoli site.

**Offsetting emissions (Scope 1, 2 & 3)**

Maintenance of **100%** of Scope 1 and 2 emissions offset and **21%** of total Scope 1, 2 and 3 emissions offset in the year.

Identification of **initiatives with an impact on the local Sammontana community** for compensation of Scope 3 emissions.



## MEASURING OUR IMPACT

The social and environmental impact of our Organisation has been assessed using the **Benefit Impact Assessment (BIA)** international external assessment standard, in accordance with Italian Law 208/2015, paragraph 382(b) and annexes. The BIA helped us to measure, evaluate and identify directions for improvement regarding our impacts in terms of sustainability and social responsibility.

### BIA RESULTS

The table below presents the results of the latest BIA, including the overall score and detail for each analysis area. These results were obtained through self-assessment and refer to 2023, with reference to Sammontana S.p.A. Società Benefit, Gelfrigo Srl, Transfrigo Srl, Sammontana Holding Hong Kong Ltd and Bagnoli Icecream Co. Ltd.

**87.1**  
Overall score

Area	Score
Governance	13.8
People	25.3
Community	18.4
Environment	24.7
Customers	4.9

We first conducted a self-assessment in 2021, and the results reported here, updated for 2023, are the fruit of a path of development we have pursued ever since. In recent years, the score increased in

all areas, until last year we achieved and exceeded the minimum threshold for B Corp certification eligibility (80 points) and were able to launch the relevant verification process.



## CONCLUSIONS

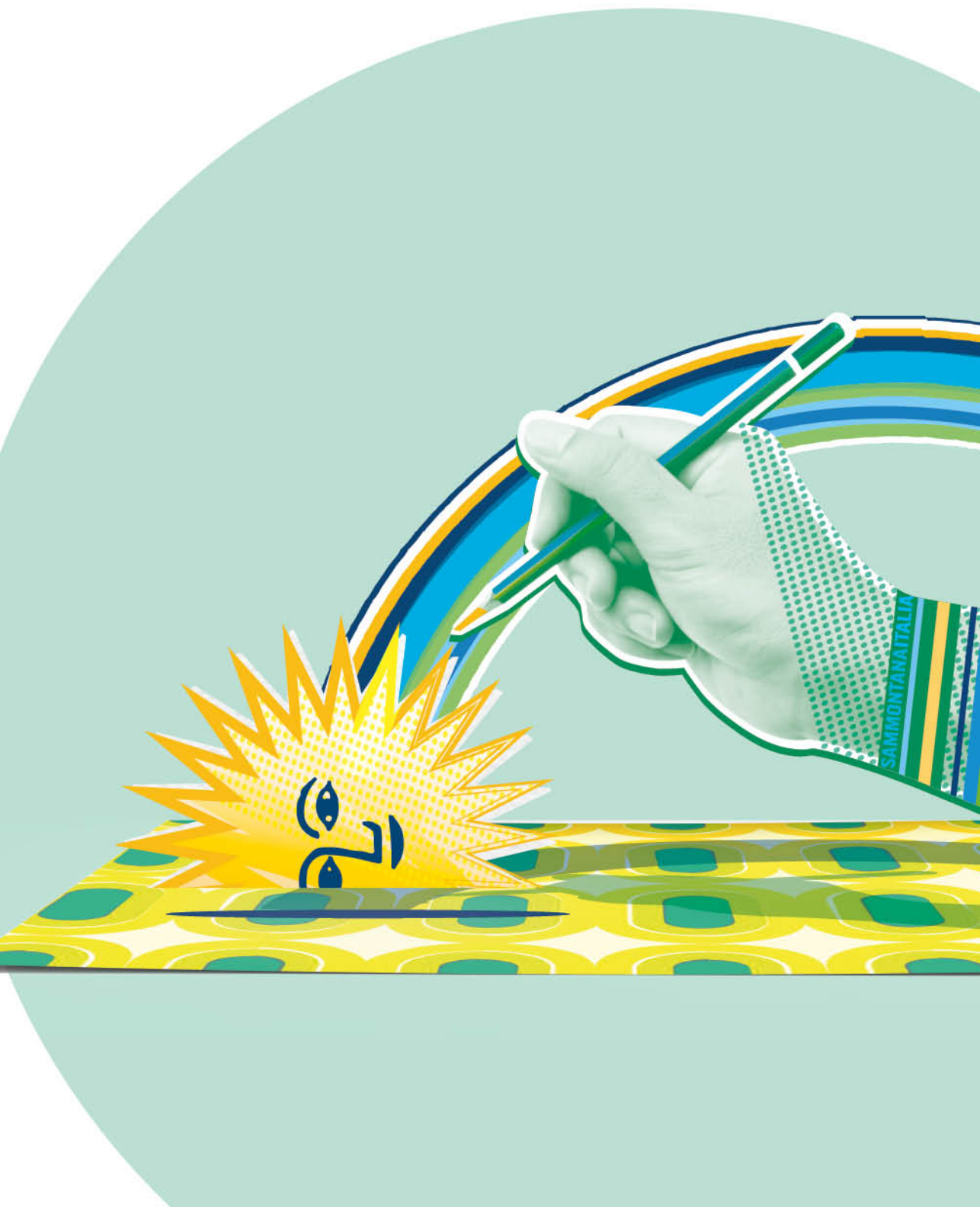
With this **first Impact Report** as a Benefit Corporation, we have sought to transparently present the actions through which we implement our common-benefit aims, with our daily choices and projects, rooted in our corporate purpose and sustainability strategy, focused on people and the environment.

Concept, Graphic Design and Creation:



September 2024







# SAMMONTANA ITALIA

