



VALSOIA[®]

**SUSTAINABILITY REPORT
2023**

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LETTER TO STAKEHOLDERS

In drawing up the fourth edition of this report, we sought to increase the involvement of our internal stakeholders, both in defining materiality, including the concept of “double materiality”, and in describing the qualitative and quantitative aspects of our company’s operations.

We are working, in line with recent international developments, on new metrics and new measurement concepts to represent the creation of value and the quality of relations with our stakeholders in an increasingly comprehensive and transparent manner. In this regard, with this edition of the Report, we decided to involve our external stakeholders in the materiality process as well. Their opinion is crucial for us in order to identify the most relevant issues for our reality.

The year 2023 was strongly influenced by the serious geopolitical context characterised by the conflict in Ukraine with still evident and widespread difficulties in supplies and costs of both raw materials and services. A scenario made even more complex by the unfolding of dramatic events related to the recent conflict in the Middle East.

In such a context, sustainability means even more to us stability and safety through the creation of solid and long-lasting value for all our stakeholders: our people, Consumers, suppliers and partners, however also the territory that hosts us and society as a whole.

In 2023, we produced positive and satisfactory results as far as the economic and financial dimension is concerned, closing the year, despite the uncertain framework of the FMCG markets, with net sales of 112.8 million Euro (+11.3%), up for both the Health and Food Divisions.

We have implemented all the marketing initiatives foreseen in our plans and realised the commitments made in the business and strategic plan, including presenting to the markets, Italian and international, important innovations in both health and traditional food.

Sales abroad continue to grow, in particular through the direct presence in some markets.

We are determined to further speed up the internationalisation process, a strategic asset of our company’s development together with our highly innovative and sustainable vocation.

At the same time, our investments in Brand communication, a pillar of our Group’s solidity, continued and increased.

In a still uncertain context, we will pursue healthy and lasting growth by contributing to the development of our target markets, also through the leadership of our Brands.

As always, we will pay great attention to social and environmental aspects, listening to our stakeholders and, in particular, supporting the growth and training of our most precious capital: the people and talents who every day work with professionalism and determination to achieve new challenging goals for our Brands and our “enterprise”.

Lorenzo Sassoli de Bianchi *Chairman*

Andrea Panzani *Chief Executive Officer and General Manager*

METHODOLOGY NOTE

This fourth Sustainability Report discusses the Company's activities, its results and, in particular, the issues considered relevant to the community and the environment with reference to the year between January 1 and December 31, 2023.

The Sustainability Report is a fundamental tool for interacting with our stakeholders, which can promote dialogue and opportunities for mutual improvement and growth. This document does not constitute the Consolidated Non-Financial Statement (NFS) required by Legislative Decree 254/16.

The document is distributed to all Valsoia stakeholders via release on the institutional website www.valsoiaspa.com as well as through a presentation to all direct employees of the Company.

SCOPE OF REPORTING

The scope of the social and environmental data and information provided herein refers to Valsoia S.p.A. operating in:

- Registered Office on Via Ilio Barontini, 16/5 - 40138 Bologna – Italy;
- Production Facility on C.so Matteotti, 13 - 13037 Serravalle Sesia (VC) – Italy.

The scope does not include the following Subsidiaries: Valsoia Pronova d.o.o., located in Ljubljana (Slovenia), and Swedish Green Food Company A.B., located in Sodertalje (Sweden), both of which are 100% owned.

The Company has no branch offices.

REPORT STRUCTURE

This year's Report was structured largely in line with the new ESRS Standard, which came into force in July 2023. The Report was then divided into four main sections:

1. General Disclosure
2. Governance Disclosure
3. Environmental Disclosure
4. Social Disclosure

For this edition of the Sustainability Report, it was decided to keep the "Governance Disclosure" as the second chapter, as it contains some information considered of primary importance.

In the initial part of the Report of this Methodology Note, these Chapters are preceded by the Letter to the Stakeholders and the Sections: Highlights 2023 and Significant Events in 2023.

STANDARDS AND REPORTING PROCESS

For this Sustainability Report, Valsoia has adopted the following technical-methodological references:

- GRI Universal Standards published on October 5, 2021 by the Global Reporting Initiative (GRI), according to the option "with reference to the GRI Standards";

- guiding principles and content elements of the International Integrated Reporting Framework (hereinafter also "IIRF" or "IR Framework") issued by the International Integrated Reporting Council (IIRC) and updated in January 2021;
- "Standard GBS 2013 - Principles of corporate reporting" prepared by the Study Group for Corporate Reporting (GBS), for the preparation of the statement of determination and distribution of added value.

The collection and consolidation of the information and data reported here were completed through a systematic collection process, including the involvement of the representatives of the various company Departments and approved by the Directors.

VALSOIA STAKEHOLDERS

The stakeholder map, provided in the General Disclosure was updated by directly involving the Chief Executive Officer and General Manager, the Sustainability Project Manager, all the Managers and a variety of Company representatives, thus achieving an accurate census of all the subjects who interact with the Company.

Each category identified represents different expectations with respect to issues of responsibility and sustainability.

For details, see the section on "Approach and dialogue with stakeholders".

MATERIALITY ANALYSIS AND CONTENT DEFINITION

With reference to the way in which the relevant issues were identified, it was decided for this Report to further expand the process. In particular, through the processing of the results collected by means of a questionnaire and the sharing of a dedicated prospectus, the most relevant sustainability issues emerged on which to focus reporting. Specifically, the relevant issues were selected according to the size of impacts generated (positive and negative) and the repercussions they may have on stakeholder decisions.

In line with what was presented in the 2022 Sustainability Report, the analysis led to the generation of the dual materiality matrix in order to continue the path towards compliance with the CSRD (Corporate Sustainability Reporting Directive) and ESRS Standards, approved respectively by the European Commission in November 2022 and July 2023.

MANAGEMENT MODELS AND POLICIES

The main management models and policies adopted by the Company:

- Organisational, management and control model pursuant to Legislative Decree 231/2001;
- ISO 50001 Energy Efficiency Certification;
- Code of Ethics 231;
- Model for personal data protection;
- Procedure for reporting offences and irregularities pursuant to Legislative Decree 24/2023;
- Policy for the use of IT tools.

These policies are an integral part of Model 231.

HIGHLIGHTS 2023

GENERAL DISCLOSURE

- Revenues: **112,818 thousand Euro**
- EBITDA: **12,508 thousand Euro**
- Sales volumes (Total Italy + Foreign FMCG - LCC) **+3.8%** compared to 2022

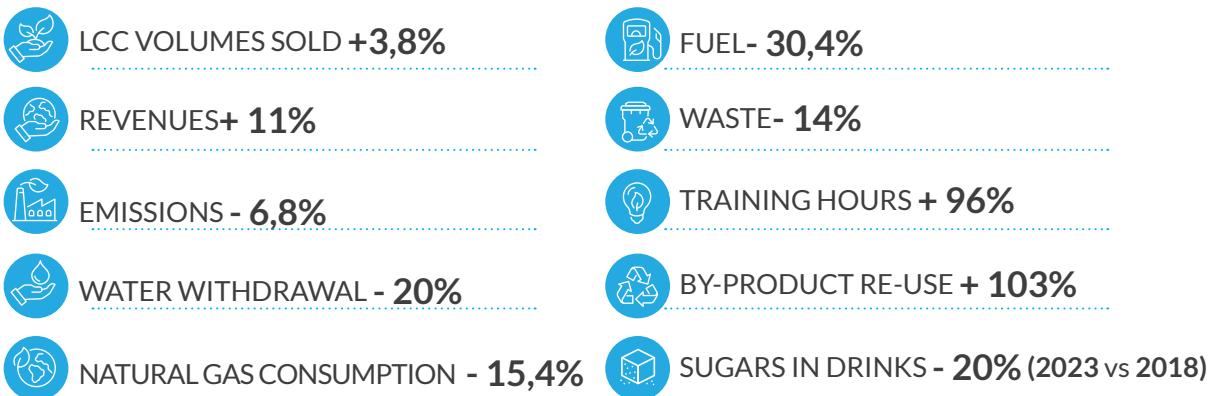
ENVIRONMENTAL DISCLOSURE

- Energy consumption of the organisation: **about 30,000 GJ/year**
- Scope 1 and 2 emissions **down 6.8%** by 2022
- Use of Water in production processes: **391 thousand cm/year**
- Year-on-year reduction in specific withdrawn water consumption of **20%**, higher than prospectively established in the Sustainability Plan
- Quantity of waste per tonnes of product produced at the Facility: **9.1 Kg/t**
- Quantity of production by-product sent for reuse: **4,807 tonnes/year**
- Reduction in natural gas consumption of **15.4%**
- Fuel reduction for the corporate fleet of **30.4%**

SOCIAL DISCLOSURE

- Employees: **141**
- Average age: **43.5 years**
- Female incidence: **47%**
- Total training hours: **3,058.5**
- Minor injuries without consequences: **3**
- **28** product categories
- **4 new products with "zero sugar" characteristics**
- about **235 thousand Euro** of investments in the Community (donations and sponsoring)

VALUES 2023 VS 2022



SIGNIFICANT EVENTS IN 2023

- 1 Kick-off of the exclusive distribution on the Italian territory of the Haagen-Dazs ice cream Brand;
- 2 Finalisation and publication of the "corporate sustainability 2022" document
- 3 Development of sales to the consumer via e-commerce (Amazon and other platforms)
- 4 Volume growth of our proprietary and distributed Brands in a distressed total FMCG market
- 5 Strong growth in Out of Home sales (Ho.Re.Ca., naval, vending) and Kick off of direct distribution of Valsoia ice creams in the bar channel on the Adriatic Riviera
- 6 Extension of success of the "Gran Stecco" ice cream line in Italy and abroad
- 7 Launch of some new products in new healthy market segments (alternatives to egg, fish and chicken)
- 8 Launch of the new Santa Rosa Zero line (no added sugar)
- 9 Development of new sustainable packaging project for Diète.Tic
- 10 Exceeding the 10 million Euro threshold sold abroad (NSVO)
- 11 Maintaining investments in communication extended to all owned Brands
- 12 R&D project development in the health and traditional area ready for launch from early 2024
- 13 Continuation of the Serravalle Sesia production plant doubling project
- 14 Completion of the Bologna headquarters office extension

GENERAL DISCLOSURE

MISSION

To contribute to the improvement of the quality of life, proposing healthy foods, 100% plant based and traditional Brands of premium positioning.

VALUES

Skills

Liability

Transparency

Integrity

Passion

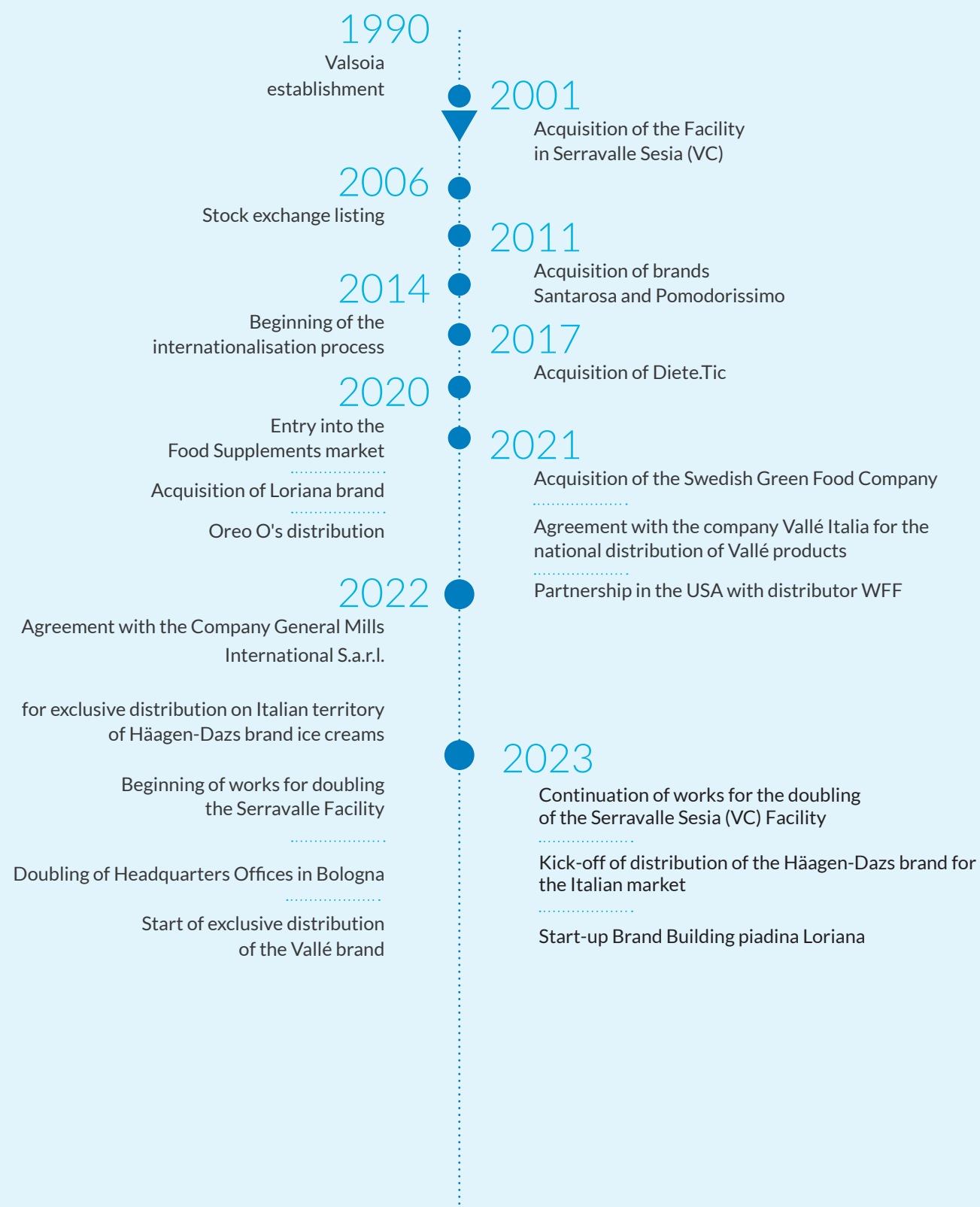
Continuous Improvement

VISION

The daily food choices that can help us to live a better, healthier life.

HISTORY

Ours is an all-Italian story, born in the commitment and desire to contribute to the improvement of the quality of life that leverages highly innovative capabilities supported by important investments in Research & Development and communication to support our Brands.



GENERAL DISCLOSURE

VALSOIA: LEADERSHIP THAT HAS BEEN STRENGTHENED FOR OVER 30 YEARS

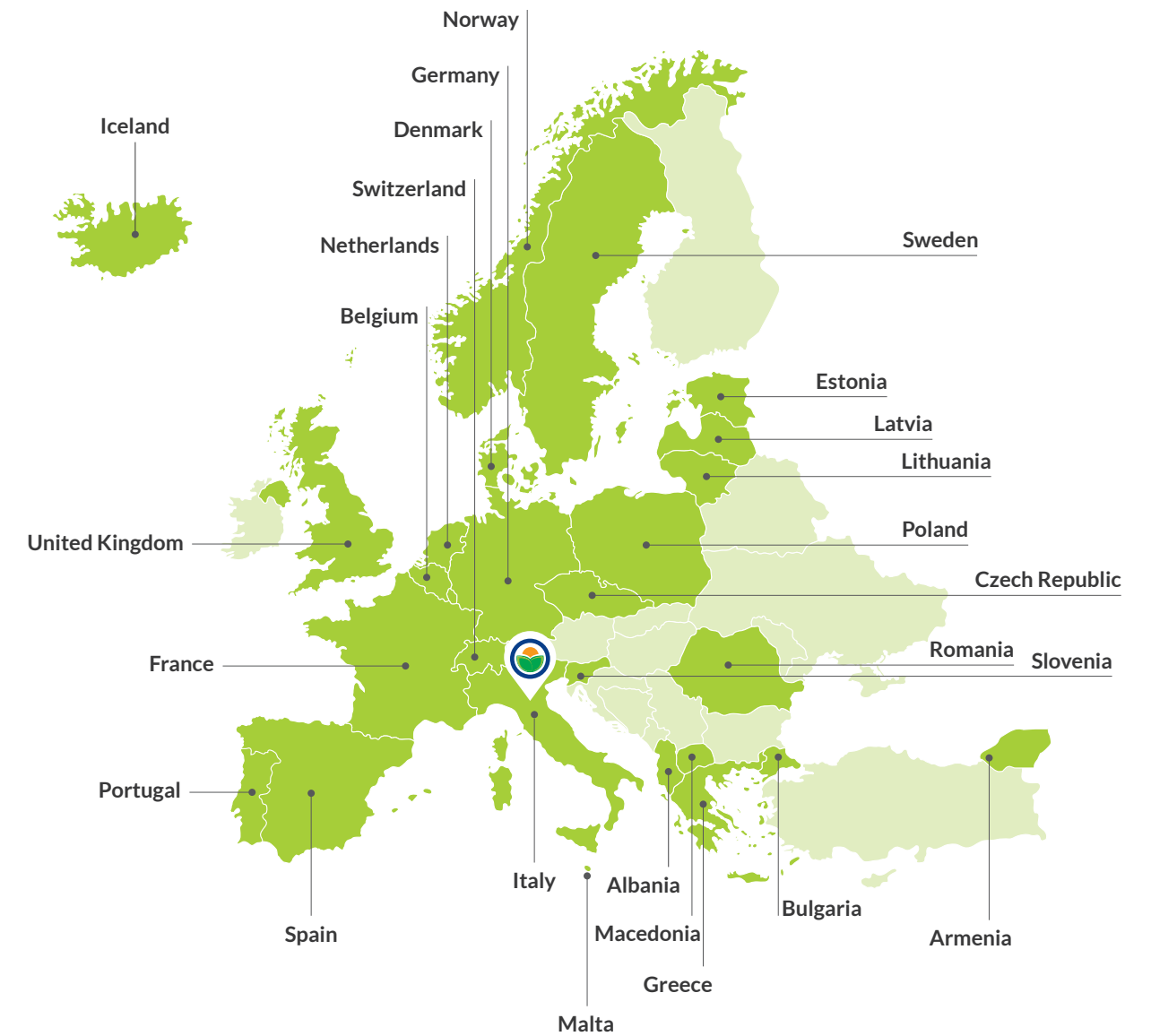
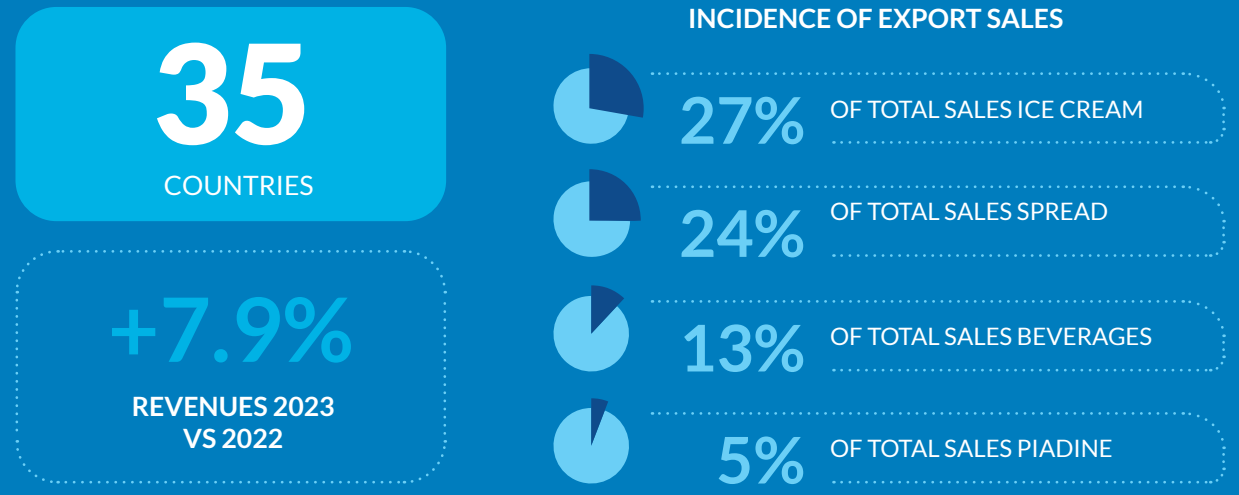
Valsoia was created in 1990 from the idea of its founder to exploit the high nutritional properties of soya to offer a serious dietary response to the growing demand for health and well-being.

The continued success over time derives from the ability to cover functional needs with plant-based alternative products guaranteed by a leading brand of great reputation such as Valsoia. Over the past 10 years, the Company has also expanded its interest in Traditional Food through acquisitions and distribution of important food Brands always in a leading position in its respective markets.

Valsoia has been able to associate nutrition with the concept of health and well-being by introducing the category of "plant-based" products in Italy. From the outset, Valsoia has proposed an expanded portfolio, a strong differentiator compared to competitors who generally cover one or a few consumption segments. "Valsoia Bontà e Salute", on the strength of a brand image with high awareness and reputation, guarantees its target audience coverage of needs throughout the day.



VALSOIA IN THE WORLD



BUSINESS STRATEGY AND MODEL

Valsoia's strategy is underpinned by 6 pillars based on the types of capital, upon which this Sustainability Report is based. These Directives are also associated with the 12 Sustainable Development Goals (SDGs): **SDG 1** (No Poverty), **SDG 3** (Good health and well-being), **SDG 4** (Quality Education), **SDG 5** (Gender Equality), **SDG 6** (Clean Water and Sanitation), **SDG 7** (Affordable and Clean Energy), **SDG 8** (Decent Work and Economic Growth), **SDG 9** (Industry, Innovation, and Infrastructure), **SDG 12** (Responsible Consumption and Production), **SDG 13** (Climate action), **SDG 16** (Peace, Justice, and Strong Institutions), **SDG 17** (Partnership for the Goals).

Valsoia operates on the domestic and international markets, adopting the business model characterised by the elements illustrated in the figure.



GENERAL DISCLOSURE

BRANDS: ACTIVITIES AND PRODUCTS

VALSOIA AT A GLANCE

Valsoia stands out for its many years of experience in the food market with a Broad portfolio of proprietary and distributed brands always with leader and co-leader positions in terms of market share in its respective segments.

COMPANY

Valsoia is the pioneer of plant-based alternative products in the Italian market.

MISSION

Valsoia's mission is to provide healthy, functional, nutritionally balanced, tasty and pleasant products inspired by Italian culinary tradition and culture throughout the day.

OUR BRANDS

HEALTH DIVISION



FOOD DIVISION

Proprietary brands



Exclusively distributed brands



28

PRODUCT CATEGORIES 2023

Ambient

Chilled

Frozen

OVER
11 Million
OF FAMILIES IN ITALY

SINCE JULY 14, 2006, VALSOIA S.P.A. HAS BEEN A COMPANY LISTED ON THE

Euronext Milan Market

MANAGED BY BORSA ITALIANA S.P.A.

141

EMPLOYEES

112.8

MIL. EURO TURNOVER

GENERAL DISCLOSURE

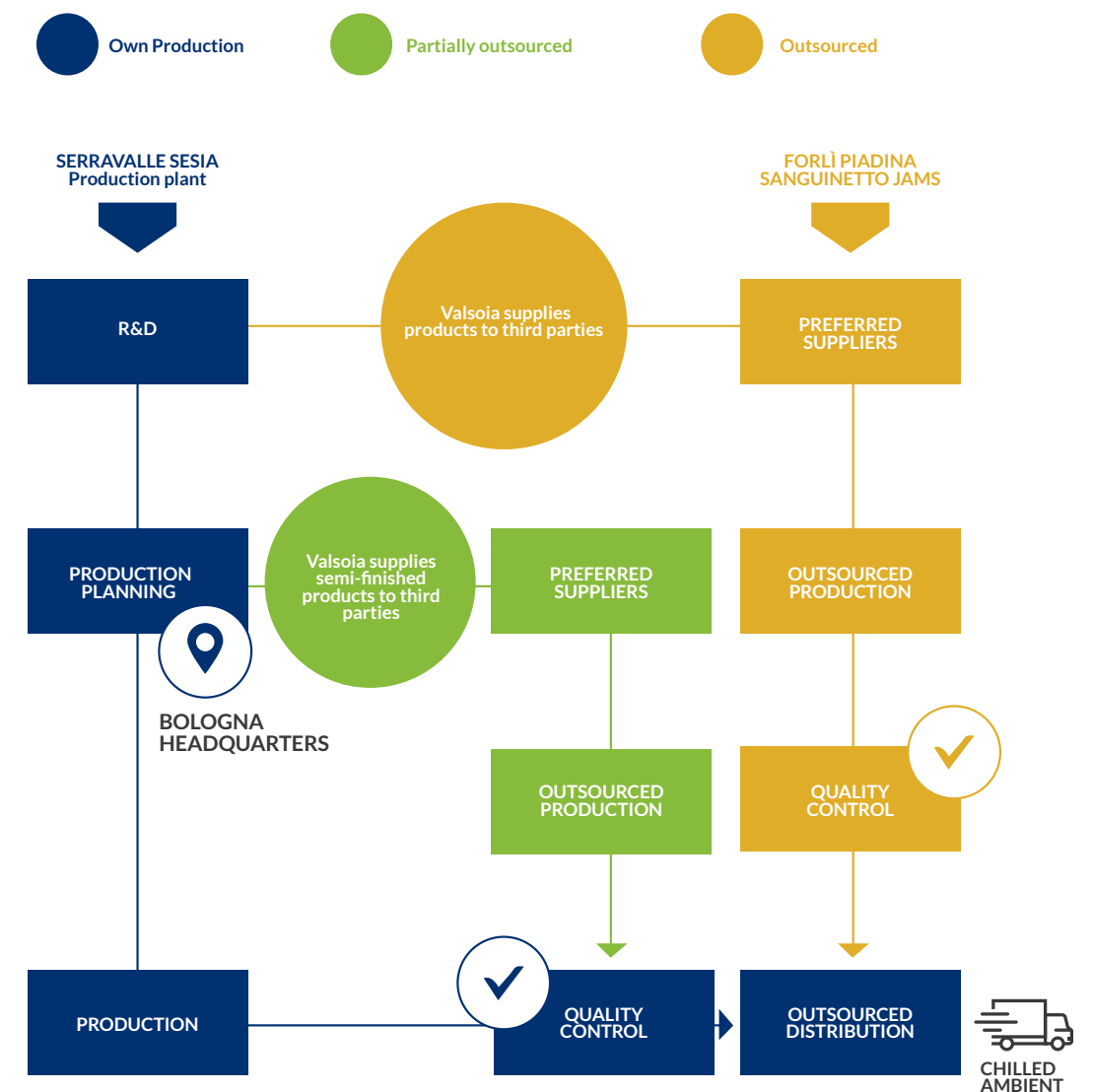
THE PRODUCTION MODEL

The company operates from two main locations. Its headquarters are in Bologna and it has a production facility in Serravalle Sesia (VC).

The Serravalle Sesia production Facility comprises three areas together with the heart of the processing of health products: the processing of extracts.

The R&D and Quality Assurance functions for all the Group's Brands and products are also located at the Facility. The Serravalle Facility manufactures finished products (ice cream and sweeteners) and semi-finished products (plant based alternatives drinks, yoghurt and desserts).

As far as the Serravalle Sesia Facility is concerned, a project is underway to double the space through the construction of a new building connected to the current one, which will in turn be modernised and made more efficient through major investments.



APPROACH AND DIALOGUE WITH STAKEHOLDERS

Sustainability is the condition for development that "ensures that the needs of the present generation are met without compromising the ability of future generations to meet their own needs". Therefore, for Valsoia, sustainability is not only a way of being and operating, but also an opportunity for competitive leverage that allows it to express and represent a model of excellence, adopting a pervasive approach to business capable of responding to the challenges of a globalised world that is increasingly attentive to the impacts that industrial processes produce on society and the environment. For Valsoia, in line with its strategy, sustainability is also a concrete opportunity to responsibly support its Food Project, ensuring high levels of product quality and safety and promoting sustainable practices to protect people and the environment.

SDGs	STRATEGIC DIRECTIVES
	ECONOMIC AND FINANCIAL CAPITAL
	To increase economic capital through responsible governance, market share growth, and adherence to the Company's mission and values.
	HUMAN CAPITAL
	To protect human capital through the enhancement of talents, ensuring high levels of health and safety in the workplace, and promoting the social and organisational well-being of the Company.
	SOCIAL AND RELATIONAL CAPITAL
	To support the Valsoia food project through investments in existing brands and the acquisition of new brands.
	Business model focused on consumers and brands taking care of relationships with all stakeholders.
	To ensure high levels of product quality and safety through production flow control procedures and rigorous food safety methods.
	NATURAL CAPITAL
	To use natural resources responsibly, optimising their use in production processes, while maintaining a constant check on the impacts on the environment.

During 2023, the Company further consolidated its Sustainability Agenda by strengthening its organic approach towards corporate sustainability, which is considered an important element for value creation and market positioning (consumers and customers). In particular, the following activities were implemented:

- progress in the pursuit of the goals defined in the Sustainability Plan 2023-2025;
- review of relevant thematic areas (material topics) on which to focus attention and generation of the dual materiality matrix;
- focus on initiatives consistent with the Sustainable Development Goals (SDGs) of the 2030 Agenda.

In order to achieve these objectives and in keeping with a forward-looking approach, and despite the difficulties that have emerged from the geopolitical context, in 2023 Valsoia further consolidated its relationships with all parties with whom it interfaces in the conduct of its business. The resulting stakeholder mapping appears is divided into eight macro-categories:



GENERAL DISCLOSURE

Valsoia maintains regular relations of dialogue and comparison with its stakeholders. Contacts occur in a variety of ways and with different frequency, depending on the categories involved.

There are three types of stakeholder engagement methods:

- initiatives organised specifically in view of the preparation of this Sustainability Report;
- meeting opportunities attributable to customary practices of engagement and collaboration, regardless of reporting activities;
- activities planned within a structured interaction process that considers direct stakeholder involvement in scenario- and solution-building.

STAKEHOLDERS	TOPICS OF INTEREST	MAIN INITIATIVES FOR DIALOGUE AND INVOLVEMENT
VALSOIA PEOPLE Managers Employees External collaborators and occasional collaborators	<ul style="list-style-type: none"> • Economic results and corporate solidity • Skills enhancement and career paths • Work/life balance • Diversity and inclusion • Occupational health and safety • Socio-organisational well-being • Remote work • Transparency 	<ul style="list-style-type: none"> • Training courses • Development paths of talents and managers • Training on special topics (Mod. 231, Occupational Health and Safety, Food Safety, etc.) • Other people engagement initiatives
CONSUMERS Families Individuals New consumers Brand Ambassadors	<ul style="list-style-type: none"> • Customer satisfaction level • Product quality and safety • Loyalty programmes • Transparency and responsible marketing • Privacy and data security • On-shelf availability • Product Innovation • Consumers food trends and needs monitoring and research 	<ul style="list-style-type: none"> • Consumer Assistance Service • Customer Satisfaction Surveys • Specific Loyalty Programmes • Social networks and web portals • Institutional Communications • Promotional Communications • Consumer research and tracking
SUPPLIERS AND PARTNERS Suppliers of raw materials Business partners Industry Partners Service Providers Indirect sales network	<ul style="list-style-type: none"> • Compliance with contractual commitments • Relationship continuity • Innovation • Willingness to collaborate in partnerships • Digitalisation • Business development 	<ul style="list-style-type: none"> • Supplier audits • Privacy compliance audits • Partnership initiatives • Periodic meetings with Customers/Distributors • Meetings/Conventions at Trade Associations
SHAREHOLDERS AND DIRECTORS Finsalute Srl Trust Kobra Private shareholders Other shareholders	<ul style="list-style-type: none"> • Creation of economic value • Economic results and financial soundness • Monitoring and management of financial and non-financial risks • Administration and ordinary management of the Company • Business continuity 	<ul style="list-style-type: none"> • Board of Directors and Shareholders' Meeting • Management Committee • Other dedicated meeting opportunities

GENERAL DISCLOSURE

STAKEHOLDERS	TOPICS OF INTEREST	MAIN INITIATIVES FOR DIALOGUE AND INVOLVEMENT
FINANCIAL COMMUNITY Banking institutions Institutional and private investors Financial Analysts and Rating Agencies	<ul style="list-style-type: none"> • Market and business trends • Soundness • Perspectives • Value creation 	<ul style="list-style-type: none"> • Periodic meetings with investors • Periodic meetings with banking institutions • Presence in press articles or by other means
INSTITUTIONS ORGANISATIONS National and local government institutions ENSA UNIONE ITALIANA FOOD ROMA NFI (Nutrition Foundation of Italy) Workplace Health and Safety Control Bodies University and Academia Centromarca Advisory Nielsen Italia del Gusto	<ul style="list-style-type: none"> • Monitoring of legislation and regulations, and their evolution • Networking at Italian and European governmental level • Monitoring of market and main trends • Joint approach to internationalisation 	<ul style="list-style-type: none"> • Participation in the main Boards of Directors • Participation in the Working Groups of individual Associations • Periodic Board and operational meetings
COMMUNITY Territorial and local communities Third-Sector Organisations Other Associations	<ul style="list-style-type: none"> • Support to solidarity initiatives • Social investments in the Community at large • Support to young people and families • Support to youth training 	<ul style="list-style-type: none"> • Occasions for meeting and sharing the project "Cucine Popolari" (Associazione CiviBo di Bologna) • Ongoing collaboration with Banco Alimentare • Objective-sharing with the "Casa dei Risvegli Luca de Nigris" • Other dedicated occasions
ENVIRONMENT AND NEW GENERATIONS Ecosystem Natural Resources Environmental associations Specialised agencies (e.g. ARPA)	<ul style="list-style-type: none"> • Responsible use of natural resources (energy and water) • Energy efficiency (clean and renewable energy) • Reduction of CO2 emissions • Hazardous substance management • Responsible management and treatment of hazardous waste • Management of production by-products 	<ul style="list-style-type: none"> • Meetings with local authorities • Evaluation of results, objectives and tools during internal and external meetings with auditors of certification companies

MATERIALITY

Materiality assessment underpins the Valsoia sustainability strategy, as it helps to ensure that the company's efforts remain focused on the areas of greatest impact and to ensure appropriate relations with stakeholders. Over the past two years, several standardisation and regulatory bodies have begun to refine the concept of sustainability materiality. In particular, the Corporate Sustainability Reporting Directive (CSRD) adopted by the European Union and due to come into force in 2024, focuses on the concept of "dual materiality".

In this fourth edition of the Sustainability Report, Valsoia has voluntarily decided to follow the principle of dual materiality, providing information necessary to understand its impact on society and the environment, and vice versa, how ESG criteria, referring to material sustainability issues, influence its Enterprise Value.

There are in fact two parameters taken into consideration by the principle of dual materiality: a materiality with an outward impact (so-called impact materiality, with an inside-out approach) and materiality with an inward impact (so-called financial materiality, with an outside-in approach). The first focuses on the effects that the activities implemented by Valsoia generate externally, i.e. on the social and environmental context.

The second relates to the impact of potential social and climate risks Valsoia faces, which can also be translated into financial effects and therefore contribute to influencing strategic governance decisions. This concept of "dual materiality" recognises the fact that risks and opportunities can be both financially and non-financially material.

On the occasion of this fourth edition of the Sustainability Report, Valsoia conducted a thorough materiality assessment in Q4 2023 to strengthen the understanding of the company's impacts, further integrating sustainability within the Company.

The materiality assessment considered emerging best practices in the field of sustainability, ESG policies and regulations in Europe and internationally, and emerging trends and mega trends that will become relevant in the coming years.

As a Company operating internationally in a rapidly changing world, Valsoia is convinced that its long-term success requires continuous monitoring and adaptation to significant social, environmental, economic and technological changes.

For this reason, the dual materiality analysis already introduced in the previous Report was refined and expanded in 2023. Since no Sector Standard was available for the sector in which Valsoia operates, a preliminary benchmark analysis was carried out in which the websites and public documents of companies identified as "comparable" in the field of non-financial reporting were examined. The analysis focused on consulting public documents (Sustainability Report, NFS, Social Report, etc.). This analysis identified additional sustainability issues to those previously assessed. Overall, potentially material ESG issues for Valsoia can be traced back to four different macro-areas (Identity, Governance and Economic Capital, Productive and Infrastructural Capital, Human Capital and Environmental Capital) and were assessed from two different perspectives:

- **External impact ("inside-out" approach)**, i.e. the impact on society and the planet at different stages of the Valsoia value chain, from the perspective of internal and external stakeholders;
- **Internal impact ("outside-in" approach)**, i.e. the impact on the overall economic-financial performance and on the Valsoia business in terms of risks and opportunities that will be reflected in the company's ability to create value.

The results of these two perspectives were then integrated to construct the dual materiality matrix and identify the topics on which Valsoia should focus to achieve maximum impact.

Involving key stakeholders in the materiality assessment and, more generally, in the process of identifying corporate priorities is a crucial step that allows for the collection of contributions and feedback useful for understanding and even more effectively targeting Valsoia efforts on shared sustainability objectives.

For the materiality assessment, the focus in 2023 was on gathering constructive, informed and critical voices

and seeking objective and representative opinions. Interviews were therefore conducted with all Directors and their direct reports, involving a representative sample of the Company's main stakeholders. Parallel to the interviews, the assessment was carried out through the administration of a questionnaire where the degree of "relevance" of the issues was requested, taking into account the ESG impacts related to each. The response rate was 100%.

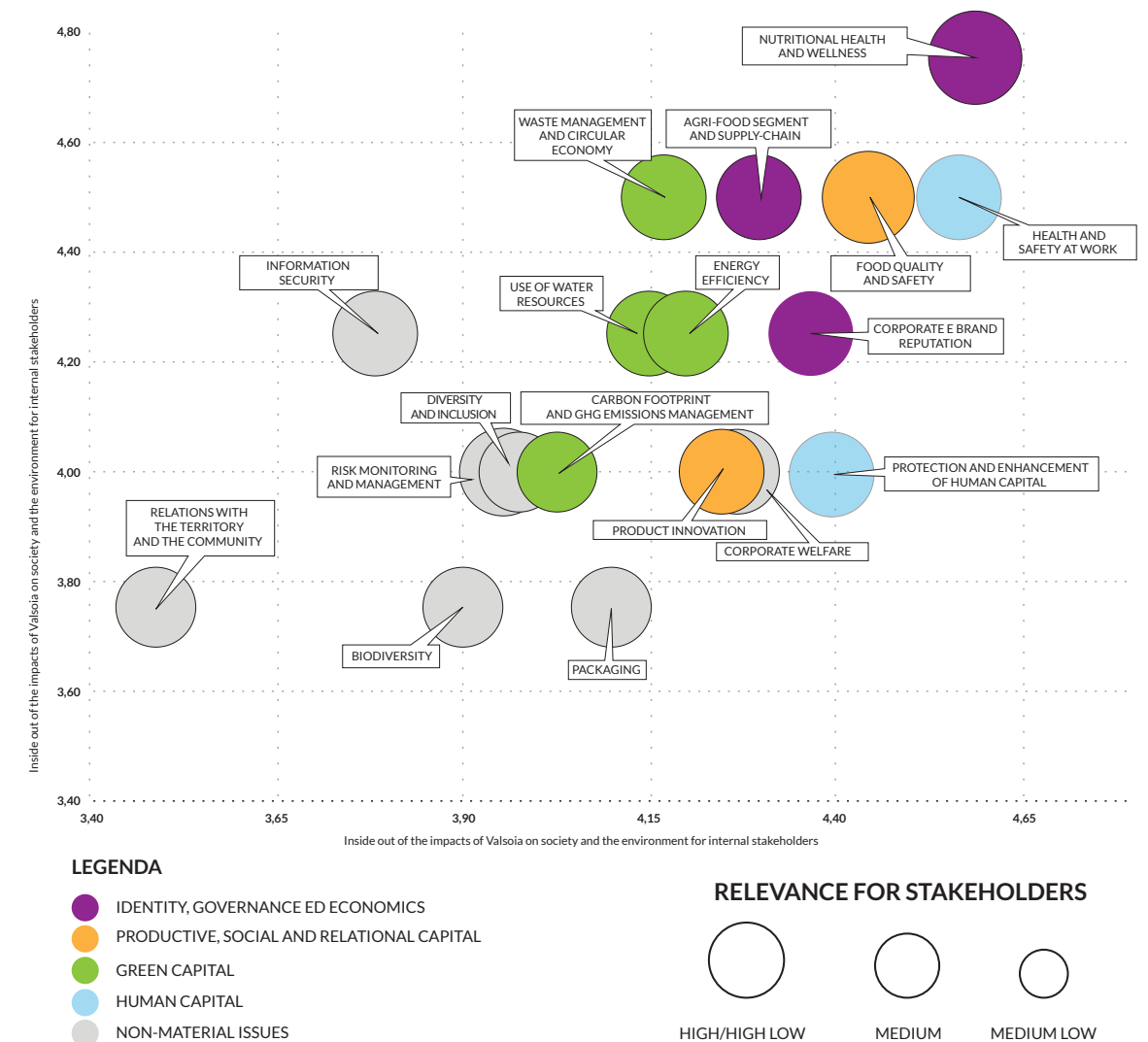
Some issues were not included in the interviews and in the questionnaire because they were considered as pre-requisites, i.e. issues that are indispensable for the proper functioning of the business and already widely covered by Valsoia and/or subject to regulations. These include, in particular: "Integrity and business ethics", "Economic and financial soundness", "Respect for human rights", "Creation and distribution of economic value", "Partnerships and collaborations", "Transparency in etiquette and marketing" and "Privacy".

The evaluations provided were then collected and, according to these, a score was given to each topic, from 1 to 5. In order to identify "material" ESG topics and impacts for Valsoia, a "materiality threshold" of 50% of the issues being assessed was defined. Following this process, 11 material topics were identified for Valsoia, resulting from the combination of the two perspectives used, namely impact and financial materiality.

At the end of the assessment process, the results were submitted for discussion and validation by Management.

DUAL MATERIALITY MATRIX

The dual materiality matrix was generated using all the quantitative and qualitative inputs collected through online surveys and interviews.



Looking at the matrix, we can see that:

- topics are highlighted with a **different colour** per type of area (Identity, Governance and Economics, Human Capital, Productive, Social and Relational Capital, Natural Capital);
- on the **X axis** is the significance of Valsoia impacts on society and the environment (inside-out) from the perspective of internal stakeholders;
- on the **Y axis** is the significance of Valsoia impacts on society and the environment (inside-out) from the perspective of external stakeholders;
- the difference in **diameter of each bubble** of topic represents the topics that involve the risks and most significant opportunities for Valsoia value creation (outside-in approach).

With regard to the values represented by the diameter of the bubbles (outside-in approach), the Directors assessed the impact on the value of the Company potentially be positive or negative, such as: geopolitical context, market trends and inflation, high procurement costs, product contamination risks, raw material procurement, increased competitiveness, changing consumption styles.

At the upper right-hand end of the matrix, the topics that were found to be the most significant overall, i.e. that received the highest score in both the inside-out and outside-in impact assessment, tend to accumulate.

The "Food health and well-being" topic is the most significant in overall terms and the ESG factor with the greatest impact on Valsoia value creation from an outside-in perspective, as is the "Food quality and safety" topic.

The **other topics that emerged as materials** are: "Corporate and brand reputation", "Agri-food segment and supply-chain", "Protection and enhancement of human capital", "Health and safety at work", "Food quality and safety", "Product innovation", "Water resource use", "Waste management and Circular Economy", "Energy efficiency", "Carbon Footprint and GHG emission management".

However, "Risk monitoring and management", "Information security", "Diversity and inclusion", "Corporate welfare", "Relationships with the territory and the community", "Packaging" and "Biodiversity" are of extreme, if **not material** importance.



LIST OF MATERIAL TOPICS

Below is a list, in order of relevance, of only those issues that emerged as material, accompanied by a brief description of them and their impacts, as well as the Key Performance Indicators associated with them.

MATERIAL TOPICS	RISK	IMPACTS	KPI
Food health and well-being	In the context of Agenda 2030, contributing to improving the quality of life, through a food safety management system based on strict food principles and methods and through a proposal of tasty, safe and high quality food, promoting well-being for all at all ages.	<ul style="list-style-type: none"> • Strengthening or erosion of the Group's reputational capital in the eyes of its main stakeholders (e.g. customers, financial institutions and investors, etc.); • Propensity for innovation and investment, resulting in the strengthening or deterioration of the Group's competitive position; • Prevention or (vice versa) assignment of administrative/interdictory/criminal sanctions resulting from non-compliance with laws and regulations (also of a voluntary nature). • Possibility of positively or negatively influencing the occurrence of risks related to products, raw materials, packaging materials and the production environment. • Ability to positively or negatively influence consumer style and behaviour. 	GRI 3-3
Food quality and safety	Integrating into product logic the broader concepts of "food integrity" (healthy, nutritious, safe, tasty, authentic, traceable food) and "food safety" (absence of hazards related to biological, chemical or physical agents capable of causing damage to health).	<ul style="list-style-type: none"> • Strengthening or erosion of the Group's reputational capital in the eyes of its main stakeholders (e.g. customers, financial institutions and investors, etc.); • Propensity for innovation and investment, resulting in the strengthening or deterioration of the Group's competitive position; • Prevention or (vice versa) assignment of administrative/interdictory/criminal sanctions resulting from non-compliance with laws and regulations (also of a voluntary nature). • Possibility of positively or negatively influencing the level of product quality and safety. • Possibility of positively or negatively influencing the well-being and health of Consumers who use the company's products. 	GRI 416-2
Occupational Health and Safety	Protecting the health and safety of workers through a set of preventive and protective measures aimed at minimising the exposure of employees and collaborators to work-related risks.	<ul style="list-style-type: none"> • Prevention or (vice versa) assignment of administrative/interdictory/criminal sanctions resulting from non-compliance with laws and regulations (also of a voluntary nature); • Level of exposure to operational risks related to high rates of accidents, occupational diseases and absenteeism; • Possibility of positively or negatively influencing the constant monitoring of working environments through the implementation of improved safety standards on machines and installations. • Possibility of positively or negatively influencing the health and safety of employees and external collaborators. 	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-9 GRI 403-10

MATERIAL TOPICS	RISK	IMPACTS	KPI
Corporate and brand reputation	Promotion of actions aimed at strengthening the VALSOIA reputation and leadership as a major brand in the field of plant-based alternatives and health food, through increasing Consumer appreciation and enhancing the offer portfolio.	<ul style="list-style-type: none"> • Strengthening or erosion of the Group's reputational capital in the eyes of its main stakeholders (e.g. customers, financial institutions and investors, etc.); • Group's ability to attract investment and access financial resources. • Possibility of positively or negatively influencing the expansion of the offer portfolio and product range, as well as the acquisition of new owned or distributed brands. • Possibility of positively or negatively influencing the reputation and degree of trust and appreciation on the part of consumers. 	GRI 205-2 GRI 205-3 GRI 206-1
Agri-food segment and supply-chain	Monitoring the supply chain and adopting a purchasing policy that takes into account the evaluation of the social, environmental and economic impacts of procurement and favours the choice of local and non-local suppliers that guarantee reliability in production performance and at the same time, share the Company's values and expectations also in terms of ethical, environmental and social standards.	<ul style="list-style-type: none"> • Ability to impact positively or negatively on economic and financial performance to the benefit of society and the economic ecosystem in which it operates; • Ability to achieve sufficiently early and effective transition to technologies with low emissions and environmental impacts; • Group's ability to attract investment and access financial resources; • Level of exposure to operational risks related to market volatility (availability and costs of energy resources, materials, etc.). • Possibility of positively or negatively influencing the control of all stages of the production chain from the control of raw materials to distribution at the point of sale. • Ability to positively or negatively influence the conscious choice of raw materials and semi-finished products used in production processes. 	GRI 204-1 GRI 308-1 GRI 414-1
Waste Management and Circular Economy	Adoption of a system for the identification, assessment and management of ESG risks (current and potential), in order to identify risk mitigation actions and foster an adequate understanding of the possible impacts, risks and opportunities that may affect the achievement of corporate objectives.	<ul style="list-style-type: none"> • Prevention or (vice versa) assignment of administrative/interdictory/criminal sanctions resulting from non-compliance with laws and regulations (also of a voluntary nature); • Strengthening or erosion of the Group's reputational capital in the eyes of its main stakeholders (e.g. customers, financial institutions and investors, etc.). • Possibility of positively or negatively influencing the reuse of production by-products (organic waste that can no longer be reused in production processes). • Possibility of positively or negatively influencing the health of local communities through correct and responsible waste management. 	GRI 306-2 GRI 306-3 GRI 306-4 GRI 306-5

MATERIAL TOPICS	RISK	IMPACTS	KPI
Use of water resources	Adoption of policies and measures to reduce both process and product water consumption and reduce the quantity and hazardousness of industrial effluents.	<ul style="list-style-type: none"> • Prevention or (vice versa) assignment of administrative/interdictory/criminal sanctions resulting from non-compliance with laws and regulations (also of a voluntary nature); • Strengthening or erosion of the Group's reputational capital in the eyes of its main stakeholders (e.g. customers, financial institutions and investors, etc.). • Possibility of positively or negatively influencing the protection of the water resource in all the activities carried out by the Company, whether they are productive, for technological use or for plant services. • Possibility of positively or negatively influencing the health of local communities through correct and responsible wastewater management. 	GRI 303-1 GRI 303-3 GRI 303-4 GRI 303-5
Protection and enhancement of human capital	Investment in the professional development and acquisition of skills (technical and transversal) by employees and collaborators, ensuring that they can fully express their talents and potential within the company.	<ul style="list-style-type: none"> • Level of exposure to operational risks related to inadequate expertise of company personnel with regard to technical and/or soft skills; • Level of exposure to operational risks related to staff turnover and insufficient levels of employee retention; • Ability to identify new market opportunities and capitalise from them, responding to real customer needs; • Ability to positively or negatively influence human capital retention and attraction. • Possibility of positively or negatively influencing the employment stability of human resources. 	GRI 401-1 GRI 401-2 GRI 401-3 GRI 404-2 GRI 404-3 GRI 405-1 GRI 406-1
Product Innovation	Continued investment in research and development and product (including packaging) and process innovation to strengthen the VALSOIA market position, reduce negative environmental impacts as far as possible and respond adequately and promptly to market and Consumer needs through innovative products.	<ul style="list-style-type: none"> • Strengthening or erosion of the Group's reputational capital in the eyes of its main stakeholders (e.g. customers, financial institutions and investors, etc.); • Propensity for innovation and investment, resulting in the strengthening or deterioration of the Group's competitive position; • Prevention or (vice versa) assignment of administrative/interdictory/criminal sanctions resulting from non-compliance with laws and regulations (also of a voluntary nature). • Possibility of positively or negatively influencing the availability of new products that meet new consumer needs. • Possibility of positively or negatively influencing the reformulation of existing products to improve their nutritional profile. 	GRI 3-3

TOPICS MATERIAL	RISK	IMPACTS	KPI
Energy Efficiency	Adoption of policies and measures aimed at reducing energy consumption and energy efficiency and improving overall energy performance.	<ul style="list-style-type: none"> Strengthening or erosion of the Group's reputational capital in the eyes of its main stakeholders (e.g. customers, financial institutions and investors, etc.); Level of exposure to operational risks related to energy market volatility; Ability to achieve sufficiently early and effective transition to technologies with low emissions and environmental impacts. Possibility of positively or negatively influencing the company's competitiveness, including through the reduction of energy costs achieved through various energy efficiency initiatives. Ability to influence positively or negatively continuous monitoring of energy consumption, through periodic reports containing the most significant energy indicators. 	GRI 302-1 GRI 302-4
Carbon Footprint and GHG Emissions Management	Analysis and monitoring of environmental impacts, reduction and offsetting of CO2 emissions associated with the life cycle of beverages packaged in one or more formats of the Linea Ambiente and Linea Fresco.	<ul style="list-style-type: none"> Strengthening or erosion of the Group's reputational capital in the eyes of its main stakeholders (e.g. customers, financial institutions and investors, etc.); Group's ability to attract investment and access financial resources; Ability to achieve sufficiently early and effective transition to technologies with low emissions and environmental impacts. Possibility of positively or negatively influencing the availability of products and services with certain characteristics in the target markets. Possibility of positively or negatively influencing the European Union's achievement of climate neutrality by 2050. 	GRI 305-1 GRI 305-2

THE SUSTAINABILITY PLAN 2023 - 2025

Since 2022, Valsoia has strengthened its sustainability path through the adoption of an integrated strategy, capable of combining business growth and financial solidity with social and environmental sustainability, creating long-term value. In 2023, this continued with the definition of a Sustainability Plan 2023-2025, consisting of relevant sustainability goals and issues, integrated into its business strategy. The Sustainability Plan represents the Valsoia strategic vision of sustainability, responds to some of the global challenges (United Nations Sustainable Development Goals, or SDGs) and outlines the commitments made by the company, through a defined roadmap, into qualitative and quantitative objectives that can be measured over time (targets). Below is a summary of the Sustainability Plan Guidelines.

GOVERNANCE ESG/ECOLOGICAL CAPITAL	HUMAN CAPITAL	PRODUCTIVE SOCIAL RELATIONAL CAPITAL	NATURAL CAPITAL
Compliance with Sustainability Standards ¹	Strengthening of soft skills of key people	Progressive reduction of sugars, total fats and saturated fats in specific product categories	Strengthening the ISO 50001:2018 Energy Management System
Expansion of the system for monitoring ESG aspects of suppliers	Realisation of Corporate Intranet	Increase in the level of penetration of points of availability of the product Diète.Tic as alternative to sugar	Realisation of a new photovoltaic plant at Serravalle Sesia Facility
Realisation of periodic supplier audits and detection of ESG factors	Definition of a Welfare Plan	Upgrades in controls of quality and GMO of all batches of all raw materials purchased	Containment of methane gas consumption levels ³
Strengthening the monitoring and management of ESG risks ²	Achievement of the ISO 45001 Certification	Launch of new lines of plant-based alternatives and coverage of markets where not yet present	Containment of electricity consumption levels ⁴
Progressive integration of non-financial information into Valsoia Corporate Reporting		Support initiatives for Associations operating in social, cultural and scientific backgrounds	Carbon Footprint of beverages
		Collaboration with educational establishments to undertake transversal job orientation paths	Progressive reduction of plastic in the secondary packaging of Diète.Tic
			100% reuse of production by-products ⁵
			Reduction of annual emissions of CO2, by extending the use of the intermodal transport of products

¹ GRI, EFRAG/ESRS

² Classification and identification of non-financial risks (CoSo/OECD Guidelines)

³ Reduction of natural gas (Methane) consumption by keeping the level below 35,000 GJ, achieved by reducing steam losses during production

⁴ Reduction of electricity consumption in the beverage extraction plant (rice/oats)

⁵ Rice/oat extract production by-product and soya extract production by-product (Okara)

GOVERNANCE ESG / ECONOMIC CAPITAL 2023-2025

- Expansion of the supplier corporate responsibility monitoring system by extending data collection to the category of suppliers of semi-finished fruit ^(A)
- Update of internal control systems (Model 231, Whistleblowing, IT security and GDPR) ^(A)
- Consolidation of CO2 annual emissions by at least 400 tonnes in 3 years, exploiting the use of the inter-modal option in the transportation of products ^(A)
- Continuation of supplier verification activities and at least 10 audits conducted ^(A)
- Issue and dissemination of a procedure for ESG data collection and management ^(A)
- Further investments amounting to more than 2 million Euro for the expansion of the production Facility based in Serravalle Sesia (VC) and for the realisation of technological adaptations and modernisation of production departments ^(A)
- Continuation of the expansion project at the Serravalle Sesia (VC) production Facility, in line with the planned timetable for the three-year period 2022-2023-2024 ^(T)
- Internal sharing and start of implementation of the Sustainability Plan 2023-2025 ^(T)
- Strengthening ESG risk management, assessment and monitoring activities ^(T)
- Consolidation of CO2 annual emissions by at least 400 tonnes in 3 years, exploiting the use of the inter-modal option in the transportation of products ^(T)
- Reduction in the number of kilometres travelled in product distribution activities by at least 5% in 3 years through the concentration of the number of storage warehouses ^(T)

(A) annual / (T) triennial



HUMAN CAPITAL 2023-2025

- Consolidation and expansion of the corporate Intranet ^(A)
- Completion of the restructuring of office space in the Bologna Headquarters, with implementation of structured video conferencing systems ^(A)
- Maintaining the Zero Accident policy ^(A)
- Structuring and implementation of a three-year training course, growth and development for at least 5 key managers ^(T)
- Structuring and implementation of a three-year training course aimed at developing soft skills within the key-people group ^(T)
- Implementation of a training plan over 3 years with a minimum of 6,000 total training hours ^(T)
- Active collaboration with the university and higher technical world for at least 6 projects in 3 years ^(T)
- Design and implementation of a three-year Welfare Plan ^(T)

(A) annual / (T) triennial



PRODUCTIVE, SOCIAL AND RELATIONAL CAPITAL 2023-2025

- Launch of at least 10 new products in total between functional health products and traditional food^(A)
- Launch of at least 4 new products with reduced total added sugar content^(A)
- Further development of the e-commerce channel for direct sales to Consumers (at least 500 thousand Euro sell-out in the year)^(A)
- Strengthening and reviewing food safety procedures and prevention activities towards Co-Packers with a plan of at least 10 audits and consequent improvement actions tracked (Certification of the Food Management System and controls No OGM)^(A)
- Commitment to support and collaborate in the area and the community with investments amounting to over 200 thousand Euro^(A)
- TOO GOOD TO GO – Initiation of collaboration^(A)
- Continuation as per the plan to reduce the release to the market of sugar per L/kg and start of a sugar reduction programme in the jam line over 3 years of equal magnitude^(T)
- Growth in foreign penetration of functional health products (as measured by increased sales of at least +50% over the 3 years)^(T)
- Creation of an "Innovation Team" for the analysis of food supply chains and trends in highly complex contexts, the generation of new ideas and the development of innovative solutions (at least 6 new projects approved and implemented over the 3 years)^(T)

(A) annual / (T) triennial













NATURAL CAPITAL 2023-2025

- Completion of LCA analysis and assessment of the environmental impact of beverages (not rice)^(A)
- Start of design of a new photovoltaic plant at the new site of the Serravalle Sesia (VC) Facility^(T)
- Design and implementation for a traditional food Brand with a target of 50% reduction of plastic within 3 years together with automation at the end of the line^(T)
- Reduction with a target of 15% in 3 years of specific consumption expressed in kWh per cubic metre of water withdrawn^(T)
- Further reduction in water consumption with a target of 24,000 cm in 3 years, thanks to innovation in the processes of the auto cooling^(T)
- Increase to 15% in 3 years of the contribution quota of the production by-product quantity to be sent to Biomethane generation plants^(T)
- Maintaining a hazardous waste incidence rate of less than 1% of the annual total of waste produced and the total amount of waste under 10 kg/tonne for the same production quota in the Facility (Beverages, Ice Cream and Fermented Foods, Diets.Tic)^(T)









(A) annual / (T) triennial












GOVERNANCE ESG / ECONOMIC CAPITAL

2023 GOALS	ACHIEVED AT
Issue and dissemination of a procedure for ESG data collection and management.	 100%
Continuation of supplier verification activities and at least 10 audits conducted.	 100%
Consolidation of CO2 annual emissions by at least 400 tonnes in 3 years, exploiting the use of the inter-modal option in the transportation of products.	 100%
Expansion of the supplier corporate responsibility monitoring system by extending data collection to the category of suppliers of semi-finished fruit.	 100%
Update of internal control systems (Model 231, Whistleblowing, IT security and GDPR).	 100%
Further investments amounting to more than 2 million Euro for the expansion of the Serravalle Sesia (VC) production Facility and for the realisation of technological adaptations and modernisation of production departments.	 100%
Internal sharing and start of implementation of the Sustainability Plan 2023-2025.	 100%
Reduction in the number of kilometres travelled in product distribution activities by at least 5% in 3 years through the concentration of the number of storage warehouses.	 100%
Continuation of the expansion project at the Serravalle Sesia (VC) production Facility, in line with the planned timetable for the three-year period 2022-2023-2024.	 100%
Strengthening ESG risk management, assessment and monitoring activities.	Start-up delayed until 2024
Consolidation of business continuity procedures, which after the implementation of a structured disaster recovery of the external Data Center, continues with improved backup management and greater harmonisation of saving modes.	 100%








HUMAN CAPITAL

2023 GOALS	ACHIEVED AT
Consolidation and expansion of the corporate Intranet.	 100%
Completion of the restructuring of office space in the Bologna Headquarters, with implementation of structured video conferencing systems.	 100%
Maintaining the Zero Accident policy.	 100%
Active collaboration with the university and higher technical world for at least 6 projects in 3 years.	 100%
Structuring and implementation of a three-year training course aimed at developing soft skills within the key-people group.	 100%
Structuring and implementation of a three-year training course, growth and development for at least 5 key managers.	 100%
Implementation of a training plan over 3 years with a minimum of 6,000 total training hours.	 100%
Design and implementation of a three-year Welfare Plan.	 30%

PRODUCTIVE, SOCIAL AND RELATIONAL CAPITAL

2023 GOALS	ACHIEVED AT
Launch of at least 10 new products in total between functional health products and traditional food.	 100%
Launch of at least 4 new products with reduced total added sugar content.	 100%
Further development of the e-commerce channel for direct sales to consumers (at least 500 thousand Euro sell-out in the year).	 100%
Strengthening and reviewing food safety procedures and prevention activities towards Co-Packers with a plan of at least 10 audits and consequent improvement actions tracked (Certification of the Food Management System and controls No OGM).	 100%
Commitment to support and collaborate in the area and the community with investments amounting to over 200 thousand Euro.	 100%
TOO GOOD TO GO - Start of collaboration.	 100%
Growth in foreign penetration of functional health products (as measured by increased sales of at least +50% over the 3 years).	 100%
Continuation as per the plan to reduce the release to the market of sugar per L/kg and start of a sugar reduction programme in the jam line over 3 years of equal magnitude.	 100%
Creation of an "Innovation Team" for the analysis of food supply chains and trends in highly complex contexts, the generation of new ideas and the development of innovative solutions (at least 6 new projects approved and implemented over the 3 years).	 100%

NATURAL CAPITAL

2023 GOALS	ACHIEVED AT
Completion of LCA analysis and assessment of the environmental impact of beverages (not rice).	 100%
Start of design of a new photovoltaic plant at the new site of the Serravalle Sesia (VC) Facility.	 100%
Design and implementation for a traditional food Brand with a target of 50% reduction of plastic within 3 years together with automation at the end of the line.	 100%
Reduction with a target of 15% in 3 years of specific consumption expressed in kWh per cm of water withdrawn.	 100%
Reduction in water consumption with a target of 24,000 cm in 3 years.	 100%
Maintaining a hazardous waste incidence rate of less than 1% of the annual total of waste produced and the total amount of waste under 10 kg/tonne for the same production quota in the Facility.	 100%
Increase to 15% in 3 years of the contribution quota of the production by-product quantity to be sent to Biomethane generation plants.	 100%

VALSOIA SUSTAINABILITY PLAN

MULTIANNUAL GOALS

GOVERNANCE ESG/ECONOMIC CAPITAL

GOALS	2023	2024	2025	2026
Continuation of the expansion project at the Serravalle Sesia (VC) production Facility, in line with the planned timetable for the years 2022-2023-2024-2025				
Consolidation of CO2 annual emissions by at least 400 tonnes in 3 years, exploiting the use of the inter-modal option in the transportation of products.				
Reduction in the number of kilometres travelled in product distribution activities by at least 5% in 3 years through the concentration of the number of storage warehouses.				
Internal sharing and start of implementation of the Sustainability Plan 2023-2025.				
Expansion of the supplier corporate responsibility monitoring system by extending data collection to the category of suppliers of semi-finished fruit. (ANNUAL)				
Continuation of supplier verification activities and at least 10 audits conducted. (ANNUAL)				

MULTIANNUAL GOALS

VALSOIA SUSTAINABILITY PLAN

HUMAN CAPITAL

GOALS	2023	2024	2025	2026
Active collaboration with the university and higher technical world for at least 6 projects in 3 years.				
Implementation of a training plan over 3 years with a minimum of 6,000 total training hours.				
Structuring and implementation of a three-year training course, growth and development for at least 5 key managers.				
Structuring and implementation of a three-year training course aimed at developing soft skills within the key-people group.				

MULTIANNUAL GOALS

VALSOIA SUSTAINABILITY PLAN
PRODUCTIVE, SOCIAL AND RELATIONAL CAPITAL

GOALS	2023	2024	2025	2026
Design and implementation of a three-year Welfare Plan.				
Continuation as per the plan to reduce the release to the market of sugar per L/kg and start of a sugar reduction programme in the jam line over 3 years of equal magnitude.				
Growth in foreign penetration of functional health products (as measured by increased sales of at least +50% over the 3 years).				
Creation of an "Innovation Team" for the analysis of food supply chains and trends in highly complex contexts, the generation of new ideas and the development of innovative solutions (at least 6 new projects approved and implemented over the 3 years).				
Commitment to support and collaborate in the area and the community with investments amounting to over 200 thousand Euro.				

MULTIANNUAL GOALS

VALSOIA SUSTAINABILITY PLAN
NATURAL CAPITAL

GOALS	2023	2024	2025	2026
Start of design of a new photovoltaic plant at the new site of the Serravalle Sesia (VC) Facility, with the aim of increasing self-production to 10%, fivefold compared to today				
Increase to 15% in 3 years of the contribution quota of the production by-product quantity to be sent to Biomethane generation plants.				
Maintaining a hazardous waste incidence rate of less than 1% of the annual total of waste produced and the total amount of waste under 10 kg/tonne for the same production quota in the Facility (Beverages, Ice Cream and Fermented Foods, Diets.Tic).				
Further reduction in water consumption with a target of 24,000 cm in 3 years, thanks to innovation in the processes of the auto cooling.				
Reduction with a target of 15% in 3 years of specific consumption expressed in kWh per cm of water withdrawn.				
Obtaining ISO45001.				
LCA assessment of the environmental impact of major ice-cream products.				
10% reduction in energy consumption for the production of extracts.				
Commitment to increase protein intake in plant products.				
Nutrition plan development of products with increased fibre content				
Reducing the use of paper materials by optimising the bottom of the Diets.Tic line				
50% reduction in 3 years of the by-product okara from 2025 onwards				

FOOD AND SUSTAINABILITY

Sustainable food involves the consumption of nutritionally healthy food with a low environmental impact, moderate use of water resources, low carbon and nitrogen emissions, sensitive to biodiversity and the ecosystem, fair and accessible to all.

The components of the food chain are all those involved in the process of food production and consumption, which includes: food production, harvesting, preservation, storage, transportation, processing, packaging, trading, distribution, preparation, composition and consumption, and disposal of waste materials produced in a variety of stages.

According to a study carried out by the FAO in collaboration with the European Commission's Joint Research Centre

, the food sector contributes more than one-third of global greenhouse gas emissions, reaching 34% of carbon dioxide emissions⁶.

The three pillars of food sustainability are: consume less food, waste less food and alternate plant-based products in our choices.

In particular, as far as food consumption is concerned, many scientific studies have shown so far that a properly planned vegetarian diet, is:

Nutritionally adequate, can provide health benefits in the prevention and treatment of certain diseases, and is suitable for all stages of the life cycle

More environmentally sustainable⁷, as it uses fewer natural resources and is associated with a lower environmental impact

Indeed, a vegetarian diet promotes a lower use of water resources, pesticides and fertilisers, promoting less land degradation, less pollution and less atmospheric warming.

According to the WWF Guidelines on Food Sustainability, in order to reduce the ecological footprint of the diet, it is important to adopt a diet also based on plant products.

6 - The research used data from the period 1990/2015, also creating the EU database EDGAR-FOOD established at the JRC. In particular, 39% of emissions are attributable to food production processes, 38% to land use for agricultural activities and pastoralism, and 29% to product distribution. Methane accounts for 35% of greenhouse gas emissions, pollution caused by raising animals to meet the demand for meat consumption.

7 - The current consumption of meat- and dairy-rich diets worldwide is considered by some researchers to be no longer sustainable in the medium/long term; on the contrary, a reduction in products from livestock is considered an important way to ensure continuity in food availability while also safeguarding against climate change

CONTRIBUTION TO THE SDGs

The table below shows, for each of the 12 SDGs considered significant for Valsoia, the material topics and actions taken, in terms of initiatives and projects implemented during 2023, some of which are currently underway in 2024.

In order to provide a complete representation of the Valsoia contribution to the SDGs, under the heading "Material Topics" we have exceptionally included those topics not contemplated during the interviews and in the questionnaire for the materiality analysis, since they are considered essential for the Company's business and, therefore, already widely covered and/or regulated by regulations; these topics are: "Integrity and business ethics", "Economic and financial soundness", "Respect for human rights", "Creation and distribution of economic value", "Partnerships and collaborations", "Transparency in etiquette and marketing" and "Privacy".



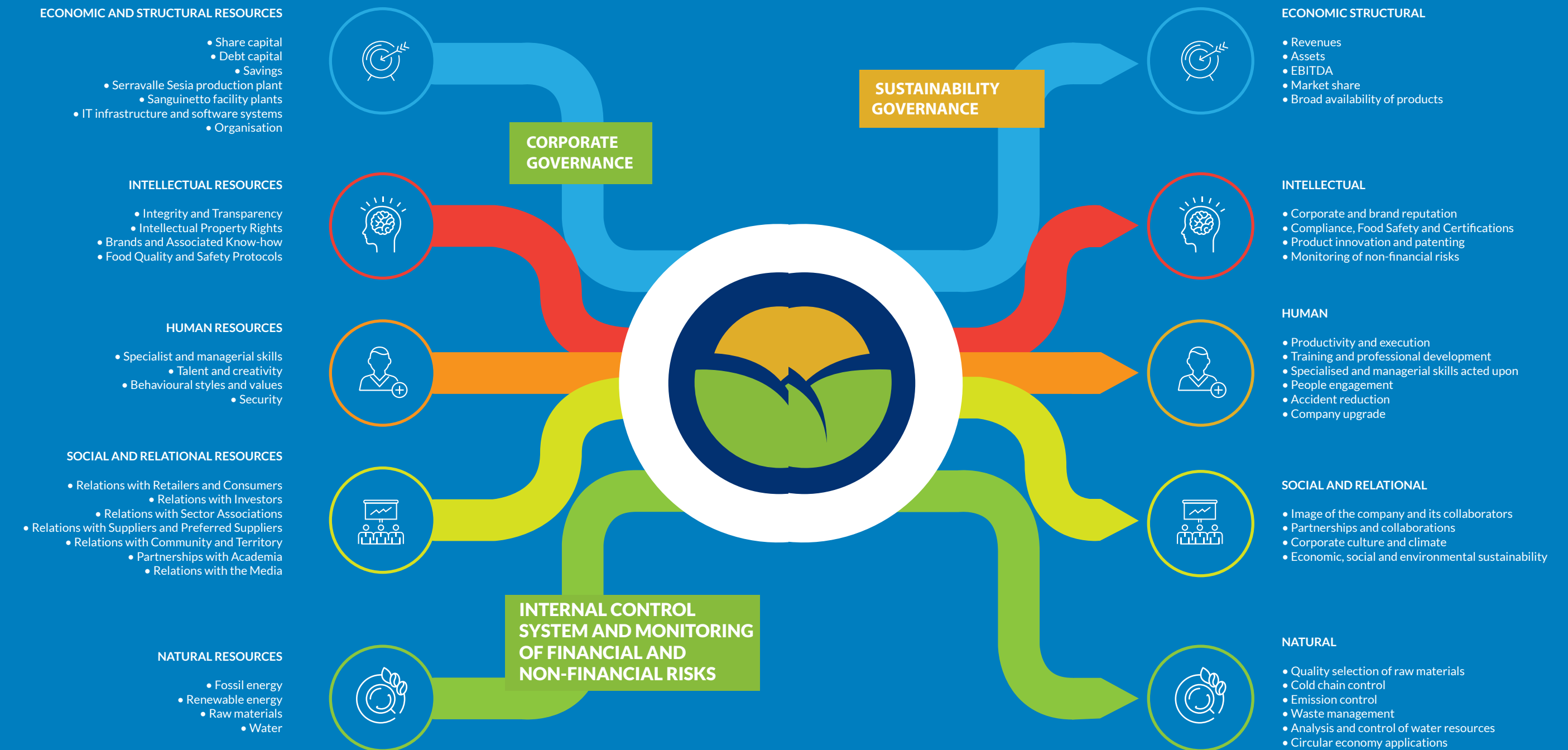
GENERAL DISCLOSURE

SDGs	DESCRIPTION	MATERIAL TOPIC	ACTIONS TAKEN
	ZERO POVERTY	Economic and financial solidity	<ul style="list-style-type: none"> Value added generated and distributed to Valsoia people Community Support and Donations
	HEALTH AND WELLNESS	Food Health and Well-Being Food Quality and Safety Occupational Health and Safety	<ul style="list-style-type: none"> IFS Food Standard Certification Level HIGH Product test on single finished products Prevention Activities towards Co-Packers Specific Food Safety Training Measures for management of Health and Safety at work (Initiation of ISO 45001 Certification)
	QUALITY EDUCATION	Protection and enhancement of Human Capital	<ul style="list-style-type: none"> Continuing training activities (managerial, compliance, HSE, etc.) Effective collaboration with the university and higher technical world Workshops Engagement meetings
	GENDER EQUALITY	Respect for human rights, diversity and inclusion	<ul style="list-style-type: none"> Incidence of women in management Women on the Board
	CLEAN WATER AND HYGIENE	Use of water resources	<ul style="list-style-type: none"> Microbiological analyses of potability of water taken from wells owned Modernisation of water abstraction facilities
	DECENT WORK AND ECONOMIC GROWTH	Economic and financial solidity Protection and enhancement of Human Capital Risk Identification and Management	<ul style="list-style-type: none"> Maintenance of permanent contracts Positive employment turnover rate Growth in foreign penetration of functional health products Continuous product innovation
	INDUSTRY, INNOVATION AND INFRASTRUCTURE	Corporate Brand Reputation Product Innovation	<ul style="list-style-type: none"> Launching food products with high health and nutrition (low sugar content, etc.) Improvement and development of new variants in terms of taste and/or nutritional properties Adaptation and technological modernisation of production departments
	ENSURE SUSTAINABLE PRODUCTION AND CONSUMPTION PATTERNS	Food Health and Well-Being Food Quality and Safety	<ul style="list-style-type: none"> Selection and control of raw materials (soya, fruit, etc.) Audits of compliance with the IFS standard Industrial partnerships based on criteria of fairness of the price to support all activities along the supply chain Expansion of the monitoring system of suppliers' corporate responsibility
	COMBATING CLIMATE CHANGE	Energy Efficiency Carbon Footprint Packaging Waste Management and Circular Economy	<ul style="list-style-type: none"> Plant-based food production with low environmental impact Searching for alternative packaging solutions Recycling of production by-products (Okara) Modernisation of structures and processes Reduction of kilometres travelled in product distribution activities Calculating the environmental impact of individual products through LCA



VALUE CREATION PROCESS

In view of Input factors, such as: economic and structural resources, intellectual, human, social and relational resources, and natural resources, Valsoia produces the outputs represented below. A specific set of KPIs called the Sustainability Dashboard has been defined for these results. Each output was associated with the Sustainable Development Goals (SDGs) of the 2030 Agenda.



ECONOMIC PERFORMANCE

In 2023, Valsoia recorded revenues of 112.82 million Euro compared to 101.32 million Euro in the previous 2022 period, an increase of 11.3%. Growth was above all due to Italian sales (+11.7%), while foreign sales recorded more contained growth (+7.9%).

This result in terms of revenue was supported by a particularly positive sales performance in Italy, which in 2023, recorded increases of about +3% in volume and +13% in value. Although partially eroded by the general increase in various cost items, this result stands out in the national panorama of the sector, in which many players - even those with international weight - still record sales volumes marked by a negative downturn, as evidenced by the market measurement firm Nielsen IQ^A.

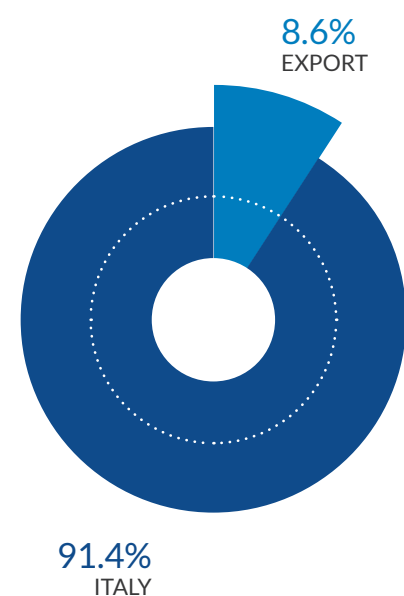
KEY FINANCIAL HIGHLIGHTS

REVENUE PERFORMANCE

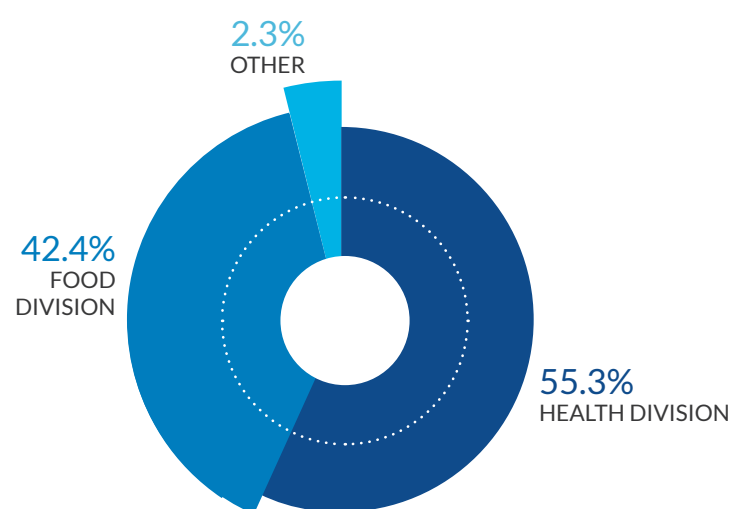
(EUR 000)



2023 TOTAL REVENUES BY GEOGRAPHICAL AREA (%)



2023 ITALY REVENUES BY DIVISION (%)



^AValsoia Annual Financial Report as at December 31, 2023

KEY FINANCIAL HIGHLIGHTS

Economic indicators (EUR 000)	2023		2022		CHANGE	
	€	%	€	%	€	%
Total sales revenue	112,818	100%	101,320	100%	11,497	11.3%
Value of production	115,297	102.2%	103,662	102.3%	11,635	11.2%
Gross operating result (EBITDA)	12,508	11.1%	12,448	12.3%	59	0.5%
Net operating result (EBIT)	9,655	8.6%	9,755	9.6%	(101)	(1%)
Pre-tax profit	10,355	9.2%	11,058	10.9%	(703)	(6.4%)
Net profit for the period	7,224	6.4%	7,976	7.9%	(752)	(9.4%)

Economic and financial performance indicators	2023	2022
ROE (Net profit for the period/Shareholders' equity)	8.5%	9.7%
ROI (EBIT/total investments)	16.7%	17.8%
ROS (EBIT/revenues)	8.6%	9.6%
EBITDA margin (EBITDA/Sales Revenue)	11.1%	12.3%
Primary structure index (Equity/Non-current assets)	1.05	1.06
Secondary structure index (Equity + M/L-term financial payables)/Non-current assets	1.12	1.15
Acid test (Short-term NFP. +Non-financial current assets)/Non-financial current liabilities	1.61	1.59
Debt ratio (Short-term NFP. + M/L-term fin. payables)/Equity)	n.a.	n.a.

ECONOMIC VALUE GENERATED

DISTRIBUTION OF ADDED VALUE

The distribution of added value is the point of contact between the economic profile and the social profile of Valsoia's management, and makes it possible to evaluate how the wealth created is distributed to the advantage of the entire system with which it interacts.

	2023	2022
Economic value generated by Valsoia	116,097,424	104,966,040
Revenue	112,817,925	101,320,427
Other income	2,479,278	2,341,431
Financial income	845,087	1,464,420
Value adjustments to financial assets	0	0
Write-downs of receivables	(38,809)	(141,292)
Exchange rate differences	(6,057)	(18,946)
Income/expenses from the sale of tangible and intangible assets	0	0
Value adjustments to tangible and intangible assets	0	0
Economic value distributed by Valsoia	108,210,258	101,709,073
Operating costs	88,303,762	82,930,585
Employee remuneration	12,308,560	11,378,987
Lender remuneration	138,226	142,710
Investor remuneration	4,092,601	4,069,193
Remuneration of the Public Administration ⁸	3,131,473	3,082,398
Community remuneration (charitable donations and sponsorships)	235,636	105,200
Economic value retained by Valsoia	7,887,166	3,256,967
Depreciation	2,853,210	2,693,153
Allocations	0	0
Reserves	5,033,956	563,814

⁸ Public Administration remuneration also includes deferred taxes

In 2023, the Economic Value Generated amounted to 116,097 thousand Euro, approximately 10.6% more than in 2022; most of it was distributed to the various stakeholders with whom Valsoia comes into contact in the implementation of its activities, in compliance with management cost-effectiveness and the expectations of the stakeholders.

The Economic Value Distributed, amounting to 108,210 thousand Euro, represents 93.2% of the Economic Value Generated. The latter, in addition to covering operating costs incurred during the year, is used to remunerate the socio-economic system with which Valsoia interacts, and in particular:

- remuneration of collaborators: item including the direct remuneration (consisting of salaries, wages and severance pay) and indirect remuneration (consisting of social security charges) of all employees;
- remuneration of lenders: item including interest expense and exchange losses;
- remuneration of investors: item including dividends distributed;
- remuneration of Public Administration: item including all taxes paid, including deferred taxes;
- remuneration to the Community: includes all sponsorships and donations in cash and in kind.

Finally, the Economic Value Retained, determined as the difference between the Economic Value Generated and the Economic Value Distributed, represents the set of financial resources dedicated to the economic growth and financial stability of the business system.

For the coming years, the Company will continue to focus its attention on the implementation of the strategic guidelines provided by shareholders, developing the actions to be implemented to achieve the objectives in order to achieve increasingly satisfactory consolidated results.

INVESTMENTS

Also in 2023, Valsoia made investments of around 6.41 million Euro for the realisation of technological adaptations and modernisation of the production departments, innovation and efficiency measures. Particularly noteworthy is the multi-year project to expand the Serravalle Sesia (VC) production Facility, which represents substantial doubling of the space currently available together with the prospect of new production technologies. The reorganisation and substantial expansion of the offices in the Bologna Headquarters was also completed in 2023.

Valsoia is an active and attentive player in the dialogue with current and prospective investors. Its commitment shines through in its punctual presence at events that provide an opportunity to present its performance and projects to a wide audience of Italian and international institutional investors, including in 2023 alone:

- Plant Based World Expo in London;
- Anuga Fair in Koln;
- Mid & Small Conference in London and Milan;
- Italian Stock Market Opportunities in Paris and Lugano;
- Next Gems Conference in Milan.

SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN PROFILE

The sustainability of a product is not only given by the impact of its production and disposal, but it starts from a conscious choice of materials and raw materials with which it is made. For this reason, the procurement process and the responsible use of natural resources, materials and raw materials are the first pillar of the corporate sustainability strategy.

Being a cross-category company, Valsoia works in a particularly broad area of purchasing categories, and, therefore, relies upon a wide and high-profile network of industrial partners: with them, over time, the Company has built clear relationships that can generate value both in the short and long term.

Valsoia works mainly with Italian and European suppliers, who guarantee the application of the highest standards of quality and reliability, and show great attention to issues related to the respect of human rights, health and safety, fight against corruption and respect for the environment.

SUPPLIER SELECTION AND EVALUATION

A quality product is the result of shared standards, cooperation, joint efforts, and stable, trust-based relationships with all partners of the supply chain. Valsoia believes in the importance of developing increasingly close and profitable synergies and collaborations with those who not only guarantee reliability in production performance, but who also share the Company's values and expectations in terms of ethical, environmental and social standards.

All suppliers undergo a rigorous qualification process: at the time of application, suppliers undertake to respect the principles and values that are essential to Valsoia by accepting the Model 231 and Code of Ethics, as well as to ensure quality and comply with agreements on delivery methods and times. This system is essential to protect the Company from risks related to the health and safety of workers, and from the social, environmental and reputational risks associated with unaccountable supply chain management. For this reason, relationships with suppliers are constantly and carefully monitored by Valsoia.

Supplier selection and contract terms are based on objective assessments of quality, price of goods or services, delivery efficiency or other essential selection criteria.

Procurement procedures must adhere to the following steps:

- scouting (which also includes site visits to verify matters related to the quality of raw materials and services),
- qualification (audits are conducted by internal Technical Department personnel to verify any efficiency impacts),
- contract assignment (this phase involves signing specific contracts and clauses).

Scouting is also conducted to identify possible new suppliers in order to secure alternative supplies in the event of supply risks. As far as raw materials are concerned (mainly soy and fruit), the Company prefers to maintain diversified supply quotas in the various geographical areas.

The vendor/partner selection and evaluation process includes pre-qualification and qualification steps. Particular attention is paid to the suppliers of raw materials. In the qualification phase, the selected suppliers undergo a financial analysis through the evaluation of their economic-financial balance sheet, and to visits by the Quality Control Team of the Technical Department.

In 2023, there were 126 qualified suppliers, and the total value of supplies subject to qualification amounted to 59.9 million Euro, corresponding to 99.8% of the total value of supplies. The Company relies on 57 strategic suppliers, who contribute to 96.6% of the total value of the supplies.

	2023	2022	2021
Supplier Selection and Qualification			
Qualified Suppliers (No.)	126	125	133
Total value of the supplies subject to qualification (€/000)	59,902	57,200	50,400
% on total value of Supplies (%)	99.8%	99.7%	98.5%
Strategic Suppliers (No.)	57	56	55
% of Total Value of Supplies from Strategic Suppliers (%)	96.6%	88.7%	80.8%

The Company is constantly engaged in the search for additional sources of supply of its raw materials and packaging products considered strategic, in order to contain the risks associated with availability and to have better economic opportunities for purchase.

In 2023, the value of supplies in Italy amounted to 83% of the total value of supplies.

	2023	2022	2021
Value incidence and location of supplies			
of which Italy (%)	83%	79%	82.16%
of which Abroad (%)	17%	21%	17.84%

In 2023, the total value of supplies of raw materials Soya is 82% supplied by Italian suppliers. The remaining 18% is accounted for by foreign suppliers, the latter also selected with the aim of mitigating weather-related risks.

	2023	2022	2021
Location of soya supplies			
of which Italy (%)	82%	74%	74%
of which Abroad (%)	18%	26%	26%

GENERAL DISCLOSURE

NUMBER OF SUPPLIERS	2023		2022		2021	
	No.	% of total	No.	% of total	No.	% of total
Local ⁹	16	12.7%	13	10.4%	14	10.5%
In ITALY	70	56%	76	60.8%	87	65.4%
In EUROPE	38	30%	34	27.2%	31	23.3%
In AMERICA	1	1%	1	0.8%	1	0.8%
In ASIA	0	0%	0	0.0%	0	0.0%
In the REST OF THE WORLD	1	1%	1	0.8%	0	0.0%
Total	126	100%	125	100%	133	100%

⁹ "Local suppliers" refers to suppliers located in the Emilia-Romagna region.

	2023	2022	2021
% Budget spent on suppliers	% of total	% of total	% of total
Local	16.0%	14.2%	12.3%
In ITALY	71.5%	64.6%	57.7%
In EUROPE	11.7%	15.6%	13.2%
In AMERICA	0.7%	1.1%	0.9%
In ASIA	0.0%	0.0%	0.0%
In the REST OF THE WORLD	0.0%	0.0%	0.0%
Total	100%	100%	100%

Using the number of suppliers as a parameter, the supply chain is almost exclusively European (98%) and predominantly located in Italy (68.7%). Local suppliers, i.e. those located in the Emilia-Romagna region, represent 12.7% of the supply chain. The trend remained more or less stable over the three-year period under review, with a slight overall decrease in the number of suppliers, within which, however, there was a slight increase in local suppliers.

Italian supply also retains its primary importance in terms of expenditure: that made within the country accounts, in fact, for as much as 87.5% of the total, corresponding to 52.4 million Euro.

The year 2023 as well as the year 2022 was characterised by a strong increase in the purchase costs of primary and secondary packaging raw materials, which were only marginally reduced towards the end of 2023, but still remained significantly higher than their pre-crisis starting levels.

GENERAL DISCLOSURE

SUPPLIER AUDITS

The Quality Assurance Team, which reports to the Technical Department, conducts audits of selected suppliers in accordance with an Annual Audit Plan.

Audits are defined based on risk levels, quantities purchased in a year, and any non-conformities detected.

A series of quality parameters are evaluated during the audits (flow charts, non-conformities, procurement of raw materials, management of mandatory legal parameters, etc.).

In 2023, 19 audits were conducted, involving suppliers of raw materials and finished products.

The checklist used for the audits does not include social and environmental parameters, except for fruit products, where the Supply Specifications refer to the Certification SMETA1¹⁰.

¹⁰ Audit Methodology and Reporting - Sedex Members Ethical Trade Audit, Certification for the verification of ethical criteria in the supply chain.

EU REGULATION 2023/1115 OF MAY 31, 2023. ON ZERO DEFORESTATION PROCUREMENT CHAINS

On **June 29, 2023**, the pioneering EU Regulation on "Zero Deforestation Supply Chains", repealing EU Regulation 995/2010 ("Timber Regulation"), came into force - with planned application from December 30, 2024.

Deforestation and forest degradation are occurring at an alarming rate. The Food and Agriculture Organisation (FAO) of the United Nations (UN) estimates that 420 million hectares of forest will disappear between 1990 and 2020, i.e. about 10 % of the total remaining forest area on the planet, equivalent to an area larger than that of the European Union.

Furthermore, deforestation alone is responsible for 11% of greenhouse gas emissions, as stated in the Special Report on Climate Change and Soil by the **Intergovernmental Panel on Climate Change** - IPCC) of 2019.

As emphasised in the regulation itself, forests are a source of numerous **benefits** not only **environmental** but also **economic** and **social** including the production of timber and non-timber forest products and the provision of essential environmental services for humanity, as they are home to most of the planet's terrestrial biodiversity.

Once implemented, this new law will ensure that a range of affected products exported or placed on the EU market will only come from land that has not been subject to deforestation or forest degradation, including primary forests, **after December 31, 2020**.

Although trade with any country or of any commodity type will be prohibited a priori, all interested companies will have to conduct rigorous **due diligence** if they export or place on the EU market certain products related to **seven raw materials concerned**, namely **cattle, cocoa, coffee, oil palm, rubber, soya and wood**.

The list of these products will be regularly reviewed and updated, taking into account new data such as changing deforestation patterns.

Companies must also verify that these products comply with the relevant legislation of the country of production, including human rights, and that the rights of affected indigenous peoples have been respected.

This is a key piece of legislation in the fight against climate change and **biodiversity loss**, to honour the commitments made by the Union with the European **Green Deal**, **Paris Agreement** (COP 21), the 8th Environmental Action Programme adopted with the **EU Decision 2022/591**, as well as the legally binding commitment under **EU Regulation 2021/1119**, to achieve climate neutrality by 2050 at the latest.

In compliance with the obligations described above, Valsoia has started to make contact with the various realities of the supply chain, with reference to the raw materials soya, cocoa, coffee and wood (e.g. description and quantity of the products concerned, country of production, geolocation of all the plots where the raw materials concerned were produced, together with the date or period of production, etc.).

GENERAL DISCLOSURE

LOGISTICS

Logistics management is outsourced to third parties, which perform distribution for multiple companies. Since Valsoia is a cross-category company, product transportation needs cover all modes of storage. Hence the need to turn to primary Logistics Operators that ensure reliability in the transport of fresh and frozen food products. For the distribution of its products, Valsoia continuously looks for solutions to optimise flows and reduce environmental impacts.

In 2021, the Company decided to invest in inter-modal transportation. Intermodal freight transport consists of the combination of different modes of transport (rail, road and sea) in order to bring goods to their destination using loading units (containers, swap bodies and semi-trailers) that can be easily transferred on different means (ships, trucks and trains), promoting the transport of products on rail over road. In particular, the project concerns the combined transport (active from May 2021) of Santa Rosajams. The goal is to have about 3,900 tonnes of jams per year travel by train instead of by road, making it possible to reduce annual CO2 emissions.

During 2023, the central-southern Italy depot for environmental products was closed, concentrating stock and distribution in a single depot in the Parma area.

The intermodal transport of the products to be distributed in central and southern Italy has therefore been entrusted, in 2023, to the Logistics Partner with responsibility for environmental products in the Parma centre. Therefore, for 2024, the figure for the total amount of CO2 saved will be taken from the latter.

GOVERNANCE DISCLOSURE

GOVERNANCE

Since July 14, 2006, Valsoia S.p.A. has been a listed company on the Euronext Milan market managed by Borsa Italiana S.p.A.

Valsoia has adopted a traditional system of Corporate Governance, inspired by the highest standards of transparency and correctness in the management of the Company and towards its stakeholders. The Board of Directors is inspired by the market best practices, and consists of 9 members, 2 of whom are independent. Valsoia's governance and organisational model is based on the accountability of its managers, who come from the market and have been selected on the basis of the strictest criteria. Fully competent and independent in their respective roles, they have solid experience in the Food & Beverage industry, and adopt an open approach to change and innovation.

In addition to being an essential tool for ensuring the effective management and control of corporate activities, this system of corporate governance is aimed at creating value for shareholders, the quality and safety of the products offered to consumers, economic and financial stability, the control of business risks and transparency towards the market.

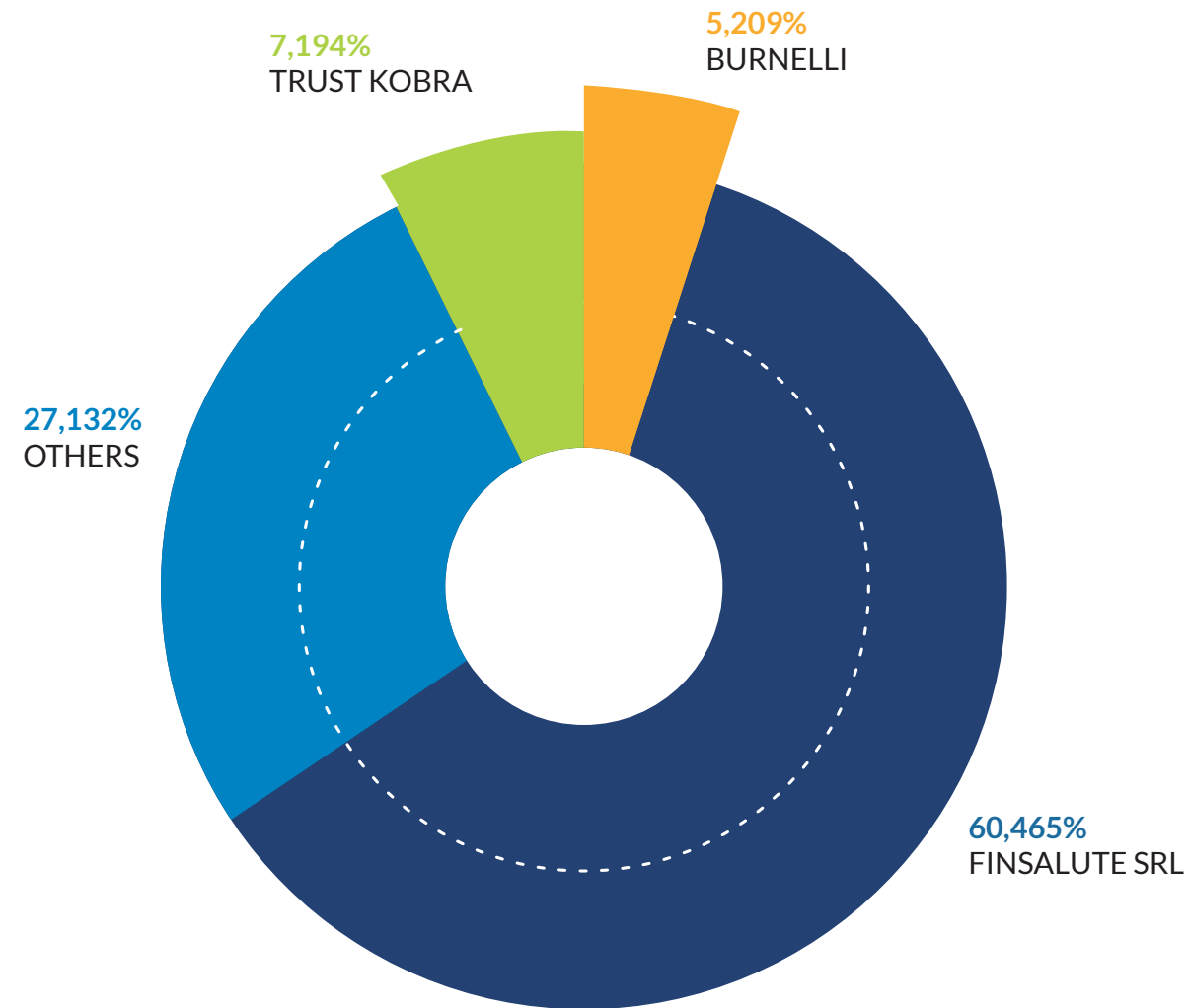
The main governance bodies of the Company are:

- the Shareholders' Meeting: composed of the shareholders of Valsoia S.p.A., expresses the will of the company, deliberating in the manner and on the matters provided for by law and by the Articles of Association, in ordinary and extraordinary form;
- the Board of Directors: together with the Board of Statutory Auditors, it is the highest governance body of the Company. It is vested with all powers for routine and special administration, except for those which the law expressly attributes to the Shareholders' Meeting;
- the Board of Statutory Auditors: has the task of supervising compliance with the law, the Articles of Association and the principles of correct administration of the Company;
- the Financial Reporting Officer: is responsible for preparing the Company's financial reports.
- Supervisory Body (SB): it supervises operation of and compliance with the Organisation, Management and Control Model, pursuant to Legislative Decree No. 231 of 2001, periodically reviewing it and updating it as warranted;

With reference to the provisions of Art. 123 bis, paragraph 2, letter a) of the Consolidated Law on Finance (the "TUF"), in consideration of the size of the Company and its current structure, as well as the lack of significant subsidiaries, Valsoia has deemed it unnecessary, up to now, to implement any code of conduct regarding corporate governance, whose purpose is to set up internal committees with proactive or consultative functions. However, the Company reserves the right to assess the appropriateness of adopting a code of corporate governance conduct in the future, in light of its own corporate growth and future regulatory developments.

On the other hand, a Management Committee (MC) made up of Department Managers and the General Manager has been set up for internal purposes only, and whose tasks concern routine management. The MC includes the Departments "Marketing", "Sales", "Administration and Finance, Legal, HR and IT", "Technology, Production, R&D, Quality Assurance", "Purchasing and Supply Chain" and the "Management Control" function.

SHAREHOLDER STRUCTURE



CORPORATE BODIES

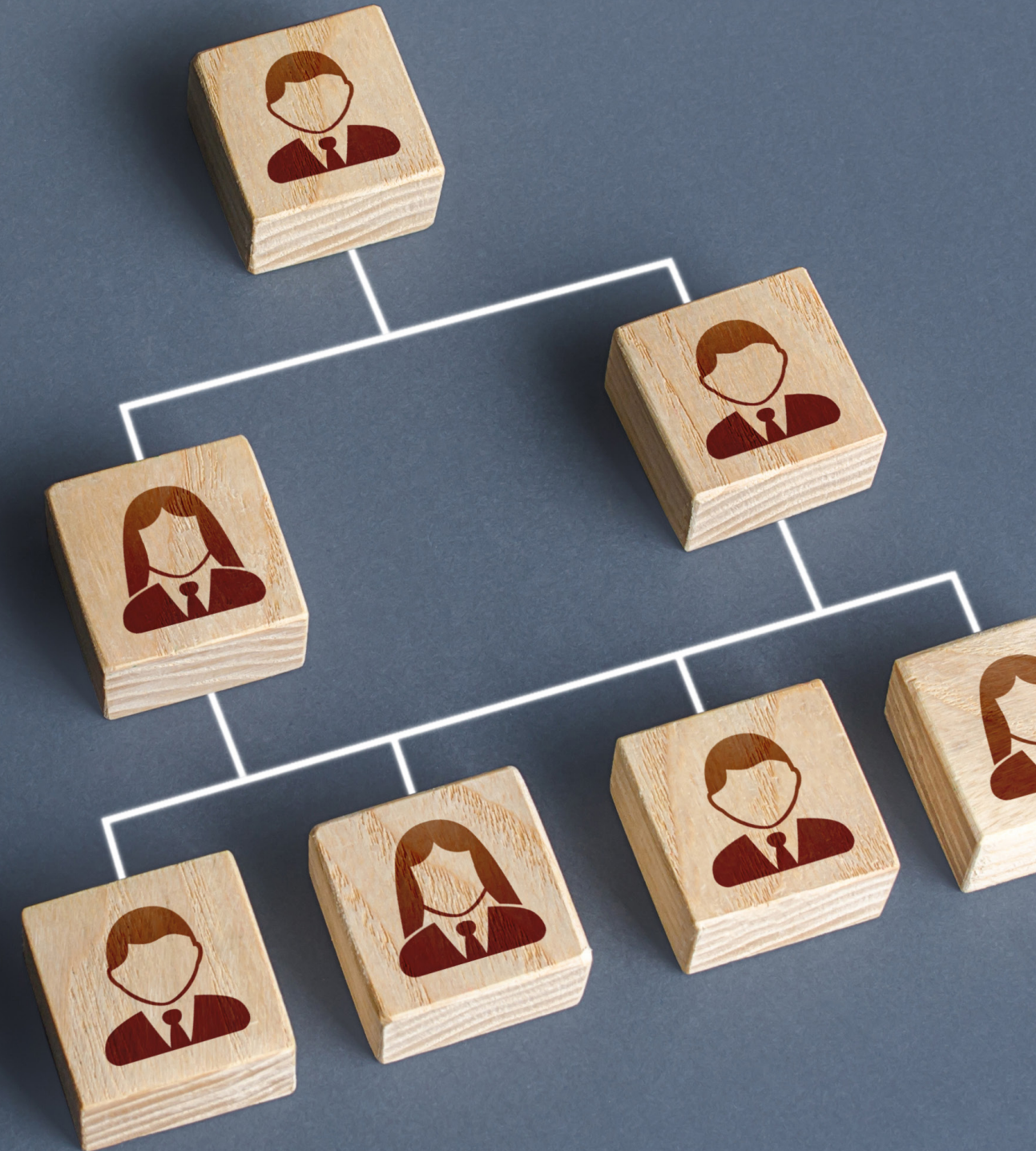
BOARD OF DIRECTORS ^(A)	
CHAIR	Lorenzo Sassoli de Bianchi
DEPUTY CHAIR	Furio Burnelli Gregorio Sassoli de Bianchi
DIRECTORS	Andrea Panzani Marco Montefameglio Susanna Zucchelli Francesca Postacchini Camilla Chiusoli Ilaria Monetti
GENERAL MANAGER AND CEO ^(B)	
	Andrea Panzani
BOARD OF STATUTORY AUDITORS ^(C)	
CHAIR	Gianfranco Tomassoli
STATUTORY AUDITORS	Claudia Spisni Massimo Mezzogori
ALTERNATE AUDITORS	Simonetta Frabetti
SUPERVISORY BODY ^(D)	
CHAIR	Gianfranco Tomassoli
STANDING MEMBERS	Maria Luisa Muserra Giulia Benini ^(E)
INDEPENDENT AUDITORS	
	KPMG S.p.A.
CORPORATE FINANCIAL REPORTING MANAGER: ^(F)	
	Nicola Mastacchi

^(A) Appointed on April 27, 2023, in office until the approval of the 2025 Financial Statements.
^(B) Chief Executive Officer (since April 23, 2015) and General Manager (since February 4, 2014).
^(C) Appointed on March 13, 2023, in office until the approval of the 2025 Financial Statements.
^(D) Internal Member, Head of Legal Affairs of Valsoia S.p.A. since November 2018.
^(E) Appointed on April 23, 2015, in office until the approval of the 2023 Financial Statements.
^(F) Appointed by the Board of Directors on May 23, 2019, Manager of Valsoia S.p.A., Statutory Auditor.

Governing bodies by gender	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Board of Directors	4	5	9	4	5	9	4	5	9
Board of Statutory Auditors	2	3	5	2	3	5	2	3	5
Total	6	8	14	6	8	14	6	8	14
Percentage	43%	57%	100%	43%	57%	100%	43%	57%	100%

Governing bodies by age	2023				2022				2021			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
Board of Directors	-	2	7	9	-	2	7	9	-	2	7	9
Board of Statutory Auditors	-	-	5	5	-	-	5	5	-	-	5	5
Total	-	2	12	14	-	2	12	14	-	2	12	14
Percentage	-	17%	83%	100%	-	17%	83%	100%	-	17%	83%	100%

The Valsoia governing bodies are characterised by a balanced composition in terms of gender. In fact, 43% are female figures

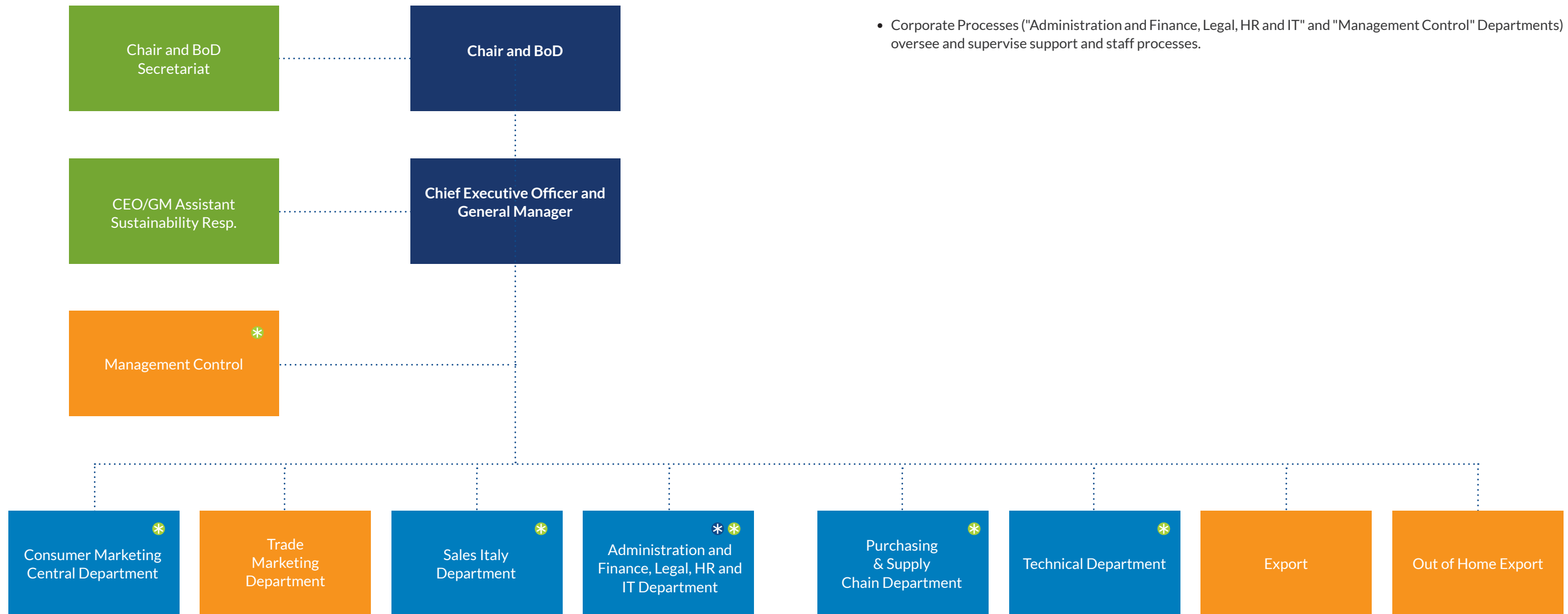


ORGANISATIONAL STRUCTURE

The organisational model adopted by Valsoia is based on the delegation and increasing responsibility of the management and its first line (key people): bottom-up teamwork, promoting active interaction and offering the basis for the definition of strategic plans and their implementation.

The development guidelines of the organisational model are based on integrate macro-processes whose ultimate aim is to meet market needs:

- Market, Consumer and Customer Management Process ("Consumer Marketing", "Trade Marketing", "Sales Retailers Italy and Abroad", "Out of Home Channels" Departments), organised by business lines and distinguished by objectives of effectiveness, customer satisfaction (Brand Image), and objectives of turnover and margin growth;
- Industrial process (Technical Department, to which the Facility Department, the Research and Development unit, and Quality Assurance report) with efficiency, cost optimisation and time-to-market objectives;
- Central Processes or Central-Line Functions ("Purchasing and Supply Chain" Department) supervise the core processes of the Operations Department, and guarantee a coherent integration between the industrial process and the process of managing markets and customers;
- Corporate Processes ("Administration and Finance, Legal, HR and IT" and "Management Control" Departments) oversee and supervise support and staff processes.



Management Committee *
 Corporate Financial Reporting Manager *

COMPLIANCE

ORGANISATION, MANAGEMENT AND CONTROL MODEL

Valsoia adopted the first edition of the Organisation, Management and Control Model pursuant to Legislative Decree No. 231 of 2001 (the "Model 231") by resolution of the Board of Directors of December 19, 2016, and updated its editions thereafter, incorporating legislative and organisational changes, with the aim to encourage ethical behaviour and commitment to compliance with the law, in order to prevent unlawful conduct on the basis of preliminary analysis of business activities and macro-areas of risk activities and macro-areas of risk. At present, the Model 231 is in its fifth edition, having been adopted by a Resolution of the Board of Directors on December 18, 2023.

For the update of this fifth edition, Valsoia, in addition to incorporating all the regulatory amendments that have occurred in the meantime, also took into account the reform project on agri-food offences, initially drawn up by the Caselli Commission and aimed at "rationalising" the regulatory system on agri-food matters.

The structure of the Model 231 consists of a General Part, the 231 Code of Ethics, the whistle-blower policy and individual Protocols issued for the prevention of the following crimes:

- crimes against the Public Administration;
- crimes against industry and commerce;
- corporate crimes and market abuse;
- offences relating to stolen goods, money laundering, use of money, goods or assets of unlawful origin, and money laundering;
- occupational health and safety offences;
- environmental crimes;
- cyber crimes, unlawful data processing and cyber security;
- tax and smuggling offences.

In 2023, no criminal offences or failure to comply with the protocols and procedures set out in the Model were identified.

The Model is published on the company intranet and the General Part also on the website www.valsoiaspa.com.

CODE OF ETHICS

The Code of Ethics, which is an integral part of the Model 231, defines the fundamental ethical principles applied by Valsoia in the pursuit of its purposes and interests; adherence to it is considered essential for the proper conduct of business and for the protection of the reliability, reputation and image of Valsoia (Section A of the Code of Ethics). The Code of Ethics establishes the rules of conduct and commitments that must be followed and complied with by anyone who works in any capacity with Valsoia (Section B of the Code of Ethics).

Valsoia's commitment to prevent and combat active and passive corruption is fully described in the Code of Ethics, by which Valsoia rejects and punishes any corrupt behaviour of its interlocutors or partners.

The strict fulfilment of this commitment - both by the Company's employees and by any third parties who work, directly or indirectly, for and with Valsoia - is pursued through the adoption of specific policies provided for by the Model 231, which illustrate the rules and procedures to be observed in order to prevent corruption offences, as well as an effective disciplinary system and the introduction of specific contractual clauses to this end. The current edition was approved by the Board of Directors on December 18, 2023 and is published on the website www.valsoiaspa.com and on the company intranet.

WHISTLEBLOWING

In compliance with new legislation on whistleblowing, Valsoia, as of December 18, 2023, adopted a new whistleblowing policy, replacing the previous one adopted as of May 2018. This procedure is also an integral part of Model 231 and was prepared in accordance with the provisions of Article 6(2-bis) of Legislative Decree 231 of 2001, as last updated.

The main purpose of the whistleblowing policy is to preserve the value and integrity of the company, encouraging the detection of prejudicial conduct - of which whistleblowers become aware in the context of their work - to the detriment of Valsoia, while guaranteeing the confidentiality of whistleblowers and protecting them from any retaliatory act resulting from the report.

Reports can be made using the channel activated by Valsoia and accessible at <https://areariservata.mygovernance.it/#!/WB/Valsoia> through which it is possible to report, confidentially and confidentially, potentially inappropriate conduct, misconduct or alleged violation of the principles expressed in the Code of Ethics, in the Model 231 (where applicable), in company policies and procedures and, in general, potential violations of laws or regulations.

The management of the reporting channel was entrusted to the Legal Affairs Department, which was duly trained on the contents of the regulations, and all the documentation necessary for the receipt and management of reports was also prepared, in consultation with the Data Protection Officer and the Corporate Data Protection Committee where necessary.

The whistleblowing policy is published on the corporate website www.valsoiaspa.com, together with the personal data processing policy, and on the company intranet.

INFORMATION SECURITY, CYBERSECURITY AND PERSONAL DATA PROTECTION

In 2020, Valsoia adopted a policy for the use of IT tools ("Policy"), in order to:

- contribute to the maximum dissemination of the security culture in the Company, and to avoid that unconscious behaviours may trigger problems or threats to security during data processing;
- protect corporate information and data, by defining guidelines on the correct and safe use of IT tools, and providing adequate information to employees, who must be fully aware of the instructions provided;
- mitigate the growing risk associated with cybersecurity, which is generated by cyber attacks and viruses or malware that can infect computing devices, resulting in access, loss, or theft of corporate data;
- make transparent all the controls and procedures that are implemented, in order to ensure compliance with the rules on the protection and security of personal data.

The Policy, which came into force on April 6, 2020 and was last updated on September 7, 2023, applies to all employees, regardless of role and/or level, as well as to all collaborators and any individuals at corporate level who have been assigned IT tools, regardless of the type of contractual relationship with the Company.

Finally, the Policy provides technical/practical support for the principles and rules of conduct set out in the protocol on Computer Crimes and Unlawful Data Processing of the Model 231.

GOVERNANCE DISCLOSURE

In order to guarantee full compliance with the regulations on the protection of personal data and, in particular, with the provisions of the General Data Protection Regulation (GDPR), Valsoia has adopted a Model for the protection of personal data, which aims to guarantee compliance with privacy regulations in the processes of data collection and processing, as well as to define the main processes adopted by Valsoia and responsibilities related thereto, and to ensure the correct management of the risks regarding the protection of personal data.

In addition to the policy for the use of IT tools, in 2022, again in connection with increasing the company's awareness of IT risks, a periodic vulnerability assessment service was subscribed to in order to monitor the status of the company's internal IT resources and prepare the necessary actions to reduce risks. In addition to this, the Company is moving to make Business Continuity more and more robust, in particular through a structured Disaster Recovery for the company's main applications at a second external Data Center, and the adoption of a cloud-based mail system with access in compliance with the highest security standards (double authentication and access restricted to company devices only).

NON-FINANCIAL RISK MANAGEMENT

Valsoia is steadfastly committed to monitoring and managing non-financial risks in order to guarantee maximum protection of consumers' health, anticipate market demands and seize further opportunities to improve the qualitative performance of the products it manufactures. In this specific area, Valsoia has implemented quality management systems since its origins, which further confirms of how much the Company focuses on the safety and quality of the products it offers.

Compliance with the methods and the rigorous application of the Quality Control Systems procedures, the push towards continuous improvement, as well as the revolving and assiduous training of the concerned human resources and the constant monitoring of the internal and external processes by the industrial partners, are fundamental factors to achieve a very high level of safety.

In 2020, Valsoia launched an initiative aimed at identifying the main non-financial risks, implementing an initial evaluation and assessment of the main risks, in order to facilitate an adequate understanding of the possible impacts that may affect the achievement of corporate objectives.

In 2023, the process continued for strengthening the monitoring system both in terms of risk assessment and the identification of risk mitigation actions to ensure the continuous improvement of internal control systems and production processes.

During 2023, in fact, a business risk mapping activity was launched, preparatory to updating Model 231 and launching a process aimed at defining a structured and functional risk management model.

GOVERNANCE DISCLOSURE

PROTECTION OF THE COMPETITIVE ADVANTAGE IN ITALY AND ABROAD

TYPE OF RISK	RISK DESCRIPTION	MITIGATION ACTIONS FOR RISKS
Country risk	The Company's financial position, results of operations and cash flows are influenced by a variety of political and economic factors that have an impact on macroeconomic trends, such as: political and economic instability, unemployment rate, consumer confidence levels, trends in household disposable income and, by extension, in private consumption.	The Company does not do business with countries that are socially, politically or economically unstable. In addition, the geographical spread over several countries, however still developing, even from different continents, will prospectively allow to compensate the negative economic trends of a country with the positive trends of others. In addition, the location on a non-national scale allows us to be close to the main markets, especially in Europe, and to offer a service on a global scale. Finally, the reported proximity to markets allows us to better capture consumer needs.
Sector-related risk	The Company's financial position, results of operations and cash flows are influenced by the economic performance of the reference sector, which depends mainly on the development of competition, on potential new entrants and on the threat of alternative brands/products.	The Company has diversified its activity with an increasingly greater range of products (plant-based drinks - yoghurt, ice-creams and meals, plant based alternatives to cheese, creams, snacks, plant-based seasoning, and piadinas, sweetening jams, etc.), trying to offer more innovative products and committing dedicated internal resources to each one of them. It also implemented a policy of expanding the Company's Brands through acquisitions and distribution agreements.
Production risks	These category of risks refers to sudden breakdown or downtime, loss of equipment efficiency, fire, flood, and theft. This category of risks also includes those arising from outsourced processes, in particular risks related to the packaging and production of some products made by partners (Co-Packers).	The scheduled maintenance policy implemented for years and the constant technological renewal of the plants minimise the risk of breakage or sudden machine downtime. On the other hand, as regards the risks connected with the loss of equipment efficiency and their performance quality, a specific corporate function constantly monitors some KPIs specifically identified for them in the different production facilities, so that prompt action can be taken as warranted. Finally, the entire Facility, to include its walls and all equipment housed therein, is insured against the main risks (fire, flood, theft, etc.) with leading international companies, with ceilings under revolving review for adequacy. With regard to production, it should be noted that there are procedures for collecting process data in order to improve the control of inefficiencies and the planning of any remedial actions, as well as to upgrade the production structure as technology allows.
Risks related to Logistics	This category of risks refers to distribution-related inefficiencies, which can result in complaints from clients, which, therefore, can compromise the Company's relationship with them.	In this context, the Company is steadfastly committed to: <ul style="list-style-type: none"> • a careful selection of logistics operators, selecting those that provide greater guarantees in terms of continuity and timeliness of deliveries. • accurate logistics planning to minimise inefficiencies, monitored through specific KPIs applied to its logistics partners. • continuous monitoring of the performance achieved, through specific KPIs (such as, the service rate, as it pertains to the completeness and timeliness of deliveries, and stock reduction, and, by extension, optimisation). • constant attention to customer requests through customer care policies.

RISKS ASSOCIATED WITH THE SUPPLY CHAIN

TYPE OF RISK	RISK DESCRIPTION	MITIGATION ACTIONS FOR RISKS
Risk of unqualified supplies	This category of risk related to the sourcing of materials and services that do not comply with quality, and environmental and ethical sustainability standards.	The Company's primary objective is to have a supply chain devoid of economic, operational and reputational risks. This objective has been broken down into two lines of action, involving, on the one hand, the assessment of suppliers' sustainability strategies and performance and, on the other, the adoption of a wisely prudential approach to purchasing. Currently, the Purchasing Department implements a pre-qualification system that evaluates individual suppliers as it pertains to working conditions, respect for human rights, environmental protection and corruption prevention. The historic relationship with key suppliers, particularly strategic ones, enables the Company to further improve its performance while minimising operational and reputational risks. Currently, no "risky" suppliers have been identified.
Risks of procurement of raw materials (mainly soy beans, rice, oat and fruits)	The risks of raw material procurement arise from the possibility that the quantities normally purchased in Italy may not be available, due to particularly significant weather events.	The Company sources 82% of its soy beans in Italy and the remaining 18% abroad, particularly from the USA.
Risk related to the fluctuation of the costs of procurement	This category of risks refers to the possible imbalances between supply and demand, with consequent strong increases in purchase costs.	The Company has been implementing a "purchase marketing" process aimed at diversifying its supply sources, enjoying alternative stocks and the positive competition among different suppliers in different countries.
Risks of dependence on suppliers	This category of risk refers to the possible dependence on suppliers of raw materials and industrial services.	The Company has historical and established relationships with suppliers who are considered "strategic". In addition, for supplies of Soya Seeds, Rice, Oats and Fruit, the Company implements a constant diversification of the suppliers themselves, at national level and international, which makes insignificant the risk of dependence.

RISKS ASSOCIATED WITH HUMAN CAPITAL

TYPE OF RISK	RISK DESCRIPTION	MITIGATION ACTIONS FOR RISKS
Risks associated to management of talents and development of skills	This category of risks refers to the management and development of key personnel and the development of skills in the different business areas.	The Company is aware of the need to attract and retain key resources through personnel management policies aimed at supporting their growth in terms of skills, their motivation and sense of belonging. Several years ago, the Company launched an organisational development project aimed at accompanying the evolution of the organisation and its people. In particular, the focus was on paths of growth of key resources (Key People), for which a managerial growth path is followed.
Risks associated with the health and safety of the work environment	This category of risks refers to accidents in the workplace, mainly in the Serravalle Sesia (VC) Production Facility.	Protection of the health of workers, contractors and visitors is ensured through constant monitoring of work environments, as well as the implementation of the best safety standards on machinery and equipment, and of training programs and information activities. Particular attention is paid to the selection of personal protective equipment (PPE), whose efficiency is constantly verified and, if needed, improved so as to ensure higher levels of protection and comfort. The adoption of these measures has made it possible to minimise risks, as confirmed by the results recorded in 2023 on the Frequency (IF) and Severity (IG) indices. No serious injuries were reported in 2023. In addition, the seasonal personnel employed in the spring and summer for the production of ice cream, which has been working at the Facility for many years, are perfectly trained in the safety procedures applied at the Serravalle Sesia (VC) Facility. In the process of obtaining ISO 45001 certification.
Operational risks related to environmental legislation or accidents with environmental repercussions	This category of risk relates to sanctions or limitations of production activities as a result of statutory or regulatory non-compliance, or as of accidents due to natural or technical causes that may cause pollution or alteration of the main environmental matrices (fires, floods and breakdowns).	The Company pays great attention to the environmental impact of its production activities and the use of natural resources. In particular, the Company conducts regular inspections and implements safety protocols that allow preventing risks from regulatory non-compliance or accidents with environmental consequences.
Risks associated with the availability of natural resources (energy, water, fuels, etc...)	This category of risks relates to the reduced availability of many natural resources, some of which are indispensable for the production of ice cream or for energy uses, considering that climate change and increased global consumption are triggering important changes in the availability of these resources.	The Company has made significant investments by reducing the amount of water required for the production process, as much as technically possible. To date, the average water withdrawal of the Serravalle Sesia Facility is less than half of the benchmark of the sector. The risk of unscheduled energy supply interruptions is mitigated through the ongoing monitoring of energy suppliers and the revolving maintenance and upgrading of facilities in accordance with technical energy standards.



ENVIRONMENTAL DISCLOSURE

ENVIRONMENTAL DISCLOSURE

ENVIRONMENTAL IMPACTS

Valsoia has identified the following material aspects to assess the environmental impacts resulting from its activities:

- **energy efficiency**, to reduce energy consumption associated with the various components of the production processes at the Serravalle (VC) Facility;
- **control of emissions into the atmosphere**¹¹ and monitoring of gas used in the cold chain;
- **sanitiser management**, for the reduction of environmental impacts and the protection of safety at work;
- **use and management of water resources and protection of biodiversity**, related to the use of water in production processes, and waste water treatment and monitoring of discharges to surface water bodies.

Environmental issues are managed by the Technical Department, which includes the Facility Manager, Quality Assurance, Quality Control and the Research and Development Team.

The main risks linked to environmental protection therefore concern the lack of energy efficiency actions and consequent increase in energy costs, the impacts deriving from atmospheric emissions of CO and NOx¹², from the use of sanitisers, and, finally, from water discharges onto surface water bodies.

Consequently, it is necessary to constantly monitor the production Facility's energy consumption and performance indicators, keep CO₂ and NOx emissions into the atmosphere under control, monitor the circulation of NH₃ gas used in the cold chain, control the use of sanitisers, and, finally, monitor water discharges into surface water bodies.

The Company has surveyed and classified all operational risks related to production processes within the General Risk Assessment Document (G.R.D.), updated in 2018. The document is linked to the specific, regularly updated G.R.D., drawn up to manage all the areas of risk envisaged within the production Facility.

In 2023, in line with previous years, no environmental incidents were reported.

ENERGY EFFICIENCY

In 2010, Valsoia adopted the reference standard ISO 50001:2011 as its Management System for energy saving, energy efficiency and improvement of overall energy performance, fundamental objectives for the company's competitiveness.

The Energy Management System (EMS) is extended to the production unit of Serravalle Sesia (VC), with regard to the energy uses of the production plants, offices and internal areas of the production unit. The Bologna HQ is excluded from the EMS.

This certification was born of the need to monitor all the energy indices (EPI¹³) of the Facility, in order to monitor and optimise consumption in the various stages of processing and production.

The Technical Department Team monitors energy consumption, through daily, weekly and monthly reports, containing the main and most significant energy indicators (EPI), which are submitted to the General Management.

¹¹ Atmospheric emissions are produced by steam generators and the hot water generator used in the production processes at the Serravalle Sesia (VC) Facility.

¹² The term NOx is used generically to refer to the two most important nitrogen oxides in air pollution i.e. nitrogen oxide NO and nitrogen dioxide NO₂ that are normally generated during combustion using air

¹³ EPI – Energy Performance Index

ENVIRONMENTAL DISCLOSURE

The same team performs an annual Internal Audit, followed by an External Audit conducted by a Certification Body.

In May 2023, the company was audited by the certification company Kiwa Cermet Italia S.p.A. according to the technical standard UNI CEI EN ISO 50001:2018.

The audit was passed and the organisation, in the members of the energy team, effectively produced the documentation and demonstrated the activities that can have control over energy consumption with the development of substantial interventions in the plant area.

In mid-December 2023, the company Valsoia S.p.A. submitted on the portal of the National Energy Efficiency Agency (ENEA) the documentation for the DEO (Diagnosi Energetica Obbligatoria) as per Legislative Decree 102/14 for the four-year period 2023/2026.

ENERGY POLICY

Valsoia considers energy saving, energy efficiency and the improvement of overall energy performance as fundamental objectives to be pursued in order to support efficiency and business competitiveness.

In order to achieve those objectives, Valsoia is committed to:

- internalising and strengthening its awareness of the importance of efficient and correct use of energy resources;
- progressively improving the Company's performance related to energy use;
- ensuring that its Energy Management System is appropriate for the scale and type of energy use and consumption;
- ensuring the availability of necessary and appropriate human, economic and technological resources;
- ensuring availability of information, skills and technical/management knowledge;
- ensuring full compliance with the mandatory regulations applicable to all energy-related issues;
- adopting the best available technologies (BTA), management solutions, etc. to improve energy performance, consistent with the business development strategy;
- ensuring the periodic review of the system and adherence to the timeline related to planned improvement actions;
- collaborating with suppliers so that they too ensure maximum energy efficiency;
- disseminating and raising awareness among all staff, according to role and function, in order to empower and share the benefits of more efficient energy management;

ENERGY MODEL OF THE FACILITY

The Energy Model has been defined in the context of the EMS, by identifying the relevant components of the Energy Structure of the Facility: Main Activities (ESL-Rice Extracts, ERL/AVENA-Rice Extracts, Ice Cream), Ancillary Services (Compressed Air, Power Plant-Electrical Uses, Wells, Ammonia Compression, Thermal Plant), and General Services (Heating).

ENERGY CONSUMPTION OF THE ORGANISATION

Energy consumption at the Serravalle Sesia Facility is both electrical and thermal. The departments involved are those of plant based raw material extraction (soy/rice/oats) and the ice cream production.

The extracts production department conducts hot production with a high consumption of thermal energy (in addition to the electrical energy used to operate each single machines); vice versa the ice cream production mainly consumes electrical energy, necessary for the operation of compressors¹⁴. A residual 10% of the thermal energy produced by the Facility is used to pasteurise¹⁵ the mixtures used in the production of ice cream.

The following table shows the organisation's energy consumption expressed in GJ.

¹⁴ Compressors are used to generate the cold energy indispensable for the production of ice cream and its preservation.

¹⁵ Heat treatment necessary for the removal of undesirable micro-organisms in the finished product.

ENVIRONMENTAL DISCLOSURE

FUEL CONSUMPTION ¹⁶	Measurement unit	2023	2022	2021
Natural Gas	GJ	28,334.14	33,491.225	34,337.032
of which for heating	GJ	506.39	481.06	592.19
of which for other (production)	GJ	27,827.75	33,010.17	33,744.84
Fuel for automotive / company fleet				
Diesel	GJ	1,680.89	2,565.97	2,508.55 *
Petrol	GJ	66.13	95.07	93.22 *
TOTAL NON-RENEWABLE SOURCES	GJ	30,081.16	36,152.27	36,938.80

*Estimated quantity based on the number of company cars and data 2022.

During 2023, there was a noticeable reduction in natural gas and fuel consumption for the corporate fleet, by 15.4% and 30.4% respectively.

CONSUMPTION OF ELECTRICITY PURCHASED Headquarters in Bologna (BO)	Measurement unit	2023	2022	2021
Electricity purchased from non-renewable sources	GJ	232.84	226.13	233.95
of which for heating	GJ	189.05	166.47	154.46
of which for air conditioning	GJ	240.52	250.90	223.37
Electricity purchased from renewable sources ¹⁷	GJ	196.74	191.24	143.88
TOTAL ELECTRICITY PURCHASED (BO)	GJ	429.58	417.37	377.83

CONSUMPTION OF ELECTRICITY PURCHASED (in GJ) Serravalle Sesia (VC) Facility	Measurement unit	2023	2022	2021
Electricity purchased from non-renewable sources	GJ	7,939.10	8,491.00	9,216.84
of which for heating	GJ	11.40	14.00	12.60
of which for air conditioning	GJ	58.66	57.40	67.30
Electricity purchased from renewable sources ¹⁸	GJ	6,708.70	7,180.80	5,668.20
of which from photovoltaics	GJ	344.67	348.10	354.68
TOTAL ELECTRICITY PURCHASED (VC)	GJ	14,647.80	15,671.80	14,885.04

¹⁶ For the calculation of fuel consumption expressed in GJ, reference was made to the conversion factors taken from the DEFRA 2023 database (UK Department for Environment, Food and Rural Affairs).

¹⁷ The amount of energy purchased from renewable sources is determined by the energy mix provided by the Energy Manager and there is no Guarantee of Origin (GO). Therefore, it is considered a non-renewable source for the purpose of calculating company emissions.

¹⁸ The amount of energy purchased from renewable sources is determined by the energy mix provided by the Energy Manager and there is no Guarantee of Origin (GO). Therefore, it is considered a non-renewable source for the purpose of calculating company emissions.

CONSUMPTION OF ELECTRICITY PURCHASED (in GJ) Bologna and Serravalle Sesia Facilities	Measurement unit	2023	2022	2021
TOTAL ELECTRICITY PURCHASED (VALSOIA)	GJ	15,077.38	16,089.17	15,262.87

CONSUMPTION OF ELECTRICITY SELF-PRODUCED (in GJ) ¹⁹ Serravalle Sesia Facility	Measurement unit	2023	2022	2021
Total self-produced electricity	GJ	344.66	348.09	354.68
of which consumed	GJ	344.66	348.09	354.68
of which sold	GJ	-	-	-
TOTAL SELF-PRODUCED ELECTRICITY	GJ	344.66	348.09	354.68

Inside the Serravalle Sesia Facility, there is a small photovoltaic system built in 2011, with a power of 100 KW peak in self-consumption. Instead, in the previous year, continuous supervision of extraction yields in the extract department resulted in a 2% reduction in specific consumption expressed in kWh per litre of extract produced. In the year 2023, this resulted in the self-production of 344.66 GJ of electricity, a figure in line with previous years, and a reduction in purchases from external providers (-6.3%). There is, however, no self-produced energy within the Bologna Headquarters.

In addition, in 2023, planning began for a new photovoltaic plant, scheduled for completion and installation in the first quarter of the year 2025, in the new part of the Serravalle Sesia (VC) Facility to cover 10% of the total electricity consumed.

As far as the use of F-Gases is concerned, no reloading of these substances was carried out in the three-year period 2021-23.



¹⁹ For the calculation of self-produced electricity consumption expressed in GJ, reference was made to the conversion factors taken from the DEFRA 2023 database (UK Department for Environment, Food and Rural Affairs).

ATMOSPHERIC EMISSIONS AND COLD CHAIN MONITORING

Atmospheric emissions concern fuel gas and any dust produced by food processing, and are created by the steam generators and the hot water generator used in production processes at the Serravalle Sesia (VC) Facility. The Company has assessed these risks and defined the appropriate mitigation actions, adopting a series of specific prescriptions.

Atmospheric emissions means "any solid, liquid, or gaseous substance introduced into the atmosphere that may cause atmospheric pollution" and "ducted emission means the emission of an effluent made through one or more designated points". Atmospheric emissions represent one of the issues with greatest environmental impact generated by industrial plants, and are regulated by Part V of Legislative Decree No. 152/2006 (Consolidated Environmental Act), which deals with their prevention and limitation. In particular, Art. 269 of Legislative Decree No. 152/2006, paragraph 1, envisages that all establishments that produce emissions into the atmosphere must obtain a specific authorisation.

In 2015, the Company obtained the Single Environmental Authorisation ("AUA"), which authorises atmospheric emissions through the adoption of stringent specific requirements. Valsoia has in place a maintenance contract, renewed annually, with the companies that supply the generators²⁰, which provides for the rigorous monitoring of CO (carbon monoxide) and NO₂ (nitrogen oxide) emissions as reference control parameters required by current legislation. The company monitors every kind of emission produced or producible in its departments. Greenhouse gas emissions related to Valsoia activities can be divided into direct and indirect emissions:

	Direct emissions result from the direct combustion of fossil fuels, purchased for heating and electricity and heat production.
	Indirect emissions on the other hand, refer to the production of electricity imported and consumed by the company for electrical equipment, heating and lighting inside the buildings. In this case, the importer is indirectly responsible for the emissions generated by the supplier for the production of the required electricity.

²⁰ At the Serravalle Sesia Facility, there are 3 heat generators, 2 of which used for the production of steam necessary for extraction processes and for the preparation of semi-finished ice-cream products, and 1 used to generate hot water necessary to maintain some raw materials at a controlled temperature, and to serve some departments.

ENVIRONMENTAL DISCLOSURE

GHG emissions Scope 1 (tCO ₂ e) - Scope 1 ²¹	2023	2022	2021
Direct emissions			
Natural Gas	1,595	1,882	1,936
Diesel	119	183	175
Petrol for vehicles	4	6	6
Total Emissions - Total Scope 1	1,718	2,071	2,118

Direct emissions from biomass (out of scope)			
Diesel for vehicles	11	8	7
Total	11	8	7

GHG emissions Scope 2 (tCO ₂ e) - Location Based ²²			
Indirect emissions			
Overall Emissions - Total Scope 2	1,323	1,410	1,162
Total emissions Scope 1 + Scope 2	3,041	3,481	3,280

GHG emissions Scope 2 (tCO ₂ e) - Market Based ²³			
Indirect emissions			
Overall Emissions - Total Scope 2	1,958	2,087	1,981
Total emissions Scope 1 + Scope 2	3,676	4,158	4,099

While CH₄ or N₂O emissions from the use of biogenic energy sources have been reported as belonging to Scope 1 or 2 emissions, the CO₂ share from biofuel combustion has been reported separately, as "out of scope", however equally depicted as a complementary emission.

In total, during 2023, the Scope 1 and Scope 2 emissions generated by the Company are 3,041 tonnes of CO₂ equivalent according to the Location Based calculation methodology, and 3,676 tonnes according to the Market Based methodology. In both cases, there was a 6.8% reduction in emissions compared to the previous year.

²¹ For the calculation of Scope 1, reference was made to the conversion factors taken from the DEFRA 2021, 2022 and 2023 data-base (UK Department for Environment, Food and Rural Affairs).

²² Location-based refers to a method of accounting for emissions from electricity consumption, applying national average emission factors for the different countries where electricity is purchased. For the calculation of Scope 2 (LB value), the emission factors used to transform the different energy quantities into tCO₂e are taken from Ipsra Report 2021, 2022 and 2023.

²³ "Market-based", on the other hand, refers to a method of accounting for emissions that determines those arising from the purchase of electricity considering the specific factors communicated by the company's suppliers, and in the presence of purchases of electricity from certified renewable sources, a zero emission factor is attributed. For the calculation of Scope 2 (MB Value), the emission factors used to transform the different energy quantities into tCO₂e are taken from European Residual Mixes "AIB" 2021 and 2022 (latest version available at the date of this Report).

ENVIRONMENTAL DISCLOSURE

COLD CHAIN MONITORING

Valsoia also constantly monitors the refrigeration plant and all its connected components, as well as the refrigerant gas used in the cold chain, by means of specific safety measures installed on the machinery, on the equipment connected to it and on the distribution lines of a variety of equipment that requires refrigerant fluid. The cold chain is a closed-loop manufacturing process, and, therefore, does not have a health and safety impact on workers. As required by current regulations, the components related to cold production are constantly monitored through checks on safety valves, on the integrity of the equipment, and magnetoscopic or acoustic inspections conducted by accredited bodies. At the same time, all the people in charge of plant management, in addition to being licensed to operate, are subject to constant health surveillance, education and training. As an additional guarantee of the perfect conditions of plant efficiency and surveillance, Valsoia's Technical Management has entered into a maintenance contract with a specialised company with 24/7 call-out.

SANITISER MANAGEMENT

A new facility with an automated, centralised sanitiser management system was put in operation in February 2021.

This has led to significant improvements both in terms of the environment, with the elimination of plastic, and in terms of safety at work, with the reduction of the specific chemical risk for each task and the significant reduction of manual handling of loads.

WATER RESOURCES AND BIODIVERSITY

Valsoia uses two proprietary wells from which water is collected from a depth of about 40-60 metres. One of the two wells provides potable water from the source²⁴, while the other water that is made potable through specific treatment. Microbiological analyses of the latter water source, are performed periodically on a frequent basis. In 2022, work was carried out on the pumping station of one of the two drinking water wells in use - for both production and technological purposes - which led to a 10% reduction on an annual basis in the specific consumption expressed in kWh/mc of water withdrawn, bringing it to 0.477 kWh/mc. In the current year, however, a further investment was made to complete the aforementioned intervention: by replacing the current pumps with new ones of a different size and equipped with state-of-the-art inverters, it was possible to rationalise consumption with respect to the amount taken, allowing modulation and alternating operation in relation to the desired pressure. This led to a further 10% reduction in specific consumption, resulting in an overall reduction of 20%, which is also higher than the target set in the Sustainability Plan.

Valsoia is currently working on modifying the future well scheme. This objective, planned for 2024, involves the gradual decommissioning of one of the two wells and the creation of piezometers, in both shallow and deep aquifers, to capture the chemical and flow characteristics of a potential new water source.

Approximately 417,000 cubic metres of water per year are used, extracted by pumps that record an energy consumption of 0.53 KW/cubic metre of extracted water.

Since early 2023, the company has also enjoyed a different optimisation of its water consumption thanks to an innovation in the defrosting process of the self-cooling units in the cold stores.

²⁴ A potability analysis is performed periodically, in accordance with the provisions of the competent LHA.

The benefits are as follows:

- reduction of water collection from wells for this operation, thus producing a saving in water consumption estimated at 8,000 cm/year, equal to 2.6%;
- increase in the efficiency of the defrosting process, and, consequently, a reduction in energy consumption for the recovery of degrees lost during the defrost phase.

During the financial year, the actual reduction in water consumption amounted to approximately 26,000 cm, covering from the first year 100% of the target set by the Sustainability Plan 2023-25 for the relevant three-year period. The following table shows annual water consumption details, broken down by type of use.

Water consumption (withdrawal cm/year) at December 31	2023	%	2022	%	2021	%
Processing activities and technological use						
Production of semi-finished products	55,000		53,000		40,000	
Steam Generation	47,000		46,000		46,000	
Technological use (compressors cooling)	103,000		98,000		86,000	
Total processing activities and technological use	205,000	52%	197,000	47%	172,000	46%
Facility Services						
Sanitisation of production facilities, washing, defrosting	186,000		220,000		199,000	
Total sanitisation of production facilities and general cleaning	186,000	48%	220,000	53%	199,000	54%
Total	391,000	100%	417,000	100%	371,000	100%

As is evident from the table, 52% of water resources are used for manufacturing processes and technological purposes, while the remaining 48% is used to sanitise production facilities, washing and de-icing processes.

The 4% increase in water consumption resulted from the higher production attributable to the similar percentage increase in sales volumes. This increase consequently resulted in an increase in consumption for processing and technological use and for facility services.

Part of the water used to cool the compressors (technological use) is recovered and sent to the evaporative towers, as needed for the completion of the condensation phase of the refrigerant gas; the remaining part is discharged into surface water and naturally reintegrated into the environment.

Water defined as waste water from plant services (220,000 cubic metres/year), is sent to the Consortium for waste water disposal.

Valsoia has obtained a Single Environmental Authorisation (AUA)²⁵ for the discharge of waste water from processing (collected by a water treatment consortium) and water for technological use²⁶.

The water resources used for the production processes, for technological purposes and purification are constantly monitored both through analyses performed by accredited external laboratories and through internal control systems, paying particular attention to the portion of water used for cooling the refrigeration compressors and reintroduced into surface water bodies. This steps are important to avoid the release of substances harmful to aquatic fauna and flora.

²⁵ Issued by the Single Desk for Production Activities of Serravalle Sesia (VC).

²⁶ Water for technology use is monitored by immersion sensors with surface discharge.

WATER CONSUMPTION OPTIMISATION INITIATIVES

In 2021, Valsoia launched a feasibility study, currently near completion, that will involve innovation in the defrosting process of the self-cooling units in the refrigerated warehouses. This innovation consists in exploiting the existing refrigeration gas coming from the outlet of the cooling cycle, at a temperature of about 80°C, and injecting it directly into the self-cooling units. This process offers the following advantages: it is no longer necessary to collect water from wells for this operation, thus achieving higher efficiency resulting from the use of existing heat from the refrigeration gas.

An additional indirect benefit consists in the reduction of water collection from wells for this operation, thus producing a saving in water consumption estimated at 8,000 cm/year, equal to 2.6%. In addition to lower water consumption, there will also be an increase in the efficiency of the defrosting process, and, consequently, a reduction in energy consumption for the recovery of degrees lost during the defrost phase.

The intervention described above ended in December 2022 and came into force at the beginning of 2023.

CARBON FOOTPRINT

In recent years, environmental issues have become increasingly central to the international debate. With it, in the reflections on the future of the Planet, the concept of Carbon Footprint has also gained great relevance, which refers to the parameter that is used to estimate the greenhouse gas emissions associated with a product, a service, an organisation, an event or an individual.

In 2021 Valsoia, in collaboration with a specialised partner, launched a Life Cycle Assessment (LCA) analysis of the Valsoia Beverage line (rice, oats, soy, almond, coconut, walnut), with the objective of assessing the environmental impacts according to the requirements of the ISO 14040²⁷ and ISO 14044²⁸ technical standards and PCR 2019:10²⁹; the assessment entails the analysis of the life cycle of beverages packaged in one or more sizes of the Environment Line and Fresh Line.

Specifically, the LCA study examined a total of 19 products. The reference unit of analysis is 1 litre of beverage packaged in its own format.

The greenhouse gases just mentioned are present in the Earth's atmosphere and can regulate the Planet's global temperature. In fact, they can accumulate inside the Earth's atmosphere a part of the thermal energy coming from the Sun, allowing radiation to penetrate and hindering the exit of the infrared radiation that is re-emitted from the Earth's surface. The effect that these particular gases generate is called the "greenhouse effect", which plays a decisive role in determining the best conditions for living on planet Earth. However, human actions over the years have led to a great increase of greenhouse gases on Earth, causing an alteration of the thermal balance of the Planet due its overheating. This process generated and continues to generate devastating consequences for the environment and climate.

The scope of the assessment will be "cradle-to-grave" and included the phases of cultivation, production of the raw material, packaging, distribution to end customers, transportation, refrigeration of the beverage to consumers, and, finally, the end-of-life disposal of the primary packaging of the beverage.

The LCA (Life Cycle Assessment) methodology allows the identification and calculation of all the input/output flows of materials and energy that come into play during the single phases of a product's life. An analysis of the impacts of other beverages was completed in 2023. The next step, planned for 2024, will be to certify the data through a third party.

²⁷ UNI EN ISO 14040:2021, Environmental management - Life Cycle Assessment - Principles and framework.

²⁸ UNI EN ISO 14044:2021, Environmental Management - Life Cycle Assessment - Requirements and Guidelines

²⁹ PCR 2019:10 "Prepared and preserved vegetable and fruit products, including juice"

WASTE MANAGEMENT

Valsoia condemns illegal waste trafficking in any form, promoting instead the strict observance of the law, also in relation to communication requirements, bookkeeping and the storage of forms, certificates, waste classification and, in general, any waste-related documentation.

Waste management (including the collection, transport, recovery, disposal, trade and intermediation of waste) is carried out in strict compliance with the law, the prescribed permits and through authorised companies.

During 2021, following the new provisions of Law 41/2021 on waste, which set the deadline of May 31 as the date by which the Company had to select a provider for the management of its municipal waste, Valsoia undertook a series of actions aimed at managing waste in accordance with the law and in an efficient manner and currently operative.

Law 41/2021 set a deadline of May 31 for companies to formally communicate their waste disposal, in accordance with the following criteria:

- Waste coming from processing, warehouses, transit areas, with conferment to third-party private providers only
- Waste from canteens, services, locker rooms and offices with the option of choosing between public or private waste disposal providers.

The collection and disposal of hazardous waste remains unchanged.

In particular, Valsoia commissioned a specialised company to conduct a waste audit in order to verify the current methods of managing its waste, and to identify any improvements to be made.

On the basis of the evidence that emerged, the Company formally terminated the services provided by a public operator and identified a new manager for collection, identifying two macro-types of special waste: waste that cannot be used for consumption or processing (EWC Code 020304) and packaging in mixed materials and packaging in composite materials (EWC Codes 150106/150105).

The two types of waste are sorted on site through a compacting container and a closed container for wet waste. Waste managed within the Serravalle Sesia Facility is classified as:

- **hazardous waste**, consisting of waste oils (mineral oil waste for engines, gears and lubrication), chemical, neon and other containers, collected in a special drum with containment basin;
- **non-hazardous waste**, consisting of cardboard packaging, plastics, mixed materials, material waste organics from soya (okara) and rice and oats, toner cartridges for printers.

In 2023, waste production will amount to a total of 243,837 kg, following the positive trend already started in 2021 (-14% compared to 2022).

Waste at December 31 (Kg) (*)	2023	2022	2021
Total waste (non-hazardous + hazardous) (**)	245,488	286,365	331,210

(*) The values refer to the Serravalle Sesia Facility

(**) The totals do not include the weight of excavated earth from the works for the extension of the Facility.

The information provided in the above table has been determined on the basis of actual data for the Serravalle Facility.

Non-hazardous waste production (Kg) at 12/31	2023	2022	2021
Solid waste recovery from settling tank	43,720	59,740	73,060
Testing materials	31,000	53,560	55,620
Cardboard	49,700	51,520	59,640
Plastic	29,026	37,120	41,540
Wood	34,530	10,620	15,120
Mixed packaging	52,551	67,240	52,760
Electrical appliances	410	420	700
Ferrous scrap	600	600	2,100
Sludge	0	0	2,000
Mixed construction/demolition waste	2,300	3,760	27,180
Total non-hazardous waste	243,837	284,580	329,720
Hazardous waste production (Kg) at 12/31	2023	2022	2021
Chemical containers	60	110	50
Neon	11	-	10
Lab	540	515	540
Blotting paper	40	60	90
Spent oils	1,000	1,100	800
Total Hazardous Waste	1,651	1,785	1,490

In 2023, the incidence of hazardous waste is 0.68% of the overall total of waste generated.

Finally, considering the quantities of products manufactured in the Facility (Beverages, Ice Creams and Fermented Foods, Diets.Tic), the total amount of waste is about 9.1 kg/tonne: a change of +2.4% compared to 2022, in line with an increase in sales volumes of about 3%.

For the year 2024, a new relocation of the waste collection areas and their management is planned, depending on the expansion of the new plant, which will be followed by a revision of the internal and external conditions for waste delivery.

REUSE OF PRODUCTION BY-PRODUCTS

The production processes of soya, rice and oat extracts generate organic waste that can no longer be reused within the Facility. Specifically, in 2022, the production of soy bean extract, which is the Facility's main processing, generated 4,950.3 tonnes of insoluble by-product (okara) and 441.5 tonnes of rice and oat extracts by-product, for a total quantity of 5,392 tonnes, in line with the 2021 values (5,380 tonnes).

Starting in 2021, the Valsoia Technical Department launched a project initiative that aims to explore further possible solutions for the reuse of its production by-products, such as the generation of biomethane, by exploiting the methane waste power, and for other uses in the livestock sector.

In 2022, 2% of the production by-product quantity was sent to biomethane generation plants. In 2023, Valsoia explored different uses of okara, initiating new and interesting collaborations with the university world, University of Milan and Turin Polytechnic, and industry. Two projects, in particular, focused on the use of okara as a biostimulant for the agri-food industry. A third project involved the use of plant by-products for the production of animal feed.

In 2023, Valsoia allocated 11.2 t of the by-product okara to reuse, compared to 5.5 t in the previous year. In both cases, this is a minimal quantity, but only the company's first step towards possible future scenarios of further use of this by-product.

Finally, Valsoia received from Biological Care³⁰ the CO2 saving certificate for the year 2022. The "Biological Care Award" recognises and makes tangible the company's contribution to reducing greenhouse gases and creating a more sustainable future for our planet.

⁽³⁰⁾ Biological Care has always worked to promote the production of renewable energy by selecting residual biomass from the agro-industrial supply chain, ensuring its traceability and distributing the by-products to plants producing biogas and biomethane.

SOCIAL DISCLOSURE

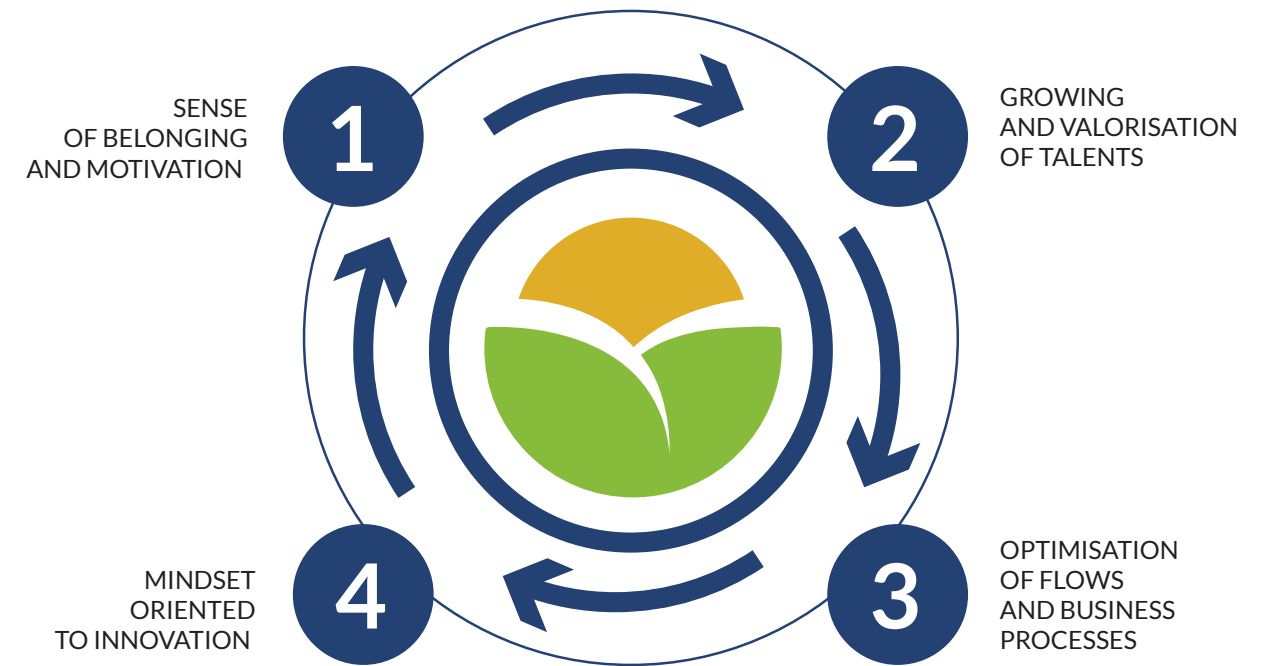
SOCIAL DISCLOSURE

HUMAN CAPITAL MANAGEMENT APPROACH

For Valsoia, human capital represents a strategic asset, capable of producing decisive impacts on the entire value chain, leveraging people and skills that allow, with their passion, to face increasingly competitive markets. People who work within the organisation represent a key stakeholder that Valsoia undertakes to protect, involve and develop within a perspective that promotes operativeness, the constant exchange of information and know-how and the development of skills within the Company.

Valsoia's human capital management is based on the awareness that nurturing the talent and cultivating the potential of its employees, through the skill development and refreshing, promotes business growth, allowing the Company to be competitive in a world where changes occur with extreme rapidity. The intent is to foster a corporate culture expressed through values that everyone consciously embodies, increasing the professional skills of each employee.

In particular, Valsoia has committed to the four areas shown in the figure.



ORGANISATIONAL DEVELOPMENT INITIATIVES

In order to better monitor the most relevant aspects of human capital management, Valsoia has been running an organisational development project for a few years now, aimed at accompanying the evolution of the organisation and its people.

This project was translated into specific actions shared within the Management Committee, and implemented through direct actions by managers and the Human Resources Department, with the support of external consultants.

In particular:

- focus on the organisation's key resources (Key People), for which is envisaged a path of managerial growth and professional development through specific training and educational events;
- listening and communication actions both during the year (e.g. at the same time as organisational changes) and in onboarding phase of the new employee;
- projects of overhaul and optimisation of business processes, also supported by technological innovations.

The development of skills is a strategic factor. Valsoia annually organises training activities to update employees on issues such as health and safety, privacy, strengthening the knowledge of foreign languages, and transferring both technical-specialist and managerial skills. Training activities are largely financed through its own resources set aside in the inter-professional funds (Fondimpresa and Fondirigenti) and participation in calls for tenders of the same funds.

Performance Management Objectives are assigned annually to Key People: these objectives establish a connection between performance and the reward system, allowing a mid-term evaluation of the results achieved. Particular attention is paid to the onboarding process of new resources, involved in an onboarding programme that accompanies them for the first few months after joining the company.

In order to make internal communication more user-friendly and immediate, the corporate Intranet was further enriched in 2023 with useful information for collaborating, managing activities, simplifying organisational processes, improving knowledge of the organisational structure and developing the corporate culture. The corporate Intranet is the main point of access for all internal communications and corporate resources (portals, documents, websites, etc.).

INITIATIVES IN FAVOUR OF COLLABORATORS

During 2023, the focus on employees also took the form of income support measures aimed at increasing purchasing power, particularly for employees with dependent children. The company, in fact, by implementing the legislation in force for the year 2023 concerning the raising of the exemption threshold for fringe benefits, has improved the expendability of company bonuses, giving the employee the option to choose to receive, as an alternative to a monetary bonus, vouchers of equal value for groceries and fuel.

The agreement on the "WellMakers" portal was also maintained, enriched with advantageous offers and benefits for employees. Valsoia, as also expressed in its Code of Ethics, recognises that human resources are a factor of fundamental importance for its development; for this reason, it provides a work environment inspired by respect, fairness and collaboration, stimulating people's involvement and sense of responsibility. The human resources management policy promotes respect for the person and the professionalism of each employee, ensuring open communication, equal opportunities and impartiality. Valsoia's Administrative Director, who reports directly to the General Manager and is a member of the Management Committee, is also the Human Resources Director. The Administrative Director reports to the Human Resources Department, which consists of two resources. The Administrative Director is also assigned responsibility for the company organisation, previously the responsibility of another Department.

Benefits for full-time employees	2023	2022	2021
Life insurance	137	126	118
Health care	139	128	122
Disability coverage	10	10	8
Parental Leave	127	116	110
Pension contributions	39	39	34
Equity Investment	7	7	7
Total	459	426	399

WORKFORCE AND EQUAL OPPORTUNITIES

WORKFORCE

Overall, Valsoia has 141 employees in 2023, an increase of 7.6% compared to 2022. Of these, 46.8% are female.

	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees by type of contract at 12/31									
Permanent contract	64	74	138	62	67	129	57	64	121
Temporary contract	2	1	3	2	-	2	5	3	8
Total	66	75	141	64	67	131	62	67	129
Full-time contract	65	75	140	62	67	129	59	67	126
Part-time contract	1	-	1	2	-	2	3	-	3
Contract with variable hours	-	-	-	-	-	-	-	-	-
Total	66	75	141	64	67	131	62	67	129

For limited periods linked to peaks of activity or specific projects, Valsoia avails itself of the collaboration of self-employed workers and temporary workers, the latter administered directly by the agencies of reference, for temporary periods. During 2023, Valsoia employed 8 external collaborators, including 2 interns.

	2023		
	Women	Men	Total
Non-employees by type of contract at 12/31³¹			
Interns and trainees	0	2	2
Temporary workers	2	2	4
Self-employed workers	0	1	1
Contractors	-	-	-
Sub-contractors	-	-	-
Volunteers	-	-	-
Other (specify)	0	1	1
Total	2	6	8

³¹ This figure is only available for 2023 as it is not available for past years. Valsoia is committed to reporting this information in the next Report.

SOCIAL DISCLOSURE

Valsoia people work in Italy in the two locations of Bologna (Headquarters) and in the Serravalle Sesia (VC) production Facility. At the Serravalle Sesia production Facility, Valsoia also employs seasonal personnel in the spring and summer, in order to perform the additional activities related to the production of ice cream.

Personnel by type of contract at 12/31	2023			2022			2021		
	Full Time	Part Time	Total	Full Time	Part Time	Total	Full Time	Part Time	Total
Executives	10	0	10	11	0	11	10	0	10
Managerial staff	18	0	18	16	0	16	15	0	15
Clerical employees	85	1	86	79	2	81	76	3	79
Factory workers	27	0	27	23	0	23	25	0	25
Total	140	1	141	129	2	131	126	3	129

Personnel by type of contract at 12/31	2023			2022			2021		
	Perma- nent hires	Short- term hires	Total	Perma- nent hires	Short- term hires	Total	Full Time	Part Time	Total
Executives	10	0	10	11	0	11	10	0	10
Managerial staff	18	0	18	16	0	16	15	0	15
Clerical employees	84	2	86	79	2	81	74	5	79
Factory workers	26	1	27	23	0	23	22	3	25
Total	138	3	141	129	2	131	121	8	129

In 2023, almost all contracts were permanent (97.9%) and full-time (99.3%). The incidence of permanent contracts points to the Company's propensity to hire in the long term. In the case of young resources, the Company evaluates positively periods of internship or apprenticeship, in line with the need to train these resources, and, in general, with a view to long-term employment.

DIVERSITY AND INCLUSION

Valsoia promotes respect for equal opportunities and diversity as elements of value to be cultivated consistently with the principles and values expressed in the Code of Ethics and the regulations governing human rights. Overall, women account for 46.8% of employees in 2023, in line with 2022.

In order to prevent discriminatory events of any kind, the entire Company is involved in training and awareness activities, and has specific anonymous reporting mechanisms that allow workers to report any episodes of violation of the Code of Ethics.

During 2023, no reports of any discrimination were received.

To date, the Company has not deemed it necessary to carry out specific human rights assessments in view of the fact that its activities are not carried out in areas defined as at risk.

SOCIAL DISCLOSURE

PERSONNEL CHARACTERISTICS

The Company is equally composed of men and women (46.8%). However, of the total 141 employees, 61% are white-collar workers. This professional segment is predominantly populated by women (41.1%), in line with previous years.

Headcount by professional figure (no.) and gender at 12/31	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Executives	2	8	10	3	8	11	3	7	10
Managerial staff	5	13	18	5	11	16	3	12	15
Clerical employees	58	28	86	55	26	81	54	25	79
Factory workers	1	26	27	1	22	23	2	23	25
Total	66	75	141	64	67	131	62	67	129

Headcount by professional figure (%) and gender at 12/31	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Executives	1.4%	5.7%	7.1%	2.3%	6.1%	8.4%	2%	5.4%	7.8%
Managerial staff	3.5%	9.2%	12.7%	3.8%	8.4%	12.2%	2%	9.3%	11.6%
Clerical employees	41.1%	19.9%	61%	42.0%	19.8%	61.8%	42%	19.4%	61.2%
Factory workers	0.7%	18.4%	19.1%	0.8%	16.8%	17.6%	2%	17.8%	19.4%
Total	46.8%	53.2%	100%	48.9%	51.1%	100%	48%	51.9%	100%

The majority (65%) of the population is in the 30-50 year age range. Overall, the average age of the Valsoia workforce is approximately 43.5 years old.

Breakdown of personnel by age bracket (no.) at 12/31	2023				2022				2021			
	< 30	30 - 50	>50	Total	< 30	30 - 50	>50	Total	< 30	30 - 50	>50	Total
Executives	0	2	8	10	0	2	9	11	0	2	8	10
Managerial staff	0	13	5	18	0	10	6	16	0	11	4	15
Clerical employees	10	59	17	86	4	61	16	81	5	59	15	79
Factory workers	0	19	8	27	0	15	8	23	3	14	8	25
Total	10	93	38	141	4	88	39	131	8	86	35	129

SOCIAL DISCLOSURE

Breakdown of personnel by age bracket (%) at 12/31	2023				2022				2021			
	< 30	30 - 50	>50	Total	< 30	30 - 50	>50	Total	< 30	30 - 50	>50	Total
Executives	0.0%	1.4%	5.7%	7.1%	0.0%	1.5%	6.9%	8.4%	0.0%	1.6%	6.2%	7.8%
Managerial staff	0.0%	9.2%	3.5%	12.7%	0.0%	7.6%	4.6%	12.2%	0.0%	8.5%	3.1%	11.6%
Clerical employees	7.1%	41.9%	12.1%	61.1%	3.1%	46.6%	12.2%	61.8%	3.9%	45.7%	11.6%	61.2%
Factory workers	0.0%	13.5%	5.6%	19.1%	0.0%	11.5%	6.1%	17.6%	2.3%	10.9%	6.2%	19.4%
Total	7.1%	66%	26.9%	100%	3.1%	67.2%	29.8%	100%	6.2%	66.7%	27.1%	100%

TURNOVER

The ratio of the number of permanent employees who left the organisation to the total number of employees is shown below.

Employees at 12/31	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
< 30 years	3	4	7	3	0	3	4	1	5
30-50 years	8	10	18	4	4	8	4	4	8
> 50 years	0	1	1	0	0	0	0	1	1
Total	11	15	26	7	4	11	8	6	14

Terminations at 12/31	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
< 30 years	0	0	0	1	1	2	1	0	1
30-50 years	7	5	12	3	3	6	3	2	5
> 50 years	2	2	4	0	1	1	0	1	1
Total	9	7	16	4	5	9	4	3	7

Turnover rate at 12/31	2023				2022				2021			
	< 30	30 - 50	>50	Total	< 30	30 - 50	>50	Total	< 30	30 - 50	>50	Total
Positive turnover - hires	70.0%	19.4%	2.6%	18.4%	50.0%	9.3%	0.0%	8.4%	62.5%	9.3%	2.9%	10.9%
Positive turnover - terminations	0.0%	12.9%	10.5%	11.3%	33.3%	7.0%	2.6%	6.9%	12.5%	5.8%	2.9%	5.4%
Overall turnover	70.0%	6.5%	-7.9%	7.1%	16.7%	2.3%	-2.6%	1.5%	50.0%	3.5%	0.0%	5.4%

SOCIAL DISCLOSURE

In 2023, the overall turnover of Valsoia will be 7.1%, with a positive turnover (hiring) of 18.4%, to which new hires of personnel under 30 will mainly contribute. Hiring turnover maintained a higher percentage score than terminations throughout the three-year period under review, in line with the increase in staff numbers from 129 to 141 in total.

TRAINING AND DEVELOPMENT

Valsoia is committed to the development of professional skills through technical-professional and managerial training processes.

In 2023, a total of 3,058.5 hours of training were delivered (+96% compared to 2022), 527 of which were in HSE.

Training hours by type at 12/31 ³²	2023	2022	2021
HSE (Health, Safety, Environment)	527	388	556
Sustainability & Compliance *	20	8	170
Language training	1,239.5	678	736
Management training, soft skills	608	488	655
Transversal/technical training	664	-	-
Total	3,058.5	1,562	2,117

* Code of Ethics, Mod. 231, Sustainability, Stakeholder Engagement

MANAGERIAL TRAINING

A number of training courses were delivered in 2023 for Key People with the aim of strengthening managerial and relational skills.

All the initiatives have been "tailor-made", based on the needs gathered by the individual departments, with the support of an external training structure, which supported the company in defining contents, teacher selection and composition of training recipient groups.

The topics covered in the training sessions were: Project Leader, Foresight and Innovation, Anticipating Futures, Decision Making.

In addition, the Company found it necessary to set up an "innovation team" internally, with the collaboration of external consultants, which has been - and will be - exposed in the future to issues oriented to generating a correct innovation mindset in highly complex contexts. The objective will be to train resources to read trends, intercept possible business opportunities and related risks, and to have unconventional vision and approaches that generate innovative ideas and projects to be submitted to the relevant managers for subsequent concrete implementation. These in-class training tracks also provided an important opportunity to "team up" and act with group spirit.

During 2023, the Company participated in a number of training calls, aimed at strengthening and increasing technical and transversal skills, providing courses on "Excel Power Query" and on "How to interact with Office 365 and digital flows".

³² Valsoia undertakes to report the average number of training hours its employees received during the reporting period, broken down by gender and job category in Report 2024.

SOCIAL DISCLOSURE

Moreover, language training also continued, open to all interested employees, and made easier by the use of Microsoft Teams for remote connection.

Finally, specific individual Coaching courses were delivered also during 2023.

The Company positively values collaborations with the academic and post-university world. In particular, two curricular traineeships were started in 2023, following the presentation of a Project Work carried out as part of the Master in Business Management, Food&Wine specialisation, at the Bologna Business School, which allowed students to work on ideas for innovation and internationalisation.

The Company also promoted and took part in meetings with students of the Master in Food&Wine at the 24ORE Business School in Milan, during which the participants had the opportunity to present the results of their projects centred on the Valsoia brand to a cross-functional team of Marketing and Trade Marketing team members. An opportunity to exchange ideas between the students and the Company, to develop stimuli and reflections on various aspects of product marketing strategy.

PERIODIC PERFORMANCE ASSESSMENTS

Valsoia continues on its path of coordinating organisational development actions in line with the evolution of the organisation and its people, enriching the tools described above while respecting the personality and professionalism of each employee.

For a number of years now, an evaluation system has been introduced in the company that provides for regular monitoring of performance. In particular, the sales force is evaluated on the basis of quarterly assigned targets; executives and figures belonging to internal sales areas (e.g. marketing, trade marketing) are assessed on the company-wide achievement of specific economic indicators.

This emphasises the importance of individual commitment together with one's team and active participation in the company's business performance. In particular, certain corporate KPIs linked to the company's economic results and the achievement of financial indicators, constitute a "condition of access" to the achievement of more "qualitative" and, therefore, personal objectives. Middle Management figures, identified as "Key People", are assessed on the basis of partly quantitative and partly qualitative objectives that are designed to align activities with complex corporate projects.

	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Percentage of employees who received a periodic performance assessment									
Executives	1.4%	5.7%	7.1%	2.3%	6.1%	8.4%	2.3%	5.4%	7.7%
Managerial staff	3.5%	9.2%	12.7%	3.8%	7.6%	11.4%	2.3%	8.5%	10.7%
Clerical employees	13.5%	10.6%	24.1%	16.0%	13.0%	29.0%	12.4%	12.4%	24.8%
Factory workers	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The group most subject to periodic performance appraisal appears to be employees, representing 61% of the Valsoia workforce.

SOCIAL DISCLOSURE

WORK ORGANISATION

Also for the year 2023, the Company continued to make use of agile work, in accordance with the relevant legislation. The Company has therefore maintained, even beyond the emergency phase linked to the pandemic, the possibility for clerical staff to use agile work as an alternative way of executing the employment relationship. In addition, the reorganisation of the Bologna office layout was completed in 2023, an important opportunity to reinforce engagement, giving value to the "sense" of being together in presence in more spacious, welcoming and well-kept environments. The meeting rooms were equipped with video conferencing systems and solutions for connection through the use of portable devices to facilitate remote collaboration, saving on travel costs.

HEALTH AND SAFETY

Valsoia considers health and safety in the workplace a fundamental duty, an integral part of its business and a strategic commitment with respect to the more general aims of the Company.

To this end, Valsoia has drawn up a dedicated Policy for safety and health at work that translates into making available human, instrumental and economic resources in order to ensure compliance with current legislation, prevent any situations of non-compliance and raise awareness among its staff in a logic of cooperation.

This policy has resulted in the adoption of a Safety Management System, based on INAIL Guidelines, which includes an operating manual to support safety management and annual audits.

The protection of workers, contractors and visitors is ensured through constant monitoring of work environments, the implementation of the best safety standards on machinery and equipment, and of training programmes and information activities. To this end, particular attention is paid to the choice of Personal Protective Equipment (PPE) in order to constantly check their efficiency and continuously improve their effectiveness in order to ensure higher levels of protection and comfort.

More than 500 hours of training and education relating to health and safety in the workplace were delivered in 2023.

	2023	2022
H&S training by type as at 12/31	Hours	Participants
General training	56	7
Dedicated training	471	41
Total	527	48

In addition, the design study for the installation of a new supervision system for the critical points of the plant, consisting of thermal cameras and video cameras directed directly at the plants at greatest risk, has been completed. At the same time, the Carbon Monoxide leak detection system is being newly implemented. Finally, the DVR (Risk Assessment Document) and related job descriptions were updated.

INDICES FOR MEASURING ACCIDENT TRENDS

Valsoia monitors accident trends, with particular reference to the Serravalle Sesia (VC) production Facility, through a series of indices, the most significant of which are the Frequency Index (IF)³³ and the Severity Index (IG)³⁴.

Accidents at work (No.)	2023	2022	2021
Accidents suffered by employees (>1 day of absence, excluding commuting accidents)	3	0	1
Days lost due to injury (excluding commuting accidents)	96	0	3
Fatal accidents	0	0	0
Cases of occupational diseases	0	0	0

Injury frequency index (No.)	2023	2022	2021
Injury frequency Index (No.) (per million hours worked)	29.5	0	4.13

Accident severity index (per thousand hours worked)	2023	2022	2021
Accident Severity Index (No.) (per thousand hours worked)	0.95	0	0.1

Listed below are the activities carried out by the company during the year in order to best comply with the Zero Accident Policy:

Complete revision of the Safety Management System UNI / INAIL lines and **implementation of related procedures;**

- Revision of the DVR (Risk Assessment Document) as per Legislative Decree 81/08 for the Bologna office, in particular chemical and carcinogenic risk;
- Continuation of Health and Safety training for all company jobs;
- Expansion of emergency teams;
- Structural investment of all detection equipment for the protection and well-being of all employees and the environment.

Regarding the accident trend for the current year, the accidents found were deemed accidental. Although no requests for corrective action were made as a result of these accidents, Valsoia has taken certain structural measures to prevent their future occurrence.

Further **plant improvement works:**

- Installation of a scrubber system, completion of the electrical installation aspect in progress, necessary to the certification of the panel for connection of the abatement system;
- Purchase of a new multi-purpose end-of-line marker for progressive replacement of machines requiring make-up (further restriction of handling of products subject to SDS)
- Work for workshop area reinforcement structures, following seismic assessment;
- Assessment of the area underneath the silos in order to ensure better safety in case of interventions / maintenance.

³³ Injury Frequency Index (IF): number of accidents/hours worked x 1,000,000 hours worked

³⁴ Accident Severity Index (per thousand hours worked): total number of days of absence due to accident/hours worked x 1,000

MARKETS, BRANDS AND PRODUCTS

Valsoia is a leading company in the field of plant-based alternatives with the "Valsoia Bontà e Salute" brand. It also occupies leadership or however first-level positions with the Brands: Diète.Tic, Santa Rosa, Loriana and the distributed Vallé, Oreo O's Cereal, Weetabix and Häagen-Dazs.

For consumers, "Valsoia Bontà e Salute" has been synonymous with the great health food brand and has expanded its offer to include multiple vegetable bases besides soya. The main plant-based alternative lines of the "Valsoia Bontà e Salute" Brand are beverages, ice cream, desserts, yoghurt, meal solutions, sliced meats, oil, creams and sweet spreads as well as cheese alternatives.

Within the different markets (health food and traditional food), the Company operates using a wide range of different raw materials; the expansion of the offer in terms of new products has developed in parallel with entry of new proprietary and distributed Brands.

In recent years, Valsoia acquired Piadina Loriana (2020), started exclusive distribution in Italy of Oreo O's Cereal (2021) and the Vallé brand, a leader in vegetable margarines (2022). Recently, thanks to an agreement with General Mills International, in January 2023, Valsoia started distributing Häagen-Dazs ice creams in the 80 countries worldwide where it is distributed.

The Company operates through 3 divisions: Health Food, Traditional Food, International.

The Company's products are mainly distributed in Italian mass retail outlets but in recent years are also present in HoReCa and e-commerce channels.



HEALTH FOOD DIVISION

Valsoia Bontà e Salute, a wide range of PLANT-BASED PRODUCTS covering from breakfast to dinner.



MILK ALTERNATIVES



DESSERT ALTERNATIVES



YOGHURT ALTERNATIVES



ALTERNATIVES TO MEAT



COLD CUTS ALTERNATIVES



CONDIMENTS ALTERNATIVES



CHEESE ALTERNATIVES



HAZELNUT SPREAD ALTERNATIVES



ICE CREAMS ALTERNATIVES

FOOD DIVISION

The Traditional Food Division includes proprietary brands (Santa Rosa, Diete.Tic, Piadina Lorianana) and exclusively distributed brands (Weetabix, Oreo O's, Vallé, Häagen-Dazs).

PROPRIETARY BRANDS



Santa Rosa, purchased in 2011, is a historic brand of the Italian food tradition; it offers high-quality jams, choosing only the highest quality fruit through strict purchasing specifications.



Diete.Tic, purchased in 2017, is a liquid sugar-substitute sweetener, obtained by means of a unique patented process. It is completely calorie-free and highly soluble and does not alter the taste of food and beverages.



"LORIANA Piadina", purchased at the end of 2020, was launched on the market at the beginning of the 70s and over time secured the lion's share of the Italian market. Its success is due to the uniqueness of the product, which maintains unaltered the quality and tradition of its Romagna origin.

EXCLUSIVELY DISTRIBUTED BRANDS



Valsoia distributes Weetabix in Italy, a range of whole wheat cereals for a healthy breakfast. Produced by the Weetabix Food Company, they are unique, loved and appreciated all over the world.



OREO O's cereals, whose production and marketing has been licensed to Weetabix Ltd by Mondelez International (owner of the brand), is an iconic brand worldwide. In December 2020, Valsoia signed an agreement with Weetabix Ltd. for the exclusive distribution in Italy, which began in April 2021.



Valsoia distributes Vallé condiments and vegetable bases in Italy. Undisputed leader of plant-based margarines with a value share of 81.2% thanks to an innovative range oriented to naturalness and well-being.



Since January 1, 2023, Valsoia has been distributing Häagen-Dazs in Italy. Ice-cream brand considered by Nielsen the first ice-cream brand take-away in the world, present in over 80 countries. The agreement was signed in September 2022 with General Mills International S.a.r.l. (which manages Häagen-Dazs business outside North America) for exclusive distribution in Italy.

EVOLUTION OF FOOD CONSUMPTION STYLES AND FOOD TRENDS

Valsoia has always placed the consumer and its Brands at the centre of its project. Great attention is paid to the dynamics of lifestyles, consumption and market trends. There have been significant changes in the market over the last decade and trends that Valsoia has always tried to intercept and anticipate.

THE GROWTH OF PLANT-BASED PRODUCTS

Plant-based products now cover many product categories for every moment of the day. Consumers are well informed about the benefits of a varied and balanced diet, rich in vegetables, cereals, whole foods and fruit. Benefits for one's own health, and for that of the planet. In recent years, plant-based products have gained many new consumers in our country, exceeding 19 million treated households. Approximately 75% of the under-35s habitually buy plant-based products (source GFI Europe / Nielsen IQ).

In addition to the appreciation for their nutritional value and perceived level of quality, the sustainable profile of these foods is an important driver of choice. One out of two consumers appreciates their "eco-friendly" characteristics, given their ecological footprint, which is among the lowest in the agri-food world, and a production that requires less use of natural resources - soil, water and energy - than other foods.

The orientation towards plant-based foods is a macro-trend, which is also highlighted by the Food Report 2023 of the Zukunftsinstitut in Frankfurt, one of Germany's leading research institutes on trends concerning the future.

GLOBAL FOOD TRENDS

Vegetable proteins, oriental infusions and herbs, spices, alcohol-free drinks, dark kitchens and ethical farming. These are just some of the global food trends predicted for the future. Research points to a food perspective more focused on healthier and more sustainable foods.

Data from the Mintel Global New Products Database, the London-based company's flagship tool for monitoring and analysing global product innovation, show a steady growth of new "plant-based" consumer goods, with sales increasing by 302% between 2018 and 2022. Mintel³⁴ and Bloomberg³⁵ analysts predict, moreover, that the market could grow to around 160 billion USD by 2030, confirming that plant-based is not just a fad.

Insights published by the Good Food Institute (GFI) and the Plant Based Foods Association (PBFA), based on retail sales data commissioned by the US-based SPINS, underline the strength of demand for plant-based products by highlighting how, despite rising inflation rates in the US in 2022, dollar sales of such products grew by 6.6% to reach 8 billion USD in market value, all against a three-year growth of 44.5%. The most popular plant-based products on American shelves are alternatives to milk, meat and dairy creamers³⁶.

However, some barriers to consumption appear to be the perception of taste, the cost of the product and the sometimes over-processed nature of the product³⁷.

The Credit Suisse Research Institute found that among consumers aged between 16 and 40 - in 10 countries - as many as 66% would spend more on plant-based alternatives to meat and dairy products if there were prospects for product development and improvement, both to improve taste and to cut costs³⁸. The perception of taste as the main driver of choice is also emphasised in other reports by FMI - The Food Industry Association³⁹ and again by Mintel for the US market, where the topic of taste interests 53% of consumers⁴⁰.

³⁴ Mintel, Emerging Trends in the Plant-Based Industry, 2022;

³⁵ Bloomberg, Plant-based Foods Market to Hit \$162 Billion in Next Decade, Projects Bloomberg Intelligence, 2021;

³⁶ Plant Based Foods Association, 2022 U.S. retail sales data for the plant-based foods industry, 2023;

³⁷ Mintel, 2024 Global Food and Drink Trends, 2023;

³⁸ Credit Suisse Research Institute, The young consumer and a path to sustainability, 2022;

³⁹ FMI, The power of plant-based food and beverage, 2022;

⁴⁰ Mintel, US plant-based proteins market report 2023

COMBINING BONTÀ E SALUTE (GOODNESS AND HEALTH)

Under the 2030 Agenda, one of the Sustainable Development Goals is SDG 3 (Health and Wellness), which aims to ensure healthy living and promote well-being for everybody, at all ages, with particular reference to dietary patterns and the agri-food system.

Valsoia is in line with this objective by promoting and supporting, also in communication, healthy products and eating styles from the outset.

Significant investments in research and development activities have made it possible to improve the nutritional profile and obtain a better lipid profile of the Valsoia product lines.

Valsoia pays great attention to independent scientific research studies conducted in Europe, the US and Asia to maintain a constant level of update in its products.

SUGAR REDUCTION AND HEALTHY ALTERNATIVES TO SUGAR

At the end of 2017, Valsoia began to operate on the alternative sweeteners market after the acquisition of Diète.Tic., market leader in the liquid segment.

Diète.Tic is a liquid sweetener with an exclusive patented formula designed to meet the need for sweetening as an alternative to sugar, however without compromising on taste or extraneous after taste. Its liquid form makes it very functional for use in hot and cold drinks, due to the immediate solubility that enhances its taste. Its resistance to high temperatures allows it to be used in the kitchen in the preparation of desserts. Diète.Tic is available also in a Stevia version.

In 2019, Valsoia launched a project that involves the progressive reduction of added sugars in some of its product lines (beverages) and the launch of new product lines with reduced sugar content (light jams and no added sugar hazelnut spread - oat-based), and sugar-free content (sugar-free oat, rice and almond beverages). Still in 2023, Valsoia continued its efforts to reduce the total content of added sugars in its beverages and yoghurt line.

From 2018 to 2023, Valsoia thus reduced the total added sugar content of its beverages line by 20%, a trend the Company intends to continue in the next two years.

In 2023, the Company prepared the launch of a new Santa Rosa "zero added sugar" line, at the same time pursuing a reduction of the sugar content in the standard jam line as well, with the aim of reaching that "minimum level" of sugar that is in any case necessary to make this type of product.

CHOOSING ONLY GMO-FREE SOYA

Valsoia has chosen to use only soya from non-genetically modified plants.

For this reason, very strict procedures are implemented at the Serravalle Sesia Facility, not only in the raw material purchasing phase (countries of origin: Italy, Europe and North America), but also along the entire production chain up to the delivery of the finished product to the consumer, with the aim of preventing GMO material from coming into contact with its products.

All Valsoia products comply with current GMO regulations⁴¹. Valsoia undergoes checks by an external body specialised in monitoring processes and procedures, certifying with certainty that its products comply with the "non-GMO" requirement.

MILK-, DAIRY- AND GLUTEN-FREE DIET

Valsoia does not use cow's milk or its derivatives in the formulation of its products. The entire production chain is supervised and controlled in order to avoid contamination by cow's milk, from the purchase of raw materials to the production and packaging of the finished products.

⁴¹ EC Regulations 1829/2003 and 1830/2003 that require the producer using GMO to highlight the presence of GMO on the label. Of course, none of the Valsoia labels mention the presence of GMO.

PROCESS AND PRODUCT INNOVATION

Valsoia continuously invests in research and development both to improve the perceived quality of existing products and to identify new products and needs not currently satisfied by the current offer. In addition, the Company's Research and Development is constantly working on reformulating existing products with the aim of improving its nutritional profile. The innovation process originates from the markets and the consumer and follows a structured flow that includes steps from concept testing to the production and testing of the final product (product test).

LAUNCHES 2023

NEW ADDITIONS



In 2023, Valsoia expanded its product portfolio by launching four reduced-calorie Santa Rosa jams on the market. It is the Santa Rosa Zero line, jams with no added sugar that are tapping into a fast-growing trend. An absolute innovation in 2023 was the creation of a new market segment with the launch of Super OvoVeg, the first liquid vegetable egg in Italy.

During the same year, new health and food products were launched on the market: in particular some fish and chicken alternatives, two new yoghurts and different types of ice cream for Italy and abroad.

PACKAGING AND PLASTIC REDUCTION

Packaging represents one of Valsoia's areas of attention. In this regard, the Company has long since started plastic reduction initiatives by setting up an internal cross-functional team. In terms of sustainability, packaging is crucial for preserving the product's useful life and extending it. Food packaging continuously evolves and its functions are becoming increasingly more diversified and integrated: to protect food from the environment and the environment from food, to convey information to consumers and to perform the functions of preservation, transport and distribution of products in a sustainable manner.

Plastic packaging provides consumers and the product with a number of benefits, including: preserving the product, preventing waste, ensuring safety and hygiene, and facilitating transport thereof. Currently, research and development is evaluating new environmentally sustainable plastic materials to make recyclable packaging, increasingly reducing the use of plastic.

Valsoia has recently investigated and evaluated a variety of options for the packaging of its products, focusing on the potential use of plastic materials obtained from post-consumption, in view of the circular economy. In 2023, Valsoia implemented the reduction of plastic for Diete.Tic secondary packaging consisting of the blister pack. This led to the creation of new packaging in 100% recyclable paper. Thanks to this solution, Valsoia will be able to reduce plastic consumption by approximately 40,000 kg in one year (the equivalent of 100,000 bowling balls!)

The circular economy is a system in which all activities are organised so that potential waste is continually transformed and reused; this model is opposed to the linear economy, in which products have a life cycle at the end of which they become waste to be disposed of. There are many studies and literature which underscore the significance of the contribution of the circular economy to emissions reduction. The European Commission, in its recent Action Plan for the Circular Economy, stresses that a circular economy model based on reducing and extending the use and re-use of resources and the use of regenerative raw materials is crucial to significantly reducing greenhouse gas emissions, as well as achieving energy savings and reducing the use of fossil energy.

RESPONSIBILITY TOWARDS CONSUMERS

Valsoia ensures high levels of quality and safety of its products, indispensable requirements guaranteed by the control of all stages of the production chain, from the control of raw materials to distribution to points of sale. To this end, the Quality Assurance team of the Technical Department is dedicated daily to conducting and improving the quality and food safety management system, overseeing all stages of the supply chain with prevention and control actions.

FOOD SAFETY MANAGEMENT SYSTEM AND POLICIES

The quality and food safety management system makes it possible to identify and prevent possible risks related to products, raw materials, packaging materials and the production environment. The adoption of a food safety management system, based on strict company principles and methods, represents a concrete commitment that Valsoia makes daily towards Consumers, to guarantee good and safe products, in every country where it operates.

The food quality and safety management system consists of principles, objectives and qualitative and quantitative performance indicators, the latter being systematically verified through rigorous monitoring procedures and continuous improvement plans.



SOCIAL DISCLOSURE

FOOD MANAGEMENT SYSTEM (IFS) CERTIFICATION

In 2016, Valsoia was awarded IFS1 Certification, food management system and food chain quality standard.

As far as soy raw material is concerned, Valsoia has chosen not to use genetically modified soy. For this reason, special control procedures have been put in place that involve the careful selection of suppliers and GMO analysis of all batches of raw materials purchased which contain or are derived from soy beans and corn. In 2023, the Company retained its IFS Certification at HIGH level, thus ensuring high accuracy and quality of food controls carried out on products.

The activities that the Valsoia Quality Assurance team of the Technical Department systematically carries out to increase the level of consumer safety include raw material checks, product tests on individual finished products, internal audits on compliance with the IFS standard and supplier audits.

SOCIAL DISCLOSURE

FOOD SAFETY REQUIREMENTS AND PREVENTION ACTIVITIES

The Quality Assurance team of the Technical Department also carries out a systematic prevention activity towards Co-Packers on the basis of carefully detailed product specifications within specific Technical Specifications, which include rigorous food safety requirements.

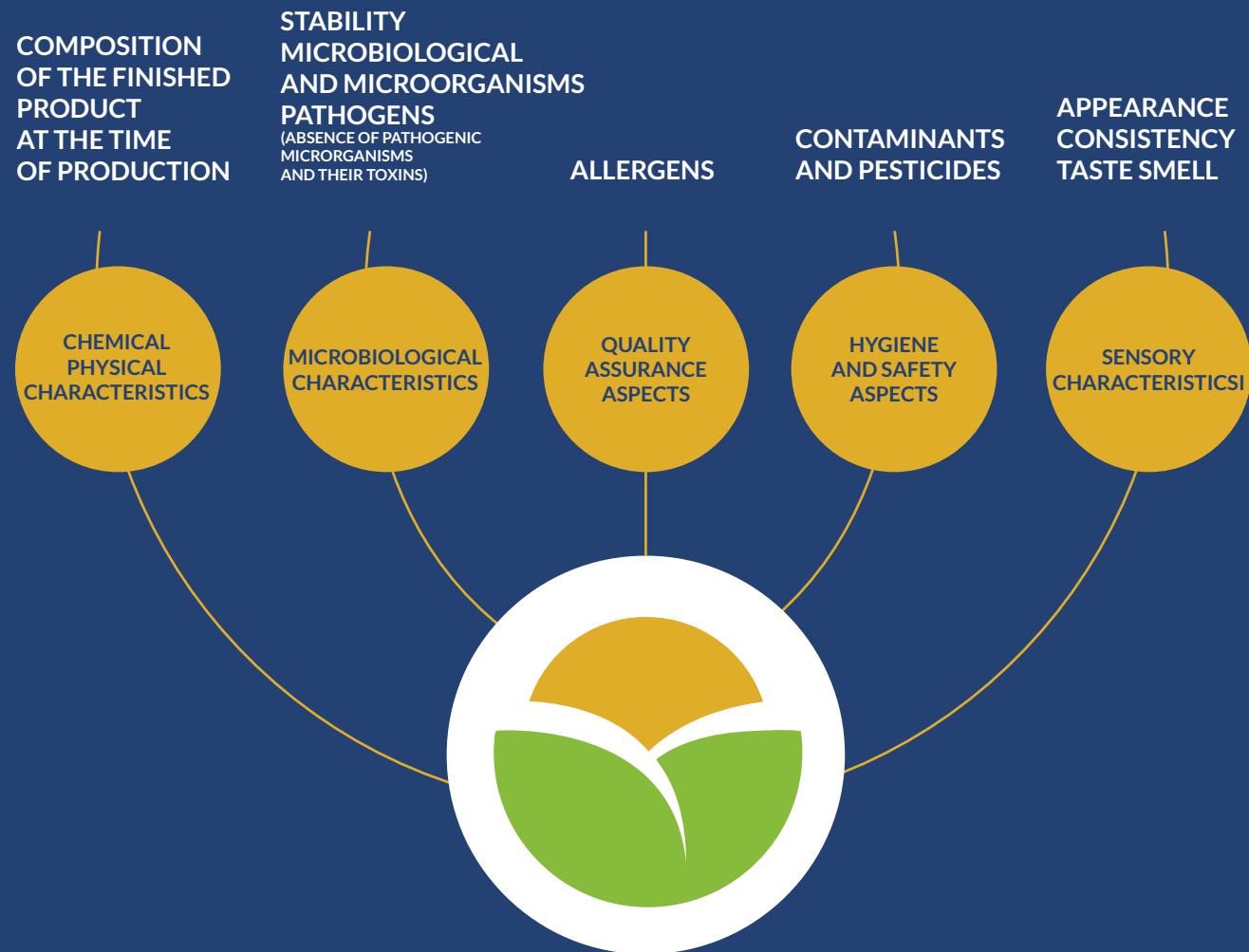
Each internal and external production batch is subjected to analyses on allergens, aimed at ensuring the absence thereof allergens in compliance with current legislation on labeling Reg. CE 1169/11.

INTERNAL FOOD SAFETY TRAINING

The policies and the Food Safety Management System envisage continuous training activities, which include both internal training aimed at employees and external training at training institutions or specific training opportunities on the subject.

In 2023, a total of 32.25 hours of training on Food Safety issues were carried out. The figure also includes the training provided by QA staff.

CHARACTERISTICS CHECKED BY VALSOIA



Training hours at 31/12	2023	2022	2021
Total hours of Food Safety Training	32.25	106	28

COMMUNITY RELATIONS

Valsoia responsibly assumes an active role of support and collaboration towards the territories and communities in which it operates.

Valsoia's commitment to the community is brought to fruition through:

- donations, aimed at facing temporary challenges for land and people, which may engender vulnerability from the economic and social points of view;
- sponsorships, in support of projects with a positive impact on the country.

In 2023, the Company used a budget of approximately 360 thousand Euro to social investments, of which:

- 84% are investments in the cultural, social and scientific community, characterised by long-term plans and/or strategic partnerships with significant amounts. This is a stable amount that constitutes the most significant part of the corporate charitable donations, demonstrating a commitment oriented towards long-term partnerships that can bring real benefit and value for the country; Among the largest were those given to the Banco Alimentare della Lombardia "Danilo Fossati", the Banco Alimentare Emilia-Romagna in Fontevivo and the Banco Alimentare Campania in Fisciano;
- 5% is made up of commercial initiatives (sponsorships) that contribute to social causes, while also promoting the Valsoia business;
- the remaining 11% is constituted by small-amount donations that are occasional in nature.

Stable collaborations and partnerships include those with the Bologna Festival Association, the Casa dei Risvegli Luca de Nigris of Bologna and the Centro San Domenico in Bologna, the ICA Milan Foundation and the Banco Alimentare Onlus Foundation.

Among the non-recurring, but certainly relevant, collaborations are those with the Fondazione Istituto Ortopedico Rizzoli in Bologna, the Fondazione Hospice Seragnoli and Cittadinanza Onlus, the latter renewed for 2024.

In 2023, support continued to the project "Cucine Popolari" [Popular Kitchens] by the CiviBo Association of Bologna, which carries out voluntary work intended as an expression of participation, solidarity and pluralism, predominantly to socially distressed parties.

Sponsorships include the recurring one with San Patrignano and the one in 2023 with Innovio Srl for initiatives to promote the works on the playbill of the Municipal Theatre and to involve a wider audience, seeking a transversal involvement among opera, art, cinema and music.

Also in 2023, the company made a donation to the charity musical event for Emilia-Romagna "Beyond the Clouds", the proceeds of which were donated to support the areas of the region affected by the floods.

GRI CONTENT INDEX

Declaration of use	Valsoia S.p.A. submitted a report according to the level "with referenced to GRI Standards" for the reporting period 01/01/2023 - 12/31/2023.
GRI 1	GRI 1: Foundation 2021
Relevant GRI sector standards	NA

GRI STAND-ARD	DISCLOSURE	LOCATION / NOTES	OMISSION	
			REQUIRE-MENT	REASON
GENERAL DISCLOSURE				
GRI 2: General Disclosures 2021	2-1 Organisational details	4, 12 - 13, 15-17		
	2-2 Entities included in the organisation's sustainability reporting	4 - 5		
	2-3 Reporting period, frequency and contact point	4 - 5		
	2-4 Restatements of information	4 - 5		
	2-6 Activities, value chain and other business relationships	11 - 17, 52, 57, 97 - 104, 107 - 108		
	2-7 Employees	89		
	2-8 Workers who are not employees	89		
	2-9 Governance structure and composition	61-62		
	2-10 Nomination and selection of the highest governance body	<p>Pursuant to article 14 of the Articles of Association, members of the Board of Directors are appointed by voting on lists of candidates. The directors meet the requirements of independence, good repute or professionalism required by the applicable regulations.</p> <p>In addition, the legislative and regulatory provisions apply concerning gender balance in the composition of the Board of Directors and the Board of Statutory Auditors, as most recently amended by Law No. 160 of December 27, 2019 ("Budget Law 2020").</p> <p>Pursuant to Article 21 of the Articles of Association, it is stipulated that the Board of Directors may set up committees (in addition to the Executive Committee) with specific functions and tasks, establishing their composition and mode of operation.</p>		

GRI STAND-ARD	DISCLOSURE	LOCATION / NOTES	OMISSION	
			REQUIRE-MENT	REASON
GENERAL DISCLOSURE				
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	Within the scope of the powers conferred by the Board of Directors, the Chair of the Board draws up proposals for corporate strategies and supervises them, monitors and evaluates any acquisition opportunities, preliminarily examines with the General Manager the annual plan (budget) and revisions of the same budget to be submitted to the Board of Directors, constantly monitors the Valsoia performance also in relation to budget objectives, supervises communication strategies and provides for the validation of initiatives involving the company and its products, carries out, in the interest of the Company, financial and banking transactions (within the limits indicated by the Board), takes part in the meetings of companies, associations or entities in which Valsoia has a stake or co-interests, and hires and dismisses executives. The Chair also plays the role of liaison between the executive and non-executive directors and exercises the functions provided for by the laws and regulations in force, as well as by the Articles of Association (including legal representation and signatory power).		
	2-12 Role of the highest governance body in overseeing the management of impacts	The Board of Directors is also the body responsible for the strategic direction and supervision of sustainability activities, results and impacts. The Board of Directors also annually approves the list of non-financial issues, including sustainable development issues, that are relevant and subject to voluntary reporting.		
	2-13 Delegation of responsibility for managing impacts	64-65		
	2-14 Role of the highest governance body in sustainability reporting	The Board of Directors annually examines and approves the list of material issues included in the report and its restatements.		
	2-15 Conflicts of interest	The Code of Ethics states the prohibition of acting in conflict of interest. In connection with the subject of Directors' interests, the provisions apply of Article 2391 of the Civil Code and Article 2390 of the Civil Code.		
	2-16 Communication of critical concerns	The Group's activities are continuously monitored by the Board of Directors through and by means of the reporting by the executive directors on the exercise of their delegated powers. In the course of the year, no critical issues were reported to the Board that required a specific resolution by the Board of Directors		
	2-17 Collective knowledge of the highest governance body	The Chair of the Board of Directors ensures that all members of the administration and control bodies can participate in initiatives aimed at providing them with a better and more up-to-date knowledge of the business sectors in which the Company operates, of corporate dynamics and their evolution also with a view to sustainable success, as well as of the principles of proper risk management and the regulatory and self-regulatory framework of reference.		

GRI STAND-ARD	DISCLOSURE	LOCATION / NOTES	OMISSION	
			REQUIRE-MENT	REASON
GENERAL DISCLOSURE				
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	At least annually, the non-executive directors meet to evaluate the work carried out during the financial year in question, also with a view to any renewal of the administrative body's offices. The Board's self-assessment process leads to a Report on the Board's self-assessment activities.		
	2-19 Remuneration policies	Please refer to the Report on Remuneration Policy and Fees Paid drawn up pursuant to Article 123-ter T.U.F. and Article 84-quater of the Consob Issuers' Regulation. The Company also confirms that it has defined remuneration policies focused on the sustainability of the business in the medium-long term, including through the allocation of stock options to executives with strategic importance and the recognition to the latter of a variable portion of the remuneration against the achievement of predefined corporate (e.g. EBITDA, Net Financial Position) and personal targets.		
	2-21 Annual total compensation ratio	N.A.		Information not available
	2-22 Statement on sustainable development strategy	18, 29 - 44		
	2-23 Policy commitments	66 - 68		
	2-24 Embedding policy commitments	64 - 65, 69 - 71		
	2-26 Mechanisms for seeking advice and raising concerns	66 - 67		
	2-27 Compliance with laws and regulations	There were no instances of non-conformity, or non-compliance, with the laws and regulations that apply to the organisation during the reporting period		
	2-28 Membership associations	The sector associations and other national or international advocacy organisations in which Valsoia plays an important role are Confindustria Emilia, Confindustria Novara Vercelli Valsesia, Unione Italiana Food, Consorzio Italia Del Gusto, Centromarca, Assonime, Cavalieri Del Lavoro, ENSA, UPA.		
	2-29 Approach to stakeholder engagement	18 - 21		
2-30 Collective bargaining agreements	The remuneration determination procedure is carried out in accordance with the CCNL for workers in the food industry, in which 100% of the total workforce is employed.			

GRI STAND-ARD	DISCLOSURE	LOCATION / NOTES	OMISSION	
			REQUIRE-MENT	REASON
MATERIAL TOPICS				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	22 - 28		
	3-2 List of material topics	25 - 28		
Corporate & Brand Reputation				
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Current Code of Ethics and Model 231, approved by the Board, with compulsory training		
	205-3 Confirmed incidents of corruption and actions taken	No cases of corruption were detected in the reporting period under review		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices	No legal action for anti-competitive behaviour or antitrust violations		
Energy Efficiency				
GRI 3: Material Topics 2021	3-3 Management of material topics	28		
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	74 - 76		
	302-4 Reduction of energy consumption	73 - 76		
Use of water resources				
GRI 3: Material Topics 2021	3-3 Management of material topics	27		
GRI 303: Water and Effluents 2018	303-1 Interaction with water as a shared resource	79 - 81		
	303-3 Water withdrawal	79 - 81		
	303-4 Water discharge	73 - 80		
	303-5 Water consumption	80		

GRI STAND-ARD	DISCLOSURE	LOCATION / NOTES	OMISSION	
			REQUIRE-MENT	REASON
Carbon Footprint and GHG Emissions Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	28		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	77 - 78		
	305-2 Energy indirect (Scope 2) GHG emissions	77 - 78		
Waste Management and Circular Economy				
GRI 3: Material Topics 2021	3-3 Management of material topics	26		
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	83 - 85		
	306-3 Waste generated	84		
	306-4 Waste diverted from disposal	83 - 85		
	306-5 Waste directed to disposal	83 - 85		
Agri-food segment and supply-chain				
GRI 204: Procurement Practices 2016	3-3 Management of material topics	26		
GRI 308: Environmental assessment of suppliers 2016	204-1 Proportion of spending on local suppliers	53 - 54		
GRI 414: Supplier Social Assessment 2016	308-1 New suppliers that were screened using environmental criteria	52 - 52, 55		
GRI 302: Energy 2016	414-1 New suppliers that were screened using social criteria	54 - 55, 57		

GRI STAND-ARD	DISCLOSURE	LOCATION / NOTES	OMISSION	
			REQUIRE-MENT	REASON
Protection and enhancement of human capital				
GRI 3: Material Topics 2021	3-3 Management of material topics	27		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	92		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	88		
	401-3 Parental leave	No employee took parental leave during the reporting period under review		
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance	93 - 94		
	404-3 Percentage of employees receiving regular performance and career development reviews	94		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	62, 90 - 92		
GRI 406: Non discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	90		

GRI STAND-ARD	DISCLOSURE	LOCATION / NOTES	OMISSION	
			REQUIRE-MENT	REASON
Occupational Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	95		
	403-2 Hazard identification, risk assessment and incident investigation	95 - 96		
	403-3 Services for professional health	95 - 96		
	403-4 Worker participation, consultation and communication on occupational health and safety	95 - 96		
	403-5 Worker training on occupational health and safety	95		
	403-9 Work-related injuries	96		
	403-10 Work-related ill health	96		
Food quality and safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance with regulations and/or voluntary codes concerning health and safety impacts of products and services were detected within the reporting period.		
Food health and well-being				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
Product Innovation				
GRI 3: Material Topics 2021	3-3 Management of material topics	27		

GRI CONTENT INDEX

GRI STAND-ARD	DISCLOSURE	LOCATION / NOTES	OMISSION	
			REQUIRE-MENT	REASON
Other Reported Indicators				
GRI 201: Econom-ic Perfor-mance 2016	201-1 Direct economic value generated and dis-tributed	50 - 51		
GRI 207: Tax 2019	207-1 Approach to tax	Information currently not reported		
	207-2 Tax governance, con-trol, and risk management	66 - 67		
	207-3 Stakeholder engage-ment and management of concerns related to tax	Information currently not reported		
GRI 413: Local Com-munities 2016	413-1 Operations with local community engage-ment, impact assessments, and development programs	110		

