

# SUSTAINABILITY REPORT 2023 SUMMARY





SUSTAINABILITY  
REPORT  
2023  
SUMMARY

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*Fruttigel is a member of IE*



## Letter to stakeholders

*The situation that companies in the agro-industrial production chain and consumers themselves are experiencing at the beginning of 2024 has recently been made visible and tangible by at least two factors that are both symbolic and concrete: the rows of tractors in Europe that have highlighted the discontent of an entire production sector, and the contradiction between falling inflation and an increasingly expensive shopping trolley. Fruttigel is at the centre of the supply chain: upstream are its grower members and downstream the distributors and consumers. So the company is seeing the difficulties on both sides.*

*These observations highlight the issues Fruttigel has to contend with, but also the role it can play in providing efficiency and rationality to a sector – agro-industrial production – that has a vital importance far greater than its relative economic size.*

*If that were not enough, Fruttigel and its partners have to deal with climate change and an international relations context that needs no explanation.*

*Faced with an operating landscape marked by such major problems (international instability, wars, climate change, inflation), it can be no surprise that businesses and households are weighed down by a state of uncertainty, with calls for an even stronger commitment to sustainability in the form of its three intertwined components: economic, social, environmental. Among these interconnected aspects, the environment has seemed until this point to be the issue requiring greater focus, but in the light of the most recent events on the international scene, it is clear that even more attention and commitment must be paid to promoting a profoundly political and social vision of businesses, which must increasingly view themselves not just as essential players in the economic sphere but also as equally committed to improving the overall living conditions of the communities in which they operate. And this is all the more true for Fruttigel, because of its institutional nature: being a cooperative means that the starting point must be the needs of its members, but that those needs must be addressed through the social, community spirit that has always characterised the history of the cooperative movement.*

*It goes without saying that this can only happen under certain conditions: first and foremost that the enterprise generates income and that the members engage equally with the mutual, cooperative purpose, and finally that there is a maximum degree of common purpose and understanding with the physical and social environments with which the cooperative interacts*

*These are the aspects that are highlighted in this sustainability report: financial results, improvements on the labour side, and commitment to communities. It will therefore be possible to verify that the commitments*

*made match the results achieved, and to assess other, new objectives that will be duly reported in the future.*

*We should make one final comment to address the change in the regulatory aspects of sustainability: the new European regulations impose particularly meticulous and in some cases somewhat fussy reporting rules on companies, which can also make them lose sight of the substance of the issue. We would like to hope that when Italy transposes these rules into the national legal framework, this process is accompanied by a realistic view of the possibilities and interests of businesses, consumers and citizens.*

**Stanislao Giuseppe Fabbrino**

Chairman and CEO, Fruttage



**Paolo Cristofori**

General Manager, Fruttage



## Solidarity between Fruttigel and its workers

Between May and July 2023, Fruttigel and many of its workers lived through some of the most dramatic and perilous moments in living memory.

The two floods occurring on 3 and 16-17 May not only brought the entire region of Emilia-Romagna to its knees, but robbed many people of their most treasured possessions, their memories, and in some cases, their loved ones. The following July, a tornado with winds gusting over 200 km/h hit the Alfonsine area, passing just a few hundred metres from our plant and devastating homes and any other property in its terrifying path.

Fruttigel fortunately suffered no direct damage to the Alfonsine plant. But there was a great deal of fear and anxiety, not least because of what was happening around us, from our colleagues who were flooded or whose homes were destroyed by the tornado, to the damage in the countryside and at Irfa in Sant'Agata sul Santerno, the frozen products warehouse, where over 2,000 tonnes of semi-finished frozen products we had stored there were lost.

But even at Fruttigel, as in all of Emilia-Romagna, the response was enormous. The willingness of colleagues to come in to work, even where production had been halted, to ensure the safety of the plant and make sure operations could be resumed as soon as possible was astounding.

It was extraordinary to see the solidarity expressed by all our employees in Larino and Alfonsine, who joined in the initiative promoted by Fruttigel to collect funds, to help colleagues who had been flooded or subsequently affected by the tornado, to repair the damage directly suffered by their colleagues and to support the region by signing up to a specific initiative introduced by Legacoop.

As a result of this initiative, just under €20,000 was collected from employees in Alfonsine and Larino. Fruttigel contributed a total of around €40,000 to these solidarity actions.



# OUR IDENTITY

## Reference values

*All of Fruttagel's activities are guided by these values:*



### Food health

Fruttagel's primary commitment is the health of consumers. The food they eat must guarantee their well-being



### Environment

Soil protection, respect for natural resources and energy savings are fundamental rules for Fruttagel



### Entrepreneurship

For Fruttagel, entrepreneurship is the production of shared value, interaction with the market, and innovation



### Cooperation

The cooperative model and practice are Fruttagel's historical roots, its social intentions, the desire for cooperation between workers inside and outside the plant



### Integration

Fruttagel seeks to increase the value of the food production chain and strives to balance the interests of its stakeholders



### Community

Fruttagel considers people as individuals with their own relationships, active in their physical and social environments



### Responsibility

Fruttagel believes we are all responsible not only for ourselves, but for the whole we are a part of

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## Fruttagel's Mission

*A leading player in the agro-industrial supply chain, one that typifies the cooperative ethos in production, processing and distribution for people's nutritional well-being*

**Nurture entrepreneurial**, professional and human relationships based on responsibility, participation, respect and transparency

**Consolidate the equity**, industrial and relational value of the company for current and future members and for the development of cooperation











**Achieve innovation**, service improvements and professional qualification to increase sector efficiency and competitiveness

**Adopt technological and organisational systems** that ensure the health of consumers and workers and the protection of the environment; contribute to the social development of local communities

**Demonstrate** that even in situations of considerable industrial complexity, you can do business while respecting people, their work, the competition and the market



# Key information

		2021	2022	Δ% 2022-21	2023	Δ% 2023-22
Member organisations		18	18	0%	18	0%
Agricultural raw materials supplied (tonnes)		102,618	94,189	-8%	81,296	-14%
Employees		842	842	+0%	823	-2%
Turnover €		132,319,441	146,419,480	+11%	155,118,078	+6%
Operating result €		27,575	1,157,610	+4.098%	2,741,817	+137%
Company capital €		16,031,233	18,031,233	12%	18,031,233	0%
Shareholders' equity €		54,497,599	57,684,856	+6%	59,711,903	+4%
% self-produced energy used (cogeneration plant)		29.5	35.6	+21%	32.4	-9%
% water recovered of total supply (purification plant)		12.7	8.5	-33%	9.4	+10%
Total rate of CO <sub>2</sub> emissions (tonnes of CO <sub>2</sub> /tonnes of raw materials processed)		0.12	0.14	+16%	0.14	+1%
Tonnes of CO <sub>2</sub>		28,547	29,334	+3%	26,942	-8%
Tonnes of finished product		235,465	209,192	-11%	190,361	-9%

## Plants



**Alfonsíne RA**  
(registered office)

*production of fruit juices and plant-based beverages, processing of vegetables and tomato*

**Laríno CB**

*processing of vegetables*



**Legacoop**

[www.legacoop.coop/quotidiano](http://www.legacoop.coop/quotidiano)



**Unionfood**

[www.unioneitalianafood.it](http://www.unioneitalianafood.it)



30 years of  
Work, respect and cooperation  
Happy birthday, Fruttage!



## Now we can say it

Thirty years of success culminating in a celebration of the pride and devotion of so many employees and their families, our members and the company's key stakeholders!

To celebrate this important milestone, Fruttigel organised the following events:

- 🍷 **OpenDay** at the **Alfonsine** plant
- 🍷 **Concert** offered to all citizens of Alfonsine
- 🍷 **Conference** on food waste and consumption models
- 🍷 **OpenDay** at the **Larino** plant (to be held on 7 June, and thus after this report is published).

On 6 April, the exact day of the 30th anniversary and the OpenDay in Alfonsine, Fruttigel experienced a wonderful and unforgettable day: **1,600 people** visited the Alfonsine plant through specially organised guided tours! There were dedicated stands for children and families to mark the 10th anniversary of the Ortilio project, flavour workshop to taste Almaverde Bio products, and a ceremony to celebrate 29 employees who have been with the company for 30 years.

A video greeting from the President of the Emilia-Romagna Region, **Stefano Bonaccini**, introduced the most poignant moment of the day, ending with a speech from the Prefect of Ravenna, **Dr Castrese De Rosa**, who presented an award to Andrea Burzacca and Fabiano Taglioni, two brave individuals who saved the life of a colleague in October 2023 by applying a defibrillator after she had a cardiac arrest while working.

The various initiatives described above, culminating in the food waste conference held in the wonderful setting of the Classis Museum in Ravenna, generated the same level of enthusiasm in all the stakeholders present, who complimented Fruttigel on the value and scale of the initiatives.

*“Fruttigel is, more than anything else, the people who work here ... and it is for those people, for their goodness and expertise, to guarantee the same successful future for the next generations, that we must continue, acting as responsible and sustainable cooperative members, and investing and managing Fruttigel in the best way possible.”*

These are the commitments made by the Chairman and the General Manager.

**We can only thank all our colleagues who have made this possible through their passion and commitment!!!!**

## Institutional and organisational model

FruttageL is a predominantly mutual cooperative company and is entered in the corresponding register in accordance with Article 2512 of the Civil Code. In the 2023 financial year, it has complied with all of the subjective requirements and objective conditions for predominantly mutual status laid down by Article 2513 of the Civil Code.

*The members of FruttageL are divided into two categories:*

**Cooperative grower members**, agricultural or land management cooperatives, which see FruttageL as a tool for completing the agro-industrial production chain and for the economic and strategic exploitation of the goods they produce on the market, of farms and of the work they do in general.

FruttageL's predominantly mutual status is demonstrated in the following table in accordance with Article 2513 of the Civil Code. FruttageL is classified as predominantly mutual because it is supplied with raw materials by its members to a greater extent than by non-members:

Demonstration of predominantly mutual status (tonnes)

Calculation of mutual level	2021	2022	2023
A) Contributions by members (agricultural raw materials and semi-finished goods)	76,549.94	66,097.56	55,044.08
B) Contributions by non-members (agricultural raw materials and semi-finished goods)	34,222.49	37,249.52	33,695.55
C) TOTAL	110,772.43	103,347.08	88,739.63
<b>Ratio (A)/(C)</b>	<b>69.11%</b>	<b>63.96%</b>	<b>62.03%</b>

**Non-grower members**, cooperatives that see FruttageL as a means of gaining a presence in the agri-foods supply chain, resulting in greater consumer protection and assurance.

The thing that brings these various entities together – and represents the reason why FruttageL exists – is the concept of “creating value” along the different stages of the agro-industrial supply chain by closely linking production and consumption.

## Ethics and supervision

FruttageL has established various methods for the development and consolidation of its corporate ethics, not only for those individuals who are part of the bodies and personnel with operational responsibilities and discretionary powers, but for the entire body of employees, external contractors and suppliers.

In 2009, FruttageL drew up a *Code of Ethics* (a tool for monitoring the behaviour of the various parties involved in the company) and established the **Ethics Committee**, which was tasked with implementing and disseminating that Code. It also drafted *The Membership Charter*, which relates more directly to employees. The Code and the Charter have their own bodies responsible for implementation and supervision. To ensure transparent governance, the Cooperative has had an **Organisational and Control Model (MOG)** in place since 2008, pursuant to Legislative Decree No 231/2001. This model uses a risk assessment to identify the areas of operational activity exposed to the risk that offences and crimes could occur and to put in place the appropriate operational procedures.

The adoption of the MOG underlines FruttageL's determination to operate ethi-

cally, by developing control measures in relation to workplace safety, environmental offences, corporate offences, acts of corruption involving both public and private entities, and human rights.

The MOG is constantly updated to incorporate new predicate offences introduced by the legislature – with an assessment of their impact on the company’s operations – and to incorporate changes in governance that might occur over the years. The activities associated with verifying compliance with the procedures laid down in the MOG and the adequacy of that model are entrusted to a *Supervisory Board* (ODV) composed of three members appointed by the Board of Directors. According to the provisions of Legislative Decree No 24/2023 (the whistleblowing decree), reports to the Supervisory Board of any conduct not in line with the requirements stated in MOG must be made using an IT procedure that guarantees the anonymity of the person reporting, managed by a third party.

As will be seen later in the text, Fruttage’s operational horizon includes a topic of considerable importance and one that is closely linked to the subject of business ethics: risks and how they are managed.

There are at least two reasons why this issue must be addressed: the increase in uncertainty that has already been widely discussed, and the legislative guidelines that are still being drafted by the EU. In fact, a directive now under discussion incorporates an obligation of due diligence, namely the identification of risk effects sustained or generated by the company. This is why the subject of ‘Risks’ has been included in Fruttage’s Sustainability Plan, as we will see below.

With regard specifically to the operations of the audit bodies, the primary data of relevance are as follows;

- with regard to the Ethics Committee, which is intended to oversee the application of the requirements laid down in the Code of Ethics, this body met three times in 2023 (*and a further five times for discussions on the project for dissemination of the Code – see details of its activities in Section Three*);
- for information about the specific activities planned by the Ethics Committee and for an in-depth examination of the related processes, please refer to analysis sheet 7;
- with regard to the Supervisory Board required by Legislative Decree No 231/2001, this body is responsible for assessing whether the procedures that the company adopts comply with the provisions of the MOG 231, Special Section. The procedures to be assessed relate mainly to relationships with public bodies for the receipt of grants and both asset and liability business activities.

During the 2023 financial year, no reports were received by the Supervisory Board concerning conduct inconsistent with the MOG. In 2023, the Supervisory Board met on three occasions and performed the following activities:

<b>Issues</b>	<b>Information provided to executive management</b>	<b>Finding verified</b>
<b>Operational audit:</b> organisational changes and impacts on the MOG	Need for meeting to assess all impacts.	Significant impact on the organisational model
<b>Operational audit:</b> Legislative Decree No 24/3023, impacts on the MOG	Need to implement a whistleblowing procedure in compliance with the legislation	Need to adapt the Model to the legislation
<b>Operational audit:</b> meeting with management on organisational changes	Reorganisation of powers of attorney and proxies	Need to adapt the organisational model
<b>Meeting</b> with the other corporate audit bodies (Board of Statutory Auditors and audit company)		No significant events in relation to offences under Legislative Decree No 231/2001

# The story of Fruttigel's social responsibility

*This is how it has grown*

## 2006

### 2006

Fruttigel launched a real social responsibility programme with the first definition of the company's mission/vision, through the involvement of a large working group drawing on staff from across the company, from managers to second lines, while it was also drafting the first strategic plan.

### 2008

Social responsibility report "number zero", an experimental document, was drafted for internal circulation only.

### 2009

Several focus groups were run among workers from various areas and levels in order to prepare the first true social responsibility report to be made public. That same year, the Code of Ethics was drawn up and the Ethics Committee was created.

### 2010

Alongside an in-depth review of management methods, which was dictated in part by stringent questions associated with economic and financial equilibrium, the

second social responsibility report was drafted and presented, ending the "experimental period" for CSR policies.

### 2011

The document was restructured, with the introduction of the "intangibles" section covering the reporting of non-economic assets (human, structural, relational) held by Fruttigel. The practice of dual-presentation was launched: at the Alfonsine head office and at the Larino plant.

### 2012

Now in its fourth edition, the social responsibility report was supplemented by the introduction of the "Area Objectives Horizon" summary.

### 2013

This year saw an important methodological adjustment, with the decision to present the social responsibility report at the same time as the financial statements

(which took place in May 2014). An "internal" version of the report was drafted, more closely coordinated with the business plan, which in 2013 was in its second version.

### 2014

The social responsibility report took on a definitively public form, which was also distinguished by its design appearance. A new "closing of the cycle" was approaching, with reflection on two fundamental aspects: the "validation" of the document by a certification body and greater adherence to international reporting standards.

### 2015

The financial year was marked by the preparation of the first sustainability plan. The report on 2014 indicated the main steps to be taken to achieve the desired outcome.

## 2016

The criterion for identifying stakeholders was further developed and the materiality matrix was refined.

An aspect yet to be completed was the stakeholder engagement process, which could only be partially implemented.

## 2017

The salient aspects concerned stakeholder consultations, the corresponding checking and updating of the sustainability plan, and its integration into the business plan.

A further important aspect was the drafting and launch of the Membership Charter.

## 2018

The highlight of 2018 was the review of the Code of Ethics, completed in early 2019.

## 2019

Between the end of 2018 and 2019, Fruttigel received some significant awards related to sustainability and CSR, significantly increasing its reputation as a company strongly committed to these issues:

- **National Library Award for Corporate Social Responsibility Report;**
- **Responsible Innovators Award from the Emilia-Romagna Region;**
- **“Winning Companies” programme promoted by the bank Intesa San Paolo:** special recognition for the top eight Italian excellence successes of the Emilia-Romagna, Marche, Abruzzo and Molise areas.

## 2020

Bureau Veritas further improved its rating in the report/approval of what Fruttigel has achieved in accordance with ISO 26000 certification.

## 2021

The company initiated sustainability reporting according to the “core” option of the GRI standard.

## 2022

Dissemination of the Code of Ethics and initial actions to adapt to the new GRI standard.

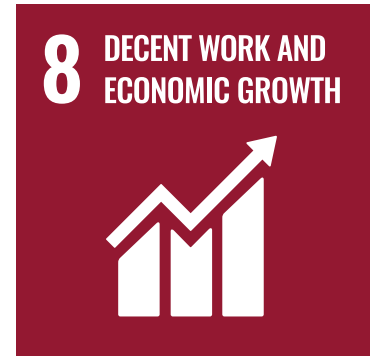
# 2023



**UN 2030  
Agenda  
for sustainable  
development**  
*giving life  
a future and  
the future value*

**SDGS  
Sustainable  
Development Goals**  
17 Goals  
169 Targets

**The main references  
for Fruttigel**





## Services, processing, market



## UN 2030 Agenda for sustainable development The UN says:

### Goal 2

*“...improve nutrition and promote sustainable agriculture”*

#### Target 2.4 By 2030

Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters, and that progressively improve land and soil quality

### Goal 3

*“... ensure healthy lives and promote well-being for all at all ages”*

#### Target 3.9 By 2030

Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination

### Goal 12

*“Ensure sustainable consumption and production patterns”*

#### Target 12.4 By 2030

Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment

*The values in our main investments in recent years: production and optimisation of the supply chain*

**Soy extraction plant** benefits for producers, product quality, efficiency

**Sand separators and optical sorting:** quality and efficiency

**Compostable pack:** Biodegradable bag, UNI EN 13432 certified

**New root vegetable processing line in Larino:** increased processing capacity, waste reduction, efficiency and quality

**Three new pea harvesting machines:** lower fuel consumption, quality, efficiency

**New Tetra Crystal® packaging lines, 200 format,** using paper made from less plastic and aluminium

**New beverages without added sugar and with low sugar content**

**Promotion of aseptic production:** refurbishment of the large-size Tetra department, new Tetra edge line, new pasteurisation plant, decommissioning of the PET department

**Analysis of solutions for the management and promotion – with a view to circularity – of by-products and processing waste**

**New freezer and compressors** (processing of frozen vegetables)

## Services to grower members and monitoring of the supply chain

### *Fruttage! – Producers*

#### *Sharing:*

*planning, objectives, rules, investments*

#### *Retention:*

*lasting mutual utility, common purposes, industrial and research investments*

#### *Specialisation:*

*innovation, product quality, market, farming vocation*



The strategic development relationships and expectations that Fruttage! intends to build with its grower members will be illustrated extensively in the final section of this report.

In this section we will simply highlight the important and consolidated “operational” activities that continue to characterise the relationship with growers.

The main activities and services managed and/or supplied by Fruttage! to its growers (through the Agronomy Area) are:

- purchase of seeds from the main Dutch and American multinational companies, requesting “GMO FREE” certification;
- availability of 13 harvesting machines, including seven for borlotti beans and peas (between the end of 2019 and 2020, two new high-performance pea/borlotti bean machines were purchased, making it possible to scrap three obsolete machines), four for green beans, and two for leafy products (spinach, chard and chicory);
- transportation of vegetables from the fields to the plant paid by Fruttage! (fruit and tomatoes are handled directly by the growers).

## Sowing



1

## Checking



2

## Harvesting



3

## Checking



4

## Transporting to the plant



5

## Processing



6

The sampling and checking activities that Fruttagel carries out merit a more in-depth examination.

In the pre-harvesting phase, **sampling** for pesticides is carried out using specific plans, depending on how difficult it is to reach certain residues in the raw material for the species:

- **peas:** 100% sampling of farms for organic products and 10% for conventional crops (these have a low degree of cultivation difficulty);
- **green beans:** 100% sampling of the product;
- **leafy products:** 100% sampling (degree of difficulty mainly due to the presence of insects);
- **borlotti beans:** 100% sampling of the product;
- **organic:** 100% pre-harvest sampling (as per EU rules).

Management of the **checks** on agricultural raw materials can be characterised as follows:

### Vegetables

Fruttagel purchases the vegetable seeds (which it sells to its members) and agrees on a seeding and harvesting plan according to precise specifications, which prescribe the technical and organoleptic characteristics of the product according to the requirements of the specific client.

Fruttagel engineers periodically check the progress of the product's cultivation. In the pre-harvesting phase, the Quality Department (Pesticides Laboratory) drafts a sampling plan to verify compliance with the specifications and cultivation times. Once the product is ripe, harvesting and transportation are organised.

The supply prices are set the year prior to the year of cultivation, according to supply specifications related to the quality level required for freezing and based on the forecast market trends.

### Tomatoes

Agronomic assistance for production is entrusted directly to the POs (Producer Organisations), and Fruttagel is only responsible for the product from the point when it is supplied until processing has been completed.

### Fruit

Daily or weekly supply schedules are prepared to enable constant updates of requirements on the basis of market price trends.

The checks on fruit and tomatoes are carried out by sampling only at the point when they are supplied or purchased.

### Processing

The production lines represent a key point in determining the quality of the finished product.

The following section describes the main characteristics of Fruttagel's two production lines: cold line for frozen vegetables and hot line for fruit juices and tomato products.

### Processes on the cold line

The cold line consists of the operations involved in the processing of leafy products (spinach, chard, chicory, beet tops), green beans, peas and Borlotti beans, as well as mixing vegetables for minestrone, the packing lines for frozen foods and the tomato production line for frozen cubes. The cold lines work alternately for about ten months a year, except for the frozen packaging line, which operates on a continuous basis.

The Larino plant only has cold-line processing, with a line for processing leafy products (spinach, chicory, chard and beet tops) and for processing courgettes and carrots into slices and cubes, celery into cubes, savoy cabbage, leeks, potatoes, broccoli, cauliflower and asparagus. Since 2019 there has been a new complete root vegetable processing line, which has significantly increased processing capacity. The plant also has a line for grilling eggplant, courgettes, peppers and potatoes, and a line for processing and packaging asparagus.

### Processes on the hot line

The hot line includes the processing of fruit into juices and nectars (apricots, peaches, pears and apples), tomato processing (pulp and puree (passata)), and processing of plant-based drinks (in particular soy, oat and rice) in various types of packaging, sizes and formulations. For products sourced from grower members and those arriving as semi-finished products in frozen barrels or zero-degree tanks, Fruttigel carries out checks to ensure that quality assurance for processing is not compromised. Pesticide checks are carried out on each incoming raw material. For tomatoes, which Fruttigel is also responsible for growing, these checks are also carried out in the field to further validate their quality.

### Organic products

The quantity of organic vegetables and fruit certified in 2023 represents 24.7% of total ARM (agricultural raw materials) processed.

The quantity of organic tomatoes processed in the year fell significantly in percentage terms compared to the total quantity of tomatoes processed in the previous year (from 48% in 2022 to 34% in 2023) primarily because of the weather events occurring May and July 2023. Vegetables decreased by a few percentage points, fruit fell by 5 percentage points due to commercial dynamics, and plant-based drinks decreased by about 20%, again due to commercial reasons. Overall, these figures represent a consolidation of Fruttigel's role as the leading processor of organic raw materials in Italy.

#### Agricultural raw materials (ARM) processed in the three-year period (tonnes)

ARM	2021	2022	2023
Total ARM	102,617.8	94,189.4	81,296.0
Total organic ARM	26,858.9	30,337.2	20,100.5
<b>% Organic of TOTAL ARM</b>	<b>26.2</b>	<b>3.2</b>	<b>24.7</b>

#### Vegetables in the three-year period (tonnes)

ARM – vegetables	2021	2022	2023
Total ARM	46,229.0	46,944.7	42,658.2
Total organic ARM	9,177.3	11,066.9	8,555.9
<b>% Organic of TOTAL ARM</b>	<b>19.8</b>	<b>23.6</b>	<b>20.1</b>
Semi-finished vegetables (including purchased)	2021	2022	2023
Total semi-finished	40,483.0	38,034.2	36,403.2
Total organic semi-finished	8,236.5	7,833.3	7,949.9
<b>% Organic of TOTAL semi-finished</b>	<b>20.4</b>	<b>20.6</b>	<b>21.8</b>
Finished products – vegetables	2021	2022	2023
Total FP	39,582.9	37,081.0	35,485.5
Total organic FP	7,291.4	6,705.1	6,463.6
<b>% Organic of TOTAL finished products</b>	<b>18.4</b>	<b>18.1</b>	<b>18.2</b>

ARM = agricultural raw material

#### Tomatoes in the three-year period (tonnes)

ARM – tomatoes	2021	2022	2023
Total ARM	44,808.1	35,406.0	29,743.8
Total organic ARM	15,949.0	17,013.1	10,282.8
<b>% Organic of TOTAL ARM</b>	<b>35.6</b>	<b>48.1</b>	<b>34.6</b>
Semi-finished tomatoes (including purchased)	2021	2022	2023
Total semi-finished	52,658.1	45,217.3	42,331.2
Total organic semi-finished	18,267.3	19,763.9	14,702.4
<b>% Organic of TOTAL semi-finished</b>	<b>34.7</b>	<b>43.7</b>	<b>34.7</b>
Finished products – tomatoes	2021	2022	2023
Total FP	35,101.9	30,644.5	30,706.6
Total organic FP	11,408.3	11,011.9	9,866.5
<b>% Organic of TOTAL finished products</b>	<b>32.5</b>	<b>35.9</b>	<b>32.1</b>

#### Fruit in the three-year period (tonnes)

ARM - fruit	2021	2022	2023
Total ARM	11,580.8	11,838.7	8,894.0
Total organic ARM	1,732.5	2,257.2	1,261.8
<b>% Organic of TOTAL ARM</b>	<b>15.0</b>	<b>19.1</b>	<b>14.2</b>

Semi-finished fruit and tea (including purchased)	2021	2022	2023
Total semi-finished	19,731.7	17,026.7	14,625.3
Total organic semi-finished	3,763.0	2,646.4	2,169.3
<b>% Organic of TOTAL semi-finished</b>	<b>19.1</b>	<b>15.5</b>	<b>14.8</b>

Finished products - fruit and tea	2021	2022	2023
Total FP	56,292.7	51,365.8	44,196.0
Total organic FP	6,274.4	4,929.1	4,406.7
<b>% Organic of TOTAL finished products</b>	<b>11.2</b>	<b>9.6</b>	<b>10.0</b>

#### Organic plant-based beverages (oat, soy and rice) in the three-year period (tonnes)

ARM	2021	2022	2023
Total ARM	1,262.5	1,487.1	1,090.8
Total organic ARM	905.5	1,104.4	565.2
<b>% Organic of TOTAL ARM</b>	<b>71.7</b>	<b>74.3</b>	<b>51.8</b>

Semi-finished products (including purchased)	2021	2022	2023
Total plant-based beverages	11,047.7	12,468.1	10,718.5
Total organic plant-based beverages	9,004.6	10,065.8	7,215.8
<b>% Organic of TOTAL semi-finished</b>	<b>81.5</b>	<b>80.7</b>	<b>67.3</b>

Finished products	2021	2022	2023
Total plant-based beverages	14,205.5	14,951.76	12,754.8
Total organic plant-based beverages	9,855.5	10,328.3	7,149.5
<b>% Organic of TOTAL finished products</b>	<b>69.4</b>	<b>69.1</b>	<b>56.1</b>

The tables provided above show the quantity of agricultural raw materials entering the plants, semi-finished products including purchases, and products leaving that have undergone a processing and packaging process,

## Marketing

Fruttage is a company that produces primarily distributor-label food products. Some of its activities are also focused on the own-brand market.

Fruttage generates its sales mainly through the following channels:

- Distribution to end-consumers;
- Distribution for the restaurant and catering industry;
- Distribution for large-scale catering (school and non-school);
- Door-to-door distribution;
- Supplies for industrial production;
- Dedicated online portal <https://www.fruttaweb.com/> for the sale of Almaverde Bio fresh fruit and vegetables and grocery products.

## Brands

The brands that Fruttage

*manages directly are:*

### *Almaverde Bio*

for frozen vegetables, side dishes and soups, fruit beverages and juices, plant-based beverages, tea, puréed (passata) and chopped tomatoes, sauces and pestos, pickles and products preserved in oil, tinned cereals and pulses;

### *Sucor*

for conventional frozen vegetables;

### *Il Giardino dei Sapori*

an 'umbrella' brand that brings together and promotes grocery products in domestic and international markets (tomato passata, plant-based beverages, nectars, 100% juices and fruit beverages, teas).



## Sales by product line

### Overview of the market

After a 2022 characterised by uncertainties and negative cost and market effects related to the pandemic and the war in Ukraine, combined with a severe climate crisis that significantly affected the procurement of domestically sourced raw materials, 2023 was again a particularly dramatic year.

The extraordinary weather events that affected us significantly, albeit indirectly, causing worry and anxiety, resulted in the loss of days of production and, above all, of significant quantities of raw material that FruttageL then had to purchase on the market to serve its customers, at significantly higher cost. All of this took place against a backdrop of continued high inflation overall and considerable uncertainty on the consumption front linked to the general economic situation in Italy.

Despite the complicated scenario, FruttageL's turnover for 2023 amounted to €155 million. This result, which is up sharply compared to the 2022 financial year (+ €11 million), can be attributed to the increase in the list prices of our products, which was achieved in 2022 as a result of the very sharp rise in the costs of energy (gas), packaging, raw materials, etc. that the company had to address.

### Fruit juices, beverages and nectars

*\*Source:  
IRI FY 2023  
Channels: Total Italy  
+ Discount + C&C*

*\*\*Source:  
Formind*

As far as the consumer-facing distribution channel is concerned, in 2023 the Italian market for beverages, juices and nectars with 25% to 100% fruit content was negative overall in volume (-6%) compared to 2022\*. Like other food sectors, this market is increasingly affected by wellness and health trends. As a result of this, the "no added sugar" segment is the only one showing positive performance, at the expense of standard formulations.

With regard to the retail channel, FruttageL has been picking up on this trend for some years now through the intensive work carried out by its R&D teams, which has led to the formulation of recipes with high fruit content and no added sugar. Therefore, in addition to offering fruit beverages differentiated by target (children/adults) under our own Almaverde Bio and Il Giardino dei Sapori brands, we have been increasingly developing our distributor-label offering: this expansion, combined with the revision of our price lists, has made it possible to achieve positive turnover for the segment despite the reduction in volumes sold.

In relation to performance in the restaurant and catering channel\*\*, 2023 – which was characterised by particularly unfavourable weather in the period from April to mid-June, which in fact delayed the start of the summer season, along with an increase in consumer prices and reduced purchasing power for consumers – saw a slowdown in consumer demand but growth in value, and confirmation of a particular consumer focus on health and wellness (premium, organic, no added sugar, etc.).

FruttageL managed to consolidate its turnover in this channel despite a decline in volumes.

### Plant-based beverages

*\*\*\*Source:  
IRI, AT December 2023  
Channels: Total Italy + Discount*

On the plant-based beverages front, the market in 2023 showed a stable trend in terms of volume and an increase in value (+ 5%)\*\*\*. The soya, rice and almond segments show a decrease of -2%, -8% and -4% respectively, while the oats segment, which accounts for 28% of the sales volume of plant-based beverages, grew by double figures (+ 19%).



With regard to the trend in plant-based drinks, Fruttage! closed the year with a slight drop in volume but strong growth in value, thanks to the development of new formulations.

### Tomato products

\*\*\*\*Source:  
IRI FY 2023  
Channels: Total Italy  
+ Discount + C&C

In 2023, conventional tomato products showed a slight increase in volume (+ 3%) and an increase in value of + 17% compared to 2022, with a significant increase in the average price (€2.16/kg, + 13% vs FY 2022)\*\*\*\*. Tomato puree (passata) and pulp represent the main segments and both show a positive trend in volume (passata + 5%, pulp + 2%).

The trading of tomato products has been very complex, due to the combination of adverse climatic factors mentioned above and significant inflationary pressure. These factors led to new list negotiations: Fruttage! achieved stable results in terms of volume and a significant increase in value of 21% in this segment.

### Frozen vegetables

In 2023, frozen vegetables were confirmed as the leader in terms of consumption of frozen food, the result of increasingly conscious and balanced food choices. With 215,695 tonnes consumed in 2023 (compared to 213,345 tonnes in 2019), vegetables grew by + 1.1%, proving to be a valuable ally of those who value wellness and high nutritional content, but also of those who are inclined to choose more and more plant-based proteins. Fruttage!'s sales volumes were down in 2023 compared to 2022, but turnover was up by 6.6%.

### Organic

\*\*\*\*\*Source:  
Health Watchdog – Nomisma  
AT July 2023

In 2023 (as of July 2023), organic food sales in the domestic market (household and restaurant and catering consumption) exceeded €5 billion and accounted for 4% of global organic retail sales. Driving market growth again in 2023 was restaurant and catering consumption, which came close to €1.3 billion, marking growth of + 18% compared to 2022, linked to the leap forward in prices plus increased opportunities for consumption.

What is fundamental, however, is the recovery of domestic consumption, which has rebounded by + 7% after last year's slight drop (-0.8% in value compared to 2021). Again, this growth is primarily caused by the inflationary drive of the last year\*\*\*\*\*.

Fruttage!'s organic sales for 2023 of €38,818,000 remained stable in retail and increased in restaurant and catering compared to the previous year.

#### Fruttage! sales invoicing by product line: trend: 2021-2023

Sales invoicing/000	2021	%	2022	%	2023	% of total invoicing for 2023
Fruit juices, fruit beverages, plant-based beverages and teas	50,677	38.3	55,239	37.7	55,767	36%
Frozen vegetables	62,929	47.6	67,271	45.9	71,707	46.2%
Tomato products	16,670	12.7	20,861	14.2	25,273	16.3%
Other income	2,043	1.5	3,048	2.2	2,371	1.5%
<b>TOTAL</b>	<b>132,319</b>	<b>100</b>	<b>146,419</b>	<b>100</b>	<b>155,118</b>	<b>100</b>

Source: Financial statements, 2023 financial year

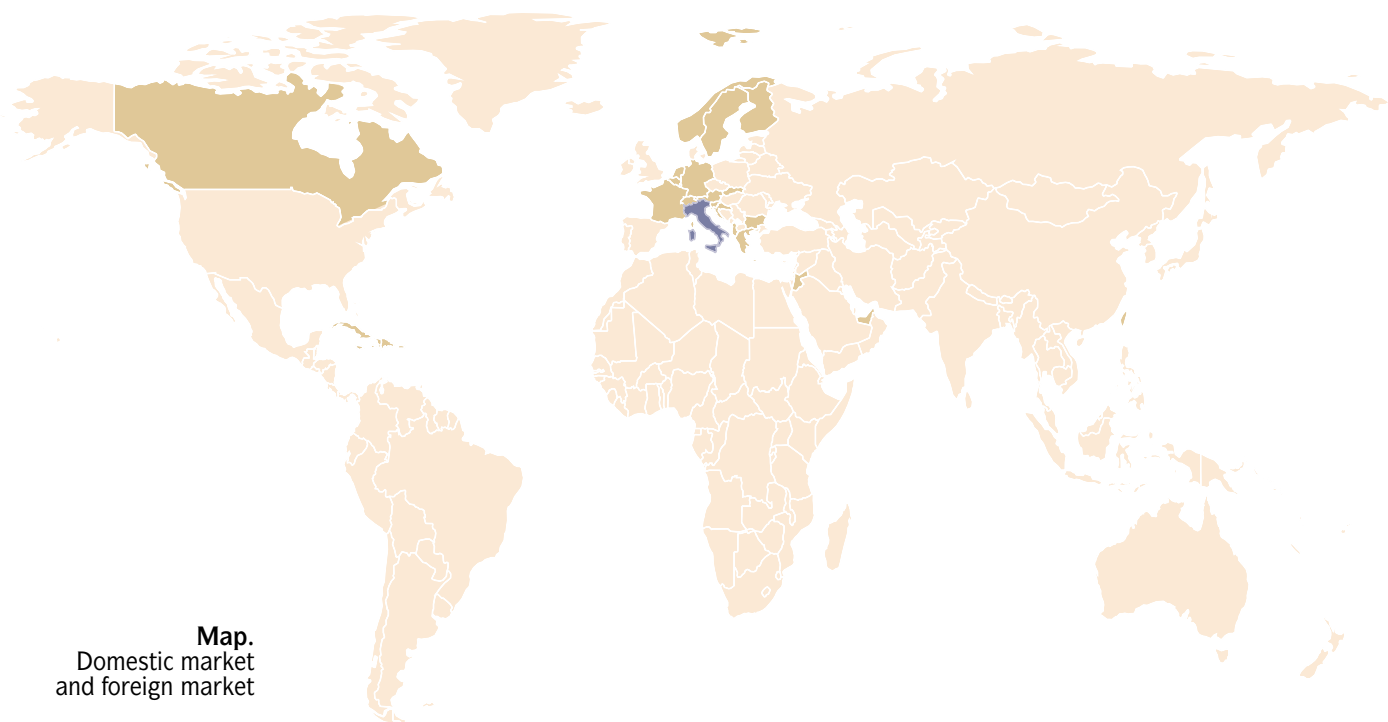
Foreign sales invoicing, also considering invoicing in Italy but for products intended for abroad: trend 2018-2020 (% of total invoicing)

Foreign invoicing/000	2021	%	2022	%	2023	% of invoicing per line in 2023 and of total invoicing for 2023
Fruit juices, fruit beverages, plant-based beverages and teas	531	1.0	585	1.0	487	0.9
Frozen vegetables	1,736	2.7	1,337	2.0	1,329	1.9
Tomato products	6,078	36.5	8,428	40.3	10,295	40.7
Other income	0	0	0	0	0	0
<b>TOTAL</b>	<b>9,036</b>	<b>6.9</b>	<b>10,350</b>	<b>7.0</b>	<b>12,111</b>	<b>7.7</b>

It should be noted that the total foreign market is composed for the most part of tomatoes and in this breakdown, exports account for more than 40% of the total.

Foreign invoicing for 2022 and 2023

Organic	2022 invoicing/000	% of total foreign invoicing for 2022	2023 invoicing/000	% of total foreign invoicing for 2023
Fruit-based beverages and juices line	47	0.5	32	0.3
Plant-based beverages line	323	3.1	296	2.5
Tomato line	3,232	31.2	4,497	37
Frozen line	931	9	1,049	8.7
<b>TOTAL</b>	<b>4,533</b>		<b>5,875</b>	
Non-organic	2022 invoicing/000	% of total foreign invoicing for 2022	2023 invoicing/000	% of total foreign invoicing for 2023
Fruit-based beverages and juices line	203	1.9%	157	1.3
Plant-based beverages line	12	0.1%		
Tomato line	5,196	50.2%	5,798	47.9
Frozen line	406	3.9%	280,424	2.3
<b>TOTAL</b>	<b>5,817</b>		<b>6,235</b>	
<b>GRAND TOTAL</b>	<b>10,350</b>		<b>12,111</b>	



#### Countries making up the foreign market

Countries 2023	Sales	Export share of total	Countries 2023	Sales	Export share of total
Albania	€3,692	0.03%	Israel	€197,039	1.62%
Austria	€1,002,964	8.28%	Italy*	€895,216	7.39%
Belgium	€1,656,245	13.67%	Liechtenstein	€152,762	1.26%
Bulgaria	€273	0.002%	Norway	€74,468	0.61%
Canada	€156,199	1.28%	Holland	€48,240	0.39%
Croatia	€39,101	0.32%	Romania	€1,084	0.008%
United Arab Emirates	€12,028	0.09%	San Marino	€12,180	0.10%
Finland	€1,098,769	9.07%	Slovakia	€11,888	0.09%
France	€1,510,032	12.46%	Slovenia	€37,290	0.30%
Germany	€1,706,459	14.08%	Sweden	€3,433,695	28.35%
Greece	€51,238	0.42%	Taiwan	€10,322	0.08%
			<b>TOTAL</b>	<b>€12,111,195</b>	<b>100</b>

\* Sales invoiced abroad to Italy

## Communication

The issue of what we want to communicate and how to do it, which has been addressed across the company by areas including those described in the Section Three of this report, has been the focus in recent years of considerable careful attention.

### Corporate communication

To describe our work, our values and our innovations and products to the various Fruttage! stakeholders, we have implemented a range of tools:

- **in-house publication and periodic communications** intended for employees, in particular using digital media;
- **newsletters and information** for Italian and foreign customers, regarding major product innovations and participation in industry trade exhibitions;
- **corporate website [www.fruttage!.it](http://www.fruttage!.it)**;
- **official social media** to enable regular communication with end users in order to promote and clarify the company's corporate image, philosophy, brands and products.

Since July 2023, in addition to the company Facebook page, an official Fruttage! page has been activated on the professional platform LinkedIn;

- **articles on company trends and specific projects/initiatives** in the local press (Ravenna and Molise), articles, advertorials and participation in market surveys in trade magazines.

In recent years, our internal and external communication activities aimed at the various stakeholders have been implemented primarily through digital channels, which have made it possible to maintain a direct dialogue, while drastically reducing the use of paper-based printing: in 2023 we reduced the letterpress printing of institutional and commercial documents by 10% compared to 2022, which had already been significantly reduced (-30%) compared to 2021.

In addition, we now use FSC-certified recycled paper for all letterpress printing of corporate and commercial materials. Since 2021, recycled paper is also used for all internal uses, printers and copiers.



Website image

## Social media

The year 2023 saw the company's Facebook page reach the 10,000-follower milestone, with a further increase to 10,398 by the end of December.

Fans are very engaged with the content posted and the total number of actions on the posts is 39,893, including likes, shares, reactions and comments. This figure is a further increase of 19% compared to 2022.

During the year, content was viewed by 540,110 different people.

There were 164 Facebook posts published, broken down as follows:

**71 corporate content**

**54 content on Almaverde Bio**, including posts in cooperation with the Almaverde Influencer Project

**39 business-related content.**

Since July 2023, social media activities have been supplemented by a strategic path on the professional platform LinkedIn, associated with corporate, product-related and functional content aimed at developing a solid B2B network for the company. This also involves the contribution of key company figures involved in the re-sharing of news published on this platform.

The page has grown significantly since publication was initiated and in six months has registered 1,459 new followers and thus a total of 6,367, the majority in the Food & Beverage and Agriculture sectors.

In terms of numbers, the content has performed very well and was viewed 96,100 times, getting 5,266 clicks on the links posted and a total of 7,630 interactions with the posts published.

Linkedin image



Facebook image





Multi-product social media campaign (FB + IG)



Food Blogger Instagram campaign

## Activities to promote the Almaverde Bio brand

During 2023, we invested in a number of initiatives aimed at promoting the Almaverde Bio brand, especially in relation to the latest product launches:

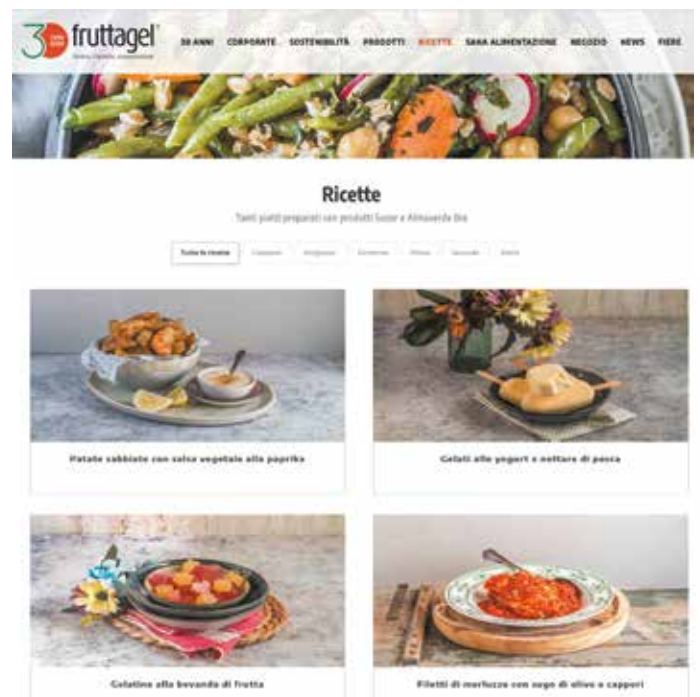
- **new range of fruit drinks without added sugar in 200 ml glass bottles;**
- **grilled vegetables with carrots in a 450 g compostable bag.**

The main activities carried out include:

- **multi-product social media campaign (FB + IG)** nationwide to promote Almaverde Bio frozen and grocery products produced and/or marketed by Fruttagel;
- **multi-product campaign on the Instagram pages of food bloggers** through the involvement of selected influencers from the food world. The campaign aimed to promote awareness of specific products with the ultimate goal of generating purchases on the online shop ([www.fruittaweb.com](http://www.fruittaweb.com)) and at distribution outlets;
- **drafting of articles** in cooperation with a nutritionist dedicated to fruit drinks without added sugar and the range of frozen vegetables and soups, with specific focus on the new mix Grilled vegetables with carrots, and canned legumes. The articles were published in the **Sana Alimentazione** (Healthy Nutrition) section of the Fruttagel website ([www.fruittagel.it/sana-alimentazione](http://www.fruittagel.it/sana-alimentazione));
- **advertorials and display advertising** dedicated to Fruttagel's frozen and grocery offering under the Almaverde Bio brand;
- **creation of recipes** based on Almaverde Bio items produced and/or marketed by Fruttagel by Tiziana Moltis, food blogger and food photographer and author of the blog "L'ombelico di Venere", published in the Recipes section of the Fruttagel website ([www.fruittagel.it/ricette/](http://www.fruittagel.it/ricette/));



Healthy Nutrition on the Fruttagel site



Creation of recipes on the Fruttagel site



- activities for the promotion of the Almaverde Bio brand aimed at the trade (contributions for point-of-sale communication, promotional leaflets, etc.).

### Trade fairs and exhibitions

In the course of 2023, FruttageL attended in the main sector events in Italy and abroad (Marca Bologna, Biofach Nuremberg, Gulfood Dubai, PLMA Amsterdam, Anuga Cologne and PLMA Chicago) through both an individual presence and a contribution to the collective entities to which it belongs (Almaverde Bio Consortium and the Romagna Coop Food business network). These occasions represent fundamental networking opportunities with customers and potential customers, and a showcase for the company and its major product innovations.

### “From the field to the counter with Ortilio” educational project

For FruttageL, education and communication mean committing to:

- 1) offering our customers new good, healthy products that can be combined with a healthy lifestyle;
- 2) increasing customer and consumer awareness of the factors involved in proper nutrition and sustainability (especially for children);
- 3) promoting the consumption of organic products.

In relation to education, FruttageL is involved for the ninth consecutive year in a major food education project in the Emilia-Romagna region aimed at primary school classes in the municipalities around the Alfonsine plant.

Starting from the 2019/2020 school year, the educational project is also aimed at primary schools in the Molise region, specifically in the municipalities around Larino (where FruttageL has a production plant), areas that have indicated a strong interest in participating in the initiative.

Implemented each year since 2014, the educational project “From the field to the counter with Ortilio” aims to promote healthy lifestyles and correct, balanced eating habits through discussion and reflection both at school and



#### school year 2021/2022

- 75 primary school classes in the municipalities of Alfonsine, Ravenna, Argenta, Lugo and Bagnacavallo
- + 20 primary school classes in the municipalities of Larino, Guglionesi, Montorio nei Frentani, Portocannone, San Martino in Pensilis, Ururi and Termoli



#### school year 2022/2023

- 75 classes in the municipalities of Alfonsine, Argenta, Bagnacavallo, Fusignano, Longastrino, Lugo, Mezzano and Ravenna
- + 40 classes in the municipalities of Campomarino, Guglionesi, Larino, Portocannone, San Martino in Pensilis, Termoli and Ururi



#### school year 2023/2024

- 75 classes in the municipalities of Alfonsine, Argenta, Bagnacavallo, Conselice, Fusignano, Lugo, Ravenna
- + 40 classes in the municipalities of Campomarino, Guglionesi, Larino, Montorio nei Frentani, Petacciato, Portocannone, San Martino in Pensilis, Termoli, Ururi

within the family, promoting the quality and wholesomeness of the food chain and encouraging environmentally friendly behaviours.

As part of the project, the classes are offered a contest every year featuring different themes relating to promotion of fruit and vegetable consumption. The following are the most recent educational contests completed:

**2021: “The Traditional recipe Book”** aims to stimulate discussion on the use of fruit and vegetables in the preparation of traditional local recipes.

**2022: “CibARTE”** promotes fruit and vegetable consumption through creativity, art and creative recycling.

**2023: “4 steps into the future”** wants to promote environmentally friendly behaviour, an in-depth look at the topic of climate change and the impact of our current and future diet on the planet in primary schools.

Full details of the initiative can be found on the project website: [educational.fruttage.it](http://educational.fruttage.it).



## Istituto Alberghiero “Bartolomeo Scappi” initiatives

### Istituto Alberghiero “Bartolomeo Scappi” sponsorship Castel San Pietro Terme (BO)

In 2023 Fruttage signed a three-year cooperation agreement with the Istituto Alberghiero “Bartolomeo Scappi” hotel training school in Castel San Pietro Terme, aimed at promoting the Almaverde Bio brand, as part of a number of initiatives carried out by the school. Below are the details of the activities:

#### Concorso Internazionale Bartolomeo Scappi

An initiative that involves several hotel training schools both nationally and internationally, with the aim of creating a system through an integrated pathway aimed at improving professionalism and quality of restaurant service, the discovery and appreciation of the local area’s gastronomic traditions, and the dissemination of typical agri-food products.

#### Food Issues Project

Initiative aimed at promoting in-depth analysis of current topics related to the world of food.

## Initiatives against food waste

### Joining the Waste Watcher Observatory and the “Label Aware” initiative

Fruttage’s decision to work with the **Waste Watcher Observatory** as of 2021 was an easy and natural one.

The Observatory’s objectives on reducing food waste, conscious consumption, food well-being and, in general, a broadening of consumer knowledge and culture on these issues, immediately appeared to us as an extraordinary opportunity for further development and growth of a “sensitivity” that the company had already taken on board, in practice and through specific projects, reporting the associated effects in its Sustainability Report.

Fighting food waste means first of all taking action on a “cultural and consumer knowledge” level, an aspect that Fruttage has been involved with since 2014 through the food education project called **“Educational: from the field to the counter with Ortilio”**, which we have reviewed in this report.





But it also means taking action on the types of products that the company makes. Approximately half of Fruttage's turnover comes from the production of frozen vegetables, namely those using the most natural preservation system, in formats ranging from 300 g to 2 kg (for the retail market).

On the "ambient" front (juices, beverages and tomatoes), we process typical fresh fruit and tomatoes drawn entirely from our own local areas, in formats ranging from 200 ml to 1.5 litres.

In both cases, the decision to diversify and implement the range of packaging formats was made specifically to capture and guide the needs and purchasing choices of consumers towards product quantities that, based on the composition of households, are best suited to limit as much as possible the risks of food waste.

Lastly, returning to the subject of knowledge and awareness about how to consume products, Fruttage, in cooperation with **Too Good to Go**, has promoted the "**Label Aware**" campaign through its own-brand products, with the aim of increasing consumer knowledge of the real meaning of the "best before" date indicated on the label, and the possibility, in order to reduce household waste, of consuming products even after what is understood as the "minimum shelf life".

We therefore intend to support the hugely effective work that the Observatory is carrying out, in the belief that the reduction of food waste, sustainability in the use of resources and the other issues mentioned are indispensable factors that must be tackled extremely quickly and with dedication, for the future of our country and our planet.

## Social communities and local area

The relationship between Fruttage and social communities (local and other) is essential in spreading the knowledge of the value that the company produces and can produce among citizens/consumers and among employees themselves, and in building development opportunities, where applicable in the agricultural/entrepreneurial supply chain, and opportunities for employment growth in the areas concerned.

In the sense of **communities as local area**, a very important aspect of that relationship is Fruttage's desire to focus attention on the issue of biodiversity in the areas and communities where its plants are located.

The Alfonsine plant (in a municipality located between the Argenta Wetlands and the Mezzano Valleys) is in fact situated within the area of the Po Delta Regional Park, a **protected area established in 1988**, which is characterised by a high degree of biodiversity, a large number of plant species and a wide variety of very different plant associations.

This is a predominantly sandy area, subject to subsidence, which Fruttage is very much aware of, and the company is seeking to reduce water extraction from wells (groundwater pumping) and to avoid making full use of the municipal levy authorisation at its disposal.

[www.ambiente.regione.emilia-romagna.it/it/parchi-natura2000/aree-protette/parchi/depo/carta-identita](http://www.ambiente.regione.emilia-romagna.it/it/parchi-natura2000/aree-protette/parchi/depo/carta-identita)

Even though it is not directly located in areas of significant biodiversity interest, the plant in Larino (a municipality with a rich history) is in an area surrounded by wildlife reserves and rivers of major environmental importance. [www.regione.molise.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/692](http://www.regione.molise.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/692)

The concept of **communities as solidarity** refers to needs or opportunities on a social level. These are initiatives that demonstrate Fruttage's willingness to "take charge" of aspects that generally improve how we live together:

- the extension of the Ortilio project to schools in the municipality of Larino and surrounding areas (as an addition to continued implementation in the Ravenna area);
- increased employment of personnel from the Alfonsine and Larino areas (as detailed in the section on employment in Part Two of this report).

In addition to the above, and still with a view to solidarity, the following table provides information about the additional initiatives followed up by Fruttage in the three-year period 2021-2023.

#### Donations 2021-2023 (€)

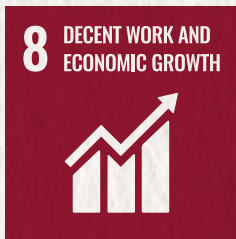
Contributions to the community	2021	2022	2023
1) Support for vulnerable sections of the population	87,162	8,858	78,325
2) Emilia-Romagna flood donation			17,735
3) Cultural and sporting activities	58,500	70,010	82,361
4) Donation to Ravenna and Lugo Hospital Covid-19 health emergency	13,000		
5) Membership contribution for production	76,413		
<b>TOTAL</b>	<b>235,075</b>	<b>78,868</b>	<b>178,421</b>

Among the items shown in the table, it is worth emphasising Fruttage's commitment to supporting the more vulnerable segments of the population, such as donations to the Banco Alimentare food bank network in the various Italian regions and support for families affected by catastrophic events (1 and 2), and point 3), which includes the Ortilio initiative, the cooperative project with hotel training schools and the initiatives to promote action on food waste and welfare (see the section on "Corporate communications").

# Employment

## UN 2030 Agenda for sustainable development

The UN says:



### Goal 8

*“Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”*

*Target of interest for Fruttigel*

#### **Target 8.5 By 2030**

Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

#### **Target 8.8 By 2030**

Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment

*Work values at Fruttigel  
Some  
key aspects*

*No labour lawsuits/disputes*

*Full implementation of compulsory recruitment obligations under Law No 68/99*

*Ordinary and social solidarity training and internships*

*Corporate welfare system*

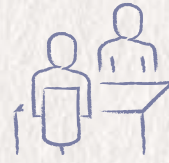
*Stability of temporary staff employment relationships*

*Correct use of employment contract types*

*Search  
and selection  
2023*



Searches  
implemented  
**12**



Selection  
interviews  
**174**



Hires  
**63**

*Internships/Work  
placements:  
2019-2023*



Internships/work-school  
placements  
**39**



Hires from internships  
(from 2013 to 2023)  
**18**

Employees by gender, job title and plant as at 31 December 2023

<b>Alfonsine employees</b>	<b>Total</b>	<b>Men</b>	<b>Women</b>
Executives	6	6	0
Managers of which PT 3 Women	15	10	5
Employees of which PT 7 Women	66	29	37
White-collar apprentices of which PT 1 Women	4	0	4
Permanent workers	38	38	0
Blue-collar apprentices	2	2	0
Temporary workers	520	97	423
<b>Grand TOTAL</b>	<b>651</b>	<b>182</b>	<b>469</b>

<b>Larino employees</b>	<b>Total</b>	<b>Men</b>	<b>Women</b>
Executives	1	1	0
Managers	1	1	0
Employees	5	1	4
White-collar apprentices	0	0	0
Permanent workers	5	5	0
Blue-collar apprentices	0	0	0
Temporary workers	160	31	129
<b>Grand TOTAL</b>	<b>172</b>	<b>39</b>	<b>133</b>

## Health and safety

The main objectives of the company's occupational health and safety policy focus on reducing occupational accidents and illnesses, planning regular educational, informative and training activities, performing regular inspections of the workplace by the Prevention and Protection Department, choosing technologies and equipment that can prevent risks to workers' health and safety, and paying careful attention to internal and external communication processes, so as to develop a "sense of belonging" and the growth of workers and their representatives, based on a commitment to complying with all legal and regulatory requirements applicable to Fruttigel.

This "sense of belonging" is developed by involving workers (directly and through their representatives) in the choice of new plant and equipment solutions or simply organisational changes.

With this in mind, Fruttigel promotes and encourages regular meetings between the Prevention and Protection Department and the workers' safety representative, actively involving the workers themselves in "practical" choices intended to improve the general safety of the working environment.

### General objectives

***Spread and consolidate a safety culture and risk awareness among employees, requiring responsible behaviour from everyone***

***Safeguard the health and safety of visitors and suppliers that have access to the company's premises, requiring responsible behaviour from them also***

## Management of the occupational health and safety management system and context analysis

The Alfonsine and Larino plants maintain active multi-site certification for the Occupational Health and Safety Management System in accordance with ISO 45001:2018. This certification is a point of pride for Fruttigel, as it attests to the company's vision focused on well-being and safety in the workplace.

The three-year renewal took place in November 2023. The expiry of the certification (which implies an annual update in any case) will be in January 2027. The integrated management system covers 100% of all workers in the plant (both employees and external contractors).

Applying the principles of this Standard, Fruttigel analyses the context in which it operates and the needs and expectations of its "stakeholders", and assesses their impacts in terms of risks and opportunities. This allows Fruttigel to carry out a careful analysis of the external and internal factors considered significant for the achievement of strategic objectives and that influence its ability to achieve the expected results.

The analysis of the context is therefore an analysis of "organisational" risks: legislative compliance obligations, working conditions, stakeholder needs and expectations, resources and economic and financial constraints can create

risks and opportunities. Opportunities for improvement may result from choices made in the management of an adverse risk, but also from decisions made at the design stage in the context of change management. Once the needs and expectations of stakeholders have been identified – risks and opportunities assessed – a determination is made as to which of these are objectives for Frutttagel. The determination and approval of improvement objectives by Management are periodically updated and re-assessed.

In this scenario, Frutttagel has managed change through:

- **Monitoring** and analysis of the risks of possible contagions in the workplace and of possible service issues for customers, but also of operational changes to be implemented when the resumption of work normalises, monitoring of customer behaviour, with evaluation of alternatives for critical supplies, and analysis of reference markets (external context). As regards personnel management (internal context), implementation of appropriate preventive measures, both administrative (*agile working*) and organisational (reorganisation of work shifts to avoid overcrowding in certain workplaces, holidays, guaranteed service levels).
- **Consultation of workers:** communication with workers and their representatives, with the aim of protecting workers' health conditions. Management of possible conflicts with staff (for example, on safety measures, *agile working* management or shift reorganisation).
- **Internal/external communication:** provision of appropriate information to workers and other stakeholders, without contributing to fuelling the climate of insecurity and fear caused by miscommunication through, for example, social media. Consultation of official websites for updates on official regulations, in order to ensure that dangers are not underestimated but also to avoid *fake news* and unwarranted alarmism.
- **Management of contractors,** with coordination on the preventive measures to be implemented, ensuring these are adopted by any sub-contractors (shared protocol).
- **Resources:** evaluation of the need to use production resources in a different way, investments to increase the safety of people (PPE, hygienic solutions, investments in disposable equipment, etc.). IT overhaul (provision of mobile devices, implementation of services available remotely).

The following table shows the objectives and programmes that have been determined, considering the following:

- legislative changes;
- changes in the collective bargaining agreement;
- assessment of risks and opportunities related to the activities carried out;
- Integrated Policy;
- Investment Plans;
- consultation and involvement of stakeholders, including workers.

To verify that the Occupational Health and Safety Management System is effective and improves over time, Frutttagel has established performance *indicators* (KPIs): the measurement of these indicators is intended to verify that processes and activities are carried out in accordance with what has been planned and are adequate to achieve the expected results and objectives.

Workplace health and safety area	Qualitative objectives	Indicator (KPI)	Quant. obj. (2023-2024)	General 2023
<b>Employment UN 2030 Agenda</b> for sustainable development Goal 8 (promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)	Reduced accidents, prevention of occupational illnesses, continuous improvement in health and safety in workplaces (already in the phase involving design and choice of technologies and installations).	Severity Index (SI)	5% reduction in the severity index	<b>Achieved</b>
		Incidence Index (I)	5% reduction in the incidence index	<b>NOT achieved</b>
<b>Staff training</b> Qualify and reward employees' work and behaviours. Ensure that employees are competent (particularly in their ability to identify hazards) and aware of their contribution to the effectiveness of the general workplace health and safety system.	Improve the safety culture by increasing skills and encouraging workers to report accidents or unsafe situations promptly.	Number of hours of training in addition to legally required (= non-binding)/ number of hours worked	1.5%	
	Encourage the recording of near misses, and reports of "non-conformities" by all employees or interested parties (such as external firms)	Increase in reporting of near misses	5%	<b>NOT achieved</b>
	Strengthen opportunities for discussion, listening and information through regular initiatives intended for all employees, on Fruttage's activities and results, on the choices made on projects, and on critical issues to be managed (participation and consultation)	Continuity in training activities for intermediate functions with greater responsibilities and with a specific focus on the issue of knowledge of the organisation and of the correct exercise of responsibilities	5%	<b>Achieved</b>
	Carry out training of newly recruited staff in OH&S, including coaching and subsequent practical testing to verify the effectiveness of the information transfer process, by an experienced person)	Number of staff recruited/Number of reports	100%	<b>Achieved</b>
	Evaluate and implement a behaviour-based safety (BBS) approach to monitor critical worker behaviour and create behavioural prerequisites aimed at reducing injuries	Specific behavioural training for new recruits within 30 days of employment	50%	<b>Achieved</b>
<b>Safety and belonging</b> Strengthen the sense of belonging and the work culture and improve employee relations. Participation in the system of rules	Encourage consultation and participation of all workers, including those without managerial functions, both in reporting hazardous situations and in change management phases	Non-conformities	5% reduction in the number of non-conformities due to behavioural factors	<b>Achieved</b>
	Provide continuity in the use of the tools already implemented	Regular release of <i>Noi di Fruttage</i>	Quarterly	<b>Achieved</b>
	Internal audits by supervisors in the various processing departments (monthly)	Number of audits/ Department	50%	<b>Achieved</b>
<b>Monitoring of occupational health and safety</b>	Manual handling of loads	Risk index 1.5	Reduction of RI > 1.5 by 50% (following assessment using new ISO 11228/2022 standard)	<b>NOT achieved</b>
<b>Supplier qualification</b> Optimise procedures concerning suppliers of goods and services, with particular reference to the management of interference risks Monitoring and coordination	Ensure that suppliers and visitors are aware of the health and safety risks to which they may be exposed at Fruttage	Signing of supplier commitment to SA8000 ethical requirements for service providers/technical area Verification of the possession of specific technical and professional qualifications for strategic suppliers (such as UNI standards, guidelines, etc.)	5% of suppliers	<b>Achieved</b>

# Quality, food safety and innovation



## UN 2030 Agenda for sustainable development The UN says:

### Goal 12

*“ensure sustainable consumption and production patterns”*

*Target of interest for Fruttage*

#### **Target 12.4 By 2020**

achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment

*The values underpinning  
the choices (production  
and consumption)  
made by Fruttage:  
quality and nutritional  
well-being*

*Actions taken*

***The development of organic food:***

*more than 24.7% organic ARM processed*

***Checks:***

*over 486,280 internal and 1,309 external analyses*

***Projects with schools***

*on correct diet and sustainable consumption:*

*10 years / 945 recipient classes / 21,250 students and families*

***Certifications***

*Quality = > 59 audits by organisations, customers, supervisory bodies and competent authorities for a total of 65 days*



		YEAR	CERTIFICATION	
Alfonsine		15/10/2004	<b>BRC</b> GLOBAL STANDARD FOOD SAFETY global standard for food safety <b>TOMATOES AND DERIVATIVES</b>	
		13/10/2009	<b>BRC-IFS FOOD</b> GLOBAL STANDARD FOOD SAFETY global standard for food safety <b>EXTENSION OF BRC STANDARD TO BEVERAGES, NECTARS, JUICES AND ADDITION OF IFS FOOD STANDARD</b>	
		21/09/2010	<b>BRC-IFS FOOD</b> GLOBAL STANDARD FOOD SAFETY global standard for food safety <b>EXTENSION TO FROZEN PRODUCTS</b>	
		12/03/2009	<b>UNI EN ISO 9001</b> QUALITY MANAGEMENT SYSTEM	
		16/04/2015	<b>SMETA</b> Verification of ethical criteria in the supply chain according to the SMETA methodology assessment criteria based on the ETI ( <i>Ethical Trade Initiative</i> ) code, supplemented by applicable national and local laws	
			<b>FAIR TRADE</b> INCLUSIVE FRUIT JUICES	
Larino		17/04/2011	<b>UNI EN ISO 9001</b> QUALITY MANAGEMENT SYSTEM	
		13/12/2016	<b>BRC-IFS FOOD</b> GLOBAL STANDARD FOOD SAFETY global standard for food safety	
Alfonsine	Larino	08/11/2011	<b>ITALIAN PRODUCT</b> ITALIAN ORIGIN OF THE AGRICULTURAL RAW MATERIAL <b>FROM INTEGRATED PRODUCTION</b> processed at the Larino and Alfonsine plants	
		08/11/2011	<b>INTEGRATED PRODUCTION</b> Agricultural raw material grown according to <b>INTEGRATED PRODUCTION GUIDELINES</b>	
		08/01/2015	<b>ISO 14001</b> ENVIRONMENTAL MANAGEMENT SYSTEM	
		08/01/2015	<b>OHSAS 18001</b> OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM	
		19/02/2019	Transition from <b>OHSAS 18001</b> to <b>ISO 45001</b> OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM	
		2016	<b>KOSHER</b> Certifying food products that are " <b>PERMITTED AND COMPLIANT WITH THE RULES OF JEWISH LAW</b> " <b>FROZEN PRODUCTS, TOMATOES, PLANT-BASED BEVERAGES</b>	
			<b>ORGANIC PRODUCTION</b> <b>FOR ORGANIC PRODUCTION</b> According to EC Regulation (EC) No 834/2007	
		12/04/2017	<b>OK COMPOST</b> Certificate for use and awarding of the label " <b>OK COMPOST</b> " FOR FROZEN FOOD FILMS	
			<b>YEAR</b>	<b>ASSURANCE</b>
		Since 2018	<b>ISO 26000</b> Related to governance in the field of <b>CORPORATE SOCIAL RESPONSIBILITY</b>	
Since 2020	<b>GRI ASSURANCE</b> Compliance of the Sustainability Report according to the <b>GRI STANDARD</b>			

## Quality and sustainability

In recent years, agri-food supply chains have become the subject of increasing interest, for two main reasons:

- food quality and safety
- sustainability, namely the assessment of the impacts they have on the surrounding environment

### Achieving QUALITY

Achieving **QUALITY** for the food industry means integrating the efforts of all those involved in the agro-industrial complex: agricultural production, processing, distribution, preparation and consumption.




Maintaining food quality and safety throughout the food chain requires operational procedures and monitoring systems to ensure that operations are carried out properly.

The safety of a food product is not based solely on chemical or microbiological analysis, but is achieved through a process of correct formal and substantive traceability, involving all actors in the supply chain.

### Being SUSTAINABLE

Being **SUSTAINABLE** means integrating environmental protection, proper nutrition and economic development of the local area throughout the entire supply chain. This involves creating a lasting balance on several fronts: environmental, social and economic.

The following is the FAO's schematic illustration of the relationships between agriculture, processing and consumption that can have a positive influence on sustainability.

	Environmental Aspects	Nutritional Aspects	Economic Aspects	Socio-cultural Aspects
Agriculture	 <ul style="list-style-type: none"> <li>Applying sustainable farming practices</li> <li>Fostering resilience of production systems</li> <li>Developing and maintaining diversity</li> </ul>	<ul style="list-style-type: none"> <li>Promoting different food varieties</li> <li>Producing nutrient-rich food</li> </ul>	<ul style="list-style-type: none"> <li>Developing cost-effective cultivation practices</li> <li>Promoting self-sufficiency through local production</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining traditional farming practices and promoting local varieties</li> </ul>
Food production	 <ul style="list-style-type: none"> <li>Reducing the impact of production, processing and marketing</li> </ul>	<ul style="list-style-type: none"> <li>Preserving nutrients throughout the food chain</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening local food systems</li> <li>Producing food at affordable prices</li> </ul>	<ul style="list-style-type: none"> <li>Producing culturally accepted food</li> </ul>
Consumption	 <ul style="list-style-type: none"> <li>Reducing the environmental impact of food consumption</li> </ul>	<ul style="list-style-type: none"> <li>Promoting a diversified, balanced and seasonal diet</li> </ul>	<ul style="list-style-type: none"> <li>Promoting the affordability of a varied diet</li> </ul>	<ul style="list-style-type: none"> <li>Safeguarding food traditions and culture</li> <li>Meeting local tastes and preferences</li> </ul>

## 2023 projects FROZEN PRODUCTS AREA

Total projects  
studied/developed  
**20**

Percentage success of  
environmental projects  
**> 82%**

**38**  
New products  
released onto the market

**2**  
Projects being studied

**3**  
Projects

Environment area comprises:

**Fruit-based juices/nectars/beverages**

**Plant-based beverages**

**Tomatoes (products stable at room temperature)**

The development projects related to the Environment Area were based on the following guidelines:

- reduction and/or elimination of additional sugars, for products aimed at both adult and child target groups;
- reduction in calorific value;
- increase in the percentage of fruit used;
- focus on the origin of the raw material, favouring those from Italy (where possible);
- enrichment with vegetable proteins and functional ingredients: such as vitamins, minerals and fibre;
- selection of increasingly natural flavourings and components in the spirit of “clean labelling”.

**Projects that have led to new products being launched on the market or ready to be launched:**

- > **Conventional and organic fruit beverages for the retail channel** - 200 ml, 1 l and 1.5 l Brik - glass bottle
- > **Study of beverages with high fruit content and no added sugar**- unusual mixes of exotic, tropical fruits for adult and child target markets
- > **Study and production of the new range for the Food Service channel - Almaverde Bio beverages**, high fruit content and no added sugar - 200 ml glass bottle
- > **Conventional and organic plant-based beverages for the Italian market** characterised by different flavour combinations, different functionalities (for example, protein-rich, sugar-free, “barista”) and different sizes: 200 ml, 500 ml and 1 l Brik
- > **Tomato purées (passata) for the foreign market in paper packs** - 500 ml and 1 l Brik
- > **Conventional and organic tomato purées (passata) for the Italian market** - 500 g and 1,000 g glass bottle

**Projects being studied with a view to increasing production efficiency and economic competitiveness**

- > **Improved internal extraction of oats and rice**
- > **Financial, technological and sensory assessments** on the use of whole soya powder (no extraction and industrial waste)

**Projects suspended/annulled**

## 2023 projects FROZEN PRODUCTS AREA

Total projects  
studied/developed

**15**

Percentage success of  
frozen products projects

**> 80%**

**6**

**New products  
released onto the market**

Projects that have led to new products being launched on the market or ready to be launched:

- > Study of new conventional and organic products for the retail channel, gastronomy, large-scale catering and door-to-door
- > Study of high-protein side dishes and soups
- > Processing tests on Chioggia radicchio
- > Study of a new battered three-vegetable-baton combinations for the catering industry

**3**

**Projects being studied**

Projects being studied with a view to increasing production efficiency, environmental sustainability and economic competitiveness

- > Study and testing of cartons for flavours without plastic caps
- > Study on insourcing of pumpkin production
- > Study on insourcing of edamame soya production

**5**

**Research projects**

Research projects on the circular economy in relation to the recovery of by-products and industrial waste

- > Project in cooperation with the University of Bologna – Rimini Pharmacy Faculty
- > Research project in cooperation with a start-up from Emilia-Romagna on the production of functional flours for human consumption
- > Research project in cooperation with a start-up from Lazio on the production of three products for the primary sector
- > Project in cooperation with the University of Bologna – Faculty of Chemistry and Materials Engineering on the production of plastics from plant sources
- > Project in cooperation with companies in Emilia-Romagna on the extraction of active ingredients for cosmetic use

**3**

**Projects**

Projects suspended/annulled

# Environment

## UN 2030 Agenda for sustainable development

The UN says:



### Goal 3

*Target of interest for Fruttage*

**3.9 By 2030** substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination



### Goal 6

*Target of interest for Fruttage*

**Target 6.3 By 2030** improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

**Target 6.6 By 2020** protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes



### Goal 7

*Target of interest for Fruttage*

**Target 7.3 By 2030** double the global rate of improvement in energy efficiency



### Goal 12

*Target of interest for Fruttage*

**Target 12.3 By 2030** halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

**12.5 By 2030** substantially reduce waste generation through prevention, reduction, recycling, and reuse



### Goal 13

*Target of interest for Fruttage*

**Target 13.2 By 2030**

Integrate climate change measures into national policies, strategies and planning

*The values underpinning  
the  
environmental choices  
made by Fruttigel*

**Purification system**

- water recovery 122,298 m<sup>3</sup> in 2023; attention to groundwater extractions – subsidence reduction
- entrusting the management of the plant to Hera SpA and specific investments to reduce the consumption of electricity and oxygen and improve plant efficiency

**Cogeneration**

energy use efficiency – attention to CO<sub>2</sub> emissions

**Compostable pack**

Biodegradable bag, UNI EN 13432 certified

**2023 Replacement of one ammonia compressor** (fitted with inverter)

**2023 Decommissioning of PET packaging department**

**2023 Recovery of thermal energy in sewage** new steam generators for heating of a thermostatic cell

**2023 Recovery of thermal energy from hot water cogenerator** for hose-cleaning of the floor in the ingredient-mixing department

**2023 Expansion of water monitoring** through the installation of flow meters in the main consumption areas

*2023 actions aimed at  
increasing environmental  
efficiency  
and those planned for  
2024*

**2023 – Interventions aimed at the recovery of thermal energy**

- Expansion of the thermal recovery of the energy from hot water made available by the cogeneration plant to feed the water preheating system for the hoses used to clean the floor in the ingredient mixing area
- Recovery of thermal energy in sewage, new steam generators for ambient heating of a thermostatic cell

**2023 – Expansion of the water monitoring system**

Through the installation of 11 meters to acquire and record the flow, pressure and volume data for the main water demand areas/uses and incoming supply lines

**Planned actions  
2023-2025**

**Estimated end of work first  
quarter 2024**

**Actions**

**Description**

**Chilled water production**

Upgrading of existing cooling chillers to ensure chilled water production at temperatures close to 5 °C

The objectives to be achieved with this intervention are the following:

- Reduction in the use of chilled water required for cooling the product at a lower temperature in contact with the product
- Less impact on the company purification plant

**Planned**

**Well water purification system**

To ensure a flow rate of 40 m<sup>3</sup>/h for the production of water for food use and replenishment of steam generators

- Reduced use of drinking water from the mains

**Planned**

**Water recovery plant in the purification system**

Required flow rate of 70 m<sup>3</sup>/h to guarantee supply for evaporative cooling towers and flushing

- Internal reuse of recovered water from the purification system to make up for the amount of groundwater used for drinking water, with an estimated reduction in well water use of 200,000 m<sup>3</sup>
- No change in total annual pumping

**Planned**

**Purification system**

Primary equalisation tank with submerged mixer and bio sludge recirculation with pre-aeration

- To ensure as constant a feed flow to the purification system as possible by smoothing out flow and load fluctuations, the proposal is to transform tank C into an equaliser

**Ongoing in 2024**

**Purification system**

Mixed-liquor aerobic to secondary sedimentation distributor

- Possibility of managing the plant set-up by means of an oxidation tank that feeds the two existing sedimentation tanks in terms of process and/or potentially for the management of ordinary or extraordinary maintenance activities (currently only possible with oxidation tank A). This is expected to provide better load distribution between sedimentation tanks A and B

**Ongoing in 2024**

**Replacement of freezer with a higher-performance model**

- Replacement of an existing freezer with a newer model with higher productivity performance

### Circular economy

We at Fruttigel are strongly convinced that the first rule of sustainable food production is the full exploitation of all components of the raw materials used and therefore also the parts remaining following the production of human foodstuffs, and we have long been allocating a considerable proportion of processing waste for biomass plants for electricity generation (through the combustion of biogas obtained by anaerobic digestion or through direct combustion of wastes, in the case of stones from the processing of summer fruit).

For the three-year period 2021-2023, the volumes recorded for this process are shown in the following table:

**Kgs of processing by-products in accordance with Article 184-bis of Legislative Decree No 152/06 intended for anaerobic digestion in biogas production plants or for combustion**

		2021	2022	2023	Total 2021-23
Fruit and vegetable processing residues	Anaerobic digestion	1,366.55	1,522.15	2,641.36	<b>5,530.06</b>
Residues obtained from the processing of fresh peas	Anaerobic digestion	579.51	442.74	233.53	<b>1,255.78</b>
Residues obtained from the processing of green beans and fresh beans	Anaerobic digestion	696.05	424.05	536.22	<b>1,656.32</b>
Tomato hulls	Anaerobic digestion	902.78	697.92	612.55	<b>2,213.25</b>
Residues obtained from the extraction of grains of soy, rice and oats	Anaerobic digestion	2,036.68	2,353.66	1,742.00	<b>6,132.34</b>
Food liquids	Anaerobic digestion	0.00	0.00	774	<b>774.08</b>
Peach and apricot stones	Combustion	252.63	367.41	222.29	<b>842.33</b>
<b>TOTAL</b>		<b>5,834.20</b>	<b>5,807.93</b>	<b>6,762.03</b>	<b>367,410</b>

Source of data: JD Edwards internal processing

In 2023, there will be an increase in the production of by-products, due to the new classification assigned to two European Waste Catalogue (EWC) codes 02 03 04 (plant waste and off-specification liquid foodstuffs), which are now considered as by-products (and no longer waste).

Although the trend in the production of these processing wastes has been fairly predictable and constant over the years, they can often vary substantially depending on the processing year and the fluctuating availability of raw materials.

The energy recovery of by-products, in the context of environmental policies, generates a concrete reduction in the volumes of waste produced and a substantial reduction in CO<sub>2</sub> released into the atmosphere.



## The Sustainability Plan: stakeholders, value chain, impacts and risks

The adaptation of sustainability reporting to European standards (which envisage the application of the CSRD [Corporate Sustainability Reporting Directive] from the 2025 report onwards) has developed between 2023 and 2024 in relation to the following main aspects:

- a)** updating of the Sustainability Plan;
- b)** provision of increased detail in the description of the value chain (in particular concerning raw material suppliers);
- c)** implementation of stakeholder engagement on two main categories of stakeholders, employees and ARM grower members;
- d)** updating with regard to impacts (effects of business activities on target publics and environments);
- e)** risk clarifications based on the “double materiality” concept.

It should be emphasised that the Sustainability Plan was drawn up directly by the members of the management team, with each contributing in relation to his or her own area of expertise, but on the basis of a common vision of the needs and prospects of the company.

So it is only fair to recall what was emphasised last year: *sustainability reporting represents not only the progressive awareness on the part of the management team, but the direct accountability that comes with it.*

### The Plan and associated updates

The Sustainability Plan has been revised taking into account the legislation on the one hand and the changing situation of the company on the other. As will be seen below, the general framework has not been changed, as it is still considered to be fully in line with the various requirements: those of a more markedly business-related nature and those of a more social and environmental nature.

Therefore, the process already suggested in the previous report was achieved: an update and a greater commitment to outlining objectives and processes from a medium-term perspective.

The recommendations in the CSRD were therefore taken into account:

- a)** the need to apply ESG (Environmental Social Governance) logic;
- b)** the changes in the GRI standards and in particular the 2021 version, which is partially applied for the first time in this report. On this point, the application of the ESRS (European Sustainability Reporting Standards) should be considered for the future, and is, in any case, planned for the 2025 report.

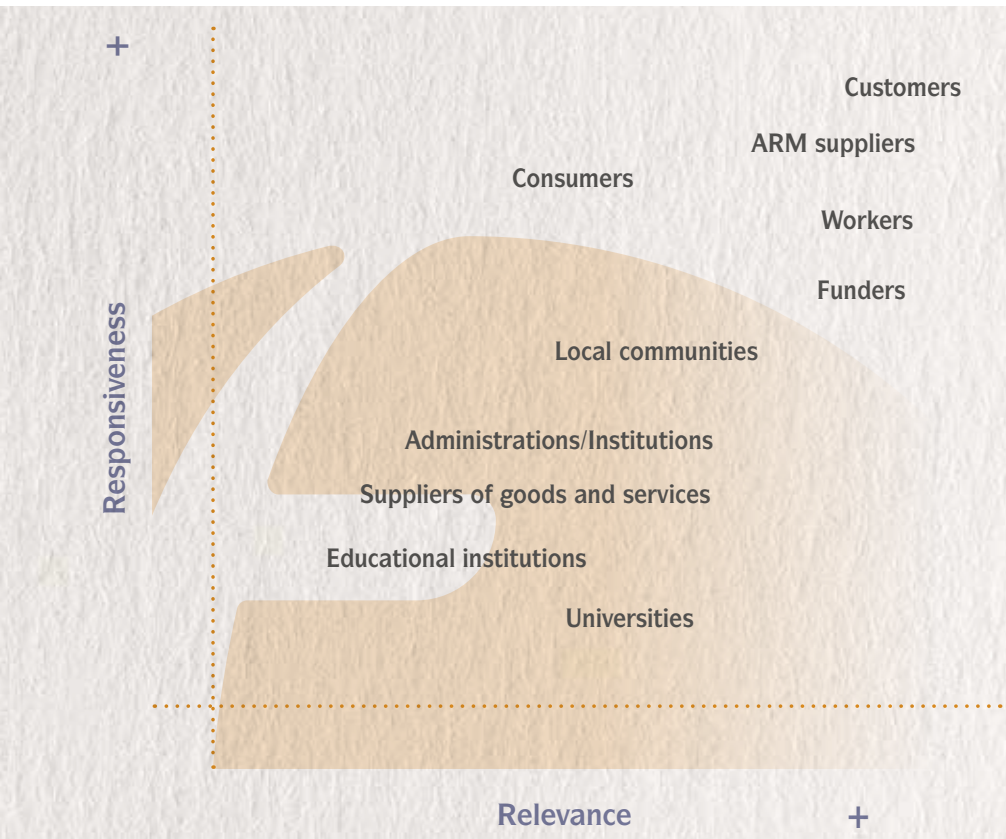
Four areas of policy classification have been identified, as described below: “Governance and Business Development”, “Healthy and Sustainable Consumption”, “Work and People” and finally “Environment”, meaning the control of factors and processes with the greatest impact on the natural environment.

A number of emphases should be considered:

- 1.** in 2022, stakeholder engagement was made problematic by the continuing pandemic and continued to be difficult in 2023 due to the succession of negative physical events (flooding), which complicated management and made relationships with stakeholders difficult and limited. This fundamental aspect has now been restored;
- 2.** even more effort was put into the in-depth analysis of “impacts” and “risks”.

## Stakeholders

As an initial approximation, Fruttage's system of relationships is made visible by this matrix.



The two axes determine the position of stakeholders on the intersection between the **relevance** of the given contact for the company and its **responsiveness**, namely the speed and intensity of the response from that contact when faced with a change in the relationship with the company (which may result from very different reasons, either specific to the relationship or dependent on the changing general conditions in which the relationship is built and managed).

This map has been included in Fruttage's reports for some years now.

There is no substantial change in this respect compared to the previous report: **customers, employees and ARM growers** are still the most important stakeholders for the company. All three categories highlight changes that need to be considered carefully.

The significant instability of the market, the discontent in the agricultural sector, the increasing difficulty in finding labour and the change in the importance of work with respect to the concept of life (particularly for younger generations) are changing the profiles of these categories and require special attention in the analysis and interpretation of the associated trends.

However, as primary points of focus with regard to the three main categories, the following main aspects can be identified:

- **For customers:** given the necessary cost competitiveness, the issues to be addressed relate primarily to product innovation and packaging.
- **ARM suppliers:** the main areas of discussion are still the development of organic farming and the development of the business character of farming enterprises (in view also of the recent sense of discontent in the sector, symbolised by the tractor demonstrations).
- **Workers:** Fruttage's efforts are aimed not only at training but also at building loyalty through various initiatives: welfare, the development of a culture of sustainability, and a commitment to listening and involvement in the elaboration of behavioural and organisational standards (Code of Ethics and Membership Charter).

With regard to the other stakeholders, please refer directly to the Plan update sheets that follow.

## Stakeholder engagement

After the interruption caused by the pandemic, it was possible to resume stakeholder engagement activities, which focused on two main categories of stakeholders: workers and ARM growers.

### *Workers*

As far as workers are concerned, please also refer to the sheet on “Culture of sustainability and dissemination of the Code of Ethics”. This has in fact been a valuable forum and opportunity to hold a dialogue with qualified representatives of employees. In fact, the issues touched upon concerned not only general aspects and the value of sustainability, but also issues linked to the relationship between current activities and the assumption of social responsibility, thus covering aspects dealing with behaviours and “exchanges” between the company and its workers.

In particular, the relevant aspects that emerged from the initiative are the following.

1. The initiative involved (at the Alfonsine plant) a total of 55 employees, in four separate meetings, but the interesting factor is that external service providers permanently employed by the company were also involved on a trial basis. At the Larino site, 19 workers were involved.
2. As mentioned in relation to the “Culture of Sustainability”, the main protagonists of the meetings were the participants in the training initiative for the Code of Ethics, the so-called ambassadors. As in the past year, this therefore represented direct involvement of staff in the dissemination of the Code and in collecting information about the impressions and opinions of other participants.
3. The most significant issues that emerged from the initiative related in almost all cases to the area of interpersonal relationships. Few references are made to hierarchical relationships, which therefore do not seem to raise any particular critical issues. There was some emphasis on relationships with external service providers.
4. In addition to the (few) directly evaluative aspects on the overall state of the company and the work, what should be noted above all is the fact that the initiatives were “self-managed” by the workers. In essence: what appeared most valuable was the method, more than the merit.
5. There was of course no shortage of comments on critical aspects: hurried work that produces stress, lack of confidence in a substantial improvement, etc. On the other hand, however, assessments from those who have worked in other companies reflected positive views of the specific characteristics of Fruttage.

### *Grower members*

With regard to relationships with the growers, a specific meeting was held on 24 April 2024, attended by all the major social, professional and political representatives of the growers.

The updated plan overview, which is also included in this report and shapes the content of Section Three, was presented and discussed.

Particular emphasis was placed on the materiality matrix and the assessment of the effects and impacts related to the material themes forming that tool. The consistency of this system with the guidelines in the new European directive and in particular with the criterion of double materiality and the relevance of the supply chain was emphasised. It is precisely this last principle of the

directive that emphasises the importance of the relationship with the growers and the need to expand the roles and responsibilities of the parties within the value chain.

Finally, the relevance that the *assurance* of sustainability reporting with assume in the future was explained.

The many contributions focused in particular on the theme of risk mapping and risk management, which is central to the determination of Fruttage's strategy and undoubtedly has an impact on the entire upstream chain.

The other points related to the material themes that constitute the framework of Fruttage's sustainability policies that emerged from the discussion were the following:

- the availability of raw materials and the attitudes of growers and suppliers;
- the responsibility of the downstream part of the supply chain;
- the distribution of costs (and benefits) along the supply chain;
- the need to enter (mentally and operationally) into the new logical and operational space required by the major changes taking place (in the relationship between States and in markets);
- the specific commitments of the contributing growers regarding environmental sustainability, with the associated risks and possible benefits.

At the end of the discussion, the framework and contents of Fruttage's medium-term sustainability plan were given a positive rating, with two caveats:

1. increase the importance ranking of the theme "Risk mapping and management",
2. confirm the relevance of the material theme "Qualification of the downstream supply chain".



## Contexts and impacts: a model

For Fruttigel, reasoning about contexts – namely the spheres within which the company produces effects and receives influences – is not simple. Choices must be made, and there is thus a need to construct a model, a simplification of a reality that cannot be reconstructed down to the smallest detail. For descriptive purposes, we have therefore considered only three main types of variables: **a)** physical and geographical variables, **b)** economic variables, and **c)** social variables. There is clearly a dialectic between the three areas that is not noted below, precisely because a simplification is being made.

As we know, Fruttigel operates two plants, one in Alfonsine and the other in Larino. Both plants have a direct relationship with the surrounding area, from which a large part of the agricultural raw material is sourced. The workers employed in the two plants come from a local area that essentially coincides with the area supplying the ARM. This results in specific economic-entrepreneurial, physical-environmental and finally social relationships.

### *Economic and entrepreneurial considerations*

Relationships of an **economic-entrepreneurial** nature produce environmental effects, however indirectly. These refer to contributions from and relationships with *growers*. These are key stakeholders with whom specific agreements are established concerning the quantity and quality of the products supplied and other fundamental issues such as, for example, the use of products for agriculture, organic farming, compliance with regulations concerning their employment and others. This is the area most sensitive to market changes, which in turn are driven by the international situation and regulatory developments.

### *Physical and environmental considerations*

The more distinctly **physical-environmental** relationships must take into account the fact that the activities of Fruttigel, and the entire chain, have significant environmental impacts. Mention has already been made of the activities of *growers*, but it should also (and above all) be noted that an industrial activity such as that carried out by Fruttigel entails, for example, significant impacts on the hydrogeological structure, air quality, and the use of other resources directly taken from the local area and influenced in various ways by its activity. In this respect, *the environment*, in the contexts indicated, is undoubtedly a stakeholder of the company.

### *Employment considerations*

The most direct aspect, relating to the reference contexts, is certainly the **employment** aspect. The several hundred workers and their families influence and are influenced by their relationship with the company. Needless to say, these are very important stakeholders.

However, employment relationships are not limited to the work aspect. Fruttigel is, in any case, a local player, and has necessary relationships with public administrations, schools, associations and other people and entities active in civil life.

Fruttigel's **impacts** on the economic, physical and man-made environment are therefore different but intertwined. For this very reason, it is difficult to clearly segment effects and impacts, which must take into account both their specific nature and their reciprocal relationships.

These aspects will be looked at separately in the remaining sections of this document: relationships with growers, environmental effects produced by industrial activities, labour relations, and other social relationships linked to the local areas. For each of these aspects, specific measurement and evaluation criteria are needed, and these are identified in Section Three of this document and specifically in the materiality analysis.

In terms of the **significance of impacts**, the logic follows on from what has just been said: Fruttigel produces economic, physical, environmental and social impacts. All of these impacts are examined in terms of their relevance to the company's sustainability policies.

### The value chain

The value chain in the agro-industrial sector is much more defined and describable than in other sectors for the simple reason that the origin of the chain (its point of generation) is *primary in nature*, in that it starts and builds from the simplest and most non-substitutable phase of the production process: the cultivation of the land and the products derived from it.

If we look at the Fruttigel value chain, we can separate what is above (or comes before) from what is below (or comes after).

**Upstream in the chain** are the following:

1. **ARM growers** (members of agricultural cooperatives that are themselves members of Fruttigel, or commercial suppliers);
2. **suppliers of machinery** and industrial equipment;
3. **suppliers of packaging** (glass, paper, cardboard, plastic, etc.).
4. **entities involved in logistics**, both incoming and outgoing, with specific regard to road haulage;
5. **service providers** of various kinds, ranging from plant maintenance to general services, from consultancy and support on digital matters to aspects more related to the core business.

All of these are indicated with their various weights in Fruttigel's sustainability policies.

What needs to be emphasised, with regard to this part of the value chain and specifically to ARM suppliers, is that the functional links with Fruttigel are particularly close for two interconnected reasons:

- a) from an *institutional* point of view – with specific emphasis on grower members – these are *intercooperative* relationships (namely responding to a mutual, cooperative ethos), which means that it is not just a matter of commercial relationships;
- b) the performance of the stakeholders in the upstream chain (again, this refers mainly to ARM suppliers) depends on the market, and thus – still within Fruttigel's purview – on the demands of distributors and consumers.

These two important aspects also delineate Fruttigel's role as a "mediator and inspirer": stimulating the entrepreneurial development and innovation of grower members and changes at customer and consumer level, as part of an ongoing constructive dialogue.

As far as **relationships further down** the value chain from the company are concerned: the products produced by Fruttigel – as a co-packer – are geared mainly towards distributors. In turn, large retailers play a constitutive role in the most widespread consumption habits. The importance of Fruttigel's role within a complex series of phenomena with huge relevance for sustainability, innovation and the overall efficiency of the system can therefore be easily understood. This involves the following:

- A** influencing the determinations of the cultivation plans of growers, disseminating sustainable methods as far as necessary;
- B** equally, contributing to the development of consumption proposals that are as healthy and cost-effective as possible;
- C** rationalising the various stages of production and distribution while minimising the use of natural resources (soil, water, energy) and simultaneously reducing the release of pollutants into nature;
- D** intervening through appropriate methods on end consumers to reduce consumption-related risks and generally optimise the use of resources.

It is now worth reiterating – from a typically organisational and in-house skills perspective – that there is no area that does not play a primary role in the management of the upstream and downstream value chain: from administration to inbound logistics, from operations to the more technological aspects, the relational system must correspond to the increase in value produced or producible by the chain. And it is also for this reason that Fruttigel's sustainability policies require a coherent and supportive contribution from all directions, since each of them administers a portion of the overall relational system and only total coherence of that system can both increase value and achieve the greatest degree of sustainability.

These organisational and skills references are linked to relationships and activities that determine the impacts and consequently the associated risks, which are identified below and related to the primary and supporting activities set out in the diagram.

### **Impacts and risks**

The previous edition of this sustainability report outlined the risk framework, emphasising that it was nothing more than an approach, but one that was constructed and discussed within the company's management team and thus signalled and described the state of shared awareness and implicit commitment that existed in that context. It is, for now, a mere indication/list of topics that will be better articulated in the future [...].

The section below in fact provides a more detailed view of that first outline from 2023, which is also the result of clarification by the directors responsible for the business areas.

If, however, we compare the following table with last year's, we can see a fundamental difference: whereas the classification of risks was the result of separate work by the individual directors (*"what each director saw as risky in relation to his or her area of responsibility"*), in this case there was an upstream discussion that established the general risks types, so that each person could then assess their effects and impacts on his or her area of responsibility. This means that, from a classification based on individual departments

(Administration and Finance, Personnel and Human Resources, Technology and Digitalisation, Supply Chain, etc.), an overall, forward-looking analysis of the risk possibilities was carried out, considering the risks themselves according to the criterion of dual materiality and thus assessing – still broadly speaking – the impacts that Fruttigel might produce and the impacts that Fruttigel might suffer due to the individual risk.

We should bear in mind that there are at least two meanings of “risk”. This means that we need to take into account both the risks “that we take” and the risks “that we can cause to be taken”, and thus, essentially, the risks that can impact the company and those that the company, by reason of its activities, can cause to impact the environment (economic, physical, anthropogenic).

As mentioned above, this is the same logic as “double materiality”. This sits fully within the updated criterion of sustainability, which, as we know, deals with economic, environmental and social facts together. It is a further refinement of the general criterion generated and required by the new regulations (CSRD).

The classification criterion was this:

1. *Geopolitical risks*
2. *Natural disasters*
3. *Global warming and related phenomena (droughts, etc.)*
4. *Labour shortages*
5. *Failure to update skills*
6. *Risks related to digitalisation*
7. *IT risks*
8. *Availability of raw materials and relations with growers*
9. *Environmental risks 1: water*
10. *Environmental risks 2: energy (lighting and gas)*
11. *Environmental risks 3; wastes*

The following table was therefore intended to:

1. *Share the perception of risks within management*
2. *Describe the nature of those risks in broad terms*
3. *Identify possible effects on the company*
4. *Identify possible effects on the context*
5. *Determine the likelihood of each*
6. *Identify, in the first instance, actions to address those risks (elimination, reduction, control)*

This is clearly a further step in risk specification and in-depth analysis that is not yet fully satisfactory, but is already specifically oriented towards structuring a risk plan that largely coincides with the definition of a sustainability strategy.

For probability weighting, a simple scale from one to three was used:

- 1 = low**
- 2 = medium**
- 3 = high**



Risk	Description	Effects on the company	Effects on the environment and its context	Likelihood
1. Geopolitical	War, conflicts between states, trade difficulties and tensions, etc.	Procurement of raw materials, especially packaging and spare parts/components. Production cost increases and/or capacity reductions.	Reduced consumption and possibility of purchase. Risk of loss of orders.	2
2. Natural disasters	Environmental or physical events that are not clearly foreseeable: earthquakes, floods, etc.	Continuity of production. Employment repercussions/need to activate social shock absorbers.	Limited availability of transformable product. Impact on household income: negative effects on community.	1
3. Global warming and related phenomena (drought, etc.)	Statistically established trend, combined with its most obvious effects: difficulty in pollination, etc.	Difficulties in procuring ARM. In certain areas of the country, the water problem has become a constant (rising ARM prices and reduced quantities).	Limited availability of product. Quality differences on available products. Loss of agricultural supply chains because production is impossible or unprofitable. Changing consumption patterns.	2
4. Procurement of labour	Contribution of demographic and psychosociological causes.	Organisational imbalance and wage tensions. Experience gaps and possible limitations on the organisation of shift work.	Deskilling of the social and working environment.	3
5. Failure to update skills	Inability of the company to respond to technological change.	Declining competitiveness, difficulty in following the market.	Impoverishment of the social environment, reduced economic and social productivity.	2
6. Digitalisation	Difficulties for the company in governing the information system; loss of market knowledge, etc.	Declining competitiveness, difficulty in providing skilled employment.	Reduced paper use and preservation of forests	2
7. IT risks	Intrusions, theft of information, etc.	Unforeseen costs, disclosure of sensitive information, blackmail, etc.	Risk of spreading the contagion or intrusion to correspondents.	2
8. Availability of raw materials and relations with growers	Instability of relationships with growers and suppliers: limited loyalty	Planning difficulties and lack of certainty about the quantities and qualities needed. Consequent potential difficulties with customers.	Difficulties in structuring and consolidating specific "agronomic redevelopment". Difficulties in consolidating social and local relationships.	2
9a. Environment a: water	Water procurement, recycling, saline pollution risk.	Continuity of production, due to limits on the availability of drinking water. Lowering of the water table, with reduced well water availability.	Risk of saline pollution in the aquifer, groundwater, subsidence.	2
9b. Environment b: energy (lighting and gas)	Identification and instability of prices.	Costs and consequent loss of competitiveness. Production uncertainties.		2
9c. Environment c: wastes	Costs and uncertainties related to the waste management cycle.	Increased costs, need for investment.	Increased burden on the local waste management system.	2

Risk	Actions		
	Elimination	Reduction	Check
1. Geopolitical		Diversification of supplies by geographical areas. Stock assessment and checking for “sensitive” spare parts.	
2. Natural disasters		Diversification can be envisaged for some crops (such as leafy vegetables or peas). Distribution of inventories to different external warehouses reduces risks. Incentivising of insurance coverage and differentiation of supply and sales areas.	
3. Global warming and related phenomena) (drought, etc.)		Reduced industrial and primary production waste. Promotion of changes to more sustainable consumption patterns. Search for agricultural species or cultivation practices more suited to the changed climatic conditions. Modification of production systems to those that create less impact or concentrate production time.	Sharing to introduce more resistant and less water-dependent varietal species. Improvement in the environmental impacts produced by the company and its supply chains.
4. Procurement of labour	Theoretically, the risk could be eliminated through technology reinforcement and motivational actions combined with salary increases.	It seems more reasonable to think that the factors mentioned as potential “elimination” make it possible to significantly reduce the risks to which the company is exposed. A “guided” immigration policy could also reduce the gap. Reduction of basic and/or repetitive labour activities that are increasingly unattractive from a professional point of view through automation (such as automatic shuttles vs. trolleys, optical sorting machines vs. manual sorting, etc.).	Reduction in continuous-cycle processing outside the main campaigns. Fostering of the attachment of new generations through specific training and governance. Knowledge of and participation in decision-making bodies.
5. Failure to update skills	Elimination is linked to the company’s ability to invest in human resources.	Anticipation of the analysis of possible effects of technological changes inherent in investment choices (involving IT structure, facilities and projects). Action on skills in terms of specific training and research. Incentives for training on product and process innovation.	
6. Digitalisation	Impetus for digitalisation, big data management systems and AI.	Performance of benchmarking activities to evaluate competitors’ processes and innovation. Initiation of a comprehensive training plan on the importance of data. Training in the use of digital tools and the creation of structured digital archives available to the company.	
7. IT risks	Qualification of the IT structure at the frontier of technology.	Increased attention and investment to reinforce the level of cybersecurity. Adoption of strict policies and double- or triple-check systems as far as possible.	
8. Availability of raw materials and relations with growers	Cannot be completely eliminated.	Continuation of actions to involve/approach cooperative members to make hectares available to Fruttagel. Analysis into how to increase processing yields in order to maximise the use of raw materials and guarantee greater gross saleable production.	Multi-annual planning, involving members and their producers, allowing a rotation of crops (+ or - profitable), risks and opportunities among them.
9a. Environment a: water	Also cannot be eliminated because the situations are not constant.	Increase in energy-saving measures. An updated assessment of a mechanical-recompression tomato concentrator could be appropriate. Analysis of the possibility of technological upgrades of our plants to improve the energy efficiency of processes. Analysis of the installation of new plants for self-generation of electrical and thermal energy, possibly from renewable sources, to reduce the energy dependency of the plants. Investigation of possibilities for self-generation of energy from renewable sources available at lower costs than the national grid.	Monitoring of consumption and creation of benchmarks.
9b. Environment b: energy (lighting and gas)	It is not possible to eliminate the risk.	Increase in energy-saving measures. An updated assessment of a mechanical-recompression tomato concentrator could be appropriate. Analysis of the possibility of technological upgrades of our plants to improve the energy efficiency of processes. Analysis of the installation of new plants for self-generation of electrical and thermal energy, possibly from renewable sources, to reduce the energy dependency of the plants. Investigation of possibilities for self-generation of energy from renewable sources available at lower costs than the national grid.	Limiting of waste in production. Implementation of planned investments on water recovery plant and drinking water plant. Monitoring of consumption and creation of benchmarks.
9c. Environment c: wastes	Cannot be fully eliminated.	Increase in processing yields through more efficient equipment/management in order to limit the production of waste and scrap. Recovery of processing waste by studying its reuse as raw material for other processes or otherwise.	Participation in circular economy projects, continued cooperation with innovative start-ups on these issues.

As can be seen, this was a general mapping of risks, with different specifications regarding possible effects and some indications of mitigation and control measures. The next step will be to define the information presented here using more quantitative or descriptive content for processes, linking everything to the business plan, which already partly identifies the economic background for the necessary actions.

## Materiality analysis and its dual meaning

Based on the guidance provided by recent legislation and in anticipation of the way in which the sustainability report will have to be drawn up in two years' time, the following section initiates – or rather, *introduces* – something that will later become standard practice: treatment according to the criterion of “double materiality”.

This means the identification of the management aspects that will (or *could*) produce effects on the reference environment, at the same time assessing the economic and financial effects on the company itself.

The identification of material themes therefore has a twofold significance or value: what the development of the given theme produces in the reference environment (*impact*) and what consequences it could have in terms of management (*economic and financial effects*).

Below are **three steps**, each an introduction to the next:

- 1** the graphic identifies the main stakeholders of the company already identified in the **stakeholder map**, with their relative weights measured by their proximity to/distance from the centre of the diagram, representing the company;
- 2** *the materiality matrix*, which identifies and names key sustainability policies and places them in order of importance, cross-referencing relevance to the company and stakeholders,
- 3** comparative assessments of material themes according to the criterion of “double materiality”, namely what effects are expected to occur in the reference environment and what effects can be expected from an economic and financial point of view.

Finally, the summary table will analytically describe policies, achievements in the 2023 financial year and targets for the next sustainability plan period.

The materiality matrix refers to Fruttigel's intentions and plans for the current financial year and, in terms of trends, for the next two.

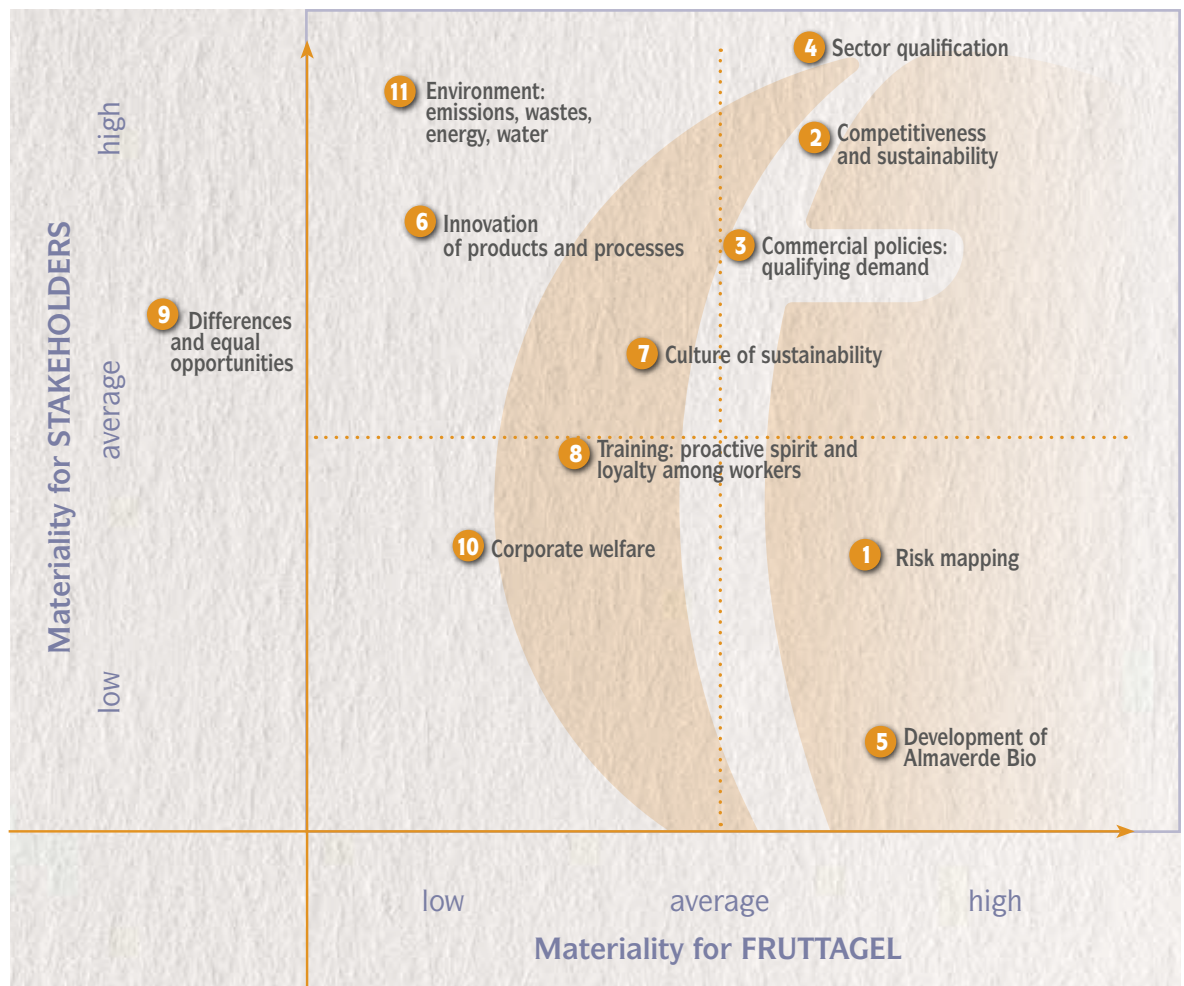
In recent years, a materiality matrix has been the most effective tool to demonstrate an organisation's sustainability strategy, namely how the company's interests are aligned with those of stakeholders.

The company's interest in a specific policy (project, activity) is indicated on the horizontal axis and the vertical axis shows the interest of the stakeholders. The upper right quadrant is called the “materiality quadrant”, the point where the company's highest expectations meet those of the stakeholders. This is therefore the area where the possibility of producing shared value is greatest.

However, some important issues must be taken into account, in part concerning the development of sustainability policies and their relationship with the Business Plan, and in part referring to the changes in the applicable rules, and thus:

- 1** the need to provide continuity and consistency in the description of the company's activities, and thus to describe the results for the reporting period and relating to the commitments made at the time,

2. the revision of the Sustainability Plan, clarifying certain material themes;
3. the changes in the GRI standard, which introduced the concepts of *value chain, impacts and risks*, risks – both of which have already been dealt with – and *double materiality* as key aspects of the descriptions, thus envisaging a new and different description of the policies, with an in-depth analysis of external impacts and internal effects.



Based on the criterion of double materiality, each material theme can be observed from a dual point of view.

### 1. Mapping and management of risks

Please refer to the preceding discussion, which provides an extensive explanation of the reasons why certain risks need to be considered and highlights guidelines for their reduction or mitigation.

### 2. Competitiveness and efficiency

The internal effects of the issue are obvious: an increased ability to produce margins. The external impacts can be assessed from two perspectives: an increased contribution to the implementation of the mutual, cooperative purpose and greater adherence to the needs of customers and consumers.

### 3. Commercial policies: qualifying demand

This theme is closely linked to the previous one and to the overall qualification of the value chain: the action to shape demand (where necessary

by modelling consumption habits) simultaneously produces a consolidation of customer relationships and an increase in margins.

#### **4. Quality of the upstream supply chain**

On the upstream side, Fruttigel's supply prospects depend on the quality of inputs, which in turn affect environmental and social sustainability. This is a classic case where the sustainability needs of the company coincide with those of the upstream part of the chain.

#### **5. Development of Almaverde Bio**

The possibility of brand optimisation opens up more market opportunities and tends to encourage the consumption of organic products. The effects are an improvement in Fruttigel's positioning and clear environmental benefits.

#### **6. Innovation of products and processes**

The external impacts of the innovation concern, on the one hand, the quality of the products (including from an environmental point of view) and, on the other hand, the possibility of reinforcing Fruttigel's role vis-à-vis the upstream part of the chain (qualification of inputs) and improving the supply capacity of customers (distributors).

#### **7. Culture of sustainability**

The internal effects concern the increased awareness of the entire structure of the objectives and constraints related to environmental and social policies. The resulting impacts concern the visibility and intensity of Fruttigel's sustainability policies.

#### **8. Training: proactive spirit and loyalty among workers**

The means to achieve greater results in terms of overall sustainability policies and improved business performance depend on the skills and loyalty of employees.

Commitment to training is therefore a necessary investment, from which economic and reputational returns are expected by the market, customers and stakeholders in general.

#### **9. Differences and equal opportunities**

Quite apart from the requirements related to respect for human rights, it should be pointed out that Fruttigel's employment base is largely female. It must be said, in this respect, that the cultural constraints typical of the agricultural environment weigh heavily, and therefore the objective of equality must overcome difficulties arising from the history and social characterisation of the environment. For this reason, however, it is not only a sensitive issue, but one that must be promoted and that concerns the value chain as a whole, and thus not just the company but the social environment as well.

#### **10. Welfare**

More than simply a question of social justice, the development of corporate welfare is expected to increase workers' sense of attachment to the company and increase overall labour productivity and stability, especially considering the difficulties in finding and stabilising a workforce.






















#### **11 Environment: emissions, wastes, energy, water**

This is the fundamental argument for producing recognition and social value for the company, as well as the actual legislative obligation associated with it. It is clear that the investment required for this purpose will have to be repaid by the recognition from the stakeholders mentioned above.

In conclusion, it should be emphasised that the boundaries between the material themes are very blurred and almost always non-existent, and achievement of objectives therefore necessarily entails an understanding and sharing of those themes by the entire organisation.

# Sustainability policies

	Relevant area	Theme	Description
Corporate governance and development	1. Mapping of risks, impacts and due diligence	<i>Description and assessment of risks, evaluation of impacts and interactions with key stakeholders.</i>	Broad identification of risks and impacts. Actions: Mitigation and/or elimination plan (2023).
	2. Competitiveness and efficiency	<i>Competitiveness and sustainability in investment and management choices.</i>	Energy and water efficiency and utilisation of waste with a view to the circular economy. Qualification in production, also with a view to greater sustainability.
	3. Commercial policies: qualifying demand	<i>Improved positioning and economic sustainability; action on demand to contribute to its characterisation with a view to sustainability and consumerism.</i>	The preferences of customers and consumers match those of FruttageL in terms of greater product sustainability, which concerns the processed product, the packaging, and in general the guarantee of a high standard of quality.
Healthy, sustainable consumption	4. Quality of the upstream supply chain	<i>Improved performance of ARM growers to produce increased value and a greater contribution of the entire supply chain to sustainability.</i>	FruttageL's growth prospects depend on two factors concerning growers: <i>aggregation</i> and <i>specialisation</i> , with a view to sustainability. On the horizon: a cohesive group, specialising in ARM for industrial processing.
	5. Development of Almaverde Bio	<i>Development of the brand as the first demonstration of the sustainability and strategic relevance of organic production.</i>	The brand and its development represent the first indication of the development of organic production and FruttageL's commitment to this sector. The issue is closely linked to the qualification of the growers in this sense.
	6. Innovation of products and processes	<i>Adaptation of products and processes in line with growth objectives and the vision of sustainability; consistent commercial and communication initiatives.</i>	The ability to continue innovating products and processes is an essential part of FruttageL's development. This must be accompanied by specific, qualified communication activities.
Work and people	7. Culture of sustainability	<i>Sustainability – in all its meanings – as a shared focus for employees at all levels.</i>	The overall sustainability of the company depends on awareness at all levels of the new and necessary logical and professional framework related to sustainability and business ethics.
	8. Training: proactive spirit and loyalty among workers	<i>Professional awareness and social ethics. Digitisation and digitalisation as a necessary cultural and competitive environment.</i>	Staff training has always been a core focus for FruttageL, as a driver for a continuous improvement in skills. This now becomes even more indispensable in relation to future digitisation and digitalisation needs.
	9. Differences and equal opportunities	<i>Need for updating/adaptation in line with social and regulatory requirements.</i>	The issue of equal opportunities is considered an essential factor in sustainability policies and derives from the company's traditional sensitivity to gender issues and differences, typical of the cooperative tradition.
	10. Corporate welfare	<i>Application and development of FruttageL's policies on this issue.</i>	Corporate welfare at FruttageL, established through a trade union agreement in 2018, is seen as an essential tool for further commitment to the company and for improving people's lives.
Environment	11. Environment: a. emissions and wastes b. energy c. water	<i>Improvement in FruttageL's environmental balance sheet by setting and monitoring specific reduction targets for the indicators mentioned.</i>	The focus on environmental sustainability is now the most essential factor in FruttageL's strategy, fully integrated into its business plan and sustainability report.

	Relevant area	Target	SDGs and targets			
Corporate governance and development	1. Mapping of risks, impacts and due diligence	Carry out a thorough assessment of the ESG and ERM risks of the elements influencing sustainability. Ensure compliance with regulatory and disciplinary developments (from an ESG perspective).	 2.4	 13.1		
	2. Competitiveness and efficiency	Reduce CO <sub>2</sub> emissions; concentration of treated volumes with lower energy consumption. Eliminate PET, increased volumes, reduced energy use.	 2.4	 8.2/8.8	 12.2	
	3. Commercial policies: qualifying demand	For 2023 and 2024, carry out and consolidate: <ul style="list-style-type: none"> <li>• moving away from plastic (PET) and film in packaging</li> <li>• development of products without added sugar</li> <li>• fully aseptic production operations</li> </ul>	 3.9	 2.4		
Healthy, sustainable consumption	4. Quality of the upstream supply chain	Increase the quality and stability of members' contributions, with increased member loyalty and consistency of behaviour. Stabilise and increase organic production and the ethical quality of the supply chain ("quality businesses"). Qualify and increase efficiency of the aggregation of growers within the local area.	 6.3	 8.4	 2.4	
	5. Development of Almaverde Bio	Increase the volumes handled by setting specific targets for the years of the business plan. Plan a more effective marketing and communication policy for the period that is fit for purpose.	 3.9			
	6. Innovation of products and processes	Involve the actors in the supply chain more deeply: from producers to customers. Qualify and develop the relationship between suppliers of innovation at various levels (from producer, to packaging, to customer-consumer) to increase the value of products. Develop sugar-free products. Consolidate research in cooperation with universities and specialised centres, setting specific targets per financial year.	 8.2			
Work and people	7. Culture of sustainability	In 2024, implement the excellent results already achieved with the creation of a group of "ambassadors", on the dissemination and knowledge of the new Code of Ethics.	 8.3/8.5			
	8. Training: proactive spirit and loyalty among workers	Increase loyalty and validate the work of employees by increasing skills. Strengthen prospects for integration into the leadership team through activities targeted at young people with high potential at all levels. Manage Industry 4.0 investment projects. Develop initiatives and practices ( <i>talent attraction</i> ) that help to build loyalty and a commitment to stay among new recruits.	 8.2/8.8			
	9. Differences and equal opportunities	Initiate reflection on the institutional nature of the company and its difficulties in matching what is required by legal doctrine and regulatory guidelines. Highlight situations at all institutional and organisational levels concerning equal opportunities and diversity. Aim for greater parity in management and accountability (non-elective) areas where the process appears more feasible. Report the changes implemented and the results achieved by year.	 8.5/8.8	 5.5		
	10. Corporate welfare	Further implement the plan, knowledge and use of the corporate welfare system.	 8.3/8.5			
Environment	11. Environment: a. emissions and wastes b. energy c. water	Improve the company's carbon footprint in the <i>areas</i> indicated. Reduce energy consumption through specific investment choices and water consumption by implementing water recovery.	 7.2/7.3	 13.1	 6.3	 8.4

# 1. Mapping of risks

## What we said

As noted in the previous part of this report, Fruttigel has considered risk mapping as a topic of fundamental importance since the 2022 report, above all in order to assess the impacts and actions necessary to address the consequences of the economic, social and environmental changes we have witnessed and are witnessing in recent years. The reasons are also closely linked to the changes in regulations and legal provisions, which require that companies demonstrate a greater level of “social and environmental awareness”. In this case, this means not only aspects relating to “rights” or the natural environment and its protection, but also the system of relationships that the company must manage in all contexts (economic, social and environmental).

The general objective is therefore to carry out an analysis, namely *a description and assessment of risks as an alignment with due diligence activities, and thus the need for explicit knowledge and assessment of relationships with local contexts and stakeholders*. This commitment was independent of the provisions of the GRI 2021 standard, which, however, made the handling of these issues more important and more urgent.

## What we have done

Fruttigel’s management addressed the issue in a series of meetings and has structured the process as follows:

- an initial general assessment of the need to identify and classify risks,
- a description of the value chain,
- an initial identification of impacts and risks, subsequent identification and refinement of the effects and actions, breaking down the imagined level of intervention on the basis of the possibilities of affecting the risks concerned.

The important analysis work resulting from this process is detailed in full in the opening chapter of Section Three of this Report, entitled **“The Sustainability Plan: stakeholders, value chain, impacts and risks”**.

We will simply summarise here that this further update was intended to:

1. share the perception of risks within the management team,
2. describe the nature of those risks in broad terms,
3. identify possible effects on the company,
4. identify possible effects on the context,
5. determine the likelihood of each,
6. identify, in the first instance, actions to address those risks (elimination, reduction, control).

This is clearly a further step in risk specification and in-depth analysis that is not yet fully satisfactory, but is already specifically oriented towards structuring a risk plan that largely coincides with the definition of a sustainability strategy.

## What we are committing to do

The next step, to be completed in 2024, will be the explanation/further clarification of the policies (the specific actions and objectives that can be identified) related to the analysis carried out (certain sections and aspects of which are nevertheless dealt with in the analysis sheets or areas that follow in this third section of the Report). Lastly, in 2025, the method will need to be brought up to speed and Fruttigel must move on to managing the process, monitoring and planning aspects that enable regular adaptation of the Risk Plan. This also considers the regulatory requirements that can be expected.



## 2. Competitiveness and efficiency

### What we said

The aim here is for FruttageL to express the relationship existing between the objectives of increasing productivity/competitiveness and the concept of sustainability, understood as a cultural approach intended to combine the economic benefits of investment choices with environmental and social benefits.

The content of these relationships, which is also the macro-objective of the strategic plan, has been expressed through three main objectives:

- greater autonomy and competitiveness in the processing and logistical management of frozen vegetables (above all the construction of the new automated warehouse);
- improvement in the productivity of the entire hot processing department and increase in processing capacity for plant-based beverages (complete overhaul of the large-size Tetra department, new pasteurisation plant, decommissioning of the PET department);
- increase in organic products, production efficiency, and energy, water and waste management efficiency, with maximum achievable integration of environmental and social sustainability issues.

### What we have done

The business and investment plan for 2021-2023 (but also in fact the new plan that will be valid for the years 2024-2027) has therefore been developed based on these objectives and commitments, quantifying economic and environmental benefits, which has led to the achievement of the objectives highlighted in purple:

Year	Principal actions	Economic benefits generated each year	Type of benefits generated	Quantity of environ. benefits
2021	Relamping Alfonsine site	€100,000	Energy reduction; better visibility	- 270 tonnes of CO <sub>2</sub>
2022	Steam generators	€200,000 + ETS exit (€900,000 in 2021)	Reduction in methane	- 1,200 tonnes of CO <sub>2</sub>
2022	Oxygen diffusers in purification plant tanks	€100,000 + improvement in plant management	Energy reduction	- 150 tonnes of CO <sub>2</sub>
2022-23	Decommissioning of PET department and modernisation of Tetra departments	Increased productivity and margins	Energy reduction/Cert. B Reduced impact of plastic use	- 123 tonnes of CO <sub>2</sub>
2023-24	Harvesting machine	€120,000	Reduced fuel use (+ quality prod.)	- 16 tonnes of CO <sub>2</sub>
2024	New WMS/internal logistics restructuring using RTLS technology	€200,000	Greater efficiency and drastic reduction in errors – increased workplace safety	Shorter routes for forklifts
2023-24	New freezer	Increased production efficiency and product quality	Improved energy rating in relation to quantity produced	
Define by 31/12/24	New frozen food warehouse	€1,000,000	Energy reduction Fewer shuttle operations	- 480 tonnes of CO <sub>2</sub>
2025	Water recovery and potable water plant	To be quantified	Reduced use of potable water Increased purification recovery	To be quantified

In the following commitments, the reasons why the objectives highlighted in orange have not been completed or achieved are described.

## 2. *Competitiveness and efficiency*

### **What we are committing to do**

The commitments for the current year are driven by the reasons why certain important objectives identified in the previous report could not be achieved.

With regard to the water recovery and potable water plant, the postponement to 2025 was due to the need to prioritise other investments that have greater impact and are necessary for production activities and, in general, to increase the company's potential ability to respond, during harvesting campaigns, to the (unfortunately probable) effects of climate change.

In terms of the construction of the new automated warehouse, for which a positive outcome in the authorisation process is expected by mid-2024, the relocation also depended on the need to properly assess its economic sustainability, in light of the substantial cost increases and economic and financial risks indirectly generated by the conflict in Ukraine and the international economic environment. Based on this assessment, Fruttigel will make a final decision on feasibility by the end of the 2024 financial year.

These investments, along with further action and a specific focus on energy saving and water consumption, remain the main commitments for the 2024/2025 financial years.

### 3. *Commercial policies: qualifying demand*

#### **What we said**

Commercial policies, aimed at qualifying demand, were still strongly influenced in the 2023 financial year by two substantial aspects: a dynamic of list prices for products that benefited from the increases received in 2022, and a lack of raw material availability, particularly on frozen products and tomatoes, due to the climatic events that dramatically marked the financial year itself, from the flood to the hailstorms and tornado in the Alfonsine area.

These events inevitably affected both conventional and, above all, organic production, also negatively impacting the quality of the raw materials, resulting in a need to purchase semi-finished products on the market at a very much higher cost (around €2 million), which meant that it was not possible to reduce the list prices for the products, except to a marginal extent.

#### **What we have done**

As a result of the phenomena described above, and despite the efforts made, Fruttigel has not always been able to meet the demands of its customers, recording a modest drop in turnover in both the Italian and foreign markets. As far as exports are concerned, there was therefore a decrease in turnover compared to the previous year, while the company retained the number of customers already established the previous year as a result of the improved focus on directing efforts and resources towards more qualitative target countries/channels, which was achieved in 2021/2022.

We have also continued to “pay attention” to environmental aspects by deciding to choose packaging types for our products that have less impact on the environment.

For beverages and tomato products, we primarily use TetraPak® packaging, which is made on average of 70% by weight of paper, a renewable, certified and recyclable raw material. Organic frozen vegetables and soups intended for end consumers are packaged in compostable bags certified *Ok Compost* according to UNI EN 13432:2002 by TÜV Austria, made of bioplastic that can be disposed of in organic waste collections.

For fruit-based products, the range of products without added sugars was expanded, both in terms of product references and customers interested.

#### **What we are committing to do**

##### **Sustainable product and packaging qualification:**

- further development of fruit and plant-based beverages without added sugars;
- further implementation of the use of compostable films for frozen products.

##### **Foreign development**

- development of a presence primarily in the North American, European, Japanese, Korean and Australian markets;
- identify the commercial offerings operating on markets that seek out and reward Italian products and guaranteed-quality organic products;
- promotion of “Fruttigel brands” abroad, starting with the Almaverde Bio brand.

## 4. Quality of the upstream supply chain

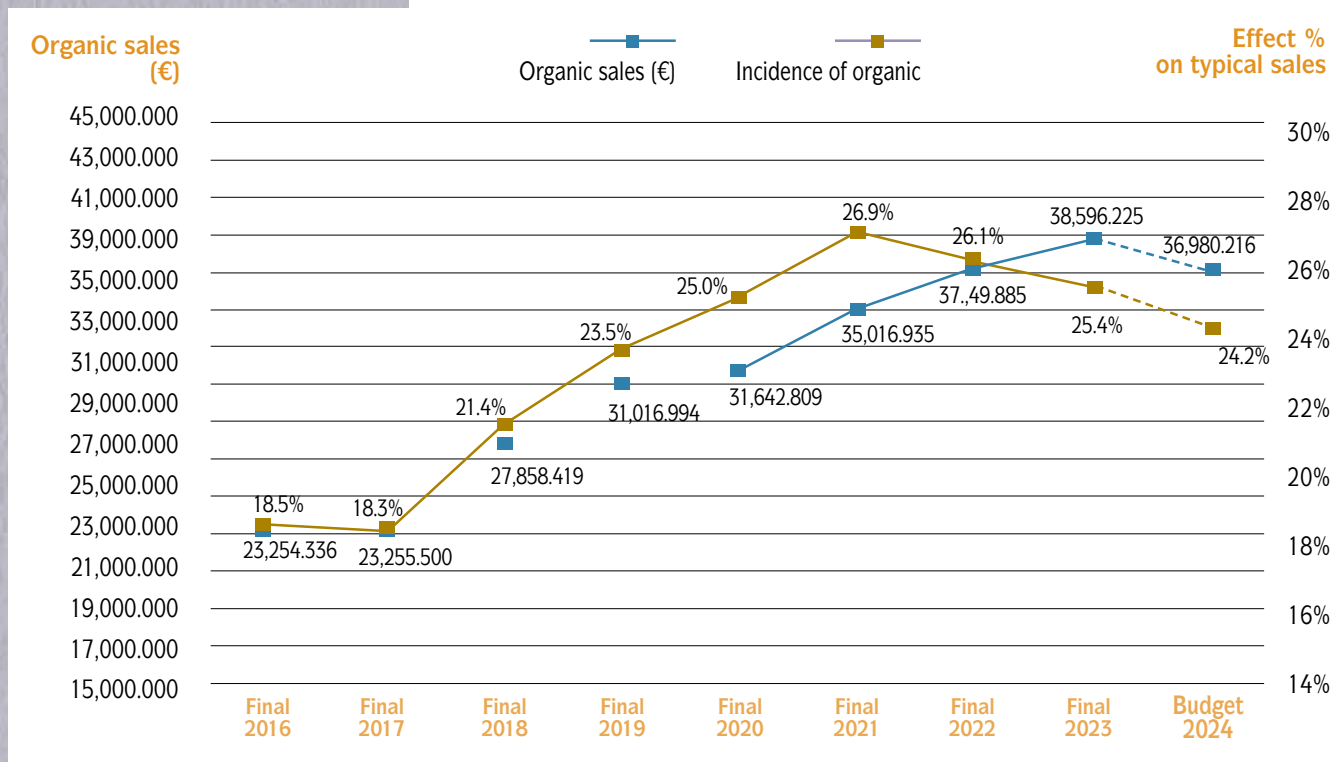
### What we said

The aspects used to assess the qualification of the supply chain in recent years have concerned three main aspects:

- the development of organic production, where FruttageL has been a leader for some years;
- the ethical qualification of ARM growers (through the Quality Agricultural Work Network as recognition of ethical standards);
- the rewarding of growers and an increase in the value of the relationship (leading to increased and more stable profitability in the medium to long term, fostering a greater degree of aggregation and specialisation).

### What we have done

In terms of organic production, the following graph illustrates the performance of sales of organic products in the financial years from 2016 to 2023, and budget forecasts for 2024, and the corresponding impact on FruttageL's total typical sales.



It should be emphasised that the 2023 financial year was characterised by a decrease in the proportion of organic turnover as a percentage of total turnover, even though there was an absolute increase in organic turnover compared to the previous year, again as a result of the significant inflationary dynamics. This is explained by a contraction in volumes compared to the 2022 financial year, caused by the reduced availability of raw materials due to the weather phenomena, flooding and hailstorms, and by list price increases passed on from the previous year (which led to a general contraction in volumes).

For 2024, on the other hand, assuming that volumes remain stable compared to 2023, what emerges is an upturn in both parameters, namely both the proportion of organic turnover in overall turnover and absolute growth.

## 4. Quality of the upstream supply chain

The ethical qualification of growers, monitored through inclusion in the Quality Agricultural Work Network, was first introduced in the 2020 report to monitor respect for human rights and working conditions throughout the supply chain.

**The Network (Law No 116 of 11 August 2014)** was set up within the Italian social security agency INPS to select agricultural companies and other organisations indicated by the applicable legislation that, on presentation of an appropriate application, stand out because of their compliance with the requirements for employment and social legislation.

At the end of 2023, Fruttigel therefore monitored the number of grower producers (both members and non-members of the company that have actually delivered product) enrolled in the Quality Agricultural Work Network, verifying achievement of the targets stated for the previous year (already steadily improving from the 2020 financial year) and setting new targets as described in the following paragraph.

Although they are still objectives sought by Fruttigel and its agricultural partners, rewarding growers and increasing the value of the relationship were certainly not favoured by the economic and market conditions that existed in the second half of 2021 onward and still continue to this day.

The exponential increase in costs that has affected the entire supply chain has led some producers to opt for certain/immediate benefits from more profitable crops, which unfortunately are products that are not of interest to Fruttigel. At the same time, demands for an increase in agricultural raw materials, which Fruttigel did not always support or otherwise absorb, resulted in less raw material being available.

This phenomenon has certainly also characterised the 2023, and it is conceivable, and desirable, that it could be reversed in the 2024 financial year, in terms of both the availability of agricultural producers and the dynamics inherent in the cost of raw materials.

### What we are committing to do

The current context, characterised by the factors described above and the continuing uncertainties about the availability of raw materials (also linked to climate problems), cost trends, product prices and consumption itself, means that the identification of realistic development targets is not a foregone conclusion.

Nevertheless, Fruttigel must safeguard its organic production, which has performed satisfactorily in terms of value (from which the entire supply chain has benefited) but must also be at least consolidated in terms of volume.

The first objective for organic production is therefore definitely to meet the overall 2024 budget forecasts.

The following table shows the specific quantity targets for the year 2024 for the main product types. The most significant growth compared to the previous year can be seen in the volumes of tomatoes (decreased in 2023 due to climatic events) and organic fruit (in this case, because of the fact that the quantities had decreased in 2023 due to residual quantities from previous years).

## 4. Quality of the upstream supply chain

Organic product	Sown quantity 2021 (Ha or t)	Sown quantity 2022 (Ha or t)	Sown quantity 2023 (Ha or t)	Budget 2024 Sowing (Ha or t)
<b>Peas</b>	650 Ha	586 Ha	573 Ha	440
<b>Green beans</b>	145 Ha	196 Ha	133 Ha	145
<b>Leafy vegetables</b> (spinach, chard)	142 Ha	200 Ha	120 Ha	120
<b>Borlotti beans</b>	72 Ha	29 Ha	18 Ha	52
<b>Fruit</b>	1.680 t	2.250 t	1.262 t	1.430
<b>Tomatoes</b>	15.925 t	16.658 t	10.283 t	17.000

Notes: Ha = hectares / t = tonnes

In relation to ethical qualification and issues relating to respect for rights and working conditions along the ARM supply chain, Fruttage's primary objective and commitment is still to increase the number of grower producers enrolled in the Quality Agricultural Work Network, assessing the results achieved at the end of the year and, where possible, the reasons that could have made enrolment in the Network impossible (given the specific nature of the requirements for enrolment and the fact that a failure to meet those requirements is not necessarily an indicator of "ethical" shortcomings). Below we have provided the data concerning the total quantity of products supplied to the Fruttage plants in Alfonsine and Larino (from both member producers and producers of purchased goods), broken down by the number of producers registered with the QAWN and the tonnage of products attributable to those producers.

QAWN-registered grower	2020		2021		2022		2023		Target 2023 vs 2022	Target 2024 vs 2023
	Number	Tonnes	Number	Tonnes	Number	Tonnes	Number	Tonnes		
<b>NORTHERN area</b>										
<b>A. All producers</b>	363	79.355	387	81.167	305	72.090	278	60.470	Growth of QAWN-registered	Growth of QAWN-registered
<b>B. QAWN-registered producers</b>	68	32.945	78	38.797	82	37.283	80	28.208		
<b>Percentage B of A</b>	19%	42%	20%	48%	27%	52%	29%	48%	tonnes from QAWN-registered	tonnes from QAWN-registered
<b>SOUTHERN area</b>										
<b>A. All producers</b>	119	25.513	160	21.804	151	23.274	124	21.102	Growth of QAWN-registered	Growth of QAWN-registered
<b>B. QAWN-registered producers</b>	16	2.388	36	5.401	36	5.075	24	3.820		
<b>Percentage B of A</b>	13%	9%	23%	25%	24%	22%	20%	18%	tonnes from QAWN-registered	tonnes from QAWN-registered

### Outcomes for 2023 targets

- The targets for percentage growth in the number of QAWN-registered growers and quantity in tonnes, identified for 2023 compared to 2022, have only been met in part.
- In the north, however, there is an improvement in the percentage of QAWN-registered growers compared to the previous year and tonnages received from QAWN-registered growers have remained stable.
- In the South, the parameters were not achieved.

One reason for the above trend is undoubtedly the climatic problems experienced during the financial year and the consequent shortage of raw materials, which led to significant variability among producers.

## 5. *Development of Almaverde Bio*

A readiness to invest in the development of Almaverde Bio branded products has been a core feature of the three-year business plan as an objective closely related to the development of all aspects of the organic production sector, including in terms of communication, and to the need to maximise our business characteristics, our history (cooperative company, grower members, organic production in existence for a very long time, etc.) and the differences in focus on specific issues such as environmental sustainability, with respect to the market and the competition.

The first step in this direction was the acquisition of a controlling interest in the company Almaverde Bio Ambiente, with which (despite some management difficulties inherited from the previous management) a start was made on developing the ambient range of branded products.

### **What we have done**

However, this investment did not produce the desired effects. After a few years in which Fruttage's management certainly improved ABA's profit and loss account and organisation, the financial results, which were in any case negative in years when the economic situation was anything but favourable, made it impossible for the independent structure to continue.

Therefore, in November 2022, ABA was incorporated into Fruttage, which will now directly manage the development of the branded products previously managed by ABA.

From 1 January 2023, the Almaverde Bio product offer from Fruttage therefore consists of the production and marketing of the original Almaverde Bio branded products (frozen vegetables, plant-based beverages, tomato products, fruit beverages and juices) and also the distribution of products under the brands of the merged company (sauces and pestos, olives, tinned pulses, pasta, honey, vinegars, coffee, fruit jams, fruit-based carbonated drinks and iced tea).

With regard to the latter aspect, at the end of 2023 the range of products previously marketed but not produced by Fruttage was substantial downsized, optimising the brand's activities and retaining only those products with a higher marketing value and closer to the range of ambient products made directly by Fruttage.

### **What we are committing to do**

Notwithstanding the above, commitments to the development of Almaverde Bio-branded products, both ambient and frozen, produced by Fruttage will continue to be implemented, where applicable through the strengthening of the dedicated commercial structure.

The decisions made in relation to the 2023 range confirm this. These include:

- commercial launch in May 2023 of the line of beverages without added sugar made with 70% fruit/fruit and vegetables packaged in 200 ml glass bottles;
- commercial launch in October 2023 of a new frozen vegetable product.

## 5. *Development of Almaverde Bio*

The sales trend, as shown in the table below, was substantially the same as the previous year.

The goal for the current year is to meet or improve on the budget forecasts (which foresee a slight decrease) by consolidating the expected volumes.

<b>Almaverde Bio</b>	<b>Invoicing 2022</b>	<b>Invoicing 2023</b>	<b>Budgeted sales 2024</b>
Fruit juices/beverages	1,493,000	1,616,000	1,190,000
Plant-based beverages	16,000	3,000	0
Tomatoes	264,000	230,000	157,000
Frozen foods	6,559,000	6,530,000	6,416,000
<b>Totals</b>	<b>8,332,000</b>	<b>8,379,000</b>	<b>7,763,000</b>

Note: the turnover quoted does not include the value of former ABA goods marketed.



## 6. *Innovation of products and processes*

### What we said

Innovation at Fruttigel takes the form of projects that combine internal product and process skills with the ability to approach customers as a proactive counterpart able to innovate (thus also raising the company's external visibility), tapping into new market trends and therefore new consumer needs, with high added-value or increasingly "gourmet" solutions.

The speed and effectiveness of these projects is clearly greater when Fruttigel can directly reach the consumer (B2C) or user (B2B) through its own brands.

However, we believe that the same scale can also be achieved when innovation is conveyed through private label customers, although a true, responsible and constructive partnership relationship is needed for this to happen.

### What we have done

The main projects implemented and concluded concerning both product and process innovation are:

- expansion of the Almaverde Bio frozen range: with new product launches for both the Food Service and Retail channels;
- optimisation and improvement of the extraction process for the principal legumes and cereals for the in-house production of semi-finished products to be used in the production of plant-based beverages;
- insourcing of the production chain for new, wedge and diced potatoes, to increase market competitiveness;
- insourcing of production chains for broccoli, cauliflower and vegetables with high added-value;
- development of fruit beverages and nectars, aimed at both adults and children, with either reduced sugar or no added sugar, according to the recommendations for proper, healthy nutrition;
- development of plant-based drinks with zero total sugars (no sweeteners) for consumers who are concerned about the nutritional and health aspects of foods. These products, with their delicate, natural flavour, are very versatile in the kitchen and lend themselves to both sweet and savoury preparations;
- development of functional products, enriched with nutrients and micro-nutrients that promote the psychophysical well-being of consumers (helping strengthen the immune system, reducing cholesterol, maintaining bone and muscle health);
- development of compostable packaging films for frozen products: already adopted by several customers;
- study in cooperation with university centres, research organisations and industrial start-ups of projects and processes for the recovery and use of by-products and industrial waste in order to minimise waste and create value. With a view to the circular economy, after years of research we succeeded in 2023 in converting part of the rice and oat okara, by-products of cereal processing for the production of plant-based drinks, into products that can be used to produce rice and oat functional flours for human consumption (after milling and heat treatment).

## 6. *Innovation of products and processes*

### What we are committing to do

The commitments for the coming years revolve around Fruttage's ability to continue to propose, design and manufacture modern, functional, high-quality products, staying focused at all times on the issues of nutritional well-being and environmental and social sustainability.

The company's main quality objectives are therefore the following:

- further implement the development of products without added sugar, zero sugar, fortified with functional ingredients such as vitamins, minerals, dietary fibre, prebiotics and postbiotics. Search for more natural ingredients and genuine recipes;
- analyse production processes that place less and less stress on the raw materials from a nutritional point of view (preserving vitamins and minerals naturally present in foods of origin) and from a sensory point of view (increasingly genuine industrial products to enable a rediscovery of authentic tastes);
- monitor the sensory profile of foodstuffs over time beyond the minimum shelf life in order to lengthen this limit (both primary and secondary shelf life, after the packaging has been opened), thus contributing to a reduction in domestic wastage of preserved products, while at the same time ensuring good quality in terms of performance (appearance) and organoleptic factors. In this regard, we are building a new corporate panel group that takes into account the increasing diversification, coexistence and contamination in terms of consumption habits, traditions, diets, tastes and customs of society;
- build stable forms of cooperation with the university and scientific research world;
- continue "circular economy" projects dedicated to the recovery of production waste/by-products. In this respect, some projects already in progress deserve special mention:
  - project with the Rimini Technology Centre (Pharmacy Department) and the company Valpharma, concerning the characterisation of certain by-products to assess opportunities for extraction of p.a. nobili for use in the nutraceuticals and cosmetics;
  - project in cooperation with the Department of Civil, Chemical, Environmental and Materials Engineering at the University of Bologna on the use of by-products to obtain plastic polymers (PLA, PHA, PEF, etc.) with which to produce compostable or biodegradable material;
  - research project to produce functional flours for human nutrition (for example, oat and rice okara flours that we are producing, which can also be extended to include tomato peel flour, pea flour, green bean flour, borlotti bean flour, etc.);
  - project to produce matrices for animal feed;
  - project to produce natural fertilisers and manures for agriculture;
  - project to obtain biofuel from a non-fossil, 100% plant-based source.

## 7. Culture of sustainability and dissemination of the Code of Ethics

In order to ensure greater growth in the culture and knowledge of sustainability issues, the plan envisages acting at all levels of the organisation, starting with a particular focus on workers and then touching on other levels, such as the governance structure, growers and other suppliers.

In particular, the commitment has been and will be aimed primarily at workers, and then, based on an evaluation of results and opportunities, may be extended to other individuals. It is precisely this second aspect that has recently been initiated, as will be discussed below.

It should be noted that the judgement on the sensitivity of the management team (Management and Executive Committee) with regard to this issue is good, while it is at middle management level that efforts should be concentrated, as has indeed been done from 2022 onwards. You will notice that the results of this effort are now evident.

### What we said

For some years now, the theme of belonging has been one of the main elements of Fruttage's employment policies. The aim was and is to strengthen a cooperative working culture and generate a greater sense of attachment to the company, supported by corporate well-being and consequently greater efficiency of the entire company.

With this in mind, the instruments and initiatives put in place in recent years have been the following:

- the Membership Charter, which establishes a series of ethical, virtuous and sustainable behaviours that should guide employees' actions;
- a revision of the Fruttage Code of Ethics, taking into account the new policies on social responsibility towards stakeholders and the changed attitudes resulting from those policies. Specific policies to ensure dissemination and involvement have been put in place, especially for this second instrument.
- performance of dissemination and training activities concerning the Code, which will be discussed immediately below.

### What we have done

In autumn 2023, the second annual initiative on the dissemination of the Code of Ethics took place. This is considered fundamental for the development of a culture of sustainability and, even more important, social responsibility.

As happened for the first annual initiative, the activities – which were discussed and agreed with general management under the direction of the Personnel Department and with the cooperation of the Ethics Committee – was implemented through the following steps:

1. identification and mobilisation of a group of managers and employees at the Alfonsine and Larino sites: the aim was to form an initial team of “ambassadors”, namely personnel capable of understanding, interpreting and disseminating the contents of the Code;
2. implementation of a specific training activity that took place in two sessions, the first with general content on ethics and the function of the Code and the second with a testimonial (Sara Teglia, Impronta Etica) and with further development of topics;

## 7. Culture of sustainability and dissemination of the Code of Ethics

3. between one meeting and the next, the participants dealt with a case involving an “ethical dilemma”, thus putting themselves in the position of the Committee assigned the task of overseeing the implementation of the Code;
4. once this phase was completed, between the end of 2024 and early 2024, the participants contributed to the revision of the Ethics Committee’s rules of procedure;
5. subsequently, the “ambassadors” thus trained were engaged in a further dissemination activity. Working in pairs, they engaged other workers, with the following final outcome: **a)** a total of some thirty participants involved; **b)** an overall very positive assessment of the initiative; and **c)** the identification of several points requiring attention to be passed on to management.

Thus, between 2023 and 2024, more than 60 workers were directly involved in the issues of sustainability and the Code of Ethics, and the most important issues concerning the functioning of the company and internal relationships were also discussed with those individuals.

Issues of considerable interest emerged from the participants’ comments, as the dialogue went beyond the specific issues related to the implementation of the Code to cover the organisational and relational dimensions of working life.

In the way it was implemented, the initiative thus took on the character of stakeholder engagement concerning an area of huge importance for a labour-intensive industry.

The findings were reported to the Personnel Department and from there to the direct contact persons.

With regard to the functioning of the Ethics Committee, mention should be made of its commitment, especially concerning the post-review dissemination activities for the document. The activities were reported to the Board by the Chair of the Committee.

Still on the subject of the Code of Ethics and its implementation: with regard to the reports received, there were not many reports initiated, although there was an increase compared to previous years. They nonetheless enabled the Committee to interact with workers in a more orderly and appropriate manner.

The report for the Board of Directors was produced.

As far as the Membership Charter is concerned, the activities in 2023 and the corresponding results from the audits can be summarised as follows: The number of breaches recorded was 25 in 21 checks carried out, and therefore a ratio of 1.19 breaches detected for every check completed.

Year	Number of checks	Number of breaches	Ratio breaches/checks
2019	34	45	1.32
2020	39	69	1.76
2021	25	43	1.72
2022	29	34	1.17
2023	21	25	1.19

## 7. *Culture of sustainability and dissemination of the Code of Ethics*

As a result of the initial monitoring activities and the work to raise awareness and disseminate the Code, more virtuous behaviours and the use of other awareness-raising tools (ambassadors) have made it possible to decrease the checks carried out.

### **What we are committing to do**

For the Membership Charter, the commitment for 2024 is to continue the checks and the work of sharing and listening and of implementing any resulting activities.

With regard to the new Code of Ethics:

- the continuation of training activities aimed at the establishment of a group of “ambassadors”, namely additional groups that can act as effective transmitters of the content of the Code, continuing the positive experiences of 2022 and 2023.
- a more general action, focused on the entire target group (employees and associates) concerning how the Code should be used, based also on the 2022-23 results.

## 8.

### *Training: proactive spirit and loyalty among workers*

#### What we said

This area, and in particular the training of and provision of information for employees, is even more key to strengthening the sense of belonging to the company, a theme that must be revived and implemented (where necessary using the tools represented by the Membership Charter and the dissemination of the Code of Ethics), in the light of factors such as the many people recruited by the company in recent years.

Growth of knowledge and skills, actions on integration between company functions and between the Alfonsine and Larino plants and actions to raise awareness of the impact of an employee's work on that of others have always been considered by Fruttigel as some of the most valuable aspects for improving the corporate climate and consequently business performance. In fact, these aspects will become the essential element with which to best manage how we handle the near future.

Lastly, the ability to assess and where necessary anticipate future needs for skills and knowledge is becoming increasingly important, given the organisational, technological and digital changes in prospect, which are already under way and are set to grow further. There is a need to limit the impacts that social changes are causing in terms of difficulties in finding (and in some cases retaining) a workforce willing to enter a complex organisation such as Fruttigel on a permanent basis.

#### What we have done

In 2023, the following actions were taken in the areas described above:

- project to increase efficiency and train operators in TetraPak packaging departments;
- managerial training: cycle of internal seminars on current issues or topics related to Fruttigel's strategic interests. Qualification of company managers through participation in the MIC (master's degree in management of cooperative companies);
- three issues of *Noi di Fruttigel*, the in-house magazine published each quarter;
- two events for all personnel (one at Alfonsine and one at Larino), providing information on company performance, the sustainability report and the Membership Charter;
- sharing of specific induction training sessions for new recruits on the contents of the Membership Charter, occupational safety, food hygiene and use of resources;
- specific training sessions on the dissemination of the new Code of Ethics and on sustainability.

#### What we are committing to do

Fruttigel will continue with the actions undertaken, setting itself the targets outlined below:

- two periodic initiatives intended for all employees, covering Fruttigel's activities and results, the choices made, the company's vision, and the critical issues to be managed; resumption of the traditional four issues of the in-house magazine *Noi di Fruttigel*;

## 8. *Training: proactive spirit and loyalty among workers*

- convening of a Management Meeting at least once a month and of the Executive Committee at least every two months;
- continuity in training activities for intermediate functions with greater responsibilities and with a specific focus on the issue of knowledge of the organisation and of the correct exercise of responsibilities;
- as mentioned in the previous chapter, further implementation of activities to disseminate and raise awareness about the new Code of Ethics.

In addition, Fruttigel is committed to setting up an internal “Next Gen” coordination system among young employees recruited in recent years who possess skills and expertise that will be valuable for future growth in roles and responsibilities within the company. This “co-ordination” function will be trained in cooperative and management issues and involved in top management decision-making processes, with the specific objective of building future cooperative managers capable of managing the company in the medium term.

## 9. *Diversity, differences, equal opportunities*

Among the key aspects of the standard in use (GRI 2021) and the Corporate Sustainability Reporting Directive (CSRD), which is soon to be introduced, are those concerning diversity and equal opportunities, with particular reference to gender.

From the information on personnel policies in Section Two, it is easy to see that Fruttigel is a company profoundly characterised by the presence of women, although this has not so far led to significant policy specialisations, if we exclude those relating to welfare.

It should be noted that issues of differences do not only concern the employment component, but other fundamental aspects of corporate behaviour, such as governance and relationships up and down the value chain, must also be observed when examining equal opportunities.

In the last edition of the Sustainability Report, two objectives were stated, one to consider regulatory developments and the other to “provide a formal framework for the company’s traditional sensitivity to gender and difference issues, typical of the cooperative tradition”.

We should acknowledge immediately that there were no specific steps forward in 2023, despite the significant involvement of women in the activities concerning “Welfare” and “Culture of Sustainability”. Please refer to the specific sheets for relevant information. We must therefore reiterate the commitments that follow (*what we are committing to do*) and the actions that have been in place for some time concerning non-Italian or Muslim people.

Here are some examples:

- specific leave for family reunification lasting one month;
- leave to make a pilgrimage to Mecca;
- facilitation of shift planning during Ramadan.

### **What we are committing to do**

- **By 2024:** define more precise criteria and objectives for Fruttigel in terms of difference and equal opportunities policies, with particular reference to the provisions of the Governance Code concerning the more institutional and corporate governance aspects, despite the objective difficulties that are summarised by the fact that the grower members are almost all cooperatives that bring together grower enterprises essentially led and represented by males.
- **By 2025:** reach the level envisaged by the legal provisions and regulatory guidelines on difference and equal opportunities policies, linking this to the nature and character of the company, with possible consideration of the creation of a diversity manager role (or similar position/function).



# 10.

## Corporate welfare

### What we said

The corporate welfare system established in 2018 as part of the supplementary contract signed with the trade unions has become the main feature of labour policies and employment contract management at Fruttigel, improving the sense of belonging to the company and the income level of employees by containing costs and increasing organisational and productive efficiency.

### What we have done

The main measures that characterise welfare at Fruttigel are as follows:

- a fixed sum of €82, to reimburse expenses incurred for welfare purposes (health, social and welfare), as an addition and **not an alternative** to the performance bonus;
- convertibility of the performance bonus to corporate welfare payments, at the discretion of the employees;
- an 8% increase paid by the company in remuneration for female workers on optional maternity leave, for the entire duration;
- recognition for personnel under temporary employment contracts (who are otherwise not covered by the regulations and national collective labour agreement) of specific paid leave in case of marriage leave (five days), for mourning (four days) and for study reasons;
- flexibility in managing working hours and lunch breaks for working mothers on day shifts;
- supplementary health care (in addition to the provisions of the national collective labour agreement) for managers;
- agreements with health facilities in the Molise and Ravenna areas at which employees can benefit from health services at very favourable prices and take advantage of Fruttigel's direct payment to the facility.

Concerning the target associated with the percentage of eligible employees who have benefited from the sum usable as a refund (€82) of expenses incurred for welfare, the results are as follows:

- **36%** (percentage for 2022);
- **32%** (percentage for 2023) compared to the target percentage of 50%.

Therefore, this objective was not achieved.

### What we are committing to do

The commitment for 2024 is to further improve the structure, usability and understanding of the corporate welfare system.

Specific goals:

- implementation of free consultations for employees on nutritional and food health issues;
- achievement of a level of 50% for the number of employees who benefit from the amount that can be used as a refund of expenses incurred for welfare services (€82);
- achievement of a level of 40% for the number of employees who choose to convert the performance bonus into a reimbursement of expenses incurred for welfare services.

# 11.

## Environment

### a. emissions and wastes

### b. energy

### c. water

## What we said

Environmental sustainability is an integral part of Fruttage's Mission and the issues, concerns, investments and related reporting have always been present in the company's social and sustainability reports.

Providing detailed information about all aspects (investments, energy, research and innovation) of Fruttage's continued focus on ensuring sustainable production, consumption and investment patterns is therefore a priority, as demonstrated by the wealth of data provided in the Environmental Report chapter in the second part of this report.

## What we have done

The focus on environmental sustainability has taken the form of a range of operational and investment projects already completed in recent years. Below are the results achieved as a result of the main investments.

	<b>Water and local area</b>	<b>Atmospheric emissions</b>	<b>Energy use</b>	<b>Reduction of plastics</b>
Corporate purification system and new investments 2020/2022 New oxygen diffusion system	2023 Water recovery 122,300 m <sup>3</sup> ; groundwater pumping 378,500 m <sup>3</sup> (authorised uptake 750,000 m <sup>3</sup> ) containment of the subsidence that the Alfonsine area is prone to	Fewer total emissions of 149.4 tonnes of CO <sub>2</sub> resulting from reduced energy use	For the new diffusers, reduced energy use for wastewater treatment equal to 260 MWh	
Cogeneration plant		<b>Fewer emissions</b>	<b>Maximised energy efficiency</b>	
Relamping for Larino and Alfonsine plants (2020/2022)		Fewer total emissions 277 tonnes of CO <sub>2</sub> resulting from reduced energy use	Replacement of all light fixtures with LED technology <b>Reduced energy consumption equal to 1,005 MWh and better illumination</b>	
Meters for electrical and thermal measurements			Metering of specific consumption <b>Development of plans for increased energy efficiency in departments</b>	
Compostable pack				Biodegradable bag for frozen products, UNI EN 13432-certified, made of <b>fully compostable material</b>
New Tetra Crystal® 200 ml line/format	Format designed 86% using vegetable sources, 7% reduction in the surface area of the pack	Fewer CO <sub>2</sub> emissions, equal to 14% compared to previous pack		Greater use of paper and reduced presence of plastic and aluminium
New steam generators		Fewer CO <sub>2</sub> emissions equal to around 1,200 tonnes	Reduced energy consumption and greater efficiency	
Decommissioning of PET department and modernisation of Tetra departments		Energy reduction – 123 tonnes of CO <sub>2</sub> emitted	Improved efficiency and productivity	Reduced impact of plastic use
New pea harvesting machine (2023-2024)	Improved harvest efficiency and product quality	Reduced CO <sub>2</sub> equal to around 49 tonnes		
New freezer 2023/2024	Increased production efficiency and product quality		Improved energy rating in relation to quantity produced	
Water monitoring using flow meters	Reduced water waste			

**11.**  
**Environment**  
 a. emissions and wastes  
 b. energy  
 c. water



In recent years a further specific focus on environmental sustainability issues has been added, namely the circular economy.

Fruttigel is cooperating on important projects, which are being implemented as described in detail in area 6 above, “*Innovation: products and processes*”. Other opportunities in the area of management and reuse of certain waste categories are being explored with specialised partners.

Under the Hera Business Solution Protocol, the Hera Group produced the usual *Circular Economy Report* in 2023 concerning management of wastes and the purification plant.

**Circular Economy Report 2023 - Gruppo Hera**

(comparison first year of management and activation of actions for 2019)

<p><b>13.2 kg</b>  <b>Non-hazardous wastes managed for each tonne of product</b>  <b>100% recovered</b>  <i>(13.4 kg in 2022)</i></p>	<p><b>13.2%</b>  <b>Water recovered by clarifying water from the purification system</b>  <i>(12.2 in 2022)</i></p>	<p><b>1,000 tonnes of CO<sub>2</sub></b>  <b>Greenhouse gas emissions avoided for wastes diverted from landfill</b>  <i>(1,200 in 2022)</i></p>
<p><b>-62.5%</b>  <b>Energy consumed per m<sup>2</sup> of wastewater treated compared to 2019</b>  <i>(-58% in 2022)</i></p>	<p><b>Zeroing of the quantity of oxygen consumed per m<sup>2</sup> of wastewater treated</b></p>	<p><b>404.4 tonnes of CO<sub>2</sub></b>  <b>Greenhouse gas emissions avoided through energy efficiency actions compared to 2019</b>  <i>(428 in 2022)</i></p>

**What we are committing to do**

The commitments regarding environmental sustainability, circular economy projects and efficiency gains from such projects (energy consumption, water, steam utilisation, waste management), which we are committed to evaluating and implementing, are highlighted in the table below, in which we have also indicated the associated timing or degree of completion (as well as the benefits generated).

<b>Commitments</b>	<b>Benefits generated</b>	<b>Timing/ Completion status</b>
New WMS/internal logistics restructuring using RTLS technology	Greater efficiency and drastic reduction in errors – better workplace safety and shorter routes for forklifts	To be completed by end 2024
New frozen food warehouse	Energy reduction – 480 tonnes of CO <sub>2</sub> emitted Fewer shuttle operations (- 130,000 km)	In stand by
Potable water and microfilt. plant	Reduced use of potable water Increased purification recovery	To be completed by end 2025
Harvesting machine	Reduced fuel use (+ quality prod.) – 16 tonnes of CO <sub>2</sub> emitted	Already completed
Projects to reuse vegetable by-products or processing waste – waste management	Reduction in quantities currently managed as wastes	Already completed and evolving

# 11. Environment

a. emissions and wastes  
b. energy  
c. water

Lastly, the following table assesses the achievement by the Alfonsine site of the quantitative targets set in the previous report and highlights the new environmental sustainability targets for 2024.

Areas – indicators	Description	Data for 2022	Target 2023	Data for 2023	Target 2024
Energy efficiency	Reduction in total consumption in tonnes of finished product rate kWh/t finished product	kWh consumed 34,727,158 – tonnes of finished product: 191,148 <b>Rate 160</b>	Reduction vs 2022: 3% <b>NO</b>	kWh consumed 33,389,201 – tonnes of finished product: 174,913 <b>Rate 160</b>	Reduction vs 2023: 3%
Emissions of CO <sub>2</sub>	GHG Protocol: Scope 1 and 2; Scope 3 on harvesting machines	Tonnes of CO <sub>2</sub> 24,297	Reduction vs 2022 <b>YES</b>	Tonnes of CO <sub>2</sub> 22,754	Improved ratio rate
		Ratio of tonnes of CO <sub>2</sub> /tonne of finished product: Alfonsine 0.12	Improved ratio <b>NO</b>	Ratio of tonnes of CO <sub>2</sub> /tonne of finished product: Alfonsine 0.13	
Water efficiency	Reduction in water consumption per tonne of finished product: rate m <sup>3</sup> /t	Consumption: 1,552,225 m <sup>3</sup> . Tonnes of finished product: 191,148 Ratio: 8.12	Reduction vs 2022 in ratio: 2% <b>NO</b>	Consumption: 1,425,520 m <sup>3</sup> . Tonnes of finished product: 174,913 Ratio: 8.15	Reduction vs 2023 in ratio: 2%
	Increase in quantity recovered by treatment system	M <sup>3</sup> recovered by the treatment system: 122,254	Increase in m <sup>3</sup> recovered: + 15% <b>NO</b>	M <sup>3</sup> recovered by the treatment system: 122,298	Increase in m <sup>3</sup> recovered: + 10%
Waste management	Reduction in ratio between total (hazardous and non-hazardous) wastes and tonnes of finished product	Wastes produced: 8,927 Tonnes of finished product: 191,147 Ratio: 0.046	Reduction vs 2022 in ratio: 4% <b>YES</b>	Wastes produced: 6,964 Tonnes of finished product: 174,913 Ratio: 0.039	Reduction vs 2023 in ratio: 4%

As can be seen from the figures, the results concerning the 2023 vs. 2022 targets were only partially achieved. However, the failure to achieve the targets can be explained by a few specific factors.

The significant reduction in the quantities in tonnes of finished products (due to the well-known weather events and natural disasters) significantly affected the figures and was not matched by a corresponding proportional reduction in energy consumption (and in the quantities of CO<sub>2</sub> generated). This can be explained by the complexity of managing plants and production lines, which lose efficiency in the face of production discontinuity, declining yields, etc.

Consumption in absolute terms therefore fell (for energy, CO<sub>2</sub> emissions and water), but a similar drop was not recorded in the rates.

What we can appreciate, however, is the reduction in water consumption from groundwater (from 429,400 m<sup>3</sup> to 378,500 m<sup>3</sup>) and, on the waste front, the improvement across all rates, and in the absolute quantities of hazardous and non-hazardous waste.

# GRI Assurance Statement



## **Dichiarazione di assurance indirizzata agli stakeholder di Fruttage S.C.p.A**

### **1. INTRODUZIONE**

Bureau Veritas Italia S.p.A. ("Bureau Veritas") ha ricevuto da Fruttage S.C.p.A l'incarico di condurre una verifica indipendente (assurance) del proprio Bilancio di Sostenibilità 2023, con l'obiettivo di fornire conclusioni in merito a:

- Accuratezza e qualità delle informazioni rese pubbliche sulle proprie performance di sostenibilità;
- Grado di adesione ai principi di rendicontazione della Global Reporting Initiative secondo il livello di applicazione "con riferimento agli Standard GRI" previsto dalla versione 2021 dei GRI Universal Standards.

### **2. RESPONSABILITÀ, METODOLOGIA E LIMITAZIONI**

La responsabilità di raccogliere, analizzare, consolidare e presentare le informazioni e i dati del Bilancio è stata esclusivamente di Fruttage S.C.p.A. La responsabilità di Bureau Veritas è stata di condurre una verifica indipendente rispetto agli obiettivi individuati e di formulare le conclusioni contenute in questo rapporto.

La verifica è stata condotta come una Limited Assurance ai sensi dello standard ISAE 3000, attraverso l'applicazione a campione di tecniche di audit, tra cui:

- Verifica di politiche, mission, valori, impegni;
- Riesame di documenti, dati, procedure e metodi di raccolta delle informazioni;
- Interviste a membri del gruppo di lavoro per la stesura del Bilancio;
- Interviste a rappresentanti aziendali di varie funzioni e servizi, oltre che di membri dell'Alta Direzione;
- Verifica complessiva delle informazioni e in generale riesame dei contenuti del Bilancio di Sostenibilità 2023.

Le attività di verifica sono state condotte in modalità remota con la sede dell'azienda sita in via Nullo Baldini n° 26. 48011 Alfonsine (RA) Italia, nei giorni 16, 22, 23, 29, 30 Aprile e 03 Maggio 2024. Riteniamo di aver ottenuto sufficienti e adeguate evidenze per sostenere le nostre conclusioni.

La verifica ha avuto ad oggetto l'intero Bilancio di Sostenibilità 2023 riguardante Fruttage S.C.p.A, con le seguenti precisazioni: per le informazioni di natura economico-finanziaria, Bureau Veritas si è limitata a verificarne la coerenza con i Bilanci d'esercizio; per le attività condotte al di fuori del periodo di riferimento (1 Gennaio 2023 – 31 Dicembre 2023) e per le affermazioni di politica, intento ed obiettivo, ci si è limitati a verificarne la coerenza con i presupposti metodologici di riferimento.



### **3. CONCLUSIONI**

*A seguito delle attività di verifica condotte e descritte sopra, non sono emerse indicazioni negative in merito ad affidabilità, accuratezza e correttezza di informazioni e dati riportati nel Bilancio di Sostenibilità 2023. A nostro parere, il Bilancio fornisce una rappresentazione attendibile delle attività condotte da Fruttigel S.C.p.A durante il 2023 e dei principali risultati raggiunti. Le informazioni sono riportate in maniera generalmente chiara, comprensibile ed equilibrata; tutti i dati ed indicatori sono risultati raccolti ed analizzati con assoluta precisione, ciò è stato riportato in maniera trasparente. Nell'illustrazione di attività e risultati, in particolare, Fruttigel S.C.p.A ha prestato attenzione ad adottare un linguaggio neutro, evitando per quanto possibile l'auto-referenzialità.*

*Per quanto riguarda i principi di rendicontazione, a nostro parere sono stati osservati i principi di garanzia della qualità quali: Equilibrio, Chiarezza, Accuratezza, Tempestività, Comparabilità, Completezza, Contesto di Sostenibilità e Verificabilità. Si conferma inoltre che il Bilancio è stato redatto "Con Riferimento" allo Standard GRI e che le nostre attività di verifica soddisfano a loro volta i requisiti dello standard in materia di Assurance.*

*Fruttigel S.C.p.A ha rendicontato le sue performance di sostenibilità del 2023 tenendo in considerazione la struttura del bilancio del 2022. L'organizzazione ha riportato nel proprio Bilancio una matrice di materialità che esplicita con chiarezza le tematiche individuate e considerate rilevanti a seguito di un processo di identificazione dei rischi e dei principali impatti. Il processo di determinazione dei temi rilevanti ha visto coinvolti gli stakeholder interni ed i principali stakeholder esterni. Per il futuro, si raccomanda a Fruttigel S.C.p.A di estendere il processo di stakeholder engagement a tutti i portatori d'interesse ritenuti significativi per l'organizzazione.*

### **4. DICHIARAZIONE DI INDIPENDENZA, IMPARZIALITÀ E COMPETENZA**

*Bureau Veritas è un'organizzazione specializzata in attività indipendenti di verifica, ispezione e certificazione, con oltre 190 anni di storia, 82.000 dipendenti ed un volume d'affari di oltre 5,9 miliardi di Euro (ricavi 2023).*

*Bureau Veritas applica al proprio interno un Codice Etico e riteniamo che non sussista alcun conflitto di interesse tra i membri del gruppo di verifica e Fruttigel S.C.p.A.*

Bureau Veritas Italia S.p.A.  
Milano, 16 Maggio 2024

  
Gloria Focetola  
Local Technical Manager

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