Euro Company

food for change

OUR MISSION

01. We offer all our staff an **inspiring and ethical environment** in which people can be happy, can exchange their views, can grow and fulfil themselves.
02. We minimize the processing of raw materials, in order to guarantee day-by-day the best **nuts and dried fruit** for our consumers.
03. We invest in renewable energy, in waste reduction and in the development of a more sustainable packaging, for the **protection of the planet**.
04. We believe in **long-lasting relationships** with our suppliers, the only way to grant them a dignified existence, ensuring at the same time the best possible product for our consumers.
05. We support the Italian market and our territory, preferring **local suppliers** whenever possible.
06. We choose customers and suppliers sharing **our same values.**
07. We promote a **correct lifestyle** through projects, routes and events addressed to the community.

Sustainability Report
2020 > 2021

The current Sustainability Report is detailed according to the **seven points of our corporate Mission**, as defined by the whole staff of Euro Company Ltd B Corp.
Gathered in several study groups, in 2019 the **more than 300 Euro Company workers** identified together the values and related areas that, "written on paper", have characterized the Company from that moment on. The result of this research are the seven points that today make up our corporate Mission, defined and signed by everyone, a yardstick and perspective upon which this Sustainability Report is based.

Index

p. 6 The 17 meanings of Sustainability
by Mario Zani

p. 12 Being better for our world, being B Corp

p. 14 Our mission _ root #01:
for an ethical and inspiring environment

p. 56 Our mission _ root #02:
for the offer of the best possible product

p. 70 Our mission _ root #03:
for the protection of the planet

p. 86 Our mission _ root #04:
for an ethical and long-lasting relationship with our suppliers

p. 96 Our mission _ root #05:
for the safeguard of the excellence of our territory

p. 112 Our mission _ root #06:
for the sharing of our ethical values

p. 120 Our mission _ root #07:
for the well-being of the body, mind and the welfare of the community

p. 130 Ethics and legality

The 17 meanings of Sustainability

The widespread awareness of the environment and what we can do to reduce our environmental impact has led the word *Sustainability* to evolve, over the last 50 years, from a noun to a value. And in some ways this made things a little tricky.

It all started in 1972, with the first UN conference dedicated to Environment, when *Sustainability* was presented as a concept, as a thought to be seen in correlation with all human activities.

Fifteen years later, again at the UN, the Chairwoman of the World Commission on Environment and Development, Gro Harlem Brundtland, presented the report *Our common future, and Sustainability* officially became a way of economic and environmental development, with clear guidelines still valid today.

> “EVEN MORE NECESSARY BECOMES THEREFORE THE STRENGTH OF THE EXAMPLE, OF THE ROUTE LEADING FROM THE PRINCIPLE TO THE RESULT.”

The importance and diffusion of the term *Sustainability* have thus grown in proportion to the evidence of a necessary change of pace, of a global strategy update to give a healthy planet to future generations as well. This turned the initial noun into a value, into a guiding principle. And ethical actions know how to have the defect of encouraging more debate than solutions, of provoking a feeling of inevitability, or even of denial of evidence.

In the face of values, it is easy to lose the compass and the reference of concreteness. We are also talking about commitments applied to unprecedented scenarios, which we know just partially, with related disciplines which, by intensifying the research, at the same time broaden

knowledge and the extent of doubts to be investigated.

Even more necessary becomes therefore the strength of the example, of the route leading from the principle to the result.

> THE 17 SUSTAINABLE DEVELOPMENT GOALS IDENTIFIED BY THE UN ARE OUR YARDSTICKS.

The Euro Company Sustainability Report takes such action: it follows the route leading from the principle to the final outcome going through the practical act, and the 2020-2021 issue has an important difference compared to the previous one: in this case too, we can speak of a rise in meaning. We have given greater emphasis to the achieved result, to the advantage that the whole community has received thanks to the work of the whole Company's staff. The 17 Sustainable Development Goals identified by the UN are our yardsticks, and the overall satisfaction from these achievements by the whole Company is measured at the end of each chapter, in order to emphasize what can be done, convincing through the evidence of an advantageous result, undoubtedly capable of rewarding the effort.

> EVERY SINGLE PRINCIPLE AND EXAMPLE CONTAINED IN THIS REPORT AIMS TO BECOME AN EVIDENCE OF THE QUALITY OF THE RESULTS OBTAINED FOR ALL, UPDATING OUR ACTION STRATEGY FOR THE PROSPERITY OF THE COMMUNITY WHICH WE LIVE IN.

As a Company we wish to influence the food industry, enhancing and sharing those steps through which our sector can act in an extraordinarily positive way, both on environmental and consumer health.
Every single principle and example contained in this Report aims to become an evidence of the quality of the results obtained for all, updating our action strategy for the prosperity of the community which we live in. The main purpose of our Sustainability Report stands in demonstrating the quality of the ensuing results, together with the satisfaction and the thrill that each of our actions generates along these lines.

Mario Zani

OUR THINKING

Helping people to follow a healthy and closer to nature lifestyle through the consumption of **nuts and dried fruit**, promoting a culture of physical and spiritual well-being.

OUR VISION

Being a reference point for a **sound and sustainable nutrition**, focusing on **health**, on **respect both for the planet and for the people**, having the ultimate aim of **influencing the whole food industry**.

Being better for our world, being B Corp

We started from a declaration of intent to reach a tangible result.
In 2018 we became a Benefit Corporation and we modified the statute to protect our mission: aware that it was the right path to take, the following year we obtained the certification of Benefit Corporation – the highest criterion for assessing the impact on both people and environment – by B Lab, its certification body.

A B Corp certified company, in fact, conceives business with a broader and more evolved perspective, where wealth is not measured just in profit, but also in maximizing the positive impact that the company has on the community in which it operates, on its workers and the environment hosting it.
A certification assigned to companies that, in addition to the economic result, combine social and environmental benefit goals and that can concretely measure these results through the tool made available by B Lab, the B Impact Assessment.
This is the sustainability of a company.

We are proud to have obtained this certification in 2019, when B Corps were just 80 in Italy and about 2500 in the world. Today we speak the same language of over 4000 companies. Each one with its own way of applying, all gathered behind a single goal: "to redefine a new business paradigm appropriate to our times, concrete and replicable".
These are the words of the *Unlock the Change* project, one of the latest initiatives in chronological order carried out by the B Corp Italia movement. As Euro Company and with *#unlockthechange* we wish to directly involve people in this action, making them aware of what is changing in the market and how. Making B Corps known aims to share this experience so that it can be replicated. And the only way that consumers have to change the market lies in changing the demand, in claiming some kind of values from the companies they choose through their purchases.
Among the various initiatives involving B Corps there is a project that brings benefit entrepreneurship to schools, named *B Corp School*, and the *#unlockthechange* campaign promoting, in particular, two initiatives: the *carbon neutrality* and the *gender equality.*
The first topic is approached through the creation of an inter-company group working on *climate neutrality*, where B Corps with the most experience on the subject have developed a precise series of guidelines to encourage companies in this path of sustainability. Sharing is the appropriate word for this initiative.
The second topic, *gender equality*, is approached through the application of a system for measuring and evaluating commitment with respect to diversity, equity and inclusion within the workplace.
On this route, in September 2021 Euro Company has been certified IDEM, a recognized model of equality with respect to gender culture and the work-life balance tools developed for our staff. The IDEM certification also establishes in Euro Company a concrete tool for measuring gender equality.
The operational implications of our being B Corp are presented in all chapters of this Sustainability Report, because this approach influences the relationship with our staff, with our suppliers and with the entire food industry chain.
For example, the Four Pillars of Ethical Quality arise from this philosophy, determining the contracts for the supply of raw materials, with an approach that places as a priority at the heart of the collaboration the quality of the product and the life of those who grow it.
For our staff, dedicated initiatives range from training to *carpooling*, from social/cultural projects to the promotion of practices for the well-being both of the worker and the worker's family.
This is the B Corp soul, our way of honouring our idea of *Food for Change*. Together with our entire community we can set a goal on this path to share its benefits with as many people as possible. We aim to provide the food industry with positive examples, and the consumers with the tools to revolutionize the demand and, consequently, the market.
In 2022, the *UnlockEducation* communication campaign will also start, actively involving schools and universities in order to make the B Corp movement known to the new generations and make it a topic of discussion.

OUR MISSION
ROOT #01:

We offer all our staff an ethical and inspiring environment in which people can be happy, can exchange their views, can grow and fulfil themselves.

The **commitment to our staff** is characterized by a series of initiatives aimed at promoting **healthy lifestyles, growth and development of everyone's personal and professional potential**, support and involvement in constructing the **well-being** of our working community.
In the following pages we would like to tell you about all the initiatives conceived and activated in the Company to reach the first root of our Mission, which is *offering all our staff an ethical environment in which people can be happy, can exchange their views, can grow and fulfil themselves*.

OUR STAFFING

450

Over 450 people
on average, this year

40 years

Average age: 40 years

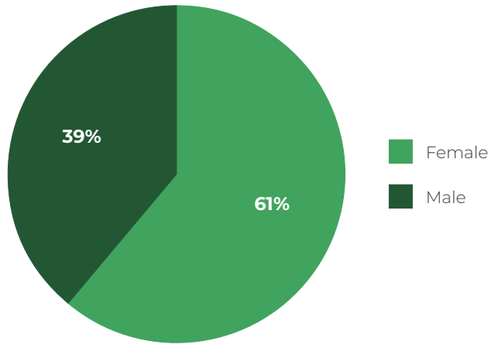
29

Nationalities: 29 different
(last year there were 28)

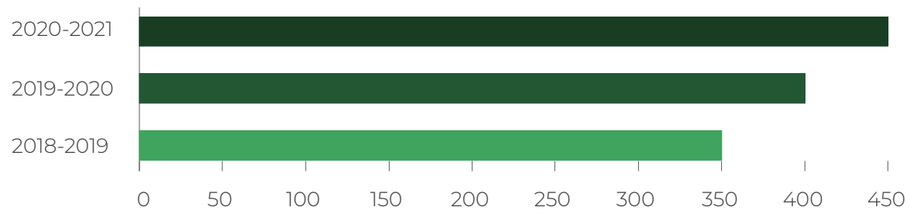
4 years

Average in-house time in service: 4 years

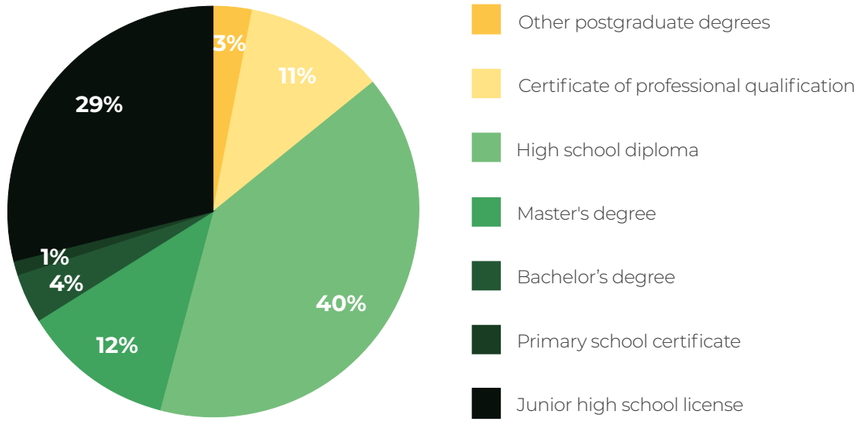
Gender



Increase in the staffing over the past three years



Level of education



Positive turnover of the corporate population 39%

Negative turnover of the corporate population 4%

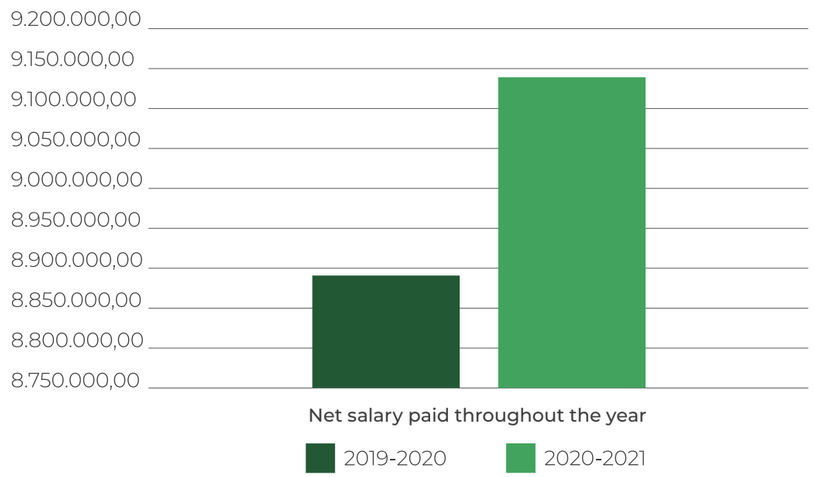
Rate of absenteeism 3,49%

18 accidents whose 3 ongoing

Total net salary paid to collaborators in the year 2020-2021: **€ 9.134.519**

For a total investment amounting to **€ 15.399.012**

Total net salary paid to collaborators – last two-year period



TRAINING AND DEVELOPMENT

POSITION ANALYSIS AND DEVELOPMENT INTERVIEWS

Euro Company trusts in research and continuous improvement. Growth and innovation of the last few years have led us to live in a context of constant change: for this reason, over recent years we have started a project of **internal reorganization and development of people** who, thanks to their growth, can thus support and become an active part within the healthy and responsible development of our Company.
One of the activities implemented to support this reorganization concerns **the analysis of positions and the share of company expectations for each collaborator via annual development interviews**.

To ensure the continuity of this process, we are **progressively involving all company departments**.
In fact, during the last year we have trained new teams of department managers for the coordination of the development interviews and for the building of ad-hoc professional projects conceived for their collaborators. In order to guarantee equal listening methods, share of expectations and development for all our collaborators, during the year 2021-2022 we estimate to be able to train all the figures playing roles of responsibility within the Company for the conduction of these kind of interviews.

6 Figures trained in conducting development interviews in the year 2020-2021

17 Figures trained from the start of the project until now

31 Development interviews conducted during the year, including
10 Follow-up

FOOD4EMPOWERMENT: OUR SYSTEM OF STAFF EVALUATION AND ENHANCEMENT

In order to give concrete answers to the two main needs resulting from the Climate Analysis carried out within the Company in the early months of 2019 – namely, our collaborators' request to primarily focus on the **enhancement of the staff** and on the **introduction of unbiased evaluation systems** within Euro Company – in August 2020 we launched **FOOD4EMPOWERMENT: an Enhancement and Development project for the employees of the production plant**.

Strongly supported by the Executive Board, this project is involving all the people working within the Production Departments in a process of **growth, performance improvement and skills development** through the creation of ad-hoc professional paths and precious moments of confrontation with one's own manager and the Human Relations Department.

To make this possible, all people playing a coordination role at the Plant have been trained to manage evaluations and feedback interviews with their collaborators, in order to create and institutionalize some real moments of listening, communication and sharing of mutual expectations. Thanks to FOOD4EMPOWERMENT, it has been – and it will always be – possible to dispose each year of a **clear and transparent tool for the staff evaluation**, an unbiased support instrument both for the dialogue between manager and collaborator and for the sharing of improvement objectives.

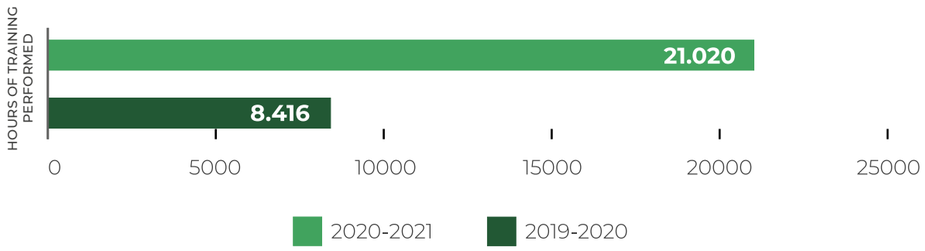
The numbers of FOOD4EMPOWERMENT:
217 Feedback interviews held
796 Evaluation forms filled

TRAINING

In Euro Company we consider continuous training as a **key tool, both for the development of the individual and for competitivity and responsible innovation**.

For this reason, despite Covid-19, we have never stopped. On the contrary, throughout 2020-2021 we have **more than doubled the training hours planned for our staffing with respect to the year 2019-2020**, organizing remotely all the courses whose type allowed it, and face to face the remainder of training, always in full compliance with the physical distancing measures, in order to guarantee both the best conditions of health and safety in the workplace and the possibility of continuing to acquire and increase one's own skills. Collectively, in the last year **over 21,000 hours of training were carried out for our staffing, with a percentage increase of 150% compared to the previous year**.

Hours of training carried out in the last two years



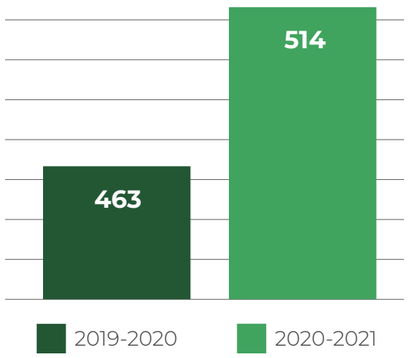
Numbers of training *in a nutshell*:

514 People trained

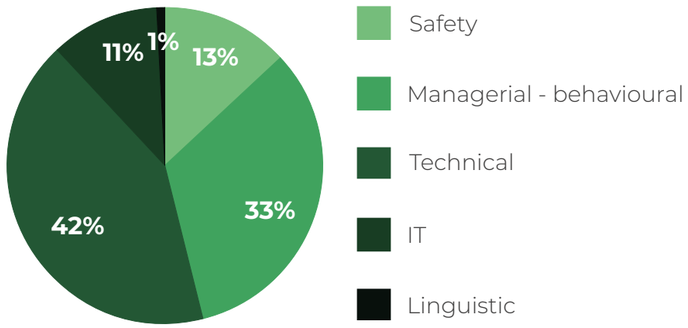
44 H Average hours of training performed by each employee

€ 169.876 Invested in training whose **€ 278.828** financed through *Fondo Nuove Competenze (ANPAL)*, interprofessional and regional funds

Trained employees



HOURS OF TRAINING BY TYPOLOGY - YEAR 2020/2021



TYPES OF TRAINING

After a careful annual analysis of requirements held at the beginning of the year, to make our training courses more and more effective, at the end of each course the Human Relations Department takes care of sending a **Training Evaluation Sheet**. Through it, participants can assess the usefulness and satisfaction with regard to the course itself, to the trainer, to punctuality, to organization and to the quality of available media and spaces.

5.54 / 6 Punctuality in the beginning/ending of the training sessions *(out of a maximum score of 6)*

5.82 / 6 Quality of organization *(out of a maximum score of 6)*

7.87 / 10 Degree of overall satisfaction with training *(out of a maximum score of 10)*

INCREASE IN TECHNICAL-SPECIALIST SKILLS

Increasing the specialized technical skills of the staffing assigned to production activities is essential to support and follow up on the important investments in management and production innovation made in recent years.
For this reason, at the beginning of 2021, we have worked on the implementation of **technical and aptitude training courses for plant personnel**. These practical and experiential paths, addressed in particular to machinists and packaging workers, had the aim of strengthening and consolidating the skills acquired in managing both semi-automatic machines and the end-of-line process, to adapt them to the new processes and technologies implemented within the production plant, with a global view to Industry 4.0.

CREATION OF A VIDEO-ENCYCLOPAEDIA ABOUT PROCEDURES FOR PRODUCTION LINES

The training carried out to increase technical-specialist skills within the production plant has been supported by the creation of a **Video-Encyclopaedia about Procedures** both for the use of machinery and for the tasks to be performed within the production areas.

This project involves the creation of more than **100 video tutorials** (whose 84 have already been made) which will help the staff while working on the machines, providing with immediate and explanatory support. This is because we believe that **continuous training** via new technological media is crucial in order to increase knowledge and skills of our operators, thus allowing them to acquire a higher level of self-confidence and awareness in carrying out their own work.

84 → no. of video procedures carried out during the year 2020-2021
104 → total of video procedures to be created (whose 20 in the year 2021-2022)

Training and Development

GOALS FOR THE COMING THREE YEARS

SALES TALENT ACADEMY

In order to enhance the commercial area dedicated to *Fermentini*, in the year 2021-2022 we aim to create in Euro Company a **Sales Talent Academy**. The Academy will be addressed to young **recent graduates** from all over Italy and from different study paths. After a first phase of selection, evaluation and composition of the class, thanks to the Academy participants will gain the opportunity to attend six months of transversal and professionalizing training – through job rotation and classroom – with internal and external teachers. All this, with the aim both of enriching their wealth of skills and experience and for the inclusion of students standing out for their motivation and commitment.

NEW MANAGEMENT SYSTEM TO IMPROVE DEVELOPMENT, TRAINING AND SELECTION PROCESSES

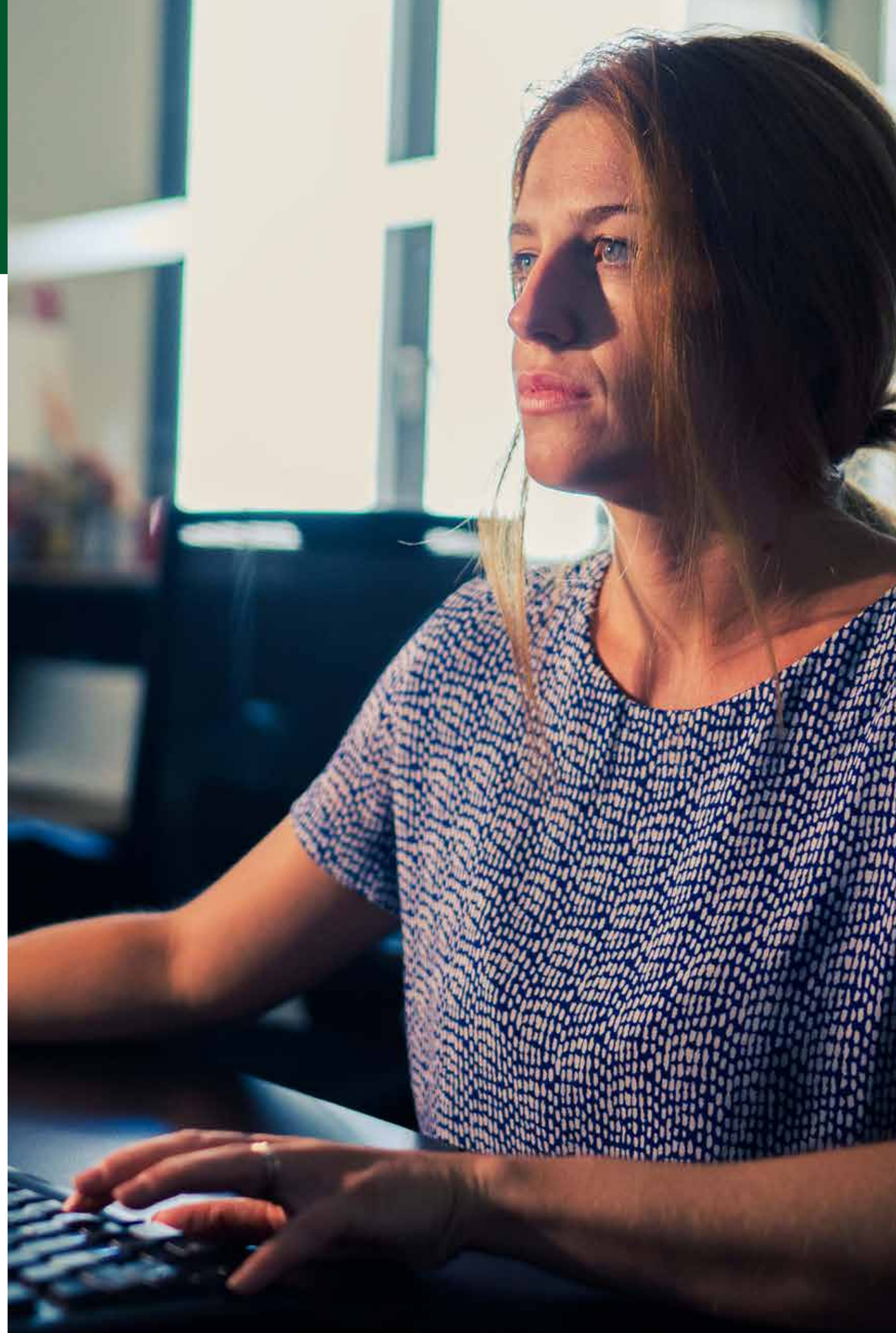
In order to improve our processes on the Human Resources side – from the selection phase, to training up, to the subsequent evaluation – in the last year we have started the analysis of our flows to identify an HR management system that could best support us. This evaluation phase will lead us, in the first months of 2022, to implement the **information system available on the market**, able to support us in the accurate and efficient management of all our HR processes.

ITALIAN COURSES FOR FOREIGNERS

At Euro Company we believe that communicating effectively is the key to properly relate to each other, to exchange views and grasp points of view different from one's own, finding together new shared solution. For this reason, during 2021- 2022 we aim to provide all foreign employees with the opportunity to attend – on a voluntary basis – an **Italian language course**. Thanks to it, participants will have the ability to deepen for free their knowledge of the Italian language, enhancing it both at the written and spoken level, and to take a final exam with the release of the corresponding entry-level certification (A2 o B1).

Three-year goals already achieved

1. *Increase in technical-specialist skills*
2. *Creation of FOOD4EMPOWERMENT, our system of evaluation and enhancement of the staff*



INTERNAL ORGANIZATION AND INVOLVEMENT

Dialogue and trust are two key aspects for building a positive organization and to involve collaborators. For this reason, all the internal organization and involvement projects of the year had as their main goal that of responding to concrete needs emerged from collaborators themselves, in order to make them more involved in the organization's life, to **facilitate** their job within the Company and to better **reconcile life and work time**, together identifying the best possible solutions to reach our corporate Vision and Values.

SUSTAINABLE MOBILITY: NUTS4GREEN AND THE *"INNOVATORI RESPONSABILI"* AWARD

Supporting the acquisition of an even greater awareness of how much each of us can positively impact both the planet and one's own health and that of others, through small daily actions, is the core of our activity.

As a demonstration of this commitment, at the end of December 2020 we received a very important recognition by the Emilia-Romagna region: the ***"Innovatori Responsabili"*** (transl. *"Responsible Innovators"*)[1] **Award, being category winners among companies having more than 250 employees.**

This prestigious recognition was obtained thanks to **NUTS4GREEN**, our **project of sustainable mobility** born in January 2020, addressed to all employees and conceived to offer a valid solution to the need for more parking spaces, while contributing to the protection of the environment.

The recognition received was the result of the collaboration of all *carpoolers and jojobbers* who – by accepting our *Intelligent Mobility* challenge and **certifying the home-to-work journeys undertaken by carpooling, cycling or walking** – helped us to:

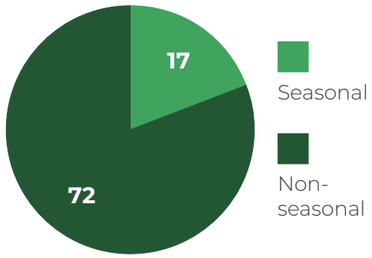
- reduce CO_2 emissions into the atmosphere, car traffic on the roads, pressure on parking and absences caused by vehicle breakdowns or strikes;
- decrease the home-to-work travel costs (fuel, car wear and tear, toll payment etc.), thus indirectly increasing wages and giving substance to the participants' direct savings;
- create greater cohesion within the organization, also improving relations between colleagues thanks to the time spent together along the way.

1 *Now in its sixth edition, the* "Innovatori Responsabili" *(transl. "Responsible Innovators") Award promoted in our region is addressed to companies, local authorities and associations, freelancers, high schools and universities: public and private entities united by their commitment to a sustainable future, in search of solutions to meet the challenge of the 17 Global Goals indicated by the UN within the 2030 Agenda. Together with ours, 37 other projects were awarded, chosen from the 145 applications received for the 7 categories envisaged by the award.*

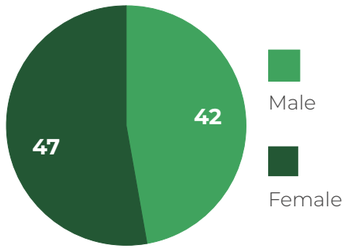
Those who have accumulated the most points then have periodically received prizes, in recognition of their commitment to safeguarding the environment.

In the sole year 2020-2021 we have thus obtained **extraordinary results**:

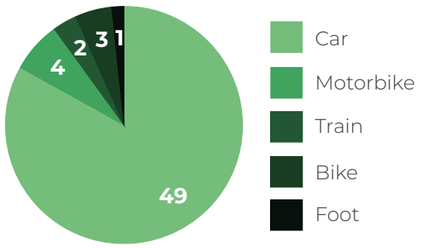
TYPE OF CONTRACT



GENDER



MEANS OF TRANSPORT

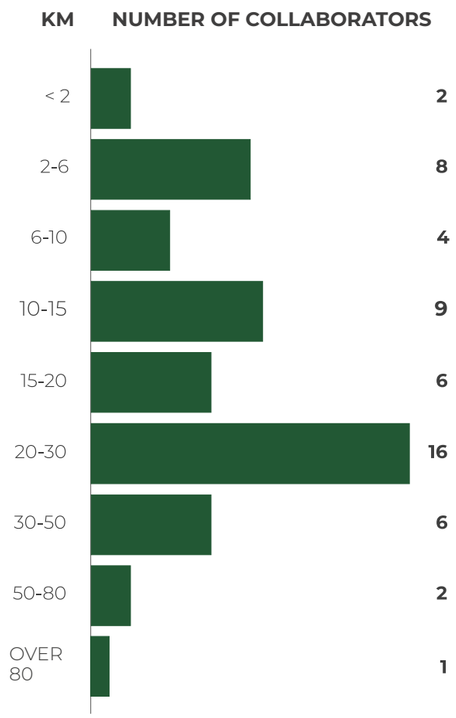


89

29

89 collaborators who joined the project by downloading the Application
29 most active users

WITH A KILOMETRIC HOME-TO-WORK DISTANCE:



MAKING 533 JOURNEYS:

427
carpooling journeys

106
biking and walking journeys

THUS CERTIFYING:

13,481.10 Km crossed in a sustainable way

EQUAL TO:

- 905.14 Kg of CO_2 emitted
by choosing carpooling and/or Jojob bike and walk

- 6,805.60 Km crossed
thanks to sharing the journey by car

- 170.40 Km crossed
by choosing bike and walk instead of another means of transport

This project, which will be replicated annually, will change shape at the beginning of the year 2021-2022, thanks to the introduction of a new App and to the cashback mechanism.

REMOTE WORKING → *SMART* WORKING

The time of change experienced due to Covid-19 has been demanding and fraught with new challenges.
In order to deal with this situation (and to protect health and well-being of our collaborators in the best possible way) last year we chose to implement a **"smart" way of working** that the Company had already planned to adopt, albeit in a more gradual and structured way. This type of remote working has been activated during the lockdown for all those business roles without any direct contact with production, therefore allowed to its application.

For all these figures, **in order to avoid an increase in infections within the Company, thus granting conditions of occupational safety and health for all,** during the year 2020-2021 we decided to **continue with remote work**, dividing the collaborators in two main groups alternating smart working (2 or 3 days a week) with the presence in the office, all to ensure a 50% coverage of the on-site offices.

To do this, in September 2020 we asked our remote workers to evaluate their experience for the previous period, with particular reference **to the perceived benefits and performance, to goals/ priorities operating methods and to the follow-up conducted by managers**.

The main results emerged are as follows:

38

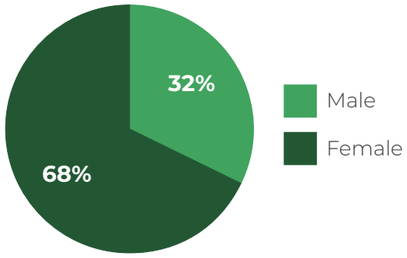
38 collaborators took part in the survey
(out of a total of 57 persons to whom the survey had been sent)

31
31 remote workers
(out of a total of 48)

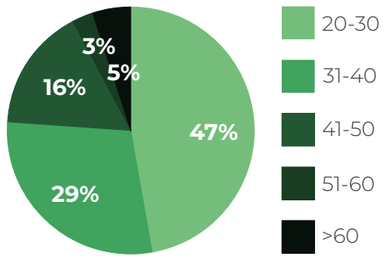
7
7 managers
(out of a total of 9)

PERSONAL DATA – EMPLOYEES WHO FILLED OUT THE SURVEY

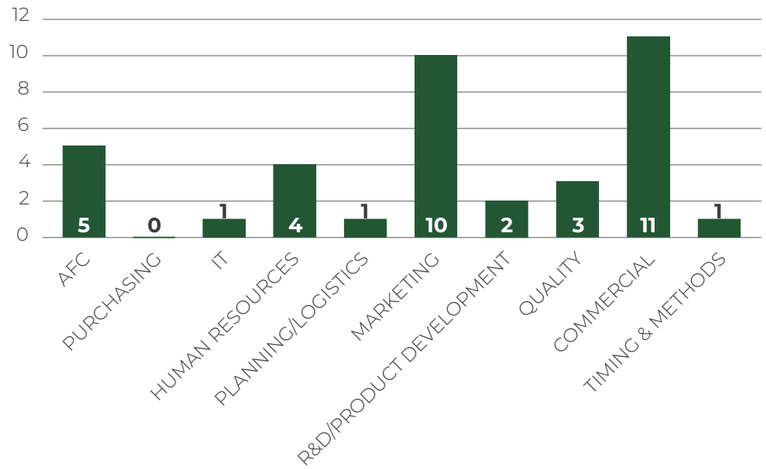
GENDER



AGE

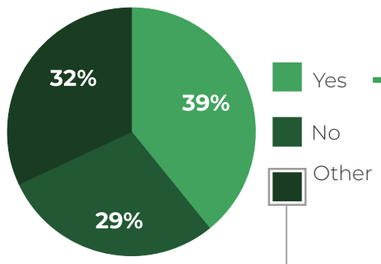


Respective working areas

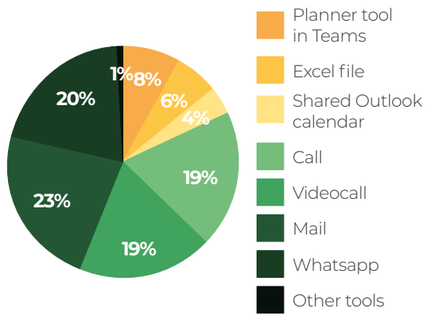


GOAL SETTING

During the Smart Working days, do you get the assignment of specific goals?



Tools used:



- "I give them to myself";
- "My job has no daily goals";
- "Our Department does not set daily but medium-long term goals, and we align ourselves on these on a weekly basis";
- "It is not necessary for my CO to give me goals: every day I set myself to enter all the orders received and to resolve any problems reported by customers";
- "Only sometimes";
- "It's more me setting them, having under control projects and deadlines";
- "They are not assigned, they are implicit in the job";
- "No, I carry on the work started at the office".

During the Smart Working days, how do you manage your assigned goals and activities to be carried out?

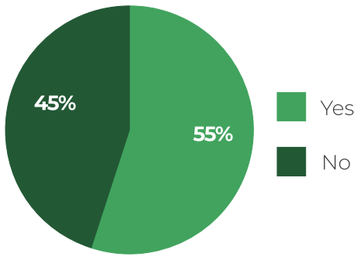
- "I organize the things to do in a priority/urgence/importance order and deal them one at a time, distributing them within the working day";
- "Within our team, we do not work in a target-oriented way. All the activities/works to be carried out are managed in the same way as when we are physically present in the office. We read emails, we evaluate which jobs must be done and, in the case of a work that must be carried out by a single person, we communicate to the rest of the team what we intend to do, in order to avoid working on the same things";
- "I make sure to concentrate on Smart Working days those kind of jobs that can be easily carried out remotely and for which a greater degree of concentration and attention – difficult to obtain at the office, due to the passage of employees, colleagues, consultants, of the telephone constantly ringing – is required".

And instead, how do you plan the management of priorities?

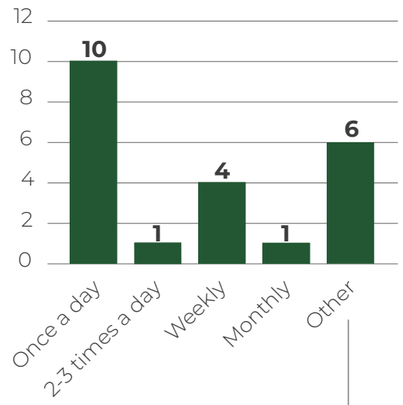
- "By degree of urgency";
- "On the basis of short, medium and long-term deadlines";
- "I always keep a few moments, during the day and weekly, both to manage any emergencies and to have the right times so as not to let the work of others slip";
- "I do plan it together with my manager, or according to the deadlines agreed with the people collaborating with me in the projects";
- "On the basis of the activities assigned to me according to the Teams Planner and of the emails/inputs received, I prepare a list of things to do from the most to the least urgent, taking action to carry them out in this order, and trying to be as much as possible multitasking".

STAND-UP MEETING

During this period, did you happen to partake in stand-up meetings with your colleagues and your Manager?



Meeting frequency

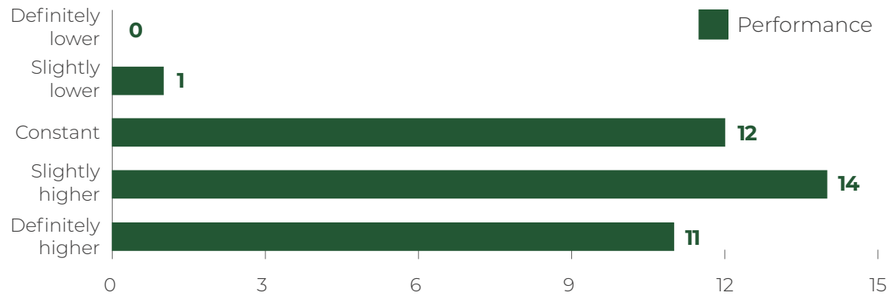


- "1-2 times a day with colleagues";
- "Every day, but only with colleagues";
- "Sporadically";
- "It depends on the periods".

PERCEIVED BENEFITS AND PERFORMANCE

	COLLABORATORS' AVERAGE
Greater autonomy	3.85
Better time management	4.23
Better relation/communication with colleagues and/or manager	3.24
Less stress	3.62
Greater ability to work project/target-oriented	4.04

How do you think your performance has broadly been during the Smart Working days, compared to that of days at the office?

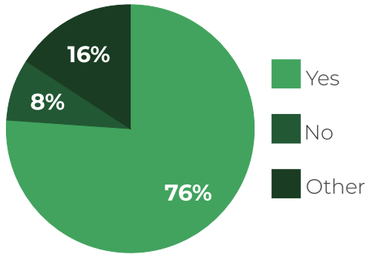


At a general level, how are you settling in the management of the Smart Working days?

★★★★☆
Average rating 4.29

"I believe that Smart Working is a great opportunity for everyone. It allows you to organize your work in the best possible way, reconciling personal/family needs with work needs and, in my opinion, it also helps you to appreciate the days spent in the company with colleagues much more than a "forced" presence at all days of the week. Thanks to Smart Working, downtime is practically cancelled out, the days are more intense/productive, but far less stressful".

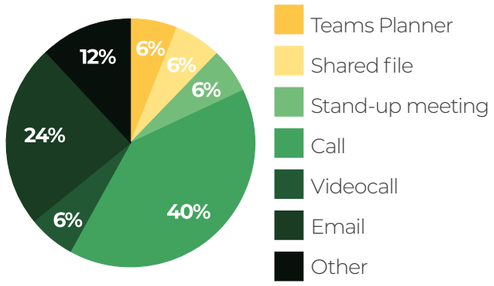
EVALUATION – FOLLOW-UP OF PEOPLE MANAGERS



During the Smart Working days, do you get the assignment of specific goals?

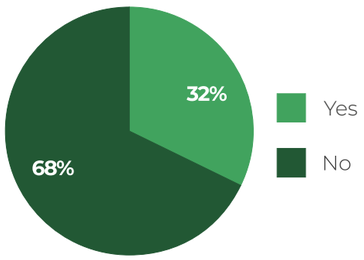
- "My manager does not assign me goals, but we consult on a daily basis to find out if there are any problems and to check the progress of the workload";
- "Usually I am not entrusted with specific goals, because I work on my own";
- "In our office, we do not have a goal-oriented way of working".

Follow-up tools:



DEMOTIVATION EPISODES ANALYSIS

Have you ever experienced, while working remotely, an episode of demotivation and/or difficulty?
If so, how has it been faced?



- "Yes, it happened to me due to a noticeable increase in work. I talked about it with my manager, who stood with me and gave me support in my activities";
- "I sometimes miss the lack of a confrontation with my managers, so I usually take a walk and try to clear my head";
- "Yes, during the first month in which I have not been involved. I dealt with it day after day, mostly making phone connections with my colleagues";
- "Difficulties only for family reasons, still having children at home".

Based on the results collected through the survey, we then decided to involve all smart workers along with their managers in two different types of training, with the ultimate aim of **best accompanying both the change undertaken within the Company and the switch from Remote to Smart Working**.

People Managers have thus been involved in a kind of training with a practical perspective that offered them useful ideas for an increasingly effective follow-up of remote collaborators, whilst smart workers have been trained and supported to better deal with this new way of working.

In the meantime, through the NUTS4GREEN App, we have provided smart workers with the opportunity to **certify their Smart Working days** to become aware both of their contribution to environmental protection, and of their savings in terms of time and costs.

During the year 2020-2021, certifying their Smart Working days, there have been:

28

28 employees

6,061.18 kg CO_2
avoided

+ 876 h
of free time

€ 10,503.14
earned

For the roles allowing its application, we therefore wish to maintain the possibility of working remotely in the near future, by structuring and clearly defining our Smart Working Plan. To do this, in the year 2021-2022 we will carry out a new follow-up survey and distribute an updated Vademecum for our smart and responsible workers, with all the useful information for managing working days remotely. This, with the ultimate aim of rethinking and redesigning work, **empowering** employees and giving them greater **confidence, autonomy and flexibility**, also through the use of technological solutions that allow, from a collaborative perspective, to reach **shared goals and results**.

NEW HIRES

In Euro Company we consider the process of including new hires very important for an effective integration within the working environment and for the successful outcome of each one's professional project.
In order to monitor the quality of each placement, after the first month within the Company, all new hires are given a **questionnaire to evaluate their satisfaction**.

Thanks to this, it is possible to provide a very initial estimate on the reception received, on tools and workspaces, on the clarity of assigned tasks and on the quality of coaching.

3.79 out of 4
Average satisfaction rate of the new hires in the year 2020-2021
(out of a maximum score of 4)

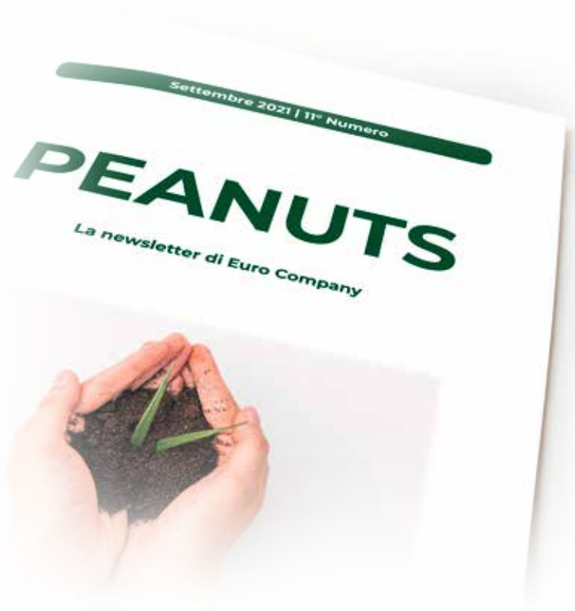
IN-HOUSE COMMUNICATION: *PEANUTS*

Sharing information and communicating in a clear and transparent way is crucial, for the growth of our community.
For this reason, every quarter, ***Peanuts* – our company newsletter**, born at the beginning of 2019 with the aim of involving everyone in projects, initiatives, news and results obtained by the Company, thus strengthening the sharing of a common path – is **delivered for free to each Euro Company collaborator**.

From its first publication to June 2021:

12 issues of *Peanuts*
including
1 special edition
on the occasion of 40 years of activity

have been delivered.



CREATION OF THE INTERDEPARTMENTAL COMMITTEE FOR ETHICAL SUSTAINABILITY

In the year 2021 we set up our first cross-functional working group for sustainability, which in April started working on sharing initiatives that, within Euro Company, have an impact on the roots of our Mission.
The primary objective of the **Interdepartmental Committee for Ethical Sustainability** is, in fact, that of **periodically sharing our corporate projects of environmental, social and organizational interest, monitoring their impacts by measuring them objectively**.
The working group, coordinated by the Human Relations Office, is composed of a contact person for each of the following departments: Quality, Commercial, Marketing, Environment, Performance Audit, IT, AFC, Safety, Production, Times and Methods, Logistics and Purchasing.

For the drafting of the Sustainability Report, the contribution of the new working group has been fundamental. In fact, in recent months the representatives involved have been called to collect data for the evaluation of the objectives already shared and to define some new KPI – Key Performance Indicators useful in order to **report those actions allowing us, day by day, to carry out our Mission**.

In the near future, the working group – in addition to always involving at least one contact person for each area – will see the participation of an **external stakeholder** per year, who will be involved and listened to better support our strategic planning of corporate sustainability.

HELP DESK FOR OUR STAFF

Listening to employees and supporting them in the various phases of company life is of utmost importance for us. For this reason, in Euro Company there is an **employee help desk**, thanks to which the Human Relations Office is responsible for answering doubts and questions received from our staff.

1,500
Hours of help desk for our staff carried out by the Human Relations Office (equivalent to more than 6 working months for a single person)

HR COMMUNICATIONS: A NEW SECTION OF THE WORKFLOW WEB PORTAL

The organization of processes saw the birth, in 2018, of **WorkFlow**, a web portal **dedicated to employees** where anyone can view all the useful information related to their own employment relationships (company communications, monthly card, payroll, CU, etc.) and insert any justifications (holidays, permits, flexibility recovery, extraordinary authorization, etc.).

To make the experience of using the WorkFlow web portal even more fruitful and complete, starting from **March 2020** we have decided to activate a new section of the site, named **HR Communications**, thanks to which employees can communicate and upload directly to the web portal new documents, or changes to documents already delivered to the Human Relations Office.

This section, also in the next period, will contribute to:
- **facilitate and make it easier the delivery of employees' personal documents;**
- avoid gatherings within the office premises, thus respecting the national provisions and the internal protocol drawn up to better face the situation caused by Covid-19;
- save even more paper, to better protect the environment.

EURO COMPANY RECIPE BOOK AND THE *MENOPERPIÙ* CONTEST

In order to contribute to the diffusion of an eating style that makes people spend less, breathe cleaner air and feel better, in February 2021 we launched the *MENOPERPIÙ* (transl. *LESSFORMORE*) *COMPETITION* within the Company, a **new challenge on the issue of nutrition** for the creation of our sustainable recipe book.

After we spread **5 short video recipes with a high positive impact on health and the environment**, in the first months of 2021 we gave employees the opportunity to put into practice, in the kitchen, the advice learned from the videos, **to share one or more "green" recipes** that complied with the following requirements:

- Being 100% vegetable;
- Containing at least one legume;
- Preferably having also nuts and dried fruit among the ingredients.

In the next period, the contest participants will see their recipe(s) published in our new Recipe Book.
The authors of the recipes that will meet the requirements will then enter the draw both for the book *La mia famiglia mangia green* (transl. *My family eats green*) by Silvia Goggi (nutritionist and successful author) and for 10 delicious boxes offered by Euro Company: **because eating in a healthy and sustainable way can be easy and tasty once done in company!**

IDEM CERTIFICATION: FOR GENDER EQUALITY

At Euro Company we strongly believe that gender equality is not just a fundamental human right, but the necessary condition for a prosperous and sustainable world. For this reason, during the year 2020/2021 together with the Marco Biagi Foundation, the University of Modena and Reggio Emilia and the JobPricing Observatory, we participated in the **design and validation of a new certification on Gender Equality**, in order to actively contribute to the achievement of Goal 5 of the UN 2030 Agenda. For the development of the model, we took part in the field trials.

The result achieved by this kind of experimentation is a measure (IDEM index) of corporate gender equality, with the highlighting of the best areas and of the critical areas, and the subsequent setting of a **gender certification (IDEM)** commensurate with the achieved level of the index.
This index investigates **four key dimensions**:

- **career** (effective access and, on an equal footing, accessibility for women to executive and managerial roles);
- **remuneration** (wage systems designed and managed according to the criteria of merit, transparency, equity and non-discrimination);
- **organization** (control rules, organizational structure and coordination mechanisms that do not penalize women);
- **culture** (presence of values, mindsets, leadership models, relationship systems and communication tools that incorporate, protect and promote gender equality).

Next year, as Euro Company, we intend to go measure it first-hand in all four areas indicated above, aiming to achieve the total gender equality.

INDUSTRY 4.0, IT ORGANIZATION PROJECT, DWH & BUSINESS INTELLIGENCE

Technological and procedural innovation continue to be a central aspect of our reality; for this reason, one of the priorities for the year 2020-2021 has been that of going ahead with the **implementation of new technologies** capable of making our results more efficient.

In detail: we interconnected from an IT perspective the machine data of 16 systems, purchased in 2018 and 2019, to a central unit to collect, comprehend and make the best use of the amount of data created, and to monitor the whole processes in real time, in order to optimize their use.

The next three years will be crucial for the continuation of our **digital transformation** path. The development and extension of technologies will make it possible to increasingly integrate the various aspects of the production chain. Specifically, we will continue with the IT machinery interface activity, the implementation of the most advanced technologies and the application of integrated systems that will increase the efficiency of our plants.

With a view to improving our management flows, we continued the analysis of our internal processes started last year and supported by a consultancy company (Innext), in order to identify and implement the **best information system** available to help us in the efficient management of all our business processes. After an initial phase of cross-functional analysis, the necessary requirements for the selection and **implementation both of a new Data Warehouse and a new Business Intelligence tool** were defined.
These systems will increase the level of usability of company data in order to have a constant monitoring of each area's performance while building customized and shareable reports, as well as having more and more accurate and reliable information available.

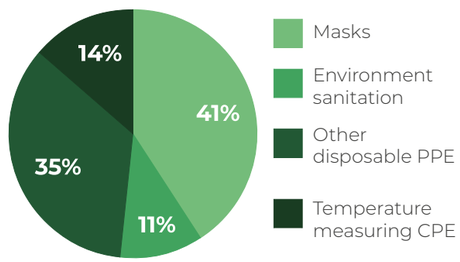
With the further aim of improving and automating our planning processes, a **revamping project** of the market demand's forecasting system was conducted in the first half of 2021. Thanks to this new software, we will have more accurate and prompt forecast sales data, thus improving production and purchasing planning, and minimizing potential waste along the entire company supply chain. Finally, we implemented a computerized system through which it has been possible to connect, view and share our lines' performance data with the production departments of the packaging rooms.

INVESTMENT IN COVID-19 PROTECTIVE EQUIPMENT FOR OUR STAFF

To better deal with the situation caused by Covid-19, over the year 2020-2021 we have continued to **equip all our collaborators with the most suitable safety devices to fully protect their health, even at work**. To do so, we have distributed for free:

ANTI-COVID PPE & CPE

ANTI-COVID PPE & CPE	ANNUAL PURCHASES
Masks	39,270 €
Environment sanitation	10,293 €
Other disposable PPE	33,304 €
CPE – temperature measuring	13,000 €
Covid expenses – 2020 budget	**95,867 €**



For a total of € 95,867

Over the next year, we will keep on purchasing personal protective equipment, making them available for free to our staff, aware of the need – mostly in a period like the one we are currently going through – to protect their health in the best possible way.

INVESTMENTS AIMED AT IMPROVING HEALTH AND SAFETY AT WORK

Over the past year, more than € 450,000 has been invested in projects and equipment aimed at improving health and safety at work, with a view to continuous optimization of equipment and infrastructures, to make the work of our collaborators safer and more efficient. Each investment was aimed both at improving operability and management of the materials and reducing the risks for operators, from the handling of loads to the cleaning and maintenance of ovens.

Internal organization and involvement

GOALS FOR THE COMING THREE YEARS

NUTS4GREEN: NEW JOJOB RT APP AND INTRODUCTION OF THE CASHBACK MECHANISM

At the beginning of the year 2021-2022, NUTS4GREEN will change shape, thanks to the introduction both of a new App and the **cashback mechanism**. Through the latter, it will be possible to certify in a precise and prompt manner the home-to-work journeys traveled by carpooling, accumulating credits and choosing among various prizes.
In addition, thanks to the new App, smart workers will be able to continue certifying their Smart Working days, stating in real time their contribution to environmental protection.

REMUNERATION POLICY

In the first part of 2021, together with JobPricing *(reference point to investigate the labor market and the remuneration dynamics)* we carried out a benchmarking and weighing activity of all the roles present in the Company, with the aim of reaching – in the year 2021-2022 – the sharing of a company **Remuneration Policy**.
This will be a valuable tool for promoting internal equity and meritocracy, being competitive with respect to the market and guiding our behavior towards business goals, aligning our employees and motivating them.

VIRTUAL HELP DESK FOR OUR STAFF

In the first months of the year 2021-2022 we will activate a **virtual help desk for our staff**: a new feature of the WorkFlow portal that will allow collaborators to save time and easily make inquiries or requests to the Human Relations Office, at any time and in conditions of total safety. In order to properly explain to employees how to open a ticket addressed directly to the Human Relations Office, for each administrative request and for the attendance card, in the next period we will publish a video-tip on the web portal: because communication with employees is, day after day, at the core of our action.

NEW CLIMATE ANALYSIS

In the next three years, we will ask all employees to participate in a new **survey on the organizational climate**, an important moment of listening for the positive development of our organization. Thanks to this new analysis, it will be possible to understand how the corporate climate has changed since 2019 (the year of the first survey carried out) and to deepen the way in which people perceive the work environment.

This analysis will focus on important dimensions for organizational life and company performance, because a positive climate of well-being and satisfaction is connected to better results, greater involvement in work, growth in the sense of belonging and collaboration, attractiveness of talents and better customer satisfaction.

PARTICIPATION IN MentorSHE: THE MENTORING PROGRAM OF THE LIBELLULA FOUNDATION

Implementing projects, workshops and activities together with the companies of the Libellula Foundation network to promote a culture based on respect, gender equality and to build a fair and inclusive society is at the heart of our action. In the year 2021-2022 we want to focus on **empowerment and the creation of mentoring paths for women, as the utmost expression of alliance and sisterhood between women**.
For this reason, we will give our employees the opportunity to participate in **MentorSHE**: the inter-company program of the Libellula Foundation to support the growth and development of ***mentees*** (younger female professionals) by offering them an opportunity for discussion and exchange with a female **mentor** of recognized experience and leadership, capable to offer support in achieving professional and personal goals.

INTRODUCTION OF THE NEW SUSTAINABILITY MEASUREMENT SYSTEM: SDG ACTION MANAGER

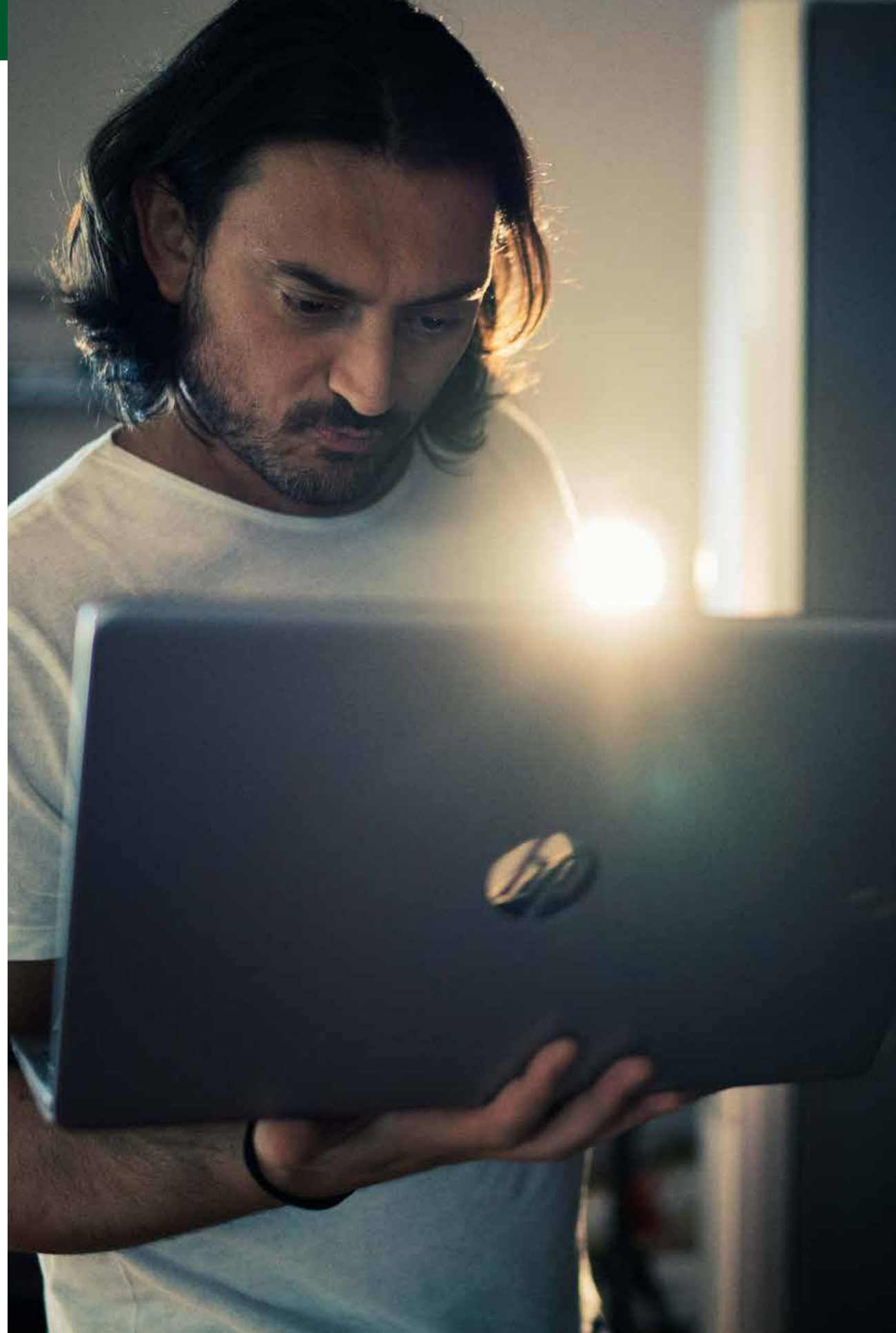
In order to "take a picture" of the sustainability level of our Company, in the next few years we will complete the compilation of the **SDG Action Manager**: a tool, created by B Lab in collaboration with the United Nations Global Compact, to provide companies with an instrument capable of formulating an **analysis of company performance**.
By completing the SDG Action Manager it will be possible to obtain a veritable roadmap for achieving and monitoring sustainability objectives and to concretely assess the impact that our way of doing business has on the points set by the UN 2030 Agenda. Thanks to the completion of this tool it will also be possible to outline **our materiality matrix**, which is key for orienting our long-term sustainability plan.

CREATION OF THE RESEARCH & DEVELOPMENT CROSS-FUNCTIONAL COMMITTEE

In order to improve the workflow and coordination of the departments involved in product research and development, in the next three years we will set up a **cross-functional Research & Development group**, consisting of Quality, Marketing, Sales, Purchasing and Product Development Departments, which will thus be able to share times, technical requirements and feasibility analysis of all the innovative projects developed by Euro Company, guaranteeing effectiveness and efficiency to the entire organization. This working group will be coordinated by our Innovation Manager as team leader.

INDUSTRY 4.0: DIGITALIZATION OF OUR PRODUCTION PROCESSES

We will pursue the **digitalization project** which will have as its final aim that of increasing the level of efficiency of the processing and packaging processes of the raw material.
This purpose can be achieved through the implementation of a timely monitoring system of the plant's performance, the automation of the assignments of work orders to the production lines, the improvement of the quality and speed of transmission of information to and from the field.



PEARLS OF *OSSIGENO*

The creation of an inspiring environment where we can exchange our views also flows through the implementation of projects and paths addressed to the whole staff and the community which we belong to. For this reason, once again this year we have carried out the **Pearls of *Ossigeno*** project: a cycle of seminars and webinars born in early 2019 to involve our staff and their families in the most dear issues for all of us.
In particular, in the year 2020-2021 we held seminars linked to the following topics..

ENVIRONMENTAL SUSTAINABILITY

In order to continue our awareness-raising work on environmental issues, between May and June 2021 we organized **two new meetings** of the Pearls of *Ossigeno* seminar cycle in a brand new online mode, **in collaboration with *Legambiente***.
Thanks to the useful tips provided by the experts of *Legambiente*, during the webinars the involved participants have been able to learn and deepen some **behaviours that can be implemented** by everyone, in everyday life, to **contribute to the environmental protection**.
The experts helped the participants to understand how it is possible to lead a **sustainable lifestyle** in several respects:

- waste collection and disposal;
- creation and handling of domestic compost;
- collection of used oil;
- beautification of balconies and terraces through the cultivation of plants suitable to climate and ecosystem;
- introduction of green alternatives to disposable, and highly polluting, plastic products.

In order to put these suggestions into practice, the experts provided participants with the **"volunteer kit"** – a very valuable tool for becoming excellent environmental volunteers from their own homes – consisting of:

- a jute bag, ideal for shopping, thus avoiding plastic bags;
- a funnel for collecting used cooking oil;
- some aromatic plant seeds to begin the work of embellishing the balconies.

Delighted with the success of the online meetings, we hope to soon resume environmental volunteering fieldwork, aware that the change towards a more sustainable world also passes through the simple and fundamental life acts of each of us.

93 employees engaged in the webinars

Pearls of *Ossigeno*

GOALS FOR THE COMING THREE YEARS

ETHICAL AND SOCIAL AWARENESS

Over the next three years, we want to bring to the attention of our collaborators and their families the following thematic areas of ethical and social interest:

- Cyberbullying
- Inclusion of disabilities
- Personal organization techniques
- Inclusion of diversities: the rights of the LGBTQI+ world
- Christmas workshops for recycling materials for employees' children
- Generations compared: from over 65 to Generation Z

Pearls of *Ossigeno* seminars carried out during the previous year (AY 2019-2020)

Respect for the environment and separate waste collection

On the occasion of the "Clean Up the World" day, the biggest environmental volunteering event in the world, together with our staff we decided to dedicate a shared moment to the safeguarding of our second home: the planet. This by carrying out a redevelopment of the area around the mouth of the Bevano river, a natural reserve located in Lido di Dante.

Green energy and sustainable mobility

During the Seminar, held by the experts of ***Energia Corrente*** (our partner in making the field of energy simpler and more sustainable) and FIVE *(Fabbrica Italiana Veicoli Elettrici)* 3 main topics have been discussed:
- ENERGY SUSTAINABILITY
- CERTIFIED GREEN ENERGY
- SUSTAINABLE MOBILITY.

Microfiltered water

Contributing to waste reduction is essential to lighten our footprint on the planet. For this reason, at the end of 2019 we organized a seminar to share with our employees and their families the benefits of installing a water treatment system at home, and the main differences between the various types of systems.

Stress management techniques (Mindfulness)

Breath & Mind,
a cycle of meetings conceived to offer all interested parties – for free and during their working hours – the great opportunity to take part in lessons of Mindfulness held by an expert trainer.
All this, in order to develop one's own concentration and draw from one's own potential, to reduce and manage stress, and to bring out greater awareness in professional and life activities.

Gender-based violence

The Seminar, held by a trainer of the Libellula Foundation, has been a precious opportunity to reflect together on two important issues such as the fight against gender-based violence and discrimination.

WELFARE AND BENEFITS

Allowing to balance private and working times for our staff, going beyond trade-union and legal obligations, is very important for us. In this spirit, we offer our employees:

LIFE AND LONG-TERM DISABILITY INSURANCE

The strong path towards the continuous improvement, well-being and health of people, has led us to increase services and benefits for our staff.
These include **life insurance for our collaborators. Fully borne by the Company**, it has as its ultimate goal that of **protecting the community made by our staff**, offering everyone the opportunity to think about one's own **future**, **even in an extreme case such as permanent disability, and that of the loved ones, in the equally extreme event of one's own premature death**.
The insurance policy covers each member of the staff, at any time of their own life, and not just following events occurred at work. In the event of permanent disability or death of the worker insured by Euro Company, **a ceiling of € 100,000.00** is planned to be provided.

COMPLETION BENEFIT FOR THE *730 FORM*

Compiling the tax return is an operation that can often be complex and burdensome.
For this reason, in Euro Company we make available to all our employees – **free of charge and within the Company** – the benefit of filling in the *730 form*.
In recent years, in fact, we have given all the employees concerned the service of filling in the *730 form* for tax return, allowing them to bring – in pre-established periods – the documentation for the tax return to the Company and to deliver it to the tax officers, thus saving time and money.

161 *730 forms* completed for our employees in the year 2020-2021

STEEL WATER BOTTLES

All our employees are equipped with a **personalized steel water bottle**, which can be filled at the microfiltered water fountains inside the Company.
In this way, the advantage is twofold: **the production of plastic waste is avoided and good and microfiltered water is granted for all.**

COFFEE BREAK

Every year 120,000 tons of waste coming from the consumption of coffee capsules are produced. For this reason, within Euro Company, we have decided to eliminate them **by introducing new coffee machines that, grinding coffee beans at the moment, produce 100% compostable waste.** And since well-being also includes a break, **coffee is completely free** for all employees.

SPECIAL AGREEMENTS

For our staff, we have activated some **special agreements**, constantly updated, with **some structures present on our territory**: little daily benefits aiming to establish a positive connection between our staff and the territory in which the Company operates, active in different areas: leisure time, well-being, banking services, health, entertainment, etc.

Welfare and benefits

GOALS FOR THE COMING THREE YEARS

OSSIGENO PARK AND A NEW PLANT DEDICATED TO ORGANIC PRODUCTION

The building of our new multipurpose center (***Ossigeno* Park**) was completed at the beginning of 2020. Due to Covid-19, however, it has not yet been possible to proceed with the official inauguration. In order to responsibly assess how the particular situation we are experiencing will evolve, to act in safety and protect everyone's health, the new multipurpose complex will be opened as soon as possible.

Within it, in addition to the business district, there will be a **gym** dedicated to employees, **a show cooking area, an outdoor green belt with a multifunctional sports field and a trim trail** accessible to all employees, and a direct retail space dedicated to the sale of Euro Company products, with special agreements reserved for all employees and residents in the province of Ravenna.
Next to *Ossigeno* Park, a new production plant will also be built in the next three years (whose works are currently in progress), entirely devoted to the **organic** production.

UN 2030 Agenda

Euro Company and the pursuit of the Sustainable Development Goals set by the UN 2030 Agenda

United Nations

Through our **commitment to Staff**, we contribute to the achievement of **14** of the 17 Goals set by the UN 2030 Agenda:

OUR MISSION
ROOT #02:

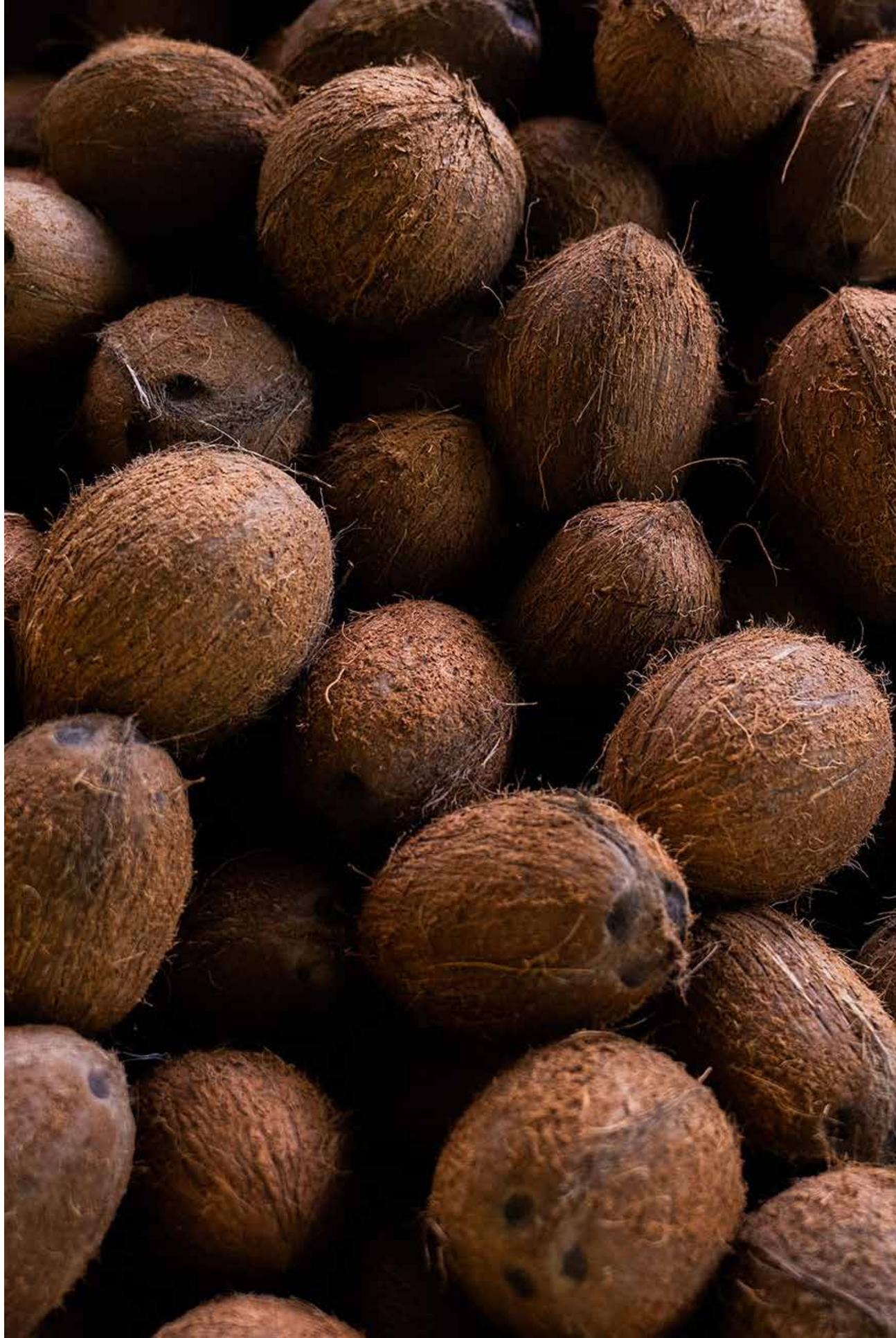
We minimize the processing of raw materials, in order to guarantee day-by-day the best nuts and dried fruit for our consumers.

QUALITY PRODUCTS: THE BEST POSSIBLE PRODUCT GUARANTEE

Promoting the culture of physical and spiritual well-being through a healthy and correct diet is essential for us.
This is why our commitment and dedication converge in the development of tasty and healthy products, able to satisfy consumers looking for natural and as little processed products as possible.
Innovating the food sector, without resorting to the use of colorants, additives and preservatives, is therefore our challenge and the starting point for the creation of products respecting these requirements, beginning with high quality raw materials coming from transparent and certified supply chains.

AGAINST THE OVERCONSUMPTION OF SALT AND SUGAR

Most of the foods we consume, even the most unsuspected ones, contain hidden sugars.
Part of the food industry, in fact, uses sugar not only as a sweetener, but also as a colorant, a flavour agent and, above all, a preservative, inevitably altering the raw material.
Very often, moreover, the indication is relegated only to the nutritional table contained on the back of the pack, resulting in poor information for the consumer. For some years now, in Euro Company, we have been fighting a battle to have **clear and transparent indications** about sugars present in food products, to make consumers effectively aware and conscious of their own consumption choice.
We are aware that sugar in itself is not an ingredient to be demonized, but rather to be limited and controlled within a healthy and balanced diet: the key is in fact to consume every food carefully and wisely, in order not to incur adverse effects on our health.
In this regard, health authorities do not categorically exclude the consumption of simple sugars which, moreover, have an important physiological function, but rather they try to inform about the risks and benefits of sugar.
We are also **confident that goodness and quality of the best fruit do not need any further ingredient or manipulation**.
From this idea, one of our best known brands came: ***Semplicemente Frutta***, dehydrated fruit with no added sugars, except those already naturally present within each fruit, to offer our consumers the full **authentic and pure taste of fruit**.
The same goes for **salt**. Thanks to its sodium content, it is an element of great importance in nutrition, with due attention to the amount used: for an adult, it should not exceed 4-5 grams per



day. Like sugar, salt too is very often used in food industry to add flavour to some ingredients or to cover their defects.
For this reason, many of our products – starting with ***Vitamore***, toasted and not fried nuts, with only 0.25% salt – want to focus precisely on the correct use of this ingredient, giving the most importance to the quality and taste of nuts.

NO ADDITIVES

In the firm determination of offering only 100% natural products, we do not use colorants, additives and improvers.
For example, we do not use palm oil, because it in no way reflects our philosophy and, for consistency and conviction, we won't use it. We use the least possible number of preservatives, and only those strictly essential for fast perishable products.

NEW ACADEMIC PARTNERSHIPS FOR THE QUALITATIVE ANALYSIS AND ASSESSMENT OF PRODUCTS

Thanks to their minimum level of a_w (*activity of water*), our products have always been historically considered to have a **low microbiological risk**. Recent events – together with a more in-depth assessment of the warnings occurred on a European scale – have led us to reassess the extent of the danger.

To this end, we have entered into some agreements with the University of Bologna:

- the first one, related to the **study of the existing bibliography** on raw materials processed by Euro Company. Concluded in March 2020, it led to the drafting of a final report and, in January 2021, to the release of the

book *Relazione sullo stato dell'arte dei rischi microbiologici associati a frutta a guscio e frutta disidratata* (*transl. Report on the state of the art about microbiological risks associated with nuts and dehydrated fruit*);
- the second one focused on **evaluation of microbial loads** of the matrices that we process, through sampling and analysis, in order to have an overall picture of the microbiological standards of our products. During the assessment, ended in January 2021, 600 samples of raw materials were analyzed and, in June 2021, the final report *Caratterizzazione della carica microbica di prodotti a base di frutta secca* (transl. *Characterization of the microbial load of nut products*);
- the third one, concerning some **tests for the evaluation of the efficacy of radiofrequency treatment on raw materials**, considering the abatement of a target bacterium (*Enterococcus faecium*). The study included 26 matrices and ended in March 2021 with the publication of the report *Studio dell'efficacia di un trattamento alle radiofrequenze per l'abbattimento del carico microbico su frutta secca e disidratata* (transl. *Study of the efficacy of a radiofrequency treatment for reducing the microbial load on nuts and dehydrated fruit*).

Following these tests, further projects have been planned in collaboration with the University of Bologna. In particular:

- evaluation tests on radiofrequency treatment: in this case 4 matrices were considered to verify the effectiveness of the treatment of abating the microbial flora present in the products;
- implementation of microbial challenge tests on fermented products. The evaluation of the microbiological danger will allow us to modulate both processes and monitoring, according to the obtained results;
- study of the efficacy of the roasting treatment carried out at Euro Company in reducing the microbial load present in nuts.

We strongly believe that sharing studies and experiences with the whole food industry means guaranteeing safety for the entire sector and consolidating relationships based on the **well-being of the consumer**.

As anticipated, in 2020 we supported the publication and distribution of the book ***Relazione sullo stato dell'arte dei rischi microbiologici associati a frutta a guscio e frutta disidratata*** (transl. ***Report on the state of the art about microbiological risks associated with nuts and dehydrated fruit***), a work signed by Fausto Gardini, Full Professor at the **Department of Agri-Food Sciences and Technologies** at the University of Bologna, which investigates the incidence of microbiological contamination on the production of nuts and dehydrated fruit, a growing phenomenon that rises from the increase in demand, the diversification of production, the globalization of markets and the different ways of consumption, for a typology of food which, on the one hand, is less prone to microbial deterioration and to proliferation of microorganisms, but on the other hand can be, due to its compositional characteristics, favourable to survival, even if not to multiplication, of microorganisms within it, including pathogens such as Salmonella and *STEC Escherichia coli*.

Taken as a whole, the work and the essays taken as a reference do not deepen the causes of contamination. The evidence that we want to bring to the attention of the food sector and industry is that, if on the one hand we all know the microbiological risks on the primary production front, the information on the potential for survival and proliferation of pathogens on production lines, and any liability in cross-contamination, is less detailed.
The book collects market and laboratory analytical information, bringing together in its report the most widespread and modern industrial processes of pathogen control and food preservation. In this way, the book wants to argue and share its conclusions on the reasons for an unavoidable update on the risks of food contamination related to this specific sector.

OUR CERTIFICATIONS

Measuring the impact of our products on health and nutrition is a crucial value for us. In confirmation of the quality of the work done, we have obtained – and we proudly retain – many **renowned certifications in the field of food and ethics**, among which:

IFS Food

BRCGS Food Safety CERTIFICATED

FSC

Sedex

attesting full compliance with the SMETA audit

Certified B Corporation

IFS (International Food Standard) and **BRC** (British Retail Consortium) are standards recognized by GFSI – Global Food Safety Initiative, born in May 2000 at the behest of the Consumer Goods Forum, an independent global network that operates with the aim of ensuring the distribution of goods suitable for consumption (for example, safe from a health and hygiene point of view) for consumers.

IFS and BRC, certifications for which we have obtained the highest scores, have two main purposes:

1. To implement and make operational a management system that allows the Company to check the fulfilment of quality, safety and legal compliance requirements, with particular reference to the laws in force within the countries of destination of the finished products;
2. To provide a tool able to improve food safety management, controlling and monitoring the critical factors.

INCREASE IN CERTIFIED ORGANIC MARKETED PRODUCTS

The **organic certification** attests compliance with the EU Reg 848/2018. The European identification mark of this certification is recognizable by the green logo and the starry leaf, and it stands as a public mark guaranteeing compliance with the Community regulation.
The organic system is a global framework of farm management and agri-food production based on the interaction between best environmental practices, a high level of biodiversity, the protection of natural resources, the application of rigorous criteria for animal welfare, and a production obtained through natural substances and processes.

In the fiscal year 2020/2021, the sales of organic products, compared to the total turnover, amounted to 11%, an increase of 20% on the previous year.

PROMOTING A PLANT-BASED NUTRITION

The only sustainable type of feeding, for our body and for our planet, is the one based on a prevalent consumption of vegetables. It is not an ideological position.
Actually, it is scientifically proven that an excess of animal proteins can cause serious damages to our health, just as it is scientifically proven that intensive farming represents the first cause in the world of greenhouse gas emissions.
Here is the spirit from which ***Fermentini*** arise: completely natural and 100% vegetable products born from the fermentation of nuts and oil seeds, with the sole addition of water and salt.

They represent an ideal food for those who want to enrich their diet with really healthy and tasty vegetable products, reducing at the same time the consumption of foods of animal origin. Source of protein, they maintain all the nutritional characteristics of nuts, having a high nutritional value, plus the benefits coming from the fermentation process.
Natural and organic foods, unlike many ultra-processed products on the market, they have a very short list of ingredients, without adding any type of preservative or additive.
We take a different path from vegetal substitutes having too many ingredients – including preservatives and thickeners; with *Cicioni, Fermè, Camelia* and *Grattino* we offer people an outstanding taste through the magic of fermentation.

LAUNCHING NEW PRODUCTS, IN HARMONY WITH OUR THINKING

In order to bring better, healthier and more natural products to consumers' tables, in the last year we have launched 3 new references in the ***100%*** line, our **creams made only with organic nuts**, free of thickeners and preservatives. Only one ingredient, only nuts. Cashews, toasted almonds and the combination of peeled almonds and pistachios are the references added to the already existing creams of peanuts, peeled almonds and hazelnuts. Because for us, innovating in the world of nuts means always finding new ways to taste them, without the need for ingredients altering their flavour.

100%
Le creme di sola frutta secca

With the aim of supporting Italian agriculture we have developed our line of ***100% Frutta Italiana* cups**, made with recycled and 100% recyclable plastic, containing all the scent and aroma of the best nuts and dried fruit from companies respecting and enhancing our territory.

2020 was also the year of our **Snack Revolution**.
Three irresistible **combinations of nuts and dried fruit,** in harmony with our thinking. Three iconic and focused brands, born with the aim of revolutionizing the world of impulse checkout, still too characterized by fried, extra salty and sweetened products.
Three truly innovative and differentiating brands:

- ***Robusto Caffeina Croccante***, a mix combining the sweetness of pineapple and the crunchiness of pecans with the aroma of roasted coffee beans;
- ***Chocorilla***, the sweet salty choco, an explosive contrast between the crunchy sweetness of honey caramelized pecans, dark chocolate nuggets and slightly salted toasted cashews;
- ***Crazy Cocco***, the coconut chips roasted in the oven with a pinch of sea salt.

STRENGTHENING THE FOREIGN MARKET

In the last year, we have increased the weight of exports on our turnover with more than 30 countries reached, thanks also to the huge success of *fermentini*.
Norway, Denmark, the Netherlands are but a few of the countries where this category of products has received a warm welcome. The Northern European market is in fact confirmed as particularly receptive and sensitive to the issues both of healthy and sustainable plant-based nutrition and of "clean label", meaning a clear tag with the fewest possible number of ingredients.
Here are some of the chains in which we are present: *Whole Foods* and *Planet Organic* in UK, *Biocoop* and *Bio-Planet* in France, *Ekoplaza* in the Netherlands, *Veritas* in Spain.
Recently, our nuts accessed the Fresh Produce of the about 650 points belonging to the *Albert Heijn* chain, founded in the Netherlands in 1887 and, to date, considered the largest Dutch supermarket chain and one of the major European retailers. Furthermore, the *Albert Heijn* chain has established itself as the most sustainable brand in the Netherlands, according to the *Sustainable Brand Index* – the largest independent study on European brands linked to sustainability. 2020 also saw the official launch on the German market of *Nuturally*, the equivalent of *Frutta e Bacche*, our e-commerce of nuts and dried fruit in large formats.

STRENGTHENING OUR E-COMMERCE

Over the year 2020-2021 we obtained the following results:

+46%
23,423 orders in Italy

+31%
565,139 sessions

MORE THAN 10,000
extra logged-in users compared to last fiscal year

MORE THAN 29,000
logged-in users from the beginning of the activity

In the year 2020-2021 we also reached the first 1,000 orders on our e-commerce ***Nuturally***. German consumers too welcomed our e-commerce and the quality of our raw materials with great enthusiasm, giving us the right boost to join other European markets in the near future.

R&D INVESTMENTS

Investment in Research & Development and Technological Innovation activities – aimed at the creation of new products or manufacturing processes – stands in the 1-5% range of turnover; approximately one million euros was invested in internal personnel directly engaged in R&D activities.
In particular, during the last year our *fermentini* and nut creams are the categories which our investments have focused on, aware that innovation that guides our work guarantees consumers increasingly better products, aligned with their always inspiring requests.

The best possible product

GOALS FOR THE COMING THREE YEARS

MORE NEW PRODUCTS

Our Research & Development path is always in turmoil, and we will wholeheartedly go on developing new products capable of satisfying the ever-changing needs of consumers, keeping our Ethical Quality Protocol as our guiding star.
Moreover, the gradual return to normality after such a particular year will allow us to physically tighten even closer relationships with customers and consumers thanks to the restart of events, sector fairs, conferences and other dedicated moments, to complement our constant online presence.

FURTHER DEVELOPMENT OF THE INTERNATIONAL MARKET

Being present on foreign market allows us to nourish ourselves with the experiences of countries different from ours: a precious opportunity to be seized, to enrich ourselves in every respect. We want to spread the idea and values underlying our products more and more on international markets, according to the unique characteristics of each country. The aim is therefore to always develop new collaborations with foreign chains, in order to pursue our path of innovation and evolution.

FURTHER DEVELOPMENT OF OUR E-COMMERCE

After an odd year, which saw an exponential growth of our e-commerce, our main goal is to consolidate and strengthen this channel, continuing to offer users of *Frutta e Bacche* the best raw material in large formats, every day, comfortably at one's own home.
Further goals that we set ourselves are:

- strengthening the German channel of *Nuturally,* born in 2020;
- developing our presence in two new foreign markets, France and Spain;
- increasing the number of supply chains involved, and make consumers aware of those who take care of nuts and dried fruit they daily receive;
- designing reusable secondary packaging, with the aim of promoting the culture of recycling within our community.

UN 2030 Agenda

Euro Company and the pursuit of the Sustainable Development Goals set by the UN 2030 Agenda

United Nations

Through our **commitment to Customers and Consumers**, we contribute to the achievement of **4** of the 17 Goals set by the UN 2030 Agenda:

OUR MISSION
ROOT #03:

We invest in renewable energy, in waste reduction and in the development of a more sustainable packaging, for the protection of the planet.

At Euro Company we strongly believe in **protecting the environment**, with the aim of seeking increasingly ecological and sustainable solutions: from the use of **renewable energy** to the **development of packaging** respecting ethics – as well as aesthetics, from **waste reduction** to the search for suppliers respecting the lowest possible environmental impact.

100% RENEWABLE AND SUSTAINABLE ENERGY

To date, 100% of the electric energy we purchase comes from certified renewable sources.

In particular, **we choose 100% energy coming from wind power**, being it a clean energy that neither pollutes nor produces waste.

ON OUR WAY TO A 100% RECYCLABLE PACKAGING

We are perfectly aware that the introduction of packaging on the planet represents an issue to deal with today. When we talk about sustainability, we are actually thinking of a philosophy, an approach, able to satisfy the needs of the present without compromising the ability of future generations to satisfy their coming needs.

In order to correctly address our choices and with the aim of placing ever more sustainable packaging on the market, in 2020 we activated the **LCA – Life Cycle Assessment study** with the aim of analyzing the life cycle of our packaging once their use is finished, starting from a technical analysis created in collaboration with the main recycler of plastic materials in Italy, and our supplier of flexible packaging (Converter).

The LCA study saw an investment **worth a total of € 30,000**, essential to translate our vision into concretely eco-sustainable actions.

An **in-depth investigation of the environmental impact that our packaging has in all phases of its cycle**, from polymer to the end of use, going on to assess its effect from an ecological point of view.

A scientific comparison related to environmental impact has been carried out among the **flexible packaging materials** used in Euro Company: those recyclable according to Conai guidelines, respecting both the canons of circular economy and those belonging to the 94/62/CE and 2004/12/CE European Directives, with the compostable ones and the paper + plastic polylaminates with Aticelca certification, class C. On the other hand, with regard to **rigid packaging** materials, those made using plant-based (therefore compostable) polymers have been compared with those produced using cardboard materials.

The comparative **LCA study** ended in **July 2020** with the **attestation** by the third-party certifying body CSQA, which declared it to be in compliance with UNI EN ISO 14040:2006 and 14044:2018 standards, assigning it the certificate no. 59191.

Following, the results of the study related to **flexible packaging**. The minus sign highlights a reduction in environmental impact for the related indicator, so it represents an improvement, and therefore a positive result.

MATERIAL: RECYCLABLE POLYOLEFIN PLASTIC	SIGN
Acidification	-
Climate change	-
Land use	-
Ozone formation	-
Fossil resources use	-
PM formation	-

MATERIAL: COMPOSTABLE	SIGN	
Acidification	+	-
Climate change		-
Land use	+	-
Ozone formation		-
Fossil resources use		-
PM formation	+	-

MATERIAL: PAPER + PLASTIC POLYLAMINATES	SIGN	
Acidification		-
Climate change		-
Land use	+	
Ozone formation		-
Fossil resources use		-
PM formation		-

And here are the results obtained by **rigid packaging**:

MATERIAL: PLA	SIGN	
Acidification	+	
Climate change		-
Land use	+	
Ozone formation		-
Fossil resources use		-
PM formation	+	

MATERIAL: CKB CARDBOARD	SIGN	
Acidification	+	
Climate change		-
Land use	+	
Ozone formation		-
Fossil resources use		-
PM formation	+	

By observing the results of the foregoing tables, we have been able to choose **the most sustainable direction for our products, guaranteeing their fair *shelf life***: the recyclable polyolefin plastic material.

In fact, in the first instance, we had focused on the possibility of switching to exclusively compostable materials but, given the inhomogeneity of collection plants in the national territory – and based on these results – we felt that the optimal conditions were not yet available to proceed on this road; actually, the timing of an industrial composting plant differ too much from the actual biodegradability timing indicated by the EN 13432 standard.

Our **choice** therefore fell on **100% recyclable packaging** made up of polymers and materials which, once used, can find a second life, that is becoming **reusable polymers**. Furthermore, whenever possible, we choose already recycled materials.
Examples include the R-PET cups that we used for our 100% Italian nuts and dried fruit, composed of 80% recycled and 100% recyclable material.
The complete transition to recyclable materials slowed down during the year due to the problems related to the pandemic, resuming its course at full capacity in June 2021 with the aim of **completing the process by the end of 2022**.

The next two tables compare the situation of the last two years.

The following data for the period 2019/2020:

TOTAL NUMBER OF FILMS USED IN EURO COMPANY	NUMBER OF ALREADY RECYCLABLE FILMS	FILMS UNDER MODIFICATION
503	298	205
	59%	41%

Next, the data for the period 2020/2021:

TOTAL NUMBER OF FILMS USED IN EURO COMPANY	FILMS ALREADY ELIMINATED OR ON DISPOSAL FOR ASSORTMENT RATIONALIZATION OR WASTE REDUCTION	NUMBER OF ALREADY RECYCLABLE FILMS IN ASSORTMENT	FILMS IN ASSORTMENT UNDER MODIFICATION
524	127	258	139
	24%	65%	35%

The latter table shows how – compared to last fiscal year – mainly a **reduction of about 25% of the total number of films used** for packaging was made, with a process of rationalization of the assortment and reduction of waste which allowed us to eliminate 127 references, in relation to the previous year.

With regard to cartons and secondary packaging:

TOTAL CARTONS/ SECONDARY PACKAGING	MADE OF RECYCLED MATERIALS	MADE OF NON-RECYCLED MATERIALS	FSC CERTIFIED	FSC NON-CERTIFIED
183	128	55	94	89
	70%	30%	51%	49%

70% of our cartons and secondary packaging are produced with recycled materials: the goal we have set for the year 2021/2022 is to reach 80% of FSC certified materials. The **FSC mix** label certifies that the paper in the packaging comes exclusively from recycled and recovered material, while the **FSC recycled** attestation ensures that the paper inside the product derives from FSC certified material, recycled material and/or controlled wood.
These choices add up to another concrete action: reducing the weight of oversized packaging, whenever possible.

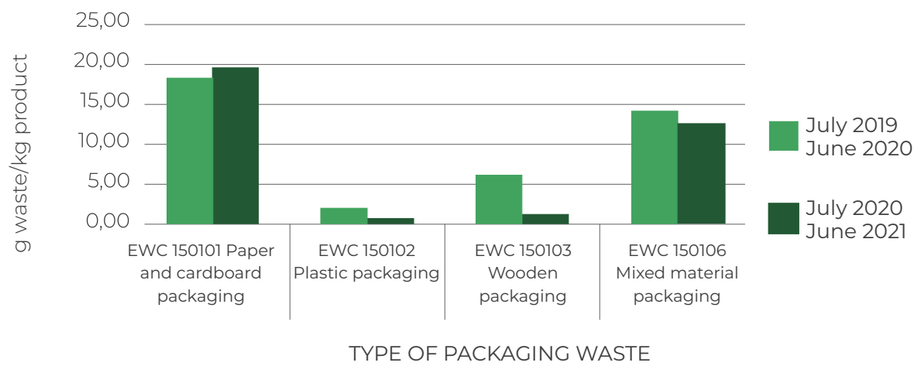
REDUCTION OF PACKAGING WASTE

At Euro Company we mainly deal with four types of packaging which, once their function is finished, are disposed of as the following types of waste:

- paper and cardboard packaging
- plastic packaging
- wooden packaging
- mixed material packaging.

In absolute terms, compared to the previous year, we have achieved a **reduction in all types of packaging waste.**
However, taking as a reference the quantity of **waste produced per kg of processed product**, as shown in the following figure, here are the obtained results:

- Code EWC 150101 – paper and cardboard packaging – 6% increase
  (in this unique case, there has been a rise of packaging per processed kg)
- Code EWC 150102 – plastic packaging – 63% reduction
- Code EWC 150103 – wooden packaging – 84% reduction
- Code EWC 150106 – mixed material packaging – 12% reduction



REDUCTION OF PRODUCTION WASTE

In order to further reduce the production waste, in the last year we have activated an **exhausted oil recovery system** also for the second fryer of our department, separating the disposal of the frying oil from that present on the paper filter. We have also perfected the **collection and disposal system along the packaging lines**, capable of separating all the organic waste material from packaging and separate collection.
Compared to the previous year, always taking into account the amount of material processed within the plant, we have been able to obtain a reduction of 12% and 21% for oils + fats and absorbent materials, respectively.

ANALYSIS OF GHG EMISSIONS (CO_2 EQ.)

We do care about our planet, and we firmly believe that the time is now to take decisive actions to limit and bring back within 1.5 °C the rising average temperature of the planet by the end of the century. To do this, CO_2, methane and other greenhouse gas emissions must be drastically and rapidly reduced, and net CO_2 zero emissions must be achieved by mid century. We therefore believe it is necessary to **make our contribution in terms of reduction of Greenhouse Gases (GHG) emissions** and, as a first step, we have decided to quantify them in order to see first-hand our impact and identify the hotspots on which to intervene.

This analysis is based on the ISO 14064 standard, with the aim of defining our *Organization Carbon Footprint* for the period July 2020 – June 2021.

The following emissions were considered:

Direct emissions
- Emissions from methane combustion
- Emissions from gas oil combustion for activities within the plant (e.g. hydro-cleaners)
- Emissions from diesel vehicles
- Emissions from petrol vehicles
- Emissions from methane vehicles
- F-Gas emissions

Indirect emissions
- Electricity supply
- Methane supply for the plant
- Gas oil supply for the plant
- Diesel supply for company vehicles
- Petrol supply for company vehicles
- Methane supply for company vehicles

Other indirect emissions
- Mains water supply

The following table shows the GHG emissions in terms of *tons of carbon dioxide equivalent* (t CO_2 eq.), highlighting that the activities of the plant emitted approximately 1,138 t CO_2 eq. in the reference period (July 2020-June 2021) with an index of 62.5 g CO_2 eq. per kg of processed product.
Thermal energy required for the plant represents the aspect with the greatest impact: 46% from the methane combustion emissions, and 15% for the supply of the fuel itself (for a total of 61%).
This analysis represents for us the starting point on which to base ourselves, with the aim of constantly monitoring our environmental impact, in order to reduce as much as possible our emissions.

Type of emission		Quantity (t CO_2 eq.)	Relative Contribution
Direct emissions	Emissions from methane combustion	521	46%
	Emissions from gas oil combustion for activities within the plant (e.g. hydro-cleaners)	11	1%
	Emissions from diesel vehicles	292	26%
	Emissions from petrol vehicles	19	2%
	Emissions from methane vehicles	4	0.4%
	F-Gas Emissions	8	1%
Indirect emissions	Electricity supply	52	5%
	Methane supply for the plant	176	15%
	Gas oil supply for the plant	2	0,2%
	Diesel supply for company vehicles	46	4%
	Petrol supply for company vehicles	5	0.4%
	Methane supply for company vehicles	1	0.1%
Other emissions	Mains water supply	1	0.1%
	Total	1,138	100%

BY-PRODUCT CONFERRAL TO A BIOGAS PRODUCTION PLANT

By-product generated by our production lines is organic material mainly composed of shells and scraps of nuts, plus non-compliant products.
While in the past this kind of material was disposed of among mixed material packaging (EWC 150106), through the **implementation of the separate collection** of our by-product (which began in early 2019) it is now possible to separate it from mixed packaging.

The **advantage coming from this process is twofold**: on the one hand we have reduced the weight of the EWC 150106 waste, thus obtaining an improvement both from an environmental and an economic point of view, considering that less waste to be disposed of is equivalent to lower disposal costs. On the other hand, it has allowed us to **support the production of green energy**; this material, in fact, is delivered to an anaerobic digestion plant with the aim of producing biogas.

- July 2019 - June 2020: kg 167,106
- July 2020 - June 2021: kg 239,129

The production of our by-product increased by **43%**, highlighting an **improvement in the separate collection** of this material.

With a view to sustainability and efficiency of our supply chain, from January 2021 we have started to collaborate with CHEP, a global provider of supply chain solutions for the sectors of consumer goods, fresh products, beverages, production and distribution in over 60 countries.

CHEP rents its pallets with the aim of reducing both the difficulty of managing pallets and the impact due to the travel necessary for their recovery.
The business model is circular both from the point of view of material resources and from the commercial one: the wood making up the CHEP pallets, in fact, comes from responsibly managed forests, where the rational planning of forest cuts combines production needs and respect for natural dynamics.
Wood is used for the production and repair of pallets during their life cycle. At its end, wood is recycled (for example, as fuel in thermoelectric power plants); waste production is therefore minimized because wood becomes a resource.
From a commercial point of view, circularity is guaranteed by the *share & reuse* model: the pallet leaves the Service Center, it is used and then it returns to be inspected and repaired, before leaving again. That is why **sharing and reusing products fully contributes to their sustainability**.

CHEP PALLET RENTAL TO REDUCE THE ENVIRONMENTAL IMPACT

Every year we enliven outbound about 150 thousand pallets towards our customers: until December 2020 we were managing our own Epal pallets, which required specific trips – even long-distance ones – to be recovered by customers and brought back to the Company.

Over the next few years, we aim to further increase the number of CHEP pallets used to the detriment of those we own, both by increasing the number of customers involved in the project, and by using smaller CHEP pallets for all our displays, for which – to date – we are still employing non-reusable wooden pallets. Our goal is to ship 93% of CHEP pallets of the total enlivened pallets in one year.

The **sustainability certificate** that CHEP has issued to us allowed to quantify both the wood saved and the reduction of CO_2 emissions plus waste produced, with respect to our interchange. The data comes from a study conducted by the Belgian company RDC Environment which, through an analysis of the LCA – Life Cycle Assessment of CHEP pallets, quantified the benefits related to this interchange.

PARTICIPATION IN THE CONAD TMS PROJECT TO MAKE THE SUPPLY CHAIN MORE SUSTAINABLE

Starting from February 2021 we have joined the Conad TMS "ex works" transport project, which states that suppliers' shipments to all the warehouses of the mark are managed directly by Conad Logistics Srl, aiming to **optimize the flows of goods** and consequently the energy expenditure, with a considerable reduction of CO_2 emissions.

The highly innovative project in Italy intends, in fact, to adopt an increasingly sustainable logistic system in respect of the environment, while maintaining the highest standards of service quality, also thanks to the selection of transporters who favor the use of vehicles with a lower environmental impact.

This transport management model also allows to have a direct control of vehicle saturation, drastically reducing the number of transport routes while enabling the optimization of secondary transport too.

We are therefore collaborating with Conad Logistics so that – by grouping the orders of the various cooperatives as much as possible – the number of routes can be reduced, through the use of vehicles almost always fully loaded, making the entire supply chain even more sustainable.

PARTNERSHIP WITH COURIERS CAREFUL TO THE ENVIRONMENTAL IMPACT OF SHIPMENTS: INTRODUCTION OF THE UPS EXPRESS COURIER

For samples' shipments abroad and, in the future, for shipments linked to our e-commerce channel, we have introduced, from the beginning of 2021, the features of **UPS** courier, taking advantage of their *Carbon Neutral* service, allowing us to compensate the environmental impact deriving from the transport of shipments, adding a refund to this cost to neutralize carbon dioxide emissions. In fact, UPS's *Carbon Neutral* option helps environmental sustainability projects offsetting the transport emissions resulting from shipping.
Consumers are more and more attentive to make sustainable purchasing choices, especially with regard to the online ones. This testing phase with UPS is only the first step towards an increasingly targeted selection of couriers (also for *Nuturally,* our German e-commerce) who can guarantee quality and environmental standards, aligned with our values.

FROM STEEL BOTTLES TO COFFEE: TIPS FOR THE ENVIRONMENTAL CARE

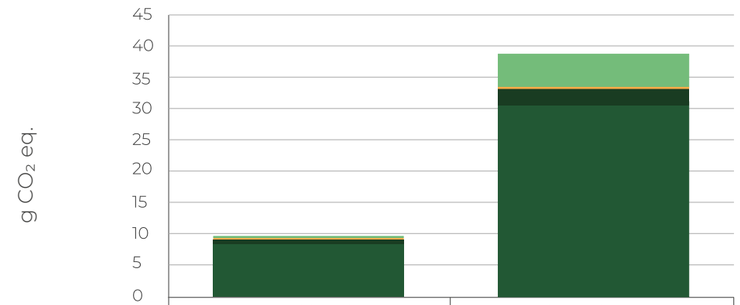
As anticipated in the chapter related to the first root of our Mission, in Euro Company each of us is equipped with a **personalized steel bottle** and can freely dispose of **coffee machines directly grinding the beans**: through these two practical measures, we contribute every day to reduce the use of plastic bottles and coffee pods.

Thanks to the introduction of steel bottles and water dispensers, we have **spared 77,000 plastic bottles** this year (equal to 2,310 kg of plastic)! This has made it possible to reduce the environmental impact both in terms of resource consumption – avoiding the production of plastic items – and in terms of waste disposal. In addition, the use of the steel bottle allows a reduction in GHG (Greenhouse Gases) emissions, linked to the fact that the latter has a much longer life cycle, thanks to its reuse, than the traditional plastic bottle.

Using the LCA methodology (ISO 14040-14044) the CO_2 eq. emissions related to the life cycle of a steel bottle were estimated, compared to the conventional LCA of a plastic bottle. The following **life cycle stages** have been considered for both products: bottle production, cap production, transport and disposal.
The assessment showed that using 100 times a 0.5 litre steel bottle (data set as a reference), as many 100 0.5 litre plastic bottles would have been used. The following histogram shows the CO_2 eq. emissions linked to this comparison: for a steel bottle, 0.942 kg CO_2 eq. were emitted, while for 100 plastic bottles 3.85 kg CO_2 eq. were emitted, therefore with the steel bottle we obtain a 76% reduction in emissions, compared to the plastic counterpart.

Moreover, the usage of a steel bottle for 100 times is also an underestimated number, because in fact it is possible to reuse it "endless times", further reducing GHG emissions.

Comparison between 1 steel bottle used 100 times and 100 plastic bottles



	Steel bottle	Plastic bottle
Disposal	0.11	5.27
Transport to the delivery center	0.02	0.08
Transport for sale	0.02	0.08
Cap production	0.58	2.31
Bottle production	8.68	30.80

As for the usage in the Company of coffee machines that involve grinding the beans, this year we have **saved no less than 154,000 capsules, meaning 385 kg of plastic**.

FIGHTING AGAINST FOOD WASTE: A DEDICATED PROJECT

Food waste is an ethical and social problem and, above all, one of the main causes of pollution in the world, for wasting food also means consuming energy to produce aliments that will never be consumed. We want to make our contribution to stop this waste of resources and we have decided to do so by developing a project that follows the 3R rule of the **circular economy**: *Reduce, Reuse, Recycle.* Thanks to the help of a small producer from Romagna, we gave a new shape to our raw materials, qualitatively excellent and which, otherwise, the logic of the market would have discarded; that is how we gave life to our ***Rifrutta*** preserves, a non-commercial project embracing the highest values of sustainability and environmental responsibility, taking concrete actions against the waste of resources.

Aware of the importance of sharing our commitment against food waste, we have allocated part of our project's production to our employees. The remainder will be donated to *Banco Alimentare*, a solidarity-based reality rooted in our territory, with which we share values and objectives for the benefit both of the community and the planet.

Protection of the planet

GOALS FOR THE COMING THREE YEARS

INCREASE IN THE USE OF CHEP PALLETS

Over the next few years, we aim to increase the number of CHEP pallets used, to the exclusion of our own pallets; we currently use around 120,000 CHEP pallets per year, expecting an increase of around 5,000 units by involving more customers in the project. Another goal will lead us to the use of smaller CHEP pallets (60x40 cm) to replace the display pallets currently placed under all the displays we sell. To date, we still employ non-reusable wooden pallets for our displays (about 10,000 pallets per year).

CONSTRUCTION OF A WELL EQUIPPED WITH A WATER PURIFICATION SYSTEM

One goal of the next few years will be the construction of a well, currently at the design stage, which will make it possible to draw from the depth of the aquifers, significantly reducing the use of water from the aqueduct for industrial purposes.
The well will be equipped with a water purification system, for its possible reuse. This project stems from the desire to consciously utilize the resources of our soil.

PHOTOVOLTAIC AND COGENERATION PLANT

The completion of the photovoltaic system in our new factory will help increase energy efficiency, together with the construction of a cogeneration plant that will allow the production of energy through the usage of heat.

REUSABLE SECONDARY PACKAGING

In the next period, we are going to design a **reusable secondary packaging** for the products available on our *Frutta e Bacche* e-commerce, with the aim of **promoting a culture of reuse in our community**, thus reducing the environmental impact produced by our Network and – not least – making it ever more aware.

UN 2030 Agenda

Euro Company and the pursuit of the Sustainable Development Goals set by the UN 2030 Agenda

United Nations

Through our **commitment to the Environment**, we contribute to the achievement of **8** of the 17 Goals set by the UN 2030 Agenda:

OUR MISSION
ROOT #04:

We believe in long-lasting relationships with our suppliers, the only way to grant them a dignified existence, ensuring at the same time the best possible product for our consumers.

The relations with our suppliers and the Euro Company supply chain strategy are summarized by the fourth root of our company Mission, which can be enclosed in two concepts: direct and lasting relationships organized according to a single objective, that of the **quality of the product**.

If the Mission defines the guideline, the Four Pillars of Ethical Quality direct its operativity, identifying the supply clauses through which Euro Company supports the production of fruits characterized by organoleptic excellence and precious flavour.

ETHICS IS WHAT WE BELIEVE IN AND HOW WE DECIDE TO ACT EVERY DAY.
ETHICAL QUALITY FOR US MEANS THIS: FAIR RELATIONS WITH OUR SUPPLIERS, AWAY FROM THE LOGIC OF THE LOWEST PRICE, TRYING TO OFFER OUR CONSUMERS THE BEST AND MOST NATURAL POSSIBLE PRODUCT.

The Four Pillars:

- Direct relationship with producers
- Paying a fair price
- Long-term supply relationships
- Support for farmers

This kind of strategy allows the maximum enhancement of the product, of the life of those who cultivate it and of the soil that nourishes it. In fact, there are fundamental non-commercial objectives behind this Mission, first of all that of **ensuring the farmer the opportunity to take care of the most precious thing we have: the soil.**
If until now soil was just an element to be cultivated, today it must be protected and strengthened, considering all the aspects that make it essential for human survival. And the farmer is the most competent person for this purpose. **Main task of the food industry is therefore to enable the farmer to perform this task in the best possible way.**
The value of the farmer is indisputable in terms of soil conservation, development and application of agricultural techniques complementing the protection of the plantation with the correct and indispensable nourishment of humus and of the most superficial soil layers. The farmer as an engineer and a doctor, able not only to preserve, but also to improve the soil. An arduous path to undertake alone, which requires sharing of research and operativity.
The farmer's task is therefore linked to the nourishment of the soil, the conservation both of organic matter and of life cycles that animate and generate it. The question is planetary, and there is no lack of guidelines through which FAO frames this issue and the related solutions.

The Four Pillars of Ethical Quality boast this side effect: **careful product quality means careful quality of life for the whole environment, which turns into a guarantee of the best possible product for the final consumer.**

DIRECT RELATIONSHIP

Establishing direct relationships with producers means eliminating intermediaries and dispersion of resources from the supply chain and from its place of origin. It also means giving direct responsibility to our values of ethics and sustainability. In these relationships, control and traceability of the product are more effective.
Since 2020, the inclusion in our workforce of an agronomist expert in integrated supply chain design has made it possible to seal the relationship between the company and the agricultural world, providing suppliers with an interlocutor technically akin to the dynamics that characterize the sector.
Objective: to preserve the value of the supply chain in its territory of origin, without going through intermediaries.

FAIR REMUNERATION OF PRODUCERS

Paying a higher price than the market one, independent of market fluctuations, means equitably remunerating the indispensable work done by the farmer: responsible for the quality of the fruit and custodian of the soil.
The advantage of this strategy is the ability to enhance varieties otherwise reduced to the margins of the market, above all due to a very low yield per hectare.
This is the case, for example, of the Caruso Sorrento walnut, a cultivar that local farmers were gradually abandoning in favor of more profitable varieties of walnuts. The Ethical Quality Protocol has allowed us to enhance an ancient excellence of the Campania region and, at the same time, to guarantee the biodiversity of the soil.
Objective: to ensure quality of life for those who work the land, granting them the coverage of production costs and a fair profit.

LONG-TERM SUPPLY RELATIONSHIP

We sign agreements with our suppliers lasting at least 3 years. The duration of the supply contracts guarantees the coverage of long-term investments and protects against market fluctuations. This increases the mutual benefit of both manufacturer and distributor.
For example, in October 2020 we signed a five-year agreement with La Diamantina Producers Organization, a reality of 6 agricultural producers in the Ferrara area, with which we collaborate for the supply of our organic walnuts.
Objective: to put the grower in the conditions of dealing exclusively with the high quality of the product, building relationships based on mutual trust and serenity.

SUPPORT TO THE PRODUCERS COMMUNITY

The involvement of producers passes through programs focused on increasing productivity and quality, by fully sharing equipment, skills and research, the result of over forty years of experience in the nuts and dried fruit market.
For example, we gave, in the form of free loan, some machinery in order to favour and improve the productivity of two local raw material companies.
Objective: to increase the efficiency and profitability of work.

SUPPORT TO SUPPLIERS AND PROMOTION OF LOCAL PROJECTS

A tangible consequence of our Ethical Quality is to have a direct and positive impact on the entire supply chain, which takes shape in ever different ways. Support to suppliers and long-term relationships, for example, allow the suppliers themselves to invest in improvement projects for the entire community and become a supporting element and driving force for it.

This is the case of HPW Fresh & Dry LTD, a cutting-edge partner, which every day in Ghana strives to improve the living and working conditions of the approximately 1,000 employees working in the production plant.
HPW has a great impact on the local economy: in 2011 it built the largest dried fruit production plant in West Africa, contributing not only to the creation of jobs, but also to the support of local producers and the promotion and financing of projects such as the construction of wells, schools, canteens and structures for workers, including a kindergarten where employees can leave their children while they work.
Each worker can take advantage of 2 meals every day, transport to and from the establishment and health insurance offered by the company. The production plants mainly use renewable energy sources: in fact, in addition to the use of solar energy, the company has a biogas plant, in which both organic and production waste are burned to generate electricity and heat for the functionality of the plant.
These are just some of the projects that HPW carries out for its employees and which have an extraordinary impact on the local community.

CODE OF ETHICS FOR SUPPLIERS

All our suppliers subscribe to our "Code of Conduct", which includes ethical principles related to the management of workers, health and safety in the workplace and environmental issues.

By signing our code, the supplier declares that:

«The company will comply with the Universal Declaration of Human Rights, the United Nations Convention on the Rights of the Child, the International Covenant on Civil and Political Rights, the conventions and recommendations of the International Labor Organization (ILO), the EEC Directives, national labor laws and prevailing standards or other requirements to which the company adheres».

The code consists of 10 points which the supplier fully subscribes to. The points touch on various issues, including the integration of gender equality policies, zero tolerance to child labor, respect for the soil and the environment, the guarantee of an adequate salary for its collaborators and the sharing of the Ethical Code of Conduct with its suppliers.

Ethical relationship with suppliers

GOALS FOR THE COMING THREE YEARS

A SHARED PATH

Over the next three years we will keep on exploring and evaluating new partners to share our path of Ethical Quality with, and to build together a transparent and traceable nuts and dried fruit supply chain, for the benefit of all.

UN 2030 Agenda

Euro Company and the pursuit of the Sustainable Development Goals set by the UN 2030 Agenda

United Nations

Through our **commitment to Suppliers**, we contribute to the achievement of **4** of the 17 Goals set by the UN 2030 Agenda:

OUR MISSION
ROOT #05:

We support the Italian market and our territory, preferring local suppliers whenever possible.

Supporting the Italian market and our territory means promoting its products, protecting the soil and putting this alternative strategy in a position to be sustainable and to bring benefits to the community for as long as possible.

Primary needs are to shorten the supply chain, to reduce intermediaries and to invest this saving of time and economies in the maximum safeguarding of the fruit, the plant and the cultivation.

A short supply chain, in fact, makes fair remuneration, traceability and the sharing of skills easier. A short supply chain, for example, is the ideal tool to ride the revival of nuts, within the frame of an Italian production not always able to satisfy the growing internal demand. In light of this scenario and of the new knowledge available, updating one's strategy is a must especially when one is sure of the commercial and **ethical result**.

Our support for the Italian market translates into supply contracts that stem from the scenario analysis, in which the critical issues faced, the necessary actions and the expected results are highlighted.
The common point of almost the whole sector of cultivation of nuts is the increase in demand for consumption, and the not always abundant response that current Italian production gives to the internal market. Our result is a strategy that, starting from a supply chain agreement of at least 3 years, focuses on solving those critical issues identified in the scarce innovation, putting the grower in the conditions to operate in this direction, focusing exclusively on the high quality of the product.
To make sustainable this **approach entirely devoted to product quality**, the duration of the contract and the strategy of the short chain are key elements.

The assumptions of a short supply chain make it easier to reach an adequate price, since the producers are close to the distributor, allowing both the consumer to **obtain a better product at a better price and the producer to receive the right remuneration for the work carried out**.
By eliminating intermediaries from the food chain, the role of the protagonist goes back to the producer, traceability becomes immediate and the value of production rests with its territory of origin.

The enhancement of nuts, and of those who grow them, starts from these assumptions. Starting from here we organize the tasks through which the parties (producer and distributor) will continue along the common path.

Tasks of the producer:
- Cultivation and harvesting;
- Cleaning, selection, drying and other useful activities, depending on the type of raw material;
- Delivery of the raw material, according to the characteristics identified.

Tasks of the distributor:
- Organoleptic, chemical-physical, product and microbiological check of the raw material;
- Analysis and study of the potential market of the product;
- Study and definition of the most suitable materials for packaging;
- Definition of the most suitable material for packaging, having the lowest environmental impact;
- Care and implementation of a dedicated Marketing plan;
- Commercial logistics and distribution in the markets.

Under the coordination of Euro Company, the expected results are the **full remuneration of a quality product, a better personal and working life around production and an increase in employment**.

The organization of a supply chain system is in fact a strategy that gives producers an active role, because it focuses on local production by minimizing intermediaries within the food chain; a virtuous system that allows small businesses to create independent supply chains, cutting some of the intermediate steps between producers and consumers, thus enhancing the territory of origin of the raw material and creating a new relationship between the agricultural and the urban world.

CARE OF THE PRODUCTION CHAIN

We work every day to build increasingly transparent and traceable supply chains, along all stages of them.
To do this, it is essential to build solid partnerships, guaranteeing valuable relationships and taking care of the production chain to the fullest.

For this reason, since last year within the Raw Materials Purchasing Office, we have introduced the figure of the **Supplier Relations Manager**, a role having the task of constantly interfacing with suppliers, carrying out researches, submitting them questionnaires relating to origin and quality of the raw material and analyzing the purchase contracts, with the aim of making them consistent with both the regulations and quality control plans required by law, and with our internal regulations.

BRANDS FOR THE SAFEGUARD OF THE CHAIN

We keep on bringing to consumers' tables **products able to concretely represent our commitment to the production chain**: new brands perfectly aligned with our **Ethical Quality Protocol**.

In the last year we have created a partnership with the 6 farms that make up the Producer Organization *La Diamantina* for the Italian Organic Walnuts project. The lands of the PO, lying between Veneto and Emilia-Romagna regions, extend over the Po Delta area, just where the river, branching, flows into the Adriatic Sea. This is the area used for specialized organic walnut planting, cultivated through innovative precision farming techniques. This is where our delicious Italian Chandler organic walnut was born, with a thin shell and delicate flavour, always as tasty as freshly picked.

ETRUSCA
Autentica Nocciola della Tuscia

Caruso
L'ANTICA NOCE DI SORRENTO

LA NOCE ITALIANA
BIANCANOCE
DAL GHERIGLIO BIANCO

DOLCINA
AMORE DI MANDORLA

ETRUSCA:
THE FIRST TUSCIA HAZELNUT ROASTED AND PEELED IN A WORKMANLIKE MANNER

A tale that begins in an extraordinary place for tradition, land and vocation: it is Tuscia. This is where this precious, fragrant and irresistibly tasty fruit is grown. A true gift from nature. *It has only one flaw*, we were told: *it is impossible to peel*.
Our dream was to prove the opposite, so we got to work.
All our energy, our knowledge and technologies, for a single purpose: the perfect peeling, for a Tuscia hazelnut.
Alone, however, we did not succeed. But then came the special meeting with the right partner, the one to share the same vision with, the same passion in the eyes. *Etrusca* was born like this, like best friendships. We shared insights, resources, enthusiasm: a pioneering manufacturing of the product was created, making it possible to peel this premium variety exactly as we wished.
Today we share with our consumers the fruit of our dream: we wanted perfection, we got it.

The hazelnut supply chain, in the last two years, has seen a great growth in Italy, and we believe it is essential to constantly monitor the respect of biodiversity, in the care of the hazelnut producers. Our reference organization of hazelnut producers, the PO *Euronocciola*, participates in the applied research project *Definition of a hazel wood management model more environmentally friendly with the territory and with the environment, in relation to defences from the main phytophagous insects plus fungal and bacterial adversities, as well as for the agronomic management with reference to Lazio and Campania coriliculture*, conducted by *Italia Ortofrutta* and entrusted to the DAFNE Department of the University of Tuscia in Viterbo, which sees the participation of 6 Producer Organizations belonging to the National Union (*Agrinola, Co.Pro.N.T., Ecolazio, CPN, Euronocciola* and *Tonda di Giffoni*). Over the next year, we will therefore support our suppliers in this project aimed to protect both the environment and its community.

CARUSO: THE ANCIENT SORRENTO WALNUT

An enchanting, magical gulf. Breathtaking vistas, intense scents: we are talking about Sorrento. For over 2,000 years, its walnuts have been a precious and tasteful fruit. A strong and powerful flavour. A colour so intense that the local elders defined it "Cloak of the Monk". Then the decline, due to the decision of the local farmers: off the Sorrento walnuts and room for other, easier, cheaper crops, less in need of care and love.

The fate of this extraordinary walnut seemed sealed.
But then came the meeting with the perfect partner, someone to share our Ethical Quality with. No intermediaries, long-term agreements and a fair income, agreed on together. And the sharing of knowledge and resources, having a sole aim: that of giving back value to Italian excellence.

Caruso was born this way: an intense flavoured walnut, exquisite and already shelled. At last, for everyone, this precious, wonderful fruit.

In order to recover the kernels discarded during the processing, we are evaluating the possibility of developing a cosmetic product deriving from Sorrento walnut oil. We started with the collaboration of the Department of Pharmacy of the Federico II University in Naples to evaluate the potential of an oil distilled from this precious walnut and that could become a cosmetic product for both face and hair. This would allow us to give new life to a raw material which – due to its processing – should have been discarded.
In order to inform and involve farmers, in the autumn of 2019 we launched *Il giornale della nocicoltura* (transl. *The journal of walnut planting*).

Released every 3 months, this magazine is a fundamental tool to tell the news on walnut crops and markets through the contribution of professionals and academics from both the fruit and vegetable sector and the food industry.

This project paved the way for *Il giornale della corilicoltura* (*transl. The journal of coriliculture*) and the upcoming *Il giornale della mandorlicoltura* (transl. *The journal of almond planting*).

BIANCANOCE: THE ITALIAN WALNUT WITH THE WHITE KERNEL

Valorising the fruits of our land, springing from the deep passion of our farmers, means telling places, traditions, symbols. Just like the tales our grandparents told: tales that traveled though time, that have been handed down for generations. Several chapters of a single great novel, with the pride of a blank page yet to be written.

This is the tale of *Biancanoce*, of its white kernel: an extraordinary walnut, picked and selected by hand.

This is the story of the Italian Chandler walnut with a thin and elegant shell, housing a fleshy and delicate fruit, like the most precious of jewels.

In order to continue to offer the best Chandler walnuts, during the last year we have forged new short chain relationships with the *Zama Michele, Zama Luigi, Sangiorgi Alessandro* and *Sangiorgi Andrea* agricultural holdings located in the Emilia-Romagna territory. These contracts will allow us to increase our direct relationships based on the values of ethics and trust with farmers, ensuring the consumer a high quality raw material and a transparent and truly traceable supply chain.

DOLCINA:
THE ITALIAN ALMOND

A delicious, crunchy fruit, lulled by the sun and the wind; however, sometimes, it happens to find a bitter-tasty almond, missing therefore the taste experience.
An unpleasantness breaking the enchantment, because of a neglect in the selection, or due to grafts on wild almond trees.
In order to avoid that such a treasured fruit may leave bitterness in mouth, we went looking for suppliers able to offer us the best possible product, despite the enigma of the bitter almond was never completely solved.
Italian almonds will always have this problem, they told us: until the meeting with the ideal partner, the one able to perfectly grow the *Tuono* variety, blooming later and giving large, full-flavoured, delicious almonds. One first tasting and we fell in love: there was no need to think twice. An unparalleled, natural sweetness, that we decided to call *Dolcina*.

In order to go on ensuring our consumers the best almonds coming from a direct and transparent supply chain, we have added a collaboration with 13 producers located in Lazio who estimate to expand – by 2025 – their own almond groves, passing from an extension of about 200 to 700 hectares.
Over the next five years, it will be our responsibility to select the best raw material from these recently born plants and plan a long-term collaboration that will ensure them peace of mind and a wide-ranging perspective.

Safeguard of the excellence

GOALS FOR THE COMING THREE YEARS

SIGNING OF NEW SUPPLY CHAIN AGREEMENTS

Over the next three years, we aim to keep on signing an increasing number of multi-year supply chain agreements with Italian producers.
This is because we do believe that it is the only way to protect the dignity of farmers, to enhance the precious raw materials that our territory gives us and thus to offer a high quality raw material to our consumers.

DEVELOPING JOINT PROJECTS BETWEEN FARMERS, INDUSTRY AND DISTRIBUTION

Over the next three years, we are going to develop ad hoc projects together with our farmers and our large-scale retail partners, to offer products from short, ethical and transparent supply chains.
The goal is to allow large-scale distribution to access our virtuous supply chains also through its own private label, thus reaching an increasing number of consumers aware and attentive to environmental and sustainability issues.

IL GIORNALE DELLA CORILICOLTURA AND *IL GIORNALE DELLA MANDORLICOLTURA*

In the next three years we are going to create *Il giornale della corilicoltura* (transl. *The journal of coriliculture*) and *Il giornale della mandorlicoltura* (transl. *The journal of almond planting*), respectively dedicated to the cultivation of hazelnuts and almonds, with the aim of informing farmers in the most focused and accurate way.

UN 2030 Agenda

Euro Company and the pursuit of the Sustainable Development Goals set by the UN 2030 Agenda

United Nations

Through our **commitment to Suppliers**, we contribute to the achievement of **4** of the 17 Goals set by the UN 2030 Agenda:

OUR MISSION
ROOT #06:

We choose customers and suppliers sharing our same values.

Collaborating with **suppliers and customers who share our values and respect our standards in terms of quality, social responsibility and ethics** is essential to create virtuous synergies and achieve the goals we set ourselves. In recent years, this root of the Mission has led us to choose debated paths, deciding to **renounce significant turnover shares** and to **interrupt relations with customers and suppliers too distant from our value system**, merely interested in the logic of the lowest price at the expense of ethics and, consequently, of the product quality for consumers.

AGAINST THE DESCENDING PRICE AUCTIONS

Enhancing the supply chain, for us, is a fundamental part of our mission: we have created our **Ethical Quality Protocol** mindful that fair remuneration for the agri-food chain is the only way to guarantee the consumer the best possible product.
We have in fact abandoned the below-cost logics, the mechanisms of the lowest possible price, because we want to guarantee a fair income for farmers and at the same time we aim to offer the consumer the best product, from every point of view. For this reason, we are strongly **against descending price auctions**.

On this issue, in recent years, important steps have been taken: in March 2021 there has been the unanimous approval, by the Senate Committee on Agriculture, of the text concerning the limitations on the below-cost sale for agricultural and agri-food products, and the prohibition of double-discount auctions for the purchase of the same products. At the time of writing, the discussion and approval of the bill by the plenary assembly of the Senate is still awaited.

A descending price auction is a request for a commercial offer in which various suppliers are asked to formulate, online or in any case simultaneously, a series of increasingly lower price proposals. The winner is the one who, at the end of a series of bids, has formulated the lower price.

We have not partaken in auctions for six years now, because we believe them to be the cause of the strangulation of entire agri-food supply chains: if those downstream, along the value chain, decide that it is necessary to *go out* at a certain price, which is always lower, the real cost will be paid by someone else, i.e. the grower, the weakest link of the chain.

Insufficient remunerations, costs not covered and then inadequate wages, intolerable labor conditions.
This is why we only choose customers who share our same values: for a culture in which it's all about the money is not a true culture.

SEDEX PLATFORM

The people and resources used for the production of goods, in supply chains around the world, are becoming more and more important for businesses and consumers.
Stating precisely where and how the products we purchase have been made is information essential to know.
This is why we have decided to invest in the monitoring of our suppliers through the Sedex platform, created as a tool to help companies manage and share this type of information, in particular regarding ethical aspects, in order to create more transparent and aware supply chains.

Sedex brings together thousands of companies from different production chains in 150 countries around the world, and manages one of the largest online platforms for the **exchange of ethical information between companies**, allowing the collection and processing of data on supply chains. Using the platform, based on the type of access, companies can upload their data, share the results of the audits received and have access to the information of their supplier companies.

The existence both of a single web portal, a common questionnaire (SAQ) and an audit methodology (SMETA) covering all ethical aspects, facilitates the exchange of information, avoids repetitions and gives a **concrete tool to member companies for both management and assessment of their own supply chain.**
To make the most of the potential of this tool, we have started a process of involving our suppliers, in order to have as many as possible users registered on Sedex and connected to Euro Company: in the year 20/21 there were about 40.

Moreover, during the fiscal year, we started an internship for dissertation of a student in Food Science and Technology at the University of Bologna. In her path within our reality she dealt with deepening Sedex and its functioning, with a particular focus on the tools that can be used by the Company to map and evaluate the risks of the supply chain, also evaluating social practices through the Self-Assessment Questionnaire based on the four pillars of the SMETA audit: work standards, health and safety, business ethics and the environment.

SHARING OF VALUES: SUSTAINABLE TRANSPORT

We are proud to collaborate with customers who, like us, cherish the respect for the environment and the ecosystem.
Bama Gruppen AS, our Norwegian distributor and importer, is committed to progressively replacing its transport from road to sea or rail. Choosing to travel by rail, for example, is a good way to significantly limit CO_2 emissions.
Transporting 1 kg of material/product by road over a distance of 100 km has an impact on environment, in terms of equivalent CO_2 emissions, equal to a range between 6.5 / 8.2 g CO_2 eq., depending on the characteristics of the vehicle used. Transporting the same material by rail

under the same conditions (1 kg * 100 km) emits about 0.83 / 1.96 g CO_2 eq., depending on the characteristics of the vehicle used. Preferring transport by rail compared to the road, therefore, allows to reduce CO_2 eq. emissions by 70-90%, compared to road transport for the same distance traveled.
If we consider that our products travel around 2,100 km each time to reach Norway, we can understand the substantial lower environmental impact deriving from preferring rail transport over road transport.

EDI DOCUMENTAL INTERCHANGE

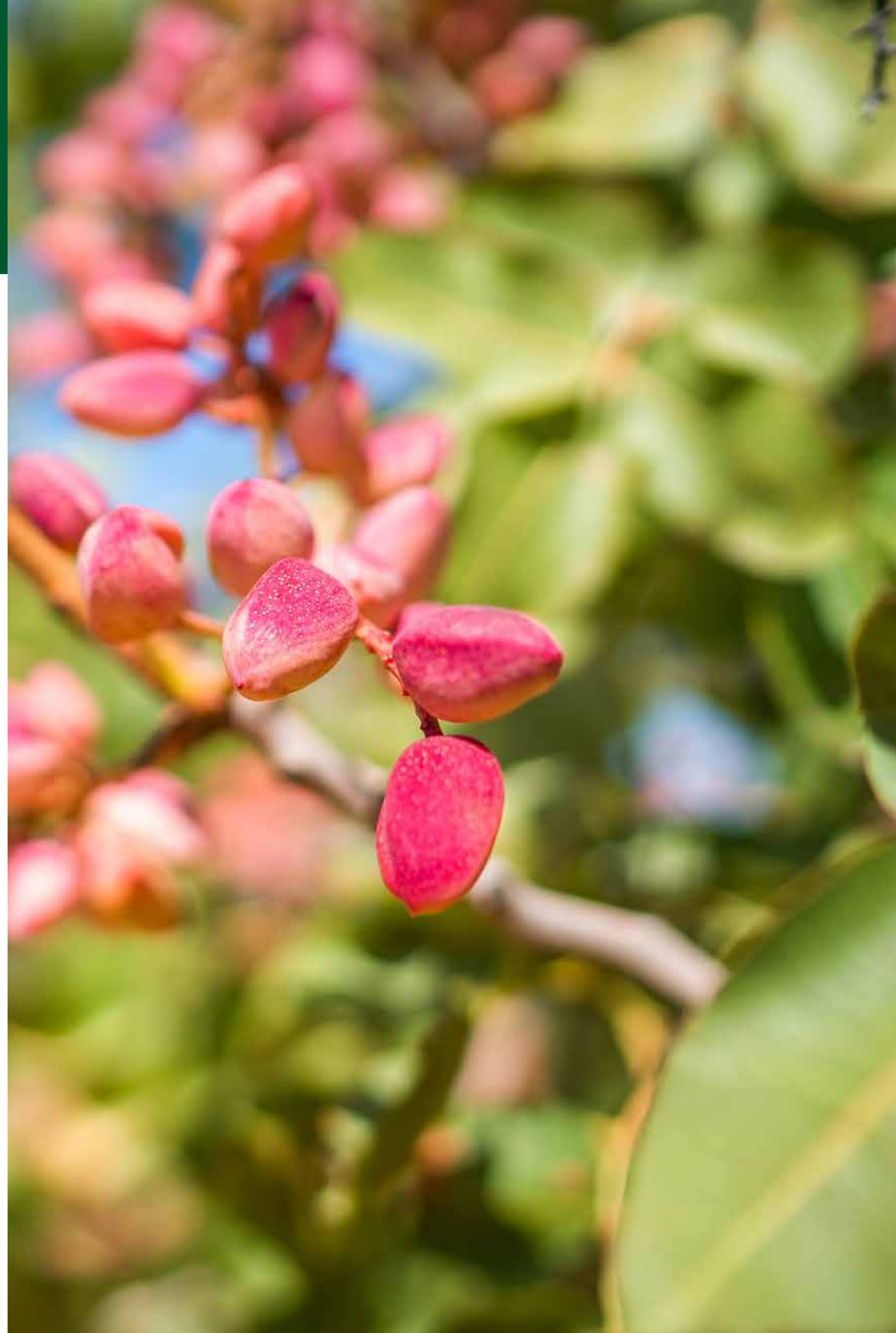
EDI (*Electronic Data Interchange*) communications with our customers have been enhanced to automate the processes of inserting and issuing documents, thus increasing the speed, accuracy and reliability of the transmission of information, with a consequent reduction in the use of paper and related economic and environmental costs.

Sharing of values

GOALS FOR THE COMING THREE YEARS

ETHICAL QUESTIONNAIRES TO SUPPLIERS

Also in the next few years, thanks to the joint work of the Quality and Raw Material Purchasing Departments, we will continue in a timely manner to collect reporting and **analyses of ethical, social, environmental and economic data** from our suppliers. This will allow us to have an overall picture of each supplier's level of sustainability and consistency with our values, and to make choices with a greater degree of awareness.



UN 2030 Agenda

Euro Company and the pursuit of the Sustainable Development Goals set by the UN 2030 Agenda

United Nations

Through our **commitment to Customers and Consumers**, we contribute to the achievement of **4** of the 17 Goals set by the UN 2030 Agenda:

OUR MISSION
ROOT #07:

We promote a correct lifestyle through projects, routes and events addressed to the community.

Implementing projects, routes and events addressed to the community is part of our Mission, also formalized within our own Statute.
For this reason, we constantly work to ensure development and well-being for the community in which we operate, confident that companies must play an active role in the growth and progress of the area in which they work, in order to **always create shared value**.

EMPLOYER BRANDING

Carrying out Employer Branding activities is essential for us to establish a first dialogue with our **ideal candidates, hiring the best profiles sharing at the same time our same values**. In parallel, it represents an opportunity to create positive impacts on our schooling and training system. These activities are a way to make our Company known externally and to transmit our values to the community, creating a strong bond with it through projects, internships, team work, information and cultural activities.

Here are some of the **Employer Branding itineraries** implemented this year:

BOLOGNA BUSINESS SCHOOL MASTER'S DEGREE - To expand our projects involving the community, we have been collaborating for years with the **BBS, the Business School of the University of Bologna**, entrusting the students of the various Master's degrees with group work and hosting them within the Company to carry out curricular internships. This year, in particular, we presented our reality to the students of the Masters in *Food & Wine*, *Business Management* and *Green Management and Sustainable Businesses* and hosted a student from the Master in *Finance, Control and Auditing* plus two students from the Master in *Marketing Management* for a curricular internship. Thanks to this training period, the students have thus been able to deepen and put knowledge acquired during their study paths into practice.

VIRTUAL CAREER DAY – UNIBO RECRUITING WEEK - In October 2020 we attended the Unibo Virtual Career Day: the **main meeting point between students and graduates of the University of Bologna and the business realities in the area** organized, for the first time, in online mode. On that occasion, we presented our Company through a workshop and collected the applications of students and graduates, letting us tell their professional aspirations through online interviews: for the search for the best talents never stops.

VIRTUAL TOUR – TULANE UNIVERSITY - Making our reality known and making our experience in the food sector available as a **case study**, even at an international level, is fundamental for us, in order to give university students the opportunity to gradually enter the world of work, passing from theory to practice. For this reason, during the year 2020-2021 we made a virtual presentation to the students of **Tulane University in New Orleans** (Louisiana - United States) to tell about our company, our ongoing projects and our future goals.

CONSTANT DIALOGUE WITH THE HIGH SCHOOLS IN OUR AREA - Our commitment to the world of training does not stop with University. In fact, constant is our dialogue with the high schools belonging to our territory. Among these:

· *Nullo Baldini State Industrial Technical Institute in Ravenna - Technical Gi Day with Gi Group*
Thanks to the collaboration with Gi Group, once again this year, for the third time, we introduced our reality to the students of the Nullo Baldini State Industrial Technical Institute, highlighting the possible professional opportunities for recent graduates wishing to enter soon the world of work.

· *Olivetti Callegari State Professional Institute - Technical Talent Program with Manpower*
Thanks to the collaboration with Manpower, this year we presented our Company to the students of the Callegari Institute in Ravenna, highlighting the potential professional opportunities within our production plant, in the Maintenance area.

· *Luigi Bucci Professional Industrial Technical Institute – Faenza*
In the past few months we participated in a job orientation day organized by Luigi Bucci ITIP in Faenza, on the topic of Industry 4.0. The main objective has been that of making the young students aware of the business realities of our area, and to provide them with useful ideas to better face the future search for a job.

· *Towards work. The Imola site meets the world of work*
On April 21, 2021, the third edition of the official career orientation event at the Imola site of the University of Bologna was held. The event, organized in collaboration with ARTEC (Placement and Job Orientation field), was attended by the main companies operating in the sectors of interest of the professional figures formed by the courses of the Imola branch of Alma Mater University: the undergraduates in Quality and Biology of Health. The Job Day has been a precious special occasion for training and job orientation. The main objective of the day has been that of raising the awareness of the technical and transversal skills required in the world of work, its functioning and related professional opportunities. In addition to listening to our company presentation, the participants have been able to ask us direct questions, in order to understand how to best prepare for their future.

SCHOOL-WORK ALTERNATION - Every year we host secondary school students in school-work alternation, confident that this activity is fundamental to create a bridge between the world of school and that of work, guaranteeing students the possibility to test themselves in a working context, identifying one's own aptitudes and developing professional skills.

9 girls and boys in school-work alternation hosted in 2020-2021

DISADVANTAGED GROUPS INCLUSION - Every year, at the Company, **we activate internships aimed at facilitating the inclusion or reintegration into the labor market of jobless/unemployed workers or disadvantaged persons**, believing that these can truly represent a concrete and salient opportunity for the implementation of facilitating conditions for subjects involved.
Over the last year, in particular, we have activated an internship for reintegration into the labor market, convinced that work can represent a **powerful inclusive tool**.

TRAINEESHIPS, CURRICULAR AND THESIS INTERNSHIPS - Every year we host university students for the implementation of **traineeships, curricular and/or thesis internships**, aimed at preparing the final exam. This is because we want to actively contribute to the building of a stable link between companies and universities, which allows new generations for a **smooth transition from the world of education to that of work**, permitting them to test themselves in a working context and to get to know better the dynamics of a large entrepreneurial reality.

16
No. of interns hosted in the year 2020-2021

2
No. of interns hosted either for curricular internship and for thesis

12.5%
% of interns hosted and confirmed

SUPPORT FOR BACHELOR'S AND MASTER'S DEGREE THESES ON SUSTAINABILITY AND B CORPS - As a B Corporation, collaborating and supporting students in the realization of **thesis projects** on the theme of all-round **sustainability** and the positive impact of B Corps on society and the environment is fundamental, to raise awareness of the movement and to bring the new generations closer to these issues.

4 undergraduate thesis projects
supported in the year 2020-2021

PAID LEAVE FOR VOLUNTARY ACTIVITIES - Also for the year 2020-2021 we decided to **give all collaborators 8 hours a year of paid leave to carry out voluntary activities** at an association of their choice. This permit represents a precious opportunity to increase the commitment of each of us towards the community, allowing to devote part of one's own work time to the neighbour.

382 hours of work offered by the Company for the community
(including volunteering, paternity leave at the company, civil defense, blood and plasma donation)

SUPPORTING THIRD SECTOR BODIES AND RESEARCH

Supporting scientific research, voluntary associations and, more generally, Third Sector bodies is essential for us to **support the right to health**. This kind of support allows research and voluntary associations to move forward in **doing good**. The choice to support research and voluntary associations in their work is a decision we are proud of, in the awareness of being able to help those who suffer, of supporting those who believe every day in their work, but also of giving answers to those who wait, from years, for a concrete guarantee for their own right to health. We have donated 10% of our profits to these initiatives.
Our action mainly addressed to the following beneficiaries:

San Giovanni Evangelista Parish
Arteinte Social Project
Emilio Rosetti Foundation
AIRC Foundation for Research on cancer
San Vitale Cooperative
Faenza Rugby
Ravenna Basket
Fundraising Festival
Amici di Casa Insieme Association

SUPPORT TO SMEs, IN THE ROLE OF BUSINESS ANGELS

We support SMEs thanks to targeted financing: specifically we participate, through the *Start Up Italia* network, in raising capital for the financing of Small and Medium-sized Enterprises.

SUPPORTING SPORT

Having a positive impact on society, people and the territory is part of our mission and of our being a B Corp: supporting sport is therefore an essential part of this objective.
Sport means, above all, respect for oneself and for others: it means sociality and inclusion, it means collaboration and mutual support. Proper nutrition and constant physical activity are the basis for a healthy life, in balance with your body.

Over the last year we supported the following sporting events:

- Ravenna Marathon;
- CAI opening in Lugo (RA);
- Summer Rec Center in San Pietro in Vincoli (RA);
- *100 km del Passatore*;
- Zerotriuno Triathlon.

LIBELLULA FOUNDATION

In May 2019 we joined the Libellula Foundation (formerly Libellula Project), the first network of companies united in combating violence against women and gender discrimination, born with the aim of connecting different business realities that place gender equality at the heart of their values, wishing to engage in concrete actions.
Over the past few months, aware of the need to keep on striving in order to build a fair, respectful and inclusive society, despite the lockdown we attended several online meetings organized by the Foundation, including:

- Mental workload of women;
- Living and building alliances between women;
- Gender and language;
- Gender, power and leadership.

All this, in order to have the right tools to act concretely on a cultural level.

RENEWAL AND INTEGRATION OF THE NATIONAL COLLECTIVE BARGAINING AGREEMENT

In order to improve our company well-being and to harmonize life and work times, during the year 2020-2021 we introduced important innovations for all workers and made every effort to contact the trade union parties in order to offer them an **improved corporate supplementary agreement** definitively signed on 06/21/2021.

In addition, in recent months – together with associations belonging to the National Assembly and trade union representatives – we contributed to the **renewal of the reference national collective bargaining agreement**. Our contribution has been essential to report on a national scale any improvements to our Collective Agreement, to ensure greater clarity and a better reconciliation of living and working times.

SUPPORTING HIGH-QUALITY PUBLISHING PROJECTS

Ossigeno holds a specific purpose: to accompany the ongoing change in eating habits, through what can be defined as a practical and cultural guide.
It is Euro Company's six-monthly vision of the future in between science, art and research. The *Ossigeno* series of books is a collector of articles and insights on what well-being truly is, conceived as a balance of body and mind, of attention to health and spirit. *www.ossigeno.it*

Capitan Bananas e il Pianeta Cibosano (transl. *Captain Bananas & the Healhyfood Planet*) is a periodical comic book populated by superheroes living in distant galaxies, which entertains and amuses while bringing a message: eating healthy helps you grow and feel good. The *Capitan Bananas* project stems from the awareness that it is necessary to promote the culture of healthy nutrition, starting with children.
The adventures of *Capitan Bananas* are freely downloadable from the website *www.capitanbananas.it*.

Il giornale della nocicoltura (transl. *The journal of walnut planting*) talks about quality of walnut cultivation, conceived as an update on technical innovation and high standards of supply chain relations. It can be downloaded from the website: *www nutsforlife it/ilgiornaledellanocicoltura*

Well-being of the individual and the community

GOALS FOR THE COMING THREE YEARS

SOLIDARY VACATIONS

Over the next three years, we aim to activate the possibility of donating part of one's own paid leave or holidays to colleagues in difficulty, who do not have a number of vacation hours sufficient for being able to take time off work to look after a not self-sufficient family member, in need of constant assistance.

SUPPORTING THE VOLUNTARY ASSOCIATIONS

We want to keep on supporting our local community through initiatives and donations to voluntary associations that, in harmony with our values, carry out projects and monitor the results obtained to improve the well-being and health of people and the planet, creating a positive impact and favoring the common flow of best practice.

DEFINITION AND DISSEMINATION OF A DIVERSITY MANAGEMENT POLICY

At the beginning of the year 2021-2022, we will be going to define and disseminate a **company policy on diversity management** with the aim of enhancing diversity within our working environment – involving gender, sexual orientation, origins, culture and belief, physical abilities – supporting different lifestyles and responding to the distinct needs of our collaborators. This is because we are convinced that the **culture of respect for rights, diversity and inclusion** must not only be at the basis of the daily actions of every company, but it also needs to be used as an example for the community in which each company operates.

UNIBO RECRUITING WEEK

In October 2022 we will participate in **Unibo Recruiting Week**, the week of **online meetings between students and graduates of the University of Bologna with local business realities**. On this occasion, once more we will present our company and collect applications from students and graduates, letting us tell their professional aspirations: for the search for the best talents on the market continues, even from a distance!

UN 2030 Agenda

Euro Company and the pursuit of the Sustainable Development Goals set by the UN 2030 Agenda

United Nations

Through our **commitment to Community**, we contribute to the achievement of **4** of the 17 Goals set by the UN 2030 Agenda:

ETHICS AND LEGALITY

ADOPTION OF THE 231/01 ORGANIZATION, MANAGEMENT AND CONTROL MODEL AND APPOINTMENT OF THE SUPERVISORY BOARD

The Italian Legislative Decree no. 231/01 introduced into our legal system the criminal liability of companies upon the occurrence of certain crimes, including those of a culpable nature. On 11/14/2018 the Board of Directors of Euro Company approved the adoption of an Organization, Management and Control Model pursuant to Legislative Decree no. 231/01.

The drafting of the Model envisaged the prior mapping of risk areas, the identification of crimes that may be committed in the interest or to the advantage of the company and implemented organizational behavior by all employees aimed at nullifying these kind of risks. At the same time, a Supervisory Body was appointed made up of two external and independent professionals, namely two criminal lawyers, having the task of supervising the correct observance of the Model by all recipients, reporting to the Chairman and to the Board of Directors any conduct and/or action running contrary to the Model itself.

CODE OF ETHICS

Euro Company has its own Code of Ethics which guides it in relations with each stakeholder. Our Code of Ethics reflects our map of values and it is published on our website, in compliance with the utmost transparency.

WHISTLEBLOWING POLICY

Euro Company promotes the prevention and verification of any illegal conduct or, in any case, of any conduct that might result contrary both to our Code of Ethics and to the Model 231.
In this respect we are supporters of the *speak-up* culture, that is the freedom to consult, in a dialogue perspective, colleagues and/or hierarchical superiors whenever it is deemed appropriate or necessary to express doubts or concerns, to raise issues, to formulate proposals and ideas or, more in general, to express opinions to improve the work within the organization.
We have also been determined to guarantee all employees the possibility of reporting, even on a confidential basis, a possible crime, an offense or any irregular conduct committed by other individuals belonging to the Company itself *(Whistleblowing)*.
Anyone who reports a suspected irregularity cannot suffer any negative consequences, except for the hypothesis that unfounded reports are made with wilful misconduct or gross negligence. In fact, in Euro Company no form of retaliation against employees is tolerated.

UN 2030 Agenda

Euro Company and the pursuit of the Sustainable Development Goals set by the UN 2030 Agenda

United Nations

Through our **commitment to Staff**, we contribute to the achievement of **14** of the 17 Goals set by the UN 2030 Agenda: