



# **IN OUR NATURE**

## Sustainability Report 2024



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# Letter from the Honorary President



I write today with the emotions of someone who has lived a long entrepreneurial history with our company, but also with a great sense of responsibility to transmit the legacy of specific values, vision and daily commitment. And so, in opening our new Sustainability Report, I want to share a few reflections.

ICAM has grown over time thanks to **a coherent vision, rooted in a culture of doing good**, respecting people, the land and cocoa.

We pioneered the integration of **sustainability and industry** when these concepts still seemed distant. Today, the world recognizes us for this. But what really distinguishes us is the coherence with which we have acted, year after year, never giving in to the tempting rationales of the short-cut.

Passing the baton to the **Third Generation** and **CEO** represents an important moment, not only for corporate governance, but for the entire ecosystem of relationships that ICAM has built: with producers in the countries of origin, with collaborators, with customers and with local communities.

As far as I am concerned, even though I no longer have specific responsibilities, I will continue to work with ICAM with the same passion that I have always had. Whenever appropriate, I will provide support derived from my experience.

To the new leaders, I leave some points that I consider essential:

- **The centrality of people**, inside and outside of the company. Every decision, every innovation, must always start from respect for—and validation of—human beings.
- **Quality as a principle**, not just as a result. There is no sustainability if it is not accompanied by technical rigor, transparency and product authenticity.
- **The link with the supply chain**. Continuing to cultivate direct and responsible relationships with cocoa farmers is not only a strategic choice, but an ethical duty.
- **ICAM's independent, family identity** has been, and must remain, a guarantee of freedom of choice and coherence over time.
- **The ability to look to the future** with vision and openness, while never abandoning our history.

This Report tells the story of the steps we have taken in this direction, representing a foundation on which to face emerging challenges with determination, competence and heart.

To the new governance, my best wishes for a solid, courageous and deeply human path.

**Angelo Agostoni**  
Honorary President



# Letter from the President



Taking on the Presidency of ICAM represents for me an honor and a profound responsibility.

Our company has built a solid identity over time, founded on authentic values, entrepreneurial vision and ethical coherence. The legacy I am collecting is precious, and my commitment will be to preserve it, renew it and relaunch it towards the future, with an open eye to change and the complexity of the global context.

We intend to consolidate the alignment between industrial strategy and ESG objectives, having sustainability not only as a guiding principle, but also as a concrete lever for competitiveness and development. The structural integration of sustainability in the Board of Directors is the tangible sign of a profound cultural change.

Another central axis will be **industrial expansion**. The expansion of the Orsenigo production plant represents a strategic investment for the future of the company. The long-term vision for this major project will be consistent with the principles of energy efficiency, environmental sustainability and technological innovation.

At the same time, we will continue to believe in **supply chain enhancement** and in the value of proximity to the territories of origin. ICAM's direct supply chain model is more relevant than ever today: it guarantees quality, traceability, and a positive impact on agricultural communities. Our goal is to strengthen it, spreading a culture of a shared supply chain not only with producers, but also with customers, following the logic of transparency and **co-responsibility**.

We will continue to invest in a **corporate culture** that preserves our distinctive family roots—fostering a passion for work, valuing people for their skills and relationships, and promoting widespread, responsible and participatory leadership.

Finally, ICAM is ready to face the challenges of **internationalization** with courage, determination, and ambition, strengthening its position in key segments such as organic and premium chocolate.

In an increasingly competitive global context, we intend to enhance our Italian and ethical identity as a distinctive element, promoting alliances based on shared values: quality, sustainability, innovation and the centrality of the person.

With gratitude to those who have made this journey possible and with confidence in the future that we will build together, I wish everyone a pleasant reading of this Sustainability Report.

Giovanni Agostoni  
President

# Letter from the Chief Sustainability Officer



For ICAM, 2024 was a year marked by growth and consolidation on many fronts, despite a highly challenging market environment. As part of our ongoing commitment to corporate social responsibility, we focused on **Strengthening Sustainability Governance** - aiming to translate a wide range of actions, initiatives, and projects into a clear and impactful strategic vision.

A fundamental step in this direction was the appointment of the **Chief Sustainability Officer (CSO) to the Board of Directors**, demonstrating effective integration of sustainability into the Company's strategic decisions. Moreover, in April, we joined the Italian network of the **United Nations Global Compact (UNGC)** as **Founding Members**, further confirming our commitment to actively leading the sustainable transition.

To actively pursue a model of **transformative gov-**

**ernance**, one of the most significant initiatives of 2024 has been the continuation of the "Sustainable Farming" pilot project in Uganda, which has delivered highly significant results. The project's main objective is **the consolidation of one of our most critical supply chains** through targeted actions with clear goals: **increasing productivity** via the transfer of agronomic knowledge, **promoting gender equity in work roles, advancing financial inclusion** and **reducing the involvement of minors in agricultural work**.

During two field visits to the affected areas, I witnessed firsthand how these actions are **significantly improving the living conditions of producers**, while also strengthening our supply chain. This experience highlights the **transformative power** of every initiative carried out across the entire supply chain, driven by a responsible and holistic vision.

Given our commitment to transparency and reliability, we believe it is essential to establish clear and widely shared policies. To this end, we adopted a **Code of Conduct for Cocoa Suppliers** across our supply chains - formally reinforcing our dedication to an **ethical, traceable, and resilient supply chain**. In 2024, **74% of the cocoa we use will come from a direct or integrated supply chain**, underscoring our commitment to responsible and direct oversight throughout the entire value chain. On the environmental front, we have worked across the entire supply chain to implement the **European Union Deforestation Regulation (EUDR)**, aimed at monitoring and mitigating the risk of **deforestation** and **violations of legal and human rights standards**. The data collected so far indicates a high level of compliance - **95% among the parcels analyzed**. We anticipate completing the full analysis well ahead of the regulation's enforcement deadline.

These actions go hand in hand with our commitment to **"double transition"**, which you can read more about in this document. On one side, we are working to **reduce our carbon footprint** and **embrace circular economy models**. On the other, we are pushing forward with **significant digitalization - from our production sites all the way through the supply chain** - to boost efficiency, control, and transparency.

On the reporting front, we are enhancing the transparency and structure of our approach by developing new ESG indicators in line with the **European Sustainability Reporting Standards (ESRS)**.

The aim is to move gradually into better alignment with the new regulatory framework introduced by the **Corporate Sustainability Reporting Directive (CSRD)**.

Even in a still-evolving regulatory context - particularly in light of the EU's "Omnibus Package" - ICAM has chosen to proactively anticipate upcoming obligations and begin a **gradual alignment with the new European standards**. As a result, this Report has been prepared with reference to the European Sustainability Reporting Standards (ESRS), replacing the previously adopted GRI Standards (Global Reporting Initiative 2021).

Even with a new reporting structure, this Sustainability Report reflects the continuity of our commitment - rooted in an awareness of both present and intergenerational responsibility.

I firmly believe that two foundational levers are essential to driving truly sustainable development capable of meeting today's environmental and social challenges: **collaboration** at all levels, and **culture** - understood as both competence and the sharing of values.

I therefore invite you to read this document and, through its reporting, follow the traces and testimonies of collaboration and the sharing of a common "culture." I hope these accounts may serve as sources of inspiration - or at the very least, offer meaningful opportunities for reflection - along our shared path toward sustainable development.

**Sara Agostoni**  
Chief Sustainability Officer

★ Featured 2024

Corporate Identity

320 mln € TURNOVER	6 companies IN THE GROUP	75 countries SERVED	60% EXPORT
FOUNDING MEMBER UN Global Compact Network Italia	BRANCH IN UGANDA WITH 3 operational centers (183 PEOPLE)	605 COLLABORATORS (ITALY AND UGANDA)	35,208 tons OF CHOCOLATE PRODUCED

The Roots of Sustainable Cocoa: Supply Chain Management

31,806 ton OF PURCHASED COCOA (+22% VS 2023)	64% OF COCOA ORGANIC / FT / RA / NATURLAND	74% OF COCOA FROM DIRECT CHANNELS AND INTEGRATED SUPPLY CHAINS	> 20 countries OF ORIGIN
COCOA SUPPLIER CODE OF CONDUCT			

Nature Positive Business

<b>EUDR</b>  100% strategic suppliers mapped (GPS & SATELLITE ANALYSIS)  > 27,000 PLOTS OF LAND MAPPED  SCOPE 3 UP TO 4 times lower (UGANDA AND PERU SUPPLY CHAINS)		<b>Pilot project “Sustainable farming</b> FOR A CLIMATE RESILIENT LIVELIHOOD OF COCOA FARMERS IN UGANDA”  86% HAVE ADOPTED ORGANIC FERTILIZATION  66% HAVE ADOPTED AGROFORESTRY SPACING  AGRONOMIC TRAINING, GOOD AGRICULTURAL PRACTICES	
95% PLOTS OF LAND AT “DEFORESTATION ZERO”  7,500 TRAINED FAMERS IN UGANDA		70% HAVE IMPLEMENTED DISEASE-REDUCING PRUNING  21% REDUCTION OF PESTS AND DISEASES  DEMO GARDEN	

People at the center of change

98% ADHESION TO THE “VILLAGE SAVINGS AND LOAN ASSOCIATION” (VSLA GROUPS)	\$ 2,125,656 FAIRTRADE AWARD ON COCOA \$ 15,812,000 SINCE 2017	APPROACH IN SUPPORT OF Living Income	20,380 HOURS TRAINING IN ITALY
26 mln \$ FOUNDING OBTAINED FOR 8 SUPPLIERS THANKS TO PURCHASE CONTRACTS	FARMER’S INTEGRATED DEVELOPMENT PLAN - P.I.P. (PLAN INTEGRÉ DU PAYSAN)	PROJECT START CLMRS	1,149,176 € DONATIONS IN PRODUCTS
		27,000 EASTER EGGS DONATED TO > 200 ITALIAN ENTITIES	62 NEW HIRES (56 ITALY + 6 UGANDA)

Double transition technology

543 NEW RECIPES	1,338 WHITE CERTIFICATES 15,174 SINCE 2015	Orsenigo site expansion target 2027  +23,000 sq. m (+85%)  +20,000 ton POTENTIAL PRODUCTION CAPACITY 2027 (+67%)  2,000 sq. m OF INNOVATION CENTER TARGET 2027
19,000 LABORATORY ANALYSES	93% PRIMARY PACK IN RECYCLABLE / COMPOSTABLE MATERIALS (+5% ON 2023)	
-30% EMISSION INTENSITY SCOPE 1 AND 2 FROM 2020	77% ENERGY EFFICIENCY OF THE TRIGENERATOR	

Best practices certificationsFree Form certifications

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# 1 Corporate Identity

ICAM S.p.A. is a company specializing in the production and marketing of chocolate and semi-finished cocoa products, both organic and conventional, with socio-environmental sustainability certifications.

## 1.1 ICAM GROUP PROFILE

Since its founding in 1946, the Company has followed a distinctive approach, based on a fundamental principle: **responsible production of high-quality chocolate**.

For three generations, the Agostoni and Vanini families, have passed on their passion for cocoa and chocolate, becoming ambassadors of the **"Made in Italy"** chocolate culture. The active presence in the company of the new generation en-

sures a balance between tradition and innovation, always with an eye towards the evolutions and emerging challenges of the sector.

In 2024, ICAM recorded a turnover of €320M, of which 40% of sales were destined for the Italian market and 60% for foreign markets, distributing its products in 75 countries, including France, Germany, Great Britain, Poland and the United States.

### DISTRIBUTION OF THE TURNONVER 2024

#### BY BUSINESS AREAS

45%

OWN BRAND

18%

INDUSTRY

37%

THIRD PARTY BRAND



#### BY MARKETS

60%

ABROAD

40%

ITALY



#### OWN BRAND PRODUCTS

**For consumers - Vanini brand:** premium line made with high quality cocoa from selected plantations, expression of the company's commitment to an integrated supply chain and respectful of primary environmental and social sustainability criteria.

**For professionals and artisans - Agostoni and ICAM Linea brand**

**Professional:** a wide range of blended chocolate coatings, single origin and grand cru, as well as cocoa powders, creams and raw materials first designed for professional work.



#### PRODUCTS FOR INDUSTRY

**Semi-finished products and personalized recipes** offering tailor-made solutions for every production need.



#### THIRD PARTY BRANDED PRODUCTS

**Chocolate bars, pralines and semi-finished products** available in different formats and weights, with a high level of customization to satisfy the most refined tastes of international customers.



1.2 THE COMPANY’S HISTORY  
A FAMILY STORY

Silvio Agostoni founds the company **ICAM SRL** in **Lecco** acronym for “**Morbegno Chocolate and Related Industries**”

Silvio Agostoni’s premature death. Management handover to his wife **Carolina**, assisted by her two brothers **Giancarlo** and **Urbano Vanini**

Entrance of the **second Agostoni generation**

Launch of the ingredient range **ICAM Line Professional** aimed at **pastry chefs and artisans**

Production starts at the **Orsenigo hub** in the province of **Como**: a 4.0 plant powered by a trigenerator with **complete product traceability**

**ICAM Chocolate Uganda Ltd.** established in **Uganda**; development of three cocoa purchasing and processing centers.

Entrance of the **third Agostini and Vanini generation**

Launch of the **Vanini brand** with high quality **Bagua cocoa** from selected plantations

Industrial upgrade and complete production transfer to **Orsenigo**

Launch of the **Agostoni brand** premium line for professional work

Generational change in **Company Governance**

WITH A SUSTAINABILITY PATH

‘70 Angelo Agostoni travels numerous time to cocoa growing areas, to understand local cocoa varieties and cultivation challenges

‘80 Training programs for farmers, aimed at improving productivity and quality in support of supplier cooperatives in Latin America

1989 Antonio Agostoni among the founders of **Banco Alimentare**

‘90 Creation of the organic cocoa supply chain in **Dominican Republic**, sharing expertise with **Conacado** and engaging a client

1997 Launch of the first products of **organic chocolate on market**

2002 Fairtrade certification

2004 Launch of the ingredient range **ICAM Line Professional** aimed at **pastry chefs and artisans**

2010 Production starts at the **Orsenigo hub** in the province of **Como**: a 4.0 plant powered by a trigenerator with **complete product traceability**

2010 1<sup>st</sup> draft of the **Code of Ethics**

‘10 Entrance of the **third Agostini and Vanini generation**

2011 Customer engagement for the construction of a school in **Conacado, Dominican Republic**

2012-13 Customer engagement for **scholarships and reforestation projects with Acopagro in Peru**

2014 Collaboration with the **Aprocam cooperative of the Awajún natives in the Bagua region (Peru)**

2015 Commercial partnership with **Acopagro**, a cooperative engaged in projects to convert **coca cultivation into cocoa farming in Peru**, and to support quality improvement

2015 UTZ certification, later became **Rainforest Alliance**

2016 Financing of the **Aprocam** project for a **clonal garden**

2017 Industrial upgrade and complete production transfer to **Orsenigo**

2018 Launch of the **Agostoni brand** premium line for professional work

2019 Publication of the 1<sup>st</sup> **Sustainability Report for the year 2018**

2020 Creation of a **nursery** with **Omugo Foundation** in **Uganda**

2021 Launch of the **compostable paper-based packaging** for bars

2022 Establishment of the **Chief Sustainability Officer and Sustainability Team**

2022 Adherence to **UN Global Compact**

2022 Project “**Sustainable farming** for a climate resilient livelihood of cocoa farmers in **Uganda**”

2023 Start of activities for **EUDR compliance**

2024 Generational change in **Company Governance**





1.3 COMPANY VALUES

In 2010, ICAM formalized and codified its values in the **Code of Ethics**, drawn up in compliance with the main regulations and best practices on human rights and corporate social responsibility.



For ICAM, the Code of Ethics is an essential tool for translating its values into practice, ensuring transparent and responsible management of human and commercial relations.

Aware of its role in the community and in the supplychain, the company is committed to respecting the following ethical principles, requiring suppliers to adhere to the same values:

Updated in 2024, the Code integrates Sustainability Governance among the core values.



INTEGRITY

Compliance with the laws and regulations in force in the countries in which it operates.



CENTRALITY OF PERSON

Value of the person, respect for human rights, fight against discrimination, safeguarding personal safety



QUALITY

Maximum care and attention to quality, investing in Research and Development.



INVOLVEMENT

Dialogue with stakeholders to create value.



SUSTAINABLE SUCCESS

Long-term value for shareholders and stakeholders.



SUSTAINABILITY GOVERNANCE

Actions and directions to integrate sustainability into business strategy and processes.

To ensure the concrete application of these principles, ICAM bases its excellence on the complete management of the agricultural and production chain.

In-depth knowledge of raw materials, production technologies and technical-regulatory requirements, combined with a cutting-edge plant with 4.0 technologies, represent the heart of the company's know-how.

The company constantly invests in expertise and resources, promoting process and product inno-

vation, always complying with the highest safety standards. **Passion, creativity and attention to trends** guide product development, earning the trust of consumers and professionals globally.

This approach allows ICAM to offer unique products, capable of satisfying the highest market demands and expressing perfectly the excellence of **Made in Italy** for almost 80 years.



ICAM articulates these values through four pillars which define its corporate identity.

Environment

Fighting climate change through responsible use of resources

People

Recognition of the value of each individual person

Supply Chain

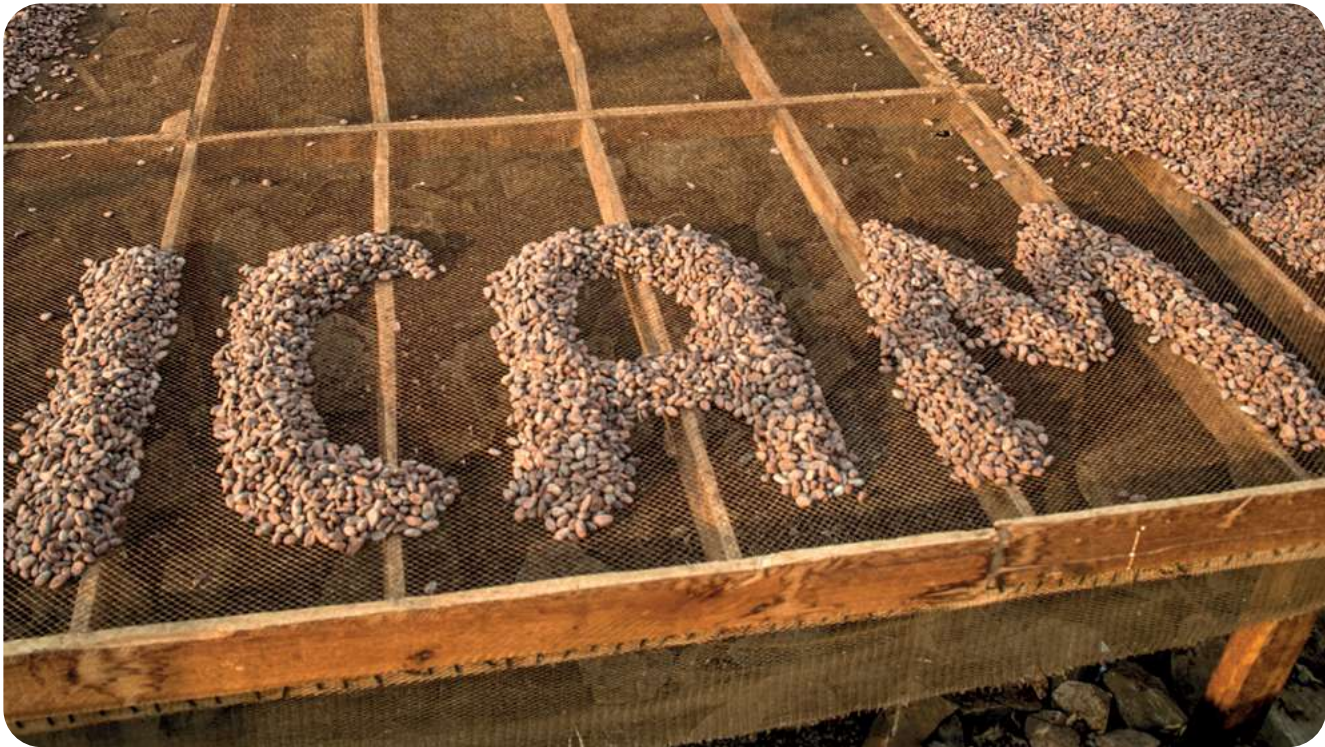
Responsible management of social and environmental aspects along the entire supply chain

Innovation

Cutting-edge technology that promotes a top-quality product while respecting the environment



1.4 STRATEGY AND BUSINESS MODEL



MISSION



To ensure maximum customer satisfaction through the excellence, quality, and variety of our products

The Group commits fully to its mission by fostering professionalism and passion in every person involved daily in making ICAM a unique reality in the sector: members, collaborators, supply-chain workers, suppliers and customers alike.

**Sustainability**, the pursuit of **quality** and **production excellence** are the cornerstone of ICAM's strategy which is brought to fruition in a portfolio of products focused on organic offerings and characterized by environmental and social sustainability.

The company maintains different levels, types, and combinations of **certification**, ensuring high standards to meet consumer needs, in terms of lifestyle and consumption, as well as specific dietary restrictions for health and religious reasons.

This strategy translates into ICAM's stellar market positioning. The company stands out for its premium offering, that meets the expectations of the most demanding international markets in terms of sustainability and quality.

TURNOVER BY CERTIFICATION SCHEME



SUSTAINABILITY CERTIFICATIONS

	FAIRTRADE	RAINFOREST	NATURLAND	OTHER	NONE
ORGANIC	27.4%	5%	0.6%	-	14%
CONVENTIONAL	7%	5%	-	3%	38%







1.5 SUSTAINABILITY GOVERNANCE

ICAM's commitment to ensuring solid sustainability governance, integrated into the business model and endowed with **strong transformative power**, has resulted in the establishment of a dedicated function within the Purchasing Department, entrusted to **Chief Sustainability Officer**, a role held by **Sarah Agostoni**. The Chief Sustainability Officer is a member of the Management Committee, the Board of Directors reporting periodically on the progress of sustainability strategies. Under her guidance and the coordination of the Sustainability team, all projects aimed at achieving objectives are developed through an integrated and collaborative approach that involves all corporate functions and promotes shared responsibility.



To professionally address specific issues, the Sustainability team draws on a range of specialized expertise, including agronomists active in the supply chains, project development experts and data managers, as well as individuals dedicated to managing sustainability certifications and inclusion issues (in the Ugandan headquarters).



1.6 JOINING THE UN GLOBAL COMPACT



ICAM views the 2030 objectives as a collective challenge—one that requires the combined efforts of governments, institutions and businesses. The UN SDGs are one cornerstone of ICAM's strategy, as highlighted in the materiality assessment.



In 2022, ICAM joined the United Nations Global Compact, committing to contribute to a new phase of globalization.

In 2024, the Company obtained **Founding Member status**, actively participating in the initiatives of UNGC Network Italia:

- participated - for the second year - in the cross-sector **Sustainable Procurement** working group, sharing her experience with companies from various sectors;
- joined the **Business & Human Rights Accelerator** deepening the due diligence process and action plan, which led to the drafting of the **Supplier Code of Conduct** for the cocoa supply chain;
- was invited to participate in the work of UNGC Network Italy on **Transformative Governance** together with a pool of 54 Italian companies from various production sectors - to contribute to the drafting of a Position Paper presented at the UN High-Level Political forum in New York.

**TRANSFORMATIVE GOVERNANCE AS A DRIVER OF RESPONSIBLE CONDUCT FOR AMORE ETHICAL, PROSPEROUS AND SUSTAINABLE BUSINESS**  
Position Paper signed by ICAM



Companies are increasingly recognizing sustainability as a key element of competitiveness, integrating it into corporate governance to guide business.

**The Evolution from Traditional Governance to Transformative Governance** accelerates change and broadens opportunities for action. In this process, the Sustainability acts as a catalyst for transformation, aligning operational strategies with corporate purpose, both internally (Board, policy) and externally (partnership, stakeholder engagement).


Three key elements guide this path:

- sufficient expertise at the Board level;
- top management's recognition of sustainability as a strategic priority;
- a mindset oriented towards opportunities relevant to the sustainable approach.

The integration of sustainability governance must involve all corporate levels, including the external dimension: suppliers, customers, financial sector, institutions and the third sector. The paper also highlights the role of the regulatory framework — especially the CSRD— underscoring crucial aspects such as dual materiality, prospective disclosure and value-chain involvement.

1.7 COLLABORATIONS FOR SUSTAINABILITY

In line with its values, **ICAM is dedicated to building partnerships and collaborations**, joining forces with other stakeholders on the path towards sustainability.

 ICAM is a voting Member of the **Federation of Cocoa Commerce (FCC)** and manages cocoa purchases in accordance with international rules dictated by this association. The Company is recognized as a professional, reliable and qualified operator in the cocoa industry, in compliance with international regulations.

 The partnership with **Swisscontact** aims to enhance the skills of ICAM Chocolate Uganda Ltd farmers, in order to improve their productivity and income. Over the years, Swisscontact has contributed financially to the costs of obtaining the Rainforest Alliance certification. In 2024, it **co-financed the training program** for 1,400 farmers to adapt to the new Rainforest Alliance standards, including compliance with the **EUDR**, with a focus on: with focus on:

- sustainable agronomic practices for cocoa;
- integrated pest management;
- internal management system to ensure the traceability integration into post-harvest management and procurement;
- health and safety;
- promotion of gender equality, child protection and environmental protection.

The support also included strengthening the skills of staff members involved in the certification project to ensure sustainable and effective implementation of the required standards in the field and infrastructure reinforcement in Hoima.

 Thanks to its central role in the cocoa supply chain, which directly connects the growers to destination markets, ICAM has a significant ability to **engage its customers in strategic partnerships**. These reliable and qualified collaborations enable the development of projects aimed at strengthening the resilience of suppliers and supporting farmers on relevant social issues.

In 2024, ICAM implemented the following projects with industrial and retail customers:

- **“Sustainable Farming for a Climate Resilient Livelihood of Cocoa Farmers in Uganda”** is a pilot project launched in 2022 and running until 2026, in collaboration with ICAM SpA, ICAM Chocolate Uganda Ltd, Corpeq BV, SanoRice Holding BV and the NGO Solidaridad East & Central Africa. Co-financed by the Fund for Responsible Business (FVO) and the Dutch Ministry of Foreign Affairs, this project aims to make the production system more resilient to climate change through the participatory approach of PIP (Plan Intégré du Paysan);
- completion of a system for **sewage management in Peru**;
- project for the construction of two **cocoa storage warehouses in Sierra Leone**;
- Launching a project—developed in collaboration with a UK client and Fairtrade—to support several Latin American cooperatives in increasing **productivity**, improving quality, adopting good organic farming practices, and combating deforestation, based on the **PIP** (Producer-Inclusive Planning) **methodology**.

*Sustainable farming project*

1.8 MATERIALITY ASSESSMENT

To conduct the materiality assessment, ICAM first identified its reference stakeholders, then conducted a survey addressed to industry experts. The process included consultation with individuals and entities—including institutions, consultants, and commercial partners—who have long collaborated with ICAM in the field of sustainability and have

in-depth knowledge of the company both nationally and internationally. By gathering the expectations of stakeholders who are experts in sustainability, ICAM was able to identify the most relevant ESG issues for its Sustainability Report and identify new opportunities for improvement for its actions and strategies.

Collaborators

- Management
- Human Resources
- “Italy” and “Uganda”
- Agents
- Trade Unions
- External collaborators

Financiers

- Financiers
- Banks
- Soci

Cocoa Producers

- Cooperatives
- Growers

Suppliers

- Cocoa intermediaries
- Producers of other raw materials
- Third parties
- Other suppliers of goods and services

Consumers

Clients

- Industrial customers
- Private label clients
- Ingredients customers
- Large scale retail trade
- Distributors
- Commercial partners



Local Communities

- Local authorities and institutions
- Schools
- Local associations
- Residents near the plant
- Communities close to the cultivation areas

Future generations

Universities, research institutes, training schools, NGOs

- NGOs
- Pressure groups
- Research centers and institutes
- Universities
- Training schools



MATERIAL ISSUES      MAIN IMPACTS GENERATED      LEVEL OF MATERIALITY      PRINCIPAL ASSOCIATED SDGS

Environmental

Biodiversity protection	<div><div>-</div><div>NEGATIVE IMPACT ON THE ECOSYSTEM RELATED TO AGRICULTURAL PRACTICES ALONG THE SUPPLY CHAIN</div></div> <div><div>+</div><div>CONTRIBUTION TO BIODIVERSITY PROTECTION THANKS TO THE PROMOTION OF SUSTAINABLE AGRICULTURAL PRACTICES (AGROFORESTRY SYSTEMS, REGENERATIVE AGRICULTURE, ETC.)</div></div>	<div><div></div><div></div><div></div></div>	<div><div>15</div><div>LIFE ON LAND</div></div>
Combatting deforestation	<div><div>-</div><div>DEFORESTATION RELATED TO THE CULTIVATION OF COCOA AND OTHER RAW MATERIALS</div></div> <div><div>+</div><div>CONTRIBUTION TO FOREST CONSERVATION</div></div>	<div><div></div><div></div><div></div></div>	<div><div>15</div><div>LIFE ON LAND</div></div>
Climate change	<div><div>+</div><div>CONTRIBUTION TO THE FIGHT AGAINST CLIMATE CHANGE THROUGH THE COMMITMENT TO REDUCING YOUR CARBON FOOTPRINT</div></div> <div><div>+</div><div>COCOA PLANTATION RESILIENCE TO CLIMATE CHANGE</div></div> <div><div>-</div><div>EMISSIONS RESULTING FROM LOGISTICS MANAGEMENT AND TRANSPORT</div></div>	<div><div></div><div></div><div></div></div>	<div><div>13</div><div>CLIMATE ACTION</div></div>
Sustainable use of raw materials	<div><div>+</div><div>CONTRIBUTION TO ENVIRONMENTAL AND SOCIAL SUSTAINABILITY THROUGH SELECTION AND PURCHASE OF CERTIFIED RAW MATERIALS</div></div> <div><div>+</div><div>REDUCTION OF WASTE LINKED TO GREATER PRODUCTION EFFICIENCY</div></div> <div><div>+</div><div>ADOPTION OF CIRCULAR ECONOMY SYSTEMS FOR THE MANAGEMENT OF WASTE AND WASTE</div></div>	<div><div></div><div></div><div></div></div>	<div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Sustainable packaging	<div><div>-</div><div>ENVIRONMENTAL IMPACT RELATED TO THE PRODUCTION AND DISPOSAL OF PACKAGING</div></div>	<div><div></div><div></div><div></div></div>	<div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Energy management and efficiency	<div><div>+</div><div>REDUCTION OF ENERGY REQUIREMENTS</div></div>	<div><div></div><div></div><div></div></div>	<div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div></div> <div><div>9</div><div>INDUSTRIAL INNOVATION AND INFRASTRUCTURE</div></div>
Water resource management	<div><div>+</div><div>REDUCTION OF WATER WASTE THROUGH BETTER RESOURCE MANAGEMENT</div></div>	<div><div></div><div></div><div></div></div>	<div><div>6</div><div>CLEAN WATER AND SANITATION</div></div> <div><div>9</div><div>INDUSTRIAL INNOVATION AND INFRASTRUCTURE</div></div>

Social

Development and fair remuneration of farmers	<div><div>+</div><div>CONTRIBUTION TO ACHIEVING THE LIVING INCOME OF COCOA FARMERS</div></div> <div><div>+</div><div>DEVELOPMENT OF FARMERS' TECHNICAL, MANAGERIAL AND WORK SAFETY SKILLS</div></div>	<div><div></div><div></div><div></div></div>	<div><div>1</div><div>NO POVERTY</div></div> <div><div>2</div><div>ZERO HUNGER</div></div> <div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div>
Respect for human rights	<div><div>-</div><div>HUMAN RIGHTS VIOLATIONS IN COCOA PLANTATIONS OR OTHER RISKY SUPPLY CHAINS</div></div> <div><div>-</div><div>EXPLOITATION OF CHILD LABOR IN COCOA PLANTATIONS OR IN OTHER RISKY SUPPLY CHAINS</div></div>	<div><div></div><div></div><div></div></div>	<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div> <div><div>10</div><div>REDUCED INEQUALITIES</div></div>

Inclusion and equal opportunity	<div><div>+</div><div>ENHANCEMENT OF A WORK CULTURE BASED ON THE PROMOTION OF EQUAL OPPORTUNITIES</div></div> <div><div>+</div><div>RECOGNITION OF WOMEN'S ROLES AND SUPPORT OF WOMEN'S EMPOWERMENT N COCOA GROWING COMMUNITIES</div></div>	<div><div></div><div></div><div></div></div>	<div><div>5</div><div>GENGERS EQUALITY</div></div> <div><div>10</div><div>REDUCED INEQUALITIES</div></div>
Training and development	<div><div>+</div><div>PROFESSIONAL DEVELOPMENT OF COLLABORATORS, BOTH TECHNICAL AND SOFT SKILLS-RELATED</div></div>	<div><div></div><div></div><div></div></div>	<div><div>4</div><div>QUALITY EDUCATION</div></div>
Impact on the local community	<div><div>+</div><div>SOCIAL AND ECONOMIC DEVELOPMENT OF LOCAL COCOA GROWING COMMUNITIES</div></div> <div><div>+</div><div>SOCIAL AND ECONOMIC DEVELOPMENT OF THE LOCAL COMMUNITIES IN WHICH THE COMPANY OPERATES</div></div>	<div><div></div><div></div><div></div></div>	<div><div>2</div><div>ZERO HUNGER</div></div> <div><div>10</div><div>REDUCED INEQUALITIES</div></div> <div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Welfare and well being	<div><div>+</div><div>CONTRIBUTION TO THE WELL-BEING OF EMPLOYEES</div></div>	<div><div></div><div></div><div></div></div>	<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div>
Health and safety of collaborators	<div><div>+</div><div>INCREASE OF EMPLOYEE SAFETY BY CREATING A SAFE AND HEALTHY WORKING ENVIRONMENT, TRAINING AND PROVIDING PPE</div></div>	<div><div></div><div></div><div></div></div>	<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div>

Governance

Responsible supply chain traceability and procurement	<div><div>+</div><div>REDUCTION OF ENVIRONMENTAL AND/OR SOCIAL RISKS GENERATED BY THE SUPPLY CHAIN</div></div> <div><div>+</div><div>FOOD SAFETY AND PRODUCT QUALITY</div></div> <div><div>+</div><div>RESPECT FOR THE VALUE CHAIN ALONG THE ENTIRE SUPPLY CHAIN</div></div>	<div><div></div><div></div><div></div></div>	<div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Anti-corruption and ethics	<div><div>-</div><div>VIOLATION OF RELEVANT LAWS AND REGULATIONS AND UNETHICAL BUSINESS PRACTICES</div></div> <div><div>+</div><div>COUNTERING CORRUPTION IN THE SUPPLY CHAIN</div></div>	<div><div></div><div></div><div></div></div>	<div><div>16</div><div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>
Technology, digitalization and innovation	<div><div>+</div><div>CUSTOMER AND CONSUMER SATISFACTION</div></div> <div><div>+</div><div>REDUCTION OF TIME AND DEFECTIVE PRODUCT</div></div> <div><div>+</div><div>INCREASE OF EFFICIENCY</div></div>	<div><div></div><div></div><div></div></div>	<div><div>9</div><div>INDUSTRIAL INNOVATION AND INFRASTRUCTURE</div></div>
Promoting a healthy lifestyle	<div><div>+</div><div>IMPROVING CONSUMERS' HEALTH BY OFFERING PRODUCTS DEVELOPED OR REFORMULATED WITH INGREDIENTS THAT CONSUMERS RECOGNIZE AS HEALTHY, NATURAL AND GOOD</div></div>	<div><div></div><div></div><div></div></div>	<div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Collaboration and partnership towards objectives	<div><div>+</div><div>DEVELOPMENT OF PROJECTS WITH POSITIVE SOCIAL AND ENVIRONMENTAL IMPACT IN COLLABORATION WITH THIRD SECTOR, INSTITUTIONAL AND TRAINING BODIES</div></div>	<div><div></div><div></div><div></div></div>	<div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div>
Consumer safety	<div><div>-</div><div>NEGATIVE IMPACT ON PEOPLE'S HEALTH FOLLOWING THE CONSUMPTION OF COMPANY PRODUCTS</div></div>	<div><div></div><div></div><div></div></div>	<div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>





## THE MAIN ORIGINS OF THE COCOA SUPPLY



From this perspective, ICAM's entrepreneurial strategy is geared towards **direct control** of the entire supply chain, from cocoa cultivation to the production of the finished product. The approach to **short supply chain** minimize the involve-

ment of intermediaries, while **vertical integration** guarantees direct contact with the growers, further reinforced by the presence of proprietary offices in some countries of origin.

# 2 At the roots of sustainable cocoa

ICAM develops relationships with suppliers based on shared values and a common culture guided by the Code of Ethics. This collaboration grows through respect and enhancement of the entire supply chain, promoting sustainable growth for the benefit of both parties and local communities.

## 2.1 THE STRENGTH OF RELATIONSHIP SHORT SUPPLY CHAIN AND VERTICAL INTEGRATION

The premium positioning of ICAM products is the result of a continuous commitment in selecting the finest **raw materials**.

The quality of the cocoa, in particular, stems from strong relationships with growers across more than **20 supply chains** across Africa, South America, and Central America.

## DISTRIBUTION OF COCOA PURCHASE VOLUMES 2024

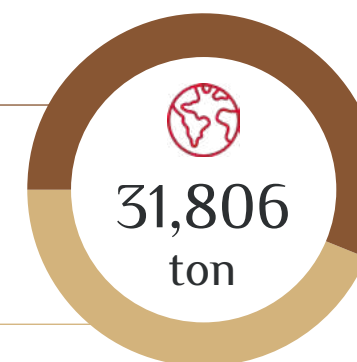
### BY GEOGRAPHICAL ORIGIN

56%

AFRICA

44%

LATIN AMERICA



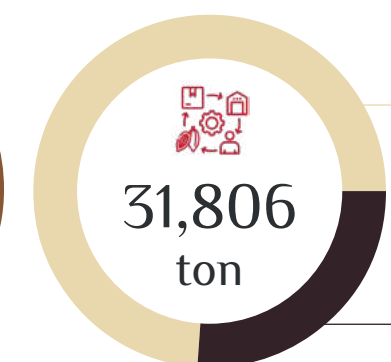
### BY PURCHASE MODEL

74%

COCOA FROM A SHORT OR INTEGRATED SUPPLY CHAIN

26%

COCOA FROM OTHER SUPPLY CHAINS





CORPORATE STRUCTURE



VERTICAL INTEGRATION

The ICAM Group includes subsidiaries located in strategic areas for the cocoa supply chain, respectively in **Uganda** and in **Peru**, which handle cocoa procurement by interacting directly with **farmers** and local communities. Direct presence in these areas, also allows ICAM to actively collaborate with the **local communities**, sharing **experiences** and **best practices** developed in over 30 years of partnership with Central America campesinos, thus creating solid relationships along the entire production chain.



SHORT SUPPLY CHAIN

ICAM, where possible, favors direct sourcing from **cooperatives**, **local traders** and **grower groups**, adopting a short supply chain model. This approach enables, on one hand, maximum returns for producers by minimizing value loss along the supply chain, and on the other, ensures full control over raw material selection—allowing for direct oversight of **varieties**, **physical characteristics**, and **organoleptic properties**.



QUALITY THAT TRANSFORMS:  
THE CASE OF ICAM CHOCOLATE UGANDA

With the aim of promoting the development of the Ugandan territory and enhancing the quality of local raw materials, ICAM founded ICAM in 2010 Chocolate Uganda Ltd. This direct presence has allowed the company to establish a privileged relationship with local farmers, **purchasing cocoa directly from them** and **processing it at a site** equipped with appropriate techniques and specialized professional expertise.

The project was divided into two main interventions:

- the creation of a **collection and processing center** for fresh and dry cocoa in **Bundibugyo**, with offices and areas dedicated to the fermentation and drying of cocoa;
- Technical training for farmers**, to improve their agronomic skills and promote sustainable practices.

Between 2011 and 2013, the project was further strengthened with the opening of two new centres in **Hoima** and **Mukono**, later certified Rainforest Alliance in 2023, while the original Bundibugyo site achieved organic certification in 2017. The result is a significantly improved cocoa, which the company has transformed into a highly appreciated product on the market becoming one of the excellent single-origin ranges of the **Vanini brand**. The project has been a driving force for the socio-economic development of local communities, reaffirming the effectiveness of ICAM's approach to supply chain sustainability and its positive impact on people's well-being and the local environment. In 2022, ICAM launched the major project "**Sustainable Farming for a Climate-Resilient Livelihood of Cocoa Farmers in Uganda**", aimed at addressing both social and environmental challenges while ensuring the continuity of its cocoa supply. Further investments are planned for **2024** to consolidate the supply chain, strengthening and expanding the sites. Today ICAM Chocolate Uganda Ltd. employs a total of 183 workers and involves approximately 8,000 farmers.

The Company has established a solid and profitable **collaborative relationship** with several communities of farmers, beginning in the 1980s in **South America** and then extending to Africa. For many decades, ICAM has been dedicated to working with local cooperatives, to carry out projects aimed at improving cocoa **quality** and promoting **good agricultural practices**, while at the same time offering technical and financial support.

The long-term partnership that ICAM has established with its suppliers for over 25 years form the foundation of **mutual trust** that underpins the company's annual cocoa purchasing contracts,

including agreed-upon volumes and conditions." This approach has proven to be particularly effective, successfully prioritizing the social and economic development of the farming communities. It is a model of mutual collaboration, in which improved quality and productivity ensures a high grade raw material, while offering growers opportunities for **economic growth and development** for their communities.

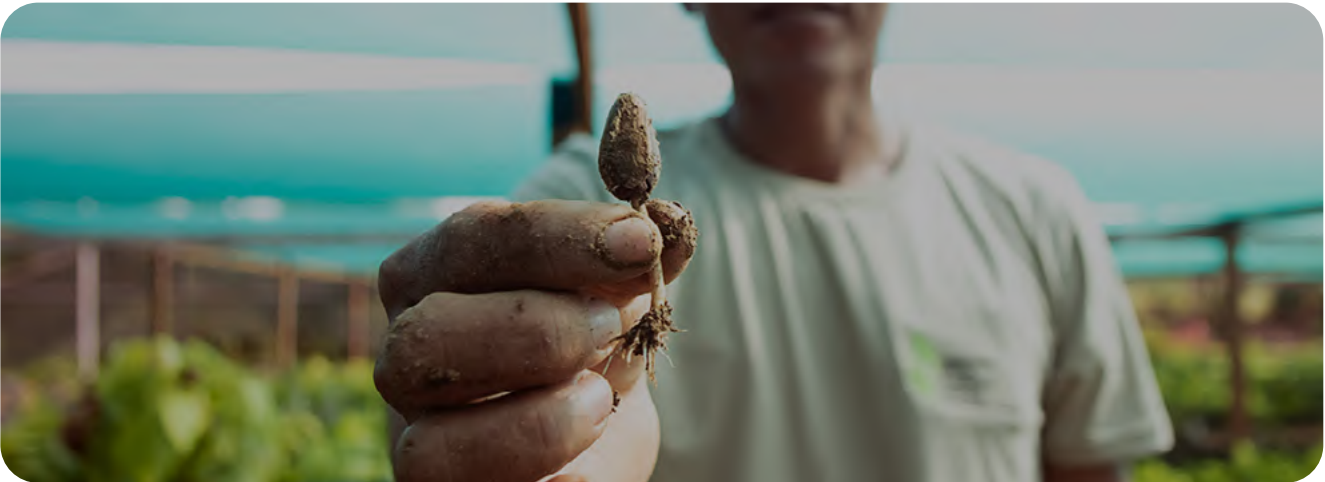
ICAM has established long-term partnerships with its main supply sources, signing annual purchasing agreements with cocoa suppliers.



At the heart of this supply chain approach is the recognition of the need for **COLLABORATION BETWEEN COMPANY AND FARMERS:** business partners who tackle together the challenges of changing market conditions.

Thanks to this **proximity**, ICAM is able to build projects aimed at strengthening **suppliers resilience** and supporting farmers on relevant social issues, ensuring a **direct impact** on the well-being of **local communities**. In situations where the local market is not sufficiently organized, or in response to specific cus-

tomers requests, ICAM relies on carefully selected international intermediaries. Partners are chosen according to rigorous criteria of **reliability, transparency** and **adherence** to international regulations, with particular attention to environmental and social aspects, thus ensuring high standards throughout the production chain.

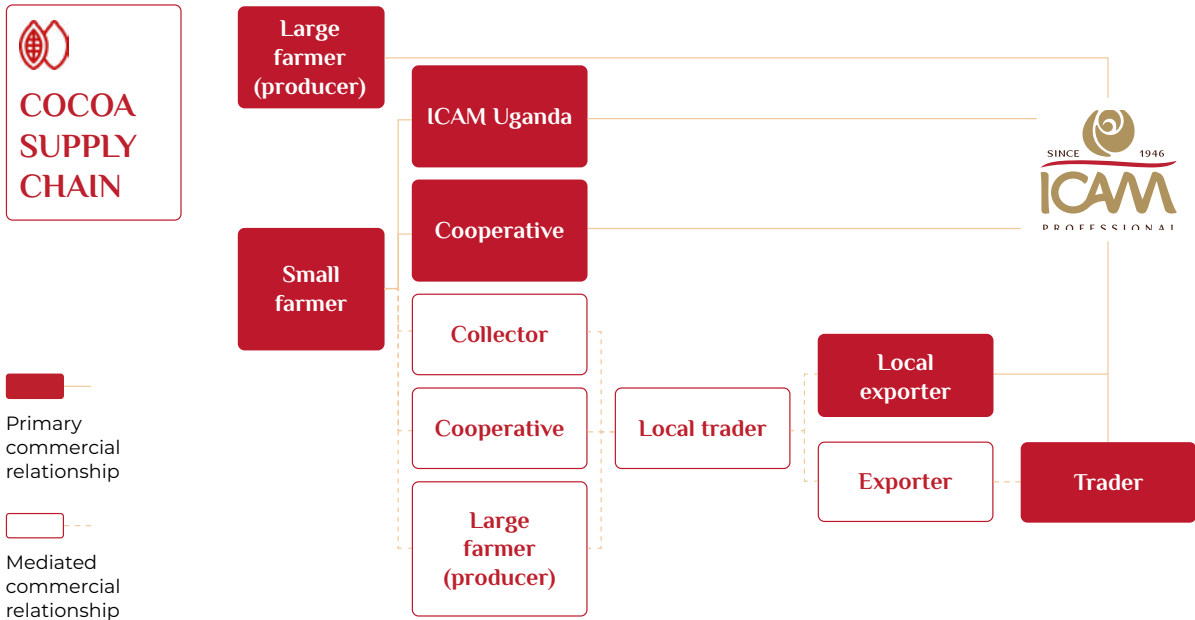


## 2.2 RISK ASSESSMENT AND DUE DILIGENCE



To design an effective strategy for managing your supply chain, you must know it in detail. For this purpose, ICAM conducted a **mapping** of all involved stake-

holders, identifying different procurement models characterized by a greater or lesser degree of opportunity for the company to penetrate and therefore be effective in controlling the supply chain.



Over the years, the Company has also implemented many initiatives aimed at better understanding and monitoring its own supply chain, including:

- **vertical integration** through its own office in **Uganda** for supplies that reach local producers directly;
- strengthening **long-term relationships** with cooperatives (mainly in Latin America), local exporters (especially in Africa), and large cocoa producers allowing ICAM to acquire in-depth knowledge of the supply chain, right down to individual producers;
- adherence to the **organic** certification program, of which ICAM is one of the world's leading representatives among chocolate producers;

- adherence to ethical certification programs such as **Rainforest Alliance** and **Fairtrade**, strengthening knowledge, relationships and collaboration with farmers and local communities.

Aware that an effective sustainability strategy must be based on a solid understanding of environmental, social and economic **risks**, ICAM has developed a project called "**Supply Chain ESG Risk Assessment**".

This system is designed to investigate the specificities of different supply countries and individual supply chains, continuously comparing them with official metrics and reporting. The objective is to identify, monitor and mitigate risks along the entire value chain, ensuring high standards of transparency, accountability and sustainability.



Risk	SOURCE
Corruption	CORRUPTION PERCEPTION INDEX (2019) TRANSPARENCY INTERNATIONAL
Forced Labor	GMAP - INTERNATIONAL FINANCE COROPORATION MEDIA "USE OF" E "LAWS RELATED TO FORCED LABOUR" GLOBAL SLAVERY INDEX - WALK FREE FOUNDATION - VULNERABILITY TO MODERN SLAVERY
Child Labor	GMAP - INTERNATIONAL FINANCE COROPORATION MEDIA "USE OF" E "LAWS RELATED TO CHILD LABOUR" GLOBAL CHILDHOOD REPORT - SAVE THE CHILDREN - CHILDREN ENGAGED IN CHILD LABOUR GLOBAL CHILDHOOD REPORT - SAVE THE CHILDREN - END OF CHILDHOOD
Fair Price	BASED ON COUNTRY OF ORIGIN
Deforestation	GLOBAL FOREST WATCH - WORLD RESOURCE INSTITUTE - TREE COVER LOSS GLOBAL FOREST WATCH - WORLD RESOURCE INSTITUTE - TREE COVER LOSS BY DOMINANT DRIVER
Biodiversity	ENVIRONMENTAL PERFORMANCE INDEX - YALE UNIVERSITY - BIODIVERSITY HABITAT INDEX
Protected Areas	WORLD DATABASE ON PROTECTED AREAS - UNITED NATIONS - TERRESTRIAL PROTECTED AREAS



Understanding the specific risks of each country is the starting point for defining effective mitigation strategies. These actions are carried out through **partnership** and **joint projects**, capable of generating **shared value** and strengthening business **resilience**.

In 2024, participation in theBusiness & Human Rights Accelerator <sup>1</sup> allowed for a deeper analysis

of the main social risks associated with the supply chain. Under the guidance of the **UN Global Compact**, the study confirmed the centrality of issues such as **living income, living wages, children's rights, gender inequality**, the effects of **climate change** and **health and safety at work**. The results of the analysis formed the basis for the drafting of the **Code of Conduct** for Cocoa Suppliers.

<sup>1</sup> <https://unglobalcompact.org/take-action/business-and-human-rights>



ICAM's **supplier evaluation and qualification process** considers agreement to the **Code of Ethics** an essential prerequisite for establishing a business relationship and, since 2024, the Code has been enriched with social and environmental criteria to ensure an increasingly responsible supply chain. Certification standards

such as **Organic, Fairtrade** and **Rainforest Alliance** offer a robust ESG risk control system. Furthermore, ICAM uses the **Sedex** platform to further analyze the supply chain and, when necessary, requests **SMETA** audits (Sedex Members' Ethical Trade Audits), which assess key aspects of sustainability and corporate ethics.

**SEDEX: A PLATFORM FOR CERTIFIED ETHICAL COMMITMENT**

ICAM is a partner of **SEDEX** (Supplier Ethical Data Exchange), a non-profit organization that promotes ethical principles throughout the supply chain. SEDEX is the largest European platform for collecting and processing data on ethical behavior in supply chains. SMETA (Sedex Members' Ethical Trade Audit) is a methodology that represents best-practice auditing that respect ethical principles. This model is based on four pillars: working conditions, health and safety, business ethics and the environment.

**Sedex**  
The 4 pillars of a SMETA



Supplier  
Company  
Reference  
ICAM =  
**ZC1050189**

Audit reports are shared through the platform, facilitating the exchange of contacts and information between companies. ICAM voluntarily and annually undergoes the SMETA audit and, if necessary, requests it from suppliers for further assessment.



In 2024, ICAM developed a structured system of **Due Diligence** for each cocoa supplier, designed to ensure full compliance with the requirements of the **European Union Regulation Against Deforestation** (EUDR), whose full implementation is planned for 2025.

Although the law is primarily oriented towards the deforestation prevention and biodiversity protection, the Due Diligence system also addresses a number of crucial social issues, including:

- the right to land use;
- the protection of workers' rights;
- respect for fundamental human rights and indigenous people.

ICAM also adopts **anti-corruption measures** and promotes legality and **fiscal transparency**, committing to building relationships based on trust and responsibility along the entire supply chain. This model aims to ensure not only the quality and traceability of cocoa, but also compliance with the highest ethical and environmental standards.



## 2.3 CODE OF ETHICS AND CODE OF CONDUCT FOR COCOA SUPPLIERS



ICAM bases its activity on principles of fairness, integrity and transparency, operating in compliance with international environmental and social regulations and promoting cooperation as a tool for **positive transformation**.

Since 2010, the company has clearly expressed these values through its Code of Ethics, shared with all its stakeholders, as a fundamental pillar for establishing reliable and responsible professional relationships.

As of December 31, 2024, ICAM achieved full compliance with its Code of Ethics among suppliers, demonstrating a strong commitment to creating professional relationships based on principles of fairness, integrity and transparency.

In particular, 97% of cocoa suppliers have formally signed the Code of Ethics<sup>2</sup>, confirming our shared corporate **values** and the commitment to complying with international environmental and social regulations.

As regards the other main raw materials, compliance is complete: 100% of suppliers have formally signed the Code of Ethics, further consolidating the network of responsible and transparent partnerships built by ICAM over time.

As a further step towards transparency, ICAM has introduced its own **Cocoa Supplier Code of Conduct**<sup>3</sup>, a commitment that applies not only to direct operators, but also to their employees, partners, subcontractors and all workers along the supply chain.

<sup>2</sup> The remaining 3% of non-signatory suppliers refers exclusively to suppliers activated for occasional supplies or to satisfy specific requests from customers.

<sup>3</sup> Drafted in 2024 and approved in January 2025

Respecting the independence and role of each stakeholder, ICAM clearly establishes expectations in commercial relationships, promoting a collaborative approach to sustainability and defining the criteria that cocoa suppliers must respect, including:

- **compliance with current regulations** both national and international;
- **adherence to contractual agreements** as applicable;
- adoption of proactive measures to **prevent and mitigate** major negative impacts related to human rights, working conditions and the environment;
- establishment of **remediation mechanism** in the event of violations or damage.

### CODE OF CONDUCT COCOA SUPPLIERS



The code is divided into 4 impact areas, each with key requirements with which suppliers must comply in order to be part of the ICAM supply network:

**Governance and integrity:** covers compliance with local laws, prevention of fraud and unlawful acts, anticorruption, data and privacy protection, transparency and management of conflicts of interest. It also includes reporting procedures to ensure fairness and accountability (**whistleblowing e grievance**).

**Protection of human rights:** calls for ensuring respect for fundamental rights, prohibiting child labor and promoting the protection of children and indigenous peoples. Focus on combating slavery and forced labor, ensuring decent working conditions with fair wages, sustainable working hours, inclusion, gender equity, health and

ICAM's ultimate goal is create a supply chain that is **transparent** and **resilient**, as well as **respectful** of human rights, the environment and safety and quality standards, promoting active collaboration with all its business partners.



safety. It also includes food security, fair prices, living income, self-determination and social impacts of climate change.

**Environmental protection:** concerns the protection of forests and biodiversity, the management of chemicals, the responsible use of resources, the reduction of emissions and waste management.

**Product safety and quality standards:** requires strict attention to quality control and safety assurance for all products, as well as managing non-compliance.



2.4 FROM COCOA TO CHOCOLATE  
TRACEABILITY AND CERTIFICATIONS



Complete **traceability** of the cocoa supply chain has become a fundamental element in relations with international stakeholders, as it guarantees product quality control, certifies its **origin** and enables compliance with regulations and certification standards. ICAM has leveraged long-standing relationships with its suppliers in developing

its own traceability system. This approach secures continuous control over the supply chain, thereby ensuring high standards of quality and sustainability. Furthermore, the adoption of best practices—often validated through **recognized certifications**—plays a fundamental role in reinforcing credibility and promoting a **sustainable development** model.



ICAM Chocolate Uganda Ltd. is developing a platform for **digitizing** the traceability of its supply chain, with the aim of structuring and managing integrated cocoa data collection, from purchase to shipment to Italy, in accordance with the requirements of the **EUDR**.

The company bases its consistency and reliability on third-party certification systems, such as **Fairtrade** and **Rainforest Alliance**, as well as certifications recognized by public authorities, such as **Organic**. These protocols verify compliance with environmental and social standards, promote the improvement of quality and productivity, and guarantee fair compensation to producers through premiums or higher prices.

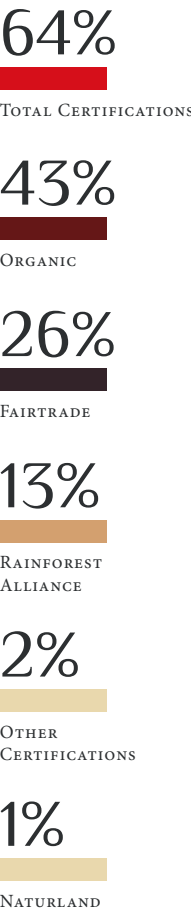
The company’s dedication to sustainability and traceability are clearly evident in its use of certified cocoa. In 2024, **64%** of the **31,806 tons of cocoa** purchased has one or more cer-

tifications, in particular **Organic**, **Fairtrade**, **Rainforest Alliance**.

ICAM’s responsible approach extends not only to the cocoa supply, but also to the other raw materials used, such as sugar, milk, vanilla and nuts. The company favors Italian and European suppliers who guarantee **high standards** in terms of agricultural practices, livestock farming and workers’ rights.

Over the years, ICAM has selected business partners who have demonstrated an ethical approach to business management and have signed the Code of Ethics.

COCOA PURCHASE VOLUMES BY CERTIFICATION SCHEMES 2024



SUSTAINABILITY CERTIFICATIONS					
	FAIRTRADE	FAIRTRADE NATURLAND	RAINFOREST	OTHER	NONE
ORGANIC	18.6%	1.3%	0.4%	-	23%
CONVENTIONAL	5.9%	-	12.4%	2.4%	36%

ICAM has always been committed to promoting sustainable supply chains and certified Italian or zero-mile products, for example:

- joining, starting in 2022, the **100% Made in Italy** short supply chain project promoted by Italia Zuccheri-Coprob, with the aim of promoting the **Italian sugar supply chain**;
- proposing **“grass-fed milk”**<sup>4</sup>, among the

types of organic milk. This is milk produced by “grass-fed” cows, the result of an innovative animal welfare project in collaboration with several producers;

• gaining the commitment of one of the largest vanilla suppliers to adopt programs that **help** and support **farmers** through healthcare and the development of **alternative and complementary crop** to vanilla, such as cocoa or rice.

<sup>4</sup> a private, voluntary standard.



# 3 Nature Positive Business

ICAM has always paid particular attention to the enhancement of biodiversity, adopting an approach that respects the specific socio-environmental qualities of each supply area. Thanks to direct collaborations and initiatives to support growers, the company promotes responsible agricultural practices, encouraging the adoption of solutions that preserve soil fertility, ecosystem services and the protection of native forest species.

In this context, **organic farming and agroforestry systems** play a central role. These practices, always promoted by ICAM, combine agricultural productivity with respect for the ecosystem, ensuring responsible production. The protection of **soil fertility** is essential for a more resilient and productive agriculture in the long term, as well as being a **strategic lever against deforestation**: healthy soil reduces the need to expand crops preserving forests and promoting a balance between agriculture and environmental protection. These principles, deeply rooted in ICAM's vision, are also a key strength in adapting to the **EUDR** regulation, which requires a concrete commitment to the sustainable management of natural resources. Promoting **responsible farming practices**, ICAM reinforces its contribution to biodiversity, creating value for the environment and communities that benefit from it.

## 3.1 THE AGROFORESTRY SYSTEM AN ALLIANCE WITH NATURE



ICAM shares and applies the principles expressed by FAO, according to which: *"agroforestry systems are essential for small farmers and rural populations, as they improve food supply, income and health of people. Agroforestry systems are multifunctional systems that can provide a wide range of economic, sociocultural and environmental benefits"*.

Cocoa lends itself particularly well to this model, preferring cultivation in combination with **bananas, coconuts and other fruit trees**—an approach that also supports broader social development goals.

For ICAM, which operates in supply chains mainly composed of smallholders, this approach is an integral part of the **sustainability strategy** because it allows us to:

- promote greater **resilience and productivity over time**: by maintaining soil fertility and reducing erosion;
- **combat deforestation**, partly through the practice of cultivating cocoa beneath forest canopy;
- **preserve biodiversity** both directly, by favoring native species, and indirectly through the protection of ecosystem balances;
- safeguard **the balance of ecosystem services** such as climate regulation, water purification, nutrient cycling, and disease control;
- **reduce environmental impact** thanks to a reduced and conscious use of chemical inputs;
- increase the **carbon storage** through increased biomass.

ICAM's commitment to agroforestry systems is concretely reflected in two significant figures:

- ensure greater **economic stability** by increasing productivity and diversifying agricultural production destined for the market (*cash crop*);
- improve **food security** by integrating cocoa with fruit trees for family consumption (*food crop*);
- **62%** of its cocoa is certified **Organic, Fair-trade or Rainforest Alliance**, protocols that emphasize on the agroforestry system;
- **44%** of supplies come from Latin America, a region where agroforestry is historically widespread and valued<sup>5</sup>.



<sup>5</sup> It is estimated that 85% of cocoa in Latin America is produced through agroforestry systems. Source: [riskmap.fairtrade.net/commodities/cocoa](https://riskmap.fairtrade.net/commodities/cocoa)



### 3.2 CULTIVATING WITH RESPECT FOR THE FOREST FIGHTING DEFORESTATION



ICAM’s vision, founded on **environmental protection**, has always favored supply chains in which cocoa is cultivated with respect for the forest according to agroforestry models that, according to certification schemes, are respectful of ecosystems.

Responsible supply chain management, combined with the prevalence of sourcing from short and direct supply chains, has been a key factor in aligning with the **European Deforestation Regulation (EUDR)**. Thanks to its experience and a consolidated system of values, ICAM has successfully faced the challenge of the EUDR, which is still ongoing.

The careful selection of raw materials has resulted in a complex supply chain, characterized by diverse origins, numerous suppliers and a significant proportion of small landowners. This fragmentation of land ownership presents has posed significant challenges for implementing effective **traceability** systems and **data collection** in line with due diligence requirements.

ICAM has addressed these complexities without excluding its most vulnerable suppliers, remaining true to its core values and committed to preserving the virtuous procurement model it has historically upheld.

In this process, ICAM has been able to leverage its direct relationships with suppliers and the **historical data collected** through collaboration with qualified partners—such as **certification bodies** already operating across cocoa-growing regions (Organic, Rainforest Alliance, and Fairtrade). Ongoing dialogue with **industry experts** and **international organizations** (including UnionFood and the UN Global Compact) has provided continuous support in monitoring regulatory developments and establishing effective implementation and **risk assessment** processes.

As regards **satellite analysis**, risk monitoring and legal compliance verification, ICAM has worked in partnership with **Trusty Srl SB**, an Italian company that provides specialized and certified technical support throughout the Due Diligence process.



Regulation (EU) 2023/1115 of 31 May 2023 (EUDR) aims to **combat deforestation** and forest degradation linked to the supply of cocoa, coffee, palm oil, rubber, soy, livestock and timber. The Regulation, in particular, establishes a ban—effective from 31 December 2025—on the placement on the European Union market or the export of raw materials and products that do not meet the following requirements:

- be “**zero deforestation**”, meaning not sourced from areas deforested after 31.12.2020;
- be produced in compliance with the **relevant legislation** of the country of production;
- be accompanied by a specific declaration of “**due diligence**”

ICAM has established an internal cross-functional team, coordinated by the Sustainability Department, to carry out due diligence through successive phases of in-depth deforestation risk analysis and compliance verification:

- 1. involvement and support of direct suppliers** (over 50, including Cooperatives and Local suppliers) in collecting geolocation data for each individual cultivated plot:
  - making available a free mobile application for the collection of geographic data, integrated with the analysis platform;
  - providing continuous technical support of cultivation lands;
  - integrating the collected data with different apps already used by suppliers and supporting the implementation of the standards required by the EUDR;
- 2. gathering evidence that purchased cocoa is traceable, “zero deforestation” and legal**, and in compliance with local and international laws respecting human rights (**Article 9**):

- origin and supplier of the batches,
- collection and validation of GPS data / polygons,
- deforestation analysis from cut-off date December 31, 2020, based on geolocation data received and registration of each parcel and its status in an electronic database (compliant / noncompliant / at risk),
- acquisition of any additional documents proving “deforestation-free” status (including certification audits),
- commitment sharing: suppliers (who have already signed the **Code of Ethics**) have been asked to sign the **Cocoa Supplier Code of Conduct**, committing specifically to compliance with the EUDR requirements and to ensuring the full sustainability of the supply chain,
- documentation proving the agricultural destination of the land and the legal compliance of the supply.



3. development an assessment of deforestation risks and legal compliance by country and by supply chain (Article 10) with a satellite-based analysis of “deforestation risk”: developing a system for monitoring deforestation risk alerts and analyzing of deforestation risk situations.

  - **legal non-compliance risk analysis:** starting from an evaluation of the risk factors<sup>6</sup> at country level (presence of indigenous peoples, forest degradation, systemic and supply chain risks), the situation of the individual supplier is investigated through an assessment questionnaire, which is supplemented where necessary by documentary verification of mitigation measures and actions,
  - activation of a new **grievance channel** to facilitate communication with stakeholders and highlight risk situations.
4. recording and monitoring of any mitigation actions (Article 11):

  - definition of possible mitigation actions to address risk situations,
  - drawing up a plan for each supplier.
5. integration of DDS information flows into the company management and traceability system.

6. **interface with the European Information System (Traces)** for the transmission of DDS (Due Diligence Statement) codes.

7. **generation of communication streams** to DDS code customers.

The satellite analysis conducted has allowed ICAM to map 100% of direct strategic suppliers, involving approximately 27,000 plots. The analysis work continues on some smaller supply chains, equal to less than 10% of the volume purchased in 2024: these are small cooperatives, which require active support and are constantly monitored with the aim of “**leave no one behind**”.

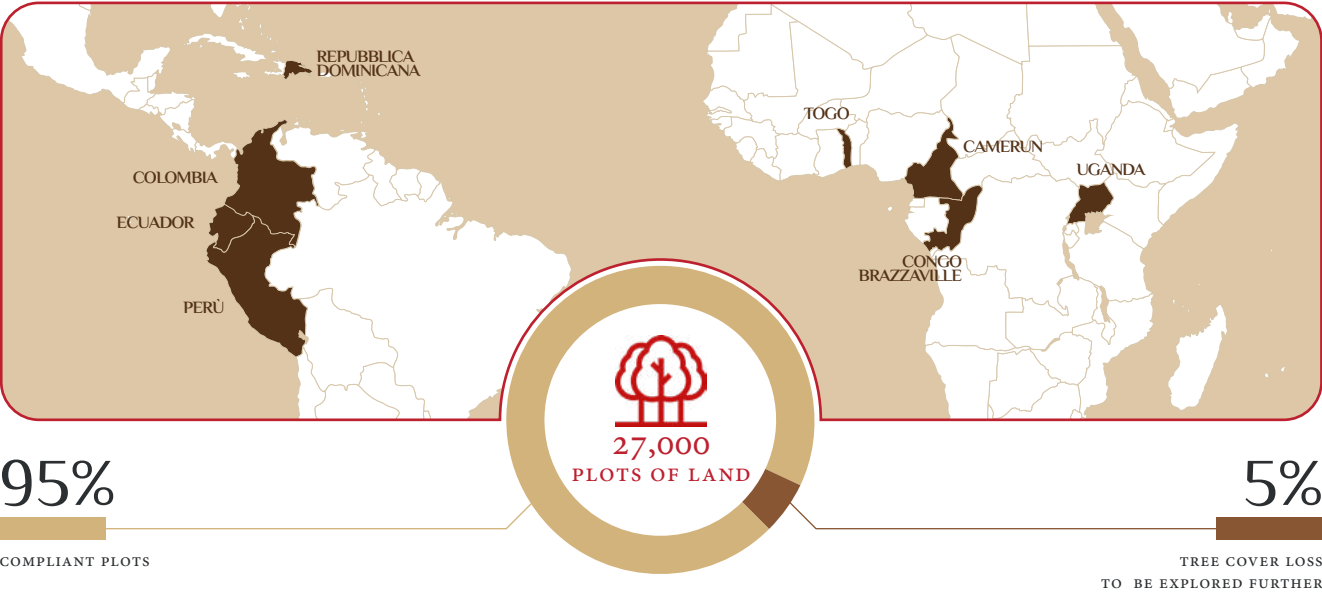
The deforestation risk analysis showed that **95% of the plots were cultivated in full respect of the forest**, and only 5% had tree cover loss that need to be investigated and addressed with a mitigation plan<sup>7</sup>.



<sup>6</sup> Weighted for probability and severity based on international frameworks

<sup>7</sup> Not all situations of tree cover loss are actually deforestation. Some examples are the change of cultivation, deciduous plants, inaccurate satellite imagery, etc.

MAP OF THE **DISTRIBUTUION OF ANALYSED PARCEL** (DIRECT AND INTEGRATED SUPPLY CHAINS)



International frameworks used for each item of **EUDR compliance**:

- Presence of forests in the country - FAO
- Deforestation and land degradation - Global Forest Watch
- Indigenous Peoples - Landmark
- Corruption Level - Acleddata
- Falsification of documents and data, deficiencies in law enforcement - Worldbank
- Violations of internationally recognized human rights - Our World in Data
- Armed conflicts - Acleddata
- Existence of sanctions imposed by the United Nations Security Council or the Council of the European Union - Security Council



For cocoa coming from **indirect suppliers**, ICAM requires the sharing of the EUDR compliance **protocol**, the traceability of supplies as well as the declaration of completed Due Diligence.

In 2025, ICAM will continue to actively collaborate with its suppliers to investigate risk situations and support them in implementing mitigation plans, with the aim of ensuring full compliance is achieved.

This activity, started as regulatory compliance, represented a “**technological leap**” in supply chain management and has supported the **communication** and the **collaboration** between the interested parties, promoting a more efficient management **effective** and **transparent**.

Furthermore, the company intends to initiate proactive monitoring of potential **environmental risks and social** starting from the analysis of objective data, while strengthening dialogue and relations with the **stakeholders**.

The use of **advanced technologies** and **artificial intelligence** on digitalized data will, in the future, allow us to identify correlations between **deforestation** (or the risk of deforestation) and issues such as **productivity** and **biodiversity**. This approach will allow not only to identify the possible causes and effects of climate change or inadequate land management, but also to measure the effectiveness of mitigation actions, such as the adoption of **sound agricultural practices**, the transition to **organic** cultivation methods and **regenerative agriculture**.

### 3.3 ORGANIC FARMING AND THE PROTECTION OF BIODIVERSITY



Respect for nature has always been a core value for ICAM which has championed **organic farming** since the **1990s**: among its pioneering initiatives, the company built the organic cocoa supply chain with Conacado in the Dominican Republic, becoming one of the first chocolate producers to undertake the “**Organic challenge**”. ICAM has been present on the market with organic products since **1997** and is today among the **leading companies in the organic chocolate market**, with approximately **14,000** tons of cocoa purchased in **2024**.

Organic farming is closely linked to the **preservation of biodiversity and ecosystem services**: by avoiding chemical inputs and respecting natural balances, it protect underground biodiversity, and support the presence of pollinating insects

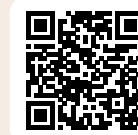
and other organisms essential for the health and fertility of soil and plants.

For ICAM, organic has always represented a way of conceiving the product in harmony with the environment—going beyond the mere of chemical and artificial treatments. From cultivation to the preparation, storage and processing every phase is carried out with respect for natural times and methods.

**Organic certification** requires strict adherence to a set of standards that regulate every phase of the process—from **production** and **cultivation** to **storage**, **processing**, **packaging**, and **shipping**. These standards ensure that each step is conducted sustainably and with respect for the environment:

- **natural cultivation** on agricultural land that has not been treated with synthetic chemicals for many years, is located far from sources of pollution, and excludes use of genetically modified organisms;
- **preparation and processing** employing natural methods, without the use of synthetic chemicals and ionizing radiation throughout the production process;
- **preservation and storage** guaranteeing physical separation of organic ingredients from conventional ones;
- **certification and oversight** throughout the production process, with periodic on-site inspections.

#### ICAM AND CONACADO: CREATING THE HIGH QUALITY ORGANIC COCOA SUPPLY CHAIN IN THE DOMINICAN REPUBLIC



In 1989, ICAM identified the Dominican Republic—and in particular the Conacado Cooperative—as the ideal context to launch **cocoa valorizing project**, transforming local cocoa into a **high-quality**, certified-organic product. Although the genetic potential of local plants was promising and farmers did not use chemical inputs, **proper fermentation techniques** were lacking. As a result, the cocoa produced was of low quality, poorly appreciated and relegated exclusively to the conventional market.

The collaboration with ICAM represented a turning point for the cooperative, which benefited from shared expertise in fermentation and drying, support in the certification process and a guaranteed commercial channel for an emerging and increasingly requested product: organic cocoa.

Over time, this support has been reinforced through ICAM's commitment to purchase the entire harvest and the establishment of **long-term contracts**. These measures have facilitated **access to credit** and enabled **investments in cocoa processing infrastructure**.

This collaboration has allowed Conacado to grow progressively, ultimately securing “*Fine of Flavor*” recognition and establishing itself as a major global player in the organic cocoa industry.



*“As a sign of our eternal gratitude for serving Conacado as our first trading partner and for your crucial support for the positioning of Dominican cocoa on the world market”.*

## 3.4 THE PROMOTION OF GOOD AGRICULTURAL PRACTICES



Investing in farmer training and implementing best practices is key to addressing the complex challenges facing the sector.



Since the 1980s, ICAM has developed a solid and impactful collaborations with various farming communities, particularly in South America. The company has promoted **agronomic and technical training** programs, offering tar-

geted support and targeted funding to increase productivity. Moreover, ICAM shares expertise on field and post-harvest operations, improving the **cocoa quality** and bringing it to market-recognized standards.

This direct collaboration model has allowed ICAM to secure high-quality raw materials, while farmers have been able to **increase their income** by adopting environmentally friendly practices.

### A CLONAL GARDEN TO RENEW INDIGENOUS AWAJÚN PLANTATIONS IN PERU



In 2016, ICAM established a solid commercial relationship with the **Aprocam** cooperative of the **Awajún** people with a guaranteed, transparent contract that guaranteed one of the highest cocoa purchase prices on the market, supplemented by an additional premium designated to support **agronomic development projects**.

With this funding, a **project** was launched to improve cultivation practices through the **selection of optimal cocoa clones** from traditional Awajún plantations. Selection was based on specific productivity and quality criteria, including the number of beans per pod, pod shell thickness, overall plant productivity, and organoleptic characteristics.



Through the selection of this genetic material, a **clonal garden** was established—a collection of the most promising plants from which agronomists source buds for grafting and renewing the plantations of Cooperative members. This process has led to **productivity increases of up to 50%**.

Throughout the process, farmers also received technical assistance and targeted training for applying best agricultural practices.

In Africa, **soil degradation—compounded by limited resources and a lack of specialized knowledge**—further aggravates the **cocoa productivity challenges** faced by “smallholder” cocoa farmers. This issue has significant social implications, as their livelihoods largely depend on cocoa cultivation.

In response, ICAM Uganda has provided training to **approximately 7,500 farmers** through its offices in Bundibugyo, Hoima, and Mukono. The

training programs focus on building **knowledge** and **ensuring compliance with Organic and Rainforest Alliance certification standards**, enhancing management skills for improved market access, and promoting **sound agronomic practices**. Key topics include **planting and nursery management, disease and pest control, integrated and organic post-harvest handling, forest and endangered species conservation**, and appropriate **waste** disposal practices.

In 2022, ICAM Uganda launched a transformative project addressing the environmental and social challenges intensified by **climate change**, while adapting the cocoa agricultural system—the primary source of income for local farmers. The initiative seeks to enhance the **resilience** of plantations and safeguard the stability of a supply chain essential to **ICAM's long-term continuity**. To ensure the project's effectiveness,

ICAM engaged qualified experts from Latin America, a region globally recognized for its advanced knowledge of best agricultural practices in the cocoa sector. The project's overarching objective is to build a more **productive and resilient cocoa supply chain** through targeted interventions addressing key issues such as aging cocoa trees, soil degradation, and the prevalence of pests and diseases.

Sustainable Farming project



The “**Sustainable Farming for a Climate-Resilient Livelihood of Cocoa Farmers in Uganda**” project<sup>8</sup> is a pilot initiative that currently involves:

- **600 farmers**
- **310 hectares** of cocoa plantation,
- **31 villages** in the **Bundibugyo** district, Western Uganda

The project aims to serve as a scalable model, with the ambition to expand to other regions and supply chains in the future.

<sup>8</sup> Developed in partnership with SanoRice Holding BV, Corpeq BV, and the NGO Solidaridad East & Central Africa, and co-financed by the Fund for Responsible Business (FVO), part of the Netherlands Enterprise Agency (RVO).



Implementing the project required a **fundamental shift in cocoa cultivation practices**, as traditional methods—though culturally ingrained and passed down through generations—were generally inadequate and ineffective. The adoption of improved practices necessitated an **active, participatory approach** to ensure **meaningful community engagement** and **effective knowledge transfer**. This was particularly important given the context of low literacy levels and the presence of diverse tribal cultures across the participating villages.

The first phase of the project focused on **training and capacity building for a team of 27 technicians**, selected from ICAM Uganda staff. These technicians were trained in **sustainable agronomic practices** and **social dynamics** (community engagement strate-

gies and methods to overcome communication barriers). They were also equipped with the necessary **technical and technological tools** to support their fieldwork. Furthermore, in order to facilitate the implementation of Good Agricultural Practices (GAP), essential farming tools—including saws, machetes, ladders, and rubber boots—were distributed to participating farmers.

The **training** and implementation of Good Agricultural Practices (GAPs), delivered by trained technicians, involved all **600 farmers** participating in the project. Farmers were organized into groups based on geographic proximity. Each group established a **Demo Garden** to serve as a practical site for applying GAPs and selected **Champions**—peer leaders who acted as reference points and facilitators for their group.

The assessment phase conducted in 2023 identified intervention priorities; field implementation began in 2024 and will conclude at the end of 2026

## 1. FERTILIZATION AND COMPOSTING

Only 2% of the participating farmers fertilized their crops. Fertilization was therefore introduced as a **new concept**, with training sessions on:

- **benefits** of fertilization for crop productivity;
- **preparation** and **use** of **organic fertilizers**;
- **applying** fertilizer to soil.

The project financed and supplied **organic fertilizers** (such as chicken manure, chicken droppings, rock phosphate, and potassium sulfate) to cover the **needs of the first year**.



Local officials were trained on the use and application of inputs, in compliance with **organic regulations**.

Fertilization practices were well received from the start, with the vast majority **(86%) of farmers applying them**.

In the second year of the project (2025), farmers will receive training on **compost-based fertilization**. These sessions will be conducted in demonstration gardens equipped with composting stations, facilitating hands-on learning in the preparation of organic fertilizers using locally available resources. This approach is designed to promote autonomy and encourage the practical adoption of sustainable fertilization practices.

## 2. PRUNING AND MANAGEMENT OF PESTS AND DISEASES

Poorly maintained plantations—characterized by excessive density and poor light and air circulation—leave cocoa trees more vulnerable to pests and diseases.

The team of technicians has initiated a process to raise **awareness about pruning**, to ensure ventilation and keep trees at a manageable height.



In this case, training was delivered through **individual mentoring visits**, with a focus on height control and the reduction of canopy overlap to optimize tree structure.

The challenges encountered during the pruning process were addressed through a series of targeted interventions:

- **Tree height management:** excessive and uncontrolled plant growth made pruning difficult, even with prior training and the distribution of appropriate tools. Interventions focused on encouraging height control to facilitate ongoing maintenance.
- **Labor shortages:** pruning is a time- and labor-intensive activity. Some farmers were unable to carry it out alone due to limited resources. To address this, **self-help groups** were established to promote collective work among farmers. In cases where additional support was needed, external labor was hired to meet the demands of the task.
- **Farmers with disabilities or special conditions:** some community members were physically unable to perform pruning independently. To promote full inclusion, family members and the wider community mobilized to provide the necessary support.

Pruning was a primary activity implemented during the initial phase of the project, with a **70% adoption rate recorded in the first quarter of 2024**.

## 3. MANAGEMENT OF THE AGROFORESTRY SYSTEM

Many farmers were already practicing integrated farming systems, cultivating cocoa as the **primary crop** alongside **fruit trees**



and food crops. Although this approach was common, it was not optimally implemented; intercropping, in particular, often did not allow for adequate spacing, with plants competing for soil resources and ultimately reducing the cocoa yield.

Ensuring **adequate spacing** between **cocoa** trees—thinning plants where necessary—proved to be one of the most challenging practices to implement. This difficulty stemmed largely from a widespread but unfounded belief that a higher number of trees directly correlates with greater yield. In addition, complex **gender dynamics** further complicated implementation: in many cases, men—typically the landowners—opposed spacing interventions, while women—often the primary labor force in the fields—supported them, leading to intra-household disagreements.



These unique “cultural” challenges were addressed through **training** and community meetings, aimed at informing and raising awareness about the importance of this agricultural practice. During the **first year**, the project managed to achieve a **66% spacing adoption rate**; further improvement is expected over the next two years.

4. SOIL CONSERVATION PRACTICES

Farms situated on **sloping terrain** are particularly **vulnerable to soil erosion**, especially during the rainy season. This not only reduces the land’s ability to retain water but also increases the risk of **fertilizer runoff**, undermining the effectiveness of fertilization efforts. To address these challenges, the project introduced the construction of **drainage systems** and the adaptation of fertilizer application practices specifically designed for hilly areas.

To enhance **rainwater retention** and reduce **surface erosion**, a set of **soil conservation techniques** was introduced. These included **mulching**, **contour farming**—planting along the natural contour lines of the land—and the establishment of **vegetative barriers** at plot boundaries. The root systems of these barrier plants play a crucial role in stabilizing the soil and preventing erosion.

5. GRAFTING, REHABILITATION AND REJUVENATION OF PLANTATIONS

**Grafting** is a technique that requires specialized skills. Ugandan growers sporadically apply this method to other fruit trees, but not on cocoa. Introducing grafting enhances the **genetic potential** of cocoa plantations supporting plant strength and rejuvenation. As a result, it **magnifies productivity** and reduces

es the time required for new plants to become productive, contributing significantly to sustainability.

Launched in 2025, the grafting initiative involved the expertise of a Peruvian specialist who **first trained the team** of technicians assigned to the project, selected from ICAM Uganda’s three regional offices. Following this, the specialist conducted training sessions for the farmers participating in the project, ensuring the transfer of technical skills necessary for the successful adoption of grafting practices.



Less than a year after implementing these sound agricultural practices, the initial data is promising: **pests and diseases have been reduced by 21%**, with a **positive impact** on cocoa yield and overall **crop health**.





**FAIRTRADE'S COMMITMENT TO PROMOTING GOOD AGRICULTURAL PRACTICES AND COMBATING DEFORESTATION**

Fairtrade standards consider the promotion of Good Agricultural Practices (GAPs) as a cornerstone of sustainability. These include the prohibition and reduction of harmful inputs, integrated pest management, and biodiversity conservation. Cooperatives are encouraged to implement practices that regenerate soil, manage waste responsibly and prevent deforestation. Through their “**Agricultural Improvement Plans**”, cooperatives define targeted actions to enhance the profitability and sustainability of crops—focusing on GAPs, agroforestry techniques, soil fertility management, and income diversification.



The Fairtrade Cocoa standard integrates the **fight against deforestation** and compliance with the EUDR into four elements:

- A ban on deforestation after December 31, 2018;
- Mandatory traceability from field to first buyer (first mile traceability);
- Sharing of geolocation data;
- Cooperatives' responsibility for preparing monitoring and mitigation plans.

The Fairtrade Premium, the organic differential, the Human Rights and Environmental Due Diligence (HREDD) process, and collaboration with Satelligence are the primary measures supporting mitigation efforts. Within ICAM's supply chains, the main activities implemented by cooperatives using Fairtrade resources include:

<b>Peru:</b> 5 cooperative.	<b>Dominican Republic:</b> 2 cooperatives.
Distribution of organic fertilizers; training and technical support on organic practices, pest control and agroforestry systems; investments in maintaining soil fertility and quality, mapping, and reforestation of plots.	Plantation renewal and maintenance –including pruning, pest management, equipment distribution, and plot mapping.
<b>Sierra Leone:</b> 3 cooperative.	<b>Ecuador:</b> 1 cooperative.
Training on GAPs, the use of organic fertilizers and business management, plantation rehabilitation, construction of nurseries and infrastructure for drying and storage.	Nursery infrastructure and development of a model for improving quality in sustainable agriculture.
	<b>Bolivia:</b> 1 cooperative.
	Promotion of agroforestry systems, soil fertility, and biodiversity protection, training and exchange of technical expertise.



The **Rainforest Alliance Sustainable Agriculture Standard** is based on four pillars:

- **environmental protection:** reducing deforestation, protecting biodiversity, and responsible use of natural resources.
- **Workers' rights:** safe working conditions, fair wages, and the prohibition of child and forced labor.
- **Sustainable water and soil management.**
- **Economic sustainability:** a premium on prices and support for local communities and smallholder farmers.

The Rainforest Alliance certification protocol places great emphasis on combating deforestation and includes traceability requirements, including geolocation. Starting in 2024, certification renewal will also include verification of compliance with the EUDR.

Since 2022/2023, **ICAM Uganda** has supported certification efforts at its Hoima and Mukono offices, providing training to 64 staff members and audit support to over 1,400 farmers. As part of this initiative, **Demo Gardens** were established on selected “Champion” farms to facilitate peer-to-peer learning and showcase the practical benefits of the Rainforest Alliance approach.

This collaboration with Rainforest Alliance not only strengthens relationships with the local farming community but also establishes a foundation for the ongoing improvement of cocoa cultivation practices through training and technical support.





3.5 LOW-IMPACT SUPPLY CHAINS  
SCOPE 3



In the food sector, **Scope 3** emissions represent over 90% of the overall environmental impact. For ICAM, this percentage is **95%**, of which **86% is attributable to cocoa**.

ICAM conducted an in-depth analysis of its supply chains in Peru and Uganda, which highlighted a **close correlation** between **combating deforestation, organic farming, and reducing the environmental footprint**.

Based on primary data, the company demonstrated the virtuous nature of its supply chains: compared to a global average emission factor of 10.8 kg CO<sub>2</sub> eq/kg of cocoa, the ICAM supply chains analyzed showed values up to four times lower.

In Uganda, the survey calculated an **average emissions factor** of approximately **3.1 kg CO<sub>2</sub> eq/kg** of cocoa, less than a third of the global average. This result is mainly due to the limited incidence

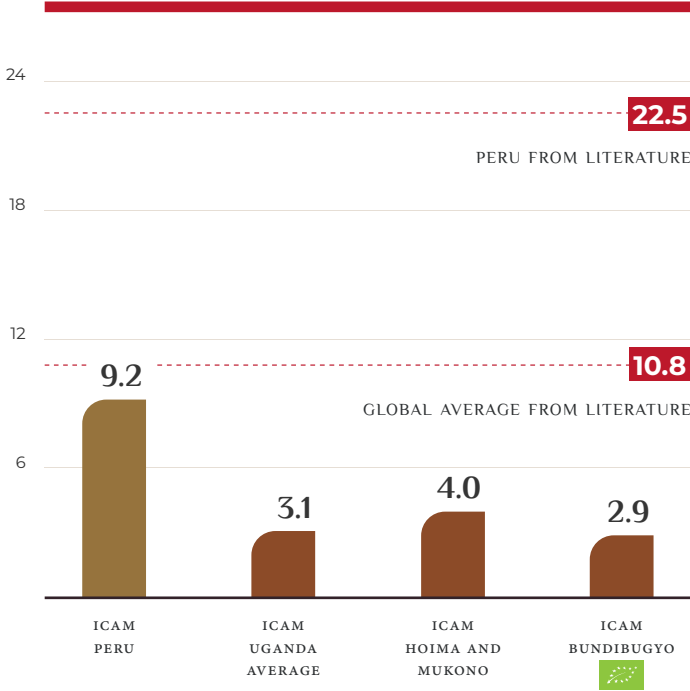
of deforestation (Land Use Change), the efficient use of fertilizers, and the proper management of crop residues. In fact, the organic cocoa grown in **Bundibugyo** has an even lower emissions factor (**2.9 kg CO<sub>2</sub> eq/kg**)—approximately a quarter of the global average. This figure clearly highlights the **environmental benefits of organic farming**.

The analysis of ICAM's supply chain in **Peru** similarly confirmed the company's ethical approach: the average impact recorded was **9.2 kg CO<sub>2</sub> eq**, a value 60% lower than the national average (22.5 kg CO<sub>2</sub> eq/kg of cocoa), and 15% lower than the global average.

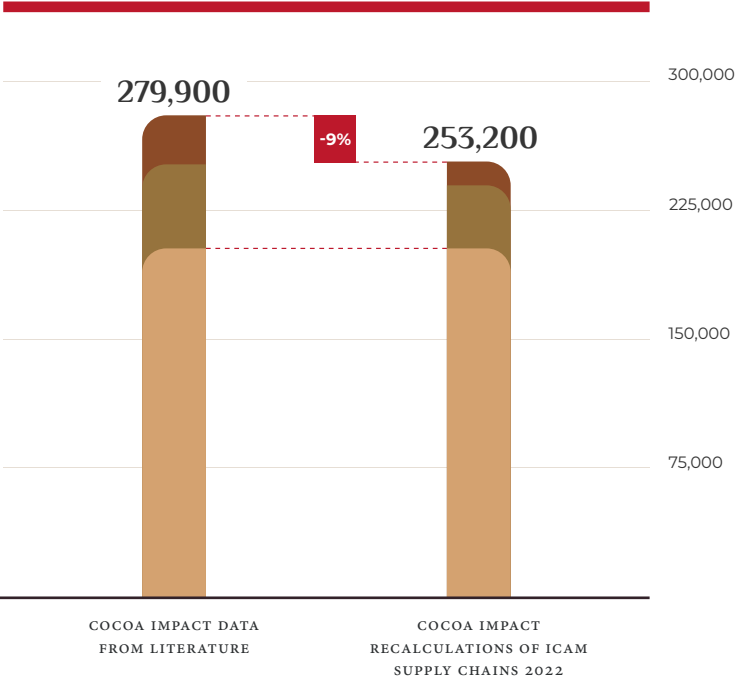
This in-depth analysis enabled the recalculation of **Scope 3 emissions from ICAM's cocoa supply chains**, revealing levels 9% lower than the market average. This outcome confirms the strength of ICAM's procurement model and its **alignment with the company's environmental sustainability objectives**.



AVERAGE EMISSIONS OF THE ICAM SUPPLY CHAINS (kg CO<sub>2</sub> eq/kg of cocoa) 2022



RECALCULATIONS OF THE CARBON FOOTPRINT OF THE ICAM SUPPLY CHAINS (ton CO<sub>2</sub> eq)



SUPPLY CHAIN  
ICAM UGANDA

SUPPLY CHAIN  
ICAM PERU

OTHER ORIGINS  
FROM LITERATURE







# 4 People at the Center of Change

In its commitment to more sustainable cocoa cultivation, ICAM places people and communities at the center. Working together with farmers, ICAM promotes improved living conditions, a fair income, gender equality, and social inclusion.

Through a concrete and collective commitment, the company is dedicated to building a supply chain that safeguards the rights of all stakeholders and promotes well-being for those who—through their daily work—make the production of good, sustainable chocolate possible.

The active involvement of local communities in the supply chain is essential to driving social change

in key areas such as child protection, gender equality, equity, and financial inclusion. At the heart of this transformative, people-centered approach is a commitment to generating long-term value and contributing to improved living incomes.

The centrality of the person is reflected in the relationship with supply-chain workers, with collaborators and with local communities in Italy.

## 4.1 LIVING INCOME GENERATING VALUE TO GROW TOGETHER



### THE COCOA MARKET: THE CONTEXT

Cocoa represents a primary source of income and employment for approximately **15 million smallholder farmers in Latin America and Africa**; working plantations smaller than 2.5 hectares, these farmers are responsible for over **90% of global cocoa production**. Yet, many of them live in poverty, earning only **6-8% of the added value** of the final product<sup>9</sup>.



Smallholders face numerous obstacles: limited technical skills, lack of equipment and access to water, illiteracy, and debt.

**Women** are particularly vulnerable<sup>10</sup>.

The main challenges include:

- low productivity and inconsistent cocoa quality;
- inefficient and unsustainable agricultural methods;
- degradation of agricultural ecosystems, aggravated by monoculture and soil depletion.

In Africa, cocoa profitability is undermined by limited yields, pest and disease pressures, and nutrient deficiencies. Furthermore, intensive cultivation practices contribute to food insecurity and a gradual decline in long-term productivity.

Set by the **London and New York stock exchanges**, the **price** of cocoa is influenced by quality, variety, taxation, climate and pathogen factors, as well as the forces of supply and demand. **Financial speculation** accelerates **price volatility**, generating uncontrollable fluctuations that impact the entire sector. This volatility has particularly critical consequences for farmers in their countries of origin, increasing their vulnerability and hindering their ability to plan long-term investments in their agricultural activities.



<sup>9</sup> UNCTAD, Cocoa industry: Integrating small farmers into the global value chain, 2015  
[https://unctad.org/en/PublicationsLibrary/suc2015d4\\_en.pdf](https://unctad.org/en/PublicationsLibrary/suc2015d4_en.pdf)

<sup>10</sup> <https://riskmap.fairtrade.net/salient-issues/gender-equity>





Improving the resilience of supply chains requires enhancing both **productivity** and **profitability** through agronomic interventions—and addressing the deeper social roots of vulnerability through a systemic and integrated approach.

For over 40 years, ICAM has supported cocoa producers by working alongside cooperatives and local growers through agronomic and technical training programs aimed at **improving crop productivity**.


This commitment has helped **strengthen community incomes** and advance local **economic development**, all while fully respecting the environment—a concrete example of how social and environmental sustainability can progress hand in hand.

To generate a positive impact on farmers' incomes, ICAM implements a multi-faceted strategy, combining actions across several key areas:

 **INCREASING CROP YIELD** through **agronomic training programs** and the support of specialized technicians, ICAM promotes more effective agricultural practices (Good Agricultural Practices – **GAPs**), such as pruning, fertilization, mulching, pest control, and plant renewal. These activities are further supported by the provision of organic fertilizers and essential tools to promote more efficient and sustainable crop management. Collectively, these interventions **enhance productivity** on existing farmland and contribute to the fight against deforestation by reducing pressure to clear new land for cultivation.


 **CONSTRUCTION OF INFRASTRUCTURE** including the establishment of fresh cocoa collection and processing centers, equipped with tools, techniques, and standardized procedures developed in collaboration with specialized technicians and through the sharing of best practices. Trained personnel are also engaged to:

- reduce post-harvest losses occurring due to inadequate processing;
- enhance the organoleptic characteristics of the harvest;
- reduce non-compliance due to inadequate processing.

 **ACHIEVING SUPERIOR QUALITY** in cocoa that meets higher market standards and earns a premium above the base price. To support this goal, ICAM assists farmers through:


- training on advanced agricultural practices and dedicated projects, such as nurseries, **clonal gardens and grafting**;
- cocoa control and traceability systems;
- support for organic certification and the guarantee of a suitable market <sup>11</sup>.

These interventions also contribute to combating climate change and safeguarding biodiversity.

 **CROP DIVERSIFICATION IN AGROFORESTRY SYSTEMS** particularly suitable for cocoa, which grows well alongside bananas, coconuts, and other fruit or timber plants. Complementary crops offer several advantages:

- They generate additional sources of income (cash crops);
- They improve household **food security** (food crops);
- They promote climate resilience and biodiversity conservation.

This diversification strategy generates an additional and more consistent income stream over time (due to different crop seasonality) and facilitates greater economic stability even outside of the cocoa harvest season.

 **DIRECT SOURCING** wherever feasible, with the aim of transferring the greatest possible value to the first link in the supply chain. ICAM prioritizes direct purchases from local cooperatives or organized trader groups that represent growers, limiting international intermediation to cases where the local market remains underdeveloped.




An excellent example of this approach is ICAM's **vertically integrated** supply chain in Uganda, where the company has established its own system for cocoa purchasing and initial processing. In 2024, **74% of the cocoa purchased** will come from direct channels and integrated supply chains.

The direct channel represents much more than a purchasing method: it acts as a strategic lever for generating positive economic and social impacts, a **fundamental choice for promoting economic equity**. Direct sourcing channels facilitate the **transfer of value** to the origin, fostering greater autonomy and improved future prospects for growers and their communities. The main benefits include:

- **Greater economic value for the grower:** by purchasing directly, ICAM **reduces commercial intermediation** and ensures growers receive a **larger share of the value generated** by the supply chain;
- **Responsiveness to market trends** by promptly **adjusting prices to stock market quotes**, benefiting producers;
- **Greater capacity for investment in quality** by incentivizing producers to **improve cocoa quality**. ICAM, in turn, can effectively support them with **technical training**, benefiting from the possibility of monitoring for traceability;
- **Greater capacity for investment in quality:** Direct sourcing incentivizes producers to **improve cocoa quality**. In turn, ICAM is able to provide targeted technical training and benefit from enhanced monitoring and traceability across the supply chain;
- **Co-design of holistic interventions:** By leveraging proximity to producers, ICAM promotes **initiatives that enhance family income** beyond cocoa pricing. These include access to financial services, crop diversification, women's empowerment, and youth inclusion.

Direct sourcing is a fundamental systemic approach to achieving a sustainable and long-lasting living income.

 **FACILITATE ACCESS TO CREDIT** Building on relationships established over 40 years of collaboration, ICAM is committed to offering long-term contracts to the cooperatives from which it sources directly. These agreements enable producers to more easily access credit and plan agricultural investments aimed at improving farm management and increasing productivity. In 2024, ICAM facilitated access to credit for **8 cooperatives** through the purchase of approximately **2,500 tons of cocoa**, generating a total financing volume of around **\$26 million**.

<sup>11</sup> ICAM is a leading company in the organic chocolate market and a key player in the organic cocoa market.





**PRICE PREMIUM, MINIMUM PRICE** through third-party certifications, such as:

- **Rainforest Alliance**, which guarantees growers a premium over the market price;
- **Fairtrade**, which guarantees a minimum price,

protecting cooperatives from market fluctuations, as well as an additional premium that can be redistributed directly to growers or invested in shared projects that benefit the community or production.



**RAINFOREST ALLIANCE**

In addition to enforcing the payment of local minimum wages, Rainforest Alliance is committed to supporting farms in progressing toward the payment of a living wage. This is calculated using country-specific benchmarks and is intended to ensure that farmers can meet all essential expenses required to maintain a decent standard of living for themselves and their families.



**FAIRTRADE**

ICAM guarantees a fair price for cocoa, independent of market fluctuations and aligned with the Fairtrade minimum price. In addition to ensuring fair compensation, Fairtrade certification provides farmers with an additional financial benefit known as the 'Premium.' This Premium is managed by cooperatives and allocated to social, health, and development projects through a participatory and democratic process.



**FAIRTRADE**

**LIVING INCOME SUPPORT**

**In their decision-making process, cooperatives can allocate the Fairtrade Premium to promote self-sufficiency and income integration for their members.**

Cooperatives that directly supply ICAM have chosen to allocate a portion of the Fairtrade Premium received from ICAM to support a living income.

**Peru:**  
8 cooperatives.

The Premium was distributed to farmers as an income supplement, to pay for the renewal of organic and Fairtrade certifications, ensuring continued marketing. It also covered operating and export costs, logistics, and marketing.

**Dominican Republic:**  
2 cooperatives.

The Premium covered the costs of technical support to increase productivity.

**Bolivia:**  
1 cooperative.

The bonus for those over 55 has been created.



In 2024, ICAM met 73% of its Fairtrade cocoa needs — 8,231 tons, or 26% of the total cocoa purchased — through direct sourcing from **19 cooperatives in Peru, Ecuador, and the Dominican Republic, with constant and intensive interaction.**

The remaining 27% of Fairtrade cocoa was purchased through indirect channels.

Furthermore, **77%** of the total Fairtrade cocoa used is also **certified organic**, thus allowing for a double premium.



In total, thanks to the direct or indirect purchase of Fairtrade-certified cocoa, **THE FAIRTRADE PREMIUM ON COCOA PAID IN 2024 WAS \$ 2,125,656**

Since 2017, ICAM has generated a total of **\$ 15,812,000** in Fairtrade Premium





Sustainable Farming project



**SUSTAINABLE FARMING PROJECT:  
A REGENERATIVE MODEL TO  
INCREASE THE LIVING INCOME**

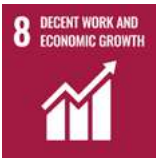
In the “**Sustainable Farming**” project in **Uganda**, the initial assessment confirmed that cocoa is the primary source of income for most of the participating farmers. This dependence makes farmers particularly vulnerable to loss of productivity and climate change. To increase living income and strengthen crop resilience, the project is implementing a comprehensive package of integrated interventions aimed at:

- **INCREASE CROP YIELD** through training on good agricultural practices;
- **DIVERSIFY CROPS IN AGROFORESTRY SYSTEMS**;
- **ACHIEVE SUPERIOR QUALITY** through micro-fermentation techniques (currently being tested) and maintaining organic certification;
- **SOURCE DIRECTLY** from farmer groups established in 2024;
- **RECOGNIZE A PRICE ALIGNED WITH STOCK EXCHANGE DYNAMICS** (incremental);
- **FACILITATE ACCESS TO CREDIT** through the implementation of the VSLA (Village Savings and Loan Association)<sup>12</sup>;
- **SUPPORT GENDER EQUITY** through the GALS (Gender Action Learning System) methodology<sup>13</sup>;
- **ENGAGE THE COMMUNITY** through the PiP methodology.



12, 13 entrusted to Solidaridad, a project partner specialized in social impact strategies.

**4.2 WOMEN EMPOWERMENT AND  
GENDER EQUITY**



Women play a central role in the cocoa supply chain, contributing significantly to both plantation care and harvesting. Their work is essential to ensuring product quality and achieving sustainability objectives—particularly social goals. Despite this, women often bear a disproportionate share of household responsibilities and, in many cultural contexts, continue to face significant gender-based inequalities:

- lower incomes;
- less access to education;
- low economic autonomy;
- obstacles to land ownership;

In the “**Sustainable Farming**” project in **Uganda**, the initial risk assessment identified gender equality and female participation as critical areas of concern.

In response, the project adopted a gender-sensitive approach centered on inclusive participation. This involved ensuring women’s access to training and the provision of appropriate technical tools, such as pruning equipment and organic fertilizers. As implementation progressed, it became evident that men were often reluctant to support their wives’ independent adoption of new practices. To address this, the project promoted **joint household participation**.

To foster deeper change, the project consortium introduced **GALS (Gender Action Learning System)**, a method developed in

- exclusion from community decisions due to religious and cultural limitations.

Lack of affordable seasonal labor costs can lead to the use of children for field work.

Promoting women’s empowerment therefore also translates into concrete protection for children along with improving rates of agricultural methods implementation. ICAM is committed to fully involving women in its projects and the Farmer’s Field Schools, as well as to recognizing their crucial role in both cocoa production and the social aspects of family and community life.

collaboration with the **NGO Solidaridad**. This approach supported women and men on a journey of awareness and shared planning, aimed at:

- **rebalancing the distribution of roles**, both in the family and the community;
- **improving the management of financial resources**, prioritizing, for example, school fees and agricultural investments;
- **building a vision of equality** as a catalyst for development of the entire community.

This new approach in the community required a thoughtful process of **raising awareness**. It was a highly sensitive process that involved authorities at multiple levels.

Sustainable Farming project



Participating couples developed family plans with a new distribution of roles, supported by local “**champions**”, selected as model examples and promoters of change. An astounding 99% of the families involved developed their own GALS plan. The approach created **safe spaces for discussion**, enabling examination and analysis of women’s workloads—both home duties and agricultural activities—in individual families and across the community. The local population **adopted this same tool** and extended it further, with **suggestions from the men** on how to interact with women so that they felt more confident in sharing their positions. This was a major step, as it demonstrated men’s commitment to transitioning towards more equitable gender dynamics in the community.

The results have been tangible: adoption of Good Agricultural Practices has increased significantly, doubling the rate of plant spacing implementation.

Despite progress, gender roles remain deeply rooted. Lasting change will require time and consistency. For this reason, ICAM has introduced a gender quota in farmer groups (e.g., VSLA, organic protocol groups) to foster female leadership and promote equity in community governance.

In 2025, the work of ICAM Uganda and Solidaridad will continue with:

- support for “Champions” in disseminating GALS principles;
- continuous monitoring of families and gender dynamics in villages



FAIRTRADE

EMPOWERING WOMEN

Among the initiatives funded by cooperatives using the Fairtrade Premium are projects aimed at strengthening the role of women in farming communities—promoting their empowerment and financial independence. Cooperatives that supply ICAM directly have chosen to allocate a portion of their Fairtrade Premium specifically to support Women’s Empowerment programs.

**Peru:**  
3 cooperatives.

The Fairtrade Premium was used to support women’s committees, including training activities on gender equality, domestic violence, and support for single mothers from a HREDD perspective. In addition, new machinery was purchased and placed under the management of women involved in production activities—who now represent 30% of the cooperative’s membership.

**Ecuador:**  
1 cooperative.

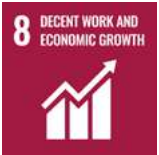
Funds were allocated for women-run daycare centers, creating an additional source of income. This initiative helped strengthen their economic independence and their role in the community.

**Sierra Leone:**  
1 cooperative.

Project for the construction of a health center to reduce maternal and infant mortality and facilitate access to essential health services.

4.3 COMMUNITY SAVINGS FOR AUTONOMY AND INCLUSION  
VILLAGE SAVINGS AND LOAN ASSOCIATION

Among the priorities of the “**Sustainable Farming**” project, **socioeconomic empowerment** and the ability to **plan expenses and investments** play a key role in making farming communities resilient.



The **VSLA (Village Savings and Loan Association)** model has proven to be a key tool for promoting inclusion, autonomy, and well-being, with a positive and lasting social impact. These VSLAs are self-managed and self-financed savings groups that use members’ savings to:

- address economic emergencies;
- improve family cash flow management;
- build a capital base;
- facilitate access to credit, strengthening networks of solidarity and mutual trust.

In addition to financial support, these groups strengthen networks of solidarity and trust within the community. Training, provided by Solidaridad, has enabled farmers to develop fi-

nancial skills and plan income-generating activities. The main start-up activities were completed in 2024:

- Training of the ICAM Uganda technical team on implementing the VSLA model - led by Solidaridad;
- establishment of **26 VSLA groups**;
- election of group representatives and board members;
- shared definition of rules and organization of savings days;
- distribution of material kits (savings books) and practical savings exercises.

The initial experiences of cooperative members with savings and loan groups have yielded **positive results**. In light of this, the community has formally requested continued support from ICAM’s technical team until the groups are able to operate independently.”

With **98% of families participating**, the VSLA is promoting concrete change at the local group and community level.

SMALL STORIES,  
BIG SUCCESSES



After just 6 months of implementation:

- A family was able to pay their children’s school fees on time.
- A family was able to hire seasonal workers to manage their farm thanks to their accumulated savings.
- A family achieved financial independence thanks to the availability of low-interest-rate credit within the VSLA group, thus eliminating the need for external loans.

Sust. Farming

- Activity will continue in 2025 with the following objectives:
- Promote gender discussion groups for women in VSLA groups and their spouses;
  - Implement the **PiP** methodology;
- Monitoring of VSLA groups by ICAM and Solidaridad;
  - Initiate **training sessions for women and youth** aimed at creating vegetable gardens for diversification of food and income sources.



FAIRTRADE

**FINANCIAL SUPPORT:  
INVESTMENTS FOR BUSINESS DEVELOPMENT**

Fairtrade Premiums can be used by cooperatives to guarantee loans for their members, allowing them to access financing more quickly and at a lower interest rate.

A portion of the Fairtrade Premium paid by ICAM has been used as follows:

**Peru:**

8 cooperatives.

Investments in infrastructure, expansion of collection centers and transportation facilities, implementation of training programs in business skills and agricultural techniques.

**Dominican Republic:**

3 cooperatives.

Investments in mechanization and construction of drying carts, strengthening the management structure, and improving transportation, equipment, and infrastructure, including lighting, roads, housing, and community facilities such as meeting rooms.

**Bolivia:**

1 cooperative.

Guarantee of requested loans, financing of education and healthcare services.

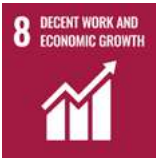
**Sierra Leone:**

3 cooperatives.

Infrastructure improvements, including the construction of a community hall, cocoa warehouses (for the benefit of remote producers), office renovation, and vehicles for inspectors.



4.4 PROTECTING CHILDREN:  
ACTION AGAINST CHILD LABOR



Child labor is a global challenge, affecting over 160 million children, mostly employed in the agricultural sector. The phenomenon is widespread in a variety of production chains, including cocoa: in countries such as **Ghana** and **Côte d'Ivoire**<sup>14</sup>, children count for as much as **a third of the plantation workforce**, compromising their health, safety, education and, ultimately, their futures.

The main causes are **family poverty, poor access to education**, and entrenched cultural models

that generally underestimate the risks associated with child labor.

To understand the scale of the issue throughout its supply chains, **ICAM conducted a Risk Assessment** focused on children's rights—particularly access to education—and on employment. The analysis revealed **greater criticality in Africa** compared to more relatively reassuring situations in **key Latin American direct origins**. These findings highlight the need for a prioritized intervention in the Ugandan context.

Main producing countries	CHILD RIGHTS		CHILD LABOR	
Ghana		Concern		Concern
Côte d'Ivoire		High Concern		Concern
Main ICAM origins				
Peru		NO concern		Moderate
Dominican Rep.		NO concern		NO concern
Ecuador		NO concern		NO concern
Uganda		High Concern		Concern

Source: Risk Map Fairtrade 2025, US department of Labor Unicef

Based on these findings, the **Bundibugyo**<sup>15</sup> area in Uganda has been designated as a priority for targeted intervention—aligned with and complementary to the initiatives under the “**Sustainable Farming**” project. The intervention will include an analysis of the **links between projects for improving family income (living income)** and the impact

these can have on **reducing child labor**.

To address the issue, a structured four-phase process has been launched. This process is designed to **prevent and combat child labor** through a participatory, evidence-based approach that is fully integrated into the local context.

14 Fairtrade Risk Map: <https://riskmap.fairtrade.net/countries>

15 Note that in Hoima and Mukono, the phenomenon is monitored in accordance with Rainforest Alliance certification requirements.



Phase 1 – Understanding the Local Context

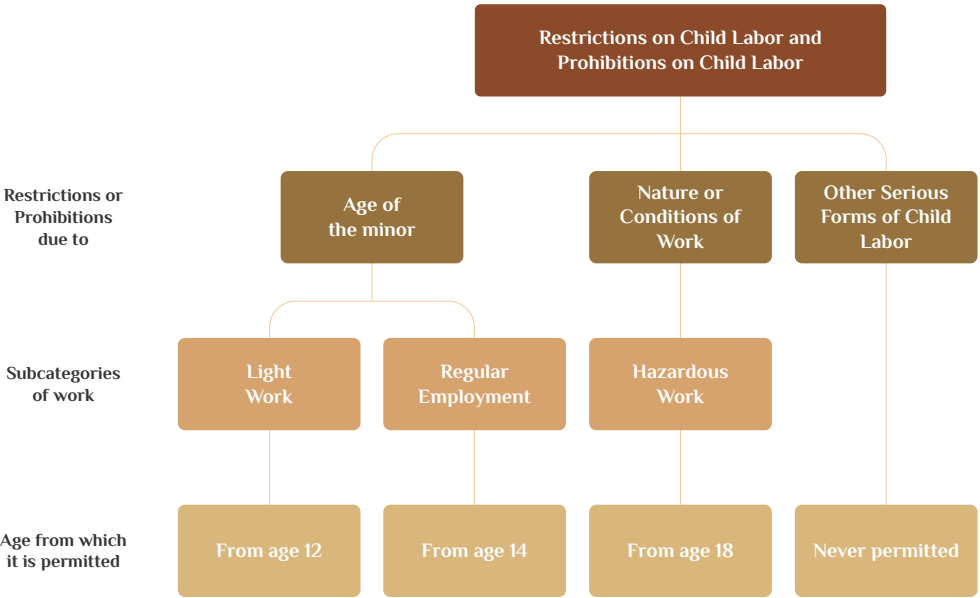
JULY – SEPTEMBER 2024

The first step was a detailed study of the context and stakeholders, in order to design a **Child Labor Monitoring and Remediation System** (CLMRS) tool tailored to the current situation.

An in-depth study of the legal and institutional framework for child labor in Uganda was conducted, supplemented by socioeconomic data and mapping of local stakeholders (local community leaders, NGOs, public officials, Childhood and Gender Committees).

International legislation (the primary reference for which is the ILO) and, specifically, **Ugandan** legislation, clearly defines “child labor” in these terms:

- In Uganda, children aged 12 to 14 may perform only light work, under adult supervision, for a maximum of 14 hours per week, provided that the work does not impede participation in school and is not harmful to the child’s physical and mental development (light work);
- From age 14, regular employment is permitted, for up to 48 hours per week, provided that the work is not hazardous.



Phase 2 – Local Community Engagement

OCTOBER 2024

Once the framework was established, a process of active involvement of local authorities and farmer leaders was initiated: through workshops, ICAM analyzed the existing legal, social, and economic systems, as well as the community’s organization, needs, and priorities. In this way, the company gathered valuable contextual informa-

tion, identifying the reporting structures existing in the area. Local government officials and village groups are aware of the seriousness of child labor. However, in most cases, there is a profound inability to manage intervention methods, ranging from inaction to excessively punitive behavior. These participatory moments have initiated an open dialogue with institutions, civil society, and communities to build the remediation system.

Phase 3 – Identification of Areas of Intervention

MAY 2025

Starting in May 2025, ICAM is organizing a field survey, conducted by ICAM technicians utilizing a specially designed questionnaire. The activity will take place in two pilot areas: one already within the Sustainable Farming project and a second outside the scope of that project. The goal of the initiative is to identify real needs and local priorities and to define effective and targeted remediation actions.

Phase 4 – Designing Remedial Actions

FROM JULY 2025

Based on the data collected, concrete corrective actions will be co-designed with local stakeholders. The approach will be pragmatic, sustainable over time, and aimed at strengthening the community’s capacity for self-management.

Within ICAM’s **integrated strategy**, several **strategic levers for combatting child labor** have been identified. These levers aim to drive lasting change within the territory, fostering an environment conducive to healthy childhood development and the protection of children’s rights.



1. Promotion of Good Agricultural Practices (GAP)

Enhancing productivity and adopting agroforestry practices contributes to greater climate resilience of cocoa plantations. These improvements also strengthen household income and economic resilience, ultimately reducing the reliance on child labor in agricultural activities.



2. Strengthening local capacities and raising awareness about child labor

The long-term sustainability of these efforts depends largely on the capacity of local communi-

ties to independently recognize, prevent, and address child labor. For this reason, ICAM prioritizes strengthening the capacities of local stakeholders—including community leaders, educational institutions, and child protection committees—while also promoting broad-based awareness and collective responsibility.



3. Promoting cultural change and shared values (e.g., GALS, parental awareness-raising)

Effectively addressing child labor also requires a transformation of value systems and family and community practices. In this context, the GALS (Gender Action Learning System) approach and parental training are designed to foster deep-rooted change in **gender roles, household decision-making dynamics**, and the **perceived value of education**.

These interventions also promote a culture of shared responsibility and child protection.



4. Support for education and the local school system

Investing in **education** and creating a **positive and accessible school system** is an essential condition for preventing and breaking the cycle of child labor.





CHILD LABOUR

A cooperative in Sierra Leone has donated the Fairtrade Premium to the mitigation and prevention of child labor:

Specific training on child labor to raise awareness, prevention practices, construction of a school and a well.

4.5 WITH COMMUNITIES, FOR COMMUNITIES  
IN THE SUPPLY CHAIN



Since the 1970s, ICAM has built strong collaborative relationships with several farming communities, creating lasting and profitable partnerships. Over time, a growing involvement in supply chains has transformed these relationships from simple commercial exchange-

es to authentic support for the development of local communities. ICAM has consistently invested in **knowledge transfer, quality improvement, and the strengthening of agricultural cooperatives in Central and South America**. Particular attention has been given to emergency contexts, resulting in positive and tangible impacts.



Growing together with communities means building development paths grounded in listening, collaboration, and respect for local cultures. For ICAM, this means investing in people, recognizing the value of their knowledge, traditions, and aspirations.

In line with its core values, ICAM promotes **sustainability-driven collaborations**, leveraging its strategic position within the supply chain to engage other stakeholders in a shared journey toward responsible development. Through its direct control of the supply chain, ICAM is uniquely positioned to:

- identifying the real needs of communities with a bottom-up approach;
- accepting customer requests aimed at generating concrete social impacts;
- strengthening project financing;
- creating connections between supply chain stakeholders, enhancing relationships and building trust.

Furthermore, in 2024, ICAM involved several clients in the implementation of community projects in Peru, Sierra Leone, and Latin America. As discussed in section 1.7, these initiatives generated concrete impacts both socially and in direct support of farmers, confirming the effectiveness of this collaboration between ICAM and its partners along the supply chain.



**Supporting communities on their journey toward self-determination, enabling them to independently manage their own development and lead change with confidence and awareness.**





ICAM's history is marked by numerous instances in which its presence and long-standing relationships have played a transformative role—contributing significantly to the agricultural and social development of entire communities, regions, and even countries.



THE BIRTH OF ORGANIC COCOA IN THE DOMINICAN REPUBLIC

In 1989, ICAM began a collaboration with the Conacado Cooperative, promoting local cocoa and meeting the then-innovative demand for organic chocolate.

The **transfer of technical expertise** in fermentation and drying processes, **support for achieving organic certification, guaranteed crop purchases** through long-term contracts, **facilitated access to credit and infrastructure investments** collectively marked a turning point for the Cooperative.

The impact of these actions has been **profound**: the cooperative's expansion, improved cocoa quality, and the international distinction of their processed cocoa as **"Fine of Flavor"** by ICCO in 2008. The price of cocoa has thus shifted from that of a standard product destined exclusively for the local market to that of a **premium product**, increasingly in demand on international markets.

**Other cooperatives in the country have followed this example**, implementing organic cultivation and best practices in post-harvest processing. Today, thanks in part to its work with ICAM, the Dominican Republic is a global benchmark for high-quality organic cocoa.



PERU'S SUSTAINABLE RECONVERSION: FROM COCA TO COCOA

In 2015, the Peruvian government launched a land redevelopment project to convert coca crops to cocoa, aided by reliable partners to drive this change.

ICAM joined the initiative, **guaranteeing the purchase** of the cocoa harvest and thereby providing cooperatives with a **stable source of income insulated from market fluctuations**.

Aligned with the anti-drug policies promoted by the Devida (**Desarrollo y Vida sin Drogas**) Commission, this initiative supported the repurposing of land previously used for illicit cultivation, offering farmers a viable and sustainable alternative.

The project has since evolved, generating significant social and environmental impacts:

- Cocoa cultivation has improved soil quality, counteracting deforestation caused by coca;
- Farmers have achieved higher yields, abandoning illegal practices and entering a legal and protected supply chain.

The project was presented at Expo 2015 in Milan as a virtuous example of **sustainability and regeneration**.



QUALITY ENHANCEMENT IN UGANDA: ICAM CHOCOLATE UGANDA

In 2010, ICAM founded **ICAM Chocolate Uganda Ltd.**, bringing its expertise to the heart of Africa to make a tangible contribution to regional development.

The initiative led to the creation of three cocoa collection and processing centers, alongside the launch of training programs for farmers on effective agronomic practices.

This initiative has been a major catalyst for the socioeconomic development of local communities, reinforcing the effectiveness of ICAM's sustainability supply chain model.

The company's direct presence on the ground has made it possible to enhance the intrinsic quality of Ugandan highland cocoa by processing it fresh at the newly established centers.

As a result, the quality of Ugandan cocoa has seen marked improvement. **Today, this high-altitude cocoa from the "Pearl of Africa" is recognized on the market as particularly valuable and in demand.**





In the “**Sustainable Farming**” project, ICAM strengthened its role as an “accelerator” of change.

Particular attention has been given to ensuring an inclusive and participatory approach, enhancing existing relationships within communities. The main strategies adopted include:

- **involvement of local technicians**—drawn from the same communities and speaking the same language as farmers—to foster communication and trust;
- **raising awareness among local authorities, community leaders, and farmers**, to ensure alignment with project objectives and promote widespread knowledge sharing;
- **Application of the PiP (Plan Intégré du Paysan)**, which focuses on the needs and

empowerment of farmers promoting cooperation and mutual support;

- **active inclusion of women and youth**, to encourage shared responsibility and enhance the adoption of improved agricultural practices, such as pruning and thinning;
- **continuous work with community leaders** to strengthen coordination, trust, and a sense of belonging;
- **support from local authorities**, to reinforce farmer participation and institutional commitment;
- management of cultural resistance through champions, such as “**model couples**” (under the GALs approach) and “**demonstration plots**” (GAPs), which serve as visible, relatable examples of success and inspiration for the wider community.

**SUSTAINABILITY IS A JOURNEY TO BE TAKEN TOGETHER**  
**ICAM’S APPROACH TO LOCAL COMMUNITIES**

- **active community involvement** is crucial to the success of interventions;
- **community leaders** play a key role: their support or resistance can directly influence the effectiveness of proposed activities;

- **local government representatives** are strategic allies in supporting investments and private interventions in the community;
- farmers **learn more easily** from the practical experiences of other farmers.
- Training methodologies adapted to the cultural and linguistic specificities of the different target groups to address **limited literacy** represents a significant challenge in knowledge transfer.

Beyond direct interventions, ICAM contributes to the development of local communities by purchasing cocoa and raw materials certified by **Rainforest Alliance** and **Fairtrade**. These certifi-

cation programs provide a premium to farming communities and support their economic advancement through training programs focused on best agronomic practices to increase crop yields.



FAIRTRADE

**COMMUNITY SUPPORT**

One of the most common uses of the Fairtrade Premium is for initiatives that support food security and improve sanitation and hygiene conditions for cooperative members. Several cooperatives have prioritized health and nutrition as key areas for investment.

**Sierra Leone:**  
1 cooperative.

Construction of public toilets in some districts of Sierra Leone, improving access to safe sanitation, contributing to disease prevention, environmental protection, and strengthening community resilience, especially for vulnerable groups.

**Peru:**  
2 cooperatives.

Social support and preventive initiatives for the well-being of families, through the provision of beehives and farmyard animals for raising livestock.

**Ecuador:**  
1 cooperative.

Development of a community garden which created local employment opportunities and provided food for members, their families, and the wider community. Improvement of a water treatment plant, ensuring clean water.

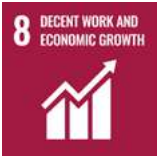
**Dominican Republic:**  
2 cooperatives.

Construction of aqueducts, wells, and sewer systems, and implementation of drinking water systems for the benefit of various communities.





4.6 A COMMITMENT TO SAFETY  
WORKERS OF THE SUPPLY CHAIN



Occupational safety for farmers is a material priority for ICAM, together with developing technical and managerial skills. In all supply chain collaborations, ICAM promotes safe and dignified working conditions, in full compliance with health and safety regulations.

In accordance with the **Cocoa Supplier Code of Conduct**, ICAM requires its suppliers to implement concrete measures to ensure safe working environments. This includes prevention protocols, monitoring and risk management systems, as well as structured **training and information programs** for all employees, including occasional workers. Suppliers are also required to foster a culture of safety by promoting shared **values** and **best practices** throughout their **organizations**.

Even within the scope of the project “Sustainability Farming”, ICAM has prioritized this issue, with the distribution of work tools and personal protective equipment, such as rubber boots and shears, tangibly improving the operating conditions in the fields.

However, there was a lack of familiarity with the tools and their safe use. To fill this gap, targeted training programs were activated on:

- correct and ergonomic use of tools;
- accident prevention;
- maintenance of tools to ensure their efficiency and durability.

Sust. Farming

4.7 ICAM EMPLOYEES  
ITALY AND UGANDA



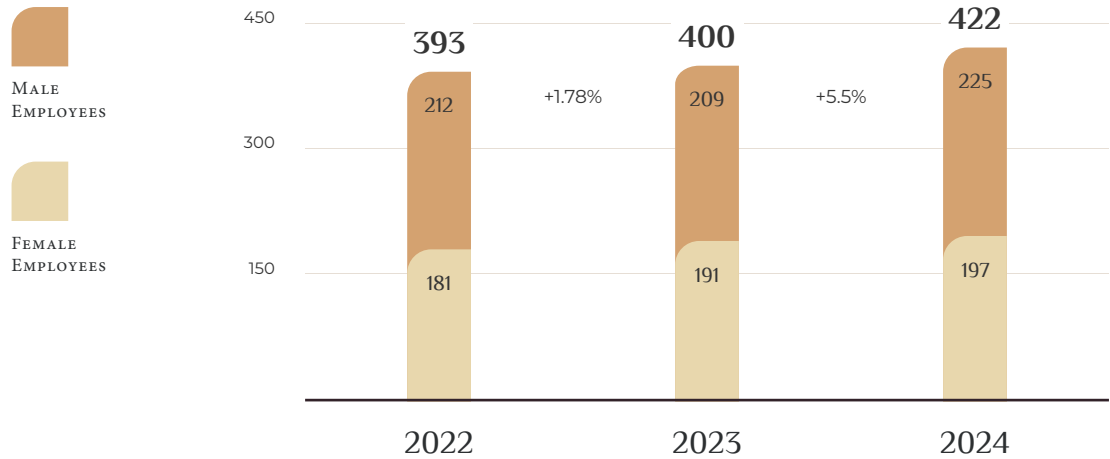
Attentive, close engagement with employees is a core pillar of ICAM’s identity. Personnel management at ICAM reflects the direct approach of the Agostoni-Vanini family. In alignment with the values of the Code of Ethics, this approach fosters relationships based on trust and mutual support.

Reflecting the importance placed on people, ICAM’s Human Resources Department is entrusted directly to the CEO. This approach fosters

a close bond between workers and the company, generating a profound sense of belonging that contributes significantly to the company’s success.

As of December 31, 2024, ICAM employed **422 people in Italy** (197 women and 225 men), **98%** of whom have **permanent contracts**. The workforce is steadily growing, with **56 new hires** scheduled during 2024.

EMPLOYEES (ITALY)



In 2024, ICAM also employed 179 external collaborators: 86 agents and 93 workers on temporary contracts. In terms of compensation, ICAM offers its employees<sup>16</sup> two additional components:

- **a performance bonus** aimed at achieving corporate performance objectives (efficiency and customer service), profitability, quality, and health and safety;
- **a performance evaluation system**, involving all employees, as a tool for growth and improvement of individual work performance. For production personnel, the evaluation system is called the “professionalism element” and is based on the “professionalism job description,” containing the technical descriptions of all company roles. This component consists of a fixed amount related to the specific task performed and a variable amount, based on individual results in terms of commitment, effectiveness, and collaboration, as evaluated by their manager using a detailed evaluation form. For clerical staff, the evaluation system is called “Performance Management” and is structured in a similar way, through an evaluation form that specifically measures competence, effectiveness, and collaboration.

- for some professional roles, an additional evaluation tool is provided related to the achievement of **individual objectives** (MBO);
- for workers assigned to night work, a supplementary remuneration element is provided to cover the inconvenience related to the specific working hours they perform.

The professional growth and development of employees are also supported by training programs covering various topics, including job training, workplace and food safety, sustainability, and soft skills. **In 2024**, a total of approximately **20,380 hours of training** were provided.

<sup>16</sup> As per the supplementary company agreement signed on April 26, 2023.



In addition to the provisions of Italian law and the National Collective Bargaining Agreement for the Food Industry (Supplementary Healthcare FASA Fund), the company has introduced several improvements to the benefits packages of its employees, including:

- **canteen service**, with minimal employee contribution;
- 1.6% company **contribution** for those who participate in the Alifond supplementary pension fund;
- 14% increase on the performance bonus converted into welfare benefits;
- **100€ pledge contribution** for those who provide volunteer services (Alpine Rescue, Red Cross, donors, etc.);
- **100€ to cover the school fees of children up to age 16.**

In 2024, the company made **financial contributions to 50 employees** for volunteer work and to **104 employees to help cover their children’s educational costs.**

Supporting **work-life balance** is a fundamental principle embedded in ICAM’s supplementary company agreement—an element that defines the company’s identity and sets it apart in the market. ICAM is firmly committed to enhancing employees’ working conditions, including through

initiatives that support better balance between professional and personal life, such as:

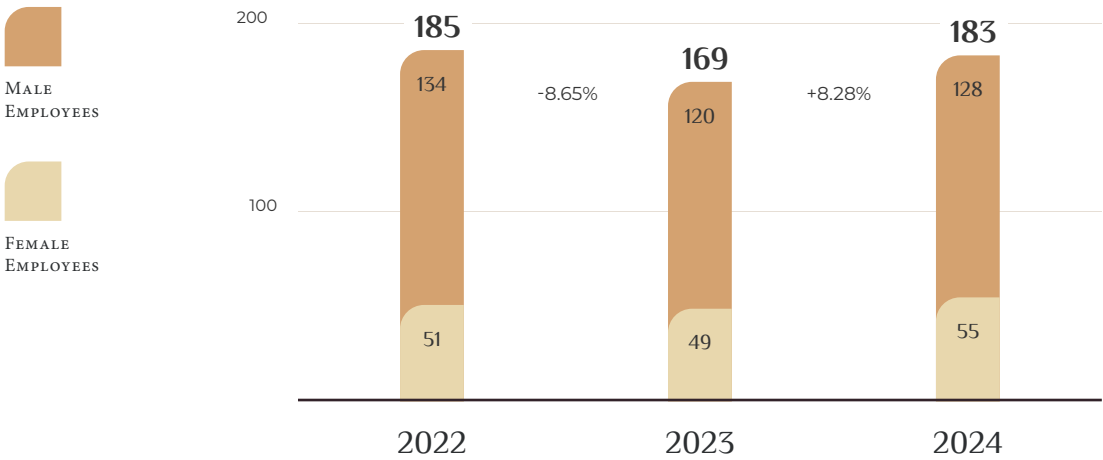
- **part-time employment contracts**, which may be requested for health reasons, childcare needs, or to obtain a qualification. Furthermore, the Company is willing to grant requests for reduced hours for a period in the event of special personal circumstances. In 2024, all **30 part-time requests** received were approved;
- **flexible working hours:** for clerical staff, ICAM offers the option of monthly “hourly compensation,” grounded in the principles of individual responsibility and mutual trust. In 2024, a total of 1,017 hours were compensated through this system;
- **“smart” remote workday**, once per week, without physical location constraints, for staff who have the option of relocating their assigned activities. **85% of qualifying employees too advantage of this option**, for a total of approximately **1,902 days**;
- **solidarity time bank:** ICAM promotes the solidarity transfer of vacation time, ROL, and former holidays, to colleagues experiencing family or health difficulties. The company provides a contribution based on the average unit amount donated by workers. In 2024, **580 hours were donated.**



ICAM Chocolate Uganda Ltd. has made a **significant positive contribution** to local employment across its three sites in Bundibugyo, Hoima, and Mukono. In 2024, the company employed a total

of **183 people**, with **70% (128 employees) on permanent contracts**. The workforce also expanded during the year, with 14 new hires added in Uganda.

EMPLOYEES (UGANDA)





The ICAM Chocolate Uganda team includes not only clerical and operational staff, but also co-coa buyers, technicians, and inspectors who are responsible for overseeing grower certification procedures and managing associated activities.



In addition to regular employees, there are also 294 seasonal workers, who support the company during peak periods with labor such as transporting cocoa from the purchasing stations to ICAM headquarters.

In accordance with Ugandan law, ICAM Chocolate Uganda Ltd. recognizes employees with a contract of more than 6 months:

- **payment of pension contributions** to the NSSF (National Social Security Fund);
- **daily leave for personal needs**, known as “compassionate leave”.

Furthermore, in the event of illness, ICAM Chocolate Uganda provides the option of requesting a convalescence period.

Aware of the financial difficulties that its employees may face, ICAM Chocolate Uganda Ltd. is committed to making the daily lives of its employees as easy as possible with several additional **benefit**<sup>17</sup>:

- **one meal each day** at the company canteen, available at each of the three production sites;
- an **additional monthly allowance**—ranging from UGX 50,000 (\$14) to UGX 150,000 (\$42), depending on the employee’s level—to cover healthcare needs, the costs of which are not covered by state welfare;
- a **dedicated nursery** where mothers can breastfeed their babies during lunch breaks at each of the three production sites;
- support in preparing documentation for the NSSF (National Social Security Fund);
- **healthcare access**: contracts with public and private healthcare facilities at each of the three Ugandan sites and salary advances in the event of health emergencies;
- **parental leave**: 4 men and 1 woman took advantage of it in 2024.

**Permanent employees** receive an annual performance review and training sessions on anti-corruption, first aid, fire prevention and workplace safety, grievance, Rainforest certification compliance, and problem solving.

Additionally, all communication with employees—including training and signage—is designed to account for language differences and varying literacy levels. To ensure understanding, information is delivered using visual aids or verbal support where needed.

In the area of **health and safety**, ICAM Chocolate Uganda Ltd. conducted a **risk assessment** and drafted its own policy, providing recommendations, guidelines, and suggestions regarding workplace safety and individual responsibilities.

Furthermore, staff was trained on health and safety (including fire prevention), while supervisors were also trained in first aid. An infirmary is available, which, if necessary, can be supported by a medical specialist.

ICAM provides its employees with personal protective equipment, such as work boots and waterproof clothing for field staff, personal hygiene items and cleaning materials, and fire-prevention equipment for kitchen staff.

Specifically, the 26 field technicians dedicated to the “**Sustainable Farming**” project received specialized training addressing the project’s objectives, utilizing technical expertise and a participatory approach.

In addition to technical information—such as the GAPs—the sessions included simulation exercises to address relationship obstacles, the management of large groups of farmers, as well as the use of technology and feedback sessions to learn from each other. The technicians then worked in the field in pairs, managing groups of farmers who belong to the same tribe and speak the same language, to enable better communication.

In 2024, ICAM made a major push to organize its Ugandan headquarters’ staff, launching the “**Forward Looking Uganda**” project in partnership with a local company specializing in human resources organization and development.

The project—focused on **corporate culture, ethical values, loyalty**, and **honesty**—focuses on reviewing business processes, optimizing operational efficiency, identifying training and development needs, and enhancing skills and responsibilities.

The project—which will conclude in 2025—aims to generate a cultural shift toward a more positive work environment, based on trust and integrity.



<sup>17</sup> For employees with contracts lasting more than 6 months



4.8 SUPPORT FOR THE LOCAL COMMUNITY IN ITALY



Since the 1940s, ICAM has cultivated a strong connection with the **local community**, which has grown in parallel with the company. This relationship is reflected in the employment of local personnel and a sustained commitment to environmental, educational, and social initiatives.



Consistent with its expressed desire to develop “**people of high competence and human depth**”, ICAM supports freedom of education and actively promotes internships and work-study programs with numerous schools.



This contribution to the community is exemplified by ICAM’s active membership in the **Food Bank**, co-founded by **Antonio Agostoni**, a second-generation family member and company partner. To support this project, the company has entered into agreements with several distributors to facilitate the sending of overstock ICAM products directly to the Food Bank.



Over the years, ICAM has also strengthened its collaboration with **Noi Genitori ONLUS**, focused on promoting **inclusion**. Among the initiatives carried out in 2024:

To honor the enduring commitment of the late Engineer Plinio Agostoni—who strongly advocated for a “free school” model that ensures freedom of educational choice at all levels—ICAM has established an annual donation of €20,000 to the philanthropic **Brandolese Foundation**. This initiative aims to promote a culture of human, technical, and cultural education as a core value and long-term investment in the future.

- **corporate volunteering:** “The bond that heals: a day spent together in solidarity” involved 21 ICAM employees in a team building and social commitment activity;
- **support for the association’s biscuit factory**, providing free cocoa and chocolate for production needs;
- **solidarity purchase** of biscuits and jams for company gifts to employees and printing of the 2023 Sustainability Report.

ICAM also contributes to the larger community region through the donation of its products. In 2024 products and over **27,000 Easter eggs** were donated to over **200 organizations** (educational, religious, athletic, healthcare, and social) in the provinces of Lecco, Como, Monza and Brianza.



Overall, in 2024, ICAM donated **€ 1,149,176** in products

Noi Genitori ONLUS is a local association that has been supporting individuals with **disabilities** and their **families** for over twenty years. Its mission is to promote social and workplace inclusion by fostering individual abilities within the community.

The association advocates for an economic model centered on people and sustainability, characterized by the careful selection of suppliers, promotion of local craftsmanship, use of high-quality raw materials, and reliance on renewable energy to power its facilities.







# 5 Processes and Technologies for the Double Transition

At the heart of every ICAM creation lies a clear directive: leveraging technology in service of quality. This is not just a guiding philosophy—it is a fundamental pillar underpinning every phase of the production process. From deep expertise in raw materials to rigorous traceability, from advanced manufacturing techniques to the precise management of each step in the supply chain, this is where ICAM's core know-how lies. An expertise expressed through chocolate—crafted into hundreds of customized recipes designed to enhance the unique aromatic qualities of cocoa.

To stay ahead in a rapidly evolving market, ICAM has strategically invested in **Industry 4.0** production technologies and a cutting-edge **Research and Development** laboratory. This strategic hub is built to respond swiftly to emerging trends, regulatory changes, and the expectations of today's most discerning consumers. An ongoing commitment that fuels continuous innovation and an untiring improvement of production processes, ensuring the highest quality standards.

## 5.1 COMPANY 4.0 WHERE QUALITY MEETS TECHNOLOGY



In designing its production facility, ICAM made a deliberate choice to integrate environmentally friendly solutions and advanced technologies guided by the principles of **Industry 4.0**, with a clear goal: **achieving maximum efficiency**. For ICAM, **efficiency is synonymous with environmental responsibility**—achieving the same results while using fewer resources.

Every aspect of the plant has been designed to seamlessly manage all phases of the process — from recipe development to raw material procurement, and from planning to production. Each step is carefully **tracked**, ensuring maximum transparency and full control over both raw materials and finished products.

The Orsenigo plant stands out for its advanced level of **process automation**, enabling exceptional **energy and production efficiency**. Key production parameters are continuously monitored using state-of-the-art technologies, while ongoing laboratory analyses and organoleptic tests ensure consistent quality and safety at every stage.

At the core of this system is the **Siemens PCS7**, in operation since the plant's opening in 2009. This integrated control system enables real-time monitoring and analysis of key parameters — including temperature, pressure, flow rate, and energy consumption — providing full traceability of the chocolate-making journey, from bean to finished product.

Thanks to this technology, the company can apply highly effective **predictive logic** to its most sensitive systems— including those used for roasting, storage, and the production of cocoa butter and powder. This approach allows us to anticipate potential issues, optimizes maintenance activities, prevents operational disruptions, and enhances overall process efficiency.

Consolidating **innovation** and **reliability**, this strategy ensures both production continuity and product excellence. The adoption of Industry 4.0 principles not only streamlines operations, but also **reduces waste, energy consumption, and emissions**, making the entire production process more sustainable from every perspective.





INDUSTRIAL DEVELOPMENT PLAN  
2024 - 2027



The production site currently combines:

- 27,000 m<sup>2</sup> of area
- potential production capacity of 35,000 tons of chocolate
- 4 modeling lines for finished products and 2 for semi-finished products

In 2024, the expansion of the **Orsenigo** production site was announced, with a planned addition of over **23,000 m<sup>2</sup>** on four levels by 2027, greatly enhancing production and technological facilities.

The main projects include:

- **4 new modeling and packaging lines**, increasing production capacity by up to **20,000 tons**;
- **1 new Chocoline** for white chocolate production;
- **2,000 m<sup>2</sup>** for the production of **creams** and **wafers**;
- **700 m<sup>2</sup>** dedicated to the **Application Center, Academy, and Chococube**;
- **2,000 m<sup>2</sup>** for the **Innovation Center and Test Labs**.

These expansion projects will strengthen the plant's production capacity by investing in the future and fostering innovation, research, and continuous growth.

5.2 PHYSICAL SECURITY AND CYBERSECURITY  
TO PROTECT PROCESSES



The growing focus on **security** has broadened the concept of “**Food Defense**,” extending it to IT and infrastructure contexts. To address these challenges, ICAM has established a dedicated **Security Team**, with the aim of keeping security measures up to date and in line with the highest standards.

Access to authorized areas is regulated through personalized badges for employees and visitors. Doors equipped with controlled opening via a TAC system allow real-time monitoring of access, preventing unauthorized access and recording intrusion attempts.

On the IT front, **cybersecurity** is reinforced through partnerships with specialized firms focused on identifying and addressing potential vulnerabilities. Antivirus systems undergo continuous testing via simulated external attacks, while a suspicious email monitoring policy has been implemented. In addition, security protocols for employees' personal computers have been enhanced to ensure safe and reliable support for smart working.

In addition to technological safeguards, ICAM is firmly committed to raising **awareness** and providing **training** for employees and stakeholders, ensuring both understanding and effective implementation of new cybersecurity policies. In 2024 alone, more than **460 hours of dedicated cybersecurity training** were delivered.

5.3 QUALITY PROCESSES  
TRACEABILITY AND CERTIFICATIONS



Since the 1990s, ICAM has adopted a system of **certifiable standards** that has served as a foundation for extending **best practices** across the entire production chain. This framework has permitted the company to ef-

fectively address production challenges and meet market demands, while also providing robust operational support for **self-monitoring** and **risk prevention** activities. As a result, ICAM ensures the highest standards of product **quality** and **food safety**.

TRACEABILITY TO MANAGE  
COMPLEXITY, CUSTOMIZATION  
AND MARKET RESPONSE

To effectively manage the complexity of its production processes, ICAM relies on its robust traceability and certification system.

With a portfolio of **504 liquid chocolate recipes**, the company is able to create a wide range of finished and semi-finished products, customized according to the specific customer and market demands. The differentiations are based on multiple variables: origin of raw materials, cocoa solids content, fluidity, organoleptic profile, certifications, types of sugars, milks, vanilla, ingredients, formats, and packaging.

In 2024, ICAM drove innovation with **543 new products developed** by its R&D team.

With approximately **19,000 compliance analyses** carried out in 2024, ICAM ensures full adherence to regulatory and quality requirements. Cross-contamination is minimized to the extent that no traces of allergens — such as tree nuts, gluten, or milk proteins — are detected.





As part of its **due diligence** process and increasingly effective management, ICAM conducts an annual review of its quality policies and objectives, viewing this as a key step in **integrating sustainability** into overall company management.

ICAM has always regarded **quality certifications** as essential tools for ensuring regulatory compliance and for transparently communicating relevant information to stakeholders across the entire production process — from raw material selection to the finished product.

In response to increasing market demand for certified products and sustainability labels, ICAM

has chosen to reinforce the credibility of its sustainability claims by relying on **third-party certifications** such as **Fairtrade** and **Rainforest Alliance**, as well as on standards regulated by public authorities, such as those governing **Organic** certification.

The company's **attention, awareness, and innovation** are aimed at improving its product offering for people with intolerances or with special dietary requirements: the portfolio of **gluten-free** and **lactose-free** products, identified by a certification mark that guarantees their safety and suitability, represents a positive example of **inclusiveness** and **social sustainability**.



**Organic certification** for environmental and health protection. The organic production regulations establish permitted agronomic, phytosanitary, and processing practices, as well as the exclusive use of certified raw materials. **Naturland** certification integrates social responsibility standards with organic requirements.



**Fairtrade and Rainforest certifications** ensure traceability and sustainability throughout the supply chain. Both guarantee that products meet trade standards and pay a premium to growers, thereby promoting producer development.



**Vegan certification** promotes resource conservation and animal welfare, achieved by excluding all ingredients and processing aids of animal origin throughout the production process.



**Gluten-free and lactose-free products** reflect a model of inclusivity and social sustainability — one that demands attention, awareness, and innovation to enhance the quality of life for individuals with intolerances and beyond.

5.4 CIRCULAR ECONOMY PROCESSES



ICAM has always prioritized the responsible use of all materials — from the ingredients used in food production to the packaging materials for its products.

The choice of **packaging** is a key aspect of ICAM's strategy. A cross-functional **ecodesign** team defines packaging specifications with special attention to product protection: **food safety**, freshness **preservation**, and maintenance of **organoleptic properties** are the priority criteria.

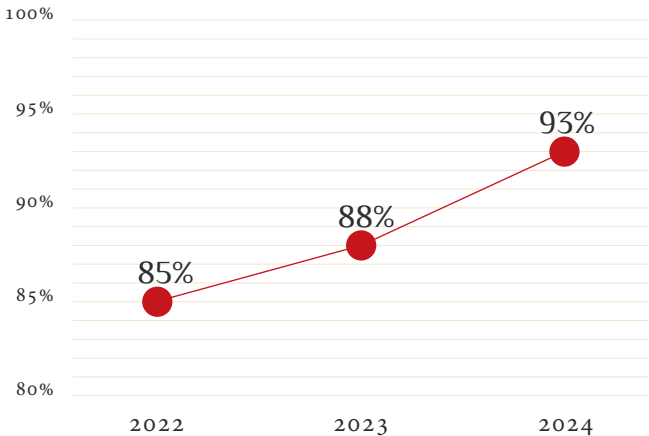
Subsequent evaluations consider **machinability** and **production efficiency**, the packaging's **aesthetic** and **communicative** function, its **environmental impact** and ease of disposal.

The primary packaging is **93% recyclable** (1,039 tons in 2024); Packaging made of **certified**

**compostable** and biodegradable materials has **grown by 38%**, replacing 73 tons of traditional plastic.

**Secondary** packaging (cartons and displays) is made of **100% recyclable paper**.

RECYCLABLE PRIMARY PACKAGING



COMPOSTABLE MATERIALS FOR RESPONSIBLE PACKAGING

Since 2021, ICAM has introduced an innovative, certified **biodegradable** and **compostable** paper-based **flow-pack packaging** to the market, designed to offer high performance **in terms of protective barrier**, production efficiency, and aesthetics. The research and testing phase, begun in 2019 in collaboration with material and technology suppliers, also led to the purchase of a dedicated packaging machine, installed in June 2020. The new packaging has been adopted for a line of bars branded Vanini, ICAM's premium brand.



In total, over the last **4 years**, the company has **replaced over 206 tons of plastic** with compostable packaging, confirming its commitment to responsible solutions without compromising on the product's technical and qualitative performance.



Equal attention is devoted to **waste management**. Through detailed mapping, ICAM has identified critical steps in end-of-life handling and implemented targeted **prevention measures**. By optimizing procedures and facilities, the company strives to minimize waste generation — including organic byproducts produced during cleaning and allergen removal processes. Careful oversight of **waste management** contracts further enhances **circular economy** practices, prioritizing material recovery and, where that is not feasible, **energy recovery**.

ORIGIN	RISK	PREVENTION	END OF LIFE
Purchased and unused ingredients	Food waste	<ul style="list-style-type: none"><li>Planning</li><li>Customer agreements</li></ul>	<ul style="list-style-type: none"><li>Transfer to processors</li></ul>
Non-compliant cocoa beans	Food waste	<ul style="list-style-type: none"><li>Origin controls</li><li>Technical support for the supply chain</li></ul>	<ul style="list-style-type: none"><li>Transfer to processors</li></ul>
Peel (physiological by-product)	Food waste	<ul style="list-style-type: none"><li>Waste separation to foster circular solutions</li></ul>	<ul style="list-style-type: none"><li>Sale to feed mills</li><li>Biomass</li></ul>
Processing waste	Food waste	<ul style="list-style-type: none"><li>Recirculation</li></ul>	<ul style="list-style-type: none"><li>Sale to feed mills</li><li>Biomass</li></ul>
Unsold finished product	Food surplus	<ul style="list-style-type: none"><li>Order planning with customers</li><li>Commercial management</li></ul>	<ul style="list-style-type: none"><li>Food Bank</li><li>Sale to feed mills</li><li>Biomass</li></ul>
Purchased ingredients	Waste from packaging	<ul style="list-style-type: none"><li>Industrial formats</li><li>Big bags and tanks</li></ul>	<ul style="list-style-type: none"><li>Separation</li><li>Send for recycling</li></ul>

Approximately 48% of total waste consists of **physiological by-products**, proportional to the volume of cocoa. These include non-compliant cocoa bean husks and beans, destined for **feed mills** or bio-mass plants.

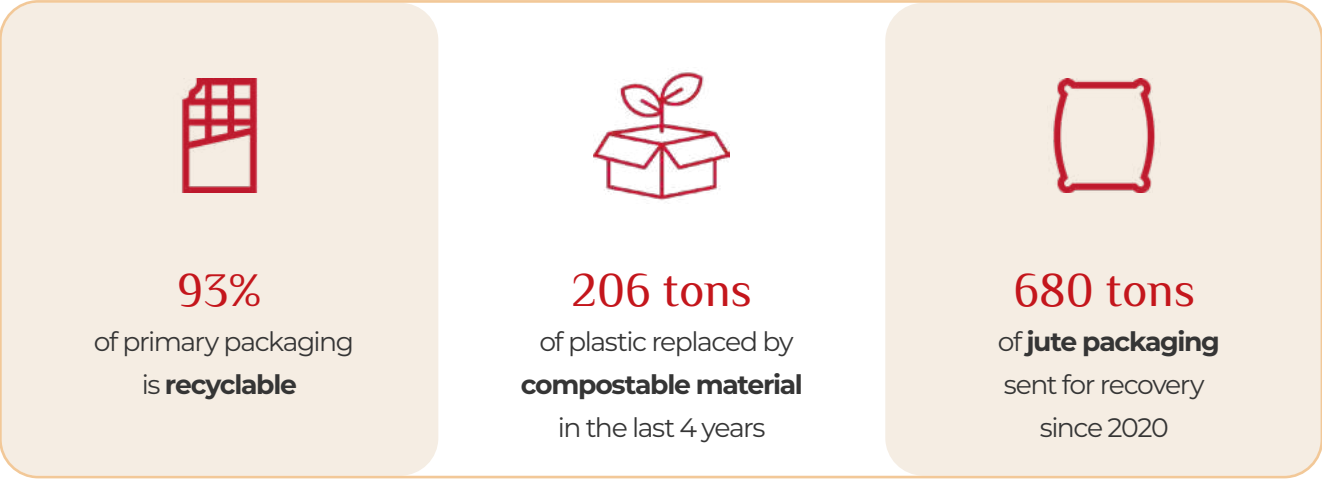
Management of **non-organic waste** follows the principles of **circular economy**:

- **100% of single-material packaging** made of paper, plastic, and aluminum is separated for recycling;
- since 2020, **jute bags** have been separated from mixed materials and sent for recycling.

To limit **waste** and **unsold products**, **purchasing** and **planning** functions work in close synergy with the sales department, ensuring that production is tailored to actual market demand.

Surplus finished products, when present, are donated to the **Food Bank**, thus supporting solidarity initiatives and contributing to the fight against food waste.

RESULTS IN NUMBERS



JUTE BAGS: FROM WASTE TO SECONDARY RAW MATERIAL



Since 2020, ICAM has implemented a separate collection system for the jute bags used to receive cocoa, diverting them from mixed waste streams. In partnership with a specialized operator, the jute is recycled into insulating and sound-absorbing panels for use in green building, the automotive industry, and natural thermal insulation, thus supporting a circular economy model.

In 2024, ICAM recovered **120 tons**, reaching a total of **680 tons of recycled jute in four years**.



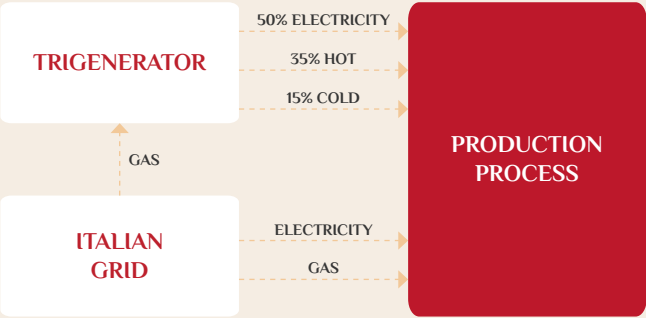
# 5.5 TECHNOLOGIES FOR ENERGY TRANSITION



When designing its industrial site, ICAM placed innovation and environmental sustainability at the center, identifying trigeneration as the best energy supply solution.

This plant maximizes the use of natural gas energy to simultaneously generate electricity, steam, and chilled water: three essential resources for the chocolate production process.

## THE TRIGENERATOR: AN ENERGY EFFICIENCY CHOICE



Traditional thermoelectric power plants convert only about 40% of the fuel’s energy into electricity.

Trigeneration, a specific application of **cogeneration**, enhances efficiency by not only producing **electricity** but also recovering thermal energy from the transformation process to generate **steam** and

**hot water**. This recovered thermal energy is then used to produce **cooling energy** — or chilled water — for air conditioning or industrial processes.

In trigeneration systems, combustion engines are paired with absorption chillers that convert thermal energy into cooling, enabling the simultaneous production of electricity, heating, and cooling. This optimizes thermal loads and achieves **efficiency levels of up to 80%**.

The adoption of a trigenerator represents the most efficient production and environmental solution currently available. Powered by methane, it supplies all three types of energy — electricity, heat, and cooling — directly to the chocolate production process.

ICAM is staunchly committed to the maintenance and optimization of its trigeneration plant. Among the most significant activities are **revamping**, the separation of the steam circuits, and the replacement of key components such as the boilers, the cogenerator economizer, and the alternator.

Furthermore, a urea-based emissions abatement system has been installed, further contributing to reducing the site’s environmental impact by eliminating CO and NOx (greenhouse gases) from the exhaust.

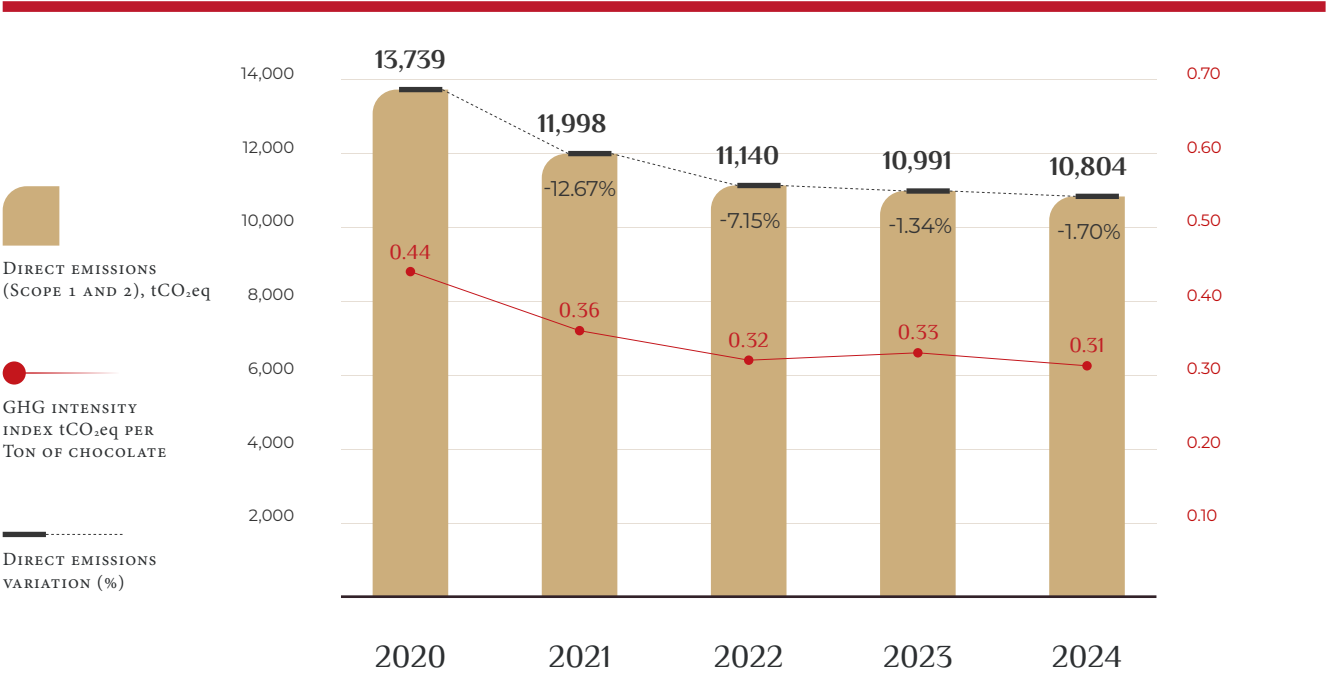
The trigenerator’s efficiency is further validated by its classification as CAR (High-Efficiency Cogeneration), which enabled ICAM to obtain **1,338 White Certificates**<sup>18</sup> (energy efficiency certificates) in 2024 alone — contributing to a total of 15,174 certificates over the past nine years.

The trigenerator ultimately covers **77% of the energy needs**<sup>19</sup> of the Orsenigo production site.

Always mindful of its environmental impact, and in particular to mitigate its direct emissions,

starting in 2021, ICAM has adopted the purchase of **electricity from renewable sources** to supplement the trigenerator’s production. Indirect **Scope 2**<sup>20</sup> emissions have thus been reduced to zero, going from 2,572 tons of CO<sub>2</sub>eq in 2020 to 0. ICAM’s approach to sustainable energy supply has led to a **21% reduction in Scope 1 and Scope 2 emissions since 2020**. Notably, this reduction has been maintained despite a 12% increase in production volumes over the same period — a clear indication that improvements in plant efficiency are generating measurable, tangible results.

## GHG INTENSITY INDEX tCO<sub>2</sub>eq/TON OF CHOCOLATE, SCOPE 1 AND 2



In 2024, direct emissions (**Scope 1**) were **10,804 tCO<sub>2</sub>eq**, mainly related to methane consumption used for the trigenerator. The emissions intensity index (Scope 1 and Scope 2 compared to choco-

late production) shows a constant reduction. Since 2020, this index has decreased by 30%, with a further reduction of 6% in 2024.

<sup>18</sup> Consider the multiplication factor applied to the efficiency calculation; it has decreased by 30% since 2023.  
<sup>19</sup> Considering electricity alone.  
<sup>20</sup> Market-based.





ATTACHMENTS  
CSRD DETAIL

ESRS ENVIRONMENT

ESRS E1 - Climate Change

1.15 E1-5B “ENERGY CONSUMPTION AND MIX (37., 38., RA 34.) - HIGH IMPACT”	UNIT	2024	
		ITALY	UGANDA
38. a) Fuel consumption from coal and coal products	MWh	0	0
38. b) Fuel consumption from crude oil and petroleum	MWh	298	35
38. c) Fuel consumption from natural gas	MWh	53,108	0
38. d) Consumption of fuels from other non-renewable sources	MWh	0	0
38. e) Consumption of electricity, heat, steam and cooling from fossil fuels, purchased or acquired	MWh	0	0
37. a) Total energy consumption from fossil sources	MWh	53,406	35
RA 34. Share of fossil fuels in total energy consumption		87.4%	55.3%
37. b) Consumption from nuclear sources	MWh	0	0
RA 34. Share of nuclear sources in total energy consumption		0.00%	0.00%
37. c) i. Consumption of fuels from renewable sources, including biomass (also includes industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc).	MWh	0	0
37. c) ii. Consumption of electricity, heat, steam and cooling from re-newable sources, purchased or acquired	MWh	7,714	28
37. c) iii. Consumption of self-produced renewable energy without resor-ting to fossil fuels	MWh	0	0
37. c) Total energy consumption from renewable sources	MWh	7,714	28
RA 34. Share of renewable sources in total energy consumption		12.6%	44.7%
37. Total energy consumption	MWh	61,119	63

CUSTOM E1-8 - WHITE CERTIFICATES	2022	2023	2024
White certificates	1,554	1,237	1,338

1.21 E1-6A “GROSS GHG EMISSIONS OF SCOPE 1, 2, 3 AND TOTAL GHG EMISSIONS (48., 49., 51., 52.)”	UNIT	2024
		ITALY
Scope 1 GHG emissions		
48. a) Gross GHG emissions of Scope 1	tCO <sub>2</sub> e	10,804
Scope 2 GHG emissions		
49. a) Scope 2 GHG gross emissions based on location	tCO <sub>2</sub> e	2,556
49. b) Market-based gross emissions of Scope 2 GHGs	tCO <sub>2</sub> e	0
Significant Scope 3 GHG emissions		
51. Total gross indirect GHG emissions (Scope 3) (2020)	tCO <sub>2</sub> e	287,667
Total GHG emissions		
52. a) Total GHG emissions (location-based)	tCO <sub>2</sub> e	301,026
52. b) Total GHG emissions (market-based)	tCO <sub>2</sub> e	298,471

ESRS E3 -Water and Marine Resources

3.13 “E3 – INTENSITY CUBIC METERS ON NET REVENUES”	UNIT	2024
		ITALY
Total water consumption	m <sup>3</sup>	69,858
Net revenue	€	320,243,799
Water intensity	m <sup>3</sup> /M€	218





ESRS E5 - Resource use and circular economy

5.9 E5-4 “INCOMING RESOURCE FLOWS”	UNIT	TOTAL WEIGHT	31. A) OF WHICH ORGANIC MATERIALS	
Sugar, milk and nuts	ton	13,988	6,044	43.2%
of which sugar	ton	10,337	4,673	45.2%
of which milk	ton	2,864	884	30.9%
of which nuts (hazelnuts, hazelnut paste, almonds, cashews, etc.)	ton	788	488	61.9%
Cocoa	ton	31,806	13,769	43.3%
Paper and cardboard CER 150101	ton	1,808		
of which primary packaging	ton	696		
of which secondary packaging	ton	1112		
Plastic	ton	19		
Aluminum	ton	107		
Compostable	ton	73		
Other (coupled, multilayer, etc.)	ton	144		
Total	ton	47,946	19,813	41.3%

CUSTOM E5-4 - COCOA ORIGIN (CERTIFICATIONS AND PURCHASE CHANNEL)	UNIT	2024			
		DIRECT PURCHASE	INDIRECT PURCHASE	TOTAL	%
Conventional	ton	8,888	2,552	11,440	36.0%
Organic	ton	5,130	2,174	7,304	23.0%
Fairtrade	ton	1,625	267	1,892	5.9%
Organic and Fairtrade (including Naturland)	ton	4,420	1,919	6,339	19.9%
Rainforest Alliance	ton	3,216	720	3,936	12.4%
Organic and Rainforest	ton	126	0	126	0.4%
Other sustainability certifications	ton	0	769	769	2.4%
Sub total	ton	23,405	8,402		100%
		73.6%	26.4%		
Total	ton	31,806			

CUSTOM E5-4 - THE ORGANIC OF ICAM CHOCOLATE UGANDA LTD.	UNIT	2024
		UGANDA
Farmers with organic certifications	-	5,769
Hectares of certified organic plantations	Ha	10,738

5.10 E5-5A “OUTPUT RESOURCE FLOWS (35., 36., 40.) - PRODUCTS AND MATERIALS”	2024
	ITALY
36. c) Percentage of recyclable packaging in finished products	93.0%

ESRS SOCIAL

ESRS S1 - Own workforce

1.12 S1-6A “EMPLOYEE CHARACTERISTICS OF THE COMPANY (50. A, 50. B, 50. D, 50. E, 50. F, 52.)”	2024					
	ITALY			UGANDA		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
52. Total employees	197	225	422	55	128	183
52. a) Full-time employees	168	224	392	38	90	128
52. b) Part-time employees	29	1	30	17	38	55
50.b) Permanent employees	196	218	414	38	90	128
50. b) Fixed-term employees	1	7	8	17	38	55
50. b) Employees with variable hours	0	0	0	172	122	294



1.18 S1-9B “DIVER-SITY METRICS (EMPLOYEES BY AGE GROUPS) (66. B)”	2024							
	ITALY				UGANDA			
	< 30 YEARS	30-50 YEARS	> 50 YEARS	TOTAL	< 30 YEARS	30-50 YEARS	> 50 ANNI	TOTAL
Managers	0	1	8	9	0	1	0	1
Executives	0	8	4	12	0	5	0	5
Employees	18	66	21	105	16	41	0	57
Workers	22	178	96	296	13	47	5	65
Seasonal Workers	n.a.				n.d.			55
Total	40	253	129	422	29	94	5	183

1.25 S1-13B1 “METRICS OF TRAIN-ING AND DEVELOPMENT OF SKILLS (83. B)”	UNIT	2024		
		ITALY		UGANDA
		NUMBER OF HRS OF TRAINING	AVERAGE HRS OF TRAINING	NUMBER OF HRS OF TRAINING
Women	h	4,483	22.7	n.d.
Men	h	5,535	24.6	n.d.
Not communicated	h	0	0	n.d.
Total	h	10,018	23.7	n.d.

CUSTOM S2-4 NUMBER OF SUPPLIERS TO WHOM ICAM HAS FAVORED ACCESS TO CREDIT THANKS TO ANNU-AL CONTRACTS	UNIT	2024
		ITALY
Suppliers		8
Amount of cocoa involved	ton	2,500
Bank financing value	€	25,886,975

ESRS GOVERNANCE

ESRS G1 - Business Conduct

CUSTOM G1 - NUMBER OF COOPERATIVES FROM WHICH ICAM DIRECT-LY BUYS FAIRTRADE CERTIFIED COCOA AND PAYS THE FAIRTRADE PREMIUM DIRECTLY	NUMBER
Peru	16
Ecuador	1
Dominican Republic	2
Totale	19





*"Someday we will be asked how we made  
such a product."*

Silvio Agostoni  
Founder of ICAM



**ICAM** S.p.A.

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