



Sustainability Report 2021



Chocolate by nature
Our nature, naturally

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Letter from the President

Dear Reader,

In 2021, ICAM celebrated its 75th anniversary.

This highly symbolic milestone inspired us to look back over our long history.

What led this small but vigorous enterprise founded in the 1950s - producing and selling its own brand just to the Italian market - to become the company it is today: a business with more than 400 employees, generating more than 60% of its turnover abroad and supplying products to all kinds of customers in our global industry?

Our answer: there are many factors, but one crucial key to ICAM's sustained success are the relationships we have nurtured with our employees, suppliers, customers, and the places where they live and work. Today we would define this behavior as "native sustainability". There are no certifications to prove all this, but we have many, many testimonies.

Today, the underlying principle that holds these 75 years of history together is expressed in a much more structured way. Seventy years ago, each and everyone in the company thought and acted in a certain way, almost as accepted fact. Today much has changed. The sustainability analysis we carried out multiplied our objectives. Our horizons expanded to distant environments and subjects, and our awareness of the consequences of our activities has become much more comprehensive. Today we talk about procedures proposed by recognized bodies, controls, certifications provided by qualified third parties.

It's a new and very challenging world.

What remains for us now is the choice of global sustainability, which, like 75 years ago, is not only an aesthetic or moral issue, but a genuine identity factor and, we hope - as then - a critical factor for success.

For this reason, in 2021 we wanted to communicate and explain to all our stakeholders the founding characteristics of our identity, which is based on 4 pillars: Supply Chain, People, Environment, and Innovation. To reinforce and offer a tangible sign of this identity, we have renewed our logo. Above all, in order to ensure our operations are up to the complex challenges we face, we have decided to create a specific departmental function - managed by a family member - aimed at promoting, controlling and guiding sustainability in the various aspects of our business.

Although this was the most important decision of 2021, we would also like to point out that a detailed study of the company's Carbon Footprint was also carried out in 2021. As with all companies in our sector, the main source of debt was the supply chain.

However, a third party we commissioned to carry out a specific investigation with regard to Uganda cocoa - one of the supply sources most directly controlled by us - found that our Uganda cocoa has an environmental impact three times lower than the recognized average worldwide. This research suggested some interesting operational ideas.

We have also introduced innovative compostable packaging for our own brand, the result of a long study, carried out in partnership with our suppliers of materials and technology, to find solutions to existing technical limits and combine compostability with the ability to protect the product.

We wanted to point out these two initiatives as particularly significant to us. However, we hope you as you scroll through the report, you will find many other compelling proposals.

Happy reading.

Angelo Agostoni
President





Letter from Chief Sustainability Officer

For some years now, a new conception has been emerging about the role a company plays in modern society. Indeed, all producers, from the smallest artisan to medium and large enterprises, are now recognized as having the ability to generate an impact on the context in which they operate: not only economic, but also environmental and social.

This awareness is not new to us and has always been the basis of our work: it is not just a role that may be assumed, but rather the *raison d'être* of every company.

Over the course of 75 years of history, first my grandparents and later the second generation have witnessed and transmitted to us that a company can have a future only if it is capable of being proactive, creating value and lasting relationships over time, i.e. positive impacts for people and communities, from the growers of our raw materials to the communities of collaborators, suppliers and customers, respecting and sharing the values of the company they work for.

Contributing to this continuing story is a challenge which I embrace with enthusiasm and a sense of responsibility. From 2022, I will take on the role of Chief Sustainability Officer, with the task of coordinating cross-functional teams committed to planning and pursuing corporate “sustainability” strategies, integrating business objectives with environmental and social sustainability objectives.

I hope to be able to capture and interpret the expectations of our stakeholders and, with everyone’s collaboration, consolidate ICAM’s role as a proactive entity capable of generating value.

Sara Agostoni
Chief Sustainability Officer





Methodological note

This document - the **fourth Sustainability Report** of ICAM S.p.A. (hereinafter also “ICAM” or the “Company”) - is the tool with which the Company presents its sustainability policies and objectives to stakeholders, reporting on results obtained during the year.

The 2021 Sustainability Report (hereinafter also the “Report” or “Document”) refers to the period 1 January - 31 December 2021, and the reporting scope has been extended to include the entire ICAM Group (ICAM S.p.A., AGOSTONI CHOCOLATE NORTH AMERICA Inc., ICAM CHOCOLATE UK Ltd. And ICAM CHOCOLATE UGANDA Ltd.) in accordance with the consolidated financial statements of the Group¹. Information relating to our Uganda subsidiary (ICAM CHOCOLATE UGANDA, Ltd.) does not cover the subject of water management.

The 2021 sustainability Report was prepared in accordance with the Global Reporting Initiative Standards (hereinafter GRI Standard) and sector supplements (G4-Food Processing Sector Disclosures), documents published by the GRI through the Core option. All content referring to the GRI Standard is indicated in the GRI Content Index at the end of the document.

In coordinating the drafting of this ICAM document, I involved the company’s organizational structure by requesting data and information on the results achieved during the year from the various departments concerned. The information contained in this document was collected through specific forms and interviews with department representatives, in line with best practices in the field of non-financial reporting.

To allow the comparability of the data, where possible, the data relating to 2019 and 2020 have been included. Any changes made to the comparative data previously published, aimed at providing a better representation of the information, are duly reported in an explanatory note. Furthermore, to ensure the reliability of the data in the document, the use of estimates was limited and, where present, these estimates were appropriately indicated as such.

Finally, in preparing the 2021 Sustainability Report, ICAM continued to listen to and involve its external associates, also in order to update the Materiality Matrix.

For information and clarification on the contents of the 2021 Sustainability Report, please use the following address: sustainability@icamcioccolato.it

Sara Agostoni
Chief Sustainability Officer

¹ Social and environmental information concerning AGOSTONI CHOCOLATE NORTH AMERICA Inc. and ICAM CHOCOLATE UK Ltd. is not included in the report as it does not have a material impact for the Group.

Highlights 2021

Awards



Sustainability Award 2021: ICAM
in the top 100 for Sustainability



Italian Food Award (Sweets & Confectionery):
special Sustainability award for “Vanini
Uganda Organic Bars”



Quality Award 2021
for our Blue Rose praline



Innovation Guide Prize Top 100
“Vanini Uganda Organic Bars”



DS-DolciSalati&Consumi
Awards Prize for best product
for BIO Vanini Uganda Bars

Commitment to people



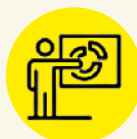
+ 17
employees
in the workforce



41
employees who have received
a financial contribution for
voluntary activities



96
employees who have received
a financial contribution to support
school costs for their children



40,7
pro capita hours of training



€ 599.440
value of food donations

Responsibility throughout the supply chain



81%
of cocoa beans purchased
directly at origin are
certified



96%
cocoa purchased with
official signing of the
ICAM Code of Ethics



100%
of suppliers of other raw
materials have signed the ICAM
Code of Ethics



3.268
farmers trained in agronomic
practices in Uganda



€ 2.547.872
total Fairtrade premium

Commitment to innovation



734
recipes developed



0.60
complaints per one million
consumer units sold

Responsibility towards the environment



85%
electricity from
self-production



15%
electricity purchased entirely from
renewable sources



-10,4%
emissions into the atmosphere
(Scope 1 and 2)



71%
reduction in primary wrapping
of chocolate bars, saving
64 tons of paper



96%
recyclable materials
used for the packaging of
chocolate bars



90,3%
organic material
waste destined for
recovery





Corporate identity

Company profile

ICAM S.p.A., an acronym of “Industria Cioccolato e Affini, Morbegno” translated as “Chocolate and Related Industries, Morbegno”, is a **company that specializes in the production and marketing of chocolate (organic, Fairtrade, bio-Fairtrade and conventional)** and semi-finished cocoa products, and has been a leading representative of Italian excellence in the art of chocolate-making for over 75 years. Since its foundation in 1946, the company has followed a distinctive approach to production, in line with the philosophy that has always accompanied the family business: **producing high quality, sustainable chocolate.**

ICAM has always taken care of the cocoa supply chain, the people who contribute to its development, the environment in which it operates and technological innovation throughout the entire manufacturing process.

Supply Chain, People, Environment, Innovation: these are the cornerstones of ICAM's corporate mission and the drivers that guided the preparation of this Report.

For three generations ICAM has followed the marvelous and complex process of transforming cocoa, a precious gift of nature, into chocolate of excellent quality, respecting the raw material and maximizing its essence and organoleptic properties in order to offer customers a product that is flawless in every way. ICAM works with integrity and in compliance with all laws in Italy and in the countries of origin of the cocoa, always with the specific objective of facilitating an exchange of skills and mutual enrichment with its associates, consolidating relationships of trust that generate value, starting from a Code of Ethics that the Company shares with its partners and firmly undertakes to respect.

ICAM chocolate is produced responsibly, protecting natural resources, for the benefit of the community and future generations.

The company looks after the cocoa plantations and the wellbeing of the land in which they grow, preserving biodiversity.

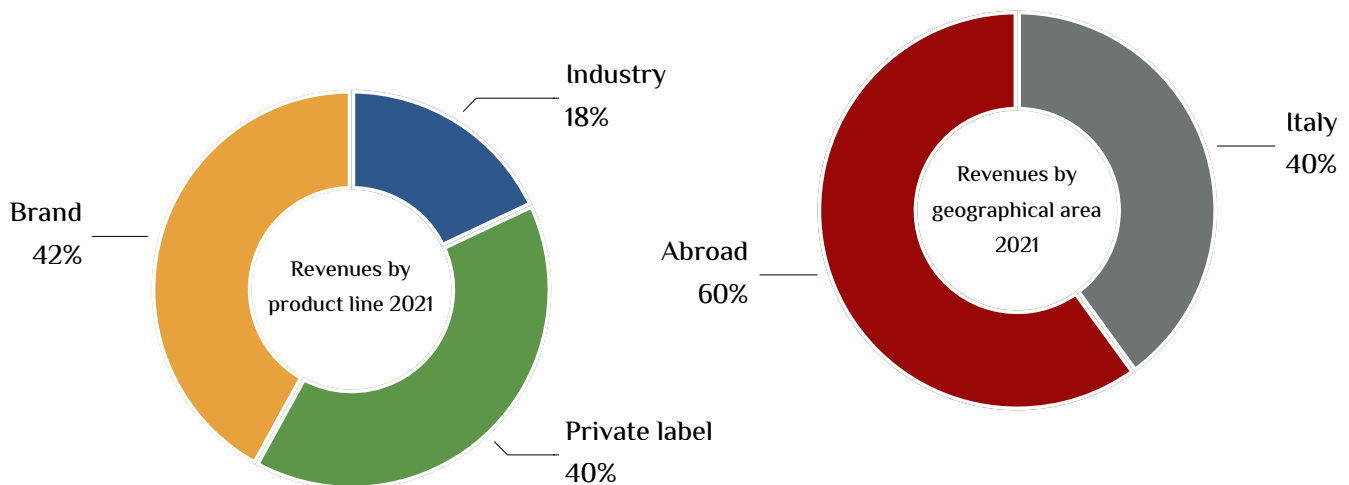
ICAM uses technology and research to ensure the quality of chocolate production.

Each new plant introduced at our Orsenigo premises is a tangible sign of a continuous process of innovation directed daily at the product offerings. ICAM is committed to producing chocolate by cultivating ethical, environmental and economic responsibility, offering beneficial results to the communities in which it operates.

The Agostoni and Vanini families have passed down their passion for chocolate from generation to generation, acting as interpreters of an authentic “**Made in Italy**” culture and offering their customers high quality Italian chocolate. Passion, creativity and attention to market trends guide the development of products, which enjoy success among consumers and professionals all over the world.

The Company operates from two factories in Italy: the first, located in **Orsenigo (CO)** is the production heart of the company, while the second, the registered office of ICAM in **Lecco**, is a logistics hub and hosts ICAM Store, the company store. ICAM Group is also present abroad with two commercial offices (US and UK), a Representative Office in Peru, a company dedicated to the development of plantations in Madagascar (with high agricultural yield thanks to the application of good agricultural practices promoted by ICAM) and three fermentation centers in Uganda.

Thanks to our ability to control the entire production chain, from the plantation to the finished product, the Company can develop a highly diversified range of products that meet the needs of the market and its commercial partners. ICAM sells its products both on the **Italian market and abroad** (France, Germany, Great Britain, Poland, United States of America, etc.).



ICAM's business is divided into three main segments:

- **OUR BRANDED PRODUCTS:**

- **Vanini brand:** the Vanini premium chocolate line is made with the best cocoa from highly select plantations. In particular, the brand uses “Bagua” Amazonian cocoa, from the border area between Ecuador and Peru in South America, and Ugandan organic cocoa from the Bundibugyo district, processed directly by ICAM Chocolate Uganda Ltd. The Vanini range of high-quality products includes chocolate bars, pralines, gianduiotti and chocolate eggs.





- **ICAM brand products:** bars, pralines, cocoa, sweets, chocolate eggs and mini eggs made using Italian ingredients and characterized by high-quality organoleptic properties. The CiocoPasticceria retail range, for home baking chocolate creations, completes this product portfolio.



- **Agostoni and ICAM Professional brands:** a wide range of blend, single origin and grand cru chocolate coverings, cocoa powders, creams and specific raw materials for professional processing, which guarantee excellent technical performance and taste profiles; they are sold to pastry, ice cream, chocolate and restaurant professionals.



- **PRIVATE LABEL PROGRAMS:** ICAM produces chocolate bars in numerous formats and weights, as well as pralines and semi-finished cocoa products for retail chains and other confectionary customers, both in Italy and abroad. The products are made with conventional, organic or Fairtrade raw materials. Complete customization to satisfy the most sophisticated tastes of customers, ranging from the development of new recipes to the detailed study of packaging, with a 100% tailor-made approach and a high level of flexibility and service.



- **FOODSERVICE AND INGREDIENTS:** the offering includes chocolate, cocoa powder and semi-finished cocoa products through the entire range: conventional, organic, Fairtrade and single origin. The offering is further expanded through the development of customized recipes, specifically designed to ensure a complete and comprehensive response to every individual production requirement.



ICAM BRANDS





ICAM, a family history

For three generations, the Agostoni family has cultivated its passion for chocolate and has led ICAM to be the Italian company of reference for the processing of sustainable and high-quality cocoa.

- 1942** | Silvio Agostoni takes over a laboratory in Morbegno, in Valtellina.
- 1946** | Silvio Agostoni moves to Lecco, where he founds the Company.
- 1940s**
1950s | A system for extracting sugar from dried beetroot is developed.
The first machines for cocoa processing are purchased.
The production of "Dolcao" cream begins.
The collaboration with Vital begins to create a press for the extraction of cocoa butter.
- 1953** | A new factory in Via Pescatori (Lecco) is built.
- 1960s**
1970s | The company becomes an S.p.A.
With Silvio Agostoni's passing, the Company passes the management of his wife, Carolina, assisted by his two brothers.
- 1970s** | Angelo Agostoni, son of the founder Silvio, begins to make several trips to the cocoa cultivation areas, to get to know the varieties of cocoa directly and to learn about cultivation problems.
- 1980s** | Entry of the second generation of the Agostoni family.
Significant investments to expand production capacity and introduce new plants to improve the production process and product quality.
- 1997** | The Company launches the first organic chocolate products on the market.
- 2004** | The "ICAM Linea Professionale" brand line is launched.
- 2010** | Entry of the third generation of the Agostoni and Vanini families.
The new Orsenigo production center in the province of Como is inaugurated.
- 2014** | The Vanini premium brand is launched.
- 2016** | A new line of products dedicated to professionals is presented: Agostoni.
- 2017** | Industrial upgrade completed with the installation of a 4.0 modeler and final transfer of production to Orsenigo.
- 2019** | ChocoCube, ICAM's high level professional training center dedicated to pastry chefs, chocolatiers and ice cream makers is opened.
The first ICAM Sustainability Report 2018 is published.
- 2020** | ICAM publishes its second Sustainability Report, drawn up according to the GRI standards Core option. The 2019 Sustainability Report is awarded a prize by Consumer Lab's Index Future Respect 2020.
- 2021** | ICAM redefines its corporate identity, identifying the 4 cornerstones on which its strategy is based: Supply Chain, People, Environment, Innovation. Its Corporate brand is redesigned. The role of Chief Sustainability Officer is established. The Sustainability Report for 2021 is the fourth edition.

Corporate values

“In producing high quality chocolate, ICAM aims to pursue excellence and sustainability”

Aware of its role and recognizing its responsibilities within the economic and social community in which it operates, the Company **formally undertakes to guarantee compliance with the following ethical principles:**

INTEGRITY

In all its activities and in every context, ICAM is inspired by values of moral integrity, fairness and honesty. The Group's essential principle is **compliance with the laws and regulations in force** in all the countries in which the companies operate

CENTRALITY OF THE PERSON

The **value of the person** is a fundamental element that guides ICAM's work; the Group undertakes to respect this value in relations with all individuals with whom it interacts in any capacity. In carrying out its business, the Group supports and respects **human rights** and promotes their protection within its sphere of influence.

QUALITY

The fundamental value in ICAM's corporate culture is an earnest and unceasing commitment to bringing guaranteed quality to every business activity, every product and every relationship. The Group's goal is to create unique products that respond to the most demanding customer requests; to this end, we devote expertise and resources to **Research and Development** activities that generate process and/or product innovation and guarantee a consolidated food-safety control system and “**Made in Italy**” excellence.

INVOLVEMENT

ICAM considers **trust** to be a fundamental component of any relationship: from sharing business objectives with employees and partners, to the involving cocoa producers in the evolutionary processes that lead to establishing a valued supply chain; a direct and sincere engagement defines the Group's approach in all its relations with stakeholders.



ICAM promotes participatory and **mutually enriching** dialogue, aiming to create collaborative relationships that are based on principles of loyalty, a sense of responsibility, fairness and good faith and generate value for all those involved.

ICAM considers listening and dialogue to be crucial tools for continuous improvement, helping to identify innovative solutions for customers as well as enhancing the professionalism and skills of its collaborators.

SUSTAINABLE SUCCESS

ICAM sets its growth strategy with a view to sustainable success: creating long-term value not only for the benefit of shareholders, but also taking into account the legitimate interests of other stakeholders relevant to the Group, whether they are close such as our own employees, or distant, such as the local communities of the countries from which the Group's raw materials originate.

ICAM respects the environment and protects natural resources for the benefit of the community and future generations, operating in compliance with existing regulations and adopting the most suitable measures to prevent risks and reduce direct and indirect environmental impacts. **In April 2010 the Shareholders' Meeting approved the ICAM Code of Ethics, which was updated in December 2020** in order to clearly identify values that the Company recognizes, accepts, shares and considers fundamental. Prepared according to the main regulations, guidelines and best practices existing at the national and international level on the subject of human rights, corporate social responsibility and corporate governance, the Code of Ethics is the key tool used by the Company to implement its approach to conducting business and to guaranteeing the transparent and correct management of human and commercial relations.

SEDEX: A PARTNERSHIP FOR CERTIFIED ETHICAL COMMITMENT

ICAM has been a member of **SEDEX** (Supplier Ethical Data Exchange) since **2010**. SEDEX is a non profit organization engaged in disseminating ethical principles across the whole the supply chain. SEDEX is the most important European platform for the collection and processing of data on ethical behavior of supply chains.

Since **2015**, the Company has chosen to voluntarily subject itself annually to a **SMETA** (Sedex Members' Ethical Trade Audit), an auditing method created by SEDEX that represents a best practice model in ethical audit techniques.

The audits concentrate on four main pillars: **labor standards, health and safety, business ethics, and environment**. The results of the audit are made public on the SEDEX platform, allowing companies to exchange contacts and information.

In 2021, ICAM became a **SEDEX partner**, thus obtaining visibility on the ethical performance of supply chain operators and the possibility of activating due diligence tools.



Mission

To ensure maximum customer satisfaction with the excellence, quality and variety of its products.

The Group intends to pursue its mission by enhancing the professionalism and passion of all the people who contribute every day to making ICAM a unique enterprise in its sector: shareholders, employees, collaborators, suppliers and customers.

Strategy

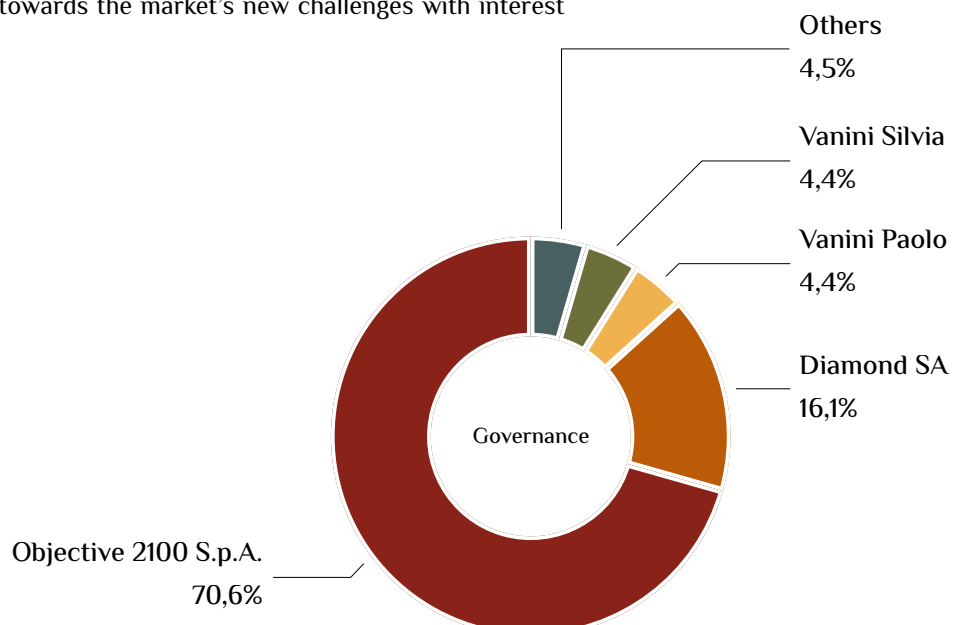
ICAM pursues excellence and sustainability in the production of high-quality chocolate, particularly in the organic and fair-trade products sector. From this perspective, the Company considers supervision of the entire production chain to be strategic, from planting to the finished product (**vertical integration**), limiting the involvement of intermediaries. This approach allows for greater control over socio-environmental risks and allows for selection of the best raw materials while reducing dependence on the market, which is increasingly conditioned by the presence of speculative operators who negatively influence pricing trends and production techniques. Another winning strategic factor is the Company's internationalization process.

Governance and organization

ICAM's roots are still very solid and visible today in the Company's shareholder structure: 70,6% of the capital is held by Obiettivo 2100 S.p.A., whose members are: Angelo Agostoni, Plinio Agostoni, Antonio Agostoni, Alberto Agostoni, Marisa Agostoni, Marco Vanini, Daniela Bancheri.

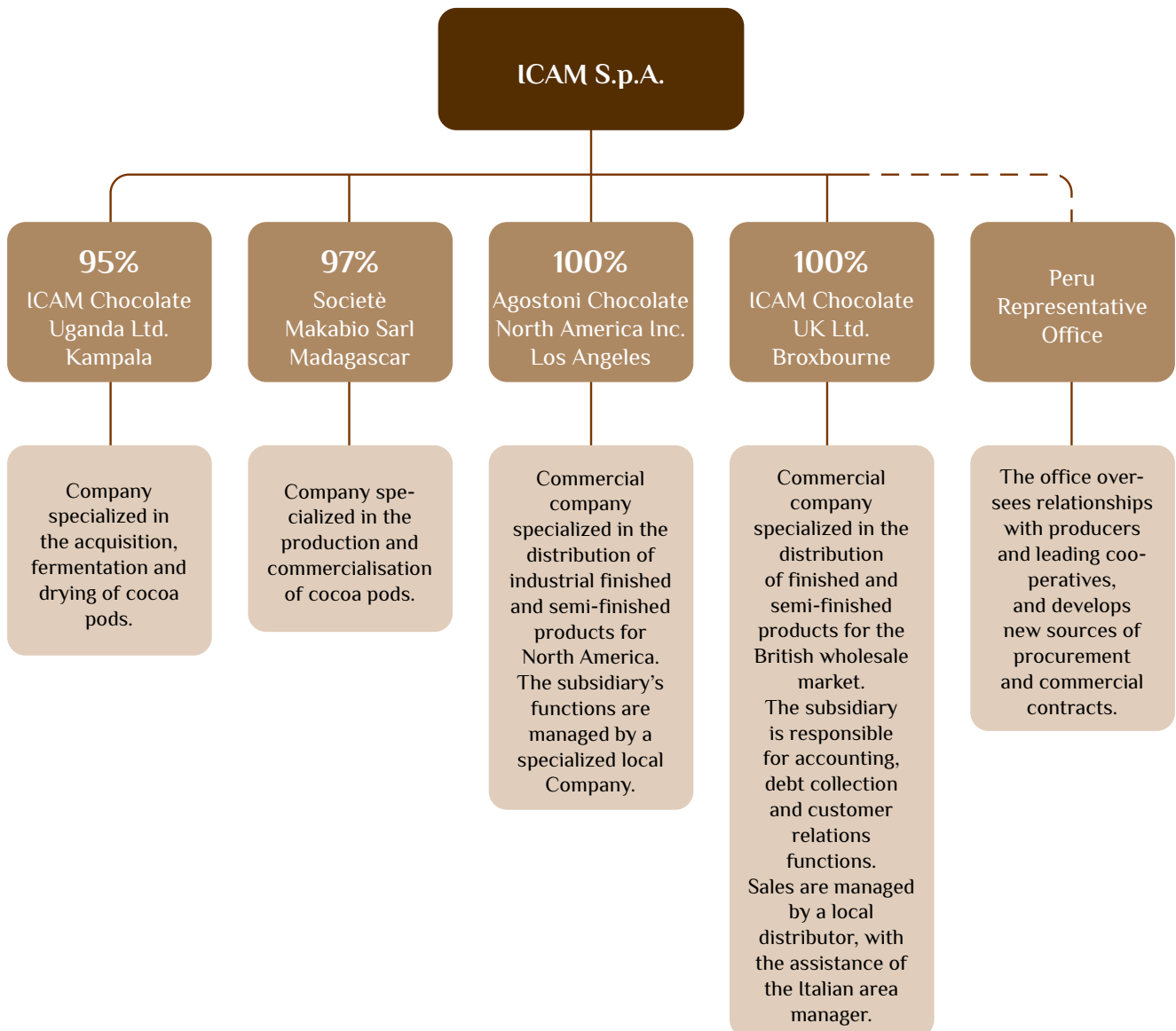
The family, including the younger generations, is significantly present in the management of the business, thus ensuring the traditional family connection together with an innovative management that looks towards the market's new challenges with interest and curiosity.

ICAM S.p.A. is controlled 70,6%
by Objective 2100 S.p.A



ICAM's growth has warranted the establishment of a corporate group capable of adequately responding to organizational requirements for competing internationally.

To support this development, the Company has set up a subsidiary company and a representative office in strategic continents for the cocoa supply chain (Africa and South America) as well as two overseas marketing subsidiaries (United States and United Kingdom). ICAM Group is therefore currently composed of the following legal entities:

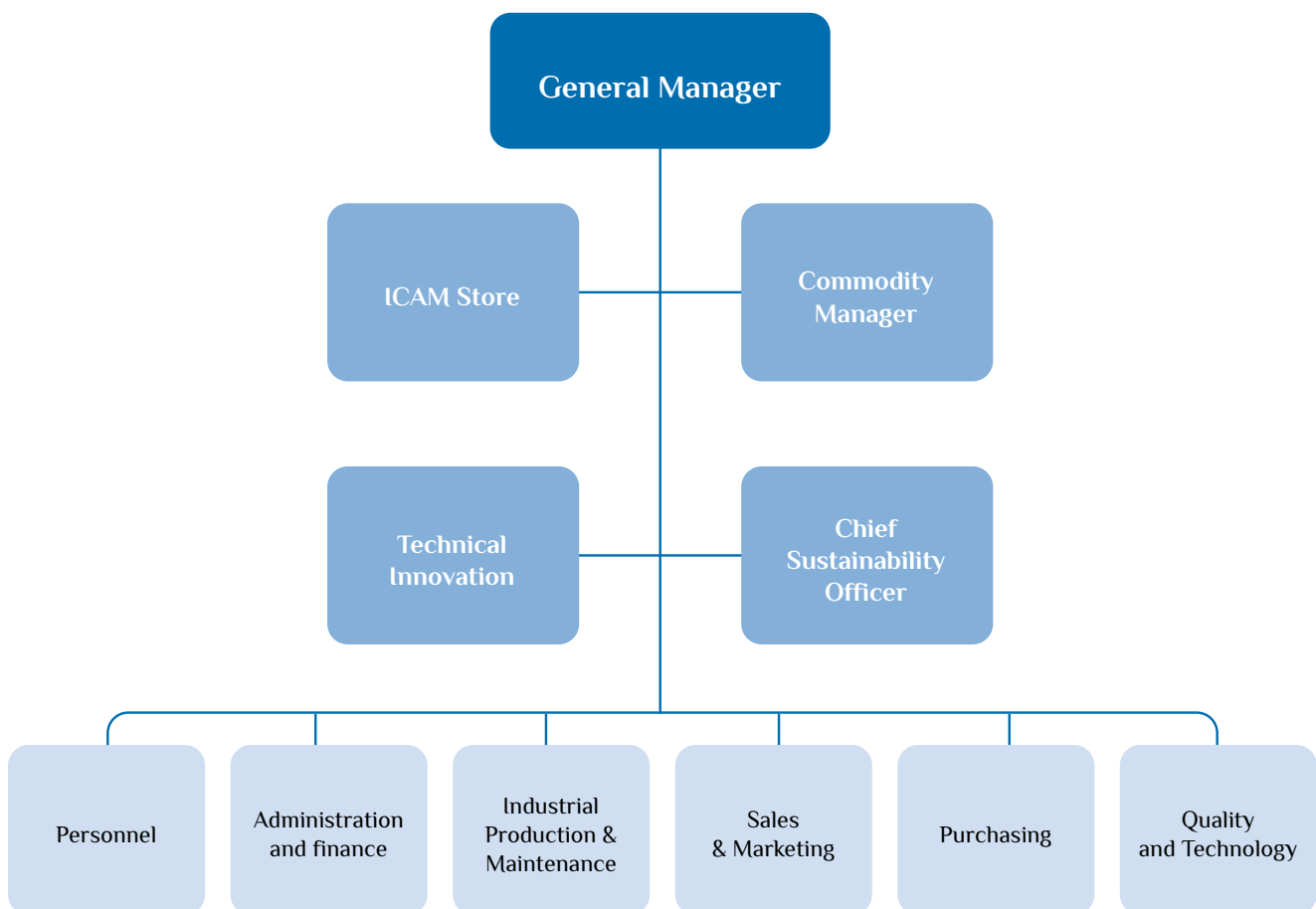


With reference to the governance system, ICAM adopts a traditional (ordinary) system involving a Board of Directors with executive functions and a Board of Statutory Auditors with control functions, both appointed by the shareholders' meeting.

As regards the composition of the Board of Directors - which met on 28/06/2021 - the Company drew inspiration from the model proposed by the Borsa Italiana Code of Corporate Governance, providing for the presence of two independent directors:

- Agostoni Angelo - President
- Agostoni Plinio - Deputy President
- Perrone Andrea Paolo - Independent director
- Fumagalli Paolo - Independent director
- Ottonello Bruno - Chief Executive Officer

ICAM S.p.A. has set up a functional organizational structure divided into six functions and four staff functions reporting to the General Manager.



General Management ensures that execution of corporate strategies defined by the Board of Directors, the achievement of general corporate objectives and the management of all operational aspects of the Company. Furthermore, the **Human Resources** function, which is responsible for managing the company's personnel-administration activities, and the Strategic Purchasing function, both report to the General Manager. The General Manager is also a member of the Remuneration Committee, together with the two independent Directors.

The **Sales and Marketing Department** is responsible for achieving corporate sales objectives in Italy and abroad and for promoting the competitive positioning of ICAM brand products and the brand itself in Italy and around the world, implementing the strategic mandate of the Board of Directors.

The **Purchasing Department** is responsible for achieving the company's purchasing objectives in terms of ingredients, packaging and services.

The manager of the **Industrial Management Department** has the task of securing the correct functioning of the production process for ICAM products and systems, ensuring the execution of production plans and delivery to customers.

The **Quality, Research and Development Department** is responsible for ensuring the quality of ICAM products and defining new recipes, methodologies and production technologies.

The **Administration and Finance Department** is responsible for the coordination, organization and optimization of corporate administration and financial management and for managing and developing the corporate information system.

The **ICAM Store** is ICAM's sales point and outlet situated at the Company's historical headquarters in the heart of Pescarenico in Lecco.

In 2020, ICAM established two executive committees, one for **Food Safety** and one for **Social Responsibility**. These committees manage inter-disciplinary work groups to meet the Company's ambitious objectives, monitoring the progress of projects and defining common guidelines. In 2021, the **Social Responsibility Committee** was brought under the leadership of the **Chief Sustainability Officer**.



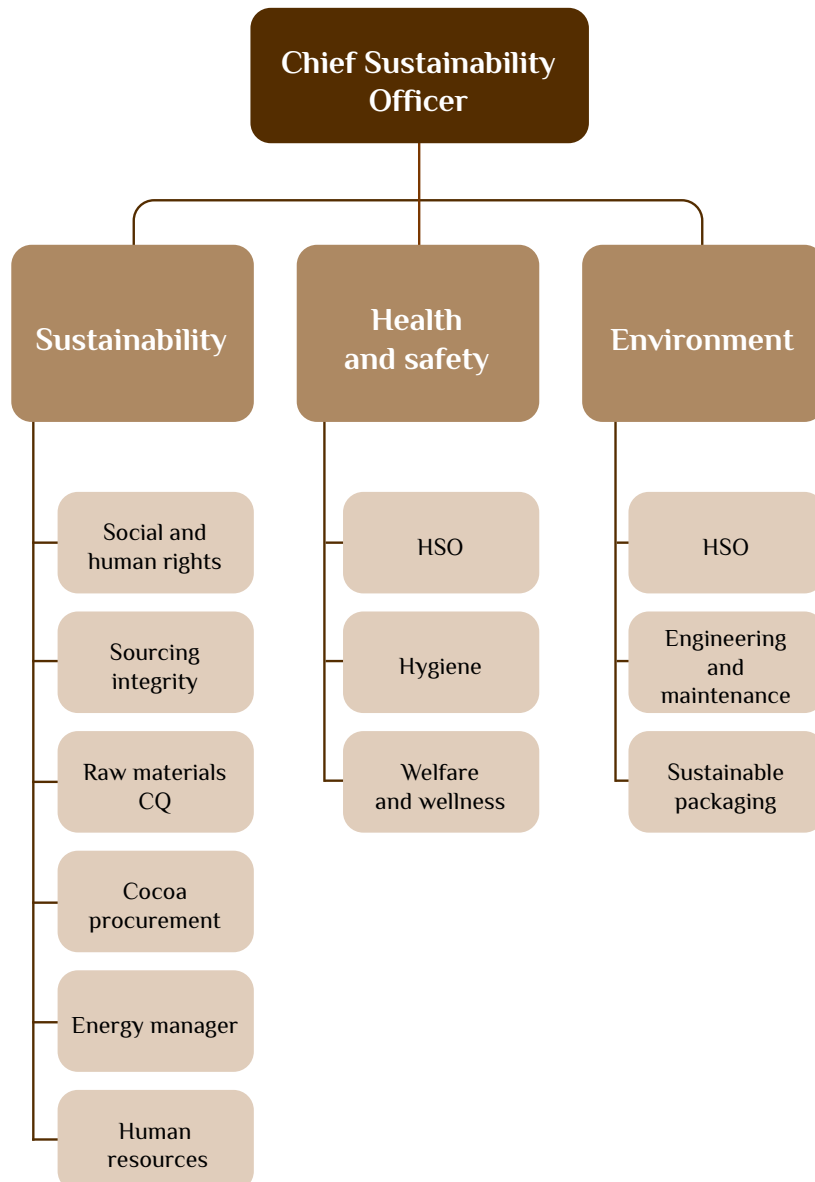
Sustainability Governance

Effective management and careful monitoring of sustainability issues are of primary importance for ICAM.

Management of these issues is aimed at creating value over time for ICAM's shareholders and stakeholders and has been structured under an ad hoc Committee since 2020.



In 2021, the Group decided to set up the specific function of Chief Sustainability Officer and to entrust this role of coordinating sustainability issues to Sara Agostoni - a member of the family.



The **Chief Sustainability Officer**, in collaboration with the heads of the various corporate functions, defines objectives, actions and guidelines to promote a corporate strategy that integrates sustainability into business decisions and processes. The CSO coordinates the Interdisciplinary Committee (made up of representatives from different company functions) and has the task of developing, implementing and monitoring Sustainability, Health & Safety and Environmental Policies, as well as promoting a culture of sustainability and dialogue with stakeholders at all levels in order to ensure that sustainability is effectively integrated into corporate strategies.

Sustainability-related activities and projects are reported to the shareholders at the ordinary meeting for approval of the financial statements and also to the Company's Board of Directors via the biannual reports produced in January and July.

The oversight of individual activities is also monitored and discussed during periodic meetings of the Management Committee.

SUSTAINABILITY AWARD - ICAM IN THE TOP 100

The Sustainability Award, promoted by Credit Suisse and Kon Group, is an important recognition granted to Italian companies that have distinguished themselves in facing ESG challenges, transforming them into an opportunity to develop and activate the best innovative efforts in the country. As part of this important initiative, ICAM was classified among the 100 most ethical companies for its commitment to addressing sustainability issues.



Anticorruption

ICAM S.p.A. undertakes, in accordance with the law and appropriate regulations, to prevent and fight any form of corporate crime, basing its conduct on values of moral integrity, fairness and honesty, as highlighted in the latest version of the Code of Ethics.

In addition to the cultural and value system already rooted within ICAM, the Group has applied a system of principles, rules and control tools aimed at preventing and fighting corruption.





The specific actions adopted by ICAM in regulating these processes and the general corporate context in which they take place are:

- adoption/updating of the Code of Ethics, the tool that guides the actions of the Group and of all the people who work with ICAM;
- adoption/updating of the Organization, Management and Control Model in accordance with Italian Legislative Decree 231/2001;
- risk assessment for the 231 Model, a tool that allows for timely identification of company activities in which the offences laid down by Legislative Decree 231/2001 might be committed;
- training of employees and partners in relation to identified risks and countermeasures;
- training of the network of agents used by the Company for sales activities in Italy;
- the Supervisory Board, whose task is to supervise the functioning, effectiveness and observance of the 231 Model and of its application tools;
- the Whistleblowing System to report possible violations of the Code of Ethics and the 231 Model;
- company procedures, which clearly regulate the responsibilities and organizational methods of the various company processes;
- the supplier classification process.

Furthermore, since 2010, **ICAM has adopted its own 231 Model**, thus defining appropriate organizational tools aimed at preventing corporate crime and encouraging conduct that is compliant with current legislation by all those who operate in the name and on behalf of the Company, inside and outside the Company. The 231 Model, which is subject to independent monitoring by an appropriately appointed Supervisory Board composed of three external professionals, is constantly updated. The latest update of the 231 Model was approved by the Board of Directors at the meeting of 22 December 2020.

This tool is of fundamental importance as it allows the Company to identify business activities exposed to the risk of committing any of the crimes laid down by Legislative Decree 231/01 and to put in place all the necessary safeguards to prevent such conduct from taking place.

With specific regard to the crime of corruption, the risk assessment carried out by ICAM identified 21 sensitive activities for 2018 and 2019 and 22 activities for 2020. The Risk Assessment showed that ICAM is most exposed to the risk of corruption crimes committed between private individuals, potentially aimed at expanding commercial activities.

The supervision and constant updating of the 231 Model allow timely alignment with regulatory changes, as well as adequate training of personnel.

In this regard, following the approval of the updated version of the 231 Model, specific training has been developed with regard to the updating of the 231 Model and the Code of Ethics.

The 231 Model also provides for a **specific Whistleblowing System** that offers all recipients a means of reporting possible irregular conduct, in order to promptly prevent and counteract any crimes and misconduct in violation of company regulations. In this regard, note that, as in previous years, no cases of wrongdoing committed in the interest of the Company were reported in 2021.














The stakeholders

ICAM is characterized by a dynamic and proactive approach involving the broadest network of stakeholders. The stakeholder map was defined using the methodology suggested by the AA1000 Stakeholder Engagement Standard developed by Account Ability, analyzing the different categories of stakeholders who are influenced by and who influence the Group's activities.

ICAM has always been convinced that a participatory dialogue of exchange and mutual enrichment with its stakeholders is crucial for the creation of collaborative relationships that generate trust and value for everyone involved.

Since 2019 the Group has supplemented the channels available for listening and dialogue with its stakeholders, launching a process for stakeholder engagement on sustainability issues.



STAKEHOLDER	SUBCATEGORIES	STAKEHOLDER	SUBCATEGORIES
 Human Resources	Board of Directors Management Staff Human resources "Uganda" and "Makabio" Agents Trade unions External collaborators	 Financiers	Financiers Banks Shareholders
 Suppliers	Cocoa intermediaries Other raw materials producers Energy providers Contractors Other goods and services suppliers	 Civil Society and NGOs	Trade associations Sector associations NGOs and lobby
 Cocoa Producers		 Regulatory and Certification Bodies	Certification bodies Regulatory and supervisory bodies
 Clients	Industrial clients Private label clients Professional line clients Large-scale retailers Distributors Commercial partner	 Media	Traditional media Social media
 Consumers		 Local Communities	Local institutions Schools Local associations Residents near ICAM's cocoa plantations
 Public Institutions	National International	 Education and Research	Research facilities and institutes Universities Higher education and training institutions
		 Competitors	

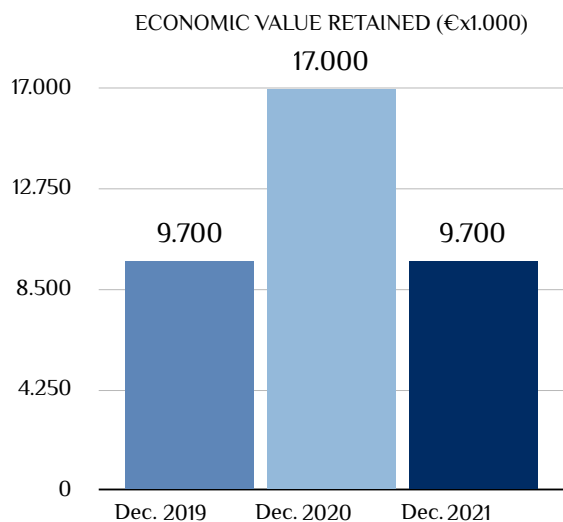
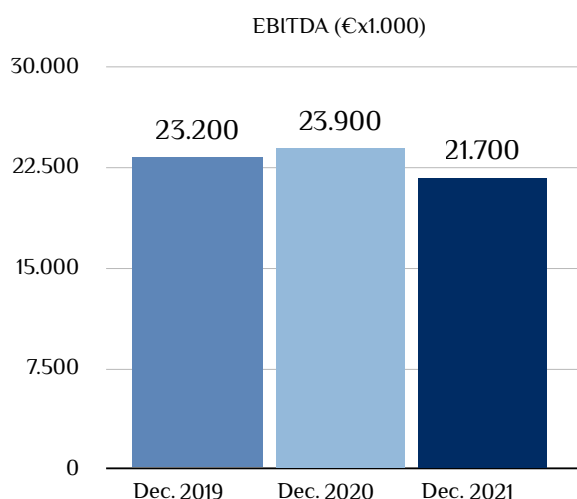
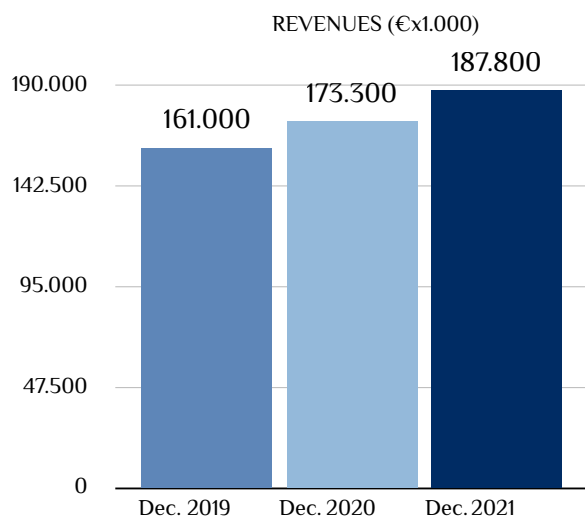
The Materiality Matrix

To consolidate a responsible approach to business and structure a strategic management of sustainability issues, ICAM updates its Materiality Matrix annually. The process for defining the ICAM Materiality Matrix began properly in 2018 with the identification of the most relevant sustainability issues. This activity was supplemented in 2019 with an updated analysis of the context in which the Group operates and, with stakeholder engagement activities addressed to Human Resources, the company obtained its first Materiality Matrix. Subsequently, the company involved some of its main national and international customers. **To prepare this version of the Matrix, the Company directly involved its main Suppliers, both Italian and international**, asking them to complete a questionnaire assessing ESG issues relevant to the Company. This allowed the Company to identify specific ESG issues and aspects on which to focus when preparing the Sustainability Report, thus refining the reporting process.

Furthermore, this activity allowed ICAM to understand the expectations of its stakeholders in terms of sustainability and to identify new areas for improvement in its sustainability initiatives.

A summary of the information obtained from the 3 stakeholder groups (employees and partners, customers, suppliers) is provided below.





Economic performance

ICAM's ability to be sustainable in the long term is intrinsically linked to careful and responsible economic and financial management. The constant search for the best economic performance, to influence the market's trust in the Company, is therefore an objective that is common not only to ICAM, but to all its stakeholders.

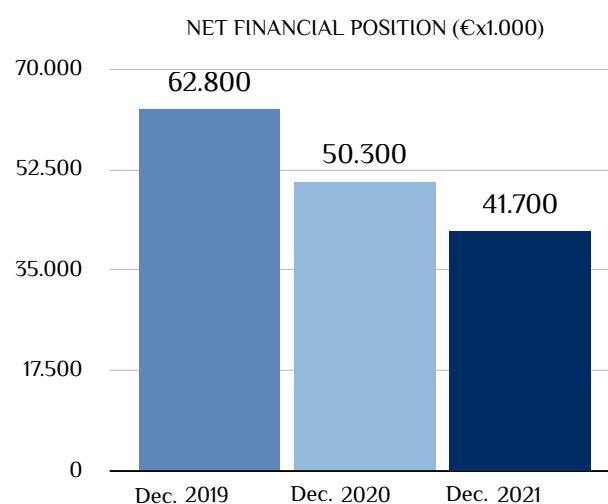
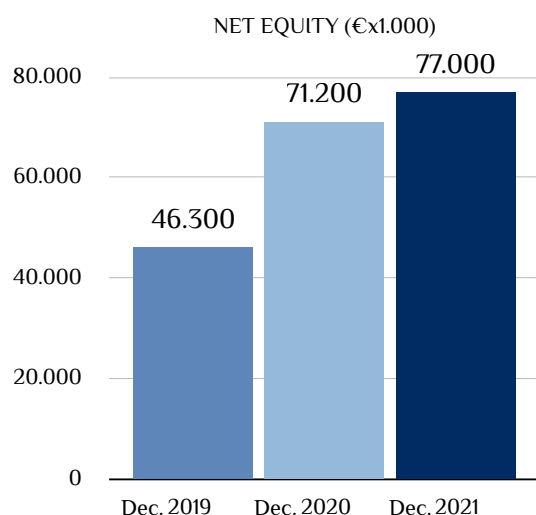
In 2021, ICAM continued a trend of growth and economic and financial consolidation, despite the fact that in the last four months of the year the growth in the cost of energy partially affected the results for the period.

The Group's turnover as of 31 December 2021 increased by 8,4% compared to 2020, amounting to € 187.8 million.

In 2021, there was a consolidation in the overseas markets as regards **Private Label** products thanks to a new customer in the United States and sales to consolidated customers in Germany, while the domestic market was essentially in line with 2020 sales. There was a strong increase in the **Industry** sector on the domestic market and a slight increase on the foreign market. In 2021, the **own brand** sector was affected by a recovery in sales of products dedicated to the Professional line (artisan producers and confectioners), which in 2020 had suffered a negative impact due to lockdown measures.

Finally, it is worth noting that the growth and acquisition of new customers took place particularly in niche sectors with greater added value, thus enhancing ICAM's growing commitment to operating as a sustainable chocolate producer.

The financial parameters are clearly improved with respect to the provisions of the Loan Agreement and highlight how ICAM is constantly consolidating its income and equity position and has laid the foundations for further development - this, despite the short - term economic difficulties owing to a degree of structural instability. The results for the period strengthened the Group's equity structure, whose **value in terms of Net Equity rose from €71.2 million in December 2020 to €77 million in December 2021**. Furthermore, ICAM has consolidated its financial structure through a further significant reduction of its indebtedness towards banks: as of 31 December 2021, this value - expressed in terms of Net Financial Position - amounted to €41.7 million.



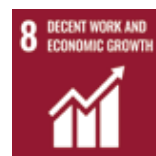
Even in a global macroeconomic context that remains uncertain, especially due to aspects relating to inflation, the prospects for an increase in turnover as envisaged by the 2022-2025 industrial plan are confirmed.

More specifically, sales are expected to increase in all sectors in which the company operates. In particular, the forecast of higher revenues reflects increases in the quantities sold in the line of industrial products (liquid coverings), brand products (solid and powder coverings) and lines linked to the Private Label in the premium segment (Organic and Organic Fairtrade).



The added value generated and distributed

The table below - showing the determination and distribution of directly-generated economic value - illustrates the overall wealth created by ICAM, which is subsequently divided among the various stakeholders: suppliers, employees (salaries and benefits), lenders, shareholders, Public Administrations and community. The difference between the generated and distributed value reflects the amount of produced wealth that remains in ICAM for reintegrating production factors (depreciation) and maintaining an adequate capital level (funds and reserves), which are fundamental to ensuring the Company's future sustainability.



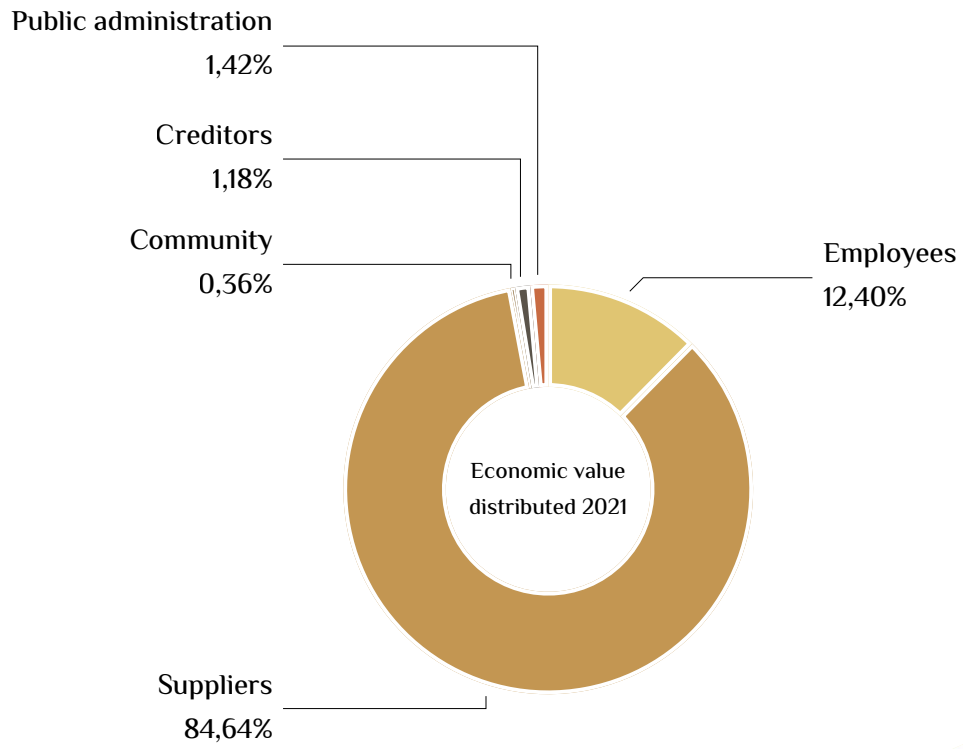
The table was prepared by reclassifying the income statement as required by the GRI Standards.

ECONOMIC VALUE GENERATED AND DISTRIBUTED	2019	2020	2021
DIRECTLY GENERATED ECONOMIC VALUE	161.602.503 €	173.721.851 €	188.283.463 €
Net revenues	160.995.028 €	173.263.470 €	187.793.802 €
Revenues from financial investment	52.557 €	48.965 €	50.845 €
Revenues from sale of physical assets and intangibles	112.806 €	20.608 €	77.316 €
Income from sale of Energy Efficient Certificates (TEE)	442.112 €	388.808 €	361.500 €
ECONOMIC VALUE DISTRIBUTED	145.207.577 €	154.411.819 €	171.480.286 €
SUPPLIERS	119.844.807 €	129.510.189 €	145.158.988 €
EMPLOYEES	18.302.176 €	19.858.665 €	21.256.793 €
<i>Salaries</i>	<i>17.828.840 €</i>	<i>19.299.603 €</i>	<i>20.652.310 €</i>
<i>Benefits</i>	<i>473.335 €</i>	<i>559.062 €</i>	<i>604.483 €</i>
CREDITORS	3.054.438 €	2.348.428 €	2.017.120 €
SHAREHOLDERS	-	4.480.188 ¹ €	-
PUBLIC ADMINISTRATION²	3.469.232 €	-2.370.905 ³ €	2.435.310 €
COMMUNITY	536.924 €	585.255 €	612.075 €
ECONOMIC VALUE RETAINED	16.394.926 €	19.310.032 €	16.803.177 €
Provisions	403.595 €	298.347 €	78.214 €
Amortization	6.135.030 €	6.302.789 €	7.169.770 €
Reserves	9.856.301 €	12.708.896 €	9.555.193 €

1. This value was transferred from Reserves to SHAREHOLDERS following the distribution of profits (July 2021).

2. It includes prepaid and deferred taxes.

3. The value is determined by accounting for the tax benefit deriving from the application of the optional "Patent Box" taxation regime.



ICAM and its support to the UN's Sustainable Development Goals

The 2030 Agenda for Sustainable Development defined by the United Nations in 2015 lays down the global action plan for sustainable development, strategies for combatting problems of universal importance such as poverty, hunger, lack of education, climate change, gender inequality, access to clean water and energy.

The 17 Agenda Goals (Sustainable Development Goals - SDGs) have been broken down into 169 targets to be achieved by 2030. ICAM supports and promotes the United Nations initiative, with the conviction that its business approach and vision are consistent with the stated purposes of the 2030 Agenda.

ICAM has decided to support the initiative promoted by the United Nations and contribute to the 2030 Agenda and to the achievement of SDGs, through its activity and the production of sustainable ethical chocolate.

The SDGs to which ICAM contributed with its activities in 2021 are identified below.

Furthermore, the chapter “Future goals” presents the medium-long term strategic objectives formulated by ICAM in order to actively contribute to the achievement of the United Nations' Sustainable Development Goals.

SUSTAINABLE DEVELOPMENT GOALS



Sustainable development goals on which ICAM has had an impact

MATERIAL TOPICS	1 PEOPLE	2 ZERO HUNGER	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Anticorruption												•	
Sustainability governance													•
Economic performance							•						
Diversity and equal opportunities				•									
Welfare and wellness							•						
Training and development			•										
Occupational health and safety							•						
Human rights							•						
The fair remuneration of farmers	•	•					•						
Skills and productivity of farmers		•	•				•				•		
Protecting biodiversity and fighting deforestation		•									•		
Employment of raw materials									•				
Traceability of the supply chain													
Consumer's safety													
Ability to respond to customers' needs													
Responsible labelling									•				
Health and nutrition		•											
Impacts on the local community		•							•				
Energy management and efficiency						•				•			
Emissions and air quality								•		•			
Management of water resources					•			•					
Sustainable packaging									•				



Commitment to people

ICAM's approach to relationships begins with the recognition of every person's intrinsic value and aims for the direct and sincere involvement of all stakeholders, from our own human resources to the wider community of which the Group is a part. ICAM is committed to building relationships based on trust, fostering participatory dialogue and creative collaborations that generate mutual enrichment and value for everyone involved.

The management of human resources

ICAM's significant attention and closeness to human resources is a primary cornerstone of its identity. Personnel management is strongly linked to the approach and direct presence of the Agostoni-Vanini family which, in compliance with the values stated in the Code, encourages collaborative relationships with its employees based on trust and mutual support.

All this translates into a close bond between the worker and the Company a strong sense of belonging that contributes decisively to the success of the Company.

In view of the importance attached to human resources, these aspects are managed directly by the General Manager.

As of 31 December 2021, ICAM employed 375 workers: 98% on permanent contracts, 1% on fixed term contracts and 1% on stabilized temporary contracts.

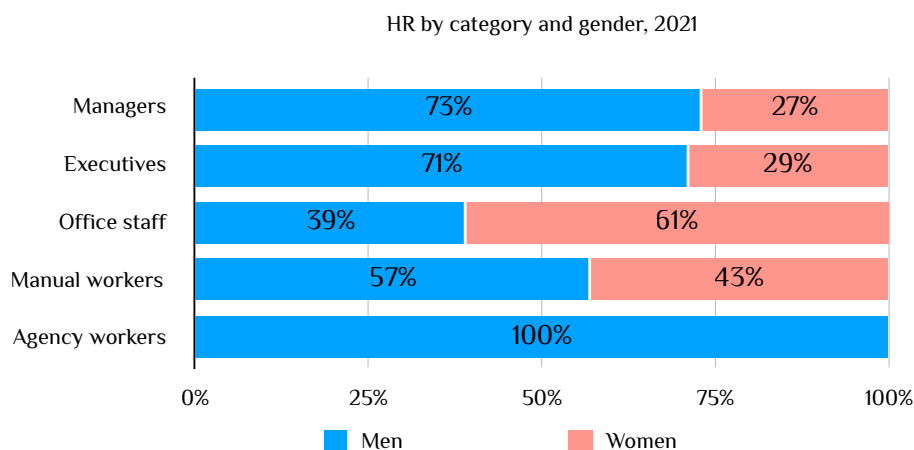
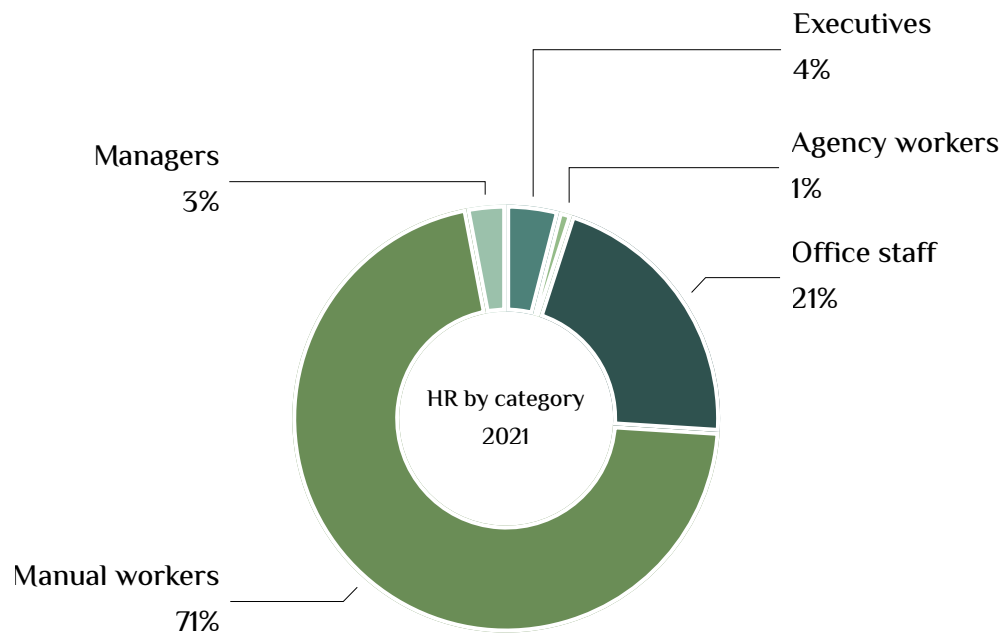
In 2021, ICAM hired 44 employees, 18 of them women. As far as terminations are concerned, 27 employees left the company, 8 of them for retirement. In 2021, the **staff turnover rate was 7.2%.**

ICAM uses leased staff (on stabilized contracts with the aim of hiring them permanently at the end of the annual contract) and seasonal workers. The focus on this category is demonstrated by the number of dedicated training hours, which in 2021 amounted to a total of 10,466 hours (including seasonal workers) or approximately 183.6 per capita.

Despite the Covid-19 pandemic, ICAM has consolidated and increased the number of production and office employees. The data below highlights the Company's firm wish to stabilize its workforce, with particular attention to the integration of young people, in the face of constant growth in market demand.

In 2021, all stabilized employees who joined the company in 2020 were kept on, confirming ICAM's desire to offer them stable employment.

In 2021, the Company was again supported by other categories of collaborators: agents (67) and workers on seasonal contracts (total 54: 24 men and 30 women). Many internships were suspended due to the pandemic situation as it proved difficult to guarantee interpersonal distances at the laboratory and the ChocoCube. Nevertheless, one trainee worked at ICAM in 2021.

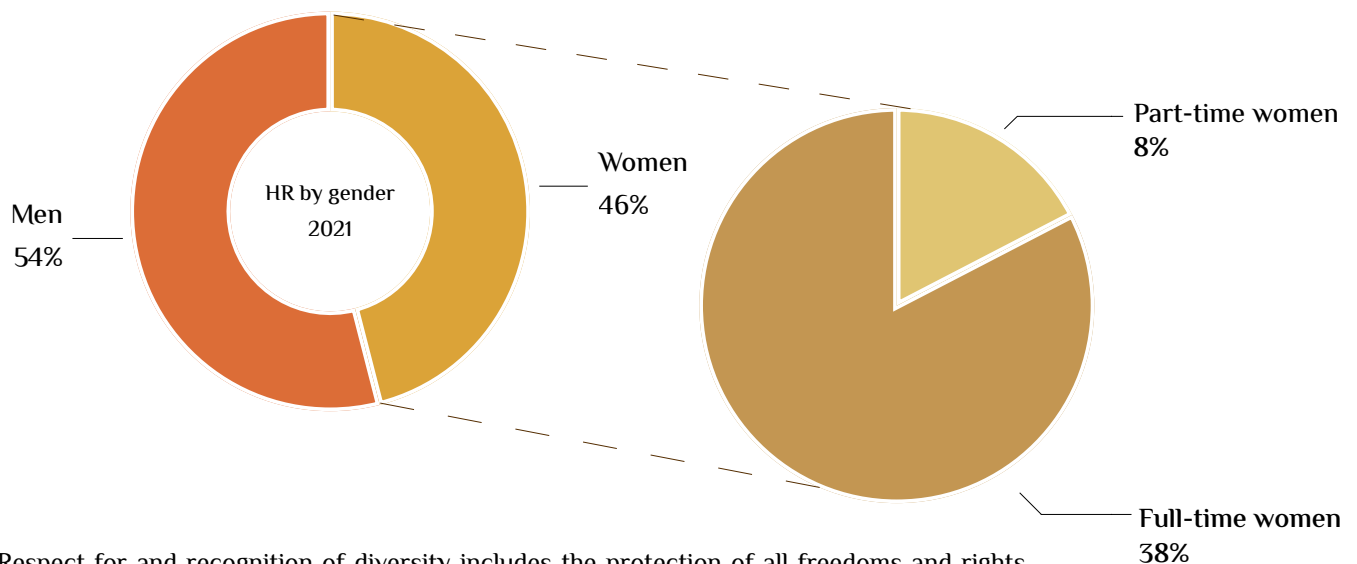


Diversity and equal opportunities

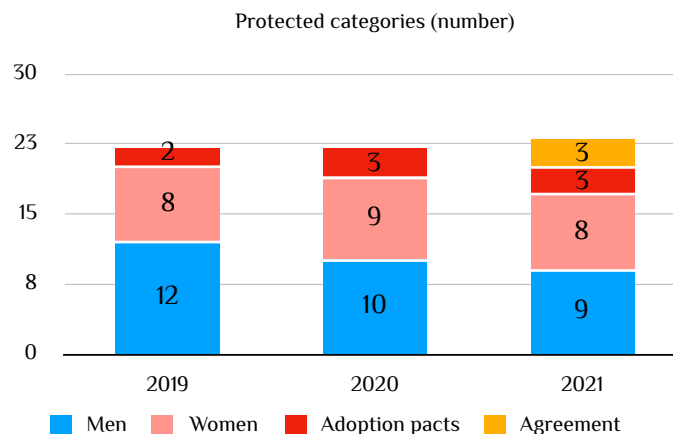
ICAM is a company characterized by strong representation of women (46% of all employees), not only based in offices but also in the production area. In line with its ethical values, ICAM has always been committed to granting and offering tools to meet the needs of its workers, enabling employees to reconcile their private and working lives. These tools include part-time contracts, flexible working hours and a shift schedule for production staff that allows them to combine work and leisure.



Precisely **with a view to offering maximum flexibility for production workers, the Company has structured a systematic continuous shift mechanism**: 6 working days and 2 rest days, in addition to Sunday, which is not considered a working day. Production workers are paid for 40 hours a week, even though they actually work a total of 36 hours per week.



Respect for and recognition of diversity includes the protection of all freedoms and rights of individuals. As such, and as also provided in the Company's Code of Ethics, ICAM undertakes to create accessible and inclusive workplaces, eliminating any form of discrimination or exclusion based on age, gender, disability, race, religion, political and trade union affiliation, language or state of health. In this regard, the Company employs 23 people belonging to protected categories (Law 68/99) in its production area: 17 employees within its own staff, 3 under "adoption pacts" and 3 based on agreements.



Welfare and wellness

Careful management of human resources is one of the pillars that characterizes the Company and differentiates it from its main competitors.

ICAM does not merely comply with the provisions of the National Collective Labor Agreement (CCNL) but is **committed to offering its people better working conditions and remuneration policies than other operators in the sector**, strengthening the sense of belonging and fostering a positive environment. These conditions are fundamental in achieving the Company's development objectives.



As far as the remuneration of manual and clerical workers is concerned, thanks to the supplementary agreement put in place by the Company, ICAM offers its employees a performance-related pay scheme linked to the achievement of company performance objectives. This scheme allows employees to earn two additional monthly payments (as well as the 14 provided for by the CCNL). In addition, the Company has introduced a supplementary salary tool called “professionalism”.

This “professionalism” tool allows workers to supplement their monthly salaries by up to € 270 when they acquire the skills necessary for the job assigned. Finally, **night workers receive additional pay** to compensate for the inconvenience linked to these working hours.

With regard to middle managers and employees, a Performance Management system has been introduced that is linked to the assessment of some competence parameters, including Professionalism, Effectiveness and Collaboration.

Finally, for executives, the incentive mechanism is based on a variable portion linked to objectives defined annually on three specific areas: behavior, general objectives (EBITDA) and specific objectives.

In addition to paid compensation, ICAM offers all its employees an almost free canteen service (€ 0.74 per meal) and executives and middle managers are assigned a company car.



In terms of **employee welfare**, ICAM offers:

- a **welfare platform** for payment of the previous year's tax-free productivity bonus;
- **financial contributions** of €100 aimed at encouraging employees to engage in **socially useful activities** (Alpine Rescue, Red Cross, donors, etc.);
- a **financial contribution of €100 per child to cover the costs of school** for employees' children up to university (excluded);

In 2021, financial contributions were paid to **41** employees to carry out socially useful activities and to **96** employees to finance the costs of school for their children.

In addition, to mark the **75th anniversary** of the company's foundation, an **extraordinary bonus of € 500** was paid to all employees in December.

WELFARE PLATFORM

In 2021, the company activated a welfare platform for tax exemption of the 2020 productivity bonus. This platform offers a series of services specifically identified to improve the wellbeing of the Company's employees.

Each employee can choose the amount of the bonus they wish to convert into welfare and can use this amount for themselves and/or their family, for a variety of goods and services, including in the areas of health, fitness, education, culture and entertainment.

Each employee freely builds their own benefits package, choosing the services or products each time according to his/her needs.

The advantage is that this reduces the employee's tax wedge: the amount disbursed in the form of goods and services is not subject to tax or contribution deductions and therefore allows greater purchasing capacity. Furthermore, thanks to agreements stipulated by the company, the employee can acquire products and services at discounted rates.

The disbursement can take place through partial reimbursement of the expenses incurred, purchase vouchers or shopping vouchers.

Training and development

ICAM's focus on the training and development of its human resources is another element differentiating it from other operators in the sector.

The Company strongly believes that providing professional development opportunities to its human capital contributes decisively to building a competitive advantage, particularly in the international context in which it operates.

In this sense, the technical skills acquired through training alone are not enough: it is also essential to convey to people a passion for what they do.

The Company is committed to guaranteeing professional growth through continuous training, both theory-based and on-the-job. When a new employee joins the company, a tutor is assigned and given the task of **supporting and training new hires**, receiving a paid allowance for these duties.

The process involves a gradual increase in responsibilities, and monthly tests are conducted to evaluate the level of learning achieved. The training process ends with a final verification and, in the event of a positive evaluation, the person receives a “professionalism” payment, which allows all parties to capitalize on the acquired skills. An annual performance assessment has been introduced for all workers, under which the individual's training needs are also mapped, with the aim of providing him/her with additional skills and ensuring professional improvement.

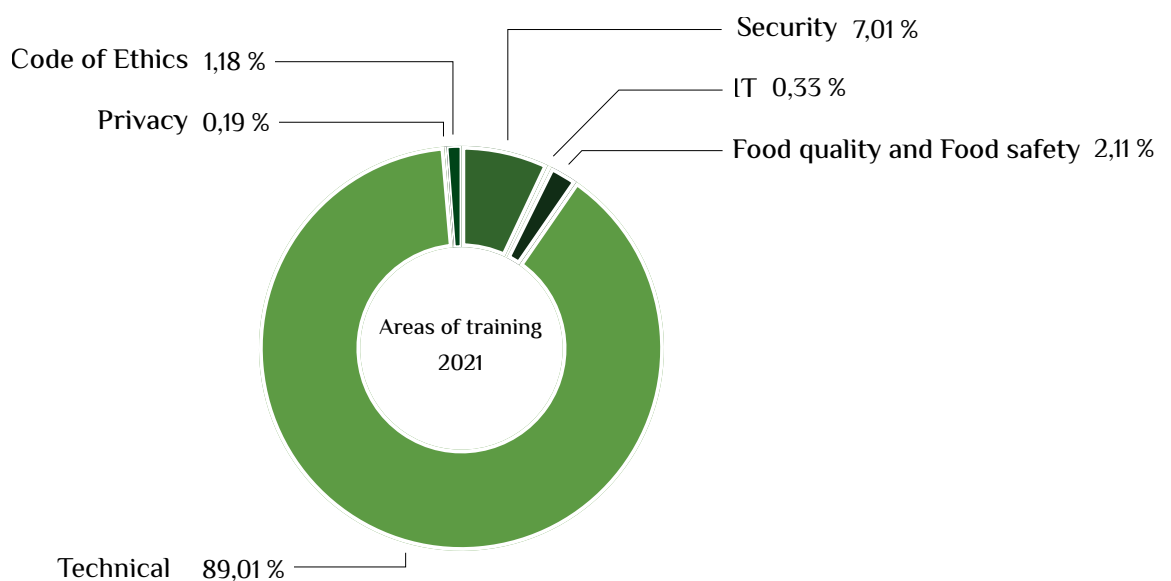
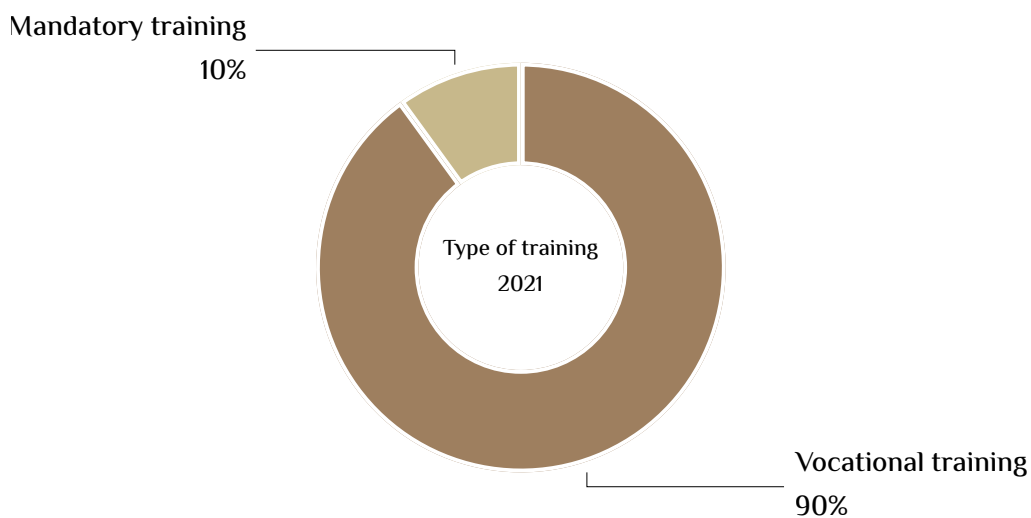
In addition to providing professional training, ICAM is careful to ensure the participation of its staff in the courses required by law (hygiene, occupational health and safety, compliance under Legislative Decree 231/2001, etc.).

As evidence of the company's interest in the professional growth of its human resources, **15,265 hours of training were provided in 2021, with an average per capita of 40.7 hours.** Following a decline in training hours in 2020 due to the impossibility of completing pre-established programs as a result of the Covid-19 pandemic, the Company resumed offering numerous training courses to its employees in 2021.



The Company not only provides the training courses required by law (these equal about 34% and specifically relate to occupational health and safety and HACCP courses) but demonstrates proactive commitment to increasing the skills of its employees.

In detail, 90% of the training provided during the year was voluntary and mainly consisted of technical on-the-job training. Furthermore, in 2021, 90 employees took part in 2 hours of training on the Code of Ethics adopted by the Company.

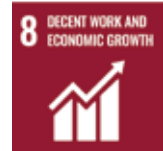


Occupational health and safety

As formalized in its Safety Policy, ICAM views the physical health of its collaborators as a primary value and guarantees safe and healthy work environments in compliance with current legislation. In accordance with art. 30, par. 5 of Legislative Decree 81/08, the Company has, since 2010, voluntarily implemented an Occupational Health and Safety Management System compliant with UNI INAIL guidelines. This System provides for a Regulatory Compliance Assessment Process and a Risk Assessment; together these describe the responsibilities and processes used to identify, manage and reduce risks associated with work. In addition, workers can “anonymously” report issues in accordance with internal procedures for the protection of Whistleblowing. A specific Risk Assessment Sheet has been prepared for each task, which allows for the identification and assessment of potential risks for each phase, taking into consideration the severity of the event, the frequency of exposure and the likelihood of this occurring.

The handling of accidents and injuries is monitored and analyzed by the Employer, the Head of the Prevention and Protection Service (RSPP), the Plant Manager, the Head of Workers’ Safety (RLS) and all the persons potentially involved, with the aim of resolving any critical issues that have emerged.

The System involves identifying risk factors, analyzing them in the DVR and laying down all prevention measures to ensure the work environment remains in line with current legislation.



In addition, the workers themselves are involved in implementing the System: on hiring, all workers receive a manual which identifies the main risks related to their duties and the measures that have been prepared by the Company to prevent them.

Furthermore, the company provides annual training activities carried out in the classroom and/or via e-learning, in compliance with current legislation. **In 2021, ICAM provided 1,070 hours of training to its employees on issues of Occupational health and safety.** The effectiveness of learning is verified by completing questionnaires.

In order to promote good practices and raise awareness of the risks that may arise from carelessness and failure to comply with company guidelines, in January 2020 ICAM set up a special annual meeting on workplace accidents.

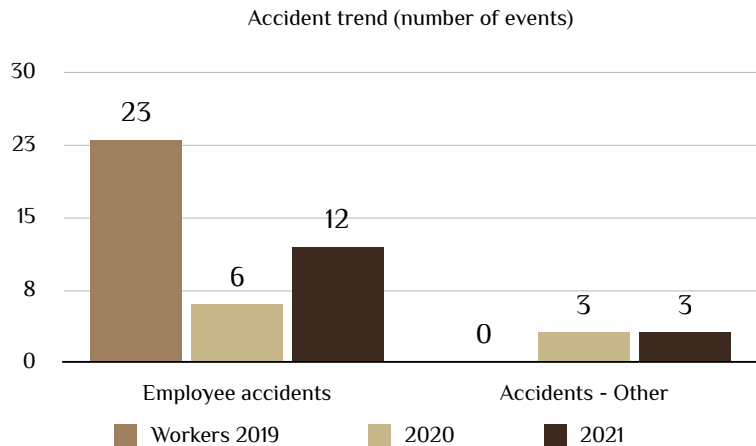


This meeting was held again in 2021 and involved the entire workforce of the Company, with the aim of promptly reducing the incidence of accidents.

In 2021, the Company continued to consistently and efficiently manage the effects of the Covid-19 pandemic.

In the first part of the year, in order to stem the effects of the third wave of the pandemic, the Company continued to implement procedures and guidelines to protect its workforce, providing personal protective equipment, ensuring social distancing, carrying out extraordinary cleaning operations and offering the possibility of working remotely.

From the second half of 2021, as the spread of the pandemic waned following the vaccination campaigns and in compliance with the regulations in force, the Company concentrated its prevention and protection efforts by drawing up company procedures on the subject of the Green Pass. In fact, since September 2021, access to the canteen has been permitted only to Green Pass holders. From October 2021, in compliance with the Law Decrees issued by the Authorities, the company defined the operating procedures for verifying possession of the Green Pass for access to the workplace by both internal and external personnel.



Human Resources in Uganda

Land ownership in Uganda is particularly fragmented. Farmers have small plots at their disposal and, having collected the cocoa pods and separated the beans, they ferment and dry the seeds directly in their homes. The working conditions of farmers expose them to a **high risk of harvest loss**: thefts and adverse weather conditions during processing can damage large quantities (up to 30%) of the harvested cocoa. These conditions pose a considerable inconvenience on family life and also **negatively affect the quality** of the product, reducing the sales price and consequently the family's income.

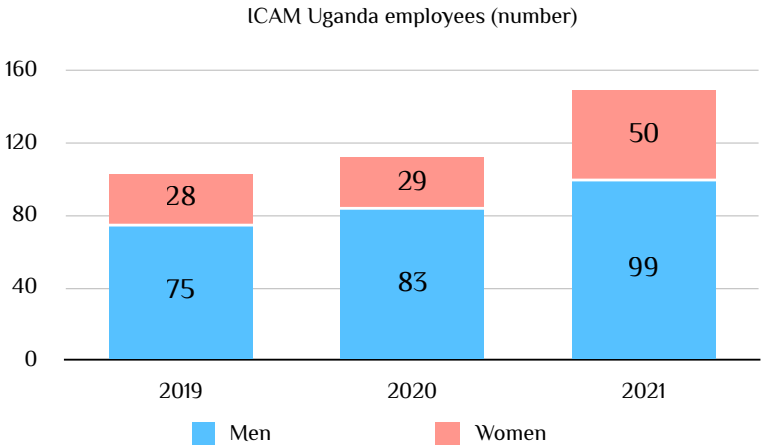
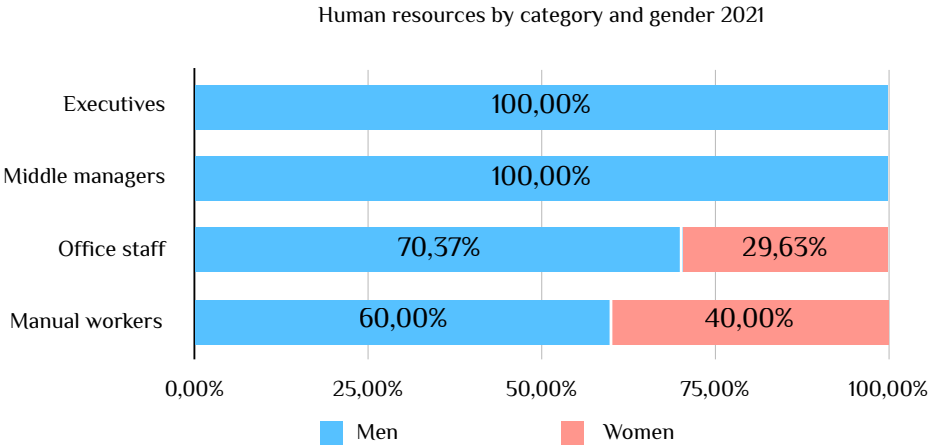
In 2010, with the purpose realizing an important development project in the region, ICAM decided to export its knowledge and experience to the heart of Africa and founded its own company in Uganda, ICAM Chocolate Uganda Ltd.



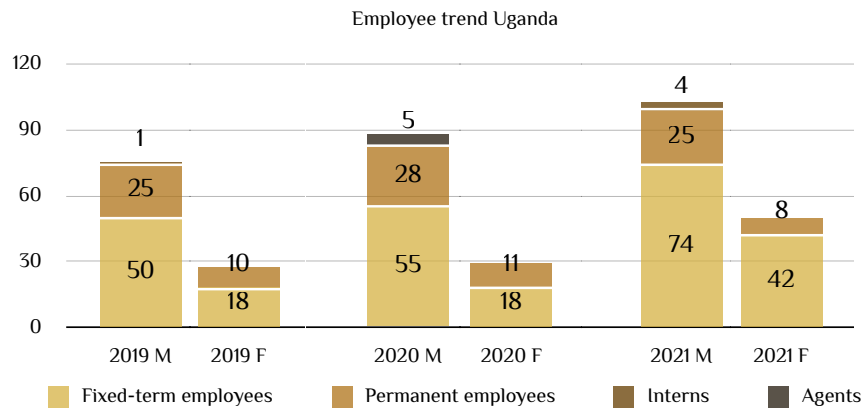
ICAM built its first center for the processing of fresh cocoa harvested by local farmers (with 5 fermentation areas, 10 drying areas and offices) in Bundibugyo and, since then, the Ugandan branch has expanded, with the construction of two new fermentation centers in Hoima and Mukonoin in 2018.

Although there is no Ugandan legislation concerning respect for human rights, ICAM pursues its own values, prohibiting any type of child labor at its center and promoting the education of children and respect for human rights within its employees' families.

At the three sites, ICAM has always been committed to recruiting local staff, being mindful that there are no cases of tribal or religious discrimination, in line with the values of the Group. In 2021, ICAM employed 149 employees, (96.6% of which under the age of 50) and 32.4% women, with an increase of 33% compared to the 2020 figure (112 employees).



The number of people employed by the Company has continued to grow for some years, also supported by a low staff turnover rate (1.4% for 2021).



Every year the Company employs seasonal workers to provide support: transporting cocoa from the farmers' plots to the ICAM facilities (where fermentation and drying phases take place, following ICAM's procedures and know-how) and packaging the processed product in 60kg jute bags, which are then shipped to the Orsenigo site. In 2021, ICAM Chocolate Uganda engaged the support of 200 seasonal workers.

In 2021, a new figure of Human Resources Manager was appointed and provided with specific training for the role. The figure proved essential in outlining the processes and dynamics of the Ugandan team.

The goal for 2022 is to hire a Manager with specific technical skills to support their certifications.

ICAM Uganda's presence in the region of Bundibugyo has therefore proved to be fundamental for the development of both general professional skills and specific technical skills related to cocoa fermentation.

ICAM is aware of the economic difficulties that its staff may face and undertakes to support their daily life as much as possible: the Company's employees are offered a full meal every day and an additional monthly sum of between UGX 50,000 (\$14) to UGX 150,000 (\$42) depending on the employee's position.

This benefit represents approximately 15% of the salary for managerial positions, while it can go up to double the salary for operational roles, which have basic salaries.

This salary supplement is aimed at covering health and social security, the costs of which are not covered by state welfare.

Employees receive the reimbursement upon presentation of expense receipts. In the context of wage supplements, for example, medical expenses and primary education costs are reimbursed. Furthermore, the Company allows employees to obtain salary advances in the event of health emergencies.

As regards the management of occupational health and safety, ICAM started, in 2021, to keep a register of accidents. During the year, there were 3 minor injuries, related to muscle tears and microfractures, and there were no cases of serious injury. The Bundibugyo site has an infirmary to manage minor injuries (cuts, bruises, etc.) which, if necessary, can be supported by a specialist doctor. Furthermore, since 2018, ICAM has undertaken to provide its **employees with an annual first aid training course.**

In 2021, with the ongoing pandemic situation, ICAM Chocolate Uganda continued to comply with the guidelines of the Ugandan government, which prescribed:

- the supply of masks;
- the presence of hand washing stations inside work areas;
- the checking of body temperature on entry to the workplace.

Moreover, thanks to careful application of Covid prevention measures, there were only 2 cases of infection among the staff.





Fermentation center
at ICAM Chocolate Uganda
in Bundibugyo - Bwamba

The relationship with the community and the region

Since the 1940s, ICAM's bond with the local community and the region in which it operates has been consolidated thanks to the growth of the Company itself (with recruitment of local people), and facilitated by ICAM's attention to environmental, educational and social issues, making it increasingly important.

ICAM considers it essential to be available for dialogue and discussions with the community and with the region in which it operates. Over the years, the Company has pursued a goal of being a reliable, proactive, collaborative and transparent production entity.

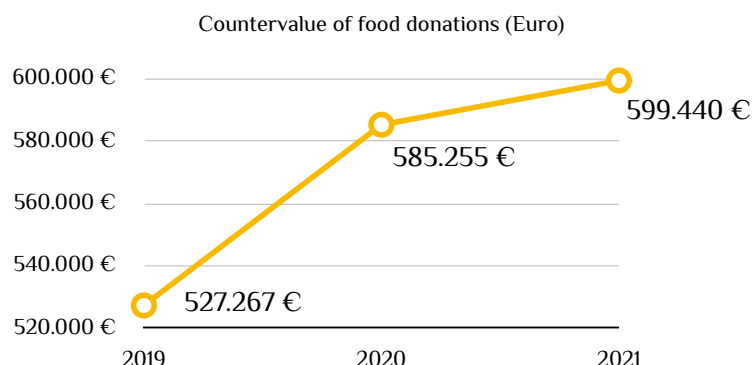
The proper and regular management of all regulatory aspects relating to company activities, together with the guidelines adopted over time, has made it possible to establish a collaborative dialogue with local authorities, institutions and entities.



The Company is committed to offering support to cultural and educational initiatives, paying particular attention to its relationship with schools.

ICAM is determined to provide its contribution by training “persons who are highly skilled but also of deep human integrity”. It therefore provides financial support for the freedom of education and offers the greatest cooperation in **welcoming students on internships** and in taking part in **school/work alternation** projects with numerous educational institutions of various types and levels.

The Company also offers its support to the community by **donating its products**. This particular activity is directed towards all those associations that ask ICAM for a product contribution for their initiatives, but is particularly expressed through the Company's **membership in the Food Bank**, of which one of the partners, Antonio Agostoni, is a founder. In this context, the Company has entered into **agreements with distributors** (e.g. Esselunga) aimed at encouraging these distributors to send ICAM products withdrawn from the market directly to the Food Bank **while bearing all costs**. Furthermore, at Easter, ICAM donates an Easter egg to all the children of elementary and nursery schools and church youth centers in the area. In 2021, ICAM donated goods worth € 599.440⁴.



THE BANCO ALIMENTARE FOUNDATION

The Banco Alimentare Foundation ONLUS is a non-profit organization that seeks exclusively to pursue social solidarity programs in social assistance and charity sectors. The Foundation focuses, in particular, on recovering surpluses from agriculture, industry, wholesale retailers, organized catering, public institutions and food retailers. The Foundation also handles the collection of food products from large retail centers on National Food Collection Day and any other collections of food donated to other organizations. Any food recovered and collected is redistributed free of charge to non-profit organizations who assist the poor and disadvantaged, and more generally to any needy individuals or groups in Italy.

The Foundation also promotes all initiatives that may be useful in raising awareness and informing the public and appropriate authorities regarding problems relating to food, food waste, poverty (particularly food poverty), marginalization and social inclusion.

The headquarters of the Foundation is in Milan, and there are 21 Banco Alimentare organizations at the regional level. For further information: www.bancoalimentare.it



Impacts on the local community

In 2021, ICAM's commitment to the local community took the form of participation in certain initiatives promoted by local associations.

ICAM participated in a project with Ai.Bi. - Associazione Amici dei Bambini ONLUS - established by a movement of adoptive and foster families. ICAM donated Easter eggs to the children at the reception facilities in Milan, Brescia and Cremona, who are among the most affected by Covid, and to minors throughout the country.



⁴ This data refers to all gifts made by the Company including donations: to the Banco Alimentare; Easter eggs for children from local communities who attend church youth groups and kindergartens, elementary and middle schools; Easter and Christmas gifts and donations to employees and third parties; free transfers to customers.

During the Christmas period, ICAM supported a new **Poliambulatorio Zero-17 project promoted by the Fatebenefratelli Hospital**, thanking the structure's benefactors with its chocolate.

Also in 2021, with the help of technology, ICAM continued a digital version of the **ChocoCube project**, ICAM's high-level professional training center launched in 2019 and dedicated to pastry chefs, chocolatiers and ice cream makers.

New courses were launched in 2021 to restart the activities of pastry customers. This important support for professionals in the sector has allowed them to continue to take advantage of courses remotely.

In 2021, the Company continued and strengthened its collaboration with **Noi Genitori ONLUS**, a non-profit organization that has been operating in ICAM's area for over 20 years. Noi Genitori assists people with disabilities and their families, offering them support towards a better future, bringing solidarity back to the heart of the economy and ensuring that their children live a full and integrated life in the community.



Among the opportunities for “real work” offered to children with disabilities, ICAM has chosen to support the biscuit factory, which provides a concrete opportunity for inclusion while respecting diversity.

It is a path that is fully shared, particularly since Noi Genitori operates with great attention to sustainability issues: when selecting its suppliers, Noi Genitori ensures that they are socially responsible; puts the craftsmanship and quality of the local raw materials at the center of its recipes; and uses energy from renewable sources to operate facilities.

ICAM's contribution to the initiative takes the form of a free supply of cocoa and chocolate for production needs, the purchase of biscuits as company gifts to employees and at a “company market”.

In the future the company aims to activate forms of corporate volunteering to support Noi Genitori.

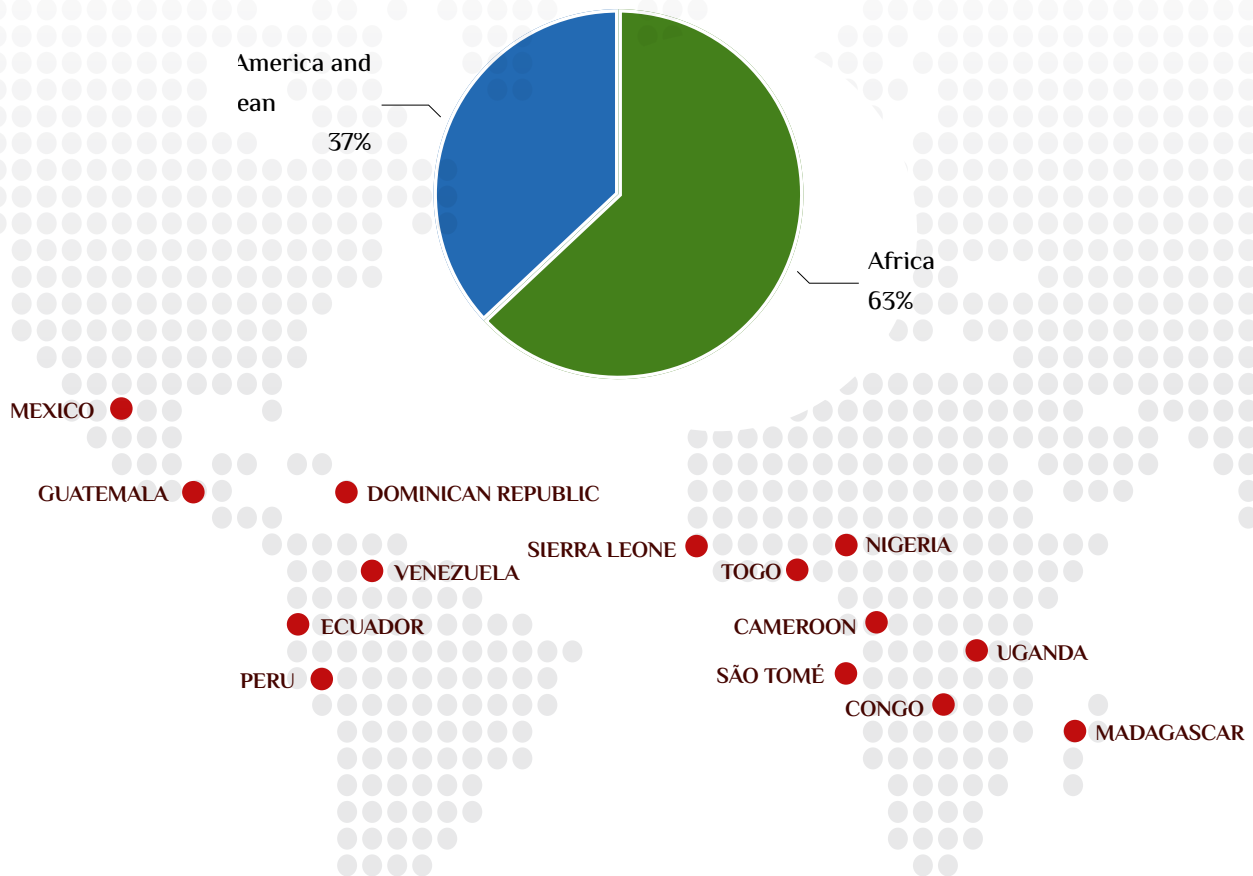
For information on ICAM's contributions to local communities in cocoa growing countries, see the chapter “Responsibility throughout the supply chain”.



Responsibility throughout the supply chain

ICAM is committed to operating as a manufacturer of sustainable and high-quality chocolate. For this reason, **responsible management of the entire supply chain, attentive to people and the environment and ensuring high levels of quality and food safety**, is an essential element for business success.

Indeed, the excellence of the product is intrinsically linked to the ability to carefully select the ideal raw material, particularly cocoa, which originates principally from Africa, South America and Central America.



ICAM's approach

In order to reduce the complexity of the cocoa supply chain, ICAM has adopted a vertical integration strategy aimed at prioritizing the direct supply of cocoa. Over time this approach has become a real philosophy: “producing quality chocolate by monitoring the entire production chain, from the plantation to the finished product”.

The Company has established a solid and fruitful collaborative relationship with some farming communities - mostly cooperatives in South America - making a financial and technological commitment to improving the working methods and quality of the cocoa and, consequently, improving the socio-economic conditions of the people involved and their families.



These are important collaborations grounded in the Company Code of Ethics - guiding values of respect, development of relationships with all operators in the supply chain, sustainability, fairness and transparency - which must be followed in all day-to-day activities.

This ethical management of historic cooperatives involves an equivalence of roles between the Company and the farmers: both become commercial partners who face the changing market conditions together.

However, the Company cannot yet obtain supplies exclusively from cooperatives with which it has a direct collaboration. In fact, in order to meet the specific requests of Private Label customers, in terms of origins and/or specific characteristics of the cocoa, the Company must resort to the international market. In these cases, and more generally, when ICAM searches for a specific origin of cocoa with qualitative properties not available through these associated cooperatives, it has always been committed to obtaining supplies from traders and local producers with whom it maintains a historical relationship and who share its philosophy and ethical approach.

Traceability of the supply chain

ICAM's commitment to the production and supply of ethical chocolate is based on its desire to know the history of each of the ingredients used, from their cultivation and growth to the final product. The verification of the origin and quality of the raw material and the possibility of **entering into partnerships and collaborations directly with producers** are cornerstone elements that ICAM has always valued as essential to its company philosophy.

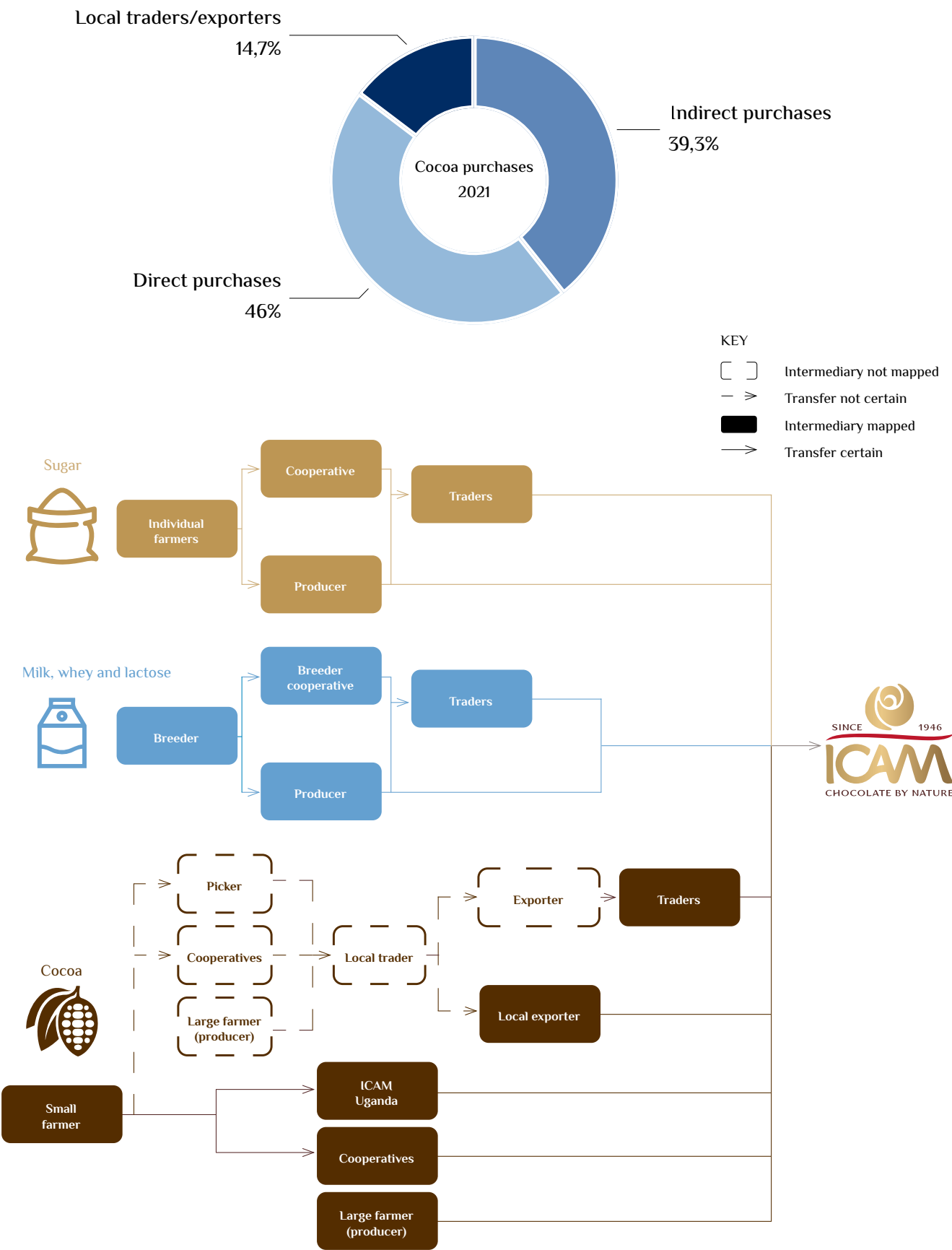
For this reason, in 2020, ICAM launched a project to map the risks associated with its supply chain (for further information see the section entitled Supply Chain Risk Assessment), starting with the stakeholders involved in its supply chains.

The mapping showed that ICAM's knowledge of the milk, dairy and whey supply chain is complete.

The intermediaries the company deals with, traders and producers of processed milk, shared the names and details of the producers and cooperatives that provide the milk. As regards the sugar supply chain (beet, cane and coconut), ICAM also knows directly the producers and/or cooperatives from which the sugar used in its products comes.

As for the cocoa supply chain, **full visibility** is currently limited to the direct purchase chain, which amounts to 46% of the cocoa used. This category includes cocoa from the Ugandan branch of ICAM, cocoa producers (also called Large Farmers) and cooperatives, the majority of which are in Central and South America. Furthermore, for this cocoa quota it is possible to trace the specific group of producers and growers.

ICAM then buys 14.7% of its cocoa from local exporters who know the supply chain closely and supervise the practices adopted. Finally, the remaining 39.3% of the cocoa purchased comes from indirect European traders.





Supply Chain Risk Assessment

In the fourth quarter of 2020, ICAM launched a project called “Supply Chain ESG Risk Assessment”, aimed at increasing knowledge about the ESG (environmental, social and governance) structure and risks associated with the supply chains of three of the most significant raw materials purchased, namely cocoa, milk (whey and lactose) and sugar.

The project was divided into four phases, each preparatory to the next.

1. Preliminary mapping of supply chains

In this first phase, we defined the levels (tiers) characterizing the supply chains being analyzed and identified the direct suppliers of raw materials; for each supply, information was collected and processed in order to reconstruct the levels upstream of the supply chain.

2. ESG risk analysis

Having identified the main environmental, social and governance risks that characterize the supply chains being analyzed - risks that could have a significant impact on ICAM if they occurred - indicators were identified for each risk, as proposed by independent and accredited international bodies and organizations; these entities could then provide an assessment of the probability that a given risk might occur, based on the country of origin of the raw materials.

These activities led the company to **identify 8 relevant ESG risks** (not all applicable to each of the raw materials studied) and to **analyze 35 countries of origin** of the raw materials. Details about the identified risks identified and the sources used for the analysis are shown in the previous table.





























3. ESG assessment of suppliers

In this phase, the company prepares and circulates specific ESG assessment questionnaires for the suppliers (direct and indirect) previously mapped, addressing their commitments, policies and existing measures to mitigate the identified risks. For each ESG risk, the information assessed includes:

- Specific commitments (Code of Ethics, Code of Conduct, Dedicated policies);
- Specific countering initiatives;
- Ad hoc mitigation measures, such as: certifications, violation reporting systems and third-party verifications;
- GPS mapping tools of plantations or other technological tools.

4. Definition of residual risk

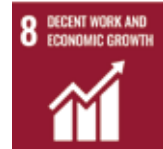
Based on the analyses carried out in the previous phases, the assessment of residual risk of the sources of supply for each supply chain is being updated, taking into consideration the risks associated with the country of origin and the mitigation measures put in place by the supplier.

Risk	Applicable raw materials	Source (indicator/document, instruction, indicator)	Critical risk	Negligible risk
 Corruption	  	Corruption perception Index (2019) Transparency International	≤ 19	≥ 80
 Forced labor	  	1. GMAP - International Finance Corporation Media "Use of" and "Laws related to forced labour"	≥ 92	≤ 15
		2. Global Slavery Index - Walk Free Foundation - Vulnerability to Modern Slavery	≥ 80	≤ 19
 Child labor	  	1. GMAP - International Finance Corporation - Media "Use of" and "Laws related to child labour"	≥ 92	≤ 15
		2. Global Childhood Report- Save The Children - Children engaged in child labor	≥ 15	≤ 1
		3. Global Childhood Report- Save The Children - End of childhood	≤ 599	≥ 940
 Animal Welfare		Animal Protection Index -World Animal Protection - Protecting animals used in farming	A/1	$\geq G/7$
 Fair Price	  *for developing countries only	Based on country of origin	Developing countries	
 Deforestation	  	Global Forest Watch - World Resource Institute - Tree cover loss	≥ 15	≤ 1
		Global Forest Watch -World Resource Institute - Tree cover loss by dominant driver	≥ 50	≤ 5
 Biodiversity	  	Environmental Performance Index - Yale University - Biodiversity Habitat Index	$\leq 29,9$	≥ 80
 Protected areas	  *for developing countries only	World Database on Protected Areas - United Nations - Terrestrial protected areas	≥ 35	$\leq 4,9$

The "Supply Chain ESG Risk Assessment" project represents an important step forward to increasing the traceability and transparency of ICAM's supply chain and constitutes the basis of information for the subsequent development of an action plan for strategic management of the socio-environmental aspects of the coffee, sugar and milk supply chains.

Human Rights

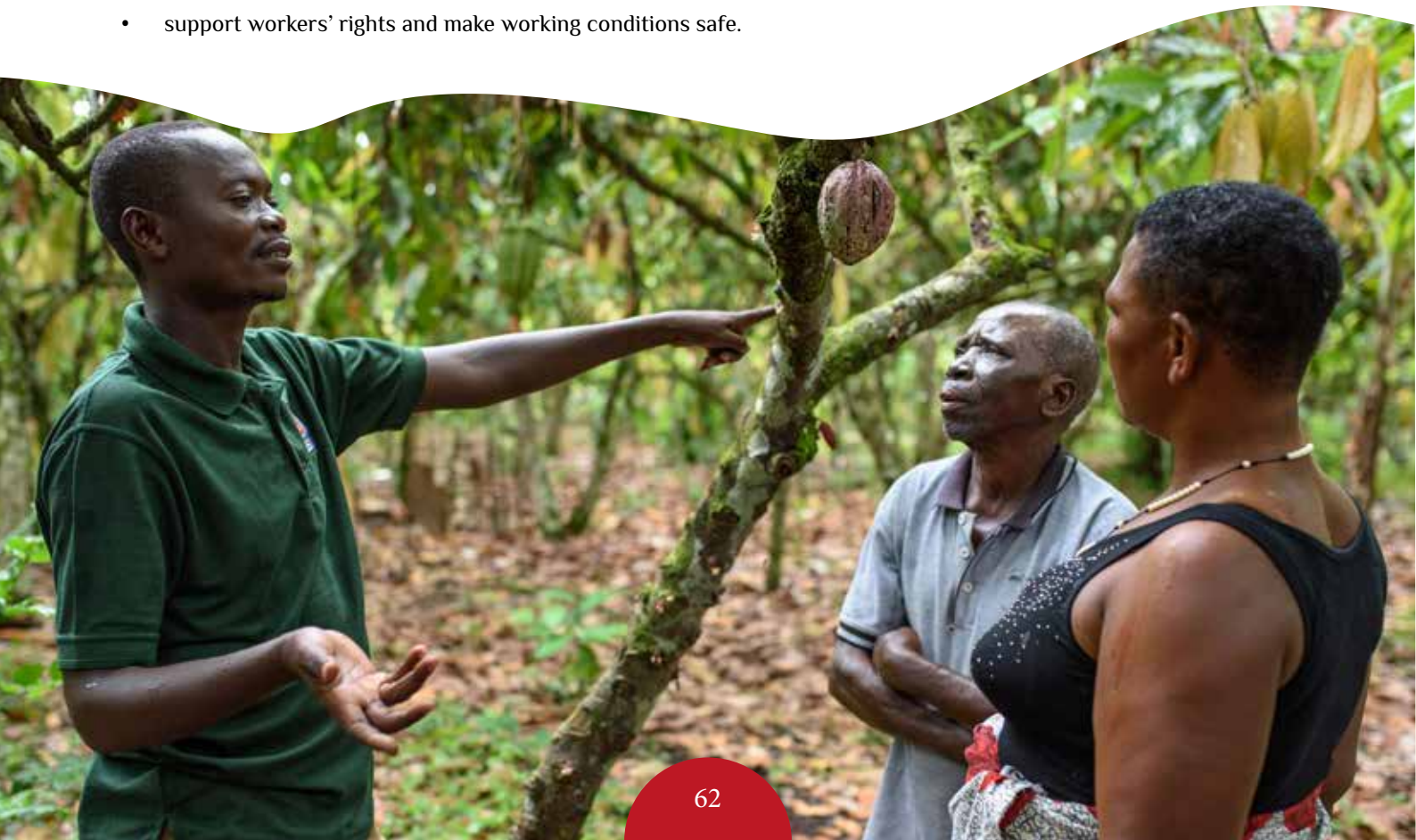
The cocoa supply chain consists of numerous steps that involve several entities: growers, intermediaries and buyers, freight forwarders, manufacturing industries and artisans, as well as distributors and traders. Furthermore, cocoa cultivation is highly dependent on intensive manual labor, with critical risks in terms of compliance with human rights and related international standards. Too often, growers, including minors, are subjected to exhausting working hours with insufficient wages for their basic needs. Ensuring complete monitoring of the entire supply chain is therefore very complex.



In-depth knowledge of the historic cooperatives with which ICAM collaborates allows the Company to directly verify that the cultivation practices take place in full compliance with human rights.

In addition, over **40% of the total cocoa supply** is Fairtrade certified, whose standards supported by rigorous certification and controls require producer organizations and companies to comply with rules aimed at combating child and forced labor and which, among other things:

- guarantee a fair price for the farmers;
- ensure a democratic form of organization;
- build equal opportunities for women;
- support workers' rights and make working conditions safe.





Additionally, over **10% of the cocoa purchased by ICAM is Rainforest Alliance certified**. This certification requires farms to set up committees to assess, monitor and mitigate human rights risks and violations. As well as ensuring workers are paid the local minimum wage, Rainforest Alliance is committed to helping farms progress towards paying a living wage, calculated according to specific benchmarks for each country, which allows farmers to cover all expenses necessary for a decent standard of living for themselves and their families. The Rainforest Alliance certification also requires compliance with environmental, social and economic criteria related to issues such as agriculture resilience to climate change, deforestation, biodiversity conservation, and shared responsibility.

ICAM is aware that this is not enough and has embarked on a process of progressive study and monitoring of its entire cocoa supply chain.

ICAM requires that all its cocoa suppliers (cooperatives, producers and traders) sign a formal commitment to comply with its Code of Ethics.

As of 31 December 2021, 37⁵ suppliers have signed the ICAM Code of Ethics (20 cooperatives/ producers out of 21, 17 traders out of 25), which corresponds to **96% of the cocoa used**, including 10.7% of cocoa coming directly from ICAM Uganda.

In 2022, the Company aims to use only those cocoa suppliers that have signed the ICAM Code of Ethics and/or who show they act responsibly, in line with the same social and same environmental values defined by the Code itself.

In 2020, considering the critical situation of cocoa cultivation in Ghana and the Ivory Coast regarding respect for human rights and the protection of forests, ICAM has decided to permanently stop supplies from these countries.

ICAM does not just require cocoa suppliers to sign its Code of Ethics, but all suppliers involved in its supply chain. As of 31 December 2021, 100% of raw material suppliers (milk, sugar and hazelnuts) had formally signed the document.

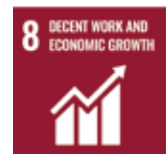
⁵ This figure includes suppliers who have and have formally shared a Code of Ethics of their own, based on the same values and principles as ICAM.

The fair remuneration of farmers

Cocoa is an important source of income and employment for rural populations in Central America, South America, and Africa, employing approximately 15 million smallholder farmers who, with plantations of less than 2.5 hectares, are responsible for producing over 90% of the world's cocoa. However, the majority of farmers live in poverty, with profits not exceeding 6-8% of the added value calculated on the sale of the final product. According to the most reliable estimates, the family of a cocoa farmer, in most cases, is forced to live on less than \$2/day⁶.

The determination of the price of cocoa by the London (LIFFE) and New York (CSCE) stock exchanges is one of the factors that influence the living conditions and remuneration of farmers in this supply chain. The price also takes into consideration various aspects, including quality, variety, processing methods, physical composition, as well as any taxes or duties applied by countries. Finally, weather conditions, subsidized distribution of fertilizers and insecticides to farmers and expectations of a large and/or higher than expected or conversely, a low harvest may also affect the price.

This price volatility, which is common to all commodities, causes various problems for farmers, who are the first to suffer from its negative impacts. In fact, this uncertainty does not allow a satisfactory remuneration for the effort and time dedicated to cultivation, nor the possibility of planning and investing in improving the productivity of one's plantations.



ICAM has always been committed to offering annual purchase contracts to all the cooperatives that supply it directly, thus allowing producers by virtue of the contractual commitment to more easily obtain access to credit and, consequently, to invest further in their own businesses, with obvious benefits for the entire local community.

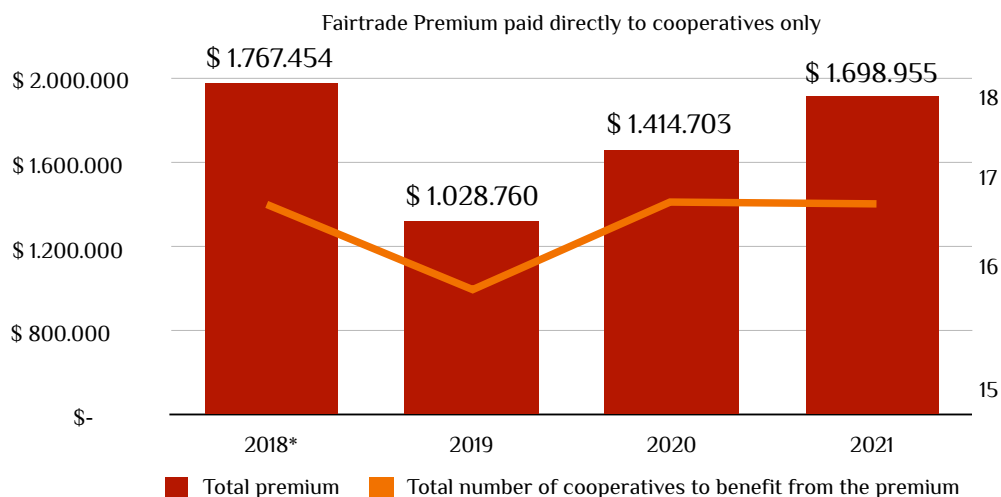


In fact, ICAM facilitated access to credit for 9 cooperatives in 2021 via annual purchase contracts for a total of 2,575 tons,. This mechanism allowed the cooperatives to obtain bank loans for a total of over \$8,000,000.

Furthermore, as previously mentioned, through the procurement of **Fairtrade certified cocoa (over 40% of the total supply)**, ICAM pays farmers a fair price, independent of the market price, and never below the **Fairtrade minimum price**⁷. As well as recognizing fair prices, **Fairtrade certification guarantees farmers an additional margin, defined as “Premium”**, to be used in social, health and development projects through a participatory and democratic program.

Since 2018, ICAM has provided a total Fairtrade Premium of \$ 9,309,532, both for the purchase of cocoa directly from cooperatives, and from traders and exporters. In particular, the amount disbursed in 2021 was equal to \$ 2,547,872.

For 2021, the total amount of Fairtrade Premium paid that ICAM paid directly to the **cooperatives alone** was \$ 1,698,955, an increase of over 20% compared to 2020.



*In 2018, volumes for 2019 were purchased in advanced.

More specifically, in 2021, ICAM directly purchased Fairtrade certified cocoa from 17 cooperatives:

- 14 in Peru;
- 2 in Ecuador;
- 1 in the Dominican Republic.

⁶ UNCTAD, Cocoa industry: Integrating small farmers into the global value chain, 2015 https://unctad.org/en/PublicationsLibrary/suc2015d4_en.pdf

⁷ The guaranteed minimum price is established by Fairtrade together with the producers to allow for a profit that covers production costs and allows investments to be made in the development of the company. This price is independent of market fluctuations.

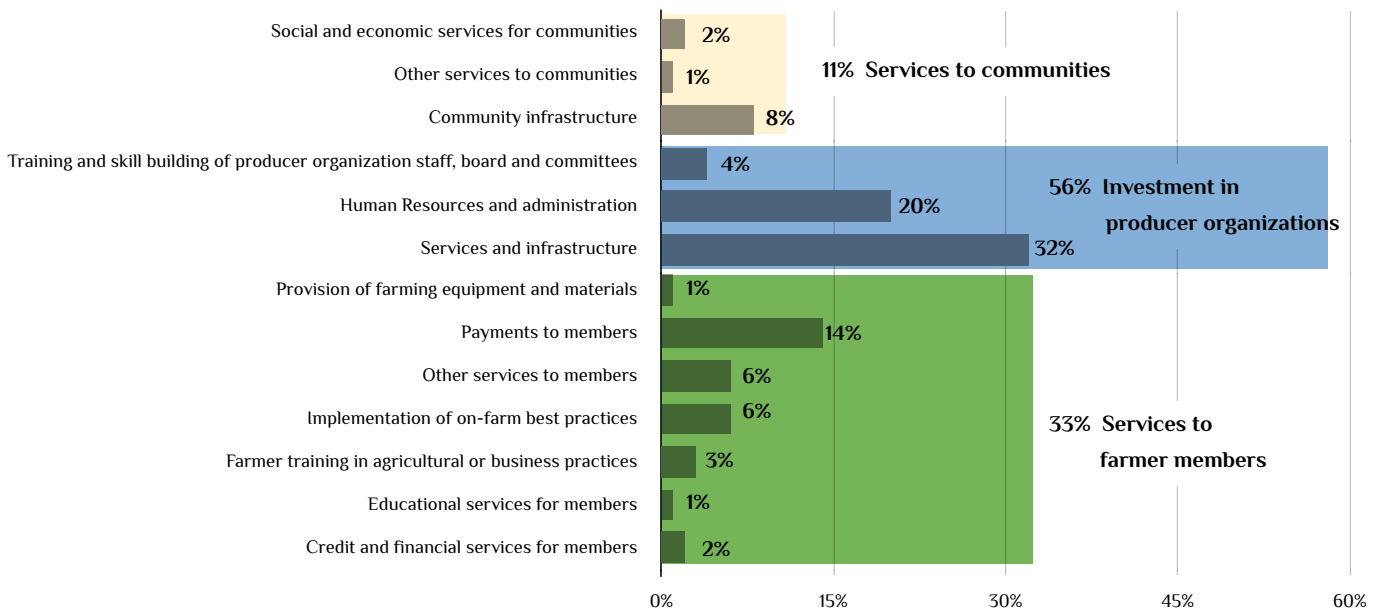
Use of the Fairtrade Premium (2014-2019)⁸



In 2021, ICAM obtained the results of a project that monitored the cocoa, vanilla and sugar supply chains carried out by Fairtrade. The **Impact Report** highlights how the producers from whom ICAM purchases directly invested the Fairtrade Premium in 2014-2019. Most of the Premium (56%) was used to incentivize the development of organizations, through greater services, infrastructure and personnel. 33% of the Premium was used to provide services to farmer members, with a focus on training and good agricultural practices, and the remaining 11% to provide services and infrastructure to communities.



Use of the Fairtrade Premium by producers from whom ICM purchases directly (2014-2019)



⁸ Source: Flotis 2017 data, Fairtrade 2017-2020. Data source: Ecert; Codimpact 2014-2019

Of particular note, between 2014 and 2019, the Fairtrade Premium contributed - **among others - to three important projects in Peru:**

- the **Cooperativa de Servicios Múltiples APROCAM** used a large part of the Fairtrade Premium it received both to improve its infrastructure and equipment and to hire agronomist specialists to provide technical assistance on the field to improve quality and increase the productivity of the cocoa. It also contributed to **SDG 2 (“Zero hunger”)**, through a project centered on hedge management and pruning technologies in the Amazonas department, in collaboration with FINCyT;
- the **Asociación de Productores Agropecuarios Cuencas del Huallaga** used the Fairtrade Premium to provide technical assistance services, to purchase and distribute fertilizers, to support members and offset prices, as well as to organize external workshops and training courses for members and administrative staff. It also contributed to **SDG 1 (“No poverty”)**, investing the Premium in direct distribution to members at the time of purchase, and to **SDG 2 (“Zero hunger”)**, investing the Premium in the purchase of a cocoa refiner and land;
- the **Cooperativa Agroindustrial Cacao Alto Huallaga** invested part of its Fairtrade Premium in environmental management projects (including reforestation, nutrient recycling, training in environmental mitigation, and non-formal environmental education), as well as in buying land and providing technical assistance to improve quality and productivity. It also contributed to **SDG 2 (“Zero hunger”)**, investing the Premium in the purchase and legalization of land, and to **SDG 11 (“Sustainable cities and communities”)**, investing the Premium in social and economic services for the community.



Skills and productivity of farmers

The main problems that characterize the cultivation of cocoa, as with other agricultural products from developing countries, are the low productivity of plantations and the poor quality of the product obtained. Furthermore, in addition to being inefficient, the agricultural practices adopted are often harmful to the ecosystem and contribute to further exacerbating the socio-environmental problems associated with the cultivation of cocoa. Deforestation, reduction of biodiversity, deterioration in the quality of drinking water and abuse of chemical pesticides are just some of the phenomena directly linked to the farmers' lack of adequate knowledge of the best cultivation techniques.

The great challenge is therefore to **transmit the necessary technical skills to farmers, allowing them, on the one hand, to increase productivity on the same amount of cultivated land, and on the other, to improve agricultural practices and obtain a quality product with the highest market value, all with full respect for the environment.**

Since the 1980s, ICAM has been committed to providing training programs to growers in its supply chain through its collaboration with various cooperatives in Central and South America and the Caribbean region.

This commitment, in addition to allowing the production of a qualitatively superior cocoa, has led local farmers to increase their income, both by increasing crop yields and by providing solutions for diversifying the crops present on their land.

With the establishment of ICAM Chocolate Uganda, the Group has consolidated its approach outside the American continents, collaborating directly with local communities and growers. ICAM has three fermentation centers in Uganda: in Bundibugyo, where the company's headquarters and the first center are located, and, since 2018, in Hoima and Mukono.

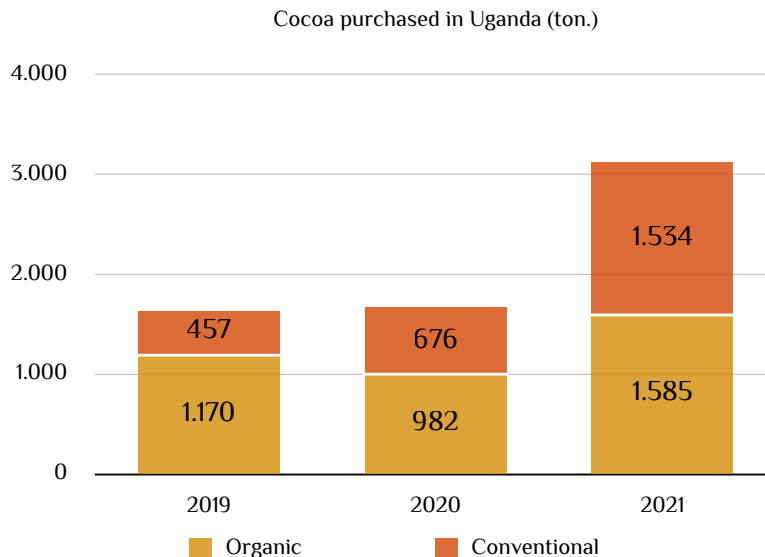


These centers, where farmers can sell their fresh beans, have brought significant benefits to families involved in cocoa cultivation and to local communities. By transferring the fermentation and drying stages to the ICAM centers, farmers do not risk seeing part of their harvest deteriorating or being stolen and also reduce the risk of children being involved in bean control activities.

These conditions have led to an increase in the quantity and productivity of the cocoa plants grown, as well as an improvement in the management of the crop by farmers.

Since 2017, ICAM's growers in Bundibugyo have obtained **organic certification**. This was achieved thanks to ICAM's **mediation with the certification bodies**: to promote ethical practices related to organic certification among farmers, ICAM has borne the costs associated with both inspections and control activities. The Bundibugyo fermentation center also guarantees the traceability of certified beans.

In 2021, 51% of the cocoa purchased from ICAM Chocolate Uganda was certified organic and comes from 2,722 certified farmers, with a total cultivated area of 2,523 hectares.

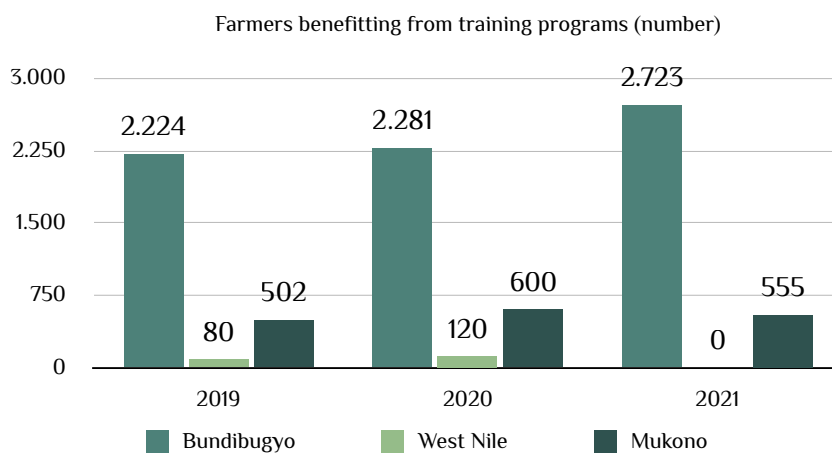


ICAM CHOCOLATE UGANDA'S ORGANIC PRODUCTS	2019	2020	2021
Farmers with organic certification	2.221	2.276	2.722
Hectares of organic plantations	1.259	1.632	2.523

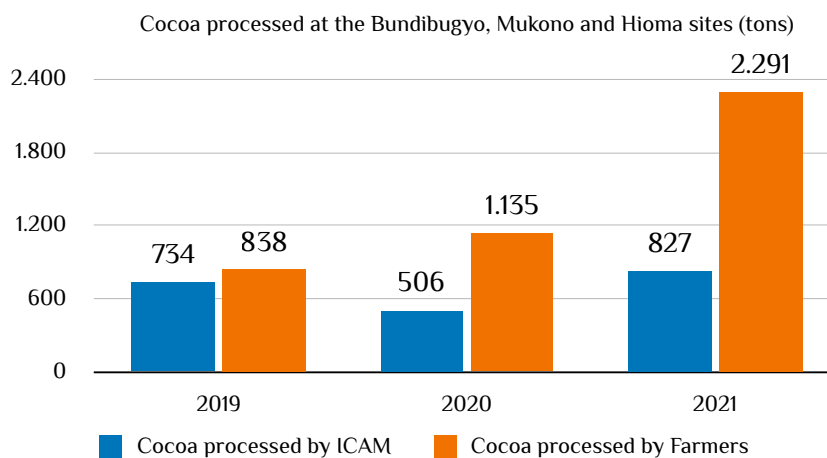
ICAM Chocolate Uganda is also engaged in other activities aimed at increasing the productivity, and therefore the income, of the farmers from whom it purchases cocoa.

For years, ICAM staff has been providing training courses on sustainable agronomic practices to local farmers.

As part of this project, **3,278 farmers were trained in 2021**. The main objectives of the 2021 courses included disseminating knowledge of agronomic practices, increasing the planting of cocoa plants and reducing the incidence of disease and pests in crops.



In the last three years, the quantity of cocoa directly processed by farmers in the areas of Bundibugyo, Mukono and Hoima has increased, demonstrating the continuous improvement in the skills of cocoa farmers⁹. In 2021 alone, growers processed around 2,291 tons of cocoa.



⁹ The quantities of cocoa purchased differ from the quantities of cocoa processed as there is a time gap in fermentation and drying or in stock from the previous year.

ICAM's contribution to farming communities

Since the 1980s, ICAM has established solid and productive collaborations with a number of farming communities, initially aiming to creating lasting and profitable partnerships.

Over time, ICAM's greater involvement in the dynamics and reality of cooperatives in South America has led to a change in how these collaborations are managed: from commercial relationships to real support for communities.



In fact, ICAM's initial actions, such as training on best agronomic practices to increase crop yields and the payment of the Fairtrade Premium, were progressively combined with specific initiatives aimed at farming communities.

Importantly, ICAM has always been attentive and sensitive in offering its support in managing emergency issues, trying as much as possible to make its own contributions and generate a positive impact on local communities.

In 2021, ICAM Uganda entered into a **collaboration with The Omugo Development Foundation**, a charity organization founded by her Royal Highness Queen of Omugo of Bunyoro Kitara, Margaret Karunga Adyeeri.

THE APROCAM EMERGENCIES IN PERU

In 2020, ICAM offered financial support of \$10,000 to the Aprocam cooperative in Peru (Bagua district) to manage the COVID-19 pandemic. In 2021, part of these funds was allocated towards emergency aid following the 7.5 magnitude earthquake that struck the Amazon region in November of that year, resulting in significant casualties and injuries and seriously damaging not only public and private buildings, but also roads and infrastructure. Aprocam intervened in the province of Bagua, both to support the associated families and to repair the damage to the cooperative's centralized structures for cocoa storage and quality control. Thirty percent (30%) of the funds allocated in 2020 are still available to the cooperative for the needs of its members.

UGANDA: THE OMUGO DEVELOPMENT FOUNDATION

The **Omugo Development Foundation** promotes initiatives in defense of the people, with the aim of improving the quality of life of women, children and young people, through green economy initiatives, including agroforestry programs also linked to cocoa.

These projects bring multiple advantages: they create jobs for young people, contribute to the wellbeing of the community, aid in the conservation of the environment and allow for the dissemination of knowledge relating to cocoa cultivation and proper use of the soil.

As part of this project, ICAM donated cocoa seedlings for 5 acres and organized theoretical and practical training for staff of the Omugo Development Foundation and for people in the community.

The partnership was further consolidated with the agreement to create 150 acres of cocoa plantations on Foundation land in the Forest Reserve of the kingdom of Bunyoro Kitara, which involves a commitment by ICAM to finance and build a nursery of 250,000 seedlings, as well as to provide knowledge and technical support regarding nurseries, plantation management and supply chain and soil regeneration activities.

To date, the first 5-acre plantation created from seedlings donated by ICAM is thriving thanks to the care of the Foundation and the technical guidance of ICAM. Preparation of 50 acres of land on which to establish the plantation is underway, including the planting of shade plants, which will take place at the beginning of the next rainy season (banana trees and precious wood trees such as musizi and muvule).

Future challenges for this project relate to solving problems such as the poor conditions of the local road network, access to clean water, lack of equipment and agricultural tools, and the need to build storage facilities.

Protecting biodiversity and fighting deforestation

Respect for biodiversity is a crucial issue for ICAM, which has always been committed to offering growers solutions to increasing crop productivity, maintaining soil fertility, respecting forest species and the boundaries of protected areas, counteracting the phenomenon of deforestation, and promoting the cultivation of cocoa varieties with high organoleptic qualities. **In 2021, 63.3% of the cocoa used by ICAM was certified organic or Rainforest Alliance.** As regards **direct purchases**, the percentage of organic cocoa exceeds 67%.

In recent years, the topic of protection of biodiversity has been supported by specific studies regarding agroforestry systems which, according to academics, could represent the solution to allowing cultivation in full compliance with the values of biodiversity.

Indeed, agroforestry systems provide for sustainable cultivation of several plants on a single plot of land.

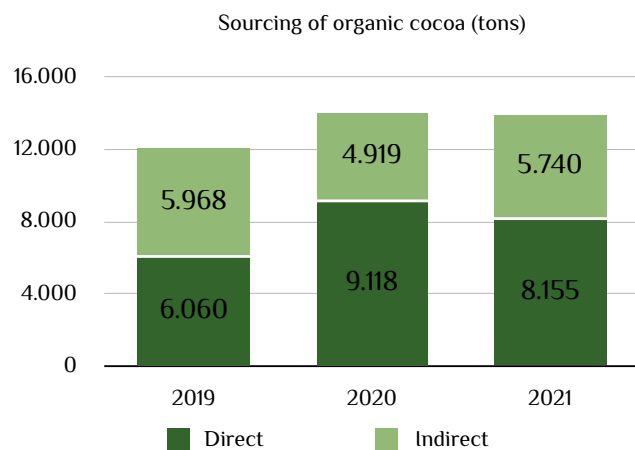


This system is particularly suitable for the cultivation of cocoa which, by nature, can be grown together with bananas, coconut and other fruit plants.

A further beneficial aspect of agroforestry systems is greater resilience of plants to climate changes, which correspondingly allows for increased absorption of CO₂.

ICAM is committed to investigating the issue of agroforestry systems and the fight against deforestation, collaborating with its most qualified suppliers to take into account the socio-environmental conditions of cultivation in the countries of origin. Of particular importance, **feasibility studies were launched in 2021 for the development of two agroforestry system projects in Uganda and Peru.**

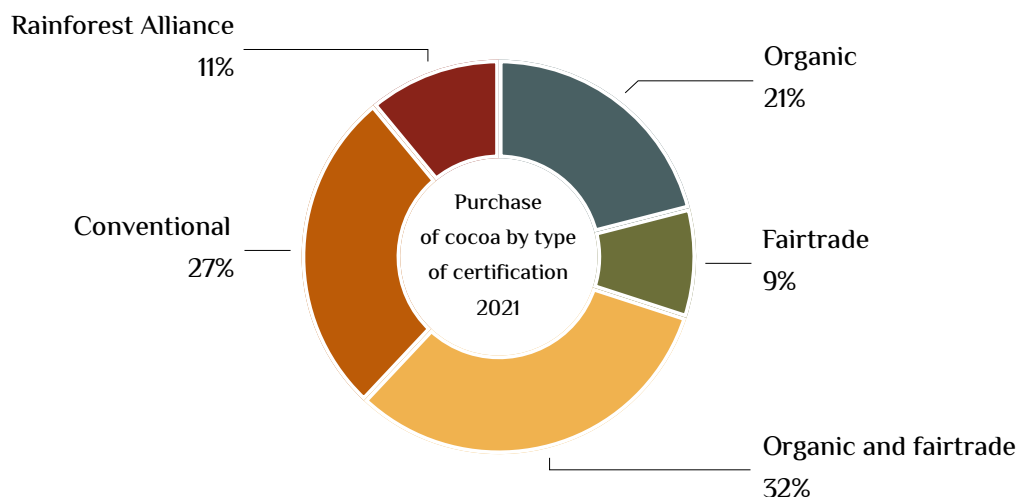
For more information on Organic issues, please refer to the box “What organic means for ICAM” in the chapter entitled “Commitment to innovation”.



Employment of Raw Materials

Cocoa purchase

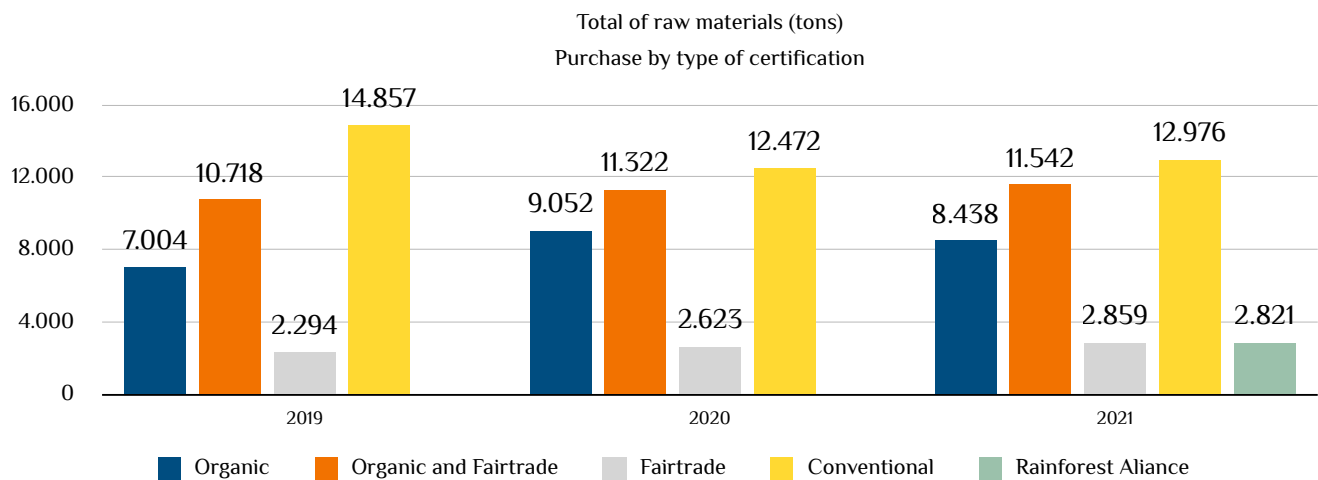
As regards the supply of cocoa, **26,065 tons of cocoa** were purchased in 2021, of which **over 72% was certified (organic - Fairtrade - Rainforest Alliance)**, a percentage that exceeds **80% for direct supply.**



The quantity of organic and/or Fairtrade cocoa purchased is in line with purchases in 2020, while there was a 22% increase in total conventional cocoa purchases (Rainforest Alliance certified cocoa represents 28.45% of total conventional cocoa purchased by ICAM in 2021), which increased from 25% to 30% of total sales. For more information on direct / indirect purchases and purchases from local exporters, please refer to the “Supply chain traceability” section.

Purchase of Raw Materials

ICAM’s focus on respecting farmers and the environment is certainly not limited to the purchase of cocoa and extends to the procurement of all raw materials. Obviously, in addition to cocoa there are four main ingredients involved in the production of chocolate: **sugar, milk, vanilla and hazelnuts**.



Unlike cocoa, many of these products can be purchased directly from Italian and European suppliers, with greater guarantees thanks to the higher regulatory standards imposed, both in terms of compliance with correct agricultural and breeding practices, and respect for workers’ rights. As previously explained, ICAM requires all its material suppliers to sign its Code.

ICAM has always been committed to promoting Italian and local products, such as oranges and herbs, provided the product obtains positive feedback from customers.

Emphasizing ICAM’s attention to the social fabric in which it operates, it is worth noting that in recent years the Company has allowed some small suppliers, which do not have the levels of reliability that provide for favorable credit conditions, to access the reverse **factoring** facility, allocating part of its bank credit to them, thus enabling access to financial support for more competitive conditions than those offered by the credit market.

Some raw materials must necessarily be procured from non-European countries due to climatic reasons, as with vanilla, or insufficient local availability, as in the case of hazelnuts or organic sugars. ICAM has over time **selected commercial partners who demonstrate an ethical and sustainable approach** to the management of their business.

With reference to the purchase of **sugars**, including special and innovative sugars (coconut, sweeteners, ...), note that, in 2021, **57% were certified organic and/or Fairtrade** and come from other countries, such as Paraguay, Brazil, India, Argentina and Mauritius. The **remaining 43%** is made up of conventional sugar of **European origin**.

In 2021, ICAM launched a three-year project with Italia Zuccheri to promote the Italian sugar supply chain. The project currently covers 14% of the need for conventional sugar of European origin.

As regards the **milk supply**, ICAM adds **animal welfare** to its pro-environment criteria. The raw material is of entirely European origin and is **39% certified organic**. This purchase percentage represents an important guarantee that the producer follows proper and ethical breeding practices. Furthermore, the share of conventional milk is purchased from selected companies that provide concrete guarantees in terms of the sustainability of their products.

For the purchase of **vanilla** (100% Madagascar origin), ICAM uses exclusively **Italian and European aroma suppliers with a clear and formal commitment** to responsible and sustainable sourcing. In particular, one of ICAM's largest suppliers, a German company, provides aid and support programs for farmers, through health care and the development of alternative and complementary vanilla crops, such as cocoa or rice.

As regards the purchase of hazelnuts, **hazelnut paste** and almonds, about **24% are of Italian origin**, while the remainder is purchased from Turkey, Georgia and Azerbaijan, in accordance with the quality specifications defined with customers. Italy is not self-sufficient in the production of hazelnuts as domestic consumption is far greater than the amount grown. **The purchase of organic hazelnuts and almonds amounts to about 53% of the total purchase.**

Finally, ICAM uses **palm oil and derivatives** only in products in which these ingredients cannot be replaced for reasons of functionality, taste, production process and price level. The Company has placed the use of these ingredients at the center of discussions with suppliers and **has integrated the minimum standards of RSPO Mass Balance into its purchasing policy** to ensure that even **these critical ingredients are managed according to principles of sustainability and traceability**.



Commitment to Innovation

The Company possesses in-depth knowledge of the raw materials, production technologies, technical-regulatory requirements and management along the entire supply chain.

High quality and safety standards

Customer/consumer trust is a crucial asset for the success of entities operating in the food market. ICAM is aware of this and legitimately promotes itself as a responsible company, attentive to the quality of its products and able to ensure compliance with the highest levels of safety, not only from a hygienic-sanitary perspective, but also against fraud and intentional or unintentional food counterfeiting.

To protect its supply chain from potential food fraud, ICAM has adopted a Food Integrity Policy, which describes the process for the prevention and mitigation of threats and vulnerabilities and includes:

- **assessment of threats and vulnerabilities** for internal and external risks along the entire food supply chain, if relevant and real;
- development of a **food integrity management system** to define strategies to combat fraud, implement mitigation measures and validate and verify preventive measures;
- appropriate **test procedures and/or traceability** systems to ensure the integrity of the product;
- **review of the system** for food integrity management on an annual basis or in the event of any imminent risks.

ICAM has also appointed a Food Integrity Team responsible for the development, implementation and maintenance of this Policy.

Certified quality and consumer safety

ICAM has always supported quality certifications as a crucial tool for additional compliance as well as a means of communicating this higher compliance to the market sector in which it operates. The implementation of certification standards represents an important operational support for ICAM, which integrates and facilitates internal quality control and prevention of risks relating to food quality and safety, as required by an organized system of mandatory and voluntary requirements. The two main types of certification adopted by ICAM are:

- ISO 9001 for quality management systems;
- BRC and IFS for food safety management systems.

They provide the best possible support to identify, implement and monitor operational and management activities and broaden the horizon for stakeholders.



The Company has a department specifically dedicated to protecting the quality and safety of the product, which assures customers that the Company is aligned with the best technical and hygienic-sanitary requirements, from the selection of ingredients to checking the finished product.

The entire cocoa transformation cycle is monitored by supervision systems for all process units that manage and store the various recipes and all information relating to production and critical process points, guaranteeing complete traceability of the product.

CONFORMITY ANALYSIS (N.)	2019	2020	2021
Raw materials			
Pathogens	626	500	794
Mycotoxins	270	320	372
Pesticides	232	570	360 ¹⁰
GMOs	85	85	76
Total test	1.213	1.475	1.602
Semi-finished and finished products			
Microbiological tests	14.523	16.900	10.325 ¹¹
Pathogens	1.375	1.600	1.600
Cadmium	970	1.680	1.762
Allergens (casein)	141	250	1.624 ¹²
Filth test	32	50	35
Total test	17.041	20.480	15.346

¹⁰The data cannot be compared with previous years as, starting from the second half of 2021, pesticide analyses have been carried out using a multiresidual method, i.e. based on a broad spectrum of residues (indicatively, multiresidual analysis is carried out on over 200 active ingredients).

¹¹The number of microbiological analyses has been reduced due to the largely consistent results of previous years.

¹²The increase was driven by the validation process for the new Dairy Free coverings (without lactose or milk proteins).

All the key production steps are designed to ensure compliance with the organoleptic characteristics of the raw material and to enhance the aroma and taste, always in compliance with the strictest food and safety standards.

Achievement of the organoleptic objective is certified by a group of expert tasters who conduct daily sensory tests aimed at ensuring the regularity of each production batch.

The processes are verified autonomously through complete and constant monitoring of production using the HACCP method.

ICAM's food safety policy is based on the principles of prevention, accountability and transparency and is managed through an internal audit system, which allows the integrity and safety of products to be constantly monitored.

These audits are included in a “field to table” control system which involves monitoring the entire production chain and includes independent verification by control authorities and certification bodies.

In 2021, approximately 17,000 analyses were carried out, on both raw materials and the finished product, to ensure the quality and safety of the products.

The increased complexity of the production chain and the emergence of fraud and health alerts have prompted more and more customers to request additional guarantees and stringent controls on the products they purchase. In order to increase the transparency of its control system, ICAM's objective is to subject the entire package of analyses relating to food security and regulatory surveillance to verification by an accredited certification body.

This continuous commitment to guaranteeing quality products allowed ICAM to win **five major awards in 2021**:

- Sustainability Award 2021 - ICAM in the top 100 sustainable companies;
- Quality Award 2021 for the Vanini Blue Rose praline;
- Italian Food Award (Sweets & Confectionery) special Sustainability award for “Vanini Uganda Organic Bars”;
- Innovation Guide Top 100 Prize “Vanini Uganda Organic Bars”;
- DS-DolciSalati&Consumi Awards Prize for best product for Vanini Uganda BIO Bars.

ICAM has also decided to go beyond the mandatory aspects of BRC certification, thereby meeting the broadest expectations of customers and consumers. With this in mind, starting next year, the classic certification scheme will include additional modules concerning Food Defense and vegan production standards.

Ability to respond to customers' needs

For ICAM, the **continuous pursuit of maximum customer satisfaction** does not simply represent an objective to strive towards, but constitutes an **inherent part of the Company's mission**. For a company that operates largely on the B2B market, the ability to present itself as a reliable partner - one that responds effectively to the needs of the customer and guarantees a quality product - is a crucial requirement for building stable and lasting relationships.

Meeting the demands of its customers by creating real tailor-made recipes is one of ICAM's distinguishing qualities in the marketplace and is ensured by skills developed over many years, thanks to constant research and development. ICAM is committed to satisfying the requests of even the most demanding customers, representing suppliers from all market segments, including premium.

The Company's know-how ultimately comes together in the "recipes" for production of different types of semi-finished and finished chocolate products: the recipes identify the ingredients, quantities, sequence of use, temperatures, times and all the technical parameters of the machinery used at each stage of production, from management of the raw material warehouse to management of product stocks.

The Company's ability to customize the product, together with its integrated and complete supervision of the production chain, make ICAM a supplier of premium products, with an ethical and technical-qualitative content recognized and appreciated by international distributors and customers.

RESEARCH AND DEVELOPMENT ACTIVITIES			
Recipes developed during the year (number)	2019	2020	2021
Developed at the customer's request	673	461	617
Developed in-house	179	99	117
Total	852	560	734
Ability to respond	2019	2020	2021
Recipes developed/Requests for recipes received from customers	94,39 %	89,58 %	97,01 %
Recipes developed/Requests for recipes received internally	89,50 %	77,78 %	84,78 %
Recipes developed/Requests for recipes received total	93,33 %	88,88 %	94,83 %

ICAM has its own advanced research and development laboratory which, thanks to its ability to analyze the needs of the market and identify the best recipes, can respond effectively to the requests of its customers.

The numbers testify to this: in 2021, over 700 recipes were developed, based on internal and customer requests, marking a gradual return to pre-pandemic levels. The pursuit of customer satisfaction is also demonstrated by the constant commitment to reducing non-conformities and the number of complaints received annually. In 2021, despite the worsening of some quality indicators (e.g. rejects, punctuality of deliveries, etc.), ICAM recorded a significant reduction in complaints, as regards both minor defects and critical aspects. The complaints index (no. of complaints per million units sold) dropped from 0.98 in 2020 to 0.6 in 2021.

COMPLAINTS RECEIVED			
Indicator (number)	2019	2020	2021
Non-critical complaints	89	154	132
Critical complaints	48	49	36
Total	137	203	168
Complaints for one million consumer units sold	1,0	0,98	0,60

QUALITY INDICATORS			
Indicator (number)	2019	2020	2021
Customer Service ¹	96,89% ³	94,24%	90,66%
Non-compliance ²	0,09%	0,04%	0,07%

1. number of order lines processed on time/number of order lines requested
2. costs for returns related to non-compliance due to quality/turnover
3. the figure was updated following a refinement of the calculation method

In 2021, ICAM aimed to pursue its commitment to customer satisfaction, where possible bringing the performance indices to pre-pandemic levels where possible and focusing more on the creation of products that meet specific sustainability requirements.

This time frame saw an acceleration in the development of products in the organic and Fairtrade range - particularly for the consumer and industrial market in North America - as well as in the search for ingredients and special materials that respond to critical issues of sustainability and new food trends such as coconut sugar, “vegan/plant based” products, clean label (no soy/no additives) and compostable packaging.

Responsible labelling

Building relationships of trust with consumers cannot be separated from careful and responsible marketing activities, both in terms of the claims made and the information on the characteristics of the products communicated through the packaging.

ICAM's approach, based on criteria of prudence and transparency, and the new policy against food fraud (Food Integrity Policy) translate into a constant commitment to **respect for the consumer**, which goes well beyond compliance with regulations.

The Company **pays serious attention to the information contained on its labels** and, more generally, to the product characteristics transmitted by packaging. The labels contain detailed information on the origin, composition, product certifications and nutritional and environmental characteristics, to allow the consumer to make an informed choice.

Furthermore, in addition to the provisions imposed by individual national laws, ICAM undertakes to provide transparent labeling information, so as to best help the final consumer make product choices matching their tastes and lifestyle.

The same responsible approach can be found in all ICAM's advertising campaigns and in all the communication channels used (TV, web, social media, etc.).



PRODUCT CERTIFICATIONS

ICAM has always been careful to offer its customers high quality Italian chocolate, in line with the highest international quality standards. The information that reaches the consumer through the application of certification marks or logos - the use of which has increased considerably in recent years - represents a form of guarantee recognized and appreciated by the market.

As regards nutritional and dietary considerations, the growing demand for "free from" products is notable. Of these the claims "gluten-free", "milk-free", "lactose-free" and "vegan" are the most important. The presence of these certification marks on ICAM products represents a form of guarantee recognized and appreciated by consumers. The Company also offers sugar-free products to meet the needs of an increasingly wider range of consumers.

In 2022, in line with new production opportunities and the segregation of plants and processes, ICAM intends to develop a new line of "Dairy Free" coverings (upgrade of the current Lactose Free line), appropriately certified by a third party, thus responding to a particularly widespread need on the industrial and professional market.

Lifestyle and diet certifications



Sustainability certifications



Furthermore, in 2021, ICAM adapted the packaging of its products in accordance with the new Legislative Decree 116/2020, including precise indications on the composition and correct disposal of packaging on the labels.

Among other certifications, the “**100% Made in Italy**”, certified by an external body, guarantees that the entire production process is carried out in the Orsenigo plant.



For the sake of transparency and complete disclosure, it should be noted that, in 2021, despite correctly managing the downgrading of cocoa, ICAM received a warning from the organic control body, for not having respected the deadlines for providing information on the presence of a substance not permitted on organic cocoa beans imported from third-world countries.

WHAT ORGANIC MEANS TO ICAM



From the beginning, ICAM has believed in the validity of an organic approach and was the first Italian **chocolate manufacturer to take up the “bio” challenge.**

For ICAM, the organic approach respects the naturalness of the product and is much more than an absence of chemical and microbiological treatments: from cultivation to the preparation, storage and processing phases, each step takes place according to natural time frames and methods.

The specific certification requirements, which vary from country to country, require compliance with a series of rules that regulate production, cultivation, conservation, processing, packaging and shipping and which include:

- the non-use of synthetic chemicals, genetically modified organisms and irradiation throughout the production process, through the empowerment, training, information and collaboration of farmers;
- the cultivation of agricultural land on which synthetic chemicals have not been used for a considerable number of years;
- the complete traceability of ingredients and the adoption of a documented production system: for each ICAM certified organic product it is possible to draw a documented map of the entire processing path;
- the strict physical separation of organic ingredients from conventional ones;
- periodic on-site inspections.

Furthermore, the desire to respect the environment and organic production methods has prompted the Company to promote **traceability projects for organic products**, aimed at sharing data relating to the various production phases and information on environmental sustainability, on the healthiness of the soil, the distance from polluting plants, the use of environmentally friendly plant protection products, the processing and packaging techniques for the products and the use of conservation, packaging and distribution methods that respect the environment.





Responsibility towards the environment

The path to achieving excellence in product quality begins with identifying the best cocoa plantations for the scrupulous selection of the raw material. Nature is therefore the greatest resource and the secret of ICAM's success.

The Group fully believes in the importance of supporting international initiatives, such as those promoted by the United Nations, which address the need for sustainable development and the protection of biodiversity and forests. For instance, ICAM supports the Rio de Janeiro Declaration on the Environment and Development of 1992, especially the precautionary principle (no. 15)¹³

Energy management and efficiency

Demonstrating its dedication to reducing any negative environmental impact, ICAM has made a series of investments in recent years aimed at significantly improving its energy efficiency. In fact, the Orsenigo production site combines technological requirements, linked to strict industry regulations, with functional needs and constructive logic, all while respecting the environment.

In designing the industrial site, ICAM was inspired by three strategic elements in cocoa production: functionality, traceability and environmental sustainability. A fully automated production plant was created, capable of guaranteeing the traceability of each process while at the same time capable of doubling energy efficiency compared to the previous plant.



¹³ In order to protect the environment, States will apply the precautionary method widely, according to their capabilities. Where a risk of serious or irreversible damage exists, the absence of absolute scientific certainty must not serve as a pretext for postponing the adoption of adequate and effective measures, also in relation to costs, aimed at preventing environmental degradation", Declaration of Rio on the environment and development, 1992.

THE TRIGENERATOR

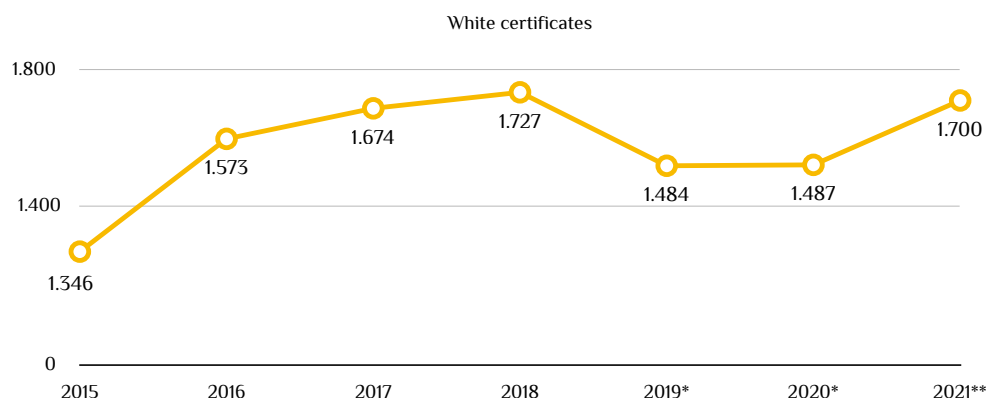
The main innovation introduced by the Company consists of the trigeneration plant which, by simultaneously producing electricity, steam and cold water from a single energy source, allows ICAM to autonomously and highly efficiently obtain the energy necessary to satisfy almost all (approximately 85%) production process needs at the Orsenigo plant. The Company's remaining energy needs are covered by purchasing electricity from the national grid which, since 2021, has come exclusively from renewable sources.

The trigenerator, powered by methane (considered to be the cleanest of fossil fuels), has undergone some improvements in recent years. In particular, the renovation carried out on the machinery in 2019 made it possible to increase the level of use of the plant from about 85% to 95-100% (i.e. the maximum amount of energy that can be produced by that plant), providing a 3% reduction in the electricity purchased.

In addition, also in 2019, an emissions reducer (urea-based) was installed, which further lowered the environmental impact of the site, eliminating CO and NOx (greenhouse gases) from the discharges.

In 2022 ICAM will replace the steam production boiler, in order to improve thermal efficiency, and the electricity generator, with the aim of improving electrical efficiency.

ICAM's approach, which is aimed at reducing the environmental impact deriving from energy consumption, is confirmed by the 10,991 "White Certificates" (or Energy Efficiency Certificates) awarded to ICAM in the last seven years.



*This figure is affected by the stoppage of the trigenerator for renovation work.

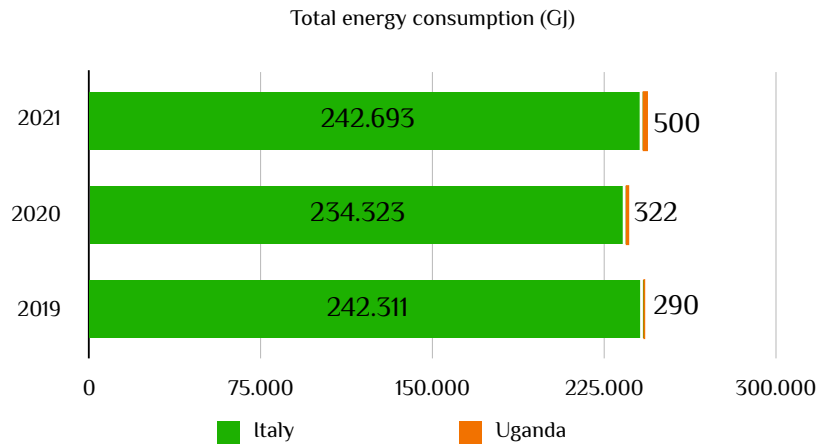
**Estimated figure.

The white certificate mechanism, which came into force in 2005, is the main tool for promoting energy efficiency in Italy. White certificates are negotiable securities that certify the achievement of savings in the end uses of energy through interventions and projects to increase energy efficiency. Each certificate is equivalent to saving one Ton of Oil Equivalent (TOE).

ICAM also pays attention to its impact on the environment at its branches in Uganda.

The fermentation and drying centers were designed and built with the aim of minimizing the consumption of electricity and the use of wood-fired generators or dryers, using transparent polycarbonate panels in the drying areas, thus avoiding the use of artificial dryers.

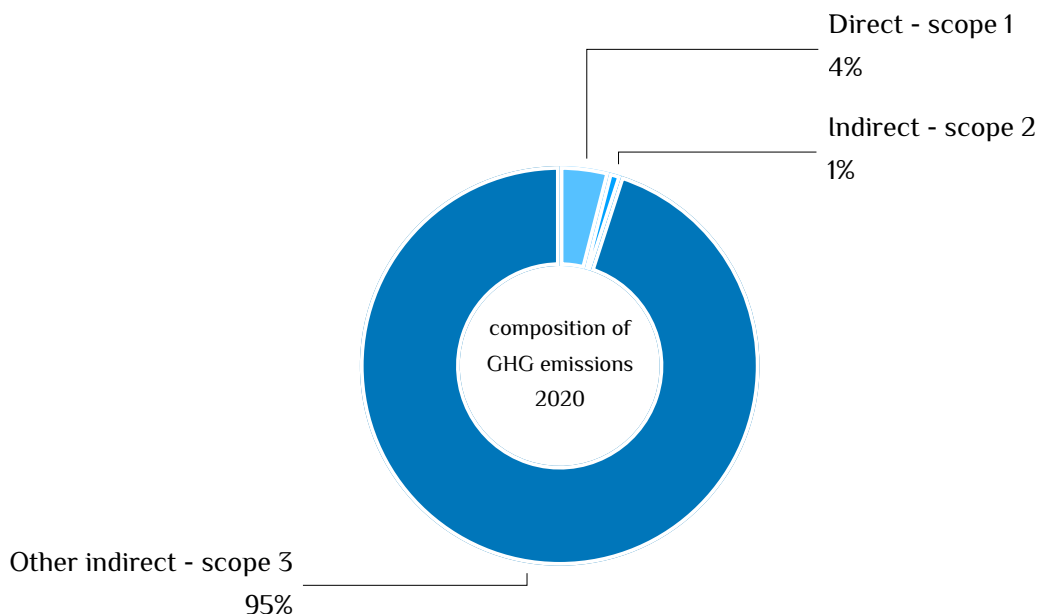
The fermentation centers are connected to the national electricity grid and to a petrol generator in case of a power failure (blackout).



Emissions and air quality

At the end of 2020, ICAM started calculating and monitoring the Carbon Footprint of its activities in order to understand, manage and reduce its impact on the climate and, at the same time, provide concrete evidence of the results obtained through its commitment to this goal. More specifically, “the carbon footprint” is a measure that expresses the total greenhouse gas emissions associated directly or indirectly with a product, organization or service in CO₂ equivalent. It therefore represents a “measure” of the environmental impact generated with respect to global warming.

This activity, carried out with the support of a specialized external company and in compliance with the UNI EN ISO 14064 standard and the Greenhouse Gas Protocol, made it possible to calculate the direct (Scope 1) and indirect (Scope 2 and Scope 3) emissions of ICAM¹⁴ in 2020.



The analysis conducted found that the most significant Carbon Footprint category is Scope 3 (95%); the purchased products related to this category are the primary source of emissions.

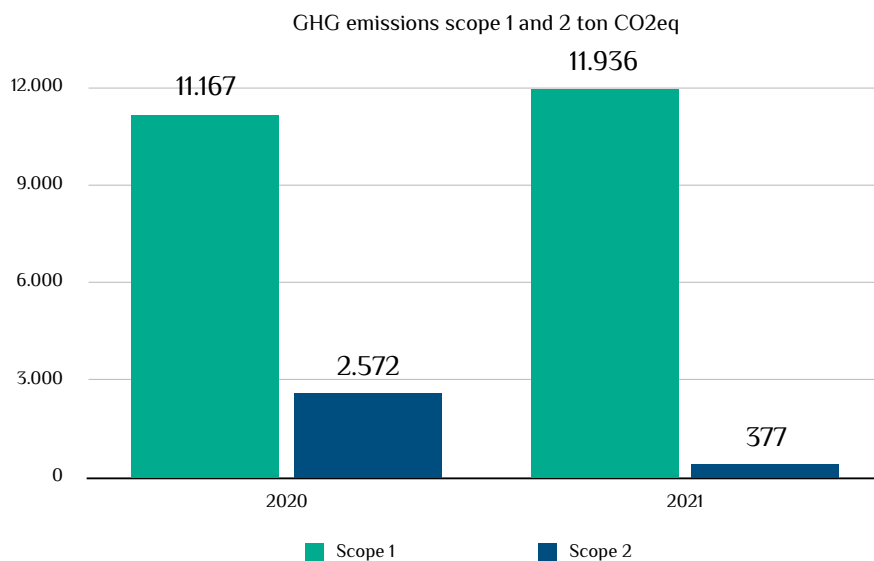
Among these, cocoa alone contributes to over 86% of the Group's emissions, followed by transport (4%) and other goods purchased: milk (2%), packaging (2%) and sugar (1%).

¹⁴ The other Group companies were not included in the assessment to determine the carbon footprint as their impact was assessed as negligible.

However, it must be taken into account that the impact of cocoa varies considerably according to the supply chain of origin and, consequently, the emission factor used. For example, in the first analysis conducted, a global average factor was used, which does not take into account the “virtuous” peculiarities of many of ICAM’s supply chains, especially the organic ones.

With this in mind, the Company has launched a second project, through Life Cycle Assessment, aimed at calculating the specific emission factor of cocoa for the most significant supply chains, starting with Uganda.

For more information on the analysis conducted, please refer to the box “Life Cycle Assessment of the Uganda”.



With reference to the year 2021, **direct emissions** (Scope 1), principally relating to the consumption of methane used by ICAM to supply energy to the Orsenigo site, amounted to 11,936 tons CO₂eq (with an increase of 7% against a 9% increase in processed cocoa). On the other hand, **indirect emissions** (Scope 2), calculated according to location-based methodology, fell from 2,572 to 377 tons CO₂eq, thanks to the purchase of 100% green electricity at the Orsenigo site.

Overall, in 2021, ICAM reduced its Scope 1 and 2 emissions by pprox. ximately 10% compared to 2020.

ICAM intends to continue the study in more detail: **in 2022 it will focus on Peru** and then move on to other origins. In addition, in order to adopt a more ecological business model, including in employee travel, **the new Car Policy provides for the introduction of low-emission cars (Plug-in Hybrid) on the car list**, providing a more ecological business model, including in regards to employee travel.

With a view to introducing a greater number of hybrid cars into the company fleet, ICAM has already installed fast charging points in its company car parks, allowing employees to charge their electric cars daily during working hours.

LIFE CYCLE ASSESSMENT OF THE UGANDA SUPPLY CHAIN

Given the high impact of cocoa production on ICAM's Carbon Footprint, ICAM has taken steps to understand better the impact of its supply chain and thus be able to reduce further the impact while also verifying the “virtuousness” of this supply chain. In 2021 the Company appointed Carbonsink - a consultancy firm specializing in the development of mitigation and risk assessment strategies related to climate change - to carry out a **detailed study of the cocoa supply chain in Uganda** to understand its real impact and detail the differences in emissions in the various areas from which the Company gets its supplies.

The study found that the **punctual average emission factor** (about 3 kgCO₂eq/kg) is far lower than the **global average emission factor of cocoa** (equal to about 11 kgCO₂eq/kg), thus **confirming the ethical nature of the supply chain of ICAM cocoa in Uganda**.

The predominant factor in differentiating the Ugandan supply chain from the global average is the **impact of the Land Use Change** - i.e. the transformation of land from a “natural” use (e.g.: forests and wetlands) to a “semi-natural” use (e.g.: crops). In fact, although this is significant in the Uganda Cocoa Supply Chain, it is below the global average.

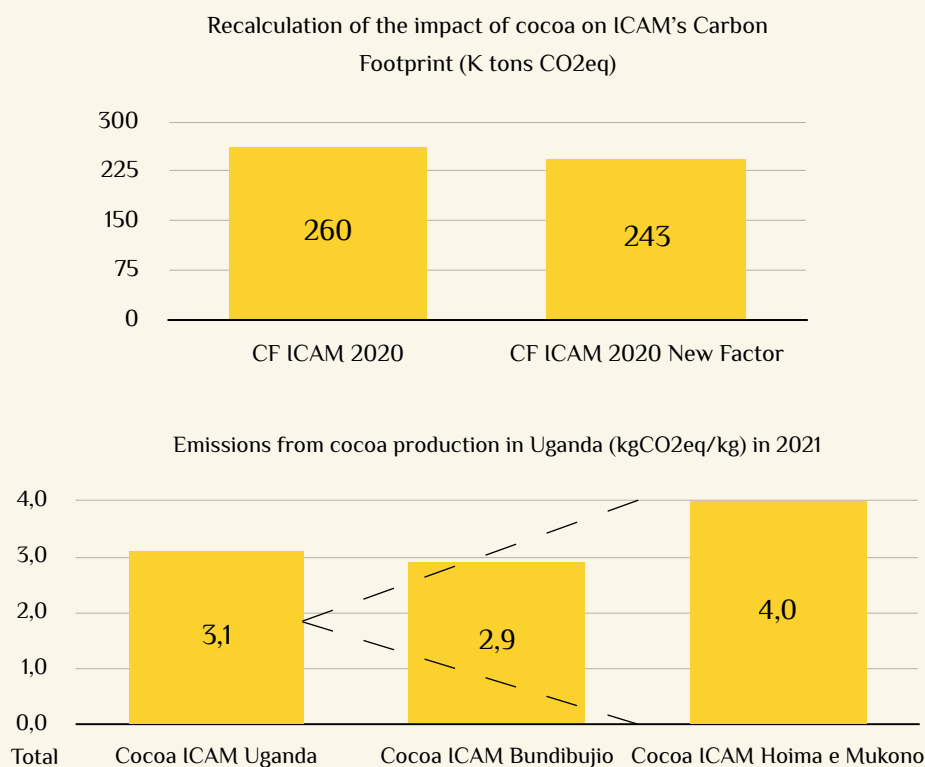
Applying the new Factor to Ugandan cocoa (approximately 10% of cocoa purchased in 2020), we find that the Carbon Footprint of cocoa cultivation is approximately 243,000 tons. CO₂eq, a value 7% lower than that defined in 2020 (approx. 260,000 tons CO₂eq); consequently, **ICAM's 2020 carbon footprint is significantly lower than the previous estimate suggests**.

ICAM's commitment to the environment also includes purchasing **organic cocoa** which, by avoiding the use of fertilizers and pesticides, allows for a significant reduction in emissions. The comparison between the different Ugandan centers shows that the emission factor of Bundibugyo (2.9 kgCO₂eq/kg), where a large part of the cocoa grown is organic, is lower than that of Hoima and Mukonu (4 kgCO₂eq/kg), where conventional cocoa is grown.

The study also allowed the Company to identify the emission “hotspots”, a necessary step to identify possible additional levers for further abatement of emissions.

When the study on the other supply chains is completed, we expect to see this indicator significantly improve.

In conclusion, **the analysis revealed that the impact of the Ugandan cocoa supply chain is lower than the average of global cocoa production**.



The construction of the Orsenigo production site, where all ICAM's production currently takes place, has led not only to greater efficiency in production and consumption, but has supported the Company in the holistic containment of its atmospheric emissions, including the olfactory impact.

With regard to this latter concern, in order to minimize disturbance to the local population, an afterburner was installed in the cocoa roasting plant (i.e. the most aromatic phase of the process) that neutralizes all the aromatic molecules emitted.

Following the 25% expansion in production capacity of the cocoa roasting plant, in 2021 ICAM installed a new system for reducing the atmospheric emissions deriving from the grinding process.

Thanks to the technology of coalescence of the fat particles transported by cooling air, the new plant reduces both fine dust and Volatile Organic Compounds (VOCs) to values significantly lower than the legal limits.

Management of water resources

Chocolate is one of the food products with the highest impact in terms of water consumption, but less than 0.01% is attributable to the cocoa processing carried out at production plants. Aware of the importance of responsible use of natural resources, ICAM takes great care in managing water consumption even in the plant, ensuring the optimization of production cycles.

One of the numerous initiatives carried out by ICAM over the years includes transforming all the water cooling and heating circuits used by the process machines into closed circuits.

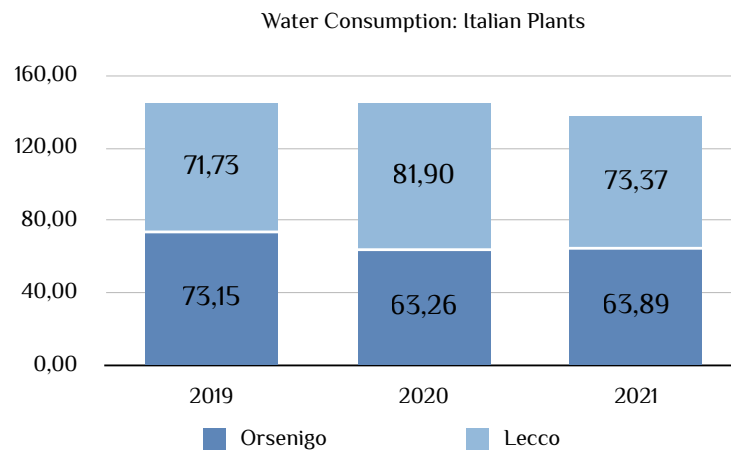


Furthermore, all the environmental conditioning or cold production machines have been replaced with air-cooled or closed-circuit water-cooled machines.

For water supply, ICAM:

- has three intake wells, two in Orsenigo and one in Lecco;
- is connected to the municipal drinking water network.

Water from the well is used for cocoa transformation processes and other auxiliary factory services and, before being discharged into the sewerage system, is equalized and constantly monitored in compliance with Italian law. On the other hand, water from the aqueduct is used exclusively for sanitary services (bathrooms and showers) and for the canteen kitchen. In addition, all rainwater is collected in a decanting tank that separates any oils from parking lots, cars or trucks.



Water consumption for the two plants for 2021 was approximately 137 ML, essentially in line with previous years¹⁵.

Furthermore, in 2021, the Company launched a project, which will be completed in 2022, to replace the water softening system of the well in Orsenigo, with the aim of eliminating the discharge of chlorides in the waste water and reducing water consumption by 5%.

¹⁵ The data on water consumption for 2019 and 2020 for the Lecco plant have been updated with respect to the data included in the 2020 Sustainability Report, following a more detailed revision of the data.

Sustainable packaging

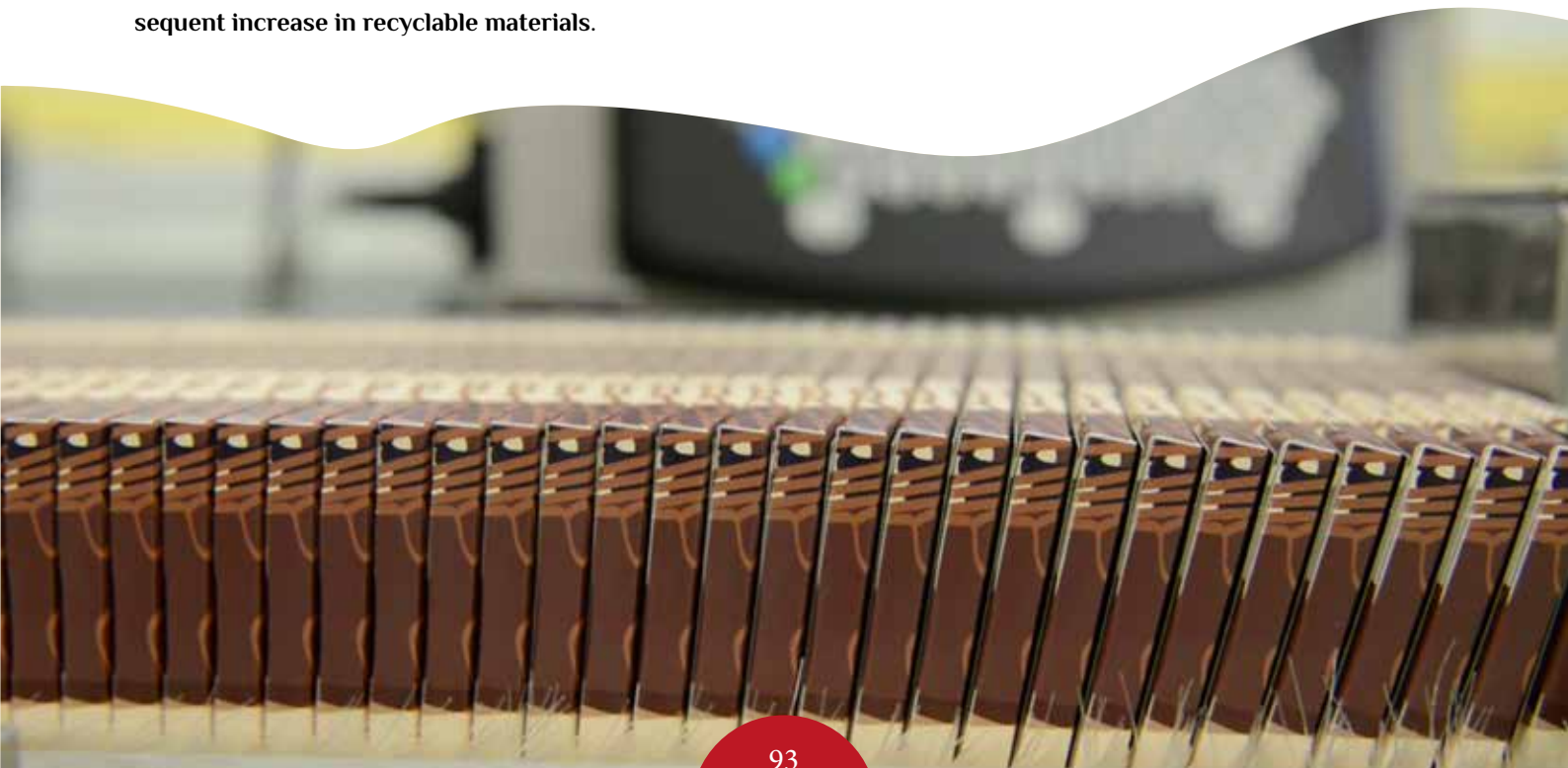
The selection and choice of the most suitable packaging for its products is an important aspect of ICAM's strategy for quality and sustainability at various levels. A technical team dedicated to packaging, in collaboration with the Purchasing Department, defines the specifications of each package, initially assessing whether the integrity of the product is safeguarded, both in terms of food safety and freshness and organoleptic quality. Subsequently, aspects related to manufacturing and production efficiency, the aesthetic and communicative function of the packaging itself and the "sustainability" of the material are also considered, also in terms of ease of disposal and environmental impact.



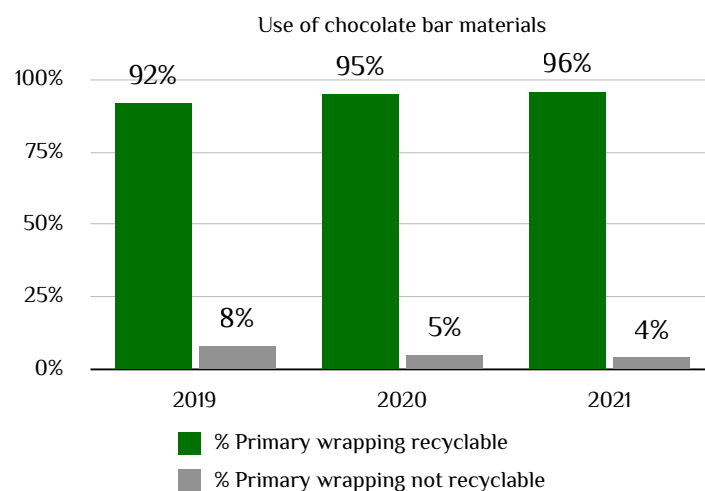
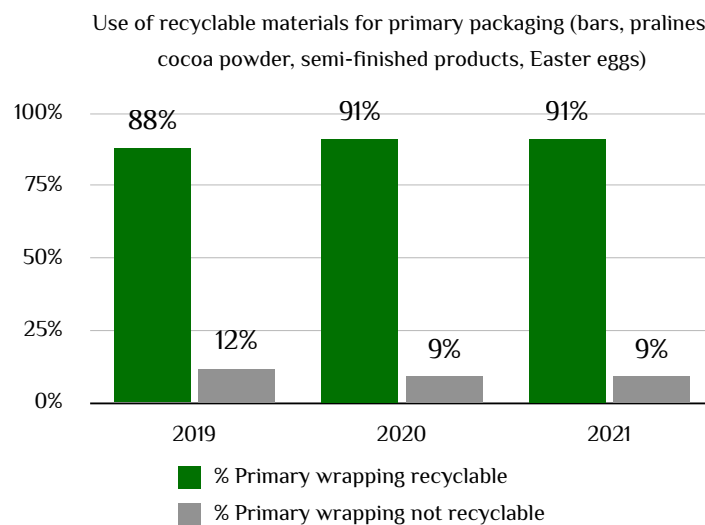
In 2021, the Company used approximately 992 tons of material for the primary packaging of products (bars, pralines, cocoa powder, semi-finished products for industry and Easter eggs), to which the purchase of cartons, pallets and display units must be added, the latter in 100% recyclable material. With reference to primary packaging, about **91% of the packaging used is made of completely recyclable material** (paper, pure aluminum and plastic) while 9% is coupled and multilayer material (plastic or aluminum) that cannot be recycled and is mainly used to package products destined for the industrial market (e.g. drops, coverings, etc.). A project is underway to identify improved solutions for packaging the covering products intended for the pastry channel.

Since 2019, ICAM has reduced the share of non-recyclable packaging - from 12% to 9% - increasing the percentage of recyclable packaging.

Comparing the performance of 2021 with that of 2019, we can see how the investments made in recent years in the use of sustainable materials and the reduction of the weight of wrapping have contributed to a **decrease in the use of non-recyclable wrapping and a consequent increase in recyclable materials.**



These results were also achieved thanks to recent investments in packaging lines developed in 2020. Since January, ICAM has been packaging all 100-gram chocolate bars under its own brand with single-material packaging, thus ensuring total recyclability. This innovation, associated with improvements made in 2019 to the new aluminum wrapping machine for 85-100 gram bars - which replaced the previous coupled wrapping - made it possible to produce our own brand tablets with 95% recyclable primary packaging.



Furthermore, in February 2020, ICAM launched the box weight reduction project. In 2021 it expanded the number of suppliers involved and the range of action of the project. By doing so the Company was able to go from reducing the weight of 34% of the bars produced in 2020 to 86% on cardboard boxes and 52% on “wallet” wrappers. To date, the new packaging has allowed the Company to obtain a savings of about 64 tons of wrapping.

Unfortunately, towards the end of the year, a general shortage of packaging materials on the market forced the company to accept available materials that were available, even if these were not always in line with the project. The situation had not yet improved in the early months of 2022, but the company intends to resume the weight reduction project as soon as the market situation allows it.

The year 2021 also saw the market launch of an important project that ICAM has been studying for many years:

the introduction of biodegradable/compostable packaging. The experimentation and study phase, launched in 2019 in partnership with our material and technology suppliers, led to the purchase of a dedicated packaging machine which was delivered in June 2020.

At the same time, the Company, with the support of primary specialized partners, has completed the validation of a compostable and certified "flowpack" wrapping to be proposed both for the European and the non-European market.

The new packaging, which combines unique high barrier characteristics with excellent production efficiency, has received very positive feedback from the market, especially abroad.

The production of bars wrapped in compostable material began in March 2021 for 3 strategic customers. In October, this innovation was also introduced in a range of our premium Vanini brand.

Overall, in 2021 ICAM purchased 41,537 kg of compostable material to replace plastic film, using 31 tons in the year for projects that involved a total of 1,160 tons of consumer products.



Waste management

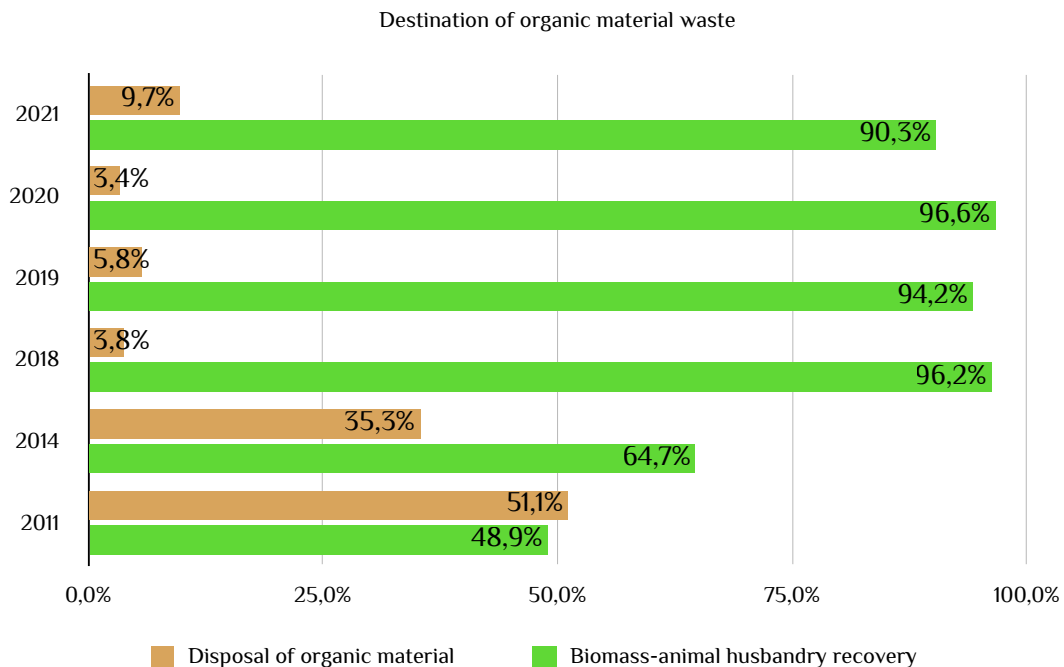
ICAM has always sought the most ethical use of all the materials it uses, from the raw materials for food production to product packaging.

To avoid wasting raw materials, purchases are planned together with customers to avoid generating food waste.



With a view to the circular economy, ICAM has been collaborating with partners for years to give a second life to its production waste.

One of the most significant initiatives is the use of cocoa bean residues to feed farm animals and to generate energy at biomass plants. In the last 10 years, ICAM's efforts have meant that organic material "waste" for disposal has fallen from 51.1% in 2011 to 9.7%¹⁶ in 2021.



¹⁶ The figure does not include cocoa husks, which are not waste, but processing by-products destined for animal husbandry.

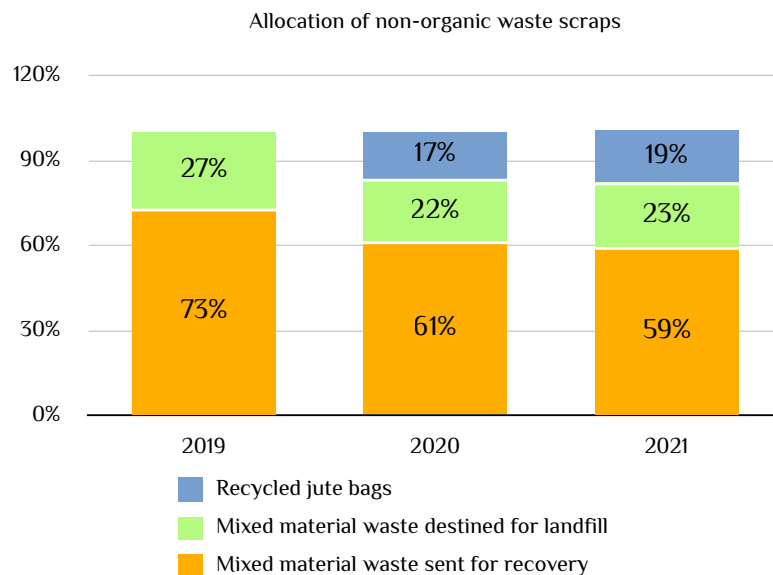
However, as regards non-organic waste:

- **single-material packaging** - paper/cardboard, plastic, wood, ferrous material - are separated and 100% recovered;
- 30% of **mixed packaging** is destined for recovery.

RECOVERY OF JUTE BAGS

In March 2020, ICAM began to collaborate with a specialized operator for the recovery of jute bags for cocoa beans, which are recovered and relocated to produce insulating and sound-absorbing panels used in green building construction, automotive or natural thermal insulation, thus giving materials previously destined for landfill a second life in a circular economy.

In 2021, ICAM recovered **133,120 kg of jute**.




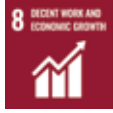

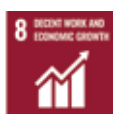


As regards the management of production waste at the Group's Ugandan offices, most of it consists of cocoa pods, used by producers as organic fertilizer.








Over the next few years, ICAM aims to reduce the amount of waste it produces through the following actions:

- 100% recovery of cocoa packaging materials;
- consolidation of the recycling of jute bags for mulching and construction of insulating panels;
- 20% reduction in unsorted "mixed materials".

Future goals

The following table illustrates the medium and long-term strategic objectives formulated by ICAM in order to actively contribute to the achievement of the United Nations Sustainable Development Goals (SDGs). Each objective is associated with the material issue on which it has an impact and the specific target of the SDGs to which it refers.

Chapter	Material theme	Goal	Timing	Target	SDG
Company identity	The Governance of Sustainability	Strengthening the Governance of Sustainability system and developing national and international partnerships , aimed at sharing knowledge, skills, technologies and resources to support the achievement of the Sustainable Development Goals.	2025	17.16	
Commitment to people	Welfare and wellness	Contributing to the creation and spread of well-being and to improve the quality of life of collaborators and their families through the definition of a new supplementary agreement for the revision of the element of professionalism, and the enhancement of the benefit package offered to employees.	2022	8.5	
	Training and development	Contributing to the professional growth of the company's human capital through investment in training and the process of continuous improvement.	2023	4.4	
	Occupational health and safety	Strengthening the organizational structure, in order to facilitate constant improvement , adopting all the necessary precautions to prevent dangers, and guaranteeing respect for people and rules.	2023	8.8	
	Impacts on the local community	Supporting the training of local talent (>50 young people) by increasing the number of trainee pastry chefs, the school-Work Alternation program and the establishment of scholarships.	2025	4.5	
		Realizing the company's commitment to social issues through corporate volunteering initiatives in which to involve all employees.	2025	8.5	

Chapter	Material theme	Goal	Timing	Target	SDG
Responsibility along the supply chain	Respect for human rights	Developing a program to fight forced labor and child labor aimed at ensuring a 100% slavery free .	2030	8.7	
	Farmers' skills and productivity The fair remuneration of farmers	Increase productivity and, consequently, the income of cocoa farmers , developing farmer field schools in Ecuador, Peru and Uganda with the aim of training 5,000 small cocoa producers on good agricultural practices (GAPs).	2025	2.3	
	Biodiversity conservation	Developing 3 agroforestry system projects in key supplier countries (Peru, Dominican Republic and Uganda), identifying the most appropriate way to combine the conservation of biodiversity and the maximum benefit for small producers, with the support of a certified research body.	2030	15.2	
Commitment to the environment	Air quality and emissions	Achieve Climate Neutrality , contributing to the fulfilment of the Italian and European climate objective.	2050	13.2	
	Air quality and emissions	Getting as close as possible to emission neutrality - including odor - at the Orsenigo site (target: 0 mg/Nmc), reducing cocoa grinding fumes and doubling current thermal oxidation capacity of organic molecules.	2025	9.4	
	Energy management and efficiency	Improving energy efficiency and reducing the environmental impact of production activities through: • the purchase of electricity from renewable sources alone. • the reduction of 4-5% in electricity consumption.	2023	7.2	
	Sustainable packaging	Improving the sustainability of packaging through: • the study and promotion of alternative solutions. • the reduction of 10% of the weight of all primary paper wrapping for bars. • the replacement of non-recyclable materials with compostable, recyclable or reusable materials (>95% of primary packaging). • the reduction of secondary packaging used for transporting raw materials and products, involving the supply chain.	2023	12.5	



Data and detailed information

COMMITMENT TO PEOPLE

Total number of employees by employment contract and by gender, as of 31 December (102-8)

ITALY	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Temporary employees	1	1	0	1	2	2
Permanent employees	164	162	181	163	198	170
Agency workers	14	4	8	5	3	0
Total by gender	179	167	189	169	203	172
Total	346		358		375	

UGANDA	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Temporary employees	22	24	55	28	74	42
Permanent employees	29	6	28	11	25	8
Total by gender	51	30	83	29	99	50
Total	81		112		149	

Total number of employees by employment type (full-time and part-time), and by gender (102-8)

ITALY	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Full time	178	130	188	135	201	141
Part time	1	37	1	34	2	31
Total by gender	179	167	189	169	203	172
Total	346		358		375	

UGANDA	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Full time	35	20	28	11	59	24
Part time	16	10	55	18	40	26
Total by gender	51	30	83	29	99	50
Total	69		112		149	

Total number of other workers working for or on behalf of ICAM (102-8)

ITALY	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Agents	90	4	85	5	64	3
Interns	11	9	5	3	0	1
Seasonal workers	17	18	15	31	24	30
Total by gender	118	31	105	39	88	34
Total	149		144		122	

UGANDA	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Interns	1	0	0	0	4	0
Agents	0	0	5	0	0	0
Total	1		5		4	

Number of employees per employee category, gender and age group (405-1)

ITALY - 2019	<30		30-50		>50	
	Men	Women	Men	Women	Men	Women
Managers	0	0	2	2	5	0
Executives	0	0	8	1	2	3
Office staff	4	7	18	34	6	3
Blue collar	17	5	74	74	29	34
Agency workers	6	2	8	2	0	0
Total by gender	27	14	110	113	42	40
Total by age group	41		223		82	
Total	346					

ITALY - 2020	<30		30-50		>50	
	Men	Women	Men	Women	Men	Women
Managers	0	0	2	2	5	0
Executives	0	0	8	1	2	3
Office staff	4	7	17	32	7	5
Blue collar	24	9	84	70	28	35
Agency workers	5	3	3	2	0	0
Total by gender	33	19	114	107	42	43
Total by age group	52		221		85	
Total	358					

ITALY - 2021	<30		30-50		>50	
	Men	Women	Men	Women	Men	Women
Managers	0	0	2	2	6	1
Executives	0	0	9	1	1	3
Office staff	4	4	21	36	6	9
Blue collar	22	5	93	80	36	31
Agency workers	2	0	1	0	0	0
Total by gender	28	9	126	119	49	44
Total by age group	37		245		93	
Total	375					

UGANDA - 2019	<30		30-50		>50	
	Men	Women	Men	Women	Men	Women
Managers	0	0	1	0	0	0
Executives	0	0	3	0	0	0
Office staff	10	9	40	10	0	0
Blue collar	10	6	10	3	1	0
Total by gender	20	15	54	13	1	0
Total by age group	35		67		1	
Total	103					

UGANDA - 2020	<30		30-50		>50	
	Men	Women	Men	Women	Men	Women
Managers	0	0	1	0	0	0
Executives	0	0	2	0	0	0
Office staff	11	11	46	9	0	0
Blue collar	10	6	12	3	1	0
Total by gender	21	17	61	12	1	0
Total by age group	38		73		1	
Total	112					

UGANDA - 2021	<30		30-50		>50	
	Men	Women	Men	Women	Men	Women
Managers	0	0	1	0	0	0
Executives	0	0	2	0	0	0
Office staff	11	11	46	13	0	0
Blue collar	17	13	18	11	4	2
Total by gender	28	24	67	24	4	2
Total by age group	52		91		6	
Total	149					

Total number of individuals within the organization's governance bodies (Board of Directors, Board of Auditors and Supervisory Body) by gender and age group (405-1)

ITALY	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Under 30	0	0	0	0	0	0
From 30 to 50 years	0	1	0	1	0	1
Over 50	10	0	10	0	10	0
Total by gender	10	1	10	1	10	1
Total	11		11		11	

Employee hires and turnover¹⁷ (401-1)

NEW HIRES ITALY	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Under 30	17	8	7	4	9	4
From 30 to 50 years	22	9	8	4	11	13
Over 50	0	2	1	1	6	1
Total by gender	39	19	16	9	26	18
Total employees	58		25		44	

RATE OF NEW HIRES ITALY	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Under 30	63%	57%	21%	21%	32%	44%
From 30 to 50 years	20%	8%	7%	4%	10%	11%
Over 50	0%	5%	2%	2%	12%	2%
Total by gender	22%	11%	8%	5%	13%	10%
Total employees	17%		7%		12%	

TURNOVER ITALY	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Under 30	0	0	1	0	5	0
From 30 to 50 years	0	0	2	2	7	5
Over 50	7	3	3	5	4	6
Of which are retired employees	5	3	3	4	4	4
Total by gender	7	3	6	7	16	11
Total employees	10		13		27	

¹⁷To provide a more meaningful representation, and in line with ICAM's approach and vision, the data relating to the hiring and turnover of the agency workers, who work at ICAM's offices, was also included for the turnover. Accordingly, to avoid double counting of agency workers at the time of official hiring by ICAM SpA, ICAM took into consideration only the newly hired and /or departing (if the contract had not been renewed by ICAM) agency workers whose contract was handled through the employment agency.

RATE TURNOVER ITALY	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Under 30	0%	0%	3%	0%	14%	0%
From 30 to 50 years	0%	0%	2%	2%	3%	7%
Over 50	17%	8%	7%	12%	8%	16%
Total by gender	3%	2%	2%	2%	2%	2%
Total employees	3%		4%		7%	

NEW HIRES UGANDA	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Under 30	4	1	1	2	0	0
From 30 to 50 years	2	1	9	0	17	22
Over 50	0	0	0	0	0	0
Total by gender	6	2	10	2	17	22
Total employees	8		12		39	

RATE OF NEW HIRES UGANDA	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Under 30	20%	7%	5%	12%	0%	0%
From 30 to 50 years	4%	8%	15%	0%	25%	92%
Over 50	0%	0%	0%	0%	0%	0%
Total by gender	8%	7%	12%	7%	17%	44%
Total employees	8%		11%		26%	

TURNOVER UGANDA	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Under 30	0	0	0	0	0	0
From 30 to 50 years	0	0	2	1	1	1
Over 50	0	0	0	0	0	0
Of which are retired employees	0	0	0	0	0	0
Total by gender	0	0	2	1	1	1
Total employees	0		3		2	

RATE TURNOVER UGANDA	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Under 30	0%	0%	0%	0%	0%	0%
From 30 to 50 years	0%	0%	3%	8%	1%	4%
Over 50	0%	0%	0%	0%	0%	0%
Total by gender	0%	0%	0%	0%	1%	2%
Total employees	0%		3%		1%	

Average hours of training by gender and employee category (404-1)¹⁸

ITALY	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Managers	18,00	54,50	0,00	0,00	32,75	24,33
Executives	29,10	63,25	4,40	1,50	7,20	5,75
Office staff	44,11	27,57	7,89	2,48	3,90	3,61
Blue collar	28,90	24,24	2,37	2,06	15,42	15,03
Agency workers	522,86	1.230	295,25	274,00	304,70	74,63
Total by gender	69,50	55,29	15,60	10,18	55,73	24,74
Total	62,64		13,04		41,52	

Number of employees' injuries and health and safety rates (403-9)

ITALY	2019	2020	2021
Fatalities	0	0	0
Injuries	23	6	11
Of which high-consequence work-related injuries	0	0	0
Number of hours worked	483.118	512.034	542.074
Rate of fatalities as a result of work-related injuries	0	0	0
Rate of recordable work-related injuries	9,52	2,34	4,05
Rate of high-consequence work-related injuries	0	0	0

Number of workers' not employees injuries and health and safety rates (403-9)

ITALY	2019	2020	2021
Fatalities	0	0	0
Injuries	0	3	3
Of which high-consequence work-related injuries	0	0	0
Number of hours worked	80.571	55.552	70.852
Rate of fatalities as a result of work-related injuries	0	0	0
Rate of recordable work-related injuries	0	10,80	8,46
Rate of high-consequence work-related injuries	0	0	0

¹⁸ To provide a more significant representation, and in line with ICAM's approach and vision, the training data takes into account training provided to agency workers who work at the ICAM S.p.A. offices.

RESPONSIBILITY THROUGHOUT THE SUPPLY CHAIN

ICAM's sites, all owned by ICAM, have been mapped with the help of the WDPA - the World Database on Protected Areas. None of the sites are located in protected areas.

Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas (304-1)

SITE	TYPE OF ACTIVITY	NAME OF PROTECTED AREA	DISTANCE	TYPE OF PROTECTED AREA	MANAGEMENT CATEGORY IUCN
Orsenigo ITALY	Production	Lago di Montorfano Nature Reserve	2,5 km	Protected Terrestrial Ecosystem - Regional / Provincial Nature Reserve	IV
		Valle del Lambro Regional Park (Alserio, CO)	2,16 km	Protected Terrestrial Ecosystem - Regional / Provincial Natural Park	V
Lecco ITALY	Headquarters - commercial	Adda Nord Natural Park	200 mt	Protected Terrestrial Ecosystem - Regional / Provincial Natural Park	V
		Monte Barro Natural Park	850 mt	Protected Terrestrial Ecosystem - Regional / Provincial Natural Park	V
Bundibugyo Uganda	Production	Rwenzori Mountains National Park	2,7 km	Protected Terrestrial Ecosystem - World Heritage Site (natural or mixed)	N/A
		Mataa Central Forest Reserve	2,7 km	Forest reserve	N/R
		Semuliki	7 km	Protected Terrestrial Ecosystem - National Park	II
Mukono Uganda	Production	Nakasenyi	4,6 km	Protected Terrestrial Ecosystem - Forest Reserve	N/R
Hoima Uganda	Production	Mukihani	7 km	Protected Terrestrial Ecosystem - Forest Reserve	N/R
		Kyamugongo	1 km	Protected Terrestrial Ecosystem - Forest Reserve	N/R

Operations and suppliers at significant risk for incidents of child labor (408-1) and forced or compulsory labor (409-1)¹⁹

Risk	Raw materials at risk	Potentially critical supply sources	Geographic regions
 Forced labor	 Cocoa	10 sources	West Africa Central Africa East Africa
	 Sugar	3 sources	Southeast Asia
 Child labor	 Cocoa	27 sources	West Africa Central Africa East Africa
	 Sugar	3 sources	Southeast Asia

Weight of raw materials purchased, divided by macro category (303-1)

ITALY	2019	2020	2021
Tons	weight (t)	weight (t)	weight (t)
Cocoa	23.677,00	24.046,70	26.064,72
Sugar	8.472,00	8.703,00	9.303,00
Hazelnuts, hazelnut paste, almond	505,00	550,00	691,00
Vanilla	8,64	8,65	11,29
Milk	2.210,00	2.161,00	2.567,00
Total	34.872,64	35.469,35	38.637,01

Weight and percentage of raw materials purchased, divided by type of certification (GRI G4 - FP2)

	2019		2020		2021	
Tons	weight (t)	%	weight (t)	%	weight (t)	%
Organic	7.004,00	20%	9.052,07	26%	8.438,45	22%
Fairtrade	2.294,00	7%	2.622,62	7%	2.858,72	7%
Fairtrade / Organic	10.718,00	31%	11.322,31	32%	11.542,41	30%
Conventional	14.856,64	43%	12.472,35	35%	12.976,00	34%
Conventional - Rainforest Alliance	-	-	-	-	2.821,43	7%
Total	34.872,64		35.469,35		38.637,01	

¹⁹ Potential risk refers to the risk associated to the supply of raw materials from a specific country.

Total cocoa purchases, divided by purchase channel and by type of certification

	2019		2020		2021	
Tons	Direct	Indirect	Direct	Indirect	Direct	Indirect
Organic	2.096	2.198	2.479,78	3.489,29	2.430,09	3.101,36
Fairtrade	1.128	381	922,45	977,17	1.700,21	552,51
Fairtrade / Organic	3.964	3.770	6.637,73	1.429,58	5.725,12	2.638,29
Conventional	3.440	6.700	1.055,74	7.054,96	2.237,96	7.679,18
Total by gender	10.628	13.049	11.095,70	12.951,00	12.093,38	13.971,34
Total	23.677		24.046,70		26.064,72	

Total sugar purchases divided by origin and type

	2019		2020		2021	
Tons	Europe	Extra EU	Europe	Extra EU	Europe	Extra EU
Organic	0	1.415	0	1.648	0	1.551
Fairtrade	0	785	0	723	0	606
Fairtrade / Organic	0	2.984	0	3.255	0	3.179
Conventional	3.288	0	3.077	0	0	392
Total	3.288	5.184	3.077	5.626	3.575	5.728
Total	8.472		8.703		9.303	

Total purchases of hazelnuts, hazelnut paste and almonds divided by origin and type

	2019		2020		2021	
Tons	Europe Italy	Extra EU	Europe Italy	Extra EU	Europe Italy	Extra EU
Organic	45	210	68	185	71	293
Conventional	75	175	54	243	93	234
Total	120	385	122	428	164	527
Total	560		550		691	

Total milk purchase

Tons	2019	2020	2021
Organic	1.040	1.182	992
Conventional	1.170	979	1.575
Total	2.210	2.161	2.567

RESPONSIBILITY TOWARDS THE ENVIRONMENT

Total water withdrawal, with a breakdown by source and site (303-3)

ORSENIGO	2019		2020		2021	
ML	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids)	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids)	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids)
Groundwater	59,31	-	49,97	-	49,55	-
Third-party water (municipal)	13,83	-	13,29	-	14,34	-
% water reused	30	-	-	-	-	-
Total	73,15		63,26		63,89	

LECCO ²⁰	2019		2020		2021	
ML	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids)	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids)	Freshwater (≤1,000 mg/L Total Dissolved Solids)	Other water (>1,000 mg/L Total Dissolved Solids)
Groundwater	71,73		77,70	-	82,00	-
Third-party water (municipal)	-		4,20	-	1,35	-
% water reused	-	-	-	-	-	-
Total	71,73		81,90		83,35	

Total energy consumption

ITALY Type of energy in Gj	2019	2020	2021
Electricity (from non-renewable sources)	25.935	25.758	4.187
Electricity (from renewable sources)	-	-	15.622
Energy sold	4.145	5.018	4.480
Methane gas	220.521	213.583	227.364
Total	242.311	234.323	242.693

UGANDA Type of energy in Gj	2019	2020	2021
Electricity (from non-renewable sources)	163	158	167
Petrol	127	164	333
Total	290	322	500

²⁰ The data relating to water withdrawals from the Lecco site for 2019 and 2020 have been revised following an internal recalculation.

Direct (scope 1), indirect (scope 2) and other indirect GHG emissions generated (305-1, 305-2, 305-3)²¹

Ton CO ₂ eq	2020	2021
Direct emissions (scope 1)	11.167	11.936
Indirect emissions (scope 2)	2.572	377
Other indirect emissions (scope 3)	287.666	²²
Total	301.405	-

Weight of materials purchased for the primary packaging of the main products, divided by category and recyclability of the material (301-1)

Tons	2019		2020		2021	
	Recyclable	Not recyclable	Recyclable	Not recyclable	Recyclable	Not recyclable
Paper	633,59	-	717,32	-	708,39	-
Aluminum	108,00	-	148,89	-	139,39	-
Plastic	30,39	-	17,88	-	22,55	-
Compostable	-	-	-	-	31,41	-
Other	-	107,53	-	91,74	-	90,80
Total for category	713,88	101,38	884,09	91,74	901,74	90,80
Total	879,50		975,82		992,54	

RESPONSIBILITY TOWARDS INNOVATION

INCIDENCES OF NON-CONFORMITY REGARDING INFORMATION AND LABELLING			
Indicator	2019	2020	2021
Legislation resulting in fines or penalties	0	1	0
Regulations that led to a warning	2	0	1
Towards self-regulation codes	0	0	0

²¹ The data relating to emissions refer only to ICAM SpA. The other Group companies were not included in the assessment to determine the carbon footprint as their impact was assessed as negligible.

²² The data relating to Scope 3 emissions refer only to ICAM SpA and only to 2020, the year in which the Group's Carbon Footprint was assessed by an external company.

GRI content index

GRI Standard	Information	Section	Omission
GRI 102 - GENERAL DISCLOSURES 2016			
Profile of the organization			
102-1	Name of the organization	Methodological note	
102-2	Activities, brands, products, and services	Company profile	
102-3	Location of main premises	Methodological note	
102-4	Location of activity	Methodological note	
102-5	Ownership and legal form	Governance and organization	
102-6	Markets served	Governance and organization	
102-7	Size of the organization	Company profile; Governance and organization; Economic performance;	
102-8	Information on employees and other workers	The management of human resources	
102-9	Supply chain	The management of human resources; Data and detailed information - Commitment to people	
102-10	Significant changes to the organization and its supply chain	Responsibility throughout the supply chain	There were no significant changes in 2021
102-11	Precautionary Principle		
102-12	External initiatives	Responsibility towards the environment	
102-13	Membership of associations	ICAM and its support to the UN's SDG	Confindustria Lecco e Sondrio, AIDEP, Unione Italiana Food, Agenzia ICE, Compagnia delle Opere.
Strategy			
102-14	Statement from a senior executive	Letter from the President	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	Corporate values	
Governance			
102-18	Governance structure	Governance and organization	
Stakeholder engagement			
102-40	List of stakeholder groups	The stakeholders	
102-41	Collective bargaining agreements	Welfare and wellness	
102-42	Identifying and selecting stakeholders	The stakeholders	
102-43	Methods for involving stakeholders	The stakeholders	
102-44	Key issues and problems raised	The stakeholders; The Materiality Matrix	
Reporting practice			
102-45	Entities included in the consolidated financial statements	Methodological note	
102-46	Definition of the content of the report and perimeters of the issues	Methodological note; The Materiality Matrix	

102-47	List of material topics	The Materiality Matrix	
102-48	Restatements of information	Consumer's quality and safety; Data and detailed information - Commitment to people; Responsi- bility towards the environment	
102-49	Changes in reporting	Methodological note	
102-50	Reporting period	Methodological note	
102-51	Date of most recent report	Methodological note	
102-52	Frequency of reporting	Methodological note	
102-53	Contact us to request information regarding the report	Methodological note	
102-54	Statement on reporting in accordance with the GRIs Standards	Methodological note	
102-55	GRI content index	GRI Content Index	
102-56	External assurance		Report with no external assurance
Material topics			
Economic and management topics			
Economic performance			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Economic performance	
103-2	The management approach and its components	Economic performance	
103-3	Evaluation of the management approach	Economic performance	
GRI 201: ECONOMIC PERFORMANCE 2016			
201-1	Direct economic value generated and distributed	The added value generated and distributed	
Anti-corruption			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Anti-corruption	
103-2	The management approach and its components	Anti-corruption	
103-3	Evaluation of the management approach	Supply chain traceability	
GRI 205: ANTI-CORRUPTION 2016			
205-1	Operations assessed for risks related to corruption	Anti-corruption	
205-3	Confirmed incidents of corruption and actions taken	Anti-corruption	
Supply chain traceability			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Supply chain traceability	
103-2	The management approach and its components	Supply chain traceability	
103-3	Evaluation of the management approach	Supply chain traceability	
Sustainability governance			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Sustainability governance	
103-2	The management approach and its components	Sustainability governance	
103-3	Evaluation of the management approach	Sustainability governance	
102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability governance	

Environmental topics			
Use of raw materials			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Use of raw materials	
103-2	The management approach and its components	Use of raw materials	
103-3	Evaluation of the management approach	Use of raw materials	
GRI 301: MATERIALS 2016			
301-1	Materials used by weight or volume	Use of raw materials; Data and detailed information Responsibility throughout the supply chain	
Sustainable packaging			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Sustainable packaging	
103-2	The management approach and its components	Sustainable packaging	
103-3	Evaluation of the management approach	Sustainable packaging	
GRI 301: MATERIALS 2016			
301-1	Materials used by weight or volume	Sustainable packaging; Data and detailed information Responsibility towards the environment	
Energy management and efficiency			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Energy management and efficiency	
103-2	The management approach and its components	Energy management and efficiency	
103-3	Evaluation of the management approach	Energy management and efficiency	
GRI 302: ENERGY 2016			
302-1	Energy consumption within the organization	Energy management and efficiency; Data and detailed information Responsibility towards the environment	
Water management			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Water management	
103-2	The management approach and its components	Water management	
103-3	Evaluation of the management approach	Water management	
GRI 303: WATER AND EFFLUENT 2016			
303-1	Interactions with water as a shared resource	Water management	
303-2	Management of water discharge-related impacts	Water management	
303-3	Water withdrawal	Water management; Data and detailed information Responsibility towards the environment	
Protection of biodiversity			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Protecting biodiversity and fighting deforestation	

103-2	The management approach and its components	Protecting biodiversity and fighting deforestation	
103-3	Evaluation of the management approach	Protecting biodiversity and fighting deforestation	
GRI 304: BIODIVERSITY 2016			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Data and detailed information Responsibility throughout the supply chain	
Air quality and emissions			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Air quality and emissions	
103-2	The management approach and its components	Air quality and emissions	
103-3	Evaluation of the management approach	Air quality and emissions	
GRI 305: EMISSIONS 2016			
305-1	Direct GHG emissions (Scope 1)	Air quality and emissions	
305-2	Energy indirect GHG emissions (Scope 2)	Air quality and emissions	
305-3	Other indirect GHG emissions (Scope 3)	Air quality and emissions; Data and detailed information Responsibility towards the environment	
Social topics			
Welfare and wellness			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	The management of human resources; Human resources in Uganda	
103-2	The management approach and its components	The management of human resources; Human resources in Uganda	
103-3	Evaluation of the management approach	The management of human resources; Human resources in Uganda	
GRI 401: EMPLOYMENT 2016			
401-1	New employee hires and employee turnover	The management of human resources; Human resources in Uganda; Data and detailed information Commitment to people	
Workers' health and safety			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Occupational health and safety	
103-2	The management approach and its components	Occupational health and safety	
103-3	Evaluation of the management approach	Occupational health and safety	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018			
403-1	Occupational health and safety management system	Occupational health and safety	
403-2	Hazard identification, risk assessment, and incident investigation	Occupational health and safety	
403-3	Occupational health services	Occupational health and safety; Human resources in Uganda	
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational health and safety	
403-5	Worker training on occupational health and safety	Occupational health and safety	

403-6	Promotion of worker health	Occupational health and safety	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational health and safety	
403-9	Work-related injuries	Occupational health and safety; Data and detailed information Commitment to people	
Training and development			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Training and development	
103-2	The management approach and its components	Training and development	
103-3	Evaluation of the management approach	Training and development	
GRI 404: TRAINING AND EDUCATION 2016			
404-1	Average hours of training per year per employee	Training and development; Data and detailed information Commitment to people	
Diversity and equal opportunity			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Diversity and equal opportunity, Human resources in Uganda	
103-2	The management approach and its components	Diversity and equal opportunity, Human resources in Uganda	
103-3	Evaluation of the management approach	Diversity and equal opportunity, Human resources in Uganda	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
405-1	Diversity of governance bodies and employees	Diversity and equal opportunity; Human resources in Uganda; Data and detailed information Commitment to people	
Human rights			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Human rights	
103-2	The management approach and its components	Human rights	
103-3	Evaluation of the management approach	Human rights	
GRI 412: HUMAN RIGHTS ASSESSMENT 2016			
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Human rights	
Product quality and consumer safety			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Product quality and consumer safety	
103-2	The management approach and its components	Product quality and consumer safety	
103-3	Evaluation of the management approach	Product quality and consumer safety	
GRI 416: CUSTOMER HEALTH AND SAFETY 2016			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product quality and consumer safety	
Ability to respond to customer needs			
GRI 103: MANAGEMENT APPROACH 2016			

103-1	Explanation of the material topic and its Boundaries	Ability to respond to customer needs	
103-2	The management approach and its components	Ability to respond to customer needs	
103-3	Evaluation of the management approach	Ability to respond to customer needs	
Responsible labelling			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Responsible labelling	
103-2	The management approach and its components	Responsible labelling	
103-3	Evaluation of the management approach	Responsible labelling	
GRI 417: MARKETING AND LABELLING 2016			
417-2	Incidents of non-compliance concerning product and service information and labelling	Responsible labelling	
Health and nutrition			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	The relationship with the community and the territory	
103-2	The management approach and its components	The relationship with the community and the territory	
103-3	Evaluation of the management approach	The relationship with the community and the territory	
G4 - FOOD PROCESSING SECTOR: MANAGEMENT APPROACH			
G4 - DMA/FP4	Healthy and affordable food	The relationship with the community and the territory	
Farmers' skills and productivity			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Skills and productivity of farmers	
103-2	The management approach and its components	Skills and productivity of farmers	
103-3	Evaluation of the management approach	Skills and productivity of farmers	
GRI 413: LOCAL COMMUNITIES 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Skills and productivity of farmers	
Impacts on local communities			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Impacts on local communities	
103-2	The management approach and its components	Impacts on local communities	
103-3	Evaluation of the management approach	Impacts on local communities	
GRI 413: LOCAL COMMUNITIES 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Impacts on local communities	
Fair income for farmers			
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its Boundaries	Fair income for farmers	
103-2	The management approach and its components	Fair income for farmers	
103-3	Evaluation of the management approach	Fair income for farmers	
G4 - FOOD PROCESSING SECTOR: MANAGEMENT APPROACH			
FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard	Fair income for farmers	

GLOSSARY

OTHER INDIRECT GHG EMISSIONS (Scope 3): indirect GHG emissions not included in energy indirect (Scope 2) GHG emissions that occur outside of the organization, including both upstream and downstream emissions.

B2B: abbreviation for Business to Business, in common language it is meant to include the sum of the various transactions that occur between one company and its suppliers or other companies in the same sector.

ANIMAL WELFARE: is generally meant as “the quality of life of an animal as perceived by the individual animal.” Animal welfare does not only include the health and physical wellbeing of the animal, but also its psychological wellbeing and the ability to express its natural behaviors. This welfare may be considered as being respected if the animals are in good health, they feel well and are free from pain.

BIODEGRADABLE: in the language of chemistry and commerce, this refers to a substance or product that may undergo organic decay (biodegradation).

BIODIVERSITY: in biology, the coexistence of multiple animal and plant species in a specific ecosystem; this is also called organic diversity.

ORGANIC (BIO): organic foodstuffs are obtained by applying agricultural techniques that do not rely on chemical substances or the use of genetically modified organisms. Organic products are certified by an independent organization in order to guarantee their origins by companies operating in accordance with community rules. Any company that intends to produce, transform, label, market and import organic products must subject themselves to a control system.

WHITE CERTIFICATES (Certificates of Energy Efficiency): negotiable securities that certify the energy savings obtained by implementing improvements in energy efficiency.

COMPOSTABLE: material that can be subject to transformation into compost. Composting is a system of disposal of solid urban waste, which, through various processes (milling, homogenization, aerobic fermentation), are partially transformed into compost.

VOLATILE ORGANIC COMPOUNDS (VOC): chemical compounds of various kinds characterized by their volatility, which refers to their ability to easily evaporate in the air at room temperature.

CONVENTIONAL: products with no organic and/or fair-trade attributes.

DIRECT GHG EMISSIONS (Scope 1): direct GHG emissions from sources that are owned or controlled by the Company.

INDIRECT GHG EMISSIONS (Scope 2): GHG emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by an organization.

FAIRTRADE: the combination of commercial activities aimed at favoring the economic growth of developing nations, exporting these products, with an equitable remuneration.

GREENHOUSE GAS: gas able to influence the capacity of the Earth’s atmosphere to absorb and hold heat, giving rise to an increase in the temperature of the Earth’s surface.

GENOTYPE: the genetic characteristics of a plant.

HACCP: in an agro-food framework, it is the acronym for hazard analysis critical control point, which indicates a system of inquiries and surveillance aimed at identifying and preventing the diffusion of food related disease.

COMMUTING INJURIES: injuries occurring during the regular commute from a worker’s place of residence to work.

GRAFT: consolidated practice that tends to favor the propagation of a plant, by controlling and improving its growth, quality and resistance to diseases and pests in order to obtain a qualitatively superior plant species.

PRIVATE LABEL: private brands owned by distributors that differentiate ever wider product ranges, which compete with more well-known and established brands.

TRADERS: companies that are specialized in the commerce of agricultural raw materials.

WHITE-LABEL: A product or service realized by one company that allows its rebranding by another company.



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