



ICAM RELEASES FIFTH SUSTAINABILITY REPORT

An ongoing commitment aimed at generating value for individuals, communities and the environment

- + 5 percent of people on staff in 2022 at the Italian office and +36 people also on staff at Icam Chocolate Uganda Ltd.
- 6,428 farmers involved in training on sustainable agronomic practices at the three Ugandan locations of Bundibugyo, Hoima and Mukono.
- 80% cocoa beans with one or more certifications, in particular organic (23%), organic/Fairtrade (29%), Fairtrade (9%) and Rainforest Alliance (18%).
- 97% of cocoa suppliers and 100% of suppliers of other raw materials have signed Icam's Code of Ethics.
- 88% of electricity supplied from self-generation.
- 95% recyclable materials for chocolate bar packaging.

Orsenigo, July 27, 2023 - Icam Cioccolato, an Italian company specialized in the production and commercialization of chocolate and semi-finished cocoa products, reaffirms its commitment to an **ethical and sustainable approach** and releases its **fifth sustainability report**. A precise and accurate statement that, starting from the peculiarities of the business, defines and evaluates the ways in which it pursues positive effects for the society and reduces negative ones, as much as possible.

Icam has been taking care of a marvellous raw material - cocoa - for over 75 years, following every stage of its production: from the planting and growth of the plants, the harvesting and drying of its fruits, to its processing and transformation into high-quality chocolate, then destined to **the final consumer, the industry and professionals in the sector**.

People, supply chain, innovation and environment are the 4 pillars on whose basis the corporate identity is built and the 4 macro-areas from which Icam has developed its sustainability report, indicating for each one, the objectives achieved and the goals towards which to strive in the years to come. Drafted in accordance with the **GRI Standards (Global Reporting Initiative Standards) of 2021**, the document associates to every activity analyzed, the **SDGs (Sustainable Development Goals)** dictated by the United Nations for the 2030 Agenda for Sustainable Development. During 2022, like in previous years, Icam continued to conduct its materiality analysis, a process that was initiated with the first sustainability report. With the valuable input from external stakeholders, including major customers and selected suppliers on both the national and international levels, Icam gains insights into ESG issues to prioritize in the preparation of their report. This engagement also helps the company to understand the sustainability expectations of its stakeholders and identify new areas of improvement to enhance its efforts.

"The main commitment of 2022, which we report in this edition of our sustainability report, was to consolidate Icam's role as a responsible entity, capable of generating shared value," says Sara Agostoni, Chief Sustainability Officer of Icam Cioccolato.

"Concretely, in continuity with our history of more than 75 years, we have strived to seek new opportunities to develop positive relationships and synergies, able to produce satisfactory results for all, the foundation of any truly resilient and globally sustainable project.

From a methodological point of view, our effort has been to identify in timely manner the impacts of our operations, in order to measure and manage them efficiently."

COMMITMENT TO PEOPLE

Recognizing the value of each individual and the importance of establishing a relationship of mutual trust and respect with each of them have always been among the company's founding values, in Italy, in Orsenigo (CO), as well as in the other countries in which it operates and, in particular, at its Ugandan headquarters, Icam Chocolate Uganda Ltd. Counting **393 employees** as of Dec. 31, 2022, Icam has increased its headcount at the Italian office by 5%, now being able to count on **94%**



permanent contracts out of the total number of hires. All hired employees also have access to a package of benefits and incentives linked to performance and designed by the company to offer better working conditions compared to the reference sector. Among them: **incentives linked to individual performance**, a **corporate welfare platform** for tax-deferred disbursement of productivity bonus. In Uganda, where it established a cocoa bean harvesting and drying center in 2010 (followed over the years by 2 more centers), Icam applies the same attention and sustainability principles toward its employees and their needs. With an increase of **36 people added to the workforce**, Icam Chocolate Uganda Ltd employees are also eligible for a range of benefits that go beyond what is required by local regulations. Added to this is the access to training related to obtaining Rainforest Alliance and Organic certifications, with mainly technical content but which also covered Icam's Code of Ethics and Conduct to which all employees must adhere. An **ongoing process of training** on sustainable agronomic practices to local farmers who deliver cocoa beans at the collection centers, with the aim of increasing the quality and productivity of the harvest and its resulting profitability. In 2022, Icam trained **6,428 farmers** at its three Ugandan locations in **Bundibugyo, Hoima, and Mukon**

COMMITMENT TO THE SUPPLY CHAIN

The excellence of ICAM products is the result of the **attentive and meticulous management of the whole company's supply chain**. Starting with the supply chains for **cocoa sourcing**, more than 20 countries including **Africa, South America and Central America**, to those for sugar, milk and dairy products, dried fruit, etc., ICAM involves each supplier in making its own contribution to achieve the goal of tracing the path taken by each ingredient involved in making the final product. For over a decade, Icam has been dedicated to a meticulous selection of raw materials, aiming to achieve complete supply chain traceability. During this time, the company has established its Corporate Ethical Code, which places respect, sustainability, and transparency as core values guiding all stages of cocoa production and the creation of chocolate in all its forms. Many of Icam's suppliers have embraced and signed the Ethical Code, with **97% of cocoa suppliers** and **100% of other raw material suppliers** endorsing it. This virtuous approach led to an impressive outcome in 2022, with **80% of cocoa beans** used by Icam being certified as organic, including **organic (23%), bio/Fairtrade (29%), Fairtrade (9%), and Rainforest Alliance (18%)**. Since 2020, Icam has been steadfast in its commitment to traceability through the "**Supply Chain ESG Risk Assessment**" project. The primary objective of this initiative is to gain a comprehensive understanding of the environmental, social, and governance (ESG) structures and risks within the **supply chains of milk, sugar, and cocoa** – the three most significant raw materials in chocolate production. The process begins with mapping out individual supply chains and evaluating their respective ESG risks that could impact the company's operations. Subsequently, Icam requests each supplier to conduct an analysis of their own ESG risks and outline specific policies, codes of conduct, and strategies to prevent or mitigate those risks. This approach enables Icam to assess the residual risk of potential encounters with issues like **corruption, forced labor, child labor, biodiversity loss, and deforestation**, even indirectly. Furthermore, the project fosters a more competitive and resilient overall production chain, generating positive and shared impacts and values for all involved communities. This integral process is of paramount importance for Icam to address the pressing challenges concerning deforestation and human rights, which are actively being addressed at the European level.

COMMITMENT TO INNOVATION

Icam's approach to production sees as a pivotal point the continuous search for maximum **customer satisfaction**, which is not simply a goal to be achieved, but an integral part of the company's mission. Starting from the quality and safety of its products, Icam has established over the years **company procedures**, periodically renewed on the basis of the **technological process** and **regulatory developments**, which allow to **prevent in a systematic and continuous way the occurrence of nonconformities** related to quality, safety and legality of products. The task of reducing, and hopefully eliminating, the occurrence of any critical situations is entrusted to the Food Safety Team, which is responsible for developing, implementing and maintaining the quality and safety policy. As part of these controls, which are continuous from raw material to finished product, **23,079 conformity analyses** were conducted in 2022. A focus on the impact on consumer health and safety



characterized by the implementation several years ago of the main food quality and safety standards including **ISO 9001, BRC and IFS**. These main certifications are flanked by product certifications capable of offering specific products to the widest possible audience of consumers. From 1998 to 2022 Icam, through a choice of responsibility and transparency towards consumers, has enriched its products with specific food certifications such as: **Fairtrade, Organic, Kosher, Halal, Gluten Free, Vegan Quality, Lactose Free and from 2022 DAIRY FREE**. An inclusive choice towards each individual and which brings as a direct consequence, increased controls along the entire production chain. This constant impulse toward food innovation finds feedback and fertile ground in the **Research and Development department**, where the needs of the market and the individual customer become reality. Despite the particularly critical political-economic environment, **422 new recipes were created during 2022**.

COMMITMENT TO THE ENVIRONMENT

Over the years, ICAM has distinguished itself for its deep attention to environmental issues and commitment to minimizing its impact on the planet. With the aim of understanding, managing, and reducing its climate impacts, while also providing tangible evidence of its efforts, at the end of 2020, ICAM initiated an activity **to calculate and monitor its Carbon Footprint**. The activity was carried out with the support of **Carbonsink** - an external specialized company - and **in compliance with the UNI EN ISO 14064 and the Greenhouse Gas Protocol standards**. It allowed for the calculation of the company's direct and indirect emissions for the year 2020. From the conducted analysis, it emerged that the most significant component of the Carbon Footprint is related to indirect emissions (95%), with purchased ingredients being the predominant source of emissions. Among these, **cocoa alone accounts for over 86%** of the Group's emissions, followed by **transportation (4%)** and other purchased goods: **milk (2%), packaging (2%), and sugar (1%)**.

These calculations have led to the implementation of measures aimed at achieving a consistent reduction in **CO2 emissions, resulting in the company reducing its emissions by approximately 19% compared to 2020 by 2022**. Additionally, the emissions intensity index, relative to production tons, has been continuously decreasing, thanks to reduction interventions and production optimization, which have led **to a 27% reduction since 2020, with 11% achieved in the last year**.

Simultaneously, thanks to the high level of technological innovation at its Orsenigo production site, ICAM has been able to **further reduce its energy requirements for production**. The flagship of the plant is a **trigeneration system** that, through constant maintenance and investments improving its efficiency year after year, can simultaneously produce electricity, steam, and cold water from a single energy source. This allows the plant to autonomously and efficiently generate **almost all of its energy consumption (88% in 2022)** for the production process in the Lecco plant. The remaining portion **(12%) is sourced from renewable energy sources**.

Finally, among the measures and initiatives undertaken by the company, their commitment to sustainable packaging should also be highlighted. ICAM has developed an innovative biodegradable and compostable packaging made from paper that ensures optimal product protection and production efficiency without sacrificing aesthetics. This type of packaging has re-ceived market appreciation and has grown rapidly, with **a 55% increase in the use of biodegradable wrapping in 2022** compared to the previous year. Furthermore, **76% of primary chocolate bar wrappers have undergone a reduction in material**, resulting in a saving of 104 tons of paper over 3 years. In 2022, 95% of primary packaging for chocolate bars was recyclable.

It is possible to view and download ICAM Cioccolato's full Sustainability Report 2022 at [this link](#).

ICAM CIOCCOLATO

Since 1946, ICAM has been a true interpreter of authentic Italian chocolate culture and has established itself as a spokesperson for the excellence of the Made in Italy chocolate art. Strongly committed to respecting the environmental, social, and economic sustainability of its



suppliers, ICAM is one of the few companies in the world that fully and integratedly controls the production chain, selecting the finest cocoa plantations worldwide and collaborating closely with local producers.

For further information:

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