





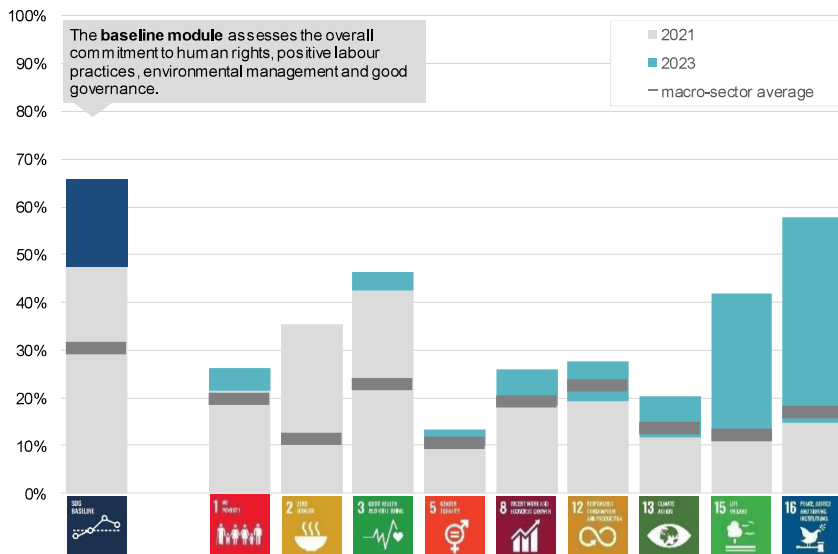
Capitelli

Capitelli, which was founded in 1976 in Borgonovo Val Tidone (Piacenza), produces premium-range cooked ham. It is characterised by a careful choice of meats of selected origin and an original craft process, which make it a sought-after, niche product positioned among Italy's food excellences. It has been part of Italmobiliare Group since December 2019, as a **subsidiary with an 80% stake**.

HIGHLIGHTS

	Governance and supply chain	Strategy climate	Health, safety and well-being	Gender and human capital development
<i>The foundation</i>	Adoption of Code of Ethics and Sustainability Policies, with application extended to the entire value chain.	Analytical monitoring of carbon footprint and SBTi objectives.	Actively supporting people in addressing emerging social challenges.	Adoption of the Women Empowerment Principles and inclusive growth of competences.
<i>Status 2023</i>	 Ottenuta la certificazione International Food Standard, un altro passo nella creazione della Filiera Capitelli.	 Committed Since 2022, Capitelli has used only renewable electricity, partly self-produced.	+1 Injures vs 2022 The data, though not positive, further fuels efforts towards the goal of zero accidents.	~350 Training hours 42% of voluntary training, aimed at skill development, for a product of excellence.
<i>Next challenges</i>	100% Value chain aligned with Capitelli's model.	100% Activities & Products Aligned with SBTi objectives.	100% Facilities updated to production and administrative best-practice.	100% People covered by development plans aimed at growth, inclusion and gender equality.

CONTRIBUTION TO SDGs



Capitelli integrates the sustainable strategy of the Italmobiliare Group by adhering to the **UN Global Compact**, supporting its **Ten Principles** and actively contributing to the **Sustainable Development Goals**.

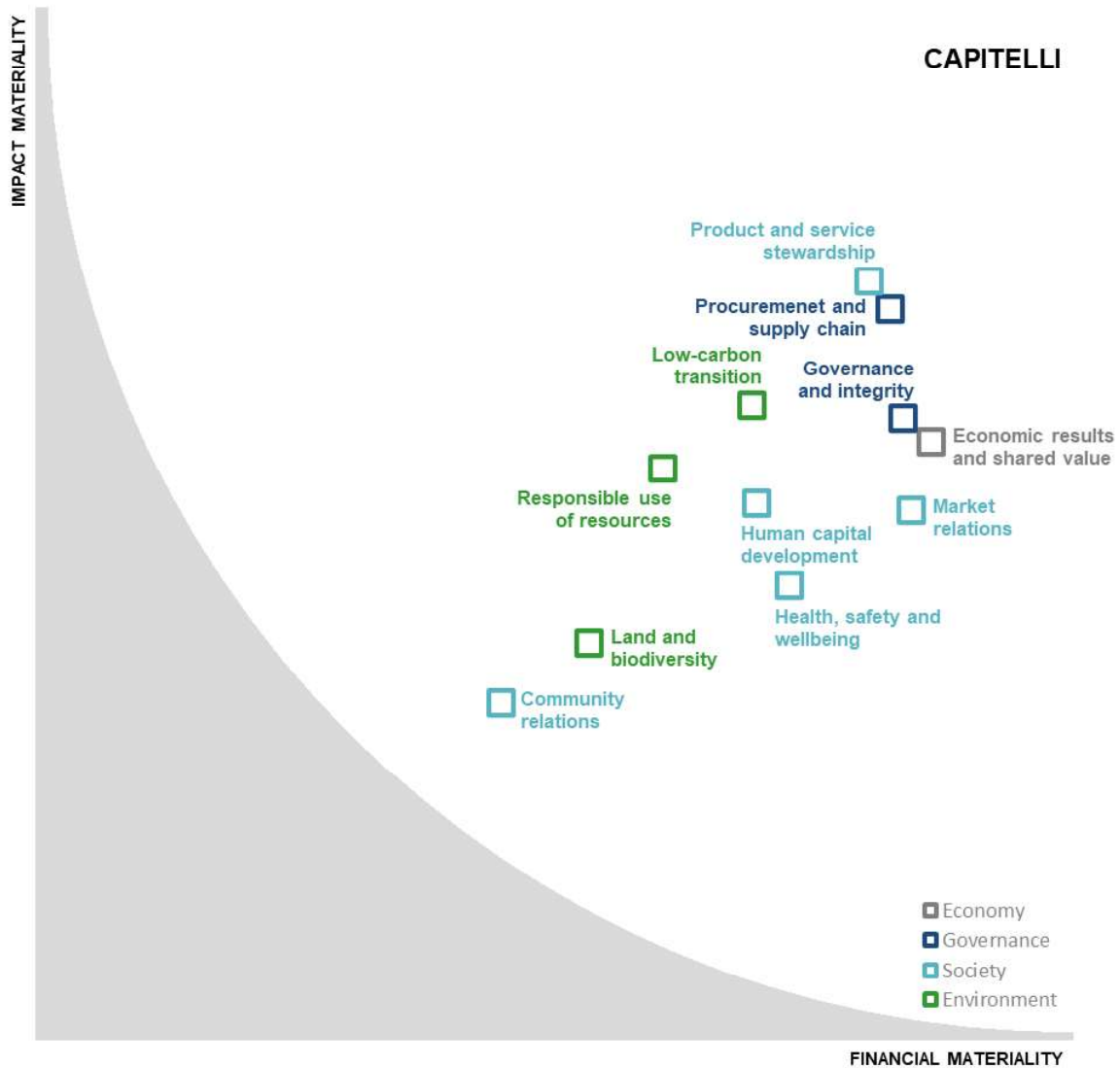
The **SDG Action Manager** analysis tool allows for effective self-assessment of progresses. The graph aside represents the contribution of Capitelli towards the SDGs chosen as its strategic reference.

MATERIALITY

Italmobiliare and Capitelli recognize the sensitive aspects of the animal-based commodity sector. In particular, the sector highlights important issues for the sustainable success of the business, economic, social and environmental issues, which cover the entire value cycle, from the procurement of raw materials to the promotion of responsible consumption.

In defining the sustainable strategy and related action plans, the **materiality analysis** is an effective tool to identify the governance, economic, social and environmental issues that are relevant, matching the financial relevance for the business with the relevance of the impact on the environment, the society and governance.

The materiality matrix is built by systematically evaluating risks, opportunities, positive or negative impacts, analysing all the aspects relevant for the business with the contribution of the first line of management, the majority shareholder and finally collecting the positions expressed by the most relevant stakeholders.



GOVERNANCE

GOVERNANCE AND INTEGRITY

The composition and management of the governance bodies, starting with the Board of Directors, ensure representativeness, competence and the absence of conflicts of interest, aiming at maximum operational efficiency and integrity. At the moment, there is no women participation in the Board of Directors (3 directors).

In line with the Group's approach, the **Code of Ethics** and the **Sustainability Policies** adopted by Casa della Salute are inspired by the highest global references and explicitly recall the Ten Principles of the **United Nations Global Compact**, which Capitelli joined, and the **Women's Empowerment Principles (WEPs)**. Through a sustainable approach aimed at creating shared value for the society and for the environment, Capitelli intends to explore further levers of success to increase turnover and profit margins, mitigate business risk, attract capital and investors, motivate its people and consolidate the brand.

Based on that of the Parent Company and considering the specificities relating to the nature, size, type of activity or structure of internal powers, Capitelli adopts an **Organisation, Management and Control Model**, which is foreseen by law but not mandatory. It is designed to limit the risk of committing specific relevant crimes. The Supervisory Body, appointed on the basis of autonomy and independence, is responsible for the control activity. In addition to specific periodic training, the approach adopted includes the *whistleblowing* procedure for reporting unlawful behaviour, in order to offer employees and third parties confidential channels to raise concerns or violations of the procedure, without fear of retaliation, discrimination or disciplinary action.

More generally, Capitelli implements and strengthens the **Enterprise Risk Management** system over time, according to the management framework and the risk catalogue defined at Group level, which integrate ESG issues. The process adopted allows the identification, measurement, monitoring and management of the risks, including climate risks, and helps consolidating the Group's approach.

At the operational level, the **food security management systems** represents an additional asset to guarantee activities that are fully aligned with the corporate strategy, in a logic of continuous improvement. The integration with business processes helps to consolidate the organisational, technological and behavioural methods.

PROCUREMENT AND SUPPLY CHAIN

The procurement of quality pork constitutes over 60% of Capitelli's total spending, buying largely from national suppliers, chosen on the basis of quality and certified food safety standards.

In 2022, the **Supplier Charter** was adopted, defining the principles to which the suppliers of goods or services and contractors shall align, in their direct activities, in contractual relations with their possible sub-suppliers or subcontractors and, in general, in the creation and management and of their respective value chains. In the prequalification process all suppliers will be asked to complete an online questionnaire covering human and labour rights, respect for the environment and business integrity.

Suppliers of packaging and subsidiary materials are called upon to respect high environmental standards and are assessed in a preferential manner on the basis of the possession of relevant certifications.

Starting from 2020 the "Filiere Capitelli" project was launched in. In 2022, the "**Filiera Capitelli**" Policy was defined, with which Capitelli shares the highest ethical, social, environmental and animal welfare standards with all partners along the value chain, guaranteeing qualitative excellence and respect for the most advanced food safety standards. To this end, Capitelli intends to guide the active commitment of each partner with training, managerial and economic support, all essential conditions for obtaining a raw material that meets the quality standards sought for premium-range products. Thanks to this approach, Capitelli also intends to mitigate the dependence of farmers on consolidated market logics which require the adaptation of the offer to the trend in price lists, in favour of direct negotiation between the processing company, the farmers and the slaughterhouses. At the end of 2023 the **Supply Chain Disciplinary** has been defined, on the basis of which partners will increasingly be engaged.

Suppliers	unit	2021	2022	2023
Number of active suppliers	#	434	396	353
Purchase of products and services		11.1	15.9	17.2
national suppliers	M€	11.1	15.7	17.1
foreign suppliers		0.0	0.2	0.1
Spending on local suppliers (headquarters on national territory)	%	100%	99%	99%

Environmental and social qualification	#	2021 %	#	2022 %	#	2023 %
Suppliers assessed during the reference year according to environmental and social criteria	--	--	--	--	68	65%

SOCIETY

HUMAN CAPITAL DEVELOPMENT

Capitelli benefits from the value of 42 specialized and motivated people, by choice mainly from the local area, including a fair number of non-EU citizens. A significant use of non-employee workers was made. In 2023, they were 107, mostly agents.

Since 2021, an organic review of the corporate organization model was carried out, which saw a formalization of internal functions and responsibilities, the enhancement of female figures, and the definition of the main internal procedures in conjunction with the renewal of company information systems.

At the same time, the training offer was expanded with the inclusion of *digital skill* courses preparatory to the use of new IT applications and a specific path on food safety as part of the certification process according to IFS - International Food Standard, edited from the Catholic University - Piacenza site.

An incentive system is active, anchored to an assessment of performance at company, function / area and individual level. The results obtained by the figures with organizational responsibilities include qualitative parameters regarding food safety and sustainability, based on a model which is currently under development and formalization.

The teleworking methods introduced for administrative functions in 2020 were confirmed in 2023 as a flexibility tool, accompanied by the provision of welfare initiatives.

	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Personnel	12	35	47	11	34	45	9	33	42
<i>Managers</i>	0	1	1	0	1	1	0	1	1
<i>Middle managers</i>	0	0	0	0	0	0	0	1	1
<i>Office workers</i>	8	3	11	8	3	11	9	3	12
<i>Production workers</i>	4	31	35	3	30	33	0	28	28
Turnover	--	--	-3	--	--	-2	--	--	-3
+ Hirings	--	--	2	--	--	8	--	--	6
+ Acquisitions	--	--	0	--	--	0	--	--	0
- Voluntary exits	--	--	0	--	--	1	--	--	2
- Non-voluntary exits	--	--	5	--	--	9	--	--	7
- Divestments	--	--	0	--	--	0	--	--	0
% contract: permanent	58%	69%	66%	73%	74%	73%	100%	79%	83%
% contract: full time	42%	74%	66%	45%	79%	71%	67%	85%	81%
Training									
Hours per capita	23	4	9	17	21	20	11	7	8
<i>Managers</i>	0	0	0	0	13	13	0	17	17
<i>Middle managers</i>	0	0	0	0	0	0	0	22	22
<i>Office workers</i>	34	30	33	23	54	31	11	5	10
<i>Production workers</i>	0	2	2	0	18	17	0	7	7
% hours of voluntary training	--	--	--	--	--	--	75%	29%	42%
<i>Managers</i>	--	--	--	--	--	--	0%	100%	100%
<i>Middle managers</i>	--	--	--	--	--	--	0%	70%	70%
<i>Office workers</i>	--	--	--	--	--	--	75%	86%	76%
<i>Production workers</i>	--	--	--	--	--	--	0%	13%	13%
% with at least one training session	--	--	--	--	--	--	75%	79%	78%
<i>Managers</i>	--	--	--	--	--	--	--	100%	100%
<i>Middle managers</i>	--	--	--	--	--	--	--	100%	100%
<i>Office workers</i>	--	--	--	--	--	--	100%	100%	100%
<i>Production workers</i>	--	--	--	--	--	--	0%	76%	69%
% with performance appraisal	67%	83%	79%	73%	82%	80%	100%	85%	88%
<i>Managers</i>	0%	100%	100%	0%	100%	100%	0%	100%	100%
<i>Middle managers</i>	0%	0%	0%	0%	0%	0%	0%	100%	100%
<i>Office workers</i>	100%	100%	100%	100%	100%	100%	100%	100%	100%
<i>Production workers</i>	0%	81%	71%	0%	80%	73%	0%	82%	82%

Also thanks to the methodological support of the *WEPs Gender Gap Analysis Tool*, various initiatives enhancing gender equality have been identified, well beyond women participation in the company organisation, which will be included in forthcoming development plans.

	2021	2022	2023
Gender pay gap			
<i>Difference between women's and men's average pay compared with men's average pay</i>	--	-10%	-28%
<i>Managers</i>	--	--	--
<i>Middle managers</i>	--	--	--
<i>Office workers</i>	--	-18%	5%
<i>Production workers</i>	--	--	--

HEALTH, SAFETY AND WELLBEING

Capitelli promotes the health, safety and wellbeing of all employees, including companies, suppliers, visitors, customers and the local community in the approach.

The approach adopted is aligned with the applicable national regulations, starting with a solid risk assessment, updated periodically with the support of qualified third parties. The use of cutting tools, potentially slippery surfaces, interaction between people and moving vehicles and process machines with moving mechanical parts are the prevailing risk conditions identified. A dedicated internal structure, the presence of the company doctor and the formal involvement of the social partners constitute the reference organisation. Preventive reporting of anomalous or risk conditions by everyone, an accurate analysis of accidental events, even if not serious, and adequate training activities ensure continuous improvement. The entire workforce is covered by an occupational health and safety management system.

In line with the Sustainability Policies adopted, Capitelli intends to develop the management method, finding a foundation in the managerial leadership that supports the motivational elements, the organisational structures and the necessary operational tools, such as risk assessment and the analysis of accidental events. Far beyond simple legislative compliance, this approach aims to build a true culture of safety, protecting the safety of anyone involved in operational activities and, at the same time, improving managerial skills and motivations for achieving broader results objectives.

		2021	2022	2023
Employees injuries		1	1	2
<i>Fatalities</i>		0	0	0
<i>Serious injuries</i>	<i>with absence from work for at least 180 days</i>	0	0	0
<i>Other injuries</i>	<i>with absence from work for less than 180 days</i>	1	1	2
Frequency rate	number of injuries per million hours worked	16.9	16.5	33.8
Severity rate	lost days per thousand hours worked	0.30	0.10	1.05

The 2 injuries recorded in 2023 were due to impact/falls (1) and cuts or superficial wounds (1).

In order to improve well-being, a reorganization of the office spaces has begun and construction work is scheduled for the expansion of the changing rooms

PRODUCT AND SERVICE STEWARDSHIP

The ultimate goal of Capitelli's entire business is quality excellence, repeatedly appreciated by the market. Also in 2023, the "San Giovanni" cooked ham was confirmed with the assignment of five pins by the Guide to Salumi d'Italia de L'Espresso, the only cooked ham in Italy to obtain this result since the first edition. These awards are the result of careful research conducted in the field since the foundation of the company by Angelo Capitelli, starting from the rediscovery of traditional processing methods to pursue a progressive refinement of the individual phases.

The sustainable value of the products arises from the supply chain, with responsible choices for procurement that will be further consolidated with the full implementation of the "Capitelli Supply Chain". It continues with initiatives aimed at reducing the environmental footprint of production, from renewable energy to the search for business partners for the enhancement of processing waste. In addition, thanks to the close relationship with suppliers, Capitelli monitors the technological opportunities for the introduction of recycled and recyclable packaging and subsidiary materials.

For Capitelli, the pursuit of qualitative excellence is inextricably combined with compliance with the highest food safety standards.

The main suppliers of pork used by the company have certifications in the field of food safety (BRC / IFS). Capitelli obtained in 2023 certification in accordance with the IFS standard – International Food Standard and planned the necessary adjustments. Compliance with the HACCP system of the individual processing stages carried out in the plant is ensured by analytical plans for controlling the physical, chemical and biological characteristics of the meat and by the bimonthly carrying out of sample analyzes on the finished product by an external analysis laboratory. Furthermore, every two months, analyzes are carried out on incoming meat samples and swabs on processing surfaces, cold rooms and technical equipment. For the "San Giovanni" terracotta line, an additional analysis of sample units for the search for bacteria and pathogens is also provided on a six-monthly basis, as well as checks

for determining the nitrite and nitrate content. The pork legs are subjected to pasteurization, ensuring a better shelf life.

In addition to direct production, for a marginal portion of its business volume, Capitelli distributes national cured meats made by selected producers and with the highest guarantees of quality and food safety.

The company actively participates in the audits carried out periodically by large-scale distribution chains, whose specific evaluation parameters are integrated from time to time into the HACCP self-control protocol. In order to ensure greater control of the distribution phase, the company has introduced a digital system that allows timely tracking of batches.

MARKET AND COMMUNITIES

Capitelli adopts the utmost transparency criteria in product communication, to allow its customers and the end consumer to appreciate its distinctive characteristics and to promote responsible consumption. In addition to the mandatory information on the product label, the company website provides additional elements, such as nutritional values, ingredients and origin of raw materials, any allergens, packaging materials, advice for use and storage methods.

ENVIRONMENT

RESPONSIBLE USE OF RESOURCES

In addition to pork legs, Capitelli consumes packaging materials, during cooking and pasteurisation, as well as during moulding and packing. Trimmings, bones, fat and gelatine are entrusted to specialist operators for direct commercial use or for transformation into animal feed, for the chemical industry, for the production of biofuels and for the production of fertilizers.

The water from internal wells is mainly consumed in the daily sanitation of facilities. However, Capitelli is aware of the significant water footprint of its supply chain.

	units	2021	2022	2023
Raw materials, semifinished goods and ancillaries		2,003	2,044	2,119
Renewable		1,906	1,951	2,115
% from recycling	t	0%	0%	0%
Non-renewable		97	93	4
% from recycling		0%	0%	0%
Packaging materials		94	95	101
Renewable		76	78	84
% from recycling	t	70%	70%	100%
Non-renewable		19	17	17
% from recycling		8%	6%	5%
	units	2021	2022	2023
Raw materials		2,003	2,044	2,119
Pork meat		1,906	1,951	2,017
Other ingredients		97	93	97
Packaging	t	94	95	101
Aluminium		2	1	1
Cardboard		76	78	84
Plastic		16	16	16

For the “out of mould” cooking and pasteurisation of the legs, bags made of temperature-resistant polymeric materials are required, currently available only in virgin material and not recyclable except as energy recovery.

Agreements with suppliers envisage introducing products with recycled content by 2025. Capitelli's finished products are packaged in bags made of poly laminates in virgin materials, which can be sent for material recovery after differentiation or for energy recovery. The packaged products are delivered to the carrier in FSC MIX certified cardboard packaging, i.e. partially recycled and completely recyclable.

In 2023 almost 6000 tons of waste were sent for valorisation. In any case, the remainder is sent to energy recovery or controlled disposal destinations, where further partial valorisation is possible.

	units	2021	2022	2023
Valorisation of waste generated		335	264	847
Hazardous waste		0	0	0
% Material recovery		--	--	--
% Energy recovery or disposal	t	--	--	--
Non-hazardous waste		335	264	847
% Material recovery		0%	0%	81%
% Energy recovery or disposal		100%	100%	19%

	units	2021	2022	2023
Energy consumed		10,522	9,677	9,365
% renewable		7%	42%	42%
Thermal energy	GJ	6,754	5,618	5,432
% renewable		0%	0%	0%
Electricity		3,768	4,059	3,933
% renewable		19%	100%	100%
Thermal energy consumed		6,754	5,618	5,432
Heating and industrial use		6,184	5,021	5,164
<i>Natural gas</i>		6,184	5,021	1,638
<i>Gas oil</i>		0	0	0
<i>LPG</i>	GJ	0	0	3,527
Automotive		569	556	268
<i>Diesel</i>		569	544	246
<i>LPG</i>		0	0	0
<i>Natural gas</i>		0	41	0
<i>Petrol</i>		0	12	22
Electricity consumed		3,768	4,059	3,933
Electricity purchased		3,047	3,332	3,248
Without guarantee of origin		3,047	0	0
Renewable with guarantee of origin		0	3,332	3,248
<i>Hydroelectric</i>		0	0	3,248
<i>Photovoltaic</i>		0	0	0
<i>Wind</i>	GJ	0	0	0
<i>Other renewable source</i>		0	0	0
Self-produced renewable electricity		734	735	691
<i>Hydroelectric</i>		0	0	0
<i>Photovoltaic</i>		0	0	691
<i>Wind</i>		0	0	0
Self-consumption		0	0	685
To the grid		13	8	6
Water withdrawal		14.8	14.4	14.3
from surface water		0.0	0.0	0.0
from groundwater		14.8	14.4	14.3
from an aqueduct		0.0	0.0	0.0
from freshwater		14.8	14.4	14.3
from water bodies > 1.000 mg/l total dissolved solids		0.0	0.0	0.0
in water stressed areas		0.0	0.0	0.0
<i>from surface water</i>		0.0	0.0	0.0
<i>from groundwater</i>		0.0	0.0	0.0
<i>from an aqueduct</i>		0.0	0.0	0.0
Water discharge	thousands m3	14.3	13.8	13.8
into surface water		14.0	13.4	13.4
into sewage		0.3	0.4	0.4
in freshwater		14.3	13.8	13.8
in water bodies > 1.000 mg/l total dissolved solids		0.0	0.0	0.0
in water stressed areas		0.0	0.0	0.0
<i>into surface water</i>		0.0	0.0	0.0
<i>into sewage</i>		0.0	0.0	0.0
Water consumption		0.5	0.5	0.5
in water stressed areas		0.0	0.0	0.0

LOW-CARBON TRANSITION

Capitelli supports Italmobiliare in his commitment to company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). Building on the initiatives carried out throughout the years, in January 2024 Capitelli has formalized its membership of the Science Based Target Initiative (SBTi), committing to submit shortly to the team of experts its own targets of short-term reduction, around 2030, and net-zero in 2050. The peculiar activity managed by Capitelli also provides for the definition of specific objectives related to its share of *carbon footprint* that falls between “FLAG – Forests, Land and Agriculture” emissions, from forests, land and agriculture, meaning emissions associated with pig farming, including emissions related to changes in the soil composition (e.g., pastures and animal feed), and emissions generated from animal waste and more.

Capitelli is committed to mitigating the climate-altering effects of its activity along the entire value chain. Supplier selection and engagement, production process efficiency and logistics optimization are the areas of greatest attention.

Since 2022, Capitelli has exclusively relied on renewable electricity, partly self-generated. Moreover, an agreement has been signed with Italgas for the realization of a photovoltaic park adjacent to the plant Capitelli with about 4 MW of power. The new plant, which is expected to come into operation in early 2025, will allow to meet most of the company’s electrical and thermal needs.

	units	2021	2022	2023	2023
Carbon Footprint		25,452	25,571	28,172	
Scope 3 Upstream		24,462	25,183	27,440	97.4%
1 Purchased products and services *		24,393	24,960	27,098	96.2%
2 Capital goods		--	--	--	--
3 Fuel-and energy-related activities		70	58	47	0.2%
4 Upstream transportation and distribution		--	--	144	0.5%
5 Waste generated by the sites		--	165	123	0.4%
6 Business travel		--	0	5	0.0%
7 Employee commuting		--	--	22	0.1%
8 Upstream leased assets		--	--	--	--
Scope 1	t CO₂	415	365	598	2.1%
Scope 2 market based		386	0	0	0.0%
location based		374	373	362	
Scope 3 Downstream		189	23	134	0.5%
9 Downstream transportation and distribution		186	21	132	0.5%
10 Processing of sold products		--	--	--	--
11 Use of sold products		--	--	--	--
12 End-of-life treatment of sold products		2	2	2	0.0%
13 Downstream leased assets		--	--	--	--
14 Franchises		--	--	--	--
15 Investments		--	--	--	--
Avoided emissions(location based)		73	68	64	
From photovoltaic production	t CO₂e	73	68	64	
From hydroelectric production		0	0	0	
Carbon Intensity					
Scope 1+2 market based	t CO₂e / M€	45,8	19,0	26,7	
Scope 1+2 market based +3	Revenues	1,454.4	1,331.8	1,257.7	

* Almost entirely "FLAG - Forests, Land and Agriculture" emissions.