



IN OUR NATURE

Sustainability Report 2023

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aiuti a sostenere le iniziative
della cooperativa Noi Genitori



LETTER FROM THE **PRESIDENT**

Having weathered the energy crises of 2022, we were hit in 2023 with a new calamity: severe **cocoa shortages** and the accompanying skyrocketing of cocoa costs. On January 3, 2023, cocoa was worth £1,979 on the London Stock Exchange; at year's end, on December 29, it was worth £3,379, a staggering 70% increase.

As I write, the crisis has developed in a way that is historically unprecedented, casting doubt on the sustainability of the entire supply chain.

ICAM has long observed the **deteriorating environment** with concern: climate changes, abandonment of good agricultural practices, and declining productivity with consequent lower remuneration.

We believe that **our business model is the appropriate way to respond to the crisis.**

We seek **direct relationships** with responsible and trusted farmers, cooperatives and operators.

We promote **development**, support and improvement **projects** in countries of origin. The **Sustainable Farming project in Uganda**, launched in 2023 in collaboration with an international customer, has ambitious goals: to teach the best practices for improving cocoa productivity and to promote financial education and gender equity projects, supporting a virtuous cycle of improved living conditions, higher remuneration, greater social cohesion and the ability to effectively invest in cocoa farming.

We are fully committed to a *comprehensive* approach to sustainability. In the following pages you will find many other aspects reflecting our commitment to people, the environment and innovation.



Moreover, it is increasingly clear that there is a need for a **change of mentality** that we all must bring about, for without this shared change, individuals initiatives will never gain traction.

In this regard, **ICAM's Sustainability Team** has proven to be highly strategic, tasked with informing, training and involving internal and external stakeholders, enabling opportunities for discussion and cooperation with other operators, suppliers, customers, civil society and institutions, in pursuit of sustainable solutions for all.

A handwritten signature in black ink that reads "Angelo Agostoni".

Angelo Agostoni
President

LETTER FROM THE CHIEF SUSTAINABILITY OFFICER

In recent years, we have become increasingly aware that all businesses, each with their own capabilities and distinctive features, share a fundamental role: namely, to be a responsible player that generates shared value.

And yet, there is growing evidence that the global context is systematically characterized by converging environmental, economic and geopolitical crises.

So what is the deep level on which to base a business strategy that can ensure continuity and resilience, and indeed be sustainable?

Corporate Social Responsibility (CSR) offers a method: integrating Corporate Governance – in which the Board of Directors plays a strategic leadership and control role – with Sustainable Governance, which is cross-cutting, multifunctional and pervasive. It aims to become global, transforming internal and external conditions in a process that involves suppliers, customers, and consumers, right up to civil society, institutions and governments.

This goal is possible through two key levers: **Culture** – that is, the need to start from shared values – and **Partnership** – because it is clear that no one can do it alone.

The following pages offer an account of our statistics, projects and goals, so that you will be able to follow the developmental path of our **Transformative Governance**. We have focused especially on its **matrix structure**, how it facilitates processes and projects and enhances the contribution of other divisions. We have tested it through cross-functional groups, for example, the team that is working on due diligence for EUDR, the European regulation against deforestation, composed of Procurement, IT, Administration, and Quality, with coordination from Sustainability (see Supply chain chapter).



You can read about the commitment to building **a shared culture within the Company**: in 2023 we began our program to engage all employees on sustainability challenges in order to inform, engage, and empower. You can also learn about our external engagement, such as the involvement of certain international customers in supply chain projects in countries of origin.

The Report also covers our **partnerships and advocacy**: sharing knowledge, ideas, and initiatives has provided a valuable opportunity to consider jointly possible tools for competitiveness and resilience in the long term.

In conclusion, **sustainability**—integrated at the top and pervading the entire internal and external environment—can truly be a strategic tool that allows us to face even global and industry crises with optimism.

A handwritten signature in black ink that reads "Sara Agostoni". The signature is written in a cursive, flowing style.

Sara Agostoni
Chief Sustainability Officer

METHODOLOGICAL NOTE

This Document – the sixth Sustainability Report of ICAM S.p.A. (hereinafter also referred to as “ICAM” or “Company”) – is the tool through which the Company presents sustainability policies and goals to its stakeholders, reporting on the results achieved during the year.

GRI 2-3 The Sustainability Report 2023 (hereinafter also referred to as “Report” or “Document”) refers to the period from January 1 to December 31, 2023, unless otherwise indicated, and the scope of reporting extends to 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 Group’s Consolidated Financial Statements¹.

GRI 2-2 Together with the Group’s Consolidated Financial Statements, the Sustainability Report is **approved by the Board of Directors and then by the Shareholders’ Meeting**.

GRI 2-14 The Sustainability Report 2023 was prepared “**in accordance**” with the Global Reporting Initiative Standards 2021 (hereinafter GRI Standards, documents published by the **GRI – Global Reporting Initiative**). At the end of the Report you will find the “GRI Content Index”, which correlates the GRI references and identified material topics and will be helpful in navigating through the Document.

To enable comparison, where possible, data for the years 2021 and 2022 have been included. Any changes made to previously published comparative data, aimed at better representation of information, are ap-

propriately indicated with an explanatory note. Moreover, to ensure the reliability of the data in the Report, the use of estimates has been limited and, where present, they have been appropriately indicated as such. The drafting of this Report, which I coordinated, involved the corporate organizational structure by requesting data and information on the results achieved during the year from the various divisions involved. The information in the Report was collected through a **web-based Sustainability Intelligence platform for ESG Data Collection**, certified by GRI (GRI licensed software), and supplemented by **interviews with division contact persons**, consistent with best practices in non-financial reporting. This approach is a crucial step toward meeting the requirements of the Corporate Sustainability Reporting Directive (CSRD), which will make sustainability reporting mandatory for companies of our size starting in the 2025 fiscal year. Indeed, it will be essential to consolidate and strengthen the reporting processes to meet regulatory requirements within the timeframe.

Another international framework, which will be referred to several times within the Report, are the **United Nations Sustainable Development Goals (SDGs)**. In the following sections, further details will be provided on how the pursuit of these goals has been integral to defining ICAM’s strategic plan.

For any comments, requests and suggestions for improvement related to ICAM’s sustainability activities and the information contained in this Report, I invite you to contact us at the following address: sustainability@icamcioccolato.it.



Sara Agostoni
Chief Sustainability Officer

¹The social and environmental information of AGOSTONI CHOCOLATE NORTH AMERICA Inc. and ICAM CHOCOLATE UK Ltd. is not included in the reporting because it is not material to the Group’s impact.



HIGHLIGHTS

GOVERNANCE



Launch of new **cross-functional projects**



Top 100 Sustainability Award 2023



Participation in the **sustainable procurement** round table of the **UN Global Compact**



10

Testimonies in conferences and congresses



133

employees who participated in internal **engagement** on **sustainability**

COMMITMENT TO PEOPLE



Performance appraisal:

100%
Italy employees

84%
Uganda employees



21,309
training hours



New hires:

23
Italy

4
Uganda



112

employees who received financial aid to support their children's school costs



€1,042,825
value of food donations



20,000
Easter eggs donated



47

employees who received financial aid for volunteer activities

COMMITMENT TO INNOVATION



95.72%
new requests fulfilled



486
recipes developed



14,306
compliance analyses



projects to research **alternative ingredients** (milk and sugar)

ACCOUNTABILITY ALONG THE SUPPLY CHAIN



Data collection initiated for **EUDR** risk assessment



4

supply chain projects with customer engagement



68%

of cocoa beans are certified



6,899

farmers trained at the three locations in Uganda (Bundibugyo, Hoima and Mukono)



Purchases with official signing of the Code of Ethics

100%

of raw materials

97%

of cocoa



Assessment of the pilot project **"Sustainable farming for a climate resilient livelihood of cocoa farmers in Uganda"**



\$2,066,279

Cocoa and sugar Fairtrade Premium

RESPONSIBILITY TO THE ENVIRONMENT



-6.1%

energy intensity index



In Italy

-1.34%

SCOPE 1

0

SCOPE 2



electricity from renewable sources



Solar panels at the three sites in Uganda



Primary **packaging** composed of fully **recyclable** material

96%

total bars

88%

total finished products



97%

organic material waste sent to **circular economy and recovery**

1. CORPORATE IDENTITY

1.1 COMPANY PROFILE

GRI 2-1

ICAM S.p.A., an acronym for “Industria Cioccolato e Affini Morbegno”, is a company **specializing in the production and marketing of chocolate** (organic, with social-environmental sustainability certifications, conventional) and semi-finished cocoa products, a representative of **Italian excellence** in the art of chocolate making **for more than 75 years**.

The **Agostoni and Vanini Families** hand down their passion for chocolate from generation to generation, becoming true ambassadors of authentic chocolate culture and **“Made in Italy” excellence**. Passion, creativity and attention to market trends underlie all of our products, which have gained popularity among consumers and professionals around the world.



Since its foundation in 1946, the Company has followed a distinctive production approach that reflects the philosophy that has always guided the family business:

PRODUCE HIGH-QUALITY CHOCOLATE IN A RESPONSIBLE MANNER

Our corporate identity—stated in the 2021 “manifesto”—is based on **four pillars** around which the sustainability strategy and reporting was developed:



The Company is present in Italy with two **plants** located in **Orsenigo** (CO) and Lecco. The former is now the company's manufacturing center, while the latter, ICAM's registered office, is a logistics hub and houses ICAM Store, the company's corporate store.

In addition, the ICAM Group is present abroad with two **sales offices (United States and United Kingdom)**, a **representative office in Peru**, **three fermentation centers in Uganda**, and a company established for plantation development in Madagascar.

OUR MANIFESTO

Chocolate has been our passion for more than 75 years, spanning three generations. We have always cared about the cocoa supply chain, the people who contribute to its development, the planet in which we operate, and the technological innovation employed throughout the production process.

Our mission is built on the pillars of Supply Chain, People, Environment, and Innovation.

Cocoa, a precious gift of nature, has been the centre of our lives for three generations. We follow the fascinating and complex process of transforming cocoa into excellent-quality chocolate, respecting the raw material and bringing out the best of its essence and sensory profiles in order to offer our customers a product that is flawless in every respect.

We work with integrity and in compliance with current laws in all markets, with the specific aim of always fostering an exchange of expertise and mutual benefit with our partners, consolidating trusting relationships that can generate value via a code of ethics that we share with our partners and which we are firmly committed to respecting.

Our chocolate is produced responsibly, protecting natural resources and thereby benefiting the community and future generations. We care for each plant and the well-being of the land on which it grows, while always striving to preserve its biodiversity.

We harness technology and research to enhance the quality of our chocolate. Each new facility that we introduce in Orsenigo is a tangible indicator of a constant innovation process.

We are committed to producing chocolate by upholding our ethical, environmental and economic responsibilities, to the benefit of the communities in which we operate.

ICAM, A FAMILY HISTORY

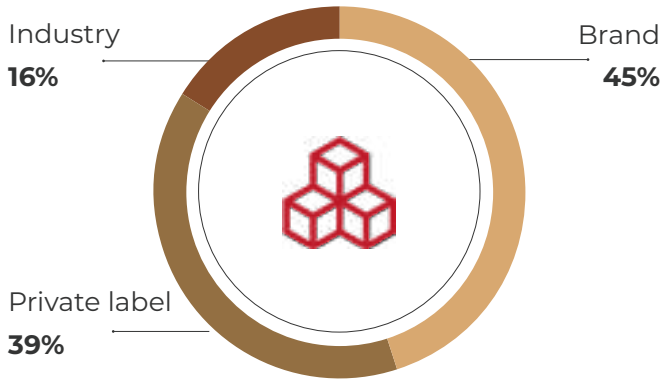
For three generations, **the Agostoni family** has passed on their **passion for chocolate**, leading ICAM to become today's benchmark **Italian cocoa processing company** with an unwavering commitment to sustainability and excellence.

- 1942** • Silvio Agostoni takes over a **workshop** in **Morbegno**, Valtellina.
- 1946** • Silvio Agostoni **founds** in **Lecco**, Italy, **the company ICAM S.R.L.**, which stands for "Industria Cioccolato e Affini Morbegno."
- 1940s** • Construction of a plant to **extract sugar** from dried beets.
- 1950s** • Purchase of the first **cocoa processing** machines.
Start of **collaboration** with the **Vitali** company to create an innovative **horizontal press** for cocoa butter extraction.
- 1953** • Construction of a **new factory** in Via Pescatori in **Lecco**.
- 1960s** • Transformation of the company into an S.p.A.
Untimely passing of Silvio Agostoni.
Management transition to his wife **Carolina**, assisted by her two brothers **Giancarlo and Urbano Vanini**.
- 1970s** • Angelo Agostoni, son of founder Silvio, undertakes numerous **trips to cocoa-growing areas** to explore firsthand cocoa varieties and understand the challenges involved in cultivation.
- 1980s** • Entry of the **second Agostoni generation**.
Significant investment aimed at **expanding production capacity** and introducing **new equipment** to enhance the production process and product quality.
- 1997** • Market launch of the first **organically grown** chocolate products.
- 2004** • Launch of its own **branded line "ICAM Linea Professionale"**.
- 2010** • Entry of the **third generation** of the Agostoni and Vanini families.
Start of production at the **Orsenigo** production hub in the province of Como.
Foundation in **Uganda** of ICAM Chocolate Uganda Ltd and first **fermentation center** in **Bundibugyo**.
- 2011** • Start-up of the second **fermentation center** in Uganda, in **Mukono**.
- 2013** • Start-up of the third **fermentation center** in Uganda, in **Hoima**.
- 2014** • Launch of the **Vanini premium brand**.
- 2016** • Launch of a **new product line** for **professionals: Agostoni**.
- 2017** • Completion of the **industrial upgrade** through the installation of a **4.0 modeler** and the final relocation of production to Orsenigo.
- 2019** • Publication of ICAM's **first Sustainability Report** for the year 2018.
- 2022** • Establishment of the position of **Chief Sustainability Officer**.
Establishment of the **Sustainability Team**.
Adherence to the **UN Global Compact**.
Approval of the "**Sustainable farming** for a climate resilient livelihood of cocoa farmers in **Uganda**" project
- 2023** • Assessment of the "**Sustainable farming**" project in Uganda
Initiation of IT projects for **structuring governance**: Sustainability reporting, tracking at ICAM Chocolate Uganda Ltd, compliance with EUDR.
Initiation of employee **engagement** (offices).

The ability to control the entire production chain—from planting to finished product—makes it possible for the Company to develop highly diversified production, adapting to the needs of the market and business partners. ICAM

sells its products both in Italy and in the foreign market (France, Germany, UK, Poland, USA, etc.).

2023 turnover by business areas

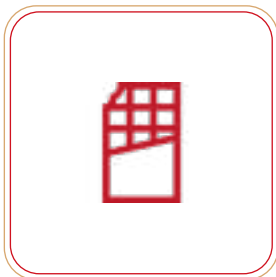


2023 turnover by geographic area



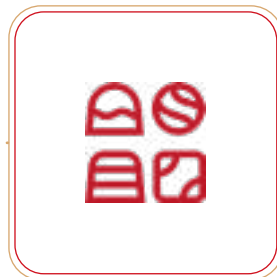
ICAM’s range consists of three main business lines, aimed at different targets:

Own-brand products



Those who **love chocolate** and are looking for a **sustainable** and high-**quality** product.

Products for industry and the professional market

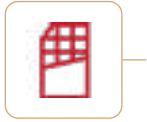


Those who **interpret** or use it for **work**.

Products for large retailers



Those who wish to produce it with **their own brand**.



OWN-BRAND PRODUCTS

For the retail market - Vanini brand: premium line made with the best cocoa from **highly selected plantations**, where the company's commitment to an **integrated supply chain** that respects the main environmental and social sustainability criteria is fully expressed. Vanini uses **Amazonian "Bagua" cocoa** from the border area between Ecuador and Peru and **organic cocoa** from **Uganda's Bundibugyo** district, prepared in the ICAM Chocolate Uganda Ltd fermentation center. The range includes chocolate bars, praline, gianduiotto and chocolate eggs, always offered in innovative recipes.



For the retail market - ICAM brand: the line includes bars, praline, cocoa confections, candies, eggs and mini-eggs made using Italian ingredients with a **high-quality sensory profile**. The range is completed with **CiocoPasticceria**, a line that offers home baking products.



For the professional market - Agostoni and ICAM Professional brands: the range includes a wide selection of **blend, single-origin and grand cru chocolate toppings**, cocoa powders, creams and raw materials specially designed for professional processing, which guarantee **excellent technical performance and a distinctive taste profile**; the range is offered to small, medium and large-scale professionals and artisans in pastry, ice cream, chocolate and catering.





PRODUCTS FOR INDUSTRY

Chocolate, powder and semi-finished products made from conventional, organic, sustainability-certified and single-origin cocoa. The range is further expanded through the development of **customized recipes** specially designed to ensure a complete and comprehensive solution to **every single production need**.



PRODUCTS FOR LARGE RETAILERS

Chocolate **bars** in numerous formats and weights, **pralines** and semi-finished **cocoa** products for major retail chains, both **in Italy and abroad**, and for many confectionery companies. The products are made from conventional ingredients, organic ingredients or ingredients with sustainability certifications. The company achieves a very high level of **customization** that can satisfy the **most sophisticated tastes** of **international** customers, ranging from the development of new **recipes** and research into new **ingredients** to the detailed study of **packaging**, with a tailored approach and a high level of flexibility and service.



BEST PRACTICES CERTIFICATIONS



FREE FROM CERTIFICATIONS



1.2 COMPANY VALUES

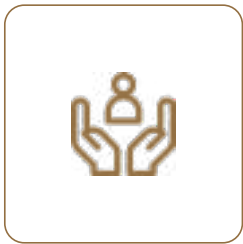
In producing high-quality chocolate, ICAM aims to pursue excellence and sustainability

The Company, conscious of its role and responsibilities within the community in which it operates, is formally committed to ensuring compliance with the following ethical principles:



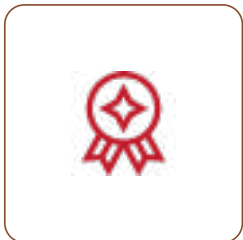
INTEGRITY

ICAM is inspired by the values of **moral integrity, fairness and honesty** in all its activities and in every context. As an indispensable principle, the Group complies with the applicable **laws and regulations** in all countries in which it operates.



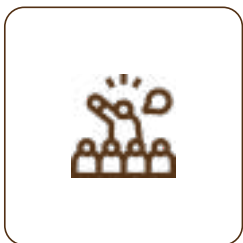
FOCUS ON PEOPLE

ICAM regards the **value of people** as a fundamental element that guides its operations. The Group **promotes and protects respect for human rights** in its dealings with all parties with whom it interacts in the conduct of its business.



QUALITY

ICAM places the utmost care and attention on quality. It strives to create unique and innovative products to meet customers' needs by investing in **Research and Development**. The company ensures an **established food safety control system** and promotes **"Made in Italy" excellence**.



ENGAGEMENT

ICAM believes that **trust** is crucial in internal and external relationships. The company fosters direct and sincere stakeholder engagement, marked by principles of fairness, a sense of responsibility, integrity and good faith. The company also promotes dialog to create **value for all parties involved**, supporting continuous improvement and playing an active role in triggering evolutionary processes in **cocoa supply chains**.



SUSTAINABLE SUCCESS

ICAM directs its **growth towards sustainability**, creating long-term value for shareholders and stakeholders. This includes **respect for the environment, employee welfare and support for local communities**. The company commits to taking measures to prevent risks and reduce impacts.

In April 2020, the Group consolidated and documented its values in the **Code of Ethics**, which was prepared in accordance with the primary regulations, guidelines, and best practices in human rights and CSR; this Code of Ethics was updated in 2020.

For ICAM, the Code of Ethics is the pivotal tool for making its approach to business concrete and ensuring the transparent and fair management of human and business relations.

ICAM requires all its suppliers to **sign its Code of Ethics**.

***The Company's vocation for sustainability** can be clearly seen by looking at the significant use of **certified raw materials**: for instance, in terms of the procurement of the main raw material, **68% of the 26,068 tons** of cocoa purchased in **2023** had one or more certifications, in particular:*

ORGANIC, FAIRTRADE, AND RAINFOREST ALLIANCE.



1.3 MISSION

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

GRI 201-1 The Group intends to pursue its mission by drawing on the **professionalism** and **passion** of all the people who contribute daily to making ICAM a unique company in its sector: partners, associates, supply chain workers, suppliers and customers.

1.4 STRATEGY

ICAM pursues excellence and sustainability in the production of high-quality chocolate, particularly in the area of organic and sustainable products. To this end, it considers it strategic to oversee the entire production chain, from planting to finished product (**vertical integration**), limiting the involvement of intermediaries. This approach enables greater oversight of social-environmental risks and makes it possible to **select**

the best raw materials, while at the same time reducing the dependence of the target market, which is increasingly affected by the presence of speculative players who can negatively influence price trends and production techniques. Another strategic winning factor is the Company's **internationalization process**.



1.5 GOVERNANCE AND ORGANIZATION

GRI 2-9 ICAM's roots are still firmly established and visible within the shareholding structure: 71.1% held by the company Obiettivo 2100 S.p.A. whose ownership is shared between Angelo Agostoni, Plinio Agostoni, Antonio Agostoni, Alberto Agostoni, Marisa Agostoni, Marco Vanini, and

Daniela Bancheri. The family's active presence in business management, including the participation of the younger generation, ensures a meaningful link between family tradition and innovative management geared toward emerging market challenges.

GRI 2-1

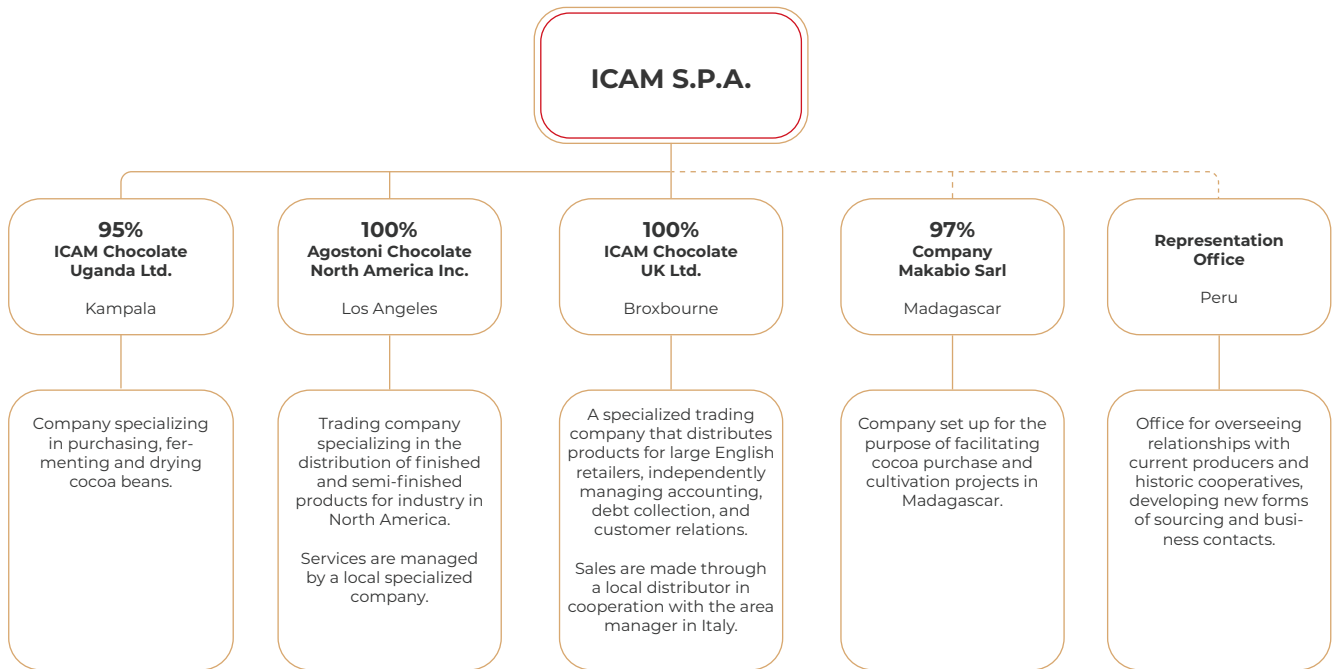


ICAM's growth has led to the establishment of a corporate group that can adequately meet the organizational needs necessary to compete within the various world markets.

In this context, specific legal entities have been established:

- ◆ a subsidiary company and a representative office in strategic continents for the cocoa supply chain, Africa and Latin America, respectively,
- ◆ two subsidiaries for overseas marketing, in the United States and the United Kingdom, respectively.





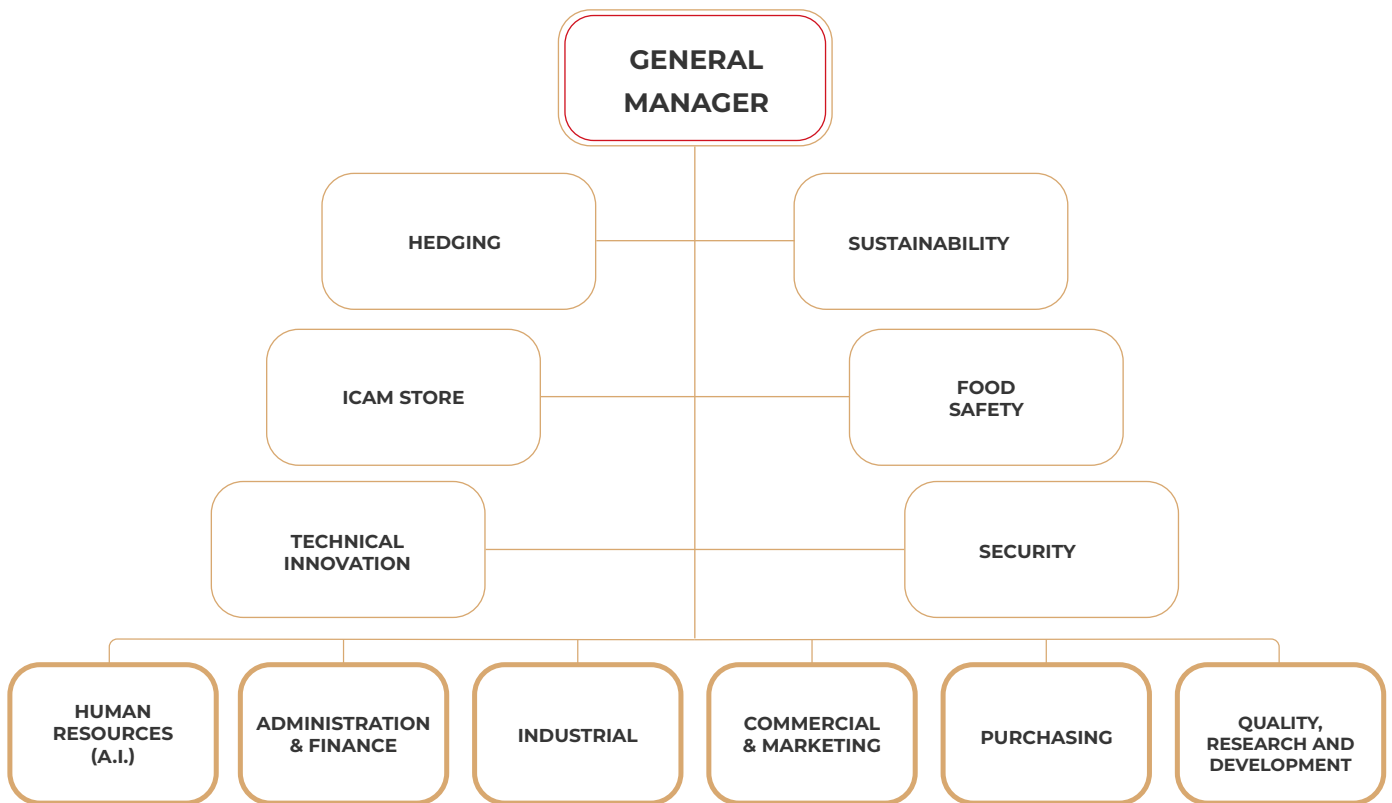
GRI 2-11 In terms of governance, ICAM adopts a traditional (ordinary) system that includes a Board of Directors with executive functions and a Board of Statutory Auditors with supervisory functions, both appointed by the Shareholders.

The composition of the Board of Directors, consistent with the recommendations made in **Borsa Italiana's Corporate Governance Code**, includes the presence of two independent directors.

Angelo Agostoni – President
Plinio Agostoni – Vice President
Andrea Paolo Perrone – Independent Director
Paolo Fumagalli – Independent Director
Bruno Ottonello – Managing Director



The organizational structure of ICAM S.p.A. consists of 6 departments and 6 staff divisions operating under the supervision of the General Manager:



The **Executive Board** is responsible for implementing the corporate strategies set by the Board of Directors, achieving overall corporate goals, and managing the company's operations. Moreover, the General Manager has taken over the **Human Resources** division on an interim basis, overseeing personnel administration and development, and participating in the Compensation Committee, together with the two independent directors.

The General Management is supported by Staff divisions to manage **Hedging** activities aimed at mitigating price fluctuations (cocoa, energy, currency etc.), retail activities (**ICAM Store**) and **Technical Innovation**.

Finally, through executive committees, it oversees the teams dedicated to **Security** (security of the production site and company assets, anti-intrusion, including Cyber Security), **Food Safety** (Food Defense, i.e., protection from contamination) and **Sustainability**, monitoring the progress of projects and establishing guidelines.

The Sales & Marketing Department is responsible for achieving the company's sales targets, both in the Italian and foreign markets, as well as promoting the ICAM brand and the company's products nationally and internationally, in accordance with the strategy outlined by the Board of Directors.

The Purchasing Department is responsible for the procurement of ingredients, cocoa, packaging and services by pursuing corporate objectives.

The Industrial Management is responsible for guaranteeing the proper and efficient operation of the production process by ensuring the execution of production plans and the efficient operation of the logistics service.

The Quality, Research & Development Department is in charge of ensuring product quality and developing new recipes, production methodologies and technologies.

The Administration & Finance Department oversees accounting and treasury processes and ensures proper company reporting, as well as compliance with administrative and tax deadlines. The legal, management control and information systems office also reports to this department.

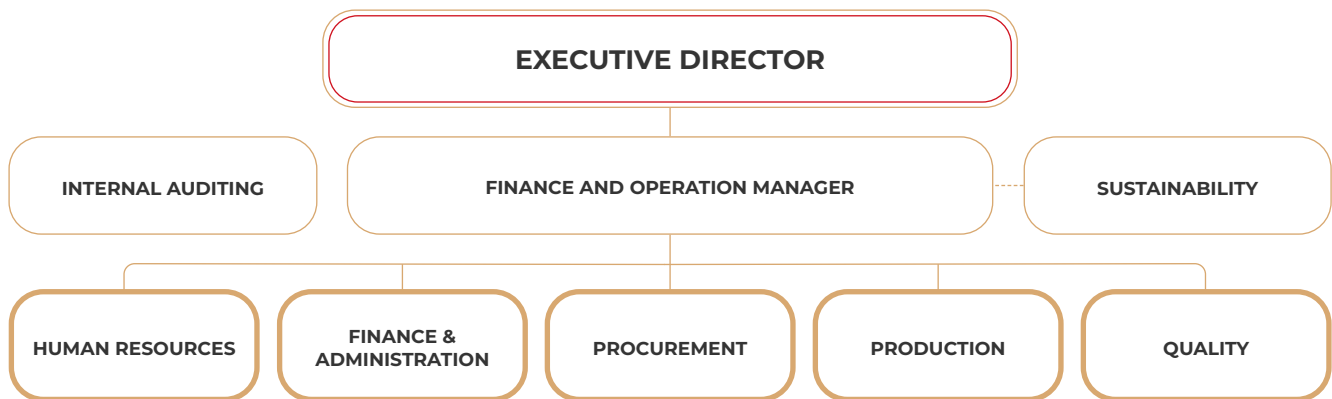
GOVERNANCE OF ICAM CHOCOLATE UGANDA LTD.

The Board of Directors of ICAM Chocolate Uganda Ltd. consists of:

Fabio Giomo – Executive Director
Marco Beltrami – Director
Arcangelo Agogliati – Independent Director

The Sustainability division reports to the Finance and Operation Manager.

The **Procurement** division is responsible for both cocoa purchasing activities from farmers and related field inspection activities. **Quality** is responsible for quality control activities and agronomic support to farmers. **Production** is responsible for activities in the 3 locations and reports to the Branch Managers. **Human Resources** outlines the growth paths of team members.



1.6 DISTRIBUTION OF VALUE GENERATED

The statement of determination and allocation of directly generated economic value represents the **total wealth created** by ICAM, which is then **allocated among** the various **stakeholders**: suppliers, employees (salaries and benefits), lenders, shareholders, Public Administration and the Community. The difference between the value generated and distributed represents how much of the wealth



produced is left for ICAM to replenish inputs (depreciation and amortization) and maintain an adequate level of capital (funds and reserves), which is essential to ensure the Company's future sustainability.

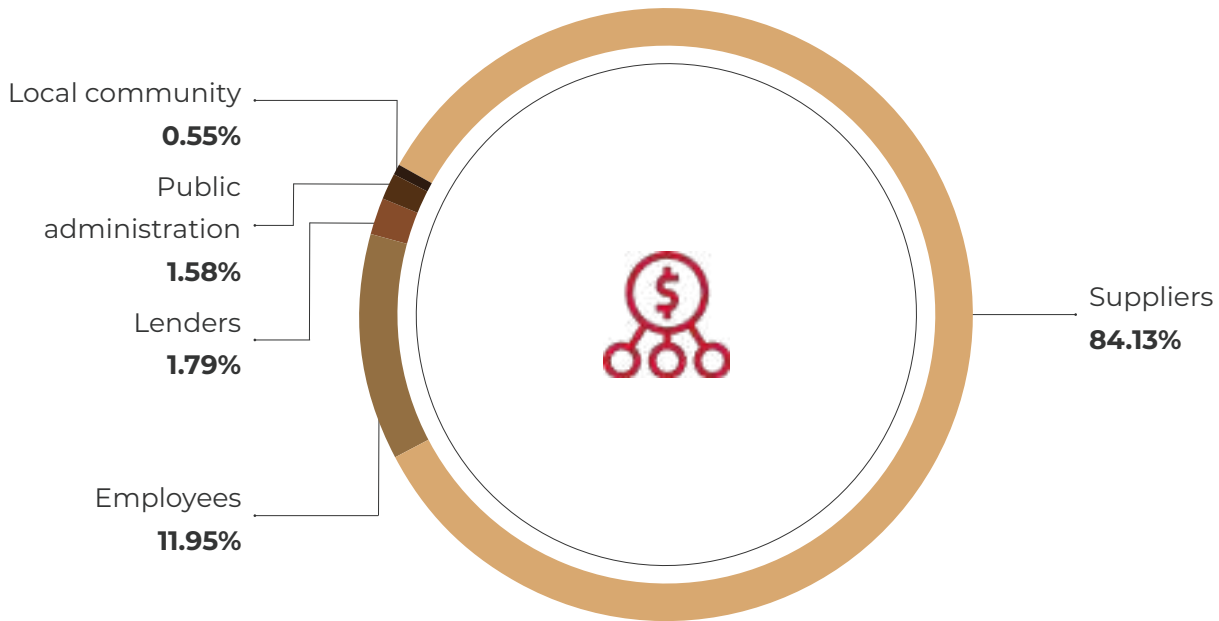
The statement was prepared by reclassifying the income statement as required by the GRI Standards.

Economic value generated and distributed	2021	2022	2023
Directly generated economic value	€188,283,463	€205,459,754	€216,010,611
Net sales	€187,793,802	€204,944,609	€215,059,806
Financial investment income	€50,845	€51,207	€503,594
Revenues from sale of goods	€77,316	€8,706	€58,711
Revenues from sale of Energy Efficiency Certificates (TEEs)	€361,500	€455,232	€388,500
Economic value distributed	€173,466,348	€193,135,187	€197,115,062
Suppliers	€145,158,988	€168,923,730	€165,841,925
Employees	€21,256,793	€21,896,131	€23,555,164
Employee salaries	€20,652,310	€21,226,542	€22,773,862
Employee benefits	€604,483	€669,589	€781,301
Shareholders	€1,986,063²	-	-
Lenders	€2,017,120	€2,063,410	€3,522,016
Public administration³	€2,435,310	€-638,068	€3,111,880
Local community	€612,075	€889,984	€1,084,078
Economic value withheld	€14,817,114	€12,324,567	€18,895,549
Provision to funds	€78,214	€173,879	€121,216
Depreciation	€7,169,770	€7,220,903	€7,291,998
Operating profit	€7,569,130	€4,929,785	€11,482,335

2 · The value was transferred from Reserves and placed in SHAREHOLDERS following the distribution of profits (in 2022).

3 · Includes prepaid and deferred tax assets

Economic value distributed 2023



1.7 ECONOMIC PERFORMANCE

ICAM's **long-term sustainability** is closely linked to careful and responsible economic and financial management. An ongoing commitment to achieving the best economic performance, positively influencing market confidence in the Company, is a goal shared not only by ICAM, but by all its stakeholders.

In recent years, the macroeconomic scenario has been marked by instability and uncertainty. The post-pandemic recovery has been slower than expected, influenced by both increasing climate change and new geopolitical tensions, which have had significant impacts on energy markets and global trade relations.

Against this backdrop, the Italian market experienced significant growth in sales, with increases in both finished and semi-finished products. In contrast, in the foreign market, the Company experienced a slight decrease in total sales, with an increase in the finished products



sector but a decrease in the semi-finished products sector.

Private Label sales increased over 2022 due to higher sales in both domestic and foreign markets, boosted by sales of Premium products.

The **ICAM Ingredients Brand** also showed improvements compared with the previous fiscal year, with conventional toppings in the foreign market leading the way.

The **Industry** sector showed strong growth in the Italian market, offsetting the decline in the foreign market.

The positive growth trend continues for the ICAM **Retail Brand**, with increased sales of the **Vanini** and **Otto** lines, as well as products related to the Easter and Christmas campaigns.

The company constantly promotes marketing and communication activities for the development of the Brand, with special emphasis on Vanini bars and pralines and the Agostoni professional line.

Revenues during the 2023 financial year saw significant growth, but costs were negatively affected by rising cocoa prices.

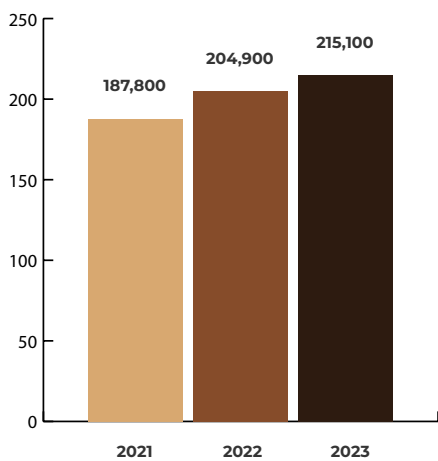
Factors influencing this cost increase were reduced production levels in countries of origin and reduced stock levels in Europe, unfavorable euro/dollar exchange rate trends, and increased ancillary costs associated with procurement.

During 2023, ICAM implemented effective

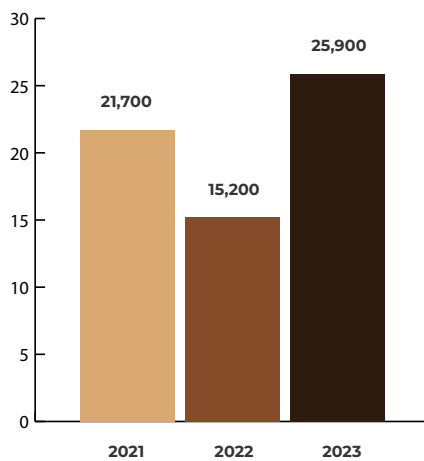
operations to hedge the price of cocoa, controlling its increase from the values recorded in the real market.

Considering the costs inherent in the Company's operating activities and structure costs not affected by external macroeconomic factors, it is apparent that any increases are generally related to business volume growth and the Company's development.

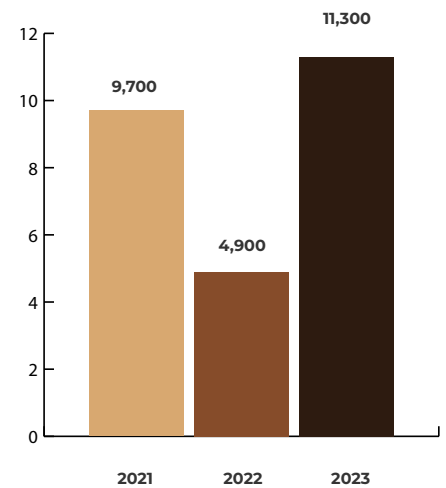
Revenues (€x1000)



EBITDA (€x1000)



Net profit (€x1000)



In this context, the Company has managed to remain competitive in the market by increasing its business volume, maintaining adequate levels of profitability, investing in the efficiency of co-generation plants to contain energy costs, and reorganizing its logistics and production structure to meet growing market demand.

During the year, the main challenge for the Company was **the exponential increase in the cost of cocoa, a trend that will continue into 2024.**

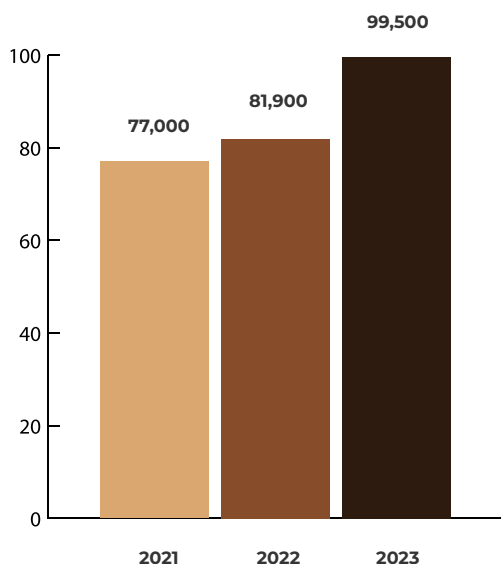
Nevertheless, the Company reported superior financial and equity results compared to previous years, to the extent that it was able to:

- ◆ Pursue its growth targets: gross revenues of €215.1m increased by about €10.2m compared with those reported in the previous year;
- ◆ Generate an EBITDA level of €25.9m higher than the previous year by €10.7m;

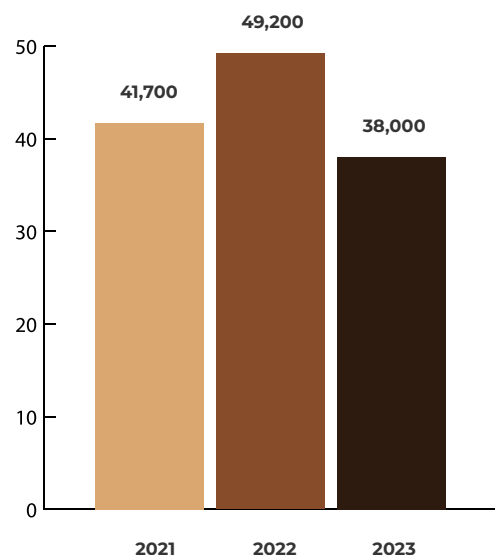
- ◆ Achieve a net profit of €11.3m, an improvement over the 2022 result of €4.9m;
- ◆ Further increase its equity by €17.6m to a total value of €99.5m;
- ◆ Contain indebtedness to banks, expressed in terms of Net Financial Position to an amount of €38m.

Given the uncertainty in the world economy that is also expected in the coming fiscal year, the Company is committed to implementing targeted strategies to achieve budget goals. It will also focus on revenue growth and **controlling costs** associated with production and structural processes. This approach aims to maintain profit margins and ensure **financial sustainability** in an unstable economic environment.

Equity (€x1000)



Net financial position (€x1000)



2. SUSTAINABILITY GOVERNANCE

2.1 RESPONSIBLE MANAGEMENT MODEL

For ICAM, effective management and careful monitoring of sustainability aspects are of paramount importance.

GRI 2-9 The sustainability management model is geared toward long-term value creation for shareholders and all Group stakeholders, and is structured with **cross-functional activities** that actively involve all stakeholders.

GRI 2-2 Sustainability activities and projects are punctually **reported to shareholders** during the Ordinary Shareholders' Meeting to approve the Financial Statements, as well as to the **Board of Directors** during the semi-annual reports in January and July. Oversight of individual activities is also monitored and discussed at periodic meetings of the **Management Committee**.

GRI 2-13 During 2021, the Company decided to **establish the position of Chief Sustainability Officer**, and appointed Sara Agostoni, a family member, to this position, charged with leading sustainability activities beginning in January 2022.

The Chief Sustainability Officer, consistent with the guidelines established by the General Manager, works with the heads of the various business divisions to define goals, actions and strat-



egy aimed at **integrating sustainability into business decisions and processes**. Specifically, in 2023 the focus was on:

- ◆ **EUDR compliance**, with active involvement of Cocoa Procurement, Cocoa Logistic, Traceability & IT, Accounting, Quality Control, Quality Assurance, Legal, Executive Director ICAM Chocolate Uganda Ltd and Sustainability ICAM Chocolate Uganda Ltd;
- ◆ **Projects at the Uganda site**, with the active involvement of the heads of Cocoa Procurement, Finance, Quality Control, and Legal, as well as the Sustainability, Human Resources and Finance and Operation contact persons at ICAM Chocolate Uganda Ltd;
- ◆ **Employee engagement**, for sharing everyone's role in addressing strategic challenges;
- ◆ **Customer engagement on supply chain projects**, with the active involvement of Sales Accounts and the heads of Cocoa Procurement, Finance, and Legal, as well as contact persons in the supply chain, including ICAM's representative in Peru.

Under her direction and the coordination of the **Sustainability Team**, the **Chief Sustainability Officer** structures with

CROSS-FUNCTIONAL ACTIVITIES SPECIFIC PROJECTS TO ACHIEVE GOALS.



To meet the **regulatory requirements of the EUDR**, the Company involved all direct suppliers of cocoa (about 50% of total purchases) by requesting the necessary data; moreover, market mapping was conducted to identify professionals and consultants who could provide support at different stages, particularly in geolocation data verifications and deforestation status analysis.

GRI 2-27

These activities were carried out by a **cross-functional team** consisting of members from **Cocoa Procurement, Administration, IT, Quality and Sustainability**.

At ICAM Chocolate **Uganda Ltd**, in order to specifically structure and manage **data collection** related to the **traceability** of purchased cocoa, the purchase of the specialized **FarmForce** platform was approved.

ICAM has initiated a process of **formalizing its Policy System** and adapting Due Diligence mechanisms to address environmental, social and governance (ESG) risks and impacts, with the aim of setting out its Code of Ethics in a Sustainability Code (summarizing the policies

and procedures in place to address impacts on material topics), specific Codes of Conduct and ESG risk monitoring tools. The commitment is to complete this process by 2026, integrating these policies into all business relationships.

This process of **strengthening Governance** also involved ICAM Chocolate Uganda, aligning its Code of Ethics with the corporate Code of Ethics, and updating its **Personnel Regulations**.

GRI 2-24

With regard to **reporting**, it was found that there was a need to consolidate processes, methodologies and responsibilities for data collection and validation in accordance with the requirements of the CSRD (Corporate Sustainability Reporting Directive) that came into effect on January 1, 2023. This Directive will make sustainability reporting mandatory for companies of our size from the 2025 fiscal year. To this end, a **platform for data collection and organization** was identified and **implemented in early 2024**.

2.2 ANTI-CORRUPTION AND ETHICS

ICAM is committed to preventing and combating all forms of illegality, inspired by the values of moral integrity, fairness, honesty, loyalty and transparency enshrined in its Code of Ethics.

GRI 2-15 Management of conflicts of interest is regulated according to the Code of Ethics, requiring governing bodies, employees and associates to make business decisions in the interest of the Group and in line with the principles of good corporate governance. They must avoid any situation and activities in which their personal interests may conflict with corporate duty, interfering with their ability to make impartial decisions.



The latest adjustment to Model 231 was approved by the Board of Directors at its meeting on December 22, 2020, and a revision is planned in 2024 in light of the latest regulatory and organizational changes.

es.

This tool is essential for identifying business activities at risk of committing crimes in order to implement appropriate preventive measures.

Any conflict situation, even if potential, must be promptly reported to the Group and the person involved must refrain from activities that could damage ICAM or compromise its image.

With specific regard to the crime of bribery, **the risk analysis conducted periodically** by ICAM showed that the main risk to which the Group is exposed is the commission of the crime of bribery among private individuals, potentially aimed at expanding business activities (22 sensitive processes).

GRI 205-1

GRI 2-27 The Company is constantly striving to ensure compliance with laws and regulations: partly thanks to the ability and commitment of all management, there were no significant cases of regulatory non-compliance in 2023.

The Group has implemented a set of corporate principles, rules and procedures to prevent and counter corruption and corporate crime, integrating these measures into a corporate environment that already has a strong culture.

The oversight and constant updating of Model 231 permit timely alignment with regulatory changes, as well as adequate staff training.

GRI 2-26

In this regard, following the approval of the updated version of Model 231, a specific **training activity** was developed, covering the updating of Model 231 and the Code of Ethics. At the **Ugandan sites**, the activity was included in the management training required by the certifications.

GRI 205-2 In particular, it should be noted that ICAM has adopted and periodically updates its **Organization, Management and Control Model pursuant to Legislative Decree 231/2001 (Model 231)** in order to prevent the phenomena of corporate crime and to encourage behavior that complies with current regulations by all those who work in the interest of the Company, both inside and outside the Company. This Model is subject to independent control by a **Supervisory Board** composed of three professionals from outside the Company.

The Model 231 also provides for a specific **Whistleblowing System** that enables all its intended users to report and denounce possible misconduct in order to prevent and promptly counteract malfeasance and misconduct or otherwise in violation of Company regulations. The Whistleblowing System was updated during 2023 in order to align with EU Directive 2019/1937 and Legislative Decree 24/2023.

GRI 2-16

GRI 205-3

Any relevant reports are periodically reported to the Board of Directors by the Supervisory Board. During 2023, as in previous years, **no critical issues emerged** and no cases of wrongdoing committed in the Company's interest were reported.

2.3 ICAM AND ADHERENCE TO THE UN SUSTAINABLE DEVELOPMENT GOALS

GRI 205-1 The 2030 Agenda is a global action plan for sustainable development, signed in 2015 by 193 countries of the United Nations, including Italy.

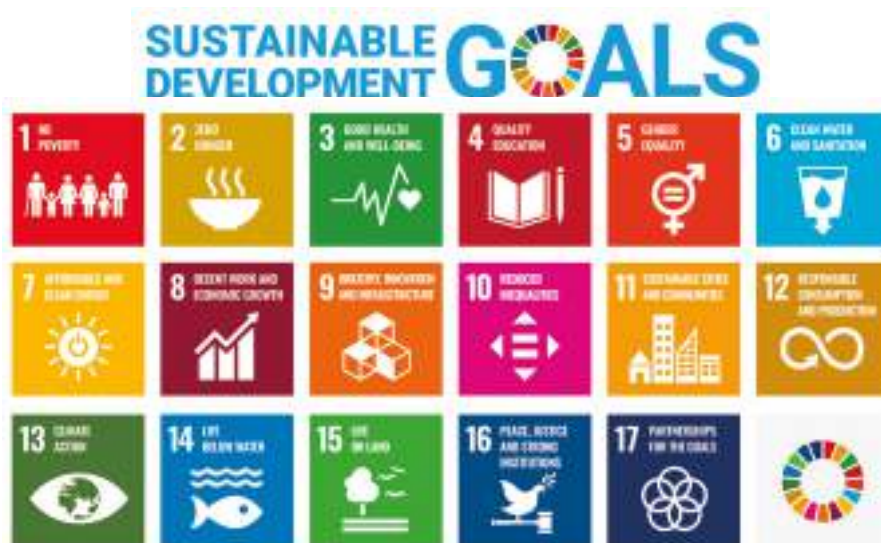


It contains 17 sustainable development goals, divided into 169 targets and more than 240 indicators. contribute to this collective challenge, not only Governments and Institutions, but also businesses, universities, cultural actors, civil society, and individual citizens.

GRI 2-22 The Agenda is underpinned by the conviction that we must rethink the linear and extractive approach to economic development, moving towards a circular and regenerative approach, balancing economic demands with social and environmental concerns.

The expected, or desired, time frame for achieving the goals is 2030, but many results are still far from being realized. We therefore believe that all parties must commit themselves to becoming a center of change, maintaining a balance between pragmatism and awareness of the specific nature of each context, avoiding extreme positions that could undermine joint efforts.

ICAM shares the idea that everyone must



In 2022, demonstrating a strong commitment to supporting the 17 Sustainable Development Goals, **ICAM joined the UN Global Compact**, signing a pledge with the United Nations to

contribute to a new phase of globalization characterized by a focus on sustainability and international cooperation, from a multi-stakeholder perspective.

ICAM’s membership reflects the sharing of principles that promote long-term sustainability through policy actions, business practices, and social and civic behavior that are responsible and take future generations into account.

WE SUPPORT



The UN goals are **one of the foundations of our business strategy**, as highlighted in our Materiality Analysis. ICAM’s concrete commitment is made explicit in our medium- to long-term strategic goals, presented at the end of this chapter.

2.4 COLLABORATIONS FOR SUSTAINABILITY GOALS



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

Associations	Year	Description
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GRI 2-28

	from 2009	ICAM is a voting member of the Federation of Cocoa Commerce (FCC) and manages cocoa purchases according to international rules dictated by the association. The Company is recognized as a professional, reliable and qualified cocoa operator in accordance with international regulations.
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Partners	Year	Description
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GRI 2-29

	from 2005	Partnership aimed at enhancing the skills of ICAM Chocolate Uganda Ltd farmers in order to improve their productivity and income. In 2022, Swisscontact financially contributed to the expenses related to obtaining Rainforest Alliance certification: <ul style="list-style-type: none"> ◆ Training of 64 ICAM staff members; ◆ Training of 1,400 farmers on certification requirements and support in the audit phase; ◆ Structuring the management method and tools to ensure full traceability of procurement.
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	2022	Sustainable Farming for a Climate Resilient Livelihood of Cocoa Farmers in Uganda. Read more in the box opposite.
Partnerships with customers	2023	Construction of an aqueduct in Peru.
	2023-24	Construction of a dark water management system in Peru.
	from 2023	Exploration of a project to build cocoa storage warehouses in Sierra Leone.

Further insights regarding the specific outcomes and goals of engagement projects will be reported in the chapter “Accountability along the entire supply chain”.

SUSTAINABLE FARMING FOR A CLIMATE RESILIENT LIVELIHOOD OF COCOA FARMERS IN UGANDA

In 2022, ICAM and ICAM Chocolate Uganda Ltd partnered with Corpeq BV, SanoRice Holding BV (an industrial customer), and the Solidaridad East & Central Africa NGO to implement a pilot development project with the goal of transforming the current production system to make it resilient to climate change.

The project is co-funded by the Fund for Responsible Business (FVO), part of the Netherlands Enterprise Agency (RVO) and in the commission of the Dutch Ministry of Foreign Affairs. This project was set up using the PIP (Plan Intégré du Paysan) participatory methodology.



Solidaridad

The pilot project involves 600 farmers and 310 hectares of cocoa plantations spread across 31 villages in Bundibugyo district. The ambition is for this to be extended to other regions or origins in the future.

In 2023, the following stakeholders were mapped and involved:



Local government, community authorities, and farmer “leaders”:

- a strong alliance was created, in a workshop with partners, sharing goals and striving for results;
- the results of the analysis phase were validated with them.



Farmers mobilized on the urgency of addressing the issues discussed.



ICAM Uganda employees chosen as project staff:

- trained in dealing with ESG risks;
- prepared to transfer knowledge in a “train the trainer” system.

As a result of the assessment conducted in 2023, project partners considered integrating **agronomy training with tools in the social and governance spheres** to achieve the goal of cocoa farming resilience.

Each of the targets is accompanied by KPIs. Implementation will begin in 2024 and continue until the end of 2026.

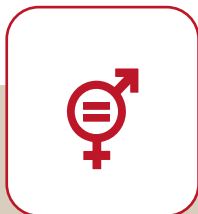
Tools to achieve the goal of cocoa farming resilience



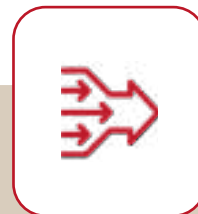
Increase farmers' skills in applying **agroforestry systems and good agricultural practices (GAPs)** to increase crop productivity, protect **soil** and **biodiversity**, and reduce **carbon** footprint.



Acquire **economic-financial planning** skills through **VSLA (Village Savings and Loan Associations)** tools.



Support **women's empowerment** and transformation of gender behaviors in families and communities through **GALS (Gender Action and Learning System)** tools.








Integrate sustainability into corporate policies by formally codifying the sustainability approach in the main **procedures of the project partners**.

The resilience of Bundibugyo farms to climate change will improve the cocoa production system (and therefore the ability to generate income and livelihoods for households) and consolidate this cocoa supply chain for ICAM's business continuity.

Further insights regarding the specific outcomes and goals of the project will be reported in the chapter "Accountability along the entire supply chain".

2.5 ADVOCACY AND OUTREACH ACTIVITIES

During 2023, ICAM intensified its efforts in sharing and **reporting on its experiences** and journey, both at a local and national level. Below are the main sharing events in which the Group participated during the reporting period.

Event	Sponsoring organizations	Advocacy activities
Italian Business & SDGs Annual Forum		In the context of the forum “Business, Sustainability and Impact: The economic-environmental dimension” , ICAM presented how its business model, strategies adopted, and effective partnerships established have generated transformative impacts.
Sustainable Procurement		ICAM shared its experience within a cross-industry round table with leading companies from different sectors.
Climate Ambition Accelerator		ICAM participated in the training course related to environmental challenges, with a focus on decarbonization and the SBTi.
Sustainability on Stage		<p>The editorial path of the Italian UN Global Compact Network, a space for sharing and promoting the sustainability stories of member companies, featured among the innovative and impactful experiences ICAM’s path toward quality as a lever for development with a focus on the cocoa supply chain in Uganda.</p> 
Annual Report Meeting Fairtrade Italy		Within the scope of the Forum “Social, environmental, economic: Fairtrade sustainability” , ICAM recounted how its partnership with Fairtrade, which began in 2002, has supported and fostered its approach to sustainability.
International Fairtrade Cocoa Forum (Dominican Republic)		At the forum, ICAM presented its 20-year experience of working with Fairtrade to support the growth of the sustainable cocoa market.
Food Social Impact Awards		ICAM participated in the contest by presenting the project of establishing ICAM Chocolate Uganda Ltd, aimed at setting up an organized fresh cocoa harvesting and processing center and training growers on agronomic techniques.

<p>30th anniversary of the young accountants of Lecco</p>		<p>ICAM took part in the event with a talk entitled “Challenge for the local area: focusing on synergies to create value”.</p>
<p>Cabina di Regia</p>		<p>ICAM is involved in initiatives aimed at broadening the involvement of small and medium-sized companies in the local area on sustainability issues, including in collaboration with the Chamber of Commerce of Como and Lecco.</p>
<p>Salone della CSR</p>		<p>In the panel “Controlling the supply chain: risks and opportunities”, ICAM presented how establishing positive and fruitful relationships with growers from more than 20 supply chains has enabled the Company to develop responsible supply chain management models.</p>



SUSTAINABILITY AWARD – ICAM IN THE TOP 100

The Sustainability Award, promoted by Kon Group and Elite in partnership with Altis – Università Cattolica, RepRisk, Azimut and Forbes, is an important recognition reserved for Italian companies that have distinguished themselves in facing challenges related to ESG aspects, transforming them into an opportunity to develop innovation and activate the best energies in the country.












As part of this initiative, ICAM was honored in 2021, 2022, and 2023 among the top 100 companies for its commitment to addressing sustainability issues, and in 2022 and 2023 also in the top 100 for improvement in sustainability performance over 2 years.

2.6 MATERIALITY ANALYSIS

During 2023, the Group updated its materiality analysis in line with the **GRI Standards** published in **2021**, which involved defining the material topics for the organization, from the identification and assessment of positive and negative impacts (both current and potential) generated by the organization and its business relationships as regards the economy, environment, and people, including impacts on human rights.

Stakeholder identification was first conducted through the methodology suggested by the AA1000 stakeholder Engagement Standard developed by AccountAbility, and updated in 2022 based on the guidance of GRI 1: Foundation 2021. This approach focuses on the **impacts generated** by the Company on stakeholders, also taking into account those who may not yet be aware or impacted.

ICAM's stakeholders according to GRI 1 Foundation 2021

 Employees	Management Staff "Uganda" human resources Agents Trade unions External workers	 Lenders	Lenders Banks Shareholders
 Suppliers	Cocoa brokers Manufacturers of other raw materials Tertiary actors Other suppliers of goods and services	 Universities, Research Institutes, training schools, NGOs and other Partners	NGOs Pressure groups Research centers and institutes Universities Training schools
 Cocoa Producers	Cooperatives Growers	Universities, Research Institutes, training schools, NGOs and other Partners	Local Authorities and Institutions Schools Local associations Residents in the vicinity of the plant Communities near the growing areas
 Customers	Industrial customers Private Label customers Ingredients customers GDO Distributors Business partners	 Local Communities	Local Authorities and Institutions Schools Local associations Residents in the vicinity of the plant Communities near the growing areas
 End consumers		 Future generations	

GRI 3-1 In order to update the materiality analysis, a **new stakeholder engagement** addressed to relevant **experts** was conducted, involving figures who in various capacities have long been working with ICAM in the field of sustainability, at a national and international level:

- ◆ Trade counterparts in relevant supply and end markets;
- ◆ Experts on projects in the countries of origin of cocoa;
- ◆ Certifying bodies;

- ◆ Historically active organizations;
- ◆ Academic specialists;
- ◆ Consultants;
- ◆ Authorities in the local area

This activity enabled ICAM to identify ESG issues on which to focus in preparing the Sustainability Report, to learn about its stakeholders' expectations in terms of sustainability, and to identify new areas of improvement for its initiatives.

Process of identifying material topics:

● PHASE 1 - CONTEXT ANALYSIS

Through a benchmark analysis, **46 competitors active in the different markets in which the Company operates were mapped and compared** (retail, ingredient, private label and industry) and their sustainability commitments were investigated.

● PHASE 2 - IDENTIFICATION OF IMPACTS

From the context analysis, potential relevant topics were first identified, and then one or more impacts were associated with each topic.



















● PHASE 3 - ASSESSMENT OF IMPACTS

Each impact was assessed in detail **by the Sustainability Team and a number of industry experts** according to criteria identified by **GRI 2021**, namely **“Severity”, “Scope” and “Remediability”** (for negative impacts) and **“Severity” and “Scope”** (for positive impacts), on a scale of 1 to 5, as per the EFRAG guidance.

● PHASE 4 - PRIORITIZATION OF IMPACTS

The Management Committee and Sustainability Team evaluated the priority impacts to be reported, taking into consideration the impact generated on stakeholders, and **sorting them from most to least important**, excluding those found to be below the minimum relevant threshold.



Material topics	Main impacts generated	Impacted stakeholders	Type of impact	Materiality level	Main SDGs associated	Chapter
Protection of biodiversity	Negative impact on the ecosystem related to agricultural practices along the supply chain	Suppliers	-	♦♦♦		Supply chain
	Contribution to the protection of biodiversity through the promotion of sustainable agricultural practices (agroforestry systems, regenerative agriculture, etc.)		+			
Countering deforestation	Deforestation related to the cultivation of cocoa and other raw materials	Cocoa producers Future generations	-	♦♦♦		Supply chain
	Contribution to forest conservation		+			
Climate change	Contribution to the fight against climate change through efforts to reduce the Company's Carbon Footprint	Future generations	+	♦♦♦		Supply chain Environment
	Resilience of cocoa plantations to climate change	Cocoa producers	+			
	Emissions resulting from logistics management and transportation	Future generations Suppliers Customers	-			
Sustainable use of raw materials	Contribution to environmental and social sustainability through the selection and purchase of certified raw materials (organic, Fairtrade, Rainforest Alliance and other sustainability certifications)	Suppliers	+	♦♦♦		Supply chain Environment
	Reduction of waste related to increased production efficiency	Future generations	+			
	Adoption of circular economy systems for waste and scrap management		+			
Sustainable packaging	Environmental impact related to packaging production and disposal	Future generations	-	♦♦♦		Environment
Energy management and efficiency	Reduction of energy requirements	Future generations	+	♦♦♦	 	Environment
Water resource management	Reduction of water waste through improved resource management	Future generations	+	♦♦♦	 	Environment
Development and fair remuneration of growers	Contribution to the achievement of cocoa growers' living income	Cocoa producers	+	♦♦♦	 	Supply chain
	Development of growers' technical, managerial and work safety skills		+			
Respect for human rights	Human rights violations in cocoa plantations or other at-risk supply chains	Cocoa producers Suppliers	-	♦♦♦	 	Supply chain
	Exploitation of child labor in cocoa plantations or other at-risk supply chains	Cocoa producers Local communities	-			
Inclusion and equal opportunity	Enhancement of a work culture based on the promotion of equal opportunity	Employees	+	♦♦♦	 	People Supply chain
	Recognition of the female role and empowerment of women in cocoa-growing communities	Cocoa producers Local communities	+			
Training and development	Enhancement of employees' technical professionalism and soft skills	Employees	+	♦♦♦		People
Training and development	Social and economic development of local cocoa-growing communities	Cocoa producers Local communities	+	♦♦♦	 	People Supply chain
	Social and economic development of the local communities in which the Company operates	Local communities	+			

Material topics	Main impacts generated	Impacted stakeholders	Type of impact	Materiality level	Main SDGs associated	Chapter
Welfare and well-being	Employee benefits	Employees	+	◆◆◆		People
Health and safety of employees	Increasing employee safety through the creation of a safe and healthy work environment, training, and provision of PPE	Employees	+	◆◆◆		People
Supply chain traceability and responsible sourcing	Reduction of environmental and/or social risks generated by the supply chain	Growers at origin Future generations	+	◆◆◆		Supply chain Innovation
	Food safety and product quality	End consumers	+			
	Value chain compliance throughout the supply chain	Suppliers Cocoa producers	+			
Anti-corruption and ethics	Violation of relevant laws and regulations (e.g., anti-corruption, tax regulations, environmental regulations, etc.) and unethical business practices	Suppliers Customers	-	◆◆◆		Corporate identity
	Countering corruption in the supply chain	Cocoa producers Suppliers	+			
Technology, digitalization and innovation	Satisfaction of customers and consumers	Customers End consumers	+	◆◆◆		Innovation
	Reducing product timelines and discrepancies	Customers	+			
	Increased efficiency		+			
Promotion of a healthy lifestyle	Improving consumer health by offering products developed or reformulated using ingredients that consumers recognize as healthy, natural and good	End consumers	+	◆◆◆		Innovation
Collaboration and Partnerships for goals	Development of projects with a positive social and environmental impact in collaboration with third sector, institutional and educational organizations	Cocoa producers, Universities, Research Institutes, Training Schools, NGOs and other partners Local communities	+	◆◆◆		Corporate identity
Collaboration and Partnerships for goals	Development of projects with a positive social and environmental impact in collaboration with third sector, institutional and educational organizations	Cocoa producers, Universities, Research Institutes, Training Schools, NGOs and other partners Local communities	+	◆◆◆		Corporate identity
Consumer safety	Negative impact on people's health as a result of consuming the Company's products	End consumers	-	◆◆◆		Innovation










Environmental
 Social
 Governance

2.7 GOALS FOR THE FUTURE

ICAM’s focus on sustainability issues has led to the definition of a medium to long-term strategy aimed at achieving specific targets, formulated in order to actively contribute to the achievement of the UN Sustainable Development Goals (SDGs).

Below is a table linking each target with the material topic on which it has an impact and the specific SDGs target to which it refers.

Chapter	Material topic	Goal	Timing	Target	SDG
Corporate identity	Sustainability governance	Strengthen the Sustainability Governance system and develop national and international partnerships to share knowledge, skills, technologies and resources to support the achievement of the Sustainable Development Goals.	2025	17.16	
Commitment to people	Welfare and well-being	Contribute to the creation and spread of well-being and the improvement of the quality of life of employees and their families through the definition of a new supplementary agreement revising the professionalism element and enhancing the benefits package offered to employees.	2022  GOAL ACHIEVED See ch. "Welfare and well-being" and "Training and development"	8.5	
	Training and development	Contribute to the professional growth of the Company’s human capital through investment in training and the continuous improvement process.	2023  GOAL ACHIEVED See ch. "Welfare and well-being" and "Training and development"	4.4	
	Occupational health and safety	Strengthen the organizational structure, with a view to continuous improvement, by taking all precautions to prevent dangers, ensuring respect for people and rules.	2023  GOAL ACHIEVED See ch. "Welfare and well-being" and "Health and safety"	8.8	
	Impacts on the local community		Support training of local talent (>50 young people) by increasing the number of trainee confectioners in internships, implementing school/work alternation schemes and setting up scholarships.	2025	4.5
Implement the Company’s commitment to social issues through corporate volunteering initiatives involving all employees.			2025  GOAL ACHIEVED See ch. "People", sec. "Impacts on the local community"	8.5	

Chapter	Material topic	Goal	Timing	Target	SDG
Accountability along the supply chain	Respect for human rights	Develop a program to combat forced labor and child labor aimed at ensuring a 100% slavery-free supply chain.	2030	8.7	
	Growers' skills and productivity Fair remuneration for growers	Increase the productivity and, consequently, the income of cocoa growers by developing farmers field schools in Ecuador, Peru and Uganda with the goal of training 5,000 small cocoa farmers in good agricultural practices (GAPs) and organic farming.	2025	2.3	
	Protection of biodiversity	Develop 3 agroforestry systems projects in key supplier countries (Peru, Dominican Republic and Uganda), identifying, with the support of a certified research organization, the most appropriate form to combine biodiversity protection and maximum benefit for small-scale producers.	2030	15.2	
Commitment to the environment	Air quality and emissions	Achieve Climate Neutrality, contributing to the achievement of Italian and European climate goals.	2050	13.2	
	Air quality and emissions	Get as close as possible to neutralizing atmospheric emissions, including odorous emissions, from the Orsenigo site (goal: 0 mg/Ncm), lowering cocoa milling fumes and doubling the current thermal oxidation capacity of organic molecules.	2025  GOAL ACHIEVED See sec. "Impacts on the local community"	9.4	
	Energy management and efficiency	Improve energy efficiency and reduce the environmental impact of production activities through: • the purchase of electricity exclusively from renewable sources; • 4-5% reduction in electricity consumption.	2023  GOAL ACHIEVED See sec. "Energy management and efficiency"	7.2	
	Sustainable packaging	Improve packaging sustainability through: • study and promotion of alternative solutions; • replacement of non-recyclable materials with compostable, recyclable or reusable materials (>95% primary packaging); • reduction of secondary packaging used in the transportation of raw materials and products, involving the supply chain; • 10% weight reduction of all primary wrappers in bar paper.	2023 Delayed due to Covid years	12.5	



3. COMMITMENT TO PEOPLE

ICAM's approach to its stakeholders is based on recognition of every individual's intrinsic value, starting with employees and ending with the broader community within which the Group operates.

ICAM is committed to building relationships

based on trust, promoting direct and sincere involvement and participatory dialog that fosters mutual exchange and enrichment. The goal is to create collaborative relationships that generate value for everyone involved.

EMPLOYEES IN ITALY

Great attention and closeness to employees is one of the main pillars of ICAM's identity. Personnel management is strongly linked to the approach and direct presence of the Agostoni-Vanini family, which, fully consistent with the values expressed in the Code, promotes collaborative relationships with its employees based on trust and mutual support.

Precisely because of the importance attached to employees, the Human Resources Department directly reports to the General Manager.

As of December 31, 2023, there are **400 ICAM employees** in Italy, 97% of whom are on permanent contracts, 1% on temporary contracts, and 2% staff leasing workers on a stable contract from the various staff leasing agencies.

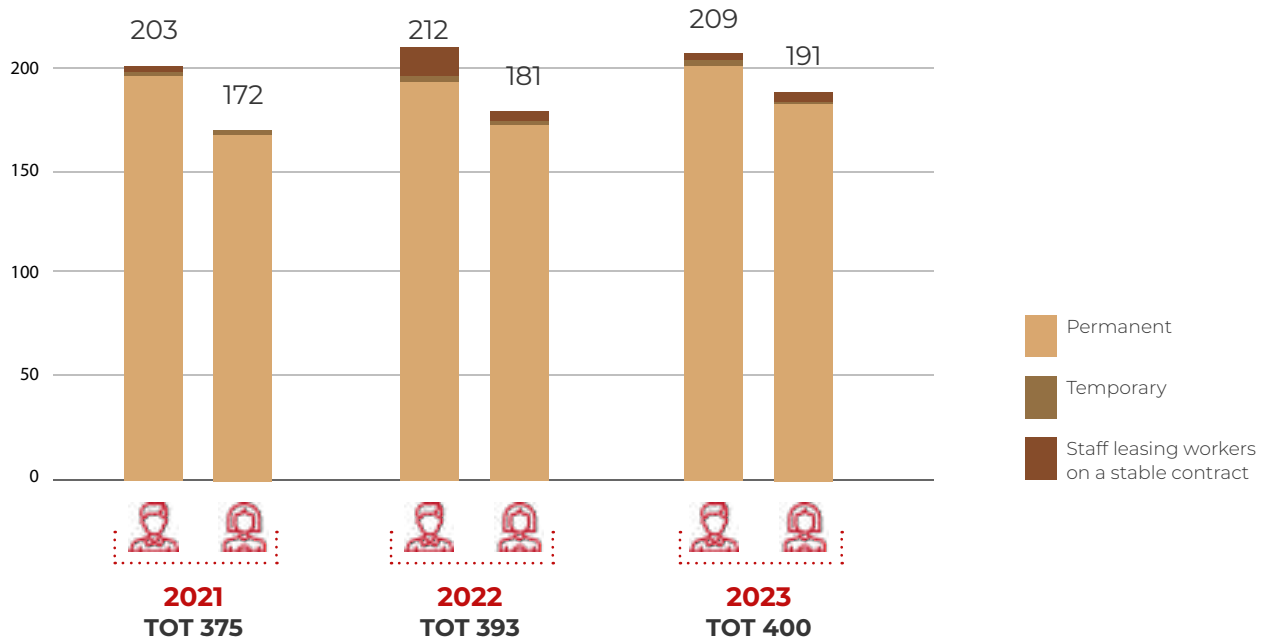
GRI 2-7a

Staff growth was 2%, with a total of 7 people.

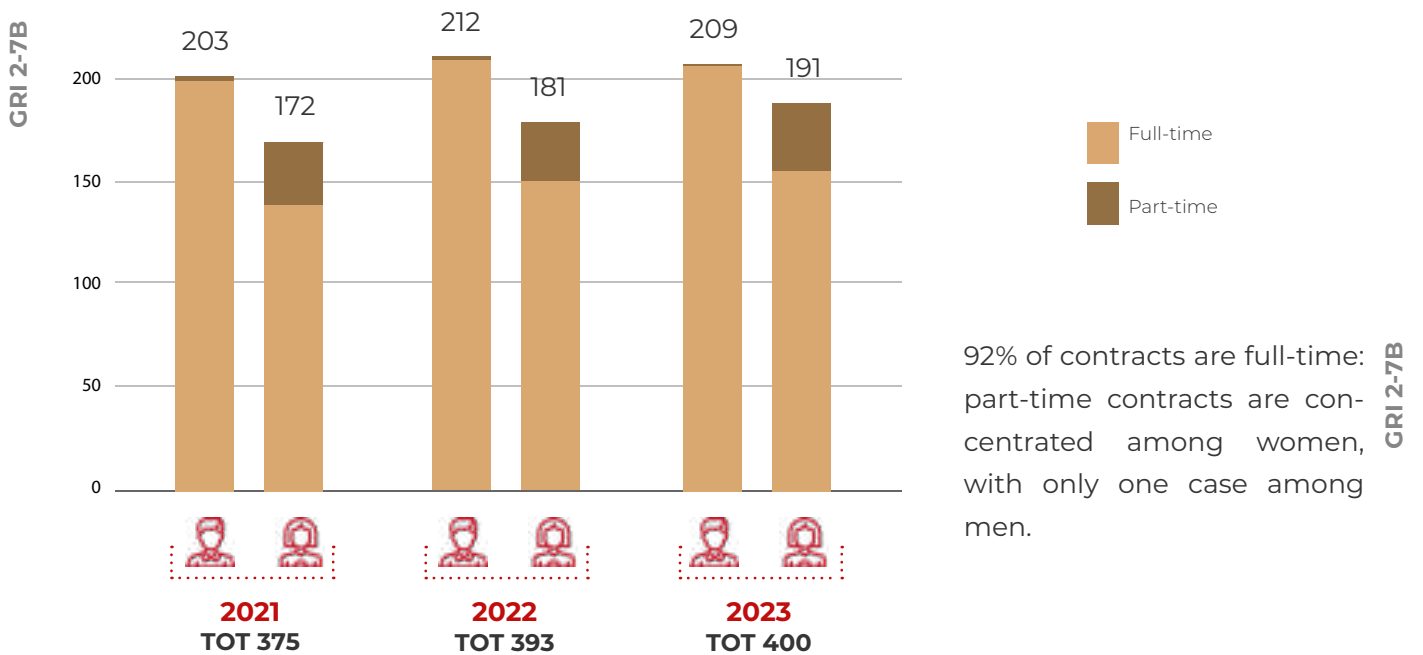
Together, these factors result in a close bond between the worker and the Company, creating

**A STRONG SENSE
OF BELONGING
THAT SIGNIFICANTLY
CONTRIBUTES TO THE
COMPANY'S SUCCESS.**

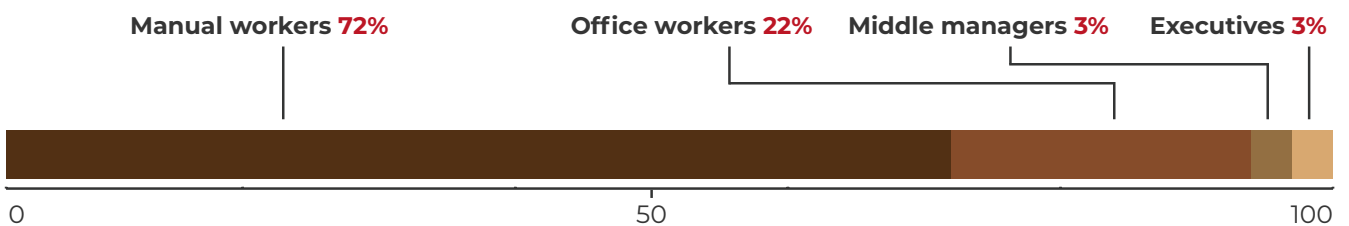
Employees (type of contract)



Employees (full-time and part-time)



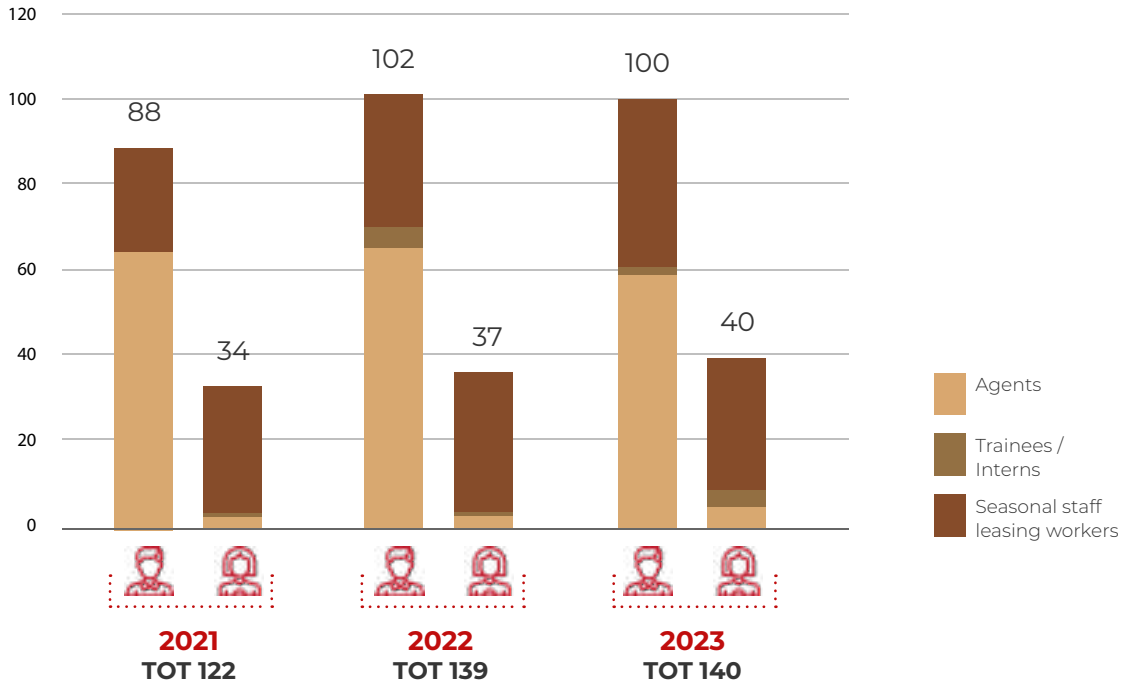
Composition of the workforce⁴ by classification



4 - Including staff leasing workers on a stable contract

GRI 2-8 The Company was also supported by **external workers, totaling 140 people**: 64 agents, 70 seasonal contract workers (39 men and 31 women, an increase of 6), **and 6 trainees**.

Non-employee workers (contract type)



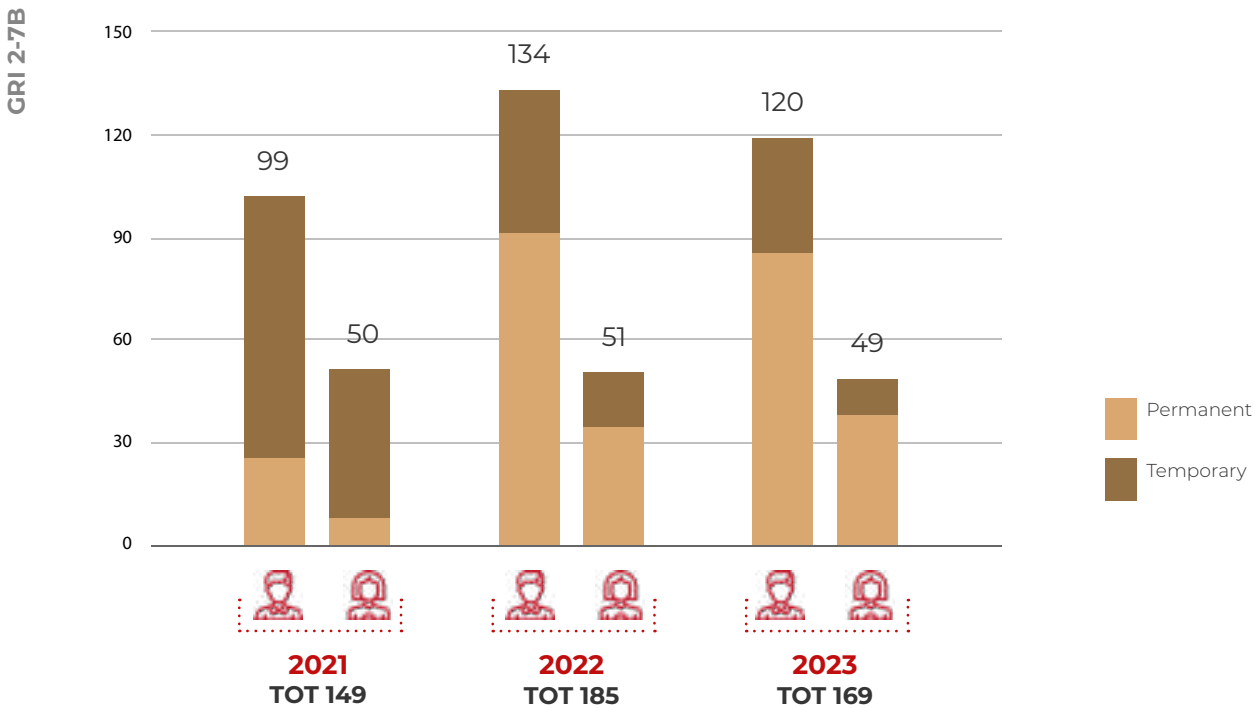
EMPLOYEES IN UGANDA

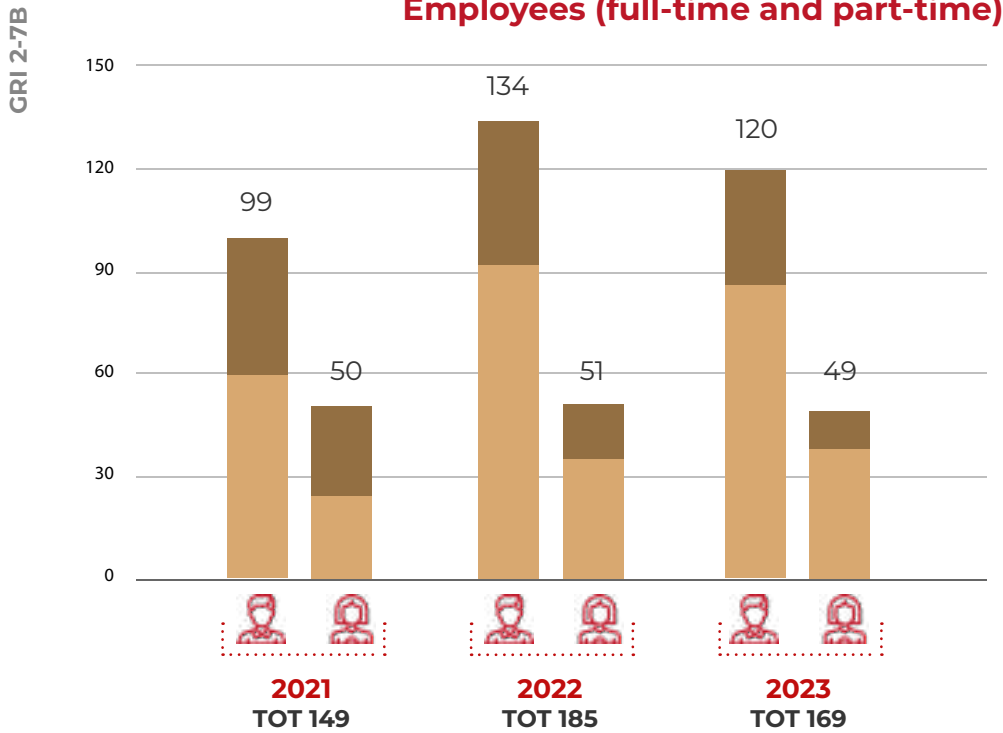
GRI 2-7A In 2023, ICAM Chocolate Uganda L.t.d. had **169 employees**, (97% of whom were under the age of 50), with substantial stability in permanent contracts (-2%, accounting for 73% of employment), and a decrease of 13% in temporary contracts.

GRI 2-8 **Part-time contracts amount to 27%.**
GRI 2-7B ICAM Chocolate Uganda L.t.d. also welcomed **6 trainees/interns in 2023.**

Occasional and seasonal workers are employed on an annual basis, supporting the Company in peak activity to transport cocoa from farmers' plots to ICAM's facilities; in 2023, ICAM Chocolate Uganda relied on the support of 270 of these workers.

Employees (contract type)

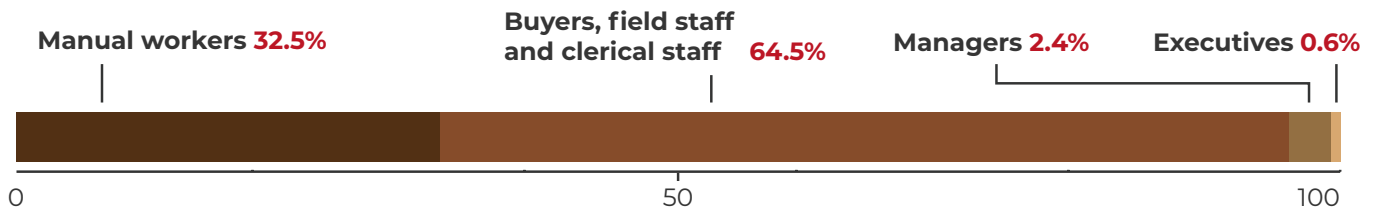




In recent years, ICAM Chocolate Uganda's staff structure has been significantly strengthened, especially in clerical roles, through the Organic (2017) and Rainforest Alliance (2022) certification pathways. These processes have necessitated an

increase in the number of field and administrative employees to follow certification procedures and manage related operations.

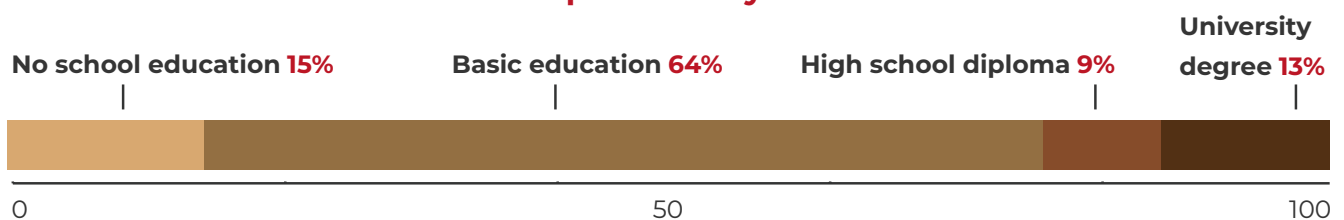
Composition of the workforce⁵ by classification



The Ugandan work context includes 15% of staff without basic education; therefore, all information shared with employees, training, and even signage consider the aspect of illiteracy, and are handled with visual or verbal aids. For example,

at the end of training sessions, employees are asked for feedback on the content to verify that the messages have been understood.

Workforce composition⁶ by education level



5-6 · Data only available for permanent employees

3.1 WELFARE AND WELL-BEING: EMPLOYEE BENEFITS

GRI 2-30 Attention to **employees' work-life balance** is one of the pillars that characterize the Company and differentiate it in the market.



benchmark, strengthening their sense of belonging and fostering a positive corporate climate, which are fundamental prerequisites for achieving the Company's development goals.

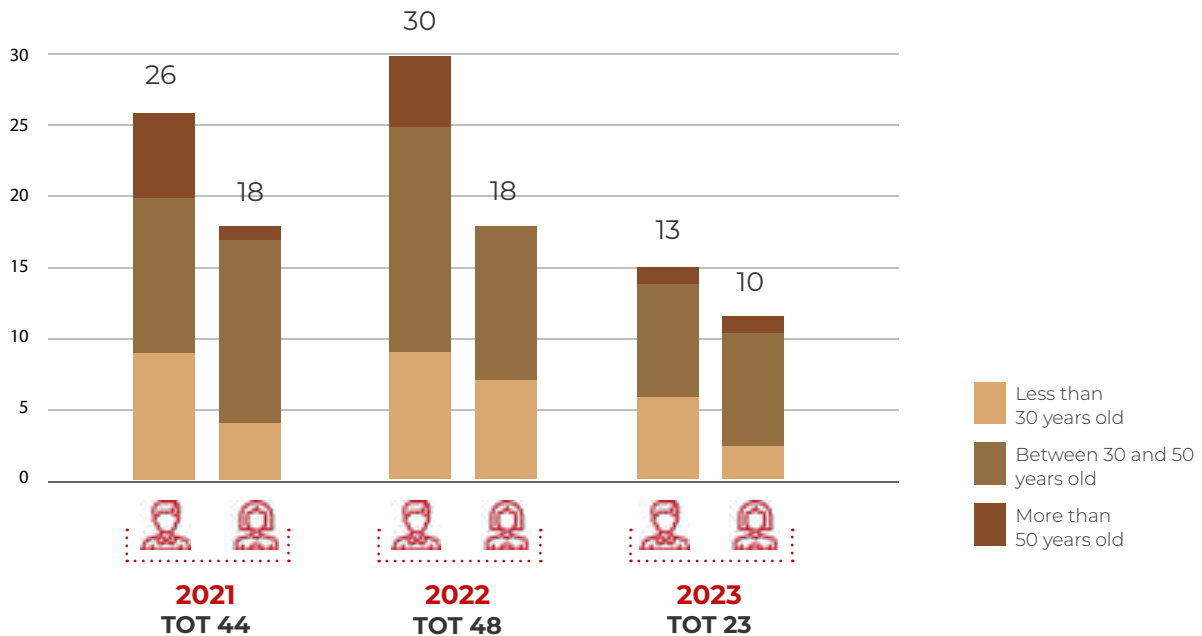
ICAM not only complies with the provisions of the National Collective Bargaining Agreement (CCNL), but is concretely committed to offering its people better working conditions and remuneration policies than the sector

In 2023, ICAM **renewed its corporate supplementary agreement.**

WELFARE AND WELL-BEING AT THE ITALIAN SITE

GRI 401-1a In 2023, ICAM in Italy hired 23 employees, 10 of them women. In addition, 10 staff leasing workers who were already on stable contracts in the year 2022 have become an integral part of ICAM.

Recruitment of new employees

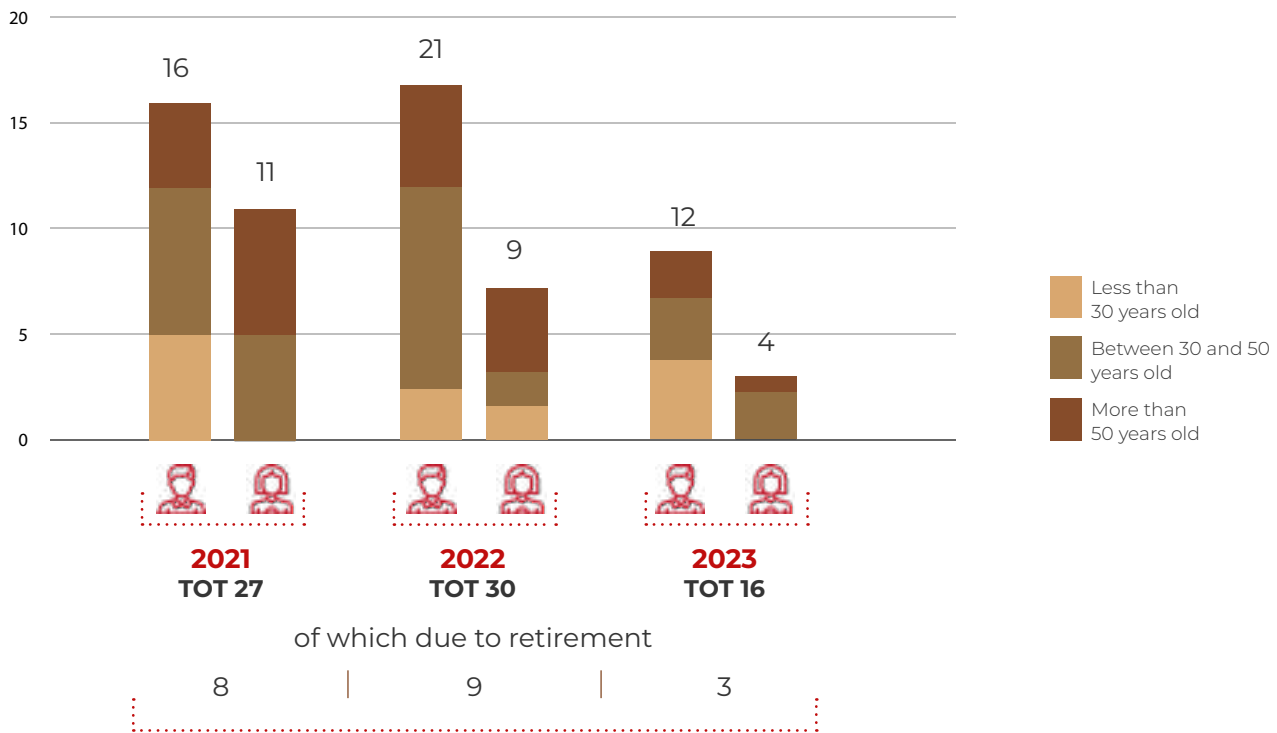


GRI 401-1b In terms of departures, 16 employees have left the Company, 3 of them due to retirement. In 2023, an outgoing turnover ratio of 4.0% was recorded.

With regard to parental leave, 10 women and 2 men took it in 2023; the 12-month return and retention rate is 100%.

GRI 401-3

Employee turnover (terminations)



GRI 401-2

On the benefits front, as required by Italian regulations and the Food Industry CCNL, ICAM guarantees for all employees, regardless of contract type:

- ◆ Supplementary healthcare FASA Fund (for permanent or temporary contracts exceeding 9 months);
- ◆ Insurance coverage in case of disability (INAIL);
- ◆ Parental leave;
- ◆ Pension contributions – for employees who have joined the Alifond Supplementary Pension Fund, the Company recognizes an **additional contribution of 1.6%**, as per the **corporate supplementary agreement signed on 04/26/2023**.

In terms of manual and office workers' pay, thanks to the corporate supplementary agreement, ICAM offers its employees two salary supplement elements:

A performance bonus linked to the achievement of **corporate goals of Profitability and Operational Performance**, which allows for up to two additional monthly payments (in addition to the 14 provided by the CCNL);

A performance appraisal system to support the professional growth of all employees:

- ◆ **For production staff** it is referred to as the **"professionalism element"** and is structured with a **fixed base amount** linked to the task performed and a variable amount according to **individual development** of the necessary skills required by the **assigned task**;
- ◆ **For clerical staff** it is referred to as **Performance Management**, and is to support the professional growth of the employee.

Finally, only **for certain professional figures, compensation is supplemented by an MBO** according to the achievement of individual goals.

A **supplementary pay element** is provided for **night workers** for the commitment related to the particular working hours.

In terms of corporate welfare, the **2023 benefits package** consists of:

- ◆ **Cafeteria service** with a minimum contribution of €0.74 per meal;
- ◆ **Welfare platform** for tax-deferred disbursement of the previous year's productivity bonus;
- ◆ **Financial aids** aimed at incentivizing its employees to perform **socially useful** activities (Mountain Rescue, Red Cross, donors, etc.), amounting to €100;
- ◆ **Financial aid** to support **school** costs for employees' **children** up to 16 years of age, amounting to €100 per child;

- ◆ Disbursement of €200 in **fuel vouchers**;
- ◆ Ability to **charge electric car** (including personal) free of charge during working hours at Company charging stations;
- ◆ **Company car** for executives, middle managers and traveling personnel.

In 2023, financial aids were made to 47 employees to carry out socially useful activities and to 112 employees to support their children's school costs.

WELFARE PLATFORM

The 2023 productivity bonus can be disbursed through the welfare platform, which allows the value of the bonus to be increased with additional benefits:

- ◆ An additional **14% increase in the amount** paid by the Company to facilitate **conversion** of the performance bonus on the platform;
- ◆ **Lowering of the tax wedge**, since the amount disbursed in the form of goods and services is not subject to contribution or tax withholding and therefore has a higher purchasing capacity;
- ◆ **Agreements entered into** by the platform, through which the employee accesses discounted rates on products and services.

This platform offers a range of specially identified services in the fields of health, sports and wellness, education, culture, and entertainment through full or partial reimbursement of incurred expenses, coupons, or vouchers.

Each employee can choose the amount of the bonus to be converted into welfare and use it to enjoy goods and services, for themselves and their family members: each employee freely designs their own benefit package, choosing services or products on a case by case basis, depending on their needs.

In **2023, 131 employees opted to receive the bonus through the platform**, thanks in part to the organization of in-depth plenary sessions.

Consistent with its core ethical values, ICAM has always been committed to granting and offering tools to meet the needs of its male and female workers by facilitating work-life balance.

In 2023, projects implemented between 2021 and 2022 to improve employees' well-being and work quality went into full swing:



PART-TIME

The Company, through an agreement signed with trade union representatives, has regulated the granting of requests to transform the employment relationship from full-time to part-time through the establishment of clear and shared criteria:

- ◆ For health reasons of one's own or family members living together;
- ◆ For care of children up to the age of 13;
- ◆ For attainment of a degree.

The Company offers the possibility to temporarily convert the employment contract to part-time in the event of temporary personal difficulties, even if they do not fall under the situations listed above.

IMPACT ACHIEVED: The Company made the **transformation** of 29 contracts available, equivalent to 8% of the full-time workforce: **28 part-time requests** were received and fulfilled. **No request was not met. In addition, to support employees** in personal situations of temporary hardship, the Company is willing to grant temporary concessions as regards transforming the employment relationship to part-time, for a number of positions equal to 5.



FLEXIBLE WORKING HOURS

ICAM has defined a new policy for clerical-staff working hours, with the aim of ensuring greater flexibility in managing their working day, based on the principle of individual responsibility and complete trust on the part of the Company. The policy introduced inbound flexibility and the principle of "hourly compensation" on a monthly basis, removing the constraint of performing an 8-hour workday. This measure adds to already established policy, with a view to providing maximum flexibility for people working in production via a systematic continuous-cycle rostering mechanism: *6 working days and 2 days off, in addition to Sunday which is not considered a working day*. These workers are remunerated for 40 hours per week while actually having a total number of hours worked of only 36 hours per week.

IMPACT ACHIEVED: Among employees, all those eligible took advantage of hourly compensation, totaling about 738 compensated hours.



SMART WORKING

ICAM, through an **agreement signed with trade union representatives**, has **regulated smart working**. The goal of the agreement was to disseminate a new concept of work

organization in order to enable a better **work-life balance**, as well as a more productive and streamlined organization based on three fundamental pillars shared between worker and Company: trust, autonomy and responsibility.

The project is intended for all staff who have the ability to relocate, at least partially, their assigned activities and therefore do not perform tasks strictly related to continuous physical presence at/use of Company space.

The employee has the opportunity to **smart work 1 day a week** and is free to identify the place where they perform the work, which may be different from their usual residence, as long as it is suitable for the regular safe performance of the work. The Company has **provided employees with the necessary tools** for the proper performance of the task and **INAIL insurance coverage** against occupational accidents and diseases.

With this contract, the Company undertakes to give due consideration to any personal needs presented by applicants, while ensuring gender equality – also with a view to fostering the effective sharing of parental responsibilities – and enhancing work-life balance in more general terms.

IMPACT ACHIEVED: The project, which was rolled out in a phased manner to the various offices in July 2022, applies to the positions of 71 people, who have received specific training. **85% of those eligible took advantage of it, totaling about 1,582 days.**



*In 2023, ICAM introduced the Company **Newsletter** with the goal of engaging and sharing information with readers on Company news, products, events, and services, hoping to maintain an even closer relationship with its employees. It is published every four months.*



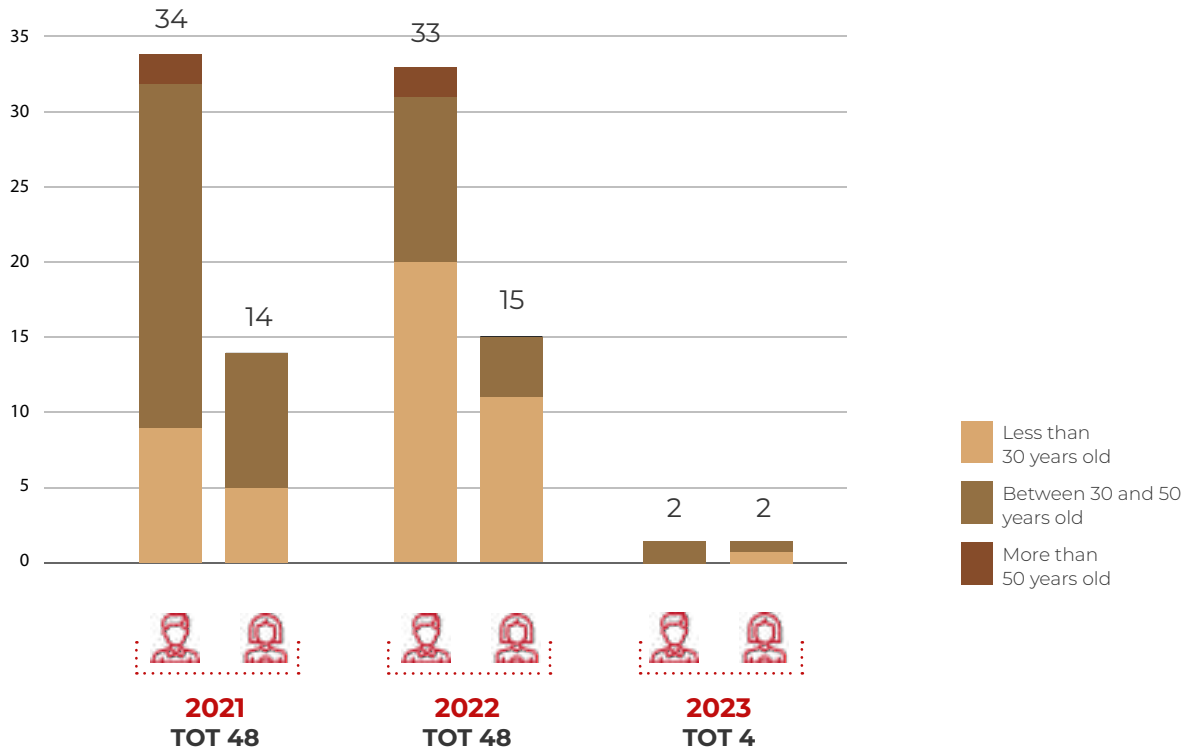
WELFARE AND WELL-BEING AT THE UGANDA SITE

GRI 401-1a

In 2023, the workforce of ICAM Chocolate Uganda Ltd. stabilized: with 4 new employee hires and 6 resignations. The outgoing turnover ratio is 4%.

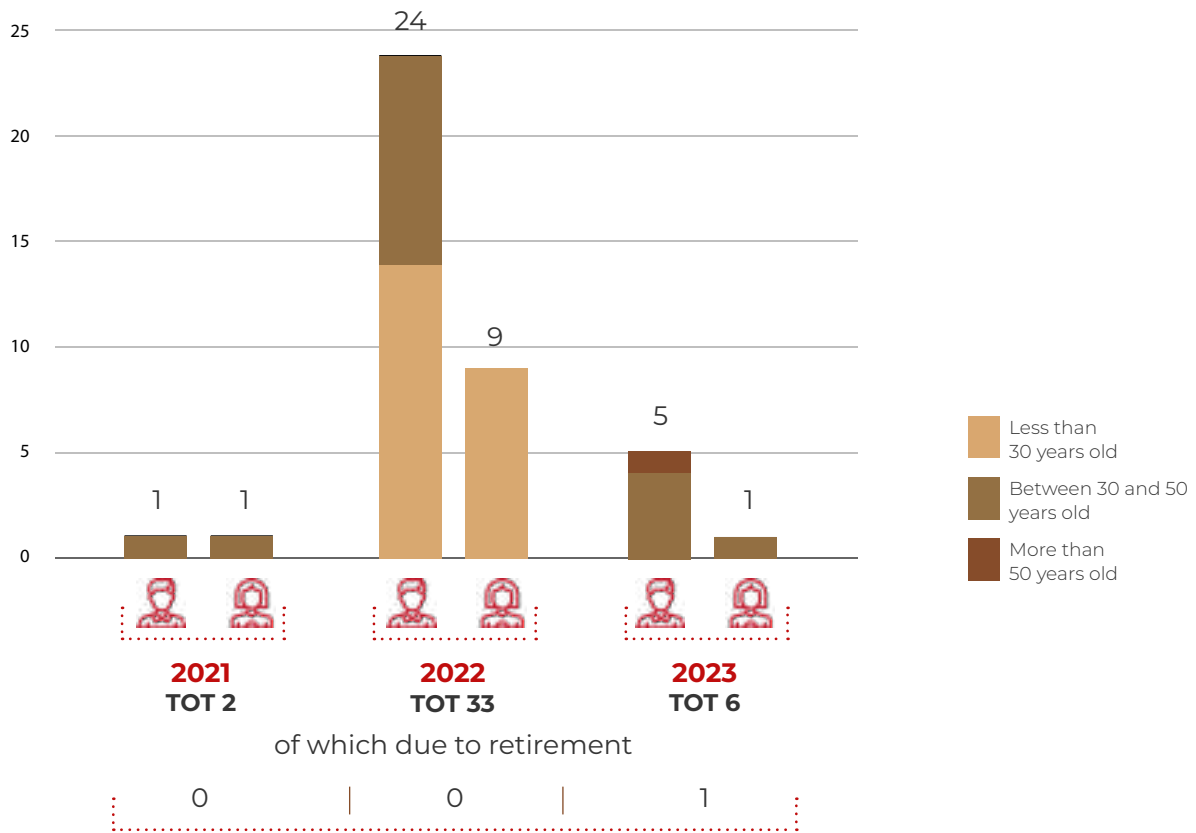
Recruitment of new employees

GRI 401-1a



GRI 401-1b Uganda/KPI GROUP

Employee turnover (terminations)



GRI 401-2

In line with Ugandan law, ICAM Chocolate Uganda Ltd. offers all employees:

- ◆ Payment of pension contributions to the National Social Security Fund (NSSF);
- ◆ Daily leave for personal needs, referred to as “compassionate leave”.

Aware of the economic difficulties that its employees may face, ICAM Chocolate Uganda Ltd. strives to **make employees’ daily lives as easy as possible with a number of benefits:**

- ◆ A **full meal** every day at the Company canteen with which each of the three production sites is equipped;
- ◆ An **extra monthly sum**, from 50,000 UGX (\$14) to 150,000 UGX (\$42), depending on the classification – a supplement intended to cover health needs, the costs of which are not covered by State welfare;

- ◆ A dedicated **nursery** where mothers can breastfeed their babies during their lunch break at each of the three production sites;
- ◆ Support in preparing **documentation for the NSSF** (National Social Security Fund).

In line with local regulations, employees with permanent contracts enjoy broader coverage in terms of benefits:

- ◆ **healthcare:** agreements with public and private health facilities at each of the three Ugandan sites and salary advances in case of health emergencies;
- ◆ **parental leave:** out of 124 eligible, 4 men and 1 woman took parental leave, with a 100% return-to-work and retention rate.

GRI 401-2

GRI 401-3

3.2 TRAINING AND DEVELOPMENT: ENHANCING EMPLOYEES' PROFESSIONALISM

ICAM's focus on the training and development of its human resources is another element that sets it apart.

The Company strongly believes that the enhancement of **human capital** makes a key contribution to building **competitive advantage**, even more so in the international context in which it operates.



has been introduced and linked to the evaluation of certain competence criteria, including **Professionalism, Effectiveness and Collaboration**.

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

For executives, the incentive mechanism is based on a variable portion linked to annually defined goals on three specific areas: individual performance, specific goals and corporate economic performance.

The Company is committed to ensuring **PROFESSIONAL GROWTH PATHS** through continuous **TRAINING, BOTH THEORETICAL AND ON-THE-JOB.**

During the onboarding of a new staff member, new employees are paired with a mentor (identified internally with compensation) to learn specific production tasks.

The process includes a gradual assumption of responsibility and periodic tests designed to assess the level of learning achieved. The training process concludes with a final audit.

When the required skills are achieved, the individual is granted the **“professionalism element”**, which recognizes the skills acquired and allows the individual's **monthly salary to be supplemented**.

With regard to middle managers and office workers, a **Performance Management** system

THE ANNUAL PERFORMANCE APPRAISAL SYSTEM COVERS 100% OF WORKERS.

GRI 404-3

As part of the annual performance appraisal process, the individual's training needs are also mapped out, aimed at providing additional skills and strengthening professional development.

During 2023, 21,309 hours of training were provided, demonstrating Company interest in employee professional development.

GRI 404-1a

Specifically, 92% of the training provided during the year was voluntary and mainly composed of technical on-the-job training.

ICAM, in addition to providing professional training, is careful to ensure its staff's participation in legally required courses (hygiene, HACCP, occupational health and safety, compliance under Legislative Decree 231/2001, etc.) for a total of 1,739 hours.

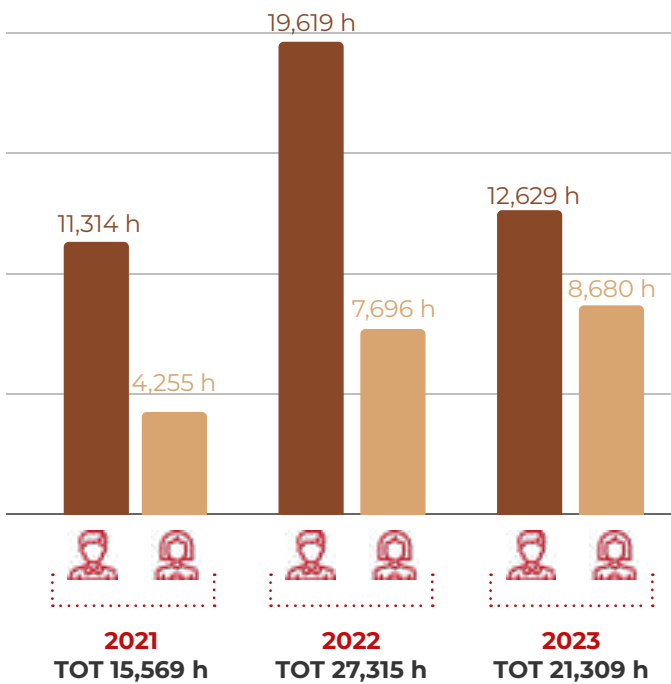
The Company also continued its efforts to increase its employees' skills, making room for building "soft skills" and IT skills, as well as skills in the area of sustainability.

In particular, during the second half of the year, staff from **all offices**—from executives to office workers, **for a total of 133 people**—were involved in an **introduction to sustainability and engagement** so they could understand better the key role each person can play in the strategic challenges faced by the Company.

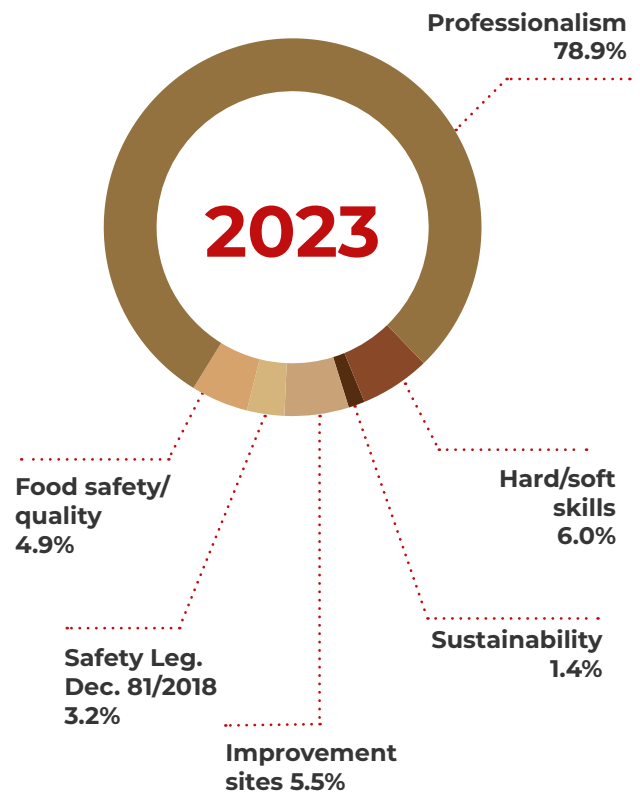
Starting with a general overview, the **global landscape**, and **Company case histories**, this sustainability education covered a variety of **specific topics** including carbon emissions reduction and **material topics** in the cocoa supply chain, human rights, living income, grower skills development, community support in the origins, the importance of optimizing waste and production scrap, and choice of packaging materials.

GRI 404-1a

Total number of hours of training per year



Type of training



ENHANCEMENT OF PROFESSIONALISM OF EMPLOYEES IN UGANDA

In Uganda, performance appraisal covers 85% of office and manual workers, up 5% from 2022; it is conducted initially once a month, then quarterly.

GRI 404-1a

A weekly training meeting was established in 2023 with all executives and employees lasting 1-2 hours, for a total of

96 HOURS OF TRAINING PER EMPLOYEE.

The topics covered were mainly technical, but also covered the **ICAM Group Code of Ethics** and the **New Code** of Conduct, confidentiality management, and internal regulations.

THE 27 PEOPLE WHO MAKE UP THE TECHNICAL STAFF OF THE “SUSTAINABLE FARMING” PROJECT

have received intensive training in both agronomic techniques and farmer engagement and community mobilization skills to implement project goals.



See further details in the chapter “Accountability along the supply chain”, section “Development of growers’ technical, managerial and work safety skills”.

3.3 INCLUSION AND EQUAL OPPORTUNITY: ENHANCING A WORK CULTURE BASED ON THE PROMOTION OF EQUAL OPPORTUNITIES

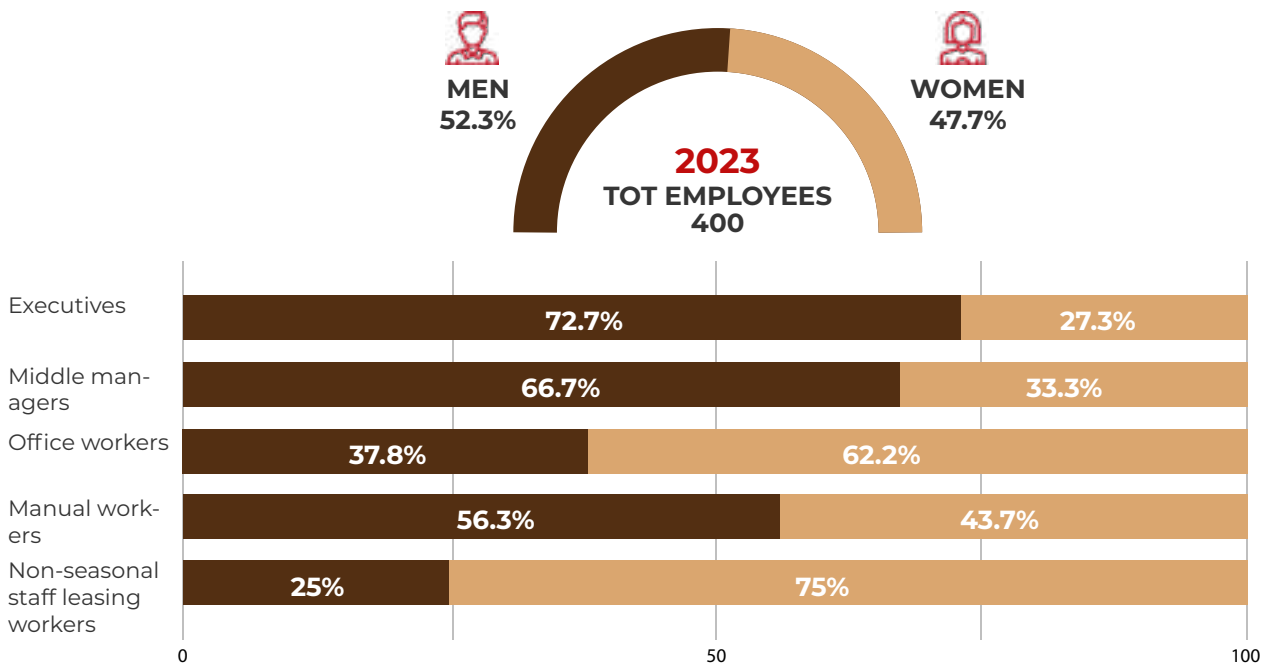


ICAM is a Company with a significant share of female staff (48% of employees), not only in the offices but also in the production area.

GRI 405-1b

GRI 405-1b

Diversity among employees in Italy



GRI 405-1a

The governing bodies consist of 11 people, 10 of whom are men.

Respect for and recognition of diversity encompasses the protection of all people's freedoms and rights. To this end, as also provided for within the Company's Code of Ethics, ICAM is committed to creating accessible and inclusive workplaces, eliminating all forms of discrimination or exclusion based on age, gender, disability, race, religion, political and union affiliation, language

or health status of its stakeholders.

In this regard, the Company includes 21 people belonging to protected categories (Law 68/99) in its production activities, plus 3 under the "adoption pacts" formula.



Again in 2023, no incidents of discrimination were reported through formal procedures.

GRI 406-1a

PROMOTION OF EQUAL OPPORTUNITIES IN UGANDA

GRI 405-1b ICAM Chocolate Uganda L.t.d. is a typically male-dominated company, with 71% concentrated in office and field staff.

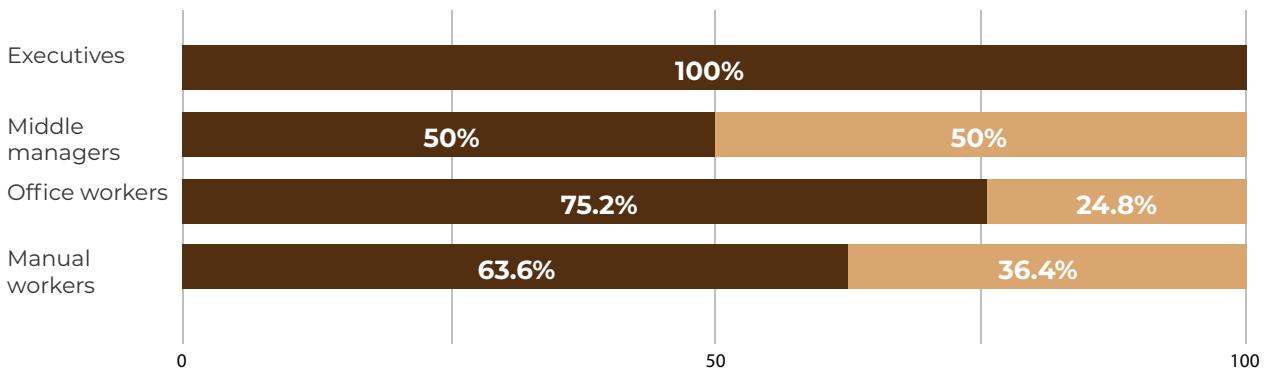
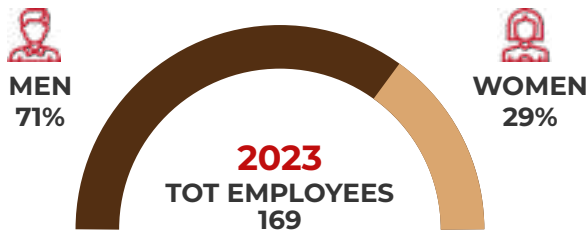
tribal or religious discrimination, in line with the Group's values.

GRI 406-1a At the three sites, ICAM has always been committed to hiring local staff, ensuring that there are no cases of discrimination of any kind, including

In 2023, no incidents of discrimination were forwarded through formal procedures.

Diversity among employees in Uganda

GRI 405-1b



3.4 HEALTH AND SAFETY OF EMPLOYEES: SAFE AND HEALTHY WORK ENVIRONMENT, TRAINING AND PROVISION OF PPE



ICAM, as formalized in its Safety Policy, considers the physical integrity of its employees to be a primary concern and ensures safe and healthy work environments in compliance with current regulations

GRI 403-1 Since 2010, pursuant to Article 30, paragraph 5 of Legislative Decree 81/08, the Company has formally implemented an **Occupational Health and Safety Management System** in accordance with the UNI INAIL guidelines, which identifies risks and outlines suitable prevention measures for each task. It covers 100% of employees and non-employees.

GRI 403-2 This System includes a Regulatory Compliance Assessment Process and a Risk Assessment, describing the responsibilities and processes used to **identify, manage** and **reduce** the risks associated with the work activity by preparing the **"Risk Assessment Document"**.

A Risk Assessment Sheet has been prepared for each task to map the risks of each process step, considering the severity of the expected event, the frequency of exposure and the likelihood of its occurrence.

Management of accidents and injuries is monitored and analyzed by the Employer, the Prevention and Protection Service Manager (RSPP), the Plant Manager, the **Workers' Safety Representative** (RLS) and all potentially involved figures, with the aim of resolving any critical issues that emerge.

All workers who work daily in the workplace are involved in **implementing the** Safety Improvement **System**. Their involvement is planned at different times:

- ◆ **upon employment**, when they receive the manual listing main risks related to their duties and the measures put in place by the Company to prevent them;
- ◆ **reporting** to the person in charge and those who are part of the **S.P.P.**;
- ◆ reporting **anomalies and dangerous situations** through structured forms for the collection of risk elements and possible solution proposal. The forms, which can also be anonymous, are collected in a dedicated box at the cafeteria area.

Classroom and/or e-learning training is regularly provided to workers in compliance with current regulations. During 2023, ICAM provided 686 hours of training to its employees on **Occupational Health and Safety** issues. Learning effectiveness is verified through the completion of learning **questionnaires**.

In order to promote good practices and raise awareness of the risks that can result from carelessness and non-compliance with Company guidelines, in January 2020, ICAM established a special

ANNUAL MEETING CONCERNING SAFETY IN THE WORKPLACE, WHICH FROM 2023 HAS BEEN INTEGRATED INTO BUSINESS PRACTICES.

GRI 403-7 Additional procedures were implemented in 2023 to ensure the safety of spaces:

- ◆ high-visibility vests assigned to individuals working in logistics areas, both indoors and outdoors;
- ◆ additional PPE for activities in a confined environment;

- ◆ signage related to the renewed road system;
- ◆ GSA (proceduralized fire surveillance).

During the year, a total of 12 non-serious injuries occurred, including 1 commuting and 1 involving an employee with a seasonal staff leasing contract.

GRI 403-9a

HEALTH AND SAFETY OF UGANDAN EMPLOYEES

ICAM Chocolate Uganda L.t.d. conducted an initial

RISK ASSESSMENT IN 2020 ON THE BUNDIBUGYO SITE,

which led in the same year to the drafting of the Health and Safety Management Policy.

GRI 403-1 - GRI 403-2

This document details recommendations, guidelines and suggestions regarding safety in the workplace and defines individuals' responsibilities.

During 2022, the Assessment was also extended to the **Hoima** and **Mukono** locations: with the support of a specialized consultant, **risk** assessments and **compliance** audits were conducted based on a predefined specific checklist. The **areas for improvement** that emerged were all shared by Management and corrective measures were implemented.

All staff are covered by the Health and Safety Management System.

In **2023**, training was completed for staff at the **three sites** on Health and Safety (including fire-fighting), and also on First Aid for the persons in charge.

The goal for 2023 is to also complete it at Mukono.

To promote workers' health, ICAM Uganda has entered into an agreement with health facilities located near each of the three sites. This agreement allows all workers to access care for any work-related problems, and, in the case of permanent employees, also for personal needs.

The three sites in Hoima, Mukono, and Bundibugyo have an infirmary that can be supported by a specialist doctor if needed. In Bundibugyo, there is also a person in charge with specialized training (a former professional nurse).

In the event of illness, ICAM Chocolate Uganda

GRI 403-5 GRI 403-8

GRI 403-6

provides the option of requesting a convalescence period.

In 2022, safety systems such as signage, bathrooms and locker rooms were completed and renovated. **ICAM** also provides its **employees** with **personal protective equipment** such as work boots and waterproof clothing for field staff, personal hygiene and cleaning supplies, and firefighting materials for kitchen staff.

GRI 403-9a During 2023, a total of **50** injuries were recorded, of which **2** were **serious**. Fortunately, **road repair measures taken by the public authority improved the situation of commuting injuries** that were occurring during field activities due to the slippery road. The Company is continuing training on **safety** procedures to prevent the recurrence of injuries.



3.5 IMPACTS ON THE LOCAL COMMUNITY: SOCIAL AND ECONOMIC DEVELOPMENT OF THE LOCAL COMMUNITIES IN WHICH THE COMPANY OPERATES

Since the 1940s, ICAM's connection with the local communities and areas in which the Company operates has been gradually consolidated. This connection has developed in parallel with the growth of the Company itself, through hiring of people from the local area and ICAM's focus on environmental, educational and social issues.

GRI 203-1a To contain **odor emissions**, and minimize the impact on people living in the area adjacent to the Orsenigo plant, two solutions that act on the processing steps with odor impact have been installed:



an **afterburner** in the cocoa roasting plant (i.e., the most aromatic stage of the process): all emissions from the various

stages of the cocoa bean roasting process are neutralized by combustion at 700°C;



air flushing of the grinding chambers to control the temperature during the cocoa grinding phase: the aromatic particles contained in the grinding vapors are broken down by a centrifugation and filtration system with coalescing filters. This type of cooling is the one that best preserves the aromas of the cocoa paste, ensuring an atmospheric discharge that is free of particulate matter and odor molecules.

The correct and regular management of all **regulatory** aspects related to the Company's activities, together with the guidelines adopted over

time, have made it possible to establish collaborative discussions with local Bodies, Institutions and Authorities.



GRI 413-1a

The Company is committed to providing support for cultural and educational initiatives, with special attention to the **relationship with schools**.

ICAM has a strong desire to make its contribution in training “people who are highly competent but also have great human depth”, which is why it provides financial support for freedom of education and is fully willing to accommodate students in internships and join school-work alternation projects with numerous educational institutions of different levels and grades.

ICAM also supports **professionals** in the use of products from the **Agostoni** and **ICAM Professional** ranges, and launched the **ChocoCube** initiative in 2018 to provide **technical** and **business** advice: confectionery technical consultants explain best practices and the most suitable uses to professional confectionery customers, recommending techniques for optimizing their work, ingredients, finished products, and business development areas.

The Company offers **support to the community** mainly through **donation of its products**. The activity is aimed at all associations that ask ICAM

for a product contribution to support their **initiative**. The Company’s **membership in the Food Bank**—of which Antonio Agostoni, one of the Company’s partners, is a founder—represents a major project related to this charitable activity.



To facilitate this ethical project, the Company has made agreements with several distributors, encouraging them to send ICAM products withdrawn from the market directly to the Food Bank.

In 2023, ICAM’s commitment to the local community was reflected in the following initiatives:

- ◆ During the holidays, ICAM confirmed its support of the local community through **charitable collaborations** and product **donations** to various organizations in the area from different fields (educational, religious, sports, health and social). Specifically, for Easter, ICAM donated more than **20,000 Easter eggs to more than 170 organizations** located in the neighboring provinces of **Lecco, Como, Monza and Brianza**.
- ◆ ICAM offered **concrete support to the Ukrainian people** facing a humanitarian emergency due to the conflict, donating products through organizations in the area that handled the delivery.

In 2023, the partnership with **Noi Genitori ONLUS** became even closer and more concrete, with the goal of promoting inclusion and supporting the local community in an authentic way:

- ◆ The **corporate volunteer** project entitled “**The bond that heals: together for a day of solidarity**” was launched and offered to all ICAM employees an opportunity for social engagement, as well as team building and personal growth;
- ◆ Continued support for the Noi Genitori ONLUS **cookie factory**, an opportunity for “real work” and **inclusion with respect for diversity** offered to children with disabilities; ICAM

supported this initiative by offering a **free supply** of cocoa and chocolate for production needs;

- ◆ Continued purchasing of cookies and jams for **corporate gifts** to employees.



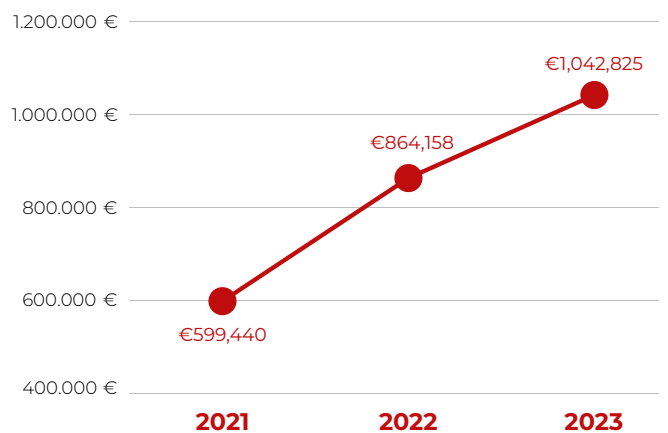
Noi Genitori is an association that has been operating for more than 20 years with the aim of supporting people with disabilities and their families. It seeks to offer them a better future, bringing solidarity back to the heart of the economy and allowing its young people to live an intense and integrated life in the community.

It is a fully shared process of responsibility, as Noi Genitori operates with special attention to sustainability issues: from the supplier selection stage to the enhancement of craftsmanship to the purchase of high-quality raw materials from the local area and the use of energy from renewable sources to operate the facilities.

Overall,
IN 2023 ICAM DONATED MERCHANDISE WITH A VALUE OF €1,042,825⁷

Regarding the impact on the community in Uganda, please refer to the chapter “Accountability along the supply chain”, section “Impacts on the local community – Social and economic development of local cocoa-growing communities”.

Value of food donations



7 · This figure refers to all of the Company's gifts including donations: to the Food Bank; Easter eggs to children in local communities attending youth clubs and kindergartens, elementary and middle schools; Easter and Christmas gifts and donations to employees and third parties; giveaways to customers.

4.

ACCOUNTABILITY ALONG THE SUPPLY CHAIN

GRI 2-6

Responsible and sustainable management of the entire supply chain is indispensable for ICAM, which aims to produce sustainable, high-quality chocolate: a focus on people and socio-economic development, care for the environment and preservation of the land are the basis of its quality standards.

THE EXCELLENCE OF ICAM CHOCOLATE

is intrinsically linked to the ability to carefully **select** the ideal raw material, particularly **cocoa**, and to liaise with growers in **more than 20 supply chains** in Africa, South America, and Central America.



ICAM'S MAIN SUPPLY CHAINS FOR COCOA SOURCING



Recognizing **direct cocoa sourcing** as an opportunity to more effectively manage the complexities of the cocoa supply chain, **ICAM adopted a vertical integration strategy.**

improve cocoa quality and good agricultural practices by lending **technical or financial support.** This is a “win-win” collaboration model, where growth in quality and productivity allows the Company to obtain a **good raw material** and, at the same time, offers growers **increased income**, improving families’ socioeconomic conditions.

Over time this approach has become a philosophy:

“PRODUCING HIGH-QUALITY CHOCOLATE BY CONTROLLING THE ENTIRE PRODUCTION CHAIN, FROM PLANTING TO THE FINISHED PRODUCT”.

Underlying this approach to the supply chain is the vision and awareness of an

EQUIVALENCE OF ROLES BETWEEN THE COMPANY AND GROWERS:

both become business partners facing changing market conditions together.



Learn about our approach to the sustainable supply chain through the words of our partners and our President.



The Company has established a strong and fruitful cooperative relationship with a number of **growing communities, primarily cooperatives** in South America.

For many decades, ICAM has engaged with them in projects to

While sourcing from the Cooperatives is the preferred way of purchasing cocoa, the incremental demands of its numerous national and international customers have also led the Company to initiate effective collaborations primarily with **local traders**, who are particularly close

to growers in the various production areas and are often **involved in shared local development projects**; finally, part of the cocoa purchases are ensured by cooperation with **international traders, selected** according to criteria of reliability, transparency, and compliance with international regulations, including in the environmental and social field.

THE GUIDE IS OUR CODE OF ETHICS

which regards compliance with international environmental and social regulations, fairness and transparency as the values to follow at all stages of activity in the relationship with all operators in the supply chain.



14.1 SUPPLY CHAIN TRACEABILITY AND RESPONSIBLE SOURCING

GRI 308

ICAM's commitment to producing and offering "sustainable" chocolate is based on its **knowledge of the supply chain** for each of the ingredients used: origin, cultivation, production processes, critical aspects related to quality, food safety or environmental and social resource management—not only of cocoa, but also of sugar, milk and vanilla and the multiple added ingredients, such as hazelnuts and fruits.



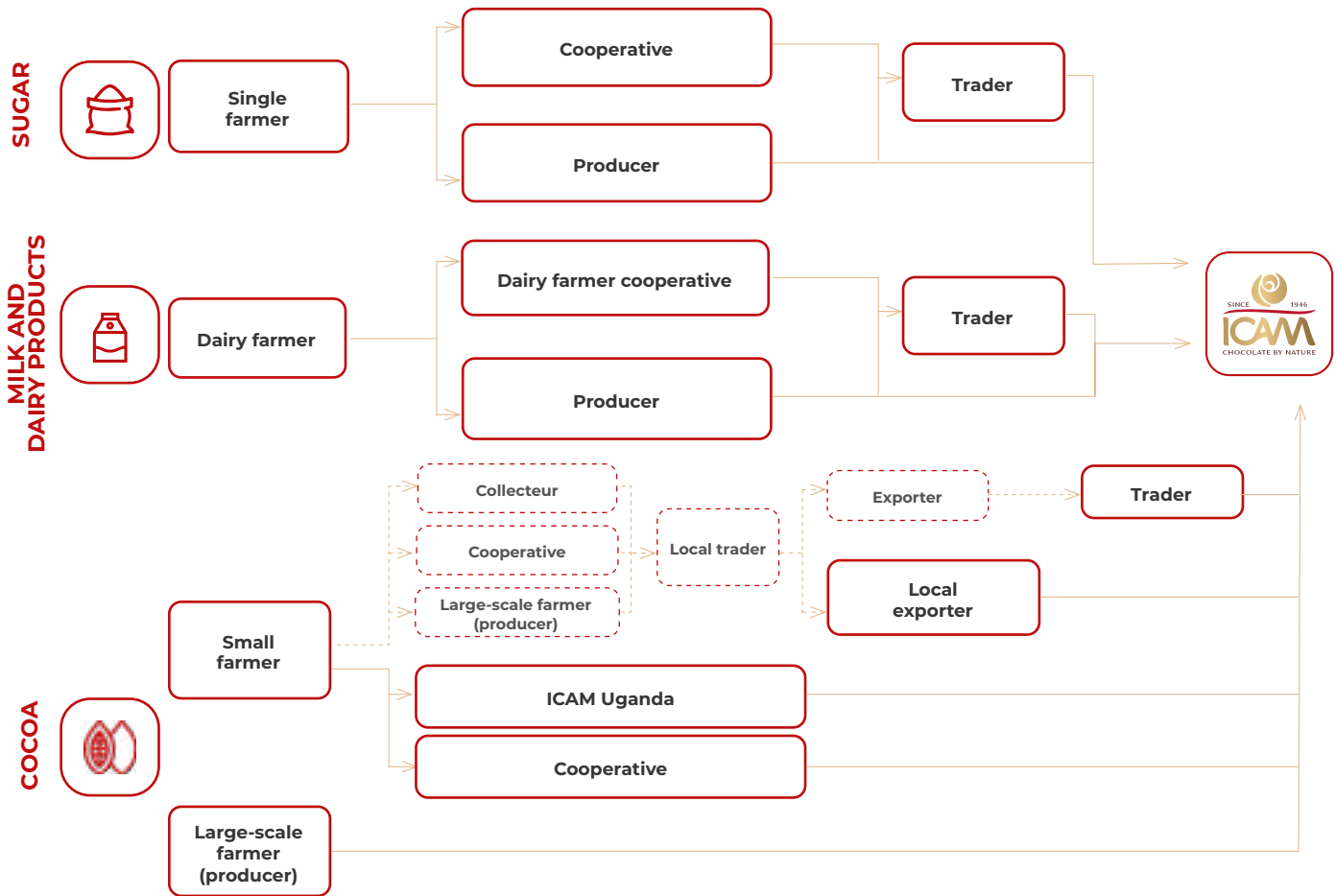
In reference to the sourcing of **milk and dairy products**, the mapping showed that ICAM's knowledge of this supply chain is complete. The brokers with whom the Company deals, traders and processed milk producers, have shared the names and details of the producers and cooperatives from which the milk is sourced.

In the **sugar** (beet, cane and coconut) supply chain, ICAM also directly knows the producer and/or cooperative from which the sugar used in its products comes.



For optimal implementation, ICAM conducted a **mapping** of the players involved in its supply chains.

Cocoa traceability is becoming increasingly important, partly **in light of new EU regulations**.



For years, ICAM has built a **traceability** system along the **cocoa supply chain** that leverages strong, long-standing relationships:

- ◆ with its **Ugandan subsidiary**;
- ◆ with **Cooperatives** (the majority of which are in Latin America);
- ◆ with **local exporters** (the majority of which are in Africa) who are very familiar with the supply chain and adopted practices and can trace them back to the specific group of producers and growers;
- ◆ with **“large-scale farmer”** cocoa producers;
- ◆ with **organic certification**, the specifications of which include the mapping of coordinates of origin;
- ◆ with supply chains with other **sustainability certifications**.

As of 2023, ICAM is working with all direct cocoa suppliers to achieve full traceability of all cocoa purchased ahead of the entry into force of the

**EUROPEAN
DEFORESTATION-FREE
PRODUCTS REGULATION
(EUDR)**

As a result of the mapping, ICAM has developed a **“Supply Chain ESG Risk Assessment”** of the supply chains related to its most significant commodities (cocoa, milk and dairy products, and sugar), with the aim of assessing their quality and understanding their related risks.

GRI 414

The “**Supply Chain ESG Risk Assessment**” project is an important information base for the development of an action plan for the strategic management of socio-environmental aspects of cocoa, sugar, and milk supply chains,

IN ORDER TO INCREASE RISK MANAGEMENT

The Risk Assessment consisted of three stages:



1. Analysis of ESG risks in countries of origin, identifying 8 relevant ESG risks in 35 raw material countries of origin.



2. ESG risk assessment of suppliers, checking for **safeguards** to mitigate each type of risk, for example:

- ◆ documentary safeguards as evidence of specific **commitment** (Code of Ethics and Code of Conduct, specific policies, Sustainability Report, web pages/information dedicated to sustainability);
- ◆ special **direct safeguards**, such as Certifications, third-party verification, GPS or Polygon mapping verification, physical tracking system;
- ◆ Specific risk mitigation **initiatives**.

RISK	APPLICABLE RAW MATERIALS	SOURCE (INDEX/DOCUMENT, INSTRUCTION, INDICATOR)	CRITICAL RISK	NEGLIGIBLE RISK
Corruption		Corruption Perceptions Index (2019) Transparency International	≤ 19	≥ 80
Forced labor		GMAP – International Finance Corporation – Media “Use of” and “Laws related to forced labor”	≥ 92	≤ 15
		Global Slavery Index – Walk Free Foundation – Vulnerability to Modern Slavery	≥ 80	≤ 19
Child labor		GMAP – International Finance Corporation – Media “Use of” and “Laws related to child labor”	≥ 92	≤ 15
		Global Childhood Report – Save The Children – Children engaged in child labor	≥ 15	≤ 1
		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	≥ G/7
Fair price	 <small>*for developing countries only</small>	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	≤ 30	≥ 80
Protected areas	 <small>*for developing countries only</small>	World Database on Protected Areas – United Nations – Terrestrial protected areas	≥ 35	≤ 5



3. Definition of residual risk, assessing the specific need for interventions based on risk and strategy.

During the course of the project, a belief was consolidated that the Risk Assessment process, in order to be effective, must be part of a com-

prehensive, cross-functional operational strategy, which combines the goal of mitigating risks and ensuring product compliance with that of being a tool for creating shared value throughout the supply chain by strengthening partnerships and joint projects.

RESPECTING THE VALUE CHAIN THROUGHOUT THE SUPPLY CHAIN

Having a thorough knowledge of the ingredients also means understanding the complexity of the value chain, starting with its first links, which are often the most distant and vulnerable.

ICAM recognizes that a **ROBUST AND SUSTAINABLE SUPPLY CHAIN**

can only be built if everyone receives fair remuneration, enabling them to live with dignity, support their families and invest in agriculture.

Social sustainability certifications, which covered 46% of the cocoa purchased in 2023, have among their primary goals the **fair remuneration of growers**.

Enhancement of the origin and quality of raw materials and the possibility to establish **partnerships and collaborations** directly with **producers** are aspects that ICAM has always valued as pillars of its corporate philosophy.

MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS GENERATED BY THE SUPPLY CHAIN

The Company aims to exclusively use suppliers who have signed ICAM's Code of Ethics and/or demonstrate that they act responsibly, in line with the same social and environmental values defined in the Code.

GRI 308-1a, GRI 414-1a
GRI 308-1b GRI 414-1b

With regard to **cocoa suppliers** (cooperatives, producers and traders), as of 12/31/2023, **50⁸** suppliers have **signed the ICAM Code of Ethics**: all 36 local Cooperatives/exporters and 14 out of 20 traders.

This **accounts for 97% of cocoa used**.

The 3% who did not sign are back-up providers connected to occasional, emergency or customer-specific supplies.

When the EUDR comes into effect in 2025, environmental assessment and compliance with local standards – including human rights compliance – will be a basic requirement for following up on supplies, with a particular focus on deforestation aspects.

8 · The figure includes Uganda and suppliers who possess and have formally shared their own Code of Ethics based on the same values and principles as ICAM.



The 4 pillars of a SMETA



- Labour Standards
- Health & Safety
- Business Ethics
- The Environment

Supplier
Company
Reference ICAM =
ZC1050189

Among **suppliers of other major raw materials**, as of December 31, 2023, **100%** have formally signed the document.

When evaluating **new suppliers** (particularly for ingredients with specific characteristics), the social/environmental parameters of the organic, Fairtrade and Rainforest Alliance certification standards are considered, a – pro futuro – survey is conducted through the **Sedex⁹** platform and when appropriate a Sedex Members' Ethical Trade Audit (**SMETA**) is requested, which investigates the **four pillars**: labor standards, health

and safety, business ethics and environment. **Audit reports are shared** by members via the Sedex platform, enabling the exchange of contacts and information between companies. Currently 101 (out of 229) ICAM suppliers – both ingredients and packaging – are on the platform.

ICAM has also chosen to **VOLUNTARILY UNDERGO** the SMETA audit on an annual basis.

The Company has further pledged to include specific environmental and social indicators in its criteria for evaluating new suppliers; to this end, a review of supplier selection procedures is underway and will be made operational during 2024.

ICAM CHOCOLATE UGANDA

GRI 308-1a, GRI 414-1a
GRI 308-1b, GRI 414-1b

With reference to the state of cocoa in Africa, the main causes of low profitability of cocoa farming for farmers are low yields, high rates of pests and diseases combined with the advanced age of cocoa plantations, and lack of soil nutrients¹⁰.

In Uganda, agriculture accounts for nearly 70% of employment, and the Bundibugyo district is one of the largest producers of cocoa beans in the country (70%). Cocoa is the source of livelihood for thousands of “smallholders”.



ICAM Chocolate Uganda directly purchases certified organic or Rainforest cocoa from farmers or farmer groups: adherence to the **certification scheme** is an important **safeguard** for the proper management of environmental impacts.

9 · ICAM is a member of SEDEX (Supplier Ethical Data Exchange), a non-profit organization committed to disseminating ethical principles throughout the supply chain, which has structured Europe's largest platform for collecting and processing data on the ethical behavior of supply chains.

10 · Wessel & QuistWessel (2015)

In March 2023, the **“Sustainable Farming” project** conducted a preliminary supply chain risk assessment in Bundibugyo through field interviews with various stakeholders (farmers, local authorities and farmer coordinators).

The **interviews** investigated topics such as: subsistence income and the relevance of cocoa cultivation, major challenges, the impact of climate change, the status of deforestation and soil erosion, the implementation of agroforestry systems, and food security.

From the Risk Assessment, the following emerged as emergencies to address

LOW AGRICULTURAL YIELDS, LOW FARMER SKILLS AND THE IMPACT OF CLIMATE CHANGE

that make cocoa farming a vulnerable livelihood in bridging the gap with living income.

Climate change is interconnected with cocoa crop yields due to risks related to soil degradation: erosion and loss of fertility are exacerbated by lack of **knowledge about agronomic soil conservation practices**.

In addition, the project has also identified certain **social issues** that impact along the cocoa supply chain, and aims to address them through the use of dedicated methodologies and tools:

- ◆ **PIP (Participatory Integrated Plan) methodology**,
- ◆ implementation of a **GALS (Gender Action and Learning System)** to act on gender equity,
- ◆ **VSLA (Village Savings and Loan Associations)** tools for socio-economic empowerment.

To manage environmental and social risks, **partner companies** aim to leverage their **supply chain governance** to impact stakeholders along the cocoa supply chain. In the 2023-2026 period they committed to strengthening:

- ◆ **Procurement procedures**, including preference for direct channel, definition of KPIs, and responsiveness to price dynamics;
- ◆ **Multi-stakeholder collaboration**;
- ◆ **Cooperation with the public and private sectors** on human rights, gender equality, forced labor and child labor;
- ◆ **implementation of policies and tools** to prevent, monitor and report ESG risks.

4.2 SUSTAINABLE USE OF RAW MATERIALS

CONTRIBUTION TO ENVIRONMENTAL AND SOCIAL SUSTAINABILITY THROUGH SELECTION AND PURCHASE OF CERTIFIED RAW MATERIALS

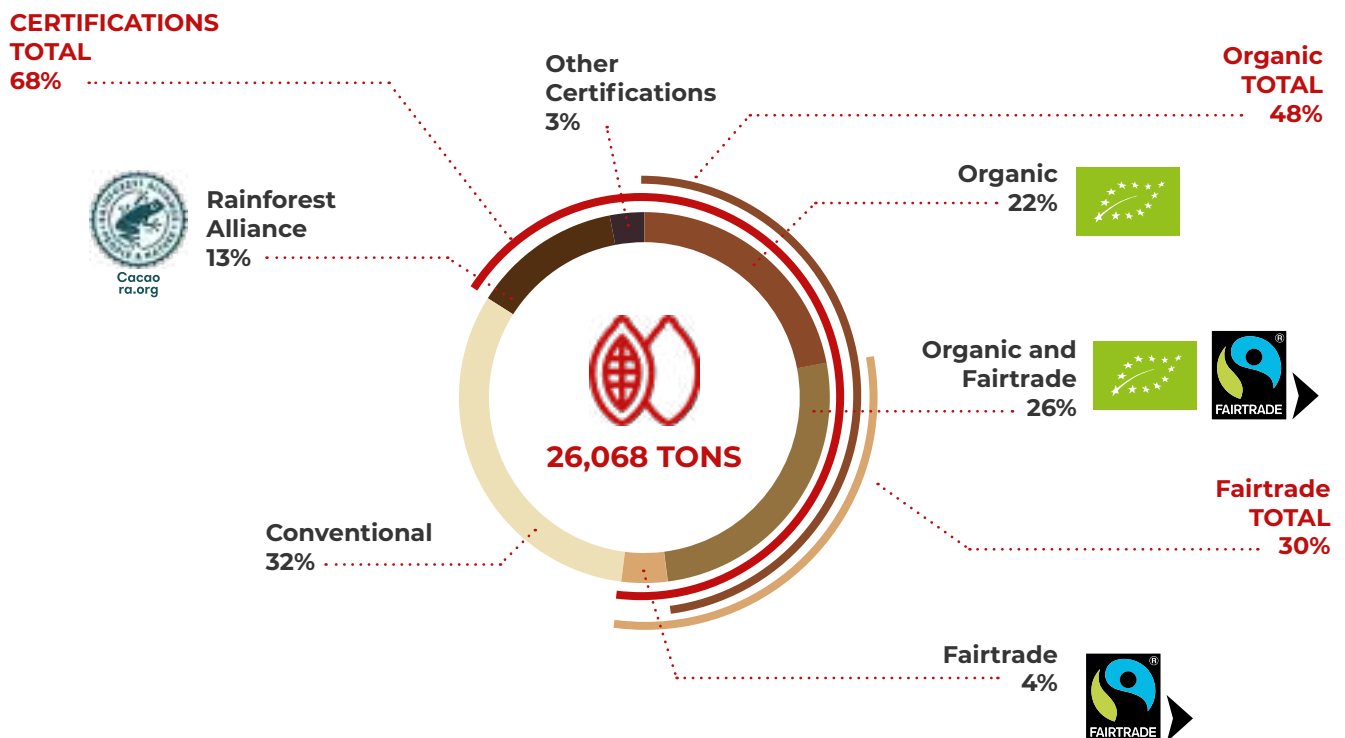
THE COMPANY'S VOCATION FOR SUSTAINABILITY

is clearly evidenced by looking at the significant use of certified raw materials: **in 2023, 68% of the 26,068 tons of purchased cocoa has one or more certifications, particularly organic, Fairtrade and Rainforest Alliance.**



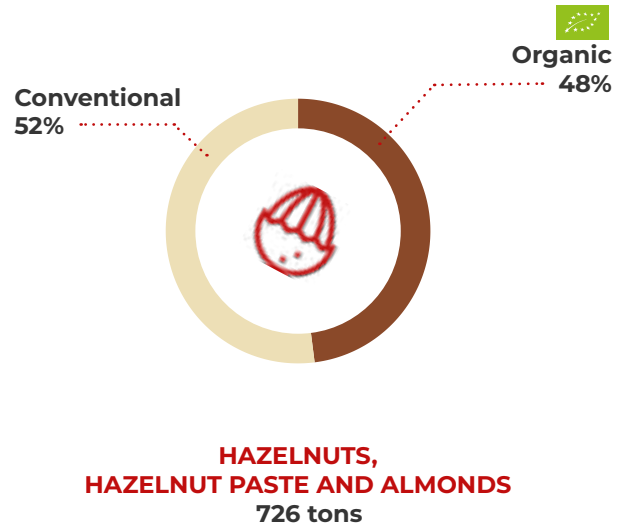
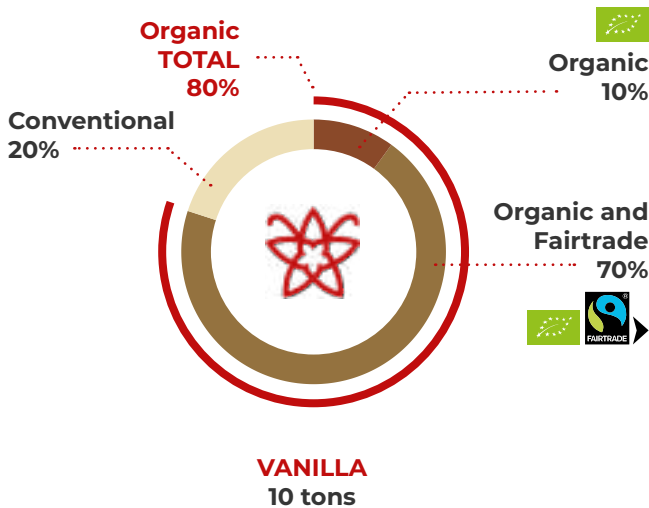
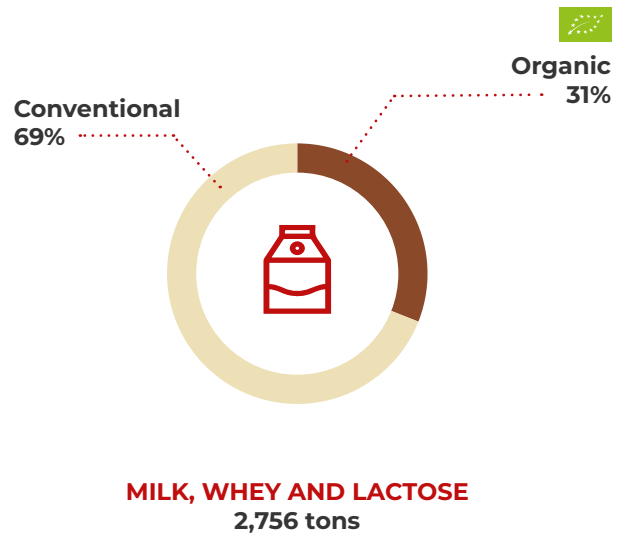
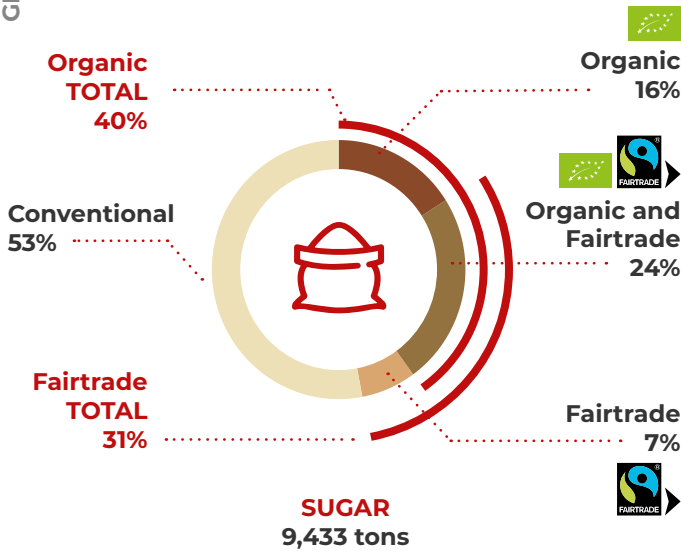
These certification standards are supported by strict controls and require producer organizations and companies to submit to rules aimed at safeguarding human rights and the environment.

COCOA PURCHASES BY TYPE OF CERTIFICATION



GRI 301-1

PURCHASES OF OTHER RAW MATERIALS BY TYPE OF CERTIFICATION



ICAM's focus on respecting growers and the environment is not limited to the purchase of cocoa, but extends to the **sourcing of all raw materials** involved in chocolate production: sugar, milk, vanilla and nuts. Unlike cocoa, these products can be purchased directly from Italian and European suppliers, resulting in greater guarantees, dictated by the high standards imposed by current regulations, both from the standpoint of respect for proper farming and breeding practices and respect for workers' rights. As previously explained, **ICAM requires all suppliers to sign its Code of Ethics**.

ICAM HAS ALWAYS BEEN COMMITTED TO PROMOTING ITALIAN OR ZERO-KILOMETER PRODUCTS

such as beet sugar, fruits, herbs and others, where the proposal receives positive feedback from customers.

In relation to the procurement of raw materials necessarily from **countries outside Europe** (for climate reasons, as in the case of vanilla, or due to insufficient availability in the local area, as is the case, for example, with hazelnuts or organic sugars), over time, ICAM has selected business partners that have demonstrated **an ethical and sustainable approach to business management**.

With reference to the purchase of **sugars**, including special and innovative sugars (coconut sugar, sweeteners, etc.), it should be noted that in 2023 the Company purchased 47% of certified organic and/or Fairtrade or Rainforest sugars from different countries such as, for example, Paraguay, Brazil, India, Argentina, Mozambique, and Mauritius. An additional 38% is sugar of European origin, albeit conventional.



for conventional sugar of European origin. ICAM has also chosen to use this sugar for Vanini brand organic bars with single-origin cocoa from its Uganda supply chain.

As of 2021, ICAM has joined the three-year project **FILIERA CORTA 100% MADE IN ITALY PROMOTED BY ITALIA ZUCCHERI-COPROB**

one of the Company's long-standing sugar suppliers in order to enhance the Italian sugar supply chain by expanding production into the organic sector as well.

This is sugar derived from beets, a sustainable and strategically important crop in regenerative agriculture that is beneficial in terms of **greenhouse gas absorption**¹¹. Italia Zuccheri's project includes measures to **protect bees** by planting flowers and buffer strips to create a favorable environment for them.

In 2023, the purchased volume of organic sugar from Italian beets was about 11% of the demand

In **milk** procurement, ICAM integrates great respect for the environment with attention to animal welfare. The raw material – 95% of which is sourced in Europe¹² – is 31% certified organic, which is an important guarantee regarding the proper husbandry practices followed by the producer: indeed, **the specifications governing organic milk production** stipulate, for example, a minimum number of days on pasture, adequate space for cattle, and a controlled diet in which the use of GMO feed is prohibited.

The types of organic milk used include **“grass-fed milk”**, which is milk produced by **“grass-fed” cows**, the result of an innovative **animal welfare** project in collaboration with certain producers. This is a private and **voluntary** breeding standard¹³ that includes a minimum of 200 days on **pasture** and a severe restriction on the use of feed other than hay, a **ban on the use of growth hormones** and **GMO feed**.

11 · BioAlter, Source: Prof. R. Giovanardi, M. Sandonà – University of Udine.
12 · 5% UK origin.

For the conventional milk quota too, great attention is paid to purchasing, which is done from selected farms that are concretely committed to ensuring their products are broadly sustainable: from protecting land, farmers and livestock to using best practices to guarantee complete food safety.

To purchase **vanilla** (100% sourced from Madagascar), ICAM only uses Italian and European flavorists with a clear and formal commitment to responsible and sustainable sourcing.

As an example, one of the largest suppliers is engaged in programs to help and support farmers through healthcare and the development of alternative and complementary crops to vanilla, such as cocoa or rice.

With regard to **nuts** (hazelnuts, hazelnut paste, almonds, cashews, pistachios), about 19% of raw material is sourced from Italy or Europe, while the remainder is purchased from Turkey, Geor-

gia, and Azerbaijan (hazelnuts) or from other countries (such as cashews from Africa) in accordance with quality specifications defined with customers.

It should be remembered that Italy is not self-sufficient in hazelnut production, since domestic consumption far exceeds the availability of what is grown. The purchase of **organic hazelnuts and almonds** accounts for about **48%** of the total purchase.

Finally, ICAM uses palm oil and derivatives only in products where these ingredients cannot be substituted in terms of function, taste, production process and price level. These ingredients will also be subject to EUDR as of 01/01/2025.



13 · It should be noted that “grass-fed milk” does not refer to a legal designation or certification: it is a claim used for commercial and marketing purposes, but based on binding contractual agreements, in line with Company policy inspired by transparent business practices that avoid the risk of misleading communications.

4.3 DEVELOPMENT AND FAIR REMUNERATION OF GROWERS

Cocoa is an important source of income and employment for rural people in Latin America and Africa, employing approximately 15 million small farmers who, with **plantations of less than 2.5 hectares**, are responsible for producing more than 90% of the world's cocoa. However, most of the growers live in poverty, earning no more than 6-8% of the added value calculated on the sale of the final product¹⁴.

Smallholders are particularly vulnerable, facing a series of obstacles to development, which are exacerbated to varying degrees in different local contexts: from poor skills to insecurity over land tenure, lack of agricultural equipment, access to water supply, lack of civil registration (no ID card), illiteracy, lack of information on market dynamics, non-existent bargaining power, poverty and indebtedness. This is further aggravated when the smallholder is a woman¹⁵.

Pricing of cocoa is done on the basis of the **London (LIFFE) and New York (CSCE) exchanges**, a factor that has a significant impact on the living conditions and remuneration of farmers in this supply chain. Price setting also considers other aspects, including quality, variety, processing methods, any taxes or duties levied by countries, and, most importantly, availability and the relationship between supply and demand. The latter factor is proving to be increasingly critical and is directly influenced by the climate factor, crop management, and the spread of certain crop-damaging pathogens, which are not always managed in an appropriate and timely manner. This is compounded by speculation in the financial markets, which, starting from data



and expectations of poor or abundant harvests, trigger often unstoppable stock market fluctuations.

This price **volatility** common to all commodities leads to several issues for farmers, who are the first to feel the negative impacts. This uncertainty often hinders satisfactory remuneration for the effort and time they devote to cultivation, as well as the ability to plan and invest in improving the productivity of their plantations.

The main problems with cocoa cultivation, as is the case with other agricultural products from developing countries, are the low **productivity** of plantations and the poor **quality** of the resulting product.

Sometimes, **adopted farming practices**, in addition to being inefficient, are detrimental to the ecosystem and further contribute to the critical socio-environmental elements associated with cocoa cultivation, such as intensive, monoculture plantations that – especially among **smallholders** – generate “food insecurity”, as well as contribute to soil erosion and accelerated productivity loss.

14 · UNCTAD, Cocoa industry: Integrating small farmers into the global value chain, 2015 https://unctad.org/en/PublicationsLibrary/suc2015d4_en.pdf
 15 · https://files.fairtrade.net/publications/2013_PoweringUpSmallholderFarmers.pdf

DEVELOPMENT OF GROWERS' TECHNICAL, MANAGERIAL AND WORK SAFETY SKILLS

GRI 203-2 Since the 1980s, ICAM has been committed to promoting agronomic and technical training programs through **collaboration with professionals, supporting producers and cooperatives**. One particularly effective project was the establishment of its own cocoa purchasing and first-stage processing chain in Uganda. This commitment has led local growers to increase their income in an economic development process that fully respects the environment.

CONTRIBUTION TO THE ACHIEVEMENT OF GROWERS' LIVING INCOME

ICAM has acted on multiple development strands, often implemented in a combined effort:



INCREASE OF CROP YIELD

to increase the amount produced for the same amount of land cultivated:

- ◆ **agronomic training plans and support activities** with technical agronomists to improve agricultural practices in the field (GAPs – Good Agricultural Practices) such as pruning, fertilization, mulching, renewal of older plants, and pest control; this action also has a positive effect in combating deforestation since it “preserves” plantation productivity, reducing the need to abandon land that is no longer productive in favor of new areas;
- ◆ **establishment of cocoa collection and processing centers** to reduce the crop loss generated by careless and inadequate processing.



ACHIEVING SUPERIOR QUALITY

for a product with the highest market value, and for which **a premium is paid on the stock market price**:

- ◆ **training** on best agricultural practices and special projects, such as the establishment of clonal nurseries and gardens;
- ◆ development of **equipment, techniques and procedures for processing** fresh cocoa to enhance the sensory characteristics of the crop;
- ◆ cocoa **control** and **traceability** systems (adapted to the new EUDR requirements);
- ◆ application of **organic** cultivation standards¹⁶ and achievement of certification: **ICAM is among the leading companies in the organic chocolate market**, and is a primary stakeholder in the organic cocoa market. This action also has a positive effect in combating climate change and protecting biodiversity.

¹⁶ Training plans are also an integral part of pathways to obtain certifications.



DIVERSIFICATION OF CROPS IN AGROFORESTRY SYSTEMS

Agroforestry systems are particularly suitable for growing cocoa, which – by its nature – can be grown along with banana, coconut and other fruit or timber plants.

Supplementary crops:

- ◆ provide **additional** sources of **income**;
- ◆ improve household **food security**;
- ◆ counteract **climate change** and safeguard biodiversity;
- ◆ bring an important benefit from a **financial** standpoint: since they have different **seasonality**, they produce differentiated income streams that allow farmers to address their needs outside the cocoa harvest season.



FACILITATING ACCESS TO CREDIT

For over 50 years, ICAM has built enduring relationships with cooperatives, establishing a foundation of trust and cooperation for the Company's commitment to offer annual or multi-year purchasing contracts to all cooperatives from which it sources directly is based. In this way, producers are enabled – by virtue of the contractual commitment – to obtain access to credit more easily and, consequently, to further invest in their business.

In 2023, ICAM facilitated access to credit for 8 cooperatives through annual contracts totaling 2,825 tons. This mechanism enabled the cooperatives to obtain total bank financing of more than \$7 million.



DIRECT SUPPLY

Where possible, in an effort to transfer most of the value down to the point in the supply chain closest to the farmer, ICAM prefers to **source directly** from Cooperatives or local traders that group growers together, limiting the use of international brokers to situations where the local market is not sufficiently organized.

In 2023, 53% of cocoa purchased came from direct channels.



PREMIUM ON PRICE, MINIMUM PRICE

also supported by third-party certification systems:

- ◆ Rainforest certification⁹ guarantees farmers a **premium** over the stock market price;
- ◆ Fairtrade certification⁹ guarantees cooperatives a **minimum price**, protection from falling stock market fluctuations, as well as a **premium on the price itself**;
- ◆ Fairtrade-certified organizations are growers' cooperatives, which **democratically choose how to divide** the premium between direct subsidies to the growers themselves – boosting income – or implementation of joint projects to support production or farmer organization, or for the community's social needs.



RAINFOREST ALLIANCE,

in addition to guaranteeing the payment of the local minimum wage, is committed to helping farms make progress toward the payment of a subsistence wage, calculated according to country-specific benchmarks, that allows growers to cover all expenses necessary to ensure a decent living for themselves and their families.



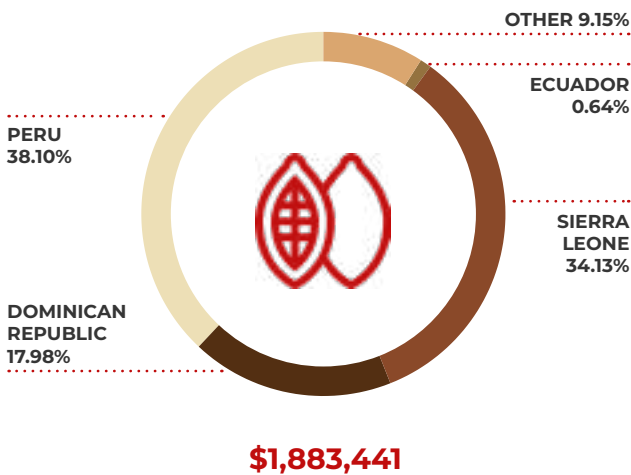
FAIRTRADE

By purchasing Fairtrade-certified cocoa, ICAM pays farmers a fair price, unrelated to the market price, and never below the Fairtrade minimum price. In addition to the recognition of fair prices, Fairtrade certification guarantees farmers an additional margin, known as a “Premium”, which can be used in social, health and development projects through a participatory and democratic program.

GRI 203-2

To purchase Fairtrade-certified cocoa, ICAM **directly interacted with 18 cooperatives in Peru, Ecuador, and the Dominican Republic**, which account for **57% of Fairtrade cocoa purchased**. 85% of this Fairtrade cocoa **is also organic**, generating a double premium (for Fairtrade and organic).

ALLOCATION OF 2023 FAIRTRADE PREMIUM ON COCOA



In total – through the purchase of Fairtrade-certified cocoa purchased directly from cooperatives or from traders and exporters –

THE FAIRTRADE PREMIUM ON COCOA PAID IN 2023 AMOUNTED TO \$1,883,441, GENERATED MAINLY IN PERU, DOMINICAN REPUBLIC AND SIERRA LEONE.

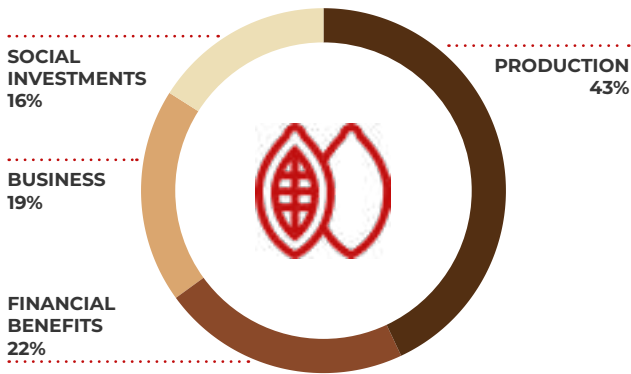
Since 2017, ICAM has generated a total of \$13,686,343 in Fairtrade Premium.

The Fairtrade Impact Report highlights how the **global cocoa sector’s Premium** over the period 2018-2022 was primarily invested in improving growers’ standard of living, directly supporting living income: 21% as income supplementation to defeat poverty (SDG 1), 62% as tools and materials to support agricultural productivity in order

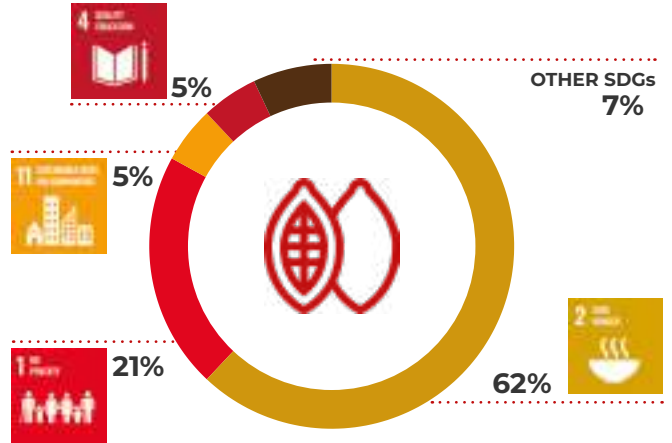
to fight hunger (SDG 2).



USE OF FAIRTRADE PREMIUM
COCOA SECTOR 2018-2022



USE OF FAIRTRADE PREMIUM
COCOA SECTOR 2018-2022 - PER SDG



Fairtrade Italia's report "ICAM's Commitment to Fairtrade Producers" highlights the Company's specific characteristics with respect to the global needs of the main origins from which ICAM sources: in Peru and the Dominican Republic,

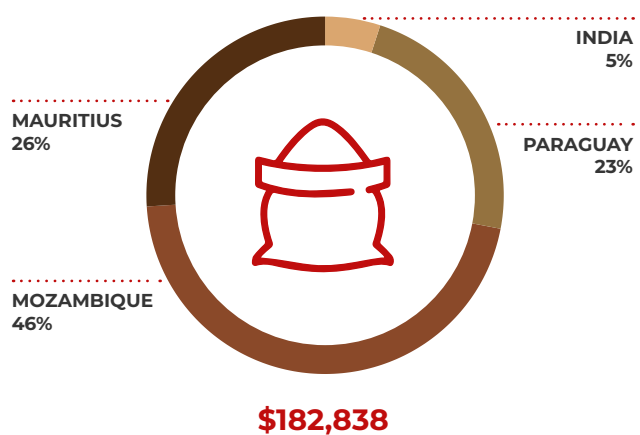
the focus is on production and organizational support; in Sierra Leone, community-based investments absorb nearly 70% of the Premium.



The volumes of Fairtrade chocolate offered by ICAM in the market also drive the purchase of **other** Fairtrade-certified **raw materials** – particularly sugar and vanilla – with related positive spillovers to their respective countries of origin. Specifically, in the **Fairtrade-certified sugar** supply chain, ICAM generated **\$182,838 in premium** in 2023.

In the **sugar** supply chain, social investments and direct subsidies account on average for 22% of the premium, but with large differences between countries: in Mauritius, for example, such investments and subsidies cover most of the premium (80%), while in India their weight is lower (less than 1%).

ALLOCATION OF 2023 FAIRTRADE PREMIUM ON SUGAR



\$182,838

DEVELOPMENT AND FAIR REMUNERATION OF GROWERS IN UGANDA

A case in point of ICAM's contribution to the achievement of cocoa growers' living income was the establishment of the facilities of ICAM Chocolate Uganda Ltd: ICAM centers where cocoa processing and technical support on the plantation led to an increase in the quality and productivity of the cocoa crop.

THE ICAM CHOCOLATE UGANDA LTD PROJECT: QUALITY THAT CHANGES

Land ownership in Uganda is particularly fragmented: farmers have small plots of land and, after harvesting, proceed to ferment and dry the seeds directly in their homes.

Working conditions expose farmers to a high risk of crop loss: theft and adverse weather conditions during processing can severely damage the crop, with losses of up to 30% of the harvest. Disruptions to family life and poor product quality that generates a minimal selling price have serious consequences on household income.



A collection center for Ugandan growers



In 2010, ICAM decided to **set up its own Company in Uganda**, ICAM Chocolate Uganda Ltd, with a view to exporting its wealth of knowledge and experience to central Africa and implementing a major development project in the region.

ICAM's approach has not only been limited to the purchase of cocoa, but has seen the Company **collaborate** with local **growers** in building processing facilities to considerably improve their **living conditions**. The project consisted of two separate fronts:

- ◆ **training of growers** on modern agronomic techniques and sharing of experiences

and best practices developed over more than 30 years of working with campesinos in Central America;

- ◆ **establishment of an organized center for the collection and processing** of fresh cocoa, where direct oversight allowed the intrinsic quality of this highland cocoa to be enhanced; moreover, the relocation of the long fermentation and drying stages to the center limited children's involvement.

ICAM opened its first cocoa processing center in Bundibugyo, equipped with 5 fermentation areas, 10 drying areas and offices.

The operations of the Ugandan subsidiary expanded, with the construction of two new centers in **Hoima** in 2011 and **Mukono** in 2013. The cocoa **fermentation and drying** phases are carried out in these three centers, following ICAM's procedures and know-how. Strict quality control oversees packaging ahead of shipment to the Orsenigo facility.

ICAM's presence in the Bundibugyo area has also been crucial in developing professional skills—both managerial skills and specific technical skills related to cocoa processing—among both staff and growers.

The project has been a driver for socio-economic development in the local area and community, overcoming environmental challenges: ICAM thus demonstrated its concept of sustainability along the supply chain.



A driving force for the socio-economic development of the area. Learn about the establishment of ICAM Chocolate Uganda



The quality of Ugandan cocoa has greatly improved: cocoa from the **“Pearl of Africa”** has become an especially prized highland cocoa that is prized by the market and is grown and processed locally, ensuring unique sensory properties.

With the consolidation of its presence, ICAM has strengthened its **path toward quality** through adherence to **certifications**. In 2017, the Company facilitated the **organic** certification process for supplier growers in the Bundibugyo center, covering the associated costs of inspections and working with certification bodies.

In 2022, ICAM started the **Rainforest Alliance** certification process for the Mukono and Hoima centers to obtain it in 2023.

A transformative project was launched in 2022 to address the environmental and social challenges of climate change and adapt the cocoa farming system by redeveloping it into a resilient source of income for growers and a robust source of supply for ICAM's continuity.

The **“Sustainable farming for a climate resilient livelihood of cocoa farmers in Uganda”** pilot is being carried out in partnership with SanoRice Holding BV, the Corpeq BV group and the NGO Solidaridad East & Central Africa, and co-financed by RVO¹⁷.

In 2023, the preliminary study phase was completed and the necessary measures were defined and will be implemented starting in spring 2024.

For more on the partnership and goals, please refer to the chapter “Sustainability governance”, section “Collaboration for sustainability goals”

17 · The project is co-funded by the Fund for Responsible Business (FVO), part of the Netherlands Enterprise Agency (RVO) and in the commission of the Dutch Ministry of Foreign Affairs.

CONTRIBUTION TO THE **ACHIEVEMENT OF COCOA GROWERS' LIVING INCOME**

ICAM Chocolate Uganda directly engages in increasing the productivity and income of the farmers from whom it purchases cocoa.

In 2023, the preliminary study of the “**Sustainable farming**” project was concluded: the results confirmed that cocoa is the main source of income for most farmers and that crop diversification is key to achieving more profitable plantations.

The project's goals will be to improve living income and crop resilience through **agroecosystem diversification** in parallel with **improved cocoa crop management**: pest and disease control, soil erosion, fertilization, and plantation aging.

Integrating food crops, fruit trees and forest trees into cocoa cultivation plots, creating an agroforestry system, will provide additional **income streams** with different seasonality and greater **food security**.

In addition, the project also aims to **improve cocoa quality** through an innovative **microfermentation** technique that can be applied with simple equipment.

The appropriate combined implementation of these techniques will improve the climate resilience of livelihoods and – combined with actions to transform the social conditions of beneficiaries – will improve their living conditions.

DEVELOPMENT OF **GROWERS' TECHNICAL, MANAGERIAL AND WORK SAFETY SKILLS.**

ICAM Chocolate Uganda Ltd staff have been delivering training courses to farmers for years.

An additional 6 staff members were trained on sustainable agronomic practices in 2023, adding to a staff of 27 from the pilot project.

A total of **6,899 farmers** have been **trained at the three sites** in Bundibugyo, Hoima and Mukono, with training sessions focusing on knowledge and compliance with organic and Rainforest Alliance certification standards, management skills for approaching the market, as well as spreading knowledge of agronomic practices.

The main topics of courses delivered in 2023 include planting and nursery management techniques, reduction of disease and pest incidence in crops, integrated management and biological techniques for post-harvest management, conservation of forests and native and endangered species, and proper waste disposal.

**IN THE CONTEXT OF THE
“SUSTAINABLE FARMING”
PILOT PROJECT,**

a team was fielded in 2023 that provided family and group-level training for all technical and social goals.

The field implementation phase began in 2024 on certain **important agricultural techniques**:



Organic fertilization and compost making



Spacing/thinning, pruning and grafting of plantations



Rehabilitation and rejuvenation of plantations



Soil conservation practices

As part of the learning tools and methodologies, the project has set up **demonstration gardens** including **composting stations**; these will facilitate learning from trainer to farmer and also from farmer to farmer (peer to peer) by offering practical demonstrations of agricultural techniques, such as how to prepare organic fertilizers using available sources.

The assessment also revealed that social aspects are interconnected with the goal of profitability and productivity of cocoa plantations, and thus

these were included as part of the project’s focus areas. Two such crucial areas to be addressed along with agronomic aspects: **financial literacy** (through implementation of **VSLA**/Village Savings and Loan Association) and **combating gender inequality** (through the **GALS**/Gender Action Learning System).¹⁸

Provision of VSLA and GALS
**WAS ENTRUSTED TO
SOLIDARIDAD,**

a project partner
**SPECIALIZING IN SOCIAL
IMPACT STRATEGIES.**

A key point of the project implementation, which began in early 2024, will be a model structure to raise awareness and train farmers and stakeholders in the adoption of new agricultural techniques. **The PIP** (Plan Intégré du Paysan) **participatory approach** will involve all local leaders at the village and district levels and farmers, including women and young people.

For more on the partnership and goals, please refer to the chapter “Sustainability governance”, section “Collaboration for sustainability goals”

18 · VSLA is a model for creating self-managed and self-funded savings groups that use members’ savings among themselves to cope with emergencies, support household cash flow management, and build a capital base. VSLA supports communities suffering from equitable access to credit by mobilizing local savings and building social, solidarity and trust networks.

The training focuses on business and financial skills to lead farmers to plan their financial needs, cash flows, actions to be implemented on their plantation, implementation of supplementary income-generating activities, and ultimately increase family income.

4. PROTECTION OF BIODIVERSITY

NEGATIVE IMPACT ON THE ECOSYSTEM RELATED TO AGRICULTURAL PRACTICES ALONG THE SUPPLY CHAIN

Full-sun monoculture production with intensive use of chemicals has many negative effects. These include loss of biodiversity, health risks, soil and water pollution, land degradation, and increased climate impact¹⁹.



These negative environmental impacts affect the productivity of plantations and are closely related to social phenomena, such as the lack of adequate knowledge on the part of growers about the best cultivation techniques.

Loss of soil fertility leads to a continuous search for new farmland, fueling deforestation and further exacerbating biodiversity loss.

Ultimately, **they erode the ability of cultivation to generate adequate income.**

CONTRIBUTION TO THE PROTECTION OF BIODIVERSITY THROUGH THE PROMOTION OF SUSTAINABLE FARMING PRACTICES

GRI 304-2 ICAM has always believed in the importance of respecting biodiversity throughout the supply chain and is committed to collaborating with and supporting growers in implementing solutions that maintain **soil fertility**, respecting forest species and taking into account the socio-environmental conditions of each area of origin – for example, by using **native trees** from the

local forest in agroforestry systems or promoting the cultivation of cocoa varieties with high sensory qualities.

Two alternative production systems – **organic production** and **agroforestry systems** – are key to mitigating these impacts.



ORGANIC

Today, this vision is confirmed by the inclusion of organic farming in the priorities of the Italian PNRR²⁰ as a path to sustainable growth for the country, and by the biodiversity



strategy, which is considered a key element of the European Green Deal 2030 for nature protection in the EU.

From the outset, ICAM believed in the soundness of the organic approach and was
THE FIRST ITALIAN CHOCOLATE MANUFACTURER TO TAKE UP THE “ORGANIC” CHALLENGE.

19 · Cilas & Bastide, 2020; Hutchins et al. 2015; Tondoh et al. 2015.

20 · In March 2022, the Italian Parliament enacted Law no. 23 of March 9, 2022, which identifies organic production as an agricultural method that “contributes to product quality, food safety, animal welfare, rural development, environmental and ecosystem protection, biodiversity preservation, and the achievement of greenhouse gas emission intensity reduction targets, and provides in this regard appropriate eco-system services, contributing to the achievement of the goals of the 2030 Agenda for Sustainable Development”.

For ICAM, organic is a **way of conceiving a product with a respect for naturalness**—which is not limited to the absence of chemical and artificial treatments—from cultivation to the preparation, storage and processing stages. Each step is carried out according to natural timing and methods.

Specific certification requirements involve compliance with a set of rules governing production, cultivation, storage, processing, packaging and shipping, and include:

- ◆ cultivation of agricultural land on which no synthetic chemicals have been used for many years, located far from polluting plants;

- ◆ avoidance of the use of synthetic chemicals, genetically modified organisms and ionizing radiation throughout the production process by empowering, training, informing and collaborating with growers;
- ◆ strict physical separation of organic and conventional ingredients;
- ◆ periodic on-site inspections.

In addition, the organic production specification requires **full traceability** and therefore guarantees a documented map of the entire process for each ICAM certified organic product.



AGROFORESTRY SYSTEMS

The term “Agroforestry System” is used to define practices in which **trees are combined with agriculture**; it is an interdisciplinary subject area encompassing land-use systems and involving the interactions between trees, people and the agricultural system²¹.

According to FAO, “agroforestry systems are critical for smallholders and rural populations because they improve people’s food supply, income and health. Agroforestry systems are multifunctional systems that can provide a wide range of economic, sociocultural and environmental benefits”.

By integrating the cultivation of cacao trees with other trees, agroforestry systems²² provide a solution for ensuring cultivation that fully respects the values of biodiversity, since they:

- ◆ have a **higher overall productivity** than the sum of equivalent monocultures;
- ◆ **diversify** agricultural production;
- ◆ directly and indirectly increase biodiversity;
- ◆ decrease inputs of fertilizers, pesticides, etc;
- ◆ improve soil **fertility**;
- ◆ protect the soil from erosion and pollution;
- ◆ increase **carbon** stored in the system due to increased biomass.

This system is **particularly well suited to the cultivation of cocoa**, which, by its very nature, can be grown together with bananas, coconuts, and other fruit plants, thereby also contributing to the achievement of social development goals:

- ◆ integration with other productive trees (such as timber and other crops) provides additional income sources;
- ◆ integration with other fruit trees improves food security;
- ◆ by preserving soil fertility and protecting it from erosion, it increases the productivity of the plantation.

21 · Sinclair, 2004.

22 · Ruf F., Zadi H. 1998. Cocoa: from deforestation to reforestation. First international workshop on Sustainable Cocoa Growing, 1998-03-29/1998-04-03, Panama City, Panama / Smithsonian Institute).

In addition, where cocoa is grown under shade, it can also contribute to reforestation. In Latin America, an estimated²³ 85% of cocoa is produced in agroforestry systems²⁴.

*Actions to protect biodiversity and sustainable farming practices are central not only to organic certification, but also to **Fairtrade** and **Rainforest Alliance** certifications.*

IN 2023, THESE INITIATIVES COVERED 17% OF PURCHASED COCOA.



23 · <https://riskmap.fairtrade.net/commodities/cocoa>

24 · Orozco-Aguilar et al, 2021.

PROTECTION OF BIODIVERSITY AT ICAM CHOCOLATE UGANDA

The sites and supply areas of ICAM Chocolate Uganda are located in areas with a high concentration of biodiversity. The use of environmentally friendly farming systems has always been a priority for the Company: the extensive use of organic farming and agroforestry systems are a concrete application of this.

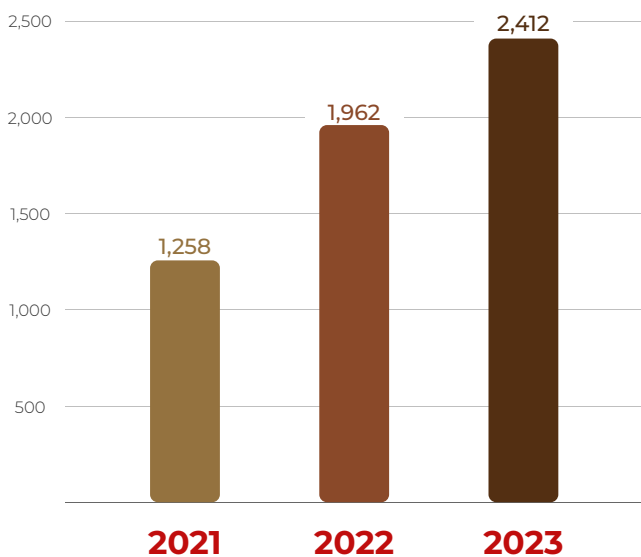


In **Bundibugyo**, the focus has been on **organic** certification, which farmers in the supply chain have been pursuing since 2017. In 2023, there were **5,204 certified growers**, with a total of 5,885 ha. The next certification session is scheduled for June 2024.

This was achieved through ICAM's intermediation with certification bodies and by covering the costs associated with inspections and monitoring activities of farmers who have signed up for organic certification.

COCOA VOLUMES ARE STEADILY INCREASING (+23%),
highlighting this crop's importance in business choices and growers' growing interest in collaborating with ICAM Chocolate Uganda.

TONS OF ORGANIC COCOA PURCHASED FROM ICAM UGANDA



At the **Mukono** and **Hoima** sites, ICAM Chocolate Uganda Ltd has focused its efforts on **Rainforest Alliance** certification: in 2023, the process was completed, covering **all farmers** supplying these two locations.

Project implementation was developed for 711 farmers in Hoima and 478 in Mukono, for a total of about **1,189 farmers involved**.

The project was implemented with the support of Swisscontact to help farmers **improve productivity** through **agronomic training**, with a specific focus on integrated pest management.

THE DRIVE FOR THE IMPLEMENTATION OF AGROFORESTRY SYSTEMS

is one of the main strategies of the pilot project in the Bundibugyo site area, “Sustainable farming”, integrating it with organic farming practices.

The development project has a solid environmental approach. Recognizing the vulnerability of this livelihood to climate change, work is underway to adopt agroforestry systems and basic regenerative agriculture principles.

Tree species selection criteria center on cocoa compatibility, enhancement of local biodiversity, adaptability and availability: among fruit trees, avocado and mango; among tall forest trees, *Prunus africana*, *Maeopsis eminii* and *Calliandra* spp.

These operations are scheduled in 2024 and early 2025.

For more on the partnership and goals, please refer to the chapter “Sustainability governance”, section “Collaboration for sustainability goals”

4.5 COUNTERING DEFORESTATION

DEFORESTATION RELATED TO THE CULTIVATION OF COCOA AND OTHER RAW MATERIALS

CONTRIBUTION TO FOREST CONSERVATION

GRI 302-2A *EU consumption is a significant contributor to deforestation and forest degradation on a global scale. According to the impact assessment, in the absence of appropriate regulatory action, consumption and production in the EU of six commodities (cattle, cocoa, coffee, oil palm, soybean and wood) alone would cause deforestation at an estimated 248,000 hectares per year by 2030.*



ecosystems and habitats. In particular, forests of uniform age under intensive management through clear-cutting and deadwood removal can severely affect entire habitats.

Agricultural activities – including cocoa cultivation – are one of the main drivers of land use change and deforestation.

Forest ecosystems face multiple pressures caused by climate change, ranging from extreme weather phenomena to pests and anthropogenic activities that adversely affect

The European Union has introduced a specific Regulation to address this impact.

Although the cocoa supply chain accounts for only 7.5% of the problem, it has been affected by the European Deforestation Regulation (EUDR) 2023/1115, which entered into force on May 31, 2023.²⁵ The EUDR introduced rules for countering deforestation and forest degradation related to the supply of certain specific commodities and products, including cocoa.

The Regulation establishes a ban on placing on the Union market or exporting raw materials and products that do not meet the following requirements:



being
"deforestation
zero"



having been produced in compliance
with the relevant legislation of the
production country



being accompanied by
a specific statement
of "due diligence"

The Regulation will apply as of **December 30, 2024**.

Faced with these EU requirements, ICAM can leverage:

- ◆ its **commitment to due diligence on the cocoa supply chain** and its direct and long-standing relationships with key suppliers;
- ◆ **a selected supply chain that has always been supported in implementing best agricultural practices**, such as agroforestry systems, which also contribute to combating deforestation and mitigating the impacts of climate change. This is evident from the low incidence of the rate of "Land Use Change" in the Carbon Footprint analysis on Scope 3 in section "Climate change: Combating climate change and commitment to reducing the Company's Carbon Footprint";
- ◆ **a preference for the direct or short channel** for procurement, which covered 53% of purchases in 2023;
- ◆ **existing traceability with certifications, which covered 65% of purchases in 2023;** while they are not fully compliant with EUDR

requirements and therefore require further interaction and more detail, they offer a solid knowledge base: cocoa traceability is strictly required by Organic Certification, as is geolocation of plots; the Rainforest Alliance certification protocol places great emphasis on combating deforestation and includes traceability requirements, including geolocation; during 2023, Fairtrade certification integrated environmental goals into its protocol, initiating GPS data collection and deforestation monitoring.

In the same Due Diligence, ICAM, in collaboration with suppliers along the cocoa supply chain, will verify that these products comply with the legislation of the country of production, including respect for human rights and the rights of the indigenous peoples concerned.

25 · EUROPEAN PARLIAMENT AND COUNCIL REGULATION 2023/1115 of May 31, 2023 on making available on the EU market and exporting from the EU certain commodities and products associated with deforestation and forest degradation.



To fulfill the requirements of the EUDR, in the first half of 2023, ICAM structured an internal

CROSS-FUNCTIONAL TEAM, COORDINATED BY THE SUSTAINABILITY TEAM.

The team has the following goals:

- ◆ **involve and support direct suppliers** (cooperatives, growers and local traders) in collecting geolocation data for each individual cultivated plot;
- ◆ **monitor the compliance status of indirect suppliers/traders**;
- ◆ forge **collaborative relationships with qualified partners**, such as certifying bodies already present in cocoa-growing areas (Organic, Fairtrade, Rainforest);
- ◆ **maintain constant channels of discussion with industry experts** and international organizations to monitor regulatory developments and purchasing policies (UnionFood, legal advisors);
- ◆ **identify specialized consulting firms** and activate contracts to conduct the necessary risk assessments, starting from the collected data: normalize the GPS data received; con-

duct the satellite analysis of “deforestation risk” (based on internationally recognized tools, including Global Forest Watch – World Resource Institute); assign each parcel a compliant/non-compliant/at-risk status; structure the due diligence process, with a monitoring path and, where necessary, a possible mitigation strategy;

- ◆ **integrate the ERP system**, used to track the traceability of the production process and the import authorization codes that will be issued by Customs, as required by the new Regulation;
- ◆ **monitor the progress of the reporting and control system**, updating import/export administrative procedures and documentation accordingly.

Awaiting more operational details from the Legislature,

COLLECTION AND ANALYSIS OF INFORMATION WILL CONTINUE IN 2024,

as well as due diligence on individual Suppliers, with the goal of obtaining a complete picture by 12/31/2024, for customs clearance as of 01/01/2025.

ICAM CHOCOLATE UGANDA: COUNTERING DEFORESTATION

The focus on preserving natural environments, which has always characterized ICAM's presence in Uganda, is now evident in the **low incidence of deforestation-prone cases**.

The three Ugandan sites approach the EUDR with a wide spread of certifications among their

target growers: **organic** in Bundibugyo, **Rainforest Alliance** in Hoima and Mukono.

The "**Sustainable farming**" pilot project will also be a means of countering deforestation.

In 2023, ICAM Chocolate Uganda Ltd

APPROVED THE PURCHASE OF THE **SPECIALIZED PLATFORM FARMFORCE,**

*with the goal of structuring and managing in **full compliance** with the EUDR the data collection of purchased cocoa and full traceability of batches being processed at the three centers. It will be implemented in 2024 and made available to operators dedicated to "buying cocoa".*



4.6 CLIMATE CHANGE



RESILIENCE OF COCOA PLANTATIONS TO CLIMATE CHANGE.

Countering deforestation, protecting biodiversity and combating climate change are closely related goals **addressed by ICAM in conjunction with its social commitment**; one of the tools recognized as most effective in achieving these goals is the implementation of **agroforestry systems**.

These prove to be a practical solution for improving the resilience of plantations to climate change, as well as contributing to the absorption of more CO₂, thus actively contributing to the fight against climate change itself.



COMMITMENT TO REDUCING THE COMPANY'S CARBON FOOTPRINT.

A measurement of the carbon footprint associated with some of our major cocoa supply chains (Uganda and Peru) was conducted between 2020 and 2022 with the support of professionals in the field; **the supply chains analyzed to date have given very encouraging feedback**, also demonstrating that they are concrete tools in combating climate change.

See the section on "Climate Change" in the chapter "Responsibility to the environment" for more details.

This evidence has led us to undertake systematic monitoring of our supply sources, with the dual purpose of 1) assessing their environmental quality as a criterion for selection and strategic purchasing and 2) planning improvement actions where appropriate (i.e. developing **agroforestry systems**) through training, technical support, and/or financial support.

ICAM CHOCOLATE UGANDA: CLIMATE CHANGE



RESILIENCE OF COCOA PLANTATIONS TO CLIMATE CHANGE.

ICAM has further focused on the potential impacts of climate change on the productivity of its supply chain and its ability to adapt, given its central importance to business continuity and livelihood generation for farming families.

“Climate change resilience” is the goal of the “Sustainable Farming” pilot project underway in Bundibugyo.

The implementation of the actions will involve farmers at the local community level, which has been mobilized for joint engagement.

During the risk assessment, the negative impacts of climate change were identified: erosion and loss of soil fertility.

GOOD AGRICULTURAL PRACTICES

– such as mulching – are tools for mitigating effects, and

**WILL BE THE SUBJECT
OF TRAINING AND
DISSEMINATION AMONG
FARMERS IN THE PILOT
PROJECT.**

For more on the partnership and goals, please refer to the chapter “Sustainability governance”, section “Collaboration for sustainability goals”



COMMITMENT TO REDUCING THE COMPANY’S CARBON FOOTPRINT.

The study of the Carbon Footprint of this supply chain has yielded positive evidence: about

1/3 OF THE WORLD AVERAGE

CO₂ emission per kg of cocoa, and

UP TO ABOUT 1/4

when cultivation is organic

(see the section on “Climate Change” in the chapter “Responsibility to the environment”).

GRI 305-3



4.7 RESPECT FOR HUMAN RIGHTS

The cocoa supply chain consists of numerous steps involving a variety of players: growers, brokers and buyers, shippers, manufacturers and artisans, as well as distributors and traders. In addition, cocoa cultivation is highly dependent on intensive manual labor, with high critical issues in terms of respect for human rights and related international standards. Too often growers, including minors, have to endure exhausting



working hours and insufficient pay levels relative to their basic needs.

Ensuring complete monitoring of the entire supply chain is therefore very complex and

multifaceted.

The Supply Chain ESG Risk Assessment conducted by ICAM mapped the highest risk supply chains and suppliers.

HUMAN RIGHTS VIOLATIONS IN COCOA PLANTATIONS OR OTHER AT-RISK SUPPLY CHAINS

Deep knowledge of the historical cooperatives with which ICAM works allows the Company to directly verify that cultivation practices are carried out with full respect for human rights.

ICAM requires all its suppliers (cooperatives, producers and traders) to sign a formal commitment to abide by its **Code of Ethics**.

Aware of the partially critical situation of cocoa cultivation in Côte d'Ivoire and Ghana regarding respect for human rights and forest protection, ICAM has decided, in the case of specific customer requests or special production needs, to consider sourcing from these countries using only approved suppliers who guarantee a transparent supply chain.

In 2023, adherence to the ICAM Code of Ethics covered

97% OF COCOA VOLUMES AND 100% OF MAIN RAW MATERIALS.

In addition, **46% of cocoa** was also accompanied by a specific **social sustainability** certification (Fairtrade, Rainforest Alliance and others) whose standards – supported by strict controls – require producer organizations and companies to submit to rules aimed at safeguarding Human Rights.



RESPECT FOR HUMAN RIGHTS IN CERTIFICATION PROTOCOLS.



FAIRTRADE

requires producer organizations and companies to:

- ◆ comply with regulations designed to combat child and forced labor;
- ◆ ensure a democratic form of organization;
- ◆ create equal opportunities for women;
- ◆ uphold workers' rights and make working conditions safe.



RAINFOREST ALLIANCE

requires growers to establish committees to assess, monitor and mitigate human rights risks and violations:

- ◆ meet social (as well as environmental and economic) criteria for climate-resilient agriculture,
- ◆ share responsibilities.

To address in a structured way upcoming regulatory obligations related to Human Rights Due Diligence, ICAM has joined the “**Business & Human Rights Accelerator**”, a path that **Global Compact** offers companies to guide them from commitment to human and workers' rights compliance to the actual drafting of an action plan to mitigate risks.

The program, which will take place in the first half of 2024, will address:

- ◆ the identification of salient human rights impacts;
- ◆ the establishment of a due diligence process;
- ◆ the integration of policies into processes;
- ◆ the development of an actionable plan capable of impacting the entire supply chain.



EXPLOITATION OF CHILD LABOR IN COCOA PLANTATIONS OR OTHER AT-RISK SUPPLY CHAINS

GRI 408-1 With regard to countering child labor, **Fairtrade** is working in partnership with local governments, NGOs and civil society representatives on a project that goes beyond monitoring and remediation, and involves local communities in an inclusive approach (Youth-Inclusive, Community-Based Monitoring and Remediation system – **YICBMR**).

Another focus in the coming years will be the implementation of a Child Labor Monitoring and Remediation System (**CLMRS**) to monitor children’s involvement in plantation labor.

RESPECT FOR HUMAN RIGHTS AT ICAM CHOCOLATE UGANDA

ICAM is aware of the risks associated with the type of business and therefore pays special attention to ensuring people’s freedom and well-being by taking a socially responsible approach.

Despite the fact that there is no specific legislation on respect for human rights in Uganda, **ICAM upholds its values**, prohibiting within its center any kind of child labor and promoting the education of children and respect for human rights in its employees’ families.

and paid vacations, in accordance with current regulations and collective bargaining agreements: overtime work is voluntary and is not used as a substitute for regular employment;

- ◆ A healthy work-life balance, ensuring employees’ right to rest and leisure;
- ◆ Compliance with the **minimum age in hiring** and child labor legislation, including in the supply chain;
- ◆ **Freedom to join representative trade unions and associations**, ensuring equal treatment in the workplace and the absence of reprisal;
- ◆ Freedom of opinion and respect for others’ opinions.

GRI 408-1 / 409-1

This approach was reinforced during 2023 with

THE UPDATING OF THE “EMPLOYEE CODE OF CONDUCT”

that explicitly covers human rights.

- ◆ Respect for the freedom of all workers, including availability for overtime work;
- ◆ Freedom of movement and employment, without physical restrictions, threats, abuse or seizure of documents;
- ◆ Absence of threats and impositions; respect for physical and cultural integrity;
- ◆ **A clear written contract** that defines and regulates working hours, leave entitlements,

ICAM is especially careful that no incidents of forced and/or child labor occur in operations along its supply chain, and has provided specific training to farmers for this purpose.

In Hoima and Mukono, the child-labor issue is **monitored as part of Rainforest Alliance certification requirements**.

Respect for Human Rights is among the main commitments signed by the partners of the “**Sustainable Farming**” project, and will be addressed from 2024 to 2026 with:

- ◆ the establishment of Codes of Conduct and Due Diligence;
- ◆ the implementation of a CLMRS;
- ◆ provision of field work tools and training to farmers on safety measures;
- ◆ relevant skill development programs for staff.

For more on the partnership and goals, please refer to the chapter “Sustainability governance”, section “Collaboration for sustainability goals”



8. INCLUSION AND EQUAL OPPORTUNITY

ICAM aims towards full involvement of women in its projects such as Farmer’s Field Schools; more the Company recognizes the important role of women in cocoa production as well as in the social aspects of family and community life.

RECOGNITION OF THE FEMALE ROLE AND EMPOWERMENT OF WOMEN IN COCOA-GROWING COMMUNITIES

GRI 406-1b

Women play a **crucial role** in the cocoa supply chain in both the achievement of crop quality and SDG goals, and in particular social goals.



In many cultures, they are still strongly disadvantaged with:

- ◆ lower incomes;
- ◆ less access to basic and technical education;
- ◆ little autonomy in money management;
- ◆ obstacles in land ownership;
- ◆ reduced involvement in their community;
- ◆ religious and cultural limits in participation in decision-making.

They are directly involved in plantation care and harvesting (but not always involved in training sessions). They also take care of managing the family and children. Lacking sufficient support from their husbands and living in conditions of poverty that do not allow for hiring seasonal labor, women often find themselves forced to involve their children in field work during the peaks of the harvest season.

When possible to activate
WOMEN'S EMPOWERMENT,
 it contributes directly to
PROTECTING CHILDREN FROM CHILD LABOR,
 and safeguarding their education and social development.



Achieving gender equality is also a goal of Fairtrade and Rainforest Alliance certifications.

RECOGNITION OF THE FEMALE ROLE AND EMPOWERMENT OF WOMEN AT ICAM CHOCOLATE UGANDA

GRI 406-1b Due to entrenched social norms in the distribution of roles in the community, women are the most active in plantation management (63% women compared to 37% men), but they do not participate significantly in decision-making, hold leadership positions or have ownership rights.

The **Risk Assessment** of the “**Sustainable Farming**” project found that gender equality and women’s participation is **one of the most crucial issues** to address in efforts to improve cocoa productivity, consolidate livelihoods, and achieve resilience development.



As part of the project activities, a gender analysis delved into the dynamics of gender and its correlation with the distribution of roles in agricultural activities.

*In 2023, the project partners then considered prioritizing the topic and integrating among the implementations the **GALS, “Gender Action Learning System”**, a method applied in the field of*

SOCIAL TRANSFORMATION TO ADDRESS GENDER ISSUES.

This approach develops new visions for relations between women and men as equals (based on the United Nations Convention on the Human Rights of Women) and promotes rebalancing in the **distribution of roles** at the individual, family, and community levels: it identifies a few “**champions**” and engages entire communities in an inclusive and participatory process to promote

gender equality and empowerment of women in rural areas.

The implementation of this tool – which will take place in 2024 – has been entrusted to **Solidaridad**, a project partner specializing in social impacts.

Expected impacts include:

- ◆ The level of women’s participation in training courses and community meetings;
- ◆ The number of women who acquire a **leadership position** in their farmer group;
- ◆ The improvement of women’s **skills** both in agricultural practices and leadership;
- ◆ Change in gender and social norms, such as: increased joint **decision-making** in families and communities; women’s access to and control over productive resources; **division of labor** within families and communities; and awareness and understanding of gender issues among community members.

Special attention will be paid to **delivering technical training** on agricultural practices to joint groups of men and women to create awareness of women’s legitimate involvement in labor management and decision-making processes.

In addition, in 2023, ICAM Chocolate Uganda initiated support to farmers in **establishing farmer groups**, both for field organization of “Sustainable Farming” project activities and in accordance with the updated organic protocol.

In establishing farmer groups, the Company will stimulate women’s participation by proposing that

ONE OF THE THREE LEADERSHIP ROLES BE RESERVED FOR WOMEN.



For more on the partnership and goals, please refer to the chapter “Sustainability governance”, section “Collaboration for sustainability goals”

4.9 IMPACT ON THE LOCAL COMMUNITY



Since the first trips in the 1970s, ICAM has established a strong and fruitful relationship with a number of farming communities aimed at creating lasting and profitable partnerships.



Over the years, ICAM's increased involvement in the dynamics and reality of supply chains has brought about a change in the management of such collaborations: from business relationships to genuine community support,

BECOMING AN ENGINE OF DEVELOPMENT FOR THE ENTIRE LOCAL COMMUNITY.



SOCIAL AND ECONOMIC DEVELOPMENT OF LOCAL COCOA-GROWING COMMUNITIES.

ICAM has a long and intense history of skill transfer, support for quality achievement, and investment in cooperatives in Central and South America.

GRI 203-2 Since the 1980s ICAM has partnered with the Conacado Cooperative with which it has implemented a strict specification for the selection, fermentation and **quality of organic cocoa.**

A plaque of recognition received in 2008 embodies this:



"As a token of our eternal gratitude for serving CON-ACADO as our first trading partner and for your crucial support in positioning Dominican cocoa in the world market."



Learn about our approach to the sustainable supply chain from the words of our partners and our President.



GRI 203-1b

In particular, ICAM has always been attentive in offering its support in the management of emergency issues, seeking, as much as possible, to contribute and **generate positive impacts for local Communities.**

During 2023, ICAM leveraged its **oversight of the supply chain** with

THE ENGAGEMENT OF SEVERAL CUSTOMERS IN COMMUNITY-BASED INFRASTRUCTURE PROJECTS,

capable of generating positive impacts for all members, and developing the demands of local Communities.



- ◆ The construction of an **aqueduct in Peru** for one of the villages of a cocoa supplier cooperative for the customer's products. The project involved rehabilitating a disused reservoir, building an additional reservoir and laying piping for distribution to the community;
- ◆ The project **for a dark water management system in Peru** (implementation in the first half of 2024) for the village community of one of the cocoa supplier cooperatives;
- ◆ An exploratory project to build two **cocoa storage warehouses** at two Fairtrade cooperatives in **Sierra Leone** (implementation in 2024).

In addition to direct actions, ICAM positively impacts local community development through the purchase of cocoa and raw materials that are certified by Rainforest Alliance and Fairtrade, organizations that provide a premium to farmer communities, as well as supporting econom-

ic growth through training on best agronomic practices to increase crop yields.

In particular, the use of the Fairtrade Premium supports the development of the local community: part of the Premium is disbursed to growers as an income supplement (SDG1 – poverty alleviation) and part was

ALLOCATED TO SPECIFIC REQUIREMENTS OF LOCAL COMMUNITIES,

*identified and prioritized according to local needs and a **democratic process.***

- ◆ In **Peru and Ecuador**, 64% of the Premium is mainly spent on providing **agricultural tools** and inputs, improving agricultural **practices** and **structures** to increase product and crop quality;
- ◆ In the **Dominican Republic**²⁶ investment continued in **community infrastructure** with a focus on roads and energy infrastructure;
- ◆ In **Sierra Leone**, most of the Premium has been directed toward providing **tools and infrastructure to growers.**



ICAM's activities also positively impact sugar supply chains:

- ◆ in **Paraguay**, 70% of the Premium was mainly invested in human resources and provision of agricultural tools and inputs;
- ◆ in **Mauritius**, 20% of the Premium was used to support productivity;
- ◆ in **India**, almost all of the Premium was invested to benefit the community, in the provision of agricultural tools and fertilizer to support productivity, school facilities, disease prevention, and access to clean water and sanitation.

26 · This figure refers to Dominican cooperatives, not just those supplying ICAM.



SIERRA LEONE FOCUS: EXAMPLE OF FAIRTRADE COOPERATIVES

GRI 408-1 / 409

	Agri-Leone Cooperative Society Limited	Munafa Cocoa Farmers Cooperative Society	Strong Roots Cooperative Society Limited
Year of foundation	2019	in 2010 after the civil war	2019, Fairtrade certified in 2022
Members	1,500 = 1,131 men + 369 women special attention to vulnerable, elderly and disabled farmers (45 members with disabilities)	2,552 = 2,008 men + 544 women	2,000 = 1,586 men + 414 women
Area	Kailahun District: Malema, Mandu and Peje West Kenema District: Nongowa	Kenema District: 8 “chiefdoms”	Kenema and Kailahun Districts: 6 “chiefdoms”
Other crops	Palm oil	Palm oil	Palm oil
NOTES	<ul style="list-style-type: none"> · health center · well for access to drinking water · warehouse to improve cocoa quality · nurseries to support members in increasing cocoa yields, especially for less productive farms - Members have motivated other farmers to join the cooperative 	<ul style="list-style-type: none"> · Established through the Rural and Private Sector Development Project (RPSDP) supported by the World Bank and the government of Sierra Leone to promote the production, processing, and marketing of specific agricultural crops, including cocoa 	

ICAM CHOCOLATE UGANDA

GRI 203-2

The establishment in 2010 of **ICAM in Uganda** with a first operational subsidiary in Bundibugyo was focused on partnership and inclusion, local skills development, and supporting farmers to increase plantation profitability.



a process that extensively involves local communities, leaders, and growers – including vulnerable groups (particularly, women and the poorest and most marginal) – in assessing impacts.



THE PROJECT HAS BECOME AN ENGINE FOR DEVELOPMENT OF THE REGION

generating pride in the community for being part of this initiative; this then spurred ICAM to open sites in Mukono and Hoima.

A driving force for the local area's socio-economic development. Learn about the establishment of ICAM Chocolate Uganda



The development program aims to impact and transform the structure of the local community with **GALS** (Gender Action Learning System) and **VSLA** (Village Savings and Loan Association) tools, which

PROMOTE CHANGE, ACTING AT THE LEVEL OF LOCAL GROUPS AND COMMUNITIES.

GRI 413-1b

The current pilot project “**Sustainable Farming**” is the evolution of this effort. It has been studied and will be implemented following the **PIP** (from the French, Plan Intégré du Paysan) **methodology**, in

ICAM Chocolate Uganda will act with its **Governance lever in the social transformation** of the supply chain by changing cocoa procurement procedures: from 2025, purchases will be made from **farmer groups** (now being established) and no longer from individuals. Small growers will therefore be encouraged to establish their **own** robust **community organization**, validated by local authorities.

For more on the partnership and goals, please refer to the chapter “Sustainability governance”, section “Collaboration for sustainability goals”

5.

COMMITMENT TO INNOVATION

Commitment to offering the highest quality product is one of the main development drivers for ICAM.

GRI 2-1 In-depth **knowledge** of the raw material, production **technologies** and technical/regulatory requirements, comprehensive management of the agricultural and production **chain** and a **state-of-the-art factory** with **4.0 technologies** are the pillars of the Company's know-how.

The Company invests in the skills and resources needed to promote process and product **innovation**, while ensuring **safety** and healthiness. This approach allows ICAM to create unique products that meet the most demanding customer requirements and represent the **excellence** of "Made in Italy".



5.1 CONSUMER SAFETY: IMPACT ON HEALTH

Product safety and quality play a critically important role in ICAM's tireless quest for improvement and innovation in the food industry.

GRI 416-1

Conscious of this, ICAM pays great attention to the quality of its products and strives to ensure compliance with the highest levels of food safety, **combating fraud** (sanitary and otherwise) on 100% of product categories.



The soundness of the system is further confirmed by the complete **control of critical factors** that can affect the health and safety of food products.

ICAM's product quality and safety policy is based on the principles of **prevention, accountability and transparency**, and consists of adherence to **self-control** measures aimed at constantly verifying products' **authenticity** and **integrity**. Moreover, ICAM maintains a system of guarantees through the establishment of corporate control procedures, which are periodically updated based on **technological progress, regulatory** developments and experience. The implementation of this policy is based on two basic principles:

- ◆ systematic and continuous **prevention** of the occurrence of **non-compliance**, which could damage the quality, safety and legality of products, caused by both internal and, as far as possible, external factors;
- ◆ **reduction**, if not total elimination, of consequential **risks** and any critical issues that may arise, through careful handling of complaints and reports.

To ensure compliance with these principles, ICAM has established a **Food Safety Team** responsible for developing, implementing and maintaining the quality and safety policy.

In 2023, there were no documented violations, nor were any sanction orders issued regarding regulations or regulated standards. For transparency, we report 2 "alert" incidents through RASFF²⁷ related to the alleged presence of heavy metals in cocoa powder: one was withdrawn as "non-existent", and the other is still being evaluated.

GRI 416-2



27 · EU Rapid Alert System for Food and Feed.

5.2 SUPPLY CHAIN TRACEABILITY: FOOD SAFETY AND PRODUCT QUALITY

ICAM has always supported the importance of quality certifications as a crucial tool for ensuring compliance and communicating relevant information to stakeholders in the industry in which it operates.

The implementation of certification standards, such as **ISO 9001** for quality management systems and **BRC** and **IFS** for food safety, actively supports self-control and risk prevention activities related to food quality and safety.

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



ipes, all useful production-related information and critical process points, ensuring complete product **traceability**.

To complement the internal control system, particularly for the management of information and activities related to raw materials and suppliers, a **new platform** to automate and simplify the information flow of and with suppliers was developed in 2023. The platform supports:

*There is a **dedicated team** in the Company to ensure alignment with the best technical and hygiene practices, starting*

WITH SELECTION OF INGREDIENTS TO CONTROL OF THE FINISHED PRODUCT.

All key steps in production are designed to ensure **respect for** the **sensory** characteristics of the raw material and to enhance the distinctive **aroma** and **taste**, always in compliance with the strictest food and safety regulations. The achievement of technical standards is attested by a group of **experts**– including a **panel of** specialized **tasters** – who conduct dozens of tests daily aimed at ensuring the regularity of each production batch.

The entire cocoa processing cycle is monitored through **supervision** systems for all **process** units, which manage and store the different rec-



Specification management, combining the results of different risk assessments and identifying the risk level of the individual supplier;



Rapid updating in the event of an emerging hazard alert, promptly notifying affected companies;



Notification of certification deadlines;



Assessment of the need for audits.

ICAM's robust control system, which includes monitoring of the entire production chain and independent verification by control authorities, agencies and certification bodies, has always been aligned with the "**Farm to Fork**" strategy at the heart of the European **Green Deal**, which aims to make food systems fair, healthy and environmentally friendly.

In order to make the
COVERAGE OF ANALYSES
EVEN MORE INCLUSIVE,

most are carried out directly on the cocoa and ingredients before used in all recipes.

This element becomes particularly relevant in the analysis of chemical contaminants such as pesticides, heavy metals, microtoxins, aromatic hydrocarbons, etc. Full management of the risk of cross-contamination with allergens or pathogenic microorganisms is objectively reflected in the consistently negative results of analytical tests performed on finished products.

As a result of numerous analyses related to pesticides conducted in 2023, **the most virtuous supply chains were identified**. This allowed fewer

tests to be conducted to verify the suitability of **organic** cocoa batches (pesticide tests: -27%).

ICAM also constantly monitors trends in the amount of cadmium in cocoa (though naturally present in the environment), mapping situations as accurately and extensively as possible to comply with legal limits.

Special attention and in-depth analyses are conducted when assessing the origins of cocoa from new geographical areas.

COMPLIANCE ANALYSIS - Tests conducted on the quality and safety control of raw materials, semi-finished and finished products

RAW MATERIALS	UOM	2021	2022	2023
Pathogens	no.	794	861	924
Mycotoxins	no.	372	966	686
Pesticides	no.	1,228	6,892	5,045
GMO	no.	76	98	98
Total tests on raw materials	no.	2,470	8,817	6,753
SEMI-FINISHED AND FINISHED PRODUCTS				
Microbiological testing	no.	10,325	8,485	9,050
Pathogens	no.	1,600	1,772	1,576
Cadmium	no.	1,762	1,797	1,562
Allergens	no.	1,624	2,183	2,065
Filth test	no.	35	25	53
Total tests on semi-finished and finished products	no.	15,346	14,262	14,306

In 2021, ICAM introduced a **safety analysis and regulatory oversight plan**, certified by a third party, to improve transparency and counter the

decline in confidence in self-certification. In 2024, the control plan will also be extended to purchased ingredients.

28 - The number of microbiological analyses was reduced compared with largely compliant results in previous years.

29 - The increase was driven by the validation process of the new line of Dairy Free (lactose and milk protein free) toppings.

5.3 TECHNOLOGY, DIGITALIZATION AND INNOVATION



ICAM constantly strives to ensure customer and consumer satisfaction by implementing a series of measures that can reduce product timelines and discrepancies and improve overall efficiency.



REDUCTION OF PRODUCT DISCREPANCIES

Over the past three years, there has been a gradual increase in the number of complaints, including those considered critical (+5%).

Sales data show that there is a direct correlation between complaints trends and **sales growth** in the “**premium**” and “**gourmet**” sectors, reflecting this customer target’s higher demands and expectations in terms of quality.

It is important to note that this statistic also considers complaints that cannot be attributed to ICAM due to poor product storage.



COMPLAINTS RECEIVED

	UOM	2021	2022	2023
Non-critical complaints	no.	132	167	178
Critical complaints	no.	36	48	67
Total complaints	no.	168	215	245
Complaints per million consumer units sold	no.	0.60	0.62	0.78



INCREASED EFFICIENCY

In 2023, production facilities operated with an average saturation ratio of 80%, ensuring efficient use of resources and leaving an immediately available margin to accompany volume growth. Investments in 2022, including the installation of a second line for the production of semi-fin-

ished products (toppings) and the upgrading of the planning structure, resulted in significant **improvements in service levels**, exceeding historical results.

QUALITY INDICATORS

	UOM	2021	2022	2023
Customer service ³⁰	%	90.66	90.82	96.08
Costs of external non-quality ³¹	%	0.07	0.13	0.10

INFORMATION AND INFRASTRUCTURE SECURITY

In recent years, significant emphasis has been placed on “security”, not only in relation to “Food Defense”, but also in IT and infrastructure contexts. For this purpose, a specific **SECURITY TEAM** has been set up, dedicated to implementing additional security measures:



CYBER SECURITY:

collaborating with specialized companies and conducting simulation tests of attacks from outside, the team focused on identifying and fixing vulnerabilities, particularly by strengthening antivirus systems.

In addition, more restrictive password management policies have been adopted and checks have been made on employees’ personal computers during smart working activities.



INFRASTRUCTURE SECURITY:

several improvements have been introduced, including: badge with photo ID, personal information, and indication of the restricted area that each individual is authorized to access.

During 2023, implementations focused on strengthening the following areas:

- ◆ Suspicious email screening policy.
- ◆ Monthly courses on cyber-security to improve employees’ awareness of the issue.
- ◆ Access management, through doors equipped with badge opening (TAC system), allowing monitoring in real time of authorized access, preventing unauthorized access and recording access attempts.

30 - No. of order lines processed on time / no. of order lines requested.

31 - Costs incurred due to non-quality causes / turnover.



SATISFACTION OF CUSTOMERS AND CONSUMERS

ICAM stands out in the market for its ability to meet customers' needs through the creation of **customized recipes**, the result of skills acquired over the years through constant research and development. ICAM's presence in markets demonstrates its ability to meet the requirements of even the most **demanding** customers in all market segments, including the **premium** segment. The Company's **know-how** is embodied in the so-called **"recipes"** for the production of different types of semi-finished and finished chocolate products: the recipes define the ingredients, quantities, sequence of use, temperatures, times and all the technical parameters of the equipment used at each stage of production, from the management of the raw material warehouse to the management of product inventories.

ICAM is equipped with **its own advanced R&D laboratory**, which, thanks to its ability to analyze market needs and identify the best recipes, can effectively respond to customers' demands. Continued investment in R&D included the purchase of equipment and **facilities** for **pre-production sampling** and **testing** in 2023.

Due to its high product customization capacity and total control of the supply chain, ICAM is recognized as a supplier of **premium** products with distinctive **ethical** and **technical-quality** content, valued by international distributors and customers.

Pursuit of maximum customer satisfaction is central to the Company's mission, essential for establishing lasting relationships in the B2B market.

In 2023, despite uncertainties related to the particular historical moment, there was an upswing in the development of new recipes, with a focus **on low-sugar chocolate**.



RESEARCH AND DEVELOPMENT ACTIVITIES

New recipes developed	UOM	2021	2022	2023
Customer request	no.	617	336	415
Internal request	no.	117	86	71
Total	no.	734	422	486
Responsiveness				
Recipes developed / Customer recipe requests	%	97.01%	96.00%	95.88%
Recipes developed / Internal recipe request	%	84.78%	83.49%	95.55%
Recipes developed / Total recipe requests received	%	94.83%	93.16%	95.72%

5.4 PROMOTION OF A HEALTHY LIFESTYLE: OFFERING HEALTHY AND NATURAL PRODUCTS

An increasing number of consumers prefer food that is free of specific substances simply for the perceived health benefits, regardless of whether they suffer from food intolerances or allergies.

This trend, which emerges from recent studies, is part of the search for products that support a **healthy** lifestyle that is also more mindful about **sustainability** issues.



additives) and those with **low sensory harshness**.

The important contribution of the ICAM Quality structure toward **Sustainable Development Goals** lies in the implementation of best practices borrowed from certifications:

Products that meet this need include **coconut sugar**, **vegan** products with plant-based milk substitutes, **clean label** products (no soy/no



Organic certification for protection of the **environment** and **health**.

The organic production specification stipulates permissible agronomic, phytosanitary and process practices, as well as the exclusive use of certified raw materials.



Vegan certification promotes the **preservation of resources and respect for animals** and enhances quality through the exclusion of ingredients and processing aids of animal origin during the production process.



Fairtrade and Rainforest certifications for traceability and sustainability throughout the supply chain. Both ensure that products meet fair trade standards, thereby promoting producers' development.



Gluten-free and lactose-free products embody a model of inclusivity and social sustainability that necessitates attention, awareness, and innovation geared towards improving quality of life for consumers both with and without these food intolerances.

ICAM supports the growing production of **“free-from”** products and products with distinctive characteristics with continuous investment in production facilities to improve segregation. In 2023, **new** paste storage **tanks** were installed.

For 2024, there are plans to pursue protein chocolate recipes and explore the application potential of oat syrup.

SEARCH FOR ALTERNATIVE INGREDIENTS

During 2023, ICAM was engaged in two main lines of development in this area:

SUGAR SUBSTITUTES

ICAM has been addressing the issue of partially or completely replacing sugar with other sweeteners for years, an endeavor that represents a challenge on both a sensory and technological level.

In its historic range, ICAM offers chocolates without added sugar, using maltitol as a sweetener. In recent years, in response to innovative customer requests, the Company has developed recipes using coconut sugar.

In 2023, ICAM developed a chocolate with **reduced sugar content** (target -30% compared to a similar traditional product), using fiber such as inulin.

MILK POWDER SUBSTITUTES

The main challenge is to identify an appropriate milk substitute, such as oat or rice syrup, and the most suitable type for chocolate production. These ingredients differ in the percentage of dextrose equivalent, which affects the taste and color of the chocolate, especially for the “milk chocolate” target.

Starting in 2023, suppliers were involved in identifying the appropriate type of oat syrup for the development of three chocolate recipes with 63% to 47% cocoa oats.

**COMBATING GREENWASHING:
RESPONSIBLE LABELING AND COMMUNICATION**

ICAM is committed to responsible, prudent and transparent communication that goes beyond regulatory requirements and is aimed at building trusting relationships with consumers.

This practice includes claims used in marketing activities and product information on packaging.

ICAM’s new policy against food fraud (Food Integrity Policy) reflects an unwavering commitment to consumer respect that transcends mere compliance with regulations.

Labels provide details on product origin, composition, certifications, and nutritional and environmental characteristics, as well as packaging disposal directions, enabling consumers to make informed choice.

ICAM is also committed to providing transparent information—beyond legal requirements—that supports end consumers in choosing products that suit their tastes and lifestyles.

This responsible approach is also reflected in ICAM’s advertising campaigns and in all communication channels used (TV, web, social media, etc.).

6. RESPONSIBILITY TO THE ENVIRONMENT

gins with meticulous selection of the best cocoa plantations offering the finest raw material. **Nature** is, in fact, the greatest resource and secret of ICAM's success.

The Group supports international initiatives pro-

sustainable development and protection of **bio-diversity** and **forests**, such as the 1992 **Rio de Janeiro Declaration** on Environment and Development and the **precautionary principle** (no. 15)³².

6.1 CLIMATE CHANGE: COMBATING CLIMATE CHANGE AND COMMITMENT TO REDUCING THE COMPANY'S CARBON FOOTPRINT



Starting in 2020, ICAM initiated a process to **calculate** and **monitor** its **Carbon Footprint**, in collaboration with **Carbonsink**, a specialized external company. This activity, which complies with **UNI**

EN ISO 14064 standards and the **Greenhouse Gas Protocol**, made it possible to calculate the direct (Scope 1) and indirect (Scope 2 and Scope 3) emissions of ICAM S.p.A.³³ for 2020.



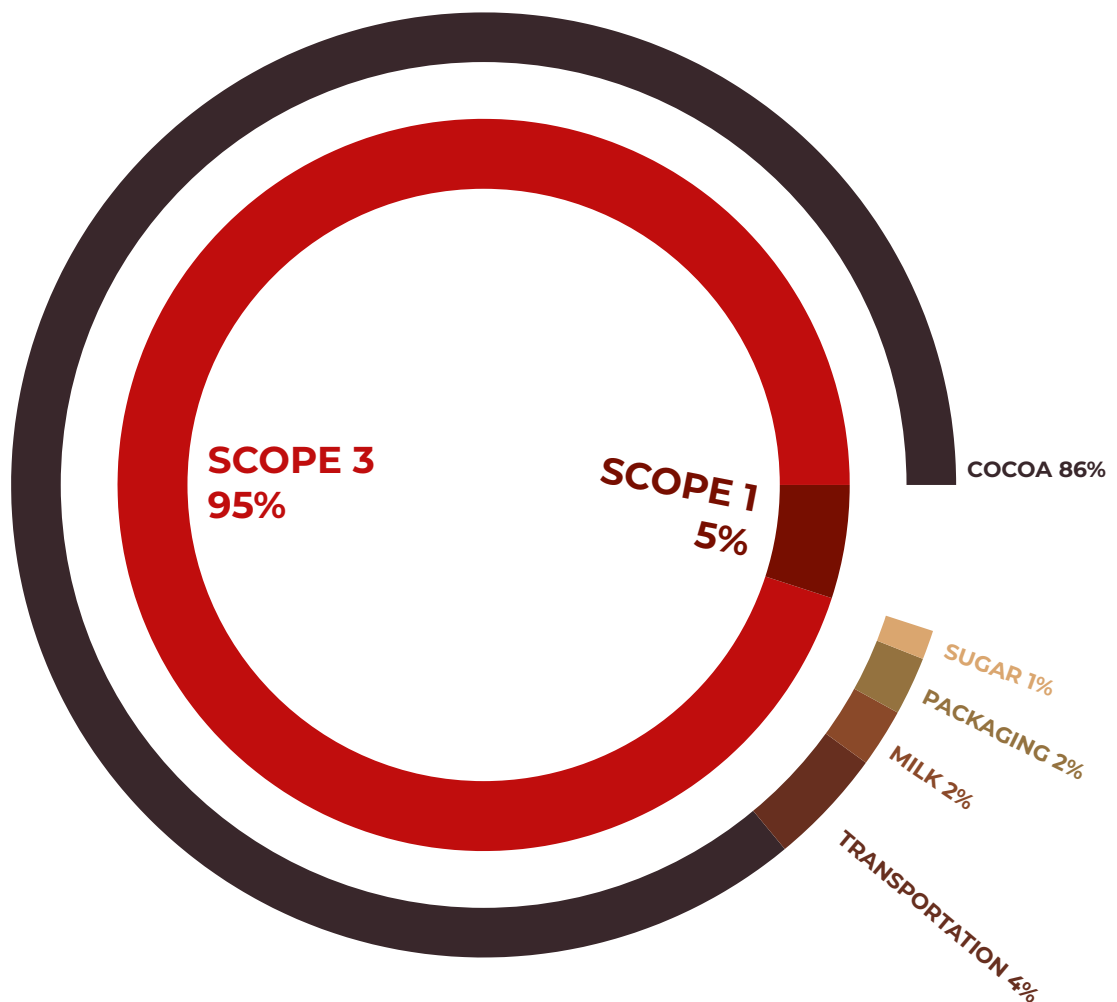
32 - "In order to protect the environment, States will widely apply the precautionary method according to their capabilities. Where there are threats of serious or irreversible environmental damage, a lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.", Rio Declaration on Environment and Development, 1992

33 - Other Group Companies were not included in the assessment for determining the carbon footprint because their impact was assessed as negligible.

The analysis showed that the most significant **Carbon Footprint** item relates to the Scope 3 category (95%), of which

PURCHASED INGREDIENTS APPEAR TO BE THE PREDOMINANT SOURCE OF EMISSIONS.

Of these, the cocoa growing stage alone contributes more than 86% of the Group's emissions, followed by transportation (4%) and other purchased goods: milk (2%), packaging (2%) and sugar (1%).



“Carbon footprint” is a measure that expresses in CO₂ equivalent the total **greenhouse gas** emissions associated directly or indirectly with a product, organization or service. It therefore represents the “measure” of the environmental impact generated with respect to global warming.

SCOPE 1

GRI 305-1 During 2023, ICAM's direct emissions (Scope 1), mainly related to the consumption of methane used for the Orsenigo trigenerator, amounted to 10,991 tCO₂eq.

Since 2020, ICAM has taken several initiatives to mitigate its direct emissions. These measures include revamping of the trigenerator, separation of steam circuits, and replacement of boilers, co-generator economizer and alternator. Engine maintenance is planned for 2024.

In addition, an emission abatement unit (urea-based) was installed, which further contributed to the reduction of the site's environmental impact by removing CO and Nox (greenhouse gases) from the exhaust. It should be noted that at the Lecco site, ICAM initiated a production plant decommissioning process, completed as of 12/31/2023, which has resulted in a gradual decrease in emissions.

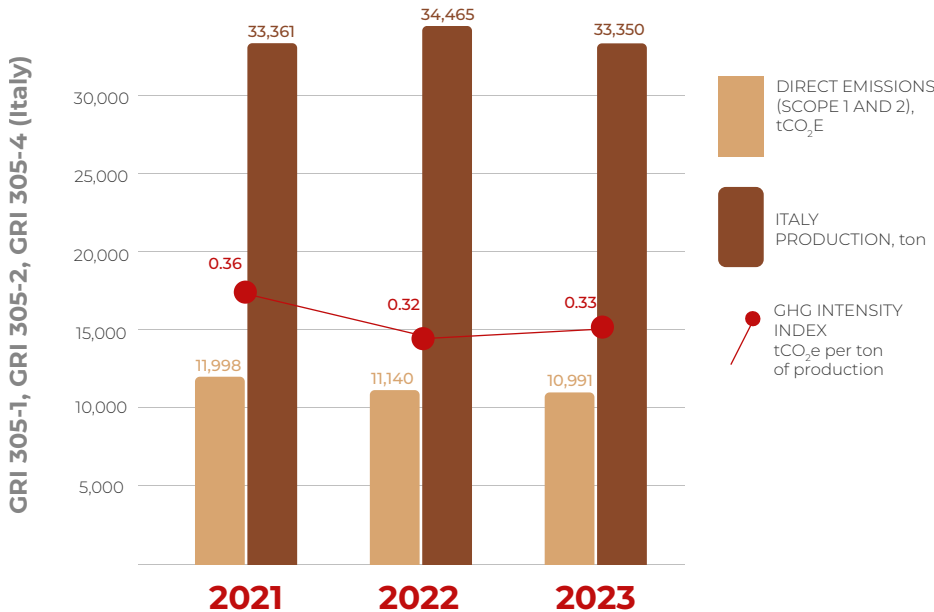
In 2023, operations focused on replacing the **ENERGY TOTALIZERS** and the co-generator economizer, boiler, and alternator.

SCOPE 2

GRI 305-2 Thanks to the 100% purchase of electricity from renewable sources for the Orsenigo and Lecco sites implemented in 2021, indirect emissions (Scope 2 – market-based) were reduced to zero, from 2,572 ton CO₂eq in 2020 to 0 ton CO₂eq in 2021.

Overall, in 2023 **ICAM REDUCED ITS SCOPE 1 AND 2 EMISSIONS** by 20% compared to 2020, including 1.34% in 2023.

GHG INTENSITY INDEX
tCO₂e PER TON OF PRODUCTION



The emission intensity index (calculation of combined Scope 1 and Scope 2 in relation to overall chocolate production) is steadily diminishing thanks to reduction measures and production optimization. Since 2020, this index has been reduced by 27%, remaining essentially **stable in 2023**.

SCOPE 3

For the food sector, Scope 3 accounts for over 90% of the total environmental impact, while for ICAM, this percentage rises to 95%, of which 86% can be attributed to cocoa.

Initially, a global average emission factor from cocoa literature (10.8 kg CO₂eq/kg) was used for cocoa in 2020, which proved to be unsuitable for the distinctive characteristics of ICAM's supply chains.

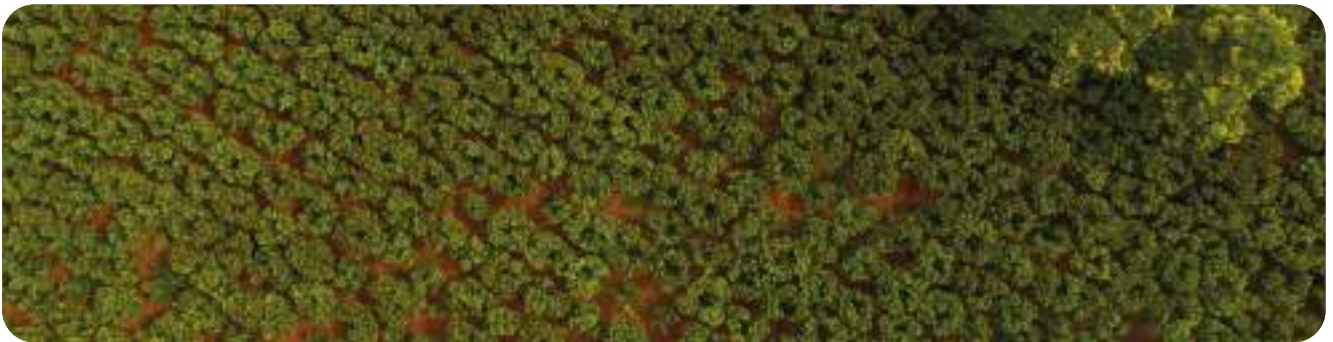
To address this critical issue, ICAM initiated a project with Carbonsink to calculate, through Life Cycle Assessment, the emission factor of cocoa for the most relevant supply chains, starting with Uganda in 2021 and continuing with Peru in 2022. This approach made it possible to scientifically and comprehensively identify the "virtuous" elements of ICAM's supply chains, especially those of the organic sector.

ICAM intends to extend this study to other origins in order to manage supplies while considering the CO₂ footprint, using primary data.

For more details on the analysis conducted, see the box "Life Cycle Assessment of Uganda and Peru supply chains".

The "**Sustainable Farming**" project, approved in 2022, aims at further reductions in the environmental impact of the Uganda supply chain, with a focus on analyzing possible impacts related to deforestation and identifying potential optimization of agronomic techniques (i.e. agroforestry) in order to maximize efforts to conserve biodiversity.

For more information on the benefits of agroforestry systems and the "Sustainable Farming" project, see the chapter on the Supply chain.



LOGISTICS AND TRANSPORTATION MANAGEMENT

Also under Scope 3, in order to adopt a responsible business model that also takes into consideration employee travel, ICAM has adopted a new Car Policy, introducing low-emission (Plug-in Hybrid) cars to the car list.

To support the adoption of hybrid cars, the Company has installed fast-charging stations in Company parking lots to allow employees to charge electric cars daily during working hours.

Another significant initiative implemented in 2023 was the creation of a logistics hub near Lambrugo to optimize the flow of product distribution to customers.

This eliminated the need to use shuttles for the 17 km travel between storage and shipping warehouses.

LIFE CYCLE ASSESSMENT OF UGANDA AND PERU SUPPLY CHAINS

The cocoa supply chain has the highest impact on ICAM's Carbon Footprint. To reduce it, the Company initiated a specific study aimed at understanding the differences in emission factors in various supply areas. The survey scope was between the plantation and the distribution centers.

The survey of the first supply chain, Uganda, showed an average point emission factor of about 3.1 kg CO₂eq/kg, which is significantly lower than the overall average emission factor reported in the cocoa literature (of about 10.8 kg CO₂eq/kg), confirming the virtuous nature of ICAM's supply chain.

The main predominant factor in differentiating the Ugandan supply chain from the global average is the impact of Land Use Change – that is, the transformation of land from “natural” use (e.g., forests and wetlands) to “semi-natural” use (e.g., crops). In fact, deforestation in the Ugandan cocoa supply chain appears to be limited compared to other geographical areas and the impact determined more by past land use change³⁴.

Another relevant hotspot identified is fertilizer use, which can be further reduced by monitoring application efficiency and effectiveness. Improving crop residue management and organic specification also reduce the incidence of emissions.

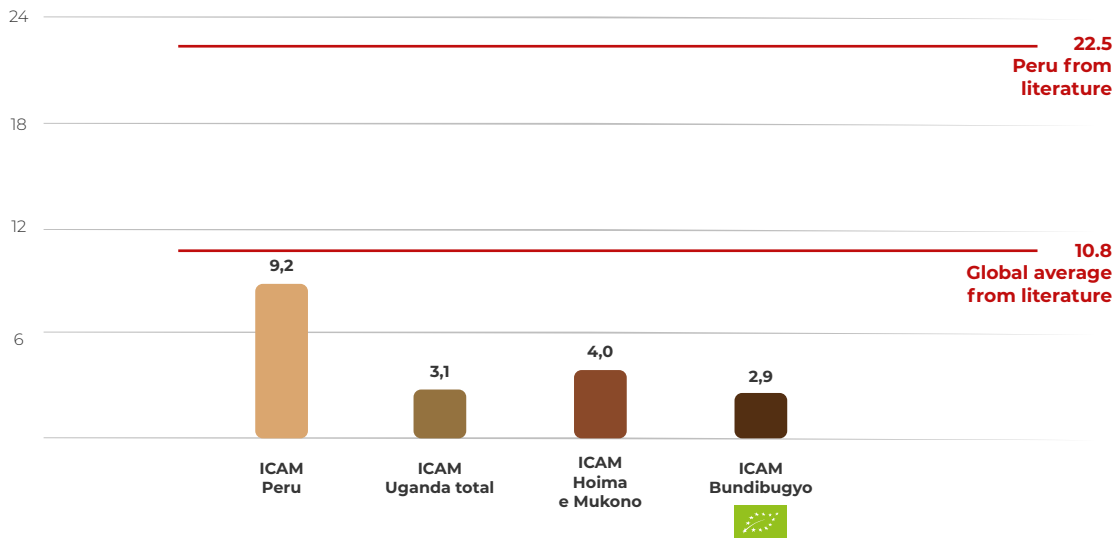
The Ugandan supply chain study also clarifies the environmental benefit of an organic cocoa supply chain. In fact, a comparison of the Ugandan centers shows that the emission factor of Bundibugyo (2.9 kg CO₂eq/kg) – at which much of the cocoa grown is organic – is lower than that of Hoima and Mukono (4 kg CO₂eq/kg) – at which conventional cocoa is grown – and is almost a quarter of the global average.

The study then went on to investigate the Peru supply chain, covering a sample of about ten supplier cooperatives. Although this context is more affected than Uganda (Peru country average: 22.5 kg CO₂eq/kg vs. 10.8 kg CO₂eq/kg global figure), due to the higher incidence of Land Use Change (responsible for 76% of the impact), the virtuous approach in ICAM procurement is confirmed.

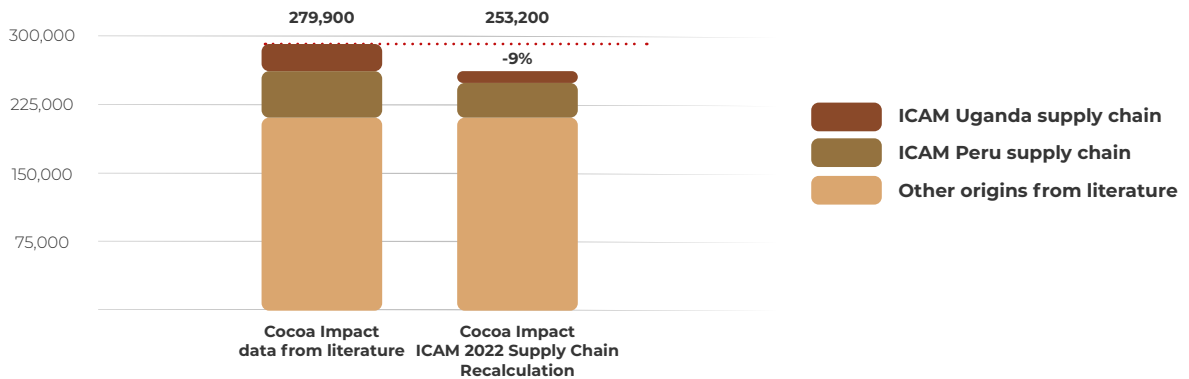
In fact, the impact of the Peruvian ICAM supply chain appears to be 40% of the impact defined by literature for the country, and just below the global average. The Peru supply chain analysis also confirms how the use of organic fertilizers affects the emission factor, reducing it. It also emerges how virtuous management of crop residues helps curb CO₂ emissions: best practices are to compost them, or incorporate them into the field.

34 · In measuring the impact of deforestation, the 20 years prior to reporting are considered.

AVERAGE EMISSIONS FROM THE COCOA SUPPLY CHAIN (KG CO₂ EQ/KG) 2022



RECALCULATION OF THE IMPACT OF ICAM SUPPLY CHAINS ON THE CARBON FOOTPRINT OF ICAM COCOA (ton CO₂ eq)



In conclusion, the scientific analysis confirmed that the environmental impact of ICAM's approach to cocoa sourcing is much lower than the average for global cocoa production.

Applying the new Factor to Uganda and Peru Cocoa (about 30% of the cocoa purchased in 2022) shows that the Carbon Footprint of cocoa farming in 2022 was about 253,000 ton CO₂eq, which is 9% lower than what was calculated through average market data (about 280,000 ton CO₂eq).

The introduction of LCA analysis identifies an improvement in the measurement of ICAM supply chain impact and an improved and more precise measurement of the latter, which is 9% lower than using average values.

6.2 ENERGY MANAGEMENT AND EFFICIENCY: REDUCING DEMAND



The Orsenigo production site combines technological requirements, related to strict industry regulations, with functional needs and construction logic, all while respecting the environment.



In designing the industrial site³⁵, ICAM was inspired by **three** strategic **elements** in cocoa production: **functionality, traceability and environmental sustainability**. This led to the creation of a fully automated production plant that ensures **traceability** of every process while doubling en-

ergy efficiency compared to its predecessor. The main innovation introduced is the trigeneration plant, which simultaneously generates electricity, steam and chilled water from a single energy source.



GRI 304-2

The trigenerator plant makes it possible for much of the needed energy for the Orsenigo plant's production process to be obtained in an autonomous and highly efficient manner.

In **2023**, **74.34%** of purchased methane fueled the **trigenerator**.

The remaining energy needs were met by purchasing electricity from the national grid, which from 2021 comes exclusively from renewable sources.

A net reduction in purchased electricity resulted from the divestment of production activities at the Lecco site, which were entirely transferred to Orsenigo. From **January 2024**, the Lecco site's energy consumption will be related solely to the store.

ENERGY RESOURCE MANAGEMENT WAS OPTIMIZED IN 2023,

evidenced by an increase in self-consumption in relation to production volumes, resulting in a decrease in electricity purchases and sales.

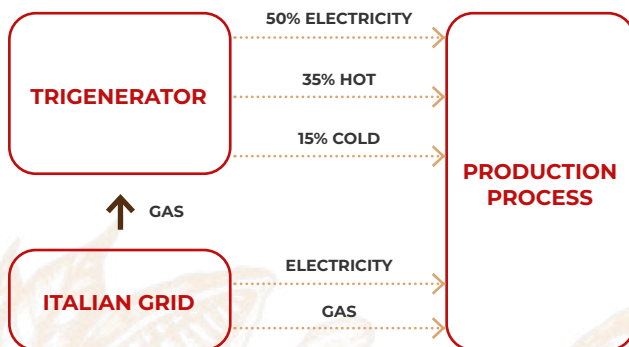
35 - Activated in 2010.

GRI 302-1: ENERGY CONSUMPTION WITHIN THE ORGANIZATION - Italy total	UOM	2021	2022	2023
Electricity purchased from non-renewable sources (A)	GJ	0	0	0
Electricity purchased from renewable sources (B)	GJ	19,809	26,576	25,366
Total purchased electricity (A+B)	GJ	19,809	26,576	25,366
Methane	GJ	233,987	212,200	190,391
Energy sold	GJ	-4,480	-2,707	-1,128
Total energy consumption of Italy production sites	GJ	249,316	236,069	214,629
Diesel (Company cars)	GJ	1,919	1,638	1,589
Total	GJ	251,234	237,707	216,218

THE TRIGENERATOR: AN ENERGY-EFFICIENT CHOICE

Traditional thermal power plants only convert 40% of energy from fuel used into electricity. **Trigeneration** is a particular field of **cogeneration** systems that, in addition to producing **electricity**, allows **thermal energy** (recovered from thermodynamic transformation into **steam and hot water**) to be used to produce **cooling energy**, as well as chilled water for air conditioning or industrial processes.

Essentially, trigeneration plants integrate cogeneration systems with cooling energy generation. Together with combustion machines, **absorption chillers** convert thermal energy into cooling energy. The result is simultaneous production of electrical, thermal and cooling energy; the efficient utilization of these different thermal loads raises efficiency levels to over 80%.



*Since the trigenerator is powered by **methane** – regarded as the cleanest of fossil fuels – and all three categories of energy generated are used in the chocolate production process,*

ADOPTION OF THE TRIGENERATOR HAS DRIVEN REMARKABLE PRODUCTION AND ENVIRONMENTAL EFFICIENCY.

GRI 302-4

In recent years, ICAM has made a series of **investments** aimed at significantly improving its **energy efficiency**.

In particular, the trigenerator saw some improvements due to the **revamping** carried out in **2019**, which increased the **utilization level** of the plant from about **85%** to **95-100%** (referring to the maximum amount of energy that can be produced by this plant).

In **2023**, a **special efficiency** plan was implemented, with an additional **0.48% increase in efficiency** through the following changes:

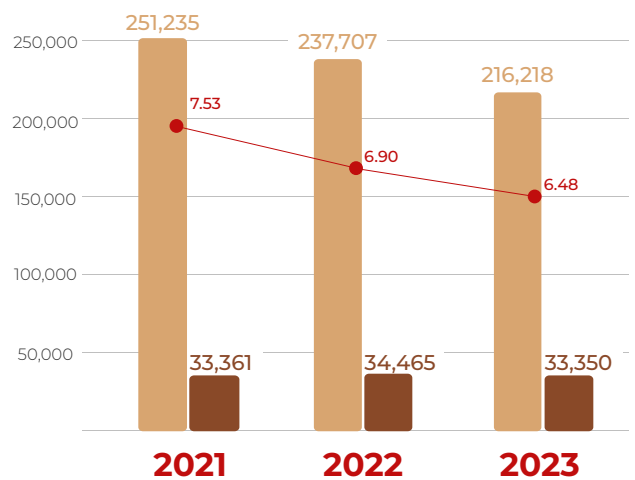
- ◆ **replacement of the compressor** with a new-generation compressor, **steam generator, co-generator** and **alternator**;
- ◆ **cleaning of the absorber** to optimize **heat recovery** for **cold generation**;
- ◆ **network pressure optimization** for **compressor** management optimization;
- ◆ **replacement of measuring tools** and **energy meters**.

In **2024**, management of plant **refrigeration machines** will be upgraded to optimize their operation based on the actual load required.

GRI 302-3

ICAM's commitment to reducing the environmental impact from energy consumption is clearly evident from the trend in the energy intensity index, which shows steady decline (-6.1% in 2023).

**GRI 302-3: ENERGY INTENSITY (ITALY TOTAL)
GJ PER TON OF PRODUCTION**



TOTAL ENERGY CONSUMPTION GJ
 ITALY PRODUCTION, tons
 INTENSITY INDEX GJ/ton



The trigenerator's efficiency is confirmed by its classification as a CAR (**high-efficiency co-generation**), which has enabled ICAM to obtain

13,836
"WHITE CERTIFICATES"³⁶
(OR ENERGY EFFICIENCY CERTIFICATES)
OVER THE PAST 8 YEARS.

The actual performance for 2023 is an improvement from last year, in view of the fact that the multiplication factor K applied to the efficiency calculation³⁷ for 2023 is **reduced by 30%**. With the same K factor applied in 2022, the 2023 white certificates would be 1,767, thus returning to 2021 efficiency.



ENERGY REQUIREMENTS OF ICAM CHOCOLATE UGANDA

ICAM also pays attention to its impact on the environment via its subsidiaries in Uganda. The fermentation and drying centers were designed and built using transparent polycarbonate panels, thus minimizing electricity consumption and avoiding the use of artificial generators or wood-fired dryers.

During 2023, the project to install photovoltaic systems for the energy needs of the facilities at the three locations was completed, reducing purchasing of grid energy by nearly half:

 **Bundibugyo**
5 kWh

 **Hoima**
3 kWh

 **Mukono**
3 kWh

To supplement their needs, the centers are connected to the national power grid (except Hoima, which is in a rural region not served by the national grid, and uses 100% solar power) and to an emergency gasoline generator in the event of

a blackout. Hoima and Mukono are also equipped with high-efficiency cooking stoves, which have reduced fuel requirements by about 40%.

36 · The **white certificate** mechanism, which came into effect in 2005, is the main tool for **promoting energy efficiency** in Italy. White certificates are **tradable certificates** that certify the achievement of **savings** in energy end-use through energy efficiency enhancement measures and projects. One **certificate** is equivalent to saving one **Ton of Oil Equivalent (TOE)**.

37 · As required by the GSE regulations for plants that are more than 10 years old and have already collected white certificates in previous years.

6.3 WATER RESOURCE MANAGEMENT: REDUCING WASTE

Even though the production plant is not located in a water stress area³⁸, ICAM recognizes the importance of using this increasingly limited and precious natural resource responsibly, devoting great care to water management during the production process and ensuring that cycles are optimized.

GRI 303_1

For water supply in its plants, ICAM has:

- ◆ **three intake wells**, two in **Orsenigo** and one in **Lecco**: well water is used for cocoa processing and the factory's auxiliary services;
- ◆ **connection to the municipal drinking water supply. Water from the aqueduct** is used exclusively for sanitary facilities (toilets and showers) and for the **canteen kitchen**.

Rainwater at the Orsenigo site is piped to a **settling** tank, which can separate any oils from parking lots, cars and trucks, and then discharged into the ground.

In 2022, a project was carried out to replace the **well water softening resin plant** in Orsenigo with an osmosis plant in order to eliminate completely any chloride discharge in wastewater and **reduce water withdrawal by 5%**.

Due to the type of **softening** implemented by the osmosis plant, wastewater can be partly **recycled** for uses in the plant not directly involved in the production process. At present, the percentage of recycled water is not yet monitored.



Water withdrawals for the two plants in Italy for the year 2023 were about 145 ML, broadly in line with previous years³⁹.

GRI 303_3

Water is used in the transformation process from cocoa to chocolate, but does not enter the product's composition. Before being discharged into the sewage system, it is equalized and constantly kept under control in compliance with Italian regulatory requirements.

GRI 303_5

The portion accounted for as "consumed" is actually what is released as water vapor, and therefore restored to the environment.

The main intervention was the transformation of all water cooling and heating circuits of the process machines to closed circuits.

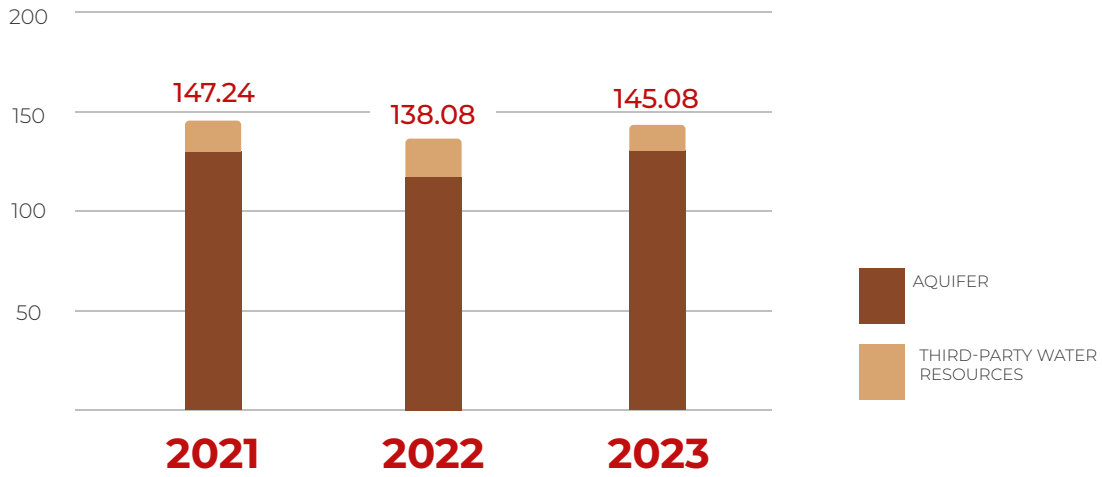
This effort has led to a containment of water consumption and the steady reduction of the **intensity index** by production volume by **7%** over **2021** and **2022**.

38 - "Water stress" is defined as an inability to meet human and environmental demand for water.

Source: "<https://www.wri.org/aqueduct>" Aqueduct | World Resources Institute (wri.org).

39 - Water consumption data for the year 2021 for the Lecco plant have been updated from the data included in the 2021 Sustainability Report following a more thorough review of the data.

ITALY TOTAL WATER WITHDRAWAL (CM)



WATER RESOURCE MANAGEMENT AT ICAM CHOCOLATE UGANDA

GRI 303_1 In Hoima, rainwater is also collected from rooftops for hygienic uses, totaling about 17,500 liters. Rainwater collection tanks with a capacity of 10,000 liters were installed in both Bundibugyo and Mukono in 2023, covering about 2 days of needs. This is of course only possible in the rainy season. To fully cover requirements, the Bundibugyo production center draws water from the river for the

hygiene and cleaning needs of production, offices, and toilets (at present, no metered withdrawal system is installed), while Mukono and Hoima are supplied through private delivery services in jerry cans and tanks. All 3 sites are supplied with certified drinking water for staff.

6.4 RESPONSIBLE USE OF RAW MATERIALS

ICAM has always been attentive to the virtuous use of all the materials it utilizes, from ingredients for food production to materials for packaging its products.

GRI 306-1 For further details regarding food raw materials, please refer to the chapter “**Responsibility to the Supply Chain**”, section “**Responsible use of raw materials - Contribution to environmental and social sustainability through selection and purchase of certified raw materials.**”



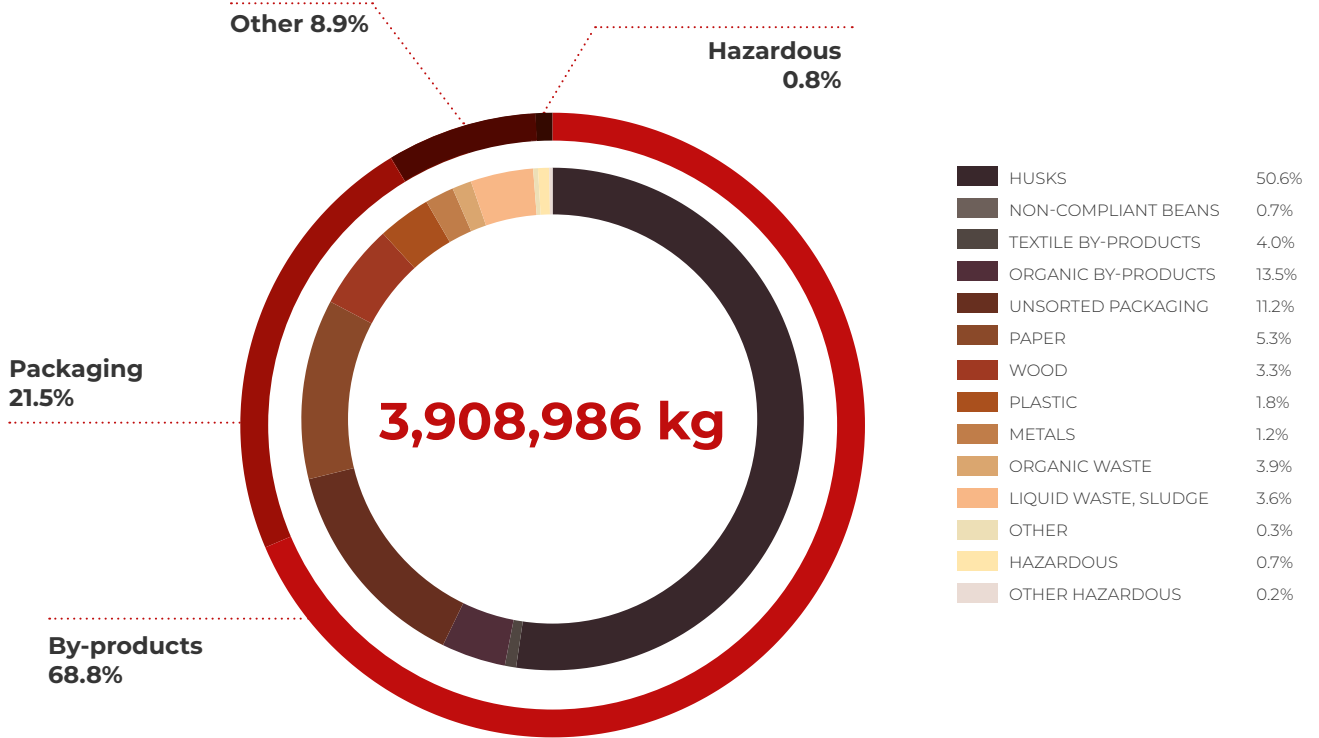
The Company has mapped its **scraps** and **waste** by classifying them according to the cause that generates them and the possible end of life, and based on these considerations has implemented **preventive actions**.

	ORIGIN	RISK	PREVENTION	END OF LIFE
GRI 306-2	Ingredients purchased and not used	Food waste	<ul style="list-style-type: none"> ◆ Planning ◆ Agreements with customers 	<ul style="list-style-type: none"> ◆ Transfer to transformers
	Non-compliant cocoa beans	Food waste	<ul style="list-style-type: none"> ◆ Origin checks ◆ Technical support to the supply chain 	<ul style="list-style-type: none"> ◆ Transfer to transformers
	Husks (physiological by-product)	Food waste	<ul style="list-style-type: none"> ◆ Separation of waste to encourage circular solutions 	<ul style="list-style-type: none"> ◆ Transfer to feed mills ◆ Biomass
	Scraps	Food waste	<ul style="list-style-type: none"> ◆ Re-circulation ◆ Solutions to encourage it 	<ul style="list-style-type: none"> ◆ Transfer to feed mills ◆ Biomass
	Unsold finished product	Food surplus	<ul style="list-style-type: none"> ◆ Order planning with customers ◆ Commercial management 	<ul style="list-style-type: none"> ◆ Food Bank ◆ Transfer to feed mills ◆ Biomass
	Purchased ingredients	Packaging waste	<ul style="list-style-type: none"> ◆ Industrial formats ◆ Big bags and tanks 	<ul style="list-style-type: none"> ◆ Separation ◆ Sending to recycling

GRI 306-3 The total amount of waste generated by ICAM is equivalent to **3,909** tons. **By-products** account for **69%** of waste generated: “**Husks**”, “**Non-compliant beans**”, “**Organic by-products**” and “**Jute packaging**” are highly significant production outputs for the sector. Production outputs also include non-hazardous waste, including packaging for a 22% share (e.g.,

paper and cardboard, plastic, aluminum, wood, and mixed materials), organic waste, metals, liquid waste, and sludge from on-site effluent treatment. Hazardous waste accounts for only 0.9%, mostly absorbent and filter materials, mineral motor oils, organic solvents and washing solutions, and emulsions.

AMOUNT OF WASTE GENERATED BY ICAM



WASTE REDUCTION THANKS TO GREATER EFFICIENCY

About **55.3%** of the waste generated by ICAM is represented by **physiological** by-products of production, which are **non-compressible** and **directly proportional to the volumes** of cocoa processed: 50.6% is cocoa bean husks, 4% is the jute bags with which we receive cocoa, and 0.7% is non-compliant beans.

Through optimization of procedures and facilities, ICAM is constantly striving to minimize organic by-products (13%, proportional to production volumes), which are generated partly from washing and cleaning and partly from quality requirements.

In order to **minimize waste**, the **purchasing** and **planning** divisions work closely with the **sales division** to optimize **procurement** and **production**.

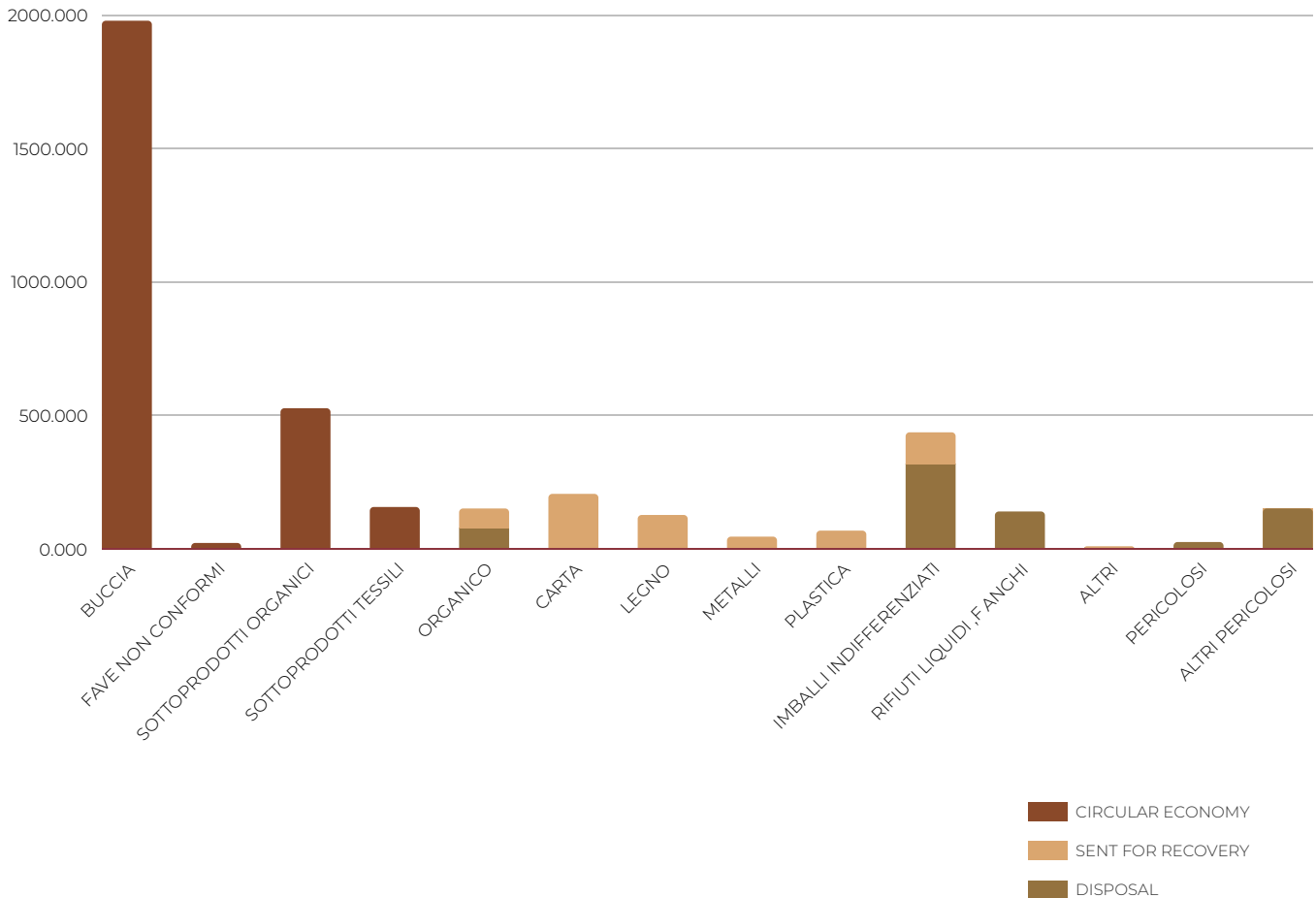


Surplus unsold finished products are given to the **Food Bank**. For more details, please refer to the

chapter **“Commitment to people”**, section **“Impacts on the local community: social and economic development of the local communities in which the Company operates”**.

GRI 306-5/ GRI 306-4

CIRCULAR ECONOMY



CRI 306-4

CIRCULAR ECONOMY FOR WASTE AND SCRAP MANAGEMENT

For the inevitable **by-products** generated from **production**, ICAM has worked for years with partners towards circular economy solutions, selling these by-products to subsequent users who reuse them in other production processes.

Among the most notable initiatives is the allocation of **non-compliant cocoa beans, organic by-products** and **husks to feed mills** and **bio-mass plants** for energy generation.

The fraction of organic waste destined for disposal is also **50%** recovered by the disposer.

Overall, in **2023, 97% of organic waste** was allocated to **animal husbandry** or **biomass recovery**, and only **3%** was allocated to **landfill**.

As for non-organic waste:

- ◆ 100% of single-material packaging – paper/ cardboard, plastic, wood, ferrous material – is sorted and recovered;
- ◆ from 2020, jute packaging is separated from mixed materials and sent for recovery;
- ◆ 27% of mixed packaging is sent for recovery.



97% allocated to **animal husbandry** or **biomass recovery**

3% allocated to **landfill**



SINGLE-MATERIAL PACKAGING
100% sorted and recovered

JUTE PACKAGING
separated from mixed materials and sent for recovery

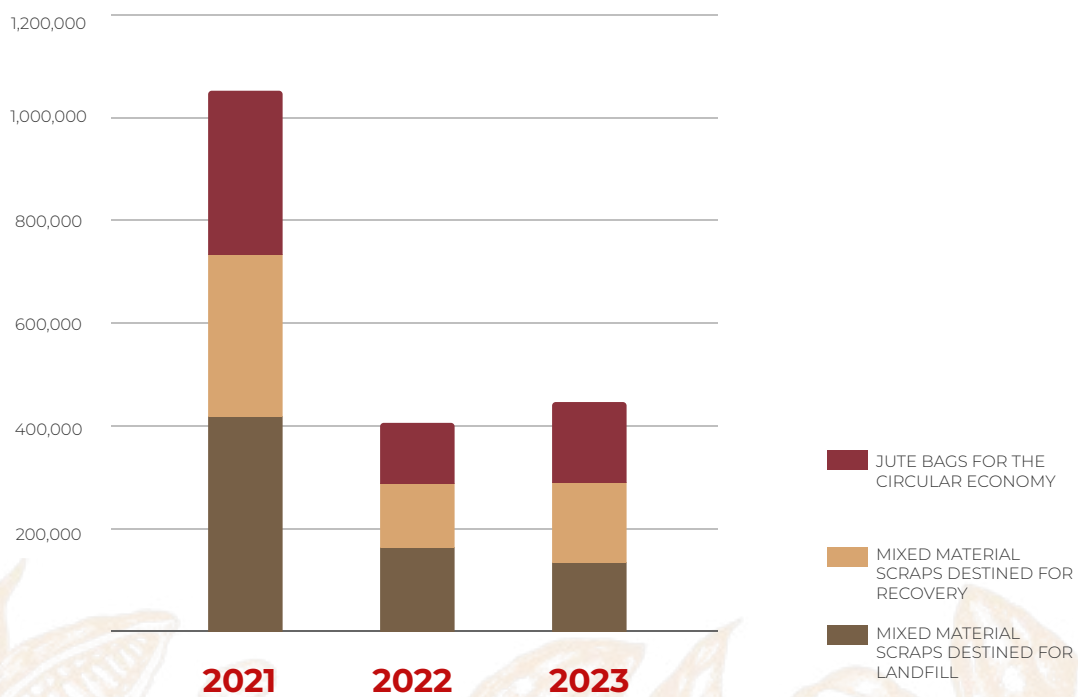
MIXED PACKAGING
27% recovered



JUTE BAGS: FROM WASTE TO SECONDARY RAW MATERIAL

Since March 2020, ICAM has been **sorting** the **jute bags** in which it receives cocoa, separating them from “mixed materials” (about a quarter of the total mixed materials). Collaboration with a specialized operator has made it possible to **recover them** by using them for the production of **insulating** and **sound-absorbing panels** used in **green building, automotive** or natural **thermal insulation**, in line with the principle of **circular economy**.

In **2023**, ICAM continued with separation and recycling, and recovered 157,060 kg of jute. Since the project began, more than 560 tons of jute have been recovered.



WASTE AND SCRAP MANAGEMENT AT ICAM CHOCOLATE UGANDA

GRI 306-1 GRI 306-2 At the three Ugandan sites, collection points for organic waste (destined for home compost) and non-organic waste were set up; this move was prompted by the **Rainforest** certification process, adopted by both the ICAM Chocolate company and farmers (Hoima and Mukono), which requires the implementation of a waste management system.

GRI 306-4 GRI 306-5 There is a disposer that also takes back waste for **recycling** – such as plastic – from farmers and pays farmers a fee for these materials, thereby using funds for the development of more compliant and sustainable practices.

Waste management was also the focus of **specific training** provided by a company specialising in this field, with a “train the trainer” process; ICAM also extended this training to **farmers**, involving local leaders.

2023 saw the start of **reporting on waste** produced and delivered to disposers:

WASTE GENERATED IN UGANDA (KG)	2023
Paper and cardboard	5 kg
Plastic packaging	300 kg
Iron and steel	50 kg
Mixed metals	20 kg
Total non-hazardous	375 kg
Absorbents, filter materials (including oil filters not otherwise specified), rags and protective clothing, contaminated with hazardous substances	1 kg
Fluorescent tubes and other waste containing mercury	1 kg
Total hazardous	2 kg
Total	377kg

GRI 306-3



6.5 LOW-IMPACT PACKAGING

GRI 301-1b

The choice of the most suitable **packaging** is an important aspect of ICAM's quality- and sustainability-oriented strategy.

A **technical team dedicated to packaging**, in collaboration with the Purchasing Department, defines the specifications of each wrapper, evaluating, first and foremost, the **preservation of product integrity** in terms of **food safety, freshness** and **sensory** quality.

Next, aspects related to **machinability** and production **efficiency**, the **aesthetic and communicative** function of the packaging, and the

environmental impacts of the material used (including ease of disposal) are also considered.

In **2023**, about **966 tons** of material was used for **primary product packaging** (bars, pralines, cocoa powder, semi-finished products for the industry, and Easter Eggs), plus the purchase of **cartons, pallets** and **displays**, the latter made of **100% recyclable material**.

Materials used by weight or volume (packaging)

TONS (Use in production)	2021		2022		2023	
	recyclable	non-recyclable	recyclable	non-recyclable	recyclable	non-recyclable
Paper	687	-	471	-	650	-
Aluminum	139	-	115	-	131	-
Plastic	23	-	33	-	20	-
Compostable	31	-	49	-	53	-
Other <small>(laminated, multilayer, etc.)</small>	-	91	-	116	-	112
Total by category	880	91	668	116	854	112
Total	971		784		966	

KPI 909

With reference to primary packaging, more than **88% of the packaging used is made of fully recyclable material** (paper, pure aluminum and plastic); the remaining **12%** is represented by special structures, mainly used for packaging products for the industrial market (e.g., drops, toppings, etc.), consisting of suitable multilayer materials (plastic, aluminum) to ensure **high protection of chocolate** and optimal **production efficiency**. The reduction in this volume for 2023 is related to a different proportion compared to 2022 in the production of semi-finished cocoa products as opposed to bars.

As in previous years, the commitment to **prioritize and design recyclable packaging** continued in 2023, wherever validated suitable structures could ensure perfect protection of the chocolate throughout the product's shelf life.

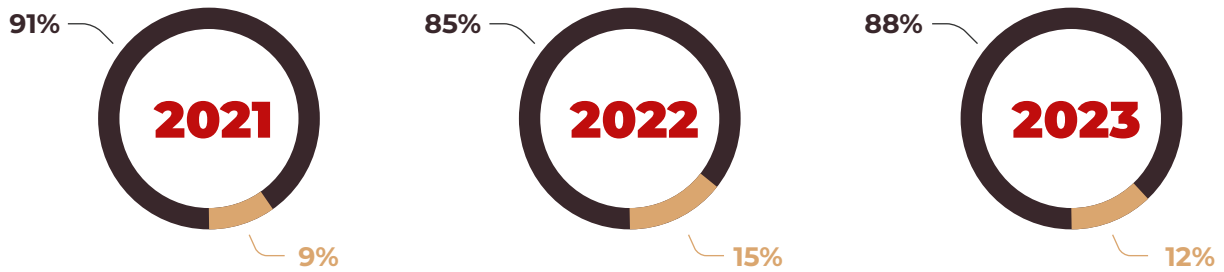
In particular, with reference to the production of bars in 2023, note:

- ◆ continued commitment to the use of certified **compostable and biodegradable material**, which increased by 8%. Overall, in 2023 ICAM purchased 55 tons of compostable material to replace plastic film, using about 53 tons of compostable material in the year;

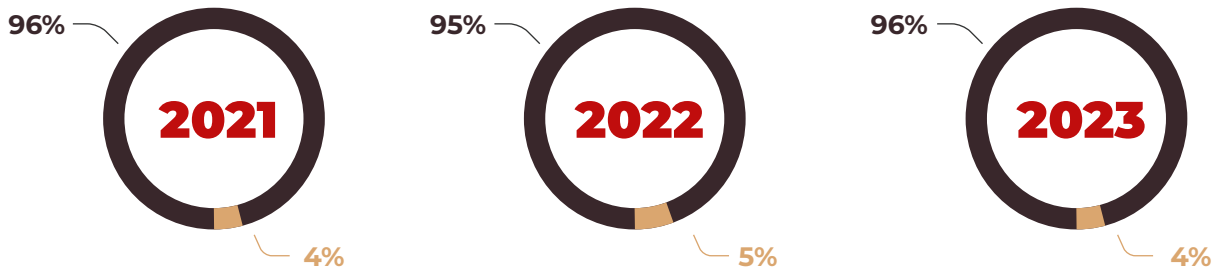
- ◆ ICAM's ongoing commitment to ensuring innovative and high-quality products has earned it an important award for Best Chocolate Packaging 2023 from DolciSalati & Consumi for its line of Vanini Bagua Bio bars with compostable packaging;
- ◆ the continued “**downsizing**” of bar wrappers, folding cartons, or portfolio wrappers; in 2023, downsized cardboard accounted for 78% of purchased wrappers (+2%), for a saving of about 56 tons of paper compared to the previous year, and a total of about 200 tons in 4 years.

USE OF RECYCLABLE MATERIALS FOR PRIMARY PACKAGING

(bars, pralines, cocoa powder, semi-finished products, Easter eggs)



USE OF MATERIALS FOR BARS



● Percentage of recyclable primary wrapper

● Percentage of non-recyclable primary wrapper



DATA AND DETAILED INFORMATION

COMMITMENT TO PEOPLE

GRI 2-7b – Employees (temporary and permanent)

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER, AS OF DECEMBER 31

ITALY	UoM	2021		2022		2023	
		Men	Women	Men	Women	Men	Women
Permanent contract	no.	198	170	195	174	203	185
Temporary contract	no.	2	2	3	2	3	1
Staff leasing workers on a stable contract	no.	3	0	14	5	3	5
Total by gender	no.	203	172	212	181	209	191
Total employees	no.	375		393		400	

UGANDA	UoM	2021		2022		2023	
		Men	Women	Men	Women	Men	Women
Permanent contract	no.	25	8	92	35	86	38
Temporary contract	no.	74	42	42	16	34	11
Staff leasing workers on a stable contract	no.	0	0	0	0	0	0
Total by gender	no.	99	50	134	51	120	49
Total employees	no.	149		185		169	

GRI 2-7b - Employees (full-time and part-time)

TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT (FULL-TIME AND PART-TIME) AND BY GENDER, AS OF DECEMBER 31

ITALY	UoM	2021		2022		2023	
		Men	Women	Men	Women	Men	Women
Full-time	no.	201	141	210	152	208	158
Part-time	no.	2	31	2	29	1	33
Total by gender	no.	203	172	212	181	209	191
Total employees	no.	375		393		400	

UGANDA		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Full-time	no.	59	24	92	35	86	38
Part-time	no.	40	26	42	16	34	11
Total by gender	no.	99	50	134	51	120	49
Total employees	no.	149		185		169	

GRI 2-8 - Non-employee workers

TOTAL NUMBER OF OTHER WORKERS OPERATING ON THE PREMISES OR ON BEHALF OF ICAM, AS OF DECEMBER 31

ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Agents	no.	64	3	66	3	59	5
Interns - Trainees	no.	0	1	5	1	2	4
Seasonal staff leasing workers	no.	24	30	31	33	39	31
Total by gender	no.	88	34	102	37	100	40
Total employees	no.	122		139		140	

UGANDA		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Agents	no.	0	0	0	0	0	0
Interns - Trainees	no.	4	0	4	0	3	3
Seasonal staff leasing workers	no.	0	0	0	0	0	0
Total by gender	no.	4	0	4	0	3	3
Total employees	no.	4		4		6	

GRI 401-1a - Recruitment of new employees and employee turnover (hires)

NUMBER OF EMPLOYEES HIRED BY AGE GROUP AND GENDER

ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	no.	9	4	9	7	5	2
Between 30 and 50 years old	no.	11	13	16	11	7	7
More than 50 years old	no.	6	1	5	0	1	1
Total by gender	no.	26	18	30	18	13	10
Total employees	no.	44		48		23	

UGANDA		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	no.	9	5	20	11	0	1
Between 30 and 50 years old	no.	23	9	11	4	2	1
More than 50 years old	no.	2	0	2	0	0	0
Total by gender	no.	34	14	33	15	2	2
Total employees	no.	48		48		4	

GRI 401-1a - Recruitment of new employees and employee turnover (hiring rate)

HIRING RATE							
ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	%	32	44	36	54	22	9
Between 30 and 50 years old	%	10	11	12	9	6	30
More than 50 years old	%	12	2	9	0	2	2
Total by gender	%	13	10	14	10	6	5
Total employees	%	12		12		6	

UGANDA		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	%	0	0	32	69	0	2
Between 30 and 50 years old	%	25	92	16	12	3	2
More than 50 years old	%	0	0	50	0	0	0
Total by gender	%	17	44	24	29	2	4
Total employees	%	26		26		2	

GRI 401-1b - Recruitment of new employees and employee turnover (terminations)

NUMBER OF TERMINATED EMPLOYEES BY AGE GROUP AND GENDER							
ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	no.	5	0	3	2	5	0
Between 30 and 50 years old	no.	7	5	12	2	4	3
More than 50 years old	no.	4	6	6	5	3	1
of which due to retirement	no.	4	4	4	5	3	0
Total by gender	no.	16	11	21	9	12	4
Total employees	no.	27		30		16	

UGANDA		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	no.	0	0	14	9	0	0
Between 30 and 50 years old	no.	1	1	10	0	4	1
More than 50 years old	no.	0	0	0	0	0	0
of which due to retirement	no.	0	0	0	0	1	0
Total by gender	no.	1	1	24	9	5	1
Total employees	no.	2		33		6	

GRI 401-1b - Recruitment of new employees and employee turnover (turnover rate)

TURNOVER RATE							
ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	%	14	0	12	15	22	0
Between 30 and 50 years old	%	3	7	9	2	3	3
More than 50 years old	%	8	16	10	11	5	2
of which due to retirement	%	0	0	0	0	5	0
Total by gender	%	2	2	10	5	6	2
Total employees	%	7		8		4	

UGANDA		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	%	0	0	22	56	0	0
Between 30 and 50 years old	%	1	4	15	0	6	3
More than 50 years old	%	0	0	0	0	50	0
of which due to retirement	%	0	0	0	0	50	0
Total by gender	%	2	2	10	5	6	2
Total employees	%	1		18		4	

GRI 401-3 - Parental leave

NUMBER OF EMPLOYEES (TEMPORARY AND PERMANENT) WHO TOOK PARENTAL LEAVE							
ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Total number of employees who were entitled to parental leave	no.	200	172	198	176	206	186
Total number of employees who took parental leave	no.	1	7	2	9	2	10
Total number of employees who took parental + mandatory leave	no.	2	10	2	14	2	15
Total number of employees who returned to work in the reporting period	no.	1	7	2	9	2	10
Total number of employees who returned and remained in the organization after 12 months	no.	11	7	2	9	2	10
Return rate of employees who took leave	%	100	100	100	100	100	100
Retention rate of employees who took leave	%	100	100	100	100	100	100

UGANDA		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Total number of employees who were entitled to parental leave ¹	no.	74	6	92	35	86	38
Total number of employees who took parental leave	no.	0	3	0	4	4	1
Total number of employees who took parental + mandatory leave	no.	0	0	0	0	0	0
Total number of employees who returned to work in the reporting period	no.	0	3	0	4	4	1
Total number of employees who returned and remained in the organization after 12 months	no.	0	3	0	4	4	1
Return rate of employees who took leave	%	-	100	-	100	100	100
Retention rate of employees who took leave	%	-	100	-	100	100	100

1 - For permanent contracts only.

GRI 403-9a - Work-related injuries (employees)

EMPLOYEE INJURIES							
		ITALY			UGANDA		
	UoM	2021	2022	2023	2021	2022	2023
Work-related deaths	no.	0	0	0	0	0	0
Injuries	no.	11	8	11	16	31	50
Of which serious injuries	no.	0	0	0	0	0	2
Of which while commuting	no.	1	1	1	16	22	0
Total hours worked	no.	542,074	528,239	541,177	N/A	N/A	N/A

GRI 403-9b - Work-related injuries (non-employees)

NON-EMPLOYEE INJURIES							
		ITALY			UGANDA		
	UoM	2021	2022	2023	2021	2022	2023
Work-related deaths	no.	0	0	0	N/A	N/A	N/A
Injuries	no.	3	3	1			
Of which serious injuries	no.	0	0	0			
Of which while commuting	no.	0	0	0			
Total hours worked	no.	70,852	90,823	N/A			

GRI 404-1a - Total number of training hours per year

TOTAL TRAINING HOURS							
ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Executives	no.	262	73	51	307	56	80
Middle managers	no.	72	23	40	26	191	87
Office workers	no.	121	177	539	1,104	893	1,603
Manual workers	no.	2,328	1,743	1,620	3,194	1,754	2,349
Total employees	no.	2,783	2,016	2,250	4,631	2,894	4,119
Non-seasonal staff leasing workers	no.	8,531	2,239	17,369	3,065	9,735	4,561
Total by gender	no.	11,314	4,255	19,619	7,696	12,629	8,680
Total	no.	15,569		27,315		21,309	

GRI 404-1a - Average number of training hours per year per employee

AVERAGE HOURS OF TRAINING PER EMPLOYEE							
ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Executives	no.	262	73	6	102	7	27
Middle managers	no.	23	23	5	7	24	22
Office workers	no.	121	177	16	20	26	29
Manual workers	no.	2,328	1,743	10	26	11	19
Total employees	no.	43	34	11	25	14	22
Non-seasonal staff leasing workers	no.	8,531	2,239	8,685	511	4,868	760
Total by gender	no.	56	25	94	40	60	45
Total	no.	42		68		53	

GRI 404-3 - Percentage of employees who receive periodic appraisals of their performance and professional development

PERCENTAGE OF EMPLOYEES WHO RECEIVE PERIODIC PERFORMANCE APPRAISALS							
ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Executives	%	100	100	100	100	100	100
Middle managers	%	100	100	100	100	100	100
Office workers	%	100	100	100	100	100	100
Manual workers	%	100	100	100	100	100	100
Total by gender	%	100	100	100	100	100	100
Total employees	%	100		100		100	

UGANDA		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Executives	%	0	0	0	0	0	0
Middle managers	%	0	0	0	0	0	0
Office workers	%	65	65	80	80	85	85
Manual workers	%	65	65	80	80	85	85
Total by gender	%	65	65	80	80	85	85
Total employees	%	64		77		84	

GRI 405-1b Diversity among employees

TOTAL NUMBER OF EMPLOYEES BY CATEGORY, AGE GROUP AND GENDER, AS OF DECEMBER 31

ITALY 2021	UoM	<30		30-50		>50		TOTAL	
		Men	Women	Men	Women	Men	Women	Men	Women
Executives	no.	0	0	2	2	6	1	8	3
Middle managers	no.	0	0	9	1	1	3	10	4
Office workers (Uganda includes: buyers and field staff)	no.	4	4	21	36	6	9	31	49
Manual workers	no.	22	5	93	80	36	31	151	116
Total employees	no.	26	9	125	119	49	44	200	172
Non-seasonal staff leasing workers	no.	2	0	1	0	0	0	3	0
Total by gender	no.	28	9	126	119	49	44	203	172
Total by age group	no.	37		245		93		375	
Total	no.	375							

ITALY 2022	UoM	<30		30-50		>50		TOTAL	
		Men	Women	Men	Women	Men	Women	Men	Women
Executives	no.	0	0	3	1	6	2	9	3
Middle managers	no.	0	0	8	1	1	3	9	4
Office workers (Uganda includes: buyers and field staff)	no.	1	8	18	39	7	7	26	54
Manual workers	no.	22	5	91	77	41	33	154	115
Total employees	no.	23	13	120	118	55	45	198	176
Non-seasonal staff leasing workers	no.	2	0	9	5	3	0	14	5
Total by gender	no.	25	13	129	123	58	45	212	181
Total by age group	no.	38		252		103		393	
Total	no.	393							

ITALY 2023	UoM	<30		30-50		>50		TOTAL	
		Men	Women	Men	Women	Men	Women	Men	Women
Executives	no.	0	0	2	1	6	2	8	3
Middle managers	no.	0	0	7	1	1	3	8	4
Office workers (Uganda includes: buyers and field staff)	no.	3	9	22	37	9	10	34	56
Manual workers	no.	20	3	88	75	49	44	157	122
Total employees	no.	23	12	119	114	65	59	207	185
Non-seasonal staff leasing workers	no.	0	4	1	2	1	0	2	6
Total by gender	no.	23	16	120	116	66	59	209	191
Total by age group	no.	39		236		125		400	
Total	no.	400							

TOTAL NUMBER OF EMPLOYEES BY CATEGORY, AGE GROUP AND GENDER, AS OF DECEMBER 31

UGANDA 2021	UoM	<30		30-50		>50		TOTAL	
		Men	Women	Men	Women	Men	Women	Men	Women
Executives	no.	0	0	1	0	0	0	1	0
Middle managers	no.	0	0	2	0	0	0	2	0
Office workers (Uganda includes: buyers and field staff)	no.	11	11	46	13	0	0	57	24
Manual workers	no.	17	13	18	11	4	2	39	26
Total employees	no.	28	24	67	24	4	2	99	50
Non-seasonal staff leasing workers	no.	0	0	0	0	0	0	0	0
Total by gender	no.	28	24	67	24	4	2	99	50
Total by age group	no.	52		91		6		149	
Total	no.	149							

UGANDA 2022	UoM	<30		30-50		>50		TOTAL	
		Men	Women	Men	Women	Men	Women	Men	Women
Executives	no.	0	0	1	0	0	0	1	0
Middle managers	no.	0	0	1	0	0	0	1	0
Office workers (Uganda includes: buyers and field staff)	no.	33	9	55	19	4	0	92	28
Manual workers	no.	30	7	10	14	0	2	40	23
Total employees	no.	63	16	67	33	4	2	134	51
Non-seasonal staff leasing workers	no.	0	0	0	0	0	0	0	0
Total by gender	no.	63	16	67	33	4	2	134	51
Total by age group	no.	79		100		6		185	
Total	no.	185							

UGANDA 2023	UoM	<30		30-50		>50		TOTAL	
		Men	Women	Men	Women	Men	Women	Men	Women
Executives	no.	0	0	1	0	0	0	1	0
Middle managers	no.	0	0	2	2	0	0	2	2
Office workers (Uganda includes: buyers and field staff)	no.	26	8	54	17	2	2	82	27
Manual workers	no.	26	7	9	13	0	0	35	20
Total employees	no.	38	13	46	23	2	2	120	49
Non-seasonal staff leasing workers	no.	0	0	0	0	0	0	0	0
Total by gender	no.	38	13	46	23	2	2	120	49
Total by age group	no.	51		69		4		169	
Total	no.	169							

GRI 405-1a Diversity in governance bodies

COMPOSITION OF GOVERNANCE BODIES							
ITALY		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	no.	0	0	0	0	0	0
Between 30 and 50 years old	no.	0	1	0	1	0	1
More than 50 years old	no.	10	0	10	0	10	0
Total by gender	no.	10	1	10	1	10	1
Total	no.	11		11		11	

UGANDA		2021		2022		2023	
	UoM	Men	Women	Men	Women	Men	Women
Less than 30 years old	no.	0	0	0	0	0	0
Between 30 and 50 years old	no.	2	0	2	0	2	0
More than 50 years old	no.	1	0	1	0	1	0
Total by gender	no.	3	0	3	0	3	0
Total	no.	3		3		3	

ACCOUNTABILITY ALONG THE SUPPLY CHAIN

GRI 203-2 - Significant indirect economic impacts

NUMBER OF COOPERATIVES FROM WHICH ICAM DIRECTLY BUYS FAIRTRADE-CERTIFIED COCOA AND DIRECTLY PAYS THE FAIRTRADE PREMIUM				
	UoM	2021	2022	2023
Peru	no.	14	14	14
Ecuador	no.	2	3	3
Dominican Republic	no.	1	1	1
Total	no.	17	18	18

GRI 301-1 Materials used by weight or volume

COCOA BY PURCHASING CHANNEL AND CERTIFICATION TYPE							
		2021		2022		2023	
	UoM	Direct purchase	Indirect purchase	Direct purchase	Indirect purchase	Direct purchase	Indirect purchase
Organic	tons	2,430	3,101	2,376	3,577	3,216	2,531
Organic and Fairtrade	tons	5,725	2,638	3,399	4,085	3,400	3,272
Fairtrade	tons	1,700	553	1,975	275	1,101	75
Rainforest Alliance	tons	125	2,697	701	4,042	2,556	875
Other sustainability certifications	tons	-	-	-	306	-	756
Conventional	tons	2,113	4,983	2,739	2,638	3,607	4,680
Subtotal	tons	12,093	13,972	11,190	14,923	13,880	12,188
Total	tons	26,065		26,113		26,068	

GRI 301-1 Materials used by weight or volume

SUGAR BY PURCHASING CHANNEL AND CERTIFICATION TYPE							
		2021		2022		2023	
	UoM	Europe - Italy	Extra-EU	Europe - Italy	Extra-EU	Europe - Italy	Extra-EU
Organic	tons		1,551	15	1,698	17	1,535
Organic and Fairtrade	tons		3,179		2,976		2,253
Fairtrade	tons		606		597		632
Rainforest Alliance	tons						0
Other sustainability certifications	tons					0	0
Conventional	tons	3,575	392	4,693		3,546	1,450
Subtotal	tons	3,575	5,728	4,708	5,271	3,563	5,870
Total	tons	9,303		9,979		9,433	

GRI 301-1 Materials used by weight or volume

MILK, WHEY AND LACTOSE BY PURCHASING CHANNEL AND CERTIFICATION TYPE							
		2021		2022		2023	
	UoM	Europe - Italy	Extra-EU	Europe - Italy	Extra-EU	Europe - Italy	Extra-EU
Organic	tons	992		930		720	126 ²
Organic and Fairtrade	tons						
Fairtrade	tons						
Rainforest Alliance	tons						
Other sustainability certifications	tons						
Conventional	tons	1,575		1,587		1,910	
Subtotal	tons	2,567	0	2,517	0	2,630	126
Total	tons	2,567		2,517		2,756	

2 - UK

GRI 301-1 Materials used by weight or volume







HAZELNUTS, HAZELNUT PASTE AND ALMONDS BY PURCHASING CHANNEL AND CERTIFICATION TYPE							
		2021		2022		2023	
	UoM	Europe - Italy	Extra-EU	Europe - Italy	Extra-EU	Europe - Italy	Extra-EU
Organic	tons	71	293	69	375	59	289
Organic and Fairtrade	tons						
Fairtrade	tons						
Rainforest Alliance	tons						
Other sustainability certifications	tons						
Conventional	tons	93	234	74	277	78	300
Subtotal	tons	164	527	143	652	137	589
Total	tons	691		795		726	

GRI 301-1 Materials used by weight or volume

VANILLA BY PURCHASING CHANNEL AND CERTIFICATION TYPE							
		2021		2022		2023	
	UoM	Europe - Italy	Extra-EU	Europe - Italy	Extra-EU	Europe - Italy	Extra-EU
Organic	tons						1
Organic and Fairtrade	tons						7
Fairtrade	tons						
Rainforest Alliance	tons						
Other sustainability certifications	tons						
Conventional	tons						2
Subtotal	tons	0	11	0	10	0	10
Total	tons	11		10		10	

GRI 408-1a Activities and suppliers at significant risk of incidents of child labor

GRI 409-1a Activities and suppliers at significant risk of incidents of forced or compulsory labor³

Risk	Raw materials at risk	Supply sources at critical potential risk	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

³ - Potential risk refers to the risk associated with sourcing the raw material from a particular country.

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

SITE	ACTIVITY TYPE	PROTECTED AREA NAME	DISTANCE	TYPE OF PROTECTED AREA	IUCN MANAGEMENT CATEGORY
Orsenigo Italy	Productive	Lake Montorfano Nature Reserve	2.5 km	Protected Terrestrial Ecosystem – Regional/provincial nature reserve	IV
		Lambro Valley Regional Park (Alserio, CO)	2.16 km	Protected Terrestrial Ecosystem – Regional/provincial nature reserve	V
Lecco Italy	Registered office Commercial	North Adda Nature Park	200 m	Protected Terrestrial Ecosystem – Regional/provincial nature reserve	V
		Monte Barro Nature Park	850 m	Protected Terrestrial Ecosystem – Regional/provincial nature reserve	V
Bundibugyo Uganda	Productive	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	Productive	Nakasenyi	4.6 km	Protected Terrestrial Ecosystem – Forest reserve	N/R
		Mabira Forest	35 km	Protected Terrestrial Ecosystem – Forest reserve	N/R
Hoima Uganda	Productive	Mukihani	7 km	Protected Terrestrial Ecosystem – Forest reserve	N/R
		Kyamugongo	1 km	Protected Terrestrial Ecosystem – Forest reserve	N/R
		Kabwoya Wildlife Reserve	82 km	Protected Terrestrial Ecosystem – Nature reserve	III
		Bugoma Forest Reserve	57 km	Protected Terrestrial Ecosystem – Forest reserve	N/R
		Budongo Forest Reserve	48.3 km	Protected Terrestrial Ecosystem – Forest reserve	N/R

GRI 414-1a - New suppliers that have been selected using social criteria (Cocoa)

COCOA – SIGNING OF THE CODE OF ETHICS			
Cooperatives + Local exporters	2021	2022	2023
Total number of suppliers	21	27	36
Number of suppliers that have signed the Code of Ethics	20	27	36
Trader			
Total number of suppliers	25	20	20
Number of suppliers that have signed the Code of Ethics	17	16	14
Percentage of cocoa purchase volume from signatories	96%	97%	97%

COMMITMENT TO INNOVATION

GRI 416-2 - Incidents of non-compliance with regard to health and safety impacts of products and services

NUMBER OF COOPERATIVES FROM WHICH ICAM DIRECTLY BUYS FAIRTRADE-CERTIFIED COCOA AND DIRECTLY PAYS THE FAIRTRADE PREMIUM				
	UoM	2021	2022	2023
Cases of non-compliance with regulations that resulted in fines or penalties	no.	0	0	0
Cases of non-compliance with regulations that resulted in a warning	no.	1	2 ⁴	0
Non-compliance vs. self-regulatory codes	no.	0	0	0

4 · Notifications from the Peruvian Biological Control Board in relation to suppression measures, with which ICAM is unrelated and therefore has not been affected.

RESPONSIBILITY TO THE ENVIRONMENT

GRI 301-1a - Materials used by weight or volume (raw materials)

RAW MATERIALS BROKEN DOWN BY MACRO CATEGORY				
	UoM	2021	2022	2023
Cocoa	tons	26,065	26,113	26,068
Sugar	tons	9,303	9,979	9,433
Hazelnuts, hazelnut paste and almonds	tons	691	795	726
Vanilla	tons	11	10	10
Milk	tons	2,567	2,517	2,756
Total	tons	38,637	39,414	38,993

GRI 301-1b - Materials used by weight or volume (packaging)

MATERIALS FOR PRIMARY PACKAGING OF MAIN PRODUCTS, BROKEN DOWN BY CATEGORY AND MATERIAL RECYCLABILITY							
		2021		2022		2023	
	UoM	Recyclable	Non-recyclable	Recyclable	Non-recyclable	Recyclable	Non-recyclable
Paper and cardboard	tons	687	-	471	-	650	-
Aluminum	tons	139	-	115	-	131	-
Plastic	tons	23	-	33	-	20	-
Compostable	tons	31	-	49	-	53	-
Other (laminated, multi-layer, etc.)	tons	-	91	-	116	-	112
Total by category	tons	880	91	668	116	854	112
Total	tons	971		784		966	

GRI 302-1 - Energy consumption within the organization

ORSENIGO				
Type of energy source	UoM	2021	2022	2023
Electricity purchased from non-renewable sources (A)	GJ	0	0	0
Electricity purchased from renewable sources (B)	GJ	15,622	22,842	22,368
Total purchased electricity (A+B)	GJ	22,368	15,622	22,842
Methane (trigenerator, boilers, other)	GJ	227,364	207,192	186,737
Energy sold	GJ	4,480	2,707	1,127
Production site total energy consumption	GJ	245,252	220,107	208,452
Diesel (Company cars)	GJ	1,919	1,638	1,588
Total	GJ	240,425	228,965	209,566

LECCO				
Type of energy source	UoM	2021	2022	2023
Electricity purchased from non-renewable sources (A)	GJ	0	0	0
Electricity purchased from renewable sources (B)	GJ	4,187	3,734	2,998
Total purchased electricity (A+B)	GJ	4,187	3,734	2,998
Energy sold	GJ	0	0	0
Methane	GJ	6,623	5,008	3,653
Production site total energy consumption	GJ	10,810	8,742	6,651
Diesel (Company cars)	GJ	0	0	0
Total	GJ	10,810	8,742	6,651

UGANDA

Type of energy source	UoM	2021	2022	2023
Electricity purchased from non-renewable sources (A)	GJ	135	144	80
Electricity purchased from renewable sources (B)	GJ	0	0	0
Total purchased electricity (A+B)	GJ	135	144	80
Methane	GJ	0	0	0
Energy sold	GJ	0	0	0
Diesel (Company cars)	GJ	333	340	356
Production site total energy consumption	GJ	468	484	436

GROUP TOTAL

Type of energy source	UoM	2021	2022	2023
Electricity purchased from non-renewable sources (A)	GJ	135	144	80
Electricity purchased from renewable sources (B)	GJ	19,809	26,576	25,366
Total purchased electricity (A+B)	GJ	19,944	26,720	25,446
Methane (trigenerator, boilers, other)	GJ	233,987	212,200	190,391
Energy sold	GJ	-4,480	-2,707	-1,128
Production site total energy consumption	GJ	249,451	236,213	214,709
Diesel (cars and emergency generator)	GJ	2,252	1,978	1,944
Total	GJ	251,702	238,191	216,654

GRI 302-3 - Energy intensity

ITALY TOTAL	UoM	2021	2022	2023
Total energy consumption	GJ	251,235	237,707	216,218
Italy production	tons	33,361	34,465	33,350
ENERGY INTENSITY INDEX	GJ/ton of production	7.53	6.90	6.48

GRI 302-4 - Reducing energy consumption

ITALY TOTAL	UoM	2023	Total compared with previous year	Previous year total
Total energy consumption	GJ	216,218	-	237,707
Energy reduction as a direct result of initiatives	GJ	0	-21,489	-
of which Electricity	GJ	0	-	-
of which Methane	GJ		--21,489	-
REDUCTION %	%	-9.05%	-	-

GRI 303-3 - Annual water withdrawal broken down by source and site

ORSENIGO							
Type of source	UoM	2021		2022		2023	
		Freshwater (≤1,000 mg/L total dissolved solids)	Other water (>1,000 mg/L of total dissolved solid particles)	Freshwater (≤1,000 mg/L total dissolved solids)	Other water (>1,000 mg/L of total dissolved solid particles)	Freshwater (≤1,000 mg/L total dissolved solids)	Other water (>1,000 mg/L of total dissolved solid particles)
Surface water	ML	0	0	0	0	0	0
Aquifer	ML	49.55	0	49.03	0	48.6	0
Seawater	ML	0	0	0	0	0	0
Produced water	ML	0	0	0	0	0	0
Third-party water resources (municipal)	ML	14.34	0	18.63	0	12.7	0
Total	ML	63.89		67.66		61.3	
% water reused ⁵	%	N/A	N/A	N/A	N/A	N/A	N/A

5 - Not accounted for separately

LECCO							
Type of source	UoM	2021		2022		2023	
		Freshwater (≤1,000 mg/L total dissolved solids)	Other water (>1,000 mg/L of total dissolved solid particles)	Freshwater (≤1,000 mg/L total dissolved solids)	Other water (>1,000 mg/L of total dissolved solid particles)	Freshwater (≤1,000 mg/L total dissolved solids)	Other water (>1,000 mg/L of total dissolved solid particles)
Surface water	ML	0	0	0	0	0	0
Aquifer	ML	82	0	69.63	0	83.3	0
Seawater	ML	0	0	0	0	0	0
Produced water	ML	0	0	0	0	0	0
Third-party water resources (municipal)	ML	1.35	0	0.79	0	0.48	0
Total	ML	83.35		70.42		83.78	
% water reused ⁶	%	N/A	N/A	N/A	N/A	N/A	N/A

6 - Not accounted for separately

ITALY TOTAL

		2021		2022		2023	
Type of source	UoM	Freshwater (≤1,000 mg/L total dissolved solids)	Other water (>1,000 mg/L of total dissolved solid particles)	Freshwater (≤1,000 mg/L total dissolved solids)	Other water (>1,000 mg/L of total dissolved solid particles)	Freshwater (≤1,000 mg/L total dissolved solids)	Other water (>1,000 mg/L of total dissolved solid particles)
Surface water	ML	0	0	0	0	0	0
Aquifer	ML	131.55	0	118.66	0	131.9	0
Seawater	ML	0	0	0	0	0	0
Produced water	ML	0	0	0	0	0	0
Third-party water resources (municipal)	ML	15.69	0	19.42	0	13.18	0
Total	ML	147.24		138.08		145.08	
% water reused ⁷	%	N/A	N/A	N/A	N/A	N/A	N/A

⁷ Not accounted for separately

GRI 303-5 Water consumption
ITALY TOTAL

		2021		2022		2023	
	UoM	All areas	Areas prone to water stress	All areas	Areas prone to water stress	All areas	Areas prone to water stress
Total water consumption	ML	9.65	0	9.23	0	8.66	0
Changes in water storage, if this operation is found to have a significant impact in relation to water resources	ML	0	0	0	0	0	0
Total	ML	9.65		9.23		8.66	
Water consumption intensity index	ML/ton	0.29		0.27		0.25	

GRI 305-1 Direct GHG emissions (Scope 1)
GRI 305-2 Indirect GHG emissions from energy consumption (Scope 2)
GRI 305-3 Other indirect GHG emissions (Scope 3)
GHG EMISSIONS BY SCOPE

ITALY TOTAL	UoM	2021	2022	2023
Scope 1 ⁸	tCO ₂ e	11,998	11,140	10,991
Scope 2	tCO ₂ e	0 ⁹	0	0
Scope 3	tCO ₂ e	(287,666)	- ¹⁰	- ¹⁰
Total	tCO₂e	N/A	N/A	N/A

⁸ Emissions data only refer to ICAM S.p.A. Other Group Companies were not included in the assessment for determining the carbon footprint because their impact was assessed as negligible.

⁹ Recalculated from the 2021 Report due to misclassification of ongoing electricity contract at Lecco.

¹⁰ Scope 3 emissions data refer only to 2020, the year in which a Group Carbon Footprint was conducted by an external company, and only to ICAM S.p.A.

GRI 305-4 Intensity of GHG emissions, Scope 1 and 2

GHG INTENSITY INDEX				
ITALY TOTAL	UoM	2021	2022	2023
Direct emissions (SCOPE 1 and 2)	tCO ₂ e	11,998	11,140	10,991
Italy production	tons	33,361	34,465	33,350
GHG INTENSITY INDEX tCO₂e per ton of production	tCO₂e/ ton	0.36	0.32	0.33

GRI 305-5 Reducing GHG emissions

ITALY TOTAL	UoM	Reduction	tCO ₂ e Current year	tCO ₂ e Previous year
Direct greenhouse gas (GHG) emissions (Scope 1)	tCO ₂ e	-149	10,991	11,140
Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	tCO ₂ e	0	0	0
Other indirect greenhouse gas (GHG) emissions (Scope 3)	tCO ₂ e	N/A	N/A	N/A
Total GHG emissions	tCO₂e	N/A	N/A	N/A

GRI 306-3 - Waste generated

2023				
CATEGORY	PREVALENT MATERIAL	UoM	ITALY TOTAL	UGANDA TOTAL
By-products	Husks	kg	1,978,700	
	Non-compliant beans		26,580	
	Textile by-products		157,060	
	Organic by-products		527,100	
Packaging	Unsorted packaging	kg	436,770	
	Paper and cardboard		206,220	5
	Wood		127,180	300
	Plastic		68,530	
Other	Metals	kg	46,020	70
	Organic waste		151,480	
	Liquid waste, sludge		140,291	
	Other		9,964	
Total non-hazardous		kg	3,875,895	375
Hazardous	Hazardous	kg	25,847	1
	Other hazardous		7,244	1
Total hazardous		kg	33,091	2
Total		kg	3,908,986	377

306-4 Waste not for disposal
306-5 Waste for disposal

2023 - ITALY					
CATEGORY	PREVALENT MATERIAL	UoM	CIRCULAR ECONOMY	SENT TO RECOVERY	DISPOSAL
By-products	Husks	kg	1,978,700		
	Non-compliant beans		26,580		
	Textile by-products		157,060		
	Organic by-products		527,100		
Packaging	Unsorted packaging	kg		117,855	318,915
	Paper and cardboard			206,220	
	Wood			127,180	
	Plastic			68,530	
Other	Metals	kg		46,020	
	Organic waste			74,490	76,990
	Liquid waste, sludge				140,291
	Other			3,912	6,053
Hazardous	Hazardous	kg			25,847
	Other hazardous			145	7,099
Total		kg	2,689,440	644,352	575,195
Overall total		kg	3,908,986		



GRI CONTENT INDEX

GRI Standard	Information	Section	Page	Omission/Comment
GRI 2: GENERAL DISCLOSURE 2021				
The organization and its reporting practices				
2-1	Organizational details	Company profile Governance and organization	7, 16, 103	
2-2	Entities included in the organization's sustainability reporting	Methodological note	3, 24	
2-3	Reporting period, frequency and point of contact	Methodological note	3	
2-4	Restatement of information	Methodological note	3	Any changes from the data published in the previous year are highlighted in the document with specific notes
2-5	External assurance	Methodological note	3	Not subject to external assurance
Activities and workers				
2-6	Activities, value chain and other business relationships	Company profile Accountability along the supply chain - introduction	10, 62	
2-7	Employees	Employees in Italy	40-44	
2-8	Non-employee workers	Employees in Uganda		

Governance				
2-9	Governance structure and composition	Governance and organization	24, 16	
2-10	Appointment and selection of the highest governing body	-	17	Boards of Directors are appointed by the Shareholders in accordance with the law
2-11	Chair of the highest governing body	Governance and organization		
2-12	Role of the highest governing body in impact management control	Sustainability governance	24	
2-13	Delegation of responsibility for managing impacts			
2-14	Role of the highest governing body in sustainability reporting	Methodological note	3	
2-15	Conflicts of interest	Sustainability governance	24-26	https://www.icamcioccolato.com/media/chi-siamo/obiettivi/ICAM-codice-etico-IT.pdf
2-16	Communication of critical issues			Under the whistleblowing system set out in GRI 2-26 below, any relevant reports are periodically reported to the Board of Directors by the Supervisory Board. No critical issues emerged in 2023 that required specific reporting to the Boards of Directors.
2-17	Collective knowledge of the highest governing body			In the reporting period, no induction activities were carried out for the Board of Directors regarding sustainable development but it is the Group's goal to implement them in the future.
2-18	Performance evaluation of the highest governing body			"There are currently no mechanisms for evaluating the Board of Directors' performance in managing impacts on the economy, environment, and people."
2-19	Rules concerning remuneration			Board members' compensation includes a fixed amount.
2-20	Compensation determination procedure			Compensation of members of the Board of Directors is determined by the Shareholders' Meeting at the time of appointment.
2-21	Annual total pay ratio			Confidential information

Strategy, policies and practices				
2-22	Sustainable development strategy statement	ICAM and adherence to the UN Sustainable Development Goals. Collaboration for sustainability goals	27	
2-23	Policy commitment	Sustainability governance	25, 26	https://www.icamcioccolato.com/media/chi-siamo/obiettivi/ICAM-codice-etico-IT.pdf https://www.icamcioccolato.com/it/chi-siamo/manifesto/ No significant stakeholder complaints were received during the reporting period ICAM S.p.A. has adopted the Organization, Management and Control Model pursuant to Legislative Decree 231/2001 and a related whistleblowing system. There is also a dedicated email address, sustainability@icamcioccolato.it, which can be used to seek clarification on the implementation of the organization's policies and practices for responsible business conduct
2-24	Integration of policy commitments			
2-25	Processes aimed at remedying negative impacts			
2-26	Mechanisms for requesting clarification and raising concerns			
2-27	Compliance with laws and regulations	Sustainability governance Consumer safety: impact on health	25	
2-28	Membership in associations	Collaboration for sustainability goals	28	
Stakeholder engagement				
2-29	Approach to stakeholder engagement	Stakeholders. Collaboration for sustainability goals	28, 34	
2-30	Collective bargaining agreements	Welfare and well-being: employee benefits	45	
GRI 3: MATERIAL TOPICS 2021				
Information on material topics				
3-1	Process of determining material topics	Materiality Analysis	34	
3-2	List of material topics			
REPORTING OF SPECIFIC STANDARDS				
ECONOMIC PERFORMANCE				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Economic performance	21	
GRI 201: ECONOMIC PERFORMANCE 2016				
201-1	Economic value directly generated and distributed	Mission Distribution of generated value	15,20	

INDIRECT ECONOMIC IMPACTS

GRI 3: MATERIAL TOPICS 2021

3-3	Management of material topics	Impact on the local community Development and fair remuneration of growers	59,99	
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GRI 203: INDIRECT ECONOMIC IMPACTS 2016

203-1	Investments in infrastructure and supported services	Impact on the local community	59,100	
203-2	Significant indirect economic impacts	Impact on the local community Development and fair remuneration of growers	102,75, 77,99	

ANTI-CORRUPTION

GRI 3: MATERIAL TOPICS 2021

3-3	Management of material topics	Anti-corruption and ethics	26	
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GRI 205: ANTI-CORRUPTION 2016

205-1	Operations evaluated for risks related to corruption	Anti-corruption and ethics	26,27	
205-2	Communication and training on anti-corruption regulations and procedures			
205-3	Established incidents of corruption and actions taken			

USE OF RAW MATERIALS

GRI 3: MATERIAL TOPICS 2021

3-3	Management of material topics	Sustainable use of raw materials	70	
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GRI 301: MATERIALS 2016

301-1	Materials used by weight and volume	Sustainable use of raw materials Low-impact packaging	71,130	
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ENERGY MANAGEMENT AND EFFICIENCY				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Energy management and efficiency: reducing demand	118	
GRI 302: ENERGY 2016				
302-1	Energy consumption within the organization	Energy management and efficiency: reducing demand	119, 120	
302-3	Energy intensity			
WATER RESOURCE MANAGEMENT				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Water resource management: reducing waste	122	
GRI 303: WATER AND EFFLUENTS 2018				
303-1	Interaction with water as a shared resource	Water resource management: reducing waste	149, 150	
303-3	Water withdrawal			
303-5	Water consumption			
PROTECTION OF BIODIVERSITY				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Data and detailed information Accountability along the supply chain	83	
GRI 304: BIODIVERSITY 2016				
304-1	Operational sites owned, held under lease, managed in (or adjacent to) protected areas and areas of high biodiversity outside protected areas	Data and detailed information Accountability along the supply chain	145	
EMISSIONS				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Climate change: combating climate change and commitment to reducing the Company's Carbon Footprint	112	
GRI 305: EMISSIONS 2016				
305-1	Direct GHG emissions (Scope 1)	Climate change: combating climate change and commitment to reducing the Company's Carbon Footprint	112	
305-2	Indirect GHG emissions from energy consumption (Scope 2)			
305-3	Other indirect GHG emissions (Scope 3)			
305-4	Intensity of GHG emissions			
305-5	Reduction of GHG emissions			

WASTE

GRI 3: MATERIAL TOPICS 2021

3-3	Management of material topics	Responsible use of raw materials	124	
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GRI 306: WASTE 2020

306-1	Generation of waste and significant waste-related impacts	Responsible use of raw materials	124, 126	
306-2	Management of significant waste-related impacts			
306-3	Waste generated			
306-4	Waste not sent to landfill			
306-5	Waste sent to landfill			

ENVIRONMENTAL ASSESSMENT OF SUPPLIERS

GRI 3: MATERIAL TOPICS 2021

3-3	Management of material topics	Supply chain traceability and responsible sourcing	64	
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GRI 308: ENVIRONMENTAL ASSESSMENT OF SUPPLIERS 2016

308-1	New suppliers that have been evaluated using environmental criteria	Supply chain traceability and responsible sourcing	64	"ICAM intends to strengthen its process of selecting new suppliers based on specific environmental criteria. This will make it possible to report on the indicator in a specific manner."
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EMPLOYMENT AND WELFARE

GRI 3: MATERIAL TOPICS 2021

3-3	Management of material topics	Welfare and well-being: employee benefits	45	
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GRI 401: EMPLOYMENT 2016

401-1	New hires and turnover	Welfare and well-being: employee benefits	45, 46	
401-2	Benefits provided for full-time employees, but not for part-time or temporary employees			
401-3	Parental leave			

WORKERS' HEALTH AND SAFETY

HEALTH AND SAFETY OF WORKERS

GRI 3: MATERIAL TOPICS 2021

3-3	Management of material topics	Employees' health and safety: safe and healthy work environment, training and provision of PPE	57	
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GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018

403-1	Occupational health and safety management system	Employees' health and safety: safe and healthy work environment, training and provision of PPE	57,58	
403-2	Hazard identification, risk assessment, and accident investigation			
403-3	Occupational health services			
403-4	Worker participation and consultation and communication on occupational health and safety			
403-5	Occupational health and safety training for workers			
403-6	Promotion of workers' health			
403-7	Prevention and mitigation of occupational health and safety impacts within business relationships			
403-8	Workers covered by health and safety management system			100% of workers in Italy are covered by the occupational health and safety management system certified by internal and third-party audit. 100% of workers in Uganda are covered by the occupational health and safety management system.
403-9	Work-related injuries			
403-10	Occupational diseases			No cases of occupational disease were recorded during 2023

TRAINING AND DEVELOPMENT

GRI 3: MATERIAL TOPICS 2021

3-3	Management of material topics	Training and development: enhancing employees' professionalism	52	
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GRI 404: TRAINING AND EDUCATION 2016

404-1	Average hours of annual training per employee	Training and development: enhancing employees' professionalism	52-54	
404-2	Employee skills upgrading (and transition assistance) programs	Welfare and well-being at the Uganda site	50	
404-3	Percentage of employees who receive a periodic performance and professional development appraisal	Training and development: enhancing employees' professionalism	52	

DIVERSITY AND EQUAL OPPORTUNITY 2016				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Inclusion and equal opportunity: enhancing a work culture based on the promotion of equal opportunity	55	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY				
405-1	Diversity in governing bodies and among employees	Inclusion and equal opportunity: enhancing a work culture based on the promotion of equal opportunity	55, 56	
NON-DISCRIMINATION				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Inclusion and equal opportunity: enhancing a work culture based on the promotion of equal opportunity	55	
GRI 406: NON-DISCRIMINATION 2016				
406-1	Incidents of discrimination and corrective measures taken	Inclusion and equal opportunity: enhancing a work culture based on the promotion of equal opportunity	55, 56, 96, 97	No cases of discrimination in the workplace were recorded in 2023
CHILD LABOR				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Respect for Human Rights	93	
GRI 408: CHILD LABOR 2016				
408-1	Activities and suppliers at significant risk of incidents of child labor	Data and detailed information	95, 101	
FORCED OR COMPULSORY LABOR				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Respect for Human Rights	93	
GRI 409: FORCED OR COMPULSORY LABOR 2016				
409-1	Activities and suppliers at significant risk of incidents of forced or compulsory labor	Data and detailed information	93	
LOCAL COMMUNITIES				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Impact on the local community	59,99	
GRI 413: LOCAL COMMUNITIES 2016				
413-1	Activities involving local community outreach, impact assessments and development programs (Training)	Impact on the local community	60, 102	

SUPPLIER EVALUATION ACCORDING TO SOCIAL CRITERIA				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Supply chain traceability and responsible sourcing	64	
GRI 414: SOCIAL EVALUATION OF SUPPLIERS 2016				
414-1	New suppliers that have been evaluated using social criteria	Supply chain traceability and responsible procurement	67, 68	ICAM aims to strengthen its new supplier selection process based on specific social criteria. This will make it possible to accurately report the indicator
CONSUMER HEALTH AND SAFETY				
GRI 3: MATERIAL TOPICS 2021				
3-3	Management of material topics	Consumer safety: impact on health	104	
GRI 416: CONSUMER HEALTH AND SAFETY 2016				
416-1	Assessment of health and safety impacts by product and service categories	Consumer safety: impact on health	104	
416-2	Non-compliance incidents related to health and safety impacts of products and services			



*“One day they will ask us how we managed
to make a product like this.”*

A handwritten signature in black ink, which appears to read 'Agostoni Silvio', is written over a horizontal line.

Silvio Agostoni
Founder of ICAM



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