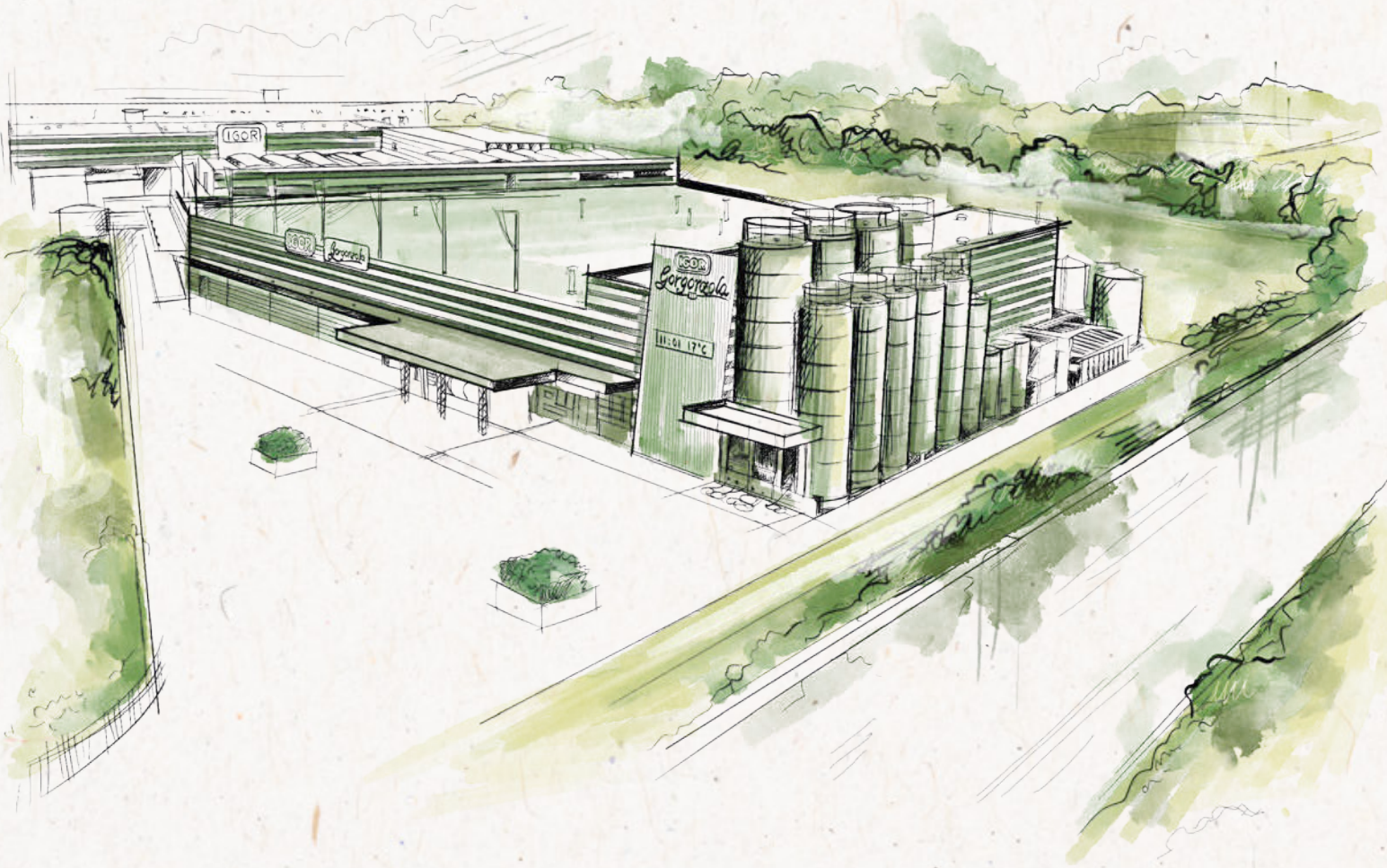


# SUSTAINABILITY REPORT

# 2023



**IGOR**  
*Gorgonzola*  
100% GUSTO ITALIANO

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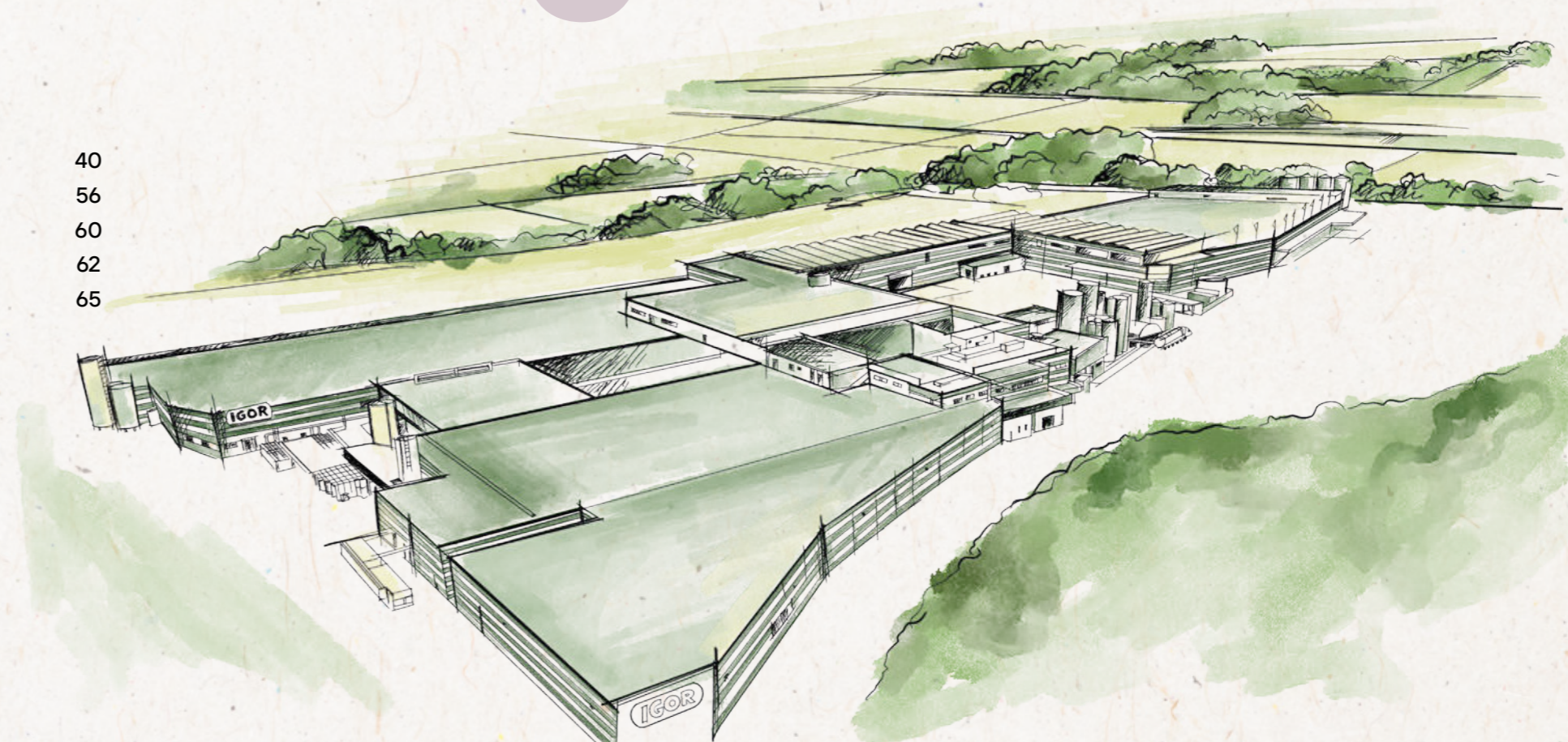
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# PASSION FOR TASTE, LOVE FOR THE PLANET



## Letter to the stakeholders

*Dear stakeholders,  
We are delighted to present our first sustainability report. This report marks a milestone in our sustainable growth and development journey, showcasing our commitment to creating social and environmental value beyond just economic value. The decision to prepare a sustainability report stems from our desire for full transparency in our actions, showing how our operations influence the surrounding environment. We are aware that sustainability is more than a responsible choice; it is also a decisive factor in the long-term success of our company and the well-being of the communities and eco-systems where we work.*

*In recent years we have embarked on a journey of transformation aimed at integrating sustainability into all facets of our operations. In our eyes, a responsible approach is crucial for tackling global challenges and also creating lasting value for all of our stakeholders: employees, customers, suppliers, local communities and the environment.*

*The purpose of this report is to keep all stakeholders abreast of the progress and initiatives we have diligently fostered and our important projects planned for the future. What's more, it also shares the fundamental values guiding our every action and decision. Rather than a journey's end, this is a springboard for new projects and strategies.*

*Passion for what we do is a mainstay of the company's identity, an organisation made up of people, families, passion and tradition. We are proud of our path and our history, cornerstones upon which our future is built. They spur us to constantly seek out new ways to improve and innovate, work tirelessly to achieve our goals and constantly push to develop more sustainable solutions to deal with the challenges facing us with solid answers.*

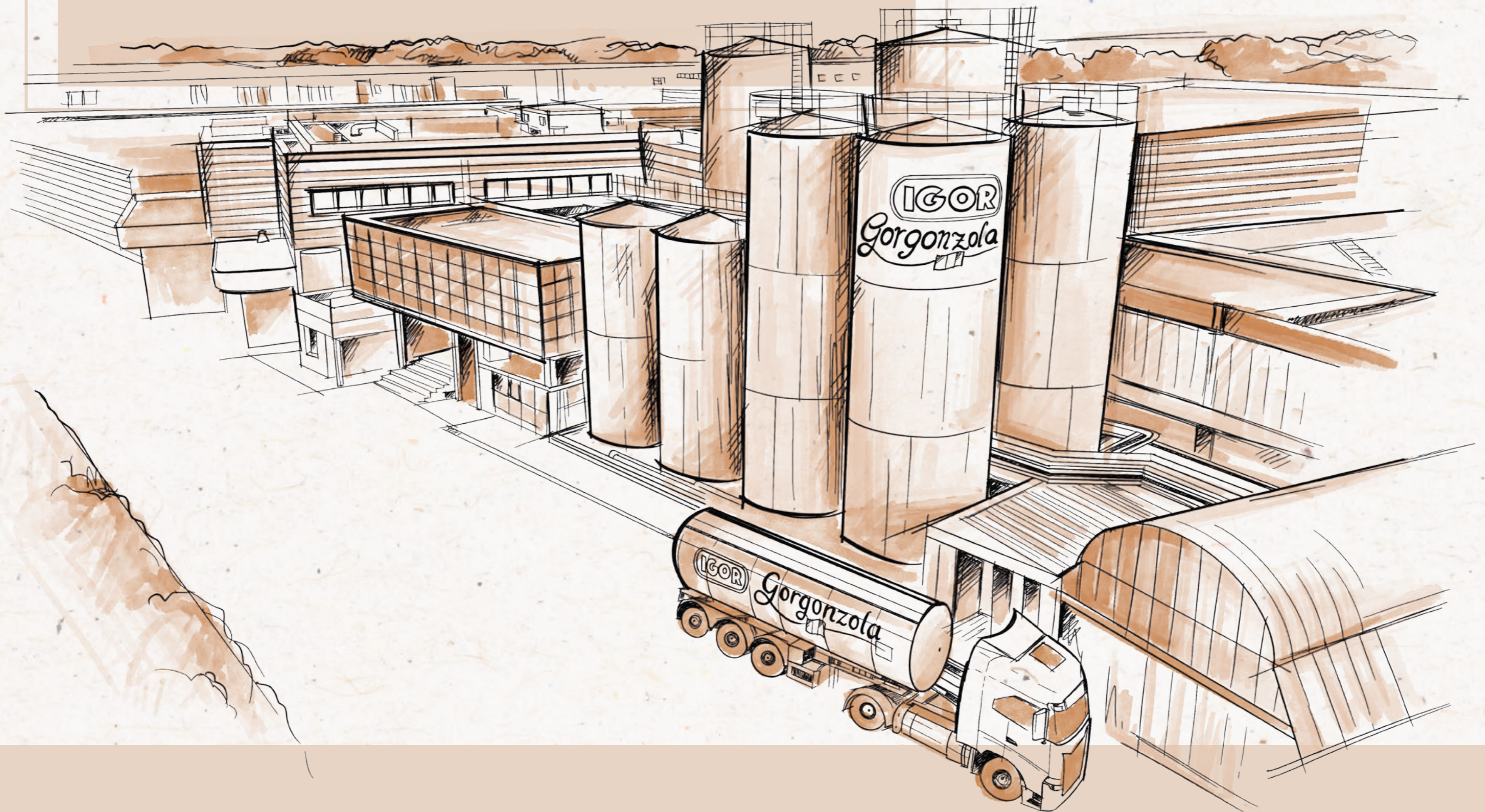
*Our first sustainability report shares our progress and the challenges we have set ourselves, while also clearly expressing our commitment and dedication to go further and do more. We know there is still a long way to go, but we are determined to forge ahead on the path to sustainability.*

*Fabio Leonardi*  
CEO



*Giulia Leonardi*  
Export sales &  
Sustainability  
Manager

# 1 METHODOLOGY FOR REPORTING NON-FINANCIAL INFORMATION



## 1.1 The group, the structure of our report and basis of preparation

2-2 Entities included in the organization's sustainability reporting

2-3 Reporting period, frequency and contact point

This sustainability report covers IGOR S.r.l. (the "parent") and the other **consolidated companies**.

In order to report on the group's sustainability performance, the reporting boundary is the same as that used to prepare the consolidated financial statements of IGOR S.r.l.

Consequently, this sustainability report covers the following companies:

- IGOR s.r.l., the parent;
- Clin s.r.l.
- Pal s.r.l.
- Ballarini S.p.A
- Si Invernizzi s.r.l

The data and information included herein mainly refer to the period **1 January - 31 December 2023** and cover the above group companies

Our first sustainability report has been prepared in accordance with the most recent version of the **GRI Sustainability Reporting Standards (2021)** defined by the **Global Reporting Initiative (the "GRI Standards")**, which guarantee a solid and internationally recognised approach. The reported information has been prepared "with reference to" the GRI Standards and complies with the following reporting requirements:

- **Accuracy:** reporting information that is correct and **sufficiently detailed** to allow an assessment of the impacts of all the companies covered by this document;
- **Balance:** reporting information in an unbiased way and providing a fair representation of the organisation's ESG negative and positive impacts;
- **Clarity:** presenting information in a way that is accessible and understandable, and using graphics and tables to make this sustainability report accessible and understandable to readers and all stakeholders;
- **Comparability:** selecting, compiling and reporting information consistently to enable an analysis of changes in the organisation's impacts over time and an analysis of these impacts relative to those of other organisations;
- **Completeness:** providing sufficient information to enable an exhaustive and accurate assessment of the organisation's impacts, risks and opportunities during the reporting period;
- **Sustainability context:** reporting information about the organisation's impacts, risks and opportunities in the wider context of sustainable development, analysing and considering several sources, including laws and regulations, as well as international conventions;
- **Timeliness:** reporting information on a regular schedule, making it available in time for information users to make decisions;
- **Verifiability:** the information provided in the sustainability report must be gathered, recorded, compiled and analysed in such a way that it can be examined to establish its quality.

In addition to adopting the **GRI** methodological framework, this report has been prepared also in accordance with the new **ESRS** standards published by **EFRAG** pursuant to Directive (EU) 2464/2022 (CSRD), in order to prepare for the future mandatory regulatory requirements applicable to sustainability performance reporting.

Several corporate functions actively participated in the preparation of this report. They contributed to the collection of the data necessary for reporting and their subsequent correct contextualisation. In order to ensure the reliability of data and be closer to reality, the use of estimates was restricted as much as possible. Where present, estimates are based on the best available methodologies and are duly indicated.

This sustainability report describes the **main policies, management models and activities carried out** during the year which focused on the three thematic areas of sustainability: **environmental matters; social matters**, related to employees and respect for human rights, and **corporate governance matters**.

The aim of this document is to **describe the values, initiatives and results** achieved in 2023 in terms of sustainability, to be used for the related improvement goals.

The **GRI content index** is attached hereto and shows the indicators used to report on each material topic identified in order to assist readers in navigating the document.

This report has been prepared in accordance with the principle of **materiality** which, as described later on, is envisaged by the new regulatory framework and also characterises the most recent version of the **GRI Universal Standards**. Consequently, we reported on the topics that, following the various stakeholder engagement activities and assessment of impacts, risks and opportunities related to **material** topics, were considered material as they could reflect the environmental, social and governance impacts of the group's activities or **influence stakeholders' decisions**.



## 1.2 Stakeholder engagement activities and identification of material topics

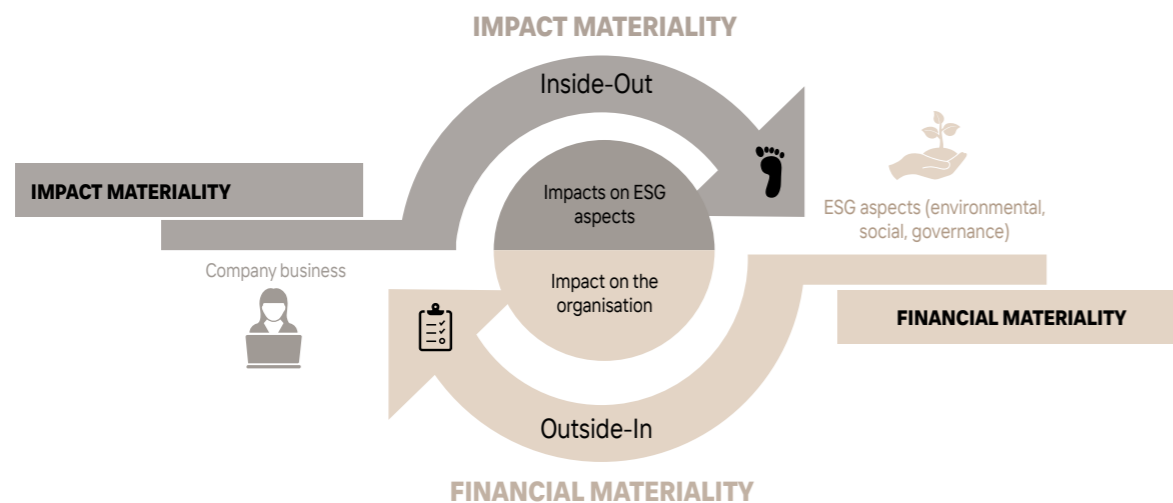
2-29 Approach to stakeholder engagement

The correct preparation of a sustainability report requires **considering the context outside the organisation**, constant monitoring of long-term global trends, and last but not least, full and ongoing dialogue with various stakeholder categories.

As early as this year, in order to become familiar with the provisions of the new European regulations on sustainability reporting, we opted for the early adoption of the new double materiality approach envisaged by the CSRD (**Corporate Sustainability Reporting Directive - Directive (EU) 2464/2022**). This new approach combines **impact materiality** and **financial materiality**:

- **IMPACT MATERIALITY:** it focuses on the **undertaking's** material actual or potential, positive or **negative** impacts on people or the environment over the short-, medium- or long-term.
- **FINANCIAL MATERIALITY:** it focuses on sustainability matters **that may generate risks and/or opportunities** that have a material influence, or could reasonably be expected to have a material influence, on the undertaking's development, financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term.

In line with this new process, companies must assess not only what is material to them from an **inside-out** perspective, i.e., how companies affect the environment, the economy and society, but also how sustainability generates or could generate risks or opportunities that influence or could influence the organisation's activities, and thus also consider an **outside-in** perspective.



Therefore, material topics are identified as they underpin the definition of an organisation's **sustainability strategy** and help focus efforts on the **most material matters**, i.e., those that have the greatest impact on long-term value creation. This process enables companies to **analyse their processes, trends and corporate risk management**.

Therefore, the 2023 materiality analysis was carried out in accordance with the **methodological framework** based on GRI standards, integrated with the main aspects of the new **ESRS 1 General Requirements** for a first approach to double materiality.

The materiality analysis was a dynamic process consisting of **four steps**:

We drew up a list of potential material topics considering the areas that expected to be material to the organisation through an in-depth documentary analysis which covered various sources: public documents of peer companies, trends in the relevant industry, publications of leading international associations and organisations, newspaper articles, interviews with various company functions, etc..

**UNDERSTAND THE ORGANISATION CONTEXT:**

Each previously identified material topic was matched to its impacts (impact materiality) or risks and opportunities, if any (financial materiality). Impacts were broken down into actual impacts, i.e., those that are underway or that have already occurred, and potential impacts, i.e., those that could occur, but have not yet occurred;

**IDENTIFY IMPACTS, RISKS AND OPPORTUNITIES (IROs):**

The significance of the IROs identified in accordance with the inside-out (impact materiality) and outside-in (financial materiality) perspectives was assessed based on the engagement of selected internal and external stakeholders. The stakeholders were engaged by holding 1-to-1 interviews, specific workshops and by sending questionnaires.

**ASSESS THE SIGNIFICANCE OF IROs BASED ON STAKEHOLDER ENGAGEMENT**

Material topics matched to IROs were prioritised based on the results of stakeholder engagement and the joint analysis of internal and external significance.

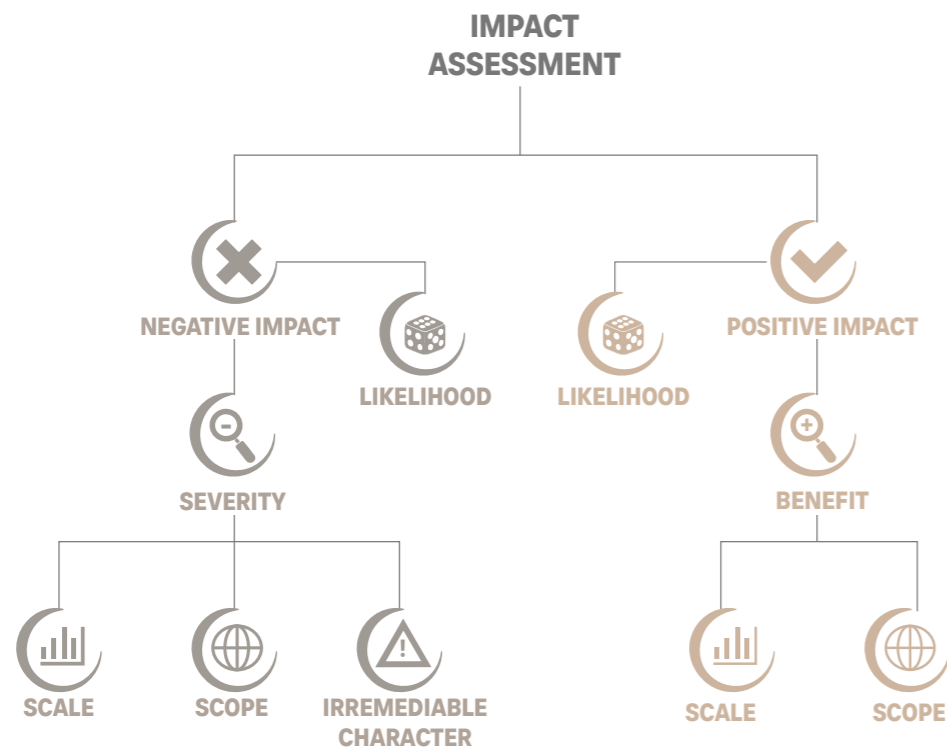
**PRIORITISE AND DETERMINE THE IROs BY MATERIAL TOPIC**

The topics identified are the topics to be **reported individually** as they identify the most relevant impacts, risks and opportunities caused by internal activities along the value chain or that could affect the organisation's performance.

IROs were assessed as part of a complex and precise process: each stakeholder was asked to assess the **severity** or **benefit** and **likelihood** associated with each positive and/or negative, potential and/or actual impact. Severity and benefit were in turn assessed based on the following factors: **scale**, how grave the negative impact is or how beneficial the positive impact is for people or the environment; **scope**, how widespread the negative or positive impacts are; and, limited to severity, the **irremediable character** of the impact, i.e., whether and to what extent the negative impacts could be remediated.

The likelihood was considered only when assessing potential impacts and is defined as the possibility of the impact occurring, taking into account the preventive actions taken by the group. Risks and opportunities were assessed based on the figures indicating the **magnitude** of the possible financial effects and their **likelihood of occurrence**.

The graph below shows the assessment process and the variables considered when assessing IROs.









**ASSESSMENT OF RISKS AND OPPORTUNITIES**



The materiality analysis entailed the **identification** of multiple **stakeholder categories**, which can contribute directly or indirectly to the success of the group and can therefore influence its performance and steer its decisions.

Therefore, the first step consisted in the identification of the following categories:

STAKEHOLDER CATEGORY	DEFINITION
 EMPLOYEES	Senior management, managers and those that work for or on behalf of the group.
 SUPPLIERS	The group's suppliers of raw materials, services and technologies.
 CUSTOMERS	The users of the group's products.
 TRADE ASSOCIATIONS	Local associations.
 THE MEDIA	National and local media and information which directly or indirectly influence the group's operations.
 FINANCIAL INSTITUTIONS	Credit institutions, banks and insurance companies that contribute to the financing of the group's operations.

Therefore, the collection of the opinions, requests, expectations and points of view of the different stakeholders began with various **stakeholder engagement activities**, also driven by the willingness to increasingly foster **constant dialogue and communication** with them, while constantly caring for these relations with a view to **integrity and transparency**.

### 1.3 Results of the materiality analysis

- 3-1 Process to determine material topics
- 3-2 List of material topics
- 3-3 Management of material topics

The materiality analysis **guided us in the process to determine material topics**, in order to provide us, the users of this document and all our stakeholders with a clear presentation of the **materiality of the ESG impacts arising from our activities and the potential risks and opportunities**.

The results of the materiality analysis, which combine and jointly consider impact and financial materiality, are **summarised and shown in the table below**, broken down by ESG topic. These topics are the **starting point** for our sustainability performance reporting.

The identification of material topics based on the relevant IROs led us to the **identification of the corresponding GRI indicators**, which were subsequently used to describe the topics reported herein.

In line with the materiality approach envisaged by the GRI guidelines, **the graph below shows the results of the materiality analysis** carried out considering only the actual/potential positive/negative impacts from an **inside-out perspective**. The final list of material topics is longer as the aspects highlighted by the impact materiality **were added to those identified by the financial materiality analysis**, which also considers potential risks and opportunities from an outside-in logic perspective, in order to perform an initial materiality analysis which, as mentioned earlier, is already in line with the new European reporting standard.

In the impact materiality analysis, all topics which in the stakeholder assessment exceeded the **materiality threshold of 10** in terms of severity or benefits and their likelihood of occurrence, were considered "material".

The tables show a breakdown of the relevance of the material topics, highlighting whether they were identified as relevant in terms of **impact** and/or **financial materiality**. Although the "Occupational health and safety" and "Data privacy and cybersecurity" material topics were not deemed material **based on the related IROs** assessed, they were included in the list of reported topics and the appropriate GRI indicators were identified for reporting purposes.

# ENVIRONMENT

ESG	MATERIAL TOPIC	DESCRIPTION
E	ENERGY TRANSITION AND CLIMATE CHANGE	Ensure the rational use of energy sources and implement initiatives to monitor and reduce energy consumption and greenhouse gas emissions throughout the value chain in order to contribute to combating climate change in line with international sustainable development goals.
E	SUSTAINABLE AGRICULTURE AND CONSERVATION OF BIODIVERSITY	Monitor agricultural practices along the supply chain, checking the safeguard of ecosystems and the conservation of biodiversity.
E	ANIMAL WELFARE	Monitor farming practices that ensure sufficient space for animals to move and rest, as well as a healthy diet, avoiding antibiotics and any situation that could result in pain and suffering for the animals.
E	ECODESIGN, CIRCULARITY AND SUSTAINABLE PACKAGING	Design and develop packaging in accordance with the principles of circularity, considering the durability and end-of-life management to reduce the environmental impact from the procurement of materials to their disposal.
E	RESPONSIBLE WASTE MANAGEMENT	Promote responsible and correct waste management to foster recycling practices and reduce the impacts caused by the generation and disposal of waste from production activities.
E	MANAGEMENT OF WATER RESOURCES	Responsible management of water resources through efficient use and monitoring of discharges in line with applicable regulations.

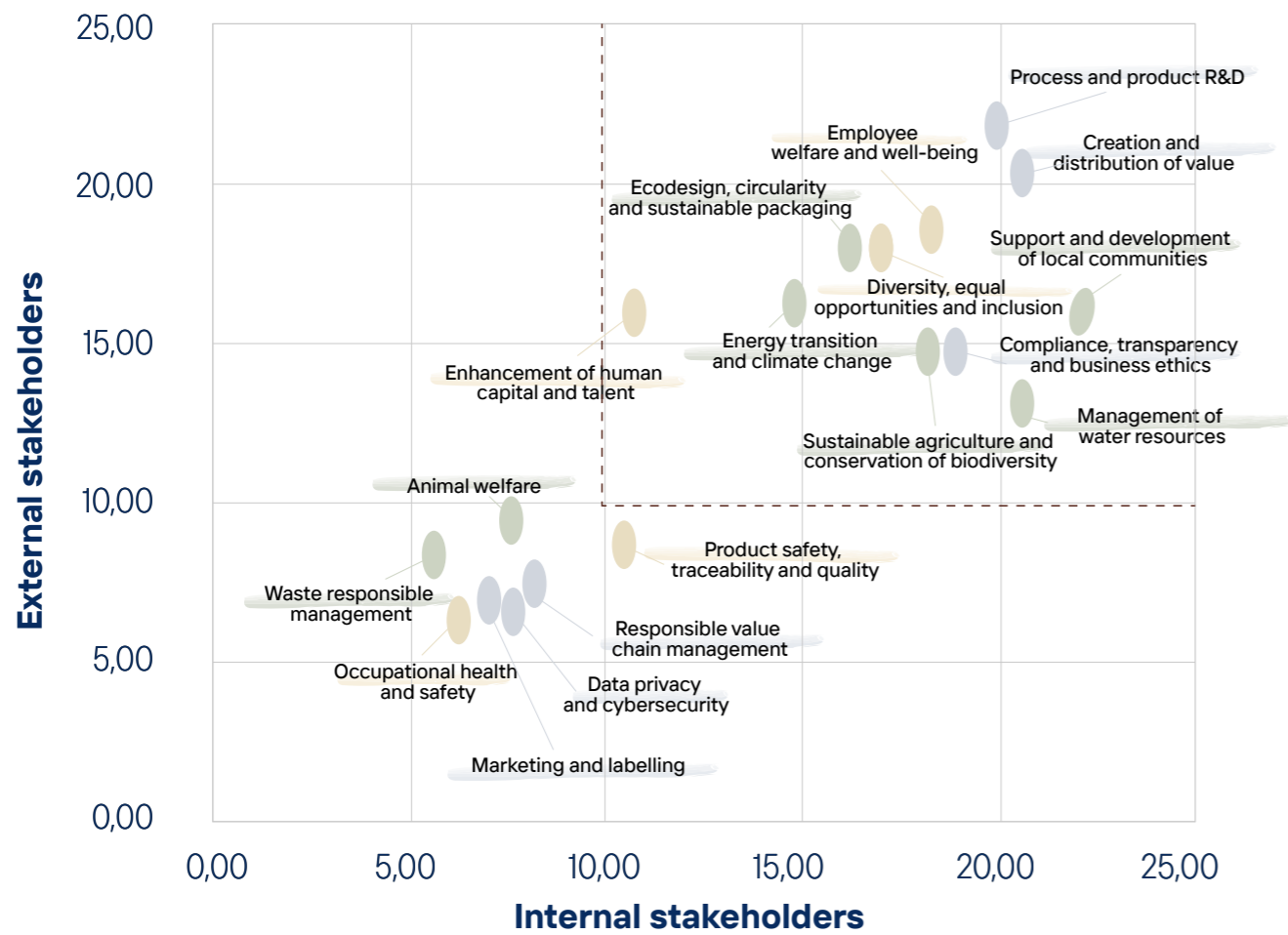
# SOCIAL

ESG	MATERIAL TOPIC	DESCRIPTION
S	<b>PRODUCT SAFETY, TRACEABILITY AND QUALITY</b>	Adopt an appropriate system to monitor product quality and safety in order to prevent risks to consumer health and safety and ensure traceability along the supply chain. Use packaging systems that protect the food product from external contamination.
S	<b>SUPPORT AND DEVELOPMENT OF LOCAL COMMUNITIES</b>	Contribute to the development of local communities through solidarity projects and the organisation or sponsorship of initiatives to support disadvantaged groups, environmental protection and biodiversity.
S	<b>OCCUPATIONAL HEALTH AND SAFETY</b>	Guarantee working conditions that ensure the protection and psycho-physical well-being of workers and high standards of occupational health and safety. Promote the adoption of preventive measures in order to mitigate potential risks through specific initiatives and appropriate health and safety training plans.
S	<b>DIVERSITY, EQUAL OPPORTUNITIES AND INCLUSION</b>	Enhance diversity within the company and promote gender equality and equal opportunities.
S	<b>ENHANCE HUMAN CAPITAL AND TALENT</b>	Promoting a corporate culture focused on skills development and employee and talent development and training paths.
S	<b>EMPLOYEE WELFARE AND WELL-BEING</b>	Ensure a workplace that fosters dialogue, constant discussion and an adequate work-life balance. Support employee needs by extending physical and mental well-being tools and services to all.

# GOVERNANCE

ESG	MATERIAL TOPIC	DESCRIPTION
G	<b>RESPONSIBLE VALUE CHAIN MANAGEMENT</b>	Ensure sustainable practices along the supply chain that support the protection of human rights, the quality of raw materials used and limit negative impacts on the environment upstream and downstream of the production process.
G	<b>CREATION AND DISTRIBUTION OF VALUE</b>	Ensure responsible management of marketing and commercial communication activities, including product labelling.
G	<b>COMPLIANCE, TRANSPARENCY AND BUSINESS ETHICS</b>	Comply with the highest standards of honesty and integrity by promoting a corporate culture based on ethics and compliance that also anticipates and combats active and passive corruption.
G	<b>MARKETING AND LABELLING</b>	Optimise financial value and generate long-term economic, social and environmental growth for the organisation. Redistribute the generated value across the local area.
G	<b>R&amp;D INTO SUSTAINABLE PROCESSES</b>	Invest in product and process innovation to ensure the highest quality standards and make processes more efficient by promoting the recycling of secondary raw materials.
G	<b>DATA PRIVACY AND CYBERSECURITY</b>	Ensure a system that protects the data and personal information of customers and suppliers during their collection, storage and use.

**Impact Materiality matrix**



**ENVIRONMENT**

- Energy transition and climate change
- Sustainable agriculture and conservation of biodiversity
- Animal welfare
- Eco-design, circularity and sustainable packaging
- Responsible waste management
- Management of water resources

**SOCIAL**

- Product safety, traceability and quality
- Support and development of local communities
- Occupational health and safety
- Diversity, equal opportunities and inclusion
- Enhancement of human capital and talent
- Employee welfare and well-being

**GOVERNANCE**

- Responsible value chain management
- Creation and distribution of value
- Compliance, transparency and business ethics
- Marketing and labelling
- Sustainable process R&D
- Data privacy and cybersecurity

Material topic - Impact materiality (inside-out impacts)

Material topic - Financial materiality (outside-in risks/opportunities)

Material topic - Impact and financial materiality

# 2 ABOUT US



## 2.1 The story of a family, going back four generations

2-1 Organizational details

2-6 Activities, value chain and other business relationships

In the small village of Mezzomerico on the hills of Novara in Piedmont, Natale Leonardi made artisan Gorgonzola, a traditional Italian cheese famous for its blue marbling and inimitable flavour. On his horse-drawn cart, he would bring it to the hotels on Lake Maggiore patronised by nobles from all over Italy and abroad. This village among Novara's hills and Grandpa Natale were the seed of our company's story, tradition and values.

**Founded by Natale Leonardi**, in the small hill town of **Mezzomerico in 1935**, IGOR moved to a **modern facility** equipped with state-of-the-art Gorgonzola production, ageing and packaging technology in **Cameri, Novara in 1996**.

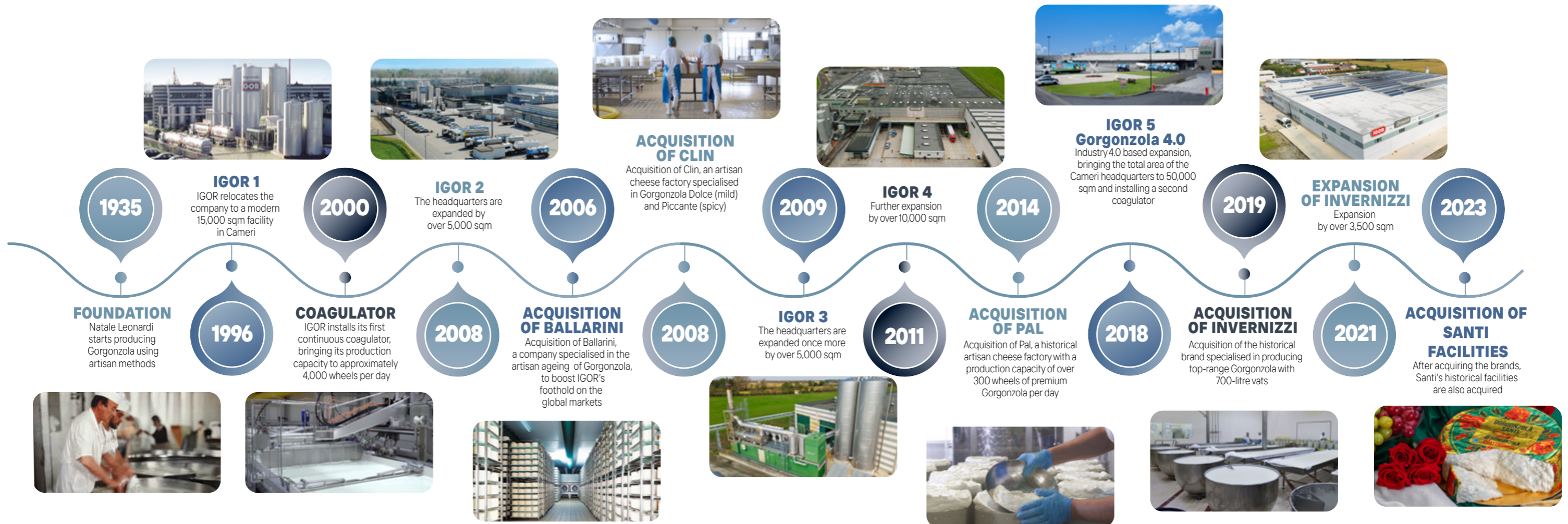
Over the years, through constant, considerable growth on the domestic and global markets, the **company made various investments**, expanding its headquarters five times and acquiring **four** production facilities.

The **Cameri headquarters** is an ultra-modern facility with two fully-automated production plants. The following historical facilities were acquired over the years to best combine innovation and tradition and **maintain the artisan quality of the company's products**: Pal in Prato Sesia, Clin in Cameriano, Si Invernizzi in Trecate and Ballarini, and a cheese ageing facility in Cameri.

The Leonardi family has been making IGOR Gorgonzola and serving it up on tables all over the world for four generations. The product is a perfect blend of the ancient art of cheese-making, the constant search for higher quality and the most up-to-date technological innovation.

We have always felt strongly about the importance of **artisan know-how**, a value that needs to be protected and passed down to future generations with pride. As a result, when expanding our company, we choose to tie our name to other companies that are also deeply rooted in the local area, cheese factories with huge experience in the artisan production of Gorgonzola, aiming for **premium range products thanks to artisan processing and meticulous, refined selection**.

**Passion, tradition, excellence, innovation and social responsibility**: these are the keys to IGOR Gorgonzola's success.



## 2.2 Our product: Gorgonzola

**Gorgonzola** is one of Italy's oldest and most famous cheeses, now available and loved all over the world, with its roots in Medieval times.

The origins of Gorgonzola are enshrouded in legend and tradition, but it is believed that this cheese was first produced around 879 AD in the small town of Gorgonzola not far from Milan. The production of Gorgonzola has evolved over the centuries thanks to improved techniques and the experience of cheese makers. During the **Renaissance**, Gorgonzola was one of the region's most prized products. In the **17th and 18th centuries**, it was already widely known and highly regarded at European courts where it was considered a delicacy. The introduction of the first scientific cheese-making methods in the **19th century** made great strides in boosting the quality of Gorgonzola. During this period the production of Gorgonzola expanded geographically to cover a vast but homogenous area, making **Novara the new capital of Gorgonzola** with its abundance of water, pastures and herds.

Gorgonzola is recognised by the European Community and is registered in the list of protected designation of origin (PDO) products. **Strict legislation regulates** the production standards and PDO area for milk collection and cheese production and ageing in order to ensure **quality and authenticity**. There are two types of Gorgonzola, **Dolce** (mild) and **Piccante** (spicy), with precise characteristics and preparation methods meticulously regulated by the Production specifications issued by the Consortium for the protection of Gorgonzola, implemented by the Ministry of Agricultural, Food and Forestry Policies (MIPAAF) and recognised by the European Community. A designated body is appointed by the Ministry to check that such requirements are met by producers. **A certificate of compliance is only issued to cheese that meets such standards**, thus allowing the **Gorgonzola** to be marketed under the PDO label.

IGOR Gorgonzola originates in the dairies situated at the foot of Monte Rosa, **using fresh Italian milk** from carefully chosen farms located within the **PDO** area, two of which in the Ticino River Park where forage from permanent pastures guarantee **top level milk** that is perfect for producing our Gorgonzola.

**High-quality milk, passion for the craft and tradition of cheese making, attention to quality and selection: these are the basic ingredients used by the Leonardi family to produce prime quality Gorgonzola every day.**



## 2.3 Our production facilities

The IGOR Group has five production facilities:

- **Two fully-automated facilities** at IGOR's headquarters in Cameri, including one Industry 4.0 based facility inaugurated in December 2018.
- **Two artisanal facilities, CLIN and PAL**, that produce cheese using 3,000-litre multi-purpose vats.
- **One artisanal facility, SI INVERNIZZI**, that uses 700-litre vats.



### IGOR S.R.L. – CAMERI (NO)

The Cameri facility was inaugurated in **1996** and is IGOR Group's registered, administrative and sales office.

We built this facility with a view to creating a new export-oriented organisation. Through plant and product-flow automation and innovation, we raised our health and hygiene standards while also boosting production and ageing capacity, allowing us to gradually become leaders in Italy and abroad.

This facility currently produces **8,000 wheels of Gorgonzola** Dolce and Piccante per day thanks to its two continuous production machines (coagulators) and boasts **29 packaging lines** that allows IGOR to best meet the needs of customers in Italy and throughout the world.



### CLIN – CASALINO (NOVARA)

CLIN, which stands for Cooperativa agricola produttori Latte Indenne Novara, was founded in 1967. Its initial purpose was to distribute its members' milk; then, after opening the Casalino dairy, CLIN began producing Gorgonzola. Breaking out onto foreign markets made **CLIN one of the industry's first companies to produce Gorgonzola Piccante for export**, mainly to the UK and US, just a few years after being founded. This project was possible thanks to the traceability of the farms that supplied the milk, the quality of the product and the **craftsmanship of the cheese makers**: decisive factors that made CLIN a pioneer among dairies. The company now produces approximately **800 wheels of Gorgonzola Dolce PDO per day** applying top-rate quality and safety standards.



### PAL – PRATO SESIA (NO)

The **Pal cheese factory** was set up in **Prato Sesia, Novara**, in 1933, at the foot of **Monte Rosa** in one of Italy's most beautiful, lush valleys and UNESCO Global Geopark. Pal was acquired by IGOR in 2014. The purpose of acquiring this historical cheese factory, which has always produced top-notch Gorgonzola, was to offer customers and consumers "**Gran Riserva Leonardi**", a **top-of-the-range** Gorgonzola. All of the processing is still carried out **by hand** at the Pal cheese factory. Every wheel is unique and inimitable as it holds within it the taste of history and tradition. A tale born of **uncontaminated pastures**, where the slow flow of the River Sesia sets the time of the ageing. Current production is roughly **300 wheels per day of Gorgonzola Dolce and Piccante**, the jewel in the crown of the IGOR Group.



### BALLARINI S.p.A. – CAMERI (NOVARA)

Founded by Gianni Ballarini in 1954, **Ballarini S.p.A.** is a company **specialised in ageing and packaging Gorgonzola PDO** for export. Thanks to its innovative packaging, Ballarini deftly penetrated **foreign markets**. Indeed, Ballarini Gorgonzola is now available in the world's top markets, standing out for its flavour. **Skill and mastery** in ageing has made this Gorgonzola a top-quality product, well established and in demand among many distributors all over the globe. Following a restructuring from 2003 and 2005, the company was **acquired by the IGOR Group in 2006**. This choice was strongly sought by the Leonardi family at the helm of the IGOR Group to **boost its presence on global markets** while maintaining quality and tradition.

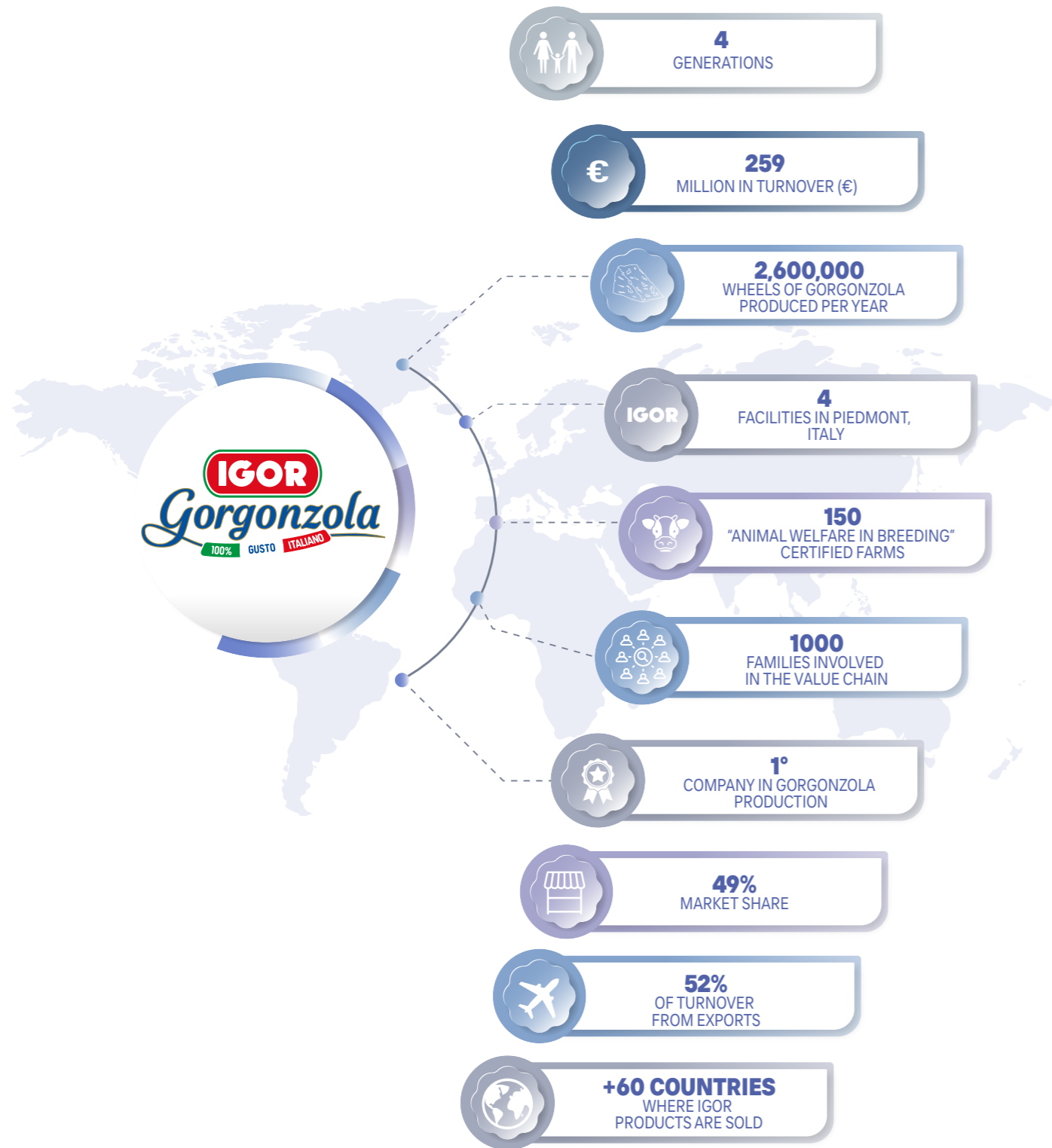


### SI INVERNIZZI S.r.l. - TRECATE (NOVARA)

In 1920, Giovanni Invernizzi opened a continuous production dairy in **Valsassina** that produced Gorgonzola and Italian mountain cheeses. He passed down his experience and passion to his son Ambrogio who built their **first artisan cheese factory in 1952** and founded the Valticino cheese factory, specialised in producing Gorgonzola Dolce, in 1960. In 1999, the Invernizzi family founded the Si Invernizzi traditional cheese factory in the Piedmont town of **Trecate**, in order to bring their **art - passed down through the generations** - down from the high altitude of Valsassina into the heart of the Po Valley. This facility produces approximately **500 wheels of Gorgonzola PDO per day**, still maintaining the **ancient art of cheese making** using historical 700-litre vats. **The IGOR acquired Si Invernizzi in 2019**, in order to **continue to invest in quality and bring premium Gorgonzola** to tables all over the world while fully respecting tradition.



2.4 IGOR's numbers



2.5 Our certifications

Guaranteeing utmost quality is a **fundamental objective** at IGOR. We have always endeavoured to ensure the **highest production standards**: a constant effort confirmed by leading certification bodies, as shown below.



## 2.6 Our values

**Passion, tradition, excellence, innovation and social responsibility:** these are the keys to our success.



## 2.7 Sustainable Development Goals - SDGs

Our values complement and support the UN's **Sustainable Development Goals**. Indeed, we aim to purposefully **contribute** to their pursuit, tackling the challenges posed by the current situation and the crises of recent years.

The SDGs are a set of **17 global goals** adopted by global leaders during a meeting of the **United Nations** in September 2015. These goals are an **ambitious action plan** to solve the greatest contemporary issues: including poverty, health and education and protecting the planet. The goals have been broken down into **169 targets** in order to **foster collaboration** between the various players, bodies, institutions, companies and civil society to reach the set goals. The SDGs are a **common framework of reference** for all companies wishing to integrate their medium- and long-term policies with **important sustainability goals**.

Our contribution is embodied in our **ESG-related initiatives, actions, policies and goals** detailed throughout this sustainability report. Each section, broken down by ESG area, aims to demonstrate how we intend to help **achieve the SDGs**.

SDGs we aim to pursue:

### ENVIRONMENT



### SOCIAL



### GOVERNANCE



Material topics and SDGs – Environment

MATERIAL TOPIC	DESCRIPTION OF THE MAIN IMPACT, RISK AND OPPORTUNITY GENERATED	MATERIALITY*	ASSOCIATED SDGS
ENERGY TRANSITION AND CLIMATE CHANGE	GHG (greenhouse gas) emissions deriving from the use of fossil fuels along the value chain.	★★★	13 CLIMATE ACTION
ENERGY TRANSITION AND CLIMATE CHANGE	Loss of revenue due to the lack of a long-term decarbonisation strategy in line with SBTi requirements and customer requests.	★★★	7 AFFORDABLE AND CLEAN ENERGY
SUSTAINABLE AGRICULTURE AND CONSERVATION OF BIODIVERSITY	Protecting the ecosystem and biodiversity through procedures and safeguards aimed at ensuring sustainable farming practices (including livestock breeding).	★★★	15 LIFE ON LAND
ECODESIGN, CIRCULARITY AND SUSTAINABLE PACKAGING	Increasing sales volumes driven by higher product appeal by using innovative and sustainable packaging currently being designed and implemented by the company.	★★★	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
MANAGEMENT OF WATER RESOURCES	Spreading a practice and culture of responsible water resource management by protecting the affected bodies of water.	★★★	6 CLEAN WATER AND SANITATION
RESPONSIBLE WASTE MANAGEMENT	Reducing costs deriving from waste directed to disposal by reusing such waste as a secondary raw material.	★★★☆☆	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
ANIMAL WELFARE	Increasing sales volumes driven by the higher appeal of "animal welfare" certified products.	★★★☆☆	15 LIFE ON LAND

\*The materiality scores have been taken from the materiality analysis

Material topics and SDGs – Social

MATERIAL TOPIC	DESCRIPTION OF THE MAIN IMPACT, RISK AND OPPORTUNITY GENERATED	MATERIALITY*	ASSOCIATED SDGS
SUPPORT AND DEVELOPMENT OF LOCAL COMMUNITIES	Supporting and developing local communities through social initiatives, fundraising activities and sponsorships	★★★	11 SUSTAINABLE CITIES AND COMMUNITIES
DIVERSITY, EQUAL OPPORTUNITIES AND INCLUSION	Spreading an inclusive culture against any discrimination of any kind aimed at fostering diversity and promoting equal opportunities.	★★★	5 GENDER EQUALITY
EMPLOYEE WELFARE AND WELL-BEING	Spreading a culture that promotes employee welfare and a healthy work environment.	★★★	10 REDUCED INEQUALITIES
ENHANCE HUMAN CAPITAL AND TALENT	Consolidating and developing employee skills while raising employee awareness of sustainability issues.	★★★☆☆	4 QUALITY EDUCATION
PRODUCT SAFETY, TRACEABILITY AND QUALITY	Increasing appeal for customers through transparent and innovative practices regarding product quality, sustainability and traceability.	★★★☆☆	11 SUSTAINABLE CITIES AND COMMUNITIES
OCCUPATIONAL HEALTH AND SAFETY	Occurrence of workplace injuries and/or work-related ill health caused by the type of work carried out.	★★☆☆☆	3 GOOD HEALTH AND WELL-BEING

\*The materiality scores have been taken from the materiality analysis

Material topics and SDGs – Governance

MATERIAL TOPIC	DESCRIPTION OF THE MAIN IMPACT, RISK AND OPPORTUNITY GENERATED	MATERIALITY*	ASSOCIATED SDGS
CREATION AND DISTRIBUTION OF VALUE	Creating value in the local area by growing business and trade activities and boosting revenue by further developing relations with the local communities and then distributing such value.	★★★	8 DECENT WORK AND ECONOMIC GROWTH
COMPLIANCE, TRANSPARENCY AND BUSINESS ETHICS	Reducing non-compliance and crimes under the regulatory framework by adopting an Organisational, management and control model as per Legislative decree no. 231 and implementing safeguards to ensure the company's ethical and transparent conduct.	★★★	17 PARTNERSHIPS FOR THE GOALS
R&D INTO SUSTAINABLE PROCESSES	Reducing the environmental impact by increasing the efficiency of processes related to more sustainable production practices (recycling materials, automating the production process, etc.).	★★★	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
MARKETING AND LABELLING	Negative impact on people due to poor communication in terms of product quality and packaging recycling.	★★☆	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
RESPONSIBLE VALUE CHAIN MANAGEMENT	Increasing profits through the market's acknowledgement of the company's upstanding positioning and future implementation of a supply chain code of conduct.	★★☆	8 DECENT WORK AND ECONOMIC GROWTH
DATA PRIVACY AND CYBERSECURITY	Loss and disclosure of sensitive data of employees, customers and partners with possible reputational damage.	★★☆	17 PARTNERSHIPS FOR THE GOALS

\*The materiality scores have been taken from the materiality analysis

Below are **some initiatives developed to help achieve the SDGs**. The activities are described in more detail in later sections.

**4 QUALITY EDUCATION**  
 IGOR sponsors a new course on robotics, Industry 4.0 and mechatronics at ITIS Omar in Novara.

**5 GENDER EQUALITY**  
 In our business, we strongly and resolutely condemn discrimination of any kind.

**6 CLEAN WATER AND SANITATION**  
 To cut consumption, we recycle demineralised water deriving from production processes to clean the machinery.

**7 AFFORDABLE AND CLEAN ENERGY**  
 Si Invernizzi's facility is fitted with solar panels. IGOR's headquarters purchases electricity from renewable sources and uses heat recovery and energy saving cogenerators.

**8 DECENT WORK AND ECONOMIC GROWTH**  
 During the 2023-2026 period, we adopted a roughly €100 million investment plan to expand our facilities and the products offered.

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**  
 Our production processes are a perfect combination of the ancient skilful art of cheese making and the latest technological innovation.

**10 REDUCED INEQUALITIES**  
 Our sponsorships aim to encourage young women and girls to join sports.

**11 SUSTAINABLE CITIES AND COMMUNITIES**  
 Our philanthropic initiatives range from supporting Novara hospital to contributing to the food bank, and much more.

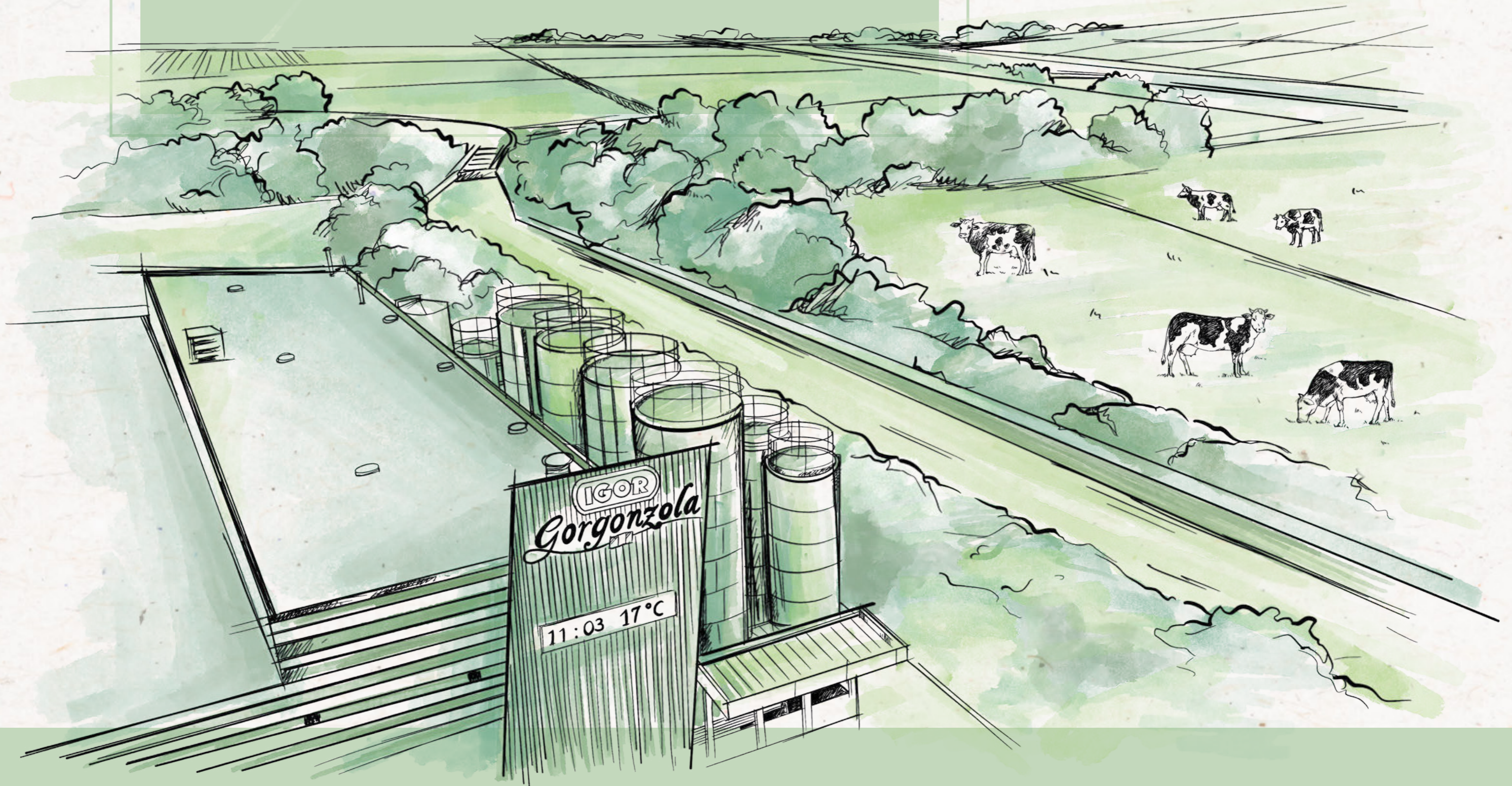
**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
 IGOR has purchased 30,644 CERs over the years to offset polluting emissions generated. It will continue to purchase them in the coming years.

**13 CLIMATE ACTION**  
 In addition to the various initiatives developed over the years, in the future we plan to define a decarbonisation strategy in order to reduce direct and indirect CO2 emissions.

**15 LIFE ON LAND**  
 In production we only use milk from farms in Piedmont and Lombardy that are "animal welfare in breeding" certified.

**17 PARTNERSHIPS FOR THE GOALS**  
 We play an active role in many initiatives and associations focused on the pursuit of sustainable development.

# 3 ENVIRONMENT



TARGETS ACHIEVED



<b>1 SOLAR FARM</b>	AT SI INVERNIZZI
<b>2 COGENERATORS</b>	INSTALLED AT IGOR WITH ENERGY SAVING FEATURES
<b>100 %</b>	ELECTRICITY PURCHASED BY IGOR'S HEADQUARTERS FROM RENEWABLE SOURCES
<b>-1.9%</b>	SCOPE 1 AND SCOPE 2 EMISSIONS THANKS TO GREATER CONSUMPTION OF ENERGY FROM RENEWABLE SOURCES
<b>VEHICLES FUELLED BY LNG AND HVO</b>	FOR DELIVERING MILK, IN ORDER TO CUT ATMOSPHERIC EMISSIONS
<b>16,044 PURCHASED CARBON CREDITS</b>	INVESTING IN THE MAI NDOMBE REDD+ PROJECT
<b>SYSTEM OF TRACEABILITY</b>	OF RAW MATERIALS AND PRODUCTION LOTS
<b>100% ANIMAL WELFARE</b>	IN BREEDING, AS PER THE CLASSYFARM STANDARD
<b>- 30%</b>	PLASTIC IN PACKAGING, BY ELIMINATING THE LID FROM PACKS
<b>32 MILLION</b>	LIDS ELIMINATED FROM PACKS SINCE 2020
<b>FSC CERTIFICATION</b>	FOR CARDBOARD PACKAGING
<b>INCREASING EFFICIENCY OF WATER CONSUMPTION</b>	BY RECYCLING WATER FROM THE WHEY PLANT AND OPTIMISING THE CIP SYSTEM
<b>59%</b>	OF WASTE GENERATED DIVERTED FROM DISPOSAL
<b>BEE-FRIENDLY PROJECT</b>	TO PROTECT BIODIVERSITY

FUTURE OBJECTIVES

<b>DECARBONISATION STRATEGY</b>	TO REDUCE SCOPE 1, SCOPE 2 AND SCOPE 3 EMISSIONS
<b>ASSESSING SUPPLIERS' ESG PERFORMANCE</b>	BY ENGAGING THEM AND PROMOTING SUSTAINABLE METHODS
<b>BUILDING A BIOGAS GENERATION PLANT</b>	AT THE CAMERI HEADQUARTERS THAT WILL USE ALL OF THE GROUP'S WASTE BIOGAS AS A RAW MATERIAL
<b>BUILDING A 1.5 MWH SOLAR FARM</b>	AT A NEW FACILITY UNDER CONSTRUCTION
<b>RENEWABLE ENERGY SOURCES</b>	AIMING TO ONLY USE ENERGY FROM RENEWABLE SOURCES
<b>SCIENCE BASED TARGET INITIATIVE</b>	SIGNING UP TO THE SBTI
<b>RECYCLABLE AND RECYCLED PACKAGING</b>	INCREASE THE PERCENTAGE WHILE AIMING TO ONLY USE RECYCLABLE PLASTIC

### 3.1 Energy consumption and efficiency and atmospheric emissions

- 302-1 Energy consumption within the organization
- 302-3 Energy intensity
- 305-1 Direct (Scope 1) GHG emissions
- 305-2 Energy indirect (Scope 2) GHG emissions
- 305-3 Other indirect (Scope 3) GHG emissions
- 305-4 GHG emissions intensity
- 305-5 Reduction of GHG emissions



Incrementally more companies have begun reporting their energy consumption and polluting emissions and **setting decarbonisation targets**.

The importance of climate issues is due to a vast and mixed set of sources and trends that can be summarised in five categories:



**Stakeholders:** stakeholders are increasingly more focused on CO2 emissions generated by companies and climate data are often the most scrutinised in a sustainability report. In addition, setting a plausible decarbonisation plan has become a vital precondition for attracting talent and new customers;

**International regulations and objectives:** the global regulatory scene comprises a series of inputs such as, for example, the Paris Agreement, the Green Deal, the EU Fit for 55 package, the EU ETS, the CBAM, future legislation on supply chain, etc.;

**Rising importance of climate risks:** the World Economic Forum recognises climate risks as the most significant risks for the coming decade and the new ESRS require thorough reporting of company performance in terms of polluting atmospheric emissions;

**Customers and competitors:** customers and competitors are beginning to set their own decarbonisation targets, also setting them as criteria for doing business;

**Investors and rating agencies:** polluting emissions are one of the top indicators and decarbonisation targets are a vital criteria in assigning ratings. In addition, credit approval is also starting to be influenced by ESG performance and climate change resilience has become a prerequisite for obtaining good financing terms, also due to the influence of EU Taxonomy.

### ENERGY CONSUMPTION AND EFFICIENCY

The group's total energy consumption is linked to using various energy carriers:

**NATURAL GAS** for:

- Heating indoor spaces;
- Fuelling the cogenerators at IGOR's headquarters.

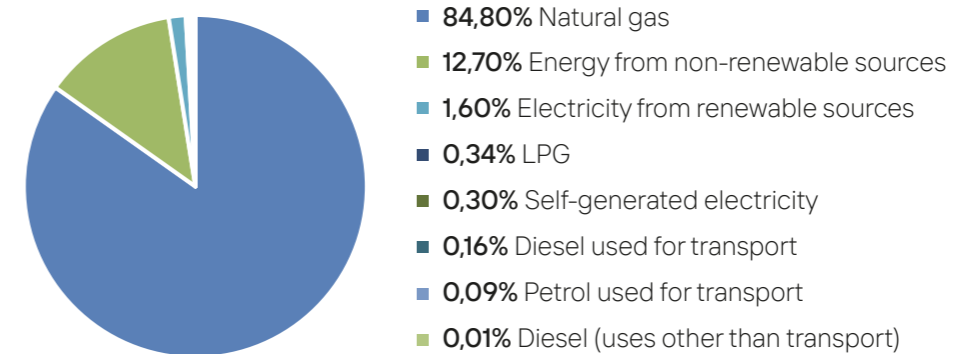
**ELECTRICITY:**

- Purchased from the grid, from both renewable and non-renewable sources
- Self-generated through the **solar panels installed at Si Invernizzi's facility.**

**PETROL AND DIESEL:**

- Used for the company car fleet

#### BREAKDOWN OF ENERGY CONSUMPTION



The group's **total consumption** in 2023 came to **20,568 MWh**, slightly up on 2022 (+0.4%) despite the larger rise in turnover (+14.7%) and the workforce (+6%), demonstrating the **greater production efficiency achieved**. 13% (2,737 MWh) of electricity used came from **verified renewable sources and self-generation** through the solar panels installed at Si Invernizzi's facility, while the remaining portion came from the grid. At individual company level, the largest percentage of electricity - including that generated by cogenerators - is consumed by IGOR (57% of the total, or 24,446 MWh), while Si Invernizzi accounts for 39% of the total (16,754 MWh) and the other subsidiaries make up the remaining 4%.

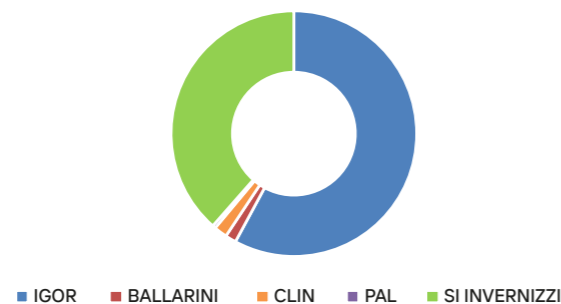
2023 energy consumption (MWh)	IGOR	BALLARINI	CLIN	PAL	SI INVERNIZZI	TOTAL	%
ELECTRICITY	2,252.0	624.9	755.6	181.9	16,753.8	20,568.2	15%
Electricity from renewable sources	2,252.0	-	-	-	-	2,252.0	1,6%
Energy from non-renewable sources	-	624.9	755.6	181.9	16,269.0	17,831.4	12,7%
Self-generated electricity	-	-	-	-	484.8	484.8	0,3%
Energy generated by cogenerators	22,193.8	-	-	-	-	22,193.8	-
THERMAL ENERGY	74,349.9	475.1	2,132.2	876.5	42,452.2	120,286.0	85%
Natural gas	74,080.7	-	2,132.2	876.5	42,361.6	119,451.0	84.8%
Diesel (uses other than transport)	6.92	-	-	-	4.94	11.86	0.01%
Petrol used for transport	127.7	-	-	-	-	127.65	0.09%
Diesel used for transport	134.7	-	-	-	85.7	220.35	0.16%
LPG	-	475.1	-	-	-	475.1	0.34%
TOTAL	76,601.9	1,100.1	2,887.8	1,058.4	59,206.0	140,854.2	
%	72%	0.3%	0.5%	0.3%	26.9%		

Thermal energy (accounting for 85% of total energy consumption) almost entirely refers to the consumption of natural gas for heating and the cogenerators (119,451 MWh, or 84.8% of total thermal energy consumed), diesel used for electrical generators (11.86 MWh), LPG (475.1 MWh) and fuel used for the company car fleet (348 MWh).

As seen in the table, the fuel used for the cogenerators at IGOR's headquarters allowed the generation of additional electricity of 22,194 MWh.

A breakdown of energy consumption by individual company for 2022 and 2023 is attached to this report.

BREAKDOWN OF 2023 ENERGY CONSUMPTION



Energy intensity	MU	2023	2022	Variation %
Energy used	MWh	140,854.2	147,574.6	-4.6%
Turnover	€	259,730,829	226,457,600	+14.7%
Energy intensity	MWh/€'000	0.5423	0.6517	-16.8%

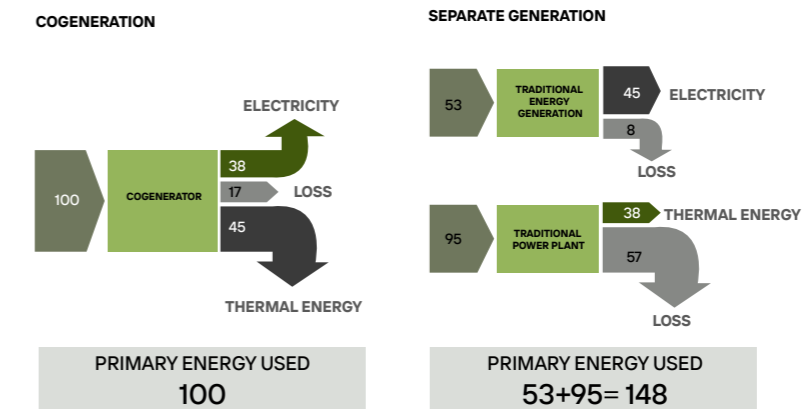
<sup>1</sup> The quantity of electricity generated by cogenerators was excluded from the total calculation of electricity consumed as GRI 302-1 requires that only the quantity of fuel consumed to generate electricity be calculated, not the electricity generated. The quantity of energy self-generated through cogenerators is therefore only reported to provide greater detail and clarity.

As is evident from the above table and also the table on emissions intensity, despite the increase in turnover the group managed to reduce its energy intensity and Scope 1 and 2 emissions intensity respectively by 16.8% and 18.2% between 2022 and 2023.

These results are clear evidence of the huge focus placed on environmental issues and highlight the significant efforts made in this regard.

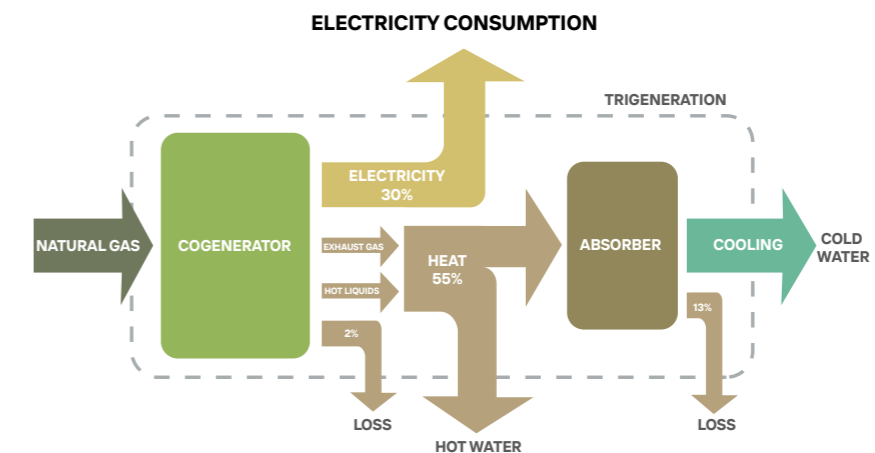
In 2016, IGOR decided to install two cogenerators at its Cameri headquarters with a total nominal power of 3.5 MWh in order to boost the efficiency of its energy performance and reduce atmospheric emissions.

Cogenerators are machines that simultaneously generate electricity and heat using a single fuel source, such as natural gas, biomass or vegetable oil. This process is called cogeneration or CHP (combined heat and power).



Cogeneration is therefore a highly efficiency system of generating combined electrical and thermal energy as it uses the heat that would ordinarily be lost into the environment while generating electricity. In a traditional power plant, only part of the fuel's energy is converted into electricity, while the remainder is lost in the form of heat. Cogenerators, on the other hand, capture this heat and use it to make hot water.

Electricity is generated by a gas endothermic engine coupled with an alternator, while thermal energy is obtained by recovering the heat generated by the waste gas and the engine cooling system. This heat would ordinarily disperse into the environment but in this case is recovered using boilers and heat exchangers.



<sup>2</sup> IGOR S.r.l.'s electricity consumption includes the electricity generated by its cogenerators.

Cogenerators are known for their ability to save energy compared to traditional systems that separately generate electricity and heat. Some figures and information are provided below on the energy savings facilitated by cogeneration, based on institutional sources and technical reports:

### **1. ENERGY EFFICIENCY:**

- **Overall efficiency:** Cogenerator systems can reach an overall energy efficiency of 80-90%. This is significantly higher than the efficiency of traditional electricity generation systems, which reaches around 35-50%.
- **Primary energy savings:** Cogeneration plants can provide savings of up to 30% of primary energy compared to separate heat and power generation. This means that more useful energy is obtained per unit of primary energy consumed, thus reducing the need for fuel. According to GSE (Italy's energy services operator), the use of cogenerators in Italy has led to average savings of roughly 2.5 million tonnes of oil equivalent (TOE) per year. These savings are due to the greater energy efficiency of cogenerator systems compared to traditional power plants.

### **2. REDUCTION OF CO2 EMISSIONS:**

- **Reduction of emissions:** According to the International Energy Agency (IEA), cogeneration can reduce CO2 emissions by 10-30% compared to separate systems thanks to its more efficient use of fuel.
- **Specific emission:** For every MWh of electricity generated, a cogeneration plant releases 200-400 kg of CO2 on average, compared to 700-900 kg released by a traditional fossil fuel plant.

These figures show how cogeneration contributes to a significant reduction of emissions and operating costs, in addition to a more efficient use of primary energy, making it a **key technology for energy transition and sustainability**.



<sup>3</sup> Source: Eurostat, the International Energy Agency (IEA), Gestore dei Servizi Energetici (GSE) Italy.

## **ATMOSPHERIC EMISSIONS**

Climate change is unquestionably one of the most insidious **challenges** currently facing humanity. The irreversible nature of the effects that climate change could have on biodiversity, ecosystems, infrastructure, settlements and populations makes it **extremely urgent** to adopt initiatives, practices and policies aimed at containing and **mitigating such negative repercussions**. This rally thus leads to the need to adopt and spread more sustainable production and consumption model.

At IGOR we are aware **of our impacts and how much our business is deeply connected to Earth's resources**. As a result, we see it as our moral duty, as well as a pressing need, to help protect our planet's precious resources

The **first fundamental step** is to **calculate our polluting emissions** in order to become aware of our impacts and thus set the most fitting and suitable goals for improvement.

Emissions of climate-changing greenhouse gases are classified by the **GreenHouse Gas Protocol (GHG Protocol)**, a globally-recognised international framework for calculating such indicators in three areas, also called scopes:

**SCOPE 1 EMISSIONS:** direct emissions from sources directly held by the company.

**SCOPE 2 EMISSIONS:** indirect emissions associated with the generation of electricity, steam, heat and cooling purchased and consumed by the company. Scope 2 emissions can be calculated using two different approaches: the location-based approach and the market-based approach:

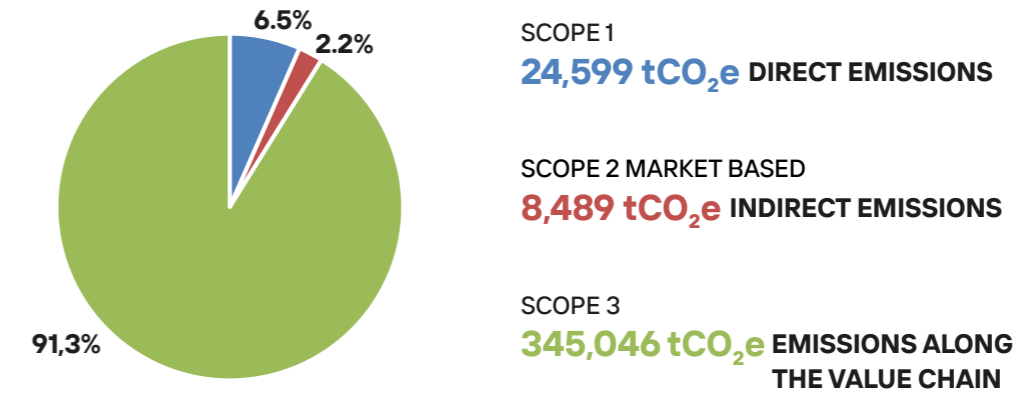
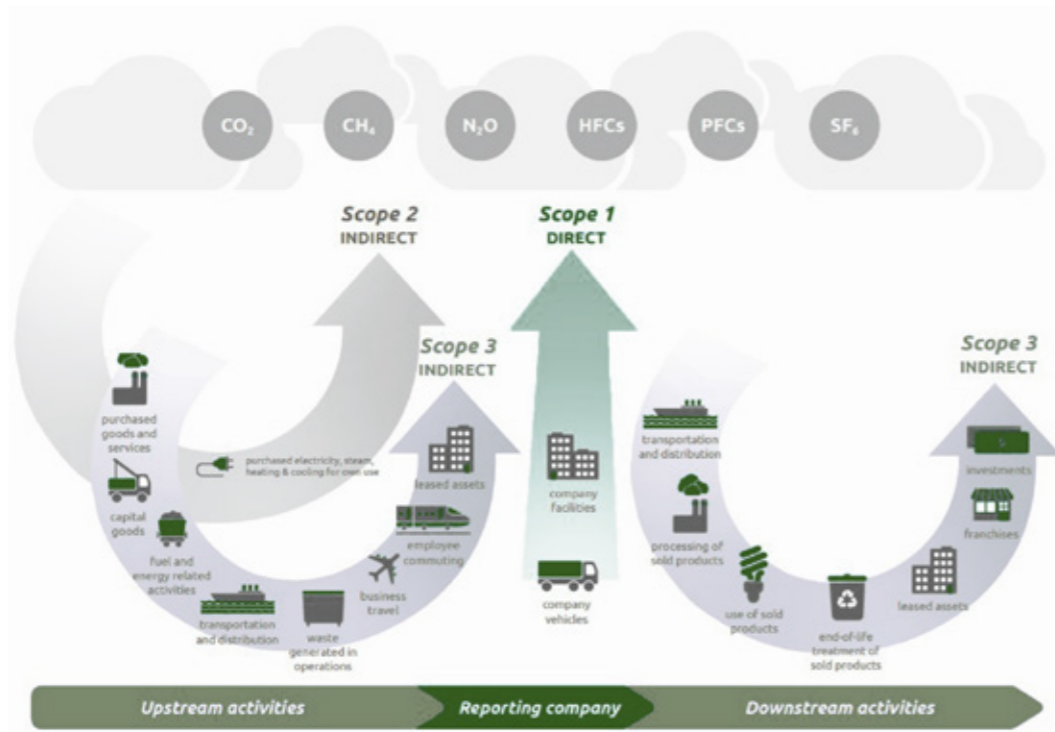
- The **location-based** approach applies an average national emissions factor considering all of the primary energy sources used to generate electricity.
- The **market-based** approach applies an emissions factor defined on a contractual basis with the electricity provider, which is calculated based on the specific energy mix used to generate the purchased energy. If there is no such data or other contractual agreements with the energy provider, such as the purchase of guarantees of origin, the polluting emissions can be calculated using the **national "residual mix"** factor, i.e., a factor that comprises the emissions associated with electricity generation within the country excluding the quantity generated from renewable sources. Scope 2 emissions calculated using the market-based approach for the parent IGOR S.r.l. (not for the entire group) come to zero as electricity purchased comes entirely from certified renewable energy sources.

<sup>4</sup> The factors of conversion used to calculate Scope 1 emissions were taken from the following document: Table of national standard parameters published by ISPRA (the Italian Institute for Environmental Protection and Research).

<sup>5</sup> The factors of conversion used to calculate Scope 2 location-based emissions were taken from the following report: Efficiency and decarbonisation in Italy and top European countries. Published by ISPRA.

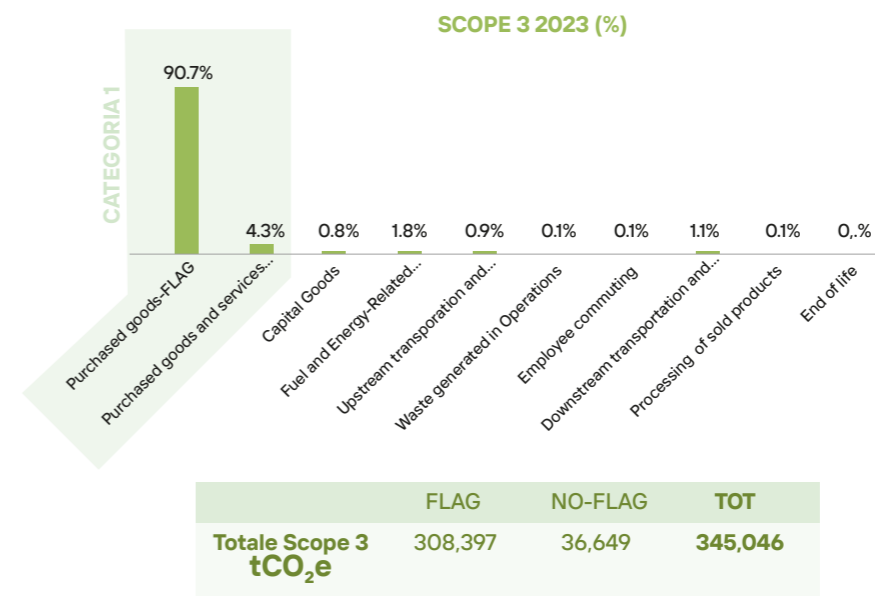
<sup>6</sup> The factors of conversion used to calculate Scope 2 market-based emissions were taken from the following report: European Residual Mixes published by the Association of Issuing Bodies (AIB).

**-SCOPE 3 EMISSIONS:** include all other indirect emissions generated upstream or downstream of the supply chain, thus all emissions associated, for instance, with production and the transport of raw materials, as well as end-of-life treatment of products.



Different categories of emissions. Source: Greenhouse Gas Protocol, Corporate Value Chain (Scope 3) accounting and reporting Standard – Supplement to the GHG Protocol accounting and reporting standard.

After considering the various international standards and protocols we thus proceeded to **calculate our polluting emissions**. We used the “integral” principle; as a result, the data reported represent the sum of the data of each group company included in the reporting boundary. A breakdown by company is attached to this report.



Type of emissions (tCO2e)	2023	2022	Variation %
Scope 1 emissions	24,599	25,815	-4.7%
Scope 2 emissions - location-based	6,357	6,162	+3.2%
Scope 2 emissions - market-based	8,489	7,919	+7.2%
Total scope 1+2 location-based	30,956	31,976	-3.2%
Total scope 1+2 market-based	33,088	33,734	-1.9%
Scope 3 emissions	345,046		
Cat 1. Purchase goods and services	326,631		
Cat 2. Capital goods	2,672		
Cat 3. Fuel and energy-related activities	6,064		
Cat 4. Upstream transportation and distribution	3,662		
Cat 5. Waste generated in operations	329		
Cat 7. Employee commuting	239		
Cat 9. Downstream transportation and distribution	4,485		
Cat 10. Processing of sold products	479		
Cat 12. End of life treatment of sold products	485		
<b>Total emissions</b>	<b>378,134</b>		

The categories to include in the calculation of scope 3 emissions were chosen based on the guidelines set out in the supplement to the GHG Protocol on the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, the SBTi (Science Based Target Initiative) manual and through peer benchmarking. Indeed, scope 3 emissions are divided into 15 different categories and choosing which to include in our calculation was based on a materiality analysis which considered a series of variables:

- **MAGNITUDE:** we included emissions falling under categories which are deemed consistent in quantity, expressed as a percentage of the reference category;
- **INFLUENCE:** we included emissions falling under categories which are deemed consistent in quantity, expressed as a percentage of the reference category;
- **RISK OR OPPORTUNITY:** we considered the emissions that factor in exposure to potential risks or opportunities for the group;
- **SPECIFIC SECTOR:** we considered the greenhouse gas emissions relevant to our sector;
- **STAKEHOLDER ENGAGEMENT:** we considered the emissions deemed significant by our main external stakeholders based on materiality and stakeholder interactions;
- **DATA ACCESSIBILITY:** we reported the categories with a good level of data accessibility and those whose emissions could be quantified.

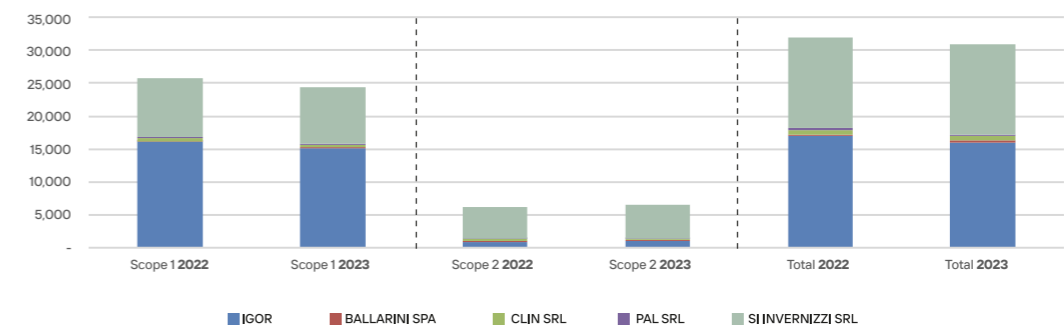
Our **scope 1 emissions** derive from:

- Using **natural gas** to heat work environments and to run the cogenerators;
- Using **fuel** for company cars and electrical generators;
- **LPG** combustion.

Our **scope 2 emissions** derive from:

- Purchasing electricity from the grid.

SCOPE 1 AND SCOPE 2 EMISSIONS TRENDS - 2022-2023



Therefore, scope 1 emissions account for roughly 80% of total scope 1 and 2 location-based emissions (24,599 tCO2e out of 29,998 tCO2) and the majority derive from IGOR's operations (15,220 tCO2e) and the production activities of Si Invernizzi (8,686 tCO2e), which together make up 97% of total direct emissions. While lower in quantity, the same goes for the scope 2 location-based emissions, where the operations of the two larger companies account for 92% of the total emissions in this category (5,880 tCO2e).

Despite the increase in turnover and energy needs, we managed to record a **slight decrease in scope 1 and 2 market-based emissions (-1.9%)** thanks to **great consumption of energy from renewable sources**.

Emissions intensity	MU	2023	2022	Variation %
Scope 1 and 2 emissions (market-based)	tCO <sub>2</sub> e	33,088	33,734	-1.9%
Scope 1, 2 and 3 emissions	tCO <sub>2</sub> e	378,134		
Turnover	€	259,730,329	226,457,600	+14.7%
Emissions intensity (1+2)	tCO <sub>2</sub> e /000€	0.1274	0.1490	-14.5%
Emissions intensity (1+2+3)	tCO <sub>2</sub> e /000€	1.4559		

**ADDITIONAL INITIATIVES**

ISO 50001:2018

IGOR is **ISO 50001:2018** certified, confirming its focus on energy issues. The first certificate was issued on 10 June 2019 and was reconfirmed on 19 April 2021, valid until 9 June 2022. The certifying body was TÜV Technische Überwachung Hessen GmbH (certificate no. 73 130 6381).



The ISO 50001:2018 certification is the international standard for energy management focused on implementing an energy management system using a systematic approach for monitoring consumption to allow a more rational use of energy sources along the company's entire production process and reduce consumption implementing significant energy savings.

Following the application of the ISO 50001 energy management system, with the objectives formalised in 2019, the company recorded energy usage of 0.220 TOE/tonnes (tonnes of oil equivalent per tonne of finished product) from March 2019 to February 2020. This resulted in a **48% increase in IGOR's energy performance efficiency** compared to the baseline value of 0.423 TOE/tonnes at the initial application of the energy management system.



The voluntary ISO 50001:2018 certification was then renewed on 29 December 2023, issued by the AQSCERT certifying body and valid until 28 December 2026 (certificate number AQS/GE/116062023).

MILK DELIVERY VEHICLES FUELLED BY LNG AND HVO

One of our strategies to reduce emissions was to raise awareness **with our milk carrier on the use of more environmentally-friendly transport vehicles fuelled by natural gas/liquefied natural gas (LNG) and hydrotreated vegetable oil (HVO)**. Indeed, both LNG and HVO are recognised as fuels with some of the lowest polluting atmospheric emissions



REDUCING EMISSIONS

Our Group has already been working for several years to reduce greenhouse gas emissions through the implementation of energy efficiency measures, the installation of photovoltaic panels, the installation of two cogeneration plants and the purchase of a substantial share of electricity **from AXPO-certified renewable energy sources**.

To make our commitment even more efficient, in 2022 we retired 14,600 tonnes of carbon credits and in 2023, as a further virtuous initiative, we further cancelled 16,044 carbon credits from the **REDD+ Mai Ndombe project, a project in line with the international standards of the Paris Agreement**.

Polluting emissions (tCO2e) and purchased carbon credits purchased	2023	2022	Variation %
Scope 1 emissions	24,599	25,815	-4.7%
Scope 2 emissions – market-based	8,489	7,919	+8.5%
Total scope 1+2 market-based	33,088	33,734	-1.9%
Scope 3 emissions	345,046		
Total emissions	378,134		
Purchased carbon credits	16,044	14,600	+9.9%



**THE MAI NDOMBE REDD+ PROJECT**

IGOR purchased its CERs from **Verra**, the company that runs the world's main voluntary carbon credit programme, the **Verified Carbon Standard (VCS)**. **Verified Carbon Standard (VCS)**. Specifically, the credits purchased were generated by the **Mai Ndombe REDD+** project.



This project is located in a region of western **Democratic Republic of Congo (DRC)** that contains the second largest **tropical forest** in the world.

**Prior** to the project, the entire area was zoned for commercial **logging** contracts which led to forest degradation and almost complete **deforestation, seriously damaging the environment** and neglecting the rights and health of the local indigenous communities and wild animals.

The Mai Ndombe REDD+ project serves the community and **avoids the deforestation of the area** through project activities focused on four main issues:

- **Stop deforestation;**
- **Improving agriculture for food safety and better nutrition;**
- **Helping the local populations develop new skills and knowledge to foster employment and livelihood;**
- **Promoting socio-economic and infrastructure development activities.**

The project **supports reforestation programmes, such as agroforestry nurseries to replant almost 300,000 hectares of rainforest**, and sustainable agriculture.

It is estimated that this project will **avoid more than 175 million tCO2e gross emissions** that would have been caused by 30 years of deforestation.

The revenue from the sale of carbon credits also finance **sustainable development in local communities**, providing education, training and access to better health treatments.

Mai Ndombe REDD+ is the first project to be included in the **jurisdictional REDD+ programme**. This type of project mitigates the **risk of overgenerating carbon credits**, considering deforestation for entire jurisdictions at national and subnational level, thus **ensuring** that all credits issued genuinely represent a metric tonne of CO2 saved. Furthermore, including the project in the jurisdictional REDD+ programme will **help promote and reinforce governmental policies and actions**, thus improving the environment and fostering further projects in this area.



**Objectives achieved by the MAI NDOMBE REDD+ project to date:**

<p><b>24,2 MILLION</b></p> <p>Tonnes of CO2 avoided</p>	<p><b>6 SPECIES PROTECTED</b></p> <p>elephants, bonobos, giant pangolins, leopards, Angola colobus and grey-cheeked mangabey</p>	<p><b>3,000 PEOPLE</b></p> <p>Who have received health care thanks to a hospital that was built</p>
<p><b>MORE THAN 100 LOCAL INHABITANTS</b></p> <p>working on project activities</p>	<p><b>18 SCHOOLS BUILT</b></p> <p>giving thousands of children access to education</p>	

The Mai Ndombe REDD+ project supports the following 17 Sustainable Development Goals.



**OBJECTIVES FOR THE FUTURE**

Following on from our first year of calculating our scope 3 emissions, we are ready to define our **de-carbonisation strategy**. Based on the techno-economic analyses carried out, we plan to focus our strategy on the following main elements:

- **Reducing our scope 1 and 2 emissions;**
- **Reducing our scope 3 FLAG emissions** (i.e., from forest, land and agriculture activities);
- **Reducing other scope 3 emissions.**

Starting from our **carbon footprint**, we will **identify the drivers of reduction** that will have the strongest impact and carry out a techno-economic feasibility analysis to create an accurate map of possible investments and reductions necessary to achieve our climate goals and meet market demands.

In this regard, our future objectives include:

- **Building a biogas plant** that will generate **biomethane**, under an investment plan that will also envisage the **construction of a whey processing plant** to reduce waste under a circular economy. This facility will meet almost 100% of energy needs at IGOR’s headquarters;
- Installing a **solar farm** on a newly-constructed production facility to be inaugurated in 2024.

Our commitment for the future is to **procure our energy exclusively from renewable sources** and raise the efficiency of all our production facilities to the utmost in order to optimise the use of energy resources. We will also develop other initiatives to limit scope 3 emissions, such as, for instance, **engaging suppliers** to reduce their emissions and replacing company cars with electric vehicles.

Currently under assessment, we also wish to define a **climate change mitigation transition plan** as per international commitment standards (i.e., **SBTi**) and sign up to the SBTi. The SBTi (Science Based Targets initiative) is a partnership created by **CDP**, the **United Nations Global Compact (UNGC)**, the **World Resources Institute (WRI)** and the **World Wide Fund for Nature (WWF)**, to promote the definition of science based targets aligned with the Paris Agreement as a means for organisations to grasp the opportunity to transition towards a low-carbon economy.



Joining the Science Based Target Initiative is a five-step process:



**1. Send a commitment letter:**

Signing a commitment letter is the first action that establishes the intent to set a science based emissions reduction target. From that moment, the company has 24 months to develop its science based target.



**2. Define targets:**

The emissions reduction targets must be established using specific criteria and with the support of SBTi’s calculation tools. The company can also opt for the sectoral approach which leverages its relevant sector, or the absolute approach, where no specific sector is considered.



**3. Send and approve targets:**

The emissions reduction targets are sent to SBTi to get them approved. SBTi examines the materials received and then approves or rejects them based on whether they meet the criteria used, providing in-depth feedback on its decisions.



**4. Communicate targets:**

Once the emissions reduction targets have been approved by the SBTi confirming that they meet the required criteria, the company can announce and communicate its targets.



**5. Monitor:**

After approval, the company must publish its emissions annually and monitor its progress in reaching the set targets.

### 3.2 Raw materials used

301-1 Materials used by weight or volume



#### TRACEABILITY

Over the years we have set up strict internal procedures for choosing suppliers for the various stages of the production process, based on the “**one step backward and one step forward**” criterion, thereby mapping the group of players making up the difference stages. Our objective is to **guarantee food safety** and prevent risks of non-compliance by expanding the information available to the company, while simultaneously promoting greater accountability among the operators along the supply chain.

Therefore, data make up the essential information necessary for this task. It becomes vital to have access to a wide range of information about a product’s journey along the entire chain: from farming to distribution.

To this end, we have begun **managing the flow of raw materials and products by lots**, assigning a series of information to each individual lot. Should any health and hygiene issues crop up, our system can pinpoint the non-compliant lots and where on the supply chain the issue arose, attributing specific responsibilities.

The other main purpose behind our meticulous attention to the quality of raw materials regards **guaranteeing product quality**. Together with the operations and procedures adopted to implement the **traceability system**, the IGOR supply chain also has **stringent production specifications for the various parties involved in the system** in order to achieve and **maintain high product quality levels**, establishing numerous, specific periodic controls.

#### MILK

Our Gorgonzola is **made exclusively with fresh milk from PDO authorised provinces** in Piedmont and Lombardy produced by cows that were not given the **rBGH** growth hormone and **over 50% bred and fed on natural fodder originating from the PDO area**. All milk purchased is **animal welfare in breeding certified** as per the ClassyFarm standard.

The **animal welfare in breeding certification** is issued upon meeting certain parameters regarding the type of stabling, reduced use of drugs and access to pastures to give the animals the highest level of comfort and make sure their breeding conditions do not cause them stress.

We have carefully selected over 180 farms that provide us with their best fresh milk every day in full compliance with a strict code of conduct that considers origin, collection and processing. **We constantly visit farms** to check the health and welfare of the animals through specific procedures and checklists compiled by our quality control function. The milk arrives fresh every day and is carefully checked by our internal lab with thorough analyses that define the chemical, microbiological and organoleptic parameters **to guarantee a top quality product that is 100% authentic**.

We have a **short supply chain** as the milk raw material is purchased from producers located in the surrounding areas authorised by the production specifications for Gorgonzola PDO. These farms are **carefully selected and monitored** in order to obtain a high quality product that meets all of the relevant specific organoleptic characteristics.

One of our **future goals** is to **integrate** this stringent **supplier supervision with monitoring their ESG performance**, as we are also planning in our decarbonisation strategy. Indeed, we plan to carry out a **thorough analysis of the supply chain and all the milk suppliers** in terms of sustainability performance and polluting emissions. We hope that this will allow us to **spread good practices** along the entire supply chain and **encourage adopting production and farming methods that are increasingly more focused on sustainability**, with clear benefits in environmental terms.

#### PACKAGING

By eliminating the hard plastic lids from packs, **we have reduced our plastic usage by 30%**. From the roll-out of this project in 2020 to date, **we have eliminated a total of 32,725,000 lids from our packs**, despite the increase in the sale of such packs, and we aim **to fully eliminate their use in 2024**.

In 2022, after carrying out internal checks and microbiological analyses on products to check their compliance, we also launched on the market a new **100% recyclable ecopack**, which consists of a tray, back-label and foil in **mono-material polypropylene**.

As polypropylene is mono-material and is already included in the waste collection and disposal system, it is considered highly and easily recyclable for recycling plants.

This has made IGOR the **first supplier of Gorgonzola to use a fully-recyclable mono-material**.

In 2023, all material used to package IGOR brand Gorgonzola was replaced with recyclable material.



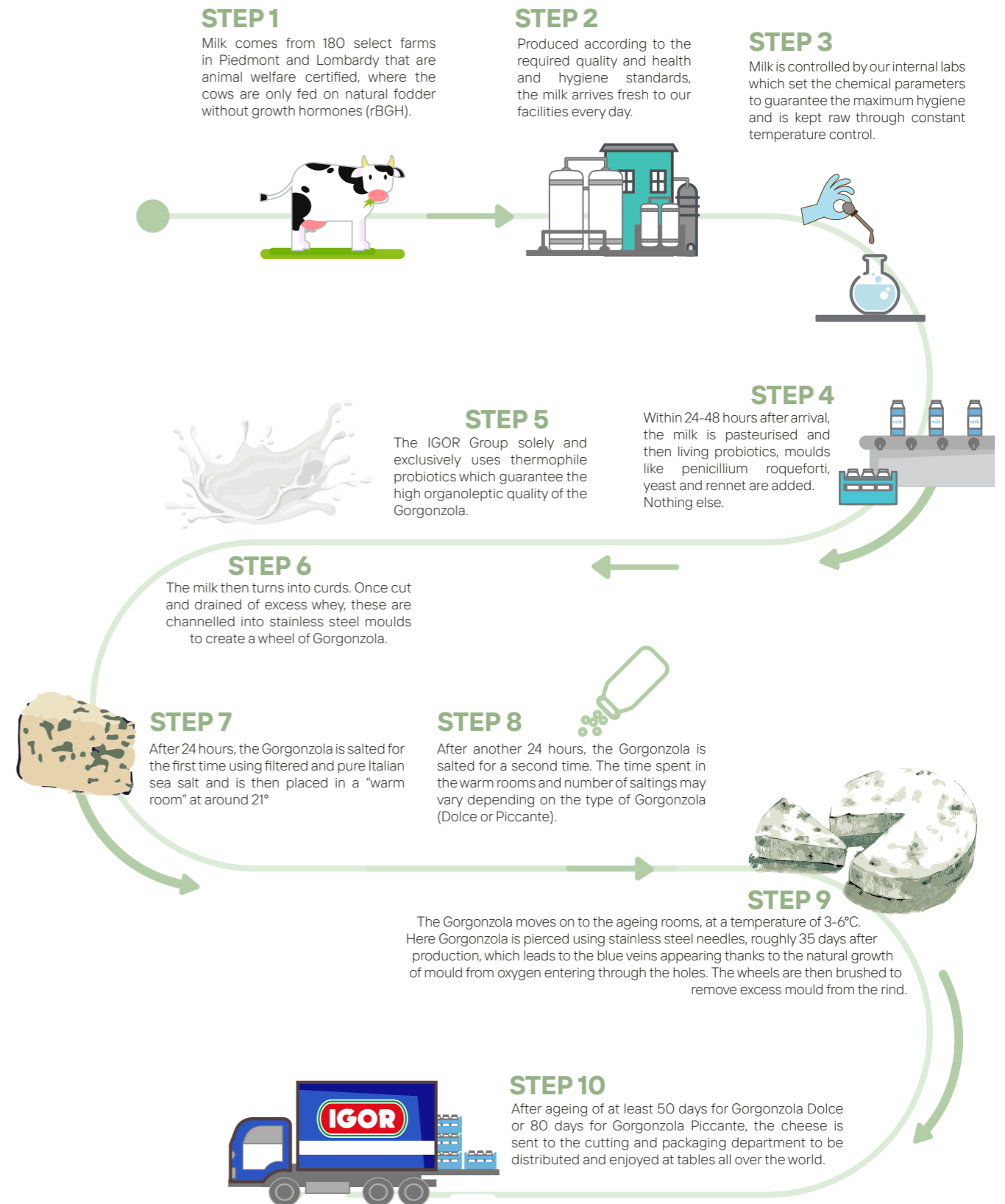
In addition, we have started to introduce **new boxes**, used as secondary packaging for Gorgonzola, that are **FSC (Forest Stewardship Council) certified**. That means that they are made from wood fibres originating from responsibly and sustainably managed forests. This certification guarantees that making these boxes does not contribute to illegal or non-sustainable deforestation and complies with strict environmental, social and economic standards.



SUPPLY CHAIN OBJECTIVES



SUPPLY CHAIN AND PRODUCTION OF OUR GONGONZOLA PDO



### 3.3 Responsible use and management of water resources

- 303-1 Interactions with water as a shared resource
- 303-2 Management of water discharge-related impacts
- 303-3 Water withdrawal
- 303-4 Water discharge
- 303-5 Water consumption



Our production process needs a significant supply of water. As a result, we need to **use water rationally**, both in terms of actual usage and minimising the possible risks of polluting emissions in water discharges that could compromise the condition of the water resources.

Therefore, we **constantly work on developing and implementing solutions or strategies to optimise water consumption** and, at the same time, as much as possible, preserve the original characteristics of the water before its discharge. Indeed, we are currently working on various projects to recover water for reuse in other production stages. These projects will be tested and possibly rolled out over the coming years. The ultimate goal is to improve our environmental performance also in this regard and to minimise the possible impacts and risks related to water management.

To achieve our goals in terms of boosting efficiency of water consumption, **we carefully monitor water withdrawal and water usage during the various production process**. The total amount of water used is detailed in the table below.

Water consumption	m.u.	2023	2022
<b>Total withdrawal</b>	<b>MI</b>	<b>750.8</b>	<b>717.8</b>
Surface water withdrawal	MI	0	0
Groundwater withdrawal	MI	750.8	717.8
Sea water withdrawal	MI	0	0
Produced water withdrawal	MI	0	0
Third-party water withdrawal	MI	0	0
<b>Total water discharge</b>	<b>MI</b>	<b>318.1</b>	<b>497.7</b>
Surface water discharge	MI	318.1	497.7
Groundwater discharge	MI	0	0
Sea water discharge	MI	0	0
<b>Total water consumption</b>	<b>MI</b>	<b>432.7</b>	<b>220.1</b>

Specifically, we withdrew a total of 750.75 megalitres of water at our production facilities in 2023. Wastewater is directly discharged into a body of surface water or into the sewer system, depending on the production facility. In compliance with Legislative decree no. 152/06 (part III, annex 5, tab. 3), the water we manage and discharge does not contain any potentially hazardous substances and there were no instances of non-compliance with regard to discharge limits in the past few years. The group's water consumption totalled 432.69 megalitres in 2023.

The minimum quality standards for water discharge are defined by the competent body that issues the authorisation for discharge after checking for any pollutants. This procedure ensures that the authorised limits are not exceeded. If necessary, the water undergoes a biological purification process before being discharged, pursuant to annex 1 to Regional law no. 13 of 26 March 1990.

Due to the importance of preserving available water resources, we **apply, and constantly improve, plans for containing water consumption**, aimed at recovering used water for use in cleaning plants and facilities.

Indeed, over the years we have carried out the following initiatives:

- At IGOR's headquarters, we installed **two plants for whey concentration by reverse osmosis (RO)** which use a membrane to separate the water component of the whey. The demineralised water recovered is then reused to clean the machinery. This leads to significant water savings rather than discharging it to the sewer system. Moreover, as such water does not contain iron or other minerals, it reduces the wear and tear on the machinery.
- **Optimising the CIP process:** with the support of our cleaning product supplier, Ecolab, we rolled out a project in 2021 to optimise and reduce the time needed for automatic cleaning of milk processing machinery, in order to reduce the quantity of water used. This project has allowed **IGOR to reduce the quantity of water used to clean machinery by 75,000 m<sup>3</sup>/year.**



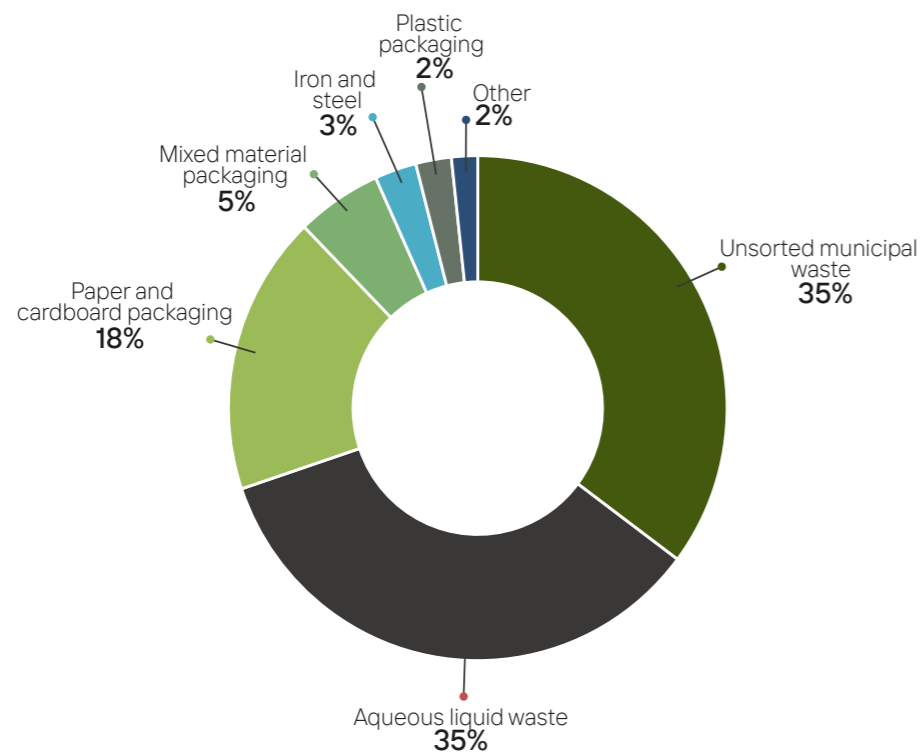
### 3.4 Circular economy and waste management

- 306-1 Waste generation and significant waste-related impacts
- 306-2 Management of significant waste-related impacts
- 306-3 Waste generated
- 306-4 Waste diverted from disposal
- 306-5 Waste directed to disposal



In 2023, IGOR S.r.l. and Si Invernizzi generated a total of **953 tonnes of waste**, mainly comprising **packaging** (EWC code 15), **unsorted municipal waste** (EWC code 20), urban liquid waste (EWC code 16) and **iron and steel** (EWC code 17).

MAIN WASTE CATEGORIES



The various types of waste produced are either **diverted from or directed to disposal**.

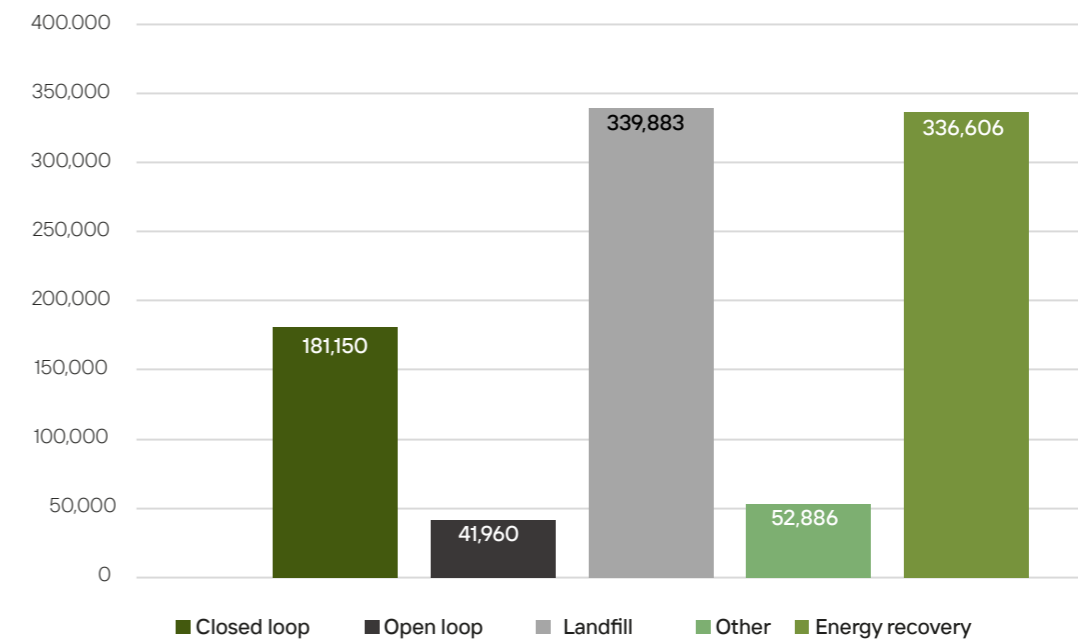
<sup>7</sup> The reporting boundary for data on waste includes the quantities produced by IGOR S.r.l. and Si Invernizzi S.r.l. as there is no data available for the other group companies.

In 2023, **59%** of waste was diverted from **disposal**, while the remainder was directed to disposal, as detailed in the bar chart below.

The recovery operations included:

- **Closed loop**: recycling: where the original material is processed to make the same product.
- **Open loop**: recycling: where the material is used for a different purpose than the original product.
- **Energy recovery**: where energy is recovered from waste through incineration and subsequent generation of electricity.

WASTE MANAGEMENT



Waste is collected in specific areas into suitable containers and/or tanks to avoid any contamination or release into the environment or other products. It is then classified as **hazardous**, which makes up less than 1% of total waste produced, or **non-hazardous** using EWC terms and then handled accordingly. It is passed on to specialised companies to be transported for recovery and/or disposal.

To limit and prevent waste production, **we have improved the packaging of our products.**

As mentioned earlier, in 2020, IGOR S.r.l. decided to **eliminate plastic lids from the primary packaging of 150/200g packs of Gorgonzola** in order to reduce the amount of plastic used. The weight of the lid accounts for 30% of the total weight of the primary packaging. Therefore, we reduced the use of plastic in our packaging by 30%. This decision was made in 2020 and, to date, a total of 32,750,000 lids have been eliminated. A total of 560,000 lids were purchased in 2023, with the goal of fully eliminating this supply in 2024.

To ensure sustainable quality throughout the production chain, we have also developed a **new 100% recyclable packaging** in mono-material polypropylene that is considered highly recyclable as it is mono-material and is already included in the waste collection and disposal system. These initiatives have helped us **reduce the use of plastic** - a polluting material that also generates microplastics if not properly handled - in our packaging.

Reducing waste is also achieved by raising the awareness of top suppliers and by reusing scrap from certain production processes. Whey is an example. Excess whey left over from milk processing is concentrated using a low energy osmosis plant. The demineralised water obtained from this process is reused within the production cycle. Indeed, the circular economy is vitally important, in terms of both cost and reduced usage of raw materials. Whey is also sold for further processing such as pulverisation and making powdered protein for animal and human consumption.

Again with the aim of reducing waste, a biogas generation plant will be inaugurated at IGOR's headquarters by 2026. This plant **will use as raw materials the organic scraps from producing, ageing, cutting and packaging Gorgonzola**, in addition to **scraps from the new whey processing plant to be built.**

Furthermore, **by providing information on our labels regarding correct disposal**, we are mindful of ensuring suitable end-of-life treatment of our products in compliance with the relevant laws.

### 3.5 Biodiversity and protection of the local area

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

304-2 Significant impacts of activities, products and services on biodiversity



Our production facilities and operations **do not have significant impacts and risks in terms of biodiversity.** Every day we receive the best fresh milk produced by cows fed on natural fodder from over 180 carefully selected farms that are located only in Piedmont or Lombardy. To guarantee high quality standards, we carry out periodic visits to farms to check the health and welfare of the animals. Our internal lab constantly checks the milk as soon as it arrives, guaranteeing its full origin and compliance.

**Our Gorgonzola is made exclusively using milk from farms that are animal welfare in breeding certified in line with the ClassyFarm standard.**

As further proof of our focus on environmental sustainability, we rolled out our **BEE-FRIENDLY** project in February 2020. This entailed placing beehives at the Cameri production facility which is located at the edges of the Ticino valley, the perfect environment for bee development and pollination, helping protect biodiversity and the local area. Bees are among the world's greatest pollinators; they guarantee the survival of hundreds of animals and have a decisive role in agriculture. As is common knowledge, pollinators are falling in population due to pollution and their disappearance would destroy the natural balance of the ecosystem.



**ANIMAL WELFARE AND THE REGULATORY FRAMEWORK**

Our Gorgonzola is made exclusively using **milk from farms that are animal welfare in breeding certified** in line with the **ClassyFarm standard**.

The **regulatory framework for animal welfare** comprises the EU regulations (Directive 98/58/EC and Commission decision 2000/50/EC), Legislative decree no. 146 of 26 March 2001, as subsequently amended, and Law no. 623 of 14 October 1985. These regulations establish the general minimum **requirements to be met in farming for the protection of animals**. In addition to these regulatory requirements, which must be met in the name of the law, we also endeavour to ensure that the conditions of the animals at our suppliers' farms are even higher.

As mentioned earlier, our Gorgonzola is made **exclusively using milk from farms that are animal welfare certified as per ClassyFarm**.

As a group we do not directly breed the cows producing the milk used in our products. This is why we pay **even closer attention to animal welfare**.

Indeed, we are aware that the **quality of the end product depends** heavily on the quality of the milk used, which can only be guaranteed through the **welfare of the animal**, avoiding any unnecessary suffering or stress and making sure that the animals are in a **good state of physical and mental health overall**.

So guaranteeing animal welfare lays the **foundation for producing superior quality milk and, therefore, superior quality Gorgonzola**.

**CLASSYFARM CERTIFICATION**

The **ClassyFarm** system was designed for the purpose of classifying **farms** according to their **risk to veterinary public health**.

ClassyFarm was strongly advocated by the DGSA (Directorate general of animal health and veterinary drugs) and officially recognised in Italy in 2017. The general management and further development of the system were assigned to IZSLER (the Lombardy and Emilia Romagna health authority and research organisation for animal health and food safety), in accordance with the Ministry for Health decree of 7 December 2017, article 14 of Legislative decree no. 136 of 5 August 2022 (implementation of the provisions of Regulation (EU) 2016/429) and article 9 of the Interministerial decree of 2 August 2022 **"Regulations on the national quality system for animal welfare"**.

ClassyFarm is an IT platform within the national veterinary portal ([www.vetinfo.it](http://www.vetinfo.it)), which processes a large amount of data from different sources (collected in the field or via other information systems) using business intelligence processes.

Specifically, data is collected on:

- **Assessment of animal welfare**
- **Farm biosafety**
- **Antimicrobial use and resistance**
- **Key data on livestock (state of health, production and feed)**

The information collected in the field may come from **official checks carried out by the competent authorities, from audits by certifying bodies** or from **private veterinarians**, such the farm vet, trained to complete self-assessments. The latter are carried out on a voluntary basis, as permitted by the Ministry for Health decree of 7 December 2017.

This data collection and analysis has several objectives:

- **Improve dialogue** between the farmer, veterinarians and competent authorities in order to optimise the use of antimicrobials and animal welfare.
- **Make available information** aggregated at different geographical levels (national, regional, local) for the purpose of **monitoring and comparing different areas**.
- **Facilitate the collection of data useful for possible voluntary labelling** (e.g., SQNBA - the National quality system for animal welfare).
- **Enable the scheduling of official checks, regarding animal welfare (PNBA), pharmacovigilance (PNFS) and biosafety**, for farms with a higher risk rating; on this issue, the system has already been active for some years.

ClassyFarm can be **accessed** by authorised users that submit a request (official vets, farm vets, farmers, delegates, etc.). The system provides public and private stakeholders with a tool for identifying deficiencies on individual farms or in particular geographical areas (regions, autonomous provinces and local health units), serving as a guide for potential improvements. It also fully complies with the Animal Health Law (Regulation (EU) 2016/429) and regulations on feed (Regulation (EU) 4/2019 amending Regulation (EC) 183/2005) and veterinary medicines (Regulation (EU) 2019/6).

ClassyFarm aims to strengthen disease prevention in animals, slow the spread of antimicrobial resistance and make official checks more efficient. Furthermore, the system is a tool that can help farmers to improve their farms by striving for excellence as far as possible. In this context, the farm veterinarian represents the link between the farmer and the competent authorities, supporting the farm's strategic choices (management, welfare, biosafety, etc.) also on the basis of the information made available by ClassyFarm.

The risk-based classification of farms, according to shared standards, allows the competent authorities to plan more effective and targeted controls, with significant savings for the public administration in terms of human and financial resources. In addition, the burden on farmers who operate in compliance with the regulations will be reduced, in terms of less frequent checks.

At IGOR we have undertaken the following initiatives to demonstrate our commitment to animal welfare:

- We have asked all of our milk suppliers to **voluntarily sign up for ClassyFarm assessment**;
- **We have assisted and supported** our suppliers on the journey to achieving a good score;
- **We carry out thorough periodic visits**, using set checklists, to check the welfare of the livestock;
- **100% of our milk suppliers are certified and undergo checks**;
- **For new suppliers, we request animal welfare certification as a basic requirement**;
- **We require a minimum score of +70%**.



**OUR INITIATIVES FOR ANIMAL WELFARE**



# 4 SOCIAL



TARGETS ACHIEVED

FUTURE OBJECTIVES



341	PEOPLE
41	NEW EMPLOYEE HIRES
22.4%	TURNOVER RATE
54%	OF EMPLOYEES WITH AN AVERAGE AGE OF BETWEEN 30 AND 50
98%	PERMANENT EMPLOYEES
50%	GENDER DIVERSITY IN THE BOD
-24%	INJURY RATE COMPARED TO 2022
818 HOURS	OF TRAINING PROVIDED
QUALITY INSURANCE SYSTEM	THROUGH CERTIFICATES, TRACEABILITY, AUDITS, INTERNAL ANALYSIS LABORATORIES
4	AWARDS FOR PRODUCT QUALITY RECEIVED IN 2023
SUPPORTING THE COMMUNITY	THROUGH NGOs AND SPORTS AND SOCIAL INITIATIVES
250	RAGAZZE ISCRITTE NELLA SQUADRA IGOR GORGONZOLA VOLLEY NOVARA
50	LADIES VOLLEYBALL CLUBS SIGNED UP TO OUR "SINERGY" PROJECT
500	YOUNG WOMEN REGISTERED WITH THE CONSORTIUM FOR YOUTH SPORTS OF NOVARA
120	REGISTERED WITH THE SKI TEAM SUPPORTED BY IGOR
CHARITY AWARD	RECEIVED FROM THE FOOD BANK FOR OUR CONTINUED SUPPORT

BRIDGING THE GENDER GAP	TO PROMOTE EQUALITY AND DIVERSITY
HUMAN RIGHTS TRAINING	INTEGRATING COURSES FOR OUR PEOPLE
INCREASING TRAINING	FOR ALL OF OUR PEOPLE
PERFORMANCE REVIEW	OF EMPLOYEES, THROUGH A FORMAL MERIT-BASED EVALUATION PROCESS
RESEARCH AND DEVELOPMENT TEAM	TO OPTIMISE OUR PROCESSES AND PRODUCTS
COMPANY WELFARE	TO IMPROVE EMPLOYEE WELL-BEING
TALENT ACQUISITION STRATEGY	TO ATTRACT AND RETAIN NEW TALENT

### 4.1 Our workforce

- 2-7 Employees
- 2-8 Workers who are not employees
- 2.30 Collective bargaining agreements
- 401-1 New employee hires and employee turnover
- 403-1 Occupational health and safety management system
- 403-2 Hazard identification, risk assessment, and incident investigation
- 403-3 Occupational health services
- 403-4 Worker participation, consultation, and communication on occupational health and safety
- 403-5 Worker training on occupational health and safety
- 403-6 Promotion of worker health
- 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
- 403-8 Workers covered by an occupational health and safety management system
- 403-9 Work-related injuries
- 403-10 Work-related ill health



Our corporate culture is based on respecting people, moral integrity and creating a climate of mutual trust. We are constantly committed to guaranteeing a workplace without any form of discrimination and promoting human rights, also with all of our suppliers.

Through our Code of ethics, we share and disseminate behaviours that ensure respect for all types of diversity and spread a culture of integrity. Human capital is our strength and also an indispensable resource. This includes our employees and all the people who work with us. Indeed, generating company value is inevitably linked to them, as well as maintaining our competitive edge, developing business, ensuring sustainability and maintaining product quality.

Achieving company goals is strongly bound to the work of our human resources, so it is vital for us to attract, train and nurture them. We offer all employees healthy, safe and stimulating work environments, also giving them the option of working remotely to allow a greater work-life balance.

Our unwavering focus on our human resources has always set us apart.

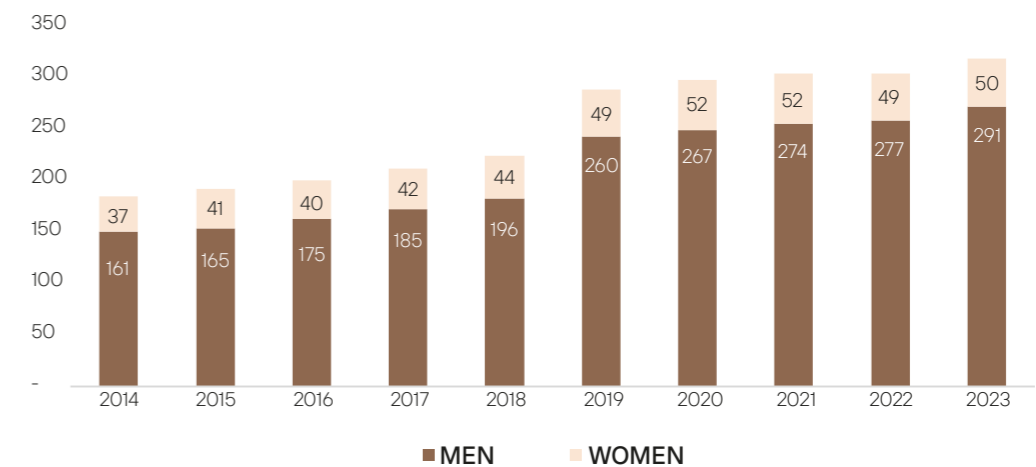
Synergy between the owners and the workforce and providing a healthy, motivating and engaging work environment allows us to ensure top quality products and keep our employees highly satisfied. Indeed, we were listed in the top 300 companies to work by ITQF (the German Institute of Quality and Finance) among the 2,000 Italian companies with the largest number of employees.

All employees are covered by our health and safety system which complies with the regulations of Legislative decree no. 81/08 and national collective labour agreement for the food industry.

### TOTAL EMPLOYEES

The IGOR Group's workforce in 2023 totalled 341, including both direct employees and temporary workers. The number of employees rose by 5% on 2022, and 72% on 2014.

TRENDS IN EMPLOYEE NUMBERS FROM 2014 TO 2023\*

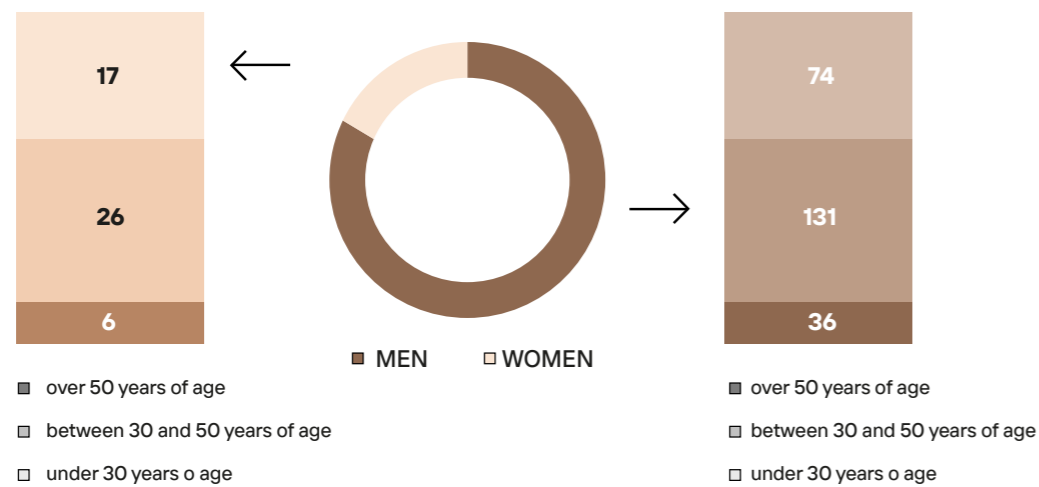
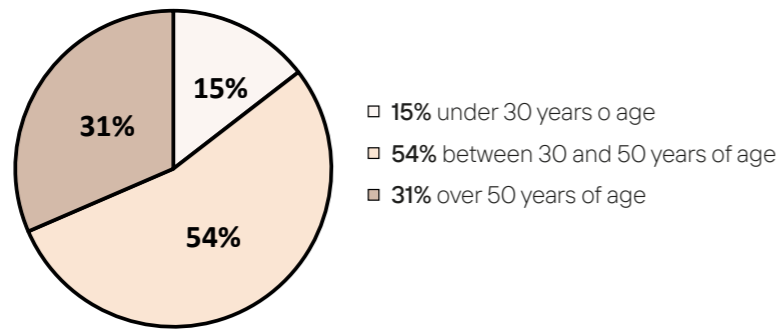


### TRENDS IN EMPLOYEE TURNOVER

NEW EMPLOYEE HIRES 2023		TOTAL	TURNOVER 2023		TOTAL
New hire rate		14.1%	Turnover rate		8.3%
Total new employee hires during the year		41	Total turnover during the year		24
<u>New employee hires during the year by gender</u>			<u>Turnover during the year by gender</u>		
	Men	35		Men	18
	Women	6		Women	6
<u>New employee hires (no.) during the year by age bracket</u>			<u>Turnovers (no.) during the year by age bracket</u>		
	Under 30	14		Under 30	8
	Between 30 and 50	16		Between 30 and 50	5
	Over 50	11		Over 50	11
<b>Total turnover rate</b>			<b>22.4%</b>		

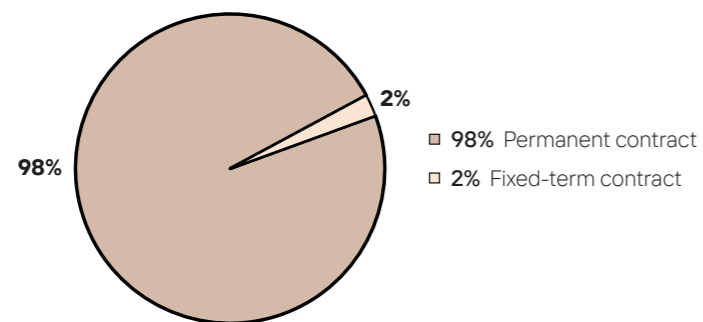
\* The table only refers to IGOR S.r.l. and SI Invernizzi S.r.l.

### COMPOSIZIONE DIPENDENTI



The graph's numbers regarding the breakdown of employees by age bracket only refer to IGOR S.r.l. and Si Invernizzi S.r.l.

### CONTRACT TYPE



### 4.2 Equal opportunity, non-discrimination and respect for human rights

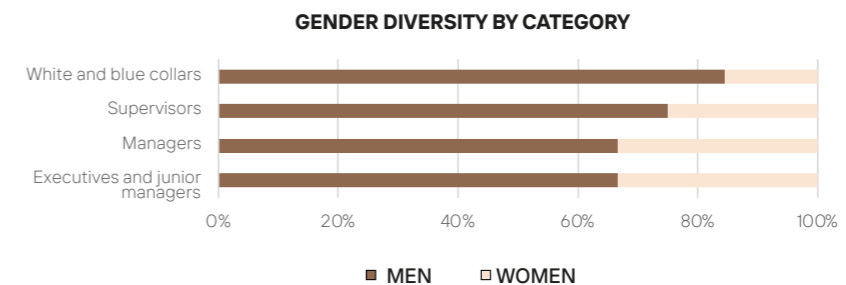
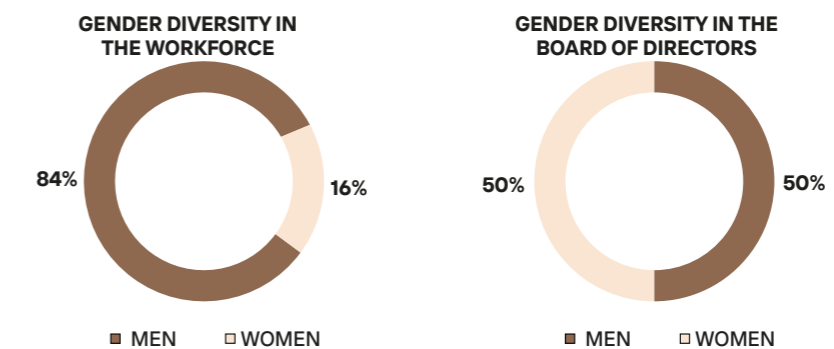


- 405-1 Diversity of governance bodies and employees
- 405-2 Ratio of basic salary and remuneration of women to men
- 406-1 Incidents of discrimination and corrective actions taken

Our daily work is based on values we deem essential: **fairness, protecting diversity, guaranteeing dignity and shunning discrimination**, as also set out in our Code of ethics. These are put in place from the early selection of potential candidates to be hired and throughout their entire career at our company, including setting remuneration and career paths, all based on objective criteria with no gender or any other kind of discrimination.

**16%** of the workforce are women. However, this disparity is lower in certain categories such as managers, junior managers and executives. In any case, we endeavour to reduce this gap.

We see a much more equal divide in the breakdown of the **board of directors where 50% of executives are women**.



**We strongly and resolutely condemn discrimination of any kind** with regard to gender, ethnicity, nationality, religion, age, disability, sexual orientation, civil status, membership of political parties or associations, physical and/or economic condition and any other type of discrimination.

**We are committed to fostering respect for diversity and developing a work environment free of any type of discrimination**, nurturing the abilities and characteristics of every individual in our group. Thanks to our strong purpose in this regard, **there have been no cases of discrimination between employees in the workplace over the two-year period.**

Our employee training programme for 2023 did not include specific sessions on policies or procedures regarding human rights. Our goal for the future is to integrate our set of employee training materials with courses related to human rights.

### 4.3 Health and safety



One of the main risks related to human resources management is linked to occupational health and safety in carrying out duties within the various production processes. This is why preventing and **minimising** such types of risks, such as **injuries or accidents**, **has always been a priority for us**.

Issues regarding workers' health and safety are **treated with particular attention**, in order to guarantee and foster safe working environments. Our health and safety management systems comply with all regulatory requirements in this area, specifically Legislative decree no. 81/2008. The goal of our health and safety policy is to minimise management of such risks by adopting common processes and systems at the various group facilities. These are, in turn, adequately bolstered by providing all of our employees with **specific health and safety courses**, as per regulatory requirements.

In order to properly supervise health and safety risks, we have **adopted the risk assessment document** for occupational health and safety. This document is a set of duties, roles and methods to be put in place to assess risks in this area. It also sets out the correct practices for managing and monitoring risks. If the sources of risk cannot be eliminated after the analyses have been carried out, the company must adopt specific protective measures to safeguard worker safety. In order to maintain its full efficiency, the risk assessment document **is updated whenever there are any significant changes affecting the work environment**, the activities carried out or the machinery used in the production process or in the event of any significant injuries or accidents.

Employees are involved in the development of the document and also in the implementation and assessment of the management system through regular training and by requesting feedback. All reports, feedback and suggestions received are collected and assessed and subsequently discussed during periodic meetings with management.

The analyses performed in order to draft the risk assessment document have shown that the main risks at our facilities relate to:

#### MANUAL HANDLING OF LOADS: DETECTED IN THE AGEING DEPARTMENTS.

- **In order to mitigate this risk**, we have installed: pantographs for lifting wheels at height to facilitate gripping for operators; rotating pallet stations so that operators can avoid twisting their torsos; and automatic machines for salting, brushing and punching holes in cheese wheels.
- Further studies are underway to automate wheel turning using anthropomorphic systems which will reduce risks related to manual handling of loads.

#### REPETITIVE MOVEMENTS: MAINLY IN THE PACKAGING DEPARTMENT.

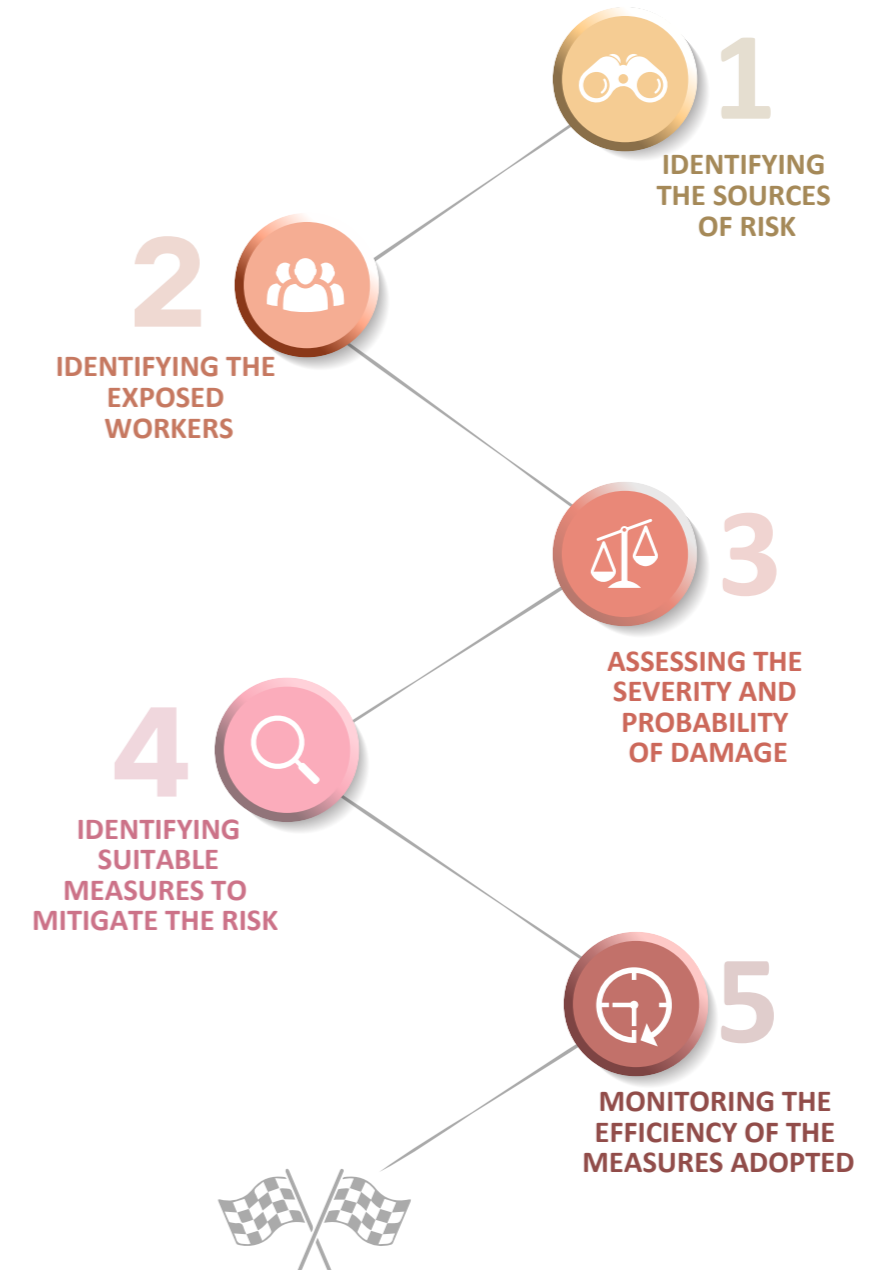
- **In order to mitigate this risk**, we have automated the packaging lines, packing cheese packets into boxes and transporting boxes via pallets with anthropomorphic robots.

There is a **system in place for workers to anonymously report** any hazardous situations.

Meetings are held with **safety representatives** to organise the various **training** courses on **occupational safety**. Finally, the relevant training plan and schedule for the individual courses are drawn up in collaboration with the health and safety officer and qualified instructor.

In order to protect the safety of our workers also outside the workplace, we have signed a **special agreement with an outpatient diagnostics clinic and certain clinical laboratories giving our workers discounts on medical treatments**.

### THE PROCESS TO IDENTIFY RISKS AT FACILITIES



## WORK-RELATED INJURIES

Workers' health is a particularly key issue for our group.

There were three accidents recorded in 2022 and four in 2023. The injuries in 2023 included an operator accidentally falling without serious consequences, sharp injuries caused by devices not part of company procedures and an injury caused by the negligent use of machinery. In 2022, they comprised foot sprains or knocks caused by pallet truck usage and an injury from clumsy driving of a forklift truck. There were also two commuting incidents in 2022 involving temporary workers who were not employees of the group. There were none of these injuries in 2023. There were no cases of work-related ill health.

The rate of work-related injuries for 2023 was 12.65 incidents per million of hours worked (-24% on 2022).

RATE OF WORK-RELATED<sup>9</sup> INJURIES (2022-2023)

	FY 2022	FY 2023
<b>IGOR Group</b>		
Rate of recordable work-related injuries	16.69	12.65
Rate of fatalities from work-related injuries	0	0
Rate of high-consequence work-related injuries	0	0
Estimated hours worked	179,712	237,160

All employees are subject to regular medical check-ups to ensure that they are healthy and able to perform their duties. In compliance with the law, all workers receive **specific mandatory training** on occupational health and safety during their working hours. There are also periodic discussions and end-of-course tests to assess the workers' learning and the efficiency of training.

The company's goals on safety issues are defined and **reassessed every year**. The safety, environmental and ergonomic features of the work environment are suitable and comply with hygiene and sanitation legislation as per **Regulation (EC) 853/2004 and Regulation (EC) 2073/2005**.

<sup>9</sup> The injury rates were calculated as per GRI 403-9 which borrows the method set out in UNI 7249/2007 "Statistics on occupational injuries".



## 4.4 Personnel training, development and incentives

404-1 Average hours of training per year per employee

404-3 Percentage of employees receiving regular performance and career development reviews

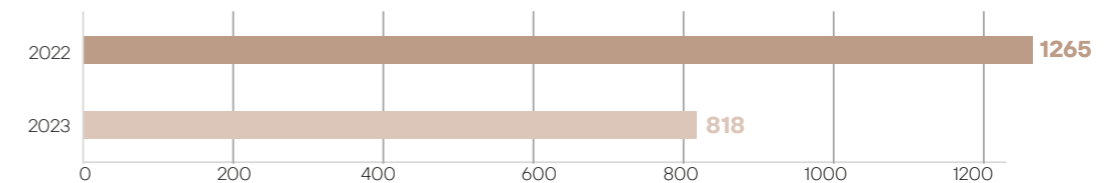
**Nurturing our resources is a cornerstone of our growth and success.** Indeed, employee skills and professionalism are key elements **propping up the success of every company**. Accordingly, **adopting continuous training plans and developing a corporate mindset focused on professional development and nurturing employees** are vital for ensuring high production standards and superior products.

We **strongly promote** professional growth among our employees by organising specific training courses according to business requirements that are open to all employees. Training provided to employees refers to the following areas:

- **Occupational health and safety;**
- **Food safety** issues;
- **Emotional intelligence courses** for senior management to improve leadership skills and **interdepartmental communication;**
- Courses on **ESG issues** for senior management.

A total of **818 hours** of training was provided in 2023, down on the previous year as fewer employees had to do specific training for their role.

TOTAL HOURS OF TRAINING PROVIDED TO EMPLOYEES



We do not currently perform formal periodic reviews of our employees. However, informal performance reviews are constantly carried out. A goal for the future is to **implement a formal periodic** review process in order to duly trace **employee performance** with a view to developing exclusively **merit-based** growth processes

### 4.5 Product quality and customer satisfaction



Monitoring consumer preferences and tastes and **customer satisfaction** levels is hugely important in the food production industry.

To meet these requirements, we **carry out a series of actions aimed at raising product safety. Specifically:**

- Obtaining **specific product certifications;**
- **Technological innovation of processes and production methods;**
- **Higher focus on raw materials** to preserve the quality and authenticity of end products.

Accordingly, our quality policy requires constantly overseeing the quality and safety of products by meticulously controlling all stages of the production chain and process and taking preventative action regarding any risks. The organisation of this system allows us to guarantee **safe and high-quality products** to consumers.

We guarantee product quality through:

- **Rigorous supplier selection**, involving in-depth recurring vetting processes.
- **Traceability** of raw materials.
- **Regular audits** of production processes to check the sanitary conditions of production facilities.
- Verifying the **safety of packaging** by checking end products to ensure that they have not been contaminated by harmful substances such as **MOSH, MOAH and bisphenol A.**
- **Maintaining a food safety system**, dedicating human and technical resources to achieving the company objectives of supplying safe high-quality products at competitive prices.
- **Training and raising awareness of personnel** to foster a culture of food quality and safety.
- **Excluding non-dairy allergens** from our products and avoiding any use of compound ingredients or elements containing or deriving from GMOs.
- Implementing and maintaining a food safety management system compliant with **BRC and IFS.**
- **Responsible management of our value chain**, starting from farms, in order to improve the quality of raw materials and the welfare of animals in breeding.
- **All of our production facilities** are equipped with a specific **internal analysis laboratory** that monitors the chemical and physical parameters of all incoming milk, along with its **qualitative parameters** such as fat, protein and calcium, every day.

Though we do not have a specific research and development team, **we have always been strongly committed to researching, developing and rolling out innovative and state-of-the-art technological solutions** which, over the years, have helped us grow, become an industry leader, satisfy the needs of the most demanding customers and gain a strong competitive edge. Setting up an R&D team is one of our future goals.

The quality of our Gorgonzola is also confirmed by a series of important awards won in various competitions in the world of food. Specifically:



Proof of Gorgonzola's popularity was also seen in a recent **Assocamere Estero** research into trends in Made in Italy agri-food products, involving 550 food and wine influencers from the US, Mexico and Canada and reported in the newspaper Sole24ore. Gorgonzola enjoyed a place of honour as one of the most **beloved Italian gastronomy products**, together with buffalo mozzarella and pasta.

Therefore, Gorgonzola is one of Italy's most famous and beloved delicacies throughout the world and is also **known for its nutritional values**:

- Considerably rich in calcium and protein, and thus perfect for both athletes and children.
- Naturally lacking in lactose (<0.1 g for every 100 g). IGOR Gorgonzola was also the first Italian cheese to receive naturally lactose-free Lfree certification from AILI (the association for people with lactose intolerance).
- Naturally gluten free.
- It also contains precious micronutrients such as folate, vitamin A, vitamin B12, zinc and phosphorus.



**NATURALLY LACTOSE FREE**

certified "L-FREE" and approved by the Italian Lactose Intolerance Association (AILI)

**ECOPACK 100% RECYCLABLE**



**FROM MILK WITH THE CERTIFICATION OF ANIMAL WELFARE**



IGOR Gorgonzola is produced only with milk coming from farms certified Animal Welfare according to the standard of ClassyFarm

**HEALTHY FOOD**

High in Calcium, Protein, Vitamin B12

In 2023, there were two incidents of non-compliance with product health and safety that resulted in a fine or penalty for the group (one incident in 2022).



### 4.6 Engaging local communities

413-1 Operations with local community engagement, impact assessments, and development program  
413-2 Operations with significant actual and potential negative impacts on local communities

A businessperson knows that social commitment is a must for a successful company. This belief is embedded in the Leonardi family who remain strongly tied to their local area.

IGOR is fully active in social engagement, supporting numerous projects and fundraising initiatives through the fund set up at **Fondazione delle Comunità del Novarese**, with Ezio Leonardi, uncle of the IGOR's owners, acting as chairman up to 2015. The company actively participates with tangible, targeted actions in support of cultural events and important social initiatives, also promoted by **Novara hospital**, a leader in healthcare and top-level medical research. Every initiative supported by IGOR goes beyond mere brand visibility or event sponsorship. **It is a choice dictated by love for its area and its inhabitants.**

Focusing on **corporate social responsibility** has always been part of our company values, also because we produce and sell globally a product with a **strong local connotation**.

**Indeed, we are an integral part of the Novara area** and we demonstrate this in every situation. We produce Gorgonzola, a traditional PDO cheese; we buy milk from local farmers, whom we see as partners in obtaining a superior quality product using a recipe that has been handed down through four generations; and we contract local companies for our operations, including to expand our facilities.

Not to mention the educational aspect. Through **sport** we are engaged in educating and passing on basic values to young people, who learn to set themselves rules and goals and feel part of a group by playing a team sport.

We firmly believe that regular exercise together with a healthy and balanced diet are essential elements for a healthy lifestyle.

This is why we are delighted to support several sports clubs and associations rooted in the Novara area covering a range of popular sports: volleyball, football, rally driving, motocross, running and rugby.

Since 2012, IGOR has been the MAIN and TITLE SPONSOR of the local women's volleyball team **IGOR Gorgonzola Volley Novara**, with sports and social connotations. In other terms, we decided to use the great power of sport to group many businesses, both local and non, to pursue various social activities.

IGOR Gorgonzola Volley Novara has a team playing in the A1 championship and a considerable **youth sector with eight teams for a total of 250 members**. Not only do they learn how to play volleyball, but these girls are also taught the club's values, i.e., friendship, joy, commitment and loyalty. Our youth sector has seen many young women who are now leading players in the top league of domestic and international competitions.

Over the years, IGOR Gorgonzola Novara Volley has won important titles both nationally and internationally, such as:

- **A2 championship title** - 2012-2023 season
- **Italian Cup** - 2014-2015 season
- **A1 championship title** - 2016-2017 season
- **Supercup** - 2017-2018 season
- **Italian Cup** - 2017-2018 season
- **Italian Cup** - 2018-2019 season
- **CEV Champions League** - 2018-2019 season
- **Wevza Cup** - 2023-2024 season
- **Challenge Cup** - 2023-2024 season



Furthermore, we created the **SINERGY project** with over 50 ladies volleyball clubs in PIEDMONT, LOMBARDY, LIGURIA, EMILIA and TUSCANY, with over 5,000 registered members. These clubs receive constant updates in techniques and training from our coaches to better train the girls who have the chance to get into our youth team.

In Novara **we created a consortium** with the four top youth volleyball clubs in the area (ISSA, SAN GIACOMO, SCURATO and SAN ROCCO) with over 500 registered members. The purpose of the consortium is to boost the clubs appeal to sponsors which IGOR helps to obtain and to become more competitive in terms of buying the equipment needed to play volleyball. In addition, with the coaches of the four clubs we carry out **regular visits to the city's primary and middle schools**, promoting sports and volleyball as an example of a healthy lifestyle, but also using sport as a metaphor to teach the principles of our Constitution.

We are also one of the **Main Sponsors of Novara Calcio**, the city's historical football team founded in 1908 and currently playing in the Italian Serie C.

We are also actively involved in **rally driving** through the sponsorship of **two** highly-competitive **teams**.



IGOR also supports **skiing** through **Club de Ski Valtournenche**, which has **120 registered members** from the Super Baby to Senior/Master categories. Two of the club's athletes are on the **national team**: Heloise Edifizi (DH and Super G European Cup Team) and Carolle Agnelli (Giant slalom and Slalom European Cup Team).

**Running** is one of the many other sports that we sponsor, with ever growing numbers, also thanks to the many successful events such as the **Novara Half Marathon**, which sees thousands of participants every year, in addition to **rugby**, which is becoming more and more popular in Italy. **We also support numerous sports centres**, especially focused on their activities for children and young people.

IGOR has also sponsored the **ITIS Omar school in Novara in setting up a new course on mechatronics, automation, robotics and Industry 4.0**. The project stems from a collaboration between the school and the area's top companies in order to develop the necessary skills that are now sought after by companies. These skills are developed with the help of state-of-the-art equipment, machinery, IT systems and graphic simulations already found in our companies. The sponsors have undertaken to provide financial and material support, while also agreeing to welcome students into their companies for work experience and internships and offer them jobs once they graduate.

IGOR supports those most in need every year through its partnership with the **Piedmont Food Bank**. Since 1993, this non-profit organisation has been gathering and distributing excess products from farms, food producers and large-scale retailers, providing foodstuffs to bodies which assist and help poor and socially excluded groups. Italy has an estimated 1.8 million families living in abject poverty, for a total of 5 million individuals, an alarming figure with increasing numbers of poor families with children, a situation which was further exacerbated by the Covid-19 pandemic. This constant commitment has allowed us to win the **Charity Award** every year. This award is given to companies which have stood out with their endless work and donations in support of the **Piedmont Food Bank**.



## OBJECTIVES FOR THE FUTURE

The company is focusing on a significant future goal: setting up **an employee welfare plan**. This plan aims to improve employee well-being through a series of initiatives and services that could include benefits such as healthcare, childcare support, professional training and other measures that help create a better work-life balance. The goal is to engender a more positive and productive work environment, thus boosting employee satisfaction and motivation.

## TALENT ACQUISITION STRATEGY

One of our goals for the future is to develop a talent acquisition strategy, vital for long-term success and growth. This strategy will identify, attract and hire the best professionals available on the market who can significantly contribute to the company's innovation, competitive edge and corporate culture.

The strategies being assessed include:

1. **EMPLOYER BRANDING:** Promoting a strong and appealing company image that clearly communicates the company's values, mission and corporate culture.
2. **INNOVATIVE RECRUITMENT PROGRAMMES:** Using advanced recruitment methods, such as social recruiting, hackathons and targeted social media campaigns to reach and engage talent in a creative and direct manner.
3. **PARTNERSHIPS WITH UNIVERSITIES AND TRAINING INSTITUTES:** involving universities, graduate schools and training institutes to identify and recruit promising young talents through internships, work experience and degree programmes.
4. **COMPETITIVE INCENTIVES AND BENEFIT PACKAGES:** Offering competitive remuneration and benefit packages, which could include company welfare plans, career opportunity and continuous training, as well as wages and salaries.
5. **TALENT RETENTION AND DEVELOPMENT:** Recruiting talent must also be supported by retention strategies, such as professional development programmes, mentoring and well-defined career paths, that motivate employees to remain and grow within the company.
6. **DIVERSITY AND INCLUSION:** Ensuring that talent recruitment practices are inclusive, nurturing diversity and making sure that all candidates have equal chances of being hired, regardless of their background.

# 5 GOVERNANCE



TARGETS ACHIEVED



50%	THE PERCENTAGE OF WOMEN SITTING ON THE BOARD OF DIRECTORS
BOARD OF STATUTORY AUDITORS	ACTS AS THE SUPERVISORY AND CONTROL BODY
CODE OF ETHICS AND 231/2001 ORGANISATIONAL MODEL	TO IDENTIFY AND HANDLE ETHICAL ISSUES
ANTI-MONEY LAUNDERING AND ANTI-CORRUPTION POLICY	TO DEVELOP AND DISSEMINATE OUR BUSINESS ETHICS
WHISTLEBLOWING POLICY	FOR EFFECTIVE COMMUNICATION WITHIN THE ORGANISATION
0	INCIDENTS OF CORRUPTION AND LEGAL ACTION FOR ANTI-COMPETITIVE BEHAVIOUR
260	MILLION OF EURO IN TURNOVER
+14,7%	INCREASE IN REVENUES ON THE PREVIOUS YEAR
91,4%	ECONOMIC VALUE DISTRIBUTED TO SUPPLIERS
0	CASES OF NON-COMPLIANCE WITH MARKETING AND LABELLING REGULATIONS
MARKETING CAMPAIGNS	TO PROMOTE PRODUCTS AND EDUCATIONAL ACTIVITIES
INTERNAL DATA PROTECTION POLICY	TO ENSURE THE RIGHT TO PRIVACY AND DATA PROTECTION
CYBERSECURITY SYSTEM	WHICH USES ARTIFICIAL INTELLIGENCE SYSTEMS TO PROTECT AGAINST CYBERATTACKS

5.1 Our governance

- 2-9 Governance structure and composition
- 2-10 Nomination and selection of the highest governance body
- 2-11 Chair of the highest governance body
- 2-13 Delegation of responsibility for managing impacts
- 2-17 Collective knowledge of the highest governance body
- 2-26 Mechanisms for seeking advice and raising concerns

We operate within a **solid group structure**, which is perfectly integrated into our area and enables us to optimise our resources and skills, generating major synergies.



Corporate governance is a core pillar of our operations. The principles of **transparency, accountability and integrity** drive our day-to-day decisions and actions, providing effective oversight and ensuring compliance with the highest regulations and standards. We firmly believe that robust governance, focused on long-term results and on the future, is key to retaining the confidence of our customers, our investors and, more generally, all our stakeholders. For this reason, we constantly strive to improve our governance structure, to pursue increasingly responsible and sustainable management of our activities.

Considering the size of our group and our willingness to maintain the highest standards of transparency and accountability, we have adopted a **traditional corporate governance model**, which separates the company's administrative body from that in charge of control. Our decision is based on the objective of achieving our **long-term strategies** and ensuring more **efficient management** of the company, balancing internal powers and mitigating conflicts of interest.

The shareholders' meeting reflects the roots, history and tradition of our company as it has retained a **founding-family** ownership structure (**Leonardi**). This body acts in the interest of the company, implementing its business object, and the functioning of shareholders' meetings is governed by the applicable regulations, the rules governing shareholders' meetings and the articles of association.

The board of directors plays a central role in our corporate governance structure. It is composed of four members and is vested with the broadest powers necessary for the ordinary and extraordinary management of the company. The powers attributed by the law or the articles of association to other corporate bodies are excluded. The board is responsible for setting the company's strategic direction and for steering its development.

Board of directors			
Member	Position	Executive	Non-Executive
Maurizio Leonardi	Chair of the board of directors	●	
Fabio Leonardi	CEO	●	
Lara Leonardi	CEO	●	
Magistretti Ivana	Director		●

The board of directors appointed **Maurizio Leonardi** as chair and Fabio Leonardi and Lara Leonardi as CEOs. The latter were entrusted with all the management powers of the board, except for those that cannot be delegated by law. The board of directors set the company's guidelines and objectives in terms of identification and management of business risks and opportunities and ensures the reliability of financial information, in addition to safeguarding the integrity of the company's assets and managing its impact on the economy, environment and people. Its decisions are the result of a decision-making process and in-depth analyses of market prospects and long-term strategic considerations. Furthermore, it is responsible for developing, implementing and promoting sustainability-oriented strategies, as it aims to integrate these goals into corporate governance. The board of directors also **defines sustainability-related KPIs and indicators and the regular monitoring of the results achieved**. It plays a leading role in **promoting a sustainability-oriented corporate culture**, integrating all sustainability issues into the corporate decision-making processes.

Its composition reflects our focus on equal opportunities issues and balancing the gender gap among the key roles in our company. Out of four members, **50% are women and 50% men**, all over 50 years old. Board members are selected based on their merits, knowledge and experience and their important contribution to the company's strategic direction.

	Gender diversity in the governance body by age group (2022-2023)					
	FY 2022			FY 2023		
	Men	Women	Total	Men	Women	Total
Gender (%)	50%	50%	100%	50%	50%	100%
IGOR Group (no.)	2	2	4	2	2	4
Under 30	-	-	-	-	-	-
Between 30 and 50	-	-	-	-	-	-
Over 50	2	2	4	2	2	4

The **board of statutory auditors** is the company's supervisory and control body whose main task is to **ensure the transparency, integrity and fairness of the company's operations**, safeguarding not only the interests of its owners, but more generally those of all stakeholders. It is made up of five members: three standing and two alternate auditors.

Board of statutory auditors	
Member	Position
Corrado Colombo	Chair of the board of statutory auditors
Marina Mittino	Standing auditor
Aldo Occhetta	Standing auditor
Fulvia Massimelli	Alternate auditor
Mario Giusti	Alternate auditor

In its role as independent supervisory body, it monitors the work of directors and management in order to detect and mitigate any irregularities. Today, the responsibility of the board of statutory auditors is growing beyond the supervision of corporate policies and practices. Indeed, it includes compliance with laws and regulations as well as environmental and economic sustainability matters. Specifically, with respect to its role as guarantor of the transparency and integrity of the disclosed information, it also **monitors** the company's statements about **environmental and social impacts, sustainability risks and opportunities** that may impact long-term performance.

In order to pursue our sustainability goals, the board of directors appointed a specific Safety and environment function whose strategy is supervised by **Giulia Leonardi, export sales and sustainability manager**, and **Andrea Verri**, legal representative, who assesses and implements occupational health and safety and environmental strategic plans, focused, in particular, on the application of Legislative decree no. 152/06 on waste management and environmental protection.

## 5.2 Business ethics

- 2-12 Role of the highest governance body in overseeing the management of impacts
- 2-15 Conflicts of interest
- 2-16 Communication of critical concerns
- 2-27 Compliance with laws and regulations
- 205-3 Confirmed incidents of corruption and actions taken
- 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices



The Safety and environment function plays a crucial role in monitoring and ensuring the **adoption** of the company's **sustainable and responsible practices**. As an integral part of the corporate and organisational structure, it is responsible for developing and monitoring policies, strategies and practices. This includes **assessing the environmental impacts** of company and business activities and developing solutions and strategies that reduce our impact by promoting a culture of sustainability throughout the entire organisation. Therefore, this function works closely with the other departments, integrating environmental considerations into all phases of the production cycle that characterises our business and ensuring compliance with existing regulations and company practices.

It also works closely with the board of directors, which is increasingly involved in sustainability issues, providing strategic insight and overseeing the decision-making process. Furthermore, it is responsible for enabling the group to achieve its long-term goals by establishing a farsighted vision of the major role we play every day in spreading **our positive impact in the business environment**.

Promoting sound ethical values within the organisation **is key to instilling and establishing a culture based on ethics, honesty and responsibility**, and to comply with laws and regulations. We are aware of the important role that every company plays vis-à-vis the community and consumers. Indeed, the latter are increasingly interested in the organisational processes behind the products they purchase.

Our commitment is also confirmed by the dissemination - through our code of ethics and its principles and the **organisational model as per Legislative decree no. 231/2001** - of guidelines that provide all stakeholders with the tools necessary to contribute to the identification and management of ethical issues. We believe it is essential that the information and values that characterise our business model be accessible to all our stakeholders.

Consequently, in addition to our code of ethics and our organisational model as per Legislative decree no. 231, we have prepared several policies which focus on the issues that we deem central to building and disseminating our business ethics. These include the **anti-money laundering** (article 25-octies of Legislative decree no. 231/2001) and **anti-corruption** (articles 24 and 25 of Legislative decree no. 231/2001) policy, in addition to the provisions of the code of ethics covering unfair competition.

**We believe that these aspects are fundamental to the success and sustainability of any business.**

In this respect, we are firmly committed to respecting the rights of third parties in accordance with fair and transparent business administration, the principle of fair competition and consumer protection. From a collective perspective, we believe that fair competition is a key driver of equity in a market where all companies have the ability to operate according to their own innovations and know-how, fostering a **healthy, stimulating and competitive environment that has a positive impact on the overall economic and community growth**.

In order to monitor compliance with our ethical standards, our supervisory body is responsible for submitting updates and amendments to the code of ethics and internal policies, as well as promoting their widest circulation, clarifying any interpretation and implementation doubts. Specifically, in accordance with the organisational model, this function monitors compliance within the organisation and carries out the necessary checks in the event of any reports of non-compliance.

Therefore, as part of our **whistleblowing policy**, we have set up channels that enable effective communication within our organisation, protecting whistleblowers and safeguarding their anonymity. Depending on the report received, the supervisory body is responsible for carrying out the relevant checks in order to confirm the veracity of the reports, informing the board of directors of the related results.

As a result of the commitment to complying with our internal ethical standards and rules of conduct, there were **no incidents of proven corruption** and **no legal action was taken against anti-competitive behaviour in 2023**.



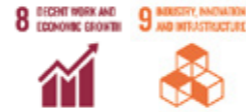
### 5.3 Our commitment to a sustainable future

2-14 Role of the highest governance body in sustainability reporting

2-23 Policy commitments

2-24 Embedding policy commitments

2-25 Processes to remediate negative impacts



**PASSION FOR TASTE, LOVE FOR THE PLANET** is the claim of the “sustainability method” that IGOR Gorgonzola has developed over several decades, becoming a food company with a complete eco-sustainable production chain today. Our **green model** pursues the ideal of being an entity with a “positive impact” along the whole production chain. Indeed, we have always been at the forefront in terms of controls, surveys and new technologies.

Our Love for the Planet reached a new peak in 2022: from our reliable suppliers, which are fully compliant with farm animal welfare according to the **Classyfarm** standard, to our new environmentally-friendly LNG and HVO transport vehicles and many certifications and, finally, our consumers, thanks to a brand new **fully recyclable eco-pack**.

Also with a view to circularity, one of our future goals is to set up the first **whhey concentration facility** to produce premium food proteins in Italy. The project includes the construction of an anaerobic digestion plant that will also allow the **production of biogas** to be used to fuel industrial activities.

Our approach to group management is constantly focused on the future. In this respect, also by preparing this sustainability report, we have set a series of goals and created a plan to continuously improve the company’s sustainability performance.

All our corporate actions comply with the principles of sustainability in order to ensure that our business is managed responsibly and sustainably, while **integrating ESG factors into strategic decision-making and day-to-day operations**. Therefore, with this first edition of our sustainability report, we plan to set out on a **virtuous path that will lead to the systematic implementation of criteria for safeguarding people and the planet**. Based on the topics identified during the first materiality analysis, we subsequently defined the main strategic areas which underly our business model and we concurrently included the objectives to be pursued in the next few years.

The publication of the **Farm to Fork strategy** by the European Commission on 20 May 2020, together with the EU Biodiversity Strategy 2030, to improve the balance between nature, food systems, biodiversity and the circularity of resources, is a key element in the pursuit of sustainability within the food production sector.

These strategies include food policies, supported by specific measures and targets, to be adopted to increase the sustainability of the entire food chain, thus considering both the production and consumption stages and involving the distribution chain and preventing food waste.

The strategy aims, in general, to foster a **sustainable agri-food chain, improving the competitiveness of farms and their climate-environmental performance, while strengthening logistical infrastructure, reducing greenhouse gases and supporting precision agriculture and the upgrade of machinery**.

The publication of the **Farm to Fork** strategy aims to accelerate and facilitate the transition to sustainable food systems with the following characteristics:

- **enabling** the adoption of a legislative framework to improve the sustainability of food systems and ensure food security;
- **ensuring** the sustainability of food production with a neutral or positive environmental impact;
- **promoting** sustainable practices in the food processing, wholesale and retail trade, hospitality and food services sectors to contribute to climate change mitigation;
- **promoting** sustainable food consumption and facilitating the shift towards healthy, sustainable diets and reverse the loss of biodiversity;
- **reducing** food loss and preventing waste, making sure that everyone has access to sufficient, safe, nutritious, sustainable food;
- **preserving** affordability of food while generating fairer economic returns, fostering competitiveness of the EU supply sector and promoting fair trade.

The importance of sustainability in the agri-food sector is also confirmed by the **PNRR** (Italy’s national recovery and resilience plan). This plan, which was agreed by the European Union in response to the pandemic crisis, also provides for the allocation of approximately €7 billion to a specific mission focused on sustainable agriculture and circularity, which is part of the broader Mission 2 aimed at green revolution and ecological transition.

Specifically, the general objectives of the expenditure programme to support the sustainable shift of agricultural systems include:

1. improving efficient and sustainable waste management skills and promoting the circular economy paradigm;
2. developing a sustainable agri-food chain, improving the environmental performance and competitiveness of farms.

### 5.4 Economic value generated and distributed

- 201-1 Direct economic value generated and distributed
- 201-2 Financial implications and other risks and opportunities due to climate change
- 203-2 Significant indirect economic impacts
- 204-1 Proportion of spending on local suppliers
- 207-1 Approach to tax



#### PRODUCTION AND EXPORT

In 2022, the production of Gorgonzola decreased mainly as a result of long periods of drought which caused an increase in the cost of milk.

As shown in the table below, from 1996 to 2021, the Gorgonzola sector **grew steadily and continuously, up by 1,726,032 wheels produced**. In this expanding scenario characterised by strong growth, our **market share rose from 40% to 49%**.

In contrast, in 2022, **production decreased by 4%**; in other words, 210,517 fewer wheels were produced. This decline was partially recovered in 2023, when 130,664 more wheels were produced compared to the previous year, however, still far from the production peak achieved in 2021.

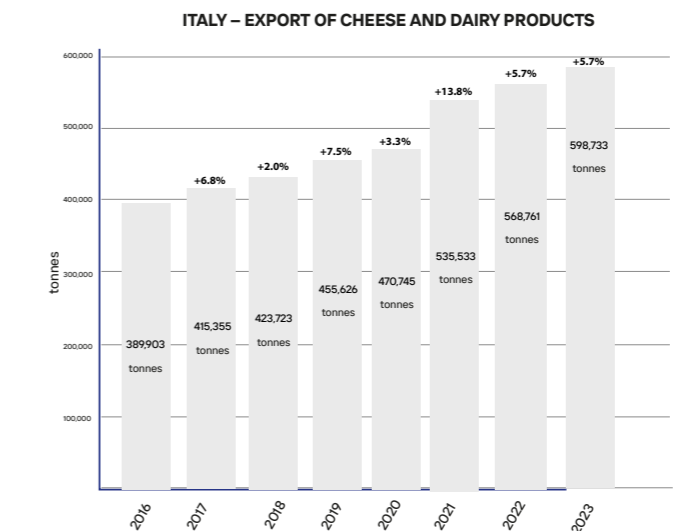
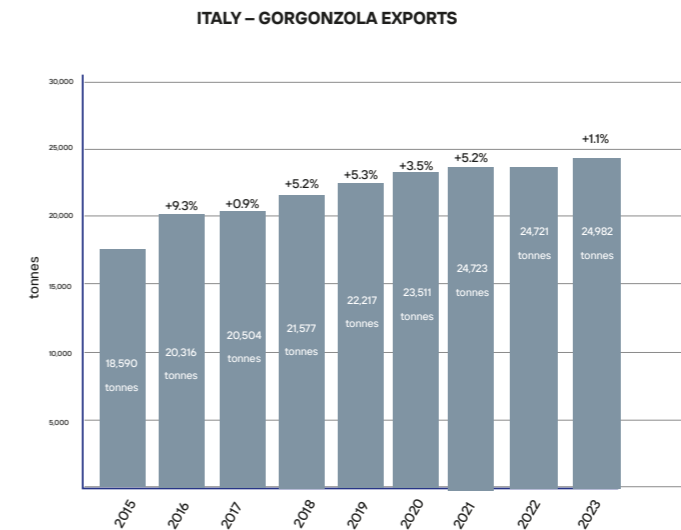
YEAR	NO. OF WHEELS PRODUCED
1996	3,532,796
2006	4,011,211
2013	4,175,610
2015	4,501,237
2016	4,581,155
2017	4,732,715
2018	4,849,303
2019	5,025,785
2020	5,100,423
2021	5,258,828
2022	5,048,311
2023	5,178,975

Significant increases were recorded both in 2022 and 2023, affecting production costs, such as the rise in the cost of milk and in the cost of energy, transport, packaging and labour.

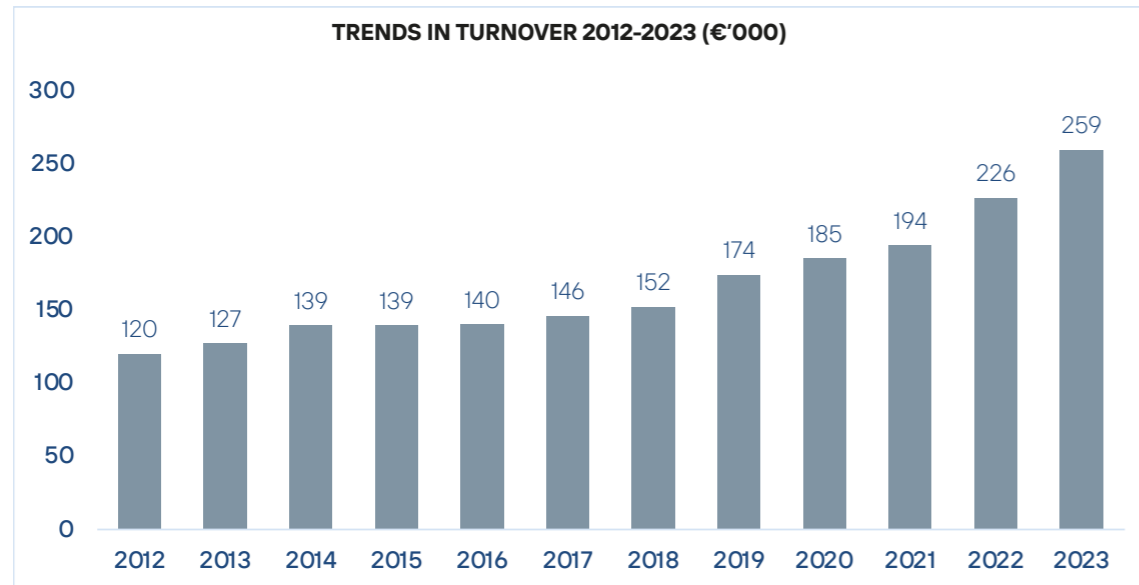
Nevertheless, the **volumes sold increased**, thanks mainly to the **growth of exports**.

Total exports in the Gorgonzola sector grew **15.8% over the past six years**, despite the pandemic period, the rise in raw material and production costs and high inflation. This confirms that the Gorgonzola sector is dynamic and resilient.

Exports of Italian cheeses grew even more worldwide, up by almost **54%** since 2016.



Furthermore, 2023 was characterised by very high raw material costs, yet far from the peaks hit in the previous year. **Sales increased** in 2023, generating a **14.7%** rise in revenues from €226,457,600 to **€259,730,329**.



Therefore, thanks to the success of our past strategic choices we have gained a strong foothold and become the **leading company in the production of Gorgonzola PDO**.

**An investment plan of approximately €100 million** is planned for the 2023-2026 period, including the construction of **a new artisanal cheese factory in Cameri**.

The significant results achieved over several years of activity culminated with being awarded the **Best Performing Large Company** during the 2022/2023 ceremony in February 2023. Organised by the SDA Bocconi School of Management, this event is now in its sixth edition and is open to Italian companies that stand out for **excellence in the creation of economic, technological, human, social and environmental value**.

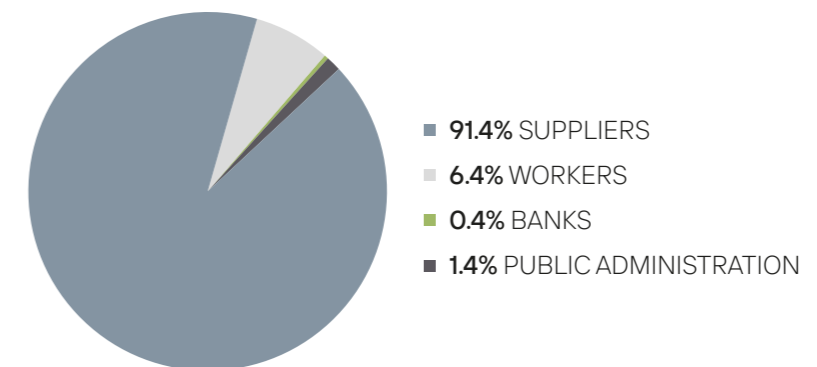
**ECONOMIC VALUE GENERATED AND DISTRIBUTED**

The table below shows the **economic value generated and distributed** by our group, calculated in accordance with the guidelines of **GRI 201-1**. The economic value generated is the **total production revenues** of the base year, while the economic value distributed is the sum of **operating costs, employee wages and benefits, payments to providers of capital and payments to the government**. **Community investments**, an item required by the reporting standard, are not shown separately, but are included under operating costs.

The **economic value retained** is the difference between “direct economic value generated” and “economic value distributed”.

	2023	2022
<b>Economic value generated</b>	<b>259,730,329</b>	<b>226,457,600</b>
<b>Economic value distributed</b>	<b>242,624,310</b>	<b>223,690,662</b>
Operating costs	221,712,802	207,204,766
Employee wages and benefits	16,704,443	16,169,855
Payments to providers of capital	927,976	325,550
Payments to public administration	3,279,089	-9,509
<b>Economic value retained</b>	<b>17,106,019</b>	<b>2,766,938</b>

**ECONOMIC VALUE DISTRIBUTED**



### 5.5 Marketing and labeling

417-1 Requirements for product and service information and labeling  
 417-3 Incidents of non-compliance concerning marketing communications



IGOR and Consorzio Gorgonzola significantly invest in digital activities, focusing on recipe websites and the involvement of global **food-influencers**, in order to showcase the product's versatility and how it can be used in recipes. More importantly, the winning cards of Gorgonzola are its **quality, authenticity, craftsmanship and the tradition** of the art of cheese-making that has been handed down from father to son for generations. These are distinctive elements which are at the core of our communication.

Our focus on marketing communications, which are based on the principles of transparency and honesty, is confirmed by the fact that **there were no incidents of non-compliance concerning marketing communications**.

Some examples of the marketing campaigns carried out in collaboration with various food influencers and chefs in 2023 are described below.

Information on the proper disposal of packaging is labelled on products in accordance with Legislative decree no. 116/2020.

The key to our success lies in **flexibility and adaptability** to the different needs of global consumers. Indeed, we work to develop different product types and formats in order to meet the demanding and different needs of the market. Over the years, we have made significant investments in our packaging department, which now has **29 specific lines**. Furthermore, we have also invested heavily in artisanal cheese dairies which, today, enable us to offer a comprehensive range of products, which include the finest and traditional Gorgonzola, other varieties of Gorgonzola developed for the catering industry, as well as several options for retail. We have focused, in particular, on **Gorgonzola cubes** which offer significant advantages in terms of practical use and in reducing waste.

In 2023, there were seven incidents of non-compliance with product labelling and information that resulted in a fine or penalty for the group (eight incidents in 2022) and no incidents of non-compliance concerning marketing communications.



**DANIELE ROSSI CHEF**

Influencer marketing campaign: autumn/winter 2023



**ROBERTO VALBUZZI CHEF**

Influencer marketing campaign: Easter 2023



**BENEDETTA PARODI**

Influencer marketing campaign: autumn/winter 2023



**UBEZIO/RONZONI/LEPORATI**

Influencer marketing campaign: Easter 2023



**BRUNO BARBIERI CHEF**

Influencer marketing campaign: autumn/winter 2023

## 5.6 Data protection

418-1 Substantiated complaints concerning breaches of customer privacy and loss of data



Today, companies are increasingly dependent on digital technologies and, consequently, they are more exposed to the risk of incorrect data management. The **respect for the rights of customers, employees and stakeholders** to data confidentiality has become increasingly **important** thanks also to the European measures implemented over the past decade, specifically the GDPR.

Guaranteeing and pursuing the right to the privacy and protection of the data provided by users and individuals who interact with our company contributes to confirming our commitment and responsibility towards people and their well-being. As further stated in our code of ethics, we are actively committed to ensuring that data are processed in accordance with the law and that, in any case, the purposes of personal data collection are clear and circumscribed, legitimate and for no longer than is necessary for the purposes for which the personal data are processed as per the General Data Protection Regulation (European Regulation 2016/679).

To this end, **specific internal policies are in place** to steer the entire organisation to promote responsible behaviour. A retention policy is in place to protect the interests of the company, its employees and stakeholders with respect to the storage and use of the data collected. This policy applies to all the group's employees and all information, documents, files and records, in any form, related to the processing of personal data of data subjects. The maximum storage period for personal data is strictly related to the purposes for which such data were obtained and stored. For this reason, we have broken down the third-party data held by us into categories, expressly indicated the maximum period we expect to store them according to the purpose for which they were obtained and stated that we are committed to respecting this period.

Furthermore, our **privacy organisational model** clearly indicates **the most appropriate best practices** we identified for the collection, use and proper storage of data, in accordance with the regulations in force. Furthermore, we designed a **specific record of processing activities** which enables us to map the data held and all the related processing activities.

Finally, as we are aware of the fundamental importance of this issue and, above all, of our role, we have designed a **policy** on data breaches.

We encourage the reporting of possible data breaches using our internal and external channels in order to promptly activate a specific investigation. The investigations performed are carried out through the systematic compilation of special forms which summarise the data breach and classify it based on its severity. These forms are compiled and stored in a specific **register** even if the investigation result is a false positive.

Each data breach is subsequently assessed based on four risk clusters (null, low, medium and high) depending on the likelihood of occurrence of one of the following types of harm:

1. **discrimination;**
2. **identity fraud or theft;**
3. **financial losses;**
4. **loss of reputation;**
5. **loss of confidentiality of personal data protected by professional secrecy;**
6. **unauthorised reversal of pseudonymisation;**
7. **significant economic or social harm;**
8. **deprivation or limitation of rights or freedoms;**
9. **loss of control over personal data;**
10. **physical, material or immaterial damage to natural persons.**

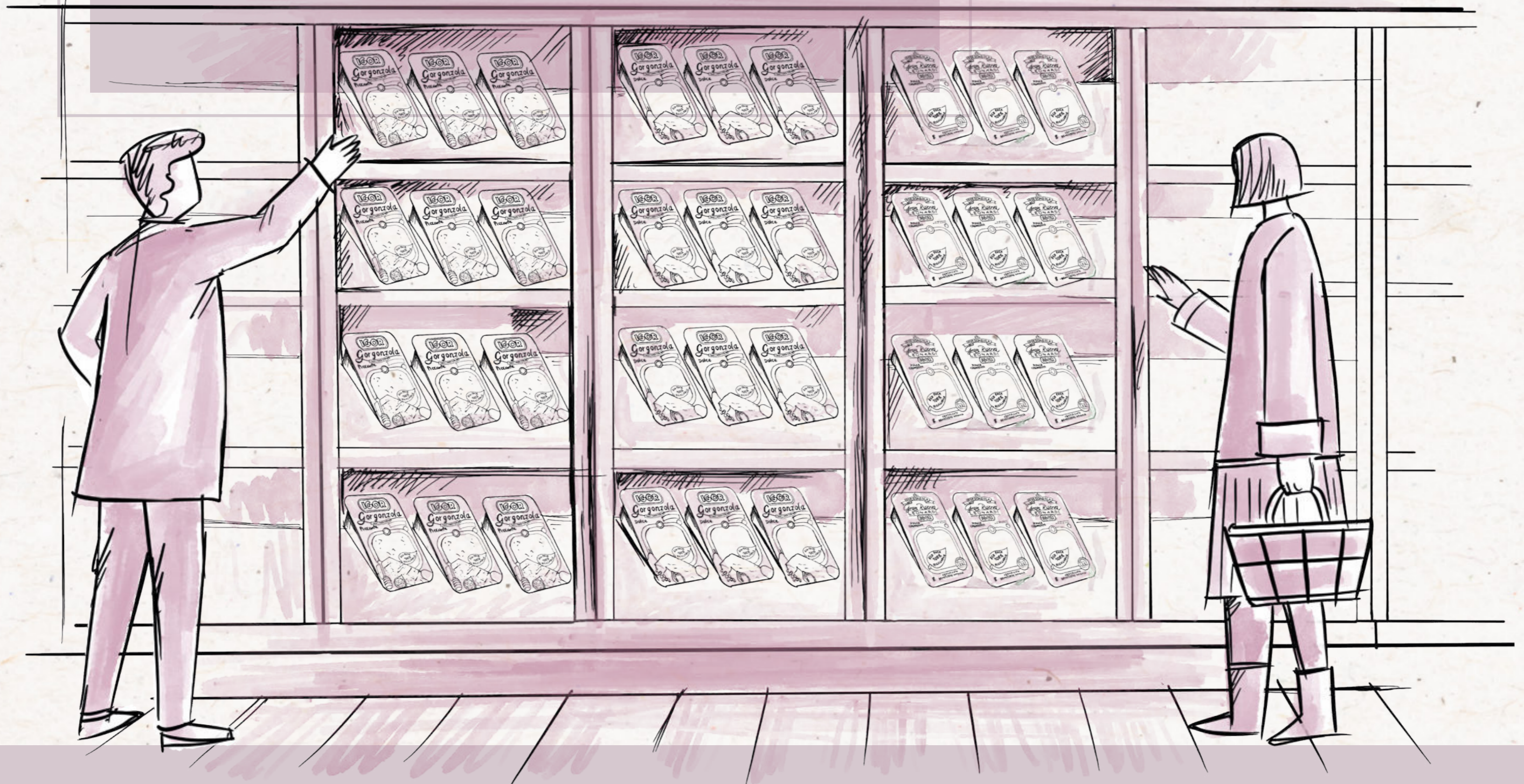
We have subsequently **integrated the best practices** and solutions in order to protect against cyber attacks. After conducting a **security and vulnerability assessment**, we added additional layers of protection to our existing security solutions using AI systems, in order to be more effective in preventing cyber threats.

In addition to the solutions already implemented, we have also included a management and monitoring service which is handled via a **Network Operation Centre (NOC)** that enables us to constantly update the software running on company devices and servers. This service is supported by **a new software platform based on artificial intelligence** that constantly monitors the entire corporate network and detects threats, including those undetected by common antivirus software. In this case, monitoring and management takes place via a **Security Operation Centre (SOC)** operating **24/7**.

Thanks to our increasing efforts, during the year, **there were no incidents of privacy breaches or loss of sensitive data** of our customers.



# 6 APPENDIX



6.1 GRI content index

<b>Statement of use</b>	IGOR S.r.l. has reported in accordance with the GRI Standards for the period 1 January 2023 - 31 December 2023.
<b>GRI 1 used:</b>	GRI 1 - Foundation 2021

GRI CONTENT INDEX			
GRI ID	Disclosure	Section/Note	Note / Omissions
<b>GENERAL STANDARD DISCLOSURES (2021)</b>			
<b>General disclosures</b>			
<b>The organization and its reporting practices</b>			
2-1	Organizational details	2.1 <i>The story of a family, going back four generations</i>	
2-2	Entities included in the organization's sustainability reporting	1.1 <i>The group, the structure of our report and basis of preparation</i>	
2-3	Reporting period, frequency and contact point	1.1 <i>The group, the structure of our report and basis of preparation</i>	
2-4	Restatements of information	<i>This indicator is not applicable as this is the first reporting period</i>	
2-5	External assurance	<i>The 2023 sustainability report will not be subject to external assurance</i>	
<b>Activities and workers</b>			
2-6	Activities, value chain and other business relationships	2.1 <i>The story of a family, going back four generations</i>	
2-7	Employees	4.1 <i>Our workforce</i>	
2-8	Workers who are not employees	4.1 <i>Our workforce</i>	
2-9	Governance structure and composition	5.1 <i>Our governance</i>	
2-10	Nomination and selection of the highest governance body	5.1 <i>Our governance</i>	
2-11	Chair of the highest governance body	5.1 <i>Our governance</i>	
2-12	Role of the highest governance body in overseeing the management of impacts	5.2 <i>Business ethics</i>	
2-13	Delegation of responsibility for managing impacts	5.1 <i>Our governance</i>	
2-14	Role of the highest governance body in sustainability reporting	5.3 <i>Our commitment to a sustainable future</i>	
2-15	Conflicts of interest	5.2 <i>Business ethics</i>	
2-16	Communication of critical concerns	5.2 <i>Business ethics</i>	
2-17	Collective knowledge of the highest governance body	5.1 <i>Our governance</i>	

<b>Strategy, policies and practices</b>			
2-22	Statement on sustainable development strategy	<i>Letter to the stakeholders</i>	
2-23	Policy commitments	5.3 <i>Our commitment to a sustainable future</i>	
2-24	Embedding policy commitments	5.3 <i>Our commitment to a sustainable future</i>	
2-25	Processes to remediate negative impacts	5.3 <i>Our commitment to a sustainable future</i>	
2-26	Mechanisms for seeking advice and raising concerns	5.1 <i>Our governance</i>	
2-27	Compliance with laws and regulations	5.2 <i>Business ethics</i>	
<b>Stakeholder engagement</b>			
2-29	Approach to stakeholder engagement	1.2 <i>Stakeholder engagement activities and identification of material topics</i>	
2-30	Collective bargaining agreements	4.1 <i>Our workforce</i>	
<b>Material topics</b>			
<b>Disclosures on material topics</b>			
3-1	Process to determine material topics	1.3 <i>Results of the materiality analysis</i>	
3-1	List of material topics	1.3 <i>Results of the materiality analysis</i>	
3-3	Management of material topics	1.3 <i>Results of the materiality analysis</i>	
<b>Economic</b>			
<b>Economic performance</b>			
201-1	Direct economic value generated and distributed	5.4 <i>Economic value generated and distributed</i>	
201-2	Financial implications and other risks and opportunities due to climate change	5.4 <i>Economic value generated and distributed</i>	
<b>Indirect economic impacts</b>			
203-2	Significant indirect economic impacts	5.4 <i>Economic value generated and distributed</i>	
<b>Procurement practices</b>			
204-1	Proportion of spending on local suppliers	5.4 <i>Economic value generated and distributed</i>	
<b>Tax</b>			
207-1	Approach to tax	5.4 <i>Economic value generated and distributed</i>	
<b>Anti-corruption</b>			
205-3	Confirmed incidents of corruption and actions taken	5.2 <i>Business ethics</i>	
<b>Anti-competitive behavior</b>			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	5.2 <i>Business ethics</i>	

Environment			
<b>Materials</b>			
301-1	Materials used by weight or volume	3.2 Raw materials used	
<b>Energy</b>			
302-1	Energy consumption within the organization	3.1 Energy consumption and efficiency and atmospheric emissions	
302-3	Energy intensity	3.1 Energy consumption and efficiency and atmospheric emissions	
<b>Water and effluents</b>			
303-1	Interactions with water as a shared resource	3.3 Sustainable management of water resources	
303-2	Management of water discharge-related impacts	3.3 Sustainable management of water resources	
303-3	Water withdrawal	3.3 Sustainable management of water resources	
303-4	Water discharge	3.3 Sustainable management of water resources	
303-5	Water consumption	3.3 Sustainable management of water resources	
<b>Biodiversity</b>			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	3.5 Biodiversity and protection of the local area	
304-2	Significant impacts of activities, products and services on biodiversity	3.5 Biodiversity and protection of the local area	
<b>Emissions</b>			
305-1	Direct (Scope 1) GHG emissions	3.1 Energy consumption and efficiency and atmospheric emissions	
305-2	Energy indirect (Scope 2) GHG emissions	3.1 Energy consumption and efficiency and atmospheric emissions	
305-3	Other indirect (Scope 3) GHG emissions	3.1 Energy consumption and efficiency and atmospheric emissions	
305-4	GHG emissions intensity	3.1 Energy consumption and efficiency and atmospheric emissions	
305-5	Reduction of GHG emissions	3.1 Energy consumption and efficiency and atmospheric emissions	

Waste			
306-1	Waste generation and significant waste-related impacts	3.4 Circular economy and waste management	
306-2	Management of significant waste-related impacts	3.4 Circular economy and waste management	
306-3	Waste generated	3.4 Circular economy and waste management	
306-4	Waste diverted from disposal	3.4 Circular economy and waste management	
306-5	Waste directed to disposal	3.4 Circular economy and waste management	
<b>Social performance</b>			
<b>Employment</b>			
401-1	New employee hires and employee turnover	4.1 Our workforce	
<b>Occupational health and safety</b>			
403-1	Occupational health and safety management system	4.1 Our workforce	
403-2	Hazard identification, risk assessment, and incident investigation	4.1 Our workforce	
403-3	Occupational health services	4.1 Our workforce	
403-4	Worker participation, consultation, and communication on occupational health and safety	4.1 Our workforce	
403-5	Worker training on occupational health and safety	4.1 Our workforce	
403-6	Promotion of worker health	4.1 Our workforce	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.1 Our workforce	
403-8	Workers covered by an occupational health and safety management system	4.1 Our workforce	
403-9	Work-related injuries	4.1 Our workforce	
403-10	Work-related ill health	4.1 Our workforce	
<b>Training and education</b>			
404-1	Average hours of training per year per employee	4.2 Personnel training, development and incentives	
404-2	Programs for upgrading employee skills and transition assistance programs	4.2 Personnel training, development and incentives	During the reporting period, no training courses were held on this topic.
404-3	Percentage of employees receiving regular performance and career development reviews	4.2 Personnel training, development and incentives	
<b>Diversity and equal opportunity</b>			
405-1	Diversity of governance bodies and employees	4.3 Equal opportunity, non-discrimination and respect for human rights	

6.2 Data and indicators

Material topics and IROs – Environment

Diversity and equal opportunity			
405-1	Diversity of governance bodies and employees	4.3 Equal opportunity, non-discrimination and respect for human rights	
405-2	Ratio of basic salary and remuneration of women to men	4.3 Equal opportunity, non-discrimination and respect for human rights	
Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	4.3 Equal opportunity, non-discrimination and respect for human rights	
Security practices			
410-1	Security personnel trained in human rights policies or procedures		0% - no human rights training courses have been organised to date
Local communities			
413-1	Operations with local community engagement, impact assessments, and development programs	4.6 Engaging local communities	In the two-year period, there were no negative impacts in the operations entailing local community engagement
413-2	Operations with significant actual and potential negative impacts on local communities	4.6 Engaging local communities	
Marketing and labelling			
417-1	Requirements for product and service information and labeling	5.5 Marketing and labeling	
417-3	Incidents of non-compliance concerning marketing communications	5.5 Marketing and labeling	
Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.6 Data protection	

Material topic	IRO		POS/ NEG	Actual/Potential
Energy transition and climate change	I	GHG (greenhouse gas) emissions deriving from the use of fossil fuels along the value chain.	Negative	A
	R	Loss of revenue due to the lack of a decarbonisation strategy in line with SBTi requirements and customer requests.		
	O	Energy savings thanks to the use of more sustainable (e.g., biodigesters, photovoltaics) and more efficient (e.g., cogenerators) energy systems.		
Responsible waste management	I	Negative environmental impacts due to inappropriate management of waste generated during the production process.	Negative	P
	R	Risk of financial penalties due to inappropriate management.		
	O	Reducing costs deriving from waste directed to disposal by reusing such waste as a secondary raw material.		
Management of water resources	I	Spreading a practice and culture of responsible water resource management by protecting the affected bodies of water.	Positive	A
	R	Negative financial impact caused by the limited availability of water to perform operations due to the scarcity of water resources, thereby resulting in the loss of market share.		
	O	Reducing costs through the efficient use of water resources.		
	O	Increasing brand positioning linked to stakeholders' awareness of the reduced water footprint.		
Ecodesign, circularity and sustainable packaging	I	Environmental impacts caused by the use of packaging made up of non-recyclable and/or non-biodegradable materials.	Negative	A
	R	Increasing sales volumes driven by higher product appeal by using innovative and sustainable packaging currently being designed and implemented by the company.		
Animal welfare	I	Negative impacts on cattle and sheep health due to noncompliance in suppliers' handling of animals.	Negative	P
	R	Loss of market share due to the use of non-best practices in animal handling because of lack of control.		
	R	Financial impacts due to the deterioration of the quality of milk as a raw material.		
	O	Increasing sales volumes driven by the higher appeal of "animal welfare" certified products.		
Sustainable agriculture and conservation of biodiversity	I	Protecting the ecosystem and biodiversity through procedures and safeguards aimed at ensuring sustainable farming practices (including livestock breeding).	Positive	A
	R	Increasing costs resulting from the demand for more land and biodiversity protection.		
	O	Increasing market share thanks to the adoption of sustainable agricultural practices.		

Material topics and IROs – Environment

Material topic for IGOR 2023	IRO		POS/ NEG	Actual/ Potential
<b>Product safety, traceability and quality</b>	I	Possible incidents of non-compliance with respect to product quality.	Negative	P
	R	Loss of market share and risk of litigation due to products that are not compliant with safety and quality regulations.		
	O	Increase in revenues due to consumer protection schemes implemented on products.		
	O	Increasing appeal for customers through transparent and innovative practices regarding product quality, sustainability and traceability.		
<b>Support and development of local communities</b>	I	Supporting and developing local communities through social initiatives, fundraising activities and sponsorships.	Positive	A
	O	Increase in the economic value generated by developing the local area.		
<b>Occupational health and safety</b>	I	Occurrence of workplace injuries and/or work-related ill health caused by the type of work carried out.	Negative	P
	R	Increase in the costs for possible sanctions and/or compensation due to work-related ill health, injuries and incidents of non-compliance.		
<b>Diversity, equal opportunities and inclusion</b>	I	Spreading an inclusive culture against any discrimination of any kind aimed at fostering diversity and promoting equal opportunities.	Positive	A
	R	Risk of litigation linked to gender, ethnic and disadvantaged group discrimination.		
	O	Increase in the market share following the acknowledgement of the adoption of inclusive labour practices.		
<b>Enhance human capital</b>	I	Consolidating and developing employee skills while raising employee awareness of sustainability issues.	Positive	P
	R	Risk of losing talents due to lack of training policies and skills and career development opportunities.		
	O	Increasing revenue by improving personnel specialisation and efficiency.	Positive	A
<b>Employee welfare and well-being</b>	I	Spreading a culture that promotes employee welfare and a healthy work environment.	Positive	A
	R	Possible financial penalties for non-compliance with employee welfare standards.		
	R	Loss of specialised personnel and less appeal to new talents due to the lack of structured welfare plans.		

Material topics and IROs – Environment

Material topic for IGOR 2023	IRO		POS/ NEG	Actual/ Potential
<b>Responsible value chain management</b>	I	Critical incidents related to environmental and social issues caused by the lack of compliance with the code of conduct and/or supplier monitoring errors.	Negative	P
	R	Loss of revenue due to incidents of ESG non-compliance following the lack of monitoring of ESG performance along the value chain.		
	O	Increasing profits through the market's acknowledgement of the company's upstanding positioning and future implementation of a supply chain code of conduct.		
<b>Creation and distribution of value</b>	I	Creating value in the local area by growing business and trade activities.	Positive	A
	O	Boosting revenue by further developing relations with the local communities and then distributing such value.		
<b>Compliance, transparency and business ethics</b>	I	Reducing non-compliance and crimes under the regulatory framework by adopting an Organisational, management and control model as per Legislative decree no. 231 and implementing safeguards to ensure the company's ethical and transparent conduct.	Positive	A
	R	Loss of market share for the brand associated with possible types of unlawful conducts.		
<b>Marketing and labelling</b>	I	Negative impact on people due to poor communication in terms of product quality and packaging recycling.	Negative	P
	R	Loss of market due to advertising and marketing strategies considered greenwashing.		
	O	Increase in sales volumes through clear and transparent communication about the sustainability practices implemented by the company on the front-of-package label.		
<b>R&amp;D into sustainable processes</b>	I	Reducing the environmental impact by increasing the efficiency of processes related to more sustainable production practices (recycling materials, automating the production process, etc.).	Positive	A
	O	Increase in revenue thanks to process efficiency, resale of secondary raw material (whey) and increased market competitiveness.		
<b>Data privacy and cybersecurity</b>	O	Loss and disclosure of sensitive data of employees, customers and partners with possible reputational damage.	Negative	P
	R	Business disruptions caused by data theft as a result of cyber attacks, affecting, in particular, production process management systems.		

## HR MANAGEMENT

## BREAKDOWN OF EMPLOYMENT CONTRACTS BY GENDER (2022 – 2023)

	2022			2023		
	Men	Women	Total	Men	Women	Total
<b>IGOR S.r.l.</b>	<b>190</b>	<b>44</b>	<b>234</b>	<b>200</b>	<b>45</b>	<b>245</b>
Open-ended	189	44	233	197	42	239
Fixed-term	1	0	1	3	3	6
Non-guaranteed hours employees (on-call contracts)	0	0	0	0	0	0
<b>Ballarini S.p.A.<sup>1</sup></b>	<b>4</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>
Open-ended	4	0	4	0	0	0
Fixed-term	0	0	0	0	0	0
Non-guaranteed hours employees (on-call contracts)	0	0	0	0	0	0
<b>Clin S.r.l.</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>0</b>	<b>7</b>
Open-ended	5	0	5	6	0	6
Fixed-term	0	0	0	1	0	1
Non-guaranteed hours employees (on-call contracts)	0	0	0	0	0	0
<b>Pal S.r.l.</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>6</b>	<b>1</b>	<b>7</b>
Open-ended	4	1	5	6	1	7
Fixed-term	0	0	0	0	0	0
Non-guaranteed hours employees (on-call contracts)	0	0	0	0	0	0
<b>Si Invernizzi S.r.l.</b>	<b>35</b>	<b>4</b>	<b>39</b>	<b>41</b>	<b>4</b>	<b>45</b>
Open-ended	35	4	39	41	4	45
Fixed-term	0	0	0	0	0	0
Non-guaranteed hours employees (on-call contracts)	0	0	0	0	0	0
<b>IGOR Group</b>	<b>238</b>	<b>49</b>	<b>287</b>	<b>254</b>	<b>50</b>	<b>304</b>
Open-ended	237	49	286	250	47	297
Fixed-term	1	0	1	4	3	7
Non-guaranteed hours employees (on-call contracts)	0	0	0	0	0	0

## HR MANAGEMENT

BREAKDOWN OF TYPE OF EMPLOYMENT CONTRACT (FULL-TIME/PART-TIME)  
BY GENDER (2022-2023)

	2022			2023		
	Men	Women	Total	Men	Women	Total
<b>IGOR S.r.l.</b>	<b>190</b>	<b>44</b>	<b>234</b>	<b>200</b>	<b>45</b>	<b>245</b>
Full-time	187	41	228	196	41	237
Part-time	3	3	6	4	4	8
<b>Ballarini S.p.A.</b>	<b>4</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time	4	0	4	0	0	0
Part-time	0	0	0	0	0	0
<b>Clin S.r.l.</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>0</b>	<b>7</b>
Full-time	5	0	5	7	0	7
Part-time	0	0	0	0	0	0
<b>Pal S.r.l.</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>0</b>	<b>7</b>
Full-time	5	0	5	7	0	7
Part-time	0	0	0	0	0	0
<b>Si Invernizzi S.r.l.</b>	<b>35</b>	<b>4</b>	<b>39</b>	<b>41</b>	<b>4</b>	<b>45</b>
Full-time	35	3	38	41	3	44
Part-time	0	1	1	0	1	1
<b>IGOR Group</b>	<b>239</b>	<b>48</b>	<b>287</b>	<b>255</b>	<b>49</b>	<b>304</b>
Full-time	236	44	280	251	44	295
Part-time	3	4	7	4	5	9

## WORKERS WHO ARE NOT EMPLOYEES (2022-2023)

	2022	2023
<b>IGOR Group</b>	<b>39</b>	<b>37</b>
IGOR	24	23
BALLARINI	1	1
CLIN	1	1
PAL	0	0
SI INVERNIZZI	13	12

## NEW EMPLOYEE HIRES BROKEN DOWN BY AGE AND GENDER (2022 – 2023)

	2022			2023		
	Men	Women	Total	Men	Women	Total
<b>IGOR S.r.l.</b>	<b>17</b>	<b>1</b>	<b>18</b>	<b>28</b>	<b>6</b>	<b>34</b>
Under 30 years of age	6	0	6	10	2	12
Between 30 and 50 years of age	10	1	11	9	4	13
Over 50 years of age	1	0	1	9	0	9
<b>Ballarini S.p.A.</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## HR MANAGEMENT

<b>Clin S.r.l.</b>	-	-	-	-	-	-
<b>Pal S.r.l.</b>	-	-	-	-	-	-
<b>Si Invernizzi S.r.l.</b>	4	0	4	7	0	7
Under 30 years of age	1	0	1	2	0	2
Between 30 and 50 years of age	3	0	3	3	0	3
Over 50 years of age	0	0	0	2	0	2
<b>IGOR Group</b>	<b>21</b>	<b>1</b>	<b>22</b>	<b>35</b>	<b>6</b>	<b>41</b>
Under 30 years of age	7	0	7	12	2	14
Between 30 and 50 years of age	13	1	14	12	4	16
Over 50 years of age	1	0	1	11	0	11

**EMPLOYEE TURNOVER BROKEN DOWN BY AGE AND GENDER (2022 – 2023)**

	2022			2023		
	Men	Women	Total	Men	Women	Total
	<b>IGOR S.r.l.</b>	<b>15</b>	<b>3</b>	<b>18</b>	<b>18</b>	<b>6</b>
Under 30 years of age	2	2	4	6	2	8
Between 30 and 50 years of age	10	0	10	2	2	4
Over 50 years of age	3	1	4	9	2	11
<b>Ballarini S.p.A.</b>	-	-	-	-	-	-
<b>Clin S.r.l.</b>	-	-	-	-	-	-
<b>Pal S.r.l.</b>	-	-	-	-	-	-
<b>Si Invernizzi S.r.l.</b>	1	0	1	1	0	1
Under 30 years of age	0	0	0	0	0	0
Between 30 and 50 years of age	1	0	0	1	0	0
Over 50 years of age	0	0	0	0	0	0
<b>IGOR Group</b>	<b>16</b>	<b>3</b>	<b>19</b>	<b>19</b>	<b>6</b>	<b>24</b>
Under 30 years of age	2	2	4	6	2	8
Between 30 and 50 years of age	11	0	11	3	2	5
Over 50 years of age	3	1	4	9	2	11

**% OF NEW EMPLOYEE HIRES BROKEN DOWN BY AGE AND GENDER (2022 – 2023)**

	2022			2023		
	Men	Women	Total	Men	Women	Total
	<b>IGOR S.r.l.</b>	<b>7%</b>	<b>2%</b>	<b>8%</b>	<b>11%</b>	<b>2.5%</b>
Under 30 years of age	2.5%	0%	2.5%	4%	1%	5%

## HR MANAGEMENT

Between 30 and 50 years of age	4%	1%	5%	3.5%	1.5%	5%
Over 50 years of age	0.5%	0%	0.5%	3.5%	0%	3.5%
<b>Ballarini S.p.A.</b>	-	-	-	-	-	-
<b>Clin S.r.l.</b>	-	-	-	-	-	-
<b>Pal S.r.l.</b>	-	-	-	-	-	-
<b>Si Invernizzi S.r.l.</b>	11%	0%	10%	17%	0%	16%
Under 30 years of age	25%	0%	25%	40%	0%	40%
Between 30 and 50 years of age	21%	0%	18%	19%	0%	16%
Over 50 years of age	0%	0%	0%	10%	0%	10%

**% OF EMPLOYEE TURNOVER BROKEN DOWN BY AGE AND GENDER (2022 – 2023)**

	2022			2023		
	Men	Women	Total	Men	Women	Total
	<b>IGOR S.r.l.</b>	<b>6.5%</b>	<b>1.5%</b>	<b>8%</b>	<b>7%</b>	<b>3%</b>
Under 30 years of age	1%	1%	2%	2.5%	1%	3.5%
Between 30 and 50 years of age	4%	0%	4%	1%	1%	2%
Over 50 years of age	1.5%	0.5%	6%	3.5%	1%	4.5%
<b>Ballarini S.r.l.</b>	-	-	-	-	-	-
<b>Clin S.r.l.</b>	-	-	-	-	-	-
<b>Pal S.r.l.</b>	-	-	-	-	-	-
<b>Si Invernizzi S.r.l.</b>	3%	0%	3%	2%	0%	2%
Under 30 years of age	0%	0%	0%	0%	0%	0%
Between 30 and 50 years of age	7%	0%	6%	6%	0%	5%
Over 50 years of age	0%	0%	0%	0%	0%	0%

## DIVERSITY, GENDER EQUALITY, INCLUSION AND EQUAL OPPORTUNITY

**GENDER DIVERSITY IN THE GOVERNANCE BODY BROKEN DOWN BY AGE GROUP (2022 – 2023)**

	2022				2023			
	Men	Women	Total	Age group	Men	Women	Total	Age group
	<b>Gender (%)</b>	<b>50%</b>	<b>50%</b>	<b>100%</b>		<b>50%</b>	<b>50%</b>	<b>100%</b>
<b>IGOR Group (no.)</b>	<b>2</b>	<b>2</b>	<b>4</b>		<b>2</b>	<b>2</b>	<b>4</b>	
Under 30	0	0	0	0	0	0	0	0
Between 30 and 50	0	0	0	0	0	0	0	0
Over 50	2	2	4	100%	2	2	4	100%

## EMPLOYEE GENDER DIVERSITY BY AGE GROUP (2022-2023)

	2022				2023			
	Men	Women	Total	Age group	Men	Women	Total	Age group
<b>IGOR S.r.l.</b>	<b>191</b>	<b>43</b>	<b>234</b>		<b>200</b>	<b>45</b>	<b>245</b>	
Managers and junior managers	1	1	2		3	2	5	
Under 30	0	0	0	0%	0	0	0	0%
Between 30 and 50	0	0	0	0%	0	0	0	0%
Over 50	1	1	2	1%	3	2	5	2%
Managers	4	1	5		2	1	3	
Under 30	0	0	0	0%	0	0	0	0%
Between 30 and 50	1	0	1	0%	1	0	1	0%
Over 50	3	1	4	2%	1	1	2	1%
Supervisors	3	1	4		3	1	4	
Under 30	0	0	0	0%	0	0	0	0%
Between 30 and 50	0	0	0	0%	0	0	0	0%
Over 50	3	1	4	2%	3	1	4	2%
White and blue collars	183	40	223		192	41	233	
Under 30	27	6	33	14%	31	6	37	15%
Between 30 and 50	109	19	128	55%	114	22	136	56%
Over 50	47	15	62	26%	47	13	60	24%
<b>Total</b>	<b>191</b>	<b>43</b>	<b>234</b>		<b>200</b>	<b>45</b>	<b>245</b>	
Under 30	27	6	33	14%	31	6	37	15%
Between 30 and 50	110	19	129	55%	115	22	137	56%
Over 50	54	18	72	31%	54	17	71	29%
<b>Ballarini S.p.A.</b>	-	-	-	-	-	-	-	-
<b>Clin S.r.l.</b>	-	-	-	-	-	-	-	-
<b>Pal S.r.l.</b>	-	-	-	-	-	-	-	-
<b>Si Invernizzi S.r.l.</b>	<b>35</b>	<b>4</b>	<b>39</b>		<b>41</b>	<b>4</b>	<b>45</b>	
Managers and junior managers	1	0	1		1	0	1	
Under 30	0	0	0	0%	0	0	0	0%
Between 30 and 50	0	0	0	0%	0	0	0	0%
Over 50	1	0	1	2%	1	0	1	2%
Managers	0	0	0		0	0	0	
Supervisors	0	0	0		0	0	0	
White and blue collars	34	4	38		40	4	44	
Under 30	4	0	4	10%	5	0	5	11%
Between 30 and 50	14	3	17	44%	16	3	19	42%
Over 50	16	1	17	44%	19	1	20	44%
<b>Total</b>	<b>35</b>	<b>4</b>	<b>39</b>		<b>41</b>	<b>4</b>	<b>45</b>	
Under 30	4	0	4	10%	5	0	5	11%
Between 30 and 50	14	3	17	44%	16	3	19	42%
Over 50	17	1	18	46%	20	1	21	47%

IGOR Group <sup>2</sup>	2022				2023			
	Men	Women	Total	Age group	Men	Women	Total	Age group
Managers and junior managers	2	1	3		4	2	6	
Under 30	0	0	0	0%	0	0	0	0%
Between 30 and 50	0	0	0	0%	0	0	0	0%
Over 50	2	1	2	0%	4	2	5	2%
Managers	4	1	5		2	1	3	
Under 30	0	0	0	0%	0	0	0	0%
Between 30 and 50	1	0	1	0%	1	0	1	0%
Over 50	3	1	4	1%	1	1	2	1%
Supervisors	3	1	4		3	1	4	
Under 30	0	0	0	0%	0	0	0	0%
Between 30 and 50	0	0	0	0%	0	0	0	0%
Over 50	3	1	4	1%	3	1	4	1%
White and blue collars	183	40	223		232	45	277	
Under 30	31	6	37	14%	36	6	42	15%
Between 30 and 50	123	22	145	53%	130	26	156	54%
Over 50	63	16	79	29%	66	13	79	27%
<b>Total</b>	<b>226</b>	<b>47</b>	<b>273</b>		<b>241</b>	<b>49</b>	<b>290</b>	
Under 30	31	6	37	14%	36	6	42	15%
Between 30 and 50	124	21	146	53%	131	26	157	54%
Over 50	71	19	90	33%	74	17	91	31%
<b>Gender (%) - Group</b>	<b>83%</b>	<b>17%</b>			<b>84%</b>	<b>16%</b>		

## RATIO BETWEEN THE BASIC SALARY OF WOMEN TO MEN (2022-2023)

	2022	2023
<b>IGOR S.r.l.</b>	<b>93%</b>	<b>81%</b>
Managers and junior managers	100%	93%
Managers	83%	65%
White collars	92%	82%
Blue collars	93%	76%
<b>Ballarini S.p.A.</b>	-	-
<b>Clin S.r.l.</b>	-	-
<b>Pal S.r.l.</b>	-	-

<sup>2</sup> This indicator covers only the employees of IGOR S.r.l. and Si Invernizzi S.r.l.

## HR MANAGEMENT

Si Invernizzi S.r.l.	-	-
<b>IGOR Group</b>	<b>93%</b>	<b>81%</b>
Managers and junior managers	100%	93%
Managers	83%	65%
White collars	92%	82%
Blue collars	93%	76%

## RATIO BETWEEN THE REMUNERATION (BASIC SALARY + BONUSES) OF WOMEN TO MEN (2022-2023)

	2022	2023
<b>IGOR S.r.l.</b>	<b>91%</b>	<b>89%</b>
Managers and junior managers	100%	94%
Managers	82%	73%
White collars	89%	113%
Blue collars	84%	82%
<b>Ballarini S.p.A.</b>	-	-
<b>Clin S.r.l.</b>	-	-
<b>Pal S.r.l.</b>	-	-
<b>Si Invernizzi S.r.l.</b>	-	-
<b>IGOR Group</b>	<b>91%</b>	<b>89%</b>
Managers and junior managers	100%	94%
Managers	82%	73%
White collars	89%	113%
Blue collars	84%	82%

## SENIOR MANAGERS HIRED FROM THE LOCAL COMMUNITY (%) (2022-2023)

Total new hires of senior managers from the local community	u.m.	2023	2022
		Total	Total
<b>IGOR S.r.l.</b>			
Total senior managers	No.	5	2
Managers hired from the local community		5	2
% of employees hired from the local community	%	100%	100%

## HR MANAGEMENT

## OCCUPATIONAL WELL-BEING, HEALTH AND SAFETY

## NO. OF WORK-RELATED INJURIES BROKEN DOWN BY TYPE OF INJURY, GENDER AND COUNTRY (2022-2023)

Work-related injuries (no.)	2022			2023		
	Men	Women	Total	Men	Women	Total
<b>IGOR S.r.l.</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>
Injuries	3	0	3	3	0	3
Work-related	3	0	3	2	0	2
Commuting	0	0	0	1	0	1
High-consequence work-related injuries	0	0	0	0	0	0
Fatalities from work-related injuries	0	0	0	0	0	0
<b>Ballarini S.p.A.</b>	-	-	-	-	-	-
<b>Clin S.r.l.</b>	-	-	-	-	-	-
<b>Pal S.r.l.</b>	-	-	-	-	-	-
<b>Si Invernizzi S.r.l.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>
Injuries	0	0	0	1	0	1
High-consequence work-related injuries	0	0	0	0	0	0
Fatalities from work-related injuries	0	0	0	0	0	0
<b>IGOR GROUP</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>4</b>	<b>0</b>	<b>4</b>
Injuries	3	0	3	3	0	3
Work-related	3	0	3	3	0	3
Commuting	0	0	0	1	0	1
High-consequence work-related injuries	0	0	0	0	0	0
Fatalities from work-related injuries	0	0	0	0	0	0

## RATE OF WORK-RELATED INJURIES (2022-2023)

	2022	2023
<b>IGOR Group</b>		
<b>Rate of recordable work-related injuries</b>	<b>3,099.2</b>	<b>3,112.4</b>
Rate of fatalities from work-related injuries	0	0
<b>Rate of high-consequence work-related injuries</b>	<b>0</b>	<b>0</b>
Estimated hours worked	768	76,368

Note on calculation:

Rate of recordable work-related injuries (no. of recordable injuries / no. of hours worked) \* 1,000,000.

Rate of fatalities from work-related injuries: (no. of deaths from work-related injuries / no. of hours worked) \* 1,000,000.

Rate of high-consequence work-related injuries (excluding fatalities): (number of high-consequence work-related injuries / no. of hours worked) \* 1,000,000.

## RESPONSIBLE WASTE MANAGEMENT AND CIRCULAR ECONOMY

## TONNES OF WASTE PRODUCED IN ITALY BROKEN DOWN BY TYPE AND TREATMENT (2022-2023)

	2022	2023
<b>IGOR S.r.l.</b>	-	<b>574.8</b>
<b>Diverted from disposal</b>	-	<b>564.8</b>
Non-hazardous waste	-	564
Hazardous waste	-	0.8
<b>Directed to disposal</b>	-	<b>10.0</b>
Non-hazardous waste	-	9.3
Hazardous waste	-	0.7
<b>Si Invernizzi S.r.l.</b>	-	<b>378.5</b>
<b>Diverted from disposal</b>	-	<b>48.6</b>
Non-hazardous waste	-	48.6
Hazardous waste	-	0
<b>Directed to disposal</b>	-	<b>329.9</b>
Non-hazardous waste	-	329.9
Hazardous waste	-	0

## WASTE BY CER CODE (2023)

		Quantity (t)
<b>IGOR S.r.l.</b>		<b>574.8</b>
CER 15.01.01	Paper and cardboard packaging	141.5
CER 15.01.02	Plastic packaging	16.1
CER 15.01.03	Wooden packaging	19.2
CER 15.01.06	Mixed material packaging	33.0
CER 15.02.03	Absorbents, filter materials, rags and protective clothing	0.8
CER 17.04.05	Iron and steel	17.5
CER 20.03.01	Unsorted municipal waste	335.8
CER 20.03.04	Septic tank sludge	4.4
CER 20.03.06	Waste from sewage cleaning	5.0
CER 13.01.13	Other hydraulic oils	0.5
CER 13.02.08	Other engine, gear and lubricating oils	0.3
CER 17.06.03	Other insulation materials consisting of or containing hazardous substances	0.5
CER 18.01.03	Waste whose collection and disposal is subject to special requirements in order to prevent infection	0,03
CER 18.02.02	Waste whose collection and disposal is subject to special requirements in order to prevent infection	0,3
<b>Si Invernizzi S.r.l.</b>		<b>378,5</b>
CER 15.01.01	Paper and cardboard packaging	10,2
CER 15.01.02	Plastic packaging	5,9
CER 15.01.03	Wooden packaging	4,4

CER 15.01.06	Mixed material packaging	19.8
CER 16.10.02	Aqueous liquid waste	329.9
CER 17.04.05	Iron and steel	8.3

## ENERGY TRANSITION AND CLIMATE CHANGE

## ELECTRICITY AND THERMAL ENERGY CONSUMED (MWh) (2022-2023)

	2022	2023
<b>IGOR S.r.l.</b>	<b>81,804.8</b>	<b>76,602.0</b>
Natural gas for heating	78,918.8	74,080.7
Electricity purchased from non-renewable sources	-	-
Electricity purchased from renewable sources	2,624.8	2,252.0
Energy self-generated by cogenerators <sup>3</sup>	24,274.2	22,193.8
Petrol used for transport	123.7	127.6
Diesel used for transport	134.1	134.7
Diesel	2.5	6.9
<b>Ballarini S.p.A.</b>	<b>1,330.6</b>	<b>1,100.1</b>
Natural gas for heating	-	-
Electricity purchased from non-renewable sources	722.6	624.9
Electricity purchased from renewable sources	-	-
Self-generated electricity	-	-
Petrol used for transport	-	-
Diesel used for transport	-	-
LPG	608.0	475.2
<b>CLIN S.r.l.</b>	<b>3,000.0</b>	<b>2,887.7</b>
Natural gas for heating	2,280.8	2,132.1
Electricity purchased from non-renewable sources	739.2	755.6
Electricity purchased from renewable sources	-	-
Self-generated electricity	-	-
Petrol used for transport	-	-
Diesel used for transport	-	-
Diesel	-	-
<b>Pal S.r.l.</b>	<b>1,000.8</b>	<b>1,058.4</b>
Natural gas for heating	805.5	876.5
Electricity purchased from non-renewable sources	195.3	181.9
Electricity purchased from renewable sources	-	-
Self-generated electricity	-	-
Petrol used for transport	-	-
Diesel used for transport	-	-
Diesel	-	-
<b>Si Invernizzi S.r.l.</b>	<b>60,438.4</b>	<b>59,206.1</b>
Natural gas for heating	44,148.5	42,361.6

<sup>3</sup> Quantities of electricity self-produced by cogenerators have been excluded from the calculation of total energy consumption as per GRI 302-1

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Electricity purchased from non-renewable sources	15,665.4	16,269.0
Electricity purchased from renewable sources	-	-
Energy self-generated by solar panels	545.8	484.8
Petrol used for transport	-	-
Diesel used for transport	73.4	85.7
Diesel	5.3	4.9
<b>IGOR Group</b>	<b>147,574.6</b>	<b>140,854.2</b>
Natural gas for heating	126,134.5	119,451.5
Electricity purchased from non-renewable sources	17,322.6	17,831.4
Electricity purchased from renewable sources	2,624.8	2,989.5
Energy self-generated by cogenerators <sup>4</sup>	24,274.2	22,193.8
Energy self-generated by solar panels	545.8	484.8
Petrol used for transport	123.7	127.6
Diesel used for transport	207.5	220.4
Diesel	7.8	11.9
LPG	608.0	475.1

**ENERGY CONSUMPTION INTENSITY (MWh/€'000) (2022-2023)**

	2022	2023
<b>IGOR Group</b>	<b>0.5423</b>	<b>0.6517</b>
Total energy consumption (MWh)	147,574.6	140,854.2
Total turnover (€ million)	226,457,600	259,730,329

**GREENHOUSE GAS EMISSIONS (tCO<sub>2</sub>e) SCOPE 1 AND 2**

	2022	2023
IGOR S.r.l. (Scope 1+2 location-based)	16,913	16,132
IGOR S.r.l. (Scope 1+2 market-based)	16,102	15,557
Direct (Scope 1) emissions	16,102	15,220
Indirect (Scope 2) emissions – location-based	811	913
Indirect (Scope 2) emissions – market-based	0	337
Ballarini S.p.A. (Scope 1+2 location-based)	323	269
Ballarini S.p.A. (Scope 1+2 market-based)	430	364
Direct (Scope 1) emissions	100	78
Indirect (Scope 2) emissions – location-based	223	191
Indirect (Scope 2) emissions – market-based	330	286
CLIN S.r.l. (Scope 1+2 location-based)	687	667
CLIN S.r.l. (Scope 1+2 market-based)	797	781
Direct (Scope 1) emissions	459	436
Indirect (Scope 2) emissions – location-based	228	231
Indirect (Scope 2) emissions – market-based	338	345

<sup>4</sup> Quantities of electricity self-produced by cogenerators have been excluded from the calculation of total energy consumption as per GRI 302-1

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Pal S.r.l. (Scope 1+2 location-based)	214	235
Pal S.r.l. (Scope 1+2 market-based)	253	262
Direct (Scope 1) emissions	164	179
Indirect (Scope 2) emissions – location-based	60	56
Indirect (Scope 2) emissions – market-based	89	83
Si Invernizzi S.r.l. (Scope 1+2 location-based)	13,829	13,654
Si Invernizzi S.r.l. (Scope 1+2 market-based)	16,151	16,124
Direct (Scope 1) emissions	8,990	8,686
Indirect (Scope 2) emissions – location-based	4,839	4,967
Indirect (Scope 2) emissions – market-based	7,161	7,437
<b>IGOR GROUP (Scope 1+2 location-based)</b>	<b>31,976</b>	<b>30,956</b>
<b>IGOR GROUP (Scope 1+2 market-based)</b>	<b>33,734</b>	<b>33,088</b>
<b>Direct (Scope 1) emissions</b>	<b>25,815</b>	<b>24,599</b>
<b>Indirect (Scope 2) emissions – location-based</b>	<b>6,162</b>	<b>6,357</b>
<b>Indirect (Scope 2) emissions – market-based</b>	<b>7,919</b>	<b>8,489</b>

**GREENHOUSE GAS EMISSIONS (tCO<sub>2</sub>e) SCOPE 3<sup>5</sup> (2023)**

	2023
<b>IGOR GROUP</b>	<b>345,046</b>
Cat 1. Purchased goods - FLAG	308,397
Cat 1. Purchased goods – NO FLAG	18,234
Cat 2. Capital goods	2,672
Cat. 3 Fuel and energy-related activities not included in Scope 1 or Scope 2	6,064
Cat 4. Upstream transportation and distribution	3,662
Cat 5. Waste generated in operations	329
Cat 7. Employee commuting	239
Cat 9. Downstream transportation and distribution	4,485
Cat 10. Processing of sold products	479
Cat 12. End-of-life management of products sold	485

<sup>5</sup>The following databases were used to calculate Scope 3 emissions: Ecoinvent 3.9; Greenhouse gas reporting: conversion factors (DEFRA, 2023); Environmentally extended input output analysis (EUROSTAT); UK Food System Greenhouse Gas Emissions (2022); IEA Emission Factors (2023); Efficiency and decarbonization indicators in Italy and in the biggest European Countries (ISPRA, 2023).

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GHG EMISSIONS INTENSITY (tCO<sub>2</sub>eq/€mln) (2022-2023)

	2022	2023
<b>IGOR GROUP emission intensity (Scope 1+2 location-based)</b>	<b>0.1412</b>	<b>0.1192</b>
<b>IGOR GROUP emission intensity (Scope 1+2 market-based)</b>	<b>0.1490</b>	<b>0.1274</b>
<b>IGOR GROUP emission intensity (Scope 1+2MB+3)</b>	<b>-</b>	<b>1.4559</b>
Direct (Scope 1) emissions intensity	0.1140	0.0947
Indirect (Scope 2) emissions intensity – location-based	0.0272	0.0245
Indirect (Scope 2) emissions intensity – market-based	0.0350	0.0327
(Scope 3) emissions intensity	-	1.3265
Scope 1 emissions	25,815	24,599
Scope 2 emissions – location-based	6,162	6,357
Scope 2 emissions – market-based	7,919	8,489
Scope 3 emissions	-	345,046
Annual turnover (€mln)	226,457,600	259,730,329

## MATERIALS USED

## MATERIALS USED BY WEIGHT OR VOLUME (2023)

	MU	q.
<b>IGOR S.r.l.</b>		
Milk	t	234,323
Other cheese	t	3,152
Salt	t	1,206
Rennet	t	64
Soluble adjuvants	t	517
Liquid adjuvants	l	758,458
Other adjuvants	no.	7,092
Disinfectants	t	1,750
Aluminium packaging	t	37
Paper packaging	t	2,151
Wooden packaging	t	399
Plastic packaging	t	1,531
<b>Si Invernizzi S.r.l.</b>		
Milk	t	16,636
Other cheese	t	65
Salt	t	263
Rennet	t	5
Probiotics	t	235
Moulds	t	2
Yeasts	t	1.5
Saffron	t	0.00023
Disinfectants	t	172
Aluminium packaging	t	3.4

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Paper packaging	t	137
Wooden packaging	t	3
Plastic packaging	t	59

## WATER RESOURCE MANAGEMENT

## WATER WITHDRAWAL BROKEN DOWN BY COMPANY (2022-2023)

Water withdrawal	mu	2023		2022	
		All areas	Area with water stress	All regions	Area with water stress
<b>IGOR S.r.l.</b>					
<b>Surface water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Groundwater withdrawal</b>	ML	<b>691.7</b>	<b>0</b>	<b>659.1</b>	<b>0</b>
drinking water (≤1,000 mg/L total dissolved solid particles);	ML	691.7	0	659.1	0
other (>1,000 mg/L total dissolved solid particles);	ML	0	0	0	0
<b>Sea water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Produced water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Third-party water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total withdrawal</b>	ML	<b>691.7</b>	<b>0</b>	<b>659.1</b>	<b>0</b>
drinking water (≤1,000 mg/L total dissolved solid particles);	ML	691.7	0	659.1	0
other (>1,000 mg/L total dissolved solid particles);	ML	0	0	0	0
<b>Si Invernizzi S.r.l.</b>					
		<b>All regions</b>	<b>Area with water stress</b>	<b>All regions</b>	<b>Area with water stress</b>
<b>Surface water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Groundwater withdrawal</b>	ML	<b>59.0</b>	<b>0</b>	<b>58.7</b>	<b>0</b>
drinking water (≤1,000 mg/L total dissolved solid particles);	ML	59.04	0	0	0
other (>1,000 mg/L total dissolved solid particles);	ML	0	0	0	0
<b>Sea water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Produced water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Third-party water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total withdrawal</b>	ML	<b>59.0</b>	<b>0</b>	<b>58.7</b>	<b>0</b>
drinking water (≤1,000 mg/L total dissolved solid particles);	ML	59.0	0	58.7	0
other (>1,000 mg/L total dissolved solid particles);	ML	0	0	0	0
<b>IGOR Group</b>		<b>All regions</b>	<b>Area with water stress</b>	<b>All regions</b>	<b>Area with water stress</b>
<b>Surface water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Groundwater withdrawal</b>	ML	<b>750.8</b>	<b>0</b>	<b>717.8</b>	<b>0</b>

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drinking water ( $\leq 1,000$ mg/L total dissolved solid particles);	ML	750.8	0	717.8	0
other ( $> 1,000$ mg/L total dissolved solid particles);	ML	0	0	0	0
<b>Sea water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Produced water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Third-party water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total withdrawal</b>	ML	<b>750.8</b>	<b>0</b>	<b>717.8</b>	<b>0</b>
drinking water ( $\leq 1,000$ mg/L total dissolved solid particles);	ML	750.8	0	717.8	0
other ( $> 1,000$ mg/L total dissolved solid particles);	ML	0	0	0	0

## WATER DISCHARGE BY COMPANY (2022-2023)

Total water discharge	mu	2023		2022	
		All regions	Area with water stress	All regions	Area with water stress
<b>IGOR S.r.l.</b>					
<b>Surface water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Groundwater discharge</b>	ML	<b>259.0</b>	<b>0</b>	<b>439.0</b>	<b>0</b>
drinking water ( $\leq 1,000$ mg/L total dissolved solid particles);	ML	259.0	0	439.0	0
other ( $> 1,000$ mg/L total dissolved solid particles);	ML	0	0	0	0
<b>Sea water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Produced water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Third-party water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	ML	<b>259.0</b>	<b>0</b>	<b>439.0</b>	<b>0</b>
drinking water ( $\leq 1,000$ mg/L total dissolved solid particles);	ML	259.0	0	439.0	0
other ( $> 1,000$ mg/L total dissolved solid particles);	ML	0	0	0	0
<b>Si Invernizzi S.r.l.</b>					
<b>Surface water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Groundwater discharge</b>	ML	<b>59.0</b>	<b>0</b>	<b>58.7</b>	<b>0</b>
drinking water ( $\leq 1,000$ mg/L total dissolved solid particles);	ML	59.0	0	58.7	0
other ( $> 1,000$ mg/L total dissolved solid particles);	ML	0	0	0	0
<b>Sea water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Produced water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Third-party water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	ML	<b>59.0</b>	<b>0</b>	<b>58.7</b>	<b>0</b>

## HR MANAGEMENT

IGOR Group		All regions	Area with water stress	All regions	Area with water stress
<b>Surface water withdrawal</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Groundwater discharge</b>	ML		<b>0</b>		<b>0</b>
<b>Sea water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Produced water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Third-party water discharge</b>	ML	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	ML	<b>318.1</b>	<b>0</b>	<b>497.7</b>	<b>0</b>
drinking water ( $\leq 1,000$ mg/L total dissolved solid particles);	ML	318.1	0	497.7	0
other ( $> 1,000$ mg/L total dissolved solid particles);	ML	0	0	0	0

## WATER CONSUMPTION BY COMPANY (2022-2023)

Total water consumption for all areas	mu	2023	2022
<b>IGOR S.r.l.</b>			
Total water withdrawal	ML	691.7	659.1
Total water discharges	ML	259.0	439.0
Total water consumption	ML	432.7	220.1
<b>Si Invernizzi S.r.l.</b>			
Total water withdrawal	ML	59.1	58.7
Total water discharges	ML	59.1	58.7
Total water consumption	ML	0	0
<b>IGOR GROUP</b>			
Total water withdrawal	ML	750.8	717.8
Total water discharges	ML	318.1	497.7
Total water consumption	ML	432.7	220.1

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**IGOR SRL**

Strada Natale Leonardi, 32 - Cameri (NO)

P.IVA 01099710038

[www.igorgorgonzola.com](http://www.igorgorgonzola.com)

[info@igornovara.it](mailto:info@igornovara.it)