



ANDRIANI

Natural innovators for conscious food



2022 Impact Report

Certified



Corporation

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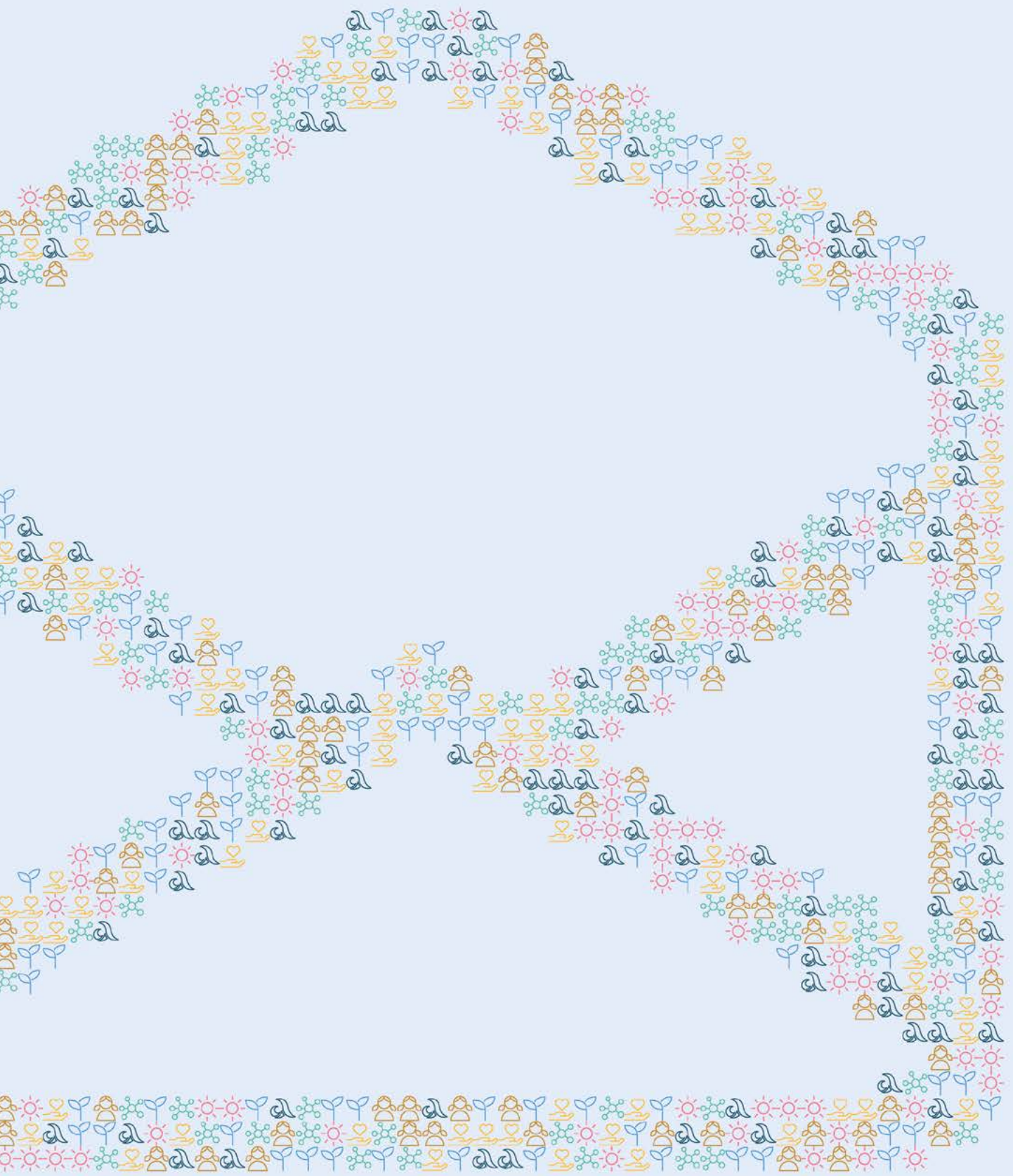
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Letter from the Impact Manager



Dear Reader,

Once again this year, thanks to the contribution of everyone at Andriani, we were able to achieve the sustainability goals we set for ourselves and we would like to share with all of you the results of our commitment to increasingly sustainable growth through the Impact Report, now in its third edition.

We achieved excellent results in 2022: a milestone that inspires us and makes us feel even more responsible to our people and the communities in which we work. The current historical period, in which a war broke out while we were still repairing the wounds left by the epidemic, reminded us of the fragility of individual and corporate equilibrium. All of this pushed us to take another tangible step away from the traditional perspective of business, which is a manifestation of an extraction-based paradigm, and toward a regenerative vision based on responsibility, transparency, and sharing.

It was precisely because of our strong desire to do “our part” that we opted to become a B Corp company, one of the first among the companies in the industry. If quality, well-being, and environmental protection have always been our guiding values, becoming a B Corporation encourages us, along with all the companies in the network, to pursue goals of positive impact on society and the planet in addition to purely economic ones, and to demonstrate once more our role as a spokesperson for a virtuous way of doing business that respects high environmental and social impact standards.

To make our journey tangible, we also continued to monitor the goals associated with our five impact areas through the materiality of impact, which is a process of assessing the impacts of material topics from the inside-out, from the company to the stakeholders. Furthermore, in order to assess negative impacts in the supply chain, operations, and business relationships, our sustainability team, with the participation of the Board of Directors, initiated an internal analysis of the impact of Andriani's business on material topics with the goal of understanding the duration, severity, and relative impact of each issue, whether general, sectoral, or company-specific.

With the goal of expanding our involvement in internationalisation projects, Andriani's governance was strengthened in 2022 with the addition of NUO S.p.A. as a minority shareholder. The agreement is the result of a long selection process in which the communion of values and relational aspects, consistent with the company mission, played a key role.

The 2022 Impact Report continues in the spirit of sound accountability, employing a dual approach that includes not only *feedback* from the comparison between what was planned and what was accomplished during FY2022, but also a *forward-looking* approach that explicitly outlines the objectives and related actions planned for 2023 with reference to the five impact areas.

Raffaele Raso

Impact Manager
“Maestro del Lavoro”

Reading guide

Information connectivity is one of the hallmarks of the various corporate reporting tools used by Andriani S.p.A. Benefit Corporation and B Corp (hereinafter Andriani or The Company). This principle emerges from reading the content of the 2022 Impact Report (hereafter also the Report), which, through the description of the projects and the program of objectives and activities for the 5 impact areas, provides a clear representation of the direction taken by the Company to contribute not only to the **common benefit**, but also to **sustainable development**, by committing to the 5 areas of governance, human rights, labour rights, safeguarding the environment, and the fight against corruption set forth in the **10 principles of the Global Compact**.

In terms of the full connection between the Impact Report and the Sustainability Management Report, the close coherence between the two documents is highlighted once again for FY2022, referring to the content of the other via hyperlinks and predicting in which passages the integration of the two documents is required.

The connection between the Impact Report and the Sustainability Management Report is founded in the spirit of better understanding the relationship between common benefit and sustainable development, i.e. between the 5 impact areas and the 17 SDGs of the UN 2030

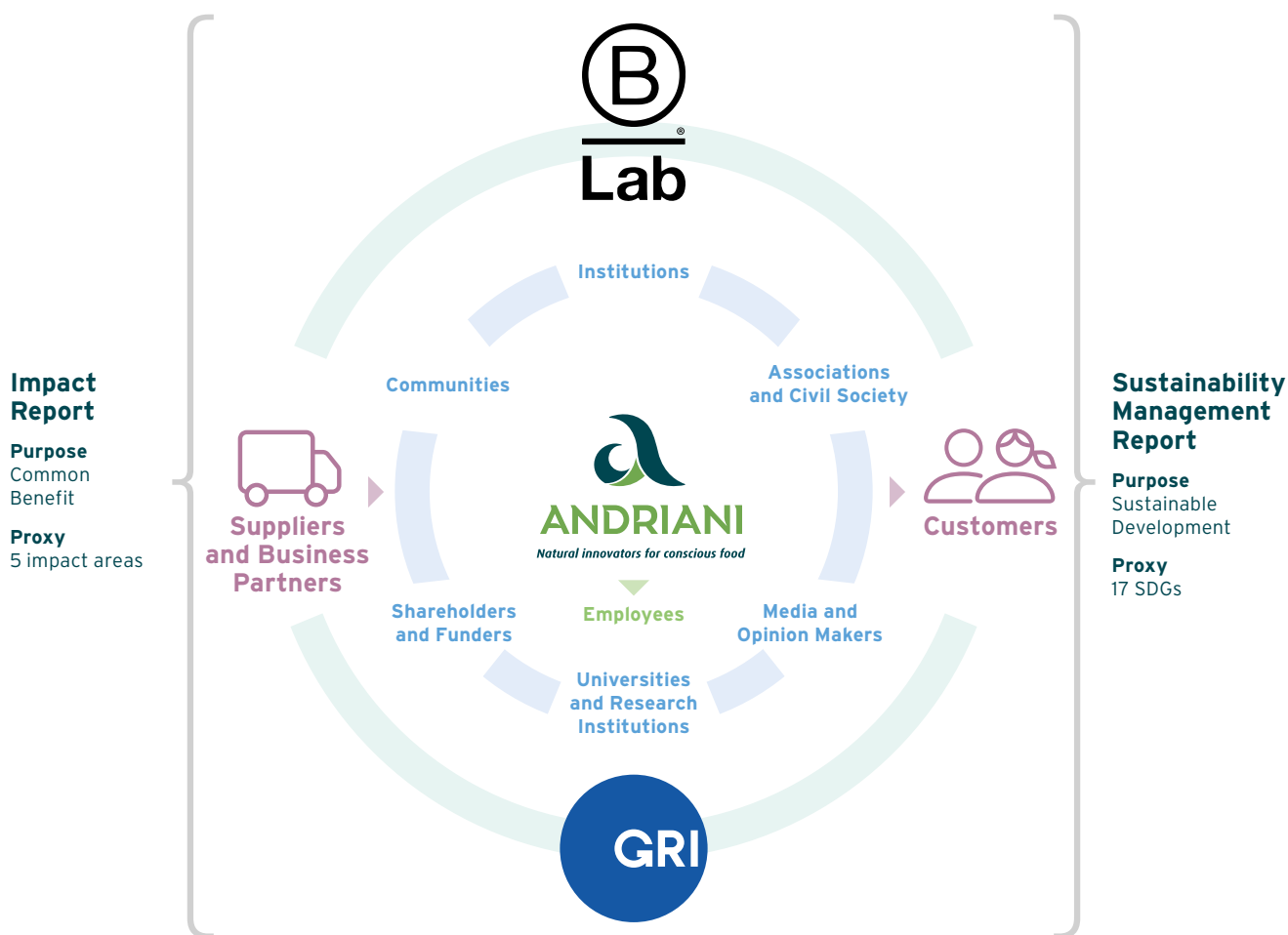
Agenda, passing through the materiality analysis (p. 15-18 of the 2022 Sustainability Management Report) that represents the strategic moment in which Andriani assesses the impact of its business in relation to its stakeholders.

And it is precisely through this impact assessment that Andriani wanted to define the point of connection between the two documents which, although in form two different reporting tools, in substance represent the expression of the results of the company's sustainability strategy.

As a result, the topic of impacts is presented in this Impact Report in the same way as it is represented in the Sustainability Management Report, namely through a two-fold valence:

- external - using the evaluation of an external organisation evaluation, such as [B Lab](#), which verified the impact profile assessment procedure in accordance with the BIA standard,
- internal - using an internal survey to evaluate and assess the length, severity, and specificity (sectoral and non-sectoral) of impacts associated with various material topics using the new [2021 GRI Standard](#) materiality methodology.





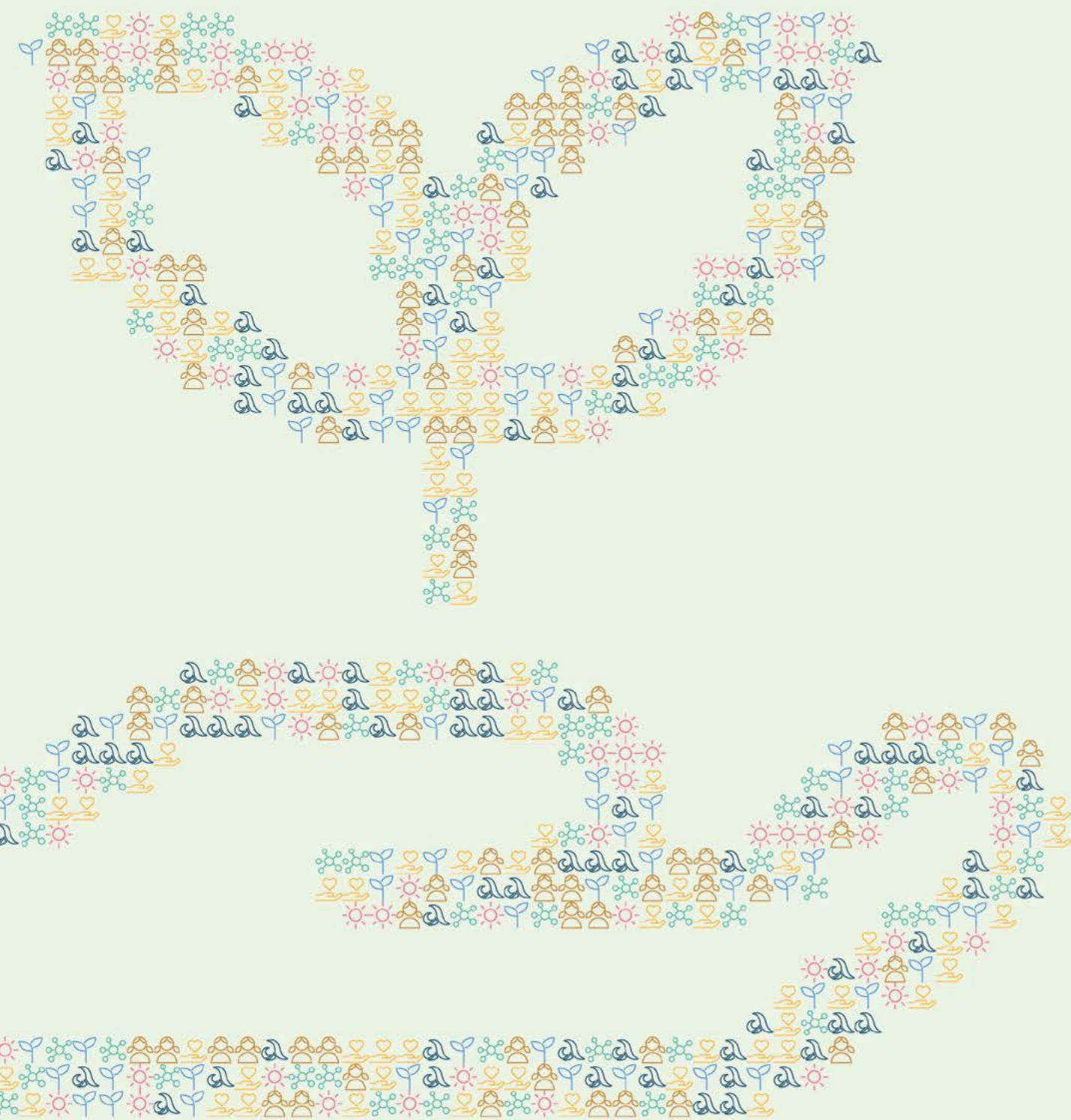
The assessment of Andriani's impact is thus the central point of the Report, which begins with a general section outlining the main milestones of the sustainability journey and the prestigious awards received, followed by a more detailed section that traces, for each of the five impact areas, the actions implemented during 2022 and the relative progress toward the 2022 targets, as well as the activities and related targets scheduled for 2023.

The 2022 Impact Report, which is aimed at giving an account of the type of impact the Company has generated for its stakeholders in terms of common benefit, was drafted in compliance with the BIA

standard, also relating its content to the GRI standard, in line with the [Complementary Use and Linkage of the GRI Standards and B Lab's B Impact Assessment](#).

The GRI reporting link also allows for a sort of mediated connection between the BIA impact topic, the 17 2030 Agenda goals, and the 10 Principles of the Global Compact included as annexes to the 2022 Sustainability Management Report (p. 122-124 and 130-132 of the 2022 Sustainability Management Report).





1

**Our path
towards
sustainability**

1.1 ESG milestones

This history of the Andriani Group is populated with numerous milestones and recognitions that make up today's strong, recognizable corporate identity.

2015



Founding of Felicia S.r.l. and launch of the gluten free products of the same name



2016

Construction of the Multigrain Milling Plant

2018



TERRE BRADANICHE
LA FILIERA ITALIANA DELLA QUALITÀ

Supply chain for legumes and focus on gluten free project through acquisition of control of Cardo Rosso S.r.l. and Terre Bradaniche S.r.l.

2019

Publication of the first Sustainability Report (GRI) and related Communication on Progress (Global Compact)

Partnership with [Sai Platform](#), an international organisation that supports the development of sustainable farming practices



2020



Acquisition of control of [ApuliaKundi S.r.l.](#), an innovative company specialising in the production and marketing of alga spirulina



Statutory change to a Benefit Corporation with related expansion of the corporate purpose and identification of the Impact Manager

2021

Acquires the status of Founding Member of the Italian Global Compact Network



Andriani wins the "Oscar di Bilancio" in the new Benefit Corporation category

2022

Amendment of the ApuliaKundi S.r.l. and Cardo Rosso S.r.l. corporate purposes in order to better pursue the common benefit objectives of Andriani S.p.A. Benefit Corporation

Certified



Obtains B Corp Certification



Andriani receives the Communication Prize in the Benefit Corporation category and is confirmed on the winner's platform

Andriani obtains S-Loan ESG financing from Intesa Sanpaolo to support its growth in favour of increasingly sustainable development

2023
preview

Continuation of the Improvement Plan to increase the Group's sustainability performance

Launch of the ESFAI Project to confirm the Ethical and Solidarity Engagement in Ethiopia

Definition of a Strategic Sustainability Plan for the subsidiary Nove Alpi

1.2

Sustainability awards and recognition



Verso
un'economia
circolare

With the **2025 Carbon Neutrality project**, Andriani won the **National Award for Excellence, "Towards a circular economy"** in the World of Enterprise category with a turnover of more than €30 million. The award, now in its fourth edition, represents one of the most important recognitions in the field of sustainable development and is promoted by **Fondazione Cogeme Onlus** in collaboration with Kyoto Club. At the award presentation, Michele Andriani expressed the Group's commitment to sustainable development with a focus on the 2025 Carbon Neutrality plan aimed at zero climate altering gas emissions from the facility.



Great Place to Work® Italy Award: Andriani was the only company in southern Italy to be included in the **2021 Best Workplaces Italy** ranking. By introducing the *Employee Value Proposition* "**Happiness at work, positive thinking**" human resources management strategy, Andriani created an innovative approach that encapsulates the meaning of the cultural transformation for which the company is the spokesperson and virtuous example. This path involves all company departments through training and coaching activities that support the enhancement of soft skills and technical skills.



Andriani S.p.A. Benefit Corporation became a **Caring Company**. The prestigious recognition from Lifeed was given to Andriani for enhancing work-life balance and for its ability to be a model for *caring leadership*, which promotes diversity.



Andriani won the 2021 "Oscar di Bilancio" financial communication award in the Benefit Corporation category

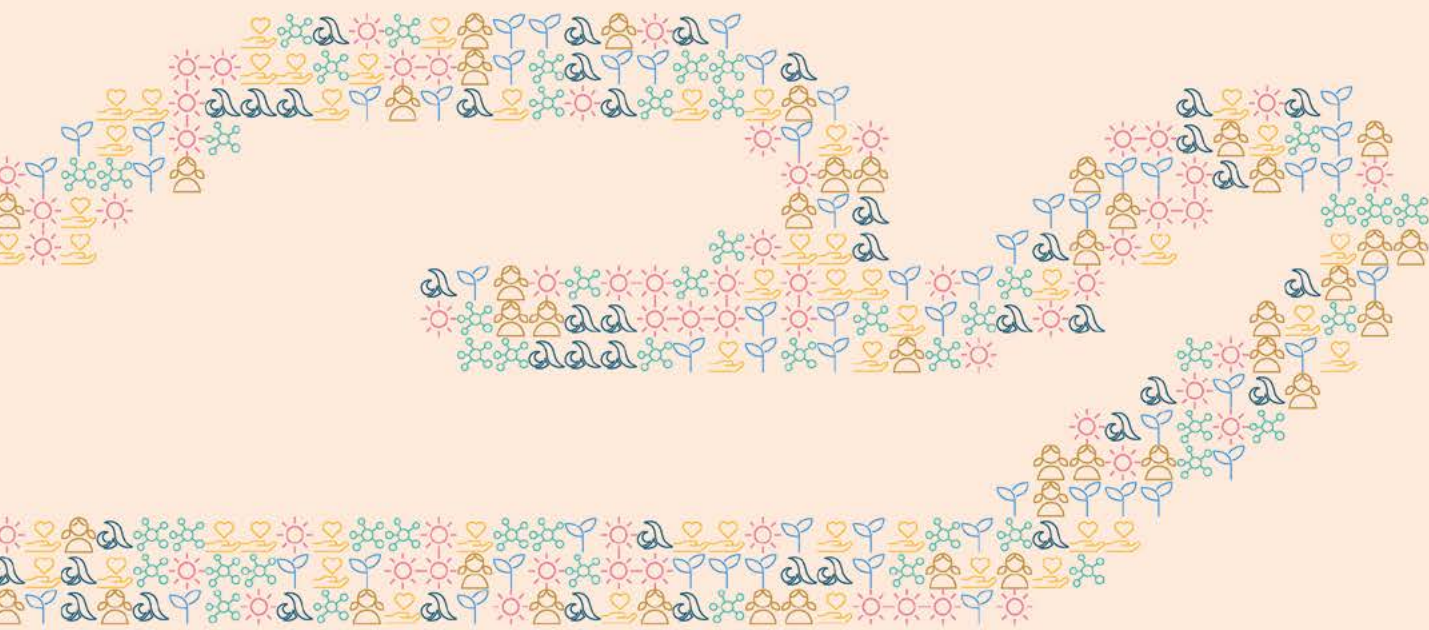
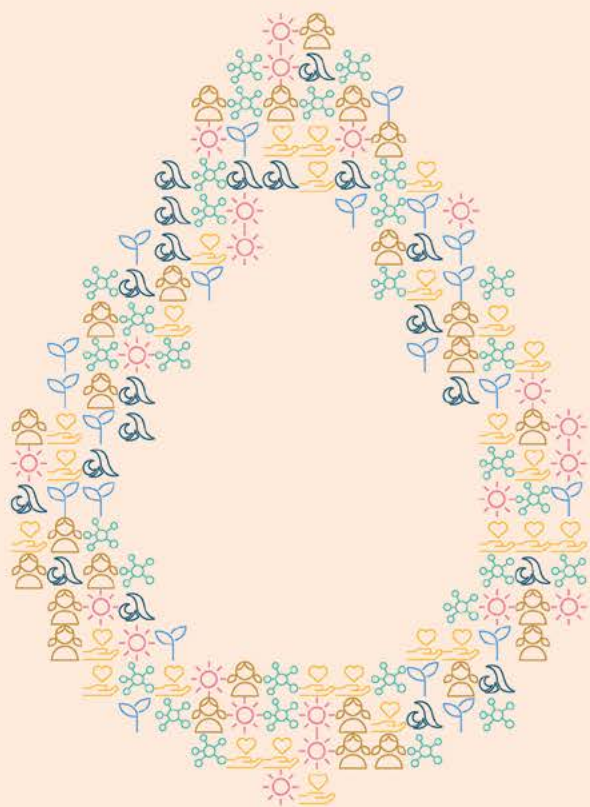
The "Oscar di Bilancio", now in its 57th edition and promoted by FERPI - Federazione Relazioni Pubbliche Italiana (Italian Public Relations Federation), in collaboration with the **Italian Stock Market** and **Bocconi University**, is the most important national awards for excellence in corporate reporting and rewards the reporting activities of organisations that use the financial statement to account for their activities and share results and objectives with their stakeholders. The reasons Andriani, the only company in southern Italy to reach the top step of the podium, won the award particularly include how the company is ahead of the game *"in terms of sustainability reporting standards, distinguishing itself in the integration of the various aspects that contribute to the creation of value"*. The "Oscar di Bilancio" is further confirmation of the quality of the Company's path, in which it interprets and promotes Sustainable Development.



The "Oscar di Bilancio", now in its 58th edition and promoted by FERPI - Federazione Relazioni Pubbliche Italiana (Italian Public Relations Federation), in collaboration with the Italian Stock Market and Bocconi University, rewards the reporting activities of organisations that use the financial statement to account for their activities and share results and objectives with their stakeholders.

The motivations for awarding the prize to Andriani acknowledge both the important strategic and operational path of sustainability inherent in its mission, and the way in which it communicates this path to all stakeholders, through a coherent communication that combines all the tools used, beginning with the Sustainability Report, now called the Sustainability Management Report, graphically created by Interno15, to the newsletters and press releases, and the contents for the website.

This is the result of teamwork that includes ongoing contact and conflict between Andriani's interdisciplinary group participating in the reporting process and the communication experts that assist it on a regular basis, including 6.14 Creative Communication. "Our goal has always been to break down all barriers in order to strengthen the culture of responsible development. Indeed, we believe that sustainability can only be achieved if it is shared, which is why we work every day to build our value network, an ecosystem of valuable relationships with our stakeholders based on the principles of the 2030 Agenda", said Maria Teresa Burdo, Food Trust and CSR Communication Specialist, from the stage of Palazzo Mezzanotte in Milan, where the awards ceremony was held.



2

Our impact assessment and the improvement plan

In order to better plan for the future, through activities consistent with achievable goals with a view to contributing more and more effectively to the attainment of the common benefit, Andriani has focused on assessing its impacts by choosing two different methodological tools that, although based on two different standards, revolve around the inside-out relationship between company and stakeholder.

On the one hand, impact materiality, as defined by the GRI standard, provides an assessment of the impact of Andriani's business on its stakeholders, beginning with the prioritisation of important concerns that are actually addressed in a specific disclosure reporting activity.

On the other hand, the impact profile, in accordance with the BIA standard, provides an assessment

of Andriani's business impacts on specific categories of stakeholders (governing bodies, employees, community, environment, and customers) on the basis of a self-assessment activity that evaluates the presence of management models, policies, procedures, and sustainability practices, among others.

In the first case, in order to assess negative impacts on the supply chain, operations, and business relationships, the sustainability team, with the participation of the Board of Directors, initiated an internal analysis of the impact of Andriani's business on material topics with the goal of understanding the duration, severity, and relative impact of each issue, whether general, sectoral, or company-specific.

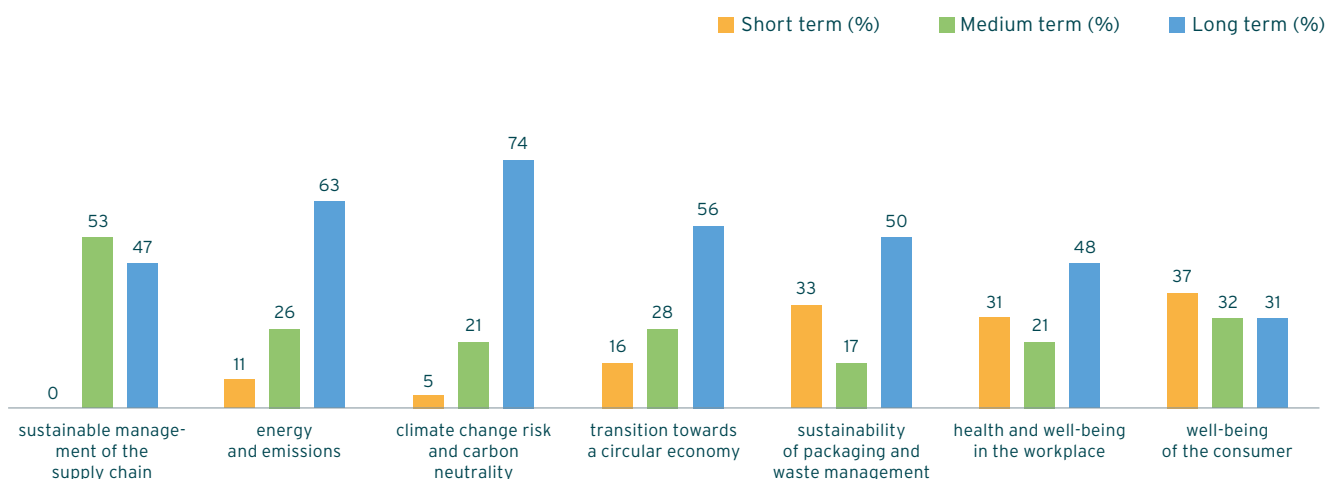
19 Stakeholders

5 Internal (among components of Governance and CSR)

14 External (among suppliers of raw materials, packaging, and services)

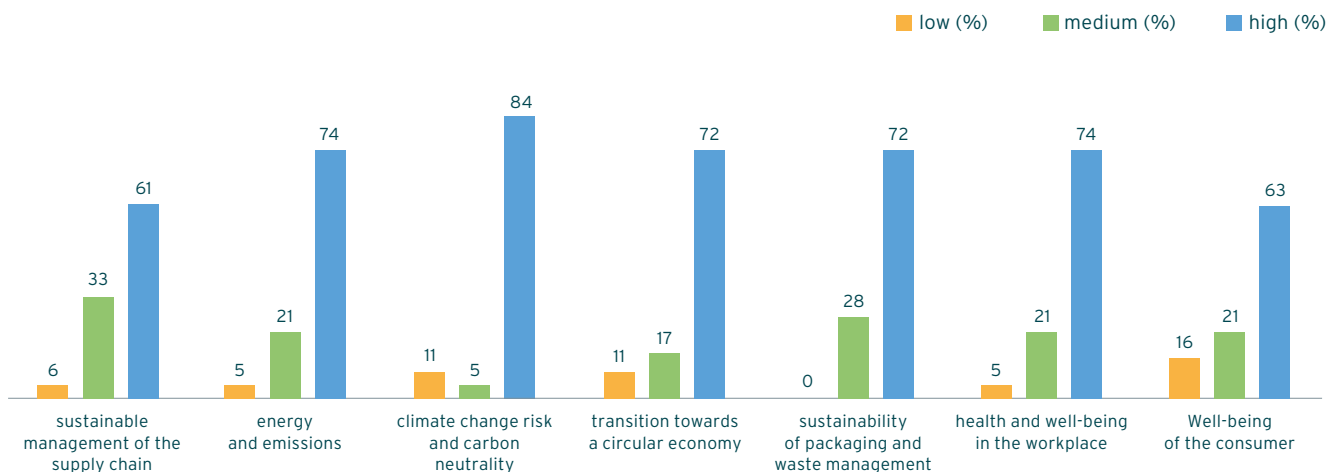
Impact Assessment: duration

Is the impact that Andriani's business generates on each topic short term (within 1 year), medium term (2 to 5 years) or long term (over 5 years)?



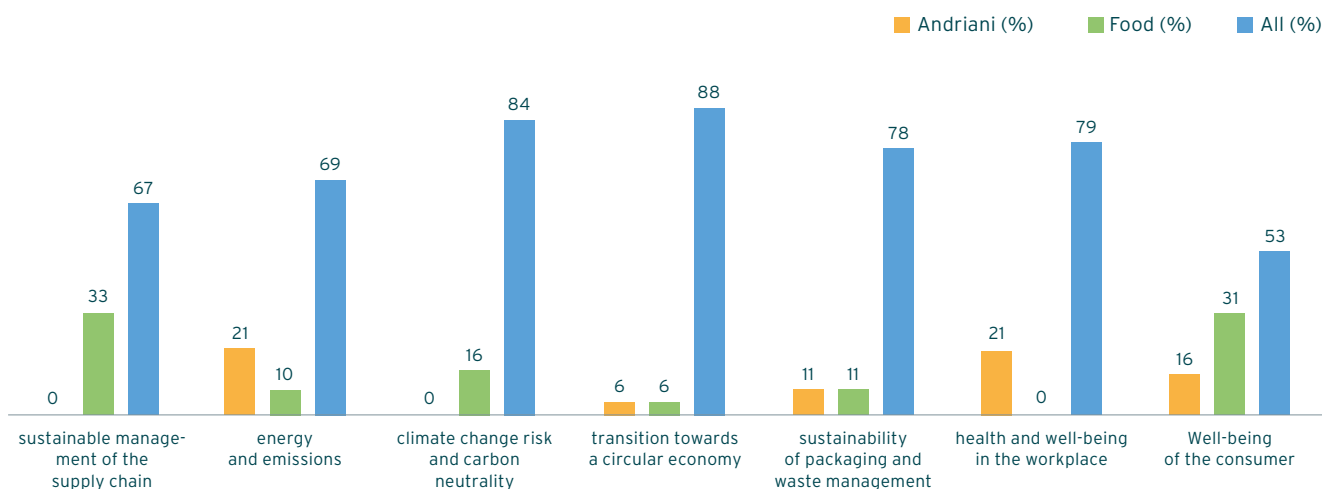
Impact Assessment: magnitude

Is the severity that Andriani's business generates on each topic low, medium or high?



Impact Assessment: general information

Does the impact of business on topics only affect Andriani, the food sector or all companies in general?



The seven topics clearly demonstrate a larger concentration within the fourth impact area in the Articles of Association:

"Promote the circular economy and innovation with a view toward protecting the planet, mitigating climate change and spreading practices that respect and improve the environment and biodiversity through an ongoing commitment to the sustainabi-

lity of processes and all business practices in order to minimise impacts and encourage the responsible use of resources by reducing food waste"

not only because four material topics can be linked to this area, but also because the average impact of each exhibits larger percentages in terms of intensity, duration, and generality.

In the second case, however, the firm completed an evaluation procedure that resulted in the matching B Corp certification and an overall score of 85.4 in June 2022.



Overall B Impact score

Based on the B Impact Assessment (BIA), Andriani S.p.A. obtained an overall score of 85.4, broken down in the 5 areas as follows:

- 85.4 Overall B Impact score
- 80 Minimum threshold for B Corp Certification
- 50.9 Average score of ordinary companies

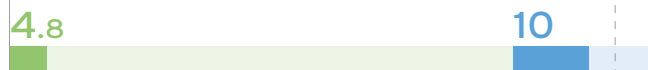


Sustainability

Policies and practices related to the mission, ethics, responsibility, and transparency

14.8

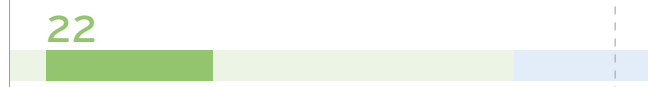
66.7
Operation
Score



Workers

Protection and enhancement of the personal, professional, and financial well-being of its workers

22



Community

Contribution to the economic and social well-being of the community in which the company operates

18.1



Environment

Management of environmental issues (energy, water, waste)

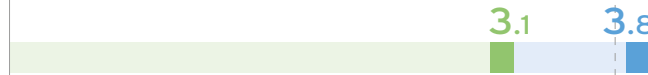
23.5



Customers

Value created for the customers and direct consumers of the company's products and services

6.9



0 Threshold for eligibility as a B Corp 80

18.7
Impact Business
Model Score

Protection of the mission

Alignment of the Mission with the Benefit Articles of Association protecting the company's cardinal values.

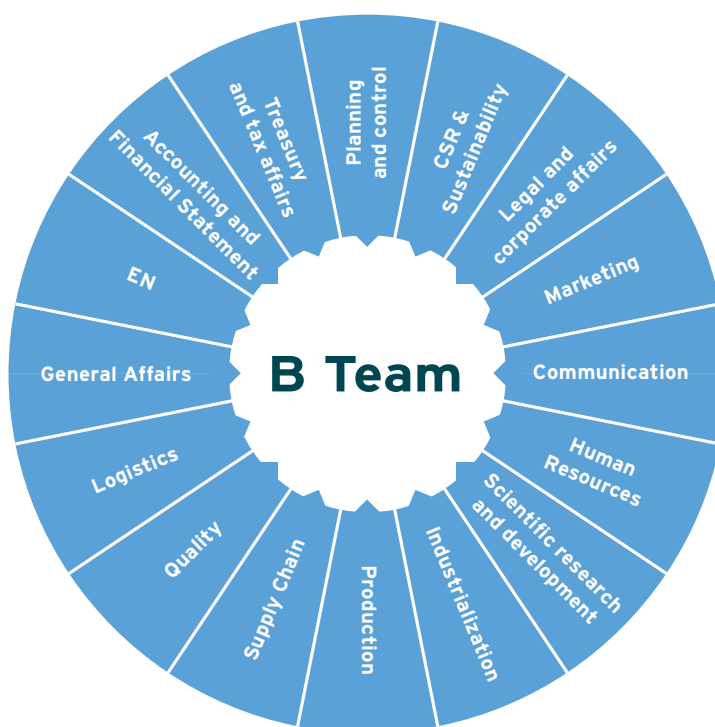
Reduction of toxins

Product aimed at minimising the need for chemical substances compared to market alternatives. Organic Products.

Improvement of health and well-being

Product aimed at improving and maintaining health, providing healthy market alternatives for its consumers. Gluten free products.

At the moment, the B Team is carrying out the empowerment plan, which is focused on the five related impact areas and articulated in various activities and improvement actions, with the goal of implementing its sustainability performance and achieving an incremental score in light of the new B Corp certification (2025).



The empowerment plan, which is envisioned to last three years, is aligned with the 2023 objectives and corresponding activities in the program of the five impact areas outlined below.

The scope of the plan's impact, as well as the reporting activity addressed in this document, affects not only Andriani S.p.A., but also the companies it directly controls, namely Felicia S.r.l., ApuliaKundi S.r.l., and Terre Bradaniche S.r.l.

felicia

Felicia S.r.l.
Company that sells Andriani's Felicia brand products.
Registered office in Gravina in Puglia (Bari)

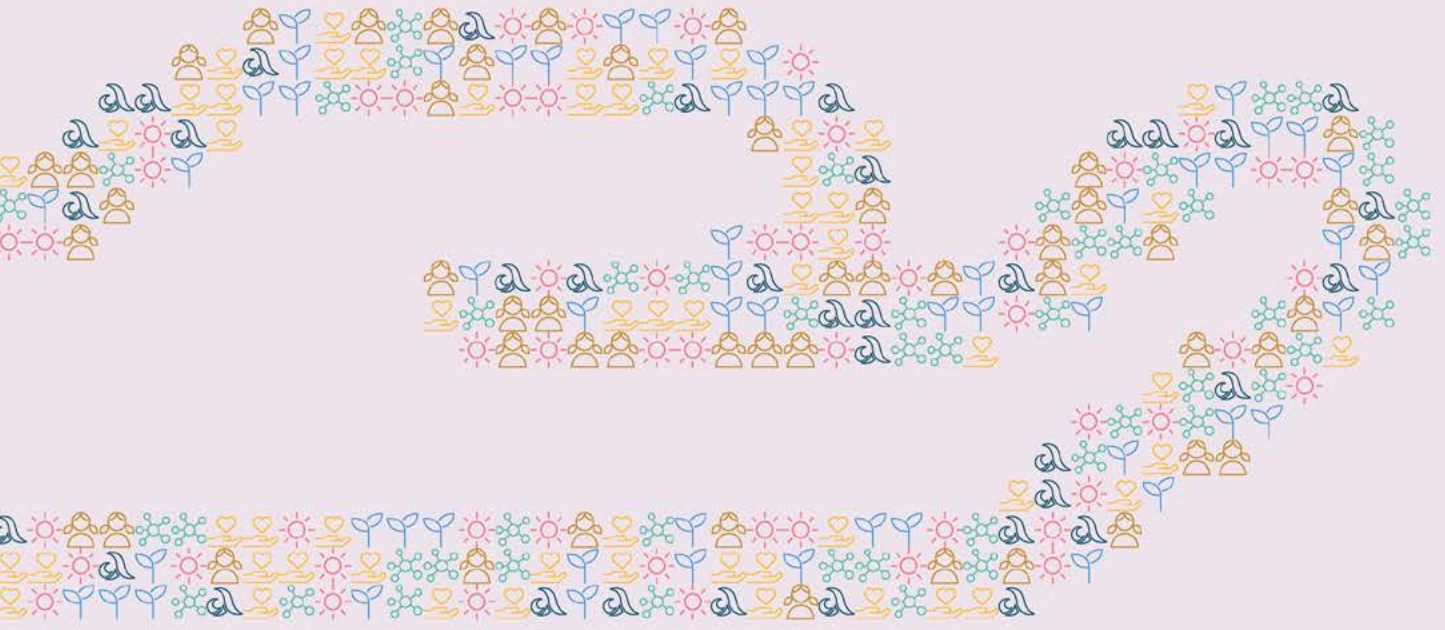
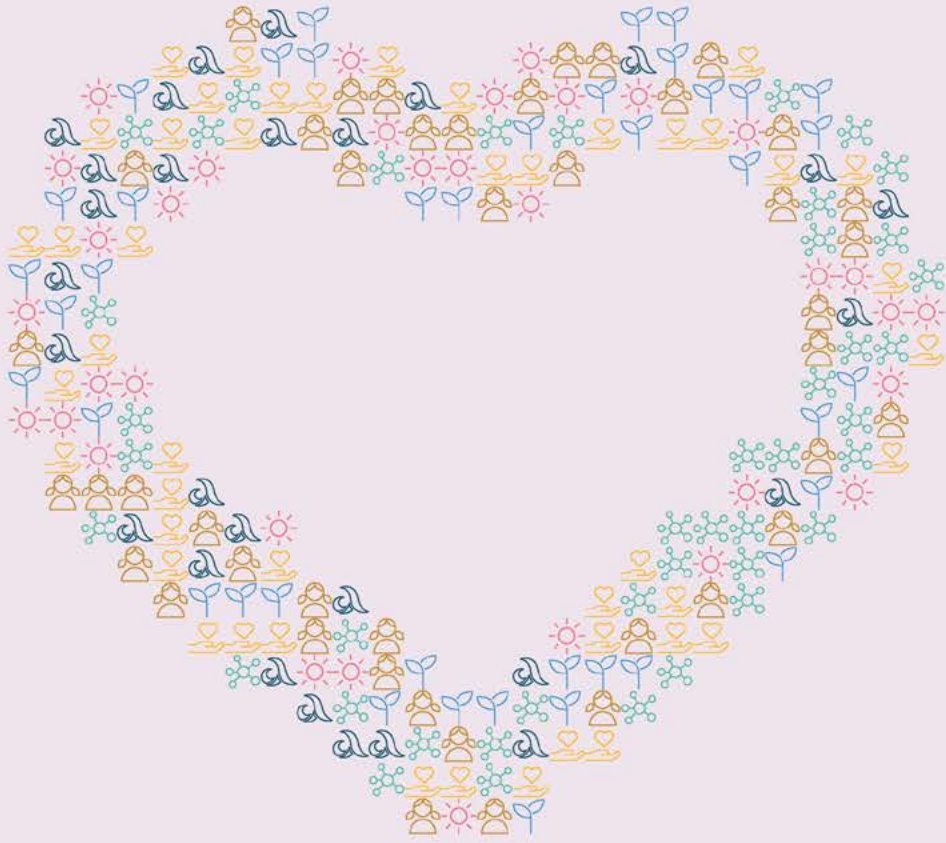
TERRE BRADANICHE
LA FILIERA ITALIANA DELLA QUALITÀ

Terre Bradaniche S.r.l.
Company operating in the processing and marketing of fertilizers and organic food products in general, as well as in the processing and cleaning of legumes.
Registered office in Gravina in Puglia (Bari)

ApuliaKundi
Green food – Energy for life

ApuliaKundi S.r.l.
Shareholding acquired in November 2020. Young innovative start-up in Puglia that produces and sells natural, 100% pure Spirulina algae as well as Spirulina-based functional foods
Registered office in Gravina in Puglia (Bari)

Regarding the subsidiary Nove Alpi S.r.l., which was acquired in 2022, it should be noted that the CSR & Sustainability unit, led by the Impact Manager, initiated an ESG-type positioning process that envisions the sharing of common-benefit and sustainable development goals.



3

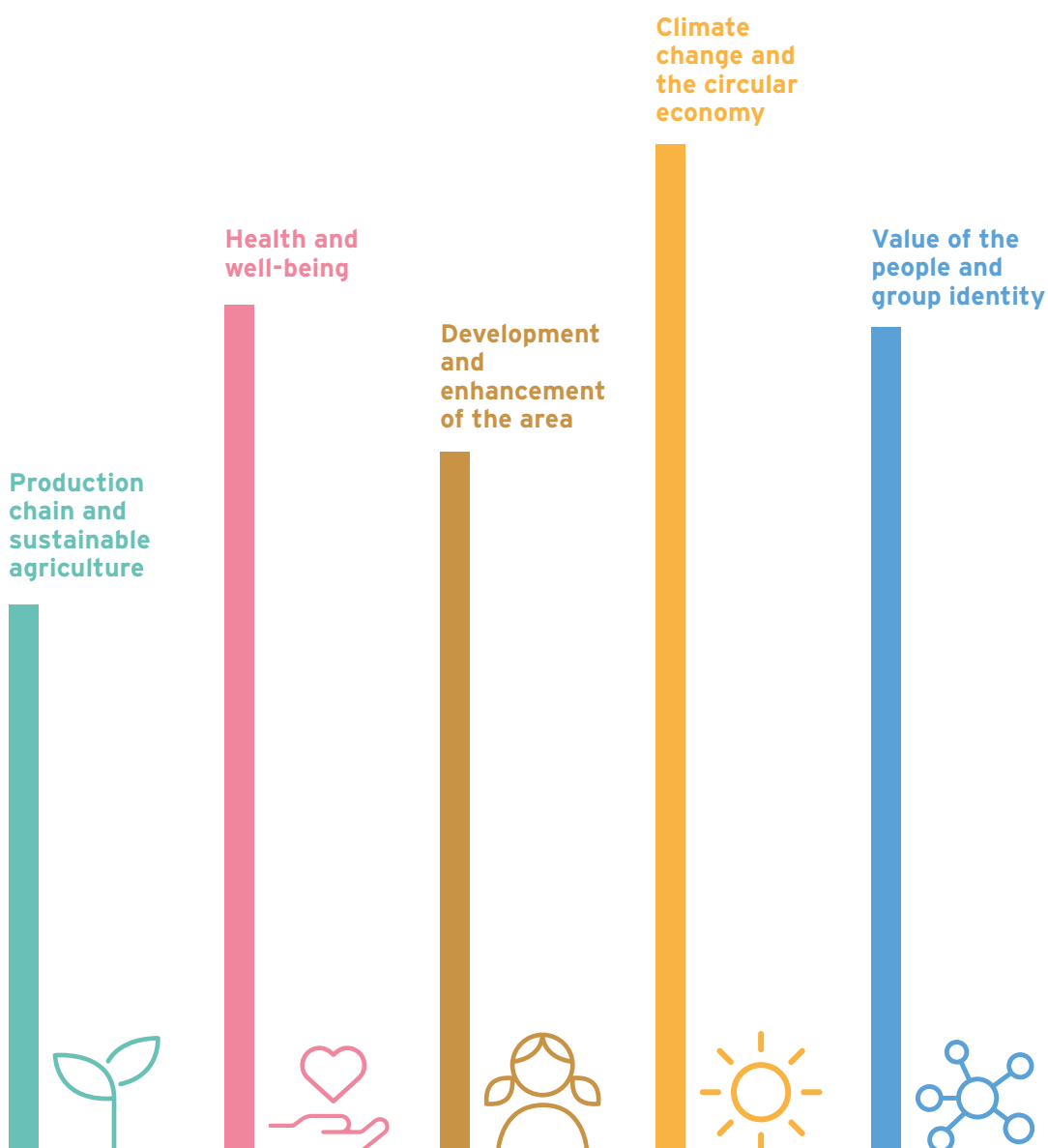
**Our commitment
for the common
benefit**

The section below provides the detailed report of the actions carried out by Andriani during 2022 and defines the goals for 2022, highlighting specific activities and KPIs as well as the related connection to the 17 SDGs and the 10 Principles of the Global Compact.

Since it is the third year the Impact Report has been prepared, the 5 areas also include progress made related to the result indicators. This feedback is necessary to verify the effect produced by the

company business with respect to the common benefit goal, represented, where possible, with indicators. All of the results reported contribute to the impact generated by Andriani's activities.

The details of the internal assessment activity, i.e. the BIA sub-area and the BIA topic, to which the GRI disclosure and the related SDGs and Global Compact Principles are linked, are also reported for each of the 5 impact areas.





3.1 Production chain and sustainable agriculture



In 2022, Andriani achieved most of its goals, especially in the “Regenerative Supply Chain” project. Two supplier workshops were held: the first in February 2022 with the goal of presenting the project (including the Supplier Code of Conduct and the related self-assessment questionnaire) to a select group of suppliers; the second at the end of the year with the intention of making a preliminary return of the survey results and thus closing an initial awareness-raising cycle, encouraging an open discussion on the strengths and areas where there is room for improvement that emerged from the questionnaire. The initiative reached a total of 19 companies (representing 40% of the strategic suppliers, as defined according to the criteria set out in the 2021 Impact Report) that signed the Code of Conduct, completed the self-assessment questionnaire and declared their full willingness to collaborate with Andriani in pursuing a shared objective on the topics under discussion. The goal for 2023 is to extend the scope of the project to other suppliers, as well as to continue to hold regular discussions.

A similar strategy was used with regard to agricultural enterprises in the legume chain, which is currently in its sixth year of operation. In addition to the involvement of more than 190 farmers for the 2022 crop year in the usual precision agriculture and digital farming program, enabled thanks to the DSS legumes.net, a new workshop was organised in December 2022, focusing on the topic of technological innovation in agriculture, in light































of the impacts of the climate crisis on this sector, and the resulting need to disseminate as much as possible techniques and methods oriented towards the efficient and responsible use of natural resources and production inputs. The team from [X Farm](#), the revolutionary company that will take over from Horta and [legumi.net](#) in 2023, also attended the conference.

The construction of 30 specialised bee hives, which was scheduled for 2022, has been pushed back due to inclement weather. Meanwhile, acceptable locations for their installation have been identified, and the insect families have been temporarily handed to the care of a beekeeper in Puglia until the right time comes to move them to the field.

The projects set up for 2022 (global scouting for new gluten-free raw materials and the development of a bio-fertiliser made from pre-cleaning and pasta-making process waste) were successfully completed in the context of the now well-established collaboration with the University of Gastronomic Sciences in Pollenzo (CN) and the Mediterranean Agronomic Institute (CIEAM) in Valenzano (BA), providing the basis for further research and development initiatives in the respective fields.



Goals

Description	2022 Goals achieved		2023 Goals		SDGs	Global Compact
	Support activities	KPIs	Support activities	KPIs		
Regenerative supply chain project	Workshop presenting the "Regenerative Supply Chain" project	2 Workshops regarding the Supplier Code of Conduct and Sustainability in the Supply Chain	Presentation and awareness workshops	2 follow-up workshops	         	
	Code of Conduct Diffusion	19 Code of Conduct signatures	Code of Conduct Diffusion	10 more Code of Conduct signatures out of the total (72 suppliers in the year 2021)		
	Self-assessment questionnaire completion	19 self-assessment questionnaires completed	Qualification questionnaire completion	10 more questionnaires completed out of the total (72 suppliers in the year 2021)		
Enabling technologies for the sustainable agricultural supply chain and biodiversity	Involvement of farmers in the legume supply chain through <i>legumi.net</i> ; total agricultural area	195 farmers involved in the legume supply chain through <i>legumi.net</i> ; 2424 hectares	Involvement of farmers in the legume supply chain through X Farm; total agricultural area	200 farmers involved in the legume supply chain through X Farm; 3500 hectares	         	7 8 9
	Biodiversity mapping and monitoring of land uses (buffer zones and headlands, ecological regions, undeveloped water network, permanent meadows and pastures, and uncultivated areas)	714 hectares	Biodiversity mapping and monitoring of land uses (buffer zones and headlands, ecological regions, undeveloped water network, permanent meadows and pastures, and uncultivated areas)	Total surface area		
	Activities supporting biodiversity and soil health	Installation of 30 beehives. (Postponed to 2023)	Activities supporting biodiversity and soil health	Installation of 30 beehives		
	Network for planning collaborations	2 projects in collaboration with an academic body. - CIHEAM: Tersan bio-fertilizer - UNISG: Scouting new Gluten-Free raw materials	Network for planning collaborations	2 new research and collaboration projects		
Planning in the field of agro-food research and innovation	Training on agriculture and sustainable innovation	1 Workshop on precision farming for farmers (3 hours) Online Tutorial for using the X Farm platform (30')	Training on agriculture and sustainable innovation	30 hours of Workshops and training events	         	
		15 hours of training/workshops on sustainable agriculture				

Impact Area → Production chain and sustainable agriculture

BIA Impact Area	BIA Impact Topic	GRI	GRI Disclosure Title	SDGs	Global Compact
Community	Supply Chain Management	408-1	Activities and suppliers at significant risk of episodes of child labour	  	5
	Supply Chain Management	409-1	Activities and suppliers at significant risk of episodes of forced or compulsory labour	  	4
Disclosure Questionnaire	Disclosure Industries	408-1	Activities and suppliers at significant risk of episodes of child labour	  	5
	Disclosure Practices	408-1	Activities and suppliers at significant risk of episodes of child labour	  	5
	Supply Chain Disclosure	408-1	Activities and suppliers at significant risk of episodes of child labour	  	5
	Disclosure Industries	409-1	Activities and suppliers at significant risk of episodes of forced or compulsory labour	  	4
Sustainability	Mission & Engagement	408-1	Activities and suppliers at significant risk of episodes of child labour	  	5

3.2 Health and well-being



Consistent with previous years' efforts, Andriani focused its activities in 2022 on the demands and new requirements of national and international customers, establishing itself as a market leader in the healthy pasta category.

Consumer purchasing power and eating habits have clearly changed over the last two years, i.e. people are increasingly attracted to ready-to-eat products with high service content. To deal with the changing situation and fulfill the new demands, food industries reacted quickly by launching development and/or enhancement initiatives in both processes and products.

Throughout 2022, the R&D Team participated in a variety of activities and projects aimed at increasing the company's expertise through characterisation studies of new raw materials, expanding the supplier network for the development and purchase of semi-finished and finished products, and improving existing products.





The primary goals that guide the various efforts of the Andriani R&D Team are to create goods that are qualitatively good, nutritionally balanced, ecologically sustainable, and meet the demands of all consumers. Several initiatives were accomplished in 2022 to fulfill these objectives, four of which entailed the ongoing exchange of ideas and information with third-party suppliers to fine-tune the production of ready-to-eat items that would populate shelves that the company has yet to explore.

To meet the ambitious goals set for 2023, the R&D Team will work on and support a research phase of the various internal and external processes, with the goal of optimising the production phase and making it more sustainable. In accordance with SDG 12, which aims to ensure the well-being of the world's population through sustainable production and consumption patterns, four initiatives with varying goals were established, including:

- maximising the value of pasta manufacturing waste and reusing it in production
- optimising the various steps of raw material processing,
- streamlining the production process.

Finally, in order to maintain the strong cooperation relationship between Andriani, local universities, and various public and private entities, a student from the Faculty of Food Technology of the University of Bari was hosted for a Master's degree internship during the second semester of 2022, along with monitoring throughout the year of the various phases of the "RESO Project", which aims to contribute to the development of the agri-food supply chains in the southern region.

Goals

	2022 Goals achieved		2023 Goals		SDGs	Global Compact
Description	Support activities	KPIs	Support activities	KPIs		
Formulation of new products and improvement of already existing products with high dietetic, nutritional, and environmental value that can meet the consumers' various needs	Development of new formulations that satisfy the needs of consumers belonging to the more fragile categories and/or with particular dietetic and nutritional needs	1 new product developed	Development of new recipes capable of meeting the needs of consumers with particular dietetic and nutritional needs	1 project under way		
	Improvement of already industrialised products	1 product improved	Improvement of already industrialised products	1 product improved		
	Development of PL products	3 mixtures industrialised				
	Creation of new products with a high service content with offer diversified between Felicia and PL	2 new product categories developed in outsourcing				
Studying processes for sustainable production			Implementation of new circular economy strategies focused on decreasing food waste and reusing waste *	4 projects started **	   	3
			Optimising the various steps of raw material processing*			
			Streamlining the production process*			
Growth of company expertise through studies conducted on the raw materials	Scouting suppliers for new raw materials that can be used to develop new products	17 raw material characterisation studies	Scouting suppliers for new raw materials that can be used to develop new products	6 raw material characterisation studies		
	Chemical-physical and rheological characterisation of new raw materials supported by the study and analysis of the scientific bibliography		Chemical-physical and rheological characterisation of new raw materials supported by the study and analysis of the scientific bibliography			
	Study and analysis of raw materials obtained through new transformation processes		Study and analysis of raw materials obtained through new transformation processes			
Third-party projects to develop new product categories (Felicia brand extension)	Choice of suppliers able to create products that meet the Company's needs	2 new product categories developed externally (buy)	Study of the characteristics of new products in line with the brand identity*	1 product developed externally (buy)**		
	Study of the characteristics of new product categories in line with the brand identity					
Projects in collaboration with the academic scientific community	Sustainable open innovation activity through dialogue with the academic community	1 research project in collaboration with public and private partners	Sustainable open innovation activity through dialogue with the academic community	1 research project in collaboration with public and private partners		
		1 resource in technical/scientific training hosted by the Company				

* New support activities planned for 2023

** New indicators to monitor for 2023

Impact Area → Health and well-being

BIA Impact Area	BIA Impact Topic	GRI	GRI Disclosure Title	SDGs	Global Compact
Community	Supply Chain Management	417-1	Requirements related to information and labelling of products and services.		
Disclosure Questionnaire	Disclosure Outcomes & Penalties	416-2	Episodes of nonconformity regarding impacts on the health and safety of products and services		
	Disclosure Outcomes & Penalties	417-2	Episodes of nonconformity related to information and labelling of products and services		
	Disclosure Outcomes & Penalties	417-3	Cases of nonconformities regarding marketing communications		
	Disclosure Outcomes & Penalties	418-1	Evidence of customer privacy breaches and loss of customer data		
	Customer Stewardship	417-1	Requirements related to information and labelling of products and services.		
Customers	Customer Stewardship	418-1	Evidence of customer privacy breaches and loss of customer data		
	Land & Life	417-1	Requirements related to information and labelling of products and services.		

3.3

Development and enhancement of the area



Focused on shared value creation objectives that maximise its positive impact on the community, Andriani chooses to pool its knowledge on sustainability issues, raising awareness among the youngest individuals of the planet's richness and biodiversity, educating them on acquiring conscious behaviour towards natural resources. Particular attention is paid to the advantages offered by organic products such as legumes, which are at the centre of the Andriani Educational pathway and are identified as ingredients used since ancient times in the Mediterranean diet, recommended by experts for their healthy virtues and the positive impact their consumption has on the environment.

To ensure that the dissemination of these topics has a positive impact on the area, Andriani has repeatedly reaffirmed its investment in the "Andriani Educational" project, which was initially aimed at primary school children in Puglia in the 2018-19 school year and will be expanded nationwide to schools of all levels in 2022. A range of programs launched this year have strengthened the link with secondary schools:


















- "The Taste of the Future", which involves high school students in an action-research project aimed at identifying culinary traditions and new consumption patterns that enable intergenerational discourse in the interest of sustainability and the avoidance of eating disorders;
- PTCO pathways, reinforcing direct interaction between schools and work, creating awareness among new generations of students about issues of considerable economic, social, and environmental importance;
- company visits, bringing various high school and university students to the company in order to create strong relationships with the academic world, both in Italy and abroad, and schools in order to promote continual innovation from/to the territory. These constructive meetings are also an authentic exercise for the employees involved in disseminating the message.

The commitment to sharing the culture of sustainability in educational establishments continued in 2022 through the dissemination of our company case study as part of Business Masters and Degree Courses. Many thesis authors were also assisted in finishing their dissertations, and there was a renewed commitment to promoting numerous exceptional courses of study in these subjects through scholarship sponsorships, participation, and coverage.

Corporate volunteering, according to Andriani, is a great team-building experience as well as a critical activity for the community's social advancement. This is why, in 2022, the company decided to fulfill this new commitment, identifying the Special Olympics, a promoter of a variety of Olympic sports aimed at children and adults with intellectual disabilities, as the most fertile ground for fostering an inclusive culture through sport.

Andriani earned B Corp recognition in 2022, joining the worldwide movement devoted to a regenerative, egalitarian, and inclusive paradigm by expanding its networking activities from the national to the international level.

Goals

Description	2022 Goals achieved		2023 Goals		SDGs	Global Compact
	Support activities	KPIs	Support activities	KPIs		
Contributing to the development and enhancement of the area through awareness, enhancement, and training activities	Diffusion of the sustainability culture in the academic world	48 hours of presentation of the company's path toward sustainable development 417 students and teachers visited the company during the 2021/2022 school year	Diffusion of the sustainability culture in the academic world	80 hours of presentation of the company's path toward sustainable development 800 students and teachers visited the company (2022/2023 school year)	                	All
	EDU project aimed at schools from nursery all the way to high school	25 schools, 79 teachers, 1,335 students, 65 hours of accredited training	EDU project aimed at schools from nursery all the way to high school Implementation of new Short Educational Modules Secondary school pilot project: training in new kinds of entrepreneurship in the agrifood industry	35 schools, 80 teachers, 1,500 students, 65 hours of accredited training 20 schools, 800 students, 50 hours of training 25 agricultural students for a total of 30 hours		
	"Taste of the Future" project	3 schools, 30 teachers, 80 students, 52 hours of accredited training	"Taste of the Future" project	4 schools, 32 teachers, 146 students, 52 hours of accredited training		
	Diffusion of the sustainability culture in the community	20 hours of participation in conferences, focus groups 10 students tutored for dissertations	Diffusion of the sustainability culture in the community	30 hours of participation in conferences, focus groups 20 students tutored for dissertations		
	Volunteering	40 hours	Volunteering	50 hours		
	Measurement of sustainability performance	Obtaining B Corp Certification, score 85.4	Measurement of sustainability performance	Improvement of impact profile		
Networking at the institutional level on sustainable development and the common good	Collaborations with national and international institutions	10 hours of participation at institutional events	Collaborations with national and international institutions	15 hours of participation at institutional events		

Impact Area → Development and enhancement of the area

BIA Impact Area	BIA Impact Topic	GRI	GRI Disclosure Title	SDGs	Global Compact
Community	Civic Engagement & Giving	201-1	Economic value directly generated and distributed	 	6
	Economic Impact	202-2	Proportion of senior managers hired from the local community		
	Governance Metrics	204-1	Proportion of expenses paid to local suppliers		
Sustainability	Governance Metrics	201-1	Economic value directly generated and distributed	 	7

3.4

Climate change and the circular economy



The geopolitical upheavals that characterised 2022 in its entirety created significant tensions, the repercussions of which spilled over to all industrial and business realities in Europe. Andriani was definitely affected by this situation, but this did not prevent the company from following its Strategic Sustainability Plan, which, under the impact area allocated to "Climate Change and Circular Economy" witnessed the full or partial achievement of practically all the objectives established for 2021.

Andriani's environmental strategy, as mentioned in the previous Report, is comprised of three macro-areas: Carbon Neutrality, Circular Economy and Innovation, Protecting Biodiversity Compared to the previous Report, the first two macro-areas belong in this impact area, while the third is contextual to the "Production Chain and Sustainable Agriculture" impact area.

The various supporting activities for the Carbon Neutrality Plan have been revised and redistributed, including the inclusion of additional KPIs to better properly show the company's journey. In particular, the following results are highlighted:

- Increasing the self-generation of solar energy from photovoltaic plants to more than 5% by 2021, in line with the objectives stated;
- 100% of electricity acquired from renewable sources verified by Guarantees of Origin, in accordance with 2021 goals;
- In accordance with 2021 objectives, 100% of emissions from methane gas use are offset through certified initiatives dedicated to the distribution of efficient stoves in [Ethiopia](#) and [Mozambique](#).
- Direct sequestration of around 2 tonnes of CO₂ from the atmosphere by the natural photosyn-

thetic process of Alga Spirulina, accounting for approximately 80% of the target;

- Maintaining the energy flow monitoring system for the Andriani pasta factory, with plans to gradually expand and extend it to the missing plants.

The fulfilment of the foregoing targets resulted in emissions reductions of roughly 44.5% and 53%, respectively, resulting in 1.71 kgCO₂^{eq}/tonne_{produced} and 0.65 kgCO₂^{eq}/k€_{turnover} (compared to restated levels).

Furthermore, future investments will include the installation of a biomass boiler, an important part of the Carbon Neutrality plan which will guarantee a reduction of up to 90% of the plant's annual natural gas consumption by the thermal power plant, avoiding the emission of between 2,000 and 4,000 tCO₂/year of CO₂ from fossil fuels.

In terms of circular economy, the collaboration between Andriani and ApuliaKundi enabled the recovery of around 1,640,000 litres of water from the pasta factory's die washing process, which was then utilized for the production of Alga Spirulina. This is about 250% of the projected outcome, highlighting the significant environmental impact of this partnership.

Finally, in 2022, Andriani renewed its long-standing partnership with UNISG as a Supporting Partner, while also committing to spreading a culture of sustainability through participation in training activities on a variety of related topics in collaboration with universities in Puglia and throughout the country.



2021 RESTATEMENT

Since the previous Impact Report, the following KPIs have been recalculated and revised as a result of an update to the production and turnover statistics for 2021:

Activities supporting	2021 KPI	2021 KPI - RESTATEMENT
Monitoring the CO ₂ produced in the company's perimeter (Scope 1 and Scope 2)	1.70 kgCO ₂ ^{eq} /tonne _{produced}	3.10 kgCO ₂ ^{eq} /tonne _{produced}
	1.30 kgCO ₂ ^{eq} /k€ _{turnover}	1.40 kgCO ₂ ^{eq} /k€ _{turnover}

Goals

Description	2022 Goals achieved		2023 Goals		SDGs	Global Compact
	Support activities	KPIs	Support activities	KPIs		
Carbon Neutrality						
Reduction in CO ₂ emissions and making the use of resources more efficient	Monitoring the CO ₂ produced in the company's perimeter (Scope 1 and Scope 2)	1.71 kgCO ₂ ^{eq} /tonne _{produced} ^{1*}	Monitoring the CO ₂ produced in the company's perimeter (Scope 1 and Scope 2)	≈ 0 kgCO ₂ ^{eq} /tonne _{produced}	 	7 8 9
		0.65 kgCO ₂ ^{eq} /k€ _{turnover} ^{1*}		≈ 0 kgCO ₂ ^{eq} /k€ _{turnover}		
		0.13 tCO ₂ ^{eq} /tonne _{produced} ⁴		< 0.13 tCO ₂ ^{eq} /tonne _{produced} ⁴		
		49.4 kgCO ₂ ^{eq} /k€ _{turnover} ⁴		< 49.4 kgCO ₂ ^{eq} /k€ _{turnover} ⁴		
	Increase in the share of self-production of renewable energy	Installation of a further 700 kW of photovoltaic (postponed to 2023) 5.27% of the annual electricity requirement produced by the photovoltaic plant	Increase in the share of self-production of renewable energy	Installation of a further 735 kW of photovoltaic Achieving a share of energy requirement from self-produced renewable energy equal to 10%		
	Purchase of 100% green electricity	100% of electricity purchased comes from a solar source with Guarantee of Origin (GO)	Purchase of 100% of electricity from a renewable source (covered by GO)	Maintaining 100% of energy purchased originating from renewable sources		
	Monitoring and tracking energy flows inside the company perimeter	Extension of monitoring the electrical consumption at the production line and/or process level (postponed to 2023)	Monitoring and tracking energy flows inside the company perimeter	Extension of monitoring the electrical consumption at the production line and/or process level		
		Extension of the thermal energy flow monitoring system to the plants that do not have it (postponed to 2023)		Extension of the thermal energy flow monitoring system to the plants that do not have it		
	Atmospheric CO ₂ absorption through the cultivation of spirulina	2 t of atmospheric CO ₂ captured	Atmospheric CO ₂ absorption through the cultivation of spirulina	3 tonnes of atmospheric CO ₂ captured		
	Extension of the SMET monitoring system to also trace water consumption	Initiation of monitoring of plant water consumption (postponed to 2023)	Extension of the SMET monitoring system to also trace water consumption	Initiation of monitoring of plant water consumption		
Offsetting direct residual emission of CO ₂ (SCOPE 1)			Installation of a biomass boiler to reduce direct emissions of CO ₂ ^{eq 3}	15% reduction in emissions coming from the combustion of fossil natural gas (excluding offsetting)		
	Offsetting of CO ₂ ^{eq} emissions from the consumption of natural gas	100% of natural gas consumed compensated through funding of certified energy efficiency projects (Cook Stove)	Offsetting of CO ₂ emissions from the consumption of natural gas	Maintaining 100% offsetting of residual emissions		
	Offsetting emissions of CO ₂ ^{eq} from the use of company-owned vehicles ²	80% of CO ₂ ^{eq} emissions offset	Offsetting emissions of CO ₂ ^{eq} from the use of company-owned vehicles ²	100% of CO ₂ ^{eq} emissions offset		
	Offsetting of involuntary fugitive emissions (F-GAS) ²	0% of CO ₂ ^{eq} emissions offset	Offsetting of involuntary fugitive emissions (F-GAS) ²	100% of CO ₂ ^{eq} emissions offset		
Reduction of CO ₂ emissions in SCOPE 3 ³			Monitoring emissions in Scope 3 ³	Definition of strategic improvement and reduction plan		
Innovation and Circular Economy:						
Implementation of circular economy practices	Re-use of water resources through the cultivation of spirulina	1,640,000 litres of water re-used for spirulina cultivation	Re-use of water resources through the cultivation of spirulina	2,000,000 litres of water re-used for spirulina cultivation		
Contribute to financing scholarships in circular economy and carbon neutrality	Supporting member of UNISG for awarding scholarships	1 scholarship awarded as UNISG Supporting Member	Supporting member of UNISG for awarding scholarships	1 scholarship awarded as UNISG Supporting Member		

* Net offsetting of SCOPE 1 emissions













































1. KPI subject to restatement compared to the 2021 Impact Report

2. Support activities implemented in 2022 not present in the previous Impact Report

3. New goal/activity not present in the previous Impact Report

4. New KPI implemented in 2022 not present in the previous Impact Report

Impact Area → Climate change and circular economy

BIA Impact Area	BIA Impact Topic	GRI	GRI Disclosure Title	SDGs	Global Compact
Disclosure Questionnaire	Disclosure Outcomes & Penalties	303-1	Interaction with water as a shared resource	 	7, 8
Environment	Air & Climate	302-1	Energy consumed within the organisation	   	7, 8
	Air & Climate	302-3	Energy intensity	   	7, 8
	Water	303-1	Interaction with water as a shared resource	 	7, 8
	Water	303-3	Water extraction		8
	Land & Life	304-2	Significant impacts of activities, products and services on biodiversity	  	7, 8
	Air & Climate	305-1	Direct GHG Emissions (Scope 1)	    	7, 8
	Air & Climate	305-2	Indirect GHG emissions from energy consumption (Scope 2)	    	8
	Air & Climate	305-4	Intensity of GHG emissions	  	7, 8
	Environmental Management	306-2	Waste by type and disposal method	    	8
	Land & Life	306-2	Waste by type and disposal method	    	8
Workers	Health, Wellness, & Safety	306-2	Waste by type and disposal method	    	7, 8

3.5

Value of the people and group identity



Andriani retains in the company's genetic makeup the awareness that the added value generated for the benefit of the organisation and its stakeholders, territory, and ecosystem is determined by the intermingling of knowledge, the mixing of ideas, potentials, and aptitudes, and the interaction between each one's peculiarities and specialties. This is accomplished through encouraging the formation of multidisciplinary and intergenerational project teams, job rotation programs, and ongoing initiatives to develop skills and empower everyone.

The process of valuing diversity is supported by the implementation of an inclusive and participative leadership system in which every worker can feel involved in the achievement of goals and the construction of corporate success, thanks to the empowerment of every worker regardless of role and corporate function, the recognition of autonomy and trust in each one, and the enhancement of creative and innovative potential in every corporate area.

Andriani firmly believes that it is crucial to promote happiness and a state of mental and physical well-being at work, which is based on a eudaimonic concept, i.e. the production of happiness in the long term, as opposed to one that has limited benefits over time. All People Care initiatives implemented by the company have this goal that, as proven by scientific studies and analysis, is strictly related to the increase in intrinsic motivation and the sense of belonging at the company, as is the increase in company productivity.

Among the services provided are activities carried out for the Andriani Wellness project in the company gym and supervised by a physical trainer, such as muscle awakening, postural and functional

respiratory gymnastics, cardio and G.A.L. exercises using the equipment present on-site such as bikes, ellipticals, and treadmills. Table tennis and table football tournaments, morning mountain bike excursions to explore the area, afternoon 7-a-side football matches, and yoga classes promoted socialisation and team spirit, aligning with the company's team building policy. To develop a healthy lifestyle, employees were able to meet personally with a nutritionist in order to improve their health and physical fitness. A special menu was also created in collaboration with the company chef.

In 2022, a new Parenting Support project was launched, based on using fairy tales as a communication and participation tool. The course was designed for the entire company population, including those who are parents, want to be parents, are unable to become parents, are unsure if they want to become parents, are caring for someone, or are just interested in learning more about the topic.

Along with Parenting Support, the journey begun in 2021 toward cultural change aimed at eliminating gender-based violence continues. This time, the emphasis was on a more in-depth examination of gender terminology, which may be used to justify prejudice and violence. A deeper understanding of the issue has refocused attention on the use of words and inclusive styles of communication that are sensitive to diversity, offering tools for immediate action.

Throughout the year, Andriani earned a number of accolades for the Well-being policies it implemented, demonstrating the importance of the initiatives that were launched and their good influence on employees.









The most significant awards were:

- Andriani was named Best Workplace for Blue Collar Workers, thus placing first out of 45 Italian companies that Great Place to Work analysed, in addition to receiving the Great Place to Work certification for a second consecutive year and being listed in the Best Workplaces ranking out of 60 Italian companies as the only manufacturing company for 2022;
- 2022 HR Mission: Andriani won 2nd place in the Sustainability Category for the 2022 edition of the HR Mission award;
- 2022 SME Welfare Index: Andriani received the Welfare Champion 2022 award alongside 120














































other businesses chosen from more than 6,500 businesses across Italy at the presentation of the 2022 SME Welfare Index Report, sponsored by Generali Italia under the patronage of the Presidency of the Council of Ministers. This report evaluates the level of corporate welfare in small and medium-sized businesses;

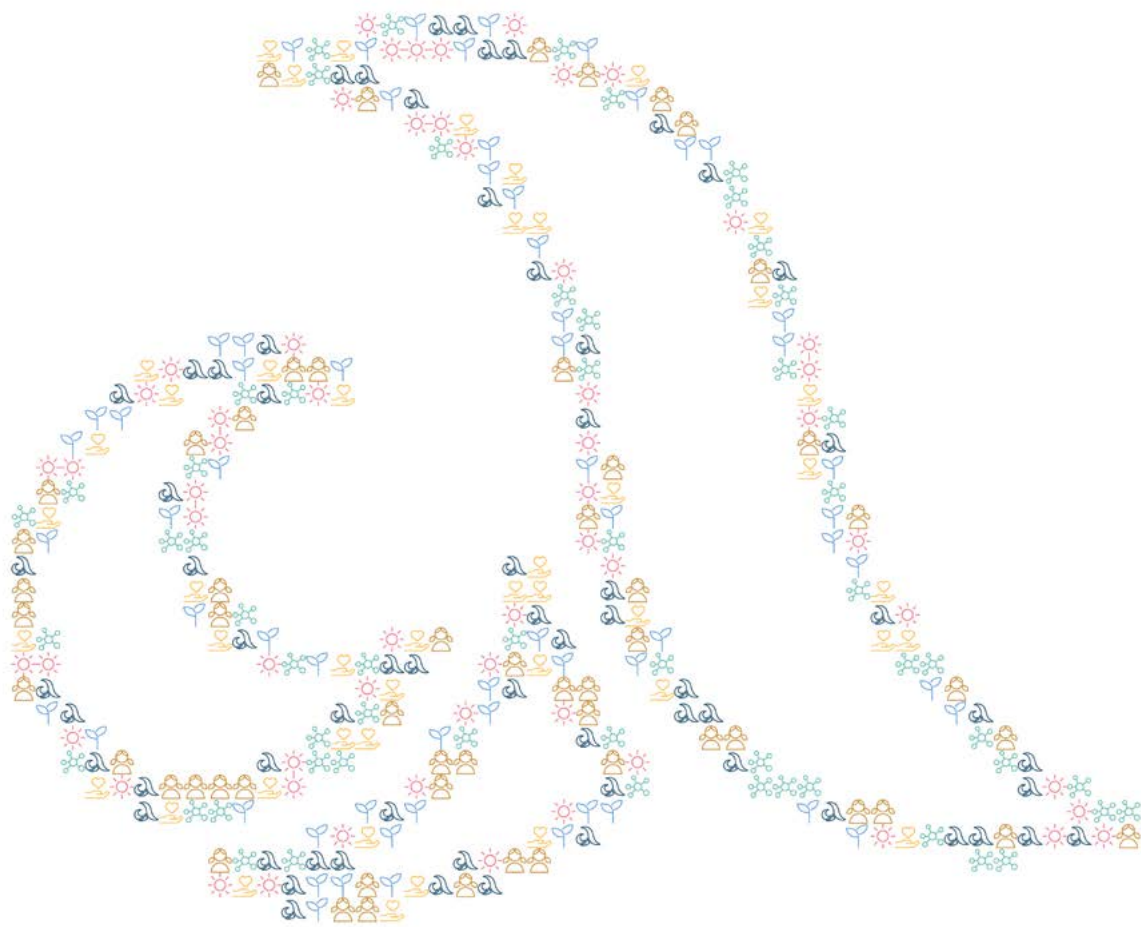
- The 2022 Libellula Inspiring Company Award in the category "Preventing and Combating Gender Violence" received at the end of 2022 from the Fondazione Libellula, was an important recognition for the company for its commitment in this area.

Goals

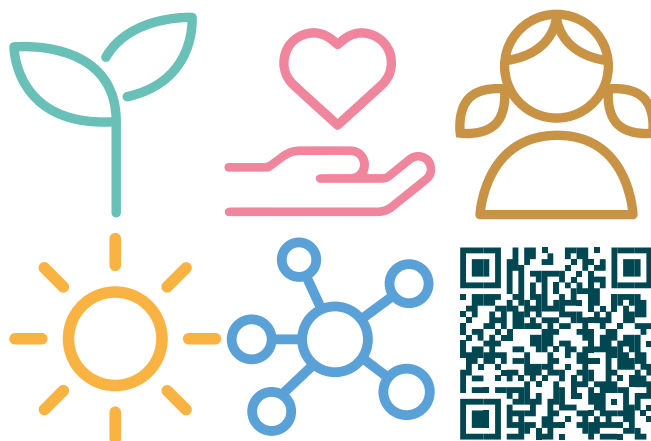
Description	2022 Goals achieved		2023 Goals		SDGs	Global Compact
	Support activities	KPIs	Support activities	KPIs		
Promotion of psychological well-being	Enhancement and development of emotional skills	681 hours	Enhancement and development of emotional skills	750 hours	       	3 4 5 6
Promotion Corporate well-being	Bike to work	40,163 km biked 5,743.3 litres of fuel saved 3,815.4 kg CO ₂ not emitted	Bike to work	values > or equal to 2022		
	Wellness	2,000 hours	Wellness	2,500 hours		
	Andriani Wellness	45 extractions	Andriani Wellness	160 extractions		
Parenting enhancement	Andriani Arts-Academy	35 participants	Andriani Arts-Academy	35 participants		
	"Say it with a Fairy Tale" project	30 hours	New similar project	50 hours		
Diversity, Equity, & Inclusion	Fight against gender discrimination	414 hours	Fight against gender discrimination	450 hours		

Impact Area → Value of the people and group identity

BIA Impact Area	BIA Impact Topic	GRI	GRI Disclosure Title	SDGs	Global Compact
Sustainability	Ethics & Transparency	205-3	Confirmed incidents of corruption and actions taken		8
	Engagement & Satisfaction (Hourly)	401-1	New hires and turnover	  	6
	Engagement & Satisfaction (Salaried)	401-1	New hires and turnover	  	6
	Engagement & Satisfaction	401-2	Benefits set up for full time employees but not for part-time employees or those with a fixed-term contract	  	
	Health, Wellness, & Safety	401-2	Benefits set up for full time employees but not for part-time employees or those with a fixed-term contract	  	
	Engagement & Satisfaction (Hourly)	401-3	Parental leave	 	6
	Health, Wellness, & Safety	403-1	Occupational health and safety at work management system		
	Health, Wellness, & Safety	403-2	Identification of the dangers, assessment of risks and investigations of accidents		
	Health, Wellness, & Safety	403-3	Occupational health services		
	Health, Wellness, & Safety	403-4	Participation and consultation of workers and communication regarding health and safety at work	 	
Workers	Health, Wellness, & Safety	403-5	Workers' training regarding health and safety at work		
	Health, Wellness, & Safety	403-6	Promotion of the workers' health		
	Health, Wellness, & Safety	403-9	Occupational injuries	  	
	Career Development (Hourly)	404-1	Average yearly training hours per employee	   	6
	Engagement & Satisfaction	406-1	Episodes of discrimination and corrective measures adopted	 	6
Disclosure Questionnaire	Disclosure Outcomes & Penalties	205-3	Confirmed incidents of corruption and actions taken		10
	Disclosure Outcomes & Penalties	403-10	Occupational illnesses	  	
	Disclosure Outcomes & Penalties	403-9	Occupational injuries	  	
	Disclosure Outcomes & Penalties	406-1	Episodes of discrimination and corrective measures adopted	 	6
Community	Economic Impact	401-1	New hires and turnover	  	6
	Diversity, Equity, & Inclusion	405-1	Diversity in governance bodies and among employees	 	6



Andriani towards sustainable development



Watch the video

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