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## Letter to the stakeholders



Dear Stakeholders.

Once again this year, we are please to share with you the **outcomes** made possible by the outstanding work of each and every Andriani employee. Our 2023 Impact Report is the result of a persistent commitment to sustainable and responsible growth, a commitment that is renewed with even greater determination.

We had a record-breaking year in 2023, which makes us proud but also makes us even more accountable to our customers and the communities in which we do business. Due to our strong sense of responsibility to move towards a holistic, regenerative vision of business, the company is choosing to invest in **co-evolution projects** with our partners more and more. By taking on the role of **Impact booster**, we further **solidify our commitment** to intensify the positive impact of other companies, supporting our participatory approach, placing people at the centre, and encouraging stakeholder engagement.

This choice reflects our deep desire to lead by example, with a virtuous way of doing business, while upholding high standards of positive environmental and social impact. As an opportunity for differentiation and growth for the company, we have set quantifiable and achievable goals for ourselves in terms of both key performance indicators and key impact indicators.

At a pivotal moment when the economy can and must be the change, the Andriani sustainability team did a thorough analysis on the effects of our business, evaluating each topic's duration, severity, and general, sectoral, or corporate incidence with the help of senior management.

Our unwavering dedication is demonstrated by our ongoing goal-tracking in each of our five areas and our openness regarding the positive and negative impacts on our supply chain, operational management, and commercial partnerships.

As part of our commitment, we also actively promote the adoption in Italy of a culture of planning, management, and measuring the contribution to the common benefit in order to combat the phenomenon known as "green-washing," which is the discrepancy between reported impact information and actual actions taken.

This dedication is also demonstrated by the involvement in programmes supported by the Puglia Region, the only region in Italy to have recently approved the Regulation for the Institution of the "Regional Register of Benefit Companies and Related Trademark," which effectively directs incentives in favour of benefit corporations based in Puglia.

Furthermore, we are considering the future, i.e., our readiness to become increasingly receptive to **internationalisation** projects, retaining a strong commitment to a number of concerns including the decline in biodiversity and the rise in inequality, making a positive impact to this transition.

We appreciate the participation of all stakeholders in this remarkable co-evolutionary journey.

Raffaele Raso

Impact Manager "Maestyo del Lalloro



# Reading guide

The 2023 impact report represents the "fourth episode" of a journey that started in 2020, a report that condenses within it the commitment of Andriani S.p.A. Benefit Corporation (hereinafter Andriani, or the Group or the Company) towards the common benefit, through the description of projects and the programme of objectives and results for the 5 statutory impact areas.

The 2023 Impact Report, whose impact is limited to Andriani S.p.A., contributes to the collection of documents that currently constitute the Andriani Group's *ESG Reporting Package*.

The 2023 initiatives and 2024 objectives described for each of the 5 impact areas are designed in conjunction with the Andriani Group's materiality analysis, a methodologically rigorous process in which the company has identified 20 actual and potential positive and negative impacts, assessing their severity, likelihood and relative financial impact.

Although officially presented as two separate reports, the Sustainability Management Report and Impact Report together make up an integrated document that affects how the Andriani Group plans to accomplish its own corporate purpose—contributing to the health and wellbeing of people, society, and the planet through food innovation—while

remaining consistent with its own process of corporate growth and development.

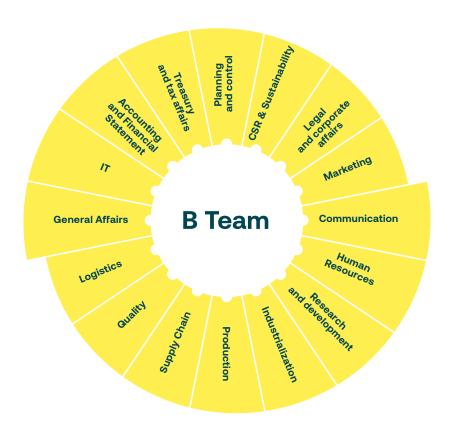
There are essentially three parts to the Impact Report, which relate to:

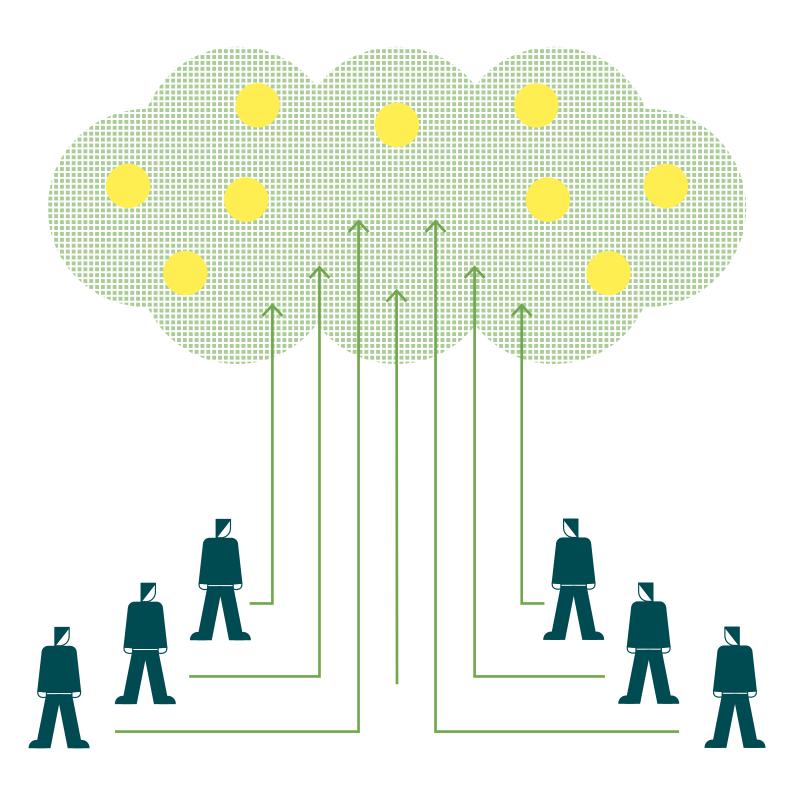
- the description of the sustainability path and, more specifically, Andriani's common benefit path;
- 2) the relationship between the impact areas and materiality analysis;
- 3) the description of the main impact initiatives, the progress of the related progress indicators, and future goals.

The document also contains an annex of references that provides:

- The B Impact score and the actions implemented, also consistent with the 2024-2028 Strategic Sustainability Plan in view of the new B Corp certification (2025);
- tables bridging standards (BIA and GRI) and frameworks (SDGs and GCs).

The 2023 Impact Report, presented at the Andriani SpA Board of Directors meeting on 29 February 2024 and the Ordinary Shareholders Meeting on 29 March 2024, was prepared by the Impact Manager and produced with the support of all members of the B Team.







### OUR PATH TOWARDS SUSTAINABILITY



### **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.

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.







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

Acquisition of 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



Achievement of 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

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

Launch of the operational part of the ESFAI Project - Ethical and Solidarity Engagement in Ethiopia.

Launch of internationalisation project in the United States.

Andriani Group obtains €34 million from Crédit Agricole Italia and CDP with SACE Guarantee to develop the new project in North America

Andriani Felicia S.r.l. merger

#### 2024

#### **Preview**

Definition of the new ESG Strategic Plan for the Gravina, Pistoia, and London, Ontario offices.

Start of the Recertification process for the B Corp Movement.









# Commitment to the Benefit Corporation movement

As stated specifically in the Articles of Association of any organisation that chooses this legal form, the active interpretation of the role of Benefit Company is realised not only through the ongoing implementation of projects and activities aimed at the common benefit, but also through a persistent commitment to advancing and spreading of the initiatives of the Benefit movement.

Andriani participated in a number of conversations in 2023 inside the "Benefit Ecosystem," referred to by the National Association of Benefit Companies, **Assobenefit**.

The primary stages of this involvement are outlined below:



In January, the company participated in the conference entitled "THE BEST PRACTICES OF ITALIAN NON-FINAN-CIAL REPORTING - Non-Financial statement | Integrated Reporting | Annual Report on the Impact of Benefit Corporations", presenting its case within the panel Analysis of the best practices of the 2022 Annual Impact Report of Benefit Corporations.

The initiative, which took place in Milan at the **Università Cattolica del Sacro Cuore's Aula Cripta** and was organised by the <u>O.I.B.R. Foundation</u> in association with Assobenefit and <u>Mercurio GP</u>, **explored the most effective methods of non-financial reporting** in all of its forms.





Further information



O.I.B.R. Foundation



Morgurio CD





The company made its presentation at the May 2023 Festival of Sustainable Development spin-off conference, **Creating value with sustainability: the Benefit Corporation example,** organised by ASviS (Italian Alliance for Sustainable Development) and held at the headquarters of the Bari Association of Chartered Accountants and Accounting Experts, the company presented its testimony.



Another important event related to the benefit movement was held in September as part of the UNGDCEC National Convention, in Genoa. At this event, the work "The holistic view of business", produced with the contribution of Assobenefit and Andriani S.p.A., was presented. The document, which includes an analysis of the main qualitative and quantitative indicators of common benefit, underlines the importance of implementing planning and monitoring processes, especially in a field such as that of benefit corporations. In addition to presenting the pertinent case study, Andriani and a few sustainability team members actively participated in writing the paper that was subsequently formally presented at the end of September at the National Conference in Genoa, which Impact Manager Raffaele Raso attended.





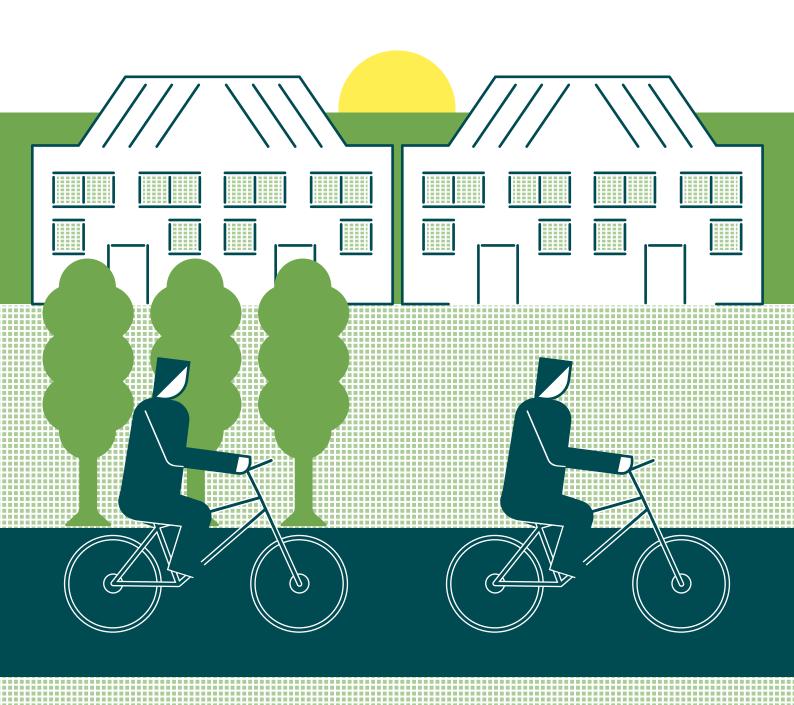
The holistic view of business



Assobenefit



Andriani S.p.A.





### OUR COMMITMENT TO THE COMMON BENEFIT THROUGH THE IMPACT OUR BUSINESS



# The 5 areas of impact and the relationship to impact materiality

Production chain and sustainable agriculture - Improving our understanding of the effects at each stage of the gluten-free cereal and legume production chain, generating value for all parties involved, and, to the greatest extent feasible, introducing the concepts of sustainable and integrated agriculture.

Health and well-being - Promoting the health and well-being of people and consumers through food and a healthy and dynamic lifestyle, also as a result of research, development, and promotion of increasingly healthy products through the continuous study of new solutions in terms of taste and nutritional profile.

Development and enhancement of the territory - Developing and enhancing the territory in which the Company operates, acting on the cultural identity and social well-being of the community, both nationally and locally, with initiatives to raise awareness on issues of sustainable development and the

common good, also involving stakeholders and adopting values such as transparency, dialogue and cooperation.

Climate change and the circular economy - Promoting 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 sustainability of processes and all business practices in order to minimise impacts and encourage the responsible use of resources by reducing food waste.

Value of the people and group identity - Creating a strong group identity and a positive work environment, by developing the potential of all individuals and constant attention to their well-being for continuous growth in the sense of belonging and satisfaction in the workplace.

### Production chain and sustainable agriculture



### **Health and well-being**



#### Development and enhancement of the area

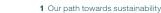


Climate change and the circular economy



Value of the people and Group identity



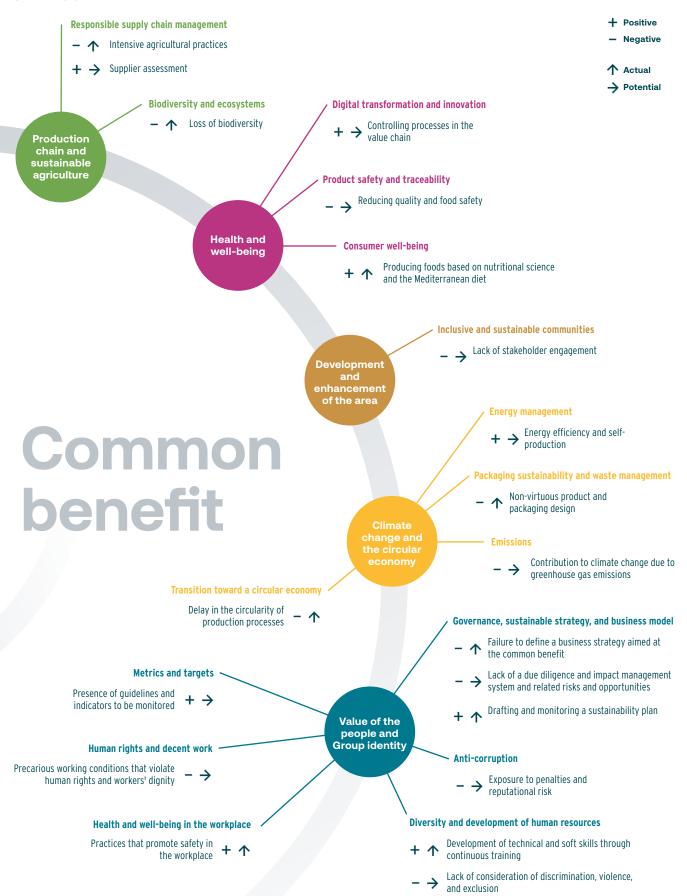


 ${\bf 2.\,Our\,commitment\,to\,the\,common\,benefit\,through\,the\,impact\,our\,business}$ 

3 The common benefit for Andriani



The breakdown below explains the relationship between the five impact categories mentioned earlier and the sixteen material topics, which correlate to a total of twenty impacts, which can be categorised as negative (11) and positive (9), actual (7) and potential (13).







# THE COMMON BENEFIT FOR ANDRIANI



The section below provides the detailed report of the actions carried out by Andriani during 2023 and defines the goals for 2024, highlighting specific activities and KPI as well as the related connection to the 17 SDGs and the 10 Principles of the Global Compact.

Since it is the fourth 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 results reported contribute to the attainment of the impact made by Andriani's actions, which is represented by its common benefit objectives.

# Production chain and sustainable agriculture



Targets set for the areas of "Enabling Technologies for the Agricultural Supply Chain" and "Design in Research and Innovation" were met in 2023.

In the 2022/2023 crop year, the legume supply chain engaged 284 farms covering a combined area of 5,000 hectares, surpassing expectations by a significant margin.

For the 2023/2024 crop year, the commitment is to reach 350 farmers and an agricultural surface area of 7000 hectares.

With regard to the legume supply chain, the launch of the Andriani FARM platform (in collaboration with xFARM Technologies) was complemented by a number of in-person and virtual training sessions for farmers and storage facilities, totalling over 50 hours of instruction provided to the supply chain as a whole.

A three-year pilot project for regenerative agriculture covering 100 hectares of agricultural land was initiated in 2023 as part of efforts to support biodiversity. Activities under the plan include the study and validation of farming models based on minimum tillage, cover crops, agrarian associations, and ecological infrastructure. Furthermore, the 30 beehives scheduled for installation in 2022 for the production of honey were successfully installed (at two of the legume chain's member farms), bringing in 1000 kg of product. An additional 15 hives are planned to be installed in 2024.

On the other hand, with regard to supply chain biodiversity mapping and monitoring systems, xFARM Technologies, a former Andriani partner, is partnering with 3Bee, a company that monitors biodiversity through satellite surveys and "SPECTRUM" bioacoustic sensors, in addition to other support initiatives like the adoption of melliferous forests, to integrate biodiversity data into the platform. The initiative began in 2022 as a project with the Mediterranean Agronomic Institute of Valenzano (CIHEAM), and it continued with the start of a four-year biofertilizer trial that was made possible by Tersan and Andriani's partnership and was made from the pasta factory's byproducts. The first year of the trial, which focused on red

lentils, enabled the collection of production and environmental impact data thanks to the study conducted by Agreenment S.r.l., a spin-off of the University of Basilicata The trial's results were extremely encouraging in terms of the crop's increase in yield (+30%) as well as all other physiological indicators (growth, water potential, etc.). It will be repeated in 2024 in accordance with the experiment plan's rotations.

In cooperation with the Project Office of the University of Gastronomic Sciences in Pollenzo, a search for new gluten-free raw materials resulted in the identification of 20 products, each of which had a data sheet created to increase the potential for future product development.

However, of the ten intended subscriptions to the Supplier Code of Conduct in the "Regenerative Supply Chain Project," only two have been made (along with the completion of the relevant Unique ESG Qualification Questionnaire). This is due to the virtually unchanged structure of the strategic supplier pool, most of whom have been involved for several years, as well as an internal reorganization of the qualification system, which temporarily suspended new subscriptions. In fact, in an effort to further integrate procurement and sustainability, the CSR function and a new department named Value Chain worked together to host the first Andriani Partner Day, which attracted 27 strategic suppliers and represented an evolution of earlier workshops. The Value Chain Coevolution Programme was introduced on this occasion, and Andriani reaffirmed its commitment to assisting and guiding its supplier chain through tailored pathways of guidance and support.







### Goals

	2023 Goals: Progress		2024 Goals		SDGs	Primary GCs
	Supporting activities	KPIs	Supporting activities	KPIs		
Regenerative supply chain project	Workshop	1 follow-up workshop (Partner Day6) (50%)	Follow-up workshops	2 workshops on training, awareness, engagement, and follow-up		
		27 suppliers involved (+42%)		Involvement of 30 suppliers		
	Distribution of Supplier code of conduct	2 more members (22). (+20%)	Distribution of Supplier code of conduct	5 more members (27).	1 NO SOMETY	
	Qualification questionnaire completion	2 more questionnaires completed. (+20%)	Qualification questionnaire completion	5 more qualification questionnaires completed (27).	#x####	
for the sustainable the legul	Involvement of farmers in the legume supply chain through xFARM; total	284 farmers. (+42%)	Involvement of farmers in the legume supply chain through xFARM; total	350 farmers.	2 NAMES	
agricultural supply chain and biodiversity	agricultural surface	5000 hectares (+43%)	agricultural surface.	7000 hectares	6 ANSAUTEN	
	Biodiversity mapping and monitoring	Activities under study	Mapping and analysis of biodiversity in the legume	Total hectares	7 AFFORMALIANO CHANDRESS	
	monitoring	Monitored hectares	supply chain	Biodiversity indices		
	Activities supporting	30 beehives installed	Activities supporting biodiversity and soil health	45 beehives installed  100 hectares in regenerative agriculture.	9 PERSTRY INTOVITES	7 8
	biodiversity and soil health	1000 kg of honey produced			11 SESTIMABLE CITIES	9
		100 hectare pilot Regenerative Agriculture (3-year project)			12 SESPONSELE ON SEASON TON	
Design	Network	2 collaboration projects	Network for project collab-	2 new research and collabo-	CO	
in the field of	for project collaborations	implemented	orations	ration projects	13 comme	
research and innovation in the agro-food industry.		Experimentation of biofertiliser			15 dec	
agio toda maasti y.		Scouting gluten-free raw materials			10 arimo	
	Training on agriculture and sustainable innovation	Creation of tutorials Online Andriani Farm (30').	Training on agriculture and sustainable innovation	10 hours of additional training.	17 MACTIVESSAPIS FOR THE COLALS	
		54 hours of training provided to farmers on the Andriani Farm platform (in person and remote)		4 training events on Andriani Farm to farms and storage centres		

### Health and well-being



The Andriani Group's innovative spirit enabled the achievement of the goals set for 2023. The R&D-I (Research and Development-Industrialization) team has been working with other company departments to continuously improve and increase pasta production efficiency towards an increasingly sustainable model for the consumer, the company and the environment.

Specifically, to wrap up four projects, monitoring activities and characterisation studies on both individual raw materials and more complex mixes were employed to study and analyse the processes of obtaining the most extensively used raw materials.

In 2023, a number of projects were finished. The first, which had begun in 2021, was to improve the nutritional value of Andriani's existing product line in order to increase its health value. The other projects focused on helping the Private Label (PL) market customer create its custom-made finished product while paying close attention to the needs of the customer.

The R&D Department will be working on multiple fronts in 2024. Specifically, it will be working on projects aimed at improving industrial efficiency and optimising the current product portfolio, as well as developing new formulations that are healthy and nutritionally balanced for consumers. In addition, consistent with the work begun in the year 2023, with SDG 12 as a guideline and the desire to ensure the well-being of the population through sustainable patterns of production and consumption, a project will be pursued to implement new circular economy practices aimed at leveraging and reusing milling by-products.

Finally, in order to promote the training of students and contribute to scientific research in partnership, in 2023 Andriani hosted a curricular internship for the Bachelor of Science in Agricultural Science and Technology at the University of Bari, activities related to the "RESO Project" were carried out and a pasta-focused innovation course was held, which involved experts in food innovation and product design.









### Goals

	2023 Goals: Progress  Supporting activities	KPIs	2024 Goals  Supporting activities	KPIs	SDGs	Primary GCs
Formulation of new products and improvement of already existing products with high	Development of new recipes capable of meeting the needs of consumers with particular dietetic and nutritional needs	1 project concluded (as estimated in the 2022 Impact Report)	Develop of new formulas that are nutritionally balanced	2 projects started		
dietetic, nutritional, and environmental value that can meet the consumers' various needs.	Improvement of already industrialised products	1 project improved (as estimated in the 2022 Impact Report)				
Studying processes for sustainable production	Implementation of new circular economy practices focused on decreasing food waste and reusing waste *	4 projects concluded (as estimated in the 2022 Impact Report)	Implementation of new circular economy practices aimed at leveraging and reusing milling by-products*	2 projects started**	GCOONEADH  AMPACL-CINE	
	Optimising the various steps of raw material processing*		Optimising the current product portfolio*		9 housester houvant by	
	Streamlining production processes*				12 RESPONSIBILE CONCENSION AND PRODUCTION AND PRODU	
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	6 raw material character- isation studies completed (as estimated in the 2022 Impact Report)	Scouting suppliers for new raw materials that can be used to develop new products	2 raw material characterisation studies	16 rtax anne	3
	Chemical-physical and rheological characterisa- tion of new raw materials supported by the study and analysis of the scientific bibliography		Chemical-physical and rheological characterisa- tion of new raw materials supported by the study and analysis of the scientific bibliography		17 Mercadas	
Third-party projects to develop new product categories (Felicia brand extension)	Study of the characteristics of new product categories in line with the brand identity*	project interrupted	Collaboration with outside companies with the goal being to offer Felicia consumers nutritionally balance products with a high service content	2 projects to develop		
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 under way (-50%)	Sustainable open innovation activity through dialogue with the academic community	2 research projects in collaboration with public and private partners		

<sup>\*</sup> New support activities planned for 2024





### **Development and** enhancement of the area



Andriani continues to show its dedication to the community by supporting campaigns to increase public awareness of issues related to sustainable development, as mentioned in the Articles of Association. This includes having students in all levels of schools participate in the Andriani Educational Programme. Every project translates the Benefit Corporation's dedication to ESG issues into an engaging curriculum for teaching food sustainability in schools, which has an ever-expanding community: 200 teachers and 4,000 pupils in 16 Italian areas received 150 hours of approved training.

This dynamic, ever-evolving educational path has been refined over the course of five years through research-action and laboratory-based instruction, adhering to a cross-curricular and multidisciplinary approach. Its community has been growing nationwide, partly due to school network collaboration and ongoing support from tutors and experts who can provide teachers with useful operational cues to be developed in the classroom.

Additionally, Andriani Educational expanded its reach beyond Italian borders for the first time with the help of a pilot project that paired some Veneto students with an equal number of Tamil Nadu-based Indian peers for a discussion and exchange on a range of subjects, including biodiversity. The project was made possible by the support of Magia Verde Onlus.

Consensus was again reached among teachers and students that the school environment is the best setting for fostering awareness and change processes at all levels. This conclusion was drawn from data gathered during the 2022-2023 school year through continuous and ongoing monitoring through the distribution of targeted questionnaires.

95.5 percent of educators report that the course has had a significant impact on students' behaviour changes at home, at school, and in daily life. These changes include increased consumption of legumes in the cafeteria and at home, a passion for cooking and a family conversation about high-quality food, trading produce from the school gardens for charitable causes, label reading, snacking awareness, and the sustainability of food as a whole

Family engagement was seen in 81.8 percent of cases, which encouraged students to work on various project tasks at home, especially cooking, starting seedlings, and reading "The Magic of Legumes" with family members.

Through the sharing of case studies, the explanation of the sustainable path, and the dissemination of its business model, the involvement of students in company visits where Andriani's human capital also actively participates in the path continues to grow, confirming the goal of inspiring new generations and investing in its territory.



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### Goals

	2023 Goals: Progress		2024 Goals		SDGs	Primary GCs
	Supporting activities	KPIs	Supporting activities	KPIs		
Contributing to the development and enhancement of the area through	Diffusion of the sustainability culture in the academic world	114 (+43%) hours of pre- sentation of the company's path toward sustainable development	Diffusion of the sustainability culture in the academic world	same values as 2023	1 80 DEFENT	]
awareness, enhancement, and training activities		812 (+2%) students and teachers visited the compa- ny (2022/2023 school year)		same values as 2023	2 HARER  ((()	]
	EDU project aimed at schools from nursery all the way to high school	69 schools, 137 educators, 2,350 students (+57%), 65 education hours	EDU project aimed at schools from nursery all the way to high school	same values as 2023	3 ADDIVITATING  15 IFF AND MELITERIS	
	Implementation of new Short Educational Modules	40 schools 2300 students (+188%) 20 hours of education	Implementation of new Short Educational Modules	same values as 2023	4 OMEY RECEIVE TO BE MADE JUSTICE TO BEST OF THE SECOND TO BE TO B	
	Secondary school pilot project: training in new kinds of entrepreneurship in the agrifood industry	The activity is part of the 2023/2024 scholastic year and will take place in 2024	Pilot project for high schools: training in new kinds of entrepreneur- ship in the agrifood industry.	25 agricultural students for a total of 30 hours	5 GAMES  CECUTY  FOR THE MESSAGE  TO PRINCESSEE  TO	1 2 3 4 5
	"Taste of the Future" project	6 schools, 36 educators, 2401 students	"Taste of the Future" project	same values as 2023	7 AFFORNMET AND GLEAN CHARGES	6 7
	Diffusion of the sustain- ability culture in the community	50 hours (+67%) of participation in confer- ences, focus groups	Diffusion of the sustainabili- ty culture in the community	same values as 2023	8 (CODNING COOPER)	8 9 10
		11 (-45%) students tutored for dissertations		15 students engaged in dissertations, supervised by the Andriani team	9 MARTINI GORMANI SINCE PROMOTE DESIGNATION SINCE PROMOTE DESIGNATION OF THE PROMOTE DESIGNATION OF TH	
	Volunteering	0 hours	Volunteering	50 hours	10 resource	
Networking at the institutional level on sustainable development and the common	Measurement of sustain- ability performance	Definition of the new Stra- tegic Sustainability Plan	Measurement of sustainabili- ty performance	Progress in reaching certain Sustainability Plan goals	11 SECURIORIES  A B B B B B B B B B B B B B B B B B B	
benefit	Collaborations with national and international institutions	20 (+33%) hours of participation at institutional events	Collaborations with national and international institutions	30 hours of participation at institutional events	12 COMPANY IN CONTROL OF THE CONTROL OF T	



### Climate change and the circular economy



Once again in 2023, Andriani's environmental strategy is comprised of 3 macro-areas: Carbon Neutrality, Circular Economy and Innovation, Protecting Biodiversity The first two macro-areas belong in this Impact Area, while the third is contextual to the "Production Chain and Sustainable Agriculture" impact area.

In particular, Andriani's route to carbon neutrality is a "gate-togate" strategy that entails implementing the following actions on a cyclical basis inside the company's scope.

- · identification of emissions sources;
- · quantification and continuous monitoring of emissions;
- · progressive reduction of emissions through the development of taraeted projects:
- · offsetting residual emissions through the purchase of certified carbon credits.

It should be noted that the carbon offsetting mechanism through Carbon Credits is only implemented, on an annual basis, downstream of emissions reductions measures, with a view toward continuous improvement. In fact, Andriani's goal is to gradually reduce emissions to a level that is close to zero, with offsetting only used for emissions below what is deemed "physiological" given the technology and resources now in use.

Some of the goals stated for this macro-area in 2022 were fully accomplished in 2023, while others are still in progress. Only two goals saw a slight decrease in performance, due to a slight increase in scope 1 emissions (from more intensive use of the trigeneration plant than in the previous year), at the same time as a moderate reduction in the volume produced. As can be seen in the table, three activities were postponed to 2024, retaining the same goals and KPIs.

In addition, since the Andriani Group is aware that its own impact can never be less than that of its supply chain, in 2023 it committed to acquiring the necessary resources and expertise to start a detailed process for mapping, monitoring, and reducing Scope 3 emissions in its own value chain, starting in 2024. The goal is to measure the emissions from the different categories that the GHG Protocol has identified, putting into practice the necessary improvement actions targeted at their progressive abatement, in accordance with a medium- and long-term strategy that addresses the entire value chain in a synergistic manner towards the "Net-Zero" goal. In this regard, the Company is considering evaluating new tangible and targeted reduction goals according to the scientific approach developed by SBTi.

Also in 2023, Andriani and Apulia Kundi's collaboration facilitated the recovery of around 1,300,000 litres of water used for die washing at the pasta plant, a noteworthy development in the field of circular economy. This resource has been successfully reused for Alga Spirulina cultivation, accounting for 65% of the reuse target set at 2,000,000 litres by 2024.

Finally, in the same year, Andriani extended its long-standing Supporting Member relationship with UNISG and kept up its active promotion of the sustainability culture. This commitment has been carried out through participation in educational initiatives on various topics in collaboration with national and Puglia-based



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### Goals

	2023 Goals: Progress		2024 Goals		SDGs	Primary GCs
2025 Carbon	,	KPIs		KPIs	3003	003
Neutrality Reduction in CO2	Supporting activities  Monitoring the CO2	= 0 kgC02eq/tonne pro-	Supporting activities  Monitoring the CO2 produced	= 0 kgC02eq/tonne pro-		
emissions and streamlining the	produced in the company's scope (Scope 1	duced * (100%)	in the company's scope (Scope 1 and Scope 2)	duced*		
use of resources	and Scope 2)	= 0 kg CO2 eq / k € turn- over* (100%)		= 0 kg CO2 eq / k € turnover*		
		= 0,15 tC02 eq / tonne produced (-18%)		< 0,15 tCO2 eq / tonne produced 4		
		= 51,9 kg CO2 eq / k € turnover (-4,5%)		< 51,9 kg CO2 eq / k € turnover 4		
	Increase in the share of self-production of renew-	Installation of a further 735 kW of photovoltaic (100%)	Increase in the share of self-production of renewable	Achieving a share of energy requirement from self-pro-		
	able energy	Achieving a share of energy requirement from self-pro- duced renewable energy equal to 8.2% (82%)	energy	duced renewable energy equal to 10%		
	Purchase of 100% of elec- tricity from a renewable source (covered by GO)	Maintaining 100% of energy purchased originating from renewable sources (100%)	Purchase of 100% of electricity from a renewable source (covered by GO)	Maintaining 100% of energy purchased originating from renewable sources		
	Monitoring and tracking of energy flows within the company's scope	Extension of monitoring the electrical consumption at the production line and/or process level (0%)	Monitoring and tracking of energy flows within the company's scope	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 (0%		Extension of the thermal energy flow monitoring system to the plants that do not have it	4 quart	
	Atmospheric CO2 absorption through the cultivation of spirulina	2.85 tonnes atmospheric CO2 captured (95%)	Atmospheric CO2 absorption through the cultivation of spirulina	4.5 tonnes of atmospheric CO2 captured	7 AFFORMALI MD CLANESSON	
	Extension of the SMET monitoring system to also trace water con- sumption	Initiation of monitoring of plant water consumption (20%)	Extension of the SMET mon- itoring system to also trace water consumption	Initiation of automatic monitoring of water consumption at the facility	12 ESPONDER CONSUMPLY OF THE CONSUMPLY O	7 8 9
	Installation of a biomass boiler to reduce direct emissions of CO2eq	15% reduction in emissions coming from the combus- tion of fossil natural gas (excluding offsetting) (0%)	Installation of a biomass boiler to reduce direct emissions of CO2eq 3	20% reduction in emissions coming from the combustion of fossil natural gas (excluding offsetting)	15 th	
Offsetting direct residual emissions of CO2 (SCOPE 1)	Offsetting of CO2 emissions from the consumption of natural gas	Maintaining 100% offset- ting of residual emissions (100%)	Offsetting of CO2 emissions from the consumption of natural gas	Maintaining 100% offsetting of residual emissions		
	Offsetting emissions of CO2eq from the use of company-owned vehicles	100% of CO2eq emissions offset (100%)	Offsetting emissions of CO2eq from the use of compa- ny-owned vehicles 2	100% of CO2eq emissions offset		
	Offsetting of involuntary fugitive emissions (F-GAS)	100% of CO2eq emissions offset (100%)	Offsetting of involuntary fugitive emissions (F-GAS) 2	100% of CO2eq emissions offset		
Reduction of CO2 emissions in SCOPE 3	Monitoring emissions in Scope 3	Definition of strategic improvement and reduction plan (100%)	Monitoring emissions in Scope 3	Initiation of categorisation, mapping, and quantification (5 most impacting categories) of Scope 3 emissions		
Setting medium and long-term reduction targets **			Definition of a medium-term reduction target in line with the Science Based Target Initiative (SBTi)	Definition of numeric targets		
			Definition of a long-term Net-Zero reduction target in line with the Science Based Target Initiative (SBTi)	Definition of a long-term Net-Zero reduction target in line with the Science Based Target Initiative (SBTi)		
			l			



1 Our path towards sustainability
2 Our commitment to the common benefit through the impact our business
3 The common benefit for Andriani



Innovation and Circular Economy:	2023 Goals: Progress  Supporting activities	KPIs	2024 Goals  Supporting activities	KPIs	SDGs	Primary GCs
Implementation of circular economy practices	Reuse of water resources through alga spirulina cultivation	1,300,000 litres of water re- used for spirulina cultivation (65%)	Re-use of water resources through the cultivation of spirulina	1,600,000 litres of water re-used for spirulina cul- tivation	4 OMET A CHICATHA	
Contribute to financing scholarships in circular economy and carbon neutrality	Supporting member of UNISG for awarding scholar- ships	1 scholarship awarded as UNISG Supporting Member (100%)	Supporting member of UNISG for awarding scholar- ships	1 scholarship awarded as UNISG Supporting Member	7 dissentation of the control of the	7 8 9

<sup>\*</sup> net Scope 1 OFFSETTING

- 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

 $<sup>\</sup>hbox{**New target/support activity implemented in 2023 not present in the previous Impact Report}$ 



### Value of the people and **Group identity**



Andriani continuously encourages the development of a shared, inclusive, and participatory culture within its organisational fabric. This culture enables everyone to voice thoughts, ideas, suggestions, and critical issues through a variety of channels, including internal surveys, brainstorming sessions, focused training activities, casual get-togethers, an always-open idea box, and narrative interviewing techniques used by human resources in discussions with all staff members in order to identify potential areas for improvement and to engage in active listening at all organisational levels.

Andriani firmly believes that ongoing recognition of an employee's dignity as a human being, rather than merely as an organisational job with a set of tasks to be completed, is a fertile ground for intrinsic motivation, engagement, commitment, and organisational identity. In order to do this, it is necessary to nurture and promote each person's "uniqueness" and "singularity" based on their biographical information, ethnic and geographic background, professional and personal experiences, educational background, views, and ideas. In fact, according to Andriani, true added value arises from the blending of knowledge and experience, which is why widespread and participatory leadership is encouraged across all levels. This approach finds its strength in ongoing collaboration in interdisciplinary and intergenerational teams, with the conviction that genuine added value can be gained from the interaction between less experienced individuals and more senior and knowledgeable profiles.

A comprehensive system of programmes and projects focused at providing holistic care for Andriani People has been in place for years, as part of Andriani's long-standing objective to provide Happiness at Work.

The concept of Caring is the basis for all initiatives that focus on the health and well-being of our workers, since it is natural and innate to all human beings.

In order to encourage a healthy lifestyle for all employees, each year the company implements projects and activities aimed at physical and psychological well-being, such as wellness solutions, with the assistance of a nutritionist and a physical trainer. Mountain biking and hiking activities have been initiated because being among nature, or even just seeing plants, flowers, and animals, actually sets off a number of positive physiological and psychological reactions.

To enhance the well-being of all, thorough medical histories are obtained through visits with the company physician to prevent cardiovascular diseases, and anonymous online psychological help is available around-the-clock.

Andriani has been pursuing a path of enhancing caring roles and combating gender discrimination for years. In 2023, the theme of parenthood was further explored with a focus on "caring" and the roles of both parents and children. In addition, as

part of our efforts to combat gender discrimination, in collaboration with the Fondazione Libellula, we launched the first training programme this year to create ambassadors and witnesses against gender violence. These individuals can serve as formal and informal interpreters of the importance of respect between men and women in both professional and non-professional contexts. The immersive business theatre methodological tool was employed in conjunction with this course to initiate a couple of training sessions on micro aggression in the business context. This is a fundamental activity to address formal and informal behaviours among people, capable of building and enhancing the approach to DIVERSITY, EQUITY & INCLUSION. The goal of this methodological tool is to combine the dynamics of theatrical performance with those of business by applying the typical tools of theatrical art in the training, organisational, communicative and promotional spheres within companies.

The year's DE&I activities concluded with a seminar on personal safety. One of the noteworthy themes covered was the avoidance of gender-based violence through assertive communication, which can help handle conflict situations in a safe manner to help avoid dangerous scenarios.









### Goals

	2023 Goals: Progress		2024 Goals		SDGs	Primary GCs
	Supporting activities	KPIs	Supporting activities	KPIs		
Promotion of psychological well- being	Enhancement and development of emotional skills	750 hours (as estimated in the 2022 Impact Report)	Addiction prevention	specific support paths	2 2250 MAMER	
Promoting Corporate Well-being	Bike to work	29,450 km travelled 4,211.35 litres of fuel saved 2,797.75 kg CO2 not emitted (-27% common figure for the 3 indicators)	Meeting the author	2 in-house meetings with national authors	3 ODDORAZIO AND WILLIAMO  4 OWEFF ERECEINE	
	Wellness	2500 hours (as estimated in the 2022 Impact Report)	Wellness	2500 hours	5 GMER EQUITY	3 4
	Andriani Wellness	160 samples (as estimated in the 2022 Impact Report)	Andriani Wellness	160 samples	8 CODMONIC GROWTH	5 6
Parenting enhancement	Andriani Arts-Academy	35 (as estimated in the 2022 Impact Report)	Specific technical training for the internationalisation	100 hours	10 REBUGED  LECTURE   TO RESULTE   TO REBUGED  TO REBU	
	New similar project	50 hours (as estimated in the 2022 Impact Report)	project		12 GERMSTER GRADETTEN AND PRECEDED IN	
Diversity, Equity, & Inclusion	Fight against gender discrimination	450 hours (as estimated in the 2022 Impact Report)	Fight against gender discrimination	Maintaining Gender Equali- ty Certification	16 PEAGE JUSTICE AND STREAMS INSTITUTIONS	
			4			



#### **ANNEX A**

#### **Overall B Impact score**



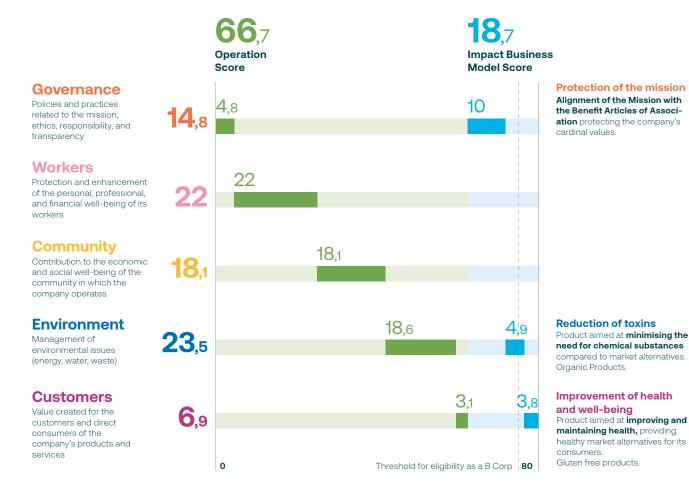


Based on the BIA (B Impact Assessment), Andriani S.p.A. obtained an overall score of 85.4, broken down in the 5 areas as follows:

■ 85.4 Overall B Impact score

80 Minimum threshold for B Corp Certification50.9 Average score of ordinary companies









#### **ANNEX B**

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, as well as the Global Compact Principles are linked, are also reported for each of the 5 impact areas.

### Impact Area → Production chain and sustainable agriculture

BIA Impact Topic	GRI	Disclosure	SDGs	Global Compact
Supply Chain Management	408-1	Activities and suppliers at significant risk of child labour incidents	8 EURITHAN INTERPRETATION   16 PAGE AREA PAGE PAGE PAGE AREA PAGE PAGE PAGE PAGE PAGE PAGE PAGE PA	5
Disclosure Industries	408-1	Activities and suppliers at significant risk of child labour incidents	8 SECTION AND TO SECT	5
Disclosure Practices	408-1	Activities and suppliers at significant risk of child labour incidents	8 SECTION AND SECTION AND SECTION SECT	5
Supply Chain Disclosure	408-1	Activities and suppliers at significant risk of child labour incidents	8 SECTION AND TO THE PROPERTY OF THE PROPERTY	5
Mission & Engagement	408-1	Activities and suppliers at significant risk of child labour incidents	8 SECTION AND THE PROPERTY OF	5
Supply Chain Management	409-1	Activities and suppliers at significant risk of forced or compulsory labour incidents	<b>5</b> mag.	4
Disclosure Industries	409-1	Activities and suppliers at significant risk of forced or compulsory labour incidents	<b>5</b> (1000 € <b>8</b> (1000 1000 1000 1000 1000 1000 1000 10	4

### Impact Area → Health and well-being

BIA Impact Topic	GRI	Disclosure	SDGs	Global Compact
Disclosure Outcomes & Penalties	416-2	Incidents of nonconformity regarding impacts on the health and safety of products and services	16 PRACE, METHOD IN AND STRONG IN STRUMENTS IN THE PRACE AND STRONG IN THE PRA	
Supply Chain Management	417-1	Requirements related to information and labelling of products and services.	12 DEPOSEMENTAL AMPROPRIEM	
Customer Stewardship	417-1	Requirements related to information and labelling of products and services.	12 RESPONSIBLE ON ANY PRODUCTION	
Land & Life	417-1	Requirements related to information and labelling of products and services.	12 REPORTED ANY PROPERTY AND PR	
Disclosure Outcomes & Penalties	417-2	Incidents of non-conformity related to information and labelling of products and services.	16 AUGUSTANIA NUTUTANIA NUTUTANIA	
Disclosure Outcomes & Penalties	417-3	Cases of nonconformities regarding marketing communications.	16 react active and small in the state of th	
Customer Stewardship	418-1	Evidence of customer privacy breaches and loss of customer data.	16 FERSE ANTIDE AND STROKE INTITUTIONS INTITUTIONS	
Disclosure Outcomes & Penalties	418-1	Evidence of customer privacy breaches and loss of customer data.	16 PERGE AND SERVING NOTIFICATION OF THE PERGE AND SERVING NOTIFICATIO	





### Impact Area → Development and enhancement of the area

BIA Impact Topic	GRI	Disclosure	SDGs	Global Compact
Civic Engagement & Giving	201-1	Economic value directly generated and distributed	8 RECEIVED ENGAGE  OF THE PROPERTY OF THE PROP	
Governance Metrics	201-1	Economic value directly generated and distributed	8 RESIDENTIALES	7
Economic Impact	202-2	Proportion of senior managers hired from the local community	8 RECENT WHEN HO	6
Governance Metrics	204-1	Proportion of expenses paid to local suppliers	8 DECENTABLES AND	

### Impact area → Climate change and the circular economy

BIA Impact Topic	GRI	Disclosure	SDGs	Global Compact
Air & Climate	302-1	Energy consumed within the organisation	7 announces  N minimum  N minimum	7, 8
Air & Climate	302-3	Energy intensity	7 distribution  8 state season  12 state season  13 state  13 state  13 state  13 state  14 state  15 state  16 state  17 state  18 stat	7, 8
Disclosure Outcomes & Penalties	303-1	Interaction with water as a shared resource	6 surveyan	7, 8
Water	303-1	Interaction with water as a shared resource	6 ADMINISTRATION 122 CHARMAGE AND ADMINISTRATION CONTROL OF THE PROPERTY OF T	7, 8
Water	303-3	Water extraction	6 consensions	7, 8
Land & Life	304-2	Significant impacts of activities, products and services on biodiversity	6 seasons 14 tillowers 15 tillow	7, 8
Air & Climate	305-1	Direct GHG emissions (Scope 1)	3 silventing 12 streets incorporation 13 street 14 streets incorporation 14 streets 14 streets 15 s	7, 8
Air & Climate	305-2	Indirect GHG emissions from energy consumption (Scope 2)	3 separate 12 concepts   13 state   14 state   14 state   14 state   15 state   15 state   16 state	7, 8
Air & Climate	305-4	Intensity of GHG emissions	13 degree 15 Muse	7, 8
Environmental Management	306-2	Waste by type and disposal method	3 solutions   G surround   B solutions   11 solutions   11 solutions   12 solutions   13 solutions   13 solutions   14 solutions   15 solutio	12 top-order construction 7, 8
Land & Life	306-2	Waste by type and disposal method	3 months G minimum  6 minimum  7 minimum  8 minimum  11 minimum  1	12 titrocati novorcettiii
Health, Wellness, & Safety	306-2	Waste by type and disposal method	3 amendada 	12 (137) (13







### | Impact Area → Value of the people and Group identity

BIA Impact Topic	GRI	Disclosure	SDGs	Global Compact
Disclosure Outcomes & Penalties	205-3	Confirmed incidents of corruption and actions taken	16 me.anix ociums	10
Ethics & Transparency	205-3	Confirmed incidents of corruption and actions taken	16 nex. active sections.	8
Economic Impact	401-1	New hires and turnover	5 court   8 constants on   10 court   10 cou	6
Engagement & Satisfaction (Hourly)	401-1	New hires and turnover	5 (1002) 8 (1000)   10	6
Engagement & Satisfaction (Salaried)	401-1	New hires and turnover	5 total State of the State of t	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	3 MATHEMEN 5 MATHEMEN	
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	3 ACCONCATION  TO CHARACTER STATE TRANSPORT  THE STATE OF	
Engagement & Satisfaction (Hourly)	401-3	Parental leave	5 (100.2 pr ) 8 (100.2 pr ) (100.2 pr ) (100.2 pr )	6
Health, Wellness, & Safety	403-1	Occupational health and safety at work management system	8 RECEIVABLE AND	
Disclosure Outcomes & Penalties	403-10	Occupational illnesses	3 AND RESIDENCE	
Health, Wellness, & Safety	403-2	Identification of the dangers, assessment of risks and investigations of accidents	8 RECEIVED AND	
Health, Wellness, & Safety	403-3	Occupational health services	8 ICCOMPAGNATION	
Health, Wellness, & Safety	403-4	Participation and consultation of the workers and communication regarding health and safety in the workplace	8 times commun.  16 authors  16 authors  tentures  tentures	
Health, Wellness, & Safety	403-5	Workers' training regarding health and safety at work	8 IDENTIFICATION	
Health, Wellness, & Safety	403-6	Promotion of the workers' health	3 AND PROCESSION OF THE PROCESSION OF T	
Disclosure Outcomes & Penalties	403-9	Occupational injuries	3 seriosation  8 seriosation  16 fines. Accept performance of the continuous performance of the	
Health, Wellness, & Safety	403-9	Occupational injuries	3 activities B timestation   16 activities   1	
Career Development (Hourly)	404-1	Average yearly training hours per employee	4 months    5 min   8 months   10 min	6
Diversity, Equity, & Inclusion	405-1	Diversity in governance bodies and among employees	5 mars  B timestance  Comparison  B timestance  The state of the state	6
Disclosure Outcomes & Penalties	406-1	Incidents of discrimination and corrective measures adopted	5 mm   8 mm m m m	6
Engagement & Satisfaction	406-1	Incidents of discrimination and corrective measures adopted	5 mm.	6



### Andriani towards sustainable development



Watch the video





#### Andriani S.p.A. Benefit Corporation

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