



IN OUR NATURE

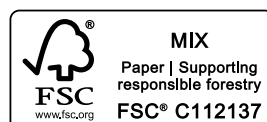
Sustainability Report 2022

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Letter from the President

Dear Reader,

We have left behind a terrible year in which both critical and completely unexpected emergencies arose. It is unclear whether the most pressing problems will be solved in 2023—a year many of us are waiting for with cautious optimism. Still, despite the many difficulties, the world did not stop. One aim in particular—shared by many entities including governmental and non-governmental organizations, law-makers and decision-makers—continued in earnest: namely, protecting the world where we live, its natural and human resources, in an increasingly effective way. This aim is no less pressing than economic and commercial goals. Indeed, it is an essential condition for facing economic emergencies, too.

Certainly that is the case for our own area of activity, as seen in the implementation of new regulations for the production and marketing of organic products, including European Union proposals for mandatory corporate responsibility directives on human rights (Human Rights Due Diligence, March 2021) and environmental protection (European Due Diligence ZeroDeforestation, December 2022).

Absorbing and implementing all of these new policies and regulations requires considerable work, not least because everyone involved should understand and, above all, know how to apply them. It requires an organizational, as well as financial, effort. And it is crucial that such rules facilitate goals instead of turning into barriers and costs for everyone—which would be particularly unbearable for the weakest operators. This is not a certain result. In fact, in the light of environmental, political and cultural differences, rules should be flexible enough to be applied effectively in different contexts.



In 2022, our team for the implementation of corporate global sustainability launched their work. Not only did they deal with the above-mentioned topics, but they also coordinated several additional initiatives, such as the improvement of energy efficiency, supply chain projects in partnership with customers and manufacturers, a better management of waste and packaging aimed at circular economy and many other activities you will read about in this Report.

In December 2022 we signed the UN Global Compact, a high-potential agreement aimed at the harmonizing the various efforts to face the main and most pressing problems successfully. Nevertheless, our main focus in 2022 was the cocoa supply chain.

For a long time, numerous analysts have highlighted the risk that in the coming years cocoa production will not be able to meet expected increases in consumption. In fact, we are seeing

a steady growth trend in the consumption of cocoa-based products, driven partly by the appreciation of cocoa as a nutritionally beneficial food, but also by cocoa's seemingly endless potential uses and the resulting increase in potential consumers. On the other hand, the countries where cocoa is produced are facing several tough challenges, such as the lack of generational legacy, since many current plantations are insufficiently profitable and aging (leading to a decrease in crops), as well as the abandonment of "best agricultural practices".

In my opinion, improving plantation productiveness offers a good and practical starting point to solve all these problems. Currently, the world average production stands at less than 500 kg/ha. Thanks to our long experience, we have learned that by applying proven agricultural practices and, at the same time, respecting the environment – avoiding the use of polluting products – we can achieve even 800 or 1000 kg/ha, or even more.

That is why we are carrying out a pilot project in Uganda, which involves 600 farmers. We hope this initiative can turn out to be a model in terms of methods and results.

The Sustainability Report will offer you a deeper insight about these issues. I wish you happy reading.



Angelo Agostoni
President

Letter from Chief Sustainability Officer

In 2022, ICAM's sustainability team became fully operational. We focused on a crucial commitment: consolidating ICAM's role as a responsible organization, capable of generating shared value.

First, from a methodological point of view, we aimed to identify the impacts of our activities more accurately and therefore be able to measure and manage them more effectively. In practical terms, consistent with our history of more than 75 years, we strove for new opportunities to develop relationships and positive synergies and achieve satisfactory results for everyone-the foundation of any truly resilient and globally sustainable project.

Throughout this path, we systematically took into account the global plan of action that we set up several years ago as the guideline for our corporate strategy: the Sustainable Development Goals.

In the following pages, you can find many different levels of reading:

- After the introduction, the description of our Company, our values, our governance structure and the report on economic performance, we will focus on the four main topics that reflect the cornerstones of our corporate identity: people, supply chain, innovation, environment.



- For each cornerstone, you can follow the development of our analysis of key issues, that is, the most significant topics for our Company and their primary impacts. On page 40 you will find a summary of the preliminary study in which we identified ESG issues and impacts, the stakeholders involved, the level of significance and the relevant UN Sustainable Development Goals. Each key issue has been analyzed, described and – whenever possible – measured. We have provided chapter references leading readers to an in-depth analysis of each topic.
- In addition, the graphic representation of each goal in the margin of the text shows the connection between our activities and SDGs. This way, readers can identify how ICAM faces and strives to achieve goals such as the SDG n.1, “No Poverty”, or the SDG n. 12, “Responsible Consumption and Production”, and so on.
- From a methodological point of view, the Report is prepared in compliance with GRI Standards 2021: in order to facilitate a technical reading and accurate feedback on the KPIs of the chosen standard, we have included the “GRI Content Index” at the end of the document and indicated each GRI number in the margin of the text.
- Projects, initiatives, case histories: you will find within the text many information boxes, descriptions, stories, and links to project videos. We want you to get to know the commitment, passion and efforts of ICAM’s team and its partners, showing you the concrete results that are generated in a climate of collaboration and involvement towards common goals.

Finally, one more remark. There are two main hot topics nowadays that the international community is being called upon to address, urged mainly by the strong initiative –including regulations– of the European Union: human rights and the fight against deforestation, which has been tied to many “sensitive” raw materials, including cocoa, coffee, wood and soy.

In the chapter Supply Chain, we have summarized ICAM’s commitment in this regard: from the risk assessment on the supply chain to the definition of the next steps to be taken to effectively address these important challenges.



Sara Agostoni
Chief Sustainability Officer



Methodological note

This document – **the fifth Sustainability Report** of ICAM S.p.A. (hereinafter also “ICAM” or the “Company”) – is the tool through which the Company presents its sustainability policies and objectives to stakeholders, reporting on results obtained during the year.

The Sustainability Report 2022 (hereinafter also the “Report” or “Document”) refers to the period 1 January - 31 December 2022, and the reporting scope has been extended to include **the entire ICAM Group** (ICAM S.p.A., AGOSTONI CHOCOLATE NORTH AMERICA Inc., ICAM CHOCOLATE UK Ltd. And ICAM CHOCOLATE UGANDA Ltd.) in accordance with the consolidated financial statements of the Group¹.

The Sustainability Report 2022 was **prepared in compliance with the Global Reporting Initiative Standards 2021** (hereinafter GRI Standard, documents published by the GRI - Global Reporting Initiative). All content referring to the GRI Standard is indicated in the GRI Content Index at the end of the document.

In coordinating the drafting of this ICAM document, I involved the Company’s organizational structure by requesting data and information on the results achieved during the year from the various departments concerned. The information contained in this document was collected through specific forms and interviews with department representatives, in line with best practices in the field of non-financial reporting.

To allow for comparison, the data relating to 2020 and 2021 have been included where possible. Any changes made to the comparative data previously published, aim to provide a better representation of the information and are duly reported in an explanatory note. Furthermore, to ensure the reliability of the data in the document, the use of estimates is limited; where present, these estimates are appropriately indicated as such.

Finally, before preparing its Sustainability Report 2022, ICAM **identified stakeholders and key issues**, involving its management, its external stakeholders and industry experts, in order to update **the Key Issues analysis**.

For information and clarification on the contents of the Sustainability Report 2022, feel free to write to the following address: sustainability@icamcioccolato.it

Sara Agostoni
Chief Sustainability Officer

¹ Social and environmental information concerning AGOSTONI CHOCOLATE NORTH AMERICA Inc. and ICAM CHOCOLATE UK Ltd. is not included in the report, as it does not have a material impact for the Group.

Highlights 2022

Awards and participations



Signature of
UN Global Compact



Sustainability Award 2022 ICAM
in top 50 and top 100 for Sustainability



8
testimonies in
conferences and congresses



Food Awards 2022, Best Product (category
Sweet Bakery & Confectionery) for the
range of Vanini Uganda Bio bars



QUALITY AWARD 2022
for our Blue Rose praline



DS-DolciSalati&Consumi Awards prize
for Best Packaging and Best Product
Innovation for Vanini Uganda Bio bars

Commitment to people



48 | **+18**
hirings in
Italy | new
employees



48 | **+36**
hirings in
Uganda | new
employees



100%
employees whose performance
was assessed in Italy



27,135
hours of training



550
days of remote work for
70 eligible employees



45
employees who have received
a financial contribution for
voluntary activities



111
employees who have received
a financial contribution to support
school costs for their children



€ 864,158
value of food donations

Responsibility throughout the supply chain



80%
of cocoa beans
are certified



97%
cocoa purchased with
official signing of the
ICAM Code of Ethics



100%
of suppliers of other raw
materials have signed the ICAM
Code of Ethics



6,428
farmers trained in agronomic
practices in Uganda



€ 2,570,936
total Fairtrade premium
cocoa and sugar

Commitment to innovation



1
new Dairy-Free
certification



422
recipes developed



0.62
complaints per one million
consumer units sold



23,079
compliance analyses

Responsibility towards the environment



88% | **12%**
electricity from
self-production | electricity purchased entirely
from renewable sources



-5.4%
energy
consumption



-7.2% | **0**
of emissions into the
atmosphere (Scope 1) | emissions into the
atmosphere (Scope 2)



-8.4%
on energy intensity index
(energy consumption
/produced tons)



-4.4%
water
consumption



76%
low-weight primary
packaging for bars = 141 tons
of paper saved in 3 years



95%
recyclable materials
used for the packaging
of chocolate bars



98%
organic material waste
destined for recovery





Corporate identity

1. Company profile

ICAM S.p.A., an acronym of “Industria Cioccolato e Affini, Morbegno” – translated as “Chocolate and Related Industries, Morbegno” –, is a **Company specialised in the production and marketing of chocolate (organic, conventional, and with sustainability and socio-environmental certifications) and semi-finished cocoa products**, and has been a leading representative of Italian excellence in the art of chocolate-making for over 75 years.

Since its foundation in 1946, the Company has followed a distinctive approach to production, in line with the philosophy that has always guided the family business: producing high-quality, sustainable chocolate.

The **Agostoni and Vanini families** have passed down their passion for chocolate from generation to generation, acting as interpreters of an authentic **chocolate culture** and “**Made in Italy**” **quality**. Passion, creativity and attention to market trends guide the development of our products, which enjoy success among consumers and professionals all over the world.

Our corporate identity, affirmed in the 2021 “manifesto,” is based on four cornerstones - Supply Chain, People, Environment, Innovation - which also drove the preparation of this Report.

The Company operates from **two factories** in Italy: the first, located in **Orsenigo (CO)** is its production heart, whereas the second, the registered office of ICAM in **Lecco**, is a logistics hub and hosts ICAM Store, the company retail site.

ICAM Group is also present abroad with **two commercial offices in the US and in the UK**, a **Representative Office in Peru**, **three fermentation centers in Uganda** and a Company dedicated to the development of plantations in Madagascar.





ICAM, a family history

For three generations, the Agostoni family has cultivated its passion for chocolate and has led ICAM to be the Italian company of reference for the processing of sustainable and high-quality cocoa.

- 1942** | Silvio Agostoni takes over a laboratory in Morbegno, in Valtellina.
- 1946** | Silvio Agostoni moves to Lecco, where he founds the ICAM S.p.A. Company.
- 1940s** | A system for extracting sugar from dried beetroot is developed.
The first machines for cocoa processing are purchased.
- 1950s** | The production of “Dolcao” cream begins.
The collaboration with Vitali company begins for the creation of an innovative horizontal press for the extraction of cocoa butter.
- 1953** | A new factory in Via Pescatori (Lecco) is built.
- 1960s** | The company becomes an S.p.A.
- 1970s** | With the premature death of Silvio Agostoni, the company was handed over to his wife Carolina, assisted by her two brothers Giancarlo and Urbano Vanini.
- 1970s** | Angelo Agostoni, son of the founder Silvio, begins to make several trips to cocoa cultivation areas, to get to know the varieties of cocoa directly and to learn about cultivation problems.
- 1980s** | Entry of the second generation of the Agostoni family.
Significant investments to expand production capacity and introduce new plants to improve the production process and product quality.
- 1997** | The Company launches the first organic chocolate products on the market.
- 2004** | The “ICAM Linea Professional” brand line is launched.
- 2010** | Entry of the third generation of the Agostoni and Vanini families.
The new Orsenigo production center in the province of Como is inaugurated.
ICAM Chocolate Uganda Ltd is founded in Uganda, and the first fermentation center in Bundibuyo is inaugurated.
- 2011** | The second Ugandan fermentation center in Mukono becomes operational.
- 2013** | The third Ugandan fermentation center in Hoima becomes operational.
- 2014** | The Vanini premium brand is launched.
- 2016** | A new line of products dedicated to professionals is presented: Agostoni.
- 2017** | Industrial upgrade completed with the installation of a 4.0 modeler and final transfer of production to Orsenigo.
- 2019** | ChocoCube, ICAM’s high level professional training center dedicated to pastry chefs, chocolatiers and ice cream makers is opened.
The first ICAM Sustainability Report 2018 is published.
- 2020** | Initiative to calculate and monitor the carbon footprint of ICAM’s activities is launched.
- 2021** | ICAM redefines its corporate identity, identifying the 4 cornerstones on which its strategy is based: Supply Chain, People, Environment, Innovation. Its Corporate branding is redesigned.
- 2022** | The role of Chief Sustainability Officer is established.
The Sustainability Team is constituted.
Undersigning of UN Sustainable Development Goals.

Our manifest

For over 75 years and for three generations chocolate has been our passion.

We have always taken special care of the cocoa supply chain, the people who contribute to its development, the planet where we operate and the technological innovation that serves the entire manufacturing process.

Indeed, these central concerns - Supply Chain, People, Environment, Innovation - are the corner stones of our corporate mission.

Cocoa is a precious gift of nature and has been at the heart of our lives for three generations. We dedicate ourselves to the fascinating and complex process of transforming cocoa into superb chocolate, respecting the raw material and enhancing its essence and organoleptic profiles to the utmost, in order to offer our customers an impeccable product from every point of view.

We work with integrity and in compliance with all laws in the markets where we operate, always with the specific objective of facilitating an exchange of skills and mutual enrichment with our associates, as well as consolidating relationships of trust that generate value. The starting point is the Code of Ethics, which we share with our partners and firmly undertake to respect.

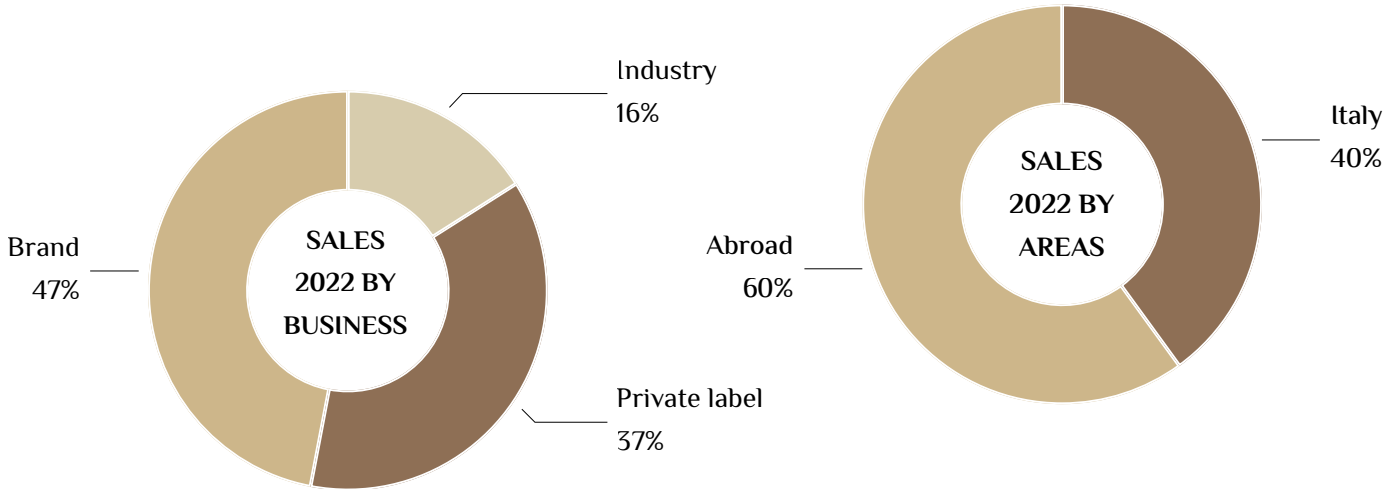
Our chocolate is produced responsibly, protecting natural resources for the benefit of the whole community and future generations. We take care of each plantation and of the well-being of the earth where it grows, paying special attention to biodiversity.

We put technology and research at the service of the quality of our chocolate. Every new machinery we introduce at the Orsenigo plant is a tangible sign of a continuous process of innovation.

We are committed to producing chocolate by cultivating our ethical, environmental and economic responsibility, offering beneficial results to the communities of the regions where we operate.

Chocolate by Nature - Because chocolate has always been in our nature.

Thanks to our **ability to control the entire production chain, from the plantation to the finished product**, the Company can develop a **highly diversified range of products** that meet the needs of the market and its commercial partners. ICAM sells its products on both the **Italian and foreign market** (France, Germany, United Kingdom, Poland, United States of America).



ICAM's business is divided into three main segments, aimed at primary targets: consumers who love chocolate and look for a high-quality, sustainable product; professionals who use it and make it their own; people who intend to use chocolate for their own private-label brands.

- **OUR BRANDED PRODUCTS**

- **FOR RETAIL MARKET: Vanini Brand:** Vanini's premium chocolate line is made with high-quality cocoa from **highly select plantations**, whereby the Company **maximizes its commitment to people and the environment via an integrated and sustainable supply chain**. In particular, the brand uses **Amazonian "Bagua" cocoa** from the border area between Ecuador and Peru in South America (sourced from farmers' cooperatives with whom the Company has established long-standing partnerships) and **Ugandan organic cocoa** from the Bundibugyo district, which is processed directly by ICAM Chocolate Uganda Ltd. Vanini's range of high-quality products includes chocolate bars, pralines, gianduiotti and chocolate eggs, always offered in innovative recipes.

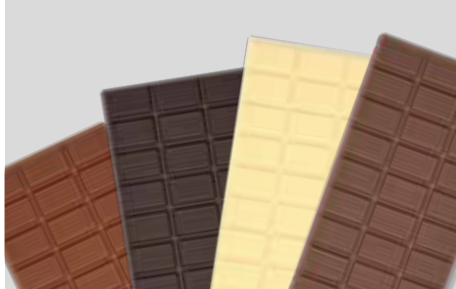
- **FOR RETAIL MARKET: ICAM brand products:** bars, pralines, cocoa, sweets, chocolate eggs and mini eggs made using Italian ingredients and characterized by high-quality organoleptic properties. The CiocoPasticceria retail range, for home baking chocolate creations, completes this product portfolio.

- **FOR PROFESSIONAL MARKET: Agostoni and ICAM Professional brands:** a wide range of blend, single origin and grand cru **chocolate couvertures**, **cocoa powders**, **creams** and specific raw materials for **professional processing**, which guarantee **excellent technical performance and unique taste profiles**. They are sold to small-, medium- and large-business pastry, ice cream, chocolate and restaurant professionals in small, medium and large-businesses.

- **PRODUCTS FOR INDUSTRIAL PURPOSES:** this offering includes chocolate, cocoa powder and semi-finished cocoa products through the entire range: conventional, organic, sustaina-

bility certified and single origin. This offering is further expanded through the development of **customized recipes**, specifically designed to ensure a complete and **comprehensive response** to every **individual production requirement**.

- **PRIVATE LABEL PROGRAMS:** ICAM produces chocolate **bars** in numerous formats and weights, as well as **pralines** and semi-finished **cocoa** products for the main retail chains and for other confectionery customers, both in Italy and abroad. The products are made with conventional, organic or sustainability certified raw materials. They are characterized by **complete customization** that satisfies the most sophisticated customer tastes, ranging from the **development of new recipes** to the **search for new ingredients** and the detailed study of **packaging**. This program emphasizes a tailor-made approach and a high level of **flexibility and service**.



ICAM BRANDS



PRODUCT CERTIFICATIONS



ICAM CHOCOLATE UGANDA PROJECT: THE EVOLUTION OF QUALITY

Land ownership in Uganda is particularly fragmented. Traditionally, farmers have small plots at their disposal and, after collecting the cocoa pods and separating the beans, they ferment and dry the seeds right in their own homes. These working conditions expose farmers to a high risk of harvest loss: thefts and adverse weather conditions during processing can damage large quantities – up to 30% – of the harvested cocoa. These conditions pose a significant burden on family life and also negatively affect the quality of the product, considerably reducing the sales price and, consequently, the family's income.

In 2010, ICAM decided to found its own company-ICAM Chocolate Uganda Ltd- with the purpose of exporting knowledge and experience to this African cocoa center and realizing an important development project in the region.

Not only did ICAM purchase cocoa, but it also committed to building processing facilities for the use of local farmers, thereby greatly improving their living conditions.

The project aimed at two different goals:

- the training of farmers in modern agronomic techniques and the sharing of the experience and best practices developed over 30 years of collaboration with campesinos in Central America;
- the creation of an organized fresh cocoa harvesting and processing center where, thanks to its direct supervision, the Company was able to enhance the intrinsic quality of this high-ground cocoa.

ICAM thus built its first cocoa processing center in Bundibugyo, with 5 fermentation areas and 10 drying areas and offices. Since then, the activities of the Ugandan subsidiary have expanded, with the construction in 2011 and 2013 of two new centers in Hoima and Mukono. The fermentation and drying phases take place in these three centers. The fresh cocoa is processed according to ICAM's procedures and know-how, and a meticulous quality control supervises the packaging for shipment to the Orsenigo site.

With the establishment of ICAM Chocolate Uganda, the Group has consolidated its approach in Africa, collaborating directly with local communities and growers. Local cultivation and processing guarantee its unique organoleptic properties. Not only has the quality of Ugandan cocoa noticeably improved, but it has become particularly valued as a high-ground cocoa, appreciated on the market. As a result, the presence of ICAM in the Bundibugyo area proves to be fundamental for the development of both transversal professional skills and specific technical skills related to cocoa fermentation.

The project was the driving force behind the socio-economic development of the area and the local community, overcoming historical and environmental difficulties and offering positive evidence of ICAM's strategy for supply chain sustainability.

As proof of the excellent level of quality achieved, ICAM launched a single-origin Uganda chocolate couverture reference under the Agostoni brand in 2014, which was subsequently subjected to a certification process. In 2017, the supplier farmers of the Bundibugyo center – helped by ICAM's mediation with the certification bodies and coverage of the costs associated with inspections – obtained organic certification. In 2018, this cocoa was brought to the Vanini Premium Brand.

In 2022, ICAM submitted the Mukono and Hoima centers to the Rainforest Alliance certification process, whose approval is expected in 2023. At the end of 2022, an important project-“Sustainable farming for a climate resilient livelihood of cocoa farmers in Uganda- was launched to ensure the future continuity of ICAM's supply. For more details, please refer to the paragraph “Partnerships for sustainability goals”.



The socio-economic development of this area. Find more about the foundation of ICAM Chocolate Uganda

2. Corporate values

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

Recognizing its role and responsibilities within the economic and social community in regions where it operates, the Company **formally undertakes to guarantee compliance with the following ethical principles:**

INTEGRITY

In all its activities and in every context, ICAM is inspired by values of moral integrity, fairness and honesty. The Group’s essential principle lies in compliance **with the laws and regulations in force** in all the countries where the companies operate.

CENTRALITY OF THE PERSON

The value of the person is a fundamental element that guides ICAM’s work; the Group undertakes to respect this value in relations with all individuals with whom it interacts in any capacity. In carrying out its business, the Group supports and respects **human rights** and promotes their protection within its sphere of influence.

QUALITY

The fundamental value in ICAM’s corporate culture is an earnest and unceasing commitment to bringing guaranteed quality to every business activity, every product and every relationship. The Group aims to create unique products that respond to the most demanding customer requests. To this end, we devote our expertise and resources to **Research and Development** activities that generate process/product innovation and guarantee a consolidated food-safety control system and “**Made in Italy**” excellence.

INVOLVEMENT

ICAM considers **trust** to be a fundamental component of any relationship: from sharing business objectives with employees and partners, to involving cocoa producers in the evolutionary processes that lead to establishing a valued supply chain, a direct and sincere engagement defines the Group’s approach in all its relations with stakeholders.



ICAM promotes participatory and **mutually enriching** dialogue, aiming to create **collaborative relationships** that are based on principles of **loyalty, a sense of responsibility, fairness and good faith** and generate value for all those involved.

ICAM considers **listening and dialogue** to be crucial tools for continuous improvement, helping to identify innovative solutions for customers as well as enhancing the professionalism and skills of its collaborators.

SUSTAINABLE SUCCESS

ICAM sets its growth strategy with a view to sustainable success: creating long-term value not only for the benefit of shareholders, but also taking into account the legitimate interests of other stakeholders relevant to the Group, whether they are close, such as our own employees, or distant, such as the local communities of the countries the Group's raw materials come from.

ICAM **respects the environment and protects** natural resources for the benefit of the community and future generations, operating in compliance with existing regulations and adopting the most suitable measures to prevent risks and reduce direct and indirect environmental impacts.

In April 2010, the Shareholders' Meeting approved ICAM's Code of Ethics, which was updated in December 2020 in order to clearly identify values that the Company acknowledges, accepts, shares and considers fundamental. Prepared according to the main regulations, guidelines and best practices existing at the national and international level on the subject of human rights, corporate social responsibility and corporate governance, the Code of Ethics is the key tool the Company uses to implement its approach to conducting business and to guaranteeing the transparent and correct management of human and commercial relations.

3. Mission

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

The Group intends to pursue its mission by **enhancing the professionalism and passion of all the people** who contribute every day to making ICAM a unique enterprise in its sector: shareholders, employees, collaborators, suppliers and customers.



4. Strategy

ICAM pursues excellence and sustainability in the production of high-quality chocolate, especially in the organic and fair-trade products sector. From this perspective, the Company considers supervision of the entire production chain to be strategic, from plantations to the finished product (**vertical integration**), limiting the involvement of intermediaries. This approach allows for greater control over socio-environmental risks and allows for **selection of the best raw materials** while reducing dependence on the market, which is increasingly conditioned by the presence of speculative operators who negatively influence pricing trends and production techniques.

Another winning strategic factor is the Company's **internationalization process**.

5. Economic performance

ICAM's ability to be sustainable in the long term is intrinsically linked to careful and responsible economic and financial management. The constant search for the best economic performance, so as to influence the market's trust in the Company, is therefore an objective that is shared by ICAM and all its stakeholders.

Nevertheless, throughout 2022 ICAM S.p.A. was able – in a period of deep uncertainty – to increase its turnover and to promptly react with adequate measures, revising its sales lists in order to cope with the unfavorable economic scenario that followed the outbreak of the Russian-Ukrainian war, which resulted in strong fluctuations in the purchase prices of raw materials and energy.

The Company also curbed structural costs so as to maintain adequate levels of profitability.

In the Industry and Food Service sector, there was an important increase in the domestic and foreign markets alike, thanks to the steady growth of the Agostoni and Icam Professional brands and particularly the families of organic solid couvertures in the foreign market. In the domestic market, the consolidation of existing customers is leading to a rising demand for conventional couvertures.

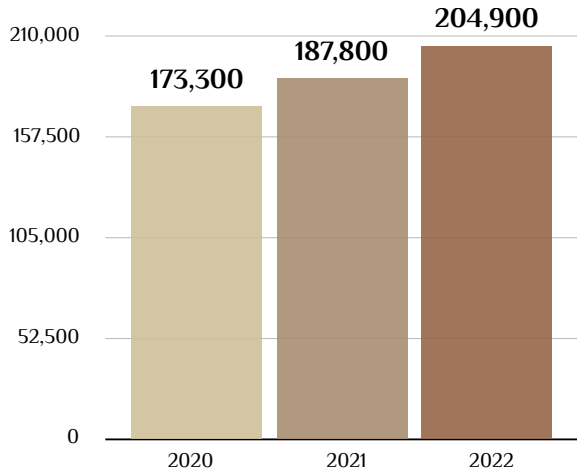
In the private label sector and, more generally, in the retail sector, the growth in sales is mainly attributable to the development of the foreign market, which tends to respond better to price increases and increased sales, particularly to important premium customers. The increase in anniversary products also played an important role in the good performance of retail products.

The Company continuously carries out marketing and communication activities to support the development of the Brand and, in particular, marketing and advertising activities that support Vanini bars and pralines and Agostoni professional products.

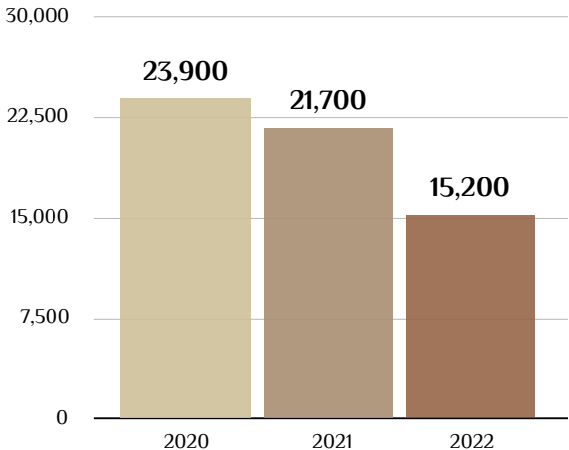


The growth and acquisition of new customers took place particularly in the premium, higher value-added sectors, enhancing our growing commitment to operate as a sustainable chocolate Company.

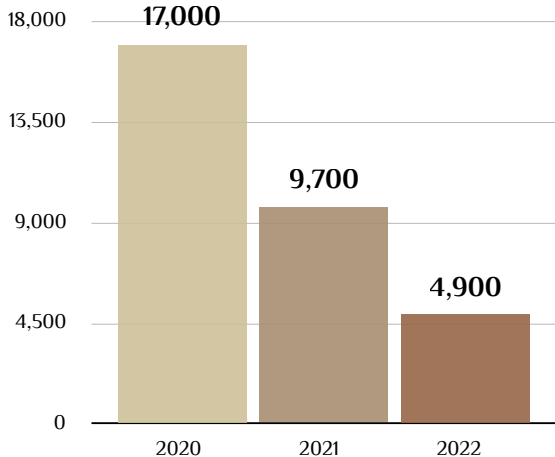
REVENUES (€x1,000)



EBITDA (€x1,000)



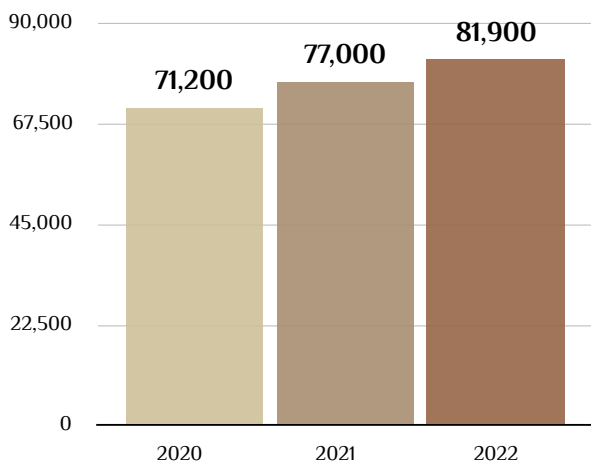
NET PROFIT (€x1,000)



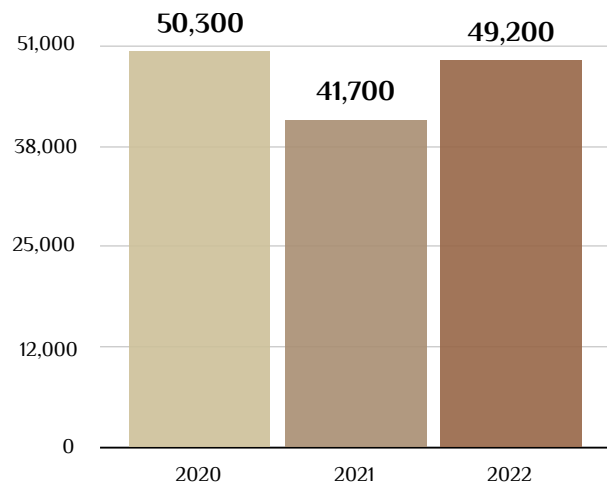
However, thanks to the results achieved in the 2022 fiscal year, the Company was able to pursue its development and growth plan, both in its core business management and investment strategies. In this market context, ICAM S.p.A. was able to:

- pursue its growth targets: its gross revenues, equal to € 204.9 million, increased by about € 17 million compared to the previous year;
- generate a sufficient EBITDA so as to ensure the sustainability of the debt and the continuity of the Company's business;
- make an adequate profit, recording a net profit of € 4.9 million despite an increased burden in terms of the costs of raw materials and energy sources;
- further increase its shareholders' equity by € 4.9 million, to a total value of € 81.9 million;
- contain payables due to banks – expressed in terms of Net Financial Position – to an amount of € 49.2 million, strictly tied to guaranteeing the necessary stocks in a period characterized by uncertainty in the supply markets.

SHAREHOLDERS' EQUITY (€x1,000)



NET FINANCIAL POSITION (€x1,000)



In the continuing global macroeconomic environment-still grappling with the complicated economic impacts of the Russian-Ukrainian war as well as a other global supply difficulties-the main economic and balance sheet indicators for the financial year 2023 are expected to grow, though the abovementioned issues will likely continue to be factors in the economic scene.

As far as trends on the raw-materials purchasing market is concerned, it is worth emphasizing that an increase in the raw materials for cocoa is expected.

The Company will continue to pursue further financial, industrial, professional and commercial contributions aimed at the development plans envisaged and at the consolidation of its brands. The goal to be pursued is a positive after-tax result according to the terms outlined in the 2022/2025 business plan, aligned with pre-Covid performance and enabling the generation of an adequate cash flow for debt sustainability and the realization of the necessary investments to support growth.

6. Added value generated and distributed



The chart below shows the generation and distribution of direct economic value, and represents the overall wealth created by ICAM. This generated wealth then reallocated among the various stakeholders, i.e. suppliers, employees (wages/salaries and benefits), financial backers, shareholders, public administration and the community. The difference between the value generated and distributed represents the net amount of produced wealth that is left for ICAM to replenish production factors (depreciation and amortization) and maintain an adequate equity level (funds and reserves), which is fundamental to guaranteeing the Company's future sustainability.

The chart has been prepared by reclassifying the income statement as required by the GRI Standards.

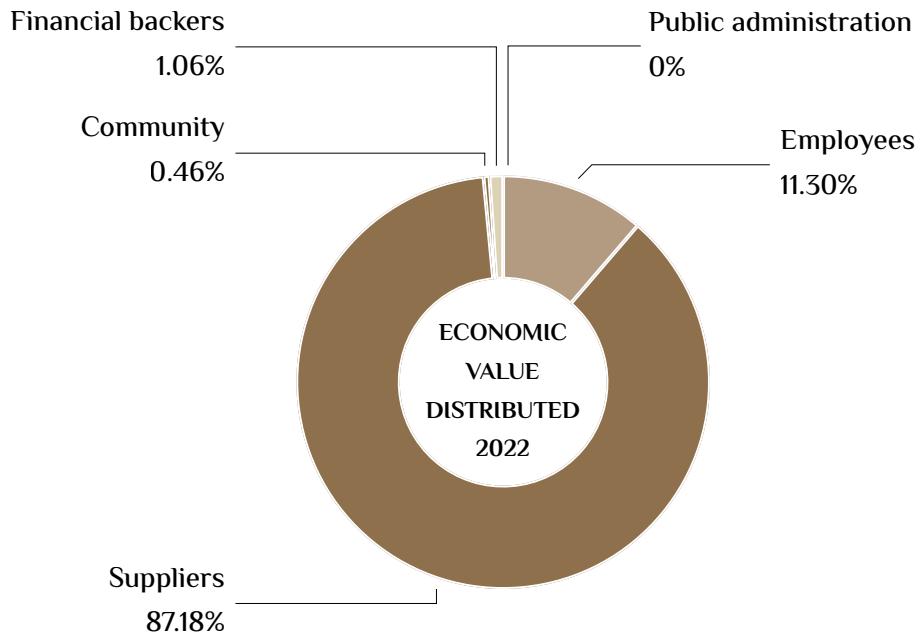
ECONOMIC VALUE GENERATED AND DISTRIBUTED	2020	2021	2022
Direct economic value generated	173,721,851 €	188,283,463 €	205,459,754 €
Net proceeds	173,263,470 €	187,793,802 €	204,944,609 €
Proceeds from financial investments	48,965 €	50,845 €	51,207 €
Proceeds from sale of tangible and intangible assets	20,608 €	77,316 €	8,706 €
Proceeds from transfer of Energy Efficiency (TEE) securities	388,808 €	361,500 €	455,232 €
ECONOMIC VALUE DISTRIBUTED	154,411,819 €	173,466,348 €	193,135,187 €
SUPPLIERS	129,510,189 €	145,158,988 €	168,923,730 €
EMPLOYEES	19,858,665 €	21,256,793 €	21,896,131 €
<i>Wages and salaries</i>	<i>19,299,603 €</i>	<i>20,652,310 €</i>	<i>21,226,542 €</i>
<i>Benefits</i>	<i>559,062 €</i>	<i>604,483 €</i>	<i>669,589 €</i>
FINANCIAL BACKERS	2,348,428 €	2,017,120 €	2,063,410 €
SHAREHOLDERS	4,480,188 € ¹	1,986,063 € ²	-
PUBLIC ADMINISTRATION ³	-2,370,905 € ⁴	2,435,310 €	-638,068 €
COMMUNITY	585,255 €	612,075 €	889,984 €
WITHHELD ECONOMIC VALUE	19,310,032 €	14,817,114 €	12,324,567 €
Provisions	298,347 €	78,214 €	173,879 €
Depreciations and amortizations	6,302,789 €	7,169,770 €	7,220,903 €
Reserves	12,708,896 €	7,569,130 €	4,929,785 €

1. The figure has been reversed from Reserves and included in SHAREHOLDERS following the distribution of profits (July 2021)

2. The figure has been reversed from Reserves and included in SHAREHOLDERS following the distribution of profits (in 2022)

3. Includes deferred tax assets and liabilities

4. The value is determined by accounting for the tax benefit resulting from the application of the optional "Patent Box" taxation scheme



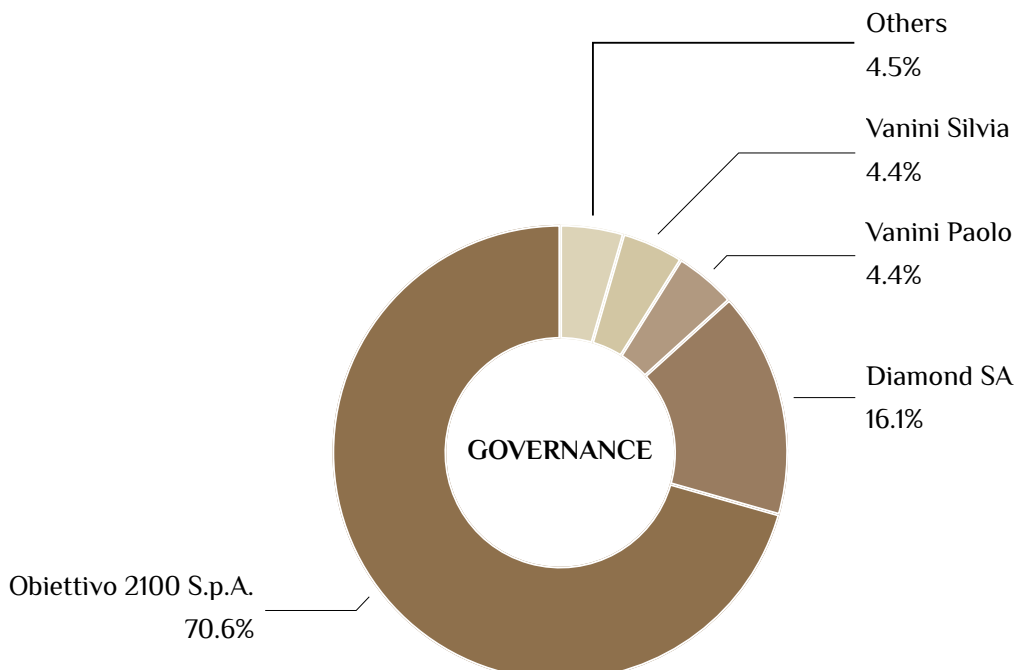
7. Governance and organization

ICAM's roots are still firmly established and visible within the company's shareholding structure. In fact, 70.6% of the capital is held by the company Obiettivo 2100 S.p.A., whose shareholders are: Angelo Agostoni, Plinio Agostoni, Antonio Agostoni, Alberto Agostoni, Marisa Agostoni, Marco Vanini, Daniela Bancheri.

The Family, including new generations, has a significant presence in the Company's management. This ensures a connection between the Family's tradition and an innovative management that looks at new market challenges with interest and curiosity.

70.6% of ICAM S.p.A. is controlled

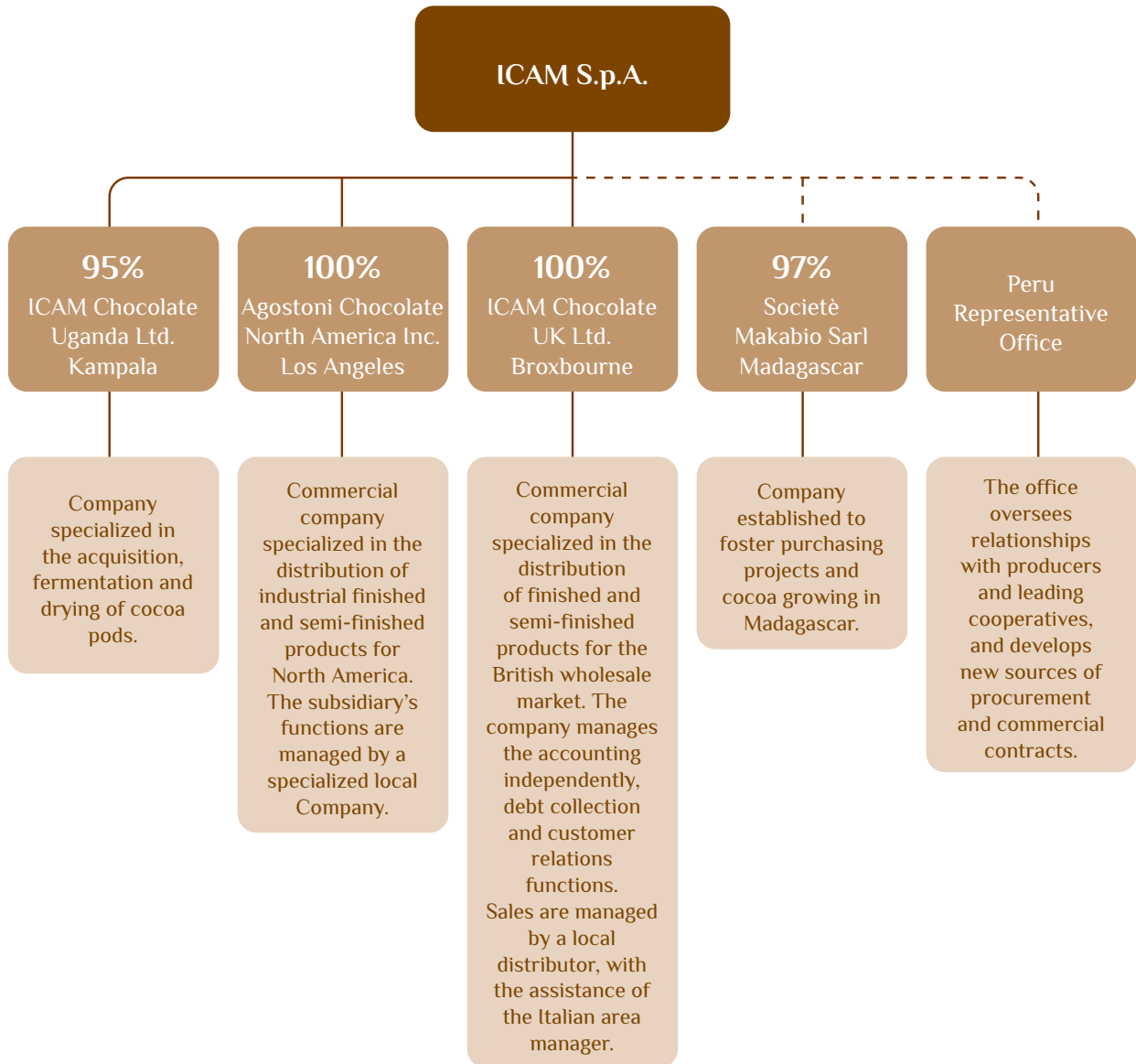
by Objective 2100 S.p.A



ICAM's growth led to the foundation of a corporate group capable of responding adequately to the organizational requirements necessary to compete in the various world markets.

A subsidiary company and a representative office were established in strategic continents for the cocoa supply chain (in Africa and in Latin America, respectively), along with two subsidiary companies for marketing abroad (in the United States and in the United Kingdom).

Therefore, ICAM Group currently comprises the following legal entities:



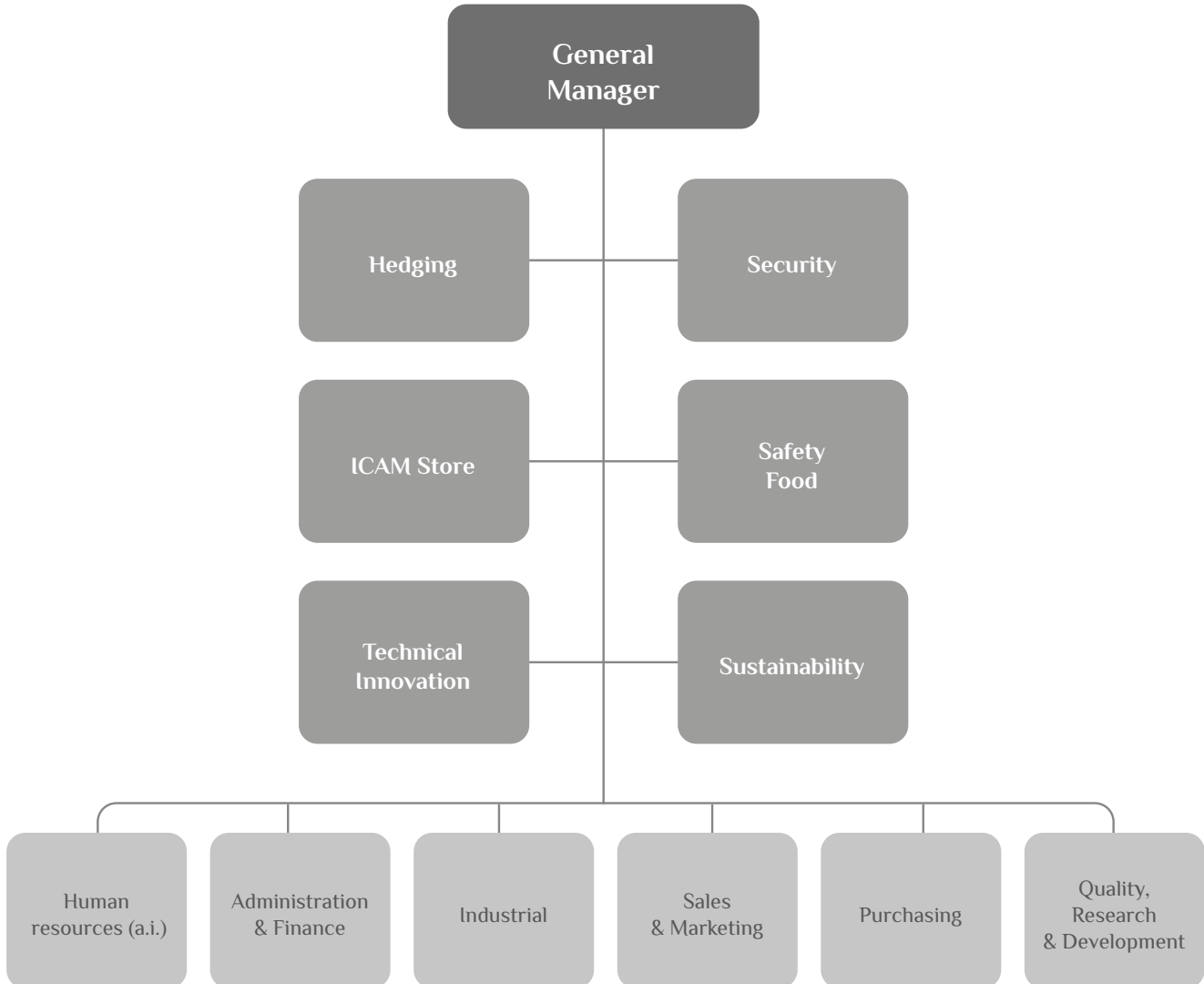
With reference to the governance system, ICAM adopts a traditional (ordinary) system involving a Board of Directors with executive functions and a Board of Statutory Auditors with control functions, both appointed by the shareholders.

As regards the composition of the Board of Directors, the Company drew inspiration from the model proposed by Borsa Italiana Code of Corporate Governance, providing instituting two independent directors:

- Agostoni Angelo – President
- Agostoni Plinio – Deputy President

- Perrone Andrea Paolo – Independent director
- Fumagalli Paolo – Independent director
- Ottonello Bruno – Chief Executive Officer

ICAM S.p.A. has set up a functional organizational structure divided into 6 functions and 6 staff functions reporting to the General Manager.



General Management ensures the execution of the corporate strategies defined by the Board of Directors, the achievement of general corporate objectives and the management of all operational aspects of the Company. The General Manager is also assigned (ad interim) responsibility for the **Human Resources Department**, which carries out personnel administration and development activities. The General Manager is also a member of the Remuneration Committee, together with the two independent Directors.

The General Manager also coordinates **Staff functions**; in particular, he is responsible for **hedging activities**, aimed at protecting against price fluctuations (cocoa, energy, currencies, etc.), retail activities (**ICAM Store**) and **Technical Innovation**.

Finally, through executive committees, he is responsible for the coordination of the **Security, Food Safety and Sustainability team**, composed of interdisciplinary working groups in charge of meeting the Company's ambitious goals, monitoring the progress of projects and defining common guidelines.

The **Sales and Marketing Department** is responsible for achieving corporate sales objectives in Italy and abroad and for promoting the competitive positioning of ICAM’s products and the brand itself in Italy and around the world, implementing the strategic mandate of the Board of Directors.

The **Purchasing Department** is responsible for achieving the Company’s purchasing objectives in terms of ingredients, cocoa, packaging and services.

The manager of the **Industrial Management Department** secures the correct functioning of the production process for ICAM products and systems, ensuring the execution of production plans and delivery to customers.

The **Quality, Research and Development Department** is responsible for ensuring the quality of ICAM’s products and defining new recipes, methodologies and production technologies.

The **Administration and Finance Department** is responsible for the coordination, organization and optimization of corporate administration and financial management and for managing and developing the corporate information system.

ICAM Chocolate Uganda Ltd.’s governance

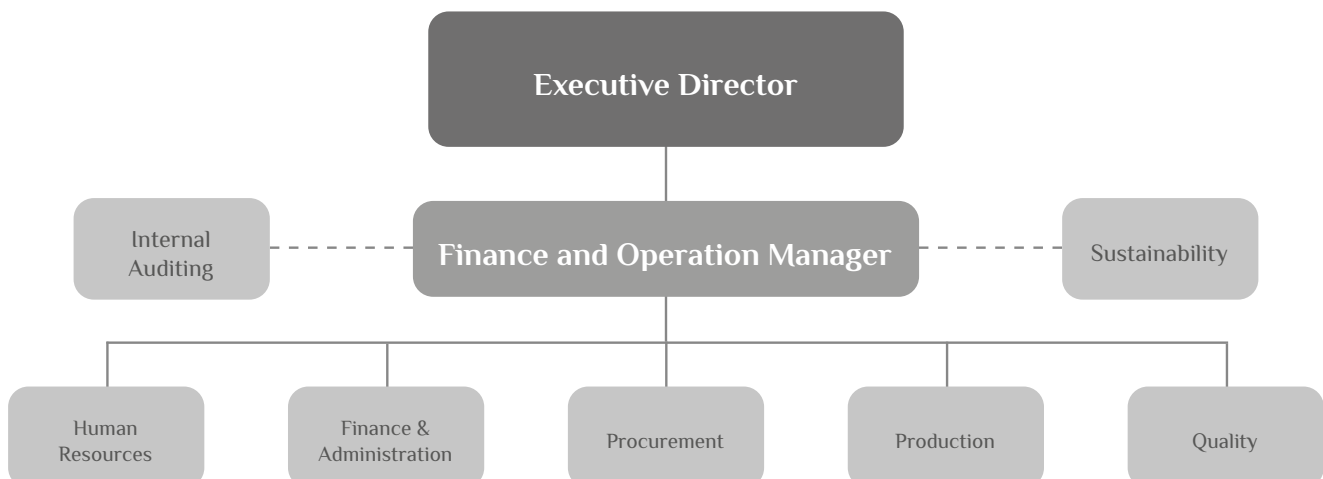
ICAM Chocolate Ugand Ltd.’s system of governance responds to a Board of Directors, whose members are:

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

The **Sustainability department** – established in 2022 with the inclusion of a specialized figure – is headed by the Finance and Operations Manager.

In 2021, a **Human Resource Manager** was included. This figure proved to be essential for outlining the processes and dynamics of the Ugandan team’s growth.

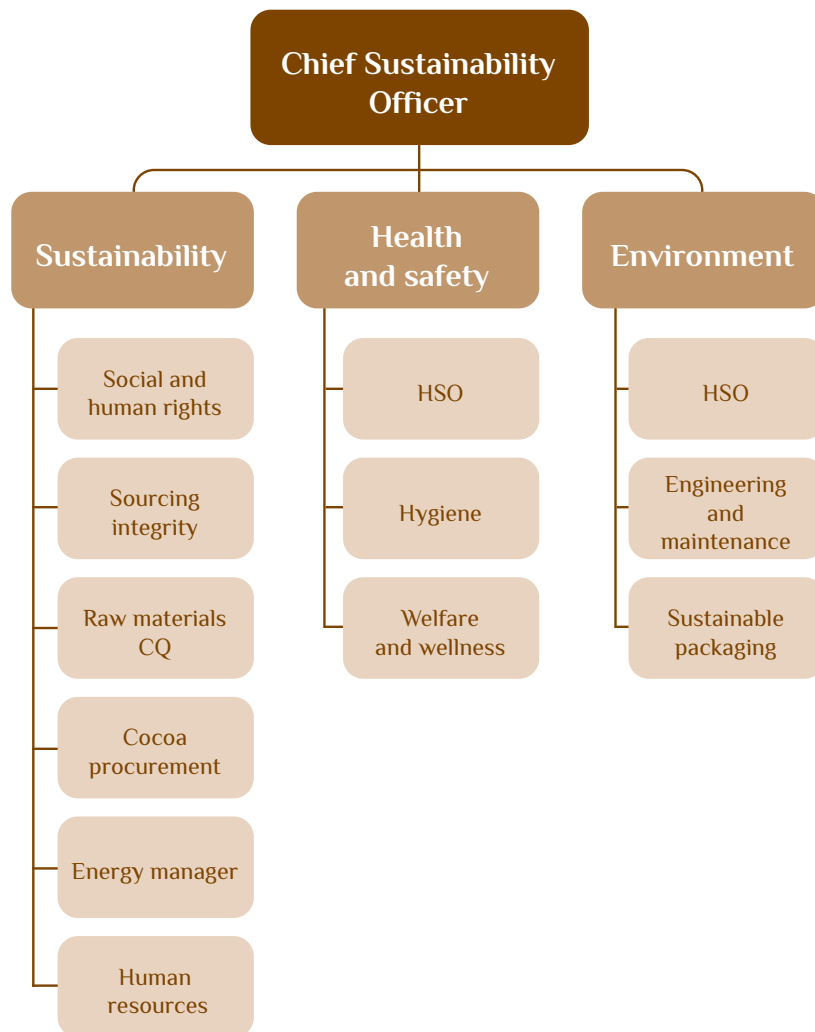
The **Procurement department** is responsible for the purchasing of cocoa from farmers and related inspection activities in the field. The **Quality department** is responsible for QC activities and agronomic support to the farmers. The **Production department** is responsible for activities in the 3 locations and reports to the Branch Managers.



8. Sustainability governance

Effective management and careful monitoring of sustainability issues are crucial for ICAM. Management of these issues is aimed at creating value over time for ICAM’s shareholders and stakeholders and is characterized by high-participation cross-functional activities. In 2021, the Group decided to establish the specific role of Chief Sustainability Officer, which became operational in January 2022.

Sara Agostoni, a member of the family, was appointed as Chief Sustainability Officer and is responsible for the coordination of these activities.



The Chief Sustainability Officer, in accordance with guidelines set by the General Manager, collaborates with heads of the various corporate departments and defines sustainability objectives, actions and guidelines. The aim is to advance a corporate strategy integrating sustainability into business decisions and processes and to promote a culture of sustainability and dialogue with stakeholders at all levels.

Sustainability-related activities and projects are reported to the shareholders at the ordinary meeting for approval of the financial statements and to the Company's Board of Directors through the biannual reports produced in January and July. The oversight of individual activities is also monitored and discussed during periodic meetings of the Management Committee.

SUSTAINABILITY AWARD - ICAM IN THE TOP 50 AND TOP 100

The Sustainability Award, promoted by Credit Suisse and Kon Group in partnership with Altis-Università Cattolica, RepRisk and Forbes, is an important recognition granted to Italian companies that have distinguished themselves in facing ESG challenges, turning them into an opportunity to develop and activate the best innovative efforts in the country.

As part of this important initiative, ICAM was honored both in 2021 and in 2022 as **one of the top 100 most virtuous companies** for its commitment to addressing sustainability issues. In 2022 ICAM was also included in the **top 50** for its improvement in sustainability performance over 2 years.





9. Anti-corruption and ethics

In accordance with the law and appropriate regulations, ICAM undertakes to prevent and fight any form of unlawfulness, basing its conduct on values of moral integrity, fairness, honesty, loyalty and transparency, as highlighted in the latest version of the Code of Ethics.

In addition to the cultural and value system that is already rooted within ICAM, the Group applies a system of principles, rules and procedures aimed at preventing and fighting against corruption and, more generally, corporate crime.

Most crucially, ICAM has adopted and periodically updated its own 231 Model, defining adequate organizational tools for preventing corporate crime and fostering compliance with the regulations in force by everyone who works in the interest of the Company, both internally and externally. The 231 Model is subject to the independent control of a duly appointed Supervisory Board, made up of three professionals from outside the Company.

The latest adaptation of the 231 Model was approved by the Board of Directors at its meeting on 22 December 2020. Moreover, a future revision of the document has been planned in light of the regulatory and organizational changes that have taken place in the meantime.

This fundamental tool allows the Company to identify activities that are exposed to the risk of an offence set out in Legislative Decree 231/01 and thereby to put in place all necessary actions for preventing such conduct from taking place.

With specific regard to the **crime of corruption**, the risk assessment carried out by ICAM identified 21 sensitive activities for 2018 and 2019, and 22 activities for 2020. The Risk Assessment showed that ICAM is most exposed to the risk of corruption in crimes perpetrated between private individuals, potentially aimed at expanding commercial activities.

The supervision and constant updating of the 231 Model allow for timely alignment with regulatory changes, as well as adequate training of personnel.

In this regard, after the approval of the updated version of the 231 Model, specific training relevant to the updated 231 Model and Code of Ethics was developed.

The 231 Model also provides for a specific whistleblowing system offering all recipients a means of reporting possible irregular conduct in order to prevent and counteract promptly any criminal behavior and misconduct in breach of Company regulations. In 2023, the whistleblowing system will be revised and aligned with the EU Directive 2019/1937.

As in previous years, no cases of wrongdoing committed in the interest of the Company were reported in 2022.

GRI 205-1

GRI 205-2

GRI 205-3

10. ICAM and its support of the UN Sustainable Development Goals

The 2030 Agenda is a global action plan for sustainable development, which was signed in 2015 by 193 UN countries, including Italy. It sets out 17 Sustainable Development Goals (SDGs), divided into 169 targets and more than 240 indicators. The Agenda is grounded on the conviction that it is necessary to rethink economic development, from a linear and extractive development to a circular and regenerative one, favoring the balance of economic demands with social and environmental ones. Accordingly, some of the primary objectives focus on combatting global problems such as poverty, hunger, lack of education, climate change, gender inequality and access to clean water and energy.

ICAM shares the widespread opinion that **each of us must play their own role in this collective challenge**. Everyone’s collaboration is useful: not only governments and institutions, but also companies, distributors, universities and cultural actors, civil society and individual citizens must play their part.

The expected – or hoped-for – deadline for reaching the SDGs is 2030. However, despite being halfway there, in many cases the results that have been achieved to date are still far from meeting the target. We believe everyone must commit to being at the center of change, maintaining balance, pragmatism and a sense of reality, aware of the need to take into account the peculiarities of each country and specific context and to avoid extreme positions that would, conversely, lead to the failure of joint efforts.

In 2022, as a proof of its strong commitment towards the 17 SDGs, ICAM joined the UN Global Compact (more information on the following page).

The UN SDGs are one of the cornerstones of our business strategy, as highlighted in our Key Issues analysis. ICAM’s concrete commitment is outlined in our medium-to-long-term strategic goals, presented in the chapter “Future goals”.

SUSTAINABLE DEVELOPMENT GOALS





11. Partnerships for sustainability goals



As evidence of its increasing commitment to sustainability, and consistent with its own values, ICAM chose in 2022 to join the UN Global Compact, an initiative aimed at fostering a culture of corporate citizenship to be promoted and managed globally.

The Global Compact is the world's largest network uniting governments, companies, organizations and UN agencies to make a concrete contribution to human rights, labor, the environment and the fight against corruption.

ICAM's General Manager signed an agreement with the UN that is aimed at contributing to a new phase of globalization characterized by sustainability, international cooperation and a multi-stakeholder perspective.

ICAM's commitment reflects the **sharing of principles** that encourage long-term sustainability through responsible political actions, business practices, as well as **social and civic behavior that is responsible** and takes into account future generations too.

The Global Compact network provides a platform for policy and guideline development, an operational structure to develop and implement actions aimed at sustainability, and a forum to learn, address and share experiences on global issues.

Joining the UN Global Compact will allow ICAM to strengthen its skills and processes, aligning it with global initiatives that are aimed at structuring sustainable practices, methodologies and policies in a collaborative environment and at exchanging experiences with other organizations driven by the will to pool efforts to strive for a goal that can only be achieved together.



Since 2009, ICAM has been a voting member of the **Federation of Cocoa Commerce (FCC)** and has been handling cocoa purchases according to the international rules of this association. The FCC recognizes ICAM as a professional, reliable and qualified cocoa trader and acknowledges the full compliance of the commercial terms of its cocoa purchases and sales and of the settlement of disputes in its contracts with the international standards set by this industry association.



In 2015, **ICAM Chocolate Uganda Ltd** partnered with **Swisscontact** in order to improve farmers' skills, with the ultimate aim of enhancing their production and increasing their income.

In 2022, Swisscontact co-financed the costs of the activities and tools required to obtain the **Rainforest Alliance certification**:

- training of 64 ICAM employees on certification protocols;
- training of 1,400 farmers on certification requirements and support in the certification audit;
- structuring the management method and tools to ensure full traceability from the supply chain.

In 2022, ICAM **partnered with an industrial client and an international financial backer** to carry out a development project that will involve farmers in Bundibugyo.

Corpeq BV, SanoRice Holding BV, Netherlands Enterprise Agency, Icam Chocolate Uganda Limited and the NGO Solidaridad East & Central Africa will work together on the project “Sustainable farming for a climate resilient livelihood of cocoa farmers in Uganda”, which is co-funded by the **Fund for Responsible Business (FVO)**, part of the Netherlands Enterprise Agency (RVO) and of the commission of the Dutch Ministry of Foreign Affairs.

For the management of social impacts, the **partnership with Solidaridad**, an international civil society organization with wide experience in developing solutions for farming communities’ resilience, will play a critical role.

The study and set-up phase started in January 2023, while the implementation phase **will continue until the end of 2026**. It will involve 600 farmers and 310 hectares of cocoa plantations, spread over 31 villages in the Bundibugyo district.

Most farmers in this region depend on cocoa cultivation as their main source of income. Currently, farmers face difficulties in maintaining their level of production. In fact, the lack of technical knowledge and tools to implement good agricultural practices are leading to a **decrease in productivity** and, consequently, to the vulnerability of their source of income. This situation is exacerbated by the **progressive soil degradation** and the extreme weather conditions that are brought about by **climate change**.

The main objective of the project is to encourage the implementation of agroforestry systems and to increase farmers’ skills in the application of good agricultural techniques in order to transform the current production system and make it resilient to climate change.

The desired outcome of these interventions, based on local resources and environmentally sound practices, will be:

- an increase in the productivity of cocoa cultivation,
- the protection of soil,
- the reduction of carbon footprint,
- the improvement of biodiversity in the cocoa cultivation.

The resilience of the Bundibugyo farms to climate change will improve the cocoa production system (and consequently the ability to generate income and livelihood for families) and consolidate this cocoa supply chain for ICAM’s business continuity.



Throughout 2022, ICAM proactively sought more opportunities to share its experiences in public forums, both locally and nationally. The Company:



- explained how organic farming contributes to sustainability at **Lifegate's National Observatory on Sustainable Lifestyles**;



- presented about its commitment to innovation in the agri-food supply chain at the **Salone della CSR in Milan**;
- shared its experience of collaboration with local companies throughout the supply chain at the **Salone della CSR** in its Lecco site;



- shared its experience of setting up an operational office in Uganda and establishing cross-functional teams at **Lombardy's Regional Forum for Sustainable Development**;



- explained how the footprint of sustainability characterizes its products at the **Future Respect Congress in Rome**;



- presented the development of its compostable packaging at the **Cibus Tec Forum** trade fair and at the **Packaging Speaks Green Forum**;



- shared the importance of drawing up a Sustainability Report with the **Como Association of Accountants and Bookkeepers**.

Finally, in 2022, ICAM took part in initiatives promoted by **Confindustria Como** and **Confindustria Lecco and Sondrio** to enhance the **involvement** of local small and medium sized companies in sustainability issues. The Company also collaborated with the **Chamber of Commerce of Como and Lecco**, taking part in a dedicated **Food and Packaging supply chain project** for the development of a packaging LCA calculation tool - later made available to all local companies. For more details, see the section Environment - Sustainable Packaging.












12. The stakeholders

ICAM is characterized by a dynamic and proactive approach involving the broadest network of stakeholders.

The identification of stakeholders was first conducted according to the methodology suggested by the AA1000 Stakeholder Engagement Standard developed by AccountAbility, and was then updated in 2022 according to GRI 1: Foundation 2021, point 2.4, which defines stakeholders as “individuals or groups that have interests that are affected or could be affected by an organization’s activities”, focusing on the impacts (both positive and negative) the company exerts on stakeholders.

According to GRI 2021, even individuals who may not be aware or not yet impacted are to be considered stakeholders: that is why ICAM has decided to consider its impacts on future generations too.

ICAM'S STAKEHOLDERS ACCORDING TO THE GRI 1 FOUNDATION 2021			
 Human Resources	Management Staff Human resources “Uganda” Agents Trade unions External collaborators	 Financiers	Financiers Banks Shareholders
 Suppliers	Cocoa intermediaries Other raw materials producers Contractors Other goods and services suppliers	 Universities, research centers, training schools, NGOs and other partners	NGOs Lobby groups Research centers Universities Training schools
 Cocoa Producers	Cooperatives Farmers		
 Clients	Industrial clients Private label clients Ingredients clients Large-scale retailers Distributors Commercial partner	 Local Communities	Local institutions Schools Local associations People living near the factory Residents near ICAM's cocoa plantations
 Consumers		 Future Generations	

ICAM has always been convinced that a participatory dialogue of exchange and mutual enrichment with its stakeholders is crucial for the creation of collaborative relationships that generate trust and value for every person involved.

In 2019, the Group supplemented the channels available for stakeholder input and dialogue, launching a process for stakeholder engagement on sustainability issues.

13. Key Issues analysis

In order to identify the ESG issues and aspects to focus on when drawing up the Sustainability Report and to polish the reporting process, ICAM annually updates its Key Issues analysis. First of all, the most relevant sustainability issues were identified when it came to the preparation of the Sustainability Report 2018. This activity continued in 2019 with an updated analysis of the context in which the Group operates and with stakeholder engagement activities.

This engagement, at first aimed at Human Resources, was later extended – both nationally and internationally – to the main clients (2020) and to the main suppliers (2021), who were asked to fill in a form to assess the environmental, social and governance (ESG) issues relevant to the Company.

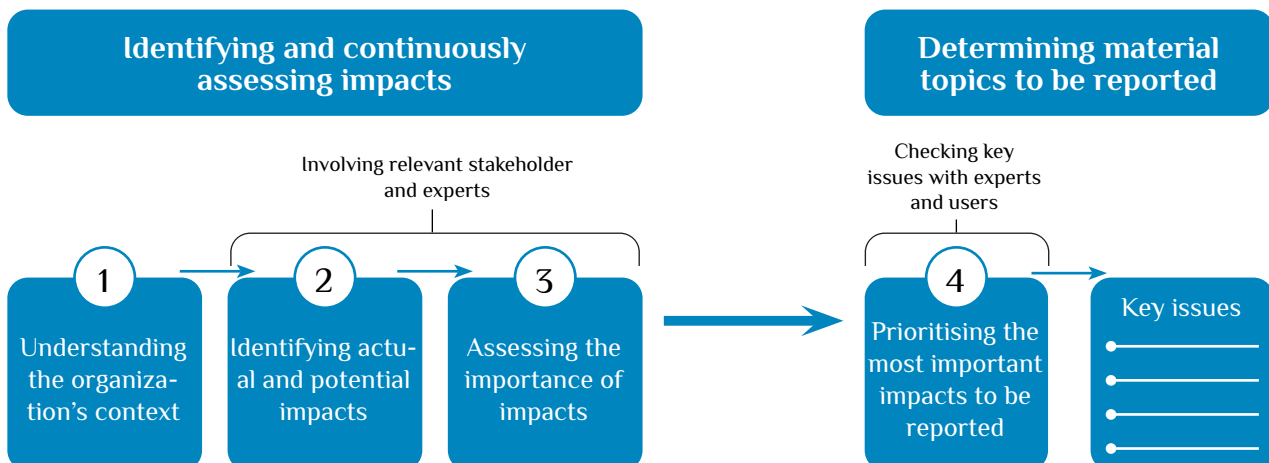
This activity allowed ICAM not only to identify the ESG issues to focus on during the preparation of this Sustainability Report, but also to find out stakeholders' expectations about sustainability and to identify new areas of improvement for its sustainability initiatives.

In 2022, prior to the preparation of the Sustainability Report 2022, and in order to make prevention/mitigation actions – and, more generally, its corporate sustainability strategy – more effective, ICAM adapted its Key Issues analysis to the new GRI Standards 2021.

Indeed, one of the main innovations contained in the Universal Standards 2021, in particular in GRI 3, is the **identification of key issues**.

The new concept of material topic aims to identify **the most significant impacts of the Company on the economy, the environment and people, including its impacts on human rights**, in a process that focuses on positive or negative and actual or potential impacts of the organization. Process borrows this methodologies to determine the significance of impacts from Risk Management.

PROCESS TO DETERMINE KEY ISSUES ACCORDING TO GRI STANDARDS 2021



To this end, ICAM went through the **4 steps for the identification of key issues, involving its management, its external stakeholders and industry experts** in order to update the Key Issues analysis.























- **STEP 1: UNDERSTANDING THE ORGANIZATION’S CONTEXT:** a benchmark analysis allowed the **mapping of 46 competitors that are active in the various markets** where the company operates (retail, ingredient, private label and industry): only 52% of the companies that were surveyed draw up their Sustainability Report. The analysis highlighted the most discussed stakeholders and materiality topics in the industry.
- **STEP 2: IDENTIFYING ACTUAL AND POTENTIAL IMPACTS:** the cornerstone was the context analysis and stakeholder engagement carried out in 2020-2022; after identifying the potential materiality topics, **one or more impacts** – both positive and negative – exerted by ICAM on the environment, people or the economy were connected with each topic.
- **STEP 3: ASSESSING THE IMPORTANCE OF IMPACTS:** each impact was **accurately assessed by the Sustainability Team and industry experts** on the basis of the variables identified by GRI 2021, i.e. “Severity”, “Scope” and “Remediability” (for negative impacts) and “Severity” and “Scope” (for positive impacts), on a scale of 1 to 5, as indicated in the document “European Sustainability Reporting Guidelines 1 Double materiality conceptual guidelines for standard-setting” drawn up by EFRAG (“European Financial Reporting Advisory Group”), chosen as the methodological reference for the analysis.







The new stakeholder engagement, addressed to **relevant experts**, involved figures who have been working with ICAM for a long time with different roles:

- Commercial counterparts on relevant supply and end markets,
 - Experts on sustainability projects in the countries of origin of cocoa,
 - Certifying bodies,
 - Organizations that are historically active in the field of sustainability,
 - Academic sustainability specialists,
 - Consultants in the field of sustainability,
 - Bodies for the development of sustainability in local areas.
- **STEP 4: PRIORITIZING THE MOST SIGNIFICANT IMPACTS TO BE REPORTED:** the Management Committee and the Sustainability Team assessed the priority impacts to be reported, taking into account the impact exerted on ICAM’s stakeholders, and sorting them **from the most to the least important**, excluding those that were below the minimum relevant threshold.

OUTCOME: DETERMINING KEY ISSUES TO BE REPORTED

The following table shows the outcome of the Key Issues analysis:

Key issues	Main impacts generated	Affected stakeholders	Type of impact	Priority level	Main SGDs associated	Chapter
Protection of biodiversity	Negative impact on the ecosystem associated with the agricultural practices along the supply chain	Suppliers	—	● ● ●		Supply chain
	Contribution to the protection of biodiversity thanks to the promotion of sustainable agricultural practices (agroforestry systems, regenerative agriculture...)	Suppliers	+			
Fight against deforestation	Deforestation related to the cultivation of cocoa and other raw materials	Cocoa producers Future generations	—	● ● ●		Supply chain
	Contribution to forest conservation	Cocoa producers Future generations	+			
Climate change	Contribution to the fight against climate change through the reduction of carbon footprint	Future generations	+	● ● ●		Supply chain Environment
	Resilience of cocoa plantations to climate change	Cocoa growers	+			
	Emissions from logistics management and transport	Future generations Suppliers Clients	—			
Sustainable use of raw materials	Contribution to environmental and social sustainability through the selection and purchase of certified raw materials (organic, Fairtrade, Rainforest Alliance and other sustainability certifications)	Suppliers	+	● ● ●		Supply chain Environment
	Reduction of waste associated with increased production efficiency	Future generations	+			
	Adoption of circular economy systems for waste management	Future generations	+			
Sustainable packaging	Environmental impact of packaging production and disposal	Future generations	—	● ● ●		Environment
Energy management and efficiency	Reduction of energy demand	Future generations	+	● ● ●	 	Environment
Water management	Reduction of water waste through better resource management	Future generations	+	● ● ●	 	Environment
The fair remuneration of farmers	Contribution to the achievement of cocoa growers' living income	Cocoa growers	+	● ● ●	  	Supply chain
	Development of growers' technical, managerial and work safety skills	Cocoa growers	+			
Respect for human rights	Violation of human rights in cocoa plantations or other risky supply chains	Cocoa growers Suppliers	—	● ● ●	 	Supply chain
	Exploitation of child labor in cocoa plantations or other risky supply chains	Cocoa growers Local Communities	—			
Inclusion and equal opportunities	Enhancement of a work culture based on the promotion of equal opportunities	Collaborators	+	● ● ●	 	People Supply chain
	Acknowledgement of the role of women and empowerment of women in cocoa farming communities	Cocoa growers Local communities	+			
Training and development	Enhancement of employee professionalism (technical/soft skills)	Collaborators	+	● ● ●		People
Impact on the local community	Social and economic development of local cocoa-growing communities	Cocoa growers Local communities	+	● ● ●	  	Supply chain People
	Social and economic development of local communities of regions where the Company operates	Local communities	+			
Welfare and wellness	Contribution to collaborators' well-being	Collaborators	+	● ● ●		People
Collaborators' health and safety	Improvement of collaborators' safety through the creation of a safe and healthy working environment, training and the provision of PPE	Collaborators	+	● ● ●		People

Key issues	Main impacts generated	Affected stakeholders	Type of impact	Priority level	Main SDGs associated	Chapter
Supply chain traceability and responsible supplying	Reduction of environmental and social risks generated by the supply chain	Growers Future generations	+	● ● ●		Supply chain Innovation
	Food safety and product quality	End consumers	+			
	Respect for the value chain throughout the entire supply chain	Suppliers Cocoa growers	+			
Anti-corruption and ethics	Breach of relevant laws and regulations (e.g. anti-corruption, tax regulations, environmental regulations, etc.) and unethical business practices	Suppliers Clients	-	● ● ●		Corporate identity
	Fight against corruption throughout the supply chain	Cocoa growers Suppliers	+			
Technology, digitalization and innovation	Customer and consumer satisfaction	Clients End consumers	+	● ● ●		Innovation
	Reducing lead times and product discrepancies	Clients	+			
	Increase in efficiency	Clients	+			
Promotion of a healthy lifestyle	Improving consumer health by offering products developed or reformulated with ingredients that consumers acknowledge as healthy, natural and good	End consumers	+	● ● ●		Innovation
Partnerships for the SDGs	Development of projects with a positive social and environmental impact in collaboration with tertiary sector and institutional/educational bodies	Cocoa growers, universities, research institutes, training schools, NGOs and other partners Local communities	+	● ● ●		Corporate identity
Consumer safety	Negative impact on people's health as a result of consuming the Company's products	End consumers	-	● ● ●		Innovation

Environmental
 Social
 Governance

Notably, new key issues with significant impact on which to report emerged from the analysis update:

- Climate change
- Technology, digitalization and innovation
- Promotion of a healthy lifestyle
- Partnerships for sustainability goals

On the other hand, the following impacts included in the Report 2021 were not material - that is why they were excluded from the scope of this Sustainability Report:

GENERATED IMPACTS	KEY ISSUES
Environmental impact of wastewater being discharged	Water management
Release into the atmosphere of odors related to cocoa processing	Air quality





Commitment to people

The recognition of the value of people as such and the search for direct and sincere involvement of the various stakeholders define ICAM's approach in all relations with its stakeholders, from its employees to the broader community of regions where the Group operates. ICAM is committed to building relationships based on trust, fostering a participatory dialogue of mutual exchange and enrichment, aimed at the creation of collaborative relationships that generate value for everyone involved.

Collaborators in Italy

A close and attentive relationship with employees represents one of the main cornerstones that characterize ICAM's identity. Personnel management is strongly connected to the approach and **direct presence of the Agostoni-Vanini family**. Indeed, in full consistency with the values expressed in the Code, they encourage collaborative relations with employees, based on trust and mutual support.

All this results in a close bond between employees and the Company, which creates a strong sense of belonging that decisively contributes to the Company's success.

Precisely in the light of the importance given to employees, the Human Resource Department is entrusted directly to the General Manager.

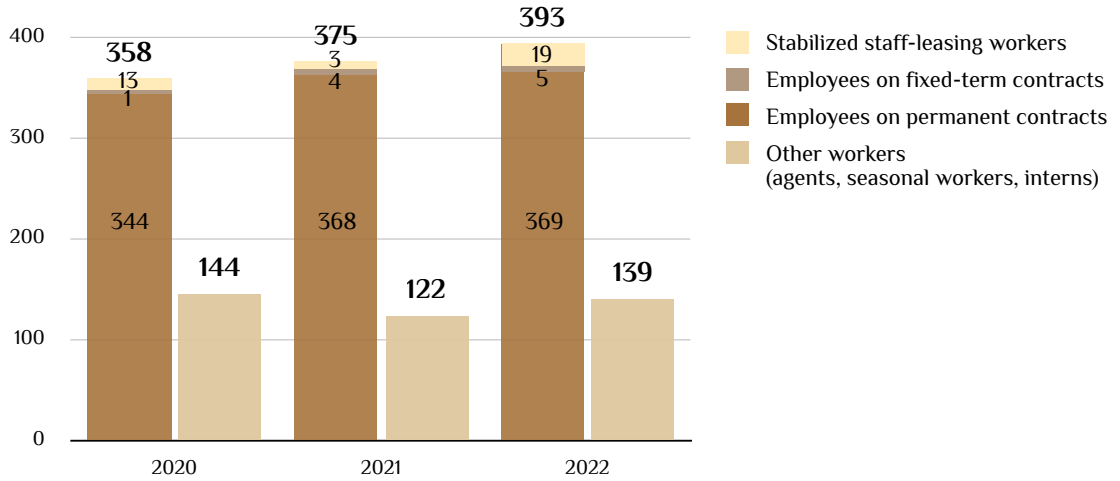
GRI 2-7

As of 31 December 2022, there were 393 ICAM employees in Italy, 94% of whom were on permanent contracts, 1% were on fixed-term contracts and 5% were temporary workers stabilized by the various staff leasing agencies. **The workforce grew by 5%, that is 18 people.**

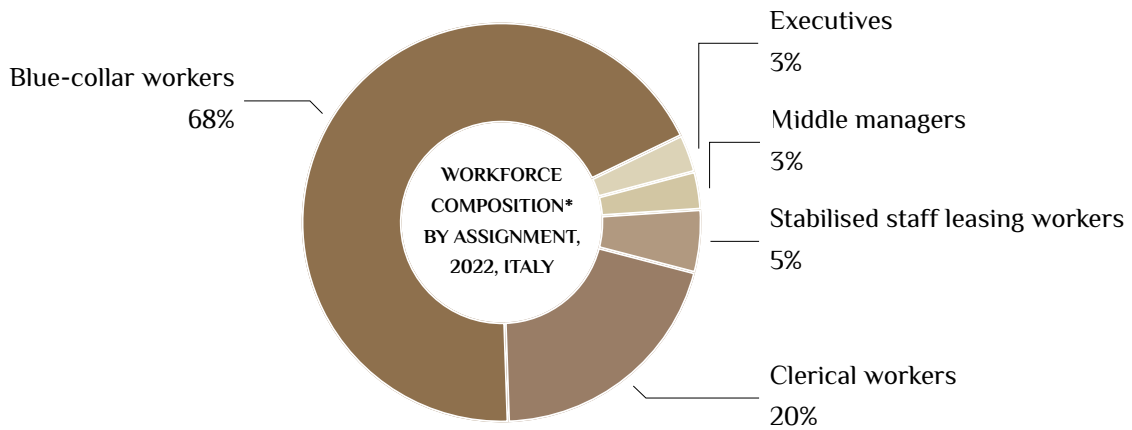
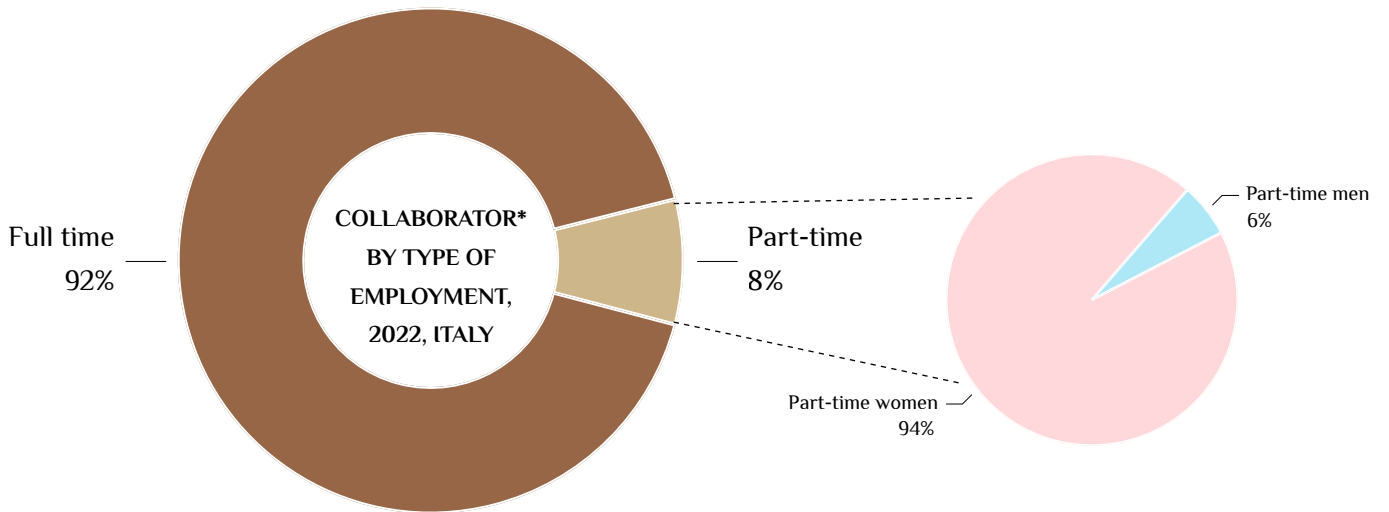
The Company was supported by **additional categories of collaborators, totaling 139 people**: 69 agents, 64 seasonal staff-leasing workers (31 men and 33 women, with an increase of 10 in 2022), and 6 interns.

GRI 2-8

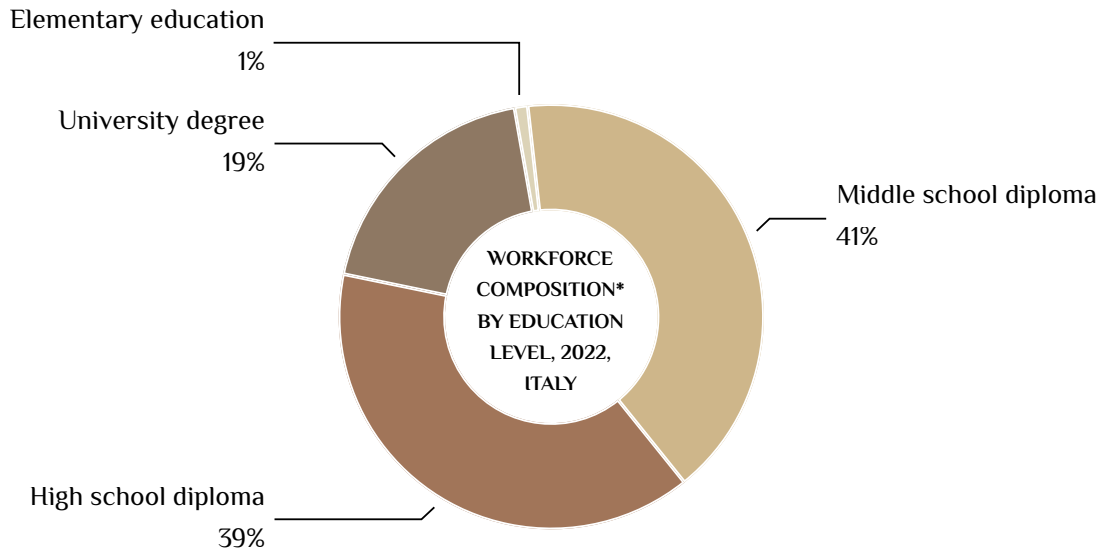
THE GROWTH IN WORKFORCE IN ITALY



92% of employees are on permanent contracts. Employees on fixed-terms contracts are mainly women, who account for 94% of such contracts.



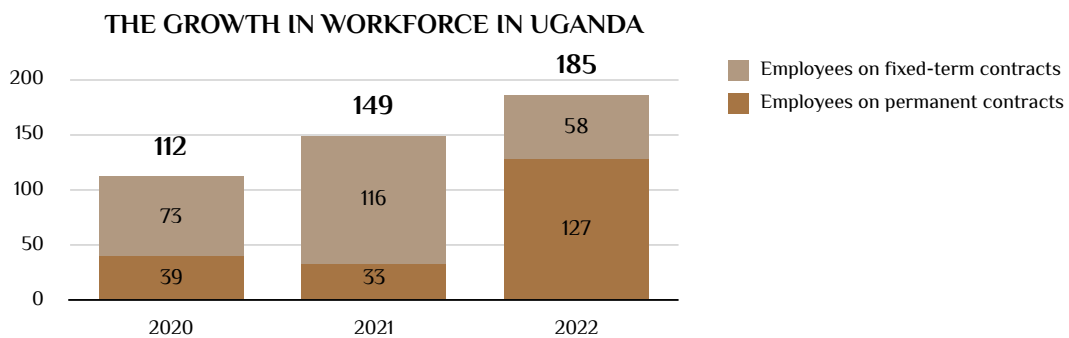
* Includes stabilized staff-leasing workers



Collaborators in Uganda

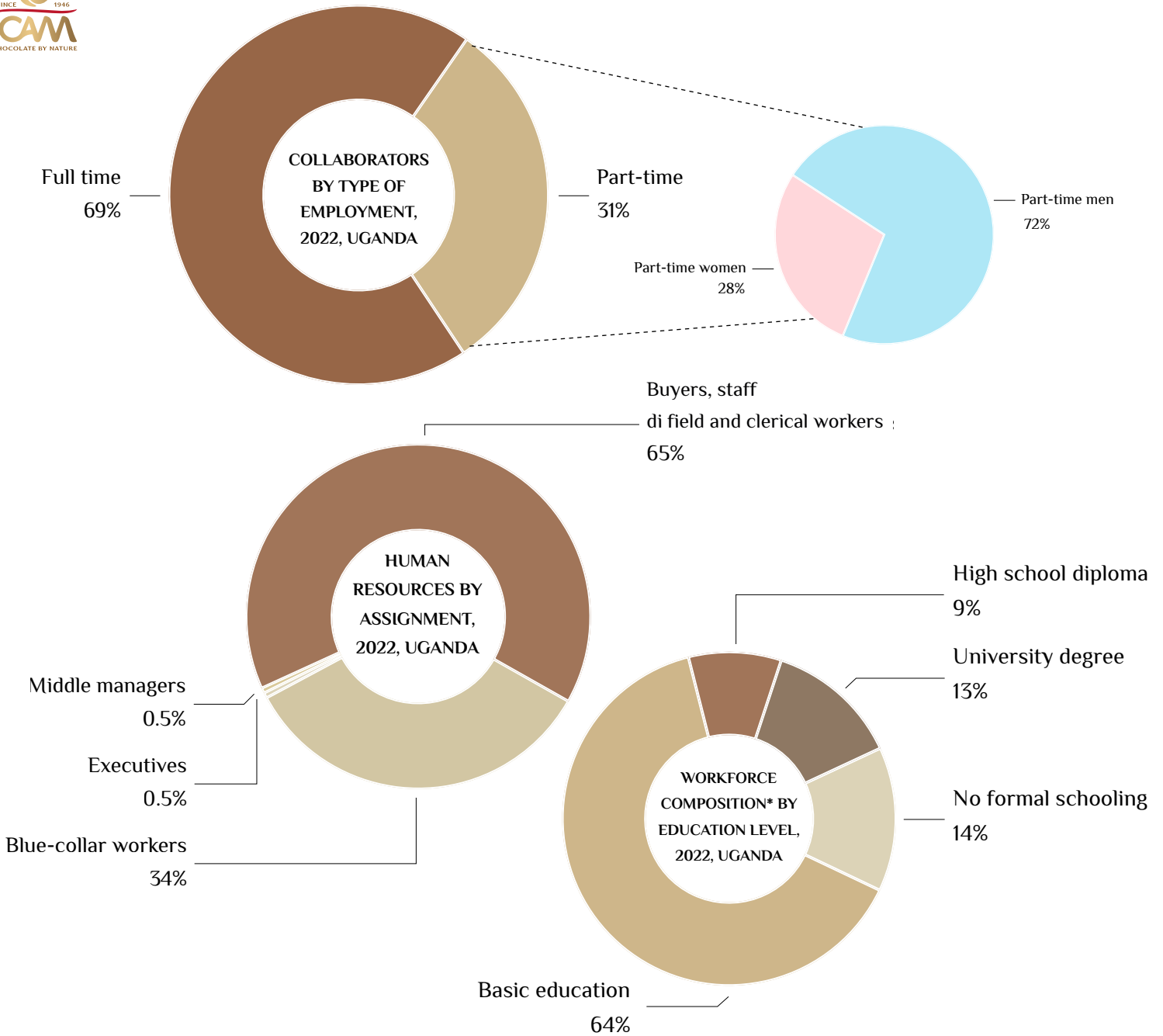
In 2022, ICAM Chocolate Uganda Ltd. employed 185 employees (95% of whom under the age of 50), with an increase of 24%. **69% of workers are on permanent contracts.**

Every year, occasional and seasonal workers are employed to support the Company during peak activity to transport cocoa from the farmers' plots to ICAM's facilities; in 2022, ICAM Chocolate Uganda relied on the support of 205 of these workers.



Employees on part-time contracts account for 31%. Recorded growth in ICAM Uganda's workforce in recent years is especially related to the achievement of Organic (2017) and Rainforest Alliance (2022) certifications. In fact, these required an increase in the number of field and clerical staff so as to follow the certification process and manage the necessary information (in particular: field inspectors, sustainability project coordinators, cleaners).

* Includes stabilized staff-leasing workers



The Ugandan working environment is characterized by 14% illiteracy. Taking this into account, the information shared with employees, training and even signage is handled with visual or verbal aids. At the end of training sessions, feedback on their content is regularly asked to verify the understanding of messages.





1. Welfare and wellness: contribution to collaborators' well-being

The focus on employees' work-life balance is one of the cornerstones that characterize the Company and differentiate it on the market.

Not only does ICAM comply with the provisions of the National Collective Bargaining Agreement (CCNL), but it is concretely committed to offering its employees working conditions and remuneration policies that are better than the ones in the reference sector, strengthening their sense of belonging and fostering a positive corporate environment - fundamental prerequisites for achieving the Company's development goals.

Welfare and wellness in the Italian site

In 2022, ICAM hired 29 employees in Italy, 13 of whom were women. In addition, it stabilized 19 staff-leasing workers who had joined the Company in 2021, allowing them to undergo training and/or specialization courses and offering them a permanent contract stipulated through a staff leasing company - proof of ICAM's desire to offer them stable employment.

GRI 401-1

Through direct hirings and stabilization of staff leasing workers, 48 new employees were brought into the Company in 2022.

As for exits, 30 employees left the Company (9 of them due to retirement). In 2022, an exit turnover rate of 7.6% was recorded.

As far as benefits are concerned, as required by Italian regulations and the Food Industry CCNL, ICAM guarantees for all of its employees, regardless of their contract type:

GRI 401-2

- funding for supplementary health care (FASA) for employees on permanent or on fixed-term contracts exceeding 9 months;
- insurance coverage in the event of disability or invalidity (INAIL);
- parental leave;
- pension contributions; for employees who have joined the Alifond supplementary pension fund, the Company pays an additional contribution of 1.2%.

As regards the remuneration of blue- and white-collar workers, thanks to its integrative agreement, ICAM offers its employees a result bonus linked to the achievement of Company profitability and operational performance goals, allowing them to obtain two additional monthly salaries (in addition to the 14 provided for by the CCNL).

ICAM has also implemented an incentive system linked to individual performance. You can find further information in the section on Training and Development - GRI 404-3.

Employees working at night are provided with wage integrations to compensate for the discomfort associated with these special working hours.

As for corporate welfare, the 2022 benefits package consisted of:

- canteen service, with a minimum contribution of €0.74 per meal;
- company car for executives, middle managers and traveling personnel;
- a **welfare platform** for tax-free disbursement of the previous year's productivity bonus;
- **economic contributions**, amounting to €100, to encourage employees to carry out socially useful activities (e.g. Alpine Rescue, Red Cross, donations, etc.);
- **economic contribution to support school costs** for employees' children up to the age of 16, amounting to €100 per child;
- possibility of getting free flu vaccination in the Company venues;
- disbursement of €200 in fuel vouchers.

In 2022, economic contributions were made to **45 employees to carry out socially useful activities** and to **111 employees to support school costs for their children**.

THE WELFARE PLATFORM

The productivity bonus for 2022 can be disbursed through the welfare platform; in this case, the Company – as an additional benefit – increases the amount of the result bonus converted on this platform by 10%. The platform offers various services specifically designed to enhance the wellness of the Company's employees.

Every employee can choose the amount of the bonus to be converted and use it to enjoy goods and services – for themselves and their family members – in the fields of health, sports and wellness, education, culture and entertainment.

They can freely construct their own benefit package, choosing the goods or services that are most suitable to their needs.

The advantage lies in the **lowering of the tax wedge**. Indeed, the amount paid out in the form of goods and services is not subject to contribution or tax deductions and, consequently, boasts a **higher purchasing power**. In addition, the agreements that have been concluded with ICAM allow employees to enjoy goods and services at reduced rates.

The disbursement can take the form of a partial reimbursement of the expenditure incurred or shopping vouchers. In 2022, **78 employees chose to receive the bonus through the platform**.



As regards **parental leave**, 9 women and 2 men benefited from it in 2022; the rate of return and employee retention after 12 months is 100%.

Consistently with its core ethical values, ICAM has always been committed to granting and offering tools to meet its employees' needs, facilitating work-life balance. **In 2021 and 2022, the Company implemented several projects aimed at the improvement of its employees' well-being and quality of work:**

- **PART-TIME PROJECT:** through an agreement signed with trade union representatives, the Company has regulated the granting of requests to transform the employment relationship from full-time to part-time, through the definition of clear and shared criteria:
 - for health reasons (of the employee or people in their household);
 - to care for children up to the age of 13;
 - to get educational qualifications.

In the case of personal situations of momentary difficulty for reasons different from those listed above, the Company is prepared to grant temporary facilitations in order to turn the current employment relationship into a part-time one.

ACHIEVED IMPACT: the Company transformed 27 contracts, equivalent to 8% of the full-time workforce: **25 part-time requests were received and accepted.** No request was rejected. In addition, in order to support employees going through personal situations of momentary difficulty, the Company was prepared to grant temporary transformation of the current employment relationship into a part-time one, for a number of positions equal to 5.

- **FLEXIBLE WORKING TIME:** ICAM has defined a new policy on the working time of clerical workers in order to guarantee greater flexibility in the management of their working day, based on the principle of individual responsibility and complete trust by the Company. Indeed, it has introduced flexibility at entry and the principle of **"hourly compensation" on a monthly basis**, removing the constraint of the 8-hour working day

This measure integrates the steps that had already been taken to offer maximum flexibility for blue-collar workers, with the structuring of a systematic continuous-cycle rostering mechanism: 6 working days and 2 days off - in addition to Sunday, which is never considered a working day. Workers are remunerated for 40 hours per week, although they actually work only 36 hours per week.

ACHIEVED IMPACT: all eligible clerical workers have benefited from hourly compensation, totaling about 500 compensated hours.

- **REMOTE WORK:** through an agreement signed with trade union representatives, ICAM has regulated remote work. The agreement was aimed at the spread of a new concept of work organization, such as to allow a better **work-life balance**, along with a more productive and streamlined organization based on three fundamental cornerstones shared between employees and the Company: trust, autonomy and responsibility. The project is intended for all employees who have the possibility of delocalizing, at least in part, tasks that do not require the employee to be onsite at Company facilities. Employees have the possibility of working remotely **1 day a week and can freely choose the place** to perform their tasks. The selected place may be different from their primary residence, provided it is suitable for the safe performance of these tasks. **The Company has provided employees with all the tools necessary** for the proper performance of their task and with **INAIL insurance coverage**

against work-related injuries and work-related ill health.

With this agreement, the Company undertakes to take due account of the employees' personal needs, **guaranteeing gender equality** – also with a view to fostering **the effective sharing of parental responsibilities** – and, more generally, enhancing work-life balance.

ACHIEVED IMPACT: 70 people, who have received specific training, are eligible for the project, which started in July 2022 in a staggered manner across the various departments. **85% of eligible employees benefited from it, totaling about 550 days.**

Welfare and wellness at the Ugandan site

GRI 401-1

In 2022, ICAM Chocolate Uganda Ltd. **hired 48 employees**, 15 of whom were women

There were 33 exits, and the exit turnover ratio was 18%.

GRI 401-2

As far as **benefits are concerned**, health care and parental leave are available for employees on permanent contracts only, in compliance with local regulations. For all of them, ICAM makes pension contributions to the NSSF (National Social Security Fund) and helps employees prepare the documentation required.

Aware of the economic difficulties that its employees may face, ICAM is committed to facilitating their daily lives as much as possible. Indeed, they are offered a full meal every day and a monthly extra pay, ranging from 50,000 UGX (\$14) to 150,000 UGX (\$42), depending on their position.

This benefit represents approximately 15% of the salary for managerial positions, while it can go up to double the salary for operational roles, which have basic salaries.

This supplement is intended to cover social security and welfare needs, since state welfare does not cover their costs.

The Company reimburses its employees on presentation of receipts of expenses. On the other hand, some costs are included in the above-mentioned extra pay, such as the reimbursement of medical expenses and primary education costs. ICAM has concluded agreements with public and private health facilities at each of the three sites where its Ugandan venues are located. In addition, in the event of health emergencies, the Company offers employees the possibility of salary advances.

GRI 401-3

With regard to parental leave, only four out of 127 entitled women chose to benefit from it, with a return-to-work and retention rate of 100%. In line with Ugandan law, employees can also request daily leave for personal needs, referred to as “compassionate leave”.

Each production site has a Company canteen, which is run by Company employees.

At all 3 sites, there is also a baby nursery-a dedicated room where mothers can breastfeed their children during their lunch break.

GRI 404-2

Pursuant to Ugandan regulations, ICAM Chocolate Uganda Ltd. offers severance pay to employees that have been serving for at least 5 years.



2. Training and development: enhancement of employee professionalism

ICAM's focus on the training and development of its human resources is a further differentiating element.

The Company strongly believes that enhancing human capital makes a decisive contribution to competitive advantage, especially in the international context in which the Company operates.

In this regard, acquiring technical skills through training is not enough: people need to become passionate about their work.

The Company is committed to ensuring professional growth through continuous training, both theoretical and on-the-job.

For some specific production tasks, a tutor – who is paid an allowance for carrying out this role – helps and trains new recruits during onboarding.

The process involves increasing responsibilities, and new employees are periodically tested to assess the level of learning they have achieved. The training process ends with a final audit.

In the event of a positive outcome in the assessment process, after achieving the necessary skills required by the assigned task, the employee receives financial recognition, defined as an “element of professionalism; this compensation acknowledges the skill development and also supplements monthly salary.

100% of the employees are involved in the annual performance appraisal system. In light of the performance management system, middle managers and clerical workers are assessed according to competence parameters such as Professionalism, Effectiveness and Collaboration. For executives, the incentive mechanism is based on a variable quota linked to objectives defined annually on three specific areas: individual performance, specific objectives, and corporate economic performance.

GRI 404-3

As part of the annual performance appraisal process, individual training needs are also mapped in order to provide additional skills and strengthen the employee's professional growth.

In 2022, as a proof of ICAM's interest in the employees' professional development, 27,135 hours of training were provided.

GRI 404-1

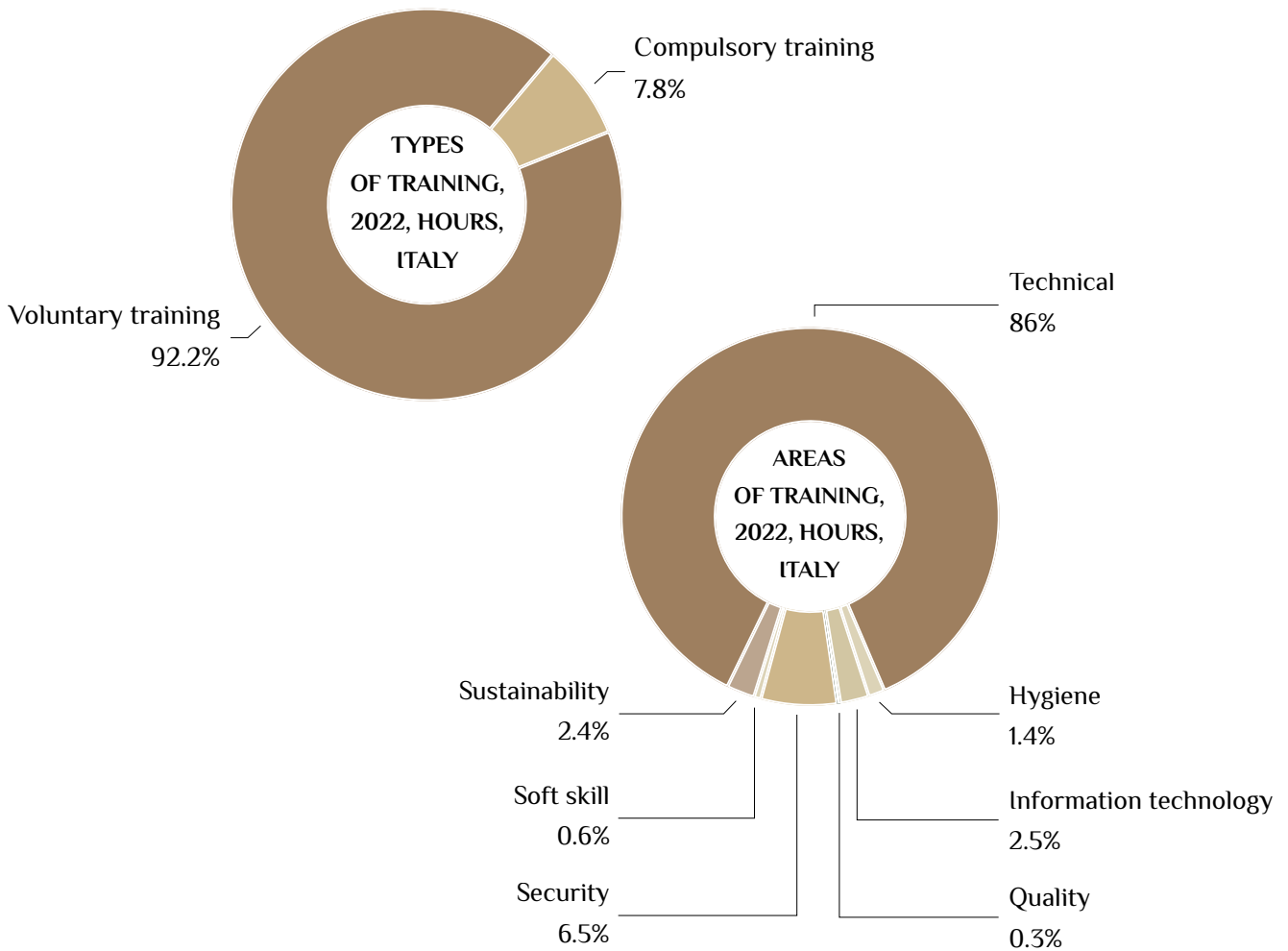
Furthermore, **92% of the training provided during the year was voluntary** and mainly consisted of **technical on-the-job training**.

The attention ICAM pays to the training of staff-leasing workers is especially proven by the number of training hours, which in 2022 accounted for 75% of the total, i.e. 20,434 hours, that is to say about 319 per capita.

Not only does ICAM provide its employees with professional training, but it also ensures their participation in the courses required by law (hygiene, HACCP, occupational health and safety, compliance with Legislative Decree 231/2001, etc.).

The Company also pursued its commitment to increasing its employees' skills, giving space as well to the development of soft skills and IT skills, along with skills in the field of sustainability.

In 2022, two people from the Sustainability Team got a **Diploma in Advanced Studies in Sustainability at SUPSI**, the Professional School of Southern Switzerland, in the context of the training and awareness-raising projects of the Chamber of Commerce of Como and Lecco. These skills add to those of a third person, who already has the same C.A.S. in their CV.



Enhancement of Ugandan collaborators' professionalism

GRI 404-3 In Uganda, 80% of white-and blue-collar workers are involved in performance appraisal, with an increase of 15% compared to 2021. Such appraisal is initially conducted once a month, then quarterly. The Company intends increase participation to 100% of employees by 2023.

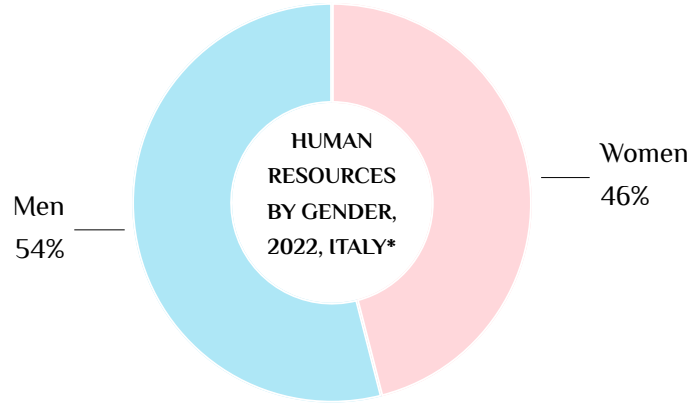
GRI 404-1 The path taken in 2022 to obtain Rainforest Alliance certification and the training for organic certification also considerably drove the training activities. Although it was mainly technical, the content also covered the Code of Ethics and Conduct, confidentiality management and internal regulations.



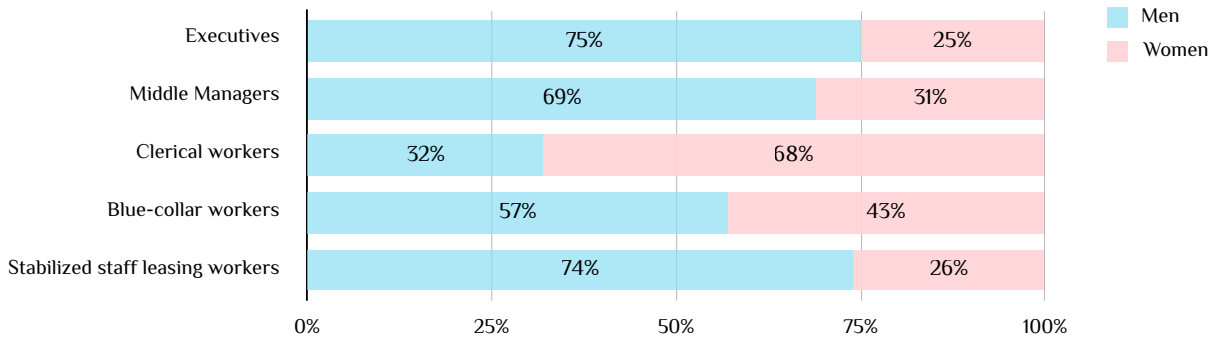
GRI 405-1

3. Inclusion and equal opportunity: enhancing the work culture by promoting equal opportunities

ICAM is a Company characterized by a significant female presence (46% of employees), not only in the offices but also in the production area.



HUMAN RESOURCES BY ASSIGNMENT AND GENDER, 2022, ITALY*



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

* Includes stabilized staff-leasing workers



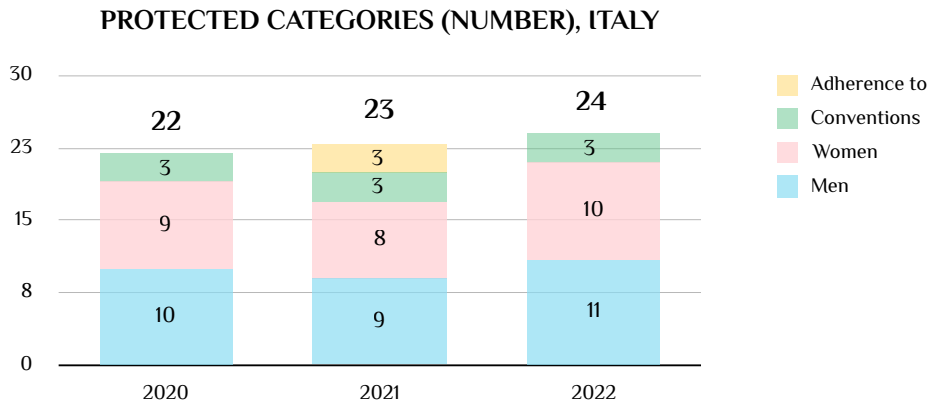
GRI 406-1

In 2022, no incidents of discrimination were reported through formal procedures.

The respect and recognition of diversity includes the protection of all people’s freedom and rights. In this sense, as also provided for in its Code of Ethics, ICAM is committed to creating an accessible and inclusive workplace, eliminating all forms of discrimination or exclusion based on age, gender, disability, race, religion, political and trade union affiliation, language or state of health of its collaborators.



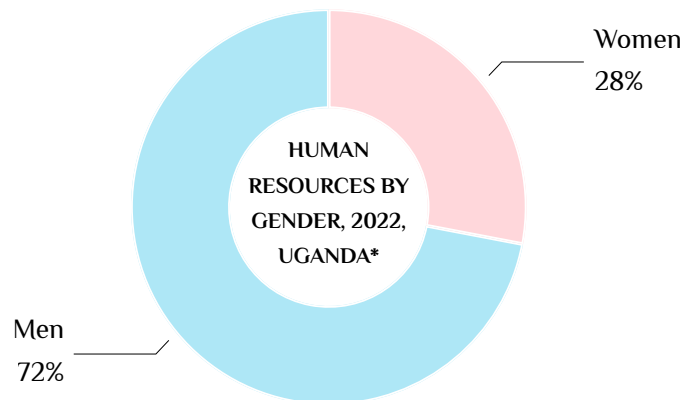
In this regard, the Company integrates **21 people belonging to protected categories** (L. 68/99) into its production activities, along with 3 more people with the “adoption pacts” formula.



Fostering equal opportunities in Uganda

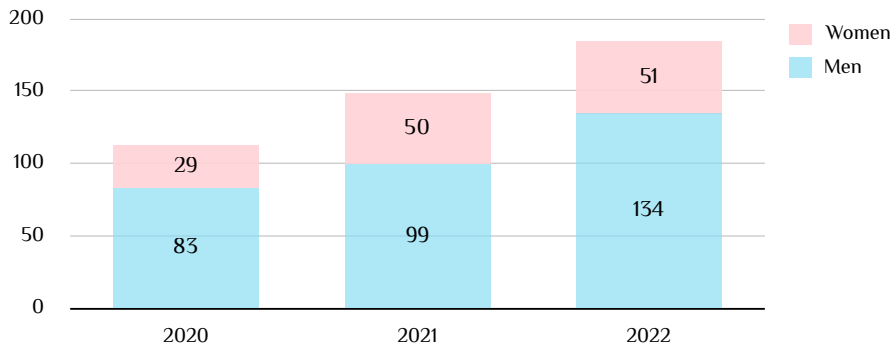
ICAM Chocolate Uganda Ltd. is a male-dominated Company, with 72% men, both in the office and in the field staff. In the three sites, ICAM has always been committed to hiring local staff, preventing any kind of discrimination, including tribal or religious discrimination, in line with the Group’s values.

In 2022, no incidents of discrimination were reported through formal procedures.

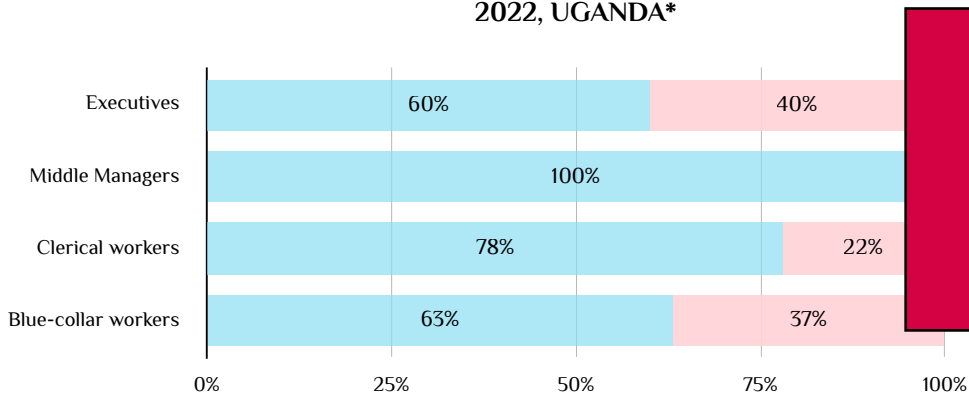


* Employees on permanent and fixed-term contracts

ICAM UGANDA'S EMPLOYEES (NUMBER)*



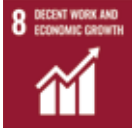
HUMAN RESOURCES BY ASSIGNMENT AND GENDER, 2022, UGANDA*



* Employees on permanent and fixed-term contracts



4. Employees' health and safety: healthy and safe working environment, training and provision of PPE



As formalized in its Safety Policy, ICAM considers its employees' physical integrity a primary value and guarantees healthy and safe working environments in compliance with current legislation.

GRI 403-1
 GRI 403-8
 GRI 403-2

Pursuant to Article 30 paragraph 5 of Legislative Decree 81/08, in 2010 the Company voluntarily implemented an Occupational Health and Safety Management System, which is compliant with the UNI INAIL guidelines and covers **100% of its employees**. This System includes a Regulatory Compliance Assessment Process and a **Risk Assessment**, which describe the responsibilities and processes that are used to identify, manage and reduce the risks associated with work activities.

A Risk Assessment Form has been prepared for each task to identify and assess the risks of each process step, considering the severity of the expected event, the frequency of exposure and the probability of its occurrence.

GRI 403-4

In addition, employees have the possibility to **make reports**, even anonymously, in accordance with internal procedures to protect **whistleblowing**.

GRI 403-1

The **management of accidents is monitored** and analyzed by the Employer, the Prevention and Protection Service Manager, the Plant Manager, the Workers' Safety Manager and all the potentially involved figures, so as to resolve any critical issues that arise.

The System provides for the identification of risk factors, the analysis outlined in the risk assessment document and the elaboration of all prevention measures suitable for maintaining the work environment compliant with current regulations

In addition to this, employees are directly involved in the implementation of the System: upon hiring, all of them receive a handbook where the main risks related to their tasks are outlined, along with the precautionary measures the Company has put in place.

GRI 403-5

In addition, every year employees are provided with **training**, in presence and/or in e-learning mode, in compliance with current regulations. In 2022, ICAM provided its employees with **1,776 hours** of training on occupational health and safety issues. The effectiveness of learning is verified through learning questionnaires.

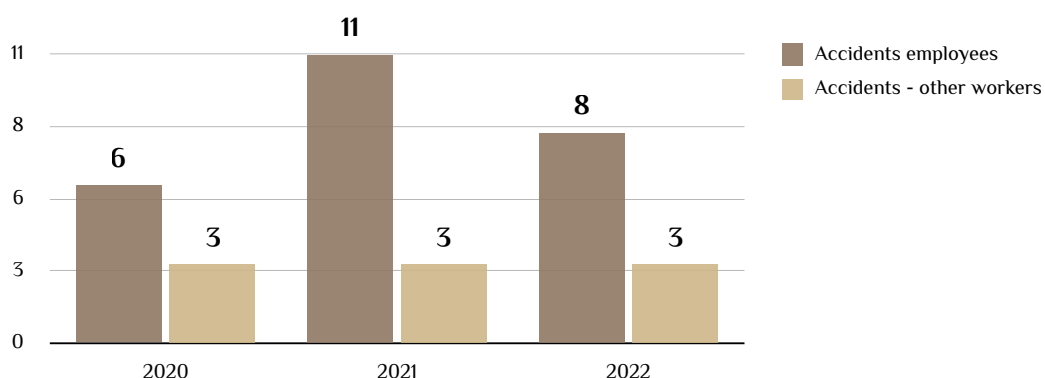
In order to promote good practices and raise awareness about the risks that can arise from carelessness and non-compliance with Company guidelines, ICAM organized a special Annual Workplace Safety Meeting in January 2020.



This meeting was repeated in 2022 and involved the Company’s entire workforce, with the purpose of promptly reducing the incidence of accidents.

In 2022, the Company continued to constantly and efficiently manage the effects of Covid-19 pandemic. During the year, the Company continued to implement all the procedures and guidelines to protect its employees, guaranteeing the daily distribution of surgical masks to all, ensuring social distancing, implementing extraordinary cleaning operations and offering many employees the chance of working remotely. There were no cases of widespread Covid infection in the departments/offices.

ACCIDENT TREND (NUMBER OF EVENTS), ITALY



GRI 403-9

ICAM’s activity does not bring about specific work-related ill health.

GRI 403-10

Ugandan collaborators’ health and safety

ICAM Chocolate Uganda Ltd. conducted an initial **Risk Assessment** on the Bundibuyo site in 2020, and in the same year it adopted a **Health and Safety Management Policy**. The document outlines individual responsibilities and details recommendations, guidelines and suggestions about workplace safety.

GRI 403-1
GRI 403-2

In 2022, the Assessment was also extended to the Hoima and Mukono sites and, with the support of a specialized consultant, risk assessments and compliance audits were conducted on the basis of an accurate default checklist. The management then shared and addressed all the areas for improvement.

All employees are covered by the Health and Safety Management system.

GRI 403-8

GRI 403-5

In 2020 and 2021, Bundibuyo staff received **training in Health and Safety**; supervisors received training in First Aid too. In 2022, the same training was provided to the Hoima site, with a total of 89 people receiving training in fire management, safety and occupational health. The goal for 2023 is to provide such training in Mukono as well.

GRI 403-6

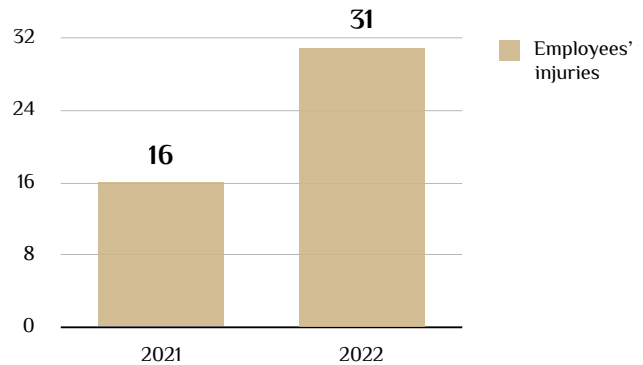
In order to **protect employees' health**, ICAM Uganda has entered into an agreement with some health facilities near each of the three sites. This agreement offers access to healthcare to all employees on permanent and fixed-term contracts (for the latter, for work-related problems only). For the management of minor injuries (cuts, bruises, etc.), the 3 sites of Hoima, Mukono and Bundibugyo have an infirmary which, if necessary, can be supported by a specialist doctor. In Bundibuyo, there is also a supervisor with specialist training (an employee who previously worked as a professional nurse).

In 2022, the Company was also involved in the development and completion of safety systems on site, such as the provision of signage, the construction of new toilets and changing rooms, as well as the provision of PPE: work boots and waterproof clothing for field staff, personal hygiene and cleaning materials, and fire prevention materials for kitchen staff. It is also possible to request a convalescence period after illness.

GRI 403-9

In 2021 ICAM started to keep a **register of accidents**, which in 2022 was extended to the other 2 sites. In 2022, a total of 31 minor injuries were recorded, including during field activities due to slippery roads; in any case, there were no serious injuries. Corrective actions were put in place on procedures and facilities to prevent the reoccurrence of these kind of injuries.

ACCIDENT TREND (NUMBER OF EVENTS), UGANDA



GRI 403-10

The activity does not bring about specific **work-related ill health**, and employees reported no such event.



5. Impacts on local communities: social and economic development of local communities in regions where the Company operates

Since the 1940s, ICAM's bond with the local communities and regions in which it operates has been consolidated thanks to the growth of the Company itself (with recruitment of local people) and facilitated by ICAM's attention to environmental, educational and social issues.

ICAM considers it essential to be available for **dialogue and discussions with the communities of the regions in which it operates**. Over the years, the Company has pursued a goal of being a reliable, proactive, collaborative and transparent production entity.

To mitigate the olfactory impact, minimising the disturbance to the local population, an after-burner was installed and then upgraded in the cocoa roasting plant (where the most aromatic phase of the process takes place), since it neutralises all the aromatic molecules that are emitted.

In the Orsenigo site, the technology of coalescence of the grease particles carried by the cooling air allows to reduce both particulate matter and Volatile Organic Compounds (VOCs) to values that are well below the legal limits, so as to mitigate the olfactory impact.

The correct and regular management of all regulatory aspects relating to the Company's activities, together with the guidelines that have been adopted over time, have made it possible to establish a collaborative dialogue with local authorities, institutions and authorities.

GRI 203-1

The Company is committed to supporting cultural and educational initiatives, paying special attention to its relationship with schools.

GRI 413-1

ICAM firmly intends to make its own contribution in training "people of high competence but also of high human depth": that is why it provides its economic support to the freedom of education and it offers its utmost willingness in **welcoming student interns** and in adhering to school-work alternation projects with several schools of different orders and degrees.

ICAM also supports professionals in the use of products from the Agostoni and ICAM Professional range, and in 2018 it launched the ChocoCube initiative to provide technical and business advice. At this advanced training hub – either in person or via digital platform – technical pastry consultants teach pastry, ice cream and chocolate customers about best techniques and applications, recommending skills for optimizing work, ingredients and finished products, as well as areas for business development.

In addition, the Company **supports the community by donating its products**. This particular activity is aimed at all associations that, in the light of their initiatives, need ICAM products, but it is especially highlighted by the Company's partnership with the **Banco Alimentare Foundation [Food Bank Foundation]**; indeed, one of ICAM's shareholders, Antonio Agostoni, is a founder of this organization as well.



In this context, the Company has entered into agreements with some distributors to encourage them to send returned ICAM's products directly to the Banco Alimentare Foundation.

THE BANCO ALIMENTARE FOUNDATION

The Banco Alimentare Foundation ONLUS is a non-profit organization that seeks exclusively to pursue social solidarity programs in social assistance and charity sectors. In particular, the Foundation focuses on recovering food surpluses from agriculture, industry, wholesale retailers, organised catering, public institutions and food retailers. The Foundation also handles the collection of food products from large retail centers on National Food Collection Day and any other collections of food donated to other organizations. Any food recovered and collected is redistributed free of charge to non-profit organizations who assist the poor and disadvantaged, and more generally to any needy individuals or groups in Italy.

The Foundation also promotes all initiatives that may be useful in raising awareness and informing the public and appropriate authorities about problems relating to food, food waste, poverty – especially food poverty –, marginalisation and social inclusion.

The headquarters of the Foundation is in Milan, and there are 21 Banco Alimentare organizations at the regional level.

For further information: www.bancoalimentare.it



Furthermore, at Easter, ICAM donates an Easter egg to each child attending all kindergarten, primary school and parish recreation centers in the area.



In 2022, ICAM's commitment to the local community took the form of participation in several initiatives promoted by local associations.

ICAM supported UICI (**Unione Italiana dei Ciechi e degli Ipovedenti - Italian Union of the Blind and Visually Impaired**) by implementing two solidarity projects:

- **“Aiutaci ad aiutare”- co-marketing** on Blue Rose pralines, with a contribution from ICAM for each piece sold.
- **offer of UICI customised free products** for fundraising on the occasion of the Regional Day for the Prevention of Blindness and Visual Rehabilitation, organised by the Regional Council of Lombardy.



During holidays, ICAM confirmed its closeness to the **local community** through charitable collaborations and the donation of products to **various local entities** from different fields: school, religious, sports, health and social. In particular, ICAM donated over 15,000 **Easter eggs** to more than 120 entities located in the neighboring provinces of Lecco, Como, Monza-Brianza

In addition, ICAM concretely supported the **Ukrainian population**, severely affected by the war, by donating its products and collaborating with the Cassago Chiama Chernobyl Association for their delivery through channels the association set up to face this humanitarian emergency.



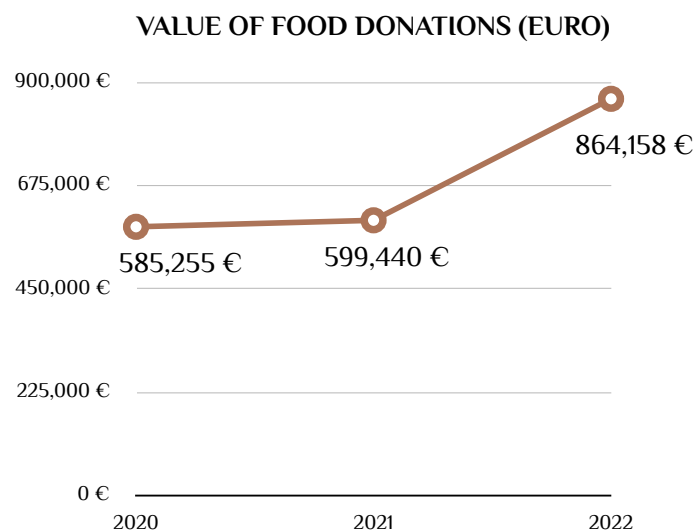
In 2022, the Company continued and strengthened its collaboration with **Noi Genitori ONLUS**, a non-profit organization that has been operating in ICAM's area for over 20 years. Noi Genitori assists people with disabilities and their families, offering them support towards a better future, bringing solidarity back to the heart of the economy and ensuring that their children live a full and integrated life in the community.

Among the opportunities for “real work” offered to children with disabilities, ICAM has chosen to support the biscuit factory, which provides a concrete opportunity for inclusion while respecting diversity.

It is a path that is fully shared, particularly since Noi Genitori operates with great attention to sustainability issues: when selecting its suppliers, Noi Genitori ensures that they are socially responsible, that they put the craftsmanship and quality of the local raw materials at the center of their recipes, and that they use energy from renewable sources to operate facilities.

ICAM's contribution to the initiative takes the form of a free supply of cocoa and chocolate for production needs and the purchase of biscuits and jams as Company gifts to employees. In the future, the Company aims to activate forms of corporate volunteering to support Noi Genitori.

In 2022, ICAM donated goods for a total value of € 864,158².



Impacts on local communities in Uganda

For further information on ICAM's contribution to local communities in cocoa-growing countries, see chapter “Responsibility throughout the supply chain”, section “Impacts on local communities: social and economic development of local communities”.

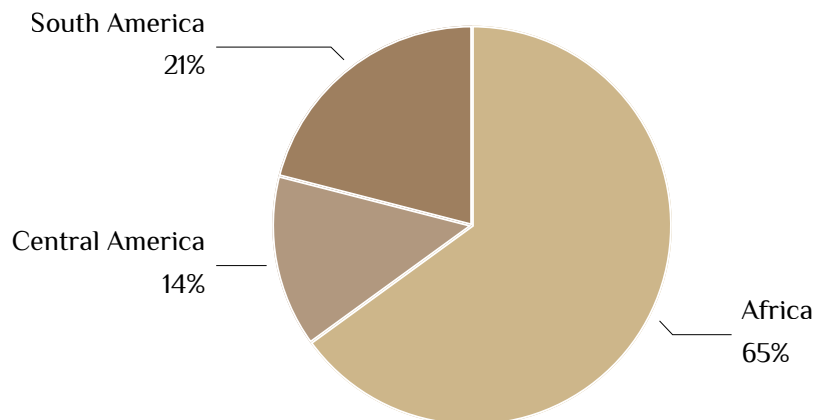
² This figure refers to all of the Company's gifts, which include: donations to the Banco Alimentare Foundation; Easter eggs to children in local communities attending kindergarten, primary and middle schools and parish recreation centers; Easter and Christmas gifts and donations to employees and third parties; free provisions to customers.



Responsibility throughout the supply chain

ICAM commits to operating as a sustainable, high-quality chocolate company. A responsible supply-chain management-one that cares about people and the environment and also guarantees superior quality and food safety-is essential to the Company's success.

Indeed, the excellence of our products is intrinsically related to our ability to handpick the best raw materials, in particular cocoa, and to liaise with farmers in more than 20 supply chains in Africa, South America and Central America.



ICAM'S MAIN COCOA SUPPLY CHAINS



Having determined that acknowledging the **direct supply of cocoa** would allow for more effective management of the complexities of the supply chain, ICAM adopted a **vertical integration strategy**. Over time, this approach has turned into a genuine philosophy:

“produce high-quality chocolate by controlling the entire supply chain, from plantations to finished product”.

The Company has established solid and fruitful partnerships with several grower communities—mainly cooperatives in South America.

ICAM financially and technologically commits increasing to improving cocoa quality and working methods, as well as the income of the people involved and their families’ socio-economic conditions, in a win-win approach.

Such collaborations are based on the Company’s Code of Ethics, which calls for respect, nurturing relations with all operators in the supply chain, sustainability, fairness and transparency as the guiding values in all phases of daily activities.

Underlying this approach is the keen awareness that the Company’s and grower’s roles are equally significant.

Both are business partners, who face the ever-changing market conditions together.



Learn more about our approach to a sustainable supply chain from our partners and president.

At present, however, the Company cannot exclusively source its supplies from the cooperatives with which it has long-standing direct partnerships and must out of necessity turn to the international market in order to meet specific customer demands in terms of cocoa origin and/or specific cocoa features. In these cases and, more generally, when ICAM looks for a specific cocoa origin, with qualitative properties not available from the cooperatives it usually works with, ICAM chooses local traders and merchants who share its philosophy and ethical approach and with whom it boasts a solid relationship. These traders must also be able to demonstrate guaranteed sustainability and traceability.





1. Supply chain traceability and responsible supplying³



ICAM's commitment to the production and supply of ethical chocolate is based on its desire to know the history of each of the ingredients used, from their cultivation and growth to the final product-not only cocoa, but also sugar, milk and vanilla.

The respect for all players in the supply chain underlies the approach to all suppliers, in the various value construction areas. ICAM acknowledges the importance of ensuring that costs are covered and labor is respected.

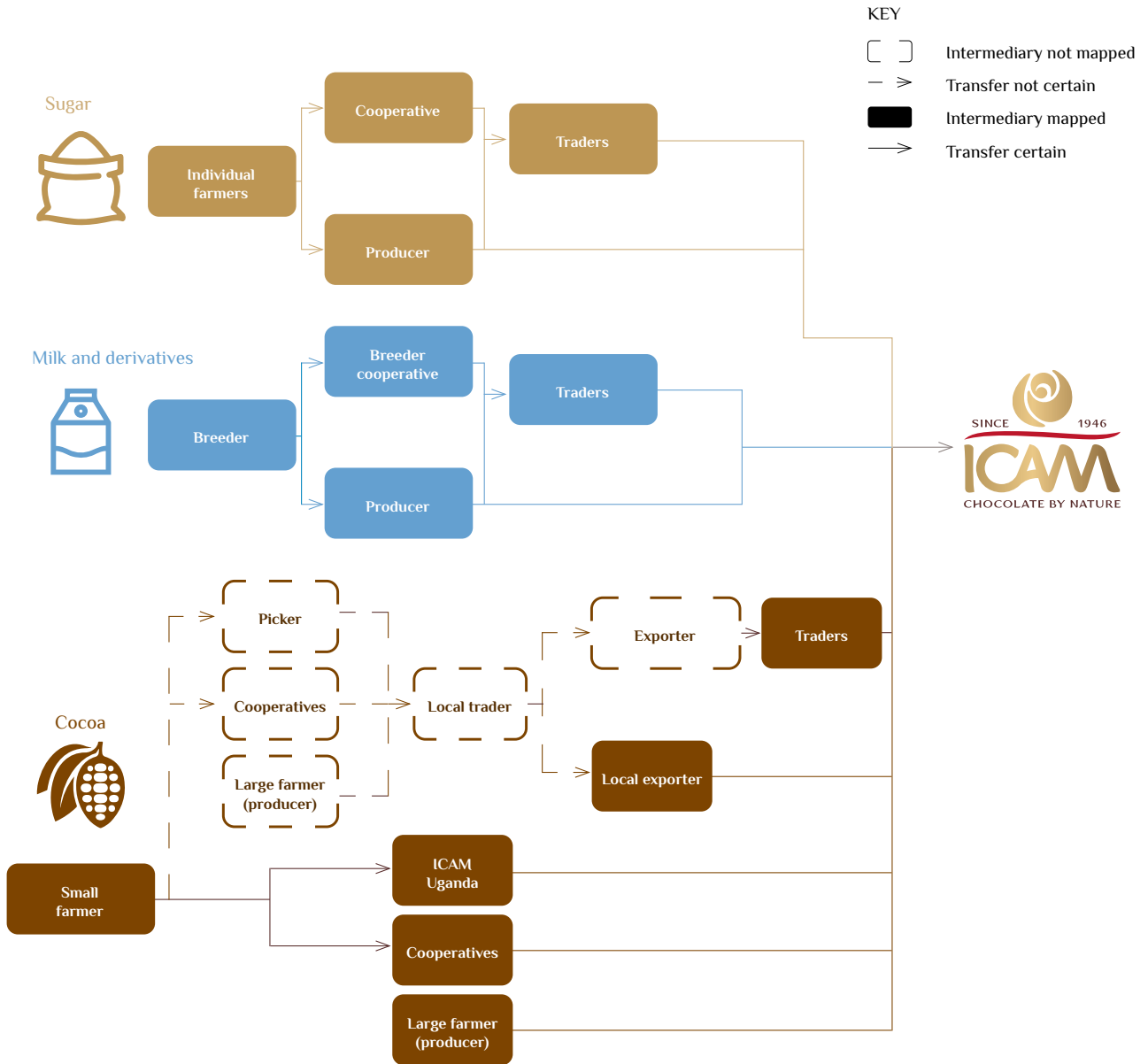
In this regard, the fair remuneration of growers is one of the main objectives of social sustainability certifications.

The Company pays so much attention to the supply chain where it operates that in recent years it has allowed some small suppliers, who do not have the necessary levels of reliability to access favourable credit conditions, to resort to **reverse factoring**, allocating them part of its bank credit lines and **favouring their access to financial support** at more competitive conditions than those the credit market offers.

ICAM has always valued, as cornerstones of its corporate philosophy, the valorisation of the origin and quality of raw materials and the possibility of **establishing direct partnerships with growers**. To best implement such philosophy, it has mapped the players that are involved in its supply chains.

³ IMPACTS:

- Respect for the value chain throughout the entire supply chain.
- Management of environmental and social risks generated by the supply chain.



As regards the supply of milk and its derivatives, mapping revealed that ICAM's knowledge of this supply chain is complete.

The middlemen the Company deals with – traders and producers of processed milk – disclosed the names and details of the producers and cooperatives that supply such milk.

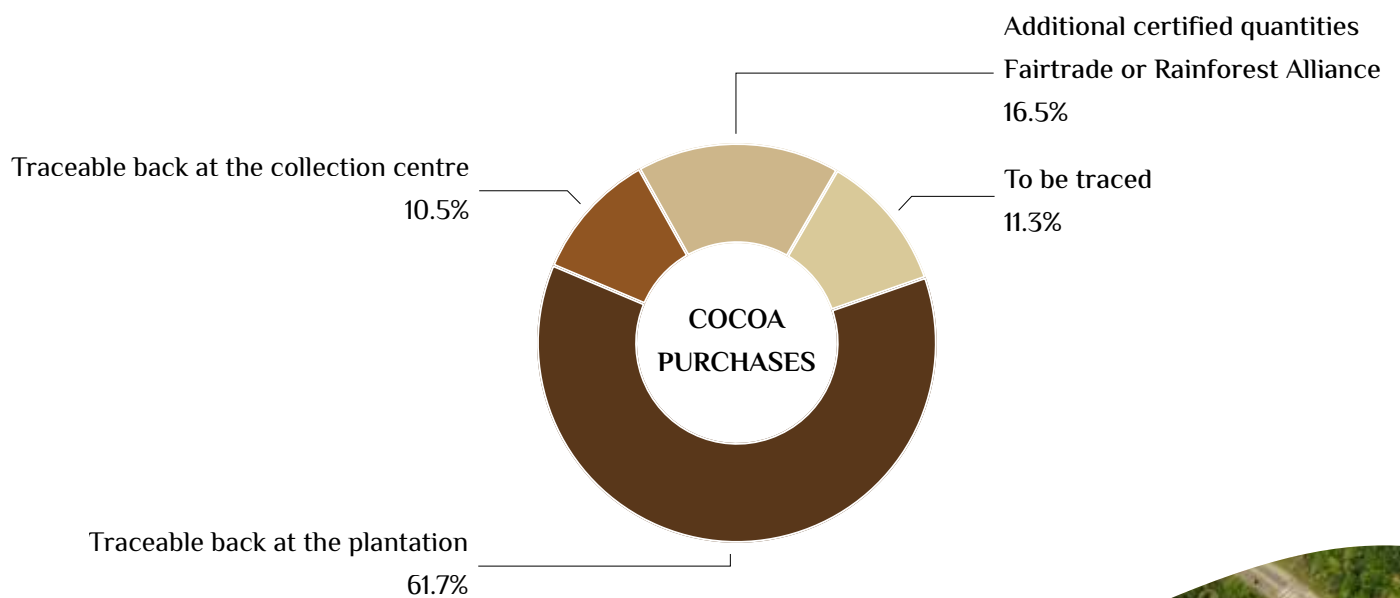
As regards the sugar supply chain (beet, cane and coconut) too, ICAM directly knows the producers and/or the cooperative that supply the sugar used in its products.

As for the cocoa supply chain, at present ICAM has been able to trace the full chain back to the plantation for 62% of the cocoa it uses; for a further 10%, it has managed to carry out at least a partial traceability.

This category includes certified cocoa from ICAM's Ugandan branch, cocoa growers (also called major growers), cooperatives (most of which are in Latin America) and local exporters (most of which are in Africa), who boast a detailed knowledge of the supply chain, monitor the practices adopted and can trace specific groups of growers and farmers. In addition, rules and regulations for organic chocolate provide for the mapping of its origin.

10% of conventional cocoa comes from direct purchases too, for which the collection center can be traced. A further 16.5%, albeit not fully traceable, is purchased under Fairtrade or Rainforest Alliance certification.

As for the remaining 11%, an in-depth traceability and mapping project will be launched.



Fermentation center at ICAM Chocolate Uganda in Bundibugyo - Bwamba



Supply Chain Risk Assessment

As a result of the above-mentioned mapping, ICAM developed a “Supply Chain ESG Risk Assessment”, aimed at increasing knowledge of the structure and the ESG (i.e. environmental, social and governance) risks that characterize the supply chains of three main raw materials it purchases: cocoa, milk (and its derivatives) and sugar.

The “Supply Chain ESG Risk Assessment” project provides crucial data for developing an action plan for the strategic management of social and environmental aspects of the cocoa, sugar and milk supply chains, in order to increase the traceability and transparency of ICAM’s supply chain.

The analysis intends to integrate the assessment of supply quality, service and commercial competitiveness by taking into account ESG risks too. The project was composed of four steps, each preparatory to the next.

1. Preliminary mapping of supply chains

The first step involved the definition of the tiers characterizing the supply chains under analysis, along with the identification of the direct suppliers of raw materials. For each supply chain, the available information was collected and processed in order to reconstruct the upstream tiers of the supply chain.

2. Analysis of ESG risks in countries of origin

After identifying the main environmental, social and governance risks that characterize the supply chains under analysis – and therefore could significantly affect ICAM (impact) –, relevant indicators for each risk were identified. These indicators were proposed by independent and accredited international bodies and organizations, capable of assessing the likelihood of a given risk, based on the country of origin of the raw materials.

These activities led to the **identification of 8 relevant ESG risks** (not all applicable to each of the raw materials under analysis) and to the **analysis of 35 countries of origin** of raw materials. The table below shows the details of the identified risks and the sources used for the analysis.

3. Supplier ESG risk assessment

In the third step of the risk assessment, we analyzed the suppliers, verifying in each case **the presence of specific measures they had put in place to mitigate each type of risk**. In particular, we analyzed information from questionnaires, documentation available online, interviews, third-party audits, and ICAM’s visits. Here are some examples of tools and measures that were monitored:

- documentation testifying to a specific commitment (Code of Ethics and Code of Conduct, specific policies, Sustainability Report, Sustainability web pages/information);
- direct ad hoc supervision tools, i.e. certifications, third-party assessments, GPS or Polygon mapping, physical traceability system;
- specific risk mitigation initiatives.

















4. Definition of residual risk

Based on the risk analyses of the countries of origin and the mitigation measures put in place by each specific supplier, it is possible to assess the supplier’s residual risk on a case-by-case basis. At present, we are analyzing the collected data with the aim of **identifying macro-areas of intervention and individual initiatives to be promoted with each supplier, modulated** according to the risk level and the strategic nature of the supply.

The Supply Chain Risk Assessment project is a step forward in a path of continuous improvement. In particular, this research made it possible to outline a method for identifying ESG risks, monitoring responses and organizing data-all very useful for supplier evaluation and selection.

The project strengthened the conviction that, in order to be effective, risk assessment must be part of a global and interfunctional operational strategy, which combines two goals: on one hand, mitigating risks and guaranteeing product compliance and, on the other hand, being a tool for the **creation of shared value throughout the supply chain**. In particular, the most effective way to successfully manage a strategic supply chain – and to strengthen its supervision tools when necessary – is through partnership, suggesting common projects and sharing medium- and long-term objectives.

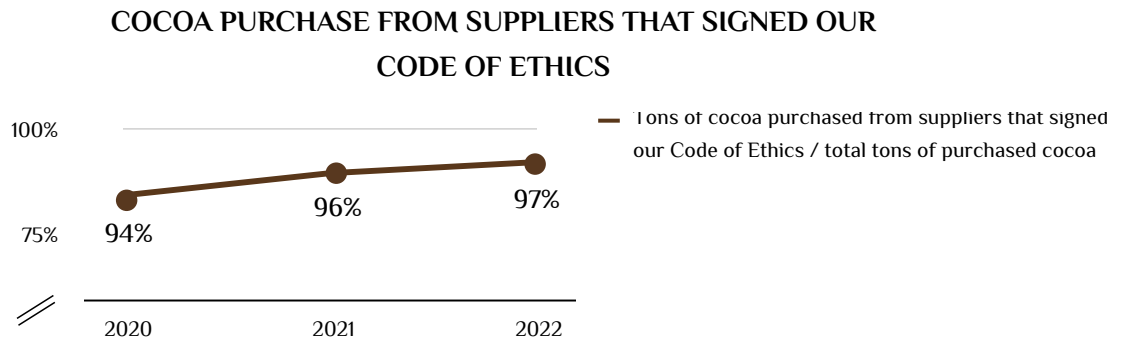
The goal of risk mitigation in the ESG field necessarily requires **involvement and innovation**, and exerts a significant impact, as it **makes the entire supply chain more resilient and competitive**: from growers to local areas and producers, it generates positive impacts for all the communities involved.

Risk	Applicable raw materials	Source (indicatore/document,instruction,indicator)	Critical risk	Negligible risk
 Corruption		Corruption perception Index (2019) Transparency International	≤ 19	≥ 80
 Forced labor		1. GMAP - International Finance Corporation Media “Use of” and “Laws related to forced labor”	≥ 92	≤ 15
		2. Global Slavery Index - Walk Free Foundation - Vulnerability to Modern Slavery	≥ 80	≤ 19
 Child labor		1. GMAP -International Finance Corporation - Media “Use of” and “Laws related to child labor”	≥ 92	≤ 15
		2. Global Childhood Report- Save The Children - Children engaged in child labor	≥ 15	≤ 1
		3. Global Childhood Report- Save The Children - End of childhood	≤ 599	≥ 940
 Animal Welfare		Animal Protection Index -World Animal Protection - Protecting animals used in farming	A/1	≥ G/7
 Fair Price	 *for developing countries only	Based on country of origin	Developing countries	
 Deforestation		Global Forest Watch - World Resource Institute - Tree cover loss	≥ 15	≤ 1
		Global Forest Watch -World Resource Institute - Tree cover loss by dominant driver	≥ 50	≤ 5
 Biodiversity		Environmental Performance Index - Yale University - Biodiversity Habitat Index	≤ 29.9	≥ 80
 Protected areas	 *for developing countries only	World Database on Protected Areas - United Nations - Terrestrial protected areas	≥ 35	≤ 4.9

Management of environmental and social risks generated by the supply chain

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

As of 31.12.2022, 43⁴ suppliers signed the ICAM Code of Ethics (all 27 local cooperatives/exporters, plus 16 out of 20 traders). This figure corresponds to 97% of the cocoa used and gained a further 1% over the previous year.



ICAM aims to work only with cocoa suppliers that have signed its Code of Ethics and/or demonstrate that they act responsibly, consistent with the social and environmental values outlined in the Code.

ICAM requires all suppliers involved in its supply chain to sign its Code of Ethics. As of 31 December 2022, 100% of suppliers of the main raw materials other than cocoa formally signed the document.

During the assessment of new suppliers, and in particular for ingredients with specific features, the social/environmental parameters of the organic, Fairtrade and Rainforest Alliance certification standards are taken into account, and a **survey on the Sedex platform is carried out when necessary**. In addition, a SMETA audit may be requested.

One of the Company's future goals is the prior selection of new suppliers on the basis of specific environmental and/or social criteria.

⁴ This figure includes Uganda and suppliers that have formally shared their own Code of Ethics based on the same values and principles as ICAM.

SEDEX: A PLATFORM FOR CERTIFIED ETHICAL COMMITMENT

ICAM is a **member of SEDEX** (Supplier Ethical Data Exchange), a non-profit organization engaged in disseminating ethical principles across the whole the supply chain. It is the broadest European platform for the collection and processing of data on ethical behavior of supply chains.

The Company has chosen to voluntarily subject itself annually to a **SMETA** (Sedex Members' Ethical Trade Audit), an auditing method created by SEDEX that represents a best practice model in ethical audit techniques.

The audits focuses on four main pillars: **labor standards, health and safety, business ethics, and environment**. The results of the audit are made public on the SEDEX platform, **allowing companies to exchange contacts and information**.

In 2021, ICAM became a **SEDEX partner**, obtaining visibility on the ethical performance of supply chain operators and the possibility of activating due diligence tools.

At present, 102 out of 228 ICAM's suppliers – of ingredients and packaging – are members of the platform.

Sedex

The 4 pillars of a SMETA



Labour Standards

Health & Safety

Business Ethics

The Environment

Supplier Company Reference
 ICAM = ZC1050189

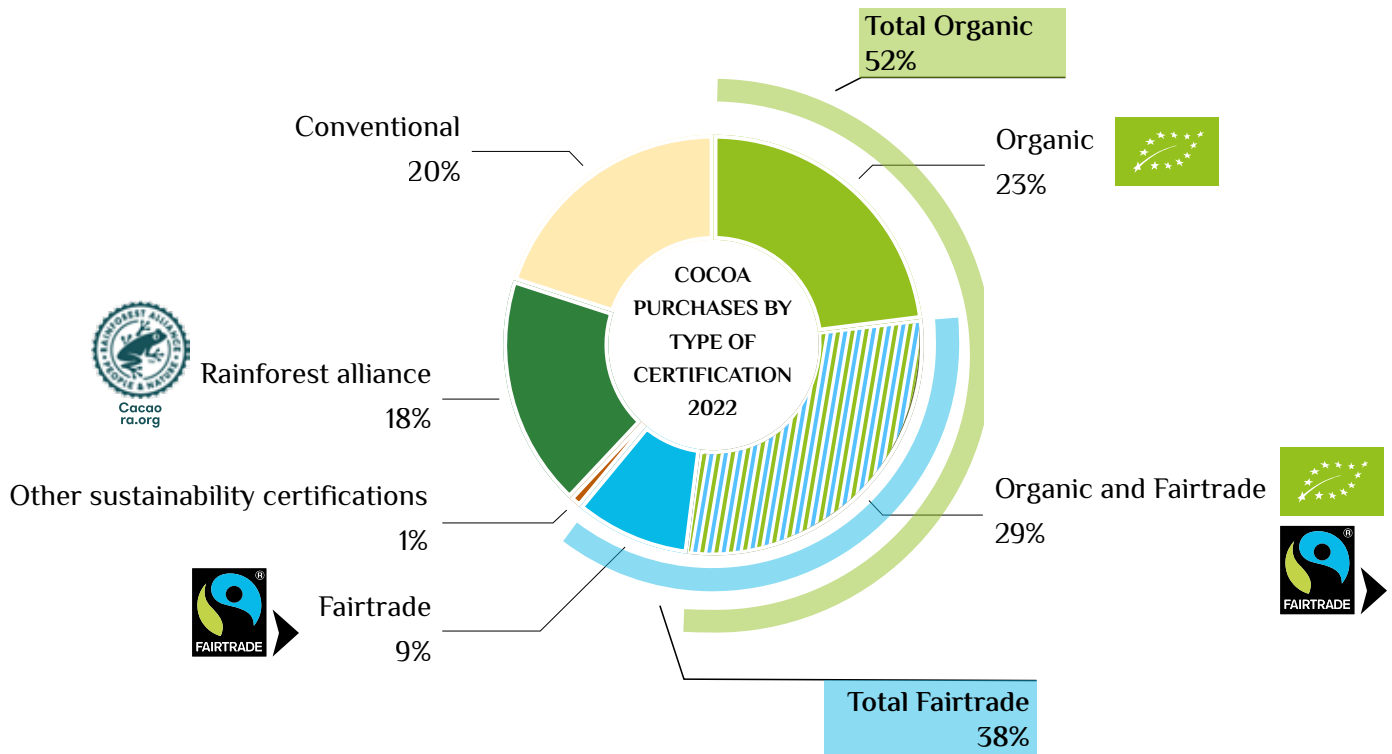


2. Sustainable use of raw materials⁵



GRI 301-1

The Company's vocation for sustainability is clearly revealed by the significant recourse to certified raw materials: for the procurement of the main raw material, **80% of the 26,113 tons of cocoa that were purchased in 2022 have one or more certifications**, in particular organic, Fairtrade and Rainforest Alliance.

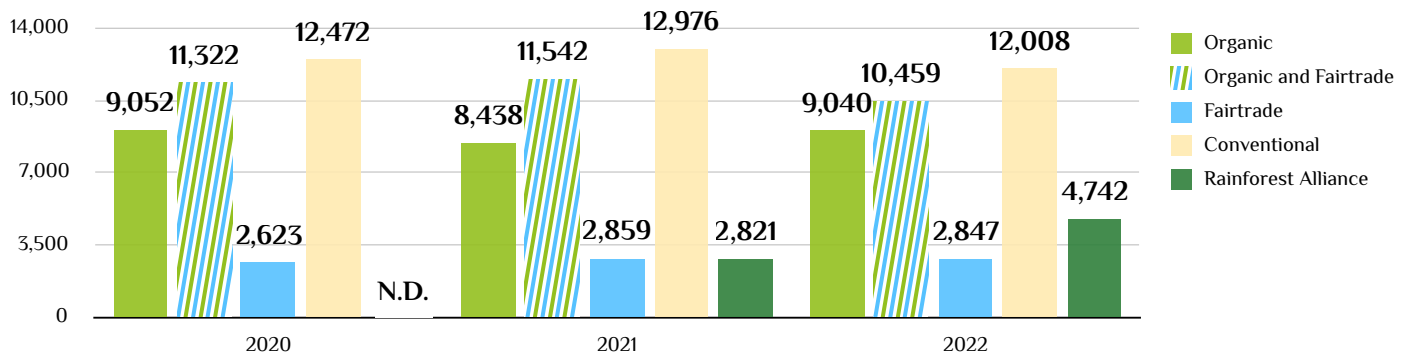


These certification standards are supported by strict controls and require producer organizations and companies to comply with rules aimed at protecting human rights and the environment.

ICAM's focus on respect for farmers and the environment is not limited to the purchase of cocoa, but covers also the **sourcing of all raw materials**. In addition to cocoa, four main ingredients characterize the production of chocolate: sugar, milk, vanilla and nuts.

⁵ IMPACTS:
 - Contribution to environmental and social sustainability through the selection and purchase of certified raw materials (organic, Fairtrade...).

TOTAL RAW MATERIALS (TONS) - COCOA, SUGAR, MILK, VANILLA AND NUTS.
PURCHASES BY TYPE OF CERTIFICATION



Unlike cocoa, many of these products can be sourced directly from Italian and European suppliers, with greater guarantees, in light of the higher standards imposed by the regulations in force. Such standards cover both the respect for correct agricultural and breeding practices and the respect for workers' rights. As explained above, ICAM requires all its suppliers to sign its Code of Ethics.

In addition, ICAM has always been committed to prioritizing Italian or zero-mile products such as beet sugar, fruit, aromatic plants and others, in case customers appreciate this offer.

As regards the sourcing of raw materials that necessarily come from **non-European countries** (for climatic reasons, as in the case of vanilla, or because of insufficient availability in Europe, as in the case of hazelnuts or organic sugars), over time ICAM has selected business partners that have shown an **ethical and sustainable approach** to business management.

With reference to the purchase of sugars – including special and innovative sugars, such as coconut sugar or sweeteners – in 2022 the Company purchased 47% organic and/or Fairtrade certified sugars from different countries such as Paraguay, Brazil, India, Argentina, Mozambique, Mauritius, etc. The remaining 53% consists of conventional sugar from Europe.

In 2021, ICAM joined a three-year supply chain project promoted by Italia Zuccheri, one of the Company's historic sugar suppliers, with the aim of enhancing the Italian sugar supply chain through the production and marketing of 100% Italian sugar from a certified supply chain.

In 2022, the volume involved was approximately 12% of the conventional European sugar requirement. The project also involved the **innovative organic beet sugar from 100% Italian beet**, which is used for the production of **Vanini** bars with single origin cocoa from Uganda.

ICAM AND ITALIA ZUCCHERI-COPROB:

“FILIERA CORTA 100% MADE IN ITALY” PROJECT



ICAM has partnered with Italia Zuccheri-Coprob, joining the efforts of two virtuous entities of the Italian agri-food industry, which share the same values and a **business model that prioritizes direct relations with raw material growers—specifically cocoa and sugar— to guarantee a high-quality product, controlled and respectful of the supply chain.**

Excellent quality, prioritizing Italian raw materials, environmental sustainability and support to local supply chains are the values of the Italia Zuccheri-Coprob’s “**Filiera Corta 100% Made in Italy**” project.

Italia Zuccheri-Coprob has carried out important experimental work to develop 100% Italian organic sugar from a certified supply chain, **expanding sugar production in Italy also in the organic sector**, in response to the demands of a market that is increasingly attentive and sensitive to the origin of products and ingredients.

Italia Zuccheri’s products are derived from sugar beets, a fundamental choice for agricultural sustainability and strategically important in crop rotation, thanks to the organic nutrients and minerals release into the soil. It is also one of the most virtuous sectors in terms of **greenhouse gas absorption**, considering that the cultivation of one hectare of the beets absorbs the same amount of CO₂ as one hectare of forest⁶.

Moreover, consistently with its commitment to protecting biodiversity, Italia Zuccheri has decided to adopt measures to **protect bees**, defining buffer zones and planting flowers around its crops to create a favorable environment for these pollinators.

These excellent Italian companies join their forces to build an authentic value path to work in close synergy and transfer these values to the end customer: ICAM has also chosen to use this sugar for Vanini bars with single origin cocoa from Uganda.



When **sourcing milk**, not only does ICAM focus on respect for the environment, but it also pays attention to **animal welfare**. The raw material, entirely sourced in Europe, is **37% organic-certified**. This purchasing percentage is an **important guarantee** of the correct **breeding practices** that farmers have put in place. In fact, the regulations on the production of organic milk impose a minimum number of days at pasture, adequate space for the cattle, and a controlled diet in which the use of GMO feed is forbidden.

⁶ BioAlter, Source: Prof. R. Giovanardi, M. Sandonà – Università degli studi di Udine

As part of the procurement of organic milk, in 2021-2022 the Company also developed an innovative **animal welfare** project in collaboration with various farmers with the aim of formulating recipes mainly for the American market: “**grass-fed milk**”, i.e. milk produced from grass-fed cows.

This is a private and voluntary breeding standard⁷ defined together with various farmers and producers of organic milk. After many months of analysis, verification and discussion, farmers signed a series of rules to guarantee animal welfare and, consequently, a better quality of the milk they produce. For example, the agreement provides for a minimum of 200 days at pasture, a ban on the use of growth hormones and of GMO feed, along with a strong restriction on the use of feed other than hay to supplement fresh grass, which is absent during the winter period.

Even in the case of conventional milk, we pay special attention to purchasing, buying only selected companies that are concretely committed to guaranteeing the sustainability of their products, from the protection of the land, the farmers and the livestock to the adoption of best practices to guarantee complete food safety.

For the purchase of **vanilla (100% Madagascar origin)**, ICAM exclusively turns to Italian and European farmers with a **clear and formal commitment to responsible and sustainable sourcing**. For instance, one of the main suppliers commits to aid and support programs for farmers, through health care and the development of alternative and complementary crops to vanilla, such as cocoa or rice.

As for **nuts** (hazelnuts, hazelnut paste, almonds, cashews, pistachios), about 18% of raw materials are sourced from Italy or Europe, whereas the remainder comes from Turkey, Georgia and Azerbaijan (hazelnuts) or from other countries (such as cashews from Africa), in compliance with the quality specifications outlined with customers. In fact, Italy is not self-sufficient in hazelnut production, as domestic consumption far exceeds the availability of cultivated crops. The purchase of **organic hazelnuts and almonds accounts for approximately 56% of the total purchase**.

Finally, ICAM only uses **palm oil and its derivatives** in products where these ingredients cannot be replaced in terms of functionality, taste, production process and price level. ICAM has raised the issue of the use of such ingredients with its suppliers and **has also integrated the RSPO (Roundtable on Sustainable Palm Oil) standards* into its purchasing policy** to ensure that these critical ingredients are managed in compliance with **sustainability and traceability principles**.

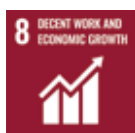
The Company is further committed to including specific environmental and social indicators in its evaluation criteria for new suppliers. To this end, a **review of the procedures for supplier assessment and validation** is being implemented and will be operational in 2023.

⁷The term “grass-fed milk” refers neither to a legal denomination nor to a certification. It is a term used for commercial and marketing purposes, but based on binding contractual agreements, in line with the Company policy inspired by transparent commercial practices, far from the risk of misleading communications.

* Segregated or at least in Mass Balance



3. The fair remuneration of farmers⁸



Cocoa is an important source of income and employment for rural populations in Central America, South America, and Africa, employing approximately 15 million **smallholder farmers** who, with plantations of less than 2.5 hectares, are responsible for producing over **90% of the world's cocoa**. However, the majority of farmers live in poverty, with **profits not exceeding 6-8% of the added value calculated on the sale of the final product**. According to the most reliable estimates, in most cases the family of a cocoa grower is forced to live on less than \$2/day⁹.

The determination of the price of cocoa by the London (LIFFE) and New York (CSCE) stock exchanges is one of the factors that influence the living conditions and remuneration of farmers in this supply chain. The price also takes into consideration various aspects, including quality, variety, processing methods, physical composition, as well as any taxes or duties applied by countries. Finally, the price may also be affected by weather conditions, subsidized distribution of fertilizers and insecticides to farmers and expectations of a large and/or higher than expected (or, conversely, a low) harvest.

⁸ IMPACTS:

- Development of growers' technical, managerial and work safety skills.
- Contribution to the achievement of cocoa growers' living income.

⁹ UNCTAD, Cocoa industry: Integrating small farmers into the global value chain, 2015 https://unctad.org/en/PublicationsLibrary/suc2015d4_en.pdf

This **price volatility**, which is common to all commodities, causes various **problems for farmers**, who are the first to suffer from its negative impacts. In fact, this uncertainty does not allow a satisfactory **remuneration** for the effort and time dedicated to cultivation, nor the possibility of **planning and investing in improving** the productivity of their plantations.

The main problems that characterize the cultivation of cocoa, as with other agricultural products from developing countries, are the **low productivity** of plantations and the **poor quality** of the product obtained. Such agricultural practices are not only inefficient, but often harmful to the ecosystem. Indeed, they end up further exacerbating the socio-environmental problems associated with cocoa cultivation. **Deforestation**, reduction of **biodiversity**, deterioration of **drinking** water quality and misuse of chemical pesticides are only some of the phenomena directly related to the growers' lack of **adequate knowledge of the best cultivation techniques**.

Consequently, developing the growers' skills is vital to improve their ability to generate income

The great challenge is therefore to transmit the necessary technical skills to farmers, allowing them, on the one hand, to increase productivity on the same amount of cultivated land, and on the other, to improve agricultural practices and obtain a quality product with the highest market value, guaranteeing economic development with full respect for the environment.



Peru-Acopagro: traceability, quality control and research. High quality for consumers, sustainability for growers.

Since the 1980s, ICAM has been committed to providing the growers in its supply chain with training programs through its collaboration with various cooperatives in Central and South America and the Caribbean region.

Not only has this commitment supported the production of a qualitatively superior cocoa, but it has also led local farmers to increase their income, both by increasing crop yields and providing solutions for diversifying the crops present on their land.

The training plan is a prerequisite and also an integral part of the certification paths, which allow growers to achieve a crop quality that is both appreciated in the markets and economically valued.



Peru - A nursery for the Apracam Cooperative

GRI 413-1



PRODUCTIVITY, INCOME AND SUPPORT TO FAMILIES IN NIGERIA THANKS TO THE RAINFOREST ALLIANCE PROGRAM

As part of the Rainforest Alliance certification program, initiated by ICAM in February 2022 and implemented by the Sucedn-Olakoko Farmer Group, 715 farmers in the Nigerian states of Osun and Ondo have received extensive training to improve their agricultural practices on the plantations (pruning, weed-killing, agrochemical management...), as well as their entrepreneurial skills (record keeping, monitoring and planning income and expenditure).

Tijani Taofeek, a farmer from Osun State, explains: “I now prioritize record keeping – something I didn’t pay attention to before joining the project – and I have learned to monitor my cash flow.”

“Thanks to the income from harvest sales and the premium, I have been able to maintain my house, to pay my children’s school fees, and to feed my family adequately.” The training intends to raise awareness about child labor and safety at work too. Taofeek has not benefited from training only, but also from support to set up his own nursery to renew the trees on his plantation and, consequently, ensure its long-term profitability.

And because of this, Taofeek will be able to pass the plantation down to his children as soon as they complete their studies.



Tijani Taofeek



Adeyemo Simiatu

Adeyemo Simiatu took part in the project and learned how to manage chemical inputs, reducing their purchase and, consequently, her costs. She was immediately able to put into practice what she learned on her 1.8-hectare plantation, with an immediate impact on productivity and consequent profitability.

As Adeyemo says, “Thanks to the increased productivity, my income has increased too. Beforehand, my yield was about 500 kg per year; after joining the project and doing my best to implement what I’ve learned, the yield has increased to about 580 kg. I am confident that it will continue to increase.” The program also encourages farmers to carry out activities generating additional income that is distributed throughout the year. Adeyemo claims: “I have been able to activate other sources of income, such as milling axava and palm. This has helped me to obtain additional income, especially during the low cocoa season.”

Adeyemo is thus able to support her three children and, as her plantation is becoming a sustainable source of income, she envisages passing it down to them.

GRI 203-2

As a result of sourcing cocoa with social sustainability certifications (57% in 2022, of which about 18% Rainforest Alliance, 38% Fairtrade and 1% from other certifications), ICAM pays the farmers an additional price that allows them to achieve a living income.

In addition to guaranteeing the payment of the local minimum wage, **Rainforest Alliance** is committed to helping farms progress towards the **payment of a subsistence wage**, which is calculated on the basis of country-specific benchmarks and lets farmers cover all the expenses necessary to ensure a decent living for themselves and their families.

SUPPORT FOR RAINFOREST ALLIANCE CERTIFICATION IN TOGO

In 2022, ICAM financially supported the implementation of the Rainforest Alliance certification program for the AGOU-KETO consortium of 27 cooperatives, in partnership with the exporter MAXI IMPEX.



The training aimed to strengthen managers' and leaders' technical skills and to effectively help all the cooperative members throughout the process:

- **SUSTAINABILITY POLICY:** traceability, investments, principles and applicable laws;
- **AGRICULTURE:** application of agrochemicals, integrated crop protection, good agronomic practices, composting and soil fertilization;
- **SOCIAL:** child labor, forced labor, discrimination, harassment and violence at work, gender equality, occupational health and safety, first aid measures, hazards and risks related to agrochemical products, access to water, health and education;
- **ENVIRONMENT:** protection of ecosystems, protection of wildlife, wastewater management, household waste management, energy efficiency.

The training (attended by an average of 450 people, of whom about 10% were women), assessment, inspection and audit activities took place over a period of almost 10 months and led to the certification of 410 smallholder farmers, covering a total area of 336 hectares. Already with the 2022/2023 harvest, they produced 217 tons of certified cocoa.

From the second year (2023/2024), the ambition is to involve most cocoa farmers in Togo's ecological zone IV, reaching +50% of farmers and 550 tons of volume.

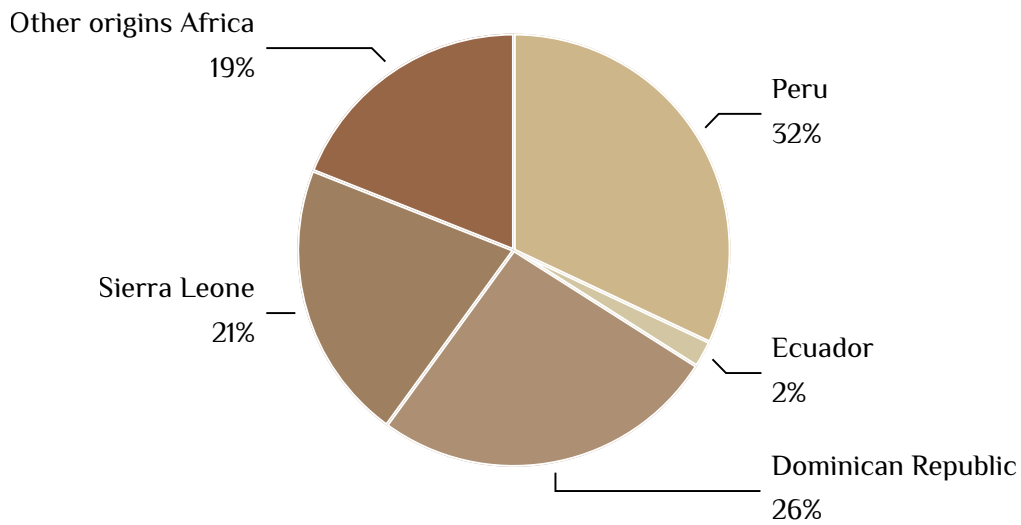


With the purchase of Fairtrade-certified cocoa, ICAM pays farmers a fair price, released from the market price, and never below the Fairtrade minimum price. As well as recognizing fair prices, Fairtrade certification guarantees farmers an additional margin, defined as "Premium", to be used in social, health and development projects through a participatory and democratic program.

Since 2017, thanks to the purchase of Fairtrade certified cocoa purchased directly from cooperatives or traders and exporters, ICAM has generated a total of € 11,802,902 in Fairtrade Premium.

More specifically, the 2022 amount was equal to \$ 2,336,228 and was generated mainly in Peru, the Dominican Republic and Sierra Leone.

**COCOA: DIVISION OF
 FAIRTRADE PREMIUM 2022 BY
 COUNTRY OF ORIGIN**

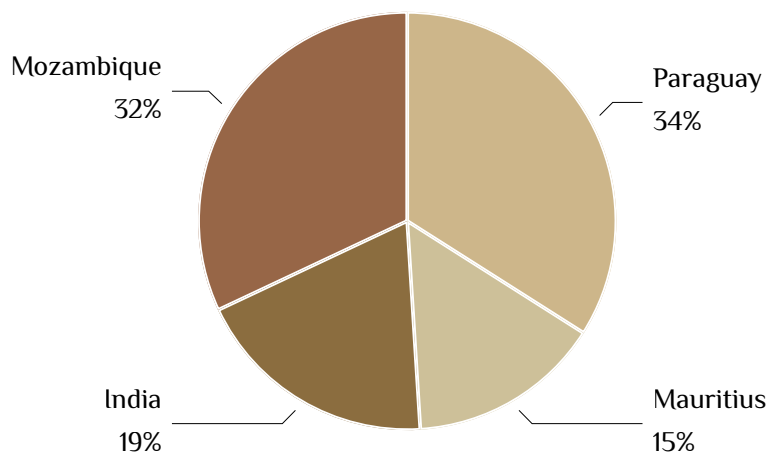


The Fairtrade Italy Impact Report* shows that in the period 2017-2021 the Fairtrade Premium has been invested mainly in SDGs aimed to **improve the farmers' living conditions: zero hunger (SDG 2) and no poverty (SDG 1)**.



The volumes of Fairtrade chocolate ICAM offers to the market also drive the purchase of other Fairtrade-certified raw materials – especially sugar and vanilla – with related positive impacts on their respective countries of origin. In particular, **in the Fairtrade certified sugar supply chain, ICAM generated \$ 234,708 in premiums in 2022.**

**SUGAR: DIVISION OF FAIRTRADE
 PREMIUM 2022 BY COUNTRY OF
 ORIGIN**



Source: Impact Report, 2022, Fairtrade Italy

Purchases of organic cocoa (23%) contribute to the living income too, thanks to its higher value acknowledged by the market.



* Fairtrade Italy: <https://public.flourish.studio/visualisation/13182168/>

ICAM Chocolate Uganda

An emblematic case of ICAM's contribution to the achievement of cocoa farmers' living income was the construction of the facilities of ICAM Chocolate Uganda Ltd.



A collection center for Ugandan farmers

Processing centers, where farmers can sell their fresh beans, have brought significant benefits to families involved in cocoa cultivation and to local communities. By transferring the fermentation

and drying stages to the ICAM centers, farmers **do not risk seeing part of their harvest deteriorating or being stolen** and also reduce the risk of children being involved in bean control activities.

These conditions have led to an increase in the quantity and productivity of the cocoa plants grown and an improvement in farmer management of the crop by.

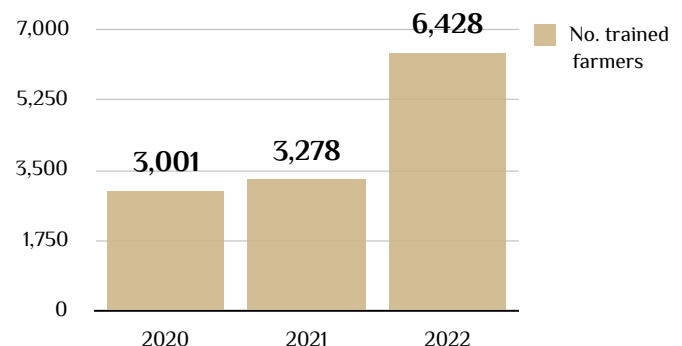
ICAM Chocolate Uganda is also engaged in activities aimed at increasing productivity, and therefore the income, of farmers from whom it purchases cocoa.

For years, ICAM staff has been providing training courses on sustainable agronomic practices to local farmers.

For the first stage of training farmers who offer certified cocoa, ICAM has put in place a structure of 55 field people and a “train-the-trainer” system, focused on farmer leaders for ongoing training.

In 2022, 6,428 farmers were trained at the three sites in Bundibugyo, Hoima and Mukono. One of the main objectives of the courses that were offered in 2022 is the knowledge and full compliance with the standards of organic and Rainforest Alliance certifications, as well as the diffusion of knowledge of agronomic practices, planting and nursery management techniques, disease and pest management in cultivation, and managerial skills for approaching the market.

FARMERS INVOLVED IN THE TRAINING PROGRAM, TOTAL UGANDA



In 2022, ICAM established a partnership with Corpeq BV, SanoRice Holding BV, Netherlands Enterprise Agency¹⁰ and Solidaridad East & Central Africa NGO. Together, they launched the project “Sustainable farming for a climate resilient livelihood of cocoa farmers in Uganda”, which mainly aims to consolidate a climate resilient livelihood for farmers’ families in Bundibuyo.



Solidaridad

The project implementation (from 2023) will mainly concern the transfer of technical knowledge and tools to put in place good agricultural practices, along with the implementation of agroforestry systems to increase the productivity of cocoa plantations and to transform the current production system, making it resilient to climate change.

For an overview of the project, see the section “Partnerships for sustainability goals”; for the history of ICAM Chocolate Uganda, see the chapter “Corporate identity”.

¹⁰ The project is co-funded by the Fund for Responsible Business (FVO), part of the Netherlands Enterprise Agency (RVO) and of the commission of the Dutch Ministry of Foreign Affairs.





4. Protection of biodiversity¹¹

Respect for biodiversity is a crucial issue for ICAM, which has always been committed to offering growers solutions to increasing crop productivity, maintaining soil fertility, respecting forest species and the boundaries of protected areas, counteracting the phenomenon of deforestation, and promoting the cultivation of cocoa varieties with high organoleptic qualities.



In recent years, the topic of protection of biodiversity has been supported by specific studies regarding agroforestry systems which, according to academic research, could represent the solution to allowing cultivation in full compliance with the values of biodiversity.

AGROFORESTRY SYSTEMS

An agroforestry system is the combination in time and space of at least two or three different plant species.*

The continuous search for new agricultural land is one of the main causes of deforestation and, consequently, of biodiversity loss. Agroforestry systems reduce this phenomenon by integrating the cultivation of cocoa plantations with native forest trees.

Indeed, agroforestry systems provide for sustainable cultivation of several plants on a single plot of land.

This system is particularly suitable for the cultivation of cocoa which, by nature, can be grown together with bananas, coconut and other fruit plants.

Moreover, the integration with fruit or timber trees improves food safety and offers supplementary sources of income.

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

¹¹ IMPACTS:

- Negative impact on the ecosystem due to agricultural practices along the supply chain.
- Contribution to the protection of biodiversity thanks to the promotion of sustainable agricultural practices.

Actions that are aimed at protecting biodiversity and sustainable farming practices are central to the organic, Fairtrade and Rainforest Alliance certification protocols, which in 2022 covered 80% of the cocoa purchased.

ICAM is committed to investigating the issues of agroforestry systems and biodiversity protection and to fighting against deforestation, working together with its most qualified suppliers to take into account the socio-environmental growing conditions in the countries of origin.

ICAM's technicians are investigating the feasibility of developing an agroforestry project in Peru.



THE ORGANIC APPROACH, ACCORDING TO ICAM



From the very beginning, ICAM believed in the organic approach and was **the first Italian chocolate Company to take up the “organic” challenge.**

As a proof of the far-sightedness of this vision, organic agriculture has now been included in the priorities of Italy's PNRR as a path to sustainable growth for the country, and in the biodiversity strategy as a key element of the European Green Deal 2030 for nature protection in the EU.

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

According to ICAM, the organic approach is a way of **thinking about the product with respect for naturalness**, which is not limited to the absence of chemical and artificial treatments. Indeed, from cultivation to preparation, packaging and processing phases, each step respects natural timeframes and methods.

The specific requirements for certification, which vary from country to country, involve compliance with a series of rules governing production, cultivation, storage, processing, packaging and shipping. They include:

- the non-use of synthetic chemicals, genetically modified organisms and irradiation throughout the production process, thanks to the empowerment, training, information and cooperation of farmers;
- the cultivation of agricultural land where no synthetic chemicals have been used for a considerable number of years;
- the complete traceability of ingredients and the adoption of a documented production system: for each ICAM organic-certified product, it is possible to draw a documented map of the entire production process;
- the strict physical separation of organic ingredients from conventional ones;
- regular on-site inspections.

In addition, organic production rules and regulations require full traceability and thus guarantee information on environmental sustainability, soil health, distance from polluting plants, the use of environmentally friendly plant protection products, product processing and packaging techniques, and the use of preservation, packaging and distribution methods.





5. Fight against deforestation¹²

The proposed EU Deforestation-free Products Regulation, which is expected to enter into force in 2023, also involves cocoa, as well as several agricultural commodities of tropical origin.

The “Supply Chain ESG Risk Assessment” project laid the foundation for a full understanding of the structure and the ESG risks characterizing the supply chains of three of the most significant commodities ICAM purchases, namely cocoa, milk and its derivatives and sugar.

As for the risk of deforestation, the “Supply Chain ESG Risk Assessment” has analyzed the supply chain (both certified and non-certified) through international tools:

- **Global Forest Watch** - World Resource Institute, focusing in particular on deforestation. Use of the indices “Tree cover loss” and “Tree cover loss by dominant driver”, through two main factors: changes in land use for agriculture and deforestation brought about by the cultivation of raw materials;
- **World Database on Protected Areas** - United Nations - Terrestrial protected areas calculates the percentage of terrestrial protected areas in the total land area of the country.

As a leader in the organic sector with more than half of its cocoa purchases being certified, for years ICAM has complied with traceability rules, a prerequisite for anti-deforestation practices.

In particular:

- The traceability of cocoa is strictly required by the Organic certification, which covers 52% of the cocoa beans we purchase;
- In the Fairtrade and Rainforest Alliance certification protocols, great emphasis is placed on the fight against deforestation, which is one of the main objectives of these standards. 56% of the cocoa we purchase is Fairtrade- or Rainforest Alliance-certified (of which 29% is both Organic and Fairtrade);

In total, 80% of the cocoa we purchase is covered by Organic, Fairtrade, Rainforest Alliance certification, or a mix of these. At present, ICAM can trace the cocoa back at least at the collection center for 72% of the cocoa it purchases.

¹² IMPACTS:

- Deforestation related to the cultivation of cocoa and other raw materials.
- Contribution to forest conservation.

THE RAINFOREST ALLIANCE PROJECT IN NIGERIA

In 2022, Sudden activated a deforestation control program in Nigeria on behalf of ICAM, based on **GPS maps (Polygon mapping)**, according to the Rainforest Alliance protocol.

The plantations the cocoa comes from are mapped and assessed under a **deforestation risk profile based on the best official open source maps, such as Global Forest Watch.**

The program **forbids the sourcing of cocoa from protected areas**, such as national parks and reserves, areas with deforestation or conversion of primary forests, areas with high conservation value or high carbon stock.

For plantations located in **buffer zones** (2 km around the protected area), farmers must implement a plan to ensure that there is **no further expansion** of the cultivated area.

Mapping will be completed on all farmers by 2023, ensuring that the cocoa supply in Nigeria does not come from protected areas. This is an ongoing process with new farmers joining the program, and registers are constantly being updated.

The program also provides **Farmer Field Schools** for training on farming techniques to improve productivity and support farmers in achieving adequate living income from their plots, **without expanding into surrounding forest areas.**



COOPASER: GROWING COCOA IN A PERUVIAN BUFFER ZONE

The Tambopata National Reserve and the Bahuaja Sonene National Park are two of the most emblematic protected natural areas in Peru, due to the biodiversity they host and their unique ecosystems and landscapes.

In 2014, as part of the monitoring of biodiversity in the reserve and park, the Peruvian Association for Integrated Development launched the project “Reducing Deforestation and Promoting Sustainable Development in Madre de Dios”, beginning the restoration of degraded areas by establishing 1,250 hectares of agroforestry systems in the buffer zone. It took fine aromatic cacao as the main crop and developed various economic activities, respecting the protected natural area.

Farmers are the key to the success of the initiative, as they have been involved as allies in the conservation of the forest.

The implemented agroforestry system offers them a permanent income over time and a sustainable alternative to illegal activities (such as alluvial gold mining).

The achievements of the agroforestry system for cocoa cultivation include:

- The protection of two emblematic natural areas along the buffer zone;
- The fight against deforestation caused by intensive farming and livestock breeding (which abandons compact, infertile soil), as well as the restoration of the soil through the addition of organic matter;
- The protection of the soil from erosion (from direct sunlight and weathering);
- The generation of micro-climates and habitats suitable for attracting micro- and macro-fauna, as these animals help disperse seeds and accelerate the recovery process of degraded areas;
- The restoration of wildlife corridors, which connect natural spaces where wild animals can move freely;
- The restoration of biological diversity and the protection of 16 animal species;
- The restoration of small watercourses that had dried up;
- CO₂ fixation: planting forest species in agroforestry systems enables the capture and sequestration of carbon and CO₂.



PERU -
 COOPASER:
 Growing
 cocoa in a
 buffer zone
 and protecting
 forest



6. Climate change¹³

Fighting against deforestation, protecting biodiversity and combating climate change are closely linked objectives, which ICAM addresses jointly through its commitment to social goals. One of the tools that is now recognized as the most effective in achieving such objectives is the implementation of agroforestry systems.



Agroforestry systems have turned out to be a concrete solution for improving the resilience of plantations to climate change. They also contribute to the absorption of more CO₂, thus actively helping fight against climate change.

In our experience, the presence of agroforestry systems is usually **associated with greater biodiversity**, a better capacity to **combat soil erosion** and a consequent improved plant **resilience and productivity** per hectare. It is usually associated with a greater capacity of the area to store CO₂ too, and thus lowering the carbon footprint.

This evidence has led us to systematically monitor our supply sources, with a dual aim: on one hand, assessing their environmental quality (in the terms outlined above, as a criterion for selection and purchasing strategy) and, on the other hand, putting in place improvement actions when appropriate—the development of agroforestry systems in suitable areas, such as training, technical and financial support, etc.

Consequently, between 2020 and 2022, we commissioned industry professionals to measure the carbon footprint associated with some of our main cocoa supply chains (Uganda and Peru). The supply chains that have been analyzed to date have given very encouraging feedback, also proving to be, in practical terms, **an instrument for combating deforestation and climate change**. For more details, please refer to the box in the section “Climate Change” in the chapter “Responsibility towards the environment”.

Not only do agroforestry systems contribute to these scientifically proven positive environmental impacts, but they also allow the achievement of social goals by providing additional sources of income for cocoa thanks to the joint cultivation of other tree species.

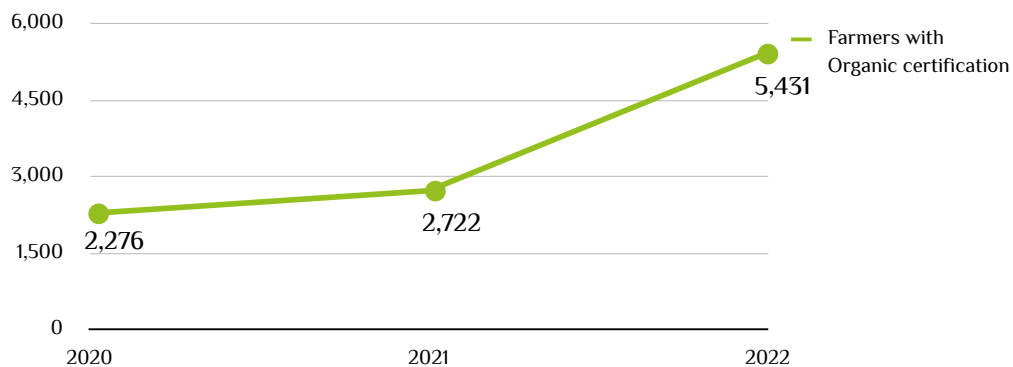
¹³ IMPACTS:

- Resilience of cocoa plantations to climate change.
- Commitment to reducing carbon footprint.



7. ICAM Chocolate Uganda: biodiversity, deforestation and climate change

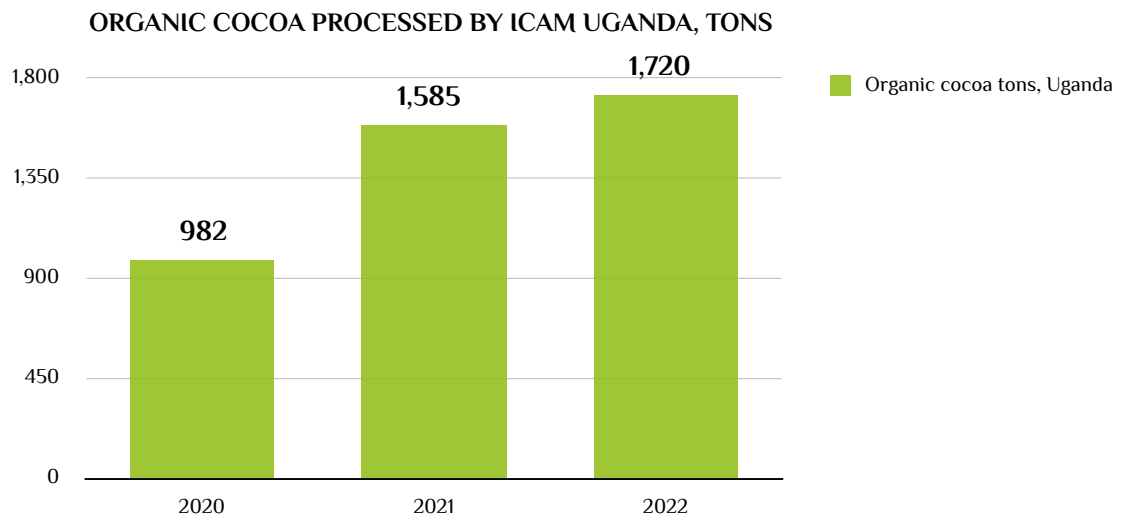
Thanks to the special attention ICAM Chocolate Uganda pays to the protection of biodiversity, farmers in Bundibuyo succeeded in **gaining the Organic certification in 2017**. The Company's commitment can be seen in the **increased number of farmers** participating in the project, which doubled in 2022. Indeed, this year 89% of the cocoa purchased by ICAM Chocolate Uganda is organic-certified and comes from 5,431 certified farmers, covering a cultivated area of 6,056 hectares.



ICAM CHOCOLATE UGANDA'S ORGANIC PRODUCTS	2020	2021	2022
Farmers with Organic certification	2,276	2,722	5,431
Hectares of organic plantations	1,632	2,523	6,056

This was achieved thanks to ICAM's mediation with the certification bodies: **ICAM has covered the costs associated with both inspections and control activities** to promote ethical practices related to organic certification among farmers.

In 2022, the processing of organic cocoa grew by a further 9%, as a proof of this crop value for the Company and farmers.





Cocoa
ra.org



swisscontact

2022 was a year of great commitment in structuring further actions for the protection of biodiversity and the promotion of sustainable farming practices, which came to cover all supply areas:

- Mukono and Hoima sites: the Rainforest Alliance certification process was carried out; The project was developed with the support of Swisscontact, with the purpose of developing farmers' production skills to improve productivity. The project implementation was developed on 850 farmers in Hoima and 550 farmers in Mukono, with a total of about 1,400 farmers involved.

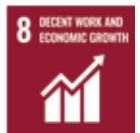
These farmers were trained in agronomic practices for making the plantation resilient to climate change, as well as in integrated pest management, health and safety and combating child labor.

The outcome of the certification was published in the first half of 2023.

- Bundibuyo site: the new project "Sustainable farming for a climate resilient livelihood of cocoa farmers" was launched. It is based on the implementation of an agroforestry system in an organic cocoa supply area. For further information, please refer to the section "Partnerships for sustainability goals".

8. Respect of human rights¹⁴

The cocoa supply chain consists of numerous stages that involve various players: farmers, middlemen and buyers, shippers, manufacturers and artisans, as well as distributors and traders. In addition, cocoa cultivation crucially depends on intensive manual labor and, consequently, it is highly critical in terms of respect for human rights and related international standards. All too often, farmers – even children – are subjected to exhausting working hours and wage levels that do not meet their basic needs. As a result, ensuring the complete monitoring of the entire supply chain turns out to be a very complex challenge.



GRI 408-1
GRI 409-1

Thanks to an in-depth knowledge of the cooperatives it has been working with, ICAM can directly verify that cultivation practices are carried out in full respect of human rights.

¹⁴ IMPACTS:

- Violation of human rights in cocoa plantations or other risky supply chains.
- Exploitation of child labor in cocoa plantations or other risky supply chains.

In addition, **ICAM requires all its cocoa suppliers** (cooperatives, producers and traders) to sign a formal **commitment to its Code of Ethics**. In 2022, this covered **97% of cocoa and 100% of the main raw materials**.

In 2022, **57% of the cocoa supply** had a specific **social sustainability certification** (Fairtrade, Rainforest Alliance and others), whose standards – supported by strict controls – require producer organizations and companies to comply with rules **aimed at safeguarding human rights**.

As for the fight against child labor, Fairtrade is working in partnership with local governments, NGOs and civil society representatives on a project that goes beyond monitoring and remediation, involving local communities in an inclusive approach (Youth-inclusive, community-based monitoring and remediation system - YICBMR).

The Rainforest Alliance certification (which accounts for 18% of the cocoa ICAM purchased in 2022) also requires farms to set up committees to assess, monitor and mitigate risks and human rights violations.

Aware of the upcoming regulatory obligations on Human Rights Due Diligence, ICAM has initiated a process of progressive application and monitoring of its entire cocoa supply chain.

Aware of the partially critical situation of cocoa plantations in Côte d'Ivoire and Ghana with reference to the respect of human rights and the protection of forests, ICAM has decided, in the case of specific customer requests or particular production needs, to take into consideration the possibility of sourcing from these countries by turning only to **approved suppliers that guarantee Fairtrade or Rainforest Alliance certified cocoa**.

MONITORING CHILD LABOR IN NIGERIA

As part of the Rainforest Alliance certification program, Sucden – ICAM's supplier in Nigeria – set up a CLMRS (Child Labor Monitoring and Remediation System) aimed at monitoring child labor risk indicators on 100% of the cocoa farming families in the supply chain.

With the help of specially recruited staff and a digital platform, at present the project has carried out the Family and Agricultural Observation Survey on 733 farmers, identifying critical cases at family and community level and effective remedial actions.

The CLMRS surveys were developed in collaboration with the International Cocoa Initiative (ICI), and every person involved was trained according to ICI standards.

The CLMRS is an ongoing process, which involves new farmers joining the Rainforest Alliance program and an annual updating of the risk factors for each household.



ICAM Chocolate Uganda

Despite the lack of specific legislation for respecting human rights in Uganda, ICAM remains faithful to its values, forbidding any kind of child labor in its center and promoting the education of children and the respect for human rights in its employees' families.

As part of the project “Sustainable farming for a climate resilient livelihood of cocoa farmers in Uganda”, ICAM’s field staff will also monitor the involvement of children in plantation work by setting up a Child Labor Monitoring and Remediation System (CLMRS).



9. Inclusion and equal opportunities¹⁵



Women in the cocoa supply chain play a key role in achieving both the quality of the harvest and the SDGs-especially the social ones.

Although not always receiving training, women are directly involved in the care of the plantation and the harvest and, at the same time, they bear the burden of managing their families. Wherever they cannot count on sufficient support from their husbands, as well as in situations of poverty that do not allow them to hire seasonal labor, they need to involve their children in the work in the fields at the peak of the harvest season.

In many cultures, there is still a huge gender gap, to women’s disadvantage, which encompasses:

- lower incomes;
- less access to basic and technical education;
- little autonomy in managing money;
- obstacles in land ownership;
- reduced involvement in their community;
- religious and cultural limitations in participating in decision-making;

In contexts where women manage to be empowered, this drives – in a direct correlation – the protection of children from child labor, along with their education and their social development.

ICAM is committed to the **full involvement of women in its projects, in the Farmer’s Field Schools, and to the acknowledgement of the importance of women** in cocoa production and in the social aspects of family and community life.

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

¹⁵ IMPACTS:

- Acknowledgement of the role of women and empowerment of women in cocoa farming communities.

VANINI “COCOA STORIES”

Women in the Aprocam cooperative in Peru have played a critical role in changing living conditions. Now customers can learn more about the people who help create the “goodness of Vanini chocolate.” ICAM adopted QR-code packaging for its Bagua line of bars: a quick scan takes customers to a digital experience of the world of chocolate with insights not only about the quality of the raw material but also the positive changes made in the lives of people who grow “our” cacao.



ICAM Chocolate Uganda

The “Sustainable Farming” project will prioritize the enhancement of women’s skills. After an initial analysis of the current situation, gender equality and the prevention of child labor will be addressed jointly, in collaboration with the local government (which already has a reporting mechanism) and with the support of NGOs specialized in these issues, such as Save the Children and Solidaridad.

Technical training on agricultural practices will be provided to a mixed group of men and women in order to raise awareness about women’s legitimate involvement in labor management and decision-making processes.



10. Impact on the local community¹⁶

Since the 1970s, ICAM has established solid and fruitful collaborations with a number of farming communities, aiming to create lasting and profitable partnerships.

ICAM has always been committed to offering one- or multi-year purchasing contracts to all cooperatives it directly procures raw materials from, thus enabling producers – in the light of the contractual commitment – to more easily get access to credit and, consequently, to further invest in their own business, with clear benefits for the entire local community.

In 2022, ICAM facilitated access to credit for 10 cooperatives via annual purchase contracts for a total of 2,250 tons. This mechanism allowed the cooperatives to obtain bank loans for a total of over \$7,000,000.

Over time, ICAM's greater involvement in the dynamics and reality of cooperatives in South America has led to a change in how these collaborations are managed: from commercial relationships to real support for communities.

In fact, ICAM's initial actions, such as training on best agronomic practices to increase crop yields and the payment of the Rainforest Alliance and Fairtrade Premiums, were progressively combined with specific initiatives aimed at farming communities.

Importantly, ICAM has always been attentive to offering its support in managing emergency issues, trying as much as possible to make its own contributions and generate a positive impact on local communities.

A part of the Fairtrade Premium is given to farmers as extra pay (SDG 1 and SDG 2); the remainder has been addressed to specific needs of local communities:

- in Peru, for decent working conditions-and, in particular, to combat child labor (SDG 8) and to foster education (SDG 4);
- in the Dominican Republic, for infrastructure development and urbanization (SDG 11)-in particular, for roads, energy and lighting;
- in Ecuador, for medical services and disease prevention (SDG 3) and for reforestation (SDG 15);
- in Sierra Leone, for health protection (SDG3).

For example, between 2017 and 2021:

- the Cooperativa Agraria Intercultural Café Y Cacao de Rio Tambo - Vraem in Peru used the award for the improvement of cocoa productivity and quality, its social development, technical assistance to its members, infrastructural improvements for cocoa and coffee harvesting and the provision of medical equipment and essential products to members during the COVID-19 pandemic;
- in the Dominican Republic, a bridge was built over the Rio Higuierito to facilitate the access of people and goods to the community and trade routes; the La Colmena community implemented piling for electricity supply in a rural area;
- in Sierra Leone, the newly established Cooperatives focused on strengthening and developing the management organization and on facing the certification expansion costs.



GRI 203-1

GRI 203-2



¹⁶ IMPACTS:

- Social and economic development of local cocoa-growing communities.

GRI 413-1

In 2020, ICAM Chocolate Uganda entered into a collaboration with **The Omugo Development Foundation**, a charity organization founded by her Royal Highness Queen of Omugo of Bunyoro Kitara, Margaret Karunga Adyeeri.

The Omugo Development Foundation promotes initiatives in defense of people, with the aim of **improving the quality of life of women, children and young people**, through green economy initiatives, including agroforestry programs also linked to cocoa.

These projects bring multiple advantages: they create jobs for young people, contribute to the well-being of the community, aid in the conservation of the environment and allow for the dissemination of knowledge relating to cocoa cultivation and proper use of the soil.

As part of this project, ICAM Chocolate Uganda entered into a **multi-year partnership** to establish 60 hectares of cocoa plantations on the Foundation's land in the Bunyoro Kitara Kingdom Forest Reserve, making its contribution by donating cocoa seedlings and organizing theoretical and practical training for the Omugo Development Foundation's staff and for people in the community.

In 2021, ICAM **planted a 4-hectare demonstration plantation** and prepared another 20 hectares of land for the establishment of the plantation, including the planting of shade plants (banana trees and valuable timber trees, such as musizi and muvule).

In 2022, as the rainy season approached, ICAM **financed and planted 25,800 seedlings on this first 20-hectare plot**, also providing knowledge and technical support with regard to nurseries, plantation and supply chain management and soil requalification activities.



Commitment to Innovation

The Company's in-depth knowledge of raw materials, production technologies and technical-regulatory requirements, the management of the entire supply chain and a **cutting-edge plant with 4.0 technologies** are hallmarks of its know-how.

The Company invests in professionalism and resources generating process and product innovation and guaranteeing the **healthiness of products**. This way, ICAM is able to create **unique high-quality Italian products**, meeting the most demanding customers' requirements.

1. Consumer safety: impact on health

Customer/consumer trust is a crucial asset for the success of entities operating in the food market. ICAM is aware of this and legitimately promotes itself as a responsible Company, attentive to the quality of all its products and able to ensure compliance with the highest levels of safety, not only from a hygienic-sanitary perspective, but also against any kind of fraud.



GRI 416-1

ICAM's policy on product quality and safety is based on the principles of prevention, accountability and transparency and on self-control measures that allow a constant review of the authenticity and integrity of products.

Furthermore, ICAM boasts a system of guarantees through the establishment of **Company supervision procedures** that are periodically updated on the basis of technological progress, regulatory innovations and the experience of cases handled. In practical terms, the implementation of this policy is based on two fundamental principles:

- **systematically and continuously preventing** the occurrence of non-conformities that may affect the product quality, safety and legality and that may be caused by internal and external factors (for the latter, prevention is to be considered as far as possible);
- reducing and possibly **eliminating the consequent risks and any critical situations** that may occur, through careful and rigorous management of complaints and other types of reports.

ICAM has established a Food Safety Team, which is responsible for developing, implementing and maintaining the quality and safety policy.

The soundness of the guarantee system is evidenced by the full control of critical factors impacting product health and safety as well. In 2022, there were neither documented violations nor sanctions against regulations or regulated standards.

For completeness sake, we report two episodes that led to a warning, related to notifications from the organic control body in relation to the “suppression” measures of some organic cocoa batches issued by the Peruvian authority for alleged contamination by pesticides. However, being uninvolved, the Company did not suffer its consequences.

2. Supply chain traceability: Food safety and product quality



ICAM has always believed in the importance of quality certifications as an additional compliance and communication tool relevant to the market sector where it operates.

The implementation of certification standards is an important operational support for ICAM, which integrates and facilitates the activity of self-control and prevention of risks associated with food quality and safety, as required by an articulated system of mandatory and voluntary requirements. The two main certification families that ICAM adopts are:

- ISO 9001 for quality management systems;
- BRC e IFS for food safety management systems.

They provide the best possible support to identify, implement and monitor operational and management activities and can be extended to an increasing number of stakeholders.

The Company has an operational staff in charge of the protection of product quality and safety, ensuring customers of the compliance with the best technical and hygiene requirements, from the selection of ingredients to the control of finished products.

The entire cocoa processing cycle is monitored by **supervisory systems for all process units**, which manage and store the different recipes and all the information related to production and critical process points to ensure complete product traceability.

All key production stages are designed to guarantee respect for the organoleptic characteristics of the raw material and to enhance its particular aroma and taste-always pursuant to the strictest food and safety regulations.

The achievement of technical standards is certified by a group of experts – including a panel of specialized tasters – who conduct dozens of tests on a daily basis to ensure the regularity of each production batch.



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

In 2022, the Company was subject to **compliance audits** due to critical issues in the **organic cocoa** supply chain. The individual analyses that were carried out revealed a **significant increase**, especially in the case of multi-residual analyses for traces of pesticides in organic cocoa: in total, the determinations increased more than fourfold.

In order to make the coverage of analyses even more inclusive, most are carried out directly on cocoa and on the ingredients used in all recipes.

This is particularly true for the analysis of chemical contaminants such as pesticides, heavy metals, mycotoxins, aromatic hydrocarbons, etc. Conversely, **the risks of cross-contamination** with allergens or pathogenic microorganisms are objectively reflected in the consistently negative results of analytical tests performed on finished products.

COMPLIANCE ANALYSIS (N.)	2020	2021	2022
Raw materials			
Pathogenic microorganisms	500	794	861
Mycotoxins	320	372	966
Pesticides	570 ¹	1,228	6,892
GMOs	85	76	98
Total test	1,475	2,470	8,817
Semi-finished and finished products			
Microbiological tests	16,900	10,325 ²	8,485
Pathogenic microorganisms	1,600	1,600	1,772
Cadmium	1,680	1,762	1,797
Allergens (casein)	250	1,624 ³	2,183
Filth test	50	35	25
Total test	20,480	15,346	14,262

¹This figure is not comparable with later years. In fact, before the second half of 2021 pesticide analyses were not carried out on a multi-residue basis (a multi-residue analysis is conducted on approximately more than 200 active ingredients).

² The number of microbiological analyses was reduced as a consequence of the largely compliant results in previous years.

³ This increase was driven by the validation process of the new Dairy Free (lactose- and milk protein-free) couverture line.



In addition, ICAM constantly monitors trends in the amount of cadmium in cocoa in the various countries of origin (although it is naturally present in the environment), mapping every situation as accurately and extensively as possible in order to comply with the legal limits on cadmium contamination.

In 2021, ICAM developed a **safety analysis and regulatory surveillance package, certified by a third party, to improve the transparency of its control system** and, at the same time, respond to customers' declining confidence in "self-certifications". This **analytical control plan** provides the necessary support to meet the growing demands in terms of analytical performance and is a reliable basis for customers.





3. Technology, digitalization and innovation

Reducing lead times and product discrepancies

In 2022, the main quality indicators (non-conformities, complaints and on-time deliveries) proved to be substantially stable, taking into account the increase in production volumes too.

RECEIVED COMPLAINTS			
Indicator (number)	2020	2021	2022
Non-critical complaints	154	132	167
Critical complaints	49	36	48
Total	203	168	215
Complaints per million consumption units sold	0.98	0.60	0.62

Satisfying customers, reducing lead times and product discrepancies and increasing efficiency are central priorities for ICAM as regards customer care.

Increase in efficiency

The current production facilities worked in 2022 with an average saturation index of 80%, which allowed for a good standard of optimization of resource utilization, while still leaving a buffer immediately available for volume growth.

Between 2021 and 2022, the saturation of a specific production line resulted in a decline in the overall customer service index. **The investment in the installation of a second line** in spring 2022 allowed the **service level to recover**. Indeed, at the end of the year it returned to values in line with the historical data.

QUALITY INDICATORS			
Indicator (number)	2020	2021	2022
Customer service ¹	94.24%	90.66%	90.82%
Non-compliance costs ²	0.04%	0.07%	0.13%

¹ No. of order lines processed on time / No. of order lines requested

² Costs incurred due to non-quality causes / turnover

In 2023, ICAM aims to pursue its commitment to customer satisfaction, bringing performance indices back to pre-pandemic levels (where possible) and focusing even more on the creation of products that meet specific sustainability requirements.

IT AND INFRASTRUCTURAL SECURITY

In recent years, a great deal of attention has been paid to the issue of **security**, not only in connection with “Food Defense”, but also as an aspect related to the security of **IT systems** and infrastructural standards. A specific Security Team was set up for this purpose.

In 2022, **cyber security** was strengthened, by addressing vulnerabilities and strengthening the IT security system, with special attention to antivirus software and the control of personal computers during remote work activities. Password management policies became stricter as well. Additional security systems – entrusted to a specialized company – were implemented and **tests were carried out to simulate attacks from outside**.

As regards the strengthening of infrastructural security measures, every employee was provided with an identification card with photo, personal data and relevant department.

Customer and consumer satisfaction

Creating tailor-made recipes to meet precise customer specifications is one of ICAM’s distinguishing strengths in the marketplace, one that has been proven over many years and constantly enhanced through **research and development**. ICAM is committed to satisfying even the most demanding customers’ requests, **representing suppliers from all market segments, including premium**.

The Company’s know-how ultimately comes together in the “recipes” for production of different types of semi-finished and finished chocolate products: the recipes identify the ingredients, quantities, sequence of use, temperatures, times and all the technical parameters of the machinery used at each stage of production, from management of the raw material warehouse to management of product stocks.

ICAM has its own advanced research and development laboratory which, thanks to its ability to analyze the needs of the market and to identify the best recipes, can respond effectively to its customers’ requests.

The Company’s ability to customize products, together with its integrated and complete supervision of the production chain, make ICAM a supplier of premium products, with an ethical and technical-qualitative content recognized and appreciated by international distributors and customers.

ICAM firmly believes that the **continuous search for utmost customer satisfaction** is not simply a goal, but also a **distinguishing element of the Company mission**. In fact, for a Company that operates for significant volumes in the B2B market, the ability to present itself as a reliable partner, capable of effectively responding to customers’ needs while guaranteeing a high-quality product, plays a decisive role in stable and long-lasting relationships.

ICAM's constant commitment to innovative and quality products earned it important awards in 2022:



- Quality Award 2022 for Vanini Blue Rose praline;



- DS-DolciSalati&Consumi Awards prize for Best Chocolate Packaging (Vanini Uganda Bio bars with compostable packaging) and Best Product Innovation for chocolate (Vanini Uganda Bio bars);



- Food Awards 2022, Best Product (category Sweet Bakery & Confectionery) for the range of Vanini Uganda Bio bars.

In 2022, the contingent world situation (in particular, the market uncertainty caused by the outbreak of war in Ukraine and the significant increase in raw material prices) affected research and development too, **making customers and ICAM itself more conservative**. Customer requests for the development of new recipes almost halved and the search for new ingredients was reduced.

RESEARCH & DEVELOPMENT ACTIVITY			
Developed recipes in year (no.)	2020	2021	2022
Developed on customers' requests	461	617	336
Internally developed	99	117	86
Total	560	734	422
Response capacity	2020	2021	2022
Developed recipes / Recipes requested by customers	89.58 %	97.01 %	96.00 %
Developed recipes / Internally requested recipes	77.78 %	84.78 %	83.49 %
Developed recipes / Total requests for recipes	88.88 %	94.83 %	93.16 %



4. Promotion of a healthy lifestyle: offering healthy and natural products



The search for products that support healthy lifestyles—a growing demand especially for the consumer and industrial market in North America—has spurred accelerated development of products in the organic and Fairtrade range, as well as recipes, ingredients and special materials that respond to sustainability issues and new food trends, such as coconut sugar, vegan products with plant-based milk substitutes, clean labels (no soya/no additives), and compostable packaging.

In 2022, the production of **semi-finished products for the industrial “Dairy Free” market** started. In order to offering dark chocolate **without traces of lactose and milk protein, a separate line with dedicated equipment** – where dairy ingredients of animal origin are not processed – was created.

Driven by precise customer requests, ICAM also created a **cocoa paste with low organoleptic asperity**, both by intervening in the production parameters and by installing dedicated equipment.

LABELING AND RESPONSIBLE COMMUNICATION

Building relationships of trust with customers must take into account careful and responsible marketing, both in pay-offs and in the information on packaging about product characteristics.

Inspired by prudence, transparency criteria and the new Food Integrity Policy against food fraud, ICAM’s approach to marketing goes far beyond the mere compliance with regulations—respect for the consumer sets the higher bar.

The Company pays serious attention to the information on its labels and, more generally, to the product characteristics conveyed on packaging. Labels contain detailed information on product origin and composition, certifications and nutritional and environmental characteristics so as to allow customers to make an informed choice.

Moreover, our product labels for the Italian and European market already included packaging disposal information well before it became mandatory. In addition to what is required by individual national laws, ICAM is committed to providing end customers with transparent information that helps them choose the products that best suit their tastes and lifestyle.

ICAM adopts the same responsible approach in all its advertising campaigns and the communication channels it uses (TV, web, social media, etc.).

THE SEARCH FOR ALTERNATIVE SUGARS

The Company has been engaged in the replacement of sugar (in whole or in part) with other sweeteners for many years and on several fronts—**not only an organoleptic, but also technological challenge**.

ICAM’s historic range features chocolates without added sugar, formulated with **maltitol**. In recent years, driven by the most innovative customers, ICAM has developed recipes with **coconut sugar** too.

Without a doubt, one of the most complex and important innovations that ICAM managed was the creation of date-sweetened products, which not only required research into the raw material and development of the supply chain but also delineating the **industrial processing for such products**.

PRODUCT CERTIFICATIONS

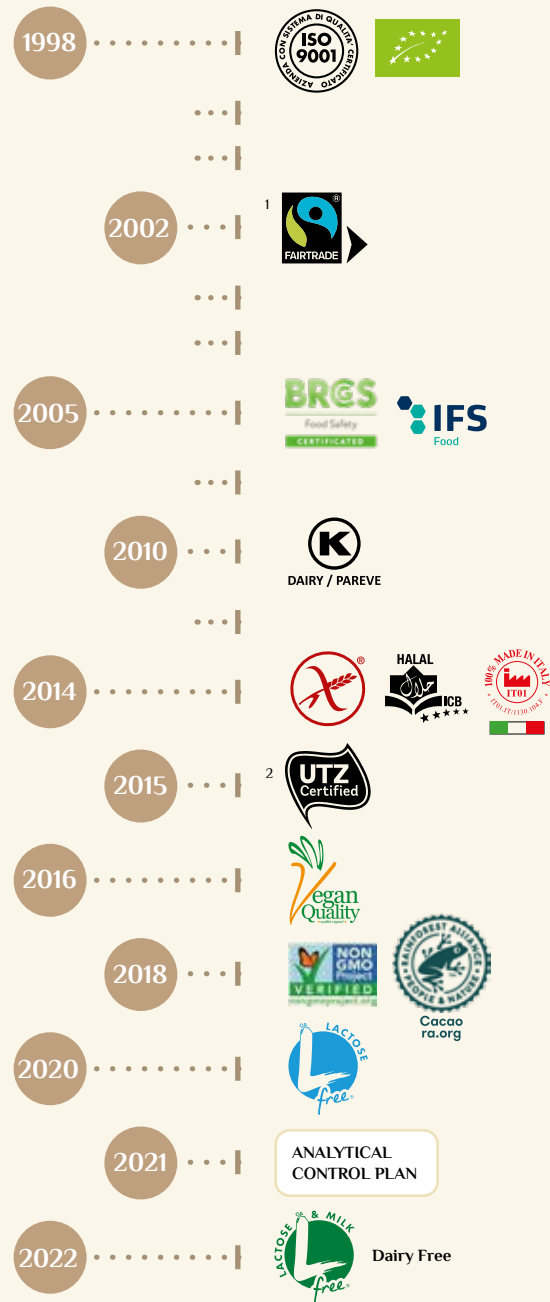
Offering customers high-quality Italian chocolate, in compliance with the highest international quality standards, has always been one of ICAM's main ambitions. Thanks to the application of certification marks or logos, customers get a **guarantee that is recognized and appreciated on the market**, which has become increasingly widespread in recent years.

This abundance of certifications is synonymous with a **wide range of product and process controls**, as required by an articulated system of production standards and specifications.

ICAM considers the **Organic certification** as the most important in terms of diffusion and longevity, but the success of certifications associated with **social and environmental sustainability** ("Fairtrade", "Rainforest Alliance", etc.) is remarkable as well. Alongside established values, there is an increasing focus on ingredients that are acknowledged as healthy, natural and good-not only from a nutritional point of view, but also for society and the environment.





Concepts such as "**free from**" and specialized lifestyles such as plant-based, Vegan, Kosher, etc., are increasingly influencing the reformulation and development of new products. In particular, this positive trend involves gluten-free, lactose-free and dairy-free products, for people who suffer from intolerances to these substances or for those who increasingly want to reduce their consumption.

At the moment, manufacturers are free to determine the terms to be used as well as their accompanying symbols or other definitions. This may cause confusion and disorientation among consumers. That is why the **use of labels** such as "Crossed Ear", "Lactose & Milk free" (known as Dairy Free) and "Vegan Quality" is a **choice of responsibility and transparency for ICAM**.



¹ Licensees since 2002, FLO-Cert certified since 2010

² Now part of Rainforest Alliance

				
Animal-origin ingredients	Excluded from ingredient list	No dairy ingredients	No dairy ingredients	-
Traces	No milk proteins	Lactose free No milk proteins	Lactose free	Gluten free
Quantification limit³	(<0.2 ppm)	(<0.2 ppm) (<0.01g/100g)	(<0.01g/100g)	(<20 ppm)
Production lines	Dedicated	Dedicated	Shared	Shared
Third-party certifications	Vegan certified	Lactose & Milk free certified	Lactose free certified	Gluten free certified

³ Limits of quantification = LOQ: permissible trace values are established according to the levels detectable by analysis.



Responsibility towards the environment

The path to achieving excellence in product quality begins with identifying the best cocoa plantations for the scrupulous selection of the raw material. **Nature is therefore the greatest resource and the secret of ICAM's success.**

The Group fully believes in the importance of supporting international initiatives, such as those promoted by the United Nations, which address the need for sustainable development and the protection of biodiversity and forests. In particular, ICAM supports the Rio de Janeiro Declaration on the Environment and Development of 1992, especially the precautionary principle (no. 15)¹⁷.

1. Climate change: Fight against climate change through the reduction of carbon footprint



At the end of 2020, ICAM started to calculate and monitor the carbon footprint of its activities so as to be able to understand, manage and reduce its impact on climate and, at the same time, give concrete evidence of the results it has been obtaining through its commitment.

Such activity, carried out with the support of Carbonsink – a specialized external company – and in compliance with the UNI EN ISO 14064 standard and the Greenhouse Gas Protocol, made it possible to calculate ICAM S.p.A.'s¹⁸ direct (Scope 1) and indirect (Scope 2 and Scope 3) emissions for 2020.

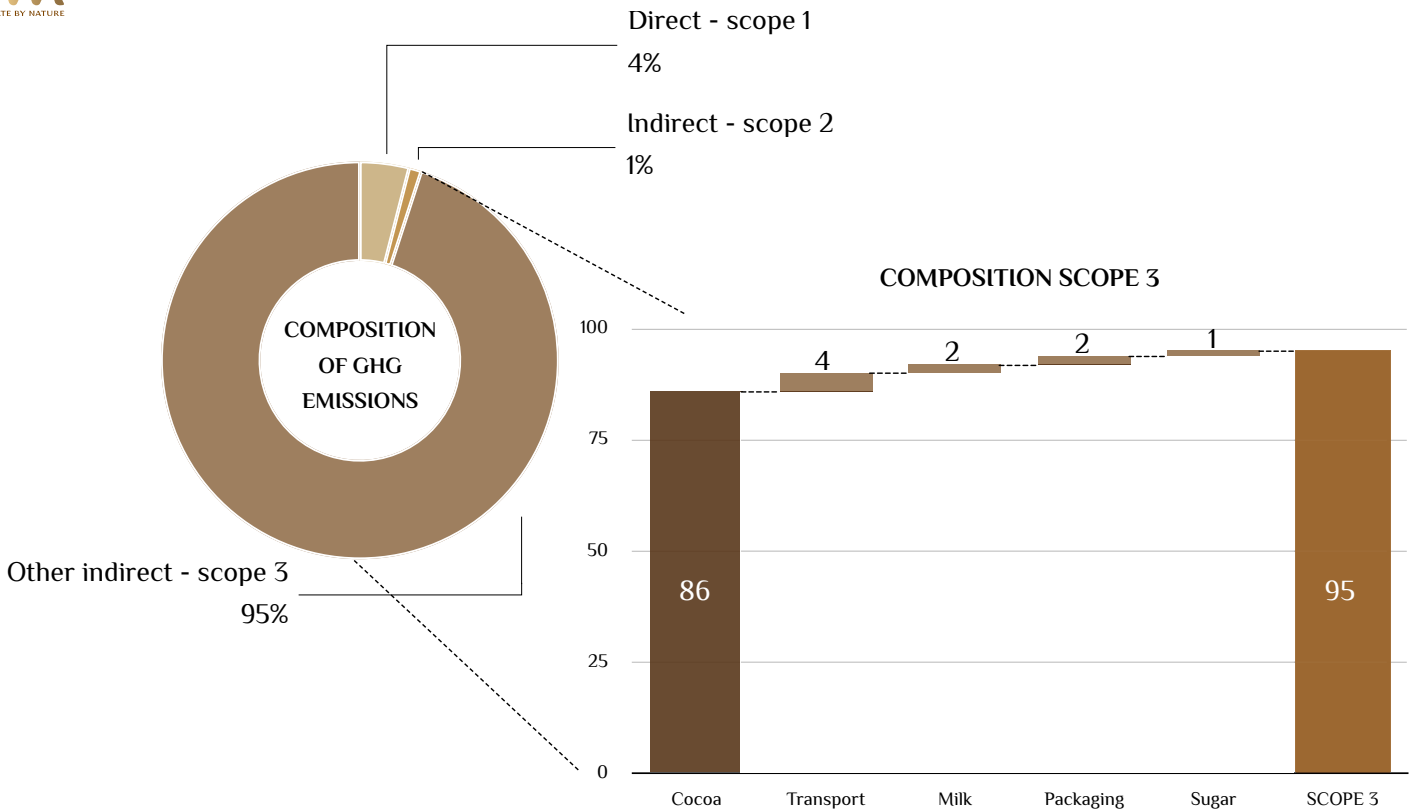
The analysis showed that the most significant carbon footprint item is related to the Scope 3 category (95%), of which purchased ingredients are the main source of emissions.

Of these, cocoa alone accounts for over 86% of the Group's emissions, followed by transport (4%) and other purchased goods, such as milk (2%), packaging (2%) and sugar (1%).

The “carbon footprint” is a measure that expresses in CO₂ equivalents the total greenhouse gas emissions associated directly or indirectly with a product, an organization or a service. Consequently, it represents the “measure” of the generated environmental impact in respect of global warming.

¹⁷ In order to protect the environment, States will apply the precautionary method widely, according to their capabilities. “Where a risk of serious or irreversible damage exists, the absence of absolute scientific certainty must not serve as a pretext for postponing the adoption of adequate and effective measures, also in relation to costs, aimed at preventing environmental degradation”, Declaration of Rio on the environment and development, 1992

¹⁸ The other Group companies were not included in the assessment to determine the carbon footprint as their impact was assessed as negligible.



Scope 1

As for 2022, direct emissions (Scope 1) – mainly associated with ICAM’s consumption of methane for the Orsenigo trigenerator – amounted to 11,140 tons of CO₂eq.

In 2020, the Company started to undertake several actions to reduce its Scope 1 emissions, including revamping the trigenerator and separating the steam circuits.

An emission abatement unit (urea-based) was also installed, further reducing the site’s environmental impact by removing CO and Nox (greenhouse gases) from the exhaust.

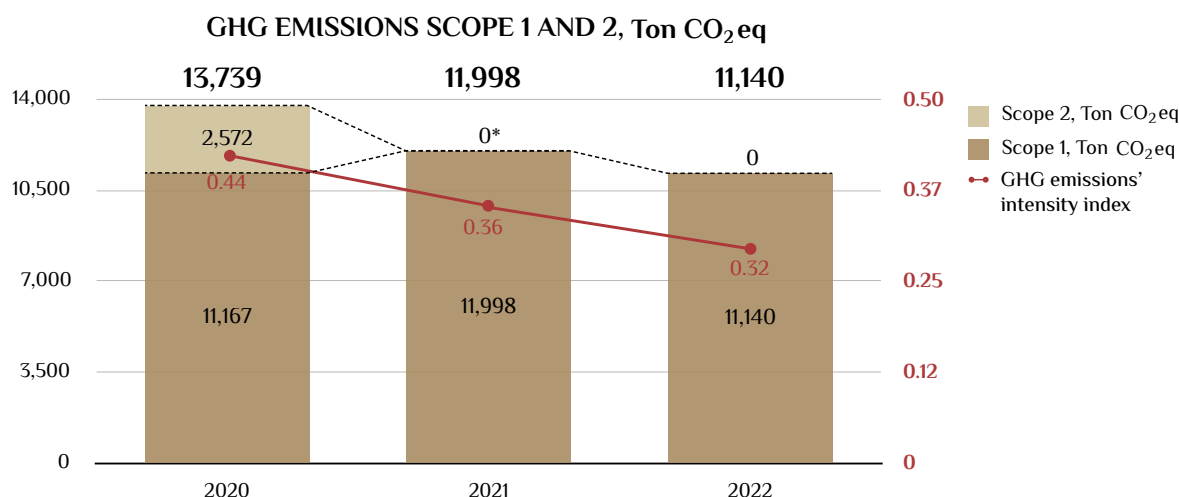
The 2022 interventions reduced Scope 1 emissions by 7.2%.

Scope 2

Thanks to the “market based” methodology, it is possible to take into account the Company’s contractual choices among the emissions related to electricity.

On the other hand, indirect emissions (Scope 2) – calculated according to the market-based methodology – were **reduced to zero** (from 2,572 tons of CO₂eq in 2020 to 0 tons of CO₂eq in 2021) thanks to the **purchase of 100% of electricity from renewable sources** for both the Orsenigo and Lecco sites since 2021.

Overall, in 2022, ICAM reduced its Scope 1 and 2 emissions by approx. 19% compared to 2020.



Scope 1 and Scope 2 emissions for 2021 were recalculated by applying the European Residual Mix | AIB (aib-net.org) (market-based) and DEFRA Conversion Factors.

* recalculated from the Sustainability Report 2021 due to incorrect classification of the current electricity contract in Lecco

The emission intensity index, calculated on Scope 1 and Scope 2 in relation to tons of production, has been steadily decreasing, as a result of reduction measures and production optimization: it has fallen by 27% since 2020, including 11% in the last year.

Scope 3

For the food sector, Scope 3 corresponds to over 90% of the impact; for ICAM, it is equal to 95%, of which cocoa accounts for 86%. In the first run of the analysis, a global average emission factor from cocoa literature (10.8 kg CO₂eq/kg) was used. However, it did not take into account the peculiarities of supply chains. In fact, the **climate impact of the cocoa supply chain** – the main hotspot of the Company’s carbon footprint – **varies considerably depending on the supply chain of origin**, because of the **growing methods** that are implemented and, in particular, the alteration of the **habitat** previously present in the area.

In response, the Company launched a second project in collaboration with Carbonsink, aimed at calculating the **specific emission factor of cocoa for the most significant supply chains** through Life Cycle Assessment, starting with Uganda in 2021 and continuing with Peru in 2022.

This allowed the “virtuous” elements of these ICAM supply chains – especially the organic ones – to emerge in a scientific and measurable manner.

ICAM aims to apply this study to other countries of origin, in order to manage supplies with a greater awareness of their CO₂ footprint.

It has therefore launched a project to get an LCA analysis tool specific to cocoa and easily replicable in other supply chains, which will simplify the collection of data from the field, as well as their management and monitoring over time.

For more details on the analysis that was carried out, please refer to the box “Life cycle assessment in Ugandan and Peruvian supply chains”.

The new “Sustainable farming” development project that was launched in 2022 will **further reduce the impact of the Ugandan supply chain** – and of the Bundibuyo site in particular – by fighting against deforestation, optimizing agronomic techniques, applying agroforestry systems and conserving biodiversity.

For more details on the benefits of agroforestry systems, please refer to the chapter Supply chain; for more details on the “Sustainable farming” project, please refer to the section “Partnerships for sustainability goals”.

Logistics and transport management

As for Scope 3, the new Car Policy provides for the introduction of low-emission cars (Plug-in Hybrid) in the car list, with the purpose of adopting a more ecological business model also in employees’ travels.

To support the diffusion of **hybrid cars** in its fleet, ICAM has installed **fast-charging points** in the Company’s car parks, allowing employees to recharge their electric cars every day, during working hours.

An important project that was launched in 2022 and will be implemented in 2023 is the **creation of a logistics hub to optimize the distribution flow of products to customers.**

LIFE CYCLE ASSESSMENT IN UGANDAN AND PERUVIAN SUPPLY CHAINS



What exerts the highest impact on ICAM’s carbon footprint is the cocoa supply chain, and the way to reduce it lies in improved knowledge about the chain. Aware of having implemented “virtuous” supply chains, ICAM launched a detailed study to understand and detect the differences in emission factors in the various areas the Company sources its supplies from. The scope of the investigation was between the plantation and the distribution centers.

The survey on the first supply chain – **Uganda** – showed that its average emission factor (about 3.1 kgCO₂eq/kg) is far lower than the global average emission factor as in cocoa literature (about 10.8 kgCO₂eq/kg)-a proof of ICAM’s supply chain virtuousness. What plays a crucial role in differentiating the Ugandan supply chain from the global average is the impact of Land Use Change, i.e. the transformation of land from “natural” use (e.g. forests and wetlands) to “semi-natural” use (e.g. crops). Indeed, deforestation in the Ugandan cocoa industry is limited compared to other geographical areas and the impact is mainly determined by past land use change.

Another relevant hotspot that was identified is fertilizer use, which can be further reduced by monitoring the efficiency and effectiveness of its application. Improved crop residue management and organic regulations reduce the emission incidence too.

From the study of the Ugandan supply chain, the environmental benefit of an organic cocoa supply chain turns out to be even clearer. In fact, a comparison of Ugandan centers shows that the Bundibuyo’s emission factor (2.9 kgCO₂eq/kg) – where most of the cocoa grown is organic – is lower than that of Hoima and Mukono (4 kgCO₂eq/kg) – where conventional cocoa is grown – and is almost a quarter of the global average.

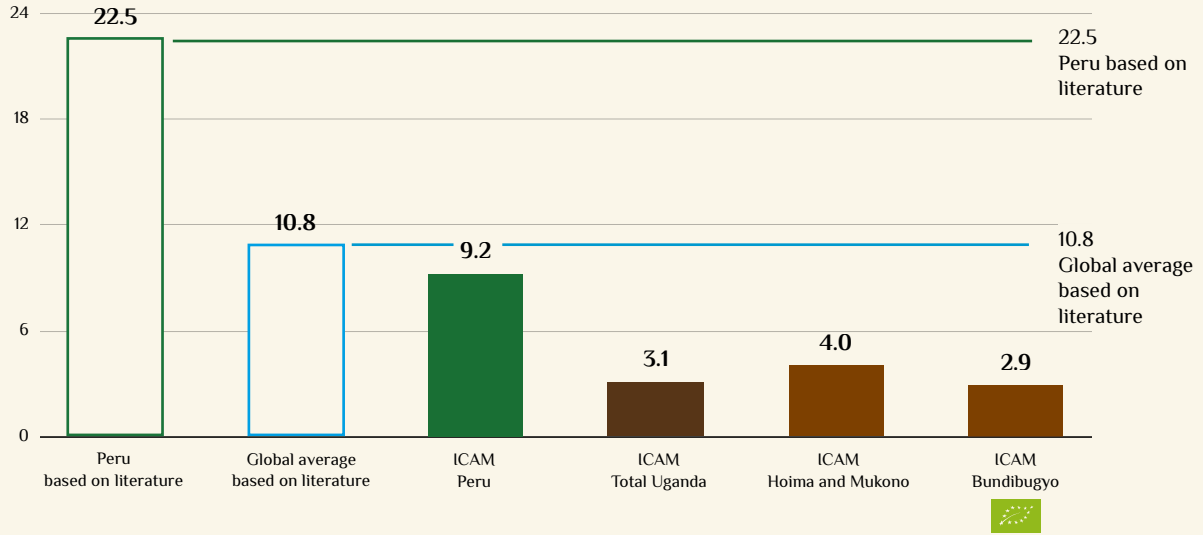
The research then continued by investigating the **Peruvian** supply chain, on a sample of a dozen supplier cooperatives. Although in a more damaged context than Uganda (country average for Peru: 22.5 kgCO₂eq/kg vs. 10.8 kgCO₂eq/kg - global figure), due to the higher incidence of Land Use Change (responsible for 76% of the impact), the virtuous approach of ICAM’s supply chain is confirmed. In fact, the impact of ICAM’s supply chain in Peru is 40% of the impact literature indicates for the country and is slightly lower than the global average. The analysis of the Peruvian supply chain also confirms how the use of organic fertilizers reduces emissions. It also emerges that the virtuous management of crop residues helps to contain CO₂ emissions: the best practices lie in composting them or incorporating them into the field.

* When measuring the impact of deforestation, the 20 years prior to reporting are taken into account.

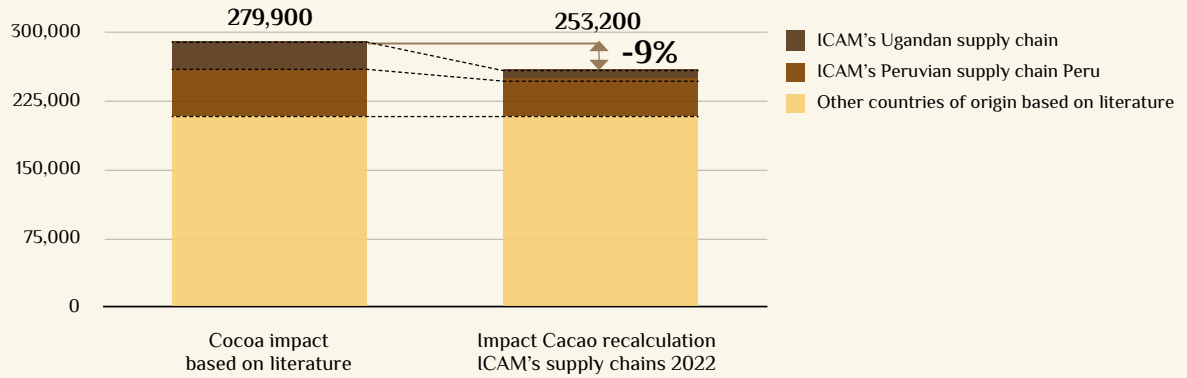
In conclusion, the analysis scientifically measured the environmental impact of ICAM's approach to cocoa supply, showing that this is much lower than the average global cocoa production.

Applying the new factor to Ugandan and Peruvian cocoa (about 30% of the cocoa that was purchased in 2022) we can see that the cocoa growing carbon footprint in 2022 was equal to about 253,000 ton CO₂eq, 9% lower than the value calculated using average market data (which was about 280,000 ton CO₂eq). The introduction of LCA analysis identifies an improved and more accurate measurement of the impact of ICAM's supply chain, 9% lower than the one obtained using average values.

AVERAGE EMISSIONS OF THE COCOA SUPPLY CHAIN (KG CO₂eq/KG) 2022



RECALCULATION OF THE IMPACT OF ICAM'S SUPPLY CHAINS ON ICAM'S CARBON FOOTPRINT (Ton CO₂eq)



GRI 305-3



2. Energy management and efficiency: reduction of energy demand



The Orsenigo production site combines technological requirements, linked to strict industry standards, with functional needs and construction logic-all with full respect for the environment.

In designing the industrial site, ICAM drew inspiration from three strategic elements in cocoa production: functionality, traceability and environmental sustainability, creating a fully automated production plant, that guarantees the traceability of each process and, at the same time, doubles energy efficiency compared to its predecessor.

The main innovation introduced is the trigeneration plant, which simultaneously produces electricity, steam and cold water from a single energy source. As a result, it facilitates nearly all of the energy required (around 90% in 2022) for the production process needs of the Orsenigo site in an autonomous and highly efficient way.

The remaining energy demand is covered by purchasing electricity from the national grid, which has been coming exclusively from **renewable sources** since 2021.

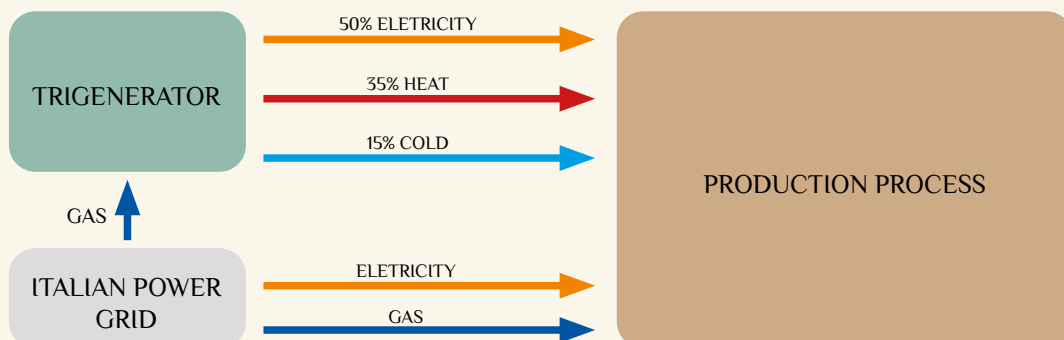
THE TRIGENERATOR: AN ENERGY-EFFICIENT CHOICE

Conventional thermal power plants convert only 1/3 of the fuel energy into electricity. Trigeneration is a particular field of co-generation systems that not only produces electricity, but also allows the thermal energy recovered from the thermodynamic transformation to be used to produce cooling energy (i.e. chilled water for air conditioning or industrial processes).

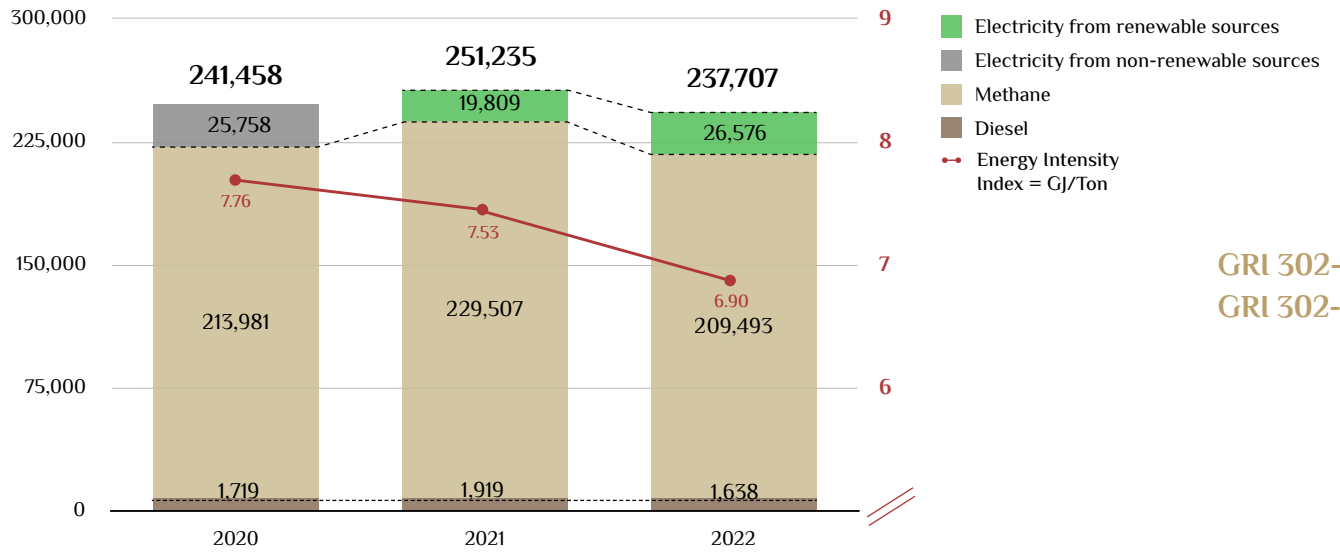
Therefore, trigeneration plants essentially complement co-generation systems by producing heat and cooling energy.

Absorption chillers are added to the combustion machines so as to convert thermal energy into cooling energy, achieving simultaneous production of electrical, thermal and cooling energy. This further improves production efficiency compared to conventional systems.

Since the trigenerator is methane-powered – considered to be the cleanest of the fossil fuels – and all three categories of generated energy are used in the chocolate production process, this system offers the strongest choice in terms of higher production and environmental efficiency.



ENERGY CONSUMED* WITHIN THE COMPANY BY ENERGY SOURCES (GJ) AND ENERGY INTENSITY INDEX, ITALY (LECCO+ORSENIGO)



GRI 302-1
 GRI 302-3

*Consumption differs from total purchases by 1-2% of energy sold.



ICAM continuously focuses on reducing its environmental impact, and in recent years it has made a series of investments to significantly improve its energy efficiency.

ICAM took an number of concrete actions aimed at a net reduction in energy consumption.

The trigenerator is under continuous maintenance and has been improved.

In particular, thanks to the revamping in 2019, the plant's utilization level increased from about 85% to 95-100% (referring to the maximum amount of energy that can be produced). This resulted in a 2% reduction in electricity consumption at the Orsenigo site, in spite of an increase in production.

In 2022, ICAM replaced the steam production boiler – separating the 8bar and 10bar steam circuits – and the electricity generator, in order to improve thermal and electrical efficiency respectively.

The outcome of the 2022 interventions was a 5.4% reduction in energy consumption.

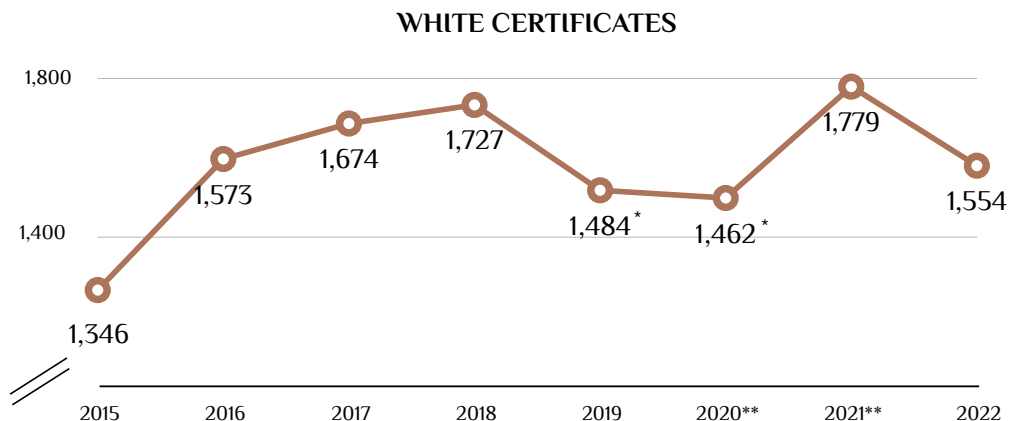
ICAM's commitment to reducing the environmental impact of energy consumption is visible in the performance of the energy intensity index, which has decreased by 8.4% since 2021, with a steadily decreasing trend (-11% since 2020).

The efficiency of the trigenerator is confirmed by the 12,599 “White Certificates” (also known as Energy Efficiency Certificates) that were awarded to ICAM over the past 8 years.

GRI 302-1

The protocol of white certificates, which came into force in 2005, is the main tool for promoting energy efficiency in Italy.

White certificates are negotiable securities that certify the energy savings obtained by implementing projects and actions to improve energy efficiency. One certificate is equivalent to saving one “ton of oil equivalent” (TOE).



* This figure is affected by the shutdown of the trigenerator for revamping activities.

** Actual figure on a previous estimate.

ICAM Chocolate Uganda's energy demand

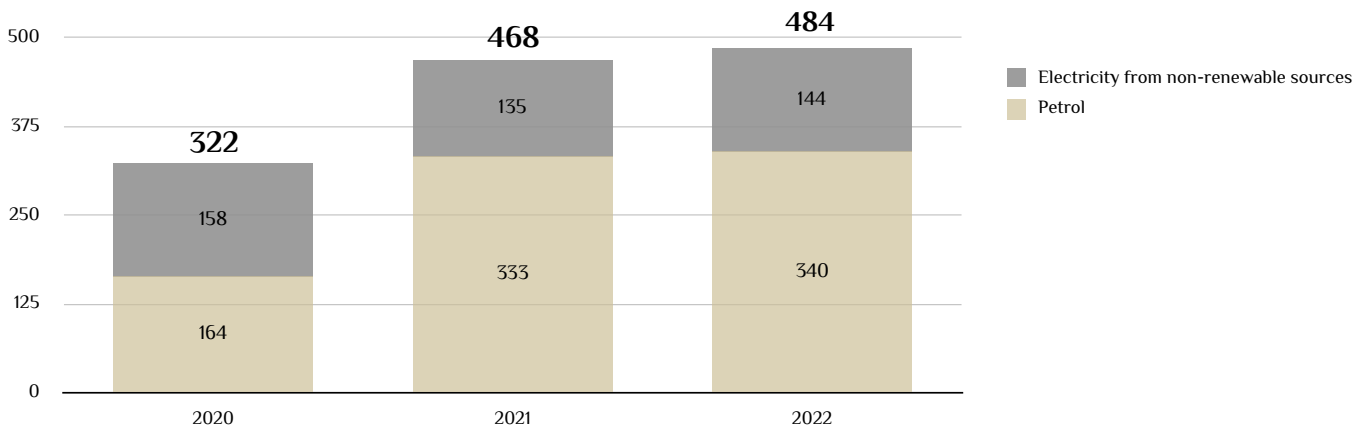
ICAM pays equal attention to its impact on the environment at the Ugandan sites.

The fermentation and drying centers have been designed and built with the aim of minimising electricity consumption and avoiding the use of generators or wood-fired dryers, by using transparent polycarbonate panels in the drying areas and avoiding the use of artificial dryers.

The cocoa processing centers are connected to the national power grid and, in the event of a power failure (blackout), to a petrol-powered generator too. In 2022, **photovoltaic panels for 770 kW were installed at the Hoima site** in order to reduce fuel use. In particular, being in a rural region not served by the national grid, Hoima uses 100% solar energy. **The photovoltaic project for Bundibuyo was also approved.**

Another project aimed at reducing fuel use was the implementation in Hoima and Mukono of **high-efficiency kitchen stoves, which reduced fuel purchase by approximately 40%.**

ENERGY CONSUMED WITHIN THE COMPANY BY ENERGY SOURCES, (GJ),
UGANDA



3. Water management: waste reduction

Cocoa is one of the food raw materials products with the highest impact in terms of water use¹⁹. However, 98% comes from atmospheric precipitation and, in addition, ICAM's supply chains tend to minimize the use of irrigation systems.

Of the remaining 2%, less than 0.1% is attributable to the impact of production facilities.

For the supply of water to its sites, ICAM has:

- three intake wells, two in Orsenigo and one in Lecco;
- connection to the municipal drinking water supply network.



GRI 303-1

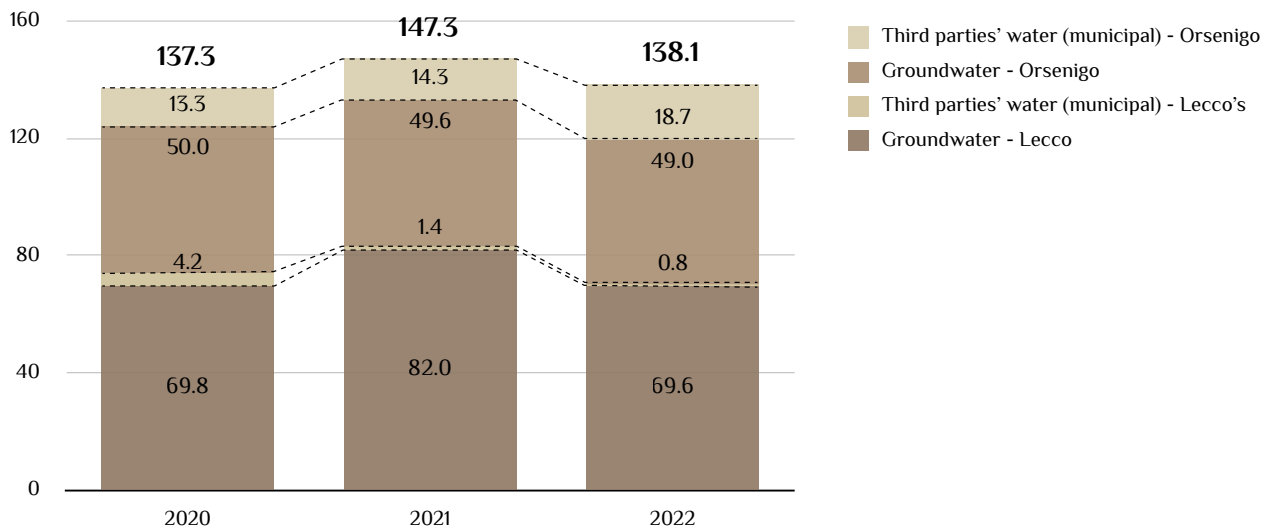
The well water is used for the cocoa processing and auxiliary services of the plant; before being discharged into the sewage system, it is **equalized and kept under constant control** in compliance with Italian legal requirements. On the other hand, water from the aqueduct is used exclusively for sanitary facilities (toilets and showers) and the canteen kitchen. In addition, all **rainwater** on Orsenigo site is sent to a **settling tank**, where any oils from parking areas, cars and trucks are separated and then discharged into the ground.

In 2022, the Company carried out a project to replace the water softening system of the well in Orsenigo with an **osmosis system**, to **eliminate the discharge of chlorides in the waste water and reduce water consumption by 5%**.

GRI 303-3

Water withdrawals for the two Italian sites in 2022 were approximately 138 million-a figure that is substantially in line with previous years²⁰, despite an increase in production.

**WATER WITHDRAWAL IN ITALY (MLN)
 FRESH WATER (≤1.000 MG/L DISSOLVED SOLID CONTENT)**



¹⁹ Source: www.waterfootprint.org, Product Gallery – Water Footprint Network

²⁰ The data on water consumption for the years 2020 and 2021 for the Lecco site have been updated, compared to the data included in the Sustainability Report 2020, following a more precise review of the data.

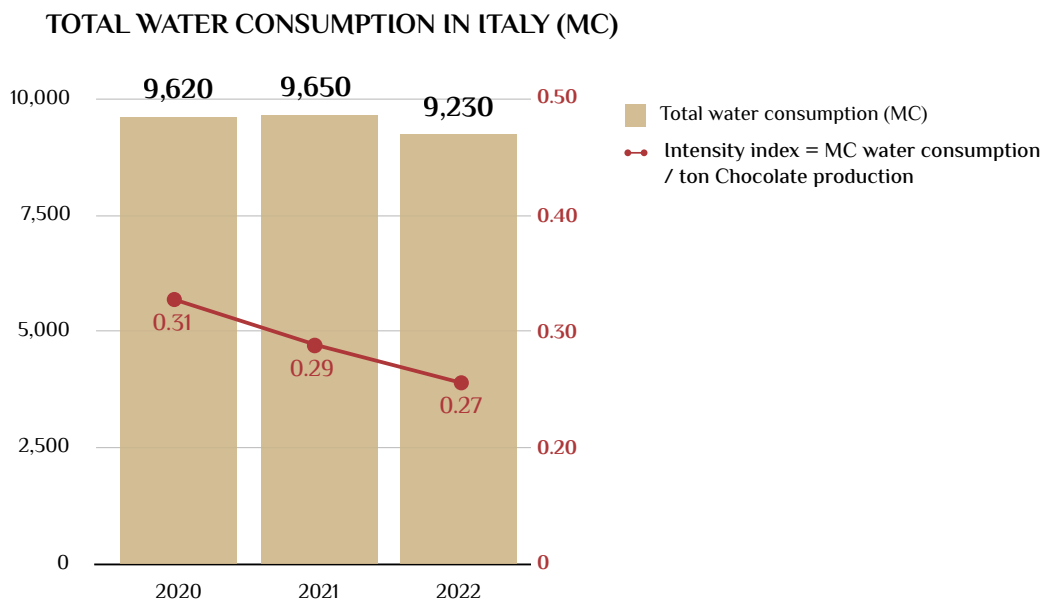
Despite not being part of the product composition, water is used in the process of **transforming cocoa into chocolate**: the part that is “consumed” actually returns to the environment as water vapor.

Though the **production plant is not located in a water-stressed area**²¹, ICAM recognizes that water is nevertheless becoming increasingly scarce and precious and therefore takes water management in production very seriously, ensuring production cycle optimization.

One of the numerous initiatives that ICAM has been carrying out over the years includes transforming all the water cooling and heating circuits used by the process machines into closed circuits.

Furthermore, all the environmental conditioning or cold production machines have been replaced with air-cooled or **closed-circuit** water-cooled machines.

This effort led to a reduction in **water consumption** and in intensity per production volume.



GRI 303-5

ICAM Chocolate Uganda’s water management

The **Bundibugyo** production center draws water from the river for the hygiene and cleaning needs of production, offices and toilets. Currently, there is no metering system to measure water withdrawal and consumption. **Mukono and Hoima** are supplied through private delivery services in jerry cans and tanks.

GRI 303-1

In Hoima, **rainwater** is also collected from roofs for hygienic uses, for a total of approximately 17,500 litres. Of course, this is possible in the rainy season only. All 3 sites are **supplied with certified drinking water for staff**.

²¹ “Water stress” is defined as the inability to meet human and environmental demand for water. Source: “<https://www.wri.org/aqueduct>” Aqueduct | World Resources Institute (wri.org)



4. Sustainable use of raw materials

GRI 306-1 ICAM has always sought the most ethical use of all materials, from the ingredients needed for food production to product packaging.

For more details on food raw materials, please refer to the chapter “Responsibility throughout the supply chain”, paragraph “Sustainable use of raw materials - Contribution to environmental and social sustainability through the selection and purchase of certified raw materials”.

After mapping waste according to generating cause and final destination, the Company.

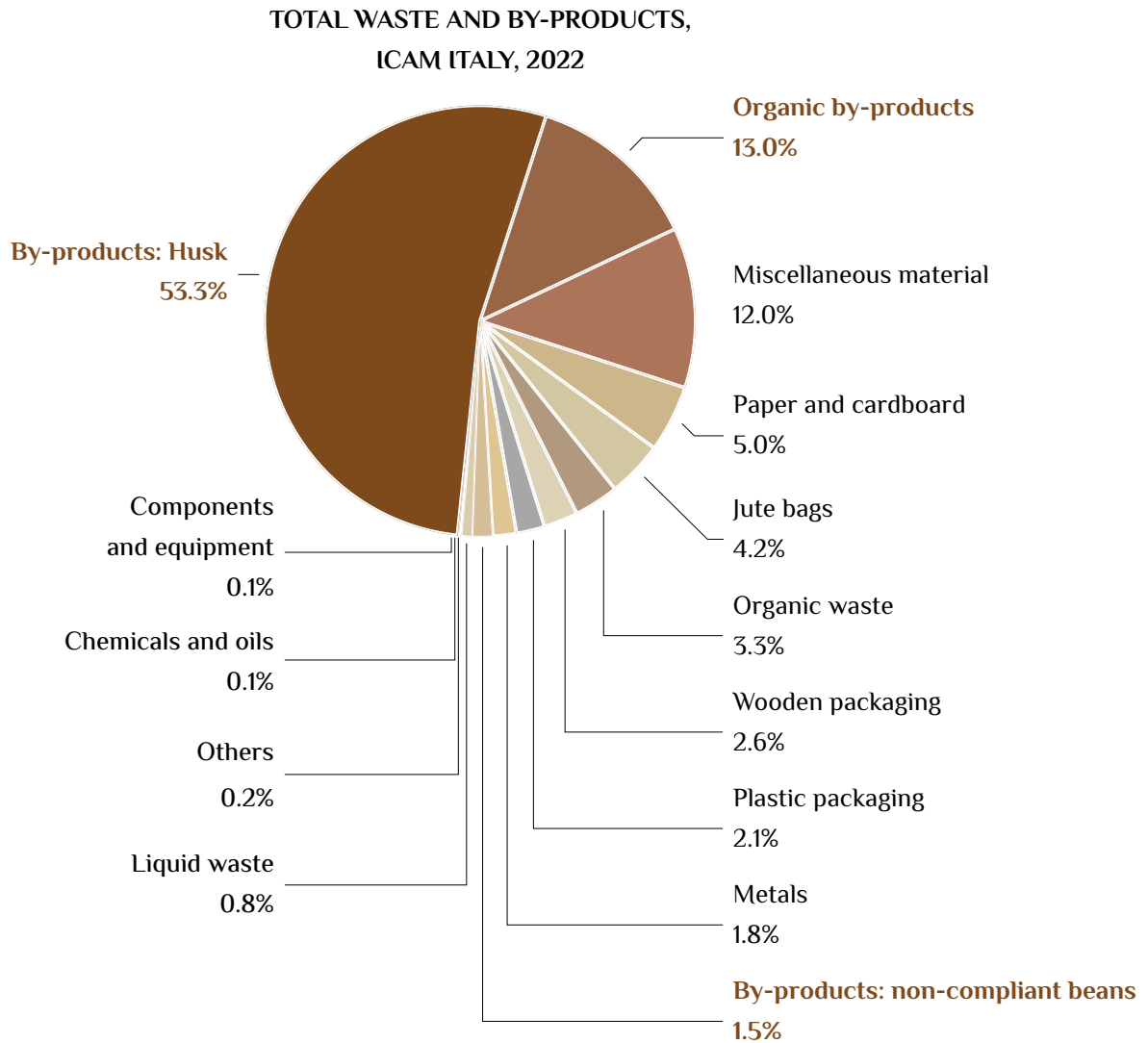
GRI 306-2

Origin	Definition	Prevention activities	End-of-life management activities
Purchased and unused ingredients	Food wastage	Planning and agreements with customers	Transfer to processors
Non-compliant cocoa beans	Food wastage	Checks at origin Technical support to the supply chain	Transfer to processors
Husk (physiological by-product)	Food waste	-	Transfer to feed mills Biomass
Waste from processing	Food wastage	Recirculation and solutions to promote it	Transfer to feed mills Biomass
Unsold finished products	Food surplus	Order planning with customers Commercial management	Banco Alimentare Foundation Transfer to feed mills Biomass
Purchased ingredients	Packaging waste	Industrial formats, big bags and tanks	Sorting Sending for recycling

Reduction of waste thanks to increased efficiency

Approximately 53% of the waste generated by ICAM is cocoa bean husk, a physiological by-product of production that is directly proportional to volume growth.

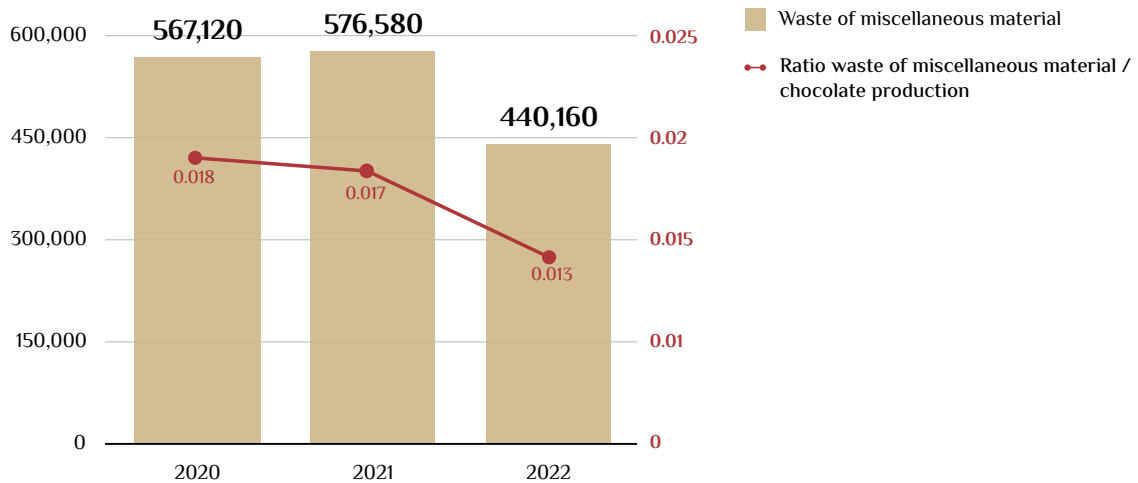
GRI 306-3



Organic by-products are also proportional to production volumes, as they are partly generated by washing/cleaning and quality requirements. ICAM is constantly committed to minimizing such by-products by optimizing procedures and facilities. On this end, a process of production-operator engagement will start in 2023.

In order to **avoid and minimize food waste and surplus**, purchasing and planning departments work closely with the **sales department to plan procurement and production wisely**.

WASTE OF MISCELLANEOUS MATERIAL, KG



Surplus unsold finished products are sent to the **Banco Alimentare** foundation for collection and distribution to needy people. For more details, please refer to the chapter “Commitment towards people”, section “Impacts on local communities: social and economic development of local communities and regions where the Company operates”.



The third waste item is “mixed materials”, i.e. packaging and miscellaneous waste that cannot be sorted. This waste category saw a positive trend in 2022, decreasing by 136 tons.

Circular economy for waste management

GRI 306-4

As for waste and by-products that are **inevitably generated** by production (e.g. husk), for many years ICAM has been working with partners to recycle/reuse these. The Company has carried out research and development of **industrial partnerships in a circular economy perspective**, transforming some material flow into secondary raw materials for another organizations production cycles.

GRI 306-5

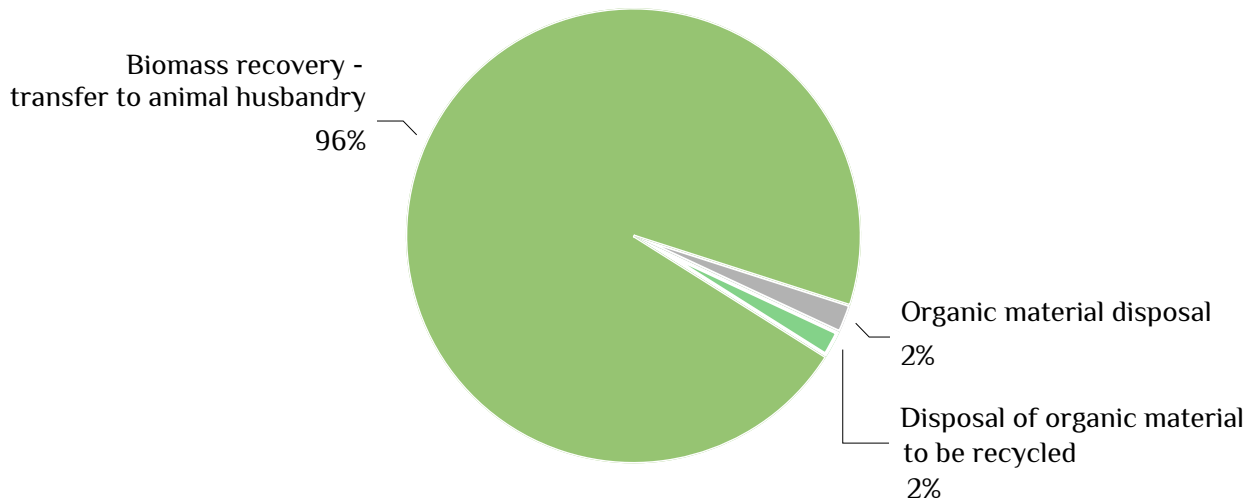
Therefore, it has been necessary to outline **more complex schemes for the collection of waste** in production and for collection logistics, in order not to send everything to landfill indiscriminately.

One of the main initiatives consists in sending **non-compliant cocoa beans, organic by-products and husks to feed mills**, for feeding farm animals, and to **biomass plants** for energy generation.

Moreover, the dispenser recycles 50% of disposed organic waste, accounting for 2% of the total.

Overall, 98% of the organic waste in 2022 was destined for animal husbandry or biomass recovery, while **only 2% was destined for landfill**.

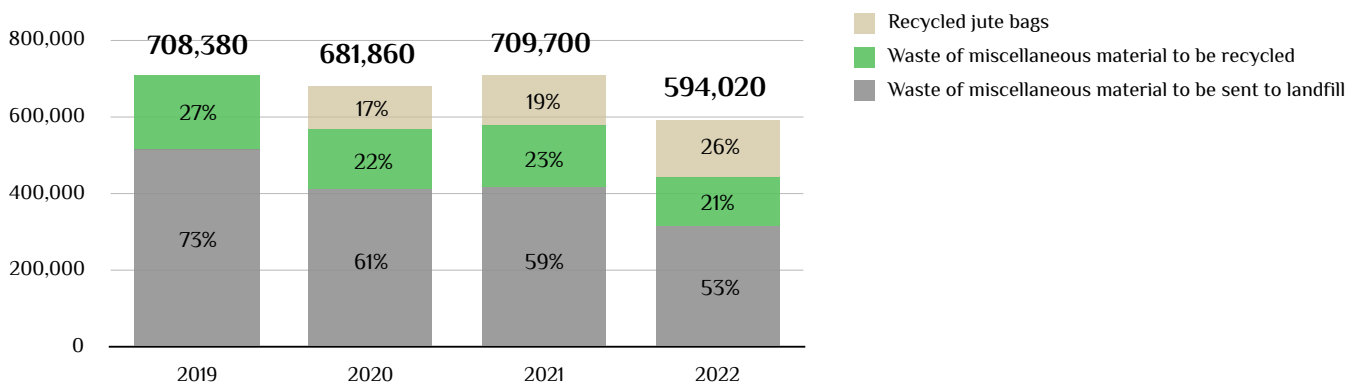
ORGANIC WASTE DESTINATION



On the other hand, as for non-organic waste:

- single-material packaging – paper/cardboard, plastic, wood, iron material – is sorted and 100% is recycled;
- in 2020, jute packaging started to be sorted from mixed materials and sent for recycle;
- 47% of mixed packaging is sent for recovery.

JUTE AND MISCELLANEOUS MATERIALS: DISPOSAL VS. RECYCLING



A SECOND LIFE TO JUTE BAGS

In March 2020, ICAM started waste sorting of the jute bags used for cocoa beans, separating them from the “mixed materials”. Though the production plant is not located in a water-stressed area²¹, ICAM recognizes that water is nevertheless becoming increasingly scarce and precious and therefore takes water management in production very seriously, ensuring production cycle optimization.

In 2022, ICAM increased the separation and recycling of mixed materials by 26% and recovered **153,860 kg of jute**. Since the launch of the project, more than 400 tons of jute have so far been recovered.

Over the next years, ICAM will take the following actions to reduce waste production associated with its activities:

- consolidation of the recycling of jute bags for mulching and the construction of insulation panels;
- a 20% reduction in undifferentiated “mixed materials”.

ICAM Chocolate Uganda’s waste management

GRI 306-1

As regards waste management at the Ugandan sites, the certification process drove the implementation of **collection points for organic waste** (for home composting) and **inorganic waste**, including plastic.

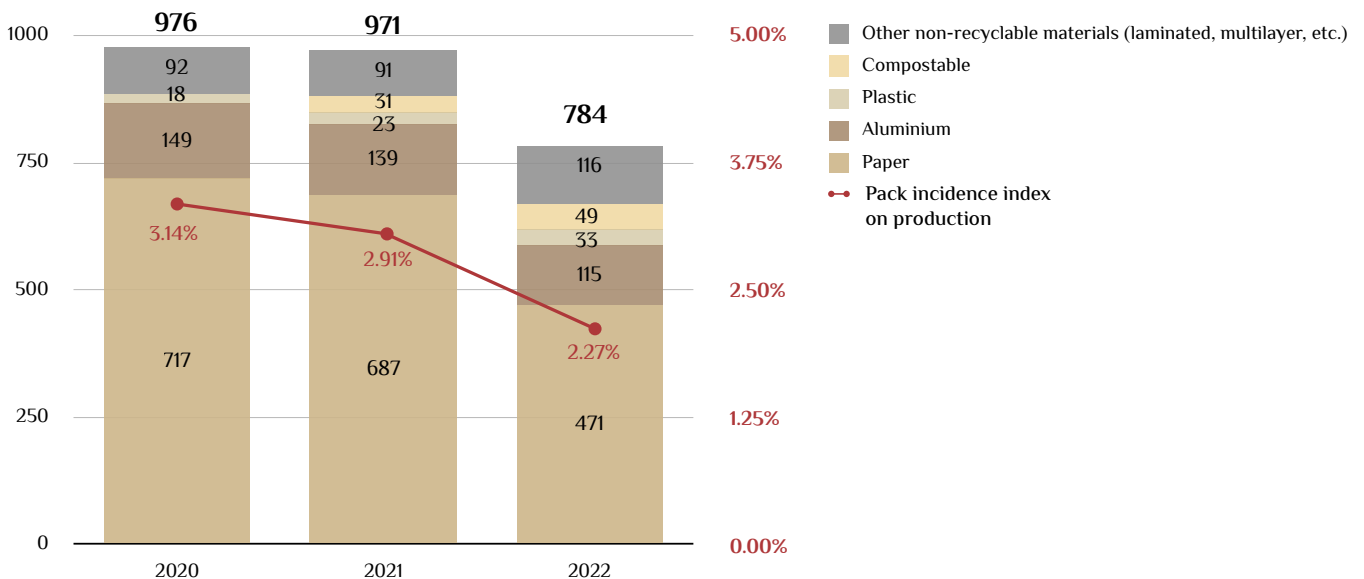
GRI 306-2

In addition, a specialized company provided **specific training** on waste management, which ICAM extended to farmers. This company is also responsible for collecting plastic from the sites and farmers, who in turn are paid a fee for delivering of the secondary raw material.

5. Sustainable packaging

The selection and choice of the most suitable packaging for its products is an important aspect of ICAM’s strategy for quality and sustainability at various levels. A **technical team dedicated to packaging**, in collaboration with the Purchasing Department, defines the specifications of each package, initially assessing whether **the integrity of the product is safeguarded**, both in terms of food safety and freshness and organoleptic quality. Subsequently, aspects related to **manufacturing and production efficiency, the aesthetic and communicative function** of the packaging itself and the **“sustainability”** of the material are also considered, also in terms of ease of disposal and environmental impact.

WEIGHT AND INCIDENCE OF PACKAGING MATERIALS BY PRIMARY PACK*, TON

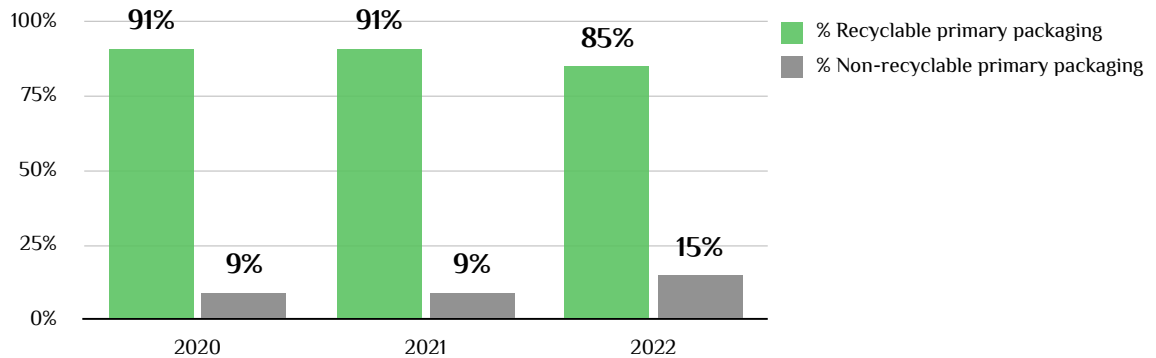


* primary packaging for bars, pralines, cocoa powder, chocolate couverture for professional use. Secondary packaging (cartons, display units, pallets, consumables) is not counted, as such packaging is generally monomaterial and recyclable.

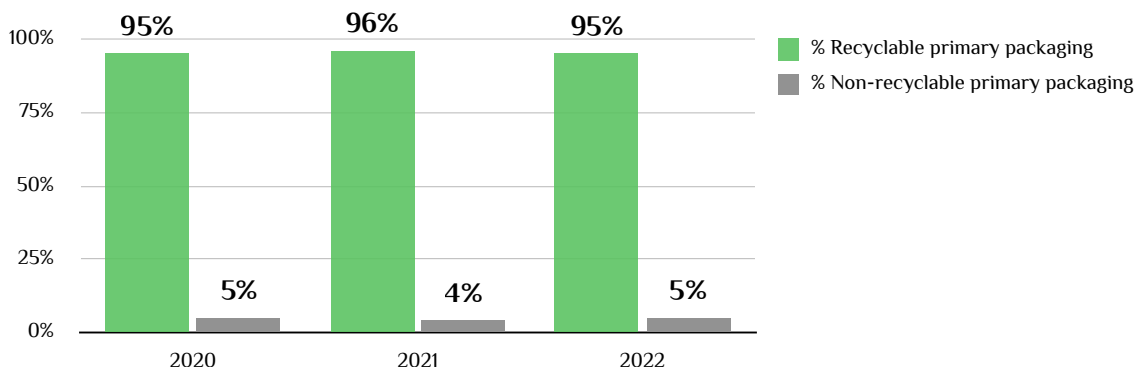
In 2022, approximately 785 tons of material were used for the primary packaging of products (bars, pralines, cocoa powder, semi-finished products for the industry and Easter eggs), to which the purchase of cartons, pallets and display units – the latter made of 100% recyclable material – must be added. With reference to **primary packaging**, about **85% consists of completely recyclable material** (paper, pure aluminium and plastic), while 15% is non-recyclable material with **special structures**, used mainly to package products destined for the industrial market (e.g. drops, coverings, etc.) and therefore suitable for high protection and optimal production efficiency.

As for the total purchase of primary structures, there is an increase in non-recyclable packaging (up from 9% in 2021 to 15% in 2022) due to an increase in the volume of semi-finished products for the industrial market, driven in particular by the growth of foreign markets.

USE OF RECYCLABLE MATERIALS FOR PRIMARY PACKAGING (BARS, PRALINES, COCOA POWDER, SEMI-FINISHED PRODUCTS, EASTER EGGS)



MATERIAL USED FOR BARS



In addition, 2022 saw continued commitment to designing and prioritizing recyclable packaging, especially in cases where suitable structures could be validated to guarantee the total protection of the chocolate for the entire shelf life of the product; these actions were taken in spite of severe difficulties posed by the pandemic and Russia-Ukraine war, both of which have negatively effected the raw material availability and R&D activities.

In particular, as far as **bar production** is concerned, we report:

- the **validation of an aluminum/paper laminated wrapper** with a predominance of aluminum, thus **suitable to be recycled** in the appropriate collection stream, replacing a similar non-recyclable wrapper (20-30 g bars)
- a considerable **increase in the use of certified compostable and biodegradable material**, which increased by 55% in 2021. Overall, in 2022 ICAM purchased 59 tons of compostable material to replace plastic film, **using about 48.6 tons of such material**
- the use of **low-weight** bar packaging, carton packs and portfolio cartons. The project began in February 2020 with the aim of further improving already virtuous and totally recyclable wrapper, by designing wrappers that are lighter but perfectly suited to protecting the product and guaranteeing equal efficiency on the production lines. Regardless of major difficulties in sourcing raw materials, in 2021 and 2022 the company **expanded the number of suppliers involved and the scope** of the project, from 53% to 81% of low-weight carton packs and from 15% to 70% of low-weight portfolio cartons. **The total number of low-weight wrappers accounts for 76% of the purchased wrappers in 2022.** From 2020 to 2022, the new packaging allowed the Company to obtain a **total saving of about 141 tons of wrapping.**



ICAM'S COMPOSTABLE PACKAGING

ICAM has developed an innovative biodegradable/compostable-certified paper-based packaging that not only boasts unique high-barrier features with excellent production efficiency performance, but is also aesthetically appealing.

The testing and study phase, which started in 2019, in partnership with some of our material and technology suppliers, led to the purchase of a dedicated packaging machine, which was installed in June 2020.

The wrapper was introduced in our production in 2021: production for 3 strategic customers started in March 2021.

In October 2021, this innovative wrapper was introduced on a line of bars of our premium brand Vanini too.

In 2021, the Company purchased **one more packaging machine** in order to cope with the significant increase in the volume of products wrapped with compostable packaging.








In 2022, the compostable wrapper was used for approximately 1,800 tons of bars, with an increase of 55% compared with 2021.



Future goals

The following table illustrates the medium and long-term strategic objectives formulated by ICAM in order to actively contribute to the achievement of the United Nations Sustainable Development Goals (SDGs). Each objective is associated with the key issue on which it has an impact and the specific target of the SDGs to which it refers.

Chapter	Key Issues	Goal	Timing	Target	SDG	
Company identity	The Governance of Sustainability	Strengthening the Governance of Sustainability system and developing national and international partnerships , aimed at sharing knowledge, skills, technologies and resources to support the achievement of the SDGs.	2025	17.16		
Commitment to people	Welfare and wellness	Contributing to the creation and spread of well-being and to improve the quality of life of collaborators and their families through the definition of a new supplementary agreement for the revision of the element of professional development, and the enhancement of the benefit package offered to employees.	2022	8.5	 <i>OBJECTIVE REACHED UP</i> see chap. "Welfare and wellness" and "Training and development"	
	Training and development	Contributing to the professional growth of the Company's human capital through investment in training and in the process of continuous improvement.	2023	4.4		
	Occupational health and safety	Strengthening the organizational structure, in order to facilitate constant improvement , adopting all necessary precautions to prevent hazards, and guaranteeing respect for people and rules.	2023	8.8		
	Impacts on the local community		Supporting the training of local talent (>50 young people) by increasing the number of trainee pastry chefs, the school-work alternation program and the establishment of scholarships.	2025	4.5	
			Realizing the company's commitment to social issues through corporate volunteering initiatives involving all employees.	2025	8.5	

Chapter	Key Issues	Goal	Timing	Target	SDG
Responsibility along the supply chain	Respect for human rights	Developing a program to combat forced and child labor aimed at ensuring a 100% slave-free supply chain .	2030	8.7	
	Farmers' skills and productivity The fair remuneration of farmers	Increasing productivity and, consequently, the income of cocoa farmers , developing farmer field schools in Ecuador, Peru and Uganda with the aim of training 5,000 smallholder cocoa producers on good agricultural practices (GAPs).	2025	2.3	
	Biodiversity conservation	Developing 3 agroforestry system projects in key supplier countries (Peru, Dominican Republic and Uganda), identifying the most appropriate way to combine the conservation of biodiversity and the maximum benefit for small producers, with the support of a certified research body.	2030	15.2	
Commitment to the environment	Air quality and emissions	Achieving Climate Neutrality , contributing to the fulfilment of the Italian and European climate objectives.	2050	13.2	
	Air quality and emissions	Getting as close as possible to emission neutrality – including odor – at the Orsenigo site (target: 0 mg/Nmc), reducing cocoa grinding fumes and doubling current thermal oxidation capacity of organic molecules.	2025	9.4	
	Energy management and efficiency	Improving energy efficiency and reducing the environmental impact of production activities through: • the purchase of electricity from renewable sources alone ; • the reduction of 4-5% in electricity consumption .	2023	7.2	
	Sustainable packaging	Improving the sustainability of packaging through: • the study and promotion of alternative solutions ; • the reduction of 10% of the weight of all primary paper wrapping for bars; • the reduction of secondary packaging used for transporting raw materials and products, involving the supply chain. • the replacement of non-recyclable materials with compostable, recyclable or reusable materials (>95% of primary packaging);	2023	12.5	

Detailed data and information

COMMITMENT TO PEOPLE

2-7 Total number of employees by employment contract and gender, as of 31 December

	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
On fixed-term contracts	0	1	2	2	3	2	55	18	74	42	42	16
On permanent contracts	181	163	198	170	195	174	28	11	25	8	92	35
Stabilized staff leasing workers	8	5	3	0	14	5	-	-	-	-	-	-
Total by gender	189	169	203	172	212	181	83	29	99	50	134	51
Total	358		375		393		112		149		185	

2-7 Total number of employees by type of employment (full-time and part-time) and gender, as of 31 December

	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Full-time	188	135	201	141	210	152	28	11	59	24	92	35
Part-time	1	34	2	31	2	29	55	18	40	26	42	16
Total by gender	189	169	203	172	212	181	83	29	99	50	134	51
Total	358		375		393		112		149		185	

2-8 Total number of other collaborators working on the premises or on behalf of ICAM, as of 31 December

	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Agents	85	5	64	3	66	3	5	0	0	0	0	0
Interns	5	3	0	1	5	1	0	0	4	0	4	0
Seasonal staff-leasing workers	15	31	24	30	31	33	-	-	-	-	-	-
Total by gender	105	39	88	34	102	37	-	-	-	-	-	-
Total	144		122		139		5		4		4	

401-1 Employee turnover as of 31 December for each year²²

HIRING	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Less than 30 years old	7	4	9	4	9	7	1	2	9	5	20	11
30-50 years old	8	4	11	13	16	11	9	0	23	9	11	4
More than 50 years old	1	1	6	1	5	0	0	0	2	0	2	-
Total by gender	16	9	26	18	30	18	10	2	34	14	33	15
Total employees	25		44		48		12		48		48	

HIRING RATIO	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Less than 30 years old	21%	21%	32%	44%	36%	54%	5%	12%	0%	0%	32%	69%
30-50 years old	7%	4%	10%	11%	12%	9%	15%	0%	25%	92%	16%	12%
More than 50 years old	2%	2%	12%	2%	9%	-	0%	0%	0%	0%	50%	0%
Total by gender	8%	5%	13%	10%	14%	10%	12%	7%	17%	44%	24%	29%
Total employees	7%		12%		12%		11%		26%		26%	

EXITS	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Less than 30 years old	1	0	5	0	3	2	0	0	0	0	14	9
30-50 years old	2	2	7	5	12	2	2	1	1	1	10	0
More than 50 years old	3	5	4	6	6	5	0	0	0	0	0	0
of which retirements	3	4	4	4	4	5	0	0	0	0	0	0
Total by gender	6	7	16	11	21	9	2	1	1	1	24	9
Total employees	13		27		30		3		2		33	

EMPLOYEE TURNOVER RATIO	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Less than 30 years old	3%	0%	14%	0%	12%	15%	0%	0%	0%	0%	22%	56%
30-50 years old	2%	2%	3%	7%	9%	2%	3%	8%	1%	4%	15%	0%
More than 50 years old	7%	12%	8%	16%	10%	11%	0%	0%	0%	0%	0%	0%
Total by gender	2%	2%	2%	2%	10%	5%	0%	0%	1%	2%	18%	18%
Total employees	4%		7%		8%		3%		1%		18%	

²² In order to provide a more meaningful representation, in line with ICAM's approach and vision, the employee turnover figures also include the hiring and leaving of (non-seasonal) temporary staff-leasing workers at ICAM S.p.A. offices. In this regard, in order to avoid double-counting of (non-seasonal) staff-leasing workers at the time of recruitment by ICAM S.p.A., only entries and exits (if the contract has not been renewed by ICAM) occurring through employment agencies were taken into account.

401-3 Parental leave

	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Total number of employees who were entitled to parental leave	181	164	200	172	198	176	N.D.	N.D.	74	6	92	35
Total number of employees who took parental leave	0	8	1	7	2	9	N.D.	N.D.	0	3	0	4
Total number of employees who took parental + compulsory leave	-	10	2	10	2	14	-	-	-	-	-	-
Total number of employees who returned to work in the reporting period	0	8	1	7	2	9	N.D.	N.D.	0	3	0	4
Total number of employees who returned and remained in the organization after 12 months	0	8	11	7	2	9	N.D.	N.D.	0	3	0	4
Return rate of employees who took leave (1)	-	100%	100%	100%	100%	100%	N.D.	N.D.	N.A.	100%	N.A.	100%
Retention rate of employees who took leave (2)	-	-	100%	100%	100%	100%	N.D.	N.D.	N.A.	100%	N.A.	100%

(1) Return to work rate - (2) Retention rate

403-8 Certified Occupational Health and Safety Management System (OHSMS) (e.g. OHSAS 18001 or ISO 45001:2018) and provision of the following information

	ITALY			UGANDA		
	2020	2021	2022	2020	2021	2022
% of employees and non-employees covered by OHSMS	100%	100%	100%	100%	100%	100%
% of employees and non-employees covered by OHSMS, certified by internal audit	100%	100%	100%	N.D.		
% of employees and non-employees covered by OHSMS, certified by third-party audit	100%	100%	100%			

403-9 Number of injuries and indicators of employees' health and safety

	ITALY			UGANDA		
	2020	2021	2022	2020	2021	2022
Work-related deaths	-	-	-	-	0	0
Injuries	6	11	8	-	16	31
Of which serious injuries	-	-	-	-	0	0
Of which commuting injuries	-	1	1	-	16	22
Total working hours	512,034	542,074	528,239	N.D.	N.D.	N.D.

403-9 Number of injuries and indicators of employees' health and safety

	ITALY			UGANDA		
	2020	2021	2022	2020	2021	2022
Work-related deaths	-	-	-			
Injuries	3	3	3			
Of which serious injuries	-	-	-			
Of which commuting injuries	-	-	-			
Total working hours	55,552	70,852	90,823			

Not available

403-10 Work-related ill health

	ITALY			UGANDA		
	2020	2021	2022	2020	2021	2022
Employees	0	0	0	-	0	0
deaths caused by work-related ill health	0	0	0	-	0	0
cases of work-related ill health	0	0	0	-	0	0
type of work-related ill health	0	0	0	-	0	0
Workers who are not employees	0	0	0	-	0	0
deaths caused by work-related ill health	0	0	0	-	0	0
cases of work-related ill health	0	0	0	-	0	0
type of work-related ill health	0	0	0	-	0	0

404-1 Average hours of training provided to employees by gender and assignment²³

	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Executives	0	0	262	73	51	307						
Middle managers	44	6	72	23	40	26						
Clerical workers	221	109	121	177	539	1,104						
Blue-collar workers	322	235	2,328	1,743	1,620	3,194						
Non-seasonal staff leasing workers	2,362	1,370	8,531	2,239	17,369	3,065						
Total by gender	2,949	1,720	11,314	4,255	19,619	7,696						
Total	4,669		15,569		27,315							

accurate hour accounting unavailable

²³ In order to provide a more meaningful representation, in line with ICAM's approach and vision, the figures about training take into account the training provided to employees working at ICAM S.p.A. offices.

404-3 Percentage of employees receiving regular assessments of their performance and professional development

	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Executives	100%	100%	100%	100%	100%	100%	0%	0%	0%	0%	0%	0%
Middle managers	100%	100%	100%	100%	100%	100%	0%	0%	0%	0%	0%	0%
Clerical workers	0%	0%	100%	100%	100%	100%	0%	0%	65%	65%	80%	80%
Blue-collar workers	54%	56.5%	100%	100%	100%	100%	0%	0%	65%	65%	80%	80%
Total by gender	77%	71%	100%	100%	100%	100%	0%	0%	62%	65%	78%	77%
Total employees	44%		100%		100%		0%		64%		77%	

405-1 Total number of employees by assignment, gender and age group, as of 31 December

2020	ITALY						UGANDA					
	<30		30-50		>50		<30		30-50		>50	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Executives	0	0	2	2	5	0	0	0	1	0	0	0
Middle managers	0	0	8	1	2	3	0	0	2	0	0	0
Clerical workers (Uganda: + buyers and field staff)	4	7	17	32	7	5	11	11	46	9	0	0
Blue-collar workers	24	9	84	70	28	35	10	6	12	3	1	0
Non-seasonal staff leasing workers	5	3	3	2	0	0	-	-	-	-	-	-
Total by gender	33	19	114	107	42	43	21	17	61	12	1	0
Total by age group	52		221		85		38		73		1	
Total	358						112					

2021	ITALY						UGANDA					
	<30		30-50		>50		<30		30-50		>50	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Executives	0	0	2	2	6	1	0	0	1	0	0	0
Middle managers	0	0	9	1	1	3	0	0	2	0	0	0
Clerical workers (Uganda: + buyers and field staff)	4	4	21	36	6	9	11	11	46	13	0	0
Blue-collar workers	22	5	93	80	36	31	17	13	18	11	4	2
Non-seasonal staff leasing workers	2	0	1	0	0	0	-	-	-	-	-	-
Total by gender	28	9	126	119	49	44	28	24	67	24	4	2
Total by age group	37		245		93		52		91		6	
Total	375						149					

2022	ITALY						UGANDA					
	<30		30-50		>50		<30		30-50		>50	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Executives	0	0	3	1	6	2	0	0	1	0	0	0
Middle managers	0	0	8	1	1	3	0	0	1	0	0	0
Clerical workers (Uganda: + buyers and field staff)	1	8	18	39	7	7	33	9	55	19	4	0
Blue-collar workers	22	5	91	77	41	33	30	7	10	14	0	2
Non-seasonal staff leasing workers	2	0	9	5	3	0	-	-	-	-	-	-
Total by gender	25	13	129	123	58	45	63	16	67	33	4	2
Total by age group	38		252		103		79		100		6	
Total	393						185					

405-1 Composition of governance bodies (Board of Directors, Board of Statutory Auditors and Supervisory Board) by gender and age group

	ITALY						UGANDA					
	2020		2021		2022		2020		2021		2022	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Less than 30 years old	0	0	0	0	0	0	0	0	0	0	0	0
30-50 years old	0	1	0	1	0	1	2	0	2	0	2	0
More than 50 years old	10	0	10	0	10	0	1	0	1	0	1	0
Total by gender	10	1	10	1	10	1	3	-	3	-	3	-
Total	11		11		11		3		3		3	

406-1 Incidents of discrimination and corrective measures taken

	ITALY			UGANDA		
	2020	2021	2022	2020	2021	2022
no. incidents of discrimination	0	0	0	0	0	0
no. ongoing remedial actions	0	0	0	0	0	0
no. applied remedial actions	0	0	0	0	0	0
no. of incidents no longer subject to remedial actions	0	0	0	0	0	0

RESPONSIBILITY THROUGHOUT THE SUPPLY CHAIN

203-2 Significant indirect economic impacts.

Number of cooperatives from which ICAM directly purchases Fairtrade certified cocoa from.

No. cooperatives	2020	2021	2022
Country			
Peru	11	14	14
Ecuador	3	2	3
Dominican Republic	2	1	1
Total	16	17	18

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

ICAM's sites, all of which owned by the Company, have been mapped with the help of WDPA - the World Database on Protected Areas. No sites are located within protected areas.

SITE	TYPE OF ACTIVITY	PROTECTED AREA NAME	DISTANCE	TYPE OF PROTECTED AREA	IUCN MANAGEMENT CATEGORY
Orsenigo, Italy	Production	Lago di Montorfano Nature Reserve	2.5 km	Protected terrestrial ecosystem - regional/provincial natural reserve	IV
		Valle del Lambro Regional Park (Alserio, CO)	2.16 km	Protected terrestrial ecosystem - regional/provincial natural park	V
Lecco, Italy	Headquarters – Commercial	Adda Nord Nature Park	200 mt	Protected terrestrial ecosystem - regional/provincial natural park	V
		Monte Barro Nature Park	850 mt	Protected terrestrial ecosystem - regional/provincial natural park	V
Bundibugyo, Uganda	Production	Rwenzori Mountains National Park	2.7 km	Protected terrestrial ecosystem - World Heritage Site (natural or mixed)	N/A
		Mataa Central forest reserve	2.7 km	Forest reserve	N/A
		Semuliki	7 km	Protected terrestrial ecosystem - National park	II
Mukono, Uganda	Production	Nakasenyi	4.6 km	Protected terrestrial ecosystem - Forest reserve	N/A
Hoima, Uganda	Production	Mukihani	7 km	Protected terrestrial ecosystem - Forest reserve	N/A
		Kyamugongo	1 km	Protected terrestrial ecosystem - Forest reserve	N/A

408-1 / 409-1 Activities and suppliers at significant risk of incidents of child labor and forced labor²⁴

Risk	Raw materials at risk	Supply sources at potentially critical risk	Geographical areas
 Forced labor	 Cocoa	10 sources	Western Africa Central Africa Eastern Africa
	 Sugar	3 sources	South-East Asia
 Child labor	 Cocoa	27 sources	Western Africa Central Africa Eastern Africa
	 Sugar	3 sources	South-East Asia

412-3 Total number of raw material suppliers that have signed ICAM's Code of Ethics

	ITALY		
	2020	2021	2022
Cooperatives - Local exporters			
Total suppliers	22	21	27
Total suppliers that signed Code of Ethics	18	20	27
% purchases through cooperatives that signed Code of Ethics	30%	29%	34%
Traders			
Total suppliers	18	25	20
Total suppliers that signed Code of Ethics	14	17	16
% purchases through cooperatives that signed Code of Ethics	48%	50%	49%
Total	79%	79%	83%
% cocoa purchases through cooperatives that signed Code of Ethics	94%	96%	97%

301-1 Weight of cocoa purchased in tons, broken down by purchasing channel and type of certification

Cocoa, tons	TOTAL ICAM					
	2020		2021		2022	
	Direct purchase	Indirect purchase	Direct purchase	Indirect purchase	Direct purchase	Indirect purchase
Organic	2,480	3,489	2,430	3,101	2,376	3,577
Fairtrade	922	977	1,700	553	1,975	275
Fairtrade and Organic	6,638	1,430	5,725	2,638	3,399	4,085
Conventional	1,056	7,055	2,113	4,983	2,739	2,944
Rainforest Alliance	n.d.	n.d.	125	2,697	701	4,042
Total	24,047		26,065		26,113	

²⁴The term "potential risk" refers to the risk associated with sourcing raw material from a particular country

COMMITMENT TO INNOVATION

416-1 Assessment of the impacts on health and safety by product and service categories

%	2020	2021	2022
Categories of significant products and services for which impacts on health and safety are assessed	100%	100%	100%

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

Numero casi	2020	2021	2022	Note
Incidents of non-compliance with regulations that resulted in fines or sanctions	1	0	0	*Notices from the Peruvian biological control body, in relation to suppression measures. Being uninvolved, ICAM has not suffered any measures.
Incidents of non-compliance with regulations that resulted in warnings	0	1	2*	
Non-compliance vs. self-regulatory codes	0	0	0	

RESPONSIBILITY TOWARDS INNOVATION

301-1 Weight of the materials used for primary packaging of main products, broken down by category and recyclability of material

Tons	2020		2021		2022	
	Recyclable	Non-recyclable	Recyclable	Non-recyclable	Recyclable	Non-recyclable
Paper	717	-	687	-	471	-
Aluminium	149	-	139	-	115	-
Plastic	18	-	23	-	33	-
Compostable	-	-	31	-	49	-
Other materials (laminated, multilayer, etc.)	-	92	-	91	-	116
Total by category	884	92	880	91	668	116
Total	976		971		784	

301-1 Weight of the raw materials purchased, broken down by macro-category

Tonnellate	ITALY		
	2020	2021	2022
Cocoa	24,047	26,065	26,113
Sugar	8,703	9,303	9,979
Hazelnuts, hazelnut paste, almonds	550	691	795
Vanilla	9	11	10
Milk	2,161	2,567	2,517
Total	35,470	38,637	39,414

302-1 Energy consumption within the organization

Type of energy in GJ	ORSENIGO			LECCO		
	2020	2021	2022	2020	2021	2022
Electricity purchased from non-renewable sources (A)	20,810	-	-	4,948	-	-
Electricity purchased from renewable sources (B)	-	15,622	22,842	-	4,187 ²⁵	3,734
Total purchased electricity (A+B)	20,810	15,622	22,842	4,948	4,187	3,734
Energy sold - GJ	5,018	4,480	2,707	-	-	-
Methane	213,583	227,364	207,192	5,416	6,623	5,008
Diesel	1,719	1,919	1,638	-	-	-
Total energy consumption	231,094	240,425	228,965	10,364	10,809	8,742

Type of energy in GJ	UGANDA			TOTAL ITALY - UGANDA		
	2020	2021	2022	2020	2021	2022
Electricity purchased from non-renewable sources (A)	158	135	144	25,916	135	144
Electricity purchased from renewable sources (B)	-	-	-	-	19,809	26,576
Total purchased electricity (A+B)	158	135	144	25,916	19,944	26,720
Energy sold - GJ	-	-	-	5,018	4,480	2,707
Methane	-	-	-	218,999	233,987	212,200
Diesel	164	333	340	1,883	2,252	1,978
Total energy consumption	322	468	484	241,780	251,702	238,191

302-3 Energy intensity

Internal energy intensity per produced tons	TOTAL ITALY		
	2020	2021	2022
Total energy consumption, in GJ	241,458	251,235	237,707
Italian production, ton	31,104	33,361	34,465
ENERGY INTENSITY INDEX = GJ/Ton	7.76	7.53	6.90

²⁵ Recalculated from the Sustainability Report 2021 due to incorrect classification of the current electricity contract in Lecco

303-3 Annual water withdrawal broken down by source and site

ML	ORSENIGO						LECCO					
	2020		2021		2022		2020		2021		2022	
	Fresh water (≤1.000 mg/L dissolved sol- id materials)	Other water (>1.000 mg/L dissolved sol- id materials)	Fresh water (≤1.000 mg/L dissolved sol- id materials)	Other water (>1.000 mg/L dissolved sol- id materials)	Fresh water (≤1.000 mg/L dissolved sol- id materials)	Other water (>1.000 mg/L dissolved sol- id materials)	Fresh water (≤1.000 mg/L dissolved sol- id materials)	Other water (>1.000 mg/L dissolved sol- id materials)	Fresh water (≤1.000 mg/L dissolved sol- id materials)	Other water (>1.000 mg/L dissolved sol- id materials)	Fresh water (≤1.000 mg/L dissolved sol- id materials)	Other water (>1.000 mg/L dissolved sol- id materials)
Surface water												
Groundwater	49.97	-	49.55	-	49.03	-	69.78 ²⁶	-	82.00	-	69.63	-
Sea water												
Produced water ²⁷												
Third-party water resources (municipal)	13.29	-	14.34	-	18.63	-	4.20	-	1.35	-	0.79	-
% reused water	-	-	-	-	-	-	-	-	-	-	-	-
Total	63.26		63.89		67.66		73.98		83.35		70.42	

ML	TOTAL ITALY					
	2020		2021		2022	
	Fresh water (≤1.000 mg/L dissolved sol- id materials)	Other water (>1.000 mg/L dissolved sol- id materials)	Fresh water (≤1.000 mg/L dissolved sol- id materials)	Other water (>1.000 mg/L dissolved sol- id materials)	Fresh water (≤1.000 mg/L dissolved sol- id materials)	Other water (>1.000 mg/L dissolved sol- id materials)
Surface water	-	-	-	-	-	-
Groundwater	119.75	-	131.55	-	118.66	-
Sea water	-	-	-	-	-	-
Produced water ²⁷	-	-	-	-	-	-
Third-party water resources (municipal)	17.49	-	15.69	-	19.42	-
% reused water	-	-	-	-	-	-
Total	137.24		147.24		138.08	

²⁶ The figures about water withdrawal in Lecco in 2020 have been revised after an internal recalculation.

²⁷ Water that enters an organization's boundaries as a result of extraction (e.g. crude oil), processing (e.g. sugar cane crushing) or the use of raw materials, and, consequently, must be managed by the organization.

303-5 Water consumption

MC	ORSENIGO						LECCO					
	2020		2021		2022		2020		2021		2022	
	All areas	Water-stressed areas	All areas	Water-stressed areas	Tutte le aree	Water-stressed areas	All areas	Water-stressed areas	Tutte le aree	Water-stressed areas	All areas	Water-stressed areas
Total water consumption (mc)	9,620		9,650		9,230		0		0		0	
Changes in water storage, if this has a significant impact on water resources	0	0	0	0	0	0	0	0	0	0	0	0
Total	9,620		9,650		9,230		0		0		0	

MC	TOTAL ITALY					
	2020		2021		2022	
	All areas	Water-stressed areas	All areas	Water-stressed areas	All areas	Water-stressed areas
Total water consumption (mc)	9,620		9,650		9,230	
Changes in water storage, if this has a significant impact on water resources						
Total	9,620		9,650		9,230	
Intensity index of water consumption =MC/Ton	0.31		0.29		0.27	

305-1, 305-2, 305-3

Direct GHG emissions (SCOPE 1), indirect GHG emissions (SCOPE 2) and other indirect GHG emissions (SCOPE 3)²⁸

Totale ICAM	2020	2021	2022
Direct GHG emissions (SCOPE 1)	11,167	11,998	11,140
Indirect GHG emissions (SCOPE 2)	2,572	0 ²⁹	0
Other indirect GHG emissions (SCOPE 3)	287,666	_30	_30
Total	301,405	N.D.	N.D.

305-4 Intensity of greenhouse gas (GHG) emissions, SCOPE 1 and 2

GHG INTENSITY INDEX per produced tons	2020	2021	2022
Direct GHG emissions (SCOPE 1 and 2)	13,739	11,998	11,140
Italian production, ton	31,104	33,361	34,465
GHG intensity index per produced tons	0.44	0.36	0.32

²⁸ The figures about GHG emissions refer to ICAM S.p.A. only. The other Group companies were not included in the assessment to determine the carbon footprint as their impact was assessed as negligible.

²⁹ Recalculated from the Sustainability Report 2021 due to incorrect classification of the current electricity contract in Lecco.

³⁰ The figures about Scope 3 GHG emissions refer only to 2020 – the year when an external Company carried out an analysis of the Group's carbon footprint – and only to ICAM S.p.A.

GRI content index

GRI Standard	Information	Section	Page	Omission/Comment
GRI 2: GENERAL DISCLOSURES 2021				
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2-1	Organizational details	Company profile	13	
2-2	Entities included in the organization's sustainability reporting	Methodological note	9	
2-3	Reporting period, frequency and contact point	Methodological note	9	
2-4	Restatements of information	Methodological note	9	Any changes from the data that were published in the previous year have been highlighted in this document with specific notes
2-5	External assurance			Not subject to external assurance
Activities and workers				
2-6	Attività, catena del valore e altri rapporti di business	Company profile Responsibility throughout the supply chain - introduction	13 63	
2-7	Dipendenti	Collaborators in Italy	43	
2-8	Lavoratori non dipendenti	Collaborators in Uganda	45	
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2-9	Governance structure and composition	Governance and organization	25	
2-10	Nomination and selection of the highest governance body	-		Boards of Directors are appointed by the shareholders' meeting, in compliance with the law
2-11	Chair of the highest governance body	Governance and organization	25	
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability governance	29	
2-13	Delegation of responsibility for managing impacts			
2-14	Role of the highest governance body in sustainability reporting	Methodological note	9	

2-15	Conflicts of interest			https://www.icamcioccolato.com/media/chi-siamo/obiettivi/ICAM-codice-etico-IT.pdf	
2-16	Notice of critical issues			As part of the whistleblowing system set out in GRI 2-26 below, any relevant reports are subject to periodic reporting to the Board of Directors by the Supervisory Board. In 2022, there were no critical issues such as to require specific reporting to the Board of Directors	
2-17	Collective knowledge of the highest governance body	Sustainability governance	29	In the reporting period, the Board of Directors did not carry out any induction activities about the sustainable development, but the Group intends to implement them in the future	
2-18	Performance assessment of the highest governance body			"At the moment, there are no mechanisms in place to assess the Board of Directors' performance in managing the impacts on the economy, the environment and people"	
2-19	Remuneration Rules			The Board of Directors' members receive a fixed remuneration.	
2-20	Procedure for determining remuneration			The remuneration of the Board of Directors' members is determined by the Shareholders' Meeting at appointment	
2-21	Annual total remuneration ratio			Confidential information	
Strategy, policies and practices					
2-22	Sustainable Development Strategy Statement	ICAM and its support to the UN Sustainable Development Goals Partnerships for sustainability goals	32		
2-23	Policy commitment	Sustainability governance	29	"https://www.icamcioccolato.com/media/chi-siamo/obiettivi/ICAM-codice-etico-IT.pdf https://www.icamcioccolato.com/it/chi-siamo/manifesto/ "	
2-24	Integration of commitments in terms of policy				
2-25	Processes to remedy negative impacts				During the reporting period, no significant complaints were received from stakeholders
2-26	Mechanisms for requesting clarification and raising concerns				ICAM S.p.A. has adopted the Organization, Management and Control Model pursuant to Legislative Decree 231/2001, as well as its whistleblowing system. In addition, the email address sustainability@icamcioccolato.it can be used to request clarifications on the implementation of the organization's policies and practices for a responsible business conduct
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2-29	Approach to stakeholder engagement	Stakeholders	37		
2-30	Collective bargaining agreements	Welfare: contribution to collaborator welfare	47		

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3-3	Management of key issues	Impacts on local communities: social and economic development of local communities and regions where the Company operates The fair remuneration of farmers Impact on local communities (Supply chain)	59 76 93	
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205-3	Confirmed incidents of corruption and actions taken			
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3-3	Management of key issues	Sustainable use of raw materials	72	
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301-1	Materials used by weight or volume	Sustainable use of raw materials	72	

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CUSTOMER HEALTH AND SAFETY**GRI 3: KEY ISSUES 2021**

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Glossary

OTHER INDIRECT GHG EMISSIONS (Scope 3): indirect GHG emissions not included in energy indirect (Scope 2) GHG emissions that occur outside of the organization, including both upstream and downstream emissions.

B2B: abbreviation for Business to Business, in common language it is meant to include the sum of the various transactions that occur between one company and its suppliers or other companies in the same sector.

ANIMAL WELFARE: is generally meant as “the quality of life of an animal as perceived by the individual animal.” Animal welfare does not only include the health and physical wellbeing of the animal, but also its psychological wellbeing and the ability to express its natural behaviors. This welfare may be considered as being respected if the animals are in good health, they feel well and are free from pain.

BIODEGRADABLE: in the language of chemistry and commerce, this refers to a substance or product that may undergo organic decay (biodegradation).

BIODIVERSITY: in biology, the coexistence of multiple animal and plant species in a specific ecosystem; this is also called organic diversity.

ORGANIC (BIO): organic foodstuffs are obtained by applying agricultural techniques that do not rely on chemical substances or the use of genetically modified organisms. Organic products are certified by an independent organization in order to guarantee their origins by companies operating in accordance with community rules. Any company that intends to produce, transform, label, market and import organic products must subject themselves to a control system.

WHITE CERTIFICATES (Certificates of Energy Efficiency): negotiable securities that certify the energy savings obtained by implementing improvements in energy efficiency.

COMPOSTABLE: material that can be subject to transformation into compost. Composting is a system of disposal of solid urban waste, which, through various processes (milling, homogenization, aerobic fermentation), are partially transformed into compost.

VOLATILE ORGANIC COMPOUNDS (VOC): chemical compounds of various kinds characterized by their volatility, which refers to their ability to easily evaporate in the air at room temperature.

CONVENTIONAL: products with no organic and/or fair-trade attributes.

DIRECT GHG EMISSIONS (Scope 1): direct GHG emissions from sources that are owned or controlled by the Company.

INDIRECT GHG EMISSIONS (Scope 2): GHG emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by an organization.

FAIRTRADE: the combination of commercial activities aimed at favoring the economic growth of developing nations, exporting these products, with equitable remuneration.

GREENHOUSE GAS: gas able to influence the capacity of the Earth’s atmosphere to absorb and hold heat, giving rise to an increase in the temperature of the Earth’s surface.

GENOTYPE: the genetic characteristics of a plant.

HACCP: in an agro-food framework, it is the acronym for hazard analysis critical control point, which indicates a system of inquiries and surveillance aimed at identifying and preventing the diffusion of food related disease.

COMMUTING INJURIES: injuries occurring during the regular commute from a worker’s place of residence to work.

GRAFT: consolidated practice that tends to favor the propagation of a plant, by controlling and improving its growth, quality and resistance to diseases and pests in order to obtain a qualitatively superior plant species.

PRIVATE LABEL: private brands owned by distributors that differentiate ever wider product ranges, which compete with more well-known and established brands.

TRADERS: companies that are specialized in the commerce of agricultural raw materials.

WHITE-LABEL: A product or service realized by one company that allows its rebranding by another company.



*“One day they ask us how we managed
to create a product like this.”*

A handwritten signature in black ink, which appears to read "Agostoni Silvio". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Silvio Agostoni
Founder of ICAM



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